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HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 13, 1964

The House met at 12 o'clock noon.

Rev. Paul J. Harrell, Memorial Baptist Church, Arlington, Va., offered the following prayer:

Hebrews 11: 9-10: *By faith Abraham sojourned in the land of promise. For he looked forward to the city which has foundations, whose builder and maker is God.*

O God, the Protector of all that trust in Thee, without whom nothing is strong, nothing is holy, speak to our hearts when courage fails and we faint for fear, when our love grows cold and there is distress of nations upon the earth. Keep us resolute and steadfast in the things that cannot be shaken, abounding in hope and knowing that our labor is not in vain in Thee.

We pray for our country, that wisdom and public spirit may be plenteously bestowed upon the President of the United States, the Members of Congress, and every citizen of the Republic, that our patriotism may be truly Christian, our national character dominated by the spirit of service and our land made glad throughout its length and breadth by good will toward all men. In Jesus' name we pray.

THE JOURNAL

The Journal of the proceedings of Monday, February 10, 1964, was read and approved.

PERMISSION TO FILE ADDITIONAL VIEWS ON H.R. 9637

Mr. VINSON. Mr. Speaker, in view of the fact that I am filing today the report on H.R. 9637, I ask unanimous consent that the distinguished gentleman from New York [Mr. STRATTON], and other members of the Committee on Armed Services may have until midnight Monday, February 17, to file additional views on H.R. 9637.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

PERMISSION TO FILE REPORT ON JUVENILE DELINQUENCY LEGISLATION

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may have until midnight tonight to file a report on H.R. 9876, the juvenile delinquency legislation.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

LEGISLATIVE PROGRAM FOR WEEK OF FEBRUARY 17

Mr. BALDWIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BALDWIN. Mr. Speaker, I take this time for the purpose of asking the majority leader to indicate to us the program for next week.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. BALDWIN. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The program for next week is as follows:

Monday is Consent Calendar day, and there is one suspension, H.R. 7751, acquisition of land in Los Angeles, Calif., for a Veterans' Administration Hospital. Also H.R. 9609, investment powers of Federal savings and loan associations. This has an open rule with 2 hours of debate.

Tuesday the Private Calendar and H.R. 7381, Dual Compensation Act, with an open rule, 1 hour of debate.

Wednesday, H.R. 9640, authorizing appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard. This has an open rule with 3 hours of debate.

On Thursday and the balance of the week, H.R. 9637, to authorize appropriations for aircraft, missiles, naval vessels, research and development, test, and evaluation for the Armed Forces.

This announcement is made, of course, subject to the usual reservations that conference reports may be brought up at any time and that any further program may be announced later.

Mr. BALDWIN. Mr. Speaker, I thank the gentleman.

DISPENSING WITH THE CALENDAR WEDNESDAY BUSINESS NEXT WEEK

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

REPAIR JOB NEEDED ON THE CIVIL RIGHTS BILL

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, I would like to read one sentence from an editorial which appeared in the Tuesday, February 11, edition of the Washington Evening Star, headed "Repair Job Needed" on the civil rights bill.

> That this bill was railroaded through the House is beyond dispute.

This is the same charge that I made repeatedly during the debate, and I pointed out, as does this editorial:

> The fact is that the bill * * * did not receive anything like adequate consideration in the House.

And I think, Mr. Speaker, that most of us can agree with the observation of the editor of the Star when he says:

> And, as enacted by the House, the bill is very much in need of an overhaul.

Remember, Mr. Speaker, these statements are not being made by one who is opposed to a good civil rights bill. They are the considered opinion of a responsible newspaper, at least as nearly responsible as you can expect a newspaper to be in this city.

I have secured permission for this complete editorial to be printed in the daily RECORD, and I hope all Members will at least give a little attention to the advice it contains.

LOUIS RABAUT'S URBAN RENEWAL AMENDMENTS

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, there appeared in Monday's issue of the Washington Post a letter to the editor from Mr. Dutton Ferguson and Eleanor N. Kuhne entitled, "Redeveloping the City." This letter is correct in stating the Dowdy subcommittee amendments to S. 628 were originated by H.R. 8697 introduced by the late Honorable Louis C. Rabaut, of Michigan. This bill passed the House on June 27, 1960, by a 10-to-1 margin. I ask unanimous consent that this letter be made a part of the RECORD at this point. Also, I ask unanimous consent to include a statement the late Honorable Louis C. Rabaut made on April 26, 1960, before the House District Committee:

REDEVELOPING THE CITY

Two editorials published by the Washington Post during 1963 departed so far from the usual generous spirit and high standards of your paper as well as from the facts, that we write to express alarm.

We question in particular the December 30 editorial titled "The Rural View," and the September 26 editorial titled "Bill of Complaints." Both were so Scrooge-like in spirit that we are concerned for your future policy toward urban renewal and other vital issues, and we dare to express the hope that your vaunted image of concern for the underdog doesn't set in this hard visage.

These two editorials meanly attacked Representative JOHN DOWDY and his subcommittee's staff, and misstated the facts regarding Dowdy amendments to the bills you favor "for the redevelopment of downtown Washington's rundown commercial neighborhoods." The editorials are so out of character that it is possible the Washington Post has been imposed upon by some special interest group, or that it is party to some conflict of interest.

The Washington Post implies that the amendments offered by Congressman DOWDY were put together recently by subcommittee staffers who appear to "believe that redevelopment is wicked." Actually, as you should know, these amendments were part of the Rabaut bill, H.R. 8697, which passed the House by a vote of 10 to 1 on June 27, 1960.

By no stretch of the imagination could Congressman Louis Rabaut be charged with having "The Rural View." One of the leading and most distinguished Members of the House, he was not a member of the House District Committee. His concern with the District's urban renewal program, and his efforts to improve it, antedated by several years the work of Congressman DOWDY. Under the circumstances, we feel that the castigation of Congressman DOWDY and his subcommittee staffers is both unfair and unwarranted, and does not fairly reflect their viewpoint toward urban renewal.

Our own feelings about S. 628, and its identical companion bill, H.R. 3189, have been colored by our sincere doubts about the true purposes of these bills. The Washington Post, somehow, has overlooked an analysis of S. 628 by Joseph Campbell, Comptroller General of the United States. The Comptroller General says that: "In our opinion, the definition is so broad that any area of the District of Columbia could conceivably be classified as a slum or blighted area." The American Law Division of the Library of Congress reached the same conclusion.

In view of the above which is ample evidence that S. 628 and H.R. 3189 are not as stated by the Washington Post, we suggest that you concentrate the same amount of enthusiastic support back of the far superior proposal made in July 1963, by former Engineer Commissioner Clarke who said that raising the building heights in Washington's downtown core area "would do more to rehabilitate the downtown business district than anything else." You have, indeed, published editorials calling for raising building heights. The National Capital Planning Commission is now studying this plan, as the result of a bill introduced by Congressman JOHN KYL, and needs your support.

We believe that if downtown businessmen could build 100 feet higher than at present, and retain control of their vastly enriched property, their enthusiasm for S. 628 and H.R. 3189 would cool at once. Their present support is due, we believe, to their belief they can get the height limits raised in no other way than through such bills. This is not true, of course, if the District Commissioners exercised their zoning authority as they should not only in downtown areas, but in other sections of the city including Adams-Morgan.

DUTTON FERGUSON,
President.
ELEANOR N. KUHNE,
Secretary, Independent Citizens, of Adams-Morgan.
WASHINGTON.

STATEMENT OF HON. LOUIS C. RABAUT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN

Mr. RABAUT. Mr. Chairman and distinguished members of this committee, it is an honor and a privilege to appear here today in support of my bill, H.R. 8697. I think this bill is important, and I welcome this opportunity to explain to you just what this bill will do, and to outline to you the reason that prompted me to introduce it. The beneficiaries of this bill will be the people of Washington. For some years now we have seen a very large segment of the city of Washington being condemned and razed. All this has been done in the name of urban renewal.

Now urban renewal is a wonderful thing, in concept, and has been greatly needed in this and other cities throughout the country. Here, in the Nation's Capital the urban renewal program has, in my opinion, fallen seriously behind any reasonable time spread. From its beginning to the present we have seen only one building rise out of the rubble of the wrecking crane.

As you gentlemen of the committee know, I have been involved in District money matters for some years now. Because of this interest, I am deeply disturbed at the effect of this redevelopment business on the overall economy of the District.

When you level a whole section of a city, it is bound to have an important effect on the economy of that city. One of the main things that bothers me about this redevelopment is the effect it is having on the real estate values, business revenues, and tax income of Washington. In this consideration, time is a big factor.

The longer we go without new buildings in Southwest Washington, the greater the loss in revenues. On the question of revenues, the proponents of the present redevelopment system argue that the tax return to the District from the one building, the Capitol Park Apartments, that has been erected, will be greater than the previous tax revenue from all of area B. I have heard this argument before. There are two things I would like to say on this point:

First, it is not true. In 1953, the real estate taxes levied on property within the boundaries of urban renewal project area B, where this apartment house is, totaled a little over $56,000. The Capitol Park Apartments is assessed at $2,300,000. But after appealing for relief from a full tax payment, it was actually taxed on an evaluation basis of $1,750,000, and will pay a tax for 1960 of $48,820 instead of full taxes of $63,593.

The second thing I want to say about this argument is more important and farseeing because it goes to the heart of the policy and philosophy of Washington's urban renewal setup. I ask you to attend carefully to this point. The point is this: Even if the tax return from this one building did, in fact, exceed the previous return from the whole area, such an argument would be an extremely regressive and backward-looking view. The crux of the matter is not that the taxes on one building may exceed or come close to the total taxes previously received from the whole area.

Rather, the crux of the matter is what would the tax return to the District be now if all, or even half, of the planned buildings were completed? This city is growing and as it grows the cost of running it rises. The services it must provide are ever-widening. The tax base of the city must grow simultaneously. Consequently, it does not seem at all valid to me to say that one building returns more, even if this were true, than the whole area used to return.

We cannot live in the past. Nor can this city run its 1960 budget on 1953 taxes. The delay in getting buildings "out of the ground" is hurting this city immeasurably.

I realize, of course, that an undertaking of this size takes time. But I think the reasonable limit has long since passed. Some of the land affected by the Southwest Washington redevelopment project has been held by the Redevelopment Land Agency for up to 8 years now. I think that the machinery established in the original District of Columbia Redevelopment Act of 1945 is partly responsible for the great delay. In the case of the Southwest area of the District of Columbia, because authority and responsibility alike were vested in and divided between the National Capital Planning Commission, the Redevelopment Land Agency, and the District Commissioners, it was years before a project area plan could be agreed upon—and then only after a private developer and promoter had proposed and submitted the project plan. My proposed amendments are designed so that the Redevelopment Land Agency institutes all matters pertaining to redevelopment, with authority and responsibility vested in the District Commissioners, after full hearing, to approve the area and the plan. This makes for flexibility, which is so important in the proper economic development of the larger areas involved.

Under present law, it is up to the Planning Commission to adopt a so-called project area after approval of same by the District Commissioners. Under my proposed amendment the final adoption of the area rests with the Commissioners. Also, under present law, the Planning Commission adopts the boundaries of each project area and submits them to the District Commissioners who approve them.

Then the Planning Commission adopts a redevelopment plan of the area and submits the plan to the District of Columbia Commissioners who approve the plan after a public hearing. Then the plan is adopted by the Planning Commission which then certifies the plan to the Redevelopment Land Agency for the agency to carry out.

Under my bill, gentlemen, the RLA will submit to the District of Columbia Commissioners a proposed redevelopment survey accompanied by a certification that RLA has surveyed the area and determined that more than 20 percent of the area is blighted. The Commissioners shall then hold a public hearing, after notifying property owners in the area by mail.

The Commissioners may then adopt a project area which must lay entirely within the proposed survey area under consideration. The Commissioners, in consultation with the Land Agency, shall then prepare a complete redevelopment plan of the project area. Upon completion of this plan, the Commissioners shall hold another public hearing, after which they may adopt the plan in whole or in part. Such plan shall, among other details, contain a site and use plan and specifications of population density. It also may specify maximum rentals. After adoption of the plan by the Commissioners, the Land Agency shall proceed to put it into effect.

Now, all this probably sounds very technical to you gentlemen of the committee, and, without prior study of the existing law, may be somewhat confusing and without real meaning. The central theme of what I propose is the centralization, in the District of Columbia Commissioners, of authority and responsibility that is currently spread out among the three echelons I have already mentioned. The overall effect of this spreading out of authority has been the delay that I hope to correct.

Another thing about the current system that causes me concern is the manner of disposition of the land taken by the Redevelopment Land Agency. The present law permits that Agency to proceed on the basis of negotiation and does not require public offering of the land involved. I simply do not think that this is proper.

In this connection, two points come to mind. The first of these has to do with the so-called memorandum of understanding executed between the RLA and the private firm of Webb & Knapp. This agreement has the effect of granting an exclusive option to that private firm on some 14 acres of the choicest property in the whole of Southwest Washington. In this agreement, we are confronted with the amazing spectacle of a public agency, charged with the administration of public land, obligating that land to a private developer without legal authorization.

The second point is a matter of public record. In the process of negotiation the land for the Town Center—the choicest of all the land in Southwest Washington—was obligated at $3 per foot, while the land for proposed gas stations in Southwest, when offered at public bidding brought $8 per foot. The question that immediately comes to mind is: How much would the land in Southwest Washington have brought if all of it had been offered to the public on an open bidding basis? My bill provides for such public offering of such land.

Another major provision of my bill would restrict the Redevelopment Land Agency from proceeding with redevelopment plans in the Northwest section of Washington until at least 70 percent of the Southwest shall have been completed. At the present rate of progress, it will be 40 years before the RLA shall have brought Southwest Washington to completion.

At the same time, the RLA has proposed to enter a 900-acre Northwest area in Washington, without adequate provision for the displaced persons or businesses and without having demonstrated the economic feasibility of the Southwest redevelopment project. The RLA has held hearings upon a sketchy land-use plan for the new Northwest area, based on a wholly inconclusive survey, with no details of land uses or rehabilitated uses which would permit developers and owners to plan construction and rehabilitation so as to preserve their properties.

After considerable study and deliberation responsible members of the Washington community are vigorously unanimous in their position that the Redevelopment Land Agency must prove itself in Southwest Washington, complete that plan and put that area back on its feet before moving into other areas. To that end I strongly recommend, and my bill so provides, that a minimum of 70 percent of proposed construction be completed in the Southwest area before any other project areas are established.

Mr. ABERNETHY. Mr. Rabaut would you mind if I interject an interrogation right there?

Mr. RABAUT. No.

Mr. ABERNETHY. Why the 70 percent of each figure—I am not complaining about it; I am just trying to get your thinking on it.

Mr. RABAUT. I think it ought to at least have some percentage of completion. Maybe the committee would have a higher rate than that.

Mr. ABERNETHY. I see.

Mr. RABAUT. Some percentage of completion before we have the whole town torn down.

Mr. ABERNETHY. These buildings that have been taken down in Southwest Washington, there have not been replacements equivalent to the units that were removed, as I understand it.

Mr. RABAUT. No, not by any means.

Mr. ABERNETHY. In the plan for the Northwest to start the tearing down up there——

Mr. RABAUT. 900 acres they want to go out up there.

Mr. ABERNETHY (continuing). What is happening to these people in the meantime?

Mr. RABAUT. That is what I am trying to find out. What is going to happen to them and what is going to happen to the businesses that are there and what is going to happen to the income of the District?

Mr. ABERNETHY. Personally, I think this is the most important feature here in the bill. What is your feeling about it?

Mr. RABAUT. I think it is important.

Mr. ABERNETHY. I am sure you think it. All right, sir.

Mr. RABAUT. Mr. Chairman, I would not be here if I did not think it was important.

Mr. ABERNETHY. On this particular feature I think there is tremendous merit to this particular—I don't say there is not to the other—but I think this is the most important feature of it.

Mr. RABAUT. I am about to conclude now.

These, then, are the main things that my bill will accomplish. They are provisions that will effect the accrual to the District of Columbia of the greatest benefits in conjunction with the needed urban renewal benefits. The current chain of command and responsibility must be streamlined so as to assure the degree of expedition of action that can and should be reasonably expected. The current miasma of divided authority between municipal, Federal, and quasi-Federal agencies is now serving to defeat the whole purpose for which they were established. This cannot go on. I urge you, gentlemen, to think these things over very carefully. You, also, have a close connection with and interest in District affairs. Here is an area of that interest that you simply cannot overlook. I am sure that you will see the problem that my bill attacks.

I can only hope that with your great knowledge of District problems and needs, you will immediately realize the tremendous magnitude of this particular problem. Washington should show the way nationally in the field of urban renewal. It is not now doing so. But it can do so and my bill will help toward this end. I solicit—I urge and I appeal for your favorable consideration of H.R. 8697.

Thank you.

I am very grateful for your permitting me to appear here today.

Mr. ABERNETHY. Mr. Rabaut, we are certainly very grateful to you and we are all familiar with the tremendous problem that you have in handling the District corporations.

We also know of your profound interest in the District and I am confident that your sole objective in the introduction of this legislation was to render a service to the people of this community.

We deeply thank you for your statement.

Are there questions from Mr. Smith or Mr. Loser?

Mr. LOSER. No.

Mr. SMITH. No.

Mr. ABERNETHY. Mr. Rabaut, I wonder if I might ask you this question. I am sure that you no doubt have thought of it, but what led you to the introduction of this legislation; was it the result of the hearings in the Appropriation Subcommittee?

Mr. RABAUT. No. It was a result of complaints that I received from many people in the District.

Mr. ABERNETHY. Can you tell us what the nature of the complaints were?

Mr. RABAUT. One complaint was from a lady who had a roominghouse. They went to these people at the roominghouse and told her that she would have to get out of there and they finally got all of the roomers out of there and then they left her for quite a while by herself there.

Then they came and said that she would have to get out. She said, I have no place to go, I have been deprived of my income; so they said you will have to get out. She said, I had an income until you people took my income away.

So here they want to put her out now and put her in an institution or something. I don't know where they are going to put her. She has nothing but—she had a roominghouse.

Now these are serious things.

Mr. ABERNETHY. They certainly are.

Mr. RABAUT. This is all right when it is happening to the other fellow, but just to have anybody put themselves in her shape. She was asking for nothing before. Businesses—where can they go?

We had complaints from some of the big businesses down in Southeast, the wholesale people, they were told where they could go, that's all.

There should be a right to bid on this property where people are going to go; where the areas are set out for them; they tell you you could bid on them; just find out from some of these people how much rights they had.

I never saw in my life such a violation of eminent domain. Where the people that lived down here—what were their rentals, about $75 to $90 a month, maybe. Now what are they putting up? They are putting up places, $250 a month. Is it just to give a new crowd the place?

Where is the sacredness of the home? That's why I have in here one place that they had set maximum rentals.

Mr. ABERNETHY. Are these amendments patterned after legislation in other areas or do you know?

Mr. RABAUT. No, I don't know.

Mr. ABERNETHY. You do not know.

Well, I believe that is all, Mr. Rabaut. We certainly do thank you. We think you have called to our attention a very important matter.

I am sure the committee will give this matter every consideration.

Mr. RABAUT. Thank you very much.

Mr. ABERNETHY. Thank you very much.

The committee at this time will hear from Mr. Hannan, Mr. William T. Hannan and Mr. Harry Wender.

I understand that you two gentlemen can probably offer your testimony at the same time.

Mr. Hannan, you are getting to be a regular around here.

All right, gentlemen, you may proceed in your own fashion.

NEED FOR LEAD AND ZINC ACT OF 1964

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I take this time to once again bring to the attention of the Members conditions in the lead-zinc industry and action that we are taking to protect the national welfare by assuring an adequate supply of these base metals—lead and zinc—for our expanding economy and for readiness in the event of need in the national defense.

The price position of both lead and zinc has improved considerably. Lead and zinc are selling today at a combined price of 26 cents per pound. Mine production is good and consumption is good.

We have tried to look into the future, Mr. Speaker, to determine what should be done for the common good in order to assure that the domestic mining industry reaches a truly healthy state and is maintained in a healthy condition while at the same time manufacturers are assured that custom smelters will be able to obtain materials from any source—including foreign sources—in order to meet all requirements.

Last week, on February 3, 1964, I introduced H.R. 9855 which is supported by 25 cosponsors, with provisions for the establishment of a flexible quota system to replace the present absolute quota arrangement which has been in existence by Executive proclamation since October 1958. The enactment of this legislation will substitute a permanent program on which the lead-zinc industry, under the private enterprise system, can safely plan financial investments necessary in the national welfare for the long-range maintenance of this essential industry.

The other bills are as follows:

H R. 9856, Mr. EDMONDSON.
H.R. 9857, Mr. JOHNSON of California.
H.R. 9858, Mr. WHITE.
H.R. 9859, Mr. BURTON.
H.R. 9860, Mr. CURTIN.
H.R. 9861, Mr. CLARK.
H.R. 9862, Mr. LLOYD.
H.R. 9863, Mr. CHENOWETH.
H.R. 9864, Mr. HORAN.
H.R. 9865, Mr. MONTOYA.
H.R. 9866, Mr. OLSEN of Montana.
H.R. 9867, Mr. SKUBITZ.
H.R. 9868, Mr. THOMSON of Wisconsin.
H.R. 9869, Mr. ULLMAN.
H.R. 9870, Mr. QUILLEN.
H.R. 9871, Mr. MORRIS.
H.R. 9872, Mr. SAYLOR.
H.R. 9879, Mr. SENNER.
H.R. 9880, Mr. WIDNALL.
H.R. 9881, Mr. HARDING.
H.R. 9890, Mr. BARING.
H.R. 9895, Mr. BROTZMAN.
H.R. 9907, Mr. HALL.
H.R. 9943, Mr. BATTIN.
H.R. 9970, Mr. GRAY.

Mr. Speaker, this past Friday, February 7, 1964, Mr. Clark L. Wilson, Chairman of the Emergency Lead-Zinc Committee, in an address to the 67th annual National Western Mining Conference sponsored by the Colorado Mining Association and various affiliated organizations in Denver, Colo., discussed the background of the current position of the lead-zinc industry, spelled out the need for legislation to maintain that position, and then endorsed H.R. 9855.

Mr. Wilson's remarks also outlined the provisions of H.R. 9855.

For the background information of all Members, I include the text of Mr. Wilson's remarks at this point in the RECORD.

REMARKS BY CLARK L. WILSON, CHAIRMAN, EMERGENCY LEAD-ZINC COMMITTEE, WASHINGTON, D.C., AT THE NATIONAL WESTERN MINING CONFERENCE OF THE COLORADO MINING ASSOCIATION, FEBRUARY 7, 1964, DENVER, COLO.

For the first time in several years we can discuss lead and zinc with some feeling of optimism that has been lacking in previous appearances before the Colorado Mining Association. You and I can recall when a lead-zinc session was one of the highlights of these meetings. The reduction in the size of the lead-zinc crowd over the past 10 years has been an accurate barometer of the troubles we've seen. Along with you, I hope for a permanent reversal in this past trend and my remarks will be directed to a discussion of our continuing efforts to stabilize the entire lead-zinc industry at these improved market levels.

It has been a refreshing experience these past 12 months to see statistics on consumption rise, metal stocks drop and prices increase. As you and I know, and as we have told those who would listen to us, it takes time before improved conditions are directly reflected in mine production. Mines are still not spigots to be turned on and off at will. It requires time, money and faith in the future to have a mine ready to produce.

Fortunately Colorado does have a few lead-zinc operations that have continued to operate and others that are ready to do so at present price levels. I have noted with interest the occasional news reports of old properties that are being reevaluated or reequipped for future operation. This trend will continue if we can arrive at some type of permanent arrangement that will assure the domestic miner of a fair share of our own U.S. markets. This has been the objective of the Emergency Lead-Zinc Committee since its work began in 1957 and we are still working to achieve this objective in the near future.

Before discussing our current legislative program I would like to review with you some of the activities affecting our industry since reporting to you 1 year ago.

As mentioned previously, the statistics are improving. Within a year the lead price increased from 10.5 to 13 cents per pound in eight steps. Mine production recovered from the 1962 low and allowing for the mine strike in Missouri was the best annual rate since 1957. Industrial consumption also approximated that of 1957, our last best year when the average price was 14.6 cents per pound. Monthly refined lead production remained less than shipments, resulting in reduced stocks to normal levels and the accompanying rise in price. The zinc story is similar. The price has increased in two steps within 5 months from 12 to 13 cents per pound. Mine production is the best since 1957 and zinc consumption the best since the record year of 1955. Here again shipments exceeded production and stocks moved from a sizable surplus to a position of tight supply in some grades.

These changes are credited principally to a good year in automobile and steel production and consumption. There are all sorts of predictions for 1964, most of them "bullish." This feeling led to recent announcements of plans for increased lead mine and smelter production in Missouri and increased zinc mine production in Tennessee. We hope that actual conditions will meet expectations and lead to additional mine production in the West.

Our past efforts to obtain lead-zinc legislation regulating imports have been conducted under conditions of the need to correct the then current domestic situation of low metal prices and mine production. Even though this economic situation has improved, the need for legislation is still with us, to eliminate the recurrence of the disastrous market fluctuations of the past 15 years.

I believe it is generally recognized by the industry that the simplest and most effective means of regulating imports to those needed to supplement domestic production is through an adequate tariff. You will recall that with the leadership of our friends in Congress we have in the past sponsored tariff legislation that would have accomplished this objective.

With passage of the Trade Expansion Act in 1962, emphasis has been placed on the reduction of tariffs, appreciably increasing the difficulty of obtaining consideration for an increased tariff measure.

As you know, a lead-zinc import quota system was established by Presidential proclamation effective October 1, 1958. This system has been accepted with much reluctance on a temporary basis by our executive department and our importing neighbors and is subject to change, meaning relaxation or elimination, following certain prescribed procedures. It was our feeling and that of our congressional advisers that in view of resistance to tariff increases and since we are operating under a quota system that obviously needed some adjustments, it was logical to propose an adjustable or flexible quota, that would cause the least disturbance to present procedure, correct deficiencies of absolute quotas, and provide an equitable sharing of markets by domestic and foreign producers to assure stable metal supplies and markets.

Congressman WAYNE ASPINALL had introduced such a bill in June 1959. This bill, in a slightly revised form, was reintroduced in both the House and Senate in May 1963. Mr. ASPINALL again led the introduction of this measure in the House, as H.R. 6269, and he was joined by 22 other Congressmen from the 20 lead-zinc-producing States. The bill was introduced in the Senate by Senator CLINTON ANDERSON, of New Mexico, as S. 1534, and cosponsored by 25 other friends of our industry. This broad participation is indicative of the congressional interest in the problems of our industry.

The House Committee on Interior and Insular Affairs, Mr. ASPINALL, chairman, authorized hearings before the Subcommittee on Mines and Mining during June and July of last year to study the conditions in the domestic lead-zinc mining industry. The industry situation was presented by members of the emergency lead-zinc committee representing the major domestic mining companies and by representatives of mining associations of our industry. Several Congressmen presented statements in our behalf and the members of the subcommittee were and are very sympathetic to the need and method of assisting the industry through flexible quota legislation. The Departments of State, Interior, and Commerce opposed any legislative action; however, the Interior and Insular Affairs Committee recommended that the Ways and Means Committee give favorable consideration to enactment of import legislation that would recognize the need for necessary imports but assure to the domestic mining industry a fair share of domestic markets.

The Senate Interior and Insular Affairs Committee was also considering the condition and needs of our industry. General hearings on domestic minerals were held by the Subcommittee on Minerals, Materials and Fuels in May 1963. The Emergency

Lead-Zinc Committee presented a summary of the current position and legislative needs of our industry that again received a sympathetic and understanding reception from the members of this committee.

In August this same committee held a hearing on the flexible quota bill, S. 1534 and favorably reported an amended version to the Senate for further consideration by the Senate Finance Committee. The original flexible quota bill was based on the principle that imports should be equal to the difference between domestic lead-zinc production and domestic consumption, when prices for both metals are above a reasonable level. The bill provided 13.5 cents per pound as this minimum price. Below that price the quota would be established at a lower or more restrictive level as a low price is a direct indicator of increasing metal stocks and the necessity for limitatioh of imports.

There were two interesting and significant reactions to this bill during the Senate hearing. First, the Department of Interior presented the views of the executive department and I quote: "The Department is of the opinion that legislation designed to support prices for lead and zinc is not in the public interest; that the controls over trade prescribed by the bill are contrary to our trade policy and would cause international repercussions; and that the guaranteeing of a market to a producer not only runs counter to our basic concept of private enterprise but would over the long term push costs of production of the metals to the point that substitute materials would capture a significant part of their present markets. We do not believe that conditions within the industry, or in the communities which normally produce lead and zinc, are such as to warrant the treatment prescribed by S. 1534." Needless to say we did not and do not agree with their analysis or conclusions. I might also say that this was the expected reaction reflecting State Department domination of Executive Department trade policy. The second point is more significant and important in our congressional efforts to enact legislation. The custom smelters who rely largely on imports for smelter feed made no appearance on this bill. This was in recognition of problems they now have in obtaining foreign ores and concentrates as more nations are pursuing nationalistic policies of building their own smelting facilities or expanding existing ones. The U.S. custom smelters must look to more domestic lead-zinc mine production. This domestic production will result from exploration and development requiring time, effort, and large investments. There must be some assurance of future stability of U.S. markets that requires sensible import controls * * * correlated with U.S. consumption as proposed in S. 1534.

Following the hearing on this bill the mining and custom smelting industry jointly studied other possibilities than price to "trigger" a flexible import quota and proposed a formula based on the normal relationship of metal stocks to normal smelter shipments of both lead and zinc.

This proposal was submitted to the Senate Interior Committee and accepted as the amended version of S. 1534 now reported to the Finance Committee.

Further study of this proposal by the industry has produced other suggested improvements in the legislation and this was introduced in the Congress last Monday, February 3, 1964, by Congressman WAYNE N. ASPINALL as H.R. 9855. This legislation is being cosponsored by 23 other Representatives from the lead-zinc producing States.

Following is a general summary of provisions:

1. An import quota would be determined quarterly for lead and zinc ores and metal based on experience of supply and demand in previous quarters, with quotas directly related to the current stocks of the metal producers, that reflect consumer needs. The quotas would be determined from a minimum of simple arithmetical factors defined in the legislation.

(a) A calculated quota represents the difference between domestic production and domestic consumption of lead or zinc metal for a given period.

(b) A basic quota represents a percentage, as provided in the legislation, of consumption for 2 previous years and upon enactment of the legislation would initially be established at levels of quotas presently in effect.

(c) A minimum quota, as the word indicates, is a minimum figure that would be guaranteed the importing nations, regardless of domestic consumption and production.

Each quarter the Secretary of the Interior would examine these three quota figures in relation to the market position of metal stocks, i.e., are these stocks surplus or deficient to normal levels as defined in the legislation. Based on this metal stock position the Secretary would determine a quota for the ensuing quarter that would use one or a combination of the three quotas described above, directly reflecting consumers' needs and the ability of the domestic industry to produce ores and metal as defined in provisions of the legislation. This procedure would eliminate the use of a metal price as a quota trigger, objected to by the executive department and would substitute the natural market factors of supply and demand.

2. The quotas established by the Secretary of the Interior would be allocated to countries now assigned quotas, and in the same percentage proportion as presently established. However, if a country does not fill its quota in any one quarter, that sometimes occurs through mechanical problems, a supplemental quota would be provided for the ensuing quarter. If a country fills less than 90 percent of its quota during a year, 50 percent of this deficiency would be allocated to a global quota, available to any country, to provide necessary ores and concentrates to U.S. custom smelters. These provisions meet objections of the present absolute quota system.

3. If stocks of metal should drop below levels defined in the legislation as critical for the consumer, a supplemental or emergency quota would be established that would tend to equalize supply with demand and provide stability to the metal markets.

4. Products manufactured from lead and zinc are not included in the present import quota proclamation and there have been several examples of greatly increased imports of products, since quotas were imposed in 1958, that have acted as an "end run" around these controls, allowing additional imports of lead and zinc metal above authorized quota levels. This legislation would place import quotas on a selected group of manufactured items that are a present threat to effective import controls and would also include provisions for quotas on other manufactured items that increase in import volume compared to a base period. Lack of this type control has been a serious "loophole" in present quota practice and is an important feature of this legislation.

Industry experience under the present quota proclamation has proven that while being helpful in alleviating distress of our industry, there have developed some mechanical difficulties that need adjustment. The quota in 1958 was not sufficiently restrictive to be effective and under present circumstances of increased consumption cannot, under some conditions, respond to market needs. Some import control plan is essential for the future stability of the industry for the miner—smelter—and consumer. The time to do this is during the present period of moderate market improvement and the method is by correcting the now inadequate provision of present quota practice.

The industry presents this legislation as a practical solution to our needs and as an answer to the suggested improvements as well as the objections of the executive department as regards previously prepared legislation.

Our industry agreement on this legislation has been followed by a series of conferences with the Department of Interior. I believe we have met their technical objections but cannot meet policy objections from the executive department. During this year of negotiations at GATT under the "Kennedy round" to reduce trade barriers, any controls obtained must (1) be more liberal to the importer than at present and (2) it is counter to executive policy to consider permanent import control legislation. The departments propose administrative controls that can be applied or withdrawn by Presidential action.

As to the first point, we believe that the new proposal of H.R. 9855 is a liberalization of the present absolute quota proclamation as quotas can increase above present levels with increases in domestic consumption. As to the second point there is no assurance whatsoever of stability for the industry, and we must continue to look to Congress for advice, assistance, and legislative action. Our mining and smelting industry and the consumer need this legislation in this Congress. We will look to you and the Colorado Mining Association for active support by urging your congressional delegates and your friends in Government to insist on acceptance of this plan by the executive department.

With legislation such as H.R. 9855, on the books, the lead-zinc miner can face the future with an assurance of a reasonable market for his product—with administrative controls we can only anticipate a continuation of the uncertainties and instability of the past decade.

THE WEST AND ITS PUBLIC LANDS

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, the past, present, and future use of the public lands of these United States is commanding the attention of an ever-increasing number of its citizens. One article will create wide interest, and that interest will give birth to another article, and so the whole issue broadens to the point where this Nation feels the urgency to take a hard and honest look at where we have been and where we are going if these public land assets are to retain and increase their value. Too often the discourse becomes involved in emotion, and facts are either altered or ignored. For this reason, I find a recent address by Hon. Stewart L. Udall, Secretary of the Interior, a welcome and valuable contribution to the discussion of this increasingly important subject. I include it at this point and recommend its contents to all of my colleagues:

THE WEST AND ITS PUBLIC LANDS: AID OR OBSTACLE TO PROGRESS?

(Address by Secretary of the Interior Stewart L. Udall at the John Field Simms Memorial Lecture, University of New Mexico, Albuquerque, February 6, 1964)

Two years ago this month in an unguarded moment I decided to attempt a book about the land-and-people story of our continent. At odd and interspersed times I did the reading and the writing that resulted in a volume I chose to call "The Quiet Crisis."

The writing was a splendid misery, but the reading was a revelation. After the first few weeks I realized how ignorant I was of my own job, and how little I really knew the conservation history of the American land. Near the end, when the task seemed almost too large to finish, I knew that finished or not the further education of Stewart Udall had made the whole effort worthwhile.

No Secretary of the Interior can read or write about conservation history with detachment. Every decision or plan or program proposed in the past throws fresh light on the questions awaiting decision on his own desk. Half-forgotten names like Hetch Hetchy, Teapot Dome, and Muscle Shoals become the landmarks that help chart a course through the pressures and controversies of the present.

Three-fourths of my years have been spent in and about the West. Yet I must confess that preparing to write "The Quiet Crisis" furnished insights into the land-and-people history of my own region that I had lacked. As student, citizen, lawyer, and Congressman I had puzzled over, but largely taken for granted, the public land policies of the West. As Secretary, in the process of asking the why of things, I have been often compelled to search for the deeper answers.

Are the public lands of the West—and by public lands I mean the national forest and park and wildlife and grazing lands owned by the Federal Government—an aid or an obstacle, to progress? I think the time has come for us to discuss this question with a thoroughness and respect for the essential facts which will yield up honest and clear-cut answers.

The time is late. These historic policies are now under an oblique, but damaging, attack by a rising tide of antifederalism that is undermining the very foundations of our conservation action program.

One should not be surprised, I suppose, that men of our region are leading coiners and reciters of anti-Washington slogans: after all, it was the late Bernard De Voto who often reminded us that the eddies of politics in the far West always seemed to spawn spokesmen he called "westerners against the West."

It is easy in 1964 to explain the antifederalist sentiment of the South. That region is in the throes of a social revolution which is the outgrowth of demands for new national unity and a single national standard of citizenship.

However, it is more difficult to explain the anti-Federal Government movement in the West, for our region has always had a special—and uniquely profitable—relationship with the Government in Washington. One might say that Lewis and Clark—the outriders sent by Thomas Jefferson—were the first Federal presence in the West. The cavalrymen, Indian agents, forest rangers and reclamation engineers who followed were the visible symbols of the Federal involvement in western development.

The new wave antifederalists of the West have, I fear, misread the political history of their region, and have failed to grasp the central significance of the conservation policies hammered out by Powell, by Pinchot and by the two Roosevelts.

By edict of nature, nearly all of the West was, and always will be, different from the rest of our country. Daniel Webster called it a wasteland, but from the first the West was destined to write a special chapter in our history. The Plains Indians, the vast prairies, the mighty massif of the Rocky Mountains, the parched deserts were all formidable barriers to settlement and migration. Its searing winds and harsh climate, its uncertain rainfall and thin soils made settlement a struggle and resource planning a necessity. Moreover, the West's remoteness from eastern markets, its sparse patterns of settlement, lack of transportation, and inadequate local capital made it susceptible to domination by outside entrepreneurs—and made investments of development capital by the National Government an absolute necessity if orderly growth was to occur.

Yet, despite all this, the antifederalists in our midst have identified the growing National Government of a growing nation as the paramount threat to our way of life. ("Fear Washington more than Moscow," some of them say.) To hear these men tell it, Government action and individual freedom are irreconcilable opposites. Nor are they deterred by the historical circumstance that nearly all of the programs and policies formulated by Presidents and Congresses since 1932 have been designed to cope with a great depression, to win a great war, and to carry the leadership burdens of a free world coalition.

It is not my intention to analyze all of the root causes of these symptoms. Suffice it to say that States rights and other anti-Federal slogans have taken the same form in the West as in the South: The Federal Government's role as proprietor of the public estate is attacked as forcefully by some western spokesmen as the Federal Government's role as the protector of civil rights is attacked by the southern segragationists. To remind these westerners that the Federal activities and appropriations have underwritten much of the West's progress is about as fruitless as to remind the South that only as all Americans enjoy civil rights can we realize our full potential as an equal-opportunity society that revitalizes America each generation.

The current crop of antifederalists begin any discussion of resource policies in the West by arraigning Federal stewardship of the public estate; one hears of Federal land grabs, of a Federal "lockup" of resources, or of the insidious encroachments of the agents of big bureaucracy. Those who espouse the most extreme anti-Government views were given their comeuppance the other day by Dr. Joe Frantz of the University of Texas at the annual meeting of the American Historical Association in these words:

"Is the tradition of a West where men stood alone against their environment, asking no help from anyone, and least of all their Government—is that tradition tenable? When that long-legged son-of-a-gun stands up in a cattleman's club in Cheyenne, or in a chamber of commerce banquet in Tucson, or at a Governor's conference in Helena—and when he issues a blast at an all-consuming Federal encroachment in words more blistering than all the winds that blow from Spokane to San Antonio, is he historically sound, or has he swallowed a whole hunk of home-manufactured, self-illuminated halo without chewing it first?"

Let us begin with the essential facts. It is indeed a fact that half the land of the 11 westernmost contiguous States is in Federal ownership It is also a fact that in these 11 States, three-quarters of these 400-odd million Federal acres is managed by the Forest Service and the Bureau of Land Management for mineral, forage, timber, and outdoor recreation values. The other quarter contributes to the national welfare as areas reserved for national parks, military reservations, and Indian reservations.

It is also a fact, which some of our citizens conveniently forget, that under our system the Federal ownership means ownership by all. Whether one regards the present National Government as being too large or too small, I daresay few citizens of this State regard the Federal Government as a faceless bureaucracy. I daresay the everyday faces most of you in New Mexico associate with the National Government are those of park and forest rangers, of public land managers, Los Alamos scientists and aiders of Indian welfare. The truth of the matter is that the Federal Government maintains, conserves, and develops these lands as a common estate that each of you, if you obey the rules, can use at will. In a very real sense we are all owners and proprietors of the public lands. Take it from one who is of late a fenced-in easterner, your ownership of and ready access to these spacious, scienic lands at your back door is a precious heritage that includes a special brand of personal freedom.

Let us, then, discuss the real issues that touch the public lands of the West. What, for example, has this land meant to the private sector of the economy, and to the States, counties, and municipalities. What kind of Federal investments have been made and what has been the result in terms of both local and national economies? Are local interests consulted an accommodate in carrying out resource policies? Do national parks contribute to the economies of the several States, and if so how much? Would it really be profitable for the States to have the Federal lands transferred to State ownership? These are the hard questions we should ask—and answer—for ourselves and for our children.

Some western leaders periodically make the charge that their States have been discriminated against because the Eastern States got all their land while the Western States were deprived of theirs. Such persons fail to recognize that the minerals, timber, forage, water, and wildlife resources of the public lands are all available for use by industry, by associations of water users, and by those who seek the simple pleasures of the out-of-doors.

To listen to some latter day orators, one might think that the Federal Government had had nothing to do with the development of the West. That kind of talk, of course, does not reckon with the daring diplomacy of Thomas Jefferson, John Quincy Adams, and James K. Polk; each presided over an acquisition of territory now included in the Western States. Lewis and Clark and later army officers explored the West. Others reconnoitered the prospective railroad routes more than a century ago. Federal land grants made transcontinental railroads possible. Government geologists King, Powell, and Hayden systematically reported the mineral wealth. Congress passed settlement laws, the Homestead Act, the Desert Land Act, the Timber and Stone Act, and the mining laws. All of these encouraged early settlement.

Judged by any standards, the West owes a big debt to Washington. The deeds, if not the words, of the western antifederalists in Washington bear witness to this truth every week. Almost to a man, while decrying big Federal Government and big Federal spending, they simultaneously advocate bigger Federal allocations and bigger Federal programs for their own States. The schizophrenic character of such discourse became clearly visible a few months ago when one prominent western Senator advocated the sale of a successful Federal interstate water project—the "socialistic TVA"—at the very moment he was sponsoring a $1.1 billion Federal water project for his own State.

I reiterate that such men have misread the history of their region. They suffer from what might be called a Zane Grey syndrome. Their oversimplified world—a world of individualistic good men pitted against bureaucratic bad men—ignores the central fact of western history, the circumstances that settlement succeeded best where governments and associations of individuals worked together for the common good.

To be sure, the bold entrepreneurs who established copper and timber and railroad empires played a big role in the beginning, but I would suggest that no less significant is the role of the ordinary men who organized irrigation districts, water conservancy boards, grazing districts, rural electric cooperatives, soil conservation districts, and the other resource action groups which have done so much to build a solid base for economic growth. The grassroots leaders of action by free association have succeeded because they believed in the conservation policy and were willing to work with the Federal and State and local governments to develop the resources of the West.

My concern today is that the myths and misconceptions of the antifederalists will win widespread acceptance in the West, and disrupt the pattern of partnership between the West and Washington. The Clinton Andersons and the Carl Haydens and Aspinalls and Jacksons and Kuchels are still regarded as the authentic voices of the West in Washington. But if the antifederalists ever are regarded as our spokesmen, lasting damage will be done to the cooperative partnership in conservation begun 60 years ago by Theodore Roosevelt.

The first articulated western public land policies were the end product of a century of trial and error in land manaegment. The Constitution gave the Congress power to dispose of Federal property. A century ago, beginnings were made to exercise this power on sound principles, by the first laws which contemplated permanent ownership by all of the people.

However, the first premanagement phase in our national land policy began during President Washington's first term, and continued until the time of Theodore Roosevelt. It might be called the period of land distribution.

The General Land Office was then the biggest land broker in the history of the world. Land was in such a state of surplus that even Thomas Jefferson could not see any need to reserve tracts for public purposes. There was enough land in the United States, he said, for descendants to the thousandth and thousandth generation. Yet within three generations, the Census Bureau had declared the disappearance of the frontier.

The sellaway-giveaway of the public lands moved forward at a land office pace. Vast tracts were given to the States, small tracts were granted or sold to individual citizens, speculators bought up choice areas at bargain prices, and railroad and canal companies wangled from the Congress both provident and improvident grants amounting to millions of assorted acres.

With the notable exception of its administration of the Homestead Act, the General Land Office could not escape being a part of the political spoils system. The GLO was not prepared to manage lands; alienation of title was its singleminded purpose.

The second phase, beginning with the Yellowstone Park Act of 1872 and the Forest Reservation Act of 1891, came to full flower under Theodore Roosevelt and Gifford Pinchot, whose conservation policies took into account the peculiar land stewardship problems of the West.

These men drew heavily upon the doctrines of the West's John the Baptist—Maj. John Wesley Powell, of the Geological Survey. In his Arid Lands Report of 1877, Powell had pointed out that colonization could not result in permanent prosperity unless all thinking began, and ended, with a recognition that wise water planning was the sine qua non of western growth. The land, he wrote, was almost worthless unless every ranch had a waterhole and every farm a water right.

By 1900, ranch homesteaders had claimed the choicest lands around the best waterholes in the grassland country, and farm homesteaders had settled the river valleys where some kind of water supply seemed assured.

But it became obvious, even then, that the homemade dams and irrigation systems of the farmers were not enough. Furthermore, the ranch homesteaders were showing little concern for management of the public grasslands which they used in common. Timber operators (who could legally acquire only limited woodlands, due to the land reform provisions of the Homestead and Timber Culture Acts) were hard at work on the most accessible stands of public timber. Miners were locating their claims by the thousands. But sustained growth remained dependent on the availability of water and transportation.

The principles of conservation evolved by Newell, Pinchot, and Theodore Roosevelt proceeded from four major premises:

1. That water development and conservation was the first priority of the West, which only a Federal program could realize in full;

2. That the arid climate of the West dictated continued Federal ownership and management of a large portion of the public domain;

3. That the farms and businesses would be private, not public; and

4. That land monopoly or a monopoly of basic resources was intolerable.

To these premises, certain elemental conservation concepts were considered the prerequisites of an action plan:

(a) To protect vital watersheds, and to insure the orderly harvesting of timber and forage, the forested mountain country should be reserved as national forests, to be managed according to sustained-yield conservation principles;

(b) The river basins had to be the setting for water use planning;

(c) Federal funds for irrigation projects would be repaid interest free by the small farmers who benefited by such projects;

(d) The finest scenic areas should be reserved and managed as national parks for the enjoyment of all the people;

(e) Areas required for the protection of migratory waterfowl and wildlife should also be kept in Federal ownership;

(f) Most of the grasslands should remain under the Federal stewardship, but open to homesteading and mining; and

(g) Those who extracted products from the public domain or used public lands for private gain should pay for the privilege.

The action plan had begun, as I stated, in 1872 with the act creating Yellowstone Park. Beginning in 1891, the great decisions concerning the public lands of the West took form by Executive and congressional action. These provide the framework of the land conservation plan of the West. Those decisions—and the funds and follow-up laws implementing them—have built up the West and strengthened the Nation.

Six of the most important were:

1. Forest Reservation Act of 1891 which empowered Presidents to create National Forests out of the public domain. Some 148 million acres in the West were set aside by Presidents Harrison, McKinley, Cleveland, and Theodore Roosevelt pursuant to that historic act.

2. The Reclamation Act of 1902 which established a special reclamation fund and set forth a plan for western water conservation. This made it possible through a pioneering venture of united action between the Federal, State, and local governments to develop irrigation in the fertile valleys of the West. The land reform provisions of that act also extended the Homestead Act by limiting participation to small farmers. This was an act designed to promote the development of a single region—the area west of the 100th meridian.

3. The Antiquities Act of 1906 gave Presidents the power to establish national monuments in the public domain. This enormously aided the growth of the National Park System.

4. The Mineral Leasing Act of 1920 established a system with appropriate fees and royalties, for the private leasing of oil, gas, coal, phosphate, and several other minerals found on lands of the public estate.

5. Land grants were made at various times by the Congress to each of the 11 Western States and to various railroads as a contribution toward the support of public institutions and as a stimulus to economic development. These generous grants added up to 18½ percent of the total land area—9½ percent went to the States, and 9 percent to the railroads.

6. The Taylor Grazing Act of 1934 ended unrestricted free-choice homesteading on the public domain except in Alaska; it substituted land classification, and established a belated program for the multiple use and conservation management of our public grasslands. By this act and the Executive orders which were later congressionally ratified, the policy of headlong alienation of public lands was ended.

Implicit in this land-use action plan was the idea that the Federal Government would manage as well as own, would plan conservation, would provide development funds, and would contribute to the general economy of the West. Under these decisions, the region's development was favored in the sense that the National Government undertook to shoulder more responsibility than would otherwise have been the case.

Once the basic guidelines of the plan were established, the Congressmen and Senators of the West did a remarkable job in securing the appropriations required, and in securing enactment of a whole series of statutes to insure that Federal ownership of the public lands would encourage sound patterns of growth. The vigilance and vision of these leaders enabled the grand plan of development to move forward in orderly fashion.

Considering the alert and effective work of these western Congressmen, any dispassionate historian would express dismay at the antifederalist doctrine that the Federal management of the public lands has retarded the growth of the region.

It has been my job, and that of my colleagues, for the past 3 years to act as trustee and land manager of most of the western public land. I have also had an opportunity to observe land and people problems in other parts of the United States, and in other countries on other continents. As one westerner I want to record a personal judgment here tonight—the judgment that the conservation plan of the West is a high water mark in world resource stewardship.

Whether one measures western development by the new forms of human cooperation it has developed, by the wise investments of national wealth, by the equity of arrangements for sharing of benefits and burdens by the region and by the Nation, or by the way of life developed in the region itself, one can only conclude that this public-private partnership in conservation is a singular success.

Let us enumerate some of the benefits which have accrued to the West and write them large so that he who runs may read:

1. The reclamation program is regarded as a model today in all parts of the world. Under it the Federal Government has spent $4.5 billion in building the dams, canals, and irrigation works needed to provide the assured supply of water that has made 8½ million acres of land permanently productive. Over 90 percent of the money advanced by the Federal Government for construction is repaid. The reclamation fund set up by Congress to help finance construction receives money from public land sales, mineral leases, project operations, and repayments of project obligations. Accruals to this fund, continually being reinvested, have reached

the $2 billion mark. The working relationship of Interior's Bureau of Reclamation with local water users and State water officials is an outstanding example of pluralistic American Government in action.

2. Since the close of the Second World War, the Federal Government has spent more than $375 million developing, operating, and maintaining the units of the National Park System, chiefly in the West. These investments have been a major factor in development of a tourism industry that is now an economic mainstay of the Western States.

3. The wildlife habitat on public lands provides the best outdoor recreation in the West. The States and the tourist industry reap large economic benefits. A comparatively minor benefit, for example, is the $34 million receipts realized by the States from the sale of hunting and fishing licenses in 1961.

4. On the Taylor Act lands, grazing fees are paid by range users. Part of those receipts are paid in cash to the States. As westerners know, the Taylor lands are by no means valuable only for grazing. They have important watershed values and are rapidly gaining recognition for wildlife habitat and for outdoor recreation. The new movement to protect, rehabilitate, and conserve these lands is an outstanding example of community cooperation.

5. Oil, gas, and several other minerals on the various public lands are managed by the Federal Government under a mineral leasing system. However, again alert western Congressmen have put the plowback principle into law, and in our States only 10 percent of the total revenues realized from mineral leasing on public domain lands are returned to the general fund of the U.S. Treasury. Of the remaining 90 percent the reclamation fund gets 52½ percent and the States 37½ percent.

6. As for the Indian lands and the Indian people, at an expense that this fiscal year will total more than $228 millions, the Federal Government provides health, education, welfare, and development funds for the Indian people and their resources. Again the benefits to the Western States far outweigh the burdens. If the Indian lands were put on the tax rolls and the States provided the same level of public services, all of the Indian States would need new taxes to carry this extra load. (For instance, in my own State of Arizona, Federal expenditures on behalf of the Indian tribes in fiscal year 1963 added up to almost $64 million. If the State assumed the responsibility for these services it would entail nearly a 20-percent increase in the current State budget.)

But this is only part of the picture. Transfer of the public lands to the tax rolls would automatically alter the liberal highway fund matching concessions which these States now enjoy. In the fiscal year 1963 allocation of Federal-aid highway funds, for example, the 11 Western States obtained their allocations with $145 million less State matching money than would have been required had these States had no Indian and public-domain lands within their boundaries.

There are other special Federal road financing benefits as well. There were expenditures of $74 million in the 11 Western States in fiscal year 1963 for forest roads. An additional $30 million of unmatched Federal funds were expended on highways and roads within the national parks and monuments, on Indian reservations, and on the other Federal lands. States do not pay for public land taken for rights-of-way. The total financial benefit to the 11 Western States from highway and road expenditures in fiscal year 1963 on account of Federal land ownership was at least $245 million.

In rough terms, as near as my experts can estimate it, well over half of the total revenues, receipts, and royalties from the public lands today are either reinvested directly in the West or are shared with State and local governmental units—notwithstanding the fact that practically all of the land management costs are borne by the National Government.

Over the years, the flow of funds westward from Washington has been heavier proportionately than to any other region of the United States. The new brigade of antifederalists may choose to ignore his fact, or to explain away the connection between tourism and the outdoor estate that all of us own.

Finally, there are the intangible benefits of the public lands. To those who prize the out-of-doors, these are the most tangible of advantages. I refer, of course, to the unique freedom men have who live next door to great parks and forest lands and open spaces. Each man can use this resource at will. Those who live in congested areas of our country where "no tresspassing" and "do not enter" signs dominate the landscape know the real worth of an adequate estate of public lands.

The vast public domain has other uses too, as the West discovered after 1941 when the military services and defense industries who needed space located disproportionately in the West. Such vital wasteland installations as White Sands, Los Alamos, Hanford, and Yucca Flat illustrate this advantage public lands have conferred on the States of the West.

I voice no complaint against any man who lodges constructive criticism against obsolete laws, inefficient administration or arbitrary bureaucracy or who demands that the National Government strive to be more sensitive to local needs and local judgments on public affairs. We need vigorous-minded citizens ready to speak out against the erosion of due process or the chance intrusions of officious agents of the Government. However, if the experience of the last two generations has proven anything, it is that western individualism is compatible with the requirements of modern government.

I must leave you with no misconceptions. There is always room for criticism of the Federal management of our public lands. There is much that we must and will do to make our procedures efficient and responsive. Many of the difficulties are grounded in archaic laws. The Congress is considering Representative Aspinall's proposal to establish a Public Land Law Review Commission, and such a commission, properly chartered, properly supported, and properly led, could help us to bring our land laws up to date, and to eliminate unnecessary sources of friction between citizens and government, or between the States and the Federal Government.

To encourage other desirable policy changes, I have directed the Bureau of Land Management to analyze and classify the public lands in an effort to distinguish more precisely those areas that will be needed for local suburban, industrial or open-space use from those remote areas requiring intensive protection and conservation measures under multiple-use management. Every effort will be made to enlist the participation of local governmental representatives and planning agencies in determining what lands belong in the first category. Modern techniques of land classification which have been used in other areas can be adapted for use in making this basic classification of the public lands.

The lesson of history of public land administration denies us the comfort of assuming that there are final and complete answers. The population explosion, the "westward tilt" of our continent, the mobility and leisure and affluence of our people, and the completion of revolutionary superhighway net, challenge the quality of our planning for recreation; changes in agricultural technology equally test us; and minerals, fuels, and hydrology are dynamic beyond description.

So management becomes our watchword. We must assure that the public domain continues to be an aid to progress, just as I trust I have demonstrated tonight it has been for the past two centuries.

To sum up, I submit that whether one measures it by the conservation objectives achieved, by living values attained, by the economic consequences of our Federal-State-people program of cooperation, or by the future opportunity the West has not only to grow but to grow right, the Federal Government has been a creative partner this century in the development of the West.

There is much unfinished work, and we cannot afford the luxury of antifederalism. It is my hope that in the years ahead the people of the West will reject the sterile doctrines of antifederalism and build a bright future based on the patterns of action and cooperation of the past.

THE JOB OF A LEGISLATOR IS TO LEGISLATE

Mr. SELDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SELDEN. Mr. Speaker, my attention has been called to an editorial appearing in the New York Times of February 11, 1964, entitled "How To Be Undiplomatic."

The point of this editorial seems to be that Latin American delegates to last week's Pan American Interparliamentary Conference left Washington unhappy because the conference purportedly was not attended by a sufficient number of representatives of the administration, the State Department, or the Congress. Said the Times editorial:

> The Latin American delegates went away unhappy. The Latin American diplomatic corps in Washington is reported worried and critical.

If this New York Times report is correct, we have here another regrettable instance of our Latin American neighbors being all too quick to seize an opportunity to be unhappy and critical about their relations with the United States. When in doubt, the diplomatic rule seems to be, point an accusing finger at the United States, whether the alleged provocation be earth shaking or trivial. Unfortunately there are those guilt-ridden sources in this country who are eager to sympathize with this country's foreign critics when such an attack is being leveled.

No doubt, were I to describe last week's criticism as a tempest in a teapot, the New York Times would denounce me for having been insensitive to the fact that Latin America's major agricultural product is coffee, declaring that my description had therefore stung our neighbors to the quick. I will then restrain the impulse to call it a tempest in a teapot. It is a tempest in a coffeepot.

The Times editorial asks:

And where were Senator Wayne Morse and Representative Armistead Selden, the chairmen of the Senate and House

Subcommittee on Latin American Affairs?

Strange that the New York Times, for all its vaunted reputation as a news gatherer, seems not to have known that last week while the Pan American Interparliamentary Conference was taking place here another kind of parliamentary organization was also meeting in Washington; namely, the Congress of the United States.

Whether or not the Times editorial staff has been informed of this matter, the Congress was also engaged in deliberation of matters of concern to our country and our people—namely, the civil rights bill—believed by many informed people to be one of the most far-reaching legislative matters to come before the U.S. Congress in this century.

In reply to the Times, then, Representative SELDEN was where he belonged and where the people whom he represents expect him to be—attending sessions of the House of Representatives during its serious deliberations and debate over the civil rights bill. And where, I might ask, was the New York Times not to know this or even to check it?

Assuming that the Times really did know that Congress was debating the civil rights bill last week, even into the evening hours, then we can only conclude that in that newspaper's cosmic view the international diplomatic cart should be put before the domestic horse of proper Government business.

In my own case, I sincerely regret that the demands of congressional business made it impossible for me to attend any meetings of the Pan American Interparliamentary group. I always welcome meeting with representatives of our Latin American neighbor governments for the opportunities which such meetings present to foster a better understanding of U.S. responsibility and interests as the leader of the hemisphere.

I am somewhat surprised—I might say unhappy and critical—at reports that Latin American delegates to the Conference, who themselves are members of the legislative bodies of their countries, obviously do not seem to understand the fact that the demands of being a lawmaker, even for congressional subcommittee chairmen, have priority over any and all other obligations.

I for one adhere to the parliamentary notion that the first job of a legislator is to legislate—and if this be undiplomatic, then let the New York Times make the most of it.

OUTRAGEOUS EFFORTS TO DISCREDIT AND INTIMIDATE IMPORTANT WITNESS IN ROBERT G. BAKER CASE

The SPEAKER. Under previous order of the House the gentleman from Iowa [Mr. GROSS] is recognized for 30 minutes.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, in the last 2 weeks we have witnessed an outrageous effort to discredit and intimidate a man who has become an important witness in the investigation of Robert G. Baker, alias "Gentry."

There has been what appears to be a conspiracy in the executive branch of Government—in the Defense Department, State Department, and Internal Revenue Service—to gather every shred of information and allegation to discredit Don B. Reynolds, the Maryland insurance broker and former associate of Bobby Baker.

And there are strong indications that sources in or near the White House were well aware that the attempt would be made to discredit and smear Reynolds. On whose authority at the top level of the executive branch were the Government's secret files opened?

If the efforts to discredit Reynolds are connected with his testimony in the Bobby Baker investigation, and if there had been no proper way for this information to be placed in the public domain, then it might be possible to justify distribution of some of the information directly to the press—all of the press.

That was not the case in connection with the information that was "leaked" to certain columnists in connection with the Reynolds testimony.

In the first place, any proper information should have been given to the Senate Rules Committee if it was felt it was relevant to the testimony. The Rules Committee could then have studied the information and determined whether it was material to the investigation and the testimony given by Reynolds.

Again, if the Senate Rules Committee did not use the information and it was still believed to be relevant, the White House could have taken the responsibility for distributing it in such a manner that the President and his top assistants would be responsible for the accuracy of the information and for the propriety of distributing it.

According to all reports, the White House or those near the White House did not give this information and these allegations on the background of Reynolds to the Senate Rules Committee.

Of this, the Washington Sunday Star of February 9, stated in an editorial:

> It (Rules Committee) has been made to look slightly idiotic. For its chairman says that neither the Senators on the committee nor the members of its staff had any knowledge of the information which somebody in the White House or elsewhere in the executive branch saw fit to "leak." The person or persons really responsible for this, not the underlings, ought to be publicly identified.

Thus it becomes clear that high officials of the Johnson administration simply put out the order that there should be a gathering of all the material that might serve to discredit Reynolds, without regard to whether it dealt with his testimony before the Rules Committee. The information was gathered and efforts were made to distribute it under the counter to a number of news publications. The administration found a buyer and peddled it last week.

If the President disapproves of what has taken place in the peddling of this information, obtained from the Government's allegedly secret files, he should have taken immediate action to publicly denounce this despicable act. He should also have launched his own investigation and by this time he should have fired those responsible.

If this "leak" of information—if this attempt to intimidate a witness goes unpublished, then all who took part in it and all who condone it are equally guilty of outrageous conduct.

Mr. Speaker, I have been handed a copy of a news story being carried today on the United Press International wire service. This bears directly on the issue at hand and I will insert it at this point in my remarks:

> WASHINGTON.—The right of servicemen to expect that their personnel files will be kept confidential has been undermined in the course of the Bobby Baker case, the Army-Navy-Air Force Journal charged today.
>
> "As a result of what has happened," the unofficial but authoritative weekly said, "No service person can feel with unquestioning trust that the privacy of his official file will not be violated."
>
> Writing on the publication of data purportedly from the military records of Don B. Reynolds, a onetime Air Force major, Assistant Editor Daniel Z. Henkin recalled "Speculation in some newspapers that administration sources deliberately had leaked adverse information" about Reynolds.
>
> Reynolds, now a Silver Spring, Md., insurance man, has been a key witness in the Senate Rules Committee investigation of the activities of Robert G. (Bobby) Baker.
>
> Reynolds, who wrote a large insurance policy on the then Senate Democratic Leader Lyndon B. Johnson, testified that he bought a $542 stereo set for Johnson in 1957 and purchased advertising time on the Johnson television station in Austin, Tex.
>
> Publication of derogatory information about Reynolds in the Drew Pearson columns of February 5–6 led to published contentions—denied at the White House—that an effort was afoot to discredit Reynolds' testimony.
>
> Henkin said that on January 24, Benjamin W. Fridge, a Special Assistant for Manpower, sent to Air Force Secretary Eugene M. Zuckert a memorandum that began thus:
>
> "I feel you should be aware of some of the circumstances surrounding the military service of former Maj. Don B. Reynolds, who testified before the Senate Rules Committee in the Bobby Baker case day before yesterday."
>
> Henkin said Fridge's memorandum was sent to newspaper editors by Pearson in a confidential note accompanying his column.
>
> Stating that the Journal had obtained a copy of Pearson's note, Henkin wrote that the service paper would not publish the Fridge memo "because we happen to believe that any serviceman's record, with rare exceptions in the highest national interest, should be safeguarded against abuse."

Mr. Speaker, I do not condone any of Don B. Reynolds' misdeeds of the past, whether in Government service or in private life in his association with Bobby Baker. The question is whether he told the truth when he testified under oath before the Rules Committee. I am convinced that on the basis of the record made available thus far he has told the truth.

If witnesses with a record of past misdeeds, who testify in behalf of honest government and law and order, are to be discredited, smeared, and intimidated by or with the approval of high Government officials then justice in this country is in jeopardy.

In Chattanooga, Tenn., James R. Hoffa, president of the Teamsters Union, is on trial for allegedly tampering with a Federal jury. The principal witness for the Justice Department in its efforts to convict Hoffa is one, Edward G. Partin, who has served a reformatory sentence and is now under indictment for embezzlement. There is no attempt on the part of high Government officials to discredit, smear, and intimidate this Government witness and there should be none. For purposes of this trial the question is whether Partin tells the truth concerning Hoffa's alleged jury tampering.

What do we have in this country, according to high Government officials and their mouthpieces—one standard for witnesses appearing in Federal courts and another and different standard for witnesses appearing before congressional committees? The important question is whether a witness is telling the truth.

Also, important for the public and Congress to keep in mind is that Don B. Reynolds has given the investigating committee under oath what appears to be an accurate story concerning the $200,000 in life insurance he sold to Lyndon B. Johnson, an accurate account of the $1,208 he paid to the L.B.J. Co. station in Austin, Tex., and the $585 he paid for a Magnavox stereo set that was delivered to the Johnson home in July 1957.

Reynolds testified he wrote the $200,000 in life insurance on the life of Lyndon B. Johnson from 1957 through 1961. There are admissions of these facts by the White House, and there is full substantiation in the records.

Reynolds said he was required to purchase television time on the L.B.J. Co. station that he did not need and did not want for his Silver Spring, Md., insurance firm. The records show he did pay $1,208 for that time, and that he tried to dispose of it to a steelware dealer. The bills showing purchase of the television time and the testimony of the steelware dealer corroborate Reynolds in detail.

Reynolds did buy a stereo set from the Magnavox firm in 1957, and it was delivered to the Lyndon B. Johnson home in Washington, D.C. It was delivered from the Baltimore Airport in a Government truck. Johnson admits the delivery, and only contends he thought it was a gift from his protege and former $19,000-a-year secretary, Bobby Baker, alias "Gentry."

The full story of Bobby Baker's financial manipulations, his associations, and his playmates is yet to be told. And no amount of attempted intimidation will serve to keep the lid on all this smelly mess.

Among other things, no one in high official circles has yet explained why Elly Rometsch, the fast-traveling German woman, was virtually shanghaied and rushed out of the country, back to her native land. Elly, it is reported, was in no hurry to leave. It seems that when the shadows of evening fell across the Capitol and its environs she began to enjoy life. No one has yet indicated she was a military security risk. Could it be that she was a risk to some other form of security?

The time has come, says the Washington Star, "for the Jordan committee to get down to the serious business of investigating the Baker case and to demonstrate that it will not tamely submit to intimidation of its witnesses."

> Don Reynolds—

Says that Star editorial—

> should be called for public testimony. Bobby Baker should be brought in and asked to testify under oath, subject to cross-examination. The same goes for Walter Jenkins, the President's aid, and there are others, whose names, if now unknown to the committee, can be readily ascertained.
>
> It is much too late to sweep this business under the rug or to hush it up by resort to smear tactics. On the contrary, it seems to us that the members of the Jordan committee ought to be outraged by what has happened, and determined to dig harder and deeper.

Mr. PILLION. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. PILLION. I should like to commend the gentleman most highly for his zealous efforts in an attempt to see that the facts in this mess are disclosed and made available to the public. I certainly agree with the gentleman that there has been an apparent attempt to suppress the facts in this deplorable situation.

Mr. GROSS. I thank the gentleman.

Mr. PILLION. If the gentleman will yield further: Is there a criminal prohibition against the disclosure of income tax information in a case such as this?

Mr. GROSS. I am not acquainted with the law, but I believe there is a penalty for disclosure of income tax information.

Mr. PILLION. And there is a probability that there is a criminal violation in making public some of the income tax facts of record?

Mr. GROSS. I would not be qualified to give the gentleman a specific answer to his question as to whether or not there is a criminal penalty for having revealed information of this nature.

Mr. PILLION. And there might be a criminal penalty also for receiving the information; is that not possible?

Mr. GROSS. That could very well be possible.

Mr. PILLION. And that it could be a conspiracy is also possible; is that not right?

Mr. GROSS. That is right.

Mr. PILLION. Certainly, someone in this House or someone in this Congress ought to delve into this situation as to whether or not there have been criminal violations in connection with the disclosure of some of that income tax information.

Mr. GROSS. Yes, I agree with the gentleman from New York whose insistence upon clean, honest Government is well known to Members of the House.

Mr. Speaker, I desire to amplify my remarks by inserting in the Record at this point the excellent lead editorial in the February 11, 1964, edition of the Charlotte, N.C., Observer. The Charlotte Observer is a member of the Knight Publishing Co., with newspapers in a number of cities.

The editorial follows:

A High-up Hatchet Falls on Witness Don Reynolds

> Somebody is trying to do a hatchet job on Don Reynolds, the insurance salesman whose testimony in the Bobby Baker hearing reached into the White House itself.
>
> And Drew Pearson, the columnist, was ready and willing to use the hatchet handed to him by officials high in the Government.
>
> It's an old courtroom tactic. Discredit the damaging testimony of a key witness by tearing into his reputation. If you're a defense attorney and the testimony is directed against your client, it's necessary that you tear down the character of the witness while trying to make the jury forget any documentation of his testimony offered by the prosecution.
>
> Reynolds told the Jordan committee that he was pressured into giving Lyndon Johnson a stereo set and into buying advertising time on the Johnson television station in Texas, after writing a $200,000 insurance policy on Johnson's life.
>
> But Maj. L. P. McLendon, who is now being criticized by Pearson for bringing such an unreliable witness before the committee, is not depending on Reynolds' word alone. There are canceled checks and invoices to back his testimony.
>
> McLendon has run into Washington's particular brand of dirty pool. Somebody high in the Government has broken loose confidential Air Force and State Department records, which were not available to McLendon's investigators to discredit Reynolds. These were leaked to Pearson for nationwide consumption.
>
> So the picture emerges, and it's not a pretty one. Reynolds' character was not so bad that a Vice President of the United States and his underlings couldn't do business with him. But now that a Senate committee has extracted some damaging evidence from him about kickbacks to his customers, his reputation is too bad for his story to be believed—even with checks and invoices.
>
> As Reynolds himself commented, "It seems to me that they are becoming too religious too late in life."
>
> It should be perfectly clear now to McLendon and the committee that the administration is ready to play as rough as it must to plow this hearing under. Things have gotten to the sordid stage.

ON FEBRUARY 15 THE CLEVELAND ORCHESTRA WILL BE AT CONSTITUTION HALL

The SPEAKER pro tempore (Mr. Albert). Under previous order of the House, the gentleman from Ohio [Mr. Vanik] is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, on Saturday, February 15, the Cleveland Orchestra, directed by the distinguished George Szell, will perform at Constitution Hall in Washington. This event is of special significance since the occasion will mark the 50th anniversary of George Szell as a world-renowned conductor.

This event is also of special significance because the Cleveland Orchestra has been selected to tour Europe under the auspices of the cultural presentations program of the Department of State. This tour will commence on April 15, 1965, and continue through June 25, 1965, and take the orchestra to the following seven cities in the Soviet Union and to the following major capitals of Europe: Soviet Russia, 5 weeks, April 15 to May 20, 1965, in Moscow, Leningrad, Kiev, Tiflis, Baku, Erivan, and Tbilisi; May 21, Helsinki, Finland; May 25, Stockholm, Sweden; May 29, Copenhagen, Denmark; May 31, Paris, France; June 4, Bergen, Norway; June 7, West Berlin, Germany; June 10, Prague, Czechoslovakia; June 12, Bratislava, Slovakia; June 13, 15, 16, 17, and 18, Vienna, Austria; June 21 and 22, London, England; June 24 and 25, Amsterdam, Holland; and leave for Cleveland on the 26th.

Founded in 1918 by Adella Prentiss Hughes, the youngest of the Nation's leading symphonic ensembles, and has in recent years come to be regarded as "perhaps the finest in the Western Hemisphere." George Szell, now in his 18th season at the helm of the orchestra, is the fourth conductor and musical director in the orchestra's history. It is he who is primarily responsible for the orchestra's recent rise to world eminence, from—as has been said—"an excellent orchestra to a superlative one." With the triumphal tour of Europe in the spring of 1957, the ensemble's international ranking was assured.

Under the musical direction of Mr. Szell, the Cleveland Orchestra offers a season in its home, Severance Hall, containing more than 150 concerts; it includes 26 pairs of subscription concerts, 8 Sunday afternoon concerts, more than 50 children's and young people's concerts in one of the world's most extensive educational programs, interspersed by a large number of concerts on tour. Special renown has been won by the Cleveland Orchestra Chorus, directed by Associate Conductor Robert Shaw, and by the Cleveland Pops Orchestra which performs in the summers under the direction of Associate Conductor Louis Lane. Messrs. Shaw and Lane are each in charge of four regular concert pairs during the winter season, and also share the planning and direction of the Sunday series and of the educational concerts. The orchestra, conducted by Mr. Szell, has made more than 50 recordings for Epic Records since 1956; the pops orchestra and the chamber orchestra known as the Cleveland Sinfonietta, both under Mr. Lane, have produced 7 and 2, respectively. Through its recordings, coast-to-coast broadcasts, and an extensive series of telecasts, the Cleveland Orchestra has been reaching a larger audience than ever before.

"Some think," wrote the music critic of the New York Times in evaluating the symphonic offerings of last season, "that the Cleveland is the greatest orchestra in America, and Szell the greatest conductor." And the New York correspondent of the Christian Science Monitor commented after the 1963 series of concerts in Carnegie Hall that Szell had wrought "a series of miracles in performance. A great conductor and a wonderfully responsive body of musicians reflecting his leadership in orchestral discipline and musical integrity have made it possible for the Cleveland Orchestra to challenge the world."

George Szell is considered one of the greatest conductors of our time, in the words of a leading New York critic "one of the few supreme masters of the baton." Now in his 18th season as musical director and conductor of the Cleveland Orchestra, he has brought this celebrated organization to a new peak in its development and firmly established its international reputation as one of the world's first-ranking orchestras.

Cleveland is proud of George Szell and the Cleveland Orchestra. We know that our Nation will be rewarded with abundant good will from this mission of culture.

RUSK APPROVES BURTON VISA—FINAL DECISION RESTS WITH ATTORNEY GENERAL KENNEDY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 15 minutes.

Mr. FEIGHAN. Mr. Speaker, I was informed a few minutes ago by Secretary of State Dean Rusk that his Department had reviewed the case of Richard Burton, and had uncovered no information which would warrant a finding of ineligibility or revocation of Burton's visa.

I disagree with this finding by the Department of State. It is shocking and runs contrary to the clear intent of Congress and the facts in this case.

The authority by law vested in the Department of State with regard to issuance or revocation of a visa is clear and unencumbered.

To confuse this authority with the redtape of administrative determinations and advisory opinions, as the Secretary of State has done, indicates the need for a complete congressional review of all procedures and regulations of the Department of State relating to visa issuance.

I point out that the Department of State is dutybound to resolve all doubts in a visa case in favor of the Government of the United States.

If there are no doubts about moral turpitude in the Burton case, either millions of Americans have been misled by the press or the basic concept of morality has been drained from the State Department.

The flood of letters and telegrams reaching my office since the Burton visa issuance became public leaves no doubt in my mind that the people of our country are thoroughly aroused by this issue.

They are registering 40 to 1 for revocation of the visa.

Basic morality is not dead in the United States—even if it is dead in the State Department.

It is now up to Congress to make certain that the laws and congressional intent thereon are not reduced to a state of paralyzed absurdity.

The Immigration and Naturalization Service has posted a lookout for Richard Burton and he will be subjected to an examination on the question of his admissibility to the United States.

I shall continue my effort to restore a sense of rational judgment in the administration of the immigration laws.

In an effort to be helpful to Secretary of State Dean Rusk, I wrote him a letter on February 7, 1964, which was delivered by hand that morning, setting forth in concise form the legal and moral issues involved in the Richard Burton case. My letter to Secretary Rusk and its bearing upon the legal and moral issues involved in the Richard Burton case will not be lost upon the average citizen of our country.

The text of my letter to Secretary Rusk follows:

FEBRUARY 7, 1964.

The Honorable DEAN RUSK,
The Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: Knowing how preoccupied you are with the trying problems of foreign affairs I take this means to bring to your attention certain aspects of the Richard Burton-Elizabeth Taylor Fisher case. I do so because the Department which you head exercises the authority by law for the granting, refusal and revocation of visas for admission into the United States.

You will recall a few evenings ago at a White House reception I had the opportunity to share a few comments with you on this issue. At that time I commended the President's national program for physical fitness, particularly among our youth, and suggested the need for a similar program directed at moral fitness. I did not suggest that Government can or should attempt to legislate morality but held that Government can do much to set the moral tone of our Nation by its actions.

It is, I believe, generally conceded that the breakup of families and the public glorification of crime and immorality are major contributing causes to the staggering increase of crime and delinquency in the United States. When these two causative factors are dominant in a single case, and when all the sordid details of that case are propagated through mass media the end results are painfully evident. One cannot escape the conclusion that the constant flaunting of immoral behavior by widely publicized public figures creates in the minds of many the false concept that immorality is a public virtue.

My office has been deluged by letters, telegrams and telephone calls from all parts of the country expressing indignation about this case. This correspondence is running about 40 to 1 in favor of barring Richard Burton from admission into the United States. Many of the letters are written by parents of teen-aged children, pouring out their concern over the depraved example of public conduct set by Richard Burton and the trying problems of parents who strive to rear their children to be decent, law-abiding adults and citizens.

There is no question, in my opinion, about the Department of State having the exclusive authority by law to revoke the visa issued to Richard Burton. The congressional intent on that authority is clear. Substantive matters raised during the executive hearing before our subcommittee on February 3, 1964, with which I trust you are acquainted, clarify this uninhibited authority by law for the Department of State. An effort was made to tilt this authority on a razor thin edge of opinion growing out of a simple advisory opinion on admissibility by the Board of Immigration Appeals. Congress intended that basic question of eligibility to receive a visa be sharply separated from any and all involvement with the question of admissibility after a visa was granted and the visa holder presented himself at a port or point of entry into the United States. Hence, the authority on visa issuance, refusal or recall rests exclusively with the Department of State and the authority to rule on admissibility of an alien with a valid visa rests exclusively with the Department of Justice, Immigration and Naturalization Service. To burden the authority of the Department of State on visa matters with a decision made by an advisory instrument of the Justice Department relating to a question of admissibility gives rise to a number of questions which I shall be ready to take up with you when the issue of Richard Burton's visa is resolved.

Meanwhile, the point of my letter is the authority vested in you by law, as Secretary of State, is in no way encumbered by opinions or decisions relating to the admissibility of aliens in possession of a valid visa. Further, there can be no reasonable argument against the claim that Richard Burton's case is an unusual one because a casual reading of the daily journals offer more than sufficient evidence to support that claim.

The transcript of hearing held by our subcommittee on this matter is available for your reading if you so desire.

With best wishes, I am,

Sincerely,

MICHAEL A. FEIGHAN,
Chairman.

The letter which I received from the Department of State today, over the signature of Frederick G. Dutton, an Assistant Secretary, was released to some members of the press earlier today. Accordingly, I include in my remarks the text of the letter which I received from the Department of State, announcing its determination to hold firmly to its decision on the eligibility of Richard Burton to hold a valid visa for admission into the United States:

DEPARTMENT OF STATE,
Washington, February 13, 1964.

The Honorable MICHAEL A. FEIGHAN,
House of Representatives.

DEAR MR. CHAIRMAN: Thank you for your letter of February 7, 1964, concerning your interest in the eligibility of Richard Burton to receive a nonimmigrant visa.

The Department has now completed the review of the issuance of a visa to Mr. Burton, which you requested Mr. Schwartz to undertake when he testified before your subcommittee on February 3, 1954. As you know, a nonimmigrant visa was issued to Mr. Burton following the approval by the Immigration and Naturalization Service of a petition filed by a U.S. employer who has contracted with him for a theatrical production in Boston and New York. Our review has uncovered no information which would warrant a finding of ineligibility or a revocation of his visa, under the applicable laws and regulations which specifically define the grounds upon which visas may be denied.

If the Commissioner of Immigration takes a contrary view to that of the Department of State in this matter, the Immigration and Naturalization Service, of course, has the authority to refuse admission at the port of entry. We believe, however, that our views are in accord with those of that Service.

Sincerely yours,

For the Secretary of State:

FREDERICK G. DUTTON,
Assistant Secretary.

Richard Burton has cleared the first hurdle; that is, the State Department's dubious determination on his eligibility to receive a visa for admission into the United States. He must now face the second hurdle, by law, through establishing his eligibility for admission into the United States before a hearing officer or officers of the Immigration and Naturalization Service. Richard Burton must face that second hurdle when he attempts physically to enter the United States on the visa issued by a consular officer in Mexico which Secretary of State Dean Rusk has affirmed as a valid visa. That second and clearly separate hurdle is established by law and must be safeguarded by the Attorney General through the Immigration and Naturalization Service.

In my opinion, justice and morality are inseparable. I cannot help but have confidence that the Attorney General, under the broad powers granted to him by the governing statutes of our immigration laws, will cast aside the redtape, bureaucratic interpretations, and advisory opinions to exercise the legal powers with which he has been entrusted.

I continue to believe that Attorney General Kennedy will do two things in rendering his final decision in this case:

First. Uphold the clear intent of Congress.

Second. Exercise a public concern for the moral values of American democracy, particularly as those values affect our youth and the future of our country.

EXCESSIVE IMPORTS OF CRUDE OIL HURTS DOMESTIC CRUDE OIL INDUSTRY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. ROGERS] is recognized for 30 minutes.

Mr. ROGERS of Texas. Mr. Speaker, I want to call the attention of the Members of this House to a situation which is damaging to the petroleum producers of my State and others in which our great oil wealth lies, and which must be the concern of Members from all States because of its direct implications to the national security.

I refer to the continuing damage to domestic crude oil production caused by excessive imports of foreign oil. Most people are familiar with the manner in which imports of crude oil replaces the market for domestic crude, because crude oil can be produced so much cheaper abroad that, even after paying ocean shipping charges, it still is able to undersell American crude in our own country.

Less well understood, however, is the fact that imports of residual heating oil, by usurping the market for domestic residual, force a corresponding decrease in the production and marketing of domestic crude.

In fact, this is completely misunderstood by some of my good friends from the Atlantic Coast States, who seem to feel that only jobs and income in the coal-producing States are endangered by excessive residual imports.

This is far from the fact.

Although consumption of residual fuel oil has remained relatively stagnant for the United States as a whole, residual imports have increased some 21 percent since 1959, when controls were first applied. This has forced domestic refiners to further decrease their residual yield, and correspondingly increase the yield of light products which are in surplus supply. Although residual imports, as controlled by the Department of the Interior, are increased on the grounds of anticipated "demand" or "need," the same principle is not being employed to reduce imports of oil products which are clearly surplus.

This has had the effect of both decreasing markets for domestic crude and the price which domestic producers realize for the more than 700,000 barrels a day of residual fuel oil which they still supply the domestic market.

Opponents of residual import controls are fond of claiming that quotas must constantly be increased to make up for the decline in domestic production. This, of course, is a complete reversal of the facts. The truth is, continuing increases in the number of barrels of foreign residual permitted to be shipped in and sold at cutrate prices force a corresponding decrease in the production of residual from domestic crude oil.

Whereas refineries were producing some 900,000 barrels daily of residual from domestic crude a few months ago, today they have been forced to reduce that yield to no more than 700,000—although the market is saturated for the lighter products which they either must make in place of it, or else reduce their total refinery throughput.

An official of the Texas Independent Producers and Royalty Owners Association, an organization made up of domestic petroleum producers, put the case very clearly in a statement last fall. At that time, it should be noted, domestic residual refinery yield was still 850,000 barrels per day, a figure which even then was too low for the best interests of U.S. crude production.

The official of the association declared:

> The market for residual fuel oil nationwide is not growing as fast as resid imports even under controls. So, decontrol of fuel oil imports—or any further increase in supplies above demand—could seriously injure domestic oil producers. We still turn out some 850,000 barrels daily of resid from domestic produced oil, which, when combined with

> the higher priced products, is marketed profitably from $3 crude.
>
> Any sharp increase in residual fuel oil imports could only depress further the already ridiculously low residual oil price, helping no company nor source country, in the end. If domestic refiners were to try and counter such surpluses by decreasing resid yields, it could only demoralize the entire gasoline market and hurt the importers as well as others involved.

I might add that this conviction is not held alone by the Texas independent producers organization. The president of that association has declared that its conclusions on the vital importance to crude production of controlling residual imports came only after careful consideration was given to the matter in various councils of independent producers, including the Independent Petroleum Association of America, the liaison committee—which comprises representatives of independent producer associations in some 20 States—and in all the independent associations in Texas.

I am happy to say that Mr. Stewart Udall, the Secretary of the Interior, who has the responsibility for administering the oil import control programs, has clearly recognized the interdependence of both residual and crude import limits to protect the domestic industry in the interests of national security.

In a recent letter to some of my distinguished colleagues from New England, who had protested continuation of residual import controls, Secretary Udall termed the domestic oil industry "perhaps the most essential of all to our national security," and declared, according to press reports:

> When the national security contribution of the residual fuel oil program is measured in the broader terms of the overall petroleum import control system, it is apparent that in order to maintain the integrity of the control program it is necessary to retain controls on all of the principal derivatives of crude oil, including residual fuel oil.

I completely agree with the Secretary, and I commend him for his recognition that the domestic crude industry must be maintained in the interests of national security and his clear understanding that this cannot be accomplished without continuing import controls on residual oil, as well as on foreign crude.

However, I think it important that Mr. Udall and his associates, who have, in my opinion, performed such an excellent service on behalf of our country and its security, do not lose sight of the importance to the crude-producing industry of more sharply restricting the volume of residual imports. As I have pointed out, each barrel of imported residual in effect prevents the production in this country of a barrel of domestic crude. And yet, the residual import quotas have been increased from 343,000 barrels per day when they were first imposed in 1959 to about 575,000 barrels per day this year.

And while residual imports continually increase, the domestic oil industry is being hurt. The Independent Petroleum Association of America estimated that only about 43,500 new oil wells were completed in 1963—a decline of 2,700 wells under the number drilled the year before.

Total well-drilling activity was at the lowest point in 1963 in the past 14 years. In this same period of time, however, the consumption of petroleum showed an increase of more than 60 percent. Principal cause of the decline of domestic drilling production is the excessive imports of both crude and residual oil. In the January 1964 issue of Independent Petroleum Monthly, Independent Petroleum Association of America commented:

> These downward trends in drilling are an indication of the depressed conditions which have existed in the producing branch of the domestic petroleum industry for several years. They must be reversed if the industry is to find the oil and gas reserves needed to meet the increasing energy requirements of this country in the years ahead.

It seems to me little doubt remains that excessive residual imports are adverse to a strong domestic petroleum industry and that the drilling trend of recent years must be reversed if our dependable and secure continental sources of petroleum are to be maintained in a position capable of meeting any national emergency.

There are bills now pending before both Houses of the Congress to limit the imports of residual fuel oil according to a fair formula based on total demand. I do not contend that this approach is the only solution to the problem, or that it would solve all of the difficulties. However, I do feel that the subject matter is of such vast importance that it demands the continued attention and alertness of the Congress if the domestic oil industry and the associated contributions to the basic security of this Nation are to be protected. I would hope that the Ways and Means Committee would in the near future hold hearings on the subject matter generally so that proper legislation to meet the challenge to the security may be perfected.

The Interior Department has held a tight rein on imports during the past year and no so-called emergency extra quotas have been granted despite the efforts of some groups to create the impression that a shortage exists or is threatened.

I urge Secretary Udall and his associates to continue their deep interest in the security and welfare of this Nation and the proper preservation and development of the energy resources that are indispensable to our well-being. I would further urge that no increase in quotas be granted for the coming import period.

I think it would be appropriate at this juncture to add one point which will be of interest to my colleagues and friends in New England. The claim has often been made that the import controls program has forced the price of residual oil higher and, thus, penalized the New England consumer. Indeed, Secretary Udall, in his letter to the New England delegation, asserted that import controls had resulted in slightly higher prices for residual, although he pointed out that the long-term cost to the economy if controls were abandoned would prove to be very substantial.

The fact is that the cost of residual to New England consumers today is far less than it was before import controls were established in 1959. The latest report of the Office of Emergency Planning shows that the average full tanker cargo price for imported residual delivered to New England ports during the period January–November of this year was $2.02 per barrel. This compares with the price of $2.33 per barrel during this same 11-month period of 1958, the latest full year before the oil import control program began.

Since the consumption of residual oil in New England is at the rate of 75 million barrels per year, the 31 cents per barrel decline in price means that New England consumers have actually saved more than $23 million on the price of residual used this year, compared with what they would have had to pay at pre-import-control prices. I assure my distinguished colleagues from the New England States that I am heartily in accord with their desire to obtain reasonably priced fuel for their consuming constituents. However, I also urge them to recognize that the prices which utilities and industrial users of residual oil are paying in New England are lower today than before controls went into effect and that the claims by importers and oil marketers that import restrictions have penalized their area simply are not borne out by the facts.

Further, I urge that they keep in mind that the great industrial area of New England is too important to its own citizens and to the rest of the Nation to become dependent on an uncertain foreign source of fuel. Neither the coal nor the domestic oil industry are advocating a shutting-off or even a material rollback of residual oil imports. Those of us concerned with maintaining a strong domestic fuel industry, however, are firmly convinced that an irreparable damage will be done to them if residual imports are permitted to continue to increase as they have in recent years.

I believe that the unhealthy aspects of this situation can be relieved in a manner fair to all areas and parties involved with the adoption of appropriate legislation that can be the product of the hearings which I have heretofore advocated. I would urge all of my colleagues, especially including my good friends from New England, to lend their support to the basic proposition to which I have addressed myself.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Texas. I will be happy to yield to the gentleman from Iowa.

Mr. GROSS. I wonder whether the gentleman can tell me whether they are still practicing the oil import shenanigans at Brownsville, Tex., that I personally observed a couple or 3 years ago wherein Mexican crude oil is tanked by ship, I believe from Tampico to the port of Brownsville, and unloaded there into bonded storage tanks. Still in bond, it is transported by tank trucks across the International Bridge between Brownsville and Matamoros, Mexico. The trucks circle the Mexican customs station and scarcely stop. They are checked off almost automatically by some means by Mexican authorities, for the wheels scarcely stop turning on the trucks and with their oil cargoes intact they go right back across the bridge into Brownsville, Tex. Thus the crude is made free oil and shipped out to various ports along the eastern seaboard of the United States. I made inquiry after seeing this operation and was told by letter, and some of my information was private and off the record, provided by certain people in this Government, that this operation takes place because if Mexico could not dump this oil into the United States it would be sold to Cuba. In other words, it is my opinion that it came into the United States as a form of glorified blackmail—that we either take this surplus crude oil or the Mexican Government says in effect "We will sell it to Castro."

Mr. ROGERS of Texas. Let me say this to the gentleman. I appreciate the problem and understand it. It has been going on for some time.

Mr. GROSS. That is right.

Mr. ROGERS of Texas. The basic problem is that overland imports of oil are not included in this import control program. What happened in the Mexican situation was simply this. Mexico did not have a northern port. Mexico could have opened a northern port in northern Mexico and brought in oil by tanker to the northern port, then brought it in overland and it would not have been included in the import control program. But it was considered at the time this was permitted that it would be to the best interests of the United States to permit its tankers to come into Brownsville, which is the nearest port to northern Mexico, then permit this oil to be carried back under bond into Mexico by truck and then brought in overland. Whether or not this is a good idea I do not know. I think, frankly, overland imports should have been included in the import control program and, of course, if they had been, it would have solved this problem.

Mr. GROSS. I agree. This sort of operation, in my opinion at least, and I am not an expert on oil imports, does contribute, I am sure, to what the gentleman is talking about and protesting.

Mr. ROGERS of Texas. I thank the gentleman for his contribution.

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BECKWORTH. Mr. Speaker, I desire to commend the gentleman from Texas for the statements being made by him today. I am aware of the accuracy of what he is saying and I do trust much additional attention will be given to the problems which he ably describes.

CIVIL RIGHTS ACT OF 1964

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House, the gentleman from Michigan [Mr. MEADER] is recognized for 30 minutes.

Mr. MEADER. Mr. Speaker, now that the civil rights bill, H.R. 7152, has passed the House, I think it would be well for all of us to pause and see what we have done. This is not an idle exercise because the other body may well make substantial modifications in this measure and we will have an opportunity to pass again on this legislation when it comes before us in the form of a conference report.

Mr. Speaker, I voted against H.R. 7152 because of the excessive power and extension of scope of activities of the Federal Government it provides and because of the oppressive sanction by which the Attorney General is authorized to proceed against citizens in enforcement of various titles in the bill.

Mr. Speaker, as a member of Subcommittee No. 5 of the Judiciary Committee, I have participated in the formulation of civil rights legislation from the very beginning. I met informally with Republican members of the Judiciary Committee to consider what might appropriately be contained in an omnibus civil rights bill in early January of 1963. These discussions resulted in the introduction on January 30, 1963, of H.R. 3139 by the ranking Republican member of the Judiciary Committee, the gentleman from Ohio [Mr. MCCULLOCH].

From that time on, my interest in this legislation continued through the 22 days of public hearings of our subcommittee, through the 17 days of executive sessions, through the 5 days of sessions of the full committee, through the 9 days of consideration by the Rules Committee of the House and through 9 days of debate on the floor of the House.

Mr. Speaker, I consciously and intentionally refrained from introducing civil rights legislation myself or from announcing any rigid position publicly for the reason that as a member of the jury as it were or as a member of the subcommittee, I wanted to maintain an open mind and a position of flexibility to the end that we might work out in the legislative process, sometimes called the art of compromise, a fair, effective, reasonable, and workable civil rights bill which would go as far as the Federal Government had any power to go in achieving equal treatment of all citizens, and would preserve to the maximum the protection of citizens when proceeded against by their Federal Government.

When the bill was ordered reported by the full Judiciary Committee, I reviewed my study of this subject over the previous 10 months and made my decision. This decision and the reasons for it were as clearly and succinctly stated as I knew how to do in the 16 pages of my additional views commencing on page 43 of the committee report. Not only were these views when published generally available to the general public, including the constituents of the district I have the honor to represent, but, in addition, I summarized these views in a press release which I made available generally to the press and specifically to news media covering Michigan and my congressional district. I also summarized my views in a newsletter to constituents, and in telecasts and broadcasts on radio and television stations in my district, emphasized the importance of this legislation and expounded my views with respect to it.

Mr. Speaker, on January 21, 1964, I appeared as a witness before the Rules Committee of the House and, in a prepared statement released to the press, reiterated my comments on H.R. 7152 and the modifications that I believed needed to be made if it were to receive my support.

Mr. Speaker, between November 20, 1963 and the time of the passage of this legislation on Monday, February 10, 1964, I did not receive one communication specifically challenging the facts or logic or correctness in principle of the position I had publicly announced, although of course, I did receive some communications both from my district and outside it, many of which favored the legislation without change and others vigorously opposing the legislation.

Parenthetically, it was surprising to me that so few communications were received with respect to a measure so far-reaching.

Mr. Speaker, as a member of the committee and the subcommittee which had given intensive study to this subject, it seemed to me that it was my obligation to my colleagues in the House of Representatives and to the public generally, to analyze the contents of the legislation and to present arguments in favor of a version of the legislation which I could support, and against those portions of the bill which I believed were wrong, and that is precisely what I proceeded to do, both in general debate and by offering amendments myself, supporting those offered by others and opposing still others and, as a member of the committee handling the bill, to participate actively in floor debate. This I did.

Some of the amendments I offered would have made the bill even stronger. Others would have made it more workable and others would have trimmed excessive expansion of the orbit of Federal power and withheld oppressive enforcement sanctions depriving citizens of protections guaranteed them in the Bill of Rights. Only one significant amendment which I offered became a part of the final legislation: namely, a nonpreemption clause preserving the validity of State and local laws and ordinances now on the books or hereafter to be enacted which otherwise might have been invalidated through the preemption doctrine of the

Nelson case; namely, that the Federal Government had occupied the field of civil rights and all State and local enactments in this field were to be invalid.

Mr. Speaker, although some minor modifications were adopted during consideration by the House in the Committee of the Whole, the objectionable features which I discussed in my additional views were largely untouched. Therefore, as I had announced 3 months earlier, I cast my vote against the bill.

Mr. Speaker, three editorials on this subject, which discuss the attitude that I took toward this legislation, have appeared during consideration of the bill, and thereafter.

The Ypsilanti, Mich., Press in my congressional district on Thursday, February 6, 1964, carried a very thoughtful editorial referring to my analysis of the civil rights bill, under the title "Even Moral Rights Must Recognize Law." I incorporate the text of this editorial at this point in my remarks:

Even Moral Rights Must Recognize Law

Representative George Meader's recent remarks that the administration's civil rights bill "invades the liberties of individual citizens and disturbs the delicate equilibrium of our unique governmental system of checks and balances and separation of powers" is evidence of the doubts and uneasiness felt by opponents of the present bill now under study.

Advocates of the current bill insist civil rights is a moral issue. This we grant, and the press stands solid, and forthright, for all the real meaning of civil rights—such as equality of jobs, of housing, of living. Yet, do demonstrators have a moral right—as some now argue—to show their disrespect for law on the grounds that present law conflicts with their conscience? If yes, then poverty is also a moral issue. Surely every human being has the right to freedom from want. Logically then, why can't confiscation of another's property be viewed as a moral right transcending the legal protection given by a constitution? (This argument has been used by many dictatorships today—confiscation of wealth for the general welfare of all people.)

Or it might be argued that every employer if his conscience so dictates must hire any qualified worker. It could be argued that his moral obligation is to ignore what the law may say about union shops since these restrictions conflict with what his conscience tells him is his moral duty.

Another employer might (and at least one has) just as sincerely argued that the graduated income tax is in fact confiscation of what a man produces—depriving him of his inalienable right to property—and that he no longer in good conscience can withhold money from his employees' pay, because he believes this is morally dishonest.

We doubt if the strongest proponents of civil rights as a moral issue would be willing to stand up and fight for propositions such as these.

What we hope to make clear is that because something is a moral issue does not put it above or outside the existing laws of society.

What chaos we'd have without respect for law.

The way to correct inequities is not by defying or ignoring existing laws—but by legal change of the rules, written clearly so that there are no broad, undefined powers given away to any agency of government which could lead to a denial of individual liberty or freedom.

The Adrian (Mich.) Daily Telegram, in my congressional district on Friday, February 7, 1964, commented on my efforts to strengthen the bill by an amendment which would have created a bipartisan congressional commission to determine the extent to which some States denied or abridged the right to vote with a view to reducing the representation of those States in the House of Representatives as required by section 2 of the XIV amendment to the U.S. Constitution. This editorial also commented upon my efforts to rephrase the public accommodations section of the bill to bring it within proper Federal regulation of interstate commerce, namely, the protection of the right of citizens to travel between States through all forms of conveyances and by free access to all facilities connected with the interstate and primary highway systems as defined by law.

This editorial is entitled "Meader in Civil Rights Debate." I incorporate the text of this editorial at this point in my remarks:

Meader in Civil Rights Debate

Representative George Meader, of Michigan, has had a prominent part in the debate in the House on the civil rights measure. In one instance he tried but failed to strengthen the voting rights provisions of the bill; in the other he failed in an effort to trim drastically the public accommodations section.

On Tuesday Meader offered an amendment aimed to impose a penalty on States for disenfranchising voters. And it was a drastic penalty; it would have reduced the representation in Congress of States which denied voting rights on the basis of race, color, or national origin. It was directed, obviously, at Southern States and in behalf of the Negro voters in those States. The amendment was objected to as out of order by Representative Emanuel Celler, Democrat, of New York, floor manager of the civil rights bill.

Mr. Meader argued that the amendment to impose a penalty bill stronger, that "once this Congress enforces the 14th amendment, you will find that States practicing denial of voting rights because of color or race will desist." But Celler argued that the matter of reducing a State's representation in Congress was foreign to the purport of the voting rights section of the bill. Representative Eugene Keogh, Democrat, of New York, who was presiding, ruled that the Meader amendment was not germane.

Wednesday Mr. Meader proposed an amendment to the public accommodations section of the bill. As written, the bill holds that all hotels, motels, restaurants, service stations, theaters, and other public places must be open to all persons, irrespective of race, color, or religion. Mr. Meader proposed covering only motels, restaurants, service stations, etc., on or adjacent to the Nation's interstate and primary highway system. The bill's public accommodations section is based on the commerce clause of the Constitution which gives Congress the power to regulate commerce with foreign nations and among the States.

Other Federal laws such as the minimum wage are based on this clause. Thus the Federal Government has authority to enforce a minimum wage on goods in interstate commerce but not on goods or services within the boundary of one State. Under the interstate commerce theory, the authority of the Federal Government has been widely extended in recent years.

Mr. Meader argued that giving the Federal Government authority to regulate public accommodations not precisely interstate in character was a completely new extension of authority He said the bill's section "is fuzzy, vague, ambiguous, and reeks of power." But his amendment was voted down 153 to 68. And the original public accommodations section remains in the bill.

If the bill passes both branches of Congress, as it is likely to, and becomes law, most probably it will be subjected to tests as to its constitutionality, particularly the provision giving the Federal Government the right to act against any individual hotel, motel, or service station owner who may elect to restrict his patronage. Such a constitutional test might affirm the civil rights measure, but it also might overturn it. With the Meader amendment in the bill affirmation of its constitutionality might have been more certain.

Mr. Speaker, after the bill had passed the House, the Washington Evening Star, under date of Tuesday, February 11, 1964, made what seems to me a very sound and penetrating analysis of the civil rights product of the House of Representatives, also commenting upon the rather unusual legislative history of this bill and indicating that there was a large job indeed ahead for the other body if this legislation were to be overhauled, tightened up and clarified so as to become a reasonable and effective Federal civil rights law. I set forth the text of that editorial at this point in my remarks.

Repair Job Needed

The House now has passed what has aptly been described as the "most far-reaching" civil rights bill ever put before Congress. This is no exaggeration. And as enacted by the House, the bill is very much in need of an overhaul.

The fact is that the bill—though new civil rights legislation is both desirable and necessary—did not receive anything like adequate consideration in the House. A few facts will illustrate the point. At present, there are 432 Members of the House. Every quorum call was answered by at least 400 Members. So the legislators were in attendance. But in votes taken on 21 issues affecting the bill, some of them of great importance, the average was 131.7 against amendment and 64.6 in favor. Why did less than half of the House membership take part in the debate and in the votes on amendments? Simply because those who were against the bill or who wanted to modify it, Republicans as well as Democrats, knew they were beaten before the first speech was made. They had no stomach for the fight and were more than willing to pass the battle on to the Senate, meanwhile trying to harvest a little partisan hay.

In the Senate, where the steamroller tactics so effectively used in the House cannot be employed, the entire bill will receive the careful consideration it deserves. This is proper. For a meaningful civil rights bill, when it becomes law, will have a profound effect—not only in the South, but in other sections of the country as well. It is better to consider it with care now than to regret ill-advised action later on.

There are three aspects of the House-approved bill which we think are especially in need of repair work in the Senate.

One is the failure of the bill to provide for jury trials in contempt proceedings except in title II, which concerns public accommodations. Critics asked why, for instance, was no jury trial provision contained in title III, relating to desegregation of public facilities. The answer was that defendants under this title generally would be public officials, and why give them jury trials. This is strange doctrine in legislation which is supposed to have some relationship to equal protection of the laws. Because a man is a public official does not make an indeterminate jail sentence at the hands of some arbitrary judge any more palatable—or equitable. We think that in all cases the jury trial provisions of the Civil Rights Act of 1957 should be incorporated in this bill.

Our second point concerns title VI, authorizing the cutoff of Federal funds as an aid to desegregation and fair treatment.

This section vests an enormous power in the hands of the President and his subordinates. That it could be outrageously abused by a politically minded and irresponsible President is beyond question. The late President Kennedy was asked at a press conference last April about a Civil Rights Commission recommendation that the President seek power to cut off or supend Federal aid funds to States which fail to comply with the Constitution and the laws. Mr. Kennedy's answer was that it "probably would be unwise" to give the President that kind of power.

Our feeling is that this section in the pending bill needs to be much more carefully drawn. Funds can be cut off when there has been a finding that a person has been subjected to discrimination. But discrimination is not defined. What, precisely, does it mean? We agree with the observation that, under this section, "the innocent are damned with the guilty if a Federal executive agency can terminate Federal programs in an entire State or in some geographical portion of a State because one citizen was 'discriminated' against by one State official or by a fellow citizen." There is the further point that in the South at least Negroes would probably suffer most when Federal aid is cut off.

Our third objection goes to title VII, generally known as the fair employment practices section. This section hits hard at both management and union practices which keep Negroes from obtaining jobs commensurate with their abilities. We wholeheartedly agree that legislation to accomplish this is needed. The pending proposal, however, is a draftsman's horror. Once again, key terms are not defined. No standards of evidence are set forth to guide the commission which would be created to administer the section. In the absence of standards, the commission might readily fall back on some form of quota system, which by all means should be avoided. If this section is accepted by the Senate, it should first be drastically overhauled, tightened up and clarified.

That this bill was railroaded through the House is beyond dispute. Representative MEADER, Republican, of Michigan, is a believer in civil rights and was a member of the Judiciary Subcommittee which initiated work on this bill. At first, he says, the measure was seriously considered. Then a "curious change" took place. Without any debate in the subcommittee, three sections were suddenly added by the majority—FEPC, broader powers for the Attorney General to intervene in suits, and a more sweeping public accommodations section. Then, on October 29, the full committee knocked out the language of the subcommittee bill. Substitute language, which was not drafted by the committee and the origin of which is not clear, was approved. Mr. MEADER first saw the completed draft when a copy was delivered to his home at 10:10 p.m. on the following Monday. The committee met the next morning at 10:30 and declared the bill not subject to amendment. That afternoon, following a recess necessitated by a meeting of the House, the bill was reported out.

Fortunately, this sort of thing can't happen in the Senate. The Senators will go over the bill line by line and clause by clause. We hope that an effective bill will be brought to a vote after full debate and passed without a filibuster. This will not happen, however, unless modifications are accepted. If they are not accepted, the only alternatives will be to invoke cloture or "wear out" the objectors. We do not believe that either can be successful.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield to the gentleman.

Mr. HALEY. I am very happy the gentleman is putting these particular editorials in the RECORD so that it will be a splendid record of what happened and what transpired on the so-called civil rights bill. I think the people of this Nation in a few years when they read this RECORD and know the facts, will realize that the gentleman who is now in the well of the House does not have to make any apologies for the vote he cast on that particular issue of the so-called civil rights bill.

I say there is less than 5-percent civil rights in the bill and 95-percent Federal and bureaucratic control over the people of this Nation. Time itself will eventually awaken the American people as to what is in this bill when they begin to comply with it and I predict these laws will vanish from the statute books of our great Nation.

Mr. MEADER. I thank the gentleman for his contribution. In reply I may say that I have no intention of apologizing for having discharged what I regard as my sworn duty and responsibility as a legislator who has worked on the details of this legislation from the very beginning. If I had voted in favor of this bill, knowing its contents as I do, having studied the subject as long as I have, I could not look my constituents in the face.

I also want to say at this time that later on in my remarks I am going on to try to bring out in layman's language, just what this bill actually does, a matter which has not been given very much attention either by the Members of this body, the press or the American people.

Mr. Speaker, as I noted in my views in the committee report, my opposition to the version of the civil rights bill reported by the Judiciary Committee was based upon my belief that it was unwise, if not unconstitutional, for the Federal Government to stretch its power at the expense of State authority and individual discretion and because I believed it was unnecessary and undesirable to employ a harsh weapon for enforcement which deprived individual citizens of their protections and their liberties. Nothing in the debate caused me to doubt the correctness of that stand.

The bill we have passed, while confined to the field of civil rights, in my judgment establishes a dangerous precedent for Federal intrusion into other areas with the result that our Federal system without formal amendment of the Constitution can be dissolved and, for all practical purposes, one all-powerful National Government can be established.

Mr. Speaker, I am going to try to set out in layman's words the meaning and effect of the adoption of the terms of the bill we passed as they constitute a precedent for Federal encroachment and usurpation of powers beyond those specifically granted to the Congress in the Constitution.

If, in the name of regulating commerce, the Federal Government may compel any individual citizen against his will to associate with, to provide service to, or to do business with, another individual against the will of either, even though the association, service or business has nothing to do with the movement between States of either goods or persons—is there any activity of individuals which is beyond the reach of the long arm of the Federal Government?

If, in the name of enforcing equal protection of the laws, the Federal Government may compel a citizen against his will to do or refrain from doing certain things with respect to his relationships with other persons—are there any areas of individual behavior protected from direction and control by the Federal Government?

If, under the preemption doctrine of the Nelson case, the Federal Government is held to have occupied the field in which it enacts legislation to the exclusion of the States which may no longer legislate in that field and whose previous enactments are held to be a nullity, what valid powers remain to States which are immune from Federal usurpation?

Under the "equal protection of the laws" clause, the Supreme Court in Baker against Carr has held that the courts may, in private litigation, determine a vital element of a coordinate branch of the government, the legislative branch; namely, its composition.

If the Federal Government may establish uniformity in legislative districting, in associations and business dealings between citizens, could it not, if moved to do so, establish uniformity and equality in many other fields—marriage and divorce, traffic laws, health, and sanitation laws, laws of property and descent and distribution, and other fields of State and individual activity?

If the precedent established in this Civil Rights Act of 1964, fortified by other sweeping precedents asserting Federal power, such as Baker against Carr, are valid and can be extended to other areas of State and individual activity and if the Federal Government occupies fields in which it acts to the exclusion of State enactments—is there any area of State or individual action which remains free from Federal control?

If Federal policy is enforced by a civil action in the Federal courts—wherein the defendant is ordered affirmatively to perform certain acts or to refrain from doing certain other acts and then is summarily jailed for contempt by the same judge who issued the order—possibly couched in vague and general terms—what has become of the freedom, due process, and other rights of the individual citizen?

In such a proceeding—since it is a civil not a criminal proceeding—the defendant may be called for cross-examination and be compelled to give proof against himself. He may not invoke his privilege against self-incrimination since the subject matter of the proceeding is civil not criminal. If, being ordered to give proof against himself, he persists in refusal, the court may thereupon summarily send him to jail for contumacious conduct as a witness and continue his incarceration until he submits and proves his own guilt.

The sweeping power in the civil rights bill is a real threat to our constitutional Federal system. We in Congress should pause and think before we let it become law.

Mr. HALEY. Mr. Speaker, will the gentleman yield further?

Mr. MEADER. I yield further to the gentleman from Florida.

Mr. HALEY. Of course, the gentleman is well aware of the fact that there were sections of this bill that the late President Kennedy did not ask for. It went far beyond the powers he had asked for in his legislative proposal. The gentleman is well aware of the fact that even the Attorney General of the United States doubted the constitutionality of some of the sections and some of the laws that were asked for in this particular bill. Is that not substantially correct?

Mr. MEADER. The gentleman is substantially correct. It is certainly true that the original administration bill did not contain a section which became title III of the bill that we acted upon, namely, public facilities; it did not contain the authority for the Attorney General to intervene in civil rights cases which the final version contains; and there were several other minor differences. Also, it did not contain, of course, title VII establishing the Fair Employment Practices Commission.

Now, while the Attorney General's criticism of the subcommittee bill, as I recall, was not based on grounds of unconstitutionality, he did say that the subcommittee bill which was before the full committee at the time he testified went far beyond, in his judgment, the limits that the Congress ought to go.

He thought it granted excessive power and was bad for the country. Certainly, if the Attorney General said it was excessive power, I think almost anybody in the country would agree it was excessive power, because he has not been notorious for his modesty in asking for additional power for the Justice Department from this Congress.

Mr. HALEY. Mr. Speaker, will the gentleman yield further?

Mr. MEADER. I yield further.

Mr. HALEY. Mr. Speaker, may I say that I regret that this bill was pushed through the House of Representatives to some extent in the name of the late President, and also at a time of high emotion because of the assassination of our late beloved President. I think that time and the application of this bill will finally wake up the American people to what is going on in this Nation. Gradually, but surely, I see the rights of the American people being eroded away and the liberties that we have fought for on the farflung battlefields of this earth are gradually being placed in the hands of bureaucracy. The powers and the prerogatives of this Congress, the people's representatives, are gradually being assumed by a so-called Supreme Court of this Nation. Bureaucracy is running wild. If this does nothing else it will finally wake up the American people to what is happening not only in the Halls of this Congress but throughout the whole Government of the United States.

Mr. Speaker, I thank the gentleman for yielding.

Mr. MEADER. Mr. Speaker, I thank the gentleman for those observations. I would like to say in reply that this bill is not gradual at all. This is a great big jump. There is nothing gradual about the way this bill goes into fields that are beyond what I regard as proper Federal authority. This is really a big chunk of power belonging to the States and the people that has been taken under the Federal wing in this bill.

I hope the American people will find out what is in this bill, but from the information that has been given them by the press I do not think even the Members of Congress know the amount of Federal power in this bill which they just passed by an overwhelming vote. In fact, I wonder if there were not a great many Members—and this was covered in the Star editorial—who absented themselves from the debate so that they would not learn what was in the bill, so they could vote for it blindly.

Mr. HALEY. Mr. Speaker, will the gentleman yield further?

Mr. MEADER. I yield further.

Mr. HALEY. Mr. Speaker, I used the word "eroded" with reference to this bill. This is not the only bill that would "erode" our rights. There has been a movement toward the erosion of the rights of the American citizen, that has been going on for some time. This is just another grab for power. There are no civil rights in this bill. If there are any, there are very few. Also I agree with the gentleman that on rollcalls and quorum calls in this House we have had as many as 420 Members answering the calls. Yet on teller votes less than 200, in many instances, went through the tellers. I think some of the people who are foisting this monstrosity of a bill on the American people wanted to discuss it, but I regretfully have to say that many of them did not try to find out what was in the bill. This bill was being driven through on the floor of this House where the Members should have found out what was in the bill, but I do not think there were 25 people on the floor of this House who knew what was in the bill, and who know now.

Mr. MEADER. Mr. Speaker, I thank the gentleman.

DIFFICULTY OF AGED PEOPLE IN OBTAINING EMPLOYMENT

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes, to revise and extend my remarks, and to include tables.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BECKWORTH. Mr. Speaker, there is no question in my opinion that people over 40 years of age have difficulty obtaining employment. I enclose an article that appeared in the Washington Evening Star of September 29, 1963.

CALIFORNIANS OVER 40 FACE HARDER TIME FINDING JOBS

SAN FRANCISCO.—Business and professional executives over 40 who are having difficulty finding employment in northern California may have an even rougher time after Tuesday.

On that day the 23-year-old, nonprofit 40-Plus Association of northern California, dedicated to finding jobs for such men, will be suspended indefinitely.

Col. Lee V. Harris, a member of the association's board of directors, announced the suspension Friday declaring the association could no longer function in a youth-dominated employment market.

"Group insurance plans and retirement requirements make it almost prohibitive for an employer to hire anyone in the 40-plus age bracket, regardless of experience or qualifications," Mr. Harris said.

There is a department in the U.S. Department of Labor known as the Division of Special Worker Services. The officials of this Division spend some of their time undertaking to help older workers. I enclose a letter from the Secretary of Labor:

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, November 20, 1963.

The Honorable LINDLEY BECKWORTH,
House of Representatives,
Washington, D.C.

DEAR MR. BECKWORTH: I am replying to your recent letter requesting information concerning Department of Labor activities in the field of employment assistance to older worker groups.

Activities in this field are the responsibility of the Division of Special Worker Services of the Bureau of Employment Security. This Division is directed by Mr. Anthony Fantaci. It is staffed by 14 persons: 10 professionals and 4 secretaries. Roughly 25 percent of the staff time is devoted to the older worker program.

Yours sincerely,
W. WILLARD WIRTZ,
Secretary of Labor.

There is a division in the Department of Health, Education, and Welfare known as the Office of Aging. Dr. Donald P. Kent is the Director of it. The officials of this Office, I understand, interest themselves in the problems of the aged and the problems of the older worker. This is shown by a letter I include:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., December 2, 1963.
Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D.C.

DEAR MR. BECKWORTH: The Office of Aging is the Office of the Department of Health, Education, and Welfare whose particular concern is older people. Enclosed is a description of the Office of Aging, with an outline of its objectives and program scope as well as its organization and the number of people it employs. Dr. Donald P. Kent is the Director.

"The extent to which older people are employed" is only one aspect of the Office's concern. Some recent publications and an order blank for publications are enclosed to give you an idea of the scope which the Office of Aging covers.

If you are interested primarily in the employment of older people, may we suggest you contact the U.S. Employment Service for more detailed information which emanates from the "older worker" program and other activities of the Department of Labor. In addition, the Census Bureau can provide detailed statistical data on employment trends.

Please call on us again when we can be of further service.

Sincerely,
ELLEN WINSTON,
Commissioner.

I fear that the division of the Labor Department which is undertaking to help our older citizens has made very few studies within the departments of our Federal Government to determine the extent to which the Government employs older people. I fear the same is true of the division in the Health, Education, and Welfare Department which is supposed to be helping our older people. In my opinion these studies should be made by the Division of Special Worker Services in the Labor Department and by the Office of Aging in the Department of Health, Education, and Welfare. The study should be very detailed and penetrating in my opinion.

I am a member of the House Post Office and Civil Service Committee. Several members of our committee and our fine chairman, Hon. TOM MURRAY, have been interested in obtaining information about the extent to which older people are privileged to get employment in the Federal Government. Representative OLSEN of Montana has worked diligently on this matter. I recall that Representative JOHN FOGARTY of Rhode Island, a distinguished subcommittee chairman of the House Appropriations Subcommittee and I have discussed the employment problems of the aged on the floor of the House. Also as I recall, Representative FOGARTY and I have exchanged correspondence on these problems.

I include some questions which our committee has sent out:

APPENDIX A: QUESTIONNAIRE ON PERSONNEL PRACTICES AND POLICIES IN THE FEDERAL GOVERNMENT RELATING TO THE EMPLOYMENT OF OLDER PERSONS IN THE FEDERAL SERVICE

The following departments and agencies of the Federal Government received and answered the questionnaire below sent by the Post Office and Civil Service Committee, House of Representatives, relating to a number of items with respect to personnel practices and policies of the Federal Government regarding employment of older persons in the Federal service.

The text of the letter and the departments and agencies replying to it are as follows:

U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON POST OFFICE
AND CIVIL SERVICE,
Washington, D.C., July 16, 1962.

Pursuant to House Resolution 75, 87th Congress, a copy of which is enclosed, the Committee on Post Office and Civil Service is conducting a study and investigation of personnel practices and policies in the Federal Government relating to the employment of older persons in the Federal service.

In connection with this inquiry, it will be appreciated if you will furnish this committee with the following information:

1. The number of persons employed in your department (or agency) who are between the ages of 20 and 30 years, between 30 and 40 years, between 40 and 50 years, between 50 and 60 years, between 60 and 70 years, and over 70 years of age.

2. The number of employees in your department (or agency) who have been appointed since January 1, 1959, within each of the above age groups.

3. The number of persons 45 years of age or older who have applied for positions with your department (or agency) since January 1, 1959, and were not employed.

4. The number of applicants for positions with your department (or agency) who have been rejected for employment since January 1, 1959, for reasons relating to their age.

5. Please outline for the committee the present policy of your department (or agency) with respect to the employment of persons over 40 years of age and advise the committee as to affirmative actions initiated by your department (or agency) since January 1, 1959, to carry out such policy.

6. Please advise the committee with respect to any complaints which have been received by your department (or agency) since January 1, 1959, alleging discrimination for reasons of age against any individual in connection with the employment, promotion, demotion, separation, or other personnel action affecting any applicant or present or former employee.

7. Present law provides that no part of any appropriation in any act on or after June 27, 1956, shall be used to pay the compensation of any officers or employees who establish a requirement of maximum age for entrance into positions in the competitive civil service; provided that no person who has reached his 70th birthday shall be appointed in the competitive civil service on other than a temporary basis.

Please outline for the committee the steps which have been taken by your department (or agency) to carry out the intent of Congress with respect to the above provision of law.

8. If the policies of your department (or agency) are consistent with the general policy of employment of well-qualified persons over 40 years of age in the Federal service, or promoting such persons who are in the Federal service to higher positions for which they are qualified, please outline for the committee the steps which have been taken by your department (or agency) to carry out this policy and submit any suggestions which you might have for further implementation of such policy or the enactment of additional legislation.

Your cooperation in this matter is appreciated.

Sincerely yours,
TOM MURRAY, *Chairman.*

DEPARTMENTS AND AGENCIES REPLYING TO JULY 16, 1962, QUESTIONNAIRE

1. Department of State.
2. Department of the Treasury.
3. Department of Defense.
4. Department of the Army.
5. Department of the Navy.
6. Department of the Air Force.
7. Department of Justice.
8. Post Office Department.
9. Department of the Interior.
10. Department of Agriculture.
11. Department of Commerce.
12. Department of Labor.
13. Department of Health, Education, and Welfare.
14. General Accounting Office.
15. Agency for International Development.
16. Bureau of the Budget.
17. Civil Service Commission.
18. Interstate Commerce Commission.
19. Commission on Civil Rights.
20. Federal Communications Commission.
21. General Services Administration.
22. Housing and Home Finance Agency.
23. Federal Maritime Commission.
24. National Aeronautics and Space Agency.
25. U.S. Information Agency.
26. Federal Power Commission.
27. Federal Trade Commission.
28. National Security Agency.
29. Securities and Exchange Agency.
30. Subversive Activities Control Board.
31. U.S. Tariff Commission.
32. Foreign Claims Settlement Board.
33. Veterans' Administration.

It is very interesting to note how the questions which were sent out by the House Post Office and Civil Service Committee were answered one by one. I invite the membership of the House to study carefully each question and the answer to each question.

QUESTION NO. 1

The number of persons employed in your department (or agency) who are between the ages of 20 and 30 years, between 30 and 40 years, between 40 and 50 years, between 50 and 60 years, between 60 and 70 years, and over 70 years of age.

The reply of the Civil Service Commission dated November 1, 1962, provided information in response to questions 1 and 2.

Question No. 2 is: The number of employees in your department—or agency—who have been appointed since January 1, 1959, within each of the above age groups.

The following tables—1 and 2—are in response to question No. 1:

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., November 1, 1962.
Hon. TOM MURRAY,
Chairman, Committee on Post Office and Civil Service, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: In reference to your request of July 16 and my letter of July 25 the enclosed data for the executive departments and selected agencies are forwarded giving age distributions on employment and appointments described in items 1 and 2 of your letter. These distributions were estimated from data in the Federal personnel statistics program sample as of June 30, 1962, and thus are subject to sampling error.

Sincerely yours,
JOHN W. MACY, Jr.,
Chairman.

TABLE 1.—*Distribution of paid Federal civilian employment, by selected agency and by age group, June 30, 1962*

Selected agency	Age group							
	Total	Less than 20	20 to 29	30 to 39	40 to 49	50 to 59	60 to 69	70 and over
General Accounting Office	4,758	75	818	980	1,227	1,249	409	------------
Department of State	5,002	148	887	1,091	1,569	989	318	------------
Department of the Treasury	82,997	1,784	11,078	18,194	25,244	18,396	8,205	96
Department of Defense	996,030	15,726	121,455	259,348	340,315	191,561	65,912	1,713
Office of the Secretary of Defense and other defense activities	21,457	835	3,580	5,099	6,756	3,897	1,252	38
Department of the Army	356,338	6,914	44,391	92,589	118,794	69,567	23,468	615
Department of the Navy	331,480	4,591	35,108	77,435	118,710	69,625	25,421	590
Department of the Air Force	286,755	3,386	38,376	84,225	96,055	48,472	15,771	470
Department of Justice	17,971	454	2,130	4,155	5,901	3,957	1,327	47
Post Office Department	588,469	5,567	78,018	159,996	195,298	106,810	41,546	1,234
Department of the Interior	53,900	1,067	9,449	13,850	15,106	10,726	3,512	190
Department of Agriculture	110,045	2,575	19,390	27,580	29,850	23,435	7,041	174
Department of Commerce	31,124	732	6,391	7,561	8,257	6,122	2,025	36
Department of Labor	8,929	535	1,560	1,777	2,665	1,743	638	11
Department of Health, Education, and Welfare	73,161	3,298	16,699	17,640	20,160	12,298	2,961	105
Civil Service Commission	4,123	168	514	972	1,463	704	291	11
General Services Administration	31,518	305	2,351	5,887	9,828	8,260	4,789	98
Housing and Home Finance Agency	13,469	519	1,546	2,235	3,652	3,362	2,055	100
Information Agency	4,271	234	683	975	1,073	877	429	------------
Interstate Commerce Commission	2,442	74	222	518	827	530	271	------------
National Aeronautics and Space Administration	23,686	671	5,670	7,972	6,711	2,060	556	46
Veterans' Administration	176,234	1,445	22,301	44,575	59,235	34,828	13,540	310

NOTE.—These data have been drawn from a random sample of approximately 10 percent of the Federal work force and are therefore subject to sampling error. Excludes foreign nationals overseas, the Agency for International Development and the Peace Corps in the Department of State, the Federal Bureau of Investigation in the Department of Justice, the Alaska Railroad and the Geological Survey in the Department of the Interior, commissioned officers of the Coast and Geodetic Survey in the Department of Commerce, and the commissioned corps of the Public Health Service in the Department of Health, Education, and Welfare.

TABLE 2.—*Percentage distribution of paid Federal civilian employment, by selected agency and by age group, June 30, 1962*

Selected agency	Age group							
	Total	Less than 20	20 to 29	30 to 39	40 to 49	50 to 59	60 to 69	70 and over
General Accounting Office	100	1.58	17.19	20.60	25.79	26.25	8.60	------------
Department of State	100	2.96	17.73	21.81	31.37	19.77	6.36	------------
Department of the Treasury	100	2.15	13.35	21.92	30.42	22.16	9.86	0.12
Department of Defense	100	1.58	12.19	26.04	34.17	19.23	6.62	.17
Office of the Secretary of Defense and other defense activities	100	3.89	16.68	23.76	31.49	18.16	5.83	.18
Department of the Army	100	1.94	12.46	25.98	33.34	19.52	6.59	.17
Department of the Navy	100	1.39	10.59	23.36	35.81	21.00	7.67	.18
Department of the Air Force	100	1.18	13.38	29.37	33.50	16.90	5.50	.16
Department of Justice	100	2.53	11.85	23.12	32.84	22.02	7.38	.26
Post Office Department	100	.95	13.26	27.19	33.19	18.15	7.06	.21
Department of the Interior	100	1.98	17.53	25.70	28.03	19.90	6.52	.35
Department of Agriculture	100	2.34	17.62	25.06	27.13	21.30	6.40	.16
Department of Commerce	100	2.35	20.53	24.29	26.53	19.67	6.51	.12
Department of Labor	100	5.99	17.47	19.90	29.85	19.52	7.15	.12
Department of Health, Education, and Welfare	100	4.51	22.83	24.11	27.56	16.81	4.05	.14
Civil Service Commission	100	4.07	12.47	23.58	35.48	17.07	7.06	.27
General Services Administration	100	.97	7.46	18.68	31.18	26.21	15.19	.31
Housing and Home Finance Agency	100	3.85	11.48	16.59	27.11	24.96	15.26	.74
Information Agency	100	5.48	15.99	22.83	25.12	20.53	10.04	------------
Interstate Commerce Commission	100	3.03	9.09	21.21	33.87	21.70	11.10	------------
National Aeronautics and Space Administration	100	2.83	23.94	33.66	28.33	8.70	2.35	.19
Veterans' Administration	100	.82	12.65	25.29	33.61	19.76	7.68	.18

NOTE.—These data have been drawn from a random sample of approximately 10 percent of the Federal work force and are therefore subject to sampling error. Excludes foreign nationals overseas, the Agency for International Development and the Peace Corps in the Department of State, the Federal Bureau of Investigation in the Department of Justice, the Alaska Railroad and the Geological Survey in the Department of the Interior, commissioned officers of the Coast and Geodetic Survey in the Department of Commerce, and the commissioned corps of the Public Health Service in the Department of Health, Education, and Welfare. Percentages are rounded independently and not forced to add to totals.

QUESTION NO. 2

The number of employees in your department (or agency) who have been appointed since January 1, 1959, within each of the above age groups. The following tables (3 and 4) are in response to question No. 2.

TABLE 3.—*Distribution of paid Federal civilian employees appointed since Jan. 1, 1959, by selected agency and by age group, June 30, 1962*

Selected agency	Age group							
	Total	Less than 20	20 to 29	30 to 39	40 to 49	50 to 59	60 to 69	70 and over
General Accounting Office	840	75	506	151	22	75	11	------------
Department of State	1,262	136	580	284	193	46	23	------------
Department of the Treasury	22,125	1,731	8,365	6,089	3,963	1,742	203	32
Department of Defense	275,878	15,698	85,430	74,509	69,551	25,757	4,699	234
Office of the Secretary of Defense and other defense activities	8,274	797	2,353	1,898	2,062	999	152	13
Department of the Army	97,680	6,586	29,470	25,610	24,540	9,544	1,835	95
Department of the Navy	76,898	4,355	23,534	20,091	20,176	7,283	1,384	75
Department of the Air Force	39,026	3,960	30,073	26,910	22,773	7,931	1,328	51
Department of Justice	4,027	442	1,339	954	989	233	58	12
Post Office Department	160,542	5,342	55,867	50,771	35,228	10,963	2,253	118
Department of the Interior	18,619	1,034	7,181	4,969	3,513	1,477	378	67
Department of Agriculture	33,239	2,400	13,005	8,887	5,819	2,575	509	44
Department of Commerce	10,049	732	4,695	2,427	1,512	622	61	------------
Department of Labor	3,360	501	1,241	706	718	149	34	11
Department of Health, Education, and Welfare	30,194	3,182	12,368	7,014	5,423	1,998	197	12
Civil Service Commission	1,117	168	413	301	134	67	34	------------
General Services Administration	8,358	294	1,719	2,405	2,491	1,210	239	------------
Housing and Home Finance Agency	4,849	519	1,207	1,038	1,197	718	140	30
Information Agency	1,170	234	429	312	156	20	19	------------
Interstate Commerce Commission	654	74	173	160	210	37	------------	------------
National Aeronautics and Space Administration	9,234	625	3,749	2,812	1,655	324	46	23
Veterans' Administration	48,489	1,431	16,631	14,363	11,069	4,267	634	94

NOTE.—These data have been drawn from a random sample of approximately 10 percent of the Federal work force and are therefore subject to sampling error. Excludes foreign nationals overseas, the Agency for International Development and the Peace Corps in the Department of State, the Federal Bureau of Investigation in the Department of Justice, the Alaska Railroad and the Geological Survey in the Department of the Interior, commissioned officers of the Coast and Geodetic Survey in the Department of Commerce, and the commissioned corps of the Public Health Service in the Department of Health, Education, and Welfare.

TABLE 4.—*Percentage distribution of paid Federal civilian employees appointed since Jan. 1, 1959, by selected agency and by age group, June 30, 1962*

Selected agency	Age group							
	Total	Less than 20	20 to 29	30 to 39	40 to 49	50 to 59	60 to 69	70 and over
General Accounting Office	100	8.93	60.24	17.98	2.62	8.93	1.31	
Department of State	100	10.78	45.96	22.50	15.29	3.65	1.82	
Department of the Treasury	100	7.82	37.81	27.52	17.91	7.87	.92	0.14
Department of Defense	100	5.69	30.97	27.01	25.21	9.34	1.70	.08
Office of the Secretary of Defense and other defense activities	100	9.63	28.44	22.94	24.92	12.07	1.84	.16
Department of the Army	100	6.74	30.17	26.22	25.12	9.77	1.88	.10
Department of the Navy	100	5.66	30.60	26.13	26.24	9.47	1.80	.10
Department of the Air Force	100	4.26	32.33	28.93	24.48	8.53	1.43	.05
Department of Justice	100	10.98	33.25	23.69	24.56	5.79	1.44	.30
Post Office Department	100	3.33	34.80	31.62	21.94	6.83	1.40	.67
Department of the Interior	100	5.55	38.57	26.69	18.87	7.93	2.03	.36
Department of Agriculture	100	7.22	39.13	26.74	17.51	7.75	1.53	.13
Department of Commerce	100	7.28	46.72	24.15	15.05	6.19	.61	
Department of Labor	100	14.91	36.93	21.01	21.37	4.43	1.01	.33
Department of Health, Education, and Welfare	100	10.54	40.96	23.23	17.96	6.62	.65	.04
Civil Service Commission	100	15.04	36.97	26.95	12.00	6.00	3.04	
General Services Administration	100	3.52	20.57	28.77	29.80	14.48	2.86	
Housing and Home Finance Agency	100	10.70	24.89	21.41	24.69	14.81	2.89	.62
Information Agency	100	20.00	36.67	26.67	13.33	1.71	1.62	
Interstate Commerce Commission	100	11.31	26.45	24.46	32.11	5.66		
National Aeronautics and Space Administration	100	6.77	40.60	30.45	17.92	3.51	.50	.25
Veterans' Administration	100	2.95	34.30	29.62	22.83	8.80	1.31	.19

NOTE.—These data have been drawn from a random sample of approximately 10 percent of the Federal work force and are therefore subject to sampling error. Excludes foreign nationals overseas, the Agency for International Development and the Peace Corps in the Department of State, the Federal Bureau of Investigation in the Department of Justice, the Alaska Railroad and the Geological Survey in the Department of the Interior, commissioned officers of the Coast and Geodetic Survey in the Department of Commerce, and the commissioned corps of the Public Health Service in the Department of Health, Education, and Welfare. Percentages are rounded independently and not forced to add to totals.

Question No. 3 is: The number of persons 45 years of age or older who have applied for positions with your department—or agency—since January 1, 1959, and were not employed.

The question was sent to 33 agencies.

QUESTION NO. 3

The number of persons 45 years of age or older who have applied for positions with your department (or agency) since January 1, 1959, and were not employed.

1.	Department of State	No estimate.
2.	Department of the Treasury	Do.
3.	Department of Defense	Do.
4.	Department of the Army	No records.
5.	Department of the Navy	No estimate.
6.	Department of the Air Force	Do.
7.	Department of Justice	Do.
8.	Post Office Department	Do.
9.	Department of the Interior	Do.
10.	Department of Agriculture	Do.
11.	Department of Commerce	Do.
12.	Department of Labor	Do.
13.	Department of Health, Education, and Welfare	Do.
14.	General Accounting Office	1,431.
15.	Agency for International Development	No estimate.
16.	Bureau of the Budget	Do.
17.	Civil Service Commission	Do.
18.	Interstate Commerce Commission	No estimate.
19.	Commission on Civil Rights	5.
20.	Federal Communications Commission	No estimate.
21.	General Services Administration	Do.
22.	Housing and Home Finance Agency	Do.
23.	Federal Maritime Commission	117.
24.	National Aeronautics and Space Agency	Not available.
25.	U.S. Information Agency	No estimate.
26.	Federal Power Commission	Do.
27.	Federal Trade Commission	Do
28.	National Security Agency	Do.
29.	Securities and Exchange Agency	55.
30.	Subversive Activities Control Board	No estimate.
31.	U.S. Tariff Commission	Do.
32.	Foreign Claims Settlement Board	Do.
33.	Veterans' Administration	Do.

The officials of the General Accounting Office reported that 1,431 people over 45 years of age have applied since January 1, 1959, and were not employed. This is a rather sizable figure.

The Maritime Commission reported in the same period that 117 people over 45 years of age applied with this Commission and were not employed.

The officials of the Securities and Exchange Commission reported that 55 people over 45 years of age applied at that Commission and were not employed.

The officials of the Civil Rights Commission reported a figure of five in that category.

The officials of 27 agencies answered by saying they have no estimate of the number of people over 45 years of age who applied for work since January 1, 1959, and were not employed.

The officials of one agency report they have no record.

The officials of another agency report that no figures are available.

I respectfully request and urge that the officials of the Division of Special Worker Services in the Department of Labor and that the officials of the Office of Aging in the Health, Education, and Welfare Department help our committee obtain some reports like those furnished by the General Accounting Office and the Maritime Commission, and so forth. If accurate figures cannot be obtained, certainly some estimates should be obtained. It occurs to me not enough interest is indicated when the officials of 29 agencies indicate that really no estimates or figures are available in their agencies. I believe this is evidence that the problem of people over 45 years of age in obtaining jobs in the Federal Government has been given far too little attention.

Question No. 4 is: The number of applicants with your department—or agency—who have been rejected for employment since January 1, 1959, for reasons relating to their age.

This question was sent to 33 agencies in the Federal Government. The answers of the officials in these departments are very interesting.

QUESTION NO. 4

The number of applicants for positions with your department (or agency) who have been rejected for employment since January 1, 1959, for reasons relating to their age.

1.	Department of State	None.
2.	Department of the Treasury	Do.
3.	Department of Defense	Do.
4.	Department of the Army	No information.
5.	Department of the Navy	2.
6.	Department of the Air Force	None.
7.	Department of Justice	No information.
8.	Post Office Department	None.
9.	Department of the Interior	Do.
10.	Department of Agriculture	Do.
11.	Department of Commerce	Do.
12.	Department of Labor	Do.
13.	Department of Health, Education, and Welfare	Do.
14.	General Accounting Office	Do.
15.	Agency for International Development	Do.
16.	Bureau of the Budget	Do.
17.	Civil Service Commission	Do.
18.	Interstate Commerce Commission	None.
19.	Commission on Civil Rights	Do.
20.	Federal Communications Commission	Do.
21.	General Services Administration	Do.
22.	Housing and Home Finance Agency	Do.
23.	Federal Maritime Commission	Do.
24.	National Aeronautics and Space Agency	Do.
25.	U.S. Information Agency	Do.
26.	Federal Power Commission	Do.
27.	Federal Trade Commission	Do.
28.	National Security Agency	Do.
29.	Securities and Exchange Agency	Do.
30.	Subversive Activities Control Board	Do.
31.	U.S. Tariff Commission	Do.
32.	Foreign Claims Settlement Board	Do.
33.	Veterans' Administration	Do.

The officials of the Department of the Navy list two who were rejected because of their ages.

The officials of 30 agencies answer that "none" were rejected because of their ages.

The officials of two agencies answer by saying they have no information.

If officials of 30 agencies of our Government out of 33 accurately state that no individual has been rejected because of his age since January 1, 1959, this is nearly a perfect record in hiring older people. I seriously doubt the answers of these 30 agencies are totally accurate.

I trust that the officials of the Division of Special Worker Services in the Department of Labor and that the officials of the Office of Aging in the Health, Education, and Welfare Department will work with these agencies to help the membership of our committee determine whether or not the answers of these 30 agencies are totally accurate.

With reference to the two agencies which have no information available, I hope the officials of these two agencies can be encouraged to obtain some information.

QUESTION NO. 5

Please outline for the committee the present policy of your department (or agency) with respect to the employment of persons over 40 years of age and advise the committee as to affirmative actions initiated by your department (or agency) since January 1, 1959, to carry out such policy.

1.	Department of State	Affirmative policy.
2.	Department of the Treasury	Do.
3.	Department of Defense	Do.
4.	Department of the Army	Do.
5.	Department of the Navy	Do.
6.	Department of the Air Force	Do.
7.	Department of Justice	Do.
8.	Post Office Department	Do.
9.	Department of the Interior	Do.
10.	Department of Agriculture	Do.
11.	Department of Commerce	Do.
12.	Department of Labor	Do.
13.	Department of Health, Education, and Welfare	Do.
14.	General Accounting Office	Do.
15.	Agency for International Development	Do.
16.	Bureau of the Budget	Do.
17.	Civil Service Commission	Do.
18.	Interstate Commerce Commission	Affirmative policy.
19.	Commission on Civil Rights	Do.
20.	Federal Communications Commission	Do.
21.	General Services Administration	Do.
22.	Housing and Home Finance Agency	Do.
23.	Federal Maritime Commission	Do.
24.	National Aeronautics and Space Agency	Do.
25.	U.S. Information Agency	Do.
26.	Federal Power Commission	Do.
27.	Federal Trade Commission	Do.
28.	National Security Agency	Do.
29.	Securities and Exchange Agency	Do.
30.	Subversive Activities Control Board	Do.
31.	U.S. Tariff Commission	Do.
32.	Foreign Claims Settlement Board	Do.
33.	Veterans' Administration	Do.

Question No. 6 is: Please advise the committee with respect to any complaints which have been received by your department—or agency—since January 1, 1959, alleging discrimination for reasons of age against any individual in connection with the employment, promotion, demotion, separation, or other personnel action affecting any applicant or present or former employee.

The officials of 25 agencies sent back the answer "None." This is certainly a good record if it is accurate.

The officials of the Army Department answered by saying they had had a few which were unjustified. I would like to have the exact number.

The officials of the Agency for International Development stated they have no knowledge of any complaints referred to in question No. 6.

The officials of the Treasury Department answered eight.

The officials of the Department of Navy answered five.

The officials of the Department of Interior answered two.

The officials of the Department of Agriculture answered one.

The officials of the Housing and Home Finance Agency answered one.

The officials of the Veterans' Administration answered eight.

When these are added together, the total is 25. It occurs to me this is a small number of complaints, indeed, when we think of the vast number of people who are employees of the Federal Government.

I respectfully request the officials of the division of Special Worker Services in the Department of Labor and that the officials of the Office of Aging in the Health, Education, and Welfare Department to undertake to find out whether or not there were only 25 complaints in the 33 agencies to which question No. 6 was sent.

QUESTION NO. 6

Please advise the committee with respect to any complaints which have been received by your department (or agency) since January 1, 1959, alleging discrimination for reasons of age against any individual in connection with the employment, promotion, demotion, separation or other personnel action affecting any applicant or present or former employee.

1.	Department of State	None.
2.	Department of the Treasury	8.
3.	Department of Defense	None.
4.	Department of the Army	Few unjustified.
5.	Department of the Navy	5.
6.	Department of the Air Force	None.
7.	Department of Justice	Do.
8.	Post Office Department	Do.
9.	Department of the Interior	2.
10.	Department of Agriculture	1.
11.	Department of Commerce	None.
12.	Department of Labor	Do.
13.	Department of Health, Education, and Welfare	Do.
14.	General Accounting Office	Do.
15.	Agency for International Development	No knowledge.
16.	Bureau of the Budget	None.
17.	Civil Service Commission	Do.
18.	Interstate Commerce Commission	None.
19.	Commission on Civil Rights	Do.
20.	Federal Communications Commission	Do.
21.	General Services Administration	Do.
22.	Housing and Home Finance Agency	1.
23.	Federal Maritime Commission	None.
24.	National Aeronautics and Space Agency	Do.
25.	U.S. Information Agency	Do.
26.	Federal Power Commission	Do.
27.	Federal Trade Commission	Do.
28.	National Security Agency	Do.
29.	Securities and Exchange Agency	Do.
30.	Subversive Activities Control Board	Do.
31.	U.S. Tariff Commission	Do.
32.	Foreign Claims Settlement Board	Do.
33.	Veterans' Administration	8.

QUESTION NO. 7

Present law provides that no part of any appropriation in any act on or after June 27, 1956, shall be used to pay the compensation of any officers or employees who establish a requirement of maximum age for entrance into positions in the competitive civil service; provided that no person who has reached his 70th birthday shall be appointed in the competitive civil service on other than a temporary basis.

Please outline for the committee the steps which have been taken by your department (or agency) to carry out the intent of Congress with respect to the above provision of law.

1.	Department of State	Complete compliance with the law (see Federal Personnel Manual).
2.	Department of the Treasury	Do.
3.	Department of Defense	Do.
4.	Department of the Army	Do.
5.	Department of the Navy	Do.
6.	Department of the Air Force	Do.
7.	Department of Justice	Do.
8.	Post Office Department	Do.
9.	Department of the Interior	Do.
10.	Department of Agriculture	Do.
11.	Department of Commerce	Do.
12.	Department of Labor	Do.
13.	Department of Health, Education, and Welfare	Do.
14.	General Accounting Office	Do.
15.	Agency for International Development	Do.
16.	Bureau of the Budget	Complete, etc.
17.	Civil Service Commission	Do.
18.	Interstate Commerce Commission	Do.
19.	Commission on Civil Rights	Do.
20.	Federal Communications Commission	Do.
21.	General Services Administration	Do.
22.	Housing and Home Finance Agency	Do.
23.	Federal Maritime Commission	Do.
24.	National Aeronautics and Space Agency	Do.
25.	U.S. Information Agency	Do.
26.	Federal Power Commission	Do.
27.	Federal Trade Commission	Do.
28.	National Security Agency	Do.
29.	Securities and Exchange Agency	Do.
30.	Subversive Activities Control Board	Do.
31.	U.S. Tariff Commission	Do.
32.	Foreign Claims Settlement Board	Do.
33.	Veterans' Administration	Do.

QUESTION NO. 8

If the policies of your department (or agency) are consistent with the general policy of employment of well-qualified persons over 40 years of age in the Federal service, or promoting such persons who are in the Federal service to higher positions for which they are qualified, please outline for the committee the steps which have been taken by your department (or agency) to carry out this policy and submit any suggestions which you might have for further implementation of such policy or the enactment of additional legislation.

1. Department of State	No suggestion; no legislation.
2. Department of the Treasury	Do.
3. Department of Defense	Suggest continuing review; no legislation.
4. Department of the Army	Periodic management surveys.
5. Department of the Navy	More emphasis by management.
6. Department of the Air Force	No suggestion; no legislation.
7. Department of Justice	Do.
8. Post Office Department	Do.
9. Department of the Interior	Age limits should be set for certain positions.
10. Department of Agriculture	Do.
11. Department of Commerce	No suggestion; no legislation.
12. Department of Labor	Do.
13. Department of Health, Education, and Welfare	Do.
14. General Accounting Office	Do.
15. Agency for International Development	Do.
16. Bureau of the Budget	Do.
17. Civil Service Commission	Do.
18. Interstate Commerce Commission	No suggestion; no legislation.
19. Commission on Civil Rights	Do.
20. Federal Communications Commission	Do.
21. General Services Administration	Greater attention by management; no legislation.
22. Housing and Home Finance Agency	No suggestion; no legislation.
23. Federal Maritime Commission	Do.
24. National Aeronautics and Space Agency	Do.
25. U.S. Information Agency	Do.
26. Federal Power Commission	Do.
27. Federal Trade Commission	Establish committee to study problem; no legislation.
28. National Security Agency	No suggestion; no legislation.
29. Securities and Exchange Commission	Do.
30. Subversive Activities Control Board	Do.
31. U.S. Tariff Commission	Do.
32. Foreign Claims Settlement Board	Do.
33. Veterans' Administration	Do.

APPENDIX B: COMPILATION OF PROVISIONS OF LAW RELATING TO EMPLOYMENT OF THE AGING IN THE FEDERAL SERVICE

APPENDIX 13: STATUTES RELATING TO EMPLOYMENT OF THE AGING IN THE FEDERAL SERVICE

Automatic separation; mandatory retirement for age

5 U.S.C. 715a: Prohibits the continuance in the service of civilian employees of U.S. and District of Columbia government who reach the retirement age prescribed for automatic separation from the service, applicable to the employees; authorizes the President to exempt persons from this prohibition; provides certain exceptions from the section.

5 U.S.C. 2255: Provides for mandatory separation at age 70 upon completion of 15 years of service for employees subject to Civil Service Retirement Act, and mandatory separation at age 62 upon completion of 15 years of service for Alaska Railroad and Canal Zone employees; authorizes President to except employees from the section; also provides certain exceptions from the section.

22 U.S.C. 1001: Provides for mandatory separation at age 65 of Foreign Service officers who are career ambassadors or career ministers other than chiefs of missions; also authorizes Secretary of State to extend such officer's service for a period of not to exceed 5 years in emergencies.

22 U.S.C. 1002: Provides for mandatory separation at age 60 of Foreign Service officers who are not career ambassadors or career ministers; also authorizes the Secretary of State to extend such officer's service for a period of not to exceed 5 years in emergencies.

Employment of Aging; Reemployment of Annuitants

5 U.S.C. 638b: Prohibits use of appropriated funds to pay an employee who establishes a maximum age requirement for entrance into positions in the competitive service; also provides that a person who has reached age 70 cannot be appointed in the competitive service on an other than temporary basis.

5 U.S.C. 715a: Provides that an employee separated for age is ineligible for appointment to appointive positions in U.S. or District of Columbia Government; also provides certain exceptions.

5 U.S.C. 2263(a): Authorizes reemployment of civil service annuitants in appointive positions, notwithstanding any other law; also provides that reemployed annuitants serve at the will of the appointing officer.

22 U.S.C. 915(c): Authorizes reemployment of certain retired Foreign Service officers and employees in appointive positions in the Federal Government, notwithstanding 5 U.S.C. 62 and 715a; also provides that reemployed annuitants serve at the will of the appointing officer.

33 U.S.C. 544a, 7011: Authorizes Chief of Engineers of the Army to employ retired civilian employees in connection with river and harbor or flood control projects, notwithstanding 5 U.S.C. 715a.

Dual Offices

5 U.S.C. 62: Provides that a person holding a Federal office or position with pay at a rate of $2,500 a year or more may not be appointed to or hold another Federal office or position to which pay is attached; excepts certain retired officers of the Armed Forces; also provides that during retirement, certain retired enlisted men and retired officers do not hold an office or position within the meaning of the section.

5 U.S.C. 63; 33 U.S.C. 544: Provides that 5 U.S.C. 62 does not prevent the employment of retired officers of the Army, Navy, or Air Force to work under direction of the Chief of Engineers of the Army in connection with the improvement of rivers and harbors of the United States.

5 U.S.C. 64: Provides that 5 U.S.C. 62 does not preclude payment to a retired officer of the Armed Forces who is appointed to one of the offices created by 31 U.S.C. 16, of the difference in pay prescribed for the office and his retired pay.

22 U.S.C. 915(c): Provides that 5 U.S.C. 62 does not prevent the employment of certain retired Foreign Service officers and employees in appointive positions in the Federal Government.

5 U.S.C 30r(c): Provides that a Reserve of the Armed Forces or member of the National Guard may accept a civilian office or position under the U.S. or District of Columbia Government and receive the pay incident to that employment in addition to pay and allowances as a Reserve or member of the National Guard.

Dual Pay

5 U.S.C. 58: Provides that appropriated funds are not available for payment to a person who receives more than one Federal salary when the amount of the combined salaries exceeds $2,000 a year.

5 U.S.C. 59: Provides that 5 U.S.C. 58 does not apply to retired members of the Armed Forces or to a member of the National Guard.

5 U.S.C. 59a: Limits amount of retired pay as a commissioned officer of the uniformed service which a person may receive while holding an elective or appointive civilian position under U.S. or District of Columbia Government; also excepts commissioned officers retired for certain disabilities.

5 U.S.C. 59b: Provides that 5 U.S.C. 59a does not apply to retired military personnel on duty at U.S. Soldiers Home.

5 U.S.C. 59c (as amended by Public Law 87-777 without regard to its repeal by Public Law 87-649): Prohibits payment of retired pay to officers of the uniformed service engaged in selling war materials to U.S. Government for 3-year period after retirement.

The CONGRESSIONAL RECORD of August 16, 1957, has in it some of my remarks which I quote at this point:

"Mr. BECKWORTH. Mr. Speaker, on July 10, 1957, I placed in the CONGRESSIONAL RECORD an article which appeared in the Reader's Digest in the July issue of 1957, and an article that appeared in the Dallas Morning News, June 29, 1957. In the Washington Post, July 25, 1957, there was an article by Jeff O'Neill entitled, "Older Worker Gets Job Break." The article refers to the policy of the Lofstrand Co. of Rockville, Md., concerning older workers. In the Evening Star, August 14, 1957, is an article entitled "Hire Older Workers, Employers Are Urged."

"For many years I believe I have recognized the seriousness of the problems that face older people who seek employment. In the early 1930's I knew a very experienced man in oilfield work who about the time he became 45 years of age or older had lost his job and could not find anything like steady, gainful employment thereafter. He had 3 children, the oldest of whom was about 14. He was capable in his work, and his wife and children needed the income from his ability to earn as much as they had ever needed or would ever need that which he might earn.

"For months, even though he was A-1 in his ability to do oilfield work, much of which required considerable skill, he sought work, but was told he was too old. From worry, disappointment, and humiliation because he could not provide for his family, he became ill and not too long thereafter passed away. My observation of the plight of this family has remained vividly with me. Incidentally, to be sure this was the depression period, but I recall many younger men in the very active east Texas oilfield worked quite regularly, for drilling in this field was at its height in those years.

"During World War II it was clearly shown that older people as well as crippled and handicapped people could do good jobs of work in many phases of our economy. Their services were sought after and utilized. The Government as well as countless private companies utilized their services. To me this is ample proof that an unfortunate policy long had been followed pertaining to the group I have referred to. There is nothing worse than a useful person because he cannot get work feeling useless. His spirit is killed by such a feeling. He loses hope."

As the father of five children, I believe I am able to look at the employment problems of older people and handicapped people objectively. Boys and girls who finish high school and college or who are not privileged to finish need employment opportunities. To this end I have always worked.

The problems of America are many and great. We can more effectively solve them if we utilize the services of all capable people—even though some are older and some handi-

> capped, such as injured veterans, those people afflicted from birth, or by crippling diseases or accident. All these worthy people must not be forgot, but must be given the opportunity to work, to learn, to improve their skills rather than to be what many detest—dependent.

President Eisenhower indicated his great interest in older people having better opportunities to obtain employment; President Kennedy evidenced great interest along this line. President Johnson's "war on poverty and unemployment" includes older people, too. Let us be doubly sure the U.S. Government is doing its part along this line.

I enclose two letters that have been sent to me by Hon. Warren B. Irons of the Civil Service Commission.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., December 3, 1963.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D.C.

DEAR MR. BECKWORTH: This is in reply to your question about how many first-time appointments in the Federal Government were included in the 206,000 appointments of persons 40 and over reported to you in my letter of October 25.

In collecting the data furnished in the tables accompanying that letter, all personnel actions reported to the Commission as based on prior Federal service, such as reemployment, reinstatement, restoration or return to duty, were excluded.

No attempt was made, however, to screen out new competitive appointments made from registers where the persons appointed had previously served in the Government. Such appointments are necessary where an individual's previous type or length of service does not entitle him to reenter the Federal service without resubmitting to competitive examination. We estimate this figure might, at the most, run 10 percent of the 206,000. Also, as we mentioned in our October 21 letter, some 5 percent of the personnel actions represented transfers of current employees from one agency to another.

In other words, as a conservative estimate, 85 percent of the 206,000, or about 175,100 represented first-time appointments in the Federal Government.

I am happy to have been able to be of further service to you.

Sincerely yours,

WARREN B. IRONS,
Executive Director.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., October 25, 1963.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D.C.

DEAR MR. BECKWORTH: I have just learned that an error was made in adding the totals for Federal employment and employment of persons over 40 which were supplied to you in Mr. Macy's letter of October 21. The error does not, however, change the percentage relationship between total employment and employment of persons over 40 furnished you in that letter.

The first two sentences of paragraph 1 on page 2 of Mr. Macy's letter should have read as follows:

"Table 3 covers about 634,000 appointments made to selected Federal agencies in the 3½-year period. Of those appointments, 143,800 were of persons aged 40–49; 52,300 were of people in the 50–59 age group, another 9,500 were of people in the 60- to 69-year-old group, and nearly 700 appointees were 70 or over. Total appointments of persons aged 40 or over ran about 206,000.

May I express my regret that an error was made and hope that it has not caused you any inconvenience.

Sincerely yours,

WARREN B. IRONS,
Executive Director.

COMMEMORATING THE 46TH ANNIVERSARY OF LITHUANIA'S INDEPENDENCE

Mr. BALDWIN. Mr. Speaker, I ask unanimous consent that the gentleman from Colorado [Mr. BROTZMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BROTZMAN. Mr. Speaker, 46 years ago on February 16 Lithuania was proclaimed an independent country after 123 years of Russian rule. This brave nation enjoyed freedom for only 22 short years until the Russians again marched in to deprive the Lithuanian people of their hard-fought freedoms.

During those 22 joyous years of independence between World War I and World War II, the proud and industrious people of Lithuania demonstrated to the world what freedom can achieve. Free from foreign domination the Lithuanian people made unprecedented advances in transportation, education, land reform, and social legislation. Today after 24 years of Soviet domination much of this has been destroyed and replaced by such Soviet practices as mass murder, deportation, and religious suppression. Let us today join our Lithuanian friends in a reaffirmation of the persevering hope that Lithuania will soon be free. We look forward hopefully to the day when we can celebrate their second liberation from Russian misrule.

SERVING NO NATIONAL SECURITY PURPOSE, RESIDUAL OIL CONTROLS REMAIN A COSTLY, UNWARRANTED BURDEN

Mr. BALDWIN. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. KEITH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KEITH. Mr. Speaker, 1 year ago today, in response to a petition I had the privilege of helping originate early in 1961, the Director of the Office of Emergency Planning recommended a "meaningful relaxation" of residual oil controls. A full year has passed and we are still waiting.

New England, New York, and Florida—the entire east coast of the United States for that matter—still suffer the burden of an unwarranted and ill-advised system of Government controls. The OEP recommendation could have and should have been placed into immediate effect by a stroke of the President's pen. These stifling restrictions remain despite the OEP report and despite even the fact that they are of no real value to those competing industries who most strongly support the quota program. On this score I would like to quote the distinguished Washington writer, Mr. Clyde LaMotte, who wrote in the February 3, 1964, issue of the Oil and Gas Journal:

> No one really wants residual controls very much, except maybe the coal people. And they would be hard put to prove that the resid program has enabled them to sell an extra scuttle of coal.

Mr. Speaker, if no one wants the program and if the program serves no significant purpose insofar as national security is concerned, and if this administration truly wishes to reduce unnecessary costs and needless spending in the name of national defense, why then is a very substantial segment of this Nation's economy forced to bear the inequities and hardships it has undeniably created?

I have tried to be openminded in this, but I have been unable to find a reasonable answer to this troubling question. Let us look at the facts. On this first-year anniversary, let us look again at the OEP report:

> When the overall oil import control program was established in 1959, President Eisenhower stated that its basis was the certified requirements of our national security, which make it necessary that we preserve to the greatest extent possible a vigorous, healthy petroleum industry in the United States.

The President's statement, made on March 10, 1959, also noted:

> The Director of the Office of Civil and Defense Mobilization will keep the entire program under constant surveillance and will inform the President of any circumstances which in his opinion indicate the need for any further Presidential action.

The need for this action was apparent and was brought to the attention of the subsequent administration 1 year ago; but these recommendations have been largely ignored. The insignificant increases in the quotas granted by the Interior Department have scarcely kept up with the normal growth of demand. By no stretch of the imagination could these small increments be considered "meaningful," either in the spirit of the OEP report's recommendations or in the effect they have had on the residual oil market on the east coast. This has been a mere drop in the bucket. Our public institutions, our industry, our utility users and consumers still pay a wasteful, needless, surcharge for this important fuel.

Let it be clearly understood that throughout President Eisenhower's original proclamation, and in all subsequent amendments, residual fuel oil is treated separately from crude oil and other petroleum products. This is significant in view of the current attempts to tie the two together by the Secretary of Interior and those interests which oppose removal of residual import controls.

As I have noted, in early 1961 we petitioned for a study of the control program. I was joined in this effort by my colleagues in the New England and Florida congressional delegations, the New England council and various representatives of industry. The OCDM, now OEP, undertook an exhaustive, detailed study of the question. Frank B. Ellis, then Director of OCDM, clearly spelled out the study's purpose in a statement on May 22, 1961:

> To determine the effect from the standpoint of the national security of imports of residual fuel oil to be used as fuel.

Mr. Ellis announced it was his intention to consult with the Secretaries of those Departments having an interest in the issue, namely, State, Defense, Treasury, Interior, Commerce, and Labor.

From this investigation came the report of February 13, 1963, which clearly shows and recommends that "a careful and meaningful relaxation of controls would be consistent with national security and the attainment of hemispheric objectives which contribute to the national security."

What were some of the views expressed by the various Departments of the executive consulted by the OEP?

> Defense Department: "As residual fuel oil production continues to decline in continental U.S. refineries, we feel that imports should make up the deficit which will have to be done in national emergencies * * * we cannot see where residual fuel oil imports can seriously endanger our national security."
>
> Commerce Department: "The continuation of the residual oil quota plan as a method of increasing exploration, drilling, reserves for crude oil output appears rather tenuous."
>
> Interior Department: "Relaxation of controls, would have some impact on the domestic producing industry—the extent would be difficult to ascertain in advance, it would almost be impossible, however, to isolate the moderate effects which might be anticipated from decontrol from normal changes in market conditions stemming from variations in the balance between demand and supply."
>
> Justice Department: This important Department reported that controls of residual oil are detrimental to existing and future competition particularly in fuel oil marketing, and that numerous complaints of possible violation of the antitrust laws related to these controls had been received.
>
> General Services Administration: This large Government consumer of both residual oil and coal, had this to say in the OEP report: "We believe that our experience in procurement of residual fuel under the oil import program has restricted full and free competition in our procurements and has resulted in this agency, in the main, paying prices in excess of that which would have been obtained, if there were no restrictions on the import of this product."
>
> Office of Emergency Planning: The Director of the agency responsible for this reported. "I do not question the desirability of continuing measures to remedy hardship in the coal region. Of course, these measures could be continued. But I do not believe that the national security section of the Trade Expansion Act can under the showing of this investigation be the medium for Government assistance."

In short, the program of controls does not benefit the national security; is seriously questioned as a method of encouraging new oil exploration; would have no distinguishable impact on domestic producing if removed; is detrimental to competition and may be in violation of antitrust laws; has increased costs in Government procurement of fuel, and, most importantly, has artificially inflated fuel costs for millions of consumers and a substantial portion of the Nation's industrial community.

The OEP Director's comments clearly indicate that the legal basis for continuation of the program is nonexistent. On the whole, it cannot logically be denied that the OEP report shows the urgent need for abolishment of residual oil quotas and I respectfully request the President take immediate steps to implement the findings of this impartial study and to comply with the intent of the Trade Expansion Act in such matters.

The administration is attempting to save $100 million in the construction costs of a new aircraft carrier by reverting to conventional rather than nuclear power, a move challenged as false economy by the experts. I submit that much more than this amount is at stake in the residual oil import question. The administration can demonstrate its concern for defense costs by removing—at the stroke of a pen—a costly program that can no longer be justified, if indeed it ever could, in the name of national security. The responsibility of the executive in this case is even greater than in matters that appear in a direct way in the defense budget, which are subject to careful examination of the Bureau of the Budget and the various committees of Congress.

The following article on residual oil and the editorial comment by Mr. La Motte, both appearing in the February 3, 1964, issue of the Oil and Gas Journal are both pertinent to this matter and should be of interest to Members of the House:

Still There's No End in Sight for Resid Import Controls

(By Clyde La Motte)

One thing more difficult than getting something done in Washington is getting something undone.

A case in point: residual-fuel-oil import controls. No one really wants resid controls very much, except maybe the coal people. And they would be hard put to prove the resid program has enabled them to sell an extra scuttle of coal.

Still, the controls remain and probably will for a long time to come. This despite the current uproar as time for renewal of the program nears.

You will recall that resid controls were tacked onto the crude-oil-import-control program in 1959 almost incidentally. The major issue was the crude-oil situation, not resid.

In practice in the years since, crude-oil controls have gained widespread acceptance. There have been pressures for revisions, but no one seriously challenges the need for a control system.

Meanwhile, resid controls have continued to create irritation. In the first place, they don't control much of anything. Everyone knows that if a shortage of resid looms, Interior has to increase imports because domestic refiners want to make less resid, not more.

By contrast, domestic crude-oil producers would be all too happy to produce more crude if given the opportunity. Therein lies the big difference in the two programs.

About the only visible result of the resid control program, then, has been problems and friction.

Still, Interior contends that such controls need to be continued, even though most of its headaches stem from this source.

Producer groups are in the same boat. They fear that if resid controls were removed, this might cause a weakening in the crude-oil-import-control program. It would seem more logical to fear that unless resid controls are dumped, some of the complaints about the program will spill over to the crude program, endangering it. But the producers don't see it that way.

Either Interior or producers could win friends by advocating resid decontrol. But don't hold your breath.

"RESID"-CONTROL CRITICS STEP UP ATTACK

Longstanding discontent with the residual-fuel-oil import-control program is turning into a steady barrage of criticism as the time nears for Interior Department to make decisions on the program for the 12-month period beginning April 1.

All indications are that Interior wants to continue the program without substantial change, although perhaps with some adjustments in the system of quota allocation.

"The arguments we are hearing now are the same we've heard before," one Interior official commented last week.

The question now, however, is whether Interior can withstand the growing pressure for complete removal of resid controls or a major overhaul of the program.

The main attack is being made by east coast industrial consumers. They claim that the program is unnecessary, it is increasing their fuel costs without strengthening national security, and it smacks of end-use control.

The consumers are joined by independent terminal operators and residual-fuel sellers who complain they are tied to one supplier and are therefore at his mercy.

All three groups are working through their congressional delegations to bring pressure on the administration.

DEFENSE

Support for the program rests largely on coal producers, who say that "dumping" of cheap foreign residual fuel oil on the domestic market hurts the coal industry and increases unemployment of coal workers.

Domestic oil producers' organizations have given token support to the residual-fuel-oil program. They say an increase in imports would depress the domestic crude-oil market.

They also appear to feel that elimination of the residual-fuel-oil program, or a major relaxation of controls, might lead to attacks on the crude-oil-import-control system.

CONFLICT

Interior Secretary Stewart Udall has now been drawn directly into the debate through an exchange of letters between industrial-State Congressmen and Interior.

Udall recently wrote to protesting Congressmen defending the program. His letter drew sharp replies from some of the recipients.

In his letter, Udall pointed out that a special Cabinet committee had recommended to President Eisenhower in 1959 that imports of crude oil and its derivatives, including residual, should be controlled in the interest of national security. This led to adoption of the mandatory control programs, one for crude oil and one for residual fuel oil.

Udall maintains that it was recognized from the outset that the control programs would increase fuel costs for U.S. consumers, at least on a short-term basis.

But, without controls, he says, the cost might be even greater in the long run.

"The moderate immediate additional costs attributable to the program are necessary to the maintenance of an industry that is perhaps the most essential of all to our national security," Udall said in a recent letter to Representative JAMES C. CLEVELAND, Republican, of New Hampshire.

The Secretary argued that it is necessary to keep all oil products, as well as crude, under control if the overall program is to succeed. Removal of even one product, such as residual fuel oil, "would lead to piecemeal dismemberment of a program which is almost universally recognized as being essential to the national interest."

The Secretary pointed out that the department has liberalized the residual-fuel regulations during the past 3 years to include terminal operators and others who had not qualified under the original historical importer provision.

REBUTTAL

CLEVELAND and others were not mollified by Udall's explanations.

The Congressman last week fired back a letter challenging every major point raised by Udall.

He charged that Udall was guilty of adding apples and oranges in linking crude oil and residual fuel oil. They are two entirely different situations, CLEVELAND said.

He challenged Udall's reference to the need for "a healthy domestic industry capable of exploring for and developing petroleum reserves essential to the national security."

That, said CLEVELAND, obviously refers to crude oil and has no place in a discussion of residual fuel oil because producers obviously aren't exploring for residual fuel oil.

CLEVELAND also mentioned the interdepartmental study headed by the Office of Emergency Planning which last year called for a "meaningful relaxation" in residual-import controls.

"That report," CLEVELAND said, "effectively exploded any fictitious arguments that national security was being imperiled by residual-fuel-oil imports."

OTHER ASPECTS

The controversy is bubbling up at other points.

For one, the Justice Department says it is looking into possible antitrust violations stemming from the control program.

William H. Orrick, assistant attorney general, revealed this in a recent letter to John K. Evans, Washington representative for the Independent Fuel Oil Marketers of America, Inc.

Justice has no jurisdiction over administration of oil-import controls, Orrick wrote, but "it is deeply concerned with the possible effects of that control system on free enterprise competition in oil marketing."

Orrick's letter was in response to one written him by Evans.

Pressure is also being brought to bear by residual-fuel-oil sellers who have no storage capacity. They want their own quotas, contending they are now at the mercy of suppliers who can require tie-in sales or make other demands.

POLITICS

The present attack on the residual program may be more intensified than in the past because of the political change.

Political analysts speculate that the Johnson administration is more likely to woo the industrial East for political support. The late President Kennedy, by contrast, was said to feel some obligation to the coal States, particularly West Virginia.

President Johnson's announcement that Interior would be responsible for oil policy at least gave critics and politicians a single target on which to concentrate.

And they are doing considerable concentrating.

OUR "ALLIES" AND CUBA

Mr. BALDWIN. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. QUIE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. QUIE. Mr. Speaker, I am sure that most Americans have been closely following the developments in the Guantanamo Naval Base crisis, which should more properly be called the latest development in the continuing Cuban crisis.

Therefore, I will not background my remarks with specific quotations from the press, since the major developments are common knowledge. They are:

First. That the Castro regime cut off the Guantanamo Naval Base water supply.

Second. The United States plans to supply its own water.

Third. The United States is putting renewed pressure on its NATO Allies to stop trading with Cuba. This especially applies to Great Britain and France, who are to sell a total of $21 million worth of vehicles to Cuba.

Fourth. Great Britain and France counter, according to the press, by citing our wheat sales to the Soviet Union.

Fifth. The United States says that the sale of wheat to the Russians is not the same thing as sale of motor vehicles of various types to Cuba.

Let us, for the sake of brevity, pass over the embarrassment the United States must suffer propagandawise as the result of Castro's inane gesture of defiance. Let us consider the broader problem—the increasing disarray of the NATO Alliance, caused by just such incidents as these.

I am not convinced that the sale of wheat to the Soviet Union is any different than the sale of buses or trucks to Cuba by our allies. The evidence still shows that communism is an international movement, fundamentally directed from a central location, though it might deviate slightly due to local conditions.

But even if we were to grant—which we do not—that the sale of wheat to the Soviets is different than trade with Cuba, as the Johnson administration contends, our allies must still wonder about some of our other sales to the Sino-Soviet bloc.

They include, for the years 1961 and 1962: $2,431,000 worth of iron and steel mill products; $1,482,000 worth of crude sulfur; $2,283,000 worth of aluminum ores and concentrates; $2,202,000 worth of electrical machinery and apparatus; $3,594,000 worth of construction and excavating machinery; $4,514,000 worth of metalworking machinery and parts; $2,927,000 worth of what the Department of Commerce classifies as "other industrial machinery"; $1,141,000 worth of chemical specialties; $1,629,000 worth of industrial chemicals; and $874,000 worth of scientific and professional instruments, apparatus, and supplies. All of these statistics are from a report issued by the U.S. Foreign Trade Statistics, Department of Commerce.

I have not cited other exports to the Sino-Soviet bloc for that period of time, which are basically food, fiber, and synthetic products, such as $5,390,000 worth of synthetic rubber. Total U.S. exports to the Sino-Soviet bloc in 1961 and 1962 were $258,471,000. In 1961, the total was $133,331,000. In 1962, it fell slightly to $125,140.

In 1963, according to statistics of the International Trade Analysis Division of the U.S. Department of Commerce, total exports from the United States to the Soviet bloc had risen to $140,400,000 from January through November, with the December figure not yet available.

The argument is being advanced that our allies should not trade with Cuba because Cuba is on the doorstep of the United States. From January through November 1963, we exported $4,100,000 worth of goods to East Germany, which is on West Germany's doorstep. In fact, the Soviet satellites in Europe might all be classified as on the doorsteps of our NATO allies. But we exported $100,100,000 worth of goods to Poland, $18,400,000 worth to the Soviet Union, $7.9 million worth to Czechoslovakia, $5,900,000 worth to Hungary and lesser amounts to the other European satellites, in the first 11 months of 1963.

I contend, Mr. Speaker, that these are impressive exports to a bloc of nations whose leaders have individually and collectively expressed themselves as our enemies. Meanwhile, our general imports from the Sino-Soviet bloc, were also sizable. General imports from these nations were $84,041,000 in 1961; $82,380,000 in 1962 and $78,400,000 from January through November 1963.

Our exports to the Sino-Soviet bloc for just a month less than 3 years, do not show our recent sales of wheat, which are expected to reach $250 million alone. And, in the wake of the wheat deal, there are smaller ones, such as the sale of corn to Hungary. We appear to be loosening our trade policy toward the Communist camp generally.

It is small wonder that our allies see no wrong in trading with Castro's Cuba. Cuba is Communist. So is East Germany. It just happens that Cuba is on our doorstep and that East Germany and her neighboring Communist states are on the doorsteps of our allies. We trade with the European Communists. Our European allies trade with the American Communists.

On September 30, 1963, on the floor of the House, speaking on trade with the Soviet Union, I asked this question:

"Would our expanded entry into trade with the Soviet Union tend to weaken or strengthen our position with our allies and theirs in relation to the Soviet bloc?" This is a question which is being answered.

There are two paths of leadership which the United States can assume within the NATO alliance.

We can, first, attempt to intimidate our allies into compliance with our policies, or second, we can seek cooperation between the member nations for the best interests of all.

On October 4, 1963, the House Republican task force on NATO unity, of which I am chairman, sent to the President a statement asking for a top-level meeting of NATO nations to discuss a joint trade policy under article II of the NATO

Treaty. On November 17, such a meeting was held in Paris, apparently without tangible results. Now, as another irritant in the Cuban situation, we are at odds with our NATO allies over sales to Cuba.

Mr. Speaker, I again respectfully suggest that the Johnson administration take the necessary steps to put our own house in order. Wheat is not our only sale. We have sold machinery, synthetics, chemicals.

Stewart Alsop, writing in the Saturday Evening Post, observes that:

> Now, Khrushchev's big, simple solution is chemical production. It is estimated that the Soviet Union is to invest $40 billion in chemical plants which will produce plastics and synthetics for industry and heavy doses of chemical fertilizers to feed the starved Russian land.

Could our machines, chemicals, synthetics of 1961 and 1962 have served in testing centers behind the Iron Curtain?

When we put our house in order and present a consistent approach in regard to Communist trade, we may have the opportunity to develop a joint trade policy with our allies, recognizing that trade is an economic weapon in the cold war.

THE PRESIDENT'S EFFORTS TO TRIM GOVERNMENT EXPENSES

Mr. BALDWIN. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MORSE. Mr. Speaker, the President's efforts to trim Government expenses, personnel, and waste received a generous boost this week from the Raytheon Co., of Lexington, Mass. The firm has graciously agreed to provide the Government with the details of its reducing plan designed to cut costs and increase efficiency. Within the next few weeks, the Lexington firm will hold extensive conferences with Budget Bureau officials and outline the specifics of Raytheon's plan which has already been extremely successful at the firm's plants.

This program should be of interest to all of us interested in helping the Federal Government to do its job better. Under unanimous consent, I am inserting an article describing the plan which appeared in the Boston Globe on February 10 by Wilfred C. Rodgers, the Globe's Washington correspondent:

COMPUTERS WILL HELP UNITED STATES TO "LOSE WEIGHT"

(By Wilfred C. Rodgers)

WASHINGTON.—Like everyone that has grown fat, the Federal Government is trying to reduce.

Instead of scales, the Government will be watching computers to try and trim the fat off its growing labor costs.

The Government got the reducing plan from a Bay State firm, Raytheon, Inc., of Lexington, Mass.

Raytheon claims dramatic results, slimming its work force down some 36 percent. And its plan is in effect in only 4 of its 20 plants.

Budget Bureau officials say they heard about Raytheon's reducing plan from the Navy Department. They investigated.

Raytheon agreed to permit the Government to use the plan without cost.

According to Raytheon, one of the Bay State's biggest employers with its far-flung network of plants, there are six major enemies to be fought to bring down manpower costs.

These enemies are excessive supervision, work duplication, overspecialization, fragmentation of routine work, staffing for peaks, and lack of supervision.

James Hendrick, of Raytheon, one of the fathers of the plan, will help key in top Government bosses on how the plan operates.

Hendrick, who lives in Lincoln, Mass., claims that any firm that employs more than 1,000 persons is prone to attack from these enemies.

To root out excessive supervision, Raytheon put together a chart book that "keeps the existing structure in focus when organization changes are being considered."

This chart book aims at eliminating empire building—which most industries as well as the Federal Government feel they have too much of.

In addition a new business dictionary is composed. It defines exactly workers' jobs, not just what the job's classification plan says the job is.

Computers are brought onto the firing line to X-ray total payroll costs in such a manner as to identify cost abnormalcies and dig out misplaced functions.

In addition a manpower value analysis is made to determine which jobs are "affordable," and which are just "nice to have."

Raytheon developed what it calls a "work pulse analyzer" to identify situations where management is paying a premium for work-and-wait practices.

It earmarks the cause-and-effect aspects of overstaffing and points out opportunities for reducing payroll costs.

And to get better supervision, Raytheon sets up a "boot camp" for its supervisors.

These supervisors learn to organize, deputize, supervise, and energize their work forces.

Hendrick claims that proper scheduling of work alone can be one of the most effective weapons in bringing down manpower costs

Although not paid any money, Raytheon was paid a compliment by the acceptance of its plan by the Government.

Not too long ago most big Government contractors such as Raytheon came under attack from the Government for "excessive costs."

The Navy Department, which recommended the Raytheon plan, apparently has become convinced Raytheon's plan is one way to defeat this problem.

Next Monday the Bureau of the Budget will set up a weeklong conference for Raytheon staff members to explain the reducing plan to top Government agency heads.

Budget Bureau officials claim that jobs that are eliminated by the plan won't necessarily mean mass firings.

They point out that attrition such as deaths and retirements will take care of many such jobs and that other workers can be transferred to new departments or agencies instead of those agencies or departments having to hire new help.

And if it is any consolation to Government workers, the plan apparently doesn't intend to wipe out the coffee break.

Next week's conference includes a liberal amount of coffee breaks for the bosses.

THE EXPERIMENT IN INTERNATIONAL LIVING

Mr. BALDWIN. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, the oldest organization of its kind in the United States devoted to person-to-person exchange between our country and lands abroad is the Experiment in International Living, Putney, Vt. Participants from this country live in the actual homes of foreign countries while foreign students live in our homes. The Experiment has proved that significant advances toward world understanding can be made at the personal level and that people can learn "to live together by living together."

EFFECTIVE PATH TO INTERNATIONAL UNDERSTANDING

At a time when America's foreign aid programs are being sharply criticized, even by those abroad presumed to be benefiting from them, it is reassuring to know that the quiet, unspectacular and often unheralded efforts of some of our private organizations are building good will, amity, and better understanding throughout the four corners of the globe. The Experiment is a voluntary organization which relies not on Federal subsidies for its existence but on foundation grants, contributions from individuals, and fees from participants. The sharp contrast between the success of an organization such as the Experiment largely based on individual voluntary efforts and some of the recent failures in friendship from countries receiving staggering amounts of foreign aid, points out a vital lesson. International education and understanding cannot be bought, but person-to-person contact such as that promoted by the Experiment can make great progress. Their efforts deserve wider attention and broader support from all of us.

The Experiment has many friends in public life. Our beloved colleague, FRANCES P. BOLTON, of Ohio, has been an enthusiastic supporter of the Experiment in International Living and is president of the Payne Fund, whose 1931 grant stimulated the founding of the Experiment and which made it possible in 1962 to purchase Sandanona, its international training and orientation center near Brattleboro, Vt. The wife of Representative HENRY REUSS, of Wisconsin, experimented to Germany in 1935 and to England in 1939, and their son experimented to Germany in 1960. The daughter of Representative WILLIAM SPRINGER, of Illinois, experimented to Germany in 1960, and the Springer family was a host family to an incoming experimenter in 1962. The daughter of Representative CHARLES TEAGUE, of California, experimented to Chile in 1960. Senator GEORGE AIKEN, of Vermont, is a Putney neighbor and longtime supporter of the Experiment. Robert Stafford, former Governor of Vermont, is also a loyal friend of this endeavor. Senator J. W. FULBRIGHT, chairman of the Senate Committee on

Foreign Relations, has commended the Experiment "on the fine work it is doing."

Dr. F. Gordon Boyce, a fellow trustee of Colgate University and a neighbor of mine in Vermont who is president of the Experiment in International Living, visited me recently in Washington. He had come for consultation with the Peace Corps, for which the experiment has trained more units than any other private voluntary agency, and to discuss with his alumni the need for more scholarship assistance. Gone is the skepticism which characterized the founding of the Experiment in 1932 as a "visionary philosophy." From my meeting with Dr. Boyce I learned something of the astonishing growth of the international exchange of persons and especially of the experiment within the past 5 years.

The Experiment's combined outbound and incoming programs in 1958 totaled 1,400 young men and women. Last year there were more than 4,000. Obviously, more and more individuals, colleges, universities, and Government agencies are turning to the Experiment. The ingredients of the Experiment method are careful selection of participants and leaders, comprehensive orientation, leadership, the homestay, and the evaluation. Many colleges and universities grant academic credit for participation in the Experiment.

The various departments in the Experiment are managed by 20 staff heads and associates—the senior and ranking members of the administration who select and train field group leaders. Each outbound unit of the Experiment is under guidance of a highly qualified, carefully selected, and thoroughly trained individual. These leaders act as a field faculty and are paid. They come largely from the educational field and must meet stringent requirements including fluency in a foreign language and familiarity with the countries involved. Each leader undergoes a training period at the Experiment's training and orientation center, or at other selected sites in the Midwest and Far West.

THE OLDEST CLASSROOM IN THE WORLD: THE HOME

The distinctive type of education used by the Experiment in International Living is "the oldest classroom in the world"—the home. When the Experiment originated the homestay and made it an essential feature of every program which it administers, it unlocked the doors of suspicion, misinformation, and prejudice which keep the peoples of the world apart. The U.S. Advisory Commission's report to Congress emphasized "the overwhelming testimony that visits with American people and their homes and families are one of the most effective and memorable parts of a grantee's U.S. visit."

They are no less memorable for Americans visiting overseas. Last autumn the Experiment arranged individual homestays with Swedish families in a 5-week program in Sweden for 79 school superintendents from 33 States. An educator from Oregon spoke for all of them when he wrote, following his return:

> As I reflect back on the experience of those 5 weeks, my respect for the goals, methods, and objectives of the Experiment is deeper; and I more fully understand and appreciate the value of a homestay as the most significant manner of understanding the people, the community, and the culture of another country. Even though I will remember the banquets, dinners, and special occasions of a festive nature given for us as a group, my true appreciation of Swedish culture and family life comes from engaging in the daily activities of my host family; meeting their friends, eating their food, or just evening conversation in the living room of their home.

This reflection is typical of the experience the Experiment provided last year for 1,800 young Americans who visited 32 countries throughout the world; and for some 2,300 foreign visitors who came to the United States from 100 different nations in Asia, Africa, Latin America, and the Middle East, and Europe.

Ambassador Stevenson, in congratulating recently an American family which had played host to one of these incoming experimenters, wrote:

> I can think of few activities that offer more satisfaction than opening one's heart and home to young visitors from abroad and sharing with them the daily experiences of American life.
>
> Statesmanship is no longer the peculiar art of public officials or of diplomats. Families like yours have an opportunity that is every bit as challenging as that which exists in more formal organizations. For the knowledge and understanding that your guest gains while he is with you and your neighbors will be imparted to his family and neighbors upon his return to his own land and will, inevitably, help to bring about the international rapport we all seek to achieve.

TRAINING IN LEADERSHIP—PRAISE BY SHRIVER

The Experiment permits people from abroad to participate in the American way of life and to see, feel, and live it as books and newspapers can never fully portray. Likewise the Experiment stimulates the interest in foreign lands of our inquiring youth, and provides a means of directly experiencing the cultural, social, and political fellowship of the world.

One out of every five of the Experiment's outbound participants ultimately selects a career in the international field. Those who find careers in the international field generally enter the teaching field. Among prominent Experiment alumni who got their start in the international field as a result of the Experiment experience are Olcott Deming, U.S. Ambassador to Uganda; Francis H. Russell, Ambassador to Tunisia; and R. Sargent Shriver, Jr., Director of the Peace Corps. Mr. Shriver has twice publicly stated that his Experiment experiences were just as valuable to him in his present career as his 4 years at Yale. And over two-thirds of the Experiment's alumni maintain their volunteer interest in international activities in their own community.

The Experiment in International Living deserves the thanks and appreciation of all Americans for its work in furthering international understanding and world leadership.

AMERICAN TARTRATE INDUSTRY DESERVES A CHANCE TO COMPETE

Mr. HALEY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, all of us are familar with the many excellent wines for which California is so justly famous. Few of us, however, know of the tartar chemicals which are produced as a byproduct of these wines.

When grape juice ferments to form wine, the alcohol created reduces the solubility of potassium bitartrate which is present in the juice and causes it to deposit on the walls of the cask or to precipitate and settle from the wine. This crude tartar is classified as argols or less.

With proper chemical treatment this crude tartar is processed to obtain pure tartaric acid, cream of tartar or Rochelle salt. These chemicals cannot be economically synthesized. They are used in baking powder and other food products; in drugs; for metal finishing; in the production of rayon. They have many uses in producing materiel vital to our national defense, such as parachutes, gas masks, and electronic equipment.

In the past, several chemical processing companies in the United States have produced tartar chemicals. These firms all relied on imported argols as their main source of raw material. The last company operating in this manner closed its tartar plant in 1958 after an unsuccessful attempt to get an increase in the duty on the imported refined products. This happened, incidentally, just as a crude recovery operation in California was about to gain a foothold.

The operation of the present sole domestic producer is only possible through the direct participation of the California wine industry. The only domestic refinery is in Philadelphia, as the greatest consumption of the finished products is in the East. The total investment in this operation has been made on the assumption that present import duties will be maintained.

The establishment of a domestic tartrate industry was given the highest possible priority at the outbreak of World War II.

After the war, the industry was soon in trouble because of lower European prices. On January 14, 1959, the Tariff Commission recommended the doubling of tariffs on cream of tartar and tartaric acid. This recommendation was denied by the President. Domestic production virtually ceased when the only major processor was unable to continue because of price competition from abroad.

Recently, however, a new attempt at domestic production has been undertaken. It holds a bright promise for the future. Additional income will be provided the California wine industry. The Nation will be more secure because of domestic production equivalent to one-third of the country's needs. If war should occur, this could prove to be of vital importance to the Nation's defense.

The Honorable B. F. SISK, Congressman from the 16th Congressional District of California, has been working closely in his usual able manner with the California wine industry in seeking to avoid further tariff reductions.

It should be noted that the tartrate industry does not seek further tariff reductions. All it asks is that no further cuts be made, thus enabling it to compete at present price levels.

The national interest would be well served by granting those willing to invest their own risk capital an opportunity to produce this family of chemicals. Otherwise, this valuable byproduct of our native wines will literally go down the drain as a waste product.

Our Nation imports and stockpiles many items which are necessary to our national defense. Here is an opportunity to insure domestic production of equally vital materiel. This can be done while maintaining present tariff levels. Imports will still amount to two-thirds of our needs. It would be difficult to find a case in which reservations from further tariff negotiations were more clearly necessary.

ALMOND INDUSTRY REQUEST FOR RESERVATION FROM FURTHER TARIFF NEGOTIATION DESERVES SUPPORT

Mr. HALEY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, all of us are for an expansion of world trade. There is little question that the continued growth of the American economy requires new and ever growing foreign markets. To obtain these, however, we must also purchase foreign goods. Of necessity, this will involve a continuing reevaluation of tariff structures by the United States as well as her foreign customers.

Great care must be taken in ascertaining the proper portions of our economy in which to reduce existing tariffs. A perfect example of the harm which could be inflicted upon a domestic industry by further tariff reduction is the situation faced by the California almond industry. Individuals who have their capital invested in almond groves are confronted with a very real problem. Whereas a factory can diversify its production, it simply is not clear what an almond grower can do if deprived of his market. His trees will not produce any other product.

The evidence leaves no doubt that the almond industry should not be subjected to further cuts in the U.S. duty on imported almonds.

On December 17, 1963, the California almond industry appeared before the U.S. Tariff Commission to present its objections to a reduction in the U.S. duty on almonds in the forthcoming GATT negotiations. The salient points made by their representatives included:

First. Studies of production costs reveal that the industry is progressive, mechanized, and efficient, yet 46 percent of the growers are not making a reasonable return on invested capital. The studies also reveal that rapid changes are being made, and that unit costs should continue to drop during the next few years. Loss of the tariff now would destroy any chance this industry has of making a satisfactory adjustment.

Second. California's almond production is needed to supply the domestic market, just as Europe consumes most of the Mediterranean crop. World trade would not benefit from a U.S. tariff cut and, in fact, none of the purposes of the Trade Expansion Act would be realized by such a cut.

Third. The European market is dominated by speculation and rapidly fluctuating prices, and the grower rarely benefits from increased consumption or favorable prices. In practice, prices of European almonds do not reflect actual costs of production. Thus, our tariff serves to protect our efficient and economically responsible industry from a selling technique that could easily ruin us.

Fourth. Our marketing system is entirely different from Europe's. Under an industry-sponsored Federal marketing order, we have adopted a policy of stable prices and stable supply, carrying parts of large crops forward into low production years, and attempting to level out prices. The direct result has been a 40-percent increase in almond consumption; price stability means that much to our customers.

Fifth. In most years, each reduction of 1 cent in the tariff would automatically reduce grower income by the same amount per pound; complete removal of the tariff could cost $9 million, nearly one-third of the farm value of the crop.

Sixth. It is apparent that in some years the tariff is quite unnecessary, but in times of abundant crops abroad, the present tariff is inadequate. Because we have built a successful industry with the help of a specific Government policy, we feel entirely justified in asking that almonds be reserved from the GATT negotiations.

SCRIPPS-HOWARD'S JOHN V. WILSON AGAIN KO'S ED NEILAN, THE SCROOGE OF WILMINGTON

Mr. HALEY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PATMAN. Mr. Speaker, for first-rate reporting on a couple of subjects I have studied rather carefully recently, I commend John V. Wilson of the Indianapolis Times, a Scripps-Howard newspaper.

This same newspaper published a splendid editorial called "Watching the Mud Go By," which I am happy to say has received national attention. It succinctly exposed the fraudulent speech of Ed Neilan, banker head of the U.S. Chamber of Commerce before the Indianapolis Chamber in January.

John Wilson's articles which I am offering for the RECORD, cover in depth slum clearance projects in both Indianapolis, Ind., and Wilmington, Del. At the same time, they further expose the deliberate falsifications that continue to emanate from the mouth of Neilan, correctly assessed as the "Scrooge of Wilmington."

Some day, the U.S. Chamber of Commerce will learn what a great disservice Neilan is performing in the name of American business. Honest conservatism is one thing—dishonest falsification in the name of conservatism is a dangerous form of black reaction.

It is thanks to reporters like John V. Wilson that the public becomes aware of the truth; his articles as they appeared in the Indianapolis Times of February 9, 1964, follow:

JOHN V. WILSON IN NEILAN'S HOMETOWN: HERE'S WHAT WILMINGTON, DEL., DOES ABOUT ITS SLUMS

WILMINGTON, DEL.—The week's wash flaps in the breeze down the long open corridors between the red brick rowhouses.

The housewives of Eastlake, a neat-appearing cluster of low-rent duplexes on the city's northeast side, have finished one of their chores.

The familiar scene is duplicated in other parts of town. For these brick dwellings house more than 4,000 of Wilmington's 95,000 persons.

This is public housing, built with Federal loans, repaid from local bond issues, managed by local officials.

Many of the occupants of Wilmington's 1,161 units of public housing once lived in the slums. They were moved when their ramshackle houses were torn down.

Almost 1,000 men, women, and children were displaced 4 years ago when the worst slum area, just east of the downtown business district, was leveled.

This was Wilmington's first urban renewal project, for which the Federal Government put up $2 for every local dollar.

Federally aided public housing and urban renewal are accepted facts of life in this chemical capital of the world.

Yet this is the hometown of the latest and most outspoken critic of Federal subsidies, Edwin P. Neilan, president of the U.S. Chamber of Commerce.

Neilan is president and board chairman of the Bank of Delaware, a tall, modern building in the heart of the city.

This curious situation becomes all the more perplexing when a visitor learns:

Neilan's bank is the fiscal agent, the banker, for the Wilmington Housing Authority, which operates the public housing and urban renewal programs.

The housing authority is a member of the Delaware State Chamber of Commerce, which supports Neilan's anti-Federal aid blasts.

Neilan himself once served on a citizen's advisory committee formed to help select a redeveloper for the first slum clearance project.

(Neilan mounted his attack on Federal subsidies in a speech in Indianapolis January 6. He will return to the Hoosier capital February 13.)

Why does Wilmington accept Federal aid?

Because there's not enough local tax money to erase blighted areas and support low-rent housing, answers Mayor John E. Babiarz.

"It has been accepted by the community from its inception," Babiarz, a Democrat, declares.

"We haven't had any opposition from the business community on public housing. On urban renewal, there has been only localized opposition from small businessmen and the elderly to be uprooted."

How is Wilmington progressing in its fight against slums?

Public housing dates back to the start of World War II. To supplement the 1,161 units now in operation, another 149 units for the elderly are planned. Construction bids will be opened later this month.

A series of delays, blamed on both local and Federal indecision, have slowed work on Wilmington's first urban renewal project.

Designated as project A in late 1952, it took 8 years to clear the 38 acres, partly due to a Delaware Supreme Court test case and changing policies of city council.

Since 1961, the housing authority has been trying to obtain an approved plan for new use of the area and to select a redeveloper.

This spring, authority officials hope to start construction on homes which will sell in the $15,000 range.

Dudley T. Finch, executive director of the housing authority for 15 years, says he realizes "it takes time up to the point of construction."

But he stresses that public officials who are dealing with public money "have to be sure they are right."

Wilmington's slow progress in urban renewal is a target for criticism by Neilan and the Delaware State Chamber of Commerce.

Neilan, in a newspaper interview here a week ago, argued that the first project "would be a reality today if local rather than Federal financing had been used."

He said he would like to see the slum clearance program "back under local control," but offered no plan to accomplish his desire.

Neilan's stand is echoed by Ross E. Anderson, Jr., executive vice president of the Delaware chamber.

"I feel the program is going much too slow for the desired results that are needed," Anderson says. "I would call it perfunctory action."

Answers Finch: "If you don't have sufficient public interest to get a job done, you have to resort to Federal funds."

So far, Wilmington has received approval for Federal grants totaling $3,685,619 for urban renewal, is seeking another $1,144,900, and has borrowed $1,910,000 from the Federal Government for public housing.

CHAMBER OF COMMERCE COMMENTS

WASHINGTON, February 8—More than $24.8 million in Federal "subsidies," have been earmarked for Wilmington, Del., public housing and urban renewal programs, the U.S. Chamber of Commerce reported today.

The report was part of a nationwide study by the chamber, whose president is Edwin P. Neilan, president of the Bank of Delaware, Wilmington.

The chamber said Wilmington had received $4,358,813 in Federal aid through June 30, 1962, and estimated that Federal commitments totaled another $20,467,697.

The report further showed that 2,959 of Wilmington's 33,190 housing units were considered substandard in 1960 and 7,263 of the city's 24,020 families had income of less than $4,000 a year.

Statewide, the report showed, almost $26 million in Federal aid had been earmarked for urban renewal and public housing programs.

"The Delaware situation is similar in one respect and different in another from that of the United States as a whole and of the majority of States—housing conditions are, in general, worse, but income conditions are, in general, better in the unsubsidized jurisdictions, to which the Federal urban renewal and public housing subsidy programs bring nothing but added Federal tax burden," the report said.

Neilan has been attacking the Federal aid program on the ground that "rich" communities are subsidizing "poor" ones.

INDIANA GETS $75 MILLION IN SLUM AID

(By John V. Wilson)

WASHINGTON, February 8.—While Indianapolis spurns Federal aid for slum clearance and public housing, the rest of Indiana has divided up more than $75 million.

Indiana's participation in the two Federal programs was detailed by the U.S. Chamber of Commerce today in a nationwide study of urban renewal and public housing.

Besides Marion County, the only other area in Indiana which had not entered the Federal programs by mid-1962 was House Republican Leader CHARLES A. HALLECK's second district.

Indianapolis is forbidden by State law to participate in the Federal slum clearance program, City Corporation Counsel Michael Reddington has declared.

All other cities and towns are eligible to accept Federal aid for urban renewal.

The chamber study gave this rundown on urban renewal and public housing payments and commitments as of June 30, 1962:

Congressional district:	Amount
First	$25, 505, 386
Second	
Third	15, 238, 322
Fourth	1, 379, 167
Fifth	2, 316, 854
Sixth	2, 171, 110
Seventh	2, 954, 126
Eighth	21, 048, 046
Ninth	461, 620
Tenth	3, 941, 487
Eleventh	

East Chicago was the biggest seeker of Federal aid for the two programs, the report showed. The Lake County city had received or reserved more than $13 million.

Next was Evansville, with $9.3 million. Among the other major Federal-aid cities were New Albany, $8.1 million; South Bend, $7.7 million; Gary, $7.5 million; Hammond, $4.8 million; Muncie, $3 million; Mishawaka, $3 million; Terre Haute, $2.1 million; Jeffersonville, $2.1 million; Vincennes, $1.8 million; Kokomo, $1.4 million; Fort Wayne, $1.3 million; La Porte, $1.3 million; Michigan City, $1.2 million, and Bloomington, $1 million.

Statewide the report showed 19.2 percent of dwellings was substandard, according to the 1960 census. And 27.3 percent of Hoosier families earned less than $4,000 a year.

The report said 12.5 percent of the dwellings were substandard in areas receiving Federal aid and 21.9 percent in non-Federal-aid areas.

Marion County dwellings had a 13.2 percent substandard rating and one of every five families earned less than $4,000 a year.

The study was made by the chamber as part of its newly intensified campaign against Federal subsidy programs.

Chamber President Edwin P. Neilan, president of the Bank of Delaware at Wilmington, said the study showed the biggest subsidies generally go to the wealthiest communities.

"The Federal Government, in effect, is taking from the 'poor' to subsidize the 'rich,'" Neilan declared. "This inequity, obviously, is morally wrong.

"This proof of the failure of Federal subsidies to move toward the objectives set by Congress for the urban renewal and public housing programs, along with the inequities in the use of Federal funds among communities, is adequate reason to stop these programs—honor the present contracts but allow no new authorizations or commitments."

Neilan said the two programs are the responsibility of local organizations and local governments and leadership for local development should come from the business community through the local chamber, not through special purpose organizations.

KOSCIUSZKO—A GREAT MAN

Mr. HALEY. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. RYAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. RYAN of Michigan. Mr. Speaker, yesterday, February 12, we observed not only the birthday of Abraham Lincoln, but also the birthday of a great Polish patriot and a Revolutionary War hero, Gen. Tadeusz Kosciuszko.

The Polish people celebrated the 218th anniversary of a man who has gone down into the annals of world history as one of the greatest fighters and advocates of liberty and human rights.

Tadeusz Kosciuszko, a stranger to this country, inspired by a fervent love of freedom and liberty, came here on borrowed money to offer his services to our new Nation in the American Revolution, to help gain our freedom and independence. His brilliant service in the American Revolutionary Army caught the attention of George Washington, who placed him in charge of the building of West Point fortifications. There a monument stands, erected to his memory by the American youth as a tribute to his leadership and heroism.

He also fought with distinction in the Battles of New York, Yorktown, Saratoga, and the Carolinas, and served as Washington's adjutant.

Upon returning to Poland in 1792, he led a tiny, but inspired army, in its heroic resistance against the Russian tyrant. Upon the unsuccessful termination of that insurrection he again came to the United States, which he called his second country, and for which he declared his love and affection.

It is by a strange historic coincidence that the 12th day of February is also the anniversary of another great citizen of the world, Abraham Lincoln.

Though they were born nearly a century apart, though one was a Pole and the other an American, one a soldier and the other a statesman, they had many characteristics in common, which place them in the same category.

These two great men shared the same respect for the dignity of man and an abiding love for our Nation. Each in his own manner helped to make the United States what it is today.

Both of them had a fervent love for freedom and ideals of democracy. Both contributed richly to make this Nation great. Both of them dedicated their lives to free man from oppression.

This Nation, and the world today, is sorely in need of the inspiration and leadership of great men like Kosciuszko and Lincoln.

In Lincoln's day, half of our Nation was enslaved. Today, half of the world is enslaved, and the fate of our entire civilization is at stake.

Today we are faced by certain forces who threaten our liberty and freedom and the liberty and freedom of the entire world, a thousand times worse than that which faced Kosciuszko and Lincoln. This is the world conflict between the free world and communism.

As we recall the achievements of these two great men, we must reaffirm our determination to strive for freedom and justice for all.

We must realize that the fate of the free people anywhere in the world is our business. We cannot hope to remain long free ourselves if we permit these tyrannical elements to swallow up and devour more and more free people who, like ourselves, believe in democracy and in the principle that all men are born equal and have an equal right to freedom and independence, under the laws and customs of their own nation.

In honor of the memory of Tadeusz Kosciuszko, therefore, and in order to preserve for our children that freedom here which we hold so dearly, let us dedicate ourselves to a firm determination to make this country and the entire world safe for democracy, the democracy for which Kosciuszko and Lincoln fought so bravely.

THE 88TH CONGRESS IS DESTINED TO BE KNOWN AS THE GREAT CIVIL RIGHTS CONGRESS

Mr. HALEY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Gonzalez] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, the 88th Congress is destined to be known as the great civil rights Congress, just as Abraham Lincoln is known as the Great Emancipator.

There is an old Mexican saying to the effect that either we are all God's children or we are all God's stepchildren. As in many of our folk sayings, there is an insight in this one that surpasses and negates those acquired prejudices and hairsplitting attempts to rationalize injustice and man's inhumanity to man. It demolishes the assumption that some of us are born saddled, booted, and spurred to ride through life on the backs of others. When ordinary mortals as Lincoln and Ghandi and Schweitzer are sometimes considered to be Christlike it is because we sense the fact that they too dedicated their lives to mankind and the beautiful truth that "all men are created equal."

The civil rights bill passed by this House on February 10, 1964, is a recognition of this truth. Even the opponents of the bill seemed to recognize this, and the extended debate on the floor was notable by the absence of references to the so-called inferiority of the minority groups which have sometimes marked previous debates.

The overwhelming margin by which this House passed the civil rights bill is also of tremendous importance. This overwhelming vote reflects not only the August 1963 march on Washington, D.C., for freedom now, not only the freedom rides, the sit-ins and the stand-ins, and the numerous other demonstrations for civil rights, not only the strong stands adopted in the party platforms of the Democrats and the Republicans in 1960 and the speeches made by each of the candidates in that presidential election, not only the positions taken by most of the churches of this Nation, and not only the results of the numerous polls. The huge vote for the civil rights bill reflects the desires and the demands of the people.

Mr. Speaker, it is my sincere hope that this bill is acted upon by the Senate without undue delay. The people have expressed their feelings in support of this bill, and the people will rise if it is not soon enacted into law.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Feighan, for 15 minutes, today; and to revise and extend his remarks.

Mr. O'Hara of Illinois, for 1 hour, on Monday, February 17, vacating his special order for today.

Mr. Rogers of Texas, for 30 minutes, today.

Mr. Meader, for 30 minutes, today; to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Rhodes of Arizona.

Mr. O'Hara of Illinois.

Mr. Roberts of Alabama in one instance and to include extraneous matter, notwithstanding the cost is estimated by the Public Printer to be $405.

(The following Members (at the request of Mr. Baldwin) and to include extraneous matter:)

Mr. Barry.

Mr. Smith of California.

(The following Members (at the request of Mr. Haley) and to include extraneous matter:)

Mr. Charles H. Wilson.

Mr. Natcher.

Mrs. Sullivan.

Mr. McDowell.

Mr. Willis.

Mr. Boland.

Mr. Dorn.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 298. An act to amend the Small Business Investment Act of 1958.

ADJOURNMENT

Mr. HALEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 14 minutes p.m.), under its previous order, the House adjourned until Monday, February 17, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1680. Communication from the President of the United States, transmitting proposed supplemental appropriations in the amount of $774,600 for the District of Columbia for the fiscal year 1964, and amendments to the budget for the District of Columbia for the fiscal year 1965 in the amount of $1,850,300 (H. Doc. No. 227); to the Committee on Appropriations and ordered to be printed.

1681. Communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1964 involving increases in the amount of $15,500,000 for the John F. Kennedy Center for the Performing Arts and $3,300,000 for the National Capital Planning Commission (H. Doc. No. 228); to the Committee on Appropriations and ordered to be printed.

1682. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting a report that "Fees and expenses of witnesses" appropriation has been apportioned on a basis which indicates the need for a supplemental estimate of appropriation pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665); to the Committee on Appropriations.

1683. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting a report that "Support of U.S. prisoners" appropriation for fiscal 1964 has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665); to the Committee on Appropriations.

1684. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting a report that "Salaries and expenses, Bureau of Prisons," appropriation for fiscal 1964 has been apportioned on a basis which indicates the need for a supplemental estimate of appropriation pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665); to the Committee on Appropriations.

1685. A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a report of actual procurement receipts for medical stockpile of civil defense emergency supplies and equipment, for the quarter ending December 31, 1963, and covering items procured pursuant to the authority transferred to the Department of Health, Education, and Welfare by Executive Order 10958, effective August 14, 1961, pursuant to subsection 201(h) of the Federal Civil Defense Act of 1950, as amended; to the Committee on Armed Services.

1686. A letter from the Assistant Secretary of Defense, transmitting the 50th report of Federal contributions program, equipment and facilities, for quarter ending December 31, 1963, pursuant to subsection 201(i) of the Federal Civil Defense Act of 1950, as amended; to the Committee on Armed Services.

1687. A letter from the Director, Office of Emergency Planning, Executive Office of the President, transmitting a draft of proposed legislation entitled "A bill to extend the Defense Production Act of 1950, as amended, and for other purposes"; to the Committee on Banking and Currency.

1688. A letter from the Secretary of the Treasury, transmitting a report for the quarterly period ended December 31, 1963, covering the progress made in liquidating the assets of the former Reconstruction Finance Corporation (transferred to Secretary of the Treasury by Reorganization Plan No. 1 of 1957) pursuant to 67 Stat. 230 and 22 F.R. 4633; to the Committee on Banking and Currency.

1689. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to amend the Policemen and Firemen's Retirement and Disability Act to allow credit to certain members of the U.S. Secret Service Division for periods of prior police service; to the Committee on the District of Columbia.

1690. A letter from the Secretary, Export-Import Bank of Washington, transmitting a report that the Bank on February 7, 1964, issued its guarantees with respect to cotton being imported by Hungary, pursuant to title III of the Foreign Aid and Related Agencies Appropriation Act of 1964, and to the Presidential determination of February 4, 1964; to the Committee on Foreign Affairs.

1691. A letter from the Comptroller General of the United States, transmitting a report on overpricing of nuclear submarine components purchased by the plant apparatus division, Westinghouse Electric Corp., under two subcontracts awarded to Edwin L. Wiegand Co., Pittsburgh, Pa., for the Department of the Navy, pursuant to 31 U.S.C. 53 and 31 U.S.C. 67; to the Committee on Government Operations.

1692. A letter from the Comptroller General of the United States, transmitting a report on improper waiver of policy requirements applicable to the Federal-aid highway program, as administered by the Bureau of Public Roads, Department of Commerce, pursuant to 31 U.S.C. 53 and 31 U.S.C. 67; to the Committee on Government Operations.

1693. A letter from the Comptroller General of the United States, transmitting a report on uneconomical scheduling of certain city delivery carriers, Post Office Department (selected post offices in Chicago and San Francisco postal regions), pursuant to 31 U.S.C. 53 and 39 U.S.C. 2206; to the Committee on Government Operations.

1694. A letter from the Comptroller General of the United States, transmitting a report on weaknesses in the Post Office Department's headquarters payroll activities, pursuant to 31 U.S.C. 53 and 39 U.S.C. 2206; to the Committee on Government Operations.

1695. A letter from the Comptroller General of the United States, transmitting a report on unnecessary costs incurred in the enlistment and discharge of unqualified applicants for the Regular and Reserve Forces of the Department of the Navy, pursuant to 31 U.S.C. 53 and 31 U.S.C. 67; to the Committee on Government Operations.

1696. A letter from the Comptroller General of the United States, transmitting a report on excessive financial participation in federally aided public assistance programs in the States of Louisiana and Oklahoma, Welfare Administration, Department of Health, Education, and Welfare, pursuant to 31 U.S.C. 53 and 31 U.S.C. 67; to the Committee on Government Operations.

1697. A letter from the Acting Associate Director, Department of the Interior, Bureau of Land Management, transmitting two copies of a report of negotiated contracts made for the disposal of materials for the period of July 1 through December 31, 1963, pursuant to Public Law 87-689; 76 Stat. 587; to the Committee on Interior and Insular Affairs.

1698. A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to amend the Public Health Service Act to extend the authorization for assistance in the provision of graduate or specialized public health training, and for other purposes; to the Committee on Interstate and Foreign Commerce.

1699. A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to amend the Public Health Service Act to increase the opportunities for training professional nursing personnel, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

1700. A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to improve the public health through revising, consolidating, and improving the hospital and other medical facilities provisions of the Public Health Service Act"; to the Committee on Interstate and Foreign Commerce.

1701. A letter from the Assistant Secretary of Defense for Manpower, transmitting a report of the Department of Defense on civilian positions allocated or placed in grades GS–16, GS–17, and GS–18 during the calendar year 1963, pursuant to Public Laws 84–854, 85–322, and 86–36; to the Committee on Post Office and Civil Service.

1702. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to authorize appropriations for the fiscal years 1966 and 1967 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes"; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORGAN: Committee on Foreign Affairs. H.R. 9666. A bill to amend further the Peace Corps Act (75 Stat. 612), as amended; and without amendment (Rept. No. 1137). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. H.R. 9637. A bill to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes; with amendment (Rept. No. 1138). Referred to the Committee of the Whole House on the State of the Union.

Mr. POWELL: Committee on Education and Labor. H.R. 9876. A bill to amend the Juvenile Delinquency and Youth Offenses Control Act of 1961 by extending its provisions for 2 additional years and providing for a special project and study; without amendment (Rept. No. 1139).

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H.R. 9977. A bill to amend the Internal Revenue Code of 1954 to repeal the manufacturers excise tax on pens and mechanical pencils; to the Committee on Ways and Means.

By Mr. COLLIER:

H.R. 9978. A bill to amend the Internal Revenue Code of 1954 relating to the manufacturers excise tax on television sets to alleviate the economic burden on consumers caused by the enactment of the all-channel law; to the Committee on Ways and Means.

By Mr. DELANEY:

H.R. 9979. A bill relating to the rate of duty on plastic containers for certain hypodermic needles; to the Committee on Ways and Means.

By Mr. FULTON of Tennessee:

H.R. 9980. A bill to establish a Commission on Automation, Technology, and Employment; to the Committee on Education and Labor.

By Mr. ICHORD:

H.R. 9981. A bill to amend the Federal Employees' Group Life Insurance Act of 1954 to provide for the granting of insurance thereunder to certain employees of States whose positions are financed from Federal funds, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MACDONALD:

H.R. 9982. A bill to extend for 2 years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments; to the Committee on Government Operations.

By Mr. REUSS:

H.R. 9983. A bill to establish a Department of Housing and Community Development, and for other purposes; to the Committee on Government Operations.

By Mr. OLIVER P. BOLTON:

H.R. 9984. A bill to provide that an individual who has a federally insured or guaranteed mortgage on his home, and who is required to move to a new location, may under certain circumstances transfer his equity in such home to another dwelling (in the new location) held by the Federal agency which insured or guaranteed such mortgage; to the Committee on Banking and Currency.

By Mr. GONZALEZ:

H.R. 9985. A bill to amend section 203(e) of the Federal Property and Administrative Services Act of 1949 to facilitate the procurement of certain surplus personal property by State agencies; to the Committee on Government Operations.

By Mr. HALPERN:

H.R. 9986. A bill to provide health care for persons 65 years of age and over through contributory social insurance, and a complementary basic national private insurance plan; to the Committee on Ways and Means.

By Mrs. KELLY:

H.R. 9987. A bill to grant nonquota status to any immigrant born in an independent country of the Western Hemisphere; to the Committee on the Judiciary.

By Mr. RANDALL:

H.R. 9988. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from the tax on club dues in the case of private shooting and fishing preserves; to the Committee on Ways and Means.

By Mr. BROYHILL of North Carolina:

H.J. Res. 924. Joint resolution proposing an amendment to the Constitution of the United States relating to offering of prayer and reading from scriptures in public schools and public places, and to references to God in governmental affairs; to the Committee on the Judiciary.

By Mr. SCHWENGEL:

H.J. Res. 925. Joint resolution creating a joint committee to commemorate the 100th anniversary of the second inaugural of Abraham Lincoln; to the Committee on Rules.

By Mr. FARBSTEIN:

H. Con. Res. 267. Expressing the sense of the Congress with respect to the adoption by the United Nations of a universal declaration opposing religious intolerance and discriminatory practices; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, memorializing the Congress of the United States to enact legislation controlling the sale, transportation, distribution, and licensing of firearms in interstate commerce; to the Committee on Ways and Means.

Also, memorial of the General Court of Massachusetts, memorializing the Congress of the United States to enact legislation providing for the establishment of a national cemetery in New England; to the Committee on Interior and Insular Affairs.

By the SPEAKER: Memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States with respect to the tragic passing of the late President John Fitzgerald Kennedy and expressing their heartfelt sympathy to the bereaved family of the late Honorable John Fitzgerald Kennedy; to the Committee on House Administration.

Also, memorial of the Legislature of the Commonwealth of Massachusetts, memorializing the President and the Congress of the United States to enact legislation providing for the establishment of a national cemetery in New England; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to enact civil rights legislation; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to pass legislation to afford the agricultural industry support similar to that given to other industries of this Nation; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Commonwealth of Massachusetts, memorializing the President and the Congress of the United States to enact legislation controlling the sale, transportation, distribution, and licensing of firearms in interstate commerce; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Commonwealth of Massachusetts, memorializing the President and the Congress of the United States to increase social security payments to a maximum of $150 monthly; to the Committee on Ways and Means.

Also, a memorial of the Legislature of the Commonwealth of Massachusetts, memorializing the President and the Congress of the United States relative to enactment of legislation commonly referred to as "medicare"; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Commonwealth of Massachusetts, memorializing the President and the Congress of the United States to reduce the retirement eligibility age from 65 to 62 years of age; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Commonwealth of Massachusetts, memorializing the President and the Congress of the United States to enact legislation to increase allowable earnings of persons receiving social security benefits from $1,200 to $2,000 annually; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HALPERN:

H.R. 9989. A bill for the relief of Margaret Miklos; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 9990. A bill for the relief of Jozefa Pietka; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

691. By Mr. SENNER: Resolution No. 64-2-1 of the Gila County Board of Supervisors, Arizona, approving of the construction of Pinal Creek improvements authorized by Public Law 87-874, the 1962 Flood Control Act; to the Committee on Public Works.

692. Also, Resolution No. 562 by the mayor and Council of the City of Globe, Ariz., regarding flood control project along Pinal Creek; to the Committee on Public Works.

693. By the SPEAKER: Petition of Henry Stoner, Avon Park, Fla., relative to U.S. Foreign Service Officer Emerson Player for restoring the U.S. flag at the top of the flagpole in Ghana; to the Committee on Foreign Affairs.

694. Also, petition of Henry Stoner, Avon Park, Fla., relative to requiring that the American and national motto be publicly displayed; to the Committee on House Administration.

695. Also, petition of Henry Stoner, Avon Park, Fla., requesting an article from the Christian Science Monitor be printed in the Congressional Record; to the Committee on House Administration.

696. Also, petition of legislative secretary, Women's International League for Peace and Freedom, Washington, D.C., opposing a 1964 appropriation for the House Committee on Un-American Activities; to the Committee on House Administration.

697. Also, petition of Virginia Rose White, Alhambra, Calif., relative to her part of the Louisiana land grant; to the Committee on the Judiciary.

698. Also, petition of Alex D. Roberts, Brooksville, Fla., urging passage of H.R. 9623; to the Committee on Ways and Means.

SENATE

THURSDAY, FEBRUARY 13, 1964

(Legislative day of Monday, February 10, 1964)

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. Metcalf].

The ACTING PRESIDENT pro tempore. Under its previous order, the Senate will stand in recess until Monday noon next.

RECESS UNTIL MONDAY, FEBRUARY 17, 1964

Thereupon (at 12 o'clock and 2½ seconds p.m.) the Senate took a recess, under the order of Monday, February 10, 1964, until Monday, February 17, 1964, at 12 o'clock meridian.

EXTENSIONS OF REMARKS

Lithuanian Independence Day

EXTENSION OF REMARKS

OF

HON. H. ALLEN SMITH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1964

Mr. SMITH of California. Mr. Speaker, Sunday, February 16, is Lithuanian Independence Day. It will be a sad day for Lithuanians, however, as they are no longer free and independent. The world knows it has been a captive of the Soviet Union since taken by force of arms on June 15, 1940. It is a tribute to the indomitable spirit of these people that such a proud day should still be observed in the hopes that one day they may again be free. In the hope that the question of the independence of Lithuania and the other Baltic States could be brought up for discussion in the United Nations, I have introduced House Concurrent Resolution 236. It would have been a fine tribute to these people if my resolution or one of the many other resolutions introduced in behalf of the captive nations could have been acted upon by the House this week. We continue to hope that action will be taken in the near future.

Bills To Create a Freedom Commission and Freedom Academy

EXTENSION OF REMARKS

OF

HON. EDWIN E. WILLIS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1964

Mr. WILLIS. Mr. Speaker, I ask permission to place in the Record the text of a press release of the Committee on un-American Activities. This release reveals that the committee will hold hearings on February 18-20 on various bills to establish a Freedom Commission and Academy. Because the concept of a Freedom Academy has evoked considerable interest, I thought that Members of the House might be interested in knowing of the hearings to be held next week.

Committee on Un-American Activities,
U.S. House of Representatives, Washington, D.C.

Representative Edwin E. Willis, Democrat, of Louisiana, chairman of the House Committee on un-American Activities, announced today that on February 18, 19, and 20, 1964, the committee will hold public hearings on various bills to create a Freedom Commission and Freedom Academy which have been referred to the committee.

The bills in question are: H.R. 352, introduced by Representative A. S. Herlong, Jr.; H.R. 1617, introduced by Representative Charles S. Gubser; H.R. 5368, introduced by Representative Hale Boggs; and H.R.

8320, introduced by Representative Robert Taft, Jr.; and H.R. 8757, introduced by Representative Richard Schweiker.

All persons desiring to present testimony on these bills during the February 18–20 hearings should contact Mr. F. J. McNamara, staff director, Committee on un-American Activities, room 226, Cannon Office Building, Washington, D.C.

A Salute to the Future Farmers of America

EXTENSION OF REMARKS

OF

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1964

Mr. NATCHER. Mr. Speaker, the National Future Farmers of America Week will be observed this year from February 15 through 22, and it is with pleasure that I pay tribute to this organization.

The motto of the FFA, "Learning to do, doing to learn, earning to live, living to serve" emphasizes their purpose of preparing to become experienced, skilled farmers of the future. These young men fully deserve our support and encouragement in their endeavors as we will be depending upon them to utilize the rich, productive land that is our heritage. The training they are receiving assures us that the future of American agriculture will be in competent hands.

The FFA organization is a young, growing one. Launched in Kansas City, Mo., on November 20, 1928 by 35 vocational agriculture students with their leaders, it has become the largest farm boy organization in the world. Approximately 400,000 members participate in this intracurricular school group, composed of boys studying vocational agriculture. Membership is voluntary and the FFA has no political or religious affiliations.

The FFA trains young men to be not only farmers with skill and technical knowledge, but farmers with leadership experience and potential. This aspect is realized through public speaking contests, parliamentary procedure followed in meetings, and officer training. These young men have a creed which envisions the path along which their leadership will take them.

> I believe in the future of farming, with a faith born not of words but of deeds—achievements won by the present and past generations of farmers; in the promise of better days through better ways, even as the better things we now enjoy have come up to us from the struggles of former years. I believe in leadership from ourselves and respect from others. I believe that rural America can and will hold true to the best traditions in our national life and that I can exert an influence in my home and community which will stand solid for my part in that inspiring task.

This is the ultimate goal of the leadership expected of each of them.

Recognizing that a continual supply of talent is needed in America's largest single industry, and that FFA, accompanying and complementing the vocational agriculture program, is a vital source of this talent, I salute the FFA chapters not only in the Second District of Kentucky, but all the FFA participants throughout America for its invaluable service. I wish them continued success and agree with their creed which states, "I believe in the future of farming."

Negro History Week in Yonkers

EXTENSION OF REMARKS

OF

HON. ROBERT R. BARRY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1964

Mr. BARRY. Mr. Speaker, this week at the same time this body passed, with bipartisan support, the most far-reaching civil rights bill since Reconstruction Days, Negro History Week was and is being celebrated in many homes, schools, churches, clubs, and organizations throughout our country.

I am proud to say that the public schools in Yonkers, N.Y., which I have the honor and privilege to represent, are this year participating in Negro History Week. The following article appeared in the Yonkers Herald Statesman, one of the leading Macy chain newspapers in Westchester County:

> NEGRO HISTORY WEEK SCHOOL PROGRAMS SET
>
> Yonkers' public schools will mark Negro History Week, opening Monday, with special programs and activities at all grade levels.
>
> Asst. School Supt. Grace S. Hoberg has distributed to all elementary school teachers a "Guide for Teachers" on contributions of Afro-Americans to the American culture.
>
> The guide contains illustrations and samples on all grade levels in the areas of language, arts, science, crafts, physical activities, music, audio-visual aids and reference materials for teachers.
>
> Albert J. Torres, music coordinator, has prepared a list of appropriate recordings and instrumental performances. Photographs of outstanding Negroes and posters on Negro history and pamphlets are made available by the Yonkers Commission on Human Relations.

Sponsored by the Association for the Study of Negro Life and History, Negro History Week got its start in 1926. It is an occasion for public exercise, inviting special attention to the achievements of the Negro. With the cooperation of ministers, teachers, professional and businessmen throughout the country, this celebration has proved to be an annual success. Negro History Week has helped to arouse American people to a keener appreciation of the contributions of the Negro to civilization.

The Association for the Study of Negro Life and History was organized in 1915. The five purposes of the association are as follows:

First, promote historical research and writing;

Second, publish books on Negro life and history;

Third, promote study of the Negro through schools, colleges, churches, homes, fraternity groups, and clubs;

Fourth, collection of historical manuscripts and matter relating to the Negro people throughout the world; and

Fifth, bring about harmony between the races and acceptance by interpreting the history of one to the other.

Since the educational approach to civil rights is as important as the legal approach, I thought it appropriate to call attention to the program that is being sponsored by the Association for the Study of Negro Life and History.

Those desiring more information on the "Guide for Teachers" and other educational materials published by this organization, may address their inquiries as follows: the Association for the Study of Negro Life and History, 1538 Ninth Street NW., Washington, D.C.

The Objectives of House Concurrent Resolution 66

EXTENSION OF REMARKS

OF

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1964

Mr. RHODES of Arizona. Mr. Speaker, I have long been interested in freedom for the small Baltic nations of Lithuania, Latvia, and Estonia. Because of my interest, I introduced House Concurrent Resolution 66 in the 1st session of the 88th Congress. As Lithuanian Independence Day is being commemorated by the Congress this week, I would like to bring to the attention of the Members the objectives of House Concurrent Resolution 66, which I hope can be passed during this session:

> Whereas the greatness of the United States is in large part attributable to its having been able, through democratic process, to achieve a harmonious national unity of its people, even though they stem from the most diverse of racial, religious, and ethnic backgrounds; and
>
> Whereas this harmonious unification of the diverse elements of our free society has led the people of the United States to possess a warm understanding and sympathy for the aspirations of peoples everywhere; and
>
> Whereas so many countries under colonial domination have been or are being given the opportunity to establish their own independent states, on the other hand, the Baltic nations having a great historical past and having enjoyed the blessings of freedom for centuries are now subjugated to the most brutal colonial oppression; and
>
> Whereas the Communist regime did not come to power in Lithuania, Latvia, and Estonia by legal or democratic processes; and
>
> Whereas the Soviet Union took over Lithuania, Latvia, and Estonia by force of arms; and
>
> Whereas Lithuanians, Latvians, and Estonians desire, fight and die for their national independence; and
>
> Whereas the Government of the United States of America maintains diplomatic relations with the free Republics of Lithuania, Latvia, and Estonia and consistently has refused to recognize their seizure and forced "incorporation" into the Soviet Union; and
>
> Whereas no real peace and security can be achieved in the world while Lithuania, Latvia, and Estonia remain enslaved by the Soviet Union: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President of the United States should take such steps as he may deem appropriate to bring before the United Nations the question of Soviet action in the Baltic States for the purpose of urging the United Nations to request that the Union of Soviet Socialist Republics—

(1) withdraw all Soviet troops, agents, colonists, and controls from Lithuania, Latvia, and Estonia; and

(2) return all Baltic exiles from Siberia, prisons, and slave labor camps in the Soviet Union.

SEC. 2. The United Nations should conduct free elections in Lithuania, Latvia, and Estonia under its supervision and punish Soviet Communists who are guilty of crimes against the peoples of the Baltic States.

Secretary Freeman Says Food Stamp Plan Is Most Effective Method Yet Devised To Insure Adequate Diet for All Americans

EXTENSION OF REMARKS

OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1964

Mrs. SULLIVAN. Mr. Speaker, the food stamp bill, H.R. 8107, has been tabled by the House Committee on Agriculture. I hope this is only a temporary setback on the legislation. I think all of us who represent areas where pilot food stamp projects are in operation can attest to the fact that the food stamp method of distributing surplus food to the needy—through the regular grocery stores and the regular channels of trade—is far superior to the direct distribution system.

The Secretary of Agriculture, the Honorable Orville L. Freeman, at a luncheon sponsored by the Almas Shrine Temple last Friday here in Washington, had some very interesting comments on the effectiveness of the food stamp plan. I think his comments are worth reading and I submit them as part of my remarks, as follows:

EXCERPTS OF REMARKS BY SECRETARY OF AGRICULTURE ORVILLE L. FREEMAN AT A LUNCHEON SPONSORED BY THE ALMAS SHRINE TEMPLE AT THE SPHINX CLUB, WASHINGTON, D.C., ON FRIDAY, FEBRUARY 7, 1964

Secretary of Agriculture Orville L. Freeman said today that the food stamp program "is the most effective method yet devised to insure that all Americans have the opportunity for an adequate diet."

He spoke at a luncheon sponsored by the Almas Shrine Temple at the Sphinx Club, Washington, D.C.

"I want to make it clear to those people in the cities and urban areas who know the value of the food stamp program and who are concerned that our food abundance should be distributed more effectively that the American farmer and his family share the same concern and the same goal.

"The food stamp program is an essential instrument in the war on poverty. It represents the belief that every citizen should have an adequate, nutritious diet. It is an expression of a basic spiritual and moral principle * * * a principle which the farmer holds deeply.

"The American farmer is concerned when people are hungry because he knows that our system of family farms produces more than enough food for every man, woman and child in this country.

"He has supported the food-for-peace program because it is the most effective means of sharing our food abundance with millions of hungry people throughout the world. And he supports the food stamp program in this country as the most effective method yet devised to insure that all Americans have the opportunity for an adequate diet. There is no excuse nor is there any reason why any American should go hungry when this country is able to produce food in overflowing abundance.

"Thus, the action earlier this week on the proposal to shift the pilot food stamp program to a permanent basis means that the Agriculture Committee has set the proposal aside for later consideration. It should not mean the food stamp program is dead."

The Secretary said the Department's experience to date with the pilot food stamp projects—which now covers 366,000 persons in 43 areas located in 22 States—shows that:

Participants, who pay a little over $6 for every $10 worth of coupons, substantially increased their food consumption. More than 80 percent of the increase came in meats, fruits, and vegetables. Compared to the diets available under the direct distribution of surplus commodities, the number of families able to achieve a nutritionally adequate diet was almost doubled.

The demand for food products which come under Federal price support programs is greater than under the direct distribution program, primarily because of the increased use of meat and meat products which increases the use of feed grains. In addition, while the cost of the food stamp program and a comparable direct distribution program are nearly the same, the return to farmers under the food stamp program is greater.

Retail food store sales have increased an average 8 percent in the pilot food stamp areas. The additional dollars spent for food stimulate the economy of the community. Thus, where the direct distribution program requires a competing distribution system, the food stamp program works for the benefit of the food industry as well as the consumer. Yet the cost to the Government is about the same.

The Secretary noted that few persons have attempted to take advantage of the food stamp program in the pilot areas, and pointed out that less than one-half of 1 percent of the participating stores had been involved in program violations.

"Most of the violations involved the sale of ineligible products, such as imported foods and soap and paper supplies. Few cases have involved the exchange of coupons for cash."

A Fine Week's Work

EXTENSION OF REMARKS

OF

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1964

Mr. CHARLES H. WILSON. Mr. Speaker, this past 7 days has been a historic period for the House of Representatives. The President's civil rights program is halfway toward enactment, and the Nation has watched in wonder as this House has done its work.

With little bitterness or rancor the most all-encompassing, wide-sweeping civil rights legislation in history has been approved. The leaders of both political parties deserve a great deal of credit for their statesmanship and fairness, and the leaders of the opposition group have conducted themselves in the manner of true southern gentlemen.

All parts of the civil rights program are important and all will have a major effect on the lives and fortunes of our nonwhite population. At long last, a colored family will be able to travel the highways of this country and be assured of a place to eat and a place to sleep.

It is difficult to single out the most significant provision from the total program, but it seems to me that FEPC must rank close to the top of the list. Equality is a mockery if the economic opportunity is not included.

Fears have been expressed that fair employment rights for Negroes will mean fewer jobs for white workingmen. This is not true, of course, and our experience with FEPC in the State of California has proved this point. Many skilled jobs are going unfilled at the present time due to the shortage of skilled labor. Negro and white workers must be assured of full opportunity for these skilled positions, and our Nation will be the real loser if any qualified citizen is deprived of the chance to prove his worth.

All in all, I believe the House can take pride in its recent accomplishments. There can be no more talk of a do-nothing Congress as far as this session is concerned. The 88th Congress is now assured of a place in our history books. The civil rights bill, the tax reform bill, and the various educational bills have been landmarks of legislative progress. Tributes are due to all concerned, and a particular tribute goes to all Members of this past, fine week's work.

Peace Corps in Ethiopia

EXTENSION OF REMARKS

OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1964

Mr. O'HARA of Illinois. Mr. Speaker, 13 Peace Corps volunteers—7 full time, 6 part time—are teaching at the College of Business Administration of Haile Selassie I University, which was established in the fall of 1963 to help meet the rapidly growing need for business education in Ethiopia. It is the objective of this college to provide trained management people who possess the combination of technical skills, breadth of vision, and sound decisionmaking ability required for a dynamic and growing business community in Ethiopia.

The college of business has its own compound of classrooms, offices, and library on the main university campus. Students on this campus have their own cafeteria and recreation facilities. Plans for next year will place the college in the new classroom unit being constructed on the main campus.

One of the fastest growing colleges in the university, the college of business, now has an enrollment of 170 students in the regular day program leading to a bachelor of business administration. There are, in addition, several hundred students enrolled in the night courses offered by the college of business. A special executive secretary program is being planned to help practicing secretaries upgrade their skills, and an advanced management program is being planned for local business executives.

The college of business is placing great stress on research into the local business environment and the problems of Ethiopian business so that the course of study can be directed specifically to Ethiopian needs.

Seven Peace Corps volunteers are assigned full time to the college of business, and six volunteers are teaching there on a part-time basis. They teach in both the day and evening programs. In addition to teaching, they are conducting research at Ethiopian banks and businesses to develop case studies which are relevant to business methods in Ethiopia and which are being incorporated into the classroom instruction.

The following is a list of the courses volunteers are teaching and the textbooks they are using this year:

Elementary accounting:

Noble & Niswonger, "Principles of Accounting."

Myra & Hartman, "Mathematics of Investment."

Immediate accounting: Kanen, Brock & Simmons, "Intermediate Accounting."

Introduction to business management: Arthur Weimer, "Business Administration: An Introductory Management Approach."

Typewriting (noncredit): Towe, Weinger & Lloyd, "Gregg Typewriting for Colleges."

Business English: Parkhurst, "English for Business."

Advanced accounting and financial controls:

Anthony, "Management Accounting."

Neuner, "Cost Accounting."

Holmes, "Basic Business Auditing."

Marketing: Phillips & Duncan, "Marketing Problems and Methods."

Business finance:

Vandell & Coleman, "Case Problems in Finance."

Johnson, "Finance Management."

Business report writing: Hay & Lesekar, "Business Report Writing."

A Profile in Courage

EXTENSION OF REMARKS

OF

HON. W. J. BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1964

Mr. DORN. Mr. Speaker, our colleague, the distinguished gentleman from New Hampshire, Louis Wyman, made a superb, forceful, and courageous defense of the Constitution on Monday. I have never heard a more timely or dynamic oration.

His defense of the Constitution is refreshing and stimulating. This House can be proud of the gentleman from New Hampshire.

I commend to the attention of the country an article by David Lawrence which appeared in the Washington Evening Star on Wednesday, February 12, very significantly on Lincoln's birthday—the great emancipator and defender of human rights:

A Legislator Speaks Out on Rights—Says Measure Wouldn't Win 50 Votes if House Took Secret Ballot Today

(By David Lawrence)

Ninety-eight years ago—after the Civil War was over—an intolerant majority in Congress disregarded the Constitution, took away seats from duly elected Members of the House and Senate, and sent troops to certain States to compel the legislatures, at bayonet point, to ratify the 14th amendment to the Constitution. A Civil Rights Act was subsequently passed, and the Supreme Court later declared it unconstitutional.

Today, nearly a century later, a frightened if not terrorized majority in the House of Representatives—stampeded by nationwide demonstrations that have often led to violence—has passed a so-called civil rights bill which actually takes away some important civil rights from the citizens.

If the Senate now should pass the same bill as the House did, a Federal police force would be authorized to enter any kind of business—not just hotels or restaurants—and investigate whether its hiring or promotion of employees is conducted on the basis of racial or religious discrimination.

Although the measure passed the House by a vote of 290 to 130, Representative Wyman, Republican, of New Hampshire, says that if a secret ballot were taken in the House, the legislation wouldn't get 50 votes. Mr. Wyman was formerly attorney general of his State and also was president of the National Association of Attorneys General. He was twice elected chairman of the standing committee on jurisprudence of the American Bar Association. Here are some extracts from a significant speech he delivered this week to the House of Representatives:

"This legislation makes a mockery of the Constitution. To yield to pressure for an unconstitutional law because of sympathy for social injustice is to say that the end justifies the means * * *.

"I came here to uphold the Constitution, not to destroy it. To uphold it, I am compelled to vote against this bill * * *.

"It means finally that there is no power in this Congress to legislate as is here proposed in regard to private lives, private business, and individual activity within and among the several States having nothing to do with interstate commerce and not constituting State action.

"And it is the sheerest hypocrisy to contend that by so defining such private conduct, it becomes constitutionally amenable to Federal law when the power to enact the law was never given to the Federal Government in the Constitution. It is hypocrisy compounded by fraud upon the people to ignore these basic truths because some Members believe there are more votes for their reelection to be found in perpetuating the fraud than in protecting the constitutional rights of the people—all the people, both white and colored, Protestant, Catholic, Jewish, and disbeliever * * *.

"There are still many private rights in America that under our Constitution are beyond the power of Government to regulate, and one of these is the right to pick and choose one's associates, one's friends, and one's customers in private business * * *.

"The passage of unconstitutional legislation in the face of political pressure, contrary to oath to support the Constitution, on the basis that the end justifies the means, is a perversion of our function as responsible legislators * * *.

"A vote here for this bill is a vote against the proper interests and reserved rights of the American people, not a vote for them. Make no mistake about one thing—that we are dealing with an iceberg here. Nine-tenths of public opinion on this legislation has never been shown on the surface. When people realize what an invasion of their private rights is here involved—and they will come to realize it as time goes by should this ever become law—we can rest assured that as surely as there will be an 89th Congress a vote in favor of this bill will come back to haunt those who did so * * *.

"It should be clearly understood in this connection that what is here sought to be regulated is private business. These are not federally run establishments nor even State owned or operated. They are privately owned—maybe even by you or me or our next door neighbor, be he or she black or white * * *.

"We have never subscribed, even by the Founding Fathers, to a Constitution that ever gave to the Federal Government the power to say by decree that if we want to engage in business for a profit we must so manage the business as not to be discriminating in our choice of customers. Heaven forbid such doctrine, or yet another rock in the foundation of free enterprise will have been shattered by representatives of a government that itself grew to giant stature and strength in a competitive world through that very same free enterprise * * *.

"If we do not stand up and be counted in this Chamber for what we know is legally required by the Constitution of the United States of America, then what are we preserving? Do we have majority rule in this land or don't we? Are we to abdicate our responsibilities as Congressmen to satisfy a minority pressure that urges that out of sympathy and a record of social injustice—because regulation by Congress of those States that have failed to regulate is a desirable end—that we should with this legislation say 'Damn the Constitution. Full speed ahead'? Of course not."

Tribute to Thaddeus Kosciuszko

EXTENSION OF REMARKS

OF

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1964

Mr. BOLAND. Mr. Speaker, yesterday, February 12, was the 218th anniversary of the birth of the great Polish hero, Thaddeus Kosciuszko. Kosciuszko, however, is a hero known and loved by more than the Polish people. Wherever men love freedom, wherever men fight and suffer and endure for national independence and individual liberties, the name of Kosciuszko is, and will always be, an inspiration to young and old, and a beacon light of courage.

Kosciuszko was inspired to his deeds of valor in the Polish struggle for freedom and in the American Revolution by his youthful reading of Plutarch's "Lives of the Greeks and Romans." For us, today, he stands enshrined among those, his favorite heroes of antiquity. The inspiration the young Polish boy took from his reading of the deeds and triumphs of men of old, is paralleled today by the inspiration our young people take from the heroism of our gallant warriors of the American Revolution, among whom Kosciuszko ranks high.

The contribution of Kosciuszko to the American cause was so substantial, in widely differing spheres of military activity, that he can justly be counted among the architects of the final victory at Yorktown. His first accomplishment, the fortifying of the Delaware River, in 1776, facilitated the defense of Philadelphia in the first period of the war. The failure of General Gates to take Kosciuszko's advice and fortify Mount Defiance is considered to have caused the loss of Ticonderoga. Soon after Burgoyne had taken Ticonderoga from the Americans, however, Kosciuszko was able both to select a battlefield and plan the fortifications, contributing greatly to the brilliant victory of Saratoga. For 2 years then, from 1778 to 1780, he was in charge of the planning and construction of the fortifications defending the strategic post of West Point, from which task he was summoned to join Gates and then Nathanael Greene in the southern campaign. Greene's retreat before Cornwallis' forces in the campaign of 1781, which has been termed "masterly," and which resulted ultimately in Cornwallis' being lodged, in a constricted and powerless position, on the peninsula between the York and the James Rivers—this masterly retreat by Greene is to be attributed in large part to the skillful planning and swift execution of movements by the army's transportation services, under Kosciuszko's direction. In the subsequent campaign near Charleston, S.C., he gained distinction as a dashing leader of cavalry, and was one of the first to enter Charleston after its evacuation by the British.

It is good to remember, in contrast to the tragedy of Poland's desperate and unsuccessful struggle for freedom under Kosciuszko's leadership, that this brave leader had, here in America, his share in a glorious victory and complete triumph, and that he enjoyed, later, the experience of public receptions and reunions with old friends in America, and that Congress, for once giving a hero his due during his lifetime, appropriated $15,000 for him, and made him a land grant of 500 acres in Ohio.

Americans of Polish ancestry are proud to claim the patriotic hero, Kosciuszko, as foremost among Polish contributions to the glorious traditions of this country. From his history, and the history of other Poles who have come to America, the Polish people have learned to expect here a warm welcome, equal opportunity, and the national and individual freedom that fate has so long and so cruelly denied to their homeland.

From century to century, and from generation to generation, the Poles have contributed to the defense and the building of America, and have attained honor and fame among us. The high place of Brigadier General Kosciuszko in the Continental Army is paralleled today by the presence of a Polish American in the Cabinet—John A. Gronouski, Postmaster General. Patriotic service to America, in peace and in war, is the tradition handed down from Kosciuszko to today's Americans of Polish descent. May this spirit never die.

No Bargain Counter Solutions in Foreign Policy, Delaware Junior Chamber of Commerce Told

EXTENSION OF REMARKS

OF

HON. HARRIS B. McDOWELL, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1964

Mr. McDOWELL. Mr. Speaker, the world has shrunk so much in terms of communications and travel that a news dispatch originating today 10,000 miles away, many times in a country little known, and whose existence has hardly heretofore been considered important to the welfare of the 180 million people of our country, can signal a violent explosion in world affairs and all too often may be related to a failure of U.S. foreign policy. In these circumstances it is inevitable, perhaps, that many well-intentioned newspaper columnists, editorial writers, and just plain, ordinary citizens would offer what might, with justice, be called bargain counter solutions to the difficult problems facing our Nation. What is becoming increasingly clear, however, is that there are no simple solutions in the conduct of foreign policy. We must constantly bear this in mind. Too often in the past when other nations have adopted bargain counter solutions, almost always the results have proved to be disastrous.

I include here the text of a speech I delivered to the Delaware Junior Chamber of Commerce meeting in New Castle, Del., Sunday, February 9, 1964:

THE KIND OF WORLD WE SEEK IS THE ONLY KIND IN WHICH THE BLESSINGS OF LIBERTY CAN BE ASSURED TO OUR POSTERITY

(By Representative HARRIS B. McDOWELL, JR., Congressman at Large from Delaware)

There are more foreign policy experts on the national scene today than in those periods of American history immediately after World War I and again after World War II, when the only objective of American foreign policy was not to become entangled in any involvement abroad.

The complexity of our involvement in the field of international relations today is best exemplified by the few "bargain counter" solutions that are offered by most of the so-called foreign policy experts. This applies to those in government, to newspaper columnists, editorial writers, and just plain ordinary citizens. The volume of words describing the problems is, nevertheless, indicative of the magnitude of our involvement.

At no time in recent years has this become more self-evident than by a reading of the public press in the past several months. From Vietnam, Cambodia, Indonesia, Burma, and Laos we travel tens of thousands of miles across the globe to Ghana, Zanzibar, Tanganyika, back to Berlin, and across the Atlantic to Panama and Cuba. A news dispatch originating 10,000 miles away, many times in a country little known and whose existence is hardly heretofore considered to be important to the welfare of the 180 million people of our country, signals a violent explosion in world affairs and is all too often related to a failure of U.S. foreign policy.

Whether we like it or not, in the eyes of the rest of the world, and in the community of nations, the United States stands alone today as the only major power not weakened by war or burdened by the heritage of an imperialistic history. And as the realities of the cold war confrontations have unfolded over these past decades, the realization that we were opposed by another nation equally considered, in some areas of the world, to be a giant nation, we have been compelled to accept the challenge of Russian Communist imperialism. To counter the thrust of an undeclared war we have sought to extend the protection of a U.S. military shield to large areas of the world undefended by former colonial powers. At the same time, we have taken up the equally necessary task of providing the new nations with technical and economic assistance to help them raise their standards of living so that, like us, they, too, could advance the cause of freemen.

The need for a leading world power to consider each problem in the context of total world responsibility necessarily imposes restraints upon the exercise of power—restraints that we sometimes find frustrating. A nation such as ours cannot make decisions in one part of the world without setting precedents in another. It must at all times be sensitive to the impact of the concentric waves that flow out from any decision it may make.

Because of this fact, we cannot always move with the simple directness that delights our taste for action. If we move abruptly in one part of the world—even though it may be satisfying to our national soul—we may do vast mischief to the fabric of our relations at vital points elsewhere.

Restraint to this same degree is not always felt by powers that play a more limited role in world affairs. Because their interests are geographically restricted, they often do not feel the same high degree of concern for the implications or repercussions of their actions.

Nonetheless, actions taken by one Atlantic nation in disregard of the obligations of total world responsibility can be both self-defeating and destructive. And if, in fact, members of the Atlantic Community persistently pursue courses of action that ignore the realities of interdependence, the effective policies of the Atlantic nations will be reduced to their lowest—and weakest—common denominator.

In President Johnson's words, we seek "a world of peace and justice, of freedom and abundance, for our time and for all time to come."

That is the kind of world which, we believe, most of mankind desires. That is the ultimate objective of our partnership with the economically advanced nations of the Atlantic and the Pacific. It is the ultimate objective of our assistance to the less developed nations—each of which, as it moves forward economically and socially and becomes more stable politically, adds to the total strength of the free world. It is the ultimate objective which causes us to try to improve and strengthen, bit by bit, a network of international institutions—some regional, some specialized, and, most comprehensive of all, the United Nations.

Such a world can be achieved only by unremitting effort. And at every stage it must be protected from the assaults of those who would impose on the human race a form of society that is both brutal and inefficient.

The kind of world we seek is the only kind in which the blessings of liberty can be assured to our posterity. It can be achieved if we, and all others who aspire to this goal—work intelligently and unceasingly at the task of building it.

Report on Civil Rights

EXTENSION OF REMARKS

OF

HON. KENNETH A. ROBERTS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1964

Mr. ROBERTS of Alabama. Mr. Speaker, I am sure that you are well aware, as are all Members of the House, of the deep concern over certain actions of the administration and the proposed civil rights legislation.

In order that the fine people of Alabama who have honored me by electing me to the House of Representatives of the United States may know of my stand in these matters, I have prepared a report outlining the actions that I have taken to preserve States rights and setting forth my total and complete opposition to any further civil rights legislation which would usurp such rights.

In addition, Mr. Speaker, this report includes the actions I have taken in opposition to the implementation of programs by the administration which are not only detrimental to Alabama but to the entire Nation.

Under unanimous consent, I insert this report in the RECORD at this point.

A REPORT TO THE PEOPLE OF ALABAMA

I know that many of our fine citizens of Alabama are not aware of the steps that I, as your elected Representative, am taking in an earnest effort to preserve States rights and to protect our southern way of life and our heritage.

Although I issue a weekly newsletter which is sent to each and every newspaper in the State as well as to all radio and television stations, often the contents of the newsletter never reach the individual Alabamian. I am, therefore, taking this means of keeping you informed of my activities and actions in this vital matter which is of deep concern to all of us.

There are, of course, many bills which have been introduced in the Congress during this session that are of great importance and require the most careful and detailed consideration but I do not believe that anything could be more detrimental to our State and our sister States than the proposed civil rights legislation and the actions taken by the executive branch of the Government in this area.

During this session of the Congress I have introduced four bills, all of which pertain to this subject. One resolution proposes an amendment to the Constitution of the United States relating to the establishment of a Court of the Union which shall review the exercise of power or jurisdiction of the Supreme Court in certain cases upon demand of the legislatures of five noncontiguous States. Another is a proposed amendment to the Constitution of the United States pertaining to the offering of prayers in public schools and other public places in the United States. A third bill would amend the criminal laws of the United States to prohibit any person from crossing State lines for the purpose of violating the laws of any State and a fourth bill would amend the Uniform Code of Military Justice making it a court-martial offense for any military commander using his command position and authority to prohibit military personnel from patronizing facilities in a town or community.

I would like to quote a statement which I made before the House Judiciary Committee in opposition to the proposed civil rights legislation:

Mr. Chairman, I appreciate the opportunity of appearing before this distinguished committee. I well realize the great interest that has been expressed and the desire of numerous witnesses to testify on this all-important subject of civil rights. I would be remiss in my duty as a representative of the people of the State of Alabama if I did not appear before you to express my total and complete opposition to this legislative proposal.

Mr. Chairman, it is my earnest conviction that any additional legislation in this field is both unnecessary and unwarranted. I further believe the if this matter is left in the hands of State governments that the issues can and will be resolved. I believe that the Constitution as intended by our forefathers provides this right to the individual States. I honestly believe that the designers of the Constitution would turn over in their graves if they know of the liberal interpretations that have been given to this document in recent years.

The continued liberalization of the Constitution and additional legislative action in the field of civil rights will, in my way of thinking, ultimately result in a police state.

The trend that the administration is now following indicates just that. If one just analyzes the Executive orders that have been issued and the directives and regulations that have been issued by the executive departments such analysis will confirm my opinion.

Mr. Chairman, I do not desire to take the time of the committee to go into the various sections of the proposed bill and to discuss the many ramifications of them for I can say in summary that the enactment of any of the sections of any portions of the bill is contrary to my thinking and contrary to the thinking of not only the fine people of the State of Alabama but the thinking of many, many individuals throughout the length and breadth of America.

I appreciate as always, Mr. Chairman, the courtesy you and the committee have accorded me. I leave you with one thought in mind: please preserve our democracy—do not recommend any legislation that will place it in jeopardy.

I would also like to quote a release to all news media in June of this year elaborating on my opposition to the proposed civil rights legislation:

Congressman KENNETH A. ROBERTS continued today his total and complete opposition to the proposed civil rights legislation.

"It is not only my heritage but my interpretation of the Constitution that has instilled in me the rights of the individual States," ROBERTS said.

"In the 12 years that I have had the honor to represent the people of Alabama in the Congress, I have opposed all civil rights legislation. I have voted in opposition and have made numerous statements on the floor of the House opposing any usurpation of States rights. I am firmly convinced that the proposed legislation is designed to destroy the rights of the sovereign States and I intend to do all in my power to prevent passage of such a measure.

"During the Little Rock and Oxford incidents, and the latest incident in my own State of Alabama where Federal troops were used, I not only opposed the action by statements on the floor of the House but, together with other members of the delegation, advised the citizens of the State of my complete support in those trying hours and days. I further stated my opposition to the use of Federal troops in letters to the President.

"The Constitution, as written by our forefathers and as I interpret it, was to prevent persecution and to preserve individual rights. These rights are being taken away by the liberal interpretations of the Constitution by the Supreme Court. I, therefore, shall do everything I can to obtain action on my bill, House Joint Resolution 374, to establish a Court of the Union to curb the powers of the Supreme Court. This bill, in effect, proposes a constitutional amendment whereby, upon demand of the legislatures of five noncontiguous States, the Court of the Union shall review the exercise of power or jurisdiction by the Supreme Court.

"The amendment is entirely in keeping with our traditional American concept of checks and balances. The Court of the Union would provide a check on the powers of the Supreme Court which does not exist now. It is apparent from many cases decided in recent years that some sort of check is essential. Serious questions have been raised in the minds of many of our citizens regarding the Supreme Court's decisions in many areas and some sort of restraint is necessary. In previous years the judiciary had been one of restraint and is the history of jurisprudence. Liberalization of the judiciary can only lead to eventual totalitarian rule. Therefore, it is not only essential but of paramount importance to place some sort of check on the liberalization of the judicial interpretations of the Supreme Court and realine our thinking in accordance with the intent of the Constitution as intended by our forefathers."

Another release which I made to all news media indicated my strong opposition to the proposal of the administration to withhold Federal funds for impacted school districts. This release was as follows:

Congressman ROBERTS today announced his total opposition to any proposal of the Kennedy administration to withhold Federal funds for impacted school districts.

Congressman ROBERTS said, "These funds were appropriated by the Congress for the purpose of relieving those school districts that were affected by Federal activities. No conditions or considerations were given to the allocation of these funds based on integration.

"Any action taken in this direction by the administration is capricious and arbitrary and is not the expressed intent of the Congress in appropriating these funds. Any action in this direction will meet with my utmost objections and I will do all in my power as a Member of the House to oppose such action.

"Congress has repeatedly refused to use this approach and, in my opinion, will continue to write the laws without dictation from the Justice Department.

"This action will result in undue hardship on the school districts affected and may mean the destruction of the entire program under Public Laws 815 and 874. Up to this point, these programs have been free of Federal interference. With the threat of Federal intervention, there will be strong opposition to the continuance of this aid."

The above are but a few of the releases that my office has issued. In addition I have made statements in my weekly newsletter on six different occasions concerning this matter which is of grave concern not only to the people of Alabama but to the people of the entire Nation.

Excerpts from these newsletters follow:

WASHINGTON.—The heat wave is on in more ways than one in the Nation's Capitol. Not only is the weather at a high degree but your southern delegations in the Congress are being treated with additional heat regarding the proposed civil rights legislation.

This is a paramount issue and I have stated my total and complete opposition to the legislation as submitted to the Congress by the administration. I am of the opinion that we should not attempt to legislate away the intent of the Constitution and that the Congress should get down to the serious business of reducing Government expenditures and reducing the tremendous national debt.

WASHINGTON.—In my opinion, the civil rights legislation as proposed by the administration is ill timed, ill conceived, unwarranted, unnecessary, and certainly is not in accord with the intention of the Constitution as written by our forefathers and the Declaration of Independence signed on July 4, 1776.

I believe that the administration is finding out that not only are we in the South very much concerned over certain proposals and their many ramifications, but the entire Nation is concerned. One cannot legislate equality nor force social acceptance upon people against their will.

It was only a few years ago when others believed that civil rights legislation was a problem confined only to the South. Today the Nation realizes that this is a problem of paramount importance to the country as a whole.

Based on the interpretation of the Constitution and considering the Declaration of Independence, I cannot conceive of how the Supreme Court has interpreted the Constitution in recent years. Interpretations such as those that have been made must of necessity be accomplished by trying to force conformity upon all sections by stretching the Constitution to cover situations never contemplated by the Founding Fathers. I do not concur in the interpretations that have been made by the Supreme Court and, as a Member of Congress, I shall speak out at every opportunity against the passage of any and all civil rights legislation. I believe that, should any such legislation be enacted, it would be a step backward for this country. A look at the Nation's Capital, which is considered a pilot city, is not very uplifting. Washington has one of the highest crime rates of any city of its size and one of the highest percentages of welfare dependents.

I shall continue with all the force at my command to oppose this legislation and I am ready to spend every day of the year in this Congress to prevent the passage of this legislation.

The Birmingham News recently charged that Martin Luther King and the Southern Christian Leadership Conference had on the payroll one Jack H. O'Dell, whom the newspaper exposed last year as being a concealed member of the National Committee of the Communist Party, U.S.A. I believe this to be so important to the welfare of our Nation that I have asked that the House Un-American Activities Committee and the Senate Judiciary Committee immediately investigate Jack O'Dell and his connection with Martin Luther King and the Southern Christian Leadership Conference.

WASHINGTON.—By nature and tradition, the American people are a peace-loving people. We are not aggressors and do not attempt to instill in other people of the world our doctrines. We are, however, most jealous of our rights as free individuals and to that end we shall protect those rights. I am prepared to remain in the Capitol throughout the year in order to defend the rights of our people and our section of the country. I shall defend the peaceful way of life which we have enjoyed.

I will continue to speak out against any legislation whatsoever concerning civil rights and will support legislation that will enable us to live within the intent of the Constitution. To this end, I have introduced several bills on the subject.

I have also introduced a bill to amend the criminal laws of the United States to prohibit any person from crossing State lines for the purpose of violating the laws of any State. I believe such legislation is essential in view of the events that have occurred and are still taking place. I am speaking of the mass demonstrations conducted by individuals who are not residents of the States or areas in which the demonstrations take place.

A mass demonstration is scheduled in Washington next month. I am certainly not in accord with such action and can assure you that demonstrations of this sort can only increase my belief in the legislative action which I have proposed. I am also of the opinion that such action would indicate to the other Members of Congress the fallacy of any additional civil rights legislation.

In addition, an attempt will be made to get the civil rights legislation on the floor. Should this develop, I am sure a great deal of time will be consumed for there are a great many other Members who feel as I do in that we believe that there is ample legislation of this type on the statute books and any further legislation is unnecessary. We shall do all in our power to prevent further usurpation of States rights.

The march on Washington took place as scheduled. What did it accomplish? Certainly I do not believe it had any effect on the Members of Congress nor the people of the country. It did require a great expenditure of funds by the various organizations and cost the Federal Government and the District Government untold thousands of dollars in loss of time, maintenance, preparation, and so forth.

WASHINGTON—Alabamians are blessed with wonderful traditions and fine heritage. Truly the song, "Stars Fell on Alabama," reflects this proud feeling of our State.

I believe, as I know all Alabamians believe, that we should protect our principles with everything at our command. However, I cannot see, nor can I condone, taking matters into one's own hands.

Through the years of this democracy, the Constitution has provided an instrument to build a better place to live and worship as we choose. To be sure, amendments to the Constitution have been offered and ratified by the States in accordance with the changing times. Nevertheless, we have abided by the Constitution and by the interpretation of it by the courts. We have at no time considered violence to gain our point.

All of us are not in agreement with the decisions rendered by the courts, particularly in recent years. We in Alabama believe such decisions to be wrong. We must, however, continue to rely on the Constitution to protect our free democracy. Such can be accomplished only through the will of the people and the courts.

I do not believe that the demonstrations which have occurred are the product of Alabamians. Still they have reflected anything but credit to the people of Alabama.

If patience is practiced we can, in time, not only preserve our cause but can obtain our objectives peacefully.

To be sure, the administration has not been of assistance to us in our efforts and it continues to take actions that provoke and antagonize our people and pits one race against the other.

A good example is the action of the Secretary of Defense in issuing the order implementing the recommendations of the Gesell report which would give installation commanders (officers not qualified either by education or profession) the authority to determine whether facilities in cities and towns adjacent to military reservations should be declared off-limits when such facilities practice segregation. This could mean eventual military dictatorship.

I have protested this action to the Secretary of Defense and have also introduced a companion bill to one introduced by the Honorable CARL VINSON, chairman of the House Armed Services Committee, to amend the Uniform Code of Military Justice so as to make a commander subject to court-martial proceedings when he uses his command position and authority to prohibit military personnel from patronizing facilities in a town or community.

Another instance was recently brought to my attention whereby a family of a deceased veteran, one who had been decorated on numerous occasions, requested a military commander to furnish an honor guard for the veteran's burial in accordance with his heritage and belief. The commander advised the family that only integrated personnel was available thereby necessitating the family to request and receive an honor guard through one of the veterans organizations. I have protested this action of the commander to the Secretary of Defense since I believe that our honored dead, regardless of race, creed, or color, should be accorded a burial that is fitting and proper and in accordance with his wishes and beliefs.

I have spoken out many times on the floor of the House and have issued numerous statements on civil rights legislation, which, I reiterate, is unnecessary and unwarranted. Unfortunately, these statements have not always been made available to the people by the news media. However, I assure each and every Alabamian that I shall continue to oppose any and all legislation that I feel is not in the best interest of our State and the Nation.

All of the subjects are of importance. Those of greatest concern are programs of the administration in regard to civil rights, pay legislation, tax legislation, agricultural legislation (the Cooley bill), minimum rate legislation, proposals for mass transportation, Domestic Peace Corps, foreign aid, and excessive Government spending.

In the case of civil rights, I have spoken out on numerous occasions on the floor of the House and have made statements available to the news media protesting any further legislation in this area. I firmly believe that the Federal Government has interfered with the rights of the individual States in some cases and I believe it is high time that the Congress look very carefully into these actions and the decisions of the Supreme Court.

Regarding demonstrations in Birmingham, I wrote to the President in May requesting the removal of any threat to use troops in the situation. Realizing that many persons outside of Alabama did not understand the situation, I spoke on the floor of the House, at which time I inserted in the RECORD my letter to the President and also the text of a telegram that Clarence B. Hanson, Jr., publisher of the Birmingham News, sent to the President concerning this matter.

My remarks were as follows:

DEMONSTRATIONS IN BIRMINGHAM

(Mr. ROBERTS of Alabama asked and was given permission to extend his remarks at this point in the RECORD and to include an editorial and a letter.)

Mr. ROBERTS of Alabama. Mr. Speaker, many persons outside of Alabama do not understand that recent outbreaks of violence in Birmingham have been caused primarily by public demonstrations in violation of local law and in defiance of a State court order. There has been no breakdown of local authority, and no violation of Federal law. So there is no justification for Federal interference in Birmingham.

I wish to put into the RECORD a copy of a letter I sent to the President on May 13 on this matter.

I also wish to put in the RECORD a copy of "A Telegram to the President," from Clarence B. Hanson, Jr., publisher of the Birmingham News, and printed on the front page of that newspaper on May 7—before the biggest and most provocative of the public demonstrations.

I call particular attention to Mr. Hanson's reminder to the President about the little-publicized statement of Father Albert S. Foley, chairman of the Alabama Advisory Committee of the U.S. Commission on Civil Rights. Father Foley, noting that Birmingham's new mayor, Albert Boutwell, had pledged to help local white and Negro leaders establish communication and actual results, said: "I now call on Dr. [Martin Luther] King again, in the name of properly, peacefully achieved civil rights for all citizens, Negro and white, to do his part to bring about an end to the disorder in the streets and give Birmingham citizens, Negro and white, their opportunity to achieve the ends that Mr. Kennedy has set forth."

Text of my letter and Mr. Hanson's telegram follow:

[From the Birmingham News, May 7, 1963]

A TELEGRAM TO THE PRESIDENT

DEAR MR. PRESIDENT: Birmingham expects that you as President of all the people will use your Office to encourage maintenance of law and order at all times.

Demonstrations have been unleashed in Birmingham by an organization which seems deliberately intent, having created open turmoil, on continuing it indefinitely.

Mr. President, if these were white marches, demonstrations, open defiances of uniformed law officers, we believe your administration would have taken vigorous action to discourage them.

Law and order, Mr. President, have been kept by local police and sheriff's departments. It is our expectation that this can be continued. But the strain is great daily. The way to eliminate such threat of violence is to prevent large crowds gathering. Police may contain the crowd, and have contained it. But the source of the demonstrations need attention.

Mr. President, daily we risk peril of grave injury or even death.

The white community and Negro community do not want this to happen. Citizens of Birmingham believe it would grieve you deeply if injury or death should result—particularly to Negro schoolchildren who are being cynically used in this needless day-after-day provocation.

But, Mr. President, Negroes are gathered, are excited by speeches, and then are sent boldly into the streets where they openly taunt police and provoke not only the white community but the very law itself.

If serious injury or death should result, Mr. President, you would certainly then ask yourself whether everything had been done, in advance, to have prevented it.

We ask you, sir, to use the influence of your office to end this open law violation and provocation.

The Attorney General of the United States himself has said that these demonstrations are ill timed. He has said repeatedly that law, that court orders, must be sustained. Responsible citizens here share that feeling, be the law Federal, State, or local. They believe law should apply equally to white and Negro.

Attorney General Kennedy has said that questions of justice should be settled in court, not in the streets. We agree. We are sure you do also.

We ask only that in Birmingham the same rule of law be applied equally to Negro and white. On that all men of honor profitably may stand. White respect for law, however, is assuredly damaged when Negroes seem with relative impunity to be able to foster open law defiance.

Mr. President, responsible whites of Birmingham understand that the other side of this coin is that they shall, themselves, take action to redress complaints of Negroes.

The U.S. Attorney General has noted publicly that such action now is in motion. He acknowledged publicly that "the elected mayor, Mr. Boutwell, already has made clear his intention to resolve the difficulties facing this community."

Mayor Boutwell is now awaiting only a final State supreme court decree to settle a legal issue as to when the newly elected city government will be seated. You will understand, Mr. President, his necessary desire to be certain, through the courts, as to his full authority before taking action.

On a television broadcast, Mayor Boutwell said, "When we are in undisputed authority we will give immediate and determined attention to resolving the difficulties that face us." He said local white and Negro leaders "can establish understanding, communication, and actual results."

"Actual results," Mr. President—isn't that what you as Chief Executive and what responsible Negroes want, "actual results"?

Father Albert S. Foley, chairman of the Alabama Advisory Committee of the U.S. Commission on Civil Rights, has said without qualification that demonstrations impede sincere effort toward solution. He has said:

"Mayor Boutwell has made his move. I now call on Dr. [Martin Luther] King again, in the name of properly, peacefully achieved civil rights for all citizens, Negro and white, to do his part to bring about an end to disorder in the streets and give Birmingham citizens, Negro and white, their opportunity to achieve the ends that Mr. Kennedy has set forth."

That is the picture today, Mr. President. But apparently if there is to be order, and respect for law, and proper procedure through the courts as well as sincere white effort to meet this problem cooperatively, you, sir, must be the one to bring it.

Those who cause these demonstrations have ignored everyone else.

The basis for a solution already exists. This condition can only be jeopardized by continued open-street tumult.

Mr. President, it is our sincere belief that you, too, have a responsibility for this crisis. We recall that in the past some of these same demonstration leaders have met with you, presumably to discuss their problems and their goals.

Sir, what further you may do necessarily is the private judgment of the President of the United States. But may we now, most respectfully, ask that you consider whether your further counsel with Negro leaders of such demonstrations could serve a vital national and Birmingham objective.

Mr. President, our aim is the restoration of domestic tranquility, cessation of open disruption, and provision of a basis for calm negotiation toward concrete results which will answer legitimate complaints of Birmingham Negroes.

That, sir, is an honorable objective—for us and for you.

Respectfully,

CLARENCE B. HANSON, Jr.,
The Birmingham News.

WASHINGTON, May 7.—The White House said today it had received Birmingham News Publisher Clarence B. Hanson's telegram. A spokesman said there would be no comment.

MAY 13, 1963.

The PRESIDENT,
The White House,
Washington, D.C.

MY DEAR MR. PRESIDENT: I seriously question the legal authority of the Federal Government to intervene in the Birmingham, Ala., situation.

What has happened, other than in a matter of degree, which makes the present situation a legal one for Federal interference when you, Mr. President, so forcefully stated at your press conference a few days ago that no Federal laws were being violated? Although there was a most serious outbreak of violence on Sunday morning, the same overall situation still prevails.

I am not an expert in matters of constitutional law, but I have checked with legal authorities and I am told that, unless there is a breakdown in representative government, the Federal Government cannot step into a State or local situation. There has been no breakdown of local authority. Action has already been taken to apprehend the bomb throwers. Most observers have praised the self-restraint and the calm and deliberate judgment used by the Birmingham and Jefferson County police officers.

Governor Wallace has stated that he stands ready to send in sufficient law officers to back up the efforts of the local peace officers. The local citizens of Birmingham, together with the leaders of the Birmingham Negro community, have worked together in harmony and cooperation to iron out the differences and achieve some peaceful settlement of the situation. Clearly there is no justification for Federal interference in this situation.

It seems clear that the professional outside agitators are seeking Federal interference as an easy way to their objectives. It seems to me that the administration will be doing everything in its power to nullify a peaceful settlement if it moves in Federal troops.

I, therefore, urge you to remove any threat of the use of troops in this situation.

Respectfully yours,

KENNETH A. ROBERTS.

During the debate on the Defense Department appropriations bill I took the floor and spoke out against the report of the President's Committee on Equal Opportunity in the Armed Forces, better known as the Gesell report.

My remarks were as follows:

Mr. ROBERTS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Alabama.

(Mr. ROBERTS of Alabama asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ROBERTS of Alabama. Mr. Chairman, the recently released report of the President's Committee on Equal Opportunity in the Armed Forces is a real threat to the usefulness of our military bases. It, in effect, presupposes that, unless an area near a military base is integrated, the people will be punished by removal of such base.

It also calls on military commanders to take the lead in these communities in desegregation. This, I am sure, is duty not contemplated by these military officers when they entered the service of their country.

It would seem that we are going to see some very unrealistic and repulsive measures employed to force communities on this issue.

In a time when we need all of our resources and energies in a state of high-level preparedness, it would be hoped that the Congress would take a hard look at any such proposals.

I further elaborated on the Gesell report on the floor of the House when I specifically referred to the participation of military personnel in civil rights demonstrations.

These remarks follow:

Participation by Military Personnel in Civil Rights Demonstrations

(Mr. Roberts of Alabama asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. Roberts of Alabama. Mr. Speaker, during the debate on the Defense Department appropriations bill, I made mention of a report released by the President's Committee on Equal Opportunity in the Armed Forces. I stated that this report indicated a real threat to our military bases as it presupposed that, unless an area adjacent to military base was integrated, the people in the area would be punished by removal of the base. It also called upon military commanders to take the lead in the communities in the desegregation movement. At that time, I stated that such action as contemplated by the report was not considered by military officers when they entered the service of their country and I do not believe that they are qualified either by education or experience to enter into such programs.

I bring this to the attention of the House today, Mr. Speaker, since I read an article in the July 17, 1963, issue of the Washington Post, referring to orders issued at the Military Air Transport Base, Charleston, S.C. One order stated that base personnel were not to take part in civil rights demonstrations. Later, the order was revoked by a second order which stated that, under Air Force policy, an airman off duty could take part in demonstrations as long as he wore civilian clothes and avoided injury that might prevent him from carrying out his duties.

The article further stated that the Secretary of Defense, in the face of protests, sharply restricted such activities last night: "It is highly inappropriate and unnecessary for military personnel, with their special obligations of citizenship, to participate in these activities. I urge every man and woman in uniform to conduct himself accordingly," the Secretary said in a memorandum to all Armed Forces.

The article further noted that Secretary McNamara did not specifically forbid participation by troops when wearing civilian clothes, in off-duty hours.

Mr. Speaker, I submit that the order issued by the Secretary of Defense leaves much to be desired. Military personnel are subject to call 24 hours a day. Participation in demonstrations such as have occurred have led to bodily injury. If military personnel is permitted to participate in these demonstrations and become incapacitated, they are not available for the intended purpose of the services. Further, Mr. Speaker, if injury occurs in any demonstration and where there are local ordinances or State laws forbidding such demonstrations, I would like to know how such injury could be found "in line of duty." It would appear that in such case a "not in line of duty" finding would follow and, therefore, the individual would be subject to court-martial proceedings.

In view of the importance of such action that could occur, I have written Secretary McNamara for an opinion on the matter.

The letter follows:

July 17, 1963.

Hon. Robert S. McNamara,
Secretary of Defense,
Pentagon Building,
Washington, D.C.

My Dear Mr. Secretary: In view of your recent memorandum wherein you stated, "It is highly inappropriate and unnecessary for military personnel, with their special obligations of citizenship, to participate in these activities. I urge every man and woman in uniform to conduct himself accordingly."

I would like to propound a question regarding this memorandum, particularly since you did not specifically forbid participation by troops when wearing civilian clothes in off-duty hours.

It is my understanding that military personnel are subject to call 24 hours a day. If injury occurs to military personnel in off-duty hours wearing civilian clothes, which was the result of demonstrations which are contrary to the laws of the municipality or the State, how could such injury be found "in line of duty"?

It would appear that if such injury did occur to military personnel as a result of these demonstrations, such injuries would necessarily be found "not in line of duty" and they would be, of course, subject to court-martial proceedings.

I would appreciate your comments in this regard at the earliest opportunity.

With kindest regards, I am,
Sincerely yours,
Kenneth A. Roberts.

In furtherance of my opposition to civil rights legislation and, believing that the Reverend Frank Mathews, of the St. Paul's Episcopal Church in Selma, Ala., made very pertinent remarks in an article entitled "Is It Not Against the Law To Break Unjust Laws?" I inserted the following in the Congressional Record:

Is It Not Against the Law To Break Unjust Laws?

(Extension of remarks of Hon. Kenneth A. Roberts, of Alabama, in the House of Representatives, Tuesday, July 30, 1963)

Mr. Roberts of Alabama. Mr. Speaker, the Reverend Frank Mathews of the St. Paul's Episcopal Church, in Selma, Ala., recently wrote an article in his weekly bulletin and which was reprinted in the editorial column of the Selma Times-Journal and the Anniston Star.

I believe, Mr. Speaker, that the remarks of Reverend Mathews are very pertinent in regard to the issues facing us concerning civil rights and under permission previously granted, I wish to, at this time, revise and extend my remarks in the daily Record:

"[From the Anniston Star, July 22, 1963]

"IT IS AGAINST THE LAW

"The following was written by the Reverend Frank Mathews for the weekly bulletin put out by St. Paul's Episcopal Church in Selma. It was reprinted in the editorial columns of the Selma Times-Journal, and our hope is that it already has been brought to the attention of the individual whom it names and to the attention of others of like mentality.

"The Reverend Mr. Mathews wrote:

" 'I was appalled the other evening to hear a news commentator quote these words from the mouth of Dr. Martin Luther King: "It is not against the law to break unjust laws."

" 'This is a statement made by a man who has been supported, encouraged, praised, and strengthened by our National Government in general and the President of the United States in particular.

" 'This philosophy that gives the right to an individual to decide which laws are just and which unjust, that gives the right to an individual to assert his own devices and desires against the whole legislative system of our Nation, that gives the right to an individual to openly defy democratically imposed restrictions to satisfy personal whims—this philosophy is calculated to destroy the civilization of our Nation.

" 'This philosophy is the way of the jungle, where the hyena eats the monkey and the lion eats the hyena and the hunter kills the lion.

" 'It is the primitive law of "survival of the fittest," where the strong prey on the weak, where there are no limitations imposed to protect society from the greed of sinful man. This philosophy does, in fact, abolish law, because laws which can be freely broken are not laws at all, and without laws we have no civilized society.

" 'It is not a question of whether the laws are just or unjust There are undoubtedly many unjust laws on our statute books.

" 'But there is a constitutional method of repealing those laws, and until and unless they are repealed by democratically appointed means, they remain the law and each individual is subject to their limitations and restrictions.

" 'Therefore, contrary to the stated philosophy of Dr. Martin Luther King, it is against the law to break unjust laws, and those who openly defy the law should be punished, rather than protected by the armed might of the Federal Government.' "

More recently, the Gesell report was discussed in detail on the House floor. Numerous Members expressed their very deep concern and opposition to the implementation of this report. During the course of this discussion I took the floor and made the following comments:

Mr. Roberts of Alabama. Mr. Speaker, will the gentleman yield?

Mr. Waggonner. I yield to the gentleman from Alabama.

Mr. Roberts of Alabama. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Louisiana [Mr. Waggonner] and I thank him for yielding to me and for taking this time.

I agree with the gentleman it is not a question of integration or segregation. It is a question of putting a political twist or use of our armed services to which it has not been put before, this business of calling upon military commanders to go out and become leaders of the community where they happen to be stationed to promote one particular philosophy.

I appreciate very much the gentleman's service and the service he has rendered the House in this respect.

Mr. Speaker, I hold in my hand an analysis by General Almond, commander of the 77th Division under General MacArthur in Korea, who has analyzed this report. He has had a tremendous amount of experience in the armed services and I am proud he lives in my district. I understand that he lost a son in the Korean conflict.

I commend the gentleman for his diligence in this matter.

I include as part of my remarks the following excerpts from the analysis made by General Almond:

"EXCERPTS OF ANALYSIS AND COMMENTS ON THE INITIAL REPORT OF THE PRESIDENT'S COMMITTEE ON EQUAL OPPORTUNITY IN THE ARMED FORCES

"(Made by Edward M. Almond, lieutenant general, U.S. Army, retired, July 25, 1963)

"*I. Introduction*

"The initial subject report dealing with equality of treatment and opportunity for Negro military personnel stationed within the United States has been carefully reviewed by the undersigned and it is believed that the average objective reader of the report would be struck by the dictatorial recommendations, the vagueness of many charges and the bias whereby the Committee making the report to the President clearly shows that it is willing to go to any limit to insure integration in its most complete degree and this without regard to the effects that it may have on the balance of the Armed Forces which constitute between 85 and 90 percent of our military services.

"II. Outstanding characteristics of the report

"1. It proposes to deny essential information to promote boards in the military services (pp. 24 and 25, photographs).

"2. It demands in the name of 'equal opportunity' a higher percentage in Negro promotions rather than education, age in service, and the more fundamental consideration of merit (p. 20).

"3. It seeks integration 'for the amalgamation of the races' and not merely to secure equal opportunity and use of skills (see pp. 34 and 35).

"4. It invokes responsibilities and makes demands on post and area commanders by coercive methods to force integration on civilian communities by 'threat and blackmail.'

"5. It encourages and recommends the establishment of an agency whereby accusation of 'discrimination' may be made by secret testimony without the person accused being given the source of the accusation.

"6. It quotes injustices repeatedly but at the same time admits that the Committee verified very few and many times none of the facts.

"7. It draws many inferences loosely and in general terms, even to the extent of challenging the integrity of responsible military leaders.

"8. It does not envisage a real evaluation of the individual Negro based on merit but repeatedly speaks of opportunities and 'latent' skills inherent in the Negro.

"9. It recommends a 'spy system' to be called monitoring with an especially sympathetic monitor throughout the range of troop levels in order to report on responsible commanders as to how they carry out their functions.

"10. It strongly recommends that those responsible for integrating Negroes among white elements of commands be given to understand that such accomplishments will redound to the credit of the author of such plans for the purposes of furthering his promotion.

"11. It emphasizes repeatedly that Negroes should operate without reference to race and that there should be no record of blood or race on the Negroes' record of services. Later on in the report it complains of the inability to determine what cases there are which have been committed against the Negroes, since it has no way of determining from the military record whether the individual is a Negro or not. It goes on further to claim that the absence of such a record has cost untold time and money to accumulate such information for the purposes of the report.

"12. Signers of the report are: Nathaniel S. Colley; Abe Fortas; Gerhard A. Gesell, chairman; Louis J. Hector; Benjamin Muse; John H. Sengstacke; Whitney M. Young, Jr.; Laurence I. Hewes III, Committee counsel.

"Three of the members of this Committee are Negroes and the other four have a long career as racial agitators working with the ADA, ADL, and the NAACP. Not a single member appears to have a practical and objective approach to the subject of integration. From some of the recommendations made, it is apparent that the Committee is willing to go to any length to discredit the commander who does not meet the integration criteria that the Committee sets up and to institute a spy system which places the post commander in a thoroughly discredited position.

"13. The immaturity of this Committee is established by its reference to the several Inspector General's Departments of the Armed Services, which have been known for careful analyses and unblemished integrity since the beginning of the organization of all of our Armed Forces—Army, Navy, Air Force, and Marine Corps; this report would dispense with the Inspector General handling anything that has to do with integration and would set up a monitoring service with a special appointee who would handle such cases. The Communist Soviets have such a system and have had since the beginning of the Russian Revolution in 1917. He is known as a 'political commissar,' whose business it is to watch all military commanders and to report to another agency on their manner of performance of duty. The effrontery of this Committee to propose such a departure from the system of integrity of such long standing in the military services is shocking and revolting.

"14. This whole report is reminiscent of the experiences of the undersigned when he was the commander of the 92d Division and had so many problems to confront him in various phases of training and in combat from the period of September 1942 to August 1945. One of the most notable problems was that of promotion. Negro advocates of rapid promotion had no hesitancy in recommending that a percentage of Negroes comparable to the Negro population strength of the United State should obtain in all promotions in the 92d Division. They complained bitterly when white officers who had commanded companies in training for as much as a year were promoted to the next grade and Negro lieutenants who had just joined the unit or had had only 3 or 4 months' service were not promoted percentagewise.

"15. Needless to say, such complaints were taken with the validity that they deserved but this instance is cited to show that nothing has changed in the nature of those who are determined to integrate the Armed Forces and determined to secure what is called 'equal rights and opportunities' for skills and abilities. It seems never to have occurred to the authors of such projects that there may be a slight difference between the average white and the average Negro in his ability to absorb information and to deliver a satisfactory performance. It is a known fact that during World War II it required in training 3½ to 4 times as much ammunition expenditure on the part of Negroes as compared to whites in order to secure a reasonable comparison of weapons performance in firing.

"16. The undersigned has interviewed three different post commanders since reading this report and the meddlings and directives and complaints that are foisted upon post commanders are little short of tragic. This report if put into effect will do more to damage the morale of the military services than anything that could be devised.

"EDWARD M. ALMOND,
"Lieutenant General,
"U.S. Army (Retired)."

While the foregoing indicates my strong feeling in regard to the problem of civil rights and the expression of the feeling of all Alabamians, I have on other occasions joined with the entire Alabama delegation in the Congress to express my total opposition to various actions of the administration in connection with this matter.

I shall, as long as I am privileged to represent the fine people of Alabama, speak out on every occasion and voice my objections to any action proposed by the Congress, the judiciary or the executive branch of the Government that is contrary to our belief.

SENATE

MONDAY, FEBRUARY 17, 1964

(Legislative day of Monday, February 10, 1964)

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by the Acting President pro tempore.

Rev. Joseph J. Matutis, pastor, St. Casimir's Catholic Church, New Haven, Conn., offered the following prayer:

In the name of the Father and of the Son and of the Holy Spirit: O God of our fathers, pour down Thy blessing on this land, these United States, and upon the citizens who dwell therein.

In particular, today, we beseech Thee, O God, to be mindful of the Lithuanian nation, whose independence, proclaimed 46 years ago, is but a sorrowful commemoration at the present time. In your kindness, hear our prayers for our brothers of the "Church of Silence" who on the amber shores of the Baltic Sea to this day bear witness to the unquenchable thirst for freedom in the soul of man.

In the past, because of its heroic and religious trust in Thee, Thou didst sustain the Lithuanian nation through centuries of oppression. It is oppressed again, Lord. Grant its people courage and strength and the fortitude necessary to go the way of life until they find again the precious pearl of pearls—their freedom, for, as Thy people have placed their trust in Thee, we pray Thou wilt not forsake them. Grant to us, their American descendants, the same dedication in the pursuit of the same ideals.

Teach us, the free children of the United States, to cherish the precious jewel of freedom that is ours, so that we may be worthy to defend everything we hold dear against the enemy that would oppose us. Deign so to inspire the leaders of this Nation and those of all other nations that in the affairs of the brotherhood of nations, the need of justice may prevail as they escort us along the paths of noble ideals.

At the last, Heavenly Father, we beseech Thee to bless this august body of legislators who serve this land. Enkindle within their hearts a flame of unwavering devotion to duty, that they may never be found wanting in the qualities of spirit and mind which alone can preserve hearth, home, and the peace of our Nation and the world.

We beg this blessing of Thy providential love through Christ, our Lord. Amen.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on February 11, 1964, the President had approved and signed the act (S. 2265) to amend the Library Services Act in order to increase the amount of assistance under such act and to extend such assistance to nonrural areas.

REPORT UNDER COMMUNICATIONS SATELLITE ACT—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 225)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Commerce:

To the Congress of the United States:

Section 201(a) of the Communications Satellite Act of 1962 directs the President of the United States to "aid in the planning and development and foster the execution of a national program for the establishment and operation as expeditiously as possible of a commercial communications satellite system."

The year 1963 has been a period of major accomplishment toward the objectives established by the Congress in the Communications Satellite Act. The Communications Satellite Corp. has been organized, established, has employed a competent staff, and is implementing plans for a commercial communications satellite system. All agencies of government concerned have contributed wholeheartedly to the furtherance of the objectives of the act.

As required by section 404(a) of that act I herewith transmit to the Congress a report on the activities and accomplishments under the national program.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *February 10, 1964.*

REPORT OF SURGEON GENERAL OF PUBLIC HEALTH SERVICE ON HEALTH RESEARCH FACILITIES—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 230)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

Under the provisions of title VII of the Public Health Service Act, as amended, I am sending to the Congress the Eighth Annual Report of the Surgeon General of the Public Health Service summarizing the activities of the health research facilities program.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *February 17, 1964.*

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 7356) to amend title 10, United States Code, relating to the nomination and selection of candidates for appointment to the Military, Naval, and Air Force Academies.

The message also announced that the House had passed a bill (H.R. 7152) to enforce the constitutional right to vote, to confer jurisdiction upon the district courts of the United States to provide injunctive relief against discrimination in public accommodations, to authorize the Attorney General to institute suits to protect constitutional rights in public facilities and public education, to extend the Commission on Civil Rights, to prevent discrimination in federally assisted programs, to establish a Commission on Equal Employment Opportunity, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 298) to amend the Small Business Investment Act of 1958, and it was signed by the Acting President pro tempore.

CIVIL RIGHTS ACT OF 1964

Mr. MANSFIELD. Mr. President, I request that House bill 7152 be read the first time.

The ACTING PRESIDENT pro tempore. The bill will be read the first time.

The legislative clerk read the bill (H.R. 7152) the first time by title, as follows:

An act (H.R. 7152) to enforce the constitutional right to vote, to confer jurisdiction upon the district courts of the United States to provide injunctive relief against discrimination in public accommodations, to authorize the Attorney General to institute suits to protect constitutional rights in public facilities and public education, to extend the Commission on Civil Rights, to prevent discrimination in federally assisted programs, to establish a Commission on Equal Employment Opportunity, and for other purposes.

Mr. MANSFIELD. Mr. President, I object to the second reading of the bill today.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Montana will state it.

Mr. MANSFIELD. Do I correctly understand that the second reading of the bill will not take place until an adjournment has occurred and another legislative day has happened?

The ACTING PRESIDENT pro tempore. The Senator from Montana is correct; that is the case, under the rule.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may proceed for the purpose of making two statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and the Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, the civil rights bill has now arrived from the House. In the near future, the leadership will propose to the Senate that this measure be placed on the calendar, without referral to committee, and that, subsequently, the Senate as a body proceed to its consideration.

The procedures which the leadership will follow are not usual, but neither are they unprecedented. And the reasons for unusual procedures are too well known to require elaboration.

The substance of the bill has been discussed and debated, not for a week or a month, but for years. President Johnson has prescribed for civil rights legislation an urgency second to none. Three committees of the Senate have inquired extensively into its features, during the current Congress. Two have completed work on Senate bills which dovetail with principal segments of the House legislation. Whatever any Senator may lack in understanding of the substance of the bill will, I am sure, be made up in extensive discussion on the floor of the Senate. In one respect, at least, it would appear to me that this approach is to be preferred in connection with a bill of such wide ramifications, for, in fact, the substance of the civil rights legislation falls with almost equal validity within the purview of several committees.

This consideration, together with the procedure which will be followed in bringing the bill directly from the House to the Senate as a whole, has prompted the creation of a special arrangement for the steering of the legislation on the floor of the Senate. It is my intention to have the majority whip, the able Senator from Minnesota [Mr. HUMPHREY], together with the distinguished Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. CLARK], and the distinguished Senator from Michigan [Mr. HART], assume direct responsibility for the handling of this legislation on the floor. They will be ready to state the case for this bill and to answer the questions to which it may give rise.

Since the 1948 Democratic Convention, the Senator from Minnesota has been one of the Nation's leading advocates of Federal action in the field of civil rights; and his knowledge of this highly complex issue is as broad and deep as that of any other leader in public life today. And each of the other Senators who will work with him in this connection—the Senator from Washington

[Mr. MAGNUSON], on public accommodations; the Senator from Pennsylvania [Mr. CLARK], on fair employment practices; and the Senator from Michigan [Mr. HART], on judicial matters—is highly knowledgeable in regard to one or more aspects of this measure.

The civil rights bill, Mr. President, is in good hands, in the hands of this quadrumvirate. I have every confidence that before the debate has run its course, they will have clarified any reasonable doubts or uncertainties which any Member may have with respect to this measure. A committee or a committee chairman could do no more. They will do no less.

Mr. President, speaking for myself, let me say at the outset that I should have preferred it had the civil rights issue been resolved before my time as a Senator or had it not come to the floor until afterward. The Senator from Montana has no lust for conflict in connection with this matter; yet this question is one which invites conflict, for it divides deeply. It is approached not only with reason, but also with passion, by Members on both sides of the issue and on both sides of the aisle; and since the Senator from Montana holds the Members of this body on both sides of the issue and on both sides of the aisle in affection and respect, he is frank to state that he would have preferred it had the civil rights issue been resolved before his time or had it not arisen until later.

But, Mr. President, great public issues are not subject to our personal timetables; they do not accommodate themselves to our individual preference or convenience. They emerge in their own way and in their own time. We do not compel them; they compel us.

We look in vain if we look backward to past achievements which might spare this Senate the necessity of reaching difficult decisions on the civil rights question. We hope in vain if we hope that this issue can be put over safely to another tomorrow, to be dealt with by another generation of Senators.

The time is now. The crossroads is here in the Senate.

To be sure, the issue will not be fully resolved by what we do today. Its resolution depends also on what is done tomorrow and on many tomorrows. Nor will the issue be fully resolved by the Senate or the Congress. Indeed, it will involve all Americans and all the institutions—public and private—which hold us as a society of diversity in one nation and it will involve all for a long time to come. In truth, it is a universal issue which, for this Nation, having begun with the Declaration of Independence and persisted through the decades will hardly dissolve in the Senate of the 88th Congress.

Nevertheless, at this moment in the Nation's history it is the Senate's time and turn.

Individually, each Senator will consult his conscience and his constituency on this issue as on any other. It is for each Senator to determine whether he is prepared to ignore, to evade, or to deny this issue or some aspect of it. The Senator from Montana will do the same.

But insofar as the majority leader is concerned he must state to the Senate that it would be a tragic error if this body as a whole were to elect the closed-eyes course of inaction. That course, Mr. President, would disclose a cavalier disinterest or a legislative impotence on this issue and either would be completely inconsonant with the serious domestic situation which now confronts us.

It is bad enough to evade decision on any major proposal of any President. It is inexcusable in this issue which has drawn a curtain of uncertainty and insecurity over the entire Nation and over which blood has already run in the streets.

In these circumstances, I cannot believe that this Senate will abdicate its constitutional responsibilities. The Constitution, Mr. President, charges the Congress and the Senate as a part of it—no less than the President and the courts—with the achievement of its fundamental objectives. It is our duty no less than the duty of others to share in the perfection of the unity and the maintenance of the tranquillity of all the people of the United States. It is our duty no less than the duty of others to share in securing the equity of the rights and in advancing the welfare of all the people of the United States.

At this critical moment, the majority leader, for one, is not prepared to say to the President and to the courts: "Resolve this present manifestation of the divisive issue of civil rights as best you can. We wish you well or we wish you ill. But most of all, in the Senate, we wish no part in the process."

If the Senate were to choose such a course at this time, Mr. President—the course of evasion and denial—we would leave this body a less significant and less respected factor in the Government of the United States than it was when we entered it.

I implore the Senate, therefore, to consider deeply the consequences of such a course, not only to the Nation but also to the reputation of the Senate, as one of the great institutions upon which the Nation rests. And may I say, Mr. President, that when we have considered deeply, I do not believe that this Senate will choose the course of evasion and denial.

In so stating, Mr. President, let me make clear that I am not prejudging what the Senate ought to do or what it will do in the days, the weeks, and in the months ahead. I daresay that there are almost as many views of what ought to be done with respect to civil rights as there are Senators. That is a condition not to be deplored. Certainly, the majority leader does not deplore it. A diversity of viewpoint on significant issues is a hallmark of the Senate and of its continuing institutional validity and vitality in a dynamic nation.

In this profound issue of civil rights, we have before us the President's views and the views of the Department of Justice on civil rights. We have views from individual Members of the Senate in the form of bills introduced. We have views from Cabinet members and other personnel of the executive branch. We have an immense documentation of public and private views which has accumulated over the years. We have, finally, the bill which the House of Representatives has brought to the highest point of perfection of which it is capable. The majority leader hopes that this measure substantially as is will prevail. But whether or not such will be the case rests with the Senate as a whole to decide.

The majority leader will do whatever he can to facilitate the process of decision in order that the Senate may reach a point of final judgment as promptly as possible. But I am compelled to remind the Senate again, as I did in the Telstar debate last year, that the Senate rules provide the majority leader with no special or unique powers. He has the same rights as any other Member of the Senate, no more, no less. He may propose. He may debate. He may cast one vote. Every other Member of this body may do the same. And even as rights are equal in this body, so too are the responsibilities. The majority leader will propose in procedural matters but it will rest with the Senate to dispose. And I say in all bluntness if we are to reach a point of decision in this matter, in the last analysis, it will be not because of what the majority leader alone does or the majority leader and the minority leader jointly do or fail to do. It will be because the whole membership is prepared to look at the world and at the Nation as it is, not as we may wish for it to be. It will be because the Members of this body are ready to face this decisive moment in the Nation's history and the Senate's history. It will be because the Members of this Senate, all the Members, on both sides of the aisle, are prepared to assume full reponsibility, along with their rights in the Senate, full responsibility for writing an honorable chapter in both histories, irrespective of what their views may be on this particular issue. We will not write that chapter, Mr. President, if we dawdle, if we evade. And we cannot write that chapter on the basis of the Senate rules. We can write it only by facing the substance of the issue itself, by debating it and by voting on it.

The majority leader has no suave parliamentary tactics by which to bring legislation to a vote. He is no expert on the rules and he is fully aware that there are many tactics which can forestall a vote. That such is the case was evident in the Telstar debate in 1962, when the brilliant parliamentary tacticians in opposition to the measure tied up the Senate for weeks. A vote on the measure came not because of the parliamentary skill of the majority leader but because Senators—two-thirds of this body—were prepared to put aside their reluctances to end discussion, their understandable reluctance to apply the cloture rule of the Senate. It was no trick, Mr. President; it was no suave tactic. It was a preponderance of the Senate rising to its responsibilities irrespective of their feelings about the particular issue involved.

Even if there were parliamentary tricks or tactics, Mr. President, the majority leader would not be inclined to employ them. I can think of nothing better designed to bring this institution into public disrepute and derision than a test of this profound and tragic issue by an exercise in parliamentary pyrotechnics. For the truth is that we will not find in the Senate rules book even the semblance of an answer to the burning questions which now confront the Nation and, hence, this Senate.

We, Mr. President, Senators would be well advised to search, not in the Senate rules book, but in the Golden Rule for the semblance of an adequate answer to this issue.

Or let them search, if they will, in the long and tortuous history of human liberty. Let them search in the Constitution and in the documents of freedom which we have enshrined.

Let them search among the fears and the hopes of a whole people—all the American people. And let them search in the dark chasms of ignorance and arrogance which divide, and among the slender bridges of understanding and humility which unite.

Even then, Mr. President, even then the answers which we shall find will be tentative, uncertain, and inadequate. And we should delude neither ourselves nor the people of the Nation that they will be anything else. An issue of this magnitude carries the accumulated action and neglect, the accumulated achievements and failures, the accumulated commissions and omissions of generations of Americans. And it will take, for many years, the combined contribution of all the sources of reason and unity within the Nation to bring the issue to adequate resolution.

The Senate's role, then, Mr. President—this Senate's role—is neither everything nor nothing. It is the role of a leading participant, an essential and active participant in shaping the continuing process of equalizing opportunities, that all Americans may share fully in the promise of the Constitution.

We shall not fulfill that role, Mr. President, if we calculate its dimensions with the slide rule of political expediency. To act on this issue on the basis of the white or black vote, the North, the South, East, or West vote, is as illusory as it is cynical. There is no political profit for anyone in this issue. At least there is no political profit which can be realized except at the expense of the Nation's unity and welfare. If history teaches us anything, it teaches us that such profits are short lived even to those who reap them and that their heavy costs are paid, in the end, by the whole Nation.

Nor shall we fulfill the role in which we are cast at this moment in the Nation's time, if some Members choose the occasion to display an arrogance of moral righteousness. I would devoutly hope that no Senator will cast the first stone. I would devoutly hope that no Senator will assume for his State a superior enlightenment on this issue. There are stones enough to be thrown by all and targets enough for all the stones that can be thrown. There are inadequacies enough and to spare for all. There is moral perfection on this issue in none of us and in no place—North, South, East, or West—in the land.

And, so, Mr. President, as we approach this issue, I appeal to the Senate to put aside the passions, the sectionalisms, and the inertia which may plague us. I appeal to the distinguished minority leader [Mr. DIRKSEN], whose patriotism has always taken precedence over his partisanship, to join with me—and I know he will—in finding the Senate's best possible contribution at this time, to the resolution of this grave national issue. I appeal to the Senator from Vermont [Mr. AIKEN] and the Senator from Iowa [Mr. HICKENLOOPER], whose many years of outstanding and exceptional service have given them a deep perception, not only of the needs of their States but of the needs of the Nation's progress. I appeal especially to the Senators from those States where this issue is not necessarily acute at the moment, to the Senators of many of the Western and Central States. I appeal to them to provide an active and objective participation, if not in terms of the future problems of their States, then on behalf of the Senate itself and on behalf of the Nation of which their States are an inseparable part. I appeal to the Senator from Illinois [Mr. DOUGLAS], to the distinguished Senator from the State of Lincoln, to lend us not only of his profound convictions on human freedom but of his warm and compassionate nature to help close the wounds of division. And I appeal to the Senator from Georgia [Mr. RUSSELL], not as the leader of any bloc, not as an outstanding legislative tactician, but as the great American and the great Senator which he is, and I beseech him to give us not only of his immense parliamentary capacity but even more of his legal wisdom and of his heart in order that this Senate will be remembered, not for what it did not do, but because of what it did for the Nation.

And, finally, Mr. President, I appeal to every Member of this body to bring to this issue, when it is before the Senate, all their resources of wisdom, courage, perseverance, and understanding, so that we may, with mutual restraint and in all humility, fashion a contribution to the freedom, order, and well-being of American life which is worthy of ourselves, of the Senate, and of the Nation.

Mr. DIRKSEN. Mr. President, I trust that the time will never come in my public career when the waters of partisanship will flow so swift and so deep as to obscure my estimate of the national interest. If and when that time comes, then perhaps I shall have lost whatever talent and justification I have for public service and should make an exit and make way for others to carry on the responsibility I presently hold.

Last week we observed the anniversary of a wise and prescient man who probably was confronted with the greatest crisis that ever confronted the country. He observed that the occasion is piled high with difficulties, and that we must rise with the occasion. As our cause is new, so we must think and act anew. We must first disenthrall ourselves, and then we shall save the Union.

I have pondered those words of Lincoln for some time. In an hour of crisis, if this challenge can be called a crisis, I trust I can disenthrall myself from all bias, from all prejudice, from all irrelevancies, from all immaterial matters, and see clearly and cleanly what the issue is, and then render an independent judgment.

When I reached my desk this morning, after a week in the hospital and another week of convalescence, I found a number of clippings, some of which indicated that my native State, my office, and any other place where I may hang my hat will probably be picketed by an organization known as CORE.

Mr. President, I have been picketed before. On one occasion last year, I was picketed at O'Hare Airport. My office was picketed by those who marched with banners, and when I reached the hotel where I was to deliver a dinner address, I was picketed on the other side of Michigan Avenue; while inside, in the lobby, the place was fairly packed with people, because I had agreed to see 10 civil rights leaders and give them 15 minutes and very freely make a statement and answer questions.

Never have I been reluctant or hesitant with regard to the right to petition and assemble of any person or a group of persons who have a grievance they believe should be redressed.

I am delighted to see them; but always I must clutch unto myself the responsibility as a U.S. Senator, which requires that I give to the people of the country, and to the State I represent, the greatest service I have to offer, and that is always to render an independent judgment.

If the day ever comes when, under pressure, or as a result of picketing or other devices, I shall be pushed from the rock where I must stand to render an independent judgment, my justification in public life will have come to an end.

So I assure the distinguished Senator from Montana [Mr. MANSFIELD], with whom it is such a pleasure to work, that I shall cooperate in every possible way, consonant always with the duty to render an independent judgment, and consonant with my constitutional duty not merely to one segment of our people, but to all the people of the United States.

Sometimes we set apart a group, a tenth of the population, and because of the noise and the demonstrations that take place, their interest moves out of perspective and out of focus. Sometimes we are likely to forget that there are millions of other people in the country who also have an interest in the whole question of civil rights and who wish to see those rights maintained.

I trust the time will never come when my perspective is so narrow or becomes so diminished in scope that I cannot see the problem which is now on the doorstep of the country in the larger perspective of all the people of the United States.

It is fortunate indeed, as the bill comes today from the House and takes its place for a moment on the desk, that by virtue of the wisdom of the Founding Fathers we have a balanced government that has been responsible for our survival. In the framing and structuring of the Constitution of the United States, we sometimes forget how wisely the framers really wrought. One needs only to look at the interesting balance in our Government to realize it. We are a part of a coordinated branch of government, invested with the exclusive lawmaking functions within the framework of government, and we divide that responsibility with the House of Representatives. Members of the House are selected on the basis of population. They serve a 2-year term. Under the Constitution, they are entrusted with the power to originate all revenue-producing bills and, by custom, all appropriation bills. That is a wise balance. The Constitution-makers knew that if, perchance, the authority to impose onerous and burdensome taxes upon the people should be unwisely used, with a 2-year term Representatives could be quickly turned out of office.

Senators are entrusted with a 6-year term. They are given the power to confirm the nominations of ambassadors and other appointees, and to advise and consent in the treatymaking process. But no legislation can reach the books unless it has the concurrence of both Houses in the coordinate branch of Government. When we have impressed our will upon a piece of legislation, it is engrossed, and finally on parchment it finds its way to the President of the United States, to sign or not to sign, as he sees fit. That still is a part of the balance. But if the President undertakes to veto a bill, it is still given to this branch of the Government, by a two-thirds vote, to override the veto. All this is a part of the astonishing balance in Government.

It might well be that Congress and the Executive could conjoin, in an unhappy moment, to place upon the statute books a law that was not in the national interest, but the Constitution has also provided for a judicial branch, with authority to strike down, as in contravention of the Constitution, that which the President and both branches of Congress may have so unwisely wrought.

So we have a balanced government; and today, from one branch in the coordinate part of the Government, comes a bill for further consideration. It can never reach the statute books unless it first has the approval of the Senate, and the differences are ironed out in the third body, known as the conference committee; it then goes to the White House for signature.

I have never seen the time in any crisis when the Senate has not sagaciously worked its will and risen to its responsibilities as a part of the deliberative branch of government. That has been true in every generation. To be sure, there have been times when it has failed. There may have been times when it has been frivolous, but always when, in the language of the day "the chips were down," the Congress—and particularly the Senate—has been equal to every challenge that has thus far confronted the country, and I apprehend that the situation will be no different on this occasion.

I expect to give this measure considerate attention. I expect ultimately to render an independent judgment. To do otherwise would be to betray the confidence of the people who sent me, first to the other end of the Capitol, and then to this end of the Capitol to serve them, within the limits of my talents and energy.

Therefore, I assure my distinguished friend the majority leader, the proposal will have considered attention; it will have earnest attention. One of the things which occupied a part of my time in the hospital was taking the bill as submitted and the bill as finally enacted by the House, and spelling out every word, every phrase, every line. Already, some amendments have occurred to me. I shall try to shape them. I shall try to put them in form. If I think they have merit, I shall offer them.

All the picketing that may be done in my home State, and all the picketing that may be done here with respect to the minority leader, I shall consider as nothing more than a form of unjustified duress, in order to obtain a judgment that is a departure from the convictions I hold.

When the day comes that picketing, distress, duress, and coercion can push me from the rock of conviction, that is the day, Mr. President, that I shall gather up my togs and walk out of here and say that my usefulness in the Senate has come to an end.

So I make an appeal to my fellow Senators to consider this issue in the light of the national interest. It is a phrase that came close to the late President Kennedy. It is a phrase that comes close to our former majority leader, who now occupies his exalted position.

I want to do what I think is in the interest of the present and future well-being of probably the only real, true free republic that still remains on God's footstool.

I shall cooperate. I shall do my best. When the time comes, when the deliberations are at an end, and all facets of the matter have been carefully considered and discussed, I shall be prepared to render judgment, and I shall have no apology to make to any man or any group anywhere, any time, for the course that I shall ultimately pursue.

I am grateful to my distinguished friend the majority leader, a man of grace and humility, who has wrestled with this problem, and who is confronted with it now by virtue of his exalted and dignified position in this body. I shall cooperate as best I can within the limitations of the convictions that I hold.

Mr. RUSSELL. Mr. President, I realize, in the excitement and pressures of the day, that if I were to say anything that might be construed as being complimentary to the Senator from Illinois, or any other Senator, it might do him much more harm than it could possibly do him good.

I regret that I was not able to hear the statement which was made by the majority leader, nor all of the statement made by the minority leader.

I am quite sure that as the day and hour approach for the spectacular presentation of the misnamed and misbegotten legislation that is called the civil rights bill, I shall be arrayed against both of them. On many aspects of the matter, I am sure, I shall find my views to be contrary to theirs.

However I cannot refrain, even if it does harm to the Senator from Illinois, from expressing to him my great admiration for his political courage. He lives in a State where great courage is required to make the statement that he has made.

Many of the principal advocates of the so-called civil rights legislation come from States which may have among their population only four-tenths of 1 percent of the people whom the proposed legislation is supposed to benefit. It will not benefit them; and it can not benefit any American, of any race, creed, or color, to make the massive assault on our constitutional system that this bill proposes to make. Some of our friends from States which have 1 percent or 2 percent of that population have an opportunity to obtain a free or cheap political ride by being very vigorous in their advocacy of this legislation.

These supporters of the bill will not get the free ride from those who are supposed to be benefited directly by the legislation, for their numbers are not large enough in a great many States. Rather, they will derive it from the support of the so-called liberal blocs throughout the United States, and from many who have been misguided into supporting this legislation.

The Senator from Illinois displays high courage when he says that more than picketing will be required to make him surrender his convictions. Convictions often seem to be few and far between when we get into this particular area.

That is unfortunate, Mr. President. I have seen times when men of great substance—men who ornament the Senate—but who, when legislation of this character comes over from the other body, fail and refuse to study it in detail. They do not seek to analyze its affect on our constitutional system, particularly on the rights of private property under our free enterprise system. Instead, they walk into the Senate, figuratively, with the rule book in one hand and the Constitution in the other, but when someone says, "Here is a bill bearing the label 'civil rights'," they proceed to throw the rulebook into the trash can and the Constitution out the window, and say, "Here am I, ready to vote for anything that is proposed under the title 'civil rights.'"

Therefore, the Senator from Illinois, who comes from a State that is very highly charged in this area, displays a high degree of courage in making the statement he has made.

As we proceed further in the debate, I shall probably be greatly irritated by my friend from Illinois for supporting many portions of the bill which to me are very bad.

However, it gives one hope for the future of the Republic to see a man who has convictions and the courage to sustain them even though it may endanger his seat in the Senate. With the profound hope that it will do him no harm, I salute the Senator from Illinois as a man of the deepest convictions.

Mr. KUCHEL. Mr. President, I ask unanimous consent that I may be recognized, notwithstanding the fact the the rule of germaneness is now in effect.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from California is recognized, notwithstanding the fact that the rule of germaneness is now in effect.

Mr. KUCHEL. Mr. President, over the years it has been my privilege to sit in the Senate on the Republican side of the aisle, under the leadership of a great U.S. Senator from Illinois. Over those years, I have seen him demonstrate, on many occasions, complete courage.

Mr. President, when a small segment of his own party were denouncing the position taken by the Democratic administration with respect to a loan for the United Nations who proceeded as an American patriot to do his duty as he saw it, and thus was instrumental in securing support for that proposal, which otherwise would have been lacking? Mr. President, who was that distinguished Senator? It was the distinguished junior Senator from Illinois [Mr. DIRKSEN], the Republican leader in the Senate.

Mr. President, when the nuclear test ban treaty, as then proposed, was being denounced by some Members of both political parties, who was it who made up his own mind and was instrumental in securing that treaty—which incidentally was advocated in the Republican platform of 1960, adopted in his own city of Chicago—overwhelming passage? It was the distinguished junior Senator from Illinois [Mr. DIRKSEN], the Republican leader in the Senate.

So, Mr. President, I would be recreant to my own sense of duty if I did not rise now on this floor, as one who has always supported civil rights legislation, who believes in it, and who has joined in supporting, as a minimum, the House version of the bill which has just come to the Senate, to say that I think it is a tragedy that any group in this country would, by picketing or otherwise, try to push or prod, a great American, the Senator from Illinois, in regard to making up his mind on any basis other than the one basis on which he intends to make it up; namely, the rule of reason.

Today, civil rights legislation rests on the statute books of the United States, in great part because in 1957 and 1960 overwhelming majorities of Republicans, under the leadership of the junior Senator from Illinois [Mr. DIRKSEN] had a hand in writing it. I know, for I was here, and I listened to the junior Senator from Illinois, the Republican leader, on many occasions indicate that he favored most of the civil rights legislation in this field.

And now, as some changes have been made in some of the other sections, he intends to study them. The way to appeal to a U.S. Senator should not be by the picket line but by the rule of reason. Certainly that is the way one appeals to the Senator from Illinois.

So I simply do not wish to remain silent on this occasion. Instead, I rise to salute the distinguished junior Senator from Illinois [Mr. DIRKSEN], as one of his fellow Republicans and as one—I repeat—who intends to do his part to see that the Senate improves, if possible, but passes at a minimum the version of the bill which has come over to us from the House of Representatives.

Mr. COOPER. Mr. President, I, too, wish to address myself for several minutes to the statement made by the majority leader [Mr. MANSFIELD].

The ACTING PRESIDENT pro tempore. Notwithstanding the fact that the rule of germaneness is now in effect, the Senator from Kentucky may, without objection, proceed.

Mr. HRUSKA. Mr. President, I rise to a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska will state it.

Mr. HRUSKA. Is the rule of germaneness now in effect?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. DODD. Mr. President, let me ask how long the Senator from Kentucky wishes to speak.

Mr. COOPER. For not to exceed 2 or 3 minutes.

Mr. DODD. Very well.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Kentucky may proceed, notwithstanding the fact that the rule of germaneness is now in effect.

Mr. COOPER. Mr. President, as I had begun to state, I wish to refer briefly to the statement made today by the majority leader [Mr. MANSFIELD] respecting civil rights legislation, which may be laid before the Senate shortly.

The majority leader's statement, asking the Senate to give the fullest consideration to the proposed civil rights legislation which will soon be before the Senate, was a fine statement, noble in its concept and spirit. And I agree with the minority leader [Mr. DIRKSEN] and the minority whip [Mr. KUCHEL] that such consideration is not compatible with attempts at duress or coercion.

The statement of the majority leader implies that we ought to finally come to a decision and vote upon the bill which has come to the Senate from the House of Representatives. He is right, for the questions involved in the bill are not new. They have been before us for many years. They are the subject of emotion, of strong convictions, and also, we must say, they are the subject of bias. Nevertheless they are not new, and the issue must be resolved.

Coming from a border State, in which strong convictions came into being during the Civil War, I have often seen reflected those convictions and emotions. But 100 years ago a Kentuckian, Abraham Lincoln, who later moved to Illinois, knew that the question which was before the country at that time had to be settled—and he acted on that conviction.

I believe that the issue now before the Senate must be settled. It is a constitutional issue. It is a moral issue, and it involves the very nature of our country and its system.

I have not supported every version of every civil rights bill that has been introduced. But as one who in the past has authored bills and joined in the sponsorship of other bills, and more importantly, as one who holds the belief, as many of us do, that our country must come to grips with this issue and that it must be settled to give equal rights under the Constitution to all of our people, I know and believe that we shall enter into the debate with seriousness and deep purpose.

After 100 years we must come to grips with the issue. To say nothing of the moral concepts that are involved, we must give to all the people of our country their equal rights under the Constitution.

MANSFIELD'S FINE APPEAL ON CIVIL RIGHTS

Mr. PROXMIRE subsequently said: Mr. President, earlier today the distinguished majority leader made an impassioned and eloquent plea to all Senators in both parties for their tolerance and forbearance in the coming debate on civil rights. This was a persuasive and significant speech by the majority leader. There is no question that there is no more important issue before the American people than civil rights. There is no more important principle—no more important unfinished business—than to provide that all Americans, regardless of color, creed, or race, shall be treated equally under the Constitution, as we all know so well they are not now treated.

Unfortunately, I suppose, there will be allegations in the debate that certain Senators are making political profit or political gain by the position they have taken in the civil rights debate.

The most moving part of the majority leader's fine address was the plea that there be no moral righteousness or superiority; that Senators not say that certain of their colleagues are for the bill because they will gain votes as a result, or that certain Senators will vote against the bill because they will gain votes by so doing. Instead, the majority leader said that, instead of attributing opportunism motivations, Senators should confine themselves to the merits of this great, vital, and important issue. It was an appeal to the best that is in the Senate, in the best traditions of the Senate. As the majority leader said, Senators should proceed with wisdom, courage, perseverance, and understanding.

I am proud, as a member of the Democratic Party, to support the distinguished majority leader for his excellent speech.

PERSONAL STATEMENT BY SENATOR HICKENLOOPER

Mr. HICKENLOOPER. Mr. President, perhaps what I am about to say can be considered somewhat collateral to the discussion that has taken place during the past few minutes.

On Saturday, February 15, 1964, Drew Pearson, in his column sponsored by the Washington Post, discussed some activities concerning the confirmation of the nomination of Mr. Carl Rowan to be Director of the U.S. Information Agency.

I ask unanimous consent that pertinent parts of the column referring to that subject and to some statements alleged to have been made by me be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

THE WASHINGTON MERRY-GO-ROUND

(By Drew Pearson)

> Clark Mollenhoff, redoubtable and indefatigable Des Moines Register correspondent, is waging a one-man crusade against the Senate confirmation of Johnson's No. 1 Negro appointee, Ambassador Carl Rowan, to be Director of the U.S. Information Agency, replacing ailing Edward R. Murrow.
>
> It happens that Rowan and Mollenhoff used to work for the same journalistic combination—the Cowles Bros. publications in Des Moines and Minneapolis. They fell out when Rowan made a speech in New York stating that some newspapermen were genuinely interested in free news dissemination by Government; some were "merely interested in earning a buck."
>
> Rowan, then working in the State Department, says Mollenhoff called his then chief, Roger Tubby, in protest, apparently wanting him relieved of his job. Rowan then phoned Mollenhoff, told him: "Any job you can get I don't want."
>
> Mollenhoff's move to defeat Rowan as Director of USIA is being carried on through Senator BURKE HICKENLOOPER, Republican, of Iowa, a member of the Foreign Relations Committee, who has told other Senators that no Negro is qualified to tell the story of the United States abroad; he's not objective.

Mr. HICKENLOOPER. Mr. President, Mr. Pearson alleges that Clark Mollenhoff, a well-known and seasoned reporter of the Washington press corps, is engaged in some sort of feud with Mr. Carl Rowan, who, along with Mr. Mollenhoff, at one time worked for the newspaper publications of Cowles Bros. in Des Moines and Minneapolis. Mr. Pearson, in the column, alleges as follows:

> Clark Mollenhoff, redoubtable and indefatigable Des Moines Register correspondent, is waging a one-man crusade against the Senate confirmation of Johnson's No. 1 Negro appointee, Ambassador Carl Rowan, to be Director of the U.S. Information Agency, replacing ailing Edward R. Murrow.
>
> It happens that Rowan and Mollenhoff used to work for the same journalistic combination—the Cowles Bros. publications in Des Moines and Minneapolis. They fell out when Rowan made a speech in New York stating that some newspapermen were genuinely interested in free news dissemination by government; some were "merely interested in earning a buck."

In the second paragraph following what I have read, Mr. Pearson writes:

> Mollenhoff's move to defeat Rowan as Director of USIA is being carried on through Senator BURKE HICKENLOOPER, Republican, of Iowa, a member of the Foreign Relations Committee, who has told other Senators that no Negro is qualified to tell the story of the United States abroad; he's not objective.

Mr. President, normally I do not engage in quarrels with newspapermen. Over the years, from time to time, I have been subjected to complete distortions of the record, complete falsifications of the record, and charges that had no foundation; but, as a rule, I do not write letters to newspapers. I let those things go, because the record itself and history will take care of them. Anyway, a newspaperman has the last word in what are often rather futile discussions. But I cannot let this false and completely unfounded statement by Mr. Pearson stand.

First, I do not know that Mr. Mollenhoff is engaged in any feud with Mr. Rowan. Their personal attitudes are their own business. I do know Mr. Mollenhoff. I have known him for a good many years. He is one of the outstanding newspaper reporters of the country. I will say for Mr. Mollenhoff that I have never known him to print a false statement in any article he has ever written. I know that many times he has written statements that have caused a considerable amount of investigation in the Capitol. In any event, I have nothing to do with that. I know that Mr. Mollenhoff does not mean to say that I tell him what to do or that he tells me what to do. He has no more to do with telling me how to vote or act in the Senate than I have to tell him what he should or should not write as an independent newspaperman in carrying out his duties. I have the highest personal respect for his vigor and integrity, although he and I do not always agree, according to some of the articles he writes.

In his column, Mr. Pearson says:

> Mollenhoff's move to defeat Rowan as Director of USIA is being carried on through Senator BURKE HICKENLOOPER, Republican of Iowa, a member of the Foreign Relations Committee * * *.

I have no knowledge of that and am not aware of any participation in a move being conducted through me to carry on or not carry on any activity of that kind. Mr. Pearson said, referring to me:

> Mollenhoff's move to defeat Rowan as Director of USIA is being carried on through Senator BURKE HICKENLOOPER, Republican of Iowa, a member of the Foreign Relations Committee, who has told other Senators that no Negro is qualified to tell the story of the United States abroad; he's not objective.

All I can say is that that statement is an utter falsehood. It is without foundation in fact. I have never made such a statement to anyone. I do not know where Mr. Pearson claims to have obtained his information. He did not have the courtesy or decency to say, when he said "who has told other Senators that no Negro is qualified," what Senators he alleges I have told. That cannot be a truthful statement, because no Senator can truthfully say that I ever made such a statement. The fact is that I hold no such belief.

Parenthetically, besides making that inaccurate statement, Mr. Pearson did not spell my first name correctly. I am a little disturbed about that, because I still follow the old idea that "I don't care what you say about me, so long as you spell my name correctly." Mr. Pearson failed to do that in his column.

I do not know where he obtained his alleged information, but I say now, publicly, for everyone to hear, that what Mr. Pearson said is utterly false and utterly unfounded, and is an utterly dishonest statement, regardless of the source. It is entirely possible that Mr. Pearson obtained it from some special pleader; I do not know. But I do say that statements of this kind, unsubstantiated and unjustified, contribute to friction and ill feeling.

If there is such a thing as a hate crusade in this country, statements of the kind that Mr. Pearson has made can inflame the people and foster the hatred that many people think should be quelled.

I regret the publication of such a statement. Normally, I do not get into rumpuses with newspapermen. One cannot win by engaging in that kind of activity. I have long since learned that one might as well "take it on the chin." Many false statements have been made about me from time to time, probably with the best purpose in the world, and perhaps by those who thought they had correct information, information that nevertheless was wrong. But we are about to engage in debate on an emotional issue that confronts the people of the United States. The statement by Mr. Pearson contains utter falsehood, and can do nothing but inflame those of the Negro race to whom it is referred, and irritate at least those of us who have a decision to make.

I have never drawn the issues of color or race; but I do expect to examine all of these appointments and all other matters on the basis of ability and service to this country.

In closing, Mr. President, I will say that up to this time, at least, I have not examined into the background of Mr. Rowan; I have not examined into his background with anything near the thoroughness that I have examined into the background of some others who heretofore have been recommended for the job of Director of the U.S. Information Service; and I expect to look into this appointment or into any other that comes before the Foreign Relations Committee, without regard to color, but based only on ability and service to the country, and whatever I do or do not do will not depend upon color.

There are countless highly able Negroes in this country, and there are also in this country countless highly able white persons and persons of other races.

Mr. President, hate-generation statements of the kind to which I have referred—unjustified though they may be, false though they may be—only add fuel to the fires which already have been burning in this country.

I believe this is about all I have to say about this matter, except to state that I sincerely regret this incident; and I regret it for Mr. Rowan, who, in my judgment, is a very able man. I do not know that I agree with all the attitudes taken by Mr. Rowan on every subject, but I can agree with many on one subject, and that is that Mr. Rowan is a man of ability and of high intellectual accomplishments.

Again, Mr. President, I assure Senators and everyone else that regardless of any outside influences or any comments of the sort to which I have referred, I shall continue to approach my responsibilities based upon the best interests of our country, and without regard to color or race or any other consideration of that kind.

ADDITIONAL FUNDS FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, Senate Resolution 275, Calendar No. 842.

The Senate resumed the consideration of the resolution (S. Res. 275) providing additional funds for the Committee on Interior and Insular Affairs.

The ACTING PRESIDENT pro tempore. The germaneness rule is now in operation.

Mr. DODD obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Connecticut yield briefly to me, if it is understood that in doing so he will not lose his right to the floor?

Mr. DODD. I yield.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. Mansfield, and by unanimous consent, the Committee on Rules and Administration and the Subcommittee on Antitrust and Monopoly of the Judiciary Committee were authorized to meet during the session of the Senate today.

COMMITTEE MEETING DURING SENATE SESSION TOMORROW

On request of Mr. Mansfield, and by unanimous consent, the Committee on Agriculture and Forestry was authorized to meet during the session of the Senate tomorrow.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Monday, February 10, 1964, and Thursday, February 13, 1964, was dispensed with.

ORDER OF BUSINESS

Mr. SPARKMAN. Mr. President, will the Senator from Connecticut yield briefly to me?

Mr. DODD. I yield.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that in yielding to me, the Senator from Connecticut shall not thereby lose his right to the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Chair reminds the Senator from Connecticut that the germaneness rule is now in effect.

Mr. DODD. Mr. President, I ask unanimous consent for recognition at this time, notwithstanding the fact that the germaneness rule is now in effect.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and the Senator from Connecticut is recognized, notwithstanding the fact that the germaneness rule is now in effect.

Mr. SPARKMAN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Alabama will state it.

Mr. SPARKMAN. I understand that the morning hour has not been concluded.

The ACTING PRESIDENT pro tempore. The Senate convened today following a recess; therefore, there is no morning hour today.

Mr. SPARKMAN. Mr. President, I appreciate that information from the Chair.

Mr. President——

Mr. DODD. I yield.

ADDRESS BY SENATOR ROBERTSON BEFORE NATIONAL LEAGUE OF INSURED SAVINGS ASSOCIATIONS

Mr. SPARKMAN. Mr. President, this morning our distinguished colleague, the very able junior Senator from Virginia [Mr. Robertson], the chairman of the Banking and Currency Committee, made a speech before the National League of Insured Savings Associations. He was introduced by the president of that association, Mr. Robert S. Messersmith, the president of the Westfield, N.J., Federal Savings & Loan Association.

Mr. Messersmith made a very fine introduction of the distinguished Senator from Virginia, as he well deserves.

In his address to the National League of Insured Savings Associations, the Senator from Virginia discussed the fiscal situation in light of certain pending legislation. I am sure not all Senators will agree with everything he said; but certainly his speech is full of statements based on provocative thinking, and is a very thoughtful and strong one. I ask unanimous consent that there be printed in the Record both the introduction and the speech delivered on that occasion.

There being no objection, the introduction and the speech were ordered to be printed in the Record, as follows:

Introduction of the Honorable A. Willis Robertson by Mr. Robert S. Messersmith, President of the National League of Insured Savings Associations and President of the Westfield Federal Savings and Loan Association, Westfield, N.J.

At this time, ladies and gentlemen, it is my distinct honor and privilege to present to you one of the great statesmen of our time. I refer, of course, to Senator A. Willis Robertson, the chairman of the Senate Committee on Banking and Currency.

Senator Robertson is well known to the savings and loan business. Indeed, his efforts as the chairman of the Banking Committee have affected the entire financial community in one form or another. In the Senate, I think it is fair to say that Senator Robertson is the acknowledged leader and expert in the field of financial legislation. No Senator has worked as hard or as persistently to secure good financial legislation as our distinguished guest today.

In many ways, Senator Robertson reflects the views and wisdom of another great Virginia statesman, Carter Glass, who was the father of the Federal Reserve Act and Senator Robertson's predecessor in the Senate. Fortunately for the Nation, Senator Robertson has drawn upon such illustrious leaders of the United States as Thomas Jefferson and Woodrow Wilson for principles of government which have always guided him in his public career. Perhaps that is why Senator Robertson rolled up more votes than any candidate in any election in the history of Virginia when he last ran for reelection in 1960.

Senator Robertson has never lost an election. This truly remarkable record is especially significant when you consider that he will have completed more than half a century of public service in 1967.

It is only natural that A. Willis Robertson should give so much of himself to public service. His family roots trace back to the first settlement in Jamestown, in 1619. His father's grandfather was surgeon to the troops brought over for the protection of the struggling colonists. His mother's grandfather was James Gordon of Orange, a delegate to the Virginia Convention of 1788 that ratified the Philadelphia Constitution.

What is the secret of this gentleman from Virginia who still has more spring in his step, and zest for living than most men half his age? He has said that his formula consists of starting every day with a few minutes of vigorous exercise, a brisk walk, and a hearty breakfast.

Our honored guest tackles every day with the same enthusiasm that he displayed in Richmond College when he was tennis champion, star tackle of the football team, and hammer-thrower who still holds an unequalled record for distance. His scholarship was equally outstanding, and he is a member of leading scholastic honorary societies, was admitted to the bar in 1908, and holds honorary degrees from numerous universities.

His interest in outdoor life began when his father, a Baptist preacher, took him to Buffalo Bill's Wild West Show when he was 9; he marveled at the shooting ability of Annie Oakley. Young Robertson soon had his own rifle and became an expert marksman.

He still thoroughly enjoys a tramp through fields for game birds, or the opportunity to fish for trout in the mountain streams of the Commonwealth. His interest in conservation and better game laws was translated into legislative action in 1916 when he became a member of the Virginia State Senate. He sponsored a plan for establishing a State game department with game wardens and strict laws covering hunting, fishing, and stream pollution.

While in the State Senate, he was a patron of the bill which created the Virginia State Highway Department, he was a member of the commission that laid out the State highway system, and he was instrumental in writing the Robertson Act which gave the first $14 million for State highway improvements.

In 1926 Senator Robertson was named to head the newly organized Commission of Game and Inland Fisheries. Today, Senator Robertson says that he would like to be remembered most for his legislative contributions in connection with conservation.

After Senator Robertson had served 6 years as chairman of the Commission of Game and Inland Fisheries, he decided to run for a vacant seat in the House of Representatives. He won the election and served 14 years as a Representative of the Commonwealth. In this post, he was soon regarded as a tax expert. His major assignment for 10 years was on the Ways and Means Committee—

which, as you know, is the most important committee in the House. Here he helped write 12 tax bills, including many that were required to meet the demands for increased revenue during World War II.

In 1943, it was his good work that resulted in the Robertson-Forand bill which established the pay-as-you-go basis for Federal income taxes. As spokesman for the committee, this Jeffersonian Democrat led recurring fights to advocate the concept of mutually beneficial foreign trade, as proposed in the Hull reciprocal trade agreements program.

In 1946, the Virginia Democratic convention chose Senator ROBERTSON as the man to complete the term of the late Senator Carter Glass. Senator ROBERTSON completed the term and has since been elected three consecutive times, for 6-year terms.

We know of the Senator's monumental work on the Financial Institutions Act of 1957. It has provided the guidelines for much financial legislation, including the amendment to the Small Business Investment Act in 1958; a series of 1959 laws dealing with the Federal Reserve Member Bank reserve requirements, and new legislation for savings and loan associations.

Senator ROBERTSON was one of the leaders of the movement for private investment abroad, and for loans from international funds handled on a sound basis.

The Senator's basic political philosophy was detailed in an article entitled "What Are We Being Spent Into?" which appeared in Reader's Digest 15 years ago. His conclusion is perhaps more valid today than it was in 1949. He said, "There is probably not a single item in the whole list of Federal spending projects where the test of necessity, if honestly applied, would not produce confidence-inspiring savings.

"Two facts vitally affect the income, the savings, and the future of every American. The first is the increasing rate of speed at which the Government spends what we make. And the second is the Government's plans to spent not less than we make, but vastly more."

Five years ago this month, Senator ROBERTSON became chairman of the Senate Banking and Currency Committee. And all of us hope that he will be there for many years to come.

Senator ROBERTSON is probably better known on Capitol Hill as a man of action. He does not indulge in endless speechmaking, but confines his public statements to situations which require informed comment.

We are, therefore, doubly privileged to have the Senator with us today to discuss with us the problems of thrift and home financing in the United States. And I am greatly honored to present to you now the Honorable A. WILLIS ROBERTSON, chairman of the Senate Committee on Banking and Currency.

SOUND MONEY—REMARKS OF SENATOR ROBERTSON BEFORE THE ANNUAL LEGISLATIVE CONFERENCE OF THE NATIONAL LEAGUE OF INSURED SAVINGS ASSOCIATIONS, FEBRUARY 17, 1964

This opportunity to address the annual legislative conference of the National League of Insured Savings Associations is appreciated. In addition to greeting friends among your members and your staff, I welcome the opportunity to compliment the National League and the savings and loan industry on the fine job you have done for the housing industry on the one hand, and for the Nation's savers on the other hand.

Your $100 billion of assets is a vast figure, but its real significance can be measured only when this overall figure is translated into the thousands of your shareholders and the houses and other dwelling units which you have financed. Your new savings of more than $30 billion a year, with net increases in the neighborhood of $10 billion a year, make you a major factor in the economic life of the Nation.

You have achieved these accomplishments through private enterprise and private initiative within the framework of American constitutional liberty. The insurance provided by the Federal Savings and Loan Insurance Corporation has helped, and benefits have been derived from the Federal Home Loan Bank System. However, these governmental activities were not what made your assets grow from about $6 billion in 1935 to more than $100 billion today. Rather, it was the way in which you were able to participate with private builders in the housing upswing which started at the close of World War II. You were able to earn good returns on the savings placed with you through participation in the housing expansion, and you were thereby able to offer an attractive rate of return on savings entrusted to your care.

This meeting of the legislative conference of the National League will, I am sure, help to develop a legislative program designed to enable the industry to continue to give service to the American public—both as savers and as borrowers. As you know, many proposals dealing with savings and loan associations are being discussed in Washington. I am sure your association will review them carefully. We want to know what you think of these proposals.

With reference to the legislative outlook, I should like to make two points. First, I do not think it probable that much substantial legislation relating specifically to savings and loan associations or other financial institutions will become law this year. Second, I think the most important legislative matters with which savings and loan associations and all other financial institutions should be concerned this year are those relating to sound money.

The Administration and Congressional leaders are giving priority to tax legislation, civil rights legislation, and appropriation bills. This is an election year when the President, the Members of the House of Representatives, and one-third of the Senate will be running and adjournment before Labor Day is planned. Consequently, I do not think that we will be in a position to reach final conclusions on major legislation relating specifically to financial institutions. This conclusion is reinforced by the fact that the Administration has not taken a firm position on much of this legislation, and I think it can also be said that the financial world, as a whole, has not yet reached clear positions on many of the pending issues.

While major legislation relating specifically to financial institutions does not seem probable, savings and loan associations, like all other financial institutions that deal in money, have a vital interest in the maintenance of sound money and in preventing the adoption of unwise fiscal policies. Nothing could hurt an industry dependent on the savings of the public more than lack of confidence in the soundness of the dollar.

I agreed entirely with President Johnson when he said last month:

"I have pledged that the executive branch will be administered with the utmost thrift and frugality; that the Government will get a dollar's value for a dollar spent; and that the Government will set an example of prudence and economy."

He went on to urge Government officials: "* * * to seek the advice of committees of the Congress and of private organizations and individuals, in finding ways to do the public business more economically."

And he concluded: "* * * we must work hard to reduce the costs of government, not only for the sake of the savings to be made, but also in the interest of vindicating the people's confidence in the institutions of democracy."

To help President Kennedy reduce the cost of government, I recommended last March reductions totaling $5.9 billion in the spending authority requested in his budget for fiscal 1964. I am pleased that the Congress made reductions totaling $6.3 billion. The importance of these reductions can be shown by the fact that even after they have been made, it is expected that there will be a deficit of $10 billion for fiscal 1964.

In turn, this $10 billion deficit for fiscal 1964 underscores the need for careful review of the $4.2 billion supplemental appropriation recently requested for the 4½ months left in the current fiscal year. Certainly, we can eliminate most, if not all, of the proposed $1.4 billion for the Housing and Home Finance Agency, the $400 million for "contingencies," and the $141 million for the National Aeronautics and Space Administration's manned lunar space flight which we have already considered.

On January 22, I made the following remarks in the Senate about the budget for fiscal 1965:

"The budget proposals of the President of the United States for the fiscal year 1965 reflect a major shift of emphasis in Federal fiscal policy. They represent a gratifying move toward fiscal sanity at the Federal level which I am glad to support. On the basis of such constructive spending reductions, I feel justified in voting for a tax cut.

"I am glad not only to support, but to accelerate this historic move to fiscal soundness on the part of President Johnson. It is my view, based on preliminary estimates, that the fiscal 1965 spending estimates of $97.9 billion can be reduced by as much as $2 billion more without jeopardizing the public welfare or the national defense. I think foreign aid could be cut $500 million and the shot to the moon $500 million. While I am not prepared at this time to itemize other reductions, I shall do so at a later date."

On February 7 of this year I voted for the administration's $11.6 billion tax cut bill. As I said on January 22, the passage of this bill makes it imperative to do everything we possibly can to reduce the budget for next year, even beyond the reductions the President has proposed, and even beyond the $2 billion I suggested on January 22.

The President's budget is so vast and so complicated that I have been unable to make an analysis of all the details. I hope careful study will disclose safeguards against inflation beyond those I shall recommend today.

On the basis of the brief analysis I have been able to make since the budget was presented, I take the liberty of suggesting the following cuts in new spending authority, totaling about $4.1 billion.

Recommended cuts in new spending authority

[In millions]

Program:	
Aid to education	$700
Military budget	500
Foreign aid	500
Attack on poverty	500
Area redevelopment	222
National Science Foundation	200
Youth employment	160
NASA (shot to the moon—ADP equipment purchase program—educational grants)	620
Farmers Home Administration	100
Housing for elderly	75
Additional public housing	46
Other housing programs	50
Contingencies	500
Total	4,173

I should, of course, emphasize that these suggested cuts are made on the basis of a quick preliminary survey of the budget. No doubt it may prove impossible to cut quite so deeply into some of these programs. And no doubt it will prove possible to cut even deeper into some of these or some other programs. It is my aim, however, to attempt to reduce the proposed spending authority in the 1965 budget by about $4.1 billion, in addition to keeping the 1964 $4.2 billion supplemental request from further unbalancing the 1964 and 1965 budgets.

While I am prepared to do so, it would take too long to discuss individually each of the cuts I have proposed. All are practicable and, in general, they are designed to cut the 1965 budget back to the level of the 1964 budget. In other words, most of these reductions would merely preserve the present level of activity.

This is going to be the most prosperous year in our history, with both gross national product and national income reaching all-time highs. In such circumstances, if this Congress be unwilling to put a brake on deficit financing, it means deliberate and planned deficits until, like Brazil, we have ruinous inflation.

A preliminary review of the huge Department of Defense budget, which includes requests for $50.8 billion of new spending authority, reveals reductions of some $500 million that can, in my opinion, be made without adverse effect on our military posture. It is possible that a thorough review of the military budget will reveal other areas where substantial reductions can be made.

However, I want to point out that there are three areas where I would consider supporting increases in the military budget if hearings indicate that they can be wisely used. These are:

1. Anti-ballistic-missile defense;
2. Defense against submarine-launched missiles; and
3. Development of a new manned strategic system (manned aircraft).

The $500 million cut that I would recommend would be in the following items:

Program (budget request for new spending authority)

[In millions]

Suggested reductions

Operation and maintenance ($12,396,000,000)[1]	$25
Research and development ($6,722,000,000)[2]	50
Military construction ($1,168,000,000)[3]	100
Military family housing ($711,000,000)[4]	50
Civil defense ($358,000,000)[5]	200
Military assistance ($1,000,000,000)[6]	75
Total	500

[1] This reduction could be applied to "training and education" and "communications" activities.

[2] The budget includes $1,474,100,000 for Department of Defense space projects, many of which have little or no military significance.

[3] The budget proposal is excessive in view of recent deactivation of a number of military installations and the announcement of more deactivations in the near future.

[4] The budget includes an increase of $74,000,000 over the current level. An increase of $24,000,000 will be adequate to meet critical needs.

[5] The budget includes $265,600,000 for the shelter program. The need for such a vast program has not yet been proved.

[6] Even though this budget request is substantially lower than the requests in recent years, a reduction of $75,000,000 can be made. Unexpended balances of prior year funds in the amount of $1.7 to $2 billion will be available in fiscal year 1965.

Of necessity, you are interested in the new housing bill because it is a serious threat to private enterprise in the housing field. It is the biggest and vaguest and most dangerous housing bill which has ever been presented to the Congress. I feel sure that the President, with his concern for economy and efficiency, could not have known what Dr. Weaver wrote into this 92-page bill, which involves obligational authority in the magnitude of $9 billion. The HHFA's section-by-section analysis alone takes up 38 legal-sized pages, single spaced in small type. You can be sure that the Congress will go over this bill carefully, and I urge you to study it.

I have not included, in my list of proposed cuts, very many which come out of this housing bill. The Farmers Home Administration, housing for the elderly, additional public housing, and other programs together total only $271 million. But this is no measure of the significance or effect of the bill. Most of the bill's cost would come in later years. To take a single example, the bill would increase the amount of annual contributions authorized for public housing by $46 million a year, enough for an estimated 60,000 additional units of low-rent housing, including 35,000 new units, 15,000 purchased and rehabilitated units, and 10,000 leased units. The $46 million which I recommended deleting from the 1965 budget is only the first instalment in a 40-year program, the total cost of which over 40 years would run to $1.84 billion. In addition, the construction of 35,000 new units in the next year or so, even at a modest $14,000 per unit cost, would involve construction expenditures amounting to $490 million. While this expenditure would not be directly financed by the Federal Government—only underwritten by the Government—we must keep in mind the inflationary effect of a federally sponsored building program of this sort.

Surveys of the public housing program clearly indicate that it is not helping those most in need of such housing. To reach that income group would involve a public housing program of $100 billion. Of course, long before such a program could be carried out, private investment in housing would be ended. Private enterprise can and should do this job, and we need not and should not turn to this socialistic housing program.

Another program which in the long run involves huge sums of money, though not having a great effect upon the 1965 budget, is the proposed increase in the urban renewal program. A new authorization for $1.4 billion for the urban renewal fund for 2 years is being sought. This would be on top of the $4 billion figure provided in the 1961 act, which itself was an increase of $2 billion.

Special attention should be given to the amendments proposed in four programs—housing for the elderly, urban planning assistance, open space land grants, and public works planning assistance. The bill would remove the present dollar ceilings on these programs so that in the future there would be no limit whatever to the amount of the appropriations. The 1965 budget calls for appropriations of $125 million for these programs, but since there is no limit in the authorization, we can be sure that over the next 5 or 10 years, these programs will grow even faster than most housing programs grow. There is no end to the amounts which might be spent for open space land grants if the Federal Government is to provide parks and open space for every community in the country, and there is no end to the amounts which could be spent for housing for the elderly if the Federal Government is to make low-interest loans to every person over 65.

This housing bill would make startling changes in the Federal Housing Administration's insurance program, changes which would put FHA into a new field, full of financial risks and even more full of danger of pressure and improper activities. It would authorize community mortgages up to $50 million for each new community dreamed up by HHFA, without limit as to the number of such communities, and it would authorize $2½ million subdivision mortgages also without limit as to number. These communities and subdivisions would, of course, have to be developed in accordance with the standards of HHFA.

I will not attempt to go into further details. The examples cited will be enough to show you the breadth and scope of this vast new housing bill.

My objection to the bill is not solely because of the amount of money involved. Just as important is the extent to which this bill would extend the Federal influence and the Federal controls which always accompany Federal money. When HHFA approves a $50 million mortgage on a new community, it will have to review and approve the location of stores, the location of schools, the location of churches and other places of worship. And the extensions of existing programs—public housing, urban renewal, housing for the elderly, and so on, would also involve increasing Federal controls over an increasing area of the American economy and American life.

In conclusion, I want to urge the savings and loan industry to use every effort to maintain a sound and stable economy—to avoid inflation and to prevent fiscal and monetary policies which will seriously injure all financial institutions. I urge the savings and loan industry to do its utmost to have eliminated from the budget unnecessary and inflationary expenditures and all new programs which spread the power and influence of the Federal Government into individual, local, and State affairs to the detriment of the country's economy and to the detriment of our personal freedom.

The late Justice Robert H. Jackson, in his book, "The Supreme Court in the American System of Government," has expressed vividly the danger to the Nation from the power to tax and spend which are inherent in all spending programs:

"Two of the greatest powers possessed by the political branches, which seem to me the disaster potentials in our system, are utterly beyond judicial reach," he said. "These are the war power and the money, taxing, and spending power, which is the power of inflation. The improvident use of these powers can destroy the conditions for the existence of liberty, because either can set up great currents of strife within the population which might carry constitutional forms and limitations before them.

"No protection against these catastrophic courses can be expected from the judiciary. The people must guard against these dangers at the polls."

THE FIRST 25 YEARS OF THE UNITED NATIONS—ADDRESS PREPARED BY THE SECRETARY OF STATE

Mr. SPARKMAN. Mr. President, under the same unanimous-consent order:

The Secretary of State, the Honorable Dean Rusk, had prepared for delivery as the Dag Hammarskjöld memorial lecture to be delivered at Columbia University, a very fine and very thoughtful address with reference to the United Nations and some of the things which should be done in order to make that organization properly reflect what was in the minds of those who formed it. The address was prepared for delivery at Columbia

University; but because of developments in the world situation, the Secretary of State was prevented from delivering the address in person; and on January 10, at Columbia University, his address was read by Hon. Harlan Cleveland, Assistant Secretary of State for International Organization Affairs.

I ask unanimous consent that this address by the Secretary of State be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE FIRST 25 YEARS OF THE U.N.—FROM SAN FRANCISCO TO THE 1970'S

I

I regard this event as a welcome opportunity—and a command performance. Any invitation bearing the name of Dag Hammarskjöld is compelling for me.

In my job, I often think of Hammarskjöld's reply to a newsman who asked about his interest in mountain climbing: "What I know about this sport," he said, "is that the qualities it requires are just those which I feel we all need today—perseverance and patience, a firm grip on realities, careful but imaginative planning, a clear awareness of the dangers—but also of the fact that fate is what we make it and * * * the safest climber is he who never questions his ability to overcome all difficulties."

Dag Hammarskjöld was an intensely practical idealist; and I think this is why his name will live. He never wore his devotion to world peace as a personal adornment. Instead, he worked for peace through action. It was selfless and tireless action—and for this we honor the man. But it also was rational, considered, calculated action—and for this we respect his method.

During the regime of Dag Hammarskjöld the United Nations found its capacity to act and to grow. As the institution grew in stature, so did he. But he never subscribed to the idea that any man was indispensable to the United Nations; he knew that what counts is the creation and use of the machinery and procedures for peaceful settlement and peaceful change. He helped build that machinery and passed it on to the world when death met him on a mission of peace.

My assignment—to talk about the first 25 years of the United Nations—is unusual punishment for a Secretary of State. It is difficult enough to be a reasonably accurate historian of world affairs years later, after all the evidence is in. It is nothing short of foolhardy to foretell the future—especially when you are trying to tinker with the future to make it come out the way you think it should.

However, the punishment is self-inflicted—for the hazards of my situation tonight I have only myself to blame. Andy Cordier gave me a free choice of topic. And I decided to try to look ahead as well as to look back. For, if we are to act wisely in world affairs, we must have some sense of direction, some conviction about the way human events are moving, some expectations about the forces and counterforces just over the horizon. I do have some expectations for the United Nations over the next 5 or 10 years, and I might as well state them straightaway.

I believe that the influence of the United Nations will be even greater in the 1970's than it is today.

I believe also that the executive capacity of the United Nations to act in support of the purposes of the Charter will be greater in the 1970's than it is today.

I hold these convictions despite valid cause for concern and some necessary reservations. I shall try to explain why.

II

Let me begin by observing that it means little to study the performance of an institution against abstract standards without reference to the realities—and even the illusions—of the total environment in which it must operate. In that context, the first thing that strikes one about the United Nations is that international organization is a plain necessity of our times. This is so for both technical and political reasons.

The technical reasons stem, of course, from the headlong rush of scientific discovery and technological advance. That process has overrun the hypothetical question as to whether there is to be an international community that requires organization. It has left us with the practical question of what kind of international community we have the wit to organize around the scientific and technical imperatives of our time. In the words of Ogden Nash:

> "When genuises all in every nation
> Hasten us towards obliteration,
> Perhaps it will take the dolts and geese
> To drag us backward into peace."

World community is a fact because instantaneous international communication is a fact; because fast international transport is a fact; because matters ranging from the control of communicable disease to weather reporting and forecasting demand international organization; because the transfer of technology essential to the spread of industrialization and the modernization of agriculture can be assisted by international organizations; because modern economics engage nations in a web of commercial, financial, and technical arrangements at the international level.

The advance of science, and the technology that follows, create an insistent demand to build international technical and regulatory institutions which lend substance to world community. Few people seem to realize just how far this movement has gone. The United States is now a member of 53 international organizations. We contribute to 22 international operating programs, mostly sponsored by these same organizations. And last year we attended 547 international intergovernmental conferences, mostly on technical subjects. We do these things because they are always helpful and often downright essential to the conduct of our national and international affairs.

It is obvious that in the 1970's we shall require more effective international organization—making for a more substantial world community—than we have today. We already know that in the next decade we shall become accustomed to international communication, including television, via satellites in outer space. We shall travel in aircraft that fly at speeds above 1,000 and perhaps above 2,000 miles per hour. Industrialization will pursue its relentless course. Cities and their suburbs will keep on growing. The world economy will become increasingly interdependent. And science will rush ahead, leaving to us the task of fashioning institutions—increasingly on the international level—to administer its benefits and circumscribe its dangers.

So while nations may cling to national values and ideas and ambitions and prerogatives, science has created a functional international society, whether we like it or not. And that society, like any other, must be organized.

Anyone who questions the need for international technical organizations like the United Nations agencies dealing with maritime matters, civil aviation, telecommunications, atomic energy, and meteorology simply does not recognize the times in which we live.

In a world caught up in an urgent drive to modernize areas containing two-thirds of the human race, there is need also for the United Nations specialized agencies dealing with health, agriculture, labor standards, education, and other subjects related to national development and human welfare. A massive effort to transfer and adapt modern technology from the more to the less advanced areas is a part of the great drama of our age. This sometimes can be done best through, or with the help of, the institutions of the international community.

And the international organizations concerned with trade and monetary and financial affairs are important to the expanding prosperity of the world economy.

III

The need for political organs at the international level is just as plain as the need for technical agencies.

You will recall that the decision to try to form a new international organization to preserve peace grew out of the agonies of the Second World War. The United States took the lead in this enterprise. President Franklin D. Roosevelt and Secretary of State Cordell Hull sought to avoid repeating what many believed to have been mistakes in political tactics which kept the United States from joining the League of Nations. They consulted at every stage the leaders of both political parties in both Houses of Congress. They insisted that the formation of this organization should be accomplished, if possible, before the end of the war. Most of our Allies readily endorsed this objective and cooperated in achieving it. You will recall that the charter conference at San Francisco convened before the end of the war against Hitler and that the U.S. Senate consented to ratification of the charter in July 1945 before the end of the war in the Pacific. The vote in the Senate was 89 to 2, reflecting a national consensus bordering on unanimity. The significance of that solemn action was especially appreciated by those of us who were in uniform.

The commitment of the United States to the United Nations was wholehearted. We threw our best efforts and some of our best men into getting it organized and moving. We set about binding the wounds of war. We demobilized our Armed Forces and drastically reduced our military budget. We proposed—not only proposed but worked hard to obtain agreement—that atomic energy should be put under control of an agency of the United Nations, that it should be devoted solely to peaceful purposes, that nuclear weapons should be abolished and forever forbidden.

What happened? Stalin refused to cooperate. Even before the guns were silent, he set in motion a program of imperialistic expansion, in violation of his pledges to the Western Allies, and in contravention of the principles of the United Nations.

You will recall that the United Nations was designed on the assumption that the great powers in the alliance destined to be victors in the Second World War would remain united to maintain the future peace of the world. The United Nations would be the instrument through which these powers, in cooperation with others of course, would give effect to their mutual determination to keep the peace against any threats that might arise from some future Mussolini or Hitler. World peace was to be enforced by international forces carrying the flag of the United Nations, but called into action and directed by agreement among the major powers. Action without big power agreement was not ruled out by the Charter, but such agreement was assumed to be the prior condition of an effective peace organization. Indeed, it was stated repeatedly by early supporters of the United Nations that the organization could not possibly work unless the wartime Allies joined in collective action within the United Nations to exert their combined power to make it work.

That view of the postwar world rapidly turned out to be an illusory hope. One might well have expected—as many good people did—that when the conceptual basis for the United Nations fell to the ground, the organization would fall down beside it.

But all great institutions are flexible. The United Nations adjusted gradually to the political and power realities of the quite different world that came into being. In the absence of major power agreement in the Security Council, it drew on the Charter's authority to balance that weakness with a greater reliance upon the General Assembly.

By adapting to political reality, the United Nations lived and grew in effectiveness, in prestige, and in relevance. It could not act in some of the ways the founding fathers intended it to act, but it went on to do many things that the founding fathers never envisaged as being necessary. The most dramatic reversal of its intended role is seen in the fact that while the United Nations could not bring the great powers together, it could on occasion keep them apart by getting between them—by becoming the man in the middle—as it did in differing ways in the Middle East and in the Congo.

In short, the political organs of the United Nations survived and did effective work under the shadow of a nuclear arms race of awesome proportions—despite the so-called cold war between the major powers whose unity was once presumed to be its foundation.

This was not bound to happen. It is evident that in the political environment of the second half of the 20th century both technical and political reasons dictate the need for large-scale and diversified international organizations. But it does not necessarily follow that the United Nations was destined to work in practice—or even to survive. Indeed, its very survival may be more of an achievement than it seems at first blush. That it has steadily grown in its capacity to act is even more remarkable.

It has survived and grown in effectiveness because a great majority of the nations of the world have been determined to make it work. They have repulsed those who sought to wreck or paralyze it. They have remained determined not only to keep it alive but to improve and strengthen it. To this we owe in part the peace of the world.

IV

Indeed, it is difficult to avoid the conclusion that the existence of the General Assembly and the Security Council these past 18 years was a plain necessity for the preservation and repair of world peace. The failures would still have been failures, but without the U.N. some of the successes might not have been possible.

In the world of today any breach of the peace could lead to the destruction of civilization. In the thermonuclear age, any instrumentality with a potential for deterring war can hardly be described as less than indispensable to mankind. In 18 brief years, the United Nations has helped to deter or to terminate warfare in Iran and Greece, in Kashmir and Korea, in the Congo and the Carribbean, and twice in the Middle East, and twice in the western Pacific. It is not fanciful to speculate that any or all of us may owe our lives to the fact that these dangers were contained, with the active and persistent help of the processes of the United Nations.

With half a dozen international disputes chronically or repeatedly at the flashpoint, with forces of change bordering on violence loose in the world, our very instinct to survival informs us that we must keep building the peacekeeping machinery of the United Nations—and keep it lubricated with funds and logistical support.

And if we are to entertain rational hopes for general disarmament, we know that the U.N. must develop a reliable system for reconciling international conflict without resort to force. For peace in the world community—like peace in smaller communities—means not an end of conflict but an accepted system of dealing with conflict and with change through nonviolent means.

V

Traditional bilateral diplomacy—of the quiet kind—has a heavier task today than at any time in history. But with the annual agenda of urgent international business growing apace, with the birth of more than half a hundred new nations in less than two decades, an institution that can serve as an annual diplomatic conference becomes almost a necessity. As a general manager of our own Nation's diplomatic establishment, I cannot imagine how we could conduct or coordinate our foreign affairs if we were limited to dealing directly through bilateral channels with the 114 nations with which we have diplomatic relations tonight.

At the last General Assembly representatives of 111 countries met for more than 3 months to discuss, negotiate, and debate. Two more countries became U.N. members, to make it 113. When the tumult and the shouting had died, the General Assembly had adopted, curiously enough, 113 resolutions. This is what we have come to call parliamentary diplomacy.

But outside the formal agenda the General Assembly also has become the world's greatest switchboard for bilateral diplomacy. For many of the young and small nations, lacking a fully developed diplomatic service, the United Nations is the main, sometimes the only, general mechanism available for the conduct of their diplomacy.

Without formal decision, the opening of each new Assembly has turned into something like an informal conference of the foreign ministers of the world community. In New York last fall, in a period of 11 days, I conferred with the Foreign Ministers or heads of government of 54 nations.

I believe that too many items are placed on the agenda of the General Assembly. Too many issues are debated and not enough are negotiated. I feel strongly that members should take more seriously article 33 of the Charter which pledges them to seek solutions to their disputes "first of all * * * by negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice" before bringing disputes to the U.N. at all.

But the point here is that it is hard to imagine the conduct of diplomacy throughout the year without a meeting of the General Assembly to deal in one forum, and in a more or less systematic manner, with subjects which demand widespread diplomatic attention among the members of the world community.

The need for an annual diplomatic conference, the need for a peacekeeping deterrent to wars large and small, and the need for an international monitor of peaceful change, are plain enough. They seem to me to warrant the conclusion that the political organs as well as the technical organs of the United Nations have been very useful to the world at large for the past decade and a half. Commonsense informs us that they can be even more useful in the years ahead.

VI

I suspect that the near future will witness another period of adjustment for the United Nations. Some adjustments are, indeed, required—because the political environment is changing and so is the structure of the U.N. itself.

For one thing the cobweb syndrome, the illusion that one nation or bloc of nations could, by coercion, weave the world into a single pattern directed from a single center of power, is fading into limbo. That other illusion, the bipolar theory, of a world divided permanently between two overwhelming centers of power with most other nations clustered about them, is fading too. The reality of a world of great diversity with many centers of power and influence is coming into better focus.

Meanwhile, a first brake has been placed on the nuclear arms race and the major powers are searching for other agreements in areas of common interest. One is entitled to hope that the major power conflicts which so often have characterized U.N. proceedings in the past will yield more and more to great power cooperation; indeed, there was some evidence to sustain such a hope in the actions of the 18th General Assembly.

As long as a member possessing great power was intent on promoting conflict and upheaval—the better to coerce the world into its own image—that member might well regard the United Nations as a threat to its own ambitions.

But suppose it is agreed that all members, despite their deep differences, share a common interest in survival—and therefore a common interest in preventing resort to force anywhere in the world. Then the peacekeeping capacity of the United Nations can be seen realistically for what it is: an indispensable service potentially in the national interest of all members—in the common interest of even rival states.

If this reality is grasped by the responsible leaders of all the large powers, then the peacekeeping capacity of the United Nations will find some degree of support from all sides—not as a rival system of order but as contributor to, and sometimes guarantor of, the common interest in survival.

It would be a great service to peace if there could develop common recognition of a common interest in the peacekeeping capacity of the United Nations. That recognition is far from common now. My belief that it will dawn is based on the fact that it would serve the national interests of all nations, large and small—and because sooner or later nations can be expected to act in line with their national interests.

Peace will not be achieved by repeating worn out propaganda themes or resetting rusty old traps.

But if our Soviet friends are prepared to act on what Chairman Khrushchev says in part of his New Year's message—that war over territorial questions is unacceptable, that nations should not be the targets of direct or indirect aggression, that we should use the United Nations and every other means of peaceful settlement—then let us together build up the peacekeeping machinery of the United Nations to prevent even small wars in our flammable world.

For small wars could too easily, too quickly, lead to nuclear war, and nuclear war can too easily, too quickly, prove fatal to friend and foe alike.

VII

Meanwhile, the internal structure of the United Nations has been changing radically over the past several years. The United Nations began life with 51 members. When its headquarters building was designed, United Nations officials believed they were foresighted in planning for an eventual membership of 75. This year major alterations will be undertaken to make room for the present 113 members and more. It is a fair guess that membership of the U.N. will level off during the next decade at 125 to 130 members.

This more than doubling of the U.N.'s membership is proud testament to the tidal sweep through the old colonial areas of the doctrine of self-determination of peoples. It is a triumph of largely peaceful change. It is a tribute to those advanced countries which have helped bring dependent areas to self-government and independence and made possible their free choice of their own destiny. It is a striking and welcome result of the greatest wave of national liberation in all time. It also has important implications for all U.N. members—the new members and the older members too—and for the U.N. itself.

The most prosaic—but nonetheless important—implication is for methods of work in the General Assembly. With more than twice as many voices to be heard, views to be reconciled, and votes to be cast and counted, on a swelling agenda of business, there is obvious danger that the General Assembly will be swamped.

I already have suggested that the agenda may be unnecessarily bloated, that in many cases private discourse and real progress are preferable to public debate and symbolic resolution, and that the U.N. might well be used more as a court of last resort and less as a forum of original jurisdiction.

But I think still more needs to be done. If the expanded Assembly is to work with reasonable proficiency, it must find ways of delegating some of its work to units less cumbersome than committees of 113 members. The General Assembly is the only parliamentary body in the world that tries to do most of its business in committees of the whole. The Assembly has, in fact, moved to establish several subcommittees, including one to consider financing peacekeeping operations; and perhaps more thought should now be given to the future role of such committees in the work of the organization.

The radical expansion of the membership raises problems for the newer and smaller nations. They rightly feel that they are underrepresented on some organs—notably the Security Council and the Economic and Social Council—whose membership was based on the U.N.'s original size and composition.

The growth of membership also raises problems for the middle range powers, who were early members and have reason to feel that they are next in line for a larger voice.

And it raises problems—or potential problems—for the larger powers, too.

The rapid and radical expansion of the General Assembly may require some adaptation of procedures if the U.N. is to remain relevant to the real world and therefore effective in that world.

Theoretically, a two-thirds majority of the General Assembly could now be formed by nations with only 10 percent of the world's population, or who contribute, altogether, 5 percent of the assessed budget.

In practice, of course, this does not happen; and I do not share the dread expressed by some that the General Assembly will be taken over by its swirling majorities.

But even the theoretical possibility that a two-thirds majority, made up primarily of smaller States, could recommend a course of action for which other nations would bear the primary responsibility and burden is one that requires thoughtful attention.

There are two extreme views of how national influence should be expressed in the work of the United Nations. At one extreme is the contention that no action at all should be taken by the United Nations without the unanimous approval of the permanent members of the Security Council. This is a prescription for chronic paralysis. The United Nations was never intended to be kept in such a box. The rights and duties of the General Assembly are inherent in the Charter. The United Nations has been able to develop its capacity to act precisely because those rights were not blocked by the requirement of big power unanimity.

At the other extreme are those few who feel that nothing should matter except the number of votes that can be mustered—that what a majority wants done must be done regardless of what states make up the majority. This notion flies in the face of commonsense. The plain fact of the matter is that the United Nations simply cannot take significant action without the support of the members who supply it with resources and have the capacity to act.

Some have suggested that all General Assembly votes should be weighed to reflect population, or wealth, or level of contributions, or some combination of these or other factors. I do not believe that so far-reaching an answer would be realistic or practical.

The equal vote in the General Assembly for each member—however unequal in size, wealth, experience, technology, or other criterion—is rooted in the idea of "sovereign equality." And that idea is not one which any nation, large or small, is eager to abandon.

I do not pretend to have the final answer—nor is it timely or appropriate for any member to formulate the answer without wide and careful consultations with others in the world community.

However, extended discussions lie ahead on such questions as expanding the councils, scales of payment for peacekeeping, and procedures for authorizing peacekeeping operations.

I shall not discuss U.N. finances in detail tonight. But let me say that the first principle of a healthy organization is that all its members take part in its work and contribute their proper shares to its financial support. Two years ago more than half the U.N. members were behind in their dues—some because of political objections but many simply because they were not paying. I am glad to see that most members are now beginning to act on the principle of collective financial responsibility. But there remains a serious problem of large nations that have not been willing to pay for peacekeeping operations.

I would hope that the discussions which lie ahead will not only strengthen the financial underpinnings of the U.N. but, among other things, develop an acceptable way for the General Assembly to take account of capacity to act, of responsibility for the consequences, and of actual contributions to the work of the U.N. Such a way must be found if the United Nations machinery is to be relevant to the tasks that lie ahead—in peacekeeping, in nation building, and in the expansion of human rights.

All adjustment is difficult. Adaptation of the U.N. to recent changes in the environment may take time. It will require a shift away from some hardened ideas and some rigid patterns of action and reaction—perhaps on all sides. It will require—to come back to Hammarskjold's words—"perseverance and patience, a firm grip on realities, careful but imaginative planning, a clear awareness of the dangers."

To ask all this may seem to be asking a great deal. But I am inclined toward confidence the U.N. already has demonstrated a capacity to adapt under the flexible provisions of the Charter to the realities of international politics.

I am further persuaded that all, or most, of the smaller members are realistic enough to know: that their own national interests lie with, not against, an effective United Nations; that the U.N. can be effective only if it has the backing of those who have the means to make it effective; that the U.N. is made less, not more effective, by ritualistic passage of symbolic resolutions with no practical influence on the real world; that only responsible use of voting power is effective use of voting power; that true progress on behalf of the world community lies along the path on which the weak and the strong find ways to walk together.

VIII

These are some of the reasons, derived from analysis of the current state of world affairs, why I expect the United Nations to evolve and to grow in executive capacity to act in support of its goals.

And apart from the issue of human survival, the greatest of these goals is, of course, the steady extension of human rights.

Dedication to the principle of the universality of fundamental human rights collides in practice with dedication to the principle of national sovereignty. For, most violations of human rights are committed within the confines of national societies, often by the very governments that have ratified the Charter's prescription for "fundamental freedoms for all." Yet, securing equal rights for all individual members of the human race is the ultimate goal of world community—and the ultimate challenge to the United Nations as the elementary but principal expression of that community. Somehow, the United Nations must learn how to increase respect for the rights of the human person throughout the world.

It is here that we sense the permanent value and the final force of the basic principles of a charter which dares to speak for "We, the peoples of the United Nations." Sometimes I feel that we talk too much about the universality and brotherhood of man and too little about the valuable and interesting differences that distinguish all brothers. But the lessons of recorded history, and the teachings of the world's great teachers, make clear the basic wants of mankind.

Men and women everywhere want a decent standard of material welfare for themselves and their children. They want to live in conditions of personal security. They want social justice. They want to experience a sense of achievement, for themselves, and for the groups with which they identify themselves.

But men and women everywhere want more. They want personal freedom and human dignity.

Individuals and societies place differing values on these aspirations. But surely these are universal desires, shared by all races in all lands, interpreted by all religions, and given concrete form—or lip service—by leaders and spokesmen for every kind of political, economic, and social system.

Peace and security, achievement, and welfare, freedom, and dignity—these are the goals of the United Nations for all peoples. And any nation which questions for long whether we should seek these aims is destined to become a pariah of the world community.

Because the kind of world projected in the Charter is the kind of world we want, the United Nations—despite its quarrels and its shortcomings—commands our continuing support.

As President Johnson said to the General Assembly on December 17: "* * * more than ever we support the United Nations as the best instrument yet devised to promote the peace of the world and to promote the well-being of mankind."

And because the kind of world projected in the Charter is the kind most people everywhere want, I believe that others will join with us in improving and strengthening the United Nations. That is why I am confident that the executive capacity of the United Nations—its machinery for keeping peace, building nations, and promoting human rights—will be greater on its 25th birthday than on its 18th.

Mr. SPARKMAN. Mr. President, I thank the Senator from Connecticut for his kindness in yielding to me.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Connecticut yield, so that I may make a brief statement on a nongermane subject?

Mr. DODD. Mr. President, I ask unanimous consent that I may yield to the Senator from Delaware, with the understanding that I do not lose my right to the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

KID-GLOVE TREATMENT OF ANTHONY DeANGELIS

Mr. WILLIAMS of Delaware. Mr. President, today I wish to call attention to another situation wherein the Government has given the kid-glove treatment to Mr. Anthony DeAngelis, the man who allegedly is responsible for the $100 million disappearance of soybean oil.

In this instance it appears that Mr. DeAngelis as an individual, the Allied Crude Vegetable Oil Refining Corp., Bayonne, N.J., and his other affiliated companies, have all over the years had a miserable record of delinquencies when it came to filing their income tax returns.

In addition to being habitually delinquent, Mr. DeAngelis, on November 19, 1957, settled a $1,542,494.18 income tax liability for $250,000, or about 16 cents on the dollar.

It should be noted that while Mr. DeAngelis may today be considered bankrupt, he was considered wealthy at the time this compromise settlement was negotiated.

The Treasury Department is not the only agency which extended to Mr. DeAngelis and his companies exceptionally favorable consideration. Appearing in the CONGRESSIONAL RECORD, volume 109, part 11, pages 15124 to 15126, I called attention to the Senate the manner in which the Department of Agriculture had purchased a lot of soybean oil which they did not need, at prices far in excess of what they should have paid, and then accepted for delivery an inferior product packed in faulty containers.

The result was that this inferior salad oil, which was shipped all over the world, became rancid and was declared unfit for human consumption. All of these transactions took place with a man who even prior to this had been declared by a Government agency as unreliable and thereby not eligible to participate in Government contracts.

This earlier suspension had been based on previous trouble which the Government had had with the same outfit involving shipments of soybean oil to Spain which had been financed by the Commodity Credit Corporation in 1954. That earlier suspension had resulted in claims totaling $1.5 million being filed by the Department of Justice. Upon settlement the company was suspended from participating in any program which was financed by the U.S. Government, but that suspension proved to be no handicap.

I understand that the McClellan committee is preparing to examine the complex activities of Mr. DeAngelis and his companies to determine how he was able to receive such considerate attention from the numerous Government agencies as well as how he was able to perpetuate the $100 million inventory fraud in his soybean oil holdings.

At this point I ask unanimous consent to have printed in the RECORD, as a part of my remarks, the letter dated February 4, 1964, signed by Mr. Mortimer M. Caplin, Commissioner of Internal Revenue.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. TREASURY DEPARTMENT,
INTERNAL REVENUE SERVICE,
Washington, D.C., February 4, 1964.

Hon. JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: In your letter of December 17, 1963, you requested certain information concerning Mr. Anthony DeAngelis and other taxpayers. The replies are numbered to correspond to the questions in your letter.

1. Have this individual and the companies filed timely income tax returns?

(a) If not, a report of all delinquencies.

Anthony DeAngelis, Fort Lee, N.J.

We have a record of income tax returns having been filed for the years 1944–62, inclusive. The return for the year 1961 was delinquent when filed.

Allied Crude Vegetable Oil Refining Corp., Bayonne, N.J.

This corporation was incorporated in November 1955. We have a record of income tax returns having been filed for the fiscal years ended in 1956 through October 31, 1961. We do not have a record of a return having been filed for the fiscal year ended in 1962. The returns for the fiscal years ended in 1959 and 1960 were delinquent when filed.

Trans World Refining Corp., Bayonne, N.J.

This corporation was incorporated in July 1953. We have a record of income tax returns having been filed for the fiscal years ended in 1954 through June 27, 1958, and for the fiscal years ended July 2, 1960, through June 30, 1962. We have not been able to locate a record of a return having been filed for the fiscal year ended June 28, 1959. The returns for the fiscal years ended in 1956, 1957, 1958, and 1962 were delinquent when filed.

Metropolitan Fats & Oils, Inc., Bayonne, N.J.

This corporation was incorporated in June 1953. We have a record of income tax returns having been filed for the fiscal years ended in 1954 through June 3, 1961. We do not have a record of a return having been filed for the fiscal year ended in 1962. The returns for the fiscal years ended in 1954, 1955, 1957, 1958, and 1959 were delinquent when filed.

Shortening Corp. of America, Inc., Jersey City, N.J.

This corporation was incorporated in February 1955. We have a record of income tax returns having been filed for the fiscal years ended in 1956 through March 31, 1962. The returns for the fiscal years ended in 1957 and 1958 were delinquent when filed.

3. Have there been any compromise settlements with the individual or any of the corporations referred to during the past 20 years?

(a) If so, a complete report showing the dates of such settlements, the total amount of assessed tax including all penalties and interest, and the net amount for which the case was settled.

We have a record of one accepted offer in compromise.

On November 19, 1957, Mr. DeAngelis filed an offer amounting to $250,000 to compromise income tax liabilities including ad valorem penalties and interest for the calendar years 1944–46 and 1950–54, inclusive, totaling $1,542,494.18. The offer consisted of collateral agreements with respect to the adjustment of the basis of certain assets for income tax purposes and the waiver of carryback adjustments. The terms of payment of the offer were: $25,000 cash with offer; $25,000 to be paid within 15 days after notice of acceptance; $200,000 balance to be paid in installments; $5,000 on the first day of January, April, July, and October, with interest, following the quarter after acceptance.

On April 20, 1960, the offer was accepted. The records indicate that as of December 1963, the taxpayer met his obligations as set forth in his offer and was current in his payments.

We will write you further regarding the filing and payment record of withholding tax returns by these companies (question No. 2 in your letter) as soon as the information is received from our field offices.

With kind regards.

Sincerely,

MORTIMER M. CAPLIN,
Commissioner.

Mr. METCALF. Madam President, will the Senator from Connecticut yield 1 minute to me so that I may proceed out of order, notwithstanding the rule?

Mr. DODD. I am happy to yield.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Without objection, it is so ordered.

THE IOU'S, NO. 4—A REPLY TO PROPAGANDA FILM

Mr. METCALF. Madam President, an employee of a rural electric cooperative in North Dakota is also a keen film critic.

He is Mr. Conrad Blomberg, staff assistant of the Basin Electric Power Cooperative.

The film is "The Power Within," a propaganda production of the investor-owned electric utilities. I inserted the text of this film and other material in the RECORD during the course of my January 8 speech, and subsequently have inserted in the RECORD two "Project: Action" newsletters which tell how the utilities are getting community groups to use this disreputable film.

As in the 1920's, so also in the 1960's, the charges made by the IOU's are cruel, untrue and unnecessary.

I agree with Mr. Blomberg that the investor-owned utilities have "strayed far, far from the traditional spirit of fair-play and integrity in American business."

Madam President, I ask unanimous consent to have printed in the RECORD Mr. Blomberg's comments, which were presented to the annual meeting of the Midwest Electric Consumers Association in Denver, on December 10, 1963.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WHY IT AFFECTS YOU—AN ANALYSIS OF THE MOVIE "THE POWER WITHIN"—WHY IT HAS AN EFFECT ON ITS AUDIENCE AND WHAT ITS APPEALS ARE

(By Conrad Blomberg)

The basic theme of the power company movie, "The Power Within," is one which does not recommend it well. Simply stated, the theme is distrust and suspicion. Distrust of our duly elected and constituted Federal Government, and suspicion of the motives, patriotism, and loyalty of a large group of American citizens.

The citizens upon whom the unfair scourge of suspicion is cast are the owners, directors and management of Rural Electric Cooperatives in the United States.

In this brief discussion of this propaganda movie, I would like to cover two things: the basic appeals made and why they are effective; and, secondly, an analysis of the so-called facts which this movie presents.

Let us first, however, admit something about this moving picture—it is technically an excellent production. It cost, we are told, about $38,000 to make. The writing, directing and acting are all excellent. It has impact and great force. We cannot ignore this movie because unlike the snows of winter, its effect will not fade with the passage of time. Only hard and persistent effort on the part of those who are the subjects of its half-truths and innuendo will ever mitigate its deep and lasting effect on those who will see it.

Now, let's take a look at the appeal which this movie makes—what does it say, and how does it say it? What, if it is boiled down to its essence, is its message? Although the movie is colored by some action and a lot of words, its message consists of only three things:

First. The Government in the United States is not trustworthy. The Government is wrong. The Government has taken a mysterious and sinister path which will destroy our fundamental economic system and us with it.

Second. The cause of the wrong-turning by the Government is the so-called Federal takeover of the power industry through rural electric cooperatives.

Third. The unpatriotic, anti-Americans in this country are the people who own, control or work for rural electric cooperatives. They are leading the way to a complete Federal takeover of our lives.

This is a cruel, untrue, and unnecessary message to hurl at any group. It is a message which has strayed far, far from the traditional spirit of fairplay and integrity in American business.

It is unfortunate for rural electric people that many in our land will find this message of distrust and suspicion to their liking and will feed upon this low attack. These hate-racked and extreme people will spread this untrue virus of suspicion among all who will listen.

I would like now to leave from the basic message of this movie and take up some of the so-called facts as they are presented.

I am only at this time, going to cover nine statements made. There are many, many others which are half true, untrue, or badly warped in this film, but to cover them all would take more time than we have here today.

Statement 1: The son complains to Ed Jenkins that his Federal income tax is too high. He says, "Nowadays I'm paying upwards of 20 percent of my income."

Let us look at the income this young man is making and see what kind of a man he is:

First, we know that he is a married man with two children. This gives him four dependency deductions. It is not stated exactly where he lives, but he does not complain about State income taxes so therefore he must live in some State like South Dakota which has no income tax.

Let us now compute his income from the 20 percent of his income which he says he pays in taxes.

With four dependents he has deductions of $2,400 automatically. He can then go the short way of computing his tax and, deduct a straight 10 percent of his income in lieu of itemizing his expenses. These two types of deduction will give taxable income, upon which the tax is figured.

Our accountant figured it out using U.S. Treasury Department publication 1 from the Internal Revenue Service. Taking schedule II which applies to married taxpayers filing joint returns, he found that Ed Jenkin's son makes about $22,000 per year which incidentally is more than the REA Administrator is paid.

It is figured this way: $22,000 income; less $2,200 deduction in lieu of itemized expense, less $2,400 deduction at $600 per dependent for $4,600 total deductions; taxable income is $17,400.

Tax on $17,400 taxable income equals $4,396 or 19.9 percent of $22,000. Had this boy been any kind of a businessman and had he taken any deductions such as medical bills, interest paid, car expense, and so on, he could have easily earned more than $22,000 per year and still paid only the tax of $4,396. We will, however, give him the benefit of the doubt. Somehow his statement that he can barely get by on his income doesn't ring quite so true when you can take a close look at the facts. Unfortunately the statement on taxes goes by so fast in the movie, most people will accept it as true. I know that until I investigated it, I had no idea what percentage of my income was paid in Federal income tax.

Statement 2: The whole basis for the distrust and suspicion of our Federal Government turns on the old Hoover Commission report. Many of you are familiar with this commission and the difficulty we had in even presenting the rural electric side of the story during its hearings.

I think we all realize that any commission or similar body is necessarily going to have to reflect the personal feelings and biases of the membership. This is certainly true of the Hoover Commission.

It is interesting to note that the recommendations of the Hoover Commission Task Force on Water Resources and Power were so extreme that two Eisenhower appointees, Arthur S. Fleming and Herbert Brownell, dissented from the Commission's recommendations in this area. They stated that the extreme recommendations "would impede the Federal Government in exercising its proper role in the development and use of the Nation's water resources."

Who then was the chairman of the task force of the Hoover Commission which made these extreme recommendations? The recommendations, I might point out, on which the whole movie hangs.

The chairman of the task force was Adm. Ben Moreell of Pittsburgh. A retired naval officer and steel executive, Mr. Moreell has long been noted for his extremely conservative views. He has been a speaker at many rightwing meetings and has written many articles and papers espousing a philosophy which would preclude his having an unbiased view of Federal water resource development.

Let me briefly sketch in some of the other members of the task force and see whether they could be called unbiased.

Charles L. Andrews: After the announcement of his appointment to the Hoover Commission Task Force he told a reporter that he was not a supporter of TVA. Member of the Conservative Americans for Constitutional Action.

Wesley W. Horner: Chairman of the subcommittee for power generation and distribution who was on record for both disposal of Federal power at the damsite and for sale of all Federal power facilities to the States or their "nominees." (Horner is no longer carried in Who's Who.)

Edward A. Krackle: A certified public accountant. A member of the Conservative Americans for Constitutional Action.

Charles Edison: An endorser of the rightwing Manion Forum; treasurer and trustee of Americans for Constitutional Action; on the editorial advisory committee of American Opinion, the John Birch Society magazine, a charter subscriber to Human Events, a rightwing publication; participated in many other rightwing activities.

J. Bracken Lee: On the committee of endorsers of the John Birch Society; on the editorial advisory committee of the Birch Society publication American Opinion; an endorser of the Manion Forum; on the national board of the Committee Against Summit Entanglements, a Birch Society "front" group according to the society's Blue Book; a leading proponent for abolition of the Federal income tax; participated in many other rightwing activities.

Albert C. Mattsi: One of Herbert Hoover's closest associates who reportedly shares Hoover's views on the Government getting out of the power field. Supporter of Human Events.

Donald R. Richberg: Author "Labor Union Monopoly," 1957, a figure in the National Right-to-Work Committee which works with the rightwing Manion Forum.

Arthur B. Roberts: Recommended to the first Hoover Commission that the Government should build the large multiple-purpose dams and permit private power companies to install the generating facilities in each dam. Washington observers felt this would give a monopoly to the large power companies and result in the complete destruction of the preference clause.

William D. Shannon: Seattle, Wash., construction engineer. Former member of the Engineers Joint Council which recommended the sale of Federal power at the busbar or damsite. Under this policy, Federal power also would be sold almost exclusively to the private utilities.

These are not all the task force members. They are however, a large enough group to indicate the tone of belief among those on the task force. To me they do not sound like an unbiased group.

While the other members of the task force may or may not have been as conservative or rightwing as those listed above, they were certainly influenced greatly by the men whose background and beliefs are outlined.

Therefore, I believe that basing the criticism of REA and rural electric cooperatives and indeed the whole Federal Government on the Hoover Commission—and especially on the water and power task force report—is basing it on shaky grounds. I would prefer a more unbiased committee. I would prefer men who did not have strong rightwing or leftwing associations. I would prefer a study made without prejudgment. I do not believe this is what this little film tries to preach, however. Bias is acceptable, provided it is pro-power company bias.

Unfortunately for rural electric people, however, many will regard the Hoover Report as unbiased and fair. We can only combat this impression by continual and fair explanations of the rural electric story to the public.

Statement 3: The original purpose of REA as explained in the movie is erroneous. Ed Jenkins as a rural electric director lets this one slip by without a wink. Ed must be sleeping through most of his co-op's board meetings. The movie says: "The original purpose was to bring electricity to farmers." This was not and is not the purpose of REA at all. The purpose is to electrify the unserved rural areas. Thus the name Rural Electrification Administration. Both Republicans and Democrats have in the past agreed upon this basic premise. It is not the farm electrification administration.

Again another so-called fact does not ring true.

Statement 4: There is a discussion in the movie of section 5 and RAD loans. This is again misleading and untrue. Let me quote to you from the dialogue: "How could banks compete with REA interest rates on such loans? REA is competing in the loan business as well as the power business."

You directors and managers know that this is not true.

One of the actors in the movie then reads a list of RAD loans made in the recent past. You directors and managers know that to make such a loan the borrower must be able to prove in writing that he has been turned down by every reasonable source of credit, including banks. A rank misstatement about rural electrification cooperatives again.

In addition, one of the actors indicates that Congressmen are up in arms after holding a hearing on section 5 loans made to rural electrics. Let me tell you what actually happened:

At a recent hearing of the House Agricultural subcommittee, Representative Jones of Missouri, Chairman of the subcommittee on governmental oversight told newsmen after the hearing: "I had many reservations on these loans before this hearing but my opinion has changed. They (Mr. Clapp and his staff) have shown justification I was not aware of."

Unfortunately for us, most of the public will be as unaware as Congressman JONES of the justification. The movie is untrue, but many will believe it.

Statement 5: Much is made of who the owners of the power companies really are. The movie tells us that widows, businessmen, students, insurance companies, pension trusts, and so on, are the owners. This is true, they are all stockholders, and thus have a share in ownership, however small.

However, in the case of a publicly owned stock company it is not ownership that counts—it is instead, control that really matters.

Power company stock is profitable stock, made better by Government subsidy through fast tax writeoffs, and sweetened even further by overcharges beyond the allowable rate of return overlooked by friendly regulatory bodies. Because it is profitable stock, ownership is widely held by many citizens and groups. However, the companies are closely controlled by small groups of men—or in some cases by one man—often the president. This little group or single individual owns just a small percentage of the total number of shares outstanding, but this percentage is enough to control. To all intents and purposes, this company is his to bend in any direction he wishes.

Now, therefore does the control lie as the movie puts it with "a handful of Wall Street manipulators?" You be the judge.

Now please do not misunderstand what I am saying. We have no quarrel with this type of ownership. It is a legal, usual, legitimate way to do business. We do quarrel, however, with equating stock ownership with control of the company. These things are not now, and never will be, equal as long as 1 share of stock is 1 vote and 10 shares are 10 votes. No; the misleading point here is not that stock ownership is widespread—for it is—the point is that control of power companies is closely held and widows and students have little voice in its decisions.

Statement 6: Did you notice that in the example of the purchase of the house for $15,000 the actor said the REA-type payments would be $50 and then wrote $50, and then went back and placed a decimal point before the 5 making it 50 cents. This is a transparent attempt at subliminal influence. For those of you who are not familiar with the tricks of the advertising world, subliminal influence is not supposed to be noticed consciously. Subliminal influence comes in below the threshold of consciousness and influences you without your quite knowing why. It is almost entirely visual. This crude attempt which can be seen clearly by anyone who is watching for it, is at the very least insulting to the public who is expected to watch the film.

Statement 7: Since when do we equate a home loan with an electric utility loan? Do you get the same terms on a car loan as you do on a home loan? Certainly not. Do you get similar terms on a loan a railroad or steamship company gets from an investment bank as you do on a home loan? Of course not. Do you finance your home through the sale of stocks and bonds like power companies do? Ridiculous. It is like comparing lemons and eggs. Both are roundish in shape, but there the resemblance ends.

Statement 8: Most people are aware of the difference between federally owned power and cooperatively owned power. Cooperatively owned power is privately owned power—yet in this movie both are lumped together. At one point an actor says that rural electric cooperatives are Government power about to swallow up the power companies. Nothing could be further from the truth.

Can you tell me how rural electric cooperatives are going to swallow up the power companies when rural electrics are not permitted to serve in towns of over 1,500 population? Nor to serve anyone now getting central station service?

The bogeyman of TVA is held up as somehow being the same thing as rural electric cooperatives. Let me point out that the people in the TVA area seem to like TVA and don't complain. Just how all this ties together is purposely made vague and amorphous. Clearly another misdirection and misstatement of fact, deliberately done to influence those who don't know or don't care.

Statement 9: There is a lot of talk about normal taxes in this movie. We are led to believe that rural electric cooperatives don't pay any taxes. This is the oldest, weakest power company war cry. I'm surprised that they dragged it out and propped it up again. You know, and I know that rural electrics pay hundreds, thousands, and hundreds of thousands of dollars in taxes every year. We do not pay income tax because we have no income. We are rendering a service at cost to member-owners who get any overpayment back in the form of capital credits.

Thus again we see a misdirection, a misstatement calculated to give the wrong impression.

Statement 10: At the end of this picture there is a moving, emotional scene showing President Abraham Lincoln as immortalized in marble in Lincoln's tomb. The announcer reads, in Lincolnesque tones what is obviously meant to be construed as a quote from this great President. The announcer says, "You cannot build character and courage by taking away a man's initiative and independence. You cannot help man permanently by doing for him what he could and should do for himself."

Nowhere have we been able to find such a quote by Lincoln. But we did find a famous quotation of Lincoln's which might apply here. He said: "The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot so well do for themselves in their separate or individual capacities."

Thus I believe that Lincoln would soundly and deeply support the rural electric cooperatives in their relationship of borrowers from Federal Government.

I have here covered only a very few of the statement made in the movie. Time will not permit me to cover more, but rest assured that statement after statement can be refuted with documented fact.

You have now seen the tissue of half-truths, innuendo and actual misstatement on which this movie hangs—why then does it have so much impact? For surely it does have impact.

Part of the impact comes because to the viewer there is apparently a defense of rural electrics built into the movie. Ed Jenkins is a rural electric cooperative director, who apparently raises all the defenses. And he does—in a very weak and offhand manner. He also makes statements like: "You may be right," and "I can see I've been wrong." Put an actual director in Ed Jenkins' shoes and you'd not see such a tissue paper defense.

Just by way of documenting the tissue paper defense Ed Jenkins puts up in behalf of his rural electric cooperative, let me give you some of the phrases he uses:

"I give up. You're probably right. Things sure seem to be gettin' worse all right, I'll admit. You've made your point. I've been unfair. There's a loss right there. I've been enjoying a free ride. High time something was done. Push this country in the direction its headed. See our American system get tossed away."

These are not the words of a knowledgeable director defending the rural electric cooperative from a low attack.

So part of the impact comes from what appears to be a fair answer to the charges—even though it is scarcely that.

The greater part of the impact on the viewer, however, comes through the use of emotion-laden words. It is said that if you could read a man's mind and know how he thinks, you could just say to him certain emotion-laden words and either make him very happy or very angry. Whether or not this is true, it is a fact that we are all affected by emotion-laden words. This effect varies from being slight and almost unnoticeable to strong and violent depending upon the word and the context in which it is used.

I have gone through this tricky little movie and winnowed out some of the emotion-laden words.

Let us not accept being called names unworthy of the American business community. Let us rather consider that we are the legal, normal competition to stockholder-owned power companies.

Let us, above all, continue to regard our Government as an instrument of our people—freely arrived at, and responsive to the needs and wishes of all Americans, great or small.

Let us look at the words applied to our Federal Government (a federal government that I believe to be among the best in the world) and to rural electrification and rural electric people:

That stinks, push you around, pretty sorry, an enormous bucket of swill, depriving private business, don't pay taxes, subsidized, Frankenstein, swallow up, squeezed out, unfair, frightening, no justification, used against us, back door Federal takeover, negation of our fundamental economic system, nonsense, path of no return, pouring out larger and larger amounts, burns me up, drain income.

When you read that list, it almost makes you angry just reading it—without relating it to anything specific. The effect is to make you distrustful and suspicious of our Federal Government and rural electric people.

Now let us look at the words applied directly and indirectly to the power companies:

Do their part, benefit, broadest and truest, regulated, legal, free, wonderful, American, solid principles, fairness, equality, drive, initiative, hymn, school, church, God, spirit, independence, anthem.

Such a list would make you cheer—regardless of what it was applied to. It is applied in this case to power companies.

Thus did the writer of this movie do his work. Using words from which emotion drips, he makes power companies seem like the savior of mankind, our Federal Government suspicious and rural electrification seem anti- or un-American.

Unfortunately again for us, most people will not be able to pick out these words and segregate their appeal from the facts as they actually exist. You yourself can judge the effect.

You know, over the past 10 years, I have known literally hundreds of rural electric people. I have never met any I would consider un-American or anti-American. Yet the total effect of this movie is to make rural electric people appear to be un-American and therefore suspect. This is surely as low a blow as can be struck.

I know that rural electric people do not call power company people by the emotion laden words, which you have just heard. No rural electric director says that power companies are out to destroy America, and the American way of life. We would not dream of sinking to this depth.

Why then do the power companies do this? Why do men who control the most successful, most profitable businesses in America stoop to calling names unfit for the seamiest barroom? The only reason I can find is that they are motivated by an unreasoning fear. But fear of what? Fear of competition. Good old American competition. Perhaps this movie points it out as no previous advertisement or article ever has.

Let us look at the average power company executive who makes the decision to swing the low blow. What is he like?

He is, I would wager, a man in his late fifties or early sixties who went to work for his power company back in the 1920's. He spent almost 20 years in the power business before REA was a real factor. Before REA came along he worked in a business virtually without any competition. Had he been a grocer or a retail merchant he would have had all his life to face competition. He would have known that competition is recognized as the central core of our American business system.

What is it that keeps prices in line? That gets us more for the money? Competition. Competition which forces everyone to look inward on himself and to do his best to improve.

But power company people have never known the discipline of competition until rural electric cooperatives came along and then they only faced competition by example. Suddenly this power-company man woke up to the fact that there was an example of competition and he doesn't yet realize what it is.

I say he doesn't realize what it is because he doesn't act like the grocer and try to best his competition by more and better service, by lower prices or more courteous personnel. No. Instead he resorts to name calling, invective and near slander.

Instead of lower rates he shrieks about Government takeover.

Instead of more service to his consumers he cries that rural electric cooperatives are un-American.

Instead of more courtesy to his customers he uses movies like "The Power Within."

Instead of emulating the American business community in meeting competition directly and forthrightly, he turns to the doubtful practice of casting suspicion on our Government.

If I had over three-fourths of the grocery business in my town and the other 25 percent was divided up among a hodgepodge of small competitors I would not stand on the street corner yelling "foul" every time they tried to improve themselves. That is not the essential spirit of the American business community. It is instead the spirit of demagogery and incitation.

What can we learn from this tricky, emotional little movie, "The Power Within"?

We can learn one hard lesson. Power companies that use it are not our friends or even good neighbors. Those who use this movie are hitting below the belt in an emotional jungle of suspicion and distrust. They are willing to imply that their own and your own free government is suspect.

We can learn to consider the Government of the United States, our Government if you please, duly elected by its citizens in free elections, as an instrument of society. An instrument of which we should be proud, rather than suspicious.

This small-scope moving picture would encourage our citizens to be distrustful and suspicious of the most free and open government the world has ever seen. This, I think, is an unhealthy abnormal thing. Disagree, yes. Oppose openly, yes. But let us not use the emotional catchphrase. Let us not sow among our citizens the seeds of hate and discord. Today among men we need more—not less harmony of action in our free society.

We can learn from this movie to support our organizations, great and small, that tell people the truth about our efforts to make rural America a better place to live and to keep it that way.

Rural electric directors and management—and the cooperatives themselves are all operating within the boundaries of free, private enterprise. Rural electric cooperatives are not Government owned nor are they a threat to the American way of life. They do, however, form the strong, privately owned competition in the power business.

TWELFTH ANNUAL PRESIDENTIAL PRAYER BREAKFAST

Mr. CARLSON. Madam President, will the distinguished Senator from Connecticut yield to me for 1 minute?

Mr. DODD. I am very happy to yield.

Mr. CARLSON. Madam President, on Wednesday morning, February 5, 1,000 persons, including the President of the United States, members of the executive, legislative, and judicial branches of our Government, delegates to the conference and representatives of the Council of Christian Leadership groups attended the Presidential Prayer Breakfast at the Mayflower Hotel in Washington, D.C.

This gathering of the leaders in Government, the clergy, and lay leaders at a prayer breakfast, where we rededicated ourselves to the spiritual values which have been and are basic in our Nation's history, was most inspirational. It should create confidence among peoples everywhere.

I ask unanimous consent to have printed in the Record a copy of the program and the statements made by the President of the United States, Dr. Billy Graham, and others who participated.

There being no objection, the program and the statements were ordered to be printed in the Record, as follows:

Presidential Prayer Breakfast Program, 8 a.m.

Navy Sea Chanters: "Prayer for These Days."

Presiding: The Honorable Frank Carlson, U.S. Senate, Kansas.

Invocation: The Honorable George Hayes.

Greetings: Lt. Gen. M. H. Silverthorn, U.S. Marine Corps (retired), president, International Christian Leadership.

Old Testament lesson: Exodus 20: 1–17.

Greetings from the U.S. House of Representatives: The Honorable Jeffrey Cohelan, president of Breakfast Group, U.S. House of Representatives.

New Testament lesson: Matthew 5: 13–20.

Greetings from the U.S. Senate: The Honorable Wallace F. Bennett, U.S. Senate, Utah.

Remarks: The Honorable Mark O. Hatfield, Governor of Oregon.

Vocal solo: George Beverly Shea (Tedd Smith at the piano).

Intercession for national leaders: Dr. Abraham Vereide, founder, International Christian Leadership.

Message: Dr. Billy Graham.

The President of the United States.

Benediction: Dr. Richard C. Halverson, associate executive director, International Christian Leadership.

Closing song: "America the Beautiful."

O beautiful for patriot dream
  That sees, beyond the years,
Thine alabaster cities gleam,
  Undimmed by human tears!

America! America!
  God shed His grace on thee,
And crown thy good with brotherhood
  From sea to shining sea!

Invocation by the Honorable George E. C. Hayes

May we pray, God our Heavenly Father, maker of heaven and earth, it is fitting that we should begin this day with acknowledgment of our dependence upon Thee and invoke Thy divine blessing. Enlarge our hearts that we may be more and more devoted in prayer and that we may in truth and in fact be witnesses for thee. Help us in all our perplexities to know Thy will and give to us the strength and courage to do as Thou desirest, make us conscious of Thy presence as we are granted this privilege of breaking bread together, and Almighty God in these days of constant stress and strain, in these days of wars and rumors of wars, in these days of national calamity evidencing man's inhumanity to man, we ask a special blessing upon the President of the United States, his Cabinet, and those in positions to speak and act for this great Nation of ours. Be Thou their consultant, let their words and their deeds be always acceptable in Thy sight.

Give to our statesmen the grace, wisdom, and courage to promote righteousness at home and in our relations with other countries.

Bless, too, the other nations of the world with their rulers and statesmen, may we all of us somehow be instrumental in opening the doors of other homes for Thy divine incoming.

And now, accept our thanksgiving for Thy generous blessing in material refreshment and spiritual strength. Keep us under Thy care so that whether we eat or drink or whatever we do, we may do all in the name of the Lord Jesus and to the glory of God. Amen.

Message of Welcome by Senator Frank Carlson

Once again we meet in this manner, and we are again honored in having the President of the United States meet with us. We are also honored to have with us the Speaker, members of the Cabinet, the Chief Justice, members of the Supreme Court, members of the diplomatic corps, members of the executive branch of the Government, Members of Congress, and others interested in the welfare of this great Nation. We have found this event to be most meaningful, not only to those of us who gather here but to millions of citizens across this Nation. The growth of the prayer breakfast movement during these past 12 years has been remarkable, more than 45 of our States had Governors' prayer breakfasts, and scores of cities across the land have had their own mayors' prayer breakfasts. A breakfast much like this one here this morning was held recently in Costa Rica and was attended by the Presidents of three of the Latin American countries. Prayer groups now meet regularly in Tokyo, Paris, Madrid, and in a number of other world capitals, and there is a growing appreciation for the values gained when the leaders meet in a spirit of prayer recognizing that our ultimate hope and our trust is in God. This annual event grew out of the inspiration received in the prayer breakfast groups which met weekly in the U.S. Senate and the House of Representatives. New prayer groups which meet weekly are being organized amongst businessmen, civic officials, secretaries, clerks, housewives, college and university students. This should be most encouraging to all of us, for it can do much to strengthen the spiritual character of our great Nation.

Introduction of Guests by Senator Carlson

In addition to those on the program, we are honored to have with us at the head table the Honorable John McCormack, Speaker of the House; the Honorable Earl Warren, Chief Justice of the U.S. Supreme Court; the Honorable Edmond Michelet, president of ICCL; the Honorable Douglas C. Dillon, Secretary of the Treasury; the Honorable Robert S. McNamara, Secretary of Defense; the Honorable Luther H. Hodges, Secretary of Commerce; the Honorable Anthony Celebrezze, Secretary of Health, Education, and Welfare; the Honorable Stewart L. Udall, Secretary of the Interior; the Honorable John A. Gronouski, Postmaster General; the Honorable John Stennis, U.S. Senator from Mississippi; the Honorable Frank B. Morrison, Governor of Nebraska; the Honorable Farris Bryant, Governor of Florida; the Honorable Carl Sanders, Governor of Georgia; and Mr. Bill Jones, Los Angeles, Calif., host for the breakfast.

Greetings by General Silverthorn

Mr. Chairman, Mr. President, Mr. Speaker, Mr. Chief Justice, distinguished gentlemen, ladies and gentlemen, this occasion is really very significant. Here we have assembled the leaders of our three branches of Government together with certain business, educational, and professional leaders from nongovernmental activities. We have come here, Mr. President, to manifest to you and to our country and to the world our Christian heritage. We recall that some of the earliest settlers of our country declared that their purpose in colonizing this land was for the glory of God and the advancement of the Christian faith.

Today, as a great Christian nation we can assemble here above political and creedal differences and declare our faith and belief in Jesus Christ and rededicate ourselves to Him. The passage of Scripture which comes to mind at this time is that one in which Almighty God said that "if His people, which are called by His name, would humble themselves and pray and seek His face and turn from their evil ways, He would hear from Heaven, forgive their sins and heal the land." And so, Mr. President, it is my earnest hope that through our presence here this morning we pledge to do our part in maintaining God as our standard in public and private life and by that action we can produce an awakened United States through dedicated Christian citizens.

Thank you.

Remarks by the Honorable Mark O. Hatfield, Governor of Oregon

Mr. President, Mr. Speaker, Mr. Chief Justice, distinguished leaders of many nations, in the magnificent Capitol Building of the State of Oregon there are words engraved in the marble: "In the souls of its citizens will be found the likeness of the State, which if they be unjust and tyrannical, then will it reflect their vices, but if they be lovers of righteousness, confident in their liberties, so will it be clean in justice, bold in freedom."

The words "lovers of righteousness" denote both an individual and a national ethic, one in which man has the capacity to rise and to achieve. Not because of our own abilities or ego, but because there is possibility and need to displace the human ego with a commitment to a higher authority. We have been given this capacity through the great teachings of the Hebrew prophets of the Old Testament. We have been further given this capacity by the great invasion of history by the thrust of God in a new revelation in His Son, Jesus Christ, who was sent to redeem man from sin and from self. And because of this invasion of our history, and this revelation, and through our commitment to Him, we can, indeed, have the capacity to be seekers of righteousness.

The words "confident in liberty" also denote the fact that our liberties and our freedoms that this Nation has come to enjoy were obviously not bestowed by men, but have been endowed by our Creator. And in the defense of these liberties and these freedoms, we need then to mobilize all our resources, and the call for spiritual mobilization is a clarion call in this day. Spiritual mobilization, not in terms of labels, not in terms of commitment to institutions or organizations, but truly a spiritual mobilization in terms of what Christ can do in the lives of men, in the lives of cities, in the lives of States and in the lives of nations.

So that in this commitment, and in this spiritual mobilization, we can, indeed, resolve the conflicts, we can, indeed, resolve the injustices. And, by banding ourselves together, so that we may think this way, that we may pray this way, and that we may live this way, we can, indeed, create and bring the spiritual revolution.

Intercession for National Leaders by Dr. Abraham Vereide

We as a nation are meeting today, let us rise and talk to God. O wonderful God, our heavenly Father, in whom we live and move and have our being. As a people we meet through our representatives here this morning to thank Thee for Thy grace and mercy to us, for the forgiveness of our sins, for grace and strength for every situation, for Thy presence here and now and with us moment by moment where we are to sustain us with wisdom and power for every hour and what we need for every situation. Lord God, we do thank Thee that Thou art available, that this is so. Throughout the ages past Thou hast revealed Thyself, we have found that as we humbled ourselves and forsook our sins and sought Thy face and prayed, and prayed, and prayed, that Thou didst forgive our sins and healed the land and brought new blessings to us as individuals, as cities, as States, and as a nation and throughout the world. This morning, O God, we present our people, our leadership, and especially our beloved President, and ask for their anointing power with Thy Holy Spirit invasion that we indeed may go forth and to acquit ourselves like real men, without fear, without weakening for any problems, knowing that Thou hast not given us the spirit of fear but of power, of love, and of a sound mind and so we dedicate ourselves and pray Thy grace to abide with us, through Our Lord and Saviour, Jesus Christ. Amen.

Message by Dr. Billy Graham

Mr. President, Mr. Speaker, Mr. Chief Justice, distinguished guests, there's a passage in the 21st chapter of Luke by our Lord Jesus Christ that I think is relevant for us here this morning in view of the headlines of the last few weeks. All the way through the Scriptures, the Bible talks about the last days; the Bible talks about the climax of history; the Bible talks about the day of the Lord. The other day, Pope Paul stood at Maghetto and met the President of Israel, at that place where the Bible predicts will be the last great battle of history and pled for peace.

In this passage, Our Lord is talking about that period in history, and He says this: "And there will be signs in the sun, and the moon, and the stars. And upon the earth there will be distress of nations in perplexity at the roaring of the sea and of the waves. Men fainting with fear and with forboding at what is coming on the world, for the powers of the heavens and the earth will be shaken."

It seems to me, that if there has ever been a period in history when the powers of the earth and the heavens are shaking, it is at the present moment. And here are two very interesting words in Greek that Jesus Christ used: The first one is "sinicha" (sinika). He used it for distress, as translated in English, and it means this: to be pressed from all sides. In other words, Jesus said, "There's coming a future generation upon the earth that will be pressed from all sides." And, then, the second word is also very interesting, which is translated "perplexity." That word in Greek actually means "no way out." Jesus said there is coming a period in history when the nations of the world will be pressed from all sides and there will be no way out.

Today, we are pressed. We are pressed internationally, from South Vietnam to Cyprus, to Panama, around the world we are being pressed as never before. And we are reminded of the words of the late President Kennedy when he said, "No man entering upon this office could fail to be staggered upon learning the harsh enormities of the trials through which we must pass in the next few years. Each day the crisis multiplies. Each day their solution grows more difficult. Each day we draw nearer the hour of maximum danger," and then he said, "Time has not been our friend." We are pressed demographically. The population of the world is increasing rapidly. Three billion people now. In 37 years there will be 6 billion people, and one-half of the entire population of the world at this hour is under 21 years of age. These are young people, who think of World War II as ancient history. They're the atomic young people. They are the young people of the science, the space age, and they are impatient, and they are not going to wait. And, in the Congo at this very hour, we read in our papers this morning that those marauding bands of terrorists are all from 15 to 18 years of age. Young people on the march under various flags throughout the world.

We are pressed morally. Most of us read in one of our news magazines 2 weeks ago about the moral conditions of the Nation. The publisher of that magazine has written a letter in the present issue of the magazine, Time magazine, and he says the reason Time printed that article was to shock the American people and to show us how far down the road morally we've gone. If ever we needed a moral revival, it is today.

We are also pressed in other ways. We are pressed in social problems. Poverty, race. We all applaud the President's war on poverty. We were all shocked to read in one of our cities, at Christmastime, 12 people burned to death, they were living in 1 room. This should never be in a nation such as America, the wealthiest in the world. And the race problem is not going to be solved entirely in the streets or in the halls of the legislature. It's going to be solved in the hearts of men and women, and it's going to be solved in a spiritual dimension. We are pressed.

We are also pressed by a pessimistic philosophy. Henry James, James Joyce, Eugene O'Neill, Hemingway, Faulkner, Wolfe, Conrad, Kaiser, Hardy, Aldous Huxley, H. G. Wells, D. H. Lawrence, Sinclair Lewis, and others, portray today a society in a mood of indecision, confusion, and bewilderment, shifting in its human positions, frightened and unsure and pessimistic. And one of our European philosophers from France, Jean Paul Sartre, has said there is no exit from the human dilemma.

We are also pressed psychologically. One-half of all the hospital beds in the United

States at this hour are occupied by mental patients. Our people are being pressed psychologically. Home problems, business problems, health problems, family problems, personal problems. We want to scream at life. We want to bury our heads in the sand and say, "Maybe it'll go away." But it doesn't go away, it's still there.

And Jesus said there would come a time in history when men would be pressed like this from all sides and He said there will be no way out. Except one. He said there'll be one way out and only one. He said, "I am the way, the truth, and the light. No man can enter the Kingdom of God except by Me." There is one way out of our dilemma. One way out of our pressures. Many people are turning to dope, to alcohol, to sex experiences, to every other thing. There's one way out. But this is the way that we seemingly refuse to take. It's so simple. The Bible teaches that when Jesus Christ died on that cross, He took our sins and mistakes and pressures. And Jesus said, "In the world ye shall have pressure, but be of good cheer. I have overcome the world." The victory is found in a spiritual dimension, and I believe that the greatest need of America at this hour is a moral and spiritual awakening that will sweep the Nation from coast to coast and put back into our society a moral fiber that we need, and a will to resist the forces of tyranny and a will to maintain our freedoms at an hour when they are being attacked.

How can we do it on a personal level? Our society is only made up of individuals and our Nation is only as strong as the individuals that make it up. First, there must be a realization of human needs. We read our newspapers every day, and it testifies of our sins and our failures. It may be an Eichmann in Germany, it may be an Oswald in the United States. Wherever we turn, we see sin, prejudice, hatred, wickedness, murder, lying, cheating. Where does it come from? The Bible says it comes from the human heart. And all of us are guilty. We're all involved. Because the Bible says all have sinned and come short of the glory of God. You and I are guilty. We have sinned before God, we are a planet in rebellion against God. We turn every direction for the solution of our problem but to God. There has to come a time, ladies and gentlemen, when we're willing to say "I'm wrong." "I, Billy Graham, have sinned, I've failed, I need help." We need to be like Lillian Roth in "I'll Cry Tomorrow." She never solved her problem of alcoholism until she was willing to say "I need help." And when you come to that in your own individual life, and say "I need God," that's the first step to the Kingdom of God. He can rid you of your pressures and the things that are feeding upon you from every direction.

Secondly, by faith, we must turn to the cross. That's where Christ came into history, that's where God spoke. And in the crucifixion of Christ, it wasn't just the death of a good man, this was God dying in our place, taking our sins. And He says if you come by faith, as a little child, you may be a leader of government, you may be a professor in the university, but Jesus said no man will enter the Kingdom of God except as he comes as a little child. We have to humble ourselves, it takes a great deal of humility and we have to be willing to humble ourselves as individuals and say, Oh, Christ, I take you as my own, and I make this commitment that we've already heard about.

And, then, lastly, we must be willing to obey Him. Yes, there's a way out. It's the way that our fathers took, the early colonists that came to this country. It's the way that George Washington took at Valley Forge. It's the way that Benjamin Franklin and others took at the Constitutional Convention. It's the way that Abraham Lincoln took during the Civil War. We are pressed today. And President Johnson's first words as President were: "I will do my best, and that's all I can do. I ask for your help and God's."

I believe, sir, that these people are committing to you their prayer, their cooperation, and their help as you lead this Nation through a perilous course during these dangerous days of history.

God bless you, sir, and thank you very much.

MESSAGE BY THE PRESIDENT OF THE UNITED STATES

Senator Carlson, Mr. Speaker, Mr. Chief Justice, members of the Cabinet, Dr. Graham, my fellow Americans, no man could live in the house where I live now, or work at the desk where I work now without needing and without seeking the strength and the support of earnest and frequent prayer.

Since last we met, it has fallen to me to learn personally the truth Thomas Jefferson spoke so long ago, when he said, "The second office of the Government is honorable and easy, the first is but a splendid misery."

In these last 70 days, prayer has helped me to bear the burdens of the first office which are too great to be borne by anyone alone. We who hold public office are enjoined by our Constitution against enacting laws to tell the people when or where or how to pray. All our experience, and all of our knowledge proves that injunction is good. For if government could ordain the people's prayers, government could also ordain its own worship and that must never be.

The separation of church and state has served our freedom well because men of state have not separated themselves from church and faith and prayer. Senator CARLSON, I believe that these annual prayer breakfasts serve a most useful purpose in both reminding and reassuring the people that those who hold their trust are themselves godly and prayerful men and women.

In saying this, there is a personal thought that I would like to express to you. This Federal city of Washington, in which we live and work, is much more than a place of residence. For the 190 million people that we serve, and for many millions in other lands, Washington is the symbol and the showcase of a great nation and a greater cause of human liberty on earth.

In this Capital City today, we have monuments to Lincoln, and to Jefferson, and to Washington, and to many statesmen and many soldiers. But, at this seat of government, there must be a fitting memorial to the God who made us all. Our Government cannot and should not sponsor the erection of such a memorial with public funds, but such a living memorial should be here. It should be a center of prayer, open to all men of all faiths at all times.

If I may speak this morning as a citizen and a colleague and a friend, I would like to suggest to this group which has done so much through all the years to undertake the mission of bringing together the faiths and religions of America to support jointly such a memorial here in this Federal city, the Capital of the free world.

The world is given many statistics about the per capita vices of Washington, but the world knows all too little about the per capita virtues of those who live and labor here. I believe, and I would hope that you would agree, that the true image of Washington is not that of power or pomp or plenty. It is rather that of a prayerful Capital of good and God-fearing people.

BENEDICTION BY DR. RICHARD C. HALVERSON, ASSOCIATE EXECUTIVE DIRECTOR, ICL

Let us rise together. We thank Thee, our Father, for what our ears have heard and for what our eyes have seen and our hearts have felt this morning. Grant that we shall not soon forget this moment, that we shall humble ourselves before the Lord our God and acknowledge our helpless dependence upon Him and live in His strength and His righteousness. Grant that we as individuals and we as a people shall serve the Lord our God in righteousness and peace. We ask this in the name of Him who taught us to pray: "Our Father, who art in heaven, hallowed be Thy name, Thy kingdom come, Thy will be done on earth as it is in heaven. Give us this day our daily bread and forgive us our trespasses as we forgive those who trespass against us; and lead us not into temptation but deliver us from evil for Thine is the kingdom and the power and the glory forever. Amen."

RESOLUTION OF KANSAS VETERINARY MEDICAL ASSOCIATION

Mr. CARLSON. Madam President, one of the problems confronting the livestock industry at this time is the ever-increasing imports of beef and meat products—particularly beef.

Up to last year imports of beef and meat products into the United States did not exceed 5 percent of total consumption, however, during the past year this has increased to 11 percent and is having a serious effect on livestock prices. In fact, it is disastrous to many livestock producers.

It is imperative that action be taken that would limit these imports to 5 or 6 percent if we are to protect and preserve the livestock industry.

At a recent meeting of the Kansas Veterinary Medical Association, a resolution was unanimously adopted urging that positive action be taken to bring about an agreement reducing and limiting beef imports into this country.

I ask unanimous consent that the resolution be printed.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON BEEF IMPORTS

Whereas, throughout most of the year of 1963, U.S. livestock producers have faced almost steady declining prices, and the outlook, according to the Department of Agriculture, in 1964 is for prices to continue to weaken; and

Whereas imports of beef and veal into this country more than tripled in the 5-year period 1957–62, and, said imports increased 25 percent in 1963 over 1962, and, nearly 11 percent of all beef consumed in the United States was imported from foreign countries; and

Whereas the available market for U.S. cattle production is so decreased by these imports, then, increased imports of beef is very prominent among the reasons for the disruption of our livestock market; and

Whereas it is possible to control imports, it is possible to reduce our imports and thereby increase the available market for our own beef produced in the United States; and

Whereas in Kansas cash receipts from the sales of livestock account for more than one-half of total farm income, and that this income is now very seriously endangered by increasing beef imports: Be it

Resolved, That the Kansas Veterinary Medical Association request the President of the United States, the Secretary of Agriculture, the chairman of the Senate Committee on Agriculture, the chairman of the U.S. House of Representatives Committee on Agriculture, the Chairman and Commissioners of the U.S. Tariff Commission and the members of the Kansas congressional delegation; that immediate and positive action be taken to bring about an agreement reducing and limiting beef imports into this country.

RESOLUTIONS OF THE KANSAS FLYING FARMER ASSOCIATION

Mr. CARLSON. Madam President, the Kansas Flying Farmer Agricultural Committee and the board of directors of the Kansas Flying Farmers at a recent meeting unanimously adopted resolutions regarding some of our domestic and international problems.

The Kansas Flying Farmer Association was organized several years ago and its membership is composed of several hundred farmers and other outstanding citizens of our State. They have for years taken an active interest in the problems affecting our State's welfare.

I ask unanimous consent that the resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Be it resolved, That the Kansas Flying Farmer Association officially encourage the Kansas delegation (Senators and Representatives at Washington level) to discourage legislation which tends to conform to USDA policy of division and moving of acreages from established areas to other locations; be it

Resolved, That the KFF Agricultural Committee work with its local level Representatives and Senators to hold rein on the state office of USDA on farm problems; be it

Resolved, That the KFF request their Kansas delegation at Washington to discourage any further farm program, and encourage complete repeal of all present legislation; be it

Resolved, That the Kansas delegation (Washington level) show more interest in legal actions taken by USDA and the Justice Department against citizens of their States, in that those actions are in many cases misrepresentations of true facts and have only harassing value; be it

Resolved, That U.S. Representatives and Senators be requested to reduce appropriations to USDA—and specially limit the administrative budget of USDA; be it

Resolved, That legislation be encouraged to isolate present stocks of CCC wheat, feed grains and other farm products, from current domestic and world markets; be it

Resolved, That U.S. Senators and Representatives be encouraged and requested to remove the Anfuso amendment, which now can remove acreage even though the May 21 referendum failed.

THE CENTRAL INTELLIGENCE AGENCY

Mr. DODD. Madam President, I have been disturbed, as I am sure many of my colleagues have been, by the virtual epidemic of attacks on the Central Intelligence Agency in recent months.

Some of these attacks have clearly been the product of irresponsible and speculative news reporting by men who are more concerned with the headline value of something that smacks of sensation or scandal than they are with the security of the country.

But there have also been attacks, or sharp criticisms, by commentators of national reputation who are generally careful about their facts but who have apparently been impressed by some of the rumors and stories and inaccuracies which seem to have become credible because they have been repeated so often.

There have also been attacks on the CIA by distinguished Members of Congress which seem to me exaggerated and without foundation. These men are friends of mine, whom I respect and who are greatly respected by the country. Their views are very influential and because of this I feel an obligation to make reply to some criticisms which I feel are unwarranted.

Baiting the CIA almost seems to have achieved the stature of a popular national pastime.

It is a highly dangerous pastime because the CIA is one of the essential elements of our security.

There is also something unbecoming about the pastime, because the CIA cannot defend itself. Attacking the CIA, indeed, is something like beating a man who has his arms tied behind his back. For reasons of national security, the Agency cannot confirm or deny published reports, true or false, favorable or unfavorable. It cannot alibi. It cannot explain. It cannot answer even the most outrageously inaccurate charges.

It was to this situation that President Kennedy addressed himself when he spoke to the CIA personnel at their headquarters in Langley, Va., on November 28, 1961.

> Your successes are unheralded—

Said President Kennedy—

> Your failures are trumpeted. * * * But I am sure you realize how important is your work, how essential it is—and, in the long sweep of history, how significant your efforts will be judged. So I do want to express my appreciation to you now, and I am confident that in the future you will continue to merit the appreciation of our country, as you have in the past.

The charges that have been made against the CIA in recent months are almost as numerous as they are sensational.

We have been told that the CIA has been running wild, that it has been functioning without control or supervision either by Congress or the administration, that it has been making foreign policy. The CIA has been criticized for the U–2 overflight.

It has been blamed for the Bay of Pigs disaster.

And it has even been criticized for the anti-Mossadegh coup in Iran and for the overthrow of the pro-Communist Arbenz government in Guatemala.

Whether the critics realize it or not, these charges also constitute an attack on the wisdom and integrity of both President Eisenhower and President Kennedy. It is tantamount to accusing them of passively allowing an executive agency to function without control or supervision, and to make foreign policy—in other words, to usurp the President's own authority. This is patently ridiculous. Neither President would ever have permitted such a thing.

I propose to say a few words about some of these charges.

I feel that I am in a position to do so, because in the course of my travels around Europe, Asia, and Africa, I have come to know many of the CIA's field representatives, and, from long conversations with them, I have some appreciation, I believe, of the work they do. In addition, I know something of the headquarters operation because senior officers of the Agency have on a number of occasions appeared before the Senate Subcommittee on Internal Security and have given testimony of vital significance.

If the overall quality of an agency may be judged from the quality of the men who compose it, then the CIA would have to be given a triple A rating. I have never encountered in any Government agency a body of men whose ability and dedication impressed me more.

Perhaps the most popular charge directed against the CIA is that it operates completely without congressional oversight or supervision. It is this charge that has given rise to the clamor for a congressional watchdog committee.

This charge is totally and demonstrably untrue. Indeed, the CIA is probably one of the most supervised agencies in the Government.

In both the House and Senate there are special subcommittees of the Armed Services Committee and of the Appropriations Committee that oversee the activities of CIA.

In the House these subcommittees are headed by Representatives CARL VINSON and CLARENCE CANNON; in the Senate they are headed by Senator RUSSELL and Senator HAYDEN. These men are among the most knowledgeable and conscientious legislators our Nation has produced; and I, for one, am willing to abide by their judgment on matters which, for reasons of security, cannot be revealed to all Members of Congress.

The Director of the CIA and the chairman of the House and Senate subcommittees have frequent meetings during the course of the year. The subcommittees are advised and fully informed of special or unusual activities. They are also informed upon the receipt of significant intelligence.

In 1963, the Director of Central Intelligence or his deputy, Gen. Marshall S. Carter, appeared before congressional committees on some 30 occasions. In addition to briefings of the CIA subcommittees in the House and Senate, these appearances included briefings on subjects of special interest to the Joint Committee on Atomic Energy, the Foreign Affairs and Foreign Relations Committees, the Senate Preparedness Subcommittee, and other committees.

I recall the clamor that immediately arose when our U–2 plane was shot down over Soviet territory in May of 1960. Many people jumped to the conclusion that the CIA had been operating on its own, without the authorization of President or Congress. The U–2 flights were charged with endangering the security of the Nation, when, in fact, they had defended us against the possibility of a surprise missile attack.

President Eisenhower put an end to the speculation about the lack of Executive authorization by informing the press that he had personally approved the U–2 program. Unfortunately, it did not receive quite as much attention when

Representative CANNON on May 10 rose to inform the House that the House subcommittee was fully apprised of the project, had approved it, and had recommended the funds for it.

Let me quote his words on that occasion, because I think they constitute an adequate response to all those who, in ignorance of the facts, still charge that the CIA operates without congressional supervision.

This is what Representative CANNON said:

> The plane was on an espionage mission authorized and supported by money provided under an appropriation recommended by the House Committee on Appropriations and passed by the Congress.
>
> Although the Members of the House have not generally been informed on the subject, the mission was one of a series and part of an established program with which the subcommittee in charge of the appropriation was familiar, and of which it had been fully apprised during this and previous sessions.
>
> The appropriation and the activity had been approved and recommended by the Bureau of the Budget and, like all military expenditures and operations, was under the aegis of the Commander in Chief of the Armed Forces of the United States, for whom all members of the subcommittee have the highest regard and in whose military capacity they have the utmost confidence.

It seems to me that what some Members of Congress have been complaining about in advocating a joint congressional watchdog committee is that they have been unaware of certain activities conducted by the CIA. But the information gathered by CIA and the activities conducted by it must, of necessity, be confined to a careful selected and restricted committee. If this information were made available to all Members of Congress, the security essential for national defense would cease to exist.

The Members of Congress are all trustworthy; but a secret ceases to be a secret when it is shared by more than 500 people.

Even if a joint congressional watchdog committee were established, it would have to observe the same rules of secrecy that today govern the activities of the House and Senate subcommittee; and those Members of Congress who today complain that they do not know what the CIA is doing, would still find that they know precious little about it. Which, I may say, is the way things ought to be.

Whether or not a joint committee of Congress could more effectively supervise the activities of the CIA than the House and Senate subcommittee now in existence is a purely mechanical question which I frankly consider to be of a third-rate importance. This proposal appears to be based on the false assumption that the CIA has engaged in unauthorized activities. It also casts doubt upon the competence and dedication of the distinguished Members of the House and Senate who now serve on the two subcommittees.

As for the oft-repeated charge that even the President does not know what the CIA is doing, let me quote a few paragraphs from the National Security Act of 1947, under which the Central Intelligence Agency was established:

> There is hereby established under the National Security Council a Central Intelligence Agency with a Director of Central Intelligence, who shall be the head thereof.

The National Security Act further provides in section 102(d):

> For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it shall be the duty of the Agency, under the direction of the National Security Council—
>
> (1) to advise the National Security Council in matters concerning such intelligence activities of the Government departments and agencies as relate to national security;
>
> (2) to make recommendations to the National Security Council for the coordination of such intelligence activities of the departments and agencies of the Government as relate to the national security;
>
> (3) to correlate and evaluate intelligence relating to the national security * * *;
>
> (4) to perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally;
>
> (5) to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct.

The text of any piece of legislation makes dry reading, but I have gone to the trouble of reading these paragraphs of the National Security Act for the record because they repeatedly make it clear that the CIA functions under the direction of the National Security Council, and as an arm of the National Security Council.

They also make it abundantly clear that the CIA was to have duties broader than the simple gathering of intelligence data, operating under the direction of the National Security Council.

The wording of the National Security Act was a reflection of the growing recognition that we cannot compete with communism if we confine ourselves to orthodox diplomacy and orthodox intelligence collection.

Over and over and over again, it has been demonstrated that a handful of trained Communists can seize control of a trade union or a student federation, or for that matter, of a country. The fact that the overwhelming majority of the people are non-Communists or anti-Communists has, in most such situations, not seriously impeded them because the opposition generally lacks organization, lacks know-how, lacks discipline, lacks funds.

In every country that has been taken over by the Communists or that has been menaced by Communist takeover, there have always been men of understanding and of courage who are prepared to risk their lives for freedom. There have been situations, and there will, I am certain, be situations in the future, in which some sound advice plus some limited assistance in the form of funds, or even arms, may make the difference between victory or defeat for the forces of freedom.

If we are not prepared to give this assistance to those who share our beliefs, then we might as well run up the flag of surrender today: because it can be predicted as a certainty that the Communists will move without serious opposition from one triumph to another.

I do not propose to draw up a scorecard of CIA victories and CIA defeats. I do not know for certain whether they played any role in the uprising that overthrew the pro-Communist government of President Arbenz in Guatemala. Nor do I know whether the Agency was in any way connected with the overthrow of the lunatic Mossadegh regime in Iran in 1953. But I would like to discuss these two events because I consider them to be outstanding examples of the kind of perilous situation I have just described.

In the case of Guatemala, the Arbenz government, which had been elected on a nationalist and reform program, was moving, in a manner later to be emulated by Castro, toward the complete communization of the country. As the government introduced more radical measures, it lost its hold over the people and over the armed forces. But the regime would not have toppled had it not been for the courageous action of a handful of patriots under Col. Castillo Armas, who invaded Guatemala from Honduras in 1954.

When this small band of determined patriots established themselves on Guatemalan soil, the Arbenz regime collapsed like a house of cards. Hardly a shot was fired in its defense, so completely without support was it among the people and among the Guatemalan armed forces.

A similar situation existed in Iran under Mossadegh in 1953. Mossadegh had come to power as a Nationalist. But his nationalism was of the lunatic variety that was prepared to give carte blanche to the Communists in return for their support. Had he remained in power another year, it is probable that today Iran would be on the other side of the Iron Curtain.

In August 1953, mass demonstrations against the Mossadegh regime erupted in Teheran. Within 48 hours, the regime had been swept out of power, the Communist Tudeh Party had been crushed, and wildly cheering throngs hailed the return of the young Shah to his throne.

If the CIA did have a role to play in Guatemala and Iran, then it played its role successfully. It inflicted two great defeats on the Communists and thereby saved two vital countries from slipping into the Communist orbit. Is this something we should apologize for? No, on the contrary, it is something of which every American should be proud.

There are some people who would have us place an absolute prohibition on any form of assistance to the forces of freedom in other countries in the name of "nonintervention."

Some of these are of the absolute pacifist variety, who would rather let the Communists take over the world than fight against them.

Others are muddleheaded moralists, who might be willing to fight if their own country were threatened by a Communist takeover, who are prepared to admit that the Communists engage in massive subversive activities of every kind, but who, for some strange reason, consider it wrong for the United States to do anything about it.

At least a few of the critics of the CIA's operations are unquestionably fellow travelers and Communists.

What is most damaging and most perplexing, however, is the criticism that comes from Members of Congress who are staunch anti-Communists, who do not believe that the United States should stand by, indifferent and supine, while the Communists proceed to take over in other countries, but who, nevertheless, argue that the CIA should not have an operational function. They say that if the United States is to conduct operations designed to meet the Soviet subversive threat, this should be done by a separate agency.

Once the need for clandestine operations is conceded, I frankly do not see the importance of the argument that they should be conducted by a separate agency. In either case, the United States would still be involved in the business of covert operations which so disturbs the ultramoralist critics of the CIA. From a strictly practical standpoint, moreover, I believe that grave harm would be done by separating the conduct of clandestine operations from the careful processing of intelligence which must govern such operations.

It may disturb some people, but I think it can be stated as a certainty that many countries that remain free today would not be free if it had not been for the CIA.

The U-2 flights which the CIA conducted with such outstanding success for some 4 years before the shooting down of Gary Powers also disturbed some of our ultramoralists. But I think that the vast majority of the American people take great pride in the knowledge that we had been able to penetrate Soviet secrecy.

The CIA has been attacked from many different directions for the role it played in the Bay of Pigs invasion. I am not saying that the CIA is blameless or that it has made no errors. But I do oppose what appears to be a mounting tendency to shift all the blame for the Bay of Pigs disaster onto the much abused head of the CIA, because the record made it clear that many people shared the blame.

Essentially, it failed because we had not made the decision that it must not be permitted to fail.

This is the position I took in speaking on the floor of the Senate on April 24, 1961, hard on the heels of the disaster; and since that time and up to this minute, no information has been adduced which would lead me to revise this position.

The propaganda campaign against the CIA reached a crescendo during the recent Vietnamese crisis. Last October 4, an article written by a correspondent for an American newspaper chain charged that the CIA had been subverting State Department policy in Vietnam, and that John Richardson, the CIA man in Saigon, had openly refused to carry out instructions from Ambassador Lodge.

The correspondent who wrote this article was guilty of openly identifying a CIA representative abroad, thus reducing, if not destroying, his potential usefulness forever. Visiting Congressmen and members of the press may sometimes know the identity of the CIA representative, but it has been taken for granted that they do not reveal his identity to the public.

To the best of my knowledge, this was the first instance in which an American correspondent has been guilty of this flagrant breach of the ethics of security.

Moreover, these sweeping charges against an important agency of the Government, and against a man's integrity, were obviously based on a one-sided presentation from some official source. Mr. Richardson and the CIA could not defend themselves. I have always taken it for granted that American newspapermen in any controversial situation endeavor to obtain the facts from both sides, and all the more so when such sweeping accusations are involved. Not only have I taken it for granted, but it is also true what the vast majority of our newspapermen do. But the correspondent in question apparently considered this unnecessary.

In the third place, the charges against Mr. Richardson were a tissue of falsehoods. President Kennedy, when he was asked about the charges against the CIA and Mr. Richardson at his press conference of October 12 said:

> I must say I think the reports are wholly untrue. The fact of the matter is that Mr. [CIA Director John] McCone sits in the National Security Council. I imagine I see him at least three or four times a week, ordinarily. We have worked very closely together in the National Security Council in the last 2 months attempting to meet the problems we face in South Vietnam. I can find nothing, and I have looked through the record very carefully over the last 9 months, and I could go back further, to indicate that the CIA had done anything but support policy. It does not create policy; it attempts to execute it in those areas where it has competence and responsibility. I know that the transfer of Mr. John Richardson [CIA official in Saigon] who is a very dedicated public servant has led to surmises, but I can just assure you flatly that the CIA has not carried out independent activities but has operated under close control of the Director of Central Intelligence, operating with the cooperation of the National Security Council and under my instructions.
>
> So I think while the CIA may have made mistakes, as we all do on different occasions, and has had many successes which may go unheralded, in my opinion in this case it is unfair to charge them as they have been charged. I think they have done a good job.

President Kennedy's characterization of Mr. Richardson, I can wholeheartedly endorse from my personal knowledge of Mr. Richardson. In most countries I have visited, the briefings by CIA representatives have been limited to an hour or two. But in May 1961, when I was in the Far East, Richardson briefed me for some 7 or 8 hours, all told. Certainly, it was the most detailed, most balanced, most knowledgeable briefing I have ever been given. But I was even more impressed by Mr. Richardson as a man than by his exceptional competence as an intelligence officer. Indeed, of all the hundreds of people in the American service whom I have met in the course of my travels through Europe, Africa, and Asia, I can recall no one for whom I formed a higher esteem than John Richardson.

There is a final word I wish to say in this connection. It is clear that the article in question originated in some official source. It had to. The official who was guilty of giving out this story to the press was himself guilty of violating the rules of security as well as the ethics that should govern relations between government departments. This officer, in my opinion, should be identified and dismissed.

The time has come when Members of Congress and members of the press must take stock of the growing campaign against CIA and of the part they themselves may have played in forwarding this campaign.

I am not suggesting that the CIA should be immune to criticism because of the sensitive nature of its operations. No government agency should be immune from criticism.

I do believe, however, that there has been far too much sensationalism, far too many inaccuracies, and far too little concern for the national security in some of the criticism that has heretofore been made of the CIA.

I believe that, before we indulge in criticism of the CIA, we should take into account the fact that it cannot defend itself. We should also take into account the fact that every critical statement, whether accurate or inaccurate, will be picked up by the special bureau of the Soviet secret police whose task it is to discredit the CIA, and will be put to work through all the information and propaganda channels open to the Kremlin and through all its agents in the world's news media.

Because these things are so, we all share a special responsibility, if we feel constrained to criticize the CIA, to check our facts painstakingly, to weigh our words carefully, and to speak with restraint. If we have questions or complaints, I believe that, before taking them to the mass circulation press, we should discuss them with the Director of the CIA, or his deputy, or with the chairmen of the four House and Senate committees charged with the supervision of the CIA's activities. And if, after checking in this manner, there is any one of us who still considers it necessary to speak out against certain policies of the CIA, the proper place to do it would be on the floor of Congress rather than on television, or through the mass circulation periodicals. This would provide an opportunity for rebuttal and debate, and the press accounts, hopefully, would reflect all sides of the discussion.

For whatever its errors and shortcomings may be, I believe, with President Kennedy, that the CIA will in the future continue to merit the appreciation of our country, as it has in the past.

Mr. PROXMIRE. Madam President, will the Senator yield?

Mr. DODD. I am happy to yield to the distinguished Senator from Wisconsin.

Mr. PROXMIRE. I commend the Senator from Connecticut on an excellent speech. I particularly commend him on the fact that what he has done is not easy to do. It is always much easier to denounce an agency, than to defend it, particularly an agency, which, as the Senator from Connecticut has so well said, cannot defend itself, because by its very nature it cannot reveal secret information which it would be necessary for it to reveal in order to defend its position.

The Senator has very well stated what must be the objective of every Member of Congress and of the overwhelming majority of the American people; namely, to stand up against communism and to fight back in ways that are effective.

I am concerned about a few aspects of this situation, and I should like to ask the Senator from Connecticut, who is informed on many aspects of the question, whether it might not be helpful to have some evaluation or report rendered on the Central Intelligence Agency. Such a report, of course, would have to be after the fact. I have in mind a regular report, either an annual or semiannual report, being made to Members of Congress on the conduct of the CIA, which would be in addition to the careful and expert scrutiny that Representative CANNON and Senator RUSSELL, in their committees, make of the funds that the CIA wishes to spend.

Mr. DODD. Let me respond by saying that it would depend on the nature of the report. Was the Senator thinking of a fiscal report?

Mr. PROXMIRE. I was thinking of a regular report. I recognize that the Senator has said it is not possible to have a revelation of classified information. Some information would have to remain classified throughout our lifetime.

Mr. DODD. The Senator is correct.

Mr. PROXMIRE. Obviously it would have to be something like a report on the Bay of Pigs situation, or the situation in Guatemala, or the developments in Iran, or in South Vietnam. In all of these areas the CIA has been reported to have been active. It would seem that much information could be made available to Members of Congress after the fact.

I believe that any governmental agency will improve and do a better job if it is subject to evaluation and criticism and consideration in the Congress. I believe that is one of the most essential and important functions of Congress.

Mr. DODD. I agree.

Mr. PROXMIRE. This Agency receives a great deal of money, and it must operate secretly. As the Senator from Connecticut has well said, the overwhelming majority of Members of Congress cannot know very much about it.

I have in mind situations in connection with which information would not have to remain classified indefinitely. In such a case, we would be in a position to make a useful contribution toward making the Agency more efficient.

Mr. DODD. I agree that it would be a very good thing for us to do, if we could do it in that way. I could not agree more that in our free society we ought to have full information on the operation of every governmental agency.

However, we come to a very special category. Let us assume, for example, without naming any country, that, in the interest of our security, the CIA is operating in country X. This operation may go on for many years, as the Senator has indicated. If we were to divulge the fact that we have an interest in that country, that we were trying to protect ourselves from some possible disaster, I believe it would destroy the effectiveness of this Agency. It is extremely difficult to spell out, in any sensible detail, what an agency of this kind is doing. It would be something like asking the Office of Naval Intelligence or the Office of Military Intelligence to make a public report on what it has done each year. How could that be done and at the same time have the Agency be effective?

Mr. PROXMIRE. I agree with the Senator that it could not be a comprehensive report, but would have to be a report based on limited activities, and on activities which were no longer sensitive.

For example, we could perhaps have a comprehensive report now on the Bay of Pigs incident, and also on the U-2 incident. Perhaps we could also have, to some extent, a report on the Guatemalan and Iranian situations.

Mr. DODD. May I interrupt the Senator at that point?

Mr. PROXMIRE. I believe that any kind of independent, objective appraisal by Members of Congress would help bring about a greater public understanding of the problem, and would help CIA greatly in improving its operations.

Mr. DODD. Let me take the three cases cited by the Senator from Wisconsin. Are we sure that it would be safe now fully to divulge what happened in connection with the Bay of Pigs disaster? Castro is still a problem.

Mr. PROXMIRE. I do not believe that all that information would have to be divulged.

Mr. DODD. Or even any of it. It might be harmful to do that. There is the situation of the U-2 overflights of the Soviet Union. We are still being plagued by the Soviet Union, as the Senator knows. Every day there is something new. Where can we turn in the world with respect to the operation of this Agency and say, "That job is done; it is all over"? It is an extremely difficult thing to do.

Mr. PROXMIRE. I agree that the report could not be comprehensive; therefore, it would not be absolutely satisfactory.

I believe the Senator agrees with me that the great advantage we have over the Soviet Union is that we do not conceal our mistakes, but talk about them, learn from them, improve on them through the bright, cleansing searchlight of public scrutiny.

Mr. DODD. I agree with the Senator.

Mr. PROXMIRE. While the Agency has some information which must remain secret permanently, I also believe that some appraisal of it would make it more useful. The Senator has made a great contribution in this field, and he has greatly enlightened me.

Mr. DODD. I am grateful to the Senator for saying that. I wish I knew more about it. I am no expert in this field. I know only what I have observed, what I have heard, and what I have read.

The Senator has raised a key question, namely, how can a free society at this time in history preserve itself without having recourse to the same clandestine instrumentalities which our foes utilize?

We say we abhor this sort of thing. We do. We do not like it. It is all dirty business—spying, espionage, sabotage—and I wish we had never had anything to do with it. However, we live in a world in which this sort of thing is widespread. I believe the nature of the times in which we are living forces us, in the interest of our own survival, to do some of these things. We cannot survive if we do not do them.

Mr. PROXMIRE. Yes; indeed. The Senator from Connecticut is a cosponsor with the Senator from Wisconsin of the Freedom Academy.

Mr. DODD. Yes.

Mr. PROXMIRE. Which would endeavor to give a greater public understanding of this kind of operation and more information on paramilitary action against the Communists.

There is no reason why the most powerful Nation in the world, with an economy that is more than twice as powerful as that of the Soviet Union, with our acknowledged military advantage, should be less effective in some areas than the Soviet Union, except that we are not doing our homework, in the way in which the Communists are succeeding in doing theirs, in taking over governments by subversion of radio stations, newspapers, and universities in crucial areas. We ought to do more than we have done in that field. We ought to do it better. We ought to win.

Perhaps the discussion between the Senator from Connecticut and the Senator from Wisconsin will focus to a greater degree on public enlightenment through something like the Freedom Academy.

Mr. DODD. The Senator could not be more correct. As he well reminds us, the proposal for a Freedom Academy would, if enacted, be of great help to all of us in understanding better the nature of the conflict in which we are engaged and what we must do to win it. Through such an institution, we could teach the American people in what manner they can successfully resist the forces of communism.

As the Senator knows, we have not been able to get much action on the proposal. However, it is one of the absolutely essential necessities. I hope we may obtain some action this year. The

Senator from Wisconsin has been of great help. I know he will continue, with the rest of us, to try to have the bill passed before the end of the session.

Mr. PROXMIRE. I thank the Senator from Connecticut.

COMMERCE FAILS TO KEEP PLEDGE OF SHIPMENT OF WHEAT TO SOVIET BLOC IN U.S.-FLAG VESSELS

Mr. PROXMIRE. Madam President, notwithstanding the rule of germaneness, I ask unanimous consent that I may proceed.

The PRESIDING OFFICER. Without objection, regardless of the rule of germaneness, the Senator from Wisconsin may proceed.

Mr. PROXMIRE. The U.S. Department of Commerce has broken faith with U.S. shipping firms. The Department made a solemn pledge to U.S.-flag lines and to the Nation that at least 50 percent of wheat sales to the Soviets would be shipped in U.S. vessels. This pledge has been breached. This breach of faith casts increasing doubt on the validity of the wheat transactions.

The most recent figures of the Maritime Administration show that only slightly more than one-fourth of all shipping arrangements completed for wheat to the Soviet bloc have been for U.S.-flag vessels. Representatives of a number of prominent American shipping lines have written to me, indicating that their ships are ready, willing, and able to carry this American wheat.

Yet, the figures supplied to me by the Maritime Administration indicate that only slightly more than 59,000 tons of wheat have been shipped in U.S.-flag vessels, and over 160,000 tons in foreign-flag ships. Only 27 percent—not 50 percent—of the total wheat shipments have gone to U.S.-flag operators.

One of the principal arguments for the wheat transactions was that our economy would benefit from the 50-percent shipping requirement. However, as I recall the debate on the floor of the Senate upon that subject, at one point, 100 percent of the shipments were to have been made in American-flag vessels, and this was to have had a beneficial effect upon our balance of payments. Later the Department of Commerce cut this down to 50 percent. But in practice it is only 27 percent.

It is difficult to understand why we should make this concession to the Soviet Union, in view of our very strong bargaining position as the only Nation in the world having surpluses available for the Soviet Union at this time.

It is true that, Canada has sold $500 million of wheat, but every indication is that not another bushel of wheat can be shipped from Canada this year, or at least in this season, to the Soviet Union. Australia sold all the wheat it had available. On the basis of testimony before the Committee on Banking and Currency earlier this year, it was clearly established that the only wheat available for the Soviet Union was from the United States. Yet on one issue after another, we have caved in. We sell to the Soviet Union at the world price, which is a subsidized price. We guarantee, through the Export-Import Bank, credit to the Soviet Union for up to 18 months. Now we are to permit the transportation of three-fourths of this wheat in foreign vessels, in spite of the firm public promise and commitment that 50 percent of the shipments of the wheat would be in American vessels.

Madam President, it is understandable, now, why some of the great trade unions of the United States now strongly oppose this whole wheat deal. The Maritime Trades Department of the AFL-CIO, composed of representatives of some 31 AFL-CIO unions, meeting in Florida, this morning denounced the sale of wheat by the United States to the Soviet Union.

Second, they criticized the U.S. Government for reneging on its 50-percent guarantee of shipments in U.S. vessels. In the third place, they pledged full support to the International Longshoremen's Association for not loading foreign ships with U.S. wheat.

I am sure it is a source of concern to all Members of Congress when prominent labor organizations of the Nation decide that, on the basis of their own convictions, and their own feeling of obligation to this country, they cannot conform to the law laid down by Congress, and the President, but it is clearly understandable why the trade unions have made this decision. It is beyond my understanding why the Department of Commerce, having made this firm commitment, has not been able to adhere to it.

APPOINTMENT OF JOE T. DICKERSON, OIL LOBBYIST, AS DIRECTOR OF OFFICE OF OIL AND GAS, DEPARTMENT OF THE INTERIOR

Mr. PROXMIRE. Madam President, the Secretary of the Interior has appointed Mr. Joe T. Dickerson to be Director of the Office of Oil and Gas, Department of the Interior. Mr. Dickerson, by virtue of his office in the Department of the Interior, will have substantial authority over the oil industry.

It may be recalled that President Johnson, shortly after he took office, delegated to the Department of the Interior full, complete, and final authority over oil policy. He did so for understandable and proper reasons.

We all recognize that the President of the United States was a most effective Senator from Texas and, as a Senator, was a champion of the oil industry, a perfectly proper and necessary role if our democratic, parliamentary processes are to operate. As President, Lyndon Johnson did what President Roosevelt had done, which was to delegate authority from the Office of the Presidency to the Department of the Interior.

However, when we recognize that the Department of the Interior has this authority, it seems to me we ought to pay close attention to the oil policy appointments made to that Department from the oil industry. Who is Mr. Joe Dickerson? Joe Dickerson has been active in the oil business since 1923, when he joined the Skelly Oil Co., in Tulsa. He has been an executive of the Shell Oil Co. for 33 years. He was elected a vice president in 1951.

Since 1960, Mr. Dickerson has been executive vice president of Mid-Continent Oil & Gas Association and a registered lobbyist for the association.

Madam President, I ask unanimous consent that a biography of Joe Dickerson be printed at this point in the RECORD.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

BIOGRAPHY OF JOE T. DICKERSON

Joe T. Dickerson, of Tulsa, Okla., has been appointed Director of the Department of Interior's Office of Oil and Gas, Secretary Stuart Udall announced. The appointment is effective March 1. Mr. Dickerson has been active in the oil and gas industry since joining the Skelly Oil Co. in Tulsa in 1923 and is currently executive vice president of the Mid-Continent Oil & Gas Association, supervising both its Tulsa and Washington offices. He succeeds Jerome J. O'Brien, who resigned January 1 to return to private industry. As senior staff officer of the Mid-Continent Association, Mr. Dickerson conducts trade association activities for oil and gas producers and companies operating in Oklahoma, Kansas, Texas, Louisiana, Arkansas, Mississippi, Alabama, and Illinois. He joined the association in 1960 following a 33-year career as an executive of the Shell Oil Co. As Director of the Office of Oil and Gas, Mr. Dickerson will serve under Assistant Secretary John M. Kelly in providing staff assistance to Secretary Udall in the development and management of oil and gas programs assigned to the Department of Interior, including emergency governmental operations.

Born in Marion, Kans., on October 8, 1898, he moved to Oklahoma at an early age. He attended Central State College and the University of Oklahoma, which awarded him an LL.B. in 1921. After practicing law in Osage County, Okla., for 2 years, he joined the legal department of the Skelly Oil Co., Tulsa. In 1927, he joined the Shell Oil Co. in Tulsa and he served in both legal and executive positions with that company until he retired in 1959.

With Shell he was manager of its legal department in Tulsa, Okla.; St. Louis, Mo.; New York City; and Houston, Tex. In 1947, Mr. Dickerson was appointed manager of Shell's oil and gas explorations development and production activity in east Texas and the Texas gulf coast. In 1951, he was elected as vice president of Shell in charge of all explorations, development and production activities in Permian Basin area, responsible for the work of major departments such as geological and geophysical production and engineering, gasoline and gasoline plants, scouting and land, as well as legal, purchasing, accounting, and personnel.

Mr. Dickerson became president of the Shell Pipe Line Corp., a wholly owned Shell subsidiary, in 1954, where he was chief executive responsible for all corporate and occupational activities for Shell's entire pipeline transportation system east of the Rocky Mountains.

During World War II he served with the Air Force in north Africa, and Italy, attaining the rank of lieutenant colonel. Mr. Dickerson is a member of the Oklahoma Bar Association, Missouri Bar Association, Texas Bar Association and is admitted to practice before the U.S. Supreme Court. He is a member of the American Petroleum Institute and has been active in civic and industry affairs.

He lives at 4201 Cathedral Avenue NW.

Mr. PROXMIRE. Madam President, I wish to give a list of the major members of Mid-Continent Oil & Gas Association which were represented by Joe Dickerson, the new Director of the Office of Oil and Gas, in Mr. Dickerson's capacity as lobbyist for Mid-Continent Oil & Gas Association:

First. The California Co.
Second. Cities Service Oil Co.
Third. Gulf Oil Corp.
Fourth. Humble Oil & Refining Co.
Fifth. Phillips Petroleum Co.
Sixth. Shell Oil Co.
Seventh. Sinclair Oil & Gas Co.

Madam President, Mr. Dickerson, who has just been appointed head of the Office of Oil and Gas, is one of the two men most responsible for establishing oil policy in our Government.

Eighth. Socony Mobil Oil Co.
Ninth. Standard Oil Co. of Indiana.
Tenth. Texaco, Inc.
Eleventh. Atlantic Refining Co.
Twelfth. Continental Oil Co.
Thirteenth. Marathon Oil Co.
Fourteenth. Pure Oil Co.
Fifteenth. Sun Oil Co.
Sixteenth. Sunray DX Oil Co.
Seventeenth. Tidewater Oil Co. of California.
Eighteenth. Union Oil Co. of California.
Ninteenth. Amerada Petroleum Corp.
Twentieth. Champlin Oil & Refining Co.
Twenty-first. Hunt Oil Co.
Twenty-second. Kerr-McGee Oil Industries, Inc.
Twenty-third. Skelly Oil Co.
Twenty-fourth. Standard Oil Co. of Ohio.
Twenty-fifth. Superior Oil Co.
Twenty-sixth. Ashland Oil & Refining Co.
Twenty-seventh. British - American Oil Producing Co.
Twenty-eighth. Kewanee Oil Co.
Twenty-ninth. General American Oil Co. of Texas.
Thirtieth. General Crude Oil Co.
Thirty-first. Murphy Corp.
Thirty-second. Quintana Oil oCrp.
Thirty-third. Shamrock Oil & Gas Corp.

Madam President, all these oil companies were represented by Joe Dickerson until a few days ago, when he was appointed Director of the Office of Oil and Gas. There is no question that Mr. Dickerson has represented the giants of the American petroleum industry as their lobbyist.

Of course, there is nothing wrong with a man's being a lobbyist; and I am sure Mr. Dickerson is an honest and decent man. Nevertheless, he has a lifetime of service to the oil industry; he was paid to represent it and its viewpoint. So I think it proper to point out that as a representative of the oil industry and as a lobbyist, Mr. Dickerson failed to comply with the clear requirements of the Federal Lobby Act. Let me detail this specifically; here is the way Mr. Dickerson violated the Federal Lobby Act:

CONSISTENTLY VIOLATED REPORTING REQUIREMENTS OF FEDERAL LOBBY LAW

On his original registration form, dated February 3, 1960, Mr. Dickerson, the new appointee as Director of the Office of Oil and Gas, did not answer the question about how long his legislative interests would continue; he did not state what his specific legislative interests were in reference to House bills and Senate bills, and whether he was for or against such bills; and he did not state whether any publications were distributed in connection with legislative interests.

In the 4-year period of his reporting, he never—and, Madam President, I stress the word "never"—stated the nature of his business, the nature of the business of his employer, or his legislative interests and publications connected with those legislative interests.

Furthermore, on three occasions he filed late.

In 1960, his receipts were never completely filled in, and he did not answer any questions about his expenditures for three quarters in 1960. In 1961, for the first quarter, he did not answer any questions about his expenditures, and he did not completely fill in his receipts.

Yet, Madam President, this is the man who has been appointed Director of the Office of Oil and Gas.

DICKERSON RESPONSIBILITY AS DIRECTOR OF OIL AND GAS

He, along with Mr. John Kelly, is the one who will be most responsible for the oil policies of the Federal Government, while serving in a department which has had delegated to it by the President of the United States the unique power of having control over the oil policies of our country.

The fact is that as head of the Office of Oil and Gas, Mr. Dickerson will provide staff advice and assistance to the Assistant Secretary, Mr. Kelly, in the development, coordination, and management of oil and gas programs and functions which are assigned to the Department by the President or by Congress. He will provide leadership in obtaining coordination and unification of oil and gas policies and related administrative activities of all Federal agencies.

He also will serve as the principal channel of communication between the Federal Government and the Interstate Oil Compact Commission, State regulatory bodies, and the petroleum and gas industries.

OIL COMPACT COMMISSION MONOPOLY THREAT

Mr. President (Mr. RIBICOFF in the chair), in his capacity as the principal channel of communication with the Interstate Oil Compact Commission, Joe Dickerson will be in a very powerful and important position, in which he should act as an impartial, objective referee between the oil industry and the consumer and between the oil industry and true conservationists whose interests often contradict and conflict with those of the oil industry.

The Interstate Oil Compact Commission was established a number of years ago. Practically every Congress since 1935 has reviewed the effects of the Interstate Oil Compact Commission on the oil industry.

In 1949 a Special Committee on Small Business, headed by the late Senator Wherry, found that activities coordinated by the compact were aimed not only at conservation, but also at maintaining high prices. Their criticism was not so much directed at the Interstate Oil Compact Commission, as at the entire decentralized regulatory system over which the compact has advisory power.

The congressional concern was finally satisfied in part in 1955 by an amendment to the resolution which extended for 4 years the life of the Oil Compact Commission. That amendment required the Attorney General—acting as a representative of the public and as a legal expert—to submit to Congress an annual report as to whether or not the States' activities were consistent with conservation purposes and not with controlling prices.

Mr. President, about a year ago I pointed out that for 4 years the Attorney General had neglected to make this report, in spite of the fact that the previous reports had indicated a developing degree of monopoly and indicated that the Interstate Oil Compact Commission had played a part in diminishing the influence of the independent oil firms.

Furthermore, on March 14, 1963, I discussed on the floor of the Senate a memorandum written by Allen Calvert, Jr., a member of the Interstate Oil Compact Commission, reporting on a conversation with Assistant Secretary Kelly—now the boss of Joe Dickerson, and now the Assistant Secretary of the Interior on Minerals, the top man on oil policy—and I pointed out that "it is clear that this oil duo is intent on confining the representation of the Interior Department in the oil survey—requested by President Kennedy of the Oil Compact Commission—largely to themselves."

At that time I also informed the Senate that Secretary Kelly would load the Compact Commission's representation with men from oil States whose interests were strictly on the side of the producers, and did not recognize the public interest in keeping prices competitive and in keeping the consumer adequately represented.

KELLY, DICKERSON'S BOSS, ALSO ALL-OUT OILMAN

Mr. President, when an oil lobbyist who consistently has failed to meet the reporting requirements of the lobbying law is appointed the head of the Office of Oil and Gas, that fact in and of itself is shocking. However, when we also recognize that the one to whom he reports is Mr. John Kelly, we can recognize how damaging this appointment is to the public interest.

Who is Mr. John Kelly? He was nominated, and his appointment came to the Senate on March 28, 1961. At that time, I opposed confirmation of the nomination; I did so because I was able to show on the floor of the Senate that Mr. Kelly was not only a big lifetime oil producer but still had enormous oil holdings. It is true that he divested himself of about 50 percent of them; but in his testimony before the Committee on Interior and Insular Affairs, he admitted that he still held on to about 50 percent of "great holdings." I shall quote from his testimony before the committee, because in an otherwise very good and very accurate article published this morning in the Washington Post, it is indicated that Mr. Kelly, when appointed to his present job, divested himself of all of his oil holdings, in order to become Assistant Secretary of the Interior in Charge of Minerals. However, that simply is not true. He did not.

I quote now from the hearings which were held at the time when the nomination of Mr. Kelly was voted on favorably by the Senate Committee on Interior and Insular Affairs:

> Senator, * * * I do not intend to continue to operate my properties. I will hold ownership of them. But the actual operations would be carried on by other people.

I repeat:

> I will hold ownership of them.

That was after Mr. Kelly made clear that he was divesting himself of those lands administered by the Bureau of Land Management, because the law expressly stated that he had to divest himself of their ownership if he was going to occupy that office. Furthermore, he said he had signed over his ownership of stock in oil companies as an irrevocable gift to his minor children, and that he had resigned as president of the Elk Oil Co. That reference is to his oil holdings on Federal lands which would be subject to his jurisdiction in his position as Assistant Secretary of the Interior in Charge of Minerals. Nevertheless, he held on to other oil properties on State lands and the other holdings he had, and he made clear that about 50 percent of the property which he had held—and his holdings were termed very great—he would continue to hold.

Mr. President, both Mr. Dickerson and Mr. Kelly have devoted their lifetimes to the oil industry and to promoting enormous oil interests. There is nothing wrong with doing that, for the oil industry is a great one. It has contributed massively to the American economic system; it has made remarkable progress. It deserves admiration. But certainly if we are to have a regulatory policy which means anything, we should not appoint to the top regulatory positions in the Department of the Interior, to oversee the oil industries, persons directly connected with that industry—as Mr. Kelly is now, and as Mr. Dickerson has been throughout his lifetime.

Mr. President, I have the greatest admiration and respect for President Johnson. He has rendered a magnificent service in his first 2½ months as President. He has won the overwhelming support of the American people. I make that statement as one who has just returned from 3 days in Wisconsin. During that time I talked to literally thousands of people. I have never encountered an experience of the kind I have had out there. I know that President Eisenhower was extremely popular; and President Kennedy was also very popular. But, on the basis of the many people with whom I talked in Wisconsin, I would say that President Johnson is far more popular that either President ever was. Republicans, as well as Democrats, concede that he is rendering a fine service, and that he has taken charge under extremely difficult circumstances. He has won admiration, and he has won it the hard way.

I earnestly hope that President Johnson and Secretary of the Interior Udall will reconsider the tragic implications of the appointment. The head of the Office of Oil and Gas should be a man who has equal regard for the interests of the consumer and the general taxpayer as well as the oil-producing industry.

OIL INDUSTRY RECOMMENDED DICKERSON

Mr. President, one other aspect of the appointment of Mr. Dickerson as head of the Office of Oil and Gas is most disturbing. After Mr. O'Brien, who is also an oilman, resigned from the Department of the Interior, or indicated that he would resign, Secretary of the Interior Udall wrote Mr. R. G. Follis, chairman of the National Petroleum Council, asking this chairman of the Petroleum Council of the oil industry to assist the Secretary in choosing a successor by consulting with the members of the National Petroleum Council and providing a list of nominees for the head of the Office of Oil and Gas.

The National Petroleum Council is made up entirely of petroleum industry representatives. At that time I urged that the Secretary not confine his consideration to the list submitted by the oil industry. Mr. Dickerson was a choice of the oil industry. His name was on their list. They wanted him. It is obvious why. He has devoted his life to representing their interests, which are legitimate and deserve consideration. They deserve representation. They should be protected, and jealously protected.

But in the name of justice, Mr. President, it is certainly not representation in the interests of all the American people when two persons in the Interior Department who are the experts and the real authority in advising the Secretary of the Interior on the oil industry are of, by, and for the industry which they are supposed to regulate, have devoted their entire lifetime to representing the producers, and, in the case of Mr. Dickerson, one who has served as a paid lobbyist of the petroleum industry.

I earnestly hope that the President and the Secretary of the Interior will reconsider that unfortunate appointment, in view of the very great power which the President has delegated to the Secretary of the Interior and to the Department of the Interior to determine oil policy.

Laurence Stern, a staff writer for the Washington Post, who won a George Polk memorial award in 1962 for distinguished reporting, has commented in the latest issue of the Progressive magazine on the new oil policy. I should like to read in part what Mr. Stern has said.

Laurence Stern has reported in part as follows:

> The influential organ, the Oil and Gas Journal, caught this note of exuberance in a December 16 report: "Industry spokesmen were quick to voice approval of President Johnson's action, pointing out that it places oil problems in the hands of Government officials who know most about oil."
>
> L. Dan Jones, general counsel for the Independent Petroleum Association of America (IPAA) bubbled: "It [Interior] is the best informed agency of Government on the oil and gas industry and the only agency staffed with specialists and technicians capable of providing complete and authoritative information on the industry." And Frank Ikard, president of the industry's highest lobbying council, the American Petroleum Institute (API), echoed the view that the President's action was "entirely logical."
>
> Neil Regeimbal, Washington editor of Gas Magazine, has predicted that not only will President Johnson moderate further the Government's attitude toward the oil industry, but that he will reach all the way into the Federal Power Commission and replace its present Chairman, Joseph C. Swidler, probably with Commissioner Lawrence J. O'Connor, a fellow Texan much more friendly to oil and gas than is Swidler.

Mr. O'Connor is much more friendly. Before Mr. O'Connor was appointed to the Federal Power Commission, he was a lobbyist for the oil industry. He was a lobbyist for the American Petroleum Institute, which, as Mr. Stern properly reports, is the principal lobbying agent of the oil industry.

But Mr. President this is truly putting the foxes in charge of the henhouse.

True conservationists, and the American oil consumer has about as much chance of a fair break out of this lineup in the Interior Department with its new sovereignty over the oil industry as the Beatles have of being in President Johnson's Cabinet.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that, notwithstanding the rule of germaneness, I may be permitted to address the Senate on several subjects.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PLACE OF THE SAVINGS AND LOAN ASSOCIATION IN LATIN AMERICA

Mr. MAGNUSON. Mr. President, in the early part of February, the distinguished Chairman of the Federal Home Loan Bank Board was invited to Latin America, South America, and particularly to Santiago, Chile. On the occasion of his visit to that country, he delivered a very illuminating speech on the place of the savings and loan association in Latin and South America. One part of his speech, which I shall ask to have printed in the RECORD, pertains to the need for housing in Latin and South America. That need is probably the greatest in the world. The theme of the speech was that Mr. McMurray, on behalf of our Government, would be as helpful as possible in setting up a similar form of financing for the people of South America, so that they might achieve some of the things which we have in the United States in the way of housing.

I ask unanimous consent that the speech be printed in the RECORD in full.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE PLACE OF THE SAVINGS AND LOAN ASSOCIATION IN LATIN AMERICA

(By Joseph P. McMurray [1])

To my good friends old and new, both from the southern and from the northern portions of our great American Hemisphere, I desire first of all to wish a happy and prosperous New Year.

I know that those of you who are not from the United States share with us our sorrow for the tragic loss of our beloved and courageous President, John F. Kennedy. I ask your prayers and your kind wishes for the endeavors of his very able successor, Lyndon B. Johnson, a man whom I had the pleasure of working closely with while he served in the U.S. Senate and House of Representatives. Your own well-being has at all times been close to the heart of each of these leaders of my country.

As Chairman of the Federal Home Loan Bank Board, the Federal agency of the United States charged with protecting the safety and soundness of savings and loan associations, I am gratified to meet with representatives of sister organizations of some nine Latin American countries, together with the other persons whose interest in the savings and loan concept is attested by their presence here.

A year ago the first Inter-American Savings and Loan Conference was held in Lima, Peru. While it was not my good fortune to be there I received most favorable accounts from many persons who took part, including my friend Joseph J. Williams, Jr., who was then my colleague on the Board.

Now at the second such conference, here at Santiago in this beautiful Republic of Chile, it will be my pleasure and my gain to learn of the progress which is being made in the movement for savings and loan associations in Latin America.

I shall be equally interested in hearing of the problems which have been and are being faced and the solutions which are being found. It is a firm belief of mine, shared with me by most of my fellow countrymen, that my country has as much to learn from other countries as they have to learn from mine.

The members of the Federal Home Loan Bank Board have a strong and continuing interest in savings and loan systems in other countries, and particularly in Latin America. We in the United States did not originate the savings and loan association. It came to us from England, so that we are as much borrowers of the idea as you can be. But the savings and loan industry has had with us a proud and a great history of more than a century and a quarter. It consists today of some 6,300 associations with assets of more than $100 billion.

Its beginnings were small and its early progress was slow, as perhaps must be the case in your countries, although we hope that ways may be found to speed your progress. But it was built on a firm foundation, and was destined from the start to ultimate success.

The interest which we at the Board have in your own efforts is tangibly expressed in an interagency agreement recently made by the Board with the Agency for International Development, under which the Board will provide continuing technical assistance in this field.

Without waiting for a formal agreement of this nature, the Board has been glad to make members of its staff available to assist in the establishment of savings and loan systems in your part of the hemisphere. These have included Lyndon R. Day, our Director of Federal Home Loan Bank Operations, and Joseph Misiora of our supervisory staff, who went on an assignment to the Dominican Republic; Simon Trevas of our legal staff, who is now my executive assistant, and John Broullire of our supervisory staff, both of whom assisted in El Salvador; and Michael Patron of our examining staff, who has served in Argentina.

We are glad, too, that members of the staffs of the Federal Home Loan Banks, which are under our supervision, have rendered service of this nature. In this connection I should like to mention J. Alston Adams, who was the president of the Federal Home Loan Bank of San Francisco until his untimely death and who took part in surveys in Argentina; Louis Woodford, senior vice president of that bank, who served in the Dominican Republic; Paul Heywood, vice president of the Federal Home Loan Bank of Boston, who gave help in Peru; and Dean Prichett, the legal counsel of the Federal Home Loan Bank of Des Moines, who assisted in Ecuador.

However, as I have said quite frankly on previous occasions, the most outstanding contributions of time and effort which have been made from the United States to this great work have been made by the men of the savings and loan industry itself and of their trade organizations.

Many of those people are here at this Conference. They are too numerous for me to try to call their roll, but you know who they are. They have been ably assisted by sponsorship and cooperation from the Agency for International Development and the Inter-American Development Bank, each of which has also supplied a substantial amount of actual financial assistance toward the establishment of savings and loan systems in Latin American countries. More recently the Peace Corps, in cooperation with other organizations, has initiated its program of providing the services of Peace Corps volunteers who, after periods of training in the United States, are assigned to assist in the establishment and development of savings and loan institutions in the country of their assignment. The Housing and Home Finance Agency has also provided valuable technical assistance.

The backbone of the whole endeavor has, however, been the personal efforts of dedicated members of the savings and loan industry and their trade organizations. These are the men who have the most intimate knowledge of the operating side of savings and loan associations and who have been and are ready to share that knowledge with you.

Let me add the thought that in this common effort there is a substantial place also for advice and assistance by those who, in their daily work on the staff of the Federal Home Loan Bank Board, have acquired the point of view and the skills involved in the regulatory and supervisory side, as distinguished from the operating side, of the savings and loan picture.

I believe that savings and loan associations can succeed in your countries only if there is adequate authority for their proper regulation and supervision and only if the regulatory and supervisory staffs are competent and able. At the same time, too rigid, tight, and detailed regulation can stifle initiative and deny to associations the tools which are needed for successful operation. The services of persons who have a firsthand knowledge of the regulatory and supervisory process can assist you in avoiding the mistake of too little regulation and supervision and the mistake of having too much.

While a few people in the United States have advanced the view that savings and loan associations cannot feasibly be transplanted to a Latin American environment, I do not share that view.

Your civilization, your culture, in both of its great Spanish and Portuguese branches, is of course different from ours. It is much older than ours and has its roots in a different source.

But in our own State of Louisiana, whose population and whose laws and customs come quite largely from the French and to some extent from the Spanish element of the Latin peoples, savings and loan associations have for many years been thoroughly accepted and highly successful.

Throughout our Southwest, from Texas to California, those who operate and those who use savings and loan associations, both as savers and as borrowers, include many persons of Spanish-American origin and roots. The same is true in those parts of Florida which received early settlers from Spain or later ones from Spanish America.

Let me say at this point, in the most careful way I can, that I most sincerely believe that none of your countries should be or should feel under any kind of pressure, financial or otherwise, to adopt the savings and loan association as one of your institutions. Under the true principle of self-determination, in which I firmly believe, this must be a matter of free choice by each of your countries.

I am gratified that already a number of your countries, exercising this undeniable right of free choice, have voted in favor of establishing savings and loan associations, though I naturally respect in all sincerity the decision of those who may not choose to do so.

I am thus gratified because I am strongly convinced of the social utility of the savings and loan association and because I cannot help seeing the spirit of dedication to the service of others, the genuine spirit of altruism, which manifests itself in the outlook and the conduct of those who operate savings and loan associations.

For the savings and loan association is not only an institution, it is an institution with a social mission. Privately owned and operated, and truly representative of the most enlightened form of private enterprise, it is nevertheless devoted to a form of service which is public in the highest sense.

Some years ago it became briefly the fashion in a few circles of savings and loan operators to deprecate and to ridicule this idea of the public role of the savings and loan association.

In the minds of these persons, the savings and loan industry should regard itself as just another form of profitmaking enterprise and should look upon its operators as merely a group of aggressive businessmen seeking personal advancement.

This view, held by only a few at most, has long since disappeared. It was not and is not true either of the associations themselves or of the vast majority of savings and loan operators.

In what other line of business would you find executive after executive not only willing but eager to make personal sacrifices of time and effort in going to other countries to assist in the establishment of similar businesses there, without the hope or even the possibility of monetary reward? I can think of none. I can account for it only as a manifestation of that spirit of helping the other person which pervades and accompanies the savings and loan industry.

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[1] Chairman, Federal Home Loan Bank Board, Washington, D.C., at the Second Inter-American Savings and Loan Meeting, Hotel Carrera, Santiago, Chile, Tuesday, January 21, 1964.

If the same spirit pervades the executives and personnel of the savings and loan associations which you have established and will establish, the ultimate success of your associations will be virtually assured. You will, of course, have to exercise through your regulatory and supervisory staffs the same diligence that we do to bar and to eliminate the small fringe of unscrupulous and unsound operators who from time to time find their way to the savings and loan industry. I am confident that your ability to do so can be equal to ours.

Now, granted that adequate conditions for their functioning will be established, what is the opportunity for savings and loan associations in Latin America?

In looking into that question, we must note first of all that the primary characteristic which separates the savings and loan association from other types of savings institution is the fact that a savings and loan association invests the greatest part of the savings which it receives from the public in loans on housing.

From my personal experience when I was the Housing Commissioner of the State of New York, I know at first hand the importance of good housing.

I have seen what poor housing can do in the way of producing discouragement, disease, and crime.

I have also seen what decent housing can do in increasing man's happiness, lifting his spirit, and improving his ability to work and to produce.

Those who have studied the matter from the psychological side have pointed out that a person's physical environment, and specifically the kind of housing and the kind of neighborhood he lives in, is a powerful determinant of his character. It has also been pointed out that a person's most formative years, those of his infancy and childhood, are mainly spent within or near his family dwelling, and that family life, which is said to be still the most potent of socializing forces, has its location and its very being in the family dwelling and its immediate surroundings.

Further, it has been observed that a man's dwelling is psychologically not merely a physical structure but an extension of the man himself, and that it is one of the things that determine what he thinks of himself and what others think of him.

My own philosophy is that man is made in the image of God and that man, made in God's image, has an inherent dignity and a right to live in decency. Living in decency, men will respect each other and will respect themselves. But living in slums, bringing up children in slums, is the antithesis of living in decency.

The need for decent housing, in fact the need for housing per se, is in Latin America perhaps the greatest in the world.

Your populations are literally exploding. You have tremendous rates of population increase, resulting from rapid falls in your death rates from the advances of modern medicine, while your birth rates remain at high levels which have not decreased.

These increasing streams of people are being steadily drawn into the vortices of your cities and your urban complexes, by forces which are perhaps more psychological than economic or at least as much the one as the other.

What is happening in this respect is clearly evident from data presented to the Committee on Banking and Currency of the U.S. Senate in the housing study recently made by that committee. The urban population of Latin America had an increase of some 30 million, or about 45 percent, in the period from 1950 to 1960. During that time the rural population had a growth of only some 13 million, or less than 15 percent. The estimated urban population in 1970 will be about 138 million, more than double the 1950 figure of approximately 66 million and representing an increase of some 72 million, as contrasted with an estimated increase in the rural population during that period of only about 29 million.

From this you can see that there will be a constantly expanding need in Latin America for the construction of housing, and therefore for the financing of housing construction.

Savings and loan associations cannot be the entire answer to this need for housing finance.

They cannot reach down to the lowest strata of the population, the unemployed or the unemployable, or those whose incomes are wholly insufficient to pay for the kind of housing they need. For these, the answers must necessarily be found in some form or forms of public subvention.

But, these lowest groups aside, savings and loan associations can serve the need for housing finance in the broadest and most flexible manner. Their ability to do so will be limited only by the amount of funds that they can obtain, in the form of savings of the people or otherwise.

On the savings side, I do not believe that savings and loan associations can be as successful as they should be, in Latin America or elsewhere, if attempts are made to tie the savings operation into the lending operation.

Specifically, I am skeptical of methods under which an attempt is made to give the saver a contractual right to obtain a loan from the association, or a preference in obtaining a loan.

I believe that the inevitable effect, though of course not an intended effect, of such arrangements would be to create the impression that saving in such associations is only for those who are saving for this specific purpose. Also, such arrangements would carry potentialities for discredit to the whole operation by reason of inability of the association to meet its contractual obligations to make such loans to savers or by reason of the long delays which might occur before the preferential rights resulted in actual loans.

It is my belief, therefore, that the only inducements which should be held out to people to place their savings in associations should be those which relate to the merits of the savings facilities themselves, such as safety, convenience, and a fair rate of return.

Once again, I emphasize that each country must make its own decision in matters such as this choice between what I may call a "tied savings" plan and the "free savings" approach which I recommend.

Even under the most favorable conditions, the initial growth of your new associations will be slow, with the supply of savings as the chief limiting factor on their expansion. The habit of saving is one that does not arise automatically, but must be fostered and encouraged through processes of education which require time to become effective.

There will, therefore, be a continuing need for seed capital to facilitate the establishment and development of your associations.

Substantial amounts of such seed-capital funds have been supplied by the Agency for International Development and the Inter-American Development Bank, but there is need for more. In recognition of that need, legislation has been introduced in the Congress of the United States for the establishment of an International Home Loan Bank for this purpose, as I am sure you are all aware.

The capital of the Bank would be supplied principally by savings and loan associations in the United States and by the Federal home loan banks, whose stock is owned by savings and loan associations and mutual savings banks. In a broad sense, therefore, the proposed Bank would constitute a channel by which the savings and home financing industry in the United States would render assistance for the establishment and development of savings and home financing institutions in other countries.

The proposed legislation was introduced both in the Senate and in the House of Representatives, and hearings were held in August and September of last year before the Committee on Banking and Currency of the House of Representatives. In the present status of the matter I am not in a position to give you official views as to the proposal, but I can express to you the personal hope that, whether in the form of an International Home Loan Bank or in some other form, a means will be provided by which the members of the savings and loan industry in the United States will be enabled to render this assistance which they are desirous of providing.

In the meantime, and regardless of the final outcome of this issue, I hope that you will continue your efforts toward the establishment in your countries of sound, strong, and efficient systems of savings and loan associations. My best wishes and my assurances of the highest cooperation go with you.

CONFIRMATION OF REAR ADM. H. ARNOLD KARO FOR THIRD TERM AS DIRECTOR OF THE COAST AND GEODETIC SURVEY

Mr. MAGNUSON. Mr. President, the confirmation by the Senate of Rear Adm. H. Arnold Karo for a third term as Director of the Coast and Geodetic Survey augurs well for the Nation's scientific agency, created in 1807 by Thomas Jefferson.

During Admiral Karo's tenure as Director, the survey has made tremendous progress and, in fact, attained worldwide recognition in many scientific fields including oceanography, seismology, geomagnetism, and hydrography.

Although born in Nebraska, Admiral Karo is esteemed as an adopted son of the State of Washington. It was in Seattle that, in 1923, he joined the Coast and Geodetic Survey, and for many years, both prior to World War II and subsequently, he operated Survey ships out of this major Pacific Northwest port. His lovely wife, the former Elsie Cooper, is a native of Everett, Wash.

During World War II, incidentally, Admiral Karo served with the U.S. Army Air Force with the rank of colonel.

Since 1955, when he first became its Director, the Coast and Geodetic Survey has greatly expanded production of aeronautical and nautical charts, has established a worldwide network of seismographs to record earth tremors whether natural or artificially induced, and has developed a satellite geodesy program based on optical tracking of both active and passive satellites.

Enactment of S. 2482 in the 86th Congress, legislation cosponsored by myself and Senator ENGLE, of California, and which authorized the Coast and Geodetic Survey to conduct oceanographic research in the deep ocean beyond the Continental Shelf, to which it had previously been restricted, has enabled the Survey to become one of the most active and effective agencies in this vital field.

Recent developments under Admiral Karo's direction included the electronic computer adjustment of stereoscopic instrument aerotriangulation; the application of infrared photography to shoreline mapping; the application and extensive use of color photography for coastal and alongshore surveying and mapping, and the modification of a pilot model deep-sea stereoscopic camera and the first stereoscopic contouring from these photographs using a standard multiplex plotter.

The Survey also is pioneering in the use of color photography to identify and to locate aids to navigation; to map shoals and channels, and the topography of uneven bottom in shoal waters to assist the hydrographer in developing these areas, and to map alongshore rocks awash and submerged rocks in places difficult to determine by sounding.

These services, Mr. President, are particularly important when one considers that ships navigating American waters annually carry cargo valued in excess of $100 billion. Nautical charts are vital in safeguarding this huge volume of water traffic against the thousands of dangers from which ships might meet disaster. This service also is an important factor in establishing the rates of marine insurance.

The Pacific Northwest and Alaska, with their many seaports and heavy commerce, will welcome the reappointment of Admiral Karo to his distinguished post and the unanimous confirmation of this appointment by the Senate. The Nation can be assured of further scientific progress in the maritime and aeronautical mapping fields under his able leadership.

ENCROACHMENT OF SOVIET RUSSIAN FISHING ON THE HIGH SEAS

Mr. MAGNUSON. Mr. President, the Committee on Commerce, and particularly the Subcommittee on Merchant Marine and Fisheries published a study last week on the encroachment of Soviet Russian fishing on the high seas and territorial waters of free nations.

The editorial staff of the Tacoma News Tribune read the report and, as a result, wrote a very fine editorial on Monday, January 27, entitled: "Bully of the Seas." I call this matter to the attention of all Americans. Mr. President, I ask unanimous consent that the editorial be printed in the Record at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Bully of the Seas

Plenty of attention has been given Soviet Russia's territorial aggression. Not enough has been focused on the Reds' aggression on the high seas and in the territorial waters of free nations. Actually, Russia has emerged as the bully of the seas. Soon this Nation and others must confront Russia on this, for the Russian aggression will kill the fishing industry of every nation, while the Russian industry, already doubled in the past 10 years, will triple and quadruple.

The U.S. Senate Commerce Committee, of which Senator Warren G. Magnuson, of Washington State, is chairman, has just published a full documentation of the Soviet threat to the world fishing industry, prepared by the Library of Congress with the aid of the University of Washington Fisheries Research Institute, which translated Russian fisheries articles and news from Soviet publications.

Russia, the report shows, has gone all out to provide great fleets of the most modern fishing vessels, and has sent them, 100 or more at a time, into waters off Alaska, the Pacific Northwest, Japan, Scotland, Norway, Cuba, and even close to the shore of Massachusetts. Roughhouse tactics are used by the Russians to drive off competitors, equipment that flouts international and treaty law is used to clean up the ocean floor and waters without regard to conservation. And the Russians use their fleets to track satellites, spy on our oceanic activity, test water for Soviet submarine operations. Whenever this country has an important experiment going on, Russian fishing vessels are observed in the area.

According to the report, the Soviet vessels use hit-and-run collisions to drive away the ships of other nations. They use fine-mesh nets to scoop up the fish, an outright violation that gives them advantages over our fishermen. They break up our nets, lobster pots and crab lines.

Quoting the report's summary:

"As a result of the intrusion of the prowling and ravenous fishing fleet of the U.S.S.R. into the traditional fishing grounds of a number of nations around the globe, the orderly pattern of activity of many fishing communities has been painfully disrupted, contributing a new and dangerous source of conflict among the nations of the world."

Our immediate area certainly has a definite interest in Pacific fisheries. We should pen some notes in commendation of Senator Magnuson for getting up the documented report, and to President Johnson and the Senate Commerce Committee to inquire what effective use will be made of it before our fishing resources disappear.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The **ACTING PRESIDENT** pro tempore laid before the Senate the following letters, which were referred as indicated:

Proposed Revision of Rural Electrification Legislation

A letter from the Secretary of Agriculture, recommending the revision of proposed legislation forwarded to the Senate on December 12, 1963, amending the Rural Electrification Act of 1936; to the Committee on Agriculture and Forestry.

Reports on Reapportionment of Appropriations

Three letters from the Acting Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that certain appropriations for the fiscal year 1964 had been apportioned on a basis which indicates the necessity for supplemental estimates of appropriations; to the Committee on Appropriations.

Report on Guarantees by Export-Import Bank of Washington

A letter from the Secretary, Export-Import Bank of Washington, Washington, D.C., reporting, pursuant to law, that that Bank had issued certain guarantees relating to the importation of cotton by Hungary; to the Committee on Appropriations.

Funds for Use of Allied Armed Forces

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for funds, authorized for use of allied armed forces on a reimbursable basis (with an accompanying paper); to the Committee on Armed Services.

Reports of U.S. Soldiers' Home

A letter from the Secretary of the Army, transmitting, pursuant to law, a report of the U.S. Soldiers' Home, for fiscal year 1963, together with a report of the annual inspection of the Home, 1963, by the Inspector General of the Army (with accompanying reports); to the Committee on Armed Services.

Report on Medical Stockpile of Civil Defense Emergency Supplies and Equipment

A letter from the Secretary of Health, Education, and Welfare, reporting, pursuant to law, on the actual procurement receipts for medical stockpile of civil defense emergency supplies and equipment purposes, for the quarter ended December 31, 1963; to the Committee on Armed Services.

Report on Federal Contributions Program—Equipment and Facilities

A letter from the Assistant Secretary of Defense, reporting, pursuant to law, on the Federal contributions program—equipment and facilities, for the quarter ended December 31, 1963 (with an accompanying paper); to the Committee on Armed Services.

Report on Reconstruction Finance Corporation Liquidation Fund

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on the Reconstruction Finance Corporation Liquidation Fund, for the quarter ended December 31, 1963 (with an accompanying report); to the Committee on Banking and Currency.

Extension of Defense Production Act of 1950

A letter from the Director, Office of Emergency Planning, Executive Office of the President, transmitting a draft of proposed legislation to extend the Defense Production Act of 1950, as amended, and for other purposes (with an accompanying paper); to the Committee on Banking and Currency.

Report of Communications Satellite Corp.

A letter from the chairman and chief executive officer, Communications Satellite Corp., Washington, D.C., transmitting, pursuant to law, a report of that corporation, for the period February 1, 1963, to December 31, 1963 (with an accompanying report); to the Committee on Commerce.

Report on Provision of Aviation War Risk Insurance

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of aviation war risk insurance, as of December 31, 1963 (with an accompanying report); to the Committee on Commerce.

Report on Provision of War Risk Insurance and Certain Marine and Liability Insurance for the American Public

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war risk insurance and certain marine and liability insurance for the American public, as of December 31, 1963 (with an accompanying report); to the Committee on Commerce.

Amendment of Policemen and Firemen's Retirement and Disability Act

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Policemen and Firemen's Retirement and Disability Act to allow credit to certain members of the U.S. Secret Service Division for periods of prior police service (with accompanying papers); to the Committee on the District of Columbia.

Reports of Certain Advisory Committees of Department of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, reports of certain advisory committees of that Department, for the calendar year 1963 (with accompanying reports); to the Committee on Finance.

Audit Report on Federal Home Loan Banks Supervised by Federal Home Loan Bank Board

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Federal Home Loan Banks supervised by Federal Home Loan Bank Board, year ended June 30, 1963 (with an accompanying report); to the Committee on Government Operations.

Audit Report on Inland Waterways Corporation

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Inland Waterways Corporation, fiscal year 1963 (with an accompanying report); to the Committee on Government Operations.

Report on Unnecessary Costs Incurred in Procurement of Certain Radio Components

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the unnecessary cost incurred in the procurement of AN/ARN 21C Tacan radio components through failure to accept option offer, Department of the Air Force, dated January 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Legislative and Policy Requirements Relating to Federal-Aid Highway Program in State of California

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the legislative and policy requirements governing Federal participation in acquisition of rights-of-way and in other activities of the Federal-aid highway program in the State of California, Bureau of Public Roads, Department of Commerce, dated January 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Weaknesses in Headquarters Payroll Activities, Post Office Department

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on weaknesses in headquarters payroll activities, Post Office Department, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Uneconomical Scheduling of Certain City Delivery Carriers, Post Office Department

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the uneconomical scheduling of certain city delivery carriers, Post Office Department, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Improper Waiver of Policy Requirements Applicable to Federal-Aid Highway Program

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the improper waiver of policy requirements applicable to the Federal-aid highway program, Bureau of Public Roads, Department of Commerce, dated January 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Unnecessary Costs Incurred in Enlistment and Discharge of Unqualified Applicants for Regular and Reserve Forces of the Navy

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on unnecessary costs incurred in the enlistment and discharge of unqualified applicants for Regular and Reserve Forces, Department of the Navy, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Excessive Financial Participation in Federally Aided Public Assistance Programs in States of Louisiana and Oklahoma

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on excessive financial participation in federally aided public assistance programs in the States of Louisiana and Oklahoma, Welfare Administration, Department of Health, Education, and Welfare, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Overpricing of Certain Nuclear Submarine Components

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the overpricing of nuclear submarine components purchased by Plant Apparatus Division, Westinghouse Electric Corp., under two subcontracts awarded to Edwin L. Wiegand Co., Pittsburgh, Pa., Department of the Navy, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Excessive Charges for Leased Telephone Services Incurred by U.S. Forces in Japan

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on excessive charges for leased telephone services incurred by U.S. Forces in Japan, Department of Defense, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

Supplementary Report Relating to Excessive Charges for Leased Telephone Services Incurred by U.S. Forces in Japan

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a confidential supplementary report relating to excessive charges for leased telephone services incurred by U.S. Forces in Japan (with an accompanying report); to the Committee on Government Operations.

Report of Office of Coal Research

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report of the Office of Coal Research, dated February 15, 1964 (with an accompanying report); to the Committee on Interior and Insular Affairs.

Report of Negotiated Contracts Made for Disposal of Materials

A letter from the Acting Associate Director, Bureau of Land Management, Department of the Interior, Washington, D.C., transmitting, pursuant to law, a report on negotiated contracts made for the disposal of materials, for the 6-month period ended December 31, 1963 (with an accompanying report); to the Committee on Interior and Insular Affairs.

Proposed Amendment to Concession Contract in Grand Teton National Park

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed amendment to the concession contract for the operation of the Triangle X Ranch in Grand Teton National Park (with accompanying papers); to the Committee on Interior and Insular Affairs.

Laws Enacted by Legislature of the Virgin Islands

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Legislature of the Virgin Islands in its 1963 regular and special sessions (with accompanying papers); to the Committee on Interior and Insular Affairs.

Report on Tort Claims Paid by U.S. Government Printing Office

A letter from the Public Printer, U.S. Government Printing Office, Washington, D.C., transmitting, pursuant to law, a report on tort claims paid by that Office, during the fiscal year 1963 (with an accompanying report); to the Committee on the Judiciary.

Nurse Training Act of 1964

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Public Health Service Act to increase the opportunities for training professional nursing personnel, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

Hospital and Medical Facilities Amendments of 1964

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to improve the public health through revising, consolidating, and improving the hospital and other medical facilities provisions of the Public Health Service Act (with accompanying papers); to the Committee on Labor and Public Welfare.

Graduate Public Health Training Amendments of 1964

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Public Health Service Act to extend the authorization for assistance in the provision of graduate or specialized public health training, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

Report on Welfare and Pension Plans Disclosure Act

A letter from the Secretary of Labor, transmitting, pursuant to law, a report on the administration of the Welfare and Pension Plans Disclosure Act, for the calendar year 1963 (with an accompanying report); to the Committee on Labor and Public Welfare.

Report on Positions in Grades GS-16, GS-17, and GS-18

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, a report on positions in the grades of GS-16, GS-17, and GS-18, for the calendar year 1963 (with an accompanying report); to the Committee on Post Office and Civil Service.

Federal-Aid Highway Act of 1964

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations for the fiscal years 1966 and 1967 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes (with an accompanying paper); to the Committee on Public Works.

Report of Daughters of the American Revolution

A letter from the Secretary, Smithsonian Institution, Washington, D.C., transmitting, pursuant to law, a report of the Daughters of the American Revolution, for the fiscal year ended March 1, 1963 (with an accompanying report); to the Committee on Rules and Administration.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the **ACTING PRESIDENT** pro tempore:

A resolution of the Senate of the State of Pennsylvania; to the Committee on Aeronautical and Space Sciences:

"Whereas the Chamber of Commerce of Greater Philadelphia has submitted a proposal in December 1963 to the Area Survey Committee of the National Aeronautics and Space Administration (abbreviated NASA) for the location of the NASA Electronics Research Center in or around that area which is the Delaware Valley area of Pennsylvania, New Jersey, and Delaware; and

"Whereas this Delaware Valley area is centrally located within the Washington, D.C.-New York, N.Y., industrial strip containing the greatest concentration of electronics research and supporting electronic resources—electronics organizations, electronics employees, industrial laboratories, engineers and scientists, electrical engineers, electronics technicians—in the United States; and

"Whereas the Delaware Valley is most accessible to and from NASA centers and other centers of electronics activity in the United States in terms of travel time and cost savings; and

"Whereas there is a great concentration of large established electronics firms and supporting small business firms, many specializing in some aspects of electronics, with a large capital investment in the Delaware Valley; and

"Whereas there is a great concentration of industrial electronics research laboratories, with extensive supporting services, in the Delaware Valley, with a large capital investment in special space-oriented electronics research facilities; and

"Whereas there is a great concentration of electronics engineers and scientists with supporting technicians and craftsmen, highly qualified and experienced in electronics and associated fields, in and around the Delaware Valley; and

"Whereas there are good technical educational institutions of compelling magnitude with advanced scientific and engineering graduate training facilities in or accessible to the Delaware Valley—including the University of Pennsylvania, Princeton University, University of Delaware, Drexel Institute of Technology, Temple University, Lehigh University, University of Pittsburgh, and Pennsylvania State University, to mention only a few; and

"Whereas there are excellent and economical urban and suburban living conditions, with available homes in choice residential areas convenient to the Delaware Valley area; and

"Whereas this area offers an excellent and diversified cultural environment; and

"Whereas the Delaware Valley abounds in huge land tracts from which to choose available and suitable 1,000-acre sites; and

"Whereas, excellent transportation, communications, and utility services—power, water, etc., are readily available; and

"Whereas, there is convenient access from this area to the Philadelphia International Airport and to other transportation terminals; and

"Whereas, this area provides for most efficient and most economical operation of a research center of this type; and

"Whereas, no one is more competent and versatile to corroborate the superb suitability of the Delaware Valley for the location of the NASA Electronics Research Center than His Excellency Lyndon B. Johnson, President of the United States, who until recently was Chairman of the National Aeronautics and Space Council; and

"Whereas it is axiomatic that by being located in the Delaware Valley, the NASA Electronics Research Center will be most conducive to the leadership of the United States of America in applying electronics technology to the conquest of space: Now be it therefore

"*Resolved*, That those responsible persons in the National Aeronautics and Space Administration, in the U.S. Senate, in the U.S. House of Representatives, and in the executive branch of the U.S. Government give sole and sustained consideration to the location of the NASA Electronics Research Center in the Delaware Valley area of Pennsylvania, New Jersey, and Delaware without being distracted by regional rivalries; and be it further

"*Resolved*, That the Pennsylvania delegation in the U.S. Senate and the U.S. House of Representatives give full support without deviation whatsoever to the location of the NASA Electronics Research Center in the Delaware Valley; and be is further

"*Resolved*, That the secretary of the senate forward a copy of this resolution upon its passage to His Excellency the President of the United States of America; and be it further

"*Resolved*, That the secretary of the senate forward a copy of this resolution upon its passage to each member of the Pennsylvania delegation to the U.S. Congress; and be it further

"*Resolved*, That a copy of this resolution be forwarded upon its passage to the following persons: Mr. James E. Webb, Administrator, NASA; Dr. Hugh L. Dryden, Deputy Administrator, NASA; Dr. Robert C. Seamans, Jr., Associate Administrator, NASA; Hon. Clinton P. Anderson, chairman, U.S. Senate Committee on Aeronautical and Space Sciences; Hon. George P. Miller, chairman, U.S. House of Representatives Committee on Science and Astronautics; Mr. Edward C. Welsh, Chairman, National Aeronautics and Space Council; Hon. Carl Hayden, President pro tempore of the U.S. Senate; and Hon. John W. McCormack, Speaker, the U.S. House of Representatives."

A concurrent resolution of the Legislature of the State of New York; to the Committee on Armed Services:

"Whereas Roama is now located at Griffiss Air Force Base at Rome, N.Y.; and

"Whereas this is an integral part of our air defense; and

"Whereas the worldwide situation is in such a state of turmoil that our defenses must be at full strength at all times; and

"Whereas the withdrawal of Roama from Griffiss Air Force Base at Rome, N.Y., would necessarily weaken our position; and

"Whereas the moving of Roama from Griffiss Air Force Base would have a depressing economic effect on the entire area near Rome, N.Y.; and

"Whereas sufficient reason or cause has not been made public of the feasibility of such plan: Now, therefore, be it

"*Resolved (if the senate concur)*, That the Legislature of the State of New York hereby memorializes the Congress of the United States to make a full investigation to determine whether or not it is for the best defense and economic interest of the United States to move Roama from Griffiss Air Force Base at Rome, N.Y.; and be it further

"*Resolved (if the senate concur)*, That copies of this resolution be transmitted to the President of the United States, the Secretary of Defense, the Secretary of the Air Force, the Secretary of the U.S. Senate, the Clerk of the House of Representatives and to each Member of the Congress of the United States from the State of New York and that the latter be urged to devote themselves to the task of accomplishing the purposes of this resolution."

A resolution of the House of Representatives of the State of Arizona; to the Committee on Commerce:

"HOUSE MEMORIAL 2

"Whereas since the unfortunate and untimely death of President John F. Kennedy, considerable impetus has occurred for the passage of the Dodd bill, as amended; and

"Whereas the Dodd bill, as amended, requires the registration of all firearms held by citizens of the United States; and

"Whereas the second amendment, Constitution of the United States, guarantees to each citizen the right to keep and bear arms; and

"Whereas enactment of the Dodd bill, as amended, creates an undue burden on the people of this country and is in direct violation of civil liberties guaranteed by the Constitution of the United States; and

"Whereas, responsible organizations such as the National Rifle Association and others have no objection to preventing the misuse of firearms, but firmly oppose general registration and licensing; and

"Whereas it is an unfair imposition to restrict the rights of law abiding citizens; and

"Whereas any restrictive legislation should be directed to persons who have been convicted of a crime of violence, fugitive from justice, mental incompetents, or other undesirables.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, prays:

"1. That the Congress of the United States take positive action leading to the defeat of the Dodd bill, as amended.

"2. That the Congress of the United States carefully examine any legislation relating to firearms which restricts the rights of law abiding citizens and take appropriate measures to amend such a law so that any restrictions are imposed only on persons who have been convicted of a crime of violence, fugitives from justice, mental incompetents, or other undesirables.

"3. The secretary of state is directed to transmit copies of this memorial to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each member of the Arizona congressional delegation."

A letter signed by Kurt Otto Rader, of Chomedey, Canada, relating to the establishment of a space transport system; to the Committee on Aeronautical and Space Sciences.

The memorial of John Wittick, of Newark, N.J., remonstrating against the enactment of any medical care bill which does not pay all of the patient's expenses while ill; to the Committee on Finance.

The petition of Donald David Evans, of Philadelphia, Pa., relating to the designation of the Peace Corps as the Kennedy Peace Corps; to the Committee on Foreign Relations.

A letter in the nature of a petition from the Franklin County Democratic Club of Pasco, Wash., signed by that club's president, favoring the enactment of a strong civil rights bill; to the Committee on the Judiciary.

A petition signed by Merilee Bauer, and sundry other citizens of Muskegon, Mich., relating to Presidential succession; to the Committee on the Judiciary.

A resolution adopted by the fourth degree Knights of Columbus of the Padre Gomez general assembly, at Cubao, Quezon City, Philippines, relating to the death of the late President John F. Kennedy; ordered to lie on the table.

RESOLUTIONS OF MASSACHUSETTS GENERAL COURT

Mr. KENNEDY. Mr. President, on behalf of the senior Senator from Massachusetts [Mr. SALTONSTALL], and myself, I present certified copies of the following resolutions passed by the General Court of the Commonwealth of Massachusetts on February 6, 1964:

Resolutions memorializing the Congress of the United States to enact legislation controlling the sale, transportation, distribution, and licensing of firearms in interstate commerce.

Resolutions memorializing the Congress of the United States to enact legislation providing for the establishment of a national cemetery in New England.

Resolutions memorializing the Congress of the United States to enact legislation to increase allowable earnings of persons receiving social security benefits from $1,200 to $2,000.

Resolutions memorializing the Congress of the United States to enact legislation commonly referred to as medicare.

Resolutions memorializing the Congress of the United States to enact legislation increasing the amounts of payments under the social security program.

Resolutions memorializing Congress to consider extending medical aid to persons at age 62.

I ask that these resolutions be appropriately referred.

There being no objection, the resolutions were received, appropriately referred, and, under the rule, ordered to be printed in the RECORD, as follows:

To the Committee on Commerce:

"Resolution Memorializing the Congress of the United States To Enact Legislation Controlling the Sale, Transportation, Distribution, and Licensing of Firearms in Interstate Commerce

"*Resolved,* That the General Court of Massachusetts hereby urges the Congress of the United States to enact legislation controlling the sale, transportation, distribution, and licensing of firearms in interstate commerce; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the secretary of the Commonwealth to the President of the United States, the Presiding Officer of each branch of the Congress, and to the Members thereof from the Commonwealth."

To the Committee on Interior and Insular Affairs:

"Resolution Memorializing the Congress of the United States To Enact Legislation Providing for the Establishment of a National Cemetery in New England

"*Resolved,* That the General Court of Massachusetts hereby urges the Congress of the United States to enact legislation providing for the establishment of a national cemetery in New England; and be it further

"*Resolved,* That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the President of the United States, to the "Presiding Officer of each branch of the Congress, and to the Members thereof from the Commonwealth."

To the Committee on Finance:

"Resolutions Memorializing the Congress of the United States To Enact Legislation To Increase Allowable Earnings of Persons Receiving Social Security Benefits From $1,200 to $2,000.

"Whereas under present regulations, those persons receiving social security benefits are not permitted to earn more than $1,200 in any one year without a decrease in payments received by them; and

"Whereas many of the persons receiving such payments are well-nigh totally dependent upon them for their living expenses; and

"Whereas the cost of living has increased substantially so that the benefits referred to are now totally inadequate; and

"Whereas an increase of allowable annual earnings from $1,200 to $2,000 will enable such persons to retain their self-respect: Now, therefore, be it

"*Resolved,* That the General Court of Massachusetts respectfully urges the Congress of the United States to enact the above named legislation; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the secretary of the Commonwealth to the President of the United States, the Presiding Officer of each branch of the Congress, and to the Members thereof from this Commonwealth."

(The Acting President pro tempore laid before the Senate a resolution of the General Court of the Commonwealth of Massachusetts identical with the foregoing, which was referred to the Committee on Finance.)

To the Committee on Finance:

"Resolution Memorializing the Congress of the United States To Enact Legislation Commonly Referred to as Medicare

"Whereas an enlightened civic consciousness requires that adequate medical care and hospitalization be made available to our aged workers; and

"Whereas a very large proportion of such workers are included in the social security system; and

"Whereas such workers are prone to injuries and illness of long duration, the medical treatment of which is very costly; and

"Whereas the cost of such treatment is so large as to cause the impoverishment of the worker, causing him to become despondent and frequently to lose his self-respect; and

"Whereas legislation commonly referred to as Medicare will be a complete and satisfactory solution to the problem confronting such workers: Now, therefore, be it

"*Resolved,* That the General Court of Massachusetts respectfully urges the Congress of the United States to enact the above-named legislation; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, the Presiding Officer of each branch of Congress, and to Members thereof from this Commonwealth."

(The ACTING PRESIDENT pro tempore laid before the Senate a resolution of the General Court of the Commonwealth of Massachusetts identical with the foregoing, which was referred to the Committee on Finance.)

"Resolutions Memorializing the Congress of the United States To Enact Legislation Increasing the Amounts of Payments Under the Social Security Program

"Whereas the cost of the necessities of life in this country has risen to an alltime high; and

"Whereas a substantial portion of the people of this Nation depend to a large extent if not entirely upon the monthly payments received by them under the social security program; and

"Whereas the current monthly payments under said program have now become grossly inadequate for their needs; and

"Whereas an increase of such maximum payments to $150 per month would tend to relieve such conditions: Now, therefore, be it

"*Resolved,* That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation increasing the maximum monthly payments of such individuals to $150; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the secretary of the Commonwealth to the President of the United States, the Presiding Officer of each branch of the Congress, and to the Members thereof from this Commonwealth."

"Resolutions Memorializing Congress To Consider Extending Medical Aid to Persons at Age 62

"Whereas the Congress of the United States has recently reduced the eligible age allowing persons to collect benefits under the Federal Social Security Act from age 65 to age 62; and

"Whereas there exists a national tendency to reduce the age of retirement from age 65 to age 62; and

"Whereas the present program for aid to the aged now takes effect at age 65: Therefore be it

"*Resolved,* That the General Court of Massachusetts hereby urges the Congress of the United States to take such action as necessary to reduce the age of eligibility from age 65 to age 62; and be it further

"*Resolved,* That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the President of the United States, to the Presiding Officer of each branch of Congress, and to the Members thereof from this Commonwealth."

SOUTH DAKOTA LEGISLATIVE RESOLUTIONS

Mr. McGOVERN. Mr. President, I ask unanimous consent to have printed in the RECORD four concurrent resolutions adopted by the South Dakota Legislature at a session concluded Monday, February 10.

The first of these resolutions, Mr. President, is Senate Concurrent Resolution 4, expressing the appreciation of the South Dakota Legislature for the 25 years' service in the Congress of the United States of my colleague, the senior Senator from South Dakota [Mr. MUNDT].

I would like to join the South Dakota Legislature in extending congratulations to the Senator, now embarked on his 26th year in Congress.

The second resolution calls on the Corps of Army Engineers to establish visible takelines with visible markers around the reservoirs of the great Missouri River dams in the State. In the absence of such lines, private owners are forced to employ surveyors, contrary to the Corps of Engineers commitment that the work would cause the adjacent landowners no economic loss.

The third concurrent resolution urges the Commodity Credit Corporation to reconsider its decision to carry its own insurance on CCC grain stocks because South Dakota law requires elevators in our State to carry such insurance and the CCC action will mean overlapping insurance.

The final resolution calls for Federal action in regard to beef imports and beef prices and has just a slight political flavor added. In one paragraph, it intimates that the junior Senator from South Dakota only recently became aware that beef imports have risen and are affecting our already seriously depressed domestic cattle prices.

As a matter of record, Mr. President, I started directing the attention of the Department of Agriculture to the cattle price situation a year ago and formally called for a study of the problem on March 4, 1963. The South Dakota Legislature was in session in this same period. While it did not act on the cattle problem then, I shall forgo comment on that fact.

Excessively high imports of cattle and domestic marketing of fed beef, running several percent in excess of the previous year, have pulled cattle prices to seriously low levels. Stockmen in South Dakota are losing around $50 per head on their fed animals in the markets today.

As records of this body reflect, the Tariff Commission is under orders to study and report promptly on the economic effect of beef imports by resolution of the Finance Committee, a resolution authorized by Senator Quentin Burdick and backed by Senator Mike Mansfield and myself among others.

Secretary of Agriculture Freeman is negotiating voluntary import limitations with Australia and New Zealand. And I have taken up with the Department of Agriculture a beef purchase program to attempt to relieve the pressure on prices.

This body, Mr. President, should implement the President's call for an investigation of the effects of vertical integration and chain marketing on farm-to-consumer price structures and the need for my bill, S. 1270, introduced in April of last year, to prohibit large packers and chainstores from engaging in the livestock feeding business.

I am happy to have the South Dakota Legislature's resolution in the Record, Mr. President, for it reflects the serious concern—which I have long felt—over the cattle price situation in South Dakota and is as gracious an agreement with my views on the situation as I could possibly expect from my good friends of the Republican faith in the South Dakota Legislature, particularly at a moment when they may have been undergoing some embarrassment over the fact that they said nothing on this subject a year ago.

I would like to add, Mr. President, that I shall always honor this legislature for having made South Dakota the 38th key State to ratify the poll tax amendment to the Constitution of the United States.

The **ACTING PRESIDENT** pro tempore. The concurrent resolutions will be received and appropriately referred; and, under the rule, will be printed in the Record.

The concurrent resolutions are as follows:

Ordered to lie on the table:

Senate Concurrent Resolution 4

Concurrent resolution, expressing the appreciation of the people of South Dakota for the long, distinguished service of Karl E. Mundt, senior Senator from South Dakota, in the Congress of the United States

Be it resolved by the Senate of the State of South Dakota (the House of Representatives concurring therein):

Whereas Karl E. Mundt, our senior Senator from South Dakota, has devoted 25 years of his life to the service of the people of South Dakota in the Congress of the United States; and

Whereas Karl E. Mundt has served this State and Nation in both the House of Representatives and in the Senate of the United States and has achieved national recognition for his contribution to the growth, development, and freedom of our State and Nation; and

Whereas Karl E. Mundt has earned the affection and esteem of his colleagues in the Congress of the United States and of the people of South Dakota as has been evidenced by the recent congratulatory expressions extended to him on the occasion of his 25th anniversary dinner at Madison, S. Dak.; and

Whereas Karl E. Mundt has never wavered from his devotion to principle and his selfless determination to promote the welfare of the people of South Dakota and of the United States: Now, therefore, be it

Resolved, The people of South Dakota through their elected representatives in the Legislature of South Dakota, both Houses concurring, do hereby express their appreciation for the long, distinguished, devoted, and fearless service of Karl E. Mundt and wish for him many more years of good health and humanitarian devotion to this State and Nation; be it further

Resolved, That copies of this resolution be delivered to the President of the U.S. Senate, to the Speaker of the House of Representatives of the United States, to Senator Mundt, and to each member of the congressional delegation from South Dakota.

Adopted by the senate, January 27, 1964.

Concurred in the house of representatives, February 4, 1964.

Nils A. Boe,
Lieutenant Governor,
President of the Senate.

Attest:

Niels P. Jensen,
Secretary, State Senate.

Paul E. Brown,
Speaker, House of Representatives.

Attest:

W. J. Matson,
Chief Clerk,
House of Representatives.

(The **ACTING PRESIDENT** pro tempore laid before the Senate a concurrent resolution of the Legislature of the State of South Dakota identical with the foregoing, which was ordered to lie on the table.)

To the Committee on Public Works:

"House Concurrent Resolution 6

"Concurrent resolution requesting the Corps of Engineers of the U.S. Army to establish visible markers delineating the take lines of the Missouri River Reservoirs

"Be it resolved by the House of Representatives of the State of South Dakota (the senate concurring therein):

"Whereas it was the pledge of the Corps of Engineers that the Missouri Basin Development program would cause the adjacent landowners no economic loss;

"Whereas the Corps of Engineers has failed to delineate the take lines of the Missouri River dams with visible markers; and

"Whereas the owners of land adjacent to the Missouri River dams have been forced to hire private surveyors to plat and to survey the take lines, and then mark such take lines;

"Whereas it is unfair to the adjacent landowners to have to pay for such surveying and the establishing of such markers; and

"Whereas the lack of adequate markers for the take lines results in a problem of great magnitude affecting a large number of the citizens of the State of South Dakota: Now, therefore, be it

"*Resolved*, That the House of Representatives of the State of South Dakota (the senate concurring therein), respectfully requests the Corps of Engineers to establish visible markers delineating the take lines of the Missouri River reservoirs; be it further

"*Resolved*, That copies of this concurrent resolution be forwarded to the Honorable Secretary of the Army of the United States; to the Chief of the Corps of Engineers of the U.S. Army at Omaha, Nebr.; to the Honorable Karl Mundt and the Honorable George McGovern, U.S. Senators from South Dakota; and to the Honorable E. Y. Berry and the Honorable Ben Reifel, Representatives in Congress from South Dakota.

"Paul E. Brown,
"Speaker of the House.
"W. J. Matson
"Chief Clerk of the House.
"Nils A. Boe,
"Lieutenant Governor, President of the Senate.
"Niels P. Jensen,
"Secretary of the senate."

Adopted by the house: February 5, 1964.

Adopted by the senate: February 7, 1964.

To the Committee on Agriculture and Forestry:

"Senate Concurrent Resolution 7

A Concurrent Resolution

"Concurrent resolution, urging that the Commodity Credit Corporation recognize the statutory requirements provided by South Dakota law, establishing the insurance protection which licensed South Dakota public grain warehousemen shall maintain in force upon grain held in storage, and urging the abandonment of any proposed action by said Commodity Credit Corporation to abrogate these laws by substituting the Federal Government as insurer

"Be it resolved by the Senate of the State of South Dakota (the House of Representatives concurring therein):

"Whereas the licensed public grain warehousemen of South Dakota are required by law to insure all grain that they hold in storage, either for private individuals or for the Commodity Credit Corporation; and

"Whereas the Commodity Credit Corporation has publicly announced its intention to become its own insuror on commodities owned by the Government or pledged as collateral on price-support loans in commercial storage, and to arbitrarily assess costs of this Federal assumption of risk against the warehouseman; and

"Whereas public grain warehousemen insure the contents of their warehouses under reporting forms of insurance contracts which are designed to provide flexible protection for the fluctuating values created by constantly changing quantities and market values, the operation of which policies require the full reporting of all grain stocks regardless of ownership; and

"Whereas the extent to which grain in public storage may or may not be pledged as collateral on price-support loans from day to day could never be accurately established for insurance purposes; and

"Whereas the Commodity Credit Corporation proposes to levy a charge againt the warehouseman's storage payments, for assuming a risk which he cannot segregate as a practical matter of accounting, and which he is compelled to insure by law: Now, therefore, be it

"Resolved, by the Senate of the Thirty-ninth Legislature of the State of South Dakota (the House of Representatives concurring), That the action proposed by the Commodity Credit Corporation would be in conflict with the regulatory controls already wisely established by the legislature of this State and administered by the public utilities commission; and be it further

"*Resolved*, That this proposal would arbitrarily subject every warehouseman to two systems of insuring the same risk, at a duplication of cost which would be an unfair and unnecessary burden upon them; and be it further

"*Resolved,* That the Senate and the House of Representatives of the State of South Dakota hereby memorialize the Commodity Credit Corporation to abandon their plan as being incompatible with State laws and necessary insurance practices; and be it finally

"*Resolved,* That a certified copy of this resolution be transmitted to the U.S. Secretary of Agriculture, the Board of Directors of the Commodity Credit Corporation, and to the Members of the Congress of the United States elected from the State of South Dakota.

"Adopted by the senate January 23, 1964.

"Concurred in by the house of representatives January 30, 1964.

"Nils A. Boe,
"Lieutenant Governor,
"President of the Senate.

"Attest:

"Niels P. Jensen,
"Secretary, State Senate.
"Paul E. Brown,
"Speaker, House of Representatives.

"Attest:

"W. J. Matson,
"Chief Clerk,
"House of Representatives."

To the Committee on Finance:

"Senate Concurrent Resolution 6

"Concurrent resolution memorializing the Congress of the United States; His Excellency the President of the United States; pertaining to beef imports

"Be it resolved by the Senate of the State of South Dakota (the House of Representatives concurring therein):

"Whereas agriculture as a whole during 1963 suffered numerous setbacks and this condition or any solution or program relative thereto were not set forth in any manner in President Johnson's state of the Union message; and

"Whereas according to a news release from the Agriculture Department of the United States published in newspapers during the last few days of 1963, it was revealed that farm prices in comparison to items upon which parity is figured had reached their lowest point since 1939; and

"Whereas farmers received 5½ percent less for their livestock marketed in 1963 and that such loss had an adverse effect upon all farming and ranching operations and that such loss was reflected not only in livestock produce but also in the raising of feed grains; and

"Whereas all the farming people are more than desirous of doing their share in the field of foreign relations, people associated with agriculture are entitled to some of the considerations given to all other agencies throughout the United States, and while it is apparent that there is a great divergence of opinion over Government subsidy programs as shown by the defeat of the wheat referendum, certainly all people in agriculture believe in equal protection of the agriculture industry as furnished by the laws of the U.S. Government for other industries; and

"Whereas imports of boneless beef, veal and mutton and all fresh or frozen products as a whole of these items has more than tripled since 1959 when Congress reduced import duties on these products by 50 percent, and following which the United States swung from a position of being a net exporter of these products to a net importer thereof; and

"Whereas from 1960 to 1962 the total meat consumption in the United States increased by 4.3 percent and during the same period the consumption of imported beef increased by 81.8 percent, and while in 1930 the tariff on beef imported into the United States amounted to 58 percent of the value of the domestic product, by 1962 the tariff had been reduced to 9.5 percent of the domestic product; and

"Whereas most of the foreign nations sending meats to the United States have stringent regulations against the importation of the U.S. livestock products; and

"Whereas Senators Curtis, of Nebraska, and Simpson, of Wyoming, introduced legislation as amendments to the 1963 feed grain bill to effectuate reduction of such imports, and by the inclusion of such amendments in the feed grain program attempted to gain the support of feed grain producers for the livestock industry; and

"Whereas all the foregoing facts and many more similar thereto were presented on the floor of the U.S. Senate in open discussion without dispute and are reported in the Congressional Journal of Wednesday, May 15, 1963, between pages 8202 and 8218 thereof; and

Whereas on page 8215, Senator Mundt, senior Senator from South Dakota, spoke in support of such legislation, and subsequently voted therefor; and

Whereas Senator McGovern, the junior Senator from South Dakota, according to late press releases now also recognizes the serious adverse effect that imports of foreign livestock products have upon prices paid South Dakota farmers: Now, therefore, be it

"*Resolved*, That the President and Congress be memorialized by this body and especially that all congressional delegates of South Dakota to the U.S. Congress be memorialized to pass legislation such as that introduced by Senators Curtis and Simpson as before stated, to afford the agricultural industry support similar to that given to other industries of this Nation, and which action would substantially assist the agricultural industry without the use of Government funds.

"Adopted by the senate January 30, 1964.

"Concurred in the house of representatives February 6, 1964.

"Attest:

"Nils A. Boe,
"Lieutenant Governor,
President of the Senate.
"Paul E. Brown,
"Speaker, House of Representatives.

"Attest:

"Niels P. Jensen,
"Secretary, State Senate.
"W. J. Matson,
"Chief Clerk,
House of Representatives."

(The ACTING PRESIDENT pro tempore laid before the Senate a concurrent resolution of the Legislature of the State of South Dakota identical with the foregoing, which was referred to the Committee on Finance.)

By Mr. PELL (for himself and Mr. Pastore):

A resolution of the House of Representatives of the State of Rhode Island; to the Committee on Finance:

"House Resolution 1043

"Resolution memorializing Congress, requesting favorable consideration to legislation providing benefits to the aged, ill, and disabled veterans of World War I in the form of pensions or any other means which provide relief so vitally needed

"Whereas many hundreds of thousands of our Nation's finest citizens served the cause of democracy during the period of World War I; and

"Whereas a large number of these veterans have now reached the age and circumstances in which they are no longer self-supporting, as well as suffering illnesses and infirmities aggravated by this honorable service to their country; and

"Whereas through no fault of their own, they have largely become a class of forgotten men, many of whom are close to the grave: Now, therefore, be it

"*Resolved,* That the Members of the House of Representatives of the State of Rhode Island recognize the predicament of these veterans of World War I and petition the Congress of the United States to give favorable consideration to H.R. 2332 (World War I Pension Act) providing benefits to the aged, ill, and disabled veterans of World War I in the form of pensions or any other means which will provide relief so vitally needed; and be it further

"*Resolved,* That the recording clerk of this house of representatives is hereby authorized and directed to transmit duly certified copies of this resolution to the President of the United States, to the Director of the U.S. Veterans' Administration, to the Director of the U.S. Bureau of the Budget, to the chairman of the House Committee on Veterans' Affairs, and to the Senators and Representatives from Rhode Island in the Congress of the United States.

"Salvatore R. Cesaro,
"Recording Clerk."

CONCURRENT RESOLUTION OF SOUTH CAROLINA LEGISLATURE

Mr. THURMOND. Mr. President, on behalf of myself and my colleague, the senior Senator from South Carolina [Mr. Johnston], I present for appropriate reference a concurrent resolution of the General Assemby of South Carolina memorializing the Congress of the United States and the Secretary of Agriculture to institute such action as is necessary to prevent the centralization of cotton storage facilities.

There being no objection, the concurrent resolution was referred to the Committee on Agriculture and Forestry, and, under the rule, ordered to be printed in the Record, as follows:

Senate Concurrent Resolution 639

Concurrent resolution memorializing the Congress of the United States and the Secretary of Agriculture to institute such action as is necessary to prevent the centralization of cotton storage facilities

Whereas there are 173 cotton warehouses with 651 buildings and compartments operated under the South Carolina State warehouse system; and

Whereas during the fiscal year 1962–63 these warehouses handled 920,000 bales of cotton valued at $153 million; and

Whereas it is mandatory in South Carolina that the State warehouse system foster and encourage the erection of warehouses so as to localize the storage of cotton; and

Whereas any policy initiated to disturb this program of localization would defeat the intent of the South Carolina law; and

Whereas our system has served the cotton loan programs since 1933 which have been continually improved; and

Whereas the farmers, warehousemen and textile mills are dependent upon the present system, and any change would materially affect their economy and the economy of labor forces; and

Whereas the intent of Congress in providing the cotton loan program was a rural-boosting program; and

Whereas a "bargain counter" centralized type of storage ignores the producers, warehousemen and local mills, and displaces local labor forces: Now, therefore, be it

Resolved by the senate, the house of representatives concurring, That the Congress of the United States and the Secretary of Agriculture are respectfully requested to institute such action as may be necessary to prevent the centralization of cotton storage facilities and to return to the localized system; be it further

Resolved, That copies of this resolution be forwarded to the South Carolina delegation in the Congress, to the Secretary of Agriculture and to the Administrator of the Agriculture Stabilization and Conservation Service.

CONCURRENT RESOLUTION OF SOUTH CAROLINA LEGISLATURE

Mr. THURMOND. Mr. President, on behalf of myself and my colleague, the senior Senator from South Carolina [Mr. Johnston], I present for appropriate reference a concurrent resolution of the General Assembly of South Carolina memorializing the Congress of the United States to not enact legislation which would further limit the right of private citizens to purchase and possess firearms.

There being no objection, the concurrent resolution was referred to the Committee on Commerce, and, under the rule, ordered to be printed in the Record, as follows:

Concurrent Resolution Memorializing the Congress of the United States To Not Enact Legislation Which Would Further Limit the Right of Private Citizens To Purchase and Possess Firearms

Whereas various misinformed and misguided groups are seeking to have enacted Federal legislation to further limit the time-honored right of American citizens to purchase and possess firearms; and

Whereas such legislation is contrary to the principles upon which this country was founded and a gross insult to the American tradition of responsibility and self-reliance: Now, therefore, be it

Resolved by the house of representatives (the senate concurring): That the Congress of the United States be memorialized to enact no legislation which would further limit the right of private citizens to purchase and possess firearms; and be it further

Resolved, That a copy of this resolution be forwarded to each Member of the U.S. congressional delegation from South Carolina.

Attest:

Inez Watson,
Clerk of the House.

RESOLUTION OF GENERAL ASSEMBLY OF RHODE ISLAND

Mr. PASTORE. Mr. President, on behalf of the junior Senator from Rhode Island [Mr. Pell], and myself, I present for appropriate reference a resolution adopted by the General Assembly of the State of Rhode Island at its January session of 1964. This resolution expresses the congratulations of the Rhode Island General Assembly to Mr. Francis Darigan, Jr., on his designation as Catholic Young Adult of the Year.

There being no objection, the resolution was ordered to lie on the table; and, under the rule, ordered to be printed in the Record, as follows:

Resolution of the General Assembly of the State of Rhode Island, Expressing the Congratulations of This Body to Mr. Francis J. Darigan, Jr., on His Designation as Catholic Young Adult of the Year

Whereas Francis J. Darigan, Jr., 26 Emmet Street, Providence, has engaged in a number of activities which have earned for him the designation as Catholic Young Adult of the Year; and

Whereas Mr. Darigan has been president of the Cathedral Parish CYO Youth Council, president of the Providence South Regional CYO Youth Council, president of of the Diocesan CYO Youth Council and president of the National CYO, is a graduate of Tyler School and LaSalle Academy, president of his class in the junior and senior years at Providence College, is active in the Army ROTC program at Providence College, a member of the Pershing Rifles Drill Team, a member of the Friars Club, a recipient of the Eagle of the Cross Medal, coach of Cathedral Parish basketball teams, Chairman of the Annual Conference of the Rhode Island Youth Council, and a page in the State senate; and

Whereas in these days of recurring anxiety and concern caused by reports of youthful misdeeds, Mr. Darigan has been an outstanding example of how a young Rhode Islander can use the opportunities open to him to develop his full potential, thus being a real inspiration to his contemporaries: Now, therefore, be it

Resolved, That the general assembly does congratulate him on the honors he has brought on himself, his family, and the people of Rhode Island through his designation as Catholic Young Adult of the Year; directing the secretary of state to transmit a duly certified copy of this resolution to Mr. Francis J. Darigan, Jr.

John H. Clafee,
Governor.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DIRKSEN:

S. 2502. A bill for the relief of Wlodzimierz Koscielny;

S. 2503. A bill for the relief of Zbigniew Kotaba; and

S. 2504. A bill for the relief of Maria Papakonstantinou; to the Committee on the Judiciary.

By Mr. GOLDWATER (for himself, Mr. Hayden, Mr. Anderson, and Mr. Mechem):

S. 2505. A bill to provide for the conveyance to Pima and Maricopa Counties, Ariz., and to the city of Albuquerque, N. Mex., of certain lands for recreational purposes under the provisions of the Recreation and Public Purposes Act of 1926; to the Committee on Interior and Insular Affairs.

By Mr. ROBERTSON (by request):

S. 2506. A bill to extend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

By Mr. HARTKE:

S. 2507. A bill for the relief of Maj. Preston E. Phillips; to the Committee on the Judiciary.

By Mr. McGOVERN:

S. 2508. A bill to authorize certain improvements on the Big Sioux River, Iowa and South Dakota, in the interest of flood control and allied purposes; to the Committee on Public Works.

(See the remarks of Mr. McGovern when he introduced the above bill, which appear under a separate heading.)

By Mr. HART:

S. 2509. A bill to amend title 38, United States Code, to establish a Court of Veterans' Appeals and to prescribe its jurisdiction and functions; to the Committee on Finance.

S. 2510. A bill to amend section 245 of the Immigration and Nationality Act; to the Committee on the Judiciary.

(See the remarks of Mr. Hart when he introduced the above bills, which appear under separate headings.)

By Mr. DIRKSEN (for Mr. Mechem):

S. 2511. A bill to provide price supports for the 1964 and subsequent crops of upland cotton; to the Committee on Agriculture and Forestry.

By Mr. MAGNUSON (for himself and Mr. Jackson):

S. 2512. A bill to provide that Inauguration Day shall be a national holiday; to the Committee on the Judiciary.

By Mr. HARTKE:

S.J. Res. 154. Joint resolution to establish a commission to formulate plans for a permanent memorial to past Presidents of the United States; to the Committee on Rules and Administration.

(See the remarks of Mr. Hartke when he introduced the above joint resolution, which appear under a separate heading.)

PROPOSED SIOUX RIVER FLOOD CONTROL LEGISLATION

Mr. McGOVERN. Mr. President, I introduce, for appropriate reference, a bill to authorize improvements on the Big Sioux River in South Dakota and Iowa in the interests of flood control and allied purposes.

The Big Sioux River, Mr. President, forms the common boundary between South Dakota and Iowa and enters the Missouri River near Sioux City, Iowa. For many years flooding on this river has resulted in hundreds of thousands of dollars crop loss to some of the richest agricultural lands in the Nation on both sides of the river.

Recently, the Chief of Engineers of the Department of the Army has recommended the submission of this project for the consideration of the Congress. His report is in response to a resolution adopted July 29, 1955, by the Committee on Public Works of the U.S. House of Representatives. The report recommends channel improvements and straightening, with a proposal for the mitigation of fish and wildlife losses, acceptable to the South Dakota Game, Fish, and Parks Commission and the field offices of the U.S. Bureau of Sport Fisheries and Wildlife.

I ask unanimous consent that the provisions of the bill and the text of the bill be printed in the Record at the conclusion of my remarks and that the bill lie on the table for 5 days so that other Members from the area effected who wish to cosponsor the bill may have the opportunity to do so.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record and held at the desk, as requested by the Senator from South Dakota.

The bill (S. 2508) to authorize certain improvements on the Big Sioux River, Iowa and South Dakota, in the interest of flood control and allied purposes, introduced by Mr. McGovern, was received, read twice by its title, referred to the

Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the project for flood control and allied purposes on the Big Sioux River, Iowa and South Dakota, is hereby adopted and authorized to be prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers, in accordance with the plans set forth in the report of the Chief of Engineers, dated February 7, 1964, at an estimated cost of $6,400,000.

SEC. 2. There are hereby authorized to be appropriated such sums as may be required to carry out the provisions of this Act.

ESTABLISHMENT OF A COURT OF VETERANS APPEALS

Mr. HART. Mr. President, the principle of independent judicial review of personal claims is well established in our legal system. To give finality to the decision of an administrative agency precludes an independent evaluation. It has been brought to my attention that judicial review is not afforded in the case of veterans claims. The final arbiter of these claims is a board of appeals made up of members of long experience in the Veterans' Administration. I do not question the integrity or public devotion of these individuals. However, men schooled in the regional offices of the agency, no matter how they may try, are bound to bring with them the bias of their experiences. The cases, therefore, are merely being decided by Veterans' Administration boards sitting in another town.

The creation of a Court of Veterans Appeals will afford the veteran appeal rights to an independent body. It will assure him equity and justice and an impartial review of the legal aspects of his claim. It will create a right deemed indispensable to a fair, just system of adjudicating claims.

Today, Mr. President, to assure veterans the right of judicial review, I introduce for the consideration of Congress a bill for a Court of Veterans Appeals to be appointed by the President with the advice and consent of the Senate.

I ask unanimous consent, Mr. President, that the text of the bill be printed in the RECORD at this point in my remarks, and that the bill be held at the desk until the end of business on Friday, February 28, to enable the other Senators to join in its sponsorship.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and without objection, the bill will be printed in the RECORD and will lie on the desk, as requested by the Senator from Michigan.

The bill (S. 2509) to amend title 38, United States Code, to establish a Court of Veterans' Appeals and to prescribe its jurisdiction and functions, introduced by Mr. HART, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part V of title 38, United States Code, is amended by adding immediately after chapter 71 thereof the following new chapter:

"CHAPTER 72—COURT OF VETERANS' APPEALS

"Subchapter I—Establishment and Jurisdiction

"Sec.
"4051. Establishment of Court of Veterans' Appeals.
"4052. Provisions relating to judges.
"4053. Jurisdiction of the court.
"4054. Review by the court.
"4055. Attorneys and agents.
"4056. New and material evidence.

"Subchapter II—Procedure and Administration

"Sec.
"4061. Clerk.
"4062. Commissioners.
"4063. Stenographers; clerical employees; bailiff.
"4064. Fees; charge for court's opinions.

"Subchapter I—Establishment and jurisdiction

"§ 4051. Establishment of Court of Veterans' Appeals

"(a) There is hereby established the Court of Veterans' Appeals (hereinafter in this chapter referred to as the 'court'), which shall consist of five judges through December 31, 1969, and thereafter shall consist of three judges, who shall be appointed from civil life by the President, by and with the advice and consent of the Senate. The President shall designate from time to time one of the judges to act as chief judge.

"(b) The court shall hold at the seat of government an annual term at a time to be fixed by rule of court.

"(c) The court may prescribe its own rules of procedure and determine the number of judges required to constitute a quorum. A vacancy in the court shall not impair the right of the remaining judges to exercise the powers of the court.

"(d) If a judge of the court is temporarily unable to perform his duties because of illness or other disability, the President may designate a judge of the United States Court of Appeals for the District of Columbia to fill the office for the period of disability.

"(e) The Administrator shall provide such necessary administrative support and services as the court may request. The Administrator shall cooperate with the court, and make available to the court such of the records and files of the Veterans' Administration as the court requests in any case.

"§ 4052. Provisions relating to judges

"(a) Each judge of the court shall be entitled to salary at the rate prescribed for the judges of the Court of Claims, and shall be eligible for reappointment.

"(b) No person may be appointed as a judge of the court unless he is a member of the bar of a Federal court or of the highest court of a State, and has engaged in the active practice of law for seven or more years. No person may be appointed as a judge of the court who within the two-year period preceding his appointment has been a civilian officer or employee of the United States serving in the Veterans' Administration, the Department of Defense, the Bureau of the Budget, or the General Accounting Office.

"(c) The terms of office of the five judges first taking office after the date of enactment of this section shall expire, as designated by the President at the time of nomination, three on December 31, 1969, one on December 31, 1971, and one on December 31, 1974. The terms of office of all successors shall expire ten years after the expiration of the terms for which their predecessors were appointed, but any judge appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed may be appointed only for the unexpired term of his predecessor.

"(d) Judges of the court may be removed by the President, upon notice and hearing, for neglect of duty or malfeasance in office or for mental or physical disability, but for no other cause.

"(e) While traveling on official business and away from the District of Columbia each judge of the court shall receive all necessary traveling expenses and a per diem allowance as provided in sections 835–842 of title 5, upon his certificate to the Administrator.

"§ 4053. Jurisdiction of the court

"(a) The court shall have exclusive jurisdiction to review by appeal all questions involved in decisions of the Board of Veterans' Appeals (hereinafter in this chapter referred to as the 'Board') involving claims under chapter 11 or 13 of this title which bear directly on the question of whether or not (1) a disability or death is service-connected, or (2) a widow, child, or parent is entitled to benefits under such chapter 11 or 13.

"(b) Except as provided in section 4056 of this title, all decisions of the court shall be final and no decision of the court shall be subject to review by any official or court of the United States.

"(c)(1) The court, or any judge or commissioner thereof when authorized by the court, may administer oaths, examine witnesses, and require, by subpena, the attendance and testimony of witnesses, and the production of books, papers, and documents, from any place in the United States at any designated place. Witnesses shall receive the same fees and mileage as witnesses in the case of proceedings before the Court of Claims or commissioners thereof.

"(2) In case of disobedience to any such subpena, the aid of any district court of the United States may be invoked in requiring the attendance and testimony of witnesses and the production of documentary evidence, and such district court within the jurisdiction of which the inquiry is carried on may, in case of contumacy or refusal to obey a subpena issued to any officer, agent, or employee of any corporation or to any other person, issue an order requiring such corporation or other person to appear or to give evidence touching the matter in question; and any failure to obey such order of the district court may be punished by such district court as a contempt thereof.

"§ 4054. Review by the court

"(a) Any claimant aggrieved by a decision of the Board involving a claim for benefits under chapter 11 or 13 of this title may, within one year from the date of mailing of notice of such decision, or the date of enactment of this section, whichever is later, apply to the court for a review of any issue of fact or law involved in such decision which bears directly on the question of whether or not (1) a disability or death is service-connected, or (2) a widow, child, or parent is entitled to benefits under such chapter 11 or 13. Such application shall be made by filing in the office of the clerk of the court a concise statement of the errors of law and fact complained of. A copy of such statement shall be transmitted by the clerk to the Administrator.

"(b) The court may decline to review any decision of the Board if it appears that no material error of fact or law is involved in such decision which bears directly on the question of whether or not (1) a disability or death is service-connected, or (2) a widow, child, or parent is entitled to benefits under such chapter 11 or 13.

"(c)(1) Within thirty days after a copy of the statement of errors of law and errors of fact has been furnished the Administrator, he shall file with the court an answer, directed to the allegations of errors of law or fact contained in the statement. A copy of the answer filed by the Administrator shall be promptly furnished to the claimant or to his representative.

"(2) If the Administrator determines that his position with respect to the issues involved in the appeal is adverse to that of the claimant, he shall designate counsel for such appeal to present the Administrator's position to the court, or before a commissioner, as the case may be.

"(d) (1) After the answer of the Administrator has been received by the claimant or his representative, if the only matter in issue, as agreed by the Administrator and the claimant, is a question of law, the case shall be heard by the court, on briefs and such argument as the court may deem advisable. In all other cases, the case shall be referred by the court to a commissioner for a hearing on the matters in issue, as presented by the statement of errors of law and fact filed by the claimant and the answer filed by the Administrator. A hearing before a commissioner shall, if the claimant or his representative so requests, be held at the regional office of the Veterans' Administration having original jurisdiction of the claimant's claim, and for good cause shown, the testimony of any witness may be taken at any other place.

"(2) A claimant may specifically request a hearing before a commissioner on any question involving an issue of fact in connection with an appeal to the court, specifying the witnesses whom he proposes to call to testify with respect to such issue and setting forth the facts which he proposes to establish through such witnesses. Except where subsection (b) of this section applies, the court shall grant such a request.

"(e) In hearings before a commissioner, evidence may be introduced, and witnesses examined, only on matters which are material to the matters in issue in the case. The admissibility of evidence, and its weight and probative value shall be determined in accordance with rules prescribed by the court. Such rules shall permit the introduction of the best nonprivileged evidence available that tends to prove or disprove any material issue, without regard to formal requirements. After the completion of testimony and argument before the commissioner in any case, the commissioner shall file proposed findings of fact and conclusions of law with respect to the case. A copy of such proposed findings and conclusions shall be furnished to the claimant and to the Administrator.

"(f) Unless an exception is taken by the claimant or the Administrator to any proposed finding of fact or conclusion of law by a commissioner within fifteen days after a copy of the proposed findings and conclusions has been furnished the claimant or Administrator, as the case may be, such finding or conclusion shall become the final decision of the court.

"(g) An exception may be taken by a claimant or the Administrator to any proposed finding of fact or conclusion of law filed by a commissioner by filing with the court a petition for review of such finding or conclusion, specifying the alleged errors in respect thereto. The court shall review such proposed finding of fact or conclusion of law, permitting briefs and oral arguments to the extent deemed by the court to be necessary. After completion of such review, the court shall render a decision on the case, or may return the case to the commissioner to take new or additional evidence and to render proposed findings of fact and conclusions of law after taking such new or additional evidence. Further proceedings in such case shall be in accordance with subsections (e) and (f) and this subsection, in the same manner as in the case of the original proposed findings of fact and conclusions of law.

"(h) Decisions of the court may include such orders as the court finds to be required in the case. Findings of fact and conclusions of law contained in any decision of the court shall, except as provided in section 4056 of this title, be binding thereafter upon the claimant and the Administrator in the consideration of the case.

"(i) After the decision of the court has been rendered in any case, the Administrator shall reconsider the case, in the light of the decision of the court, and make such revisions in the decision of the Administrator appealed from as are required.

"§ 4055. Attorneys and agents

"(a) The court, as a part of each decision entered, shall determine and allow reasonable fees for the attorney or attorneys of the claimant or claimants, and apportion same, if proper. The court may also approve reasonable attorney's fees in cases where, after decision has been rendered by the Board adverse to a claimant, an attorney has rendered services to a claimant in connection with an appeal to the court which lead to reversal or modification of the decision of the Board, whether or not an appeal is actually filed with the court in such case.

"(b) The court may prescribe qualifications of persons who may represent claimants in proceedings before the court and the commissioners.

"§ 4056. New and material evidence

"No fact found in a decision of the court may be reconsidered except where new and material evidence is produced after the decision of the court is rendered which was not available or discovered until after such decision was rendered.

"Subchapter II—Procedure and administration

"§ 4061. Clerk

"(a) The court may appoint a clerk and an assistant clerk, each of whom shall be subject to removal by the court. The court shall report any such removal and the cause thereof to Congress as soon as possible.

"(b) The clerk shall pay into the Treasury all fees, costs, and other moneys collected by him.

"(c) On the first day of every regular session of Congress, the clerk shall have published a full and complete statement of all the judgments rendered by the court during the previous year, showing the dates and amounts thereof and the parties in whose favor they were rendered, together with a brief synopsis of the nature of the claims upon which they were rendered, and a statement of the costs taxed in each case.

"§ 4062. Commissioners

"(a) The court may appoint not more than ten commissioners on a full-time basis, who shall be subject to removal by the court. The court may also procure, on a temporary or intermittent basis, the service of individuals as commissioners, in accordance with section 55a of title 5. The commissioners shall perform such duties as the court may prescribe, including, but not limited to, conducting hearings, receiving evidence, taking depositions, qualifying witnesses, and making such reports as the court may prescribe.

"(b) The compensation of each full-time commissioner shall be fixed by the court, but shall not exceed the maximum rate prescribed in the compensation schedule for the General Schedule of the Classification Act of 1949. Each commissioner shall receive all necessary traveling expenses and a per diem allowance as provided in sections 835–842 of title 5 while traveling on official business and away from his home.

"(c) No person may be appointed as a commissioner unless he is a member of the bar of a Federal court or of the highest court of a State, and has engaged in the active practice of law for five or more years. No person may be appointed as a commissioner who within the two-year period preceding his appointment has been a civilian officer or employee of the United States serving in the Veteran's Administration, the Department of Defense, the Bureau of the Budget, or the General Accounting Office.

"§ 4063. Stenographers; clerical employees; bailiff

"(a) The court shall appoint stenographers and other clerical employees in such numbers as may be necessary, each of whom shall be subject to removal by the court.

"(b) The court may appoint a bailiff and a messenger who shall be subject to removal by the court. The bailiff shall attend the court, preserve order, and perform such other necessary duties as the court directs.

"§ 4064. Fees; charge for court's opinions

"(a) The court may by rule impose a fee not exceeding $10 for the filing of any appeal.

"(b) The clerk of the court may collect for each certified copy of the court's opinion a fee in such amount as the court may determine."

SEC. 2. (a) The title and table of chapters of part V of title 38, United States Code, is amended to read as follows:

"PART V—BOARDS, COURT OF VETERANS' APPEALS AND DEPARTMENTS

"Chapter	Sec.
"71. Board of Veterans' Appeals	4001
"72. Court of Veterans' Appeals	4051
"73. Department of Medicine and Surgery	4101
"75. Veterans' Canteen Service	4201"

(b) The table of parts and chapters at the beginning of title 38, United States Code, is amended as follows:

(1) By striking out

"V. BOARDS AND DEPARTMENTS........ 4001"

and inserting in lieu thereof

"V. BOARDS, COURT OF VETERANS' APPEALS, AND DEPARTMENTS..... 4001";

(2) By striking out

"PART V—BOARDS AND DEPARTMENTS"

and inserting in lieu thereof

"PART V—BOARDS, COURT OF VETERANS' APPEALS, AND DEPARTMENTS";

and

(3) By inserting immediately below

"71. Board of Veterans' Appeals.... 4001"

the following:

"72. Court of Veterans' Appeals..... 4051".

SEC. 3 (a) Section 3405 of title 38, United States Code, is amended by inserting ", 4055," immediately after "3404".

(b) Subsection (a) of section 4004 of title 38, United States Code, is amended by striking out "Final" and inserting in lieu thereof "Except as provided in chapter 72 of this title, final".

(c) Subsection (c) of such section 4004 is amended (1) by striking out "Administrator, and" and inserting in lieu thereof "Administrator,", and (2) by inserting immediately before the period at the end thereof the following: ", and the precedent opinions of the Court of Veterans' Appeals".

AMENDMENT OF SECTION 245 OF IMMIGRATION AND NATIONALITY ACT—ADJUSTMENT OF STATUS FOR CUBAN REFUGEES

Mr. HART. Mr. President, I introduce, for appropriate reference, a bill to amend the Immigration and Nationality Act of 1952 to permit the adjustment of status of refugees resident in the United States, who are natives of countries contiguous to the United States or of any adjacent islands, including Cuba.

The bill eliminates the technical requirement of our immigration laws which requires such aliens to leave this country and reenter, in order to become eligible for permanent residence. I do not question this requirement for aliens who have come here through normal procedure and in casual circumstances, and then elect to apply for permanent residence. The requirement, however, would seem to have little justification in the case of refugees from the Communist regime in Cuba. Certainly, their entry into this country was anything but normal and casual—they were under duress and fleeing oppression.

Moreover, the requirement inhibits the rather substantial Federal program of assistance administered by the Department of Health, Education, and Welfare in cooperation with several voluntary agencies, religious bodies, and civic organizations. As Senators know, the purpose and content of this program is to render effective asylum by providing our Cuban guests with opportunities for self-support, chiefly through resettlement.

Mr. President, the talents of many Cuban refugees are going to waste because State professional licensing laws keep those without permanent status from practicing their skills or professions. This situation, and the expensive and laborious procedure to obtain this status under present law, is keeping many Cubans on relief rolls and in various difficult circumstances. I am thinking, for example, of the Cuban lady in Kinde, Mich., a doctor of philosophy; or another in Holland, Mich., a former teacher of English in Cuba—both of whom have been unable to teach Spanish in the local public schools because of their immigration status. But these refugees are qualified. They could fill an urgent need.

These two examples are multiplied throughout the country in every State and especially on the welfare rolls of the Cuban Refugee Center in Miami.

The bulk of the Cubans are highly skilled and educated persons—professional, technical, and managerial workers, office personnel, and skilled workers. I firmly believe this reservoir of talent should be tapped to the fullest extent—in the interest of the individual Cuban, for the development of our society. We can then anticipate a decreasing Federal expenditure in the program of assistance, and a progressive solution to the problem of refugees from Cuba. The bill I offer today would help accomplish this objective.

I am hopeful, also, that this bill would encourage the resettlement of Cubans to other countries of this hemisphere. The refugee talent should also be tapped for the economic, social and political development of the Western Hemisphere. And certainly, we could find no more effective spokesmen to describe the destruction of freedom under Castro's brand of communism than the Cubans who have fled their homeland.

Today, however, refugees are hesitant to leave the United States. Under their present immigration status they are not assured of reentry, if for valid reasons they choose to return. The proposed bill would help remedy the situation.

The Subcommittee on Refugees and Escapees, of which I have the honor to serve as chairman, has conducted extensive hearings on the Cuban refugee problem. On the basis of these hearings and additional study, I believe the passage of this bill would have immediately beneficial effects for all concerned.

Mr. President, I should emphasize that the bill in no way places a stamp of finality on communism in Cuba. It is merely intended to render more effective asylum to Cuban refugees while they remain the guests of America.

The proposed bill is permissive rather than mandatory. It does not automatically blanket all Cuban refugees in this country with an adjustment of status. We do not want to force anybody to accept permanent residence. The bill is a limited measure to encourage self-support through resettlement, by affording an opportunity for adjustment of status to those refugees who need or desire it to ply their skills and talents. The usual screening process, of course, would apply to such refugees.

Public Law 85-559, enacted in 1958 for Hungarian refugees, is somewhat of a precedent for the bill I offer today. I hope sincerely the Senate will act promptly on this bill.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2510) to amend section 245 of the Immigration and Nationality Act, introduced by Mr. HART, was received, read twice by its title, and referred to the Committee on the Judiciary.

PRESIDENTIAL MEMORIAL COMMISSION

Mr. HARTKE. Mr. President, Washington is a beautiful city. This is something no one can deny.

But we also cannot deny that the city is overloaded with memorials and is becoming more so. There seems to be no end to the memorials proposed.

I introduce, for appropriate reference, a joint resolution which would set up a Commission of 12 members to develop a permanent memorial to all past Presidents in Washington. Four each would be named by the Speaker of the House, the President of the Senate, and the President of the United States.

This Commission would, I believe, serve to develop plans for a memorial appropriate to all those who have served with distinction as Chief Executive and would obviate the need for Congress to consider seemingly endless requests for memorials, each to an individual past President.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 154) to establish a Commission to formulate plans for a permanent memorial to past Presidents of the United States, introduced by Mr. HARTKE, was received, read twice by its title, and referred to the Committee on Rules and Administration.

CONSTRUCTION OF ALASKAN HIGHWAY—ADDITIONAL COSPONSOR—S. 2417

Mr. METCALF. Mr. President, I ask unanimous consent that the next time the bill (S. 2417) to authorize the appropriation of funds for the construction, reconstruction, and improvement of the Alaska Highway is printed it carry the name of the senior Senator from Alaska [Mr. BARTLETT] as a cosponsor.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). Without objection, it is so ordered.

NOTICE OF RECEIPT OF NOMINATION BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nomination of Howard E. Haugerud, of Minnesota, to be Deputy Inspector General, Foreign Assistance.

In accordance with the committee rule, this pending nomination may not be considered prior to the expiration of 6 days of its receipt in the Senate.

NOTICE OF HEARINGS ON PRESIDENTIAL DISABILITY AND MEANS FOR FILLING A VACANCY IN THE OFFICE OF THE VICE PRESIDENT

Mr. DODD. Mr. President, as chairman of the Senate Judiciary Subcommittee on Constitutional Amendments, I wish to announce forthcoming public hearings on Presidential disability and means for filling the vacancy of the office of the Vice President. The hearings shall be held in room 2228 of the New Senate Office Building beginning at 10 a.m., February 24, 25, 26, 27, and 28, if necessary, 1964.

Persons interested in this matter should communicate with the subcommittee prior to February 21.

NOTICE CONCERNING NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. HART. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

A. Leon Higginbotham, Jr., of Pennsylvania, to be U.S. district judge, eastern district of Pennsylvania, appointed during last recess of the Senate;

John Morgan Davis, of Pennsylvania, to be U.S. district judge, eastern district of Pennsylvania, appointed during last recess of the Senate; and

Thomas J. Kenney, of Maryland, to be U.S. attorney, district of Maryland, for a term of 4 years, vice Joseph D. Tydings, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Monday, February 24, 1964, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF PUBLIC HEARING ON H.R. 8190

Mr. McCLELLAN. Mr. President, as chairman of the standing Subcommittee on Patents, Trademarks and Copyrights of the Committee on the Judiciary, I wish to announce that the subcommittee has scheduled a public hearing on H.R. 8190, a bill to fix the fees payable to the Patent Office. The hearing will commence on Thursday, February 27, 1964, at 10 a.m., in room 3302, New Senate Office Building.

Anyone wishing to testify or file a statement for the record should communicate immediately with the Office of the Subcommittee, Room 349A, Senate Office Building, Washington 25, D.C., telephone Capitol 4-3121 or Government code 180, extension 2268.

The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Michigan [Mr. HART], the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Hawaii [Mr. FONG], and myself.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, February 17, 1964, he presented to the President of the United States the enrolled bill (S. 298) to amend the Small Business Investment Act of 1958.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. PELL:

Address delivered by Hon. FERNAND ST GERMAIN, Member of Congress from the First District of Rhode Island, at the annual awards dinner, Thundermist District, Boy Scouts of America, February 8, 1964, Woonsocket, R.I.

LITHUANIAN INDEPENDENCE DAY

Mr. DIRKSEN. Mr. President, February 16 of each year people of Lithuanian extraction throughout the world pray that all people behind the Iron Curtain be given the right of self-determination and to live as freemen. Their hopes and prayers go to the free world to aid them in this dedicated cause.

Mr. President, I introduced Senate Concurrent Resolution 54 on July 25, 1963, in which the Senate and the House of Representatives were asked to resolve:

> That the President is hereby requested to take such action as may be necessary to bring before the United Nations for its consideration the question of the forceful incorporation of the Baltic States Republics into the Soviet Union, and a resolution declaring that—(a) the Soviet Union shall withdraw all Soviet troops, agents, colonists, and controls from the Baltic States; (b) the Soviet Union shall return all citizens of the Baltic States to their homelands from places of exile in Siberia, and dispersion in prisons and slave labor camps throughout the Soviet Union; and (c) the United Nations should conduct free elections in the Baltic States under the direct supervision of the United Nations and sit in judgment on the Communist counterparts of the Nazi war criminals convicted at the Nuremberg trials.

Mr. President, no action has been taken by the Committee on Foreign Relations on this matter and similar resolutions that have been introduced by our colleagues. Every effort should be made by the Congress of the United States to give hope, faith, and encouragement to the people behind the Iron Curtain who once were proud and free people and are now forced to serve under the yoke of a communistic form of government against their will.

Mr. President, I believe that the Foreign Relations Committee should go even further, under my Senate Concurrent Resolution 54, and enlarge the resolution to include bringing before the United Nations for its consideration the question of the forceful incorporation of all nations that are now within the orbit of the Soviet Union against their free will. Many of my colleagues in both Houses have spoken on the great issue of liberating these people, but I believe we should generate these words into an effective resolution passed by the Congress of the United States. Only then will the Lithuanians, on February 16, and all other peoples of former free nations who are now behind the Iron Curtain, truly commemorate their respective independence days.

Mr. President, it would be well at this point to reemphasize the various peoples who are in Europe behind the Soviet Iron Curtain: Ukrainians, Turkestanians, Byelorussians, Azerbaijanians, Armenians, Albanians, Georgians, Macedonians, Bulgarians, Yugoslavians, Czechoslovakians, Rumanians, Lithuanians, Latvians, Estonians, North Epirotians, Hungarians, and Polish.

Mr. President, I think it is an anniversary well to be remembered when we stop to consider the fortitude of the Baltic people, and the tenacity with which they have clung to the ideal of freedom. I think the day should be remembered. While the statement I make comes a little belatedly, I still wish to salute the fortitude, the stamina, and the fidelity to freedom of the Baltic people, who are still numbered among the captive groups.

Mr. DODD. Mr. President, yesterday, February 16, was the 46th anniversary of Lithuanian independence.

We in America proudly remember our own Independence Day as affirming the natural right of individual liberty and formally establishing our sovereign Nation.

February 16 is of similar importance to the people of Lithuania, but for somewhat different reasons.

We are a great country, in size, wealth, and power, and we enjoy the many fruits of a generous land. Living among us are 1 million Americans of Lithuanian descent, many of whom have narrowly escaped the tragic events in a freedom-loving country to which fate has not been kind.

It is difficult for most of us to understand what it would be like to have lived for years in the shadow of two great, powerful, hostile nations.

It is difficult for us to comprehend the agony of being alternately squeezed, crushed, overrun, annexed, and absorbed by one or both of these great powers.

The people of Lithuania understand this, for, in brief, it is the history of their small nation.

Yet in these heroic men and women, the desire for liberty and the will to freedom and independence have survived despite every effort to crush and smother them.

For this reason, the day in 1918 when Lithuania was declared an independent state is remembered, both as the beginning of a brief and joyful respite from foreign domination, and as a symbol of the hope for regaining this freedom.

Located between Russia and Germany, the nations of the Baltic area have suffered throughout history and have been the victims of every conceivable atrocity.

From 1795 until World War I, Lithuania was held under the power of czarist Russia. All through this period, Lithuanians resisted the intensive programs of forced "Russification," and retained their proud and distinctive national identity.

During the First World War, the country was overrun from two sides and was almost completely ravished by both the Russian and the German Armies.

With the defeat of the Germans and the chaos of the Bolshevik revolution, however, a light began to dawn for the long-oppressed Lithuanian people.

As the old order was collapsing in 1917, the German Government, under extreme pressure, authorized a meeting of a Lithuanian National Congress. This congress soon proposed the establishment of an independent Lithuanian state based on ethnographic frontiers.

On February 16, 1918, this independent nation was declared, and a democratic government was set up.

When the German troops were withdrawn, however, the Russians moved into their place without hesitation, and forcibly installed a Communist regime. The Lithuanians fought courageously against the foreign aggressors, and with the support of Polish troops were finally able to drive the Red army out in 1920.

Negotiations between the Lithuanians and the new Russian Bolshevik Government appeared to reach an understanding, but it was only the beginning of a newer and even more deadly type of treachery.

In 1920, a peace settlement was reached with the Russians, which again recognized an independent Lithuanian state, set the borders between the new nation and Poland and Germany, and renounced all Russian claim to this area.

The next year, Lithuania was admitted to the League of Nations, taking her rightful place among the community of independent states and fully enjoying the democratic freedoms of her new Constitution.

Vigorous activity followed, and this prosperous period of independence was marked by land reforms, great strides in agriculture, and a flourishing of the arts and of free expression.

This freedom from foreign rule, from oppression and subjugation was all too short lived. World War II again brought Lithuania's two powerful and hostile neighbors pressing down upon her. Despite earlier pledges by the Soviets to respect her sovereign status and the signing of a formal nonaggression pact, the unholy alliance between Hitler and Stalin struck Lithuania to her knees.

Facing insurmountable odds, Lithuania was forced to set up a government friendly to the Soviets, to grant them airbases on her soil, and finally to admit the Red army within her borders.

After the type of sham election which has since become a familiar technique of the Soviets, Lithuania in August of 1940 was declared a constitutional republic of the U.S.S.R.

Mass executions, deportations, and brutal killings followed, as the Soviets moved to wipe out all opposing voices. The Iron Curtain was rung down between Lithuania and the free world, and thus came the tragic death of Lithuanian independence.

This pattern of events is a familiar phenomenon to us now. It is quite typical, in method and brutality, of the Soviet takeover of eastern and central European countries in the 1940's.

Yet the experience of Lithuania is a particularly meaningful example for us, and serves to point up so vividly the conflict between two irreconcilable ideologies and our moral commitment to continually labor for the freedom of all the captive nations.

The people of Lithuania are courageous believers in individual liberty, and have historically resisted foreign oppression and all attempts to smother Lithuania's rich heritage and deeply rooted national consciousness.

Its people have strongly opposed the atheistic programs designed to obliterate all religious beliefs and practices and replace these with the religion of communism.

Today we know little about the true conditions in this country, because a great propaganda facade has been erected to prevent us from seeing Soviet failures in these very areas.

The United States has maintained relations with the independent Lithuanian Government representatives and has refused to recognize the Communist puppet regime. This in itself is an indication of our refusal to accept the status quo.

We must never accept the situation as it exists today. We must constantly reaffirm our dedication to an independent Lithuania and to freedom for all the captive nations, as we have done on this 46th anniversary of that memorable and joyous day in 1918.

Mr. PASTORE. Mr. President, Sunday, February 16, 1964, is a Sabbath that seems just a little holier to millions of Americans who look to Lithuania as their motherland. It marked the 46th anniversary of its national freedom.

So it is the hour again for us to pay our February tribute to that brave land—and we speak no less in tribute to the millions of Lithuania's sons and daughters who are our valued American neighbors and fellow citizens.

It is our hour of appreciation to them for the contribution that their character and courage make to our American scene. And it is an hour of inspiration as the student of history dwells on the perseverance of Lithuania, a country that refuses to stay conquered.

Yet it is an hour of frustration to all freedom-loving people that brave little Lithuania should be deprived of her earned right of self-determination—the written promise of greater nations that she should be a nation sovereign and free.

Through a thousand years of recorded history Lithuania has played her heroic part. Of old, it was a powerful independent state of Europe. They checked the Germans in their age-old drive to the east. They kept the Mongols and the Tartars out of Europe.

They helped through those centuries to fashion the character of European civilization with a spirit of liberty, education and toleration not surpassed in our time.

Then the shadow of Moscow fell across Lithuania—and its freedom. Revolt followed revolt—and each time the heavy Russian hand sought the harder to destroy the Lithuanian language and culture. But through it all the Lithuanians stayed faithful to their religion, their language, their traditions. Amid all their trials, their fidelity to language and religion were the great factors in maintaining the national identity of the Lithuanians.

As a Lithuanian writer put into words: "Let the warriors use their swords. We, brothers, will go forth into the wide world—on narrow paths—on broad boulevards—we will go from border to border wherever Lithuanians live—and we will proclaim one sun in the sky—one fatherland on earth—one ruler for all the land in which the holy language of our fathers is heard."

When the changing fortunes of the First World War saw first the Russians retreat—and then the Germans to fall back—Lithuania rose above all her tribulations on February 16, 1918, to proclaim herself an independent state, based on democratic principles.

Between the two World Wars, the ancient character of Lithuania showed again in a new triumph of learning, culture, the arts, agriculture and religion.

But again Lithuania became a pawn in the wars of Germany and Russia. She was victimized by both—and with the final peace, Lithuania returned—not to independence—but to Soviet domination.

All the studied cruelties of communism have been practiced upon her. The sovereignty that the United States recognized in 1922 has been torn from Lithuania. But America has never recognized that rape of Russia—and we never will.

We echo the words of our Lithuanian friends as they solemnly vow that they will continue fiercely resisting the alien rule of the Soviet Union—that they have not accepted Soviet slavery—and never will.

So we say we feel frustration because the path to true freedom is still dark. There is warning in the Lithuanian experience for any people who will not fight but will flirt with the blandishments of godless communism.

But we cannot fail to draw inspiration from the unquenchable courage of the Lithuanians—to believe with them and to work with them so that the hour of slavery may not last forever—and the time will come when little Lithuania will join us in the assembly of the free nations of the world.

Mr. BEALL. Mr. President, today the Lithuanian people and those of Lithuanian descent in the United States are observing their independence day. Yesterday, Sunday, February 16, 1964, was the 46th anniversary of the establishment of the Republic of Lithuania.

Since June 1940, Lithuania has been suffering in Soviet captivity. However, our country still recognizes the Lithuanian Republic. Furthermore, we maintain the Lithuanian legation here in Washington, D.C.

Approximately one-third of all Lithuanians now live outside their captive country. The largest Lithuanian community, of over 1 million population, is in the United States. They are fine people, very appreciative for their haven here.

It seems to me that if we can demand freedom from Portugal for Angola, and full freedom for the people throughout Africa, we should do the same thing for Lithuania, now under the heel of the Communists.

Lithuanian people have remained true in spirit to the West. They look forward to their liberation.

Mr. LAUSCHE. Mr. President, several times a year the Congress pauses in its hectic pace to commemorate the anniversaries of the nations held captive by the Soviet Union. This is always a sad event. The strong affinity which developed between the struggling little nations of East Europe and the United States in former, happier days still exists. Millions of Americans trace their ancestral homes to Poland, Ukraine, Lithuania, Estonia, Latvia, Rumania, Bulgaria, Czechoslovakia, and Hungary, all victims of Soviet imperialism. For these reasons the unfortunate condition of these nations today draws the utmost American attention and sympathy.

On February 16, we honor Lithuania, a nation which is especially close to Americans by reason of its history, and the large number of productive, democratic, American citizens of Lithuanian ancestry.

The Lithuanians have always been energetic, proud people. They were among the first in Eastern Europe to unite behind a national government. In 1450 Lithuanian kings ruled an area as large as modern Germany and France combined. Lithuania was a Christian nation, very cultured, and tied to the Western European tradition just as are we ourselves. It was about this time, 1450, that the principality of Moscow began to expand and to threaten Lithuania. Before long Moscow became the prime oppressor and enemy of the Lithuanian people. For 120 miserable years Lithuania was ruled by the despotic czars. Five times during those years Lithuanians revolted, showing admirable courage, and proving their desire for freedom.

They never lost their sense of national unity despite the Russians' attempts to remake Lithuania in their own image.

The end of the czarist regime during World War I freed Lithuania. On February 16, 1918, 46 years ago today, a National Council declared Lithuania an independent nation.

The Russian Bolsheviks proved their intention to continue czarist imperialism by attacking Lithuania as soon as possible after the Russian revolution. Their attempt to conquer Lithuania presented the world with one of the first examples of the Communist political tactics which have since become infamous. First, impossible demands were made upon the victim country, Lithuania; then, a puppet, Communist government in exile was recognized; then, the Soviet government pledged every possible aid to the puppet government; and finally, Soviet troops openly invaded the country, trailing chaos, murders, and mass executions behind them.

The Lithuanians gathered every resource behind their national army and thoroughly defeated the Russians. In July 1920, the Communist government in Moscow signed a treaty renouncing forever any claims to sovereignty over Lithuania. On September 28, 1926, this treaty was supplemented by a nonaggression pact between Lithuania and Soviet Russia. This also has become a stale Communist tactic intended to allay the suspicions of an intended victim.

Needless to say, both of these treaties were broken by the Soviets in 1939 when they once again followed the same routine they had 20 years before. The Lithuanians still were not interested in submitting to Russian control, but the Red army overpowered them in a mass invasion.

The subsequent story of terror, suppression, and rampant imperialism is well-known to the whole world. The Soviet Union has made every effort to obliterate Lithuanian identity, and to lower Lithuania to the status of a vassal nation. It has not been completely successful, thanks to the extremely brave Lithuanian people, who have carried on their struggle alone in the dark, nearly ignored by the world.

On the 46th anniversary of Lithuanian independence, Lithuania itself is not able to rejoice. But there is hope in the continued resistance to Communist exploitation. There is still a proud, and accomplished Lithuanian people beneath the Communist superstructure. The hopes of every American, whether from Lithuania or elsewhere, whether in the city or the country, in the East or the West, are with Lithuania today. We hope that in the future Lithuania will be free again, and that on February 16, there will be happy independence celebrations throughout Lithuania.

Mr. GOLDWATER. Mr. President, aside from the hope expressed in this body today, the 46th observance of Lithuania's short-lived independence has passed almost unnoticed. Certainly, the enslaved people of that hapless land had little cause or opportunity to observe the event with a celebration of the type which usually marks such occasions in nations where freedom prevails.

A Baltic province of Russia throughout most of its history, Lithuania gained its independence and established a republican form of government in 1918. Just 22 years later, with war raging throughout the world, the tiny Baltic nation was occupied by Nazi and Polish troops, then was again incorporated into the Soviet Union as a slave state.

As a result of the war which brought Communist slavery to Lithuania and so many other formerly free nations, the great powers of the world met in San Francisco in 1945 to found an organization dedicated to the principle of self-determination for all people. Ironically, the Soviet Union, which has taken self-determination from more people than any nation in history, was given greater power within the new world organization than any other member-nation, obtaining three general assembly votes to one each for the free nations. In subsequent years, the United Nations has waged a vigorous campaign against one kind of colonialism, but has religiously refrained from interfering with or criticizing the type which now holds the Lithuanian people in bondage. Indeed, Mr. President, the Secretary General of this organization has vigorously campaigned for these ends. He now is publicly urging the admission of Communist China to the world body, despite Charter prohibitions against membership of nations which are not "peace loving" and the absence of any directive or even implied instruction from the United Nations for him to do so.

Only our own historic dedication to the principle of universal freedom prompted this Nation to take a leading role in the founding of the United Nations and to provide it with the bulk of its financial support since.

It was because of this same dedication that the Congress of the United States, just 6 years ago, overwhelmingly adopted the so-called captive nations resolution, directing the President of the United States, during the second week of July each year to issue a proclamation calling for the liberation of all enslaved peoples. During his last 2 years in office, President Dwight Eisenhower religiously observed this will of Congress, listing by name Lithuania and all the other formerly free states now enslaved by international communism and calling for their independence. Beginning in 1961, however, admittedly for fear of offending Soviet Russia, the present administration has refused to specify that Lithuania and the other Soviet colonies are among those nations whose people we wish to see free.

If these annual observances of Lithuanian Independence Day are to become anything more than occasions of mourning a freedom which can never be reborn, Mr. President, we must, as the representative voice of a nation whose freedom was born in a struggle against foreign oppression, exercise what power we have within the United Nations to guarantee that the charter provisions for self-determination are, indeed, applied to all peoples, particularly the Lithuanians and others who today are held in Communist bondage.

It also is to be hoped that the President of the United States will, in issuing the Captive Nations Week proclamation this year, revert to the practice followed by President Eisenhower and specify this Nation's desire for Lithuanian independence instead of bowing again to the petulant indignation of the Soviet hierarchy.

Lithuania and the rest of the world can again be free, Mr. President, but not if this and the other free nations of the world abandon, with a simple expression of condolence, such captive peoples to perpetual enslavement.

Mr. RIBICOFF. Mr. President, the spark of freedom no longer glows in Lithuania. It was stamped out many years ago by the heavy boot of Russian communism.

Yet in the hearts of 1 million Americans of Lithuanian descent, national pride still burns brightly. This was evident Sunday as Lithuanian Independence Day was observed across our Nation.

The tiny Baltic state declared its independence on February 16, 1918, after more than a century of Russian domination. But its freedom was short lived. The Russians restored their tyrannic rule in 1940 and the Lithuanian people, who had reached out so eagerly for liberty, saw it torn violently from their hands.

The United States recognized an independent Lithuania in 1922 but we have not recognized—nor will we in the future—the absorption of that valiant nation by the U.S.S.R. We prefer to work toward the day when, once again, Lithuania will be free of foreign domination, free to determine its own course in world affairs.

The prayer with which the Senate began its deliberations today was offered by the Reverend Joseph Matutis, a Lithuanian and a Connecticut neighbor of mine from New Haven. I am extremely pleased he is with us as we note the 46th anniversary of Lithuanian independence.

This solemn occasion sobers our thoughts and reinforces our resolve to extend the blessings and bounty of democracy throughout the world, especially to those peoples—like the Lithuanians—who yearn for liberty but are denied it.

Mr. CASE. Mr. President, particularly at this time of the year, I am saddened to think about the plight of Lithuania, the 46th anniversary of whose too short-lived independence occurred on Sunday, February 16.

As always, I am moved and inspired by the feelings of Americans of Lithuanian origin and by their dedication to the independence of Lithuania, where a large number of them still have relatives. Uppermost in the hearts of Americans of Lithuanian extraction is the liberation of their ancestral homeland from Soviet rule. As I have written to many friends of Lithuania in my State, I would support any feasible policy to help restore the independence of the Baltic countries, and others under foreign domination, short of plunging the world into war over the issue.

The brave little country of Lithuania was free for 22 years following World War I, prior to its being taken over by the Nazis and subsequently by Soviet Russia. During its period of independence, it flourished as a peaceful and freedom-loving nation. The restoration of its independence is important, not only to Lithuanians under Soviet rule, and to people of Lithuanian origin wherever they are located, but also to all who cherish liberty throughout the world.

Surely, this desire for Lithuanian independence which burns so strongly in so many hearts will not forever be denied. Surely, we may yet look forward to a world more just and equitable, in which this fervent hope will be fulfilled.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of a resolution adopted by the Lithuanian Ladies' Club of Newark, N.J., on February 5, 1964, commemorating the 46th anniversary of Lithuanian independence.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas Lithuania, the land of our ancestors, enjoyed a free and independent existence from 1918 until June 1940, when the Soviet Union by subversion and force invaded and occupied the country, and still rules and oppresses the Lithuanian nation to this day; and

Whereas the Government of the United States strongly denounced the unlawful Soviet seizure of Lithuania and the other Baltic States, and rightly does not recognize the illegal annexation and Moscow-imposed rule of these countries; and

Whereas the Soviet Union keeps seeking ways and means, direct and indirect, to gain recognition of its illegal colonialism in the Baltic States, for this purpose recently offering a nonaggression treaty between the North Atlantic Treaty Organization and the Warsaw Pact bloc, and an agreement to settle all boundary disputes without the use of armed force: Therefore be it

Resolved, That we urge our Government to be wary of entering into any agreement with the Soviet Union which would imply the recognition of Soviet rule in the presently captive states, freeze the present boundaries and territory designations, and/or preclude the possibility for the Lithuanians and other captive peoples to use whatever means would be necessary and available at an opportune moment in order to rid themselves of the onerous Soviet yoke and regain their freedom and independence; be it

Resolved, To urge our Senators and the Members of Congress from our districts to support the introduction by the United States of the case of the Baltic States and other Soviet-enclaved nations before the appropriate body of the United Nations; and be it further

Resolved, That this resolution be sent to the Honorable Lyndon B. Johnson, President of the United States; and copies thereof to the Honorable Dean Rusk, Secretary of State; the Senators from our State; the Congressmen from our district; local press.

Mr. KENNEDY. Mr. President, we as Americans have an abiding interest in the progress of the world toward freedom. We have a great heritage in peace and liberty and we know that its rewards are neither readily won nor easily preserved. Our democracy has been an example to the world for 190 years, and we are proud to share our heritage with peace-loving peoples throughout the world.

But not all people who cherish peace and liberty are fortunate enough to enjoy its fruits within their own national borders. And so the marking of Lithuanian Independence Day, on February 16, is of particular significance.

This day in 1918 brought a new and cherished freedom to the sorely oppressed people of Lithuania. They had fought for 150 years with conviction and determination to rise up from beneath the cruel and absolute rule of the czars. Despite great suffering and repeated setbacks, they had never lost sight of their noble heritage in peace and liberty, they had kept alive their love of freedom. And 46 years ago, as a result of World War I and the collapse of czarist Russia which it occasioned, the tenacious quest of the Lithuanian people for liberty was fulfilled, the banner of freedom unfurled and Lithuania adopted its declaration of independence.

For 20 years Lithuania once again enjoyed the bountiful rewards of freedom in their land. Education made great strides, the economy flourished and the Lithuanian Government played a prominent role in international affairs. But the Soviet Union did not welcome this peaceful and prosperous free nation which offered such a startling and convincing contrast to conditions under communism.

In 1940, ignoring treaties and civilized methods, the Communists conquered Lithuania.

Since that time it has been difficult for Americans to get information about Lithuania. But our American citizens of Lithuanian origin have helped us. They have helped us to learn that the people of Lithuania are not happy under communism, that they enjoy little personal freedom, that they cannot worship freely and that they are liable for severe punishment for political beliefs.

Under these circumstances, it is of special importance that Lithuanians and Americans join together in reemphasizing their common heritage and common future in peace and liberty. The marking of Lithuanian Independence Day serves the cause of freedom well, as we honor our American citizens of Lithuanian origin who have made such invaluable contributions to our country. We are proud to join with them in this commemoration, knowing that the light of freedom still lives in the hearts of their friends, relatives, and compatriots who are now suffering under a cruel oppression.

Mr. CURTIS. Mr. President, it is a privilege to join in noting the 46th anniversary of short-lived Lithuanian independence.

It was on February 16, 1918, that a 20-member national council under the leadership of Antanas Smetona proclaimed Lithuanian independence and set about forming an independent government. This proclamation conceded "special relations" with Germany in return for recognition. A provisional constitution was adopted in October of 1918, vesting governing power in a three-man presidium, with Smetona as provisional president.

Thus began an era of relative stability in the turbulent history of Lithuania, an era which was to be abruptly halted with the advent of World War II. The Lithuanians have been an oppressed people throughout the ages, and their recent history includes bloody tyranny at the hands of both the Nazis and the Soviets. Mass deportations were suffered during these years, both to Germany and Soviet Russia.

The Lithuanians spring from ancient beginnings. Archaeologists have found evidence that as early as 1500 B.C., people resembling present-day Lithuanians were living near the Baltic Sea and had developed a relatively high state of culture. Other scholars, however, believe Lithuanians migrated to the Baltic area at about the time of Christ. There is a close linguistic tie between Lithuanian and Sanscrit, and certain folklore characteristics, which lend substance to this latter contention.

Whatever their genesis, Mr. President, the Lithuanians have served as political and military pawns for a centuries-long succession of rulers, culminated in the rapacious takeover by Soviet Russia in 1940.

Throughout the centuries, the Lithuanians have kept alive their burning desire for freedom and independence. That desire has not been lessened by oppression but, rather, heightened. Today, Lithuanians the world over still work toward freedom from Soviet shackles for their country and its people, and we must continue to support them in the struggle for this objective.

Mr. PELL. Mr. President, Sunday, February 16, marked the 46th anniversary of the restoration of Lithuanian independence, which was established at the conclusion of the First World War after Lithuania had undergone more than a century of hardship and domination by foreign rule.

Lithuania's independence lasted only 22 years, until 1940 when the country was seized by the Russians and then invaded and occupied by the forces of Hitler's Germany. Since World War II, Lithuania, under Communist oppression, has suffered once again.

Nevertheless, the desire for freedom and for the fundamental principles of democratic government, remain strong in Lithuania and among its representatives here in the United States and throughout the world. Today I would like to pay my own tribute to their perseverence and to their courage.

The Lithuanian language has been called the oldest living tongue in Europe. The country is traditionally noted for the fertility of its soil, for its great beauty, its forests of pine and birch and fir. Lithuania is famous for its music and the deep roots of its culture. Above all, however, at this special time of anniversary, I would like to honor the indomitable spirit of the Lithuanian people.

Mr. BREWSTER. Mr. President, I rise today to pay tribute to the great people of Lithuania and to the contributions of the Lithuanian community to cities and towns throughout our own Nation.

Sunday marked the 46th anniversary of the declaration of Lithuanian independence, an act by which the great people of Lithuania demonstrated their dedication to liberty and freedom under a democratic government and in accordance with Western political traditions.

On February 16, 1918, the 20-member Lithuanian Taryba unanimously proclaimed an independent state based on democratic principles. Less than a year was allowed to pass before the bud of freedom was nipped by the advancing Red army. Undaunted by Communist occupation, brave Lithuanian fighting units jointed with the Polish Army in driving the oppressor out of their country.

Lithuania's first Constitution was adopted in August 1922. It is a historic document according freedom of speech, assembly, religion, and communication—freedoms that we in this country all too often take for granted.

Lithuania flourished under independence. A land reform program resulted in Lithuania's becoming a nation of small farmers, just as our own country was for many long years. Business and industry flourished. Lithuania also made progress in social legislation, with a labor control law, the introduction of the 8-hour day, and various other social measures. The number of schools more than doubled in the 9 years from 1930 to 1939. Lithuanian literature, opera, and music flourished.

In 1939, with the dark clouds of war hovering over the world, Nazi Germany occupied the city of Memel. A rapid sequence of events resulted in the reoccupation of Lithuania by Soviet troops under the guise of "mutual assistance." On August 3, 1940, Lithuania was incorporated as a constituent republic of the U.S.S.R. While thousands fled from the Stalinist commissars, many more thousands were deported to the wilds of Siberia or executed as the Soviet forces retreated under German attack.

Nor did the Nazis bring the breath of freedom back to the brave and proud people of Lithuania. They proceeded to murder almost all Lithuanian Jews.

In 1944, the Soviet Army reoccupied Lithuania, substituting Nazi rule with Communist rule. Lithuanians were drawn unwillingly behind the Iron Curtain; once again their sovereignty and their freedom were suppressed.

Mr. President, Lithuania is no longer a free and independent nation, but the spirit of freedom lives on in the hearts of this sturdy people. On the occasion of the 46th anniversary of Lithuanian independence, let us reiterate our firm commitment to Lithuanian freedom. Indeed, let us rededicate ourselves to the cause of freedom and human dignity throughout the world.

Mr. WILLIAMS of New Jersey. Mr. President, when the Nazi leaders became avaricious enough to invade East Europe, they brought untold misery to millions of human beings, both directly by their own actions, and indirectly, because under the guise of opposing German expansion, the Soviet Union inflicted equal misery on millions of other human beings. The Baltic countries especially have suffered under communism.

We in democratic countries often forget that not everyone enjoys the developed freedoms that we do. We depend on conscientious, nonpolitical police, who respect the right to a fair and speedy trial, to writ of habeas corpus, and to personal counsel. We have come to accept that we are innocent until proven guilty, that we have the right to assemble and debate freely, and that we cannot be forced to give evidence against ourselves.

But many people do not enjoy such freedom; for example, Lithuanians, whose 46th independence day was yesterday, February 16. In Lithuania no one was allowed to celebrate yesterday. Thus it is fitting we free people express our own acknowledgement of Lithuanian Independence Day, as an example of what freedom is.

Many Americans are of Lithuanian descent. When the Soviet Union so cruelly invaded Lithuania it drove the wisest citizens out of the country, many came to the United States, which they knew as the citadel of freedom. Surely Lithuania's loss of these people has been our gain. Here they have proven how strongly they uphold democracy and how capably they could have developed their own nation, given a fair opportunity. The hopes of freedom-loving Americans of every ancestry are with Lithuanian-Americans and their oppressed homeland today, and every day until Lithuania is free again.

Mr. HART. Mr. President, the purpose of this comment today is to call the attention of the free world to a little country which is not free.

Would that we could do more for the people of Lithuania than to note that 46 years ago yesterday they did manage to end 123 years of oppression and to establish a Republic for which they had great love—and great hope.

But that Republic fell in 22 years, and since freedom has been once more only a dream to the Lithuanians.

So—Sunday will not be a joyous, but a sorrowful day in Lithuania.

Let us, at this time, extend to the 3 million residents of that country our sincere compliments on the strength they have shown, our appreciation that they still cling to the desire for freedom, and our hope that soon they may once more enjoy it.

Expressing eloquently the feeling of many fine citizens of Michigan who are of Lithuanian birth or descent is a resolution adopted by the Detroit Organizations Center Rally at a well-attended public meeting in Detroit yesterday. I ask unanimous consent that the resolution be printed in full at the conclusion of my remarks.

The public meeting, in addition to the serious tone reflected in the resolution, saw a beautiful presentation of songs, dress, and dances traditional with the Lithuanian people. My friends of Lithuanian descent were kind to have me as their guest and I saw a vivid demonstration of the strength which is ours in America because of the rich traditions and faith which liberty loving people have brought to this Nation from overseas. Ours is a stronger Nation because of their presence here. It may be of interest to have printed in Lithuanian at this point in my remarks the program of this meeting and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the resolution and program were ordered to be printed in the RECORD, as follows:

RESOLUTION, DETROIT LITHUANIAN ORGANIZATIONS CENTER RALLY, WESTERN HIGH SCHOOL, DETROIT, MICH., FEBRUARY 16, 1964

On February 16, 1918, in Vilnius, Lithuania, the Lithuanian Council representing the entire Lithuanian nation announced to the world the reestablishment of Lithuania as an independent nation with Vilnius as its capital.

For almost a quarter of a century from 1918 to 1940 independent Lithuania flourished and progressed and earned the admiration of and status in the family of the free nations of the world.

However, since 1940 Lithuania has been the victim of cruel aggression first by Bolshevik Russia, then by Nazi Germany from 1941 to 1944 and since that time the Communist colonialization of Soviet Russia.

The Lithuanian people in enslaved Lithuania and throughout the world yearn for freedom and liberty and an independent Lithuania. The emergence of the new free nations during the current era gives rise to the hope that Lithuania will soon regain its freedom. Those living in freedom cannot long deny it to others.

The hopes of the Lithuanian people are further strengthened by the knowledge that the leader of the free world, the United States of America consistently refuses to recognize the incorporation of Lithuania into the Soviet Union and recognizes her as an independent nation with the rights of self-determination.

We, the Americans of Lithuanian origin living in the metropolitan area of Greater Detroit, County of Wayne, in the State of Michigan gathered at Western High School, 1,500 Scotten, Detroit, Mich., to commemorate the 46th anniversary of Lithuania's Declaration of Independence, at a rally sponsored by the Detroit Lithuanian Organizations Center, hereby firmly resolve to reaffirm our belief in the democratic principles of our Government and pledge our unstinted support to our President and the Congress of the United States to attain lasting peace, freedom, and justice throughout the world.

We further resolve to urge the U.S. Government to be wary of entering into any agreements with the Soviet Union which would in any way imply the recognition of Soviet rule in Lithuania, Latvia, Estonia or the other captive nations and to continue its position of maintaining that Soviet rule of Lithuania and the other enslaved countries is unlawful and at the same time demand that the Soviet Union practice what it preaches regarding colonialism by immediately withdrawing all Soviet troops, ruling apparatus and colonists from Lithuania and all other captive nations, and that our Government insist that this liberation be the basic condition for the start of any further treaty negotiations with the Soviet Union.

We further resolve to urge the U.S. Congress to hasten the passage of one of close to 50 Senate and House Concurrent Resolutions now pending in committee in both Houses of the Congress requesting the President of the United States to bring the Baltic States question before the United Nations requesting the Soviets to withdraw from Lithuania, Latvia and Estonia, to return all Baltic exiles from Siberia, prison and slave-labor camps and to conduct free elections in these nations under United Nations supervision.

We also urge that this resolution be sent to the President of the United States, the Secretary of State, to the Senators and Congressmen representing Michigan in the U.S. Congress, to members of the Foreign Relations Committee in the U.S. Senate and the House of Representatives and to the press, radio, and television media.

Unanimously accepted and adopted at Detroit, Mich., this 16th day of February in the year of our Lord, A.D. 1964.

ALGIS ZAPARACKAS,
Chairman.
PETRAS JANUSKA,
Secretary.

[Lietuvos Nepriklausomybes Atstatymo 46-siu Metu Sukakties]

ISKILMINGO MINEJIMO PROGRAMA

(1964 m. vasario men. 16 d., 3 val. po pietu, Western High School Auditorijoje, 1500 Scotten Ave., Detroit, Mich.)

1. Iskilmingo minejimo atidarymas—Detroito Lieutiviu Organizaciju Centro Valdybos pirmininkas Ralph J. Valatka.
2. Garbes Prezidiumo pristatymas.
3. Programos vedejas—Algis Zaparackas.
4. Jungtiniu Amerikos Valstybiu Himnas.
5. Invokacija—kunigas Bronius Dagilis.
6. Zuvusiu vz Lietuvos laisve pagerbimas.
7. Michigan valstybes Gubernatoriaus George E. Romney proklamacijos skaitymas—Antanina Ciunkaite.
8. Detroito miesto Burmistro Jerome P. Cavanagh proklamacijos skaitymas—Zibute Zaparackaite.
9. JAV Senatoriaus Philip A. Hart kalba.
10. Garbes sveciu pristatymas ir sveikinimai.
11. Jono Matulionio kalba.
12. Rezoliuciju priemimas—skaito Algis Alantas. Pertrauka 15 minuciu.

MENINE PROGRAMA

1. Gyvataras	Tautinis sokis
2. Sukcius	Tautinis sokis
3. Subatele	Tautinis sokis

Atlieka Detroito lietuviu tautiniu sokiu grupe "Silaine" vadove—G. Gobiene.

4. Kur giria zaliuoja	J. Guadvicius
5. Po aukstus kalnus	K. V. Banaitis
6. O Nemune	Br. Budriunas
7. Lietuviais esame mes gime	S. Simkus

Lietuvos Himnas

Atlieka Sv. Antano parapijos misrus choras vadovaujamas muz. A. Mateikos.

Sveikina: Dr. Brone Gruzdiene, danty gydytoja 15200 Schoolcraft. VE 7–2119.

ONE BRIEF SHINING MOMENT OF FREEDOM

Mr. KUCHEL. Mr. President, today we commemorate the 711th anniversary of the founding of the Lithuanian Kingdom in A.D. 1253 and the 46th anniversary of the declaration of independence by the Republic of Lithuania in 1918.

Brave Lithuania is a small nation who has felt the despotic heel of foreign rulership for most of her seven centuries of existence. Fought over by Poland and Germany during the Middle Ages, she was arbitrarily given to the Russian czar at the Congress of Vienna in 1815.

It was at this point that the Lithuanians first experienced the torture and oppression of modern totalitarianism. Lithuanian newspapers and books were prohibited, Russian was the only language permitted in the schools, and thousands of loyal Lithuanians who refused to knuckle under to foreign domination were either executed or exiled to Siberia.

Following the First World War the unquenchable love of freedom within the Lithuanian people burst forth in the founding of an independent Lithuanian nation. Free for the first time since the 13th century, Lithuanians were permitted the unbelievable luxury of electing their own leaders, speaking their own language, studying their own history, and determining their own national destiny.

These rights and freedoms, which those of us in the free world often take so casually, were for Lithuanians a thrilling and, unfortunately, all too brief experience.

For after a brief span of only 22 years, the ravages and unrest of the Second World War destroyed Lithuanian independence. In 1940 the Soviet Union occupied the free republic with large numbers of troops, forced the election of a pro-Communist government, and once again began the systematic destruction of Lithuanian language, culture, and national identity.

Free Lithuania, along with neighboring Estonia and Latvia, has been a prisoner in Soviet chains ever since.

But the brief period of Lithuanian independence was a very significant period indeed. For one brief shining moment there was freedom of government and freedom of expression on the shores of the Baltic Sea. For one brief shining moment a small country was able to chart her own course for national development without having to take orders from the great totalitarian power that so threateningly overshadowed her.

The memory of this brief shining moment of Lithuanian independence is today a beacon of hope to the enslaved peoples throughout Eastern Europe and, indeed, to enslaved peoples all over the earth. The continued efforts of the Lithuanian people, both within their country and in exile, to shake off the yoke of Communist oppression is a constant reminder to us all that human freedom is still worth fighting and dying for.

It is for this reason that we celebrate, both sadly and hopefully, the 46th anniversary of the founding of Lithuanian independence.

SOVIET-AMERICAN RELATIONS

Mr. DODD. Mr. President, there has just come to my attention a remarkable letter written to Mr. Valerian A. Zorin, Deputy Minister of Foreign Affairs, U.S.S.R. by Mr. Norman Cousins, the distinguished American editor.

Mr. Zorin had expressed surprise over the very strong American reaction to the arrest and imprisonment of Prof. Frederick C. Barghoorn.

> How can one man create such a problem between our two great countries?—

Mr. Zorin asked.

> I do not understand how this single incident can color the whole range of Soviet-American relations.

In his reply to Mr. Zorin, Mr. Cousins undertook to answer this question. Mr. Cousins gave Mr. Zorin a lecture on the meaning of America and the meaning of the American Constitution which I hope will be used repeatedly in the future by the U.S. Information Agency.

He told Mr. Zorin that "the United States is prepared to turn itself out on behalf of a single man" because "it was designed to rescue the individual from the ages-old notion that he was comprehensively subordinate, and that his rights or sufferings or longings or needs were of little consequence alongside the wishes or needs of the state."

According to the American design, Mr. Cousins said:

> The individual is primary and the state is secondary. The individual in full possession of his rights becomes the central concern of the state. This means that the state must not merely come to the defense of a solitary individual who is under attack; the state must think through the total problem of what the individual requires in order to be himself, to function effectively, to grow, to think, and to exercise rights against the state itself.

I ask unanimous consent that the entire text of Mr. Cousins' reply to Mr. Zorin be inserted at the conclusion of my remarks.

As a Representative of the State of Connecticut, I am proud to know that this statement originated with a resident of my State.

It also makes me proud to be able to count Mr. Cousins among my personal friends.

There being no objection, the reply was ordered to be printed in the RECORD, as follows:

A FRIENDLY LETTER TO MR. ZORIN

"How can one man [Frederick C. Barghoorn] create such a problem between our two great countries? * * * I do not understand how this single incident can color the whole range of Soviet-American relations."—Valerian A. Zorin, Deputy Minister of Foreign Affairs of the U.S.S.R. as quoted in press dispatches from Moscow.

DEAR MR. ZORIN: We understand that you raised these questions during a press conference at a time when American indignation over the arrest on espionage charges of Professor Barghoorn was reaching a powerful crescendo. The news stories said you expressed genuine bewilderment and concern and sought serious answers.

No more important or revealing questions than the ones you ask about the United States have come from the Soviet Union. In many ways, these questions are even more vital to world peace than the emergency military questions for which the hot line between Washington and Moscow was devised. Questions involving military accident or miscalculation are fairly mechanical and are subject to reasonably prompt correction or clarification. Far more fundamental and difficult are questions involving miscalculation growing out of a nation's values or its philosophical underpinnings and the propositions attached to them. The peoples of the world and not just the peoples of our two countries have a genuine stake in the formulation of policy in the Soviet Union based on your correct understanding of why the United States moved powerfully and swiftly in the Barghoorn episode. This understanding will be relevant in any future assessment you make of those things that are certain to affect or bring about major American decisions.

First of all, you should be assured that the implications of your question are quite right: The United States is prepared to turn itself inside out on behalf of a single man. Indeed, this is precisely what the United States was designed to do. It was designed to rescue the individual from the ages-old notion that he was comprehensively subordinate, and that his rights or sufferings or longings or needs were of little consequence alongside the wishes or needs of the state. The design was not a superficial one. It involved an intricate structure of government, constituted in such a way that no government official could have an easy time immunizing himself from the consequences of his errors or in putting himself beyond the reach of an individual who didn't like what was happening.

Most important of all, the design was based on the conviction that the only justification for a national government is to prevent bullies, including the state itself, from taking advantage of the individual because he is small and alone. According to this design, then, the individual is primary and the state is secondary. The individual in full possession of his rights becomes the central concern of the state. This means that the state must not merely come to the defense of a solitary individual who is under attack; the state must think through the total problem of what the individual requires in order to be himself, to function effectively, to grow, to think, and to exercise rights against the state itself. The individual must be able to shake his fist at the state, to denounce it, to take it into court and sue it and receive a verdict against it.

This, then, is the general idea. Many of our problems have come about not because the state has followed this design too closely but because it didn't follow closely enough. The most important causes or movements in the United States today are those that are directed against government—local, regional, or national—for being less zealous than it should be in meeting its obligations to the individual.

We can understand why you expressed bewilderment. We appreciate—and we say this not with any intent to score points in a discussion but in an effort to state a recognizable and relevant fact—that you speak from the vantage point of a society that sees history as governed by inexorable and supremely impersonal historic forces. According to this view, there are basic laws that determine which way a society and the world itself are to be shaped. The fate of a single individual alongside these vast forces is not considered to be especially critical. The individual, to be sure, is not ignored, but his rights against the state are minimal rather than maximal. The term "destiny" is seldom applied to a single man; it belongs to the society as a whole. Cases in which one man is allowed to array himself against the state, which, for all its size and power, has no more standing in court than the man juxtaposed against it—cases such as these are unknown in your nation.

Against this background, we can readily understand that you should be amazed and dismayed that an individual such as Professor Barghoorn could upset the flow of history. But this was to be expected and, under similar circumstances, would happen again. Indeed, surprise and bewilderment over the Barghoorn case would be warranted only if the United States and the American people did not fly into an uproar but contented themselves with a murmur of protest or nothing at all.

Our purpose in writing you, we repeat, is not to deliver a sermon but to put before you some speculations bearing on the serious questions you pose. We want to assure you that this is not a one-way discussion and that our pages are available to you for response, riposte, or further questions.

N.C.

THE LAND AND WATER CONSERVATION FUND BILL

Mr. BARTLETT. Mr. President, last week I had the opportunity of hearing the distinguished chairman of the House Committee on Interior and Insular Affairs, the gentleman from Colorado, Representative WAYNE N. ASPINALL, discuss the pending land and water conservation fund legislation. I found the chairman's remarks eminently sound and so it is I would like to bring them to the attention of my colleagues both in the Senate and the House. Mr. President, I ask unanimous consent to have Chairman ASPINALL's remarks printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE LAND AND WATER CONSERVATION FUND BILL

Perhaps it would be well to remind ourselves this evening that tomorrow is Lincoln's birthday; that in the year in which he was born, 1809, the whole population of our country was less than 7¼ million people; that they were scattered over 1¾ million square miles of land; that this means we then had only 4.3 persons per square mile; and that only 7 percent of this population lived in settlements with 2,500 or more people.

If the question being asked tonight—"Should the Outdoors Be Free?"—had been asked then, it would have been meaningless. The "outdoors" was all around. It couldn't be locked up. It was free for all to enjoy.

Similarly, if at that time anyone had suggested a land and water conservation bill—the specific subject that has been assigned to me to talk about—he would have been thought somewhat wacky in the head. No one would have known what he was talking about or why he was talking about it or paid any attention to him if he had tried to talk.

The situation is completely different today. Today both of these questions are serious questions. They are pressed upon us not by any malign influence or by any malicious desire to charge people for what they think they have enjoyed free of charge to date, but by the mere fact that the 155 years that have passed since Lincoln's birth have brought about a revolution such as the world never before saw—a revolutionary increase in our population, a revolutionary increase in our means of transportation, a revolutionary increase in our leisure time, a revolutionary change in our urban/rural balance, a revolutionary change in the tempo of our life and work and play.

Today, just to make this a little more concrete, the United States, exclusive of Alaska, has a population of 62½ people per square mile—more than 14 times as dense as it was in 1810. Today, 115 million of us live in what the Census Bureau classified as "urban" places—220 times as many as lived in towns of the same size in 1810. Today the "outdoors" is not a 5-minute walk from our doorstep but, for most of us, a long drive through town and past suburbia.

Having said this much by way of general introduction, let me lay a foundation for what I want to say on my specific subject. To do so, I have to ask you to go back quite a way with me in our thinking. I do so partly because of the very title of the bill I have already mentioned—the land and water conservation fund bill—and partly because I regard the current surge of enthusiasm for public support of outdoor recreation as part and parcel of the larger and, in some ways, older conservation movement.

We on the Hill see this connection every step of the way. We see it when we deal with national parks legislation—for here recreation and conservation plainly move hand in hand. We see it when we deal with the national forests—here, too, recreation, conservation, and forestry management go together. We see it when we deal with our great water and power projects—here again the potentials for outdoor recreation are very much to the fore and are being pressed on us at every turn.

Back in the 1890's and the early 1900's when the conservation movement was getting strongly under way, when giants like Theodore Roosevelt and Gifford Pinchot and others were with us, it was such things as these—parks, forests, waterpower, and irrigation—that constituted the focal points of the conservation movement.

This movement, if I read my history correctly, was not a movement in favor of locking up our great stores of natural resources and of natural beauty and simply putting them in a deep freeze. It was a movement against waste and despoilation, a movement in favor of wise use. And while wise use, in my vocabulary, may in some cases mean a single use (our national parks, for instance), it will in more cases mean multiple use—our national forests and our flood control and irrigation reservoirs, for instance. But it will not mean, except in the rarest of rare cases, a policy of no use, a policy of preserving simply for the sake of preserving.

The use of the outdoors for recreation at the time the conservation movement got started was a minor part of the story. Certainly people wanted to enjoy the outdoors but, as I have already said, the outdoors was all around them except in a few of our larger cities, and little thought needed to be given to its accessibility, its adequacy, or its cost. Today such thought must be given. The outdoors today for most of us city dwellers is far, far away. It is getting scarcer and scarcer. It costs time and money to get to it. And it is costing more and more to preserve and restore it. These, in the final analysis, are the reasons for the land and water conservation fund bill.

Novel though some of the proposals in the land and water conservation fund bill may seem to be, congressional interest in this subject is a direct outgrowth of our earlier national experience. Direct Federal interest in the outdoors dates back to the creation of Yellowstone National Park in 1872 and the establishment of 15 reserves of forest land on 13 million acres in 1891. The lands that were involved in these two actions were, of course, public lands and questions of cost were therefore much less prominent than they are in the sort of things we are trying to do today. But this beginning of Federal interest did involve the Congress very directly. It did so not only because the cost of preserving and administering these areas and making them available to the people had to be borne by the Treasury—and let us never forget that Congress is the appropriating authority in our Government—but because they were public lands, and article IV of the Constitution provides that it is Congress that "shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States."

I need not remind you, however, that we are no longer in a position to dedicate unlimited areas of the public lands to recreation and other conservation purposes. The 1.8 billion acres that the United States acquired by cessions from the original 13 States and by treaties over the years between the Louisiana Purchase in 1803 and the Alaska Purchase in 1867 has shrunk to 711 million acres and of these only 484 million are not already given over to one Federal function or another. Moreover, 309 million of these remaining 484 are in Alaska. This leaves about 175 million in what our Alaskan fellow citizens like to refer to as the "lower 48" and particularly in about a dozen of these 48. Large as even this figure of 175 million acres may seem, the pressures on it for all sorts of developments—military bases, city growth, oilfield developments, grazing, and so on and on—is tremendous and, in many cases, meritorious.

The points I am trying to make with this recitation are three: First, that the Congress has a big job to do, both in its role as holder of the purse strings and in its role as final administrator of the public lands. Second, that even if the public lands were more extensive than they now are and even if there were not competitive uses for them, most of them are so located that they will not give the public the "outdoors" it wants where it wants it. And third, that providing this "outdoors" is going to cost all of us more and more as the years go by.

There is, of course, a romantic view abroad in some quarters, fostered by our history and by our inability or unwillingness to keep our eyes open to the trends of the last half century, that says that the "outdoors" is and always has been and ought always to be free. This is nonsense. Either we pay for the outdoors through taxes or we pay for it through direct fees or we find some fairy godmother around to pay it for us. I doubt that the last is feasible.

All of which brings us to the land and water conservation fund bill itself.

A large part of this bill is a direct outgrowth of the work of the Outdoor Recreation Resources Review Commission. I was not a member of the Commission but I followed its work closely and, I am glad to say, I had the opportunity to sponsor in the House the 85th Congress measure under which the Commission was created. The Commission's membership included four Members of the House and four Members of the Senate, from both sides of the aisle, plus seven public members appointed by the President. It brought in its unanimous report—a report well worth your reading—in January 1962. This report pointed out many of the factors in our national development that I have already spoken of plus a lot more. It took a long look into the future, as it was directed to do by its organic act. And it made various recommendations the most important of which either have been included in legislation already adopted which gives the Bureau of Outdoor Recreation in the Interior Department the tools it needs to do its work or are included in the land and water conservation fund bills that are still before the Congress.

The stated purpose of this bill, as it has been reported to the House by the Committee on Interior and Insular Affairs, is "to assist in preserving, developing, and assuring accessibility to all citizens of the United States of America of present and future generations * * * such quality and quantity of outdoor recreation resources as may be available and are necessary and desirable for active participation in such recreation and to strengthen the health and vitality of the citizens of the United States * * *."

To do this, it proposes the creation of a land and water conservation fund from which appropriations will be made, as needed, to finance part of the costs of planning, acquiring land for, and (in some cases) developing outdoor recreation resources throughout the United States.

The bill proposes three permanent sources of money for the land and water conservation fund:

(1) That portion of the present so-called gasoline tax which is derived from fuels used in motorboats. This, we think, will yield about $25 million a year.

(2) Proceeds from the sale of surplus Government real estate. This will probably yield about $50 million a year.

(3) Proceeds from admission and user fees collected from those who make recreational use of our national parks, national forests, and other installations. It has been estimated that this, after it is fully underway, may yield $60 to $70 million a year.

Let me assure you, in case you think differently, that these are not noncontroversial and that it was not easy either for the administration or for us on the Committee on Interior and Insular Affairs to work them out.

Particularly is this so for the admission and user fee provisions of the bill. We were besieged on all sides with requests for this, that, or the other exception. We were plagued with the charge that this is a new tax on the people. We heard, and we still hear, the argument: "The parks and the forests already belong to the people. Why should we pay for them again?"

Fortunately, our committee rejected these arguments and came out with a fair, reasonable, and moderate bill—a bill which had the support of our late President, John F. Kennedy, and has the support of our present President, Lyndon B. Johnson.

One thing the bill does, as far as fees are concerned, is to lay a foundation on which we can get some semblance of uniformity of practice by the various Federal agencies that are in the recreation business—the National Park Service, the Forest Service, the Fish and Wildlife Service, and our various water resources agencies. Some of these bureaus have been charging fees for years, some of them charge fees at some places and not at others, some of them do not charge at all. If it does nothing else, the provisions of the bill which lay this foundation for uniformity will be a great blessing.

The bill, moreover, offers a bargain to the American people. It authorizes an automobile sticker which will admit the owner and all his passengers into virtually every Federal recreation area in the country for a maximum of $7 a year. When you compare this with $2.25 for a carton of cigarettes, or $5 for a fifth of bourbon, or $6, the present price for admission to Yellowstone National Park alone, I think you will agree with my earlier statement that we came out with a fair, moderate, and reasonable bill.

For those who do not wish to buy an auto sticker—and I emphasize that the purchase of such a sticker is entirely up to the individual—the bill provides for admission fees to individual recreational areas. We anticipate that these may range, depending on the area and the types of recreation it affords and the amount of Federal investment in it, from 25 cents to a dollar or two. They will, in other words, compare more than favorably with the price of admission to a football game or a movie.

As I said before, the yield from all these fees and from various types of user fees may add up to $60 or $70 million a year. This will not even begin to cover the cost to the taxpayers of the recreational opportunities the United States now furnishes. It will, for instance, be only about half of our appropriations to the National Park Service alone, and this doesn't take account of appropriations for the Forest Service, the Corps of Engineers, the Bureau of Reclamation, the Fish and Wildlife Service for their recreational functions.

But it will help. And it is, in my judgment, an essential element in persuading the Congress that these good works are worth continuing and expanding. Certainly we cannot expect the enthusiasm we should have for our future Cape Cod National Seashores, our future Padre Island National Seashores, our future Point Reyes National Seashores if we are unwilling to have the direct beneficiaries—those who use them—pay at least a part of their cost. Certainly, also, we cannot expect much enthusiasm for nonreimbursable allocations of costs on account of the recreation potentials in our future Lake Meads, our future Lake Texomas, our future Grand Coulee Dams if those who make use of these installations for recreation are unwilling to carry a part of the load.

But the land and water conservation fund bill goes far beyond helping to finance Federal land acquisition for recreation. Indeed, our committee recognizes, as the Outdoor Recreation Resources Review Commission recognized, that the States must play a "pivotal" role in this business. Accordingly, more than half of the money that will be appropriated from the fund will go to the States to be used to match State funds available for planning their recreational development, for land acquisition, and for development. Two-fifths of the funds available to the States—two-fifths, that is, of a potential total of $90 million a year—will be available for distribution equally among all 50 of them and three-fifths will be allotted on the basis of need, with primary attention to their populations, the use of outdoor recreation facilities by residents of other States, and the extent of Federal outdoor recreation programs within the State. This provision for sharing Federal funds with the States is intended to spur on their own local developments and to take some of the burden off Uncle Sam. The recreation field is large, the need is great, there is more than enough for all of us—the United States, the States, and local governments—to do to make the program a success.

Madam Chairman, there are any number of details about the land and water conservation fund bill that I could get into, but my time is about up. I think I have said enough about it to indicate its background, its principal provisions, and the good it will do. I am far from saying that it is a perfect bill. All of us recognize that legislation involves compromises, especially when it touches the pocketbook nerve, and that compromises are rarely fully satisfactory. Even after the bill has passed the House, it may not be a finished product. The Senate will have its say and, if it disagrees with us on any points, the conference committee will have to reconcile them.

No; it is not yet a finished product. But this bill, or something reasonably like it, is an absolute "must" in my judgment. Without it we will have reached what may well be an impasse. With it we can go forward. I think, despite the dissents I have heard, that the great majority of American citizens will gladly support it. I hope you will, too.

FOOD FOR PEACE

Mr. BARTLETT. Mr. President, the National Canners Association met in annual convention in Dallas early this month.

Among the principal speakers was Hon. Richard W. Reuter, special assistant to the President and Director of the food-for-peace program. Mr. Reuter spoke of the recent addition to the program which came into being when the Barlett amendment was accepted to the foreign aid bill, adding fish to the commodities which can move abroad under the same circumstances and provisions as other food. Likewise, Mr. Reuter told the importance of Public Law 480 in helping to feed the world's hungry, in building good will for the United States, and in disposing of our surpluses. His speech was so pertinent, so informative that I ask unanimous consent to include it in the RECORD following my remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Mr. REUTER: I am very grateful for this opportunity to talk to you about food for peace; or is it now fish for peace, as my Budget Bureau associates seem determined to call the program. You may be interested in what we are now doing as background for what we might be doing in the future together.

This program is many things to many people. For some, it is a device for disposing of farm surpluses. Probably it is best known as a humanitarian expression, sharing of our abundance with the world's hungry millions.

There is a growing recognition of it as a powerful instrument of foreign policy. Food for peace is this and more. It has proven to be of importance in strengthening our balance-of-payments position. It is becoming increasingly recognized as a tool in the financing of economic development of new nations. Of particular interest to this group, however, is the fact that more and more segments of our own economy are discovering that, through food for peace, they can create new markets overseas. I'd like to emphasize this today—because it is this aspect of the program that has led many to believe that there is a validity to including fish and fishery products under food for peace. Should such support of long-term market development justify the cost—governmental and private—of bringing fish under the program, we may look forward to raising further the nutritional standards of the world. Certainly protein—particularly inexpensive protein—is needed by millions. The question for consideration is whether we can develop a program for fish under Public Law 480 that can accomplish effectively our goals without undue cost. You in industry and we in Government are both interested in finding solutions that allow a maximum normal trade development and a minimum Government financial involvement. You will consider this thoroughly in your discussions tomorrow, I am sure. I can probably be most helpful here by setting forth the rationale of food for peace as we now administer the program.

President Johnson is determined to attack poverty, and the causes of poverty. In his first address to the Congress as Chief Executive last November, President Johnson called on the country "to carry on the fight against poverty and misery, ignorance and disease in other lands and in our own." Again, in his state of the Union message last month, he spoke of several ways by which we must advance toward world peace and freedom, and this was one of them: "We must make increased use of our food as an instrument of peace, making it available—by sale, trade, loan, or donation—to hungry people in all nations which tell us of their needs and accept proper conditions of distribution." This was in line with the President's pledge before a world audience at the United Nations in December: "The United States wants to cooperate with all the members of this organization to conquer everywhere the ancient enemies of mankind—hunger, disease, and ignorance."

Gentlemen, freedom from hunger is the key to this conquest. And freedom from hunger is your business—as much your business as it is mine. I am proud of my job. I know you are proud of yours. Americans eat better than any people in history and spend a smaller percentage of their income on food than any people in history. Last year it was 19 percent—the first time any nation spent, on average, less than one-fifth per capita income on food. I think it is time we got back to being proud of the great job that our farmers are doing. The increases in efficiency of production of farm commodities have far outstripped the advances of even our efficient industrial production. The President, in his farm message Thursday, pointed out that while we have problems, they are the problems of abundance rather than scarcity.

The great challenge of today is a paradox: For the first time in history we have the ability to produce enough food to give everybody in the world an adequate diet; and yet, half the people of the world go to bed hungry every night. We worry about surpluses, yet millions do not have enough to eat.

The World Food Congress, held in Washington last June, brought together almost 1,400 people from countries on every continent to face this problem and to declare that a world half fed is not good enough in the 20th century. It was thrilling to me, having had a lifetime of work in this field, to see people from around the world accepting this challenge as a world problem, for together we may be able to solve it. And, I think it is going to be solved only if we work together.

We talk sometimes almost glibly of one-half to two-thirds of the people in the world being hungry. One of the World Food Congress studies suggests that out of all the nations of the earth, about 16 are well fed—some 519 million people, or 15 percent of the world population. Twelve nations have inadequate diets—diets which are short of animal protein; they constitute another 15 percent of the world population. And of all 89 nations existing in the world at the time of the study, 61 of them—almost two billion people, or 69 percent of the world's population—were classed as poorly fed or hungry.

There is actually a danger of becoming hypnotized by the mere figures and forgetting the implications and the impact of this upon human beings. The have-not nations with their growing food deficits find it hard to understand the preoccupation of the have nations with their growing surpluses.

The FAO Conference in Rome in December, following up on the resolutions of the World Food Congress, called for new patterns of trade in agricultural commodities. (The United States is one of the few countries that separates fish from agriculture in its governmental activities.) We will be hearing a great deal more of this call for new trade patterns at the World Trade Conference in Geneva this March; and, of course, later in the spring at the Kennedy round of the GATT negotiations. These meetings merit your most serious attention.

But think for a moment of our recent technological breakthrough in production of agricultural commodities. We return to our challenge. In a decade we have cut down hunger from three-fourths to under two-thirds of the people on this earth. This is a dramatic achievement—we could be very proud of this, if the balance were still not so staggering.

Despite all our progress, in absolute numbers, more people are hungry in 1964 than ever before in history. Yet, it is still true that for the first time in the history of man, it is possible to foresee the elimination of hunger and malnutrition resulting from a lack of food. In fact, the economic research people in the Department of Agriculture have been able to project, with some presumed accuracy, the time and resources it will take to accomplish this goal.

Scientific advances in agriculture provide the farmers of the world the necessary know-how and material to grow the needed extra food. Within the next 20 years we can have the food. But the economic machinery for distribution and financing does not yet assure us we can get this food to the present have-not areas. The expansion of marketing, and more specifically the method to accomplish this, is now the key problem. And this, I presume, applies as much to the food we derive from the sea as it does to the food we get from the farm.

As the most advanced agricultural nation, and the largest exporter of food, America has a stake in the achievement of this goal—the elimination of hunger—second only to that of the world's hungry millions themselves. Secretary of Agriculture Freeman, with his unique energy and a marine's persistence, has attempted to awaken the world to the need for the kind of trade and aid effort necessary to close the gap between the food-surplus and food-deficit areas. It is a world problem, yet traditionally each nation treats food supply—and particularly its agriculture—as a domestic problem. Self-sufficiency in food is an appealing national goal for developing countries. But the result frequently is protection and higher prices for basic foodstuffs. This can only postpone the day when all people have enough food available to them. American products must have access to markets on a fair competitive basis—as other producing nations must have reasonable access to U.S. markets. But it should be a two-way street. We cannot long endure if it is expected that America does the aid and others the trade.

For those in the American food industry, an important fact to keep in mind is this: As our own standard of living improves, we may change the quality of our food consumption but the quantity we change very little. Despite our serious pockets of poverty, there are few in the United States who do not consume enough food to "fill" them. Our per capita expenditure for food increases as diets improve, but our per capita quantity of food use remains pretty much at the saturation point; in general, domestic food consumption is rising about equal to population increases. It is clear, then, that the future market for American food production lies in satisfying the needs of the hungry millions in other countries. For every $100 increase in the standard of living of people overseas, we have been selling $1 more of agricultural commodities. Foreign aid, as it has increased economic levels of developing countries, has served us well in developing enlarged markets for our agricultural production. Our export of agricultural commodities today accounts for 14 percent of our farm production and in some commodities, such as wheat, more than half of our production goes to the export market. Almost one-fourth of America's total exports are in agricultural commodities and both total volume and percentage have been rising. Calendar 1963 saw again a new record—$5.6 billion export. This year we should hit the $6 billion mark, with over $4.2 billion through normal commercial export channels and the balance through food for peace, or Public Law 480, programs.

For agriculture and, I would say, to a somewhat lesser degree, for the fishing industry, the future lies in export marketing. (Parenthetically, I would suggest that meeting this challenge can be as important to achieving the goals of our foreign policy as it can be to revitalizing our rural economy or our fishing industry.) There is no surplus production as long as there is need for our produce. The problem really is how to bring the hungry millions of the world into the marketplace. If we accept this world marketing view, then our food for peace program assumes a new urgency, and a new significance. Its humanitarian values have long been accepted—and become no less important. But the market development and economic assistance roles of present sales techniques may indicate an economic validity to Public Law 480 that has tended to be obscured by our traditional surplus disposal psychology.

The food for peace program is an effort to use our food resources as an asset rather than a liability. The big job will be done by increased trade. But to buy, people must have money. We have found the way to use food to help in economic development. Today, almost one-third of all U.S. economic development assistance overseas is provided by our food for peace program—in food and food-generated currencies.

Since 1954 when Congress passed Public Law 480, the Agricultural Trade Development and Assistance Act, the United States has shipped overseas each day—Saturdays, Sundays, and holidays included—every day for almost 10 years—the equivalent of three 10,000-ton shiploads of food. (Currently we are moving food for peace commodities at the rate of three and one-half ships a day.)

Under the donation phases of the program alone we are providing, in partnership with

America's private oversea relief agencies, some form of supplementary ration to more than 100 million people a day. About 75 percent of these are children.

The administration is trying to use food creatively, and with an adequate quid pro quo. Relief—unless recipients are also strengthened to become independent—does not of itself solve problems. It is important even in donation programs to have a plan that can assure an end to the need for donated foods.

Under title II, we are using food as wages to provide work on civic projects—farm to market roads, school buildings, irrigation ditches. The worker receives food for his family plus a small cash payment provided by the host government. Some skills are taught and useful projects are completed. But, most important, is the development of a self-help psychology and a rebirth of the idea of the dignity of work. Over 100,000 jobless in Latin America are now "employed" on these projects.

Civic action programs with host military forces have related these military groups to needed community development projects. Food—from Public Law 480—has helped to make these efforts possible. But the major impact programs have probably been school lunch schemes. Over 40 million children receive American food in their classrooms. Under the Alliance for Progress, for example, we soon will be reaching more than 10 million school children—one out of four children of school age in all Latin America. This is an increase from 3.9 million in June 1962. In 18 months, the program has more than doubled. And all of the supplementary costs for distribution and preparation are being paid by the host country. This is truly a joint program that is making a major contribution to education—and to the health of a new generation.

However, it should be emphasized that all of these donations-supported programs account for less than 30 percent of the total of food-for-peace shipments. Local currency sales (title I), dollar credit sales (title IV), and barter today account for more than 70 percent of all Public Law 480 programing. These techniques have proven of major significance in getting U.S. food to potential consumers who cannot yet buy under normal commercial trade terms. As you in the canning industry know, Congress recently opened the way to bring domestically produced fishery products, other than so-called fish flour, into the food-for-peace program. Such product or products declared surplus by the Secretary of Interior may be sold for long-term dollar credit. Title I sales—those for local currency—may not begin, however, until 1965. Fish concentrate is ineligible until approved by the Food and Drug Administration.

In writing fish into the law, the congressional authors noted that foreign governments from time to time have asked for canned fish products under food for peace to supply protein deficiencies. In effect we now have the authority to put fish on "the shopping list." It does not intend to authorize taking fish products into CCC stocks. The new amendment would put fish on the same basis as frozen beef, canned pork, canned hams, variety meats and fruit. It would permit our Government to meet these requests to the extent that fishery products may be in surplus. I can report as soon as this amendment became law the appropriate staff people in both the Interior and Agriculture Departments got to work appraising the situation in fishery products. They are plowing new ground, so to speak, and in this they will need the full cooperation of the fisheries and canning industries. We do not yet know the procedures including the budgetary procedures of just how this new authority might be used; and whether it will be used at all, of course, depends to some degree on you and your own interest in it.

Senator BARTLETT who is with us at this convention is determined to regain for America our traditional strong fishing industry. This will take a number of steps but markets for the catch, hopefully for a much broader variety of catch, is an important factor. Senator BARTLETT, Senator MAGNUSON, Senator KENNEDY, Senator SALTONSTALL, Congressman MCINTIRE of Maine have all talked with me about the possibility of using this Public Law 480 device to help develop markets for fish products as it has been used to develop markets for agricultural products. Congress has passed enabling legislation because they feel the Public Law 480 machinery could be used. It is now up to us—the trade and the executive branch—to determine whether this is so.

As you evaluate the feasibility, first of sales for long-term dollar credit and later, possibly, of local currency sales, you may be interested in our experience in these categories of sales with respect to farm commodities. We began shipping under title IV about 2 years ago. In the 1962 fiscal year, title IV shipments totaled only $19 million. But in the last fiscal year they had jumped to $56 million.

Title I shipments have been rising since the inception of Public Law 480. In the last calendar year we shipped an estimated record $1.1 billion worth of commodities at world market prices for local currencies. Most of these are price supported commodities already in U.S. Government hands under farm programs. With the currencies received we are accomplishing many worthwhile U.S. goals:

We're paying bills that otherwise would take dollars. This fiscal year, Public Law 480 will help our balance of payments picture by about a third of a billion dollars.

We're providing military support for American allies. In Vietnam and Korea, defense assistance grants have helped to strengthen direct opposition to Communist penetration of the free world.

We are providing loans for economic development that help strengthen the economies of more than 50 countries. And as these loans are repaid the money becomes available also to pay U.S. bills. AID now programs these local currencies along with dollar appropriations to expand the usefulness of our development assistance funds. Food made possible the equivalent to three-fourths of a billion dollars in development assistance last year.

We are providing some $80 million worth of currency for loans to private enterprise to extend American business abroad. (This story should be much better understood by urban leaders as a recognition of the broad U.S. impact of the food program.)

And, of particular interest to this group, we are providing funds for market development work. Cooperative marketing programs are pioneering new techniques for public and private sector cooperation. (Great Plains Wheat, Western Wheat Associates and Bulger Associates are good examples.) This partnership in market development may be of particular interest—and importance—to the National Canners Association. This activity under Public Law 480 certainly merits your careful assessment. The marketing team you are sending out next month, of course, is a first step. But, many of the agricultural groups are doing nutrition education and product use training as part of the job of long-term market development.

Disregarding for the moment all the other values, gentlemen, these programs—both donations and sales—are market development programs for American food products. The most dramatic evidence of this market development potential has come from our newest group—Bulgur Associates. Bulgur—a processed wheat acceptable to rice-eating peoples—is a new commercial product first used in any volume by the Public Law 480 program. Bulgur wheat was first distributed through title III donation programs. (You might call it market sampling for a new product); it then moved into Public Law 480 sales programs; and just recently it sold for the first time overseas for cash—in the Congo and in Peru. More commercial sales are expected within the next few months, also in Africa and South America, as a result of an extensive sales trip made by Walt Graber, the executive of their new trade association. An interesting aside is that bulgur proved so popular in our international program it has now been included as available for U.S. school lunch programs.

This relationship of food to development and eventual market growth is to a large degree a new concept. We still have a long way to go to get broad acceptance and understanding of the importance of this approach. But I am convinced that Public Law 480 must constantly have as its ultimate goal the expansion of trade and the development of normal markets. Only by such expansion can we eventually close that food gap.

At a food for peace conference in Quito, Ecuador, last May we made an attempt to develop a pattern of cooperation among U.S. officials in the field (Agriculture-AID-State) to see if we could use our own food resources more effectively in the development process, and at the same time to relate this to the development of indigenous food resources.

One of the disturbing realities that confronted us as we met in Ecuador was the fact that only 500,000 people in that country of 4 million are consumers. Three and one-half million people never really take part in the economy of the country, never really go to the marketplace.

Is not this really our basic problem, then? How do we bring the consumers, the potential consumers of the world, into the marketplace? It will take cooperation by other potential surplus-producing countries. But I think we are making headway. Public Law 480 has proven remarkably versatile in contributing toward our goal. Instead of hurting our trade, the Public Law 480 programs have actually helped expand normal commercial trade. If we use the authorities of the food-for-peace program properly, I believe we can continue to make real headway toward the goal of a soundly based freedom from hunger.

We will be making a fundamental error if, as we talk of possibly bringing fish into the program, we do so with the thought merely of bailing out a particular pack crisis, or worse, if we look on it as a subsidy to fishermen or processors.

The fish amendment to Public Law 480 is not designed to set up an industry relief program. Its sponsors sought a goal of long-term market development that might generate new waterfront activity. Can the 480 machinery in existence be used to revitalize the fishing fleets of the United States by helping to create new markets for their catch? But this concern must also be related to the budgetary prospects of the U.S. Government.

In this, the American canning industry has a big stake.

I have tried today to put food for peace in a somewhat larger context than the general public image of surplus disposal, in the hope that I could challenge you to help find out if we can use this new authority. I believe that the international asset of food is so great today—in a world determined to create freedom from hunger—that we should use to the utmost this asset given us through our skill in farming and perhaps, too, in fishing.

Certainly, food is a relatively inexpensive weapon of great power in the arsenal of democracy. And I firmly believe that this food distribution program, creatively used, has in it the factors that can help, in the long run, to develop rich new markets for our food production.

In closing his U.N. speech, President Johnson said: "Man's age-old hopes remain our goal—that this world, under God, can be safe for diversity, and free from hostility, and a better place for our children and for all generations in the years to come. And therefore, any man and any nation that seeks peace, and hates war, and is willing to fight the good fight against hunger and disease and ignorance and misery will find the United States of America by their side, willing to walk with them, walk with them every step of the way."

This is a pledge, and a challenge worthy of America.

Thank you.

MENTAL HEALTH

Mrs. NEUBERGER. Mr. President, among the numerous accomplishments of the 88th Congress in the field of health has been the increased interest in and action on mental health and mental retardation; therefore it is appropriate that the CONGRESSIONAL RECORD carry an excellent speech by Mr. Mike Gorman, director of the National Committee Against Mental Illness, before the Legislative Conference of the Massachusetts Association for Mental Health. I ask unanimous consent to have the address printed in the RECORD, together with certain press clippings on the same subject.

There being no objection, the address and clippings were ordered to be printed in the RECORD, as follows:

THE NEW MENTAL HEALTH CHALLENGE FOR ALL AMERICANS

The gauntlet was thrown down by our martyred President less than a year ago when he sent to the Congress the first message on mental health and mental retardation ever submitted by a Chief Executive of this Nation. In that message, he said:

"This situation has been tolerated far too long. It has troubled our national conscience—but only as a problem unpleasant to mention, easy to postpone, and despairing of solution. The time has come for a bold new approach."

The Congress responded to the challenge and enacted into law a bill providing Federal matching funds for the construction of mental health and mental retardation centers in the heart of the community. In affixing his signature to this legislation on October 31, 1963, former President Kennedy noted:

"The Nation owes a debt of gratitude to all who have made this legislation possible. It was said, in an earlier age, that the mind of man is a far country which can neither be approached nor explored. But, today, under present conditions of scientific achievement, it will be possible for a nation as rich in human and material resources as ours to make the remote reaches of the mind accessible. The mentally ill and the mentally retarded need no longer be alien to our affections or beyond the help of our communities."

There is really no way in which I can adequately convey to you the historic, precedent-shattering importance of this legislation. In very simple terms, it repudiates two centuries of isolation and custodial confinement of the mentally ill, and it proclaims their inalienable right to skilled and compassionate treatment in the milieu in which they live, love, work, and aspire.

Describing this legislation as "one of the boldest programs in the field of mental health in the history of the world," Senator HUBERT HUMPHREY told the annual convention of the National Association of Mental Health last November that if the 1st session of the 88th Congress had achieved nothing more than the passage of President Kennedy's mental health program, it could lay justifiable claim to a memorable record.

The task before all of us now, here in Massachusetts and throughout the Nation, is to translate these new concepts for the care of the mentally ill from broad generalities into specific programs.

In the words of Ralph Waldo Emerson: "Go put your creed into your deed."

Let us remember that we must honor a solemn commitment to the Congress and to the American people in putting this community mental health concept into effect.

As a first step you are engaged here, as are your sister States throughout the country, in comprehensive planning designed to develop solid foundations for new mental health services tailored to meet the specific needs of each community. Judging from the tenor and intensity of the panel discussion earlier today on progress to date in these planning efforts, you are well on your way to a new and exciting blueprint for mental health services in this Commonwealth.

This is a precious opportunity which must not be missed. Noting that this is the first time such a total planning effort has been made in any health area, Dr. Robert Felix observed recently that "the mental health field, which for so long lagged behind other health areas, has an opportunity to demonstrate on a national scale the value of comprehensive, long-term planning in a broad medical-social problem area."

Hundreds of professional workers will be involved in hammering out these plans over the next several years, but they must be augmented and guided by thousands upon thousands of citizens who care so deeply that they will insist upon a clean break with the custodial past.

In testifying before a congressional committee last year, I said that in the same manner as we talk of the right of a child to a good public education, we must talk of the right of every individual who needs it to early psychiatric treatment designed to make him a happier and more effective individual. Dr. B. H. McNeel, commissioner of mental hospitals of Ontario in Canada, summed up this minimum medical demand concisely when he said recently:

"Adequate treatment should be available for all psychiatric patients as early as possible, as continuously as possible, with as little dislocation as possible, and with as much social restoration as possible. Treatment should be available on the job, but if that is not possible, with the patient still living at home, and if that is not possible, it should be done in the community, and if that is not possible, then without breaking the ties which commit the patient to his community."

As a statement of our national objectives in the mental health field, I commend to you the words of Dr. Felix, who told the Congress last year that "public mental hospitals as we know them today can disappear in 25 years" if all levels of government and the public at large unite in this great endeavor.

In his historic mental health message of February 5, 1963, to the Congress, President Kennedy predicted that the number of patients in State mental hospitals could be halved in the next decade or two if we intensified our treatment efforts both in these hospitals and in the community.

When the first significant reductions in State mental hospital populations occurred in the 1950's as a result of the introduction of the new drugs, self-appointed guardians cried out that this was a "flash in the pan"—it couldn't last because the "inevitable" trend since 1773 had been an annual rise in the number of hospitalized patients.

Figures recently released by the National Institute of Mental Health show a truly remarkable reduction of 54,000 patients in our State mental hospitals over the past 8 years—from 558,000 in 1955 to 504,000 in 1963.

This historic reduction of almost 10 percent in the population of these human warehouses is not only far in excess of what those of us who were attacked as "irresponsible optimists" predicted years ago in congressional testimony, but has been achieved in the face of a constantly rising flood of new admissions. Furthermore, instead of a tapering off of this downward trend in the size of institutional populations, there has been a marked acceleration—the drop of 12,000 patients in 1963 set a new record, breaking the previous record drop of 11,000 in 1962.

Apart from such obvious dividends as a reduction in overcrowding and the freeing of scarce psychiatric personnel for more intensive work with acute cases, this heartening trend has resulted in enormous economic savings to the States. Above and beyond the fact that a higher per diem expenditure can now be concentrated on fewer patients with a resulting increase in discharges, the dramatic reversal of the seemingly inevitable annual rise in number of hospital patients has eliminated the necessity for $2 billion of planned hospital construction costs during the past decade.

We must devote particular attention to the several millions of Americans who need psychiatric treatment, but cannot get it today because it is too expensive. There is no point in establishing a chain of community mental health centers designed to apply psychiatric bandaids to neurotics from middle- and upper-income groups. We must first of all guarantee treatment in depth to those who are seriously ill.

We have been much too gentle in calling health insurance plans to task on this point. Many health insurance plans still discriminate against the hospitalized mentally ill. Furthermore, as we move out into the community, we face a real challenge in convincing these health insurance plans that it is wiser and far less expensive to cover the patient on a short-term ambulatory basis than in an expensive hospital bed. In a long and somewhat wearying experience dealing with executives of these plans, I am convinced that they will take no forward steps of this kind unless the public pressure is intense.

We must supply that pressure.

We face an exciting challenge in providing psychiatric services for emotionally disturbed children. Here again, we have often settled for the bare minimum—a separately designated ward in an overcrowded State hospital or, infrequently, a 10- to 20-bed unit which is almost immediately overloaded with a backlog of cases.

Several months ago, I spent a day visiting the Massachusetts Mental Health Center here in Boston. Its buildings are not very prepossessing, but its services to suffering mankind are magnificent. With a full-time staff of 14 psychiatrists, plus 59 psychiatric residents, it handles 4,000 patients a year. Its doors are open to all, yet it has no long waiting list. In its emergency walk-in clinic, it handles more than 2,000 patients a year. It assigns patients to its various services—the 24-hour hospital, the day hospital, the night hospital, or the emergency clinic—on the basis of psychiatric need, and not on the basis of ability to pay or the comfort of the staff.

Federal and State training programs more than doubled the number of psychiatrists, clinical psychologists, social workers, and psychiatric nurses in a decade—from about 22,000 in 1950 to 45,000 in 1960. The current training program of the National Institute of Mental Health is supporting close to 4,000 trainees a year, and a most conservative estimate indicates that there will be 85,000 professional workers in the key mental health disciplines available to this country by 1970.

During the past 5 years, thousands of family physicians, pediatricians, and other nonpsychiatric specialists have enrolled in formal, postgraduate courses designed to increase their psychiatric skills. These physicians, who will be given the opportunity to hospitalize their emotionally disturbed patients in the new mental health centers, will provide an enormous complement of additional skilled manpower.

We must point out that the direct and indirect costs of mental illness and mental retardation now exceed $3 billion a year. The States alone spend more than a billion dollars a year for the maintenance of large institutions for the care of the mentally ill. These present costs are a tremendous drain upon our economy. More important, the loss of effective functioning people is a constant hemorrhage which this democracy can ill afford.

We have impressive documentation to the effect that early, intensive treatment, while more expensive on a day-to-day basis, is considerably cheaper per patient than long-term custody at supposedly "economical" rates.

Because of the nature of our affluent society, many of us who have testified before Federal and State legislative bodies for increased financing of intensive treatment services have been forced on many an occasion to restrict our case to the economic savings which accrue from support of such services. Over the years, a very good case has been made against the unimaginative construction of huge State mental hospitals which eat up tax dollars at a staggering rate, but the issue of economic savings has a relatively low priority in the field of mental health.

The overriding consideration is the treatment and return to society of thousands upon thousands of sick individuals. This is the true measure of our worth as a society.

Dr. Kenneth Appel, that great psychiatrist and humanitarian who sparked the formation of the Joint Commission on Mental Illness and Health, recently described the great challenge facing this democracy in putting the unused talents of people to work in the service of their suffering brethren in these moving words:

"It is an irony that the silent people, the helpless people in our mental hospitals and in our communities need human contacts; and the thousands, yes millions of the unemployed or retired need useful work to do. Yet our human and social engineering, our economic engineering, has not developed ways and means of bringing these two great needs together to supplement each other."

However, when we talk about increased financing of mental health services so that thousands upon thousands of mental patients can be returned to productive living, we run up against the hoary argument that public taxation has reached a confiscatory level and that the individual citizen is groaning under a tax burden which he is increasingly unable to handle.

Have we indeed, as a people, been increasing our expenditure for public services at a rate which is too burdensome for the individual taxpayer?

In his beautifully documented study "The Question of Government Spending," Francis M. Bator notes that in the years from 1929 to 1959, nondefense spending as a percentage share of the nondefense output of our economy rose only slightly:

"We have been committing in the postwar period only a slightly larger fraction to such communal uses as schools, roads, sanitation, urban renewal, etc., than we did in 1929 and a smaller share than in 1939 and 1940."

When we consider the rapid rise in our population—a record growth of 3 million people in a year—added to a sharp jump in individual personal income, we cannot but conclude that the so-called heavy burden of increased taxes for public services is an undocumented myth.

What are we spending our money on these days? A 1962 Bureau of Labor Statistics survey reports that our gains in income have far outstripped our basic living costs since 1947; we now spend a smaller share of our income on the basic necessities—food, clothing, and shelter.

In 1961, for example, we spent $20 billion on recreation; $11 billion for alcoholic beverages; more than $7 billion for tobacco products, and $3½ billion for TV sets, radios, and phonographs. We also managed in that same affluent year to spend $323 million for chewing gum. Over and above these and many other expenditures, we managed to accumulate the record sum of $78 billion in savings and in durable assets.

Now, and much more to the point, how much of our booming personal income did we spend on these onerous State taxes about which we hear so much talk? In 1961 we spent, measured in constant dollars, 4 percent of our personal income for State taxes as against 3.7 percent in 1948. In other words, in a period of 13 years there was a rise of only three-tenths of 1 percent in the portion of our individual incomes which went to State government in the form of taxes.

How much did we spend on mental hospitals as a percentage of our personal incomes? In 1961 we spent eighteen-hundredths of a percent of our personal income on mental hospitals, as against seventeen-hundredths of a percent in 1948. In very simple terms, in 13 years we devoted only an additional one-hundredth of a percent of our personal incomes to the support of mental hospitals.

State governments in 1961 devoted 28 percent of their funds to highways. In that year, as a nation, we spent $10 billion for highways. Furthermore, the Department of Commerce recently estimated that the accelerated national highway program inaugurated in 1957 would, upon completion in 1972, cost the American people $55 billion.

While a higher percentage of your State budget goes to mental health activities than in most other States, it is pertinent to note that this percentage is drawn from a much narrower tax base than in most of your sister States. For example, although you are the 10th wealthiest State in the country in terms of per capita income, you are 28th in the amount of money spent per person on State government, and 41st in per capita State taxes as a percentage of individual personal income.

Rather than document this assertion from outside sources, I quote the following from an official publication entitled "The Massachusetts State Budget in Brief":

"Massachusetts is one of the wealthiest States in the Nation. The income of Massachusetts citizens continues to rise and taxes imposed by the State government are relatively moderate when compared with other States * * * Massachusetts citizens, at the present time, have roughly twice as much money left over after taxes as in 1945."

Without going into a detailed discussion of the budget of the department of mental health, which is responsible for more than 27,000 patients scattered among 18 different institutions, I submit that your per diem of $6 a day is far from sufficient to supply adequate staff, decent housing, and wholesome food to those unfortunates who are wards of the Commonwealth.

Your investment in mental health services is hardly commensurate with the extraordinary leadership you have provided over a century and more to the mental health movement. The first president of the American Psychiatric Association was from Massachusetts, as is the current president. In the last decade alone, you have given the American Psychiatric Association three of its most outstanding presidents—Dr. Harry Solomon, Dr. Walter Barton, and Dr. Jack Ewalt. You can still draw upon the wisdom of Solomon and the kinetic energy of Ewalt, but we in Washington are fortunate these days in being able to tap the long experience of Barton.

During his tenure as president of the APA in 1957–58, Dr. Solomon focused his major attention upon the inadequacies of the big State mental hospital.

"The large mental hospital is antiquated, outmoded, and rapidly becoming obsolete," he declared in his presidential address in 1958. "We can still build them, but we cannot staff them; and therefore we cannot make true hospitals of them."

The courageous observations of Dr. Solomon received detailed confirmation in the final report of the Joint Commission on Mental Illness and Health. This commission, located here in Boston and brilliantly led by Dr. Ewalt, proclaimed the need for a chain of community psychiatric facilities throughout the length and breadth of this land.

You are deeply engaged in this endeavor at the current moment in Massachusetts. In addition to major centers planned for Lowell, Fall River, and Springfield, you contemplate several additional centers in this city. It is also gratifying that the legislature, after a momentary indiscretion, followed the leadership of Governor Peabody in providing for an expansion of your famous Massachusetts Mental Health Center. I followed some of the debate over this matter in the Boston papers, and was truly astounded to find several members of the Massachusetts Medical Society quoted as branding this desperately needed expansion as "socialism." This sort of verbal witchcraft is most inappropriate to a factual discussion of the need for additional physical facilities to care for suffering people, particularly emotionally disturbed children, the mentally retarded, and the aged.

You are engaged in a comprehensive 2-year planning effort to determine just where and when you will locate additional mental health centers throughout the State. In eventually supplanting the large mental hospitals, I hope that you will give careful attention to Dr. Solomon's oft-repeated recommendation that moderate-sized facilities in the form of colonies or homes be used to care for those chronically ill individuals for whom, at the present time, we have no effective treatment. As the English have proved over the past decade, these colonies or hostels, can be run with a minimum of staff and a maximum of compassion if they are kept small enough.

Time does not permit an adequate expression of the extent of the debt all of us in the mental health field owe to you here in Massachusetts for your many experiments in new ways of handling mental illness. I am particularly impressed with the success of the pilot projects at Boston State Hospital and at the Massachusetts Mental Health Center in the prevention of hospitalization through the use of improved screening techniques combined with home treatment services. Here in America, where all the family, legal, and medical pressures seem to unite in a conspiracy to force the patient into the hospital, there is a tremendous lesson to be learned in your demonstration of the many family and community strengths which can be drawn upon to keep the patient functioning outside the hospital. Furthermore, you tear down the veil which has shrouded public psychiatry in an atmosphere of fear, mystery and isolation when you provide for home visits by medical students and residents and when you work closely with family physicians in joint therapeutic efforts.

The 40-bed, all-purpose center for intensive treatment is an appealing concept. Maybe through these centers we can rekindle some of the warmth between staff and patients which Charles Dickens described in 1842 after a visit to what is now the Boston State Mental Hospital:

"Every patient in this asylum sits down to dinner every day with a knife and fork; and in the midst of them sits the gentleman (the superintendent)."

Isn't this personal contact the essence of what we are trying to create when we talk of a chain of small, well-staffed, community centers?

The tasks facing you are many, and foremost among them is the job of convincing the people and their elected representatives that additional mental health expenditures are both desirable and warranted. I like what John Powers, your State Senate President, told the delegates to the Governor's Conference on Action for Mental Health here in this city in May of 1962:

"Tell the people your story as you have told it to me," he urged them. "Tell them of the hundreds of thousands of pitiable human beings whom their money can restore to dignity."

In his magnificent Inaugural Address in January, 1961, our late President told us that the road would not be easy:

"All this will not be finished in the first 100 days. Nor will it be finished in the first 1,000 days, nor in the life of this administration, nor even perhaps in our lifetime on this planet. But let us begin."

Here in Massachusetts and throughout this great land, let us continue.

[From the Boston Herald, Tuesday, Feb. 4, 1964]

More Funds Urged for Mental Health—Cure Called Cheaper Than Care

(By Loretta McLaughlin)

The man experts call the country's "greatest modern missionary for mental health" came to Boston yesterday "to raise hell about the lack of money for mental health here."

Mike Gorman, who wrote "Every Other Bed," and focused national attention on the extent of mental illness, insisted:

"It's cheaper to treat the mentally ill, and cure them, than it is to carry them on relief or care for them in institutions for a lifetime."

A $100 MILLION BUDGET

He urged approval of Mental Health Commissioner Dr. Harry Solomon's $100.2 million budget for 1964 as he addressed a legislative dinner sponsored by the Massachusetts Association for Mental Health, Inc., at the Sheraton Plaza.

In answer to those who say the community cannot afford to treat the mentally ill the same as the physically ill, Gorman said:

"We must make a strong factual case. The fact is the direct and indirect costs of mental illness and mental retardation now exceed $3 billion a year nationally."

The necessity for wide community involvement in mental health was stressed by planners, psychiatrists and educators at the MHA's afternoon conference on the "new era in community mental health."

Harold W. Demone, Jr., director of the federally supported mental health planning project for the State, recognized the need to use lay people and civic organizations if any comprehensive mental health programs are to be effective.

Dr. Erich Lindemann, MGH psychiatrist-in-chief, looked ahead to possible crash programs that would "conquer mental illness the way we conquered polio or typhoid fever."

Three new community health centers in Lowell, Fall River, and Springfield are ready for construction, Dr. Solomon reported. These, like three in Boston, will function as adjuncts to general hospitals in those cities.

Governor Peabody, who served as head of the Massachusetts Association for Mental Health, Inc., in 1957, addressed the dinner. More than 50 legislators were included among the 900 guests.

[From the Boston Globe, Feb. 4, 1964]

Ask War on Mental Ills—Cure Cheaper Than on Relief

(By Herbert Black)

It is a lot of nonsense to say Massachusetts is broke and can't afford modern, progressive mental health programs to keep people out of institutions, a nationally known authority declared here Monday.

Mike Gorman, of Washington, executive director of the National Committee Against Mental Illness, told a legislative conference at the Sheraton Plaza, "It is cheaper to treat and cure the emotionally disturbed, than to carry them on relief and keep them in institutions."

More than 600 attended the conference and dinner, including 50 legislators. It was sponsored by the Massachusetts Association for Mental Health and the State's department of mental health.

Gorman declared that Massachusetts is the 10th wealthiest State in the Union in terms of per capita income—but 28th in amount of money spent per person on State government. He declared part of the trouble is the narrow tax base from which money for mental health is drawn.

Dr. Harry C. Solomon, State commissioner of mental health, sought $100 million for mental health for fiscal 1965 (June 1964 to June 1965). Governor Peabody's budget allows $80 million. The 1963 budget was $73 million.)

Gorman also declared that the State's $6 a day allowance for 27,000 patients in 18 institutions was too low to do the job. With a larger amount, he declared, intensive personal care could get people back to productive life.

While critical of shortages of funds for mental health in the State, Gorman praised the legislators for raising salaries of mental health workers—giving the State a chance to compete with other States for psychiatric personnel.

Governor Peabody said the importance of organized and continuing mental health programs was emphasized by the death of President Kennedy.

"Had we known when Oswald first was treated, what we know now (about care and treatment of the emotionally ill), this tragedy might never have happened," he said.

A panel of authorities emphasized at a 3-hour afternoon session that all the resources of the community must be thrown into the battle against mental illness.

This includes the clergy, school authorities, pediatricians, social workers, settlement houses, hospitals, political leaders, and interested citizens—not just psychiatrists—panel members declared.

Among the panelists were Dr. Sprague W. Hazard; Harold W. Demone, director of the Massachusetts Mental Health Planning Project; Dr. Malcolm S. Knowles; Dr. Erich Lindermann; Dr. Harry C. Solomon; and Gorman.

Dr. Walter I. Tucker, of the Massachusetts Medical Society, raised the question whether mental health patients should not be in community rather than State mental health centers. Demone answered that all points of view were being considered by the planning project task forces.

Pliny Jewell, Jr., president of the Massachusetts Association for Mental Health, presided.

OREGON DUNES NATIONAL SEASHORE BILL WINS SUPPORT OF DEMOCRATIC PLATFORM CONVENTIONS

Mrs. NEUBERGER. Mr. President, a valuable political institution has been created in the State of Oregon through the platform conventions of county, district, and State subdivisions of the Democratic Party of Oregon. The Democratic organization in my home State is unique in its development of the platform meeting, at the local level, as a means of determining the party position on issues of major importance.

Every 2 years, meetings are held throughout the State by the Democratic Party organizations for policymaking purposes. These sessions, held during January and February, give real meaning to our political process because they represent an expression of the citizen's expectations from his government. The resolutions adopted at these platform conventions provide guideposts for future action. Here is a real voice of the people, in my opinion.

I have been particularly gratified by the strong platform planks on resource conservation and recreation which have been enacted at the convention sessions this year. For instance, the platform adopted January 18, 1964, by the Democratic organization in Multnomah County, my home county and the most populous in the State of Oregon, had the following resolution preamble:

> The Democratic Party, looking far beyond our present day needs, recognizes that unless careful planning is done now, there will be a dire shortage of facilities and scenic beauty for recreational purposes for the perpetual benefit of future generations.

The platform plank stated further:

> We reaffirm our endorsement for the Oregon Dunes National Seashore and urge that this legislation, S. 1137, as reported out by the Senate Interior Committee, receive favorable attention by Congress without further delay.

Members of the committee and the chairman of the Public Lands Subcommittee, the senior Senator from Nevada [Mr. Bible], who reported favorably on the Oregon Dunes bill should be heartened by this declaration of approval from the county organization which represents the largest number of Democratic Party members in the State of Oregon.

On February 8 and 9, the Fourth Congressional District Democratic Platform Convention was held at Coquille, Oreg. This is the congressional district in which the proposed Oregon Dunes National Seashore is located. The platform stated:

> The Democratic Party endorses the Duncan-Neuberger bills for an Oregon Dunes National Seashore.

The platform planks adopted at the various county Democratic conventions reflect the widespread, almost universal, acceptance in Oregon of the proposal for giving our State a new national park unit, for creating a new tourist mecca amidst the scenic grandeur of the Oregon seacoast. But, Mr. President, the desirability of establishing the Oregon Dunes

National Seashore is not a partisan issue. The proposal has a long history of bipartisan approval, going back to the administration of President Eisenhower. In 1960, President Eisenhower requested authority from Congress to establish three National Seashores—at Padre Island in Texas; Cape Cod in Massachusetts, and Oregon Dunes, in Oregon.

I am reminded, also, that at hearings held in Eugene, Oreg., on May 4, 1963, by the Senate Public Lands Subcommittee, the official spokesman for Oregon's Republican Governor Mark O. Hatfield stated:

> It is now time for action on Oregon Dunes.

I am in accord with that viewpoint, Mr. President, and ask consent to include in the RECORD with my remarks the text of platform planks relating to the Oregon Dunes adopted at Democratic conventions in Oregon counties of Lincoln, Lane, Linn, and Douglas.

There being no objection, the platform plank was ordered to be printed in the RECORD, as follows:

PLATFORM PLANK OF THE DEMOCRATIC PARTY OF LINCOLN COUNTY

Whereas tourism and recreation is now rated as Oregon's third largest industry, and

Whereas the National Park system constitutes a major part of a nation's recreational system providing rest and relaxation for millions of people annually, and

Whereas the National Park System area in Oregon is small when compared to our neighboring States of Washington and California, and

Whereas many people, including National and State leaders, have urged the incorporation of the Oregon Coast Dunes area into the National Park System, and

Whereas Senator NEUBERGER and Representative DUNCAN have introduced a bill in the U.S. Senate, providing for the Oregon Dunes Area as a National Seashore area: therefore, be it.

Resolved, by the Democratic Party of Lincoln County in convention assembled in Newport, Oreg., these 8th and 9th days of February 1964, That we approve the proposal to establish the Oregon Dunes Area as a national park as provided for in Senator NEUBERGER's and Representative DUNCAN's bill; be it further

Resolved, That a copy of these resolutions be sent to Senator MAURINE NEUBERGER, Senate Office Building, Washington, D.C., and to Representative DUNCAN, United States House of Representatives Office Building, Washington, D.C.

LANE COUNTY DEMOCRATIC PLATFORM, JANUARY 25, 1964, AT EUGENE, OREG.

5. Recreation: We feel that recreation opportunities on federally controlled lands should be improved and extended, including camping facilities and trails. More locally, our State and county parks departments should continue their program of land acquisition and development. Marine parks should be considered. Full cooperation should be given the antilitter campaign and regulations should be more strictly enforced.

We continue to support the expansion and strengthening of the National Park system. Particularly we support the establishment of an adequate Oregon Dunes National Seashore, embracing the spectacular dunes south of Siuslaw River and incorporating other lands necessary for a balanced and attractive recreation and scientific area.

National forest facilities should continue to be developed for accommodation of tourists interested in the wide range of recreational opportunities existing in Oregon.

We support the Bureau of Outdoor Recreation in its activities, including the studies of wild rivers.

We recommend legislation restricting public nuisances such as obnoxious advertising signs and excessive noise from airplanes and other motorized vehicles.

LINN COUNTY DEMOCRATIC PLATFORM (1964)

We urge the establishment of an Oregon Dunes National Seashore. We believe that Oregon's scenery is one of her most important resources. A thriving recreation industry depends upon this resource. While further recreation industry is needed to diversify and stabilize Oregon's economy, sound planning is also needed to assure that Oregon's scenic resources are fully safeguarded in new industrial developments. We believe that all governmental units should join in a cooperative effort to identify remaining scenic resources and to devise coordinated plans to safeguard these resources.

Be it therefore resolved: To add our support to the Duncan-Neuberger park plan.

DOUGLAS COUNTY DEMOCRATIC PLATFORM (1964)

We endorse the principles embodied in the proposal to establish an Oregon National Seashore Recreation Area.

DR. ROBERT MAYNARD HUTCHINS

Mr. McGOVERN. Mr. President, one of our most thoughtful citizens is Dr. Robert Maynard Hutchins, now director of the Center for the Study of Democratic Institutions.

On last Thursday I had the privilege of participating as a guest in a discussion at the center in Santa Barbara, Calif., on the problem of arms reduction and the American economy. I came away from this experience with a new appreciation for the leadership which Dr. Hutchins has provided down through the years in stimulating constructive thought in the United States.

Recently, Dr. Hutchins celebrated his 65th birthday—an event generously noted by the Washington Post editors.

I ask unanimous consent that the editorial appearing in the January 17, 1964, Washington Post, entitled "Challenger," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CHALLENGER

Robert Maynard Hutchins celebrates a 65th birthday today with no apparent diminution in the youthfulness, zest, and incorrigible optimism with which he faces the future. Because he looks at things as they are critically and often disparagingly, he is sometimes mistaken for a cynic but, in fact, he is preeminently an educator—which is to say he believes in the perfectability of man.

In education, Dr. Hutchins has always been an innovator, an experimenter. He brought fresh life to the Yale Law School when he became its youngest dean in 1928. He breathed fire into the University of Chicago as its president and chancellor. And he now conducts the Center for the Study of Democratic Institutions at Santa Barbara as a standing and continuing challenge to contemporary life.

Dr. Hutchins' chosen instrument is the dialog. "I believe the discussion method is the only one that produces real education," he says. "It brings about a clarification." The center, under his direction, is not engaged in academic research or instruction. It tries, as he put it, "to provoke and promote thought by discussion to symbolize and advance the civilization we are seeking, the civilization of the dialog."

Inherited ideas and institutions need reevaluation. And it is to that task of reevaluation—of reinterpretation in the light of today's situation—that the center addresses itself. Dr. Hutchins' birthday is a good day to say thinks to him and to acknowledge the invigorating usefulness of his restless questing and questioning.

EGG PRICE DROP SERIOUS

Mr. McGOVERN. Mr. President, last week the price of eggs broke seriously in the markets of the Nation. I received a large number of telegrams from South Dakota about the situation, and immediately contacted the Department of Agriculture, which will shortly start buying eggs for school lunch and other purposes to support the market.

Heavy marketing of eggs and weak prices at this time was foreseen, but the depth of the drop was surprising and I have watched the situation carefully for a clue to the cause.

In the Friday, February 14, edition of the Poultryman, trade paper of the industry, I found the explanation of the most expert observers for the seriousness of the drop. The lead story in the Poultryman was on the egg market and stated that the price break was "due to heavier production and extra volume to satisfy futures contracts."

On an inside page, the Urner-Barry report said:

> Surplus eggs and selling pressure have disrupted the New York and Chicago wholesale [egg] markets.

Egg receipts in the New York market included both fresh shipments and short-held cars delivered against January futures contracts, the analysis explained, adding:

> Offerings of these short-held cars are reported priced at various discounts below the spot-market levels, and this has exerted a depressing, disruptive, and undermining influence.

Mr. President, I have written the Secretary of Agriculture thanking him for his prompt decision to support the market and requesting information on the effect of futures trading in the present situation. In this letter, I have raised the question of need for congressional study of this problem.

Mr. President, I ask unanimous consent to put in the RECORD the two articles to which I have alluded and a copy of my letter to Secretary Freeman.

I feel strongly that the study of vertical integration and chainstore marketing of food products suggested in the President's farm message should be made, and that futures markets should be examined very carefully at the same time.

There being no objection, the articles and letter were ordered to be printed in the RECORD, as follows:

EGG SURPLUS KEYS PRICES AT NEW YORK MART—FURTHER SLUMP ON TUESDAY INDICATES OVERSUPPLY; PROMOTIONS SLATED

NEW YORK.—Too many eggs, due to a combination of heavier production and extra volume to satisfy futures contracts, is the reason behind the weak egg market.

Tuesday's drop here, preceding the Lincoln's Birthday market holiday, was another step that has made February a glum month for eggmen. No appreciable price increase is in sight until Easter approaches.

Although receipts of top grade eggs here were not considered to be heavy, they were more than ample for needs. This, coupled with the surplus of midwestern eggs, continued to exert selling pressure.

Marketmen reported that retail orders this week were generally good. Chainstore features are anticipated and prices may reflect some favorable results from these efforts.

Weather generally has been favorable for production. This week's snowstorm, which moved up through Virginia, the Eastern Shore, and New Jersey dumped at least 6 inches in many areas, but its effect on production was deemed negligible.

The South has experienced higher production during the past few weeks and local eggs are in plentiful supply as well.

Most eggmen appeared willing to settle for Tuesday's level until the expected Easter demand results in improved prices.

Egg Market Undermined by Surplus, Linked to Short-Held Futures Lots

New York.—Surplus eggs and selling pressure have disrupted the New York and Chicago wholesale markets. Confidence has temporarily evaporated, but there is no ground for pessimism. Lenten demand lies just ahead.

Heavy selling pressure has come from surplus offerings of midwestern top whites and mixed colors. Receipts here from the Midwest have been heavy, and include both fresh shipments and short-held lots delivered against the January futures contracts, traded on the Chicago Mercantile Exchange.

Offerings of these short-held cars are reported priced at varying discounts below the spot-market levels, and this has exerted a depressing, disruptive, and undermining influence. Before heavy deliveries of fresh eggs on the futures contracts began in Chicago, those in storage there had been reduced to 24,900 cases. But by the final delivery date, January 31, stocks had been built to 125,400 cases. Of this total, probably 80,000 cases were of eggs delivered in the last week of January. These now pose a threat to the market.

Since dealers have expressed both loudly and widely their loss of confidence in the market, the average buyer has held purchasing to a minimum for more than a week. Further pressure on the price structure is not unlikely.

Offerings of smaller sizes are relatively light. A few more mediums were available during the past week, and some chains have featured them.

Hen turkey prices remained unchanged during the past week, but sentiment weakened noticeably. Lower offering prices have failed to attract business. Only limited purchasing for Washington's Birthday is expected. Purchasing for retail sale has been light on consumer-sized toms, 14 to 22 pounds, but limited stocks contribute to a steadier feeling.

A lessening of sales to suppliers and further processors has cut into the market strength of toms over 22 pounds. Rolls, roasts, and major parts continue in good demand. Frozen fowl are meeting seasonally good sale. Rock Cornish hens and roasters move well.

February 14, 1964.

Hon. Orville Freeman,
Secretary of Agriculture,
Washington, D.C.

Dear Mr. Secretary: First, I want to express my appreciation to the Department for your very prompt decision to buy eggs for school lunch, relief food programs, and surplus removal to offset the serious drop in prices which has just occurred. I know that the Department's prompt decision to start buying as early as possible is appreciated by thousands of producers in my own State alone.

Second, I am enclosing a reproduction of two articles from the Poultryman for Friday, February 14, a poultry industry trade paper. As you will note, the lead story reports that a surplus "and extra volume to satisfy futures contracts, is the reason behind the weak egg market." The second story attributes the decline to a surplus and "short-held futures lots."

I would appreciate all the information the Department can give me as to the effect of futures trading and futures transactions in this serious decline of egg market prices. If there is not sufficient information available to the Department to determine the effect of futures trading in relation to the decline, I expect to ask for a congressional study to be made and would appreciate your views and advice in relation to the need for such congressional action.

Sincerely,

George McGovern.

FAILURE OF ECONOMIC QUARANTINE OF CUBA

Mr. HART. Mr. President, the Detroit News in its editorial yesterday spoke the hard truth about our efforts effectively to apply economic quarantine to Cuba. We can wish it were otherwise, but we serve ourselves poorly to pretend this effort goes well. I ask unanimous consent that it be made a part of the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

U.S. Quarantine of Cuba a Failure—Trade Curbs Don't Work

The U.S. economic quarantine of Cuba is a failure because other nations won't let it work. The other nations are not confined to the Soviet Union, Red China, and their respective camp followers. The quarantine breakers now include our major cold war allies.

They refuse to accept our thesis that Americans are, because of their responsibility for hemispheric defense, in effect in a military confrontation with Castro. They rate him as an undoubted nuisance to us, but not a menace. He is not in their front yard, so they can afford to be relatively objective.

They are willing to agree that there is some validity to our contention that an American quarantine can make Castro so costly to Khrushchev that Moscow will throw in its hand and not try to underwrite more Red-inspired revolutions in Latin America. But their counterargument is that a trade boycott only stiffens Cuban resistance to us and tends to present Khrushchev as the only friend of the Cuban people.

The visit of Britain's Sir Alec Douglas-Home to Mr. Johnson, and their publicly admitted failure to settle their differences about whether it's wise to trade with Cuba—or any other Communist nation—revealed in stark simplicity the growing divergence between this Nation and its allies. At issue is not only how to wage economic cold war, but whether that sort of war should be waged at all.

Our wheat deal with Moscow did not alone trigger this split. Trade between free West Europe and Red East Europe is increasing steadily in a reversal to a traditional European pattern. Canada stepped in and completed massive grain deals with both Russia and China.

The British, who have no surplus food to sell anyone, promptly sold $11 million worth of buses to Castro, brushing aside our protests. And Canada, France, and West Germany were already doing business with Havana, while Spain, Italy, and Japan joined the lineup for trade deals with Cuba.

Something else sparked the rush. Castro completed a deal with Khrushchev that guaranteed a market for Cuban sugar until 1970. A firm price of 6 cents a pound protected Castro against world market price fluctuations. Khrushchev was really Castro's "sugar daddy." Havana had money to buy the world's goods that America denied it. Our economic quarantine of our offshore island was now in disarray.

"Trade boycotts don't work," Sir Alec Home said bluntly in Washington. Except in war, they don't. West Germany trades with East Germany and is rushing through deals with all the satellites. De Gaulle will trade with anyone—particularly, now, Red China. The Common Market won't hesitate to do business with its Communist neighbors. And with the Soviet Union launched on a $4 billion-a-year fertilizer crash program to bail itself out of its agricultural mess, those who have what Khrushchev can buy will be beating a trail to his door.

In a sense, the failure of our Cuban quarantine can be salutary. In microcosm it presents a problem for us that is worldwide. Our allies may not be behaving as we would like, but they are not going to buck a trend. It is this Nation that will have to face a readjustment in policy.

RESOLUTIONS MEMORIALIZING THE LATE PRESIDENT JOHN FITZGERALD KENNEDY

Mr. HART. Mr. President, I have been requested to place in the Congressional Record the resolutions of the National Council of the Federal Bar Association, the Capitol Hill Chapter of the Federal Bar Association, and the United Nations League of Lawyers, memorializing the late President John Fitzgerald Kennedy. These resolutions are not only appropriately worded, but they bear a significant message from the legal profession in respect of a great President who believed in the rule of law rather than the rule of men.

The activities of the Capitol Hill Chapter of the Federal Bar Association deserve to be brought to the attention of all Members of Congress. I have a short prepared statement on these activities, and I ask unanimous consent that my statement and the aforementioned resolutions be printed in the Record.

There being no objection, the statement and resolutions were ordered to be printed in the Record, as follows:

The Capitol Hill Chapter of the Federal Bar Association is composed exclusively of attorneys serving the legislative branch of the Federal Government. The 300 members of the chapter include Senators, Representatives, committee counsel, congressional staff assistants, and Library of Congress lawyers.

In addition to an active program designed to meet the need of congressional lawyers, the chapter conducts a wide variety of activities for the benefit of all members of the Capitol Hill community. One of the most outstanding projects in the chapter's service to staff aids is its congressional orientation programs. During this Congress, briefings have been held on major legislation, such as the tax bill; the provisions of the franking laws; the intricacies of legislative parliamentary procedure; the handling of cases involving the Immigration and Naturalization Service; and the services of the

Office of Legislative Counsel and the Legislative Reference Service of the Library of Congress.

The chapter has inaugurated a series of programs designed to help staff members develop proficiency in the drafting of bills and statutes. This series will also serve to enable congressional staff aids to analyze and interpret the adequacy of proposed legislation. The first speaker in this series was Dr. Charles Zinn, House law revision counsel and principal architect of the United States Code, who spoke on "How To Use the United States Code."

The chapter's monthly luncheon programs are open to all Members of Congress and their staff, whether or not they are lawyers. During the past year the chapter sponsored such timely and provocative programs as: Representative John V. Lindsay, Republican, of New York, on "Congress, Congressional Staffs and Conflicts of Interest"; Senator John S. Sparkman, Democrat, of Alabama, "Supreme Court Decisions on Prayer in the Public Schools"; Theodore Sorenson, special counsel to the President of the United States, "Decisionmaking in the White House"; Jack Anderson, Washington correspondent for Parade magazine, "Capitol Hill Confidential"; Henry H. Fowler, Under Secretary of the Treasury, "The President's 1963 Tax Program"; Representative Arch A. Moore, Jr., Republican, of West Virginia, "Aid to Indigent Criminal Defendants in Federal Courts"; Representative John E. Moss, Democrat, of California, "Congressional Access to Information"; Roscoe Drummond, nationally syndicated columnist, "Does Congress Have a Future?" and W. Averell Harriman, Under Secretary of State for Political Affairs, "Foreign Policy Today."

In order to promote a deep understanding and better relations between the executive and legislative branches, the chapter has instituted a series of informal luncheons featuring the general counsels of the various executive agencies and departments. First speaker in this series was Arnold Ordman, General Counsel, National Labor Relations Board. A program designed to foster better relations between the legislative and judicial branches is being planned for the month of March. The chapter will be hosts at a special reception honoring the Federal Judiciary during the Judicial Conference to be held here in Washington on March 16, 1964.

The Capitol Hill chapter in May 1963, sponsored a Law Day hearing, in conjunction with the Senate Subcommittee on Constitutional Rights, on the topic "Law in a Totalitarian Society." Special guests of the chapter at the hearing were several high school classes in the District of Columbia, Virginia, and Maryland area. The witnesses at this hearing included Dr. Sidney Jacoby, professor of law at Georgetown University and special counsel at the Nuremburg trials, on Nazi Germany; Dr. William Solyom-Fekete, former member of the Hungarian Parliament, on Communist Hungary; and Dr. Luis E. Aguilar, former professor of philosophy of law at Cuba's Oriente University, on Castro Cuba. The statements and evidence included in the hearing were profoundly indicative of extreme deprivations of liberties in totalitarian states, and of the cherished traditions of democracy among freedom-loving peoples throughout the world.

Law Day, U.S.A., May 1, 1964, is not in the too distant future. It behooves all Members of Congress, especially those who are members of the legal profession, to think seriously about the fundamental tenets of our legal way of life and of our duties not only to our Government but to our profession of the law.

RESOLUTION OF THE NATIONAL COUNCIL OF THE FEDERAL BAR ASSOCIATION ADOPTED UNANIMOUSLY, NOVEMBER 27, 1963

John Fitzgerald Kennedy was a great American President, dedicated to principles of the rule of law, of freedom, and the equality of men; and consecrated to their fulfillment. He was a strong and qualified leader and an inspiring head of the Executive Department. Let it be recorded here that we so regarded him, and that we share the depth of the sense of loss and sorrow of all Americans because of his tragic and untimely passing.

Let it further be recorded here that he has by his devotion, courage, and determination set for us, as lawyers and as servants or former servants of the general government, an example which will continue to urge us toward these goals through all the time which can be foreseen.

PRAYER

Our help is in the name of the Lord, who made heaven and earth.

Give unto the Lord, O ye kindreds of people; give unto the Lord glory and strength.

Honor and majesty are before Him; strength and beauty are in His sanctuary.

Let us pray.

Blessed and glorious Lord God Almighty, by whose power, wisdom, and love all things are sanctified, enlightened, and made perfect, be merciful unto us. We beseech Thee to cause Thy face to shine upon us.

O Thou who art the Creator and lover of all men, by whom all souls do live, we give thanks to Thee for having permitted John Fitzgerald Kennedy to dwell and work among us, recalling all in him that made others love him. We thank Thee for the goodness and truth that have passed from his life into the lives of others and made the world richer for his presence. We bless and praise Thee for the example he has given us of personal integrity and courage and of hope and love and devotion to duty for this our country, and of love and concern for Thy people everywhere, not only for their physical well-being but also their intellectual and spiritual well-being, and for his constant desire for and effort to bring Thy peace to this world.

Grant we beseech Thee to his widow and children and to the other members of his family the comfort of Thy presence and the ministry of Thy Holy Spirit, renewing within them the gifts of patience and enduring love. Grant that Thy strength and consolation may be given them and endue them with holy thoughts and a loving hope.

We thank Thee that deep in the human heart is an unquenchable trust that life does not end with death, that the Father, who made us, will care for us beyond the bounds of vision, even as He has cared for us in this earthly world.

O Lord our God, in whom light for the darkness resideth for the Godly, we pray Thee in this troublesome time to grant that the spirit of wisdom may save our President, Lyndon Baines Johnson, from all false choices, and that in Thy light he may find light for his guidance, and in Thy straight path he may not stumble.

We beseech Thee O God to forgive those national sins which do so easily beset us, our wanton waste of the wealth of soil and sea, our desecration of natural beauty, our heedlessness of those who come after us if only we be served; our love of money, our contempt for small things and our worship of big things, our neglect of backward peoples and minority groups, our cults of hate for those whose views differ from ours and our pride of life. We humbly beseech Thee that we may prove ourselves a people mindful of Thy favor and glad to do Thy will. Endue with the spirit of wisdom all those to whom in Thy name we entrust the authority of government that there may be justice and peace at home, and that through obedience to Thy law we may show forth Thy praise among the nations of the earth; and, Beloved Father, grant each of us guidance to recognize and strength to bear our individual responsibilities.

Now unto the King Eternal, immortal, invisible, the only wise God, be honor and glory forever and ever. Amen.

UNITED NATIONS LEAGUE OF LAWYERS

Whereas the sudden and untimely death of President John Fitzgerald Kennedy occurred on November 22, 1963, at Dallas, Tex.; and

Whereas President Kennedy had long actively supported the purposes and objectives of the United Nations to the furtherance of which the United Nations League of Lawyers is also dedicated; and

Whereas President Kennedy has performed outstanding service in furthering the humanitarian purposes of the United Nations not only in the United States of America but throughout the world by supporting national and international programs to eliminate disease, to eliminate unjust discrimination between peoples based on race, color, creed, or national origin, to provide education and to house and promote the welfare of the young and the aged; and

Whereas President Kennedy was for many years a strong leader in activities designed to promote world peace and has brought about adoption of measures such as the nuclear test ban treaty, the Alliance for Progress and has taken steps in support of the splendid work and the continuance of the United Nations; and

Whereas the death of President Kennedy has caused great sorrow and a feeling of loss to people throughout the world who had been encouraged by his devotion, courage and determination in support of the objectives above set forth and of the rule of law in the world:

Resolved, That we, members of the United Nations League of Lawyers, hereby express our feeling of concern over the crime against the United States and against free peoples throughout the world that was committed in the assassination of President Kennedy, and our feeling of sympathy to his family and to the people of the United States of America, and at the same time hereby memorialize and commend to high esteem the memory of the late President John Fitzgerald Kennedy.

RESOLUTION OF THE CAPITOL HILL CHAPTER OF THE FEDERAL BAR ASSOCIATION MEMORIALIZING THE LATE PRESIDENT JOHN FITZGERALD KENNEDY

Whereas the late President of the United States John Fitzgerald Kennedy was a great President and leader who was dedicated to the principle of the rule of law; and

Whereas he sponsored, supported, and was dedicated to measures to improve the welfare and equality of mankind and to insure peace in the world; and

Whereas this chapter of the Federal Bar Association feels that all functions of the chapter of a social or quasi-social nature should be canceled during the official 30-day period of mourning for the late President of the United States; and

Whereas this chapter has scheduled a December monthly luncheon meeting and has made preparations together with the Empire State chapter for a large reception in the New York Yacht Club, New York City, on the evening of December 18, 1962, in honor of the Federal judiciary; and

Whereas as lawyers, the members of this chapter wish to express our sympathy in the great and tragic loss of the late John Fitzgerald Kennedy: Now, therefore, be it

Resolved, That this chapter hereby memorializes and commends to high esteem the memory of the late John Fitzgerald Kennedy as a truly great President of the United States.

It is directed that the aforementioned events of the chapter be canceled and that a copy of this resolution be forwarded to the widow of the late President as a token of sympathy and of great respect.

CITATION TO CHARLES H. STODDARD BY NATIONAL ASSOCIATION OF SOIL AND WATER CONSERVATION DISTRICTS

Mr. ANDERSON. Mr. President, on February 4 the National Association of Soil and Water Conservation Districts gave a conservation citation to Charles H. Stoddard, the Director of the Bureau of Land Management in the Department of the Interior. I am delighted that this has occurred because it is evidence of the increasing effectiveness with which this Bureau is performing an important conservation role. In the Western United States there are over 180 million acres of public lands which it administers.

We have as our basic responsibility the preservation of a fertile mantle of soil on our Nation. I have long believed that to do this we must protect our water resources by controlling runoff and conserving the use of water. On the great rangeland area managed by this agency, there is a paramount need to make certain that the grass resource is used for the benefit of livestock and wildlife in a manner which meets our conservation obligations.

One of the finest ways in which the Bureau of Land Management can develop an aggressive and effective program of soil and water conservation is through close working relationships with ranchers, farmers, and other landowners. One of the most effective groups with which the Bureau can work is the National Association of Soil and Water Conservation Districts. For these reasons I am delighted to see that the National Association of Soil and Water Conservation Districts has given a citation for conservation achievements to the Bureau of Land Management and to its Director, Charles H. Stoddard.

I ask unanimous consent to insert the citation in the RECORD.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF SOIL AND WATER CONSERVATION DISTRICTS CITATION TO CHARLES H. STODDARD

For his consistent efforts to develop an effective conservation partnership between soil and water conservation districts and the U.S. Department of the Interior in areas of intermingled public and private land ownership throughout the country;

For his continuing recognition that local people and local institutions are a source of strength in the long campaign to protect and develop the Nation's natural resources;

For his perceptive studies in the field of farm forestry and his invaluable encouragement to soil and water conservation districts in asserting their contribution to forest management and production; and

For his evident and gratifying determination to act forcefully in behalf of conservation and multiple use of the Nation's reserved lands in constructive alliance with local conservation districts and other organizations directly concerned:

We, the officers and directors of the National Association of Soil and Water Conservation Districts, are honored to present to Charles H. Stoddard, Director of the Bureau of Land Management, the Distinguished Service Award of this association.

Given in Kansas City, Mo., on the fifth day of February 1964.

MARION S. MONK, Jr.,
President.

PRESIDENT JOHNSON'S MESSAGE ON HEALTH

Mr. PELL. Mr. President, President Johnson's message on health to Congress on February 10, I believe, is one of the most comprehensive and important statements regarding widespread domestic needs that I have seen proposed.

The message appropriately related to all our citizens, old and young, rich and poor, for a first-class nation cannot afford to have second-class services for some of its people. We need to promote progress in every way possible in all the fields of medicine: in the training of needed medical and nursing personnel, in the construction of necessary facilities, and in the development of new and better drugs. And we need to make the benefits of this progress available to all our people, at low cost or free if they are poor, at a fair cost if they are not.

The relationship between rising health hazards and urban centers of population is clearly established. So is that of ill health and poverty. Rhode Island, which is almost all urban in its structure, has a high rate of unemployment and a high percentage of persons over 65 who will benefit greatly if we can marshal our forces in Congress and enact the President's program. It can be enacted, we know it should be enacted, and we must dedicate our efforts to see that it is enacted. My pledge is to that goal.

LOW SALARIES OF OVERSEA TEACHERS

Mr. HARTKE. Mr. President, ever since 1960 teachers in our oversea schools under the Defense Department have been seeking to secure salary adjustments to observe the principle of comparability with stateside teacher pay adopted in the Overseas Teachers Pay Act of 1959. They have repeatedly run into excuses, delays, and denials of their requests, even though a Defense Department study itself some time ago made a recommendation for an increase in per-pupil expenditures from the present $285 to $325.

The "Washington Report" to the Christian Science Monitor recently recounted the anger of the teachers in these schools, which comprises the Nation's seventh largest school system. They finally were granted a $2-a-week raise this year, the first since the $2 increase given in 1960. During the same period, according to the National Education Association, teacher salaries in the United States have risen by 15.3 percent. On receiving the small increase, teachers have been returning the money to the Defense Department as an insult, in effect saying "If this is the best you can do, keep it."

On Wednesday a delegation from the National Education Association and its Oversea Teachers Association is meeting with Assistant Secretary Cyrus Vance on this problem. On the answers from that meeting depends the question of legal action they have been empowered to initiate to secure the carrying out of the mandate of the Overseas Teachers Pay Act of 1959. Since the president of the NEA is Dr. Robert Wyatt, of Indiana, I have taken a personal interest in this problem and sincerely hope that the Defense Department may be willing to settle the matter with justice for the teachers after all the lengthy delay.

Mr. President, I ask unanimous consent to have the Christian Science Monitor report printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

WASHINGTON REPORT: $2 TROUBLE

(By Josephine Ripley)

Ever get a raise you wanted to return with a "can you spare it" note?

American teachers overseas have, and they are sending it back to Uncle Sam in indignant rejection.

These are the teachers in schools for the children of military personnel. They are teaching in some 285 schools in 25 countries.

Letters returning a $2-a-week raise are arriving with embarrassing regularity on the desk of Secretary of Defense McNamara, Secretary of the Treasury Dillon, and some are even going to President Johnson at the White House.

Teachers feel they are entitled to more; that they were promised more under the Overseas Teachers Pay Act of 1959; that an adjustment is long overdue; and if all Uncle Sam can give them by way of a raise is $2 a week, he needs it more than they do.

So far, nearly $2,000 has been returned. The Pentagon is attempting to send it back with "nice letters," as someone put it. The teachers are not appeased.

They point out that Congress voted in 1959 to bring their salaries up to those received by teachers in comparable schools in the United States.

Immediately following this, in 1960, they received a $2-a-week increase. They were disappointed that it wasn't more, but they felt further increases would follow. They didn't; they stopped.

Then the Defense Department eked out another $2 raise for the 1963–64 school year. This was when the teachers blew up. The revolt started in Madrid when American teachers there affiliated with the Overseas Federation of Teachers, began stuffing the $2 in envelopes and sending them back.

Almost simultaneously, American teachers in Ankara, Turkey, affiliated with the Overseas Education Association had the same idea.

Now it is an organized drive, with teachers from all over the world joining in this emphatic rejection.

The Pentagon claims that the "arbitrary" $285 per pupil limitation on funds available for the Defense Department's oversea dependents schools makes it impossible for them to make any substantial adjustment in salaries.

The National Education Association, which is backing teachers to the hilt, says the $285 limitation has no bearing on the case, and that it has not prevented salary increases in the case of school administrators.

The NEA earlier warned teachers against taking oversea jobs because of the low, out-of-line salaries. The Defense Department took it lightly claiming the NEA warning had only helped to interest teachers in oversea schools. There was no dearth of applicants.

But officials may be less casual about it now.

Although the 1965 budget increases the per pupil expenditure in oversea schools to $295, the NEA points out that this is an increase of only 3.5 percent and too little to take care of the salary increase due teachers.

Oversea teachers are paid from $4,435 to $6,215. The average salaries in large urban school districts—with which oversea salaries are equated by policy directive—range from $4,941 to $8,480. Teachers salaries in the United States have risen by 15.3 percent since 1960, says the NEA.

It has been estimated that teachers overseas "have lost more than $4 million in the past 3 years due to the failure of the Department of Defense to pay the salaries rightfully due them." This is the way William G. Carr, executive secretary of the NEA figures it.

The NEA deplores school conditions overseas, describing them as "of the horse and buggy era" while the Military Establishment with which they are associated "is geared to an age of space exploration."

The oversea school system is the Nation's seventh largest. It employs 7,262 teachers for 170,000 children from the 1st through the 12th grades.

"We are not asking special favors for the teachers of oversea dependents schools," says Mr. Carr, "but we are asking that a law of Congress be respected and that the discriminatory treatment now accorded to these teachers be replaced by justice."

Until it is, teachers overseas are intent on "rubbing it in" by returning a raise they feel is too little, too late, and too bad.

SEPARATION OF CHURCH AND STATE

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an excellent address delivered by Richard P. Gifford, in Lynchburg, Va., on the subject of the separation of church and state.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

GIRDING FOR THE BATTLE FOR FREEDOM: AN ANALYSIS OF THE CHURCH-STATE ISSUE TODAY

(An address by Richard P. Gifford in Lynchburg, Va.)

"Our father's God, to thee,
Author of liberty,
To thee we sing.
Long may our land be bright
With freedom's holy light;
Protect us by Thy might,
Great God, our King."
—Written 1832.

The State Commissioner of Education in New York declared in 1963 that henceforth the above stanza of "America" could no longer be sung as a part of official school exercises. This decision was an extension of the "freedom" from official prayer ruling in the New York State Regents Prayer case. That the highest level position in the field of education in the largest and most influential State in the Union could reach this conclusion from the Supreme Court rulings is a disturbing revelation of the general lack of understanding of the relationship of church and state and of the basic structure of freedom. Even those, on the other side of the issue who have objected most violently to the Supreme Court ruling, have failed to understand the basic issues. While they fight skirmishes for prayer, they may lose the battle for freedom.

The basic objective of this paper will be to bring recognition to the fact we are in a battle for freedom—a battle of ideas for which we must put on an armor of understanding, education and dedication.

THE SETTING FOR THE BATTLE

The history of man can be considered a record of his struggles to achieve a full, free and happy life. He has continually fought with his fellow man with words or with clubs to convince him that one path to the ultimate goal was better than another. At mid-20th century, however, the clubs available have become so large that a few can annihilate all mankind, including the protagonist. The nature of the general and continuing war for ultimate liberty is, therefore, changing. The "battles" now are being fought with ideas. Sometimes the attack is from outside and sometimes from within. Sometimes it is open and obvious; other times it is furtive and sinister. Almost all are being fought under the banner of freedom—but it remains for the bystander to determine what freedom and whose freedom.

ENTER THE REGENTS PRAYER CASE

It was under this banner of freedom that in 1958 a group of U.S. citizens sought "freedom" from the practice of prayer in the public schools of New York. Their argument was based on the concept of separation of church and state as documented in the first amendment to our Constitution. The case ultimately found its way to the U.S. Supreme Court, and on June 25, 1962, it ruled in favor of the plaintiff.

The Court ruled simply that the State, in this case the New York State Regents, could not prescribe a prayer for use in the opening of the schoolday. The ruling did not involve relief from physical oppression nor did it force others to lay down arms; it simply asked the State to cease asking its children to say something.

And, yet, the outcries of indignation were the greatest in the Court's history. That this seemingly simple quest for a "freedom" unleashed an era of volatile and expansive public debate can, however, be a most rewarding product of our governmental system. For out of it, we have been given an opportunity to reexamine our political heritage. This naturally has led to study and evaluation of the relationship of Christianity to our political system. In this study, if we follow through, we will find a basic understanding of freedom to guide us through the stormy political era of many quests for freedom being made and yet to be made under alluring but fraudulent banners.

THE CHURCH AND STATE RELATIONSHIP THROUGH HISTORY

If we go all the way back to prehistoric times and make some suppositions about the earliest social groupings of multiple families, as determined from informative artifacts, we would first find a society built on authority of physical strength. Then, slowly but surely, sagacity in development and application of the human resources of the group became an equally significant factor. Some people discovered the multiplying force of "motivation" of others and made good use of it to obtain their objectives. "Motivation" was built on various form of superstitious practice developed and encouraged by the leader. It was not long before the superstitions became rules and regulations of a god system with the leader firmly established as being favored and in direct communication with the gods.

In the earliest recorded history, almost all political systems were, in a sense, theocracies. Religion was the binding force of a nation. The king, in order to have access to this unseen force, naturally had to be a part of the religious system. Either he was the overall head and the spokesman for the gods or he provided all power of his official office to support a religion—so long, of course, as that religion provided support for him.

This basic relationship between church and state continued to be standard practice even in the earliest Hebrew nations and, later, in the earliest Christian nations. One has only to recall the long recorded history of Western Europe from A.D. 400 to about A.D. 1600. Monarchs were subject to sanction, approval and sometimes control by the church. The monarchs, in sense, were only lay administrators for a religious hierarchy.

There were, of course, frequent revolts from this relationship. The most interesting of these revolts, as measured by the impact they had on our history, were those in England and early America.

The first challenge to the authority of the church came in 1172, when Henry II chose to solve his problems by arranging the murder of Thomas A. Becket. The latter, as Archbishop of Canterbury, had championed church rights when the King sought jurisdiction over the clergy. Following additional conflicts in the Holy Roman Empire, the papacy actually rebounded with new energy and, under Pope Innocent III, papal power reached its height in all matters of state. It was not until the second half of the 14th century that the conflict arose again in England. It then arose in the interest of rights of a national church versus the papacy.

It was at that time that John Wycliffe translated the Bible into English and pushed for the rights of all men to have access to the Scriptures. He was supported in these efforts by Edward III; but the church declaimed him as a heretic and his life was lived out in a retirement of escape. The seeds for the future split from Rome had, however, been planted. And, in addition, the concept of the common man having an individual right to read the Bible for himself was destined to have tremendous impact on future history, particularly with the advent of the printing press and additional support from such men as Huss, Luther, and Calvin.

But the undercurrent of religious reform did not really burst forth in England until Henry VIII challenged the power of the pope over the latter's refusal to dissolve his marriage to Catherine of Aragon. By declaring himself head of the Church of England, Henry VIII sparked developments beyond what appeared to be only a political struggle. He effectively supplied early encouragement for the spiritual revolution of protestantism in England that was just then developing.

When Parliament gave King Henry VIII the title of Governor of the Church of England by the Act of Supremacy in 1534, the first phase of the conflict between church and state had been concluded. England had dissolved its allegiance to a broad church power and in its stead developed a church of her own. At the same time, the Act of Uniformity established standards of worship along with fines and penalties for disobedience. The ties between the state and this new church were, if anything, even stronger than those to Rome had ever been, but the position of the monarch was clearly on top as governor of the church.

LIFE UNDER STATE CHURCH

Concurrently, however, there was a significant new movement of education in religious affairs that was made possible through wider dissemination of printed copies of the Bible in English. William Tyndale had been a prime mover in this technique of education and had once said to a bishop, "If God spares my life, I will cause a boy that driveth the plow shall know more of the Scripture than thou dost." As more and more people discovered Christianity for themselves, and as the new Anglican Church tended to retain some of the offensive characteristics of the Roman Church, a multipilicity of new church groups or denominations naturally arose.

The state, in support of its national church, actively suppressed the rise of any new religious views. But, in 1649, the pressure for change became so great that Oliver

Cromwell was able to take over in a form of dictatorship. Although a Puritan, he proclaimed religious liberty for all—except, of course, those who believed in "popery or prelacy." And, in this denial of liberty, the followers of Cromwell were particularly savage.

When the monarch and the Church of England were restored in 1658, the most natural escape for those still seeking greater religious freedom lay in coming to the New World just then developing from colonies established in Virginia and New England. The vast majority of early colonists, who sought religious freedom, established virtual theocracies that did provide freedom for one church at the price of suppression of all other churches. It was a sort of one-way freedom.

One hundred and fifty years later, at the time of the forming of the Union after the Declaration of Independence, only 2 of the 13 States allowed religious freedom—Rhode Island and Virginia. All others demanded certain beliefs, ranging from belief in divine inspiration of the Bible to complete acceptance of a particular religious establishment.

SEPARATION OF CHURCH AND STATE

It was at this time that the second conflict between church and state became more clearly defined. The stories of both Rhode Island and Virginia provide good background for the development of the new concept of separation of church and state that finally found its way into our Constitution.

The seeds for the concept of separation had been planted back in the early days of the Reformation. In 1581, Robert Browne, who organized the First Congregational Church, stated, "A true church is a company or number of believers who by a willing covenant made with their God are under the government of God and Christ." He further contended that civil government should be respected but have no authority over the church.

In 1611, the Baptists, under the leadership of J. Smythe, issued a declaration of faith, which stated: "The magistrate is not to meddle with religion or matters of conscience, nor compel men to this or that form of religion."

Shortly after the founding of the Puritan theocracy in Massachusetts, Roger Williams put these thoughts into action when he defied its authority. He argued against the union of church and state and the right of civil authorities to punish violation of the first five commandments. He also argued for treatment of the Indians as human beings with their rights to land to be respected. In 1639, he helped establish a new colony in Providence, R.I., under the Baptists. This colony accorded religious freedom to all with an equal share in government.

Virginia started with the same church-state relationship as existed in England. In 1619, the Church of England was declared the state church to be supported by general taxation. Other religions were not oppressed but neither were they given any support from the state.

The prosperity of Virginia in its first 150 years built an extremely well-educated and well read aristocracy, who studied the works of the many Protestant reformers and the works of Bacon and Locke. From these studies, such men as George Mason, Thomas Jefferson, and James Madison developed further the concept of religious freedom. In 1776, the Virginia Bill of Rights contained the following in article **XVI**:

"*Be it enacted by the general assembly,* That no man shall be compelled to frequent or support any religious worship, place, or ministry whatever; nor shall be enforced, restrained, molested, burthened in his body or goods, nor shall otherwise suffer on account of his religious opinions or belief; but that all men shall be free to profess, and by argument to maintain, their opinion in matters of religion, and that the same shall in no wise diminish, enlarge, or affect their civil capacities."

Then, in 1785, Jefferson composed and pushed for enactment of the Act for Religious Freedom in Virginia, which stated: "That religion, or the duty which we owe to our Creator, and the manner of discharging it, can be directed only by reason and conviction, not by force or violence; and therefore, all men are equally entitled to the free exercise of religion, according to the dictates of conscience; and that it is the mutual duty of all to practice Christian forbearance, love, and charity, toward each other."

It was the sense of this act that was carried over into the third article of the Bill of Rights, which later became the first amendment to our Constitution, which states: "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof."

The authority of this amendment was later brought to the local level in the 14th amendment.

This brief summary of what took place does not, however, do justice to the tremendous amount of thought, discussion, and writing done in the 17th and 18th centuries on the reasonableness of the philosophy of separation of church and state. Far too many had experienced, both in Europe and in the new Colonies, the curtailment of freedom exercised by churches which were backed by the power of the state. In forming the United States, not only were they seeking independence from a foreign and despotic ruler, but also they were seeking a method of government that would prevent future curtailment of individual liberties, whether derived from a secular or religious base.

With incorporation of the first amendment to our Constitution, the second major conflict in church-state relationships was concluded. The concept of separation of the two powers became the law of the land. This philosophy has now stood for almost 200 years, being tested only in terms of the degree of separation, as in the New York State prayer case.

While the first amendment would appear to be quite explicit, there are those who argue that prayer does not establish a religion. There are others who argue that any official reference to God is in conflict with the first amendment. And there are still others who are content to stand on the sidelines, viewing the entire matter as an exercise in splitting hairs.

THE CHURCH-STATE ISSUE TODAY

Let us now examine the church-state issue with the backdrop of history as related and determine for ourselves the depth and significance of this modern controversy.

First, we should make note of the trend of history—at least the history of Western man. As related, church and state started out combined in the authority of a single leader of the nation. As religions crossed borders and became common to more than one nation, a separate hierachy and final authority for the church had to be established. For a while, individual nations could work with this common religious authority, but when it appeared that the power of the national leader was being lessened by the leaders of the church, there naturally arose a series of conflicts which ultimately concluded with the establishment of varying degrees of national churches with or without ties to a common religious source. In most of these national churches, the governing authority was given to the state.

Under both these arrangements—state and an international church or state and a national church—there had been continual harassment and abridgment of individual freedoms of conscience. When the church's powers of persuasion proved ineffective, the authority and power of the state twisted the screw. It was not surprising, therefore, that the general quest for freedom would seek to separate the authority of the state from sanctioning or supporting any one church. This is where our Founding Fathers took their stand and this is where we stand today.

Note that the authority over conscience started at the top in partnership with the state. Then it slowly came down to either a very local level or to the individual himself. Where will it go next? Will each person evolve his own authority of conscience? Or will some new authority be established?

Surely, unless there is some common authority within group living, some polarity in the consciences of all beyond the details of civil law, there will be no true freedom. Therefore, by arguing for or against separation of church and state, we are being swept into a basic battle for freedom—a battle to be fought by words and ideas from legislators, judges, ministers, and all concerned people.

FREEDOM UNDER WHOM?

Here are the battle lines: On one side, there are those who argue for absolute separation of church and state. To obtain maximum freedom of conscience, they argue for the elimination of all references to religion of any sort in all official state actions. Interestingly, there are many in the Christian Church who support this point of view on the basis that the church should not have to depend on any secular authority for it to do its work in trying to establish guides and goals for individual consciences. The absolutists in separation find support for their views in the first amendment and the lack of any mention of God in the Constitution. They contend that only with complete separation can we avoid all attempts by the state, no matter how seemingly inobtrusive, to control the conscience of free men.

On the other side, there are those who argue for separation up to a point. They argue that this Nation was founded under the concept that there was still one higher authority than the state (or, more correctly, the people who formed the state). They contend that our Founding Fathers, when granting religious liberty, sought only to eliminate the favoring of any one sect of the Christian church rather than to eliminate belief in God. For evidence of the basic beliefs of the Founding Fathers, they can refer to such quotations as:

Those in the Declaration of Independence: "To which the laws of nature and of nature's God entitled them." "Endowed by their Creator with certain unalienable rights."

From Jefferson's "View on the Rights of British Americans": "The God who gave us life, gave us liberty at the same time; the hand of force may destroy, but cannot disjoin them."

From Jefferson's seal: "Rebellion to tyrants is obedience to God" (attributed to Ben Franklin).

From John Adams to Abigail, July 2, 1776 (after adoption of resolution for Independence): "It ought to be celebrated as a day of deliverance, by solemn acts of devotion to God Almighty."

During the Constitutional Convention, Ben Franklin said: "We have been assured sir, in the sacred writings that 'except the Lord build the house, they labor in vain that build it.' I firmly believe that without his concurring aid we shall succeed in this political building no better than the builders of Babel."

And there are many, many more. This group also argues against absolute separation on the basis that the elimination of all mention of a Supreme Being in any official notices would, in fact, support the "religion" of "atheism."

The basic issue these two factions are fighting over, however, is freedom—or, more descriptively, "life, liberty, and the pursuit of happiness." What is the ultimate in the freedom? Is it the right for everyone to do as he pleases—to be master of his own destiny to the maximum extent possible? Such a fictitious utopia would, of course, be no utopia at all. It would be a jungle in which the stronger feeds on the weaker. The situation can be diagramed as a multiplicity of vectors in a common area—all bumping into or crossing over one another.

Ultimate freedom will certainly not be found via this route. What is lacking is some force to polarize the vectors in one basic direction. Then, at least all can exist together without conflict and friction.

Freedom can only be found under some force. The source of this force and the degree to which it willingly directs our lives then becomes the determining factor for the extent of true freedom obtained.

Now, let's relate the previous descriptions of the antagonists in this modern church-state issue to these observations regarding freedom.

On one side, we have a group that endorses no polarity except that established by the state itself through civil laws. This type of polarity in its ultimate is very little different from a dictatorship—the only difference remaining with us for now is the right of a majority of the vectors to lean in a certain direction and thereby be able to influence the future polarity of the entire group.

On the other side, we have a group that endorses a polarity of conscience established through the authority of God. This group argues that we are a Nation founded under God and, hence, each of us answers to one authority higher than the state. This same group contends that with this willing acceptance of polarity of conscience there is less need for polarity to be supplied by the state. They argue that in the ultimate, with the arrival of God's Kingdom on earth, there would exist true freedom with no need for civil laws.

THE ATTACK ON FREEDOM UNDER GOD

We are, therefore, at a critical and, unfortunately, little-understood crossroad. Do we seek freedom under man governing with the consent of the governed, or do we seek freedom under God? Some consider the most recent Supreme Court rulings as signs that we have already made the decision. If one reads the rulings carefully, however, he will find that this is not so. The Supreme Court made no ruling on this basic concept; it ruled only that an official prayer in school was in conflict with the 1st and 14th amendments. Voluntary prayers are still permitted and a test case on this was just recently successful in a Federal district court.

A more direct attack on the heart of the issue is just now entering the court system. A group of parents in California have complained against the use of the phrase "under God" contained in the official pledge of allegiance. This phrase was inserted by congressional action in 1954 by those who had the foresight to see this major issue in formation. There are, of course, many other references to religion that we can expect to be under continued attack; among these are: the second verse of "The Star-Spangled Banner," which contains the words "In God is Our Trust"; our coins and paper currency contain the phrase "In God We Trust"; both Houses of the Congress employ chaplains and open their sessions with an invocation and prayer; our courts open and close each session with the supplication "God save the United States and this honorable court"; the phrase "In God We Trust" appears over the chair of the Speaker of the House of Representatives; the great seal of the United States shows a symbolic all-seeing eye, etc.

There are many more references in use supporting the concept of this being a nation under God, but should the California case be successful in removing "under God" from the pledge of allegiance, then we can expect almost all of these symbols and reminders to be attacked and removed one by one. The prayer cases were vulnerable, because they tended to go beyond supporting merely the existence and authority of God. This is not the case in the present attack, and for all practical purposes those who believe in the need for recognition of an authority higher than man himself, now find themselves defending the last yard.

Still, this battle for freedom under God can and must be won. To do this, we must follow these three steps:

First, we must understand fully the nature of the conflict; read the opinions in full, read the commentaries, discuss the issues, and speak out.

Second, we must let our legislators know how we feel. There are many bills before the Houses designed to head off any further attacks against the concept that this Nation was founded under God.

Third, we must stand up and live for our beliefs in God and in His word that became flesh. We must not fail to do what we would want to do in His name and for His sake. Failing to take action that we know is right in the eyes of God only invites civil law to supplant the authority of God.

No better warning of the present situation has ever been given them than that written over 100 years ago by a keen political analyst who looked at us from the outside. In his writings on "Democracy in America," Alexis de Tocqueville said:

"When the religion of a people is destroyed, doubt gets hold of the higher powers of the intellect, and half paralyzes all of the others. Every man accustoms himself to have only confused and changing notions on the subjects most interesting to his fellow-creatures and himself. His opinions are ill-defended and easily abandoned; and, in despair of ever resolving by himself the hard problems respecting the destiny of man, he ignobly submits to think no more about them. Such a condition cannot but enervate the soul, relax the springs of the will, and prepare a people for servitude. Not only does it happen, in such a case, that they allow their freedom to be taken from them; they frequently themselves surrender it. When there is no longer any principle of authority in religion, any more than in politics, men are speedily frightened at the aspect of this unbounded independence. The constant agitation of all surrounding things alarms and exhausts them. As everything is at sea in the sphere of the mind, they determine at least that the mechanism of society shall be firm and fixed; and, as they cannot resume their ancient belief, they assume a master.

"For my own part, I doubt whether man can ever support at the same time complete religious independence and entire political freedom. And I am inclined to think that, if faith be wanting in him, he must be subject; and if he be free, he must believe."

Gentlemen, let us solemnly vow to gird ourselves for this most crucial battle for freedom. As the fourth stanza of "America" states, God is "the author of liberty." Without our Christian heritage, which guarantees freedom under God, we would become just another state to rise and fall in man's search for ultimate freedom. Let us put on an armor of understanding, education and dedication and go forth to our legislators, our ministers and to all our fellow Americans. Let us defeat this attack on the very essence of true freedom.

FILM BASED ON THE LIFE OF DR. NORMAN VINCENT PEALE TO BE SHOWN FOR SENATORS, REPRESENTATIVES, AND STAFF PERSONNEL ON WEDNESDAY, FEBRUARY 19, 1964

Mr. RANDOLPH. Mr. President, it has recently been my privilege to view a worthwhile motion picture based on the life of one of America's most widely respected religious leaders—Dr. Norman Vincent Peale. The film, "One Man's Way," was produced by United Artists and will premiere in Washington, D.C., in late February.

Representative JOHN V. LINDSAY, of New York, and I have secured Dr. Peale's consent to hold an advance screening of this film for Members of the Congress, their staffs, and committee personnel. The showing will be on Wednesday, February 19, at 4:30 p.m., in the Auditorium of the New Senate Office Building, room G308.

Each of us is familiar with the meaningful ministry of Dr. Peale and his active efforts to strengthen the spiritual and moral life of our Nation. His dramatic and heart-warming story is professionally presented in a manner which will provide inspiration and challenge for the entire family. The well-known young actor, Don Murray, performs in the starring role, and is supported by an experienced Hollywood cast.

Mr. Murray, a favorite of many audiences, will be present in person at the screening. He is warmly remembered by theatergoers for his performance in "Advise and Consent."

We trust that legislators and staff members will take advantage of this opportunity to meet Don and to see a most enjoyable motion picture.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 2064. An act to relieve the Veterans' Administration from paying interest on the amount of capital funds transferred in fiscal year 1962 from the direct loan revolving fund to the loan guarantee revolving fund; and

S. 2317. An act to amend the provisions of section 15 of the Shipping Act, 1916, to provide for the exemption of certain terminal leases from penalties.

COMMITTEE MEETING DURING REMAINDER OF WEEK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be permitted to sit for the remainder of this week, notwithstanding the fact that the Senate may be in session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO TOMORROW

Mr. MANSFIELD. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 2 o'clock and 28 minutes p.m.) the Senate took a recess until tomorrow, Tuesday, February 18, 1964, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 17 (legislative day of February 10), 1964:

Foreign Assistance

Howard E. Haugerud, of Minnesota, to be Deputy Inspector General, Foreign Assistance.

National Mediation Board

Leverett Edwards, of Oklahoma, to be a Member of the National Mediation Board for the term expiring February 1, 1967. (Reappointment.)

Defense Department

Paul R. Ignatius, of Massachusetts, to be Under Secretary of the Army, vice Stephen Ailes.

In the Navy

Capt. Wilfred A. Hearn, U.S. Navy, to be Judge Advocate General of the Navy for a term of 4 years with the rank of rear admiral.

In the Air Force

The following-named officers for appointment in the Regular Air Force to the grades indicated, under the provisions of chapter 835, title 10 of the United States Code:

To be major generals

Maj. Gen. Kenneth O. Sanborn, 1363A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Dwight O. Montieth, 1205A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Nils O. Ohman, 1321A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Henry G. Thorne, Jr., 1514A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Paul S. Emrick, 1801A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Frederick R. Terrell, 1221A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Richard P. Kloeko, 1327A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Paul W. Scheidecker, 1354A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. William B. Kieffer, 1409A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Clyde Box, 1535A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Robert G. Ruegg, 1620A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. John B. Bestic, 1682A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Perry M. Hoisington, II, 1694A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Joseph H. Moore, 1836A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Jerry D. Page, 2052A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Charles H. Terhune, Jr., 3424A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Harold E. Humfeld, 3857A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. George S. Brown, 4090A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Seth J. McKee, 4279A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. John C. Meyer, 4496A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Major S. White, 19056A (brigadier general, Regular Air Force, medical), U.S. Air Force.

Maj. Gen. Theodore C. Bedwell, Jr., 19101A (brigadier general, Regular Air Force, medical), U.S. Air Force.

To be brigadier generals

Brig. Gen. Jack E. Thomas, 1187A (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Bertram C. Harrison, 1425A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Douglas C. Polhamus, 1428A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Neil D. Van Sickle, 1442A (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. J. Francis Taylor, Jr., 1583A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Harry E. Goldsworthy, 1631A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John S. Samuel, 1638A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Henry C. Newcomer, 1641A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Joseph L. Dickman, 1656A (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Joseph T. Kingsley, Jr., 1702A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John L. McCoy, 1705A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lewis W. Stocking, 1709A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Elbert Helton, 1727A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John A. Rouse, 1807A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Walter B. Putnam, 1825A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Charles G. Chandler, Jr., 1842A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Pinkham Smith, 1859A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Vincent G. Huston, 1865A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William B. Campbell, 2000A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Hubert S. Judy, 2032A (colonel Regular Air Force), U.S. Air Force.

Brig. Gen. Thomas R. Ford, 2065A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Ariel W. Nielsen, 2067A (colonel Regular Air Force), U.S. Air Force.

Brig. Gen. Lewis E. Lyle, 4115A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Robert W. Manss, 2713A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John H. Bell, 4185A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Michael J. Ingelido, 4295A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lawrence F. Loesch, 4300A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John D. Lavelle, 4359A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Donald W. Graham, 4361A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Otto J. Glasser, 4368A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Harry L. Evans, 4619A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Paul T. Cooper, 4861A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William W. Wisman, 4990A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Jay T. Robbins, 5029A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Joseph J. Cody, Jr., 5126A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Duward L. Crow, 18061A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William J. Crumm, 8663A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John W. Vogt, Jr., 8709A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lucius D. Clay, Jr., 8956A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Raymond T. Jenkins, 19154A (colonel, Regular Air Force, medical), U.S. Air Force.

Brig. Gen. James W. Humphreys, Jr., 19928A (colonel, Regular Air Force, medical), U.S. Air Force.

The following named officers for temporary appointment in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be major generals

Brig. Gen. John N. Ewbank, Jr., 1381A, Regular Air Force.

Brig. Gen. Milton B. Adams, 1712A, Regular Air Force.

Brig. Gen. William E. Elder, 1772A, Regular Air Force.

Brig. Gen. William W. Veal, 1902A, Regular Air Force.

Brig. Gen. Gilbert L. Meyers, 1958A, Regular Air Force.

Brig. Gen. John B. McPherson, 2068A, Regular Air Force.

Brig. Gen. Gerald F. Keeling, 3827A, Regular Air Force.

Brig. Gen. John W. O'Neill, 4155A, Regular Air Force.

Brig. Gen. Winton R. Close, 4343A, Regular Air Force.

Brig. Gen. James C. Sherrill, 4910A, Regular Air Force.

Brig. Gen. Samuel C. Phillips, 8981A, Regular Air Force.

Brig. Gen. Jack E. Thomas, 1187A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Neil D. Van Sickle, 1442A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John S. Samuel, 1638A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Elbert Helton, 1727A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Walter B. Putnam, 1825A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Vincent G. Huston, 1865A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William B. Campbell, 2000A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Ariel W. Nielsen, 2067A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Raymond T. Jenkins, 19154A (colonel, Regular Air Force, Medical), U.S. Air Force.

Brig. Gen. John H. Bell, 4185A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William J. Crumm, 8663A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lucius D. Clay, Jr., 8956A (colonel, Regular Air Force), U.S. Air Force.

To be brigadier generals

Col. Martin Menter, 1249A, Regular Air Force.

Col. Hugh B. Manson, 1800A, Regular Air Force.

Col. Harry A. French, 1981A, Regular Air Force.

Col. William W. Wilcox, 1991A, Regular Air Force.

Col. Thomas S. Jeffrey, Jr., 2057A, Regular Air Force.

Col. Ernest A. Pinson, 3117A, Regular Air Force.

Col. Everett W. Holstrom, 3986A, Regular Air Force.

Col. Richard N. Ellis, 4001A, Regular Air Force.

Col. Thomas H. Crouch, 19192A, Regular Air Force, Medical.

Col. Chester C. Cox, 3985A, Regular Air Force.

Col. John M. Talbot, 19171A, Regular Air Force, Medical.

Col. Kenneth C. Dempster, 4633A, Regular Air Force.

Col. Everett A. McDonald, 4654A, Regular Air Force.

Col. Frank B. Elliott, 4681A, Regular Air Force.

Col. Gordon F. Blood, 4766A, Regular Air Force.

Col. Edward H. Nigro, 4889A, Regular Air Force.

Col. Glen J. McClernon, 5217A, Regular Air Force.

Col. Thomas N. Wilson, 5255A, Regular Air Force.

Col. John B. Wallace, 4426A, Regular Air Force.

Col. Ralph G. Taylor, Jr., 8660A, Regular Air Force.

Col. Lee V. Gossick, 8679A, Regular Air Force.

Col. Richard D. Reinbold, 8927A, Regular Air Force.

Col. William C. Garland, 8934A, Regular Air Force.

Col. Howard E. Kreidler, 9177A, Regular Air Force.

Col. Norman S. Orwat, 9489A, Regular Air Force.

Col. William W. Berg, 9961A, Regular Air Force.

Col. Jammie M. Philpott, 13694A (lieutenant colonel, Regular Air Force), U.S. Air Force.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 17, 1964

The House was called to order by the Speaker pro tempore [Mr. ALBERT] at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The Chair laid before the House the following communication from the Speaker:

SPEAKER'S ROOMS,
U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., February 17, 1964.

I hereby designate the Honorable CARL ALBERT to act as Speaker pro tempore today.

JOHN W. MCCORMACK,
Speaker.

Rev. Edward Abromaitis, Holy Cross Lithuanian Catholic Church, Chicago, Ill., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

O God, in Your divine plan of creation, You have entrusted this earth to man. You have endowed him with an intellect and with a free will, thus giving him dignity and willing him happiness.

You have blessed these United States with spiritual and material greatness. The Founding Fathers of this great Nation have written the Constitution, wherein the dignity of man is extolled, by emphasizing the inalienable rights to life, liberty, and the pursuit of happiness.

In Your divine plan, You have assigned specific missions to individuals.

Bless this distinguished body of Representatives whose mission is to attain the common good of all their people, and that of the whole world.

Give these Representatives wisdom and understanding, counsel and fortitude, knowledge, piety, and fear of the Lord.

Help them to stand as a bright light, as a city seated on a mountain, as a living example to the other nations of the world, proving that the force of an ideal is greater than the ideal of force.

For centuries history tells us that many nations and millions of people have been oppressed and enslaved. The inborn rights of man, freedom of action, freedom of expression, freedom of the press, of religion, and of assembly have been taken away from them.

Lithuania has also suffered this great sadness, for she and her people are oppressed and enslaved. She, too, was once a big and mighty nation. She has always been a peace-loving nation. History tells us that she played a great part in saving Europe.

Today Lithuania on her 46th anniversary of independence is powerless and in great sorrow. She desires to be delivered. She reaches for a helping hand from the distinguished leaders of America. Do not forsake her.

O God, shower Your blessings upon her and number her among the free, peace-loving nations. Let the dawn of freedom rise and shine on Lithuania and on all the oppressed nations of the world.

Master, hear our prayer, and let our cry come unto Thee.

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, February 13, 1964, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed a bill and a joint resolution of the House of the following titles:

On February 10, 1964:

H.J. Res. 875. Joint resolution making supplemental appropriations for the fiscal year ending June 30, 1964, for certain activities of the Department of Health, Education, and Welfare related to mental retardation, and for other purposes.

On February 11, 1964:

H.R. 9076. An act to provide for the striking of medals in commemoration of the 200th anniversary of the founding of St. Louis.

MESSAGE FROM THE SENATE

A message from the the Senate by Mr. Arrington, one of its clerks, announced that the Senate insists upon its amendments to the bill (H.R. 82) entitled "An act to amend the Merchant Marine Act, 1936, in order to provide for the reimbursement of certain vessel construction expenses," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BARTLETT, Mr. LAUSCHE, and Mr. PROUTY to be the conferees on the part of the Senate.

WASHINGTON'S FAREWELL ADDRESS

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that on Friday, February 21, 1964, Washington's Farewell Address may be read by a Member to be designated by the Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana [Mr. BOGGS]?

There was no objection.

SUBCOMMITTEE ON HOUSING OF THE COMMITTEE ON BANKING AND CURRENCY

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Housing of the Committee on Banking and Currency may be permitted to sit during general debate today through Friday of this week.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CANDIDATES FOR APPOINTMENT TO THE MILITARY, NAVAL, AND AIR FORCE ACADEMIES

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 7356) to amend title 10, United States Code, relating to the nomination and selection of candidates for appointment to the Military, Naval, and Air Force Academies, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That chapter 403 of title 10, United States Code, is amended as follows:

"(1) Section 4342 is amended to read as follows:

"'§ 4342. Cadets: appointment; numbers, territorial distribution

"'(a) The authorized strength of the Corps of Cadets of the Academy is as follows:

"'(1) 40 cadets selected in order of merit as established by competitive examinations from the sons of members of the armed forces who were killed in action or died of wounds or injuries received or diseases contracted in, or preexisting injury or disease aggravated by, active service—

"'(A) during World War I or World War II as defined by laws providing service-connected compensation or pension benefits for veterans of those wars and their dependents; or

"'(B) after June 26, 1950, and before February 1, 1955.

The determination of the Veterans' Administration as to service connection of the cause of death is binding upon the Secretary of the Army.

"'(2) Five cadets nominated at large by the Vice President.

"'(3) Ten cadets from each State, five of whom are nominated by each Senator from that State.

"'(4) Five cadets from each congressional district, nominated by the Representative from that district.

"'(5) Five cadets from the District of Columbia nominated by the Commissioners of that District.

"'(6) Five cadets from each Territory, nominated by the Delegate in Congress from the Territory.

"'(7) Six cadets from Puerto Rico, five of whom are nominated by the Resident Commissioner from Puerto Rico and one who is a native of Puerto Rico nominated by the Governor of Puerto Rico.

"'(8) One cadet nominated by the Governor of the Panama Canal from the sons of civilians residing in the Canal Zone or the sons of civilian personnel of the United States Government, or the Panama Canal Company, residing in the Republic of Panama.

"'(9) One cadet from American Samoa, Guam, or the Virgin Islands nominated by the Secretary of the Army upon recommendations of their respective Governors.

"Each Senator, Representative, and Delegate in Congress, including the Resident Commissioner from Puerto Rico, is entitled to nominate a principal candidate and five alternates for each vacancy that is available to him under this section.

"'(b) In addition, there may be appointed each year at the Academy cadets as follows:

"'(1) 75 selected by the President from the sons of members of regular components of the armed forces.

"'(2) 85 nominated by the Secretary of the Army from enlisted members of the Regular Army.

"'(3) 85 nominated by the Secretary of the Army from enlisted members of the Army Reserve.

"'(4) 20 nominated by the Secretary of the Army, under regulations prescribed by him, from the honor graduates of schools designated as honor schools by the Department of the Army, the Department of the Navy, or the Department of the Air Force, and from members of the Reserve Officers' Training Corps.

"'(5) 150 selected by the Secretary of the Army in order of merit (prescribed pursuant to section 4343 of this title) from qualified alternates nominated by persons named in clauses (3) and (4) of subsection (a).

"'(c) The President may also appoint as cadets at the Academy sons of persons who have been awarded the Medal of Honor for acts performed while in the armed forces.

"'(d) All cadets are appointed by the President. An appointment is conditional until the cadet is admitted.

"'(e) If the annual quota of cadets under subsection (b) (1), (2), (3) is not filled, the Secretary may fill the vacancies by nominating for appointment other candidates from any of these sources who were found best qualified on examination for admission and not otherwise nominated.

"'(f) Each candidate for admission nominated under clauses (3)–(7) and (9) of subsection (a) must be domiciled in the State or Territory, or in the congressional district, from which he is nominated, or in the District of Columbia, Puerto Rico, American Samoa, Guam, or the Virgin Islands, if nominated from one of those places.

"'(g) The Secretary of the Army may limit the number of cadets authorized to be appointed under this section to the number that can be adequately accommodated at the Academy, as determined by the Secretary after consulting with the Committees on Armed Services of the Senate and House of Representatives, subject to the following:

"'(1) Cadets chargeable to each nominating authority named in subsection (a) (3) or (4) may not be limited to less than four.

"'(2) If the Secretary limits the number of appointments under subsection (a) (3) or (4), appointments under subsection (b) (1)–(4) are limited as follows:

"'(A) 27 appointments under subsection (b) (1);

"'(B) 27 appointments under subsection (b) (2);

"'(C) 27 appointments under subsection (b) (3); and

"'(D) 13 appointments under subsection (b) (4).

"'(3) If the Secretary limits the number of appointments under subsection (b) (5), appointments under subsetcion (b) (2)–(4) are limited as follows:

"'(A) 27 appointments under subsection (b) (2);

"'(B) 27 appointments under subsection (b) (3); and

"'(C) 13 appointments under subsection (b) (4).

"'(4) The limitations provided for in this subsection do not affect the operation of subsection (e).

"'(h) Effective beginning with nominations for appointment to the Academy in the calendar year 1964, the Secretary of the Army shall furnish to any Member of Congress, upon the written request of such Member, the name of the Congressman or other nominating authority responsible for the nomination of any named or identified person for appointment to the Academy.'

"(2) The text of section 4343 is amended to read as follows:

"'If it is determined that, upon the admission of a new class to the Academy, the number of cadets at the Academy will be below the authorized number, the Secretary of the Army may fill the vacancies by nominating additional cadets from qualified candidates designated as alternates and from other qualified candidates who competed for nomination and are recommended and found qualified by the Academic Board. At least three-fourths of those nominated under this section shall be selected from qualified alternates nominated by the persons named in clauses (2)–(8) of section 4342(a) of this title, and the remainder from qualified candidates holding competitive nominations under any other provision of law. An appointment under this section is an additional appointment and is not in place of an appointment otherwise authorized by law.'

"SEC. 2. Section 6954 of title 10, United States Code, is amended as follows:

"(1) Subsection (a) is amended by inserting at the end thereof the following flush sentence:

"Each Senator, Representative, and Delegate in Congress, including the Resident Commissioner from Puerto Rico, is entitled to nominate a principal candidate and five alternates for each vacancy that is available to him under this section."

"(2) Subsection (b) is amended by striking out '160' in clauses (2) and (3) and inserting '85' in place thereof, and by inserting the following new clause after clause (4):

"'(5) 150 selected by the Secretary of the Navy in order of merit (prescribed pursuant to section 6956 of this title) from qualified alternates nominated by persons named in clauses (3) and (4) of subsection (a).'

"(3) The following new subsections are added at the end:

"'(d) The Secretary of the Navy may limit the number of midshipmen appointed under subsection (b) (5). When he does so, if the total number of midshipmen, upon admission of a new class at the Academy, will be more than 3,737, no appointments may be made under subsection (b) (2) or (3) of this section or section 6956 of this title.

"'(e) Effective beginning with the nominations for appointment to the Academy in the calendar year 1964, the Secretary of the Navy shall furnish to any Member of Congress, upon the written request of such Member, the name of the Congressman or other nominating authority responsible for the nomination of any named or identified person for appointment to the Academy.'

"SEC. 3. Section 6956 of title 10, United States Code, is amended—

"(1) By striking out 'one or more alternates' in subsection (a) and inserting in place thereof 'five alternates'.

"(2) By striking out 'two-thirds' in the second sentence of subsection (e) and inserting in place thereof "three-fourths.

"SEC. 4. Chapter 903 of title 10, United States Code, is amended as follows:

"(1) Section 9342 is amended to read as follows:

"'§ 9342. Cadets: appointment; numbers, territorial distribution

"'(a) The authorized strength of Air Force Cadets of the Academy is as follows:

"'(1) 40 cadets selected in order of merit as established by competitive examination from the sons of members of the Armed Forces who were killed in action or died of wounds or injuries received or diseases contracted in, or preexisting injury or disease aggravated by, active service—

"'(A) during World War I or World War II as defined by laws providing service-connected compensation or pension benefits for veterans of those wars and their dependents; or

"'(B) after June 26, 1950, and before February 1, 1955.'

"The determination of the Veterans' Administration as to service connection of the cause of death is binding upon the Secretary of the Air Force.

"'(2) Five cadets nominated at large by the Vice President.

"'(3) Ten cadets from each State, five of whom are nominated by each Senator from that State.

"'(4) Five cadets from each congressional district, nominated by the Representative from the district.

"'(5) Five cadets from the District of Columbia, nominated by the Commissioners of that District.

"'(6) Five cadets from each territory, nominated by the Delegate in Congress from that territory.

"'(7) Six cadets from Puerto Rico, five of whom are nominated by the Resident Commissioner from Puerto Rico and one who is a native of Puerto Rico nominated by the Governor of Puerto Rico.

"'(8) One cadet nominated by the Governor of the Panama Canal from the sons of civilians residing in the Canal Zone or the sons of civilian personnel of the United States Government, or the Panama Canal Company, residing in the Republic of Panama.

"'(9) One cadet from American Samoa, Guam, or the Virgin Islands nominated by the Secretary of the Air Force upon recommendations of their respective Governors.'

"Each Senator, Representative, and Delegate in Congress, including the Resident Commissioner from Puerto Rico, is entitled to nominate a principal candidate and five alternates for each vacancy that is available to him under this section.

"'(b) In addition, there may be appointed each year at the Academy cadets as follows:

"'(1) 75 selected by the President from the sons of members of regular components of the Armed Forces.

" '(2) 85 nominated by the Secretary of the Air Force from enlisted members of the Regular Air Force.

" '(3) 85 nominated by the Secretary of the Air Force from enlisted members of the Air Force Reserve.

" '(4) 20 nominated by the Secretary of the Air Force, under regulations prescribed by him, from the honor graduates of schools designated as honor schools by the Department of the Army, the Department of the Navy, or the Department of the Air Force, and from members of the Air Force Reserve Officers' Training Corps.

" '(5) 150 selected by the Secretary of the Air Force in order of merit (prescribed pursuant to section 9343 of this title) from qualified alternates nominated by persons named in clauses (3) and (4) of subsection (a).

" '(c) The President may also appoint as cadets at the Academy sons of persons who have been awarded the Medal of Honor for acts performed while in the Armed Forces.

" '(d) All cadets are appointed by the President. An appointment is conditional until the cadet is admitted.

" '(e) If the annual quota of cadets under subsection (b) (1), (2), or (3) is not filled, the Secretary may fill the vacancies by nominating for appointment other candidates from any of these sources who were found best qualified on examination for admission and not otherwise nominated.

" '(f) Each candidate for admission nominated under clauses (3)–(7) and (9) of subsection (a) must be domiciled in the State or territory, or in the congressional district, from which he is nominated, or in the District of Columbia, Puerto Rico, American Samoa, Guam, or the Virgin Islands, if nominated from one of those places.

" '(g) The Secretary of the Air Force may limit the number of cadets authorized to be appointed under this section to the number that can be adequately accommodated at the Academy as determined by the Secretary after consulting with the Committees on Armed Services of the Senate and House of Representatives, subject to the following:

" '(1) Cadets chargeable to each nominating authority named in subsection (a) (3) or (4) may not be limited to less than four.

" '(2) If the Secretary limits the number of appointments under subsection (a) (3) or (4), appointments under subsection (b) (1)–(4) are limited as follows:

" '(A) 27 appointments under subsection (b)(1);

" '(B) 27 appointments under subsection (b)(2);

" '(C) 27 appointments under subsection (b)(3); and

" '(D) 13 appointments under subsection (b)(4).

" '(3) If the Secretary limits the number of appointments under subsection (b)(5), appointments under subsection (b) (2)–(4) are limited as follows:

" '(A) 27 appointments under subsection (b)(2);

" '(B) 27 appointments under subsection (b)(3); and

" '(C) 13 appointments under subsection (b)(4).

" '(4) The limitations provided for in this subsection do not affect the operation of subsection (e).

" '(h) Effective beginning with the nominations for appointment to the Academy in the calendar year 1964, the Secretary of the Air Force shall furnish to any Member of Congress, upon the written request of such Member, the name of the Congressman or other nominating authority responsible for the nomination of any named or identified person for appointment to the Academy.'

"(2) The text of section 9343 is amended to read as follows:

" 'If it is determined that, upon the admission of a new class to the Academy, the number of cadets at the Academy will be below the authorized number, the Secretary of the Air Force may fill the vacancies by nominating additional cadets from qualified candidates designated as alternates and from other qualified candidates who competed for nomination and are recommended and found qualified by the faculty. At least three-fourths of those nominated under this section shall be selected from qualified alternates nominated by the persons named in clauses (2)–(8) of section 9342(a) of this title, and the remainder from qualified candidates holding competitive nominations under any other provision of law. An appointment under this section is an additional appointment and is not in place of an appointment otherwise authorized by law.'

"SEC. 5. (a) Paragraph (2) of section 4348, paragraph (2) of section 6959, and paragraph (2) of section 9348 of title 10 of the United States Code are each amended by striking out 'three' and inserting in lieu thereof 'five.'

"(b) The fourth sentence of section 182 of title 14 of the United States Code is amended by striking out 'four' and inserting in lieu thereof 'five.'

"(c) The amendments made by this section shall apply only with respect to cadets and midshipmen appointed to the service academies and the Coast Guard Academy after the date of enactment of this Act, and shall not affect the obligated period of service of any cadet or midshipman appointed to one of the service academies or the Coast Guard Academy on or before the date of enactment of this Act."

Mr. HÉBERT (interrupting the reading of the Senate amendment). Mr. Speaker, I ask unanimous consent that the further reading of the Senate amendment be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

Mr. ARENDS. Reserving the right to object, Mr. Speaker, I wish the gentleman from Louisiana would kindly explain the amendment which was added to this bill by the Senate.

Mr. HÉBERT. Mr. Speaker, on Friday, February 7, the Senate passed H.R. 7356, a bill relating to the nomination and selection of candidates for appointment to the Military, Naval, and Air Force Academies.

The House Committee on Armed Services approved the Senate changes without objection and has, therefore, instructed me to recommend to the House the acceptance of the Senate amendment.

I am happy to inform the House that the bill as passed by the Senate is, for practical purposes, identical to that passed by the House on July 23, 1963.

The Senate, in approving this legislation, struck all after the enacting clause. However, the new language inserted by the Senate simply consisted of technical and clarifying changes to the House language and made no substantive changes in the House-passed bill.

Before passage of H.R. 7356 by the Senate, that body agreed to accept an amendment which does not appear in the House bill.

This amendment simply makes it possible for any Member of Congress to obtain from the Secretary of the military department concerned the name of the Congressman or other nominating authority responsible for the nomination of the named or identified person for appointment to the Academy.

The precise language of the amendment as passed by the Senate reads as follows:

> (h) Effective beginning with the nominations for appointment to the Academy in the calendar year 1964, the Secretary of the Army shall furnish to any Member of Congress, upon the written request of such Member, the name of the Congressman or other nominating authority responsible for the nomination of any named or identified person for appointment to the Academy.

Identical language appears in the bill to provide the same requirement for all the military academies.

I see no reason why this amendment should not be acceptable to the House and, therefore, recommend that the House unanimously approve the substitution of the Senate language in H.R. 7356.

Mr. ARENDS. I thank the gentleman. I withdraw my reservation of objection, Mr. Speaker.

Mr. GROSS. Reserving the right to object, Mr. Speaker, there is only one amendment to the bill, and it is germane? There are no ungermane amendments to the bill?

Mr. HEBERT. None whatsoever. The bill retains in it the amendment which the gentleman and I agreed on concerning the 5-year period of obligated service after leaving the Academy.

Mr. GROSS. That was to be my next question. I thank the gentleman from Louisiana, and withdraw my reservation.

Mr. CONTE. Reserving the right to object, Mr. Speaker, is there anything in this bill which provides that if an appointment is not made by a Congressman, he will not lose that appointment?

Mr. HÉBERT. This bill makes the appointments cumulative. In other words, if a Member appoints a principal, and he fails to qualify and the alternates fail to qualify, then the appointments remain to the credit of the Congressman. He can make them consecutively or, as a matter of fact, he can have five appointments for 1 year, but he then, of course, cannot have any appointments for the next 5 years.

Mr. CONTE. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana that the further reading of the Senate amendment be dispensed with?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana to concur in the Senate amendment?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

HEALTH RESEARCH FACILITIES PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 230)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, and without objection, the report was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed:

To the Congress of the United States:

Under the provisions of title VII of the Public Health Service Act, as amended, I am sending to the Congress the Eighth Annual Report of the Surgeon General of the Public Health Service summarizing the activities of the health research facilities program.

LYNDON B. JOHNSON.

The WHITE HOUSE, *February 17, 1964.*

NATIONAL LEAGUE FOOTBALL GAMES ON FRIDAY EVENINGS NEXT FALL

Mr. RYAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan.

There was no objection.

Mr. RYAN of Michigan. Mr. Speaker, I wish to join with the many colleges and high schools and their numerous supporters in protesting the decision of the American Broadcasting Co. that calls for five National Football League games to be presented on television on Friday evenings during September and October of next fall.

Friday night is the time set aside by many colleges and high schools for their participation in this great American sport. This decision will seriously hurt many of these schools. In fact, it could prove to be fatal to the continued participation by many American colleges and high schools in this particular sports activity. It could have the dire effect of canceling all other school sports because many of them exist mainly from the revenues received from football receipts.

The high cost of athletics has already prevented many universities, colleges, and high schools from sponsoring teams to compete in their own leagues or as an independent. The scheduling of Friday night games has permitted many college and high school teams to continue athletic programs.

Now the greed and the grab for money by the professionals is about to kill off the golden goose that is sending them talent.

The spirit of the Federal law protecting college and high school games is being violated.

Under the Federal statutes, exempting sports from coming under antitrust laws, it was stipulated that the National Football League could not sell a package calling for the playing and the broadcasting of Friday night games. The purpose was to protect the economic health of college and high school football.

What binds the league in this matter should also bind the individual clubs in the professional league.

Certainly, these individual club owners have taken a giant step forward in attempting to freeze out the amateur college and high school games.

It is my belief that the proper congressional committee should take action now to determine if there is a violation by the individual club owners and this broadcasting network that this particular proposed TV deal contravenes the spirit of the Federal law protecting college and high school games from professional competition.

SUSPENDING TRADE WITH COMMUNIST CUBA

Mr. SELDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SELDEN. Mr. Speaker, if the United States really means what it says concerning trade with Communist Cuba, the foreign aid bill contains an appropriate provision aimed at suspending foreign aid assistance to nations engaged in such trade.

This proviso was inserted to support the hemisphere's declared intention to economically quarantine the Castro regime. In the case of countries like Yugoslavia and Greece, which have continued their trade relations with Cuba, this cutoff provision went into effect last week. There is, however, a loophole to this provision, in the event the President finds its waiver in the national interest.

If, as has been reported, the Executive now intends to assert this waiver to avoid the cutting off of aid to Castro-trading countries, the United States will be in the position of knowingly subsidizing trade with Castro while at the same time maintaining a purported policy of deploring such trade.

Such a double-faced policy, both subsidizing and condemning Cuban trade, will reduce what has been an ineffectual policy to the level of a diplomatic farce.

I have always believed that a policy based solely on the economic isolation of Castro was insufficient to meet the threat of communism in this hemisphere. Now it seems that we may not have a national will to maintain even that policy. The floodgates for trade with Cuba have been opened and with this trade the Communist base in the hemisphere is being strengthened. From this base, as the OAS pointed out only last week, subversion is being exported throughout the Americas.

The President should recognize the paramount threat to the national interest posed by the Castro regime's designs on the nations of this hemisphere. And to subsidize the economies of countries that trade with Cuba, thereby bolstering that regime, is not, by any stretch of the imagination, in the national interest of the United States.

LONGSHOREMEN REFUSE TO LOAD WHEAT ON SHIPS

Mr. BECKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman New York?

There was no objection.

Mr. BECKER. Mr. Speaker, I just want to offer my word of congratulations and hope the longshoremen will continue to refuse to load American wheat on ships for Soviet Russia which, as we now understand, will go to countries like Cuba. I am wondering what the world thinks of the policy of the United States making sales of this kind to our enemies while at the same time protesting the sale of buses and other materials to Cuba and other Communist countries. What a state of sheer hypocrisy we are promoting in our so-called foreign policy.

The SPEAKER pro tempore. The time of the gentleman has expired.

CONSENT CALENDAR

The SPEAKER pro tempore. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

ACQUISITION OF PROPERTY IN SQUARE 758 AS AN ADDITION TO GROUNDS OF U.S. SUPREME COURT

The Clerk called the bill (S. 254) to provide for the acquisition of certain property in square 758 in the District of Columbia, as an addition to the grounds of the U.S. Supreme Court Building.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SAINT-GAUDENS NATIONAL HISTORIC SITE, N.H.

The Clerk called the bill (H.R. 4018) to authorize establishment of the Saint-Gaudens National Historic Site, N.H., and for other purposes.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LAKE ERIE SESQUICENTENNIAL

The Clerk called the bill (S. 1828) to amend the joint resolution establishing the Battle of Lake Erie Sesquicentennial Celebration Commission so as to authorize an appropriation to carry out the provisions thereof.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDING ORGANIC ACT OF NATIONAL BUREAU OF STANDARDS

The Clerk called the bill (H.R. 5838) to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the Organic Act of the National Bureau of Standards the authority to make certain improvements of fiscal and administrative practices for more effective conduct of its research and development activities.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, a rule was granted for the consideration of this bill on October 24, 1963. I assume, therefore, it will be programed in the regular course of events.

I withdraw my reservation and ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

WATERS IMPOUNDED BY FLAMING GORGE DAM

The Clerk called the resolution (S.J. Res. 17) to designate the lake to be formed by the waters impounded by the Flaming Gorge Dam, Utah, in the State of Wyoming and Utah, as "Lake O'Mahoney."

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that Senate Joint Resolution 17 be stricken from the Consent Calendar.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

ICE AGE NATIONAL SCIENTIFIC RESERVE, WIS.

The Clerk called the bill (H.R. 1096) to authorize the Secretary of the Interior to cooperate with the State of Wisconsin in the designation and administration of the Ice Age National Scientific Reserve in the State of Wisconsin, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. VAN PELT, Mrs. KELLY, and Mr. SILER objected; and, under the rule, the bill was stricken from the Consent Calendar.

Mr. VAN PELT. Mr. Speaker, I object and ask unanimous consent to extend my remarks at this point in the Record and include an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

At this point I wish to insert into the Record a statement which I released to the press explaining my reasons for objecting to H.R. 1096; also an editorial which appeared in the January 23, 1964, issue of the West Bend News entitled "Let's Not Stampede the 'Eskers' on the Ice Age Park Issue." The statement and editorial follow:

My objection to unanimous-consent passage of H.R. 1096, to establish an Ice Age National Scientific Reserve, does not block enactment of the bill. My purpose was to have this important legislation considered under House rules permitting debate. There can be no discussion on a bill on the House Consent Calendar. The bill will receive full consideration when it is reported from the Rules Committee for debate in the House Chamber under regular procedure.

I consider the bill important because:

1. It involves an expenditure of taxpayers' funds for lands initially totaling $1,550,000, of which Wisconsin taxpayers would specifically contribute $750,000.

2. The bill provides that after the comprehensive plan for the reserve has been drawn and submitted to the Congress, the Secretary of the Interior and the Governor of Wisconsin will decide what proportion of the maintenance costs should be borne by the State and by the Federal Government. In its preliminary study, the Department estimated the cost of providing "interpretive facilities and services" at "not more than $1 million annually thereafter."

3. Representative Henry Reuss, of Milwaukee, a sponsor of the project, told the House Interior and Insular Affairs Committee that he could see no objection to charging an admittance fee to the reserve of up to $1 per person to help defray the expense of maintenance and services. Admittance to the existing Kettle Moraine and Devils Lake Parks now is free.

4. The bill establishes a precedent for every State in the Union to request and obtain Federal funds for the purchase and maintenance of its State parks. The ultimate cost to the Federal Government would be astronomical.

5. This reserve would not be a unit of the national park system. Administration would be under the jurisdiction of the State of Wisconsin but, because of the Federal contribution, standards of maintenance and service formulated by the National Park Service would have to be met. Failure to comply would terminate Federal subsidies to the project.

It is noted some press stories quoted Congressman Reuss as saying "at the numerous hearings on the bill he [Van Pelt] never indicated the slightest objection."

The facts disclosed by the records of the House subcommittee handling the bill show that only one open hearing was held, that on March 8, 1963.

I was not notified of the hearing nor was I asked to appear, notwithstanding the fact that the major part of the lands which this bill proposes to acquire for the reserve are located in the congressional district I represent.

The only witnesses heard were Congressmen Reuss and Lester Johnson, sponsors of H.R. 1096. Conrad Wirth, Director of the National Park Service, made a statement.

During the course of his statement to the committee, Congressman Reuss described the lands to be acquired as "a wasteland" which "can be purchased for from $50 to $200 an acre."

It was developed in the hearings that no actual appraisal of the lands to be taken has been made. John A. Carver, Jr., Assistant Secretary of the Interior, said in a letter to Representative Wayne N. Aspinall, chairman of the Interior Committee, that "It is difficult to estimate the cost of land acquisition under the bill because this cost is dependent to some extent upon recommendations that will be forthcoming when the comprehensive plan develops."

In response to a question, Congressman Reuss told the committee that "there is no opposition" to the proposal. Mr. Reuss knows this is not correct as he attended a meeting in Richfield, April 5, 1962, at which Washington County citizens voiced strong objections to the proposed park. Mr. Reuss was quoted in the Hartford Times-Press as saying he would "fight shoulder to shoulder against any autocratic official" who attempted to take their lands by condemnation.

The only other hearing held on H.R. 1096 was held March 21, 1963, when the Subcommittee on National Parks held an "executive" session from which the public and all except members of the subcommittee were barred. At this meeting the subcommittee reported the bill to the full committee after approving several amendments.

No copies of the hearings are available to the general public.

Let's Not Stampede the "Eskers" on the Ice Age Park Issue

Representative William K. Van Pelt has become the target of criticism because of his recent action to hold up speedy passage of what might be termed "pork barrel" legislation for approval of the Ice Age National Scientific Reserve bill affecting this area and the plan to enlarge the park from its present 25,500 to 32,500 acres.

Van Pelt, it should be pointed out, was acting in conformity with a direct request from the Washington County Board to halt "the taking of farm and residential lands for park purposes unless provision be made to compensate the municipalities in which the lands are located for the loss of tax base."

Action by the county board was prompted by requests from numerous residents who were deeply concerned about possible increasing tax rates in their respective areas due to a shrinking tax base.

It should be pointed out that the board and county residents have not expressed themselves against the park area as such, but rather, are looking to the disadvantages and costs.

Representative Henry Reuss, representing voters in the State's largest metropolitan area (who would benefit by the proposal and suffer no direct tax assessments through loss of tax base) can well advocate proposals for the park.

Overall, we are sure that Washington County residents would favor the park proposal if considered in its proper perspective—if provisions, as requested in the county board resolution, are made to offset tax losses and to provide proper policing and supervision for the park.

Much is to be said for the establishment of the Ice Age Park. Unquestionably, it would be a benefit to residents of the State and Nation. It could, with proper supervision and development, eventually become one of the major national parks in the Nation.

Most residents see the merits of such a plan. It would be an asset to business in the area. But should we rush into this plan without taking precautions to avoid saddling a minority group with increased tax burdens? We hardly think so. Representative Van Pelt acted at the request of area residents to offset just such an eventuality and requested further study.

In fairness, it should be stated that the county park commission and the county board have, on occasion, discussed the growing need for a county park system.

If, therefore, the Ice Age Park plan can be instrumented to offset the need for additional parks in the county or even to decrease the need for them, the Ice Age Park could be mutually beneficial to everyone.

Let's not be stampeded into a rash, hurried decision in this matter and then be saddled with increasing taxes on a shrinking tax base to pay the bill for recreation facilities for the State and Nation.

We might be so brash as to state: "If we're going to dip into the 'Federal pork barrel' for aid on this project, let's take steps to insure that our area gets some of the meat and doesn't wind up with the empty barrel."

It is estimated that the Kettle Moraine area was formed some 30,000 years ago by the meeting of two lobes of the great ice sheet and their recession, leaving unusual hills, eskers, kames, kettles, moulins, ridges, potholes and other formations in their wake. They have withstood the ravages of time all these years. It would be a shame to lose them in a stampede for hasty legislation to establish a park at unnecessary local expense.

ADDITIONAL COMMISSIONERS OF THE U.S. COURT OF CLAIMS

The Clerk called the bill (S. 102) to provide for additional commissioners of the U.S. Court of Claims.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **GROSS**. Mr. Speaker, reserving the right to object, Members of the House ought to know that under the salary increase bill that is pending and may be called—I hope not, but it may be called up—in the House in the near future, the salaries of commissioners of the U.S. Court of Claims will be raised from $19,000 a year to $28,000 a year. It seems to me to be outlandish under these circumstances to permit a bill to be passed here today that would have for its purpose increasing and sweetening the retirement of these commissioners.

Therefore, Mr. Speaker, until there is some determination as to the salary increase bill, I shall certainly be opposed to this bill, and I would be constrained to oppose it in any event.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

BATTLE OF MONOCACY CENTENNIAL

The Clerk called the bill (H.R. 9094) to authorize the President to declare July 9, 1964, as Monocacy Battle Centennial in commemoration of the 100th anniversary of the Battle of the Monocacy.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **GROSS**. Mr. Speaker, reserving the right to object, I should like to ask the assurance of someone who is interested in this bill that it is not going to cost the taxpayers any money.

Mr. **CELLER**. It will not cost the taxpayers a penny.

Mr. **GROSS**. I thank the gentleman and I withdraw my reservation.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation which shall designate July 9, 1964, as "Monocacy Battle Centennial", in commemoration of the one hundredth anniversary of the Battle of the Monocacy, and which shall call upon the people of the United States to observe such day with appropriate ceremonies and activities.

SEC. 2. In commemoration of the men who lost their lives on the battlefield of the Monocacy in the struggle for control of the city of Washington and the National Capital, the President is authorized and requested to call upon the official of the Government to display the American flag on Government buildings in the District of Columbia at half staff until noon and at full staff after noon on July 9, 1964. The President is further authorized and requested to call upon the people of the District of Columbia to fly the flag in a like manner on that date at their homes, churches, and other suitable places.

SEC. 3. The Department of the Interior is authorized to cooperate with the Maryland Civil War Centennial Commission and with Frederick County Civil War Centennial, Inc., in observance of the Monocacy Battle Centennial.

SEC. 4. This Act shall not be deemed to authorize the appropriation of any public funds.

With the following committee amendment:

On page 2, line 10, strike out "Department of Interior" and insert "United States Civil War Centennial Commission".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL BANK LOANS ON FOREST TRACTS

The Clerk called the bill (H.R. 8230) to amend section 24 of the Federal Reserve Act (12 U.S.C. 371) to liberalize the conditions of loans by national banks on forest tracts.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **FORD**. Mr. Speaker, reserving the right to object, I note in the material that I have at hand that there are no departmental views set forth in the committee report. Is that true?

Mr. **PATMAN**. The Comptroller of the Currency endorsed the bill. There is no objection to it. A number of witnesses were asked about it.

Mr. **FORD**. I wonder if the gentleman from Texas is referring to the same bill I am.

Mr. **PATMAN**. It is a forestry bill, to permit an increase in forestry loans.

Mr. **FORD**. Were there any other departments concerned or that should be concerned about this?

Mr. **PATMAN**. The Comptroller of the Currency was the principal one. We asked other witnesses about it. No witness was against it. I think it is a good bill. It increases the amount of the loans from 40 to 60 percent and permits improvements to be considered. Under existing law improvements may not be considered in arriving at the value.

Mr. **KILBURN**. Mr. Speaker, will the gentleman yield?

Mr. **FORD**. I yield to the gentleman from New York.

Mr. **KILBURN**. Mr. Speaker, in our committee I think the vote was unanimous. We thought it was a good bill. That is why, I presume, the chairman put it on the Consent Calendar.

Mr. **PATMAN**. The report was unanimous.

Mr. **FORD**. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second paragraph of section 24 of the Federal Reserve Act (12 U.S.C. 371) is amended to read:

"Any national banking association may make real estate loans secured by first liens upon forest tracts which are properly managed in all respects. Such loans shall be in the form of an obligation or obligations secured by mortgage, trust deed, or other such instrument; and any national banking association may purchase any obligation so secured when the entire amount of such obligation is sold to the association. The amount of any such loan shall not exceed 60 per centum of the appraised fair market value of the growing timber, lands, and improvements thereon offered as security and the loan shall be made upon such terms and conditions as to assure that at no time shall the loan balance exceed 60 per centum of the original appraised total value of the property then remaining. No such loan shall be made for a longer term than three years; except that any such loan may be made for a term not longer than fifteen years if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize the principal of the loan within a period of not more than fifteen years and at a rate of at least 6⅔ per centum per annum. All such loans secured by first liens upon forest tracts shall be included in the permissible aggregate of all real estate loans prescribed in the preceding paragraph, but no national banking association shall make forest-tract loans in an aggregate sum in excess of 50 per centum of its capital stock paid in and unimpaired plus 50 per centum of its unimpaired surplus fund."

Mr. **PATMAN**. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. **PATMAN**. Mr. Speaker, H.R. 8230 is noncontroversial legislation. It is a good, sound beneficial bill which would provide needed economic assistance to a vital American industry.

H.R. 8230 is a bill to liberalize the conditions of loans by national banks on forest tracts. Its provisions are simple. Under present law, national banks may lend on forest tracts up to 40 percent of the appraised value of the marketable timber only. The loan may be made for 10 years if it is amortized, and for 2 years otherwise. H.R. 8230 would increase the limit of the loan to 60 percent of the appraised value of the timber, land, and improvements thereon. It would also extend the permitted terms of forest tract loans to 15 years if the loan is amortized, and 3 years if it is not amortized.

Our forests are a vital natural resource. They provide the raw materials for houses, furniture, paper, and many other products. They also help prevent erosion of the land, and serve as refuges for wildlife. Industries using the forest resource provided about 8 percent of the total value added by all manufacturing industries in 1960, and employed a total of 1.5 million people.

But to operate on a sound basis, the lumbering industry must use patience. Some trees should be between 40 and 80 years old before they are cut; this means that long-term credit is vital. If long-term credit is not available, trees are frequently cut too early, and this national resource becomes depleted, while the industry suffers from uneconomic practices.

At the same time, credit extended on forest tracts is in the nature of real estate mortgages. When a real estate mortgage is accepted, it includes the value of the land, the building and the improvements, and so it should be with forest tract loans. Such loans should be computed on the basis of timber, land, and improvements, rather than on the smaller basis of the timber alone.

Existing limitations are overly restrictive, and discourage the sound management of the timber industry by severely impeding credit. They fail to take into account modern methods of development which involve roads and facilities to a far greater extent than previously.

At present, State banks in two-thirds of the States operate under more liberal statutory provisions regarding forest tract loans than do national banks, and in one-third of the States there are no statutory restrictions at all. But more than 54 percent of the assets of the banking system are in national banks, and the forest industry is thus denied the full use of an enormous pool of credit.

On the other hand, it cannot be argued that this bill unwisely takes the lid off forest tract lending. In the present law there is a provision confining such lending to tracts which are "properly managed in all respects." This proviso is retained by the bill before us now. Liberalization of the restrictions on national bank credit will tend to induce more owners of forest tracts to bring their practices into line with proper management, so that they can secure their much-needed credit.

To summarize, Mr. Speaker, H.R. 8230 would adjust the credit available for forest tracts so as to conform it better to the nature of the industry, while encouraging the expansion of national bank lending activity in this field. It would thereby assist and improve an industry that plays a vital and positive role in the Nation's economic activity.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INVESTMENT POWERS OF FEDERAL SAVINGS AND LOAN ASSOCIATIONS

The Clerk called the bill (H.R. 9609) to broaden the investment powers of Federal savings and loan associations, and for other purposes.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **FORD**. Mr. Speaker, reserving the right to object, it is my understanding that this bill was first scheduled for consideration under suspension of the rules on February 17; that is today. Also I understand a rule has been granted at one point. Under these circumstances, Mr. Speaker, I withdraw my reservation of objection and ask unanimous consent that the bill be passed over without prejudice.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SALE OF VA DIRECT LOANS AT REASONABLE PRICES

The Clerk called the bill (H.R. 6652) to authorize the Administrator of Veterans' Affairs to sell at prices which he determines to be reasonable direct loans made to veterans under chapter 37, title 38, United States Code.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1811(g) of title 38, United States Code, be amended to read as follows:

"(g) The Administrator may sell, and shall offer for sale, to any person or entity approved for such purpose by him, any loan made under this section at a price which he determines to be reasonable and shall guarantee any loans thus sold subject to the same conditions, terms, and limitations which would be applicable were the loan guaranteed under section 1810 of this title."

With the following committee amendments:

On page 1, line 3, strike out "be" and insert "is".

On page 1, line 8, after the word "reasonable" insert the following: "but not less than 98 per centum of the unpaid principal balance, plus the full amount of accrued interest, except that if loans are offered to an investor in a package or block of two or more loans no sale shall be made at less than 98 per centum of the aggregate unpaid principal balance of the loans included in such package or block, plus the full amount of accrued interest;".

On page 2, line 5, after the word "and" insert "the Administrator."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. **TEAGUE** of Texas. Mr. Speaker, this bill authorizes the Administrator of Veterans' Affairs to sell, at prices which he determines to be reasonable, direct loans made to veterans in rural areas and small cities and towns not near large metropolitan centers which have been designated as housing credit shortage areas pursuant to the provisions of section 1811, title 38, United States Code. The price could not be less than 98 percent of the unpaid principal balance plus the full amount of accrued interest.

Basically, the bill modifies an existing requirement that, irrespective of interest rate, direct loans be sold by the Administrator at not less than par, that is, not less than the unpaid balance plus accrued interest, and would permit the Administrator to sell the loans at prices which he considers to be reasonable although the prices may be less than par. This would provide the Administrator with the same flexibility which he now has in selling mortgage loans arising from the sale of properties acquired by the VA incident to the foreclosure of GI loans by private lenders under the loan guarantee program for veterans of World War II and the Korean conflict.

The direct loan program, which provides loans for veterans in rural and nonmetropolitan areas, of not more than $15,000, has operated in a very satisfactory fashion. It is processed through a revolving fund which has been capitalized by interest-bearing Treasury advances. In addition, this fund is replenished by principal repayments and the proceeds of any direct loans sold by the Administrator.

The current price for VA loans at 5¼ percent is 100—par.

The authority to obtain funds from the Treasury expires on June 30, 1967. Between that date and the final expiration of the program for Korean conflict veterans, now set at January 31, 1975, the principal repayments and proceeds from the sale of loans will furnish the primary sources for making additional direct loans.

Hearings were held on this proposal by the Subcommittee on Housing on November 20 and 21, 1963.

This legislation has been formally requested by the Administrator of Veterans' Affairs. There would be no additional administrative costs to the Government as a result of the enactment of this proposal.

Mr. **SAYLOR**. Mr. Speaker, I rise in support of H.R. 6652. This bill authorizes the Veterans' Administration to sell the mortgages they hold on direct loans made to veterans at prices that are not less than 98 percent of the unpaid principal balance plus the full amount of the accrued interest.

At the present time the Administrator is authorized to sell direct loans at not less than par. If the Administrator is given the additional authority authorized by H.R. 6652 it will provide him with adequate flexibility to compete for investment capital under changing market conditions. It will thus permit the Administrator of Veterans' Affairs to replenish the direct loan fund so as to meet the direct loan financing needs of veterans to the end of the program in 1975. I recommend its approval.

TOTAL DISABILITY ON NSLI POLICIES

The Clerk called the bill (H.R. 6920) to amend section 715 of title 38, United States Code, to authorize issuance of total disability income provisions to national service life insurance policies through age 65, under certain conditions.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **FORD**. Mr. Speaker, reserving the right to object, according to information at my disposal, I am told that the aggregate of $1,113,400 for the first 5 years will be the cost of this program if 600,000 policyholders apply; is that accurate?

Mr. **TEAGUE** of Texas. Mr. Speaker, I would say to the gentleman that I think the figures are accurate.

Mr. **FORD**. If that is the case, then this legislation should not be on the Consent Calendar.

Mr. **TEAGUE** of Texas. The first year cost is about $850,000. It was my understanding that it was not the cumulative cost but the first year's cost that was considered by the objector's committee.

Mr. **FORD**. It is my understanding that we have to look at the total cost, and if we do that we find that for the first 5 years it would be over $1 million and with, I assume, additional costs thereafter.

Therefore, Mr. Speaker, I withdraw my reservation of objection and ask unanimous consent that the bill be passed over without prejudice. I should like to say, however, that I shall discuss the matter with the chairman of the committee at some subsequent date.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

INTEREST ON VA LOAN FUNDS

The Clerk called the bill (H.R. 7932) to relieve the Veterans' Administration from paying interest on the amount of capital funds transferred in fiscal year 1962 from the direct loan revolving fund to the loan guaranty revolving fund.

The **SPEAKER** pro tempore. There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1823(b) of title 38, United States Code, is amended by adding at the end thereof the following sentence: "The Administrator shall not be required to pay interest on transfers made pursuant to the Act of February 13, 1962 (76 Stat. 8), from the capital of the 'Direct loans to veterans and reserves revolving fund' to the 'Loan guaranty revolving fund' and adjustments shall be made for payments of interest on such transfers before the date of enactment of this sentence."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. **TEAGUE** of Texas. Mr. Speaker, during the fiscal year 1962 nearly $106 million of advances received from the Treasury were transferred from the direct loan revolving fund to the loan guaranty revolving fund. This action was taken pursuant to Public Law 87–404 and was in lieu of appropriation of funds to finance increased costs of claims and property acquisitions resulting from defaults in guaranteed or insured loans.

Section 1823(b) of title 38, United States Code, requires the Administrator of Veterans' Affairs to pay interest on funds advanced by the Treasury Department to the Veterans' Administration for the purpose of making direct loans to veterans for the purchase of homes or farmhouses. As of December 31, 1963, cumulative advances made by the Treasury for direct loan purposes amounted to approximately $1.7 billion. Interest paid or payable by the Veterans' Administration on such advances totaled $256.6 million.

This bill would relieve the Veterans' Administration of the requirement to pay this interest.

This legislation is requested by the Veterans' Administration and has been cleared by the Bureau of the Budget.

Hearings were held on this proposal by the Subcommittee on Housing on November 20 and 21, 1963.

Mr. **SAYLOR**. Mr. Speaker, I rise in support of H.R. 7932. This bill will relieve the Veterans' Administration from paying interest to the Treasury on certain funds transferred in fiscal year 1962 from the direct loan revolving fund to the loan guarantee revolving fund.

Pursuant to Public Law 87–404 approximately $106 million of advances received from the Treasury for the operation of the direct loan program were transferred to the loan guarantee revolving fund. This action was taken in lieu of appropriations to finance the increased cost of claims resulting from defaults on guaranteed loans. Because the law does not permit this $105 million to be treated as an interest free transfer, the Veterans' Administration is required to pay approximately $4 million a year annual interest thereon. This, of course, places an undue burden on the direct loan fund because the amount transferred is not earning interest for the fund. Normally, advances from the Treasury for direct loans are earning interest as a result of direct loans to veterans.

The legislation has been requested by the Veterans' Administration and has been cleared by the Bureau of the Budget. I believe it has merit and recommend its approval.

Mr. **TEAGUE** of Texas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2064) to relieve the Veterans' Administration from paying interest on the amount of capital funds transferred in fiscal year 1962 from the direct loan revolving fund to the loan guarantee revolving fund, a bill identical to H.R. 7932, just passed.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1823(b) of title 38, United States Code, is amended by adding at the end thereof the following sentence: "The Administrator shall not be required to pay interest on transfers made pursuant to the Act of February 13, 1962 (76 Stat. 8), from the capital of the 'direct loans to veterans and reserves revolving fund' to the 'loan guaranty revolving fund' and adjustments shall be made for payments of interest on such transfers before the date of enactment of this sentence."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 7932) was laid on the table.

Mr. **TEAGUE** of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in explanation of H.R. 6652 and H.R. 7932 immediately after their consideration.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. **SAYLOR**. Mr. Speaker, I ask unanimous consent to extend my remarks on the bills just referred to by the gentleman from Texas [Mr. TEAGUE].

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REGISTRATION OF PESTICIDE CHEMICALS

The Clerk called the bill (H.R. 9739) to amend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, to provide for labeling of economic poisons with registration numbers, to eliminate registration under protest, and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2.z.(2)(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (61 Stat. 163, as amended, 7 U.S.C., 1958 ed., Supp. III, 135(z)(2)(b)) is hereby amended by inserting before the semicolon at the end thereof the following phrase: "other than the registration number assigned to the economic poison".

SEC. 2. Section 3 of said Act (61 Stat. 166; 7 U.S.C 135a) is hereby amended by deleting the word "and" at the end of section 3.a.(2)(b), deleting the period at the end of section 3.a.(2)(c) and inserting in lieu thereof a semicolon and the word "and", and adding after section 3.a.(2)(c), a new provision reading as follows: "(d) when required by regulation of the Secretary to effectuate the purposes of this Act, the registration number assigned to the article under this Act."

SEC. 3. Section 4 of said Act (61 Stat. 167; 7 U.S.C. 135b) is hereby amended by changing the word "registrant" wherever it appears in subsection a. and in the first sentence of subsection c. to "applicant for registration" and by deleting the remainder of subsection c. and inserting in lieu thereof the following:

"If, upon receipt of such notice, the applicant for registration does not make the corrections, the Secretary shall refuse to register the article. The Secretary, in accordance with the procedures specified herein, may suspend or cancel the registration of an economic poison whenever it does not appear that the article or its labeling or other material required to be submitted complies with the provisions of this Act. Whenever the Secretary refuses registration of an economic poison or determines that registration of an economic poison should be canceled, he shall notify the applicant for registration or the registrant of his action and the reasons therefor. Whenever an application for registration is refused, the applicant, within thirty days after service of notice of such refusal, may file a petition requesting that the matter be referred to an advisory committee or file objections and request a public hearing in accordance with this section.

A cancellation of registration shall be effective thirty days after service of the foregoing notice unless within such time the registrant (1) makes the necessary corrections; (2) files a petition requesting that the matter be referred to an advisory committee; or (3) files objections and requests a public hearing. Each advisory committee shall be composed of experts, qualified in the subject matter and of adequately diversified professional background selected by the National Academy of Sciences and shall include one or more representatives from land-grant colleges. The size of the committee shall be determined by the Secretary. Members of an advisory committee shall receive as compensation for their services a reasonable per diem, which the Secretary shall by rules and regulations prescribe, for time actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and subsistence expenses while so serving away from their places of residence, all of which costs may be assessed against the petitioner, unless the committee shall recommend in favor of the petitioner or unless the matter was referred to the advisory committee by the Secretary. The members shall not be subject to any other provisions of law regarding the appointment and compensation of employees of the United States. The Secretary shall furnish the committee with adequate clerical and other assistance, and shall by rules and regulations prescribe the procedures to be followed by the committee. The Secretary shall forthwith submit to such committee the application for registration of the article and all relevant data before him. The petitioner, as well as representatives of the United States Department of Agriculture, shall have the right to consult with the advisory committee. As soon as practicable after any such submission, but not later than sixty days thereafter, unless extended by the Secretary for an additional sixty days, the committee shall, after independent study of the data submitted by the Secretary and all other pertinent information available to it, submit a report and recommendation to the Secretary as to the registration of the article, together with all underlying data and a statement of the reasons or basis for the recommendations. After due consideration of the views of the committee and all other data before him, the Secretary shall, within ninety days after receipt of the report and recommendations of the advisory committee, make his determination and issue an order, with findings of fact, with respect to registration of the article and notify the applicant for registration or registrant. The applicant for registration, or registrant, may, within sixty days from the date of the order of the Secretary, file objections thereto and request a public hearing thereon. In the event a hearing is requested, the Secretary shall, after due notice, hold such public hearing for the purpose of receiving evidence relevant and material to the issues raised by such objections. Any report, recommendations, underlying data, and reasons certified to the Secretary by an advisory committee shall be made a part of the record of the hearing, if relevant and material, subject to the provisions of section 7(c) of the Administrative Procedure Act (5 U.S.C. 1006(c)). The National Academy of Sciences shall designate a member of the advisory committee to appear and testify at any such hearing with respect to the report and recommendations of such committee upon request of the Secretary, the petitioner, or the officer conducting the hearing: *Provided*, That this shall not preclude any other member of the advisory committee from appearing and testifying at such hearing. As soon as practicable after completion of the hearing, but not later than ninety days, the Secretary shall evaluate the data and reports before him, act upon such objections and issue an order granting, denying, or canceling the registration or requiring modification of the claims or the labeling. Such order shall be based only on substantial evidence of record at such hearing, including any report, recommendations, underlying data, and reason certified to the Secretary by an advisory committee, and shall set forth detailed findings of fact upon which the order is based. In connection with consideration of any registration or application for registration under this section, the Secretary may consult with any other Federal agency or with an advisory committee appointed as herein provided. Notwithstanding the provisions of section 3.c(4), information relative to formulas of products acquired by authority of this section may be revealed, when necessary under this section, to an advisory committee, or to any Federal agency consulted, or at a public hearing, or in findings of fact issued by the Secretary. All data submitted to the Secretary or to an advisory committee in support of a petition under this section shall be considered confidential by the Secretary and by such advisory committee. Notwithstanding any other provision of this section, the Secretary may, when he finds that such action is necessary to prevent an imminent hazard to the public, by order, suspend the registration of an economic poison immediately. In such case, he shall give the registrant prompt notice of such action and afford the registrant the opportunity to have the matter submitted to an advisory committee and for an expedited hearing under this section. Final orders of the Secretary under this section shall be subject to the judicial review, in accordance with the provisions of subsection d. In no event shall registration of an article be construed as a defense for the commission of any offense prohibited under section 3 of this Act."

Sec. 4. Section 4 of said Act (61 Stat. 167; 7 U.S.C. 135b) is hereby further amended by redesignating subsections d. and e. as subsections e. and f., and by adding a new subsection d., as follows:

"d. In a case of actual controversy as to the validity of any order under this section, any person who will be adversely affected by such order may obtain judicial review by filing in the United States court of appeals for the circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia Circuit, within sixty days after the entry of such order, a petition praying that the order be set side in whole or in part. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose, and thereupon the Secretary shall file in the court the record of the proceedings on which he based his order, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition the court shall have exclusive jurisdiction to affirm or set aside the order complained of in whole or in part. The findings of the Secretary with respect to questions of fact shall be sustained if supported by substantial evidence when considered on the record as a whole, including any report and recommendation of an advisory committee. If application is made to the court for leave to adduce additional evidence, the court may order such additional evidence to be taken the Secretary, and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper, if such evidence is material and there were reasonable grounds for failure to adduce such evidence in the proceedings below. The Secretary may modify his findings as to the facts and order by reason of the additional evidence so taken, and shall file with the court such modified findings and order. The judgment of the court affirming or setting aside, in whole or in part, any order under this section shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 18 of the United States Code. The commencement of proceedings under this section shall not, unless specifically ordered by the court to the contrary, operate as a stay of an order. The court shall advance on the docket and expedite the disposition of all causes filed therein pursuant to this section."

Sec. 5. The first sentence of section 8.b. of said Act (61 Stat. 170; 7 U.S.C. 135f. (b)) is hereby amended by deleting that part beginning with the second proviso therein down to, but not including, the period at the end thereof.

Sec. 6. Section 3.a. (1) and section 9.a. (1)(b) of said Act (61 Stat. 166, 170; 7 U.S.C. 135a. (a)(1), 135g.(a)(1)(b)) are hereby amended by changing the phrase "has not been registered" wherever it appears therein, to read "is not registered".

Sec. 7. This Act and the amendments made hereby shall become effective upon enactment, and all existing registrations under protest issued under said Federal Insecticide, Fungicide, and Rodenticide Act shall thereupon terminate.

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I congratulate the chairman and the members of the Committee on Agriculture for acting on the bill now before us to provide greater protection to the public in connection with the use and handling of dangerous economic poisons. I was happy to appear before the Subcommittee on Department Oversight and Consumer Relations of the House Committee on Agriculture on Thursday, August 22, 1963, in support of this legislation, and I am happy today to join in urging House approval of the measure. This bill places the burden of proof on industry, to establish that a pesticide can safely be marketed before a certificate of registration can be issued. At the present time, a manufacturer can insist on the right to market a dangerous product until the Government can present legal proof of the product's hazards and unsuitability for general use.

This is an important step forward in protecting the consumer, but it is only one of a number of problems which we still must face in connection with pesticides. We have tripled the number of inspections by the Food and Drug Administration of shipments of raw agricultural commodities for illegal pesticides residue, but we are still inspecting only 1 percent of such shipments. Greater care must be exercised by the farmer in the use of these terribly dangerous products, and the Government must never relax its vigilance in preventing pesticides residue from contaminating our food. Just the other day we read of instances of a very dangerous pesticide getting into milk supplies. This is intolerable.

Mr. Speaker, under unanimous consent, I submit the testimony I gave on this legislation on August 22, 1963, as follows:

THE "BURDEN OF PROOF" ON PESTICIDES

(Statement by Representative LEONOR K. SULLIVAN, of Missouri, on legislation to tighten controls over pesticides and economic poisons before Subcommittee on Department Oversight and Consumer Relations of House Committee on Agriculture, Thursday, August 22, 1963)

Chairman JONES and members of the subcommittee, I am strongly in favor of the legislation now before you to require industry, rather than the Federal Government, to shoulder the burden of proof in connection with the marketing of pesticides which may be unsafe for use as intended.

This is an old story—an old controversy—as far as consumers are concerned. It used to be true in the Food, Drugs and Cosmetic Act that a doubtful or dangerous chemical additive could be used in foodstuffs until the Government was able to prove it unsafe. In 1958, we changed that, in the Food Additives Act, by placing on industry the burden of proof to establish in advance the safety of any additive used in food.

In 1960, we put an anticancer clause into the law affecting coloring matter used in foods, drugs or cosmetics. The burden of proof is on the manufacturer. Last year, we passed the far-reaching Drug Control Act so that the consumer would have far greater protections in the use of new drugs. The burden of proof is on the manufacturer.

We still need such a burden of proof shift of emphasis in our laws covering the safety of cosmetics, and of therapeutic devices. I have introduced omnibus legislation carrying out these objectives, and I hope we can pass it in this Congress. As pending before another committee, it would put the burden of proof of safety on the manufacturer.

The same principle of burden of proof is before this subcommittee now in connection with pesticides and economic poisons. The pesticides serve a very important economic purpose. In her tremendously effective book on this subject, Rachel Carson made clear that pesticides often serve a very useful purpose and that it is the improper or unsafe use of these poisons that she opposes. From the response her book elicited from residents of my congressional district, and others in the St. Louis area, I know that there is widespread public concern, which I share, over the pesticides problem.

Under present law, if the Department of Agriculture refuses to register a product for sale because it is not convinced the product is safe or effective, the manufacturer can nevertheless utilize a loophole in the law to place the product on sale anyway, and for an extended period, until the Department can then provide proof of the product's shortcomings. This takes extensive research and, more importantly, it takes time. In the meantime, great damage can be done to the unwary consumer or to public health and safety.

We used to have the same problem in connection with food additives and non-coal-tar color additives; we still, as I said earlier, have it in cosmetics and therapeutic devices. The burden of proof of safety should always be on the manufacturer. These economic poisons are seldom innocuous. They can often kill humans as well as insects. They can contaminate water supplies and meat and vegetable supplies. They must be treated with the respect their danger justifies. We must close any loopholes in the law which permit manufacturers to market products they cannot prove are safe in use in the manner intended. The burden of proof should not rest on the Government, because great damage can be done during the period the Government is developing the data necessary to remove a product which should not be marketed.

I support this legislation and urge its approval.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ROSENTHAL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1605) to amend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, to provide for labeling of economic poisons with registration numbers, to eliminate registration under protest, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2.z.(2)(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (61 Stat. 163, as amended, 7 U.S.C., 1958 ed., Supp. III, 135 (z)(2)(b)) is hereby amended by inserting before the semicolon at the end thereof the following phrase: "other than the registration number assigned to the economic poison".

SEC. 2. Section 3 of said Act (61 Stat. 166; 7 U.S.C. 135a) is hereby amended by deleting the word "and" at the end of section 3.a. (2)(b), deleting the period at the end of section 3.a.(2)(c) and inserting in lieu thereof a semicolon and the word "and", and adding after section 3.a.(2)(c), a new provision reading as follows: "(d), when required by regulation of the Secretary to effectuate the purposes of this Act, the registration number assigned to the article under this Act.".

SEC. 3. Section 4 of said Act (61 Stat. 167; 7 U.S.C. 135b) is hereby amended by changing the word "registrant" wherever it appears in subsection a. and in the first sentence of subsection c. to "applicant for registration" and by deleting the remainder of subsection c. and inserting in lieu thereof the following: "If, upon receipt of such notice, the applicant for registration does not make the corrections, the Secretary shall refuse to register the article. The Secretary, in accordance with the procedures specified herein, may suspend or cancel the registration of an economic poison whenever it does not appear that the article or its labeling or other material required to be submitted complies with the provisions of this Act. Whenever the Secretary refuses registration of an economic poison or determines that registration of an economic poison should be canceled, he shall notify the applicant for registration or the registrant of his action and the reasons therefor. Whenever an application for registration is refused, the applicant, within thirty days after service of notice of such refusal, may file a petition requesting that the matter be referred to an advisory committee or file objections and request a public hearing in accordance with this section. A cancellation of registration shall be effective thirty days after service of the foregoing notice unless within such time the registrant (1) makes the necessary corrections; (2) files a petition requesting that the matter be referred to an advisory committee; or (3) files objections and requests a public hearing. The Secretary, on his own motion, may at any time refer such a matter to an advisory committee. Each advisory committee shall be composed of experts, qualified in the subject matter and of adequately diversified professional background selected by the National Academy of Sciences and shall include one or more representatives from land-grant colleges. The size of the committee shall be determined by the Secretary. Members of an advisory committee shall receive as compensation for their services a reasonable per diem, which the Secretary shall by rules and regulations prescribe, for time actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and subsistence expenses while so serving away from their places of residence, all of which costs may be assessed against the petitioner, unless the matter was referred to the advisory committee upon the motion of the Secretary without a petition. The members shall not be subject to any other provisions of law regarding the appointment and compensation of employees of the United States. The Secretary shall furnish the committee with adequate clerical and other assistance, and shall by rules and regulations prescribe the procedures to be followed by the committee. The Secretary shall forthwith submit to such committee the application for registration of the article and all relevant data before him. The petitioner, as well as representatives of the United States Department of Agriculture, shall have the right to consult with the advisory committee. As soon as practicable after any such submission, but not later than sixty days thereafter, unless extended by the Secretary for an additional sixty days, the committee shall, after independent study of the data submitted by the Secretary and all other pertinent information available to it, submit a report and recommendation to the Secretary as to the registration of the article, together with all underlying data and a statement of the reasons or basis for the recommendations. After due consideration of the views of the committee and all other data before him, the Secretary shall, within ninety days after receipt of the report and recommendations of the advisory committee, make his determination and issue an order, with findings of fact, with respect to registration of the article and notify the applicant for registration or registrant. The applicant for registration, or registrant, may, within sixty days from the date of the order of the Secretary, file objections thereto and request a public hearing thereon. In the event a hearing is requested, the Secretary shall, after due notice, hold such public hearing for the purpose of receiving evidence relevant and material to the issues raised by such objections. Any report, recommendations, underlying data, and reasons certified to the Secretary by an advisory committee shall be made a part of the record of the hearing, if relevant and material, subject to the provisions of section 7(c) of the Administrative Procedure Act (5 U.S.C. 1006(c)). The National Academy of Sciences shall designate a member of the advisory committee to appear and testify at any such hearing with respect to the report and recommendations of such committee upon request of the Secretary, the petitioner, or the officer conducting the hearing: *Provided,* That this shall not preclude any other member of the advisory committee from appearing and testifying at such hearing. As soon as practicable after completion of the hearing, the Secretary shall evaluate the data and reports before him, act upon such objections and issue an order granting, denying, or canceling the registration. Such order shall be based only on substantial evidence of record at such hearing, including any report, recommendations, underlying data, and reason certified to the Secretary by an advisory committee, and shall set forth detailed findings of fact upon which the order is based. In connection with consideration of any registration or application for registration under this section, the Secretary may consult with any other Federal agency. Notwithstanding the provisions of section 3.c.(4), information relative to formulas of products acquired by authority of this section may be revealed, when necessary under this section, to an advisory committee, or to any Federal agency consulted, or at a public hearing, or in findings of fact issued by the Secretary. Notwithstanding any other provision of this section, the Secretary may, when he finds that such action is necessary to prevent an imminent hazard to the public, by order, suspend the registration of an economic poison immediately. In such case, he shall give the registrant prompt notice of such action and afford the registrant the opportunity to have the matter submitted to an advisory committee and for an expedited hearing under this section. Final orders of the Secretary under this section shall be subject to judicial review, in accordance with the provisions of subsection d. In no event shall registration of an article be construed as a defense for the commission of any offense prohibited under section 3 of this Act."

SEC. 4. Section 4 of said Act (61 Stat. 167; 7 U.S.C. 135b) is hereby further amended by redesignating subsections d. and e. as subsections e. and f., and by adding a new subsection d., as follows:

"d. In a case of actual controversy as to the validity of any order under this section, any person who will be adversely affected by such order may obtain judicial review by filing in the United States court of appeals for the circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia Circuit, within sixty days after the entry of such order, a petition praying that the order be set aside in whole or in part. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose, and thereupon the Secretary shall file in the court the record of the proceedings on which he based his order, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have exclusive jurisdiction to affirm or set aside the order complained of in whole or in part. The findings of the Secretary with respect to questions of fact shall be sustained if supported by substantial evidence when considered on the record as a whole, including any report and recommendation of an advisory committee. If application is made to the court for leave to adduce additional evidence, the court may order such additional evidence to be taken before the Secretary, and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper, if such evidence is material and there were reasonable grounds for failure to adduce such evidence in the proceedings below. The Secretary may modify his findings as to the facts and order by reason of the additional evidence so taken, and shall file with the court such modified findings and order. The judgment of the court affirming or setting aside, in whole or in part, any order under this section shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 18 of the United States Code. The commencement of proceedings under this section shall not, unless specifically ordered by the court to the contrary, operate as a stay of an order. The court shall advance on the docket and expedite the disposition of all causes filed therein pursuant to this section."

SEC. 5. The first sentence of section 8.b. of said Act (61 Stat. 170; 7 U.S.C. 135f.(b)) is hereby amended by deleting that part beginning with the second proviso therein down to, but not including, the period at the end thereof.

SEC. 6. Section 3.a.(1) and 9.a.(1)(b) of said Act (61 Stat. 166, 170; 7 U.S.C. 135a.(a)(1), 135g.(a)(1)(b)) are hereby amended by changing the phrase "has not been registered" wherever it appears therein, to read "is not registered".

SEC. 7. This Act and the amendments made hereby shall become effective upon enactment, and all existing registrations under protest issued under said Federal Insecticide, Fungicide, and Rodenticide Act shall thereupon terminate.

AMENDMENT OFFERED BY MR. ROSENTHAL

Mr. ROSENTHAL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROSENTHAL: Strike out all after the enacting clause of S 1605 and insert the provisions of H.R. 9739, as passed.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 9739) was laid on the table.

PROVIDING FOR EXEMPTION OF CERTAIN TERMINAL LEASES FROM PENALTIES

The Clerk called the bill (S. 2317) to amend the provisions of section 15 of the Shipping Act, 1916, to provide for the exemption of certain terminal leases from penalties.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 15 of the Shipping Act, 1916 (46 U.S.C. 814), be amended by inserting at the end thereof the following: "*Provided, however,* That the penalty provisions of this section shall not apply to leases, licenses, assignments, or other agreements of similar character for the use of terminal property or facilities which were entered into before the date of enactment of this Act, and, if continued in effect beyond said date, submitted to the Federal Maritime Commission for approval prior to or within ninety days after the enactment of this Act, unless such leases, licenses, assignments, or other agreements for the use of terminal facilities are disapproved, modified, or canceled by the Commission and are continued in operation without regard to the Commission's action thereon. The Commission shall promptly approve, disapprove, cancel, or modify each such agreement in accordance with the provisions of this section."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. This concludes the call of the Consent Calendar.

TO EXTEND CERTAIN CONSTRUCTION AUTHORITY TO THE ADMINISTRATOR OF VETERANS' AFFAIRS

Mr. TEAGUE of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7751) to extend certain construction authority to the Administrator of Veterans' Affairs in order to provide adequate veterans' hospital facilities in Los Angeles, Calif.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to make available an adequate site for the proposed Veterans' Administration hospital on land known as Hazard Park, city of Los Angeles, California, the Administrator of Veterans' Affairs is authorized to construct for the Department of Defense an Army Reserve Center on a site approved by the Department of Defense to be provided for such purpose by the city of Los Angeles and pursuant to specifications established by such Department or any component thereof. Such construction may be effected under any procedure now authorized for the construction of Veterans' Administration hospitals.

SEC. 2. Upon completion of such Reserve Center the Department of Defense is authorized to (1) assume full control and jurisdiction thereof, and (2) relinquish to the Veterans' Administration all right, title, and interest in and to the now existing Army Reserve Center located on the Hazard Park tract.

SEC. 3. Funds appropriated to the Veterans' Administration for the construction of hospital and domiciliary facilities shall be available for the purpose of the first section of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. AYRES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, this bill was introduced at the request of the Veterans' Administration in order to help that agency secure land on which to build a new veterans' hospital in the Los Angeles area.

Mr. Speaker, a subcommittee was sent out to that area, made up of four Republicans and one Democrat, to look into this matter. The members of that subcommittee came back with a unanimous report favoring this bill.

Mr. Speaker, I would call upon the gentleman from Ohio [Mr. AYRES], the ranking Republican member on our committee, a member of the subcommittee, and who knows more about the matter than I do, to provide the House with a further explanation of the bill.

Mr. AYRES. Mr. Speaker, I rise in support of H.R. 7751. The ultimate purpose of this bill is to make available an adequate site for the proposed 1,040-bed Veterans' Administration hospital in Los Angeles, Calif., on land known as Hazard Park. At the present time there is an Army Reserve Center located on this property which must be relocated if the Veterans' Administration is to obtain the Hazard Park site. H.R. 7751 will authorize the Administrator of Veterans' Affairs to construct for the Department of Defense a new Army Reserve Center on a site to be provided by the city of Los Angeles.

The urgent need for additional hospital facilities in the Los Angeles area has already been established. In an effort to obtain the most appropriate site for the new hospital the Veterans' Administration found a city owned area adjacent to the University of Southern California Medical Center which is known as Hazard Park. The city of Los Angeles is willing to transfer this land to the Veterans' Administration in exchange for a small portion of the land on the west Los Angeles Veterans' Administration reservation which had already been declared surplus to the needs of the Veterans' Administration. The proposed exchange would have been a relatively simple transaction were it not for the fact that the Army Reserve Training Center is located on the Hazard Park tract under a 25-year lease from the city. The magnitude of the proposed new hospital and related space requirements make it impracticable to erect the hospital on Hazard Park unless some disposition can be arranged for the Reserve Training Center.

The Department of Defense is receptive to a relocation of the Reserve Center provided that the site and construction of the replacement center meet with their approval and is erected without cost to them. In this connection, the city of Los Angeles has already agreed to provide a substitute site without cost which is acceptable to the Department of Defense.

The Veterans' Administration already has $750,000 appropriated for the purpose of securing a site for the new hospital. It is anticipated that the replacement Reserve Center can be constructed at a cost of not more than $1 million. Inasmuch as the $750,000 already available for site acquisition can be used, it is anticipated that the additional expenditure will be not more than $250,000.

Because of the unusual aspects of this land transfer transaction, the distinguished chairman of the committee appointed a subcommittee to thoroughly investigate all phases of this matter. The subcommittee concluded that the Hazard Park site was a most desirable location for the Veterans' Administration hospital, principally because of its close proximity to a major medical institution. Additionally, it is readily accessible to the veteran population in the area it is proposed to serve. The existing Army Reserve Center appears to be inadequate to the needs of the military and a new Reserve center would appear to be in the best interest of the military.

The bill was introduced at the request of the Veterans' Administration and it is my understanding the Bureau of the Budget has no objection to this legislation. Mr. Speaker, I recommend its approval.

Mr. TEAGUE of Texas. Mr. Speaker, the special subcommittee that made a study of this situation was composed of the gentleman from California [Mr. Brown], the gentleman from Ohio [Mr. Ayres], the gentleman from Indiana [Mr. Adair], and the gentleman from Wisconsin [Mr. Schadeberg].

Mr. Speaker, I ask unanimous consent to include their report and my statement at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The statement and report referred to follow:

Mr. TEAGUE of Texas. Mr. Speaker, to meet the need produced by the large veteran population, the Veterans' Administration is planning to construct an additional 1,040-bed—800 general medical and surgical and 240 neuropsychiatric—hospital in the Los Angeles, Calif., area. This installation will cost approximately $23,500,000.

For years the Veterans' Administration has followed the policy of locating its new hospitals as close as possible to medical centers. In the light of this policy and after a careful survey of the Los Angeles area, the Veterans' Administration has concluded that the most desirable site for the new hospital is an approximately 25-acre tract known as Hazard Park, located adjacent to the University of Southern California Medical Center. This land is owned by the city of Los Angeles. Working through and with the concurrence of the General Services Administration, an arrangement has been worked out with officials of the city to exchange Hazard Park for a portion of the land of the Veterans' Administration Center in West Los Angeles, which is excess to the needs of the Veterans' Administration.

Some years ago the Department of the Army obtained a 25-year lease on a portion of Hazard Park and erected a Reserve training center on it. Unfortunately, the magnitude of the proposed hospital and its related space requirements—parking facilities, and so forth—render it impracticable to erect a hospital on Hazard Park unless the Reserve training center can be removed. Los Angeles city officials are willing to furnish a new site for the proposed replacement of the Hazard Park Reserve Training Center.

H.R. 7751 would authorize the Administrator of Veteran's Affairs to construct an Army Reserve center for the Department of Defense on a site approved by the Department, and pursuant to specifications established by that Department—or a component thereof—on a site to be provided by the city of Los Angeles. When the center is completed, the Department of Defense would be authorized to assume full control of it and relinquish to the Veterans' Administration all right, title, and interest in and to the existing Reserve center on Hazard Park. I understand tentative agreement has been reached on the Ascot Reservoir site for the armory. The Corps of Engineers will supervise construction.

The Veterans' Administration has advised that the cost of the Reserve center built in accordance with Department of Defense specifications would not exceed $1 million, and could be somewhat less. The agency already has $750,000 allocated from past appropriations—available until expended—for the purpose of securing a site for the new hospital.

The Veterans' Administration advised the committee that there is no other site close to the University of Southern California Medical Center which would be suitable for the new hospital. Furthermore, the committee is advised, because of the nature of the urban area involved, a more remote—and therefore less desirable—site would cost more than the cost of relocating the Reserve training center.

Five members of the Committee on Veterans' Affairs have personally visited this site and studied the location of this hospital. They urge approval of this legislation. I ask unanimous consent to insert at this point their reports.

House of Representatives,
Washington, D.C., January 29 1964.

Hon. Olin E. Teague,
Chairman, Committee on Veterans' Affairs, House of Representatives,
Washington, D.C.

Dear Mr. Chairman: On January 13, 1964, a subcommittee of the Committee on Veterans' Affairs met at the reserve center in Hazard Park, Los Angeles, for the purpose of investigating the proposed veterans hospital site at Hazard Park.

Members of the subcommittee were George E. Brown, Jr., William H. Ayres, E. Ross Adair and Henry C. Schadeberg. Oliver E. Meadows, staff director, and John Holden, staff member, were also present.

The subcommittee met at the reserve center in Hazard Park at 10 a.m. Present to offer testimony or assist the subcommittee were Mr. Robert Goe, administrative assistant to Mayor Sam Yorty, of Los Angeles; Dr. Earl C. Gluckman, of the Veterans' Administration; Lowell Like, Administrator of the Veterans' Administration Hospital at Sawtelle; Steve Maisnek, Los Angeles City Department of Recreation and Parks; and Mr. A. H. Monk, Associate Deputy Administrator of the Veterans' Administration.

Mr. Robert Goe made a brief statement on behalf of the city of Los Angeles giving the details of the exchange of land in west Los Angeles, which belongs to the Veterans' Administration, for the Hazard Park site, belonging to the city of Los Angeles. He also spoke of the arrangements for making available an alternate reserve center site in the vicinity of property belonging to the Los Angeles City Department of Water and Power (Ascot Reservoir site). His statement was supplemented by Mr. Maisnek, who described plans for park and recreational development at the various sites.

Members of the subcommittee interrogated Mr. Goe and Mr. Maisnek at length, as well as questioning the Veterans' Administration and Army representatives, with particular emphasis being given to the need for removal of the present armory building and construction of a new armory.

Following the subcommittee meeting an inspection tour was made of the armory building, the Hazard Park grounds, and then the proposed alternative armory site at Ascot Reservoir, located about one-half mile northeast of Hazard Park. The subcommittee convened again at the Los Angeles City Hall where they were the guests of Los Angeles Mayor Sam Yorty for lunch.

At the conclusion of the meeting and inspection of the armory, the Hazard Park site and the Ascot Reservoir site, the subcommittee agreed as follows:

1. The exchange of land of approximately equal monetary value between the Veterans' Administration and the city of Los Angeles is an equitable and mutually advantageous transaction;

2. The Hazard Park site by virtue of its proximity to existing medical schools and hospitals, is a very desirable site for a new Veterans' Administration hospital;

3. The existing reserve armory building at the Hazard Park site cannot be retained without major and costly modification of hospital construction plans; and

4. The alternate armory site offered by the city of Los Angeles is adequate.

Accordingly, we are agreed that legislation authorizing the Veterans' Administration to construct a replacement armory should be approved and that the Hazard Park hospital construction plans should be funded and carried out without further delay.

Sincerely,

GEORGE E. BROWN, JR.,
Member of Congress.
WILLIAM H. AYRES,
Member of Congress.
E. ROSS ADAIR,
Member of Congress.
HENRY C. SCHADEBERG,
Member of Congress.

To: Hon. OLIN E. TEAGUE, Chairman, Veterans' Affairs Committee, House of Representatives, Washington, D.C.

From: Representative SEYMOUR HALPERN, Member of the Veterans' Affairs Committee and the Subcommittee on Hospitals.

Re: Report on the proposed site at Hazard Park for new Los Angeles veterans' hospital.

On January 5 and 6 I visited the proposed site of the new Veterans' Administration hospital at Hazard Park in the city of Los Angeles. I did so as a member of the Subcommittee on Hospitals of the Veterans' Affairs Committee after having discussed the controversy regarding this hospital with the chairman of the full committee, who felt that an on-the-scene investigation of the situation would prove most helpful to the committee.

There is no question in my mind that the site planned for the location of the hospital is ideal and impressive. As a matter of fact, I am convinced that the U.S. Government is fortunate in having such a location for this hospital facility.

My study shows a crying need for such a hospital to supplement the facilities of the existing medical center in Los Angeles which is one of the largest institutions of its kind in the world. I was also much impressed by my observations of the administration of the Los Angeles VA center under the able director, Luther Like. I wish also to commend Assistant Director Jerome Dolezal, who spent considerable time with me during my stay and contributed greatly to the background of the veteran health needs of the area and problems encountered in satisfactorily fulfilling them.

Likewise, I wish to commend Mr. Alex Garcia, assistant to Representative EDWARD R. ROYBAL of California's 30th District, covering the area in which the hospital is located.

The Hazard Park site is an ideal one—it is bounded on the north by San Pablo Street, on the south by Soto Street, on the west by Zonal Avenue, and on the east by Norfolk Street. I do not believe there could possibly be a more appropriate location for a veterans' hospital to meet the needs for this ever-growing area of southern California. As planned, the hospital will contain 1,040 beds, of which 800 will be general medical and surgical; the remaining 240 will be for neuropsychiatric patients. The location is consistent with the current Veterans' Administration policy to situate its hospitals adjacent to, or in close proximity to, medical schools. In this instance, the University of Southern California Medical School (McKibben Hall and Raulston Medical Research Center) is directly across the street from the north side of the proposed Hazard Park hospital site on San Pablo Street.

Also facing on San Pablo Street diagonally across from the proposed site is the Los Angeles County Hospital, which is affiliated with the University of Southern California. The excellent reputation of this hospital is widely known and should prove an invaluable asset to the veterans' hospital. Thus, the great advantages of locating the hospital at this location are irrefutable. They far outweigh the problems that have arisen relative to locating the hospital there—particularly those arising from the local community, but none of which are serious enough, I believe, that they cannot be amicably resolved.

As I see it, there are five issues to be resolved in order to satisfactorily fulfill the objective of building the much-needed hospital and yet not create any disadvantage to the needs of the local community. They involve:

1. The transfer of the Hazard Park property owned by the city of Los Angeles to the U.S. Government in return for appropriate property owned by the U.S. Government.

2. The problem of what to do with the existing U.S. Reserve Center, which occupies about 5 acres of the 25 acres of the total site. This armory, which cost about $500,000 to build, is being considered for practical utilization as part of the hospital. Or, if determined impractical for this purpose, it would have to be relocated which would involve the acquisition of a suitable site and the cost of at least $1 million to reproduce at today's construction estimates.

3. The problem of providing for appropriate recreational area to substitute, at least in part, for the 20 acres of Hazard Park that would be taken away from the community which has a desperate need for such playground and recreational facility.

4. The availability of adjacent city property which the Government could acquire to utilize for parking purposes, making it possible in turn for the city to retain 8 acres of the lower end of Hazard Park (south of the unused railroad tracks which cut clear through the property) and provide minimal but acceptable recreational area.

In regard to point No. 1, I understand that the city of Los Angeles has agreed to relinquish the 20 acres constituting Hazard Park to the Federal Government (the 5 remaining acres of the total 25-acre site is now held by the U.S. research center property owned by the Government) and in turn receive from the United States 10 acres of desirable and much needed park land in the west Los Angeles area. This has been fully agreed and there is no obstacle on either governmental level.

Point 2 raises one of the key questions that has developed in connection with this site. It involves the question of what to do with the existing armory which was built originally for $500,000 and would cost at least a million dollars to reconstruct today. It is located on the prime location on the site directly facing the University of Southern California Medical School; diagonally across from the armory is the county general hospital. The building is so constructed and so laid out that I find it inconceivable that it would serve any purpose to the medical center. If anything, it would appear to be a handicap, depriving more effective utilization of its ideal location. To properly reconvert it or to build the hospital around it would prove, I am sure, to be more costly than the million dollars it would take to reconstruct it elsewhere.

There is no obvious reason that I could determine which would require that the location of the armory be in the immediate vicinity. There is other Government-owned land in the Los Angeles area that I think would be most appropriate for a new armory.

Or, it would not be much of a problem to acquire nearby land, which I understand is available, from the city of Los Angeles as part of this overall trade to build the armory even if it is determined that it must remain in the immediate area.

It is my conviction that in the best interests of the medical center and for ultimate economy that the armory facility be relocated from the site, and that the existing building should not be considered as part of the hospital setup.

Points 3 and 4 involve a local controversy which has become one of the major obstacles in connection with the hospital. The surrounding area is largely inhabited by folks in the low-income category. There are no park facilities other than those provided in Hazard Park for many miles around. To take Hazard Park in toto away from the area would be a grave injustice to the local community and would instead create many unfortunate situations which far outweigh any advantage of acquiring the entire acreage of the park.

A study of the situation reveals that the entire matter could be easily resolved by turning the lower portion of the park separated from one end to the other by obsolete railroad tracks and covering approximately 8 acres. The civic community and local authorities have proposed a beautiful recreational area for this acreage. It includes playgrounds, baseball courts, picnic facilities, etc. The cost to convert it for such purpose is extremely small, amounting to only $60,000.

It is understood that the reason the Government would like this acreage as part of the hospital site is that it would be ideal to provide the necessary parking facilities since the immediate area is almost devoid of such available space. However, I find that there is city property adjacent to the west side of the site running north and south that could conceivably serve the parking purpose (the north end might also be considered for the relocation of the armory building). This area totals approximately 6 acres, 3½ of which are at the north end owned now by the Department of Water and Power of the City of Los Angeles and not serving any use.

The lower 2½ acres belong to the board of education, and as far as I can determine it is not serving any valuable purpose whatsoever. There is a vacated building on the latter property; the former is primarily wooded land. It seems highly probable that these 6 acres could be suitable substitute for the 8 acres below the railroad that could be retained by the city for the needed recreational purposes.

If more space would still be required for parking there is another 1½ acres that jut the board of education department of water property that is not valuable land and could be acquired reasonably by condemnation.

All these questions, I feel, can be easily resolved. There is a cooperative spirit on the part of the Federal and local governments, and I see no obstacles to reaching agreements satisfactory to both sides.

I strongly recommend that the committee approve the pending legislation so that this much needed, most commendable hospital project can get on its way.

Respectfully submitted.

SEYMOUR HALPERN,
Member of Congress.

JANUARY 15, 1964.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Florida.

Mr. HALEY. I wonder if the chairman of the Committee on Veterans' Affairs can tell me whether in this report the committee goes thoroughly into the situation of the present Reserve building, and has come to the conclusion that that building, which I understand is a good building, cannot be used in conjunction in any manner whatsoever with the new veterans hospital?

Mr. TEAGUE of Texas. That is correct, and it is the unanimous opinion of the subcommittee.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas [Mr. Teague] that the rules be suspended and the bill be passed.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

CALL OF THE HOUSE

Mr. CONTE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Obviously a quorum is not present.

Mr. MOSS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 33]

Adair
Andrews, N. Dak.
Ashbrook
Ashmore
Avery
Bass
Battin
Beermann
Bell
Bennett, Mich.
Berry
Blatnik
Bolton, Frances P.
Bonner
Bow
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Bruce
Buckley
Burkhalter
Burleson
Burton
Cahill
Cameron
Carey
Casey
Cederberg
Celler
Chamberlain
Clawson, Del
Cohelan
Collier
Colmer
Corbett
Corman
Cramer
Davis, Tenn.
Derwinski
Diggs
Dingell
Dole
Dorn
Dowdy
Edmondson
Edwards
Elliott
Farbstein
Forrester
Frelinghuysen
Fulton, Pa.
Gibbons
Gill
Goodell
Grabowski
Green, Oreg.
Griffin
Gubser
Gurney
Hagan, Ga.
Hall
Halleck
Hanna
Harding
Hardy
Harrison
Harvey, Ind.
Hawkins
Hoffman
Horan
Hosmer
Hull
Hutchinson
Johansen
Johnson, Pa.
Jones, Ala.
Kastenmeier
Kee
Kelly
Keogh
King, Calif.
King, N.Y.
Kluczynski
Leggett
Lennon
Lesinski
Lindsay
Lloyd
Macdonald
Mailliard
Martin, Mass.
Martin, Nebr.
May
Meader
Minshall
Monagan
Montoya
Morgan
Morton
Murray
Nix
O'Brien, Ill.
O'Brien, N.Y.
O'Hara, Mich.
O'Konski
Pilcher
Powell
Quillen
Reid, Ill.
Reid, N.Y.
Reuss
Rhodes, Ariz.
Rivers, S.C.
Roberts, Tex.
Robison
Rogers, Tex.
Roosevelt
Rostenkowski
Roudebush
Roybal
St. George
Schwengel
Sheppard
Short
Sibal
Sisk
Smith, Calif.
Staebler
Stinson
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Tupper
Udall
Ullman
Utt
Waggonner
Whalley
Wickersham
Willis
Wilson, Bob
Younger

The SPEAKER pro tempore. On this rollcall 288 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

INVESTMENT POWERS, FEDERAL SAVINGS AND LOAN ASSOCIATIONS

Mr. TRIMBLE. By direction of the Committee on Rules I call up House Resolution 621 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9609) to broaden the investment powers of Federal savings and loan associations, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. Ayres], and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 621 provides for consideration of H.R. 9609, a bill to broaden the investment powers of Federal savings and loan associations, and for other purposes. The resolution provides an open rule with 2 hours of general debate.

The purpose of H.R. 9609 is to permit a modest revision of the investment powers of Federal savings and loan associations in order to more realistically reflect the capabilities of this growing and vigorous industry, and better serve the needs of the communities in which they function.

The savings and loan industry has already passed the $100 billion mark in assets, 92 percent of it held by member institutions of the Federal home loan banks, which means that virtually all of it is insured by the Federal Savings and Loan Insurance Corporation. About $80 billion of the funds entrusted to these associations are in mortage loans, over 90 percent of which are on 1- to 4-family dwellings.

Mr. Speaker, I urge the adoption of House Resolution 621.

Mr. ARENDS. Mr. Speaker, I have no requests for time on this side.

Mr. TRIMBLE. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

IN THE COMMITTEE OF THE WHOLE

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9609) to broaden the investment powers of Federal savings and loan associations, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 9609, with Mr. Stratton in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. PATMAN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the bill, H.R. 9609, to broaden the investment powers of Federal savings and loan associations and for other purposes, is a much needed, entirely constructive, and widely supported piece of legislation.

It would do four things:

Permit Federal savings and loans to invest in State and local bonds.

Raise the limits within which Federals can make home improvement loans.

Permit Federal savings and loans to make loans on mobile homes.

And permit them to accept public funds of the United States.

The bill would therefore be of benefit to all the federally chartered S. & L.'s in the United States; to all the States, counties, cities, political subdivisions, highway authorities, water authorities, and school authorities, that need to borrow money; to all owners of homes who wish to improve their property; to the large and steadily growing number of people, especially older people, who are purchasing mobile homes; and to the Federal Government itself.

This bill passed the Banking and Currency Committee by overwhelming votes. It has the support of the savings and loan industry, the Federal Home Loan Bank Board, and the administration.

I urge its adoption today by an equally firm majority of the House.

Now let me take up each of its four provisions in somewhat greater detail.

First, the bill would amend the Home Owners' Loan Act to permit Federal savings and loans to invest in the obligations of States, counties, cities, political subdivisions, and local public authorities. This privilege is already enjoyed by commercial banks, mutual savings banks, and State-chartered S. & L.'s in many States. Only the Federals are denied it.

Your committee felt that the elimination of this restriction would greatly assist local communities in providing their needs. As suburbs grow and new housing developments are created, roads and schools, sewers and sidewalks, and water and recreational facilities are needed to make them livable and pleasant. Federal S. & L.'s, with $56 billion in resources, represent an enormous pool of funds which can be used in this way to benefit the communities in which they do business.

So long as the restriction persists, the Federals suffer an unjust competitive disadvantage, and lose the good will of their communities.

On occasions when the housing market may be sluggish, State and local bonds will provide an excellent outlet for funds otherwise dammed up.

Second, the bill would raise—from 15 to 20 percent—the share of its assets which a Federal S. & L. may invest in home improvement loans, and increase—from $3,500 to $5,000—the maximum amount of any such single loan, unless the loan is insured by FHA or guaranteed by VA.

The United States today has a housing inventory of over 50 million homes which must be maintained. Every home that falls into obsolescence and decay is a potential candidate for tomorrow's urban renewal programs.

But the cost of home improvement has gone up. Modern appliances and conveniences, some of which require extensive remodeling, can cost the homeowner large portions of his savings unless amortized over a period of time.

Home improvement should not be discouraged. In addition to benefiting directly the owner and occupants of the home, it pours money into the economy and stimulates the community. The $3,500 limit reflects a time when prices were lower and needs less urgent. So does the limit of 15 percent of assets. The broadening of the authority to make home improvement loans is necessary to keep pace with the changing times.

Third, the bill would permit Federal associations to invest up to 5 percent of their assets in mobile homes.

Mobile homes are homes, in every sense of the word, and it is homes that savings and loans were invented to finance. The construction of mobile dwellings was up last year 25 percent over 4 years ago. It is estimated that one out of every nine homes built last year had wheels under it. Without doubt, this form of home will see increasing use in years to come, particularly by older people. And in some areas of the country a growing number of folks are taking the wheels off and settling in stationary trailers, which are proving to be convenient and economical.

The Chairman of the Federal Home Loan Bank Board, Joseph P. McMurray, told the House Banking and Currency Committee:

> The Board strongly believes that Federal savings and loan associations should have authority to finance the acquisition of such dwellings, which constitute the most practicable and in some cases the only practicable form of living accommodations for substantial and increasing numbers of our population.

This position is widely shared throughout the industry.

At the same time, the Banking Committee recognized that this new authority should be hedged in with safeguards, and we have made quite certain that the necessary safeguards are there.

First, the Federal Home Loan Bank Board is directed to furnish definitions of mobile homes eligible for such financing. This would assure that Federal S. & L.'s operate under the close scrutiny of regulatory authorities in this new field—a scrutiny which is assured in any case. And second, the amount which a Federal may invest in mobile homes is limited to a bare 5 percent of its assets. This will prevent any unwise rush into the mobile-home-financing field. Certainly, if the risks of this type of loan prove to be less than some have predicted, this limitation may be reconsidered and raised.

In the meantime, the bill would provide a source of economic assistance to great numbers of people, many of them retired, who wish to acquire mobile dwellings, without subjecting the Federals or their depositors to undue risk.

Finally, the bill would amend the National Housing Act by permitting public funds of the United States to be invested in federally insured savings and loans, both federally chartered and State chartered.

Public officials with public funds in their custody which may be temporarily idle are presently able to invest such funds in federally insured banks, but not in federally insured savings and loans. This distinction represents an unjust and unnecessary discrimination against institutions which have proved themselves, more especially in recent years, to be safe and profitable depositories of temporary idle funds, as well as of long-term savings. The availability of insured savings and loans as alternative investments for Federal funds will result in greater flexibility and, perhaps in some cases, higher interest, for these public moneys. The use of S. & L.'s for public funds will be limited under this bill to the amount of insurance on each account.

I wish to point out that the Banking Committee rejected, for the present time, a number of other proposed broadenings of the powers of S. & L.'s, some of them urged upon us with considerable enthusiasm. Such proposals included permission to invest in household furnishings and equipment and in college education expense loans; shorter terms for leaseholds eligible as loan security; permission for S. & L.'s to be trustees for pension and profit-sharing plans; and the establishment of deposit accounts for pension funds and retirement trusts. Some of these proposals seemed justifiable to us, but they were passed over for the present pending further study and deliberation.

The proposals reported in this bill were carefully and judiciously considered by our committee. These proposals are reported today after public hearings and lengthy study, and by large majorities on the committee.

It is our conclusion that they represent, as a package, a realistic framework for the growing and flourishing business of savings and loans. Continuation of present outmoded restrictions, limitations, and discriminations, would only serve to dam up a large body of savings and investment at a time when the economy badly needs further stimulus, when many are unemployed, and many tools stand idle.

The enactment of this legislation today will prove to be a great step forward, not only for the Federal savings and loan associations but for their many depositors; for the States, counties, and political subdivisions which seek their investments; for the many homeowners who wish to improve and maintain their property; for the more than 100,000 people who purchase mobile homes each year; for the public officials charged with the custody of public funds; and, in general, for the communities which Federal S. & L.'s have served, are serving, and wish to continue, to an ever-increasing extent, to serve in the future.

Mr. KILBURN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the gentleman from Texas [Mr. PATMAN] the chairman of the Committee on Banking and Currency has explained the bill. There is not much point in repeating his explanation of the bill as he has done it very thoroughly.

I believe the bill came out of the committee unanimously after it was cleaned up. There were provisions in it originally which I was very much against and which many of us were against, but now I think the bill is in good shape and is a good bill.

Mr. Chairman, I now yield 5 minutes to the gentleman from Michigan [Mr. HARVEY].

Mr. HARVEY of Michigan. Mr. Chairman, I rise in support of this legislation and join my chairman in that regard.

I would like to speak a word in particular with regard to section (c) as it pertains to mobile homes because I think that section is tremendously important not only to the mobile home industry but to our Nation as well.

That section provides, and I will just quote here the first part of it:

> Without regard to any other provision of this subsection, any such association is authorized to invest in loans, obligations, and advances of credit (all of which are hereinafter referred to as "loans") for the acquisition of mobile dwellings, as defined by the Board.

And then it goes on to place a limitation on that.

The important thing, Mr. Chairman, is that at the present time it is extremely difficult for the ordinary American citizen, let us say, to purchase a mobile home. It is much more difficult than it is to purchase the ordinary home, because for the most part mobile homes are financed today as chattels and, therefore, they are financed over a shorter period of time and, of course, under different interest arrangements as well.

I think this bill is important in that it opens a whole new opportunity in that regard for that particular industry.

I would call the attention of the committee to the fact that there are today 1,458,200 mobile-home owners in the United States. This represents, as my distinguished chairman said, in the last year more than 12 percent of all the housing starts that were made. More than 12 percent of all the housing starts that were made were made in the form of mobile homes or homes on wheels, as the chairman said. Anyone can see, I believe, that this is a very substantial segment of the housing industry today. We certainly cannot overlook it when it comes to the financing of them. I think the time has come when we must recognize that mobile homes are indeed a very important part of our American way of life. We see in State after State where there are colonies of retired persons living in these homes. I think particularly of the States of Florida and California, where I have seen them. Perhaps the weather is better there, but we even have had numerous colonies of retired persons living in them in Michigan. We see them used extensively by young married couples and also by itinerant construction workers and many others. The fact remains that they are being used today, and the fact also remains that the trend in these homes themselves is for them to be built bigger and bigger, because that is what the demand is for. The people who buy them, numbering more than 1.5 million persons, want nicer and nicer mobile homes so that they naturally want a better way of financing them and a way of financing them over longer periods of time. In that regard this bill is a very logical extension of the powers of the saving and loan industry. I can best summarize what it will do for the mobile home industry in America by simply quoting one or two sentences from a letter that I received from one person in my district who manufactured these homes. He says:

> I sincerely believe the enactment of this legislation would be a tremendous shot in the arm to our industry. It would open the door to long-term simple interest financing to our mobile-home owners.

Mr. Chairman, I think that would be desirable to all of the citizens of our country.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. HARVEY of Michigan. I yield to the gentleman from Missouri.

Mr. CURTIS. I want to ask a question. Maybe this is covered under the present ability of savings and loans to invest and maybe it is not. How about the mobile home lots, where there is a development where you can have your mobile homes set up? There is quite a financial investment in that. Can savings and loan companies invest in that now, or would this amendment permit them to invest in that?

Mr. HARVEY of Michigan. As I understand it, that would be no extension. The Chairman can correct me if I am wrong, but there is an FHA program which presently covers that at the present time.

Mr. PATMAN. That is correct. Under the present program it covers lots.

Mr. CURTIS. How about a savings and loan company?

Mr. HARVEY of Michigan. And the savings and loans today have the right at the present time to pursue that FHA program and invest in it.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KILBURN. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. CURTIS. Mr. Chairman, will the gentleman yield further?

Mr. HARVEY of Michigan. I yield to the gentleman from Missouri.

Mr. CURTIS. How about conventional loans? You mentioned the FHA as far as savings and loan companies lending for these trailer courts. Can a savings and loan company make a conventional loan now for those trailer courts?

Mr. HARVEY of Michigan. They could in the State of Michigan and I am sure they could also under our Federal savings and loan laws.

Mr. CURTIS. I thank the gentleman.

Mr. PATMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. PEPPER].

Mr. PEPPER. Mr. Chairman, I thank the Chairman of the Committee very much.

Mr. Chairman, I wish to compliment the able chairman of the Committee on Banking and Currency for the full and adequate statement in support of this measure which he has given here on the floor today; also for the thorough examination of this measure which was given by his committee. The matter has been thoroughly explored and has been strongly supported and recommended by the committee as a result of its hearings.

The able chairman has set out the several respects in which this bill will enable the savings and loan associations of this country, now an industry with more than $100 billion of assets, better to serve the public.

I am glad that my able colleague from Michigan on the committee has emphasized that mobile dwellings are eligible for assistance under this bill. Millions of Americans live in these mobile homes. If you came to my State, Florida, you will see great trailer camps where thousands of people congregate in their various trailers and enjoy all the facilities necessary for the maintenance of their homes. These mobile homes have the virtue of mobility as well as the advantages of the convenience and comfort of fixed living in these trailer camps when they choose not to be mobile.

In addition, a great many of the students in the colleges and universities use these mobile homes as their dwelling places. In that respect, too, they make a very valuable contribution to the furnishing of adequate housing facilities for our country. This is simply another respect in which this measure enables the savings and loan industry, fathered and fostered by the Congress, more effectively to serve the public of our land.

Mr. PATMAN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I rise in support of this bill. I want to make a few remarks about this great Committee on Banking and Currency and its chairman, the gentleman from Texas [Mr. PATMAN]. It seems to me that this committee has received a rebirth of life, you might say, in the way in which it is going about considering the problems which face America in the field of housing. They have been diligent in holding hearings and in bringing forth bills such as this, so that we can look at the situation in America as it exists. Particularly I want to comment on this mobile dwelling situation. In California and in Florida and many other States of the Union mobile dwellings have become a way of life for people. It is a way of life that suits people, not only the people in modest financial circumstances, but people who have retired with adequate competence, to live in a large home, a large apartment or hotel. But they actually enjoy the way of life afforded by these mobile homes. It gives them a chance to move from the seashore to the mountains at different seasons of the year. Some of these mobile homes run as high as $15,000 to $20,000 in cost. I have been in some of them. They are built like a yacht, with wonderful appointments inside.

Of course, others go to as low as $1,500 to $3,000 and are used by people in lower financial circumstances.

In California we have tremendous trailer parks with central recreation areas and swimming pools and all kinds of conveniences, such as public laundry facilities and places where people gather to see movies, and so forth.

This is just a realization of the current trends in a section of our American life.

Mr. Chairman, I certainly want to compliment the chairman and his committee on bringing this measure out.

Also I want to congratulate them on the provision allowing savings and loans to increase their investments in Government obligations. I think this is a step forward not only in giving savings and loan agencies a chance to invest in stable securities but it gives them prestige in their home communities, by participating in certain types of municipal bonding.

Mr. Chairman, while I have the floor I wish to express the hope that the Banking and Currency Committee will consider the very important matter of extending the Federal deposit insurance to $20,000 from its present level of $10,000.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. PATMAN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. HOLIFIELD. I thank the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Texas.

Mr. PATMAN. May I state to the gentleman from California that we have been heard on a rule in support of that bill, which bill would increase the insurance coverage from $10,000 to $20,000. We are hopeful that the Committee on Rules will give us a rule within the next few days so we can bring it to the floor of the House for consideration and pass it as quickly as possible.

Mr. HOLIFIELD. I am heartened to hear the gentleman from Texas say that.

Mr. Chairman, I want to add my hopes also to the hopes of the gentleman from Texas that there will be a rule granted. At the time the $10,000 coverage by insurance was granted the purchasing power of the dollar was actually much higher than it is today. Therefore, taking into consideration that fact and also the fact that time and historical events have proven the soundness of these loans on homes and houses throughout America, it seems to me it is time for us to realize that today a $20,000 guarantee on a savings account in a savings and loan association, and in a bank as far as that is concerned, is almost necessary in order to keep up with the trend of events in America.

Mr. Chairman, I compliment the chairman of the committee, the gentleman from Texas [Mr. PATMAN], as well as all members of his committee for bringing this bill out. I hope that the

Committee on Rules does give him an opportunity to bring the bill providing increased insurance on deposits to the floor, where I predict it will be passed by almost unanimous action of the House.

I thank the gentleman very much.

Mr. KILBURN. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. McClory].

Mr. McCLORY. Mr. Chairman, I merely want to contribute something with regard to this subject of increased authority in the Federal savings and loan associations to grant loans for mobile homes. I realize that mobile homes are, as the gentleman from California [Mr. Holifield] says, a way of life. However, I would also like to point out that this new way of life imposes tremendous additional burdens upon our local communities. With this increased authority—and I assume that it would be employed to improve the quality and the character as well as the size and the number of mobile homes and mobile home parks—it is my hope that the manufacturers and the trailer park owners will recognize the tremendous additional local burdens which they will impose on the local fire departments, police departments, local schools, and other branches of local government.

Mr. Chairman, I know that our Illinois State Legislature has had a most difficult problem in trying to find adequate local tax sources and the support that is needed for our local governments from these mobile park developments. I know that this also represents a problem in other States where there has been a great increase in the number of mobile home parks. However, I would like to point out in the course of this debate that mobile home park owners who will benefit from the new financing that is going to come to them under these amendments should, in addition, recognize their responsibility to local governments and to the support of the institutions of local government. This is essential if we are to preserve our Federal system under which they will prosper and grow.

Mr. HALPERN. Mr. Chairman, I rise in support of the bill, which I believe to be a modest, sensible, and desirable revision of the laws governing investment powers of Federal savings and loan associations. I favor its twofold beneficial effect—to improve the growing and vigorous savings and loan industry, and to help that industry better serve the homeowners, and the local communities of the Nation.

The savings and loan industry is truly big business today, with assets of over $100 billion, and in view of this size and its rapid growth rate the modest broadening of investment powers seems logical and warranted in order to permit these specialized institutions to meet the changing needs for housing and housing-related funds in our society. This conclusion was supported by testimony before the Banking and Currency Committee by the Chairman of the Federal Home Loan Bank Board, Joseph P. McMurray, who stated that the present limitations on investment authority of Federal savings and loan associations are no longer consistent with the powers of other financial institutions, and are not realistic in terms of financial circumstances of the present day.

Mr. Chairman, I have characterized the legislation before us as a modest improvement and modernization of the savings and loan laws, and this conclusion is evidenced by the fact that the committee rejected a number of proposals for further liberalization on the ground that additional study should be made in these areas. Among such proposals were amendments to permit investment in household furnishings and college education loans, and to shorten the term of leaseholds eligible as loan security, permit trusteeships for pension and similar plans and permit the establishment of deposit accounts for pension funds and retirement funds. While my feeling is that a number of these provisions, particularly the college education expense loans, are desirable programs in a modern savings and loan industry. I nevertheless understand and appreciate the committee's desire to subject these innovations to the most careful study and consideration.

Mr. Chairman, I urge the approval by my colleagues of the four desirable changes in the Federal savings and loan laws which would be accomplished by this bill.

First. It would permit savings and loan institutions to invest in State, county, municipal, and other local obligations. Most other financial institutions have this authority today, and the bill would equalize the competitive positions and allow the savings and loans to compete for the community goodwill that comes from financing local school, road, sewer, and water projects. It would also, of course, assist in financing more of such projects, and thus assist communities themselves throughout the Nation.

Second. The bill increases both the percentage of total assets which a savings and loan may invest in home improvement loans, and increases the maximum amount of a single home improvement loan from $3,500 to $5,000. This amendment recognizes the increased costs today of home alteration, repair, and improvement, and would wisely provide realistic financing for home repairs that will prevent blight, deterioration, and slum conditions in our urban and suburban residential areas.

Third. The bill recognizes that one out of every eight new homes in America is a mobile home, and wisely permits savings and loans to financially assist the many Americans who wish to buy a trailer. The maximum amount of a savings and loan association's assets which may be used for this purpose is limited to 5 percent, and the Federal Home Loan Bank Board is given authority to regulate this new outlet for savings and loan investment.

Fourth. The bill recognizes that it is unfair to exclude savings and loan institutions as recipients of investments by the Federal Government when the Government is permitted to invest funds in other types of banking institutions. The bill removes this inequality and sets the savings and loans on an equal competitive plane with other financial institutions.

Mr. Chairman, this brief summation of the bill shows, I believe, that its provisions are desirable, reasonable and, as I said before, modest. Each of these liberalizing provisions has been subjected to the most careful study both by the Federal Home Loan Bank Board, which administers the law, and by the Banking and Currency Committee.

It is only a recognition of today's realities to permit Federal savings and loan associations to invest a little more in home-improvement loans, to invest a small part of their total assets in trailers, to invest in local school, road, and utility projects, and to receive investment funds from the Federal Government just as other types of banking institutions do. These modest improvements will benefit the savings and loan associations, the local communities, and the home owner and home purchaser. Accordingly, I urge their approval by my colleagues here today.

Mr. VANIK. Mr. Chairman, I want to take this opportunity to commend the distinguished chairman of the Banking and Currency Committee, the gentleman from Texas, the Honorable Wright Patman, for sponsoring this bill to increase the investment powers of the Federal savings and loan associations.

I want to join him in urging the adoption of this important proposal. Since the Federal savings and loan associations were authorized by Congress in 1933, they have made a phenomenal growth, accumulating over $92 billion in assets. This great reservoir of assets has been reinvested in residential mortgage loans. The overwhelming number of Americans who live in a home of their own have this privilege because of the resources of this tremendous savings system were made available for this vital purpose.

Today, it is essential that the Federal savings and loan associations have somewhat broader investment powers to permit them to invest in Government obligations and to increase their participation in home-improvement loans. The portfolio of these institutions needs a broader base so that the vital growth of this industry is not restricted to the more confining provisions of earlier laws.

During the course of the hearings on this legislation, I examined all of the witnesses to make certain that the resources in the Federal savings and loan system would be available for the housing boom that is yet to come when we face the tremendous population expansion by the end of this decade. From the testimony, I am satisfied that the dynamic savings and loan industry is looking ahead to this responsibility and in fact must prepare for this challenge by a further buildup in resources which will be made possible by the enactment of the vital legislation we consider today. Mr. Chairman, I urge the hearty support of Congress for this proposal.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the second proviso in the first paragraph of section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by striking out "or in the obligations of the Federal National Mortgage Association" in the first paragraph and inserting in lieu thereof the following: "; or in obligations of the Federal National Mortgage Association or of any other agency of the United States; or in obligations of or guaranteed by, or special obligations (which may be defined by the Board) issued by, any one or more of the following: any State, any county, municipality, or political subdivision of any State, or any district, public instrumentality, or public authority of any one or more of the foregoing; and as used in this proviso the term 'State' shall include the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States".

(b) The first sentence of the second paragraph of such section is amended to read as follows: "Without regard to any other provision of this subsection except the area requirement, any such association is authorized to invest a sum not in excess of 20 per centum of the assets of such association in loans insured under title I of the National Housing Act, in home inprovement loans insured under title II of the National Housing Act, in unsecured loans insured or guaranteed under the provisions of the Servicemen's Readjustment Act of 1944, as amended, or chapter 37 of title 38 of the United States Code, and in other loans for property alteration, repair, or improvement: *Provided*, That no such loan, unless so insured or guaranteed, shall be made in excess of $5,000.

(c) Such section is further amended by adding at the end thereof the following new paragraph:

"Without regard to any other provision of this subsection, any such association is authorized to invest in loans, obligations, and advances of credit (all of which are hereinafter referred to as 'loans') for the acquisition of mobile dwellings, as defined by the Board, but no association shall make any investment in loans under this paragraph if the principal amount of its investment in such loans, exclusive of any investment which is or which at the time of its making was otherwise authorized, would thereupon exceed 5 per centum of its assets."

SEC. 2. Title IV of the National Housing Act is amended by adding at the end thereof the following new section:

"INVESTMENT OF CERTAIN FUNDS IN ACCOUNTS OF INSURED INSTITUTIONS

"SEC. 409. The savings accounts and share accounts held by institutions insured by the Corporation, to the extent they are insured by the Corporation, shall be lawful investments and may be accepted as security for all public funds of the United States, fiduciary and trust funds under the authority or control of the United States or any officer or officers thereof, and for the funds of all corporations organized under the laws of the United States, regardless of any limitation of law upon the investment of any such funds or upon the acceptance of security for the investment or deposit of any of such funds."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. ALBERT] having resumed the chair, Mr. STRATTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 9609) to broaden the investment powers of Federal savings and loan associations, and for other purposes, pursuant to House Resolution 621, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may be privileged within 5 days to extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

STOP, LOOK, AND LISTEN BEFORE ACTING ON H.R. 9903

Mr. SECREST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SECREST. Mr Speaker, if Members of Congress want to head off a move that would put railroad management right back in the driver's seat—once occupied by the old barons of the rail trust, it would be advisable to begin a careful study of H.R. 9903. A good place to start reading would be section 1, which provides that the so-called commodities clause of the Interstate Commerce Act be repealed.

As of the coming June, the commodities clause—unless this Congress destroys it—will have survived 58 years of opposition and castigation on the part of certain railroads. For the information of Members of Congress who are not familiar with the commodities clause, I recite herewith a brief history, as compiled from documentary evidence in the CONGRESSIONAL RECORD, the Library of Congress, and the files of the Interstate Commerce Commission.

As is generally known, business chicanery and misconduct were not entirely foreign to the growth and development of a number of the railroad systems during America's industrial growth. To say that a few of the financiers behind America's steel highways of the 19th century operated with complete disregard for the public welfare would be an understatement. Consolidations, corporate mergers, operating agreements, and other maneuvers eventually aroused public indignation to the extent that States were obligated to take corrective measures against railroad abuses as early as the 1870's. Finally, in 1887, Congress created the Interstate Commerce Commission, which over a period of years sought to fix adequate controls over the railroads.

Yes, most folks are aware of what took place during the railroads' infancy period. Not everyone, however, knows what the commodities clause is or how it came about. Here is the history:

Many large railroads were engaged in the mining, purchasing, selling, and transporting of anthracite and bituminous coal. With the authority to haul their own coal at costs not subject to control, the railroads naturally were able to discriminate against other coal producers. Under the administration of Teddy Roosevelt, the U.S. Government began to take more active interest in what was becoming an insidious monopoly impeding the growth of the Nation's coal States. In early 1906 evidence was presented to Congress that a coal company in West Virginia was unable to develop its mining resources because the railroad—which had its own mines and would not tolerate competition—refused to make proper connections between their tracks and the private switches of coal companies even though the latter had agreed to pay the entire cost of making such connections.

More and more instances of unfair treatment of private mining interests by railroad systems were gradually exposed to public view, including a miscellany of cases of abuse and unfair practices arising from joint ownership of coal mines and transportation facilities. A bill by Representative William P. Hepburn of Iowa included what was to become known as the commodities clause and became law June 29, 1906. It forbade any railroad to transport in interstate commerce:

> Any article or commodity other than timber and the manufactured products thereof, manufactured, mined or produced by it, or under its authority, or which it may own in whole or in part, or in which it may have an interest, direct or indirect, except such articles or commodities as may be necessary and intended for its use in the conduct of its business as a common carrier.

The constitutionality of the Hepburn Act was upheld by the Supreme Court on May 3, 1909, and in the intervening years many of the railroads which own extensive coal lands have had to resort to the convenience of subsidiary companies to mine and market this fuel. As might be expected of an industry which constantly strives to stifle competition, some railroads continued to hold onto the coal properties in the hope that they might at one time catch Congress off guard and find the opening necessary for them to revert to their old monopolistic practices. While ostensively the railroads have been confining their propaganda efforts to legislation that would prevent bargelines and other media from competing with them on an equitable basis, apparently they have had a well-designed plan in the works for repeal of the commodities clause and once again to monopolize the coal business.

Under the circumstances, Mr. Speaker, it is incumbent for all of us to familiarize ourselves more closely with the Hepburn Act before H.R. 9903 comes to the House floor. If the commodities clause was needed in 1906, it is even more necessary today. The Federal Government, entrusted with proper regulation of a transportation system that has received the coveted privilege of eminent domain for its rights-of-way, cannot allow it to operate in a hybrid state wherein its protected public utility status is used to advantage in competition with coal producers. The railroads, not content with their campaign against competition in the field of transportation, now would monopolize the coal industry as well. Congress cannot under any circumstances take off the brakes and allow the railroad industry to blow the whistle on the coal business.

Mr. Speaker, not so many years ago a prominent rail executive himself admitted publicly that railroads treated hogs better than people. That old truism does not apply generally today because so many people are completely ignored by the railroads. Residents of our part of the country long ago found out what the railroads think of them. Passenger service between Wheeling and Columbus and Wheeling and Chicago is now a thing of the past, and the lines would discontinue more trains elsewhere around the country if the ICC would give permission.

Furthermore, when a passenger is lucky enough to find that he can still get where he wants to go by train, his chances of getting there on time seem to be worse than ever. Whereas it was once customary for passenger trains to get the green light and highball past sidetracked hogs and other commodities, now you are liable to find yourself waiting indefinitely on a siding for the freights to pass.

Another objectional feature of H.R. 9903 is the attempt of the railroads to turn the clock backward in order to eliminate progress achieved by a competitive mode of transportation. Under present law water transportation is exempt from rate regulation if no more than three bulk commodities are involved in the transportation. H.R. 9903 would change this to require filing of rates if more than one bulk commodity is involved in the transportation—exempting livestock, fish, and agricultural commodities.

Many years ago the bulk commodities produced in this country were at the mercy of the transportation monopoly enjoyed by the railroads, and by and large the railroads were extremely backward in their efforts to reduce transportation costs. Protected by their monopoly position, they made no effort to achieve progress for the benefit of shippers and consumers. Over the course of the years the publicly owned waterways of the United States, with the stimulus of competition, have become an important means of transporting bulk commodities from producer to market at low cost to the customer.

Belatedly the railroads have come to realize that "standing pat" is the wrong course to take. In recent years they have shown that real progress in cost reduction can be made by adopting modern methods and a forward outlook. In this bill, however, the railroads are not attempting to increase their own opportunities for progress; instead, they are trying to restrict the competition which the waterways have furnished.

This would be a tremendous blow to the future growth of the Ohio Valley where industry has invested more than $18 billion since 1950.

Let me point out that the railroads are not even maintaining proper car supply to handle the bulk commodities which are now forced to rely on railroad transportation. Much less do they have the cars necessary to handle additional traffic which would be diverted from the monopoly-free waterways if this legislation were to become law. The interests of the Nation will not be served by enacting laws to undermine the advantages of progress achieved by competition—and that is exactly what H.R. 9903 is designed to do.

Let me further point out that drastic curtailment of progress-creating competition is not warranted on the excuse that the railroads are "sick." In recent years the financial health of the railroads has vastly improved, and today there are only a few of the roads operating in depressed areas which are in need of help—as set forth in a recent issue of Forbes magazine. We should not handicap a successful transportation system of the entire Nation merely for the purpose of curing the ills of a very small number of railroads.

GOVERNMENT CENSORSHIP ON SOVIET TRADE

Mr. LIPSCOMB. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LIPSCOMB. Mr. Speaker, the heavy hand of Government censorship is at work once again, in a field vital to our national security and welfare.

The Department of Commerce has just announced a move which I believe is aimed squarely at withholding information from the public on trade with the Communist bloc. It also appears to be an action which may well signify an intention to greatly increase the issuance of licenses to authorize exports to Communist nations.

The Department indicated in a letter to me that as of April 1, 1964, it intends to discontinue publication of the daily list of export licenses issued, which includes a listing of licenses for shipments to Communist countries.

The daily list, which is entitled "Export Licenses Approved and Reexportations Authorized" has been published since July of 1961. It is available to Members of Congress, Government offices, and to the public on a subscription basis. Information given in the lists on each export license includes the country of destination, a description of the commodity, and the dollar value.

The significance of canceling this publication is clearly evident. Detailed up-to-date information on licenses issued is simply not otherwise available in published form. The Office of Export Control makes quarterly reports to the Congress and statistics on exports are available from the Bureau of the Census on a monthly basis. But these offer little detailed information as to the type of commodities authorized for export. In addition, this is "after the fact" type of information, affording little opportunity for the public to register its opinions about specific licenses issued.

The announcement by the Department of Commerce that it is dropping publication of the daily lists represents a brazen attempt to withhold from the public information on trade with the Communist bloc.

The sole reason given for ceasing publication of the daily list is the workload of the Department and the alleged cost of $25,000 a year. It is very commendable to want to save the taxpayers' money. But even assuming the $25,000 figure is accurate, and I personally have doubts about that, how valid is the Commerce Department's claim that it wants to save tax money when it was heavily involved in arranging special shipping subsidies to grain companies of approximately $1,100,000 and $1,700,000 to help them to make a deal to sell wheat to the U.S.S.R.? These subsidies are in addition to regular export subsidies amounting to many millions of dollars involved in the wheat sales.

Is the Department really seriously concerned about the cost of putting out the export license list when it has pending before the Congress a budget request for the next fiscal year calling for over $919 million to run the Commerce Department, an increase of about $115 million over the current fiscal year? Can it be seriously concerned about the cost of publishing the daily list when it is requesting $8,203,000 for printing and reproduction work, an increase of $293,000 over the current fiscal year?

I believe it is more than coincidence that the Department of Commerce would pick just this time to quit printing the lists, when many objections are being registered about export licenses being granted to sell to the U.S.S.R. and other Communist bloc nations equipment to build up their agricultural economy, large quantities of wheat, and other significant items.

There is only one conclusion to reach and that is that the Commerce Department wants to avoid making public on a day-to-day basis information on licenses it has issued to authorize exports to Communist nations. It is Government censorship of the news, pure and simple, and I intend to take a searching look into the matter.

FORTY-SIXTH ANNIVERSARY OF THE INDEPENDENCE OF LITHUANIA

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. RIEHLMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. RIEHLMAN. Mr. Speaker, the 46th anniversary of the independence of Lithuania was celebrated yesterday, Sunday, February 16, 1964. It was a time of pride and also a time of sorrow because this little country has suffered so much and so long from the ruthless evil of communism.

I am happy to join those who saluted and paid tribute to the Lithuanian people on their anniversary. Their courage and yearning for freedom is as strong as ever and their gallant efforts should stand as a shining example for the rest of the world.

My dedication to the cause of freedom in Lithuania and all captive European nations is as firm as ever. I am honored to be able to pay tribute to the examples of courage and determination which the Lithuanians have shown through the years.

At this time, though, I am saddened that these people are prisoners, deprived of the most basic human freedoms, in their homeland. It is dreadful to know that there is still a substantial portion of this earth in which mankind is under the domination of a murderous, Godless, totalitarian dictatorship.

Our hearts go out to the Lithuanian people the world over, in whom the flame of liberty still burns brightly. I know we all look forward to the day when they and all other oppressed peoples will be free.

The Lithuanians are in our hearts and minds today and we all fervently hope that their eventual independence will come soon.

ANNIVERSARY OF LITHUANIAN INDEPENDENCE

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the gentleman from Maine [Mr. McIntire] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. McINTIRE. Mr. Speaker, once again we have gathered to commemorate the birth of a free nation and to deplore its loss of freedom to Russian oppression 22 years later.

A kingdom in her own right during the Middle Ages, Lithuania proudly took her place among the modern nations of the world on February 16, 1918, after fighting off her age-old master. Her dreams of freedom and democracy, however, were short lived. In 1940, the Russian tide again swept across her borders and she was submerged in such waters of ruthless suppression as she had never known.

This year, as we mark the 46th anniversary of Lithuania's independence, we marvel at the faith of her people. Throughout the long years of suffering in captivity, their heads have remained bloody, but unbowed. And their persevering belief in the eventual restoration of their country to the integrity of sovereignty must give us heart to help them in their struggle.

As representatives of a free people, we are in a position to lend weight to that struggle. House concurrent resolutions are already before the Congress which would request the President to bring the Baltic question before the United Nations. Let us this year mark Lithuania's independence day with more than appropriate words of eulogy. Let us pass this pending legislation which officially calls on the President to place America on record on the side of freedom.

THE PRESIDENT COULD ADVANCE THE WAR ON POVERTY BY TAKING STEPS TO PROVIDE FAIR COMPENSATION TO SMALL BUSINESSMEN AND INDIVIDUAL CITIZENS WHOSE PROPERTY IS TAKEN OR DAMAGED IN GOVERNMENT CONSTRUCTION PROJECTS

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. Kyl] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. KYL. Mr. Speaker, I am introducing today bills to: First, provide fair compensation for small businessmen and other persons whose property is taken or damaged in Federal highway programs; and second, provide for fair compensation of small businessmen and other persons whose property is taken or damaged by the United States in condemnation proceedings.

Earlier this month I introduced H.R. 9955, a bill to provide more adequate compensation for small businessmen and other persons whose property is taken under the Federal urban renewal program, and to provide other improvements in it with particular emphasis on the rehabilitation and relocation needs of small businessmen.

The courts have repeatedly given a restrictive construction to the constitutional requirement that private property not be taken without just compensation, and owners of and tenants on property condemned in furtherance of certain Federal or Federal-aid programs have suffered financial losses for which they have no legal recourse. For this reason, the Congress must take steps now to establish a Federal policy of just compensation so that owners of property and tenants will be compensated as fully as possible for losses suffered by reason of the condemnation of such property when it is taken or damaged. The President could advance the war on poverty by taking steps to provide fair compensation to small businessmen and other persons whose property is taken or damaged in the course of such programs.

Recent studies by the National Federation of Independent Business, and by Brown University under a grant by the Small Business Administration, proves that the compensation presently being paid to those small businessmen and other persons whose property is taken or damaged by Government programs, or Federal-aid programs, is totally inadequate and manifestly unfair. The president of the National Federation of Independent Business, C. Wilson Harder, reporting on a survey made by his organization, stated that "9 out of 10 independent business proprietors feel present methods used by Government to acquire property under the Urban Renewal Act, and other Government construction projects, are unfair and dictatorial."

The survey was made among members of the National Federation of Independent Business in 45 cities in 34 States, where firms have either had to relocate because of such projects, or are faced with relocation in the near future.

The chief complaint seemed to be with the wording of the present laws, which, Mr. Harder explained:

> Only requires Government to pay a fair price for properties taken, instead of the prevailing market price. It was found that the majority experience of those who have had to relocate so far, was that the price of new land for their operations was far more than they were paid for their former land. The differences have ranged from $6,000 up to $60,000. Another major complaint is that Government employees in charge of setting valuations are unfair and lacking in experience.

The majority of the businessmen, Mr. Harder stated, feels all proceedings in connection with urban renewal and other Government projects should be above board and a matter of public notice. There seems to be a feeling, he said, that too often the negotiations are actually "star chamber" proceedings.

Throughout the responses there ran twin fears of abuses under the present system. One is that independent business is being badly damaged, and the other fear is that without due publicity there is opportunity for the taxpayers to be damaged.

The majority of the businessmen voted in favor of announcing publicly the maximum and minimum amounts of compensation that will be paid, and also that provisions for compensation for losses from redevelopment projects the same. At the present time the amounts paid under the urban renewal program and the federally aided highway program are completely inadequate.

Suggestions volunteered by respondents in the survey ranged all the way from publishing the prices established in legal newspaper advertising, to appointments of boards composed of local citizens competent to appraise property values. In all cases it seemed to be the opinion of the respondents that publicizing the proposed compensations would go a long way to prevent injury to either the evicted owner, or the taxpayers.

The businessmen voted in favor of paying all moving expenses when a business is forced to relocate. The survey showed that of those who have so far been forced to move, only half have been fully compensated for moving costs.

Of the "fringe area" businesses reporting on their experience since a project was launched in their area, 65 percent reported a loss in business due to the project, 4 percent reported a gain, with 39 percent reporting conditions remained substantially the same as before.

The study for the Small Business Administration by Brown University of the effects of urban renewal and highway programs on businesses in Providence, R.I., indicates quite plainly that the present compensation paid to those evicted is totally inadequate. The Brown University study, completed in May 1962, and updated in May 1963, has not been published and its findings are not generally known despite the fact that it is the only comprehensive study of its kind.

The just compensation bills I am introducing today, and the Republican housing and urban renewal bill which I introduced earlier together with several of my colleagues—H.R. 9955, H.R. 9771, H.R. 9772, and H.R. 9785—is the first major attempt to compensate tenants and owners more fully for losses sustained when their property is taken or damaged by the United States in condemnation proceedings, or is taken or damaged in Federal urban renewal and highway programs. For too long, the true cost of these programs and projects has been largely borne by the people whose property is taken or damaged. Any continuation of these programs and projects must provide basic reforms, for it is generally recognized that they cannot succeed without widespread support from those they most directly affect.

The Johnson administration housing and urban renewal bill, H.R. 9751, provides a pittance to the individual small businessman and property owner displaced, and it fails to fully recognize the needs of the tenant. These Republican bills would humanize the urban renewal, highway, and other laws in line with enlightened recommendations made in and out of Congress for many years by those concerned that the powers of eminent domain are being widely and indiscriminately used by hundreds of local and Federal agencies.

The increased costs per project which these long overdue reforms may necessitate would not increase the amount spent on such programs and projects but, rather, would lead to increased consideration being given to those displaced. In the case of urban renewal, these reforms will lead to greater use of such tools as tax incentives, rehabilitation, code enforcement, and an end of the present overuse of the bulldozer.

That reforms of the urban renewal, highway, and other programs involving eminent domain are long overdue is shown by the fact that these programs all over the Nation are destroying small businesses and jobs, and are contributing to the Nation's unemployment problem.

A central factor in all such construction projects is that while a majority of the businesses do relocate either in a nearby area or farther out, a substantial part of the businesses displaced never relocate at all. They are compelled by the severity of displacement to discontinue operations and give up as independent businessmen, and this leads, of course, to unemployment on the part of their employees as well.

In some lines of business the proportion giving up and going on relief or pension reaches one-third of the number of what had been going firms, or 40 percent, and even more in some cases.

Business dislocations to date have been incidental to clearing and redeveloping residential areas. Business displacements will increase sharply as the Housing Act comes into full use, since this law already provides that 30 percent of the Federal renewal grants may be spent in nonresidential commercial areas, and the new housing bill of the Johnson administration would raise this limitation to 35 percent. Thus localities will be able to initiate projects in which the relocation load will be almost totally composed of commercial and industrial establishments. In the 1960–70 decade it is expected that the volume of business dislocations from renewal areas will be at least twice the present 100,000 being displaced.

Businesses displaced by urban renewal projects are practically all small businesses. This has been recognized by the Small Business Administration which has financed studies of the effects of the urban renewal program.

Most of the people displaced by urban renewal projects have been in business for a long time—about 86 percent over 5 years. Of the total 20 percent between 5 and 10 years, one-third from 10 to 20 years and another one-third over 20 years. About 9 out of 10 in the Brown University study said that they would have continued to do business in the same neighborhood indefinitely if they had not been forced out by a redevelopment project. They went out of business because they could not find a suitable location, or get licenses transferred, or could not get proper zoning, or it was too costly to start over, or they would lose contact with former customers at a new location. Many of those displaced by urban renewal programs are still out of work in different areas of the country because they cannot find a site where they could continue to operate their business or obtain a license or meet the costs of setting up anew. Others, many in advanced years, and discouraged by the obstacles, simply gave up the effort to relocate.

The relatively high mortality rate of firms within urban renewal areas has resulted in a level of unemployment the magnitude of which can only be surmised from the reports and studies which have been made of these areas. No Government agency has undertaken to make a full accounting of the unemployment created by urban renewal projects. It has been said that the total unemployment created by the urban renewal program could total up into a significant proportion of the total number unemployed in the Nation today, and be an important factor in hard-core unemployment. This is a national loss hardly ever taken into account in the rosy descriptions of urban renewal by the Government planners and others who will benefit from urban renewal programs.

It is small consolation to those small businessmen who are displaced, or about to be displaced, to say to them that they are marginal firms. They had provided jobs and sustenance for those who had operated them in the old places and for their employees. They had paid taxes, and sent their children to school. They gave their neighborhoods whatever identification and distinctiveness they had, bringing to them the values of their native countries, whether it was Ireland, Italy, France, Germany, Israel, or the old China, or a dozen other faraway places.

The Republican housing bills concentrate on such areas as relocation and rehabilitation which have been long neglected, and on rigorous enforcement of the housing codes which have been bypassed despite the requirements of the workable program. The Republicans do not agree with the view of the Urban Renewal Administrator, or the Administrator of the Housing and Home Finance Agency, that business failure as a result of urban renewal project dislocation is a matter of course because the small businesses displaced are "marginal businesses." The fact is that they are marginal only in the minds of the planners. They are not marginal in the minds of those who earn a livelihood from them. Republicans do not believe that there is any logic in programs which create unemployment at a time when we are trying to cure unemployment. Completely illogical is the trend toward creation of slums by the effects of the very programs which were designed by the Congress to eliminate slums but which have been poorly carried out by this administration.

Commenting on this recently the gentleman from New Jersey [Mr. WIDNALL], ranking minority member of the House Special Housing Subcommittee, said:

> In city after city the slums, the rats, the housing deficiencies, and the enforcement of the workable program, established by the Housing Act of 1954, which was designed and enacted during the Eisenhower years to prevent the spread and recurrence of slums, have had to wait because of the higher priorities given profitable downtown commercial redevelopment by the Democrats.
>
> No explanation has been forthcoming from this administration as to why such profitable commercial urban renewal projects could not be accomplished by self-help programs such as have been so successful in the Midtown Plaza in Rochester, N.Y., and the Golden Triangle in Pittsburgh, Pa., or the urban renewal project in Indianapolis, Ind., which have not involved a cent of Federal tax funds.

LITHUANIAN INDEPENDENCE DAY

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. CAHILL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CAHILL. Mr. Speaker, today we commemorate the 46th anniversary of Lithuanian independence which that nation proclaimed on February 16, 1918. It is only right that Lithuania should have reappeared on the international scene. For over 100 years following its takeover by the Russians, Lithuanians had kept alive their distinct language, culture, and customs in the face of czarist efforts at Russifying them. They had dreamed of the return of a Lithuanian state which would not be as extensive or grand as that in the Middle Ages when Lithuania was the greatest state in Central Europe, but nevertheless it would unite them and allow them to develop without hindrance in the way in which they wanted.

But this happy, independent state was not destined to continue long. At the beginning of World War II, the covetous eyes of the Nazi and Russian leaders turned to this little Baltic nation. After a seesaw battle between these two antagonists in which many Lithuanians perished or were deported, Lithuania finally fell once more under Russian domination. As before, the oppressed Lithuanians now find themselves resisting Russian efforts to mold them in their image, only this time with a Communist slant which is alien to the freedom-loving Lithuanians. Some day they hope to proclaim again their independence from their eastern overlords.

I join today with the many Americans of Lithuanian descent in recognizing the past accomplishments of the Lithuanian nation and its aspirations for independence in the future.

LITHUANIAN INDEPENDENCE DAY

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Lipscomb] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LIPSCOMB. Mr. Speaker, February 16 marks the 46th anniversary of Lithuanian Independence Day, and we pay tribute to the countless Lithuanian patriots who have given their lives that a free Lithuania might live and flourish.

At the end of the 18th century, Russia forcibly annexed this Baltic State. During the next hundred years countless revolts by this subjugated people attest to their dissatisfaction with czarist domination and their determination to overthrow the foreign yoke. No one knows how many died in Russian prisons. But these brave men did not sacrifice themselves in vain.

On February 16, 1918, they took their destiny once more into their own hands and proclaimed their national independence, instituting their own democratic republic. That was the most joyful and happy event in modern Lithuanian history. All friends of the Lithuanian people were elated in seeing them regain their freedom.

Thus freed from the deadly hand which held them down for more than 120 years, and aided both spiritually and materially by their friends everywhere, Lithuanians rolled up their sleeves and got down to work in their task of rebuilding their war-torn homeland. In the course of two decades their war-ravaged country was rebuilt, a democratic regime took firm roots, and in nearly all spheres of their lives they registered remarkable advances. Then, before the end of the 1930's war clouds began to darken the horizon, and they become apprehensive—they began to fear not only for their freedom but also for their physical safety. And their worst fears came true. Early in the course of the last war the country was invaded by the Red army, occupied in mid-1940 and then made part of the Soviet Union.

Since then Lithuanians have not known freedom, and for more than 24 years they have been suffering under tyrannies, mostly of course Communist totalitarian tyranny. But they have not given up their hope of freedom and they fervently cling to their national ideal—their goal for independence. On the celebration of the 46th anniversary of their independence day I wish them fortitude and perseverance in their struggle. These sturdy, industrious and intelligent people deserve a much better lot than the one that has been theirs for almost a quarter of a century. On the 46th anniversary of their independence day we hope and pray that they will again regain their freedom and live in peace.

In connection with this occasion, I wish to bring to the attention of the House of Representatives a resolution I introduced calling for action designed to help bring freedom to the Lithuanian people and to the people of Latvia and Estonia.

The measure, House Concurrent Resolution 43, contains a finding that the Soviet Union came to power in Lithuania, Estonia, and Latvia by force. It would provide that the Congress request the President to bring up the Baltic States question in the United Nations, and resolve that the United Nations conduct free elections in Lithuania, Estonia, and Latvia under its supervision. I hope that this measure may be approved by the Congress in the near future.

The text of House Concurrent Resolution 43 is as follows:

> Whereas the Communist regime did not come to power in Lithuania and the other two Baltic States, Estonia and Latvia, by legal or democratic processes; and
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> Whereas the Soviet Union took over Lithuania, Estonia, and Latvia by force of arms; and
>
> Whereas the Baltic people, Lithuanians, Estonians, and Latvians, under Communist control were and still are overwhelmingly anti-Communist; and
>
> Whereas Lithuanians, Estonians, and Latvians desire, fight, and die for their national independence; and
>
> Whereas the Government of the United States of America maintains diplomatic relations with the Governments of the Baltic nations of Lithuania, Estonia, and Latvia and consistently has refused to recognize their seizure and forced "incorporation" into the Union of Soviet Socialist Republics: Now, therefore, be it
>
> *Resolved by the House of Representatives (the Senate concurring)*, That the House of Representatives and Senate of the United States of America request the President of the United States to bring up the Baltic States question before the United Nations and ask that the United Nations request the Soviets (a) to withdraw all Soviet troops, agents, colonists, and controls from Lithuania, Estonia, and Latvia, (b) to return all Baltic exiles from Siberia, prisons, and slave-labor camps; and be it further
>
> *Resolved*, That the United Nations conduct free elections in Lithuania, Estonia, and Latvia under its supervision.

LITHUANIAN INDEPENDENCE DAY AN OPPORTUNITY FOR POSITIVE ACTION

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. Schadeberg] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SCHADEBERG. Mr. Speaker, I salute our distinguished colleague, the gentleman from Pennsylvania [Mr. Flood], for the leadership he continues to provide to Members of the House in efforts on behalf of captive peoples of the world. I welcome this opportunity to join with him and other Members of Congress in helping to commemorate the restoration of Lithuania's independence which took place in Vilnius 46 years ago on February 16.

I wonder if Members of Congress, of both Houses, fully realize that they have it within their power to make this occasion a truly meaningful one for Lithuanians and for all captive peoples everywhere. We in Congress have been observing Lithuanian Independence Day for a period of years. We have commemorated similar events with respect to other captive countries. All this is proper, and I have joined wholeheartedly in such observances. If it has helped to encourage our enslaved brothers and sisters behind the Iron Curtain to keep the spark of freedom and hope alive in their hearts, I have been for it. If it has helped to keep our Government and the American people mindful of our obligations to do all we properly can to help the captive nations achieve their political independence and freedom, I have been for it.

Coupled with these tributes to the brave peoples of the various captive nations has been our annual Captive Nations Week observance and the Presidential proclamation in connection therewith. To both of these I have given the strongest support.

But in my own participation in this year's Lithuanian Independence Day observance I find I must now ask the one question that begs an answer. Have our speeches, have our high-sounding phrases over the years about captive countries been translated into positive action; have they been implemented in any truly meaningful way?

I have in my hand a copy of House Resolution 105, which I introduced on January 14 of last year to provide for the establishment of a Special Committee on the Captive Nations. I was one of a number of Members to introduce such a resolution in both the 88th and 87th Congresses, and here again I commend our colleague, the gentleman from Pennsylvania [Mr. Flood], for the lead he has taken to bring about the establishment of a Committee on the Captive Nations—a continuous effort that has not as yet met with success. Passage of any of these resolutions would be a most meaningful action by the Congress.

Further, if sincere in its protestations of desire to aid the peoples of the world who are in bondage to atheistic communism, the Congress could pass a resolution to have the United States bring before the United Nations a series of charges, one after another, of Soviet Communist enslavement of Lithuania, Latvia, Estonia, and all other Soviet-shackled countries—Albania, Armenia, Azerbaijan, Bulgaria, Cossackia, Czechoslovakia, East Germany, Georgia, Hungary, Idel-Ural, Poland, Rumania, Turkestan, Ukraine, White Ruthenia, Yugoslavia, and other subjugated nations, and, additionally, to demand the end of Communist colonialism in each of these captive countries.

The birth of the modern Lithuanian state goes back to the middle of the 13th century. In the year 1253 the country was united under the rule of a single monarch. Since that significant date Lithuania's long and turbulent history has followed a rather uneven course. It is marked by greatness and glory during the first several centuries, while misery and misfortune claim a large share in the lives of the Lithuanian people during the greater part of the last 200 years.

During the 14th and 15th centuries Lithuania became one of the most powerful and great kingdoms in all eastern and northern Europe. In the 16th century Poland and Lithuania were united by the marriage of Poland's queen to Lithuania's king. From then on the fate of Lithuania was wedded to that of Poland. Late in the 18th century, when Poland was partitioned among its greedy neighbors, lost its independence, and most of it became part of the Russian empire, Lithuania shared a similar fate.

For more than 120 years thereafter, Lithuanians lived and suffered under the cruel regime of czarist Russia. During that long period, however, the Lithuanians did not lose sight of their national goal, the attainment of their national independence. In 1918, as the result of the Russian revolution, the czarist regime was overthrown and all non-Russian nationalities felt free. The Lithuanians, who had weathered many severe storms in their history; who had successfully maintained their national traits under adversity; and had kept alive their love for freedom, proclaimed their national independence on February 16, 46 years ago.

During the next 22 years, prior to the tragic events of 1940, friends of freedom followed the steady progress made by the Lithuanian people in their newly created independent country. Lithuania's political, economic, cultural, and social life had developed along broad, progressive, democratic lines. In that short span of time, Lithuania became a model democracy in northeastern Europe.

Early in the 1940's all this was suddenly changed, as a result of World War II. Lithuania's independence and its people's freedom became one of the first casualties of that war. First by brute force it was brought under the heel of the Communist army; then made part of the Soviet Union.

In the course of the war Lithuanians also suffered under the Nazi yoke, because for some 2 years the country was occupied by Hitler's forces. Finally, toward the end of the war, Stalin's "liberators" came back, and they have been there ever since with all the evil features of Communist totalitarian tyranny.

Communist propaganda has been at work all these years to uproot and eradicate the spirit of independence and freedom deep in the hearts of the Lithuanian people. Fortunately the most oppressive measures contrived by the Communists have not extinguished that spirit of independence and freedom. Though they cannot openly celebrate their independence day, I am sure they are praying for the day when they will do so freely.

In this great Republic, the United States of America, we are happy to observe the annual celebration of Lithuanian Independence Day. We gladly join all Lithuanian-Americans and all freedom-loving Lithuanians elsewhere in commemoration of that anniversary. But if our words here today are to have any meaning at all, they must be backed up by action such as I have suggested earlier in my remarks. I call on the House leadership to assume true leadership in this critical matter, and in the name of righteousness to take at least the first step to unloose the chains that keep our brothers and sisters throughout the world in bondage.

DARTMOUTH'S SCHOOL FOR ALUMNI

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, Dartmouth College in Hanover, N.H., dedicated to the principle that men should never cease to learn, is initiating this summer a 2-week program of lectures, selected readings, and seminars for its alumni and their wives. Enabling those out of college to retain contact with the academic community and its spirit of learning, the program offers a challenging opportunity for individuals representing all areas of the American community to share ideas of common enrichment.

Dartmouth is to be congratulated for promoting "a sustained, serious intellectual relationship with its alumni." A college not only can but should continue to encourage the intellectual development of its former students. An informed citizenry is the backbone of American democracy. Dartmouth's efforts to stimulate the creative thinking of its alumni and to keep them abreast of vital ideas, if coupled with similar efforts by other colleges, will strengthen and enrich America.

The following article announcing the Dartmouth alumni program appeared in Time magazine, February 7, and I am pleased and proud to commend this report to my colleagues:

COLLEGES—SCHOOL FOR ALUMNI

> The best test of a college is whether its alumni continue to have a taste for learning—the very word alumnus comes from the Latin "alere," to nourish. Toward this end, college reunions are more and more becoming occasions to heft brains rather than bottles. Now Dartmouth has capped the trend by announcing a full-scale Alumni College to run for 2 weeks next August.
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> "This is not a missionary effort," says President John Sloan Dickey. "This is for people who have been reading already, but want somebody to discuss their reading with." Alumni College will welcome wives as well as men, charging about $250 per couple for tuition, dormitory housing, and food—"everything except the golf course."
>
> Chaired by Diplomat Ellis O. Briggs ('21), Alumni College will start classes at 8 a.m. for lectures and seminars in four areas—Science and Human Values, Current Economic Problems, Literature and Contemporary Affairs, and the Scientific Age: Dream and Reality. The faculty includes four Dartmouth professors in fields from physics to philosophy. Preparatory reading includes the "Book of Job," Thoreau's "Walden," Shakespeare's "As You Like It," Golding's "Lord of the Flies." On the evening agenda: plays, concerts, seminars in international affairs. In short, Dartmouth aims at what most U.S. colleges only dream of: "a sustained, serious intellectual relationship with its alumni."

FIRST PROGRESS REPORT OF THE SELECT COMMITTEE ON GOVERNMENT RESEARCH

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. ELLIOTT] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, today I have submitted to the House the first progress report of the Select Committee on Government Research of which I am privileged to be chairman. This report is offered, first, so as to bring the Members of the House up to date on the activities of the select committee since it was authorized by the unanimous passage of House Resolution 504 on September 11, 1963; second, it is for the purpose of setting forth some of our specific plans for the future.

That the committee is able to offer what I believe is a significant report within so short a time after the actual commencement of its operations is due to several factors. One is that we have assembled a competent, skilled, and dedicated staff; another is that the members of the committee, Democrats and Republicans alike, have offered truly splendid cooperation in helping launch on a sound basis our survey of Federal research and development programs. Still another reason for our progress is the expert counsel we have had from our General Advisory Committee composed of experts in administrative, technical, and legal fields.

As you know, Mr. Speaker, the Members of the House serving with me on the select committee are, on the Democratic side, the gentleman from Rhode Island [Mr. FOGARTY], the gentleman from California [Mr. MILLER], the gentleman from Illinois [Mr. PRICE], and the gentleman from Georgia [Mr. LANDRUM]; our colleagues on the Republican side are: the gentleman from Ohio

[Mr. Brown], the gentleman from Illinois [Mr. Anderson], the gentleman from New Hampshire [Mr. Cleveland], and the gentleman from California [Mr. Martin].

Our report properly notes—and I want to emphasize again—that the select committee is functioning in a spirit of bipartisan cooperation. I know this fact will be as much appreciated by the House as it is by me.

I should also mention, and do so gladly and gratefully, that the select committee has received much help and many good pointers from the standing committees of the House and a number of their subcommittees.

Our authorizing resolution instructs us to take advantage of the information gathered and compiled by standing committees of the House and this we have done and are doing to our great advantage.

In fact, the cooperation the select committee has received from all sources—Federal agencies, private organizations, and individual witnesses who have appeared before us—has been heartening indeed.

The witnesses who appeared at our preliminary information-gathering hearings represented those sectors of our Nation which are deeply involved in the Government's research and development activities: the Federal departments and agencies, private research organizations, institutions of higher learning, scientific and professional associations and private industry. A total of 75 persons submitted testimony to us and each of them spoke from authoritative positions in their respective fields.

From all this testimony, the committee discerned 10 major issues which seemed to be uppermost in the minds of our witnesses and which thus recurred with obvious frequency. These 10 issues, after being somewhat refined, are forming the bases for 10 studies which the committee has instructed the staff to undertake with our guidance. They are outlined in detail in our first progress report, but, briefly, they are:

First. Administration of research and development projects.

Second. Facilities for research and development.

Third. Fiscal and contractual policies and procedures.

Fourth. Impact of Government research.

Fifth. Student assistance in higher education.

Sixth. Interagency coordination of research and development projects.

Seventh. Statistical review of Government research and development.

Eighth. Documentation, dissemination, and use of research and development results.

Ninth. Manpower for research and development.

Tenth. National goals and policies.

We expect that these studies, as they are completed, will be printed in separate reports, and will significantly contribute to any recommendations which the select committee subsequently offers to the House.

Of course, other projects and activities are being conducted by the committee and its staff simultaneously with these mentioned studies. Such plans are spelled out in our first progress report.

Our report suggests, and I think rightly so, that the magnificent extent to which the American taxpayers, through their Government, have offered encouragement and support of research, and have sought to exploit the beneficent results of research for the good of our whole society, is unique. We further suggest that such support is perfectly natural, for Americans "seem to know that through research people find greater freedom."

It is equally true that the splendid results of American research and development programs are to a great extent realized because of an environment of freedom. The select committee is fully cognizant of this truth. Therefore, we have specified in this, our first report to the House, that while we hope to be able to help lay sound guidelines for the future, we shall also strive to insure "that the incentives for engaging in research and development are strengthened and safeguarded rather than strangled by excessive controls and redtape."

In conclusion, Mr. Speaker, I should like to repeat the cardinal tenet of the select committee, as recognized in the introduction of the report I have submitted today:

> Our only bias is one in favor of wisely conceived and soundly administered research and development programs designed to strengthen our country and promote the general welfare of our people.

TAX BILL

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the gentleman from South Carolina [Mr. Hemphill] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HEMPHILL. Mr. Speaker, I wish to include the February 7, 1964, Washington Newsletter of my distinguished senior Senator, the Honorable Olin D. Johnston, of South Carolina. This newsletter exemplifies an understanding of the impact of the tax bill on the wages and salaries of the people of America. It has been particularly helpful to me in answering a great many questions about the percentage of tax cut which would be enjoyed by people having various tax brackets. I think it will be of value to anyone interested in the tax legislation. The letter is as follows:

A Washington Letter, From Olin D. Johnston, U.S. Senator, of South Carolina

February 7, 1964.

Dear Fellow South Carolinian: The tax cut bill is a much better bill than I thought the Senate and Congress would approve. I wanted a tax cut to help people in the lower income brackets and this bill does just that. The bill gives $11.7 billion in annual tax relief. Of this amount, $9.3 billion is direct and immediate relief to individual taxpayers. The rest of the cut, $2.4 billion, would benefit corporations.

Virtually every American taxpayer—whether high or low income, single, or married, executive or wage earner—will pay less in taxes when the proposed tax program goes into effect. The vast majority of taxpayers will pay substantially less in taxes. The largest share of the individual tax reduction will go to those with incomes of $10,000 and less, who need it most, who account for close to 85 percent of all taxable returns, and who are likely to put a large part of their tax savings into the spending stream.

Principally as a result of individual tax rate reductions and the minimum standard deduction, those with incomes of $3,000 and less will have their taxes cut by an average of nearly 40 percent, when the program is fully in effect.

On the average, those with incomes in the $3,000 to $5,000 range would have their taxes cut by over 27 percent. Those with incomes in the $5,000 to $10,000 range would have their taxes cut by nearly 21 percent. Taxpayers with incomes of more than $10,000 would have their taxes reduced by more than 15 percent. Elderly taxpayers will also benefit substantially from the tax bill.

The most important benefit in the bill is that it gives an immediate income increase to the taxpayer, increasing his purchasing power, expanding the economy, and creating jobs. It is estimated that our economy will be expanded by more than $30 billion which will create nearly 3 million jobs. Sample tax cut tables follow:

Single taxpayer with standard deductions

Income (wages and salary)	Present tax	New tax	Tax cut	Percent of tax cut
$1,000	$60	$14	$46	77
$1,500	150	85	65	43
$2,000	240	161	79	33
$3,000	422	329	93	22
$4,000	620	500	120	19
$5,000	818	671	147	18
$6,000	1,048	866	182	17
$7,500	1,405	1,168	237	17
$10,000	2,096	1,742	354	17
$12,500	2,982	2,478	504	17
$15,000	4,002	3,334	668	17
$17,500	5,153	4,291	862	17
$20,000	6,412	5,350	1,062	17

Married couple with 1 dependent, with typical average itemized deductions

Income (wages and salary)	Present tax	New tax	Tax cut	Percent of tax cut
$5,000	$420	$309	$111	26
$6,000	576	434	142	25
$7,500	844	668	176	21
$10,000	1,328	1,087	241	18
$12,500	1,816	1,509	307	17
$15,000	2,369	1,976	393	17
$17,500	2,952	2,468	484	16
$20,000	3,590	3,000	590	16
$25,000	5,025	4,196	829	16
$30,000	6,648	5,559	1,089	16
$40,000	10,475	8,766	1,709	16
$50,000	14,912	12,536	2,376	16
$75,000	25,324	21,486	3,838	15
$100,000	37,134	31,526	5,608	15

Married couple with 2 dependents, with typical average itemized deductions

Income (wages and salaries)	Present tax	New tax	Tax cut	Percent of tax cut
$5,000	$300	$218	$82	27
$6,000	456	338	118	26
$7,500	720	561	159	22
$10,000	1,196	973	223	19
$12,500	1,664	1,337	287	17
$15,000	2,213	1,844	369	17
$17,500	2,772	2,318	454	16
$20,000	3,410	2,850	560	16
$25,000	4,821	4,024	797	16
$30,000	6,420	5,367	1,053	16
$40,000	10,188	8,525	1,663	16
$50,000	14,576	12,248	2,328	16
$75,000	24,952	21,168	3,784	15
$100,000	36,720	31,178	5,542	15

Married couple with 3 dependents, with typical average itemized deductions

Income (wages and salaries)	Present tax	New tax	Tax cut	Percent of tax cut
$5,000	$180	$129	$51	28
$6,000	336	245	91	27
$7,500	600	459	141	24
$10,000	1,064	859	205	19
$12,500	1,531	1,263	268	18
$15,000	2,057	1,712	345	17
$17,500	2,610	2,179	431	17
$20,000	3,230	2,700	530	16
$25,000	4,617	3,856	761	16
$30,000	6,192	5,175	1,017	16
$40,000	9,906	8,291	1,615	16
$50,000	14,255	11,971	2,284	16
$75,000	24,580	20,850	3,730	15
$100,000	36,330	30,840	5,490	15

Single taxpayer over 65, with standard deduction

Income (wages and salaries)	Present tax	New tax	Tax cut	Percent of tax cut
$1,000	0	0	-------	-------
$1,500	$30	0	$30	100
$2,000	120	$56	64	53
$3,000	300	209	91	30
$4,000	488	386	102	21
$5,000	686	557	129	19
$6,000	892	734	158	18
$7,500	1,243	1,031	212	17
$10,000	1,900	1,580	320	17

Married couple with 3 dependents, with standard deduction

Income (wages and salary)	Present tax	New tax	Tax cut	Percent of tax cut
$1,000	0	0	-------	-------
$1,500	0	0	-------	-------
$2,000	0	0	-------	-------
$3,000	0	0	-------	-------
$4,000	$120	$42	$78	65
$5,000	300	185	115	38
$6,000	480	338	142	30
$7,500	750	578	172	23
$10,000	1,240	1,000	240	19
$12,500	1,810	1,490	320	18
$15,000	2,460	2,040	420	17
$17,500	3,170	2,635	535	17
$20,000	3,920	3,260	660	17

Married couple with 4 dependents, with standard deduction

Income (wages and salary)	Present tax	New tax	Tax cut	Percent tax cut
$1,000	0	-------	-------	-------
$1,500	0	-------	-------	-------
$2,000	0	-------	-------	-------
$3,000	0	-------	-------	-------
$4,000	0	-------	-------	-------
$5,000	$180	$84	$96	53
$6,000	360	$230	$130	36
$7,500	630	467	163	26
$10,000	1,108	886	222	20
$12,500	1,658	1,361	297	18
$15,000	2,304	1,908	396	17
$17,500	2,990	2,485	505	17
$20,000	3,740	3,110	630	17

Married couple with no dependents, with typical average itemized deductions

Income (wages and salary)	Present tax	New tax	Tax cut	Percent of tax cut
$5,000	$540	$405	$135	25
$6,000	696	535	161	23
$7,500	976	782	194	20
$10,000	1,460	1,201	259	18
$12,500	1,972	1,641	331	17
$15,000	2,525	2,108	417	16
$17,500	3,133	2,618	515	16
$20,000	3,770	3,150	620	16
$25,000	5,229	4,367	862	16
$30,000	6,886	5,762	1,124	16
$40,000	10,775	9,018	1,757	16
$50,000	15,248	12,824	2,424	16
$75,000	25,696	21,804	3,892	15
$100,000	37,548	31,874	5,674	15

Married couple, both over 65, with standard deduction

Income (wages and salaries)	Present tax	New tax	Tax cut	Percent of tax cut
$1,000	0	0	-------	-------
$1,500	0	0	-------	-------
$2,000	0	0	-------	-------
$3,000	$60	0	$60	100
$4,000	240	$140	100	42
$5,000	420	290	130	31
$6,000	600	450	150	25
$7,500	877	686	191	22
$10,000	1,372	1,114	258	19

Married couple with no dependents with standard deduction

Income (wages and salaries)	Present tax	New tax	Tax cut	Percent of tax cut
$1,000	0	0	0	0
$1,500	$30	0	$30	100
$2,000	120	$56	64	53
$3,000	300	200	100	33
$4,000	480	354	126	26
$5,000	660	501	159	24
$6,000	844	658	186	22
$7,500	1,141	951	226	20
$10,000	1,636	1,342	294	18
$12,500	2,278	1,886	392	17
$15,000	2,960	2,460	500	17
$17,500	3,710	3,085	625	17
$20,000	4,532	3,764	768	17

Married couple with 1 dependent with standard deduction

Income (wages and salaries)	Present tax	New tax	Tax cut	Percent of tax cut
$1,000	$0	$0	-------	-------
$1,500	0	0	-------	-------
$2,000	0	0	-------	-------
$3,000	180	98	$82	46
$4,000	360	245	115	32
$5,000	540	402	138	26
$6,000	720	552	168	23
$7,500	1,009	800	209	21
$10,000	1,504	1,228	276	18
$12,500	2,122	1,754	368	17
$15,000	2,780	2,310	470	17
$17,500	3,530	2,935	595	17
$20,000	4,328	3,596	732	17

Married couple with 2 dependents with standard deduction

Income (wages and salaries)	Present tax	New tax	Tax cut	Percent of tax cut
$1,000	$0	$0	-------	-------
$1,500	0	0	-------	-------
$2,000	0	0	-------	-------
$3,000	60	0	60	100
$4,000	240	140	100	42
$5,000	420	290	130	31
$6,000	600	450	150	25
$7,500	877	686	191	22
$10,000	1,372	1,114	258	19
$12,500	1,966	1,622	344	17
$15,000	2,616	2,172	444	17
$17,500	3,350	2,785	565	17
$20,000	4,124	3,428	696	17

Married couple, both over 65 with typical average itemized deductions

Income (wages and salaries)	Present tax	New tax	Tax cut	Percent of tax cut
$1,000	0	0	-------	-------
$1,500	0	0	-------	-------
$2,000	0	0	-------	-------
$3,000	0	0	-------	-------
$4,000	$144	$103	$41	28
$5,000	300	218	82	27
$6,000	456	338	118	26
$7,500	720	561	159	22
$10,000	1,196	973	223	19

Sincerely,

OLIN D. JOHNSTON.

LITHUANIA REMEMBERED

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MULTER. Mr. Speaker, when Lithuania was opened by the Soviets a few years ago to visitors from the West, many diversified reports reached the free world. All of these eyewitness accounts, though, enumerated tales of deprivation, of shabbiness and neglect. Smiling faces, trim villages, and abundancy of products had disappeared from the country. Gone, too, were the numerous places of worship. The church buildings are still there, but have now been converted into warehouses, markets, stables, handcraft factories or art galleries. Prosperous farms have given way to unkempt, poorly cultivated collectives. An influx of Russian colonists has undertaken to continue the policy of Russification and to settle the barren lands and fill the vacant jobs caused by mass deportations and massacres of the Lithuanian people. However tragic the situation appears, each and every visitor from America and other countries of the free world report that the hope for a free and independent nation lives on in the hearts of the Lithuanians.

Communist indoctrination, persecution, and the threat of Siberia or liquidation have had little effect on the memories of this courageous people. Many have tasted liberty under a free and sovereign state, for on February 16, 1918, the independent Republic of Lithuania was proclaimed. With the breakup of the czarist empire during World War I, the Lithuanians realized that their moment in history had arrived. This act, their declaration of independence, then, was the rightful culmination of hundreds of years of servitude.

For 20 years, this Baltic State experienced the growing pains of new nations, became viable and economically stable, and enjoyed the respect of the world community. However, as war had created Lithuania, war was to destroy it. Victorious Russian soldiers during World War II drove from Lithuanian soil the beleaguered German Army and closed its borders to Western observers. In this way, Lithuania has become a Russian province, a part of the Soviet Empire.

The U.S. Government has refused formally to acknowledge this takeover and has steadfastly continued to recognize a sovereign Lithuanian state. Moreover, those fortunate enough to have escaped from Russian tyranny continue to celebrate each year, on February 16, the anniversary of the declaration of independence for their country.

Let us, therefore, as representatives and champions of democracy, extend the hope and wish to all Lithuanians throughout the world that their homeland will once more enjoy a sovereign status and will take its rightful place among the free nations of the world.

THE FUTURE OF THE DEMOCRATIC PARTY

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. Whitener] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WHITENER. Mr. Speaker, the Democratic Party of Gaston County, N.C., held its regular convention in my hometown, Gastonia, N.C., on Saturday, February 15, 1964. The keynote speaker at the convention was our distinguished colleague, the gentleman from South Carolina [Mr. Dorn].

The message which the gentleman from South Carolina, Congressman Dorn, gave to our people at the convention was superb in content and was delivered in the usual splendid oratorical style of the distinguished gentleman from South Carolina. He did, in fact, bring to the audience a message that should be heard throughout the land.

I make the remarks of our colleague a part of my remarks at this point in the Record:

The Future of the Democratic Party

(Keynote speech of Representative William Jennings Bryan Dorn, Democrat, of South Carolinia, at the Gaston County Democratic Convention, Gaston County Courthouse, Gastonia, N.C.)

Mr. Chairman and my fellow Democrats, Winston Churchill, in the fall of 1951, cautioned me about the danger of one of our great political parties becoming completely liberal. Prime Minister Churchill attributed England's decline to extremism in the Liberal Party. Churchill expressed the fear that the United States would become Socialist if all liberals became affiliated with one party and all conservatives became affiliated with the other. Someday, he said, the liberal party would be elected and the Nation would become completely nationalized and socialized from which there is no return.

It was my honor to serve in the House with John F. Kennedy and our President, Lyndon Johnson. A colleague of ours at that time was the late Vito Marcantonio, the independent and avowed liberal Socialist. Marcantonio confided in me many times that he was determined to unite all liberals in the United States into one liberal party which would force all conservatives into another party, thus replacing the Democratic and Republican Parties. Then, Marcantonio said, they would completely socialize the United States and there would thus be only one party—the Liberal Party.

The Democratic Party is not the party of the right or the left. It is the party of all the people. Even our dynamic, vibrant, growing Democratic Party cannot move forward if it is in the ditch on the left hand side of the road; nor can it move forward to its destiny if it is in the ditch on the right hand side of the road. We can and we shall move forward in the middle of the road with the time-honored principles and ideals around which all of the Democrats in our great party can unite. There is room in the middle of the road for liberals, moderates, conservatives, and all sincere, honest elements who wish to move forward with the party of the future. The Democratic Party has been and is today the party of all the people. We know no class, creed, nor "border, nor breed, nor birth." The ingredients of our party, as Kipling said, "come from the ends of the earth."

I am proud of the great traditions of our Democratic Party. We have championed the cause of the underprivileged and carried the banner of the typical American. We appeal to the elderly, yet we challenge the imagination of youth. In every section of our great land—the North, the South, the East, and the West—we have welcomed conservatives, liberals, moderates; and out of this melting pot we have fashioned our contribution to good government and leadership in these United States. Democrats have led the Nation in war and in peace. In peacetime we have led our Nation on the road to higher standards, to prosperity, unprecedented wages, and benefits for those who labor in the vineyard. In time of war we furnished that leadership and courage which eliminated forever the ambitions of the Kaiser, the raving Hitler, and the rampaging Axis war lords. Yes, we will move forward with this modern, dynamic philosophy of the Democratic Party. What is this philosophy? What have we done? What are our plans for the future? Upon what and around whom can we unite?

BASIL WHITENER

My fellow Democrats, in this area we are united behind Basil Whitener. It has become a habit for me to drive more than 400 miles to speak in behalf of my Democratic colleagues in the Congress. It affords me particular pleasure today to join you in honoring your great Congressman, Basil Whitener, who is a stanch, loyal Democrat. He is admired and respected by his colleagues as an able leader. No single Member of the Congress has fought more consistently and effectively for the textile industry and its employees than has Basil Whitener. When I speak of unity in the Democratic Party, when I talk of harmony, you understand it. We can unite in this District behind Basil Whitener, and he will carry the election in November not only for Whitener, but for the National and State Democratic ticket.

LYNDON BAINES JOHNSON

After the tragic assassination of our beloved President and party leader, John F. Kennedy, this Nation and the free world were fortunate, indeed were blessed, to have a man of Lyndon Johnson's experience, knowledge of government, dedication to freedom, and recognized leadership, to head the faltering Ship of State.

When Lyndon Johnson held up his hand and took the solemn oath of office as President on that sad day in Dallas, upon his shoulders fell the most overwhelming burdens ever placed upon any man in history. My fellow Democrats, no one ever came to this high office, in the history of this Nation, better qualified or more devoted to the principles and ideals that made this Nation great.

Lyndon Baines Johnson came to Washington, in the thirties, and rose to prominence under the distinguished leadership of the matchless Franklin D. Roosevelt. Upon many occasions, President Johnson said that Franklin D. Roosevelt was his second father. I say he picked a good one.

All elements of the Democratic Party can unite behind the banner of Lyndon Baines Johnson. President Johnson will be named our party standard bearer unanimously and by acclamation; and he will, with his usual decisiveness, alacrity, and energy be overwhelmingly elected in November.

FOREIGN POLICY

All Democrats can unite on the forthright, positive foreign policy now being formulated. The greatest single issue before the American people today is one of national survival. The cold war is still with us. There is no real lessening of tension. Our foreign problems may become manifold and continue to mount.

This administration realizes that we cannot and will not surrender in Guantanamo. This administration is aware that the Panama Canal is essential to the defense of the Western World and is the vital link between the Atlantic and Pacific. We know that Guantanamo, Haiti, and Santo Domingo control the Windward Passage and the great trade routes of the Caribbean. The soft underbelly of the United States is Central America. This area is alive with Castro agents and subversives. This threat to our security will be dealt with fairly but firmly.

The administration is keenly aware that the road to the oil-rich Near East and to the underdeveloped potential of Africa is the road through South Vietnam, Malaya, Thailand, and India. We will prevent the surrender of southeast Asia to the Communist aggressors of Red China. Recent developments make Washington keenly aware, as never before, of the truth in Lenin's reported statement that the "road to Paris is the road through Peking." We are aware of the sinister implications of the incidents on the road to Berlin last fall, the recent shooting down of an American plane over East Germany, and the lavish entertainment of Castro in Moscow. President Johnson has the experience and courage to lead the free world to ultimate victory in this struggle with mounting evil.

DEFENSE

The Democratic Party has always taken the leadership in preparedness, defense, and in national security. To maintain our defense posture, we must have the best Navy in the world—a Navy in complete control of the sea lanes of the world which are so vital to the preservation of freedom. We must maintain a powerful mobile, highly skilled Army that can be rushed overnight to the trouble spots of the world. We will maintain control of the skies over the free world with an Air Force second to none in support of the Army, Navy, and the Marines. We will maintain the necessary reconnaissance aircraft and fighter protection for our American cities. This administration will maintain a strong National Guard and Reserve—great traditional fighting forces which recall the past glories and accomplishments of our citizen soldier.

In this age of astronautics, it is imperative and necessary that we be first in space. We are not lagging in our exploration of space, but we are moving ahead. The Democratic Congress is appropriating the necessary funds to hold our own and move ahead in rocketry and missiles—our defense of the future. The United States is the heart and core of freedom and the arsenal of democracy. It must and will remain so.

My fellow Democrats, we can all unite on a strong defense, one ready and able to rush to the aid of our less fortunate allies throughout the world who are constantly under the Red gun of aggression.

ECONOMY IN GOVERNMENT

Every Democratic platform since the founding of our great party has advocated economy in Government. This is our program today. We have the President's assurance; and he has followed up this assurance with action and with deeds. Already great savings are underway in the Defense Department. Useless facilities are being consolidated. We will have a more efficient, hard-hitting military at less expense to the American taxpayer. In every agency and department of the Federal Government savings programs and efficiency programs are underway. They are being streamlined to meet the challenges of the space age and these complex times.

The Democratic Party has always championed the laboring man. The greatest threat to his paycheck and to his old-age security is inflation. Sound money is essential to preserve his purchasing power in the consumer markets. Inflation is a threat to his social security, fringe benefits, hospitalization, and the future education of his children. We will maintain our gold reserves. The American taxpayer today is receiving more for his tax dollar, thus paving the way for tax reduction. Economy in government is the greatest bulwark against inflation and cheap money.

TAXATION

The Democratic Party can unite on a sound tax program which affects the lives of every man, woman, and child in the United States and every business, large and small.

Tax revision and tax reductions are urgently needed so that our economy can move forward. Business expansion, with full employment, desperately needs tax reduction so that capital can be fed back into more jobs, higher wages, and an expanding, growing economy. When a business, small or large, is losing money and the tax burden too great, that business will simply fail, adding to the unemployment and welfare rolls. When an individual or business cannot make money, they cannot stay in business; and they cannot employ people; and they cannot pay taxes. If a business, large or small, through tax reduction and depreciation allowances can expand and grow, this means more jobs, higher wages, more opportunity, and more revenue for local, State, and Federal Government.

The American people in the lower income brackets bear a major portion of the tax load. Tax reduction will permit them to buy more consumer goods, thus reducing unemployment and the burden on our welfare and unemployment compensation funds.

Tax revision and tax simplification of forms is imperative and urgent. One of the greatest burdens borne by the housewife and the citizen is to keep books and notations about their every activity so that they can comply with the complexities of the Revenue Code.

In support of the Democratic Party tax program, I may point out the average American already works almost 4 months out of each year for government—local, State, and National. This burden is too great.

In supporting the President's program to curb a growing Federal bureaucracy, I point out the overwhelming burden on business to fill out blanks and questionnaires from overlapping Federal agencies. This burden is a serious threat to our economic progress and well-being. The greatest burden of taxation and keeping of records falls on the shoulders of those in the lower brackets where they cannot afford to employ attorneys and consultants on tax problems.

The Honorable WILBUR MILLS, his great committee, the House leadership, and the Senate deserve the commendation of the American people for their painstaking efforts to give us a good tax bill.

POVERTY

Poverty stricken people cannot educate their children. They cannot afford hospitalization. They pay little taxes—they are the recipients of tax revenue. They cannot take care of the aged and unfortunate. Poverty is a breeding ground for delinquency, violence, unrest, and even subversion. President Johnson and the Democratic Party have launched an all-out attack on poverty in this Nation of plenty. This is a timely and a commendable undertaking. It is an incredible paradox that in this, the wealthiest nation on the face of the earth, we should even find poverty and worse that we should find unconcern about this poverty. Poverty must be eliminated.

The No. 1 plan in our program against poverty is reduction of taxes and the encouragement of incentives through our private enterprise system. We believe in creating the opportunity for people to work. We believe that private enterprise should be encouraged by the Government and given every opportunity to expand, grow, and eliminate this economic cancer from our American society; but where private enterprise cannot or will not do the job, then, and only then, we believe government—local, State, and National—should move in with public assistance.

TEXTILES

The economic lifeblood of this Piedmont area is the great textile and related industry. The textile industry is the greatest single employer of our people. The future of your area depends upon a healthy, growing and even expanding textile industry.

When the Democratic administration was inaugurated on January 20, 1961, the textile industry was in a depression. Plants were closing. Thousands of textile workers were idle. Other thousands were on part time. Realizing the deteriorating textile situation, President Kennedy almost immediately outlined his famous 7-point textile program. Through tax advantages, depreciation allowances and, above all, the Geneva textile agreement, this great industry has been preserved. President Kennedy assured our informal textile group that excessive imports were unfair to our textile workers and would be held to 6 pecent of the 1961 level. Your Congressman WHITENER and Congressman LENNON, here today, were members of this informal group and rendered valuable service in working out a solution to the problems confronting the textile industry.

In your Democratic Congress, with a Democratic President, the future of the textile industry can be assured and will remain stable.

FARM PROGRAM

A cotton bill passed the House which is a step in the right direction. We cannot continue to lose cotton acreage to other nations of the world and stay in the cotton business; nor can our textile mills continue to pay 8½ cents per pound more for American cotton than the Japanese textile manufacturer pays for the same American cotton. This is not fair to the cotton farmer who will be put out of business or to the textile worker who could lose his job. I believe this Congress will pass a fair and equitable cotton bill, beneficial to both the cotton farmer and the textile worker.

I must reminisce a little about the farm to market roads, soil conservation, farm ponds for recreation, and for storage of water and flood control. I see green grass on the hillsides in the place of eroded gullies. I see pine trees and forests where there were once dust storms and drifting sand.

The Democratic Party took the lead in bringing to rural America the great rural electrification program. Rural America, before the coming of REA, was a dark land with limited opportunity. Now the picture is bright with opportunity for our rural boys and girls. Because of REA, rural America is a more attractive and a better place to live and rear our children.

The Southeast is coming into its own with soil conservation and year-round grazing. I do not believe that our great growing livestock industry will ever be subjected to Government controls, redtape, and subsidies. The Department of Agriculture assured me recently that they will make a thorough study and investigate the threat of foreign beef imports which is contributing to lower prices for our livestock. We have the machinery to take action if these imports threaten our livestock industry.

The tobacco program is working, and I believe an effective and fair wheat and corn program is in the making.

CONGRESS AS COEQUAL BRANCH

President Lyndon B. Johnson, in that historic message before a joint session of Congress on November 27, 1963, said:

"As one who has long served in both Houses of the Congress, I firmly believe in the independence and the integrity of the legislative branch. I promise you that I shall always respect this. It is deep in the marrow of my bones."

My fellow Democrats, we believe, with the Founding Fathers of our country, that the Congress should be a coequal branch of the Federal Government.

There is a sinister campaign of abuse and vilification underway to discredit the 88th Congress—a Democratic Congress. Of course, Mr. Chairman, some behind this campaign to ridicule the 88th Congress have hopes of electing a Republican Congress.

The first session of this Congress exhibited a courage and stamina beyond the call of duty. The last session, which ended during the Christmas holidays, was a great and fruitful session of the Congress. Through calm, cool, exhaustive, and deliberative action by this Congress, the American people will have a much better tax bill. The civil rights bill, which will affect the very foundation stones of this Nation, will be vastly improved. The 88th Congress gave to the world an improved foreign aid bill at less cost to the American taxpayer. The 88th Congress went over the $50 billion military appropriation with a fine-toothed comb, thus providing security for the free world at a saving to the American taxpayer. Democratic Congresses have ushered in the age of atomic power, astronautics, and space. May I remind you, too, the stock market and current economic trends indicate the wisdom of Congress staying in session and doing its duty. Prosperity indexes continue to spiral almost daily.

I do not believe the American people have ever elected a more conscientious Congress than the 88th. I have confidence in its leadership, its committees, its committee chairman, and its individual Members; and I can assure you that they will keep their covenant with the American people and uphold their oath of allegiance to the Constitution of the United States.

My fellow Democrats, these are only a few of the basic issues upon which we can all unite and move on to victory in November. Victory in November will usher in another era of national accomplishment for our country and another golden award in the trophy room of Democratic achievement.

The Democratic Party was firmly launched by Jefferson and Jackson as the party of the people. The Democratic Party became a symbol of States rights and individual freedom. Through lean dark years, it could always be revived again by a return to the principles of Jefferson and Jackson. Grover Cleveland, William Jennings Bryan, and Woodrow Wilson revived and rallied our party time and again.

In times of depression, Fascist aggression, and Communist terror, Franklin D. Roosevelt and Harry Truman held high the banner of the Democratic Party and led the Ship of State through many stormy seas. Time will not permit me to recall the great depression years with the bank holiday, social security, and reassurance to the American people through those trying years, nor the electrifying decision of Truman to defend freedom in faroff South Korea and to stand firm in Greece and Turkey.

The founding of the Democratic Party is a glorious chapter in American history. Early in our young Republic, the people were pitted against federalism. The philosophy of Thomas Jefferson won over that of the Federalist Hamilton, and the great Democratic Party came into being. Jefferson's philosophy, which is the philosophy of the Democratic Party, is one of special privilege to none, but equal opportunity for all. Jefferson, as the founder of our great party, used his influence and prestige to promote unity, harmony, and the general welfare. He never forgot the man on the frontier, the citizen in the log cabins, nor the little shopkeeper and the small businessman. He never lost faith in the men at the grassroots. Under his quiet, unassuming leadership, the United States became a Federal Republic of sovereign, indestructible States. Under his guidance, jealousy between the former Colonies disappeared and a great Nation emerged—a Nation respected throughout the world. He inaugurated a period of unprecedented prosperity, internal improvements, and trade and commerce. The Nation grew in population and wealth. It became a vastly expanded territory with Jefferson's Louisiana purchase.

Jefferson launched our great Democratic Party as the party of the people. He led the people to a better understanding of themselves and their role in a democratic society. Jefferson educated the people to their duties and responsibilities. He led them to realize they were a part of America. They began to look upon the Government as their agent—created and supported by themselves. They became self-reliant and independent. They had confidence in themselves and local institutions. They became accustomed under Jefferson to a minimum of Federal Government. They revolted against the very thought of Washington paternalism.

The first great product of Jefferson's philosophy emerged upon the national scene in 1828. Andrew Jackson was living proof of Jefferson's belief in equal opportunity. Andrew Jackson was the first to prove a log cabin frontier boy could go to the Presidency of the United States without the aid of powerful political machines and monopolistic wealth. Old Hickory, a native of this Carolina hill country and son of Tennessee, breathed vitality and courage into the Democratic Party. He attacked the evils of the day with alacrity and decision. He demonstrated the people's ability to think for themselves. Jackson was the first typical American.

The people Jefferson and Jackson loved and led were often cold, hungry, and poor. Jefferson and Jackson gave these people hope and dignity. They pointed out to them the road to success and even fame. These frontiersmen came to know and to love liberty, to cherish freedom. They became the rank and file of our Democratic Party. They struggled to preserve opportunity. They looked to tomorrow with optimism and hope for their children. They knew they were a part of America's progress and our Nation's march to a world power. They added morale to our armies in time of war. They fought for the right to go from "rags to riches."

We Democrats have a rich heritage, a glorious past, and a bright future. The Democratic Party must never turn the wheels of progress back to the days of monopoly and vested interests; nor should the Democratic Party turn the clock back to the stark specter of centralized Federal Government power with Machiavellian control of the masses by well-heeled, organized, and selfish interest groups of pressure.

The Democratic Party must move forward with its traditional confidence in the individual and in his ability to govern. We must rededicate ourselves to human rights, property rights, and individual responsibility. For our democracy to survive, it must be a self-disciplined democracy—one of restraint with respect for law and order. We are for preserving liberty and freedom for generations yet unborn. Democrats are for the Constitution as a magnificent document for all time to come.

We can only move forward with the most dynamic, progressive economic philosophy known to man, our private enterprise system which has brought to this Nation the highest standard of living in all the history of the world.

The Democratic Party is the party of the future. We are the positive force in a negative world.

STATEMENT OPPOSING 1962-63 AS A BASE PERIOD IN THE BEEF IMPORT AGREEMENT

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the gentleman from New Mexico [Mr. MORRIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MORRIS. Mr. Speaker, cattle producers in my State have been concerned about the effects excessive beef imports have had on our domestic market.

In the past few weeks, we have all been encouraged by reports that the administration was negotiating with Australia and New Zealand to secure a voluntary agreement for limiting their exports to us.

Out of total imports of 1.5 billion pounds of beef and veal in 1962–63, almost one-half came from these two countries. Prospects for reaching voluntary agreement with these two countries to limit their exports of beef to the United States were reported to be good. New Mexico beef cattlemen were encouraged.

Beef imports from these two countries have jumped from an average of 293 million pounds a year in 1958–59 to over 700 million pounds in 1962–63.

But, Mr. Speaker, I am now reliably informed that a voluntary agreement has just been concluded which gives us no relief at all. I am told that the Department of State has reached a voluntary agreement with these countries using the highest import years on record, 1962–63 as the base period for limiting future imports.

Beef imports from Australia and New Zealand in 1962 and 1963 were almost twice as high in these 2 years as in 1961 and over 2½ times as high as in 1960.

Mr. Speaker, I am outraged at such a proposed agreement and I know the cattlemen in New Mexico will be also. Why have any agreement at all if it is to authorize a continuation of the level of imports which has hurt U.S. cattlemen? Surely the sugar quotas we have given these countries are of sufficient importance to them to make them willing to look elsewhere for a market for a part of the beef they have been sending us in the last 2 years.

I find it hard to believe that the Australians and the New Zealanders would be unwilling to enter into a voluntary limitation agreement using a base period more favorable to us than their peak years if sufficient firmness and patience are exercised.

If we cannot obtain a better voluntary agreement than one to limit supplies to 1962–63 levels, I think we had better give up the voluntary limitation agreement approach. Some have suggested that we should explore the possibilities of the reallocation of our sugar import quotas or retaliatory actions in other trade practices.

However, it would appear to me that the avenue which now offers the best solution would be the introduction and passage of legislation, which would limit meat imports based on the last 10 years' average or some global quota arrangement similar to our present sugar import legislation. I have started drafting such legislation and encourage my fellow colleagues to take a serious look at the difficulty in which our domestic meat producers find themselves.

THE ANNIVERSARY OF LITHUANIAN INDEPENDENCE

The SPEAKER pro tempore (Mr. STRATTON). Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 60 minutes.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that at the end of my remarks today I be permitted to include an address given by me before the American Lithuanian Society of Washington, D.C. at the Washington Hotel at the luncheon of that organization, and that I be permitted to revise and extend my remarks further and include extraneous matter.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks that are submitted today at the end of my statement and other Members' statements on the same subject, and include extraneous matter.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that all Members be permitted 5 legislative days within which to extend their remarks in the RECORD on this same subject and to include extraneous matter.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that at the end of my remarks and in proper order the remarks of a number of my colleagues on this subject that I now submit be extended, and that they be permitted to include extraneous matter.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MADDEN. Mr. Speaker, if the gentleman will yield, I ask unanimous consent that in my remarks on Lithuania I may include a resolution passed by the East Chicago Lithuanian American Society of Indiana.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FLOOD. Mr. Speaker, we gather today for an important purpose—to honor gallant Lithuania, once a democratic bastion on the Baltic, smothered at long last by Russian imperialism. For most of its history Lithuania was a progressive leader in East Europe, building a Christian society, founded on law and ethics familiar to us all. It was temporarily conquered by Russia, but on February 16, 1918, the Lithuanian people rose against all the evils implicit in czarism and won their freedom. Ever since then, February 16 has been Lithuanian Independence Day, and this year, though Lithuania is again locked in the stranglehold of Russian imperialism, freedom-loving people in all parts of the world celebrate its 46th anniversary.

Many things might be said about Lithuania. In the speeches to follow, no doubt each Member will choose to emphasize a different aspect of the complex American feelings toward Lithuania.

I find it particularly encouraging in the cause of freedom around the globe, to find hope even in Lithuania's terrible misfortune—to find a silver lining in an otherwise uniformly gray cloud—by seeing what Lithuania's example might mean to other countries.

First, Lithuania has important consequences for small nations everywhere bordering Communist powers. Communism spreads by the easiest paths, absorbing all small nations it confronts, and only stopping when it reaches a nation determined and strong enough to defend itself, such as Finland, Turkey, Iran, or Yugoslavia. This is true of every Communist nation whether in Europe, Asia, or Latin America. Communist imperialism is limitless, as the peoples of Tibet, Korea, Laos, Venezuela, and Central America can certainly testify. Countries like Afghanistan, Cambodia, and Haiti should all take warning and be prepared for the worst. The United States has repeatedly made it clear that it can only help those countries who help themselves. American defenses are no substitute for vigilance by all free nations.

Second, Lithuania's experience can be a great aid in whipping away the mask of deceit assumed by Communists in propaganda broadcasts, in the United Nations, and in crises all over the emerging continents. Certain methods, such as peaceful coexistence, nonaggression pacts, and deliberate incitement of crises, have been continuously used by Communists for years. Lithuania was a victim of such tactics in 1919, throughout the interwar years, in 1940, and again in 1944.

Many times prior to the Bolshevik revolution, Lenin had stated that the minority nations conquered by czarist Russia, among them Lithuania, would be freed, if communism came to power. But as soon as the Bolsheviks captured Moscow, and Germany evacuated Lithuania, Lenin abandoned his promises. A puppet, Lithuanian Communist government was recognized, and the Red army marched in to support so-called legitimate claims of the Communists against the supposedly reactionary government of the Lithuanian National Council, in other words, to support a so-called war of national liberation. Does not this remind you of many later cases like Laos, or Czechoslovakia, or Korea, or Vietnam?

After the Red army was defeated by Lithuania in 1920, the Soviet Union signed a treaty renouncing all rights to Lithuania. Russian leaders began to talk of "peaceful coexistence." A nonaggression pact was signed in 1926, and a treaty defining aggression in 1933. All this occurred while Communists were doing their best to upset internal peace in Lithuania on the one hand, and Soviet leaders were making professions of peace and friendship on the other.

In 1940, these false words and actions were left behind in favor of the ones used when the final crisis arrives in a target nation. Supposedly to forestall far worse treatment from the Germans, the Soviet Union made demands on Lithuania which could never be satisfied. Soviet troops stationed in Lithuania created disorder, the Communist Party revolted, and the Red Army attacked in full strength. This time Lithuania could not resist. After being driven back by the Germans, the Communists returned through the same tactics in 1944. The National Government of Lithuania had no chance to operate freely.

From all this we can see the hazards in believing Communist phrases like "peaceful coexistence," "nonaggression," and "wars of national liberation," and in not combating methods like nonaggression treaties, military cooperation, and national Communist Parties. Some of these methods can be accepted by advanced countries, if carefully watched, and can even be used in reverse, to convert Communists. But for developing nations to enter such programs or treaties without adequate defenses is to invite disaster.

A third lesson can be taken from Lithuania to prove that Communist assumption of power is truly a disaster. It is an immediate disaster to all opponents of absolute Communist rule; it is a permanent disaster to the happiness of the nation.

When the Communists overpowered Lithuania in 1940 and again in 1944, every known or suspected anti-Communist was either executed or deported to Siberia. Millions of people were murdered, either by direct mass executions or mistreatment during long marches into Siberia. Religious leaders and active democratic party leaders especially suffered. No regard was given at all to legal and moral protections for the individual, such as search warrants, jury trials, and legal representation. Trials of any kind were rare. They were only used when the Communists wished to make an example of a prominent person.

Permanent misery has resulted from the Communist takeover of Lithuania. A great deal of property was destroyed. Collectivism was forced on the farmers and industrial workers. Living standards fell drastically and have never recovered. Thousands of divided families have suffered death and sorrow. Maybe worst of all, Lithuanians have experienced every day, on the individual level, the worst kind of greed and brutality. Such an experience does much to turn people from the Christian concept of love for your neighbor, to the Communist concept that every free individual is an enemy of communism and has no basic human rights.

These few lessons derived from the Lithuanian example may give some value to an essentially horrible experience. If the world takes alarm from Lithuania's sacrifices, then the sacrifices are surely not in vain. But this is not meant to say that Lithuania now must be only an example, because there is one final lesson to be learned from it—this time for the Communists themselves.

That lesson is that the mind of man eternally yearns to be free. For every life taken in oppressing liberty, two lives are newly dedicated to the task of creating liberty. The Lithuanian people have served for 24 years as an example of the terrors of communism. But someday they will serve again as an example, and proof, that the thirst for freedom is unquenchable, that the courage of patriots is undefeatable.

Then, on a happy day, in a happy year, Lithuania will be able to grasp the hands outstretched by fellow free nations and take up the celebration of Lithuanian Independence Day itself, deriving new pride and new courage from the example of these oppressed years.

LITHUANIA AND DEMOCRATIC FOREIGN POLICY

(Address delivered by Congressman FLOOD, February 16, 1964, 46th anniversary of Lithuanian independence, before American Lithuanian Society, Washington, D.C.)

I am very happy to appear today for the purpose of commemorating the independence day of a formerly democratic nation, Lithuania. Most Americans know about our own past expressions of the theory of democracy—in the Declaration of Independence, framed in the immortal words of Thomas Jefferson; in the magnificent principles of the Great Emancipator, whose birthday we celebrated only last week; in the Bill of Rights, and many other places. But many Americans do not realize what real significance these principles have in the conduct of our foreign policy, especially in our relations with small and unaggressive nations. Democratic practice in this field is such a startling contrast with that of the Soviet Union, so amply demonstrated in the history of Lithuania, that it bears special mention. Also, in times of confusion and attack on American policy toward the small countries by extremists of all kinds, the principles of democratic foreign policy can stand clarification.

Today the Russian Soviet Republic is ringed by a large number of captive nations. We call them captive nations because they have populations socially, ethnically, and linguistically distinct from the Russian population. Moreover, their histories evolved separately from that of the people centered around the ancient principality of Moscow, until at various points in history the constantly expanding Russian people confronted them and, after a struggle, conquered them.

These countries range from the Baltic States—Estonia, Latvia, and Lithuania—through the Ukraine, Byelorussia, Poland, Hungary, East Germany, Rumania, Czechoslovakia, Bulgaria, Albania, the Kirghiz Republic, Armenia, Turkestan, and several others. We may even include China, North

Korea, North Vietnam, north Laos, and Tibet, because these areas are all controlled by Chinese Communists in the Bolshevik-prescribed manner and are essentially the same, despite recent conflicts between Russia and China. Their differences are, without a doubt, still in methods, not goals, though many Americans would certainly like to think otherwise.

These nations were all brought under control through the efforts of the Kremlin. After the czarist empire fell, nearly all the East European nations I have cited revolted; some obtained their freedom, like Lithuania, some did not. But World War II, brought the conditions which enabled the Soviet Union to spread its power far wider than the czars had ever managed. This was done by subversion of all efforts at national unity, disturbance of peace within these nations, and in most cases, a final settlement forced by an invasion of the Red army. Even such major uprisings as those in Poland and Hungary in 1956, and East Germany in 1958, have been crushed by the Red army, with no regard for the wishes of the people. The methods used by Communists are well known. Their results are in the monolithic bloc of responsive nations subserviently following Communist leadership.

All this has been said many times before. But, I think, the contrasts with American practice and principle have not been sufficiently and clearly enough stated.

Basically a democratic nation like the United States will in every possible circumstance support a world of independent nations, free to do everything except usurp the rights of their neighbors. Such is the system enunciated in the Charter of the United Nations, much of which was written by representatives of the United States. This system allows a relatively broad range of action. Not every nation must be a model of the United States. All that is necessary is that it avoid using arms to settle disputes. Indeed many nations, which are essentially dictatorships, would be tolerated by the United States, if they were not aggressive, because a prime element of democratic foreign policy is to avoid interference in the internal affairs of another state. This is why there has never been a democratic organization similar to the Comintern, or an international party owing allegiance to Washington. Moreover, a democratic foreign policy allows that a people must be satisfied with a government if they do not arise and throw it out, which of course becomes a different problem if the government is supported by outside arms, as in the "captive" nations. In that case the democratic forces deserve the same degree of aid as the government receives from outside.

This is why the United States will only continue to support South Vietnam as long as the people there continue to support democracy. Once they decide they prefer communism, the United States would become the occupying power, if it remained, not China.

The strength of these principles is everywhere evident in the relationships of the United States to the world. On our borders are weaker nations we could have conquered long ago if we desired. Certainly Mexico and Canada, contrasted with Lithuania, can speak of the benefits of a democratic foreign policy.

Also the United Nations feels the strength of American conviction everyday, when we support a third of the regular budget and more than 50 percent of peacekeeping operations. If the Soviet Union believed in peace or democracy, it would also support such operations, which have been freely established by the world community. It thus becomes clear that the Soviet Union will only support those nations it believes will unerringly follow its lead, or which it is trying to win over. And the only nations which follow it to its own satisfaction are those captive nations already mentioned. Thus, captivity becomes the only hope for nations deciding to follow the Communist line.

The methods used in American diplomacy also reflect democracy. Disputes are settled wherever possible by discussion, in which we try to see the other nation's viewpoint. If arms are used, as in Vietnam, it is only done at the invitation of the native government, as long as that government is openly supported by a majority of the people, or in response to armed attack. We have sometimes, many years ago, gone further in using arms than we should have. But every such case was a particularly serious one, and we soon withdrew. Again our policies in such cases, in Nicaragua, or Mexico, or the Philippines, where we used force, contrast sharply with those of the Soviet Union in Lithuania or Poland. Once Russian troops are in a country they never leave—voluntarily. And, needless to say, while they are there, not the slightest opposition is allowed. At no place in history can be found anything like the terrible executions, concentration camps, and total disregard for human dignity, associated with Russian occupation.

There are no doubt many other points and cases that could be considered. But my purpose here has just been to point out some of the really essential differences between democratic and Communist foreign policies. The Communists realize themselves what great attraction democracy has, for they have adopted the term, corruptly applying it to their own policies. But most people are aware that any term, whether "democracy," "peace," "peaceful coexistence," or anything else, always means just what Communists want it to mean, nothing else. No matter what terms they corrupt, or what mask they put on communism, they cannot hide its true character.

Therefore, on the 46th anniversary of Lithuanian independence, we can reflect that Lithuania's plight presents the world both the greatest good and greatest evil presently imaginable. Lithuania has known the good of democracy and today unwittingly, and unwillingly, plays a great role in clarifying the immense rewards of democracy. At the same time it suffers the greatest evil from Communist captivity. The bravery of the Lithuanian people in their suffering will forever be an example for the rest of the world.

I must say the Lithuanian people have proven their great abilities wherever they have been free, whether in this country, or in Lithuania between 1918 and 1940. I am sure Lithuanians under captivity have not forgotten their long tradition of freedom, and that Lithuanians wherever they are will work for the independence of their homeland. Then from out of its present sufferings, a new Lithuania will arise, free again, and ready to rejoin the community of democratic nations. That day will surely bring the greatest joy to the hearts of the Lithuanian and American people alike.

PITTSTON, PA.,
February 16, 1964.

The Honorable DANIEL J. FLOOD,
The House of Representatives
Washington, D.C.

MY DEAR CONGRESSMAN: Enclosed is a resolution adopted by the members of SLA District 7; IRKSA District 5 and the Wyoming Valley Tauras Club.

This resolution was read over station WILK, Wilkes-Barre, Pa., today to commemorate the 46th anniversary of the independence of Lithuania. The resolution expresses the dedication to the freedom of mankind, and that Americans of Lithuanian descent are working energetically toward the day when Lithuania will again be on the roll of free nations.

Thanking you, for your continued help in our fight. I remain

Sincerely Yours
MRS. JOHN BAYORAS,
Secretary SLA, Seventh District.

Resolution unanimously adopted by the executive board members of the Lithuanian Alliance of America, District 7; the Roman Catholic Alliance of America, District 5; and the Tauras Club of Luzerne County, at a joint meeting.

Whereas February 16, 1964, is the 46th anniversary of the establishment of Lithuania as a free and independent republic; and

Whereas Communist Soviet Russia continues to apply a policy of vicious destruction against peoples which she thinks might stand in her way to future expansion of world communism; and

Whereas the Lithuanian people are opposed to any foreign domination of their country, and oppose the communistic form of government; and

Whereas the eyes of the unfortunate are set on the United States of America as the champion of the oppressed: Therefore be it

Resolved, That the liberation of Lithuania and other captive countries be reemphasized as a major program of the United States foreign policy; and that the restoration of freedom and sovereign rights to all captive nations be the goal.

ADAM MILIAUSKAS,
President SLA, District 7.
ADOLPH NORVASHA,
President, District 5.
MRS. JOHN BAYORAS,
Secretary SLA, District 7.
DANIEL STADULIS,
President, Tauras Club.

Citizens of the Metropolitan Washington area gathered February 16, 1964, under the auspices of the American Lithuanian Society, at the Washington Hotel, in Washington, D.C., for the observance of the 46th anniversary of the restitution of the independence of Lithuania, after due deliberation, voted the following resolutions to be transmitted to the President of the United States, the Secretary of State, Members of Congress of the United States, the diplomatic representatives of the Republics of Lithuania, Latvia, and Estonia, and to the press:

1. We wish to add our voices to other expressions by fellow American citizens of their gratitude to the several succeeding administrations which, ever since July 23, 1940, steadfastly refused to recognize the fruits of the Hitler-Stalin connivance at aggression and continued to recognize the diplomatic and consular representatives of the Republics of Lithuania, Latvia, and Estonia in the United States.

2. Viewing with gratification the steady progress and peaceful accession to sovereign statehood and independence by various peoples on the Asian and African continents since World War II, achieved in most cases in cooperation with countries formerly possessed of those areas, we deplore the contrary trend in Europe, where the Muscovite Soviet empire reduced to colonial status a number of formerly independent states with centuries-long traditions of sovereignty and which had played an active part in the development of the Christian European civilization, as Lithuania and other countries of Central and Eastern Europe.

3. The Washingtonians, Marylanders, and Virginians gathered at this commemorative observance, urgently request the Government of the United States in its quest for peace with liberty and justice, to concern itself more actively, with the urgent problem of removing the major obstacle to peace in Europe—by actively promoting in the United Nations and in meetings with the leaders of

the Soviet Union the efforts to restore to the people of Lithuania and other similarly situated countries their untrammeled sovereignty and to provide the conditions enabling these people to choose their own government without the presence of troops of a foreign power and of its political arm.

4. Finally, we extend our greetings and best wishes to the people of Lithuania on the occasion of their cherished Independence Day.

WASHINGTON, D.C., *February 16, 1964.*

(The following is a summary of a speech delivered by Joseph Kajeckas, Chargé d'Affaires a.i. of Lithuania, at a luncheon of the American Lithuanian Society of Washington, D.C., and also comprises the substance of his remarks delivered in translation over the Voice of America on February 16, 1964, the 46th anniversary of Lithuania's Declaration of Independence.)

On this 46th anniversary of Lithuania's Declaration of Independence, we recall that Lithuania has one of the richest histories of any of the states of Eastern Europe, for she was established over 700 years ago by King Mindaugas. Not only is Lithuania's heritage an ancient one, but we must remember with pride that she was once one of the largest nations of Eastern Europe.

At the same time we recall that, when Lithuania became a free and independent member of the family of nations in 1918, she embarked on an enviably illustrious path of progress in agriculture, industry, the arts, and the allied forms of self-determined human dignity and perfectibility.

Now, the proud Lithuanian state is in the grasp of a totalitarian regime that wishes to annihilate even the memory of Lithuania's golden days of freedom and independence. But the United States and other nations of the free world have refused to recognize the Soviet aggression in Lithuania and the other Baltic States; this has been repeatedly emphasized in statements of several American Presidents, including the late President Kennedy, and his successor, President Johnson, who 3 days ago emphasized that the role of free men in a world yearning for peace is to stand for "what is right, what is honorable, what is enlightened." In the face of such a commitment, the words uttered almost simultaneously by Premier Khrushchev in a state letter reek of pale hypocrisy: "If the sovereignty of states is not an empty word written down in the United Nations Charter * * * why do they want to exclude the Republic of Cyprus from * * * the benefits of sovereignty?" The answer is that the Kremlin wishes to subjugate Cyprus and Lithuania and the world to its own ideal of arbitrary political and economic conformity; but the people of free Lithuania remain steadfastly allied with all those who promulgate the freedom of national purpose, human honor, and dignity. May the rebirth of Lithuania come soon.

Mr. McCORMACK. Mr. Speaker, the birth of the modern Lithuanian state goes back to the mid-13th century, when in 1253 the country was united under the rule of a single monarch. Since that significant date Lithuania's turbulent history has had its ups and downs. Marked by greatness and glory during the first few centuries, misery and misfortune have claimed a large share in the lives of the Lithuanian people during the greater part of the last 200 years. During the 14th and 15th centuries Lithuania became one of the most powerful and great states in all Europe. In the 16th century Poland and Lithuania were united under a Lithuanian king. From then on the fate of Lithuania was bound with that of Poland. Late in the 18th century, when Poland lost her independence and most of that country became part of czarist Russia, Lithuania shared the same fate.

For more than 100 years stalwart and stout-hearted Lithuanians suffered under the harsh and autocratic Russian regime. During all of that unhappy time the Lithuanians did not lose sight of their great common objective, the attainment of national independence. In 1918, when the czarist Russia's decrepit regime was no more, proud and brave Lithuanians proclaimed their political independence on February 16, 46 years ago.

During the next 22 years, prior to the tragic events of 1940, all friends of freedom followed the steady progress made by the Lithuanians in their newly created independent country with keen interest. All Lithuanians were justly proud of the splendid record of their performance during those two peaceful decades. Lithuania's political, economic, social, cultural, and intellectual life had developed along broad and progressive democratic lines. During that relatively short time Lithuania had become a model democracy in northeastern Europe. It had become a respected member of the community of sovereign nations, and the Lithuanian people were quite content with their lot.

Early in the last war, however, independent Lithuania became a casualty of that world-rocking event. First, it was brought by brute force under the heel of the Red Army. Then it was made part of the Soviet Union. In 1941, when the Nazi and Communist tyrannies began to wage their life-and-death struggle, Lithuania came under the Nazi regime. Finally toward the end of the war, the Red army came in once more as "liberator," and it has been there as conqueror ever since. This Soviet-style "liberation" has been so complete that since 1945 Lithuania has been sealed off from the free world. Soviet propaganda and oppressive measures have been at work trying to uproot the spirit of independence among the Lithuanians. These liberty-loving people have either been silenced, imprisoned, or carted off in freight cars to distant and desolate parts of the Soviet Union. They were evicted from their homes by the tens of thousands and their place was colonized by Communists from Asiatic Russia. Under such sad circumstances, there can hardly be a celebration of national independence day there.

In this country we have always joined all Americans of Lithuanian descent in the celebration of Lithuanian Independence Day. As Speaker of the House of Representatives, I gladly do this again on the 46th anniversary celebration of that historic event, and in unison with all these loyal and patriotic American citizens, I pray for the deliverance of the Lithuanian people from Communist totalitarian tyranny.

Mr. ALBERT. Mr. Speaker, I also would like to express my sentiments regarding Lithuanian Independence Day. Just as a Lithuanian pastor has opened the U.S. House of Representatives today with a prayer, I offer a prayer for all those Lithuanian men and women who have unselfishly and honestly served their God and their country and the undying ideals of their noble ancestors.

It is sad to say that very few persons in this country know anything at all about the Lithuanian nation in particular or anything in general about that people residing on the northeastern Baltic shores of Europe from time immemorial. That independent state was recently among the smaller countries of Europe, but Lithuania was not always a tiny Baltic nation. To tell the story of Lithuania, its past and present, the history of the Lithuanian nation and its national aspirations, would be to present a review of the kaleidoscopic changes that have marked her long history. A definite and unbroken continuity characterizes her history from the very first days of her appearance as an organized political entity some 800 years ago. The Lithuanians and Latvians of the 20th century are the survivors and descendants of the Asian race, one of the eastern branches of the Indo-European family. In medieval times the Lithuanian kings ruled most of what is now Russia. After four centuries of union with the Poles, Lithuania, coveted by imperial Russia for its Baltic ports, fell to the czar when Poland was dismembered by the three great eastern powers of the time. Thus, in the latter part of the 19th century this nation was so humiliated by suppression of its nationality by the Russian Government that even its name was denied a place among the nations of the world. National liberation came only in the final year of World War I. As we know, yesterday, February 16, was the 46th anniversary of the restoration of independence of this proud nation. There followed a short 22 years of life given to Lithuania as an independent nation which years were filled with threats and deprivations, but the people, including the thousands of Lithuanian Americans, lived happily in their national fulfillment. Then they fell under the ruthless boot of the Soviets. But even so, the United States of America has never recognized the incorporation of Lithuania into the Soviet Union and we continue to maintain diplomatic relations with representatives of the free Republic of Lithuania.

This is the story of the Lithuanians—bloodbrothers with us in their love of freedom. No man can know a Lithuanian without discovering that a never-dying passion for the independence of his country is eating into his soul. It is a wronged nation. The demand of this most oppressed of little countries shall receive the tenderest sympathy and the most practical support from her just and generous bretheren, the American people.

These are a people whose glorious past and then renascence, under peculiarly moving conditions, are surely an earnest of great future achievement in all constructive activities. We must recognize the legitimate aspirations of the Lithuanian people. The American public, so devoted to the preservation of the ideals of liberty and freedom and human dignity, must become better acquainted with the story of Lithuania; must understand better the contributions which a people, in spite of various and tremendous obstacles entirely beyond their control, have attempted to make and have made toward the advancement of civilization and the increase of happier relations among the members of that family of nations with which the Creator has blessed this world. I entreat all within this Chamber not to forget this Republic that was first to fall to the Soviet Bolsheviks. We must all remember in 1964 the proud people of suffering Lithuania.

Mr. RHODES of Pennsylvania. Mr. Speaker, in the annals of history the Lithuanian people are associated with a tradition of independence of spirit. For centuries theirs was an independent country, extending at one time from the Baltic to the Black Sea. Their civilization was advanced beyond that of all Eastern Europe. When they were overrun by the Russians hordes from the east, it was only physical domination that they experienced. The culture, the religion, the language, the traditions of the Lithuanian people never succumbed to the many efforts at Russification. Their historical independence of thought could not be overcome.

In 1918, with the end of World War I, Lithuania was reborn as a nation and the self-determination of its people became a reality. Political freedom was to allow a renaissance of the spirit of independence which the Lithuanian people had preserved beneath the yoke of oppression. It is that rebirth which we celebrate today.

Though political freedom was to be short-lived, though domination by Soviet Russia was to come with World War II, this tragedy and outrage was for the Lithuanian people but an unfortunate episode in their long and more glorious history. Their separate civilization, their faith in the future, and the spirit of independence are as alive today as ever.

Mr. Speaker, I request that a resolution unanimously adopted by the Liths Club of Shenandoah, Pa., be inserted in the RECORD following my remarks:

LITHS CLUB, SHENANDOAH, PA.

Resolution unanimously adopted at the meeting of the Liths Club, on January 26, 1964, Shenandoah, Pa.

Whereas on the 16th day of February 1918, Lithuania proclaimed her independence and instituted her own democratic republic, which in a short 22 years made great progress in all fields of endeavor; and

Whereas by the treaty of Moscow of 1920, Soviet Russia recognized the sovereignty and independence of Lithuania and voluntarily and forever renounced all sovereign rights possessed by Russia over the Lithuanian people and their territory; and

Whereas the U.S. Government on July 23, 1940, condemned such aggression and refused to recognize the Soviet occupation of Lithuania: Now, therefore, be it

Resolved, That we, the members of the Liths Club of Shenandoah, Pa., reaffirm our adherence to the American democratic principles of government and pledge our support to our President and our Congress to achieve lasting peace, freedom, and justice in the world; and be it

Resolved, That we petition our Government and ask it to use its influence and power to the utmost, so that Lithuania and her people may be free and independent again; and be it further

Resolved, That copies of these resolutions be forwarded to the President of the United States, His Excellency, the Honorable Lyndon B. Johnson, the Secretary of State, the Honorable Dean Rusk, our Ambassador to the United Nations, the Honorable Adlai Stevenson, our U.S. Senators, the Honorable Joseph S. Clark and the Honorable Hugh Scott, our Congressman, the Honorable George M. Rhodes, and to our Governor of Pennsylvania, the Honorable William W. Scranton, and also to the press.

JOHN L. LINK,
President.
EDWARD DERRINGE,
Secretary.

Mrs. KELLY. Mr. Speaker, while the Lithuanians constitute one of the smallest nationality groups in Europe, they have had their grandeur and glory in the distant past. During the late Middle Ages theirs was one of the most powerful kingdoms in Eastern Europe, and as such it was a veritable rampart between the Asiatic hordes invading Europe and the West. At the same time they were redoubtable champions of Christianity in that part of Europe for centuries. Then, at the end of the 18th century, they lost their independence and lived under the czarist regime of Russia for more than 100 years. In 1918 they regained their independence, only to lose it again very early in the last war.

Lithuanians proclaimed their independence on February 16 of 1918, and thereafter for a little more than 20 years they lived in peace in their liberated country. Having rebuilt their war-torn country, and having put their homes in order, they had created a new and truly democratic way of life in their homeland. But this happy period seemed like a dream; it did not last long. Unfortunately what happened was the very worst they had expected. Soon after the outbreak of the war Lithuania had to deal alone with its implacable foe in the East, the Soviet Union. Early in 1940 Soviet troops were stationed in certain strategic parts of the country; in June it was occupied by the Red Army, and a month later the country was incorporated into the Soviet Union. Since those fateful days Lithuanians have not known freedom in their homeland. Today some 3 million Lithuanians are suffering under the stern and unbending regime of Communist totalitarian tyranny. On the 46th anniversary celebration of their independence day we all ardently hope and pray that soon they will again attain their independence and live in peace in their beloved homeland.

Mr. CELLER. Mr. Speaker, never dare we forget that the precious light of freedom in Lithuania has been snuffed out by the ruthless ambition of the U.S.S.R. In light of what has happened in Lithuania it is always bitterly ironic to hear the Soviet Union hurl accusations of colonialism against the free nations. Lithuania had once been a free, independent, viable nation. Neither we nor they can overlook the history of these 46 years when we witnessed an independent nation become enslaved. Just so long as we remember, just so long will there be hope of the dawn of that day when Lithuania will recover its right to live and prosper as a free people.

Mr. MINISH. Mr. Speaker, with the end of the First World War came the ushering in of a new era to a large group of nationalities, set free by the collapse of the old order and the doctrine of self-determination. To these groups came the first real chance in decades to attain national independence. Such was the case with the Lithuanian people, who regained their liberties as the climax of the war approached.

For several centuries the brave and patriotic Lithuanians had been deprived of their independence. Their country was annexed to the Russian empire. During that time they endured all the harshness and brutality of an unscrupulous alien regime. While bearing the almost unbearable yoke of czarist Russia's autocratic regime they managed to keep alive their national ideal—the ideal of national political independence. It is indeed remarkable how a few million Lithuanians succeeded so well in preserving their own distinctive tradition and culture, their language, their national church, and avoided being swallowed up in the polygot Russian Empire. They persevered in their hope for many, many decades and in 1918, when the leaders of Lithuania proclaimed their country's independence, all Lithuanians joyfully saw the realization of their most cherished dream.

During the score of years which separated the two World Wars, Lithuanians rebuilt, and indeed practically recreated, their liberated country. In the course of that time Lithuania became a model democracy and its people content with their lot. Unfortunately, however, the Lithuanian people could not change the course of world events; and when aggressive nazism and communism moved against their country, it became a victim of these ferocious forces. That was in mid-1940. At the end of the last war the country was liberated by the Red army and was delivered over completely to Soviet communism.

Since then Lithuania has been part of the Soviet Union, and the ruthless regime of the Kremlin has obliterated all traces of freedom and independence in that once progressive democracy. So the celebration of Lithuanian Independence Day is accompanied by mixed emotions—joy and happiness at the memory of the momentous events of 1918, but grief and sorrow at the recollection of the tragic fate of Lithuania since World War II. All friends of Lithuania in the free world heartily hope that the Lithuanian people will soon be given the opportunity to regain the freedom they enjoyed in the two decades between the wars.

Mr. DINGELL. Mr. Speaker, in spite of the recent thaw in relations with the Soviet Union, we have not forgotten the submerged Baltic nationalities that yet remain an integral part of that country. Today we celebrate the 46th anniversary of the independence of the largest of these peoples, the Lithuanians, who declared their independence from Russia on February 16, 1918, only to be reenslaved by them during World War II. This once mighty European state was, until the First World War, a province of czarist Russia, following the callous division of Poland and Lithuania by their powerful neighbors in 1795. For over 100 years the brave Lithuanians had resisted Russian authoritarianism and attempts at Russification. They continued to dream of the time when they could throw off the Russian yoke. Their opportunity came in 1918, the year that the Russian throne finally toppled and World War I ended.

But their declaration of freedom was not to go unchallenged. Red armies fought these brave patriots to reincorporate this Baltic nation into the new Communist state. But their aggression was not successful and they were beaten off. In the ensuing decades, the Lithuanians, for the first time in over a century, were able to direct their own affairs. Giant strides forward were made in agriculture, industry, and social improvement.

With war clouds once again gathering over Europe in the late 1930's, this liberty was not destined to last for long. Land-hungry dictators, eager to settle their own people on Lithuanian soil, had long coveted the independent Baltic state. First Germany, then Russia, made impossible demands on Lithuania. After years of great hardships suffered under the two opposing armies during which many Lithuanians were killed, deported, or fled, Lithuania found itself once more a part of its big eastern neighbor.

We, as freedom-loving Americans, have never accepted this usurpation on the part of Russia. We have never recognized the unrepresentative Lithuanian Socialist Republic, but continue to remain true to the former regime. We fought in two World Wars to make the world safe for democracy and for the self-determination of all nations. No matter what the present political climate, we have not forgotten the Baltic peoples and their plight under Russian rule. We continue to support them in their hour of subjugation and look forward to the day when they will once more be free.

Mr. ZABLOCKI. Mr. Speaker, February 16 marks the 46th anniversary of the proclamation of independence of the Republic of Lithuania.

I should like to join my colleagues today in calling attention to that important anniversary. Our respects today are extended to Lithuanians both here in this country and those living behind the wall of silence under a bondage that may stifle, but can never break, Lithuanian resistance to communism.

The peace-loving people of Lithuania were and are presently subjugated to an alien philosophy which denies the dignity of man and deprives him of his freedom. However, the brave people of Lithuania have never lost their fierce desire for liberty and are hopeful that the yoke of Communist oppression will be lifted from their land.

Mr. Speaker, on February 16, 1918, the Lithuanian people, after centuries of czarist domination, established their own government and proclaimed their independence. This period of independence was maintained until 1940, when Lithuania was again brought under Russia rule.

It is my desire that the political, religious and cultural freedom of the Lithuanian people should be a continuing objective of U.S. foreign policy.

By commemorating this objective today, we remind all Americans, not only those of Lithuanian descent, that Lithuania once again will enjoy those freedoms which we cherish.

It is only fitting that we raise our voices today to pledge that we support Lithuanian efforts to roll back the heavy hand of oppression. Then this small and valiant country will once more take its rightful place in the ranks of the free nations of the world.

This is our earnest hope and heartfelt goal.

Mr. DERWINSKI. Mr. Speaker, on Sunday, February 16, we commemorated the 46th anniversary of Lithuania's Declaration of Independence. On that day in 1918, after more than 125 years of Russian oppression, the Lithuanian people once more joined the ranks of freemen. They declared their will to advance the dignity and freedom of individuals and commenced to build a government in the great western democratic tradition.

They also rejoiced in the independence obtained by their fellow Baltic nations—Estonia and Latvia.

Lithuania was a model of social and economic progress in a free democratic society from 1918 to 1940, when World War II, occupation, and chaos thrust upon it the yoke of Communist oppression. For 24 years Lithuania has not known the meaning of freedom but for 24 years the Lithuanian people have kept in their hearts the bright hope of eventual freedom.

On this anniversary of Lithuanian independence, I am pleased to join with the thousands of Lithuanian-Americans and their friends in paying tribute to this brave little country, to her patriots, and to her love of freedom. I join them also in their hopes and prayers that Lithuania will once more take her place in a bright and free world.

The Lithuanian people in their oppressed homeland, as throughout the entire free world, recognize that their freedom cannot be regained unless other captive nations are rid of the Communist yoke. They provide leadership in coordinating the activities of the entire anti-Communist groups in exile, especially with their fellow Baltic nations, Latvia and Estonia.

Their leadership, Mr. Speaker, and perseverance, will be rewarded by the restoration of their independence.

Mr. BRADEMAS. Mr. Speaker, yesterday, February 16, marked the 46th anniversary of the restoration of Lithuania's independence. It is a fitting occasion on which to pay tribute to the brave and freedom-loving people of Lithuania, a country small in size but great in its tradition of courage and perseverance.

Through long years of foreign domination, Lithuanians struggled for their cherished dream of freedom and self-determination. On February 16, 1918, that dream became a reality when—in the wake of the breakup of the German Empire and the overthrow of the czarist Russian regime—this small Baltic nation proclaimed its independence.

The two decades which followed bore impressive witness to the skill and determination of the free Lithuanian people as they successfully established a democratic and progressive state and made great advances in all spheres of national life. But in 1940, as war again ravaged Europe, the Soviet Union reannexed the small state on its northwestern border and Lithuania's brave venture as an independent nation was crushed.

Soviet Russia has carried on an unceasing campaign of "Russification" since then, in an attempt to totally absorb the proud nation of Lithuania into the Soviet Union. With the strength that has characterized their history, the Lithuanians have resisted all such efforts to destroy their centuries-old national traditions and culture.

The United States has never recognized the Soviet incorporation of Lithuania, refusing to accept as permanent the cruel and oppressive rule which has been imposed upon her nearly 3 million people. During this week, as we acclaim the fortitude and courage of the men and women of Lithuania, we in the United States join with Lithuanians and all freedom-loving men, in the hope and prayer that this great land and her long-suffering people will once again enjoy the blessings of liberty and the pride of national identity as a free and independent nation.

Mr. PHILBIN. Mr. Speaker, February 16 marks the 46th anniversary of the restoration of independence of Lithuania and it is appropriate indeed that all true Americans should pause to pay tribute to the valor, gallantry, and spirit of the liberty-loving Lithuanian people. It is well for us today, once again, to give expression to our sincere assurances of continued interest, continued sympathy and our continued will to render assistance to the great, historic nation of Lithuania.

This is an occasion for all of us to rededicate our purpose with vigorous determination to the liberation of Lithuania and the other small, helpless nations that have been dragged behind the Iron Curtain by a combination of bestial violence, unconscionable diplomacy, and subversive infiltration.

The heel of tyranny can never erase the glories and achievements of the patriotic Lithuanian people, nor can it eradicate their zeal for freedom and their determination to seek liberation from oppression.

As I have stated so many times, there can be no compromise on the great human questions of destiny of free peoples. It is fitting that on this 46th anniversary of Lithuanian independence we should pledge anew to all small nations under the yoke of Soviet tyranny and oppression our determination to work for the restoration of freedom to these unhappy lands.

Let us send to the afflicted Lithuanian people the strong message of assurance that their friends in America remain with them in their afflictions and adversities and that the Congress of the United States extends the hand of friendship and renews its pledge of devoted interest in the sacred cause of Lithuanian freedom and independence.

Let it be known by the great freedom-loving Lithuanian people and by all oppressed peoples that the fight for freedom is our fight because it is the fight for liberty, democracy, justice, morality, and human decency.

Notwithstanding the dark clouds of oppression that spread over that proud land, the indomitable proud spirit of the Lithuanian people is still undiminished, still vibrant and strong, and still unquenchable. Let us then express our determination and hopes for a free Lithuania to take her rightful place among the free nations of the world.

Let us resolve to do everything in our power to speed the day when the gallant people of Lithuania can live as free men and women.

Mr. RODINO. Mr. Speaker, ironic, yes, and sadder still, that to commemorate the 46th anniversary of the independence of the Republic of Lithuania, we must proclaim our conviction that Lithuania ought to be free.

Having overcome Russian oppression in 1918 to become a prosperous and progressive democracy, this gallant nation was, for 22 years, a respected member of the world community of free nations.

But the turn of international events in the late thirties, the story of Russian intrigue and treachery, is well known, and culminated in the crushing invasion of the Baltic States. The autonomous Republic of Lithuania of 1940 was no more the independent Republic of Lithuania of the past 22 years.

From that black day until now, this so-called automous Republic has had no free elections, has had few foreign visitors; it has, in fact, been isolated from the free world.

But in that isolated homeland still burns the eternal flame of liberty, unquenchable in a freedom-loving people.

We must nourish that flame; we must not allow it to die down. I have urged that prompt committee action be taken on my bill, House Concurrent Resolution 96, so that the Members of this freely elected legislative body may have the opportunity to reaffirm their belief that all peoples should have that basic right of free elections; to express to the President its desire for the continuation of the American policy of nonrecognition of the unlawful absorption of these Baltic States, for the continued recognition of the diplomatic and consular offices of these Republics as the lawful representatives of the three nations of Lithuania, Latvia, and Estonia in the United States, and for United Nations action on behalf of these enslaved peoples.

The following resolutions not only endorse my proposals, but exemplify, as well, the emotions of not only the Lithuanian-American community, but of liberty-loving people everywhere:

RESOLUTION OF KNIGHTS OF LITHUANIA, COUNCIL 29, NEWARK, N.J.

Whereas on February 16, 1918, 46 years ago, the Republic of Lithuania was declared a free and independent state by the Council of Lithuania in Vilnius; and

Whereas in commemoration of this 46th anniversary, Americans of Lithuanian descent rededicate themselves to the cause of Lithuania's independence, which in 1940 was brutally invaded by the Communist government of Soviet Russia in violation of its treaty obligations, imposing to date upon the people of Lithuania a most ruthless regime of Communist dictatorship and colonialism and reducing the people to the status of colonial slaves; and

Whereas Russia had no right to impose her will upon the freedom-loving peoples of Lithuania, she must get out of Lithuania at once and leave Lithuania to rule herself. Furthermore, Russia must take the steps to return all nationals to the homeland of Lithuania.

Whereas the U.S. Government continues to refuse to recognize the unjust enslavement of Lithuania by Russia. Our Government should continue to refuse and also demand that the free world take the steps necessary to force Russia to leave Lithuania so that Lithuania may rule herself.

There can be no real joy in the observance of this anniversary, for we know that the people of Lithuania, now subjected to the tryrannical rule of Soviet Russia, are prohibited from observing it.

We must continue in our refusal to recognize this forcible seizure of Lithuania. To keep alive the cause of liberty and freedom everywhere, we must continue to strive for the restoration of independence to the people of Lithuania and the Baltic States.

KAZYS SIPAILA,
President.
JOAN YANKAUSKAS,
Secretary.

RESOLUTION OF NEWARK LITHUANIAN LADIES CLUB

Whereas Lithuania, the land of our ancestors, enjoyed a free and independent existence from 1918 until June 1940, when the Soviet Union by subversion and force invaded and occupied the country, and still rules and oppresses the Lithuanian nation to this day; and

Whereas the Government of the United States strongly denounced the unlawful Soviet seizure of Lithuania and the other Baltic States, and rightly does not recognize the illegal annexation and Moscow-imposed rule of these countries; and

Whereas the Soviet Union keeps seeking ways and means, direct and indirect, to gain recognition of its illegal colonialism in the Baltic States, for this purpose recently offering a nonaggression treaty between the North Atlantic Treaty Organization and the Warsaw Pact bloc, and an agreement to settle all boundary disputes without the use of armed force: Therefore be it

Resolved, That we urge our Government to be wary of entering into any agreement with the Soviet Union which would imply the recognition of Soviet rule in the presently captive states, freeze the present boundaries and territory designations, and/or preclude the possibility for the Lithuanians and other captive people to use whatever means would be necessary and available at an opportune moment in order to rid themselves of the onerous Soviet yoke and regain their freedom and independence; be it

Resolved, To urge our Senators and the Members of Congress from our districts to support the introduction by the United States of the case of the Baltic States and other Soviet enslaved nations before the appropriate body of the United Nations; and be it further

Resolved, That this resolution be sent to the Honorable Lyndon B. Johnson, President of the United States; and copies thereof to: the Honorable Dean Rusk, Secretary of State; the Senators from our State; the Congressmen from our district; local press.

EVA M. TRECIOKAS,
President.
MRS. STELLA GAUBIS,
Secretary.

Mr. DONOHUE. Mr. Speaker, I am very happy, indeed, to join with my distinguished colleague from Pennsylvania, and my fellow Representatives here, in paying tribute to the great people of Lithuania and our own Lithuanian-Americans who are celebrating the 46th annivertsary of Lithuania's independence.

Today we extend a further message of hope that the valiant people of Lithuania will soon be freed again from the cruel persecution they are now suffering under Communist subjugation.

But we, who are free, have the obligation to do more than that. It is our duty to repeatedly publicize to the world the tragic truth of Lithuanian oppression under Russian tyranny.

It is not enough to just offer hope to the Lithuanian people. We must show them that we are as resolute as they are in our common fight against the Communist enemy.

The subjugated people of Lithuania can take heart in observances such as these and in our national policy of refusing to recognize the Soviet Union's annexation of Lithuania.

As long as we keep alive the shameful truth about Communist treatment of Lithuania we keep alive the hopes of the Lithuanian people for eventual freedom and independence.

Let us remember that a tyrannical regime, founded on falsehoods and terror, cannot last because it sows the seeds of its own destruction.

In the same sense, let us remember that a nation of Christian traditions, such as Lithuania, has inherent in it the qualities to guarantee its perseverance and preservation.

There can be no question in our minds or in our hearts that the brave Lithuanian people will one day be free and independent again. May divine providence speed that happy day for Lithuania and the restoration of world peace and good will for all of us.

Mr. LIBONATI. Mr. Speaker, only the marked sadness of this, the 46th anniversary of the restoration of Lithuania's independence as a free nation, mars the conscience of the free people of the world.

The sufferings of its people in the iron grip of Soviet rule, first under the czarist oppression for 123 years and now under Soviet tyranny and slavery since 1940, have not destroyed the will of its people to be free. This brave race, cultured in the glorious traditions of its heroic leaders dating before the Christian era, facing the many sufferings of her people with tolerance and with prayers to the Almighty, courageously awaits the day of her liberation from Soviet domination.

The seven mass deportations of her citizens and many lesser ones—2,000 to 3,000 a month—totaling 600,000 souls, has failed to quench this brave nation's thirst for the freedom of those enslaved within and without her borders. One-fourth of her sons have been transported to the interior of Russia, as slaves. Thousands have died in prison camps and exile. Thus, through mass fear, the inevitable weakening of her patriotic national will lies diluted in despair, questioning if freedom will ever be realized.

The great problem confronting the United States, is can we really maintain our own institutions of freedom for long—as we view the encroachments made by the Communists upon the free nations of the world—each falling within its aura of godless enslavement.

The United States must now move with celerity to curb the menace at our own doorstep. This administration has the responsibility of enforcing the Monroe Doctrine on the North and South American Continents. Our neighboring nations are now alerted to the communistic practices that have led to domination of other nations of the world.

We must keep building our military strength—we must use every force to release the small nations throughout Europe and the Baltic areas. The West must continue to force its preparedness programs to the extreme of our national abilities, in order to prevail we must be the strongest militarily and so give confidence to the new nations of the East and Africa, so that no one will dare controvert our desires to keep the world of free men free.

The nations now enslaved must be freed—Christianity must prevail, in order to survive. The bodies of men may be enslaved, but the "self," "the spirit," "the soul," can never be lost to tyranny. Lithuania must be saved. Her independence must be restored. The dignity of man can only be preserved through free institutions to protect it. America is the one hope that keeps alive the fires of freedom among all men—let us not let them down. We are prepared to march in freedom's name—with God's guidance, victory will be ours.

Mr. TOLL. Mr. Speaker, in this country there are undoubtedly many people who take July 4 for granted, who look forward to parades and outings, but who give scarcely a second thought to what this day means in our history. This cannot be true for a Lithuanian on February 16, whether he is one of over a million Americans of Lithuanian descent, or whether he is one of almost 3 million Lithuanians living behind the Iron Curtain, or one of thousands languishing in Soviet camps. No Lithuanian can forget that February 16 is the day that his country achieved its independence after a long struggle against Russian imperialism; no Lithuanian can forget that this day must be observed in secrecy and fear if it can be observed at all in his country today. For today, the Russian czar has been replaced by the Soviet commissar, and Lithuania has become one among many colonies of the Soviet Union—its independence snuffed out by the totalitarian wind.

It behooves us on this occasion to remember the common interests of all who cherish freedom, and to remember the common threat that faces all who cherish freedom. That threat will recede only when the Soviet Union relinquishes its hold over the many states which it has subjugated. Let us join our hopes to those of the Lithuanians today, and let us remind ourselves that the freedom they hold in their hearts is our freedom, too.

Mr. MORSE. Mr. Speaker, in 1964 people of Lithuanian descent will mark three important anniversaries; the 713th anniversary of the formation of the Lithuanian state, the 711th anniversary of the founding of the Lithuanian kingdom and the 46th anniversary of the establishment of the Republic of Lithuania in 1918. Once again, however, there is little cause for celebration on these occasions, for Lithuania is still under the Soviet yoke of oppression.

The Soviet Union has succeeded in obliterating the territorial boundaries of Lithuania, and its independent government, but it cannot crush the determination of the Lithuanian people to achieve freedom and independence once again. In our preoccupation with world crises we must never forget the gallant struggle of these people for liberty. I have introduced a resolution calling for more vigorous efforts to achieve freedom for Lithuania and the other Baltic States and I hope that we will seize the opportunity of this anniversary occasion to take positive action.

Mr. ROONEY of New York. Mr. Speaker, we Americans enjoy the greatest individual freedom and prosperity in the world. Our Government acts in the name of the people, is elected through universal sufferage, and is the instrument of the wishes of all Americans. How fortunate we are that we can live in an age and a country where exist such conditions. But we have it so good, perhaps we are forgetful about those many people around the world who suffer privation and personal agony every day.

February 16, 1964, is the 46th anniversary of one of the most long-suffering small countries in the world—Lithuania. Lithuanians once knew freedom also. They freely elected their own government. They worked hard together to produce more, share more, and live better. But all of this was crushed by the conquering power of the Communist Soviet Union. Taking advantage of its greatly superior military power, Russia bullied, threatened and finally forced Lithuania to capitulate, supposedly to prevent imminent action by Nazi Germany.

Actually, once Russian Communist troops were in Lithuania, many of its citizens were executed without trial, forcibly removed from the coastal areas and settled elsewhere, deprived of land without compensation and forced into collectives, drafted into forced-labor gangs, and forced into many other conditions of servitude and colonial suppression. A farcical Communist government without any popular support whatsoever was established and still rules Lithuania, propped up by Soviet bayonets.

Thus today we see the spectacle of the Soviet Union, crying out support for new nations, claiming a population of 220 million people, of whom approximately 110 million are non-Russian captives. This kind of imperialism is the challenge which faces Americans today. If we stir ourselves and look around on this Lithuanian Independence Day, we can see that we indeed enjoy a unique and peaceful existence. We must also see that our work is not done. The forces of evil, of terror, of hunger and war, still linger in many corners of the world. Our task is not finished. We must work harder and never give up hope for the people suffering like the Lithuanians, on this, their 46th anniversary.

Mr. DADDARIO. Mr. Speaker, among the many tragedies in human history, the senseless subjection of the Baltic people of Lithuania, Latvia, and Estonia, by the Red Army, was surely one of the most tragic. Between 1920 and 1940 these countries became respected members of the community of free nations. They were progressive, democratic nations. Only the chaos of difficult times allowed them to disappear behind the Communist wall without overwhelming protest from the world.

Since they did disappear, far too little attention has been given to their state, and to the many barbarities inflicted on them by the Soviet Union. The peaceful hardworking Lithuanian-American citizens, who still maintain an active interest in Lithuania, and indeed, the Lithuanian people themselves, deserve every effort to inform the small helpless countries which the Soviet Union seeks to befriend, about the true conditions in Lithuania.

As part of the worldwide Lithuanian Independence Day celebration, we should send our best wishes and encouragement to the Lithuanian-American Council, its affiliate, the Lithuanian-American information center, and all other groups who actively support liberty for the Lithuanian and other captive people.

Mrs. FRANCES P. BOLTON. Mr. Speaker, today the Lithuanian people celebrate the 46th anniversary of their own declaration of independence. On February 16, 1918, this new nation was established after centuries of czarist domination. When the Bolsheviks seized power in Russia they soon attacked their weaker, smaller neighbors. However, following many bitter battles, the Lithuanian people emerged triumphant. On July 19, 1920, the Soviet Government signed a peace treaty declaring that thereby it would "voluntarily and forever renounce all sovereign rights possessed by Russia over the Lithuanian people and their territory." We all know the history of Soviet treaty violations in subsequent years. Today the communization of Lithuania is as intense as ever. Can there be any hope for the future of freedom.

The commemoration of Lithuanian independence has a deeper meaning for free men. The agony of these subjugated people serves as a reminder to us of the naivete, ignorance, lack of foresight and fortitude that led to the Soviet conquest of Eastern Europe at the close of World War II. The courage of the Lithuanians, evidenced by their obstinate refusal to accept tyranny, inspires all of us to work harder for the cause of freedom.

This celebration, moreover, reminds the world of the indivisibility of freedom and the worthlessness of Communist pledges.

Finally, in celebrating the independence that Lithuanians no longer enjoy, we are performing an act of dedication to the future, an act of enduring faith in the triumph of freedom over slavery.

Mr. BYRNE of Pennsylvania. Mr. Speaker, one of the cornerstones of American political philosophy is the belief in the right of every person and every nation to pursue its own way of life and to determine its own destiny. In World War I we fought in order that many of the suppressed nationalities in the large empire systems of Central Europe might once again emerge into nationhood. One of these national groups was the Lithuanians whose declaration of indedependence on February 16, 1918, we commemorate today. For over 100 years, after it had been forcibly taken over, Lithuania had been a part of the sprawling Russian Empire, but the Lithuanians had refused to abandon their unique language and culture in the face of czarist Russification pressure. Numerous revolts in this period attest to the determination of the Lithuanians not to bow in front of their overlords.

But the independence of Lithuania was not long to last. Sandwiched in with the other Baltic States, between the two dictatorships in Germany and Russia, Lithuania was not long able to withstand their expansionist pressure. After enduring one and then the other, Lithuania ended the war as a part of Russia in the form of a Soviet Socialist Republic. We, as a freedom-loving people, could not condone the sham which accompanied the vote in Lithuania merging that state with Russia. We have continued to recognize the former Lithuanian Government and to sympathize with the Lithuanians in their yearning for an independent state which we believe is their right. On the 46th anniversary of their independence day, we salute the gallant Lithuanian people.

Mr. GRABOWSKI. Mr. Speaker, although yesterday was Lithuanian independence day, there were no flags flying in that nation. Although February 16 was the 46th anniversary of the restoration of independent Lithuania after World War I, there were no rockets and no firework displays. For this nation is no longer independent. She has been ruled since the end of World War II by the Soviet Union.

Yet, although now part of the U.S.S.R., Lithuanians all over the world nurture that small spark of freedom which burns brightly inside all of us who cherish liberty.

Much of the Lithuanian population has been transported into the Soviet Union and many Russians have moved to the fertile soil of Lithuania—property has been confiscated and churches closed—but hope has not died. Hope remains partly because we, the Congress of the United States, this administration, and our Government has not recognized the incorporation of the Baltic States by the Russians.

In 1918, Lithuania for a short time became a free member of the family of nations. Tragically, through foreign aggression she lost her freedom as first the Germans in 1939, and then the Russians after World War II, swallowed her land and population. But, we the people of the United States desire, with free Lithuanians living everywhere, that independence and liberty will be restored to their homeland. We will hope that some day in the not too distant future Sooiet troops will be withdrawn, the exiles will be returned, and free elections will be restored. And, on this occasion we rededicate ourselves to the fight for democracy, not only in the Baltic States but all over the earth.

Mr. HALPERN. Mr. Speaker, any people who have withstood for more than a century and a quarter continued foreign domination and oppression from a ruthless and tyrannical neighbor, and still survive, deserve the high praise of all free people.

Lithuanians deserve this praise; for even though they have been dominated for many generations, first by imperial Russia and now by Soviet Russia, they remain vigorously independent in national spirit.

Today the Lithuanians are ruled by a far more ruthless master than was the case during the pre-World War I Imperial Russian period. Policies of Russification were vigorously imposed and Lithuanian nationality was relegated to an inferior status in the days of czarist Russia. Tsarist oppression, however, is moderate compared with the type of Sovietization now imposed upon the country.

In maintaining power in Lithuania, the Soviets have instituted campaigns of mass deportations; they have restructured every aspect of Lithuanian society, making it conform to Communist norms; they have reduced the Lithuanian people to the ignoble status of a colonial people; they have deprived these people of all freedom. As part of the scheme of Sovietization, Soviet Russia has carried on a campaign to eradicate entirely the Lithuanian national consciousness. The theory is that deprived of this positive force of national consciousness, they will then take on the image, the ideas, the consciousness of a Soviet personality. In short, the Lithuanian will have been transformed into a new person totally different from the Lithuanian history has known.

That Lithuania is going through an era of great trial goes without saying. But the Lithuanian people are a virile people. They are a people with a glorious historical past and a sense of national destiny for the future. Theirs is a nation that has survived other suppressions and it shall survive the present one.

On this occasion commemorating the 46th anniversary of Lithuanian independence I would like to reiterate a theme known to all of us, and it is to express the hope that one day the Lithuanian people will fulfill their national destiny and that they will once again enjoy the right of every nation to be free.

We as Americans can take one important step, however, to keep this spirit of nationhood alive in the free world. A year ago on this occasion I made this recommendation, and this year I make it again; and it is simply this: to establish a special committee in Congress concerned particularly with the problems of the peoples of the captive nations. This is an important step, because it will inform the free peoples of the current status of the captive nations, and it will, most of all, give these captive peoples the hope and confidence that comes with knowing that others care for them as a people in bondage.

And so once again I pledge my word to support this measure. And once again I pay tribute to this great and glorious nation, Lithuania.

Mr. GARMATZ. Mr. Speaker, for a number of years the Council of Lithuanian Societies of Baltimore has annually observed Republic of Lithuania Day, and this year was no exception.

On February 15 a banquet was held commemorating the 46th anniversary and at that time, it was my pleasure to address the group, as did our colleague, CLARENCE LONG, and the president of the Baltimore City Council, Thomas D'Alesandro III. The president of the council, Thomas G. Gray, was toastmaster, and the Reverend Anthony Dranginis of St. Alphonsus Roman Catholic Church, delivered the invocation and the benediction.

Both the Governor of Maryland and the mayor of Baltimore proclaimed February 16 as Republic of Lithuania Day.

At the banquet, the following resolution was adopted by the assembly:

> We, Lithuanian-Americans of the Free State of Maryland, having gathered this 15th day of February 1964, at the Lithuanian Hall Auditorium, in Baltimore city, under the sponsorship of the Council of Lithuanian Societies of Baltimore, after due deliberation regarding the present international situation, adopt the following resolution:
>
> Whereas Lithuania, the land of our ancestors, enjoyed a free and independent existence from 1918 until June 1940, when the Soviet Union by chicanery, subversion, and force invaded and occupied the country, and still rules and oppresses the Lithuanian nation to this day; and
>
> Whereas the Government of the United States strongly denounced the unlawful Soviet seizure of Lithuania and the other Baltic States, and rightly does not recognize the illegal annexation and Moscow-imposed rule of these countries; and
>
> Whereas with the attention of the world focused on the new African and Asian nations which were liberated from colonialism with the aid of the United Nations and have joined the community of free and independent states, the plight of Lithuania and the other Soviet-occupied nations has largely been neglected: Therefore be it
>
> *Resolved,* That we request and urge our Government to instruct the U.S. delegation to the United Nations to place the case of occupied Lithuania and the other Soviet-captive nations before the committee on the abolition of colonialism and oppression, principles for which the Soviet Union avowedly stands, the necessary evidence for presentation of this case is complete and ready in the "Report of the Select Committee to Investigate Communist Aggression and Forced Incorporation of the Baltic States into the U.S.S.R." (U.S. House of Representatives); be it also
>
> *Resolved,* To urge our Senators and the Members of Congress from our districts to support the introduction by the United States of the case of the Baltic States and other Soviet-enslaved nations before the appropriate body of the United Nations.
>
> COUNCIL OF LITHUANIAN SOCIETIES
> OF BALTIMORE,
> By THOMAS G. GRAY,
> *President.*
> By L. LASKOWSKAS,
> *Secretary.*

In this connection I would like to mention that I introduced House Concurrent Resolution 126 on April 2, 1963, along the same lines as contained in the resolution approved by the group, which reads as follows:

> Whereas the greatness of the United States is in large part attributable to its having been able, through democratic process, to achieve a national unity and freedom of its people, even though they stem from the most diverse of racial, religious, and ethnic backgrounds; and
>
> Whereas this national unification of the free society has led the people of the United States to possess a warm understanding and sympathy for the aspirations of peoples everywhere; and
>
> Whereas so many countries under colonial domination have been or are being given the opportunity to establish their own independent states, the Baltic nations, having a great historical past and having enjoyed the blessings of freedom for centuries, are now subjugated to the most brutal colonial oppression; and
>
> Whereas the Communist regime did not come to power in Lithuania, Latvia, and Estonia by force of arms; and
>
> Whereas Lithuanians, Latvians, and Estonians desire, fight, and die for national independence and freedom; and
>
> Whereas the Government of the United States of America maintains diplomatic relations with the Governments of the Baltic nations of Lithuania, Latvia, and Estonia and consistently has refused to recognize their seizure and forced incorporation into the Union of the Soviet Socialist Republics; and
>
> Whereas no just peace and security can be achieved in the world while these and other nations remain enslaved: Now, therefore, be it
>
> *Resolved by the House of Representatives (the Senate concurring)*, That the Senate and House of Representatives of the United States of America request the President of the United States to bring up the Baltic States question before the United Nations and ask that the United Nations request the Soviets—
>
> (a) to withdraw all Soviet troops, agents, and controls from Lithuania, Latvia, and Estonia; and
>
> (b) to return all Baltic deportees from Siberia, prisons and slave camps in the Soviet Union; and be it further
>
> *Resolved*, That the United Nations conduct free elections in Lithuania, Latvia, and Estonia under its supervision.

Mr. Speaker, I believe it is vitally important that we publicly take note of these anniversaries, to remind our citizens of the need for constant vigilance to retain our freedoms, and to let the peoples of the enslaved Baltic nations know that their plight is of continuing concern to us and that we are striving to do everything possible to help them.

Mr. BARRY. Mr. Speaker, I would like to add my voice to the many others wishing Lithuania and Lithuanian-Americans a brighter future.

Lithuania itself has suffered terrible and needless losses at the hands of insatiable communism. Lithuanians everywhere can justly be proud of the tremendous resistance of their people to the brutal attempts of Russia to totally subjugate them—which continues even today. Victims of persecution and aggression everywhere in the world can look to Lithuania as an example of the atrocities committed in the name of communism, and of the bravery needed to resist them.

Lithuanian-Americans should be congratulated for their many efforts to aid their suffering homeland. They deserve the greatest encouragement from every American. I hope Lithuania will not have to celebrate many more anniversaries as a captive nation.

Mr. McDADE. Mr. Speaker, 46 years ago, on February 16, 1918, a spark of freedom burst into a flame. It burst into a bright flame of democracy along the coast of the Baltic Sea. For over 120 years the spark had been hidden in the hearts, in the songs, in the old arts of an ancient and honorable people, hidden from masters who ruthlessly sought to destroy it. But it was as indestructible as the people themselves, and when the spark became a flame on that February day in 1918, it warmed the same people who had saved it and saved the beautiful land of Lithuania.

It is a fair land that lies just east of the Baltic Sea. In the second century of the Christian era, Tacitus, the Roman historian, spoke of the people of Lithuania, and even then noted their remarkable facility in farming the land. For centuries, when barbarism lay like a cloud over Europe, the people of Lithuania were hidden in the mists of history. But in the 12th century, when men were once more free to travel the continent of Europe, Lithuania emerged as a champion of freedom in their warring with the East to preserve their independence.

They preserved it; they strengthened it; they became a stronghold of the great tradition of the West. Under Mindaugas, who knew that union was strength, and who united all the tribes of Lithuania under his sway, Lithuania grew to a new power until it joined with Poland as the major North Central European power in the 14th century.

For 400 years Lithuania was joined with Poland, united for political strength, but preserving its own political and cultural independence within the union. When the Teutonic knights decided to break this union by an attack on the smaller country, Lithuania defeated them at the Battle of Tannenberg in 1410.

But the long hates of history did not die easily. Century after century the enemies of Poland and Lithuania ate at their strength, and in the last years of the 18th century, the enmity finally destroyed the power. Poland and Lithuania were eaten in a great power struggle in the north, and Lithuania found herself joined with countless millions of Russians under the tyranny of the czars.

It was a cruel tyranny. It lay across this peaceful land with all the horror that total occupation and total suppression mean. The language of Lithuania was forbidden. It was death for these people to teach their own children their own tongue. The civilization of Lithuania, a civilization that stretched back beyond the memory of history, this was also forbidden. Their religion was forbidden. Even the daimos, the folk songs that had been passed unwritten through the centuries, the songs that told the history of a people who knew the happiness of a bold peasantry, even these were forbidden. Only the language of the czars, the religion of the czars, the culture of the czars, the songs of the czars were to be tolerated. And for over a century the czars were content that they were burying the Lithuanian civilization forever.

They did not know Lithuania.

They did not realize that in the greatness of Adam Mickiewicz, a towering poet in Lithuania, there was a voice that would ring down the corridors of time long after people had forgotten the names and numbers of the czars. They did not know that his poetry was not merely poetry, but was God, and country, and culture, and song, and the very blood of Lithuania distilled into lines that civilization would save, publicly with glory, and that Lithuanians would save secretly with love.

The czars died, but Lithuania lived. She lived in secret, passing down the old language, dancing the old dances, singing the old songs. Her painters painted beauty, and the czars did not see that behind the beauty was the soul of a people who were indestructible.

And time, that had hurt a free people, dealt just as mercilessly with tyrants. In the last months of the First World War the czars fell before the bloody revolution of the bolsheviks, and out of the turmoil of their fall came the new rise of free Lithuania.

Anastas Smetana sat as the first president of a new democracy, with a parliament that represented the people, and that spoke in deliberative council the Lithuanian language which the czars had thought dead a century before.

But freedom lived for only 22 years. It died because a free people turned to a hand extended in kindness. They did not see the hand was stained with blood.

When the long knives of nazism were poised over all of Europe, Lithuania turned to her eastern neighbors and signed a mutual security pact with the Soviet Union. She invited the Soviet troops into her country in 1939 to guard the borders against Hitler. They came, first in small numbers, then in greater numbers, then with tanks and planes. In 1940 democracy was murdered once again, when Stalin dictated the overthrow of Lithuania's Government, to set up a new dictatorship under communism, to make it the Lithuania Soviet Socialist Republic.

So today these people lie in an old bondage. They are not alone in bondage. Again there are countless millions suffering with them.

But these are a people who do not die easily. In spite of the secret police, in spite of suffering and exile, in spite of death, in spite of a new proscription of their language and their religion, they are still the same Lithuanians who were a nation a thousand years before Marx dreamed of the tyranny that has become communism.

We salute these people today, celebrating their freedom, even though they lie in slavery. We know their past greatness; we believe that their greatness will not die. We believe that history has a long wash, an inevitable turning of the tide, and we believe that when the long, slow tide comes rolling in again across North Central Europe, it will drown Khrushchev and his evil mates, will purify the air and fields again and will leave a great people to speak again the oldest living language of Europe, to worship their God as they worshiped Him for centuries, to stand amid the splendor of an ancient civilization, to dance the dances, to sing the daimos again in a new freedom.

Mr. MADDEN. Mr. Speaker, each year, various Members of Congress set aside time to commemorate the valiant people of Lithuania and of Lithuanian descent in our Nation for their valiant constant fight for self-government, liberty, and independence over the centuries. During the 82d Congress, over 10 years ago, I along with Congressman Flood of Pennsylvania, former Congressman Kersten, and others cooperated with American Lithuanian organizations to secure authorization for a Special Congressional Committee to investigate the Communist enslavement of Lithuania. Hearings were held by this Special Congressional Committee in this country and in Europe. Hundreds of witnesses and exhibits were taken which exposed, for the world to know, the true facts regarding the Communist takeover of Lithuania, and other small nations in eastern Europe. The report of the hearing which pertained especially to Lithuania contained 20 pages. It revealed in detail the duplicity and unlawful aggression committed by the Soviet tyrants to enslave a free people. This testimony is recorded in the Archives of Congress, and copies of this report have been sent to governments, organizations, and citizens throughout the world.

The Communist dictators are very anxious to keep secret the true facts of their violations of international law which were committed during the time of conquering Lithuania and other satellite nations. I have been striving, along with other Members, to get favorable action on pending resolutions to authorize another congressional committee to reinvestigate and expose the tyranny, sabotage, prisoner incarcerations, massacres, inflicted upon innocent people by the international Communist conspiracy.

One of the greatest weapons the free world has in its fight to curtail communism is to expose the true facts so all the world will know of the purposes and methods of the Communist conspiracy.

I want to commend the American citizens of Lithuanian extraction who are constantly keeping this necessary fight to regain liberty and freedom in the foreground so that the world shall not forget subjugated people who are now helpless and need the aid of free people everywhere. If it were not for the work and sacrifice of Lithuanian Americans and their organizations, the special congressional committee of 10 years ago which accomplished such a great service on world exposure of Communist tactics and methods would not have been authorized by the Congress.

We can look forward with optimism on troubles which now exist between China and the Soviets—the two major conspirators in the Communist enslavement program. If our Nation—the leader of the free world—keeps on the fight in behalf of enslaved nations, we will win victory and success for our efforts. The trouble and problems now between China and Russia will prove to be a godsend to the enslaved nations.

We can look forward with assurance that in the history of the world no tyrant or set of tyrants ever successfully ruled for long when they denied self-government and religious freedom to nations or peoples. Government-by-force through the military, secret police, prison camps, massacres, and fear cannot long exist. I look forward to the time when Lithuania and other small nations will once again enjoy freedom and self-government.

Mr. Speaker I also wish to submit a resolution unanimously passed, yesterday at a mass meeting of the Lithuanian American Citizens of Lake County Indiana. This meeting was held in East Chicago, Ind., commemorating the 46th anniversary of Lithuanian independence.

Whereas the independent Republic of Lithuania, Latvia and Estonia were invaded by the Soviet Russia in 1940, in violation of its treaty obligations with those countries and compelled these people to accept Communistic rule by force and

Whereas the U.S. Government has always justly and correctly refused to recognize the criminal Soviet occupation of Lithuania and the other Baltic States, and continues to oppose any and all devious Communist attempts to gain at least a semblance of formal recognition of its act of aggressive international banditry committed in violation of international law, treaties, and obligation; and

Whereas with the attention of the world focused on the new African and Asian nations which were liberated from colonialism with the aid of the United Nations and have joined the community of free and independent states, the plight of Lithuania and the other Soviet-occupied nations has largely been neglected: Therefore be it

Resolved, That this meeting urges the United States Government to remain vigilant and to avoid any situation which might compromise the American policy of nonrecognition of the fruits of armed aggression; and be it finally

Resolved, That we urge the Government of the United States to use its power and influence to help Lithuania and other Soviet-occupied countries regain their freedom, sovereign rights and self determination in accordance with the principles of the Charter of the United Nations.

Albert Vinick,
President
Peter Indreika,
Secretary

Mr. DELANEY. Mr. Speaker, 46 years ago, on February 16, 1918, the people of Lithuania proclaimed the independence of the Republic of Lithuania. On that winter day the shadow of czarist tyranny was lifted from the land and Lithuania, after more than a century of Russian rule, emerged into the warm light of freedom.

The Lithuanian people, like people the world over, live best as freemen and for 20 years after that independence day they moved the country forward in peace and prosperity. That peace ended in June of 1940 when the Russian army again rolled over Lithuania and the boots of Red soldiers were heard once more in her village streets.

From that day on, Lithuania has been under the iron heel of either the Nazis or the Communist dictatorship. However, the people of that little country have never stopped fighting. It is estimated that as many as 100,000 men and women have fallen before the foes of Lithuanian freedom since 1940 and countless thousands more have filled Russian labor camps. In the wake of this slaughter and slavery, active resistance has temporarily quieted in Lithuania, but the dream that inspired such sacrifice is strong in the hearts of the people.

It is difficult for some of us to visualize the struggle in Lithuania. None of us can remember foreign armies on American soil. Lithuanians and many Lithuanian-Americans can recall that experience quite vividly from their own homeland. We all understand what it is to send well-equipped armies to foreign lands to fight tyranny, but can we possibly know what it is like to stand and fight in the fields that you have planted or in the streets of your own home town? This is the kind of battle fought by the Lithuanian people.

This independence day cannot be celebrated in Lithuania, but we in the free world can observe it and, through that observance, show those dauntless people that they are not forgotten.

Mr. Speaker, I join with my colleagues and with all Americans of Lithuanian extraction throughout the country in paying tribute to Lithuania on this 46th anniversary of Lithuanian Independence Day.

Mr. ST. ONGE. Mr. Speaker, we note with a great deal of sadness today the 46th anniversary of Lithuania's independence. The reason for our sadness is that Lithuania, which dates back over a history of more than 700 years, is today an occupied country which knows neither freedom nor independence.

Just 46 years ago, on February 16, 1918, the Republic of Lithuania was established in its ancestral homeland in the eastern Baltic area. It occupied an area of more than 25,000 square miles with a population of some 3 million people. It was truly a democratic nation with a great religious and cultural heritage, Western-oriented, tolerant toward its minorities, and an ally of the United States. The warm friendship for America was readily understood because about a million people of Lithuanian extraction live in the United States, where they are an industrious and loyal element. We have many of them as our neighbors in Connecticut.

In June 1940 the Soviet Union invaded Lithuania, took over the country, and has ruled it by force of arms since then. During these past 24 years the Soviet government has carried out a policy of repression and extermination in that country such as was never experienced by the Lithuanian people in their long history as a nation. Under Soviet occupation, Lithuania has lost more than one-fourth of its people, many of them having been exiled to Siberian slave-labor camps where they perished. The genocidal practices carried out by the Russians still continue and are threatening the very existence and survival of this people in the future.

In the years since World War II many nations in Africa and Asia have been granted their freedom and independence. They are today members of the free world community of nations, as they have a right to be. The world, however, should have a single standard for freedom for all nations. We should insist that the nations occupied and subjugated by the Soviet Union, likewise, be granted their freedom and the opportunity to pursue an independent national existence.

It was for this reason that I introduced last year a resolution in Congress, House Concurrent Resolution 97, requesting the President to instruct the U.S. mission to the United Nations to bring the question of the Baltic States before this international body in an effort to obtain the early liberation of Lithuania and its sister Baltic States of Latvia and Estonia. I am attaching the full text of my resolution at the conclusion of my remarks. I have asked the House Committee on Foreign Affairs to schedule hearings on this resolution, but to date it has not done so.

On this tragic anniversary of Lithuanian independence, I join with our fellow Americans of Lithuanian extraction in observance of their national independence day. We hope and pray for the liberation of Lithuania and the other captive countries suffering under the yoke of Communist oppression. We want to encourage them and their kinsmen in Lithuania to keep up their hopes and their struggle for survival. Freemen everywhere are praying for them on this anniversary of Lithuania's independence.

The text of my resolution is as follows:

Whereas the greatness of the United States is in large part attributable to its having been able, through democratic processes, to achieve a harmonious national unity of its people, even though they stem from the most diverse of racial, religious, and ethnic backgrounds; and

Whereas this harmonious unification of the diverse elements of our free society has led the people of the United States to possess a warm understanding and sympathy for the aspirations of peoples everywhere; and

Whereas so many countries under colonial domination have been or are being given the opportunity to establish their own independent states, the Baltic nations, having a great historical past and having enjoyed the blessing of freedom for centuries are now subjugated to the most brutal colonial oppression; and

Whereas the Communist regime did not come to power in Lithuania, Latvia, and Estonia by legal or democratic processes; and

Whereas the Soviet Union took over Lithuania, Latvia, and Estonia by force of arms; and

Whereas Lithuanians, Latvians, and Estonians desire, fight, and die for their national independence; and

Whereas the Government of the United States of America maintains diplomatic relations with the free Republics of Lithuania, Latvia, and Estonia and consistently has refused to recognize their seizure and forced "incorporation" into the Soviet Union; and

Whereas no real peace and security can be achieved in the world while Lithuania, Latvia, and Estonia remain enslaved by the Soviet Union: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the President is requested to instruct the United States Mission to the United Nations to bring up the Baltic States question before that body and ask that the United Nations request the Soviets—

(1) to withdraw all Soviet troops, agents, colonists, and controls from Lithuania, Latvia, and Estonia; and

(2) to return all Baltic exiles from Siberia, prisons, and slave-labor camps.

SEC. 2. The President is further requested to instruct the United States Mission to the United Nations to request the United Nations to conduct free elections in Lithuania, Latvia, and Estonia under its supervision and seek the punishment of Soviet Communists who are guilty of crimes against the peoples of Lithuania, Latvia, and Estonia.

Mr. REUSS. Mr. Speaker, yesterday a small but gallant nation which is today enslaved celebrated its anniversary. It is proper that we should note this day—the 46th anniversary of the restoration of Lithuanian independence—because all Americans of all national origins share a common belief that Lithuania should once again be free, and a common faith that once again she will be free.

The pages of history are filled with accounts of political systems based on oppressing the inherent rights of people and crushing the spirit of other nations. Lithuania suffered this all-too-familiar fate. Nevertheless, Lithuania has continued to strive for independence and freedom. The undying dedication of her people to democratic principles and their equally undying passion for the convictions and beliefs that make those democratic principles possible have nurtured the Lithuanian desire for national survival. All of us admire this great determination to survive.

The United States has never recognized the so-called annexation of Lithuania by the Soviet Union. Today we reaffirm our confidence that the many years of struggling and suffering which the people of Lithuania have endured will not be in vain.

Mr. KLUCZYNSKI. Mr. Speaker, communism has made grandiose claims about living conditions in Lithuania since communism took over. There are ample facts available to completely disprove these claims—reports of refugees, statistics released by the government, intelligence estimates. Before the last war more than two-thirds of the Lithuanian people were engaged in agriculture. That is probably about the same as today. What is the daily life of a Lithuanian peasant, living in a Soviet collective?

First, his basic possessions are very meager. He must eat, wear, and own whatever the collective allows him. He eats with others, he works with others, and he goes wherever he is told. His wages are very meager, and he only receives these when the state takes what it wants first. In many cases there is no surplus left to be distributed among the peasants at all.

Elections are held periodically. Only one party is represented. No newspapers are allowed to be printed, except the Communist newspapers. If the peasant wishes to join with some friends to publish even a little newsletter to oppose a government policy of which he disapproves, he is likely to be arrested and executed. In any case he cannot publish the paper. He is forced to vote, the police see to that. Since there is only one party the election outcome is never in doubt. And even if the ballots were all marked in the negative, no one would ever know it, because the election boards are all manned by Communists.

These are pretty miserable conditions. But if the peasant does not like them he is not free to move away. He cannot leave Lithuania, unless he may have some skill which can be used in Russia. He must get permission to even leave the collective to go to the city. He is expected to do the job assigned to him by the Communist Party.

For entertainment he must accept almost anything offered. If he writes a little play for himself which he would like to perform with some friends, he will probably be stopped. Plays must be vehicles of the Communist state, or they are considered subversive. The same is true of movies, or orchestras, or anything else.

This is only a brief glimpse at life under communism. Many more detailed stories are available. Everyone of them is sickening and sad to a free individual in a free country. Surely no greater tyranny has ever been conceived, in which the individual is so completely at the mercy of a closed, unresponsive hierarchy than that now imposed on Lithuania by Soviet Russia.

On Lithuanian Independence Day, thoughts turn to much happier years, when Lithuania was a free country, respected and admired by the rest of the world. The Lithuanian people have a right to receive their freedom again. Let us hope they will. Let us hope the blessings of liberty will never be denied another generation of Lithuanian people.

Mr. GILBERT. Mr. Speaker, I wish to commend our colleague, the gentleman from Pennsylvania [Mr. FLOOD] for his continued efforts in behalf of the people of Lithuania and for arranging this time for tributes to Lithuania. I am happy to have the opportunity to join with my colleagues in this observance of the 46th anniversary of the restoration of Lithuania's independence.

This occasion is tinged with sadness, for the people of Lithuania are prevented from observing this important date in their history; they are subject to the tyrannical rule of Soviet Russia. Our deep sympathy goes out to the many Lithuanian Americans who are grieved by the enslavement under which their people in Lithuania must suffer and who are never free from anxiety concerning those existing under harsh Soviet Communist rule.

The brave people of Lithuania have our admiration and esteem. We know that during the short period of their independence, their progress in all fields of endeavor and their splendid achievements earned them the respect of democratic peoples everywhere. It is a great tragedy that their independence was brutally wrested from them and that they were again brought under Russian rule.

I introduced a resolution providing for the formation of a Special House Committee on Captive Nations, with the view of symbolizing to all our determination never to forget the captive nations, their untold sacrifices, their hopes for liberation and independence. It is my earnest hope that we can secure approval of this important resolution by the Congress.

Once again, we salute the brave people of Lithuania and assure them of our friendship, and our continued interest in their welfare. We pray for the time when the people of Lithuania will have their hopes fulfilled and when they will have their independence and freedom restored to them.

Mr. MURPHY of Illinois. Mr. Speaker, on this 46th anniversary of Lithuanian independence it is fitting that we pay tribute to this great and heroic nation. In doing so this year I shall not remind you of Lithuania's historic past, but rather I want to pass along to you some aspects of life in Lithuania today.

In Lithuania, as in the other Baltic States, the Soviets have carried on a vigorous campaign of displacing native Lithuanians with Russian settlers. This campaign is called ethnic russification. Vilnius, the capital of Lithuania, for example, has a Russian colony comprising 40 percent of the total population. Many units of the Soviet Army are in evidence in the area. On the other hand, many young Lithuanians are sent off to work in the virgin lands of Kazakhstan and in the mining areas of Siberia. Ethnic russification is a common experience of the Baltic peoples.

The continuous and vigorous antireligious drive in Lithuania is quite evident in Vilnius. The Catholic cathedral in the capital city has been converted into an art gallery. Most of the churches are closed, but those that are free to carry on their religious work are filled with people. Many of the large and beautiful churches in Vilnius are left in a state of ruin with windows broken and doors boarded up.

In Kaunas, the Church of the Resurrection has been converted into a radio parts factory. Some are used as supply houses. The familiar wayside shrines in Lithuania are virtually nonexistent. Religious articles, moreover, cannot be imported, and those remaining date from pre-World War II days. Heavy financial burdens have also made it difficult for the few priests remaining to maintain their parishes.

There are no synagogues functioning in Vilnius to serve the needs of the city's Jewish believers. In general it is not easy to be a religious believer in Soviet occupied Lithuania today. Churchgoers find themselves discriminated against in education and in employment.

Total Soviet control over communications in Lithuania has deprived the Lithuanian people of virtually all knowledge of the United States. Voice of America programs are continuously jammed. Four jamming transmitters overlook Vilnius opposite the Hill of Gediminas. Ignorance of America is appalling. Another measure of the lack of knowledge of the West is that the Lithuanians do not know that their Independence Day is celebrated throughout various States in the United States and that the United States still recognizes the Legations of the prewar Baltic governments. Nor are they aware that many Members of Congress have vigorously supported efforts for an independent Lithuania.

Yet, despite this isolation from the outer world, Lithuanians still carry a deep feeling for their cause of national independence, and as long as this profound attachment to national values remains intact, then I say there is always hope for the future. I add my voice, therefore, to those of my colleagues and to all Lithuanians who commemorate this great national day in praying that this inner desire, this deep yearning for freedom, can one day become a reality.

ADDRESS BY PETRAS DAUZVARDIS, CONSUL GENERAL OF LITHUANIA, AT LITHUANIAN INDEPENDENCE DAY, FEBRUARY 16, 1964, MARIA HIGH SCHOOL AUDITORIUM, LITHUANIAN PLAZA, 67TH STREET AND CALIFORNIA AVENUE, CHICAGO

In accordance with the principles of international law, various declarations of human and national rights, and many official statements by heads of governments, Lithuania must be a free and independent state.

The world recognized free Lithuania as a full-fledged state whose independence and territorial integrity were based on international law and any number of treaties and agreements.

The Soviet Union seized Lithuania and continues to hold the country by armed force. This illegal Soviet occupation is not recognized by any free state. The United Nations Declaration and many other international documents clearly state that countries which are seized and held captive must have their rights and territories restored to them. This principle definitely applies to Lithuania.

There are also declarations by the United Nations about the conversion of colonies into independent states. Since World War II this has resulted in the creation of more than 50 new states in Africa and Asia. The colonies in Europe, meanwhile, are still captives in the colossal Russian empire. Lithuania is one of the Russian colonies whose turn for liberation must inevitably come up; there can be no other way. The chief of the Russion empire, Khrushchev himself, admits that "all people want to enjoy the fruits of their labor and govern their own lands," and that "sooner or later the peoples of all countries will win genuine freedom and independence—throw the imperialists out of their territories."

The Lithuanian nation and Lithuania fit this Khrushchev statement. Lithuania wants to enjoy the fruits of its labors and to govern its own territory, as proven by the whole of her history.

The Lithuanians at all times fought, and are now fighting, for their rights, liberty, and the independence of Lithuania; at a cost of many lives the Lithuanians revolted against the Russian monarchy, and against Russia's Communist dictatorship. They have always demanded exactly what Khrushchev is forecasting for all peoples: "liberty, independence, and the enjoyment of the fruits of their labor."

Yet, even as the ruler of the Soviet Union forecasts freedom and independence for all, the Soviet Union has deprived the Lithuanian nation of all these things and made the people paupers and captive serfs. All of Lithuania's land, buildings and industries have been taken from their rightful owners; all organizations have been disbanded and their assets confiscated; employment and education are made dependent upon the whims of the Communist Party; freedom has been eroded to the vanishing point; the non-Communist press and literature are banned; freedom of speech and assembly are annulled; the church is fettered—religion has been made an object of ridicule and vilification; genocide is being perpetrated. No African or Asian colony was ever subjected to such harsh restrictions, such insult, and national degradation.

Now that the dependent colonies of Africa and Asia have been granted freedom and independence, the independent European states of Lithuania, Latvia, and Estonia, militarily occupied by the Soviet Union, must have their sovereign functions restored and their territories cleared of the invaders. International law and order and the various obligations assumed by states demand such action.

Holding the Baltic States and keeping them in bondage to a foreign power, as they are now, is incompatible with moral principles, law, and justice, and statements made by many heads of governments.

Observing the traditional Lithuanian Independence Day, and recalling Lithuania's more than a thousand-year ancient and glorious past, we want to state:

1. The sovereign and independent state of Lithuania is occupied by armed force and illegally ruled by the Soviet Union, in flagrant violation of international law and her treaties of peace and nonaggression with Lithuania.

2. On the basis of international law as acknowledged by the nations of the world, on the United Nations Charter, the Treaty of Peace between Lithuania and Soviet Russia, on the United Nations anticolonialism declarations, and on the statements by the rulers of the Soviet Union, we demand that the Soviet Union and its leaders abide by their word and the pledge made to the Lithuanian nation and the world in the Soviet Russian-Lithuania Treaty of Peace: "Russia without any prejudice recognizes the self-rule and independence of the state of Lithuania," and insist that the Soviets withdraw from Lithuania all their troops, police, and colonists, and allow Lithuania to freely govern and order itself, as specified in the treaty.

3. We request the United Nations and all those states, which respect and cherish liberty and independence, to use their influence and good offices for the restoration of freedom and independence to Lithuania, guaranteeing her sovereignty and security.

4. Independent Lithuania always was and always will be a peace-loving and orderly country. The Lithuanians proved this in the past and will continue to do so in the future. The Lithuanian nation will not be calm, however, without an independent Lithuania—it will continue fighting and insisting that without a free Lithuania there can be no just and lasting peace.

Mr. DULSKI. Mr. Speaker, yesterday marked the 46th anniversary of the independence of Lithuania. But this brave and proud country is not now independent and suffers under the yoke of Soviet tyranny.

The people of Lithuania have a long history of determined resistance to foreign domination. In the Middle Ages, Lithuania was a dominant state in central and eastern Europe. By the 14th century, it stretched from the Baltic to the Black Sea. In 1386, through marriage of the thrones, Lithuania and Poland were joined together. The development of these two countries was far superior to that of other nations in eastern Europe. Lithuania was one of the first countries to accept Christianity.

Toward the close of the 18th century, the Lithuanian people were completely dominated by the Russian czars. But during the more than 120 years of Russian rule, they never gave up their fight for freedom. The end of the First World War gave them their long-awaited independence. They established a government based upon equality which earned the respect of the entire world.

This brief happy period of independence ended in 1940 when the Soviet Union took over Lithuania by force of arms. Today these people are as prisoners in their homeland, denied the most basic human freedoms.

The United States has never recognized the incorporation of the Baltic States into the Soviet Union. Last year I introduced House Concurrent Resolution 135 to take up the discussion of the Baltic States question before the United Nations. I again urge the chairman of the House Foreign Affairs Committee to take early action on this resolution.

I join with Lithuanians everywhere in paying tribute to these courageous people and in the hope that the land of their fathers may once again be freed of bondage.

Mr. DENT. Mr. Speaker, anniversaries are, by and large, occasions of great joy, marked by festivities and celebrations. February 16, 1964, is the 46th anniversary of Lithuanian independence, but I can assure you there will be no gaiety, no celebrations in that little country of 3 million stout hearted, freedom-loving people.

After 120 years of imperialist Russian rule, the Lithuanians proclaimed their independence on February 16, 1918. When we consider that this day of freedom corresponds roughly to our July 4, we get some idea of the importance of the event. After 1918 the new Lithuanian state made remarkable strides in becoming a responsible member of the community of nations. However, 22 years later Russian Communists again occupied the country, but this time they were more surreptitious, having done their Marxist homework well. Telling the world that Lithuania had asked to join the Soviet Union, the Soviets proceeded to communize the country, terrorize the people, and disrupt the social order. Formerly free Lithuania took its place alongside of Estonia and Latvia, and later Poland, Czechoslovakia, Hungary, Albania, Bulgaria, Yugoslavia, and East Germany. It is to our credit that America has never recognized this counterfeit incorporation.

For the past 24 years the Lithuanian people have lived under Soviet domination. Today independence is only a memory, not a reality. Mr. Speaker, each year we in the Congress make speeches commemorating Independence Day, and each year the Communist rule continues. I am not suggesting we give up hope of Lithuania's eventual freedom. That will come some day. But I would hope that somehow, someway, the people of Lithuania will learn that America still stands devoted, as they do, to principles of justice and freedom.

Mr. O'HARA of Illinois. Mr. Speaker, I am happy to join with my distinguished colleague from Pennsylvania [Mr. FLOOD] and many other Members of this body in observance of Lithuanian Independence Day. Since I have been a Member of the Congress not once have I remained silent when to Lithuania and her people tributes of appreciation, admiration, and affection were voiced.

Some of my close friends during the years have been Americans of Lithuanian birth and blood. The Lithuanians have made a mighty contribution to our country and to the world of music, art, literature, as well as to statesmanship, business, and the professions.

It was 25 years ago that Russian soldiers marched into the small Baltic country of Lithuania and forced its people to give up their freedom and independence. Today we turn our special attention to the sad plight of the people of this captive nation who have been forced to submit to the tyranny of an alien Communist regime for so long.

It is important for us to set aside a special day each year for Lithuania, so that we will not forget the treacherous manner in which its freedom was trampled on. As the years pass by, the Communist leaders in Russia expect the people of the world to become indifferent to the crimes they have committed in the past.

Time does have a way of clouding and obscuring the memory, and some may scarcely remember the Russian occupation of Lithuania 25 years ago. But are we to let the simple passing of time make legitimate the atrocities of the Russian leaders? We cannot afford to let this happen.

Mr. Speaker, today the brave people of Lithuania are still bound by chains to the Communist regime in Russia. As leaders of the free world, it is for us to give them encouragement and hope. We cannot expect them to fight the men of the Kremlin alone. We must support them, and help them to retrieve the freedom and independence without which they have been for so many years. On this day, I urge all Americans to rededicate themselves to this important task.

Mr. OSTERTAG. Mr. Speaker, I wish to join with my colleagues in recognition of the 46th anniversary of Lithuanian Independence Day. The Lithuanian nation gained its independence on February 16, 1918, and remained free for 22 years; then in 1940 this small nation was ruthlessly overrun by the Soviet Union. The Communists never again permitted Lithuania to return to freedom; instead they have deported, persecuted, and murdered Lithuanians in an effort to remove all trace of this freedom-loving nation. This is a prime example of the Communists' method in dealing with smaller nations.

However, the United States rightfully has refused to recognize this brutal incorporation of Lithuania into the Soviet Union. We continue to maintain diplomatic relations with representatives of the free Republic of Lithuania who are here in the United States, where over 1 million Lithuanians now reside. We must continue to do all we can to support their quest for a restoration of freedom to their homeland.

Mr. Speaker, in the first session of this Congress, I introduced House Concurrent Resolution 216, urging free elections be conducted by the United Nations in all the Baltic States of Lithuania, Latvia, and Estonia. Our Government should endeavor to bring this matter before the United Nations in the near future.

The Baltic States have never been given the opportunity of self-determination. This right of self-determination is being granted to nation after nation today, and we should insist upon the same right for the subjugated captive nations of Eastern Europe. I hope Congress will act soon on this important resolution.

Mr. BURKE. Mr. Speaker, Lithuania is one of the three Baltic countries in northeastern Europe, and, though they are no more than 3 million Lithuanians in all, they form the largest ethnic group there. More than 700 years ago they had an independent kingdom, at times the most important in all northeastern Europe. Late in the 18th century Lithuania was annexed to Russia, and from then until 1918 Lithuanians suffered under the cruel regime of czarist Russia. But these liberty-loving and freedom-seeking people were never reconciled with their lot under Russian czars, and toward the end of the First World War when the czarist regime was overthrown, they saw their chance for freedom. On February 16, 1918, they proclaimed their national independence, and established the Lithuanian Republic with a democratic government. Soon that government was recognized by other sovereign states, and admitted into the League of Nations. At the same time patriotic Lithuanians worked most diligently in making their homeland a prosperous, progressive, and happy land in which everyone could enjoy full political, economic, and religious freedom.

Early in the last war Lithuanians were robbed of these freedoms. First their country was overrun and occupied by the Red army in mid-1940. Then it was forcibly annexed to the Soviet Union. Then the Nazis took over. Throughout the war these unhappy people suffered much, and endured much of it in the fond hope that at the end of that war they will attain freedom. But when the Red army overran the country once again in pursuit of of the Nazis, communism once again conquered their land. Since then they have been prisoners in their homeland, separated from the free world by the Kremlin-imposed Iron Curtain. For almost 24 years these people have not known freedom, but they have not given up their hope for a free and independent Lithuania. On the 46th anniversary of Lithuania Independence Day let us pray that they attain their goal and enjoy the blessings of peace in their homeland.

Mr. BARRETT. Mr. Speaker, on the 46th anniversary of Lithuanian independence it is fitting for us to pause a moment to consider the tragic history of the nation whose anniversary we are celebrating. Lithuania is an old nation; for at least 2,000 years the Lithuanian people have inhabited their ancestral homeland on the western shore of the Baltic. The various Lithuanian principalities, known to history since 1009, were united into a single nation in 1253. During the Middles Ages the Lithuanians created a powerful independent state. Dauntless warriers fought against Teuton and Russian to check the drive against them from both east and west. During these years the Lithuanians played an important role in the development of European civilization, and Lithuania was one of the first countries in the region to advance human freedoms.

From the late Middle Ages nearly to the end of the 18th century—1385–1795—Lithuania was united through a marriage of rulers with Poland, thus forming one of the largest states in central and eastern Europe. But this union eventually proved fatal for Lithuania; these golden years ended with the partition of Poland in 1795, when Lithuania found itself annexed by Russia. Thus began a period of oppressive foreign rule, followed by a brief reacquisition of independence after much suffering, and unfortunately, repression once again under the Russian yoke of tyranny.

The czarist repression was bitter for the Lithuanians, who tried many times to throw off the Russian domination. After a series of revolts the czarist regime tried to force Russification on the people. Testimony to the steadfastness of the Lithuanian people and their determination to remain faithful to their language and traditions is the fact that the Russian effort was so unsuccessful it had to be abandoned. Finally, with the upheaval of the old European order ushered in by World War I, the Lithuanians were able to realize their dream of throwing off the Russian oppressor. On February 18, 1918, Lithuania was proclaimed an independent Republic.

For over 20 years Lithuania was a progressive democratic country dedicated to restoring to its people the individual liberties they had so long been deprived of. Land reform was instituted, and social welfare legislation was enacted. But the Soviet duplicity which we have since come to know so well was at work to undermine Lithuania's independence. Ignoring a 1920 peace treaty in which Russia pledged to renounce forever all rights of sovereignty over Lithuania, in 1939 the Soviet Government forced a mutual assistance treaty upon Lithuania which was the prelude to Soviet occupation in 1940. On August 3, 1940, Lithuania was incorporated into the U.S.S.R.

Since then their homeland has been a nightmare to the Lithuanian people. They have been sealed off from the outside world. Thousands of their population have been forcibly removed from their homeland. The oppressive hand of Soviet tyranny has left nothing untouched but has tried to mold all to its totalitarian scheme. On this sorrowful independence anniversary let us join the approximately 1 million Americans of Lithuanian descent in admonishing their Lithuanian brothers to be of good courage, to hold steadfast to their faith that one day their beloved homeland will again be free.

Mr. CUNNINGHAM. Mr. Speaker, I rise to join in the salutes to the people of Lithuania on the occasion of the 46th anniversary of the restoration of Lithuania's independence. Only people in the free world can observe this holiday, which goes back to the years when this Baltic nation, along with its neighboring states of Latvia and Estonia, was a free nation.

But there is another date to remember, June 15, 1940. Since that day Lithuania has been suffering in Soviet captivity. The Lithuanian nation has never experienced in its long history through centuries such an extermination and annihilation of its people as during this Soviet occupation. During the last 23 years the country has lost more than one-fourth of its entire population. Hundreds of thousands of Lithuanians were murdered by the Kremlin despots or died in exile in Soviet slave labor camps and prisons in Siberia and other places of Communist Russia. We all hope this occupation will end, and we are pledged to that goal.

In recent years former long-dependent African and Asian nations, with the aid of the United Nations, have been granted their independence and have taken their place among the members of the family of free nations while Lithuania and other Eastern Europe nations are still under the Soviet Communist heel. Lithuania has the same right to be free and independent as any new state in Asia or Africa. We should have a single standard for freedom.

To this end I have had the honor to introduce and sponsor legislation which would put this Nation firmly on record as to our desires for these captive nations. These are spelled out in House Concurrent Resolution 59, which I introduced last year. This resolution is still pending before the House Committee on Foreign Affairs, and I would take this opportunity to urge the chairman and members of the committee to expedite this very important legislation and send it to the House for adoption.

House Concurrent Resolution 59 follows:

H. CON. RES. 59

Whereas the Communist regime did not come to power in Lithuania and the other two Baltic States, Estonia and Latvia, by legal or democratic processes; and

Whereas the Soviet Union took over Lithuania, Estonia, and Latvia by force of arms; and

Whereas the Baltic people, Lithuanians, Estonians, and Latvians, under Communist control were and still are overwhelmingly anti-Communist; and

Whereas Lithuanians, Estonians, and Latvians desire, fight, and die for their national independence; and

Whereas the Government of the United States of America maintains diplomatic relations with the Governments of the Baltic nations of Lithuania, Estonia, and Latvia and consistently has refused to recognize their seizure and forced "incorporation" into the Union of the Soviet Socialist Republics: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the House of Representatives and Senate of the United States of America request the President of the United States to bring up the Baltic States question before the United Nations and ask that the United Nations request the Soviets (a) to withdraw all Soviet troops, agents, colonists, and controls from Lithuania, Estonia, and Latvia, (b) to return all Baltic exiles from Siberia, prisons, and slave-labor camps; and be it further

Resolved, That the United Nations conduct free elections in Lithuania, Estonia, and Latvia under its supervision.

At the same time I call upon the President to bring up the Baltic States question in the United Nations with the following actions as our goal:

First. Withdrawal of Soviet troops, agents, colonists, and controls.

Second. Return of all Baltic exiles from Siberian prisons, labor camps, or elsewhere.

Third. Free elections under U.N. supervision.

Certainly these are reasonable objectives that we as the leaders of the free world support.

I join my colleagues in the Congress in marking the anniversary of freedom for Lithuania and renew my plea for action to free the enslaved Baltic nations.

Mr. AUCHINCLOSS. Mr. Speaker, as we celebrate the 46th anniversary of Lithuanian Independence Day, we remember the dauntless courage of the Lithuanian people who, even after years of foreign oppressive rule, have not forgotten their national identity or lost their love of liberty. Time after time Lithuania has been the victim of European power politics. In 1795 along with Poland, this Baltic nation, which had once been the greatest state in central Europe, was partitioned by the three imperial powers of Germany, Austria, and Russia. For the next hundred years or so, Lithuania found itself an integral part of Russia. In the face of czarist efforts to force them into a Russian mold, the Lithuanians did not flinch. Periodic revolts by Lithuanian patriots throughout the 19th century attest to their steadfast resolve to master once more their own destiny.

Their opportunity came in World War I as a result of European politics. With Germany and Russia exhausted from the long struggle, Lithuania proudly declared its independence on Februray 16, 1918. The interwar decades which followed were the golden years of modern Lithuania. Under a democratic republic, economic and social progress leaped forward. But this free existence was not destined to last. Once more rival European ambitions reared their ugly head. The two dictators, Hitler and Stalin, both coveted the Baltic states for the colonization of their own nationality, irregardless of the wishes of the indigenous peoples. After suffering the ravages of war as the battleline swayed back and forth over their territory, the Lithuanians found themselves once more a part of Russia. The old attempts at Russification, only this time with a Communist slant, appeared again. As in times past, the Lithuanians have resisted them and will continue to resist them until independence is once more theirs. We salute the long-suffering and courageous Lithuanians on this anniversary of the winning of their independence and we will continue to support them until they have once again regained their independence.

Mr. BECKER. Mr. Speaker, it is one of the ironies of post-World War II days that while the peoples of the free world solemnly observe independence day celebrations, many of these nations are enslaved in their homeland by Communist totalitarianism. The tragic history of the Lithuanian people, the way they regained their independence at the end of the First World War, and then they were deprived of their freedom by one of our wartime allies, is a sad and poignant case in point.

No other people among tens of millions suffering under alien autocracies deserved their freedom more than these stalwart fighters for the best in Western civilization. For more than a full century they suffered indescribable hardships under czarist Russia's autocracy, but they successfully maintained their distinct national characteristics and their ideals of freedom. And when that decrepit regime was toppled by the Russian Revolution in 1917, these people cast off the chains which had kept them in bondage and proclaimed their independence on February 16, 1918. That day marked a turning point in their modern history, and from then on they lived in freedom in their historic homeland for a little over two decades, during the interwar years. And then unfolded the world tragedy, the Second World War, which very quickly spelled endless suffering and untold misery to them. They lost their freedom and independence; in mid-1940 they were enslaved by Stalin's henchmen, and soon their country became part of the Soviet Union. Even in such unenviable circumstances they lived with the hope that at the end of the war they would have their freedom. But the end of that war not only did not bring freedom to them, but the chains which were riveted round their necks were tightened by the Kremlin. They were cut off from the free world by the Iron Curtain, and to this day they live beyond the pale of Western civilization. For nearly a generation they have known no freedom, and the new generation rising there probably has no idea of the world outside the Communist world. Along with many other captive nations, they are the true and helpless captives of Soviet communism.

On the 46th anniversary of Lithuanian Independence Day I would like to reiterate my firm conviction, which I have expressed in the resolution I introduced in this House—House Resolution 164—on January 23 of last year, that perhaps the best and the most effective way of celebrating the independence day of these captive nations is by creating a Special Committee on Captive Nations. My wholehearted sympathy for the Lithuanian people and their righteous cause is in no way impaired or diminished by coupling my urgent remarks for the creation of such a committee on the 46th anniversary of Lithuanian Independence Day.

Mr. WALLHAUSER. Mr. Speaker, liberty—the power of choice—is the priceless commodity of a free nation. Without doubt we prize our liberty as proven in the sacrifices of war. We cannot remember a time when we were restrained as a Nation since we became one. Without this memory it may be difficult for true realization within us of the sadness of a country deprived of its liberty. Lithuania is one of these. Lithuanians have not liberty, but Soviet domination to celebrate on this, their 46th anniversary of the restoration of Lithuania's independence. In recalling Patrick Henry's ringing declaration, "Give me liberty; or give me death," I have a feeling that life without liberty can be a type of death. While we continue to cherish and defend our liberty, let us strive at the same time to add our strength in solidarity with Lithuania and the rest of the captive nations—to add our hope, our prayers, that the blessing of liberty will be shared by all countries of the world—a world at peace.

Mr. FALLON. Mr. Speaker, Lithuanians are one of the most gifted and gallant people in Europe. They are hard-working, tenacious and intelligent, and throughout their long history they have proved themselves a peace-loving and freedom-loving people. In their historic homeland on the eastern shore of the Baltic Sea they once had a kingdom, which for centuries enjoyed greatness and glory. But from the late 18th century on they have had more than their share of misery and misfortune, except for the happy interlude of two decades between the two World Wars.

Having suffered under the oppressive yoke of Russia's czarist regime for more than 100 years, at last they had their chance for freedom. This came about as the result of the Russian revolution and the overthrow of the czarist regime. This was the golden opportunity for which Lithuanians had waited for more than a century. So in February of 1918 they took their fate and destiny in their own hands, proclaimed their independence on the 16th and established the Lithuanian Republic. That historic date marked the rebirth of freedom in Lithuania, and the birth of a new, sovereign state. In the course of the next two decades, while there was peace, Lithuanians saw to it their homeland was to become a progressive, dynamic, and democratic state, a model democracy among the new states in eastern and central Europe. They worked hard to make their homeland a safe haven for its people, and they were proud of what they had achieved.

This happy interlude did not last long. With the consolidation of Communist power in Russia, and the rise of the Nazi regime in Germany, Lithuanians realized that their existence was in danger. And early in the last war their worst fears were justified. By mid-1940 Lithuania was overrun by the Red army, and then the country was made part of the Soviet Union. Since then there has been no independent Lithuania, and no one in the country is allowed to celebrate Lithuanian Independence Day there. Under the unrelenting Communist totalitarianism imposed by the Kremlin, these people are not free in any sense; they are prisoners in their once free and fertile land. We in the country sympathize with their unenviable lot, and on the observance of the 46th anniversary of Lithuanian Independence Day pray for their deliverance from Communist totalitarian tyranny.

Mr. JOELSON. Mr. Speaker, today we celebrate the most memorable day in modern Lithuanian history. Forty-six years ago, on February 16, 1918, after over 100 years of oppression under Russian rule, the Lithuanians proclaimed their independence. They organized a democracy in which for the first time in decades they were able to determine their destiny and to enjoy freely their own unique customs and culture. Under the Republic, agriculture and industry progressed, while social legislation and the guarantee of the basic human freedoms bettered the lot of the people.

But this happy state was brought to an abrupt end with the coming of World War II. Following first pressure from the Nazis and then the Russians, Lithuania found its territory and its freedom whittled away. By the end of the war, it was once again made a part of Russia with only the veneer of independence remaining in the title of Soviet Socialist Republic. In reality, the Russians, not Lithuanians, ruled. These foreign masters were and are now attempting to force their system and values on the defenseless Lithuanians. But the spirit of freedom has never died in the hearts of Lithuanians. They still yearn for the day when they can once again proclaim their independence. We, as Americans that live in freedom, sustain the Lithuanians in their noble quest.

Mr. FRIEDEL. Mr. Speaker, our late and beloved President Kennedy said:

> We must never * * * at any summit, in any treaty declaration, in our words, or even in our minds * * * recognize Soviet domination of Eastern Europe.

Yesterday, February 16, was the 46th anniversary of the Declaration of Independence of Lithuania. We mark that day, not by rejoicing for Lithuania is not now free and independent, but as a period of remembrance. No people can more appreciate the natural striving for liberty and freedom than our American people do. This is the reason why we in the Congress of the United States pause in our deliberations and from our legislative duties and responsibilities to pay a just tribute to the brave and good people of Lithuania.

Yes, our late President was right. We must never recognize Soviet domination of Eastern Europe. Unfortunately, Lithuania is a captive nation behind the Iron Curtain and enslaved by brutal, ruthless, and atheistic Communist Russians. The world, and particularly America, will never forget what occurred during June 1940, when the Reds swept over that land and abruptly ended its two decades of independence. Thus vanished the Lithuanian Republic and also the liberty of its people.

The suffering of the Lithuanians is especially poignantly felt at this Lenten season when we recall that thousands of them were mercilessly uprooted from their ancestral homes, their worldly possessions taken, and foreign people from Asiatic areas brought in to take their place. Freedom of movement was forbidden and practically every vestige of their God-given rights as human beings was stamped out.

One may also ask why we in the Congress of the United States, after the many years that have elapsed since the Declaration of Independence of Lithuania and the subsequent destruction of its freedom, take cognizance of this day. To them we answer that the reasons for such action are many. First and foremost, we take pity upon the terrible plight in which the men, women, and helpless children of that once proud nation find themselves. Second, despite solemn treaty assurances to "renounce all rights of sovereignty in the Baltic States," the Soviet Union incorporated Lithuania into the U.S.S.R. Third, but by no means least, it is very important that by our action in commemorating this day we clearly demonstrate to the entire world that we cherish liberty, freedom, and independence for enslaved people everywhere.

To the stouthearted people in Lithuania and to my fellow Americans of Lithuanian ancestry, I offer my sincere best wishes and assure them of our continued refusal to recognize Russia's illegal usurpation of Lithuania's independence. I also join with them in their fervent desire that in the not too distant future their nation may again be blessed with liberty and freedom and that justice will in the end prevail.

Mr. ROOSEVELT. Mr. Speaker, the recent history of Lithuania, whose 46th anniversary of independence we celebrate today, well illustrates the principle that a people never give up their love of liberty, even after years of oppression. In 1795 the czar forcibly took over Lithuania. In the following years this alien overlord tried to impose Russian culture and values on the helpless Lithuanians and to transform them into good, submissive subjects, but without success. Numerous revolts in Lithuania in the 19th century attest to this failure. Finally, in the chaos of World War I, the Lithuanians attained their independence, fighting off invading Russian armies in the process. In the next few decades Lithuania flourished under a democratic government.

But the rise of dictatorial regimes in Germany and Russia spelled the doom of the young Lithuanian Republic. Succumbing to pressure from first one and then the other, Lithuania ended the war once again under the despotism of the Russians. True to the unflinching Lithuanian spirit, these stalwart people have not succumbed to Russian attempts to mold them to their intolerant system. They still look forward to the day when they will shake off the Russian yoke and establish their own democratic order. We have not forgotten the brave Lithuanian people in their plight. We recognize their undying love of liberty which we will continue to work for until they have attained it.

Mr. FARBSTEIN. Mr. Speaker, as we once again celebrate the proclamation of an independent Lithuania 46 years ago today, we are reminded of the ironies of history and the fluctuations in the fortunes of people. In the same decade that our Founding Fathers established the United States of America which was destined to grow from a group of insignificant, quarreling English colonies into the mightiest nation on earth, Lithuania which had once been the greatest state in central Europe was partitioned in 1795 along with Poland between the then mighty empires of Prussia, Austria, and Russia. In the next century, Lithuanians resisted with determination Russian attempts to impose their language, culture, and customs on them. Many of these brave people immigrated to our shores, along with those from many different lands, to mold themselves willingly into a new and great nation. In the atmosphere of freedom and tolerance, which has marked the American experience, they were able to enjoy their own, unique customs.

But the idea of a resurrection of the glorious state that had once been never died in the homeland. With World War I and the consequent collapse of the German and Russian Empires, Lithuanian patriots seized the opportunity to proclaim on February 16, 1918, the independence of Lithuania. After its frontiers were secured from Russia, Lithuanians all over the world could look for the first time in over a century to a portion of the earth over which the Lithuanian flag flew and over which their brothers actually ruled, even though its extent was a far cry from those of the golden medieval period.

But the Lithuanians were not destined to enjoy long their hard won independence. Under pressure in World War II from Hitler and then Stalin, those two arch foes of national self-determination, the hapless Lithuanians found themselves bit by bit forced to relinquish their sovereignty. By the end of the war the results of 1795 had again been repeated. Lithuania found itself a part of the new Russian Empire, only this time under the sham of an independent state as one of the Soviet Socialist Republics.

As we join today with our fellow Americans of Lithuanian descent in recognizing the Lithuanian nation, we remember that at the time that our Nation did not exist, Lithuania was one of the greatest states in Europe and that at the time that our Nation was founded, Lithuania was disappearing from the councils of Europe, only to reappear for a while following the war in which American forces fought to save the world for democracy and to enable suppressed peoples like the Lithuanians to realize their national character and goals. We have not changed our ideals. The United States has never recognized Russian controlled Lithuania and this false Lithuanian Republic. We continue to maintain relations with the former independent government which has a legation here in Washington. One day, I am sure, we, the strongest and greatest democracy on earth, will again see Lithuania emerge as an independent and democratic nation, just as it did after World War I. Until then, we salute the Lithuanian people and sustain them in their period of captivity.

Mr. POWELL. Mr. Speaker, February 16 marked the 46th anniversary of Lithuanian independence. Lithuanians are the largest of the three nationality groups in the Baltic countries. They are barely 3 million in all and perhaps partly for that reason they are not as well known in this country as they should be. For centuries they had a large kingdom, and it was a powerful force in the whole of eastern Europe. At times they not only successfully repelled some of the incursions of barbarian invaders from the East, but they also were champions of Christianity in Europe's borderlands, and as such formed a formidable advance guard of Christianity in that part of Europe. Late in the 16th century the Lithuanian Kingdom was united with that of Poland, thus forming a dual monarchy. This union lasted for about 200 years, and during that time the destiny of Lithuania was inseparably wedded to that of Poland. And toward the end of the 18th century when Poland was partitioned among Austria, Prussia, and Russia, Lithuania became part of the Russian empire. That sad event marked the end of the Lithuanian kingdom.

This loss of national freedom did not mean the loss of the Lithuanians' spirit of independence. During more than a full century under oppressive czarist domination they learned that individual or group well-being could not be achieved or enjoyed without national political independence. They combated the czarist regime with all the means at their disposal, and worked hard to keep the national spirit alive among their kinsmen. They fought that regime openly and clandestinely. At times they staged open rebellions against their oppressors, but they had to wait until World War I for the attainment of their independence. They did this by proclaiming the birth of the Lithuanian Republic on February 14, 46 years ago.

Thenceforth for more than two decades they lived happily in their free and independent country. Then came the shock from a sudden release of evil international forces. Hemmed in between the vast military machines of Nazi Germany and Communist Russia, Lithuania could not have hoped to cope with either. When World War II came, Lithuanian independence was one of its first casualties. The forces of the Soviet Union overran and occupied the country in mid-1940, and then made it part of the Soviet Communist world.

Since then, for more than 23 years, unhappy Lithuanians have not known freedom in their homeland. They have suffered under the heavy yoke of both the Nazis and the Communists. Today it is the Communists who hold the Lithuanian people in bondage, in complete slavery, denying them all freedoms. Under such unenviable circumstance, all they can do there is to think of the happy days ushered in by the historic event of 46 years ago. And we in the free world, especially in this great Republic, observe the 46th anniversary of Lithuanian Independence Day in the fond hope that soon these people will have the freedom to do the same in their homeland.

Mr. ST GERMAIN. Mr. Speaker, it is a great pleasure to join so many of my colleagues in honoring the great people of Lithuania. The story of their struggle against Soviet conquest is filled with sadness for every freedom-loving American.

When the Russians first took over Lithuania in 1940, they immediately set out to destroy any individual freedom. They seized all industry, commerce, trade, and financial institutions. The landowners were expropriated. The farmers were forced to live in collectives, despite their bitter protest. All the industrial and agricultural establishments were operated for the benefit of the state, and it appears that very much Lithuanian production was sent to the Soviet Union to benefit the Russian people.

The basis of the Lithuanian economy, the currency, was undermined by fixing an absurd exchange rate for Russian rubles. Within 4 months after Lithuania was overrun, the ruble became the currency of Lithuania in order to integrate the nation into the Soviet system.

The Lithuanian Army was overwhelmed by the size of the Red army invasion in 1940. But some elements of the Lithuanian Army organized an underground movement which fought the Russians for several years. Munitions were stolen wherever possible, and many lives were lost. But the thorough Communist organization of the country slowly starved to death an effective resistance in the absence of aid from the free world.

The story of the Communist-controlled elections of July 1940, shows the way in which freedom is lost under communism. The new government which had been established by the Russian Army called for elections immediately after assuming office. An electoral commission of Communists was in charge. The voting was carried out under the direction of a Russian secret police officer. All parties except the Communist Party were liquidated, many of their officers being executed and sent to Siberia. No opposition presses were allowed to operate.

On the day of the election, July 14, 1940, the people boycotted the elections and only 15 to 20 percent cast ballots. The Communists extended voting another day, and then local police, the Red army, and Communists forced the people to vote, carrying them to the polls in trucks. The next day the Communists announced the absurd results: 95.1 percent of the eligible voters had voted; 99.19 percent of these voted for the Communist Party. Also it was claimed no complaints of voting irregularity were received. One wonders why they even bothered with such a farce.

This is only a small part of the tragic story of one of many nations seized by communism. Conditions have grown worse in Lithuania, freedom is little nearer than it was in 1940. A third of the population has been murdered or deported. Surely in Lithuania, independence day dawns on a gray scene. But we must encourage the spark of freedom which still burns in Lithuanian hearts. Tyranny cannot survive the tide of democracy which is sweeping the world. The Lithuanian people are just waiting for the right moment. Then the Communists will receive their just rewards, and communism will meet its timely end.

Mr. CLARK. Mr. Speaker, on this anniversary of Lithuanian independence, I join free people everywhere in acclaiming a great and virtuous people. And in so doing, I call the attention of our friends in Africa and Asia and urge them to look at the example of Lithuania as proof of the awful presence of Soviet tyranny.

Mr. MONAGAN. Mr. Speaker, the history of Lithuania as a nation, and of the Lithuanian people provides us with ample basis for the conviction that they will again some day wear the badge of independence with the same dignity that they have borne the yoke of oppressive communism.

Today we are observing in the House of Representatives the 46th anniversary of Lithuania's Declaration of Independence. There is no cause for celebration, but there is reason for hope; there is courage and determination in spite of the continuing domination of these freedom-loving people by Soviet Russia.

In commemorating the 46th anniversary of Lithuanian independence we recall that on February 16, 1918, a group of 200 Lithuanian leaders assembled to consider the future of their country which at the time was occupied by Germany. They followed the pattern set by our own Founding Fathers and proclaimed their national independence, fully cognizant of the penalties as well as the privileges, and recognizing that the pledge might necessarily be redeemed with their own blood.

This era of Lithuanian independence, product of World War I, threatened initially by the Red army in 1919, survived briefly and subsequently was swallowed up in the World War II succession of Nazis and Communists. Thus, today we recognize the 46th anniversary of the Lithuanian Declaration of Independence and the 24th year of oppression and subjugation of a nation that refused to die at the hands of ruthless dictatorship—German or Russian.

The culture of Lithuania, which is one of the oldest in Europe, is threatened with extinction; her people and the people of the other captive nations of Europe are all but silenced, deprived of the privileges of religion, of free speech and assembly. But the forces of freedom continue to speak for Lithuania from this Nation and from others, and there are evidences that these good influences are sustaining the desire for freedom and independence in the homeland which has survived all oppression.

The fire of freedom continues to burn in Lithuania, and in the hearts of the men and women of Lithuania who have found new homes, new hearths, and new inspiration in nations where oppression is unknown. We have found this to be true in our hearings on the captive nations, and on current trends behind the Iron Curtain, which I have been privileged to chair as a member of the House Subcommittee on Europe.

Unfortunately, we count another year, another anniversary of a Declaration of Independence in a nation where today independence is not a reality, but a memory and a dream. Ours is the responsibility and the privilege to help keep alive that memory, and to labor for the fulfillment of the dream.

In this endeavor, we have the support and devotion of all people of Lithuanian blood and of freedom-loving people wherever they may reside, even though the people of this great Baltic nation are not today able to observe, formally and actively, their independence day.

Mr. MILLER of New York. Mr. Speaker, I wish to join my colleagues in observance of the 46th anniversary of the restoration of Lithuania's independence. On this occasion we salute a people whose courage and firm faith in the dignity of the individual have survived unspeakable adversities. In the memory of each there burns the eternal glow of a hard-won fight for freedom.

I find it incredibly cruel that another year must witness their desperate frustration as they are denied the right of self-government which will always be their goal. Communist Russia's forcible colonization of the Baltic States, of which Lithuania is one, is an injustice challenging the moral fiber of the free world. As communism applies the pressure of devious methods for free world acceptance of this illegal annexation, we must never let it be forgotten we are on the side of the captive nations and share their hopes for eventual liberation.

If this reaffirmation of our friendship for the Lithuanian people accomplishes nothing else, I hope it will signal anew America's rejection of tyranny in any form and her allegiance to government by self-determination, not meaningless existence under the guns of an aggressive power.

Wherever people have the heart to cling to freedom as the best state of man, communism is doomed to defeat because it has nothing to offer that any thinking person really wants. So, I urge the Lithuanian people to keep their courage high in the knowledge their cause is not forgotten. I want to express the hope that one day we will see the establishment in the Congress of a Special Committee on the Captive Nations. This would be an effective way of putting Russia on notice that America is unalterably opposed to Communist colonization.

Mr. HEALEY. Mr. Speaker, it is fitting that many Americans pause in their routine today to recognize Lithuanian Independence Day. If we believe in freedom, we should live it. Lithuanian-Americans here in this country and, I profoundly hope, Lithuanians behind the Iron Curtain as well, will be encouraged by our words to carry on their struggle.

Lithuania has a noble tradition, a fine culture, and a long history of independence. Lithuania is without a doubt a victim of Russian greed, for there is no compatibility at all between the Lithuanian system of freedom, developed between 1918 and 1940, and the Soviet dictatorial system of today.

Lithuanian people have known only hardship and toil for more than half the time since their independence. They are industrious people, deserving far better than servitude to Moscow.

It is the duty of free peoples to encourage Lithuanian freedom and to always remember there are many other nations like Lithuania, which do not enjoy freedom. Until they do, our task is not complete, our freedom itself is not sufficient.

Mr. PATTEN. Mr. Speaker, today we not only commemorate the 46th anniversary of the establishment of the Republic of Lithuania; the 713th anniversary since the formation of the Lithuanian State; and the 711th anniversary since the founding of the Lithuanian kingdom. We also acknowledge and salute the great contributions, character, and spirit of the Lithuanian people.

Over 1 million Lithuanians live in the United States, and many reside and work in the 15th Congressional District of Middlesex County, N.J. I personally know hundreds of them, and they rank among the best of our citizens. Capable, industrious, and loyal, they are wonderful Americans.

Lithuania is one of the many European nations crushed by Soviet force and tyranny. Since June 15, 1940, when courageous Lithuania lost its freedom and independence, thousands have been murdered, most of them men and women who were leaders.

The United States maintains diplomatic relations with representatives of the Lithuanian Republic and is hoping to expedite the day when Lithuania will regain its freedom and independence.

Lithuania—one of the oldest and most respected nations in the history of the world—will some day sever the Soviet chains of tyranny and have its people walk again with freedom, dignity, and happiness.

I would also like to urge the adoption of House Concurrent Resolution 233, which I introduced on November 6, 1963, with the hope that action will be taken on the Baltic question.

The resolution follows:

H. Con. Res. 233

Whereas the Communist regime did not come to power in Lithuania, Latvia, and Estonia by legal or democratic processes; and

Whereas the Soviet Union took over Lithuania, Latvia, and Estonia by force of arms; and

Whereas the Baltic people, Lithuanians, Latvians, and Estonians, under Communist control were and still are overwhelmingly anti-Communist; and

Whereas Lithuanians, Latvians, and Estonians desire, fight, and die for their national independence; and

Whereas the select committee of the House of Representatives created by H. Res. 346, Eighty-third Congress, to investigate the incorporation of the Baltic States into the Union of Soviet Socialist Republics found that the incorporation of Lithuania, Latvia, and Estonia was contrary to established principles of international law; and

Whereas the United States of America has never recognized the occupation of the Baltic States and their incorporation into the Union of Soviet Socialist Republics and continues to maintain diplomatic relations with representatives of the former governments of Lithuania, Latvia, and Estonia; and

Whereas their exists a strong and undivided world opinion to eliminate all remnants of imperialism and colonialism: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President of the United States should bring up the Baltic States' question before the United Nations and ask that the United Nations—

(1) request the Soviets—

(A) to withdraw all Soviet troops, agents, colonists, and controls from Lithuania, Latvia, and Estonia; and

(B) to return all Baltic exiles from Siberia, prisons, and slave-labor camps in the Soviet Union; and

(2) conduct free elections in Lithuania, Latvia, and Estonia under its supervision and punish all Soviet Communists who are guilty of crimes against the peoples of the Baltic States.

Mr. HORTON. Mr. Speaker, this time has been set aside to commemorate the 46th Independence Day of Lithuania. On this anniversary, it is appropriate to decry the Communist exploitation of the Lithuanian people and offer words of hope for their eventual freedom. But, these acts are not enough.

Surely, if we want to extend the perimeters of freedom, if we care for our fellow man in Lithuania, if we believe in notifying the world that the Lithuanians are unwilling victims of the cruelest, most atheistic, and most perfidious political system, then we need a plan of action to free Lithuania.

It is obvious to anyone who looks into the history of Lithuania that it was attacked in the most flagrant imperialist manner in 1940. Like every other nation in the Communist bloc, Lithuania only became a quiet satellite of Russia after the most horrifying, senseless slaughter, and persecution imaginable to the civilized mind. And yet today, the United States is attacked in country after country, inflamed by vicious Communist propaganda, as an imperialist nation. Our great contributions to world peace and development, our democratic belief in the world of sovereign nations, voluntarily associated in the United Nations, our restraint in the face of merciless persecution for the last 20 years, are all overlooked in the storm of Communist words.

It is about time we met this real situation head on and came up with some solutions. The Communists have not hesitated to propagate gigantic lies about every small fault and insufficiency in our system. They have not avoided interfering in our domestic affairs, invading the Western Hemisphere in the most aggressive fashion, slandering and attacking everything we do on the world stage. No one wants to go to war, and we certainly can strike back short of war.

We do not need to lie or become imperialistic in the mode of the Soviet Union. The truth about communism is a much mightier force. We should formulate and put into effect the greatest information program the world has ever seen. We should develop the best techniques to puzzle, thwart, and defeat communism in the satellite nations.

The Soviet Union is very vulnerable in East Europe. The Communists themselves evidence this in every way, by building walls to keep their captives in, by travel restrictions, and many other policies. Nearly every day an East German risks or loses his life to escape through the Berlin wall. In Innsbruck, Austria, 15 East European visitors asked for political asylum after the winter Olympic games. In Geneva, a Russian secret police official has fled his delegation and asked for asylum.

It seems to me if the world is made aware of the discontent among the captive people who have actually experienced international communism, then we are well on the way to defeating communism. And when the East European peoples have finally risen and thrown out communism, then we have won.

We should take this Lithuanian Independence Day as a starting point in a new program, which would have two parts: First, combat Communist propaganda everywhere in the world, with two truths for every lie; and second, aid and encourage revolutionaries and freedom fighters everywhere in the Communist bloc. The Communist pot is boiling, all the people need is a firm resolve and a new vigor among democratic nations, to blow the whole top off.

A policy of wait and see, a fear of contradicting communism, a dread of ever taking a real offensive is a loser's policy. We want a winner's policy. Let us use all the God-given natural strengths of democracy and natural weaknesses of communism, and we shall win.

Mrs. GRIFFITHS. Mr. Speaker, Some 3 million gallant Lithuanians live in their historic homeland on the eastern shore of the Baltic Sea. Throughout the course of turbulent history, Lithuanians have managed to survive and safeguard the ideal of freedom, often fighting against forbidding odds. At the end of the 18th century, Lithuania was overpowered by Russia. In 1918, when the czarist regime in Russia collapsed, Lithuanians seized control and proclaimed, on February 16, national independence. Unfortunately, independence was fleeting. By force of arms, Lithuania fell in 1940 to the Red army.

Ever since the Russian takeover, Lithuanians have not known freedom. Under oppressive Communist tyranny, they have suffered the miseries of a captive people. Mr. Speaker, knowing that the Lithuanian people are without the freedom to celebrate their Independence Day, we in the United States observe the anniversary of that memorable day, and ardently hope that these courageous fighters for freedom will regain liberty in their beloved country.

The following is the text of House Concurrent Resolution 153 which I introduced in behalf of Lithuania and the other Baltic states. I urge that action on this resolution be taken by the 88th Congress to rid these nations of the yoke of communism and to support the principles of freedom throughout the world.

House Concurrent Resolution 153 follows:

H. Con. Res. 153

Whereas the greatness of the United States is in large part attributable to its having been able, through democratic process, to achieve a national unity and freedom of its people, even though they stem from the most diverse of racial, religious, and ethnic backgrounds; and

Whereas this national unification of the free society has led the people of the United States to possess a warm understanding and sympathy for the aspirations of peoples everywhere; and

Whereas so many countries under colonial domination have been or are being given the opportunity to establish their own independent states, the Baltic nations, having a great historical past and having enjoyed the blessings of freedom for centuries, are now subjugated to the most brutal colonial oppression; and

Whereas the Communist regime did not come to power in Lithuania, Latvia, and Estonia by force of arms; and

Whereas Lithuanians, Latvians, and Estonians desire, fight, and die for national independence and freedom; and

Whereas the Government of the United States of America maintains diplomatic relations with the Governments of the Baltic nations of Lithuania, Latvia, and Estonia and consistently has refused to recognize their seizure and forced incorporation into the Union of the Soviet Socialist Republics; and

Whereas no just peace and security can be achieved in the world while these and other nations remain enslaved: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Senate and House of Representatives of the United States of America request the President of the United States to bring up the Baltic States question before the United Nations and ask that the United Nations request the Soviets—

(a) to withdraw all Soviet troops, agents, and controls from Lithuania, Latvia, and Estonia; and

(b) to return all Baltic deportees from Siberia, prisons and slave camps in the Soviet Union; and be it further

Resolved, That the United Nations conduct free elections in Lithuania, Latvia, and Estonia under its supervision.

Mr. TAFT. Mr. Speaker, I would like to once again call to the attention of the Members of this body and the Nation the anniversary of Lithuanian Independence Day. This day will be celebrated next Sunday, February 16, just 46 years after the establishment of the Republic of Lithuania in 1918. Last year I introduced and there is still pending House Concurrent Resolution 103. It should be considered and acted upon.

As we all know, since 1940 Lithuania has been suffering in Soviet captivity. The United States has never recognized incorporation of Lithuania into the Soviet Union by force, and we continue to maintain diplomatic relations with the representatives of the Republic of Lithuania.

It is vital that we continue to do so, and that we never abandon our position for reasons of expediency. Such an abandonment would mean death to the hopes of freedom, not only for Lithuania, but for all those other unfortunate captive nations who still find themselves under the yoke of Soviet tyranny. Any such decision would signal to the world a departure from the moral principles of self-determination for which the world, hopefully, still respects us.

To Lithuanians in America and throughout the world we extend greetings and renewed hopes of liberation.

Mr. STAEBLER. Mr. Speaker, I am pleased today to take note of the 46th anniversary of the independence of Lithuania, which was observed yesterday, February 16, in many, many parts of this country.

We should all recall today that Lithuania and the Baltic States were the first victims of Soviet aggression. While world attention today is focused on the newly independent African and Asian nations, the plight of Lithuania and Soviet-occupied nations in Europe has been pushed into the background.

We are hopeful that the time will come when the nations of eastern and central Europe once again will enjoy freedom and independence.

Lithuania is a nation steeped in tradition. At one time her borders stretched from the Baltic to the Black Sea. This year we are marking the 713th anniversary since the formation of the Lithuanian State; the 711th anniversary since the founding of the Lithuanian Kingdom—Mindaugas was crowned as the first King of Lithuania in 1253 and he was known as Mindaugas the Great—and of course, the 46th anniversary of the establishment of the Republic of Lithuania. During her short-lived period of independence, Lithuania's economy was the envy of all Europe.

It is, therefore, proper on this anniversary that we remind ourselves of the plight of Lithuania, Latvia, Estonia, and the other captive nations.

Mr. NEDZI. Mr. Speaker, I am pleased with the opportunity to join my colleagues in paying tribute to the brave men and women of Lithuania on the 46th anniversary of Lithuanian Independence Day. As freemen, it is our obligation to speak out and to give voice to those patriots, past and present, who have been silenced by Communist occupation and suppression.

In a world where the fate of small nations is often decided by forces over which they have no control, Lithuania is a prime example of how a small, independent nation can be crushed by tyranny. Lithuania has been a captive nation more than once, and its present situation reminds us that the face of a tyrant may change but the conditions of tyranny do not.

Lithuanians have, for centuries, proven themselves worthy of freedom. The recorded history of Lithuania begins in A.D. 1009, before the establishment of England, and nearly 500 years before the discovery of America. It was the first nation of eastern Europe to embrace Christianity, and at one time its frontiers extended from the Baltic to the Black Sea. In its 22 years of freedom during this century, Lithuania adopted a democratic form of government, encouraged education, and enacted progressive social and economic measures. In addition, it rejuvenated its cultural life in a manner which emphasizes that it is not, and never has been, an integral part of Russia.

The plight of Lithuania and of the other captive nations today proclaims, for all who want to see, that the Soviet Union is a colonial power and that, while colonialism has largely departed from Africa and Asia, it continues unabated in eastern Europe.

As we pay tribute to Lithuania today, we are sustained by the memories of its history and its past achievements. I salute its cause, for its cause is a worthy one, and I endorse the record of Lithuanian-Americans who can, with good reason, be proud of their heritage and their own contributions in building a better America.

Mr. PRICE. Mr. Speaker, it would be most unbecoming to this House if we did not continue the custom—now honored for many years—of reminding ourselves occasionally that there are ancient independent nations along the Baltic reaches whose territory and populations have been physically and forcibly incorporated into the Soviet Union—against the people's will.

Lithuania is one of these nations. We note this fact today because February 16 is the 46th anniversary of a solemn day in Lithuanian history—the day on which the nation was reestablished in 1918 as a free and independent state.

Her freedom and sovereignty did not persist very long—only from 1918, at the shattering end of one war, until the Red Army marched in again in 1940 at the beginning of a new war. The Kremlin's conquerers are still in occupation. They say that Lithuania no longer exists as a sovereign nation. They have reduced her population, ravaged her intellectual classes, used her territories for colonization.

But this country has never recognized the Soviet occupation as legal and valid. A Lithuanian legation is still established here and Lithuanian consulates function to meet the needs of their people legally residing in the United States. Our Government has maintained this approach for nearly a quarter of a century because, in all truth, freedom is recognized as indivisible, and the demand for freedom for the Lithuanians is as significant as the demand for freedom from any other people.

Mr. Speaker, I have introduced a resolution—House Concurrent Resolution 244—that is pending before the Committee on Foreign Affairs. I hope that the committee and its distinguished chairman, the gentleman from Pennsylvania, will be able to take up the resolution at an appropriate time, along with suggestions from many other Members, with a view to seeking a clear congressional statement on the Soviet seizure of the Baltic States.

In the meantime I cite the long and proud history of Lithuania—a nation that has existed since the 13th century, that has a clear line of descent until the present day, a small nation, perhaps, but one that given the chance might function as usefully as Switzerland and other small nations that have had the good luck to be permitted to develop along their own lines as sovereign people.

Citizens in the congressional district I have the honor to represent do not take this matter lightly, Mr. Speaker. Nor do a great many citizens across the country, including those who are not of Lithuanian descent but who share the belief that we must speak out for justice and freedom.

The text of House Concurrent Resolution 244, introduced by me in the 1st session of the 88th Congress, follows:

H. CON. RES. 244

Whereas the Soviet Russia occupied the Baltic States, Lithuania, Latvia, and Estonia, by force of arms; and

Whereas the Soviet Russia imposed the communistic regime in Lithuania, Latvia, and Estonia against the will of its people; and

Whereas the Baltic States desire, fight, and die for their national independence; and

Whereas the United States of America has never recognized the forceful occupation of the Baltic States by the Soviet Russia, and do not recognize the incorporation of Lithuania, Latvia, and Estonia into the Soviet "Republics"; and

Whereas the select committee of the House of Representatives, created by H. Res. 346 of the Eighty-third Congress to investigate the incorporation of the Baltic States into the Union of Soviet Socialist Republics, found that the incorporation of Lithuania, Latvia, and Estonia was contrary to established principles of international law; and

Whereas the opinion of the free nations and the free people of the world is to eliminate any kind of colonialism and imperialism: Therefore be it

Resolved, That the Senate and House of Representatives of the United States of America request the President of the United States to bring up the Baltic States question before the United Nations and ask that the United Nations request the Soviet Russia the following:

First, to withdraw all Soviet troops, secret police, agents, colonists, and all controls from Lithuania, Latvia, and Estonia;

Second, to return to their homes all Baltic exiles and deportees from Siberia, prisons, and slave-labor camps in the Soviet Union; and be it further

Resolved, That the United Nations conduct free elections in Lithuania, Latvia, and Estonia under its supervision and punish all Soviet Communists who are guilty of crimes against the peoples of the Baltic States.

Mr. CAREY. Mr. Speaker, It is a pleasure as an American to join in the many words of my colleagues in commemoration of Lithuanian Independence Day. All the valuable and important American citizens of Lithuanian ancestry deserve all the support and encouragement we can give them in their constant hope for freedom for the Lithuanian homeland.

Never in the history of mankind have so few suffered so much at the hands of so many. The tiny Lithuanian nation has not pursued a threatening policy for centuries. Yet at every opportunity Soviet Russia has done its best to totally destroy the self-respect and independence of the Lithuanian people. In 1918, 1940, and again in 1944, the Communists used their overwhelming force for the sole purpose of conquering Lithuania and exploiting it for the enrichment of the Russian people.

As we observe the happy moment of Lithuania's independence 46 years ago, we should certainly not forget all the years of sadness since then. Lithuania has now been longer under tyranny than it was under freedom. All the great advances under freedom have been destroyed under the tyranny. But there is always hope in the hearts of mankind. As Americans know from their own experiences with tyranny, the Lithuanian people will rise again. They will be free and their road to progress will be open again.

Mr. FEIGHAN. Mr. Speaker, on this occasion I take the opportunity to remind Members that Lithuania, a once free, democratic, and sovereign nation, has been under occupation by imperial Russia for almost 24 years. That occupation began in 1940 as a consequence of the Hitler-Stalin pact, otherwise known as the Nazi-Russian agreement to destroy all forms of representative self-government from the Baltic Sea to the Caspian Sea.

This is not a comforting introduction to my statement in connection with the 46th anniversary of Lithuanian national independence, but it is a realistic and honest one. For no one can deny that the golden age of Lithuanian national independence was broken and destroyed by the imperial ambitions of Moscow and the historic spirit of Russian chauvinism which has made the Russian nation the "sick man" of both Europe and Asia for several centuries. That is a fact of contemporary history, a fact which cannot be denied by those who are honestly and sincerely interested in the cause of human freedom.

We observe today, in Congress, the 46th anniversary of Lithuanian national independence. Congress has set this day aside each year since 1949, as a public means of demonstrating that our Nation will never recognize the forcible incorporation of the Lithuanian nation into the modern-day Russian empire. But the passing of time tends to dim our memories about the events which led to the demise of Lithuanian national independence. The all-out Russian propaganda campaign on "peaceful coexistence" seeks to bury the memory of truth in a deluge of false and evil promises. Congress, as the most powerful forum of freedom in the world, has with each passing year striven to hold high the torch of truth so that justice may in time prevail in the affairs between and among the nations of the earth.

It is time the executive branch of our Government moved to action in support of the call of Congress, as well as its own pronouncements, on the burning question of Lithuanian independence and independence for all the non-Russian nations enslaved by imperial Russia.

Several weeks ago, in an address before the annual dinner of my Princeton class of 1927, I called out for a program which would give the Russians a $1 billion credit for each national plebiscite carried out behind the Russian Iron Curtain under United Nations supervision. This proposal was made in recognition of these two facts of present-day life:

First. Imperial Russia owes the U.S. taxpayers over $10 billion, as a consequence of World War II, after a generous write-off of about another $10 billion in critical war materials supplied to them during the active stages of that war.

Second. Imperial Russia is now faced with the growing specter of famine and total economic collapse as a consequence of stubborn adherence to the policies of the czars under the propaganda slogans of international communism. In these circumstances the current leaders of imperial Russia must turn to the free world for help to rescue it from disaster, just as Lenin did with his new economic policy in 1923, and the leaders of the free world must decide whether they will support the reconstructed empire of the commissars or open the doors to national plebiscites from the Baltic Sea to the Caspian Sea. That is the basic question which should have been raised when imperial Russia first raised the question of credits from the United States to latch on to our surplus wheat to avoid famine throughout the Russian empire this year. That question was not raised by Secretary of State Rusk in his negotiations on the wheat deal.

But human freedom will have another chance to assert its voice when the Russians seek credits to buy entire chemical complexes from which they will manufacture industrial fertilizers. The reasonable projections of imperial Russian prospects for stemming the growing tide of famine within their empire during the next 5 years tell us that they, the Russians, must turn to the United States for credits or face the reality of famine, revolution, and collapse of their reconstructed empire. So the choice of the State Department is simple. The choice is, to either force the Russians to allow the people of Lithuania and nine other non-Russian nations behind the Iron Curtain to express their will through a free plebiscite under United Nations supervision or grant imperial Russia unconditional credits through which they can preserve their empire and strengthen their position for an eventual attack upon the United States. It is that simple. And the choice of the Department of State at this point of internal crisis for the Russian empire could not be stated more realistically.

As we observe this 46th anniversary of Lithuanian national independence in Congress we should be mindful of these choices which now confront the executive branch of our Government. If the right choice is made Lithuania will soon be free. If the wrong choice is made Lithuania will remain in Russian bondage. And worse, imperial Russia will, in the words of Lenin, use the rope supplied by the United States to hang the cause of human freedom throughout the world.

We have reached a point in the affairs of nations when it is possible to forecast the return of freedom and national independence to the people of Lithuania. I hope that we shall not neglect to take full advantage of this opportunity.

Mr. GALLAGHER. Mr. Speaker, we have heard much recently about the liberalization of regimes in Eastern Europe, much about sending wheat to the Soviet Union, much about a hoped for followup to the test ban treaty. But we have been hearing little about those small, valiant Baltic countries which were absorbed in the vast Soviet empire at the end of World War II. Indeed, these countries are virtually shut off from the world. If we are looking for evidence of the loosening of the Soviet hold on Eastern Europe let us look there first. The scene we find is bleak. There is no sign of relief.

On February 16 of this year Lithuania became a so-called Soviet Republic. All independent Lithuanian agencies and institutions were abolished. The political, economic and cultural life of Lithuania has been Sovietized. Terror, deportations, mass arrests and executions have been employed to subdue the Lithuanian people. The land of Lithuanians has been collectivized; the Lithuanian economy has been subjected to the prior requirements of the Soviet economy. We find no signs of gradually lightening despotism. We find unmitigated suffering in the harsh grip of the Soviet master.

A nation that has striven for its independence—the Lithuanians struggled for over a hundred years; any people that has achieved independence as the Lithuanians did but for too short a time between 1918 and 1940—can never again put aside the knowledge of what it is to be a free people. Today, almost 3 million Lithuanians and over a million Americans of Lithuanian descent guard the knowledge of what it meant to be free, and guard the hope that one day that knowledge will bear fruit. This is an appropriate time to salute their courage, salute their faith, and salute their adherence to the ideals that they share with all free peoples.

Mr. KEOGH. Mr. Speaker, our hearts go out to the brave people of Lithuania on this anniversary of their freedom and independence—an anniversary that they themselves cannot celebrate fittingly in their homeland because that freedom and independence has been cruelly taken away from them. Because of the tragic loss of their voice in governing themselves and in commemorating their day of freedom, it is for us, in a land blessed with freedom, to speak for them and to recall their historical struggles and earlier emancipation.

Today, when so many new nations throughout the globe are experiencing freedom for the first time, the dire plight of the heroic Lithuanian people is evermore heartrending. Like the other formerly independent states that have been forced against their will into the Soviet sphere, Lithuania lives and is sustained in the hope that some day the yoke of tyranny will be loosened and that she again will be able to assume her rightful status in the family of free self-governing nations. The oppression and terror imposed upon her people by the Soviet tyrants has been a prime force in welding that hope into a fierce determination.

The fervor of the peoples subjected to the Soviet domination is a major source of worry and concern to those dictators. The sentiments of Americans expressed in ceremonies like these in the U.S. Congress and in broadcasts beamed to the Iron Curtain countries by the Voice of America and Radio Free Europe are a constant reminder to the Communists that the plight of the subjugated people is not forgotten. To those people we today send our most sincere good wishes and remembrances. We want them to know that they will never be forgotten.

To their compatriots now living in the United States, we convey our warmest greetings. Particularly, do we greet the members of the Lithuanian American Council and congratulate them on their splendid efforts in keeping alive the traditions of their native land. Their work is an inspiration to the enslaved Lithuanian people whose confidence in once more achieving independence must be kept alive.

Mrs. REID of Illinois. Mr. Speaker, Sunday, February 16, marked the 46th anniversary of the independence of the Republic of Lithuania from czarist Russia's tyranny which its people had endured for over 100 years. Unfortunately, that independence was of short duration, and the brave people of this land are once again suffering under the yoke of oppression of the Soviet Union.

I join with my colleagues in paying tribute to Lithuanians here in America and in their native land and in reaffirming our dedication to the cause of freedom for all captive nations.

In this regard, there are a number of resolutions pending before the Congress which call for the United States to initiate action in the United Nations or otherwise to bring about not only the withdrawal of Soviet forces but free elections in Lithuania, Latvia, and Estonia. I ask my colleagues to heed the following plea for favorable congressional action which has been made by Dr. Giedra Sidrys, of Streator, Ill.:

> Soviet Russia keeps the Baltic States under a military occupation and under a subjugation which amounts to slavery. Of all the parts of the Soviet Empire, this is the area where suppression of freedom and individual liberties has reached its peak. This fact should be incompatible with the consciousness of the Western World. By virtue of their centuries-old independence, social achievements, and cultural aspects, the Baltic States were a part of the Western World, dedicated to the ideals of national and individual freedom. The Baltic people were, and still are, in this respect, spiritual brothers of the people of the United States of America. The resolutions demanding their freedom would be one step toward recognition that we are not entirely free as long as our brothers in Europe suffer in slavery.
>
> The Baltic people have gone to desperate lengths in their hopeless fight for freedom. This fight continues, or at least simmers, throughout Europe wherever freedom is suppressed. Such a resolution would be a spiritual lift for the hope of freedom deep in the hearts of these people.

Mr. DANIELS. Mr. Speaker, Congress takes up a good deal of time every year in special observances of the independence days of the nations conquered by the Soviet Union. One might wonder whether such observances serve any useful purpose, or whether we Congressmen really think our speeches have any value in light of the seemingly ironclad control over these countries which the Soviet Union has. The answer is: Our words here definitely have a purpose—the purpose of exposing communism for what it is, and our speeches do have value, particularly because the supposed ironclad control of the Soviet Union is an element of Communist propaganda and is not the true situation in Eastern Europe today.

Communist Parties all over the world have constantly harped on their chorus of lies for many years. Certain ideas have been repeated over and over again, and since the world has been effectively barred from entering the Communist bloc to find the truth, many believe these ideas.

Lithuania presents a living refutation of everything communism preaches. The Lithuanian people have a proud cultural heritage of freedom. They had developed an outstanding nation before Moscow was anything but a barbaric outpost. Lithuania suffered 120 years of despotic czarist rule without losing its national unity and cultural integrity. When 1918 came, the people rallied behind great leaders and proclaimed their independence on February 16, which we celebrate today. Thereafter Lithuania became a repected member of the League of Nations, the people enjoyed the best kind of representative government and their living standards improved more rapidly than ever before in history. By 1940 Lithuania was a prosperous, stable country founded on private farming and growing industrial production.

Into this scene marched the Soviet Union. By subversion and force, it conquered Lithuania. Immediately all freedom was suppressed. Party leaders were executed. Newspapers and magazines were seized. Millions of citizens were arrested without legal recourse to habeas corpus or counsel. Then a completely Communist parliament asked to be admitted to the Soviet Union. What else could have happened when no opposition at all was allowed to exist?

Since 1940 many more freedom-loving people have died in Lithuania. All the land has been seized and farmers have been forced into collective farms despite vigorous resistance. Millions of Lithuanians have been exiled to Sibera and elsewhere, and replaced by loyal Russians, especially in the coastal areas, who can be expected to keep an eye on the Lithuanians. All the natural resources which Lithuanians had developed were seized and exploited for the benefit of the Russian people. Lithuanians have been reduced to second-class citizenship and second-rate living standards. All this proceeded in complete darkness—no foreigners at all have been allowed into Lithuania until just 2 years ago.

Once this true situation has been exposed, Communist propaganda becomes the obvious farce that it is. Four major claims of communism are reduced to absurdity: First, that peoples voluntarily join communism; second, that the constituent republics of the U.S.S.R. outside the Russian Republic itself enjoy autonomy; third, that communism has brought a better life to the East European people; and finally, fourth, that communism is the wave of the future.

The fact is that no nation has ever voluntarily adopted communism. Despite the most strenuous and well-financed efforts in Italy, Indonesia, India, and elsewhere, communism has yet to win a parliamentary majority. It never shall. Communists can fool a few people and frighten a few others, but without the support of the Red army, they cannot win. The reason is that Communist promises of a better life have been thoroughly disproved. There are too many examples like Lithuania, where the most basic rights of civilized peoples have been ignored; where living standards are low; and where millions have suffered and died needlessly.

Therefore we serve a useful purpose here in remembering Lithuanian Independence Day. Communism is not the wave of the future, but rather a temporary reversion to barbarism. In a few countries, which were very primitive, communism may gain many converts. But time is on our side. The principles of freedom can compete with any totalitarian system and win. Our duty is to maintain and enunciate the doctrine of freedom, clearly and openly, so the world will remember the doctrine and remember where it is heading. Especially we must be willing to take a few moments of our time to encourage the oppressed peoples, suffering under communism, and to remind them what freedom is, and to encourage them to continue striving toward it.

Mr. **BOLAND.** Mr. Speaker, the liberty-loving Lithuanian people are among the proudest and most individualistic people in all Europe. Though never numbering more than 3 million at any time in their long and turbulent history, they have contributed more than their share to the common pool of European civilization. In their northeastern homeland on the Baltic shore they have played an important part in the political, social, and cultural history of that part of Europe. They had their grand and glorious days in the late Middle Ages and early in modern times. Then, by the grim fates of history, they lost their freedom and independence, and were engulfed in the polyglot empire of czarist Russia late in the 18th century.

They were almost submerged in that empire, but fortunately they were not lost, and never lost their national identity. For more than 100 years they kept up their national spirit and their hope for freedom, struggling hard to regain their national independence. Finally, in 1918, they succeeded in attaining their goal, proclaimed their independence on February 16 of that year, established the Lithuanian Republic and adopted a democratic form of government. Under this government of their own choice they lived happily for more than 20 years, vigorously working at the task of reshaping a better life for themselves in their beloved homeland. Before this self-imposed task was completed, however, the clouds of war descended upon them. The aggressors struck.

In 1940 Lithuania ceased to exist as an independent state when Stalin's Red army overran and occupied the country.

Since the middle of that fateful year the Lithuanians have experienced the cruel tyranny of both Nazi and Communist domination. The end of the war brought no relief to them. In fact, since 1945 their misery and suffering have been aggravated under Communist totalitarian tyranny. Lithuania has become a large concentration camp, a prisonhouse for its helpless inhabitants. During all these years the country has been practically sealed off from the free world, and Lithuanians have no free contact with their spiritual brothers of the free West.

In observing the 46th anniversary of Lithuanian Independence Day we hope to keep alive the undying spirit of freedom among these people. We know that they will continue to resist in every practicable way the despotism hoisted over them. Their courage, their tenacity and their loyalty to noble traditions will in time defeat the guns and tanks of their heartless and godless oppressors. Our ardent prayers go with them on the 46th anniversary of their independence day.

Mr. **BUCKLEY.** Mr. Speaker, yesterday, February 16, was the 46th anniversary of the independence of the sovereign state of Lithuania.

Today, throughout the entire world, we are concerned with problems of vast international import. This applies to Africa, Asia, South America, and Europe. Faced by existing problems, we tend to forget the plight of those countries that have suffered for many years under Communist tyranny. Lithuania is one of those countries. Lithuania should never be forgotten.

The people of Lithuania enjoyed but a brief period of self-government before they were overwhelmed by Communist tyranny. From 1940 to the present date, the darkness of Soviet oppression has lain heavy on Lithuania. Despite this long oppression the spirit of freedom still lives within that valiant nation.

In the years to come when the whole world will once again be free, when the forces of tyranny in all forms are wiped from the face of the earth, Lithuania and the Lithuanian people will take their place among the free peoples of the earth. Until that day arrives, I pay tribute to the valor, the spirit, and the determination of the Lithuanian people, and wish them an early return to the freedom that was theirs during the period covered by the years between the First and Second World Wars.

I know that the people of Lithuania have not been forgotten by the people of the free world, and I join with them in saluting Lithuania on her independence day.

Mr. **HOLLAND.** Mr. Speaker, to take part in the 46th anniversary of Lithuanian Independence Day is to add a stone to that figurative monument to endurance, faith, and the love of freedom which the Lithuanians have erected for themselves over the years. To those who know something of the history of these indomitable people it is not surprising that they bear the torch of liberty through decades of darkened hope and relentless domination.

To some observers it might seem that the years since the 1918 date which we now honor have been as much filled with the darkness of domination as with the all too brief light of liberty; and that the clouds show no sign of lifting. Why then this nostalgic celebration of what is lost and the raising of what appear to be false hopes? Is this not an unkind twisting of a knife in a wound?

To them let it be said that the history of the Lithuanian people bears witness to the triumph through the ages of faith and fortitude. The years since the rebirth of independence in 1918 are but a small part of the long and inspiring story of the Lithuanian people, whose history is known since the Middle Ages. The recorded story of Lithuania as a nation dates from the year 1009. In the next 200 years we find a united state of many principalities under one Christian king. This state, powerful and independent, was to expand its boundaries, its influence, its civilization during succeeding centuries to cover what was later Byelorussia and the Russian S.S.R. A union with Poland through marriage of the heads of state brought together the advanced civilization of central Europe, which was to last politically until 1795. By then the hordes of Eastern Europe had overrun the territory to the east and south of Lithuania's boundaries. Soon they had swallowed Lithuania also. But, like Jonah, Lithuania was to remain unabsorbed. Its civilization, its traditions, its spirit of independence never succumbed to the vicissitudes of physical domination. Despite all the efforts at Russification, the Lithuanian language, religion, and culture were preserved. For nearly a century and a half Russia was able to put down all revolt; but the Lithuanians never lost their goal of renewed independence.

In 1918 that goal was realized. Lithuania was again a nation free and sovereign. Though that freedom was to be again snatched away by the powerful Russian state, now the Soviet Union, Lithuanian independence of spirit could not be overcome. The recrudescence of Russian domination could never succeed in assimilating the Lithuanian culture. It has been kept alive wherever the Lithuanian people are to be found. The basic spirit of independence is as alive as it has been down the centuries. We admire it. We cherish it. We hail it. We find sympathy for it in this land founded on liberty and the love of freedom.

Mrs. **DWYER.** Mr. Speaker, Soviet domination of the Baltic States of Lithuania, Latvia, and Estonia represents naked colonialism at its worst. Few if any more flagrant examples exist in the world today. Consequently, as we commemorate the 46th anniversary of the restoration of independence to Lithuania, the largest of the Baltic countries, at the Council of Vilnius, it is important that we use the opportunity to consider what positive action can be taken that will advance the day when Lithuania and its neighboring states will once again be free and independent.

The Soviet annexation of Lithuania was cynical, brutal, and illegal, and it remains all these things and more. Every time the Soviet Union speaks of freedom or condemns colonialism, its record in Lithuania makes a mockery of the Communist regime's pretensions and stands as convincing evidence of its hypocrisy.

The U.S. Government has firmly and consistently refused to recognize this illegal annexation. We have honored the Lithuanian people for their continued devotion to the ideals of freedom and justice under the most difficult of conditions. And we have encouraged them to hold fast to their aspirations for independence.

Consequently, Mr. Speaker, we have a strong obligation to back up our words and our ideals with action of a more meaningful and effective kind. A very useful blueprint of such action has been furnished to many of our colleagues by our Lithuanian American constituents in the form of a proposed resolution for consideration by the Congress. This resolution, if adopted, would request the President to bring the Baltic question before the United Nations where the Soviet Union would be asked to withdraw its troops and agents from the three countries, to return Baltic exiles and prisoners to their homelands, and to permit free, U.N.-conducted elections.

This is a reasonable and responsible course of action. I endorse it and I have urged the Committee on Foreign Affairs of this House to give this proposal serious consideration.

As a part of my remarks on this important occasion, Mr. Speaker, I include the text of a resolution adopted on February 9 by the Linden, N.J., branch of the Lithuanian American Council and the text of a resolution adopted at a Lithuanian American mass meeting on February 16, sponsored by the Elizabeth, N.J., chapter of the Lithuanian American Community of the United States of America, Inc.:

RESOLUTION BY THE LITHUANIAN AMERICANS OF LINDEN, N.J.

Whereas on February 16, 1964, commemorating the 46th anniversary of Lithuania's Declaration of Independence, the feeling of many Lithuanian Americans may well be guided by the words of our late President, John Fitzgerald Kennedy: "Ask not what your country can do for you, but what you can do for your country"; and

Whereas Lithuania, the country of our ancestors, once an independent and flourishing republic, recognized and respected by the world's major powers, was invaded and occupied by the Soviet Union in 1940, its people enslaved and systematically being now annihilated; and

Whereas despite its pretense of advocating and backing complete freedom and independence for all nations, the Soviet Union deceitfully continues its occupation and suppression of Lithuania as well as other captive European nations; and

Whereas the yearning for truth, justice, and freedom burns in the heart of every man of good will, the power of this yearning cannot be extinguished by a tyranny no matter how forceful: Be it therefore

Resolved, That we hereby reaffirm our determination to continue to carry on the effort whereby Lithuania once again shall regain her freedom and rightful independence; and

Resolved, That we earnestly beseech our Government to hold fast to its position of nonrecognition of the unlawful Soviet rule of Lithuania and other enslaved countries and demand that the Soviet Union validate its high-flown oratory about ending colonialism everywhere in the world by immediately withdrawing all Soviet troops and colonialists from Lithuania and all other captive nations—that our Government insist that the liberation of these enslaved nations be a basic condition for the start of any treaty negotiations with the Soviet Union; be it further

Resolved, That copies of these resolutions be forwarded to the President of the United States, His Excellency Lyndon B. Johnson; to the Secretary of State, the Honorable Dean Rusk; to the U.S. Ambassador to the United Nations, the Honorable Adlai Stevenson; to the U.S. Senators of New Jersey, the Honorable Clifford P. Case and the Honorable Harrison A. Williams; to the Representative of the Sixth Congressional District of New Jersey, the Honorable Florence P. Dwyer, and to the Governor of New Jersey, the Honorable Richard J. Hughes.

VLADAS TURSA,
President.
MARGARITA SAMATAS,
Secretary.

LINDEN, N.J., *February 9, 1964.*

RESOLUTION BY THE ELIZABETH CHAPTER OF THE LITHUANIAN AMERICAN COMMUNITY OF THE UNITED STATES OF AMERICA, INC.

Whereas Lithuania and the other two Baltic nations, Latvia and Estonia, the first victims of the new Soviet Russian colonialism, are continuously suffering under the illegal Soviet Union occupation since June 1940;

Whereas Lithuanian, a more than 700-year-old nation, undoubtedly has the same rights to be free and independent as any new state in Africa or Asia;

Whereas the denial of the national freedom in any place in the world, including the Soviet Union, is illogical and intolerable;

Whereas the Lithuanian, as well as Latvian and Estonian, people are strongly opposed to the foreign occupation and are determined to restore their freedom and sovereignty which they had rightly enjoyed for many centuries in the past;

Whereas the U.S. Government on July 23, 1940, condemned such aggression and refused to recognize the Soviet occupation of Lithuania, Latvia, and Estonia: Now, therefore, be it

Resolved, That we, as Americans of Lithuanian origin, reaffirm our adherence to the American democratic principles of government and pledge our support to our President and our Congress to achieve freedom and justice in the world; and be it further

Resolved, That we sincerely urge the President of the United States, the State Department, and the Members of the Senate and the House to help to pass one of some 42 Senate and House concurrent resolutions, pending now before the Senate and House committees, requesting the Government of the United States to bring up the Baltic States question before the United Nations and request the Soviet Union's withdrawal from the Baltic States and return all exiled peoples from Siberia and prisons and to conduct free democratic elections under the supervision of the United Nations; and be it further

Resolved, That we express our sincere gratitude to the President of the United States for the continuous refusal to recognize the forcible incorporation of the Baltic States in the Soviet Union and to the honorable Members of the Senate and the House for their support of the cause of national freedom; and be it finally

Resolved, That copies of the resolution be forwarded this day to His Excellency Mr. Lyndon B. Johnson, President of the United States, Hon. Dean Rusk Secretary of State, Hon. Carl Hayden, Senate President pro tempore, Hon. John W. McCormack, Speaker of the House, Hon. Harrison A. Williams and Clifford P. Case, our Senators, Hon. Florence P. Dwyer, our Congresswoman, and the press.

VINCAS MAMAITIS,
Chairman.
MRS. MARY JUSKA,
Secretary.

Mr. CLEVELAND. Mr. Speaker, we should commemorate the brave independence of the Lithuanian people who after defeating Czarist forces on February 16, 1918, and enjoying brief freedom between World War I and II, lost their freedom to the harsh forces of communism. But the Communist takeover of Lithuania before and after World War II did not destroy the spirit of freedom of the Lithuanian people. The continuation of meetings and activities by Lithuanians living in the West proves that they have not forgotten their love of country and that hope is still alive among Lithuanians for a time when their homeland can regain its independence. This anniversary of Lithuanian Independence Day should remind Americans of an age when the United States neglected the struggles for freedom in other parts of the world and allowed totalitarianism to grow and expand—a policy that we cannot afford again.

At a time when various disarmament and peace gestures are being made by the United States to the Soviet Union, the enslavement of the Eastern European country of Lithuania should serve as a reminder to Americans of the true nature of communism. Dedicated to geographic expansion, communism seeks to destroy the weak and will use any method to accomplish its objectives of tyranny regardless of how ruthless. Thousands of Lithuanians have been either executed or exiled to Siberia. The Soviet's suppression of minority peoples such as the Lithuanians clearly indicates the hypocrisy of the Soviet Union's attack in the United Nations on the colonial policies of the West. By dominating Eastern Europe and seizing the Baltic Republics, the Soviet Union is by far the largest colonial power in the world.

The United States should continue to give encouragement to the peoples of Eastern Europe through Voice of America broadcasts, support of exile groups, and discussion of Communist colonialism before the United Nations. Negotiations with the Soviets undertaken by the United States should include the status of captive nations abroad, and our goal should be a firm resolve that not again will a small nation fall under the control of communism.

Mr. RYAN of New York. Mr. Speaker, this week marks one of the most important events in modern Lithuanian history, for on February 16, 1918, the brave Lithuanian people threw off the yoke of Russian oppression and proclaimed their independence. They wanted to exercise the right of every nation and control their destiny, just as they had during the Middle Ages when, joined with Poland, their state had made a lasting contribution to the development of European civilization. With the rise of empires on all sides in Austria, Russia, and Germany, Lithuania's integrity was first threatened and then destroyed in 1795 during the partition of Poland and Lithuania.

During the intervening years under Russian domination, the Lithuanians never lost their desire for independence. Czarist attempts at Russification failed as the Lithuanians arose time after time in revolt. Finally their chance came in 1918 during the chaos of World War I. With Imperialist Russia and Germany reeling under the impact of Western arms and internal revolution, Lithuania declared its independence.

The following years were the golden years of modern Lithuania. Under national leadership and a democratic, parliamentary government, the entire economic spectrum from industry to agriculture widened and developed. Social services were extended to the less fortunate and Lithuanian culture flourished in a liberal atmosphere.

But this free existence was not destined to last long. Once more Lithuania was to be squeezed between the totalitarian states on either side of it. Both Russia and Germany coveted Lithuanian land for settlement of its own people. To this end first one and then the other put pressure on the helpless Baltic state. By the end of World War II, Lithuania was once more under Russian domination.

The United States has never recognized this Russian usurpation of Lithuanian rights, nor the fraudulent elections which made Lithuania a part of Russia.

On the 46th anniversary of Lithuanian Independence Day, we extend our sympathies to the Lithuanian people who in their hearts yearn for liberty and the return of their own, democratic government. Many of them have died in the past for the dream of independence—during czarist times, during the First World War and after, and especially during the Second World War. Someday they will once again have their freedom and the cause of liberty will have advanced one more step.

Mr. STRATTON. Mr. Speaker, I rise today to join in congratulating the brave people of Lithuania on the 46th anniversary of their independence.

Today, as in years past, this is a day of mixed emotion; of pride in the courage and the dedication of the people of Lithuania themselves, but also of shame and dismay that on this anniversary day the independence we commemorate is no longer a fact in Lithuania, for in Lithuania, independence became a victim of the Communist tyranny nearly 20 years ago. And the yoke of the Communist tyranny still lies heavy today upon the shoulders of the people of Lithuania. Yet bright within their hearts still burns the flame of freedom, and, God willing, it will one day soon again burst out into the daylight, and the people of Lithuania will once again be free.

Mr. Speaker, I am grateful that the same courage and determination which has marked the people of Lithuania themselves over the years, has also become part of our own rich American heritage through the efforts and the contributions of those Americans of Lithuanian descent. We are a stronger and a more vigorous America today because of those sons and daughters of Lithuania, who have known from their parents knees just how much freedom means and how important it is to cherish that virtue.

Accordingly on this day I salute those Americans of Lithuanian descent whom I have the honor to represent in this body and I pray that the day will not be long delayed when the independence of Lithuania shall again be proclaimed and when the people of Lithuania shall again be free.

PRESIDENT'S PROGRAM FOR A WAR ON POVERTY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 60 minutes.

Mr. PATMAN. Mr. Speaker, I am so interested in the President's program known as the fight on poverty that I want to take just a few minutes to discuss it. I think this is one of the finest programs that any President could propose. We have in our country today a number of pockets of poverty where many people suffer misery and distress. That is happening right here at home in broad daylight where we can all see it. I am afraid that too few people are concerned about it. Our country is comparatively small. We have only about 180 million people in our country, and the area that we occupy in proportion to the entire area of the earth is, of course, very small; it is just a tiny speck. Notwithstanding that, our form of government, which is a government by the people, has made it possible for the people of our country to have more of the conveniences, necessities, and even the luxuries of life than all the other 3 billion people in all the rest of the world.

PRESIDENT'S ST. LOUIS SPEECH

The following excerpt from President Johnson's address given at St. Louis, Mo., on February 14, 1964, is trenchant and meaningful. The President states: "We must choose progress or decay," and he wisely asks that while remaining mindful of our global responsibilities, we do what is necessary to put our own house in order.

> The life Americans are to live in the third century of our Nation's existence will be determined in large measure by the response we make in this decade to the challenge of our cities.
>
> Our cities are in crisis.
>
> They are choked with traffic.
>
> They are suffocated by fumes from factories and exhausts.
>
> Their transport is overloaded.
>
> Their schools are overcrowded.
>
> Their law enforcement agencies are overburdened.
>
> Their tax bases are overworked.
>
> Their poor are crowded into slums.
>
> Their citizens with higher incomes are fleeing to the suburbs.
>
> In every region, in every State, the problems are the same. If we cannot yet know all the answers we need to know, we can and do know that, for the problems of urbanization, this is the decade of decision.
>
> If, by the year 1970, we are merely to keep up with the growth of our population, we shall have to build at least 2 million new houses each year—and many new schools, libraries, streets, utility lines, transport systems, water and sewerage facilities, stores, and churches.
>
> If, by the year 1970, we are to fulfill the ideals of our free society, we shall have to have ample housing for our low-income families, for rural families, for elderly families, and for the families of those who serve us in our Armed Forces.
>
> If, by the year 1970, we are to have the vitality of our cities, we must make continued progress in eliminating slums, in rehabilitating historic neighborhoods, in providing for the humane relocation of people displaced by urban renewal, in restoring the economic base of our communities, and in revitalizing our central areas.
>
> This is an agenda, but only a partial agenda and only a partial answer.
>
> If we of this generation are to do what must be done to preserve the quality and character and meaning of American life, we must, at home and in the world, make a basic choice.
>
> We must choose progress or decay.
>
> Three weeks ago I sent the Congress a message on housing and community development proposing a number of specific ways in which the National Government can work with citizens in localities throughout the country to meet the crisis of the city.
>
> Working together, strong civic spirit, strong local and national leadership can meet these problems.
>
> The Federal Government cannot act where local spirit and leadership are absent.
>
> But the Federal Government stands ready to help every city determined to become a place where children can grow up in decent neighborhoods, go to decent schools, play in decent parks and playgrounds, and have the benefits of a wholesome and vital environment.
>
> But it is not enough to build healthier local communities. America's larger task now is to help build a healthier world community.
>
> These objectives are related:
>
> We cannot secure the success of freedom around the world if it is not secure for all citizens in our cities.
>
> And no city in America can be certain of its safety until all the world is made safe for diversity.

Notwithstanding this great prosperity which we enjoy we do not seem to be too concerned about a large number of people in our area who are suffering daily. I do not mean to say that we can take care of every case, but we should at least try to take care of every deserving case.

I have always been impressed with the argument that the four greatest evils in our country are poverty, ignorance, disease, and crime. If we were to make a constructive and effective attack on the first—poverty—that would in large measure serve to cure the other three evils that I mentioned, ignorance, disease, and crime.

I have also heard that the three greatest institutions—and this impressed me very much—are the home, the church, and the school. I do not know of any better way to help those three great institutions than to eliminate poverty, ignorance, disease, and crime.

First, I want to commend our great President, Lyndon B. Johnson, for the fine campaign and the good start that he is making in this crusade to eliminate misery and distress, attempting to eliminate poverty. That program will do so much.

"TRICKLE-DOWN" THEORY SHOULD BE REVERSED

Members of Congress are a contributing part to the policies that are adopted in our economy. I believe we have given too much thought and attention to pouring money in at the top and permitting it to trickle down, hoping that it would finally trickle down to the masses. But that has resulted in a great misapprehension and a great disappointment. As we have poured billions of dollars in at the top, and supposing that it was to trickle down to the masses, it has gone through a lot of hands and we have found that it did not trickle down to the poverty-stricken people or even to the low-income groups to any extent. If we were, under President Johnson's program, to reverse this trickle-down theory and say that we will have some generating purchasing power upward, or the trickle-upward theory, if you want to call it that—if we were to do what is necessary to help the low-income groups and particularly the poverty-stricken people, that money spent at the lowest level will certainly go upward and go upward swiftly. And under our graduated income tax system, which I think is a fine system, one of the greatest systems of taxation any nation on earth has ever devised, as that money is spent with the low-income groups and the poverty stricken, it will go up and up and up.

Now, money works just like an animal works, it serves a great purpose. Money travels, it has velocity. It goes from one person to another. Practically every person who receives that money pays a little tax on it. In some areas it travels as much as 25 times a year. In some areas it travels as much as 50 times a year and in some areas 75 times a year.

Therefore, Mr. Speaker, with these dollars traveling that way and each one of them paying just a little income tax on it, it is possible that the program would largely pay for itself in increased purchasing power and increased taxes. So, that is something which is worthy of consideration also. The taxing power which takes a little of all the profits through all the hands that the money goes can be used to a great advantage in helping our poor people and probably not cost the Government very much money.

DEMOCRATS AND REPUBLICANS SHOULD FIGHT TOGETHER TO ELIMINATE POVERTY

Mr. Speaker, I hope that our friends of the other major political party, since we are Democrats and they are Republicans, I hope this is one time that we can have a bipartisan approach on a great constructive program. I see no reason why anyone should oppose a fight on poverty. I see no reason why any person or any political party should not be glad to cooperate and work shoulder to shoulder, all with one effort, for the purpose of eliminating poverty and misery in our country. I hope that the leaders of the other party will consider that approach. I hope that they can conscientiously and consistently lend help in the effort to relieve this country of poverty, as President Johnson has so well advocated.

THE 66TH ANNIVERSARY OF THE SINKING OF THE MAINE

The SPEAKER pro tempore (Mr. STRATTON). Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 60 minutes.

Mr. O'HARA of Illinois. Mr. Speaker, on Saturday, the 15th of February, the veterans of the Spanish-American War observed the 66th anniversary of the sinking of the battleship *Maine* in Havana Harbor. As on every anniversary of February 15 tributes of affection were paid to the memory of the *Maine's* heroic dead. It was the sacrifice of their lives, cut short in the bloom of youth, that started our country on the road of her world destiny.

It was the sinking of the *Maine* that triggered the war with Spain and started a chain of events that brought the United States to leadership in the world of freedom.

The Spanish-American War officially lasted 4 years, although the fighting with Spain was all over in 100 days. The Philippine Insurrection ran well into 1902 and the Boxer Expedition into China was part of the action on two oceans and in many lands. Some of the veterans of the Spanish-American War actually saw combat service first in Cuba at the siege of Santiago, then in the Philippines in crushing Aguinaldo's insurrection and finally in the march through hostile China to free the beseiged Americans in Peiping. The number who saw service on all three fronts, however, was small.

It was, of course, the veterans of the war with Spain who founded the Veterans of Foreign Wars. They were the first uniformed Americans to serve overseas, Col. P. J. H. Farrell headed the Veteran Army of the Philippines; Bob Woodside, of Pittsburgh, and Gus Hartung, of Denver, and others, including Rice Means and the gentleman from Illinois, were active in other overseas veteran groups that soon merged to form the Veterans of Foreign Wars of the United States as constituted today. I am the last remaining veteran of the Spanish-American War in the Congress and am one of the few surviving founders of the VFW.

Mr. Speaker, because of the relationship of the Spanish War veterans and the great overseas veterans organization that they founded, I think it most appropriate that the article by Joseph J. Jacoby in the February 1964 number of the VFW magazine should be included in the service here today in this historic Chamber of the House of Representatives of the Congress of the United States honoring the memory of the immortal dead of the battleship *Maine*. The article follows:

PEARL HARBOR OF 1898

(By Joseph J. Jacoby)

The nimble midshipman tried to squeeze through the porthole, but onrushing water made escape impossible through the small opening. He found two other routes also blocked by tangles of debris.

Finally, a strenuous third attempt enabled him and other crew members to pull themselves up over the coaming to a deck above and then over to the deck of the after superstructure.

There, with others who were lucky to escape with their lives, they watched their once proud battlewagon, the U.S.S. *Maine*, burn fiercely, its middle section ripped apart by a mysterious external explosion.

Cries of trapped men, searing flames engulfing them as they lay in hammocks, could be heard by survivors. Rescue attempts by the midshipman and others were blocked by towers of flames in the twisted steel compartments.

The U.S.S. *Maine*, minutes earlier riding quietly at anchor in Havana harbor, was now a shattered, blazing hulk, the aft section already embedding itself in the deep harbor mud, its decks awash. The bow area was not even visible.

A total of 226 brave Americans died aboard the devastated *Maine*.

Simultaneously and tragically, a war was born.

The date: February 15, 1898.

At anchor in the hot, humid, tropical night, the *Maine* had been blasted apart by a mine.

The ship had steamed for Cuba from Hong Kong, with Capt. Charles Sigsbee following his government's orders to protect American interests in an alarming situation fast developing in Cuba—"the Pearl of the Antilles." The *Maine* was to make a "friendly visit."

Americans, for many years, were being continually horrified with reports of the utmost cruelty and oppression inflicted on the freedom-loving Cubans by the ruling Spaniards.

Of particular disgust were the stories reaching the United States of hideous atrocities committed by Spain's General Weyler, labeled "The Butcher."

Insurrection against the inhuman Spanish militia was at its height on January 25, 1898, when the arriving *Maine's* chain rattled along its deck and splashed the anchor into Havana's bustling harbor.

Troopers wearing the Spanish uniform were swarming onto the island. The tension was electrifying.

Insurrection against the Spanish militia was at its height.

Gen. Weyler had slyly established an appeasement type government known as "Cuba Espanola." However, the strings were being pulled by "The Butcher" and the Cuban people were not fooled by the phony puppet administration. It didn't work and the insurrection moved ominously forward.

In America, 90 miles distant, word of the *Maine's* loss with the 226 men was stunning news. The long-smouldering resentment against the tyrannical Spaniards burned white hot and quickly, as anger mounted higher, "Remember the *Maine*" was to be the symbolic battle cry.

The people of the United States voiced a determination to see their country move against Spain which had invaded the Western Hemisphere and elsewhere.

The cry for vengeance became stronger and the clamor to rid Cuba of the foreign power took a firm, feverish hold.

This country had led a peaceful existence in the world since the long and costly battle between the North and the South ended in 1865. No shot had been fired at another country since the Mexican War erupted in 1846.

While "Remember the *Maine*" was shouted by a bloodied America, the challenge of Spain remained unanswered while this country quietly girded for the inevitable conflict.

Simultaneously, the Spaniards too, were strapping on battle gear and bolstering their defenses.

No declaration of war was as yet announced and there followed 4 months of preparation to end the last vestige of European dominance on this continent.

Meanwhile, a court of inquiry arrived at Havana after most of the survivors were taken to Key West, Fla.

The grim task of recovering bodies commenced and the midshipman who had the narrow escape when the *Maine* was ripped apart was among those who stayed behind to aid in the diving operations. He was destined for a long and excellent naval career and later became Rear Adm. W. T. Cluverius.

Years later he was to recall the sinking:

"I heard a sharp sound as if one of the light guns forward had been discharged.

Immediately there followed a terrifying explosion. The ship was plunged into darkness. The deck gave way underfoot * * * we heard water pouring down the engine-room hatch * * * the ship was burning fiercely."

He and the other midshipmen, who effected an escape through the water-filled passageways, had been serving aboard the *Maine*, one of the first of the larger steel ships built for a vastly improving and fast-growing U S. fleet.

The inquiry revealed that the mine had exploded near the outer keel and the forward 10-inch gun turret magazine had exploded, to plunge the *Maine* into 6-fathom-deep water in Havana's harbor.

Divers confirmed that the *Maine* had been the victim of an underwater mine; but the inquiry board could not establish the responsibility for the sinking of the ship.

It was obvious to the entire world that a most treacherous breach had occurred with a U.S. ship tied up in a supposedly friendly habor.

What followed was the prelude to the short war that saw America emerge as a forceful world power and showed our keen awareness of responsibility for the impoverished nations and peoples.

Finally, on April 25, 1898, President William McKinley spoke out with firmness and announced that America needed 125,000 volunteers to enter the war against Spain.

The crusade against tyranny brought long lines of volunteers. The response was overwhelming as men left their families, factories, offices and farms to avenge the *Maine* and her crew.

Halfway around the world battle-grey ships guided by Commodore George Dewey formed up less than a month later to confront the Spanish fleet in what became the first major action of the war—and undoubtedly one of the most epochal and decisive sea battles ever to take place.

Ahead, lying in Manila Bay in the Philippines, was the armada of Spanish Rear Adm. Patricio Montojo.

Manila's harborage was ringed with a perimeter of death—numerous shore batteries and "terrible minefields" which combined to protect the Spanish haven and its ugly brood of warships.

However, if Admiral Montojo had known how Admiral Dewey had made it a point to review and analyze the Manila Harbor details, he would not have rested easily aboard his cruiser flagship, the *Reina Cristina*.

Dewey, every corner of the harbor mentally cataloged, confidently led his fighting-mad men and battle-darkened fleet into Manila harbor on May 1, 1898.

Flags fluttering, the American ships closed in at 8-knot speed and a couple of shore batteries splashed shells harmlessly miles beyond into the blue bay.

As the sky took on color from the dawn's light, Commodore Dewey began unfolding his battle plans. He would blast the Spanish ships from 5,000 yards and sweep in to 2,000-yard range.

He wanted his striking force to then switch to a parallel firing approach, giving gunners on alternate sides an opportunity to hit the enemy ships. The Spanish squadron, alined in a fixed, irregular crescent across the bay before Cavite, could only fire from one position.

Dewey's plan was precision swift in its daring.

All ships would hold fire until effective range was attained, fire all available shot at the enemy's ships and forts, wheel about, attack on a return line and continue to wheel, pass, and fire until the shore batteries were knocked out and the fleet was decimated.

Aboard the flagship *Olympia*, Dewey leaned down over a railing and yelled, "When you are ready you may fire, Gridley." An 8-inch gun fired first as a signal. With that, as a seaman ran up the flag, "Fire as convenient," the Spanish admiral was about to face a humiliating defeat.

The *Raleigh*, the *Boston*, *Concord*, and the *Petrel* flamed projectiles furiously toward the immobile Spanish ships and land-based guns.

Shells struck the American ships, hulling the *Olympia* and hitting the *Boston*, *Petrel*, and *Baltimore*.

Five two-mile-long shuttle assaults, with constant firing, were made by Dewey's ships. Admiral Montojo's *Reina Cristina* was hit, her steering gear destroyed and 20 men killed. Other shells blasted her and the Spaniard switched his flag to the *Isla de Cuba*.

Meanwhile, the intense attack left other enemy ships helpless. The *Don Juan de Austria* was badly hurt and afire, the *Isle de Luzon* was almost out of commission and the *Marques del Duero* was being battered apart.

Opposition almost disappeared and a torrent of shells finally sank the 1,160-ton *Don Antonio de Ulloa*.

A white flag was hung from the Cavite citadel and other government buildings on the waterfront. Dewey guided his ships to the Manila anchorage. The gunners aboard the *Petrel*, which remained behind, continued to blast the abandoned Spanish vessels.

Three Spanish ships were underneath the waves, eight were wrecked by fire, and two had been taken as prizes.

A count showed 381 Spanish sailors killed and wounded.

Only seven Americans were wounded on the *Baltimore*. Not a single U.S. sailor was killed in the blazing sea fight.

A formal surrender ceremony followed on August 13 and ground troops moved in after an effective token bombardment.

All this had happened since President McKinley had asked Spain for a cessation of hostilities in Cuba and negotiations for ultimate independence. Spain refused to accede and McKinley issued his proclamation to neutral powers, announcing America and Spain were at war.

The last of the Spanish Navy was destroyed as it attempted to escape from Santiago, Cuba, on July 3, 1898. Commodore Schley's blockading fleet wrecked Spanish Admiral Cervera's squadron of four armored cruisers and two torpedo boats.

On July 1, American troops, spearheaded by the 1st Infantry Brigade, along with Col. Theodore Roosevelt's famous "Rough Riders," scaled the ridges of San Juan Hill to pave the way to victory. The loss of life was enormous: more than 1,500 killed and wounded.

The Manila campaign was a sequel to the first naval engagement with insurgents teaming up with the U.S. soldiers to gain Spanish capitulation. Emilio Aguinaldo, insurgent leader, later led a rebellion against the American rule.

An expedition to Puerto Rico in July quickly overran the island with minor casualties among the American volunteers.

December 31 marked the last day of Spanish sovereignty in the Western Hemisphere.

These volunteers, who fought so gallantly, were the first to battle on foreign soil for their country.

To them goes the deep and heartfelt credit for the founding of the Veterans of Foreign Wars of the United States.

From their sacrifice came all of the indomitable spirit, traditions, and principles that today mark it as the entire world's unmatched fraternity of oversea veterans.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mr. **Corman** (at the request of Mr. **Albert**), for February 17 through February 23, on account of official committee business.

Mr. **Hagan** of Georgia (at the request of Mr. **Albert**), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. **Feighan**, for 15 minutes, today; and to revise and extend his remarks.

Mr. **Rogers** of Florida, for 1 hour, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the **Congressional Record**, or to revise and extend remarks, was granted to:

Mr. **Price** (at the request of Mr. **Karsten**) to extend his remarks in the body of the **Record** and to include extraneous material.

Mr. **Johnson** of Wisconsin.

(The following Members (at the request of Mr. **Gross**) and to include extraneous matter:)

Mr. **Lindsay**.
Mr. **Hoeven**.
Mr. **Derounian**.
Mr. **Weaver**.
Mr. **Dague**.
Mr. **Alger**.
Mr. **Bromfield**.

(The following Members (at the request of Mr. **Moss**) and to include extraneous matter:)

Mr. **Dent** in two instances.
Mr. **Farbstein**.
Mr. **Evins**.
Mr. **Senner**.
Mr. **Sickles**.

ADJOURNMENT

Mr. SICKLES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 58 minutes p.m.) the House adjourned until tomorrow, Tuesday, February 18, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1703. A letter from the Comptroller General of the United States, transmitting a report on excessive charges for leased telephone services incurred by U.S. Forces in Japan; to the Committee on Government Operations.

1704. A letter from the Comptroller General of the United States, transmitting a supplementary report on excessive charges for leased telephone services incurred by

U.S. Forces in Japan; to the Committee on Government Operations.

1705. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Federal home loan banks for the year ending June 30, 1963, pursuant to 31 U.S.C. 841 and 12 U.S.C. 1431 (j) (H. Doc. No. 229); to the Committee on Government Operations and ordered to be printed.

1706. A letter from the Secretary of Agriculture, transmitting supplemental correspondence relative to a draft of a bill submitted on December 12, 1963, amending the Rural Electrification Act of 1936; to the Committee on Agriculture.

1707. A letter from the Secretary, Department of the Army, transmitting the Annual Report of the U.S. Soldiers' Home for Fiscal Year 1963, and report of the annual inspection of the home, 1963, by the Inspector General of the Army, pursuant to 24 U.S.C. 59, 60; to the Committee on Armed Services.

1708. A letter from the Secretary of Labor, transmitting a report on the administration of the Welfare and Pension Plans Disclosure Act, pursuant to section 14(b) of the act, for the calendar year 1963; to the Committee on Education and Labor.

1709. A letter from the Assistant Secretary of the Interior, transmitting copies of laws enacted by the Legislature of the Virgin Islands in its 1963 regular and special sessions, pursuant to section 9(g) of the Revised Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

1710. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings regarding certain Indian tribes claims have been concluded, pursuant to 60 Stat. 1055 and 25 U.S.C. 70t; to the Committee on Interior and Insular Affairs.

1711. A letter from the Secretary of Commerce, transmitting a report of the activities under title XII, Merchant Marine Act, 1936, as amended December 31, 1963, to provide war risk insurance and certain marine and liability insurance for the American public, pursuant to section 1211 of the act; to the Committee on Merchant Marine and Fisheries.

1712. A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a report of the following three committees of the Social Security Administration served during the calendar year 1963, Medical Advisory Committee, Advisory Committee on Research Development, and the Advisory Committee on Personnel Practices in Headquarters, pursuant to section 1114 (f) of the Social Security Act, as amended by Public Law 87-543; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STRATTON: Committee on Armed Services. Additional views on H.R. 9637. A bill to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes (Rept. No. 1138, pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee on the Judiciary. S. 721. An act to amend section 124 of title 28, United States Code, to transfer Austin, Fort Bend, and Wharton Counties from the Galveston Division to the Houston Division of the Southern District of Texas; without amendment (Rept. No. 1140). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee on the Judiciary. H.R. 5964. A bill to provide for the inclusion of Hopkins County, Tex., within the Paris Division of the Eastern District for the U.S. district courts in Texas; without amendment (Rept. No. 1141). Referred to the Committee of the Whole House on the State of the Union.

Mr. POOL: Committee on Post Office and Civil Service. S. 1561. An act to amend the Federal Employees Health Benefits Act of 1959; with amendment (Rept. No. 1142). Referred to the Committee of the Whole House on the State of the Union.

Mr. ELLIOTT: Select Committee on Government Research. Progress report of the Select Committee on Government Research (Rept. No. 1143). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURKE:

H.R. 9991. A bill to amend the Internal Revenue Code to provide for the manufacture, use, and disposition of beer concentrate; to the Committee on Ways and Means.

By Mrs. DWYER:

H.R. 9992. A bill to provide more adequate housing for more elderly persons; to the Committee on Banking and Currency.

By Mr. FINDLEY:

H.R. 9993. A bill to amend section 104 of Public Law 480, 83d Congress, as amended; to the Committee on Agriculture.

By Mr. LIBONATI:

H.R. 9994. A bill to amend section 3203 of title 38, United States Code, to provide that only payments of compensation and emergency officers' retirement pay shall be used in determining the amount of the estate of certain incompetent veterans; to the Committee on Veterans' Affairs.

By Mr. McMILLAN:

H.R. 9995. A bill to amend the Policemen and Firemen's Retirement and Disability Act to allow credit to certain members of the U.S. Secret Service Division for periods of prior police service; to the Committee on the District of Columbia.

By Mr. PILLION:

H.R. 9996. A bill to amend the Internal Revenue Code of 1954 to exempt schoolbuses from the manufacturers excise tax; to the Committee on Ways and Means.

H.R. 9997. A bill to amend the Tariff Act of 1930 to increase the duty on uncoated ceramic bricks; to the Committee on Ways and Means.

By Mr. KYL:

H.R. 9998. A bill to provide for fair compensation of small businessmen and other persons whose property is taken or damaged by the United States in condemnation proceedings; to the Committee on Public Works.

H.R. 9999. A bill to provide for fair compensation of small businessmen and other persons whose property is taken or damaged in Federal highway programs; to the Committee on Public Works.

By Mr. PATMAN (by request):

H.R. 10000. A bill to extend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

By Mr. ROONEY of Pennsylvania:

H.R. 10001. A bill relating to the status of volunteer fire companies for purposes of liability for Federal income taxes and for certain Federal excise taxes; to the Committee on Ways and Means.

By Mr. WHITE:

H.R. 10002. A bill authorizing the Secretary of the Army to establish a national cemetery in Idaho; to the Committee on Interior and Insular Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to receive a concurrent resolution expressing their appreciation for the long and distinguished service of Senator KARL E. MUNDT; to the Committee on House Administration.

Also, memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States to proceed with caution in the consideration of legislation relating to the registration of firearms; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURKE:

H.R. 10003. A bill for the relief of Maria Laura Rego Torres; to the Committee on the Judiciary.

By Mr. LONG of Maryland:

H.R. 10004. A bill for the relief of H. J. Nieberding; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

699. By the SPEAKER: Petition of the city of St. Louis, Mo., petitioning consideration of its resolution with reference to the assassination of President John Fitzgerald Kennedy; to the Committee on House Administration.

700. Also, petition of Harry E. Hart, College Park, Ga., requesting the House of Representatives to impeach the President; to the Committee on the Judiciary.

701. Also, petition of Henry Stoner, Avon Park, Fla., relative to certain corrections in the CONGRESSIONAL RECORD; to the Committee on House Administration.

702. Also, petition of Henry Stoner, Avon Park, Fla., requesting Congress to erect a suitable memorial to the painters of U.S. Capitol murals, Brumidi, Costaggini, and Cox, and place it in the Capitol Building; to the Committee on House Administration.

703. Also, petition of Henry Stoner, Avon Park, Fla., relative to celebrating the birth of William Shakespeare; to the Committee on the Judiciary.

704. Also, petition of Henry Stoner, Avon Park, Fla., requesting Congress to designate April 30 of each year as America's Day, since it is the anniversary date of the swearing in of the first President; to the Committee on the Judiciary.

705. Also, petition of Henry Stoner, Avon Park, Fla., relative to Congress requesting the movie industry to produce a film depicting the U.S. Constitutional Convention, 1787, Philadelphia, Pa.; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Address of Hon. Fernand J. St Germain, Member of Congress, First District, Rhode Island

EXTENSION OF REMARKS
OF

HON. CLAIBORNE PELL

OF RHODE ISLAND
IN THE SENATE OF THE UNITED STATES
Monday, February 17, 1964

Mr. PELL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the following remarks of the Honorable FERNAND ST GERMAIN, Member of Congress from the First District of Rhode Island, which were to be given at the annual Awards Dinner of the Boy Scouts of America in Woonsocket, R.I. The substance of this address concerns, most appropriately, the National Service Corps Act.

I am a firm supporter of this concept, and a cosponsor of this legislation in the Senate. Congressman ST GERMAIN, in this excellent speech, points out that the proposed National Service Corps is an integral part of the administration's program to help abolish poverty in our country.

Therefore, I take this opportunity to call to my colleague's attention Congressman ST GERMAIN's address, for I believe it both underscores the need for this legislation and plainly demonstrates the benefits that would be accrued by our entire Nation.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. FERNAND J. ST GERMAIN, MEMBER OF CONGRESS, FIRST DISTRICT, RHODE ISLAND, AT THE ANNUAL AWARDS DINNER, THUNDERMIST DISTRICT, BOY SCOUTS OF AMERICA, SATURDAY EVENING, FEBRUARY 8, 1964, WOONSOCKET, R.I.

The Boy Scouts of America is one of the greatest organizations in this country. The benefits it has given the youth of the Nation are so numerous that it would take a separate speech just to mention each of them.

There is one common factor, however, in all the activities of the Boy Scouts—that factor is service—service in the name of God, in the name of fellow men, and in the name of country. There is no better way to assure that a boy will learn the virtues of fairness, tolerance, patriotism, and helpfulness than to have him join the Boy Scouts and participate in the many phases of its work.

Service is given by the Boy Scouts and similar organizations for the simple reason that service is needed. Americans have always been quick to respond to this need. A good example of this is the Peace Corps which has aided countless millions of people abroad in both direct and indirect ways. We are all familiar with the efforts of its thousands of volunteers—both young and old—who have left the security and comforts of the United States in order to be of personal and immediate help to the sick, the destitute, and the suffering throughout the far corners of the world.

Spectacular though the success of the Peace Corps has been, we must not forget the great needs which exist here at home. Although it seems hard for most of us to believe, just short of 40 million Americans are in dire straits and desperately need assistance. These 40 million people must be classified as seriously deprived citizens. They are the people in city and rural slums who so few of us see. They are mentally retarded children in understaffed institutions throughout the Nation. They are the migrant farm workers and their children who roam from place to place with the availability of work. They are the American Indians, many of whose living conditions are so bad that their life expectancy is 20 years less than ours.

In order to meet these and other pressing needs, our late and beloved President, John Fitzgerald Kennedy, proposed the creation of an agency similar to the Peace Corps which would work on the domestic scene. I am very proud to be one of the cosponsors of this bill which is titled, appropriately enough, the National Service Corps Act.

President Kennedy's proposal was made after a thorough study by a committee composed of members of the Cabinet under the chairmanship of the Attorney General. They recommended a program which would call to service a maximum of 5,000 dedicated citizens of all ages to give a year or two of their time in a dedicated effort to improve the lot of their fellow Americans who need help so badly. These volunteers would only receive a nominal stipend as a living allowance. Like the volunteers of the Peace Corps, their main compensation would be the satisfaction of knowing that they were making a real contribution to the welfare of those far less fortunate than themselves.

I want to stress that the National Service Corps proposal is not a bid by the Federal Government to encroach upon the work being done by State and private agencies. To the contrary, local initiative is envisioned as the cornerstone of the entire program. The proof of this is that National Service Corps personnel would go only to communities and areas where they were specifically invited. Moreover, their work would last for only a limited period of time and they would always be under the supervision of local agencies. Once again, the motivating idea of the Corps is service, and there will be no attempt by the Federal Government to extend either its authority or influence. When the job is done, the volunteers will depart, leaving it to the local agencies to continue the work which has begun.

Despite the real need which exists for establishment of the Corps, and despite the fact that it has received strong support from numerous public service groups throughout the country who agree that a project of such scope must have a Federal base in order to be successful, the National Service Corps Act passed the Senate by only a few votes and is still in committee on the House side.

It is imperative that the bill become law in the near future so that President Johnson's declared war against poverty and want may be fought in the most effective and efficient way. In his state of the Union message at the beginning of the current congressional session, President Johnson echoed the late President Kennedy's call for action by stating:

"We must create a National Service Corps to help the economically handicapped of our country the same way the Peace Corps helps those abroad."

The President's statement makes it plain that the National Service Corps is an integral part of the great program to abolish poverty in our country which ranks among the most prosperous on earth. The Corps would aid in the antipoverty campaign in three important ways:

1. It would help supply the skilled trained manpower which will be needed by communities undertaking antipoverty programs but lacking personnel to man them. All indications point to the fact that these personnel shortages will be serious.
2. It would help to bring immediate visibility to problems and to the community's effort to solve them.
3. It would provide the necessary motivation to get communities going on the task.

You may be sure that as your Congressman I shall continue to press for final passage of this important legislation. Perhaps some of you people here tonight, or your friends, may at some time become volunteers in the Corps. To my mind, it would be a marvelous experience for young people graduating from college who want to spend a year or two in humanitarian service before entering upon their careers, regardless of what those careers might be. It would also be a tremendous experience for senior citizens who have retired but have a strong desire to continue to lead useful and productive lives. While these two groups are ideally suited to the work of the Corps, any qualified citizen who has the time and the interest will be welcome to join in this effort.

To sum up, the National Service Corps will be an organization of dedicated Americans pledged to do a difficult, tedious, and usually thankless job—helping others to help themselves. They will be men and women not looking for material rewards, but spiritual and personal ones. From the point of view of many so-called practical persons, they will be considered impractical idealists who are wasting a year or two of their lives in assisting people who will never be able to help them. Several years ago, the same "practical" citizens were saying the identical thing about the Peace Corps volunteers. They were dreamers, so the story went, going abroad to impossible places to do an impossible job. The success of the Peace Corps has proved that its antagonists were wrong. The job has been done and continues to be done. The same will be true of the National Service Corps on the domestic front.

In wartime, all citizens of a country join together in a common effort to achieve victory. All-out war against poverty has now been declared here in our own country. It is the duty of every American to support the President in this fight. If all of us do this, the conquest of man's deadly enemies of poverty, disease, and ignorance will be assured.

Lithuanian Independence

EXTENSION OF REMARKS
OF

HON. PAUL B. DAGUE

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 17, 1964

Mr. DAGUE. Mr. Speaker, the anniversary of the restoration of Lithuanian Independence, observed yesterday by all liberty-loving peoples everywhere, comes again to stab our conscience and remind us of how derelict we have been in failing to substantially support these stalwart people who have been enslaved these many years for no other reason than that they loomed so small in the face of totalitarian colossus.

There is no one among us who wants to unleash the dogs of another war in a program of liberation of captive peoples. There is no one who wants to flex our nuclear capability with the view of intimidating the self-elected captors of the brave Lithuanians. But there are a lot of people who decry those gestures of amity which we make toward such slavemasters, especially since they are the same brigands who threaten to bury us.

The Lithuanians are a God-fearing people who have earned the right of self-government and who have resisted despotism and atheistic communism with a fervor bequeathed to them by their valiant forebears. All they want is the privilege of living out their lives without let or hindrance from some foreign overlord. And we demean ourselves and the cause of freedom everywhere when we traffic with such despots and thereby beguile ourselves into believing that they mean us any better treatment than that shown those citizens of the Baltic States. On this day of Lithuanian hope and aspiration let us realize that the best service we can render the cause of liberty around the world is to stand fast in our refusal to concede anything to those who perpetuate communistic colonialism and who fail to accord to all people the full rights of self-determination about which they so loudly prate.

Lithuanian Independence Day

EXTENSION OF REMARKS
OF
HON. JAMES D. WEAVER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 17, 1964

Mr. WEAVER. Mr. Speaker, on Sunday, February 16, 1964, in the 24th Pennsylvania District and throughout the world Lithuanians commemorated the 46th anniversary since the proclamation of the restoration of Lithuania's independence on February 16, 1918, at Vilnius.

This anniversary date reminds us that the free world must continue its efforts through peaceful means to liberate Lithuania from Soviet colonization.

Our commemoration of this memorable day in Lithuanian history would not be complete without mentioning the mass methods used by Russia to break the resistance of the Lithuanian people.

In 1940 when the Communists rode in on the shoulders of the Red army, the Russian director of the secret police ordered the immediate arrest of all leaders and active members of all non-Communist parties. This resulted in about 2,000 leading people being arrested without any legal recourse and being sentenced to prison or shot.

In November 1940, the Communists issued an order to account for all anti-Communist forces in Lithuania. This accounting was to include all former members of anti-Soviet political parties, organizations and groups; all former members of nationalistic parties, organizations, and groups; former gendarmes, policemen, and generals; former army officers; persons expelled from the Communist Party; political emigrants; all citizens of foreign countries; former workers of the Red Cross; former noblemen, estate owners, merchants, bankers, and employers of hired help. These people were all to be purged. Between June 14 and June 21, 1941, 34,260 persons were sent to Siberia.

In 1944, when the Communists again invaded Lithuania, a new wave of deportations was carried out. There were several other deportations, and finally in 1948–49, to break the resistance of Lithuanian farmers to collectivism, about 10 percent of Lithuania's population, more than 300,000 people, were deported to Siberia. Today Lithuania's seaboard areas are peopled by Russians. The freedom-loving Lithuanians are broken and scattered about Siberia, where many of them are worked to death. About a third, or as many as 1 million, Lithuanians have been so treated.

This is vicious imperialism, without a doubt. When one reads the sugar-coated words of Communist propagandists, it is difficult to believe that such hypocrisy could exist.

The Lithuanian people have furnished the world an example of suffering and bravery such as few people have endured. Let us hope that not another sadness is brought to Lithuanians, in Lithuania, or abroad. Let us hope that not another country must bear the unbearable agony of Communist oppression.

Render Unto Dairy What Is Dairy's

EXTENSION OF REMARKS
OF
HON. LESTER R. JOHNSON
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, February 17, 1964

Mr. JOHNSON of Wisconsin. Mr. Speaker, the importance of congressional action to aid all our dairy farmers is emphasized by the vital role which dairying plays in our total farm economy.

Dairy products led the list in value of basic farm commodities produced in 1963. Milk and its products accounted for $4,805 million of the income of our Nation's farmers last year. Cotton came in a poor second, accounting for $2,837 million of our farm income. Wheat, which was third, brought in $2,071 million.

As I pointed out in a letter to the delegates to the 33d annual convention of the Wisconsin Farmers Union, it is an unfortunate fact that the problems of our dairy farmers sometimes tend to be relegated to a place of lesser importance behind the problems of the producers of other commodities, such as cotton and wheat. According to a statement made on February 11 by Under Secretary of Agriculture Charles Murphy before the Senate Agriculture Committee, the total expenditure for the cotton program this year will be nearly $800 million. By contrast, the cost of the dairy price support program for the current marketing year is estimated at $376 million.

In other words, the value of our cotton production is 59 percent of the value of our dairy production. Yet the cost of our cotton program is 212 percent of the cost of the dairy program. Frankly, I think it is high time the Congress gives to the dairy industry the attention which it deserves.

Under leave to extend my remarks, I include my message to the Wisconsin Farmers Union in the RECORD:

FEBRUARY 14, 1964.

GILBERT ROHDE,
President, Wisconsin Farmers Union, Wisconsin Farmers Union Convention, Madison, Wis.

DEAR FRIEND: Please extend my greetings and best wishes to the delegates to the 33d annual convention of the Wisconsin Farmers Union, being held February 16, 17, and 18 in Madison. I regret that congressional business prevents me from being there in person for this important meeting of Wisconsin farmers.

Since we share a common interest in a healthy dairy economy, I wish to comment briefly on the necessity for a comprehensive and sound dairy program to raise the income of dairymen and cut our burdensome dairy surpluses. Needless to say, I am delighted that President Johnson has included dairy products among the five commodities requiring the immediate attention of Congress. The other commodities are wheat, cotton, sugar, and potatoes.

It is an unfortunate fact that the problems of our dairymen sometimes tend to be relegated to a place of lesser importance behind the problems of the producers of other commodities, such as cotton and wheat. However, the importance of our dairy industry to our total farm economy cannot be overemphasized.

Dairy products led the list in value of basic farm commodities produced in 1963. Milk and its products accounted for $4,805 million of the income of our Nation's farmers last year. Cotton came in a poor second, accounting for $2,837 million of our farm income. Wheat, which was third, brought in $2,071 million.

These figures are particularly interesting when you compare the cost of the current programs for dairy and cotton. According to a statement made February 11 by Under Secretary of Agriculture Charles Murphy before the Senate Agriculture Committee, the total expenditure for the cotton program this year will be nearly $800 million. By contrast, the cost of the dairy price support program for the current marketing year is estimated at $376 million.

In other words, the value of our cotton production is 59 percent of the value of our dairy production. Yet the cost of our cotton program is 212 percent of the cost of the dairy program. Frankly, I think it is high time the Congress gives to the dairy industry the attention which it deserves.

I am encouraged by the fact that the President is recommending legislation to aid manufacturing milk producers as well as those under Federal milk marketing orders. In his farm message to Congress, he called for the two-way dairy program which is provided in legislation that I have introduced in the House.

Specifically, my bill authorizes direct payments to producers outside Federal milk marketing orders who voluntarily agree not to expand their production beyond that of the base year, or a percentage of the base year. It retains the present floor of 75 percent of parity under dairy price supports.

In addition, the measure permits producers in Federal milk market order areas to reduce their production of milk without reducing their share of the class I market. Payments for surplus reduction are also included.

Currently, the House Agriculture Committee has before it a Senate-passed bill which is restricted to Federal milk markets. Well over 600,000 farmers sell their milk outside of Federal order markets, as compared with the 187,000 producers operating under the Federal milk orders. Over 75 percent of the milk produced in Wisconsin is sold in a relatively free market.

I have made no secret of my opposition to the Senate bill, for I do not believe the benefits of a dairy program should be confined to the minority of our dairy farmers who, because of a lucky geographical accident, are already benefiting from the higher price provisions of Federal milk marketing orders. I am hopeful that President Johnson's dairy recommendations will be of material help to those of us in Congress who are working for a comprehensive dairy program for both manufacturing milk and Federal market order dairymen.

Again, my good wishes for a successful meeting and another successful year.

Sincerely yours,

LESTER JOHNSON.

Lithuanian Independence Day

EXTENSION OF REMARKS

OF

HON. STEVEN B. DEROUNIAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1964

Mr. DEROUNIAN. Mr. Speaker, on February 16 we commemorated an independence day which was more an occasion of sorrow than a cause for rejoicing. On February 16, 1918, the Lithuanian nation declared its independence after more than a century of Russian domination. Yesterday, 46 years later, we celebrated the anniversary of Lithuania's independence in sad recognition of the fact that the independence of this brave Baltic people was short-lived. For two decades Lithuania prospered as an independent nation encouraging the creative arts and guaranteeing to its citizens the human rights they had so long fought for. Literature, music flourished. Writers and artists once again found inspiration in Lithuania's national folklore. Considerable progress was achieved in education and social legislation. But in 1940 the tide of progress was reversed with the onset of a new era of Russian domination.

The efforts of two decades of independence, the achievements of a national culture were virtually erased by the onslaught of the Red armies. The Soviet dictators, choosing to ignore a pledge they had made twenty years before to renounce forever all rights to sovereignty over Lithuania, stealthily extended their control over Lithuania, first by forcing a mutual assistance treaty upon the unfortunate Lithuanians, then by occupying the country, and finally on August 3, 1940, by incorporating Lithuania into the U.S.S.R. This was the end of democracy in Lithuania. Finding themselves in the iron grip of a cruel totalitarian dictatorship, many Lithuanians fled in fear from their homeland, among them the many thousands who honored us by choosing the United States as their new homeland. To all who remained in Lithuania freedom is still but a dream, a vision of hope that one day the yoke of Russian tyranny may once again be thrown off.

I would take this opportunity to join my fellow Americans in urging all Lithuanian patriots to hold fast to their vision of a new day of independence. The pain of oppression is cruel; only hope for the future makes it bearable.

Mr. Speaker, I should like to submit also for the RECORD, a very fine letter I have received from my constituent, Mr. A. J. Norwesh, who is the president of the Glen Cove, N.Y., chapter of Americans for Congressional Action to Free the Baltic States:

AMERICANS FOR CONGRESSIONAL ACTION TO FREE THE BALTIC STATES, GLEN COVE CHAPTER,
February 5, 1964.

The Honorable STEVEN B. DEROUNIAN,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE DEROUNIAN: This is a statement of our thoughts and sentiments concerning the forgotten Baltic nations of Lithuania, Latvia, and Estonia, formerly of the League of Nations, forgotten by the United Nations.

This year we are marking the 713th anniversary since the founding of the Lithuanian State and the 46th anniversary of the establishment of the Republic of Lithuania.

We must have a single standard for freedom and not lead from fear. For instance the United States should filibuster if necessary in the United Nations against any discussion of colonialism until Soviet colonialism in Lithuania, Latvia, and Estonia is put on the agenda. They have the same right to be free and independent as any new state in Africa. We must not fear that this would rock the boat in East-West negotiations because a boat that loses its true course (freedom) will eventually hit stormy weather and itself be destroyed.

Very truly yours,

A. J. NORWESH,
President.

Fifty-second Statehood Anniversary of Arizona

EXTENSION OF REMARKS

OF

HON. GEORGE F. SENNER, JR.

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1964

Mr. SENNER. Mr. Speaker, 52 years ago my home State became the 48th State to enter the Union. Since that time Arizona—the Grand Canyon State—has been growing not only in economic and other material ways but in spiritual ways as well. Today the once "Baby State" is one of the fastest growing members of the U.S. family. Our deserts, valleys, mountains and mesas are glimmering with the sparkle of virile youth. This is the first Congress in which I have represented the Grand Canyon State. I merely want to boast to my colleagues that on this year's Valentine Day and 52d statehood anniversary my heart belongs to Arizona and make it clear that Arizona is full of pride in being a part of these great United States.

President Johnson's Remarks at Weizmann Institute of Science

EXTENSION OF REMARKS

OF

HON. LEONARD FARBSTEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1964

Mr. FARBSTEIN. Mr. Speaker, a landmark in our relations with Israel is evidenced by the speech made by Lyndon Baines Johnson, President of the United States, at the 18th annual dinner of the Weizmann Institute of Science on February 6 at the Waldorf-Astoria Hotel in New York City. The cooperation between our two countries, I believe, will make for good will and advise all the Arab countries of the Near East that we desire to assist them all in obtaining a better life for their people, irrespective of their nationality.

It is my privilege to bring to the attention of the Members of this body, the President's address:

REMARKS OF THE PRESIDENT AT THE 18TH ANNUAL DINNER OF THE WEIZMANN INSTITUTE OF SCIENCE, WALDORF-ASTORIA HOTEL, NEW YORK, N.Y.

Mr. Stone, Mr. Feinberg, ladies and gentlemen, I welcome this opportunity tonight to join in paying tribute to a great son of the Jewish people, and to one of the most exciting creations of the Republic of Israel—the Weizmann Institute of Science. The great name of Weizmann does not belong to the Jewish people alone. It has enriched the moral treasury of our age.

While I am proud to be here, and while you have been most hospitable, none of us can conceal our grief that President Kennedy is not here tonight in person to deliver this address. This was the kind of occasion he most enjoyed—an opportunity to help the advancement of science, a chance to be here with men of ideas. His spirit remains with us tonight. Your sorrow is eloquently expressed in the ways you have chosen to honor his memory.

John Fitzgerald Kennedy believed in a partnership between science and public policy—and no man in this century has better symbolized that partnership than Dr. Weizmann. A great chemist, he was also a great statesman. His selection as the first President of Israel reinforced the unbroken moral tradition that linked him to the great prophets of an unforgotten past.

Few nations have had a scientist as head of state. But all nations have begun to recognize their dependence on scientific progress. It means the realization of a higher standard of living for people. It means the development and the conservation of resources. It means the military strength to preserve freedom. It means the knowledge to conquer space. If anything is certain about national and international affairs, it is that science will play an ever more central role in the years ahead of us.

The Weizmann Institute is a source of pride to every single friend of Israel. It is an international scientific institution in every sense of the word. To its buildings come students from all over the globe. It has helped to make Israel one of the foremost scientific resources of the world.

Israel knows well the importance of science. At its birth in 1948, this tiny little nation faced monumental problems of economic survival. Only a fifth of its meager territory was fit for cultivation. Yet it was called upon to sustain a population that more than doubled in 10 years. One of its earliest and most important scientific problems was the same problem that has troubled so many nations of the globe, and troubled so many parts of the world. This problem is water—water for irrigation, water for consumption, water for industry and recreation, and all of its other uses.

Our own water problems in this country are not yet solved. We, like Israel, need to find cheap ways of converting salt water to fresh water.

So let us work together. This Nation has begun discussions with the representatives of Israel on cooperative research in using nuclear energy to turn salt water into fresh water. This project poses a challenge to our scientific and technical skills. I promise no early and easy results, particularly since Jerry Wiesner has left us and has gone back to the classroom. But the opportunities are so vast and the stakes are so high that it is worth all our efforts and worth all our energy, for water means life, water means opportunity, and water means prosperity for those who never knew the meaning of these words. Water can banish hunger and can reclaim the desert and change the course of history.

We are equally ready to cooperate with other countries anxious to cure water shortages.

At 12 o'clock noon today the Cuban Government shut off water to the Guantanamo Naval Base. The excuse they gave was the arrest by the U.S. Government of 35 Cuban fishermen. These fishermen were clearly inside the U.S. territorial waters. The United States has long assumed that the Cuban Government would cut off the water to Guantanamo and has put into force already contingency plans.

There is enough water there tonight to last for 12 days, in addition to which water can be brought in and will be brought in indefinitely by ship from Port Everglades, Fla.

The State Department, in the last few minutes, has just concluded a 2-hour meeting on this subject with the Secretary of Defense and with my assistant, Mr. Bundy, who will brief me on my return to the Capitol tonight.

The State Department has issued a statement a few moments ago which clearly establishes that Cuban fishing vessels intercepted by our Coast Guard were clearly inside our territorial waters. The captains of these boats reported this fact by radio to Havana just before the arrest came.

The United States has known since Mr. Castro took over and allied himself with a foreign power that he would some day cut off the water to our Guantanamo base. We have made such plans for such an eventuality. Our troops in Cuba and their families will have the water they need.

In our cooperative water program that I was talking about between Israel and the United States, the International Atomic Energy Agency will play a very vital part. In this way we will demonstrate the constructive meaning of man's mastery of the atom. We will pool the intellectual resources of Israel and America, and all mankind, for the benefit of all the world. We will better pursue our common quest for water, for water should never divide men; it should unite them. Water should never be a cause of war; it should always be a force for peace, and peace is first on our agenda. It is not there only because it is right and decent to seek peace. The larger reason is there is no rational alternative to peace.

We face a choice which only two other Presidents of the United States have confronted—whether our civilization, as we know it, will survive. Nuclear war is no longer a mere theoretical possibility. No other Presidents in our history have had this responsibility.

We are built to withstand an attack—and to strike back. There is no question that we have the capacity to destroy any enemy, anywhere. But we court no territories. We covet to dominate no people. We seek no satellites. But we do intend to preserve and protect the peace, and our capacity to do this, I assure you, will not diminish. Victory is no longer a truth. It is only a word to describe whoever is left alive in the ruins.

If we put high emphasis on each step toward peace, so matter how feeble the gait or how short the stride, it is because I think we understand the nature of this new and changed world, a world where in only a matter of moments we could destroy 100 million people in the Soviet Union, they could destroy 100 million people in Europe, and they could destroy 100 million people here in the United States.

So that is why even the seemingly small disputes between small countries—or the invisible hand behind a visible threat to democracy in other lands—that is why the eruption of trouble somewhere in the world, or anywhere in the world, is always so important to us.

Tonight there are a dozen explosive incidents in the world. Tomorrow there may be more. But we must treat these disturbances not as isolated threats to be responded to only at that moment, but in the perspective of the history we hope will be.

We envy no neighbor. We covet no territory. We are looking for no satellites. We believe the most plausible solution to war is simply for each nation to leave its neighbors in peace. This would then free us all to attack those ancient enemies of all mankind who for centuries have warred on man and his hope—poverty and ignorance, misery and disease. If we will just join together to destroy them, we will destroy the roots of war.

Science, and the Weizmanns all over the globe, are in the frontline of this army that is fighting man's ageless foes.

So tonight as I speak to you with affection and share with you pride in Israel's achievements, I speak the warm sentiments uttered by every American President since Harry S. Truman. In the desires and hopes of these Presidents, I say to you and I say to the world that I would not underestimate the complexity of all the age-old Middle East rivalries and hostilities.

But the basic hope of the United States for this area is not so complex and not so different from that of all mankind. I think it is inscribed in the ancient writ of the prophets and on the modern buildings of the United Nations.

It is very simply a desire for the day when "nation shall not lift up sword against nation * * * nor shall they learn war any more." That is my prayer. That is my prophecy.

Lithuanian Independence Day

EXTENSION OF REMARKS

OF

HON. CHARLES B. HOEVEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1964

Mr. HOEVEN. Mr. Speaker, to those of us in the free world, the observance of Lithuanian Independence Day should be a time both for prayerful reflection and renewed determination. We as Americans can reflect on the freedoms and liberties which we all too often take for granted, and we can once more voice our hope and determination that the captive nations, including Lithuania, who once enjoyed their freedoms may again one day regain them.

Yesterday marked the 46th anniversary of the establishment of the Republic of Lithuania on February 16, 1918. The Lithuanian state was formed 713 years ago. Yet, since 1940 Lithuania has been a captive nation, overrun by the force of arms. The United States has never recognized the demise of the Republic of Lithuania, and we continue to maintain diplomatic relations with the Lithuanian Legation in Washington.

On January 9, 1963, I introduced House Concurrent Resolution 15, which reads as follows:

> Whereas the Charter of the United Nations declares as one of its purposes the development of friendly relations among nations based "on respect for the principle of equal rights and self-determination of peoples"; and
>
> Whereas the Union of the Soviet Socialist Republics has by force suppressed the freedom of the peoples of Latvia, Lithuania, and Estonia and continues to deny them the rights of self-determination by free elections; and
>
> Whereas suppression of the freedom of the peoples of Latvia, Lithuania, and Estonia is an invitation to violence and threatens the peace: Now, therefore, be it
>
> *Resolved by the House of Representatives (the Senate concurring)*, That the President of the United States should seek through the United Nations and otherwise to bring about the withdrawal of Soviet forces stationed in Latvia, Lithuania, and Estonia and the holding of free elections in those nations to the end that they may once again live as free, independent, and sovereign members of the community of nations.

May I express the hope that the Congress will take favorable action on House Concurrent Resolution 15 in the near future and that not too far away will be a new independence day for the courageous people of Lithuania.

Lithuanian Independence Day

EXTENSION OF REMARKS

OF

HON. JOHN V. LINDSAY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1964

Mr. LINDSAY. Mr. Speaker, Sunday, February 16, marked the 46th anniversary of the independence of Lithuania. It is an occasion well worth noting, and honoring, for this brave country, seized in 1940 by Russia and forced to live under Communist rule, has millions of patriots the world over praying and struggling for freedom for their homeland.

The United States has never recognized the illegal seizure of Lithuania and two of here neighboring states, Latvia and Estonia, and we are committed to the restoration of freedom in those nations.

I might point out that Lithuania's history as a nation dates back to the year 1200. She possesses a rich inheritance of cultural value and a love of freedom and compassion for her fellow man. And 46 years ago, in 1918, Lithuania gained her release from the despicable despotism that had dominated her ancient heritage. Lithuanians, wherever they might be, can recall that moment with pride.

The tyranny which enslaves Lithuania today completely overshadows that tyranny which oppressed her in the past. It was tragic that her independence should have been so short lived.

Yet, today, the more than 2 million Americans of Lithuanian descent, and millions of their fellow patriots, understand what that day in 1918 meant, and know that the spirit of freedom that was born then in that nation shall never die.

To retain this glowing spirit of liberty, to strengthen and to expand it, requires constant vigilance and perseverance, and that is our task. Today, we shall rededicate ourselves to the principle and to the long hard struggle of regaining freedom for Lithuania. We might take as our inspiration the courage and loyalty that Lithuanians throughout the world demonstrate in their march toward their goal of freedom for their homeland.

Honorable Carl T. Rowan

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1964

Mr. EVINS. Mr. Speaker, President Johnson has recently nominated Carl T. Rowan, of Tennessee, as Director of the U.S. Information Agency. In connection with this appointment, the Nashville Banner has written an editorial commending Mr. Rowan for his ability and accomplishments.

Mr. Rowan is a native of Tennessee and resided for many years in the congressional district which I have the honor to represent. A few days ago, I wrote to Senator FULBRIGHT, chairman of the Senate Foreign Relations Committee, urging prompt confirmation of this appointment.

I ask unanimous consent that my letter, together with the editorial from the Nashville Banner, be printed in the RECORD.

The editorial and letter follow:

NEW POST FOR ROWAN

To replace the ailing Edward R. Murrow as Director of the U.S. Information Agency, President Johnson has picked Carl T. Rowan, a native of Tennessee, who becomes by this appointment the highest ranking Negro in Government.

An able newspaperman, whose college education began at Tennessee A & I University here, he has as capably filled the posts assigned in public service since he entered upon that career by appointment as Deputy Assistant Secretary of State for Public Affairs. From that he went to Finland as U.S. Ambassador.

He knows the responsibilities of public office, which certainly attend the administrative function now assigned; and whose need has been less the flair for tinseled showmanship that it has had than down-to-earth presentation dealing in information.

Carl Rowan's accomplishments in public life deserve recognition, and are a credit to his home State. On the strict basis of personal ability, the appointment has much to recommend it.

FEBRUARY 13, 1964.

Senator J. W. FULBRIGHT,
Chairman, Foreign Relations Committee,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In connection with your committee's consideration of the Honorable Carl T. Rowan, whom President Johnson has nominated as Director of the U.S. Information Agency, I want to join with others in commending him and urging his confirmation.

Mr. Rowan has served his Government ably in various capacities. Just recently, he completed a tour of duty as our Ambassador to Finland, a post which he filled with distinction.

It seems clear that he is eminently qualified to serve as Director of the U.S. Information Agency and his past record of performance demonstrates that he will carry out the duties and obligations of this office creditably and effectively.

Mr. Rowan is a native Tennessean and for many years a resident in the congressional district which I have the honor to represent. I wish to endorse him and urge his speedy confirmation.

With kindest regards and best wishes, I am,
Very sincerely yours,
(S) JOE L. EVINS,
Member of Congress.

Anniversary of Lithuanian Independence

EXTENSION OF REMARKS

OF

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1964

Mr. BROOMFIELD. Mr. Speaker, on February 16, 1918, 46 years ago, the Republic of Lithuania was declared a free and independent state.

The Lithuanian people united in the common cause of their independence, and the young nation, in its flourishing growth, showed its natural aptitude for independent statehood. Unfortunately, that independence was short-lived, lasting only a little more than 20 years. In the early part of World War II, Lithuania was invaded first by Nazi Germany and later by Soviet Russia. We are reminded on this 46th anniversary that independence has yet to become a reality for the Lithuanian people.

The U.S. Government has never recognized the seizure of Lithuania and the other Baltic States by the Soviet Union, and all friends of freedom today join in the fervent hope for a better future for this brave land and its people.

Therefore, on this anniversary of Lithuanian independence we pay tribute to a courageous people who continue the valiant struggle for independence. Today's enslavement stands as an example of Soviet deceit and treachery.

We share in the hope that Lithuania and all captive nations will one day be given their rightful places with the free and independent nations of the world.

Panama Canal

EXTENSION OF REMARKS

OF

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1964

Mr. DENT. Mr. Speaker, during the past few weeks we have been more than normally upset by the many eruptions in various parts of our world affecting the welfare and security of the United States.

Chief amongst these disturbances is the unsolved and particularly disturbing situation in Panama.

Although some of us are completely at a loss for answers to this problem, we must admit that one of our esteemed colleagues, the Honorable DANIEL J. FLOOD, of the 11th Pennsylvania District, has repeatedly and accurately advised the House, the administration, and the public of the deteriorating relations between Panama and the United States.

Recently Congressman FLOOD sent another of a series of memorandums to the White House. Mr. Speaker I believe this important document should be read by all Members of Congress.

The memorandum follows:

JANUARY 7, 1964.

THE PRESIDENT,
The White House.

MR. PRESIDENT: Among the most crucial subjects of policy determination now facing our Government are those relating to the Panama Canal, which matters have been under active consideration in the Congress for a period of years.

Under the clarifications so far accomplished in the course of congressional debates and hearings, the principal issues established include:

(a) The paramount question of safeguarding U.S. sovereignty over the Canal Zone and Panama Canal, which since 1955 have been seriously jeopardized through the process of piecemeal erosions, some of which have been counter to the formal expressions of the Congress and opposed to the official policies of the United States as followed for nearly half a century.

(b) The problem of the major operational improvement and increase of transit capacity of the existing canal by means of its major modification to embody the principles of the Terminal Lake—third locks modernization program. This solution, developed in the Panama Canal organization as the result of World War II experience, has been authoritatively recognized as providing at minimum cost the best operational canal practicable of achievement.

(c) The matter of a new canal at, or near, the present site or elsewhere.

As to the sovereign rights, power and authority of the United States over the canal enterprise, their unimpaired continuance gently requires a reaffirmation of our policy along the lines of House Concurrent Resolution 105 (Cannon resolution). In this connection it has long been clear to informed and thoughtful persons that the Panama Canal could not have been constructed nor subsequently maintained and operated with less authority vested in and exercised by the United States than that expressly granted under the 1903 treaty with Panama.

During recent years our Government has yielded to politically and communistically motivated and ever increasing demands of Panama, at times featured by mob violence requiring the use of the U.S. Army to protect the Canal Zone against invasion, sabotage, and outright violence. The time has come to check these dangerous erosions and to reassert our time-honored canal policy squarely based on treaties; otherwise, chaos will inevitably result and the United States will lose the canal and international communism will take over not only the isthmus but also the other countries in Latin America and the Caribbean. The Panama Canal, as the symbol of our national strength and determination, is the greatest single buffer against conquest by the world revolutionary movement of the entire Western Hemisphere. As such, it is, indeed, the keystone in the arch of hemispheric defense.

As to the modification of the Panama Canal, since the advent of the atomic bomb in 1945, the issues involved in this important subject have been persistently confused and delayed by advocates of the discarded plan for a sea level canal at Panama. In consequence, there has been put forth a mass of misleading official and unofficial propaganda. Moreover, the recent efforts toward modernizing the present canal have been in the nature of symptomatic treatments rather than realistic solutions. Thus, they altogether fail to solve the problem of providing the major operational improvement of the existing canal and the additional transisthmian facilities for the inevitable demands of increased traffic. As to the various means proposed, to meet these problems, practically all the distinguished engineering and other leaders who participated in the construction of the canal and many other eminent engineering, navigational, and nuclear warfare experts have approved the Terminal Lake-third locks plan as the best solution. See attached memorial addressed to the Congress for some of the views expressed in these regards.

In regard to the matter of a new canal at or near the present site or a second canal, this problem involves decisions of the gravest character, which must not be made lightly or controlled by routine groups that would benefit from their own recommendations as has been attempted in the past with tragic consequences. The interests supporting such ex parte control of canal policy determination include the following:

(a) Manufacturers of heavy earth-moving machinery seeking markets for their products.

(b) A limited number of professional engineers, military and civilian, associated or hoping to be connected with these interests.

More than 20 years of delays, confusion, and procrastination on the part of responsible officials have prevented the formulation of an adequate plan for the modernization of the present canal and due consideration of the most obvious, most logical, economic and least hazardous plan—that provided in the Terminal Lake-third locks design. Experience has shown that the required vision and leadership will not come from routine agencies on matters of fundamental planning and must be obtained from those who are independent.

In this connection, it should be especially noted that all advocates of a sea-level project near the present site have uniformly ignored the vital diplomatic questions that would be involved in that project. These are the huge indemnity and increased annuity to be demanded by Panama for a new canal treaty, the reduction of U.S. sovereignty over the Canal Zone, and the limitation of the duration of the treaty. In contrast, these crucial diplomatic questions will not be involved in the Terminal Lake-third locks program for modernization of the Panama Canal, which is a paramount consideration.

The proper handling of the canal problem would be an achievement of the highest importance for our country and all nations that use the canal and bring great distinction to those responsible for success.

In meeting counter-arguments against the program that I shall later outline, which are to be expected from routine officials and agencies, attention is invited to the 1939 third locks project fiasco in the Canal Zone. Some $75 million of the taxpayers' money was expended on an understanding that was later shown to be a navigational monstrosity and which became a target for severe criticism among navigation interests and independent engineers thoroughly conversant with the subject. Moreover, any third locks project that fails to eliminate the Pedro Miguel bottleneck locks and to consolidate all Pacific locks in new structures near Aguadulce (close to Miraflores) to create a summit lake anchorage in the Pacific end of the canal to correspond with the layout at Gatun, should be dismissed as unworthy of serious consideration, however plausibly it may be urged.

The following action program for the President is recommended:

(a) Make, or cause to be made, a positive reaffirmation of U.S. sovereignty over the Canal Zone and Panama Canal as provided by treaty and as contemplated in House Concurrent Resolution 105 (CANNON) and House Concurrent Resolution 113 (FLOOD).

(b) Send a special message to the Congress recommending prompt enactment of legislation to create the Interoceanic Canals Commission to make the necessary studies and report on the question of increased facilities at Panama or a new canal on some other Isthmian site as provided in H.R. 863 (BOW), H.R. 3858 (FLOOD), H.R. 5787 (HOSMER) and H.R. 8563 (THOMPSON of Texas).

As shown by the sponsorship of pending measures and debates in the House, the interoceanic canal question is nonpartisan and will be handled on the highest plane of statesmanship. Copies of the resolutions and bills mentioned are attached.

Sincerely yours,

DANIEL J. FLOOD,
Member of Congress.

Washington Report

EXTENSION OF REMARKS
OF

HON. BRUCE ALGER

OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, February 17, 1964

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletter of February 15, 1964:

WASHINGTON REPORT: AMERICAN PRESTIGE SINKS AS CONFUSION REIGNS

(By Congressman BRUCE ALGER, Fifth District, Texas)

American prestige around the world has never been lower. In less than 3 months our confused and worried foreign policy has resulted in more widespread anti-Americanism, more insults to our flag and American officials, a more rapid decline in U.S. prestige than ever before. The State Department and the White House seem unable or unwilling to cope with the almost daily crises and as each new anti-American episode explodes offer the same tired explanation, "We were taken by surprise."

Just 1 day's news on January 31 offered the following:

1. Panama: The riots that erupted January 9 brought old resentments to the surface, severed diplomatic relations, led to demands for revising the Canal Zone treaty. Panama demanded the Organization of American States condemn the United States for aggression. Prospect: Worsening relations, prolonged bitterness in Central America.

2. Germany: An American T–39 unarmed jet trainer that strayed into East Germany was shot down and three American airmen killed. We protested. The Communists returned the bodies of our airmen. Prospect: No action by the United States anticipated and more incidents and probably American deaths at the hands of the Soviet and her stooges.

3. Cyprus: Fierce Greek-Turkish rivalry erupted in December. Both of these nations are U.S. allies. Although the British have assumed the responsibility for keeping peace on the island, the violence was directed against the United States. It was our Embassy that was bombed and our Ambassador whose life was threatened. Prospect: Continued violence with increased anti-Americanism and the possibility that the situation will be turned over to the U.N. which will permit the Soviet Union to send in troops.

4. Vietnam: Last November's coup was followed by a countercoup with charges of neutralism, betrayal, and revenge. The United States worries about the future and apparently has no control over the situation or effective means to prosecute the war against the Communists, a war which we refuse to recognize in spite of the fact that American boys are dying in it. Prospect: A long, drawn-out fight with victory over the Communists uncertain.

These events, reported on one day, were followed by Castro's contemptuous move cutting off the water to Guantanamo; in Mexico the Red Chinese are making a strong bid for Mexican recognition of Red China; in Brazil, President Goulart and his strongly pro-Communist cabinet is preparing to recognize Red China; France has already given recognition to the Communists; the Organization of American States finds proof that Cuba is guilty of subversion and sabotage in Venezuela; Britain tells the United States she plans to increase trade with Cuba, the Soviet Union, and the whole Communist world.

Why? Why is anti-Americanism increasing around the world? What has happened to U.S. leadership?

Some reasons may be outlined as follows:

1. Lack of a firm, understandable foreign policy backed up by the will to win a cold war.

2. Appeasement of the Communists under threat of nuclear war.

3. Secret deals, beginning at Tehran, Yalta, and Potsdam and continuing at least through the Panama memorandum of last June have resulted in concessions to the Communists and others who have used them against us.

4. Billions in foreign aid which have gone to strengthen Communist countries and those alined with the Communists; have built up foreign competition with American industries helping to strengthen foreign economies at the expense of our own.

5. The continual Communist-inspired harangue against the United States in the United Nations where we pay most of the bills but are outvoted by Communists and emerging nations, many of whom pay nothing or next to nothing.

Since Franklin Roosevelt forced recognition of Soviet Russia in 1933, giving the Communists respectability and starting them on the road to a world power, succeeding Democratic administrations have shown the same lack of understanding of the Communist conspiracy and its goal to dominate the world. They refuse to believe Communist leaders who boldly state they will destroy capitalism, bury the United States, and will be the victors in a world in which our children will live under communism.

We can save the United States. We need to take action now.

1. We should announce a foreign policy that is in the self-interest of the United States and which will preserve freedom in the world. This means (a) reinstating the Monroe Doctrine; (b) get the Communists out of the Western Hemisphere; (c) serve notice that Communist aggression or subversion against any free nation will be met with retaliation against the core of the conspiracy, Soviet Russia.

2. We should maintain our military strength, making it perfectly clear that we have the means and the will to protect ourselves and any nation which will stand with us in defense of freedom.

3. We should strengthen our own economy, which undergirds our military strength, by putting an end to wasteful spending, Federal controls, and welfare programs that weaken the private enterprise system and threaten the freedoms of our people at home.

Martin Reports $70 Million in Cost Reductions for 1963

EXTENSION OF REMARKS

OF

HON. CARLTON R. SICKLES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1964

Mr. SICKLES. Mr. Speaker, one of President Johnson's first acts was to direct a personal appeal to defense contractors asking their help in reducing military expenditures through the exercise of all possible economies in the performance of defense contracts. This, of course, is in keeping with the declared policy of the Johnson administration to administer the affairs of our Government with "utmost thrift and frugality."

I am sure that the Nation's defense contractors and their many thousands of employees will heed the President's appeal and will do their part to see that the Government receives a dollar's value for every dollar spent.

In this regard, I was particularly impressed by a recent announcement by one defense contractor, Martin Co., reporting savings of more than $70 million last year through a companywide cost reduction program. Martin Co., which I am pleased to say maintains headquarters and a major manufacturing facility in Middle River, Md., is responsible for such defense and space projects as the Titan III Air Force space booster, the Sprint antimissile, and the Titan II launch vehicle for the Gemini two-man spacecraft.

I think the results this company has achieved with the cooperation of its conscientious employees, in reducing defense costs are significant. In the long run I am hopeful that such efforts will be rewarded with more contract and job opportunities. With union and management teaming up to cut costs, the company will be in a better competitive position to bid and win more contracts. I commend Martin Co. and its employees for their achievement and insert in the RECORD a statement on the firm's 1963 cost reduction activities:

MARTIN REPORTS $70 MILLION IN COST REDUCTIONS FOR 1963

BALTIMORE, MD., January 30.—Martin Co. today reported cost reductions of more than $70 million during 1963 on its defense and space work for the Government.

William B. Bergen, president of Martin, advised defense and space agency officials in Washington of the documented results of the company's efforts.

He also pledged that Martin will continue vigorously this year, and improve wherever possible the formalized cost reduction program it has had in effect more than 2 years.

"Our 1963 savings, which exceeded the minimums we had set as our goal, were achieved without impairing the quality of our products or their scheduled deliveries," Bergen said. The $70 million savings was on contract work with a value of some $670 million and represents an average of some $1,800 for each of the company's employees.

Martin has set minimum 1964 cost reduction goals for each of its divisions, at Baltimore, Denver, Colo., and Orlando and Cocoa Beach, Fla., which total more than $50 million, an amount Bergen called "commensurate with our workload after taking account of the cumulative reductions that we already have effected on our continuing prime contracts."

Vendors and subcontractors, who receive approximately half of every contract dollar awarded to Martin, have been periodically called in by the company to attend cost reduction seminars. The most recent in this series was held at Baltimore in mid-January. Representatives of nearly 100 vendors and subcontractors attended, and on that occasion President Lyndon B. Johnson sent Bergen this telegram:

"I am extremely pleased and most gratified to learn of the steps your company is taking to enlist the support of your major subcontractors for the Department of Defense cost reduction program. The theme of your symposium, 'Less Cost Per Product,' is a timely response to the appeal for support which Secretary McNamara and I made to your company and some 7,500 other defense contractors on December 2. I am certain that your conference will produce concrete results. With warm good wishes to you and all those participating.

"LYNDON B. JOHNSON."

In reporting on Martin's 1963 cost reduction results, Bergen praised the company's subcontractors. He noted, for example, that Martin's Denver division—producer of the Air Force Titan I and II ICBM's and the Titan III standard space launch system—documented some $46 million in cost reductions during 1963, more than half of which resulted from cooperative responses by subcontractors to the division's campaign for reducing costs.

"Over the entire company," Bergen said, "Martin also has stressed the necessity of competitive buying in its procurement activities to such an extent that a spot check in 1 recent month showed approximately 95 percent of all such purchases stemmed from competitive bidding.

"I have given a pledge to President Johnson, Defense Secretary McNamara and Space Administrator Webb that our company intends the most aggressive support of the administration's cost reduction efforts. We believe this objective is good business in the best possible sense—for us as a company, and for the entire Nation and free world as well."

Résumé and Brief for H.R. 9650

EXTENSION OF REMARKS

OF

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1964

Mr. DENT. Mr. Speaker, every now and then we have a chance to put remedial legislation before the Congress that will do all good and no harm. I place the bill I sponsored January 16, H.R. 9650, in this category.

A brief résumé of the bill will help the Members to better understand the inequity we wish to correct:

RÉSUMÉ AND BRIEF FOR H.R. 9650, INTRODUCED BY CONGRESSMAN JOHN DENT, JANUARY 16, 1964

This bill affects those members of public employees retirement systems in States where social security coverage is acquired by "the divisional method." Under this method there are two groups or classes of membership in the retirement system. In one group are those who were presently employed when social security coverage was first made available and elected social security coverage. In this group are also included all those who entered public employment after social security was first made available and all those who changed their election when they were permitted to do so by amendments to the Social Security Act. In the other group or class are those who were presently employed and did not elect social security coverage and who did not change their election since.

Seventeen States, including Pennsylvania, are authorized to cover their public employees by the divisional method. The program was initially established in Pennsylvania in 1956. Those who were presently employed prior to May 28, 1957, had the privilege of electing social security coverage retroactive to January 1, 1956, or of electing not to be covered under social security. Those who entered service after May 28, 1957, were required to be covered. Some of those who were presently employed prior to May 28, 1957, and elected not to be covered by social security subsequently changed their election either in 1959 or in the period from August 1961 through December 1962 when amendments to the Social Security Act permitted them to do so. All these members who acquired social security under any of the above provisions are called "joint coverage members." All not covered by social security are called "single coverage members."

H.R. 9650 permits single coverage members to change their previous vote on election of social security coverage from "no" to "yes" and thereby become "joint coverage members."

The bill, by deleting "1963" and inserting "1966," would merely set a new date, December 31, 1965, before which the single coverage members could make the change. The social security amendments in 1961 permitted them to make such a change prior to December 31, 1962.

In Pennsylvania's School Employees' Retirement System approximately 15,000 school employees out of a total membership of approximately 130,000 are "single coverage members."

In the Pennsylvania State Employees' Retirement System approximately 5,000 State employees out of a total membership of approximately 85,000 have chosen to remain "single coverage members".

In the third class cities there is an undetermined number who also chose to be single coverage members. This number can be determined only by a survey of each of the third class cities, but the Pennsylvania Bureau of Social Security for Public Employees is receiving communications from such municipal employees inquiring whether they can now elect social security coverage.

These single coverage members did not choose social security coverage for a number of reasons:

1. They had social security coverage through other employment than in the schools, State or municipality.

2. They would become eligible for social security benefits as dependent wives or widows through their husband's coverage.

3. They were not sure of the benefits of their being covered by social security because of their husband's membership in the Railroad Retirement System.

4. They could not acquire sufficient quarters of coverage at the time of establishment to be eligible for a benefit.

5. They resented the reduction of public employees retirement allowances because of the offset established in the joint coverage plan.

In fact, the offset reduction played a significant role in the decisions of many of those who did not elect social security coverage. Under the joint coverage plan when a public employe retired at an age when he could and did receive social security benefits, his retirement allowance is reduced by 40 percent of the social security benefits he receives. For example, if his retirement allowance were $300 and his social security benefit were $100, his retirement allowance would be reduced by $40 (40 percent of $100) and he would receive only $260 as his reduced retirement allowance together with his social security benefit of $100.

In many cases there was so little difference between the employees total retirement income from social security under joint coverage in the public employees retirement system plus his retirement allowance reduced by the offset and his total retirement income from social security under other coverage (or as a dependent of a covered spouse) plus his full retirement allowance without offset that it was not to his financial advantage to elect social security coverage in the public employees retirement system.

For example—a male employee with a retirement allowance of $300 per month and a social security benefit of $100 under joint coverage in the public employees retirement system would have a total retirement income of $360: Reduced retirement allowance—$260 ($300 minus 40 percent of $100) plus $100 social security benefit; $360.

If the same male employee had social security coverage through employment outside of his public employment which entitled him to a social security benefit of $50, his total retirement income would be $350. Unreduced retirement allowance of $300 plus his social security benefit of $50.

In the above example electing joint coverage would have meant only an additional $10 per month. It would take a number of years of retirement during which he would be receiving an additional $10 per month to recover the additional social security taxes he would have to pay if he elected social security coverage under the public employees retirement system.

Now legislation has been enacted in Pennsylvania which creates a new class of membership called dual coverage and joint coverage members may elect to eliminate the offset reduction in their retirement allowance. This legislation becomes effective on July 1, 1964, and those who so elect will, upon retirement, receive the full retirement allowance without offset reduction and the full social security benefit to which they are entitled.

It now becomes financially advantageous to virtually every single coverage member to elect social security coverage. Without the offset reduction the total retirement income from public employees retirement and social security will be increased so substantially that it will be to their advantage to elect coverage even though they will have to pay the social security taxes retroactive to January 1, 1956.

For example, in the case of the male employee in the example above—if he elects social security coverage under the public employees' retirement system his total retirement income would be $400—uninduced retirement allowance of $300 plus social security benefit of $100—rather than the $360 he would receive under the previous State legislation. This will be $50 per month more than the total retirement he would receive through his coverage outside his public employment of $350. At $50 a month in additional benefits he would recover the cost of the additional social security taxes in a very short period following retirement.

In addition every amendment to the Social Security Act since social security coverage became effective for public employees in Pennsylvania in 1956 has made it increasingly more advantageous for single coverage members to elect social security coverage under the public employees retirement system. All these are capped by the recent Pennsylvania legislation permitting the elimination of the offset reduction.

H.R. 9650 makes it possible for "single coverage" public employees in Pennsylvania (and perhaps other States) to greatly improve their total retirement income.

The Pennsylvania State Education Association supports passage of this legislation.

HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 18, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

From the Book of Deuteronomy: *Beware that thou forget not the Lord thy God.*

Almighty God, upon whom we lean for strength and unto whom we look for hope, may we earnestly devote ourselves to the task of bringing unto all mankind the blessing of the more abundant life. Grant that, living in an expanding universe, we may find our hearts enlarging with a greater concern for the welfare of humanity and helping man and nations cultivate a friendly and fraternal spirit.

May we hasten the day when human relations at the national and international levels shall be fraternally cooperative rather than fiercely competitive.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

LEGISLATIVE PROGRAM FOR BALANCE OF THE WEEK

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, may I ask the majority leader if there has been any change in the legislative program for this week?

Mr. ALBERT. Mr. Speaker, we have been advised that a rule has been granted on the bill, H.R. 9022, to amend the International Development Association Act, to authorize the United States to participate in an increase in the resources of the International Development Association. The gentleman from Texas, chairman of the Committee on Banking and Currency [Mr. PATMAN], states that this is a matter of some urgency. Therefore we are adding this bill to the program tomorrow. It will follow the program already announced for tomorrow.

Further, responding to the gentleman, yesterday we obtained permission to have George Washington's Farewell Address read on Friday. This is also added to the legislative program for the week.

Mr. ARENDS. I thank the gentleman.

COMMITTEE ON RULES

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I ask unanimous consent that the Committee on Rules may have until midnight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

REINTRODUCTION OF FOOD STAMP BILL

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I am today introducing a new food stamp bill which is almost identical with the bill, H.R. 8107, which was recently tabled by the House Committee on Agriculture on a vote of 19 to 14. Several minor changes have been made in the legislation. These changes were suggested by several members of the Committee on Agriculture as perfecting amendments which would not in any way weaken or cripple the food stamp program. The Department of Agriculture, I am informed, is agreeable to these changes in the administration bill, and I have consequently agreed to reintroduce the measure as a "clean" bill.

One amendment makes it clear that nothing in the act shall be construed as authorizing the Secretary of Agriculture to specify either the wholesale or retail prices of any food distributed under this plan; another deals with the avenues of appeal open to retail food stores and wholesale food concerns which the Secretary may seek to disqualify from further participation in the program—for one thing, the store or concern may obtain judicial review of the Secretary's action in any court of record in the State having competent jurisdiction. Another amendment spells out a more precise definition of an emergency during which surplus commodities can also be distributed in an area where the food stamp plan is operating. It would have to be an emergency caused by natural disaster.

I believe that the reintroduction of this legislation in the form of a new bill will help to simplify the procedures in having the food stamp plan again considered in the Agriculture Committee. I hope this time the merits of the plan will be recognized by a clear majority of the committee. I have been hearing from all parts of the country about the tabling of H.R. 8107—from citizens who are deeply distressed that the bill might not pass.

PROPOSED TRANSFER OF AIR FORCE'S ROME AIR MATERIEL AREA AT GRIFFISS AIR FORCE BASE

Mr. PIRNIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PIRNIE. Mr. Speaker, on February 4 the Senate and Assembly of the State of New York, by concurrent resolution, memorialized the Congress to investigate whether or not the proposed transfer of the Air Force's important Rome Air Materiel Area at Griffiss Air Force Base, would be in the best defense and economic interest of the United States.

Today I am introducing a resolution which would authorize the Committee on Armed Services to conduct a complete investigation of the planned Defense Department action. The matter is not only of grave concern to the people of New York State, but to all who fear that the fragmentation and dispersal of personnel and functions of this vital ground electronics supply center will result in higher overall costs to the taxpayer and will impede the defense of the United States. Because of the disturbing implications of the proposal, both the Congress and the people are entitled to know all of the facts.

OVERTIME PAY

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

Mr. SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, this morning I appeared before the House Committee on Education and Labor, which is discussing a bill to provide for double time over 40 hours, ostensibly to help the unemployment problem by discouraging overtime.

I do not think this is the answer. In talking to many people affected, I think the problem of unemployment involves what we commonly know as moonlighting. If you impose on management double time for overtime, they cannot stand it economically. If the affected employee will necessarily then be permitted to work only 40 hours, he will seek another type of employment in another company, because he has been used to the extra overtime pay and has obligations to meet.

If we are after a solution to the real problem having to do with the unemployed, the suggestion I make is that if a person is limited to 40 hours on one job and he then seeks further employment in a second company to supplement his income, when he goes to the second company he should not be employed at straight time. My suggestion is that if he works 40 hours for one company and goes to a second company on a moonlighting job, the second employer be required to pay this employee who has already worked 40 hours, time and a half. The second employer will probably not be anxious to pay time and a half to this moonlighter, so what will he do? He will turn to an unemployed person, and he will only be required to pay that unemployed person straight time. So this will hit at the crux of the problem. He will hire the unemployed person and not the moonlighter.

There may be some people downtown who may try to refute this. But human nature being what it is, I know that this suggestion will greatly improve the unemployment situation.

I think if we can stop the moonlighting through this suggestion we can really get down to the basic problem of unemployment, so in conclusion my suggestion is that if a man works 40 hours and then takes a second job, the second employer will have to pay him time and a half. If the employer hires an unemployed person he pays him straight time thus getting to the roots of the unemployment problem. I predict that the application of double time for over 40 hours will do nothing more than encourage persons already employed to take a second job and the unemployed will still be unemployed.

COMMITTEE ON ARMED SERVICES

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services be permitted to sit today and tomorrow while the House is in session during general debate, for consideration of the military construction bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

OUTLET STORES, INC.

The Clerk called the bill (H.R. 2300) for the relief of the Outlet Stores, Inc.

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DR. AND MRS. ABEL GORFAIN

The Clerk called the bill (H.R. 2706) for the relief of Dr. and Mrs. Abel Gorfain.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

CHARLES WAVERLY WATSON, JR.

The Clerk called the bill (H.R. 2728) for the relief of Charles Waverly Watson, Jr.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

JOHN F. MacPHAIL

The Clerk called the bill (H.R. 5145) for the relief of John F. MacPhail, lieutenant, U.S. Navy.

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

CAROLINE G. JUNGHANS

The Clerk called the bill (H.R. 8878) for the relief of Caroline G. Junghans.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the limitations contained in section 33 of the Trading With the Enemy Act, as amended (50 App. U.S.C. 33), with respect to the filing of claims and the institution of suits for the return of property or any interest therein pursuant to section 9 or 32 of such Act (50 App. U.S.C. 9 or 32), Caroline G. Junghans, a United States citizen residing in West Germany, may, within six months after the enactment of this Act, file a claim for the return of certain property, namely, her interest under item 7 of the will of Fritz Glogauer, deceased, the title to her interest having been acquired by the United States under the Trading With the Enemy Act by vesting order numbered 4907 of the Office of Alien Property; and that claim shall be considered on its merits in accordance with the remaining provisions of that Act: *Provided,* That if no such return is made within a period of sixty days after the filing of such claim, the said Caroline G. Junghans shall be entitled, within one year of the expiration of such period, to institute suit pursuant to section 9 of such Act (50 App. U.S.C. 9) for the return of such property.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JESSE I. ELLINGTON

The Clerk called the bill (H.R. 7757) for the relief of Jesse I. Ellington.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Jesse I. Ellington is hereby relieved of all liability for repayment to the United States of the sum of $1,384.87, representing overpayment of compensation he received, through administrative error, as an employee of the Department of the Navy, United States Naval Observatory Time Service Substation, Richmond, Florida, in the period between December 29, 1961, and June 8, 1963.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to the said Jesse I. Ellington, the sum of any amounts received or withheld from him on account of the overpayment referred to in the first section of this Act.

SEC. 3. No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 4, strike "$1,384.87" and insert "$1,385.10".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN A. PERALTA

The Clerk called the bill (H.R. 9615) for the relief of John A. Peralta.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John A. Peralta, of Bay Shore, New York, the sum of $483.12, in full satisfaction of all his claims against the United States for compensation for loss through theft on or about September 21, 1961, of personally owned hand tools required for official business and stored in Government quarters at New York International Airport: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by an agency or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELMER ROYAL FAY, SR.

The Clerk called the bill (S. 573) for the relief of Elmer Royal Fay, Sr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to Elmer Royal Fay, Senior, captain, United States Army, retired, of Hillcrest Heights, Maryland, the sum of $228.68, in full satisfaction of all his claims against the United States for compensation for retired pay which was withheld from him by the United States during the period from July 1, 1947, through August 11, 1947, while the said Elmer Royal Fay, Senior, was an employee of the Bureau of Yards and Docks, Department of the Navy, at Washington, District of Columbia: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGIE LOU RADER

The Clerk called the bill (S. 1206) for the relief of Georgie Lou Rader.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of the Act entitled "An Act providing for the barring of claims against the United States", approved October 9, 1940 (54 Stat. 1061), the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Georgie Lou Rader, of Knoxville, Tennessee, the sum of $1,440, representing the amount of the six months' death gratuity payable to her upon the death of her son, Second Lieutenant Kenneth R. Rader, who died on March 27, 1945, while serving in the Armed Forces of the United States, the said Georgie Lou Rader having relied upon erroneous information from United States Army personnel that she might file application for such gratuity at any time: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARCHIE L. DICKSON, JR.

The Clerk called the bill (S. 1445) for the relief of Archie L. Dickson, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Represenatives of the United States of America in Congress Assembled, That (a) the Secretary of the Air Force is authorized and directed to determine the amount and effective date of the retirement pay to which Archie L. Dickson, Junior, would have been entitled if (1) the Office of the Surgeon General of the Army in reviewing his case in 1945 and 1946 had found that the said Archie L. Dickson, Junior, was, at the time he was relieved from active duty in 1946, permanently incapacitated for active service and that his incapacity for active service was the result of an incident of service as a commissioned officer in the United States Air Force incurred in line of duty not due to his own misconduct and such a finding had been approved by the President or his delegate, and (2) the Department of the Air Force thereupon had certified Archie L. Dickson, Junior, in the grade of first lieutenant to the Veterans' Administration for the receipt of retired pay under the Act of April 3, 1939 (53 Stat. 557; 10 U.S.C. 2687).

(b) Upon such determination, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Archie L. Dickson, Junior, after deducting any disability compensation he has received from the Veterans' Administration, retired pay in such amount upon the conditions which would have been applicable if such certification had been made pursuant to the Act of April 3, 1939 (53 Stat. 557; 10 U.S.C. 3687).

(c) From the date of enactment of this Act it shall be held and considered that Archie L. Dickson, Junior, has been retired for physical disability and the Secretary of the Air Force is directed to pay him retired pay accordingly.

With the following committee amendment:

Page 1, line 3: After the word "That" insert "in accordance with the findings of fact of the United States Court of Claims in the case of *Archie L. Dickson, Jr.* v. *The United States,* Congressional No. 4–60, decided November 7, 1962,".

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY G. EASTLAKE

The Clerk called the bill (S. 1518) for the relief of Mary G. Eastlake.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the service of Mary G. Eastlake, Nurse Director (retired), Public Health Service, performed while in the employ of the Bureau of Indian Affairs, Department of the Interior, before July 1, 1955, shall be deemed to be active service in the Public Health Service for the purpose of computing her retired pay from the Service as of the date of her retirement (December 1, 1962): *Provided,* That the increase in retired pay authorized by this Act shall not exceed the amount which would be payable as a Civil Service retirement annuity based on such service.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALESSANDRO A. R. CACACE

The Clerk called the bill (S. 1488) for the relief of Alessandro A. R. Cacace.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Alessandro A. R. Cacace shall be held and considered to be the minor natural-born alien child of Mr. Hilton D. Hall, a United States citizen.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL JAMES BRANAN

The Clerk called the bill (H.R. 5306) for the relief of Paul James Branan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Paul James Branan, shall be held and considered to be the natural-born alien child of Staff Sergeant and Mrs. Thomas D. Branan, citizens of the United States: *Provided,* That the natural parents of the said Paul James Branan shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the Immigration and Nationality Act, Paul James Branan may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Thomas D. Branan, citizens of the United States, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans.".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTERINA RICUPERO

The Clerk called the bill (H.R. 3264) for the relief of Esterina Ricupero.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provision of section 212(a) of the Immigration and Naturalization Act, Esterina Ricupero may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act: *Provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act.

With the following committee amendment:

On page 1, line 3, strike out "section 212(a)" and substitute in lieu thereof "section 212(a)(1)".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

CALL OF THE HOUSE

Mr. KUNKEL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 34]

Adair
Ashbrook
Ashmore
Bass
Battin
Bennett, Mich.
Berry
Blatnik
Bolton, Frances P.
Broomfield
Brown, Calif.
Brown, Ohio
Bruce
Buckley
Burkhalter
Burleson
Burton
Casey
Cederberg
Celler
Chamberlain
Collier
Colmer
Corman
Cramer
Davis, Tenn.
Dawson
Diggs
Dorn
Dowdy
Edmondson
Finnegan
Flynt
Forrester
Goodell
Gray
Green, Oreg.
Griffin
Gubser
Halleck
Hanna
Harvey, Ind.
Hawkins
Hoffman
Holifield
Hosmer
Hull
Hutchinson
Jones, Ala.
Kastenmeier
Kee
Kelly
Kluczynski
Latta
Leggett
Lesinski
Lindsay
Lloyd
Macdonald
Mailliard
Martin, Mass.
Meader
Miller, N.Y.
Montoya
Moss
O'Brien, Ill.
O'Konski
Pilcher
Powell
Price
Rains
Rhodes, Ariz.
Riehlman
Roberts, Tex.
Roosevelt
Rostenkowski
Roybal
St. Onge
Short
Smith, Calif.
Thomson, Wis.
Tuck
Tupper
Udall
Wickersham
Widnall
Wilson, Bob
Younger

The SPEAKER. On this rollcall, 340 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

READING OF WASHINGTON'S FAREWELL ADDRESS ON FEBRUARY 21

The SPEAKER. Pursuant to a special order agreed to on February 17, 1964, the Chair designates the gentleman from Hawaii [Mr. MATSUNAGA] to read Washington's Farewell Address immediately following the reading of the Journal on February 21, 1964.

SUSPENDING REQUIREMENTS OF SECTION 315, COMMUNICATIONS ACT OF 1934, DURING CAMPAIGN OF 1964

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H.J. Res. 247) to suspend for the 1964 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for legally qualified candidates for the offices of President and Vice President, disagree to the Senate amendments and request a conference with the Senate.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. GROSS. Mr. Speaker, reserving the right to object, what is the meaning of the resolution?

Mr. HARRIS. This resolution was passed by the House some time ago suspending the requirements of section 315 of the Communications Act of 1934 for this presidential year. The Senate passed the resolution making some changes and we are asking to go to conference on the differences between the House and the Senate.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER. The Chair appoints the following conferees: Messrs. HARRIS, ROGERS of Texas, MOSS, ROSTENKOWSKI, KORNEGAY, HULL, BENNETT of Michigan, YOUNGER, CUNNINGHAM, BROYHILL of North Carolina.

ACTION AGAINST CASTRO'S SUPPLIES

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, it is a good sign for those who believe in getting rid of Castro in this hemisphere that the Department of State has just advised that any aid given to the United Kingdom, France, Yugoslavia, Spain, and Morocco will be terminated under the provisions of the Fascell-Rogers amendment, section 620(a)(3) of the Foreign Assistance Act.

This legislation provides that with certain exceptions no funds available under the act shall be used to furnish assistance to any country that has not taken appropriate steps by February 14 to prevent its ships and aircraft from carrying any equipment, materials, or commodities to and from Cuba.

That the intent of Congress in respect to these countries that they should receive no aid is a first step in showing that we do mean business about isolating and getting rid of Castro. A second step should be to close our ports to ships of any nation which allows any of its ships to trade with Cuba. Thirdly, we need increased activity by the Organization of American States, with full U.S. backing, to take the necessary steps to isolate Cuba to eliminate communism's Castro.

I want to commend Assistant Secretary of State Thomas Mann, for firming up this Government's position against Castro's suppliers.

DUAL COMPENSATION ACT

Mr. YOUNG. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 624, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7381) to simplify, modernize, and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the substitute amendment recommended by the Committee on Post Office and Civil Service now in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Texas [Mr. Young] is recognized for 1 hour.

Mr. YOUNG. Mr. Speaker, I yield 30 minutes to the gentlewoman from New York [Mrs. St. George] and pending that I yield myself such time as I shall require.

Mr. Speaker, House Resolution 624 provides for consideration of H.R. 7381, a bill to simplify, modernize, and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services, and for other purposes. The resolution provides an open rule with 1 hour of general debate, making it in order to consider the substitute amendment now in the bill as an original bill.

The general purposes of H.R. 7381 are to aid the Federal Government in obtaining the best qualified people available for hard-to-fill civilian positions; to provide reasonably uniform and fair treatment for retired military personnel with respect to their employment in Federal civilian positions; to provide appropriate safeguards so that Federal civilian employment of retired military personnel will not grant such personnel unfair advantage over civilian employees or unduly hamper career opportunities for civilian employees; and to consolidate and simplify the present numerous and confusing statutes on dual compensation and dual employment in the Federal Government.

This legislation is the outcome of more than 8 years of intensive studies and discussion within the executive branch, appropriate committees of the Congress, and representatives of employee, veterans, and retired military personnel organizations.

Mr. Speaker, I urge the adoption of House Resolution 624.

Mrs. ST. GEORGE. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this resolution makes in order the consideration of H.R. 7381 and, as my colleague, the gentleman from Texas [Mr. Young] said, this is to simplify, modernize, and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services, and for other purposes.

In fact, Mr. Speaker, I think it can be safely said this is very necessary and corrective legislation.

The general purposes of this legislation are to aid the Federal Government in obtaining the best qualified people available to fill civilian positions; to provide reasonably uniform and fair treatment for retired military personnel with respect to their employment in Federal civilian positions; to provide appropriate safeguards so that Federal civilian employment of retired military personnel will not grant such personnel unfair advantage over civilian employees or unduly hamper career opportunities for civilian employees; and to consolidate and simplify the present numerous and confusing statutes on dual compensation and dual employment in the Federal Government.

Mr. Speaker, there are far too many laws. There has been a proliferation in this field. This is quite natural, because we go back to the original statute, which was written in 1894, and that is a long way back.

When this particular law was passed, $2,500 was a fairly considerable sum of money. Members of Congress then received $5,000 a year. This is a thing to be contemplated and digested. Assistant Secretaries of Cabinet departments were generally paid between $3,500 and $4,500 a year. Chief clerks of departments and chiefs of major divisions, most of whom would be in the higher grades of the Classification Act today, were paid $2,500 a year.

A retired major with 30 years of service in 1894 would have been retired at slightly over $2,500 a year, and, of course, a major in 1894 held a higher relative military rank than a major of today.

For these reasons, if for no others, this whole statute had to be gone over with care and revamped. H.R. 7381 does something that is long overdue. It passed the Rules Committee unanimously. I believe there was very slight objection to it in the Committee on Post Office and Civil Service.

Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. Broyhill].

Mr. BROYHILL of Virginia. Mr. Speaker, page 2 of the rule refers to the recommended committee amendment which may be considered as an original bill. I think this serves to point out that this whole problem was to a degree compromised in our committee. It was the result of many months of hard work; in fact, many years of consideration. We had several days of public hearings. I think it is a correct statement to make that this bill reflects areas that are somewhat complicated and confusing. Yet we hope that we will be able to simplify it sufficiently to where the measure will not be controversial, because I believe that this is highly important legislation. I think that we must act on this matter and solve this problem right now.

In an effort to arrive at this compromise, as found in this bill, after holding several days of hearings and after discussing the matter in executive session, we formed a subcommittee, an ad hoc group, to go back and meet with representatives of the executive branch to iron out some of the minor technical details and arrive at some solution that would be acceptable to everyone. This measure, regardless of how complicated and confusing it was, was approved by the committee by an overwhelming vote.

As pointed out by the gentleman from Texas [Mr. Young] and the gentlewoman from New York [Mrs. St. George], the main purpose, the main objective of this legislation is to recodify many archaic statutes now on the lawbooks. There are approximately 40 acts of Congress involved with this same subject, and approximately 200 separate rulings of the Comptroller General. This is really a ridiculous situation as it exists right now. We do not know what the law is actually on this particular subject. The first law goes back to 1894. Obviously that should be revised and brought up to date. We had another act in 1916 and one in 1932. As I have said, there have been approximately 37 others. So it stands to reason that the time has come for us to rewrite this complicated group of laws so that the people downtown will know what the intentions of Congress are.

There are two other situations that need immediate correction. This bill points up the confusion that exists in the present situation. We have 475 retired military officers, retired Reserve officers, who have been told that they have been overpaid for the past few years. They are told that they would have to pay as high as $30,000 apiece as a refund to the Federal Government. That is the ruling of the Comptroller General of the United States. We have introduced legislation to clarify what the Congress originally intended in that respect.

Mr. Speaker, the Comptroller General was holding up the enforcement of his ruling until the end of the next session. Now, that we are going to act on the measure at this session, he has given these people additional time by holding up the enforcement of his ruling until April 30 in order to give the Congress an opportunity to act.

Then, Mr. Speaker, we have a group of around 870 warrant officers who will actually be dismissed. These are temporary or Reserve warrant officers who will actually be taken off the Federal payroll entirely if this corrective, clarifying legislation is not enacted. In fact, some of these warrant officers will be called upon, due to an error in interpreting the law of the past and by virtue of that error, to pay back to the U.S. Government amounts in some instances which range as high as $50,000 a year.

So, Mr. Speaker, it is imperative that we do something now at the earliest possible date to clarify what Congress really intended in passing all of these previous dual compensation laws. Actually, about 90 percent of the retired military people who are on the civilian payroll will not be affected as a result of this legislation.

Mr. Speaker, the main purpose of the legislation, as has been stated by the gentlewoman from New York [Mrs. St. George] and the gentleman from Texas [Mr. Young], is to streamline and to simplify these various laws which have been passed. We do plan, however, by this proposed legislation, to make it possible for the Federal Government to utilize more of the experienced and well-educated retired Regular officers.

Mr. Speaker, we do correct by this bill some inequities which I think will help to strengthen the law and eliminate some of the abuses which we now have. I refer to the buddy system of hiring and promoting retired military personnel.

Mr. Speaker, by and large, this is a good bill and is a sound bill.

As I said before, it is most essential that we act on it now.

The **SPEAKER** pro tempore. The time of the gentleman from Virginia has expired.

Mrs. **ST. GEORGE**. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. **FULTON** of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. **BROYHILL** of Virginia. I yield to the gentleman from Pennsylvania.

Mr. **FULTON** of Pennsylvania. The gentleman is speaking of retired military personnel. I am a retired Reserve officer. Is the gentleman speaking of Regular officers and Reserve officers when he speaks of military personnel retiring or is he just speaking of the Regulars?

Mr. **BROYHILL** of Virginia. Primarily, the bill will only affect the retired Regular officers, insofar as permitting them to accept civilian Government jobs.

At the present time there are no restrictions on Reserve officers or retired enlisted men from the standpoint of accepting civilian Government positions and receiving their full retirement pay.

This bill makes no change in that respect, other than, let us say, eliminating some of the veterans' preference rights whereby retired Reserve officers with 20 years who can now go in and bump a civilian career employee who had only 4 years of active duty during wartime, is true at the present time.

Again, the only effect it has on the retired people is to make it a little more difficult for them to come in and obtain a civilian Government job.

Mr. **FULTON** of Pennsylvania. If the gentleman will yield further, in your judgment is the bill adequate in its coverage when it only covers one part of the military retired personnel and not the other?

Mr. **BROYHILL** of Virginia. I should like to point out that the executive branch in originally recommending this legislation did recommend that Reserve officers and enlisted men also be covered by a similar restriction or limitation from the standpoint of receiving retired pay, which we are now providing for the Regular Army retired personnel.

However, 95 percent of the retired people are reservists, and there was a storm of opposition to that approach. There did not appear to be much of an opportunity of getting it approved.

Mr. **FULTON** of Pennsylvania. If the gentleman will yield further, the gentleman had started to touch on my next question, and that is this: When you speak of retired military personnel, you seem to be speaking only of officers and not of enlisted men. Does this cover both classes, or only officers?

Mr. **BROYHILL** of Virginia. The only people who are affected are retired Regular officers. The retired enlisted men are exempt as the result of previous legislation. We merely confirm that approach in this legislation.

Mr. **FULTON** of Pennsylvania. But the gentleman recommends the passage of the bill anyway even though there is not contained in the bill that coverage?

Mr. **BROYHILL** of Virginia. I say to the gentleman that this is the best compromise we could come up with. Any bill of the far-reaching scope as this one cannot be perfect because there are too many people involved. However, I am proud of the job which the committee did in attacking this very complicated problem.

Mr. **FULTON** of Pennsylvania. If the gentleman will yield further, there is another question in my own mind and that is this: There have been various comments by speakers here today with reference to the action of the Committee on Post Office and Civil Service in handling this legislation. They say that there has been some little opposition. What was the vote on the bill when it came out of the committee?

Mr. **BROYHILL** of Virginia. I believe the bill as finally compromised was approved by a vote of 12 to 1 with one member voting "present."

Mr. **FULTON** of Pennsylvania. How many members are on the committee?

Mr. **BROYHILL** of Virginia. Twenty-five members on the committee.

Mr. **FULTON** of Pennsylvania. There were 12 members not voting?

Mr. **BROYHILL** of Virginia. I cannot answer for those. I say the committee seemed to be in harmony on a very complicated problem.

Mr. **FULTON** of Pennsylvania. The gentleman does not think there is any discrimination as between classes and groups so that we might be rendering an injustice here by voting these extra rules on an already confusing situation?

Mr. **BROYHILL** of Virginia. This bill does not create inequities. As a matter of fact, it eliminates some inequities which exist at the present time. This is a step forward. There will remain certain inequities if we consider retired officers and Reserve officers to be treated alike. Some of us feel that there is a distinction. The administration felt they all should be treated alike. They are not being treated alike now, and this bill does not treat them all alike.

Mr. **YOUNG**. Mr. Speaker, I move the previous question.

The previous question was ordered.

The **SPEAKER**. The question is on the resolution.

The resolution was agreed to.

IN THE COMMITTEE OF THE WHOLE

Mr. **MORRISON**. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7381) to simplify, modernize, and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 7381, with the gentleman from Florida [Mr. Pepper] in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

Mr. **MORRISON**. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the general purpose of H.R. 7381 is to establish, in a single statute, a firm policy with respect to dual compensation and dual employment in Federal civilian positions which will best serve the interests of the Government and the public and which will be fair, workable, and reasonably uniform in its application throughout the Government and among all categories of Federal personnel.

This is truly a committee bill, worked out with the greatest care and diligence by the members of the Post Office and Civil Service Committee in order to implement an official administration proposal submitted by the U.S. Civil Service Commission. Enactment of H.R. 7381 will accomplish these five major objectives.

It will materially facilitate the recruitment and retention of personnel with unusual or unique qualifications for "hard-to-fill" civilian positions.

It will guarantee fair and reasonable uniform treatment for all classes of retired military personnel with respect to their employment in Federal civilian positions.

It will provide appropriate safeguards against any preferential treatment as between retired military personnel and career civilian employees in respect to Federal civilian employment.

It will protect career advancement opportunities for civilian employees by preventing any unfair preference to retired military personnel.

And it will consolidate and simplify present numerous, confusing, and in many cases conflicting, statutes on dual compensation and dual employment.

Mr. Chairman, I urge the Members to grant favorable consideration of H.R. 7381 with the amendment recommended by the House Post Office and Civil Service Committee.

Mr. CORBETT. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I regret that when this bill was before the House Committee on Post Office and Civil Service we were deeply involved in the consideration of the foreign giveaway bill in the Committee on Foreign Affairs. It was not possible for me to be able to attend the hearings or the markup of the bill. Therefore, I pose as no expert on this legislation but I do have some definite ideas concerning it.

Mr. Chairman, the stated purpose of H.R. 7381 is to simplify, modernize, and consolidate laws relating to the employment of civilians working for the Federal Government who are also on retired pay from the military services. H.R. 7381 also opens the Government's employment doors, with certain restrictions, to allow nondisabled Regular officers, who are retired, to start a new civilian career.

It is estimated that approximately 450,000 officers and enlisted personnel will have retired from active duty between 1963–70. Of this 450 000, less than 10 percent, or about 42,000, will be nondisabled Regular officers. Nondisabled Regular officers are today restricted from drawing retired pay and holding a full-time Government job. The other 90 percent—disabled Regular officers, Reserve officers, and all enlisted men—may now retire and draw both their retired pay and full pay in Government jobs.

Chairman Macy, of the Civil Service Commission, advanced this legislation as necessary to provide the Government with much needed talent that he says is now being lost through legal restrictions. The statistics, as I have indicated, reveal that only about 10 percent of retired military personnel is restricted in the holding of Government civilian jobs.

If the losing of know-how is so great then we should question military retirement policies and laws. It is most difficult to understand why a 40-year-old, well-trained military electronic expert, representing an investment to the Government of tens of thousands of dollars, should be permitted to retire at the height of his ability. We are supposed to have a pushbutton war concept today, but some of our retirement policies reflect the era of the horse cavalry.

Given as another reason for this proposed legislation is the "buddy system" of employment. Some 3 years ago, the Manpower Utilization Subcommittee made a detailed analysis of the methods by which some military personnel were retired and immediately hired as career civilian employees.

Time and again our subcommittee found that a job was being especially written to fit a particular military person who was retiring. Time and again we found instances of jobs being held open pending the retirement of a particular friend. In the course of our investigation the term "quickie appointment" was coined by the members and the press. We found instances where jobs were conveniently changed from military to civilian. The serviceman retired one day and came back the next to the same desk as a civilian. Incidentally, the Government found itself paying considerably more for the same work.

Recent examples of the buddy system in operation in the military departments:

CASE (A)

A lieutenant colonel, specialized in chemistry, retired as a Reserve officer after 20 years service on December 21, 1963, from an Army activity in Maryland and then during the first week in January 1964, was hired by the Army to work at the Pentagon as a housing officer at grade GS–11. He was not hired from a register since the Civil Service Commission did not have a register for housing officers. The Army claims that they could not find housing officers and they had to resort to the hiring of this chemistry engineer. There must be hundreds of GS–9 career civilians in the Army, with the necessary background, that were ready and available for such a promotion.

CASE (B)

An Air Force major was retired on August 30, 1963, at the Minot Air Force Base and then accepted an assignment as a contracting officer on September 4, 1963, at Ellsworth Air Force Base, S. Dak.

CASE (C)

A lieutenant colonel in the Air Force retired on March 31, 1963, with 24 years service as a Reserve officer and on July 5, 1963, became chief of an operations section at a GS–14 salary at another base in Ohio.

CASE (D)

An Army colonel on special assignment to NASA at Huntsville, Ala., retired from active duty on October 30, 1963, and on November 1, continued the job as a civilian for NASA.

As a result of the efforts of the subcommittee, the Defense Department issued what is known as the Gilpatric memo which supposedly put the brakes on "quickie appointments." The Gilpatric memo, still in effect, says that a person retiring from a particular activity cannot be appointed to a civilian job in that activity within 6 months. The trouble lies in the fact that the "buddy system" crosses geographic lines as well as service lines. Within the last few months the subcommittee has learned of many instances wherein servicemen retired at one activity and within a few weeks or days went to work as a civilian at another activity.

H.R. 7381 is designed to prohibit this practice and the "buddy system" within the Defense Department, but unless there is an extensive cooling off period throughout the entire Government—between the time a serviceman retires and he enters upon a civilian job in Government—the abuses that exist are not likely to be eliminated.

Veterans preference has often been raised by career civilians as a sore spot resulting from the hiring of retired military personnel. Under existing legislation a retired military man, with, for example, 20 years of service, can go to work for the Government as a civilian and at the end of 2 years will have 22 years of Government service which becomes invaluable in the case of a reduction in force. The subcommittee has found instances of veterans of World War II, with some 4 years of war service and 15 years of career civilian service in the Government, being bumped by a retired serviceman who actually has less than 4 years of career civilian service but 20 years as a professional in the military service. To the credit of the proposed bill, it would eliminate all military credits except those gained in time of war. I understand that the American Legion, Veterans of Foreign Wars, and other service organizations support this provision.

Again it is claimed that this legislation is necessary to correct what is described as unfairness and confusion arising from a situation involving 475 retired Reserve officers and an unknown number of warrant officers who have been found by the Comptroller General to have received illegal dual compensation as employees of the Federal Government.

Assistant Secretary of Defense Paul, testifying before the House Post Office and Civil Service Committee last July, stated that the liability of some of these officers would be as much as $30,000 each.

Comptroller General Campbell has withheld action to force collection for these illegal collections pending action on dual compensation by Congress. Subsections (g) and (h) of section 202 of this bill would provide relief for these officers.

Mr. Chairman, this bill is sadly defective in many respects. No reduction in retirement pay is provided for enlisted men and Reserve officers who are given civilian employment in Government. It does reduce the retirement of a Regular officer to $2,000, plus one-half the remainder.

The question is: "Why continue to discriminate between Regular and Reserve officers?" One of the original purposes was to eliminate discrimination between these categories of service personnel but the bill continues to discriminate.

But the worst defect is that no ceiling is imposed upon approximately 90 percent of these retirees. Look at the ceilings imposed upon those who are trying to live under social security at an average of $76.81 per month, with a limitation of $1,200 a year upon earnings. If a beneficiary of social security earns between $1,200 and $1,700 a year there is a deduction of $250, and if the earning is more than $1,700 a year there is a dollar for dollar deduction. And what of the limitation upon the widow of a war veteran?

Congress wisely set up a retirement system for military personnel to which the servicemen makes no contribution whatever. The costs of that retirement system are now approximately $1.4 billion a year and steadily increasing. Who will pay the bills if civilians are to be denied employment in favor of dual compensation for retired members of the military?

I have no desire to work a hardship upon any retired military personnel but I predict the day will come when Congress will be called upon to take drastic action in this regard. This bill falls far short of meeting the situation that exists. It should be recommitted to the committee for further study and the preparation of a bill that will at least eliminate the abuses that exist rather than condone them as this legislation does.

Mr. MORRISON. Mr. Chairman, I yield 10 minutes to my distinguished colleague from North Carolina [Mr. HENDERSON].

Mr. HENDERSON. Mr. Chairman, there has been no disagreement that existing laws controlling civilian employment of retired military personnel and the laws controlling dual employment of civilians are obsolete, unfair, confusing, and difficult to administer. The record is full of cases of inadvertent hardship and injustice resulting solely from the erroneous interpretation of the laws.

The unfairness is readily apparent because of the fact that there are now so many statutory and judicial exceptions to the dual employment prohibition of the act of July 31, 1894, that the prohibition now applies only to one category of retired military personnel—retired Regular officers. The prohibition no longer applies to enlisted men or to Reserve officers as it did when the law was enacted in 1894.

In the case of those retired military personnel who may be employed, some are subject to the $10,000 limitation on the receipt of combined civilian salary and retired pay imposed by section 212 of the act of June 30, 1932. Others can be employed and receive their full civilian pay and their full retired pay. This confusion arises by reason of the 40 or more statutory exceptions and amendments that have been enacted to the basic 1894 and 1932 acts.

As a further complication, it quite frequently is difficult to determine which military category a particular individual is in, thus leading to another Comptroller General decision. Each year numerous private bills are introduced to relieve employees of overpayments of military retired pay or civilian salary resulting from these understandable errors in interpretation and the dozens of judicial and Comptroller General decisions. There have been so many reversals of the decisions that no one is quite sure which decision represents the current interpretation of the law.

The obsolete nature of the dual employment and dual compensation laws is shown by the fact that one law enacted in 1894 was intended originally as a limitation on the combined pension and salary. It now serves to bar absolutely retired Regular officers from nearly all Government employment.

Mr. Chairman, the principal purpose of the reported bill is to consolidate and to simplify the present numerous and confusing statutes in dual compensation and dual employment in the Federal Government.

If I may, I would like to summarize the major features of H.R. 7381, as reported with a proposed amendment. The reported bill will repeal all of the confusing provisions on dual compensation and dual employment. The new provisions will provide two limitations on the receipt of dual compensation.

The first will be found in section 201 of the bill, which prescribes a limitation on the amount of retired pay that an officer of a Regular component of the uniformed services may receive while he is employed as a civilian employee.

The second will be found in section 301 and will limit civilian employees to compensation equivalent to compensation of one full-time job or, in the case of part-time civilian employees, to compensation for a combination of part-time positions equaling the compensation of one full-time position.

We provide relief in subsection (g) and (h) of section 201 for the 475 retired Reserve officers and at least 870 warrant officers who have received overpayments because of the erroneous application of these confusing statutes. A full explanation of these cases is contained in the hearings, starting at the bottom of page 78.

Appropriate safeguards are established under sections 204 and 205 to assure that consideration of retired military personnel for civilian positions is accomplished on an equitable competitive basis and to require a strict compliance in spirit and in procedure with the fundamental merit system principle of open job competition. These sections are intended to do away with the so-called "buddy" system under which a position is created or held open at a military installation for a buddy about to retire from the military service. This undesirable practice has been recognized by officials of the Department of Defense and procedures to safeguard the merit system were set forth in memorandums issued by the Deputy Secretary of Defense Roswell Gilpatric. Section 204 includes provisions embodying the essence of the Gilpatric policy.

Section 202 of the reported bill provides a more equitable method for the career civilian employee to compete with the military retiree who holds a civilian position whenever an agency is forced to undergo a reduction in force. Under existing law, the military retiree generally has two advantages. He is entitled to top priority if he has veterans' preference and is entitled to count his military service for length of service retention points in connection with the reduction in force.

Under section 202, the military retiree will be placed in a top category position on the basis of his veterans' preference only if his retirement is based on certain types of disability, or if his military service does not include 20 or more years of full-time active service. There are included, of course, adequate savings provisions for those military retirees who are now employed in civilian positions.

The military retiree will be entitled to credit his military service for reduction-in-force purposes only for the length of time in active service during any war or in any campaign or expedition. If he has retired for certain types of disability, he will be authorized to count all of his military service. Here again, we also included adequate savings provisions for those who are now employed in a civilian position.

Section 203 contains one additional feature which will provide a more equitable method for military retirees who are employed in civilian positions to count their military service for leave accrual purposes. Here again, they will be permitted to count only military service performed in the Armed Forces during any war or in any campaign or, in the case of retirement for certain types of disability, they may count all of their military service. This benefit also has an appropriate savings clause. Under existing law all military service is counted.

Mr. Chairman, we recognize that these provisions still are not acceptable to everyone. The reported bill is a compromise. I believe it embodies the best of the recommendations and is the most fair and workable approach which most nearly meets the needs of the public interest and the interest of the veterans, the military retirees, and the career civilian employees.

H.R. 7381 was initiated on the basis of an official recommendation of the U.S. Civil Service Commission, following more than 8 years of intensive study and discussion within the executive branch, appropriate committees of the Congress, and the various organizations of civilian employees, veterans, and retired military personnel.

The Civil Service Commission recommended that military retirees, whether officers or enlisted men, Regular or Reserve, be treated uniformly in establishing eligibility for Federal civilian employment and in applying the compensation limitations.

The reported bill adopts this recommendation in part by repealing the 1894 statutory provision and the various amendments which together prohibited uniform treatment in eligibility for employment, so that hereafter there will be uniformity in eligibility for employment.

The committee did not agree with the recommendation of the administration to subject enlisted men and reservists who with few exceptions now are not subject to any dual compensation limitation, to a requirement for reduction in retirement pay when employed in a civilian position.

As I have stated, section 201 of the amendment requires a reduction in retirement pay only for Regular officers who for the first time will be able to compete for Federal civilian employment.

The committee rejected as unwarranted, at the present time, the Civil Service Commission recommendation to limit the veterans' preference status granted by section 2 of the Veterans' Preference Act of 1944, or to change the method of crediting military service for civil service retirement purposes.

Sections 202 and 203 of the reported bill adopt the Commission recommendation, in a modified form, to restrict the use of veterans' preference and the counting of military service for reduction in force purposes, and the counting of military service for annual leave purposes.

Another major objective of this legislation is to provide a means to aid the Federal Government in obtaining the best qualified people available for hard-to-fill positions. The bill provides reasonably uniform and fair treatment for retired military personnel attempting to obtain employment in Federal civilian positions. It provides, in sections 204 and 205, appropriate safeguards so that Federal civilian employment of retired military personnel will not place the military retirees in an unfair advantage over career civilian employees or unduly hamper career opportunities for civilian employees.

Mr. Chairman, another reason the existing laws governing dual employment and dual compensation are harmful is that in prohibiting the employment of retired Regular officers, they deprive the Government of the services of certain highly trained retired military personnel whose technical skills, often acquired at Government expense, are in short supply and are needed in Federal agencies.

During our hearings we were advised that some 22 critically skilled categories are listed as hard-to-fill categories by the Department of Defense. The number of civilian employees in those categories is approximately 24,000. As of December 31, 1962, there were 1,055 vacancies in these hard-to-fill categories in the Department of Defense. It is estimated that unless there is a change in the present law to permit the utilization of retired officers of a Regular component, there will be approximately 4,000 to 6,000 Regular officers in each fiscal year through fiscal year 1970 who will be precluded from competing for Federal civilian employment. A considerable number of these officers have worked on programs and projects requiring skills and knowledge while on active duty that qualify them for the hard-to-fill positions. A complete discussion of this problem and a listing of the categories may be found on page 80 and page 90 of the hearings. An almost identical situation exists in the National Aeronautics and Space Administration, which is described starting on page 125 of the hearings. The reported bill will permit the Government to utilize the needed skills of this group of military retirees.

Mr. Chairman, as I have indicated, the reported bill is a compromise. I believe it represents a good compromise, reasonable and fair to all as compared with the difficult and confusing state of the existing law. The situation needs to be corrected now.

I urge your favorable consideration of the reported bill.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Chairman, at the time this bill was reported out of the committee I voted to report it out but I did so with a minimum of enthusiasm. At the same time, I stated that I reserved the right to oppose the bill on the floor if after further study it seemed to me that was justified.

I have two major observations to make about the bill. I do have definitely mixed feelings about it. The gentleman from North Carolina [Mr. HENDERSON], has done a prodigious amount of work. I do not discount the job that has been done. I do think there are some important things in the bill that should be accomplished, that are desirable and needed.

My main objection, and the reason I shall support a motion to recommit, and the reason why I am going to be completely unenthusiastic if I do vote for the bill in the event the recommittal motion fails, goes to two points. In the first place, this bill does not cut the Gordian knot of the real problem of dual compensation. I am advised by the committee staff a survey shows there is no government other than the United States that provides for this sort of a situation, in which retirees drawing retirement pay from the Government can secure employment in the Government and draw full compensation simultaneously with the drawing of retirement pay.

I also understand a survey provides no evidence that this practice is carried out by private enterprise and industry in this country. With the kind of national debt we have, with the kind of deficit we are having, and with the kind of taxes the people will still have to pay, even if the $11 billion tax reduction bill passes, I know there are a great many American people who just do not see any sense, equity, or justice whatever in the ability of retirees of the military—and I am for the military—drawing full or a substantial portion of their retirement pay, then receiving full compensation on the job.

This particular problem has not been met. In fact, it is aggravated in the sense if we permit the $2,000 maximum income of a retiree and superimpose upon that the pay for Federal employment, we are liberalizing that so far as the retired Regular Army officers are concerned. This bill, of course, does nothing at all about the Reserve retired officers. The lid is off there. So, at best it is a liberalization and at its worst it is no effort at all to cut the Gordian knot.

On the other side of the picture this bill is rank in its discrimination. I recall a week before last and last week there were a great many tears shed and a great deal of blood shed on the floor over the evils of discrimination. Here, you have built-in discrimination within the military because you have one set of rules with regard to the retired Regular Army officers with a $2,000 limitation on retirement pay, if they are employed by the Government subsequent to retirement. You have no such restriction whatever on the retired Reserve officers who are employed. That is only a small part of the story of rank and inexcusable discrimination.

The gentleman from Iowa [Mr. GROSS] pointed out the discrimination as between this procedure and that applied to very low retirement income of beneficiaries of the social security system.

I want to point out a further area of discrimination. I refer to the career civil service employee retiree. If he returns to work for the Federal Government after retirement his pay for this job is reduced by the amount of the pension. For example, a man retires from the Federal Government with a retired amount of $6,000. He then takes a job as a consultant for $13,000 a year. The $6,000 retirement is deducted from the $13,000, and he is paid in salary only the difference of $7,000. There is a major area of discrimination which this bill not only does not correct but in certain respects aggravates.

On this basis and because of these considerations I shall vote for recommittal and quite possibly against final passage.

Mr. MORRISON. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. BECKWORTH].

Mr. BECKWORTH. Mr. Chairman, there was an amendment adopted to this bill by our committee 10 to 5. A short time thereafter Mr. Macy appeared before the Senate Committee on Post Office and Civil Service and said about the amendment that he would rather see no bill at all than to see the bill with the amendment.

What does this amendment do? According to the committee report on page 11, referring to sections 204 and 205, this is what the amendment does:

> These sections are intended to do away with the so-called buddy system under which a position is created or held open at a military installation for a buddy about to retire from the military service.

That is in the report. Then the Chairman of the Civil Service Commission, the Honorable John Macy, says to the committee in the Senate that he had rather see no bill at all than see the bill with that amendment in it.

The amendment also states that 30 days' notice shall be given when a job is open and that an assembled examination, including written tests, oral interviews, and security investigation, where practicable, should be given.

I say again the Members of this body should be mighty cautious about the Civil Service Commission's taking a position against an amendment providing that there should be no buddy system in filling these jobs which become vacant.

I include a copy of a bill at this point which I introduced December 10, 1963. It is similar to the amendment to which I refer.

H.R. 9407

A bill to establish certain requirements with respect to notice and examinations in connection with appointments to positions in the competitive civil service

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, a person shall not be appointed to any civilian office in the competitive civil service unless (1) the United States Civil Service Commission shall have given prior public notice of the fact that a vacancy exists in such office and of the fact that an assembled examination (including written tests, oral interviews, and security investigation), where practicable, or a combination of an assembled or nonassembled examination, where practicable, open to all persons, is to be given at a specific time and place, but not before the thirtieth day after the date such notice is first given, and (2) such office is filled only from among those qualified persons who successfully complete such examination.

Mr. CORBETT. Mr. Chairman, I yield 7 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL of Virginia. Mr. Chairman, there is only one part of this bill that actually liberalizes the present dual compensation situation. We propose to repeal the 1894 act.

The 1894 act imposed a limitation of $2,500, which at that time was a rather liberal one. In fact, only those military retirees who retired with the rank of major and above were subject to the limitation at that time. Members of Congress then were receiving $3,500 a year and Cabinet members $4,000. In today's labor market the limitation is unrealistic. We are told that the Government is suffering. We are losing the experience, the skill, and power of the retired regular officer.

That is the reason we are permitting the retired regular officer to be employed. We are merely saying, he will receive his first $2,000 of retired pay and one-half of his retired pay in excess of that amount.

There are many ways in which we are strengthening existing law. These limitations have been pointed out by the gentleman from Iowa [Mr. GROSS]. We are strengthening the veterans' preference situation for the veteran who fought for his country for a short period in wartime who is not receiving retired pay by protecting him from being bumped by another veteran who has served 20 years in the military and who is retired on full retirement pay. That is what can be done now. A retired Reserve officer or retired enlisted man under existing law can come to work for the Federal Government without any restrictions whatsoever and receive full-time pay and bump a civilian employee in a reduction in force. We are improving that situation. If the retired military person has 20 years of service and is receiving retirement pay, he cannot use his military service to bump the civilian employee. That is an improvement. We also are preventing the retired military person with more than 20 years of service from counting that service toward accumulated leave. That certainly is an improvement.

Mr. Chairman, I would like to highlight just two of the many reasons why I am urging favorable consideration of H.R. 7381.

First, H.R. 7381, as proposed to be amended by our committee, will place into one simple and easily understood law all dual compensation restrictions and thus will overcome the many administrative problems and hardships which have been brought upon our employees as a result of the existing legislative confusion. This accomplishment by itself is ample justification for your favorable consideration of this legislation here today. We found little, if any, objection to this part of the proposal.

Everyone seems to agree that the existing laws governing civilian employment of retired military personnel and the existing laws governing dual employment of civilians are unfair, complex, and confusing to administer. The difficulty lies in finding a solution which is acceptable. Also, it is well recognized that the existing laws are continually causing inadvertent hardship and injustice.

The three major statutory limitations are contained in section 2 of the Dual Office Holding Act of July 31, 1894, section 6 of the act of May 10, 1916, relating to the prohibition against receiving compensation for more than one civilian position and section 212 of the act of June 30, 1932, prescribing a combined $10,000 limitation on the receipt of retired pay and civilian compensation.

These three laws were fairly simple and affected relatively few people at the time of enactment. However, the amendments now make the restrictions so complicated as to confuse even lawyers in the Federal Government whose duty it is to administer them.

The General Accounting Office representatives testified before our committee that there was no single category of cases relating to officers and employees of the Federal Government that has been the subject of so many frequently reoccurring questions as has the disposition of cases under these laws. It was pointed out that few general statutory restrictions have been the subject of so many exemptions by statutory and judicial interpretation.

The Department of Defense witnesses confirmed this condition and stated that while the basic statutory restrictions contained in the original acts were not difficult to administer, the exemptions granted by statute, judicial interpretations, and decisions of the Comptroller General have created a situation which now is most confusing, complex, and almost impossible to administer.

This situation has resulted in many of our retired military personnel accepting Federal employment in good faith and with approval of the employing agencies, only to find at some later date that they were unemployable in the first place or, if employable, were subject to the compensation limitations. I need only cite two recent situations, each of which will be corrected by the provisions of this bill, to highlight the confusion surrounding the application of these laws to our retired military personnel.

This brings me to the second point I wish to discuss. It long had been held that Reserve officers were not subject to the dual compensation restrictions of the act of June 30, 1932. However, on July 9, 1962, the Comptroller General held that Reserve officers of the Army or the Air Force who were serving on active duty in temporary grades at which they were appointed under section 515 of the Officer Personnel Act of 1947 equal to or higher than their Reserve grades at the time of retirement for physical disability may not be considered as having been retired under laws relating to Reserve officers, which would exempt them from the dual compensation restrictions.

It has been determined that there are approximately 475 Reserve officers who are affected by this decision, and nearly 225 had a combined retired pay and civilian income in excess of $10,000. Consequently, since October 1, 1962, the retired pay of these officers has been reduced to the $10,000 limitation.

The Comptroller General has ruled that retroactive collection action may be postponed until April 30, 1964. However, if legislation is not enacted and the collection becomes necessary, the liability to the Government by some of these officers will be over $30,000. Section 201(g) of the reported bill will correct this situation as of the date they were first employed after retirement.

The other group of officers are retired temporary warrant officers of the Army and the Air Force. These officers, also, were considered as not being subject to the 1894 Dual Office Holding Act. It has now been held that certain temporary warrant officers are subject to the limitations in the same manner as Regular warrant officers.

The Department of Defense has identified 872 temporary warrant officers whose employment will have to be terminated unless relief legislation is enacted. Some of these warrant officers have been employed since 1956, with overpayments totaling in some cases as much as $50,000. Section 201(h) of the reported bill will overcome this difficulty.

I believe the time is long since past for eliminating the legislative and judicial monstrosity that has grown up around the dual compensation and dual employment laws.

Mr. Chairman, as I have stated, there is no objection concerning the consolidation of the existing laws or for granting relief to the Reserve officers and the warrant officers. There was much objection, however, to the recommendations of the administration on the proposal to apply the reduction in retirement pay to all groups of military retirees, whether Regular or Reserve, or whether officers or enlisted men, including those groups which are not now subject to any employment restriction or compensation limitation. Also, there was tremendous objection to the proposal to exclude military retirees from veterans' preference benefits or to prohibit them from counting military service as a civilian employee for purposes of reduction in force, civil service retirement, or annual leave accumulation.

It became apparent to me that enactment of this very desirable legislation would be jeopardized unless these proposals were modified. I was pleased to join my colleagues on the House Post Office and Civil Service Committee in arriving at the compromise embodied in H.R. 7381, as reported by our committee. These compromise provisions have been explained by my colleagues. I believe they are in the best interests of the agencies which need the vital services of our experienced military retirees, as well as in the best interests of the civilian employees who have a right not to have their civilian careers jeopardized by recently employed military retirees. I am convinced that the compromise is in the best interests of the military retirees who will be able to expect fair treatment in their attempts to obtain civilian employment.

This is very important legislation, Mr. Chairman, and as I said earlier during the debate on the rule, we have worked hard trying to come up with a compromise solution. I know the legislation tends to be confusing. But there are a few simple things that need to be done. We have had pointed out to us repeatedly here the situation with reference to all these confusing and complicated laws that the administration itself, the executive branch, finds extremely difficult to interpret. It shows poor housekeeping on the part of the Congress for us not to face up to the task to do something to simplify these laws and say what we mean and that is primarily what we are attempting to do in this legislation that we are considering today.

Mr. Chairman, I believe that the reported bill is desirable legislation. It will afford the Government the opportunity to avail itself of the shortage category skills of retired regular officers which now is not available to the Government. I believe the legislative proposal contains adequate safeguards so that the careers of our civilian employees will not be jeopardized unnecessarily by the employment of military retirees.

While the proposal will eliminate some of the benefits now enjoyed by military retirees under the Veterans' Preference Act in connection with reductions in force, I feel that the compromise on this point is the best solution we could reach at the present time and still offer the protection that is necessary to the career employees.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MORRISON. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from West Virginia [Mr. Staggers].

Mr. STAGGERS. Mr. Chairman and Members of the Congress, I thank my colleague from Louisiana for yielding to me. I have just a very few brief remarks.

If this legislation is passed, it will extend to the military something that no other group in America has. For instance, let us say a man retired from the General Motors Corp. and then goes back to work. He has to give up his retirement. That is accepted in every industry in the land. A retired civil service employee anywhere in the Government, when he is called back into his particular category, gives up his retirement. To show you that this bill is an inequity in itself, a Reserve officer working side by side with a Regular officer is in this position: the Reserve officer is not restricted whatsoever in what he might draw, but the Regular officer is. That is one reason why this bill should be recommitted. We should make it so that men working side by side will be treated equally. This penalizes the regular civil service employee. We are making class legislation if we pass this bill today. I do not believe that Congress wants to do that, because as one distinguished gentleman says, this only affects 10 percent. I heard the distinguished gentleman, Mr. Webb, from NASA, say there was one gentleman whose services were desired by NASA who would not come to work for this Federal agency unless he got $27,000 a year. NASA could only pay $19,000. This gentleman said, "If I cannot keep my retirement pay at $7,000 a year, then I cannot work for NASA." Yet Mr. Webb himself and all his assistants do not draw anywhere near that amount of money. Mr. Webb draws $22,500 as the Administrator, and his assistant $21,000 and it goes on down the line to the deputy administrator, who draws about $21,000, and on down.

This bill is discriminatory in every sense of the word. I believe in most of it with the exception of this part dealing with Regular officers. If there is any equity at all, it should be recommitted and Regular officers be allowed to draw everything that the Reserve officer does. It is proposed to penalize the Regular officer in not allowing him to do what the Reserve officer does. I do not know the thinking that is involved here. I think this should be recommitted and reconsidered.

You are saying that under social security 75 million may draw only $1,524—and the average, according to the gentleman from Iowa, is only $912—and that if they draw $1,200 more in civilian life they start cutting off their retirement. What kind of legislation is this that Congress proposes to enact? They say that this is part of military pay, but they do not pay one penny toward their retirement. At the same time those under social security do pay, as do their employers. Contributions are deducted from their pay. Contributions are deducted from your pay and mine, as Members of Congress for retirement. Yet the military do not pay one single penny.

How can one say to the disabled veterans and the widows of veterans and the great masses of the working people of this country that we are going to give these privileges to one special segment and nobody else?

This legislation was approved in the first place because of the great evil that existed in 1894. The administration said that we must have some laws to keep the military from bringing in their own buddy system and that we should stop this now.

The CHAIRMAN. The time of the gentleman from West Virginia [Mr. Staggers] has expired.

Mr. MORRISON. Mr. Chairman, I yield 1 minute to my distinguished colleague from South Carolina [Mr. Rivers].

Mr. RIVERS of South Carolina. Mr. Chairman, I rise in support of H.R. 7381, a bill which will simplify the dual employment and dual compensation laws.

The present statutes which impose restrictions on the employment of retired members of the uniformed services are confusing, discriminating, and very complex. But even more important, they are undoubtedly denying to the Government the special skills of many persons that are needed in our defense effort.

In addition to consolidating, simplifying, and modernizing the laws concerning the civilian employment of retired members of the military services, this bill also will provide relief to a group of non-Regular warrant officers and to a group of retired Reserve officers who were retired for disability in a temporary grade.

As you know, a recent decision by the Comptroller General held that non-Regular warrant officers who are now and have been employed by the Federal Government, are subject to the 1894 dual employment statute which prohibits their employment by the Federal Government. The result of this decision means that this group of non-Regular warrant officers are faced not only with dismissal from Federal civilian service but are also faced with claims for back pay.

In another 1962 decision, the Comptroller General held that the protection of the 1947 law which made inapplicable the restriction imposed by the Dual Compensation Act of 1932 on the employment of retired Reserve officers, did not apply to that group of retired Reserve officers who were retired for disability which serving in a temporary grade.

I am particularly concerned in securing relief for these two groups who have been adversely affected by the decision of the Comptroller General.

I am pleased that relief in these two instances has been provided in this bill, thus making it necessary to pass special legislation.

I urge the adoption of this bill.

Mr. MORRISON. Mr. Chairman, I yield 3 minutes to my distinguished colleague from California [Mr. Miller].

Mr. MILLER of California. Mr. Chairman, I rise in support of the position of my colleagues on the Post Office and Civil Service Committee on this bill. I recognize that it may cause some dislocations. We never pass legislation that does not adversely affect some people. But I would rather get away from the fringes of the problem and look to the substance of what we are doing here today. It is very easy to make a fine speech about some man getting $30,000 a year, or some man who has certain unique qualifications that are very badly needed, say, by NASA, who can command that kind of money in the market place; and yet we are going to deny NASA the services of that man because of dual compensation.

He does not have to give up his retirement if he goes to work for a contractor who is being paid directly by the Government. When one goes to work for any of the great companies in this country who are supplying the Department of the Air Force and NASA with their products, one can receive $30,000 a year and still retain his retirement pay.

But, while we are talking of $30,000, remember there are very few in that category.

Mr. Chairman, we need these men because of the peculiar nature of their work, because one of the only training grounds and the best training ground for the people that we need in the science and astronautics fields are men who have had Department of Defense training.

We paid for that training. Then, for a pittance, we are going to throw it away. We have a hard enough time competing with the Government contractors, the people who are building airplanes and who are building missiles, in obtaining personnel, without putting this added burden on ourselves.

Mr. Chairman, I sympathize with the position taken by the gentleman from West Virginia [Mr. Staggers]. But I, unfortunately, cannot support him. I know the price that we pay, the price we will pay, and if we do not do this, we drive the Government into a fiction of setting up a nonprofit organization into which these men can be hired without respect to their retirement and thus go through another layer, merely to give them the money that is necessary in order to keep them.

So, Mr. Chairman, I say let us be practical in this matter. Let us look at the substance of it. Let us see where the Government is best going to be served, and I am certain if others weigh it as carefully as I have, they will come to the conclusion that this legislation is necessary and will vote for it.

Mr. CORBETT. Mr. Chairman, I yield myself such time as remains on this side.

The CHAIRMAN. The gentleman has 7 minutes remaining.

Mr. CORBETT. Mr. Chairman, it is true that some of the members of the committee worked very hard on this bill and they deserve credit for that work. However, the trouble is this: As they were stirring up what was pretty good soup, they came along and threw a lot of rotten tomatoes in it.

Mr. Chairman, there are many features of this bill which ought to be passed and which should become law. However, they have put into this bill many features that are bad. So, I am going to make what will be an honest motion to recommit the bill, hoping that the Committee on Post Office and Civil Service will take the bill back, will study it, and will change certain features and eliminate others, and then come back here to the floor of the House with something that we can support enthusiastically and unanimously.

Mr. Chairman, one situation that looks awfully bad here is this: It has been announced by the Department of Defense that as a followup of the military pay raise last year and the proposal this year, that in the future positions in the military shall be paid comparable rates to positions in private enterprise.

Mr. Chairman, if we are going to keep military pay comparable with the pay of private industry, how in the world can we defend giving a large part of the pension along with the salary? Let us take, for example, a full colonel. He will secure a little less than $10,000 a year as a pension after 30 years. If we exempt the first $2,000 of his retirement pay and if we give him 50 percent of the remainder, this means he would receive $6,000 a year from his retirement, plus the full compensation for his job.

Now, Mr. Chairman, here is the full effect of it. On the one hand we are raising salaries in order to keep men in the military. On the other hand we are proposing by this bill to encourage them to retire.

I think we ought to do one or the other. Why should we encourage with a bill of this kind a man to retire after the Government has trained them for 20 years of service, or 25 or 30? We should be trying to keep him in the service, not encouraging him to get out. Here we add more and more to the confusion with regard to retirement.

The widow of a veteran has a certain limitation, social security has another, the Reserve officers have another. Now we are putting in here a new limitation, and perhaps there will be another one that will come in the form of an amendment. That is, to treat civilian employees and workers as regards retirement pay the same as the military. Why not? You will have set this precedent. Why should you as a Member of Congress not be able to quit, get your retirement, and then go to a department downtown and get a job? There is no reason in the world why you should not. Warrant officers have been mentioned. That should have been and could have been brought in here as a special bill.

They talk about NASA. Believe me, the majority of the officers that will be reemployed will not be in NASA. We all remember a situation that we had just across the river here in Arlington. There were a group of retired officers over there teaching younger officers how to behave when they got to France, Germany, or some other foreign country. Every one of them was a retired officer doing their work under a contract with a private group and hired by the military. If it was that necessary, why not recall them to service? If these people at NASA are so important, why encourage them to retire? It just does not make sense.

So, Mr. Chairman, I hope when the time comes we can recommit this bill to the committee in the hope that it may be cleaned up, that it can be ironed out, and the bad portions may be eliminated, and that we may bring some order out of the chaotic conditions that our retirement situation is in.

Mr. MORRISON. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. Henderson].

Mr. HENDERSON. Mr. Chairman, I would like to make one point clear as to the situation we will find ourselves in, when we are presented with the motion to recommit.

As I stated in my earlier statements, this matter has been under study for 8 years by the Civil Service Commission and the committees of Congress. We have had full hearings. Every spokesman has said there are some provisions in this bill they agree with, and that are beneficial.

I want to make it crystal clear if you do not want to enact this legislation the way to do it is to vote for a motion to recommit. There is nothing else that the Committee on Post Office and Civil Service can do, in my opinion, in the next 8 years to clean up what everybody admits is a bad situation. If after considering the legislation here and all the arguments that have been made, you are not convinced it is better legislation than we now have, you should vote for the motion to recommit, but a vote for a motion to recommit, in my opinion, will have the effect of killing the bill.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. HENDERSON. I yield to the gentleman from Michigan.

Mr. JOHANSEN. If we do recommit the bill, and as the gentleman knows I am in favor of that, the key to any progress from there on is going to involve some very active cooperation by the Committee on Armed Services in the area of the whole retirement problem and cost.

Mr. HENDERSON. Yes. That was the next point I wanted to make. The objections and arguments against this bill are all arguments that are pointed out in connection with legislation that is in the jurisdiction of other committees. I think very properly we should not get into that in this legislation. This bill ought to be passed. I would join with the gentlemen in many of these points that they have talked about in other legislation, but our committee and the Committee of the Whole today cannot get into that.

I point out to you that we should pass this bill by a majority of the Congress and then do something about the military retirement system.

The gentleman from Virginia, who has been very interested in this legislation, will agree with me a motion to recommit is a motion to kill the legislation.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. HENDERSON. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. I want to reemphasize the point I made: I am not trying to kill the bill, I want it recommitted so we can correct our mistakes before we make them. The gentleman advises the House that we should pass this bill. If we find there are corrections to be made, the corrections should be made before the bill is passed.

Mr. HENDERSON. We debated this in committee. The gentleman correctly pointed out he voted to bring it out, but now he wants it sent back to the committee. We now get into an argument that cannot be resolved, in my opinion, any better than we have it in this legislation today.

The CHAIRMAN. The time of the gentleman from North Carolina has expired. All time has expired.

Pursuant to the rule, the Clerk will now read the substitute amendment recommended by the Committee on Post Office and Civil Service now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Dual Compensation Act".

TITLE I—DEFINITIONS

Sec. 101. For the purposes of this Act and the amendments made by this Act—

(1) "uniformed services", "armed forces", "Secretary concerned", "officer", "warrant

officer", "grade", "active duty", "active service", and "member" have the definitions given them by section 101 of title 37, United States Code;

(2) "a retired member of any of the uniformed services" means a member or former member of any of the uniformed services who is entitled, under any provision of law, to retired, retirement, or retainer pay on account of his service as such a member;

(3) "civilian office" means a civilian office or position (including a temporary, part-time, or intermittent position), appointive or elective, in the legislative, executive, or judicial branch of the Government of the United States (including each corporation owned or controlled by such Government and including nonappropriated fund instrumentalities under the jurisdiction of the armed forces) or in the municipal government of the District of Columbia.

TITLE II—EMPLOYMENT OF RETIRED MEMBERS OF UNIFORMED SERVICES

SEC. 201. (a) Except as provided by subsections (b), (c), and (e) of this section, a retired officer of any regular component of the uniformed services shall receive the full salary of any civilian office which he holds, but during a period for which he receives salary, his retired or retirement pay shall be reduced to an annual rate equal to the first $2,000 of such pay plus one-half of the remainder, if any. In the operation of the formula for reduction of such pay under this subsection, such amount of $2,000 shall be increased, from time to time, by appropriate percentage, in direct proportion to each increase in such pay effected pursuant to the provisions of section 1401a(b) of title 10, United States Code, to reflect changes in the Consumer Price Index.

(b) The reduction in retired or retirement pay required by subsection (a) of this section shall not apply to a retired officer of any regular component of the uniformed services whose retirement was based on disability (1) resulting from injury or disease received in line of duty as a direct result of armed conflict or (2) caused by an instrumentality of war and incurred in line of duty during a period of war (as defined in sections 101 and 301 of title 38, United States Code).

(c) The reduction in retired or retirement pay required by subsection (a) of this section shall not apply to a retired officer of any regular component of the uniformed services employed on a temporary (full-time or part-time) basis, any other part-time basis, or any intermittent basis, for the first thirty-day period for which he receives salary. The exemption from reduction in retired or retirement pay provided by this subsection shall not apply to a period longer than—

(1) the first thirty-day period for which he receives salary under any one appointment from the civilian office in which he is employed, if he is serving under not more than one appointment, and

(2) the first period for which he receives salary under more than one appointment, in any fiscal year, which consists in the aggregate of thirty days, from all civilian offices in which he is employed, if he is serving under more than one appointment in such fiscal year.

(d) For the purposes of subsections (a) and (c) of this section, "period for which he receives salary" means the full calendar period for which he receives salary when employed on a full-time basis but only the days for which he actually receives salary when employed on a part-time or intermittent basis.

(e) Except as otherwise provided in this subsection, the United States Civil Service Commission, subject to the supervision and control of the President, is authorized to prescribe and issue regulations under which exceptions may be made to the restrictions in subsection (a) of this section whenever it is determined by appropriate authority that such exceptions are warranted on the basis of special or emergency employment needs which otherwise cannot be readily met. The President of the Senate with respect to the United States Senate, the Speaker of the House of Representatives with respect to the United States House of Representatives, and the Architect of the Capitol with respect to the Office of the Architect of the Capitol each is authorized to provide for a means by which exceptions may be made to the restrictions in subsection (a) of this section whenever he determines that such exceptions are warranted on the basis of special or emergency employment needs which otherwise cannot be readily met. The Administrator of the National Aeronautics and Space Administration is authorized to except, at any time, any individual in a scientific, engineering, or administrative position appointed pursuant to clause (A) of section 203(b)(2) of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2473(b)(2)(A)), from the restrictions in subsection (a) of this section, whenever the Administrator determines that such exception is warranted on the basis of special or emergency employment needs which otherwise cannot be readily met; but not more than thirty such exceptions may exist at any one time under such authority.

(f) Notwithstanding subsection (a) of this section, a retired officer of any regular component of the uniformed services who was employed in a civilian office on the day immediately preceding the effective date of this subsection—

(1) if, on such immediately preceding day, he was exempt from limitations on compensation, may elect (A) to remain subject to and continue under such exemption or (B) to be subject to applicable limitations and exemptions of subsections (a), (b), (c), and (e) of this section; or

(2) if, on such immediately preceding day, he was subject to limitations on compensation, may elect (A) to remain subject to and continue under such limitations, or (B) to be subject to applicable limitations and exemptions of subsections (a), (b), (c), and (e) of this section.

Such election is irrevocable and shall be filed with the department concerned not later than the ninetieth day after the effective date of this subsection. Any such retired officer who does not file such election within the prescribed period shall be held and considered to have elected to remain in the status which he occupies, on such immediately preceding day, with respect to limitations on compensation, or exemptions therefrom, as the case may be. In the event of any appointment, reinstatement, or reemployment of such retired officer which is made after such effective date and follows a break in service of more than thirty days, such retired officer shall be subject to applicable limitations and exemptions of subsections (a), (b), (c), and (e) of this section.

(g) A member of any of the uniformed services, serving in the Army or Air Force of the United States without component, under an appointment made under section 515 of the Officer Personnel Act of 1947, in a temporary grade higher than, or the same as, the reserve commission he then held, who, prior to the effective date prescribed by section 403(a) of this Act, was retired for physical disability in such temporary grade, shall not be considered as subject to the restriction on the concurrent receipt of civilian compensation and retired pay contained in section 212 of the Act of June 30, 1932, as amended (5 U.S.C. 59a), for any period following such retirement.

(h) A nonregular member of any of the armed forces, who served on active duty in a temporary warrant officer grade and who was retired in that status prior to the effective date prescribed by section 403(a) of this Act, shall not be considered as subject to the restriction in section 2 of the Act of July 31, 1894, as amended (5 U.S.C. 62), for any period following such retirement.

SEC. 202. Section 12 of the Veterans' Preference Act of 1944, as amended (5 U.S.C. 861), is amended—

(1) by inserting "(a)" immediately following "SEC. 12.";

(2) by inserting ", subject to subsection (c) of this section," immediately after the word "That" in the first proviso thereof;

(3) by inserting "(subject to subsection (b) of this section)" immediately after "military preference"; and

(4) by adding at the end thereof the following new subsections:

"(b) Notwithstanding any other provision of this Act, an employee who is a retired member of any of the uniformed services included under section 2 of this Act shall be considered a preference employee for the purposes of subsection (a) of this section only if—

"(1) his retirement was based on disability (A) resulting from injury or disease received in line of duty as a direct result of armed conflict or (B) caused by an instrumentality of war and incurred in the line of duty during a period of war (as defined in sections 101 and 301 of title 38, United States Code); or

"(2) his service does not include twenty or more years of full-time active service (regardless of when performed but not including periods of active duty for training); or

"(3) immediately prior to the effective date of this subsection, he was employed in a civilian office to which this Act applies and, on and after such date, he continues to be employed in any such office without a break in service of more than thirty days.

"(c) In computing length of total service, an employee who is a retired member of any of the uniformed services shall be given credit for—

"(1) the length of time in active service in the armed forces during any war, or in any campaign or expedition (for which a campaign badge has been authorized); or

"(2) if he is included under clause (1), (2), or (3) of subsection (b) of this section, the total length of time in active service in the armed forces."

SEC. 203. The last two sentences of section 203(a) of the Annual and Sick Leave Act of 1951 (5 U.S.C. 2062(a)) are amended to read as follows: "Except as otherwise provided in this subsection, in determining years of service for the purposes of this subsection, there shall be included all service creditable under the provisions of section 3 of the Civil Service Retirement Act for the purposes of an annuity under such Act and the determination of the period of service rendered may be made upon the basis of an affidavit of the employee. Active military service of a retired member of any of the uniformed services is not creditable in determining years of service for the purpose of this subsection unless—

"(1) his retirement was based on disability (A) resulting from injury or disease received in line of duty as a direct result of armed conflict or (B) caused by an instrumentality of war and incurred in the line of duty during a period of war (as defined in sections 101 and 301 of title 38, United States Code); or

"(2) immediately prior to the effective date of this sentence, he was employed in a civilian office to which this Act applies and, on and after such date, he continued to be employed in any such office without a break in service of more than thirty days; or

"(3) such service was performed in the armed forces during any war, or in any campaign or expedition (for which a campaign badge has been authorized).

In the case of an officer or employee who is not paid on the basis of biweekly pay periods, the leave provided by this title shall accrue on the same basis as it would accrue if such officer or employee were paid on the basis of biweekly pay periods.".

Sec. 204. (a) A retired member of any of the armed forces may be appointed to serve in a civilian office in or under the Department of Defense during the period of one hundred and eighty days immediately following his retirement only if—

(1) the proposed appointment is authorized by the Secretary concerned (or his designee for the purpose), and, if such civilian office is in the competitive civil service, after approval by the United States Civil Service Commission; or

(2) the minimum rates of basic compensation for such civilian office have been increased under authority of section 504 of the Federal Salary Reform Act of 1962 (5 U.S.C. 1173); or

(3) a state of national emergency exists.

(b) A request by appropriate authority for the authorization, or the authorization and approval, as the case may be, required by subsection (a)(1) of this section shall be accompanied by a statement which shows the actions taken to assure that—

(1) full consideration, in accordance with placement and promotion procedures of the department concerned, was given to eligible career employees; and

(2) when selection is by other than certification from an established civil service register, the vacancy has been publicized to give all interested candidates an opportunity to apply; and

(3) qualification requirements for the position have not been written in a manner designed to give advantage to such retired member; and

(4) the position has not been held open pending the retirement of such retired member.

Sec. 205. Notwithstanding any other provision of law, a retired member of any of the uniformed services shall not be appointed to any civilian office in the competitive civil service unless (1) the United States Civil Service Commission shall have given prior public notice of the fact that a vacancy exists in such office and of the fact that an assembled examination (including written tests, oral interviews, and security investigation), where practicable, or a combination of an assembled or nonassembled examination, where practicable, open to all persons, is to be given at a specific time and place, but not before the thirtieth day after the date such notice is first given, and (2) such office is filled only from among those qualified persons who successfully complete such examination. This section shall not affect the authority of the Administrator of the National Aeronautics and Space Administration contained in section 201(e) of this title.

Sec. 206. The President shall transmit to the Congress on or before January 1, 1966, a comprehensive report of the operations under this title of the departments and agencies in the executive branch.

TITLE III—LIMITATION ON DUAL COMPENSATION FROM MORE THAN ONE CIVILIAN OFFICE

Sec. 301. (a) Except as provided by subsections (b), (c), (d), and (e) of this section, civilian personnel shall not be entitled to receive basic compensation from more than one civilian office for more than an aggregate of forty hours of work in any one calendar week (Sunday through Saturday).

(b) Except as otherwise provided by subsection (c) of this section, the United States Civil Service Commission, subject to the supervision and control of the President, is authorized to prescribe and issue regulations under which exceptions may be made to the restrictions in subsection (a) of this section whenever it is determined by appropriate authority that such exceptions are warranted on the ground that personal services otherwise cannot be readily obtained.

(c) The President of the Senate with respect to the United States Senate, the Speaker of the House of Representatives with respect to the United States House of Representatives, and the Architect of the Capitol with respect to the Office of the Architect of the Capitol each is authorized to provide for a means by which exceptions may be made to the restrictions in subsection (a) of this section whenever he determines that such exceptions are warranted on the ground that personal services otherwise cannot be readily obtained.

(d) Subsection (a) of this section does not apply to—

(1) compensation on a when-actually-employed basis received from more than one consultant or expert position if such compensation is not received for the same hours of the same day;

(2) compensation consisting of fees paid on other than a time basis;

(3) compensation received by teachers of the public schools of the District of Columbia for employment in a civilian office during the summer vacation period;

(4) compensation paid by the Tennessee Valley Authority to employees performing part-time or intermittent work in addition to their normal duties when the Authority deems it to be in the interest of efficiency and economy;

(5) compensation paid by the United States Coast Guard to employees occupying part-time positions of lamplighters; and

(6) compensation within the purview of any of the following provisions of law:

(A) section 9 of the Act of October 6, 1917 (40 Stat. 384; D.C. Code, sec. 31–631), relating to teachers in the public schools of the District of Columbia who also are employed in night schools and vacation schools;

(B) section 6 of the Act of March 3, 1925 (43 Stat. 1108), as amended by the Act of January 27, 1926 (44 Stat. 2), relating to employees of the Library of Congress (2 U.S.C. 162; 5 U.S.C. 60);

(C) the Act of July 1, 1942 (56 Stat. 467; D.C. Code, sec. 31–631a), relating to custodial employees of the Board of Education of the District of Columbia;

(D) section 2 of the Act of July 22, 1947, as amended (61 Stat. 400, 74 Stat. 11; 33 U.S.C. 873), relating to extra compensation paid in connection with instrument observation or recording, the observation of tides or currents, or the tending of seismographs or magnetographs;

(E) section 3 of the Act of June 2, 1948, as amended (62 Stat. 286, 74 Stat. 11; 15 U.S.C. 327), relating to extra compensation paid in connection with the taking and transmitting of meteorological observations;

(F) section 10(b) of the Defense Department Overseas Teachers Pay and Personnel Practices Act (73 Stat. 217; 5 U.S.C. 2358(b)), relating to the compensation of certain teachers employed in another position in recess periods;

(G) section 102 of chapter 7 of title 2, Canal Zone Code (76A Stat. 15), relating to teachers in the public schools of the Canal Zone who also are employed in night schools or in vacation schools or programs;

(H) section 23(b) of title 13, United States Code, relating to the payment of compensation to employees for the field work of the Bureau of the Census, Department of Commerce; or

(I) subsection (a) or (c) of section 3335 of title 39, United States Code, relating to dual employment and extra duties in the postal field service.

(e) With respect to the compensation of persons serving on the effective date of this section in more than one position under properly authorized appointments, subsection (a) of this section shall not apply for the duration of the appointment or appointments concerned.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. (a) Section 18 of the Act of December 20, 1944, as added by section 2 of the Act of August 19, 1950 (64 Stat. 466; D.C. Code, sec. 2–1226), is amended by inserting immediately before the period at the end thereof a comma and the following: "subject to section 201 of the Dual Compensation Act".

(b) The second paragraph of section 2 of the Act of August 11, 1950 (64 Stat. 438; D.C. Code, sec. 6–1202), is amended to read as follows:

"Notwithstanding the limitation of any law, there may be employed in such Office of Civil Defense any person who has been retired from any of the uniformed services of the United States or any office or position in the Federal or District governments, and except as hereinafter provided, while so employed in such Office of Civil Defense any such retired person may receive the compensation authorized for such employment or the retirement compensation or annuity, whichever he may elect, and upon the termination of such employment, he shall be restored to the same status as a retired officer or employee with the same retirement compensation or annuity to which he was entitled before having been employed in such Office of Civil Defense. While any person who has been retired from any of the uniformed services of the United States is so employed in such Office of Civil Defense, he may receive the compensation authorized for such employment and his retired or retirement pay, subject to section 201 of the Dual Compensation Act."

(c) Section 13(b) of the Peace Corps Act (75 Stat. 619; 22 U.S.C. 2512(b)) is amended—

(1) by striking out "section 212 of the Act of June 30, 1932, as amended (5 U.S.C. 59a),"; and

(2) by inserting immediately before the period at the end thereof a comma and the following: "subject to section 201 of the Dual Compensation Act".

(d) Section 44 of the Arms Control and Disarmament Act (75 Stat. 636; 22 U.S.C. 2584) is amended—

(1) by striking out "section 212 of the Act of June 30, 1932, as amended (5 U.S.C. 59a),"; and

(2) by inserting immediately before the period at the end thereof a comma and the following: "subject to section 201 of the Dual Compensation Act".

(e) Section 626(b) of part III of the Act entitled "An Act to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic development and internal and external security, and for other purposes", approved September 4, 1961 (75 Stat. 451; 22 U.S.C. 2386 (b)), is amended—

(1) by striking out "section 212 of Public Law 72–212, as amended (5 U.S.C. 59a),"; and

(2) by inserting immediately before the period at the end thereof a comma and the following: "subject to section 201 of the Dual Compensation Act".

(f) Section 28 of the Atomic Energy Act of 1954 (68 Stat. 926; 42 U.S.C. 2038) is amended by striking out "Any such officer serving as Chairman of the Military Liaison Committee shall receive, in addition to his pay and allowances, including special and incentive pays, or in addition to his retired pay, an amount equal to the difference between such pay and allowances, including special and incentive pays, or between his retired pay, and the compensation prescribed for the Chairman of the Military Liaison Committee." and inserting in lieu thereof the following: "Any such active officer serving as Chairman of the Military Liaison Committee shall receive, in addition to his pay and allowances, including special and incentive pays, an amount equal to the difference between such pay and allowances, including special and incentive pays, and the compensation fixed for such Chairman. Any such retired officer serving as Chairman of the Military Liaison Committee shall receive the compensation fixed for such Chairman and his retired pay, subject to section 201 of the Dual Compensation Act."

(g) Section 204(d) of the National Aeronautics and Space Act of 1958 (72 Stat. 432; 42 U.S.C. 2474(d)) is amended by striking out "The compensation received by any such officer for his service as Chairman of the Liaison Committee shall be equal to the amount (if any) by which the compensation fixed by subsection (a)(1) for such Chairman exceeds his pay and allowances (including special and incentive pays) as an active officer, or his retired pay." and inserting in lieu thereof "Any such active officer serving as Chairman of the Liaison Committee shall receive, in addition to his pay and allowances, including special and incentive pays, an amount equal to the difference between such pay and allowances, including special and incentive pays, and the compensation fixed by subsection (a)(1) for such Chairman. Any such retired officer serving as Chairman of the Liaison Committee shall receive the compensation fixed by subsection (a)(1) for such Chairman and his retired pay, subject to section 201 of the Dual Compensation Act."

(h) Section 3(b)(1) of the Act of August 28, 1958 (72 Stat. 1091; Public Law 85-850), is amended to read as follows:

"(1) One member, who shall serve as Chairman, and who shall be a resident from the area comprising the Savannah, Altamaha, Saint Marys, Apalachicola-Chattahoochee, and Perdido-Escambia River Basins (and intervening areas) embraced within the States referred to in the first section of this Act and who shall not, during the period of his service on the Commission, hold any other position as an officer or employee of the United States, except that a retired military officer or a retired Federal civilian officer or employee may be appointed under this Act without prejudice to his retired status. A retired Federal civilian officer or employee appointed under this Act shall receive compensation as authorized herein in addition to his annuity, but the sum of his annuity and such compensation as may be payable hereunder shall not exceed $12,000 in any one calendar year. A retired military officer appointed under this Act shall receive compensation as authorized herein and his retired pay, subject to section 201 of the Dual Compensation Act;".

(i) Section 9 of the Act of October 6, 1917 (40 Stat. 384; D.C. Code, sec. 31-631), is amended by striking out "That section six of the legislative, executive, and judicial appropriation Act, approved May tenth, nineteen hundred and sixteen, as amended by the naval appropriation Act, approved August twenty-ninth, nineteen hundred and sixteen," and inserting in lieu thereof "Section 301 of the Dual Compensation Act".

(j) Section 6 of the Act of March 3, 1925, as amended by the Act of January 27, 1926 (43 Stat. 1108, 44 Stat. 2; 2 U.S.C. 162, 5 U.S.C. 60), is amended by striking out "nor shall any additional compensation so paid to such employees be construed as a double salary under the provisions of section 6 of the Act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1917, as amended (Thirty-ninth Statutes at Large, page 582)." and inserting in lieu thereof "and section 301 of the Dual Compensation Act shall not apply to any additional compensation so paid to such employees."

(k) The Act of July 1, 1942 (56 Stat. 467; D.C. Code, sec. 31-631a), is amended by striking out "That section 6 of the Act entitled 'An Act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1917', approved May 10, 1916 (39th Stat. 120), and Acts amendatory thereto," and inserting in lieu thereof "That section 301 of the Dual Compensation Act".

(l) Section 2 of the Act of July 22, 1947, as amended (61 Stat. 400, 74 Stat. 11; 33 U.S.C. 873), is amended by inserting immediately before the period at the end thereof the following: "and without regard to section 301 of the Dual Compensation Act."

(m) Section 3 of the Act of June 2, 1948, as amended (62 Stat. 286, 74 Stat. 11; 15 U.S.C. 327), is amended by inserting immediately before the period at the end thereof the following: "without regard to section 301 of the Dual Compensation Act".

(n) Section 10(b) of the Defense Department Overseas Teachers Pay and Personnel Practices Act (73 Stat. 217; 5 U.S.C. 2358(b)) is amended by striking out "section 2 of the Act of July 31, 1894 (5 U.S.C. 62), relative to the holding of more than one office, section 6 of the Act of May 10, 1916 (5 U.S.C. 58 and 59), relative to double salaries, and any other law relating to the receipt of more than one salary or the holding of more than one office" and inserting in lieu thereof "section 301 of the Dual Compensation Act".

(o) Section 102 of chapter 7 of title 2, Canal Zone Code (76A Stat. 15), is amended by striking out "Section 2 of the Legislative, Executive, and Judicial Appropriation Act, approved July 31, 1894, as amended (28 Stat. 205; 5 U.S.C., sec. 62), and section 6 of the Legislative, Executive, and Judicial Appropriation Act, approved May 10, 1916, as amended (39 Stat. 120; 5 U.S.C., sec. 58), do" and inserting in lieu thereof "Section 301 of the Dual Compensation Act does".

(p) Section 23(b) of title 13, United States Code, is amended by inserting immediately before the period at the end thereof the following: "without regard to section 301 of the Dual Compensation Act".

(q) Subsections (a) and (c) of section 3335 of title 39, United States Code, each are amended by striking out "sections 58, 62, 69, and 70 of title 5" and inserting in lieu thereof "sections 69 and 70 of title 5 and section 301 of the Dual Compensation Act".

SEC. 402 (a) The following laws and parts of laws are hereby repealed:

(1) Section 1763 of the Revised Statutes (5 U.S.C. 58), relating to the receipt of compensation from more than one office.

(2) Section 2074 of the Revised Statutes (25 U.S.C. 50), prohibiting the holding of more than one office at the same time under title XXVIII of the Revised Statutes.

(3) Section 4395 of the Revised Statutes as amended by the Act of January 20, 1888 (25 Stat. 1), providing for the appointment of a Commissioner of Fish and Fisheries who shall not hold any other office.

(4) The Act of July 2, 1882 (22 Stat. 176), authorizing additional pay or compensation for Government employees engaged in cataloging Government publications at the direction of the Joint Committee on Printing.

(5) The sentence in the Act of February 25, 1885 (23 Stat. 329), which reads as follows: "And hereafter no consul or consul-general shall be entitled to or allowed any part of any salary appropriated for payment of a secretary or second secretary of legation or an interpreter."

(6) Joint Resolution Numbered 3 of February 5, 1889 (25 Stat. 1019), authorizing the President to appoint an officer of the United States Coast and Geodetic Survey as a delegate to the International Geodetic Association to serve without extra salary or additional compensation.

(7) Section 2 of the Act of July 31, 1894 (28 Stat. 205), as amended by the Act of May 31, 1924 (43 Stat. 245), by section 6 of the Act of July 30, 1937 (50 Stat. 549), and by the Act of June 25, 1938 (52 Stat. 1194), relating to the holding of two offices (5 U.S.C. 62).

(8) The paragraph in the Act of February 20, 1895 (28 Stat. 676), providing for the compensation of members of a commission established to recommend the location of a certain building, which reads as follows:

"The compensation of said commissioners shall be fixed by the Secretary of the Treasury, but the same shall not exceed six dollars per day and actual traveling expenses: *Provided, however,* That the member of said commission appointed from the Treasury Department shall be paid only his actual traveling expenses."

(9) Section 7 of the Act of June 3, 1896 (29 Stat. 235; 5 U.S.C. 63), relating to the employment of retired officers of the Army and Navy in connection with river and harbor improvements.

(10) Section 7 of the Act of June 28, 1902 (32 Stat. 483), relating to the appointment and compensation of certain officers employed under such Act.

(11) The paragraph of the Act of March 4, 1909 (35 Stat. 931), relating to the pay of retired Army and Navy officers and enlisted men then in the employ of the Isthmian Canal Commission, which reads as follows:

"Authority is hereby granted for the payment of salaries and wages accrued or hereafter earned of retired army and navy officers and enlisted men now in the employment of the Isthmian Canal Commission, in addition to their retired pay, where their compensation under such employment does not exceed two thousand five hundred dollars per annum."

(12) The second paragraph under the center heading "THE ISTHMIAN CANAL" with the side heading "National Waterways Commission:" in the Act of August 5, 1909 (36 Stat. 130), authorizing the National Waterways Commission to pay not to exceed three officers or employees of the Government without regard to the Act of July 31, 1894, and other laws.

(13) Section 12 of the Act of August 20, 1912 (37 Stat. 319; 7 U.S.C. 165), relating to the appointment of members of a Federal Horticultural Board from among employees of the Department of Agriculture.

(14) Section 6 of the Act of May 10, 1916 (39 Stat. 120; 5 U.S.C. 58), as amended by the Act of August 29, 1916 (39 Stat. 582; 5 U.S.C. 59), relating to double salaries.

(15) Section 8 of the Act of March 21, 1918 (40 Stat. 455-456), authorizing the President to avail himself of the assistance of Government employees in the operation of transportation facilities taken over by the President.

(16) Sections 3 and 4 of the War Finance Corporation Act (40 Stat. 507; 15 U.S.C. 333, 334), authorizing the appointment of Government employees to membership on the Board of Directors of the War Finance Corporation and providing for their compensation.

(17) The last paragraph under the heading "DISTRICT OF COLUMBIA" and under the subheading "PUBLIC SCHOOLS" contained in the first section of the Act of July 8, 1918 (40 Stat. 823; D.C. Code, sec. 31-631), relating to the application of section 6 of the Act of May 10, 1916, to employees of the community center department of the public schools of the District of Columbia.

(18) The ninth paragraph under the heading "DISTRICT OF COLUMBIA" and under the subheading "PUBLIC SCHOOLS" contained in the first section of the Third Deficiency Act, fiscal year 1920 (41 Stat. 1017; D.C. Code, sec. 31-631), relating to the application of section 6 of the Act of May 10, 1916, to employees of the school garden department of the public schools of the District of Columbia.

(19) That part of the proviso contained in the paragraph under the heading "BUREAU OF THE BUDGET" in the Act of February 17,

1922 (42 Stat. 373; 5 U.S.C. 64), relating to the application of section 2 of the Act of July 31, 1894, to retired officers of the Army, Navy, Marine Corps, or Coast Guard appointed to certain offices in the Bureau of the Budget, which reads as follows: "*Provided*, That section 2 of the Act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1895, and for other purposes, approved July 31, 1894, shall not be construed as having application to retired officers of the Army, Navy, Marine Corps, or Coast Guard who may be appointed to the offices created by section 207 of the Budget and Accounting Act, 1921, approved June 10, 1921, within the meaning of precluding payment to such officers of the difference in pay prescribed for such offices and their retired pay;".

(20) Section 212 of the Act of June 30, 1932 (47 Stat. 406), as amended by section 3 of the Act of July 15, 1940 (54 Stat. 761), by the Act of February 20, 1954 (68 Stat. 18), by section 2 of the Act of August 4, 1955 (69 Stat. 498), by section 2201(11) of the Act of June 17, 1957 (71 Stat. 158), and by section 13(d) of the Act of September 2, 1958 (72 Stat. 1264), relating to the limitation on the amount of retired pay received for commissioned officer service when combined with Government civilian salary (5 U.S.C. 59a).

(21) The Act of September 13, 1940 (54 Stat. 885), authorizing Jesse H. Jones, Federal Loan Administrator, to exercise the duties of the Office of Secretary of Commerce.

(22) The Act of March 29, 1945 (59 Stat. 38), authorizing the Doorkeeper of the House of Representatives during the Seventy-ninth Congress to employ Government employees for folding speeches and pamphlets.

(23) The Act of August 10, 1946 (60 Stat. 978), as amended by the Act of October 29, 1951 (65 Stat. 662), providing authority for the employment of certain retired officers in the Veterans' Administration (formerly contained in 5 U.S.C. 64a), which authority has expired.

(24) The fifth sentence of section 3 of the Reconstruction Finance Corporation Act, as in effect on June 30, 1947 (47 Stat. 6), and as continued by section 3(a) of such Act, as amended (61 Stat. 203, 62 Stat. 262; 15 U.S.C. 603(a)), relating to employees of the Reconstruction Finance Corporation, which reads: "Nothing contained in this or in any other Act shall be construed to prevent the appointment and compensation as an employee of the corporation of any officer or employee of the United States in any board, commission, independent establishment, or executive department thereof."

(25) Section 2 of the Act of July 11, 1947 (61 Stat. 311; D.C. Code, sec. 4-183), relating to the position of director of the band in the Metropolitan Police force of the District of Columbia.

(26) Section 3 of the Act of April 21, 1948, as amended (7 U.S.C. 438), relating to the Remount Service in the Department of Agriculture.

(27) That part of section 9 of the Act of June 4, 1948 (62 Stat. 342; D.C. Code, sec. 2-1709), relating to personnel of the Armory Board of the District of Columbia, which reads: ", and without regard to any prohibition against double salaries contained in any other law".

(28) Section 5(f) of the Central Intelligence Agency Act of 1949, as amended (65 Stat. 89, 72 Stat. 337; 50 U.S.C. 403f(f)), authorizing employment of not more than fifteen retired officers who must elect between civilian salary and retired pay.

(29) That part of the second sentence of section 103 of the American-Mexican Treaty Act of 1950 (64 Stat. 847), relating to the International Boundary and Water Commission, United States and Mexico, which reads: ", and who shall be entitled to receive, as compensation for such temporary service, the difference between the rates of pay established therefor and their retired pay during the period or periods of such temporary employment".

(30) That part of section 401(a) of the Federal Civil Defense Act of 1950, as amended (64 Stat. 1254; 50 U.S.C. App. 2253(a)), which reads: "and, notwithstanding the provisions of any other law, except those imposing restrictions upon dual compensation, employ, in a civilian capacity, with the approval of the President, not to exceed twenty-five retired personnel of the armed services on a full- or part-time basis without loss or reduction of or prejudice to their retired status;".

(31) Subparagraph (g) of the third paragraph of the Act of August 5, 1953 (67 Stat. 366), as amended by the Act of August 9, 1955 (69 Stat. 590), and by the Act of August 28, 1957 (71 Stat. 457), relating to the Corregidor-Bataan Memorial Commission (36 U.S.C. 426(g)).

(32) Section 12 of the District of Columbia Teachers' Salary Act of 1955 (69 Stat. 529; D.C. Code, sec. 31-1541), authorizing employment of retired members of the armed services of the United States as teachers of military science and tactics in public high schools of the District of Columbia.

(33) Section 8 of the Act of September 7, 1957 (71 Stat. 628; 36 U.S.C. 748), relating to appointment and pay of certain retired officers by the Civil War Centennial Commission.

(34) Section 203(b)(11) of the National Aeronautics and Space Act of 1958 (72 Stat. 431; 42 U.S.C. 2473(b)(11)), authorizing the employment of retired commissioned officers subject only to the limitations in pay set forth in section 212 of the Act of June 30, 1932, as amended (5 U.S.C. 59a).

(35) Section 626(c) of the Act of September 4, 1961 (75 Stat. 451; 22 U.S.C. 2386(c)), authorizing employment of retired officers under the Act for International Development of 1961 or the International Peace and Security Act of 1961.

(36) Section 201(d) of chapter 7 of title 2, Canal Zone Code (76A Stat. 21), relating to retired members of a regular component of the Armed Forces or the Public Health Service of the United States employed in the Canal Zone Government or the Panama Canal Company.

(37) The matter contained in section 507 of the Department of Defense Appropriation Act, 1964 (77 Stat. 264; Public Law 88-149), relating to retired military personnel on duty at the United States Soldiers' Home, which reads: ": *Provided*, That section 212 of the Act of June 30, 1932 (5 U.S.C. 59a), shall not apply to retired military personnel on duty at the United States Soldiers' Home", and provisions to the same effect contained in other appropriation Acts enacted prior to the effective date of this section relative to retired military personnel on duty at the United States Soldiers' Home (5 U.S.C. 59b).

(38) The next to the last sentence of section 4103(b) of title 38, United States Code, relating to the application of certain provisions of law to the Chief Medical Director of the Department of Medicine and Surgery of the Veterans' Administration, which reads: "Section 62 of title 5 of the United States Code shall not apply to any individual appointed Chief Medical Director before January 1, 1964; however, section 59a of title 5 shall apply, in accordance with its terms, to any such individual.".

(b) All other provisions of law, general or specific, inconsistent with this Act and the amendments made by this Act, are hereby repealed.

SEC. 403. (a) Except as provided in subsection (b) of this section, this Act shall become effective on the first day of the first month which begins later than the ninetieth day following the date of enactment of this Act.

(b) This section and sections 201(g) and 201(h) shall become effective on the date of enactment of this Act.

SEC. 404. If any provision of this Act shall be held invalid, the remainder of this Act shall not be affected thereby.

Mr. MORRISON (interrupting the reading of the substitute amendment). Mr. Chairman, I ask unanimous consent that the further reading of the substitute amendment be dispensed with, and that it be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. STAGGERS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, regardless of what those who are pushing for this bill have to say, I think there are many good factors in this bill, but that is no reason why we should take the bad. I agree with the gentleman from Pennsylvania that the bill should be recommitted and the bad features eliminated from the bill.

The gentleman from California made the statement we are trying to penalize NASA and some other agencies. I made the statement in committee that if NASA or any other department of this Government needed those men, they should be allowed to have them and get their full pay. That could be done very easily. There could be no question about it. I do not believe there is any man here who would deny that to any Federal department.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield.

Mr. MILLER of California. The gentleman said it can be done very easily.

Mr. STAGGERS. I said it could be done if it were included in this bill.

Mr. MILLER of California. If the gentleman can tell me how it could be done, I would like to know how.

Mr. STAGGERS. Put it into law. Send the measure back to the committee. There is no question about that. The bill can be revised.

This bill discriminates between the Reserve officer and the Regular officer. It is evident the Reserve officer can take all of his retirement pay under this bill. He may be sitting side by side with the Regular officer, and that Regular officer is penalized because his retirement pay is reduced. What kind of legislation is that?

Here might be a retired officer sitting side by side with a civil service employee, and the retired officer may be getting $5,000 or $6,000 more than the civilian employee. What kind of legislation is that for the morale of our Government? I do not believe any Member of Congress wants to do such a thing. It is not equal, and is not fair. I do not believe that there is a person in the Congress who wants to discriminate against 75 million social security people who are on the rolls today.

Mr. FULTON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman.

Mr. FULTON of Pennsylvania. Is it not possible that a Regular retired officer could be sitting beside a retired enlistee and be discriminated against as well?

Mr. STAGGERS. Just as well.

Mr. Chairman, the other day President Johnson spoke about this fight on poverty. Are we going to give a man two jobs and put another man out of a job and tell him to stay out of a job because this Congress is going to pass class legislation? Under the bill this Congress is going to tell a man he cannot have a job because we are going to give that job to a man who is receiving his retirement pay drawing up to $6,000 or $8,000 a year or more besides his current salary. Is this the kind of legislation we want to pass when we are faced with a situation of unemployment going up and up and up?

One of the most convincing arguments against dual compensation was uttered in 1857 by the then Attorney General Jeremiah Black.

His words should be well heeded today. He said:

> Plurality of offices and extra allowances to those who hold them are the vice of a bad government and have always prevailed to the greatest extent in the worst times.

Do we want to record this as one of the worst times in our history and bring about the inequities proposed in this bill?

Mr. BROYHILL of Virginia. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am surprised that so many members of the Committee on Post Office and Civil Service are advocating a recommittal of this legislation. As was pointed out by the gentleman from North Carolina [Mr. HENDERSON], we have worked on this problem for approximately 8 years. We have put in many hundreds of man-hours on this problem trying to work out a solution. The committee did work its will. Every member of the committee who had something to offer insofar as the solution of this problem is concerned was heard by the committee and his suggestions were thoroughly considered.

As I pointed out before, this is a compromise. We had to make some sacrifices and concessions along the line to come up with a bill that the vast majority of the Members would agree to. This is an excellent piece of work on the part of the Committee on Post Office and Civil Service. I agree with the gentleman from North Carolina that if this bill is recommitted, it is a dead bill for this year and possibly for many years to come. I think the main argument that the opponents of this bill have, so far as I have been able to understand these arguments today, is that the bill does not go far enough. I think nine-tenths of the things that we are trying to do by this bill meets with the wholehearted approval of the vast majority of the members of the committee. We are arguing mostly about the word "discrimination" and that we are not treating all groups alike. That is just where we do not go far enough in this legislation. If there is any discrimination, this bill does not cause the discrimination. We have the discrimination existing now. We do absolutely nothing insofar as cutting back the retired pay of 90 percent of the retired military personnel, both officers and enlisted men.

As I said before, the administration did recommend that we cut back the retired Reserve and enlisted personnel. That is the way that we could make it uniform and in that way we could eliminate all of this alleged discrimination. Actually, how can you cut back the retired pay or place more restrictions on the retired pay of 90 percent of our retired military officers and enlisted men, men to whom we made a contract when they went into the armed services. Now when they have served their Nation and they come back, we, by act of Congress, say that we are going to cut back some of their retired pay and we are going to renege on our obligation. This is an impossible thing to do and it is the wrong thing to do. The only other way to make it uniform is to liberalize the retired pay or liberalize the restrictions on retired pay of the Regular Army officers further. That also would be difficult to do.

The gentleman asked why discriminate against 10 percent of our retired military personnel?

If the gentleman will offer an amendment to release all restrictions whatsoever on retired Regular officers, I will support that amendment, but I maintain that they are not exactly alike. They are a different group of people. The Regular officers do receive more advancement in their term of service and are allowed to go on for 30 years and receive 75 percent of their base pay when the vast majority of Reserve officers must retire at the end of 20 years and receive 50 percent of their base pay and do this at an earlier stage of life when they still have children in school or college to educate. It is an entirely different situation. However, if the gentleman wants to make it completely uniform and remove all of the alleged discriminations, let him offer an amendment. I will be glad to support it. But let us not recommit this measure, because there are many good features in this bill that we have to act on this year. We would be guilty of an act of irresponsibility unless we act on this legislation right now and correct some of the defects that exist at this time.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. Yes. I yield to the gentleman from West Virginia.

Mr. STAGGERS. You talk about discriminating. Cannot the Army officer go into any phase of private industry anywhere in this land and get all his retirement and get all the money he wants to?

Mr. BROYHILL of Virginia. That is correct, but let me respond further to the gentleman's question. I said earlier in the debate the reason why we are liberalizing this for the Regular retired officers is not for their benefit. He can go out into private industry and earn a great deal more, and he does. We are providing this liberalization in order for the Government to have the benefit of his service.

Mr. STAGGERS. He can still get it. I want to ask you one more thing. You talk about inequity in offering an amendment for the Reserve officer. I have an amendment, but I think it should go back to the committee.

Mr. BROYHILL of Virginia. I said offer an amendment to liberalize the retired Regular officer's pay. I do not believe it is fair to cut back on a contract we made years ago with the Reserve officers.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. BROYHILL of Virginia. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman speaks of a contract on the part of the public to provide retirement for military personnel. I do not recall any contract on the part of the taxpayers of this country to provide the military with full retirement pay and also provide a guarantee—no, not a guarantee, but the opportunity of a Government civilian job so that they can draw full job pay as well as full retirement pay. I do not recall any such contract.

Mr. BROYHILL of Virginia. There is nothing in this bill or any legislation I know of that guarantees any officer anything in the way of a civilian job.

Mr. GROSS. I withdraw the word "guarantee."

Mr. BROYHILL of Virginia. Or even a promise of a civilian retirement. They have earned their military retirement. What we are talking about here is after his retirement does he have an opportunity to go to work for the Federal Government.

Mr. GROSS. You mean to retain full retirement pay and all the money he can make in addition on a Government civilian job?

Mr. BROYHILL of Virginia. He is entitled to it. He earned it.

Mr. GROSS. He earned his retirement compensation but he has no right to dual compensation on a basis not permitted any other civilian employee.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. Yes. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. I would like to ask the gentleman if he would not agree with me if this proposition is fair, why should it not be applied to the widows of veterans and why should it not be applied to the whole civil service retirement list?

Mr. BROYHILL of Virginia. Let me say in a very pleasant and light frame of mind of the gentleman in the well, that he has just been assigned to the Committee on Ways and Means and has not had a chance to get into that question yet.

Mr. CORBETT. I might make it a little easier then. Here the civil service employee pays into the fund every month for every year he works. The Army officer or enlisted man does not. Why should this law not apply to the civil servant?

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. JOHANSEN. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, if I may have the attention of the gentleman from Virginia for just a moment, he knows how delighted I am on his advancement to the Committee on Ways and Means. I do suggest that other than this matter of social security legislation in his new assignment he may have a greater familiarity with the problems of raising requisite revenues for the Government to pay the bills for some of the luxuries we are tolerating. I wish him well in his assignment and I do not want to contribute to his problems today by perpetuating a folly in connection with this bill.

When I spoke during general debate, I was attempting to underscore this factor of discrimination, but I did not have the time to mention a little further detail with respect to the widow of the deceased veteran on a non-service-connected pension.

Take the case of such a person with no children. If her total income per year, other than from this non-service-connected pension, is less than $600, the Government pays her $60 a month. If it is between $600 and $1,200 the Government reduces its pension to $45 a month. If it is from $1,200 to $1,800 it cuts it to $25. If it is above $1,800 she gets nothing. She is eligible for nothing. And I call the attention of the members of this committee to the paltry figures we are talking about compared to some of the preferential benefits both pensionwise and salarywise for some of the brass for whom we are dealing in this legislation.

Mr. HENDERSON. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. I yield to the gentleman.

Mr. HENDERSON. Mr. Chairman, I thank the gentleman for yielding because as a member of our committee he has always been very fair, and I am sure that at this point he would agree with me that the inequity he is talking about is not by virtue of the bill we are considering; I certainly agree with the gentleman that there is a great differential here.

Mr. JOHANSEN. Mr. Chairman, let me respond to the gentleman by saying that the fault with which this bill is charged is that it perpetuates a situation from the standpoint of the retired Reserve officer that is completely inequitable and discriminatory. Of course, what is done under the pension legislation is not our responsibility, but the perpetuation of this disparity is our concern.

Mr. HENDERSON. Mr. Chairman, if the gentleman will yield further, a vote against the bill or a vote to recommit the bill is not going to solve the problem that the gentleman is talking about?

Mr. JOHANSEN. A vote for the passage of the bill is going to perpetuate this condition and make it almost certain that there will be no prospect of corrective action; whereas, because of the virtues and benefits of other sections of this bill, to which the gentleman has contributed so much, recommittal would provide an incentive and an opportunity to do some correcting. I want to say a word to the gentleman from Virginia on this point. He has expressed himself as surprised at the action of some of the committee members today, and I am sure the gentleman who was present does not include me as an object of his surprise because I served notice at the time that we voted it out that I might go off the reservation.

Mr. BROYHILL of Virginia. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. Certainly.

Mr. BROYHILL of Virginia. Certainly it is not the purpose of the gentleman from Virginia to criticize any individual member of the committee on his action in the committee. What I meant to say is that we had ample opportunity to eliminate all of the defects and take care of all of the objections while we were in committee. I tried to emphasize that this bill was a reasonable compromise. If we recommit the bill it would mean, perhaps, 8 more years of work.

Mr. JOHANSEN. I never suspected the gentleman from Virginia of any unkindness toward any colleague in the House or on the committee.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. I yield to the gentleman.

Mr. CORBETT. Mr. Chairman, I would like to ask the gentleman if he does not believe that if we pass this bill with these discriminations in it will we not then reemphasize and reaffirm our belief that these discriminations are wholesome?

Mr. JOHANSEN. I think we have again applied our imprimatur of approval, and as a result of this debate I am not only going to vote for recommittal, but if this fails, I intend to vote against the bill.

Mr. BECKWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on December 10, 1963, I introduced a bill to establish certain requirements with respect to notice and examination in connection with appointments to positions in the competitive civil service. I want to underline that word "notice."

The bill reads, very briefly, as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding any other provision of law, a person shall not be appointed to any civilian office in the competitive civil service unless (1) the United States Civil Service Commission shall have given prior public notice of the fact that a vacancy exists in such office and of the fact that an assembled examination (including written tests, oral interviews, and security investigation), where practicable, or a combination of an assembled or nonassembled examination, where practicable, open to all persons, is to be given at a specific time and place, but not before the thirtieth day after the date such notice is first given, and (2) such office is filled only from among those qualified persons who successfully complete such examination.

Mr. Chairman, it has been my contention all along that the trouble with a good many competitive civil service examinations is that too few people know about the examinations until the position is filled. Having that in mind, I introduced an amendment to this very legislation at the time it was being considered. This amendment was adopted by a vote of 10 to 5 by the House Committee on Post Office and Civil Service.

Mr. Chairman, what was the purpose of the amendment? The purpose was to make sure that notice about a vacancy would be given 30 days in advance of the filling of the job and that then a truly competitive examination, where practicable, might be given; the phrase "where practicable" is in the amendment twice. I underscore this.

Mr. Chairman, what is taking place with reference to many of the jobs in the Federal Government? As I view it, they are filled by what is known as unassembled examinations. That is an examination, generally speaking, where questions are asked of the applicant and then if the person who is asking the questions wishes to hire the person, he does so. If the board which does the questioning wishes to recommend the person, it does so. I think we could have in many instances more thorough examinations.

Mr. Chairman, I want to emphasize that that kind of amendment was offered to this very bill, and it passed by a vote of 10 to 5. There were only 15 members of the committee present at the time.

Now, the interesting part about it is this: the Chairman of the Civil Service Commission goes over to the Senate not long thereafter and says that he would rather have no bill at all than to have the bill with that amendment. I quote his words before the Senate committee on December 12, 1963, about the amendment:

> REQUIREMENT FOR EXAMINATIONS
>
> Section 205 is the one new provision I mentioned earlier as the one which we would have to oppose most strongly. This section was added to H.R. 7381 by the House committee on the day it voted to report favorably on the bill. Let me read this section to you:
>
> "SEC. 205. Notwithstanding any other provision of law, a retired member of any of the uniformed services shall not be appointed to any civilian office in the competitive civil service unless (1) the United States Civil Service Commission shall have given prior public notice of the fact that a vacancy exists in such office and of the fact that an assembled examination (including written tests, oral interviews, and security investigation), where practicable, or a combination of an assembled or nonassembled examination, where practicable, open to all persons, is to be given at a specific time and place, but not before the thirtieth day after the date such notice is first given, and (2) such office is filled only from among those qualified persons who successfully complete such examination. This section shall not affect the authority of the Administrator of the National Aeronautics and Space Administration contained in section 201(e) of this title."
>
> We do not know why this section was added to the bill nor exactly what it was intended to accomplish. However, our own

> analysis leads us to the conclusion that we might well be better off under the existing dual compensation laws, as obsolete and inequitable as they are, than under this bill if enacted with this particular provision.

The Commission is clear here as to its position on the amendment.

What does our committee report state? It was written by very able, dedicated and conscientious employees and Members of the House?

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent (at the request of Mr. OLSEN of Montana) Mr. BECKWORTH was allowed to proceed for 5 additional minutes.)

Mr. BECKWORTH. Here is what the report says:

> CIVILIAN EMPLOYMENT PROCEDURES—RETIRED MILITARY PERSONNEL
>
> Sections 204 and 205 establish safeguards which will assure that consideration of retired military personnel for civil service positions is accomplished on an equitable competitive basis and that there is strict compliance in spirit and in procedure with the fundamental merit system principle of open public competition. These sections are intended to do away with the so-called buddy system under which a position is created or held open at a military installation for a buddy about to retire from the military service. This undesirable practice has been recognized by officials of the Department of Defense and procedures to safeguard the merit system were set forth in memorandums issued by Deputy Secretary of Defense Roswell L. Gilpatric under dates of July 5, 1961, and October 30, 1962.
>
> Section 204 of the bill writes into law the essence of the Gilpatric policy referred to above.
>
> The provisions of subsection (a) of section 204 are intended to prohibit most appointments of retired military personnel to civilian positions in the Department of Defense during a period of 180 days immediately following their retirement. However, exceptions to the prohibition are permissible if (1) the proposed appointment is authorized by the Secretary concerned or his designee for the purpose and, if the civilian office is in the competitive civil service, after approved by the U.S. Civil Service Commission; or (2) higher minimum rates have been established for the civilian office under section 504 of the Federal Salary Reform Act of 1962; or (3) a state of national emergency exists.

That is what the report says, that these sections are designed to do away with the so-called buddy system where a position is created or held open at a military installation for a buddy about to retire from military service. I think all, I say all qualified military people and all veterans, if qualified, should be given a fair chance to compete for these jobs, yes, all qualified people. But, naturally at all times veterans preference would be observed and recognized.

I say again, Mr. Chairman, it is strange indeed that the Chairman of the Civil Service Commission would oppose the very section that undertakes emphatically to do away with the buddy system. I think that the House of Representatives would desire to have a real understanding with the Chairman of the Civil Service Commission along that line because part of the purpose of this legislation is to do away with the hiring of people based on friendship rather than based on true qualifications.

We have a bill coming before the House very soon that will cost millions and hundreds of millions of dollars, the Government pay raise legislation, and one of the reasons it is offered, it is contended, is because it is necessary to get more competent people in the Government. Yet the Chairman of the Civil Service Commission, when we have a provision in there that says "give 30 days' notice about a vacancy" says he would rather have no bill at all than to have that specific section 205 in the bill.

I hope that we as a body will let that gentleman know we do want real competition in connection with the filling of Federal positions including all vacancies.

Mr. OLSEN of Montana. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield to the gentleman from Montana.

Mr. OLSEN of Montana. What is an unassembled examination under Civil Service?

Mr. BECKWORTH. It, generally speaking, is definitely not a written examination as I understand the term. It is one where a person presents his credentials, he is asked questions, too frequently by a friendly questioner, and given the job, and the folks in Montana do not know anything about the job being open.

I might say three-fourths of the civil service jobs filled annually are filled by nonassembled examinations rather than by assembled examinations according to the best statistics I have had considerable difficulty in obtaining.

Mr. OLSEN of Montana. The definition the gentleman has given is of a nonassembled examination?

Mr. BECKWORTH. That is right.

Mr. OLSEN of Montana. An assembled examination is when it is written?

Mr. BECKWORTH. When one has to go in there like he does when he takes a bar examination and has to pass the examination, he gets quite a thorough test. He then can be asked questions and be interviewed.

Mr. OLSEN of Montana. The gentleman's amendment would require that there be a written examination for these vacancies that are called for?

Mr. BECKWORTH. Yes. Mr. Macy forgot my words "where practicable." I gave him a getting out place, by the words "where practicable," and those words are in the amendment twice.

Mr. OLSEN of Montana. You would require 30 days' notice that there will be such an examination, and the gentleman says the Civil Service Commission opposes that provision?

Mr. BECKWORTH. It opposes it, yes. Section 205 is the one new provision I mentioned earlier as the one which "we would have to oppose most strongly," he says. That is the Civil Service Commission chairman speaking.

Mr. OLSEN of Montana. Is the gentleman aware of any particular empty chairs over in the Defense Department or anywhere else, from the testimony that we received in the committee?

Mr. BECKWORTH. There are very few empty chairs in any division of any department of this Federal Government. My mail indicates to me they want the jobs even at the present amount that is paid, and I think the gentleman knows that is the case.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield to the gentleman from Michigan.

Mr. JOHANSEN. Would the gentleman give the same answer even with respect to NASA?

Mr. BECKWORTH. Possibly. I recall that Mr. MORRISON discussed this issue carefully. Possibly because of the very high degree of skill it is claimed is required in NASA, exceptions would have to be made. I supported Mr. MORRISON's position in the committee. My amendment says "where practicable."

Mr. JOHANSEN. And that exception could be made?

Mr. BECKWORTH. You bet your life.

The CHAIRMAN. There being no further amendments, the question now is on the committee substitute amendment to the bill.

The committee substitute amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PEPPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7381) to simplify, modernize, and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services, and for other purposes, pursuant to House Resolution 624, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. For what purpose does the gentleman from Pennsylvania [Mr. CORBETT] rise?

Mr. CORBETT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CORBETT. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. CORBETT moves to recommit the bill, H.R. 7381, to the Committee on Post Office and Civil Service.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes had it.

Mr. CORBETT. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 83, nays 262, not voting 86, as follows:

[Roll No. 35]

YEAS—83

Abbitt
Abernethy
Alger
Andrews, N. Dak.
Ashbrook
Baring
Barry
Beckworth
Beermann
Bolling
Bray
Bromwell
Brooks
Burke
Chelf
Clawson, Del
Conte
Corbett
Cunningham
Dague
Devine
Dingell
Donohue
Dulski
Duncan
Feighan
Fino
Fulton, Pa.
Goodling
Grant
Griffin
Gross
Hall
Hays
Hechler
Hemphill
Hoeven
Holifield
Holland
Hutchinson
Jennings
Jensen
Johansen
Johnson, Calif.
Johnson, Pa.
Johnson, Wis.
Jones, Mo.
Keith
Knox
Kunkel
Kyl
McClory
McDade
Marsh
Michel
Moore
Olsen Mont.
Olson, Minn.
Passman
Philbin
Pillion
Pucinski
Rogers, Tex.
Roush
Rumsfeld
Saylor
Selden
Slack
Smith, Iowa
Smith, Va.
Snyder
Staggers
Sullivan
Tuck
Ullman
Vanik
Van Pelt
Weaver
Whalley
White
Whitten
Williams
Winstead

NAYS—262

Abele
Addabbo
Albert
Anderson
Andrews, Ala.
Arends
Ashley
Aspinall
Auchincloss
Avery
Ayres
Baldwin
Bates
Becker
Belcher
Bell
Bennett, Fla.
Betts
Blatnik
Boggs
Bolland
Bolton, Oliver P.
Bonner
Bow
Brademas
Brock
Brotzman
Broyhill, N.C.
Broyhill, Va.
Byrne, Pa.
Byrnes, Wis.
Cahill
Cameron
Cannon
Carey
Celler
Chenoweth
Clancy
Clark
Clausen, Don H.
Cleveland
Cohelan
Cooley
Curtin
Curtis
Daddario
Daniels
Davis, Ga.
Dawson
Delaney
Dent
Denton
Derounian
Derwinski
Dole
Dorn
Downing
Dwyer
Edwards
Elliott
Ellsworth
Everett
Evins
Fallon
Farbstein
Fascell
Findley
Fisher
Flood
Flynt
Fogarty
Ford
Foreman
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gary
Gathings
Giaimo
Gibbons
Gilbert
Gill
Glenn
Gonzalez
Grabowski
Griffiths
Grover
Gurney
Hagan, Ga.
Hagen, Calif.
Haley
Halleck
Halpern
Hansen
Harding
Hardy
Harris
Harrison
Harsha
Harvey, Mich.
Healey
Hébert
Henderson
Herlong
Horan
Horton
Huddleston
Jarman
Joelson
Jonas
Karsten
Karth
Keogh
Kilburn
Kilgore
King, Calif.
King, N.Y.
Kirwan
Kornegay
Laird
Landrum
Langen
Lennon
Libonati
Lipscomb
Long, La.
Long, Md.
McCulloch
McDowell
McFall
McIntire
McLoskey
McMillan
MacGregor
Mahon
Martin, Calif.
Martin, Nebr.
Mathias
Matsunaga
Matthews
May
Miller, Calif.
Milliken
Mills
Minish
Monagan
Moorhead
Morgan
Morris
Morrison
Morse
Morton
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Nedzi
Nelsen
Nix
Norblad
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
O'Neill
Osmers
Ostertag
Patman
Patten
Pelly
Pepper
Perkins
Pickle
Pike
Pirnie
Poage
Poff
Pool
Purcell
Quie
Quillen
Randall
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Rhodes, Pa.
Rich
Rivers, Alaska
Rivers, S.C.
Robison
Rodino
Rogers Colo.
Rogers, Fla.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roudebush
Ryan, Mich.
Ryan, N.Y.
St. George
St Germain
Schenck
Schneebeli
Schweiker
Schwengel
Scott
Secrest
Senner
Shipley
Shriver
Sibal
Sickles
Sikes
Siler
Sisk
Skubitz
Springer
Staebler
Stafford
Steed
Stephens
Stinson
Stratton
Stubblefield
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, La.
Thompson, N.J.
Thompson, Tex
Toll
Tollefson
Trimble
Tuten
Utt
Van Deerlin
Vinson
Waggonner
Wallhauser
Watson
Watts
Weltner
Wharton
Whitener
Wilson, Bob
Wilson, Ind.
Wright
Wydler
Wyman
Young
Zablocki

NOT VOTING—86

Adair
Ashmore
Barrett
Bass
Battin
Bennett, Mich.
Berry
Bolton, Frances P.
Broomfield
Brown, Calif.
Brown, Ohio
Bruce
Buckley
Burkhalter
Burleson
Burton
Casey
Cederberg
Chamberlain
Collier
Colmer
Corman
Cramer
Davis, Tenn.
Diggs
Dowdy
Edmondson
Finnegan
Forrester
Goodell
Gray
Green, Oreg.
Gubser
Hanna
Harvey, Ind.
Hawkins
Hoffman
Hosmer
Hull
Ichord
Jones, Ala.
Kastenmeier
Kee
Kelly
Kluczynski
Lankford
Latta
Leggett
Lesinski
Lindsay
Lloyd
Macdonald
Madden
Mailliard
Martin, Mass.
Meader
Miller, N.Y.
Minshall
Montoya
O'Brien, Ill.
O'Konski
Pilcher
Powell
Price
Rains
Rhodes, Ariz.
Riehlman
Roberts, Ala.
Roberts, Tex.
Roosevelt
Rostenkowski
Roybal
St. Onge
Schadeberg
Sheppard
Short
Smith, Calif.
Thomson, Wis.
Tupper
Udall
Westland
Wickersham
Widnall
Willis
Wilson, Charles H.
Younger

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Buckley with Mr. Riehlman.

Mr. Colmer with Mr. Brown of Ohio.

Mr. St. Onge with Mr. Goodell.

Mr. Lankford with Mr. Widnall.

Mr. Roosevelt with Mr. Hoffman.

Mr. Roybal with Mr. Martin of Massachusetts.

Mr. Hanna with Mr. Latta.

Mr. Macdonald with Mrs. Frances P. Bolton.

Mr. Corman with Mr. Smith of California.

Mr. Wickersham with Mr. Schadeberg.

Mr. Leggett with Mr. Younger.

Mr. Gray with Mr. Cramer.

Mr. Hull with Mr. Rhodes of Arizona.

Mr. Ashmore with Mr. Adair.

Mr. Barrett with Mr. Short.

Mr. Jones of Alabama with Mr. Miller of New York.

Mr. Madden with Mr. Meader.

Mr. Price with Mr. Thomson of Wisconsin.

Mr. Roberts of Texas with Mr. Collier.

Mr. Lesinski with Mr. Chamberlain.

Mr. Burleson with Mr. Mailliard.

Mrs. Kelly with Mr. Lindsay.

Mr. Roberts of Alabama with Mr. Battin.

Mr. Willis with Mr. Berry.

Mrs. Green of Oregon with Mr. Broomfield.

Mr. Sheppard with Mr. Hosmer.

Mr. Burkhalter with Mr. Gubser.

Mr. Edmondson with Mr. Tupper.

Mr. Finnegan with Mr. Burton.

Mr. Rostenkowski with Mr. Bennett of Michigan.

Mr. Davis of Tennessee with Mr. O'Konski.

Mr. Kluczynski with Mr. Cederberg.

Mr. Montoya with Mr. Harvey of Indiana.

Mr. Charles H. Wilson with Mr. Bruce.

Mr. Forrester with Mr. O'Brien of Illinois.

Mr. Dowdy with Mrs. Kee.

Mr. Brown of California with Mr. Powell.

Mr. Udall with Mr. Diggs.

Mr. Kastenmeier with Mr. Hawkins.

Mr. Bass of Tennessee with Mr. Casey.

Mr. Ichord with Mr. Pilcher.

Mr. BURKE changed his vote from "no" to "aye."

Mr. DOWNING changed his vote from "aye" to "no."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

RESOLUTIONS PASSED BY THE THIRD PAN AMERICAN INTERPARLIAMENTARY CONFERENCE

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, the following resolutions were passed at the Third Pan American Interparliamentary Conference held in Washington, D.C. on February 5–7.

As president of the U.S. National Group, and President of the Conference, it is my duty to inform the U.S. Congress of what resolutions were adopted and I therefore ask, Mr. Speaker, that these documents be placed at this time in the body of the RECORD.

RESOLUTION ON LEGISLATIVE INFORMATION SERVICES

(Adopted at the fourth plenary session, held on February 6, 1964)

The Third Pan American Interparliamentary Conference recommends: That the Secretariat of the Pan American Interparliamentary Regional Group urge the national groups in the respective congresses to establish an information service on the laws of each American country, so that this information may be disseminated and the exchange of legislative documents kept up to date.

APPENDIX TO THE RESOLUTION ON LEGISLATIVE INFORMATION

(Adopted at the fifth plenary session, held on February 7, 1964)

WASHINGTON, D.C., *February 4, 1964.*

CHAIRMAN, THIRD PAN AMERICAN INTERPARLIAMENTARY CONFERENCE, *Washington, D.C.*

MR. CHAIRMAN: We have pleasure in placing in your hands, for the purposes indicated, a draft recommendation for the creation of the "American Legislative Section" in each one of the Parliaments comprising the American Group of the Interparliamentary Union.

This proposal is included in the agenda adopted for our fourth plenary session, to be held on February 6, since one of the most important functional aspects for "strengthening parliamentary institutions in the Americas" is their closer and permanent mutual understanding through the exchange of copies of the laws in force in each nation, which will serve as quite valuable sources of information, and will be useful for comparative legislation when necessary.

The development of our civilization, with its ever-increasing trend toward universality, demands the constant exchange of ideas and experiences between the various countries and their governments. This exchange is more fundamentally necessary when the said countries are motivated by common democratic ideals and have common cultural and religious traditions.

Furthermore, it must be remembered that in the social structure of our Americas processes of change have operated that demand prudent and wise legislation. If those historic demands are, generally speaking, common to us, the same nevertheless is not true with respect to the experiences themselves, precisely because of the lack of a proper medium. To supply that lack is the purpose of our proposal, which recommends obtaining the corresponding resolution in each member Parliament of the American Interparliamentary Group for the creation of the "American Legislative Section."

Very truly yours,

Dr. J. Augusto Saldívar,
Dr. Fernando Levi Ruffinelli,
Manuel Frutos Pane.

Work Methods in American Parliaments

(Resolution adopted at the fifth plenary Session, held on February 7, 1964)

Whereas there is a need to increase the authority and prestige of Parliaments through efficient, orderly, and technical work serving their peoples,

The Third Pan American Interparliamentary Conference recommends: That the Parliaments of the Americas establish technical and scientific work methods that will expedite and shorten the discussions.

Interparliamentary Declaration of Washington

(Resolution adopted at the fifth plenary session, held on February 7, 1964)

Whereas the Parliament, as depository of the sovereignty of the peoples and interpreter of public opinion, in all its shades, in free countries, identifies itself with the founding and authentic exercise of democracy;

The parliamentary institution is the object of many defamatory campaigns by totalitarian forces as a method for promoting dictatorial regimes or forces that repudiate, distort or mutilate the institution;

The parliaments of the Americas cannot remain indifferent in the face of attacks against the institution, and it is their duty to consolidate its existence, ensuring the fulfillment of its high responsibilities,

The Third Pan American Interparliamentary Conference, declares

1. That the effective exercise of representative democracy, basis for inter-American solidarity, demands, as an essential requisite, the existence and free functioning of parliaments and full dissemination of their activities.

2. That the Parliament, as the leading power of a democratic state, resulting from free and periodic elections that ensure the representation of all sectors of public opinion, should be supported by all the guarantees and legitimate immunities necessary for the fulfillment of its high legislative mission.

3. That the parliaments of the Americas are dutybound to and shall give one another fraternal and democratic solidarity, considering that attack against one affects all and undermines the bases of hemispheric cooperation and of the inter-American regional system.

4. That this declaration shall be known as the "Interparliamentary Declaration of Washington."

Creation of an American Parliament

(Resolution adopted at the fifth plenary session, held on February 7, 1964)

The Third Pan American Interparliamentary Conference:

Resolves:

1. To recommend to the Executive Committee that it study the possibility of organizing an American Parliament.

2. To declare that this Parliament is needed to furnish the political bases that will make possible a more rapid solution of the social and political problems of the peoples of the Americas.

Reformulation of the Alliance for Progress

(Resolution adopted by the plenary meeting of February 7, 1964)

The Third Pan American Interparliamentary Conference considers:

1. The fundamental problem of Latin America is its struggle against underdevelopment. All solutions aimed in the direction of this problem boil down to increasing resources to finance economic and social development, in such a way as to accelerate the rate of growth and at the same time to promote a more just and equitable redistribution of the fruits of development.

2. The Charter of Punta del Este recognized the need for a concentrated multilateral effort, with a maximum mobilization of the resources of each Latin American country, supplemented from the United States, to attack the problems arising from the lack of resources of the Latin American countries themselves, a lack that is explained by the low level of per capita income in the majority of these countries.

3. These resources should be mobilized on a priority basis, according to national plans, in which the basic sectors of economic development are defined, and these plans, in turn, should include essential structural reforms, to allow for an efficient utilization of available internal and external resources.

4. The Charter of Punta del Este recognizes that one source of the external resources required by Latin America for its development is the income derived from the exportation of its basic products to the developed countries of the world. With that purpose, the charter recognizes that the economic development of Latin America depends upon "expansion of its trade, a simultaneous and corresponding increase in foreign exchange incomes received from exports, a lessening of cyclical * * * fluctuations in the incomes * * * and the correction of the secular deterioration in their terms of trade."

5. The Alliance for Progress has been publicized primarily as a mechanism whereby the United States will furnish additional resources for the economic and social development of Latin America, overlooking the other declarations and commitments of Punta del Este. The administration of the U.S. resources, their utilization through bilateral machinery and, in certain cases, even their channeling through international organizations, has been subject to the influence of restrictive provisions adopted by the U.S. Congress and interpreted in an even more restrictive manner by the other organs of its Government.

6. For these reasons, it is felt that a reformulation of the Alliance for Progress is essential, in order to reestablish—in all their effectiveness and validity—the basic principles and commitments of Punta del Este. As a decisive contribution toward reaffirming the spirit of the Alliance for Progress,

Resolves:

To suggest to the national participating groups that they urge their parliaments to accept the following recommendations:

(a) To strengthen the inter-American bases of the Alliance for Progress through the adoption of an executive multilateral system for making decisions with regard to the utilization of the resources of the Alliance, eliminating, insofar as possible, organs that have no power to make decisions.

(b) To expand and strengthen all machinery designed to insure a fair price for basic products and to prevent fluctuations in accordance with the provisions of title IV of the Charter of Punta del Este (international agreements and the like), and to adopt compensatory systems of financing that are flexible and automatic, to compensate the countries producing raw materials for the losses sustained in their export trade.

(c) To alleviate the financial burden so that the credit worthiness of the Latin American countries may be reestablished, and massive financing may be granted by the financial organizations for projects of high economic priority. This can be achieved by means of a realistic rescheduling of their external debts in order that the yearly amortization commitments and interest payments will represent only a reasonable portion of the current export receipts.

(d) To use Alliance for Progress resources according to national priorities and regional projects, and make the beneficiary governments responsible for determining the organs and sectors to which the resources will be applied and the projects that will be financed.

(e) To give high priority to multinational projects.

(f) To give priority in the parliaments to the discussion and voting of projects related to the commitments adopted in the Punta del Este chapter.

Participation of Trade Unions

(Resolution adopted at the fifth plenary session, held on February 7, 1964)

The Third Pan American Interparliamentary Conference recommends:

That equal participation be accorded to organized trade unions, in the plans for the Alliance for Progress, in the economic and social development of their countries.

International Center for Parliamentary Documentation

(Recommendation adopted by the plenary meeting on February 7, 1964)

The Third Pan American Interparliamentary Conference:

Convinced that a thorough study of the manifold problems now facing representative institutions in the various parts of the world would serve the cause of democracy;

Having been informed that the Interparliamentary Union had decided to create in the near future, in Geneva, an international center for parliamentary documentation and research;

Appeals to national groups of the Interparliamentary Union, as well as to nonmember parliaments in Latin America, to extend their full cooperation for the implementation of this project, thus assisting in the development of this center as an instrument for building up knowledge of the functioning and procedure of parliament.

TELEVISION RATINGS

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the house for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, recently the Los Angeles Times, in connection with the Times Reader Panel, conducted a survey of TV viewing habits in the Los Angeles area. The metropolitan area of Los Angeles encompasses some 6 million people and the circulation of the Los Angeles Times is 1.2 million on Sundays and over 770,000 daily. In light of the recent investigations by the House into the TV rating industry, the results of this survey are of great interest and deserve mention.

The questionnaires were mailed to some 711 readers and of these 451 or 64 percent were returned.

While we realize the sample was taken from the Times reader list, nevertheless, it showed a great discrepancy with the results of the A. C. Nielsen Co. survey. Nielsen is the industry leader, far and above American Research Bureau—ARB, Pulse, Sindlinger & Co., C. E. Hooper, and others of even lesser magnitude and has been criticized for its rating practices.

The Times listed the "Beverly Hillbillies" as the program receiving the most votes in the "least liked category." A. C. Nielsen Co. listed that program as the most popular in the Nation for the same period of time. Nielsen purports to use a random sample which he says represents the viewing habits of the entire Nation. The fact that according to the 1960 census 69.9 percent of the total U.S. population live in urban areas, seems to indicate that Nielsen's sample homes may be disproportionately in favor of the rural areas. While not advocating that the Los Angeles survey is completely accurate, the striking differences of fact that it draws with Nielsen can only emphasize the question of the accuracy and reliability of the present systems of TV ratings.

The advertising industry, which pays for the great bulk of the surveys, might take notice of the discrepancy, particularly in regard to the desires and tastes of the urban viewing population of America. The fact that roughly 70 percent of all Americans live in urban communities and that a poll taken in such a community completely contradicted a supposed "national" poll, calls for increased scrutiny of national rating techniques.

Millions of dollars are being spent for programs based on ratings compiled in actual practice from shocking techniques as brought out in congressional hearings on this subject. Certainly the National Association of Broadcasters, which is attempting to set industry standards for the ratings firms, will want to take notice of this survey of one of the Nation's great metropolitan areas. This survey stands in complete contradiction to what TV rating services are plying the advertisers and TV trade with for rather substantial sums of money.

It might be of service to the TV industry to have similar polls run in the large metropolitan markets to see if the TV ratings are as poor as they turned out to be in Los Angeles, according to the Los Angeles Times poll.

LIFETIME FRANKING PRIVILEGE TO FORMER MEMBERS

Mr. WELTNER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. WELTNER. Mr. Speaker, I have today introduced a bill which would extend a lifetime franking privilege to former Members of the Congress who have served for 50 years. One beneficiary of this bill would be our great and distinguished colleague from Georgia, the Honorable CARL VINSON.

Georgians, and others throughout the Nation, expressed their deep regret over his decision to retire at the conclusion of his present term. He will thus conclude a career in this House spanning half a century. Passage of this bill would be small, though appropriate recognition of his life of service. I ask your support.

TED SORENSEN: MASTER CRAFTSMAN

Mr. HECHLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER. Mr. Speaker, one measure of the greatness of President John F. Kennedy was the wide number of people he inspired to achieve greatness. One of the most important of these was Ted Sorensen. Tomorrow, Theodore C. Sorensen's many friends in high places will honor this young Nebraskan, as he leaves his Government post.

A dozen or so years ago, I recall him as a brilliant young staff member for a newly elected U.S. Senator. Then I remember the tense Democratic National Convention of 1956, when Jim Finnegan, Adlai Stevenson's sage campaign manager, asked me to get the pros and cons on every potential vice-presidential candidate. Naturally, I turned to Ted Sorensen to brief me on U.S. Senator John F. Kennedy. I marveled at this brilliant young analyst, objective, articulate, sensitive, and astutely convincing in his argument for the man who was only beaten by an eyelash on the floor of the Chicago convention in 1956.

Then I remember the great drama of 1960, the presidential primary in West Virginia, the primary which made a President. One Sunday evening on the edge of the State capital in Charleston, W. Va., the Unitarian Fellowship had as its guests John F. Kennedy and Ted Sorensen. The audience was alert, critically interested, and highly intelligent. They groaned when they discovered that the presidential candidate had lost his voice in the rigors of campaigning in the hills and hollows. Ted Sorensen arose in this difficult situation, with Senator Kennedy sitting mute on the front row, and he gave a modest yet highly polished performance in articulating Senator Kennedy's philosophy. He had so well immersed himself in the thoughts and ideals of his chief that he handled the difficult audience questions with ease. The chief interrupted only twice, in a hoarse and husky whisper, not to contradict but to confirm absolutely and personally what the master craftsman was saying.

Under unanimous consent, I ask to include a tribute to Ted Sorensen written by Max Freedman in the February 17, 1964, Washington Evening Star:

A TRIBUTE TO A KENNEDY AID: THEODORE SORENSEN'S ROLE SEEN MORE THAN JUST THAT OF SPEECHWRITER

(By Max Freedman)

On Wednesday, a few days before his departure from Washington, Theodore C. Sorensen, the special counsel for President Kennedy, will be honored at a public ceremony sponsored by the present and former members of the Cabinet and by his closest associates in the Government. It is difficult to recall any other public servant who has received such a tribute, and impossible to think of anyone with an equal claim to public recognition.

It is a strange misconception of Mr. Sorensen's role to think of him primarily or essentially as Mr. Kennedy's most trusted speechwriter. He is the last man to minimize the power of eloquence as the champion of great causes. But he knows that the art of politics consists in turning ideas into achievements; and he towered into greatness as an architect of policy and a master of strategy. He was so valuable to Mr. Kennedy in the drafting of state papers precisely because he was so familiar with the ideals and hopes of the leader whom he delighted to serve.

This surely is the central point, the one which means the most to Mr. Sorensen. He saw in Mr. Kennedy the leader who embodied and fulfilled his own highest principles of government. It was never necessary for Mr. Sorensen to attribute to Mr. Kennedy any spacious ideals of his own. His task was rather to draw out and express the ideals which glowed with quiet passion in Mr. Kennedy's mind and heart.

One tiny story will illustrate the almost unique gift which Mr. Sorensen and Mr. Kennedy both had in being able to laugh at themselves without ever laughing at their principles. Within a few days of its delivery, President Kennedy's inaugural address, with its soaring eloquence and majestic idealism, was universally recognized as a noble affirmation of the faith which has often glorified America in times of challenge. The overflowing praise rather embarrassed the President, and one day Mr. Sorensen drew gusts of laughter from Mr. Kennedy by bringing him a hilarious parody—never published to this day—of the inaugural address.

Now Mr. Sorensen would have put his hand in the fire to protect the principles of that speech, and Mr. Kennedy served those ideals with gay courage to the moment of his death. For both of them what mattered above everything else was the victory of principles, not the glory of words; and they shrank with wise reserve from turning the tributes to the speech into the exaltation of the speaker.

We are fortunate beyond the usual measure of men in knowing that before many months have passed we will be able to look at President Kennedy and the record of his administration through the eyes of Mr. Sorensen and Arthur Schlesinger, Jr. Their two books will not be competitive, for they will approach their subject from different points of view, and will throw accumulated light on a gallant and unforgettable figure.

Mr. Schlesinger came to the White House with an established reputation as a historian, a biographer, and an interpreter and defender of democratic values. His years in the White House add another notable chapter to his record of public service. But with Mr. Sorensen it is rather different. He will not only be rearing a monument to Mr. Kennedy; he will also be going on a pilgrimage into his own past. He has it within his power to write a book about President Kennedy that will be at once unique, invulnerable, and immortal, if it is no exaggeration to use Augustine Birrell's words in tribute to Gibbon.

Then, his task completed, Mr. Sorensen will be on his own. That may well be the beginning of a new career of great significance for the American people. Mr. Sorensen will not seek elected office for himself; but in the world of ideas and in the clash of debate his influence will often count decisively, and it will be an influence with which scrambling politicians will have to reckon. Countless people, especially young people with an adventurous faith in the destiny of America, look to Mr. Sorensen as a spokesman for their hopes. Not even the cruel changes of a democracy can dim our memory of his valiant services, nor extinguish our conviction that in service to President Johnson and other Presidents he will many times place the whole country again under obligation to him.

OBSERVANCE OF PAN AMERICAN DAY ON APRIL 14, 1964

Mr. SELDEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 627.

The Clerk read the resolution, as follows:

H. Res. 627

Resolved, That the House of Representatives hereby designates Tuesday, April 14, 1964, for the celebration of Pan American Day, on which day, after the reading of the Journal, remarks appropriate to such occasion may occur.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GROUP REPORT ON SAC AND AIR ACADEMY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. Libonati] is recognized for 60 minutes.

I. ANDREWS AIR FORCE BASE

Mr. LIBONATI. Mr. Speaker, we arrived at Andrews AFB at 8:50 a.m., February 13, with our escort officers—Col. John M. Chapman and Maj. Harry M. Funk. The following Congressman—Representative E. C. Gathings, Democrat, of Arkansas; Representative Harlan F. Hagen, Democrat, of California; Representative Roland V. Libonati, Democrat, of Illinois; Representative J. Edward Roush, Democrat, of Indiana; Representative Dominick V. Daniels, Democrat, of New Jersey; Representative Harold M. Ryan, Democrat, of Michigan; Representative Lucien N. Nedzi, Democrat, of Michigan; Representative Compton I. White, Jr., Democrat, of Indiana; Representative Everett G. Burkhalter, Democrat, of California; Representative Charles H. Wilson, Democrat, of California; Representative Edward R. Roybal, Democrat, of California; Col. John M. Chapman, SAF–LL, escort officer; Maj. Harry M. Funk, SAF–LL, escort officer—attended the briefings starting at 8:52 a.m. with an introduction to the subject matter by Lt. Gen. Howell M. Estes, Jr., who discussed the research and development of the programs supported at enormous cost, the future consolidation of range activity, and the naval range unification with Vandenberg's program.

Gen. B. A. Schriever, U.S. Air Force, in command, was away on Government business. The biographies of these two distinguished military leaders are in order at this time for study, and I include them at this point:

Biography of Gen. B. A. Schriever, U.S. Air Force

German-born, Texas-reared Gen. A. B. Schriever immigrated to the United States in 1917. He was born in Bremen, Germany, on September 14, 1910.

Graduating from Texas A. & M. in 1931 with a bachelor of science degree, he started his military career that same year when he accepted a Reserve appointment in the field artillery.

Entering flight training at Randolph Field, Tex., in July 1932, the future general earned his wings and commission as a second lieutenant in the Army Air Corps Reserve in June 1933 at Kelly Field, Tex.

After assignments to March Field, Calif., and Albrook Field, Canal Zone, the then lieutenant reverted to inactive Reserve status. Meanwhile, he accepted a position as a pilot with Northwest Airlines.

Reentering the service as a second lieutenant in the Regular Army Air Corps in October 1938, General Schriever performed duty at Hamilton Field, Calif., and Wright Field, Ohio. In 1941, he entered Stanford University and in June 1942 was awarded a master's degree in mechanical engineering (aeronautical).

In June 1942, Major Schriever joined the 19th Bomb Group in the southwest Pacific. While in that theater he participated in seven campaigns.

From 1946 to 1949, General Schriever was assigned as Chief, Scientific Liaison Section, Deputy Chief of Staff, Materiel, Headquarters, U.S. Air Force. Entering the National War College in 1949, he was graduated in June 1950. He then returned to U.S. Air Force headquarters where he served as assistant for development planning. In June 1954 he became assistant to the commander, ARDC. One month later, although retained as assistant to the commander, ARDC, he assumed command of the Air Force Ballistic Missile Division.

As commander of AFBMD, General Schriever directed the Nation's highest priority project—the development of the intercontinental ballistic missile. He was responsible for telescoping time in the research and development on all missiles and for Air Force space systems. He also directed the management program for concurrently providing launching sites and equipment, tracking facilities, and ground support equipment necessary to these programs.

In April 1959, General Schriever assumed command of the Air Research and Development Command with headquarters at Andrews Air Force Base, Md.

On April 1, 1961, he became commander for the newly created and expanded Air Force Systems Command. AFSC is responsible for research, development, procurement, and production actions required to place a complete aerospace system in operational use.

General Schriever has management responsibility for Air Force contracts with more than 5,000 major contractors who are engaged in work on Air Force systems.

General Schriever was promoted to four-star rank effectively July 1, 1961.

General Schriever has been awarded the following honorary degrees: Doctor of science degrees from Creighton University, Rider College, Adelphi College, and Rollins College; doctor of aeronautical science from the University of Michigan; doctorate of engineering from Brooklyn Polytechnic Institute; doctor of laws from Loyola University of Los Angeles.

General Schriever is married to the former Dora Brett. The couple have three children—Brett Arnold, Dodie Elizabeth (married to Capt. T. G. Moeller), and Barbara Alice.

Biography of Lt. Gen. Howell M. Estes, Jr., U.S. Air Force

Lt. Gen. Howell M. Estes, Jr., was born at Fort Oglethorpe, Ga., on September 18, 1914, and was graduated from the U.S. Military Academy on June 12, 1936.

Assigned to the 2d Cavalry at Fort Bliss, Tex., in September 1937, General Estes was appointed acting aide-de-camp to the commander of the 2d Cavalry Brigade. In July 1939, he began flight training. Upon graduation the following March, he was rated a pilot and transferred to the Army Air Corps. Assigned as a flight instructor in August 1940, he became commandant of cadets at Advanced Flying School, Brooks Field, Tex. He assumed the duties of director of flying for the school in July 1942 and a year later was designated director of training.

General Estes assumed command of Blackland Airbase, Waco, Tex., in February 1944, and upon deactivation of the base in June assumed command of Lubbock Army Air Field, Tex.

In January 1946, General Estes became assistant to the assistant chief of staff for plans, U.S. Air Forces in Europe, stationed in Wiesbaden, Germany. Three months later, he was named chief of the plans section, operations division, USAFE, and in July as deputy assistant chief of staff for operations. In November 1947, he was named assistant chief of staff, plans, headquarters USAFE.

At Maxwell Air Force Base, Ala., General Estes entered the Army War College in July 1948. Graduating the following year, he was assigned to the 22d Bomb Wing, March Air Force Base, Calif., and in September assumed command of the 1st Air Base Group at March Air Force Base. On temporary duty from November 1949 to January 1950, he served with the 22d Bomb Group in the United Kingdom. He became deputy commander and chief of staff of the 22d Bomb Group, and in January 1951, activated and assumed command of the 44th Bomb Wing at March Air Force Base.

In March 1951, General Estes was assigned to temporary duty overseas as vice commander, Far East Air Forces Bomber Command, where he served until July 1951. During that time he flew 25 combat missions over Korea totaling 328 hours in B–29's. Returning to March Air Force Base, he assumed command of the 106th Bomb Wing in August 1951, and the following March was appointed commander of the 12th Air Division. In October he was designated commander, Air Task Force Group 7.4, Joint Task Force 7, for the oversea atomic operation known as Castle as additional duty.

General Estes relinquished command of the 12th Air Division in July 1953 and took active command of the Air Task Group 7.4. After activating and forming the task group, he spent 4 months at the Pacific Proving

Ground at Eniwetok in 1954 during the operational phase of Operation Castle.

General Estes was assigned as director of weapon systems operations, Wright Air Development Center, Air Research and Development Command, Wright-Patterson Air Force Base, Ohio, in August 1954. This directorate was transferred to the office of the deputy commander for weapon systems of ARDC in August 1955 and became known as detachment No. 1, Headquarters, ARDC, with station at Wright-Patterson Air Force Base. He was named assistant deputy commander for weapon systems with additional duty as commander, detachment No. 1, and director of systems management.

Transferred to Washington, D.C., in August 1957, General Estes became assistant chief of staff for air defense systems, headquarters U.S. Air Force. In May 1958 he became assistant deputy chief of staff, operations, headquarters, U.S. Air Force. On April 1, 1961, he was named deputy commander, Air Force systems command for aerospace systems, with duty assignment in Los Angeles, Calif. On October 10, 1962, he assumed duties as vice commander, headquarters AFSC, Andrews Air Force Base, Md.

General Estes' promotion to lieutenant general was effective May 19, 1961. His decorations include the Legion of Merit with two oak leag clusters, Distinguished Flying Cross, Air Medal with one oak leaf cluster, and the Czechoslovakian War Cross.

General Estes and his wife, Annah V., have three sons. They are Howell III, attending the Air Force Academy, Colorado Springs, Colo.; Charles D., a student at Governor Dummer, South Byfield, Mass.; and Michael S., a student at Pennsylvania University, Philadelphia, Pa.

Mr. Speaker, at 9:30 a.m. Colonel Merritt briefed us on facts concerning the Air Force System, Command, its organization and operational units and systems.

AIR FORCE SYSTEMS COMMAND

The Air Force Systems Command, established April 1, 1961, is responsible for the rapid advancement of aerospace technology and its adaptation into operational aerospace systems. It is organized to provide the most up to date and effective management of Air Force scientific and technical resources. The Air Force Systems Command—AFSC—is the single manager of all phases of acquisition of new aerospace systems.

AFSC has the task of meeting major space responsibilities of the Department of Defense, providing research, development, test, and engineering of satellites, boosters, space probes, and associated systems needed to support specific National Aeronautics and Space Administration projects and programs arising under basic agreements between DOD and NASA.

From headquarters at Andrews Air Force Base, Md., AFSC directs the operations of seven divisions, seven development and test centers, three contract management regions, and administers the Defense Documentation Center. Command personnel strength numbers approximately 26,650 officers and airmen and 37,500 civilian employees.

In coordinating the military and civilian scientific and industrial efforts of the United States toward the development of aerospace weapon systems, AFSC directs the expenditure of about 40 percent of the Air Force budget, or approximately 10 cents of each Federal tax dollar. For fiscal year 1963 the budget to support AFSC programs and installations totaled more than $8.5 billion. The command administers approximately 70,000 contracts having a face value of about $60 billion.

AFSC manages and controls approximately 300 installations or separate activities in the United States and overseas, including England, South Africa, Greenland, Alaska, Hawaii, Eniwetok, and Singapore. These facilities are valued at about $2 billion.

Currently, AFSC supervises more than 80 weapon and support systems in varying stages of development or acquisition. Of this total, some 16 are designated systems programs of high priority.

AFSC's deputy to the commander for manned space flight plans, programs, and coordinates allocation of the AFSC resources necessary to support specific NASA projects and programs for manned flight under basic agreements between NASA and the DOD.

Of the 2,519 scientific and technical officers, 52 percent hold bachelor of science degrees; 33 percent hold masters, and 7 percent Ph. D's. Of the scientific and technical civilian employees, 80 percent hold bachelor of science degrees or equivalent, 13 percent masters, and 7 percent Ph. D.'s.

AFSC DIVISIONS

Space Systems Division—SSD—Los Angeles, Calif., plans, programs and manages space systems and related equipment. This includes the responsibility for the research, development, engineering, test, on-orbit tracking, telemetry control, recovery, evaluation, procurement, production, quality assurance, and installation and checkout of space systems. As a corollary responsibility, it manages the acquisition of related items such as space boosters and aerospace ground equipment necessary to provide launching, control, and recovery of space equipment and the support of space programs.

Units assigned to SSD are the 6595th Aerospace Test Wing, Vandenberg AFB, Calif.; the 6594th Aerospace Test Wing, Sunnyvale, Calif.; and the 6555th Aerospace Test Wing, Patrick AFB, Fla.

Ballistic Systems Division—BSD—Norton AFB, Calif., plans, programs, and manages acquisition of a ballistic missile program and related equipment that cost $18 billion through fiscal year 1963. BSD provides for activation of selected missile sites for the Atlas, Titan and Minuteman programs under the most gigantic construction effort in the history of this country. There are Atlas missile launch sites already in operation at nine Air Force bases in States west of the Mississippi, with one in New York. Atlas models D—horizontal on top of the ground—E—horizontal underground—and F—stored in a silo-type encasement below ground—are all operational. Titan I, II and Minuteman missile sites are now located in 7 States.

In all 17 States, covering more than 100,000 miles is involved, to date, with more construction planned. The mobile mid-range ballistic missile—MMRBM—program is under BSD's supervision.

Aeronautical Systems Division—ASD—Wright-Patterson AFB, Ohio, plans and manages the development and acquisition of aeronautical and associated systems. Aerospace systems under the ASD mission include the X-20 Dyna-Soar—the piloted space glider; C-141 transport; F-111—TFX fighter; F4C fighter; XB-70 Valkyrie bomber; AGM-28A, air-to-ground—Hound Dog—missile; MIM-10B—Bomarc—intercept air defense weapon; and the X-19 and XC-142, both vertical takeoff and landing—VTOL—aircraft. ASD is the lead division for AFSC activities to increase the Air Force's worldwide air combat capability for special air warfare which includes limited war and COIN operations.

Electronic Systems Division—ESD—L. G. Hanscom Field, Mass., plans and manages information and communication programs and projects for accomplishment of command, control, warning, surveillance, and support—weather, intelligence—functions. Responsibilities include electronic systems acquisition, test, and support for the Air Force and other U.S. Government departments as requested or directed.

ESD-developed systems or those under development include the semiautomatic ground environment—SAGE—system for directing the air defense of North America; the ballistic missile early warning system—BMEWS—which provides warning against attack by ballistic missiles; the nuclear detonation detection system—nudets—and the space detection and tracking system—spadats—used to detect, track, and compute orbits of satellites.

Aerospace Medical Division—AMD—Brooks AFB, Tex., manages bioastronautics research and development programs in support of the Air Force personnel system, clinical and aerospace medicine requirements. AMD supervises specialized educational programs in aerospace medical subjects. AMD-assigned units include the USAF School of Aerospace Medicine, Brooks AFB, Tex.; Arctic Aeromedical Laboratory, Fort J. M. Wainwright, Alaska; 6570th Aerospace Medical Research Laboratories, Wright-Patterson AFB, Ohio; 6571st Aeromedical Research Laboratory, Holloman AFB, N. Mex.; 6570th Personnel Research Laboratory; the Wilford Hall USAF Hospital; and the USAF Epidemiological Laboratory. The last three units are located at Lackland AFB, Tex.

Foreign Technology Division—FTD—Wright-Patterson AFB, Ohio, to prevent possible technological surprise by a potential enemy, the FTD acquires, evaluates, analyzes, and disseminates foreign aerospace technology, in concert with other AFSC divisions and centers. Information collected from a wide variety of sources undergoes screening, then is processed in unique electronic data handling and laboratory processing equipment. Screened and processed information is analyzed by scientific and technical specialists for providing reports, studies, and technical findings and assessments of potential hostile technological or operational environs with which the Air Force weapon systems must cope.

Research and Technology Division—RTD—Bolling AFB, Washington, D.C., responsible through its assigned laboratories for planning and managing the AFSC exploratory and advanced development programs aimed at creating a broad base of research and technology for timely application in the development of superior, advanced aerospace weapons and support systems and equipment.

Laboratories under RTD supervision and their respective functional areas are listed as follows: The Air Force Weapons Laboratory, Kirtland, AFB, N. Mex., conducts research in nuclear weapon applications, effects, ballistics, delivery techniques, and safety.

Programs at the Air Force Rocket Propulsion Laboratory, Edwards AFB, Calif., encompass rocket propulsion components, propellants, and associated ground equipment.

The Rome Air Development Center, Griffiss AFB, N.Y., conducts research in electromagnetic energy conversion, signal detection and processing, computation and display, command and control, test and evaluation. The center furnishes research and development and engineering support of intelligence devices, ground communications hardware, the ground environment for surveillance, approach and landing, navigation, and electromagnetic radiation warfare.

There are four laboratories at Wright-Patterson AFB, Ohio, under program direction of the RTD. The Air Force Aero-Propulsion Laboratory works in the areas of airbreathing, electric and advanced propulsion, fuels and lubricants, flight vehicle power, and site support.

The Air Force Materials Laboratory handles research programs in material sciences, metals and ceramics, nonmetallic materials, manufacturing technology, and materials application.

The Air Force Flight Dynamics Laboratory is concerned with flight vehicle dynamics, performance, control, launching, alighting and structures, crew station, environmental control and escape and aerodynamic decelerators.

The Air Force Avionics Laboratory conducts research and technology in electronic components, optics and photo materials, navigation and guidance, vehicle defense, electronic warfare, communications and reconnaissance.

AFSC CENTERS

Air Force Missile Test Center—AFMTC—Patrick AFB, Fla., develops, maintains and operates the Atlantic Missile Range (including Cape Kennedy Missile Test Annex) in support of U.S. missile and space programs; provides facilities for collecting data for the U.S. Air Force's major ballistic missiles, aerospace systems, the national space program, and includes facilities for the Army, Navy, and NASA.

In recent years AFMTC has compiled a spectacular record of "firsts" in the U.S. military missile and space program. Included among them are the first firing of a U.S. satellite, the first full-range Atlas ICBM launching, and the first firing of the Bomarc in conjunction with the Air Force SAGE systems.

The AFSC's 6555th Aerospace Test Wing located at the AFMTC and assigned to SSD, prepared the boosters, conducted the countdowns, launched, and put into orbit the capsule carrying the Mercury astronauts.

Against this backdrop of accomplishments, even more important satellite and space programs are underway at Cape Kennedy.

Air Force Flight Test Center—AFFTC—Edwards AFB, Calif., conducts aircraft category II testing. Provides facilities for category I contractor tests and the final functional test and military demonstration intended to determine the capability and suitability of a complete system in meeting established USAF requirements and design objectives. AFFTC is the home of the X-15 research rocket plane which has flown faster and higher than any manned aircraft in the history of world aviation. Also at Edwards is the USAF Aerospace Research Pilot School, the only school in the free world that offers a formal course in space research pilot training. The USAF Parachute Test Group, assigned to AFFTC, is located at El Centro, Calif.

Air Force Special Weapons Center—AFSWC—Kirtland AFB, N. Mex., provides engineering support and testing of nuclear and thermonuclear weapons, their components, associated equipment, and related phenomena and environment.

AFSWC also provides support to the Atomic Energy Commission and other Government agencies in conducting continental and oversea nuclear tests.

Air Proving Ground Center—APGC—Eglin AFB, Fla., develops, operates, and maintains the Gulf Test Range for aircraft and missile system tests and an electromagnetic test environment for electronic countermeasure and electronic countermeasure tests; conducts development engineering tests of missile and aircraft systems, subsystems and equipment appropriate to the capabilities and facilities of the Center; and carries out combat effectiveness tests and operates the USAF Climatic Laboratory. In addition, APGC working closely with the Special Warfare Center of the Tactical Air Command, tests munitions and other equipment used in special air warfare, including counterinsurgency—Coin—operations.

Air Force Missile Development Center—AFMDC—Holloman AFB, N. Mex., conducts category II research and development testing of air-to-air missiles and drones. It maintains and operates an inertial guidance test facility and performs rocket firings in support of reentry technology. The Aeromedical Research Laboratory at Holloman conducts research and development in human factors relating to biodynamics and space biology, and was primate manager on Project Mercury.

Since its construction in mid-1950, the high-speed captive missile test track at AFMDC has played an ever-increasing role in missile development and human factors research. The 35,000-foot track is used to test full-scale missile subsystems and some of the complete weapon systems. Nose cones and other missile components requiring impact or other destructive experiments also are tested on the track.

Arnold Engineering Development Center—AEDC—Arnold AFS, Tenn.: The wind tunnel center of the U.S. Air Force and the largest in the free world, Arnold provides test support in the fields of gas dynamics and propulsion for all the Armed Forces, industrial contractors, NASA, and educational or research institutions.

The AEDC mission is to plan, construct, and operate a series of wind tunnels, high-altitude test cells and aerospace simulation chambers for the development, testing, and evaluation of aircraft, guided missiles, aerospace systems, and rocket and air-breathing propulsion systems.

AEDC is grouped into four major laboratories: the Von Karman Gas Dynamics Facility, which performs aerodynamic testing of scale models of aircraft, missiles, and space weapons under extreme flight conditions; the rocket test facility, which tests aircraft, missile, and spacecraft propulsion systems including ramjets, turbojets, turboprops, and liquid and solid propellant rockets; scale aircraft and missile propulsion systems to investigate combined aerodynamic propulsion characteristics; the propulsion wind tunnel, for testing scale and full model aircraft, missiles, satellites, and the propulsion systems; and the aerospace environmental facility, a series of high vacuum chambers in which space environments up to 300 miles altitude may be simulated.

Defense Documentation Center—DDC—Cameron Station, Alexandria, Va., provides a central service for the Department of Defense for efficient interchange of scientific and technical information. Under one roof are technical and scientific reports available to all the armed services, U.S. Government agencies, and qualified contractors.

Three contract management regions—CMR's—manage the administration of billions of dollars in contracts executed by the AFSC divisions and centers, Air Force Logistics Command field procurement activities, major air commands, DSA, NASA, and other U.S. Government purchasing agencies when required, in addition to those Army and Navy contracts for which the DOD has plant jurisdiction. Each CMR has administrative responsibility for these contracts and contractor surveillance within designated geographical areas. The CMR's assure that specified quantities and qualities of end items are delivered, provide technical direction in the management of the quality control of materiel and services provided, manage the Air Force industrial security program in facilities under contract, give transportation management surveillance, in addition to providing development engineering capability in support of Air Force system program offices and procuring activities designated by AFSC.

The three are, eastern contract management region—ECMR—Olmsted AFB, Pa.; central contract management region—CCMR—Wright-Patterson AFB, Ohio; and the western contract management region—WSMR—Mira Loma, Calif.

Air Force Systems Command's 1963 report follows. In addition to the overall release highlighting the command's major activities during the calendar year of 1963, the report consists of six sections of sidebars. These are: First, aviation, aerospace, astronautics; second, missiles, rockets, and space; third, electronics; fourth, aerospace and general medicine, science, bionics; fifth, management, finance, contracts, personnel; and sixth, plastics, materials, chemistry, allied subjects.

For further information on items of specific interest write to: Office of Information, Attention: SCEP, Air Force Systems Command, Andrews Air Force Base, Washington, D.C.

AIR FORCE SYSTEMS COMMAND REPORTS ON 1963 ACHIEVEMENTS

Andrews Air Force Base, Md.: During 1963, the Air Force Systems Command—AFSC—headed by Gen. B. A. Schriever, passed important milestones in the advancement of aerospace technology and its adaption into operational aerospace systems for national security.

The highlight in delivery of missile systems to the operational inventory by the Ballistics Systems Division—BSD—Norton AFB, Calif., was the turnover of six squadrons of Titan II missiles to the using command in 1963. The first squadron was delivered on June 13, 1963, at Davis-Monthan AFB, Ariz., and the last two squadrons were turned over on December 30, 1963, at Little Rock AFB, Ark. The turnover completed the Titan II program and gives the Nation an inventory of 54 of the powerful weapons.

During the year the BSD also delivered two Minuteman wings to the Strategic Air Command, making an average of one ICBM delivered per day in 1963. AFSC delivery of missile systems during the year raised the total in the SAC inventory to more than 500 ICBM's including Atlas and Titan I squadrons.

Highlighting aircraft development, directed by the Aeronautical Systems Division—ASD—was the rollout on August 22 and first flight of the all-jet C–141 StarLifter cargo transport on December 17, 1963, at Dobbins Air Force Base, Ga.

During the year, also, the X–19—the first of a new triservice family of vertical takeoff and landing—VTOL—aircraft flew for the first time.

In July the Space Systems Division—SSD—Los Angeles, Calif., recorded its 100th Agena satellite launch from Vandenberg AFB, Calif. An Atlas boosted the satellite engine into a polar orbit.

During the same month the world's largest solid propellant motor was successfully fired by SSD. In a static test, the 250-ton, five-segment, 120-inch-diameter motor produced more than 1 million pounds of thrust. The motor will be used on the Air Force Titan III.

AFSC, during the year, continued to provide a large measure of support to the National Aeronautics and Space Administration—NASA—in terms of facilities, technically trained personnel, test and launch assistance.

In the area of contract administration, for example, support of NASA by the western contract management region—WCMR—Mira Loma AFS, Calif., showed a marked increase. Face value of contracts administered increased from about $450 million in July 1961 to about $1.5 billion in June 1963.

The ballistic missile early warning system—BMEWS—developed by the Electronic Systems Division, became fully operational on September 17 with turnover of the third station at Flyingdales, England. The other two are located at Clear, Alaska, and Thule, Greenland. BMEWS was built to provide the North American Continent with warning of enemy attack.

On November 21, the Aerospace Medical Division—AMD—Brooks AFB, Tex., formally dedicated the new six-building complex of the School of Aerospace Medicine at Brooks AFB, Tex. The dedicatory address was delivered by the President of the United States.

Assignment to the Research and Technology Division—RTD—Bolling AFB, Washington, D.C., of seven laboratories and the Air Force Systems Engineering Group increased the command's "in house" research capability. RTD, through its laboratories, plans and manages the AFSC exploratory and advanced development programs. The division creates a broad base of research and technology for application in the development of aerospace weapon and support systems.

More than 150 major test launches from Cape Kennedy, Fla., by the Air Force Missile Test Center—AFMTC—advanced the proficiency of America's missile systems and recorded important inroads into space.

On May 24, a Titan ICBM became the 1,400th missile launched from the cape.

Missile range instrumentation capabilities were increased with the assignment of two advanced range instrumentation ships. The ships, the *General H. H. Arnold* and the *General Hoyt S. Vandenberg*, were formally dedicated and delivered to the Atlantic Missile Range in 1963.

Development testing of the supersonic 500-mile-range Hound Dog at low altitudes was successfully concluded with an October 31 launch over the Eglin Test Range which is administered by the Air Proving Ground Center—APGC—Eglin Air Force Base, Fla.

Throughout the year the AFSC continued to emphasize management efficiency in delivering the maximum in qualitatively superior weapon and support systems to the U.S. Air Force at a minimum in cost. As a result, substantial cost reductions for the command during the first quarter of fiscal year 1964 amounted to $137 million.

In coordinating the military and civilian scientific and industrial efforts of the United States toward the development of aerospace weapon systems, AFSC had managerial responsibility for some 40 percent of the Air Force budget, or approximately 10 cents of each Federal dollar.

For fiscal year 1964 the budget to support AFSC programs and installations totaled more than $10 billion. The command administers approximately 68,000 contracts having a face value of about $58 billion.

AVIATION, AEROSPACE, ASTRONAUTICS

The School of Aerospace Medicine—SAM—Brooks AFB, Tex., in July installed a large-scale digital computer for recording, maintaining, and analyzing biomedical data relevant to Air Force man-in-space problems. The system includes an analog-to-digital converter. The system is the first of its kind and size to be used in aerospace physiology and medicine.

SAM uses two of the most heavily instrumented—medical—aircraft in the free world. The two F–100 two-seater jets carry equipment for recording on board and telemetering the following medical measurements: Heart rate; systolic and diastolic blood pressure; rate and depth of respiration; electroencephalogram; and galvanic skin response, to name a few.

With a specially designed seat mounted at various positions on a test sled, Air Force aeromedical personnel fired 48 manned sleds along the laboratory's 240-foot Daisy Decelerator, a compressed-air driven, dual-rail track with a water braking system. Maximum force recorded on a subject was 60 g.'s. Purpose of the tests was to record a human's reaction to various deceleration forces which might be experienced by Apollo pilots during the recovery. During the tests, 40 different subjects were subjected to deceleration forces in various seat positions determined according to simulated Apollo landing profiles. In July, Airman D. N. Aragon was the subject of the 1,500th ride on the Daisy sled track. The ride was in support of Project Apollo. Present for the run were Col. John Paul Stapp, known as the fastest man on earth since his world famous rocket-sled run in 1954 on the Holloman high-speed test track, and Capt. Eli Beeding, who once endured 83 g.'s in a deceleration run on the Daisy Decelerator.

The Air Force Missile Development Center—AFMDC—Holloman AFB, N. Mex., was designated as the location for the Ballistic Missile Reentry System Data Center—BMRSDC.

AFMDC completed a test program of the advanced version of the air-to-air Falcon designated the air-launched interceptor missile—AIM 4D. During the yearlong test program, the Falcon hit both ground targets and aerial drones at subsonic and supersonic speeds successfully.

AFMDC was assigned a portion of the testing phase category II of the RF–4C, the reconnaissance version of the F–4C. The plane is considered to be a frontline aircraft until at least 1975. The reconnaissance version features special radar antennas and other devices to enable it to "see" objects on the ground with greater clarity.

Last October AFMDC fired its 2,000th high-speed test sled down its 35,700-foot test track.

Nearing completion at the Center is a 260-inch radius centrifuge. It will provide the free world with an unequaled instrument for the calibration, testing, and evaluation of inertial guidance systems and their components.

As 1963 drew to a close, the Air Force Special Weapons Center—AFSWC—Kirtland AFB, N. Mex., neared completion of a 32-pound miniature space "laboratory" designed to measure strengths of the earth's magnetic field. The 8-inch-high by 20-inch-in-diameter package is the smallest instrument compartment of its kind ever used at AFSWC.

An "atomic heat engine," consisting of a small nuclear reactor without moving parts, was developed for AFSWC. The "engine" also has a system of thermionic converters to change the reactor's heat directly into electricity.

Scientists at AFSWC and those from the contractor seek to determine how efficient and reliable the concept would be as an auxiliary power source for future spacecraft. Thermionic systems promise important reductions in payload weights, increases in power output, and greater reliability for power needs of space vehicles of the coming decade.

On October 1 the first Lockheed NF-104A areospace trainer was delivered to the Air Force Flight Test Center—AFFTC—Edwards AFB, Calif. The craft is equipped with a 6,000-pound thrust rocket that will enable the plane to reach altitudes of 125,000 feet.

AFFTC test pilot Maj. Robert W. Smith climbed to 118,860 feet on November 15 in the rocket-assisted NF-104 for an unofficial world altitude record.

Construction began September 14 on a $3.5 million simulator for use by the Aerospace Research Pilot School at AFFTC to train crews in full mission space flight profiles, in addition to rendezvous and docking maneuvers.

The ASSET aeroelastic vehicle underwent hypersonic mach 8 and mach 10 wind tunnel testing at the Arnold Engineering Development Center—AEDC—Arnold AFS, Tenn., to help scientists obtain information on structural integrity, static stability, and other aerodynamic characteristics. ASSET is an acronym for aerothermodynamic/elastic structural systems environmental tests. It was launched on September 18 from the cape to explore the guidance of reentry into the atmosphere from space.

A space helmet radio transceiver aimed at providing unrestricted mobility for crewmen was developed at the Air Force Avionics Laboratory—AFAL—Wright-Patterson AFB, Ohio. AFAL is under the Research and Technology Division—RTD—Bolling AFB, Washington, D.C. A sometimes hazardous "tied in place" situation was eliminated when a radio link replaced headset cords. Such a device can be used in aircraft, space vehicles, or for communication by ground crews.

First flight tests were underway at the Aeronautical Systems Division—ASD—Wright-Patterson AFB, Ohio, of a new communication system designed to penetrate the plasma sheath surrounding an aerospace vehicle reentering the earth's atmosphere. Plasma results when air in front of a vehicle heats up to 20,000 degrees and more—about twice the temperature on the surface of the sun.

A completely air-transportable hydrant refueling system gives added punch to the free world's ability to cope with limited and brush wars. ASD developed a system that can handle 200,000 gallons of fuel stored in four buna "N" coated, nylon tanks.

An escape and survival system—called the most advanced yet developed—will protect the crew of the F-111—TFX—tactical fighter. The system for the two-man crew is a complete compartment, including their craft seats. ASD developed the system.

A portable aircraft-arresting barrier was developed by ASD for use in support of limited war operations. The system is designed for forward airfields where permanent installations are not practical. Under test, 60 engagements were made of aircraft equipped with hooks, including a rapid cycle test of 12 arrestments in an hour.

Flight testing began in October of the first production model F-5A military tactical fighter. The craft—capable of supersonic speed up to altitudes of 50,000 feet—is the first of those being built for use in the military assistance program—MAP.

A vertical takeoff and landing craft—VTOL—an X-19—was rolled out in ceremonies on July 23 at the Curtiss-Wright Corp., Caldwell, N.J. ASD manages the VTOL program.

The laminar flow control X-21 aircraft made its first flight from Hawthorne, Calif., to Edwards AFB on April 18.

Air Force aircraft, some of World War II vintage, are being equipped to play new roles in remote areas of the world as counterinsurgency—coin—aircraft. The wide spectrum of coin operations offers use for a variety of off-the-shelf or out of inventory aircraft and helicopters—from a modified B-26 World War II bomber to present-day light liaison aircraft.

The first of several hundred F-4C mach 2 tactical fighters was accepted by the Air Force more than 2 months ahead of schedule in May 1963. The two-place all-weather fighter carries a variety of weapons, including more than twice the conventional bomb load of the World War II B-17 heavy bomber.

First Air Force flight of the two-place F-105F fighter aircraft was made on June 21, 1963. Six days later, the Air Force accepted the initial production F-105F, approximately 9 months after contractual go-ahead was received.

MISSILES, ROCKETS, AND SPACE

The first full-scale advanced ballistic reentry systems—ABRES—underwent successful test on March 1 by an all-Air Force crew of the 6555th Aerospace Test Wing from Patrick AFB, Fla.

The 6511th Test Group—Parachute—of the Air Force Flight Test Center—AFFTC—Edwards AFB, Calif., made the first space capsule recovery on land when on May 2 it recovered the "boiler-plate" full-scale Apollo capsule at El Centro, Calif.

Since March 1959, more than 460 space probes have been conducted from Air Proving Ground Center's—APGC—Eglin AFB, Fla., aerospace launch facility on Santa Rosa Island. The probes included at least 87 in the Project Firefly program. The project actually is the intense investigation of the earth's atmosphere and an assault on the secrets of "near space."

The shock test facility at the Air Force Special Weapons Center—AFSWC—Kirtland AFB, N. Mex., simulated nuclear shock tests during the year on the shock-insulation system for the Minuteman intercontinental ballistic missile's underground launch control center.

Growth of a complex of nuclear research and development facilities at AFSWC continued through the year.

For more than a decade, AFSWC has tested nuclear weapon and space probe systems; provided Air Force support for underground nuclear tests; and operated weapons effects simulation facilities.

During 1963, it fabricated and tested space probe instrument packages and provided flight planning and documentation services for space programs.

AFSWC test aircraft carried out about 500 missions during the year in support of nuclear weapon and space systems development.

The first launch from the Atlantic Missile Range of a Titan II intercontinental ballistic missile—ICBM—was accomplished on February 6 by an all-Air Force crew from Ballistic Systems Division—BSD—Norton AFB, Calif. The ICBM carried the heaviest payload ever fired a distance of 6,500 miles by a ballistic missile.

On June 30, Space Systems Division—SSD—recorded its 200th Thor launch. The figure includes the use of the Thor as a space booster—Thor/Agena, Thor/Delta, Thor/Able, and Thor/Ablestar—and as an intermediate range ballistic missile—IRBM.

A tetrahedral research satellite—TRS—was launched in September by SSD from a spacecraft in orbit. It communicated essential data regarding the effects of radiation damage encountered in space.

SSD accepted the first Titan III engines on November 27 from the Aerojet-General Corporation of Sacramento, Calif. The engines were the first- and second-stage liquid fuel engines for the Titan IIIA—core of the Titan IIIC. Combined, they produce a total thrust of 530,000 pounds.

On October 25, the SSD accepted the first Gemini launch vehicle from the Martin Company. The booster—a modified Titan II—will be used in support of the National Aeronautics and Space Administration's—NASA—Gemini program.

Launch of the first Titan II from an operationally configured silo took place on February 15 from Vandenberg AFB, Calif.

Construction began February 15 of the integrate-transfer-launch — ITL — facility for the USAF Titan III standard launch system on the Banana River at Cape Kennedy, Fla. The facility will be built on soil dredged from the bottom of the river.

USAF Maj. L. Gordon Cooper captured the imagination of people everywhere on May 16 when he completed 22 orbits of the earth in 34 hours, 20 minutes, and 30 seconds after being boosted into orbit from Cape Kennedy—then Cape Canaveral—Fla., by an Atlas.

ELECTRONICS

A room literally without echoes was installed last March at the Air Proving Ground Center—APGC—Eglin Air Force Base, Fla. The room, an anechoic chamber, and a centrifuge test new electronic equipment.

The Avionics Laboratory and the Air Force Materials Laboratory, Wright-Patterson Air Force Base, Ohio, contributed extensively to the operation of lasers in a space environment.

The laser—light amplification by the stimulation of emissive radiation—is a narrow beam of coherent light which does not spread like a conventional or incoherent light source.

A continuous wave laser system, pumped only by a tungsten bulb, has been developed.

An air-to-air infrared communications system, difficult to jam, intercept, or detect was developed by the Air Force Avionics Laboratory.

The Aeronautical Systems Division—ASD—Wright-Patterson Air Force Base, Ohio, developed a unique plating process—leading the way for possible applications in molecular electronics and aerospace research. Technicians extended the process to include vapor plating the interior surfaces of teflon tubing, and the interior surfaces of ceramic nozzles with films of tungsten for tests in solid fuel missiles. Devices proposed as a result of the study are thin film coaxial cables, flexible wave guides, resistors, diodes, capacitors, and storage units.

It was announced on November 20 that a $616,499 electronic brain was being built for Air Force Flight Test Center—AFFTC—researchers at Edwards Air Force Base, Calif. The computing system will enable researchers to make precise calculations required for manned space vehicle operations anywhere from the earth to the moon.

On January 1, 1963, Rome Air Development Center—RADC—Griffiss Air Force Base, N.Y., was assigned to the Research and Technology Division, Bolling Air Force Base, Washington, D.C. In August the Passive Satellite Research Terminal at Floyd, N.Y., was dedicated. The center's new 60-foot-in-diameter parabolic steerable antenna will be used to track passive satellites and for other space communications research.

Early in January, the Electronic Systems Division—ESD—Hanscom Field, Mass., demonstrated a new all-weather multipurpose landing system. The design calls for a system capable of landing all types of aircraft in adverse weather and visibility conditions. It controls the aircraft on landing approach through instant computer data fed to the aircraft by radar and electronics.

Instructions are relayed to the aircraft's automatic pilot system which then adjusts direction, speed, angle, elevation, and glide path to touchdown. Manual operation returns may be used at any time during the approach or landing.

The ESD-developed Semi-Automatic Ground Environment—SAGE—Center at North Bay, Ontario, Canada, was declared operational September 26. The center is the headquarters for the Northern Norad—North American Air Defense Command—region. Northern Norad provides air defense coverage for the New England States, the Canadian Northwest Territories, Maritime Provinces, Quebec, and most of Ontario.

ESD completed on January 15 testing of a high-quality tropospheric scatter communications system. The system went into operation in South Vietnam and Thailand less than 18 months after development got underway.

Development of a highly reliable, transportable, tactical air navigation—tacan—guidance system was announced on March 8, by ESD. The system provides instantaneous bearing and range information to aircraft within a 200-nautical-mile range. The system can be used in tactical situations and at installations both in this country and overseas. It weighs one-fourth that of the present tacan, and can be placed into operation in 2 hours after arrival at a site.

AEROSPACE AND GENERAL MEDICINE, SCIENCE

The 6570th Aerospace Medical Research Laboratories—AMRL—Wright-Patterson Air Force Base, Ohio, completed plans to provide the Air Force with an inhalation toxicology facility to help scientists study effects of gases, vapor, aerosol, and dust exposure on humans and animals. Results are expected to give researchers a definition of human tolerance limits to toxic stresses they will encounter in closed atmospheres or orbital systems.

The initial phase of the Centralized Space Training Facility study by the 6570th Aerospace Medical Research Laboratories, Wright-Patterson Air Force Base, Ohio, ended. The study determined the personnel and training requirements of future military space systems. Mission spectrums of 10 systems studied included reconnaissance, scientific tests, support, logistics, strategic and lunar.

AMRL initiated the first lunar gravity research in 1963. Using a zero-gravity parabola aircraft tests were conducted under actual lunar—one-sixth earth gravity—conditions.

Man's normal walking gait turned out to be equivalent to a fast walk in slow motion. The stride was longer in distance and time. Low frictional forces caused the "astronauts" to stumble backward when trying to turn while running forward. One man could easily pick up two men, walk with them and toss them 10 feet away.

AMRL found the solution to the problem of aircrew eye protection from nuclear flashes during daylight operations. A 1-percent neutral density gold-coated fixed filter offered protection to the eyes against the thermal effects of a nuclear fireball.

The U.S. Air Force Hospital, Lackland, became known officially as the Wilford Hall U.S. Air Force Hospital. The hospital, under the Aerospace Medical Division—AMD—and located at Lackland Air Force Base, Tex., is the largest such installation in the Air Force. It was named in memory of Maj. Gen. Wilford Hall, commanding surgeon of several major Air Force commands and one of the leading proponents of military clinical medicine. In July, a cobalt 60 radiotherapeutic clinic was completed and went into operation at the Wilford Hall U.S. Air Force Hospital. The clinic uses the most powerful cobalt 6,700-curie source now used in the continental United States.

A new surgical technique to correct sound distortion which often accompanies nerve deafness was studied and developed at the Wilford Hall U.S. Air Force Hospital, Aerospace Medical Division—AMD. U.S. Air Force Capt. Robert Clubb designed the microscopic surgical procedure to release a normal pressure on the eardrum which, to date, has cured symptoms of dizziness and imbalance.

A centrifuge that can subject a 500-pound package to a force of 100 g.'s went into operation, enhancing the laboratory facilities of the 3208th Test Group, Air Proving Ground Center—APGC—Eglin Air Force Base, Fla. The centrifuge may attain speeds up to 225 revolutions per minute.

Radio Corp. of America designed a functional, electronic model of a frog's retina for the Aeronautical Systems Division—ASD—Wright-Patterson Air Force Base, Ohio. The model is applied to the study of information handling techniques in the area of property filtering, parallel processing, and optoelectronic logic.

A frog's retina filters what the frog sees and only that information essential to its survival is transmitted to the frog's brain. The model duplicates four of these filtering functions of the frog. They are detection of edges, moving convexities, time-changing contrast, and dimming. The model contains about 33,000 electronic components.

The Rome Air Development Center—RADC—Griffiss Air Force Base, N.Y., made marked progress during the year in language translation techniques. Russian, for example, can be translated into English at the rate of 1,800 words a minute. The translator is in operation at the Foreign Technology Division—FTD—Wright-Patterson Air Force Base, Ohio.

MANAGEMENT, FINANCE, CONTRACTS, PERSONNEL

Each month, from 40 to 50 percent of subcontracts issued by large companies under the jurisdiction of the central contract management region—CCMR—Wright-Patterson AFB, Ohio, goes to small business. The dollar value of these contracts ranges from $40 to $50 million.

More than $1 million was saved in 1963 by using Air Force-owned machinery for new production. Another—audited—savings of more than $800,000 was recorded by eliminating unnecessary production steps or parts of equipment. A savings of nearly one-half million dollars was effected by using modern methods of preservation and packaging of shipments from contractors.

By the end of the first quarter of fiscal year 1964, CCMR saved more than $4 million of an annual goal of $9,264,000 for the year. The savings represents 74 percent of the goal.

More than 50 large companies in the CCMR area agreed to place varying amounts of their subcontracts with small businesses, with the result that 1,000 to 1,300 region contracts have been with small business firms.

Research is underway at the Aerospace Medical Research Laboratories—AMRL—Wright-Patterson AFB, Ohio, to develop methods that can be used by Government agencies and their contractors to build a "bank" of task-skill information useful for improving the design and development of advanced systems. Thus far, preliminary in-house research has developed computer methods that will store, retrieve, and update information on concepts. Methodology included the following: A category system; task analysis formats; analysis of task-skill information in system requirement—SR—studies; computer storage of analyzed information; and development and use of request programs. Results to date are encouraging. Future work will modify present programs to accommodate data appearing throughout system development and operation.

Research conducted since 1959 at the 6570th Personnel Research Laboratory—PRL—Lackland AFB, Tex., on the problem of nonadaptive Air Force personnel has demonstrated the relatively high discharge rate for unsuitability occurring for high school dropouts who enter service. Findings by the PRL, transmitted to the President's Committee on High School Dropouts, contributed to the national emphasis on increasing the retention efforts of high schools.

The first Ballistic Systems Division "purse strings" cost savings validation on September 3 resulted in a $5.5 million savings. An idea by Capt. Peter E. Rawlings resulted in the retrofitting of research and development guidance sets for Titan II training launches. BSD is located at Norton AFB, Calif.

On February 19 the Electronic Systems Division—ESD—Hanscom Field, Mass., was assigned the responsibility for selecting all of the Air Force's business and scientific-type computers.

PLASTICS, MATERIALS, CHEMISTRY, ALLIED SUBJECTS

The Aeronautical Systems Division—ASD—Wright-Patterson AFB, Ohio, recorded progress in the development of elastomeric material compatible with liquid propellants. New materials and processes are being developed that possess greater resistance to the injurious properties of certain liquid fuels. The elastomers are used for components such as seals, gaskets, flexible connectors, diaphrams, and expulsion bladders required for advanced aerospace vehicles.

For the first time single crystals of cuprous chloride were grown by ASD. Future use of the crystals will be in optical communication systems designs and radar systems.

New fabrics woven from multifilament yarns and an experimental weaving loom acquired by ASD offer potential advances in development of parachutes and other decelerators, and expandable aerospace structures.

Using multifilament yarns, fabrics have been produced which possess up to 100 times greater folding endurance, five times higher tear strength, and 20 percent higher tensile strength than single filament fabrics. The new materials also have a wrinkle recovery of as much as 33 percent, compared with none for single filament fabrics.

The laboratory-scale loom acquired by ASD can be used to weave research samples from 2 inches to 20 inches in width from small quantities of new fibers. The weave can be varied geometrically without any loss in yarn or need for changing yarn alinement.

Common gelatin is under research by ASD. ASD scientists anticipate using gelatin in materials for shelters, solar collectors, passive communication satellites and other cloth structures to be reinforced with the rigidizing product.

Many dangerous gases and dust particles can be safely monitored by a device in use by the Air Force Rocket Propulsion Laboratory, Edwards AFB, Calif. Designed to detect harmful boron compounds used in rocket propulsion research, the device also can be adapted to measure minute quantities of other toxic or flammable vapors.

Scientists at the Research and Technology Division's—RTD—Air Force Flight Dynamics Laboratory at the Wright-Patterson Air Force Base, Ohio, established strength criteria for the design of supersonic textile canopies for high dynamic pressure operations. Thus far, 24 tests have deployed surface pressures between 1,500 and 2,800 per square foot, and canopy surface temperatures up to 200° F. were measured. Later it is planned to continue dynamic pressures as high as 10,000 per square foot.

AFSC OPERATIONAL HIGHLIGHTS

During its 13 years of operation, the Air Force Systems Command has recorded significant achievements in research, development, test, procurement, and production in fulfilling its mission of advancing aerospace systems for the U.S. Air Force. Activated on January 23, 1950, as the Air Research and Development Command, the organization was redesignated the Air Force Systems Command on April 1, 1961.

Some of the command's highlights follow:

January 23, 1950: Air Research and Development Command—ARDC—established.

July 24, 1950: The first missile launch was made from Cape Canaveral, Fla. The Bumper No. 8, a German V-2, with a 700-pound Army WAC Corporal mounted, climbed 10 miles, separated from the second stage Corporal, then traveled 15 more miles.

June 25, 1951: Arnold Engineering Development Center—AEDC—Arnold Air Force System, Tenn., was dedicated by President Harry S. Truman. The Center's wind tunnels are the largest in the free world.

September 20, 1951: The Air Force made its first successful recovery of animals from a rocket flight. A monkey and 11 mice were launched from the Air Force Missile Development Center—AFMDC—Holloman Air Force Base, N. Mex., in an Aerobee rocket and survived an altitude of 236,000 feet.

December 12, 1953: USAF Maj. Charles E. Yeager flew a Bell X-1A, launched from a B-29, 1,612 miles per hour—mach 2.5—at the Air Force Flight Test Center—AFFTC—Edwards Air Force Base, Calif.

July 1, 1954: Western Development Division of ARDC at Inglewood, Calif., was established under Brig. Gen. B. A. Schriever, with authority to direct the ballistic missile development program authorized by USAF's May 1954 directives.

December 10, 1954: Col. John Paul Stapp, USAF, MC, attained a speed of 632 miles per hour on a rocket-propelled sled run at the AFMDC, Holloman AFB. He sustained the greatest g-force—40 g.'s—ever endured by man in recorded deceleration tests. It was the equivalent of mach 1.7 at 35,000 feet. Mach 1—or the speed of sound—clocks at 762 miles per hour at sea level.

September 7, 1956: USAF Capt. Iven C. Kincheloe set an altitude record for manned flight by piloting a rocket-propelled Bell X-2 to a height of 126,200 feet at AFFTC, Edwards AFB.

September 27, 1956: USAF Capt. Milburn G. Apt flew an X-2 rocket-powered aircraft to a record 2,094 miles per hour—mach 3.196—at AFFTC, Edwards AFB. He was killed when the craft crashed.

August 19, 1957: USAF Maj. David G. Simons of the AFMDC, Holloman AFB, made a 32-hour balloon flight to a record altitude of 101,516 feet. He ascended from Crosby, Minn., and landed the following day—August 20—at Elm Lake, S. Dak.

December 17, 1957: The Atlas was fired successfully for the first time by the USAF from the Atlantic Missile Range—AMR—Cape Canaveral. The intercontinental ballistic missile—ICBM—targeted 500 miles downrange.

October 11, 1958: A USAF Thor-Able-I boosted Pioneer I, an International Geophysical Year—IGY—space probe vehicle, from Cape Canaveral. Pioneer I traveled 70,700 miles before returning to earth 2 days later. It determined the radial extent of the great radiation belt, first observations of the earth's and interplanetary magnetic field, and first measurements of micrometeorite density in interplanetary space.

December 18, 1958: The USAF, using a 4-ton Atlas, boosted Score—the "Talking Atlas" into orbit from the AMR. The following day the satellite broadcast a tape-recorded Christmas message from President Eisenhower back to earth, marking the first such feat from space.

February 6, 1959: The USAF made its first successful launch of a Titan ICBM from Cape Canaveral.

February 28, 1959: Discoverer I, a satellite weighing 1,450 pounds, was successfully boosted into a polar orbit by the USAF Thor from the Pacific Missile Range—PMR.

April 23, 1959: First successful test firing of GAM-77 Hound Dog supersonic, air-launched missile, from a B-52 at Air Proving Ground Center—APGC—Eglin AFB, Fla.

September 15, 1959: A full-sized model of the Minuteman ICBM was fired in a tethered test from an underground silo at AFFTC, Edwards AFB.

September 17, 1959: A. Scott Crossfield piloted the X-15 research craft in its first powered flight. The craft, using interim Thiokol-RMD XLR-11 engines, was released by B-52 mother ship approximately 36 minutes after taking off from AFFTC, Edwards AFB.

December 14, 1959: USAF Capt. Joe B. Jordan flew the F-104 Starfighter to a world altitude record of 103,395.9 feet for launched aircraft at AFFTC, Edwards AFB.

December 15, 1959: USAF Capt. Joseph W. Rogers, flying an F-106 Delta Dart, set a world speed record of 1,520.9 m.p.h. on an 11-mile straightaway course at AFFTC, Edwards AFB.

April 1, 1960: The USAF Thor-Able launched the 270-pound Tiros I, the first known weather satellite, from the AMR. Tiros—television infrared observation satellite—photographed and transmitted 22,952 cloud covers of the earth from 450 miles high until June 29. Tiros I was hailed as ushering in a new era of meteorological observation.

April 13, 1960: A Thor-Able-Star launched Transit I-B, a U.S. Navy navigational satellite, from Cape Canaveral. The flight demonstrated the first engine restart in space.

May 20, 1960: The USAF fired an Atlas carrying a 1.5-ton payload off the Cape Canaveral launch pad to a target area 9,040 miles away in the Indian Ocean.

June 22, 1960: The USAF Thor-Able-Star launched the Navy Transit II-A carrying navigation and radiation instruments from Cape Canaveral. A Greb—Galactic Radiation and Beta—"piggyback" also was carried aloft, marking the first twin satellite launching to date.

August 11, 1960: A 300-pound capsule ejected by the USAF Discoverer XIII was recovered in the Pacific, marking the first recovery of an object ejected from an orbiting satellite.

August 16, 1960: USAF Capt. Joseph W. Kittinger, Jr., testing equipment and free-fall technique, parachuted from an open gondola 102,800 feet above the AFMDC, Holloman AFB. He free-fell for 4.5 minutes before opening his chute at 17,500 feet. The entire jump required 13 minutes and 8 seconds.

August 19, 1960: A capsule ejected by the USAF Discoverer XIV became the first object recovered in midair from an orbiting satellite. USAF Capt. Harold F. Mitchell piloted a C-119 to a successful catch above the Pacific. Discoverer XIV had been launched from Vandenberg AFB, Calif., the previous day.

October 4, 1960: The USAF Thor-Able-Star successfully launched the Courier I-B communications satellite from Cape Canaveral. After completing one orbit, it received a recorded message from President Eisenhower beamed from Fort Monmouth, N.J., which was retransmitted to a station in Puerto Rico. This marked the 100th launch of a Thor—military and scientific combined.

November 12, 1960: Discoverer XVII was launched by a Thor-Agena-B from Cape Canaveral, marking the first time a restartable Agena-B second stage was flown successfully.

January 24, 1961: The first Atlas E was fired successfully from Cape Canaveral.

January 31, 1961: Ham, a chimpanzee trained at the Aeromedical Field Laboratory, Holloman AFB, rode a Redstone rocket in a 115-mile high, suborbital flight 420 miles down the AMR.

February 1, 1961: The first Minuteman was launched by an all-Air Force crew 4,600 miles down the AMR, impacting in the target area. The Minuteman is the first solid-fuel ICBM.

February 22, 1961: The USAF Thor-Able-Star launched the Navy's Transit III-B vehicle into orbit from the AMR. The satellite, like its predecessors, was designed to be of worldwide military and commercial navigational aid.

March 8, 1961: The Department of Defense assigned responsibility for military space development activities to the Air Force.

April 1, 1961: The Air Force Systems Command—AFSC—was formed from elements of two former commands—the Air Research and Development Command—ARDC—and the Air Materiel Command—AMC. The latter became the Air Force Logistics Command—AFLC.

May 3, 1961: The first successful launch of a Titan ICBM from an underground silo was made from Vandenberg AFB.

May 5, 1961: Comdr. Alan B. Shepard made the first manned, sub-orbital flight under Project Mercury 5,100 miles down the AMR.

June 5, 1961: The first aerospace research pilot course began at the AFFTC, Edwards AFB. The first graduates formed the faculty for the new course of the Air Force Experimental Flight Test Pilot School.

June 16, 1961: A rocket test stand designed to support tests of rockets producing 1.5 million pounds of thrust was completed at the AFFTC, Edwards AFB.

June 20, 1961: The Arcas-Robin series—probes of upper atmosphere—was concluded at the APGC, Eglin AFB.

June 23, 1961: USAF Maj. Robert M. White set a new speed record for manned aircraft when he flew the X-15 at 3,603 miles per hour over the AFFTC, Edwards AFB range. Major White attained the record with a full-throttle operation of the XLR-99 engine for 75 seconds.

June 29, 1961: Transit IV-A, the navigational satellite, was launched from Cape Canaveral by a Thor-Able-Star booster. The satellite was the first such vehicle equipped with nuclear power. Its power source was a radioisotope-powered battery of the SNAP—systems for nuclear auxiliary power—series.

July 1, 1961: Three contract management regions were reassigned to AFSC in keeping with the single manager responsibility for aerospace systems acquisition. The three are eastern contract management region—ECMR—Olmsted AFB, Pa.; the central contract management region—CCMR—Wright-Patterson AFB, Ohio; and the western contract management region—WCMR—Mira Loma AFB, Calif.

July 6, 1961: An Atlas E ICBM launched from Cape Canaveral established a record for a U.S. military missile by rocketing to target 9,050 miles before impacting its 1.5-ton nosecone 1,000 miles southeast of Capetown, South Africa.

July 12, 1961: Tiros III was launched by a Thor-Delta booster from Cape Canaveral. The satellite, 42 inches in circumference, weighing between 280 and 300 pounds, carried television cameras and infrared sensors to photograph cloud covers of the earth from a maximum altitude of 400 miles.

July 14, 1961: The first free flight of a GAM-72B Quail—diversionary—missile was launched from the Eglin (Fla.) Gulf Test Range.

July 21, 1961: USAF Capt. Virgil I. Grissom made the second manned suborbital flight in the Liberty Bell 7 capsule when he rode a Redstone rocket 303 miles down the AMR at 5,310 mph.

August 8, 1961: An Atlas F ICBM was launched for the first time from Cape Kennedy. The "F" missile, designed for long-term storage of liquid fuels and for a shortened countdown, was the only Atlas model scheduled for emplacement in hardened, underground silos.

August 15, 1961: An Air Force Thor-Delta booster placed Explorer XII into orbit from Cape Canaveral. The satellite carried instruments to measure the Van Allen radiation belt. The highly eccentric orbit of the satellite permitted the study of phenomena at altitudes between 170 and 50,000 miles.

September 13, 1961: The worldwide Mercury tracking network was used for the first time in observing the orbit of an unmanned vehicle launched by an Atlas booster. The test demonstrated to the National Aeronautics and Space Administration—NASA—that the Air Force Atlas was capable of launching a man into orbit.

October 5, 1961: USAF Lieutenants Melvin E. Pollard and Craig V. Miller completed a 17-day experiment in an 8- by 12-foot steel cabin—breathing almost 100 percent oxygen—in a bioastronautic study of mental and physical reflexes and processes. For 20 hours daily the officers alternated in the operation of the control panel of a behavior simulator. Vice President Lyndon Johnson congratulated the officers and entered the cabin after the test was completed. The experiment was conducted at the Aerospace Medical Center, Brooks AFB, Tex.

October 10, 1961: The APGC, Eglin AFB, conducted its 200th high-altitude launch of probe vehicles for making meteorological and other investigations.

October 12, 1961: The Air Force Experimental Flight Test Pilot School was designated the USAF Aerospace Research Pilot School, Edwards AFB.

November 1, 1961: Air Force aerospace research resources were incorporated into the newly established Aerospace Medical Division—AMD—of the AFSC.

November 9, 1961: USAF Maj. Robert M. White piloted the X–15 aircraft to a top speed of 4,093 m.p.h. (mach 6.04) while flying at full throttle at an altitude of 101,600 feet above the test range at Edwards AFB.

November 15, 1961: A Thor-Able-Star boosted the U.S. Navy's Transit IV–B carrying the TRAAC satellite—transit research and attitude control—into orbit from Cape Canaveral to test gravity system for satellite attitude control.

November 17, 1961: A Minuteman was fired from Cape Canaveral in the first fully successful launch of the ICBM from an underground silo.

November 21, 1961: A USAF crew test-fired its first Titan when members of the 6555th Aerospace Test Wing launched a test missile on a 5,000-mile flight from Cape Canaveral.

November 23, 1961: The entire Atlas E force was activated and deployed with the acceptance from AFSC of the ICBM by a SAC squadron at Warren AFB, Wyo.

December 12, 1961: A Thor-Agena–B boosted Discoverer XXXVI from Vandenberg AFB. It carried a "piggyback" satellite, the first such satellite built by private citizens. It transmitted Morse code messages to ham operators throughout the world.

December 15, 1961: Students of class no. 1 of the military space pilots course were graduated from the Aerospace Research Pilot School, Edwards AFB.

January 26, 1962: An Atlas boosted a Ranger III from Cape Canaveral that bypassed the moon and went into solar orbit.

January 29, 1962: The 47th and last Titan I ICBM was test-fired successfully from Cape Canaveral. In all, 34 of the shots were successful, with 9 partially successful, and 4 unsuccessful.

February 15, 1962: In the fifth consecutive silo launch, a Minuteman ICBM set a new record by rocketing 3,900 miles from its pad at Cape Canaveral.

February 19, 1962: A USAF T–38 Talon—a twin engine, supersonic trainer made by Northrop—set four time-to-climb records: 1.86 miles in 35.62 seconds; 3.72 miles in 51.429 seconds; 5.58 miles in 64.76 seconds, and 7.44 miles in 95.74 seconds. Records were made at Edwards AFB.

February 20, 1962: An Air Force Atlas D booster launched Lt. Col. John H. Glenn from Cape Canaveral on the first American manned orbital trip. AFSC units shared in both the recording and tracking functions during the three-orbit flight, in addition to research and development preliminaries of the specially built booster.

Feburary 28, 1962: CWO Edward Murray was ejected from a B–58 traveling 565 m.p.h. at an altitude of 20,000 feet, ending 20 months of successful testing of an escape capsule for B–58 crews at the AFFTC, Edwards AFB. His work qualified the former paratrooper for the AFSC Aerospace Primus Club, an organization restricted to persons who have contributed significant aerospace "firsts."

March 16, 1962: The first successful launch of a Titan II ICBM was made from Cape Canaveral.

March 23, 1962: An all-Air Force crew launched an Atlas D from Vandenberg AFB during a visit by President Kennedy.

April 18, 1962: The first Titan I squadron complex at Lowry AFB, Colo., was transferred formally by AFSC to the Strategic Air Command—SAC—operational inventory.

April 23, 1962: An Air Force Atlas boosted Ranger IV from Cape Canaveral its payload presumably landing on the moon.

May 1, 1962: The office of Deputy to the Commander for Manned Space Flight was established at Headquarters AFSC as the AFSC focal point for all Air Force actions pertaining to the national manned space flight effort.

May 2–5, 1962: AFSC Management Conference was held in Monterey, Calif. It was attended by 130 prominent leaders in industry, science, finance, and education, along with senior government officials for a frank exchange of views under the subject, "Systems Acquisition and Management in Today's Environment." Addresses, papers, and seminars to the conference resulted in numerous, valuable recommendations for follow-up action.

May 4, 1962: A Titan ICBM was launched from the PMR, marking the 100th successful firing from Vandenberg AFB.

June 1, 1962: A Thor-Agena-B rocket launched Oscar II, a 10-pound piggyback payload, from Vandenberg AFB for the American Radio Relay League (ARRL). The device broadcast "Hi" to worldwide amateur radio operators.

June 19, 1962: A Thor-Delta booster placed Tiros V in orbit from Cape Canaveral. The satellite, 42 inches in circumference, weighing from 280 to 300 pounds, was launched to photograph cloud covers of the earth from 400 miles high.

July 1, 1962: AFSC consolidated all its track testing under its AFMDC, Holloman AFB. All surplus tracks were inactivated or put on standby status.

July 10, 1962: The world's first international communications satellite, Telstar I, was rocketed into an earth orbit from Cape Canaveral by a Thor-Delta missile. The 170-pound satellite made possible the relay of live television and radio programs between the United States and Europe.

July 16, 1962: An escape capsule for the crew of the XB–70 supersonic bomber was tested successfully at the AFFTC, Edwards AFB.

July 17, 1962: Maj. Robert White flew the X–15 experimental aircraft 314,500 feet—59.6 miles—above the California coast for a new altitude record and became the first pilot to receive Astronaut Wings for man-controlled flight above 50 miles.

July 26, 1962: The Research and Technology Division—RTD—Bolling AFB, Washington, D.C., was established under AFSC, thus enhancing the in-house research and exploratory development capabilities of the command.

August 1, 1962: U.S. Air Force launched the first Atlas F from an underground silo. The ICBM targeted to the vicinity of the Marshall Islands, 5,000 miles from its Vandenberg AFB launching site.

August 9, 1962: A single Air Force crew launched two Atlas missiles from Vandenberg AFB with only 13 minutes elapsing between launches. The feat ended the Atlas D category III test program supported by AFSC.

August 10, 1962: The Clinical Sciences Division of the School of Aerospace Medicine, AMD, Brooks AFB, completed evaluation of 32 astronaut candidates for NASA and a group of applicants for the USAF aerospace research pilot course, Edwards AFB.

August 13, 1962: An all-Air Force crew conducted its first launch of an Atlas F ICBM from Cape Kennedy.

August 27, 1962: Mariner II, a Venus probe, was launched from Cape Canaveral by an Atlas ICBM. The probe passed within 20,000 miles of Venus on December 14, 1962.

August 28, 1962: The APGC, Elgin AFB, completed its 300th high-altitude space probe 42 months after the program went into operation. A Nike-Cajun was launched 90 miles to measure electronic propagation of the ionosphere.

September 20, 1962: Maj. H. C. Gordon, R. L. Rogers, and J. W. Wood; Capts. A. H. Crews, Jr., and W. J. Knight—all USAF officers—and Milton Thompson, NASA, were named to participate in the X–20 Dyna-Soar spacecraft operational program.

October 31, 1962: ANNA, a geodetic research satellite, was placed into orbit from Cape Canaveral by the USAF's Thor-Able-Star. The satellite contained instruments designed to mark position on the earth, locate the center of its mass and measure its strength and determine the direction of the gravitational field.

November 13, 1962: The Air Force announced that the world's smallest satellite was boosted into orbit by an Atlas-Agena at the PMR. The tetrahedral radiation satellite—TRS—a 1.5 pound, pyramid-shaped satellite, was designed to send back data on the Van Allen radiation belt.

December 5, 1962: The last test flight of an Atlas ICBM—an all "Blue Suit" launch—landed 5,000 miles from its Cape Canaveral launch site.

December 11, 1962: Malmstrom AFB, Mont., became the first Minuteman ICBM operational base with the turnover of the first two flights to SAC by AFSC.

December 13, 1962: Relay, a communications satellite, was launched into earth orbit from Cape Canaveral by Thor-Delta missile.

December 18, 1962: The 6595th Aerospace Test Wing, using a Scout booster, launched the U.S. Navy's Transit 5–A satellite from Point Arguello, Calif. The test wing is assigned to the Space Systems Division—SSD—Los Angeles, Calif.

January 1, 1963: The Rome Air Development Center—RADC—Griffiss AFB, N.Y., was assigned to the RTD, Bolling AFB.

January 25, 1963: The first counter-insurgency—COIN—aircraft, a modified B–26, was rolled out in ceremonies at Van Nuys, Calif. The program is the responsibility of the Aeronautical Systems

Division—ASD—Wright-Patterson AFB, Ohio.

February 6, 1963: The first launch of a Titan II ICBM by an all-Air Force crew was accomplished. The missile carried the heaviest payload ever filed a distance of 6,500 miles by a ballistic missile.

February 15, 1963: A thermoelectric converter that absorbs solar energy and converts it into electrical energy underwent an orbital test flight from Vandenberg AFB.

March 1, 1963: A pool of 16 officer and civilian pilots from the Air Force, Navy, Marines, and NASA was assigned to the Gemini-Apollo project. The pilots: NASA Pilot Neil A. Armstrong; USAF Maj. Frank Borman; Navy Lt. Comdr. M. Scott Carpenter; Navy Lt. Charles Conrad, Jr.; USAF Maj. L. Gordon Cooper; Marine Lt. Col. John H. Glenn, Jr.; USAF Maj. Virgil I. Grissom; Navy Lt. Comdr. James Lovell, Jr.; USAF Capt. James McDivitt; Navy Comdr. Walter M. Schirra; Navy Comdr. Alan B. Shepard; NASA Pilot Elliot See, Jr.; USAF Maj. Donald K. Slayton; USAF Capt. Thomas P. Stafford; USAF Capt. Edward H. White, II; and Navy Lt. Comdr. John W. Young.

March 22, 1963: The Department of Defense announced the appointment of Maj. Gen. L. I. Davis, AFMTC Commander, as the DOD representative for Project Gemini support operations.

May 1, 1963: The Air Force Weapons Laboratory at Kirtland AFB, N. Mex., was assigned to RTD, Bolling AFB.

May 1, 1963: Mrs. H. H. Arnold christened the first Advanced Range Instrumentation Ship—ARIS—the *General H. H. Arnold*, named in honor of the late general, at Port Canaveral, Fla.

May 16, 1963: U.S. Air Force Maj. L. Gordon Cooper completed 22 orbits of the earth in 34 hours, 20 minutes and 30 seconds, following the MA–9 launch the previous day from Cape Canaveral.

June 27, 1963: U.S. Air Force Maj. Robert A. Rushworth earned Astronaut's Wings by piloting an X–15 aircraft 3,545 m.p.h. at the 286,000-foot altitude level—approximately 54 miles—above the range at Edwards AFB.

July 1, 1963: Restructuring placed the Air Force Materials Laboratory, the Air Force Avionics Laboratory, the Air Force Aero-Propulsion Laboratory, and the Air Force Flight Dynamics Laboratory at Wright-Patterson AFB, under the operational control of RTD, Bolling AFB.

July 18, 1963: Mrs. Hoyt S. Vandenberg christened the second of two Advanced Range Instrumentation Ships—ARIS—the *General Hoyt S. Vandenberg*, named in memory of her late husband, at Baltimore, Md.

July 20, 1963: The world's largest solid-propellant rocket motor was fired at the United Technology Center southeast of San Francisco, Calif. The two motors produced more than 2 million pounds of thrust—more than 2.5 times the amount of thrust produced by the Atlas booster which placed U.S. Air Force Maj. L. Gordon Cooper in orbit almost 3 months earlier.

July 23, 1963: The X–19 vertical take-off and landing craft—VTOL—was rolled out in ceremonies at the Curtiss-Wright Corporation, Caldwell, N.J. The program is under the management responsibility of the ASD, Wright-Patterson AFB.

August 17, 1963: The cooperative, tri-service program conducted to build a new family of VTOL was announced by AFSC. The three services are sharing equally in funding, support, and evaluation of the X–19, XC–142A, and the X–22A experimental aircraft.

August 22, 1963: President Kennedy pressed a button at the White House to open the hangar doors at Lockheed-Marietta, Ga., to begin the C–141A transport rollout ceremony. The giant cargo transport, known as the Starlifter, has the largest wings of any jet in the world. Speaking over closed-circuit television to the audience, President Kennedy said, "This aircraft will soon give us the means to quickly transport significant numbers of men and substantial quantities of equipment to any point in the world where our national interest may be endangered. By increasing our effectiveness, it is a real contribution to world peace." The program is part of the management responsibility of the ASD, Wright-Patterson AFB.

September 11, 1963: A $3.5 million spaceship simulator to train crews for space flight, space intercepts and orbital rendezvous at the AFFTC, Edwards AFB, has been ordered by AFSC, the command revealed at the Air Force Association meeting, Washington, D.C.

September 18, 1963: ASSET—Aerothermodynamic/elastic structural systems environmental tests—was launched from Cape Canaveral to an altitude of 40 miles by a Thor booster. This was the first in a series of such vehicles designed to explore the guidance of reentry into the atmosphere from space.

September 30, 1963: The development of a new pressure suit by ASD, Wright-Patterson AFB, for X–20 Dyna-Soar pilots was announced by AFSC. The suit permits more freedom of movement than its predecessors and may be worn for 36 hours without discomfort.

November 21, 1963: President Kennedy dedicated the new building complex of the U.S. Air Force School of Aerospace Medicine at the AMD, Brooks AFB.

November 28, 1963: President Lyndon B. Johnson told a nationwide television and radio audience that Cape Canaveral would henceforth be known as Cape Kennedy in memory of the late President of the United States.

December 17, 1963: The first successful flight of the C–141 Starlifter took place at Dobbins AFB, Ga. Featuring four fan-jet engines, the plane can cross any ocean nonstop at speeds of more than 500 miles per hour.

II. FROM ANDREWS FIELD

We departed from Andrews Field at 11:25 a.m., arriving at Langley Field at 11:58 noon. We met Gen. Walter C. Sweeney, Commander TAC; Lt. Gen. Charles B. Westover, Vice Commander TAC; Maj. Gen. Walter Arnold, Chief of Staff; Maj. Gen. D. O. Darrow, Deputy for Plans; and Brig. Gen. J. N. Ewbank, Assistant Deputy for Operations.

After the welcoming remarks by Commander of TAC Gen. Walter C. Sweeney we were briefed on command post orientation by Major Spence.

Also combat status briefing, Lt. Col. Swanson and Captain Tucker. TAC classified command briefing, Major Spence and Captain Goodman, OI command post.

Then we viewed aircraft in base operations hangar, and aircraft static display.

Departure 4:25 p.m. for Offutt AFB. Arrived Offutt 6:20 p.m. mountain standard time.

The biography of TAC Commander Gen. Walter C. Sweeney is as follows:

> Walter Campbell Sweeney, Jr., was born in Wheeling, W. Va., July 23, 1909. He was graduated from the U.S. Military Academy and commissioned a second lieutenant in the infantry on June 12, 1930.
>
> In October 1934 he entered primary flying school at Randolph Field, Tex., with subsequent graduation from the advanced flying school in October 1935 at Kelly Field, Tex. His first assignment was with the 3d Attack Group at Barksdale Field, La.
>
> In June 1939 General Sweeney joined the 5th Bomb Group in Hawaii and the following February transferred to the 11th Bomb Group in Hawaii as commanding officer of the 432d Bomb Squadron. He commanded the Army Air Force Task Group which participated in the Battle of Midway in June 1942. In July 1942, he became Air Officer for the Theater Group, Operations Division of the War Department General Staff.
>
> With the coming of the B–29, he was assigned to the 73d Bomb Wing, a new unit being equipped with this new weapon. Activated at Salina, Kans., this unit was later to bring its crushing striking power to bear on the Japanese homeland from its Saipan base in the Pacific. General Sweeney served this unit as its chief of staff and deputy commander. While with the wing in the Marianas, he participated in the first unprecedented low-level attack with B–29's against the Japanese, and was on a later mission to lose his aircraft, paddle ashore in a liferaft, and return to his island base. In July 1945 he became Director of Plans of the Strategic Air Force, Pacific Ocean Area, in Guam.
>
> After the war he served as a member of the Joint War Plans Committee for the Air Force in Washington, D.C., in August 1946.
>
> In October 1947 General Sweeney was assigned to the Office of the Secretary of the Air Force, and the following year was named Director of Plans for the Strategic Air Command with headquarters in Omaha, Nebr.
>
> In April 1953 he was selected to command the 15th Air Force at March Air Force Base, Calif. In June 1954 while commander of this strategic bombing air force, he led a trio of stratojets in history's first nonstop flight for jet bombers across the Pacific.
>
> For 6 years, from August 1955 until September 1961, General Sweeney commanded the 8th Air Force at Westover Air Force Base, Mass.
>
> September 30, 1961, General Sweeney assumed command of the Tactical Air Command with headquarters at Langley Air Force Base, Va.
>
> General Sweeney has been awarded the Distinguished Service Cross, Silver Star, Legion of Merit with one Oak Leaf Cluster, Distinguished Flying Cross and Air Medal.
>
> He is rated a command pilot, aircraft observer, and technical observer.
>
> General Sweeney is married to the former Midge Murray of Fort Myers, Fla. They have two children, Walter III, and Anne.

TACTICAL AIR COMMAND

TAC's mission—to provide fast-reacting, combat-ready tactical air power to employment anywhere in the world.

TAC's functions—to develop and perfect tactical air power doctrine and weapon systems designed to produce maximum combat capabilities;

To develop and test new techniques in special air warfare operations and train United States and Allied aircrews in the application of tactics, to cope with all forms of unconventional warfare;

To train and equip tactical air personnel and units in support of oversea tactical air forces and TAC wings in the United States. To insure the same capabilities for assigned Air National Guard and Air Force Reserve units;

To develop and maintain troop carrier and close support tactical fighter forces in support of U.S. Strike Command Airborne and ground operations; and

To provide flexible composite air strike forces for quick deployment to oversea theaters to operate independently or in conjunction with deployed United States and Allied forces.

TAC's mobility—with refined inflight refueling, TAC forces have unlimited range and global mobility. Crews are trained and equipped to deploy in desired strength on short notice. Mission support kits, with spare parts and equipment for 30-day operation, are packed and ready to go.

Emergency procedures and packaging for immediate deployment to unprepared, bare-base operating areas.

The 12th Air Force is located at Waco, Tex. It is responsible for all TAC and assigned Reserve units west of a line described by the Mississippi and Ohio Rivers and western border of the State of Ohio.

The 19th Air Force, located at Seymour Johnson Air Force Base, N.C., is a unique organization. With a normal complement of about 60 officers and airmen, and commanded by a general officer, the 19th is TAC's mobile command element for the control of tactical air units during oversea deployments, training exercises, and in joint operations as the air component of a Stricom force.

In April 1961, TAC's 4400th Combat Crew Training Squadron was activated at Eglin Air Force Base, Fla., for the purpose of developing and training U.S. and allied aircrews in special airborne techniques and tactics for counterinsurgency operations. A year later, the expanded facility was designated the USAF Special Air Warfare Center, comprising the 1st Air Command Group and the 1st Combat Applications Group. Detachments of Air Commando Groups, flying World War II type aircraft—C-46, C-47, B-26, T-28, et cetera—are deployed and attached to U.S. air missions in Allied countries for the purpose of training aircrews of host nations in air counterinsurgency operations. Under the impetus of expansion, the 1st Air Commando Group attained wing status in June 1963.

Because of increasing importance of Tactical Aerial Reconnaissance which played a key role in the Cuban crisis of 1962—TAC was directed to establish the USAF Tactical Air Reconnaissance Center at Shaw Air Force Base, S.C., early in 1963. It has been, and will continue to be, the focal point for the development, testing, and application of improved aerial surveillance capabilities.

The TAC organization is distributed over a network of 14 U.S. bases controlled by TAC, with several "tenant units" located on bases of other major commands. Included among the latter are the 4504th Missile Training Wing at Orlando Air Force Base, Fla., the 516th Troop Carrier Wing at Dyess Air Force Base, Tex., the 31st Tactical Fighter Wing at Homestead Air Force Base, Fla., and the 366th Tactical Fighter Wing at Holloman Air Force Base, N. Mex.

In addition, TAC maintains four tactical fighter squadrons and one airlift squadron at oversea bases at all times. These are rotational units which operate under command and control of U.S. Air Forces in Europe during periods of deployment. Also, TAC maintains a provisional airlift squadron at Howard AFB, Canal Zone, in support of the commander in chief, Southern Command.

Under the influence of a continuing buildup in U.S. limited war forces since 1962, TAC has added 5 new tactical fighter wings, for a total of 12. TAC also began procuring the F-4C—Air Force version of the Navy F-4H Phantom II—as a means of quickly augmenting TAC Command's striking power and increasing flexibility. In addition to the 12 tactical fighter wings, the command has 4 airlift wings, 1 air refueling wing and the Tactical Air Reconnaissance Center composed of 4 reconnaissance squadrons. In addition, TAC is responsible for training and maintaining in combat-ready status certain Air Force Reserve and Air National Guard Tactical Fighter, Reconnaissance, Air Refueling and Troop Carrier Wings.

These Reserve Forces are maintained at a high degree of combat readiness for immediate recall to active duty. In October and November of 1961 a number of Air National Guard and Air Force Reserve wings, squadrons and support units were recalled to active duty. Some were deployed overseas and others remained in the United States under TAC control.

The basic concept of TAC's operation is quick-reacting global mobility. The backbone of the operation is inflight refueling and the Composite Air Strike Force concept.

The Composite Air Strike Force, more commonly known as "CASF," is TAC's initial response element designed to meet any contingency anywhere in the world at a moment's notice. CASF is essentially a packaged Air Force, tailored specifically for a given mission with a built-in capacity for follow-on expansion.

TAC's entire organization of operational forces is adaptable to the CASF profile, which may require as few as 50 aircraft or as many as 300. Its mission concept covers the full range from a show of the flag to waging war in any remote corner of the world.

The CASF command element is the 19th Air Force, complete with jet-powered air command post which enables the commander to maintain communication with TAC Headquarters, the Pentagon Command Post and any major command overseas. The Airborne Command Post is an integral part of the TAC Command Control at Langley Air Force Base, which ties the entire command together as an integrated fast-reacting and highly mobile force.

Because of its versatility and flexibility, the CASF is equally suited to operate independently or to reinforce oversea tactical air forces. TAC also is ready to dispatch CASF units to widely separated areas for the same or different missions.

This was clearly demonstrated in 1958 when CASF units were deployed to the Middle East to meet the Lebanon crisis in July and the Far East in response to the Formosan emergency a month later. With these two forces deployed, TAC still had the ability to deploy a third, or to reinforce the two CASF's already in place. And in August of 1961 six tactical fighter squadrons were sent to Europe to augment Allied forces during a critical period. During the Cuban crisis in 1962, TAC had a powerful fighting force in Florida ready for any eventuality, while TAC reconnaissance planes provided the intelligence photographs on which vital Presidential decisions were based.

The same quality of flexible mobility that has characterized TAC's CASF configuration is a key factor in the command's responsibilities to the U.S. Strike Command. TAC also contributes extensively to the development, testing and refinement of air-ground joint operations techniques and tactics in concert with Stricom and the Continental Army Command.

AGENDA—FEBRUARY 13, 1964

1158: Arrive base operations, Langley Air Force Base.

1200: Proceed to officers' open mess.

1215-1315: Luncheon, Hampton Room, officers' open mess.

1315: Depart officers' open mess for Headquarters TAC, Building No. 1. Proceed to the command post.

1320-1335: Welcoming remarks by the Commander, TAC or representative.

1335-1340: Command post orientation briefing, Major Spence, OI, command post.

1340-1350: Combat status briefing, lieutenant Colonel Swanson and Captain Tucker, command post.

1350-1440: TAC classified command briefing, Major Spence and Captain Goodman, OI, command post.

1440-1505: "Full Scope" film, command post.

1505-1520: Coffee break.

1520-1540: Discussion, Conference Room No. 1.

1540: Depart Headquarters TAC, Building No. 1 for base operations hangar.

1555-1625: View aircraft static display.

1645: Departure to Offutt Air Force Base, Nebr.

LANGLEY AIR FORCE BASE

Langley Air Force Base was conceived at the 1916 meeting of the National Advisory Committee for Aeronautics—NACA—when it was agreed that a need existed for a joint experimental airfield and proving ground for aircraft to be used by the Army, Navy, and NACA.

A year later—June 28, 1917—the base, then known as Langley Field, was authorized and construction began under the supervision of the Air Service Section of the Signal Corps.

The base is located on the lower peninsula of Virginia, adjacent to Hampton, the oldest continuous English-speaking community in the United States.

From its inception, Langley has been a vital part of the growth of military aviation in the United States. During its first 10 years it operated under the Air Service Section of the Signal Corps and in the final months of World War I total strength was about 475 officers and 4,700 troops.

Assigned units included several aero squadrons, a photo school detachment, a camouflage detachment, an aerial observer school, a balloon detachment, an air service flying school, and several engineer construction companies.

With the Armistice in 1918 a majority of military personnel were discharged, including all labor units, and until 1935 the field's strength averaged no more than 1,500 personnel.

During this period Langley Field continued to serve as the principle experimental agency for the NACA, providing the test facilities which were necessary to promote and accommodate the gradual evolution of aviation.

The first air service field officers' school, later to be known as the Air Corps Tactical School, opened at Langley in 1920. It was responsible for training student officers to commend and direct air units, to emphasize close cooperation with other branches of the Army, and to give students sufficient technical training to enable them to teach technical staff officers. This was the beginning of the development of a sound tactical doctrine for the Air Corps.

In 1921 the Provisional Air Brigade was formed. It was to become the focal point for the saga of Gen. Billy Mitchell, father of modern bombardment. The PAB was formed for the purpose of conducting bombing experiments against former German warships. General Mitchell personally supervised the training of the organization and the maneuvers off the eastern shore of Virginia near Cape Charles.

The first target was the German destroyer G–102. Moored 60 miles off Cape Charles, the G–102 was attacked by some 50 Army planes, 3 blimps and 7 Navy planes. Two direct hits sank the destroyer. This led to further experiments, designed to prove the vulnerability of shipping and naval vessels to aerial bombardment.

Despite post-World War I demobilization and delays in construction, by 1935 Langley was one of the finest airbases in the country and the stage was set for the transfer of general headquarters staff of the Air Corps to Langley on March 1, 1935. At that point, Langley Field became the center of tactical air power for the U.S. Army.

In 1941, when general headquarters of the Army Air Force moved to Bolling Air Force Base at Washington, D.C., Langley was transferred to the 1st Air Force. In this capacity, it was responsible for training of bombardment groups and their supporting observation and reconnaissance units.

With the declaration of war in December 1941, Langley's units were ready for action. The 22d Bombardment Group was deployed to California while the 2d Bombardment Group and the 3d Observation Squadron remained at Langley to participate in the battle for control of Atlantic coastal waters.

During the first year of World War II various sea search groups were formed and trained in the operation and maintenance of search radar. Thus Langley became the focal point for development of a new military technique; radar for search, navigation, and bombardment. The influence of this activity was felt in both the Pacific and European theaters throughout the war.

In 1946 Langley entered a new phase when the Tactical Air Command, established at Drew Field, Fla., was moved to the base. This action was predicated on the proximity to Fort Monroe, home of the then Army Field Forces, and Norfolk, home of the Atlantic Fleet. Later, Fort Monroe became headquarters for the Continental Army Command, and Norfolk became home base for the North Atlantic Treaty Organization's Atlantic Command as well as fleet headquarters.

From December 1948 until December 1950, TAC was an operational headquarters under the control of ConAC. At this time, Langley AFB was also assigned to ConAC. During the period from February 1949 to August 1950, Langley was the home of the 9th Air Force. This was the only period in the history of Langley Field that a numbered air force was located on the base.

Since that time, Tactical Air Command has become a versatile air force with global mobility and worldwide commitments. And Langley's activities in space increased significantly in 1958 with establishment of the National Aeronautics and Space Administration to replace and expand upon the concept of the old NACA.

TAC, through its CASF deployments and responsiveness to contingencies, and NASA, as the home of the original seven astronauts, have achieved worldwide prominence.

TIDEWATER, VA., AND HAMPTON ROADS

Tidewater, Va., extending from Yorktown in the north to the North Carolina border, is an area steeped in American history and tradition. It is also unique in that it contains the greatest concentration of military commands in the world.

Major elements of the Air Force, Army, Navy, and Marine Corps are located within the area, which also embraces Hampton Roads, the largest natural deepwater harbor in the world.

Major military commands and organizations include:

Tactical Air Command, Langley Air Force Base; Continental Army Command, Fort Monroe; Atlantic Fleet Headquarters, Allied Command Atlantic and other major Fleet Commands, Norfolk; Army Transportation Training Command, Fort Eustis and Fort Story; Norfolk Naval Shipyard, Portsmouth.

There are additional subordinate commands located within the complex, giving credence to the claim that more generals and admirals are assigned to the Tidewater area than there are in Washington.

Besides its vital present-day role in national defense, Tidewater, Va., holds a distinguished position in American history. The first English-speaking colony was established at nearby Jamestown. And Williamsburg not only is the State's colonial capital, but was the scene of what many historians consider the birth of the Declaration of Independence, conceived and written by Thomas Jefferson.

Yorktown, the northern pivot of the Tidewater area, was the site of Lord Cornwallis' surrender and the final victory of the American Revolution. Thus the area is the cradle of the Nation's founding in 1607 and its birth in freedom in 1783.

Although regarded for many years as a nonindustrial area, noted principally for its military installations and seaport activities, Hampton Roads has a strong commercial-industrial base that is rapidly expanding.

The Newport News Shipbuilding & Dry Dock Co., with 17,000 employees, is the largest single manufacturing establishment in the southeast. The yard has built some of the world's largest passenger liners and many of the great American warships, including the atomic-powered aircraft carrier *Enterprise*, the largest warship ever built.

Another large shipbuilding facility is the Norfolk Shipbuilding & Drydock Corp. The Ford Co. also operates a large assembly plant in Norfolk, employing an average of 1,700 workers.

In recent years industrial expansion throughout the area has been accelerated under impetus of the Tidewater, Va., Economic Council, combining the efforts of political subdivisions in the Hampton Roads area seeking new industries.

Since World War II, the entire Tidewater area has experienced a tremendous population explosion, with more than 1 million people now living in the communities bordering Hampton Roads. And expansion is expected to continue at a rapid rate with the linking of communities separated by water with a network of bridge-tunnel systems.

In 1952 the first bridge-tunnel across the Elizabeth River was opened, connecting Norfolk and Portsmouth. In 1958 the Hampton Roads bridge-tunnel formed a physical link between the lower peninsula and the Norfolk side of the roads. In 1961 construction began on a $200 million, 17.5-mile bridge-tunnel complex that will connect the Virginia eastern shore and Norfolk across Chesapeake Bay.

This is the first link of what is expected to become a direct highway system between New England and Florida. Tidewater planners confidently predict an accelerated expansion of the entire area over the next decade.

In addition to its military-maritime-industrial character, Tidewater, Va., is an important resort area, boasting a wide assortment of recreational facilities, including major ocean and bay beaches and amusement parks.

In recent years the major cities have undertaken extensive urban renewal programs in an effort to eliminate decay and rehabilitate downtown areas. These programs have been stimulated by a steady flow of city dwellers to newly developed suburban sections, which has caused homebuilding booms.

The tremendous growth of the Tidewater area is reflected in Norfolk, whose population has jumped from 140,000 in 1941 to 320,000 today. More than 30,000 private homes have been built in Norfolk and Princess Anne County since 1952.

Much the same applies to other Tidewater communities, and serves to depict the dynamic growth of the entire area. It is a pattern that observers predict will continue over the next 10 years.

III. OFFUTT AIR FORCE BASE, NEBR.

Ten Members of the U.S. House of Representatives visited Strategic Air Command headquarters, Offutt Air Force Base, Nebr., February 13 for an orientation on the command's activities.

The Congressmen met with Gen. Thomas S. Power, SAC commander in chief, received briefings on the command's mission and toured the headquarters facilities, including the underground command post.

The lawmakers orientation visits began at Air Force headquarters in the Pentagon, Washington, D.C., with escort officers Col. John M. Chapman and Maj. Harry M. Punk. Other stops included in the group's itinerary were Air Force Systems Command, Andrews Air Force Base, Md., and the Tactical Air Command, Langley Air Force Base, Va.

Following their SAC stop the Congressmen visited the Air Force Academy, Colorado Springs, Colo., and SAC's 1st Strategic Aerospace Division at Vandenberg Air Force Base, Calif.

Members of the visiting party were: Representatives E. C. GATHINGS, Democrat, of Arkansas; HARLAN F. HAGEN, Democrat, of California; ROLAND V. LIBONATI, Democrat, of Illinois; J. EDWARD ROUSH, Democrat, of Indiana; DOMINICK V. DANIELS, Democrat, of New Jersey; HAROLD M. RYAN, Democrat, of Michigan; and CHARLES H. WILSON, Democrat, of California.

Also, Representatives LUCIEN N. NEDZI, Democrat, of Michigan; COMPTON I. WHITE, JR., Democrat, of Idaho; EVERETT G. BURKHALTER, Democrat, of California, and EDWARD R. ROYBAL, Democrat, of California.

Offutt AFB, formerly known at Fort Crook, was, for many years, the home of the 22d U.S. infantry. Construction of the original fort was completed in 1896. During World War I the first air unit, the 61st Balloon Company, was assigned to the post. In 1924 Fort Crook was renamed "Offutt Field" in honor of 1st Lt. Jarvis J. Offutt, who lost his life in 1918 while flying with the Royal Air Force, in France. He was Omaha's first air casualty of World War I. During World War II, principal activities on the base were the construction of a Martin bomber plant and a prisoner-of-war camp for captured Italians. In March 1946, Strategic Air Command chose Offutt for its new headquarters. Two years later, in January 1948, the field was redesignated Offutt AFB and officially transferred to the Air Force.

STATISTICS

As of the end of October 1963, the total population of the base was 12,371 officers, airmen, and civilians.

The total area of the base is 1,887 acres, exclusive of the Capehart housing area, which adds 464 acres.

Over 75 training, liaison, transport, and tanker-type aircraft are assigned to the base. They are operated by the 3902d Air Base Wing and the 34th Air Refueling Squadron, which is equipped with KC–135 jet tankers.

Base housing consists of 1,516 Capehart units, 545 Wherry housing units and 35 individual brick homes.

The net worth of the base is more than $270 million. This figure includes the base's real estate, equipment, administrative aircraft and several remote sites.

Offutt's total military-civilian payroll averages over $5 million a month.

Offutt is also the home of several other units, including: Headquarters Strategic Air Command, 1st Aerospace Communications Group, 385th Strategic Aerospace Wing, 3d Weather Wing, 544th Aerospace Reconnaissance Technical Wing, 1911th Communications Squadron, the 549th Strategic Missile Squadron with Atlas ICBM launch complexes in eastern Nebraska and western Iowa, and numerous other small units.

SAC FACTS

The Strategic Air Command: U.S. Air Force's global strike force—for 17 years the world's most powerful military force established and operating on a global basis. Operator of global communications and support systems needed to operate intercontinental weapon systems including manned bombers and intercontinental ballistic missiles.

The mission: Peacetime—Maintain a force capable of deterring Communist aggression. Wartime—Destroy the enemy's warmaking capability.

The organization: Headquarters is at Offutt AFB, near Omaha, Nebr. The SAC force is located at more than 80 bases worldwide.

The capability: The jet bomber force, through aerial refueling, has global range. Day and night at least 50 percent of the force is on ground alert in the United States and overseas, armed and positioned to take off within the warning time of an ICBM attack as provided by the ballistic missile early warning system—BMEWS. The concept of airborne alert has been tested, and found feasible, and all SAC heavy bomber units are engaged in regular airborne alert training. ICBM's are constantly on alert, supplementing SAC's manned bomber force. The bomber force is composed of approximately 600 B–47's; 600 B–52's; 500 KC–135's; 400 KC–97's and 80 B–58's. The missile force consists of 126 Atlas, 54 Titan I and a rapidly increasing force of Minuteman, of which a total of 950 are now programed. In addition, six squadrons of advanced Titan II missiles will be operational prior to the end of 1963. SAC's total missile force will be increasing at the rate of more than one a day throughout 1963.

The operation: Continuous combat training. More than 17.5 million flying hours completed. Reflex crews are on temporary alert duty overseas at all times. At least 50 percent of SAC's bomber-tanker force on alert at all times. All SAC's operational ICBM squadrons on alert at all times.

The men: More than 280,000 officers, airmen and civilian employees assigned. SAC's combat crew members have a wealth of experience. Aircraft commanders on senior and select crews, for example, average 34 years of age, the oldest being 46 and the youngest 21. Forty-one percent have flown in combat in World War II or the Korean conflict and have participated in an average of 19.5 combat missions. Each has been an Air Force officer an average of 12 years, 9 months. SAC's growing missile force includes personnel whose ages range from 18 to 56 years; the eldest officer born in 1906, the youngest airman born in 1944. Fifty percent of the officers working in the missile force are between the ages of 22 and 32, with the average officer age as 32 years. The average missile combat crew member—officer and airman—is 28 years old. Fifty-six percent of SAC's enlisted personnel are between 20 and 29 years of age, and 78 percent of them have been in the Air Force 12 years or less. Sixty percent of SAC's officers have been in service 9 years or longer, and 77 percent have attended and 44 percent have graduated from accredited colleges, universities or graduate schools.

The aircraft: B–47 Stratojet, six-jet medium bomber. Near sonic speed. B–52 Stratofortress, eight-jet heavy bomber. Near sonic speed. B–58 Hustler, supersonic bomber. Flies more than twice the speed of sound. KC–97 Stratotanker, four piston-engine tanker. KC–135 Jet Stratotanker: Four-jet tanker. Near sonic speed.

The missiles: ADM–20A Quail, decoy giving a bomberlike return on radar; designed for inflight launching to confuse enemy radar and further improve bomber penetration ability. AGM–28A Hound Dog, supersonic guided missile; nuclear warhead; carried by a B–52 and launched hundreds of miles from target. Blasts way in for B–52 and can strike widely separated targets. PGM–16D and E and HGM–16F Atlas, ICBM; liquid fuel; operational; 6,300-mile range. HGM–25A and LGM–25C Titan, ICBM; liquid fuel; operational; 6,300-mile range. LGM–30A Minuteman: ICBM; solid fuel; operational; 6,300-mile range.

The introduction of intercontinental ballistic missiles into the arsenals of the world's great powers has made it mandatory that Strategic Air Command's commander in chief be able to exercise nearly instantaneous command and control of the SAC forces.

The time available to SAC in which to respond to any enemy attack against the United States has been drastically reduced by the speed and destructiveness of these modern weapons, requiring highly improved command and control procedures.

Project 465L, the Strategic Air Command Control System—SACCS—a high-speed automated information gathering, processing, and display system is designed to meet the compressed time demands of the missile and space era.

Professional airmen at SAC bases will utilize 465L to feed data to the headquarters as well as receive information essential to their missions. At SAC and numbered air force headquarters the data received on SACCS will be viewed by the command battle staff to aid them in making decisions in the control of the SAC force.

When fully operational, sometime in 1965, SACCS will utilize approximately 250,000 miles of specially conditioned telephone circuits. Transmission of up to 3,000 words per minute will be possible. Information on the status of the force, war plans, damage reports, refueling schedules, missile availability, weather conditions—all the necessary data to aid rapid decisionmaking—will travel over the network at heretofore unheard of speeds.

In general, the system will be organized along the lines of an electronic pyramid. Each SAC base and every base at which a SAC tenant unit is located will be equipped with a "remote communications complex—RCC."

It is from this network of outlying consoles, including missile sites, that the bulk of the system's input will originate.

At missile launch control centers smaller versions of the remote complexes, "simplex remote communications complexes" tailored to fit in limited space will be provided, with installation scheduled to start on these units in 1963. In addition to the missile launch control centers, every missile unit command post will have 465L equipment which will enable it to receive fast reaction messages from the SAC commander in seconds.

From the remote complexes, operational and control data will be channeled through an electronic data transmission communication central—EDTCC—one of which will be located at each of SAC's numbered Air Force headquarters, as well as in the headquarters SAC underground command post itself. Construction and installation of this portion of the system is presently underway.

The EDTCC is an electronic computer-controlled message switching center. It will automatically receive, process, and transmit messages within the system in a matter of seconds. The system is expected to become operational in increments. As existing SAC units and new missile units programed for the future receive equipment, they will be tied into the data transmission, data processing, and data display subsystems.

The flow of information will then be fed into the system's three central computers, or "data processing centrals—DPC's." One DPC will be located at 15th Air Force headquarters on the west coast, the other two will be installed in the SAC underground command post.

The data processing centrals will process incoming traffic, update files, compare actual events with previously prepared plans, determine deviations, and automatically, or upon request, provide this information for display in the command post.

SAC's busy battle staff will view the information on large 8- by 8-foot, or 16- by 16-foot screens that are part of the "data display central—DDC." Capable of projecting seven different colors, the DDC can also supply written information at the prescribed rate of 10,000 words per minute on high speed printers.

To meet the constantly changing demands of modern warfare, 465L will boast the built-in flexibility to handle missile forces of the future, as well as the present mixed-force of bombers and missiles.

Specific facts: The "data display" subsystem of 465L includes high-speed impact printers to reproduce information for permanent and more detailed records. Request panels permit interrogations of the computer for specific data. The "data processing" subsystem employs one of the world's most modern solid-state computers. Automatic problem detection and correction techniques result in minimum of downtime and maintenance. Computers accept data, perform computation on a priority basis, and provide outputs under the control of a master executive program, which insures the machine is being used as efficiently as possible. The "stored program element," heart of the EDTCC, will automatically route information requests from other subsystems. Currently, available voice-quality land lines which have been specially conditioned, cables, and radio systems provide the interconnecting transmission links for 465L.

GEN. THOMAS S. POWER

Gen. Thomas S. Power, commander in chief of the Strategic Air Command and Director of the Joint Strategic Target Planning Staff, has been an active military flier for more than 30 years and has a wide background of command in the U.S. Air Force.

He was born in New York City, June 18, 1905, the son of Thomas S. and Mary Rice Power. Following graduation from New York's Barnard Prep, he entered the Air Corps Flying School, February 17, 1928, and was commissioned a second lieutenant in February 1929.

General Power's early service included assignments at most of the famed Air Corps fields of the day. At Chanute Field, Ill., for example, he served as a student officer. Later, he commanded the 2d Wing Headquarters Detachment at Langley Field, Va.

Other early assignments: Army air mail operations pilot, Bolling Field, Washington, D.C.; flying instructor, Randolph Field, Tex.; student at the Air Tactical School, Maxwell Field, Ala. Finally, to round out his early career, he served as engineering and armament officer at Nichols Field, in the Philippines.

During World War II, General Power first saw combat as a B–24 pilot with the 304th Bomb Wing, in North Africa and Italy.

Upon return to the United States in August 1944, he was named commander of the B–29-equipped 314th Bomb Wing—very heavy. Later he moved his B–29's to Guam as part of the 21st Bomber Command, and directed the first large-scale fire bomb raids on Tokyo, March 9, 1945.

On August 1, 1945, Gen. Carl Spaatz, then commanding general of the U.S. Strategic Air Forces in the Pacific, named General Power as his deputy chief of operations. He served in this capacity during the atomic bomb attacks on Hiroshima and Nagasaki.

During the "Crossroads" atomic bomb tests at Bikini Atoll, in 1946, General Power functioned as assistant deputy task force commander for air.

Next came assignments as Deputy Assistant Chief of Air Staff for Operations in Washington, followed by a period of air attaché duty in London. He was named vice commander of the Strategic Air Command in 1948.

In the ensuing 6 years, General Power assisted Gen. Curtis E. LeMay, then SAC commander in chief, in making the command the world's greatest deterrent force.

Then came an appointment as commander of the Air Research and Development Command. General Power held the position from 1954 to 1957.

When General LeMay was named Vice Chief of Staff of the Air Force, General Power became commander in chief of SAC and was promoted to four-star rank.

In September 1959, he received the Air Force Association's H. H. Arnold Award as "Aviation's Man of the Year."

In August 1960, General Power, in addition to his duties as CINCSAC, was named Director of the Joint Strategic Target Planning Staff by the Secretary of Defense. The staff, composed of more than 100 highly experienced officers from all branches of service, maintains a single, integrated operational plan for initial U.S. retaliatory strikes in case of global war.

General Power has been awarded the Distinguished Service Medal, Silver Star, Legion of Merit with one cluster, Distinguished Flying Cross, Bronze Star Medal, Air Medal with one oak leaf cluster, Commendation Ribbon with one cluster, and the French Croix de Guerre, with palm.

He is a rated command pilot and aircraft observer.

PEACE IS OUR PROFESSION

Strategic Air Command personnel are conceded to be among the most highly motivated and dedicated military group in the world. This high purpose stems from a firm belief in the command's deterrent mission and its symbolic motto, "Peace Is Our Profession."

For while SAC is unquestionably the most powerful striking force in the world's history, the command's primary mission is to preserve the peace. SAC's strength is such that an enemy would not dare attack the free world because of the risk of destruction from SAC's bombers and missiles.

But deterrence is many things. Gen. Thomas S. Power, SAC commander in chief, puts it this way:

> Deterrence is more than bombs and missiles and tanks and armies. Deterrence is a sound economy and prosperous industry. Deterrence is scientific progress and good

schools. Deterrence is adequate civil defense and a stable professional military force. Most of all, deterrence is the determination of the American people to prevent and, if necessary, fight and win any kind of war, whether hot or cold, big or small.

Two world wars have taught freedom-loving peoples a bitter lesson: for the foreseeable future peace can only be maintained through strength that deters aggression.

When SAC men say, "Peace Is Our Profession," they do so with conviction and pride.

SAC ORGANIZATION

SAC regards simple, direct organization as one of its most vital elements.

The nucleus of the command, SAC headquarters, is at Offutt AFB, near Omaha, Nebr.

Major subordinate commands within the continental United States consist of three numbered air forces and a missile division. They are: 2d Air Force at Barksdale AFB, Shreveport, La.; 8th Air Force at Westover AFB, Chicopee Falls, Mass.; 15th Air Force at March AFB, Riverside, Calif., and 1st Strategic Aerospace Division, Vandenberg AFB, Lompoc, Calif.

Each of the numbered air forces controls approximately equal numbers of SAC's mixed force of operational bombers and intercontinental ballistic missile units.

Overseas, two air divisions and a numbered air force direct SAC activity; 16th Air Force at Torrejon Air Base, Madrid, Spain, is responsible for SAC's operations in Spain and north Africa. The 7th Air Division, located at High Wycombe Air Station, near London, England, controls SAC bases in the United Kingdom. The 3d Air Division on Guam in the Marianas is concerned with SAC activity in the Far East. In addition, there are several other units outside the continental United States responsible to the stateside numbered air forces.

Goose Air Base, Labrador; Ernest Harmon AFB, Newfoundland, and Ramey AFB, Puerto Rico, are operated by 8th Air Force. SAC is a tenant at Hickam AFB, Hawaii, and Eielson and Elmendorf AFB, Alaska. These units are under the jurisdiction of 15th Air Force.

The command does not base tactical aircraft or missiles permanently in any foreign country. It does, however, have bombers and tankers in Puerto Rico.

SAC COMMAND POST—THE NERVE CENTER

From one room in an underground command post, the Strategic Air Command aerospace force of aircraft and missiles would be launched and directed against an enemy in time of war. The command post, located beneath the command's headquarters building at Offutt AFB, near Omaha, Nebr., is the nerve center of SAC's global communications network.

By picking up a red telephone, the senior SAC controller can speak directly to more than 80 subordinate command posts spread across the Northern Hemisphere. Through this system, each SAC base receives notice of alerts—practice or real—from coded messages.

Another telephone, gold in color, gives the controller a direct line to the Joint Chiefs of Staff in Washington and to other major command headquarters.

Through a radio network called "Short Order," the command post can contact SAC tactical aircraft in flight over any part of the world. A principal purpose of this system is to pass the execution order—"Go Code"—to the bomber force, if specifically ordered by the President of the United States.

The control room, one of the most impressive facilities in the underground command post, is 140 feet long, 39 feet wide and 21 feet high. Within 30 seconds, vital operational data can be taken from an original printed source and flashed on screen before the entire SAC battle staff.

Each of the six screens is 18 by 18 feet and six different displays of information can be projected simultaneously to provide a wide range of vital operational information to the staff.

Operational data pertaining to weather, force deployment, aircraft, missiles, and so forth, is transferred from the original source to plastic transparencies and projected on the screen.

Using transparency film and a dry-process copying machine, film and original documents can be reproduced in 4 seconds. Critical data from electronic computer printouts is also reproduced on a transparency for immediate screening, and battle staff evaluation.

Since SAC's emergency war plan can change frequently as new data becomes available, the data display is continually kept up to date with information fed from computers.

Source of most of the information flashed to the controller is a battery of International Business Machine—IBM—computers located nearby which stores information pertaining to the SAC force, including status of aircraft and missiles, crews, bases, war plans and supplies. In time of war, the machines would record the progress of the strike force, serving as an invaluable aid to the SAC commander in chief in making command and operational decisions. Strike information would be processed automatically in minimum time, giving SAC immediate and continuous knowledge of its strike force.

Through an electronic device known as the "situation display system"—SDS—in the command post, the controller would receive early warning of missiles or aircraft approaching the United States from over the polar regions. The SDS, which provides a visual display of any such activity, is connected with the ballistic missile early warning system — BMEWS — and Headquarters North American Air Defense Command.

An additional function of the SAC underground occurs in the trajectory center where intelligence specialists, using electronic computers, establish trajectory and space data for the command's ICBM's. This information, compiled well in advance and changed to meet revisions in the war plan, is fed into the missiles' guidance systems which direct the payloads to their targets.

To meet the constantly changing demands of modern warfare, Project 465L equipment is now being installed at SAC headquarters and at SAC units. Project 465L is a high speed automated information gathering, processing, and display system designed for use by SAC's commander in chief and his battle staff to assist them in exercising instantaneous, precise, secure, and complete operational control over the SAC force.

The SAC underground would be sealed off in time of war. Food stored there would support persons working in the command post independent of the rest of the base or headquarters. In case the command post was knocked out—which would require a near direct hit by a nuclear weapon—control of the SAC force would be passed to an alternate command post or to an airborne command post that is maintained in the air 24 hours daily.

POSITIVE CONTROL

A tested system of codes and communications procedures insures "positive control" of the Strategic Air Command retaliatory force.

The SAC bomber and tanker force can be launched in minutes by the SAC Commander in Chief, Gen. Thomas S. Power, if warning of an attack is received from the North American Air Defense Command.

Getting the bombers airborne does not send SAC to war. It does insure survival of SAC's ground alert aircraft should the warning prove valid.

Positive control means just that. After reaching a certain point on their routes, well outside enemy territory, the bombers automatically return to their bases unless they receive positive coded voice instructions to proceed to their targets. Authority from the President is the only means whereby the SAC force would proceed to target, beyond the "positive control" point. If the "go code" is not received, they turn back.

The "go code," transmitted only upon orders of the President, would be authenticated at several levels of command and ultimately by more than one member of the bomber crew. It would be transmitted to the airborne force by a variety of means from widely dispersed sites.

Use of dispersed transmitters and different methods of communications reduce the possibility that the "go code" might not be received by the aircraft.

In case of inoperative aircraft radio receivers, failure to receive the "go code" would, under conditions of actual enemy attack, cause some of our bombers to return to their bases; thus leaving their targets uncovered. However, this chance must be taken to prevent inadvertent action.

Thus, positive control guards against the possibility of inadvertent hostile action by the SAC force but guarantees that the bomber force will receive the attack order, if issued by the President.

Positive control procedures are tested repeatedly and have been proved effective under all circumstances.

In addition to the communications procedures of "positive control," the weapons in the aircraft are not armed until the bomber is ordered to attack. Coordinated effort by several crew members under the "go code" authority is required to arm nuclear weapons.

Since missiles cannot be recalled once launched, our missile force is being deployed in protected and dispersed underground sites to allow it to ride out an initial enemy attack. Therefore, multiple safeguards are employed to prevent firing without Presidential direction.

B-47 STRATOJET

The six-jet B-47 Stratojet has been a principal part of the Strategic Air Command for more than 12 years, starting in 1951 with the replacement of obsolete prop-driven B-29's.

A workhorse aircraft, which is being replaced in part by the supersonic B-58 bomber, one B-47 can carry the nuclear equivalent to all the bombs dropped in World War II. With in-flight refueling, it can fly nonstop as long as its three-man crew can perform safely and efficiently.

Its drooping swept-back wings give the B-47 the appearance of a grounded gull until the plane is airborne. Then it is a thing of sleek beauty, humming through the air at speeds of 600 miles per hour and at altitudes above 40,000 feet. With electronic eyes the B-47 can find a target in daylight or darkness, good weather or bad.

B-52 STRATOFORTRESS

The current "heavyweight" among SAC's bombers is the B-52 Stratofortress. It travels faster than 650 miles per hour at altitudes above 50,000 feet.

Newer versions, the B-52G and B-52H, are America's first missile-carrying bombers. They carry two Hound Dog missiles plus a nuclear payload in their bomb bays. Earlier models of the Stratofortress are being modified to carry Hound Dog missiles.

The B-52's eight jet engines each develops more than 10,000 pounds of thrust or a total of 80,000 pounds of thrust—as much power as 30 diesel locomotives.

The Stratofortress replaced SAC's famous B-36 Peacemaker. With the replacement of B-36's, SAC became an all-jet bomber force.

An advanced Stratofortress, the B-52H, joined the SAC force in May 1961. This model uses turbofan engines to increase each plane's power by several thousand pounds of thrust. Turbofans enable the bomber to stretch its unrefueled range.

A B-52 carries more fuel than three railroad tank cars. Early models had an unrefueled range of 6,000 miles. Later models have stretched that to more than 12,000 miles.

With aerial refueling, the B-52 has a range limited only by the endurance of its six-man crew.

In the B-52G and H, the gunner's post has been moved from the tail to the forward section of the aircraft, and a television camera is mounted in the tail section to be used for fire control.

The additional fuel load in the wing cells pushes the B-52G and B-52H gross weight in flight to more than 450,000 pounds—225 tons—50,000 pounds more than previous models. The B-52's have electronic countermeasures equipment which helps confuse enemy ground or air radar and thus increases chances for a successful mission.

B-58 HUSTLER

The B-58 Hustler flies at altitudes and speeds far beyond any other free world bomber now in existence. It is the world's first supersonic bomber with intercontinental capabilities.

The Hustler can carry nuclear weapons at twice the speed of sound—mach 2.

A nuclear bomb and part of the aircraft's fuel is carried in a slim disposable "pod" mounted beneath the B-58 fuselage. In addition, up to four weapons can be carried externally under the wing.

The struts of the Hustler's main landing gear each carries eight wheels. The struts are exceptionally long to provide clearance for the disposable "pod," tail and outboard engines during takeoff.

The B-58's pinched-in fuselage is designed to gain the smoothest passage through the sound barrier at extremely high altitudes.

SAC has two B-58 wings—the 43d Bomb Wing, Carswell Air Force Base, Tex., and 305th Bomb Wing, Bunker Hill Air Force Base, Ind.

THE B-58 HUSTLER

Among pilots it is known as "the bomber that flies like a fighter."

The B-58 Hustler can penetrate to targets while flying above 60,000 feet at speeds of more than 1,300 miles per hour—twice the speed of sound.

Its triangular wing and slender wasp-waisted fuselage distinguish the B-58 in the air. On the ground, the long-legged landing gear that provides clearance for the underslung detachable armament pod is the eye-catching design feature.

The slender, bomb-shaped pod can be armed with conventional or nuclear weapons, reconnaissance gear or electronic countermeasures equipment, thus assuring a high degree of mission flexibility.

The B-58 is powered by four General Electric J-79 jet engines, carried on forward mounted pylons, each of which produces 15,600 pounds of thrust on takeoff with afterburner. Each engine has a "spike" or variable air inlet duct for best performance throughout the wide speed ranges flown by the aircraft.

At twice the speed of sound, the leading edges of the B-58's wing heat up to approximately 260 degrees Fahrenheit, too hot for conventional aluminum aircraft skin. Engineers solved this temperature problem by building a "sandwich" with a tough cellular honeycomb core, bonded to outer coverings of stainless steel. It offers high strength-to-weight ratios, provides aerodynamic smoothness, and is resistant to sonic fatigue failure.

The bomber's fuselage is 97 feet long and the delta wing, 57 feet across, comprises a total area of 1,542 square feet.

SAC TANKERS: EXTENDING THE PUNCH

The global capability of SAC's giant jet bombers depends on air refueling support given by the command's tanker force. Unrefueled ranges of SAC's bomber aircraft—the B-47, B-52, and B-58—vary from more than 3,000 miles for the B-47 to more than 12,000 miles for the B-52H. With aerial refueling, any of these bombers become intercontinental and can circle the earth.

Aerial refueling has progressed considerably since the initial refueling in 1923. The Strategic Air Command in 1948 developed on air refueling capability using converted B-29 bombers as tankers.

With the delivery of B-47 Stratojets to SAC's medium bomb wings, intensive aerial refueling training began. By 1953 the jet bombers and KC-97 Stratotankers were completing an aerial hookup every 15 minutes.

In June 1957, SAC received its first KC-135 Jet Stratotanker, thus providing the command with a combination of jet bombers and tankers.

With the KC-135, jet-to-jet refueling means SAC bombers can take on a full load of fuel without slowing down, changing course, or descending to altitudes at which they must burn more fuel.

SAC's goal is to eventually match its all-jet bomber force with an all-jet tanker force of KC-135's.

STANDARDIZATION CONCEPT

Among the many management innovations introduced by the Strategic Air Command, none is more significant or holds greater potential for increasing the reliability and safety of strategic operations than the concept of standardization. By standardizing aircraft and missile crew procedures, SAC has given the commander at all levels a system for insuring that critical procedures are being performed identically and safely in all similar units, regardless of their global location or operational experience.

First conceived by SAC in 1948, crew standardization has been so successful in improving air combat crew quality and, more recently, missile reliability, that this concept is now being applied to SAC aircraft and missile maintenance including nuclear weapons support.

Because of the basic differences between aircrew and missile crew operations and environment, standardization is applied to these two fields in slightly different ways. Principles of application are the same for both air and missile combat crews, however.

Essentially, combat aircrew standardization works this way: Each operational aircraft unit—including tanker and reconnaissance—selects its best crew members and assigns them as a standardization team. This team frequently examines and flight checks all other crews in the unit, using standard procedures received from the SAC Combat Evaluation Group—CEG—based at Barksdale Air Force Base, La. The CEG is attached directly to SAC Headquarters and is comprised of standardization teams of highly qualified combat crewmen from all SAC aircraft.

A CEG standardization team visits each SAC combat unit at least once a year. Upon arriving at a base, the standardization team schedules flights with the unit team and several random selected crews. During the flight check, team members sit in the aircraft near their counterpart crew members and observe their every move. Crew actions are rated by the observers on standard rating scales. After the flight checks are complete, unit crews are given extensive written examinations, covering their weapon system, emergency procedures, and emergency war orders.

When checks and examinations are complete the results are given in the form of a critique to the unit commander and later forwarded to SAC Headquarters. Any discrepancies that were found will be given particular attention on the next standardization visit.

Discrepancies are passed on to the commander who must take immediate action to correct them.

Missile combat crew standardization is administered by the 3901st Strategic Missile Evaluation Squadron at Vandenberg Air Force Base, Calif. This unit has a corps of top missile combat crews, maintenance teams and recently, reentry vehicle specialists who visit missile units for regular evaluations either once each quarter or once each 6 months depending on the unit's experience and level of training. As with bomber and tanker units, each missile unit has its own standardization team which gets most of the attention on evaluation visits. Teams visiting missile units, however, check all unit crews periodically including maintenance and reentry vehicle teams.

Missile units are also visited by standardization teams before they become combat ready to monitor training and assist in developing unit standardization procedures. Once operational the unit is checked quarterly and later semiannually as unit crews become more proficient. Similar to an aircrew check, the missile crew standardization "ride" consists of careful observation and rating of unit crews simulating procedures at their launch consoles and extensive written examinations.

This kind of "independent audit" given unit commanders by standardization teams assures the commanders that their unit training is adequate and that their crews can perform the same and as well as any crews in SAC. After being checked by a standardization team, both missile and aircraft combat crews can be validly certified—as they must before being allowed to go on alert—"combat ready."

At SAC Headquarters, the commander in chief and his staff can, with standardization, be absolutely sure of the ability of critical combat crews to carry out their emergency war orders.

Ample evidence of the success of SAC standardization can be found in the steady improvement in flying safety within SAC since standardization began. Standardization has paid off both in lives and combat effectiveness. Because of the success of SAC's program, standardization in some form or other is being practiced by the entire Air Force and by Navy aviation.

MINIMUM INTERVAL TAKEOFF (MITO) TRAINING PROGRAM

In the event of war, America's future and victory itself might well depend upon how quickly SAC's fleet of retaliatory bombers and their refueling tankers can get off the ground. When warning of an attack has been received, quick takeoffs will help insure that a major portion of the force will survive. This, despite the severity of an enemy's initial assault.

Likewise, with its retaliatory fleet airborne, a series of fast and devastating counterblows will be possible.

To qualify all combat crews in procedures necessary to launch the maximum number of aircraft in a minimum amount of time, SAC planners designed the minimum interval takeoff—MITO—training program. No crew is considered combat ready until it has demonstrated its proficiency in this furious art.

Minimum interval takeoffs are exciting to watch. Thundering down the runway barely 15 seconds apart, bombers and tankers leave behind them clouds of churning exhaust smoke that reduce visibility sharply for aircraft in the rear. It is a situation that demands maximum alertness on the part of crew members.

Generally, aircraft are lined up 150 to 200 feet apart on taxiways leading toward the takeoff strips. When the exercise begins, pilots follow a curved lead-in line that is an extension of the runway's centerline. By maintaining a precise distance interval—depending upon the takeoff speed of the aircraft just ahead—a proper time interval can also be maintained.

Despite the spectacular nature of a MITO exercise, flying safety precautions are never relaxed. A tight system of communications is in effect, and all participating aircraft must be functioning perfectly.

Effects of turbulence and jet wash increase as the takeoff roll progresses, reaching maximum at about the "unstick" point or point of takeoff. Pilots compare the experience to taking off under gusty wind conditions. Thus, they look for fluctuations in airspeed and some abnormal control reactions. Usually, the effects of turbulence can be reduced by turning slightly left or right, away from the preceding aircraft.

Only when a crew in training has satisfied its examiners that it is combat ready in all other respects is it allowed to participate in MITO exercises.

Few maneuvers in military aviation call for as much exacting professionalism on the part of participants. But it is a technique that all combat-ready crews must master. For, getting the SAC force airborne quickly may one day mean survival—for America and the free world.

SIGNIFICANT SAC FLIGHTS

A Strategic Air Command B–58 Hustler set a new flight record from New York to Paris May 26, 1961, flying 3,669 miles in 3 hours, 20 minutes. The flight, which commemorated Lindbergh's historic flight 34 years ago, was flown at supersonic speeds for an average speed of 1,105 miles per hour by a crew of the 43d Bomb Wing at Carswell AFB, Tex. The bomber departed from Carswell AFB and flew nonstop to Paris via Washington and New York with the aid of aerial refueling from SAC KC–135 tankers. The Carswell to Paris distance is 5,198 miles. For this the crew received the Mackay Trophy.

Sustained speed of 1,302 miles per hour by a SAC B–58 Hustler over a closed course of 669.4 miles for 30 minutes, 45 seconds, May 10, 1961, resulted in the pilot receiving the Bleriot Cup. The flight, by a SAC crew of the 43d Bomb Wing, Carswell AFB, Tex., was approved by the Federation Aeronautique Internationale of France. Pilot of the B–58 was Maj. Elmer E. Murphy. The course was rectangular with the corners near Needles, Calif.; Kingman, Ariz.; Norman Mesa, Nev., and Lone Pine, Calif.

Six official world speed and payload records were shattered by SAC's newest and fastest bomber, the B–58 Hustler, January 12–14, 1961. Flying over a closed circuit course, two B–58's set three records each in runs of 1,000 and 2,000 kilometers. The records were: First, speed without payload, 1,000 kilometers—1,284.73 miles per hour. Second, speed with 1,000 kilogram payload, 1,000 kilometers—1,284.73 miles per hour. Third, Speed with 2,000 kilogram payload, 1,000 kilometers—1,284.73 miles per hour. Fourth, speed without payload, 2,000 kilometers—1,061.80 miles per hour. Fifth, speed 2,000 kilometers, with 1,000 kilogram payload—1,061.80 miles per hour. Sixth, speed with 2,000 kilogram payload, 2,000 kilometers—1,061.80 miles per hour.

On March 5, 1962, a Strategic Air Command B–58 Hustler flew from Los Angeles to New York at 1,214.71 miles per hour in 2 hours, 56.8 seconds. On the same flight the B–58 set a New York to Los Angeles record in 2 hours, 15 minutes, 48.6 seconds—beating the sun by over 41 minutes—and averaging 1,081.77 miles per hour. A round trip record of 4 hours, 41 minutes, 11.3 seconds, averaging 1,044.96 miles per hour was also established. For these record flights the B–58 crew from the 43d Bomb Wing, Carswell AFB, Tex., received the Bendix Trophy and the Mackay Trophy.

A SAC B–52H from Minot AFB, N. Dak., set two world's distance records without refueling and nine course speed records January 10–11, 1962, flying 12,519 miles from Kadena AB, Okinawa, to Torrejon AB, near Madrid, Spain. The world distance records were: First, for all types of aircraft without refueling. Second, class C distance for jet aircraft without refueling. The nine Federation Aeronautique Internationale course speed records claimed were: First, Tokyo to Seattle; second, Tokyo to Fort Worth; third, Tokyo to Washington, D.C.; fourth, Tokyo to Madrid; fifth, Seattle to Fort Worth; sixth, Seattle to Madrid; seventh, Fort Worth to Washington, D.C.; eighth, Fort Worth to Madrid, and ninth, Washington, D.C. to Madrid.

The world distance records were established by a Strategic Air Command B–52H Stratofortress from Homestead AFB, Fla., June 6–7, 1962, during an 11,400-statute-mile flight without refueling. Commanded by Capt. William M. Stevenson, the eight-jet bomber claimed world closed circuit records during 22 hours, 38 minutes of flying. The B–52H traveled farther than any other aircraft without refueling over a circuitous route and exceeded the closed circuit distance for heavyweight aircraft. The flight began and ended at Seymour Johnson AFB, N.C., and passed over Greenland, Alaska, California and Florida before landing.

An SAC B-52G jet bomber manned by a crew from the 5th Bomb Wing, Travis AFB, Calif., completed a recordbreaking 10,000 mile nonstop flight without refueling on December 14, 1960. The bomber took off from Edwards AFB, Calif. at 7:07 a.m., December 13, and touched down at the same base the following day, after a flight of 19 hours, 45 minutes, breaking two world long distance flight records.

The fastest around the world flight on record was achieved Jan. 16–18, 1957, when three B-52 Stratofortresses from the 93d Bomb Wing, Castle AFB, Calif., flew 24,325 miles nonstop in 45 hours, 19 minutes. The eight-jet bombers departed from and returned to bases in California and utilized multiple in-flight refuelings. Distinguished Flying Crosses were awarded each crew member. Flight commander was Lt. Gen. Archie J. Old, Jr., commander of SAC's 15th Air Force.

The first important demonstration of B-52 capabilities came in November 1956, when eight B-52's from bases in California and Marine completed a nonstop operational mission which carried them around the North American Continent and across the North Pole. The Stratofortresses, from the 93d Bomb Wing, Castle AFB, Calif., and the 42d Bomb Wing, Loring AFB, Maine, were airborne as long as 32 hours and covered distances up to 17,000 miles.

Operation powerhouse, involving 1,000 combat aircraft from 21 B-47 wings and 18 tanker squadrons, was carried out during a 2-week period ending December 11, 1956. Simulated combat missions averaging 8,000 miles were flown over the North American Continent and Arctic regions. The mass flights marked SAC's first attempt to exercise a major portion of its strike force during such a short time period and successfully demonstrated the ability of the bomber command to launch its force on short notice.

The first B-47 bomb wing to deploy overseas for operational training was the 306th Bomb Wing. Taking off from its home station at MacDill Air Force Base, Fla., June 5, 1953, the wing stopped at Loring Air Force Base, Maine. From there it flew nonstop across the Atlantic to England. Taking off at spaced intervals from MacDill, the B-47's landed in England 8½ hours later after covering a distance of some 4,500 miles.

SAC's longest B-47 flight on record was made by a Stratojet of the 43d Bomb Wing between November 17 to 19, 1954. The B-47 took off from Sidi Slimane Air Base, Morocco, for RAF Station Fairford, England. Because of bad weather, it could not land and returned to Morocco. Encountering bad weather over Africa, the B-47 again set out for England. Before finally landing the bomber had remained in the air 47 hours, 35 minutes, through aerial refueling. It covered a distance of 21,163 miles.

The longest point-to-point nonstop flight for B-47 aircraft was made by an aircraft of the 321st Bomb Wing on August 10–11, 1957. The Stratojet took off from Andersen Air Force Base, Guam, and landed 11,450 miles away and 22 hours, 50 minutes, later at Sidi Slimane Air Base, Morocco.

A new jet tanker-transport record of 10,228 miles was set April 7–8, 1958, when a KC-135 from the 93d Bomb Wing at Castle Air Force Base, Calif., flew nonstop and nonrefueled from Tokyo, Japan, to the Azores Islands. The flight also set a speed record of 13 hours, 35 minutes, between Tokyo and Washington, D.C., a distance of 7,662 miles.

The first combat aircraft to fly nonstop around the world was the *Lucky Lady II*, a B-50 propeller-driven medium bomber. Between February 26 and March 2, 1949, the bomber, from the 43d Bomb Wing, covered a distance of 23,452 miles in 94 hours, 1 minute. The *Lucky Lady* was refueled in flight over the Azores, Arabia, the Philippines, and Hawaii. Carswell Air Force Base, Tex., was the site of departure and return. The 43d Bomb Wing won the Mackay Trophy in 1949 for the flight and the Distinguished Flying Cross was awarded to each member of the *Lucky Lady's* crew.

SAC ALERT FORCE

In today's aerospace age, when intercontinental ballistic missiles are able to strike half-way around the world within a half hour, the Strategic Air Command must be able to launch its strike force within minutes.

Plans for the fastest possible launch capability have always been part of SAC's procedures. On October 1, 1957, a number of SAC aircraft went on a 24-hour-a-day alert at U.S. and oversea bases. Today, at the direction of the President of the United States the command has 50 percent of its total bomber and tanker force on ground alert, ready to react well within the warning time provided by the ballistic missile early warning system—BMEWS.

Operation of the ground alert force requires a tremendous amount of hard, never-ending work. Aircraft on alert are parked near the end of the runway. Maintenance crews constantly check and recheck each item of equipment, each part of the aircraft, so that it is ready to start its takeoff roll at a moment's notice. Bomber and tanker crews pull alert duty around the clock, and average a 74-hour duty week. They sleep and eat near their aircraft and their duty uniform is their flying clothes. They know their targets and the mission routes they must fly to reach them. Crews and aircraft, both in a constant state of readiness, are never more than a few minutes from being airborne at any time.

Once airborne, SAC's "positive control" procedures guarantee that the bombers, should they be launched on an actual alert, will not touch off a war under false-alarm warning. Under "positive control," SAC's bombers fly to certain points—all well short of enemy territory—and turn back to their bases unless instructed otherwise by coded message.

The oversea portion of this worldwide alert operation, termed "Reflex," sends crews and aircraft from SAC's stateside bases to oversea areas for a short time, during which they remain on an alert similar to that in the United States.

All bomber and tanker crews participating in "Reflex" are accompanied by their crew chiefs. A few more permanent support personnel are required at advance bases since the wing's logistical personnel in most cases do not accompany aircraft.

As a further step in gearing the U.S. retaliatory striking force to meet the threat, SAC has trained its B-52 crews in airborne alert procedures. Under this concept, a percentage of the command's heavy bombers remains aloft, 24 hours a day, 7 days a week.

This concept is based upon a military premise older than the broadsword. If the enemy does not know where you are, he cannot hit you. Should the Strategic Air Command be forced to react under the worst possible conditions—namely an all-out enemy missile attack executed in total surprise—it is this timeless axiom that will assure the survival of a large portion of the command's retaliatory striking power.

To date, the command has tested and proved the concept with several thousand successful airborne alert training sorties; each lasting approximately 24 hours. SAC's B-52's remain airborne until their replacements have taken off and start a designated flight pattern. They are refueled in the air by KC-135 tankers as often as necessary to insure needed range and endurance.

During the Cuban quarantine—October 1962—the Strategic Air Command launched the first airborne alert in the history of airpower.

The incorporation of intercontinental ballistic missiles into SAC does not cancel the need for the alert force. The command's rapidly increasing missile force is also on continuous alert. But missiles must ride out an enemy attack before they are fired as they—unlike the bombers—cannot be recalled once they are launched.

As far into the future as SAC planners can see, manned aircraft will be needed along with missiles to give the command a flexibility of operations impossible to obtain by relying solely on one weapon system.

SAC MISSILE FACILITIES

Six types of missiles, ranging in size from the 103-foot Titan II intercontinental ballistic missile—ICBM—to the less than 15-foot Quail decoy missile, are operational at Strategic Air Command stateside bases.

Atlas was the first ICBM assigned to SAC, and an initial combat capability was announced on September 9, 1959, when an early Atlas was launched by a combat-trained SAC crew at Vandenberg AFB, Calif. Since that time, 13 squadrons at 11 bases—the entire Atlas program—have become operational in the command.

All six Titan I bases became operational in SAC during 1962, and a third ICBM system was added to the command inventory in December 1962 when two flights of the solid fuel Minuteman were declared operational at Malmstrom AFB, Mont. The 341st Strategic Missile Wing there became completely operational in July 1963.

The first Titan II squadron became operational at Davis-Monthan AFB, Ariz., in June 1963. Three Titan II squadrons are programed in SAC.

The Strategic Air Command is adding operational missiles at the rate of one a day during 1963.

Early models of the Atlas ICBM are in semihardened complexes while the F model is silo-stored and raised to the surface for launching. Titan I ICBM's are also silo-stored and fired from the surface. Titan II and Minuteman missiles are silo-stored and launched.

Missile sites are located near the following bases—the SAC numbered air force having operational control follows State:

ATLAS ICBM (PGM-16D AND E AND HGM-16E) (GENERAL DYNAMICS ASTRONAUTICS)

Altus AFB, Altus, Okla., 2d Air Force.

Dyess AFB, Abilene, Tex., 15th Air Force.

Fairchild AFB, Spokane, Wash., 15th Air Force.

Francis E. Warren AFB, Cheyenne, Wyo., 8th Air Force.

Forbes AFB, Topeka, Kans., 2d Air Force.

Lincoln AFB, Lincoln, Nebr., 2d Air Force.

Offutt AFB, Omaha, Nebr., 2d Air Force.

Plattsburgh AFB, Plattsburgh, N.Y., 8th Air Force.

Schilling AFB, Salina, Kans., 15th Air Force.

Vandenberg AFB, Lompoc, Calif., 1st Strategic Aerospace Division.

Walker AFB, Roswell, N. Mex., 15th Air Force.

TITAN I ICBM (HGM-25A)—(MARTIN CO.)

Beale AFB, Marysville, Calif., 15th Air Force.

Ellsworth AFB, Rapid City, S. Dak., 15th Air Force.

Larson AFB, Moses Lake, Wash., 15th Air Force.

Lowry AFB, Denver, Colo., 8th Air Force.

Mountain Home AFB, Mountain Home, Idaho, 15th Air Force.

Vandenberg AFB, Lompoc, Calif, 1st Strategic Aerospace Division.

TITAN II ICBM (LGM-25C)—(MARTIN CO.)

Davis-Monthan AFB, Tucson, Ariz., 15th Air Force.

McConnel AFB, Wichita, Kans., 8th Air Force.

Little Rock AFB, Little Rock, Ark., 2d Air Force.

MINUTEMAN ICBM (LGM-30A)—(BOEING CO.)

Malmstrom AFB, Great Falls, Mont., 15th Air Force.

Vandenberg AFB, Lompoc, Calif., 1st Strategic Aerospace Division.

Ellsworth AFB, Rapid City, S. Dak., 15th Air Force.

Minot AFB, Minot, N. Dak., 2d Air Force.

Whiteman AFB, Knob Noster, Mo., 8th Air Force.

Francis E. Warren AFB, Cheyenne, Wyo., 8th Air Force.

Grand Forks AFB, Mekinock, N. Dak., 2d Air Force.

ATLAS (PGM AND E AND HGM-16F)

The U.S. first operation intercontinental ballistic missile—ICBM—was the Atlas D, designed to deliver a nuclear warhead to targets 6,300 miles distant.

On September 9, 1959, a Strategic Air Command crew launched the first operational Atlas D from Vandenberg AFB, Calif. Since that time, not only the Atlas D, but also Atlas models E and F have been integrated into SAC's emergency war order. All are able to launch within the warning time provided by the ballistics missile early warning system—BMEWS.

Atlas is a stage-and-a-half missile, powered by burning liquid oxygen and RP-1, a kerosenelike hydrocarbon fuel.

Height of the missile is approximately 83 feet, with a body diameter of 10 feet. Launching weight is more than 250,000 pounds.

Atlas has a powerplant consisting of two large booster engines and one large sustainer engine, plus a pair of small vernier rockets.

D-series missiles are ignited by the firing of a pyrotechnic squib into each thrust chamber. E and F models are fired by forcing a hypergolic mixture into the thrust chambers, along with the propellants. The former burns violently upon exposure to oxygen and starts subsequent burning in the engines.

On the Atlas D, all five engines are ignited prior to launching, and after a few minutes of flight, with the missile well into its trajectory, the booster section is jettisoned. Acceleration is accomplished from that point on by the sustainer engine. At a velocity of more than 15,000 miles per hour, the engine shuts off. The small vernier rockets are then employed to "trim" velocity to the exact amount required.

Following vernier shutdown, the reentry vehicle separates from the tank section. The reentry vehicle is then following a true ballistic course.

During power portions of flight, a guidance system governs course and speed of the missile. Atlas D uses a radio-inertial guidance system that incorporates a ground radar facility to monitor the missile's flight and issue appropriate engine shutoff commands to establish the desired trajectory of the reentry vehicle.

Atlas E and F operate independently of ground guidance facilities. An inertial guidance package senses accelerations along with three axes, utilizing these "inputs" to determine the missile's position at any given instant of flight. An airborne computer generates steering and engine cutoff commands to place the reentry vehicle in proper trajectory at the desired speed .

Early D-series missiles were erected by above-ground launchers—gantries—and were exposed to weather at all times. Operational D-series models are stored in horizontal position and housed in bays covered by sliding roofs.

The E series are stored horizontally in a concrete "coffin"—the top mounted flush with the earth, affording some blast protection.

F-series missiles are stored vertically in underground silos. Elevators lift them to the surface for launch. Such emplacements are considered "hard" and afford maximum blast protection.

Thin-gage stainless steel makes up the tank structure of the Atlas missile which houses over 40,000 parts—not including the nose cone, guidance, and engine assemblies.

General Dynamics-Astronautics Corp., San Diego, Calif., makes the airframe and, as prime Atlas contractor, is responsible for assembly and test of the missile.

HGM-25A AND LGM-25C TITAN I, TITAN II

Titan I is the second ICBM to become operational in the Strategic Air Command's arsenal of aerospace weapons. In September 1961, the first Titan was launched from the combined operational and training facilities at Vandenberg AFB, Calif.

Six operational Titan I squadrons are located at five bases. The first Titan unit was at Lowry AFB, Colo., where two squadrons are located. The other bases are Beale AFB, Calif.; Larson AFB, Wash.; Mountain Home AFB, Idaho, and Ellsworth AFB, S. Dak.

The missile weighs 110 tons when fully fueled. Its first stage is powered by an engine which develops 300,000 pounds of thrust at sea level. Titan I's second stage develops 80,000 pounds of thrust at altitude. The Titan I is 98 feet tall.

Titan II, a more advanced version of the Titan I, became operational at Davis-Monthan AFB, Ariz., in June 1963. Other Titan II bases are at McConnell AFB, Kans., and Little Rock AFB, Ark.

This advanced Titan incorporates such advantages as inertial guidance system, more powerful engines, in-silo launch, more reliability, greater payload, reduced launch time and storable propellants.

Titan II is 102 feet tall including the reentry vehicle. The first stage is 70 feet long; the second stage is 32 feet. Both stages are 10 feet in diameter and the total missile weight, with fuel, is about 150 tons. The first-stage engine develops 430,000 pounds thrust at sea level and the second-stage generates 100,000 pounds at altitude.

Where Titan I uses a radio-inertial guidance system and must be raised from its underground silo to be fired, the Titan II will be directed by a completely airborne inertial guidance system and is capable of being launched from its silo.

Because Titan II has a greater load-carrying ability than any other American missile, it is designed for an important role in space activities.

It will furnish the booster system for the X-20—formerly the Dyna-Soar. This manned boost-glide spacecraft will be launched into orbit around the earth and will be able to return under pilot control to selected airfields in the United States.

Titan II will supply lift for the National Aeronautics and Space Administration's Project Gemini, the undertaking that will see two astronauts hoisted into orbit in a single capsule.

Both Titan models are fitted with nose cones whose surface material disperses the heat generated during the reentry through the earth's atmosphere:

Titans are produced by the Martin Co., in association with 12 other contractors.

LGM-30A MINUTEMAN

Hardening, quicker firing, lighter weight, smaller size, and lower cost make the Minuteman as different from the Atlas and Titan intercontinental ballistic missiles as night is from day.

The Strategic Air Command added the third ICBM system to its mixed aerospace force in December 1962 when two flights—20 Minuteman ICBM's—were declared operational at Malmstrom AFB, Mont. By mid-summer 1963, the entire Malmstrom wing was declared operational and the first flights of the Minuteman wing at Ellsworth Air Force Base, S. Dak., achieved operational status.

Construction is underway or planned near four bases other than Malmstrom and Ellsworth: Minot Air Force Base, N. Dak.; Whiteman Air Force Base, Mo.; Francis E. Warren Air Force Base, Wyo., and Grand Forks Air Force Base, N. Dak.

Because it is propelled by solid fuel—instead of by liquid fuel as are the Atlas and Titan—the Minuteman is smaller, lighter, and easier to handle.

In the first launch attempt from the Air Force Missile Test Center, Cape Kennedy, Fla., the Minuteman achieved a range of 4,600 miles, its reentry vehicle impacting in the target area.

The test also established two other missile flight records: First time all stages of a multi-stage ICBM performed their assigned functions on the initial flight; first time an operating guidance system placed reentry vehicle on target in the initial attempt.

Minuteman was first launched from an underground silo at Cape Kennedy on November 17, 1961. Since then an unprecedented number of successful flights have been achieved.

The Minuteman's solid fuel also permits it to be ready to go in seconds, if necessary, since the countdown can be completed in advance, leaving only the actual firing to be accomplished should this Nation be attacked.

Hardened and dispersed sites make the Minuteman virtually immune from enemy attack since they can only be knocked out by a direct nuclear hit.

Produced in quantity, the Minuteman costs considerably less per unit than the Atlas and Titan.

The Air Training Command at Chanute Air Force Base, Ill., trains SAC Minuteman crews in individual specialties, followed by training in operational procedures by SAC at Vandenberg Air Force Base, Calif.

Production and assembling of the Minuteman missile is being done near Ogden, Utah.

Associate contractors for the missile include the Boeing Co.; the Autonetics Division of North American Aviation, Inc.; Thiokol Chemical Corp.; Aerojet-General Corp.; Hercules Powder Co.; Avco Manufacturing Co., and Space Technology Laboratories.

ADM-20A QUAIL

A decoy to confuse an enemy while Strategic Air Command bombers are en route to a target is the ADM-20A Quail, now in use by the combat force.

Only 13 feet long, the Quail guided-air-missile is powered by a General Electric J-85 turbojet engine, and is designed for inflight launching.

Mounted on special racks in the bomb bay of the eight-jet B-52, each Quail, when in flight, produces a "blip" on enemy radar screens similar to that produced by the B-52 Stratofortress. By confusing enemy radar, it aids the penetration of bombers on target missions.

The Quail flies faster than 600 miles per hour, as does the B-52.

HOUND DOG (AGM-28A)

First combination of the missile and bomber as part of the Strategic Air Command's aerospace force was achieved on December 21, 1959, when the command accepted the AGM-28A—Hound Dog—a supersonic air-to-ground guided missile capable of carrying a nuclear warhead.

Two AGM-28A missiles are carried by the intercontinental B-52 missile platform bombers. The missile extends the operational reach of the eight-jet B-52 bombers by more than 500 miles.

The Hound Dog is directed to its target by a self-contained inertial guidance system. It is considered nonjammable, and has been described as "a superelusive miniature supersonic airplane."

After the Hound Dog-carrying bomber is airborne, it is possible for the navigator to select cruise altitude to targets or to change targets.

Equipped with the AGM-28A, each B-52 bomber on a single mission could destroy several targets literally thousands of miles apart.

Hound Dog is manufactured by the North American Aviation Co. and is powered by a Pratt & Whitney J-52 engine.

MISSILE COMBAT CREWS

The SAC missileman is a highly trained and skilled technician who is working in one of the most selective career fields in the U.S. Air Force. After schooling, depending upon his particular missile specialty, he may be assigned to duty in an operational blockhouse, upon the launching pad itself, with a maintenance or assembly unit, or in a missile control center or command post.

Technicians concerned with actual launch operations have been organized into missile combat crews. Each crew has the same clearly defined mission: to be prepared 24 hours a day—upon receipt of orders initiated by the President—to effect the near instantaneous launch of one or more intercontinental ballistic missiles toward targets located in the territory of a designated enemy.

The size of a missile combat crew varies with the type of ICBM for which it is responsible.

Missile combat crew commanders are senior captains or of higher rank. Each is selected for his maturity, judgment, and proven abilities. He need not be a rated officer.

The performance of missile combat crews must meet the same high standards that have always distinguished SAC air crews.

MEASURING THE COMMAND

How do you measure combat capability in a modern air organization?

In private business, a firm either attains a certain mark on its profit curve or it goes out of business.

But in Strategic Air Command, the only profit is combat capability, a thing much harder to measure than dollars and cents.

The yardstick of SAC's fighting power is a mathematical rating formula that has become as valuable a summary of the command's global operations as the profit and loss statement is to private business.

By reviewing a monthly management control statement, Gen. Thomas S. Power, SAC's commander in chief, gets an up-to-date composite picture of the command's readiness to strike. He learns the results of practice bombing missions, training programs, and other important items contributing to SAC combat capability.

Each month the management control system scores every unit in the command on performance. Scores are worked out on the basis of past performance and reported under general headings such as operations, personnel, materiel, and special missions.

A compilation of the scores indicates SAC's status, whether the entire command is meeting desired standards and actually making a profit. By studying unit scores separately, top units can be spotted on an overall basis or in any desired category.

The rating system has paid big dividends to SAC, for the report tells whether a unit in the command is a good or a bad one, and why.

Assume that under the category, operations, a heavy bomb wing shows a poor score in simulated combat missions.. A cross-check may show that maintenance failed to keep the required number of aircraft in commission. A further check may show that some critical spare parts have been on order for an unusually long time.

Here is a deficiency which can be corrected, and the action must begin all the way back at the supply depot.

A shifting of score value assigned each rated area encourages more attention to weak spots. Should the rating system indicate combat crews are slipping in navigation, the value assigned this category could be raised. Increased efforts in that area by squadron and wing commanders would, therefore, be seen in subsequent reports.

Since the beginning of the monthly rating reports, command scores have ranged higher and higher. As this happens, standards are raised.

The SAC rating system originated in 1949. The biggest problem was to keep the data simple, yet complete.

To combat the danger that the report might mushroom into just a big administrative project, a constant check is maintained. Only needed information and pertinent data is contained.

The report has one single function—to serve as another tool of good management. By applying sound management principles to the data the report provides, SAC commanders at all levels are able to do a better job.

RBS SIMULATED BOMB MISSIONS

Combat readiness of Strategic Air Command bomber crews must be kept at its zenith in peacetime in order to fulfill any future wartime mission. To meet this requirement radar bomb scoring—RBS—is used to test the effectiveness of all combat-ready crews.

Radar bomb scoring began in 1946 with 888 bomb releases for the year against a site in the San Diego area. Seventeen years later bomber crews completed more than 20,000 simulated bomb drops monthly.

During early phases of bomb scoring, crews aimed at circles drawn on sand or other surfaces, then dropped sandbags or dummy bombs on these targets. Today highly sophisticated electronic apparatus scores the accuracy of the SAC crews. The target can be any object within the "eyes" of scanning radar devices.

Electronic equipment used to score the accuracy of the "bomb" drops is maintained by SAC RBS detachments, Army Nike missile batteries, and the Navy. Besides having fixed RBS sites, SAC is also using trains with electronic bomb scoring equipment aboard, and a new semimobile concept, consisting of eight trailer vans housing electronic equipment which move periodically to unfamiliar target areas.

By using the Army Nike and Navy RBS units, a twofold purpose is achieved—SAC bomber crews are scored for accuracy and electronic technicians are given the opportunity to train against detecting high- and low-flying jet bombers penetrating U.S. targets.

Making high- and low-level "bomb" runs against the RBS targets are SAC B-47, B-52, and B-58 jet bombers.

Already recognized as a potent threat from high altitudes, these jet bombers are equally capable of penetrating enemy defenses from low altitudes. This capability greatly compounds a potential enemy's radar defense problem.

When flying at supersonic speeds—mach 2—against the RBS targets, SAC's B-58 bombers fly between 35,000 and 50,000 feet. Subsonic missions are flown at much lower altitudes.

SAC crews will count on the tremendous speed of the B-58 in case of war to dash to any enemy target and return, keeping to a minimum the time the bomber would be exposed to enemy defense.

While flying at supersonic speed, the B-58's will cause sonic booms which may be heard on the ground. Since the B-58 will be flying at high altitude, any sonic boom reaching the earth's surface will be comparatively weak in strength.

Radar bomb scoring permits bomber crews to receive invaluable training in the use of radar bombing against realistic targets, day and night, in all kinds of weather. Using a combination of radio and radar contact between aircraft and RBS site, the effectiveness of combat crews is scored without having to drop a single bomb. Navigator-bombardiers receive practice in recognizing terrain and structural radar returns as they appear on their radar scopes.

The RBS radars "lock on" the approaching bomber, tracking it automatically on a plotting board. Just before the simulated release of the bomb, the aircraft transmits a tone to the RBS site by radio and indicates its point of simulated bomb release by stopping the tone. The target and the radar site have been precisely plotted on the tracking board prior to this action.

By using figures on distance and direction of the bomber from its target, the aircraft's ground speed, heading and altitude, wind conditions, bomb-fall characteristics and other data, RBS technicians can compute the accuracy of the particular bombing mission.

This computation allows RBS personnel to determine exactly if the target was hit, and if not, by how far and in what direction it was missed.

Of direct value to the private citizen is the fact that SAC can train its combat crews in bombing techniques under realistic wartime conditions.

A SAC-Federal Aviation Agency agreement assures a great degree of safety in the exercise of low-level flying, since civilian aircraft are informed which planned routes are in use by SAC bombers. During bad weather, no civilian aircraft are cleared along or through the routes while they are being used by the bombers.

LOW-LEVEL RADAR BOMB SCORING BOMBING MISSIONS

Strategic Air Command B-47, B-52, and B-58 jet bombers are now practicing low-level bombing techniques which will provide greater versatility should these bombers ever be called upon for combat missions.

Already recognized as a potent threat from high altitudes, SAC's jet bombers are equally capable of penetrating enemy defenses from low altitudes. This capability greatly compounds a potential enemy's radar defense problem.

Scoring bomb missions with radar permits crews to receive realistic training in the use of radar bombing against all types of targets. Navigator-bombardiers receive practice in recognizing factories, rail centers, and other structures, used as reference points, as they appear on their radar scopes.

A SAC-Federal Aviation Agency agreement assures a great degree of safety in the exercise of low-level tactics, since civilian aircraft are informed which planned routes are in use by SAC bombers. During bad weather, no civilian aircraft are cleared along or through the routes while they are being used by the bombers.

While flying low-level missions the SAC aircraft fly at subsonic speeds at altitudes at least 1,000 feet above the highest point along the route.

Since the aircraft travels at less than half the speed of sound while on low-level flights, residents of towns along the routes will not hear any sonic booms. No bombs are carried by SAC bombers while on these training missions.

SAC IN THE CUBAN CRISIS

SAC's ability to respond during periods of extreme tension was demonstrated to the world during the Cuban crisis in 1962.

Early in the crisis, the Joint Chiefs of Staff directed SAC to begin reconnaissance photography of the island and on October 14-15 the command's high altitude reconnaissance aircraft obtained the first hard evidence of the presence of offensive weapons in Cuba.

On the weekend before the Presidential quarantine announcement, SAC began dispersing aircraft, moving a number of its Florida-based B-52 bombers and KC-135 tankers to other U.S. bases to make room for the tactical aircraft buildup there.

By October 22 when the President announced the quarantine, SAC had canceled all leaves, temporary duty, and training activities and personnel were called back to their home bases. At many B-47 bases, the SAC medium bomber force dispersed to preselected military and civilian airfields all over the United States, increasing its survivability and shortening its reaction time by placing fewer aircraft at each operating location.

On October 25, the commander in chief, Atlantic—Cinclant—requested SAC's help in locating Soviet surface shipping, and SAC B-47 reconnaissance and KC-97 tankers began combing an 825,000 square mile rectangle north of Cuba between Bermuda and the Azores. Hundreds of visual and radar sightings were made from high altitudes to as low as 300 feet on these missions. Initial contact with the Soviet ships had been made within hours by B-52 aircraft flying airborne alert missions.

Using film exposed by SAC crews, intelligence specialists processed and delivered thousands of feet of film to national agencies during the crisis, normally within 24 to 48 hours of the receipt of the reconnaissance orders.

The most significant of all the manned weapon system activities, however, was this: The Strategic Air Command launched the first airborne alert in the history of airpower, as a number of B-52s took to the air on 24-hour missions designed to keep them within reach of potential targets at all times.

This airborne alert guaranteed the survival of a large part of SAC's strike aircraft from any attack, including one without warning. From its beginning October 22 to its end November 21, when routine airborne alert training was resumed, SAC bombers and tankers flew more than 2,000 sorties calling for nearly 50,000 hours of continuous flight. Under constant positive control, airborne alert aircraft flew more than 20 million miles and transferred some 70 million gallons of fuel during more than 4,000 aerial refuelings.

Also facing the Soviet Union during this period was SAC's growing ICBM force of nearly 200 operational missiles, all capable of reaching Soviet targets. When SAC forces were placed on increased alert, its combat-ready missiles were immediately brought to 100 percent alert. Widely dispersed, they were prepared to absorb a first strike and retaliate under Presidential order.

Commenting later on SAC's role in the Cuban crisis, President Kennedy, speaking from the ramp at SAC headquarters at Offutt AFB, Nebr., praised the command's record during this period and said it was his strong belief:

> That peace and security can be maintained directly with the will and courage of the people of the United States and the

strong right arm which is the Strategic Air Force. We're indebted to you all in the past, now, and our security depends on you in the future.

On August 20 and 21 outstanding leaders of the city of Chicago and its environs visited SAC, here and were oriented on the Command's activities. Later on January 14 and 15, 1964, another group of business executives and civic leaders were briefed and toured SAC headquarters facilities and the underground post command—witnessing a demonstration of SAC's famed "red telephone" and other communication systems.

The list of Chicagoans who attended the respective periods were as follows:

CHICAGO CDV'S AUGUST 20–21, 1962

Bailey, Steven, president, Plumbers Chicago Journeymen Local Union 130, 1340 West Washington, Chicago, Ill.

Beisel, E. E., president, Pepsi-Cola General Bottlers, Inc., 1745 North Kolmar, Chicago, Ill.

Andelman, Samuel, Dr., director of health, 54 West Hubbard Street, Chicago, Ill.

Carveth, Chauncy E., executive director, Illinois State Civil Defense, 57th and South Shore Drive, Chicago, Ill.

Gates, Rev. Robert P., minister, First Presbyterian Church, 1101 Hamilton Boulevard, Peoria, Ill.

Halloran, John D., assistant to president, Dynamics Corp. of America, 25 West 43d Street, New York, N.Y.

Haussler, Dr. A. G., vice president, Bradley University, 1502 West Bradley, Peoria, Ill.

Hollard, J. Paul, brigadier general, U.S. Army, retired, 3720 North Lake Shore Drive, Chicago, Ill.

Kelly, Edward, president, Waterloo Register Co., Waterloo, Iowa.

Kelly, Very Rev. Msgr. John M. editor, the New World, 109 North Dearborn, Chicago, Ill.

Kindred, Keith, managing partner, Barcus Kindred Co., 231 South La Salle Street, Chicago, Ill.

Kirby, Joseph, major, 11034 South Artesian Avenue, Chicago, Ill.

Mitchell, Jim, vice president for aviation, Stewart Smith, Inc., 141 West Jackson Boulevard, Chicago, Ill.

Murry, McGarry, Air Force Academy liaison officer, 1434 West Montrose, Chicago, Ill.

Sigmund, Arthur, vice president, Kraft Food Co., 500 North Peshtigo, Chicago, Ill.

Sims, William W., resident manager, Walston & Co., Inc., 201 South La Salle, Chicago, Ill.

Sweeney, Joseph J., Cook County commander, American Legion, 343 South Dearborn Street, Chicago, Ill.

Tamaraz, Lincoln, State commander AMVETS, 2818 West Farragut, Chicago, Ill.

Tyson, John M., vice president, Batten, Barton, Durstine & Osborn, 919 North Michigan, Chicago, Ill.

Valentine, Paul H., assistant manager, Conrad Hilton Hotel, 720 South Michigan Boulevard, Chicago, Ill.

Vogel, Carl E., National Bureau of Property Administration, 1824 Prudential Plaza, Chicago, Ill.

Whitney, Lafeton, Brig. Gen., director, Weiboldt Foundation, 38 South Dearborn Street, Chicago, Ill.

Woerthwein, A. T., chairman of the board, Bell & Gossett, 8200 North Austin, Morton Grove, Ill.

Worthy, James, partner, Mid-West Division, Cresak, McCormick & Paget, 100 West Monroe Street, Chicago, Ill.

Wygert, E. E., vice president, Pepsi-Cola General Bottlers, Inc., 1745 North Kolmar, Chicago, Ill.

Halligan, Robert F., president, the Hallicrafters Co., 4401 West Fifth Avenue, Chicago, Ill.

Lewis, Hugh, vice president, U.S. Steel, 900 Lake Shore Drive, Chicago, Ill.

CHICAGO CVD'S, JANUARY 14–15, 1964

Bensinger, B. E., chairman of the board, Brunswick Corp., 623 South Wabash Avenue, Chicago, Ill.

Bunting, Glenn, vice president, Central Farmers Fertilizer Co., 205 West Wacker Drive, Chicago, Ill.

Coulter, Thomas H., chief executive officer, the Chicago Association of Commerce & Industry, 30 West Monroe Street, Chicago, Ill.

Keck, George, president, United Air Lines, Inc., O'Hare International Airport, Post Office Box 8800, Chicago, Ill.

Lorch, John T., partner, Mayer, Friedlich, Spies, Tierney, Brown & Platt, 231 South La Salle Street, Chicago, Ill.

Mayer, Frank D., partner, Mayer, Friedlich, Spies, Tierney, Brown & Platt, 231 South La Salle Street, Chicago, Ill.

Mayer, Oscar G., Sr., chairman, Oscar Mayer & Co., Inc., 1241 Sedgwich Street, Chicago, Ill.

Nachman, Norman H., president, Chicago Bar Association, 38 South Dearborn Street, Chicago, Ill.

Swarthchild, William G., Jr., Swarthchild & Co., 22 West Madison Street, Chicago, Ill.

Wilson, Theodore M., executive vice president, Percy Wilson Mortgage & Finance Corp., 134 La Salle Street, Chicago, Ill.

Gray, John D., president, Hart, Schaffner & Marx, 36 South Franklin Street, Chicago, Ill.

Chapman, Theron T., president, Scott, Foresman & Co., 433 East Erie Street, Chicago, Ill.

Kramer, Ferd, president, Draper and Kramer Inc., 30 West Monroe Street, Chicago, Ill.

DeMent, George, chairman, Chicago Transit Authority, Merchandise Mart Plaza, Chicago, Ill.

Stephan, Edmund A., general counsel, Brunswick Corp., 523 South Wabash Avenue, Chicago, Ill.

Montgomery, K. F., partner, Wilson & McIlvaine, 120 West Adams Street, Chicago, Ill.

Templeton, James, flight operations manager, United Air Lines, Inc., O'Hare International Airport, Post Office Box 8756, Chicago, Ill.

Young, Horace A., president, Illinois State Bar Association, Suite 1525, 135 South La Salle Street, Chicago, Ill.

Hunt, Robert E., senior vice president of banking department, the Northern Trust Co., 50 South La Salle Street, Chicago, Ill.

Cummings, Tilden, president, Continental Illinois National Bank & Trust Co. of Chicago, 231 South La Salle Street, Chicago, Ill.

Blumenschein, C. M., senior vice president and controller, Container Corp. of America, 38 South Dearborn Street, Chicago, Ill.

Barr, John A., Chairman, Montgomery, Ward & Co., 619 West Chicago Avenue, Chicago, Ill.

Haas, Albert F., president, Sandoval Zinc Co., 3649 South Albany, Chicago, Ill.

Haas, Howard G., vice president, Sealy, Inc., 666 Lake Shore Drive, Chicago, Ill.

Moore, C. W., president, Chicago Helicopter Airways, 5240 West 63d Street, Chicago, Ill.

Quindry, Frank E., 231 South La Salle Street, Chicago, Ill.

Tieken, Theodore, Secretary, Babson, Inc., 2845 West 19th Street, Chicago, Ill.

Foreman, Harold E., Jr., president, Willow Service Co., 79 West Monroe Street, Chicago, Ill.

Kiley, Roger J., (Honorable) Judge, U.S. Court of Appeals, 1212 Lake Shore Drive, Chicago, Ill.

Mannion, John F., senior vice president, Continental Illinois National Bank & Trust Co. of Chicago, 231 South La Salle Street, Chicago, Ill.

IV. VANDENBERG AIR FORCE BASE, CALIF.

On February 14, 1964, Members of the House of Representatives visited Vandenberg Air Force Base for orientation. Major Tyler—CSP—as project officer.

Arrival at base operations from Offutt AFB, via VC–137, 1340. We were met by Maj. Gen. S. W. Wells, commander, 1st Strategic Aerospace Division, and Col. Preston C. Newton, commander, 6595th Aerospace Test Wing.

We traveled to Command Briefing Facility—building 9003—1340–1350.

Welcome by Major General Wells and orientation briefiing by Major Tyler, 1350–1420.

Briefing by Colonel Newton, commander, 6595th ATW, 1420–1430.

Tour of selected technical facilities, escorted by Col. George E. Howard, chief of staff, 1st STRATAD, 1430–1615.

Travel to and tour of 75–1 launch complex, 1430–1500.

Travel to and tour of Atlas 576–D launch complex, 1500–1540.

Travel to and tour of Minuteman HLCC No. 1 and one launch facility, 1540–1600.

Travel to base operations, 1600–1615.

Depart, 1615.

MISSILE COMBAT CREWMEN

The same high standards which have distinguished Strategic Air Command aircrews are maintained by SAC missile crews on the ground. SAC missile crews are comprised of highly intelligent and broadly educated Air Force personnel who have demonstrated stability and maturity prior to selection for missile training. Missile combat crew commanders are selected from the ranks of senior captains and higher ranks, and are chosen for their proven abilities and technical background. Missile combat crewmen are a highly dedicated, select group of professional airmen and officers.

POSITIVE CONTROL

Could a war be started accidentally? The odds against it happening are so astronomical that it is hardly within the realm of possibility.

The possibilities of a ballistic missile starting a war are precluded by the same positive measures that would prevent a SAC bomber from starting an accidental war.

Orders to launch a missile are received by the missile combat crew commander from SAC Headquarters. Launch orders in a war situation originate with the President of the United States and are transmitted to Headquarters SAC by the Joint Chiefs of Staff.

At the receipt of any launch order, a series of positive control measures are undertaken to authenticate and verify the original instructions.

All ICBM launches in the Strategic Air Command are carried out under the system of positive control to insure that launch orders are confirmed before a countdown is started. When a launch order is received in the blockhouse, the missile combat crew commander determines its authenticity by comparing the coded portions of the order with a code which he has in his possession at all times during his period of duty in the blockhouse.

Only after this positive authentication of the launch order has been completed does the missile combat crew commander start the countdown.

The fact that launch procedures require team effort on the part of several crew members insures that no individual can fire a missile inadvertently or irresponsibly.

THE 1ST STRATEGIC AEROSPACE DIVISION MISSION SUMMARY

In contributing to the development of the intercontinental ballistic missile element of the Strategic Air Command, the 1st Strategic Aerospace Division: Conducts and controls ICBM test and evaluation accomplished at Vandenberg AFB; provides a realistic operational environment in support of SAC ICBM system reliability launches; provides technical assistance and data processing service for the SAC missile reliability system; identifies and develops operational readiness training concepts, requirements, and plans for all SAC ICBM weapon systems; maintains an operational ICBM combat capability; and supports all SAC and tenant units located at Vandenberg AFB.

EXPANDING ICBM ALERT FORCE

By far the greatest share of effort since September 1959 has been the expansion of the Nation's operational deterrent force. Three missile squadrons carry out the operational testing and training aspects of the 1st Strategic Aerospace Division mission. These are the 576th Strategic Missile Squadron—Atlas, 395th Missile Squadron—Titan, and the 394th Missile Squadron—Minuteman.

The 576th Strategic Missile Squadron—Atlas: Conducts missile systems test and evaluation and provides technical facilities from which missile combat crews from other SAC bases conduct live system reliability launches. The squadron and facilities have an emergency war order—EWO—launch capability which takes precedence during time of emergency.

The 395th Missile Squadron—Titan: Conducts missile systems test and evaluation and provides technical facilities from which missile combat crews from other SAC bases conduct live system reliability launches. In addition, their facilities have an emergency war order—EWO—launch capability which takes precedence during time of emergency.

The 394th Missile Squadron—Minuteman: Conducts missile systems test and evaluation and provides technical facilities for missile combat crews from other SAC bases which conduct live firings in support of the system reliability launch programs. These facilities have an emergency war order—EWO—launch capability which takes precedence during time of emergency.

SAC's initial operational ICBM capability came into being at Vandenberg on September 9, 1959, when a crew of the 576th SMS sent its first Atlas missile streaking 4,000 miles down the Pacific Missile Range.

Vandenberg's first ICBM launch complexes were designed to achieve an operational status at the earliest possible date, and as such were above ground—soft—and vulnerable. New emplacements have since entered the program and serve the double purpose of providing an operational capability and a realistic environment for operational reliability testing of SAC's total ICBM force. These new, fixed facilities are below ground—hardened—and dispersed over a vast area.

All the hard facts to be learned about actual combat performance of SAC's ICBM's under operational conditions are provided by Vandenberg launches. The base also refines operational concepts and procedures to insure best results from the use of these weapons. By meshing the operational testing cycle for ICBM's with its missile combat crew training program, Vandenberg serves as a ballistic missile proving ground.

A certain amount of daily readiness must be sacrificed to serve other requirements of the assigned mission. The knowledge and experience gained here serves to increase SAC's capability across the entire ICBM force. When this initial training load is completed, the readiness of the Vandenberg facilities will equal that of SAC's other operational ICBM forces and will include the launch emplacements for Atlas, Titan, and Minuteman. A portion of the force will remain operational at all times.

POSITIVE CONTROL

ICBM launches by the Strategic Air Command are carried out under a system of positive control to insure that launch orders are confirmed before countdowns are started. When a launch order is received, the missile combat crew commander determines its authenticity by comparing the coded portion of the order with a code which he has in his possession at all times. After this positive authentication of the launch order has been completed, the countdown begins. Since a launch requires a team effort on the part of several combat crew members, no individual can launch a missile accidentally or irresponsibly.

VERSATILE AEROSPACE CENTER

Today, Vandenberg's varied ballistic missile and space program finds base personnel working with all of the Air Force ICBM and satellite systems presently in the inventory. Vandenberg emplacements include operationally configured Atlas D, E, and F series; Titan I and II; and Minuteman launch facilities.

To help further the development of advanced space systems, Vandenberg supports the launching of Air Force polar orbiting satellites from the base and nearby Point Arguello. This program is providing answers to the problems of space navigation, reentry, and recovery.

The missiles launched from Vandenberg have enlarged the Nation's aerospace power for peace. Through advancing these programs, Vandenberg has steadily advanced the Nation's aerospace power, and has taken its place as the aerospace center of the free world.

THE SAC MISSILE-BOMBER FORCE (MIXED-FORCE CONCEPT)

A combination of the strengths and capabilities of both bombers and missiles provides a far stronger and more flexible strike force than combat units composed of either system alone. Strategic Air Command is already well along in integrating its missile force with its bomber force. As they achieve combat ready status, missile units are assigned under the operational control of numbered Air Forces to correlate missile-bomber operations under the mixed-force concept.

The ICBM has rapidly progressed from research and development to operational systems which possess the necessary fast-reaction time, accuracy, reliability, and flexibility demanded of a strategic deterrent force. A growing number of missile units are on strategic alert within SAC, complementing the far-ranging bomber-tanker force. Combat missile units are integrated into SAC's emergency war order and are capable of launching within the warning time provided by the ballistic missile early warning system—BMEWS. SAC's advanced model ICBM systems—such as Tital II and Minuteman—are protected in hard launch emplacements which provide a high degree of invulnerability to enemy attack insuring this country a creditable retaliatory strike capability.

SAC MISSILE FORCE: SAC MISSILE FACILITIES

Six types of missiles, ranging in size from the 110-foot Titan intercontinental ballistic missile—ICBM—to the less than 15-foot Quail decoy missile, will be distributed to Strategic Air Command stateside bases.

The 576th Strategic Missile Squadron at Vandenberg AFB, Calif., was the first Atlas squadron with operational capabilities. The initial firing of an Atlas missile by a combat-trained SAC crew took place on September 9, 1959, at Vandenberg.

Atlas facilities at Schilling, Walker, Altus, Dyess, Plattsburgh, and Lincoln Air Force Bases are silo-lift, underground sites. All Titan and fixed Minuteman missiles are stored in silos.

Missile sites are located near the following bases. The SAC numbered Air Force having operational control of the units is noted after the State.

Atlas ICBM—SM-65—General Dynamics Astronautics: Altus AFB, Altus, Okla., 2d Air Force; Dyess AFB, Abilene, Tex., 15th Air Force; Fairchild AFB, Spokane, Wash., 15th Air Force; Forbes AFB, Topeka, Kans., 2d Air Force; Francis E. Warren AFB, Cheyenne, Wyo., 15th Air Force; Lincoln AFB, Lincoln, Nebr., 2d Air Force; Offutt AFB, Omaha, Nebr., 2d Air Force; Plattsburgh AFB, Plattsburgh, N.Y., 8th Air Force; Schilling AFB, Salina, Kans., 15th Air Force; Vandenberg AFB, Calif., 1st Strategic Aerospace Division; Walker AFB, Roswell N. Mex., 15th Air Force.

THE ATLAS F

Three versions of the Atlas, America's first intercontinental ballistic missile, have been used since the weapon became operational in September 1959. The pioneer D model is held on alert in aboveground launch buildings grouped around radio guidance facilities. To reduce vulnerability to enemy attack, the E and F models were designed to operate from widely dispersed launch facilities. Each of these self-contained units is constructed below ground level to resist bomb blast. The Atlas E alert force's launchers are inside shallow excavations. The Atlas F force will be still less vulnerable because its missiles will be kept on alert deep inside massive concrete silos and raised to ground level only for firing. The Atlas F also will be able to retaliate more swiftly to enemy attack because it can be held on alert with fuel aboard. These powerful weapons are produced by the General Dynamics Corp.

Three Atlas F launch facilities are now undergoing final checkout at Vandenberg AFB. One, an operational systems test facility, will initially be used by the Air Force Systems Command for a comprehensive test program. The other two will be used by the 576th Missile Squadron to train crews for Atlas F squadrons becoming combat-ready at other bases. The Strategic Air Command will soon have a powerful force of Atlas F missiles on alert to protect the free world from aggressors.

ATLAS FACT SHEET

Weapon category: U.S. Air Force intercontinental ballistic missile—ICBM.

Description: Atlas is a 1½-stage ICBM. Height is 82½ feet with reentry vehicle; body diameter, 10 feet. Launching weight when fueled is more than 250,000 pounds. Dry weight, 15,000 pounds.

Range: Over 6,000 miles.

Propulsion: The Atlas is powered by two large booster engines and one large sustainer engine. Finite guidance supplied by two small vernier rockets. Fuel is liquid oxygen and RP–1, a kerosene fuel.

Thrust: Early D series have thrust of 360,000 pounds at liftoff. The later E and F series have thrust of 390,000 pounds at liftoff.

Performance: All five engines are ignited prior to launching. Within a few minutes, the missile is lifted well into its trajectory and the booster engines are jettisoned. The missile is then accelerated by the sustainer engine until a velocity of over 15,000 miles per hour has been reached. The sustainer engine is then shut off. The small vernier engines are then used to trim the missile in flight. The reentry vehicle separates from the rocket's structure after the verniers are shut down and then follows a true ballistic course.

Guidance: D series—radio inertial. E and F series—all inertial. All inertial guidance is carried within the missile rather than being dependent on ground guidance stations.

Launch configurations: D series—horizontal, soft; E series—horizontal, hard; F series—hardened, vertically storied in silo 174 feet deep, 52 feet in diameter. Elevated to surface for launch.

Manufactured by: General Dynamics/Astronautics, San Diego, Calif.

Miscellaneous information: The Atlas D was the first operational ICBM. On September 9, 1959, the Air Force launched the first operational Atlas D from Vandenberg Air Force Base, Calif. Since that time, more than 120 D, E, and F series missiles have been integrated into SAC's mixed bomber and missile force. All are able to respond within the warning time provided by the Ballistic Missile Early Warning System—BMEWS.

TITAN I FACT SHEET

Weapon category: U.S. Air Force intercontinental ballistic missile (ICBM).

Description: Two-stage ICBM, 98 feet in height. First stage 57 feet long, 10 feet in diameter. Second stage 8 feet in diameter, 41 feet long, including reentry vehicle. Total weight at launch is 220,000 pounds.

Range: Greater than 6,300 miles.

Propulsion: Titan I is powered by engines using RP–1, a kerosene-type fuel, and liquid oxygen—lox. Thrust generated by the first stage engines is 300,000 pounds. The second stage engine, at altitude, delivers 80,000 pounds thrust.

Performance: Titan I accelerates at a speed of 5,300 miles per hour in a little over 100 seconds following liftoff. At that time, stage separation occurs, and the second stage engine ignites and continues to boost speed to maximum 17,750 m.p.h. At predetermined point, the second stage engine shuts down. Vernier rockets then provide final velocity and trajectory correction. The reentry vehicle, or nose cone, separates and continues in a free falling path to the target. The highest point in arc of the trajectory is approximately 500 miles—nearly 2,600,000 feet above the earth.

Guidance: Radio-inertial.

Basing: Two squadrons at Lowry Air Force Base, Colo. One squadron at Beale Air Force Base, Calif.; Larson Air Force Base, Wash.; Mountain Home Air Force Base, Idaho; and Ellsworth Air Force Base, S. Dak.

Launch complex information: Three missile silos, each with an accompanying propellant terminal and equipment terminal, guidance antenna silo, power production plant and launch control center. All facilities are located below ground level and are interconnected with tunnels allowing personnel access between the various areas.

Manufactured by: Martin Co., Denver, Colo.

TITAN II FACT SHEET

Weapon category: U.S. Air Force intercontinental ballistic missile—ICBM.

Description: An outgrowth of Titan I, using basic two-stage design. The most powerful U.S. Air Force ICBM. The first stage is 71 feet long; second stage, 20 feet; reentry vehicle 14 feet long. Both first and second stage measure 10 feet in diameter. Total fueled weight at liftoff is approximately 330,000 pounds. Titan II incorporates the following advances over Titan I: Greater payload capability; greater range; storage propellants; in-silo storage and launch; increased ability to survive attack; inertial guidance carried within the missile, eliminating the need for vulnerable ground guidance facilities; reduced reaction time; capability to launch in salvo.

Range: In excess of 6,000 miles.

Propulsion: Titan II is the only ICBM using storable, liquid propellants. These propellants are hypergolic, in that they burn on contact with each other, giving more even and complete ignition. First stage thrust is approximately 430,000 pounds. Second stage thrust, at altitude, is approximately 100,000 pounds.

Performance: After launch from its silo, Titan II rises vertically for several seconds. During this time it rolls on its axis to align itself with the target. The missile then climbs in a curving trajectory. When the first stage engines shut down, after approximately 150 seconds of flight, the second stage ignites and separates from the missile carrying the reentry vehicle toward its assigned target at speeds in excess of 15,000 miles per hour. After shutdown of the second stage engine, two vernier rockets make final course and velocity corrections. Following separation, the reentry vehicle follows a true ballistic arc.

Basing: The operational base for Titan II is a hardened silo installation. There are nine silos and control centers in each equadron. Titan II is to be deployed at McConnell AFB, Kans.; Davis-Monthan AFB, Ariz.; and Little Rock AFB, Ark.

Silo information: The silo is 155 feet deep, 55 feet in diameter and has walls 4 to 8 feet thick. Two exhaust ducts for the flame exhausting system also run the length of the silo, and provide an escape for the hot exhaust gases during a launch. These project from the sides of the silo in a W pattern.

MINUTEMAN FACT SHEET

Weapon category: U.S. Air Force intercontinental ballistic missile.

Description: Three stage, solid fuel ICBM, 55 feet long plus reentry vehicle, 5½ feet in diameter. The missile is stored in an 80-foot-deep steel-lined concrete silo. Total weight at launch is approximately 70,000 pounds.

Range: Greater than 5,000 miles.

Propulsion: Minuteman is propelled by a three-stage rocket. First stage thrust is approximately 195,000 pounds. Second stage thrust in the Minuteman is approximately 46,000 pounds and third stage thrust is approximately 19,000 pounds. The later model Minuteman has increased thrust in all stages resulting in greater range.

Performance: In the first launch attempt at Cape Kennedy, Fla., the Minuteman achieved a range of 4,600 miles, its reentry vehicle impacting in the target area. The launch also marked the first time all stages of a multistage ICBM was programed to and performed its assigned functions on the initial flight. The first Minuteman was launched from Vandenberg AFB, Calif., on September 28, 1962.

Guidance: Inertial.

Basing: The Minuteman became operational at Malmstrom AFB, Mont., in December 1962. The missile is scheduled for installation at Ellsworth AFB, S. Dak.; Minot AFB and Grand Forks AFB, N. Dak.; Whiteman AFB, Mo.; and F. E. Warren AFB, Wyo.

Launch complex information: The Minuteman is launched from inside its silo emplacement. The complexes at each operational site will be capable of firing 50 missiles. Each hard launch control center will control 10 of the "instant ICBM's" with 5 centers to each squadron. In the event of an enemy attack, any of the launch control centers is capable of firing all 50 missiles.

Integrating contractor: Boeing Co., Seattle, Wash.

V. AIR FORCE ACADEMY, COLO.

The 10 Members of Congress met Air Force Academy cadets from their home districts, toured facilities of the Nation's newest service school Sunday, February 16. My cadets at the Academy from the 7th District of Illinois are: Flower, Terrence Frederick, class of 1964; Stetz, George Andrew, class of 1965; Strzemieczny, Alan Lee, class of 1966; Andrews Victor Charles, class of 1966; Hogle, Guy Otis, Jr., class of 1966; Minshall, Billy Wayne, class of 1967.

Following luncheon at the officers club, the Congressmen received a thorough briefing on the Academy mission and operation from top officers. The Superintendent, Maj. Gen. Robert H. Warren, explained the proposed expansion plan which will hike size of the Cadet Wing from approximately 2,500 to over 4,400.

Lt. Col. Charles C. Anderson, Director of Admissions, discussed nomination policies and effects of new legislation.

Following a picturetaking session with cadets in Arnold Hall, the cadet social center, Congressmen toured the unique 17-spired Academy chapel.

MISSION

The mission of the U.S. Air Force Academy is to provide instruction, experience and motivation to each cadet so that he will graduate with the knowledge, character and qualities of leadership essential to his progressive development as a career officer in the U.S. Air Force.

Cadets who complete the Academy's 4-year course of study graduate with accredited bachelor of science degrees and commissions as second lieutenants in the Regular Air Force.

COURSE OF STUDY

The 4-year curriculum, totaling 186½ semester hours, is designed to provide a foundation for further development in any of the numerous career fields open to Air Force officers. It is neither an engineering nor a liberal arts program, but combines certain elements of both.

The required academic program totals 143½ semester hours and is balanced almost evenly between the basic and applied sciences, and the humanities and social sciences. However, cadets with exceptional ability or previous college training may participate in the curriculum enrichment program, initiated by the Academy in 1957. Under the enrichment program, cadets may meet prescribed curriculum requirements by transfer of credits, validation examinations, or acceleration of courses. In the time thus made available, cadets may take substitute elective courses. They may also take extra-elective courses, over and above the normal semester-hour load.

Under the enrichment program a cadet may earn, in addition to his bachelor of science degree, an undergraduate major in one or more of the following: Basic science, with areas of concentration in mathematics, physics, or chemistry; engineering science, with areas of concentration in aeronautics, astronautics, electrical engineering, or mechanics; military management; or international affairs. The last two include advanced courses in the social sciences and humanities. Cadets who complete the engineering science major receive accredited engineering degrees. Each undergraduate major requires about 20 additional semester hours of work, and each is so designed that good students, even with no prior college, can complete it by the extraelective method alone.

The enrichment program also includes graduate-level courses which may be applied toward a master's degree. Under cooperative arrangements between the Academy and two civilian universities, selected cadets may earn master's degrees from these universities within 7 months after their graduation from the Academy. Such master's degree programs are available in astronautics and international relations. The Academy is also seeking congressional authorization to award master's degrees at the time of graduation to cadets, chiefly those with previous college, who can complete the requirements of the prescribed curriculum, an undergraduate major, and a year of graduate-level work before graduation.

The enrichment program is completely voluntary, but about 80 percent of the cadets participate, and about 40 to 50 percent complete the extra requirements for an undergraduate major.

MILITARY TRAINING

The military training program, which qualifies each graduate to be commissioned as an officer in the Armed Forces of the United States, distinguishes the Academy from other universities. In addition to the 28½ semester hours of professional subjects taught in the classroom and during field study, portions of each day are devoted to a program of practical leadership and command.

The professional program is designed to equip a cadet for a career as an officer, not to train him for a specific job; consequently, the program combines professional orientation, skill indoctrination, and military education in an environment planned to provide lifetime career motivation. Each cadet studies: Weapons systems, their tactical and strategic use; weapons and techniques of the past, present and future; defense planning and operations from the level of a tactical unit to international alliances.

The program of practical leadership experience and command centers on the individual cadet squadron, which consists of approximately 100 cadets. The squadron is a cadet's home at the Academy. He lives in a room shared with one other cadet. He works for someone, and has someone working for him. He learns how to use a military chain of command, the techniques of leadership in command, the importance of discipline and training in daily action, and how these elements may be turned into esprit de corps. He progresses each year into ever-increasing responsibilities of command and staff assignments, until as a first-class man, he shares responsibility for the operation of his squadron. This program, under the supervision of Air Force officers, provides an opportunity for practical application of the theories learned in the classroom.

ATHLETIC PROGRAM

The Academy conducts a carefully developed physical education program, including an intensive system of intramural sports. All cadets not engaged in a seasonal intercollegiate sport are required to participate at least twice each week in intramural competition. To remain eligible for intercollegiate sports, a cadet must maintain proficiency in his academic studies.

Sixteen sports presently are included in the intercollegiate program. They are: Fall—football, cross country, soccer; winter—basketball, wrestling, gymnastics, swimming, skiing, fencing, rifle, pistol; spring—baseball, golf, track, tennis, and modern pentathlon.

KEY PERSONNEL

The Superintendent is Maj. Gen. Robert H. Warren, of Florida, a 1940 graduate of the U.S. Military Academy. General Warren served in the European Theater of Operations during World War II as a squadron commander, wing operations officer, and commander of the 376th Bombardment Group. He flew 38 combat missions in B-24 bombers. During the Korean war he was Director of Operations, and later, Assistant Deputy for Operations of Far East Air Forces. Prior to his assignment to the Academy in July 1962, he was commander, Air Proving Ground Center, Eglin Air Force Base, Fla.

The dean of the faculty is Brig. Gen. Robert F. McDermott, of West Roxbury, Mass., who was operations officer for a fighter-bomber group in England during World War II. He is a 1943 graduate of West Point, where he later taught. He has a master's degree from Harvard Business School and received an LL.D. from St. Louis University.

The commandant of cadets is Brig. Gen. Robert W. Strong, Jr., a native of Painesville, Ohio. He is a 1940 graduate of the U.S. Military Academy and was a pilot and later squadron commander of B-29's in the Pacific during World War II. Prior to his Academy assignment he was commander of the 825th Strategic Aerospace Division, Little Rock AFB, Ark.

FACTS CONCERNING CADET LIFE

The academic year extends from August through May. Cadets have classes or study periods from 8 a.m. to 4:20 p.m. on weekdays, with a 1-hour break for lunch. Unless a cadet is participating in intercollegiate athletics, he practices or plays on a squadron intramural team two afternoons a week after classes. The other three afternoons during the week he spends in study or organized cadet extracurricular activities. Saturday mornings are devoted primarily to military training and lectures in military or academic subjects.

The months of June and July constitute the summer training period. Cadets spend their first summer at the Academy undergoing intensive basic airmanship training. Succeeding summers are devoted to specialized military training at the Academy, home leave, field trips to bases of the Air Force's major commands, visits to Army and Navy installations, and oversea trips.

During the academic year, all second-, third-, and fourth-class cadets are required to be in the rooms after 7:15 p.m. on week nights and Sunday nights, unless they are studying in the library which is open every night. First-class cadets and second classmen on the Superintendent's merit list are not required to maintain a strict evening study schedule. Taps is at 11 p.m. Unless the cadet is permitted to have late lights, he must be in bed with lights out at taps.

All officer and most noncommissioned officer positions in the cadet wing are held by members of the first and second classes. No second classman outranks a first classman. In addition, a number of third classmen hold the rank of staff sergeant, the lowest cadet noncommissioned officer rank. Cadet rank is shown on the cadets' shoulder boards. Four broad stripes indicate the rank of cadet colonel, held by the cadet wing commander. Three broad stripes, lieutenant colonel; two broad stripes separated by one narrow stripe, major; two stripes, captain; one broad and one narrow stripe, first lieutenant; one broad stripe, second lieutenant. Noncommissioned officer rank is indicated by chevronlike stripes on the shoulder boards. Three chevrons indicate master sergeant; two chevrons, technical sergeant; one chevron, staff sergeant. Rank is based on merit and is rotated each semester to allow the most senior cadets to gain experience by holding positions of responsibility.

All cadets are housed in Vandenberg Hall in the cadet area of the Academy. The building is a quarter of a mile long, and in addition to the cadet rooms, it contains the cadet store, class lounges, and cadet activities rooms. Two cadets share a room. Each cadet has a single bed, desk, lamp, chair, closet, wall bookcase, and chest of drawers.

In addition to his education, quarters, medical and dental care, the cadet receives $111.15 a month. From this money, the cadet pays for some of his books, clothing and other personal needs.

Privileges to leave the Academy campus are based on a gradual transition from the status of a new cadet to a second lieutenant. The new cadet, a fourth classman, is very restricted in the number of privileges he may receive. He is permitted to leave the Academy only on specific holidays, after certain varsity football games, for special cadet activities, and for occasional dining with close relatives or staff officers. A first classman, however, is relatively free during off-duty hours, just as he will be as a second lieutenant. Thus, privileges are progessively increased by class in recognition of added maturity and responsibility.

Perhaps the most significant phases of development for cadets are those which are geared to the operation of the honor code. Simply stated, the honor code is an obligation into which all cadets enter at the end of their initial summer training program. It commits them individually to the observance of the code: "We will not lie, cheat or steal, nor tolerate among us anyone who does."

It is the cadets' own code and they are fiercely proud of it. The idea is not original and basically it is an adaptation of an idea that has worked at the U.S. Military Academy for about 130 years. The cadets are determined that the code shall be a lifetime principle and not a 4-year principle.

COLORS AND MASCOT

The Academy colors are blue and silver.

The cadets' mascot is the falcon; and several falcons are kept at the Academy. Some have been trained by cadets to give free-flight demonstrations at football games and other public events.

OFFICIAL TITLES

The short title for the Air Force Academy Wing is Cadet Wing, not Wing of Cadets. The classes are known by the year of graduation; that is, class of 1963. Within the Cadet Wing, the various classes are also known as fourth class, third class, second class, and first class. The fourth class is the lower; the others are the upper classes. Upperclassmen wear shoulder boards on their summer uniforms; fourth classmen do not until they have completed the first summer's training.

HISTORY

Many of America's pioneer airmen advocated the creation of an academy to prepare officers especially for the air service. One of them, Brig. Gen. William "Billy" Mitchell, tried in vain to persuade first the Government and then private interests to establish such a school. In 1948, the Air Force appointed a Board of leading civilian and military educators to plan the curriculum for an Air Force Academy. The idea made little progress outside the Air Force, however, until Secretary of Defense James Forrestal appointed a Board of outstanding military and civilian educators in 1949 to recommend a general system of education for the Army, Navy, and Air Force. The Chairman of this Board was Dr. Robert L. Stearns, then president of the University of Colorado, and vice chairman was Gen. Dwight D. Eisenhower, then president of Columbia University. Members included the presidents of several other civilian universities, the executive vice president of Massachusetts Institute of Technology, the Superintendents of West Point and Annapolis, and a representative of the Air Force.

In 1950, this Board concluded that a nucleus of Regular officers for the armed services should be educated, trained, and dedicated from youth onward for a lifetime of service to their country. The Board pointed out that West Point and Annapolis had produced such highly trained and intensely loyal professional officers for many years. It found that the needs of the Air Force could not be met by any desirable expansion of the older service academies, and recommended that an Air Force Academy be established without delay. The Board proposed that, in peacetime, not less than 50 percent of the Regular officers taken into each service should be Academy graduates.

Congress authorized creation of the Academy in 1954. Mr. Harold E. Talbott, then Secretary of the Air Force, appointed a distinguished Commission to assist him in selecting the permanent site. After traveling 20,000 miles and visiting proposed sites in 22 States, this Commission recommended 3 locations near Colorado Springs, Colo.; Alton, Ill.; and Lake Geneva, Wis. From them Secretary Talbott selected the site at the foot of the Rocky Mountains 8 miles north of Colorado Springs. It consisted of approximately 17,900 acres of former ranchland, of which some 10,000 acres are buildable. The State of Colorado contributed $1 million toward the purchase of this land. Construction has been confined primarily to fingers, or mesas, extending eastward from the mountains toward the plains, with family housing for officers and airmen being placed in the valleys between them. The site provides ample room for intramural athletic fields, cadet maneuvers, a proposed airfield, and protection against encroachment.

CONSTRUCTION

Congress appropriated $138,797,000 for construction, including $1,858,000 spent at the interim site on facilities which have reverted to other Air Force uses. In addition to construction funds, the Air Force has spent approximately $23 million for equipment and furnishings at the Academy.

The modern design of the main Academy buildings is less expensive to build than architecture of the type used in many older institutions. Their architectural style is described by the architect-engineers, Skidmore, Owings & Merrill, as timeless. Glass, aluminum, steel, granite, and white marble are among the materials employed.

THE AIR FORCE ACADEMY FOUNDATION

The Air Force Academy Foundation, Inc., a tax-exempt, nonprofit organization, has a membership and active directors on a nationwide basis. The purpose of the foundation is to provide those facilities for the Academy which cannot be obtained through the use of Government funds.

As part of its program, the foundation already has purchased and donated to the Academy a recreational area located northwest of the Academy site. This heavily forested area with well-stocked lakes provides outstanding recreational facilities.

The foundation also provided the funds for the construction of an 18-hole golf course. Designed by Robert Trent Jones, famed New York golf-architect, the Academy course is a fine test of one's ability on the links.

The foundation has raised $3,500,000 to build Falcon Stadium on the Academy grounds. In addition, the foundation also plans to finance an Air Force Memorial Education Center.

FUNCTIONS OF THE CADET REGISTRAR AT THE U.S. AIR FORCE ACADEMY

The Office of the Cadet Registrar at the U S. Air Force Academy consists of five directorates: Candidate Advisory Service, Director of Admissions, Cadet Records, Evaluation, and Cadet Counseling. These directorates of the registrar maintain contact with a young man from the time he aspires to be a cadet, through his nomination and appointment to the Academy, during his 4 years of cadet life, and until the day of graduation when he receives his degree and commission.

When a young man is still in high school and first starts thinking about becoming a cadet, he may write to the registrar to obtain information about how to prepare for the Academy and how to apply for a nomination. If he does, the Candidate Advisory Service will send him an Academy catalog and other literature to provide the background he needs. The prospective cadet may obtain further information and personal counseling from one of the Academy liaison officers appointed in communities throughout the country. These officers are members of the Air Force Reserve who are attached for Reserve duty to the Candidate Advisory Service. They work closely with guidance counselors in high schools to motivate and assist outstanding male students who are interested in applying for an Academy nomination.

Most applications are made to U.S. Senators and Representatives who are authorized to nominate a majority of the Academy cadets for appointment. Under current public law each Senator and Representative may have four cadets at the Academy at one time and may nominate six young men for each vacancy which becomes available to him during a year.

After screening their applicants and making final selections of nominees, each Member of Congress submits his list of candidates to the Air Force. The lists are forwarded to the Director of Admissions at the Academy. The Admissions Office schedules each candidate for physical and mental examinations; assembles his academic transcripts, records of his extracurricular activities, and personal recommendations submitted by high schools he attended; and records his examination results. A complete file on each candidate who meets the minimum qualifications for admission is prepared by admissions and sent to selection panels composed of faculty and staff officers. These panels recommend principal and alternate candidates to fill congressional vacancies and other appointments authorized by law. The Academy Board, composed of key Academy officers, passes on these recommendations and submits them to the Secretary of the Air Force for final approval. After approval has been confirmed, notification to Members of Congress and to selected candidates are prepared by the Admissions Office. Selection takes place late in April and the new cadet class enters late in June.

When a newly appointed cadet arrives at the Academy, he is registered for classes by Cadet Records. This office maintains a file with complete background information on each cadet. All course grades through a cadet's 4 years at the Academy are recorded in his file and copies are sent to his parents, secondary school, and nominating authority. If a cadet becomes deficient in his grades or military performance, Cadet Records makes a report to the Academy Board for review. All merit lists denoting outstanding academic grades and military aptitude are prepared by this office. The final graduation order of merit, ranking each cadet in order of his grades, is also prepared by this office.

Throughout the cadet's 4 years at the Academy, the evaluation directorate of the registrar analyzes and scores examinations which are administered to him by academic departments. The achievement of cadet classes on various standardized college examinations is analyzed by evaluation specialists. They also evaluate the method of cadet selection including the validity of mental and physical entrance examinations, the scores assigned to extracurricular activities, and personal recommendations. They monitor the Air Force Academy examination centers and score the candidate examinations.

Any cadet at the Academy has access to the cadet counseling service of the registrar. Counseling specialists in this office assist cadets with personal, social, academic, and general adjustment problems. The counseling staff works in close coordination with other counseling individuals and agencies at the Academy including the chaplains, health and mental hygiene services, academic counselors, legal advisers, and air officers commanding.

A cadet's last point of contact with the registrar comes on the day of graduation when he receives his diploma. Col. Virgil J. O'Connor, assigned as the permanent Academy registrar, presents the diplomas at each graduation.

Colonel O'Connor holds a doctor of education degree from Harvard University. Each directorate of the registrar is supervised by an Air Force officer. Both civilian and Air Force personnel are assigned to accomplish the mission of the directorates.

THE AIR FORCE ACADEMY BUILDINGS

The architect-engineers of the Air Force Academy were Skidmore, Owings & Merrill. Walter Dorwin Teague Associates determined the Academy furnishings and equipment requirement.

In the design and construction of the Air Force Academy, the architects and their consultants thought of their work as functional, as harmonizing with the spirit of the Air Force, and as a part of the landscape in which it was set. In that sense of the word, the architectural style of the Academy is considered by the architect-engineers to be timeless.

The architects employed the natural land forms to enhance the impressiveness of their designs for the academic area. From the academic area, striking views are provided of Cathedral Rock, the aptly named Rampart Range to the west and sweeping panoramas of the Black Forest to the east.

Congress appropriated $138,797,000 for construction, including $1,858,000 spent at the interim site on facilities which have reverted to other Air Force uses. In addition to construction funds, the Air Force has spent almost $23 million for equipment and furnishings at the Academy. The modern design of the main Academy buildings is cheaper to build than architecture of the type used in many older institutions.

The main complex where the cadets live and attend classes contains the following buildings, several of which were named for famous Air Force leaders. The buildings are designed in contemporary architectural style, featuring glass, aluminum, steel, and white marble.

Vandenberg Hall—cadet dormitory: All cadets are housed in this quarter-mile-long building, two cadets to a room. In addition to 1,320 rooms, the dormitory contains a cadet store, tailor shop, barber shop, class lounges, and cadet activities rooms. Named in memory of Gen. Hoyt S. Vandenberg, former Air Force Chief of Staff.

Mitchell Hall—cadet dining hall: The dining hall, enclosed in glass on three sides, is large enough to seat the entire cadet wing. Cadets assemble in front of the dormitory and march to the dining hall in formation. Named for Brig. Gen. William "Billy" Mitchell, pioneer of military aviation and famed advocate of air power.

Harmon Hall—administration building: Offices of the Superintendent and his staff are located here on the west side of the cadet complex. Memorializes Lt. Gen. Hubert R. Harmon, first Superintendent of the Air Force Academy.

Fairchild Hall—academic building: Cadet classes are conducted in this large building containing 168 classrooms, 45 science labs, 5 lecture halls, the Academy library, a dispensary, and faculty offices. To the north of this building is an engineering laboratory named in memory of Gen. Muir S. Fairchild, first commander of the Air University.

Arnold Hall—cadet social center: Social activities for cadets are held in this building which includes a ballroom, a theater, and recreational rooms named for Gen. Henry H. "Hap" Arnold, World War II Air Force leader.

Cadet chapel: The focal point of the area is the cadet chapel with 17 towering aluminum spires. The chapel is divided into 3 areas: a Protestant section seating 900, a Catholic section seating 500, and a Jewish section seating 100.

Planetarium: Housed in a dome-shaped structure is the planetarium, used to teach celestial navigation and astronomy to cadets.

Cadet gymnasium: The gymnasium contains two swimming pools, basketball and volleyball courts, boxing and wrestling rooms, squash courts, handball courts, a gymnastics room, and a rifle and pistol range. Surrounding the gymnasium are a number of athletic courts and fields.

Located in areas south of the cadet complex are two housing developments for officers and airmen, a shopping center, a hospital, the Academy Preparatory School, and a supply and service center. A 40,000-seat football stadium and an 18-hole golf course have been constructed with private funds donated to the Air Force Academy Foundation.

AIR FORCE ACADEMY CHAPEL

The 17,900-acre site of the U.S. Air Force Academy is dominated by the 17 aluminum-covered spires of the Academy chapel. Towering 150 feet above ground, the spires appear much taller.

The chapel, like all of the other buildings at the Academy, was designed by Skidmore, Owings & Merrill, of Chicago, who have labeled the structure the "Chapel of the Future for an Air Force of the Future." Robert E. McKee, Inc., of Santa Fe, N. Mex., was the building contractor.

In the chapel, Protestant, Catholic, and Jewish services can be held simultaneously, and the three congregations can enter and leave their respective worship areas without interfering with each other. In addition, there is a meeting room for the use of any religious organization which may not wish to use any of the other worship areas. Thus, the chapel may be said to be an all-faith religious edifice.

The Protestant chapel is at second-story level. Flanking each side of the nave are 38 pews with a seating capacity of 900 persons. Stained glass panels suffuse the area with multicolored light. The reredos, a curved 14-foot high wall behind the altar, was designed and executed by Lumen Martin Winter, who created "The Conversion of St. Paul" for the facade of the Church of St. Paul the Apostle in New York City.

The Catholic chapel area, located on the terrace level, is essentially rectangular in character. Its exterior walls are precast concrete panels with stained glass inserts similar to those of the Protestant worship area. Twenty pews on each side of the chapel provide seats for 500 persons. The sacristy, vestry and altar are located at the north end. Dual sets of steps lead down to the main entrance.

The wall behind the altar is an abstract mural of varying shades of blue, turquoise, rose, and gray glass tessera. Superimposed on the mural are two marble figures. On the left is "Our Lady of the Skies"—the Blessed Mother—and on the right is the Guardian Angel. Above and between the two figures is a marble dove, symbolic of the Holy Ghost. A single slab of polished marble forms the altar.

The Jewish synagogue is on the same level as the Catholic chapel, directly north of it, and seats 100 persons. It is a "circle within a square," enclosed by vertical cypress uprights with inserts of white opalescent glass. The outside walls are of purple stained glass panels, alternating with green and blue stained glass accent windows. The Israeli Air Force donated the 1,631 pieces of Jerusalem stone for the foyer which surrounds the worship center.

The meetingroom for members of those faiths who do not wish to use any of the three other areas is north of the Jewish synagogue, also at terrace level.

FRANK J. SEILER RESEARCH LABORATORY

The Office of Aerospace Research, through its Office of Scientific Research, supports a worldwide program of research in universities, nonprofit institutions and industry. It also operates three in-house laboratories to carry out basic research projects for the U.S. Air Force.

The Frank J. Seiler Research Laboratory, one of the three OAR field laboratories, was established in October 1962 at the U.S. Air Force Academy, and is expected to be in full operation in the spring of 1964. The laboratory was established on the Academy site to perform basic research for the Air Force and provide an environment which will foster an active and imaginative research program among the cadets and faculty. Primary emphasis will be on projects in the chemistry and astronautics fields, but support will also be given to any worthwhile research project in the natural sciences when proposed by cadets or faculty members.

As at any educational institution, U.S. Air Force Academy faculty members must participate in research in order to be more successful as instructors. Their association with the laboratory at the Academy provides closer touch with their profession. Also, the establishment of the laboratory provides a way of assuring that the product of faculty and cadet research is given the support, recognition and dissemination that it should have within the framework of the established research program of the Air Force.

One of the important milestones will be the installation of a large digital computer in the spring of 1964. With the inevitable trend toward computers and data processing equipment within the Department of Defense for diversified applications, it is necessary that the computer installed at the Academy be sufficiently versatile to allow its use for a wide spectrum of problems.

Activity will be concentrated initially on selected research in the following two general fields:

Chemistry: Organic chemistry: Organo fluorines-structures-mechanics; modern inorganic chemistry: Structures-mechanics-nonstoichiometry; radiation chemistry: Energetics of reactions-mode and mechanisms; physical chemistry and chemical physics: Surface chemistry, diffusion-thermodynamics of the solid state-quantum chemistry.

Aerospace mechanics: Mechanics of space flight: methods of trajectory computation-control theory; numerical analysis: Development of testing methods; celestial mechanics: Many-bodies problems; dynamics of flight: Dynamic derivatives-dynamic simulation; aerodynamics: Static forces and moments of winged and clustered bodies.

The above areas are representative of those in which OAR would like to have increased activity within its own laboratories. The particular fields will depend upon the interest and competence of people selected for scientific positions.

The tentative manning of the laboratory calls for one civilian and five military chemistry researchers and one civilian and seven military researchers in aerospace mechanics. One officer will conduct research in computer applications.

In addition to the 15 scientists, 22 support people are being recruited: Technicians, computer operators and programers, and clerical assistants.

ASTRONAUTICS AT THE U.S. AIR FORCE ACADEMY

What is "astronautics"? The word is not new, but the science which the word represents has only recently begun its phenomenal expansion. So rapid has this growth been that an unabridged dictionary is still needed to find a definition. According to Webster, astronautics is "the science which treats the possibility of traveling through interplanetary space." And even this definition is somewhat outdated in its scope. The Air University at Maxwell AFB, Ala., provides the following definition in its interim glossary of aerospace terms:

> Astronautics 1. The arts, skills, or activity of operating space vehicles. 2. In a broader sense, the art or science of designing, building, and operating space vehicles.

The Department of Astronautics at the Air Force Academy—established in 1958, the first to be set up at an undergraduate institution—is charged with the responsibility for transforming astronautics from a dictionary definition into a living science for the cadets who graduate each year and become officers in the Air Force.

For the instructors in the department, this has been no small task. Faculty members had to sort fact from fiction, write a textbook, and establish an entirely new curriculum. This has been a continuing process as this new science expands and more and more information becomes available. The astronautics text is now comprised of 3 volumes totaling approximately 600 pages.

In a dizzying succession of events, the public has witnessed the evolution of successful intercontinental ballistic missiles, earth satellites with hundreds of purposes and applications, and space probes. Manned spaceflight is a reality, and the United States has established the manned lunar flight as a national objective to be achieved in the next decade. Conquering outer space is no longer a fantasy.

Although the dawn of the space age came on October 4, 1957, with the launching of the first Russian sputnik, the Air Force Academy's Department of Astronautics traces its existence to a much earlier stimulus. In 1953 a thermonuclear breakthrough signaled the accelerated development of long-range ballistic missiles, an effort which later became one of the Nation's top priority jobs.

It soon became apparent that Air Force officers should have an understanding of this revolutionary military technology. With the more recent advent of space conquest has come the additional demand for education in advanced rocketry, lunar and interplanetary trajectories, and fundamental guidance and navigation in space.

One aspect of the nature of this new technology can be determined by noting that all members of the Department of Astronautics have at least a master's degree in some branch of engineering. Understanding the science of astronautics, they will tell you, requires mainly an adjustment of one's point of view. Natural laws apply equally well in space as on earth, even though the environment of space introduces many engineering problems not previously encountered.

A chief proponent of this view is Col. Richard C. Gibson, professor and head of the department. Colonel Gibson directs the efforts of the other 10 officers in the department in their pioneering endeavor to make every Academy graduate a potential astronaut.

The department's faculty proudly counts among its number one Sc. D., one Ph. D., a Rhodes Scholar and six rated pilots with many years of professional experience in research and operations.

While the serious student of astronautics always keeps in mind the socio-humanity aspects of this new technology, only a knowledge of the technical disciplines related to astronautics will give an insight into the application and limitations of space weapons.

For this reason, the basic course in astronautics has as its objective: First, to develop an understanding of the fundamental physics of astronautics, and second, to develop an appreciation of the engineering and military compromises which must be made in the creation of a new space vehicle.

This twofold objective is met by building the course upon the fundamental physics developed principally by Newton—circa 1700—and Clausius—circa 1850. Newton established the science of celestial mechanics, upon which the study of trajectories in space is based, and the general subject of dynamics with which the effects of rocket thrust, gravitational forces and atmospheric drag on the vehicle are analyzed.

Clausius was the principal founder of the science of thermodynamics, the study of energy changes in gases. Upon the latter is built the study of rocket engine design and the analysis of reentry heating. Thus, astronautics at the Academy has its roots in man's earliest understanding of theoretical physics.

Every cadet takes three basic astronautics courses, with most cadets taking all three during the first class—senior—year. In this way the astronautics curriculum is able to draw on the cadet's already extensive background in college mathematics, physics, mechanics, electrical engineering, thermodynamics and aeronautical engineering.

The three courses, totaling 8 semester hours, are: Astronautics 411, the fundamentals of astronautics, which covers two-body trajectories, optimum staging of multistage rockets and reentry trajectories, including oscillations of the reentry body and aerodynamic heating; 412, space technology, which includes nuclear rocket propulsion, ion propulsion, space powerplants, separately powered rockets, low-thrust trajectories, lunar trajectories and interplanetary trajectories; 422, ballistic missile guidance, which includes the technology, instruments, and special techniques involved in the guidance and control of a ballistic missile or space vehicle from launch to destination. In all, each cadet spends approximately 140 classroom hours in the study of astronautics.

In addition, the department offers two enrichment—elective—courses. They are: Astronautics 551, advanced astronautics, and 452, linear control system analysis.

The following officers are assigned to the faculty of the Department of Astronautics.

Col. Richard C. Gibson, professor; Sc. D., Massachusetts Institute of Technology; is the head of the astronautics department. He was assistant professor of electrical engineering at the Air Force Institute of Technology, Wright-Patterson AFB, from 1946 until 1951. Prior to coming to the Air Force Academy he was Director of Experimental Vehicles and Instrumentation Division, Headquarters, Air Force Systems Command, Andrews AFB, Md.

Maj. William R. Manlove, assistant professor and executive officer; B.S., U.S. Military Academy, M.S., University of Illinois; is a rated pilot and came to the Air Force Academy from the Ballistic Systems Division, Air Force Systems Command, Los Angeles, Calif.

Maj. Roger R. Bate, U.S. Army, associate professor; B.S., U.S. Military Academy; B.A., B. Sc., M.A., Oxford University; served with the combat engineers in Korea. He has 3 years of research and development experience, having been associated with the design group for an Army package power reactor. He also taught nuclear reactor theory at Oak Ridge School of Reactor Technology. He commanded an engineer combat company at Fort Lewis prior to assignment to the Air Force Academy.

Maj. George T. James, Jr., associate professor; B.S., Purdue University; M.S., A.E., California Institute of Technology, is a command pilot who flew B-26 combat missions in World War II. He has 5½ years of experience as a research and development officer, his most recent assignment being that of Special Assistant to the Commander for Weapon Systems at the Ballistic Systems Division, Los Angeles, Calif.

Maj. Bradford C. Healy, assistant professor; B.S., Rensselaer Polytechnic Institute; M.S., Massachusetts Institute of Technology; joined the department recently after 3½ years with the mathematics department.

Capt. Daniel S. Barnes, instructor; B.S., U.S. Military Academy; M.S., MIT; is a rated pilot and former flight commander in a German-based fighter-bomber wing. He has 2 years of experience in research and development, his most recent assignment being as project officer on the F-105 fire control system.

Capt. Roland E. Thomas, assistant professor; B.S., New Mexico A. & M.; M.S., Stanford University; Ph. D., University of Illinois; has nearly 4 years of research and development experience. His most recent assignment was that of consulting engineer for the electronics branch of the equipment laboratory at Wright Air Development Center.

Capt. Roger W. Johnson, assistant professor; U.S. Naval Academy; M.S., Massachusetts Institute of Technology; is a rated pilot with 7 years of flying experience with Tactical Air Command. He has recently been selected to return to graduate school at the termination of this academic year to obtain a Ph. D. in astronautics.

Capt. Robert D. McKelvey, instructor; B.S., U.S. Military Academy; M.S., Air Force Institute of Technology; is a rated pilot who returned to graduate school after 3 years at TAC. He came to the Air Force Academy directly from AFIT.

Capt. Delbert H. Jacobs, instructor; B.S., U.S. Military Academy; M.S., A.E., California Institute of Technology; is a rated pilot and came to the Air Force Academy from Cal Tech. Prior to attending graduate school, he was an instructor with the German Air Force near Munich, Germany.

Lt. Charles A. Bodeen, instructor; B.S., M.S., M.E., California Institute of Technology; came directly to the Air Force Academy from Cal Tech. He was a project engineer on the rocket test sled facility at Edwards AFB, Calif., prior to attending graduate school.

AIR FORCE ACADEMY CHAPEL—GENERAL INFORMATION

The organs for the Protestant and Catholic Chapels were designed by Mr. Walter Holtkamp—recently deceased—Cleveland, Ohio, and built by M. P. Moller, Inc., Hagerstown, Md.

The components of the steel skeleton or framework of the chapel were cut from tubular steel. The tetrahedrons were fabricated by the Mississippi Valley Structural Steel Co. and shipped to the Academy.

The north and south triangular walls of the Protestant Chapel are of tinted laminated architectural glass. There are 11,000 square feet of this laminated glass which was fabricated by Dearborn Glass Co.

The ramp from the battle area to the chapel has snow melting coils embedded in the concrete.

The aluminum skin of the tetrahedron is striated aluminum.

The chapel is designed for a wind pressure of 50 pounds per square inch.

The acoustical consultants retained by Skidmore, Owings & Merrill were Bolt, Beranck & Newman.

Mr. Walter A. Netsch of Skidmore, Owings & Merrill was the principal designer of the chapel.

Religious affiliation among the military personnel normally run 75 percent Protestant, 20 percent Catholic, and 5 percent Jewish. This ratio influenced the decision on capacity of the three chapels since it was assumed that similar ratios would prevail in the Cadet Wing.

The Catholic and Jewish chapels are at terrace level. North of the Jewish chapel, at terrace lewel, is a meeting room for the use of those denominations which do not wish to use one of the three chapels. With this provision, the cadet chapel is more properly referred to as an all-faith, rather than a trifaith chapel.

The furnishings, liturgical fittings and adornment of the chapel were paid for from gifts of money from private persons and from Easter collections taken at Air Force bases. No appropriated funds have been used for this purpose.

The money for the organs in the Catholic and Protestant chapels came from the Air Force Command Welfare Fund, also nonappropriated funds.

JEWISH SYNAGOGUE

The Israeli Air Force donated the 1,631 pieces of Jerusalem stone for the foyer of the synagogue.

The furnishings were financed by the National Jewish Welfare Board. The interior design, furnishings, and liturgical fittings are valued at approximately $50,000.

The Jewish chapel is the first specially designed place of worship built for Jewish services on a U.S. military base.

The interior was designed by Ludwig Wolpert of New York's Jewish Museum.

The focal point of the Jewish chapel is the Aaron Kodesh, the Holy Ark which shelters the Scrolls of the Torah.

The synagogue is the only chapel with individual chairs for the congregants.

The Eternal Light hangs to the right of the Ark. Nested in the three Stars of David, it symbolizes everlasting, unquenchable faith.

Architecturally, the synagogue is a circle within a square, the circular design symbolizing the global mission of the Air Force. The square forms a surrounding foyer which is paved with the Jerusalem stone. The outside walls are of purple stained glass panels alternating with green and blue stained accent windows. The inner, circular walls are panels of translucent glass alternating with stanchions of cypress.

The synagogue seats 100 persons.

PROTESTANT CHAPEL

Seats 900 and has 100-seat choir.

Reredos—the wall behind the altar—is a curved, 14-foot high wall covered with pastel shades of tesserra. The painter-sculptor commissioned to do this work was Lumen Martin Winter who designed and executed "The Conversion of St. Paul" for the facade of the Church of St. Paul the Apostle, New York City.

The walls and vaulted roof of the chapel are formed by the repetitive tetrahedrons which at rooftop form the 17 spires. There is no special symbolism to the number of spires. The original design called for 19 spires but when the original bids for building the chapel ran too high and were rejected, the designers effected certain changes for the sake of economy. One of the changes was reducing the number of spires but this did not reduce the basic design nor the square footage within the chapel.

The pews are American walnut and harmonize with the walnut batten wall at the rear and under the choir loft.

Stained glass strip windows, designed by Judson Studios, form ribbons of color between the tetrahedrons.

The floor is lowered and railed off at the side, under the sloping tetrahedrons. This area will provide space for memorialization placques.

The floor of the Protestant chapel is gray-white terrazzo. This floor is heavily soundproofed so that services can be held simultaneously in the Catholic and Protestant chapels. The height from floor to the ceiling ridge is 95 feet.

The altar is free standing and curvilinear.

Harold E. Wagoner designed the furnishings of the Protestant chapel.

CATHOLIC CHAPEL

The Catholic chapel, located at terrace level, seats 500 persons and has a 50-seat choir. The nave is 55½ feet wide and 95 feet long, including the predella.

The sidewalls, from floor to ceiling, are panels of amber glass alternating with strip windows of multicolored stained, cast glass, the random sizes and shapes of which are set in precast, reinforced concrete. The stained glass was cast by Blenko and the strip windows designed by John W. Winterien & Associates.

The reredos is an abstract mural of glass mosaic. The varying shades of blue, turquoise, rose, and gray tessera form an abstract portrayal of the firmament. Superimposed on the mural are two marble figures. On the left is "Our Lady of the Skies"—The Blessed Mother—and on the right is the Guardian Angel. Each is about 10 feet tall. Above and between these two figures is a marble dove, symbolic of the Holy Ghost.

The 14 Stations of the Cross were carved from 4-inch-thick slabs of marble. The recessed backgrounds are covered with the same multicolored tessera of the reredos mural.

The reredos and the Stations of the Cross were designed and executed by Lumen Martin Winter, the renowned artist-sculptor, who created "The Conversion of St. Paul" for the facade of the Church of St. Paul the Apostle, New York City.

The altar is a large tabletop of polished marble mounted on a cone-shaped pedestal. The altar furnishings are of high-gloss nickel-silver. Also on the altar is a 6-foot sculptured nickel-silver crucifix.

The pews are of American walnut trimmed in satin finished stainless steel.

There are two confessionals at the rear of the Nave. Off the Narthex on one side is the baptistry and on the other side is the blessed sacrament room, the walls of which are fashioned of marble chips and semiprecious Colorado stones.

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file a report on the bill, H.R. 9903.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

THE AFRICAN-AMERICAN INSTITUTE

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, the African-American Institute, America's leading private agency conducting educational, economic, and social development projects in cooperation with Africa, is celebrating its 10th anniversary. This, I feel, deserves special attention. AAI has served and is serving Africa and America exceptionally well.

The African-American Institute, founded in 1953 by a group of private citizens who foresaw the coming importance of Africa, confined its activity at first to providing hospitality and help to African students and visitors who came to this country. This was useful as a prelude to broader, more extensive participation in African-American relations.

By the turn of the decade, events in Africa had kindled widespread American public interest in its economic and social problems. Assistance of many kinds was needed. But education was obviously the prime necessity. Education for trained, responsible leadership to meet the changing and evolving needs of Africa was in demand by the new African governments. AAI, responding for the private sector of America, addressed itself to this crucial problem by providing leadership in the development of sensible, effective, and economically feasible educational programs for hundreds of able young Africans capable of making significant contributions to the development of their countries. The success of this private organization specializing in African affairs is told in the dramatic fact that approximately 1,300 African students—carefully selected, carefully placed in our best universities and colleges—are now studying in the United States under AAI programs.

From 1960 onward, AAI assumed expanded responsibilities. The spectrum of AAI services to Africa and America now includes the following programs: The African scholarship program of American universities; the African graduate fellowship program; the AAI scholarship program; the training program for students from Kenya; the AID Guinea program; the East African training project; the teacher placement service for secondary schools in Africa; the Elizabethtown project for West Africa; programing for African visitors; the economic and social development program; the media development program; the educational partnerships program; the books for Africa program; Women's Africa Committee; publication of Africa Report magazine.

The growth and influence of AAI is reflected in a number of ways.

First. As a private, nonpolitical organization working to serve the needs of the people of Africa, it has earned the friendship and respect of African students, scholars, and leaders. Today, AAI enjoys the confidence of the leadership in countries throughout Africa.

Second. AAI has developed functional and financial capabilities that have permitted it to extend its facilities both in Africa and America. AAI has its headquarters in New York. It also maintains offices in Washington, D.C.; Lagos, Nigeria; Dar-es-Salaam, Tanganyika; Addis Ababa, Ethiopia; and Accra, Ghana. In addition, 15 part-time representatives serve throughout Africa. The AAI staff is a dedicated team of competent professionals committed to the development of effective and economically sound projects and programs.

Third. AAI by its capability has earned the respect of American universities, private organizations, corporations, foundations, private citizens, and the U.S. Government. It now conducts relations with a wide range of private Americans who have interests in Africa or wish to participate in African assistance programs. Foundations, including the Ford Foundation, the Rockefeller Brothers Fund, the Carnegie Corp. of New York, the Hershey Foundation, and others have funded programs under the administration of AAI. The U.S. Government has likewise drawn upon the services of AAI. At present AAI is a contractor with AID and with the Bureau of Educational and Cultural Affairs of the U.S. Department of State for the development and administration of a number of educational programs.

Under President Waldemar A. Nielsen, formerly an officer of the Ford Foundation, AAI has developed four distinctive qualities.

First. AAI has developed into a first-class organization administratively and professionally.

Second. The organization has gained financial stability and strength.

Third. AAI has been able to relate to the various communities of interest that are expressive of American good will toward Africa and to tap the great American impulse to help new countries and help mankind.

Fourth. AAI has developed the consortium approach, which provides a way for combining the funds and forces of universities, corporations, foundations, private citizens, and the U.S. Government or any combination of these to create projects and programs that would otherwise be impossible for an individual organization. The classic example of the consortium idea is the African scholarship program of American universities—ASPAU—which involves 214 American colleges and universities, the Agency for International Development, 27 African governments, a number of American foundations and the African-American Institute.

What has been achieved by AAI to date, however, is only a beginning, and present efforts only scratch the surface of possibilities. Programs for African economic development, community development, mass media development, and for American education and information about Africa may in time be added to AAI's present activities. Over 50 projects and programs are now in the developmental stage, meaning in some instances that only funding is needed to make them operational.

With a budget 10 times greater than in 1959, AAI is now moving ahead with a fundraising effort in order to achieve greater financial flexibility and strength to develop new programs. Foundation grants and private assistance are increasing, but AAI remains heavily dependent upon U.S. Government contracts for funds. Hence, the pace of program development cannot proceed at the needed rate. Additional private funds are required now to meet the growing capabilities of AAI.

I therefore feel that private American interests, particularly the corporate community, ought to give careful consideration to supporting this effective effort in Africa. While AAI should continue to administer Government contracts, its capacity for independence and initiative should be increased. Only private assistance can give it flexibility and strength.

The African-American Institute as a private and nonpolitical organization exclusively committed to serving African and American interests deserves the support of all Americans. The magnitude of its contribution in the past and present and its capability for advancing the cause of better understanding between the people of Africa and the United States in the future make AAI an eminently worthy object of support by all those who would invest in the future of Africa.

THE PROGRAMS OF THE AFRICAN-AMERICAN INSTITUTE

The African scholarship program of American universities currently sponsors 800 African students in the United States. Launched as a small pilot project in Nigeria in 1960, this cooperative program now involves 214 American colleges and universities, the Agency for International Development, 27 African governments, and a number of leading U.S. foundations. African-American Institute is the administrative agency.

AAI works closely with the central coordinating office of the participating universities in Cambridge, Mass., directed by David Henry, the originator of the program. In Africa, AAI field officers administer selection machinery set up in all participating countries to identify the best qualified candidates. In the United States, AAI is responsible for disbursement of maintenance funds to students and the management of grants from donor agencies and foundations.

In the summer of 1964, as universities prepare to receive an additional wave of ASPAU students, the first substantial ASPAU group to graduate from American institutions will return home to assume the responsibilities for which they have been trained. This will be America's first major contribution in meeting the critical need for educated manpower for Africa.

The African graduate fellowship program, the newest addition to AAI educational programs, promises to acquire scope and influence in the years ahead and may well become a contribution of primary importance to the development of African education. As African universities begin to develop and as more young Africans acquire undergraduate degrees at home, there will be an urgent need for exceptionally talented persons to take advanced study abroad. The African graduate fellowship program addresses itself specifically to the training of prospective university teachers and potentially higher ranking civil servants in a variety of priority fields. A cooperative program like ASPAU, it gathers a number of leading graduate schools, AID, and African governments in a cooperative effort which this year has provided sponsorship to a beginning group of 23 graduate students from 8 countries. The institute has also been asked by the Department of State to administer in the United States a number of graduate fellowships made available through UNESCO for similar purposes. Responsibility for final selection of candidates proposed by their respective governments under both plans resides in a newly constituted Executive Committee of American Graduate Deans.

The AAI scholarship program is now near termination. Thirty students were originally brought to the United States under AAI auspices, receiving either full or partial support from the Institute. Twenty-three students have already returned home or completed the studies for which AAI sponsorship was initially granted; the remainder will return in 1964 and 1965.

The training program for students from Kenya, partly financed by AID, is now in the second of its 2-year phase. This program provides junior college technical and vocational instruction for 70 Kenya students in the State university systems of New York and California.

The aid Guinea program provides college and vocational or technical training for Guinean students. Technical training is provided in several areas, including civil aviation.

The east African training project is a year-old program administered in Dar-es-Salaam. The objectives are to assist refugee students, mainly from southern Africa, with scholarships for the continuation of their studies in institutions in Africa, in the United States, and third countries. To raise the educational status of those as yet unqualified for higher studies, a special training center has been established by AAI in Dar-es-Salaam. In the summer of 1963, 130 students were enrolled in this school. The faculty members are volunteers from Radcliffe and Harvard Colleges along with a few African teachers. The Ford Foundation provides partial financing for the program.

The teacher placement service for secondary schools in Africa has placed 140 teachers—American, Haitian, and Canadian—in 9 English and French-speaking countries.

The Elizabethtown project for west Africa serving Ghana and Nigeria places qualified American college graduates of Elizabethtown College, and a group of associate colleges, as teachers in African secondary schools. The Hershey Foundation provides the funding for the project and AAI field offices in Africa give assistance in the placement and counseling of the teachers.

Programing for African visitors is an activity of growing scale in AAI. As one of the major agencies handling African leaders and specialists visiting the United States, AAI has recently strengthened and professionalized its staff capabilities for the effective administration of this program. In the current year, 114 visitors, nearly all student leaders or promising young men and women from Africa have been programed by AAI.

The economic and social development program initiated this year by AAI provides a new approach to working with African leaders in meeting some of their economic and social development problems. This program provides a specialist to work with African officials in an advisory capacity, to give assistance in program formulation, community development projects, and specialized leadership training. In Northern Rhodesia, for example, AAI is making an effective contribution to the country's preparation for independence in 1964. Among the specific projects assisted by AAI in Northern Rhodesia are the training of African confidential secretaries, a legal training institute, the development of a national youth service program, and a preliminary assessment of industrialization possibilities.

This new and experimental approach, if as successful as expected, may be extended to other countries with whose leadership AAI has close and friendly ties.

The media development program is intended to assist Africa's mass media as instruments for national unification, for adult education, and for stimulating the modernization of primitive societies. Since 1961, the Institute has been asked to mobilize public and private resources for an active program in this area and has already undertaken a number of activities: Fellowships and grants-in-aid to African journalism students and practicing journalists to study in the United States and Europe; provision of an American broadcasting specialist as program adviser to the Ethiopian radio system for a 2-year period; and the development of plans by this same specialist for the use of radio in classroom teaching as a means of upgrading primary school teachers. During the summer of 1963, the Institute conducted three highly successful journalism workshops in Addis Ababa, Lagos, and Dar-es-Salaam for over 100 African editors and newscasters. Staffed by Dean Burton Marvin of the William Allen White School of Journalism at the University of Kansas, Mr. Malvin Goode, commentator for the American Broadcasting Co. at the United Nations, Mr. John McCormally, editor of the Hutchinson News, Hutchinson, Kans., and Dr. Sydney Head, AAI representative in Addis Ababa, the workshops concentrated on the development of journalistic competence and the professionalization of news media personnel. The seminars have been praised highly by the U.S. Department of State and by the African participants.

The educational partnerships program, directed by a volunteer chairman, Mrs. Byron Miller, has addressed itself to providing educational opportunities for secondary school students in Africa who are talented but who lack funds to complete their studies. At present over 180 students in east Africa are able to continue their education through educational partnerships. The program is sustained by contributions from American partners: business firms, voluntary groups, schools, and individuals.

The books for Africa program has been singularly successful. A volunteer effort based in Cambridge, Mass., where it is directed by Mrs. David Henry and Mrs. Nora Fairbanks, books for Africa has succeeded in placing textbooks, scientific works and reference books, valued in excess of a half million dollars, in African schools and universities. Most of the books have been contributed by leading American publishers. Many books have also been given by individuals to African schools of their choice. The cost of shipping the books has been defrayed by a special grant from AID.

Women's Africa Committee of AAI, founded in 1959 by 30 women with a serious interest in African affairs, works directly with African women. Its efforts are based on three considerations: First, African women have heretofore had little formal education; second, as women they have a particularly important role to play in community development; and third, they will play an increasingly important role in the affairs of their countries generally. Women's Africa Committee has therefore initiated educational programs for selected African women to give them the basic competence required for playing an effective role in their new and developing nations. Educational programs have been carried out at Columbia University, Howard University, and the University of Pittsburgh.

Africa Report, a publication of the African-American Institute, is edited by Mrs. Helen Kitchen, and is the leading American journal on Africa. It is an authoritative, comprehensive journal covering development in all fields in the entire continent. It is now read by subscribers in all 50 of the United States, in the countries of Africa, and in Canada, the United Kingdom, Western Europe, the U.S.S.R., Australia, New Zealand, and the countries of the Middle East and Asia. It is required reading in most African studies programs of American universities. Public leadership is now growing as the American people expand their interest in Africa.

The Board of Trustees of the African-American Institute: Mr. Harold K. Hochschild, chairman, honorary chairman, American Metal Climax, Inc.; Hon. Edward R. Dudley, vice chairman, president of the Borough of Manhattan; Mr. Waldemar A. Nielsen, president of AAI; Mr. Lansdell K. Christie, treasurer, president, Liberia Mining Co., Ltd.; Mr. Morris B. Abram, partner, Paul, Weiss, Rifkind, Wharton & Garrison; Mrs. Etta Moten Barnett, director, community services for WYNR, Chicago, Ill.; Dr. L. Gray Cowan, professor, Columbia University, executive secretary, African Studies Association; Mr. Dana S. Creel, director, Rockefeller Bros. Fund; Dr. John W. Davis, special director, NAACP Legal Defense and Educational Fund; Dr. Robert F. Goheen, president, Princeton University; Dr. William Leo Hansberry, senior professor, Hansberry College of African Studies, University of Nigeria; Mr. John H. Johnson, president, Johnson Publishing Co.; Mr. Arthur A. Krim, president, United Artists' Corp.; Mr. Alan J. Pifer, vice president, Carnegie Corp. of New York; Mr. John B. M. Place, senior vice president, Chase Manhattan Bank; Dr. Emory Ross, president, Albert Schweitzer Fellowships; Mrs. Zelia P. Ruebhausen, chairman, Women's Africa Committee; Loyd V. Steere, former executive director, African-American Institute.

African-American Institute officers in the United States are located at: 345 East 46th Street, New York, N.Y.; 1346 Connecticut Avenue NW., Washington, D.C.

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THE SUPREME COURT DECISION ON PRAYER AND BIBLE READING

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. Cleveland] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, the recent Supreme Court decision on prayer and Bible reading does not necessarily ban meaningful spiritual material or exercises from public schools. Faced with the Supreme Court ban on State-ordered prayers, the Lancaster, N.H., school system in cooperation with the interchurch council have initiated a classroom program of "Thoughts for the Day"—short, little stories illustrating basic truths. Each clergyman in the community takes responsibility for writing the "thought" for the schooldays of 1 month. This program is a good example of how creative imagination can meet the unfortunate situation created in some schools by the Supreme Court's recent decision and the widely differing interpretations of its real meaning.

Clinton L. White, editor and publisher of the Coos County Democrat, discusses this program in a recent editorial "Substitutes for School Prayers" and includes a sample "Thought for the Day." I commend Mr. White's perceptive and meaningful comments to my colleagues:

Substitutes for School Prayers

Principal Stanley Tufts advises us that in the Lancaster schools, through the cooperation of the interchurch council and clergymen of its member churches, "Thoughts for the Day" are used instead of prayers at the opening of the schoolday. This is done because of the interpretation of the Supreme Court's decision relative to school prayers.

Different clergymen write a "Thought for the Day" for each schoolday for 1 month, and another clergyman does it for 1 month. The Democrat, when the idea was first proposed, suggested that these might be published, if given sufficient time to do so, but none had been received until Mr. Tufts sent one written by Rev. John Gregory, rector of St. Paul's Episcopal Church, which will be used in Lancaster schools today. This "Thoughts for the Day" is printed following this editorial.

The Democrat has been and still is highly critical of any prohibition of voluntary prayers in school, but does commend the efforts of school authorities to make a meaningful substitution for what they interpret to have been prohibited by the Supreme Court. We cannot fail to believe that daily prayers in school 5 days a week would reinforce home and church efforts to teach children the importance of prayer.

It certainly is wrong for one to pray only in times of greatest danger, or great trouble, as perhaps may be the case far too many times. But all prayers are not prayers of asking, or what might seem selfish asking. There are prayers of praise and prayers of thankfulness; prayers for others and for forgiving of others. There are prayers for world peace and for the sick and suffering and the downtrodden peoples of the earth. And, perhaps, what is overlooked by those who would excuse failing to pray, is the fact that there are the prayers of those who know their many weaknesses and seek divine guidance and deliverance from temptation so that they may live better lives.

The writer's own rector wrote the "Thought for the Day" that we publish today. Our own thoughts about prayer are by no means intended as any criticism of his fine message but were prompted by some of the remarks we have heard or read supporting cutting out school prayers.

Thought for the Day

Anyone who is a Boy Scout learns this motto, "Be Prepared." And it's a good one too, for everybody. I'm going to tell you a puzzling story that gives us a good example.

One day a man was sitting on a hill near a river. He was just sitting there, meditating. It was his custom to take a little time each day and just sort of think about things. While sitting there, he noticed a man approach the river as if to swim across. Before he made the attempt, he first knelt down and prayed. Then he plunged in, but in the middle of the river, his strength was gone and he drowned. There was no opportunity to give him help.

Then a second man came to the river. Without pausing for prayer, he succeeded in crossing.

Well, the man on the hill was puzzled. So are you, perhaps. I was puzzled too, when I read this part of the story. But the man who had been meditating, hurried down the hill to meet the man who had successfully crossed the stream. He told the details of what he had seen.

Then the swimmer replied, "I knew that drowned man. He told me he saw no need to pray except when he faced great danger. As for me, I have tried to live my whole life in an attitude of prayer knowing that if I do my part well God is always with me, helping me always.

There is a great lesson in that story. It's just a matter of "being prepared." Whether it's doing an assignment, working out on the team, or just generally living a good life—any task that lies before us can be done well, if we have done our homework.

LITHUANIAN INDEPENDENCE DAY

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. Conte] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CONTE. Mr. Speaker, it would not take long to summarize the state of affairs in Lithuania today, and a constant dwelling upon the situation is something that sickens the human personality.

Those of us who are fortunate to know many Americans of Lithuanian origin or descent, Mr. Speaker, are at a loss for precise words to express our sorrow for their relatives and friends behind the Iron Curtain of despair and desolation.

And yet the freedom that once was theirs still rings in our ears, a sign of the eventual victory of the human spirit.

Victory over the forces of communism will, I am certain, again be possible for the Lithuanians.

For reasons which lie at the very roots of human existence, Mr. Speaker, I have introduced bills to set up a Special Committee on the Captive Nations, and I continue to plead for their eventual enactment. I have also introduced bills on the plight of the Baltic nations, and I am determined that these bills will not be swept aside in these hurried times.

While there is no rejoicing behind the Iron Curtain, Mr. Speaker, I wonder how many Lithuanians recall the historic date of February 16, 1918, an anniversary we celebrate this year, 46 years after the establishment of the Republic of Lithuania. And 1964 is also the 713th anniversary since the formation of the Lithuanian state and the 711th anniversary since the founding of the Lithuanian Kingdom, when Mindaugas the Great was crowned as the first king of the Lithuanian Empire.

This, then, is a historic year for the lovers of freedom and it is cruel and heartless to realize that since 1940 the wonderful, lyrical Lithuanians have been suffering under Communist captivity.

No one has to stress the terrible conditions that exist in the Communist countries. We all know how efficiently the Communists try to wipe out any vestige of pride in national origin or national characteristic.

It is time, clearly, for the adoption of the concurrent resolution I have offered in the first session of the 88th Congress which calls for the freedom for Lithuania, Latvia, and Estonia.

This is the most positive action we can take.

It is action that is absolutely essential.

It is action that I urge, and trust, we will take before it is too late.

MORE TAX FUNDS TO FINANCE RUSSIAN WHEAT SALE?

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Findley] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FINDLEY. Mr. Speaker, today's newspapers raise the horrifying prospect that U.S. taxpayers may have to shell out an additional $720,000 to help finance the first Russian wheat sale. This would heap insult on already-injured taxpayers. They have contributed $25 million toward this dubious deal. Instead of getting hooked for an additional assessment, the way I figure it, they are entitled instead to a $455,000 refund.

The newspaper report, which has not been denied, said the administration is exploring the possibility of an indirect subsidy in an attempt to prevent a union boycott of the shipment. The International Longshoremen's Association and the Seafarers' International Union are blocking the loading of the Russia-bound wheat because the administration has not required that a full 50 percent of the shipment go in U.S. vessels.

Continental Grain Co., of New York, the exporter handling the transaction for Russia, was given a waiver February 12 by the administration. This relieved the firm of further responsibility to sign U.S. ships. The signup of U.S. vessels is 120,000 tons short of the 50 percent goal.

Foreign ships will haul wheat to Odessa for $12 a ton or less, compared with $18 in U.S. vessels. If, as indicated in today's papers, Continental gets an additional taxpayer handout to meet the extra cost of using U.S. ships for the 120,000 tons, this would amount to $720,000.

The way I figure it, taxpayers should get a refund of $455,000 from Continental. If Continental gets an additional bonus, it would inflate a huge windfall into disgusting scandal.

Continental bought the grain January 2 in a package deal which included both the price of the grain and the cost of shipping it to Soviet ports. Normal export subsidies were paid by the U.S. Government for all wheat varieties in the deal except Durum. The Durum export subsidy, financed like the others by U.S. taxpayers, was boosted approximately 14 cents per bushel to meet the extra cost of U.S. shipping.

Continental bought about 13 million bushels of Durum at this super discount.

Thus Continental got a subsidy payment from the U.S. Government $1,820,000 bigger than would have been the case if U.S. shipping had not been stipulated.

Continental got the waiver when it was still 120,300 tons—or 25 percent—short of meeting the U.S. shipping requirement. Therefore, the U.S. taxpayers are entitled to a minimum refund of $455,000, which is 25 percent of $1,820,000.

DOMESTIC PEACE CORPS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. Halpern] is recognized for 5 minutes.

Mr. HALPERN. Mr. Speaker, grassroots support for the concept of a Domestic Peace Corps appears to be growing constantly. I have received many communications from various parts of the country expressing complete accord with the principle of the National Service Corps proposal which has passed the Senate and is now pending before the House Education and Labor Committee. This Corps, as envisioned, would fulfill the objectives of what is more commonly referred to as the Domestic Peace Corps.

Shortly after the Peace Corps was established, I strongly advocated the establishment of a similar organization on our home front. I offered legislation to this effect in the 87th Congress and again at the opening of the present 88th Congress. The great success and immeasurable value of the Peace Corps were my main inspiration in advocating and supporting the domestic concept.

I was privileged to discuss the subject with the Attorney General and with others who have been working closely with the administration for the formulation of legislation to effectively carry out this goal. As a result I was privileged to join in the cosponsorship of the administration bill, my measure being H.R. 5852, and to testify in support of its approval.

It is encouraging and inspiring to note the support that has been given the Corps from all over the Nation. Recently, I came across an editorial in the Adirondack Enterprise of Saranac Lake, N.Y. It reflects a cross section of grassroots opinion throughout the country. I commend it to my colleagues.

DOMESTIC PEACE CORPS

The Domestic Peace Corps barely squeaked through the Senate. The measure which today holds such wide support in its foreign branch has rough sledding ahead at home.

We think the concept is a good one and should get a chance. The Peace Corps volunteers have something to offer us at home as well as abroad; we have problems of training right here in the United States.

When we consider that a group of dedicated citizens in the Gabriels area are looking for teachers to help migrant workers learn to read and write, we realize we are not so far from the need. There are many other men and women across the country who need job retraining or help with particular skills if they are to lead useful lives and contribute to the American economy. Staffing these programs is presently difficult.

The young people have shown that they are willing to give their skills and their time for mere sustenance pay. The need is great and the volunteers are available. Only the legislators seem reluctant.

MOVING OF ROAMA FROM GRIFFISS AIR FORCE BASE, N.Y.

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. DULSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. DULSKI. Mr. Speaker, on February 11, 1964, the Legislature of the State of New York passed a resolution memorializing the Congress of the United States to investigate if it is for the best defense and economic interest of the United States to move ROAMA from Griffiss Air Force Base at Rome, N.Y. Under leave to extend my remarks, I wish to bring to the attention of my colleagues this resolution which follows:

STATE OF NEW YORK: IN ASSEMBLY, ALBANY, RESOLUTION 76, FEBRUARY 4, 1964

Whereas ROAMA is now located at Griffiss Air Force Base at Rome, N.Y.; and

Whereas this is an integral part of our air defense; and

Whereas the worldwide situation is in such a state of turmoil that our defenses must be at full strength at all times; and

Whereas the withdrawal of ROAMA from Griffiss Air Force Base at Rome, N.Y., would necessarily weaken our position; and

Whereas the moving of ROAMA from Griffiss Air Force Base would have a depressing economic effect on the entire area near Rome, N.Y.; and

Whereas sufficient reason or cause has not been made public of the feasibility of such plan: Now, therefore, be it

Resolved (if the senate concur), That the Legislature of the State of New York hereby memorializes the Congress of the United States to make a full investigation to determine whether or not it is for the best defense and economic interest of the United States to move ROAMA from Griffiss Air Force Base at Rome, N.Y.; and be it further

Resolved (if the senate concur), That copies of this resolution be transmitted to the President of the United States, the Secretary of Defense, the Secretary of the Air Force, the Secretary of the U.S. Senate, the Clerk of the House of Representatives, and to each Member of the Congress of the United States from the State of New York and that the latter be urged to devote themselves to the task of accomplishing the purposes of this resolution.

By order of the assembly.

ANSLEY B. BORKOWSKI,
Clerk.

In senate, February 11, 1964, concurred in, without amendment by order of the senate.

G. T. ABRAMS,
Secretary.

PANAMA CANAL ZONE: "A FLAG, A RIOT, AND A BOY"

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. FLOOD. Mr. Speaker, in the light of the extensive documentation in the CONGRESSIONAL RECORD contained in recent statements by many distinguished Members of the Congress, the communistic revolutionary leadership and long-range Red objectives of the January 9, 1964, Panamanian assaults on the Canal Zone are completely established.

Newspaper and other pro-Red journalists on the isthmus, seeking to divert attention from the real instigators of the sanguinary outbreak, immediately sought out students at the Balboa High School where the initial "incident" occurred and, after hasty questioning of our patriotic but inexperienced youths, accused these fine young Americans and their parents with having started the riots by insisting that the U.S. flag remain flying on U.S. territory in front of that U.S. school.

Mr. Speaker, there could be no greater falsehoods than the venomous fumes of anti-North American propaganda and character assassination that rose out of the jungles at Panama during the January outbreak and were uncritically relayed by pro-Red elements in the mass news media throughout the United States and the entire world.

Inadequately contested in the news media, these mendacious reports from the Canal Zone identified certain individual student leaders by name. This, in turn, led to a flow of vile, insulting, and degrading letters to them from what may well be a communistic revolutionary underground in various parts of the United States in an obvious effort to intimidate those students and their parents by slanderous attacks against displaying their loyalty to the United States. Such psychological aggressions are well-known communistic revolutionary tactics.

In one case, a 17-year-old student was virtually driven from the Canal Zone and thus forced to leave his home, his school, his parents, and his lifelong friends. The pro-Red revolutionary elements in the mass media of our country did not tell this story of evil that resulted from their pernicious effusions.

It is only natural that such venom as was spewed out at Panama caused the parents of these students the gravest concern for their children's future. It is fortunate that the courageous parents of one student, on January 28, 1964, sought to supply the truth. In a moving circular on "A Flag, a Riot, and a Boy," which I shall quote at the end of my remarks, they give a well rounded picture.

Mr. Speaker, I urge every Member of the Congress, the staffs of cognizant committees, and loyal officials in the executive and judicial branches of our Government to read this circular. I urge the loyal members of the mass media and other publicists to feature it immediately in a manner that it may be read by the students of every high school in the Nation and their parents. I urge the civic, fraternal, patriotic, and veterans organizations to duplicate it, give it the widest circulation, and to take the necessary actions to make the venomous character assassins in the press realize that American patriots will not be intimidated.

Now, Mr. Speaker, I quote the indicated letter with deep feeling of pride:

A FLAG, A RIOT, AND A BOY

Early reports circulated throughout the United States, particularly in one widely read magazine, have resulted in a number of vile, insulting, and degrading comments addressed to our son from American "patriots" in various sections of the United States. He has been labeled a delinquent, hoodlum, poor student, and rabble rouser. Our students in the Canal Zone have been accused of inciting the unfortunate events which occurred between the United States and Panama by a number of news services in the United States and abroad.

Inasmuch as hindsight is usually provided with 20-20 vision, which foresight is not, particularly in 16- and 17-year-old boys, we are all aware now that the actions of our students in the Canal Zone were unwise, to say the least, and perhaps a number of us, adults as well as students, could have acted more prudently.

Be that as it may, the reporters came here, looked around, made comparisons, asked questions of inexperienced youths, posed them in unflattering situations, and then scattered these hastily gathered, often erroneous, observations throughout the United States. It appears that stories of teenage hoodlums, punks, defiance, and rabble rousing attract our reading public and that stories of ordinary boys, often wrong, but usually without cruel or violent intent are not very interesting reading. I mention ordinary boys, boys like our high school boys here and our son, James Jenkins, for whom I speak now.

James was never, and is not now, a delinquent or undisciplined boy. Because he wanted to have his own U.S. flag remain in front of his school, as did most of his fellow students and many of our adults, including my husband and myself, our boy was suddenly thrust from a quiet normal family life into the limelight, labeled a ringleader, and finally has had to leave his home, his school, his parents, and his lifelong friends. He was suddenly subjected to experienced leading questions on a very controversial and delicate issue by veteran reporters. Some of his answers were most unfortunate. He was not aware of the implication which would be placed upon them. Even an older and more experienced person might have answered unwisely under such circumstances. Now when he is cornered by cameramen and reporters he has been trying desperately to defend himself and his fellow students against the hostile and confused reports which have been published by our American press.

Both U.S. citizens and Panamanians who are well informed are aware that the "flag incident" was of little consequence in the true issues, but since James has been singled out as the object of violent fury and hate of Panamanians, and many Americans also, I would like to give you a brief résumé of his normal life. Those of us who know him well are shocked to read about his delinquency, bad manners, lack of discipline, and poor guidance.

Jamie is the youngest of our family. He has two married sisters residing in the United States, two brothers in the United States, one of whom is in the U.S. Army, and a sister in nursing school in the United States. Jamie has been a good son, an easy boy to discipline, and a fairly good student throughout his school years. He has many friends here, both U.S. citizens and Panamanians in the Canal Zone and in Panama. He understands and speaks some Spanish and has visited freely in and out of Panama since he was a small boy. He has lived in the Canal Zone since he was 2 years old, but he has traveled from coast to coast in the United States and has visited many of the historical monuments and natural wonders of our country. He was eager to finish high school and go back to the United States where he had hoped to get a job during the summer to help defray his college expense.

Jamie has earned much of his own spending money while growing up. This is not an easy thing to do in the Canal Zone where jobs such as car cleaning, yard work, and package toting are usually reserved for Panamanians because it is felt that the North American boys do not need the money. Nevertheless, Jamie has managed to earn money continually from his first enterprise, a lemonade stand, through such things as making and selling "snowballs," selling Christmas cards for the Wallace Brown Card Co., in the United States, trading old coins, and finally to his last job as a student aid at 75 cents an hour. Twice a day, every day of the week, he has gone up to the laboratory at Gorgas Hospital and cleaned the dog pens, fed the dogs, and walked them. He left home each morning at 5:45 a.m., took care of his dogs and then went to school. After school he went back and spent another hour cleaning, feeding, and walking the dogs. He worked at this "glamorous" job from May 1963 through the summer and up until he resigned when he left the Canal Zone. Every 2 weeks he received a "take home" pay of $16. He kept $6 for spending money and the rest was put in the bank for him, after his bike was paid for. He had a small "Honda" motorbike, which he paid for, in order to have transportation to and from his job. He had saved approximately $100 before he left for the States.

Throughout his high school years he has been in the ROTC, and attended both summer training classes for noncoms. He has belonged to the camera club, the chess club, and the science club. He took and passed his college board examinations during his junior year with high marks in math and science, his favorite subjects. He had been accepted by both colleges to which he applied for admission, and was trying to come to a decision as to which college offered courses best suited to his future plans and ambitions.

He was a member of St. Andrews Episcopal Church where he was christened when he was 2 years old and confirmed when he was 13. He was an active member of the Pacific Chapter, Order of Demolay, and had just been elected master counselor. He had to leave before his installation which was to have taken place in February. He belonged to the YMCA where he was taking judo lessons and progressing very well. He was also about to complete his driver-training course, and his dad was teaching him to drive the car.

Our U.S. press has exploded this normal, everyday boy into a monster, a hoodlum, a delinquent and has made him the object of vile and cruel letters. His protest to the President of the United States against removal of the Amercan flag from the front of the U.S. schools was truly sincere in its intent, but it catapulted him into a hostile world of misinformed adults who have pointed fingers at him and called him an assassin, who have plastered his name across the Nation as a showoff, and posed him for pictures which any person would be ready to condemn at first sight. There have also been veiled threats such as a shooting incident aimed at a Jenkins residence (no relation) in Cambridge, Ohio, linked to his pending arrival there.

What will happen to our boy from now on? As his parents we are frightened for his safety from fanatics, for possible loss of his faith in love and human understanding, and for his chances in the United States to complete his education. He has been taught to respect the law and to believe in justice. He broke no laws, but he has been condemned.

This incident has already cost him dearly, and his dad and I are praying that he may never become convinced that he was the cause of all the trouble and deaths, U.S. citizens, soldiers, and Panamanians alike, for he and the other students, again both the U.S. citizen and the Panamanian students, were cruelly used as an excuse to unleash trouble already brewed. It was crouched and waiting.

Surely intelligent, thinking, and informed persons cannot honestly believe that the burden of the strife here should rest on the shoulders of a 17-year-old student who, very briefly, backed a cause in which he firmly believed—that of keeping before his school the U.S. flag which was symbolic of his happy childhood and his future life as a citizen of the United States of America—to a lad of 17 the most wonderful country in the world.

BENEFITS TO VETERANS OF WORLD WAR I

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. ST GERMAIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. ST GERMAIN. Mr. Speaker, I respectfully request permission to revise and extend my remarks and to include a resolution passed by the General Assembly of the State of Rhode Island memorializing Congress, requesting favorable consideration to legislation providing benefits to the aged, ill, and disabled veterans of World War I in the form of pension or any other means which provide relief so vitally needed.

STATE OF RHODE ISLAND

(H. Res. 1043, memorializing Congress requesting favorable consideration to legislation providing benefits to the aged, ill, and disabled veterans of World War I in the form of pensions or any other means which provide relief so vitally needed)

Whereas many hundreds of thousands of our Nation's finest citizens served the cause of democracy during the period of World War I; and

Whereas a large number of these veterans have now reached the age and circumstances in which they are no longer self-supporting, as well as suffering illnesses and infirmities aggravated by this honorable service to their country; and

Whereas through no fault of their own, they have largely become a class of forgotten men, many of whom are close to the grave: Now, therefore, be it

Resolved, That the members of the House of Representatives of the State of Rhode Island recognize the predicament of these veterans of World War I and petition the Congress of the United States to give favorable consideration to H.R. 2332 (World War I Pension Act) providing benefits to the aged, ill, and disabled veterans of World War I in the form of pensions or any other means which will provide relief so vitally needed; and be it further

Resolved, That the recording clerk of this house of representatives is hereby authorized and directed to transmit duly certified copies of this resolution to the President of the United States, to the Director of the U.S. Veterans' Administration, to the Director of the U.S. Bureau of the Budget, to the chairman of the House Committee on Veterans' Affairs and to the Senators and Representatives from Rhode Island in the Congress of the United States.

SALVATORE R. CASOSO,
Recording Clerk.

H.R. 7381: DUAL COMPENSATION ACT

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. FASCELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. FASCELL. Mr. Speaker, the bill before us today is a long-awaited and much-needed measure. The chairman and members of the Committee on Post Office and Civil Service are to be commended for their long and diligent efforts and for bringing to the House this comprehensive and workable approach to the extremely complicated and diverse dual compensation and dual employment laws now in effect.

Last July I introduced a bill to exempt certain officers of the Armed Forces from dual office and compensation restrictions. This bill would exempt Reserve officers of the Army and Air Force who have served on active duty in a temporary grade equal to or higher than their Reserve grades and are retired for disability in such temporary grades from the dual compensation restrictions of section 212 of the act of June 30, 1932, as amended. It would also exempt any non-Regular officer member of the Armed Force who is retired in a temporary warrant officer status from the dual-office restriction of section 2 of the act of July 31, 1894, as amended.

I am pleased to say that in their wide survey of the inequities involved under our present laws, the Committee on Post Office and Civil Service included the provisions of my bill in H.R. 7381.

In the committee's report, numerous cases were cited whereby a Federal agency was unable to obtain qualified persons, because of the limitations placed on the salaries of retired military personnel by the dual compensation-dual employment laws. The bill before us today will eliminate this unfortunate and binding restriction and allow the Federal Government to employ the skilled and knowledgeable manpower it needs.

In addition, it will certainly clarify the existing statutes on dual compensation-dual employment and bring under one statute the Government's policy on this subject. This will undoubtedly eliminate the hardships caused individuals as a result of inadvertent or good faith misunderstandings of the application of the law.

A case in point is a private bill I introduced in the last session to relieve a person of liability for repayment to the Federal Government a rather large sum of money paid him for his services to a Federal agency. This gentleman was a retired chief warrant officer serving as a temporary W-2 when he was granted retirement. A short time later he applied to the Federal agency, at the same time inquiring through the U.S. Navy Finance Center as to his status under the Dual Compensation-Dual Employments Acts. He was told that he was generally precluded from taking a Government position; however, the determination was the responsibility of the employing agency.

On his form 57, his retired status was clearly stated and a short time later he was notified that his application was accepted. Approximately 3 years later it was discovered that this person's employment was precluded by the Dual Employment Act and he was notified that he must repay the 3 years' salary he had received for his services.

In reporting on this bill, the agency stated:

> From these facts it is apparent that it was due to an error on the part of this agency that Mr. B was hired. It further appears that while Mr. B had some misgivings about the propriety of his appointment, these were dispelled by this agency's willingness to employ him knowing of his retired status.
>
> It would seem a most inequitable result that the Government should profit from the services of Mr. B.

And still hold him liable for the compensation paid him for those services.

I am pleased to state that H.R. 7381 will eliminate these inequities and hardships and will, most likely, prevent them from ever happening in the first place.

It is for these reasons, Mr. Speaker, that I add my voice in support of H.R. 7381.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Riehlman (at the request of Mr. Arends), for the remainder of this week, on account of a death in his family.

Mr. Harvey of Indiana (at the request of Mr. Halleck), on account of illness.

Mr. Hosmer (at the request of Mr. Arends), for the week of February 17, on account of official business with the Joint Committee on Atomic Energy.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Feighan, for 15 minutes, today; and to revise and extend his remarks.

Mr. Libonati, for 1 hour, today.

Mr. Halpern (at the request of Mr. Goodling), for 5 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. Wickersham (at the request of Mr. Matsunaga), for 5 minutes, on February 19; to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Cameron.

(The following Members (at the request of Mr. Goodling) and to include extraneous matter:)

Mr. Westland.
Mrs. Dwyer.
Mr. Wharton in two instances.
Mr. McClory.
Mr. Taft.
Mr. Beermann.

(The following Members (at the request of Mr. Matsunaga) and to include extraneous matter:)

Mr. Fascell.
Mr. O'Neill.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 7356. An act to amend title 10, United States Code, relating to the nomination and selection of candidates for appointment to the Military, Naval, and Air Force Academies.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2064. An act to relieve the Veterans' Administration from paying interest on the amount of capital funds transferred in fiscal year 1962 from the direct loan revolving fund to the loan guaranty revolving fund; and

S. 2317. An act to amend the provisions of section 15 of the Shipping Act, 1916, to provide for the exemption of certain terminal leases from penalties.

ADJOURNMENT

Mr. MATSUNAGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 18 minutes p.m.) the House adjourned until tomorrow, Wednesday, February 19, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1713. A letter from the Comptroller General of the United States, transmitting a supplemental report on ineffective program planning and uneconomical utilization of personnel assigned to the Air Force Reserve recovery program; to the Committee on Government Operations.

1714. A letter from the Comptroller General of the United States, transmitting a report on the audit of Federal Prison Industries, Inc., for the fiscal year ended June 30, 1963, pursuant to the Government Corporation Control Act (31 U.S.C. 841) (H. Doc. No. 231); to the Committee on Government Operations and ordered to be printed.

1715. A letter from the Assistant Secretary of the Interior, transmitting a report on the Chelan Division, Chief Joseph Dam project, Washington, pursuant to section 9(a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 232); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

1716. A letter from the Deputy Secretary of Defense, transmitting a report setting forth the financial condition of working capital funds at June 30, 1963, and the results of their operation for the fiscal year then ended, pursuant to section 405(c) of the National Security Act of 1947, as amended (10 U.S.C. 2208); to the Committee on Armed Services.

1717. A letter from the Comptroller General of the United States, transmitting a report on improper payments to military personnel for travel of dependents of members of the Department of the Army, pursuant to 31 U.S.C. 53 and 31 U.S.C. 67; to the Committee on Government Operations.

1718. A letter from the Comptroller General of the United States, transmitting a report on the uneconomical replacement of vehicles by the U.S. 5th Air Force, Fuchu Air Station, Japan, pursuant to the Budget and Accounting Act 1921 (31 U.S.C. 53), and the

Accounting and Auditing Act of 1950 (31 U.S.C. 67); to the Committee on Government Operations.

1719. A letter from the Comptroller General of the United States, transmitting a report on deficiencies in the administration of Government quarters, messing facilities, and military leave at Dow Air Force Base, Maine, pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67); to the Committee on Government Operations.

1720. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal in accordance with the provisions of the act approved July 7, 1943 (57 Stat. 380), as amended by the act approved July 6, 1945 (59 Stat. 434), and the act approved June 30, 1949 (63 Stat. 377); to the Committee on House Administration.

1721. A letter from the Secretary of the Interior, transmitting a report of the Office of Coal Research relating to coal research activities undertaken during calendar year 1963, pursuant to Public Law 86-599; to the Committee on Interior and Insular Affairs.

1722. A letter from the Acting Director, U.S. Information Agency, transmitting a draft of proposed legislation, entitled, "A bill for the relief of Philip N. Shepherdson"; to the Committee on the Judiciary.

1723. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation, entitled, "A bill to repeal the provisions of law codified in 5 U.S.C. 39, and for other purposes"; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H.R. 9903. A bill to amend the Interstate Commerce Act and the Federal Aviation Act of 1958 so as to strengthen and improve the national transportation system, and to implement more fully the national transportation policy, and for other purposes; without amendment (Rept. No. 1144). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING:

H.R. 10005. A bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of phosphate on the public domain; to the Committee on Interior and Insular Affairs.

By Mr. HAGEN of California:

H.R. 10006. A bill to strengthen the agricultural economy; to help to achieve a fuller and more effective use of food abundances; to provide for improved levels of nutrition among economically needy households through a cooperative Federal-State program of food assistance to be operated through normal channels of trade; and for other purposes; to the Committee on Agriculture.

By Mr. HARVEY of Michigan:

H.R. 10007. A bill to authorize national banks to make certain redevelopment loans, and for other purposes; to the Committee on Banking and Currency.

H.R. 10008. A bill to amend the Internal Revenue Code of 1954 to encourage the redevelopment by private persons of property in the downtown business districts of our cities by allowing the cost of such redevelopment to be amortized at an accelerated rate for income tax purposes; to the Committee on Ways and Means.

H.R. 10009. A bill to amend the Small Business Act to authorize the Small Business Administration to assist small-business concerns in obtaining leases of property in downtown business districts by providing insurance for such leases; to the Committee on Banking and Currency.

By Mr. LAIRD (by request):

H.R. 10010. A bill to amend title 28, United States Code, to require that a judge of a U.S. district court shall be a resident of the district for which he is appointed at least 3 years immediately prior to the time of his appointment; to the Committee on the Judiciary.

By Mr. MATHIAS:

H.R. 10011. A bill to create a U.S. Botanical Survey; to the Committee on Interior and Insular Affairs.

By Mr. SILER:

H.R. 10012. A bill to amend the War Claims Act of 1948, so as to extend the benefits of such act to persons captured or interned by, or in hiding from, the Japanese Government in China during World War II; to the Committee on Interstate and Foreign Commerce.

By Mr. SKUBITZ:

H.R. 10013. A bill to provide for the commemoration of certain historical events in the State of Kansas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. REID of Illinois:

H.R. 10014. A bill to protect the domestic economy, to promote the general welfare, and to assist in the national defense by providing for an adequate supply of lead and zinc for consumption in the United States from domestic and foreign sources, and for other purposes; to the Committee on Ways and Means.

By Mrs. SULLIVAN:

H.R. 10015. A bill to strengthen the agricultural economy; to help to achieve a fuller and more effective use of food abundances; to provide for improved levels of nutrition among economically needy households through a cooperative Federal-State program of food assistance to be operated through normal channels of trade; and for other purposes; to the Committee on Agriculture.

By Mr. WELTNER:

H.R. 10016. A bill to provide free mailing privileges for certain former Members of Congress with 50 years of continuous active service in Congress, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WILLIAMS:

H.J. Res. 926. Joint resolution to provide that information relating to the assassination of the late President John F. Kennedy shall be made public; to the Committee on the Judiciary.

By Mr. PIRNIE:

H. Res. 626. Resolution to authorize the Committee on Armed Services to conduct an investigation and study of moving the Rome Air Materiel Area from Griffiss Air Force Base; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. MOORE: Memorial of the West Virginia House of Delegates requesting studies by appropriate Federal and State agencies of the current forest management practices which obtain in the Monongahela National Forest and a change in policy of that management; to the Committee on Agriculture.

By the SPEAKER: Memorial of the assembly of the State of New York, memorializing the President and the Congress of the United States to make a full investigation to determine whether or not it is for the best defense and economic interest of the United States to move ROAMA from Griffiss Air Force Base at Rome, N.Y.; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DONOHUE:

H.R. 10017. A bill for the relief of Athanasios Panagopoulos; to the Committee on the Judiciary.

By Mr. GILBERT:

H.R. 10018. A bill for the relief of Mario Barbati; to the Committee on the Judiciary.

By Mr. MATHIAS:

H.R. 10019. A bill for the relief of Santino Pinto, Jr.; to the Committee on the Judiciary.

By Mr. MULTER:

H.R. 10020. A bill for the relief of Mrs. Dvora Eisenberg; to the Committee on the Judiciary.

By Mr. THOMPSON of Texas:

H.R. 10021. A bill for the relief of Farida Hanna Hazbon; to the Committee on the Judiciary.

By Mr. TOLLEFSON:

H.R. 10022. A bill for the relief of Ricardo G. Mangaccat; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

706. The SPEAKER presented a petition of Henry Stoner, Avon Park, Fla., requesting Congress to investigate certain radio-TV news releases relative to alleged limited circulation of remarks by the President concerning friendly nations trading with Communist Cuba, which was referred to the Committee on Interstate and Foreign Commerce.

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SENATE

TUESDAY, FEBRUARY 18, 1964

(Legislative day of Monday, February 10, 1964)

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou Father of our spirits, who hearest prayer, and to whom all flesh shall come, breathe now upon our waiting hearts, we beseech Thee, the benediction of Thy holy calm.

Not only in moments of blessed quietness, with raucous sounds shut out, may we hear Thy summons, but also in the thunder of these tumultuous days of destiny may we be conscious that Thy voice to us is calling.

As from this historic Chamber the panorama of the Nation's life in all the yesterdays passes before our eyes and minds, may we here highly resolve that this white-domed Capitol edifice shall be not only an arsenal of material might, but also a cathedral of faith where are proclaimed to all the earth the sanctions of irresistible moral force and of spiritual verities upon which our freedoms were reared, on which they rest, and without which our boasted democracy is but a bruised and broken reed.

We ask it in the dear Redeemer's name. Amen.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, February 17, 1964, was dispensed with.

TRANSACTION OF ROUTINE BUSINESS—LIMITATION ON STATEMENTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a morning hour, with statements therein limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. DIRKSEN. Mr. President, being filled with charity and compassion, I shall not object.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report on Working Capital Funds of Department of Defense

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on the working capital funds of that Department, dated June 30, 1963 (with an accompanying report); to the Committee on Armed Services.

Report on Price Differential in Sale of Alcoholic Beverages in District of Columbia and State of Maryland

A letter from the Comptroller of the Treasury, for the State of Maryland, Annapolis, Md., relating to the price differential in the sale of alcoholic beverages in the District of Columbia as compared with sales in the State of Maryland (with accompanying papers); to the Committee on the District of Columbia.

Report on Deficiencies in Administration of Certain Quarters and Military Leave at Dow Air Force Base, Maine

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on deficiencies in administration of Government quarters, messing facilities, and military leave at Dow Air Force Base, Maine, Department of the Air Force, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

Unclassified Letter of Comptroller General of the United States

A letter from the Comptroller General of the United States, transmitting an unclassified letter, which transmitted a secret report on ineffective program planning and uneconomical utilization of personnel assigned to the Air Force reserve recovery program (January 1964, B-146831), Department of the Air Force (with an accompanying paper); to the Committee on Government Operations.

Audit Report on Federal Prison Industries, Inc.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Federal Prison Industries, Inc., Department of Justice, fiscal year 1963 (with an accompanying report); to the Committee on Government Operations.

Report on Uneconomical Replacement of Vehicles by the U.S. 5th Air Force

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the uneconomical replacement of vehicles by the U.S. 5th Air Force, Fuchu Air Station, Japan, Department of the Air Force, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Improper Payments to Military Personnel for Travel of Dependents

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on improper payments to military personnel for travel of dependents, Department of the Army, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Chelan Division, Chief Joseph Dam Project, Washington

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on the Chelan Division, Chief Joseph Dam project, Washington (with accompanying papers); to the Committee on Interior and Insular Affairs.

Report on Final Settlement of Claims of Certain Indians

A letter from the Chief Commissioner, Indian Claims Commission, Washington, D.C., reporting, pursuant to law, on the final settlement of the claims of certain Indians (with accompanying papers); to the Committee on Interior and Insular Affairs.

Audit Report of National Fund for Medical Education

A letter from the executive vice president, National Fund for Medical Education, New York, N.Y., transmitting, pursuant to law, an audit report of that fund, for the calendar year 1963 (with an accompanying report); to the Committee on the Judiciary.

Disposition of Executive Papers

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. JOHNSTON and Mr. CARLSON members of the committee on the part of the Senate.

PETITION AND MEMORIAL

Petitions, etc., were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by General Joseph Wheeler Post No. 62, Veterans of Foreign Wars, Jersey City, N.J., favoring the enactment of legislation to grant pensions to veterans of World War I; to the Committee on Finance.

The petition of Mary Koehler, of Mobile, Ala., relating to the enactment of the civil rights bill; to the Committee on the Judiciary.

CONCURRENT RESOLUTION OF SOUTH CAROLINA LEGISLATURE

Mr. JOHNSTON. Mr. President, I send to the desk a concurrent resolution passed by the general assembly of the State of South Carolina requesting the President of the United States to take necessary action to protect the woolen industry of the United States from encroaching imports of foreign woolen products.

On behalf of my colleague the Senator from South Carolina [Mr. THURMOND] and myself, I ask unanimous consent to have this resolution printed in the RECORD together with my remarks.

There being no objection, the concurrent resolution was referred to the Committee on Finance, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolution by General Assembly of South Carolina

Concurrent resolution requesting the President of the United States to take such action as necessary to protect the woolen industry of this country

Whereas between 1947 and 1962 the wool textile industry in the United States has lost (1) over 100,000 jobs; (2) about 300 plants or establishments; (3) 21,836 broadlooms; (4) 2,169,000 spindles; (5) 1,042 combs; and (6) approximately 60 percent of the machinery used in the industry; and

Whereas it appears that the loss trend will continue unless appropriate action is taken by the executive branch of the Federal Government; and

Whereas these losses are adversely affecting communities on a nationwide basis; and

Whereas it has been previously determined by acts of Congress and opinions of those connected with defense mobilization that an adequate wool textile industry is essential to national security; and

Whereas the late President John F. Kennedy declared, on May 2, 1961, that "It [the textile industry] is of vital importance in peacetime and it has direct effect upon our total economy"; and

Whereas it is recommended by those with peculiar knowledge of the industry to the President of the United States that—

1. Wool product duties be reserved from the negotiating list scheduled to begin in May under the auspices of the General Agreement on Tariffs and Trade;

2. The Government urgently and unremittingly pursue solution of the wool product import problem through international negotiations and accord; or, failing that;

3. The Government act unilaterally to restrain wool product imports to prevent market disruption and to restore and foster fair competition to avert the liquidation of an essential industry; and

Whereas the members of the General Assembly of South Carolina share in the concern for the future of the woolen industry and wish to convey this concern to the President of the United States: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is requested to take such steps as is necessary to protect the woolen industry of this country and urgently recommend that the President act in the following more specific manner:

1. That wool product duties be reserved from the negotiating list scheduled to begin in May under the auspices of the General Agreement on Tariffs and Trade;

2. That the Government urgently and unremittingly pursue solution of the wool product import problem through international negotiations and accord; or, failing that;

3. That the Government act unilaterally to restrain wool product imports to prevent market disruption and to restore and foster fair competition to avert the liquidation of an essential industry; and be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States, to each Member of the congressional districts from South Carolina, and to the Honorable Edwin Wilkinson, president, National Association of Wool Manufacturers.

Attest:

Inez Watson,
[seal] *Clerk of the House.*

CIVIL RIGHTS—RESOLUTION

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the Record a resolution adopted by the District of Columbia Republican Committee, favoring the enactment of House bill 7152, relating to civil rights.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution Presented by the District of Columbia Republican Committee

Whereas the Republican Party had its origin in contention for human rights and the dignity and worth of the individual; and

Whereas the 1960 civil rights platform of the District of Columbia Republican Committee declared that "We shall not compromise on these fundamental rights of American citizens as guaranteed by our Constitution"; and

Whereas the leadership of the two national political parties has agreed that action on the civil rights bill now under consideration before the Congress should receive nonpartisan support; and

Whereas Republicans in Congress historically have consistently outvoted the Democrats in proportion to their strength on civil rights issues since 1933, and Republican Congressman William M. McCulloch, of Ohio, in cooperation with other Republican Members of Congress, has produced Republican majorities on vital amendments to the 1964 civil rights legislation under consideration in Congress, we urge the Republican Party to help insure passage of said bill at an early time; and

Whereas such support will, as it should, remove the question of civil rights from the area of partisan political debate: Now, therefore, be it

Resolved, That the District of Columbia Republican Committee does fully endorse and support the civil rights bill, H.R. 7152, now pending before the Congress, with any modification which shall give increased assurance of the recognition of the dignity of the human personality; and be it further

Resolved, That the District of Columbia Republican Committee does recommend and urge all Republican Members of the Congress to give their full endorsement and support of H.R. 7152; and be it further

Resolved, That a copy of this resolution be sent to all Republican Members of the Congress.

Fred L. Dixon,
Secretary.

February 12, 1964.

APPELLATE JURISDICTION TO REVIEW CERTAIN DETERMINATIONS—RESOLUTION

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the Record a resolution adopted by the Association of County Officers of the State of New York approving the enactment of House bill 6202, granting appellate jurisdiction to review certain determinations.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution by the County Officers Association of New York

Whereas it is a fundamental principle of our system of government that our courts should always have appellate jurisdiction to review the determination, ruling, and decisions of all public officials, departments, and commissions; and

Whereas this principle is founded upon precedent that no such public official, department, or commission should ever be permitted to assume dictatorial powers; and

Whereas such principle tends to prevent centralization of power in such a public official, department, or commission or in any unit of government whether local, State, or National; and

Whereas the determination of the Secretary of Health, Education, and Welfare of the Federal Government is not reviewable by the courts: Therefore be it

Resolved, That this Association of County Officers of the State of New York records its approval of bill H.R. 6202 which would grant appellate jurisdiction to our courts to review such determinations; and be it further

Resolved, That the executive director be instructed to send copies of this resolution to the New York State Senators and Congressmen and to the National Association of Counties.

Attest:

C. L. Chamberlain,
Executive Director.

Dated February 3, 1964.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

W. Tapley Bennett, Jr., of Georgia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Dominican Republic;

William Attwood, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary to Kenya;

James D. Bell, of New Hampshire, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Malaysia;

Robert G. Barnes, of Michigan, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Hashemite Kingdom of Jordan; and

G. McMurtrie Godley, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Republic of the Congo.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HUMPHREY:

S. 2513. A bill for the relief of Mrs. Pearl E. Halverson; to the Committee on the Judiciary.

By Mr. BEALL:

S. 2514. A bill for the relief of Key Suck Yang; and

S. 2515. A bill for the relief of David Allen; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 2516. A bill to permit the prepayment of FHA-insured mortgages without requiring the payment of an adjusted premium charge in certain cases involving nonprofit educational institutions; to the Committee on Banking and Currency.

By Mr. KEATING:

S. 2517. A bill for the relief of Vicenzo Pulitano; and

S. 2518. A bill for the relief of Phyllis Mayers; to the Committee on the Judiciary.

By Mr. CURTIS:

S. 2519. A bill for the relief of Zehra Ener; to the Committee on the Judiciary.

By Mr. RANDOLPH (by request):

S.J. Res. 155. Joint resolution proposing an amendment to the Constitution of the United States on Presidential power and succession; to the Committee on the Judiciary.

(See the remarks of Mr. Randolph when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION

AUTHORITY FOR COMMITTEE ON ARMED SERVICES TO CONDUCT AN INVESTIGATION AND STUDY OF MOVING THE ROME AIR MATERIEL AREA FROM GRIFFISS AIR FORCE BASE, ROME, N.Y.

Mr. KEATING (for himself and Mr. Javits) submitted a resolution (S. Res. 298) to authorize the Committee on Armed Services to conduct an investigation and study of moving the Rome Air Materiel Area from Griffiss Air Force Base, which was referred to the Committee on Armed Services.

(See the above resolution printed in full when submitted by Mr. Keating, which appears under a separate heading.)

JUSTICE MICHAEL A. MUSMANNO, OF THE PENNSYLVANIA SUPREME COURT, PRESENTS WELL-REASONED PLAN FOR PRESIDENTIAL SUCCESSION

Mr. RANDOLPH. Mr. President, the subject of Presidential inability and succession is one that has engaged the attention of the Congress and the Nation's citizens for a century or longer. Interest was always keenest, of course, when, because of some current break, or seeming break, in the continuity of Presidential power, doubts arose as to the depositary of Presidential constitutional authority.

I recall to you the melancholy period when President James A. Garfield was, because of an assassin's bullet, incapacitated for 80 days prior to his death. No authoritative official or body could or would declare that he was unable to attend to the duties of the Chief Executive. As a consequence, we drifted without a responsible hand in the White House for nearly 3 months. The equally painful period is remembered when President Woodrow Wilson, suffering from a paralytic stroke, was unable to fully discharge the momentous duties of his office for 18 months. Thomas Marshall, his Vice President, was willing to assume the responsibilities of the Presidency but President Wilson would not relinquish his authority. He, in fact, dismissed his Secretary of State when that official, concerned for the affairs of the Nation, called a meeting of the Cabinet. So obdurate was President Wilson in this whole regretful situation that he had, it is contended, his physician publicly declare he would never certify to the disability of the President. Never must we be placed in such an equivocal light before the world.

I have today introduced a proposed constitutional amendment which, if adopted will, I confidently believe, prevent the repetition of the Garfield, Wilson, and other equally unfortunate situations. This amendment to our Constitution will solve the problem of presidential inability and succession and, at the same time, place the Office of Vice President in the setting of dignity and responsibility which it deserves.

In view of the many plans which have been submitted to Congress on this subject, I am naming this proposal the "Musmanno Plan." Its author is Justice Michael A. Musmanno, of the Pennsylvania Supreme Court, a personal friend of mine for a quarter of a century, who has devoted many years of study to the subject. As late as February 1958, the noted jurist testified before Senator Kefauver's Subcommittee on Constitutional Amendments and as long ago as 1929 he wrote a book entitled "Proposed Constitutional Amendments."

Justice Musmanno's plan in essence is as follows: The House and Senate Judiciary Committees will constitute a permanent Commission on Prevention of Lapse of Executive Power. This committee will be subject to call at all times, whether Congress is in session or not, by the chairman of the Senate Judiciary Committee. The committee, when summoned, will decide by a two-thirds majority whether a President, in the event he is apparently disabled or unable to discharge the powers and duties of his office for any reason, is in fact so disabled or unable. You will note the use of the word "unable" here, in addition to "disable," the reason being that there can be a state of facts where the President, although physically able to perform his duties, may be inaccessible as, for instance, in the event of a plane misfortune which could land him in the ocean, in a jungle, or on a desert.

Having declared a Presidential disability or inability to serve, the Commission on Prevention of Lapse of Executive Power would decide later, also by a two-thirds majority, when the inability or disability will have ceased.

This plan, it appears to me, is reasonable, just, workable, and wholly democratic. It places in the hands of representatives of the people the serious business of transferring the highest national executive power to an individual other than the President. Many of the plans which have been suggested are fraught with fallacy, danger, and impracticality. For instance, I would not favor the plan which recommends that the Vice President himself declare when he should supersede the Presidency. No person in a representative democracy should be allowed, by his own determination, to displace a higher official.

Nor do I care for the plan which leaves it to the Cabinet to determine whether the President is able to perform his duties. The Cabinet, being composed of Presidential appointees, might have a difficult time making a decision wholly unrelated to their sense of intimacy with the President.

Other plans invest the Supreme Court or a commission headed by the Chief Justice with authority to decide questions on Presidential inability. It would be a mistake to have the Supreme Court determine this delicate question because if litigation should result, the Supreme Court would find itself in the awkward position of having to pass on its own actions or the action of the Chief Justice.

The Musmanno plan is simple, direct and, I repeat, wholly democratic, in resolving the problem of presidential inability which has worried lawmakers and students of government for many decades. This plan goes further and provides for the election of a Second Vice President when the Vice President shall have succeeded the President, permanently or only temporarily.

Under the Musmanno plan we would today have a Vice President. The procedure for the filling of that office, when it becomes vacant, is, like all the provisions in this plan, very simple. The national committee of the political party, of which the President is a member, would submit to Congress the names of three persons qualified for the Presidency; and Congress would elect one of these three persons as Vice President.

In order not to provide for a Second Vice President when the President will, obviously, be disabled for a very short period, the Musmanno plan provides that there shall be no second Vice President unless the vacancy is quite clearly not to endure for 6 months or more.

And now I come to perhaps the most unique feature of the Musmanno plan. Under this proposed constitutional amendment the Vice President would no longer be a member of the legislative department of the Government. He would become, as, of course, he essentially is, a member of the executive department and would be subject to the orders and direction of the President at all times, functioning, indeed, in the President's stead when the President desired to delegate certain presidential functions to him. This delegation of power could only be done in writing and would last only as long as the President wished it to last.

We concede that the President has too many burdens to carry. He, of course, shall always be the leader of the Nation in every field of government, security, and well-being of the American people, but he should be allowed to delegate to the Vice President, from time to time, ministerial tasks which rob him of time and do not necessarily require solomonic decision. As Justice Musmanno said when he testified before the Kefauver committee:

> As of the present moment the President could not even constitutionally delegate his power to sign important documents in the event some accident disabled his writing hand.

And then there are moments in the life of the Nation when momentous decisions must be made regardless of the accessibility of the President. To quote Justice Musmanno again:

> When President Eisenhower underwent surgery at the Walter Reed Hospital for ileitis, he was under anesthesia, according to a signed article in the Washington Post February 2, for 4 hours. It is frightening to contemplate that if during this period the United States had suffered an atomic or missile attack, there would have been no Commander in Chief to coordinate defense, counterattack, and civilian evacuation. He did ready United States defense forces for emergency before taking the anesthesia.

Under the Musmanno plan the President could delegate his powers for an hour, a minute, or for whatever period a crisis might call for. Again quoting the Justice:

> The President, before entering the hospital, for instance, for major surgery, would delegate his full powers to the Vice President for the period of the operation, and the whole country could be assured that in the event of an attack we would not find our great engine of defense immobilized because of the lack of an engineer to pull the levers.

Of course, this constitutional amendment which I have introduced will be fully considered by the committee to which it is referred and in due time Justice Musmanno will, I hope, be invited to testify. The committee will subsequently report on the plan and the Senate will have the fullest opportunity to consider and discuss it. I thought it might be well, in view of the tremendous interest throughout the Republic on the subject, that I give this outline of the proposed amendment for the benefit of the Senate and all those studying this vital and perplexing constitutional problem.

The **ACTING PRESIDENT** pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 155) proposing an amendment to the Constitution of the United States on Presidential power and succession, introduced by Mr. **Randolph**, by request, was received, read twice by its title, and referred to the Committee on the Judiciary.

INVESTIGATION OF ROME, N.Y., AIR MATERIEL AREA TRANSFER

Mr. KEATING. Mr. President, the legislature of the State of New York has just passed a resolution calling on Congress to make a full investigation and review of the impact of the shifting of Rome Air Materiel Area from Griffiss Air Force Base to other facilities. The resolution clearly asks questions that have been in the minds of New Yorkers ever since this transfer of activities was announced. It calls on every Member of Congress from the State of New York to devote his efforts to achieving a full and fair study of the problems involved.

Mr. President, in pursuance of that objective, I submit, on behalf of myself and my distinguished colleague from New York [Mr. Javits], a resolution to authorize a full study of the proposed transfer of this very active and expanding facility from Rome to other bases which are becoming obsolete and are facing a declining workload.

I ask unanimous consent to have the resolution of the New York State Assembly, concurred in by the New York State Senate, printed at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution 76

Concurrent resolution of the Senate and Assembly of the State of New York memorializing the Congress of the United States to investigate if it is for the best defense and economic interest of the United States to move ROAMA from Griffiss Air Force Base at Rome, N.Y.

Whereas ROAMA is now located at Griffiss Air Force Base at Rome, N.Y.; and

Whereas this is an integral part of our air defense; and

Whereas the worldwide situation is in such a state of turmoil that our defenses must be at full strength at all times; and

Whereas the withdrawal of ROAMA from Griffiss Air Force Base at Rome, N.Y., would necessarily weaken our position; and

Whereas the moving of ROAMA from Griffiss Air Force Base would have a depressing economic effect on the entire area near Rome, N.Y.; and

Whereas sufficient reason or cause has not been made public of the feasibility of such plan: Now, therefore, be it

Resolved (if the senate concur), That the Legislature of the State of New York hereby memorializes the Congress of the United States to make a full investigation to determine whether or not it is for the best defense and economic interest of the United States to move ROAMA from Griffiss Air Force Base at Rome, N.Y.; and be it further

Resolved (if the senate concur), That copies of this resolution be transmitted to the President of the United States, the Secretary of Defense, the Secretary of the Air Force, the Secretary of the U.S. Senate, the Clerk of the House of Representatives, and to each Member of the Congress of the United States from the State of New York, and that the latter be urged to devote themselves to the task of accomplishing the purposes of this resolution.

By order of the assembly.

Ansley B. Borkowski,
Clerk.

Concurred in, without amendment, by order of the senate, February 11, 1964.

Albert J. Abrams,
Secretary.

Mr. JAVITS. Mr. President, will my colleague yield?

Mr. KEATING. I yield.

Mr. JAVITS. I hope it will be understood that what we are doing is, as lawyers say, "Putting the Government to its proof." We have deep convictions, after considerable investigation, that the path being trod is the wrong one. As the Senator has said, the proposal is to change the location of a vital, active, ground-based electronics communications installation. We do not say that the move should not be taken in an effort to keep alive something that ought not to be kept alive on the ground of national interest and security, but take this position because of our conviction that the decision is an incorrect one. Our duty is to put the Government to its proof, and to make our case as thoroughly as we possibly can.

Mr. KEATING. I thank the Senator for this comment; he is entirely accurate.

The ACTING PRESIDENT pro tempore. The resolution will be received, printed, and appropriately referred.

The resolution (S. Res. 298) was referred to the Committee on Armed Services, as follows:

Resolved, That the Committee on Armed Services, acting as a whole or by subcommittee, is authorized and directed to conduct a full and complete investigation and study of whether it is in the best defense and economic interest of the United States to move the Rome Air Materiel Area from Griffiss Air Force Base, Rome, New York.

For the purpose of carrying out this resolution the committee or subcommittee is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the Senate is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or members.

The committee shall report to the Senate as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable. Any such report which is made when the Senate is not in session shall be filed with the Secretary of the Senate.

AMENDMENT OF LAWS RELATING TO HOUSING, URBAN RENEWAL, AND COMMUNITY FACILITIES—AMENDMENT (AMENDMENT NO. 423)

Mr. SMATHERS submitted an amendment, intended to be proposed by him, to the bill (S. 2468) to help provide adequate dwelling accommodations for more families who have low or moderate incomes, who are elderly, or who are subjected to the special problems of displacement from their homes by Government action; to promote orderly community development and growth; and to extend and amend laws relating to housing, urban renewal, and community facilities, which was referred to the Committee on Banking and Currency, and ordered to be printed.

NOTICE OF RECEIPT OF NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nominations of William S. Gaud, of Connecticut, to be Deputy Administrator, Agency for International Development, and William B. Macomber, Jr., of New York, to be Assistant Administrator for the Near East and South Asia, Agency for International Development.

In accordance with the committee rule, these pending nominations may not be considered prior to the expiration of 6 days of their receipt in the Senate.

SENATOR McGOVERN A SPONSOR OF ARMS CONTROL RESOLUTION

Mr. WILLIAMS of New Jersey. Mr. President, several days ago a number of Senators joined me in introducing Senate Resolution 295 to express the support of the Senate for the current Geneva disarmament negotiations and to lend encouragement to the achievement of a verified comprehensive nuclear test ban, among other proposals recommended by President Johnson.

Unfortunately, through an oversight on my part, the name of the distinguished Senator from South Dakota [Mr. McGovern] was not included as one of the original sponsors of this resolution.

I regret this error, for Senator McGovern, as former Director of the food-for-peace program and since coming to the Senate, has done outstanding work on the problems of disarmament, on economic conversion as the author of some pioneering legislation I was proud to cosponsor, and in the field of international affairs generally. In fact, the Senator gave me a great deal of help in drafting this arms control resolution, making valuable suggestions and lending his strong support to this effort.

For this reason, I ask unanimous consent that Senator McGovern be added as a sponsor of Senate Resolution 295 and that his name appear on the resolution at its next printing.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL COSPONSORS OF BILL AND RESOLUTION

Under authority of the orders of the Senate, as indicated below, the following names have been added as additional cosponsors for the following bill and resolution:

Authorities of December 18, 1963, January 14, 1964, and January 27, 1964:

S. 2396. A bill to revive the office of General of the Armies of the United States and to authorize the President to appoint General of the Army Douglas MacArthur to such office: Mr. BYRD of Virginia, Mr. CARLSON, Mr. COOPER, Mr. COTTON, Mr. CURTIS, Mr. EASTLAND, Mr. FONG, Mr. GOLDWATER, Mr. HARTKE, Mr. HRUSKA, Mr. HUMPHREY, Mr. KEATING, Mr. KUCHEL, Mr. MCCLELLAN, Mr. MILLER, Mr. PROUTY, Mr. SIMPSON, Mr. TOWER, Mr. WALTERS, and Mr. YARBOROUGH.

Authority of February 10, 1964:

S. Res. 297. Resolution to amend rule VII to permit morning business statements or comments for 3 minutes: Mr. BARTLETT, Mr. CLARK, Mr. HART, Mr. MCGEE, Mr. MONRONEY, Mr. RANDOLPH, Mr. SCOTT, Mr. SYMINGTON, and Mr. YOUNG of Ohio.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 573. An act for the relief of Elmer Royal Fay, Sr.;

S. 1206. An act for the relief of Georgie Lou Rader;

S. 1488. An act for the relief of Alessandro A. R. Cacace; and

S. 1518. An act for the relief of Mary G. Eastlake.

The message also announced that the House had passed the bill (S. 1605) to amend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, to provide for labeling of economic poisons with registration numbers, to eliminate registration under protest, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had disagreed to the amendments of the Senate to the joint resolution (H.J. Res. 247) to suspend for the 1964 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for legally qualified candidates for the offices of President and Vice President; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HARRIS, Mr. ROGERS of Texas, Mr. MOSS, Mr. ROSTENKOWSKI, Mr. KORNEGAY, Mr. HULL, Mr. BENNETT of Michigan, Mr. YOUNGER, Mr. CUNNINGHAM, and Mr. BROYHILL of North Carolina were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 6652. An act to authorize the Administrator of Veterans' Affairs to sell at prices which he determines to be reasonable direct loans made to veterans under chapter 37, title 38, United States Code;

H.R. 7751. An act to extend certain construction authority to the Administrator of Veterans' Affairs in order to provide adequate veterans' hospital facilities in Los Angeles, Calif.;

H.R. 8230. An act to amend section 24 of the Federal Reserve Act (12 U.S.C. 371) to liberalize the conditions of loans by national banks on forest tracts;

H.R. 9094. An act to authorize the President to declare July 9, 1964, as Monocacy Battle Centennial in commemoration of the 100th anniversary of the Battle of the Monocacy; and

H.R. 9609. An act to broaden the investment powers of Federal savings and loan associations, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 2064. An act to relieve the Veterans' Administration from paying interest on the amount of capital funds transferred in fiscal year 1962 from the direct loan revolving fund to the loan guaranty revolving fund; and

S. 2317. An act to amend the provisions of section 15 of the Shipping Act, 1916, to provide for the exemption of certain terminal leases from penalties.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 6652. An act to authorize the Administrator of Veterans' Affairs to sell at prices which he determines to be reasonable direct loans made to veterans under chapter 37, title 38, United States Code;

H.R. 8230. An act to amend section 24 of the Federal Reserve Act (12 U.S.C. 371) to liberalize the conditions of loans by national banks on forest tracts; and

H.R. 9609. An act to broaden the investment powers of Federal savings and loan associations, and for other purposes; to the Committee on Banking and Currency.

H.R. 7751. An act to extend certain construction authority to the Administrator of Veterans' Affairs in order to provide adequate veterans' hospital facilities in Los Angeles, Calif.; to the Committee on Labor and Public Welfare.

H.R. 9094. An act to authorize the President to declare July 9, 1964, as Monocacy Battle Centennial in commemoration of the 100th anniversary of the Battle of the Monocacy; to the Committee on the Judiciary.

DISCLOSURE OF FINANCIAL INTEREST

Mr. JAVITS. Mr. President, for many years, I have urged that Congress adopt a code of ethics governing both its Members and employees—a code which might very well have averted the necessity of holding such an investigation as the one now being conducted by the Committee on Rules and Administration.

More than a year has passed since, along with my colleague [Mr. KEATING], I reintroduced in this Congress my proposal on this subject, Senate Concurrent Resolution 5, which would establish a Joint Committee on Ethics to develop and recommend a comprehensive code of ethics for Members and employees of Congress, and which sets out an interim code, pending the joint committee's recommendations. I believe the public interest demands action on this measure by the Rules Committee during its present deliberations.

In repeating my action of last March, I shall today abide by the disclosure provision of the interim code of ethics embodied in Senate Concurrent Resolution 5, as if it were law, and shall place in the RECORD a current statement of my financial holdings. I do this in order to practice what I preach. I did this last year; and, it now being roughly 1 year thereafter, I do so again, today.

Section 6(b)(7) of the resolution would require that Members or officers or employees of the Congress "having a financial interest, direct or indirect, having a value of $10,000 or more, in any activity which is subject to the jurisdiction of a regulatory agency" should make a matter of public record the nature of such interest by filing a statement with the Comptroller General.

Since the Comptroller General does not now have authority to receive and maintain such lists, I am now making a statement for the RECORD, to demonstrate my concern with the matter. As of this date, my holdings of the described nature are as follows:

As trustee of a family trust, I have an indirect interest in the following companies or their subsidiaries or affiliates, each in an amount exceeding $10,000. These are normal investments in publicly owned corporations, and constitute no element of control, alone or in combination with others: American & Foreign Securities Corp.; Cities Service Corp.; Criterion Insurance Co.; Government Employees Corp.; Government Employees Financial Corp.; Government Employees Insurance Co.; Government Employees Life Insurance Co.; Sinclair Oil & Gas Co.; South Carolina Electric & Gas Co.; Southern Co.; Transamerica Corp. of Delaware, and Radio Corp. of America.

I submit the foregoing, Mr. President, for the information of my constituents or the information of anyone else who may be interested. I repeat that this is a fundamental aspect of a code of ethics which I have long urged upon Congress; and I intend to file such a statement annually, in order to demonstrate that I practice what I preach.

A similar provision is contained in the code of ethics of the State of New York.

If Congress should decide to adopt any other standard in connection with a code of ethics, I would think that greatly to the credit of Congress, and I would cheerfully comply, even though the one adopted might be somewhat different in form from the one with which I am complying at this time.

ORDER OF BUSINESS

Mr. JAVITS. Mr. President, let me suggest to the majority leader that I wish to make another statement for the record. If he will agree, I should like very much to have a quorum call at this time, in order to have an opportunity to obtain my papers. May I have a few minutes in that way?

Mr. MANSFIELD. Certainly.

Mr. JAVITS. Then, Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CAN THE SENATE RULES BE MADE TO WORK TO PASS THE CIVIL RIGHTS BILL?

Mr. JAVITS. Mr. President, I read with the greatest interest the statements of the majority and minority leaders yesterday on the issue of civil rights, a subject concerning which, I state with deference, I have had something to do throughout my public life. I would like now to comment upon it.

The aura cast around the subject by the statements of the majority leader and the minority leader was most creditable, and certainly apposite to the historic and serious character of the great debate in which we are about to engage.

First, I should like to pay my respects and tributes to the Senator from Montana [Mr. MANSFIELD] and the Senator from Illinois [Mr. DIRKSEN] for the enlightening and patriotic spirit which dictated the very important pronouncement which each of them made.

I have been deeply involved in this issue, and undoubtedly will be throughout the debate, and would like to make a statement generally, also for the purpose of setting the stage for the civil rights debate.

The Senate is a very different institution from the House of Representatives. This is the only legislative body in the world in which a minority of Senators may, and often has, prevented, by means of a filibuster, the majority from coming to a vote, or has imposed its terms upon legislation by means of a filibuster or the threat of a filibuster.

The proposed civil rights legislation from the House of Representatives will need, not a majority vote, as called for by the Constitution, but a two-thirds vote, as compelled by the Senate self-made rule XXII. The question is now—and it is the question inherent in everything that was said yesterday—Can this archaic rule be made to work so that the civil rights bill can be passed as the people's representatives wish it to pass?

The Civil Rights Act of 1957 was passed by the Senate by a vote of 72 to 18, and the act of 1960 was passed by the Senate by a vote of 71 to 18. Nonetheless, somehow or other that legislation was not written by the 71 Senators who were in favor of the bill, but what was written in it was very heavily conditioned by what the minority—those who voted against it—thought it ought to contain.

Although cloture has never been invoked on a civil rights bill before and although rule XXII remains an unreasonable barrier to the consideration of such bills, I believe cloture can be invoked now because there is a broad consensus in favor of this bill unlike anything before experienced on a bill of this nature.

Never before has the whole Nation been so genuinely moved by the need for civil rights legislation as it has been moved by the tragic experiences which began with the Birmingham riots and the impressive, disciplined, and solemn march on Washington in August of last year.

For the first time, a broad range of Americans recognize not only the moral imperative involved in giving enforceable meaning to the constitutional guarantees of equal opportunities, but also the tragic alternative of a resort to the streets, with all its potential for violence because the Government has not reasonably interposed its justice through law to answer the Negroes' legitimate grievances.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I ask unanimous consent to continue for 3 additional minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, there is no guarantee that, even if the Senate passes the House version of the bill, or strengthens it—as I hope it will—there will be no demonstrations. But it is one thing to have demonstrations for which there is an answer, under a law in which we have tried to do justice, and it is quite another thing to have demonstrations in instances in which there is no answer, and the only thing we can do is to admit that there is no law, there is injustice, and nothing has been done by law to try to end the injustices. On the one basis there is a controlled situation; and on the other basis, there may very well be an uncontrolled situation.

It is recognition of this which accounts for much of the difference between the present time and other times when we have considered civil rights. It accounted for the overwhelming vote for the bill in the House, with both Republicans and northern Democrats joining to pass the bill by a vote of 290 to 130 and to defeat emasculating amendments by similarly large margins.

The question for those Senators who are for the House civil rights bill is one of our determination. There will certainly be, and properly, a period of reasonable debate, and in order to bring this debate within a reasonable compass of time and to make it clear to all that a complete elucidation of their views is practicable, there should be no hesitancy about extending the hours of debate, even into continuous sessions. Let us remember that it took 9 days of such sessions to afford what the opponents regarded as a needed exposition of their views on the 1957 bill. We cannot shrink from this should it prove necessary, and I hope that the leadership will not shrink from it and that those favoring the legislation will be here, as they were in 1957—led by Senator Green, a man in his nineties—to answer the quorum calls.

Mr. President, we have had a very practical demonstration of what the Senate can do if it wants to assert its will, in the consideration of the communications satellite bill in 1962. If the 70-percent vote in favor of the civil rights bill in the House were matched in the Senate, we could invoke cloture on a civil rights bill for the first time since rule XXII was adopted.

I join the majority and minority leaders in their determination that we must meet this issue and that history and duty will not permit us to "choose the course of evasion and denial," but the way to do this is to move in a practical and determined way. It is not to be precipitous but it also means that we proponents must be as determined as the opponents have proved themselves to be on so many occasions. In that way the issue will be joined and determined. I can assure the leadership that as far as I am concerned, there will be no lack of willingness to debate the details and the law in the most considered and respectful way, nor will there be any lack of determination to advocate and to join with my fellow Senators in order to see that the length of the sessions is commensurate with the issue, and that our determination on cloture, the enforcement of the rules, and every other aspect of the debate are fully equal to the determination which has been shown—and undoubtedly will be shown again—by the opponents of the proposed legislation.

RATES OF INTEREST CHARGED BY THE RURAL ELECTRIFICATION ADMINISTRATION

Mr. LAUSCHE. Mr. President, I call attention to Senate bill S. 1926, introduced by myself, contemplating the adoption of a law which would require the Rural Electrification Administration to charge a rate of interest in making loans which would reflect the rate of interest that the Government must pay in borrowing the money to make the loans.

I am pleased to report to my colleagues that at the American Farm Bureau Federation convention held in Chicago on December 12, 1963, among a number of resolutions proposed, there was offered a resolution dealing with rural electric cooperatives. The American Farm Bureau Federation has gone on record as asking for the approval of a policy that would require rural electric cooperatives to pay to the Government a rate of interest equal to what the Government must pay to borrow money to make the loan.

Mr. President, the Farm Bureau states as its 1964 policy on REA that:

> 1. We urge power companies to expand their facilities to meet the increasing demand of farm people at reasonable cost. We urge efforts on the part of the local electric cooperatives and other private power companies to reach agreements that will be in the best long-time interest of all concerned.
>
> 2. Where further expansion or improvement of power production is contemplated, serious consideration should be given to the possibility of seeking funds for the program on an investment basis from members of the cooperatives. If revisions in legislation or regulations are needed in order to permit such procedures, we will support the necessary changes.
>
> 3. Rural electric cooperatives have performed a valuable service for rural America, but many factors affecting their operations have changed materially since Congress authorized their establishment. Any further loans made by the Rural Electric Administration to established rural electric or telephone cooperatives or other borrowers should be made at not less than the cost of money to the Federal Government.
>
> 4. Rural electric cooperatives should not participate in financing the rural areas de-

velopment program. We recommend that they confine their activities to the purposes for which they were organized.

The American Farm Bureau Federation was the sponsor of the initial law establishing the Rural Electrification Administration. The father of REA now comes before the Congress, in effect, and states that it should no longer be operated on the basis on which it was started. When the rural electric co-ops borrow money from the Government, they pay an interest rate of 2 percent, while the Federal Government is required to pay 4 percent to borrow the money to lend.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. LAUSCHE. Mr. President, may I have 1 more minute?

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senator from Ohio may continue for 2 or 3 additional minutes.

The ACTING PRESIDENT pro tempore. Without objection, the Senator is recognized for 3 more minutes.

Mr. LAUSCHE. In conclusion, I point out that the rural electrics, which are competing with private power companies, pay 3 cents out of every dollar of their income in taxes. The private power companies pay 22 cents out of every dollar in taxes. Thus, it is apparent that private companies pay in taxes seven times more than do the rural electric co-ops. In addition, the Government is subsidizing these activities, as I have already pointed out, by lending money at 2 percent, while the Government must pay 4 percent on the money it borrows.

I may be a bit obtuse in my understanding of justice, but I cannot bring myself to understand that it is morally or economically right or that it is fair treatment of the taxpayers of the United States.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield to the Senator from Alaska.

Mr. GRUENING. How does the Senator reconcile his opposition to having the REA borrow money at 2 percent when the Congress and the administration have approved the lending of money to foreign countries at three-quarters of 1 percent, with a 10-year moratorium—a policy which I object to, but was unable to have modified?

Mr. LAUSCHE. To the Senator from Alaska I gladly state that in the Foreign Relations Committee I proposed an amendment that would, at the very beginning, require a charge of a rate of interest to foreign borrowers equal to what had to be paid in the United States for borrowing money to make the loans.

Mr. GRUENING. I commend the Senator. That was the reform which I sought to achieve.

Mr. LAUSCHE. I could get through only a provision that would allow a charge of 2 percent beginning after the 5th year after the making of the loan. Tragically, that effort was not successful. We are now making loans to foreign countries on a 40-year basis, with no amortization of the loan for 10 years, and finally, at the beginning of the 10th year, with a charge of 2 percent interest. I do not subscribe to that policy.

Mr. GRUENING. While the Senator from Ohio may not agree with me on the REA, I am glad that we find ourselves in agreement on the foreign policy aspects of this question.

Mr. LAUSCHE. Mr. President, may I have 2 more minutes?

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senator may have 2 additional minutes.

The PRESIDING OFFICER. (Mr. BAYH in the chair.) Without objection, it is so ordered.

Mr. LAUSCHE. May I ask how we can justify having the taxpayers of the United States lend money at 2 percent to going business operations when the Government has to pay 4 percent to borrow the money?

Mr. GRUENING. The REA has fully justified its existence. It has done so much to promote the welfare, economic, and social standards of the American people by extending electricity to remote areas which never before had it or would not have received it from the private utilities—the so-called investor-owned utilities—that I think the policy has been fully justified.

AVAILABILITY OF INDIVIDUAL VIEWS OF SENATOR PROUTY ON S. 1732

Mr. PROUTY. Mr. President, in part 1 of the report of the Committee on Commerce on S. 1732, a bill to eliminate discrimination in public accommodations affecting interstate commerce, appeared a pink slip, which I shall read:

> U.S. Senate, Committee on Commerce.
>
> The committee is unable to supply copies of part 2 of Senate Report 872, containing the individual views of Senator WINSTON L. PROUTY. The Government Printing Office has a limited supply of part 2 which may be purchased for 60 cents. Check or money order in that amount should be sent to the Superintendent of Documents, Government Printing Office, Washington, D.C.
>
> Additional copies of part 1 of Senate Report 872 also may be obtained from the Government Printing Office at 25 cents per copy.

To my knowledge this is the first time that individual views have not been included with a committee report; but I wish to make it known that I have a number of copies of part 2, which contains my individual views, and they will be made available to anyone who desires them, without charge.

In addition to my individual views, part 2 contains articles from the Texas Law Review, the Notre Dame Lawyer, the Cornell Law Quarterly, the Stanford Law Review, and the California Law Review, together with various appendices.

I believe my individual views, together with the information contained in the report, will be most helpful to anyone interested in the civil rights proposals.

Again, I say, these reports are in part II of the committee report, and will be available without charge if anyone desires them.

PROCEDURE FOR THE PROMPT SETTLEMENT, IN A DEMOCRATIC MANNER, OF THE POLITICAL STATUS OF PUERTO RICO

Mr. JACKSON. Mr. President, I ask that the Chair lay before the Senate the message from the House announcing its action on certain amendments of the Senate to House bill 5945, establishing a United States-Puerto Rico, Commission on the status of Puerto Rico, as amended, by the Senate.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5945, which was read as follows:

> *Resolved*, That the House concur in the amendment of the Senate numbered 1 to the bill (H.R. 5945) entitled "An Act to establish a procedure for the prompt settlement, in a democratic manner, of the political status of Puerto Rico", with an amendment, as follows:
>
> In lieu of the matter inserted by said amendment, insert: "unless prohibited under any law effective on the date of enactment of this Act."
>
> *Resolved*, That the House concur in the amendment of the Senate numbered 2, to aforementioned bill, with an amendment, as follows:
>
> In lieu of the matter inserted by said amendment, insert:
>
> "(c) The Commission is authorized and directed to call upon the head of any Federal department or agency to furnish information and assistance which the Commission deems necessary for the performance of its functions, and the heads of such departments and agencies are authorized and directed to furnish such assistance and information, unless prohibited under any law effective on the date of enactment of this Act, without reimbursement."
>
> and in section 3, subsection (a) strike out "$50" and insert in lieu thereof "$75".
>
> *Resolved*, That the House concur in the amendment of the Senate numbered 3, to aforementioned bill, with an amendment, as follows:
>
> In lieu of the matter inserted by said amendment, insert: "not earlier than the later of the two following dates:
>
> "(i) one year from the date of the meeting called for organizing the Commission as provided in section 2(d) of this Act;
>
> "(ii) one year from the date on which the additional six members for which provision is made in section 2(c) of this Act are appointed, if such appointment occurs within six months after the effective date of this Act, and not later, in any event, than".
>
> *Resolved*, That the House concur in the amendment of the Senate to the title, to aforementioned bill.

Mr. JAVITS. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I am glad to yield.

Mr. JAVITS. There is, of course, great interest in anything concerning Puerto Rico in the city of New York; and I should like to ask the Senator if he would explain what is being done and why.

Mr. JACKSON. This would call for the establishment of a Commission to study all factors which may have a bearing on the present and future relationship between the United States and Puerto Rico. As the Senator from New York well knows, there has been much debate and discussion on this subject for many years.

Puerto Rico has commonwealth status. There are those who imply that this is something distinct and unique. There are those who say that the compact between the United States and the Puerto Rican people can be changed only by their consent. The committee has gone into the question in detail, and we do not agree with that policy. We realize that Puerto Rico, as a commonwealth within the jurisdiction of the United States, presents unique problems that have not been present in the past in connection with other territories. Therefore, the purpose of the Commission is to update the thinking as to what the long-range future relationships should be between the United States of America and Puerto Rico.

Mr. JAVITS. Mr. President, will the Senator from Washington yield further?

Mr. JACKSON. I yield.

Mr. JAVITS. I should like to inquire exactly what the House amendments propose to do which we are asked to adopt?

Mr. JACKSON. The House amendments are not of any substantive nature. The first amendment that the House added would substitute the language in section 2(c) for that adopted by the Senate to provide that assistance or information to be furnished to the Commission by the heads of departments in Puerto Rico shall be rendered "unless prohibited under any law effective on the date of enactment of this act."

I believe that is clear, that it is to make information available to the Commission.

The second amendment is in section 3(c) of the bill to provide that—

> The Commission is authorized and directed to call upon the head of any Federal department or agency to furnish information and assistance which the Commission deems necessary for the performance of its functions, and the heads of such departments and agencies are authorized and directed to furnish such assistance and information, unless prohibited under any law effective on the date of enactment of this act, without reimbursement.

I believe that provision is clear. It is to facilitate the work of the Commission in making information available from Federal agencies.

The third amendment would amend section 3 by striking out "$50" and inserting in lieu thereof "$75."

This relates to the per diem rate.

The fourth one in section 4 proposes that the date for the submission of the Commission's report shall be not earlier than the latter of the two following dates:

> (i) One year from the date of the meeting called for organizing the Commission as provided in section 2(d) of this Act;
>
> (ii) One year from the date on which the additional six members for which provision is made in section 2(c) of this Act are appointed, if such appointment occurs within six months after the effective date of this Act,

All of this means that they are not to report back prior to the elections.

Mr. JAVITS. Mr. President, will the Senator yield further?

Mr. JACKSON. I yield.

Mr. JAVITS. This Commission, I gather, is a recommendatory body; it is not a body which can bring about any change in the organic relationship; it is merely advisory.

Mr. JACKSON. It is completely advisory, and would be informational to the House and Senate Interior and Insular Affairs Committees, which have jurisdiction.

Mr. JAVITS. Do the provisions of the bill provide a procedure by which the recommendations of the Commission might then be submitted to the people of Puerto Rico, or does it leave it to the Legislature of Puerto Rico and the Congress of the United States to decide what shall ensue based upon the recommendations?

Mr. JACKSON. The Commission renders its report to the President, the Governor of Puerto Rico, the Legislative Assembly of Puerto Rico, and to the Congress, and then the Congress acts.

Mr. JAVITS. The Congress of the United States?

Mr. JACKSON. Or the Congress may not act. It is up to the Congress.

Mr. JAVITS. As to what it will do with respect to this matter?

Mr. JACKSON. Yes. There is no delegation of legislative authority to the Commission to change in any manner the relationship that now exists between the United States and Puerto Rico.

Mr. JAVITS. Nor is the bill a self-operative scheme; but unless stopped by the Congress, it would—or through congressional action, perhaps action by the people or the legislature, or both, of Puerto Rico—come to some final consummation?

Mr. JACKSON. That is correct.

Mr. JAVITS. The Senator knows that I am speaking most sympathetically, as I am sure the Senator understands. Puerto Rico has become an important demonstration of American policy in Latin America, especially in the Caribbean. Many of use who are neighbors of Puerto Ricans in the United States have a great interest in the problem. We have problems of migration from Puerto Rico to the United States, or back again. All of these questions are intimately involved in that framework. I was in the Chamber of the House of Representatives when it was shot up by a so-called Puerto Rican nationalist fringe group, of which the Senator is well aware; and that is the reason I ask this question: Is there nothing in the bill which will load the situation in favor of or against any of the three alternatives—commonwealth, statehood, or independence?

Mr. JACKSON. No. Let me point out that in the language on page 5 of the committee report there is this pertinent statement, under "Committee Comment":

> First, if Puerto Rico enacts legislation to provide for its six members of the Commission, it is expected that the members selected will include representatives of the principal parties and points of view on the island.

Mr. JAVITS. That is all parties, across the board?

Mr. JACKSON. The Senator is correct. It is the principal parties. There may be some minority parties that could not be included.

Mr. JAVITS. That includes the opposition to Governor Muñoz-Marin also?

Mr. JACKSON. It says "principal parties." It includes all the principal parties. That would include the Governor's opposition.

Mr. JAVITS. We wish to have that made clear.

Mr. JACKSON. I will repeat it. On page 5 of the committee report in this language:

> First, if Puerto Rico enacts legislation to provide for its six members of the Commission, it is expected that the members selected will include representatives of the principal parties and points of view on the island.

That would be statehood, commonwealth status, and independence. Those are the main areas.

Mr. JAVITS. As well as the opposition to the Governor?

Mr. JACKSON. Yes; the statehood advocates are clearly on the opposition side.

Mr. JAVITS. I would not wish for a moment to indicate to the Senator from Washington that I do not have the utmost regard for the Governor. We wish to understand what the framework is.

Mr. JACKSON. I understand. The Senator has been helpful in making clear the purpose of the Commission.

Mr. JAVITS. I thank the Senator from Washington for his information.

Mr. JACKSON. The committee report also contains this statement:

> Second, the enactment of H.R. 5945 is not to be construed as committing Congress morally or legally to adopt all or any legislative recommendations the Commission may make.

Mr. JAVITS. I understand.

Mr. JACKSON. I believe that is unequivocal.

Mr. JAVITS. I am grateful to the Senator from Washington, as this is probably the final legislative act in this matter; and I am very grateful to him because he has helped to make clear the position of Congress in this delicate and important matter.

Mr. JACKSON. The senior Senator from New York has helped to clarify any lingering doubts that may have existed about the purpose of the Commission and what is expected of it.

Mr. JAVITS. I have no objection.

Mr. JACKSON. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

THE IMPACT OF AMBASSADOR BOWLES

Mr. HUMPHREY. Mr. President, 6 months ago Mr. Chester Bowles went back to India as the U.S. Ambassador there. I say went back for he served as our Ambassador there from 1951 to 1953. This time he succeeded our able Ambassador, John Kenneth Galbraith, and further came in at a time of considerable disquiet in India. The Congress had turned down support of the Bokaro steel mill when India had counted on our help. The Indian Government was embarrassed to be forced by internal political pressure to pull out of an agreement with us to build a radio transmitter to counter Chinese propaganda. Our military aid to India was also subject to conflicting pressures in Indian politics. The most difficult situation of all however, was the lagging of the Indian plans for economic development.

Into all of these situations, Chester Bowles has moved with finesse. He has been particularly skillful in showing the Indian leaders how a use of private enterprise and foreign investment could help them solve many of their problems.

He has succeeded so well that Pravda, the Moscow daily newspaper, has been provoked to say that "Bowles stirs up trouble" in India. That is exactly what he has not done. He has been good for India and Indian-United States relations. If that is "trouble" for Pravda, they are privileged to make the most of it.

Mr. Bowles has again received a fine compliment, when the leading Communist newspaper attacks him for his effective work in India, which seeks to preserve democratic institutions and the democratic way of life.

The New York Times carried a story on the highly effective, quiet work of Bowles, and I ask unanimous consent to include it in the RECORD at this time, for the benefit of my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE IMPACT OF BOWLES—ON SECOND TOUR IN INDIA, ENVOY HAS FACED TOUGH PROBLEMS

(By Thomas F. Brady)

NEW DELHI, January 20.—Chester Bowles, who returned to New Delhi as U.S. Ambassador 6 months ago, recently won from Pravda a resounding comment.

The Soviet Communist Party newspaper's comment on January 6 was that "Bowles stirs up trouble." It was reacting to a series of lectures at the University of Delhi in which the Ambassador analyzed, among other questions, the important role private enterprise can play in a planned economy.

Pravda commented acidly that the "Indian monopoly press," which is as free as any press in Asia, had given extensive coverage to Mr. Bowles' commentary.

Actually, there is one thing Mr. Bowles has not done, and that is to stir up trouble.

When he stepped off the plane here last July 17, he stepped into some nasty problems. The U.S. Congress was turning thumbs down on aid to an important and much-publicized development project, an enormous steel mill at Bokaro. His predecessor, John Kenneth Galbraith, had strongly championed Bokaro as had President Kennedy. Mr. Bowles had to face Indian disappointment.

The new Ambassador also had the duty of burying quietly an agreement from which the Indian Government was forced by left-wing political pressure to withdraw. The agreement called for the United States to provide India with a long-range, high-power radio transmitter to combat Chinese Communist propaganda.

In addition, an almost hysterical Indian feeling of military dependency on the West that followed the Chinese invasion at the end of 1962 had begun to wear off. The Soviet had offered ground-to-air missiles in June in a move to restore some substance to Prime Minister Jawaharlal Nehru's nonalinement policy.

Mr. Bowles had ahead of him politically vestigial joint air exercises, in which the Indian Air Force was to participate in November with units of the United States and British Air Forces. Indian military men were still happy about the project, but Indian politicians were beginning to wish the foreign planes could come to India completely unnoticed. The exercises passed without ill feeling.

Mr. Galbraith had been known here as a close adviser to President Kennedy. A rumor circulated that Mr. Bowles, for a time an Under Secretary of State, had been sent abroad because the Kennedy administration had no place for him at home.

Indeed, the fact that Mr. Bowles had already been Ambassador to India, from 1951 to 1953, and was known for his sympathetic understanding of the country, led some Indians to fear that his counsels might be discounted in Washington as those of a special pleader. Mr. Bowles knew all this and faced it with equanimity.

Then the Indians began to discover that Mr. Bowles was not without honor in Washington. The rear-guard battle he has fought to protect India against cuts in foreign aid has been deeply appreciated here.

An assessment of progress last fall midway through India's third 5-year plan for economic development showed desperate deficiencies in both industrial and agricultural expansion. Mr. Bowles began to explain that private enterprise and even foreign capital were not wholly pernicious—that with proper planning and governmental curbs they might provide vital leaven for the sagging economy.

At the same time he pointed out that the shrinking U.S. foreign aid program could be augmented to advantage by private investment from abroad if the Indians were capable of making their country safe for foreign capital without sacrificing their national interests.

The lesson carefully contrived by Mr. Bowles to avoid ideological offense to India's socialistic liberals started to take hold. The Communists have begun to find a disquieting trend toward "liberalism" in recent Indian economic thinking, and they blame Mr. Bowles.

Moderates at the governing Congress Party's national convention blocked a leftist demand for nationalization of the banks. To Pravda the "coincidence" was "interference in the internal affairs" of India.

The U.S. Ambassador is now faced with what may be the most crucial transition India has known since independence. The sudden illness of Prime Minister Nehru has underlined the question of political succession.

INTERNATIONAL DEVELOPMENT CONFERENCE IN CARACAS DESERVES RECOGNITION

Mr. HUMPHREY. Mr. President, I am most gratified to call the attention of my colleagues to an event of considerable significance which is taking place in Caracas, Venezuela, February 17–22. It is the First International Meeting of Development Financing Agencies sponsored by the Government of Venezuela and its Economic Development Corporation.

More than 150 of the world's leading figures in the field of development financing will exchange information, experience, and ideas on all aspects of economic development. Out of their discussions will hopefully come regular and permanent procedures for international coordination and cooperation in developmental areas.

All countries of Latin America are expected to be represented except Cuba. Delegates will also attend from the United States, Europe, Africa, and Asia.

The Government of Venezuela is particularly deserving of recognition for initiating this effort which could have far-reaching beneficial effect not only in Latin America, but in all underdeveloped countries of the world. It is an effort additionally deserving of commendation as representative of the spirit of the Alliance for Progress.

It is especially noteworthy that this meeting was planned and announced by the Venezuelan Development Corporation several months before the December election. In so doing that public corporation expressed a confidence which the elections confirmed that the terrorist acts of the Communists would have no effect on the continuity of Venezuela's democratic form of government.

Mr. President, I ask unanimous consent that an article dealing with this subject, published in the New York Times of today, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VENEZUELA HOLDS PARLEY ON FUNDS—WORLD DEVELOPMENT MEETING STRESSES PRIVATE CAPITAL

(By M. J. Rossant)

CARACAS, VENEZUELA, February 17.—Greater reliance on the role of private capital in speeding the economic growth of developing nations emerged as the main theme today at the opening session of the first international conference of financial institutions involved in development.

More than a hundred delegates from all over the world, representing commercial banks, investment houses, internal lending agencies, national development banks, and development corporations, are attending the week-long conference here sponsored by the Venezuelan Development Corporation.

They are exploring the problems associated with economic development in open meetings as well as in examinations of specific development projects through the use of the case method originated by Harvard University School of Business Administration.

NEED FOR STIMULUS CITED

The need to stimulate a big increase in private investment was emphasized by both Teodoro Moscoso, U.S. representative on the Inter-American Committee of the Alliance for Progress, and George S. Moore, president of the First National City Bank of New York.

Romulo Betancourt, the outgoing president of Venezuela, also addressed the conference. He agreed that foreign private investment was an essential ingredient in accelerating economic growth and invited foreign investors to step up their activities in Venezuela.

President Betancourt said that there was no conflict between government planning as practiced in a democracy and a favorable climate for private investment. Planning, he said, is not "the devil," but a practical way of getting the best allocation of resources.

The stress on private investment at the conference appears to reflect some dissatisfaction with the rate of progress achieved in the developing area under prevailing arrangements, which have been largely government to government. But there was no open criticism of the Alliance for Progress and other development programs.

BETTER MIX URGED

Instead most of the discussion concentrated on attaining a better mix of government and private investment. Mr. Moore and Mr. Moscoso agreed that increasing the amount of capital made available by private sources did not depend solely on a better attitude toward private investment on the part of governments in developing countries. They also said that business interests must cooperate in promoting development.

While there was a surprising degree of agreement on the need for increased investment by the private sector, there were some differences in detail.

Mr. Moscoso, who called for the creation of a "partnership relation" between government and private enterprise, placed particular emphasis on attracting foreign investment. He pointed out that "it is neither politically realistic nor socially just" to depend on domestic sources for development. He added that foreign funds were "generally indispensable" for growth.

In contrast, Mr. Moore gave top priority to policies that stimulate "domestic private capital in its own country of origin." He argued that measures designed to attract domestic capital that has fled to foreign markets will eventually serve to attract foreign funds.

CYPRUS

Mr. YOUNG of Ohio. Mr. President, now that virtual civil war has erupted between Greek and Turkish citizens of Cyprus, English officials are urgently asking us to intervene to keep the peace in their former colony. Very definitely this is not the responsibility of the United States. Britain, Greece, and Turkey have treaty obligations to guarantee the security of Cyprus. These nations should work together to end existing frictions between the Greek majority and Turkish minority on the island. I definitely oppose armed intervention by our Marines or paratroopers in Cyprus. It would be outrageous were one American soldier to lose his life in this former English colony.

England has not fulfilled her military commitments in Western Europe. We have more than fulfilled ours. Furthermore, since 1947 our Government has spent $4 billion equipping the Turkish army and $3,500 million equipping the armed forces of Greece. This is to protect that part of the free world from Soviet aggression. It was certainly not to arm them to fight each other. It would be tragic were two NATO allies to fight because of rivalries in Cyprus, killing thousands of their soldiers with American weapons. The British should seek a peaceful settlement. If they fail, then that nation should face its responsibility to end the civil war there. Our Nation has no mandate from the Almighty to police the entire world.

FREEDOM FOR LITHUANIA

Mr. HUMPHREY. Mr. President, the some 1 million Americans of Lithuanian descent have two countries—the United States and their native European homeland. The contrast between the freedom which they enjoy here and the tyranny which oppresses Lithuania heightens their sense of loss. The Lithuanians who remain under Soviet rule have only their memories of 20 years of independence and their national culture and traditions to nourish their continuing struggle for freedom against great odds.

We all share this sense of loss on the occasion of the 46th anniversary of Lithuanian independence, commemorated on February 16. We welcome this opportunity to reaffirm our strong and enduring friendship with the Lithuanian people. The cause of freedom, which is of such immediate importance for Lithuanians, is no less vital to all Americans. We hold that the Lithuanian people are entitled to a government of their own choice, and we look forward to the day when they can again enjoy national independence. It is our firm intention to further the cause of freedom in Lithuania and in all Baltic nations by working ceaselessly to establish a peaceful world order based on the rule of law. This aim will be achieved when and only when the Soviet colonial empire melts under the warming monsoon of freedom—under the winds which have brought liberty and national restoration to countless other peoples since World War II but which until now have been contemptuously ignored by the Soviet imperialists.

WE MUST SEEK TO ELIMINATE POVERTY

Mr. YOUNG of Ohio. Mr. President, American working men and women have won for themselves the highest standard of living in the world and a fair share of their own production. They rear their families on the right side of the railway tracks and they walk with dignity and love of country.

If I were a workingman, instead of a lawyer and presently a Senator of the United States, I would belong to the union of my craft, and I would sit in the front row.

Today American workers are confronted with a problem as complex and huge as its name is simple and small. That problem is automation. It is both a blessing and a threat, a blessing because it holds forth the promise of an ever greater production of goods, greater leisure and better living for all our people; a threat for the stark fact that it eliminates thousands of jobs.

The new technology has already created a host of problems for workers, indeed for whole communities. In our major industries, giant machines responding to pushbutton control by a few men can now produce goods which a short time ago required the labor of hundreds of men. It will test our ability as a nation to assure that the technological revolution we are experiencing in industry will not bring undue hardship to those whose jobs will undergo change or, worse, will become obsolete.

The fantastic new machines of this second great industrial revolution have already permanently wiped out the jobs of thousands of American workers. The fact is that it threatens to eliminate additional hundreds of thousands of jobs while not creating enough new jobs to replace them.

It is clear that the great potential benefits of automation are being wasted. Instead of benefits, it has brought unemployment, idle plants and machines, and an alarming increase in the number of economically distressed areas.

That this is true can be seen by studying the character of unemployment figures during the postwar period when automation burst onto the American industrial scene. From the end of World War II until 1954, a rather steady rate of 3 percent of the labor force was unemployed. Following the 1954 recession the average unemployment rate was 4 percent, and since the recession of 1958, it has hovered around 5 percent.

Compounding the tragedy of a high, steady rate of unemployment is the fact that more than 2 million workers, most of whom want and need full-time work, are working only part time.

Assurances for the future offered by some business leaders are no substitute for thought and effort. They do not put bread on the table or money in the pockets of American working men and women. Officials of many companies have initiated programs to deal intelligently and fairly with workers whose livelihoods are lost due to automation. It is high time others followed their example.

As Americans, we must value human beings and human welfare above machines. We must assist workers and communities cut adrift by automation to adjust to the new technology and to share in its social and economic benefits.

Toward this end we in the Congress during the last 3 years have enacted into law the Manpower Retraining Act, the depressed areas bill, and the Area Redevelopment Act and have appropriated hundreds of millions of dollars to implement them. There is still much to be done. Government, labor, and business must work together to protect workers and their families against the hazards of industrial change.

Full employment and maximum use of our Nation's industrial capacity must be the major goals of domestic economic policy if we are to cope with the swift and awesome challenges of this decade. We must make full employment and full prosperity more than a slogan and a national goal. We must make it a reality. Involuntary unemployment is a great moral wrong.

We must urge business leaders to make every possible effort to plan jointly with representatives of their employees for the sweeping changes of the age of automation. Federal, State, and local governments must aid in this effort whenever possible. Responsible labor leaders have sought, unsuccessfully, for the most part, joint planning with industry to make certain that automation develops as the blessing it can and should be rather than the threat it has become.

Moreover, we who have been entrusted with leadership in this age of change and challenge, must make certain that our economy grows at a rate which will generate new jobs for an ever-growing labor force. The ultimate test of our economic system is its ability to provide employment for our people. When there are millions out of work who want to work, our economy fails this crucial test.

Mr. President, the solutions to the complex problem of automation will be more difficult to find the longer we defer seeking them. I know that President Johnson and his administration consider the problem of automation one of the foremost facing the Nation. It is part of the overall problem of attacking and eliminating poverty in our country. Under the late, great President John F. Kennedy, I supported all legislation recommended by him to restore the health of the economy and to get our Nation moving forward. I shall support with equal vigor and determination the programs of President Lyndon B. Johnson.

During the last session of the Congress I voted, along with the majority of my colleagues, to eliminate over $1,600 million from our foreign assistance program. To accomplish this took a great deal of research, study, and effort on the part of many Senators. Surely we in the Congress should work as hard—in fact harder—for the unemployed men and women in our country as we do to help the underprivileged in almost every other country in the world. I propose we legislate to eliminate poverty. It is a pitiful situation that more than 1 of 20 worthy and industrious men and women, including youngsters recently leaving high schools and colleges, are unable to obtain work.

Mr. President, we must concentrate upon the sad situation that, in this land of plenty, at least 5 percent of our labor force is unemployed. Involuntary unemployment is a great moral wrong. We must enact legislation and we must appropriate funds to help provide employment for men and women, particularly for the young men of our country, who for various reasons are denied the opportunity to work and to have the kind of future that we want our youngsters to have in this country.

PRESIDENT JOHNSON, A SKILLED TECHNICIAN

Mr. GRUENING. Mr. President, Bill Henry, a knowledgeable columnist of the Los Angeles Times, has written an excellent article entitled "Johnson Skilled as Technician." The article, published in the January 12 issue of the Los Angeles Times, relates some of the multiple talents and abilities of our President. I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Jan. 12, 1964]

JOHNSON SKILLED AS TECHNICIAN

(By Bill Henry)

WASHINGTON.—Lyndon Baines Johnson, if he never accomplishes anything else, has made a lot of people sit up and take notice. There has been a tendency among his own party's intellectuals to dismiss the tall Texan as "just a mechanic" who is possessed of a certain amount of skill in the technical side of politics. A good many Republicans who had greater respect for a technician's know-how than the intellectuals in the Democratic Party, still classified Mr. Johnson as "strictly run of the mill." The Johnson state of the Union speech of a few ways back has awakened a lot of skeptics to the realization that the new man in the White House has made fantastically good use of whatever political skills he possesses—and these appear to be considerable. In fact, looking back on the last half-a-dozen weeks, it is difficult to see how his performance could have been improved upon. Towards the end of last November, Mr. Johnson, despite his dashing about on Vice-Presidential chores, was almost a nonentity. He was completely overshadowed by the colorful personality of the then President. The spectacular circumstances of the assassination and the extraordinary nature of the obsequies tended to deify the late President and correspondingly shrink the image of his successor. Yet here in early January Mr. Johnson looms larger than life. His technical skill is smoothly assuming authority during the transition, the deft touch which he has shown in achieving acceptance by widely divergent groups, the bold manner in which he has seized the political initiative—these have combined to move him front-and-center where he is recognized now as a candidate who may be harder to beat next November than his predecessor would have been.

A MASTERFUL PERFORMANCE BY L.B.J.

All in all, this has been a remarkable performance. He has carefully clung to the popular image of his predecessor. He has espoused the Kennedy program, retained the Kennedy personnel. Having done so, he then boldly claimed to have improved on Mr. Kennedy's performance, presenting a somewhat smaller budget, predicting a smaller deficit. Finally he played his trump, declaring war on poverty and promising a bargain-counter Utopia—better life for all at smaller Government expense. His state of the Union message was a smashing political document. It had the effect of seizing the initiative and putting the skeptical opposition in the position of having to prove that what he proposes can't be done. That's hard to do in the few months that remain of the 1964 presidential campaign. It has been a rather triumphant exhibition of political skill and has inspired respect among his critics and perturbation among his opponents.

HOLDING THIS PACE WON'T BE EASY

The catch in all this—if there is one—lies in the fact that it was all accomplished during a political truce which found the opposition mute and disorganized while Mr. Johnson had the opportunity to demonstrate his skill unhampered. Certainly his stock is now at an alltime high. The danger, to him, is that it is so high that there is no way to go but down. Things can happen mighty fast in this modern world. It took almost no time at all for Mr. Kennedy's skyrocketing popularity which followed his inauguration to plummet earthward after the Bay of Pigs fiasco. Any student of government knows that awesome pitfalls await the Johnson legislative program on Capitol Hill. He rides tall in the saddle right now but it will be nothing less than miraculous if he can maintain this fantastic pace during the months that lie between this peak of performance and the moment in November when he must present his political promissory notes at the ballot box bank.

ADDITIONAL FUNDS FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. HUMPHREY. Mr. President, it appears that the Senate has completed morning business.

The PRESIDING OFFICER. Without objection, morning business is closed. The Chair lays before the Senate Senate Resolution 275, the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A resolution—Senate Resolution 275—providing additional funds for the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. The Chair reminds the Senate of the effectiveness of the rule of germaneness at this time.

Mr. KEATING. Mr. President, I ask unanimous consent that I may proceed to discuss a matter not having to do with the resolution, and that the rule of germaneness be waived temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

LITHUANIAN INDEPENDENCE DAY

Mr. KEATING. Mr. President, there was great rejoicing 46 years ago February 16 as the Lithuanians proclaimed independence after more than a century of Russian control. This freedom was enjoyed for 21 years, only to be crushed by Nazis and Communists in a ravaging pincer movement.

Once again this brave people was forced to wear the shackles of oppression. Hundreds of thousands were exiled to Siberia, where some still remain. Tens of thousands were executed. Under occupation Lithuania came to know collectivization, increased poverty, and religious persecution.

The institutions of freedom in Lithuania were destroyed, but the spirit of those institutions, conviction and hope could not be so easily extinguished. It is this flame that we of the free world dare not forget. To us it must serve as a reminder of the great courage with which the oppressed fight for survival. But that is not all. Our duty is to keep that flame of hope alive, to let the people of Lithuania know that we have not forgotten their fight for freedom, and to remind the free world that the Soviets, who call themselves champions of anticolonialism, have in fact imposed the most vicious brand of colonial rule known to modern man. Their aim has been to break the spirit of the men, women, and children they conquered. It is a testimonial to the Lithuanians and the peoples of other captive nations that the Communists have never completely succeeded in this mission.

Mr. JAVITS. Mr. President, I am pleased to join in paying tribute to the brave people of Lithuania on the 46th anniversary of their independence. Lithuania's existence as an independent republic was shortlived, covering only 21 years between 1918 and 1940. These years were made very difficult and troubled because of the constant Soviet propaganda and subversive activity designed to smother the nation's freedom. Shortly after the outbreak of World War II, Soviet forces overran the country and destroyed its freedom. Over the years the 3 million people of this unhappy state have kept alive the hope of liberty and independence in spite of harsh restrictions, deportations, suppression of religion, and other repressive measures. Their friends and relatives here are helping to keep alive this hope that in the not too distant future, Lithuania will once again become free and independent. I share in that hope and the historic need to gain for Lithuania freedom from Communist tyranny.

TIME TO PUT SOME MUSCLE INTO ECONOMIC SQUEEZE ON CUBA

Mr. KEATING. Mr. President, one of the most disturbing aspects of our failure to come to grips with the problem of communism in Cuba has been the manner in which our allies have refused to join us in the program of economic pressure. Although the problem of trade with Communist nations is admittedly a thorny one, to which there are no easy answers, our Government has failed to put sufficient pressure on our free world friends to insure that they keep up the economic squeeze on Mr. Castro.

Recent developments involving Britain and France have highlighted the deterioration of our Cuban policy and the rise of business-as-usual sentiment in Western Europe. Unless something is done, and done promptly, to reverse this trend, we might as well scrap our program to put the economic screws to Castroism.

A perceptive editorial published in the Rochester Times-Union of February 10 outlines the manner in which our friends have sabotaged the Cuban quarantine. It should be must reading for all Members of this body and of the executive branch who are concerned about the threat posed by this Communist beachhead so close to our shores. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Rochester Times-Union, Feb. 10, 1964]

U.S. ALLIES BETRAY STRUGGLE AGAINST CASTRO

For years, Europe's Communist-line bleeding hearts have accused the United States of cozying up to dictators to enrich "capitalist imperialists."

Whatever the extent of this dollar diplomacy, and it isn't much, it is peanuts compared with the rescue of Fidel Castro's collapsing economy by greedy English and French industrialists.

First, Britain approved the sale of $10½ million worth of new buses to Cuba, where public transportation had almost halted. Now France has authorized a $10 million truck and tractor deal. Others are pending. And Belgium and Spain want their share of the Cuba trade.

As a final back-of-the-hand to Washington, the goods will be sent in East German freighters to evade the U.S. blacklist of ships which trade with the Cuban enemy.

These "allied" governments cringed in fear of nuclear war when Americans talked of attacking Fidel and his Red band. So the U.S. tried economic isolation from the free world, throwing the full burden of sustaining Cuba on Russia and the Red bloc.

The policy never had much prospect of success, but at least it was causing increasing difficulty for Khrushchev and his Cuban buddy. As the economic squeeze tightened, there was always the chance that Cubans might save their country from ruin by getting rid of Castro themselves.

Now the quarantine, such as it was, is shattered. That leaves the U.S. with the bitter alternatives of (1) living indefinitely with this Communist cancer, (2) imposing a full blockade or (3) invading Cuba to throw the Red bums out. All involve grave risks to world peace.

It seems not to matter to our European "friends" that Castro is a bloody, brutal tyrant who hasn't even bothered to stage the usual Communist referendum, let alone hold a free election. They seem undisturbed over the efforts of Castro's agents to stir up trouble from Panama to Chile, from Caracas to Rio de Janeiro.

So the United States must act on its own—if it has the will—against Castro's threats, ranging from the annoyance of cutting off Guantanamo's water supply to the far graver matter of providing a sheltered Western Hemisphere base for Communist conquest.

But it is tragic that nations which say they share America's devotion to freedom have forced the United States to consider such a harsh and difficult change of course.

CONTRIBUTION OF THE NATIONAL JEWISH WELFARE BOARD

Mr. KEATING. Mr. President, during the recent rioting and crisis activities in the Panama Canal Zone, one volunteer agency that continued to perform in a calm and praiseworthy manner was the National Jewish Welfare Board's Armed Forces Service Center in Balboa. From the moment the rioting commenced, the center remained open day and night to individuals and families who sought refuge there. The center's director, Rabbi Nathan Witkin, cooperated successfully with the police in finding ways and means for many American and Panamanian families to return safely to their homes.

Mr. President, this prompt and quiet reaction to the need of servicemen and others requiring assistance in unusual circumstances is typical of the fine work done at home and abroad by the National Jewish Welfare Board. I ask unanimous consent to have printed at this point in the RECORD a detailed account of Rabbi Witkin's efforts during the Panama crisis.

There being no objection, the account was ordered to be printed in the RECORD, as follows:

JWB CANAL ZONE CENTER IS FOCUS OF WELFARE WORK IN PANAMA CRISIS

BALBOA, C.Z.—The National Jewish Welfare Board's JWB Armed Forces Service Center in Balboa served as a focal point for welfare activities during the recent crisis in the Canal Zone. According to word received by JWB from the center's director, Rabbi Nathan Witkin, who also serves as USO area director in the Canal Zone, at the moment that the rioting began, the center was host to a large group of American military personnel and their wives, civilians, Panamanian citizens and U.S. residents of the Republic of Panama who were attending a lecture.

As the lecture ended, word came to the center that the borders were closed, and no one could return to Panama because of violence on Fourth of July Avenue, the street which forms the border between the Canal Zone and the Republic. As a result, the center remained open all night and many families slept there. Rabbi Witkin was successful in working with police to find routes home for other Panamanian families before blockades were set up.

The center serves American military and civilian personnel in the area and has become a favored locale for communal activities involving citizens of the Republic as well as U.S. families. It was pictured on a recent postage stamp issued by the Republic saluting religious freedom. The center conducts a full-scale religious, cultural and recreational program, and as its sponsor JWB is the only mainland national Jewish organization operating in the Canal Zone.

During the first night of the upheaval, a number of GI families who live in Panama had to leave their homes because of threatened violence and came, with police assistance, to the center. Rabbi Witkin and his aids got in touch with the refugees' husbands and in the morning helped them to transfer to reception centers set up by the military authorities. Since that time, personnel associated with the center have helped at these reception centers, where more than 3,000 dependents were taken after leaving the Republic. Tasks have included gathering clothing, toys and contributions, working with children and giving special assistance to adults.

Rabbi Witkin has been visiting wounded servicemen at hospitals in the Canal Zone and has distributed comfort articles and other supplies provided by JWB.

An amateur radio station at the center handled thousands of messages to the States. No mail was moving, and it was virtually impossible to place commercial telephone calls, so the station provided an important link between personnel in the Canal Zone and their people at home.

Despite tensions which have existed between Panama and the United States over the Canal Zone issue, the Republic of Panama has from time to time recognized the contributions made by the center. In 1962 Rabbi Witkin received the Order of Balboa, the highest decoration given by Panama, in honor of his 25 years of service. The citation accompanying the award paid tribute to his "social welfare activities which benefit both the Panama and Canal Zone civilian communities" and hailed him as a "silent ambassador who has been able to solidify the civilian and religious groups within his mission in the Caribbean area."

PRESIDENT JOHNSON'S LEADERSHIP IN FOREIGN AFFAIRS

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Senator from Idaho [Mr. CHURCH], I ask unanimous consent to have printed in the RECORD a statement prepared by him dealing with President Johnson's leadership in foreign affairs, together with an editorial entitled "Johnson on Foreign Affairs," published in the Philadelphia Inquirer of February 3, 1964.

There being no objection, the statement and editorial were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CHURCH

All Americans are well aware of the ability, dedication and experience which Lyndon B. Johnson brought to the Presidency when he assumed that office under such tragic circumstances. It has been widely noted here and abroad that no other Vice President of the United States, succeeding a stricken President, has been nearly so well qualified, so well equipped to perform the duties of the most demanding office in the world.

President Johnson has clearly demonstrated in both foreign and domestic affairs that, 10 weeks after entering the White House, he is giving the Nation wise, aggressive, and imaginative leadership.

But today I wish to invite the attention of Senators particularly to President Johnson's leadership in foreign affairs. The Nation has been beset by crises all over the world in the last few weeks—in Cyprus, in Malaysia, in East Africa, in Panama, in Paris, and elsewhere. The problem of Vietnam continues to fester with increasing intensity. Already President Johnson has had bilateral meetings with the leaders of Germany, Britain, Italy, and Canada on a variety of subjects ranging from the future of world trade to the strengthening of the NATO Alliance. He has spent countless hours—at midnight and well into the early morning—with his own advisers: the Secretary of State, the Secretary of Defense and others charged with responsibility for the Nation's security. By virtue of the vast experience he acquired as the majority leader of this body and as a Vice President with unprecedented duties in the field of foreign affairs, Lyndon Johnson has been able to deal with global problems with firmness, assurance, and wisdom. Most importantly, perhaps, he has dealt with the day-to-day crises on the international scene without ignoring the long-range objectives of the American people.

A prominent metropolitan newspaper which does not always see eye to eye with Democratic administrations carried an editorial Monday saying some things that should be emphasized to all Americans. The Philadelphia Inquirer told its readers that President Johnson had offered "good advice" at his weekend news conference, particularly with regard to the South Vietnam situation. The Inquirer is particularly impressive in the historical perspective—the maturity and balance, the perseverance and firmness and long-term view—which the editorial reemphasizes the President brings to his leadership on international issues.

[From the Philadelphia (Pa.) Inquirer, Feb. 3, 1964]

JOHNSON ON FOREIGN AFFAIRS

President Johnson, in opening his weekend news conference with extensive remarks on U.S. problems abroad, set the general tone of his approach to foreign policy matters. Later, in answering newsmen's questions, he expounded on some specific situations, notably in southeast Asia.

We believe the President made several points that deserve emphasis. He spoke of the need for the American people to view each international crisis in proper perspective, not as an isolated incident but as part of the whole panorama of history. He stressed the importance of keeping the main focus of U.S. foreign policy on the central goals of peace and freedom. He urged the Nation to avoid dealing with every international difficulty on an emergency basis and to strive, instead, for practical solutions that not only meet the immediacies but will stand up over the long term.

The President seems to be following his own good advice in southeast Asia, which is just one of numerous farflung trouble spots he mentioned in the course of the news conference. As Mr. Johnson sees it, neutralization of southeast Asia, an idea being advanced by Charles de Gaulle, offers no real hope for peace and freedom if the neutralizing is to be done under terms favorable to the Communists.

History, past and present, supports President Johnson's thesis. China was lost to the Communists in the late 1940's after Chiang Kai-shek was forcibly persuaded by the United States to give Red leaders positions of responsibility in the military establishment and the civil administration. This, in effect, is the same technique the Communists now like to employ under the high-sounding label of neutralization. This already is apparent in Laos. It would become clear in South Vietnam, also, if the neutralization formula were applied there.

In the light of what is known about Communist objectives of conquest, whether engineered in Moscow or Pieping, it would be incredibly naive to assume that the neutralization of southeast Asia under existing circumstances could achieve anything except pave the way for a complete Communist takeover.

President Johnson is on the right track when he opposes neutralization on terms favorable to Communists. It is a dangerous illusion—more akin to appeasement than to freedom, more likely to produce war rather than peace in the long run.

A matter to which the President needs to direct his attention is finding a satisfactory alternative to neutralization in southeast Asia, especially in South Vietnam. He favors—for the time being, at least—stepping up the military campaign against the Red guerrillas. We hope there is greater prospect for victory than has been evident thus far.

IT TAKES TWO TO MAKE A PARTNERSHIP WORK

Mr. BOGGS. Mr. President, the significance to our national interests of cooperation between Government and business cannot be overemphasized. There is no doubt that we need understanding and cooperation between business and Government to effectively insure employment opportunity and economic growth.

Last week one of the Nation's outstanding business leaders most effectively stated the need for a better relationship between business and Government and, what is even more important, urged business to take the initiative.

This address, entitled "It Takes Two To Make a Partnership Work," was delivered by Mr. Lammot du Pont Copeland, president of E. I. du Pont de Nemours & Co. on February 10 before the New York Chamber of Commerce, New York City.

It is a noteworthy address, which I heartily recommend to my colleagues; and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

IT TAKES TWO TO MAKE A PARTNERSHIP WORK

(By Lammot du Pont Copeland)

I was highly honored last fall when my old friend, George Champion, invited me to address one of your winter meetings. It isn't every day that someone from the provinces is offered a captive audience in the business and financial capital of the world. At the same time, I couldn't help wondering what I might say that could possibly be interesting or significant to such a sophisticated group.

It was a temptation to follow the tried-and-true formula which has become almost a tribal custom on occasions like this. Speaking to each other, especially in a year exactly divisible by four which brings a national election, we point with pride to the merits and accomplishments of the free enterprise system, and we view with alarm the threats to that system which always seem to center in the political capital of Washington, D.C.

A little contemplation convinced me that I could add nothing of significance to a theme that has been expounded with force and eloquence so many times by so many others. In fact, I am sure I couldn't improve upon a stern warning delivered as far back as March 2, 1930, by a distinguished citizen of your own State. This speaker dwelt upon the strict limitations of the Constitution on the powers of the Federal Government, and then he said, and I quote:

"On such a foundation have we erected the whole enormous fabric of Federal Government which now costs us $3.5 billion every year, and if we do not halt this steady process of building commissions and regulatory bodies and special legislation like huge inverted pyramids over every one of the simple constitutional provisions, we shall soon be spending many billions of dollars more."

You will doubtless conclude that this speaker had a great gift for prophecy, but this was only one of his talents, as the American people were soon to discover. He was then the Governor of New York, but 2 years later, Franklin D. Roosevelt was elected to the first of four terms as President of the United States. Mr. Roosevelt was referring, of course, to the Republican administration then in power when he also said, in this 1930 speech:

"The doctrine of regulation and legislation by 'masterminds,' in whose judgment and will all the people may gladly and quietly acquiesce, has been too glaringly apparent at Washington during these last 10 years. Were it possible to find 'masterminds' so unselfish, so willing to decide unhesitatingly against their own personal interests or private prejudices, men almost godlike in their ability to hold the scales of justice with an even hand, such a government might be to the interest of the country, but there are none such on our political horizon, and we cannot expect a complete reversal of all the teachings of history."

It is not my purpose today to pass judgment on whether all the teachings of history have been reversed in the last several decades. I am quite sure you have your own opinions, and I have mine. It does seem to me that this speech to which I have referred—and what has happened since in our country under Democratic as well as Republican administrations—confirm the wisdom of a few words uttered back in the second century by a Roman philosopher, Marcus Aurelius Antoninus, when he said: "Observe always that everything is the result of a change, and get used to thinking that there is nothing nature loves so well as to change existing forms and to make new ones."

In the chemical industry, we have been profitably aware of this trait for many years. We rely heavily upon nature's fondness for letting us change existing physical forms and make new ones for the continued health and growth of our business. Perhaps it should come as no surprise to us that nature has been equally active in other areas, including our economy and the role which government now plays in it.

It has become painfully obvious, to me at least, that we are no longer permitted to operate American business in the simon-pure atmosphere of the free enterprise system of Adam Smith. To put it bluntly, there may be reason to suspect that what we once called creeping socialism in our economy has now learned to walk. At the very least, to employ a more polite phrase, we have a "mixed" economy, and scholars have some difficulty in determining just what it should be called.

An article in a recent issue of the highly literate magazine, Saturday Review, gave a number of definitions, but the author, Prof. R. Joseph Monsen, Jr., of the University of Washington, finally concluded:

"American capitalism is, in one way at least, a little like electricity: Nobody knows exactly what it is, but it works—and works well."

One thing is perfectly apparent. Whether we like it or not, the Federal Government is a partner in every business in the country. For most of us here today, it has been a majority partner, for let me point out that the Government has been taking 52 percent of the earnings of the Du Pont Co. before anything has been available for our 233,000 stockholders who have invested their savings in our enterprise, and who are, at least, its nominal owners.

There are some businesses which have silent partners, but I submit to you that the Government distinctly is not. Our partner looks over our shoulders every minute of the day with virtually as many eyes and ears as there are Federal agencies. We are required to consider the wishes of our partner in virtually every business decision made, for, if he isn't interested as the Internal Revenue Service, he is as the Securities and Exchange Commission, the Federal Trade Commission, the Food and Drug Administration, the Departments of Commerce, Labor, Agriculture, and the Interior, and, of course, the Department of Justice, to name but a few.

Our partner would have considerable difficulty with his hundred-billion-dollar annual budgets if we didn't serve as his tax collector—not only from the business, but from our employees and, in many instances, our customers. We are compelled to file voluminous reports on almost everything under the sun for our partner's vast intelligence system—and the more we tell him, the more he wants to know. We share with our employees the cost of their social security benefits, but our partner makes the disbursements to grateful recipients. We have learned, through costly experience, that the laws our partner enforces are complex and frequently ambiguous, so we maintain extensive and expensive legal staffs to help us understand how we can compete under the Sherman Act—and, at the same time, avoid any injury to competitors under the Robinson-Patman Act.

This not-so-silent partner of ours is significant to business in a number of other ways, too. The Federal Government is the biggest spender, the biggest employer, the biggest property owner, the biggest tenant, the biggest insurer, the biggest lender, the biggest borrower, and the biggest customer in the free world.

Perhaps I could best sum up the stature which Government has reached in our economy with a story. A Delaware farmer heard his chickens squawking in the middle of the night. Grabbing his shotgun and flashlight, he rushed out to investigate. Braced immobile against the wall of the chickenhouse was the dim figure of an intruder.

"What are you doing here?" the farmer demanded. With far greater dignity than the occasion justified, the presumed chicken thief solemnly replied, "Everybody has to be somewhere—all the time."

In contrast to the intruder, the Federal Government is not somewhere, but everywhere—all the time.

You may believe, as I do, that, if we had less government, we would have more enterprise. We are confronted, however, with a condition and not a theory. If we are to retain any hope of solving the grave problems of this age, we must do everything possible under whatever system we have to maintain a strong, healthy, and expanding economy.

What I should like to suggest, in the few minutes of time remaining, is a conscious, determined effort on both sides to improve the relationship between business and Government.

In recent years, much has been said about the necessity for businessmen to get into politics. While I have also heard it said that businessmen, with notable exceptions, make poor politicians, we should certainly add our voices to the chorus which makes the political decisions in our society. However, it is just as important, in my opinion, for businessmen to take a far more active part in the day-by-day processes of government.

It is tempting to ask for a show of hands on how many of you have a personal acquaintance with your representatives in the State and National Legislatures, but this might be embarrassing. Or how long it has been since you sat down with one of them to discuss a problem or proposed legislation affecting your business? Or whether you have ever sought permission to express your views before a legislative committee? Or whether you have ever asked to be heard before an administrative agency?

Too often, I am afraid, we have delegated these responsibilities to our trade associations. The representatives of these organizations render a valuable service, but this is not enough. What interests government decisionmakers, and, I believe, impresses them, is firsthand information from you about your business, and specifically how it would be affected by their decisions.

A better relationship with government also would be furthered if businessmen paid more heed to the old adage that an ounce of prevention is worth a pound of cure. We know from long experience that the way to prevent industrial accidents is to provide safe working conditions and safety training which is insistent as well as persistent. Why, then, do we wait until legislation is drafted before we ring the firebells and try to do something about it?

If we don't know who the policymakers are at the State or National level, we can find out. We should then be diligent to provide them with information, discuss with them our mutual problems, and give them our best judgment based on knowledge and experience as to how these problems can best be handled in the national interest.

Let me cite an example. One of our plant managers recognized, a few years ago, the emergence of a strong demand for State legislation on air and water pollution affecting a highly concentrated chemical manufacturing area. Instead of waiting for bills to be introduced, he and his associates from other plants in the area called in engineers and technicians and drafted an effective bill. It met the problem, but the legislation also was such, as he put it, that industry was able to "live with it." The bill was enacted into law with industry support.

If time permitted, I could cite many other instances from our own experience where determined efforts to bring about a better understanding in Government have been successful. The most notable was carried out by my predecessor, Crawford H. Greenewalt, when the Du Pont Co. sought tax legislation which would permit an orderly divestiture of its General Motors stock. It took hard work over many months in which he paced corridors, knocked on doors, and called personally to explain the facts to virtually every member of the House and Senate committees involved, to key people in interested Government agencies, and to leaders of both parties in the Congress. Then, and not until then, the bill was overwhelmingly approved by the House and Senate and was signed into law by the late President Kennedy.

I don't think we shall ever forget the lesson we learned at that time. In relationships with Government, it is not enough for businessmen to be convinced that what they advocate is fair and right. We must also win the understanding of the appropriate people in Government that it is fair and right. They will listen if we approach them with honesty and integrity, and I think you will find that, regardless of political affiliation or ideology, it is the exception who has a completely closed mind. The exceptions we must bear with, even as we wince under the unfairness of their attacks, content in the knowledge that they usually constitute the minority when the chips are down.

What I am really trying to say, I suppose, is that it would be in the national interest, as well as our own interest, to put an end to what, at times, has seemed like a cold war between Government and business.

We may not like our involuntary partnership, but, as President Johnson said recently, it is possible to disagree without being disagreeable. As businessmen, we need the understanding and cooperation of Government in our efforts to throw the economic machine into higher gear. At the risk of seeming immodest, I believe Government could make better use of the brains, the ideas, and the experience of American business management.

The better relationship which I have proposed will not be achieved by standing off at arm's length or at sword's point. Someone will have to take the initiative. There may be times when we will be rebuffed, and I am sure there will be many times when we are told that our interest is in conflict with the national interest. We should not be discouraged, for I am convinced there will be many other times when these efforts will be richly rewarded.

THE IOU's—NO. 6: METROPOLITAN LIFE AND TVA

Mr. METCALF. Mr. President, one life insurance company has invested more than twice as much in the electric power industry than the Federal Government has invested in the Tennessee Valley Authority.

I believe it is useful to make such a comparison so consumers have a better understanding of private and public investment in the power industry.

The investor-owned utilities attack the Tennessee Valley Authority and the Rural Electrification Administration in their movie, "The Power Within," which I discussed on the Senate floor on January 8, 1964.

Federal investment in TVA, "the biggest power system in the entire country"—to quote from the script of "The Power Within"—is dwarfed by the investment in electric utilities by the world's largest life insurance company, Metropolitan Life.

At the end of the fiscal year 1962 TVA had a net worth of $1.8 billion, well over half a billion more than the $1.2 billion Treasury investment in the system, according to a report issued by TVA last year.

At the close of 1962, Metropolitan Life owned $2.4 billion in utility bonds and $101 million of preferred and common stock, according to a report entitled "The Electric Utilities," which was published last year by Merrill Lynch, Pierce, Fenner & Smith, Inc.

ALLIANCE FOR PROGRESS TRIGGERS TAX REFORM

Mr. WILLIAMS of New Jersey. Mr. President, one of the basic tenets of the Alliance for Progress program is the need for tax reform in many of the Latin American Republics as a condition for American economic assistance. In view of the tremendous partnership task of raising masses of people from poverty and despair to a better life, it is most encouraging to note that nearly all of the Latin countries are in the process of making these needed reforms. An article in the Journal of Commerce for February 3, 1964, points up the reform movement underway and what our own Internal Revenue Service is doing to give technical assistance in tax collection and tax administration. Mr. President, because of the interest in the Alliance for Progress and our need to shore up our hemispheric plans for understanding and development, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

U.S. Help Requested: Latin American Nations Trudge Doggedly Toward Tax Reform

(By Stanley Wilson)

Washington, February 2.—While political disturbances boil in the background like erupting sun spots, Latin America plods on haltingly toward the tax reform which can—someday—promote its stability—economic as well as political.

Progress is hard to measure among the 19 Alliance for Progress countries, whose American economic assistance is in theory, tied to reform action. But all save Haiti and Paraguay have made some strides since the Alliance began in 1961.

SOME PROGRESS SEEN

Those involved in the effort from the Washington end feel there has been improvement, by and large, even though it may not be conspicuous. "The training of 200 more auditors doesn't get into the news," was the way one observe phrased it.

Even the optimists, however, do not set a target for visible profit from tax reform, replenished Latin treasuries, diminished unrest, economic progress and the like—before 1965 or 1966.

This timetable could prove to be too slow if the alliance slips or founders, as recent events suggest it might.

With regard to structural tax law changes alone, neither 1963 nor 1964 are apt to be remembered as vintage years for improvements. Colombia had the only major structural advance in 1963," observes one official here. "The other countries were just conducting tidying up operations."

FIRST WAVE DIGESTED

Though circumstances differ very much from one Latin nation to the next, the widespread slowdown in significant structural reform stems in part from the fact that some Alliance countries are just now digesting the first wave of tax law changes effected during 1961–62.

More important, however, a change of emphasis has occurred.

There is a rapidly burgeoning sophistication about the collection of taxes among Latin tax officials in countries notorious for tax evasion.

Latin finance ministers are increasingly conscious of the big shortfall in collection of taxes presently due, which in some cases would be enough to balance the national budget even without changing the law.

Taking advantage of this official interest, now very keen in some countries, the Alliance has called upon the U.S. Internal Revenue Service for technical assistance in tax collection and other phases of tax administration.

Since July 1962, under a program headed by Harold Moss of the Internal Revenue Service, more than 50 IRS advisers have gone down to Latin America, most of them on 2-year tours of duty. Another 25 will be on their way by next June.

IRS teams are already in Colombia, Chile, Peru, Ecuador, Panama, Guatemala, and Nicaragua. Costa Rica and probably others will receive similar reinforcements this year.

Wherever they go, U.S. advisers not only assist in mapping out working tax programs but set up training programs to nurture sorely needed future generations of Latin American tax administrators and collectors.

DISORDERS COMPLEX

However, the inherited disorders in Latin American fiscal affairs are too complex to be cured simply by making tax administration more efficient.

Latin taxpayers for example, say they don't pay all their taxes because they distrust the competence and honesty of their governments.

To counter this widely held and sometimes justified opinion, the Alliance is sending advisers to counsel on spending objectives and also to introduce modern techniques of "performance budgeting"—i.e. expenditure control in terms of need and utilization rather than simple bookkeeping—into the administration of Latin public finance.

But if tax collection efforts were to achieve complete success under present laws, the result might be a social explosion, since many Latin tax structures are still today highly inequitable.

Latin Americans themselves add a caveat in the opposite direction. To go too quickly in the direction of equity, they point out, might be to siphon off too much private development capital, particularly in the poorer countries.

REFINEMENTS WASTE

A few Americans say that the additions of further refinements to the income tax laws of the area would be a waste. Latin tax systems, they feel, are already too complicated for populations with a high percentage of illiterates.

In the early stages of the Alliance, U.S. officials thought progress toward tax equity could be measured by the extent to which Latins reduced their high dependence on indirect taxes and put more weight on the use of the income tax mechanism.

Now it is being argued in some quarters here that a good sales tax is the best prop in the short run and a tax on land appears to be the most desirable single reform in the period immediately ahead. "With tax collections at 50 percent of potential yield, it makes no sense to soak more money out of those who do pay income tax."

Certain major tax blemishes are apparent in a large number of the Alliance countries, and will have to be corrected sooner or later (in some cases, partial corrections have already been made).

CLUTTER OF TAX LAWS

First is the overall clutter of Latin tax laws, which have accreted enough confusion and contradiction over the years to allow almost every taxpayer to find some avenue of legal avoidance. One of Colombia's brightest achievements has been the reworking of its disjointed heap of old tax laws into a unified code.

Second is the compartmentalization of tax revenues owing to the Latin habit of voting ad hoc special taxes to support autonomous government agencies—i.e., Brazil has a tax on electricity to fund a public body comparable to the U.S. Rural Electrification Administration.

MEDICAL CARE FOR THE AGED

Mr. WILLIAMS of New Jersey. Mr. President, in primitive societies when hunger and want were the rule, the position of the senior citizen was frequently a tenuous one. If the aged could not function in the hunt or produce in the village they often became unwelcome.

In some Eskimo societies the elderly were abandoned when they could no longer stalk the seal, tend the dogs or sew hides. They were left in the cold to freeze as the younger and more vigorous members of the tribe moved on in search of food.

In the United States today where affluence has reached unbelievable peaks this question can be asked: Are we abandoning our aged by failing to provide a comprehensive program of hospital and nursing home care during just that period when society should be most solicitous?

A recent editorial from the Newark Star Ledger answers this query with a resounding "Yes." I agree with the cogent reasoning of the editorial and ask unanimous consent to have it printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Newark (N.J.) Star-Ledger, Feb. 12, 1964]

A Healthy Approach

Medicare suffered a severe relapse early in its legislative life.

It went into a steady decline and it has been convalescing for a number of months. The recovery has been slow until this week, when it took a sudden turn for the better. It was a dramatic recovery that some people had been forecasting for the past couple of weeks.

Adrenalin was pumped into the ailing bill by President Johnson with his appeal to Congress for a program of hospital and nursing home care for the aged. This care would be financed through social security.

"There is no need and no room for second-class health services," the President noted in a special health message to Congress.

The President's interest in the revival of controversial medical care for the aged was not unexpected. He made it one of his major points in his state of the Union address that he would push for enactment of this program. originally proposed by the Kennedy administration.

The medical care program being supported by Mr. Johnson is incorporated in the King-Anderson bill that is pending in Congress. Hearings on the legislation were completed 2 weeks ago by the House Ways and Means Committee but no action has been taken.

The financing of the medical care program was detailed by the President in his message. One-quarter of 1 percent would be added to social security contributions paid by both employer and employee. Annual earnings subject to social security taxes would be increased from $4,800 to $5,200.

All persons over 65 would be eligible for medical care in hospitals and nursing homes. Those not covered by social security would be cared for with appropriations from general funds, giving them similar protection.

Since doctor bills would still have to be borne by the patient, it would remove one of the serious objections by medical groups that the free choice of physician would not be possible under federally financed proposals.

One of the ironies of the dramatic advances made by modern medicine is that it has significantly increased the life span of Americans. They are living longer but their illnesses are longer and prohibitively costly. The declining years of our elderly can and has become a medical nightmare because prolonged sickness can wipe out lifesavings.

For these people, as the President observed, "old age can become a dark corridor of fear."

The care of the aged is a social obligation, a historical obligation that goes back for centuries. It is a debt that society must assume fully and forthrightly. We are doing it now through our welfare assistance programs.

One-third of the aged forced to seek old-age assistance are compelled to do so because of ill health. One-third of the Federal welfare funds are going to older people for medical care.

The big factor missing in the present program is the absymal lack of dignity for elderly people who must seek public assistance because prolonged illness has wiped out their savings.

Under medicare, they would be entitled to this protection. It would not be charity, since they would have paid for it during their lifetime out of their earnings. It is a healthy approach in dealing with the growing problem of the elderly sick.

FOREIGN AID MONEY SPENT IN UNITED STATES REACHES ALL-TIME HIGH

Mr. WILLIAMS of New Jersey. Mr. President, an article published in the Journal of Commerce for February 6, 1964, clearly points out the facts concerning the amount of dollars spent in the United States for goods and services financed by our AID program. The article notes that "figures just released show that 84 percent of all commodities financed by our AID program during the first quarter of fiscal 1964—July through September 1963—were purchased from American suppliers." This percent marked an alltime high rate, six points above the 78-percent average for fiscal year 1963—ended June 30.

Another significant development is the fact that "while purchases in the United States rose, a continued drop was noted for procurement in the 19 developed countries—mainly Western Europe and Japan. Their share declined to 3 percent during the first quarter of fiscal 1964. The remaining 13 percent went to developing nations."

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES SNARES LION'S SHARE OF AID-FINANCED TRADE

WASHINGTON, February 5.—The latest report from the Agency for International Development (AID) refutes more strongly than ever the often-heard complaint that funds provided developing nations bring little or no returns to U.S. business. The figures just released show that 84 percent of all commodities financed by our AID program during the first quarter of fiscal 1964 (July through September 1963) were purchased from American suppliers. This, the agency announced, marks an alltime high rate.

Out of a total of $310.2 million in AID expenditures during the July–September period, $259.4 million came back in the form of orders to U.S. firms. This 84 percent record return was 6 points above the 78-percent average for fiscal 1963 (ended June 30).

Iron and steel mill products headed the commodity list for a total of $52 million in sales. Eighty-two percent of this or $42 million went to U.S. suppliers.

OTHER COMMODITIES

Other commodities involving large expenditures during the quarter, with totals and the percentage purchased in the United States follows:

Chemicals and related products, $31 million, 93 percent; electrical apparatus, $30 million, 87 percent; industrial machinery, $26 million, 89 percent; petroleum and products, $23 million, 46 percent; motor vehicles, engines, and parts, $23 million, 97 percent; railroad transportation equipment, $13 million, 99 percent; construction, mining, and conveying equipment, $13 million, 98 percent; and nonferrous metals and products, $11 million, 89 percent.

The major share of the commodities was sold to countries in the Near East and south Asia ($181 million), and the U.S. share of this business was 93 percent. Latin America got $28 million, with 99 percent of it spent in this country. AID expenditures in Africa totaled $10 million (with 86 percent returning to American firms). In contrast, the agency financed only $4 million worth of commodities for Europe with 85 percent of them supplied by U.S. firms.

While purchases in the United States rose, a continued drop was noted for procurement in the 19 developed countries (mainly Western Europe and Japan). Their share declined to 3 percent during the first quarter of fiscal 1964. The remaining 13 percent went to developing nations.

A TRIBUTE TO TED SORENSEN

Mr. McGOVERN. Mr. President, many words have been spoken and written in tribute to Theodore Sorensen, the Special Counsel to President Kennedy.

Mr. Sorensen will soon be leaving his post to take up the writing of a memorable book covering his years with the late President. No one, it seems to me, has offered a more fitting commentary on the role of Ted Sorensen than Mr. Max Freedman, the distinguished columnist.

Mr. Freedman's commentary entitled "A Tribute to a Kennedy Aid," appeared in last night's Evening Star, Monday, February 17, 1964.

I ask unanimous consent that this deserved tribute to a man marked for greatness be printed in the RECORD.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

A TRIBUTE TO A KENNEDY AID—THEODORE SORENSON'S ROLE SEEN MORE THAN JUST THAT OF SPEECHWRITER

(By Max Freedman)

On Wednesday, a few days before his departure from Washington, Theodore C. Sorenson, the special counsel for President Kennedy, will be honored at a public ceremony sponsored by the present and former members of the Cabinet and by his closest associates in the Government. It is difficult to recall any other public servant who has received such a tribute, and impossible to think of anyone with an equal claim to public recognition.

It is a strange misconception of Mr. Sorensen's role to think of him primarily or essentially as Mr. Kennedy's most trusted speechwriter. He is the last man to minimize the power of eloquence as the champion of great causes. But he knows that the art of politics consists in turning ideas into achievements; and he towered into greatness as an architect of policy and a master of strategy. He was so valuable to Mr. Kennedy in the drafting of state papers precisely because he was so familiar with the ideals and hopes of the leader whom he delighted to serve.

This surely is the central point, the one which means the most to Mr. Sorensen. He saw in Mr. Kennedy the leader who embodied and fulfilled his own highest principles of government. It was never necessary for Mr. Sorensen to attribute to Mr. Kennedy any specious ideals of his own. His task was rather to draw out and express the ideals which glowed with quiet passion in Mr. Kennedy's mind and heart.

One tiny story will illustrate the almost unique gift which Mr. Sorensen and Mr. Kennedy both had in being able to laugh at themselves without ever laughing at their principles. Within a few days of its delivery, President Kennedy's inaugural address, with its soaring eloquence and majestic idealism, was universally recognized as a noble affirmation of the faith which has often glorified America in times of challenge. The overflowing praise rather embarrassed the President, and one day Mr. Sorensen drew gusts of laughter from Mr. Kennedy by bringing him a hilarious parody—never published to this day—of the inaugural address.

Now Mr. Sorensen would have put his hand in the fire to protect the principles of that speech, and Mr. Kennedy served those ideals with gay courage to the moment of his death. For both of them what mattered above everything else was the victory of principles, not the glory of words; and they shrank with wise reserve from turning the tributes to the speech into the exaltation of the speaker.

We are fortunate beyond the usual measure of men in knowing that before many months have passed we will be able to look at President Kennedy and the record of his administration through the eyes of Mr. Sorensen and Arthur Schlesinger, Jr. Their two books will not be competitive, for they will approach their subject from different points of view, and will throw accumulated light on a gallant and unforgettable figure.

Mr. Schlesinger came to the White House with an established reputation as an historian, a biographer, and an interpreter and defender of democratic values. His years in the White House add another notable chapter to his record of public service. But with Mr. Sorensen it is rather different. He will not only be rearing a monument to Mr. Kennedy; he will also be going on a pilgrimage into his own past. He has it within his power to write a book about President Kennedy that will be at once unique, invulnerable, and immortal, if it is no exaggeration to use Augustine Birrell's words in tribute to Gibbon.

Then, his task completed, Mr. Sorensen will be on his own. That may well be the beginning of a new career of great significance for the American people. Mr. Sorensen will not seek elected office for himself; but in the world of ideas and in the clash of debate his influence will often count decisively, and it will be an influence with which scrambling politicians will have to reckon. Countless people, especially young people with an adventurous faith in the destiny of America, look to Mr. Sorensen as a spokesman for their hopes. Not even the cruel changes of a democracy can dim our memory of his valiant services, not extinguish our conviction that in service to President Johnson and other Presidents he will many times place the whole country again under obligation to him.

THE REPERTORY THEATER

Mr. JAVITS. Mr. President, a new revival of an old American institution, the repertory theater, is now sweeping across the country at an accelerated pace. This is one of the important evidences of the cultural ferment that is developing increasingly from coast to coast. Sponsored by communities, by colleges and universities, by public-spirited citizens and by courageous experimental groups, this new phase of the American theater is reflecting a growing public interest. Philanthropic foundations have contributed in substantial measure toward making this cultural growth possible but there are very definite limitations to this kind of assistance. The bill which the Senate passed, S. 2379, contains the proposal for a U.S. National Arts Foundation, which I have sponsored since coming to the Senate and for many years before that. It is now pending in the other body. It can become a vital force in helping the development of this and other movements in the performing and visual arts. I deeply believe that a program of education to the need for this kind of legislation will stimulate public opinion to the need for Federal action in this field. We are in this respect far behind all the other leading developed nations in the world and have a model for action by us consistent with our traditions in the British and Canadian Arts Councils.

An important report on the rise of the new repertory theater has just been published. I ask unanimous consent to have printed in the RECORD the report entitled "The Rise of Rep," which appeared with copious illustrations in Time magazine, February 14.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE STAGE

THE RISE OF REP

Repertory theater, never much of an institution in the United States, has grown in recent years in every region of the country, and the movement is overdue. Rep companies are the tap source and 5-foot shelf of theater in other nations; they give actors unmatchable experience, they try new forms, and they keep the so-called classics dusted.

A Rembrandt can be seen and Melville can be read; but Marlowe or Molière are pale shadows in paperback. They must be performed on the stage to come alive, and the commercial theaters are not going to underwrite such performances. Only professional repertory companies, through constant revivals, can preserve the history of the drama in a meaningful form. Similarly, when the art of theater is to be advanced, only a company that is not hooped to commerce can try something new and almost certainly unpopular without fear of financial ruin. By and large, the American theater ignored the obvious need of rep groups until it could ignore them no longer.

OUT OF THE QUAGMIRE

The rise of repertory owes much to Broadway, in a negative sort of way. Broadway has got itself into such an economic quagmire that only its most negotiable shows last very long. Hence acting jobs are few and dispiriting, and actors with big names as well as small ones are more than willing to sign on with rep companies, in most cases abandoning New York. They want to act—in three or four different plays a week sometimes—and they want to know what they are going to be doing a month from now. They don't mind the lower pay; at least it is steady. One good reason that it is steady—beyond the well-demonstrated popularity of rep groups with local audiences—is that the Ford Foundation believes in repertory theater perhaps even more than actors do. In the last 4 years, Ford has given almost $7 million to various repertory groups.

Rep companies across the country are shown in the adjoining color portfolio. An index of how advanced the movement has now become is the fact that New York is catching up with it. Biggest event of the 1963–64 theatrical season was the debut last month of the Repertory Theater of Lincoln Center.

On paper, the group is an assembled dream. The permanent acting company consists of 26 actors working under 2½-year contracts, and includes such names as Jason Robards, Jr., David Wayne, Hal Holbrook, Ralph Meeker, Mildred Dunnock, Zohra Lampert, and Salome Jens. About half the actors are young newcomers who are being trained as they go, both in productions and in daily classes that have been going on for more than a year. The group's guiding lights are Robert Whitehead, who was one of Broadway's most successful producers ("Member of the Wedding"), and Director Elia Kazan ("A Streetcar Named Desire"). Its "executive consultant" is critic-director Harold Clurman ("Waiting for Lefty"). Its stage designer is Jo Mielziner, like the others one of the top men in his profession in the United States.

Established playwrights are giving their plays to Lincoln Center as well. Getting things off to a quite literally sensational start, the company's first production is Arthur Miller's controversial "After the Fall" and its third will be S. N. Behrman's "But For Whom Charlie." Behrman is 70. "I'm left over from another era," he says, "but I'm glad I didn't die." Behrman's "Charlie" is now in rehearsal, as is Eugene ONeill's "Marco Millions," which opens next week.

Most Broadway plays rehearse for 3 weeks. "After the Fall" had runthroughs last summer and started rehearsals 3 months before opening night. "It wasn't really a play we began with," said Robards. "It was more like a large encyclopedia containing all the thoughts Miller had." Miller showed up almost every day to tell Director Kazan just what he wanted, and he even roughed out a plasticine model of the play's thrusting set as a guide for Jo Mielziner. Thus the playwright has an unparalleled opportunity to shape his work as he envisioned it—and its confessional nature, its immediate excitement but its artistic failure, are Miller's own doing.

BEYOND THE BOUNDARIES

That sort of failure—having nothing to do with boxoffice receipts, which are quite good because of 46,500 presold subscriptions—is part of the repertory idea. "Success?" says Kazan. "I'm through with that crap game now. We feel we have an absolute right to errors. No one is on trial. No one is in danger." A play or an individual performer is free to feel his way, to grope toward the boundaries of talent, even to stumble beyond.

Most insular New Yorkers do not realize that their city is joining, not setting a trend. New York thinks it discovered Bertolt Brecht, for example; but San Francisco's Actor's Workshop had "Mother Courage" in its repertory for 7 years, long anticipating the Brecht vogue that later appeared off-Broadway. Sir John Gielgud is about to flash into Manhattan with a backstage modern Hamlet, but Sir Tyrone Guthrie was doing much the same a year ago in his new rep theater in Minneapolis, which is not to suggest that Guthrie invented modern-dress Hamlets, but merely that regional theater is now doing what New York does, and often some time ahead.

There are now, in fact, about as many first-rate professional rep companies as there are franchises in the American League. Among them:

The Seattle Center Playhouse, less than 3 months old, has three productions going in rotation "King Lear," "The Firebugs," "The Lady's Not for Burning," a fourth opening this week "Death of a Salesman," and Robert Ardrey's "Shadow of Heroes" in rehearsal for presentation April 1. "The plays running now are infinitely better than they were when they opened, and they continue to improve," says Director Stuart Vaughan. "That is the beauty of repertory." Operating in a theater built as part of the 1962 World's Fair, the company is heavily subscribed (10,000).

Milwaukee's Fred Miller Theater is battling odds and winning. The odds are Milwaukee itself, where the highest praise the drama critics know how to give is to compare the Miller's actors with the Green Bay Packers. But the Miller Theater is winning because of the extraordinary energy of its 29-year-old director, John Alexander McQuiggan. He has 10 players who do 8 shows in an October–April season. "The Hostage" is the current draw, with Pirandello's "Right You Are If You Think You Are" coming next. "No one can direct eight shows," he says. "We bring in one man for each show and he shoots his wad." In the summer, McQuiggan raises money. What about the Ford Foundation? "That foundation has all the money and has no idea what's happening in the theater," he says, biting off all five fingers and half of the Ford palm. "They gave $17,000 to some theater in San Francisco and nobody even knows where it is. I mean, they don't advertise or anything."

San Francisco's Actor's Workshop does advertise, but its 4,362 subscribers know where it is anyway. Of all U.S. rep companies (now that Greenwich Village's Living Theater is no longer living), this one has its head most completely immersed in cloud 8½. "We limit ourselves to what is not considered popular fare," says Director Jules Irving. "Our audience has to be patient with the kind of discoveries we make." Besides pioneering Brecht, the Workshop was the first American theater to produce Harold Pinter, whose "Birthday Party" ran there for 3 years. It has a company of 13, frequently produces the works of unknowns. "We didn't spring full-blown like the Tyrone Guthrie Theater," says founder Irving, who comes from New York. "We're indigenous."

Minneapolis' Tyrone Guthrie Theater, established last year, did indeed spring full-blown—on a land grant plus $400,000 from a local foundation, a $337,000 Ford Foundation grant, and scattered donations that launched it in a $2,250,000 theater. That Guthrie was eager to go to Minneapolis indicates the value placed on regional repertory by men of the theater: he was once artistic director of the Old Vic; he helped found the Shakespeare Festival at Stratford, Ont., and his name is a draw both on Broadway and the West End. The Minneapolis group reflects Director Guthrie's special flamboyance. Trumpets blare and drums roll before each performance. Laertes was running about last year with a .38 in his hand. In this season's "Henry V," the tide at Agincourt may well be turned by a hand grenade.

Memphis' Front Street Theater started 6 years ago in the bottom of an empty swimming pool (stage in the deep end, orchestra seats in the shallow), and has been trying to get out from under ever since. Now, with a rented theater, its debt is diminishing, and Founder George Touliatos, 34, hopes to surface this summer, can turn to what his theater ought to produce—"an American theater instead of a New York theater, doing plays born out of the social roots of the community." Meanwhile, he has been sweetening his ledger with things like "The Boy Friend" and "The Tender Trap."

Oklahoma City's Mummers Theater was started 15 years ago by Mack Scism, 36, a graduate in chemical engineering from the University of Oklahoma, who decided that the life of the stage was more interesting than cracking oil. Housed in an old warehouse, the Mummers have set some sort of record by being solvent from the start, especially since they produce Edward Albee and Samuel Beckett as well as surer things like "Cat on a Hot Tin Roof," which closed a successful run last week. "A successful resident theater," says the Ford Foundation, "appears to be dependent upon a single driving, talented director or producer determined to have his own theater company and to have it in a particular place." Ford recently gave Scism $1,250,000 to build a new theater.

Houston's Alley Theater is the oldest rep group of national importance. It was founded in 1947 by Nina Vance, a girl from Yoakum, Tex., who had decided she wanted to be a director but found that New York could not care less. "You know the story about how if you're in college and can't get into a sorority, you can always start your own," she says. "That's what I did." Her company occupies a converted electric-fan factory and does seven mixed-bag productions a year ("Harvey," Molière's "Imaginary Invalid," Chekhov), was an amateur group for 7 years before going Equity in 1954. In 1960 the Ford Foundation began giving the Alley $2,000 a week to hire 10 professional actors and keep them there for at least three seasons. New York professionals rushed to the scene and stayed. The subscription roll has built to 4,500. And last year the Ford Foundation promised Nina Vance $2,100,000 to get out of the fan factory—provided that she could raise another $900,000 on her own. She did, and she is building two theaters: a 600-seater for the moneymakers and a 250-seater for art.

Dallas' theater center group is housed in a theater designed by Frank Lloyd Wright, which looks as if it had been chopped out of a Cunard liner. The theater center was opened in 1959. Its director is Paul Baker, once head of the widely acclaimed drama department at Baylor University. Among this season's productions are two new plays and such varied old ones as Robinson Jeffers' poetic drama "Medea" and Cole Porter's frolic "Can-Can."

Princeton University's McCarter Theater is one of only four professional rep groups that exist at U.S. colleges. Its 25-member company has a fall and a spring season (all Shakespeare this memorial spring), and is intended as a living library of theater: in 4 years at the university, an undergraduate can see performed examples of great drama from all periods.

The Guthrie Theater serves as a graduate study laboratory for the drama department of the University of Minnesota; a roving Equity group called the Association of Producing Artists is at the University of Michigan; and the theater group, founded by Producer John Houseman, is at UCLA.

Washington, D.C.'s Arena Stage, with 11,000 subscribers, has become "comfortably self-supporting," says Zelda Fichandler, who founded it in 1950 just after taking her master's degree in drama from George Washington University. First playing in an old movie theater and later in a brewery, the arena was understandably known for a time as the old vat. New Yorkers used to snicker at it, but no longer. On scattered grants, contributions, and box office success, the arena built itself a stunning, 773-seat theater 2 years ago, which is as impressive as its solid no-star company. It likes revivals such as John Hersey's "The Wall" (now playing) and John Whiting's "The Devils."

America has thus been made safe for citizens who live and breathe theater. The Lincoln Tunnel is no longer a rainspout leading from the hanging gardens to the desert. And the most curious footnote to all this is that Broadway shows are having difficulty finding understudies. On the mere rumor of such an opening, six candidates would once have appeared like genii. But now "Luther," for example, is playing without a substitute Luther because almost every serious young actor who can walk or crawl has gone off to a rep company.

POVERTY—U.S.A.

Mr. JAVITS. Mr. President, the President's call for a war on poverty has a great call on the imagination of the American people, and rightly so. It is intolerable that there should be millions of Americans leading substandard and hopeless lives in the midst of economic well-being unheard of in the annals of history.

That a war on poverty should be waged by our society is undeniable, but the strategy advanced so far by the administration is vague, lacks conceptual formulation, adequate funds, and organization. The problem yet remains to be defined. What causes these poor to remain in the lowest income brackets for indefinite periods? What is being done by State and local governments to meet this problem at the community level? How could existing Federal programs be modified to deal directly with rural poverty and poverty in our cities? What new programs could be devised to deal with the problem at the community level? These are just some of the questions that must be answered before an operation designed to affect the lives of 30 million Americans can really get off the ground.

The appointment of a coordinator at the Federal level to increase the effectiveness of existing Federal programs represents a good beginning. In my view, however, the most effective approach mentioned thus far has been the maximum use of community-action-type programs tailored to the varied needs of individual communities across the country. There are numerous such community-action-type programs already in operation in various cities, including New York City. The $13 million mobilization for youth which deals with the problems of the Lower East Side in New York City and the proposed $80 million HARYOU plan to erase blight in Harlem, are just two examples in this regard. New Haven's Community Progress, Inc., is another successful project which operates in Connecticut.

There must also be a great emphasis on cooperative efforts between foundations, private voluntary organizations, universities, and State and local governments to tackle the problems of individual communities through projects tailored to the needs of these communities.

I ask unanimous consent to have printed in the RECORD at this point in my remarks an article entitled "Poverty—U.S.A.," from the February 17 issue of Newsweek.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POVERTY—U.S.A.: THE POOR AMIDST PROSPERITY

Lingering poverty in the shadow of unrivaled affluence is the painful paradox of American life today. In a single generation, the richest country on earth has banished the bleak specter of "The Grapes of Wrath" with the gilded fantasy of "The Beverly Hillbillies." But reality has hardly kept pace with the American dream.

Summoned now to Lyndon Johnson's "unconditional war on poverty," Americans can find the battlefield on all sides:

In a squalid Chicago slum, a Negro mother rages: "Why we got to go hungry and naked?" In forlorn Adair County, Okla., the State's poorest, a community leader wryly admits: "Welfare is our leading industry." In snow-crusted Portland, Maine, an arthritic old woman wearily fashions potholders to sell for 35 cents each and sighs: "Sickness takes the money so fast." In southern California's Imperial Valley, a leathery tomato harvester confides: "My highest thinking is not to lose hope. If I lose myself, I lose everybody." On a dreary Toledo street corner, a jobless youth unfit for the Army reports: "Christ, when I get a penny I squeeze it till the Lincoln jumps." And in Detroit, a wife struggling to support her unemployed husband and five children on $60 a week laments: "Next month? I just don't know. Next month is in the hands of the angels."

LIVING ON RELIEF

On any given day, 430,000 men, women, and children—more than the entire population of Louisville, Ky.—live on relief in New York City, thousands of them in such appalling, vermin-ridden tenements that many have resorted to a desperate new tactic: the rent strike. In all, close to 8 million Americans are receiving public aid—$400 million worth a month—and the number has been growing twice as fast as the population since 1955.

In the scarred hollows of Appalachia, there are hamlets so primitive that even an outhouse is an unknown luxury. In the South, half of all Negro farm families cling to survival on less than $1,200 a year. In the dust of Three Rocks, Calif., a huddle of shanties in Fresno County, children gambol who have never seen a kitchen sink. American Indians still languish on reservations where the death rate is three times that of the United States at large. At precisely 11 each morning, 1,500 ragged people, some of them women clutching bedraggled youngsters, shuffle to St. Anthony's dining room in San Francisco for a free hot meal, generally their only one of the day.

What, after all, is new about poverty? The Bible says, "ye have the poor always with you"—and so far, even in America, it has been dead right. But in the United States at mid-century, poverty carries a special poignancy, a special frustration. For the first time in history, a society has attained the technological resources to wipe out poverty; yet, ironically, that very technology is aggravating the plight of the poor.

OUT OF STEP

And for the first time, in the midst of an unprecedentedly prosperous majority, America has been experiencing the phenomenon of minority mass poverty. A century ago, the overwhelming majority of Americans would have been deemed poor by today's standards. By the same yardstick, one out of every two Americans lived in poverty during the boom year of 1929. During the depression, Franklin D. Roosevelt's ragtag "one-third of a nation" was more closely two-thirds. But to be poor in America today is to be out of step with the Nation, a stranger in paradise, a frequently faceless member of an alien culture.

"The poor people feel that no one cares," says Paul Jacobs, a onetime labor organizer who recently roved the country on a Ford Foundation grant, disguised as a near-penniless drifter to gather firsthand impressions of unemployment and deprivation. "It's another world—there's their world and ours. They eat meat, and potatoes, and gravy—whoever heard of fruit or a salad? They get no mail—who writes to poor people? They sleep late—what's the sense of getting up? If you sleep late you might save the cost of a meal."

Ever since John Kenneth Galbraith pinpointed the anomaly of depreviation amid plenty in "The Affluent Society" 6 years ago, fellow economists have been haggling over the meaning of "poverty" and the precise dimensions of the problem in the United States. Reading the data by their own subjective lights, they have produced estimates ranging from an extravagant 90 million American poor—nearly half the population—to a hard-core minimum of 20 million living on the rind of bare subsistence. "The point," sociologist Michael Harrington says bluntly, "is that there are a hell of a lot of poor people in America today."

ONE-FIFTH

In its "war on poverty," under the generalship of Peace Corps Director Sargent Shriver, the Johnson administration's count of the American poor is 35 million—nearly one-fifth of the Nation. It is an arbitrary figure, like any other, but virtually all experts agree that the figure is essentially realistic.

Who are the American poor and just how poor are they? "The people who are falling behind," says Galbraith, "fall into four classes. Those with poor education, those with physical or mental deficiency, those who live in the wrong geographical area, or those who have restricted job opportunities because of race. The most elementary fact about prosperity is that you have to have a job to participate in it."

The most elementary facts about American prosperity are staggering: After 35 straight months of expansion, the economy is generating a gross national product at the unprecedented rate of $600 billion a year, 67.2 million people are employed, median family income stands at $5,956 a year, up from $4,117 in 1947. But when the income pie is sliced, 80 percent of the population feasts on 95 percent of it.

THE OTHER AMERICA

The remaining sliver goes to the Nation's forgotten fifth—the citizens of what Harrington has christened (in the title of his 1962 study) "The Other America." Up-to-date figures show that more than 30 million Americans live in families with incomes of less than $3,000 a year; more than half of them subsist on less than $2,000—$38 a week. Five million people living alone earn under $1,500 a year.

Most poor families are white, live in cities, and are headed by a man or woman with no better than an eighth-grade education. When the figures are broken down, the characteristics that govern poverty U.S.A. make their mark.

City and country, nearly half—47 percent—of all poor families live in the South; indeed, a southerner's chances of being poor are twice those of Americans living elsewhere. Twenty-two percent of American poor families are Negroes or other nonwhites; a nonwhite family's chances of being poor are 2½ times greater than its white counterpart's. A quarter of all poor families are headed by women, a third by men or women over 65. Thirty percent have no breadwinners at all.

WHO ARE THE POOR?

In the United States there are 47 million families, 9.3 million earn less than $3,000 annually. Of these: 5 million live in cities; 4.3 million live in the South; 6 million have a family head with less than ninth grade education; 2 million are nonwhite; 2.3 million have a woman as family head; and 3.2 million have a family head 65 or older.

Unquestionably, unemployment is a major thread in the pattern of Poverty U.S.A. By the latest count, 4.6 million Americans, 5.6 percent of the work force, are unemployed. Yet like all other individual aspects of the problem, unemployment in the conventional sense is only one part of the story. "Before," Galbraith points out, "we had poverty of the employables. Now we have poverty of some employables and many who are technically unemployable."

Thus, the spectrum of poverty in the United States begins at one end with the nouveau poor—industrial workers, thrust on the slag heap by automation or relocation of plants, who are slowly slipping into want they thought they had escaped forever. In the middle are the millions of low-paid, low-skill migrants, farm laborers, and service workers who simply cannot live on their often sporadic wages. And at the extremity are those too old, too sick, or too incompetent to hold jobs even if they had the chance. In an era of breathtaking technology, those who are left behind find it increasingly hard to make headway. "I think you're treated according to your education," says a bitter Negro mother in Chicago. "If you're unlucky and don't get one, or if you pass up the chance to get one, you have to suffer. You pay for it for the balance of your life."

Scanty education, ramshackle housing, faltering health, gnawing frustration—these are the effects of poverty and, in a vicious, stubborn cycle, the causes of more poverty.

Yet no capsule analysis of the dimensions and roots of the problem can begin to suggest the fascinating ambiguities that make American poverty so distinctly American. In every poverty pocket in the Nation jingles the small change of the affluent society.

STEREO ON RELIEF

In Harlan County, Ky., for example, the heartland of depressed areas, 88 percent of the families have washing machines, 67 percent have TV sets, 42 percent have telephones, and 59 percent own cars. On New York's Lower East Side, a Puerto Rican family living on relief is paying for a stereo phonograph set. In Stilwell, Okla., an old man lives on in a tar paper shack, serene in the satisfaction that he has put every one of his children through college. A 1960 study found that 14 percent of families earning less than $3,000 annually had bought new cars that year; nearly half the families making between $2,000 and $3,000 a year own their own homes.

As a class, the American poor live better today than ever before. And as a nation, America has made significant strides in reducing the percentage of poor in the general population—though in a rapidly growing population, the actual number of poor has been increasing. By the standards of the President's poverty advisers, 32 percent of all American families were poor in 1947. Within a decade, the figure had been cut to 23 percent. But since 1957, the pace has slackened. How to speed it up? That, in essence, is the problem facing the men who are now mapping the strategy of the "war on poverty."

With characteristic politicial élan, Lyndon Johnson has turned the phrase "war on poverty" into an evocative election-year slogan and a full-throated legislative battle cry. "In a way," says one top Washington official, "it's too bad the poverty program struck such a responsive chord with the public. This is a problem that will take decades—not just years—to handle, and I'm afraid people have been led to expect results overnight."

No one familiar with the complexities of the poverty cycle and the scope of the Johnson administration's efforts suffers from such utopian delusions. Indeed, hard-nosed authorities in and out of Government are frankly skeptical that the LBJ war on poverty as presently conceived will do more than attack the symptoms of an age-old affliction.

Few question Mr. Johnson's earnest concern for the plight of the poor. "The President has a great feeling for this program," says a Kennedy administration holdover in the White House. "It's close to his own roots. Where Kennedy may have had only an intellectual appreciation of the need to eradicate poverty, Johnson had a 'gut' reaction to the basic idea."

J.F.K.'S ROLE

Actually, Mr. Johnson's predecessor must get a substantial share of credit for whatever success the new urgent concentration on poverty U.S.A. eventually produces: it was John F. Kennedy's initiative that set the stage for the present drive, and Kennedy-fostered legislative proposals form the heart of the Johnson poverty program.

More than a year ago, the late President asked Walter Heller, Chairman of the Council of Economic Advisers, for a copy of Michael Harrington's newly published, nontechnical report on poverty, "The Other America," and for the more scholarly analyses by economists like Leon Keyserling and Robert Lampman, a University of Wisconsin specialist on low-income families. Last June, Heller sent a note to Lampman: "What lines of action might make up a practical Kennedy antipoverty program?"

Armed with Lampman's guidelines, Heller recommended that the war on poverty be declared, and just 3 days before his death last November, the President gave his chief economic aid the go-ahead to rough out the orders. On the hectic weekend after the assassination. Heller briefed Mr. Johnson on the sketchy planning already undertaken. The new President seized on the idea as a logical extension of the Kennedy philosophy and—since the antipoverty strategy had not yet jelled—a program he could legitimately carry to the voters as his own.

Now, down the hall from newly designated poverty chief Sargent Shriver's fifth-floor offices at the Peace Corps, an eager handful of key planners—Washington insiders have already dubbed them the "Poor

Corps"—are trying to translate good intentions into meaningful reality. The atmosphere is enthusiastic, excited, often more than a little confused—distinctly reminiscent of the early days of the Peace Corps itself.

THE TEAM

Actually, Shriver and his brain stormers—among them Defense Department's Adam Yarmolinsky and Pat Moynihan of Labor, reinforced by intellectuals like Sociologist Harrington—are engaged in only one theater of the poverty war: getting more out of existing programs and developing new ones.

Integral to the war on poverty but essentially distinct from the efforts of Shriver and his "poverty office" is the $11 billion-plus tax cut bill, which passed the Senate last week and is now in the hands of a House-Senate conference committee. As Mr. Johnson's advisers view the problem, no programs—no matter how ingenious—can make headway unless the sluggish economy is jogged and new jobs are created. The tax cut is counted on to do that, automatically winning part of the battle.

THE ARSENAL

A whole range of other programs—public works projects in Appalachia, housing and hospital construction, referral of draft-rejected youths to employment or health counselors, studies of the effects of automation and overtime pay—are part of the arsenal. yet not directly connected with the "Poor Corps."

Under the budget proposed by President Johnson, $500 million will be spent by the Shriver office in the next 12 to 18 months. Half of this will be earmarked for new programs, including "community action" projects of all sorts in poverty pockets around the country. The rest will be spent on poverty-related aspects of existing manpower retraining, health, and employment programs technically under supervision of Cabinet departments. The key word is "coordination."

In practice, such bureaucratic differentiations would disappear. A typical community project might well involve Federal funds from a number of old and new programs, augmented by State, local, and perhaps private money. The initiative would come from the community itself in some cases; in others, the impetus would come from Washington—especially in areas themselves slow to fight the war on poverty.

PILOT PROJECTS

An outstanding sample community-initiated project is the 3-year, $12 million youth salvage campaign in poverty-ridden Kanawha County, W. Va., announced last week by Attorney General Robert Kennedy, head of the President's Committee on Juvenile Delinquency. Other pilot programs on the drawing boards involve putting college students from low-income families to work as tutors for potential high school dropouts, and work projects for chronically unemployed men and women coupled with special reading, trade, or adult education classes.

Shriver is conscious of the conflict between those who would stress the jobs and public-works approach, and those who want to concentrate the available funds at first in a fixed number—perhaps 50 or 75—of community projects. By no means has he made all of his key decisions, but it is clear that both approaches will get attention.

"The community approach offers a great deal," says Shriver. "As a matter of fact, it's a great deal like Peace Corps projects overseas. But let me tell you this: I'm not at all interested in running a handout program, or a leaf-raking program, or a 'something for nothing' program. I don't know what we're going to come up with, but when we do, it will be a practical program."

No one doubts that the tireless, pragmatic Peace Corps chief will get the most he can out of the money at his disposal. But even those sympathetic to the intentions of the war on poverty harbor grave reservations about its small budget and limited scope.

"The money figures that are being talked about are utterly unrealistic in view of the goals authorized," grumbles Harrington. "New York could absorb that much just on the problem of the Negro. One billion wouldn't cover any one point in the programs President Kennedy originated."

NOT EVEN A DENT?

A high administration official says: "This threatens to be just a Band-Aid program. God knows it's worth while. Any increased effort to alleviate the pains of poverty is worth while. But until we crank up a massive effort to improve education, cut out the slums, clean out the narcotics rackets, we won't really make a dent in poverty. And don't forget: birth control figures heavily in this. I don't think we are prepared to do what is necessary in this area."

"This war on poverty," gibes Economist Oscar Ornati, "is one in which no general is willing to take a chance."

Another critic, Economist Keyserling, feels the essential point is being missed. "I do not believe that we have a distribution of income in the United States which makes it possible either to reduce unemployment substantially or to reduce poverty substantially," he insists. "You can't get rid of poverty, you can't expedite economic growth, you can't reduce unemployment by regressive budgetary policy, a tight-money policy, a nonspending policy, and a regressive redistribution of the national income through the tax mechanism."

"Free market" advocate Milton Friedman of the University of Chicago—a Goldwater adviser on occasion—has a more radical solution: a "negative income tax." The poor should be uplifted in a twinkling, he suggests, simply by giving them cash subsidies financed by the billions now spent piecemeal by Federal, State, and local agencies on New Deal-style welfare and poverty programs.

Thought provoking as they are, the points raised by Keyserling and Friedman are essentially academic in the face of current political realities. Lyndon Johnson, driving for a balanced budget, is unlikely to resort to massive increases in Federal spending; nor is America's basic commitment to a wide range of social-welfare programs likely to be abandoned in favor of an outright dole to the impoverished.

Indeed, the real problem facing the Johnson administration is how to wring a meaningful array of conventional poverty bills from a reluctant Congress. There are already more than a few ominous portents. Last week, a House committee flatly refused to expand the popular, proven food stamp program. Expansion of another Kennedy-inspired measure, the Area Redevelopment Administration, faces harsh prospects also; it is now bottled up in the House. With a Senate civil rights filibuster certain, the "poverty package" may well become a hostage of the southern bloc.

A POVERTY BLOC?

By the time the President's special poverty message reaches Congress next week or the week after, the southern tactics should be clearer. Harrington, for one, is convinced that the war on poverty is doomed unless Mr. Johnson recruits a coalition of his own: "a new, liberal, antipoverty congressional consensus cutting across party and sectional lines."

Shriver's first order of business these days is to draft the President's poverty message. He has leafed through a whole range of ideas from various Government agencies, solicited the views of business leaders and labor unions, and bounced the results off such trusted friends as Yarmolinsky and Dick Goodwin of the Peace Corps. Last week, for example, he huddled with Economist John Kenneth Galbraith; Charles B. (Tex) Thornton of Litton Industries; C. Virgil Martin, president of Carson Pirie Scott & Co., Chicago department store; Mayor Arthur Naftalin of Minneapolis; Donald Petrie, chairman of the executive committee of Avis Rent-a-Car; Lane Kirkland of the AFL–CIO; Henry Heald, president of the Ford Foundation; Harrington; labor specialist Paul Jacobs; Under Secretary of Agriculture James L. Sundquist; Richard Holton, Assistant Secretary of Commerce; and TV star Richard Boone, serving as a consultant on the President's Committee on Juvenile Delinquency.

"I come into this with an open mind," Shriver says. "I've been learning, sifting, and consulting—in just the way I did when I was trying to organize the Peace Corps. I don't mind going slow at the start. I feel that the way a program gets started is important to its ultimate success. So we'll start carefully."

What will be the measure of success? Some administration figures say they would be more than satisfied if the rate of reduction in the U.S. percentage of poor families could be stepped up to 1 percent a year, the pattern that prevailed from 1947 to 1956. But it would be years before such a trend could be gaged with any accuracy.

As the program gets underway, Shriver is characteristically realistic about its prospects. "I don't want anybody to get the idea that with $500 million here in Washington we're going to cure the poverty problem in this country. Nobody thinks that," he says. "But we can do something."

VOCATIONAL EDUCATION FOR ARAB REFUGEES

Mr. JAVITS. Mr. President, over the years the persistent efforts of UNRWA have led increasing numbers of Arab refugees along the road to resettlement. Its vocational training program has proved to be one of its most promising efforts and is undergoing rapid expansion. There are now about 10 training centers, most of them in Jordan, and they provide instruction in a number of trades for more than 4,000 refugees. Graduates of these vocational schools are needed to fill existing job vacancies in the Arab countries and despite obstacles these skilled workers readily find gainful employment. The United States provides some of the funds needed for this program but UNRWA is making an effort to enlist support from individuals for this eminently worthy cause. This year the United States has pledged to contribute $24.7 million toward UNRWA's budget of $38 million.

I ask unanimous consent to have printed in the Record some of the information about this effort which I have excerpted from a booklet issued by UNRWA entitled "Opportunity."

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Excerpts From UNRWA's Opportunity

Voluntary agencies and other groups, as well as private individuals who want to help, can best do so through UNRWA's vocational training scholarship program. The scholarship program, launched in 1961, aims to raise $1 million a year from outside sources in the form of $500 (£180) scholarships, each of which pays for 1 year's training for a young refugee, covering tuition, board and lodging, the use of the center's facilities, uniforms, books and tools, and essential incidental expenses.

Now UNRWA is seeking to raise—and must raise—the sum of $2 million a year in order to keep the vocational training program operating. Some of this, it is hoped, will be donated in the form of technical assistance funds and some in the form of individual scholarships to pay for a year's training for young refugees. Each scholarship costs $500 (£180).

The agency's success in its expanded training program is evidenced by the fact that whereas in the 1959–60 academic year UNRWA operated 2 centers with a capacity of less than 600 trainees, it now has 10 centers of its own and provides training for more than 4,000 refugees.

For the past 2 years the U.S. Government has made a special contribution of $1,700,000 toward the agency's educational program, over and above its regular annual contribution of $23 million.

INTEGRATED DEVELOPMENT PROGRAM FOR MISSOURI RIVER BASIN

Mr. BURDICK. Mr. President, Gov. William L. Guy of North Dakota, made an important resource speech at the 45th annual meeting of the Mississippi Valley Association in New Orleans on February 3, 1964. Governor Guy presented a strong case for a continuing integrated developmental program for the Missouri River Basin. The Governor pointed out that the State of North Dakota has in the past made a number of sacrifices in the loss of land revenue for the development of flood control protection for States further south in the basin.

The Governor noted that today North Dakotans are seeking the support for Garrison diversion from those States who have previously been the recipients of flood control protection from reservoirs such as Garrison in North Dakota. As the Governor said:

> North Dakota certainly is pleased that it has contributed full support to river navigation, flood control, municipal and industrial water, electric power generation, and to other States' irrigation. We simply say that we will stand with you in the future. We hope that you will stand with us in obtaining irrigation through reauthorization of the Garrison diversion unit.

I ask unanimous consent that Governor Guy's address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Gov. William L. Guy, of North Dakota, 45th Annual Meeting, Mississippi Valley Association, New Orleans, La., February 3, 1964

Water means the same thing to everyone. It is something which flows out of a faucet when you turn it on. It can be drunk in its natural state or it can be frozen to add palatability to other things that can be drunk. It can be mixed with dirt to form mud for overshoes, or it can be mixed with soap to take mud off of floors, overshoes or even faces. It has such fantastic properties that men have written hundreds of books about water through the centuries. But, to most of us it is still what drips out of a faucet with a loose gasket. Water seldom seems precious, and yet the last cupful of water on earth would be valued more than the earth itself.

Rivers, however, are vastly different from water. Rivers are to sit by—or to swim in. Rivers are for sailing up or down. Rivers are for getting across and then getting back again. Rivers are for dumping garbage in and composing songs about their beauty. Rivers are for fishing in or falling in. Rivers are for freezing, or for flooding, or for running dry. Rivers can be an economic blessing or they can be brutally negative in their economic impact. Rivers can provide transportation and they can obstruct transportation. Rivers can weld political subdivisions together in common goals, or they can be sharply divisive between cities or even States. Rivers can be used and developed as private property, or they can respond to treatment under public policy. Rivers can be and do pretty much what man makes of them.

We have not always had public policy as it pertains to water and rivers, but public policy in water resource development and conservation is playing a larger role each year. Some folks might say that public policy in water resource development started in 1803 when President Thomas Jefferson bought a vast drainage basin—the Louisiana Purchase. Certainly the most important event of Jefferson's administration was the purchase of the vast territory of Louisiana from Napoleon in 1803. President Jefferson called in two army captains by the names of Lewis and Clark, and ordered them to examine his recent purchase. The two intrepid explorers, I am sure, gulped a few times, saluted smartly and headed northwest by the most logical transportation of the times—the Missouri River.

The Missouri River Basin was a wilderness, but even at that time the value of the basin must have cast a shadow before. The flights of ducks and geese were a clue to the strategic location of the Missouri River as the great central flyway for waterfowl of the continent of North America. Some of you may be interested in knowing that in good years, the State of North Dakota produces about 80 percent of the domestically produced wild waterfowl—ducks and geese—in the United States.

The slap of Lewis' and Clark's canoe paddles sent grazing deer crashing through the willow and cottonwood thickets along the flood plain of the Missouri. These lush lowlands between the bluffs that stand up so beautifully along this valley proved that the river offered a natural sanctuary for wildlife running for hundreds of miles. The bare, grassy plains extended out on either side of the valley for as far as the eye could see. The width of the river and its majestic sweeping bends must have suggested that this river had a great potential for river navigation in the future. The silty, yellow water gouging new channels among constantly changing sand bars was an indication of the senseless brute power and the soil-wasting extravagance of this big river and all of its tributaries.

But the peaceful agricultural plots of the farming Mandan Indian tribes, where Bismarck and Mandan, N. Dak., thrive today, must have given a clue to the agricultural value of this whole flood plain if it were cleared of its brush and trees. To Lewis and Clark the Missouri River, even with its treacherous currents and eddies, must have seemed like a very real main street into the Great Northwest.

The Missouri River with its tributaries was one vast integrated drainage system. This was the significant thing about the river at that time—both the Mississippi and the Missouri. It was an integrated river system of main stem and tributaries. It was to be a vast integrated drainage system in the eyes of mother nature until the westward advance of the surveyor's rod could lay out the system of political subdivisions. These political subdivisions were the sections, the townships, the counties and, of course, even the States.

When this happened, the Big Muddy and its tributaries were still an integrated drainage system to mother nature, but it became a completely segmented water system to all of the political subdivisions that were newly formed by the surveyor's rod. To some, the water was a blessing—to others it was a destructive and treacherous foe. The destruction of floods downstream had to be controlled hundreds of miles upstream where there was little interest in the problem of flooding. Destruction of flooding downstream could be controlled only by upstream dams and the accompanying inundation of the reservoir bottom lands.

It is no wonder that the State of North Dakota, with one-half million acres inundated by main stem reservoirs, would find little enthusiasm for solving the flood problems of Iowa and Nebraska. It is understandable that the State of Montana, with its dramatically beautiful, churning white water, would have little interest in the level of navigational waters that were flowing along the States of Kansas and Missouri. What would cause private utility customers in Minnesota to be interested in the Federal hydropower being generated for REA customers in South Dakota or for the public power customers of Nebraska? Obviously, the integration of water resource development in the Missouri Basin was to take more than the individual application of any one of the 10 States lying wholly or in part within this drainage basin. The Federal Government had to be the one to act as a common denominator in a water development program as vast as that represented by the Missouri drainage water development projects, and it was necessary that private citizens initiate action and generate broad vision among leaders in all States in the river basin. The Mississippi Valley Association has done a remarkable job in this respect.

The first step in taming the Big Muddy was the construction of multipurpose dams. These multipurpose dams had to furnish a spectrum of benefits to be justified to the greatest number of people. There is no doubt that the wild, destructive Missouri has been tamed. The question remains, however, as to how well and how completely this tamed giant can be put to work. Many benefits are dramatic in their impact, and they are easily seen. The silt-laden water is no longer added to farmlands and spread through flooded cities downstream. But the clear water flowing through our main stem dams has a silt-absorbing quality which is requiring bank stabilization downstream. The barge traffic reaches further north than ever before, and is assured of water under keels for more weeks in the year than at any time in the past. Cities and industries downstream can plan and expand with confidence—confidence that a constant water supply will be theirs.

Pollution control and flushing have made great strides in assuring people and industry of uncontaminated waters. A blooming water recreation industry has confounded even the most optimistic of 10 years ago. It was only natural that the tremendous heads of latent power in reservoir storage should be released in an orderly manner which could turn the huge turbines to provide low-cost hydro-generated power to preference customers and private utilities throughout the Midwest area. An excellent job has been done in integrating the water resources of the Missouri Basin to date.

One discordant note still remains in this symphony of harmonious river benefits. That discordant note is the failure to partially offset, by means of irrigation, some of the economic losses so graciously sustained by upstream States so that downstream benefits might become a reality. If the Missouri River drainage basin lay all in one State, the pluses and minuses of river development would average out to a new high plateau of gains in that particular State.

However, the Missouri Basin drainage area does not lie within one State. The pluses and minuses are distributed unequally among many political subdivisions. The economic losses projected into the future become even more important to an affected political subdivision, such as a State. These losses become compounded as each year passes. States are required to furnish services to their people. When a State gives up a substantial portion of its economic base for the benefit of people in another State, then the losing State has not kept faith with its own. To absorb such losses to the individual States, a timetable of water resource development in the Missouri Basin was supposed to offset losses with gains as soon as possible. Such has not always been the case.

The mighty Missouri bottomland that once furnished the headquarter units for hundreds of ranches and dryland farms has been completely inundated in North Dakota. This inundation of more than half a million acres has also destroyed the sanctuaries of wild game which had made our State a hunter's paradise. A study by the North Dakota State University conservatively estimates that the annual net loss of more than $18 million in economic productivity is North Dakota's subsidy of downstream Missouri water resource development. Today, we North Dakotans seek your help in driving for such irrigation projects as the Garrison diversion unit in our State, the Oahe project in South Dakota, and the Mid-State project in Nebraska.

We admit, as North Dakotans, that in the many years past it has been some of our water that has flowed downstream, causing the havoc of flooding in other States. In years past, it might be said that the States downstream were subsidizing some of the drainage in North Dakota. Now, the coin is turned and North Dakota is subsidizing the developments downstream to quite a substantial sum of money in terms of North Dakota economics. North Dakota has sought unsuccessfully to recover only a portion of its annual loss through using some of its own Missouri River water to irrigate dryland acres.

The Garrison diversion irrigation project is economically feasible. It would bring water to land now in full production of surplus cash grain crops. I think this is significant. Oftentimes, reclamation means bringing desert lands into production, but the reclamation we are talking of is the reclaiming of lands which are now productive. In this instance, we are talking of changing the type of agriculture on lands that are now productive, but not as productive as they could and should be in the type of agriculture which is in growing demand—that of producing the animal protein and noncereal foods. This irrigation would bring the stability necessary to convert some of these surplus cash grains into livestock production crops consistent with growing consumer demands for animal protein food. Because of the lag in the completion of the Garrison diversion irrigation project, North Dakota can never fully recover its annual cash contribution to water resource development to other States in the Missouri Basin.

Quite simply, what I am saying is that because irrigation projects extend in their construction phases over so many years, the State of North Dakota can never hope to reclaim, even through the increased production of irrigation projects, the losses that it incurs annually as a member of the integrated Missouri River Basin system.

Missouri Basin water resource development is a bittersweet thing. It is a sweet thrill and a pleasure to see the improvement and development of benefits all along the main stem and far up into the tributaries. It is bitter to see the areas which already have accomplished benefits lose interest in or even refuse to recognize the negative impact that remains in other political subdivisions of the Missouri River Basin. The only real justification for looking toward economic advantages from water resource development is that of providing productive jobs for people. Until we have committed every drop of Missouri Basin water for productive use consistent with the need to spread benefits as equitably as possible among States, we are failing to follow through on a thrilling project that can furnish increasing job opportunities to those of each generation who have the right to believe that our economic system can expand job opportunities consistent with our rise in population.

This great river can be a positive influence in the affairs of every State it touches. There is great need for all thinking people to look at multistate water development as a problem which has a different and separate impact on each State involved. We as river States must present a united front formed from unselfish points of view. North Dakota pledges her support to complete water resource development in the Missouri Basin and in the total Mississippi Basin.

Just in the short 10 years or so that North Dakotans have been involved in river development on the Missouri, I think we have seen evolution of thinking of people, not only in this State but all over the United States.

I was impressed recently in listening to a woman judge from New York City who spoke in Fargo, N. Dak. She spoke of the despondency and frustration of hundreds of thousands of youthful, employable people below the age of 21. She spoke of the fact that the absorption of young people into productive work is becoming a very difficult problem.

All over the United States, people are becoming aware that even though we might be the most affluent society on the earth, we have a definite responsibility to see that people get a part of this affluent society and are employed at an early age of adulthood. River development, whether it be in the Missouri River or any other river basin, is part of the challenge of employing people. As proud as we are of the initiative and drive that there is in our type of capitalistic system, we are nevertheless fully justified as a Federal Government and a State government to do what is necessary to develop our natural resources so that they can contribute to the further growth of our capitalistic system.

The Missouri River and the Mississippi River, I think, provide a provocative source of expansion of free enterprise and the capitalistic system up and down the rivers and in every State they touch.

I believe that the Nation is becoming more aware of all water development potential. When I look ahead in the coming years, I see less difficulty in obtaining programs to conserve natural resources, particularly water.

When we look back at the short span of time since the great economic crash of 1928, we are looking back at the same interval of time we face between now and the year 2000. In this short period of time ahead, we must plan the opportunities for satisfying lives for almost double our present population. By the year 2000 we can expect 350 million citizens in the United States. By that time, people will be working an average of 32 hours a week and will have 30 days of annual vacation.

On this past Christmas night some of you may have seen an NBC television documentary of life in Calcutta, India. Here is a city of 6 million people drowning in its own garbage. Three hundred thousand people live permanently on the cement sidewalks and streets. Each morning the night's crop of dead are collected. This tribute to squalor, poverty, and disease is the result of a single city and its nation being unable to plan its own destiny.

Social costs to India of her failures in planning are repeated all over the globe. No nation enjoys immunity from the degradation and hopelessness that accompanies a failure to recognize the necessity of not only economic planning but social planning as well. We can talk proudly of States rights and responsibility, but we should remember that it is from Calcutta's wound that India's life blood is flowing. Our Nation can no longer use Horace Greeley's advice of "Go west, young man, go west" as its great answer to the social problems of poverty, employment and economic growth. We need to recognize our Nation's maturity and the need to plan the development of opportunity for all of our people.

Water resource development is much more than cost-benefit ratios and dollars and cents; it is also a challenge to social planning. The use of clean water in residences, industries and recreation in the years ahead has strong social overtons. The spreading of industry and irrigation farming over extensive areas also has important sociological ramifications. Time is shorter than we realize to get on with long-range planning. Public works projects take years in planning and construction.

North Dakota certainly is pleased that it has contributed full support to river navigation, flood control, municipal and industrial water, electric power generation, and to other States' irrigation.

We simply say that we will stand with you in the future. We hope that you will stand with us in obtaining irrigation through reauthorization of the Garrison diversion unit.

MEAT IMPORT AGREEMENTS TO SURRENDER

Mr. HRUSKA. Mr. President, less than a week ago it was my privilege to speak at the National Conference on Foreign Trade in Meats sponsored by the National Livestock Feeders Association, in St. Louis, Mo. My remarks entitled "How Much of a Rollback on Beef Imports?" were addressed to negotiations then underway by our State Department with several principal importers into the United States of beef and veal products. At that time I pointed out that agreements with foreign countries, to serve any useful purpose, would have to provide for a substantial rollback in import quotas, preferably not more than the level of imports for the 1958–62 average. This average would come to about 6.5 percent of annual U.S. consumption.

Yesterday the terms of the agreements with Australia and New Zeland were announced. They are sad and discouraging. They were described as a "rollback" to the average imports for the years 1962–63.

This is no rollback; it is surrender.

Such an agreement fastens on the cattle industry as well as other parts of American agriculture the import levels that contributed so heavily and ruinously to the cattle price break of the past 12 months. These agreements will help to make permanent a condition which has proved to be almost unbearable in the past 12 months because of the further provision that a growth factor of 3.7 percent is attached to the quality of imports allowed.

RECENT AND SHARP IMPORT GROWTH

In the past 10 years Australian beef and veal imports to the United States increased by more than thirty-two thousand percent. In the past 5 years they jumped from 18 million pounds to 517 million pounds of veal and beef, with a very small percentage of mutton. The average for the period 1958–62 was 213 million pounds. The quotas set by the agreement, are 542 million pounds in 1964; 562 million in 1965; and 582 million pounds in 1966. These increasing figures are accounted for by the growth factor of 3.7 percent for each following year after 1964. As a "rollback," this situation is cruelly mislabeled and misnamed.

The total of beef and veal imports which we are talking about for 1963 came to about 1,750 million pounds, which is roughly some 11 percent of the year's consumption. This poundage represents the beef from somewhere between 3½ to 4 million head of cattle, depending somewhat on who is doing the calculating.

DROP IN FARM INCOME

Mr. President, had this number of cattle been produced entirely in the United States, they would have consumed more than 20 billion pounds of feed grain equivalent—most of it in surplus feed grain. This demonstrates that the serious situation at hand is not one of the cattle raiser or the cattle feeder, but of all agriculture. Mind you, during 1963 there was a drop in farm income of 3 percent, while the general consumer income increased 5 percent. For 1964 the picture is even more glum because the Department of Agriculture's present estimate is a further 5-percent drop in farm income this year.

One of the greatest single factors in the disappointing 1963 income cut was the heavy reduction of cattle prices; and one of the chief (in the minds of some, the chief) factors in their drop were the imports from foreign nations. True, the number of cattle in the United States stand at a high figure; but over many years, the cattle industry and the nation have worked their way out of similar high cattle population. But with today's size, type, persistence, and threatening future of cattle imports, we have a different problem altogether.

The agreements between the United States on the one hand and Australia and New Zealand on the other, are a sore disappointment and setback to the cattle industry and all related industries as well. It is obvious that they do nothing to solve or even lighten the problem. Indeed, they worsen it. As the months of catastrophically low prices dragged on, pressures have built up for effective action of some kind. Apparently the administration felt it had to show some sort of action to satisfy the stockmen and others involved. Apparently it was desperate for some agreement, any kind of agreement, which could be presented to the country as a solution. The announced agreements are the result, but obviously they will not do the job.

They build into the cattle industry a high, unfair, and an intolerable factor of even a greater cattle population than ever before, with this exception: That part of the added millions of cattle which will be needed to produce 3½ to 4 million head of cattle annually—to furnish the imports allowable under the agreements—will be grown in the exporting countries. There they will consume foreign-produced feed, laborers and management will be from those countries, taxes will be paid there, and so on. Yet their impact on the U.S. market will continue to the detriment of the American farmer. It is an impact that has proved difficut to live with during these past 12 months. It will become increasingly burdensome and unacceptable in the years ahead.

COLD DAY FOR STOCKMAN

Mr. President, yesterday was a cold day in February for the American stockman. Indeed, for all of American agriculture.

I ask unanimous consent that extracts from my remarks in St. Louis on February 12 to the National Conference on Foreign Trade in Meats, be inserted in the Record at the conclusion of my remarks. Also, Mr. President, the Omaha World-Herald is rendering a valuable public service in a series of articles by Darwin Olofson and Howard Silber dealing with the disastrous course of cattle prices of this past year, with the beef import situation, and other aspects of the problem. This series started on Sunday. I ask unanimous consent that the first two articles of the series be printed in the Record at the conclusion of my remarks.

There being no objection, the extracts and articles were ordered to be printed in the Record, as follows:

How Much of a Rollback on Beef Imports?

(Extracts from remarks of Roman L. Hruska, U.S. Senator from Nebraska, prepared for delivery at the National Conference on Foreign Trade in Meats, St. Louis, Mo., Feb. 12, 1964)

We have arrived at the climactic point in a long campaign—a campaign of education and agitation to push and persuade the administration to do something concrete about these mounting imports of beef. Most of last year the Department of Agriculture spent insisting that beef imports had nothing at all to do with the price of cattle. But the more they insisted, the more beef came in, and the farther prices fell.

Now the Department has finally conceded that something must be done about imports. Something, but how much? And when? Those questions are still not answered.

* * * * *

You are all aware that beef imports increased more than 3½ times between 1957 and 1962—and then increased some more in 1963. The exact percentage of increase in 1963 is not available yet, but apparently it will be nearly 15 percent over 1962, which was the alltime record year up to that time.

Unless we can secure a substantial rollback from the high levels of the last 2 years, we know that imports in such heavy volume will continue to depress our cattle markets.

* * * * *

AVAILABLE AVENUES TO COMBAT IMPORTS

I. Government purchases

A very limited fund is available for purchases of surpluses to be used in the school lunch program and for distribution to the needy. This program cannot possibly have any big or effective impact on the problem; it is too small. Last fall, 33 million pounds of frozen ground beef were bought for the school lunch program, but, of course, that is just a drop in the bucket as against an annual beef and veal production rate totaling over 17 billions of pounds.

* * * * *

II. Tariff Act

Escape clause: If an industry proves injury to the required degree as a result of imports, it is possible that relief under the 1962 Export Trade Act, in the form of technical assistance to convert to production of a new item, tax benefits, special unemployment allowances, training benefits to workers, etc.

This is obviously unfitted and not applicable to cattle industry.

Not a single domestic applicant under this clause has been granted relief under this clause of the 1962 act. Every applicant has been turned down.

National security clause: If damage to national security is shown to the satisfaction of the Office of Emergency Planning (not the Tariff Commission in this case), relief can be granted. Of the large number of applications filed, only one industry has been given help—the petroleum industry—on crude petroleum and certain products. So there is not much hope here.

Investigation under section 332: This section provides for an investigation only. Its only purpose would be to secure an impressive report which may or may not be helpful from a public relations standpoint in securing remedial action of some other sort. But in and of itself, such investigation does not lead directly to any relief. Such an investigation is now underway by the Tariff Commission in regard to beef and beef products being imported. Hearings are scheduled for April 28. Every effort should be made to prepare a very complete and convincing case.

III. Section 22—Agricultural Act

It provides that import quotas may be imposed on products with price supports. This is of no value since cattle do not have any such supports. No cattlemen, and nobody else that I know of, want them to have such support. Good riddance.

IV. International agreements

A. International commodity agreements, by treaty: This has been resorted to in the case of wheat and coffee, for example. Such an agreement would take a long time. It might conceivably include the element of production controls for the U.S. producer. The ugly head of supply management under any guise, national or international, is not a welcome sight. We can do without it.

B. Bilateral agreements: For example, between Japan and the United States on textiles, and in some instances on cotton garments. They are voluntary and are partially at least designed to prevent a public outcry in the United States which might produce more severe action or restriction.

C. Section 204—Agricultural Act of 1956, as amended: President may negotiate agreements limiting imports of any agricultural product or textiles or textile products. In 1962, the act was amended to add: If a several-nation agreement has been entered into "accounting for a significant part of world trade in the articles" being imported, then the President may take steps to limit imports from nonagreement countries who are also importing that same item.

Section 204 Agreement—Greatest Hope

It is on this avenue that the greatest hope for progress rests.

It is the most suitable and most practical.

It has been used for cotton textiles. It can be resorted to with speed and with substantial degree of hope for success, if pressed vigorously and resourcefully.

The 1962 amendment was enacted to give effectiveness to otherwise partial agreements for import quotas.

The Mundt-Hhruska amendment (to H.R. 10788) proposed that the cotton textile agreements would not go into effect until similar international agreements had been negotiated with respect to beef, veal, and other products. It failed of passage.

The Hruska bill (S. 2168) introduced in 1963 would direct the President to initiate negotiations for international agreements on beef, veal, lamb, and mutton under section 204. No action has been taken or scheduled on this bill as yet. The Secretary of Agriculture is opposed to any legislative approach.

What Should Import Volume Be?

Last year, total beef imports—in all forms—amounted to between 1,600 million and 1,700 million pounds, carcass weight equivalent. That excludes live cattle. Seven years ago—1957—they were less than 400 million pounds. That was between 2 and 3 percent of our total consumption. Before then, annual imports were even smaller.

American cattlemen have not asked that imports be cut off completely. Neither have we asked that they be cut back to the levels of 1957 and before. We recognize that a certain amount of trade is reasonable and desirable with Australia, which is one of our closest friends and allies.

One suggestion has been that imports be set at the average level of 1958 to 1962. Of course, every year during that 5-year period showed large imports, so it would not be a low base period. Average imports for that period were 1,045 million pounds, equal to about 6.7 percent of our own production.

Certainly that seems reasonable—high, if anything. It would represent a rollback of about 600 million pounds a year—enough to give a good deal of strength to the cattle market.

* * * * *

How have the negotiations been proceeding? Just before I left Washington, I tried to take a check on that. Progress was being made, I was told, but that is about all I was told.

The trouble is, we got off to a soft start on the thing. The Australians got the jump on us by saying, "We will be agreeable to fixing the import quotas at 1963 levels plus a growth factor of 2 or 3 percent."

Of course, that wouldn't be any settlement at all; it would be surrender. We need a substantial rollback to do us any real good.

* * * * *

Now, if we can't make any headway by negotiation, we'll have to take congressional action. Frankly, congressional action now to arm the executive branch with additional powers would strengthen our hand immeasurably in the negotiations. I say this: If there is a good faith effort made by the Secretary of Agriculture and by the President, our negotiations will be successful. But when the Secretary of Agriculture constantly opposes legislation and refuses to secure that compulsory power as a means of dealing with the Australians, Australia assumes that we really don't intend to press hard for a fair agreement.

* * * * *

V. Legislative action

As a last resort in case other methods fail, Congress could enact legislation placing flat import quotas, by quantity spelled out or by formula given in percentage of production or in similar fashion.

This would indeed be doing it the hard way. It is seriously urged and earnestly hoped that it will not be necessary to resort to it.

[From the Omaha (Nebr.) Sunday World-Herald, Feb. 16, 1964]

THE CATTLE CRISIS—BEEF IMPORTS TRAMPLE ECONOMY OF MIDLANDS—WORLD-HERALD SURVEY FINDS FEEDERS FACE RUIN

(By Howard Silber and Darwin Olofson)

The U.S. cattle industry is sick.

The affliction begins at the ranch and extends into virtually every segment of the economy of the midlands.

In the middle—and hardest hit to date—is the cattle feeder, the man who uses grain and know-how to convert the lean range animal into luscious steaks and tender roasts.

The typical feeder is a Corn Belt farmer. In some cases he may be a southerner, a Coloradan, or a Californian.

Wherever he is, whoever he is, he lost money, or at best broke even, in 1963, on every creature he marketed. His 1964 prospects are no better.

And unless the trend changes quickly and dramatically, the cattle producer—the rancher and the farmer who breeds beef animals—will be far worse off this year than he was in 1963.

Across the country, 1963 was a good crop year. But the U.S. Department of Agriculture reported farm income declined 3 percent—while general consumer income climbed 5 percent.

TIDE OF IMPORTS DEVASTATING

And the USDA is predicting that agricultural income will take another plunge this year. The estimate is 5 percent.

Largely responsible is the sickness of the cattle industry.

In the Omaha livestock market, the largest and most important in the United States, the average price of fat steers during the week ended February 6 was down 15 percent from the level of the first week of February in 1963. The average price of fed heifers was down 12½ percent.

And most feeders say they lost money, or barely broke even, on cattle they sold a year ago.

As for replacement stock—the animals that will soon be taken from range and pasture to be fattened on corn, sorghums, and other grain—Kansas State University reports their prices are down between 10 and 20 percent.

Cattlemen, economists, bankers, and other agriculture experts agree that there are two principal reasons for the ruinous conditions:

A devastating and continually rising tide of imports which, in 1963, saw a record of 1,750 million pounds of foreign beef swamp the U.S. market. This quantity, converted into steaks, roasts, hamburger, stew meat, processed meat and other beef table products, would supply the beef needs of every American family for more than a month.

Too many cattle here at home.

The two causes are interrelated. Experts believe a reduction in beef imports would help reduce the size of domestic herds. But more about that later.

FEEDLOTS—RANCHES—MEXICO

For more than a month, two World-Herald staff writers and the newspaper's chief photographer have been taking a hard look at the beef crisis.

They have visited feedlots and ranches of the Corn Belt, the Mountain States and the Southwest. They have crossed the dry border from southern California into Mexico. They have crossed the Rio Grande at several points.

They have talked with cattlemen, financiers, meatpackers, economists—as well as importers, purveyors of imported beef, and foreign cattlemen.

They have filled a dozen notebooks, made scores of photographs.

Their findings—the story of the destructive effects of unrestrained imports of beef on the cattle industry of the United States and on the economy of the Nation—are presented in this series of articles.

A total of 1,750 million pounds is a lot of beef.

Depending on who does the calculating, it is the equivalent of between 3,500,000 and 4 million cattle on the hoof.

Had these animals been produced entirely in the United States, they would have consumed more than 20 billion pounds of feed grain equivalent—mostly surplus feed grain.

Had these cattle been produced in this country, the process would have provided more than 1 million additional man-hours of gainful labor in a nation which is fighting a serious unemployment problem.

Most of the imported meat came from Down Under. Australia and New Zealand accounted for 67 percent of the total.

BEEF OWN WORST COMPETITOR

Australia is the giant. In 10 years the Aussies have increased their shipments of beef and veal to the United States by more than 32 thousands percent, customs records show. In the last 5 years, the product weight—net weight—of Australian beef has rocketed from 18 million to 517 million pounds. New Zealand hasn't stood by idly. Its tonnage of beef consigned to the United States increased by some 16 hundred percent in the same decade.

Ireland and Mexico rank third and fourth as exporters of beef to the United States.

U.S. cattlemen say the imported beef competes directly with the American product. The economists agree.

Most of the beef which enters this country is of standard or utility grade, used primarily for hamburger, lunch meat, sausage and the like. Nevertheless it has a depressing effect on the fat cattle market.

Added influence comes from the fact that beef competes with beef. It is generally regarded as its own worst competitor.

Floyd Segel, president of the Wisconsin Packing Co., Milwaukee, provided the World-Herald with this illustration:

"If you've just eaten meatloaf—made with foreign beef hamburger—there's no room in your stomach for beefsteak."

And low-grade imported meat has a subtle but serious effect on cattle production in the United States. Cows are a normal source of manufacturing meat. With cheaper foreign beef flooding the United States, domestic cow prices at the packinghouse have been poor.

ONE LESS BITE CONSUMED

As a result, instead of culling many old cows from their herds, ranchers have left them around for another year to get still one more hundred-dollar calf from them. The result: more calves on the range and, in turn, more animals crowding the feed bunkers.

Dr. Everett Peterson, University of Nebraska agricultural economist, commented on this situation:

"When the packer has to compete more vigorously for the old cow we'll see a decline in our overall cattle numbers."

Roland R. Renne, Assistant Secretary of Agriculture for Foreign Affairs, noted that production of fed beef in the United States was 11 percent higher in 1963 than in 1962.

"When, to this heavy increase in domestic production of beef during 1963, is added the increase in imports," he declared, "it is clear why beef cattle prices were appreciably lower in 1963 than in 1962."

James J. Regan, Jr., of Omaha, who has extensive ranching and cattle-feeding interests, summed up the effect of booming beef imports:

"Every time someone takes a bite of foreign beef one less bite of American beef is consumed."

Australian Meat Shipments to the United States

Four ships left Australia in late November and early December with 13,865,600 pounds of beef, 2,755,200 of mutton, 29,120 of lamb, and 42,560 of variety meats for the United States.

Ship and sailing date	Destination [1]	Arrival date	Cargo	Quantity
	WESTERN PORTS			Pounds
Ellen Bakke, Nov. 30	Seattle	Jan. 19	Beef	293,440
	Tacoma	Jan. 21		
	Portland	Jan. 25	Beef	206,080
	Los Angeles	Jan. 31	do	134,400
	San Francisco	Feb. 5	do	407,680
	EASTERN AND GULF PORTS			
Lake Ontario, Dec. 7	Norfolk	(2)	do	33,600
	Tampa	Jan. 4	do	1,173,760
			Mutton	288,960
			Lamb	29,120
			Various meats	13,440
	Charleston	Jan. 9	Beef	44,800
			Mutton	302,400
	Philadelphia	Jan. 11	Beef	960,960
			Mutton	67,200
	New York	Jan. 14	Beef	3,960,320
			Mutton	1,064,000
			Various meats	8,960
	Boston	Jan. 18	Beef	318,080
			Mutton	224,000
Wharanui, Dec. 11	Houston	Jan. 9	Beef	248,640
			Mutton	201,600
	Charleston	Jan. 15	Beef	147,840
	Norfolk	Jan. 16	do	67,200
			Mutton	67,200
	Boston	Jan. 18	Beef	107,520
			Mutton	56,000
	New York	Jan. 20	Beef	1,276,800
			Mutton	103,040
	Philadelphia	Jan. 24	Beef	235,200
			Mutton	100,800
Cap Verde, Dec. 12	Charleston	Jan. 6	Beef	98,560
	Boston	Jan. 10	do	418,880
			Mutton	64,960
	Norfolk	Jan. 12	Beef	221,760
			Mutton	67,200
	Philadelphia	Jan. 15	Beef	152,320
			Mutton	38,080
	New York	Jan. 17	Beef	3,337,600
			Mutton	109,760
			Various meats	20,160

[1] Cities listed indicate location of purchaser and usually the port of arrival and general market area, but meat may be diverted to other areas for sale.

[2] To be transshipped.

[From the Omaha (Nebr.) World-Herald, Feb. 17, 1964]

The Cattle Crisis—Shattered Hopes, Weathered Feed Bunks Tell Sad Story—If Farmer Is Lucky, He Can Break Even

(By Howard Silber and Darwin Olofson)

Don Foster is a burly, powerful, willing man of the soil.

He has farmed near Indianola, Nebr., for 17 years. He has worked hard. For the most part he has made a living.

But Don, who is 36 and the father of four, has yearned for something more than just a living. As a tenant farmer who rents the land he tills, he realized long ago that one way to achieve this modest ambition would be to increase the value of his share of the grain he raises.

This could be done by feeding it to cattle, processing the grain into beef.

Last year Don Foster became a cattle feeder. With bank loans, he purchased over a period of months about 200 head fresh from the range. Each weighed between 600 and 700 pounds. He paid an average of 26 cents a pound.

Using grains he raised and commercial feed supplements, Don built up the size and quality of his animals. When their weight approached 1,100 pounds he marketed them.

He was paid between 20 and 21 cents a pound.

Don Foster was the victim of a severely depressed fat cattle market. He took an average loss of $40 an animal. His cattle-feeding venture resulted in an $8,000 deficit.

DON WILL TRY AGAIN

In an effort to make ends meet Don is working at the Urling Grain Elevator at Indianola.

"Sure I'm going to farm in the spring," he told the World-Herald, "and I'm going to feed cattle again—if I can borrow the money to buy the cattle and if it looks like the market will be right. I've got to feed again. It's the only way I can get even.

"I hope this year will be better. All I've got to show for 1963 are weathered feed bunks and the smell of the cattle that are gone."

Audubon County, Iowa, is some 300 miles east of Don Foster's place. It is a county of well-kept farms that roll over gentle hills. The county prides itself on the efficiency of its farmers, the excellence of its corn crops and the high quality of its transient livestock population—cattle on feed.

Last month, the Audubon Junior Chamber of Commerce named Darrell Jensen, 30, the county's outstanding young farmer of the year. A. A. Kruse, executive vice president of the First State Bank of Audubon, heartily indorse the selection.

"Darrell's a good farmer—hard working, smart, and full of fire. You can't keep him down," the banker declared.

Darrell fed 203 head of cattle in 1963. "I was lucky," he said. "I broke even, got all my bills paid. I guess I sold at the right time."

EFFICIENT, UNPROFITABLE

In the lush Imperial Valley of California the family farm is often a multimillion-dollar establishment and the cattle feeder commonly tallies his livestock in thousands.

"Because we're so big compared with the farmer-feeder of the Corn Belt, our losses are proportionately higher," said Richard Kershaw, of Brawley, Calif. "We believe we operate efficiently, but we're losing money on every head of cattle we feed.

The U.S. Department of Agriculture told in a recent report how much the feeders—all the Don Fosters, Darrell Jensens, and Dick Kershaws—have been hurt.

The farmer, who fed a steer calf to choice weight during the 1962–63 cycle, said the Department, marketed the animal for an average of $1.46 more than the direct cost of the calf and the feed it ate, plus transportation and marketing expenses.

The $1.46 had to take care of such things as interest on the bank loan which made the purchase of the calf possible, depreciation of equipment and improvements, taxes, insurance, death losses, water costs, and of course, labor.

It didn't come close.

ALL THIS, AND BOBBY BAKER

The $1.46 was not extreme. The same study showed that the feeder who purchased a yearling steer in the fall of 1962 and marketed it the following spring at choice weight took an average direct loss of $20.12 a head. Here again the statisticians admittedly ignored interest, overhead, and labor.

The cattle rancher has only one real market for his product—the farm and feedlot. His problems began with the drop in the price of fed cattle, but he didn't feel them directly until about a year later, last year.

As a result, he is slightly better off than the feeder—just slightly, and temporarily, say the cattle finance men and economists.

"The producer faces a deficit in 1964. Some of us lost last year, too," said Brooks J. Keogh, Minot and Keene, N. Dak., rancher and president of the American National Cattlemen's Association. "Prices we receive are down. We didn't feel the pinch as early as the feeder, but we feel it now."

This is more than the story of Don Foster, Darrell Jensen, Dick Kershaw, and Brooks Keogh.

It is the story of the entire cattle and beef industry—in the ranching areas of the West and Southwest; in the Corn Belt, Far West, and Great Lakes States; in the rapidly developing cattle areas of the Deep South, and lower Atlantic seaboard.

It is also the story of the man who has learned to pilot a small airplane to increase his speed and efficiency when he checks the bores—we call them wells—of a vast cattle station in Australia's dusty, horizonless outback.

It is the story of the farmer of New Zealand's fat Canterbury Plains whose product will make its way to a Boston or Denver restaurant which features T-bone steak dinners for $1.29.

It is the story of the handsome Mexican engineer who now uses his logarithm tables to check the probable weight gain of the cattle in the feedlots he oversees.

And the story has many other characters. They run the gamut from the headline-making Bobby Baker to the honest, hard-working operator of a small food market in your neighborhood.

All have a role in the story of the tremendous quantity of imported beef that is flooding the United States and its effects on the American rancher and farmer and on the economy of the Nation.

Down, Down, Down

This table from the U.S. Department of Agriculture shows what has happened to the price of fed cattle. It gives the prices—per hundredweight—for steers and heifers sold by farmers and feeders at 12 principal markets—Omaha, Chicago, Cincinnati, Denver, Fort Worth, Indianapolis, Kansas City, Oklahoma City, St. Louis, Sioux City, Sioux Falls, and St. Joseph.

	1962	1963	1964
January:			
Steers	$24.77	$25.72	$21.63
Heifers	24.10	24.94	21.02
February:			
Steers	24.85	23.82	----------
Heifers	23.96	23.09	----------
March:			
Steers	25.15	22.28	----------
Heifers	24.08	21.67	----------
April:			
Steers	25.49	22.55	----------
Heifers	24.44	22.02	----------
May:			
Steers	24.61	21.73	----------
Heifers	23.82	21.46	----------
June:			
Steers	24.21	22.03	----------
Heifers	23.52	21.75	----------
July:			
Steers	25.16	24.06	----------
Heifers	24.01	23.31	----------
August:			
Steers	26.77	24.01	----------
Heifers	25.15	23.24	----------
September:			
Steers	28.25	23.53	----------
Heifers	26.19	22.69	----------
October:			
Steers	27.88	23.35	----------
Heifers	26.15	22.34	----------
November:			
Steers	28.36	22.55	----------
Heifers	26.81	21.73	----------
December:			
Steers	27.40	21.25	----------
Heifers	26.23	20.48	----------

REPRESENTATION OF CERTAIN DEFENDANTS IN CRIMINAL CASES

The **PRESIDING OFFICER** laid before the Senate the amendment of the House of Representatives to the bill (S. 1057) to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the United States, which was, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Indigent Defendants Act of 1963".

SEC. 2. (a) Title 18 of the United States Code is amended by adding immediately after section 3006 the following new section:

"§ 3006A. Representation of indigent defendants

"(a) In every criminal case arising under laws of the United States in which the defendant appears without counsel, the United States commissioner or the court shall advise the defendant that he has the right to be represented by counsel and that counsel will be appointed or assigned to represent him if he is financially unable to obtain counsel. Unless the defendant waives the appointment or assignment of counsel, the United States commissioner or the court, if satisfied after appropriate inquiry that the defendant is financially unable to obtain counsel, shall appoint counsel to represent him or, in the alternative, shall assign a counsel who is made available by a bar association or legal aid society. The United States commissioner or the court shall appoint or assign separate counsel for defendants who have such conflicting interests that they cannot properly be represented by the same counsel, or when other good cause is shown. Counsel appointed by the United States commissioner or the court shall be selected from a panel of counsel designated or approved by the judge of each United States district court. No Member of Congress shall be appointed to serve as counsel in any case covered by this Act.

"(b) A defendant for whom counsel is appointed or assigned under this section shall be represented at every stage of the proceedings from his initial appearance before the United States commissioner or court, or from any subsequent stage at which counsel is appointed or assigned, through appeal. If at any time after the appointment or assignment of counsel the court having jurisdiction of the case is satisfied that the defendant is financially able to obtain counsel or to make partial payment for the representation, he may terminate the appointment or assignment of counsel or authorize payment as provided in subsection (e), as the interests of justice may dictate. If, at any time during the course of the criminal proceedings, including an appeal, the court having jurisdiction of the case finds that the defendant is financially unable to pay counsel whom he had retained, the court may appoint counsel as provided in subsection (a) and authorize payment as provided in subsection (e), as the interests of justice may dictate. The United States commissioner or the court may, in the interests of justice, substitute one appointed or assigned counsel for another at any stage of the proceedings.

"(c) An attorney appointed or the bar association or legal aid society which made an attorney available for assignment pursuant to this section shall at the conclusion of the representation or any segment thereof be compensated at a rate not exceeding $15 per hour for time expended in court and $10 per hour for time reasonably expended outside of court or before a United States commissioner, and shall be reimbursed for expenses reasonably incurred. A separate claim for compensation and reimbursement shall be made to the district court for representation before the United States commissioner or that court, and to each appellate court before which the attorney represented the defendant. Each claim shall be supported by an affidavit specifying the time expended, services rendered, and expenses incurred while the case was pending before the United States commissioner or court, and the compensation and reimbursement applied for or received in the same case from any other source. The court shall, in each instance, fix the compensation and reimbursement to be paid to the attorney: *Provided, however,* That the total compensation to be paid to the attorney for such representation shall not exceed $500 in case of a felony and $300 in case of a misdemeanor.

"(d) The court, in an ex parte proceeding, may authorize the appointed or assigned counsel to obtain investigative, expert, or other services necessary to an adequate defense to each defendant determined by the court to be financially unable to obtain them. The court which authorized the services shall direct the payment of reasonable compensation to the person who rendered the services: *Provided, however,* That such compensation shall not exceed $500 per person in case of a felony and $300 per person in case of a misdemeanor. A claim for compensation shall be supported by an affidavit specifying the time expended, services rendered, and expenses incurred on behalf of the defendant, and the compensation received in the same case for any other source.

"(e) Whenever the court is satisfied that funds are available for payment from or on behalf of a defendant, the court may authorize or direct that such funds be paid to appointed counsel, to an organization which made an attorney available for assignment, or to any person authorized pursuant to subsection (d) to assist in the representation. Except as so authorized or directed, no such person or organization may request or accept any payment or promise of payment for assisting in the representation of a defendant.

"(f) Each district court and judicial council of a circuit shall submit a report on the appointment or assignment of counsel within its jurisdiction to the Director of the Administrative Office of the United States Courts in such form and at such time as the Judicial Conference of the United States may specify.

"(g) There are authorized to be appropriated to the United States courts, out of any money in the Treasury not otherwise appropriated, sums necessary to carry out the provisions of this section. When so specified in appropriation Acts, such appropriations shall remain available until expended. Payments from such appropriations shall be made under the supervision of the Director of the Administrative Office of the United States Courts.

"(h) The term 'district court' as used in this section includes the District Court of the Virgin Islands, the District Court of Guam, and the district courts of the United States created by chapter 5 of title 28, United States Code."

(b) The table of sections at the head of chapter 201 of title 18 of the United States Code is amended by adding immediately after item 3006 the following:

"3006A. Representation of indigent defendants."

SEC. 3. Each district court and court of appeals shall commence compensation for appointed or assigned counsel within six months from the date of enactment of this Act.

Mr. DIRKSEN. Mr. President, I move that the Senate disagree to the amendment of the House and ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to; and the Presiding Officer appointed Mr. EASTLAND, Mr. ERVIN, Mr. HART, Mr. HRUSKA, and Mr. KEATING conferees on the part of the Senate.

COMMODITY CREDIT CORPORATION SALES OF WHEAT

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the rule of germaneness be waived and that I may speak on another matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, the Committee on Agriculture and Forestry is considering this week, in executive session, proposed new legislation for wheat and cotton. Programs are badly needed for both those commodities. I am hopeful that the Senate will take action at an early date to provide relief for the producers of those basic crops.

Any measure that we pass should contain a provision that the Commodity Credit Corporation be not permitted to sell Government-owned wheat for unrestricted use for less than 115 percent of the loan rate plus reasonable carrying charges.

This provision is contained in existing cotton legislation. With regard to wheat, however, the Commodity Credit Corporation is authorized to make sales at 105 percent of the loan rate, plus the carrying charges.

Mr. President, it now appears likely that the carryover stocks of wheat on July 1, 1965, will be down to about 600 million bushels, or possibly even less. In other words, we shall then be at a level of minimum desirable carryover stocks or—to state the matter in another way—strategic food reserves. For some types of wheat, such as Soft Red Winter, our carryover stocks will be at the minimum by July 1, 1964.

As markets begin to respond to the demand for wheat and as the price to the farmer begins to rise, the Commodity Credit Corporation can establish a price ceiling by selling its Government-owned stocks at 105 percent of the loan rate. If there is no wheat legislation this year, the national average wheat loan this summer—and I emphasize the words "wheat loan"—would be about $1.26. Under present Commodity Corporation sales authority, wheat prices would not rise above $1.32, plus carrying charges, if Government sales continue to be made at the minimum authorized by law.

Mr. President, again I point out that the law sets the minimum, not the maximum.

By requiring the Commodity Credit Corporation to sell at not less than 115 percent of the loan rate—which I recommend—the wheat farmer could receive from 10 cents a bushel to 15 cents a bushel more for his wheat. At the same time, the value of the inventory held by the Commodity Credit Corporation would increase. So, Mr. President, from both points of view, including the Government's investment in its own inventory of wheat stocks, a provision of 115 percent of the loan rate as the minimum sales price for the Commodity Credit Corporation would be desirable. To the farmer, it would be very desirable, because it would mean the market price would be affected in a beneficial manner by increasing that price by anywhere from 10 to 15 cents a bushel; also, the Government could realize a higher price for its wheat, due to strong world demand and the free market could operate to provide realistic differences between grades and types.

Mr. President, I am of the opinion that so little attention is given in Congress to farm problems, many Members have almost lost interest in the facts relative to these complicated marketing arrangements. It is a fact that today the United States and Canada are practically the only major sources of export supplies of wheat. Why in the name of commonsense our Government should sell the wheat out of the Commodity Credit Corporation's inventory at a low price, when the world needs the wheat, is utterly beyond my comprehension.

Both Congress and the Department of Agriculture have responsibility in this connection. In fact, Congress set 105 percent of the loan rate as the minimum sales price for Commodity Credit Corporation wheat. So what we really are doing is giving the whole world a big bargain in connection with the wheat stocks owned by the Government of the United States, and paid for by the U.S. taxpayers, at a time when we could receive a much fairer price for our wheat inventory. This situation is very similar to that in which a buyer is in great need and a seller—in this case, the United States—has the available supply. I cannot imagine that any businessman who found himself in a situation of having the available supplies almost totally under his control would, by his own action, deny himself a fair price from a world market that desperately needed those supplies.

We should not overlook the position of the small wheat grower in this situation, either. Nationally, 2 out of every 3 wheat growers harvest less than 15 acres; in many States, the proportion is 9 out of 10. Many of these growers of winter wheat will not be in a position to participate in a new program, because they already have planted more than their 3-year average, less 10 percent—the requirement for eligibility in proposed legislation. Therefore, these hundreds of thousands of growers will have to depend on the free market in 1964 for their income from wheat. No legislation which we could pass now, in terms of an overall wheat bill, could affect these hundreds of thousands of small wheat producers. The placing of a ceiling of 105 percent of the loan for these farmers will sharply reduce the wheat income of this substantial group, and also, I may say, will sharply reduce farm income.

Mr. President, less than 10 days ago the Senate passed the tax-reduction bill, the purpose of which is stimulation of the American economy—in other words, to place in the hands of consumers and investors more free capital, to be used by the consumers for the purchase of goods and services, and to be used by the investors for the purpose of expanding our industrial base. But if we do not watch out, we can seriously reduce the effectiveness of the tax bill which we recently passed, with much heralding of its beneficial effects on our economy, by having a sharp drop in farm income; and if there is a sharp drop in farm income, there will be a reduction in the effect of the tax-reduction bill on our economy and a further consolidation of American agriculture into larger and larger units, thus displacing thousands of farm families and sending them to overcrowded cities, where all too few jobs await those who are not skilled in industrial activities. The best market in America for development and the best potential purchasing power in America, if the farmer receives a fair price for the commodities he produces, is in rural America; and in rural America the effects of poverty are most visible and most obvious; and in rural America, with a slight increase in per capita income, there can be a very great increase in sales, which will result in marked improvement of the overall well-being of the American economy.

Mr. President, the recommendation I make today of a commodity credit minimum sales price of 115 percent of the loan rate on wheat—identical to the sales rate on cotton—is especially valid in view of the radically altered situation in the wheat economy of the world, a change which should fundamentally affect the world wheat price level. I have commented on that subject previously. Just as after many months the world sugar price level reflected a new demand and supply situation, so the Communist wheat failures will be a significant market factor in the next few years. We should let that express itself in realistic free market prices. By July 1, 1964, the carryover stocks of wheat held by the four wheat-exporting nations will be the equivalent of only 2 months' requirements of the world.

I repeat, by July 1, 1964, the total carryover of wheat stocks in the world will be merely enough to provide for 2 months' consumption. In the kind of crazy world in which we live—a world that is plagued with disorder, revolution, and social unrest, a world in which we have no certainty of crop production, because crop production depends upon weather, and is even affected by pestilence and disease—2 months' supply of wheat stocks is skating on the thin edge of famine on a worldwide basis.

Therefore, it appears to me that all of those factors ought to be taken into consideration as we contemplate our agricultural policy.

The total supply will be only 1,500 million bushels. However, of that total it should not be overlooked that the stocks on that date in the Argentine and Australia will have been fully committed for export or for their own carryover needs for strategic reserve uses.

Argentina and Australia are the other two great wheat-producing countries, aside from Canada and the United States. Those two countries already will have committed their total supply. The Australians have established by national policy a national food reserve. Ours is the only nation that thinks we can eat bullets.

Every week I hear a report from the Department of Defense as to the amount of ammunition we need for reserves. Time after time it has been stated we must have a certain amount of ammunition for troops in Vietnam. We must have a certain amount of fuel oil for the Air Force in Europe. Repeatedly we are reminded by the Defense Department that we really have no defense, unless we have supplies available to carry us through several weeks of war or defense needs. Apparently someone has forgotten that troops must eat.

I never have been able to understand how a nation which has the responsibility for the defense of the free world, and which leads the whole free world in terms of defense commitments, can fail to write into law national security food reserves. We ought to have it clearly understood and known to friend and foe alike, and to the market—those who are wheat growers, in the grain business and in the food business—that our Government has available at all times a certain amount of food supplies that are set aside and maintained as a fresh supply of food and fiber for national security reserves.

It may be more important to have available food supplies than to have available atomic bombs. There is some hope that if there should be a war, a few people would survive, and if there are to be survivors, they must eat. Food supplies would be a target of military attack as much as or more than cities or industries.

Very few of the great powers outside the Soviet Union, which because of its bungling and its collective farm setup has failure on its hands, have given serious attention to the problem of food supply.

Some governments have to give the subject attention because they are deficit food countries. They must import. But we, as an exporting country, surely should give the subject plenty of attention.

I have introduced proposed legislation to establish a National Food and Fiber Policy Commission to study our total agricultural policy and to update it, or at least make recommendations to the Congress, to the President and to the American people.

Much of our agricultural policy is outdated. It does not relate to the facts of 1964. I have introduced legislation to provide for the establishment of national security food and fiber reserves. As we cannot defend our country without such a policy, we are derelict in our responsibility if we merely rely upon good fortune for those reserves.

I have been commenting upon the need for strategic reserve uses. I pointed out the available world supply in 1964.

Of the Canadian estimated stocks of 450 million bushels, 175 million bushels, or a year's domestic needs, can reasonably be considered as a strategic Canadian need. Of the 800 million bushels estimated U.S. carryover, some 600 millions are considered essential for U.S. carryover needs.

Thus, of the estimated July 1, 1964, stocks of 1,500 million bushels, only about 500 million bushels are available for world export needs. This means that the world free reserves have been cut in half in 1 year, and by July 1, 1965, will have been cut in half again because the United States will have arrived at the minimum desirable level.

Mr. President, these facts are sufficient argument for lifting the Commodity Credit Corporation resale level to 115 percent of the loan rate.

I do not make the point that that is all that needs to be done. It would not be a fair statement. I am only saying that the resale level should be lifted to 115 percent. This is a more fair and reasonable resale price for Commodity Credit Corporation stocks than the present price of 105 percent of the loan rate.

Beginning with the 1964 marketing year would be a desirable time to let the farmers of the Nation obtain the full benefits of a less restrictive sales policy. The Commodity Credit Corporation and farmers need not be competitors for available markets. As one of the strong supporters of the Commodity Credit Corporation from its inception, I know it was designed to encourage orderly marketing by taking supplies off the market at harvest time. What is needed is to permit the free market price system through the commodity markets to really operate and fulfill its essential economic function of moving wheat from the producer to the ultimate consumer at the least cost.

Many times I have found myself in some difference of opinion on agricultural policy with my colleagues on the Republican side of the aisle and with some of my colleagues on this side of the aisle. But I was much impressed with the statement of the Senator from Vermont [Mr. AIKEN] some weeks ago on the world wheat situation and pricing policy. He gave a constructive analysis of the situation that prevails in wheat production and marketing practice. I believe its purpose was to be helpful. While I do not believe it meets all the needs there are, it surely was a constructive and helpful message. I want to associate myself in part with it.

The Senator from Vermont has had wide experience. While he and I have on occasion disagreed on agricultural policy, I find myself more and more impressed with many of his arguments on the use of our food and fiber, how best to market it, and how best to manage our production. His views should be given careful consideration.

I am hopeful that the Committee on Agriculture and Forestry will promptly report to the Senate a bill relating to cotton and wheat. If we do not have legislation to help our cotton producers and our textile mills, there will be economic stagnation in the cotton market and the cotton processing areas of this country. We have a responsibility in the Congress to see that this does not happen. We are familiar with the dangers in the wheat production areas. I have introduced a wheat bill. The Senator from South Dakota [Mr. McGOVERN] introduced a bill. The Senator from North Dakota [Mr. BURDICK] introduced a bill. So have others. We do not lay any claim to pride of authorship. What we are more interested in is legislation.

I conclude by most respectfully suggesting to my colleagues and to my able and distinguished friend who is the Secretary of Agriculture, Mr. Freeman, and his associates in the Department, that the statement I have made today, to which I have given considerable thought and attention, be read with the objective of seeing whether it has something constructive to offer as to the price situation affecting agriculture.

I am hopeful there can be a meeting of minds on this subject. It will do no good to leave this session and go home saying we were not able to do anything for our farmers. American agriculture deserves more than that.

I am not interested in any partisan fights. I have been through those before. Too often agriculture has been the victim of many partisan battles. It is important to recognize the predicament we are in, and take whatever administrative steps are needed to alleviate the situation, and to act legislatively as soon as possible.

The President has sent a message on agriculture to the Congress. It was a good, constructive message. I plead that it be considered at the earliest possible time. Farm legislation cannot be passed late in the year. It must be done as soon as possible. It is necessary that we get behind the President's proposals.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a paper entitled "105 Percent versus 115 Percent Resale Price," which was prepared by Mr. Roy F. Hendrickson, executive secretary of the National Federation of Grain Cooperatives.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE 105-PERCENT VERSUS 115-PERCENT RESALE PRICE—THE PROS AND CONS OF A PROPOSAL TO INCREASE THE DIFFERENTIAL BETWEEN SUPPORT AND RESALE PRICES OF WHEAT IN 1964 LEGISLATION

I. INTRODUCTION AND BACKGROUND

1. Section 407 of the Agricultural Act of 1949, as amended, provided that in selling commodities for unrestricted use, the CCC price should be not less than 105 percent of the support price plus "reasonable carrying charges" (interest, storage).

2. In 1958, Congress provided, in the case of cotton, that the CCC sales price formula should be changed from 105 to 115 percent. There are a large number of proposals to make a similar change applicable to wheat in 1964 legislation.

3. The largest influence on the open market price of wheat at or immediately after harvest is the level of support prices available in the form of loans or purchase agreements to farmers. In subsequent months, the market price is influenced increasingly by the CCC selling price formula, usually called the "resale price." This price is published monthly by CCC covering sales from its inventories for unrestricted use.

4. The loan price at harvesttime provides the major alternative to sale for cash at the current market price by producers. Thus, the loan serves the function of a "floor" price for wheat. So also, the CCC resale price becomes the "ceiling" price because buyers of wheat will not pay more than the price at which at a given time they can buy it from CCC.

5. The range between the "floor" and the "ceiling" prices, as described above, has been narrowed by reduction in the CCC markup to reflect carrying charges in recent years.

Earlier, CCC sold at 105 percent of the support price during July, the first month of the wheat marketing year, then added 2 cents per month to its price to cover interest and storage costs to CCC for a total of 9 months ending April 30. It added no carrying charges for May and June—then reset its price at 105 percent of the applicable support July 1.

The carrying charge of 2 cents per month was halved. (There were, as always, variations reflecting grade, class, location, billing, etc. Loading-out charges averaging three-fourths of a cent were added to offset any such cost if incurred by CCC in connection with the sale and, as in the case of "in" charges, can, for purposes of this discussion, be disregarded in examining the changes in the formula price.)

Thus, CCC's resale price was reduced well below the cost experience of grain firms and well below customary trade practice.

6. CCC operations are required, under the charter enacted by Congress in 1948–49, to employ the usual and customary channels of trade and commerce. Unless restraint is exercised, in view of its great and growing power, its vast money resources, its nonneed to subject its operations to profit-and-loss criteria, CCC can dominate wheat prices, wheat supplies, sales, movements—in short, all wheat commerce of a significant character. To do so is neither contemplated, required, nor encouraged by Congress under

the laws so far enacted, but it is probably necessary for Congress to restate its position from time to time.

II. ADVANTAGES OF THE 115-PERCENT PROVISO

1. Recently in arguing the advantages of certain measures intended to reduce CCC inventory, USDA estimated the cost of carrying a bushel of wheat as averaging 26.21 cents per year. This was made up of 13.53 cents for storage and handling, an average of 3.93 cents for transportation, an average cost incident to resale of 1.24 cents per bushel, and interest computed at its estimated cost to CCC of 7.51 cents per bushel.

Such estimates compared with the value judgments expressed in the advance in price to reflect carrying charges at a maximum of 9 cents per bushel over a 12-month period indicates a major contradiction. Furthermore, it indicates that CCC has traveled far indeed from the patterns employed in the usual and customary channels of trade in figuring carrying charges.

This contradiction also illustrates that mandates from Congress can turn and twist in unfathomable ways within a few years; that the current practice with respect to carrying charges are unrealistic, illogical, and in violation of CCC charter provisions.

This situation requires correction without regard to determination of the merits of 105 percent versus 115 percent.

2. If Congress desires to encourage the grain-marketing industry to exercise initiative and enterprise, it must reexamine the condition and durability of the rules Congress established to prevent unfair competition by CCC.

3. The 105- versus 115-percent issue, for purposes of objective examination of advantages and disadvantages, should be analyzed without regard to the specific level of support. In the case of various proposals for legislation for wheat presently under consideration, there is a considerable variation in the proposed levels of support.

The issue should be examined, first of all, in terms of its effects on stimulating private trade efforts in the marketplace.

4. If the considered views of the grain-marketing industry were requested, it may be remarked parenthetically that in excess of 95 to 99 percent of the leaders would be found to view CCC's present role as needlessly large and as in a state of aggressive growth.

An example: CCC requested the grain marketing industry to expand grain storage space for a number of years. Rates were gradually increased on a number of occasions. Warehousemen were offered other incentives to expand facilities. The result has been an increase in commercial grain storage facilities from about 1.25 billion bushels in 1950 to 5,453,240,000 bushels as of January 1, 1964. The latter figure is at least two to three times the normal needs.

In addition, CCC owns bins and other storage facilities with a capacity presently rated at 965 million bushels and has no program for reducing or disposing of these facilities which were originally brought into being with assurances to the grain marketing industry that they were for "standby and emergency use."

It is axiomatic that one Secretary of Agriculture, even within the same administration, is not bound by the pleadings or promises of his predecessors. Thus, the present Secretary, unless continuity of policy in fairness to the marketing industry is insisted upon by Congress, may proceed as he desires in a number of areas with results which can be most serious to the grain marketing industry.

To illustrate:

(a) He may favor the use of CCC-owned storage over commercial space, despite the language of the CCC charter. The CCC-owned storage facilities pay no taxes to school districts, townships, counties, States, or the Federal Government; they are not essential to provide storage service at present except in a very few localities; they are expensive to maintain and administer because they do not justify the cost of modern equipment for large, efficient bulk handling of grain.

(b) He may, as he has only recently intimated, place grain storage rates on a competitive bid or other basis which would destroy the public utility principle of equal treatment for all farmers and other depositors. The bid system could result in curtailing operation of the higher cost structures in areas with the highest operating costs. It would provide a very great advantage to the lowest cost but least serviceable storages from the long-range standpoint of providing farmers an efficient marketing system—such as sheepshead-type storage and similar facilities, including remodeled military barracks, abandoned railroad roundhouses, etc.

(c) Unless restrained, he could exercise unchallenged authority to cut existing carrying charges even further than they have been cut. He might, for example, reduce to zero the incentive of grain firms to build inventory for resale or for millers to acquire stocks from CCC at prices largely dictated by CCC's resale policies and practices.

5. The 115-percent resale minimum would reduce program costs because it would have the effect of increasing the volume of purchases to meet their requirements by millers and other end-users during harvest and through the redemption of loans by farmers. This would reduce the takeover volume of CCC.

Each bushel of grain which passes into the hands of CCC involves a considerable cost and a substantial loss, especially during the period of declining prices which are now in prospect.

For example, the reduction in the value of CCC inventory, assuming it will be about 1 billion bushels as of July 1, in case the support price is reduced from that in effect last year to $1.30 or so, national average, next July 1 is obviously a very substantial sum.

6. The following illustrates the basis for computing the CCC resale price under 105 and 115 percent provisions in case the national average wheat loan level should be $1.30 as of the marketing year beginning next July 1:

(a) The resale price for CCC stocks of wheat acquired under past programs for July of this year would be $1.30 times 105 percent, or $1.365. On August 1, 1 cent would be added and 1 cent per month thereafter for 8 additional months. The resale price would reach its maximum of $1.455 in April 1965, remaining at that level until adjusted for the new marketing year starting July 1, 1965, in accord with the law then in effect.

(b) Should the 115 percent provision be in effect, the resale price for July 1964 would be $1.30 times 115 percent, or $1.495. By April 1965, the addition of an unrealistic "loss-leader" carrying charge of only 1 cent per month would bring the resale price for April, May, and June of 1965 to $1.585.

7. The 115 percent formula would help insure that the United States would not have to place an embargo on wheat exported to comply with the minimum price under the international wheat agreement, pursuant to the Nation's commitment under that agreement.

The July 1964 price, under a $1.30 loan level and the 105 percent proviso, would place the United States in a position where it would be offering wheat into export channels below the minimum price as related to the schedule setup under IWA, unless some unusual action was taken by the U.S. Government to insure meeting the IWA commitment.

Authority to deal with this matter was delegated to the Secretary of Agriculture by the late President Kennedy soon after farmers voted to reject wheat marketing quotas in the referendum conducted in May 1963.

8. There are other reasons to support the 115 percent proviso, chiefly centering on lower costs to the CCC, encouraging the use of the marketing system, and reducing the prospect of cycling of CCC stocks. This is the process whereby CCC takes possession of stocks acquired under price support with one outstretched hand while, with its other long hand, it sells out inventory which it has possessed for 1, 2, or 3 years. Where CCC owns the commodity outright, this should be known as the stalling period.

For demand to be met out of current production by farmers: Assists in reducing CCC costs; it reduces the cycling of stocks; it contributes to more aggressive marketing activity on the part of the grain marketing industry to meet domestic and export needs.

III. THE ARGUMENTS AGAINST THE 115-PERCENT PROVISO

1. The Secretary of Agriculture has, at present, authority to increase support and resale prices. The principal argument in opposition to writing into law a provision requiring a minimum resale price of 115 percent of the support price or the market price, whichever is higher, is that such authority resides in the Secretary of Agriculture at the present time and that he would exercise it if need be.

It is argued that public confidence in the Secretary of Agriculture on the part of farmers and the wheat marketing industry, on the part of Members of Congress of both parties, and on the part of the public generally, is extremely high; that he should be entrusted with the broadest possible delegation of authority by Congress in such matters as the CCC resale price.

Furthermore, Congress should, it is argued, leave to his judgment and discretion such matters so as to insure that "a nonpolitical, scientific, and enlightened policy and program would be pursued devoid of congressional controversy" which such program specifics as the 115-percent proposal might engender; that it is assumed he would seek the guidance of the marketing industry, of farm organizations, and of farmers themselves to guide his decisionmaking.

2. The decisions he would make, because they would not be announced in advance, could well keep competitors of the United States in the world wheat trade guessing long and hard; that this tactic would be in the best tradition of Yankee trading and would immeasurably increase the bargaining power of the United States in international wheat markets because of his experience and proved skill in such matters.

3. By delegating the broadest possible powers to the Secretary of Agriculture, Congress will be arming him and his successors with the tools and authority to exercise his demonstrated skills in public management, in achieving efficiency and economy, in inventory management, in reducing operating costs of the Department of Agriculture, and related matters.

4. It may well be that the Secretary, after studying the matter, may decide that resale of wheat should be at 120 percent or a higher percentage of the support level. For Congress to have specified a minimum of 115 percent might, in such event, appear to be inhibiting the making of a decision to specify a higher resale price.

5. It is also argued that the utility of merchandising efforts, domestic and export, of the grain marketing industry have been greatly overvalued and overstated; that the farmers' interest would be better served by enlarging the role of Government in acquiring stocks and disposing of them; and that leaving the matter to the determination of the Secretary would facilitate this development.

LITHUANIAN INDEPENDENCE DAY

Mr. McNAMARA. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNAMARA. Is the Senate still operating under the rule of germaneness?

The PRESIDING OFFICER. That is correct. The Senator may request that he be recognized to address himself to another subject.

Mr. McNAMARA. I ask unanimous consent to proceed for a few minutes on two separate items.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McNAMARA. Mr. President, Sunday, February 16, was the 46th anniversary of Lithuanian independence, but Lithuanians, in America or in the Republic of Lithuania, are not celebrating this date as a holiday—for the Soviets have violated their sovereignty and made a mockery of freedom.

Since June of 1940, Lithuania has been cruelly oppressed by the military occupation forces of Soviet Russia. Through extermination and deportation, this courageous nation has lost more than one-fourth of its entire population. At least 20 percent of the present inhabitants are Soviet colonists. Almost one-third of all Lithuanians live abroad. Over a million have chosen America as their refuge.

When one considers that those who were murdered and deported have been the strongest elements of the country, this population loss would strike a fatal blow at the chance of survival of the Lithuanian nation if it were not for the courage and sacrifice of its patriots.

Mr. President, I share the hopes of millions of persons of Baltic origin that the day will come when the brave people of Lithuania free themselves from the Soviet tyranny that now oppresses them and that they once again enjoy the state of national independence they so strongly desire.

PRESIDENT JOHNSON'S EXECUTIVE ORDER AGAINST AGE DISCRIMINATION IN HIRING

Mr. McNAMARA. Mr. President, last Thursday, President Johnson issued an Executive order prohibiting Federal contractors from discriminating on the basis of age in the hiring of employees.

As one who has long been concerned with this problem, and who has attempted to solve it at the legislative level, I wish to commend the President for taking this important, and long-needed step.

The President's order prohibits Federal contractors and subcontractors from setting maximum age limits for most jobs. The few exceptions are largely of a technical nature.

In effect, the President's order applies to the growing number of workers—45 and over—who have been the principal victims of this employment bias, based on age.

This emerging pattern of age bias has been a matter of concern for several years to the Senate Special Committee on Aging, and to its predecessor, the Subcommittee on Problems of the Aged and Aging, both of which I have had the honor of serving as chairman.

These Senate study units found that jobseekers as young as 45 were denied employment, even though they were fully qualified in all respects, on the sole basis of age.

As a direct outgrowth of these findings, I introduced legislation in the 86th and 87th Congresses designed to forbid age discrimination by Federal contractors and subcontractors.

The goal of these bills was identical to that of the Executive order issued last week by President Johnson.

That President Johnson has accomplished this goal by Executive action is a source of great satisfaction to me.

I sincerely hope that all employers affected by the order will cooperate fully in achieving its worthwhile purpose.

It is my further hope that employers, labor organizations, and local and State governments not covered by the order will take note of this Presidential action and follow the example set here, to eliminate one more barrier to realizing the American tradition of equal opportunity for men and women who are willing and able to work.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GARRISON DIVERSION UNIT, MISSOURI RIVER BASIN PROJECT

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 847, Senate bill 178, and temporarily lay aside the pending business.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 178), to make certain provisions in connection with the construction of the Garrison diversion unit, Missouri River Basin project, by the Secretary of the Interior.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

Mr. CURTIS. Mr. President, is this the authorization bill for the Garrison project?

Mr. BURDICK. The Senator is correct. It would amend the authorization.

Mr. CURTIS. What is the amount of the authorization?

Mr. BURDICK. In money?

Mr. CURTIS. Yes.

Mr. BURDICK. The construction money for a period of up to 25 years is $212 million under the present bill.

Mr. CURTIS. That is the total cost?

Mr. BURDICK. Yes; over the construction period.

Mr. CURTIS. Roughly, how is that divided between flood control allocations, irrigation allocations, fish and wildlife, and so on?

Mr. BURDICK. Municipal industrial water, $11 million; irrigation, $191 million; fish and wildlife, $30 million; recreation $12 million; and flood control $2,800,000. These are round numbers, of course.

Mr. CURTIS. The irrigation allocation is $191 million?

Mr. BURDICK. The Senator is correct.

Mr. CURTIS. What portion of it will be repaid by the landowners?

Mr. BURDICK. The landowners will pay approximately 13 to 14 percent. The balance will be paid from power revenues.

Mr. CURTIS. With reference to the power revenues, has the committee received the power report on rates from the Department of the Interior?

Mr. BURDICK. I believe they have.

Mr. CURTIS. This information, then——

Mr. BURDICK. There has not been any specific action either by our committee or the House committee on the power formula yet, but I understand it will be reached in due time.

Mr. CURTIS. Does the bill correspond to the provisions set forth in the power revenue?

Mr. BURDICK. In the power payout which is proposed by the Secretary of the Interior an increase in rates in the Missouri River Basin and also for a change in the interest rate.

Mr. CURTIS. Will those changes require legislation?

Mr. BURDICK. I believe the interest rate may require legislation.

Mr. CURTIS. The interest rate would be changed from what to what; does the Senator know?

Mr. BURDICK. It would be changed to 2½ percent for the basic rate for the corps projects on river systems to make it compatible and consistent with the river systems; such things as the Columbia, and others.

Mr. CURTIS. But the hearings on the Garrison diversion unit were held prior to receipt of the power payoff?

Mr. BURDICK. The Senator is correct.

Mr. CURTIS. Hearings in the House are being held this week. It is anticipated that perhaps whatever impact the power report may have may be reflected in the House amendments?

Mr. BURDICK. That is what I anticipate.

Mr. CURTIS. Mr. President, I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

Mr. PROXMIRE. Mr. President, will the Senator from North Dakota yield?

Mr. BURDICK. I yield.

Mr. PROXMIRE. I notice that $191 million of the $248 million project is for irrigation; is that correct?

Mr. BURDICK. The Senator is correct.

Mr. PROXMIRE. What would be the benefits of the irrigation, if any, in terms of crop production?

Mr. BURDICK. In order to construct the dams and the reservoirs, it has required 568,000 acres which have already been taken out of production in North Dakota to make room for the reservoir system. The original authorization, which we are amending today, would call for an irrigation project embracing a million acres. In other words, at the time of the 1944 Flood Control Act, we lost this land to main stem reservoir system and in return would receive a million acres back in irrigation. This amendment reduces that figure to 250,000 acres, or less than half the acreage that has been taken out for reservoir purposes.

The actual change in farming operations will result in a shift from surplus crops, such as wheat, to nonsurplus crops such as feed grains and alfalfa, and things of that nature, and bringing in a supplemental economy based on livestock. But there is no new land being brought into production. As a matter of fact, all the lands embraced by this project are already in production and would be shifted from present production.

Mr. PROXMIRE. How much of this production will be in feed grains? It is a price support program, which, of course, the Senator from North Dakota knows much better than I.

Mr. BURDICK. I was thinking of crops like alfalfa and others of that kind used in beef production and meat production.

Mr. PROXMIRE. Has any comparison been made as to the difference in the value of the crops produced?

Mr. BURDICK. The answer to that question is in the report, if the Senator cares to have the answer.

Mr. PROXMIRE. I do.

Mr. BURDICK. On page 3 of the report it is stated:

> About 75 percent of the irrigated acreage should be used for forage crops and feed for livestock production.

Therefore, for at least 75 percent of it, there would not be a cash crop.

Mr. PROXMIRE. The land that has been taken out of production, is out for all time.

Mr. BURDICK. Yes.

Mr. PROXMIRE. Whether the bill is passed or not, that is something that has been accomplished. Is that correct?

Mr. BURDICK. Yes. In 1944, we took out 568,000 acres. This irrigation project was approved as a part of the consideration for the reduction of the acreage. This was a part of the 1944 package. This has already been authorized. All that this amendment would do would be to provide an authorization for reducing the irrigation part to 250,000 acres over a period of 25 years.

Mr. PROXMIRE. Is the Senator saying, then, that if this authorization bill is not passed, more land will come into production?

Mr. BURDICK. It is argued that we already have an authorization for a million acres.

Mr. PROXMIRE. Then we do not need further authorization, do we?

Mr. BURDICK. Except that in cases of this kind Congress always likes to take another look at project authorizations, when they are as old as this one.

Mr. PROXMIRE. I approve of that policy. The benefit-cost ratio is 2.5 to 1. If we disregard the benefits which would flow from an increase in the agricultural surplus, is there any way of calculating the ratio so that the benefit ratio would be unity? The cost of the project, as I understand, is $248 million.

Mr. BURDICK. It is $212 million, because the difference has already been assigned as a part of the reservoir cost.

Mr. PROXMIRE. Yes. The cost ratio is 2.5 to 1. The benefit would have to be in the neighborhood of $700 million. I wonder what the value of the crops produced would be, so that I may calculate whether, if we disregard what I would disregard—because we already have a surplus of all crops—this would be a unity ratio or less.

Mr. BURDICK. I regret that I do not have that computation, but I think it would be because under irrigation the cropping pattern is changed and there are other project benefits.

Mr. PROXMIRE. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota, that the Senate proceed to the consideration of Senate bill 178.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 1, after the word "acres", to insert "municipal and industrial water, fish and wildlife conservation and development, recreation, flood control"; in line 6, after "1962", to insert "(Revised May 1963)"; after line 8, to strike out:

SEC. 2. In connection with the carrying out of the plan for the Garrison diversion unit, the Secretary is authorized to make provision for the conservation and development of the fish and wildlife resources of the area in accordance with the authorities and procedures of the Fish and Wildlife Coordination Act (38 Stat. 401, as amended; 16 U.S.C. 661, et seq.): *Provided,* That no land for the conservation and development of the fish and wildlife resources of the area shall be acquired with funds authorized to be made available pursuant to this Act unless the acquisition thereof has been approved by the Garrison Diversion Conservancy District or the Oahe Conservancy Sub District in their respective States.

The Secretary is authorized to construct recreational facilities essentially as described in aforesaid House Document Numbered 325, and to withdraw or acquire by such means as he considers in the public interest, additional lands required therefor if the State of North Dakota, or a political subdivision thereof, or a public entity agrees to operate and maintain such recreational facilities for a period of at least twenty years. After twenty years of State or local operation and maintenance, the Secretary is authorized to convey to the State, or to a political subdivision thereof, or to a public entity, without monetary consideration, the recreation facilities, including land therefor, to be used, operated, and maintained by the State, or political subdivision, or public entity exclusively for public park, recreation, and conservation purposes. Except for works and areas which will be administered by an agency of the Department of the Interior, provision of specific facilities for these purposes shall not be undertaken by the Secretary until suitable agreements have been made with State or local agencies respecting, among other things, administration and the bearing or sharing of appropriate operation and maintenance costs. Appropriate shares of the Federal costs of constructing, operating, and maintaining the Garrison diversion unit shall be allocated to the purposes specified in this section and shall be nonreimbursable and nonreturnable as are certain other purposes of the project under the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof and supplementary thereto).

And, in lieu thereof, to insert:

SEC. 2. The Secretary is authorized, as a part of the Garrison diversion unit, to construct, operate, and maintain public recreation facilities, including access roads, to acquire or withdraw from entry or other disposition under the public land laws such adjacent lands or interests therein as are necessary for present and future public recreation use, and to provide for public use and enjoyment of the same and of the water areas of the unit; these undertakings shall be coordinated with the other unit purposes. The Secretary is authorized to enter into agreements with State, or local public agencies, or other public entities for the operation, maintenance, or additional development of project lands or facilities or to dispose of project lands or facilities to State or local agencies or other public entities by lease, transfer, exchange, or conveyance, upon such terms and conditions as will best promote their development and operation in the public interest for recreation purposes. The costs of the undertaking described in this paragraph, including the costs of investigation, planning, operation, and maintenance, and an appropriate share of the joint cost of the Garrison diversion unit shall be nonreimbursable.

On page 4, after line 20, to strike out:

SEC. 3. Notwithstanding the existence of any reservation of right-of-way for canals under the Act of August 30, 1890 (26 Stat. 371, 391; 43 U.S.C. 945), the Secretary is authorized to pay just compensation to the owners of private lands west of the one hundredth meridian, for all lands or interest in lands required for right-of-way purposes for the Garrison diversion unit.

On page 5, at the beginning of line 3, to change the section number from "4" to "3"; at the beginning of line 11, to change the section number from "5" to "4"; in line 14, after the word "the", where it appears the first time, to strike out "project" and insert "unit", and at the beginning of line 20, to change the section number from "6" to "5"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the general plan for the Missouri-Souris unit of the Missouri River Basin project, heretofore authorized in section 9 of the Flood Control Act of December 22, 1944 (58 Stat. 887), as modified by the report of the Secretary of the Interior contained in House Document Numbered 325, Eighty-sixth Congress, second session, is confirmed and approved under the designation "Garrison diversion unit," and the construction of a development providing for the irrigation of two hundred and fifty thousand acres municipal and industrial water, fish and wildlife conservation and development, recreation, flood control and other project purposes shall be prosecuted by the Department of the Interior substantially in accordance with the plans set out in the Bureau of Reclamation report dated November 1962 (revised May 1963) supplemental report to said House Document 325.

SEC. 2. The Secretary is authorized, as a part of the Garrison diversion unit, to construct, operate, and maintain public recreation facilities, including access roads, to acquire or withdraw from entry or other disposition under the public land laws such adjacent lands or interests therein as are necessary for present and future public recreation use, and to provide for public use and enjoyment of the same and of the water areas of the unit; these undertakings shall be coordinated with the other unit purposes. The Secretary is authorized to enter into agreements with State, or local public agencies, or other public entities for the operation, maintenance, or additional development of project lands or facilities or to dispose of project lands or facilities to State or local agencies or other public entities by lease, transfer, exchange, or conveyance, upon such terms and conditions as will best promote their development and operation in the public interest for recreation purposes. The costs of the undertaking described in this paragraph, including the costs of investigation, planning, operation, and maintenance, and an appropriate share of the joint cost of the Garrison diversion unit shall be nonreimbursable.

SEC. 3. The Garrison diversion unit shall be integrated physically and financially with the other Federal works constructed or authorized to be constructed under the comprehensive plan approved by section 9 of the Act of December 22, 1944, as amended and supplemented. The Secretary shall give consideration to returning to the Missouri River to the fullest extent practicable such of the return flows as are not required for beneficial purposes.

SEC. 4. The interest rate used for computing interest during construction and interest on the unpaid balance of the capital costs allocated to interest-bearing features of the unit shall be determined by the Secretary of the Treasury as of the beginning of the fiscal year in which construction is initiated, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for fifteen years from date of issue.

SEC. 5. For a period of ten years from the date of enactment of this Act, no water from the project authorized by this Act shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

Mr. YOUNG of North Dakota. Mr. President, I did not have notice that the pending bill would be considered at this time. At the present time we are considering important wheat legislation in the Committee on Agriculture and Forestry, in fact an amendment of mine is now pending. I am very pleased, though that this bill is being brought up at this time and I feel sure it can be disposed of in a very short while.

The legislation the Senate is now considering is very important to North Dakota and to the Nation. I should like to make a brief statement with reference to this bill.

What we have before us in S. 178 is reauthorizing legislation with respect to the Garrison diversion project in North Dakota, which has already been authorized under the Pick Sloan plan of 1944.

Because of a change in the point of diversion, a shift in the area within North Dakota to be irrigated, and because of the years that have elapsed, it was considered best to reauthorize the project now.

This bill will mean a great deal in our efforts to stabilize the economy of North Dakota. The population of North Dakota is approximately the same as it was 30 years ago. Many of our people had to leave because of lack of opportunity, the increasing size of farms, and a prolonged period of drought.

The project would go a long way toward stabilizing not only our agriculture but the whole economy of North Dakota.

It would produce, for example, alfalfa and other feed crops, and encourage smaller farm operations, as well as provide opportunity for all our people. It would also furnish water to the cities in the eastern part of North Dakota, such as our two largest cities, Grand Forks and Fargo, which in drought years have faced serious water problems. In the drought years, they had a very difficult time in providing water to their then much smaller populations. The project under consideration would provide the needed additional water which these cities need, and which other cities in North Dakota also need.

It is sometimes argued that this is not the time to engage in further reclamation projects, because we already have big surpluses. Mr. President, if we had waited to start new reclamation projects until there were no surplus in crops we would never have had any irrigation projects initiated anywhere in the United States. There never was a time when there was not a surplus of food in the United States. I hope there always will be. However, the only way we can assure an adequate food supply for the future is through projects such as this. In any event, the bill itself provides that no crop in surplus can be produced under irrigation for 10 years from the date of its enactment.

Irrigation projects are largely responsible for the great empire that we have built in the western part of the United States. The proposed project will do as much for the State of North Dakota, I believe, and for the whole Nation.

Finally, I should like to make one more point. North Dakota is the No. 1 duck propagation State. This project, with its wildlife features, will do a great deal toward helping in duck propagation, as well as in the propagation of other wildlife and fish. It is of great interest to outdoorsmen and to sportsmen all over the United States.

Under the Pick-Sloan plan, North Dakota now has the Garrison Dam which is a multipurpose dam.

The multipurpose features include benefits from flood control, power generation, reclamation, and even some navigation. North Dakota lost approximately 500,000 acres of its best agricultural land in the areas flooded by both the Garrison Dam in North Dakota and by the Oahe Dam in South Dakota, which backs water up into North Dakota.

For these and many other reasons, I am hopeful that the Senate will favorably consider the bill and will pass it promptly. This is an irrigation project we in North Dakota have been striving for for nearly a half a century. It is an excellent project with a highly favorable benefit-to-cost ratio. It would be of great benefit not only to North Dakota but to the entire Nation.

I ask unanimous consent to have inserted in the RECORD, as a part of my remarks, a statement I made before the Committee on Interior and Insular Affairs on June 6 last.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR YOUNG OF NORTH DAKOTA

Senate bill 178, sponsored by Senator BURDICK and myself of North Dakota, and Senators MUNDT and MCGOVERN of South Dakota, is the most important piece of legislation affecting my State to be considered by Congress for a long, long time. North Dakota has, for almost 75 years, diligently sought a means to divert water from the Missouri River to central and eastern North Dakota. Although many proposals were advanced in the first half century of this effort, it was the authorization of the Missouri River Basin project by Congress in the Flood Control Act of 1944 that gave the needed impetus to the proposal.

The interest and support of North Dakota for a Missouri River Diversion project was greatly intensified during the drought period of the 1930's when the importance of water was so dramatically emphasized. The Red River of the north, at that time supplying water for two of North Dakota's largest cities as well as two important cities on the Minnesota side, had practically dried up. During much of the 1930's, and many times since, we have had severe drought periods that had a tremendous adverse effect on all of our agriculture. You can better realize the importance of water and irrigation to North Dakota when you consider that we have often had years of marginal rainfall and this, when agriculture represents more than 80 percent of all the income. Irrigation is badly needed in North Dakota to stabilize our farm and other income.

The Bureau of Reclamation investigations of the diversion project have resulted in certain recommended modifications to the original authorization of diversion from the Missouri River in the Flood Control Act of 1944. I wish to emphasize, Mr. Chairman, that this project has been authorized and all we are seeking is the modifications proposed by the Bureau of Reclamation. The Bureau of Reclamation recommends modifications to the plan originally proposed insofar as the point of diversion and the location of lands to be served are concerned. These investigations have also determined that the project is engineeringly sound and economically feasible. Today we are asking for your approval of the changes to the originally authorized Missouri River diversion project in North Dakota, now designated the Garrison diversion unit, so that we can proceed with its development. By approving the new modified plan you will contribute immeasurably to the economic health of North Dakota, as well as to the upper Great Plains region and the Nation as a whole.

The Missouri River Basin project, as it evolved and was authorized by Congress in 1944, recognized the needs of all the basin as well as the contributions each of the States would, or could, make to the project and the economy of the Nation. Beneficial use of water for irrigation and municipal and industrial purposes in the upper basin States was an integral part of the plan and represented their primary interest, just as flood control and navigation represented the principal interest of the lower basin States. To accomplish these objectives it was also recognized that large upstream main stem dams and reservoirs would be required to control and store floodwaters. There was no alternative but to flood millions of acres of valuable river bottom land in the upper basin States for these reservoirs. In North Dakota over 550,000 acres were acquired for the Garrison and Oahe Reservoirs.

It was our understanding from the start that this great loss in acreage would be partially offset by irrigation that was possible through development of the Garrison diversion unit. When the Senate Appropriations Committee was considering funds to start the construction of Garrison Dam, I told the committee, and this appears in the hearings of the committee, that if North Dakota did not one day attain a sizable irrigation project Garrison Dam and Reservoir itself would be a net loss to North Dakota. We were willing to make this sacrifice, but always with the understanding that the Pick-Sloan promise of irrigation was equally important as the other benefits to be accrued from the Missouri River Basin program such as flood control, hydroelectric power, and navigation.

By far, the greater part of the major benefits accruing from the Garrison Dam to date, which include flood control, navigation, and power benefits, accrue to areas outside of North Dakota. Irrigation development in the upper basin, North Dakota's principal interest, has not kept pace with other project functions. Approval of S. 178, which will authorize an initial 250,000-acre phase of the potential million acre Garrison diversion unit, will pave the way to correct this situation.

The multiple-purpose Garrison diversion unit will serve a number of important needs. In addition to providing water for irrigation and municipal and industrial uses, new recreation opportunities will be available, and fish and wildlife resources will be enhanced. The project costs allocated to each function appear to be reasonable, particularly when compared to the extensive benefits that will be derived from each of the important services from the project. Over 80 percent of the total investment required for the Garrison diversion unit is reimbursable and will be repaid to the Federal Treasury by the water users, the Garrison diversion conservancy district, and surplus Missouri Basin power revenues. The 250,000-acre initial phase of the Garrison diversion unit has a very favorable 2.51 to 1 benefit-cost ratio as reported by the Secretary of Interior in its official report to your committee.

The citizens of North Dakota are solidly behind the Garrison Diversion Unit. Virtually every statewide organization in North Dakota, including farm, civic, and conservation organizations as well as the Greater North Dakota Association, counties, municipalities, chambers of commerce and other local farm and civic groups, have endorsed and support the project.

The North Dakota Legislature created the Garrison Diversion Conservancy District which now includes 25 counties in the State to further the project. This district has the authority to contract for certain aspects of the project and finance these contracts through a general tax levy that will be spread over all property in the counties in the district. The ability to tax indirect beneficiaries to the extent contemplated through the Garrison Diversion Conservancy District is a unique feature of this district.

The farmers who own irrigable land have voluntarily organized 8 irrigation districts in the Garrison Diversion Unit area. These districts and the Garrison Diversion Conservancy District have substantially agreed to contracts that will be negotiated with the Bureau of Reclamation for the construction and operation of the project.

Although the legislation before this committee will authorize only one-fourth of the originally proposed project, I very strongly urge its enactment. We ask only for our fair share of the benefits from the overall Missouri River Basin project, and the opportunity for our State to make its full contribution to the growth and strength of our Nation.

I earnestly hope that this committee will take favorable action on S. 178.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that certain excerpts from the report on the bill may be printed in the RECORD at this point.

There being on objection, the excerpts from the report (No. 870) were ordered to be printed in the RECORD, as follows:

PURPOSE

Enactment of S. 178 would provide for necessary modifications in the Missouri River Basin project authorizations to accommodate the special conditions of the Garrison diversion unit. The principal revision would be to reduce the irrigated acreage from the original proposed 1,007,000 acres to 250,000 acres, with the corresponding decrease in costs.

NEED

This project will be of increasing importance to the future growth, economy, and well-being, not only of the area directly affected, but of the entire State of North Dakota. The economy of the State was adversely affected when it lost 548,000 acres, mostly farmland, flooded by the Missouri River Basin reservoirs. The irrigation of the 250,000 acres proposed under the Garrison unit will go a long way in offsetting the loss of land that has been flooded.

North Dakota, like the other Great Plains States, is on the borderline between the humid and the arid areas of the Nation. Some years there is plenty of rainfall for a large portion of the State, but in a good many years the precipitation is entirely inadequate. During those dry years or years of short supply the farmers who are dependent solely upon rainfall for the mositure requirements of their crops suffer serious and extreme losses. The proposed irrigation would supplement the rainfall and would give assurance of a full crop year in and year out.

The development of the project would actually result in a reduction of agricultural surpluses. Most of the land to be irrigated is now growing wheat, but when irrigation water is provided the rules of irrigation economics will dictate that wheat acres be displaced by feed-crop acres on the farms of the unit.

About 75 percent of the irrigated acreage should be used for forage crops and feed for livestock production—items which are not in surplus, and for which demand is increasing faster than for other agricultural products.

Because of today's surpluses of wheat and corn grain, on the one hand, and the rising population growth rate, on the other, the proposed time schedule for development of irrigation on these lands was carefully considered. The testified schedule of irrigation development for the Garrison diversion unit provides for only 20 percent of ultimate development by 1980.

PLAN OF DEVELOPMENT

The plan of development for the initial stage provides for irrigation of 250,000 acres, a municipal and industrial water supply for 15 towns and cities, 24 areas for fish and wildlife conservation, and recreation development at 7 major water impoundments. Flood control and incidental drainage of nonirrigable lands are other benefits.

Six areas make up the 250,000 acres. They constitute a feasible development, but other areas could also be used in the event any should drop out of the initial development. The system includes 1,932 miles of canals and laterals, 4 regulating reservoirs, 156 pumping plants, and about 2,265 miles of drains to control ground and surface water. Pumping power will be supplied by either existing or proposed federally constructed facilities, or by wheeling over electric cooperative or utility lines.

The facilities to serve the modified plan will be constructed during a period of about 11 years to full initial size, with first delivery water for irrigation during the fifth year of construction. Construction of deferred drains is expected to continue for another 20 years.

PROJECT LANDS

About 30 percent of the gross area surveyed and classified is irrigable. Almost without exception the topsoil of the irrigable land is a dark-colored, open, permeable material that is high in organic material and free from harmful accumulations of salt or alkali. All irrigable land is of good quality, capable of producing a variety of irrigated crops over a long period of time. Nearly 50 percent of the irrigable land included in the 250,000-acre development has been fully investigated and delineated by a detailed land classification survey.

WATER SUPPLY

Water supply for the unit will be diverted from Garrison Reservoir, constructed by the Corps of Engineers on the Missouri River. Estimated annual diversion from Garrison Reservoir for the 250,000 acres is about 805,000 acre-feet.

Cost

Project cost	$248, 234, 000
Irrigation	191, 132, 000
Repaid by irrigator and conservancy district	25, 546, 000
Repaid by power	165, 586, 000
Municipal and industrial water	11, 285, 000
Power	37, 000
Fish and wildlife (nonreimbursable)	30, 845, 000
Recreation (nonreimbursable)	12, 122, 000
Flood control	2, 813, 000
Total	248, 234, 000
Construction cost of Garrison unit	212, 383, 000
Assigned cost, Garrison Reservoir	17, 768, 000
Assigned cost, pumping power	18, 083, 000
Total	248, 234, 000

NOTE.—Benefit-cost ratio, 2.5 to 1.

Mr. BURDICK. Mr. President, the Flood Control Act of 1944 provided for a comprehensive development of the Missouri River Basin. In the interests of the overall program in several States, North Dakota sacrificed 568,000 acres of good farm and ranch land for Garrison and Oahe Reservoirs.

As partial compensation for this sacrifice, North Dakota was to benefit from an irrigation development which it has not yet received. Flood control, pollution abatement, navigation, municipal and industrial water supplies, and power benefits have accrued principally to areas outside North Dakota.

North Dakota to date has sustained a net loss because of the Missouri River Basin project in the permanent loss of the land and the wealth produced on it.

The negative impact of the loss to North Dakota in land resources has been emphatically set forth in a study conducted by the North Dakota State University titled "Negative Impacts of the Garrison and Oahe Reservoirs on the North Dakota Economy." Facts pointed out in this study indicate the following: First, based on the potential land use of the areas acquired, the direct loss to the North Dakota economy totals $15.7 million annually because of these main stem reservoirs; second, the indirect loss related to the severance of the bottom lands from the uplands amounts to $2.7 million each year; third, the net annual loss to wildlife habitat is estimated at $216,000; fourth, the value of timber resources lost through reservoir inundation is estimated at $38,649,000; fifth, approximately 217,000 acres of irrigable land are inundated by the reservoirs or subjected to erosion; therefore, the increased contribution that irrigation development of these acres could have made to the economy of North Dakota has been forever destroyed; and sixth, an estimated 5,850 million tons of lignite coal was left in the land inundated by these reservoirs.

Engineering investigations by the Bureau of Reclamation since 1944 have determined the necessity of shifting the location of the lands to be irrigated from the northwestern part of North Dakota eastward. The Bureau recommended a start on an initial 250,000-acre phase of the originally contemplated 1-million-acre project. Included in the project are provisions for municipal and industrial water supply, recreation, fish and wildlife enhancement, flood control, and lake restoration.

Because of the engineering investigations, a modified authorization was required. The modification is accomplished by S. 178, which I introduced, with my colleagues, MILTON YOUNG, GEORGE MCGOVERN, and KARL MUNDT, as cosponsors.

In short, the plan for the Garrison diversion unit is a modern and modified version of the original proposal for irrigation development in North Dakota.

Mr. President, limited and erratic rainfall severely restricts the opportunity of North Dakota farmers to diversify their operations. The 250,000 irrigated acres will be integrated with up to 1 million acres of adjacent dry land, bringing stability and balance to agriculture in the area and eliminating the constant threat of drought.

I wish to emphasize that the Garrison diversion unit will reduce the acreage devoted to wheat and other small grains which, as we know, are in chronic surplus. An estimate by the North Dakota State University indicates that 85,000 acres currently devoted to the production of wheat and other small grains will be diverted to crops required for livestock.

In this connection, it should be noted that the Nation's requirements for meat are increasing and are expected to increase further with population growth.

Even the 250,000-acre phase of the irrigation development will require 25 years to complete; by that time, the population is expected to be 120 million greater than it presently is.

In the Garrison diversion unit, we are not reclaiming desert land; all of the land that is to be irrigated is now in agricultural production.

The net effect of the project will be to reduce the production of surplus crops. In fact, written into S. 178 is a prohibition against the raising of surplus crops for a period of 10 years from the date of authorization.

Extensive studies by the Bureau of Reclamation over a 20-year period indicate that the Garrison Diversion Unit is sound and feasible and will produce $2.51 in benefits for each $1 invested. Annual benefits total $22,166,000.

Some impacts on the trade and business economy and indirect benefits that will result from the project are:

Population increase in project area	17,500
New retail business establishments	650
New service establishments	190
New wholesale establishments	185
New manufacturing establishments	51
New job opportunities	4,500
Increase in nonfarm personal income	$26,355,000
Increase in Federal income tax (annually)	$3,200,000
Increase in State income tax (annually)	$550,000

Conservative effects from other functions that the initial phase of the project will serve are an increase in migratory waterfowl production habitat by 20 percent; increase in fishing use by over 700 percent; and increase in recreation use by over 1,100,000 visitor days each year.

In undertaking the Garrison diversion project, the Federal Government would be making an investment that would pay for itself many times over. Studies indicate that over a 50-year period the increased income from individual farmers in the project area would yield Federal income tax revenues $160 million higher than at present. Combined with $25.5 million that would be returned to the Government from the irrigators and conservancy district, 98 percent of the cost allocated to irrigation would be covered. In addition, more than $160 million will be available from surplus power revenues. These returns in the Federal Treasury far exceed the investment in the project.

The unit undoubtedly is one of the best planned irrigation projects that ever has been presented to Congress. Refined cost estimates indicate the construction cost of the initial phase is $212,383,000. The project also has been assigned costs from investments already made for mainstem dams and power facilities totaling $36,630,000.

Mr. President, more than 80 percent of the costs of the project will be repaid to the Federal Treasury by water users and from power revenues. The remaining 20 percent, associated with fish and wildlife enhancement, recreation and flood control, is considered to benefit the public at large and, according to national policy, does not have to be repaid.

The two best waterfowl production areas in the Nation are contained in the Garrison Diversion Unit area. The necessity of protecting these nationally significant areas and of improving these resources and the opportunities for the public to utilize and enjoy them are recognized throughout the project plan.

Thirty-six major and thirty minor areas constitute the fish and wildlife features of the plan. These areas will contain more than 56,000 acres of water and marsh that will have a constant and controllable water supply available, substantially enhancing the migratory waterfowl and other wildlife resources of the area.

The people of North Dakota who stand to benefit from the Garrison Diversion Unit have expressed their willingness to assume their responsibilities. Nine years ago, they organized the 25-county Garrison Conservancy District, representing all the areas that will benefit from the project. The district was granted the authority to levy a general tax over all property within its boundaries to finance the repayment obligations for the project.

In addition, 9 irrigation districts, including about 420,000 acres of irrigable land, have been formed by potential irrigators. These districts stand ready to contract with the Federal Government for their share of the project costs.

The Garrison Diversion Unit not only will compensate my State for the land it has sacrificed for the Missouri River Basin Project, but its development is the key to new life to the area and new wealth to the region and the Nation.

Mr. President, I urge my colleagues to give their approval to S. 178.

Mr. HUMPHREY. Mr. President, I wish to say to my good friend from North Dakota that this matter came up rather quickly, and that it is my fault that he was not notified.

The PRESIDING OFFICER. Without objection, the question is on agreeing, en bloc, to the committee amendments.

The committee amendments were agreed to en bloc.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. YOUNG of North Dakota. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. BURDICK. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ADDITIONAL FUNDS FOR THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 842, Senate Resolution 275.

The **PRESIDING OFFICER.** The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 275) providing additional funds for the Committee on Interior and Insular Affairs.

The **PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to; and the Senate proceeded to consider the resolution.

The **PRESIDING OFFICER.** The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That the Committee on Interior and Insular Affairs is hereby authorized to expend from the contingent fund of the Senate, during the Eighty-eighth Congress, $10,000 in addition to the amount, and for the same purpose, specified in section 134(a) of the Legislative Reorganization Act approved August 2, 1946.

MR. AND MRS. HARLEY BREWER

Mr. **HUMPHREY.** Mr. President, I move that the Senate proceed to the consideration of Calendar No. 770, H.R. 2772.

The **PRESIDING OFFICER.** The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 2772) for the relief of Mr. and Mrs. Harley Brewer.

The **PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. **HUMPHREY.** H.R. 2772 is now the pending business before the Senate. Is that correct?

The **PRESIDING OFFICER.** The Senator is correct.

RECESS TO 12 O'CLOCK NOON TOMORROW

Mr. **HUMPHREY.** Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The **PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to; and (at 1 o'clock and 48 minutes p.m.) the Senate took a recess until tomorrow, Wednesday, February 19, 1964, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 18 (legislative day of February 10), 1964:

POST OFFICE DEPARTMENT

Frederick C. Belen, of Michigan, to be Deputy Postmaster General, vice Sidney W. Bishop, resigned.

William M. McMillan, of Texas, to be an Assistant Postmaster General, vice Frederick C. Belen, elevated.

AGENCY FOR INTERNATIONAL DEVELOPMENT

William S. Gaud, of Connecticut, to be Deputy Administrator, Agency for International Development, vice Frank M. Coffin.

William B. Macomber, Jr., of New York, to be Assistant Administrator for the Near East and south Asia, Agency for International Development, vice William S. Gaud.

IN THE COAST GUARD

The following-named persons to be lieutenant commanders in the U.S. Coast Guard:

Marshall K. Phillips
Kenneth M. Lumsden
Gordon R. Campbell
Richard D. Mellette
Martin F. Groff
Robert E. Gardner
Clayton W. Collins, Jr.
Ralph G. Isacson
Ronald McClellan

The following-named persons to be lieutenants in the U.S. Coast Guard:

Harry D. Smith
Paul J. Bouchard
Daniel C. Mania
Richard H. Hicks
Robert E. Potts
Robert E. Diller
Harold E. Stanley
Billy R. Mull
Leroy W. Peterson
Carl W. Snyder, Jr.
Philip M. Lebet
Edward A. Walsh

IN THE NAVY

The following-named officers of the Navy for permanent promotion to the grade of rear admiral:

LINE

Luther C. Heinz
Ralph L. Shifley
Paul Masterton
George P. Koch
George F. Pittard
William M. McCormick
Robert L. Townsend
Herman J. Kossler
Noel A. M. Gayler
Kenneth L. Veth
Draper L. Kauffman
Eugene B. Fluckey
Harry Hull
Robert H. Weeks
Thomas H. Morton
John S. Coye, Jr.
Joseph W. Williams, Jr.
Arnold F. Schade
Charles E. Loughlin
James O. Cobb
Thomas A. Christopher
Robert A. Macpherson
Carlton B. Jones
Paul D. Buie
James R. Reedy
Henry S. Monroe
Lester R. Schulz
Lester S. Chambers
John H. McQuilkin
William F. Petrovic
James A. Brown

MEDICAL CORPS

Walter Welham

SUPPLY CORPS

Emory D. Stanley, Jr.
Stephen Sherwood

CIVIL ENGINEER CORPS

Alexander C. Husband

The following-named Reserve officers for permanent promotion to the grade of rear admiral:

LINE

James D. Hardy
Harry H. Hess
Eric C. Lambart
Thomas J. Killian
Leonard S. Bailey
William M. McCloy
Ralph G. Coburn, Jr.
Robert W. Copeland
Carl E. Watson
Leslie L. Reid
Robert H. Barnum
Charles E. Rieben, Jr.
Stephen E. Jones

MEDICAL CORPS

Moore Moore, Jr.

SUPPLY CORPS

Harold W. Torgerson
Edgar H. Reeder

CIVIL ENGINEER CORPS

Louis R. LaPorte

DENTAL CORPS

Alton K. Fisher

IN THE NAVY

The following-named officers of the U.S. Navy for temporary promotion to the grade of lieutenant in the line subject to qualification therefor as provided by law:

Abel, William H.
Abercrombie, Frank E.
Abernathy, William K.
Ablowich, Dean A.
Adams, Chester A.
Adams, James W.
Adams, Max L.
Adams, Raymond A.
Adams, Robert W.
Adcock, Thomas W.
Adler, Alan B.
Affourtit, Daniel J., Jr.
Ahern, James W.
Akers, Bruce
Akerson, Arthur C., Jr.
Albaugh, Cleve W.
Albers, Robert J.
Albert, William A.
Alden, John H.
Alexander, Dale E.
Alexander, Willis H., Jr.
Allain, Charles J.
Allen, Bert L.
Allen, George R.
Allen, James W.
Allen, Julian A.
Allen, Richard C.
Allen, Robert J.
Allen, Stanley E.
Allison, Robert E.
Allwine, Robert A.
Alrick, Richard D.
Alston, Vernon D.
Amantea, Thomas R.
Amend, Robert J.
Ames, Albert M.
Anderson, Charles E.
Anderson, Earl N. J.
Anderson, Gordon R.
Anderson, Gordon W.
Anderson, Ira B.
Anderson, James L.
Anderson, Lawrence G.
Anderson, Robert E.
Anderson, Thomas M.
Anderson, Varro D.
Andrasko, Michael B.
Andrew, Kenneth C.
Anglin, Hubert L.
Anselmi, Ernest A., Jr.
Anthony, John A., III
Anthony, John P., Jr.
Antonio, Robert J.
Aragona, Francis J.
Arbogast, James B.
Arkin, William E.
Armbruster, Robert E.
Arms, Fay H.
Arms, Philip B., Jr.
Armstrong, Charles E., Jr.
Arnaud Antoine J. A.
Arnett, Verlin M.
Arrasmith, Thomas M., III
Arsenault, Oscar W.
Ashbaugh, Charles I.
Ashley, Roger T.
Aspas, Paul T.
Aulenbach, Glen L.
Aurell, Donald L.
Ausley, Paul C., Jr.
Austin, Gene M.
Austin, Leon
Averna, Vincent S.
Avery, Charles G.
Avore, Malcolm A.
Ayre, Donald
Babb, Dewey E.
Babcock, William L.
Babiash, William E.
Bable, Samuel S.
Bacon, Daniel K.
Bacon. William S.
Baer, Robert D.
Baesman, Richard F.
Bahre, George L.
Bailer, Donald W., Jr.
Bailey, Charles E., Jr.
Bailey, Grover C., III
Bailey, Howard L.
Bailey, James H.
Bailey, Roy, Jr.
Bailey, Stanley J., Jr.
Baimbridge, Horace H.
Baird, Dean D.
Baird, James D.
Baker, Arthur J., III
Baker, Curtis L.
Baker, Hugh B.
Baker, Maurice R.
Baker, Robert J.
Baker, Robert P.
Baker, Wayne E.
Baker, Willard D.
Bakun, William D.
Baldwin, William E.
Ball, Willie H., Jr.
Ballard, James O.
Ballard, William C.
Ballou, Charles L.
Ballou, Thomas B.
Bancroft, William P.
Banes, Robert E.
Bangert, William R.
Banister, Richard M.
Banks, Richard
Bannan, Edward K.
Barber, Robert F.
Barber, Stephen W.
Banner, David R.
Barbre, George W.
Barclay, William A.
Bard, Stephen A.
Bareilles, John L.
Barell, John F.
Barlow, Johnnie T.
Barmes, Vernon T.
Barnaby, Kenneth A.
Barnes, Harley H., Jr.
Barnes, Harlan L.
Barnicle, Paul E.
Barns, David W.
Baron, Michael
Baron, Theodore L.
Barr, Charles T.
Barrett, Hoyt S.
Barringer, Larry E.
Barry, Kenneth R.
Barry, Richard D.
Bartels, Albert L.
Bartholomew, Joseph W.
Bartolett, Frank S., III
Barton, Glenn L.
Barton, Jere A.
Bartusek, Marion E.
Basham, Darell C.
Bashaw, Lloyd W.
Bass, William F.
Bassett, James R.
Batchellor, John K., Jr.
Bates, George E., Jr.
Bates, Henry W.
Battaglia, William F.
Batterton, George B.
Batti, Donald E.
Baublitz, John E.
Bauer, Jerry F.
Baumann, Arthur C.
Baumer, Donald G.
Baxley, Jarman G.
Baxter, James B., Jr.
Bay, Warren H.
Bazzel, Roderic C.
Beach, Venton E.
Beam, Henry H.
Beam, James C.
Bearshall, Elmer W., Jr.
Beatty, Thomas J.
Bechtold, Joseph M.
Becker, Robert E.
Bee, Fred A.
Beebe, Bruce A.
Beech, Henry D.
Behling, Henry J.
Belford, Ralph W.
Bell, Charles F.
Bell, Gary E.
Bell, Ned D.
Bell, Nolie L.
Bell, Robert W., Jr.
Belmont, Richard J.
Bender, Thomas J.
Benge, Albert H.
Benites, Robert D.
Bennett, Hugh M.

Bennett, Roger L.
Bennigson, Lawrence A.
Benoit, Felix
Bensinger, Darrell L.
Benson, James H.
Benson, Jerome E.
Benson, Leo, III
Benson, Perry S.
Benson, Peter H.
Berg, George W., Jr.
Bergert, James W.
Bergmann, Leland D.
Berigan, Francis M.
Berkey, Lloydallan
Berklite, Ronald B.
Berkowitz, Ross
Berry, James T.
Berry, Kenton C.
Berube, Raymond E. Jr.
Best, James B.
Betterton, Don M.
Betz, Dale S.
Beumer, Theodore H.
Beveridge, Jerry D.
Beyrle, Robert F.
Bicknell, James N.
Bickum, Gilbert W.
Biermann, Kenneth E
Biggerstaff, Paul O.
Billings, David J.
Billings, Robert A.
Binder, Donald
Birchett, John A. K., III
Birtwistle, Richard, III
Bisbing, Raymond H.
Bishop, Arles R.
Bishop, John A.
Bissell, Allen M.
Bissing, Walter W.
Bittner, Francis E.
Bixby, Joseph A.
Black, Oscar T.
Black, Phillip R.
Black, Rudolph R.
Blackburn, William J.
Blackstock, Fletcher L
Blair, Charles R.
Blair, Joseph H., Jr.
Blair, Nelson A.
Blakeley, James H.
Blanchard, Everiste J.
Blanding, Richard L.
Blankenship, Thomas C.
Blick, Ernest C.
Bliss, Robert B., II
Blockinger, Alvin F., Jr.
Blome, Dennis J.
Blomquist, Richard O.
Blood, David H.
Bloodsworth, George E.
Bloore, John L.
Blubaugh, John G.
Blum, Ervin R.
Blunden, Alec R.
Boarman, John T.
Bodenner, George E.
Boecker, Donald V.
Boesenberg, John J.
Boggs, Dallas B.
Bohn, Charles J., Jr.
Bolczak, Wallace L.
Bolden, David R.
Bolinger, Charles W.
Bond, Duane A.
Bond, Lawson G.
Bone, Charles R.
Boney, David B.
Bonham, Charlie L.
Bonnel, Gordon A.
Bonneville, Joseph E., Jr.
Bonsall, Donald E.
Bonsky, William F.
Boomgaarden, Marvin E.
Boose, Donald E.
Booth, Ronald J.
Boreen, Allen R.
Borges, Robert P.
Bornemann, Alfred
Borris, Charles M.
Borinem, Russell A.
Bos, Peter G.
Bost, Donald W.
Boswell, Freddie L., Jr.
Bouchillon, Milton D.
Bourke, Robert H.
Bouscaren, William J.
Bowdoin, Bernarr M.
Bowen, Alfred G.
Bowley, Frederick C.
Bowling, Weldon J.
Bowman, Peter B.
Bowman, Robert J.
Bowser, John V.
Boyd, Thomas M.
Boyd, William T., III
Boyer, Larry A.
Boylan, James D.
Boyle, Francis J.
Boyle, Robert H.
Boyles, Aubrey L.
Bozarth, Jack E.
Bracken, Robert T.
Braden, Morse S.
Bradford, Alfred E.
Bradford, Erby D.
Bradt, Donald E.
Brady, John B.
Brandon, John R.
Brandquist, Roland
Branham, Powers E., Jr.
Branson, Harry W., Jr.
Bratton, James E.
Braun, Frank B.
Breckenridge, Donald R.
Bregenzer, Karl E.
Brehm, James H.
Brenton, Robert J.
Brewer, Eddie R.
Brewer, Shelby T.
Brewer, Vincent E.
Brice, Ronald R.
Bright, Calvin F.
Brimmage, Kirby L.
Bringhurst, William, Jr.
Bristol, William W.
Broach, John C.
Broadfield, Donald E.
Broadwell, William R.
Brocken, John F., Jr.
Brockhausen, Frederick C., Jr.
Brockman, John L., Jr.
Broglio, John D.
Brooks, Edward W.
Brooks, James S.
Brooks, Robert H.
Brouhle, William R.
Brown, Baldwin B.
Brown, Charles K.
Brown, Chester A.
Brown, Clyde E.
Brown, Donald H.
Brown, Edward E.
Brown, Elbert L., Jr.
Brown, Floyd W.
Brown, George R.
Brown, Harold E.
Brown, Lester M.
Brown, Marion L.
Brown, William L.
Browning, Robert E.
Bruen, Richard J.
Brugman, Thomas C.
Brundridge, Harry L.
Bruntlett, Carl E.
Brust, Philip J.
Bryan, John W.
Bryan, Timothy E.
Bryant, Cordis C.
Bryant, Donald W.
Bryant, Ernest W.
Bryant, Raymond, Jr.
Bryant, William H.
Bryant, William J.
Buchans, James C.
Buchart, John R.
Buehler, Roy R.
Buie, Ralph H.
Bullock, James P.
Burdett, Hubert W., Jr.
Burdett, Lawrence P.
Burdge, Ronald E.
Burgess, Kenneth L.
Burke, Robert D.
Burkette, Jerry W.
Burkhard, Charles D.
Burnett, William C.
Burnette, Ray E.
Burnham, Robert C.
Burnham, William T.
Burns, Walter W., Jr.
Burroughs, Eugene S., III
Burrows, Melvin M.
Burton, Robert E.
Bush, Thomas O.
Bush, William J.
Bushouer, Ronald F.
Butler, David E.
Butler, Harry P.
Bybee, Raymon A.
Byrne, Barry J.
Byrne, Edward M.
Byrne, Robert A.
Byrnes, Albert M.
Byrnes, Henry F., Jr.
Callahan, Thomas J.
Callaway, Linnaeus T.
Callaway, William E., Jr.
Calvert, William R.
Cameron, James J.
Cameron, Robert F.
Cameron, Thomas A.
Camp, William P.
Campbell, Albert M.
Cannon, William T.
Canup, Theodore, Jr.
Capito, George R.
Carbajal, Ruben
Carey, William F.
Carlson, Frederick P.
Carlson, Gary L.
Carlson, John A.
Carlson, Patrick J.
Carman, Jesse L.
Carnathan, Fred H.
Caron, Francis O.
Carpenter, John D., Jr.
Carper, Teddy G.
Carr, Robert E.
Carrier, Milton G.
Carroll, Francis L.
Carruthers, David G.
Carson, Harold R.
Carson, Richard L.
Carter, Charles W. P.
Carter, Frederick T.
Carwin, Paul L.
Case, Calvin W.
Casey, Stephen H.
Cassaday, Charles R.
Castle, Willis R.
Caswell, Gordon C.
Cater, Charles E.
Cates, Donald E.
Cathey, Carl D.
Catron, Delbert F.
Cavey, Morris N.
Cawthon, Alon E.
Caylor, Daniel R.
Cecil, John P.
Cerul, John P., Jr.
Cesario, Richard A.
Chabot, Peter G.
Chain, David A.
Chalifour, Clark L.
Chambers, Thomas D.
Chancy, Eugene J.
Chandler, Harold, Jr.
Chapman, Charles A.
Charters, Michael F.
Chase, Leroy O.
Chetion, Edward E.
Chenard, John H.
Chenoweth, Eldred E.
Cherry, William G., Jr.
Chesnutt, Billy
Chew, David G.
Chidlow, Douglas O.
Childers, John V.
Chiles, Henry G., Jr.
Chrisman, Rex C.
Christensen, Merle L.
Christian, Howard B.
Christian, John T.
Christopher, Charles E.
Church, Edgar C.
Cima, Frank J.
Ciocca, Michael A.
Ciotti, Anthony
Cislo, Walter J.
Claman, John S.
Clark, Alfred L.
Clark, Daniel B.
Clark, Donald D.
Clark, George N.
Clark, Joseph A.
Clark, Kenneth G.
Clark, Menzo T.
Clark, Theodore L.
Clark, Warren H.
Clark, William M.
Clark, William E.
Clark, William T.
Claunch, James I.
Clawson, Carl H., Jr.
Claxton, Irvin O.
Clay, Theodore A.
Clemente, William J.
Clements, Thomas J.
Clemons, Melvin B.
Cler, Alfred J., Jr.
Cleveland, Spencer
Clexton, Edward W., Jr.
Click, Raymond D.
Clift, Jesse C.
Clifton, William E.
Clinton, John J.
Cloutier, Adore H.
Clover, Glen E.
Coates, Thomas A.
Cockram, John C.
Cofer, Horace G.
Coffelt, Robert O.
Coffey, John A.
Coffey, Wiley E., Jr.
Cogdell, Gary B.
Cogdill, Thomas J.
Colburn, Richard E.
Colby, Kenneth R.
Cole, Joseph D.
Cole, Kennard E.
Cole, William F.
Colegrove, Robert J.
Coleman, Glenn W.
Coleman, Jessie V.
Coleman, Thomas M.
Coleman, William E.
Coles, George E., Jr.
Colkitt, George R., Jr.
Colley, Michael C.
Collicott, Charles R.
Collier, Wilmer G., Jr.
Collins, Bernice W.
Collins, Dan E.
Collins, Ed N.
Collins, William T.
Colonna, Michael A.
Combemale, Jeanloup R.
Comeau, Charles R.
Comiskey, Michael R.
Condit, Norman E.
Confer, William A., Jr.
Conner, Lewis W.
Conner, William T., Jr.
Conner, Willis D.
Conyers, Thomas R.
Cook, Charles I.
Cook, James J.
Coolican, Donald J.
Cooper, Jerry A.
Cooper, Paul W., Jr.
Corbeille, Reginald C.
Cordell, Glen D.
Corkill, James L.
Cornwell, Alton E
Correll, Robert A.
Correll, Robert D.
Cote, Arthur J.
Cotterman, Andrew G
Coughlen, Thomas D.
Coughlin, Daniel T., Jr.
Coulapides, Anthony C.
Coulter, Glenn R.
Counsil, William G.
Court, Charles W.
Courtney, James R.
Cowan, Herbert W.
Cowan, William L.
Cowles, David E.
Cox, Charles J.
Cox, Donald J.
Cox, Joseph W.
Cox, Larry G.
Cox, Lynn O.
Cox, Paul L.
Cox, Thaddeus C.
Craig, Charles E., Jr.
Cranford, Leon B.
Craver, William D.
Crawford, Denis H.
Crawford, John C.
Crayton, Johnny L.
Craze, James W.
Creed, William K.
Creter, Arthur P., Jr.
Crigler, Charles H.
Crisman, John C.
Criste, David M.
Crockett, Richard L.
Cronfel, Ramsey L.
Crossland, Clifford T.
Crow, Hugh E.
Crow, Robert L.
Crowder, Kenneth L.
Crowder, Thomas E.
Crowley, Lawrence F.
Csernelabics, Richard C.
Cullen, Donald C.
Cumella, Walter S.
Cumm, Homer J., Jr.
Cummings, Michael G.
Cummings, Vincent P., Jr.
Cummins, Glen S.
Cummingham, Glenn J.
Cunningham, Donald E.
Cupp, Larry L.
Curling, Fred B.
Curtis, Grant R.
Curtis, Jon E.
Curtis, Thomas G.
Curtiss, Daniel J.
Dahlem, Francis E.
Dahlgren, Arthur W.
Dahlgren, Charles E.
Daily, Donald E.
Daily, Roger M.
Dale, Henry
Dalessio, Robert M.
Danforth, William L.
Dankievitch, John A.
Darling, Frank R.
Daschbach, Joseph F
Dascombe, Ronald E.
Davidson, Dennis M.
Davidson, Richard E.
Davidson, William G., III
Davies, Robert L.
Davies, William E., Jr.
Davis, Doyle L.
Davis, Francis J.
Davis, George W., VI
Davis, Jack A.
Davis, Leonard G.
Davis, Richard B.
Davis, Vibert H.
Day, Robert O.
Deaton, John H.
Decker, Cecil E.
Decker, John P.
Deehan, Paul K.
Dehaemer, Michael J.
Dehler, Richard F.
Dehn, William S., Jr.
Delamorton, Howard F. B.
Deloach, Jesse H.
Deloury, Edward M., Jr.
Delp, George D.
Delpaine, Nick, Jr.
Delude, Howard D.
Demirjian, Edward
Demitropoulos, Alexander
Dempsey, Richard E.
Dempster, Duncan F.
Denberger, Jerome N.
Denn, George E., Jr.
Dennis, Merrill L.
Denson, James K.
Deore, Donald A.
Depperschmidt, Robert F.
Deptula, Joseph
Derouin, Norman E.
Derr, Thomas A.
Dettloff, Edward D.
Devenny, John P., Jr.
Devine, Ralph R.
Devine, Thomas W.
Dewinn, Donald A.
Dexter, Dillon C.
Diamond, Glenn B.
Dibble, John P.
Dickinson, Norman R.
Dickson, Paul B.
Dietrich, Lawrence H.
Digiovanni, Armand F., Jr.
Dilley, David
Dillingham, Donald R.
Dillon, John P.
Dimartino, Joseph D.
Dinger, Harlan E.
Dinning, Donald McP.
Dirksen, John V.
Dix, Donald W.
Dobbie, Donald W.
Dobes, Joseph C.
Dobrosky, John
Dodd, James H., Jr.
Dodge, Elmer L., Jr.
Dodson, Richard E.
Doege, Arthur G.
Dolan, Peter B.
Donahue, James R.
Donahue, Thomas M.
Donnelly, John J.
Donofrio, Anthony L.
Donovan, Larry C.
Dooley, John J.
Doose, John C.
Dorrough, Vernon R.
Dothard, Joseph R.
Dotterer, Kenneth R.
Dougherty, Thomas G.
Doughty, Robert
Douglass, Willie B.
Dovalgo, Richard R.
Dowell, George W., III
Downey, Edward V.
Downey, Harry J.
Doyle, John F.
Draper, Lilbourne E.
Draughon, Harry C., Jr.
Dreher, Robert H.
Dressor, Robert F.
Drummond, William K.
Drury, Melvin R.
Duchnick, Stanley M.
Dudley, James I., Jr.
Duff, Robert D.
Duffy, Francis K.

Duffy, James F.
Dufore, Maurice C.
Duggan, Edward H., Jr.
Duley, Donald G.
Duling, Martin L.
Dunbar, Bartlett S.
Duncan, Angus F.
Duncan, John W.
Duncan, Lawrence D.
Dunlap, Howard D.
Dunlop, Herbert J.
Dunn, Gilliam S.
Dunn, James M.
Dunn, Stephen
Dunne, Lawrence E.
Dupont, Robert A.
Durkin, Wallace M.
Durocher, Joseph W.
Dutton, Bruce M.
Dvorak, Allan R.
Dye, Jessie D.
Dyer, Harold D.
Dyke, Conrad S.
Dzema, John
Earl, Frank S.
Earle, Joseph T.
Earle, Ronald L., Jr.
Eaton, Allan L.
Eayre, Dean C.
Eberle, John D.
Eberlein, Bernard E.
Eckerman, Orvin E.
Edgar, Peter D.
Edwards, Ronald
Eighme, Dean W.
Eilertsen, James T.
Ekberg, Elden A.
Elkins, Paul, W.
Elliott, Robert O.
Ellis, Elwood G.
Ellis, Martin A.
Ellis, Russell D.
Ellis, Willie C.
Ells, Marvin R.
Elmore, Cleo A.
Elmquist, Robert J.
Elster, Robert E.
Embry, Hugh C.
Emrick, Grover O.
Endsley, James E.
Enriquez, Jose
Erdei. Elmer A.
Ernest, Charles L.
Eshom, Roy L.
Esslinger, Jon H.
Estep, Fred R.
Etchells, Edward J.
Evans, Harry H.
Evans, Homer D.
Evans, James R.
Evans, Neal C.
Evans, Oliver K.
Evans, William E.
Evans, William L.
Evans, William R.
Everding, George A.
Everman, Leon E.
Everson, Richard W.
Ewalt, Frederick M.
Ewing, Keith R.
Fadden, Byron M.
Fahsbender, Thomas F.
Falk, Dennis J.
Faller, Arthur R.
Fallin, Thomas B.
Fang, George W.
Fant, Iley W.
Farley, Robert T.
Farnham, Robert
Farrell, Norman L.
Farris, Claude P., Jr.
Fay, Frederick O., Jr.
Fay, Vincent P.
Febel, Joel W.
Fee, Jerome J.
Felguth, Ernest G.
Felix, Dennis F.
Fellis, Richard T.
Fellows, John A.
Fenn, Michael R.
Ferguson, Harry R.
Ferguson, Norman C.
Fernandez, Harvey M.
Ferranti, Nicholas A.
Ferrell, John C.
Ferris, Raymond B.
Fetterman, Leroy W.
Fiedeldey, Joseph W., Jr.
Field, Royal R., Jr.
Fields, Floyd H., Jr.
Fields, George W.
Finkelstein, Milton M.
Finucan, Thomas E.
Firebaugh, Charles D.
Fischer, Charles F., II
Fisher, Ben H.
Fisher, Cornelius W.
Fisher, George D.
Fisher, Robert A.
Fisher, Thomas J.
Fitzgerald, Raymond N.
Fitzgerald, James F.
Fix, James E.
Flanigan, Alan H.
Fleitz, William V., Jr.
Fleming, Charles H., Jr.
Fleming, Michael J.
Flesch, Robert W.
Flinn, John E.
Florance, Earle S.
Flores, Arthur J.
Fluke, John W.
Flynn, Gerrish C.
Flynn, Henry M., Jr.
Flynn, William J.
Foberg, Raymond H.
Foery, Donald G.
Fogel, Edwin L.
Foley, James A.
Foley, William H., Jr.
Follett, John R.
Folstad, Hartley I.
Folta, Kenneth D.
Folts, Roger H.
Ford, Marvin J.
Foreman, Earl L.
Forsman, Jalmar F., Jr.
Fortenberry, William S.
Fortney, Doyle W.
Foster, George S.
Foster, Hiram A.
Foster, Ralph V.
Foster, William Leslie, Jr.
Foster, William Lewright
Fournier, Leo R.
Fowler, Richard C.
Fox, Henry W.
Fox, Joe E.
Fox, Robert E.
Foy, Frederick D.
Frailey, Julius R.
France, Donald F.
Frank, Sammy L.
Franklin, David C.
Fraser, Dale H.
Frasher, John A.
Frazier, Kendall L.
Freedman, Leonard A.
Freehill, Robert L.
Freeman, Michael H.
Freiberg, Harold M.
Freiheit, James E.
Fresco, Nace E.
Friedmann, Alfred R.
Friend, Leslie E.
Frontz, Richard F.
Frost, Norman C., Jr.
Fuller, Donald S.
Fuller, Richard E.
Funston, Walter H., Jr.
Furlong, Joseph W.
Furnholm, William G.
Furr, Jack C.
Fuss, Donald D.
Fussell, William R., Jr.
Gadsby, Donald F.
Gagliardo, James E.
Gailey, Lonnie D., Jr.
Galamaga, Donald P.
Gale, Earl L.
Gallagher, Thomas J.
Gallagher, James T.
Gallagher, Michael T.
Gallegos, Joe R.
Galloway, Earl W.
Gamba, Robert V.
Gandy, Asa J.
Gardner, Heisey E.
Garduno, John F.
Garfield, Peter J.
Garner, Richard E.
Garrett, Loren E.
Garrison, Joe R.
Garver, Bruce M.
Gasser, Robert E.
Gauthier, Charles C.
Gauthier, David P.
Gavlak, Michael W.
Gaydos, Cyril M. G.
Geer, David W.
Gehman, Thomas E.
Gehrlich, Richard E.
Geiger, William A.
Geiling, Terry L.
Gelinas, Norman H.
Geller, John B.
Gephart, Ernest B.
Gerasimoff, Philip J.
Gerber, Eugene D.
Gerity, Robert S.
Germain, Russell F.
Gershon, Jon J.
Gessner, Lynn E.
Gibason, Edward T.
Gibson, Harvey D.
Gibson, James W.
Gieseke, William D.
Gieske, Neal D.
Gilbreath, David S.
Gilchrist, Orville L.
Gill, Donald L.
Gillen, Robert F.
Gillespie, William M.
Gillespie, Clarence E., Jr.
Gillett, Lewis C., Jr.
Gillis, John W.
Gilstrap, James R. L.
Gingles, William G.
Gingold, Joel E.
Gipson, Jack D.
Glaspell, Grayson M.
Glotfelty, Robert L.
Gneckow, Gerald E.
Godwin, Gordon T.
Goff, Franklin L.
Goforth, James E., Jr.
Golden, George H., Jr.
Golden, Mark M.
Gonsalves, David
Goode, Sanchez
Goodrich, Walker R., Jr.
Goodwin, Willis M.
Gorecki, Walter
Gordon, Bradley W.
Gordon, Frank
Gordon, Max H.
Gosselin, Henry E., Jr.
Gost, William J.
Goubeaux, Richard F.
Gould, Daniel H.
Gould, George W.
Grafel, Lynn H.
Grafton, Jay T.
Graham, Ernest A.
Graham, Frank
Graham, James R.
Graham, William B.
Graham, William W.
Grant, Carroll D.
Grant, Dale P.
Grantham, Frank H.
Graves, Bibb L.
Gray, Gordon L.
Green, Conrad G.
Green, Lorin D.
Green, Richard M.
Greenberg, Abe
Greenberg, Samuel J.
Greene, Cecil M.
Gregg, William G.
Gregory, James W.
Greninger, John J.
Gretter, Gary J.
Gridley, Robert H.
Griffin, Clyde W.
Griffin, Robert N.
Grimes, Fred H.
Grisemer, Alan N.
Grochowski, Edward F.
Groggett, Richard W., Jr.
Grose, Herbert T.
Groth, John F.
Growe, Robert G.
Grunstra, James
Grzech, Leon W.
Guess, Robert E.
Guglielmo, Salvatore F.
Guice, Louis K.
Gustavson, Roy S.
Guter, Richard J.
Haas, Phillip E.
Hadley, Richard J.
Hafer, Otto D.
Hagen, John M.
Hagerty, Cornelius J., Jr.
Haggerty, John F.
Haines, Floyd C.
Haisten, John, Jr.
Hakanson, Gary E.
Haker, Carl L.
Haldiman, Martin F.
Hale, Frederick G.
Hall, Benjamin S.
Hallman, Lee A.
Hallowell, Benjamin H., Jr.
Halpin, Hugh
Hamby, Thomas, Jr.
Hames, William J.
Hamilton, Plez
Hamilton, Richard T.
Hamilton, William C., Jr.
Hamm, Roger G.
Hamm, William D.
Hammer, Karl L.
Hammond, Charles M., Jr.
Hamon, Richard W.
Hampson, Harry W.
Hampton, Thomas D.
Hanberry, Royce S.
Hancock, Eugene W.
Hancock, James E.
Hand, David R.
Hanes, Quanah C.
Haney, Raymond E.
Hankins, Jack T.
Hansen, Eigil L., Jr.
Hansen, Kirby W., Jr.
Hansen, Roy E.
Hanson, Ralph E., Jr.
Hanson, Ronald D.
Hanvey, James W.
Harden, Jon D.
Hardesty. Michael A.
Hardgrave, James L.
Hardin, Billie R.
Hardin, Bruce H.
Hardman, Herbert F.
Hardt, William A.
Hargrave, Paul E.
Hargrove, James C.
Harker, Donald A.
Harkness, Melvin D.
Harmer, William H.
Harmon, Edward K.
Harmon, Elmer L., Jr.
Harnadek, Joseph J.
Harrell, Richard E.
Harris, Carl E., Jr.
Harris, "J" "M"
Harris, Jack D.
Harris, William J.
Harrison, Granvel L.
Harrison, Joe P.
Harrison, Marion C.
Harrison, William L.
Hart, Clifford A.
Hart, Edward M.
Hart, Irving H., III
Hart, John A.
Harter. Gary L.
Hartman, Clarence P.
Hartman, Herbert C.
Hartsell, Clyde W.
Hartz, Edward E.
Haskell, Edward G.
Haskell, Richard D.
Hassel, William G., Jr.
Hastie, William J.
Hatchett, Monroe T.
Hatfield, Everette
Hatley, Carmon W.
Hatton, William C.
Haughton, David E.
Haungs, Richard E.
Havery, John W.
Hawkey, Robert J.
Hayes, Charles W.
Hayes, James W.
Hayes, Raymond R.
Hays, Jimmie D.
Hays, Russell O.
Hazard, Edward P., Jr.
Hazelwood, Ernest R.
Hazucha, Paul C.
Heacock, Louis W.
Head, Thomas A.
Healy, Patrick R.
Heasley, Allen D.
Heath, David M.
Heckman, Ronald W.
Heckman, Robert J.
Hedley, Peter F.
Heffernan, Charles F.
Heger, Wayne F.
Hegg, Daniel R.
Heilpern, Roger F.
Hellyer, James A.
Helms, David F.
Helms, Lawrence S.
Helsley, Jack
Hemry, Jack M.
Henderson, Thomas S.
Hendry, John A.
Hennessey, John T.
Henning, Harold E.
Henrizi, John T.
Hensley, Hershal W.
Hepburn, Raymond G.
Herbein, John G.
Herbert, Robert W.
Herkert, Richard H. H.
Herring, "J" Michael
Hervey, John C., Jr.
Hess, Aubrie D.
Hettich, Bobby S.
Heuberger, Nathan A.
Heying, Ernest H.
Heyneman, Russell E.
Hickey, Dennis J., IV
Hickey, Edward F.
Hickman, Joseph C.
Hickman, Junior D.
Hicks, Horace R.
Hicks, William D.
Hilder, Lewis E.
Hill, Charles W, Jr.
Hill, Frederick W., Jr.
Hindal, Marvin O.
Hinely, Elliott P.
Hinkel, Jay E.
Hinkel, Ronald W.
Hinton, Aloneous S., Jr.
Hite, Thomas H.
Hixson, John D.
Hoch, Robert G., Jr.
Hodges, Myron W.
Hoecker, Richard G.
Hoernlein, Russell P.
Hoffman, Carl K.
Hoffman, Drake A.
Hoffman, Hubert L.
Hoffman, Joseph F., Jr.
Hoffman, Richard P.
Hoke, John R., II
Holcomb, Edward L.
Holden, Durward B.
Holland, Donald M.
Holloway, Richard E.
Holmes, John A.
Holmes, Roland E.
Holtz, Robert S.
Hood, William J.
Hood, William S., Jr.
Hoppin, Thomas B.
Horn, Floyd E., Jr.
Horn, Frank G.
Hornaday, Gregg W.
Hornsby, Michael D.
Horsch, Arthur R.
Horton, Andrew S.
Horton, Jack O., Jr.
Horton, Norman L.
Howard, Albert O., Jr.
Howard, Lee F.
Howe, Donald L.
Howell, Frederick J.
Howell, Norman B.
Howell, Swebston S., Jr.
Howerton, Norman J.
Hubbard, Charles W., Jr.
Hubbard, Clarence H.
Hubbard, Orrin E.
Hubbard, Terrence C.
Huberman, Benjamin
Hudson, Jack D.
Hughes, Emerson J., Jr.
Hughes, Joe P.
Hughes, Royston C.
Hughes, Roy J.
Hugo, James W.
Huhn, John H.
Hulvershorn, Frederick W.
Hunnell, William R.
Hunt, Frank M., Jr.
Hunt, George W., Jr.
Hunter, Jack E.
Hunter, Raymond A.
Huntley, Donald E.
Hurlburt, Joseph S.
Hutchins, James R.
Hutchinson, Aubry B.
Hutt, Thomas E., Jr.
Hyde, Thomas A.
Hyde, Walter J.
Ianucci, Robert J.
Ide, Henry C.
Ieuter, Fredric E.
Ilg, Raymond P.
Inderlied, William T., III
Ireland, Delbert H.
Irons, Gary S.
Irvine, Kenneth M.
Irving, Verne H.
Isaksen, George A.
Isenburg, William, Jr.
Ivy, Richard G.
Iwatsu, David K.
Jackson, John P.
Jacobs, Lawrence R.
Jacobson, Clyde A.
Jacobson, Gerald
James, Aaron C.
James, John D.
James, Stephen R.
Janes, Cornell M.
Janke, Roger A.
Jaskolski, Kenneth J.
Jaye, James M., Jr.
Jeffreys, Robert E.
Jenkins, Clifton W.
Jenkins, Wendal L.
Jennings, Lawrence F.
Jennings, William T.
Jensen, James L., Jr.

Jensen, Melvin H.
Jerding, Frederick N.
Jerrell, Donald G.
Jeske, Donald C.
Jochem, Raymond D.
Joerres, Donald C.
Johannesen, Robert E.
Johniken, Teddy A.
Johns, Homer C., Jr.
Johns, James E.
Johnsen, Donald C.
Johnson, Albert P., Jr.
Johnson, Clayton A.
Johnson, Clayton J.
Johnson, Clinton B.
Johnson, Donn R.
Johnson, Frederick B.
Johnson, Iver R.
Johnson, James E.
Johnson, James W.
Johnson, Joseph H.
Johnson, Kenneth A.
Johnson, Kenneth S.
Johnson, Kenneth
Johnson, Larry D.
Johnson, Melvin E.
Johnson, Robert C., Jr.
Johnson, Ronald B.
Johnson, Ronald E.
Johnson, Stephen, Jr.
Johnston, Douglas M., Jr.
Johnston, James R.
Johnston, Lawrence H., Jr.
Johnston, Robert A.
Jones, Calvin L.
Jones, Charles D.
Jones, Gordon S.
Jones, Hugh S.
Jones, Jerry S.
Jones, John R.
Jones, Joseph J.
Jones, Keith S.
Jones, Raymond G., Jr.
Jones, Robert E.
Jones, Ronald L.
Jones, Wallace E.
Jones, Walter R.
Jones, William H.
Joost, Rodney E.
Jordan, Alexander J., Jr.
Jordan, Aubrey H.
Jordan, John L., Jr.
Jorgensen, Ejnar O.
Jortner, Marvin W.
Joy, Joseph E.
Juergens, Kenneth C.
Junker, Howard R.
Kaelin, James N.
Kagy, Virgil C.
Kahler, Robert C.
Kalb, David G.
Kalenowsky, John E.
Kanady, Garland H., Jr.
Karampelas, Angelo N.
Karl, Daniel D.
Kartvedt, Maynard O.
Kauffman, Lawrence B.
Kaullen, Fred P.
Kay, Francis D.
Kazebee, Raymond G.
Kear, Patrick V.
Kearney, Laurence J., Jr.
Keating, Arthur L.
Keen, Burlin J.
Keenum, Guy
Keepin, Robert H.
Kehm, William C.
Keinrath, Frank C.
Keister, Jamieson C.
Keith, Joseph
Keithline, William W.
Keliikoa, Edward N.
Kelley, Thomas G.
Kelly, Michael J., Jr.
Kelsay, Leslie R.
Keltner, Jackie L.
Kennedy, Eugene M.
Kennedy, Jerry F.
Kennedy, Joseph A.
Kenney, John M.
Kennon, Jack A.
Kephart, Robert M.
Kephart, Robert V.
Kerner, Leon W.
Kerns, Alexander H.
Kerns, Ernest C.
Kerns, Lyle K.
Kesler, Gene P.
Key, Paul L., II
Khoury, Charles R., Jr.
Kilgallon, James R.
Killen, Kenneth B.
Killinger, Edwin E.
Kincheloe, Lawrence R.
King, James W.
King, Jerry C.
King, Kenneth P.
King, Tom M.
Kingsbury, Karl C.
Kingsley, Frederic T.
Kinney, James R.
Kinnie, Phillip B., Jr.
Kirklen, Jack L.
Kiser, Hoyt, Jr.
Kiser, William R.
Kishel, Gene F.
Kitch, Dale
Kitzmiller, Oscar V.
Klausegger, Robert B.
Kling, Thomas C., Jr.
Klingebiel, Alfred C.
Knapp, Carl A.
Knight, Dennis R.
Knight, Vaughn L.
Knoll, John R.
Knorr, David J.
Knouse, Phillip K.
Knowles, Charles E.
Knutz, James E.
Koberg, John A.
Kobylarczyk, Clarence E.
Koch, Charles E., II
Koh, Barry
Kohl, Orlin A.
Kohut, Joseph J.
Konetchy, George J.
Konewko, Everett L.
Koontz, Ronald L.
Korbs, Donald E.
Korchek, Charles S.
Korte, Joseph N.
Kortge, Bernard W.
Korzensky, George J., Jr.
Kowall, Robert J.
Kramer, Harvey F.
Krause, Eugene S.
Kreassig, Richard M.
Kreiner, Edward T.
Kreps, Oren A.
Krese, Robert A.
Kretschmar, Karl H.
Kristensen, Gail A.
Kromer, Ronald C.
Kropac, John R.
Kroyer, George P.
Krulisch, Alan H.
Kubishen, Michael A.
Kuckelkorn, Josef S.
Kuhlman, William
Kuhrt, Edward C.
Kujawa, Gail S.
Kundrat, Reginald
Kunkle, Robert E.
Laber, George E.
Lablanc, Harold S.
Lacette, Robert L.
Lachnicht, John F.
Lafferty, Patrick J.
Lafrance, Gerald
Lain, Calvin E.
Laipply, Charles T.
Lairson, Don D.
Lake, John T.
Lakin, Charles R.
Lamb, Donald K.
Lamb, Jay W.
Lambertson, Roy F., Jr.
Lambertson, Wayne R.
Lammers, Lennis L.
Lamontagne, Richard R.
Land, Walter R.
Landry, John A.
Lane, Clinton R.
Lane, "J" "D"
Lane, John W.
Lang, James R.
Lang, Joseph M., Jr.
Lang, Peter T.
Langdon, Stewart D.
Langen, Joseph H.
Langston, James D.
Lanham, Michael S.
Lanini, Harold M.
Lanning, Bruce E.
Lanouette, Raymond F.
Lansdowne, Alan E.
Lantz, Phillip E.
Large, Elwyn F.
Larkin, Eugene F., Jr.
Larsen, Lawrence M.
Larsen, Richard M.
Larson, Richard H.
Larson, Stanley M.
Lasch, Charles A.
Latimer, Peyton R
Laukattis, Edward F.
Laurvick, Richard E.
Laux, William J.
Lavelle, John M.
Lavery, Richard J., III
Lawinski, Henry A.
Lawrence, Frederick W.
Lawrence, Henry L. H., Jr.
Lawson, Fred W.
Leader, John C.
Leahy, John F., III
LeBlanc, Henry R.
Lebrecht, Clifford W.
Ledbetter, Gary C.
Leduc, Ernest R.
Lee, Lawrence L.
Lee, Robert C.
Lee, Tommy H.
Lees, Michael J.
Legare, Thomas C. R., Jr.
Leggett, Melvin E.
Lehane, Jeremiah J., Jr.
Leimonas, Sigitas
Leipold, Frederick J.
Lekebusch, Adolf O.
LeMaster, James L.
LeMaster, Morris
Lemond, William T.
Leonard, William J.
Leszczynski, Edward J.
Letourneau, Joseph R. L.
Lettington, Thomas F.
Levasseur, Rudolph G.
Levasseur, Marshall J., Jr.
Levesque, Raymond D.
Levin, Victor
Levine, Emil H.
Lew, Girard T.
Lewis, Harry C.
Lewis, Porter, Jr.
Lewis, Ralph M.
Lewis, William E., Jr.
Libert, John J.
Lickfold, Frederick R., III
Lightner, Robert B
Lilly, Joseph W.
Lind, Eugene E.
Lindsay, George W.
Lindsey, James A.
Lindstrom, Gordon E.
Linendoll, John A.
Linn, Joe E.
Lippold, Walter J.
Littell, Gerald L.
Litten, Robert A.
Littlefield, James W.
Litzinger, Richard F.
Livingston, James M.
Livingston, Gerald W.
Lloyd, Roger M.
Lloyd, Roger W.
Lloyd, William B., Jr.
Locher, James R.
Locher, William W.
Lockie, William E., Jr.
Loden, Richard L.
Loebel, Leonard F.
Logan, Alexander S.
Logan, Billy B.
Logue, John F.
Logue, Richard J.
Lomax, Norman
Long, Gaeton, A., Jr.
Long, Joseph
Long, William C.
Longdon, Robert S.
Longmeier, Norman H.
Longton, Edward B.
Loonam, Bernard J.
Lopresti, Frank P.
Love, Bonnie R.
Lovejoy, James L.
Loveland, Kenneth W.
Loveland, Lynn S.
Lowe, Robert W.
Lowery, Fred H., Jr.
Lowman, Raymond D.
Lowrey, Donald F.
Lowsley, Ivon H., Jr.
Loy, Donald L.
Lucas, Edward
Lucas, James E.
Luce, George B.
Luke, John C.
Lukert, James L.
Lund, Frederick M.
Lunny, Robert M.
Lusby, John F.
Lusignan, John M.
Lusk, James B., Jr.
Lynch, Edward T., Jr.
Lynch, James B., Jr.
Lynch, John F., Jr.
Lyons, Daniel B.
Mabry, Fred W., Jr.
MacDonald, Walter F.
MacFadden, Robin C.
Machholz, Donald E.
Mackay, George W.
Macke, Richard C.
Mackie, David L.
MacKinnon, William B.
MacLeod, Kenneth L., III
MacNevin, James E.
Madigan, William P.
Magnussen, Norman J.
Mahany, Walter H.
Mahathey, Clague O.
Main, Christopher A.
Maki, Weldon E.
Makovic, George S.
Makowski, Walter F.
Mallari, William A.
Malmberg, Norman R.
Malone, Claude H.
Malone, Elmer D.
Malone, John P.
Mamer, Edwin J.
Manlove, James C.
Mann, Harry P.
Mann, Robert
Manning, William S.
Mansell, Waymond
Manser, Robert J.
Mansi, Leon
Manuel, John F.
Marburger, George G., Jr.
Mares, David L.
Mariano, Gilbert T., Jr.
Marinelli, Leonard F., Jr.
Marker, William J.
Marlin, Richard E.
Marquis, David R.
Marr, George M.
Marsh, Frank J., Jr.
Marshall, James Samuel
Marshall, James
Marshall, Ronald P.
Martel, Normal L.
Marti, Thomas J.
Martin, Clifford I.
Martin, Frank
Martin, Glynn
Martin, Joseph R. R.
Martin, Thomas D.
Mashburn, Charles A.
Mason, Charles C.
Mason, Ronald R.
Mathews, James E., Jr.
Matthew, Gail E.
Mattson, Karl R.
Matulka, Robert D.
Mauro, Peter J.
Maxfield, Jack M.
May, Walter A.
Maynard, Mark J.
Maynard, Theodore W.
Mayo, John B., Jr.
Mazzan, Carl A., Jr.
McAfee, Robert E.
McAfee, Robert S.
McAfee, Ronald J.
McCabe, Michael J.
McCall, James R.
McCallum, Carl P.
McCarthy, Robert J.
McCartney, Roy S., Jr.
McCaskill, Charles E., Jr.
McCausland, John E.
McClanahan, Ashby A.
McClanahan, Ted
McClarren, Ralph G.
McCloskey, Terry J.
McClure, Melvin M.
McClure, Thomas W.
McConnell, James T.
McConnell, James M.
McCormack, Elmer L.
McCormick, Walter S., Jr.
McCormick, Ollie B.
McCourtney, Theo H., Jr.
McCoy, Jimmy H.
McCoy, Jimmie D.
McCracken, Robert F.
McCracken, William P.
McCrork, John C., Jr.
McCullough, Larry D.
McCullough, Michael S.
McCune, George B.
McDole, James E.
McDonald, Lee R.
McDonald, William M.
McDonell, John G.
McDonnell, Lawrence J.
McDonough, Thomas F.
McDougall, Donald J.
McDowell, Thomas N.
McDowell, William A., Jr.
McEwan, Donald P.
McFadden, Donald O.
McFarlane, Robert D.
McGargill, Mark
McGaughey, James P.
McGaw, Robert
McGinn, John P., Jr.
McGonegal, William F.
McGovern, John P.
McGrath, Milton A.
McGregor, James R.
McHenry, Milton R.
McKean, Robert A., III
McKenney, George G., Jr.
McKeown, Edward J., Jr.
McKeown, William J., Jr.
McKimens, Paul K.
McKinley, Douglas E.
McKinley, Robert N.
McKinna, Michael D.
McKinney, James B.
McKinney, John W.
McKinney, Kenneth W.
McLaughlin, James A.
McLean, James R., Jr.
McLean, John H.
McManus, Arthur T.
McMurray, Marquis E.
McNabb, John M.
McNaughton, William E.
McNee, Malcolm R.
McNew, Clyde E., Jr.
McPherson, Willard W.
McQuaig, Clarence M.
Meadows, Jackie W.
Means, Michael G.
Meardy, Ronald R.
Medaris, William W.
Meek, William A. J.
Meeker, Harold L.
Meeks, Joseph R.
Megill, Thomas L.
Mehl, Henry T.
Mehl, Wayne J.
Meier, George E.
Meinicke, Thomas A.
Mellott, Harlan B.
Mendenhall, Robert L.
Meng, William F.
Mengason, James
Menikheim, Douglas K.
Mercer, Benjamin F., III
Meredith, Richard B.
Meritt, Donald L.
Mermagen, Peter J.
Merrick, Martin P.
Merrill, Michael H.
Mervine, Lowrie R.
Meyer, Robert A.
Michael, Glen R.
Michaels, Albert M.
Michalski, Louis, Jr.
Michel, Alan E.
Midas, Michael T., Jr.
Miles, Samuel A., II
Millar, Robert L.
Miller, Donald L.
Miller, Leon R.
Miller, Phil A.
Miller, Robert B.
Miller, William E., Jr.
Milligan, Frank T.
Milliken, John N., Jr.
Million, Edwin F., Jr.
Mills, Richard B.
Millsaps, Richard Z.
Milne, Douglas S.
Mims, Norman W., Jr.
Mims, William J.
Minugh, Edward M.
Mishler, Douglas L.
Misuna, Charles W.
Mitchell, Frederick G.
Mitchell, Paul J.
Mitchell, William A.
Moerdyk, Bernard N.
Moerschel, David C.
Moller, Arthur E., Jr.
Moller, Herman W.

Montague, Gerald F.
Montanaro, Joseph A.
Montgomery, David R.
Moon, Charlie M.
Moore, David K.
Moore, Dennis A.
Moore, Durward E., Jr.
Moore, James L., Jr.
Moore, James E.
Moore, John A.
Moore, Lawrence B.
Moore, Walter B.
Moore, William F.
Moore, William R.
Moorehead, William S.
Moot, Zane A.
Morales, Alfonso H.
Moran, Maurice J.
Morgan, Harold R.
Morgan, Morris
Morris, Carl M.
Morris, Clarence A., Jr.
Morris, John E.
Morris, Lewis L.
Morris, Robert, III
Morris, Robert C.
Morris, Thomas V.
Morrison, Richard
Morrison, Robert H.
Morrissey, Jon E.
Morrow, Frederic I.
Moscoe, Loren J.
Mosher, Andrew C.
Mosher, Francis E.
Moss, Ambler H., Jr.
Mrazik, Albert
Mucha, Marvin F.
Muckenthaler, John L.
Mudd, Richard L.
Mulhearn, Raymond R.
Mumford, Stanley E.
Munck, Philip L.
Munger, Francis X.
Munroe, Frank A., III
Murdock, Charles D.
Murphy, Howard L.
Murphy, Michael L.
Murray, Allan W.
Murray, Arthur P.
Murray, Francis H.
Murray, Joseph A., Jr.
Murray, Roger P.
Musser, Benjamin C.
Mussman, Edward J.
Mustard, James D.
Myers, George C., Jr.
Myers, Michael P.
Naab, Geoffrey
Nagel, David J.
Nagle, Charles L.
Nanney, Robert G.
Nantau, Norman B.
Neal, James J.
Neapolitan, Richard C.
Neary, Joseph P., Jr.
Neblett, Robert E.
Neef, James V.
Neff, Rupert T.
Neher, John D.
Neifert, Donald L.
Neill, William S.
Neiman, Howard A.
Nelson, Francis E.
Nelson, George A.
Nelson, Gerald A.
Nelson, James R.
Nelson, Norman R.
Nelson, Roger W.
Nelson, Stuart N. M.
Nelson, Victor L.
Nemcosky, Martin J., Jr.
Nesbitt, Robert C., Jr.
Nesmith, Raymond C.
Nester, Irvin C.
Newman, Donald W.
Newman, Jack G.
Newton, Winston P.
Niccum, Leonard G.
Nichols, Herschel C.
Nichols, Keith A.
Nichols, Roger A.
Nickerson, Charles A.
Niederer, Robert A.
Nitschke, Richard N.
Nixon, Murray C.
Noland, Robert F.
Nordwall, Curtis C.
Norman, Robert A.
Norman, Sheldon
Norris, Kay L.
Northrup, Russell L.
Norton, Paul S.
Novak, Harlan W.
Novotney, Clayton L.
Noyes, Arthur L.
Nuernberger, Herbert C.
Nugent, Leonard J.
Nunez, Samuel
Nunn, James L.
Nystrom, Robert E.
Oates, Kenneth L.
Oberlander, Clifford C.
Oberson, Herbert B.
O'Brien, Frederick
O'Brien, George D., Jr.
O'Brien, Gerald H.
O'Brien, James E.
O'Brien, Thomas
O'Brien, Thomas P.
O'Brien, Ward J.
Odell, Ralph V.
Odom, "J" "W"
O'Donnell, Francis X.
Ogles, Homer C.
Oldfather, Daniel O.
Oliver, Chester F.
Olney, Warren M., Jr.
Olsen, William P.
Olson, Donald L.
Olson, Leray
O'Malley, John P.
O'Neill, Edward J., Jr.
Oney, Warren W.
Orbish, Vincent A.
Ortengren, Ralph W., Jr.
Ortlieb, Alfred A.
Ortman, John C.
Osborne, John B.
Oshell, Walter E.
Otis, Howard L.
Otis, John W.
Ott, Keith M.
Otte, Walter H.
Otto, Albert C., Jr.
Ouellette, Thomas A.
Overstrom, Ronald G.
Owen, Tommie J.
Owens, Bruce H.
Owenson, Alfred T.
Ownby, James F.
Pace, Joseph L.
Padgett, James A.
Padilla, Nicholas S.
Paletta, Joseph, Jr.
Palmer, Walla R., Jr.
Pankratz, John M.
Panshin, Daniel A.
Papa, Henry W.
Parcells, Paul W.
Paris, Robert L.
Pariseau, Richard R.
Park, Earl P.
Parker, Carl K.
Parker, Charles S.
Parker, Joseph W., Jr.
Parker, William H.
Parkinson, David L.
Parlette, William T.
Parrish, Hubert N.
Parry, Ira E., Jr.
Parsons, Edwin F., Jr.
Pastre, Robert L.
Pateas, Theodore N.
Paterson, Robert W.
Patterson, Donald D.
Patterson, Bradford H.
Patterson, John W.
Patton, Edward J.
Patton, James H., Jr.
Paul, Martin A.
Paul, Michael F.
Paul, Raymond H.
Paules, Granville E., III
Paulsen, Thomas D.
Pauole, Alvin H.
Payne, William C.
Peace, William H., III
Pearce, Robert G.
Pearl, Vincent J.
Pearsall, Nelson H.
Pecor, Glenn O.
Peden, Joe D.
Peebles, Robert H.
Peek, Joseph H.
Peigh, Carl
Pellegrini, Charles A.
Peltier, George A., Jr.
Pendleton, Reid, Jr.
Penner, Vernon D.
Perkins, Richard A.
Perrinello, Louis F.
Perron, Joseph H.
Perry, Elmer L., Jr.
Perry, Lyman S. A.
Peters, Donald L.
Peters, James F., Jr.
Peters, Thomas J.
Petersen, Peter M.
Petersen, Ted M.
Peterson, Charles H.
Peterson, Donald L.
Peterson, Ernest K.
Peterson, Harold A.
Peterson, Richard N.
Pethick, John A., II
Petrie, Arthur B.
Petrilla, John A.
Petrovitz, George, Jr.
Petty, Benny M.
Pezet, Walter A., III
Pfleckl, Louis W.
Pfouts, John P.
Phelan, James E.
Phelps, Harold R., Jr.
Phemister, Larry L.
Philbrick, James W., Jr.
Philhower, Peter P.
Phillipes, Peter M.
Phillippi, Frederick E., Jr.
Phillips, Grady H.
Phillips, George B.
Phillips, Glen R.
Phillips, Henry L., Jr.
Phillips, Robert W.
Phipps, Rodney G.
Picard, Joseph C. E.
Pich, Leo
Piech, Henry J.
Pike, Robert P., Jr.
Pilcher, Charles R.
Pilkenton, Hester R.
Pimm, Russell S.
Pippen, Merrill D.
Piritz, Ronald B.
Pitt, William M.
Pittelli, Robert J.
Pittman, Charles W., Jr.
Ploeger, Paul H., III
Plummer, Grant W.
Pochordo, Stanley
Poindexter, Chris H.
Polaski, Harold E., Jr.
Pommer, Edward P.
Pomrehn, Hugo P.
Ponton, Melvin V.
Pool, Herman M.
Pope, David K.
Poppert, William R.
Porter, Donald J.
Porter, Ethan O., Jr.
Porter, William M.
Porter, William J.
Potter, Robert A.
Potter, Roderick H.
Powell, George A.
Powell, William L., Jr.
Powell, William B.
Powers, Byron L., Jr.
Powers, Harvey R.
Powers, Robert C.
Powers, Robert J.
Prater, Donald C.
Prather, James T.
Pratt, George W.
Pratt, Joel S.
Pratt, Marvin J.
Prebola, George J.
Presley, Thomas M.
Price, Gary J.
Price, Harold R.
Prince, Robert V.
Prohaska, Frank B.
Provaznik, Clarence E.
Prueske, Elmer W.
Puckett, Nathan L.
Pugh, John S.
Pullen, Leonard A.
Purcell, William C.
Purl, John D.
Purpura, Frank F.
Pursel, John J.
Purtee, Jack W.
Qualls, Fred H.
Quarterman, Joseph L., Jr.
Quinn, Jack C.
Quinn, Joseph S.
Rader, Keith E.
Raftis, Paul E.
Ragsdale, George L.
Raines, Paul E.
Rains, Donald R.
Rakiewicz, Theodore W., Jr.
Ramsey, James B.
Ramsey, William F.
Ransom, Edward A.
Raph, Merlyn F.
Rathbun, Dennis K.
Ravetta, Richard C.
Ray, Harry, Jr.
Rayburn, Clarence W.
Raymond, David A.
Raymond, Henry A.
Raymond, Robert W.
Read, Gustavus C., Jr.
Reck, Richard L.
Redman, Charles D.
Reed, Joseph W.
Reed, Richard D.
Reed, Ross M.
Reeder, Hugh A.
Rees, Richard J.
Reese, Evan P.
Reese, Ronald M.
Regan, James J., Jr.
Regner, Clarence H., Jr.
Reich, Harry B.
Reichle, Philip S.
Reightler, Kenneth S.
Reinert, Herbert W.
Reinholtz, Theodore L.
Reinstra, Llewellyn R.
Reisenleiter, Vernon A., Jr.
Remakis, John, Jr.
Remenak, Leo N., Jr.
Renner, Robert R.
Renning, Richard A.
Reno, Andrew F.
Repine, Marlin D.
Repp, John T.
Ressler, Paul M.
Reuter, Stewart E.
Reynolds, Dexter H., Jr.
Reynolds, James C.
Rhinebeck, George C.
Rhinebolt, Henry J.
Rhodes, Forrest T.
Rhodes, Melton E., Jr.
Rhodes, Robert M.
Rhodes, William A.
Rice, Robert P.
Rice, William R.
Richards, Frank M.
Richardson, John M., Jr.
Richardson, Thomas J.
Richardson, Bruce R.
Richartz, Arthur O.
Richey, Howard L.
Rickelman, John H.
Ridder, Wendell C.
Riden, Harold W.
Riehm, Charles E., Jr.
Riggs, Harold S.
Riggs, William D.
Riiff, Francis J.
Riley, Harold P.
Riley, John T.
Riley, Roy G.
Rimelen, Harry J.
Riner, Robert E.
Rinnert, Henry J.
Ritchie, Lloyd T.
Roark, William M.
Robbins, Albert H.
Roberson, Franklin P.
Roberts, Charles K.
Roberts, Donald A.
Roberts, Ernest P.
Roberts, Lawrence W.
Roberts, Richard R.
Robertson, Teddie E.
Robertson, Delmaine A.
Robertson, James F., Jr.
Robins, Thomas D.
Robinson, Marion B.
Robinson, Richard E.
Robinson, William B.
Roche, James G.
Rodgers, William E. L.
Rodriguez, Antonio B.
Roeder, Bernard F., Jr.
Roemish, Eric M.
Rogers, George R.
Rogers, John L.
Rogers, Roy L.
Rognlien, Robert P.
Rohr, Edwin M.
Rohr, Robert C.
Roller, Donald G.
Rollins, David J.
Rolph, Kenneth E.
Romanelli, John N.
Rooney, Henry F.
Roop, Charles W.
Roper, Lidge B.
Roselle, Curtis C.
Rosenburg, Herman E
Rosengren, Joseph R.
Ross, Robert W.
Ross, William M., Jr.
Ross, William W.
Roth, Daniel McK.
Rothschild, Stephen G.
Rothschild. Robert E.
Roudebush, Jackie L.
Rouse, William A.
Routt, William, Jr.
Rowan, Charles L.
Rowland, Robert C.
Rowley, James E.
Ruckersfeldt, George E.
Rudy, George H., III
Ruhsenberger, John F.
Runnels, James M.
Rupert, Clarence W.
Russell, James H.
Russell, William R.
Russick, John A.
Rutherford, Robert R.
Ryan, Kevin T.
Ryan, Larry E.
Ryan, Lester E.
Ryder, Albert
Saari, Colin H.
Salesky, Theodore E.
Sanderlin, Francis R.
Sanders, Donald W.
Sanders, Gilbert E.
Sanders, Loren L.
Sanders, Ralph G.
Sanders, William E.
Sanford, Harold W.
Sargent, Elbert W.
Sarno, Lawrence F.
Sasser, Sidney J.
Saunders, Franklin H.
Savage, Kenneth D.
Sawyer, Harmon W.
Sawyer, John L.
Scalf, Fred R., Jr.
Schaefer, Joseph F., Jr.
Schappaugh, Earl L.
Schardein, Edgar A.
Schisler, Billy W.
Schlicht, Donald L.
Schmeltz, Victor C., Jr.
Schmer, Conrad J., Jr.
Schmidt, John A.
Schneider, George T.
Schneider, George F.
Schneider, Robert P.
Schoonover, Ray R.
Schriefer, Luther F.
Schroeder, William A., III
Schroeder, Raymond C., Jr.
Schuette, Richard W.
Schult, Richard W.
Schultz, James F.
Schultz, William V.
Schultz, Willard E.
Schulz, Robert J.
Schuman, Stanley D.
Schutte, Frank A.
Schweizer, Earle G., Jr.
Schwer, Frederick A., Jr.
Scott, Charles T.
Scott, James H.
Scott, Johnnie W.
Scott, John R.
Scott, Thomas W.
Scoville, Frederick W.
Scruggs, Sidney L., III
Scully, Vincent F., Jr.
Seale, Eugene B.
Seaman, Stewart R.
Seebirt, James E.
Seekell, Warren W.
Seelen, Charles
Seeley, Howard G.
Seiden, Paul E.
Sellers, William E.
Senhen, Linus A.
Serfass, Robert E.
Sessions, Thomas F., II
Sestric, Joseph L.
Sevario, Byron W.
Shaffer, John G.
Shaffer, Phillip H.
Shanley, Peter A.
Shanok, Michael E.
Sharp, Grant A.
Sharp, John B., Jr.
Sharp, Perry C.
Shattuck, Oliver P.
Shaw, Joe L.
Shaw, John F.
Shawkey, Richard S.
Shawver, John R.
Shea, Brian M.
Sheehan, Robert P.
Sheler, James A.
Shephard, Alfred D.
Sherman, Howard E.
Sherman, John M.
Sherron, Cole A.
Sherwood, Raymond W.

Shindledecker, John B.
Shipp, Jimmie S.
Shirk, Robert L., Jr.
Shoemaker, Brian H.
Shoemaker, Hugh L.
Short, Richard H.
Shovlin, Daniel M.
Shreckengaust, James A.
Shufelt, William J., Jr.
Shuford, Robert E.
Shumake, George E.
Shumway, Louis A.
Shy, Julius T.
Siebecke, Alfred G.
Siepel, Willard E.
Sievers, Arthur W.
Simms, Gordon H.
Simonelli, Norman W.
Simons, Charles F., Jr.
Simpson, Frank T.
Simpson, Harold L., Jr.
Singer, Arnold
Singleton, "J" Arthur
Sipple, Howard L., Jr.
Sisk, Ralph D.
Skidgel, Gerald T.
Skillin, Kenneth W.
Skillman, John W.
Slack, Charles E., III
Slagg, Lyle L., Jr.
Sleeper, Joseph R.
Slezak, Norman L.
Slick, Charles O.
Slobodny, Joseph J.
Smiley, Robert W.
Smith, Billie J.
Smith, Clyde W.
Smith, David W.
Smith, Donald A.
Smith, Edgar N.
Smith, Fairon J.
Smith, Frank R.
Smith, George E., Jr.
Smith, George R.
Smith, Glenn H.
Smith, Hugh J., Jr.
Smith, "J" "B"
Smith, Jackson E. M.
Smith, James A. D.
Smith, John F.
Smith, John N.
Smith, Kenneth L.
Smith, Larry L.
Smith, Lowell E.
Smith, Peter D.
Smith, Peter H.
Smith, Ray W.
Smith, Regis R.
Smith, Robert E.
Smith, Robert W.
Smith, Ronald C.
Smith, Roy C., IV
Smith, Thomas D.
Smith, Vance G.
Smithson, Alva P.
Smits, Walter I.
Snell, Wendell D.
Snodgrass, Roger R.
Snow, Charles H., Jr.
Snow, Richard M.
Snyder, Robert W.
Snyder, Stanley G.
Soderholm, Loren F. G.
Sokolowski, Steven
Sollberger, Melvin H.
Sollenberger, Robert N.
Soper, Edward E.
Sordelet, James R.
Sorenson, Loren O.
Sortor. James B.
Souval, Paul T.
Sovey, Paul L.
Sowell, Harley A., Jr.
Spang, Norman W.
Spann, Alton B.
Sparks, Ernest E.
Sparks, Paul W.
Spearman, William R.
Speegle, Arthur R.
Spencer, Edmund B.
Sperling, Harris
Sperry, Seifert T.
Spidell, Everett D.
Spiker, Donald C.
Spinelli, Domenick A., Jr.
Spinks, Alfred H.
Spriggs, Harold B.
Spurr, Gilbert C.
Stabler David R., Jr.
Stack, James F.
Staes, James P.
Staley, Wayne E.
Stalnaker, Frank
Stamer, Leonard P.
Stampfle, Richard A., Jr.
Standard, Louis F.
Standley, John R.
Stanley, Bolling C., Jr.
Stanley, Howard C.
Stanley, Joe M., Jr.
Stanley, William M.
Stansell, John A.
Starling, Frank E.
Stasko, Nicholas J.
Stauch, Eugene A.
Steedley, Duncan M.
Steele, Robert L.
Steelhead, Wesley L.
Stefencavage, George
Steffens, Marcellus P.
Steiner, Duane R.
Stenson, Henry B.
Stephens, Darrel L.
Stephens, Manuel C.
Stevens, Stanley L.
Stevenson, Robert G.
Stewart, Glendale P.
Stewart, Harvey T., Jr.
Stewart, Kelsey S.
Stewart, Richard L.
Stewart, William J.
Stine, Clarence E.
St. Jean, Russell J.
Stoakley, Richard H.
Stoehr, Robert E.
Stokes, Thomas M.
Stoltz, Charles L.
Storms, James J.
Story, Hardin C.
Stott, Joe M.
Strangerthorsen, Rolf
Stratton, Bobbie E.
Straughn, Wyatt F.
Strawbridge, David A.
Striedel, Henry C.
Struck, Gerald L. V.
Strunk, Alvin A.
Stryker, Lyal M.
Stuart, Walter A.
Stumbo, Stanley C.
Sturm, Edward J.
Sturm, Harold F., Jr.
Suddath, Jewel J., Jr.
Suggs, Robert F.
Sullivan, Francis E.
Sullivan, George E., III
Sullivan, John F.
Sullivan, James E., Jr.
Sullivan, Patrick H.
Supek, Louis R.
Super, Richard N.
Surber, John S., Jr.
Surprenant, John P.
Surratt, Jon E.
Sutcliffe, William G.
Sutliff, Robert C., Jr.
Sutor, John K.
Sutter, Henry E.
Svatek, Joseph F.
Svensen, Stanley R.
Swap, John E.
Swearingen, Howard W.
Swilley, Aaron E.
Syck, James M.
Szczepanski, Kazimierz J.
Szeyller, Edward P.
Taber, Alton E., Jr.
Tabor, Don C.
Tackney, Peter M.
Tadlock, James D.
Taff, Dennis V.
Taipale, Denis G.
Tait, David N.
Tait, John H.
Tait, Thomas M.
Talarico, Frank
Talbot, Bruce R.
Talken, George F.
Talley, James C., Jr.
Talley, Kirby L.
Tallman, James R.
Taubee, William H.
Taylor, Clarence R.
Taylor, Donald E.
Taylor, Frank L.
Taylor, Jerry I.
Taylor, John F.
Taylor, Lloyd F.
Taylor, Lowell S.
Taylor, Nelson D.
Taylor, Raynor A. K.
Taylor, Robert G.
Taylor, Thomas W.
Taylor, Turner W.
Taylor, William E.
Teal, Thomas H., III
Teeter, Richard E.
Temple, Nicholas B.
Tereo, Michael
Terry, Charles L.
Terry, Dennis H.
Terry, Donald L.
Terry, John R.
Terry, Thomas J., Jr.
Tew, Jasper L.
Thames, Lewis H., Jr.
Thibeault, Frederick L.
Thomas, Carlysle J.
Thomas, Christopher R.
Thomas, Frank A.
Thomas, Glenn R.
Thomas, John B.
Thomas, Larry D.
Thomas, William E.
Thompson, Alton K.
Thompson, Earle A., Jr.
Thompson, James E., Jr.
Thompson, Phillip S.
Thompson, Robert E.
Thompson, Thomas N.
Thorderson, John R.
Thorgerson, Eric J.
Thornburgh, Eldon L.
Thorner, Michael G.
Thumser, William D.
Tilton, Donald A.
Timm, Leroy A.
Tisdale, Jesse W.
Tobin, Kiefer A.
Todd, William D.
Tolderlund, Douglas S.
Tollaksen, Duane M.
Tomkins, Harold L.
Tomkins, Norman E.
Toms, Malcolm E.
Tool, Stephen R.
Toomer, Garland W.
Topp, David P.
Torrance, Harold S.
Tourney, Keith M.
Towle, Robert L.
Townsend, William J.
Trainor, John J.
Trainor, Walter C.
Traister, Robert E.
Tranchini, Joseph
Trapp, Nathan L.
Travis, Bevan E.
Treacy, Michael F.
Trefry, Edwin V.
Treseder, Richard M.
Trimble, David C.
Triptow, Earl L., II
Tritz, Lawrence J.
Troyer, Thomas L.
Trudeau, Frank F.
Truesdell, William M.
Truitt, Richard D.
Tucker, Robert E., Jr.
Tullis, Robert D.
Tully, Neal C.
Tully, Vernon C., Jr.
Tumminelli, Joseph P.
Tupaz, Jesus B.
Tupaz, Terencio
Turk, Eugene J.
Turner, Ellis L.
Turner, Rolland R.
Tuttobene, Anthony T.
Tyler, Donald K.
Tyson, James P.
Uhrhane, Francis J.
Valk, Jerome W.
VanAuken, Ivan E., Jr.
VandenBroeck, Thomas A.
VanderVort, Harry E., Jr.
VanHouten, Otis E.
VanHyning, Carl W.
VanNess, Peter R.
Varley, Edwin R., Jr.
Varner, Dale N.
Vaughn, William E.
Vaught, Clarence T.
Vawter, Vernon J.
Veazey, Luther T.
Verona, Francis M.
Verwers, Robert A.
Vest, Calvin L.
Vied, Dennis H.
Vincent, James M.
Virden, Charles S.
Vivian, Jack A.
Vogels, Richard H.
VonFischer, Eduard L., III
VonKleeck, John S., Jr.
VonKolnitz, Henry, Jr.
Voss, George P.
Vrtar, Marko
Waddell, Robert M.
Wade, Joseph W., Jr.
Wagenbrenner, Blase F.
Wagner, Alfred H., Jr.
Wagner, Edward F.
Wagner, Fred D.
Wagner, Theodore
Walker, Arthur J.
Walker, Charles E.
Walker, Edward T., Jr.
Walker, George R., Jr.
Walker, Horace G.
Walker, Wilburn O.
Walker, William H.
Wall, Edward J.
Wall, Thomas E.
Wallace, George L.
Walls, James M.
Walsh, George A., Jr.
Walsh, Patrick A.
Walter, Everett R.
Walters, Horace M., Jr
Walters, Robert M.
Wangeman, Charles E., Jr.
Wangler, John H.
Ward, Gordon L.
Ward, Sibley L., III
Wardle, Norval L.
Ware, Paul N.
Warren, Robert R.
Warren, Robert S.
Warren, Roger C.
Waterman, Larry W.
Watilo, Kenneth E.
Watkins, Donald E.
Watkins, James
Watrous, David
Watson, James D.
Watson, John W.
Watson, Louis H.
Watt, Robert H.
Watts, Donald W.
Wax, Gary N.
Weatherspoon, Joseph R.
Weaver, Milton W.
Webb, Lowell E.
Webb, Paul H.
Weber, Daniel D.
Weeks, George R., Jr.
Wegele, Edward
Wegner, Arthur E.
Weichman, Bruce E.
Weinhardt, William J.
Weir, Glendon H.
Weisenberger, Frederick P.
Welch, Walter E.
Welenc, Joseph
Wendholt, Gregory W.
Wentzel, Richard D.
Wenyon, Leonard J.
Wert, Peter Karl W.
Wertman, Franklin, Jr.
Westbrook, John F.
Westerman, John P.
Westover, Richard L.
Weymouth, Charles R.
Whalen, Joseph M., II
Wheeler, Donald R.
Wheeler, Donald C.
Wheeler, Raymond M.
Wheeler, William W., Jr.
Whelan, John F., Jr.
White, George E.
White, Lawrence W.
White, Marshall N.
White, Richard J.
White, Robert D.
White, Thomas L., Jr.
White, Thomas O., Jr.
Whitehead, Charles T.
Whitely, John E., Jr.
Whiteman, William E.
Whittington, William J.
Whittle, Delma H., Jr.
Wichman, James H.
Wigfall, George H., Jr.
Wiggins, Jack
Wightman, James E. R.
Wilbur, Paul J.
Wilcox, Emory E.
Wilcox, Loran A.
Wilcox, Wayland E.
Wiley, Edwin H.
Wiley, Talmadge K.
Wilgenbusch, Ronald C.
Willenbucher, Marshall R.
Willey, Marshall L.
Willey, Percy W., Jr.
Williams, Albert L.
Williams, Bryce W.
Williams, Clarence R.
Williams, Douglas A.
Williams, Dallas K.
Williams, Ersel M.
Williams, Hugh T.
Williams, John R.
Williams, John D.
Williams, James W.
Williams, Johnny L.
Williams, Morris B.
Williams, Walter L.
Williams, Zane G.
Williamson, James V., Jr.
Williamson, Charles B.
Willsey, John M.
Wilson, Ashley V.
Wilson, Donald M.
Wilson, Edward A.
Wilson, James R.
Wilson, James A., Jr.
Wilson, Richard E.
Wilson, Richard V.
Wilson, Robert A.
Wilson, Seth T., Jr.
Wilson, Thomas E., Jr.
Wilson, Waldo W.
Wilson, William O.
Wimberly, William R.
Winarski, Daniel A.
Winkle, Arthur D., Jr.
Winston, Richard J.
Winters, Colin G.
Wise, Donald R.
Wishart, Thomas T.
Witcher, Murray H., Jr.
Witt, James D., Jr.
Witten, John W.
Witzke, Arnold E.
Wolfe, James B.
Wolfgram, James K.
Wolod, William A.
Wolverton, Donnie R.
Wombold, Arthur D.
Wonnell, Stanley E.
Wood, James E.
Wood, Leslie E.
Woodall, Jere W.
Woodaman, Ronald E. H.
Woodard, John S.
Woodbury, David E.
Woodruff, Frank C.
Woodruff, Harold H.
Woods, Leonard W.
Woods, Philip J.
Woodward, Albert J.
Woodward, Frank, Jr.
Woodward, John D.
Worden, Douglas W.
Worley, Loren
Worley, William F.
Worth, Charles W.
Worthen, Fred V.
Worthington, James T.
Wren, Robert P.
Wright, Hendon O.
Wright, Robert W.
Wright, William C.
Wright, William E.
Wubenhorst, Richard F.
Wynn, Alvin D.
Wynn, Hugh J.
Wyse, William J.
Yarber, Gene
Yarborough, Paul E.
Yeager, Dale A.
Yelinek, William A.
Yeske, Lanny A.
Yocher, Edward H.
Youmans, Edwin E.
Young, Charles T.
Young, Frederick J., Jr.
Young, John R.
Young, Richard K.
Zak, Eugene A.
Zang, Robert L.
Zari, Albert B.
Zeller, Raymond G.
Ziemkowski, Gerald J.
Zierden, William E.
Zimmerman, William C.
Zmorzenski, Frank P.
Zumwalde, Richard T.
Zurich, Richard W.

The following-named officers of the U.S. Navy for temporary promotion to the grade of lieutenant in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

In the Navy

LINE

Abel, Jon F.
Byrnes, Joseph L.
Danner, John C.
Hill, Ronald V.
Murray, Edward P.
Osborough, Harry R.
Sandidge, Edward D.
Shewchuk, Jon D.
Bennett, Donald M.
Burnette, Mark I., Jr.
Butts, Maurice R.
Donahue, Charles P.
Landers, Edward J.
Lynch, Frederick W.
Mitchell, Robert E., Jr.
Scoggin, James M.
White, Bernard G.
Wiese, Richard J.
Wilson, Leon D.
Wright, Lindell W.
Cain, Richard L.
Jones, Wayne A.
Leahy, William F., Jr.
Mears, Ronald T.
Painter, Floyd C.
Quinn, Michael E.
Russell, Jerry C.
Smith, Clyde C., Jr.
Smith, Earle L., Jr.
Walker, Wallace H.
Cheshire, Leonard P., Jr.
Dalrymple, John R., Jr.
Holtel, Kenneth P.
Johnson, Robert A.
Knepley, Joseph E.
Shaftoe, Lyndon R.
Wagner, Thomas C.
Labrecque, Thomas G.
Miltenberger, Arthur D.
Nannini, Albert A.
Oettinger, John R.
Smith, Alfred G. III
Sunderland, Bruce
Williams, John R.
Luenser, Kenneth H.
Bowers, Charles R.
Burke, Patrick J.
Chapman, Ronald E.
Cole, Gerald L.
Durant, Robert J.
Evans, David C.
Kennedy, Larry B.
Mayo, Lester M., Jr.
O'Donnell, James P.
Riley, Thomas F.
Rogers, William J., Jr.
Ruth, Paul A.
Earls, Larry R.
Sheehan, John J. III
Waples, William F.
Westerman, Clifford J.
Whitley, William R.
Wildman, Fred D.
Barrett, James H.
Borchard, David C.
Flynn, Robert J.
Proshek, Robert M.
Thrush, John C.
Wright, George F.

SUPPLY CORPS

Barry, George H., Jr.
Billeter, Paul R.
Butler, Paul K.
Collette, Royal G. C.
Copeland, Stuart W.
Hatchett, William J., Jr.
Jackson, Stephen J.
Yeoman, William R.

CIVIL ENGINEER CORPS

Pitcher, William F.
Struthers, Lynn C.

NURSE CORPS

Frolio, "M" Ellen

The following-named officers of the U.S. Navy for temporary promotion to the grade of lieutenant commander in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

LINE

Calhoun, William B., III
Chapdelaine, Jerrold E.
Coleman, Richard F.
Denton, Terry J.
Eckart, James H.
Pickard, Dallas, Jr.
Wood, Leon G., Jr.

CHAPLAIN CORPS

Bond, Hollis H.
Edwards, John R., Jr.
Kelley, Thomas W.
Schwartz, Walter "J"

NURSE CORPS

Edwards, Donna J.

The following-named (Naval Reserve Officers' Training Corps) candidates to be permanent ensigns in the line of the Navy, subject to the qualifications therefor as provided by law:

Kenneth R. Adams, Jr.
Anthony J. Adaschik
Michael R. Addison
Hugh M. Alexander
Henry D. Allen
Gunter Amtmann
Andrew G. Anderson, Jr.
Cecil C. Anderson
Daniel S. Anderson
David C. Anderson
Dixon J. Anderson
Thomas P. Anderson
John P. Angell
Gary E. Angerhofer
Lester A. Apple
Stephen S. Applegate
Marc T. Apter
James D. Arterburn
Brian P. Atkinson
Sid E. Atkinson
David C. Atwater
Lawrence J. Baack
Donald J. Baird
*Richard B. Bakewell
George K. Baldwin
James H. Ball
Robert C. Ballenger
Warren M. Banks
Nicholas T. Bard, Jr.
George H. Bare
Kenneth D. Barker
William J. Barksdale
Dennis R. Barnhart
Richard A. Bates
Alan E. Baumrucker
George G. Baxter III
Richard D. Becker
Michael E. Beckes
Ted Beckwith, Jr.
Robert A. Berdine
Peter W. Berg
Carl R. Berman, Jr.
Stephen M. Bernstein
Donald T. Berry
James E. Biddle
Theodore J. Bielen, Jr.
David L. Bintinger
Francis M. Black, Jr.
Bert E. Blackwell
Jack R. Blair
Donald R. Blakely
George A. Bleyle, Jr.
Wayne A. Boatman
Donald L. Boggs
Craig G. Bonesteel
Louis J. Boos
Carl B. Borchers
*Walter C. Borman
James S. Borona
John D. Bourdo
Charles A. Bourn
Robert W. Boyce
Bruce J. Boydell
James L. Boydston
Bruce A. Boyer
Francis X. Boylan, Jr.
Timothy S. Brady
William E. Bragunier
Harry B. Brandon III
Craig M. Brandt
Robert A. Bransford, Jr.
Hugh E. Brazil
Alan F. Breininger
James L. Brewer
Jeffrey Bricker
Larry L. Bright
Albert R. Brittain, Jr.
Ronald M. Brittain
Earl B. Brookbank III
Donald C. Bross
James A. Brown
Jeffrey L. Brown
Lawrence O. Brown
Robert P. Brown
David L. Browne
Brooks Bucher
William F. Buckley
Winston P. Bullard
Andrew L. Burgess, Jr.
David S. Burr
James F. Byrne
David W. Cable
Joseph F. Cahill, Jr.
Ray L. Caldwell
Laurence A. Callahan
Leonard P. Callahan
Michael W. Callahan
William E. Cameron, Jr.
William T. Cameron, Jr.
John A. Campbell, Jr.
Malcolm L. Campbell
James R. Carey
Richard S. Carey
Thomas K. Carroll, Jr.
William F. Case
Alan M. Cashman
Byron M. Cavaney, Jr.
Arthur K. Cebrowski
John E. Chadwick, Jr.
Alfred P. Chambliss III
Joseph J. Chappell, Jr.
Anthony W. Charlton
Paul R. Charron
Peter T. Chiodo
Charles J. Chotvacs
William P. Christie
Raymond Cinco, Jr.
Paul A. Ciotti
John C. Clary
Kenneth E. Clemens
Halbert R. Cliff
Michael L. Cline
Clarence H. Clover, Jr.
Richard S. Cloward
Clarence D. Coburn, Jr.
Edward C. Coffey
Walter S. Collins
Andrew J. Combe
Michael S. Confer
Michael Conlin
Dale M. Content
Paul A. Conterno
Douglas W. Cook
John B. Cooper, Jr.
Thomas M. Corwin
Maurice W. Coulon
Martin C. Coyne
Robert C. Cross, Jr.
Edward M. Crosson, Jr.
Lionel Crowley
Paul A. Croy
David W. Curry
George L. Custodi
Robert E. Curtis
James Allan Davis
James Alvin Davis
James W. Davis, Jr.
Ralph R. Davis
James R. Day, Jr.
Richard C. Dearmond, Jr.
Donald D. Delmanzo, Jr.
Robert A. Delorenzo
Joseph G. Demarco, Jr.
Philip W. Dempewolf
William R. Denslow, Jr.
Jerome L. Devilbiss
Richard W. Dewey
James T. Dewing, Jr.
Robert P. Dillman
Brian D. Dillon
Henry M. Dodd, Jr.
Michael W. Doyle
James L. Dozier, Jr.
Dennis G. Draper
Raymond M. Drew
Carl H. Dreyer
David R. Drinan
Mitchell O. Driskell, Jr.
Snowden C. Dubois
Jerry M. Dunagan
John L. Earle
Jerry C. Ebersbaker
George L. Edgar
Julian D. Edge, Jr
Leslie S. Edmondson
Harry S. Edwards, Jr.
Henry B. Edwards, Jr.
John N. Edwards
Theodore J. Ehlers
Richard W. Elliott
John M. Emerson
James D. Ennis
Richard A. Epperly
Robert F. Erdman, Jr.
Clifford M. Erickson
Paul F. Erickson
George F. Erwin
John W. Essig
Peter J. Eversole
James J. Evans
David L. Eustis
Larry A. Evans
Robert L. Ewing
William H. Ewing, Jr.
Frank J. Fabre, Jr.
Richard T. Fagan
Glenn E. Fant, Jr.
Claude S. Farmer, Jr.
Michael J. Farmer
David W. Farrar
Stephen A. Fausett
James J. Feder
Michael A. Ferrara
Charles D. Feustel
Everett E. Fine
Joel R. Fitts
John W. H. Fitzgerald
Thomas R. Fletcher
Ernest H. Forman
Gary L. Forsberg
John B. Foster III
Thomas A. Frame
Carl L. Frederick
William E. Free III
Charles A. French
Dennis D. Frick
Harold J. Fricke, Jr.
Jon H. Friedman
James M. Frost
Duane S. Fulkes
Joseph A. Fulmer
James L. Fulwiler
John E. Furrow
James A. Gabala
Arlan D. Gadeken
Thomas A. Gaither
Gaylord W. Galiher
Robert M. Gallen
James C. Gamrath
Wilmer C. Gangloff, Jr.
Mark E. Garrett
Tom S. Garrison
Michael W. Gaupin
John C. Gawne
Marvin J. Gay
John M. Geddie, Jr.
John W. Gemmill
Gary L. Genson
Larry F. Germann
Donald W. Getts
George J. Gides
Edwin F. Gier
Michael J. Gigl
James J. Gildea
Gary D. Giller
Ronald J. Gilles
James G. Gilmour
Robert P. Gilpin
Frederick T. Gilson, Jr.
Eugene H. Ginchereau
David M. Gist
Clarence H. Glover, Jr.
Charles W. Gnilka
Jerome L. Gogat
Gerald L. Good
Barry A. Gordon
Robert P. Gordon
Robert L. Gorham
Peter J. Graef
James J. Graham
Richard D. Graham
Stephen I. Grant
John C. Graves III
Kenneth E. Graves
Daniel E. Green
William F. Green
James B. Greene
Alan R. Greenwood
George W. Grier III
Harry A. Guess
Richard Guglielmino
James E. Gutierrez
Joseph R. Hackett
Ronald S. Hadbavny
Donald H. Haight
Edward T. Hallahan, Jr.
James W. Hambleton
Gerald K. Hamilton
Howard H. Hamilton
Mark I. Hampton
Richard E. Hansel
Robert T. Hanson, Jr.
Richard W. Hardy
Philip B. Harper
Christopher B. Harris
Stewart M. Harris
William I. Harris
Hollis W. Harmon
Thomas R. Harter
William M. Hartman
Robert A. Hauser
Roger M. Hawk
William W. Hawke
John A. Hawley III
Kipp T. Hayes
James K. Hayward
Benny J. Heeb
William A. Heep
Philip Heidinger
David L. Heiserman
David W. Heist
Jon S. Hemming
James R. Hendricks
Owen S. Henning
Louis W. Hennings III
Robert E. Hereford, Jr.
Gerald R. Hess
David W. Heyer
Robert W. Heyer
Frederick H. Heyse
Michael F. Hewlett
George P. Hibbard
Robert P. Hickey, Jr.
John L. Hildebrandt III
David M. Hill
Frederick W. Hillmann
Samuel H. Himes, Jr.
James E. Himmelspach
Sidney W. Hite, Jr.
Thomas E. Hogarth
David L. Holick
Grant T. Hollett, Jr.
Merlin B. Hollinger
William H. Holme
John T. Holmes
Daniel C. Holsenbeck
John T. Holton
Thomas R. Holton
Alan K. Holzapfel
James J. Horan
Albin Horowitz
Robert B. Horton, Jr.
William V. Horton
Jonathan P. Houghton
Robert L. Houlder
William D. Howey, Jr.
Howard H. Hubbard II
Philip T. Hufford
Edward M. Hughes
Jerry M. Hultin
Gordon W. Hunter
William J. Hurd
Jerald R. Hyde
Harry W. Hydrick
Robert F. Hynes
Peter M. Igoe
John L. Ingwersen
Larry A. Irwin
Phillip W. Isaacs
Michael T. Isenberg
John P. Jannik
Paul W. Jardis
Timothy D. Jaroch
Mark D. Jarrett
Frederick A. Jennerjohn
Frank J. Jerabek
Joseph J. Joerg, Jr.
Frank W. Jones
Gary P. Jones
James G. Jones
Kip E. Jones
Thomas H. Jones
Wilton S. Jones
James A. Jordan
Robert K. Julian
Lindsey E. Kalal

Richard A. Kalyn
Michael Kampf III
Ronald C. Katahara
David O. Kauppi
James M. Kearney
Walter E. Kearns
Paul H. Keefe, Jr.
Francis M. Keim
Thomas D. Kenneally
Dennis S. Kennedy
Hugh D. Keogh
Harry D. Kerr
Joseph A. Keyes
Louis J. Kienlen
Dennis W. Kiley
Kent H. Killam
Stephen M. Kimerling
Wayne B. Kingsley
Louis F. Kirchhoff, Jr.
John A. Kirkebo
Jack G. Kitchens, Jr.
William G. Kline III
Warren H. Klink
Kenneth D. Klocek
Byron P. Kloeppel
David M. Knight
Harold S. Koenig
Keith G. Koerber
Donald S. Kohla
John D. Kolata
Roy A. Kott
John M. Kozma
David L. Kranz
Michael A. Krebs
Paul B. Kurke
Richard G. Lacher
David R. Laehn
Paul W. Lagreek
James R. Lamping
Gerald T. Lang
Michael A. Lang
Kenneth J. Larsen
David R. Lartaud
Eric W. Laub
David W. Lawrence
Aaron R. Lawson
Gerald S. Lazarczyk
Francis T. Lebens
Allan R. Lee
Ronald S. Lehman
William T. Lehman
Armond C. Lepage
Laurin H. Letart
Stanley C. Lewczyk
Eben W. Lewis, Jr.
Leland G. Lewis
David J. Lherault
Donald H. Liebich
George H. Lindsay
Ronald L. Lindsay
Sidney E. Linton
Peter L. Litrenta
Wade S. Little
John A. Loarie
Robert J. Loarie
Peter V. Locke
Stephen F. Lotterhand
Steven J. Loucks
David N. Lucas
George M. Lucas
Ronald G. Ludlow
John R. Lutz
George Lyford, Jr.
Paul R. Lyon
Thomas H. MacBain, Jr.
Herbert M. MacDonald III
Bruce A. MacFadyen
Daniel I. MacIntyre IV
Paul J. Madigan
Leonard A. Magazine
Bruce B. Magnuson
Clarence B. Mahoney, Jr.
Ronald L. Main
Lee S. Mairs
Richard G. Majer
Andrew A. Makowka
Richard A. Malahowski
Phillip J. Mall
Joseph W. Manke
Alcide S. Mann, Jr.
Wayne R. Manning
Walter Marciniak, Jr.
John T. Margeson
Charles L. Marsh, Jr.
Ralph K. Martin
Theodore J. Martin
William D. Martin
Edward J. Mathias
Christopher T. Maurer
Walter L. Maurer
Joseph P. Mayer III
John R. Maynard
William C. Mayrose
James T. McCarthy
Charles K. McCoy
Francis M. McCoy, Jr.
Mike C. McCoy
Howard R. McDaniel
Robert J. McDaniel
John F. McDonald
David T. McEachen
Robert T. McGee
Barry L. McGhee
John D. McGill
Daniel J. McGrath
Michael L. McGraw
Rob R. McGregor, Jr.
Hagen B. McGuire
Scott A. McKenney
David H. McKinley
Bruce, W. McLaughlin
Terrence A. McLaughlin
Dana C. McLendon, Jr.
John A. McMullen
Stafford F. McNamee, Jr.
Dale L. McPherson
William M. McWilliams III
Robert N. Meals, Jr.
John M. Medlock III
Grant S. Meiner
Michael A. Merback
Andrew C. Messer
Philip J. Metres, Jr.
Paul A. Metz
Walter L. Meyers
Dennis A. Michele
Thomas M. Mickelsen
John R. Mileski
John C. Miller
John R. Miller
Kent P. Miller
Michael M. Miller
Philip R. Miller
Richard L. Miller
Archibald E. Millis, Jr.
John O. Miner, Jr.
Gordon L. Mitchell
William R. Mitchum III
Karl F. Mohns
Robert J. Moir
Frank J. Monahan
Steven M. Mondul
Philip R. Monroe
John D. Monticello
Arl Van Moore, Jr.
Kenneth J. Moore
Richard A. Moore
Harry E. Morgan
David N. Morris
Willard W. Morris
James L. Morse
Donald L. Moseley
Benjamin M. Moyer, Jr.
James W. Mulholland
John B. Mulligan, Jr.
Thomas D. Munsch
George J. Murphy
William H. Murphy, III
Phillips S. Murray
Terry D. Murray
Michael A. Nave
Evan A. Neff, Jr.
Richard G. Nelson
David C. Neubauer
Marino J. Niccolai
Douglas R. Nichols
Larry A. Nichols
Michael Nickelsburg
Frank J. Nivert
Robert M. Noah
Ernest J. Notar
Harold L. Novick
James E. Novitzki
Herbert D. Nowlin, Jr.
Dwight E. Nunn, Jr.
Lawrence M. O'Connor
Richard D. O'Connor
Douglas A. Oglesby
Theodore T. Okasinski
Wayne E. Oldendorph
Walter M. Olechna
Murray F. Olsen
Gaylord C. Olson, Jr.
Jack E. Olson
Charles P. O'Neill, Jr.
John L. Onestinghel
John D. Orsburn
Frederick J. Osgood
Richard A. Oudal
James E. Owen
Richard E. Owen
Eric H. Oxboel
Gary V. Paddock
Harry N. Paduano, Jr.
Bruce D. Page.
Charles W. Page, Jr.
Peter M. Pandolfi
Brance J. Parker
Michael W. Parker
Richard S. Parodi
Thomas L. Parry, Jr.
Jerry L. Parsons
Edward J. Pasahow
Bohdan Y. Paschyn
James G. Pastorius, Jr.
Wesley F. Patience, Jr.
John W. Patterson
Robert E. Patterson
Charles B. Payson
Jay W. Pease
Carl A. Pelzer, Jr.
Philip C. Perine
James K. Pernini
Robert A. Perron
Paul E. Perrone
Bradford K. Perry
James H. Perry, Jr.
Eric L. Peterson
Richard S. Peterson
Kenneth W. Pettigrew
Robert H. Pewett
Morgan S. Pirnie
Harry P. Planchon, Jr.
Michael F. Plumkett
Walter E. Pollock III
Ernest H. Pomerantz
Bernard B. Poore
Thomas L. Potter
Robert R. Powell
Craig D. Pozzi
Jay L. Press
Joseph M. Price
Thomas L. Price
Rudolph P. Price, Jr.
William H. Prouty
Allen F. Pulk
Gareth D. Quale
Norman C. Radder
Allie J. Ralston
Clayton R. Ramskill
Richard C. Ranes
James R. Ratliff
Richard R. Ratzlaff
Jerry W. Rayfield
David W. Read
Robert A. Reardon
William P. Rebarick
John P. Reberger
Russell Reddoch
Philip F. Rehbock
Walter J. Reid, Jr.
Robert A. Reineke
Charles D. Reite
David J. Reitmeyer
Robert H. Reller
John P. Ribka
John W. Richardson
Charles A. Riggs
Gary I. Roberts
William R. Roberts, Jr.
John E. Robertson IV
Millard L. Robertson, Jr.
Robert E. Robertson III
Matthew G. Rode
Richard A. Rollins
Richard B. Romney
Leonard H. Ronnie, Jr.
David R. Roth
Dexter R. Rowell
Marvin J. Rozner
William J. Ruhe, Jr.
Peter K. Rumely
Charles E. Russell
Bruce A. Ryan
Edward J. Ryan, Jr.
Allan E. Rypka
Thomas W. Sampson
James E. Sanders III
Peter G. Sarafian
Joel R. Sartoris
Charles J. Savage
Richard V. Schermerhorn
Roger E. Schlechte
Carl H. Schmitt
Stuart O. Schmitt
Randolph E. Schnabel
Carl E. Schneeberger
David D. Schoeff
Dean A. Schofield
Russell C. Scholl, Jr.
Charles F. Schomann III
Thomas A. Schroeffel
Robert J. Schweers, Jr.
David T. Scott
Kenneth E. Scott
Patrick R. Scott
Joel S. Seffel
Murphy A. Sewall
Richard A. Sewell
William A. Shannon III
Jerry L. Sharp
David F. Sheaff
George T. Sheffer
Robert E. Sherman
Andrew M. Shields
Ronald Y. Shigetani
Ronald E. Shriver
John R. Shultz
William L. Shumate
William M. Siddens
Bradley W. Simmons
Glen L. Sjoblom
William J. Slaughter III
Robert S. Slifka
William T. Sloan, Jr.
Frederick K. Smallwood
David O. Smith
J. Palmer Smith
John W. Smith
Ralph F. Smith
Robert I. Smith
William T. Smith III
William G. Smither
Gerald C. Snell
Ivan J. Snyder, Jr.
Keith R. Snyder
Stanley J. Snyder, Jr.
Robert W. Spellman, Jr.
Charles H. Spence, Jr.
George M. Spilseth
David A. Spina
Fredrik H. Spruitenburg
William L. Stahl, Jr.
Sammy D. Stair
Kevin T. Staley
David W. Stamps
Sam R. Stanbery, Jr.
Paul M. Stanford
William G. Stanley
Russell B. Starkey, Jr.
Douglas R. Starritt
John M. Stebbins
Robert S. Stephens
Daniel M. Sternberg
Edward M. Steudel, Jr.
Robert P. Stevens
Wilbur T. Stevens, Jr.
Clement O. Stevenson, Jr.
Joseph N. Stineman
Richard J. Streeter
*Terrance L. Stringer
John R. Suckow
Alfred H. Suhr
David J. Sullivan
James J. Sullivan
Herbert F. Swanson, Jr.
Roger B. Swift
*Kelly F. Swindle, Jr.
Daniel N. Swinford
Harley H. Swink
Wayne J. Switzer
Dennis A. Tabel
Alexander A. Taday, Jr.
John H. Talbot, Jr.
Daniel R. Talhelm
William W. Talley II
Clark M. Taylor
Keith A. Taylor
James T. Tedder, Jr.
Robert J. Terhune
Gerald A. Theisen
Douglas J. Thiel
Terry N. Thies
Glenn R. Thomas
James R. Thomas, Jr.
Albert F. Thomasson
James A. Thompson
Roy W. Thompson
Ronald C. Tipper
Gary H. Tobey
John H. Todd
Gordon V. Tollefson
Alfred C. Tollison, Jr.
John T. Toohey
Donald A. Tortorice
Robert N. Tracy, Jr.
David M. Treadwell
J. Forrest G. Trembley
Allen J. Trucano
Richard P. Trumpler
Richard P. Tull
James F. Tune
George E. Turner
James E. Turner, Jr.
Laurence H. Turner, Jr.
Thomas W. Turner
Daniel T. Twomey
William D. Tyson
Jerry L. Unrau
Anthony S. Vadopalas
Timothy L. Vaill
John M. Vanasek
James I. Vanliere
Kenton W. Vanlue
Pieter K. Vanwinkle
Douglas E. Veum
Russell T. Vickers
Randall W. Vitek
Edward P. Vollertsen III
Ernst P. Vollmer
Robert B. Vosilus
John A. Waeltz
Frederick P. Wales
Francis A. Walker
Francis D. Walker III
Robert F. Walker
Ronald E. Walkington
Leonard D. Walter
Frederick F. Wangaard, Jr.
Jimmy D. Warfield
George T. Wasleski, Jr.
Mitchell L. Watson
Peter K. Watt
Ben A. Weaver
Harry C. Weber
William R. Welch
David R. Wesley
Howard V. West
Charles H. Whelan, Jr.
Albert E. Whitehead
David G. Wilbourne
Jeffrey Wilk
Adrian R. Wilkins
Harry R. Wilkinson
David I. Williams
Donald E. Williams
Keener T. Williams
William H. Williams, Jr.
Thomas A. Willis
Jack W. Wilson
Frank G. Winant
John C. Winquist
Henry R. Wismer
John E. Wohlfiel
Neil F. Wood
Jerry F. Woolett
Douglas F. Wright
John R. Wright
John T. Wright
Robert E. Wright
Bruce N. Yarborough
Hugh W. Yarbrough
Gary A. Young
Gerry A. Young
Joe E. Young
James J. Zabritski
Jacob H. Zakarian
Robert J. Zimmer
John T. Zohlen

The following-named (Naval Reserve Officers' Training Corps) candidates to be permanent ensigns in the Supply Corps of the Navy, subject to the qualifications therefor as provided by law:

David G. Bezanilla
Jerry W. Billey
Robert E. Borton, Jr.
Faxon D. Chapin, Jr.
Thomas M. Cribbin
Martin J. Cross
James M. David
Joseph M. Doares, Jr.
Victor F. Duggins II
*Herbert E. Fish III
Kenneth M. Gladstone
Emmett W. Grandy III
Robert C. Heim
*Bruce A. Hopkins
Frederick T. Jaffin, Jr.
William J. Karry
Guinn O. Leverett, Jr.
William F. Magrogan, Jr.
Kent B. Massie
William B. McCowan, Jr.
Roger G. Morris
Robert J. Moutrie
David F. Palmerlee
Thomas J. Schmiege
Robert W. Thornburgh, Jr.
William I. Trandum
Ronald C. Wilkinson

The following-named graduates from Navy enlisted scientific education program to be permanent ensigns in the line of the Navy, subject to the qualifications therefor as provided by law:

John E. Bingham
Michael D. Christian
James G. Fernald
Gordon D. Helyer
Michael G. Jensen
Robert E. Lutz, Jr.
Robert J. Myshka
Richard E. Pietrzykowski
George S. Renshaw
Jack W. Samford
Gerald J. Sieren
Duane R. Smith
Roger B. Spencer
Winfred D. Vallance

*Fred J. Bice (Navy enlisted scientific education program) to be a permanent ensign in the Supply Corps of the Navy in lieu of ensign in the line as previously nominated and confirmed, subject to the qualifications therefor as provided by law.

Robert W. Browning (civilian college graduate) to be a permanent lieutenant (junior grade) and a temporary lieutenant in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law.

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

William L. Anderson, Jr.
George A. Playford
David M. Reeves

Lynn E. Leffler (Naval Reserve officer) to be a permanent lieutenant and a temporary lieutenant commander in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law.

Van Melvin, warrant officer, to be a permanent chief warrant officer, W–2, in the Navy, subject to the qualifications therefor as provided by law.

The following-named (Naval Reserve Officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

Seth E. Anderson, Jr.
George L. Bass, Jr.
Howard S. Berg
Robert A. Bielinski
Ronald C. Bloodworth
Sydney D. Bogart
Peteris Bormanis
Benjamin C. Bowen
Ronald E. Bullock
Robert J. Campbell
Herbert L. Cares
John W. Chidsey, Jr.
James J. Coatsworth
Richard J. Corbett, Sr.
Daniel M. DeYoung
Richard E. DuBois
John R. Dunkelberg
Frank E. Ehrlich
Edward A. Ellis
John B. Emery, Jr.
Edwin H. Engert, Jr.
Stuart S. Fleming, Jr.
Donald G. Gallup
Roger L. Gilbertson
Frank J. Gillen, Jr.
Howard D. Gunlock
Robert B. Harrison
Ronald M. Hughes
Lawrence G. Hunsicker
David H. Jackson
George T. Jamarik, Jr.
Thomas B. Janter
Charles M. Jenkins
Alfred N. Karickhoff
Thaddeus E. Kelly
James E. Kopp
Hunter C. Leake III
Lloyd L. Leider, Jr.
Daniel B. Lestage
Kenneth G. Magee
James R. McMillian
Kenneth H. Messner
James E. Moorman, Jr.
James R. Moyes
Terence J. O'Toole
Stanley M. Patterson
Sam L. Pool
Kenneth L. Raulston, Jr.
Larry D. Reed
David M. Reeves
Elster D. Roberts
David I. Rosen
Kenneth R. Roth
Joel E. Sherlock
Rayburn R. Skoglund
Walter H. Snider, Jr.
Jerry C. Sutkamp
Britton E. Taylor
Charles W. Toup
Dennis H. Wessels
Reginald D. Wheat
Eugene J. Wolski

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualifications therefore as provided by law:

John E. Abbott
John R. Afinowicz
Robert J. Alles
Gordon R. Alena
Edward P. Andersen
John N. Anderson
William L. Anderson, Jr.
Curtis R. Baker
Don B. Bane
Anthony Barone
Sylvester Barrington
Stanley L. Bartley
Earl D. Baxter
Donald D. Bell
Anthony P. Belmont
Charles H. Bercier, Jr.
William F. Bigham
Harold "W" Blevins
Bruce R. Blome
John E. C. Bocker
William J. Boehmler
Robert L. Bonsanti
Adam G. Brandau, Jr.
Roger W. Brassel
David A. Brian
William H. Brigance
Robert B. Brigden
Robert F. Brill
Jim R. Browning
Kenneth T. Buckley
Robert A. Bullock
Horace E. Buzhardt
Doyle E. Campbell
Dudley K. Campbell
Anthony A. Cassens, Jr.
Carlton L. Chambers III
James W. Cole III
Thad F. Connally
Taylor I. Cook
Ted A. Cook
Bernard J. Cordes
James H. Covey
Wilton W. A. Cox
Alvin H. Crawford
William G. Crawford
Billy B. Crowell
Samuel L. D'Amato, Jr.
Jerome H. Davis
Timothy J. Davis
Donald A. Deinlein
Robert D. de la Fuente
Paul T. DiGaudio
Herbert S. Dodge
James B. Edwards III
Wilbur F. Eich III
William L. Ekman
Jerry E. Enis
Stanley A. Englund
Richard H. Fair
Anthony E. Fathman
Lewis J. Fisher, Jr.
Thomas H. Fisher
James M. Fitts, Jr.
William C. Flanagan, Jr.
George E. Fleming
John R. Fletcher
James R. Fowler
Lynn R. Frary
Colin M. Freeman
David B. Gillis
Robert L. Gingell
Barry Goldman
Daniel H. Golwyn
Edward F. Good
Dennis B. Goodman
John E. Grasinger
Richard G. Grassy, Jr.
Cecil D. Grimes, Jr.
James A. Grimes
John M. Grollmus
Frank R. Gudas
James W. Ham
Ronald L. Hamm
Kenneth R. Hansen
Terry J. Happel
John M. Harrelson III
Daniel T. Harrington
John E. Hill
Larry W. Hill
William M. Hinz
James J. Houser
Robert L. Houts
John K. Howe, Jr.
Ernest W. Hunt, Jr.
William B. Jackson
Clifford J. Jeremiah
James D. Johannes
Francis D. Keenan, Jr.
Denis L. Keleher
Leon R. Kelley
Dan A. Kelly
"R" R. Kenner
Gerard F. Kenny
Peter T. Kirchner
John L. Kitzmiller
Raymond W. Klofkorn
George L. Koomos, Jr.
Kevin B. Lake
William R. Lamb
Alan M. Larimer
Robert C. Lecher
Lewis H. Lipsius
Paul A. LoCascio
Michael J. Logan
James T. Love, Jr.
Louis N. Ludington
George A. Lussier
John R. Lyons
John W. Mace
Thomas A. MacLean
Bruce A. Mallin
Harry A. Mangold
Edward C. Mattison
Martin E. McKenney
Robert T. McKinlay, Jr.
William E. McNally
Thomas B. Merritt
John M. Mertus
Karl V. Metz, Jr.
David E. Miller
John P. Miller
Donald S. Minckler
Richard Y. Mitsunaga
Frank A. Munden, Jr.
John F. Murphy
Bruce A. Naylor
Louis T. Nielson
Frederick C. Norcross
Clifford T. O'Connell
Michael A. O'Keefe
Benjamin C. Olliff, Jr.
James H. Oury
Ralph G. Owen
Stanley M. Patterson
James H. Patterson, Jr.
James P. Perry
Roger A. Potter
Ralph F. Principe
Willard R. Prouty
Stephen C. Pruyn
Gene H. Purvis
Charles N. Reed III
Delbert L. Remy
Glen V. Rice
Roderick P. Robertson
Donald M. Robinson
William D. Roche, Jr.
William A. J. Ross
William A. Scaring
Wendelin W. Schaefer
Jenkins L. Schley
Paul A. Selecky
Larry J. Severson
Robert M. Seymour
Charlie W. Shaeffer, Jr.
James O. Shaw
William D. Shea
Ernest L. Simms
Daniel C. Sisemore
Ronald L. Smits
Joseph P. Smyth
Harold L. Spencer
Robert H. Spratt
Richard D. Stevenson
Regis T. Storch
Eugene S. Strout
Robert M. Taxman
Stephen C. Telatnik
Joel D. Todino
Frank A. Trefny
Ricardo J. Trevino
David E. Ulmer
Peter V. Van Tassel
Leonard L. Vertuno
Richard P. Wagner
George G. Wells
Gerald M. West
Harold D. West, Jr.
David O. Westmark, Sr.
Robert H. Wheelock
James E. Wilkerson
Ackerman C. Williams, Jr.
Bernard M. Williams
George A. Williams
Samuel W. Williams
Tom V. Willis, Jr.
Orville D. Wilson, Jr.
Walter S. Yourchek, Jr.
David C. Ziegler
Jack E. Zimmerman

The following named (Naval Reserve Officer Training Corps) for permament appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Herschel M. Timmons, Jr.

The following-named officers of the Marine Corps for temporary appointment to the grade of first lieutenant subject to qualification therefor as provided by law:

Henry D. Barratt
Duard L. Beebe
John R. Bell
Roderick E. Benton
James M. Chance
Roger J. Claus
Charles E. Conway, Jr.
Joseph C. Dangler
Francis T. Dettrey
Wilson R. Dodge
Joseph J. Dzielski
Elbert A. Foster
Marshall M. Grice, Jr.
Leon A. Guimond
William P. Hamilton
Billie E. Hicks
Fred L. James
Herbert C. Johnson
Robert L. Jones, Jr.
James A. Kinniger
Ronald C. Kraus
L. J. Lott
Kenneth R. Maddox
Enrique A. Mauri
Joseph R. Paquette
Joaquin D. Pereira
Roger P. Pilcher
Herbert F. Posey
Thomas R. Preston
H. L. Redding
Richard R. Reuschling
Donald J. Robinson II
Anthony J. Scaran
George R. Schipper
Frederick W. Schroeder
Delmas D. Sharp, Jr.
Kenneth E. Shelton
Billy E. Simpson
Alan T. Snyder
Jerry L. Stricker
Frank D. Strong
William E. Tisdale
William G. Van Zanten, Jr.
David B. Werner
Theodore L. Whisler
David F. Winecoff
Anthony A. Zadravec

The following-named officers of the Marine Corps for permanent appointment to the grade of first lieutenant subject to qualification therefor as provided by law:

Ronald L. Allen
Henry W. Austin
Earle G. Breeding, Jr.
Jack R. Brinker
James R. Coughlan
Ronald V. Debrincat
Lawrence L. Downey
James H. Pinnick
Moffatt F. Wylie
Paul E. Rudeen, Jr.
William R. Griggs
John W. Raymond
John P. Caynak
James E. Selway
Ronald F. Thomson
David L. Lawson

The following-named officers of the Marine Corps for temporary appointment to the grade of captain subject to qualification therefor as provided by law:

George W. Atteberry
Dennis A. Cavagnaro
Robert F. Rodgers
David A. Villeneuve
John T. Radzyminski
Thomas L. Elser
James L. Losey
Edward R. Doane
John G. Flynn
Warren A. Culpepper
Robert G. Whaley
John R. Fritsch
Delbert H. Dupont
Herbert E. Hoppmeyer, Jr.
William F. Tremper
Robert L. Babos
Allen L. Powers
James D. Gilliard
Benny M. McKenzie
Richard C. Bradfield
Edward F. Kubik, Jr.
Edward L. Green
Terry C. Jackson
Glenn O. Kennedy, Jr.
William C. Reed, Jr.
William J. Feind
James P. Crowley
Joseph G. Dentz
Jerry L. Lathrop
Zane B. Fisher

The following-named (platoon leaders class) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualification therefor as provided by law:

John B. Caskey
John B. Crell, Jr.
Alan W. Hitchens
Sammy R. Claxton

NOTE.—* . indicates interim appointment issued.

EXTENSIONS OF REMARKS

The Need for a New Trade and Embargo Policy With Communist Nations

EXTENSION OF REMARKS

OF

HON. ROBERT TAFT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1964

Mr. TAFT. Mr. Speaker, events of recent months have pointed up once again the crying need for a reexamination of present trade practices and policies with the Communist nations and for the drawing up of a firm statement of principles based on that study. It is not only the American people, but the entire world, that has now become completely confused by the vagaries and inconsistencies of U.S. policies.

Clearly these policies are entirely ineffective today and are leading to misunderstandings and differences of opinion with other nations of the free world, which may well jeopardize the structure of NATO and other relationships with free nations unless action is taken to clear them up. A place at which we might start would be with a reevaluation and revision of our entire policy toward the blacklisting of ships visiting Cuban ports and the Johnson administration's new policy, put into effect in December of 1963, under which ships may be removed from that blacklist. The facts are that at the present time there are 200 ships on this blacklist and since December 38 ships have been removed from the blacklist, but even with this removal there has been a net addition of 2 ships to the blacklist since the first of December 1963. This shows clearly that our blacklisting policy is not working and that since the revision in our policies, there has been a net increase of ships, other than Russian ships, visiting Cuban ports, rather than any decrease. This is not surprising in view of the lax provisions under which blacklisted ships can now be removed from the list. Of the total of 38 such removals, 6 have been British ships, and 14 have been Greek ships. It should particularly be noted that the pledge given by the owners, in order to remove such a ship from the blacklist, specifically excludes any commitment that ships already chartered for Cuban trade will be withdrawn before the termination of their charter if such charters were entered into before December 16, 1963. Such charters may in some circumstances last 2 or 3 years. The feeling of many in Congress, in which I share, is that this removal procedure should itself be removed and that we should extend our embargo policy insofar as U.S. ports are concerned to the ships of any registry which continue to visit Cuban ports after a warning period of 2 or 3 months, regardless of the terms of outstanding charters. Those ships would have an option to make their choice one way or the other, and we could look for some net decline in the number of ships from our allies using Cuban ports and helping to sustain the Communist effort in Cuba, which is being strengthened by this trade.

At the same time, a reexamination of our entire trading policy with Communist nations in other parts of the world should be studied and new principles clearly stated and instituted. A good place to start on this project would be to reconsider the decision forced upon the Congress by President Johnson on Christmas eve, under which the Export-Import Bank and presumably other financing sources are specifically permitted to guarantee the credit of Communist nations on shipments of wheat or of any other products for which export licenses are granted. If the wheat sale proposal had been submitted to and considered by the Congress and it had stuck to the original terms of cash on the barrel head, one half American shipping, and guarantees against diversion to Cuba, it might have been acceptable to many Americans.

However, the idea of guaranteeing Communist credit, of increasing subsidies on such oversea shipments, and of otherwise taking steps to assist the faltering agricultural economy in Russia is wholly abhorrent to them. But with such attitudes officially endorsed, we can not be surprised at the decision of Great Britain and other nations to indulge in Cuban trade to their heart's content as witnessed by the recent bus sale and by the present discussion of French truck deals which may soon materialize.

These are just a couple of examples of the inconsistencies and confusion which dominate the whole question of U.S. trade policy with the Communists at the present time. If we do not know where we stand or where we are going ourselves, it is hard to see how we can expect the rest of the world to understand us or to cooperate with us in our efforts. There is little time to be lost in correcting this situation because the ramifications in our relationships with other nations are themselves as dangerous and upsetting as the increased strength given to Communist Cuba.

The 43d Anniversary of the Armenian Revolt Against Soviet Tyranny

EXTENSION OF REMARKS

OF

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1964

Mr. McCLORY. Mr. Speaker, on behalf of all freedom loving Americans—and particularly on behalf of those Americans of Armenian descent—I rise on this day, the 43d anniversary of the successful Armenian revolt against Soviet tyranny and terror.

No people have demonstrated greater determination or more love for freedom than those who once were part of the Armenian nation; and who are now spread in various lands around the globe, including a great many who reside in the 12th Congressional District of Illinois.

Our Nation supports the independence of an ever-increasing number of new nations. However, it is appropriate to point out that little or nothing is being done to assist the Armenian people—or other nations which are now encompassed by the Iron Curtain—to regain their national freedom.

I call again upon the administration to give support to the resolution—House Joint Resolution 15—offered by my distinguished colleague, the gentleman from Illinois, Congressman EDWARD J. DERWINSKI, to establish a Captive Nations Commission. This measure would restore hope and—eventually, I trust—freedom for Armenia as well as for the provinces and satellite nations, which are now under Communist domination.

The adoption of this joint resolution would seem to be a first step in encouraging Armenia's emergence as a free nation.

The determination of Armenians to remain free—no matter where their temporary abode—is hailed here, today. Freedom loving people everywhere applaud the dreams, hopes, and realistic goal of a restored free and independent Armenian nation.

Georgetown University Debating Tournament

EXTENSION OF REMARKS

OF

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1964

Mr. FASCELL. Mr. Speaker, it is my great pleasure today to announce that the debating team from Miami Beach High School has won the 13th annual Georgetown University high school debating tournament.

Two seniors, David Kaye and Allen Fuller, from Miami Beach High School, defeated Jesuit High School of New Orleans in the final round of the tournament. The topic for the debates was "Medicare," with the teams alternating between the affirmative and negative position for each successive round.

These two young men are members of the National Forensic League, the national high school honorary debating society. For their supreme efforts here in Washington during the 3 days of keen competition, the Miami Beach team was presented the Ryder Challenge Cup, named in honor of Father Ryder who established the Philodemic Debating Society around 1831.

The Miami Beach team is not the only one from Dade County, Fla., to take home honors. The highest individual award of the tournament went to Martin Galbert, of Miami Senior High School. He was named the top debater of the entire tournament.

Mr. Speaker, I am justly proud of these fine young people from the district which I have the honor to represent—the Fourth Congressional District of Florida. I might add that of the three Florida teams competing, all were representing high schools from the Fourth Congressional District. They were Miami Beach Senior High School, Miami Senior High School, and Coral Gables Senior High School.

The four young people representing Coral Gables Senior High School paid a visit to my office yesterday. They were: Cynthia Perwin, Louis Sperling, Jose Garcia, and Larry Mans. Although I did not have the pleasure of greeting them personally, my office staff was most impressed by their eagerness and enthusiasm and their keen awareness of domestic and world affairs.

The Georgetown University tournament, which began last Friday and went through Sunday, was the largest high school debating tournament ever held. A total of 180 teams from 103 schools competed; 30 States were represented by approximately 500 of the top debaters in our Nation.

This grueling tournament began with 6 preliminary rounds which narrowed the field to the top 16 teams. The remaining teams met in four sudden-death rounds, leaving 8 teams, then 4, then 2, and finally the winning team. The Miami Beach team won a total of 10 debates to carry off top honors.

My heartiest congratulations to all the young men and women competing in this nationwide debating tournament, and in particular my congratulations and sincere thanks to the winners who represented Florida and Dade County so outstandingly, and to their teachers and coaches.

The 88th Congress Reconvenes

EXTENSION OF REMARKS

OF

HON. JACK WESTLAND

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1964

Mr. WESTLAND. Mr. Speaker, the people of my district are greatly interested in knowing what legislation may be forthcoming from Congress this year. For this reason, I have made the 2d session of the 88th Congress the subject of my February newsletter.

Therefore, Mr. Speaker, under leave to extend my remarks, I include my newsletter, as well as the paragraphs under the heading "As I See It," in the RECORD:

YOUR CONGRESSMAN, JACK WESTLAND, SECOND CONGRESSIONAL DISTRICT OF WASHINGTON, FEBRUARY, 1964

THE 88TH CONGRESS RECONVENES

The 2d session of the 88th Congress has begun with a new skipper at the helm. President Johnson begins his first full year as President and the country will shortly find out if his is a new program or a continuation of the old. Time will tell. Many are still trying to figure out how we can provide all the programs the President is asking for and still keep the budget at the level he proposed. While it's true he's asking for nearly a billion less than last year's budget, the $97.9 billion requested still includes an anticipated $4.9 billion deficit. Most important is the request for $103.7 billion in new obligational authority. This is the gage of what an administration actually plans to spend. If that authority is granted it could eliminate most of the $6.5 billion Congress saved in appropriations for the current year and produce an actual $10.7 billion deficit for the coming year.

The recent resignations of Arthur Schlesinger and Ted Sorensen, both considered to have wielded great power in the White House, would indicate that the Johnson programs and methods may be different than those of former President Kennedy. If their resignations mean a disenchantment of the liberal wing of the Democrat Party then the President can face some intraparty battles.

This session should be a comparatively short one. An election year makes quite a bit of difference in the activities of Government. Although I may be sticking my neck out I'll predict that we'll adjourn not later than September 1; that we'll pass a civil rights bill by April; that we'll pass the tax bill by March 1 (retroactive to January 1); and that we'll pass a wilderness bill that everyone can live with. I'll predict that Pacific Northwest power preference legislation will pass which will protect the industries of the State of Washington.

I also believe that Congress has a fair chance of bringing our budget almost into balance, something I've fought for for years. But I can see no relief for the lumber industry in the northwest—the President's recent veto of even the labeling (country of origin) bill indicates the lack of sympathy of the administration.

I can see no satisfactory conclusion to the war in Vietnam which is costing many lives and a million dollars a day.

I can see no success in our relations with Castro Cuba—it would be more predictable that that situation may even get worse since Mr. Bunker, who arranged for the Sukarno (Indonesia) takeover of the Dutch West Indies, has been named ambassador to the Organization of American States.

I can see no improvement in our relations with De Gaulle, but to the contrary a worsening.

I can see no improvement in the composition of the United Nations—in fact the admission of Red China becomes a distinct possibility now that France has "recognized" them.

I guess that's about enough of looking into the crystal ball for this letter. Maybe (and I hope so) I'll be wrong in my assessment of our position in foreign affairs.

Just don't forget for 1 minute that, despite all our problems, this is the greatest nation on earth and the envy of the entire world.

AS I SEE IT

(By Helen Westland)

I am aware that one of the fine opportunities which goes with congressional life in Washington, D.C., is to be invited to be a hostess at the Annual Congressional Wives Prayer Breakfast. On February 5, 1964, the breakfast was held at the Mayflower Hotel. Congressional wives, and member guests of prayer groups, totaling 750 ladies, heard sincere remarks from both President and Mrs. Johnson, and from Dr. Billy Graham, who incidentally was introduced as the husband of our main speaker, Mrs. William Graham of North Carolina.

Mrs. Graham is an unusually attractive, tall young lady; in fact, she and her husband look very much alike. She's an excellent speaker, with warmth and a sense of up-to-date humor. I appreciated her remark that she does a lot of her praying on the hoof—while washing dishes, tending to children, etc. I find waiting for elevators, and the underground tunnel walk from the House Office Building to the Capitol are good areas for "praying on the hoof."

One of Mrs. Graham's favorite prayer stories is about the man who was trying to "get with religion." His prayer was this: "Lord have mercy * * * cause mercy suits our case."

All in all, this was a splendid way to start a day.

VISITORS

Anacortes: Mr. and Mrs. Marion O. Berentson; Mr. Steve Petcoff.

Blaine: Mr. and Mrs. Jack Gloslie; Mr. and Mrs. Boyd McPhail.

Clinton: Sue Kinskie.

Edmonds: Mr. R. C. Schiefelbein.

Monroe: Mrs. Dorothy J. Bennett.

Port Angeles: Douglas Crowell.

Sedro-Woolley: Mrs. Frank S. Evans.

P.S.—Let me remind you that your letters are welcome any time you want to give me your ideas on legislation before the Congress or any time you have a problem involving the Federal Government.

Unemployment

EXTENSION OF REMARKS

OF

HON. J. ERNEST WHARTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1964

Mr. WHARTON. Mr. Speaker, when we attempt to legislate on economic problems, and particularly one such as unemployment in private industry, it is most unfortunate that more of our colleagues have not experienced meeting a payroll, completing the myriad of Government forms and reports, or competing for business against larger or more favorably situated organizations.

In connection with the current proposal for double overtime pay, one of my constituents, a brick manufacturer of long standing, writes me as follows:

DEAR MR. WHARTON: This is with respect to H.R. 9802—premium wage rates for overtime work. We have given this proposal considerable study. We look with a skeptical eye on the statement of its supporters that the tripartite committee would restrict its recommendations for not less than double time for overtime to selected industries. Double time for overtime for our little company would involve a cost burden that would wipe out our incentive to operate. It is impractical for us to hire extra help as an alternative. We hope that you will take a position against H.R. 9802.

Obviously, we are not going to encourage employment by putting employers out of business, and this is exactly what has been going on for some time. Government regulation has reached the saturation point and I hear many complaints concerning this harassment of private industry. New York State lost 4,000 small farms last year because all of our farm assistance programs are designed to assist the big operator, and

Federal regulations have discouraged many more thousands of small businessmen in the same period. The least we can do is to stop encouraging unemployment through such ridiculous ideas as this.

Cameron Voting Record

EXTENSION OF REMARKS

OF

HON. RONALD BROOKS CAMERON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1964

Mr. CAMERON. Mr. Speaker, continuing the practice which I established with gratifying results during the 1st session of the 88th Congress, I include in today's RECORD a complete tally of my voting and attendance performance during the final weeks of 1963 and the first legislative month of 1964.

As most Members are perhaps aware, these periodic reports are sent to all registered voters in California's 25th District. Their reaction to this method of keeping them informed has been extremely heartening, and is sound rebuttal to the cynical view that "What the voters do not know cannot be used against you." In my judgment, a voter's right to know is sacrosanct and one of the cornerstones upon which this great Nation was built.

I know that the vast majority of my colleagues have developed in varying degrees their own methods of keeping in touch with their constitutents, through monthly newsletters, radio and television, yearend wrap-up reports, questionnaires, and so on. I would not presume to suggest that one method is better than another, or more effective, nor would I advise anyone how best to fulfill the electorate's desire and need for information concerning the representation it is receiving.

Nevertheless, I would suggest that all of us study the methods of communication used by each other. In so doing we can perform a great public service by helping develop to as fine a degree as possible an important tool designed to further the cause of government of, by, and for the people.

Mr. Speaker, under leave to revise and extend my remarks I include my first congressional voting record report for 1964:

Roll call No.	Date	H.R. No.	Vote				Brief description
			R.B.C.	Yea	Nay	Not voting	
221	Dec. 5		Present				Quorum call by Mr. Carey, Democrat of New York (94 Members absent).
222	Dec. 6		Absent				Quorum call by Mr. Kyl, Republican of Iowa (207 Members absent; R.B.C. at meeting with Peace Corps Director, Thailand).
223	Dec. 9		Present				Quorum call by Mr. Adair, Republican of Indiana (71 Members absent).
224	do	7885	Yea	195	165	74	On acceptance of conference report re foreign assistance authorization bill. (1 Member answered "present"; see rollcall No. 133.)
225	do		Present				Quorum call by Mr. Harsha, Republican of Ohio (87 Members absent).
226	do	8929	Yea	278	76	80	Motion to recommit District of Columbia rapid transit bill.
227	Dec. 10	8747	Yea	356	22	56	On acceptance of conference report on independent offices appropriation bill.
228	do	8747	Not voting	170	204	60	Motion that House recede from disagreement with Senate amendment earmarking $1,700,000 for construction of veterans' hospital in Florida. (R.B.C. at meeting with Roger Hilsman, Assistant Secretary of State for Far Eastern Affairs); would have voted "nay."
229	do		Present				Quorum call by Mr. Harris, Democrat, of Arkansas (61 Members absent).
230	do	6518	Yea	273	109	53	On acceptance of conference report on Clean Air Act. (See rollcall No. 102.)
231	do		Present				Quorum call by Mr. Arends, Republican, of Illinois (75 Members absent).
232	do		Absent				Quorum call by Mr. Hays, Democrat, of Ohio (83 Members absent; R.B.C. in office with visitor from Turkey).
233	do	579	Yea	345	12	76	To permit consideration of bill to provide legal assistance for indigent defendants in criminal cases in U.S. courts (1 Member answered "present").
234	Dec. 11		Yea	214	166	54	Motion to adjourn by Mr. Albert, Democrat, of Oklahoma.
235	Dec. 12	9140	Yea	330	47	57	On acceptance of conference report on public works appropriation bill (1 Member answered "present").
236	do		Present				Quorum call by Mr. Conte, Republican, of Massachusetts (78 Members absent).
237*	do	4955	Nay	180	193	60	Motion to recommit conference report on vocational education bill.
238*	do	4955	Yea	301	65	68	On passage of vocational education bill conference report.
239	Dec. 13		Present				Quorum call by Mr. McLoskey, Republican of Illinois (115 Members absent).
240	do	9139	Yea	300	4	130	On acceptance of conference report on military construction appropriation bill.
241	Dec. 16		Present				Quorum call by Mr. Gross, Republican of Iowa (55 Members absent).
242*	do	9499	Nay	218	169	46	Motion to recommit foreign aid appropriation bill for Export-Import Bank amendment (1 Member answered "present").
243*	do	9499	Yea	249	135	46	On passage of foreign aid appropriation bill (4 Members answered "present").
244	Dec. 17		Present				Quorum call by Mr. Stinson, Republican of Washington (70 Members absent).
245	do	8667	Nay	329	41	63	Conference report on public works appropriation bill—motion that House insist on disagreement to Senate amendment (1 Member answered "present").
246	do	9413	Yea	352	6	76	To provide coinage of John F. Kennedy 50-cent pieces.
247	Dec. 19		Present				Quorum call by Mr. Findley, Republican, of Illinois (98 Members absent).
248	do	875	Yea	324	4	106	Supplemental appropriations to Department of Health, Education, and Welfare for mental retardation programs.
249*	Dec. 20		Present				Quorum call by Mr. Derwinski, Republican, of Illinois (144 Members absent).
250*	Dec. 21		Absent				Quorum call by Mr. Gross, Republican, of Iowa (169 Members absent; this call came at 2 a.m.—R.B.C. sleeping in office, failed to receive whip call).
251*	do	598	Nay	182	95	156	On adoption of resolution to permit consideration of conference report on foreign aid authorization bill (1 Member answered "present").
252*	do	9499	Nay	141	136	153	Motion to maintain House disagreement on Export-Import Bank amendment to foreign aid bill (3 Members answered "present") (adjourned at 5:45 a.m.).
253	do		Present				Quorum call by Mr. Gross, Republican of Iowa (162 Members absent).
254	Dec. 23		Present				Quorum call by Mr. Gross, Republican of Iowa (146 Members absent).
255*	do	600	Yea	202	105	125	On adoption of resolution to permit consideration of conference report on foreign aid bill on same day rule granted (⅔ vote needed for adoption; resolution failed).
256*	Dec. 24	9499	Yea	189	158	80	On passage of foreign aid bill conference report (6 Members answered "present").
1* to 21*	Jan. 7–31		Absent				R.B.C. conducting congressional report meetings in the District.
22 to 29	Feb. 1–8		Present				Quorum calls by Messrs. Gross, Cederberg, and Van Pelt (average of 25 Members absent per call).
30	Feb. 8		Yea	220	175	36	Motion to adjourn at 10:07 p.m.
31	Feb. 10		Present				Quorum call by Mr. Gross, Republican of Iowa (23 Members absent).
32*	do	7152	Yea	290	130	11	On passage of Civil Rights Act.

*Items so marked are considered to be of greater significance, and a brief explanation is included herein.

ROLLCALLS NOS. 237 AND 238, VOCATIONAL EDUCATION

In this era of increased automation and mass unemployment of the unskilled, there can be little question that Government must take a firm hand in helping equip our young people for full and productive careers in vocational occupations. This consensus is certainly reflected in the final House vote of 301 to 65 on H.R. 4955. It has been more than 17 years since Congress enacted far-reaching legislation in this field and in the intervening years the labor market has made greater and greater demands on workers. More education and a higher degree of skills are needed, but recent statistics indicate that about 35 percent of our children now in grade school will not become high school graduates. Approximately half of those students who graduate from high school will not go to college, but will seek jobs. Yet only about 13 percent of our high-school-aged children are presently enrolled in vocational educational programs. This alarming trend must be reversed and I am hopeful that the Vocational Education Act of 1963 will help bring this about.

ROLLCALLS NOS. 242, 243, 251, 252, 255, AND 256, FOREIGN AID BILL

At 7 a.m. on December 24, the House met for final consideration of the foreign aid authorization bill, a measure which 8 days earlier had cleared the House with a provision that would have blocked underwriting by the Export-Import Bank of wheat sales to the Soviet Union. On rollcall No. 242 I voted against attaching this amendment to the bill, but when it was included in the bill, I supported passage of the entire measure. I was confident, however, that the Senate would not accept the Bank amendment, and this prediction was borne out in conference committee. House and Senate conferees dropped the amendment and the bill was returned to the House. Then came the donnybrook that did much to tarnish the image of Congress in the public eye. With Christmas only a few days off, the House Democratic leadership was unable to keep its forces in the Capital. Republicans, however, showing strong party discipline under the leadership of the gentleman from Indiana, Congressman **Halleck**, were on the floor for rollcall No. 252 and by a five-vote majority refused to accept the conference committee's discarding of the controversial amendment. The conference report again came before the House on rollcall No. 256, this time with a Democratic majority on the floor. The foreign aid bill passed in the form recommended by House-Senate conferees.

It is regrettable that the GOP keyed its attack on the so-called wheat amendment to an issue of "communism versus anticommunism." This was not the issue. The issue was one of foreign policy, trust in the President of the United States, and the use of every weapon at our disposal in waging the cold war. I consider all of my votes—whether the issue be aid to education, departmental appropriations, mental retardation or what have you—to be votes for a stronger and more prosperous America, and therefore against communism. I am sure this is true of all Members of Congress on both sides of the aisle and accusations and insinuations to the contrary are a disservice to the entire body.

The Export-Import Bank amendment was designed to sharply curtail Presidential flexibility in conducting foreign policy, an area of responsibility which is given to the executive branch by the Constitution. Whether the Bank may or may not extend credit in the sale of wheat for dollars is a judgment that should properly be made by the President, reporting to Congress, and by the hard-headed businessmen who formulate the Bank's policies.

It is worth noting that Edwin Neilan, president of the U.S. Chamber of Commerce, had this to say about the wheat sales:

> The action of President Kennedy and Secretary of Commerce Luther Hodges in approving the sale of wheat to the Soviet Union through private commercial channels at the world price for cash or short-term credit is commendable. It will benefit the U.S. economy particularly in the area of reducing our balance-of-payments deficit and by providing an outlet of surplus wheat which is costing taxpayers enormous sums in storage charges.

President Eisenhower made this observation:

> If in a matter of an economic deal we saw that we got a very great advantage, then it is a good horse trade, and in a horse trade * * * there is no principle that is being furthered, it is just a material gain. If there is a mutual advantage you can't kick about a trade.

In the words of a spokesman for the American Bankers Association:

> Since every dollar of gold they [the Soviet Union] pay us is another dollar they cannot spend for military purposes, I cannot see any valid objection to this proposed sale.

This entire line of reasoning was obviously shared by the Eisenhower administration for in 1957 the Export-Import Bank guaranteed a $30 million loan to Poland to buy a tinplate mine, and again in 1958 the Bank guaranteed a $25 million purchase of pharmaceutical products to this same Communist country.

The greatest irony in the entire wheat amendment hassle was the violent antisale position taken by extremist groups. Hurling their familiar charge of "treason" at anyone with whom they disagree, they failed to recall that one of their most ardent supporters and leading spokesmen, former Secretary of Agriculture Ezra Taft Benson, advocated the sale of surplus agricultural products to Iron Curtain countries as far back as 1955. In fact, in that year, a multimillion dollar sale of hybrid corn and seeds and farm machinery to Russia was transacted.

I saw no objection to the foreign aid authorization bill conference report. It said in simple language that the Export-Import Bank is not to guarantee any payment incurred by a Communist country in the purchase of any product, except when the President determines that it is in the national interest to extend credit. It is a matter of having faith in the President's judgment. I have that faith.

A Small Businessman Looks Ahead

EXTENSION OF REMARKS

OF

HON. J. ERNEST WHARTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1964

Mr. WHARTON. Mr. Speaker, although it remains to be seen what action Congress will take on the proposals to lower the workweek to 35 hours, H.R. 3102, and the double overtime bill, H.R. 9802, I believe it is our duty to refer both bills to one of our semiactive investigating committees for interment in a manner not unlike the Domestic Peace Corps, ZIP code numbers, and other ill-advised theoretical schemes that are best remembered for their ability to incite adverse public comment.

One of my very substantial constituents, who employs a dozen men or so, has, I believe, expressed the sentiment of the small businessman on H.R. 3102 in a manner which is both amusing and alarming. He writes:

> The 35-hour week bill, H.R. 3102, if passed would throw at least one-half of the small businessmen out of business. In order to organize and administer a 35-hour week, the small businessman would have to work 70 to 80 hours, so we figure why bother, liquidate, get a job ourselves causing more unemployment and maybe a 15-hour week. Nice dream?

More Questions on Our Puzzling Foreign Policy

EXTENSION OF REMARKS

OF

HON. RALPH F. BEERMANN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1964

Mr. BEERMANN. Mr. Speaker, I am indeed sorry to say, Mr. Speaker, that my puzzlement and amazement over many phases of our foreign policy increase as time goes on.

Some time ago I raised some questions as to why we subsidized Communist leaders like Tito to the tune of billions of dollars—all taxpayer money, of course—on the grounds that we thereby are weakening communism. Perhaps I am unable to grasp the esoteric reasoning of our policy planners, but it seems to me, that by contributing billions of dollars to Communist dictators, we are underwriting a system that is dedicated to our destruction.

In the recent Zanzibar rebellion, every news story I read attributed the overthrow of the elected government to Cuban-trained revolutionaries. The State Department, however, said it was not certain that the new government was Communist. Even after the new rulers proclaimed Zanzibar as a peoples republic in the fashion of the Communist nations, the State Department remained unconvinced. I recall our diplomatic experts in the State Department did not believe Castro was a Communist until the day he announced his communism to the world.

Many other phases of our foreign policy baffle me. One recent instance has me quite bewildered. Here is the situation. In effect, we are underwriting and supporting the regime of Cyrille Adoula, Premier of the former Belgian Congo. We have spent in this disorganized country some $500 million, through the United Nations and our own foreign aid program, and will give it much more. We backed the U.N. attack on Moise Tshombe, former President of Katanga Province, forcing Katanga, which wanted to become independent, to subordinate itself to Adoula.

One Holden Roberto is the leader of a movement intended to drive the Portuguese out of Angola, a Portuguese possession in West Africa. Roberto maintains a government-in-exile on the soil of the former Belgian Congo. This government has been recognized by Adoula, and he is assisting Roberto in his plans for an invasion of Angola. Incidentally, Roberto is being assisted also by other African nations, including Ben Bella, Algerian dictator, who is friendly to Castro and hostile to the United States.

Charges have been made from time to time that Roberto has had Communist backing. These have been denied by our State Department. In fact, there have been rumors that we looked with favor on Roberto, regarding him as a sort of Adoula, who would be on our side when the Portuguese are driven out of Africa. However, Pieter Lessing, and other reputable authorities, have insisted that Roberto had Communist backing for his invasion of Angola in March 1961. Roberto's band of terrorists tortured and butchered, sparing neither age nor sex. The atrocities were represented in this country as justifiable acts by a heavily oppressed people. The United States sided with Roberto's assassins, and, at the U.N. our representatives actually voted with Communist Russia to condemn the Portuguese for defending themselves. But many reputable journalists and commentators visited Angola after March of 1961. Their stories were quite different than the early reports which were spread by Portugal's enemies.

But early this year Roberto did a most embarrassing thing, embarrassing to our foreign policy planners. He suddenly announced that he intended to seek Communist support, including Red Chinese support, in his campaign against the Portuguese. He is quoted in the New York Times as saying that he intended to visit Peiping, Moscow, and possibly Cuba.

He is quoted in the New York Times as saying:

> The Communists assured me that we can have whatever we need in arms and money. We are firmly decided to accept.

The open Roberto-Communist alliance raises some very interesting questions. We are underwriting Adoula, who in turn is underwriting Roberto. Moreover, without a haven in the Congo, to which he can retreat after striking at Angola, Roberto cannot operate. It is evident that he has little support inside Angola, itself.

Do we still intend to allow Roberto to use the Congo as the base for Communist operations intended to drive the Portuguese out of Angola? Do we still intend to underwrite an operation aimed at a friendly nation, Portugal, on behalf of our deadly enemies?

Someone may say that we cannot tell Adoula what to do. No, but we can stop giving him taxpayer dollars. If we do that, he would not be able to continue in business. We can use our influence to have the U.N. troops removed from the Congo, where they are preventing utter chaos. We can stop helping finance the destruction of the free world and our own destruction as well.

Finally, does the State Department intend to continue to be guided in its African policy by the American Committee on Africa? This outfit has been Roberto's backer in the United States and has helped him with propaganda, and in other ways. There is plenty of evidence that the committee, which once included many prominent and deluded citizens as members, has been heavily infiltrated by Communist sympathizers. One prominent staff member, Hope Stevens, has belonged to 20 or more Commie fronts, over a period of years. Still others have played footsie with the Commies on many occasions.

Yet, George M. Houser, executive director of the committee, is a member of the State Department's Advisory Council on African Affairs. Dr. John A. Marcum, another American committee member, also is a member of the Council. And Frank Montero, prominent in American committee affairs, actually is a member of our U.N. delegation.

If these men are shaping our African policies, we can look forward to continued support for Roberto, who plans to take over Portuguese Africa with Communist support.

May I say, Mr. Speaker, that I have had no answers from our foreign policy makers to my queries about foreign affairs. Perhaps, personally, I am not sufficiently important to warrant attention from our great State Department. Yet, I insist that the questions I have raised are pertinent and deserve attention. They go to the very heart of matters, and may explain why the Communist tide is advancing over the world and why the retreat of democracy continues.

Lumber Standards Change Could Cripple Our Ports

EXTENSION OF REMARKS
OF
HON. THOMAS P. O'NEILL, JR.
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 18, 1964

Mr. O'NEILL. Mr. Speaker, a move is now underway by a few giant timber companies to change the size standards of lumber. The crippling effect that this development could have for ports, such as my home port of Boston, is spelled out in an excellent article in the February 2 issue of the Boston Globe. The first two sentences of the article, written by Mr. Earl Banner, explain why this question should be seriously considered by every Member of this body who has a port in his district:

> A move by some giants of the lumber business to eliminate so-called green lumber from the American Lumber Standards Code, and still further reduce the dimensions of the prosaic 2 by 4, most commonly used stud in the building trade, could cost the port of Boston more than a quarter of its general cargo imports.
>
> The joker in the proposal is that Government approval of a newer, slimmer 2 by 4 (now only 1⅝ inches by 3⅝ inches, but perhaps soon to be a dainty 1½ inches by 3½ inches) will automatically enrich some of the proponent companies by millions of dollars.

Mr. Speaker, these giant timber companies should not be permitted to perpetrate such a major economic move under the guise of making technological improvements. At least, this vital economic matter deserves the fullest public airing before any action is taken by the Department of Commerce. In this regard, I am pleased to learn that my good friend and colleague, the gentleman from California, who is chairman of the House Small Business Subcommittee on Distribution, has announced tentative plans for hearings on the lumber standards issue. I also understand that our beloved Speaker has urged our colleague from California to allow adequate time for the presentation by Massachusetts port interests and wholesale and retail lumber dealers at these hearings. Please be assured, Mr. Speaker, that I will give this matter my fullest support.

At this time, under unanimous consent, I include the Boston Globe article and the press announcement of the hearings by the gentleman from California in the RECORD:

[From the Boston Sunday Globe, Feb. 2, 1964]

LUMBER INDUSTRY MOVE COULD COST PORT PLENTY

(By Earl Banner)

A move by some giants of the lumber business to eliminate so-called green lumber from the American Lumber Standards Code, and still further reduce the dimensions of the prosaic 2 by 4, most commonly used stud in the building trade, could cost the port of Boston more than a quarter of its general cargo imports.

The joker in the proposal is that Government approval of a newer, slimmer 2 by 4 (now only 1⅝ by 3⅝ inches, but perhaps soon to be a dainty 1½ by 3½ inches) will automatically enrich some of the proponent companies by millions of dollars.

National adoption of the proposed new 2 by 4 will automatically increase the number of 2 by 4's in a given log by roughly 10 percent.

"It will amount to a 10-percent boost in inventory, and capital gains that will be counted in the hundreds of millions," one opponent of the proposal contends.

One of the chief proponents of the still slimmer 2 by 4 is the Weyerhaeuser Co., the lumber industry's Goliath whose timber acreage is exceeded only by the Government itself.

This proposed revision of lumber standards, already under consideration by the U.S. Department of Commerce, could dry up the movement of lumber tonnage (more than 100 million board feet last year) from Boston Harbor.

GREEN LUMBER BID

That segment of the industry seeking elimination of green lumber from the American Lumber Standards, presented its proposals to Secretary of Commerce Luther Hodges in Washington on Friday.

House Speaker JOHN W. MCCORMACK and Senators LEVERETT SALTONSTALL and EDWARD M. KENNEDY have asked Secretary Hodges to give equal time to that segment of the national lumber industry opposed to the proposals.

The petition signed by the Bay State's three congressional leaders informed Secretary Hodges they were "particularly anxious to have Mr. Sherman Whipple, president of Wiggin Terminals, Inc., Boston, included in the equal-time meeting with you."

Whipple told the Globe the proposed elimination of all but kiln-dried lumber from the American Lumber Standards would end waterborne shipment of lumber from the west coast.

"All government and large-scale building projects must adhere to American Lumber

Standards," Whipple explained. "Elimination of so-called green lumber which simply means it is not kiln dried—would eliminate green lumber from the trade. Kiln-dried lumber cannot be shipped via ships."

Import of green lumber into Boston comprises 26 percent of the port's general cargo imports. Most of the lumber is discharged and stored temporarily out of doors at the big Castle Island terminal.

LUMBER EASTBOUND

Most of the domestic lumber imports received here are carried in ships of either States Marine or Calmar, a subsidiary of the Bethlehem Steel Co.

These carry cargoes of structural steel westbound, and lumber eastbound.

"Unless they can carry lumber eastbound, this last surviving segment of the once-thriving intercoastal trade will die out," Whipple said. "It will be a serious blow to the whole port community."

Other east coast lumber terminals with just as much reason for concern as the port of Boston are at Providence, New Haven, New London, Newark, and Brooklyn.

Speaker McCormack also received a request for his services in arranging an equal-time conference with Secretary Hodges from John R. Furman, president of Furman Lumber, Inc., who reported that New England lumber people opposed to the proposed new standards include three firms with combined gross annual sales of over $100 million in the Northeast.

These include Blanchard Lumber, of Walpole, Shepard & Morse, of Boston, and the New England Wholesale Lumber Association (40 wholesalers).

In Washington last week, Congressman James Roosevelt, Democrat, of California, announced aspirant for a Senate seat, wrote to Secretary Hodges relaying complaints he has received about the proposed new 2 by 4.

"In summarizing the contents of the complaints received," wrote Roosevelt, "I would say they reduce to five basic issues."

These are, he said:

1. The proposed new standards are discriminatory.

2. The American Lumber Standards Committee proposing these new standards is not broadly representative of the lumbering industry and is dominated by monopolistic interests.

3. The economic impact resulting from the proposed standards will cause hardship on many in the lumber industry, particularly on the smaller business organizations.

4. There has been no demonstration that the proposed changes will be of benefit to the consuming public, whereas there is reportedly evidence to show that the changes will be of considerable benefit to the relatively few motivating proponents of the changes.

5. The conception and promotion of the new standards are in violation of the law.

GRAVELY CONCERNED

"I am gravely concerned about these charges," Roosevelt wrote.

"The allegation that the proposed changes are discriminatory stems from the fact that the existing national standards for lumber allow for both dry and green, or unseasoned, lumber, whereas the proposed new standards include sizes for dry lumber only."

"This obviously means that green lumber would be a nonstandard item immediately upon the Department of Commerce's promulgation of the changes as they are now proposed. The significance of this point is underlined by the fact that more than half of all softwood lumber production is green lumber."

Roosevelt, chairman of the House Subcommittee on Distribution (under the Committee on Small Business), reported he is receiving communications supported by affidavit and other data which "if correct, indicate a movement is underway by large organizations in the lumber industry which could ultimately eliminate smaller organizations."

Roosevelt informed Hodges, "If hearings appear necessary, it is my intention to open them in California."

[From the office of Congressman James Roosevelt]

Roosevelt To Hold Lumber Meetings

Representative James Roosevelt, Democrat, of California, will meet with California lumber representatives on February 16 and 17 to discuss proposed hearings on size changes in lumber standards.

Roosevelt, chairman of the House Small Business Subcommittee on Distribution, has been asked by California timber spokesmen to hold hearings on the controversial proposal which has divided the entire lumber industry.

On Sunday at 11 a.m., at the Beverly-Wilshire Hotel in Los Angeles, Roosevelt will meet with wholesale and retail lumber dealers and southern California port interests.

On Monday, February 17, he will meet in San Francisco with northern California lumber producers, manufacturers, and port and shipping interests representing both management and labor. The meeting will be at 2:30 at the Fairmont Hotel.

The issue at stake is a proposal to change the size of nominally 2-inch dry kiln lumber to 1 to 1½ inches, without including comparable size change for unseasoned or green lumber. The larger lumber manufacturers are in favor of the proposed change, while smaller lumber operators are contending that it would put them out of business.

Roosevelt said he was considering holding subcommittee hearings in both northern and southern California, on the east coast, and in Washington, D.C. "If we decide to hold hearings, we will want the fullest possible exposition of the facts from both sides," he said. "Commerce Department officials have informed me that this proposal has provoked more mail and more pressure from both sides than any issue to come before them in a long time. Because it so vitally affects both the consuming public and the small businessman, there seems to be a definite need to publicly air the facts of this controversy."

In announcing the meetings, the California Congressman also released the text of a five-page letter he had written to Commerce Secretary Luther Hodges, asking that Commerce Department action be delayed until his subcommittee could determine whether hearings are required. The Commerce Department has jurisdiction over standards in lumber sizes.

In his letter, Roosevelt informed Hodges that he has received considerable evidence "which, if correct, indicates a movement is underway by large organizations in the lumber industry which could ultimately eliminate smaller organizations."

"This, of course," Roosevelt said, "is contrary to the public interest in whose behalf we are both committed to act."

Roosevelt said that a summary of the widespread complaints he had received from lumber producers, consumers, wholesale and retail, and shipping interests, boils down to five basic issues. He listed them as follows:

1. The proposed new standards are discriminatory.

2. The American Lumber Standards Committee proposing these new standards is not broadly representative of the lumbering industry and is dominated by monopolistic interests.

3. The economic impact resulting from the proposed standards will bring hardship to many in the lumber industry, particularly to the smaller business organizations.

4. There has been no demonstration that the proposed changes will be of benefit to the consuming public, whereas there is reportedly evidence to show that the changes will be of considerable benefit to the relatively few proponents of the changes.

5. The conception and promotion of the new standards are in violation of the law.

"If any of these charges are true," Roosevelt concluded, then the makeup of the American Lumber Standards Committee "would appear to be open to the charge made against it of being a biased committee that is dominated by selfish interests."

Senator Clifford P. Case, of New Jersey, Speaks on Planning

EXTENSION OF REMARKS

OF

HON. FLORENCE P. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1964

Mrs. DWYER. Mr. Speaker, the senior Senator from New Jersey, Hon. Clifford Case, spoke last week in Plainfield, N.J., on the need for, and commonsense behind, better governmental planning among communities located in heavily urban areas.

Senator Case's speech is particularly valuable, I believe, because he makes his case simply, factually, and persuasively. In an area of government where poor communication has sometimes brought needless misunderstanding, Senator Case has expressed commonsense proposals in a commonsense way.

Under leave to extend my remarks in the Record, I include Senator Case's speech:

Excerpts From Remarks by Senator Clifford P. Case, of New Jersey, Prepared for Delivery Before Plainfield Business Association, Park Hotel, Plainfield, N.J., Thursday Evening, February 13, 1964

As businessmen, you plan ahead. This is accepted, indeed expected, as sound business practice. It is also good governmental practice, although some profess to see something sinister in it when it involves more than one political subdivision. In fact, sitting down with one's neighbors across town or county lines is often essential to the efficient and effective use of public moneys.

Throughout New Jersey, the most highly urbanized State in the Nation, there is a growing trend among our communities to plan together when it becomes the interest of an area as a whole to do so.

In Monmouth County, for example, exploratory talks have been going on among seven communities bordering the Shrewsbury River with the thought of establishing a single major sewage treatment plant to serve all.

Would seven individually built, individually financed treatment plants discharging their effluent into the Shrewsbury River be an improvement over a single plant, jointly financed, with sewerlines capable of discharging the treated waste beyond the river and into the Atlantic Ocean? The answer seems clear.

The Federal Government may also have a role in this project. For there is a Federal program of assistance to, among other things, construction of sewage treatment facilities. The Federal Government also has funds available for planning joint studies.

In our State there are many Federal programs which affect cities and suburbs. One problem of increasing severity in some communities is the relocation to decent homes of those displaced from slums by highways, urban renewal, and other federally financed public works projects.

In order to assure that urban renewal, for example, is in the interests of the neighborhoods affected, a workable program concept was initiated. This is designed to provide assurance by the communities to the Federal Government that the local people have a long-range plan for overall community development. Relocation plans for those displaced are included.

But the uprooting of families from old neighborhoods has given rise to second thoughts about urban renewal. In some places, the emphasis has already shifted from the bulldozer approach to rehabilitation. Not always is it best to flatten everything that may look like a slum on the outside. It is not always possible or desirable to relocate every family or every business. Disruption of stability which families have known in their neighborhoods can be much more demoralizing than living in modest, but clean and safe, quarters.

Enforcement of housing codes helps avoid the bulldozer. New emphasis on citizen participation in a community's urban renewal activities has helped.

Many difficulties in urban renewal have developed because community leaders have not been kept informed as plans develop, or afforded an opportunity to express their views before a proposal is formally before the local governing body.

Once this stage is reached, the community and its constituent neighborhoods may find themselves in a take-it-or-leave-it situation. Had there been adequate consultation and an effective planning process a number of years ago, the urban renewal program of Federal-private redevelopment of urban and suburban areas would have been much more successful for the individuals affected. It is scarcely sound, I believe, for the Federal Government to measure the success of its urban renewal program by the number of loan and grant contracts it has entered into with municipalities. Nor can we measure the success of our redevelopment programs in terms of the number of slums our bulldozers flatten. The real measure is to be found in individual and community well-being, that is to say, in human terms. And in these terms the current reappraisal is certainly in order.

A number of Federal programs cut across political boundaries affecting whole regions as well as single communities. These programs range from private housing assistance to direct Federal subsidization for public housing, highways, air and water pollution aids, and many others.

Such questions as the location of a jet airport, to be built in considerable part with Federal funds, can drastically affect the future of New Jersey's remaining green areas.

Because conflicts involving Federal programs inevitably arise both within individual communities and in the broader regions which the programs are designed to serve, I believe that the Federal Government's role in the planning process needs reviewing. A bill which has just recently passed the Senate points the way. Senator MUSKIE, of Maine, is the chief sponsor of this bill which includes several legislative proposals of my own.

This Senate-passed bill would encourage individual communities and counties to join in areawide or regional solutions to problems. The bill has four broad objectives.

They are (1) to increase the economy and efficiency of operations of Federal, State, and local governments in meeting the needs of metropolitan areas; (2) to facilitate the coordination of intergovernmental relations and activities on a continuing basis; (3) to provide a more effective exchange of information in the planning and development process; (4) to encourage comprehensive planning and development on an areawide basis without regard to political boundaries.

To accomplish these goals, the bill provides that each application for a federally assisted loan or grant affecting a metropolitan area be accompanied by the comments and recommendations of a planning agency performing metropolitan or regional planning for the area in which the assistance is to be used. Secondly, a statement is to be submitted by the applicant that it has considered these comments and recommendations prior to formal application. These provisions would apply to all applications made after June 30, 1965, for urban renewal and open-space projects in a metropolitan area, and for the construction of hospitals, airports, water supply and distribution facilities, sewerage and waste treatment works, highways, public housing, and transportation facilities.

The need for local and areawide review of Federal loan and grant applications is created by a combination of factors, among them, the rapid population growth of these areas, the many Federal programs affecting the development of urban and suburban areas, and the number of local units of government independently initiating such applications. These proposals for Federal assistance are often made without reference to other Federal, State, local, or private development programs. Frequently their impact on the overall urban area which they are designed to serve is not fully considered.

This bill, if finally passed by the House, will help us to insure that the desires of the communities and larger areas which would be affected are reflected in federally assisted public works projects.

Effective regional and metropolitan planning by itself will not cure all our urban problems. We will probably always have to fight the natural disinclination to attack the hard decisions, including the allocation of scarce land, water, and economic development resources. One way to overcome it is to encourage greater collaboration among all the various groups and agencies concerned with urban developments.

SENATE

WEDNESDAY, FEBRUARY 19, 1964

(Legislative day of Monday, February 10, 1964)

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

Rev. Edward B. Lewis, pastor, Capitol Hill Methodist Church, Washington, D.C., offered the following prayer:

We thank Thee, O God of all mankind, for the day in which we are living.

It is a day that demands the best of all men. Thus, we come in this historic body, beseeching Thy guiding presence.

This is a day, however, that is darkened by men's ignorance of each other—a day in which we hardly know whom to trust and who is our enemy or friend. But back of these clouds the sun is ever shining. There is the God of peace, love, forgiveness, and eternal life. How we thank Thee for the sunlight of this day.

Be very near to these men and women assembled to give good leadership in a great country. Surround them with the light of sound judgment. Quicken their minds and hearts with Thy Spirit of peace and good will to all mankind.

Great decisions are being made in these Halls of Congress. May the paths of right for all be found during these hours.

Give to the President of these United States and to these leaders the security of knowing that the people are prayerfully with them. Surround them with the light of Thy countenance, that this day may be made brighter because God and men have worked together through great problems.

Help us to be grateful for the material blessings which are ours. We are not favorites of Thine; however, we are a favored people. May we be wise enough to convert this abundance of material blessings into world leadership of strong, moral, and spiritual purpose.

During this month when we remember two of our greatest leaders, we express a patriotic, poetic prayer of a spiritual giant of the past who enlightened his day by his prayer; send through it the light of God for our new day:

Lord, while for all mankind we pray,
  Of every clime and coast,
O hear us for our native land,
  The land we love the most.

O guard our shores from every foe;
  With peace our borders bless,
Our cities with prosperity,
  Our fields with plenteousness.

Unite us in the sacred love,
  Of knowledge, truth, and Thee;
And let our hills and valley shout
  The songs of liberty.

Lord of the nations, thus to Thee
  Our country we commend;
Be Thou her refuge and her trust
  Her everlasting Friend.

—JOHN R. WREFORD.

This is the day which the Lord hath made; we will be glad and rejoice in it.

We pray this prayer in the name of Jesus Christ, the light of the world. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, February 18, 1964, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the bill (S. 1445) for the relief of Archie L. Dickson, Jr., with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 3264. An act for the relief of Esterina Ricupero;

H.R. 5306. An act for the relief of Paul James Branan;

H.R. 7757. An act for the relief of Jesse I. Ellington;

H.R. 8878. An act for the relief of Caroline G. Junghans; and

H.R. 9615. An act for the relief of John A. Peralta.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and they were signed by the Acting President pro tempore:

S. 573. An act for the relief of Elmer Royal Fay, Sr.;

S. 1206. An act for the relief of Georgia Lou Rader;

S. 1488. An act for the relief of Alessandro A. R. Cacace;

S. 1518. An act for the relief of Mary G. Eastlake; and

H.R. 7356. An act to amend title 10, United States Code, relating to the nomination and selection of candidates for appointment to the Military, Naval, and Air Force Academies.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the Judiciary:

H.R. 3264. An act for the relief of Esterina Ricupero;

H.R. 5306. An act for the relief of Paul James Branan;

H.R. 7757. An act for the relief of Jesse I. Ellington;

H.R. 8878. An act for the relief of Caroline G. Junghans; and

H.R. 9615. An act for the relief of John A. Peralta.

TRANSACTION OF ROUTINE BUSINESS

On request of Mr. MANSFIELD, and by unanimous consent, it was ordered that there be a morning hour, with statements therein limited to 3 minutes.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

DEPARTMENT OF STATE

The legislative clerk proceeded to read sundry nominations in the Department of State.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the State Department will be considered en bloc; and, without objection, they are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

On motion of Mr. MANSFIELD, the Senate resumed the consideration of legislative business.

ENROLLED BILLS SIGNED

The ACTING PRESIDENT pro tempore announced that on today, February 19, 1964, he had signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

S. 2064. An act to relieve the Veterans' Administration from paying interest on the amount of capital funds transferred in fiscal year 1962 from the direct loans revolving fund to the loan guaranty revolving fund; and

S. 2317. An act to amend the provisions of section 15 of the Shipping Act, 1916, to provide for the exemption of certain terminal leases from penalties.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

EXTENSION OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON REAPPORTIONMENT OF AN APPROPRIATION

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Bonneville Power Administration for "Operation and maintenance," for the fiscal year 1964, had been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation; to the Committee on Appropriations.

DRAFTS OF PROPOSED LEGISLATION

A letter from the Chairman, Interstate Commerce Commission, Washington, D.C., transmitting drafts of six proposed bills, to give effect to recommendations in that Commission's annual report (with accompanying papers); to the Committee on Commerce.

REPORT ON OVERPROCUREMENT OF SPARE FUZE COMPONENT USED FOR REPAIR OF IMPROVED TARTAR AND HOMING TERRIER MISSILES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on overprocurement of spare fuze component used for repair of improved Tartar and Homing Terrier missiles, Department of the Navy, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

PHILIP N. SHEPHERDSON

A letter from the Acting Director, U.S. Information Agency, Washington, D.C., transmitting a draft of proposed legislation for the relief of Philip N. Shepherdson (with accompanying papers); to the Committee on the Judiciary.

REPEAL OF PROVISION OF LAW CODIFIED IN 5 U.S.C. 39

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to repeal the provisions of law codified in 5 U.S.C. 39, and for other purposes (with an accompanying paper); to the Committee on Post Office and Civil Service.

REPORT ON STATUS OF PUBLIC BUILDING PROJECTS AUTHORIZED FOR CONSTRUCTION AND ALTERATION

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a report covering the status of public building projects authorized for construction and alteration, dated December 31, 1963 (with an accompanying report); to the Committee on Public Works.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. BARTLETT, from the Committee on Commerce, with an amendment:

S. 2456. A bill to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard (Rept. No. 873).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

Mr. RANDOLPH (by request):

S. 2520. A bill to authorize appropriations for the fiscal years 1966 and 1967 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; to the Committee on Public Works.

(See the remarks of Mr. RANDOLPH when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 2521. A bill to consent to an agreement between the State of Minnesota and the Province of Manitoba, Canada, providing for an access highway to the Northwest Angle in the State of Minnesota, and to authorize the Secretary of Commerce to pay Minnesota's share of the cost of such highway; to the Committee on Foreign Relations.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. BIBLE (by request):

S. 2522. A bill to amend section 501(e) of title 16 of the District of Columbia Code relating to bond requirements in connection with attachment before judgment; and

S. 2523. A bill to amend the act entitled "An act to regulate the practice of podiatry in the District of Columbia," approved May 23, 1918, as amended; to the Committee on the District of Columbia.

By Mr. RIBICOFF (for Mr. EDMONDSON):

S. 2524. A bill to amend title IV of the Housing Amendments of 1955 with respect to the acquisition by the Secretary of Defense or his designee of certain housing constructed and insured under section 608 of the National Housing Act; to the Committee on Banking and Currency.

By Mr. KEATING:

S.J. Res. 156. Joint resolution to observe April 9, 1964 in recognition of the courage displayed by Nazi victims of the uprising in the Warsaw ghetto in 1943; to the Committee on the Judiciary.

(See the remarks of Mr. KEATING when he introduced the above joint resolution, which appear under a separate heading.)

AUTHORIZATION OF APPROPRIATION FOR CONSTRUCTION OF CERTAIN HIGHWAYS

Mr. RANDOLPH. Mr. President, I introduce, by request, the Department of Commerce legislative proposal for authorization of appropriations for the fiscal years 1966 and 1967 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

The measure would be designated as the "Federal-Aid Highway Act of 1964." As noted, I introduce the bill by request and reserve the right to offer and/or to support amendments thereto.

I ask unanimous consent that the communication from the Secretary of Commerce to Hon. CARL HAYDEN, President pro tempore of the Senate, relating to and transmitting a draft of the proposed measure, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2520) to authorize appropriations for the fiscal years 1966 and 1967 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, introduced by Mr. RANDOLPH, by request, was received, read twice by its title, and referred to the Committee on Public Works.

The letter presented by Mr. RANDOLPH is as follows:

THE SECRETARY OF COMMERCE,
Washington, D.C., February 12, 1964.

Hon. CARL HAYDEN,
President pro tempore of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The Department of Commerce submits herewith as a part of its legislative program for the 88th Congress, 2d session, a draft of a proposed bill to authorize appropriations for the fiscal years 1966 and 1967 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

The purpose of the draft bill, designated the "Federal-Aid Highway Act of 1964," is to provide the necessary authorizations for continuation of the Federal-aid highway program and for other Federal highway and road construction programs and to make a technical amendment in the statutory declaration of policy relating to the Interstate System.

The Federal-Aid Highway Act of 1962, 76 Stat. 1145, authorized the appropriation of funds for the Federal-aid primary and secondary highway systems and extensions thereof within urban areas, popularly known as the A–B–C program, for the fiscal years 1964 and 1965 in the amounts of $950 million and $975 million, respectively. Funds authorized for the fiscal year 1964 were apportioned to the States in 1962, and the apportionment of funds authorized for the fiscal year 1965 was made by the Secretary of Commerce effective July 8, 1963. It is necessary, therefore, that the Congress give consideration during this session to the enactment of legislation making annual authorizations for the fiscal years 1966 and 1967 for continuation of the construction of highways on the Federal-aid primary and secondary systems and their extensions within urban areas.

The draft bill provides for authorizations of $975 million for the Federal-aid primary and secondary highway systems and their extensions within urban areas for each of the fiscal years 1966 and 1967. This is the level recommended for those years by the President in his special highway message to the Congress of February 28, 1961, and is consistent with the national interest expressed in section 101(b) of title 23, United States Code.

The bill also includes authorizations for 1966 and 1967 for direct Federal highway construction. The forest highways and public lands highways authorizations, administered by the Bureau of Public Roads in this Department, are necessary for continuation of these two construction and maintenance programs to meet main road needs for which other funds are not available.

The proposed public lands development roads and trails authorization for the Department of the Interior will permit the construction of about 150 miles of basic resource development roads, with necessary surfacing and bridges, for the orderly development of this system as required by the proper administration of public lands by that Department. The authorizations for both park roads and trails and parkways will continue needed construction and improvement of these roads to provide for visitor use within the national park system. The proposed Indian reservation roads and bridges authorization will furnish improved road transportation facilities commensurate with the needs of the programs of that Department for education, economic development, tribal program, community services, and resource protection and development.

The forest development roads and trails authorization for the Department of Agriculture is deemed necessary for continuing progress on the development program for the national forests which was submitted to the Congress September 21, 1961. To accomplish this program, it will be necessary to complete the construction and reconstruction of about 79,400 miles of multiple-purpose roads and 8,000 miles of trails during the 10-year period 1963–72. A portion of these roads will be built by purchasers of national forest timber, with appropriate allowances in timber appraisal. Further, it is necessary to provide maintenance to full standards on the 268,900 miles of existing access roads and trails and on the new roads and trails constructed during the period. The authorizations recommended are necessary for the forest road and trail phase of the development program to keep pace with the other phases.

Section 3 of the draft bill is a technical amendment to the declaration of policy expressed in the second paragraph of section 101(b) of title 23, United States Code. It is considered desirable in order to make this section conform with changes made by the Federal-Aid Highway Act of 1961 extending from 1969 to 1971 the period of authorization of appropriations for the National System of Interstate and Defense Highways.

The Department of Commerce recommends the draft bill for the favorable consideration by the Congress.

The Bureau of the Budget advises that enactment of the proposed legislation would be in accord with the program of the President.

Sincerely yours,

LUTHER H. HODGES,
Secretary of Commerce.

S. 2520

A bill to authorize appropriations for the fiscal years 1966 and 1967 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This act may be cited as the "Federal-Aid Highway Act of 1964."

AUTHORIZATIONS

SEC. 2. For the purpose of carrying out the provisions of title 23 of the United States Code the following sums are hereby authorized to be appropriated:

(1) For the Federal-aid primary system and the Federal-aid secondary system and for their extension within urban areas, out of the Highway Trust Fund, $975,000,000 for the fiscal year ending June 30, 1966, and $975,000,000 for the fiscal year ending June 30, 1967. The sums authorized in this paragraph for each fiscal year shall be available for expenditure as follows:

(A) 45 per centum for projects on the Federal-aid primary highway system;

(B) 30 per centum for projects on the Federal-aid secondary highway system; and

(C) 25 per centum for projects on extensions of the Federal-aid primary and Federal-aid secondary highway systems in urban areas.

(2) For forest highways, $33,000,000 for the fiscal year ending June 30, 1966, and $33,000,000 for the fiscal year ending June 30, 1967.

(3) For public lands highways, $3,000,000 for the fiscal year ending June 30, 1966, and $3,000,000 for the fiscal year ending June 30, 1967.

(4) For forest development roads and trails, $85,000,000 for the fiscal year ending June 30, 1966, and $95,000,000 for the fiscal year ending June 30, 1967.

(5) For public lands development roads and trails, $2,000,000 for the fiscal year ending June 30, 1966, and $2,000,000 for the fiscal year ending June 30, 1967.

(6) For park roads and trails, $23,000,000 for the fiscal year ending June 30, 1966, and $23,000,000 for the fiscal year ending June 30, 1967.

(7) For parkways, $11,000,000 for the fiscal year ending June 30, 1966, and $11,000,000 for the fiscal year ending June 30, 1967.

(8) For Indian reservation roads and bridges, $18,000,000 for the fiscal year ending June 30, 1966, and $18,000,000 for the fiscal year ending June 30, 1967.

TECHNICAL AMENDMENT TO TITLE 23

SEC. 3. The second paragraph of subsection (b) of section 101 of title 23, United States Code, is amended by striking out "thirteen years" and inserting in lieu thereof "fifteen years" and by striking out "June 30, 1969", and inserting in lieu thereof "June 30, 1971".

THE NORTHWEST ANGLE HIGHWAY

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to consent to an agreement between the State of Minnesota and the Province of Manitoba, Canada, providing for an access highway to the Northwest Angle in the State of Minnesota, and to authorize the Secretary of Commerce to pay Minnesota's share of the cost of this highway.

This proposed legislation represents the culmination of many years of effort by the State of Minnesota and the Province of Manitoba to provide an access highway to Minnesota's so-called orphan area, the Northwest Angle. This 150-square-mile parcel of land is separated geographically from the rest of the State by the west end of Lake-of-the-Woods and the southeast corner of Manitoba. Until Alaska became a State, the angle included the United States most northern point. Travel between the Northwest Angle and the rest of Minnesota has always been limited to boat, plane, or over ice of Lake-of-the-Woods during the winter.

To overcome this serious and dangerous travel barrier, Minnesota and Manitoba have reached agreement on the joint construction of a 32-mile highway from the Minnesota-Manitoba border north of Warroad, Minn., around the west end of the Lake-of-the-Woods to the western boundary of the Northwest Angle. The negotiations which produced this compact between Minnesota and Manitoba were authorized by Congress in Public Law 85-877, approved on September 2, 1958, and by chapter 132 of the 1959 Laws of the State of Minnesota.

The agreement contains the express provision that it shall not be binding on the State of Minnesota until Congress grants its approval. The proposed legislation I introduce today requests such approval, and further seeks authorization of an appropriation sufficient to pay Minnesota's share of the cost of the highway.

It is contemplated that this access highway will ultimately be part of an extension of the highway known as the Great River Road which will traverse the entire length of the Mississippi River. I have previously introduced legislation—S. 1672—to assist in the construction and acquisition of lands for the Great River Road.

The proposed Northwest Angle Highway will serve the expanding population in the upper Midwest by providing more convenient access to this marvelous and almost untouched recreational and scenic area. The Northwest Angle itself is geographically unique and has a fascinating history, thereby making the area most attractive to vacationers and tourists. The road will also develop a point of safe and convenient public access to the island-studded portion of the Lake-of-the-Woods without the hazards of crossing the Big Traverse or large body of open water.

Mr. President, the Northwest Angle Highway is a fascinating project which will open up to every American one of the most interesting and least known areas of the United States. This project has been pursued for many years and I express the sincere hope that Congress may act affirmatively and promptly on this legislation.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2521) to consent to an agreement between the State of Minnesota and the Province of Manitoba, Canada, providing for an access highway to the Northwest Angle in the State of Minnesota, and to authorize the Secretary of Commerce to pay Minnesota's share of the cost of such highway, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Foreign Relations.

COMMEMORATION OF UPRISING OF JEWISH PEOPLE IN WARSAW GHETTO

Mr. KEATING. Mr. President, a little less than 21 years ago occurred one of the most epochal struggles for human liberty in history—the uprising of the Jewish people within the Warsaw ghetto.

During the Second World War, Poland had been divided between two tyrannical governments—the Soviet Union and Nazi Germany. Three million Jewish people lived in the German occupied parts—350,000 in Warsaw.

The Nazi conquerors at first compelled all the Warsaw Jews to live in the worst slum area of the city. Gradually, separate sections of a high wall were built around that area, until one grim morning in November 1940 the entire ghetto was surrounded by a 10-foot wall and the Jews were forbidden to pass through the various gates except by special permit. Tens of thousands of them had jobs outside the ghetto, but they were now forbidden to continue their employment.

The Nazis shipped another 150,000 Jews from other Polish cities into the Warsaw ghetto, also depriving them of any means of earning a living. Then, ruthlessly and brutally, the Nazi government effected its policy of starving the people to death—the Jews were allowed some minimal food rations, so that there was no immediate mass starvation, but every month thousands died from hunger, disease, and the brutalities administered by the Nazi conquerors.

In July of 1942, in efforts to "purify" Eastern Europe of the Jews, the Nazis rounded up hundreds of Jews at a time within the ghetto, shoved them into boxcars like animals, and shipped them to the concentration camp at Treblinka, where they were put to death in gas chambers.

After 2 months of this terrifying policy, 50,000 Jews remained in the Warsaw ghetto. The Nazis had been very clever in creating the impression that the deportations would cease the next day, thus leaving their victims with a hope that they might be allowed to survive.

Soon, however, the remaining Jews realized that none of them would be spared and that mass resistance would be their only hope. Knowing they could not prevail against the power of their enemy, these courageous people resolved to make the supreme sacrifice with dignity and with a massive struggle for the liberty they held so dear.

On April 19, the Germans came once again to the ghetto to ship more of the Jews to their death but this time they were rebuffed. After meeting several more efforts of resistance, the Nazis resorted to burning down the buildings block by block, so as to burn the Jews out. Thousands did burn to death, thousands more died of starvation, disease, and injuries. A few managed to hide in the underground bunkers they had dug, until finally the last of these bunkers was seized, 3 weeks after the uprising. The remaining buildings were dynamited, reducing the Warsaw ghetto to ashes and rubble.

It is necessary, Mr. President, actually to visit and to see the ghetto, as it was my privilege to do a year ago last fall, to understand the situation. Even then one can only faintly comprehend the grim horror of those terrible days.

Yet this pile of ashes, horrifying and tragic, remains an expression of this indomitable human spirit even in the face of certain defeat. Weakened by disease and starvation and hopelessly outnumbered, these courageous people battled to death for freedom and liberty. They have not died in vain—their struggle and sacrifice will live forever in the hearts and memories of all free people fortunate to claim a birthright in a free society.

And also out of the ashes of the Warsaw ghetto rises a living memorial—the young and great State of Israel. A haven for the Jewish people, Israel today stands as a showcase of free government in the Middle East.

Mr. President, April 9 of this year, corresponding to the 27th day of Nissan of the Hebrew Judaic calendar, will mark the 21st anniversary of this historical uprising. In this connection, I am introducing for appropriate reference a joint resolution in recognition of this date. In the name of free people everywhere, I hope the Senate will act favorably and expeditiously.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 156) to observe April 9, 1964, in recognition of the courage displayed by Nazi victims of the uprising in the Warsaw ghetto in 1943, introduced by Mr. KEATING, was received, read twice by its title, and referred to the Committee on the Judiciary.

REVIVAL OF OFFICE OF GENERAL OF THE ARMIES—ADDITIONAL COSPONSOR OF BILL

Mr. JAVITS. Mr. President, I ask unanimous consent, with the consent of the Senator from Missouri [Mr. SYMINGTON], that I may be added as a cosponsor of Senate bill 2396 to confer a sixth star on Gen. Douglas MacArthur.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HEARINGS ON CERTAIN NOMINATIONS BY COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. JOHNSTON. Mr. President, a public hearing on the nominations of

Mr. Frederick C. Belen to be Deputy Postmaster General and Mr. William M. McMillan to be an Assistant Postmaster General for the Bureau of Operations of the Post Office Department will be held on Friday, February 21, 1964, at 10 a.m. in Room 6202 of the New Senate Office Building.

The hearing will be held before the full committee.

Anyone wishing to testify may arrange to do so by calling Capitol 4-3121, extension 5451.

HEARINGS ON S. 2455, A BILL TO AMEND FURTHER THE PEACE CORPS ACT

Mr. FULBRIGHT. Mr. President, I wish to announce that on Monday, February 24, the Committee on Foreign Relations will hold an open hearing on S. 2455, a bill to amend further the Peace Corps Act. Mr. Sargent Shriver, Director of the Peace Corps, will present testimony at 10:30 a.m. in room 4221, New Senate Office Building.

Anyone wishing to testify on S. 2455 is requested to notify the clerk of the committee as soon as possible.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, February 19, 1964, he presented to the President of the United States the following enrolled bills:

S. 573. An act for the relief of Elmer Royal Fay, Sr.;

S. 1206. An act for the relief of Georgie Lou Rader;

S. 1488. An act for the relief of Alessandro A. R. Cacace;

S. 1518. An act for the relief of Mary G. Eastlake;

S. 2064. An act to relieve the Veterans' Administration from paying interest on the amount of capital funds transferred in fiscal year 1962 from the direct loan revolving fund to the loan guaranty revolving fund; and

S. 2317. An act to amend the provisions of section 15 of the Shipping Act, 1916, to provide for the exemption of certain terminal leases from penalties.

PRESIDENT JOHNSON RIGHT IN CUTTING AID TO FIVE COUNTRIES THAT SELL TO CUBA

Mr. PROXMIRE. Mr. President, the State Department has been criticized by many Members of Congress and by persons throughout the country. In every administration it is an easy target. President Johnson too has been criticized by those who disagree with his foreign policy actions. Today, as a Senator I warmly commend the decision by President Johnson, to curtail our aid to five countries that trade with Cuba. This is an honorable, sensible, peaceful action which can ultimately have a significant effect on Castro.

It is true that France and Britain have announced that they will continue to trade with Cuba, in spite of the President's decision; and it is also true that the U.S. funds which will be curtailed as a result of this action are relatively modest, and involve in the case of Yugoslavia, only the financing of spare parts, a program which also is relatively small in dollar amount.

But the big fact is that the President of the United States now has gone on record as being determined to act, under the law, not to permit U.S. aid to continue to go to countries which trade with Cuba.

This action puts those countries on notice that if they continue to trade with Cuba, they cannot in the future expect to continue to receive the U.S. taxpayers' dollars which they have received in the recent past.

Mr. President, recently I have talked with many persons—both Democrats and Republicans, both workers and businessmen in Wisconsin. I found among them a remarkable consensus of opinion in opposition to trade with Castro by any of our allies or any countries friendly to us. The American people generally recognize that Castro represents a subversive, Communist threat to all the countries of Latin America, as well as a potential military danger to us. Therefore, Mr. President, we should do what we can to eradicate this cancer of communism from the Western Hemisphere. One of the obvious ways is to end the flow of our assistance to countries which would trade with this enemy. This is a peaceful, moderate, sensible course.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further morning business? If not, morning business is closed.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Antitrust and Monopoly Subcommittee of the Judiciary Committee; the Committee on Agriculture and Forestry; and the Subcommittee on Housing of the Committee on Banking and Currency were authorized to meet during the session of the Senate today.

U.S. POLICIES ON VIETNAM

Mr. MANSFIELD. Mr. President, I refer to this morning's news reports which indicate that Secretary of Defense McNamara has made it clear that the United States still hopes to bring about a major withdrawal of U.S. forces from Vietnam by the end of 1965. One can only hope that the hope will be realized.

Mr. McNamara's view is completely consonant with the fact that our effort from the outset in Vietnam has been to supplement the efforts of the Vietnamese themselves; the conflict has been and remains primarily a Vietnamese conflict. We have not—and properly—regarded it as an American conflict to be won primarily with the expenditure of American lives and resources. There has not been and there does not exist today a basis in our national interests which would justify the assumption of primary American responsibility in this situation which might well involve the sacrifice of a vast number of American lives not only in South Vietnam but, by extension, in North Vietnam, in Cambodia, in Laos, if not, indeed, in China itself. To be sure, circumstances may change, circumstances may compel us to face that contingency. But one can only hope that they will not arise, that instead the conflict will be confined to and resolved in Vietnam alone, that the expectation of the Secretary to the effect that we will be able to withdraw the bulk of our forces by the end of 1965 will be realized.

Those forces are in Vietnam at present for only one reason—to help to improve the efficacy of the Vietnamese military. And we have got to face the fact that while this is a significant element in the situation, it is not now and has not been the major factor in the Vietnamese problem. The core of that problem has been the restoration of peace in Vietnam, not in a militarily induced vacuum, but in the context of a popularly acceptable government in Saigon able to face with assurance the government in Hanoi.

That was the hope which originally underlay our support of the government of President Ngo Dinh Diem, a hope which had become very slim by last summer. It was the hope of many at the time of the first military coup although some of us, myself included, had grave misgivings and had deplored the tragic assassination of Ngo Dinh Diem. For, whatever his faults and inadequacies may have been, Mr. Diem was a man of dedication in the cause of Vietnamese nationalism and his death severed the cord of civilian political continuity on which the hope for peace and an acceptable stability for so long had rested.

What is the hope now? What is the hope which derives from the second coup? Press reports indicate a popular indifference to the recent developments in Saigon. Very likely the same is true of the rest of South Vietnam. Does this coup mean that the people of that nation will be brought closer to the day when peace shall prevail? Is it likely to be the forerunner of a civilian government responsive to the needs and wishes of the Vietnamese people in the south and enjoying their acceptance and support? Or does it mean, simply, that the cards of military power in Vietnam have been reshuffled? Does it mean, merely, that military coup begets military coup and the second is but a precursor of the third? How many will it take before these changes will have become totally irrelevant to the life of the Vietnamese people? Until their only significance shall be in terms of who shall receive our aid and wield the power which it represents in Vietnam?

These are questions, Mr. President, which we cannot and must not evade any longer. An embarrassed silence will no longer suffice in the light of the indicated course of developments. There is not a sufficient margin of time to ignore these questions for very much longer.

And it is not enough of an answer that the new junta proclaims its anticommunism and anti-neutralism. These words may set well with us. They may be music to our ears, but they are by now an old tune, played with minor variations in many parts of the world wherever American aid is sought or extended. The important question remains: What does this coup mean to the people of Vietnam and to the solution of their grave and agonizing problems?

That is a key question because the conflict in Vietnam remains a Vietnamese conflict, and in the end it must be resolved by the Vietnamese themselves. We have given extraordinary support to two successive governments in Vietnam. We can do no more and should try to do no more for a third. We have teetered for too long on the brink of turning the war in Vietnam which is still a Vietnamese war into an American war to be paid for primarily with American lives. There is no national interest at this time, as I have already suggested, which would appear to justify this conversion. Certainly, the second coup in Vietnam cannot conceivably justify the issuance of a new blank check on our aid funds and on the lives of American servicemen.

Secretary of Defense McNamara put it well when he said: "This is a Vietnamese war, and in the final analysis, it must be fought and won by the Vietnamese."

If anything, the words apply with even greater emphasis in view of the second military upheaval.

It seems to me that the President of the United States has acted most appropriately, therefore, in making clear that our desire to help the Vietnamese to find a way to stability and peace remains. But it is also clear that it remains to be seen whether the latest coup will really lead in that direction.

And may I say, too, that it seems to me that President de Gaulle has done well to speak out on southeast Asia. He has again demonstrated a sense of history and statesmanship in seeking new ways for dealing with the continuing instability and insecurity which prevails in Vietnam and much of southeast Asia. President Johnson, in pointing to the differences of view between ourselves and France, most appropriately noted in comment on President de Gaulle's remarks that, "If we could have neutralization of both North Vietnam and South Vietnam, I am sure that would be considered sympathetically." The President was, in my opinion—and today I am speaking only personally—referring to true neutralization—a status based on guarantees and not on words or promises or continued infiltration from the north.

The possibilities of such a neutralization may be extremely difficult to realize, but they ought not to be dismissed out of hand. There are the possibilities of the international patrol and control of borders in which U.S. forces in Vietnam and those of other nations prepared to do so could make a significant contribution. Indeed, Cambodia has indicated that it would welcome and do everything possible to accommodate such an international patrol. And it would seem to me that the Government of Laos under Prince Souvanna Phouma would have much to gain from a similar arrangement and, indeed, so would Thailand.

In that kind of a situation, there would most certainly be a role for France. We may or may not agree with President De Gaulle's approach in whole or part. That is our right and responsibility, even as the French have the right and responsibility to speak and act as they see fit even though I thoroughly disagree with De Gaulle's recognition of Communist China and, along with the Senator from Connecticut [Mr. DODD], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Ohio [Mr. LAUSCHE], and others, consider it a tragic mistake.

But whatever our differences, it seems to me most glib to make light of the admittedly unsatisfactory situation in Laos or the unhappy state of our relations with Cambodia as a basis for any offhand rejection of De Gaulle's essay at a new approach to Indochina and southeast Asia. Indeed, we might well ask ourselves: Do we ourselves, in terms of our national interests as seen in juxtaposition to the cost in American lives and resources, prefer what exists in South Vietnam to what exists in Laos or in Cambodia? Do we prefer another Vietnamese type of American involvement or perhaps a Korean-type involvement in these other countries and elsewhere in southeast Asia? Are we eager for expenditure of the great additions of foreign aid which they would entail? Are we to regard lightly the American casualties which would certainly be involved?

These questions, Mr. President, are very much to the point of the serious situation in southeast Asia, particularly in the Indochinese region, and of President de Gaulle's approach to it. If we face these questions fully and in all candor, if we do not seek to achieve lightly with words what can only be accomplished with blood and other sacrifices on the part of the people of this Nation, it seems to me that we will welcome a contribution of thought and effort from France to the possible solution of the problems of that troubled region. We will not deplore, ridicule, discourage, or denounce a French contribution. Rather, we will hope that, in spite of our doubts and certain of our experiences, the contributions will prove constructive, and we will do whatever we are able to do to bring the hope to fruition.

LITHUANIAN INDEPENDENCE DAY, FEBRUARY 16, 1964

Mr. SALTONSTALL. Mr. President, Sunday, February 16, marked the 46th anniversary of Lithuanian Independence Day, a holiday celebrated by people of Lithuanian descent throughout the free world, and honored by people everywhere who are dedicated to the establishment and maintenance of democratic ideals.

All persons who are subjects of tyranny and oppression can take courage from the example which the Lithuanian people have set throughout history. Though the challenge to liberty has been strong and though the yoke of oppression has often been heavy, especially in recent years, the determination of the Lithuanian people to maintain their ideals has remained firm. They have never forsaken their belief in the dignity of man and have fought a valiant struggle for human freedom against the forces of tyranny.

During the Middle Ages the Lithuanians established a powerful independent state in Europe and from the 14th to the 18th century they enjoyed political supremacy over much of Europe between the Baltic and Black Seas. The citizens lived in peace and safety and enjoyed many human freedoms denied to the citizens of neighboring states.

In 1795 Lithuania was annexed to Russia, thus losing her cherished freedom. From that date until 1918 czarist Russia cruelly repressed every uprising and revolt, but the oppressors could not extinguish the deep-rooted nationalism of the Lithuanian people.

On February 16, 1918, the Lithuanians realized their national dream and again became an independent Republic. They enjoyed 22 years of freedom during which time they made many advances in their domestic economic, social, and political development. Catastrophe came again, however, on June 14, 1940, when the Soviet Union invaded the Republic of Lithuania and declared it a constituent Republic of the U.S.S.R.

The United States has never recognized the Soviet claim to the valiant and freedom-loving country of Lithuania. As a nation we are convinced that the spirit to resist tyranny which is in the hearts of all Lithuanians will emerge triumphant over their Soviet oppressors.

I am proud that many Lithuanians of American descent are citizens of Massachusetts. Their contributions have enriched our State and our country as a whole, and their love of liberty has been an inspiration to all of us. I join with Lithuanians everywhere in honoring an anniversary of national independence which is particularly significant to all peoples who must continue to wage the war against tyranny.

THIS COUNTRY NEEDS GI BILL TO COMPLEMENT COLD WAR VOCATIONAL REHABILITATION ACT

Mr. YARBOROUGH. Mr. President, the June 1963 edition of Selective Service, which is the internal newspaper of the Selective Service System, states that the 12,000 servicemen who are disabled each year are presently eligible to receive vocational rehabilitation which was formerly unavailable for cold war veterans. The extension of this readjustment benefit was made possible by an amendment which I offered to Senate bill 2697 during the 87th Congress. The Congress of the United States should be justly proud of having extended the benefits of vocational rehabilitation to those cold war veterans who have been disabled while serving their country.

But these 12,000 are only a small fraction of the half a million servicemen who return to civilian life each year. All of these men who have helped to protect their Nation and the entire free world from the forces of tyranny and aggression have been subject not only to the dangers of physical disability but also the danger that they will be at a disadvantage in competing for scarce jobs when they return to civilian life. This would not be the case if all of our young men served in the Armed Forces since all would be on an equal footing. But at the present time only 45 percent of those eligible for the draft actually see substantial military service. This means that while these men are serving their country for 2, 3, 4, or more years, the other 55 percent are able to gain valuable experience and education which gives them a distinct advantage in competing for scarce positions during this time of relatively high unemployment.

It is only just that this Nation should aid these fine young men who have served their country during the cold war to continue their education. At present, readjustment assistance is limited to the 12,000 cold war servicemen who receive at least a 30 percent disability each year, and then the aid is limited to restoring the degree of employability which they possessed prior to their enlistment. The United States is in the anomalous position of requiring that a serviceman receive a serious injury before we will render readjustment assistance to him, and we have limited this assistance to vocational training while refusing to assist him in obtaining a higher education despite this country's urgent need for additional thousands of scientific, medical, and educational personnel.

I urge the Senate to pass the cold war GI bill which will extend education, training, and home-farm loan benefits to the 500,000 cold war veterans who return to civilian life annually. Mr. President, I ask unanimous consent that the article from Selective Service be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Disabled Veterans of Peacetime Service Eligible for Vocational Rehabilitation

Nearly 100,000 peacetime veterans who have suffered service-connected disabilities will benefit under terms of the peacetime vocational rehabilitation bill signed into law by President Kennedy, the Veterans' Administration points out.

This bill extends to these peacetime veterans the benefits of VA's wartime vocational rehabilitation bill.

The Veterans' Administration reports that some 12,000 peacetime veterans incur injuries each year and may be eligible for the new benefits.

The new law provides similar vocational rehabilitation training for peacetime disabled veterans as did the original vocational rehabilitation bill.

Veterans entitled to the benefits are those who sustained service-connected disabilities while in the Armed Forces (a) during the period between World War II and the Korean conflict, and (b) since February 1, 1955.

One difference between the original vocational rehabilitation law and the new law is that a peacetime veteran with a disability rated less than 30 percent must have a "pronounced employment handicap" in order to qualify for vocational rehabilitation.

Another very important change is that there is no time limit or final date for benefits under the new law. Under the previous law benefits for most World War II veterans ended July 25, 1956, and for most Korean veterans will end January 31, 1964.

From 1943 to 1962 the Veterans' Administration has provided vocational rehabilitation services to one and a half million disabled veterans. Their disabilities cut across injury and disease categories from the veteran with relatively minor disabilities to the quadriplegic (paralysis of all extremities), and the veteran with very serious psychiatric history.

From this group alone quite aside from the 8 million veterans who took their training under the GI bill, have come men with many skills in a wide range of occupations, contributing greatly to the manpower resources of the Nation.

Eligible disabled peacetime veterans are entitled to as much as 4 years of vocational rehabilitation training at Government expense.

A POLITICAL EPIDEMIC

Mr. SCOTT. Mr. President, recently I spoke to the annual dinner of the Philadelphia Drug Exchange at the Bellevue-Stratford Hotel in Philadelphia. Although an important vote in the Senate forced me to remain in Washington, I was able to convey these thoughts to the audience through a closed-circuit telephone line.

I ask unanimous consent that I may insert my remarks in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Remarks by Senator Scott

Some years ago there began a critical examination of the laws governing the effectiveness, safety, and use of drug products. We all agree that it produced some meritorious results. The Drug Amendments of 1962, as they finally emerged, were generally good and I supported the legislation, after having opposed the inclusion of repressive proposals. It is important that Americans be protected from unsafe drugs, that drugs not be carelessly manufactured, that there be full disclosure on drug labels and adequate information be provided to the appropriate Government regulatory agencies.

But then what started as an examination began turning into a wholesale condemnation of the drug industry. Today one of the most serious threats to the health of the American people comes not from some rare bacteriological epidemic but rather from the political epidemic of attacking one of the most vital industries in America.

Millions of Americans are walking the streets today who—but for the new drug discoveries—would have died long ago from pneumonia, flu, tuberculosis, and countless other diseases which now can be cured with medicines. Of 94 important drugs discovered since 1945 and in use today, 47 were discovered in U.S. drug industry laboratories or by scientists working under drug industry grants. But last year, one of the peaks for attacks on the drug industry, the industry produced the smallest number of new products since 1948.

One of the most serious attacks is that against patent protection of new drugs. There is a strong move on to reduce patent protection from 17 years to 3. This would be disastrous to research because unless companies know that their discoveries will be protected they are not interested in spending millions of dollars seeking new and better drugs. Countries around the world with American-style patent systems have found many important new drugs, while those without them have contributed little to pharmaceutical discovery.

This attack on American drugs is carried on in a different way by some departments of the Government. They willfully disregard American drug patents and buy from foreign suppliers, on the grounds that the foreign products are cheaper. Our Government does not seem to care that some of those drugs are produced by processes and cultures that have been stolen from American companies. Several people have pleaded guilty to criminal charges involving such drug thefts, but the Government goes right ahead seeking cheapest drugs.

You can be sure that this Senator is concerned not only with the safety and effectiveness of drugs, but also with the health of the drug industry which in turn affects the health of all Americans.

I serve on the Patents Subcommittee of the Senate and there I have been able to cast votes to maintain the present patent laws on drugs. I believe the discoverer of a lifesaving medicine is entitled to the same protection as the inventor of a lifesaving seatbelt or a lifesaving surgical instrument.

CIVIL RIGHTS AND THE DOCTRINE OF CHRISTIANITY

Mr. McGEE. Mr. President, many critics of the so-called religious revival that occurred in this country after World War II contend that the increased interest by the American public in churches and religious matters is superficial in nature and more a matter of social acceptance and status seeking than of true religious feeling.

The best answer to those critics, in my opinion, is the fact that many of our churches—and the men who lead them—have come to the conclusion that involvement in the great moral issue of our day—the civil rights issue—is a necessity if the church is to have a real and meaningful place in American society.

Mr. President, recently I had the privilege of witnessing firsthand how the church has faced up to the commitments implicit in the doctrine of Christianity. The event was the sermon preached by the Reverend Dr. Carl R. Pritchett, pastor of the Bethesda Presbyterian Church, the church that I attend here in Washington. That sermon was a moving, yet carefully reasoned, analysis of the crisis that threatens the very existence of our Nation and the continuance of our national ideals. I ask unanimous consent, Mr. President, that that sermon be printed in the Record.

There being no objection, the sermon was ordered to be printed in the Record, as follows:

Law and Order and Race Relations

(Sermon by Dr. Carl R. Pritchett, Bethesda Presbyterian Church, Bethesda, Md., February 9, 1964)

In the present racial crisis there is a growing concern about law and order. We are engaged in a historic national debate on the kind of laws which ought to govern our conduct in the future. Demonstrations in the streets, both legal and illegal, create the possibility of violence. Planned civil disobedience endangers respect for law and threatens the public order. Police officers are being sorely tried as to their wisdom and patience. These events naturally arouse anxiety and focus our attention on the importance of respect for law and order in our social revolution.

The essential elements of our present situation have always been involved in the relations between white and Negro people in this country. White people generally have not been aware of it because they have been more concerned with law and order than with justice. Today the very presuppositions of many of our laws are being challenged and changed. It is upsetting and disturbing. Negro people generally are more concerned with justice than with law and order. The reason is plain. Law and order as they know it has denied them human dignity, deprived them of their constitutional rights and inflicted deep wounds of suffering.

The ancestors of the Negro citizens of our country were seized violently in their native land and sold into slavery according to the laws of the time. On the slave plantations families were violently separated. Individuals were exposed to brutality and rape and sale by law. The rights of slave owners were granted and enforced by law. The slaves themselves had scant protection in the law. As late as 1857 the Supreme Court in the famous Dred Scott decision excluded Negroes from the rights of citizenship secured in the Constitution.

We had a violent Civil War which abolished slavery and preserved the Union. The issue of States rights was settled in principle and the Negroes were given the rights of citizenship in the 14th and 15th amendments. After the war black codes were established and Jim Crow laws were enacted to keep the Negro in subjection. In the hectic Reconstruction Days the Ku Klux Klan arose, lynchings were common and race riots frequently broke out. These are some of the major events and influences out of which our present social revolution has come. It is obvious that the nature of our laws and the issue of respect for law and order is not new. Violence and the threat of violence have often occupied the center of the stage or waited in the wings.

Ten years ago race relations turned a corner in this country. In May 1954, the Supreme Court held that the "separate but equal" doctrine which had prevailed in the public schools was unconstitutional. The desegregation of schools has continued at a slow, painful pace. It has been "deliberate" without much "speed." The principle of equality which was involved in that decision is calling for the removal of all racial segregation and discrimination in America.

At the same time the Supreme Court rendered its decision, the bus boycott in Montgomery, Ala., took place. The Negro people developed a new technique in the form of boycotts, street demonstrations and nonviolent action. They found a new leader in the person of Dr. Martin Luther King. The Negro revolt began in earnest. A succession of other leaders emerged. Imaginative techniques have been used to secure attention and create the pressures necessary for change.

A series of events have taken place which have contributed to the present critical situation. There were street demonstrations in Birmingham, Ala. The police brought out the firehose and police dogs. We had a revelation on television of police brutality. The house of God was bombed. Little girls who had gone to Sunday school to worship God and learn how to forgive were murdered. A young Negro boy was shot by the police. Another Negro boy was shot and killed by a white boy that same afternoon. The criminals who bombed the house of God have not yet been brought to justice. The homes of ministers and civil rights leaders have been bombed also. They have been forced to form their own informal police force for protection.

Mr. Medgar Evers, a local Negro leader of the NAACP in Jackson, Miss., was shot in the back and killed one night as he returned home. The assassin was skulking in the bushes near his home. Through fresh fingerprints found on the sight of the gun which was left at the scene of the crime, a man was arrested and charged with murder. The trial has just ended. The jury was deadlocked 7 to 5 and another trial is to be held. While the jury was out deliberating on their verdict, the Governor of the State entered the courtroom, according to the newspapers, and shook hands with the defendant. The surprise in this case is that the defendant was not completely exonerated. The fact remains that it was a Negro leader and not a white leader who was shot in the back and killed. If a Negro was on trial for shooting a white man under such circumstances, would the Governor of the State have made known his sympathies in such a fashion?

Another event in these developments was the march on Washington for jobs and freedom. Over 225,000 people, white and Negro, from all parts of the country made an appeal to the conscience of the Nation. I had the privilege of marching in that throng. It required some struggle to get my feet out of the pulpit and into the streets, but I finally made it. In that march the Nation was given a glimpse of the peaceful intentions, self-restraint, and religious motivation of the civil rights movement.

Even more recently we have had a boycott of the schools of New York City by 464,000 schoolchildren. The wisdom of such a technique has been questioned by many people. The ultimate meaning of this event and its influence on other cities remains yet to be seen.

I hardly need to say to this congregation that on the basic issue of human dignity and equality which is involved in this great controversy I am on the side of the Negro Americans. I have stood against my own relatives, against the white majority, against my region of the country, against the practice of my church, and against every congregation I ever served. I have done so because I think it is right. At the same time, I wish also to make it clear that I do not necessarily support every street demonstration, and every civil rights leader. Some of the demonstrations are, in my opinion, justified and others are unwise and arbitrary. Some of the civil rights leaders are men of wisdom, courage, and character. Some of them appear to be erratic, racist, and self-serving. I do not like a black racist any more than I like a white racist. Every good cause, including the Christian faith, is served by faithful men who deserve our admiration and is also betrayed by men who make us ashamed. The only way I know to judge them is to wash the color off their faces and judge them as we judge white leaders. They are no better and they are no worse. They are individuals and do not think alike. We have to use discriminating judgment concerning both men and events. We do this in politics and religion. We need to extend this habit into our race relations.

Our support of just laws and human brotherhood ought not to depend upon our opinion of a few civil rights leaders or their programs. It should arise out of our convictions of right and wrong and our interpretation of the will of God in a concrete situation.

In the immediate future we may be confronted with very complex and ambiguous events. They are likely to be increasingly emotiional. There are no clear and simple answers which can determine our duty in advance. There is no guarantee that we will be infallible. We must, however, make a genuine effort to understand, to purify our intentions, and find the courage to make a responsible judgment. There are several aspects of the situation to which I wish to call your attention.

1. One of the fundamental truths which we need to keep in mind is that law and order are absolutely essential to our democracy.

We aim at having a government of laws rather than men. That is to say, we do not believe in the arbitrary use of power and privilege by anyone. If individuals and groups pick and choose the laws they will obey we cannot protect the property or the persons of our citizens. The laws should be just and adopted with the consent of the governed. They should be administered with equity and prudence. The changes which are required by the development of society ought to be made in our legislatures and courts. It may be true that the great issues in society often get out in the streets. It must be true also that those issues ought to finally get in off the streets and back into the legislative halls and the courts of law. Whatever our view of the street demonstrations and the intentional violations of particular laws we ought to return finally to obedience to law and support of civil order. It is to be hoped that in the process the laws are made more just.

Many white people today are highly conscious of the encouragement of disrespect for law and the danger of violence which may accompany some mass demonstrations. We do well to remind ourselves that for years many Negro citizens have not been able to vote and share in the making of laws. Law has been used to segregate them and discriminate against them. They have not shared in the enforcement of law and order in any truly representative way.

Some of the outstanding and influential leaders in our country have given us a poor example of respect for law. A former Justice of the Supreme Court has encouraged disobedience to the desegregation decision of May 1954. A Republican President had to send the Federal troops to Little Rock, Ark., to enforce the law against a rebellious Governor. A Democratic President sent the Federal troops to Oxford, Miss., to compel obedience of a court order. Both a Governor and a General of the Army tried to thwart compliance with that order. Governors, legislatures, lawyers and judges have heaped abuse upon the Supreme Court, raised false hopes by their counsel and contributed to a disrespect for law and order. Some of these same people are now alarmed when the victims of their prejudice take the only recourse open to them by creating a crisis in the streets. It is not unwise or wrong to be concerned about the threat to law and order in mass demonstrations but we ought to see the whole context in which they have emerged.

2. In the second place, let us reflect upon the Christian principles which affect our relationship to law and order.

There are two general principles which offer us guidance. One of them is the duty of a Christian to respect the law and to obey it. Paul made this rule of conduct quite plain in the 13th chapter of the Epistles to the Romans. Although his statement raises some troubling questions there is no doubt about our duty to obey the law. Jesus also said, "Render unto Caesar the things that are Caesar's and unto God the things that are God's." He paid tax to the Roman Government and obeyed the law.

Another principle is that our final allegiance is to God and not to the State. Peter and the Apostles expressed the essence of it when they said with lucid brevity, "We ought to obey God rather than men" (Acts 5: 29). When they were commanded to give up preaching the Gospel they refused and were put in jail. Disobedience to law, then, can be justified on the basis of a higher moral and Divine law. It ought to be done sparingly and rarely but the principle is undoubtedly there.

Law can be and often is tyrannical. Some of the greatest crimes of history have been committed in the name of law and order. When Hitler came to power in Germany the existing laws were abolished and martial law was declared. He was a dictator who sponsored many oppressive and cruel laws. Under those laws almost 6 million people were murdered in concentration camps. It was one of the most horrible crimes of all history.

When some of the Nazi leaders were brought to justice what did they plead? Their plea for exoneration was that they obeyed the law. They did their duty. They obeyed the commands of higher authority. It is interesting that Dr. Martin Niemoeller was arrested and put in jail for his opposition to Hitler. He opposed the Government because it interfered with the preaching of the Gospel and the freedom of the church. When he was released he admitted that he should have opposed the Nazi regime when they started to persecute the Jews. The same principle was involved. It just was not so obvious.

Henry David Thoreau and Ralph Waldo Emerson were close friends. Thoreau refused to pay a tax because he was opposed to slavery and the Mexican War. When he came into town from Walden Pond to get some shoes he was arrested and put in jail. According to the story, Emerson saw him and said, "Henry, what are you doing in there?" Thoreau replied, "Waldo, what are you doing out there?" There are some conceivable situations in which a good man ought to be in jail. This freedom and duty to break a law in obedience to a higher principle can be abused but it is quite clearly moral and Christian.

3. We need to recognize the moral influence of law.

Ever since the racial crisis began it has been said in pulpit and in political forums, "You cannot legislate morals. You must change the hearts of men." Almost always this kind of judgment seems to be a rationalization and abnegation of responsibility. In the white church of the South (I speak as a southerner) we find a strong tendency to regard the racial problem as outside the province of the church. It is claimed that it is a political problem and has nothing to do with the Gospel. It is denied that it is even a moral problem. This is the traditional way white southern churches avoided the painful and divisive question of slavery just prior to the Civil War. They said, "The slavery question will divide the church. Let us keep it out of the church. It is a political and social problem. Let us concentrate on the Gospel. The church has a purely spiritual mission. Let us aim at the conversion of individuals. Let us change the hearts of men and they will change whatever needs to be changed." All of this sounded very pious but it was a desperate rationalization. Under the terrible pressures of those tragic days we probably would have done the same thing. But it was an invasion. That interpretation of the role of the church still exists in many quarters and has less justification. Racial segregation and discrimination is a moral problem and we ought to be concerned about the moral influence of the laws under which we live.

There are two sources of race prejudice. One is personal and the other is social. The first is psychological. Because of fear, guilt, frustration, and anger many people have a poisoned and distorted inner life. They pour it out in cruel abuse and reckless abandon upon any who are near and weak. People who differ in any way are the scapegoats of their pathological condition. No law will cure people like this of their emotional illness. It can, however, restrain them. It can keep them from humiliating innocent children. It can keep them from intimidating men and women until they are afraid to vote. It can protect a man's right to earn a living without penalizing him because of the color of his skin.

The other source of race prejudice is social. It is due to economic, political, and social conditions. These behavior patterns are set by custom and tradition. But laws help to create these traditions. There was a time when we did not have Jim Crow laws after the Civil War. It was the Jim Crow laws which helped to set the local standards and create the folkways. In this way law is one of the most powerful educational and moral forces in society. If the laws are humane and wise they can promote good will, encourage mutual understanding, and set a standard of human dignity. Law in this sense does change the hearts of men. It does make men more moral. It's influence is limited but it is real. One of the sad facts about our present condition is that there are so many people of good will who are afraid to be what they want to be because of the fear of social reprisal and the penalty of nonconformity. Our segregation laws bring out the worst that is in human nature and discourage the best.

Even so, if I were a Negro man I would not expect miracles from the law alone. I would not think it could eradicate all of the roots of prejudice. I would be grateful if I could be protected from some of its effects upon me and those whom I love. If I were driving along the highway with my family and being weary with the journey wished to find a clean, comfortable motel for the night I would not care whether the proprietor loved me or not. I would only be interested in whether the rooms were satisfactory. I wouldn't be concerned about his racial views as long as they did not inflict undue hardship on my family. If I were hungry and wanted to go into a restaurant for a meal it would not trouble me too much if the waiter's stomach was churning because he did not want to serve me. I would be quite willing to leave him with his own stomach if he would give me food for mine. I would be grateful for a law that would let me eat in peace and dignity as a human being.

In conclusion, let me come home to the heart of the individual. It is here that the issue ought to be settled. It is here in our own inner life that we have the most power. It is for our own heart that we have the greatest responsibility. We may not be able to have much influence on the desegregation of society but we can desegregate our own heart. If we are controlled by racial prejudice in our personal and social life it is largely our own fault. We can do something about it. We may not be able to completely rid ourselves of our involuntary impulses and the long training of the custom of the past. But we can refuse to be dominated by them. We can call race prejudice by it's right name. It is sin. We can resist it until the day we die.

One of the most distressing facts about race relations in the United States to me is the belief that if the members of the white Christian churches of the country wished to eliminate the worst aspects of racial segregation and discrimination it could be done. Why do we not wish to do it? How is it that even the suffering of God in Christ cannot make us brotherly and just? Why is it that the gentle, kind people in the church are so often callous and cruel in race relations? I have thought of it often. I know some of the usual and obvious explanations but I always return from my quest still bewildered.

Studies have been made to try to determine whether people who are members of churches are less prejudiced than those who never go to church. Do you know there is no great difference? It doesn't seem to matter. Often people who are without faith in Christ or even a Supreme Being are more human and humane than those who sing of the cross and talk of the law of love. This is something worth thinking about. Indeed, it calls us to repentance.

Mr. William Stringfellow is a brilliant young white lawyer who lives in East Harlem. He was raised in Northampton, Mass., and graduated from Harvard Law School. He lives in East Harlem by preference. He is a highly respected layman in the Episcopal Church. While he is not impressed with the religion of the churches he is sure of the power of the Christian Gospel. He sometimes lectures at seminaries and law schools. He is an articulate, practical advocate of Christianity in our social relationships. Dr. Karl Barth, the famous theologian from Switzerland, after a trip to this country called him, "The conscientious and thoughtful New York attorney who caught my attention more than any other person." In an article which he wrote two years ago he related a highly personal and symbolic experience. He called it, "an apocalyptic episode."

"On one of those steaming, stinking, stifling nights that each summer brings to Harlem tenements, I had a dream. I was walking in Harlem on 125th Street in broad daylight. I seemed to be the only white man in sight. The passerby stared at me balefully. Then two Negroes stopped me and asked for a light. While I searched my pockets for a match, one of them sank a knife into my belly. I fell. I bled. After a while, I died."

I woke quickly. I felt my stomach: there wasn't any blood. I smoked a cigarette and thought about the dream:

The assault in the dream seemed unprovoked and vicious. The death in the dream seemed useless and, therefore, all the more expensive. The victim in the dream seemed innocent of offense to those who murdered him. Except for the fact that the victim was a white man. The victim was murdered by the black man because he was a white man. The murder was retribution. The motive was revenge.

No white man is innocent. I am not innocent. Then I cried.

I wonder if any of us have ever shed a tear because we help to create despair and murderous hate in the hearts of our fellow men just because we are white? I wonder if it troubles us that we are not more troubled about these things? I wonder if it ever occurs to us that the reason this issue is in the streets is because it has not been settled in the pulpit and in the pew? I wonder if some of our concern about law and order is not due to our desire to escape the pain of repentance and the fear of change? I wonder if some of the demonstrations are an effort to get our attention so we can hear the cry of a helpless child, see the hurt in a mother's eye, feel the despair and hope of youth, and learn who our neighbor is and where our brother is to be found? I wonder.

In the name of God the Father, God the Son, and God the Holy Spirit. Amen.

THE METRIC SYSTEM

Mr. McGEE. Mr. President, when our Founding Fathers were setting up the ground rules for our Nation they very wisely decided that the currency should be based upon the decimal system because of the obvious advantages in the order of that system. Unfortunately, their attention was not directed to the inadequacy of our system of weights and measures.

As a result, Mr. President, we now live in a divided country. The common everyday tasks of measurement, for weighing potatoes, measuring kite strings, and automobile speeds, still are accomplished through a system based on the length of a king's arm and the weight of a certain number of grains of barley.

But as soon as we reach the level of the high school science courses we shift to the metric system which allows for computations all but impossible under the old system.

My good friend the junior Senator from Rhode Island [Mr. PELL] has suggested that it is time to study the possibility of putting the entire Nation in step with the space age and has introduced legislation to that effect.

Mr. President, the Evening Star carried an excellent editorial on Senator PELL's bill in its February 8 edition, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

METRIC MERITS

When President Johnson was dispensing Stetsons to visiting German officials at his ranch a few weeks ago, aids thoughtfully marked the hats with two sets of figures. Next to a 7½, for example, was a "59" in parentheses.

The latter number was the hat size as expressed in centimeters. The same system is used throughout Europe and most of the rest of the world for measurements in clothing, washing machines, missiles, Olympic records, and just about anything else you can name.

The double numbers game, as any American exporter will confirm, is a headache. While we cling to inches, yards, gallons, ounces, pounds, and all the rest of the irregular Anglo-Saxon nightmare in measuring things, 90 percent of the world's population has adopted the simpler decimals of the metric system. We abandoned the British long ago for our own decimals in currency, but the ancient weights and measures persist.

This raises serious questions about our ability to compete in future world markets. The Soviet Union has had an advantage over us in dealing with neutrals such as India because both of them speak the metric language in measurements. General de Gaulle may find other problems in dealing with Red China, but the two can understand each other in how merchandise is weighed. Are we worried about Panama's ties to Cuba? They share more than the Spanish tongue in common; they both adopted the metric system generations ago. Such comparisons can be extended almost indefinitely.

There have been several attempts in Congress through the years to make metric measurements official. Three years ago the Army got tired of waiting and went ahead with its own conversion to conform with weapons measurements in other NATO countries. Many U.S. industries, such as drug and film producers, switched long ago.

Last month the Senate Commerce Committee heard witnesses from the National Bureau of Standards, the Air Force, and the nonprofit Metric Association all testify in favor of a bill by Senator PELL, of Rhode Island, to study a national changeover. The study would take 3 years and cost $750,000. It is a foregone conclusion that the final report would recommend gradually adopting metric units.

Such a change will be expensive; one estimate runs as high as $11 billion. But the alternative in isolation, misunderstanding, and lost trade may be far most costly to the United States in the long run.

THE MEAT IMPORT SITUATION AS VIEWED BY A U.S. PROCESSOR

Mr. HRUSKA. Mr. President, in recent days we have heard several expressions of concern from the cattle and farming industry about the critical question of meat imports.

Last week at the National Livestock Feeders Association's National Conference on Foreign Trade in Meats, it was my privilege to hear a discussion of this pressing matter by a U.S. producer of manufacturing meat, Mr. Floyd Segel, president of the Wisconsin Packing Co., of Milwaukee.

As a contribution to the much-needed discussion of this subject, I ask unanimous consent to have the text of Mr. Segel's remarks printed in the RECORD,

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE FOREIGN MEAT SITUATION AS VIEWED BY A DOMESTIC PRODUCER OF MANUFACTURING MEAT

(Address by Floyd A. Segel)

You are very kind to invite me to address your convention and to explain to you my personal experiences, attitudes, and proposals concerning beef and meat imports and exports. I am proud to be able to exercise the right of every American to criticize government policy and to champion a cause, and the viewpoints I espouse are mine alone. I stand before you as a meatpacker; by definition, one who earns his livelihood in the production of meat—in the conversion of live cattle to dressed beef—and it should be clearly understood that I do not represent the views of any of the trade organizations in which I hold elected positions.

The firm I head is a family-owned enterprise founded by my father 40 years ago. We operate in Milwaukee, Wis., in a single plant slaughtering only cattle, and boning or fabricating virtually all of the cattle we kill. We are a small business employing 150 people with an annual payroll in excess of $1 million. In its proper perspective the slaughtering business must properly be regarded as an extension of agriculture. The slaughtering industry and its relation to cattle producers is no different than the relationship of the cotton gin to the cotton farmer or the grain elevators to the producers of rice or wheat or corn. Meatpacking companies unfortunately do not have a happy profit situation. For example, in a recent American Meat Institute survey of 98 reporting companies, the percentage of earnings to sales for 1962, the latest year for which the figures are available, was less than seven-tenths of 1 percent. Our profits are only slightly better than one-quarter of a cent per pound of meat sold. The pricing of meat and the reflection of these values in the pricing of the livestock is a complicated process involving not only a realization of what the consumer will pay for meat, but considering the cost of distribution, what our customers—the retailers and the wholesalers—can afford to pay us for that meat and still keep the volume moving in sufficient quantity to absorb all of your production. Meat must sell at a price which the consumer is willing to pay, and note that I do not say at a price which the consumer can afford to pay, because the concept of the two is completely different.

Historically the consumer until recent years has been able to pay a price that would absorb approximately 5½ percent of disposable income, but today that figure stands at about 4.7 percent of disposable income and we must, therefore, conclude that this is all the consumer is willing to pay. Meat is a bargain. While the cost of living has progressively crept higher the increase in the cost of living has not been the result of high meat prices, but rather the increase in the cost of housing, clothing, services, and recreation. You, the farmers and producers, have been the instrument of the increase in the standards of living, but you the producers have not caused an increase in the cost of living. On the contrary, you the producers have, in fact, subsidized the American public.

Uninformed consumer groups have oftentimes accused the meatpacking industry of profiteering, but the fact is that with profits on meats at a mere quarter of a cent per pound the accusation is fallacious, unjust, and does not hold water. We obviously cannot remain in business without profits or without a return on our net worth, but even if we operate on a break-even basis, the difference in cost to the consumer would only be a quarter of a cent per pound, a margin so low that in all probability it could not even be passed on the the consumer. Our earnings as an industry, as a percent of assets in 1962, was a mere 3¼ percent.

Now what has this to do with imports and exports? Only this, that any outside influence on the marketing of meat can be disastrous to the net returns of the meatpacking industry.

I recently had the privilege of representing the U.S. Department of Agriculture at the Variety Meat Conference held in Amsterdam, Holland, in late November. The purpose of my mission was to help promote foreign trade, and the Department of Agriculture did a first-class job in staging this exposition, but I discovered that Europeans make no apology for their protectionist attitude. For example, in a prepared speech before the conference, Mr. Joh de Veer, chairman of the Netherlands Commodity Board for Livestock and Meat had this to say in his opening remarks, "Trade and agricultural products between America and the countries forming the EEC must be based on two fundamental premises: Soil which is suitable for producing agricultural products must remain in cultivation," and "The farmers who cultivate this soil must make a reasonable living. In order to achieve this an effective policy for agriculture must be followed and imports must be regulated." The result is that the EEC has raised the tariffs on beef variety meats to an ad valorem price of 20 percent. The EEC has raised U.S. pork levies from 9.5 to 20 percent ad valorem and have raised U.S. lardetaol from 1.6 to 4.6 cents per pound. Europe makes no apologies for its high tariffs because their governments feel and perhaps rightly so that protection of agriculture must remain paramount.

In addition to these tariffs the European Economic Community is proposing regulations which have the effect of nontariff trade barriers. They would regulate, for example, the inspection of meat and require that only veterinary surgeons perform the post mortem inspection, a physical impossibility for our meat inspection division to comply with on account of a lack of sufficient qualified veterinarians. They would require changes in facilities which would hamper our efficiency to produce meat economically. They would require that meat shipped in commerce between member countries would require special markings and that the meat inspectors would be required to know in advance that the meat was to be shipped for export.

This, of course, would seriously hinder and vastly complicate our present marketing procedures. They would prohibit the export of meat from any animal which had been fed certain chemicals including stilbesterol. These proposed industry regulations would apply to the United States, but because our volume of trade in Europe is rather small it doesn't have much effect on our current economic situation, but most certainly would close the door to trade expansion. These rules are not aimed at the United States alone nor are they in any sense anti-United States, but these rules will apply to South American countries and to Ireland, to Australia and New Zealand. According to the Wall Street Journal, Wednesday, January 8, 1964, "an unpublished 24-page memo prepared for Mr. Freeman by his trade experts states that trade policies of the six-nation European Economic Community or Common Market, eventually will ban most meat imports, not only the small outflow from the

United States, but from all other nations as well. Thus, Australians, New Zealanders, and Irish barred from lucrative EEC markets would be strictly tempted to dump surplus beef, as well as pork, lamb, and mutton, in the United States." By a combination of high tariffs and other trade barriers, U.S. meats are excluded from most foreign countries. We cannot be the only ones with low tariff barriers to meat.

It is said that health and sanitary regulations are not considered as nontariff trade barriers, but in many instances they are used to limit imports or to discriminate as to source. Nontariff trade barriers may take the form of import quotas and embargoes, or they may take the form of variable levies or what is known as the gate price system. The purpose of a gate price is to provide additional protection against the possibility of oversupply if there is temporary glut in a domestic market. If the c.i.f. (cost including freight) price is lower than the gate price, supplementary levies equal to the difference between the two prices is added to the basic levy. Such a system tends to restrict the volume of imports to the difference between protected or supported domestic production, and total utilization and to prevent the demoralization of domestic prices. Other trade barriers may take the form of conditional imports whereby the volume of imports are conditional upon domestic production, or final utilization, or price, or any other conditional factors. The point is that other nations embrace several of these nontariff controls against U.S. production, but the United States practices none of these devices against foreign nations. I would advocate for our protection, a gate price system.

Throughout, EEC policy is geared to levies related to gate or minimum import prices and provisions for market intervention and other safeguards designed to protect the common market producer. The U.S. Government is supporting the formation of EEC and has not voiced any disapproval of these protectionist policies. Why the hell then, can't our Government provide this same protection for our American producers?

Advocates for continuation of cheap foreign meat protest that to dry up this source would drive the price of hamburger and the price of frankfurters out of the reach of the American consumer. Nonsense. Cows today are bringing 10 cents a pound, but when cows brought 20 cents and the beef brought 40 cents and the manufacturing beef brought 48 cents, we did not have $1 a pound frankfurters and we did not drive the consumer away from beef to alternate foods. There is room in the American consumer's budget for meat prices adequate enough to provide a decent living and a decent return for American farmers. Raising tariffs 3 cents a pound to 6 cents or restricting beef imports to 5 percent of domestic production or installing a gate tariff would in no way shorten the supply, but most certainly would improve domestic cattle prices to a profitable point.

I recently received a letter from a Texas meatpacker offering for sale his modern federally inspected packing plant, and along with his offer to sell the plant came an announcement that he was becoming a meat broker offering foreign meat. On that date, May 13, 1963, he quoted New Zealand shoulder clods at 39½ cents; the domestic market was 42. He quoted New Zealand cow meat at 37½ cents; the domestic market was 42½ cents. Is there any wonder he had to sell his packing house? Our only hope is for the future; and that the Federal Government will right this wrong that is being perpetrated on the American meatpacker, the American workingman, and the American livestock producer. We in the industry are not isolationists either, and do not advocate total exclusion of foreign meats. We urge a combination of quotas and tariffs that will limit imports to the amount needed to satisfy domestic needs at prices comparable to domestic prices. This will continue to assure a market for foreign products and will assure a profitable market for domestic meat and will end the favorable treatment that foreign meats get over domestic meat.

At one time my firm enjoyed a decent business with chainstores and sausage manufacturers and canners. Today, we can no longer sell the virtues of high yielding domestic meat; we can no longer sell the virtues of freshness and bacteria control; we can no longer sell the virtues of consistency, dependability, and uniformity. We still have these virtues to be sure, but no buyer will recognize them unless our selling price is as low as foreign prices. A study of the yellow sheet will indicate that these price differentials range from 2 to 5 cents a pound consistently, and over a long period of time. How does this affect you? I have already indicated that our inadequate profit margins, at best, amount to only a quarter of a cent per pound. So we can't compete with the 5-cent differential by adjusting our selling price. There is only one way to compete and that is to drive down the prices that we pay for your livestock.

Meat has substitutability and it is ridiculous to assume that any of our customers will pay more for domestic produced beef than for foreign meat. Since 1957 foreign meat has consistently undersold domestic meat.[1] How then are we meatpackers to pay you producers a fair price for your cattle when our selling price is not determined by the law of domestic supply and domestic demand, but our price is determined by the domestic demand and the foreign supply. The foreign supply is inexhaustible. The seven major exporting countries have a combined cattle population of 110 million head—larger than the U.S. cattle population. And with free imports, our cattle population is not 107 million head, but about 220 million cattle.

Land in Australia is available on the basis of less than $1 a square mile on a 50-year lease, and labor costs are half of what ours are. Because of our high standard of living and because we try to maintain reasonable price levels for our agricultural products our market is extremely attractive to countries with cheap costs. For example, from 1952–62, U.S. meatpacking workers average weekly wages increased 64 percent, while the U.S. Consumer Price Index in the same period of time increased only 14 percent. Meatpacking wages increased 64 percent, but in the same period all U.S. manufacturing wages increased only 39 percent. We do not seek unwarranted protection. We do not want Government intervention. All we want is a fair deal. Don't let foreign meat cheapen our prices or set our market prices; don't let foreign meat bankrupt our cattle producers; don't let foreign meat contribute to the unemployment problem and take away our workers' jobs; don't let foreign meat close up any more packinghouses. We need protection against cheap imports which tend to weaken the domestic price structure.

According to the USDA, since 1956 the U.S. production of cow and bull beef has declined 1½ billion pounds, but imports went up 1½ billion pounds. The total approximate supply of processing beef, using the combined U.S. production and imports, have remained about the same, but the significant items are these: In 1956, according to USDA figures, the imports as a percent of U.S. cow and bull beef production, rose from 4.8 percent to an estimated 1963 level of 57.2 percent, a twelvefold increase, and it might also be interesting to note that according to their official figures the average prices of canner and cutter cows at Chicago in 1963 was at the lowest level since 1958. As imports went up, cattle prices went down. And, yet, the Department of Agriculture maintains stoutly that imports have little effect on the prices American producers receive for their cattle. If it is true (and it is true), that prices went down as imports increased, isn't it logical to conclude that the only way to improve cattle prices is to decrease imports? There is not a single State in the Union untouched by the problem of imported meats. I have in my files letters from cattlemen in Kissamee, Fla., and Hilo, Hawaii, and from New York State and Louisiana. Last year Colorado, at the urging of the Colorado Cattlemen's Association, passed a law requiring the labeling of foreign beef, and, yet, according to the cattlemen, some 160,000 pounds per week of foreign meat still reaches the State of Colorado. In this particular State the production of beef is an efficient industry and the conversion of beef to meat is done in modern, highly efficient plants and the amount of freight to deliver Colorado-produced beef within the State of Colorado is practically nil. Yet, foreign countries 8,000 miles distant are still able to capture a significant portion of that market by virtue of a 5-cent-per-pound price differential. The same is true in my State of Wisconsin, a great cow-producing State.

There has been some talk that these already too low tariffs are to be lowered still further shortly. The only justification for lowering tariffs would be if present duties were so high that imported meats would of necessity sell for more than domestic meats or if the effect of such tariff were to discourage importation. The statistics and the history of the price differential between domestic and foreign meat proves this is not the case.

There are at least 3 bills before the Senate and 17 bills before the House which call for additional duties and/or quotas. Now, it is true that the Department of Agriculture has no authority to restrict the importation of meat nor to set tariffs or quotas.

The Department of Agriculture, however, is created to represent the interests and welfare of American agriculture and to promote its security. Yet, on the numerous bills before the House of Representatives, and referred to the Committee on Ways and Means, reports have been requested from the Departments of State, Agriculture, and others, and the U.S. Tariff Commission. So far the Ways and Means Committee has dragged its feet and has taken no action. Here is how vitally concerned the Department of Agriculture is with your problems: With reference to H.R. 5870, on June 17, 1963, an adverse report from the Department of Agriculture was handed to the Committee on Ways and Means; on June 21, 1963, Agriculture gave the committee an adverse report on H.R. 5769; on August 8, 1963, Agriculture handed the committee an adverse report on H.R. 5560. We must conclude that the Department of Agriculture has until just recently not taken seriously enough the threat of these huge imports and has advised the Congress not to amend the Tariff Act of 1930.

On April 3, 1963, Secretary of Agriculture Freeman, in a special report on the cattle situation, said, "The Department of Agriculture has been called on to take steps to restrict imports of beef. Aside from the fact that evidence does not point to imports as causing the price decline" (the Secretary here is referring to the severe break in cattle prices last spring), "the Secretary of Agriculture has no authority to limit imports for economic reasons." Now, the Secretary is correct. He himself has no authority to limit imports for economic reasons, but his Department in handing adverse reports to the Committee on Ways and Means in no way encouraged such restrictions. Yet, in November of 1963, the Livestock and Meat Situation in its report stated on page 41, that the effect on price of a 1-percent change in the per capita supply of steer and heifer beef deflates the price of choice steers in Chicago by 1.33 percent, and the price of utility cows by 2.29 percent. The report goes on to state (in table F on page 43), that a 5-percent assumed level of imports as a percent of domestic production will depress choice steers at Chicago 0.7 percent, and will depress the price of utility cows by 1.7 percent. Further, a 10-percent ratio of imports to production will depress choice steers 1.1 percent, and utility cows 2.7 percent, and a 15-percent ratio will affect steers by 1.4 percent, and utility cows by 3.5 percent. So the evidence does prove that imports affect price. It took the Department a long time and considerable prodding to prove what every cattleman knows and what every meatpacker knows that imports do have a significant effect on cattle prices.

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[1] Why didn't the volume of imports from Australia increase from 1947 to 1957? Well, (1) following the war Australia was rebuilding its herds and her cattle population was not as high as now; (2) she had an agreement with the United Kingdom to send 80 percent of her exports there, and (3) during the agreement she got 17 to 21 cents per pound for her meat when our price was 36 to 42 cents. It wasn't until 1957 that she could get out of her agreement and send the meat here at prices double what the United Kingdom would pay.

Further, the Secretary has stated that we shouldn't be concerned about imports because they are in the cheaper grades of meat. Even though the total combined available supply of processing meat hasn't changed, the importation of cow beef did have a depressing effect on fat cattle. Let me quote from the same report again on page 38:

"Cattle prices in the short term are influenced primarily by the volume of cattle slaughtered. Fed cattle prices depend largely on the number and weight of fed cattle marketed and the resulting production of fed beef. Similarly, cow prices depend principally on the supply of cow beef. To the extent that cow beef may compete with fed beef for the consumer's dollar, cow prices have some effect on fed beef prices and vice versa. Imports affect these prices by changing the total supply of beef of that quality."

Exactly. Any economist will tell you that beef competes with beef. It is around beef that most meals are planned. When you come home from work at night and ask your wife, "What's for supper?" she does not reply that you're having succotash and string beans; she does not reply that you're having mashed potatoes and biscuits; her reply is more likely to be, "We are having steak, or we are having pot roast, or we are having hamburger, or we are having meat loaf." Meat competes with meat for the center of the meal's attraction, around which the vegetables are merely like satellites. If she is serving chuck she cannot at the same time serve steak. If she is serving hamburger she cannot at the same time serve stew. This huge volume of imported meats is finding its way into hamburger and it competes with the 25 percent of fat cattle which goes for grinding purposes, and it competes with the canner and cutter and utility boneless meat which would be ground for hamburger and it competes with the primal cuts of fat cattle. It is ridiculous to assume that the importation of manufacturing beef does not have an effect on fat cattle prices.

If a consumer's belly is full of Australian hamburger he isn't going to be in the market for U.S. steak.

In fairness, I must confess that the Department of Agriculture has not been alone in turning in adverse reports to the Committee on Ways and Means. The Department of State has also turned in an adverse report on these various bills. The important difference is that the Department of State is not charged with protection of agriculture. It would appear to me that the past and present administration is calling the shots on this whole situation.

The administration in 1962 caused to be passed a law whereby worker, and companies, claiming import injury can qualify for special "adjustment assistance." For workers this assistance takes the form of extra generous jobless benefits, job retraining, and moving allowances; companies can get cut-rate Government loans, tax help, and free advice. Certainly, American agriculture and the meatpacking industry has been injured by the low tariffs and would be even more injured were tariffs further cut. But the American farmer and livestock producer isn't interested in "extra generous" jobless benefits; the rancher is not concerned with job retraining and moving allowances, and he is not interested in cut-rate Government loans, and he most certainly is not interested in any more free advice. This problem is different than tariffs on transistor radios or optical goods or window glass because no other industry is so basic and important to the welfare of the country as is animal production. The unemployment of 200 former Philco Corp. employees might not impress the Tariff Commission, but the displacement of 3,500 jobs in the slaughtering industry should open the eyes of the Tariff Commission. It is estimated that the volume of imports was equivalent in carcass weight to 3,500,000 cattle, and at the slaughtering level alone this would account for 3,500 jobs, to say nothing of additional jobs lost in trucking, marketing, and services. Just how bad does the situation have to get before the administration realizes that it may be coming too late with too little?

Boys, what hurts me affects you; what squeezes you pinches me.

This country's cattle industry is geared to grass. If we discourage cattle production the lands will go to waste or they will be put in soil bank. With our other agricultural surpluses this land, even if it were suited, should not be converted to grain production. Grass by itself is not a marketable commodity; its only use is to make beef. This country's cattle industry by its nature cannot adjust, or change, or relocate, or retool to alternative jobs or production. And even if it were possible the cattlemen don't want the Government to retain them or to relocate them; all they ask is that their Government protect their interests by putting an end to the favored treatment given to foreign meat.

U.S. Department of Agriculture statistics notwithstanding, it is my opinion and the opinion of many informed cattle industry officials that the current level of imports of beef is not depressing the market only 1 to 3 percent as the Government estimates but that, in fact, the cattle market is being depressed $1 to $3 a hundred.

Many prominent and intelligent Government servants such as the Honorable Senator CARL T. CURTIS, have made proposals to place additional tariffs, and to impose quotas, based on the 1957 level. "This is a reasonable proposal," Senator CURTIS says. "We are not suggesting that all trade be shut off. Imports were sufficient in 1957, but since that time the imports have gone up and up and up. The situation has become grave and demands immediate attention. It has been conservatively estimated," he said, "that in 1962 our imports of these products displaced the production of approximately 55 million acres of farmland in the United States. In 1963 the figure will be much higher." And according to Congressman E. Y. BERRY, 27,000 farm families were put out of business and "sent to town to join the army of the unemployed." The United States with its relatively high prices is an attractive market for foreign nations, and with low tariffs and no quotas we encourage them to send meat here. Senator CURTIS points out that the little nation of Haiti, for example, which cannot feed its own people adequately, exported to the United States last year some 2.7 million pounds of meat.

There would be no livestock industry without the cow. While we have developed artificial insemination we have not developed an artificial means for fetal development, or for the birth process, or for raising a calf to weaning age. In a cow-calf operation the rancher's equity, or net worth is measured by the value of his land, his brood herd and his calves. If we discourage cow production, land goes down in value. And where will you get feeder calves? The basis for farm loans is oftentimes the value of the cow herd and if the security or collateral for the rancher's loan is evaporated as the result of cheap prices caused by foreign meats the lending institutions have no alternative but to call for repayment or more collateral. To meet the bankers' demands the farmer liquidates his cows, aggravating an already serious situation.

What does the cow do for agriculture? In a cattle cycle of approximately 7 years the cow will reach a mature age in perhaps 9 years, at which time the cow will be sent to the slaughterhouse and it makes a big difference to the rancher if that cow brings 10 cents a hundred, or $100, or if it brings 50 percent more, or $150. While that cow is productive in the 9 years she will probably produce seven calves, and these calves in an efficient commercial feedlot will each consume at least 10 pounds of grain for each pound of meat that they produce. And these seven calves weaned, at 400 pounds and raised to 1,000 pounds will consume 42,000 pounds of feed which, at $50 a ton, including supplements, is worth $1,050. And these seven calves will produce 4,200 pounds of meat, of which 1,000 pounds will become hamburger. And these seven calves should return to the economy, at $25 a hundredweight, $1,720, so the lowly cow which utilizes grass lands has an impact in its lifetime of about $1,900, and if we apply the multiplier effect to this $1,900, we will find that it will provide orders for manufacturers of farm machinery and motor trucks, and will provide employment for stock handlers and for packinghouse workers and for truckers and railroad men and for retail clerks. Don't sell the cow short, Mr. Secretary of Agriculture. Without her, there would be no cattle economy. She is the single most important part in the livestock picture. Her worth must be protected and the expansion of her numbers must be encouraged.

It does no good to pretend that this problem does not exist and that if we look the other way long enough it will disappear. Is the Government committed so thoroughly to the principle of supply management, of enlightened Government planning and programing, that it would bring the livestock industry to its knees? Our cattle producers can take care of themselves without Government subsidy if the deck is not stacked against them.

What about the future? If "The Past is prolog" then you ain't seen nothin' yet. In September 1963, it was reported by U.S. Ambassador Robert McClintock that although present Argentine exports of canned and cooked beef to the United States is $12 million, Argentine beef exports to the United States could be increased to $50 million a year if hoof and mouth disease is eradicated. Right now a joint Argentine-United States Commission is working on the hoof and mouth disease problem and the Commission is optimistic that the disease will be conquered. This will add materially to our problems. The past is prolog.

In October of last year Mr. J. D. Orman, Chairman of the New Zealand Meat Board stated that the American market was of the utmost importance and he called for a drive to maintain access to our markets and a drive for an increase in the areas of demand

and he said, "By this we mean the promise of new markets and the enlarged demand in the existing ones." He made a plea that no hindrance such as quotas or tariffs be placed in the way. We in the cattle industry make a plea that their frenzied drive for expansion does not bankrupt us. The other foreign countries are encouraging cattle herd expansion by making cheap land available and so now Australia has embarked on a $50 million expansion program for packing plant facilities. Past actions of the Department of Agriculture and the State Department have given foreign producers the right (albeit a questionable right) to assume a certain percentage of our market. What will happen when this current domestic cattle cycle peaks out and slaughter increases? Use your imagination as to what will happen if there should be a drought causing forced liquidation of herds. Last year 81 percent of the Australian exports of beef and veal was shipped to the United States. The Department of Agriculture in its 1964 outlook said, "Price of cows in 1964 will depend on imports of beef as well as domestic cows' slaughter. Imports will likely be up again in 1964 and prices of cow beef, although expected to be somewhat lower, will not be down enough to curb imports of beef and veal." Do you know that already in 1964 bookings for ships have increased by 10 percent over last year's record shipments? Remember this, by the Department's own statistics increased imports depress not only cow prices, but fed cattle prices as well. The past is prolog.

OK, so the Secretary of Agriculture does not have the power to restrict these imports, but he most certainly should have enough cognizance of the problem and awareness of the consequences to go to the President of the United States and ask him to utilize the powers he already has.

There has been talk that the Government is considering lowering the duty to 1½ cents a pound on foreign meat. This must not happen. There has been talk that the President would like to see a voluntary reduction in imports, but at what level will these foreign countries volunteer to cut their exports? Cattle and meat industry officials estimate that a level of 5 percent would not be too harmful, but I am reliably informed that the representatives of Australia and New Zealand would not settle for so low a figure and, in fact, want that level set in excess of 10 percent at the 1962–63 figures. The administration is paying more heed to diplomats in striped pants than to the millions of farmers and ranchers in levis.

Your association has adopted the industry's most realistic view on this whole problem. You would not exclude foreign meat, but you would advocate a system of flexible duties and import quotas tied inversely to domestic production. You call for an equalization of tariff structures between the United States and other countries and this is sound thinking. You call for an encouragement of U.S. exports, but on my recent trip to Europe I found no reason to be encouraged. The EEC has increased duties, installed gate levies and, further, by the use of nontariff trade barriers have set up barriers to our shipment of processing meat. Cattlemen in every major cattle-producing State have passed resolutions imploring the Government to do something about the skyrocketing volume of beef imports but so far nothing has been done.

Mr. C. W. McMillan, the executive vice president of the American National Cattleman's Association, was also a member of the team that visited down under. In a recent article in the Farm Journal, here is what he had to say:

"Don't let anyone tell you that this tonnage has no direct bearing on fed-cattle prices. True, most of the shipments are of manufacturing beef—a lean, boneless product. However, more than one-fourth of every one of our fed beef carcasses becomes ground beef, and 60 percent of the beef from Australia also goes into ground beef here. And, realizing that beef competes most with other beef, rather than pork or poultry, say, then any extra tonnage can't help but depress total and specific prices. Economists figure that recent import levels have cut some cattle prices—or held others down from expected levels—as much as $3 per hundredweight."

Let me tell you what Mr. MIKE MANSFIELD, Senate majority leader has to say, "I believe there is a sufficient authority under the Trade Expansion Act and through Executive action to bring about some relief. The livestock industry is one of our most basic industries in our country; it cannot be allowed to drift. I commend this matter of increased cattle and beef imports to the attention of our President and his counselors, and ask that it be given immediate attention and action at the Executive level."

This is an election year, and the voices of the people must be heard. If Washington doesn't heed our pleas and urgings our voices will be heard rising up out of the ballot box. It is all well and good to pass resolutions, but apparently that is not enough. You must take it upon yourself right now, this very week, to write your Congressman as an individual and tell him how foreign meat affects you. Write to the President at the White House for he is a knowledgeable cattleman and will listen to you. Let us not have a government by a few people and for foreign people; let's restore government that is sensitive to the needs of its own people, and for its own people.

I ask you to embrace this four-point proposal:

1. For you to support legislation and for you to ask your Congressman to support legislation now pending in the various congressional committees to give the Secretary of Agriculture authority under section 22 of the Agriculture Marketing Agreement Act of 1937, to initiate action for administrative relief at the Tariff Commission in behalf of domestic livestock producers.
2. To support legislation now pending in the House Committee on Ways and Means to raise import duties on livestock.
3. To petition for a quota based on 1957 import levels, or at most 5 percent of domestic production.
4. To support an increase in tariffs on meats to 6 cents per pound and the imposition of gate levies.

We are fighting for our very existence; nothing less than concentrated, determined effort will get the job done.[2] You've been a patient audience and I take my leave on a note of thanks for giving me the opportunity to express my convictions.

"FREE" USE OF FEDERAL DEPOSITS?

Mr. HRUSKA. Mr. President, of late the subject of the so-called free use by the banks of Federal deposits has come in for discussion and some criticism. In that connection I have here a letter which gives the other side of the story. It is from Mr. Robert L. Voss, vice president of the First National Bank of Fremont, Nebr., and it gives a picture of one of the many free services which the banks in turn perform for the Government.

I ask unanimous consent that the letter be printed in the RECORD, together with the attached editorial from the Northwestern Banker.

There being no objection, the letter and editorial were ordered to be printed in the RECORD, as follows:

FIRST NATIONAL BANK OF FREMONT,
FREMONT, NEBR., *February 6, 1964.*

Hon. ROMAN HRUSKA,
U.S. Senator, Senate Office Building,
Washington, D.C.

DEAR SENATOR HRUSKA: In answer to Mr. PATMAN, chairman of the House Banking and Currency Committee, who feels that banks are being subsidized by free use of Federal deposits in tax and loan accounts, I would like to add my voice to that of Edwin P. Neilan, president of U.S. Chamber of Commerce, as reported editorially in the February issue of Northwestern Banker, a copy of which I am enclosing.

Here is an actual example of a transaction I handled in this bank today and which happens very frequently. We not only handle reissue of series E bonds but also exchanges of series E bonds for series H bonds in addition to the many services outlined so precisely by Mr. Neilan.

Our customer came in with 99 series E individual savings bonds today and requested reissue of all of these bonds. The names as inscribed on the bonds varied from bond to bond—some carried an initial, some did not, some carried a middle name, some did not. The coowner on the bonds as issued is now deceased and the widow came to our bank and requested reissue of these bonds in her name, with her son named as a coowner.

This was accomplished by sorting these bonds into five different categories and listing them on five different request forms. It was necessary that the widow's signature be certified by a bank officer on each form, that a certificate of death for the deceased husband be attached and that differences in name of the deceased husband as shown on the bonds and as his name appeared on the death certificate be covered by an affidavit of identity. After this had been accomplished, the bank pays first-class postage on these forms and bonds to transmit them to Federal Reserve Bank of Kansas City, a temporary receipt is issued to the widow for the bonds and 2 hours of time has been devoted to this task by myself and a secretary.

The customer then turns to me and asks, "What do I owe you for all this service?" Our reply: "There is no charge, we perform this service without charge for you and for our Government." A very common reply of our customers is—"I don't see how you can afford to do it."

To be real frank about it, we do not see how we can afford to do it either. We feel that the public does not realize the extent of these services performed by their banks free of charge and apparently we have not told our story to our representatives in Congress.

This is not a protest letter—just an honest effort to tell our story before we get crucified by Congress for performing a worthwhile service for our country.

Sincerely,

ROBERT L. VOSS,
Vice President.

[From the Northwestern Banker, February 1964]

DEAR EDWIN P. NEILAN, PRESIDENT, U.S. CHAMBER OF COMMERCE; PRESIDENT, BANK OF DELAWARE, WILMINGTON: Banks throughout the Nation owe you a vote of thanks for defending their position against the charge made by Representative WRIGHT PATMAN that "free" use of Federal deposits in tax and loan accounts are a form of subsidy.

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[2] The Department of Agriculture has talked with the National Livestock Feeders Association, and the American National Cattlemen's Association, and even the New York Importers Council. How about talking with us slaughterers and beef boners? The importers have a desk and a telephone on a month-to-month basis; we have millions of dollars in plants and machinery and we employ hundreds of thousands of workers. Talk to us—hear our story.

As chairman of the House Banking and Currency Committee, Mr. PATMAN recently made the charge on the House floor, suggesting that he would end the "subsidy" to banks by introducing legislation to require banks to pay interest on government funds kept in tax and loan accounts.

You answered Mr. PATMAN by stating if anyone was getting a subsidy it was the Treasury Department, since banks perform a great many services for the Government and the costs of these services exceed what is earned from deposits in tax and loan accounts.

Following a personal attack on you and your bank, you outlined the services which the Bank of Delaware performs for the Government. In 1963, according to your figures, Bank of Delaware absorbed costs ranging from $12,000 to $15,000 for the issuance of 31,703 savings bonds; for maintaining a payroll deduction plan for the sale of the bonds, and for publishing advertisements soliciting the public to buy the bonds.

You also noted that your bank cashed 79,200 individual savings bonds at a net cost of $12,000; handled about 80,000 Government checks at a cost of $6,500; handled 8,137 depository receipts at a cost of $2,360, and reported to the Government all interest and dividend payments in excess of $10 on about 24,000 accounts for which "we were not reimbursed."

Your experience seems to bear out the finding of a study made by the Treasury Department in 1960 which reported that banks do not profit excessively from tax and loan account deposits.

We hope that our banker readers will make comparisons similar to the one that you made, Mr. Neilan, so as to prove that WRIGHT PATMAN should have been named "Wrong" PATMAN.

ADDRESS BY FLOYD E. DOMINY, COMMISSIONER OF RECLAMATION

Mr. BURDICK. Mr. President, I invite the attention of Senators to an important speech delivered by Mr. Floyd Dominy, Commissioner of the Bureau of Reclamation, at the meeting of the Mississippi Valley Association at New Orleans, February 3, 1964. Mr. Dominy reviews the national accomplishments of the Bureau of Reclamation.

I ask unanimous consent to have the speech printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY FLOYD E. DOMINY, COMMISSIONER OF RECLAMATION, DEPARTMENT OF THE INTERIOR, BEFORE THE MISSISSIPPI VALLEY ASSOCIATION AT NEW ORLEANS, LA., FEBRUARY 3, 1964

It is indeed a pleasure for me to have this opportunity to discuss with you Reclamation affairs and particularly our program in the Missouri River Basin.

Your historic position in actively and consistently urging full development and conservation of the waters of the Missouri River and its tributaries for all economically desirable uses is one for which this Nation should be forever grateful.

I fully realize that you are generally familiar with the Bureau of Reclamation, but a forgivable pride on my part tempts me to review briefly our national accomplishments.

Since 1902, when the basic Reclamation Act became law, the total capital investment in Reclamation facilities has been about $4 billion.

This investment has been confined by law to the 17 contiguous Western States with one project also constructed in Alaska. Our purpose has been to provide the tools which pioneer settlement has needed to develop a flourishing economy in the rugged and arid vastness of this western half of the Nation.

Policy and commonsense have confined this investment so as to supplement the vigorous growth of an irrigated economy to those facilities that are needed, but which are beyond the financial resources of the settlers and water users. The result has been a Reclamation program that has grown and been adapted to the new conditions that growth has produced. Starting as a single-purpose irrigation program in 1902, it is now fully multipurpose in scope.

This Bureau, the U.S. Army Corps of Engineers, and the many other Federal agencies involved in developing water and land resources, along with the agencies of State and local government, have now learned much of the fine art of cooperative planning and coordination of purpose. This hasn't been easy. There have been occasional frictions and some still remain. Many interests are involved in river development and some conflict and competition are inevitable. The influence of your association is a continuing spur to all of us to achieve coordination, since your program supports the full concept of multipurpose use of river basin resources.

I am proud of what reclamation has done in its 62 years of history as a builder of the West. I am proud that our basic principles remain essentially unchanged in concept. This program is reimbursable and each proposed new project is rigorously examined to assure that it produce benefits that exceed the cost and that it will repay the Federal loan that finances it. We are today, as we always have been, fully committed to the conviction that the family farm is a national asset of fundamental importance.

Our program is, by law, designed to preserve and foster the family farm as an agricultural foundation for this new and dynamic western culture. To these fundamental concepts we have added, I am happy to report, a full recognition to the many other values that water storage and control can provide in a vast region where water is the limiting resource. Among these other values are navigation, flood control, water-based recreation, preservation of wildlife, stream pollution abatement, and hydropower.

In physical terms, the reclamation program has financed 4,400,000 acres of new irrigation and 4,200,000 acres of supplemental irrigation on these arid lands of the West. It has constructed 204 storage dams, 44 hydroelectric plants, as an integral part of multipurpose facilities, and 6,510 miles of canals. Among its more spectacular accomplishments we find Hoover and Grand Coulee Dams. Under construction are imposing basin developments in the great Central Valley of California and in the principal river systems of the West, the Colorado, the Missouri, and the Columbia.

The payoff is clearly evident in the rapid population growth of our Western States. We have long since used up our geographic frontier and more intensified use of land must now provide the necessities of a rapidly growing population. Intensified use of land means intensified development of water resources. Nowhere has this axiomatic truth been better demonstrated than in the arid Western States.

I draw inspiration from reclamation's part in western development. I find and accept challenge in the many difficult tasks that lie before reclamation as we face the future and seek to capitalize fully on the water resources of these great western river basins. I see a need for reclamation as a nationwide program as the Eastern States continue to outgrow the rich land and water resources that once seemed limitless. I have seen emphasis shift to comprehensive planning for water development and now foresee still further changes in emphasis as we draw more heavily on our physical limits of water supply.

Storage and regulation of natural flows always will be of prime importance, but to them we now add, with growing insistence, the need for wise use of water, for full control of pollution, for more careful discrimination in choices where there are competing uses and even for such difficult tasks as developing an economic way to convert sea water to potable water on the large scale demanded by ever-expanding agricultural and industrial uses.

Your area of direct interest includes much of the area of reclamation activity. Between the Mississippi River and the crest of the Rocky Mountain lies about half of the geographic area of the 17 reclamation States. Here also we find accomplishment and challenge. Nowhere is this better exemplified than in the Missouri River Basin.

I am glad to join Governor Guy, of North Dakota, who has so eloquently argued the merits of a great Missouri River Basin reclamation proposal, the Garrison Diversion Unit. He has talked of the needs for water development on the high plains of his State and the growing importance of unified support for balanced water-resource development along the semiarid eastern boundary of the reclamation States.

It has been 20 years since the comprehensive development of water resources in the Missouri Basin was authorized as a part of the 1944 Flood Control Act. Here also spectacular progress has been made and an extremely difficult challenge remains.

I can join Gen. W. K. Wilson of the Corps of Engineers in pointing with pride to the 85 million acre-feet storage capacity our two agencies have built in the Missouri River Basin since 1944. You have seen the main stem of the Missouri harnessed above Sioux City. Control of the main stem flood waters has been achieved. Navigation below Sioux City is a growing reality. Low-cost hydroelectric power has made it possible for nearly all Missouri Basin farms to have central station power at reasonable rates.

These great reservoirs have brought unprecedented new water-based recreational possibilities to an area that desperately needed them. Wildlife resources have been enhanced. Many of these benefits—particularly those deriving from flood control and navigation—flow to the credit of downstream interests. This is to such a pronounced extent that the lower basin already has largely gained its maximum benefit from the comprehensive plan.

It is well to keep in mind, however, that this has not been accomplished without expense to the upriver States. Hundreds of thousands of acres of prime agricultural and wildlife lands in the flood plain of the Missouri River from Montana through the Dakotas are now inundated and removed from use by these mainstem control structures.

This was inherent in the comprehensive plan. Dakotans have long since recognized it to be the price which their States must pay to assure balanced development. However, as the waiting time for beneficial use of the stored waters for agriculture and municipal and industrial use becomes longer and longer, these participants have increasing cause to question whether the mainstem reservoir program is a boon or a bane.

I share the disappointment of the residents of the upper basin States with the lag in irrigation development that has occurred on this project. Not only have the potential water users been deprived of a decade of economic growth and stability by this delay, but the entire economy of the midlands has failed to achieve the balanced strength that might have been attained from the production and wealth expected to be created through irrigation development.

This, in turn, is harmful not only to the upper Missouri River Basin, but to the cities of the lower Missouri River and Mississippi River valleys where commerce has drawn so heavily in the past from the raw materials and markets represented by the prairie States. Historically, agriculture production in the plains States has been the lifeblood of the river cities. It can be increasingly so through increased production and purchasing power associated with dependable and diversified irrigated agriculture.

Since 1944 we have developed about 400,000 acres of irrigated land in the Missouri River Basin. Only a very small part of this new irrigated land is in the Dakotas, which have made the major land contribution for reservoir space. There remains about 3,500,000 acres that we feel can economically be developed within our time under a balanced and comprehensive multipurpose program. We are then only 10 percent complete in this critical part of rounding out a total job of water development on the Missouri.

The job of engineering planning is well along on many new irrigation units in the basin. Among the larger of these are the Garrison diversion unit in North Dakota, the Oahe unit in South Dakota, and the Mid-State project in Nebraska. Together these three potential assets to the Missouri Basin can someday provide a water supply to over 1½ million acres of dry land. Most of the needed water supply is already stored and controlled in the main-stem storage reservoirs.

Continuing interagency study over the years assures us that the Missouri River provides an adequate flow of water to irrigate these lands and at the same time provide for all other justifiable uses of water. The irrigation of these lands is not a matter of bringing uncultivated land into agricultural production. These proposed irrigated acres are all now dry-farmed, and on them you find all the problems of small grain production under erratic rainfall that have plagued the Great Plains since homestead days.

These new irrigation developments will bring with them a promise of stability of production and a diversity in cropping pattern that is needed so badly on the Great Plains today.

As irrigation takes over from dry-farming, wheat production will be displaced by meat production. Farmers will be freed from the shackles of single-crop production that have been forced upon them by nature and will have the opportunity to choose much more widely from crops that are in demand. Fuller use can be made of the farmer's labor time through livestock feeding. Local agricultural processing plants can be built with the assurance of a stable supply of raw materials. Jobs will be created on the farm, in the cities, and even outside the Missouri Basin as this new agricultural wealth multiplies itself in the economic bloodstream of intensified business and cultural development that follows irrigation.

This is not idle speculation. You can find that this has been demonstrated again and again on reclamation projects all over the Western States and, of course, particularly in grain-growing areas. It is found on the mile-high plains around Denver, along the Platte River system, on the Yellowstone and on the flood plains of the upper Missouri River itself.

The importance of a stabilized, diversified, and intensified agricultural industry is dramatically demonstrated in our Pacific Southwest today. Explosion population growth here has been accompanied by parallel growth in industry, service businesses, educational plants, highways and all the many physical and economic evidences of a vigorous development of regional resource potentials. This furnishes convincing evidence of the results to be expected when full use is made of these potentials in this arid and semiarid region. It underscores the importance of water as the most critically important of all these resources, for nowhere is water more valuable, more completely used, nor more actively being planned for today than here.

Indeed, expansion has come so rapidly that new markets are developing both East and West for agricultural products from the Missouri Basin. It seems logical to expect the growing western market to reach further east during the 20 years or more it takes to build irrigation works and develop significant new production on such large projects as the Garrison diversion unit.

Realization of these large developments has been delayed in recent years out of a legitimate concern on the part of congressional sources with questions of overall financial policy, for irrigation costs, like power investment, must be repaid. The Department of the Interior has recently submitted to the Congress, a proposed plan of repayment which would place the project on a sound financial basis.

If, as we hope and expect, the Congress ratifies this financial plan, we may expect to have prompt consideration of pending legislation to authorize construction of the Garrison diversion unit and other like units. We hope you will lend your support to this effort.

Your deliberations here are of truly national significance at this critical period in our country's history. All of us are aware of the many demands upon the United States that have come from our growing international responsibilities and the multiplying problems of our own expanding population.

President Johnson has quite properly ordered a searching examination of proposed Federal expenditures. Great as this Nation is, there is a limit to our capacity to finance the many desirable national programs that are constantly being urged upon our National Government.

As a consequence, any proposed investment in resource development is scrutinized and compared in detail. In this process we are, of course, weighing the relative value of investment in water and land resources as compared with a wide range of alternative expenditures.

I am convinced that investment in our water and land resources is always a necessary part of the job of building the long-range strength that this Nation needs to fulfill its destiny, both as a dominant force in the Western World and as a shining example before all of mankind.

We cannot reverse the course of history, we cannot retreat to provincialism, we cannot afford to stand still—even if we knew how that could be done.

The cold war is a test of every national sinew and its outcome will depend both on how we use our strength today and how we increase it for tomorrow. My recent trips abroad, which have included two tours of river development projects in Russia, have shown me first hand that the U.S.S.R. intends to outrun us in developing natural resources. It is clear also that Khrushchev considers his water resources to be among the most valuable of them all in the long run. There is certainly no slacking off in the water-resource development part of his total effort. And Russia's economic strength and stability will increase in direct ratio to the use the Soviet Union makes of its natural resources, just as ours has done.

We are still far in the lead in development of our rivers. We can maintain that lead if we will. Or we can defeat our own purpose by endless jangling and jockeying by sectional and single-purpose interests.

It is my hope and my purpose that we continue to maintain a national program of water development that is balanced in purpose, efficient in execution, and comprehensive in scope. I will continue to urge that this program maintain its historic relative prominence in the total national effort to the end we are never surpassed in the long-time test of strength between world forces.

It falls upon all of us who know the meaning of resource development to be heard during this critical period of decision.

LITHUANIAN INDEPENDENCE DAY

Mr. YOUNG of Ohio. Mr. President, Sunday February 16, 46 years ago, the brave people of Lithuania expressed their newly won independence and freedom by adopting an inspiring democratic constitution.

For more than 120 years this land had been held under the iron domination of its powerful neighbor to the east, Russia. It had risen in rebellion five times, only to be crushed by forces more numerous and more powerful than its own.

Finally, on February 16, 1918, Lithuania won its freedom.

What it accomplished with independence marks a proud chapter in the struggle of freedom-loving people everywhere, for this small land, surrounded by historically hostile nations, established a flowering democracy in the Balkans.

More than nine centuries of Teutonic and Russian subjugation had not dimmed the free spirit of these people, and they proved it with a democratic development which earned the admiration of the world.

Under a program of sweeping land reform, some 300,000 independently operated farms were established. Industrial development spurted ahead. Great progress was made in the fields of education, transportation, and social welfare.

Lithuania lived in peace, and prospered, from 1918 to 1940, when the young Republic was victimized by infiltration and invasion first by the brutal legions of Adolph Hitler, then by the Russians.

But neither the tyranny of Hitler nor the oppression of the Soviet Union has served to crush the bright hope of freedom that the Lithuanian people have always nurtured.

Tyrants, in the end, all discover that physical suppression of a people does not accomplish suppression of an idea, does not erase the faith or hope that freedom someday will return.

It has been the history of tyrants that their tyranny collapses and that the freedom which they brutally curtailed rises again, for its spirit never dies.

This spirit of freedom is rooted strongly in the minds and hearts of the Lithuanian people. No Iron Curtain will stifle their hopes and prayers for freedom. Nor will it expunge from their minds the memory that for a fleeting period they flourished in freedom.

Mr. President, I number among my friends and acquaintances many persons of Lithuanian descent, and they leave no doubt that the great idea of freedom in their homeland has not faded under the horror and humiliation of 20 years of Soviet rule.

We join these people and their friends throughout the world in commemorating the day in 1918 when this courageous nation established its independence, which lasted so brief a time but which saw such great economic, social, and cultural advances.

Sunday, February 16, was indeed a solemn day, for it reminds us that our own liberties are precious beyond estimation. It reminds us, too, that millions in this world still suffer under the iron heel of oppression and that slavery elsewhere diminishes the degree of our own freedom.

It is fitting that Senators of this greatest free Nation on earth commemorate a day that was filled with hope and express their wish that freedom again will shine across that land which knew its blessings for so short a time before the despair of tyranny again descended.

THE IOU'S NO. 7: THE INVESTOR-OWNED UTILITY DOES NOT PAY THE TAXES—YOU DO

Mr. METCALF. Mr. President, millions of Americans have been misled by one of the most deceptive advertising campaigns in this Nation's history.

They have read advertisements which included statements such as this:

> The investor-owned (electric) companies have paid about $12 billion in taxes to various governments—National, State, and local—over the past 20 years. Unlike Government owned and operated systems, they have received no public subsidies.

Edwin Vennard, managing director of Edison Electric Institute, the investor-owned utilities' trade association, admits what the ad obscures—the customer, not the company, pays the taxes.

Taxes are included in expenses which are subtracted from revenue to determine net operating income. A utility's rate of return is established by dividing the net operating income by the rate base.

You pay the taxes when you pay the light bill. If you do not pay, the company cuts off your electricity. And you cannot appeal the company's decision to the Internal Revenue Service.

In his book, "The Electric Power Business," published in 1962 by McGraw-Hill, Mr. Vennard said:

> Taxes, like labor and fuel, are an expense and, like other costs, are included in the price of the commodity. Thus, in effect it is the customers who pay the company's taxes.

The ad from which I quoted appeared in the Wall Street Journal on March 16, 1954. It was prepared by the McGraw-Hill Department of Economics to help increase public knowledge and understanding of important nationwide developments that are of particular concern to the business and professional community served by—McGraw-Hill—industrial and technical publications. The ad was placed by the McGraw-Hill Co.

I selected a 10-year-old ad in order to show that the campaign of deception has been going on for some time. I chose an ad by a company other than an electric utility to show that the IOU's have recruited others from outside their ranks to carry on this campaign of deception. I shall discuss more recent advertisements, by the IOU's themselves, another time.

I hope that by now members of the McGraw-Hill Department of Economics have had an opportunity to read the Vennard book which their company published.

Mr. President, the remarkable statement, in the above advertisement, that the IOU's "have received no public subsidies," is deserving of separate treatment.

CIVIL RIGHTS AND CIVIL WRONGS

Mr. TALMADGE. Mr. President, there appeared in the February issue of the American Bar Association Journal a splendid article concerning the so-called civil rights bill and the evils that can come from attempting to legislate in the area of human relations. The article was written by Edward F. Cummerford, of the New York bar, who correctly concluded that if this fearsome civil rights bill is enacted, individual liberty and property rights will be dealt a severe blow.

I recommend the article to all Members of the Senate, and I urge them to heed its warning.

Mr. President, I ask unanimous consent that this article be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CIVIL RIGHTS AND CIVIL WRONGS

(By Edward F. Cummerford)

(NOTE.—Edward F. Cummerford has been practicing law as a private attorney in New York City for 17 years. Born in Brooklyn in 1922, Mr. Cummerford has lived all his life in the New York area. He was educated at Fordham University where he received the degree of B.S., LL.B., and an M.A. in political philosophy. Mr. Cummerford was admitted to the bar of the city of New York in 1946 and is a member of the American Bar Association.)

In his novel of some years ago called "Nineteen Eighty-Four," George Orwell depicted in frightening detail what life would be like in Britain in the year suggested by his title. A monolithic tyranny had come to power and had destroyed every semblance of freedom.

Under the absolute and brutal rule of a dictator called "Big Brother," men and women had been reduced to the level of dehumanized automatons. No longer were they permitted to act—or even to think—for themselves.

Rational thought processes and normal methods of expression had been supplanted by monstrous perversions called "doublethink" and "newspeak." Basic privacy as we know it had been eliminated completely.

Fantastic devices for spying were in constant use by the agents of Big Brother so that one never knew, even within the confines of his own home, when he was being observed. Any thought of revolt or disobedience was readily dissipated by the terrifying warning: "Big Brother is watching you!"

Yet, some will say, this was merely fiction, and Americans need have no fear that such eventualities will ever come to pass in our land. Let us not forget that many times in the past fiction writers have foretold things to come with uncanny prescience.

In general, nations lose their freedom in one of two ways. The first is by violence, either from within or without; bombs, machineguns, and the like do the job. The second is far more subtle and insidious; this is the slow, gradual process of evolution.

By stages, freedom is chipped away, and so gradually that few are aware of the real meaning of the process until it is perhaps too late. As each little bit of freedom is taken away, the highest and noblest motives are given, and the "best people" in the land give their wholehearted approval. Their intentions may be of the very best, but of such is the greatest superhighway of them all constructed.

In recent years this country has been subjected to an onslaught of so-called civil rights activity. These modern conceptions of civil rights do not refer to the basic freedoms enumerated in the Bill of Rights of our Federal Constitution, such as freedom of religion and freedom of the press, but are concerned rather with a relentless drive to wipe out discrimination and bias based on race and religion, mainly the former.

While no decent person will defend racial or religious hate, it does not follow that every possible action taken to eliminate them is either good or necessary.

Prohibition was termed a "noble experiment," but it did more harm than good, for the simple reason that it abridged personal freedom without sufficient justification. The same basic error permeates much of the civil rights activity now in vogue. To condemn these activities no more makes one a proponent of bias than to oppose prohibition made one a bootlegger or a drunkard.

This drive to eliminate discrimination is largely a product of the years following the close of World War II. Generally it consists of litigation, legislation, and other actions lawful and otherwise, all purporting to have the same basic objective: the wiping out of bias.

In the legislative field the typical pattern has been enactment of a statute with an enforcing agency. Although these antibias laws vary in detail from one jurisdiction to another, they usually declare illegal discrimination in such areas as employment, housing, public accommodations and resorts, public transportation and, sometimes, education.

About half our States and some municipalities now have such laws, many with enforcing agencies. In New York, for example, the basic statute was passed in 1945 and created as the enforcing agency the State Commission Against Discrimination, which came to be called simply SCAD. Recently its name was changed to the State Commission for Human Rights.

Invariably these agencies begin their work in an unobtrusive manner but, with the passage of time, they often become increasingly aggressive, seeking more powers, asking broader areas in which to operate and harsher punitive measures for alleged offenders.

SEARCHING FOR EXAMPLES OF BIAS

Some have stated very candidly that, if enough complaints are not filed to keep them busy, they will go out searching for examples of bias. Frequently they query employers as to the proportions of races and creeds in their employ; they scrutinize employment applications to see if there are any questions deemed discriminatory; they scan advertising by hotels and resorts to ferret out language that might be a subtle cloak for bias.

These commissions, in short, seem to view their scope as ever widening. For example, in 1961, Ogden R. Reid, the then chairman of SCAD, said that he desired legislation to give his agency power to deal with bias in promotions as well as in initial hiring procedures.

The trend is unmistakably in the direction of more and more power for these agencies. As SCAD said in one of its recent publications: "While no complaint has been too minor, no objective has been too large."

Sometimes the activities of these agencies verge on the absurd. In one instance the owner of a little barbershop on Long Island placed a sign in his window reading "Kinky Haircuts, $5." SCAD, neither amused by his crude attempt at subtlety not deterred by the ancient maxim de minimis non curat lex (the law does not concern itself with trifles), took immediate steps to punish him.

Several years ago the State of New York deleted the item "color" from the various details of personal description on drivers' licenses, on the ground that that information was discriminatory. While such nonsense hardly merits comment, I cite it as an example of how far such notions can be carried.

MORE OMINOUS THAN AMUSING

In general, however, the activities of the antidiscrimination agencies are more ominous than amusing. In 1961, the press reported that the Philadelphia Commission on Human Rights had warned 17,000 employers in that city that they must not follow merely the letter of the antibias statutes but be prepared to show that they "really believed in the spirit" of such laws.

Recently a civil rights committee of the New York County Lawyers Association advocated strengthening local laws against bias in housing by publicizing proceedings to embarrass the accused; should this not suffice, the committee concluded, "consideration might be given to the traditional criminal sanctions."

In addition to antibias statutes, there is now a marked trend toward litigation to accomplish related aims. Such suits invariably are filed in Federal courts, using the 14th amendemnt as a catchall foundation.

In the recent case of *Taylor* v. *Board of Education, etc., of New Rochelle*, the Court of Appeals for the Second Circuit held that where the student body of a public school had, over the years, because of neighborhood changes, evolved from predominantly white to predominantly—94 percent—Negro, the Negro pupils could apply to the Federal court for transfer to a school whose racial makeup was more in accord with their preferences, irrespective of school boundaries or distances involved.

This was in spite of the fact that the city and State involved had never required any segregation in public schools, and the board of education concerned vigorously denied that any racial considerations entered into the mapping of school districts.

The New Rochelle case represents one of the most revolutionary and far-reaching decisions ever handed down in this country, and its ultimate effects are beyond conjecture. Similar suits are pending against school boards throughout the land, all predicated on the theory that too high a ratio of Negroes in a school, even though the mere reflection of a particular neighborhood's racial patterns, is an evil and must be corrected by force of law.

A DISSENT ON STUDENT TRANSFERS

The dissenting opinion of Judge Leonard P. Moore in the New Rochelle case should be read carefully in its entirety, for it cogently analyzes the false premises on which the decision is based and notes the results it is likely to have. Judge Moore observed: "Regardless of protestations to the contrary, the effect and implications of the decision below are to place the operation of the schools of the country in the hands of the Federal courts or a single judge. His personal views as to those pupils who should be granted or denied transfers will control, he alone will decide what racial mixtures satisfy his concept of integration. Of necessity he will have to pass upon district lines if he chooses to permit neighborhood schools to continue. His decrees will cause schools to be built, altered, abandoned. Attendant thereto might even be an indirect fixing of the city's school-tax rate to accomplish his bidding."

Other possibilities, in addition to those Judge Moore suggests, spring to mind. May a student who feels that racial bias has kept him from a position on an athletic team, or from a part in a school play, or has been the reason for a poor grade in a course, thereupon approach the nearest Federal judge seeking redress?

DICTATION BY JUDGES?

If Federal judges can dictate the drawing and altering of school boundary lines and the racial composition of student bodies, why may they not, by the same logic, determine the racial composition of a residential neighborhood by appropriate decrees and orders directed to realty agents and landlords?

Can it honestly be maintained that the Founding Fathers, in their almost parenthetical reference to "such inferior courts as the Congress may from time to time ordain and establish" in the Constitution, intended that a Federal district judge should exercise such frightening power over the affairs of a local community which had little or no voice in his selection and has absolutely no say over his tenure?

Almost with each passing day, new and strange events are reported in connection with this inexorable drive to wipe out bias. Private property is seized and held by mobs; sit-in demonstrations are conducted in State capitol buildings, city halls, board of education properties, and the like.

Racial pressure groups dictate to private employers what the racial makeup of their payroll shall be, and to school boards what the racial makeup of the student body shall be. Crude pressure is exerted against private clubs because of their membership policies, and threats are heard to abolish them altogether.

What is most distressing about all of this is that those elements in the community which should be the most responsible—the press, the clergy, educators, yea, even the bench and bar—view these examples of mob action as something good, and even give them their full support and encouragement.

A LUNCH COUNTER OR A CHURCH

One cannot avoid wondering if they have reflected on the proposition that, if a mob can take over a lunch counter because it dislikes the policies prevailing within, it can, by the same token, take over a church or a publishing plant or a university which has incurred its displeasure.

In New York City, which often serves as a bellwether for other places, some amazing things have been taking place along these lines. Members of minority groups—generally considered to mean Negroes and Puerto Ricans—may now apply for transfer to another school, even many miles away, if the racial balance in the school they attend does not suit them. Large numbers of such students are transported daily in buses at great expense to the taxpayers.

Several months ago a "mock antidiscrimination hearing" was conducted in New York City at which children, selected from appropriate racial backgrounds, acted out the parts of a would-be Negro tenant and a callous white landlord who refused to rent her an apartment. That innocent children, of any race, should be used as pawns in these weird sociological chess games is nothing short of reprehensible.

In 1961, the New York City Board of Education issued a directive to teachers in its system to stop using certain words and expressions which might prove offensive to minority groups. Among the proscribed expressions were "low socioeconomic," "fear of walking" [in certain neighborhoods], "complete apathy of parents," and, believe it or not, the expression "dedicated teacher."

Thus in about two decades we have passed in rapid succession from the novel to the startling and from the startling to the grotesque.

Into our repository of Anglo-Saxon jurisprudence, whose very foundation stones are the maximum freedom of thought and action for individuals with minimum restraint and interference by Government, some new and strange concepts are being infused. What is more alarming, is that they are being accepted passively and unquestioningly, by most of our populace.

Liberty is being subordinated to equality. A type of absolute egalitarianism, riding roughshod over personal privacy and individual freedom, has become the order of the day. Matters that formerly were well within the realm of personal choice and decision are now branded as criminal or tortious, with the punitive police power of Government standing by. Private business and social dealings now must contend with the Government as an uninvited third party, overseeing and checking what private citizens do and even how and what they think.

When bureaucrats not chosen by the people can warn us to obey the spirit of laws or face penalties; when a Federal district judge can sit as the absolute overseer of a local community's affairs; when schoolteachers are muzzled and coerced; when our citizens cease to be free individuals and become merely ethnic groups to be manipulated according to some sociological dictum; when our law and our courts become merely the extensions of the sociologists' workshops; when Government can invade the hearts and minds of men to search out their subtlest motivations and innermost thoughts; when all of these things come to pass in our land of the free, it is high time we ask ourselves just where we are headed.

EROSION OF STATE AUTHORITY

The most significant recent developments center on proposed Federal legislation in this field. If such laws were to be enacted, the National Government would be given jurisdiction and powers in areas never previously regarded as coming within its ambit. The erosion of State and local authority would be tremendously accelerated.

The hour already is late. We may be even now in the twilight of our liberty, standing on the very threshold of the type of era envisioned by Orwell.

When liberty is taken from some, it tends ultimately to fade for all. When that dreadful day arrives, there no longer will be any need to argue about discrimination, for we shall all be joined together in the terrible equality that is slavery.

As Justice Sutherland observed a quarter of a century ago: "For the saddest epitaph which can be carved in memory of a vanished liberty is that it was lost because its possessors failed to stretch forth a saving hand while yet there was time."

BUSINESSMEN BACK BIBLE READING

Mr. HARTKE. Mr. President, recently the Christian Businessmen's Committee International, a 26-year-old organization with some 600 local groups totaling 15,000 members, held its annual convention in Indianapolis. For the first time in its history, the convention passed a resolution, the text of which I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE CHRISTIAN BUSINESSMEN'S COMMITTEE INTERNATIONAL

Resolved, That this convention, made up of its many hundreds of delegates, reaffirm the historic position of many of the Founding Fathers of this Nation to the effect that true education must be based upon and centered in a positive acknowledgment of Almighty God, and in a belief that Jesus Christ is the Redeemer of the world; and

That the citizens of this Nation, including the duly elected representatives, should make it possible for our children and our children's children to receive as part of their normal education the many evidences of the existence and reality of God, and that His Word, the Bible, be read and cherished as part of our great American heritage.

PROJECT HOPE

Mr. JACKSON. Mr. President, last November, Dr. Stanley E. Mayall, of Spokane, Wash., sailed to Ecuador aboard the SS *Hope*. This marked Dr. Mayall's third tour of duty aboard this wonderful ship that provides such significant medical help to underprivileged persons throughout the world. The Spokane dentist had taken earlier trips to southeast Asia and to Latin America where he gave of his time and talent for this wonderful work. In the recent edition of Caementum, the University of Oregon Dental School Alumni Association publication, Dr. Mayall wrote of his experiences on these earlier trips. I am pleased to bring this article to the attention of my colleagues and ask unanimous consent that the article be printed in the RECORD, so that they may fully understand the important contribution to mutual understanding being carried out by this great white ship and the men and women who serve aboard her.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DAYS ARE BUSY BUT REWARDING ON GOOD SHIP "HOPE"

(By Dr. Stanley E. Mayall)

Anyone who wants to realize the reservoir of good will in men should know that right now there are more than 4,000 applications from professional people who are eager to join the staff of the SS *Hope* and lend a hand to their less fortunate brothers in other parts of the world.

These volunteers to the people to people health project serve without pay, leaving the comforts of home, family and practice to help other people to help themselves.

It was through just such an application that I was introduced to Project Hope, and I must confess that the 4 months in southeast Asia and the 3 months in South America and north Africa that I spent with the project will be the highlight of my life and the most inwardly rewarding thing I have ever done. If asked, I definitely would serve again, even though the financial drain is quite burdensome.

Just what is this project and the SS *Hope*?

Project Hope, whose offspring is the SS *Hope*, is the major endeavor of the People to People Health Foundation, Inc., of Washington, D.C. It is a nonprofit, nongovernment organization, and staffs a 15,000-ton former Navy hospital ship, the U.S.S. *Consolation*, is a floating medical center.

The project's main objective is to bring the latest medical, dental, and nursing information and techniques to the professions of the underprivileged countries which have asked for assistance in the form of a teaching-treatment program. It costs approximately $3.5 million to operate the SS *Hope* for 1 year, and all of this money comes from contributions of individual Americans, from business and industry, from labor, and from other interested organizations. This amount represents approximately the same amount that our Government spends in Vietnam in the course of a 3-day period, and I will leave it to you to be the judge of which does the most good.

The ship is owned by the Navy, and loaned to the project free of charge. Several other ships, now in mothballs are also available to the project when, and if, funds to operate the ships become available.

Some 70 physicians, dentists, nurses, pharmacists, and medical technicians make up the permanent staff of the ship. In addition to this, up to 35 doctors, who are specialists in their fields, are flown to the ship for tours of from 2 to 4 months.

Several men from Seattle and the Inland Empire have served with the project. However, Dr. Thomas A. Angland an orthopedic surgeon from Yakima, Wash., and Dr. Lawrence Pence, a general surgeon from Spokane, Wash., Dr. Gedney C. Barclay, a general practitioner from Coeur d'Alene, Idaho, and myself are the only professional men who have served from the Inland Empire.

Just to see the tears of gratitude, or feel the warm handshake, or pat on the back from these poor people pays one a thousand times over for whatever sacrifices he might make. Or to try to give an answer to the question "How soon will *Hope* come back?" to a sick, crippled, or blind child almost makes one swim back to offer his help in any way that he can.

If one can picture a situation in a city the size of Spokane with two physicians and only one dentist, then I think he could readily realize why the lifespan is only 32 years of age, and the mortality rate is from 25 to 30 percent. This may sound unbelievable, but is the case in Indonesia and Vietnam where the ship spent its first tour of duty. The mortality rate in South America did not present such a pathetic picture. However, the plight of these people is deplorable and something the average person cannot envision until he sees it in person. In spite of all that these poor people don't have, they are the most polite, gracious, friendly, happy, and lovable people that I have ever met or seen any place in the world. They are eager to learn and will do anything to raise their own standards.

They are eager to know and be known and liked by Americans, and are most cooperative in every way. On countless occasions I have had as many as 50 children follow me through the jungle towns and villages, just in order to be close and friendly to someone who was trying to help them or their people. I have had children beg me to take them back to the States, and you can take it from me, there just aren't words that will come out at a time like this. At best, all that we could tell them was that we would try to come back to see them and to help them—and in all sincerity I hope we can and will, funds permitting.

All of the native physicians, dentists, and nurses that I met seemed adequately well trained, but they were so lacking in numbers, and so overworked that to seek postgraduate training was almost unheard of.

Their only salvation lies in the training of more professional people and laymen, but this takes a long period of time, so relief for their plight is not in the near future.

It is almost unheard of to have a private practice as all must spend a certain percentage of their time working for the Government in a town or village approved by the Government—in short, they have socialized medicine, which just will not or cannot function as efficiently as it should; however, for what they have in numbers, equipment, and facilities, I think that as a whole they are doing a very commendable job, and given encouragement and half a chance, I feel sure that they will do nothing but improve their lot and situation.

As a permanent contribution to Indonesia and Saigon, Hope has opened and is staffing an orthopedic hospital, the Ibu Sukano Hospital, in Djakarta, and the Hope Orthopedic Rehabilitation Center in Saigon. Also in Saigon a program in oral surgery is being inaugurated. In each instance these facilities are being staffed by rotating personnel from the States.

So far as these two countries are concerned, I have grave doubts as to the continuation of these programs because of the political and economic environment. If the program fails in these countries it will not be due to lack of cooperation of the professional man, nor the man on the street, but solely because of the police and military type of government.

As far as the programs being carried out in South America; namely, Peru and Ecuador, I feel that the end results will be far more gratifying due mainly to a greater cooperation on the part of the governments, and the higher pro rata of professional people per capita and a seemingly all around higher type of professional man, both educationwise and personalitywise. Fortunately I was able to organize a new dental society in Peru, the name of which is "Acadamia Dental Peru-Hope." This society's sole purpose is to elevate their standards of dentistry, and they are cooperating with and receiving help from numerous State dental associations as well as the American Dental Association. The Oregon State Dental Association only last month agreed to cooperate with and send educational material to this society. Also last month the American Dental Association gave each member of the society a Spanish translation copy of "Accepted Dental Remedies." In short, I have great hopes for the future of these men and in their efforts to elevate the status of their profession.

And now the good ship *Hope* lies at anchor in the harbor of New York where she is being repainted, refitted and restocked, and made ready to sail again. It will leave New York on November 20 of this year and will arrive in Guayaquil, Ecuador, on December 2 where she will immediately start in operation in cooperation with the Government and medical and dental schools and the professional people of this country. Time only will tell of our success in this country but the neighboring country of Peru has much to show for *Hope's* 1-year tour of duty. A hospital and a medical school is staffed with Hope personnel. A public health program is underway and a dental society is going full speed ahead.

Numerous other countries such as Pakistan, Korea, Taiwan, Morocco, etc., have asked for Hope's help. However, funds which must come from the lay public is the governing factor on where she goes next. Wherever she goes, she goes proudly.

She is an efficient ship fighting for peace and fighting to show the American way of life. She offers the open hand of friendship to the less fortunate people of the world—to help them to better help themselves.

CIVIL RIGHTS—RESOLUTION

Mr. RUSSELL. Mr. President, in view of the great propaganda effort that is being waged to drum up support for the so-called civil rights bill soon to come before the Senate, it is always refreshing to learn that there are some groups in this country who refuse to be stampeded, but who insist on examining the contents of this mislabeled package.

One such group is the American Coalition of Patriotic Societies, which is made up of more than 100 organizations representing some 3 million Americans in all 50 States of the Union.

Mr. President, at its 35th annual meeting held in Washington earlier this month, the American Coalition adopted a resolution pointing out the grave danger posed by this pending legislation to the rights and privileges of all Americans.

I ask unanimous consent to insert this resolution in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

CIVIL RIGHTS BILLS CONTRAVENE THE CONSTITUTION

Whereas there is now pending a package of proposed legislation which is known as the civil rights bill of 1963 which consists actually of nine bills designed to unconstitutionally expand the power of the Federal Government and particularly of the Federal executive department; and

Whereas we favor the proper protection of civil rights of all of the citizens of the United States within constitutional bounds, and do not favor the destruction of civil and property rights of all citizens to curry the favor of organized minorities; and

Whereas this legislation would destroy the powers of the States as they were embodied in the Constitution of the United States in many areas of public and private life, in the preservation of property and in the election of our public officials;

Resolved, That the American Coalition of Patriotic Societies opposes the enactment of the various bills pending before the House of Representatives and similar bills pending in the Senate of the United States for the following reasons:

1. These bills would destroy the system of checks and balances set up in the Constitution of the United States between the Federal Government and the States, and that system between the executive department of the Federal Government and its judicial and legislative departments.

2. It would ultimately lead to the electoral machinery in our country being preempted by the Federal Government and removed from the States to which it has been entrusted by the Constitution.

3. It would subject business, industry, and professional men in our country to the whims of Federal inspectors in the major phases of their work, providing Federal dictation in the hiring, firing, promotion, and handling of employees, in the services of customers and in the financing of their businesses substituting for our system of free enterprise the dictatorship of Federal bureaucracy.

4. It would take from homeowners the rights to freely build or buy their own homes, to decide to whom they will rent their homes, and to whom they will sell their homes.

5. It would transform all commerce into interstate commerce and individual action into State action, in order to permit Federal control of both under the interstate commerce clause and through the use of the 14th amendment to the Constitution of the United States.

6. Through the manipulation of the use of Federal funds, it would result in the ultimate Federal control of education, business, and individuals substituting a totalitarian state for the liberty under the law which was preserved for us by our fathers.

7. The pending version of this legislation is more far reaching, harsher, and more destructive of the American way of life than the original bill which was introduced in June, although the people of the United States have been deceived into believing that it is a watered down and moderated version of the original bill, being, in fact, as was said by members of the House Committee on the Judiciary, "the greatest grasp for executive power conceived in the 20th century."

VENEZUELAN ECONOMY GROWS STRONGER—RELAXATION ON RESIDUAL OIL IMPORT CONTROLS NEITHER NEEDED NOR INDICATED

Mr. RANDOLPH. Mr. President, I have consistently advocated and supported a program to control imports of residual fuel oil. This has been my position because I am convinced that excessive imports of this waste product from foreign refining operations are detrimental to the domestic fuels industries and to the national security.

There is disagreement over this program. My colleagues from New York and New England are opposed to it. They argue that residual imports should be increased by a significant amount, at the very least. Preferably, they urge that all controls be removed so residual oil can be imported in unlimited amounts. They are convinced that they are acting in the best interests of the people of their area, just as I am convinced that my support for more adequate import controls properly and justifiably serves the people and the economy of West Virginia and much of the Appalachian region. I feel it has national value, too.

The implications of the program with respect to the domestic economy and to national security are so important they must be fully explored, discussed, and explained.

There has been injected into the debate the argument that, by maintaining controls of residual oil, the Nation is impairing our relations with one of our stanchest friends in South America—Venezuela—and that we are undermining the economic and political stability of this strategically important neighbor.

No one holds the democratic regime of Venezuela in higher esteem than does the Senator now speaking. I would not be a party to any program or any legislation which would adversely affect Venezuela and weaken it in the valiant and successful fight it is making against Castroism.

But, Mr. President, the residual import control program has not had and will not have this effect. Further, I believe that legislation (S. 2185) which I have introduced, with 29 colleagues cosponsoring, to give legislative sanction to this program also would not work to the detriment of Venezuela. The period since 1959, when import controls on residual oil became effective, has been one of sustained and heartening economic growth for that country.

Venezuela has continued, during the life of the program, to increase its sales of residual oil to the United States for much needed American dollars. In 1959, total export of this product to the United States, including residual processed in the Netherlands West Indies from Venezuelan crude, amounted to 91.4 million barrels. By 1962, the latest year for which statistics are available, these exports had increased to 162.1 million barrels, an increase of 77.3 percent.

Here are some other pertinent economic facts about Venezuela, 5 years after oil import controls became effective: Its gross national product in 1962 was exceeded in Latin America only by Mexico and Brazil. In 1963, according to the Venezuelan Central Bank, there was a 20-percent increase in per capita income, unsurpassed in Latin America. The bank also stated that international reserves stood at $750 million in 1963—highest since 1956–57—and that there existed a $150 million surplus in international balance of payments.

Venezuela ranks first among its Latin American neighbors in total foreign trade. In 1962, its exports totaled $2.6 billion, and it had imports aggregating $1.1 billion.

This foreign trade, incidentally, both export and import, is and has been predominantly with our country. In 1962, the United States accounted for 52.6 percent of total Venezuelan imports and purchased about 34 percent of total Venezuelan exports, excluding Venezuelan exports of petroleum to the Dutch West Indies which are refined and largely exported to the United States.

Petroleum constitutes the bulk of Venezuelan sales to the United States. Of its exports to this country in 1962, which totaled $882 million, nearly 95 percent—$839,667,585—was for petroleum and petroleum products, according to the U.S. Bureau of the Census.

As might be expected, Venezuela enjoys a favorable balance of trade with the United States, due almost entirely to the huge amount of oil it exports to us. In fact, in every year but one since 1955, Venezuela has enjoyed a favorable balance of trade with the United States. In 1962, the balance in its favor was $305,500,000.

I am sure that all of us are pleased to know of the significant economic gains accomplished by Venezuela during the past 5 years under a free and democratic government. Also, it is pleasing that trade with the United States has constituted an essential element in the expanding Venezuelan economy.

In view of the sustained economic growth of Venezuela, I do not see how anyone can seriously contend that the oil import control program—including the residual quota system—has served to weaken Venezuela economically, or to threaten its future. Today, it has a sturdy economy which has contributed significantly to political stability. Surely, this condition of economic and political strength could not prevail today if, over the course of the last 5 years, the residual oil import control program has been operating to the detriment of Venezuela, as some persons allege.

Under the oil import control program instituted by Presidential proclamation of March 1959, imports have been permitted to increase from a rate of 343,000 barrels daily at the beginning of the program to 575,000 barrels daily during the current quota year. Almost all of this increase has been filled by residual oil refined in Venezuela, or from Venezuelan crude oil refined in the Netherlands West Indies.

I pointed out also that our bill (S. 2185) does not seek to impose economic sanctions of any kind upon Venezuela. I recognize that as a matter of practical political considerations it would not be possible, even if I might regard it personally as desirable, to cut back imports at this time. The legislation proposes that imports of residual oil shall not exceed 50 percent of total consumption of residual in all of the United States east of the Rocky Mountains. In other words, through this legislation we are willing to reserve 50 percent of the domestic industrial fuels markets of this type for imported oil which, in this case, means oil primarily from Venezuela. This, Mr. President, seems to me to be a generous formula. It by no means is an effort to freeze oil from Venezuela from the U.S. market. As a matter of fact, if the formula had been in effect in 1963, it would have meant an increase of 3 percent in residual imports.

Our proposed measure represents an effort to bring a degree of stability to the residual oil program which has been lacking ever since the program started. In effect, what it would mean is that domestic fuels—coal and domestically produced residual oil—would have a fair opportunity to compete for a share of the growth market for industrial fuels along the east coast. What sponsors of this legislation are trying to do is to strike a balance between imports, which are important to our friendly neighbors, such as Venezuela, and domestic fuels.

Oil is vital to the economy and security of this Nation. So is coal. In times of emergency, the country must have domestic sources of fuels capable of meeting any contingency. Excessive imports would destroy the capacity of both domestic petroleum and domestic coal to meet this emergency requirement.

Some critics of the oil import control program, while conceding the validity of import controls on crude oil, have insisted that restrictions on residual imports could be ended without serious national security implications. The Office of Emergency Planning, in a report last year, said that residual controls could be meaningfully relaxed without damaging security.

Secretary of the Interior Udall, who administers the oil import program and has been charged by the President with the responsibility for the oil policies of this Nation, apparently does not agree that residual imports can be taken out of the oil import program without undermining its effectiveness.

It is my understanding that the capable Interior Secretary further disagrees with the OEP recommendation of last year, primarily on the basis that the OEP report was based on a limited perspective. In a recent publicized version of a letter to some of my distinguished colleagues the Secretary stated:

> When the national security contribution of the residual oil program is measured in the broader terms of the overall petroleum import control system, it is apparent that in order to maintain the integrity of the control program it is necessary to retain controls on all of the principal derivatives of crude oil, including residual fuel oil.

It is my belief, Mr. President, that the policy enunciated in this letter by Secretary Udall is a sound one for this Nation in view of the urgent necessity for maintaining strong and expanding domestic fuels industries capable under any circumstances of meeting the Nation's energy requirements. Obviously, this is a prerequisite of national security.

The residual oil import control program must be maintained. Should the Congress decide that the legislative approach is not appropriate at this time, then I urge that the Secretary of the Interior hold the line against further increases in import quotas. An element of stability must be added to the program. Such stability can be achieved either through enactment of a delineating formula or by holding the line at present import levels.

A residual oil import control program, continued on this basis, would not damage Venezuela, which would continue to sell petroleum and petroleum products to this country in volumes and values far in excess of commodities purchased from us. Such a program would enable Venezuela to continue its heartening economic growth and political stability.

Meanwhile, such a program also would assure the domestic fuels industries of conditions under which they can plan for further growth and development and can compete for a fair share of the growth market for industrial fuels on the east coast.

SUSPENSION OF RULE OF GERMANENESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the rule of germaneness be suspended while the unfinished business is before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

MR. AND MRS. HARLEY BREWER

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 2772) for the relief of Mr. and Mrs. Harley Brewer.

Mr. MANSFIELD. Mr. President, for the information of the Senate, no action will be taken on the bill today.

HEROISM OF ADGER EMERSON PLAYER

Mr. JAVITS. Mr. President, I notice that no reference has been made in the Senate to the heroism displayed by an American Foreign Service officer, Adger Emerson Player, in respect to the riots that took place in Ghana on February 4. On that occasion, Mr. Player showed great heroism in rescuing the U.S. flag, displayed at our Embassy, from desecration, and in generally comporting himself in the manner we expect of all our Foreign Service officers. So I rise to state my appreciation—I am sure many other Senators share that appreciation—of his action in sustaining the morale of the service of which he is a part, and in bringing dignity and honor to our country by his wit, quickness of mind, and dedication.

As is well known, Mr. Player is a Negro. The conditions which exist lend interest to this heroic act.

I notice that Mr. Player has modestly said he is not entitled to any medal such as the Freedom Medal which is awarded by the President. But there are awards which the Secretary of State can give to persons in the Foreign Service for service beyond the call of duty. One of them is the Secretary of State's medal. I hope Mr. Player will be considered for it. I hope the country will in some way recognize this fine act as symbolic of actions we hope for on the part of all members of the Foreign Service, and that Mr. Player will not be unduly modest about accepting some recognition for what he has done and for his commendable course of action.

THE GENOCIDE CONVENTION

Mr. JAVITS. Mr. President, despite the failure of the United States to ratify the Genocide Convention, public support for this measure continues to grow. The United States signed this convention in 1948 but never ratified it.

On January 17 a group of Senators, headed by the junior Senator from Pennsylvania [Mr. SCOTT], addressed a letter to the President of the United States appealing to him to urge action by the Senate Foreign Relations Committee where the Genocide Convention has been bottled up since 1950. The administration replied that "it was the intention of the administration to ratify the Genocide Convention upon receiving the advice and consent of the Senate," but it did not indicate that it would take any action to urge the Foreign Relations Committee to report out the convention which has been pending before it for 14 years.

The support of the United States for the Genocide Convention, which has been ratified by 66 nations including the U.S.S.R., is essential to the outlawing of this terrible crime against humanity. I have many times called for action to ratify this convention and I shall continue to do so because I believe the United States cannot avoid making a decision on this issue.

I ask unanimous consent to have printed in the RECORD the resolution on the Genocide Convention adopted by the Federation of Jewish Women's Organizations, representing 350 groups in Greater New York, at its 68th anniversary convention, January 15.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

GENOCIDE CONVENTION

A Convention on the Prevention and Punishment of the Crime of Genocide was adopted at the Third General Assembly of the United Nations meeting in Paris in December 1947. The convention defined "genocide" as "the committing of certain acts with intent to destroy in whole or in part a national, ethnic, racial or religious group as such." Sixty-six nations of such varying size and political influence as Australia, Argentina, Belgium, Canada, France, Germany, India, Israel and the Soviet Union ratified the convention. This far, the United States has not acted.

We, the delegates, attending the 68th Annual Convention of the Federation of Jewish Women's Organizations, Inc., in the New York Hilton Hotel, January 15, 1964, representing 350 groups with a membership close to 150,000 women mindful of the sanctity of all life and of the dreadful tragedy that swept over 6 million of our brethren in Europe during the Hitler era, as well as of the critical current need to affirm the dignity and equality of all people, again urge the Senate of the United States to promptly ratify the Genocide Convention of the United Nations.

Respectfully submitted.

Mrs. Henry Margoshes,
Chairman.
Mrs. Samuel Schindler,
Cochairman.

FRANCE, VIETNAM, AND RED CHINA

Mr. BARTLETT. Mr. President, I should like now to speak of France, of Vietnam, and of Red China. Many Members have spoken on these subjects in recent weeks. They have said much with which I agree; they have also said much with which I do not agree.

How fast the world changes. How complex things have become. Nowhere is this more evident than in southeast Asia where, sensitive and precarious, changing minute by minute, the struggle between East and West goes on.

In recent weeks it has become apparent that our ally, France, intends to assume a more significant role in this area. As a first step to doing so, France has, contrary to our wishes, recognized the Communist regime of Red China. It is apparently France's purpose to seek to reestablish her historic presence in southeast Asia and to work for a diplomatic rather than a military solution to the problems of the peninsula once known as Indochina.

In his press conference of January 31, the President of France explained France's intentions in Asia saying:

> There is, in particular, neither a war nor a peace imaginable on this continent without China's being implicated in it. Thus, it would be absolutely impossible to envision, without China, a possible neutrality agreement relating to the southeast Asian states, in which states, for so many reasons, we French feel a very particular and cordial interest.

The recognition of Red China by France has been soundly criticized by some Senators. It has been greeted with dismay and some panic here—and elsewhere in the United States, and in other nations. Criticism of France has been harsh and hasty. In some cases this criticism has made the mistake of putting first things last: French recognition of China is important; it is not as important, however, as the basic alliance of interests which binds our two countries together. The confidence and trust that exist between our two countries are as old as our country itself. At no time was this shown to better advantage than during the Cuban missile crisis of October 1962. We are allies with common cause, common heritage, and this is more important than our temporary differences. This is far more important and must be maintained whether or not France chooses to follow our advice on such matters as diplomatic recognition.

Our allies are independent sovereign states; they will act in their own self-interest. It is not to be expected that always and without exception their interests should coincide with our own. It is enough that our basic purpose and resolve should be one and the same.

We must not confuse surface differences with this common resolve.

The alliance is not served by an insistence on our part that our view of things and our view only should always prevail. French recognition of China is disapproved by our Government. Our Government has expressed its position to the French Government by confidential diplomatic note. While it is our duty as Members of Congress to express our views, we cannot—and wisely so—under our constitutional system expect to manage the day-to-day foreign policy of our country. We certainly cannot expect to manage the foreign policies of our allies.

Since 1945, it has been our purpose to rebuild Europe. In 18 years we have spent over $45 billion in doing so. This policy has met with almost supreme success. Europe is economically and militarily strong, so much so that, in recent years, we have repeatedly urged Europe to assume more of the burdens of assisting the underdeveloped peoples of the world and to assume more of the responsibility in the waging of the cold war. In part as the result of our prodding, the European states have moved in this direction. They are participating more in development assistance and they are helping to maintain stability and restrain subversion in their areas of interest. Recent months have made clear how important can be the role of the old colonial powers of Europe in the areas over which they once held sway. In Kenya, in Tanganyika, in Cyprus, and even to some extent in the Congo, we have seen newly independent nations turn to their former colonial governors for advice and help in times of crisis. Crisis has repeatedly been stemmed without the use of a single American soldier.

Thus it should come as no surprise that France should now hope to make use of the knowledge, the experience which 80 years in southeast Asia have given her. In the nations of Indochina, French is the common language. Many of the leaders of these nations have been educated in France. Substantial amounts of French capital are invested in these lands. France has interests there and it is natural that she should wish to employ them.

In terms of the United States, of Red China, or of Russia, France is not a powerful nation. Her national income is one-tenth our own. She now spends a higher percentage of this income on arms and defense than does any country of NATO with the exception of our own. She contributes in economic assistance to underdeveloped countries four times the contribution of the United Kingdom and close to one-half our own. The realities of power are such as to limit the size of the role which France can play in southeast Asia, or indeed anywhere else in the world. However, to the extent that she is able to participate in southeast Asia, we should not spurn the participation. France has advantages here which we do not have. Language, culture, and capital are hers. She could make good use of these advantages.

It has never been our intent to hold all the world outside the Iron Curtain under our own protection alone. We should not expect it, and we cannot afford it.

The war that is now underway in South Vietnam is not a new one. It is one that has been underway long before communism came to China. The pressures that Red China is exerting on the new countries of Indochina are not new pressures.

Vietnam has a recorded history of more than 2,000 years; 2,000 years of struggle with the Chinese giant to the north. Twice it has been a part of the Chinese Empire, once for a period lasting more than a thousand years. The struggle is not new, it will not soon end. What is new, relatively new, is the labeling of this struggle as a conflict between communism and freedom.

In recent years, American involvement in the struggle has become extensive. As of June 30, 1962, the United States had spent a grand total of $4,773 million in economic and military assistance to the three small countries comprising Indochina—Laos, Cambodia, and Vietnam. Since that date, the Nation has spent over a million dollars a day in South Vietnam; we have over 15,000 troops in that Nation; and over three-fourths of the country remains under guerrilla control.

We are attempting to find a military solution in Vietnam and if we are determined to win, the cost of this solution will have just begun. France tried a military solution in Indochina in the early fifties. At the time of the fall of Dienbienphu and the collapse of French resistance in 1954, France had over 200,000 of her own troops, 200,000 Vietnamese troops and supporting forces numbering 150,000 men in the country.

It would seem evident, Mr. President, that any possibility of obtaining a diplomatic solution should not be scorned; it is just this possibility which France now intends to explore.

As a first step in this exploration our ally, France, has recognized Red China, in the belief that no diplomatic solution is conceivable without the participation of the principal agitator, the instigator of the problem. France apparently believes that relations with Red China must be normalized if fruitful discussions are to be hoped for.

Our policy should be flexible enough to allow, even to encourage, such exploration.

For too long our policies in southeast Asia have been locked in rigid, inflexible terms. For too long our response to any change has been dogmatic and absolute. We have lacked the flexibility to turn change to our advantage and to grasp the advantages as it comes along.

Our policies need reevaluation, and central to this reevaluation is the defusing of Red China as a domestic policy issue. We must be able to discuss Red China as we discuss other nations, Communist or free. We must be able to examine our policies toward Red China in terms of our own self-interest and the interests of the free world, not in the terms of emotional display and political abuse.

For 14 years we have not recognized Red China and for 14 years, following our lead, many of the powers of the world have refrained from recognition and, to a large degree, from trade with China. Of the 106 member states of the United Nations 47 recognize the Communist regime; of the 14 NATO states 5, including France, recognize the regime.

For the countries that have not recognized China, this nonrecognition has run counter to their historic diplomatic practices. They have deferred to our wishes. For them, and over most of American history for our own country, the recognition of a new regime was a matter of objective test and not subjective approval. Diplomatic recognition involved no moral judgment. It was not a matter of saying the new regime was good or bad; it was not a matter of whether a new nation deserved recognition or not; recognition was a statement of fact. If the regime exercised de facto control over its territories and was able to fulfill its international obligations, even if it did not do so, it was generally recognized.

China is a huge country of 700 million souls, as many as all who live in America and Europe combined. China has an area of 3,700,000 square miles, larger than the area of the United States. In 14 years the Communist regime's hold on the land and the people has not been seriously questioned. Over this period we have attempted to contain China, and China has not been contained.

In Korea, India, Tibet, Vietnam, the ancient border struggles continue. The great market which China offers remains as alluring to the world's traders as it did at the turn of the century. We must be aware that pressures build and things change and we cannot hold our allies forever to nonrecognition.

France is now attempting to draw the Chinese Communists to something closer to normal diplomatic relations. If this serves to better the exchange of information on attitudes and policy, then this will be to the benefit of all. Any step is useful that encourages Red China to talk in a responsible manner. It is true that present indications of Chinese responsibility are not reassuring. If there is a possibility of useful exchanges with the Chinese Reds, then that possibility is exceedingly dim. We should not, however, discourage the French efforts.

For, recognized or not, Red China is there. She is great because any government which controls the land mass of China is great. The fact that she is evil or that we do not recognize her does not diminish her greatness. If we are not prepared to destroy China or to overthrow China we must live with China. If we are to have anything like a peaceful resolution of southeast Asia, China must be a party to the resolution.

This is not to say that we should recognize Red China. For 14 years we have refrained from doing so; to do so now without adequate concessions from the mainland Chinese would be a substantial policy failure. Because we have for 14 years made of recognition a matter more than the mere exchange of emissaries, our recognition of the Red Chinese regime would now be taken by all the world as giving it our moral approbation. This, of course, we cannot now give.

After 14 years, American recognition has importance far beyond the practical aspects of the exchange of diplomats. It would now represent a substantial concession on the part of the American Government, one which should receive in full measure equivalent concessions from the Red Chinese. I know of no evidence to show that the Red Chinese are interested in discussing such concessions.

It is important, however, in our Asian policies, that we strive to achieve flexibility, flexibility which our policies in recent years have failed to have. We cannot allow ourselves to be frozen forever with a rigid policy hoary with age. In Asia as elsewhere we must be willing to discuss anything with anybody who is willing to discuss in a rational and responsible manner. We are the greatest power on earth and we have no need to fear Red China and no need to fear negotiations.

We know, and the world knows, the lamentable, deplorable record of the actions of the Red Chinese over the last 14 years. The Korean war, the Tibetan takeover, the Indian invasion, and the guerrilla activities in the Indochinese Peninsula are well known. They are aggressive actions and as such are deplored by men of good and honest faith everywhere.

This record is well known. This does not mean, however, that our national interest is served by the continued repetition of this record. We must not let a repetitive branding of Red China as an international bandit take the place of a responsible foreign policy in the Orient. Let us as a nation remain strong and resolute, let us resist Red Chinese pressures in southeast Asia wherever and whenever they may appear; let us also make clear to the world that we are willing to consider an improvement in the diplomatic climate of our two countries whenever the Red Chinese should, by their actions, demonstrate an interest in such an improvement. Let us make possible an improvement, let us encourage an improvement instead of just the maintenance of the status quo.

China fell to the Communists in 1949. Since then we have had Democratic and Republican Presidents. The time for assigning blame is passed, if indeed it ever existed. China and its fall have been hashed over in every election from 1950 to the present. Let us be done with the hashing, and let us take China out of domestic politics. Let us put it back where it belongs, in Asia, in perspective. Let us be rational, let us be flexible. We can no longer afford in men and in money to do otherwise.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KEATING. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RALPH E. McGILL'S SUPPORT FOR CIVIL RIGHTS

Mr. KEATING. Mr. President, on February 12, the New York Civil Liberties Union honored Ralph E. McGill—editor and publisher of the Atlanta Constitution—with the Eighth Annual Florina Lasker Award for his outstanding service in defense of civil liberties.

Mr. McGill is well known as an ardent supporter of civil rights and civil liberties. His courageous stand on issues which were not always popular or easy to champion have won him the respect and admiration of all who know him. Ralph McGill's remarks on this occasion, concerning the pending civil rights bill, are worthy of our attention, and I ask unanimous consent that they be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Remarks of Ralph McGill, Editor-Publisher of the Atlanta Constitution, February 12, 1964, at the Annual Lincoln's Day Dinner of the New York Liberties Union, on the Occasion of His Receiving the $10,000 Florina Lasker Civil Liberties Award

In this 10th anniversary year of the U.S. Supreme Court's school decision, the Congress finally is moving to enact comprehensive legislation in the area of civil rights. During these years the courts have been left to hold the line alone. The school decision served to open up the whole spectrum of civil rights. We saw, and were shamed by the revelation of just how really inadequate were the citizenship rights of the Negro. In voting rights, in educational opportunity, in jobs and housing, and in routine use of public accommodations the almost unbelievable discrepancies could no longer be avoided.

Failure of the Congress to act places unreasonable, extra burdens on the courts. The Senate will pass a civil rights bill somewhere around late April or early May. But there is a possibility we shall be into the 11th year after the decision of May 1954 before the bill reaches the President's desk.

The 10 years have not been without progress at the State and local level. Only in Mississippi is there still complete and utter resistance. It is almost a certainty that Federal troops will be required in Mississippi by next fall, or, earlier. Alabama is next in the resistance promised by the State political leadership. Elsewhere there is progress and some of it has been considerable. But, in the main, the overall progress has been spotty and, in a sense, superficial.

There is everywhere an understanding that civil rights are to be established. But in too many places at the grass-roots level there is no willingness to assist their establishment. We have the paradox of communities waiting to be ordered to act while protesting against Federal interference. There still is slow progress in acceptance of the Negro as a person. The distorting effect of generations of segregation is chiefly responsible. There literally are thousands of Americans, and not all of them in the South, who have never met, much less known, a cultured, educated Negro.

The price of segregation is a huge one and we will be paying for it for a long time in many areas of our lives. The white young Southerner is just beginning to realize that he, too, has been discriminated against by segregated practices. His region did not have the per capita income to establish one good school system; yet, it set up two poor ones. The Negro got the worst of it, but all paid a price. The Southerner today sees his State and private colleges and universities woefully lacking in income and unable to set up and maintain first-rate graduate schools.

The young Southerner knows, too, that he has for too long a time been guided by social stereotypes, myths, and images that were invalid. It is a very exciting thing today to be a young Southerner of whatever racial identity.

We do not know what the civil rights legislation will be when it reaches the President's desk. We can hope it will become a motivating force for action at the local levels. It is a somewhat melancholy fact that Federal action, rather than local, has been necessary in all moves to end inequities in citizenship. The white primary laws, and others that restricted voting rights, were eliminated by the courts. Graduate and professional schools were opened to Negroes by the courts in decisions some years before that of 1954. The school decision and others assisting qualified persons to register and vote came from the Federal courts. That we must turn to the Federal Government to remove discrimination from State and municipally licensed public accommodations is a revealing commentary on local government.

We now seem assured of a civil rights bill of some substance.

It may be that the civil rights bill, when finally enacted into law, will serve to reduce the vast frustration that now exists in all areas and in both races. The problem is so immense and complex and so long neglected that its discriminations have become fixed by geography, by custom, by acquiescence, and, in Southern States, by laws, that one thinks of the hydra-headed monster of mythology.

The civil rights bill should prove to be a pivot. It will be merely the opening of a door. The issue of education, of job training and opportunity, of housing and political participation will then confront us. The rights bill should prove an effective tool. Here in the North—in New York, Cleveland, Pittsburgh, as in Atlanta and other cities, there is frustration in both populations. In Atlanta we had done a good job and were trying to complete it. Here in New York you have done a good job—but, as in Atlanta, it was not complete. Because of generations of neglect the problems created by segregated practices have become so fixed by geography and custom that they are so massive as to deny quick solution. Hence the dangers of frustration.

STATUS OF PUERTO RICO

Mr. KEATING. Mr. President, a most significant bill in the history of Puerto Rican-American relations were cleared by the Senate yesterday, and sent to the President for his signature. The bill calls for the establishment of a Commission to study the status of the island Commonwealth. Their recommendations will be submitted to the President, the Governor of Puerto Rico, the Legislative Assembly of Puerto Rico, and Congress.

There has long been controversy over the question of whether Puerto Rico should continue in Commonwealth status, be granted independence, or be admitted to the Union of States. Interest in this question is particularly strong in my own State of New York. While the Commissioner cannot decide the issue or actually effect any changes, their thorough study and informed and objective recommendations will, I know, speed the peaceful resolution of this question.

Mr. President, this island stronghold of free government is a shining example of what the free enterprise system can do for all of Latin America. Puerto Rico—a model of economic progress and social achievement—has established its own point four program to bring the knowledge based on its own experience to underdeveloped nations. The people of Puerto Rico are more than friends; they are our partners in the effort to bring about peace and progress in Latin America. It is my sincere hope that wise and worthy men will be appointed to this Commission so that the question of the permanent status of Puerto Rico can be settled in the manner best suited to promote the welfare of its citizens.

NEW YORK'S EXPANDING ROLE IN THE SPACE AGE

Mr. JAVITS. Mr. President, I invite the attention of Senators to the important role being played by the State of New York, in a most interesting way, in connection with research and development, especially in space and atomic activities. I have long been concerned with the vital role that Federal and State Governments can play by acting together, especially with the private sector of the economy, to improve the welfare of the Nation. This is being done admirably in the State of New York.

I am pleased to state that successful evidence of the workability of this concept was made clear yesterday when the State of New York, through its State atomic research and development authority, executed an agreement with the General Electric Co. to provide for the continued operation under State ownership of this Nation's original rocket development and test center.

The historic formerly federally owned installation, known as the Malta Test Station, occupies 165 acres in the heart of 7,000-acre Luther Forest in Saratoga County, approximately 15 miles north of Schenectady, N.Y. The test station was sold by the Federal Government to the State authority for $330,000 after it had been offered for public bid and all bids from private industry had been rejected.

In addition to the original V-2 rocket facilities which are located at the New York State test site, the station includes six test pits capable of accommodating the static firing of rocket engines in a range of up to 250,000 pounds thrust, as well as equipment for the simulation of spacecraft reentry and facilities for the testing of nuclear-related missile components and systems.

In its program to utilize the station as a comprehensive space technology and atomic radiation center, the New York authority will construct during the next 18 months a $1,500,000 nuclear pulsed reactor and related facilities to help meet declared national defense requirements for the development and test of electronics equipment utilized in U.S. missile programs.

Under State ownership, the station will also be developed to improve its service capabilities in nuclear-related space fields and will continue to perform services to industry and government in the northeastern United States similar to those it has been performing in the past under Federal ownership.

The agreement announced yesterday is the New York State authority's second major enterprise undertaken cooperatively with private industry in implementation of the authority's objective of assuring for New York State a leading role in atomic energy and atomic-related technologies.

The New York State authority's first such cooperative enterprise involves the construction, now underway 30 miles south of Buffalo, N.Y., of this Nation's first plant to reclaim and recycle nuclear fuels utilized in civilian atomic power stations. The $30 million western New York project is being carried out cooperatively by the authority with Nuclear Fuel Services, Inc., a subsidiary of W. R. Grace & Co., in which the American Machine & Foundry Co. also has an interest.

I am hopeful that this example of constructive work between Federal and State Governments and private enterprise and of the boldness of New York State's planning for the space age will provide a meaningful basis for continued efforts in this area.

To me, these activities are extremely important. They demonstrate the way of the future through the cooperation in great ventures that are impossible at this time for the private sectors of the economy alone, but become entirely possible in association with Federal and State Governments. This is especially so where there is the kind of initiative and understanding of these problems that is displayed in New York under the leadership of Gov. Nelson A. Rockefeller. Results of a highly constructive character are achieved for the total economy of the Nation as well as for the economy of the State of New York and the region in which it is located.

I ask unanimous consent to have printed at this point in the Record information relating to the subject I have just discussed.

There being no objection, the material was ordered to be printed in the Record, as follows:

General Electric To Operate ARDA-Owned Test Station

New York, N.Y.—Oliver Townsend, chairman of the New York State Atomic Research and Development Authority, announced today that the authority, in cooperation with the State office of atomic and space development, had executed an agreement with the General Electric Co., providing for the continued operation under State ownership of this Nation's rocket development and test center.

The historic formerly federally owned installation, known as the Malta Test Station, occupies 165 acres in the heart of 7,000-acre Luther Forest in Saratoga County, approximately 15 miles north of Schenectady, N.Y.

The station, which since its establishment in 1945 has been operated by the General Electric Co., was acquired by the authority from the Federal Government on February 4, 1964, to serve as the nucleus of the authority's planned STAR (space technology and atomic radiation) center.

The U.S. rocket program was born at the Malta Test Station following World War II when facilities were installed there duplicating the wartime V–2 facilities constructed by Germany at Peenemunde on the Baltic Sea.

The station has been substantially expanded since 1945, and a considerable amount of the early work on the American rocket program was conducted there, including the development of the primary propulsion unit of the pioneering U.S. rocket, Vanguard.

The total investment in the Malta station and its developmental and test facilities by the Federal Government over the past 19 years amounts to approximately $15 million.

Operation of the station by the General Electric Co. was carried out initially under contract to the U.S. Army and since 1955 under contract to the U.S. Air Force. The station is still operating and currently employs approximately 50 people engaged in work for contractors of the Air Force, Army, Navy, and National Aeronautics and Space Administration.

In addition to original V–2 facilities, the station includes six test pits capable of accommodating the static firing of rocket engines in a range of up to 250,000 pounds' thrust, as well as equipment for the simulation of spacecraft reentry and facilities for the testing of nuclear-related missile components and systems.

The station is also equipped with such supporting facilities as machine shops, laboratories, environmental simulation equipment, computer and data-reduction devices, offices, and warehouses.

In its program to utilize the station as a comprehensive space technology and atomic radiation center, the authority will construct during the next 18 months a $1,500,000 nuclear-pulsed reactor and related facilities to help meet declared national defense requirements for the development and test of electronics equipment utilized in U.S. missile programs.

Under State ownership, the station will also be developed to improve its service capabilities in nuclear-related space fields and will continue to perform services to industry and government in the northeastern United States similar to those it has been performing in the past under Federal ownership.

The contract announced today is between the State Atomic Research and Development Authority and the General Electric Co.'s Aerospace and Defense Service Engineering Department of Washington, D.C.

The test station was sold by the Federal Government to the State authority for $33,000 after it had been offered for public bid and all bids from private industry had been rejected.

At the peak of its activity in the late 1950's, the station employed approximately 500 people. Since 1960, activity at the station has declined as missile and space development work has been shifted by the Federal Government to industrial contractors and federally owned installations in the South, Southwest, and Far West. By selecting the station as the site of its space-related atomic energy activities, the State authority plans to perpetuate and expand the station as a major service center supporting the testing requirements in the Northeastern United States of existing and potential industrial contractors of Federal defense, space, and atomic energy agencies.

The contract announced is the authority's second major enterprise undertaken cooperatively with private industry in implementation of the authority's objective of assuring for New York State a leading role in atomic energy and atomic-related technologies.

The authority's first such cooperative enterprise involves the construction, now underway 30 miles south of Buffalo, N.Y., of this Nation's first plant to reclaim and recycle nuclear fuels utilized in civilian atomic power stations. The $30 million western New York project is being carried out cooperatively by the authority with Nuclear Fuel Services, Inc., a subsidiary of W. R. Grace & Co., in which the American Machine & Foundry Co. also has an interest.

The contract with the General Electric Co. for operation of the Malta Station is of the cost-plus-incentive-fee type and is effective through December 31, 1964. The contract provides for the purchase by the authority of GE-owned equipment at the station for $174,500.

While the nuclear-pulsed test reactor and its related facilities are being constructed at the station, the authority will, under its contract with the General Electric Co., keep the station functioning on the same basis, and with the same charges to users, as prevailed under Federal ownership at the time of the station's acquisition by the authority.

ENDORSEMENT OF LAND AND WATER CONSERVATION FUND BILL

Mr. MOSS. Mr. President, the Salt Lake City (Utah) Tribune recently published an editorial strongly endorsing the land and water conservation fund bill now pending in the House of Representatives, and setting to rest some of the misinformation about that bill which has been spread.

I ask unanimous consent that the editorial, published December 17, 1963, be printed in the RECORD.

My attention has been called additionally to editorials published in newspapers in Michigan, Idaho, Texas, Tennessee, Oklahoma, Ohio, and North Carolina. Since all are relatively short, I ask unanimous consent to place them in the RECORD as illustrative of the widespread support which this proposal, to provide recreational facilities for our citizens, is receiving.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Salt Lake (Utah) Tribune,
Dec. 17, 1963]

FUND PLAN SEEN AS RECREATION BOON

One of the most meritorious but most widely misunderstood bills before the 88th Congress is House Resolution 3846 to create a land and water conservation fund to finance State and Federal outdoor recreation programs.

The bill, which has been approved by the House Interior and Insular Affairs Committee, must clear the formidable Rules Committee before moving to the floor for debate. The measure has support from conservation, recreation, labor, and civic groups across the country.

Contrary to false rumors and deliberate distortions, the resolution does not call for new taxes or make money automatically available without going through normal appropriation processes. Its purpose is not to authorize large-scale Federal acquisition of land.

Basic premises behind the bill are:

1. States must accept the key role in developing a balanced national outdoor recreation program.

2. A substantial acreage of land must be acquired by public agencies to meet future recreation needs. The land should be obtained promptly, before it becomes unavailable or prohibitively expensive.

3. Acquisition should be financed with as little impact as possible on the Federal budget and, as a corollary, the recreationists—the direct beneficiaries—should pay a reasonable share of the costs.

Money for the recreation fund would come from three sources: receipts from the sale of Federal surplus real property and related personal property; receipts from the existing 4-cent-per-gallon Federal tax on motorboat fuels; and revenues from a new system of recreation user fees and charges on Federal recreation areas.

Existing procedures for disposal of surplus Government property are not changed, nor is the favored treatment accorded States and other political subdivisions, schools, churches, and hospitals.

Entrance fees would be charged under the program only in special scenic and historic areas offering recreational advantages and administered by a Federal agency. Many exceptions are made to eliminate unfairness and hardships.

A possible objection to the bill in the intermountain region may stem from charging for recreational use of national forest, reclamation and Bureau of Land Management areas, which are now free to the public. The trend is toward charging for use of all such recreation areas, however.

Through the use of a single admission fee, good for all designated areas, many individuals and families would actually save money during the year since one sticker would admit them to several parks and recreation areas.

In the next decade the fund would channel about $1½ billion into State and Federal outdoor recreation programs.

Disbursements would be made through regular congressional appropriations procedure, with 60 percent available for State purposes and 40 percent for Federal projects. States would receive 50 percent of the cost of approved planning, land acquisition and development projects.

Several States have anticipated enactment of the bill, notably Florida, Pennsylvania, and Ohio. They have voted bond issues for State recreation programs. Washington and California have bond elections scheduled for next year.

Utah could benefit greatly from the fund in the next 10 years. Unfortunately the State is handicapped somewhat because of the small appropriation made by the last legislature for the Utah Park and Recreation Commission. The commission was able to acquire Wasatch Mountain State Park and to make some improvements at Deadhorse Point and a few other State parks or monuments, but it lacks funds for further recreational development or to finance the State's share of such development under the proposed new Federal aid program.

The next legislature should remedy this situation. Meanwhile Congress should be urged to pass the resolution creating the land and water conservation fund.

[From the Grand Rapids (Mich.) Press,
Oct. 20, 1963]

USERS SHOULD HELP TO PAY FOR RECREATION AREAS

The principle that users should help to pay for the recreational facilities made available to them by the Government is given strong support in a bill approved by the House Committee on Interior and Insular Affairs, with strong bipartisan support.

The bill would authorize a new program of grants-in-aid to the States for outdoor recreation, planning, and acquisition of recreation lands and development of recreational facilities, a program urged by the Outdoor Recreation Resources Review Commission established by Congress in 1958. The measure also would provide funds for acquisition and development of Federal recreation lands.

The best aspect of this program is that it sets up a fund to be financed from specific revenues related to recreation. Receipts from sale of Federal surplus real property, receipts from the present 4-cent-a-gallon Federal tax on motorboat fuel, from proposed user fees and charges on Federal recreation areas would be dedicated to this fund.

The recreation fees on Federal areas would be limited to Federal land and water areas, where recreation facilities are provided at Federal expense. But the principle that users should help to meet the cost of these areas is firmly established.

This principle, followed in Michigan's State parks the last few years, created no great outcry. On the contrary, it is gaining wide acceptance as a means of financing much needed improvements and expansions of the park system without dipping into the State general fund.

If this is a sound policy for States, it ought to be sound also for Federal areas. While it does not meet all the objections to the Federal recreation area acquisition program, it at least gives one important answer to the question of financing such ventures. It is one more step in the user-tax principle first established under gasoline tax laws.

[From the Knoxville (Tenn.) News-Sentinel, Oct. 5, 1963]

Conservation Fund Needs Substantial User Fees

H.R. 3846, which will establish a land and water conservation fund, offers bright hope to sportsmen and other lovers of the outdoors that the Nation and the States will have continuing financial resources to acquire land and facilities to provide for their pleasure.

The fund is to come from the motorboat fuel tax, the sale of Federal surplus property, and user fees. The House Interior Committee is now working on the excellent draft which emerged from its subcommittee. Several members of the committee, fearing objections from constituents, are proposing various amendments to cut the requirements for user fees.

There will be some compromise. There should not be too much. Substantial user fees are required if this fund is to accomplish its purpose.

Organizations representing the users of the outdoors, such as the National Wildlife Federation, the Izaak Walton League, the Wilderness Society, and the American Camping Association, have united in asking Congress to pass a strong bill. In effect, they are saying to Congress:

"The general taxpayer pays most, but he should not be expected to pay all of the cost of conservation areas. Over and above what we pay as general taxpayers, we who actually use and enjoy these areas should pay special fees as users. We don't mind; we ask you, we urge you, to charge us."

It is an inspiring example of public spirit and good sense Congress should heed. The pending bill should be amended only slightly and should reach the floor in a form that will enable this Nation to take a real part in practicing the principle of pay-as-you-use in conservation.

[From the Twin Falls (Idaho) Times-News, Sept. 9, 1963]

These Lands Belong to All People

Representative COMPTON I. WHITE, Democrat of Idaho has gone back to Washington to strike a blow against an administration bill designed to raise funds for the purchase of Federal recreation lands. He is carrying with him a western attitude which is as illogical as it is common.

The bill would require the purchase of a sticker for every automobile carrying people into the national parks and forests for recreation. The sticker money would be used to buy additional recreational land in the areas where it is most sorely needed, largely in the Eastern United States. The western objection to the bill is probably natural enough, even though it is not consistent: the West doesn't think it should have to help pay for the purchase of lands which will become competitive with the West for the tourist dollar. It's not consistent, because the same people who express this view also complain that our national forests are hurting the West and declare we'd all be better off without them.

Congressman WHITE told a reporter last week that he would offer an amendment to the land acquisition bill which would permit residents of any State to enter any Federal land in that State without a sticker. "Oregonians coming into Idaho would still have to buy the sticker and the same would apply to Idahoans entering Oregon or Washington Federal land. But the people of a State should be able to enjoy the benefits of the land in their own State." He doesn't like the bill as it is, he said, because "That program could cause the people of Federal land States such as Idaho to pay for the recreation areas of wealthier States."

Western Federal land users seem to overlook the fact that the Federal lands belong to the people of all the States, not alone to the people of the States in which they happen to be situated. These lands therefore should be used for the benefit of all the people, so long as such use doesn't unfairly burden the people of any particular area. To use these lands—not only in the West but wherever they happen to be—to raise funds for the acquisition of other land where it is badly needed is logical. And no one can seriously say that the cost of an annual sticker, at $3 to $5 per carload, would be unfairly burdensome.

All the Federal forests should be accessible to all the citizens of all the States on the same terms, since they belong to all the people. We trust Congress will see it that way despite the parochial grumbles from out West.

[From the Cincinnati (Ohio) Enquirer, Sept. 10, 1963]

Before It's Too Late

Only 92,000 acres were added to the national park system between 1941 and 1961. Congress since has authorized an additional 222,000 acres, including the new national seashores at Cape Cod, Point Reyes, Calif., and Padre Island, Tex. But this is still no more than a speck on the map compared to the 10.2 million acres set aside between 1921 and 1940.

The country has fallen behind in preserving its remaining scenic wonders, and it has come upon critical times in this matter. The land uses of the future are being decided today. Seasides, lake shores, streams, scenic, and wilderness areas must be given immediate attention, or they will be forever lost.

This fact underlies the importance of the administration's proposal for a Land and Water Conservation Fund as a means of acquiring irreplaceable open space before it is overrun. The proposal is certain to have the approval of those Americans who are concerned with preserving their natural heritage. More important, it has a merit that should appeal to even those less worried about the disappearance of open land.

Land would be acquired with the expense borne largely by those who benefit from the acquisitions. The Land and Water Conservation Fund would be maintained with receipts from recreation user charges, revenues from boat fuels, and the like.

The program would include guardianship of the remaining wilderness and continued development of the recreational potential of public lands. States would join with the Federal Government in giving public protection to areas that should be kept intact.

There can be no quarrel with the objectives of the Land and Water Conservation Fund. Since it holds the promise of accomplishing its purposes without becoming another tax drain, it has a double right to succeed. It's a vanishing America in which we live, and here is a device for saving some of it as it is and was.

[From the Asheville (N.C.) Citizen, Nov. 28, 1963]

A New Recreation Bill Has Merit

A bill to provide for State and Federal purchases of land for outdoor recreation has been reported by the House Committee on Interior and Insular Affairs. The basic provisions of this measure are sound, and the need for it is clear.

The bill provides for the establishment of a Land and Water Conservation Fund to be financed by direct Federal appropriations, proceeds from the sale of Government surplus property, revenue obtained from the tax on motorboat fuels, and admission and user fees charged at Federal outdoor recreation areas.

Of the total money to be appropriated by the Fund, 60 percent is to be devoted to State recreation projects. Of this amount two-fifths is to be allotted equally to all participating States; the remaining three-fifths is to be allocated by the Secretary of the Interior on the basis of need.

Each participating State must submit a statewide recreation and conservation plan for approval by the Secretary of the Interior to insure that it meshes with a national plan for recreation development which Congress has directed the Secretary to prepare. States receiving grants from the Fund must match them on a 50–50 basis.

Forty percent of the Fund's resources will be devoted to the acquisition by Federal agencies of land for recreational use. This money will be distributed according to the number of visitor-days spent at existing Federal recreational areas.

The need for this bill is real. With America's rapidly growing population, and the increased amount of leisure time available, the pressure on public recreational facilities is steadily building up. Since 1946, while U.S. population has risen 27 percent, the use of national and State park and forest systems has increased 221 percent. Funds should be provided soon to Federal agencies and to the States to purchase additional land for recreation before it is taken over for other purposes or prices rise prohibitively.

Some provision should be made in the bill for modification of user fees on Federal areas, like the Blue Ridge Parkway, for which the land was donated by the States. Otherwise, the essential features of the bill are right. It deserves passage.

[From the Arlington (Tex.) News Texan, Dec. 1, 1963]

Sportsmen Should Support Pay-as-You-Go Recreation

By a thumping 20 to 6 vote, the House Interior and Insular Affairs Committee recently reported H.R. 3846, the pay-as-you-go land and water conservation fund bill.

H.R. 3846 is a fiscally responsible method of providing for the mounting demands for outdoor recreation areas which face us on all sides. Money going into the fund would come from modest fees which all of us would pay at developed Federal recreation areas, from dedication of the present 4 cents-per-gallon motorboat fuel tax, from revenues from sale of surplus Federal real property, and from repayable advance appropriations.

The user fees would be charged at Federal areas where a substantial recreation investment had been made. Reservoir areas under lease from Federal agencies would be exempt, as would other Federal reservoir areas and recreation lands where no substantial public investment had been made.

The fund proposal would provide matching grants-in-aid to States for planning, acquiring and developing needed recreation areas. It also would help the Federal Government acquire certain needed recreation areas.

Most Texans—and most other Americans—expect to pay their own way in the out of doors. If small user fees at certain Federal areas will help pay for the State and Federal recreation lands we need now and in the future, we urge Congress to approve the land and water conservation fund.

[From the Enid (Okla.) News, Dec. 8, 1963]

OUTDOOR RECREATION RATES FEE SUPPORT

The other day in a meeting at Norman a Federal recreation leader told a group of outdoors boosters that Oklahomans will have to help pay the cost if they want outdoor recreation. The speaker was Tom Kimball, of Washington, executive director of the National Wildlife Federation.

Kimball was among panelists at the Oklahoma outdoor recreation conference. He spoke frankly about the controversial land and water conservation fund bill, which would allow user fees on certain recreational facilities. If Oklahomans, he said, do not want to pay fees for use of recreational facilities, this means they do not want expanded facilities.

We think Kimball was talking recreational sense. If we are to develop and maintain outdoor recreation, it stands to reason that some sort of revenue measure must be established to help meet the expense of such development and maintenance. It is unreasonable to expect the Congress to make the necessary appropriations from the general funds to adequately support a first class outdoor recreational park system. It would be prohibitive on a nationwide basis.

We see nothing wrong in a moderate fee charge levied on those who frequent our outdoor recreational facilities. Such a fee would not be unbearable on individual patrons and would over a season's outing contribute a sizable sum toward the maintenance and further development of our park systems. Americans are more and more taking to the outdoors for recreational purposes and the demands on our park facilities are growing by leaps and bounds.

Kimball pointed out to the assembly that much of the opposition to the fee system for outdoor recreation is coming from the Oklahoma delegation in Congress. He especially pointed out the opposition of Congressman ED EDMONDSON in the House committee on recreation and to House Majority Leader CARL ALBERT's opposition. He said that Oklahoma's opposition is holding up the bill and delaying some of the water development programs.

The fee system bill, if approved by Congress, is expected to provide some $2 billion in grants to States over the next 10 years for recreation planning, land purchase and development, the acquisition of Federal forest parks and for fish and wildlife refuges. These funds would come from the sale of surplus Federal land, from the 4-cents-a-gallon Federal tax on fuels used in motorboats and from recreation fees and charges at Federal areas.

Oklahoma can't stand still in the development of her outdoor recreational facilities. She must keep pace with other areas of the Nation or lose out in this tourist-outdoor-minded generation. We hope the opposition to the fee system by Oklahomans in Congress will abate and that support will be given the land and water conservation fund bill.

TRIBUTE TO THE LATE PRESIDENT KENNEDY AND MRS. KENNEDY BY HUGH B. BROWN, PRESIDENT, CHURCH OF JESUS CHRIST OF THE LATTER-DAY SAINTS

Mr. MOSS. Mr. President, I have read no more moving tribute to our late great martyred President and his valiant First Lady than the one given at the Utah State University on January 7 of this year by President Hugh B. Brown of the Church of Jesus Christ of Latter-day Saints. President Brown represented the Mormon Church at the Kennedy funeral. He felt deeply the grief and shame which engulfed the country, and counseled against extremists who impugn the motives of dedicated leaders.

He urged, also, that we seek a historian's perspective in the conflict with communism, and keep "cool heads, strong hearts, dauntless courage, and mutual confidence if we are to bridge the dark days."

The speech is an eloquent appeal for loyalty to our institutions and our country. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

MEMORIAL SERVICES FOR PRESIDENT JOHN F. KENNEDY, JANUARY 7, 1964, UTAH STATE UNIVERSITY

(By President Hugh B. Brown)

President Chase, members of the faculty, distinguished guests, and fellow students, because it was my privilege to attend the funeral service of President John F. Kennedy, you have honored me by asking that I participate in this memorial service.

With thousands of others, I was deeply moved by the dignity and solemnity of the funeral and memorial services, where kings, presidents, prime ministers, and heads of state from most of the nations of the world had assembled to mourn with the American people and to pay honor to a truly great world leader.

First may I pause to pay tribute to one who is living. I have never seen a finer demonstration of courage, fortitude, and faith than I saw in the rotunda of the Capitol Building in Washington, D.C., when a tragic heroine, clasping the hand of her little daughter, walked calmly into the enclosure, knelt for a moment by her husband's casket, kissed the flag, and with admirable poise and head erect, left the building.

From the moment following that awful rifle shot when she cradled his head in her blood-stained lap, through the vigil at the hospital where he died, sitting by his body during the plane flight to Washington, supervising the preparations for the funeral, the march to St. Matthew's Cathedral and then to the rites in Arlington National Cemetery—through it all she displayed courage, dignity, and self-discipline, which had been so characteristic of her husband and which are now revealed as innate and mature virtues of that valiant first lady, Jacqueline Kennedy.

While the last year has in many respects been a happy and prosperous one, we were stunned and grieved by the shocking tragedy which occurred in Dallas on November 22, when the most promising young man of this generation was cruelly shot down by an assassin.

Our whole Nation was engulfed by a wave of horror, grief, and shame, but as President Eisenhower said: "Our country quickly absorbed the shock and closed ranks behind the new President. Thanks to the foresight of the Founding Fathers who provided in our Constitution for an orderly succession to the office of President, there was no faltering of our Government or hiatus in our Executive leadership. Once again our democratic system demonstrated to the world that although any political leader may pass suddenly from the scene, the institution of the Presidency itself continues firm and secure." This fact proves that the American political system is tough and resilient.

It is well that we remember when we speak of the Government that it is, after all, what Theodore Roosevelt declared it to be: "The Government is us. We are the Government, you and I."

Let us think for a moment of the real meaning of our Constitution, of our Declaration of Independence and the things for which they stand, and of our glorious flag which is an emblem. Just what these things stand for is well stated by a modern author as follows:

"The flag for which the heroes fought, for which they died, is the symbol of all we are, of all we hope to be.

"It is the emblem of equal rights.

"It means that this continent has been dedicated to freedom.

"It means universal education; light for every mind, knowledge for every child.

"It means that the schoolhouse is the fortress of liberty.

"It means that governments derive their just powers from the consent of the governed, that each man is accountable to and for the government. This responsibility goes hand in hand with liberty.

"It means that it is the duty of every citizen to bear his part of the public burden, to take part in the affairs of his town, his county, his State.

"It means that the ballot box is the ark of the covenant; that the source of authority must not be poisoned."

"It means that every citizen of the Republic, native or naturalized, must be protected; at home, in every State; abroad, in every land, on every sea.

"It means that all distinctions, based on birth or blood, have perished from our laws; that our Government shall stand between labor and capital, between the weak and the strong, between the individual and the corporation, between want and wealth, and give and guarantee simple justice to each and all.

"It means that there shall be a legal remedy for every wrong.

"It means national hospitality; that we must welcome to our shores the exiles of the world, and that we may not drive them back. Some of them may be deformed by labor, dwarfed by hunger, broken in spirit, victims of tyranny and caste—in whose sad faces may be read the touching record of a weary life—and yet their children, born of liberty and love, will be symmetrical and fair, intelligent and free."—From "The New Colossus," by Emma Lazarus.

How often we have read on the Statue of Liberty these poignant words:

"Give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shore. Send these, the homeless, tempest-tost; I lift my lamp beside the golden door."

Herbert Hoover gave us this summation:

"America means far more than a continent bounded by two oceans. It is more than pride of military power, glory in war, or in victory.

"It means more than vast expanse of farms, of great factories or mines, magnificent cities, or millions of automobiles and radios.

"It is more even than the traditions of the great tide westward from Europe, which pioneered the conquest of a continent.

"It is more than our literature, our music, our poetry. Other nations have these things also.

"Perhaps the intangible we cannot describe is the personal experience, the living of each of us, rather than in phrase, however inspiring.

"The meaning of our America flows from one pure spring. The soul of our America is its freedom of mind and spirit in man. Here alone are the windows through which pours the sunlight of the human spirit.

"Here alone is human dignity, not a dream, but an accomplishment."

To this continent for nearly three centuries, three centuries and a half, men of all races have migrated and no one has been forced to come. Curiously most who did come escaped from some dissatisfaction, disappointment, or disillusionment, from poverty, hunger, fear, inequality, oppression, bigotry. These came to America, millions from every land, and here they found what they sought most; freedom to live their own lives as they chose.

There are other governments in the world, totalitarian in their nature, which have sworn to bury us, who feel they can overtake us, outdo us, supersede and subjugate us. It is of the utmost importance that the youth of our land become aware of the dangers that threaten us; aware also of the strength of our position and the source of that strength, be alerted to the responsibilities that rest upon them to preserve our land and our form of Government for future generations.

Herbert Hoover emphasizes the need for us to instruct our youth in the faith of our fathers when he said: "A nation is strong or weak. It thrives or perishes upon what it believes to be true. If our youth is rightly instructed in the faith of our fathers, in the traditions of our country, in the dignity of each individual man, then our power will be stronger than any weapon of destruction that man can devise."

Freedom is a live and growing plant which must be nurtured, cultivated, pruned, and kept fruitful. Freedom, like life, is a process, a growth where the new is perpetually crowding out the old. There is a constant wearing away and renewing. The beautiful blossom of today is by tomorrow wilted and dry and must fall by the next tomorrow and be forgotten, while the new bud comes and is heralded for its brief day. So the freedom of today, if not kept up to date by adjustments to suit new seasons and new occasions, may dry and become musty, and actually become serfdom.

Freedom without discipline is a delusion and spills over into license, where law is not respected and where decorum is not known. When, however, in the name of discipline, men are robbed of their right to think or speak or act; when the will of the few is imposed on the many; when the dignity of the individual is denied and responsibility to God rejected; then communism will flourish and the people become slaves.

If you are to enjoy those inalienable rights with which you are endowed by the Creator, you will not fawn before flattery, cringe before denunciation; nor will you yield to your own lawless impulses.

Sometimes the immigrants or refugees from other lands see this America of ours against a background which is alien to us and some of their definitions of our country and our liberties cause us to realize that we may be too close to the forest to see the trees. Hear this from a German refugee: "Americanism is not a birthplace nor a birthright; it is a vision in the brain, a cry in the heart, a flame in the soul. He who lives it may have it, and he who lives it not may never have it, though he may have the names of all the patriots on his family tree."

And then listen to a Frenchman, still loyal to his beloved France: "With no disloyalty to my beloved France, I embrace America. I salute its courage and audacity, its kindness and good will, its turbulent energy and unquenchable zest. I love America because I find here both the freedom that ennobles life and the discipline without which freedom becomes anarchy."

You are all familiar with the words of Walt Whitman, with his characteristically rugged prose-poetry. He said:

"Sail, sail thy best, oh ship of Democracy
Of value is thy freight—
'Tis not the present only, the past is also stored in thee:
Thou holdest not the venture of thyself alone—
Not of the Western continent alone:
Earth's resume entire floats on thy keel, O ship—
Is steadied by thy spars;
With thee, time voyages in trust.
The antecedent nations sink or swim with thee,
With all their struggles, martyrs, heroes, epics, wars.
Thou bearest the other continents; theirs,
Theirs as much as thine is the destination port triumphant,
Steer then with good strong hand and wary eye,
O helmsman—thou carriest great companions.
Venerable, priestly Asia sails this day with thee, America,
And Royal feudal Europe sails with thee—
How can I pierce the impenetrable blank of the future;
I feel thy ominous greatness, evil as well as good.
I watch thee advancing, absorbing the present, transcending the past.
I see thy light lighting and thy shadow shadowing as if the entire globe
But I do not undertake to define thee—hardly to comprehend thee."

Those of us who went through two World Wars and thought we had fought a war to end wars and to make the world safe for democracy, those of us who saw the subjugation of nations and the pitiless occupation of free lands by tyrants, realize that we must never seek peace by submitting to slavery.

After two World Wars and our experience in Korea, and now in the midst of a continuing cold war, we are coming to realize that our best defense lies in the moral strength of our people. In a recent issue of Sunshine magazine appeared the following:

"Despite the most costly rearmament program in the history of the world, the rising tide of crisis and confusion continues to threaten to engulf America and the cause of freedom.

"Yet, from their discouragement and disillusionment, the American people are beginning to remember something they have too long forgotten—that only from their moral strength can they generate the power to preserve their precious way of life, and to keep alive the flames of freedom which, in the chaos of the world around us, symbolized the one hope for liberty-loving peoples everywhere.

"In recent years, we have heard more of our leaders—military, political, and religious—call for the reawakening of the true American spirit in our people."

America is great in proportion that she makes sure that she will have great men in the next generation.

Let us beware of extremists in this land of ours, groups who attack the integrity and impugn the motives of some of our greatest patriots. Let us not be deceived into accepting their un-American and undemocratic philosophies even though they carry some anti-Communist banners. President Eisenhower wrote:

"Democracy is nothing but the opportunity for self-discipline. We owe it to ourselves to be deeply interested in political issues, to be thoughtful about the policies of our country—but we are simply endangering our democratic system when we go to extremes, deal in vilification, make threats against our own officials, and incite violence and lawlessness. The individual who unthinkingly goes to such extremes is weakening the whole structure of self-government."

We hope the young people of this institution, this State, and of our country will be loyal to our institutions, loyal to our leaders, and dedicated to the principles set forth in our Constitution. All of us are opposed to communism, but we do not fight communism best by weakening and dividing our own forces or destroying the faith of others in the integrity of our leaders.

Let us seek rather the historian's perspective and see this conflict with communism, not as a holy war, but as a difficult and perilous struggle with an implacable foe. We live in a diverse world in which there is a diversity of economic systems, political creeds, and philosophic faiths. We know, in part at least, what a nuclear war would mean. To avoid it is the common interest of all mankind and this interest must transcend all conflicts of ideology and national ambition. We need cool heads, strong hearts, dauntless courage, and mutual confidence if we are to bridge the dark abyss.

Let us conclude with a paragraph from a speech which President Kennedy prepared for delivery on that fatal day in November—a speech he was not permitted to deliver, but he left us this sublime paragraph:

"We in this country, in this generation, are—by destiny rather than choice—the watchmen on the walls of world freedom. We ask therefore that we may be worthy of our power and responsibility—that we may exercise our strength with wisdom and restraint—and that we may achieve in our time and for all time the ancient vision of 'peace on earth, good will toward men.' That must always be our goal—and the righteousness of our cause must always underlie our strength. Or, as was written long ago: 'Except the Lord keep the city, the watchman waketh but in vain.'"

Thus President John F. Kennedy speaks to us from among the thousands of other living whom we call dead. They gave their lives for freedom. They now pass to us the torch as he did. We must hold it high and not break faith with him or them. Their task—our task—will not be finished until universal and permanent peace is established in the earth. Thank you.

CAMPAIGN TO REMOVE ARCHITECTURAL BARRIERS FOR HANDICAPPED

Mr. MOSS. Mr. President, I do not believe most of us realize that approximately 35 million Americans suffer from some chronic disease. A quarter of a million of our people are in wheelchairs, and about the same number are blind. Nearly 200,000 wear heavy leg braces, and 139,000 have artificial limbs. Millions have heart conditions, and 16½ million are over 65 years of age, and heir to the slowing down process and accumulation of small ills that come with the years.

Because of America's thoughtlessness in erecting in many public buildings architectural barriers which the handicapped cannot hurdle, millions of our citizens cannot take care of their business personally in State, county, or Federal office buildings. They have to bypass libraries with high winding steps up to their entrances, and even ground-level buildings with fast revolving doors. They cannot travel conveniently because in few motels or hotels are there adequate ramps, hand rails, or other approaches for wheelchairs, crutches, or weak hearts.

Often, when they do get into a building, they find new architectural barriers on the inside. There are restrooms with no facilities for wheelchairs, and telephone booths are so narrow that a person in a wheelchair cannot possibly reach the phone itself. The booths themselves and the seats in them are too narrow to accommodate crutches or a heavy leg brace. On the phones, there are no amplifying devices for the deaf. All around are hazardous doorways leading to boilerrooms or incinerators, with no sense-of-touch markings on them to warn the blind.

I am sure that none of us intended to disregard the safety and convenience of our handicapped when our public buildings were constructed, but that we have allowed them to be built as they are through sheer thoughtlessness. It is not, however, too late to do something about it.

A very fine program to remove present hurdles for the handicapped in public buildings and to prevent the construction of future hurdles is underway in my State of Utah. Because I feel it may be a model for other States and communities—and perhaps an inspiration—I should like to take the time of the Senate to say a few words about it.

The campaign was organized by the Utah Committee for the Elimination of Architectural Barriers, under the joint cosponsorship of the Utah Society for Crippled Children and Adults and the Governor's Committee on Employment of the Handicapped. It is being directed by a broadly based steering committee of 25 people, including experts on the handicapped, and on public and community relations, and by representatives of architectural firms, construction companies, State and local building boards, city government, the State legislature, the clergy, the medical profession, and many other civic and church leaders.

As a first step, a volunteer group served as surveyors of major public buildings in the State, including post offices, hospitals, libraries, universities, the Salt Lake Airport, the City and County Building in Salt Lake, several of the buildings at Hill Air Force Base in Ogden, and other selected buildings, to find out which ones structurally discriminated against the handicapped. The surveys were thoroughly covered by all news media, including both the newspapers and television stations.

A great impetus was given to the campaign by the arrival in Salt Lake City of Mrs Louise Lake, field representative of the National Society for Crippled Children and Adults, Inc., and the first woman to be chosen as the "Handicapped American of the Year." She was in Utah for 10 days, during which time she met with the steering committee in a widely publicized and televised luncheon. She also gave extensive interviews to the newspapers, took questions in her hotel room on radio beep phones and appeared on a number of other radio and television programs. She visited the Salt Lake Senior Citizens Center, where there are no architectural barriers, and this visit was televised.

During her visit Utah radio and television stations, and many of our newspapers were stimulated to comment editorially on the barrier removal campaign. They urged that a city, county and State program be developed to adapt and renovate present structures, and to assure that future buildings be constructed with appropriate rampways and entrance ways and other necessary facilities for the handicapped.

Mrs. Lake's visit, and the widspread publicity it was given was followed up by stories in many of the county weeklies throughout the State, and with varying window displays in many of the downtown stores in Salt Lake. These window displays dealt not only with ramps and handrails and other types of facilities most desirable for public buildings, but also with facilities for the homes of the handicapped.

I was brought into the campaign—and most willingly so—when Mr. Raymond L. Servatius, director of community relations for the Utah Committee for the Elimination of Architectural Barriers, asked me for assurance that present Federal buildings in Utah, and those to be constructed in the future, would be made to comply with the committee's specifications for easy access for the handicapped, and that other facilities would be adjusted to take their needs into consideration.

It was most satisfactory to be able to report that the General Services Administration under Mr. Bernard L. Boutin, its able Administrator, is undertaking periodic surveys of existing Federal buildings to identify architectural barriers, and to make recommendations to overcome them, and is insisting that new buildings be designed so that there will be at least one ground-level entrance or exit which the handicapped can use. It is a reflection on the level of our civilization, it seems to me, that in so many of our public buildings—including our Federal buildings—a person confined to a wheelchair, or in a heavy leg brace, or with a weak heart, must enter through a level freight entrance at the back of the building and reach public areas only after a trip through a boilerroom, or a storeroom, and in a freight elevator.

It is too soon to assess the Utah accomplishments from the campaign to remove architectural barriers which degrade our handicapped, but the word I receive is that it is going remarkably well.

A ramp is being installed at the City and County Building in Salt Lake City. The Latter-day Saints Building Board, the State building board, and the University of Utah are all officially planning future buildings on standards set for use by the handicapped. A Salt Lake City downtown planning association is studying what has to be done to make the entire area usable by the handicapped. One of our large theater chains in Salt Lake is planning areas for the wheelchair viewer. And this is only the beginning.

The chairman of this enlightened campaign is Mr. Harry R. James, director of sports information at the University of Utah. I ask unanimous consent to have printed in the RECORD a list of the public-spirited citizens who are serving with him.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ARCHITECTURAL BARRIERS, STEERING COMMITTEE, STATE OF UTAH, COSPONSORED BY THE UTAH SOCIETY FOR CRIPPLED CHILDREN AND ADULTS AND THE GOVERNOR'S COMMITTEE ON EMPLOYMENT FOR THE HANDICAPPED

Mrs. Louise Lake, consultant and field representative for the National Society for Crippled Children and Adults, Inc., Chicago, Ill.

Richard E. Walrath, executive director, Utah Society for Crippled Children and Adults.

Maurice Warshaw, chairman, Governor's committee on employment for the handicapped.

Glenn H. Johnson, executive secretary, Governor's committee on employment for the handicapped.

L. B. Harmon, Ph. D., director, Utah Society for Crippled Children and Adults Rehabilitation Workshop.

Boyd O. Hatch, survey chairman, Architectural Barriers Committee, managing editor, Instructor magazine, Latter-day Saints Church.

Rev. Warren S. Bainbridge, D.D., minister, First Methodist Church.

Sharon Bolinder, "Miss Handicapped America," National Society for Crippled Children and Adults, Inc.

Eugene Brazier, architect, Ashton, Evans, Brazier & Associates.

Harold W. Burton, Latter-day Saints Church Building Board.

Don M. Christensen, board member, Utah Society for Crippled Children and Adults.

Abe Guss, Granite Meat, president, Utah Society for Crippled Children and Adults.

Vaughn L. Hall, Ph. D., State director of vocational rehabilitation.

Frederick R. Hinckley, president, American Paper Co.

Louis E. Holley, city auditor.

Fred L. Markham, architect, Provo.

H. L. Marshall, M.D., University of Utah Rehabilitation Center.

Elton Newman, M.D., State health department.

Ray L. Servatius, Utah Society for Crippled Children and Adults, public relations.

Robert R. Sonntag, Utah State Legislature.

Glen R. Swenson, State building board, director.

Clifton A. Tolboe, Tolboe & Hardin Construction Co.

William E. Zwick, Jr., Horne-Zwick Construction Co.

Mr. MOSS. Mr. President, I view this heartening Utah crusade for the handicapped with great pride. It is typical of the fine community spirit with which Salt Lake City, and Utah are blessed, and is an example of what enlightened and unselfish community cooperation can do.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AID TO SMALL BUSINESS: REPORT OF SUBCOMMITTEE ON RETAILING, DISTRIBUTION, AND MARKETING PRACTICES ON THE AUTOMOTIVE TIRE INDUSTRY

Mr. HUMPHREY. Mr. President, I wish to call attention to a report of my Subcommittee on Retailing, Distribution, and Marketing Practices, of the Select Committee on Small Business, which I am today filing with the chairman of the full committee.

In this report I note that marked changes have taken place since World War II in the vast, burgeoning retail markets throughout the country. Competitive struggles for additional sales and wider markets have had a profound effect on the small businessman and independent retailer.

The advent of technological change, the proliferation of discount houses, and large-scale direct selling have interposed themselves between the small businessman and the consumer.

As a result, the small businessman finds himself in an unhappy paradox of increased dollar sales, with lower profit margins and less capital with which to modernize or expand his business.

In this competitive struggle, the small businessman continues to fight for his share of the market, and is readily finding that most of his energies are consumed in just striving to maintain sales at the break-even point.

Part of this problem can be traced to the growth of direct selling by manufacturers to high-volume customers—which is called vertical integration—and partially to the growth of nationwide chain outlets—commonly referred to as horizontal integration.

This report is an attempt to identify these problems in one particular segment of retail sales activity, the automotive tire industry. It does not pretend to offer complete solutions to the problems of survival of the small businessman. I believe it would be better to regard the report as a case study and an indication of the trends in retailing that are worrisome to the independent businessman.

I do not think it can be denied that competition in a free marketplace is one of the bulwarks of our economic system. The loss of independent retailers—particularly when those losses run well into the thousands—could well damage such competition. Congress has the duty and obligation to be watchful of the trends of the marketplace, to see that no one who competes is using inordinate means to throttle competition and subvert the real basis of our economic system.

I believe that Congress should continue its investigation in these areas. We cannot stand idly by and watch independent small businessmen be swallowed up by questionable tactics of large businesses and manufacturers. We cannot watch the demise of previously healthy small enterprises which fall by the wayside because they are unable to meet the rigors of volume selling and price cutting.

The small merchant has an important part to play in the economy and civic enterprise of his community. His loss as a leader, contributor, and taxpayer in the community would be irreparable.

Mr. President, after detailing the history of the rubber tire industry in this country, this report which is filed today considers some of the more basic complaints of the independents, and follows with recommendations which should be realized in the form of legislation, administrative actions by Government agencies, and actions by tire dealers and tire manufacturers themselves.

I ask unanimous consent that the section of my report entitled "Recommendations," from page 20 through page 24, be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

V. RECOMMENDATIONS

While the independent tire dealers' dollar volume of business has steadily increased in recent years, their percentage share of the market has substantially declined. The decline has been most apparent in the truck, off-the-road, and bus fields, and other sales to large accounts. Independent dealers have done relatively well in passenger-tire sales and other sales to small, commercial accounts. The problems confronting the tire dealer are essentially the same as those facing the tire retreaders.

In the course of the hearing, two factors were named as possible causes of the tire dealers' loss in their share of the market: (1) The development of new channels of distribution, which proved to be more efficient in serving certain classes of customers; and (2) unfair practices used by the manufacturers. The tire manufacturers alleged that the decline in the percentage of the market served by dealers was largely due to more efficient innovations in distribution, while the dealers claimed that this decline was caused by unfair practices and various tax advantages used by manufacturers.

Your subcommittee has found that the manufacturers, their company stores, and other chain merchandisers are given unfair tax advantages, which have decreased the independent's share of the market. Actions to remedy this situation are included in the recommendations. Your subcommittee has found little evidence to disprove the dealers' allegations of unfair practices, nor does it possess the data in this regard, which could be obtained in an investigation by the Federal Trade Commission. If the allegations are true, a serious injustice has been done to the independent tire dealers and the American public. In some cases, the alleged unfair practices are not illegal under existing law. Therefore, your committee has recommended that steps be taken to make such practices illegal.

Recommendations on legislation

1. Equalization of tax treatment of company stores and independent tire dealers: As discussed in complaint No. 9 above, company stores are given an unwarranted advantage over dealers in that they need not pay excise taxes on a tire until it is sold. Your subcommittee believes that S. 1056 or H.R. 3563 (88th Cong., 1st sess.)[1] would serve to remedy this situation and should be enacted by Congress. Similar excise tax inequities in other industries characterized by dual distribution should also be remedied.

2. Information to be submitted which would lead to discovery of unequal treatment of markets by dual distributors: To date, no case law has developed under antitrust statutes which would prevent tire manufacturers from running a company store with very much reduced prices in a market where the manufacturer wants to gain a larger share of the business. Reduced revenues resulting from this practice could be made up by profits from other company stores in markets where higher prices prevail. Such a practice, it seems to this subcommittee, constitutes discrimination between markets, and could place independent dealers in the reduced-price market at a considerable disadvantage. Competition is bound to be weakened in a situation where independents are forced to compete against subsidized company stores.

S. 1108,[2] as introduced by Senator LONG of Louisiana in the 1st session of the 88th Congress, would provide the Federal Trade Commission, the Justice Department, and Congress with information that could lead to knowledge concerning this practice. Its companion piece of legislation, S. 1107,[3] also sponsored by Senator LONG, touches on the problem of unequal treatments of markets by a dual distributor in any industry through company-owned outlets.

The aim of S. 1107 and S. 1108 is to prevent a dual distributor from using his size and entry into many markets to weaken competition in any one of these markets. This proposed legislation is a logical extension of the Robinson-Patman Act's proscription of such use of power by a seller. It was your committe's finding in its investigation of the flat glass industry that similar practices probably exist there. Your subcommittee, therefore, urges the full committee to give serious consideration to recommending passage of S. 1107 and S. 1108, or similar legislation, to prevent unequal treatment of markets by dual distributors.

3. Proscription of unequal treatment of different classes of customers: Your subcommittee finds it quite probable that tire manufacturers make a low profit on national accounts and Government sales in order to build volume, while profits are supplemented through higher profit sales to dealers. Your subcommittee believes this constitutes a discrimination in price and services between different classes of customers not warranted entirely by differences in the cost of selling. Discrimination in pricing policies or services between customers of the same class, such as two dealers or two truckers, is prohibited by the Robinson-Patman Act. However, no interpretation of the antitrust laws has developed to hold price differentials between different classes of customers illegal. Your subcommittee believes that such legislation should be enacted to clarify the Robinson-Patman Act in this regard. This legislation would require that differences in prices and services offered to two classes of customers be based on actual differences in the cost of selling to them. As such this legislation would prevent profits made from sales to dealers being used to subsidize the entry of tire manufacturers into direct selling. Such discrimination is a serious threat to small business and the public interest.

4. Introduction of a system of quality rating in the tire industry: The currently used complex methods of naming different brands or lines of tires is misleading and confusing to the public. The FTC "Tire Advertising Guides" proscribes misleading terminology in advertisements, yet it does not provide for an objective standard of quality rating to be applied to all tires. Such a standard is

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[1] Apps. A and B, pp. 25 and 26.

[2] App. D., p. 29.

[3] App. C., p. 27.

needed, as the average buyer is not equipped to rate the quality of tires. A system whereby tires are rated according to Government standards of safety, endurance, general quality, and construction, such as is done in the meat industry, would let the consumer know exactly what he is buying. Your subcommittee recommends that a system of quality rating would be in the interest of safe transportation, and should be enacted.

5. Remove surtax exemptions for separately incorporated chainstores: The tax proposals contained in the President's January 24, 1963, message to the Congress on "The Revision of Our Tax Structure" (referred to the Committee on Ways and Means) included a provision to close this loophole. It is very likely that the present provisions allowing multiple exemptions for separately incorporated company stores have favored growth of large chains.[4]

6. Allow governmental and private parties to serve injunctions and civil suits under section 3 of the Robinson-Patman Act: Your subcommittee recommends passage of S. 1815[5] introduced by Senator HUMPHREY, or S. 1935,[6] introduced by Senator SPARKMAN, as a most important element in the independent's fight for survival. Either of these bills would give private parties the right to sue for damages caused by violation of section 3 of the Robinson-Patman Act.

Thus, an independent tire dealer who has lost business due to such a violation could recover his losses. These bills would also give the Justice Department power to proceed civilly in violations of section 3. At present, the Justice Department can bring only criminal suits under section 3. Successful prosecution of these suits has often been very difficult because of procedural complications.

Recommendations to Government agencies

1. The Justice Department should investigate concentration in the sale and manufacture of replacement tires and take any necessary legal action if such be the case.

2. The FTC should investigate the complaints of the tire dealers discussed in cases Nos. 3, 4, 6, and 7, particularly as to violations of the Robinson-Patman Act. It should continue its investigation of quantity limits and the practices discussed in No. 10. Your subcommittee believes that an investigation and action in the area of the complicated price schedules would be beneficial to the consumer and competition in the industry.

Recommendations to the tire dealers

1. It is evident that changing conditions in the tire industry have and are going to put independent dealers at a disadvantage in certain areas of the trade. Hopefully, independent tire dealers will continue to be an important part of the Nation's economy by concentrating on the sorts of buyers for whom they alone can provide the best service and the best deal.

2. In part II of this report and in the course of the hearing, it was noted that company stores were established instead of dealerships because a prospective dealer lacked the necessary capital. The small business investment company is a new type of financial organization authorized by Congress in order to meet the credit needs of small businessmen such as tire dealers. Therefore, in order to meet this lack of capital, your subcommittee recommends that the tire dealer trade association consider organizing a small business investment company (SBIC) for the benefit of its members.

Recommendation to rubber tire manufacturers

1. Manufacturers should institute a program to assist their independent distributors.

An enlightened management should realize that a healthy system of independent dealerships is of more long-run importance than any policy which brings short-run gains in total sales but damages the distribution system. The manufacturers would be well advised in serving their own interests to institute programs which assist dealers to stay in business and encourage new dealerships to be established.

HEARINGS BY SUBCOMMITTEE ON ANTITRUST AND MONOPOLY ON S. 1815 AND S. 1935

Mr. HUMPHREY. Mr. President, I invite the attention of Senators to hearings now being held by the Antitrust and Monopoly Subcommittee of the Judiciary Committee. They are being held under the chairmanship of the Senator from Michigan [Mr. HART]. They relate to two bills which have been introduced in the Senate—Senate bill 1815 and Senate bill 1935, which were introduced by me and by the distinguished Senator from Alabama [Mr. SPARKMAN].

Today, being unable to attend the hearing—due to some commitments with the majority leader and other Senators, I filed a statement with this subcommittee of the Judiciary Committee; and I wish to make a brief reference to that statement.

The bills to which I referred, S. 1815 and S. 1935, are designed to make section 3 of the Robinson-Patman Act a part of our antitrust laws. This is legislation which is very badly needed in behalf of locally owned and operated enterprises in all lines of industry throughout the country.

The proposal in the bills that I have mentioned to make section 3 of the Robinson-Patman Act an antitrust statute are not new. I had the privilege of submitting a report in the 85th Congress, 2d session, from the Senate Committee on Small Business, on the role of private antitrust enforcement in protecting small business. This report was submitted July 18, 1958. In that report, eight recommendations for legislative action were made.

The first recommendation was that section 3 of the Robinson-Patman Act should be made an integral part of the antitrust statutes. Several of the eight antitrust recommendations have already become law. The Clayton Act orders issued by the Federal Trade Commission now become final judgments by the lapse of time unless appealed under an act of the 85th Congress. That was one of the recommendations contained in the earlier report. Another recommendation that has been adopted is that 30 days before becoming final, the terms of all antitrust consent judgments or orders should be published in the Federal Register.

Before I introduced S. 1815, I consulted at some length with the Department of Justice and with the Assistant Attorney General in charge of antitrust enforcement. The bill was drafted by the legislative counsel and it is considered by the lawyers in the Department of Justice to be effective legislation for the protection of competition if the Congress were to adopt it.

The bill makes no substantive changes. It provides that the provisions of section 3 of the Robinson-Patman Act shall be subject to private enforcement and treble damage relief for enforcement by the Justice Department through civil proceedings as well as criminal proceedings, and for enforcement by the Federal Trade Commission of its provisions through civil actions.

Every precaution has been taken to remove doubts or uncertainties as to either major or minor points which could lead to unnecessary litigation. This legislation is, in part, necessitated by the Supreme Court case of *Nashville Milk Company* v. *Carnation Company*, decided on January 20, 1958, and found in volume 355, U.S. 373. There, it was decided by a 5-to-4 split of the Court that section 3 of the Robinson-Patman Act was not a part of the antitrust laws. In that case a private party, the Nashville Milk Co., sued the Carnation Co. for treble damages alleging that it was injured by virtue of respondent's sales at "unreasonably low prices." Sales at "unreasonably low prices" is one of the three categories of practices prohibited by section 3 of the Robinson-Patman Act. The Supreme Court said that a private party was not entitled to sue under section 3 because section 3 was not one of the antitrust statutes. In other words that section 4 of the Clayton Act, the section which provides for private relief under the antitrust statutes did not apply to section 3 of the Robinson-Patman Act.

Section 3 of the Robinson-Patman Act is a statute which had its origin in this honorable body. It deals with the subject of price discrimination but it goes beyond the better known antiprice discrimination section 2 of the Clayton Act and covers the field of what might be aptly termed "unfair pricing."

Congress made its first attempt to outlaw price discrimination by enacting section 2 of the Clayton Act of 1914. The Sherman Act which was passed in 1890 was designed to halt combinations, conspiracies, and trusts to restrain trade. However, by 1914 individual companies had grown so large that without acting in concert they could destroy competition by certain forms of price discrimination. Although Congress, in 1887, had empowered the ICC to outlaw price discrimination as to railroad rates, the Clayton Act was the first attempt to prohibit discriminatory pricing practices generally.

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[4] Item 4, p. 10, message from the President's "The Revision of Our Tax Structures" reads as follows: "Since the $25,000 surtax exemption and the new 22-percent normal rate are designed to stimulate small business, this reduction should be accompanied by action designed to eliminate the advantage of the multiple surtax exemptions now available to large enterprises operating through a chain of separately incorporated units. I therefore recommend that legislation be enacted which, over a transitional period of 5 years, will limit to 1 the number of surtax exemptions allowed an affiliated corporate group subject to 80-percent common control. This proposal would apply both to affiliated groups having a common corporate parent and to enterprises sharing common individual ownership. It will add $120 million annually to tax receipts."

[5] App. E, p. 32.

[6] App. F, p. 33.

In spite of the Clayton Act, price discrimination continued to plague locally owned and operated businesses in all fields of American industry and monopoly continued to grow. Big buyers continued to get better prices than small buyers. Chainstores, chain packing plants, concerns of all kinds doing business on a national basis, continued to grow. Local enterprises continued to shrink. In 1936 the FTC issued a report on the subject matter of the continuing trend toward monopoly and the growth of chainstores. This report showed that price discrimination in various forms played a leading part in the trend toward monopoly. Following this report, Congressman PATMAN, of Texas, introduced a bill in the House to amend section 2 of the Clayton Act for the purpose of making illegal certain discriminatory pricing practices specified in the FTC report, such as advertising allowances, unearned brokerage commissions, the supplying of special services to some and not to others, and so forth. Senator Robinson, of Arkansas, introduced a companion bill in the Senate. These bills contained the provision already in section 2 of the Clayton Act which permitted a defense of good faith meeting of competition. There are those, who, even today, believe that without qualification this defense has and still does render section 2 ineffective. At this same time, Senator Borah, of Idaho, and Senator Van Nuys, of Indiana, had each introduced bills to deal with price discrimination as well as the problem of sales at unreasonably low prices. It was their feeling that sales at unreasonably low prices by a giant in the territory of the local independent obviously would destroy him just as effectually as would discriminatory prices. The injury to a local independent from a competitor's pricing flows from prices that are abnormal by reason of being discriminatory or unreasonably low. These two bills were consolidated and the consolidated bill became section 3 of the Robinson-Patman Act. Thus, section 3, as pointed out in the National Dairies case, prohibits three kinds of trade practices: First, general price discrimination; second, geographical price discriminaton; and third, selling at unreasonably low prices for the purpose of destroying competition or eliminating a competitor. The test of illegality centers, as it should, upon whether or not injury to the competitive system results. The statute takes cognizance of the fact that the health of the competitive system, in which the public has an interest, is adversely affected when one competitor is injured by having to pay more than another in competition with him, and by area price discrimination and sales made by unreasonably low prices, when done with the intent or the effect of suppressing competition or creating a monopoly. This, then, is a recognition that it is not enough to prohibit such a destructive practice as price discrimination in its various forms only when it is done by a predatory competitor. Destruction of locally owned and operated competitors is even more certain when two or more competitors engage in price discrimination under the excuse of meeting each other or another than when one alone practices it.

Section 3 of the Robinson-Patman Act also recognizes the practical fact that sales at unreasonable prices are destructive of local competitors and therefore, of the competitive system and prohibits such sales for the purpose of destroying competition or eliminating a competitor. The question becomes why, if section 3 of the Robinson-Patman Act is a firmer, tougher approach to unfair trade practices, it has not been used more often? I submit that there are several reasons for the failure of this law to reach its full potential. The first reason stems from a general belief that the portion of section 3 making sales below a reasonable cost illegal was unconstitutional. The second reason for its disuse is to be found in the Nashville Milk Co. case, which I mentioned earlier. That case, as I stated, held that section 3 was not a part of the antitrust laws. This meant, of course, that private parties could not sue for injuries caused by violations of section 3. The third reason is that section 3 is a criminal statute, and thus, the Justice Department has not been able to proceed civilly for violations of that section. The fourth reason is that the Federal Trade Commission has failed to realize that it could have used section 3 as a guide to determine what constituted unfair competition under section 5 of the Federal Trade Commission Act. With regard to the first reason a recent case seems to have removed this roadblock. Following a great deal of activity by the National Independent Dairies Association and the House and Senate Small Business Committees, the Justice Department took action against National Dairies. In that case the Justice Department held that National Dairies violated the provision of section 2 prohibiting sales below a reasonable price by selling milk below cost. National Dairies contended that section 3 was unconstitutional because of vagueness. The circuit court of appeals agreed with National Dairies and held that the provision was unconstitutional. The Supreme Court, however, in February of this year reversed the circuit court of appeals and sent the case back for trial on its facts. The second reason, I hope to overcome by the passage of this bill which I am introducing. The antitrust laws are not self-enforcing statutes and the enforcement agencies proceed all too slowly. It is a well-recognized fact that private enforcement is what gives our antitrust laws vitality.

It has been repeatedly observed by students of our society that the genius of the common law is in the meeting of common problems through procedures of private, rather than public enforcement. The advisability of applying this practice to statutory law is self-evident. The need for private enforcement of the antitrust laws is even greater than as to other categories of the law because the antitrust laws confront squarely the profit motive. It is unrealistic to expect voluntary compliance with the antitrust laws because of the conflict with the profit motive and because antitrust laws of necessity are general in nature.

It is equally unrealistic to look solely to the Department of Justice and the FTC for enforcement of the antitrust laws. The United States is a tremendous country in area, in population, and in volume of commerce. These enforcement agencies can be expected to bring enough actions to provide guidelines for business behavior and private litigants but effective enforcement throughout the country can be had only with the aid of private litigants. It was the will of Congress that the aid of private citizens be solicited and encouraged as to the Clayton and Sherman Acts, the laws presently name as antitrust statutes, and I submit that section 3 of the Robinson-Patman Act, which is the last major expression of the Congress in the antitrust field, should be included with these other great charters of economic freedom so that it too will receive effective enforcement. It is well recognized that one of the most significant consequences of a Government antitrust suit for the defendant is that it may later serve as a foundation for private actions. Witness the rash of treble-damage suits following the recent, now famous, General Electric price-fixing suit. The public should be provided with this added protection as to section 3 of the Robinson-Patman Act.

Only last week the U.S. District Court of the Southern District of New York, Judge Feinberg, in one of the treble-damage suits arising out of the now famous General Electric price-fixing case, held that private injunction actions and treble-damage actions supplement Government enforcement of the antitrust laws and that Congress intended this result.

POLICY OF THE TREBLE-DAMAGE ACTIONS

Finally, the most significant consideration is the strong policy in favor of private treble-damage actions, which are intended not only to compensate those injured by violations of the antitrust laws, but also to function as an independent method of enforcing antitrust policy. The Supreme Court has noted, in *United States* v. *Borden Co.* (1954 Trade Cases 67,754), 347 U.S. 514,518 (1954):

> The private-injunction action, like the treble-damage action under section 4 of the act, supplements Government enforcement of the antitrust laws; * * *. These private and public actions were designed to be cumulative, not mutually exclusive.

The third reason listed above, I also hope to overcome by the passage of this legislation. The mechanics and details for this bill are very simple. In prior years, bills to accomplish the same purpose have been introduced in both Houses. These bills simply included section 3 of the Robinson-Patman Act within the definition of antitrust laws as contained in section 1 of the Clayton Act. The present bill goes beyond this. The simple expedient of including section 3 within section 1 of the Clayton Act would fail to provide the Attorney General with jurisdiction to institute civil proceedings to restrain future violations. The present bill amends each of the relevant sections of the Clayton Act so that section 3 of the Robinson-Patman Act is placed on a par with the Clayton and Sherman

Acts as to all of the provisions of the Clayton Act. This insures that each remedial provision of the Clayton Act will apply to section 3 of the Robinson-Patman Act. The bill also provides for civil enforcement of section 3 by the Department of Justice. There are those who believe that the lack of enforcement proceedings on the part of the Department of Justice was due to the fact that section 3 as written was a criminal statute and that securing convictions in criminal proceedings would be most difficult because of the hurdles that have to be overcome under criminal law. This bill would permit the Department of Justice to bring civil proceedings, to make civil investigations, to establish a violation by a mere preponderance of the evidence, and to secure remedial decrees upon a showing of violation. In extreme cases it might even permit preliminary injunctions. I believe that by giving the Department of Justice these tools, effective enforcement of section 3 would begin immediately.

The fourth reason listed above, with regard to lack of enforcement by FTC, I believe, will be cured as soon as a history under section 3 is established by private enforcement and actions upon the part of the Justice Department.

It is well recognized that the Federal Trade Commission can take the Sherman Act and the Clayton Act provisions as statements of public policy in determining unfair methods of competition. For reasons known only to itself, the FTC has not to date used section 3 of the Robinson-Patman Act as a statement policy upon which to base a complaint. The provision against making sales at unreasonably low prices and practicing area price discrimination to destroy competition or injure a competitor have become dormant since the Supreme Court's decision in Nashville Milk. The use of leaders and sales below cost is very common. Local laws are continuously being invaded by big companies through the use of these unfair tactics. The fact that the FTC could take action is no comfort to those locally owned and operated enterprises whose markets are ruined. It is obvious that they will get protection only when they can go into the courts by their own acceleration and volition. Even if the FTC or the Department of Justice were to go into high gear to vitalize the provisions of law contained in section 3, they would be unable to do the entire job as the courts have said private enforcement is a necessary supplement to public enforcement.

Action against loss leaders and sales below cost is very belated. The public policy outlawing these practices was established as long ago as 1935. The Supreme Court has endorsed and supported this public policy and pointedly condemned these practices in a private suit by the Oklahoma Retail Grocers Association against Safeway Stores, *Safeway Stores, Inc.*, v. *Oklahoma Retail Grocers Association, Inc., et al.* (360 U.S. 334). The Supreme Court said:

> The selling of selected goods at a loss in order to lure customers into the store is deemed not only a destructive means of competition; it also plays on the gullibility of customers by leading them to expect what generally is not true, that a store which offers such an amazing bargain is full of other such bargains.

One could not expect to find a keener observation of the evil of selling at unreasonably low prices than this.

The present legislation is inadequate because whatever relief is obtained in terms of enforcement must be through criminal proceedings. But all too often the relief sought in a situation in which there is price discrimination does not merit criminal proceedings. It would be much more desirable if a civil suit could be brought, and if such suit could be entered not merely by the Justice Department, but upon the initiative of an individual entrepreneur or citizen.

In short, there is important proposed legislation now before the Congress which is designed to provide a code of fair competition for the American free enterprise system. If some measure of that type is not enacted we shall see the extinction of the independent businessmen. We shall see large combines take over practically all retailing and distribution. We shall find that thousands of families and individuals now involved in our marketing system will be squeezed out. They will become the employees—if they have any jobs at all—of the large combines and the large corporations.

It seems to me that we should try to protect our competitive structure, and insist that such practices as price discrimination, which is grossly unfair, be eliminated; also that enforcement machinery be designed to insure action by the Government to protect the individual entrepreneur.

I sincerely hope the Congress can take prompt and effective action to provide an atmosphere of fair competition before it becomes a financial impossibility for the small, independent merchant to survive and prosper in the American economic system.

SUPPORT FOR PRESIDENT JOHNSON IN ALL SECTIONS OF AMERICA

Mr. HUMPHREY. Mr. President, the most recent Harris survey again discloses the continuing popularity of President Lyndon Johnson with the American people. The President enjoys a commanding lead of 62 to 38 percent over former Vice President Richard M. Nixon, 67 to 33 percent over both Senator Barry Goldwater and Gov. William Scranton, and 71 to 29 percent over Gov. Nelson Rockefeller.

This most recent poll only confirms the findings of many earlier polls and surveys conducted in all sections of the Nation. North, south, east, and west—we find the American people expressing overwhelming support and confidence in the administration of President Johnson.

For example, the Detroit News poll has Johnson leading both Governor Romney and Richard Nixon by substantial margins. The Oklahoma City poll finds the President receiving at least 59 percent of the votes over any Republican challenger. Even in his home State of Pennsylvania Governor Scranton trails the President by 79.8 to 20.2 percent. A poll of elected public officials in Florida found a large majority expressing the belief that President Johnson could bring Florida's electoral votes back to the Democratic column this year.

Mr. President, I ask unanimous consent that these various polls and surveys demonstrating the strong popularity of President Johnson among American voters be printed at this point in the RECORD.

There being no objection, the polls and surveys were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 17, 1964]

THE HARRIS SURVEY: JOHNSON OUTDISTANCES GOP FIELD

(By Louis Harris)

President Johnson continues to lead all of his prospective Republican opponents by landslide proportions.

In our last survey of a cross section of voters in the Nation, Mr. Johnson defeats Richard M. Nixon 62 to 38 percent; Senator Barry Goldwater and Gov. William Scranton by identical 67 to 33 percent margins; and Gov. Nelson Rockefeller 71 to 29 percent.

Since January, the GOP front runner, Nixon, has slipped three points. His standing is now down seven points from where it was in November, just after President Johnson took office. Goldwater and Rockefeller, who each had dropped nine points between November and January, held their own this month.

Meanwhile, Governor Scranton of Pennsylvania, for the second month in a row has edged up a point in the presidential standings. He thus is the only one of these four GOP possibilities who has been gaining any ground. The latest results:

Race for President—Total voters

JOHNSON VERSUS NIXON

	Percent
Johnson	60
Nixon	31
Not sure	9

JOHNSON VERSUS GOLDWATER

	Percent
Johnson	64
Goldwater	26
Not sure	10

JOHNSON VERSUS SCRANTON

	Percent
Johnson	62
Scranton	24
Not sure	14

JOHNSON VERSUS ROCKEFELLER

	Percent
Johnson	68
Rockefeller	22
Not sure	10

When the undecided vote is allocated according to the way those voters cast their ballots in 1960, here is the trend:

Vote trend—Total voters

	Percent
Nixon:	
November	45
December	42
January	41
February	38
Goldwater:	
November	42
December	36
January	33
February	33
Scranton:	
December	31
January	32
February	33
Rockefeller:	
November	38
December	32
January	29
February	29

(NOTE.—Scranton was not paired against Mr. Johnson in November.)

Nixon remains the strongest potential GOP candidate, running a full five points ahead of GOLDWATER and Scranton. However, the former Vice President, who only recently has stepped up his political activity, has not been able to maintain the relatively close run he registered against President Johnson in November.

The two candidates who have been out campaigning most vigorously, GOLDWATER and Rockefeller, appear to have leveled out at 33 and 29 percent respectively, the low point for each. Neither has shown any signs of gaining ground on President Johnson.

Scranton, the only Republican to reverse the downward GOP trend, has been increasingly mentioned as an ultimate unity candidate emerging out of a deadlocked convention.

Here are some key breakdowns of Mr. Johnson's run against all four of these candidates combined:

Johnson versus GOP

[Percent]

	February	*January*
Nationwide	67	66
By religion:		
Protestant	64	62
Catholic	76	75
Jewish	75	76
By region:		
East	66	67
Midwest	66	68
South	66	64
West	68	66
By size:		
Cities	70	71
Suburbs	69	68
Towns	64	63
Farms	60	61
By race:		
White	67	65
Negro	79	77

The phenomenon of Lyndon Johnson today is that he is gaining among both Negroes and Southern whites: he is nearly as strong in the traditionally Republican suburbs as he is in the normally Democratic big cities; he runs as well among Catholics as did John F. Kennedy, and as well among Protestants as did Dwight D. Eisenhower.

[Gallup poll, Jan. 15, 1964]

EIGHT OUT OF TEN APPROVE MOVES BY JOHNSON

(By George Gallup, director, American Institute of Public Opinion)

PRINCETON, N.J.—After a month and a half in office, President Johnson maintains a high level of popularity with the American public.

In the latest survey—completed just prior to the President's state of the Union message—8 out of every 10 persons interviewed (80 percent) say they approve of the way Johnson is handling his duties as Chief Executive.

A month ago—in the Gallup poll's initial check on the new President's standing with the public—almost exactly the same proportion as today (79 percent) accorded Johnson a vote of confidence.

In the earlier survey, much of Johnson's support could be attributable to the public's response in a time of crisis. However, comments from persons interviewed at that time indicated that the President was winning considerable acclaim on his own merits.

Many persons applauded Johnson's intent to carry out the Kennedy program, most of which had been found to be popular with the public. Others pointed to Johnson's experience in the Senate and his role as Vice President as valuable preparation for the Presidency. Still others looked with favor upon the way he stepped into office with authority and the fast pace with which he took over his responsibilities.

While these same reasons are given in the latest survey, two new factors are seen to be operating in Johnson's favor.

Cited by many persons is Johnson's interest in cutting costs. Others are impressed by his forceful approach to congressional legislation.

The attitudes of Americans toward their new leader at the present time are expressed in such comments as:

"He knows what he wants and is determined to get what he wants. He doesn't let people push him around."

"He went in with a strong will and confidence. I am impressed with his wanting to cut costs."

"He is looking out for the best interests of the people and is cutting expenses in Government."

In sum, a common theme underlying the views of many persons interviewed is that "Johnson is shaping up to be an excellent President in his own right."

Following is the question which has been asked by the Gallup poll at regular intervals during the terms of the last four Presidents:

"Do you approve or disapprove of the way (name of President) is handling his job as President?"

Here is a comparison of the approval score given Johnson today and in December:

Johnson popularity

[Percent]

	Today	*December*
Approve of L.B.J. handling of job	80	79
Disapprove	5	3
No opinion	15	18

President Johnson receives an overwhelming vote of confidence from all groups within the population.

Among Republicans, three out of four (74 percent) say they approve of the way Johnson is handling his job as President. Among Democrats, the figure is 85 percent, and with Independents, 75 percent.

Little difference in the President's popularity rating is noted by regions of the country. The figures are; East—80 percent; Midwest—82 percent; South—79 percent; Far West—76 percent.

[Gallup poll (Catholics), Dec. 20, 1963]

CATHOLICS SEEN FAVORING PRESIDENT JOHNSON

PRINCETON, N.J.—Nine out of ten Catholics questioned by the Gallup poll said they would vote for President Johnson in preference to Senator BARRY GOLDWATER in a presidential election.

Figures reported here by George Gallup, director of the American Institute of Public Opinion, showed President Johnson getting 91 percent of the votes of Catholics, Senator GOLDWATER the choice of 6 percent, and 3 percent "undecided and other." Figures were not given on other Republicans besides Senator GOLDWATER.

Gallup said the late President Kennedy, a Catholic, received 78 percent of the votes cast by Catholics in the 1960 election. He said his poll indicates that Mr. Johnson "has an opportunity to develop as much support from this group as did Kennedy."

However, Gallup added, his figures represented public attitudes in "the very early days of the new administration and undoubtedly will change in the future as political 'battle lines' begin to take more definite form."

The American Catholic vote

	Percent
Johnson	91
Goldwater	6
Undecided	3

[Gallup poll, Jan. 21, 1964]

BARRY TOPS ROCKY IN L.B.J. TRIAL

PRINCETON, N.J., January 21.—In trial heat races against President Lyndon Johnson, Senator BARRY GOLDWATER wins greater support from the Nation's Republican voters than does Gov. Nelson Rockefeller.

However, as evidence of the President's great popularity with the U.S. public in these early weeks of the new administration, Mr. Johnson receives almost as much support from Republicans as does GOLDWATER, and actually runs better than Rockefeller among the GOP rank and file.

The Senator from Arizona is also stronger than Rockefeller against Mr. Johnson among those voters who classify themselves as Independents—a group becoming as important numerically as Republicans—although the President has a wide lead over both contenders.

President Johnson enjoys an overwhelming advantage among Democratic voters.

Gallup poll reporters across the Nation asked:

"Suppose the presidential election were being held today. If Lyndon Johnson were the Democratic candidate, and (BARRY GOLDWATER/Nelson Rockefeller) were the Republican candidate, which would you like to see win?"

The results:

	Percent
AMONG REPUBLICANS	
Rockefeller	44
Johnson	48
Undecided and other	8
Goldwater	47
Johnson	41
Undecided and other	12
AMONG INDEPENDENTS	
Rockefeller	10
Johnson	79
Undecided and other	11
Goldwater	19
Johnson	75
Undecided and other	6
AMONG ALL VOTERS	
Rockefeller	16
Johnson	77
Undecided and other	7
Goldwater	18
Johnson	75
Undecided and other	7

THE HARRIS SURVEY: NIXON HOLDS DECISIVE GOP LEAD

(By Louis Harris)

Of all the names in contention for the Republican nomination for President, that of Richard M. Nixon consistently receives more support from rank-and-file Republicans than any other. The former Vice President has broadly hinted at his availability, including a statement that he would "sacrifice" for his party in 1964.

Today, Nixon is the only Republican who is capable of keeping President Johnson's current lead over a Republican opponent below the 60 percent mark. In the foreign policy area, where the new President has yet to prove himself to the American people, Nixon shows some promise of appeal as the prospective Republican nominee.

Nationwide among GOP voters, in a three-cornered race against Rockefeller and Goldwater, Nixon now holds a decisive lead:

National GOP primary—GOP voters

[Percent]

	1st choice	*Would not vote for*
Nixon	43	10
Goldwater	23	19
Rockefeller	22	22
Not sure	12	49

The deepening schism in Republican ranks is evident by the fact that roughly 4 in every 10 GOP voters feel that either Rockefeller or Goldwater is now unacceptable to them.

These results also highlight a tough decision now facing Nixon. If he were to enter and run as well in the primary in New Hampshire against Goldwater and Rockefeller as he does in this nationwide testing Nixon probably would find himself in a dominant position for the Republican nomination.

In our first New Hampshire sampling back in November, Nixon did run ahead of the other declared candidates among Republicans. But once Nixon casts the dice and enters primaries, he faces the risk of all front runners: How to avoid the State where he might come a cropper. Nixon's decision on whether to enter the primaries could also affect the kind of run he might ultimately make in the fall, if nominated.

Against President Johnson, Nixon today is the only Republican to score over 40 percent of the vote:

Republican versus Johnson—Total voters

	Percent
Nixon	41
Romney	34
Goldwater	33
Scranton	32
Rockefeller	29

In direct pairing against President Johnson, with the undecided vote allocated, Nixon runs 8 percentage points stronger than Goldwater and 12 points ahead of Rockefeller. Clearly, he stands out as the strongest GOP contender with the total electorate.

However, Nixon still is running 59–41 percent behind Mr. Johnson today, and this is a wide lead indeed for the Democrats. To close the gap the former Vice President would have to find issues on which he could build support well before next summer. A rundown of all key issues, on which people were asked to say which man, Lyndon Johnson or Richard Nixon, would do a better job, the size of the task that would face candidate Nixon is immediately apparent:

Would do better job

[Percent]

	Nixon	*Johnson*
Keep spending in check	50	50
Handle Castro and Cuba	47	53
Handle Khrushchev	45	55
Handle extremists at home	41	59
Give leadership to allies	41	59
Work for peace	39	61
Keep country prosperous	39	61
Keep U.S. military strong	38	62
Move country ahead	37	63
Handle civil rights	36	64
Handle farm problems	36	64

The key to analyzing these issues is to examine those on which Mr. Johnson runs over and under the 59 percent mark he polls generally among the electorate. In the case of Cuba and dealing with Khrushchev, both foreign policy issues, Nixon appears to have a potential of doing quite will. The other Nixon issue is that of spending, an area in which Democrats have been vulnerable for some time, but which has commanded a major share of President Johnson's attention. On a whole range of domestic issues, however, Nixon does not do well today.

In 1960, Nixon ran a late campaign, but from the position of an incumbent. In 1964, he would be running as the challenger. His dilemma is that it may already be none too soon to strengthen any soft spots in his appeal to American voters.

[From the Washington Post, Jan. 27, 1964]

THE HARRIS SURVEY: JOHNSON COMMANDS A WIDE LEAD WITH NEGROES, SOUTHERN WHITES

(By Louis Harris)

In the honeymoon period following his succession to the Presidency, Lyndon B. Johnson has been enjoying the best of all political worlds. This is nowhere more graphically shown than in his seeming ability to score highly among white southerners at the same time he is being backed by Negro voters all across the country.

Today, against the combined strength of five leading Republicans, the new Democratic President runs ahead by almost 2 to 1 in the South and by over 3 to 1 among Negroes. However, these same two groups are headed on a collision course over the upcoming civil rights bill, which Negroes favor by 4 to 1 and white southerners oppose by almost 2 to 1.

In the latest pairings in the race for President among a carefully drawn cross section of voters, Mr. Johnson's percentages compare as follows with those of his predecessor:

Vote among Negroes and in South

Vote for—

[Percent]

	Johnson, 1964	*Kennedy, 1963*
South	64	47
Negroes	77	88

Despite the falloff for President Johnson among Negroes, he still is running substantially as well with this key minority group as did Mr. Kennedy in 1960. Four years ago the late President polled 78 percent of the Negro vote. The real Johnson gain has been scored in the South, where he is a full 13 percentage points above the Kennedy showing of 1960, which was a bare 51 percent. This is also 17 points ahead of the late President's rating in the South just before his assassination.

The issue on which the ultimate fate of President Johnson in the South and among Negroes is likely to be determined is civil rights, and here Negroes and southerners sharply disagree:

Negroes and southerners on civil rights bill

[Percent]

	Favor	*Oppose*
Southern voters	34	66
Negro voters	81	19

President Johnson, of course, has come out squarely for a tough civil rights measure, asking that Congress pass the bill as a memorial to John F. Kennedy.

In the South, nevertheless, confidence in Mr. Johnson's southern background leads white voters to the belief he will be more moderate on the racial issue than his predecessor.

On this question, better than 8 people in every 10 in the Nation as a whole say it makes no difference to them that President Johnson is a southerner, and that this fact will not influence their judgment of him as President. However, the two exceptions—to whom it definitely does matter—are southerners and Negroes:

On L.B.J. being a southerner

[Percent]

	Matters	*Doesn't matter*
Total, Nation	19	81
East	8	92
Midwest	16	84
South	32	68
West	17	83
Negroes	32	68

Roughly a third of the South and an identical percentage of Negroes, nationwide, admit being sensitive to the fact that Mr. Johnson is a southerner. Obviously many white southerners are pleased by it, and express an emotional loyalty to the first southern President in this century—almost irrespective of the specific stands he might take. By the same token, many Negroes are worried by the President's southern background, and they will want constant new assurances of his sincerity on civil rights.

[Los Angeles poll, Jan. 13, 1964]

JOHNSON LEADS IN SOUTHLAND POLL

If Southland residents went to the polls today, they would elect Lyndon Johnson their President according to the latest poll by Western Opinion Research Center.

The poll, a random sampling of Democrats and Republicans, shows Johnson the choice of 40 percent of the respondents. Nixon, Rockfeller, and Goldwater followed in succession.

Among Republican voters only, Nixon was the sizable choice over GOLDWATER who in turn was a few percentage points ahead of Rockefeller.

Question: If you were voting today, whom would you support for President of the United States?

Answer: Johnson, 38.4 percent; Nixon, 16.2 percent; Rockefeller, 12.7 percent; Goldwater, 9.1 percent; other answers, 23.6 percent.

Question: As a Republican, which is your choice for Republican nomination for President of the United States?

Answer: Nixon, 32.7 percent; Goldwater, 23.1 percent; Rockefeller, 19.9 percent; Scranton, 5.2 percent; other answers, 19.1 percent.

[From the Detroit (Mich.) News Poll, Jan. 19, 1964]

JOHNSON LEADS NEWS POLL IN STATE

(By Richard W. Oudersluys, president, Market-Opinion Research Co.)

President Johnson, a southerner, would sweep Michigan against any Republican challenger so far seriously discussed if the presidential election were held today.

The size of his lead over any of the six Republicans tested against him in the first Detroit News poll of 1964 is reminiscent of Franklin D. Roosevelt's landslide victories in the early days of the New Deal.

Governor Romney and Richard M. Nixon, the Republican nominee in 1960, topped the list of Republican entries and split honors on the basis of their showings against Johnson.

The figures: Johnson, 62.5 percent of the total vote to 20.1 percent for Romney; Johnson 65 percent, Nixon 20.7 percent.

The disparity between the sum of the percentages for contending entries and 100 percent is the present undecided vote.

The News poll also surprisingly disclosed that the two announced Republican presidential contenders in whom the party is showing so much interest run at the tag end of Michigan voter preferences as of now.

New York's Gov. Nelson A. Rockefeller trailed the list of six entries in his showing against Mr. Johnson. Arizona's Senator BARRY GOLDWATER ran a poor fourth.

The figures: Johnson 69.5 percent, against 14.8 percent for GOLDWATER; Johnson 71.7 percent, Rockefeller 11.1 percent.

Henry Cabot Lodge, the Republican Party's 1960 vice-presidential candidate in 1960, ran third and Gov. William Scranton, of Pennsylvania, fifth.

The figures: Johnson 64.7 percent, Lodge 18.8 percent; Johnson 69.9 percent, Scranton 11.3 percent.

Political analysts have long speculated on how Mr. Johnson would run in a State where organized labor speaks strongly in his party. If Michigan can be assumed to be somewhat typical of such States, he presently would have no difficulty.

Organized labor's delegates at the 1960 convention opposed the nomination of Mr. Johnson, both for President and Vice President, until almost the end. Against his strongest opponent for the vote of semiskilled and unskilled workers, Romney, Mr. Johnson would take 69.8 percent of the vote.

Farmers in the rural Michigan districts turned in substantial margins for Mr. Johnson. No doubt, this can be accounted for by the Texan's conservative reputation.

HOLDS NEGRO VOTE

Another revelation of the poll is Mr. Johnson's ability to hold the normal Democratic strength among Negro voters. His majorities against the six Republicans ranged from 75.5 percent against Scranton and Goldwater, to 71.8 percent against Nixon.

Surprisingly, the long Rockefeller family devotion to aiding Negroes is not reflected in Rockefeller's vote. He received 5.5 percent to Mr. Johnson's 73.6 percent.

Mr. Johnson's popularity shows across all voter classifications. In every category of the vote analyses, he shows wide majorities against each of his possible challengers.

GOLDWATER, who is said to have strong support among the young voters, does not run as well in the 21–29 age group as does Nixon. Nixon pitted against Mr. Johnson, took 16.6 percent of that category to 9.9 for Goldwater.

THEORY CHALLENGED

The poll challenges the theory that GOLDWATER would be strongly supported by businessmen.

GOLDWATER would take 17.4 percent of that group to 70.4 for Mr. Johnson.

What effect formal announcement of their candidacies would have on the standings of Romney, Nixon, Lodge, and Scranton could only be determined by a pool after the announcements were made.

The political scene can change as the conventions and the November elections near. Mr. Johnson still has to establish a record. He still is riding the crest of the late President Kennedy's popularity. The Republican campaign has yet to develop.

Organization of local and State tickets by political parties also will tend to shift or solidify interest in top candidates of both parties.

Future Detroit News polls will report these and other trends and changes throughout this election year.

[Oklahoma City poll, Jan. 11, 1964]

OKLAHOMA CITY POLL

In a poll conducted by the Oklahoma City University, the following results were obtained:

If voters in Oklahoma City could cast their ballots for any Republican candidate or for Lyndon Johnson, Lyndon Johnson would still receive 59 percent of the votes.

This is an extremely high figure since it is doubtful that all Rockefeller, Nixon votes would go to Goldwater, and vice versa.

The 59-percent figure is the average of five polls taken in five economic areas of the city. Greatest strength was in the Negro vote (77 percent), and greatest weakness was in the highest income area of the city (45 percent).

Of the Republican choice, GOLDWATER ran best in the high-income areas and worst in the low-income areas. Rockefeller ran best in the low-income areas and worst in the high-income areas.

[From the Washington Daily News, Jan. 23, 1964]

PENNSYLVANIA STUDY: POLL SHOWS L.B.J. AHEAD

President Johnson's political aids privately are circulating results of a Democratic-sponsored Pennsylvania poll showing him far ahead of major Republican contenders for the White House.

The President's advisers are most impressed with the poll's indication Gov. William Scranton is running behind two other potential GOP presidential nominees in Pennsylvania.

Sources close to Mr. Johnson said the poll, constituting a "large statewide sampling" of voters, was conducted by a professional firm under contract with Pennsylvania party organizations which sponsored it.

Mr. Johnson's best showing as the poll's Democratic presidential nominee was against Arizona's Republican Senator BARRY GOLDWATER:

Mr. Johnson, 82.1 percent; Senator GOLDWATER, 17.9 percent.

The Democrats Pennsylvania poll next showed:

Mr. Johnson, 79.8 percent; Governor Scranton, 20.2 percent.

Mr. Johnson, 78.4 percent; New York Governor Nelson Rockefeller, 21.6 percent.

Mr. Johnson, 75.2 percent; former Vice President Nixon, 24.8 percent.

Thus, according to this poll, Mr. Nixon would run strongest against Mr. Johnson in Pennsylvania, with Governor Rockefeller the second best GOP votegetter followed by Governor Scranton and Senator Goldwater.

[Florida poll, Jan. 20, 1964]

JOHNSON SEEN VICTOR IN 1964 FLORIDA VOTE

(NOTE.—How does a State that has gone Republican in the last three presidential elections feel about the 1964 candidates? Has President Lyndon B. Johnson—a southerner—a chance to bring Florida into the Democratic fold this year? The Miami Herald, working with the St. Petersburg Times, Jacksonville Times Union, and Lake Wales Highlander, has asked these questions in a 42-county survey. Here are the answers.)

President Lyndon B. Johnson is a good bet to bring Florida back into the Democratic fold this year, a 42-county survey suggested Saturday.

A majority of 310 elected officials, party leaders, and random citizens questioned said they thought the President can reverse the trend that has seen Florida go Republican in the last three national elections.

The reasons they gave were varied and sometimes contradictory:

He's a liberal.

He's a conservative.

He is following policies of the late President Kennedy.

He is tight with the tax dollar.

He is making a good President.

Those who argued that Florida will again go Republican said Johnson will lose because he is "too liberal" for Florida, is stuck with unpopular Kennedy policies and has yet to prove himself as President.

The study did not include the 13 Panhandle counties, 9 interior rural counties and 3 rural Gulf of Mexico counties.

In the 1960 presidential election only 24 of Florida's 67 counties polled Republican majorities, but Richard M. Nixon got 51.5 percent of the State's total vote.

Those interviewed were asked a four-part question that went like this:

Do you think Johnson—if he is a candidate—can recapture Florida for the Democrats? Why (or why not)? Who will be his Democratic running mate? Who will be his Republican opponent? Who will be the Republican vice presidential candidate?

YES, 44; NO, 14

Elected officials who are supposedly sensitive to sentiment shifts in the electorate, saw Johnson taking Florida.

Of the 93 interviewed, 44 said Johnson could do it and 14 said he could not.

Twenty-seven rode the political fence with "maybe" and the rest had no idea.

No great surprise developed in the poll of the 62 county party chairmen or leaders.

Most of the Democrats saw victory in Florida for Johnson, most of the Republicans saw defeat for him.

Putnam County Democrat Chairman Raymond Smith gave his party's lone "no" (Johnson is "too liberal," he said). Citrus County Republican Chairman W. D. Hinman cast his party's lone "yes" ("Johnson is so clever").

The traditional "man on the street" saw things much the same.

Of the 155 interviewed, 82 said yes—Johnson can take the State, 48 said no, and 25 said maybe.

There was no consistent effort to learn the party affiliation of those interviewed.

The "why" part of the quiz sought to detect potential voter reasoning. The most repeated (49 times) reply was:

"Because Johnson is a southerner."

Next nearest response (11 times) was that Johnson is a conservative. The rest of the reasons included:

Johnson is following Kennedy policies, new harmony among Florida Democrats will place them behind Johnson, and Johnson's present policies are acceptable to Floridians.

Who will Johnson face?

Of 155 interviewed:

Barry Goldwater	62
Richard Nixon	31
Nelson Rockefeller	16
George Romney	4
Henry Cabot Lodge	1
Thruston Morton	1
No idea	20

Democratic Party leaders see it this way:

Nixon	14
Goldwater	7
Dark horse	5
Rockefeller	3
Scranton	1
No idea	4

Totals in each category amount to more than the number of persons interviewed. Each possibility named by each interviewee was tabulated. Some named several.

There was a scattered response as to who Johnson's Democratic running mate might be. Most persons were uncertain. The tabulation went like this for elected officials:

Johnson's running mate

Hubert Humphrey	18
Robert Kennedy	6
Sargent Shriver	5
Adlai Stevenson	3
Robert Wagner	3
Edmund Brown	1
Mike Mansfield	1
George Smathers	1
Earl Warren	1
No idea	41

Country Democratic chiefs gave this tabulation:

Nineteen said they had no idea, Humphrey five, Robert Kennedy three, Shriver three, Stevenson three, Brown two, a dark horse two, and one each for Smathers, Stuart Symington, and Wagner.

Republican county chairman and party leaders gave nine mentions to Humphrey. Seven said they had no idea. Others named: Shriver four, and one each for Robert Kennedy, Senator Henry Jackson, Senator A. Ribicoff, "a Kennedy" and "a liberal."

The man on the street gave this rundown: Stevenson five, Wagner five, Smathers four, "a Kennedy" two, and one each for Brown, Averill Harriman, Senator Edward Kennedy, Mrs. Jacqueline Kennedy, Senator Eugene McCarthy, and a dark horse.

[Minneapolis poll, Dec. 29, 1963]

JOHNSON FAVORED IN STATE OVER GOP OPPONENTS

That President Johnson would be a formidable opponent to the Republican nominee for President in 1964 is indicated in these findings from a statewide survey by the Minneapolis Tribune's Minnesota poll:

In a test race between Mr. Johnson and former Vice President Richard M. Nixon, Minnesotans today favor President Johnson, 71 to 25 percent.

The preference margins are even more one-sided in Mr. Johnson's favor when voting-age residents consider Senator BARRY GOLDWATER, of Arizona, and Gov. Nelson Rockefeller, of New York, as possible GOP standard bearers in 1964.

The heavy emotional impact of President Kennedy's death undoubtedly is reflected in the survey findings. Interviewing was started in early December, 2 weeks after Mr. Kennedy was killed in Dallas, Tex.

A balanced sampling of voting-age men and women was asked:

"Suppose that the presidential election next November turns out to be a race between Senator BARRY GOLDWATER, of Arizona, on the Republican ticket, and President Lyndon Johnson on the Democratic ticket. Which man would you favor as things stand today—GOLDWATER or Johnson?"

Similar questions were asked with Rockefeller and Nixon as candidates against Mr. Johnson. The replies of all Minnesotans questioned, and of Republicans:

[In percent]

	Johnson versus Goldwater	Johnson versus Rockefeller	Johnson versus Nixon
All Minnesotans:			
Favor Johnson	76	76	71
Favor GOP entry	17	18	25
Neither	1	1	1
No opinion	6	5	3
Total	100	100	100
Republicans:			
Favor GOP entry	51	44	65
Favor Johnson	44	48	31
Neither	1	4	1
No opinion	4	4	3
Total	100	100	100

Independent voters favor Mr. Johnson by very wide margins in all three test races, with Nixon making the strongest showing of the Republican trio.

[From the Minneapolis (Minn.) Tribune, Jan. 21, 1964]

BIG MAJORITY IN STATE APPROVE L.B.J. ACTIONS

Nearly 9 out of 10 Minnesotans approve of President Lyndon Johnson at the beginning of his White House service, a statewide survey by the Minneapolis Tribune's Minnesota poll indicates.

It is strong approval with 54 percent of the people interviewed and mild approval in the case of 34 percent.

Such a popular start for a President might well stand as a record in Minnesota if exact comparisons could be made.

In a 1961 statewide sampling of Minnesotans, 83 percent approved of the way President Kennedy was handling his duties at the beginning of his term. Approval of President Eisenhower stood at the 77-percent level at a comparable time in 1953.

Those responses were in reply to a direct approve-or-disapprove type of question.

In the current survey, voting-age men and women living in all parts of Minnesota were given a numbered rating scale making it possible for them to indicate whether they approve or disapprove of Mr. Johnson and also tell how strongly they held their views.

The replies:

	Percent
Strong approval of President Johnson	54
Mild approval	34
Neutral	8
Mild disapproval	3
Strong disapproval	1
Total	100

While approval of Mr. Johnson on that basis is higher than it was at any time for President Kennedy, the fact that interviewing took place in December, a short time after Mr. Kennedy's death, is an important consideration.

Here is the extent to which different types of Minnesotans approve of President Johnson in the survey:

[In percent]

	Strong approval of L.B.J.	Mild approval of L.B.J.	Total
All adults	54	34	88
Men	54	34	88
Women	54	34	88
21 to 29 years	45	42	87
30 to 39 years	45	40	85
40 to 49 years	58	29	87
50 to 59 years	62	30	92
60 and over	58	30	88
Democratic-Farmer-Labor Party backers	72	23	95
Republicans	33	41	74
Independents	49	40	89

[From the Boston (Mass.) Herald, Jan. 31, 1964]

JOHNSON NO EASY MARK FOR GUNNERS IN GOP

(By George Minot)

The Republicans have one problem bigger than deciding upon the man to run against Lyndon Johnson. That is, what sort of a target are they going to make of the President—what kind of attack are they going to fashion, and where they are going to find any issues that will appeal to the voters.

They are not overburdened with time. While GOLDWATER and Rockefeller have been seeking votes in New Hampshire, Mr. Johnson has been making hay, and doing a very effective political job. He has moved into the center of the road, impressed everybody with his desire to save money and projected an image that for the time being, at least, has charmed every group he has invited to the White House.

For a little while the Republicans thought they could lampoon Johnson as a man pulling rabbits out of a hat to fool everybody into believing he was on their side. That hasn't worked because he has been so convincing. They thought they would fight him as a "small-budget liberal," but it turned out that he's more conservative than his detractors and has presented the country with what looks like an honest budget in the bargain.

Accustomed to defeat, the great liberal planners in the GOP thought Johnson would appeal to the voters with: "Elect me. I always supported Jack Kennedy, and he would want you to."

He was far too smart for that. Instead, he has made every pitch since the first of the year: "Elect me. I am Lyndon Johnson and I am going to take care of all your ills and save money, too."

Thus with the conventions not too far ahead, the Republicans now find Johnson is going to be a much tougher foe than they thought in the first place. He is not going to move to the left and it's hard to see how he can be beaten by a liberal. Given that choice the voters will go for a Democrat every time, and with good reason. And you won't find any of those bleeding hearts deserting the Democratic Party, either. For heaven's sake, where would they go?

So the GOP really is in a dilemma. There are 300 or 400 Republicans running for Congress. They think they would be better off with GOLDWATER, as they undoubtedly would. But the big wheels in the party, starting with Ike, Nixon, Lodge, Stassen, Aldrich, Hall, Dewey, Brownell, Percy, and 8 or 10 Governors are scared to death of GOLDWATER. They want a liberal like Scranton.

That still leaves them with few issues. Johnson has the big ones in peace and prosperity, at least as of today. They are always hard to beat. Add to that the fact that there doesn't seem to be any great demand for a change—that people are mostly unworried and happy, that they seem to have confidence in the new man—and your problem becomes even harder to solve.

Of course there are pitfalls ahead. The civil rights fight offers some dangers. If Johnson agrees to compromise on the public accommodations section, for instance, he will antagonize many who normally would be with him in the North. If he pushes for a tough bill, southern diehards will be angry. But as of today, no matter how tough Johnson pushes for civil rights, you cannot envision his losing Texas, North Carolina, Arkansas, or Florida, to name just four States.

It's possible GOLDWATER might "break into" the solid South if he becomes the Republican candidate, but that would be more than offset by the Northern States he could not possibly carry.

There is this matter of ethics in Government. If you were a Democrat running on a national ticket you would be more frightened of that issue than any other. It hasn't burst forth in all its sordidness, and perhaps it won't, but Washington newspapermen will tell you there is a "mess" in the Capital even bigger than that which plagued the Truman administration.

Just how many Democrats turn pale at the mention of "Bobby" Baker and Billie Sol Estes, no one ever will know, but the number is not small. There's the Berlin wall, the terrible mess in South Vietnam and the fact that labor leaders in several industries have the President over a barrel, but none of these things is likely to play into Republican hands.

In the unheard of event you yourself were projected into the national scene, you would run against "Washington" and the uncleanliness there.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WHY BANKRUPT OUR CATTLE INDUSTRY?

Mr. SYMINGTON. Mr. President, those of us who have been deeply concerned, for many months, about the economic health of the cattle industry were not surprised to read, in a report from the Department of Agriculture last week, that the farmer's share of the consumer dollar spent for beef declined last year to a "19-year" low.

I ask unanimous consent that an Associated Press account of this report, appearing in the St. Louis Post-Dispatch of February 11, 1964, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARMER SHARE OF BEEF DOLLAR AT 19-YEAR LOW

WASHINGTON, February 10.—The farmer's share of the consumer dollar spent for beef declined last year for the lowest level since 1935.

An Agriculture Department survey showed today that beef averaged 81 cents a pound compared with 82.4 cents in 1962 and 68.5 in 1954. The farmer got the equivalent of 45.3 cents a pound for the beef, or 56 percent of the retail price.

The year before, the farmer got 51.8 cents or 63 percent of the price consumers paid. The lowest previous farm share was 59 cents in 1961.

The Department said the spread between the retail price and the equivalent farm price set a new record high of 35.7 cents last year. This was an increase of 5.1 cents over 1962.

RETAIL DECLINE LAGS

Beef prices declined at the live, wholesale, and retail levels, following an increase in production and in imports. But as usual, the Department said, retail price declines lagged behind prices farmers received for their cattle.

"Thus, the farm-retail spread widened, as it usually does during periods of heavy supply," the Department said.

It recalled that the same kind of lag occurred in 1962 when cattle prices rose faster than retail prices.

The farmer's share of the consumer dollar spent for pork last year averaged 50 cents, down 3 cents from 1962 and the lowest since 1959, when it averaged 48 cents.

Consumers paid an average of 57.5 cents a pound for pork last year, down 2 cents from the previous year. This was the lowest since 1960 when it was 56.7 cents. The farm share averaged 28.8 cents a pound compared with 31.4 cents in 1962.

Mr. SYMINGTON. Mr. President, as we have been pointing out for more than a year now, the cattle industry of the United States has been in trouble for two reasons that are beyond the control of cattle producers:

First. There is an unprecedented increase in beef imports. During a period of heavy domestic production, imports last year reached an alltime high at 11 percent of the U.S. market. This year, imports were expected to supply 12 percent to 15 percent of the market.

Second. Meat buying practices of the large retailers, which have resulted in further spread between the price received by the producer and that paid by the consumer.

THE QUESTION OF IMPORTS

On the first of these two points: The agreements announced Monday by the Departments of State and Agriculture for curtailment of imports from Australia and New Zealand cannot be said to have dissolved the problem. By removing the prospect for further substantial increase in beef imports this year, the agreements should help some. Australia and New Zealand are pledged to reduce the imports 6 percent under last year. We hope similar arrangements can be made soon with two lesser foreign suppliers, Ireland and Mexico, but imports will still be greater than in any year prior to 1963.

The agreements announced yesterday are said to represent all that could be gotten from Australia and New Zealand on a voluntary basis.

It remains, therefore, for administration agencies and the Congress to continue their studies of the effect of imports on the domestic beef industry, and further consider whether it is right that we admit large meat imports from nations which, by unilateral action, heavily restrict their imports of meat products from the United States.

In a talk in the Senate February 6, I presented a letter from an Australian national presently residing in Independence, Mo., which clearly described the unilateral restrictions and embargoes Australia has against United States poultry and pork products. In that the Australians produce very little pork and poultry, I have urged the Departments of Agriculture and State to explore the reasons for these restrictions and the steps necessary to have them removed.

As a summary of the issues involved in this question, I commend to the Senate comments made by the St. Louis Globe Democrat in an editorial of February 14, 1964, referring to my talk of February 6, and I ask unanimous consent that the following excerpt from that editorial be printed in the RECORD.

There being no objection, the excerpt from the editorial was ordered to be printed in the RECORD, as follows:

SPEAKING UP FOR OUR BEEF INDUSTRY

Between 1958 and 1963, as Senator SYMINGTON pointed out, imports of beef from Australia, our largest supplier abroad, have risen from less than 18 million pounds to a startling total of 517 million.

Foreign beef now constitutes 11 percent of the U.S. supply, compared with 1.6 percent less than 10 years ago.

At the same time this foreign competition has been having a depressing effect on domestic cattle prices, Australia has had a total ban on all U.S. frozen pork and chicken, and a strict quota on canned chicken, even though these products are in limited supply and great demand over there.

Why, Senator SYMINGTON wanted to know, does the United States condone the unilateral policies of other countries against our beef industry? He has demanded prompt action to correct this "unjust balance of trade" through negotiated agreements or tariff changes.

Cattle raisers and packinghouse workers will be most interested in learning that this effort is being made in their behalf. But all Americans should be glad to know that, thanks to Senator SYMINGTON, Congress is looking at an export-import problem from our point of view, for a change.

Mr. SYMINGTON. Mr. President, I have also asked the Department of Agriculture to give me a report on a number of questions raised by Mr. William W. Beckett, administrative vice president and general counsel of the Missouri Farmers Association, the largest farm organization in Missouri, at a recent meeting of the Department of Agriculture.

For the protection of the American consumer, we believe with Mr. Beckett, that through meat inspection and labeling, appropriate efforts should be made by the administration and the Congress, in his words:

(A) To afford the American consumer the same basic health safeguards on foreign beef that is now provided for domestically slaughtered beef, and

(B) To consider the enactment of a labeling law whereby foreign beef is so labeled naming the country of origin.

BUYING PRACTICES OF LARGE RETAILERS

In the second major area where the producers cannot solve their problems, the buying practices of large retailers, questions persist which merit further inquiry and consideration both by administrative agencies and the Congress.

Here is what one recent study of retailer meat buying practices reports:

FOOD CHAINS AND INDEPENDENTS DOMINATE

The national food chains retail 51 percent of beef in the United States, and 40 to 45 percent of total supermarket volume in the United States is through large independents.

The independents follow the national chains. Therefore, retail beef sales through national and independent food chains represent about 85 percent of the total retail sales of beef.

In a typical 25-store supermarket chain, 35 percent of the total dollar volume is in fresh beef. Of $100,000 weekly volume in a store, $35,000 will be beef.

Eighteen percent of the dollar sales of beef is ground beef—hamburger. On a pounds basis, hamburger sales total over 50 percent of total beef sales at retail. Hamburger is made up in three classes of meat: (1) Ground foreign beef; (2) blended foreign and domestic beef; and (3) ground domestic beef.

Beef is usually ground by the retailer. One informant explains there is a widespread preference for foreign beef because it has never been grain fed, is unusually lean, and has been frozen, therefore somewhat dehydrated, and absorbs up to 20 percent more water than domestic beef.

One pound of hamburger from foreign beef will carry 3.2 ounces more water, or 20 percent of the weight, which the consumer buys at so much a pound.

THE PRICING PROCEDURE

Tuesday noon of each week, the national chains advise the packers the prices they will pay for specific grades and cuts of beef. Monday purchases by packers are on the basis of last Tuesday's prices payable by chains.

Until recently, one chain advised packers on Wednesday noon of what it was willing to pay for beef. However, recently this has been changed. Now most if not all chains give advice on Tuesday noon; then again on Wednesday noon they cover the grades and cuts not indicated in the Tuesday prices. Until recently, these prices were posted in writing on the board at some of the exchanges.

The provisioners report that they follow the price schedules of the national chains.

By this means, the big chains can and they do dictate prices. They get away with it because the packer can either take it or leave it.

WHY THE CHAINS CAN BE SO INDEPENDENT

One reason the large buyers can be so independent in their pricing lies in the practice called aging of the beef—not hamburger, just the better cuts. However, beef on hand that is also in the process of aging constitutes in effect a strategic reserve inventory—and the size of this inventory varies depending upon the available supply and price.

One chain ages its beef in its own warehouses approximately 3 weeks. The variation in aging time reflects marketing of live cattle, availability, and price as well as aging.

Another chain uses Tender Ray light treatment, but still maintains a 2- to 3-week inventory.

Independents with meat-handling facilities variously follow suit. The others work through packers and provisioners.

By staying out of the buying market for only 1 week, any one of the chains can create an oversupply of beef in any major market. They don't have to do a thing but sit on their hands and not buy. That is, if they have plenty of hamburger beef on hand; because that's the big item.

HAMBURGER IS THE KEY

The importance of hamburger may not be understood by Congress, the USDA, or even by many cattlemen. A knowledgeable analyst knows that cow-liquidation at an excess rate always breaks the price of beef—all the way up the line.

Foreign beef imports play the role of excess cow-liquidation pressure on the price of beef. And here is how it works:

Fifteen percent of total beef consumption in the United States is foreign beef, which includes, at retail counters, the extra 20 percent water. So the retail total is 18 percent of total beef consumption.

Normal cow-liquidation plus foreign beef hamburger and blend, plus extra water combine to total a cow-liquidation equivalent rate higher than we have seen in recent history.

Some USDA economists may look at foreign beef, which is suitable only for hamburger and soup, and lacking experience, fail to figure out correctly this "cow-liquidation equivalent" factor.

One citizen tells of having written four Members of Congress who referred the letters to the Department of Agriculture, as the result of which the citizen received back four separate identical letters from the USDA, those letters saying:

"The large national chains sell 51 percent of the retail beef in the United States. These chains engage in a free enterprise competitive market when buying beef."

The Secretary of Agriculture is probably not proud of that letter—if he knows about it, which I doubt—because what the letter says about "free enterprise competitive market" is exactly opposite to the facts as presented in the study from which I am quoting.

These misunderstandings when coupled with their buying advantages protect the chains—large and small—from having to engage in a free, competitive market—in the following ways:

1. Huge stocks of aging beef in inventory provide a buffer against development of a seller's market. As much as 10 percent of a year's supply has been admitted by one chain indirectly through advertising and promotion of its own meat.

2. Since aging is not required for hamburger, foreign beef can be used immediately for that purpose.

3. Foreign beef is afloat 2 to 5 weeks before reaching U.S. ports. It is bought, sold, sometimes twice, bargained for while en route. Most such trade is handled on the telephone.

4. Supermarkets can project future hamburger supplies easily by contracting en route foreign beef. Thus, the chains can roll with the punches in normal marketing fluctuations, particularly in buying lower grades.

5. Weakness in the market always brings down the price of finished cattle, the better grades.

6. Two to five weeks' inventory gives a lot of time to "take up the shock" of reduced supply of cattle.

Mr. President, in addition to the advantages enjoyed by the giant retailers as listed in the six summary points of this study, it is my understanding the chains are now taking 2 to 4 weeks to pay packers for their purchases. When many millions of dollars are involved, this means a significant saving in interest costs.

The commission buyers and the packers must pay for the livestock they buy within not more than 24 hours, therefore, in effect, are financing the meat operation of the chains.

Repeatedly, Congress has passed legislation and directed the executive branch to prevent the monopolistic buying practices as are indicated in the study which I have just presented to the Senate.

The Packers and Stockyards Act, passed in 1921 and last amended by the Congress in 1958, prescribes rules of fair competition and fair trade practice for all persons or firms engaged in livestock marketing and meatpacking in interstate and foreign commerce.

Under this act, livestock market operators are supposed to see to it that bidding by buyers is open and competitive.

They need help in carrying out their duties. The livestock producer needs help; and the consumer needs help in order to get the benefit of the productivity of our American farms, at prices fair to all concerned.

WHAT CAN BE DONE

Prompt action is needed. Certain positive steps should be taken, including:

First. The Departments of State and Agriculture should continue their negotiations to limit beef imports to the lowest practicable level, by negotiation if possible, otherwise by Tariff Commission action.

Second. Steps should be taken immediately to require labeling of foreign meats at point of sale to the consumer.

Third. For the protection of the American public, foreign packers and processors should be required to have the same type of inspection as in this country.

Fourth. Analysts in the Department of Agriculture, representing the American producer, should study further the "cow-liquidation factor" when evaluating the effect of foreign beef on our cattle markets. Reduction in foreign beef imports will increase sale of older cows which in turn will reduce the annual calf crop and help cut the oversupply.

Fifth. The Packers and Stockyards Act should be enforced to see that bidding for meat and livestock is in reality open and competitive.

Sixth. The Department of Agriculture, the Department of Justice and the Federal Trade Commission should investigate the present buying practices, and take such action as necessary to see that any violations of antitrust and packers and stockyards laws are stopped and violators punished.

Mr. President, this is one of many talks which I have made on this subject. Unfortunately, very little seems to be done about it. If something is not done, many people who are now in the production of beef in this otherwise very prosperous country will go to the wall.

I hope the administration will take some prompt action based on the facts presented in this talk this afternoon.

OREGON DUNES NATIONAL SEASHORE, A TOURIST MECCA

Mrs. NEUBERGER. Mr. President, many residents in the vicinity of Oregon's beautiful and unique sand dunes are anticipating the creation of a national seashore in the area. They look forward to the day when the dunes area of the Oregon seacoast will achieve its full recreation potential.

The great possibilities of the Oregon Dunes National Seashore as a tourist attraction are emphasized in an article appearing in the current issue of Air West, the house organ published by West Coast Airlines. I ask consent to include in the Record with my remarks the article entitled "Dunesville, Oregon."

There being no objection, the article was ordered to be printed in the Record, as follows:

Dunesville, Oreg.

(By Dolly Connelly)

It is early morning. Our feet are in the wet embrace of a vast sandpile above the Pacific Ocean. Along the toe of black hills east of our perch, cars zip silently toward Coos Bay. From nearby trees stare invisible deer. The isolation is superb.

Roger Duncan, crofter-mayor of North Bend, Oreg., stands on the domed drift as one would mount a podium in paradise. At his feet, and far into the distance, he visualizes a landscape crawling with happy people from less fortunate pastures, their toes tickled by contact with the carpet of coffee-colored sand. And at the entryways, signs that read: "Oregon Dunes National Seashore Park."

True, that day has yet to arrive, but Duncan knows it will, and when he speaks of the prospect of parkhood for this domain, it is in the tone of a man putting another million alongside the million already banked.

"It won't hurt us a bit," he confides.

At the moment, our lone concern is an automotive freak adapted for service amid the shifting coastal dunes. Oversize tires and inverted rims give it traction and stability, but even a dunes buggy won't buggle with a dead battery and our driver has gone for help.

He reappears in a bulky haywagon equipped with airplane tires, borrowed, perhaps, from a DC–8, and with a yank we are mobile once more. Over the next dune, down a fresh deer track: another power failure. Our daring young man at the wheel, Bill Kime, agent for West Coast Airlines, stabs here and there with a screwdriver and says:

"Push." Favored by a downhill slope, we push, and go again.

As the dunes buggy breaks through the pine trees north of Hauser, the sand turns into what would be called muskeg in Nome and wet sagebrush in Ephrata or Reno. "In the dry season they make desert movies around here," says Bill, as he probes for sound bottom. A couple hundred yards away is the surf, and soon we are snorting along the beach with foam spinning from the tires. The tide is high. Safe beneath the breakers are beds of razor clams. Salt haze gives the image a smoky tinge. Ahead, in the direction of Winchester Bay, high dunes crowd the beach. We clamber over the sea wall again and hunt an inland track. Planking, rotted and black, marks the path of salvage toilers from a long-buried shipwreck. The dune buggy scuttles toward huge sand castles among which the Seattle Space Needle would seem scarcely taller than a landed saucer.

The leeward slopes of the dunes face north, and they cast a steep shadow. We stop to rig for pictures at the summit of one that would make a fair scaling test for a graduate Marine. The mayor of North Bend peeked over the side and said:

"It's time I went back and opened the store."

But he climbs in finally, and they barrel vertically into the pit, up the far side of the amphitheater, like a yo-yo, swinging back until they stall below the near edge. Kime won his point: The dune buggy didn't somersault, after all.

In places, the sands have overswept the forested windbreaks. Protruding struts of dead wood attest to their suffocating force. And the sands still march, but amid the recesses of quiet arbors and tranquil lakes there is no feeling of desolation. Here is a refuge for humans, isolated and sublime.

We pause to speculate beside the reflections of a small lake, as clear and shallow as a mirror, on which a lone duck was cruising.

It looked pretty enough to swallow, but we left it for another day.

DUNES BILL

Among the Nation's shorelines, the National Park Service, a bureau of the Department of the Interior, has rated the Oregon Dunes area 1 of the 10 most important, relatively unspoiled, seashore areas in the 48 contiguous States.

The proposed Oregon Dunes National Seashore is ideally suited for outdoor recreation activities, such as fishing, camping, hiking, picnicking, boating, swimming, photography, beachcombing, and hunting.

It includes about 31 miles of attractive ocean beach with clean, fine-textured white sand, which varies in width from 30 yards at high tide to 125 yards at low tide. Adjoining the beach inland is a spectacular expanse of moving sand that has been swept up from the tidal zone and beach by the wind and formed into dunes, some of which reach more than 200 feet in height. These great, glistening drifts form an intricate landscape pattern of outstanding scenic and geologic interest for which the area has long been famed. Except for small islands of tree-clad hills still protruding from the sands, the dunes have completely inundated what was once a thick coniferous forest.

Further inland are ancient forest-covered dunes rising to a maximum height of 450 feet above sea level. The vegetative cover consists of dense, picturesque conifers having an understory of varied shrubs and a fine rhododendron display. In the dunes there are irregularly shaped, fresh-water sylvan lakes with numerous peninsulas, small bays and tranquil water vistas.

Two bills dedicating the area to park use have been introduced in Congress by Senator MAURINE B. NEUBERGER, Portland, and Congressman ROBERT B. DUNCAN, Medford. Senate bill 1137 has received favorable action by the Senate Interior and Insular Affairs Committee.

The park boundaries as revised would run from Ten Mile Creek, 10 miles north of Coos Bay, northward to the Siltcoos River, and embrace approximately 30,000 acres. Approval by Congress will be required before any Federal seashore acquisition program can proceed.

THE HUNTERS

The most distinguishing single fact of the west coast shoreline is its battering surf. The awesome meeting of land and sea largely in a crashing of giant ground swells against the feet of mountains and the walls of beetling cliffs. Wave shock from Cape Flattery at the extreme westernmost tip of Washington to Point Conception generally is conceded to be greater than anywhere else in the Northern Hemisphere. It makes for a shoreline of such fascination, such extreme variation from gentle sandbar-trapped lagoon to wave-bashed headland and offshore stacks, that in many areas it attracts as many winter visitors, campers, and beachcombers as it does in summer—notably at Kalaloch and Rialto Beaches on the Olympic Peninsula, and in the Oregon Dunes strip extending from Coos Bay to Florence.

These winter visitors, who crowd every available camping area in snug trailers and campers, and reserve cabins at commercial spots as eagerly as they do in summer, are a new kind of beach enthusiast. The rougher it is the better they like it.

They want to feel the might of the sea, to be pushed by the force of wind, sprayed with salt water. They want to scream to be heard above the crash of waves. They relish heavy fog that hides the offshore rocks and islands and through which they hear the muffled mewing of murres and gulls. They search the coarse sand for treasure washed in by the winter storms—bits of lumber from wrecked Chinese junks, carried across the Pacific on the Japanese current; beautifully colored glass floats broken loose from the nets of Japanese and Russian fishermen a third of the world away; agates and jade, and driftwood battered and polished into strange shapes.

They wander the cold, violent beaches in a kind of ecstacy, clad in quilted clothing and seamen's waterproof gear, sacks on their backs and children at their heels. They learn the tides by heart, so as not to be caught rounding the booming cliffs and bashed to death by the returning seas.

Their sport never was seasonal, and now that they find kindred souls on the lonely winter beaches, it grows more popular with each passing year.

RADIO ADVERTISING STANDARDS AS RELATED TO SMOKING AND HEALTH

Mrs. NEUBERGER. Mr. President, of great interest to me has been the cooperative action of the broadcasting industry, and by the advertising media of this country regarding cigarette advertising. I therefore take special pleasure in calling to the attention of my colleagues in the Senate the new policy issued by radio station WMCA of New York, of which Mr. R. Peter Straus, formerly of this city, is president.

I ask unanimous consent that the statement be printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WMCA,
New York, N.Y., January 27, 1954.

GENTLEMEN: WMCA has always tried to maintain advertising standards and commercial policies which readily comport with the broad public interest. Seldom, if ever, do the established commercial practices or recognized needs of respected advertisers conflict with this public interest. As you can well understand, whenever such a conflict does arise, the public interest as we perceive it must emerge paramount.

In view of the findings reported by the Surgeon General's Committee on Smoking and Health, we have reexamined our policies with regard to the acceptance of tobacco products.

After January 31, 1964—

1. WMCA will cancel and discontinue accepting advertising of cigarettes between the hours of 7 p.m. and 11 p.m. Monday through Saturday—in "The B. Mitchel Reed Show." This program is the only segment of WMCA's broadcast day which directs a special appeal to young people and which has attracted, along with a substantial proportion of adults, more than a normal share of youthful listeners. We feel, therefore, that cigarette advertising is inappropriate on this particular program.

2. WMCA will continue to accept cigarette advertising in all of its commercial programs known to have predominantly adult audiences, i.e., all programs other than "The B. Mitchel Reed Show." We recognize that cigarette smoking will in all probability continue to be a widespread adult custom, and at this time we have no objection to carrying appropriate advertising for competing brands of cigarettes, so long as such advertising seeks the patronage of adults who have chosen to continue smoking despite the warnings about health. WMCA will, of course, continue to study further developments in the research and marketing of tobacco products and will continue to evaluate its commercial policies to make sure we are acting in harmony with the best principles of public service and responsible broadcasting.

3. WMCA will continue to accept advertising on behalf of cigars and pipe tobaccos in all of its commercial programs.

4. WMCA will examine, on a case-by-case basis, the advertising claims of new tobacco products and tobacco substitutes and determine acceptability according to available evidence as to their characteristics, and in compliance with all applicable governmental regulations.

With kindest regards.

Sincerely yours,

R. PETER STRAUS,
President.

Mrs. NEUBERGER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUMMARY AND REPORT ON ACTIVITIES OF THE ADMINISTRATION AND CONGRESS DURING FIRST SESSION OF THE 88TH CONGRESS—ADDRESS BY SENATOR PEARSON, OF KANSAS

Mr. DIRKSEN. Mr. President, on January 9 the distinguished Senator from Kansas [Mr. PEARSON] delivered an address to the Kansas Agricultural Convention in Topeka, Kans., which is in the nature of a summary and report on the activities of the administration and the Congress during the 1st session of the 88th Congress. It is truly a timely and well-reasoned report and eminently deserves wider publicity. For this reason I ask that it be included in the RECORD as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY U.S. SENATOR JAMES B. PEARSON, REPUBLICAN, OF KANSAS, BEFORE KANSAS AGRICULTURAL CONVENTION, JANUARY 9, 1964, MUNICIPAL AUDITORIUM, TOPEKA, KANS.

A year ago on January 14, 1963, President Kennedy delivered his state of the Union message to the 1st session of the 88th Congress. The Congress and the American people largely shared the President's view "that the state of this old but youthful Union is good." They also shared the President's observation regarding the world beyond our shores that "steady progress has been made in building a world of order."

Against this background the task of the administration and the Congress seemed to be primarily one of lifting the burden of taxation which thwarted national economic growth and fostered unemployment and idle capacity, of taking another step forward in the long struggle to assure equal rights for all of our citizens, of preserving and enhancing our natural and human resources, of strengthening our defense posture, and of improving the bonds of our friends throughout the world in our effort to extend freedom to all mankind.

These, in short, seemed like the logical objectives of a sensible nation and a major world power in a fairly orderly world.

A number of factors subsequently injected themselves into this rather tranquil picture to influence the progress of major legislation during the session of Congress just completed. I would like, therefore, to review that session with you in terms of these major influences rather than in terms of specific bills. I can identify four major factors which altered programs, shifted priorities and generally disrupted the orderly program submitted by the President and the ambitious schedule planned by the Congress for itself.

First, Congress and the administration became involved in a major debate over the proper role of the Federal Government in domestic affairs.

Second, many proposals submitted by the administration involved substantial changes and longstanding concepts of government procedure.

Third, a number of events occurred which required substantial alteration of the content and priority of domestic programs.

Finally, the world situation with which the United States is so intimately concerned underwent unanticipated changes thereby influencing both domestic and foreign policy.

The first of these factors involved the basic question of how great a role the Federal Government should play in the domestic affairs of the Nation.

It should be clearly understood that concern for the unemployed, for school dropouts, for the aged, for the elimination of slums, for the quality and availability of education, for equal rights, for agriculture, labor and business is not solely that of one party, of the representatives of one section of the country or of the President as compared with the Congress. Members of Congress and the President are aware of the existence of problems, but they view the approach to solving these problems differently depending upon their concept of the Federal system, their interpretation of the Constitution and the constituency they represent.

To deal with the problems before the Nation as defined by the administration, the President submitted over 400 legislative requests to the 1st session of the 88th Congress. Consistent throughout these requests was an expanded role for the Federal Government and frequently an expanded role for the executive branch of the Federal Government. These requests involved the problems of unemployment, with legislation for accelerated public works, extension of area redevelopment, revision of unemployment compensation, a youth conservation corps, a domestic peace corps, regulation and education of migratory labor, and revision of the Taft-Hartley law. They included agriculture with cotton, feed grain and dairy supply management bills. They were concerned with education with Federal aid for medical schools, for college construction, for federally impacted school districts, for elementary and high schools and for new vocational education, manpower and library programs. They proposed medical care for the aged under social security. They broadened Federal powers with respect to civil rights. They touched consumers with the so-called truth in packaging and truth in lending bills. They reached into municipal and local government through the proposal to establish a cabinet level Department of Urban Affairs and Federal aid for urban mass transit and expanded Federal activity with regard to air and water pollution.

All of these domestic propositions required Congress to consider and determine the proper degree of Federal participation. Committees and Members had to study carefully their impact upon the integrity of the States and local governments and upon the climate created for individual and business initiative.

Many expected the administration's program to find ready reception in a Congress in which its party held a 3 to 2 majority in the House of Representatives and a 2 to 1 majority in the Senate. It soon became evident that while there was a common label, it signified little.

This condition, I suppose, was to be expected in view of the results of the 1960 and 1962 elections. Recall that the difference in popular vote for the President in 1960 was little more than 100,000 votes out of a total of over 68 million and that the efforts of the administration to secure a clear mandate by extensive participation in the 1962 congressional election campaigns had failed. Most political observers interpreted the 1962 congressional elections as personal victories for candidates rather than endorsements of party or presidential policy. In short, Congress approached the 1st session of the 88th Congress with a Democrat majority to be sure, but with no clear mandate.

It was not surprising then to find that regardless of political party affiliation, Congress was generally composed of three groups which could be identified on issue after issue. One group consistently favored greater Federal participation; another group resisted every new Federal action, while yet a third group retained some degree of flexibility, seeking to judge each measure on the facts; not fearing a greater role for the Federal Government and possessing great confidence in the capacity of the States and the local governments.

This is a complexion of the Congress which reflects central issues without the use of the often confusing political labels of Republican or Democrat, liberal or conservative. It does identify a condition and a set of circumstances which have a major influence on the course of legislation.

The second major factor complicating the activity of this Congress involved the changing of the traditional concepts of Government procedure.

The outstanding example of this change in concepts was the administration's proposal to reduce taxes, increase Federal spending and plan a substantial deficit all at the same time.

Basic tax and governmental finance theory has been surprisingly uniform from local to Federal levels over a period of many years. This long accepted concept was strikingly labeled "Puritan" early last year in contrast to the Keynesian theory proposed by the administration and its economic advisers. Regardless of the correctness of the more theoretical approach there has been great reluctance on the part of the American people to cut taxes and increase spending and debt at the same time. There also has been a reluctance on the part of many Members of Congress to accept the responsibility for gambling with the economic future of the Nation. It is no wonder that the proposed tax cut has been the subject of lengthy debate.

Other proposals affecting time-honored procedures caused great soul searching. For example, many Members of Congress favored setting aside wilderness areas to preserve some of the natural assets bestowed upon this Nation. Traditionally, specific areas would be recommended by the President for consideration by Congress, after proper public hearings. This session the administration proposed that it be given the authority to define new wilderness areas and to add to existing areas without congressional approval. Congress' only control would be an opportunity to veto Executive action within 30 days.

Broader authority was similarly requested to designate depressed areas, allocate Federal funds and negotiate Federal contracts. Congress' concern for this approach was clearly justified by the poor experience of the Nation with the mismanaged Area Redevelopment program, a program which Congress quickly cut back.

Again, the apparent delay in congressional action on this category of administration proposals does not reflect an unawareness of national needs. In my opinion, it more nearly represented a basic philosophical struggle.

The last two factors I will mention would well be placed under the heading, "The Best Laid Plans of Mice and Men."

After the President laid the administration's program before the Congress and the Nation in 21 mesages and 405 legislative requests, a number of unanticipated events occurred which caused a realinement of the priorities assigned domestic proposals by the President as well as those assigned to them by the Congress.

In January, the overshadowing domestic problem was defined as the need for a tax cut to stimulate economic growth. But, at the same time, reforms in the tax system were determined to be just as essential to maximizing our growth and use of resources as rate reduction. Given equal billing was the theory that to cut Federal spending would be a grave mistake as to do so would dampen economic activity. The fear of a cyclical recession in late 1964 was dramatically presented to urge immediate action on the tax bill.

By the end of February, the economy continued sluggish. Reforms lost their equal status in favor of doing whatever was necessary to get a tax cut in 1963. By midyear the economy was turning up and the pressure for a tax cut to stimulate the economy was relieved. The tax cut then was stalled because of high spending and increases in the debt limit from $308 to $315 billion. At this point, the administration abandoned the case for sustained high level spending by advocating a frugal budget for 1965.

In late February, the President submitted a civil rights message to Congress. . When the bills to implement the message actually reached the Congress in April, civil rights demonstrations were being accelerated. As a result of these demonstrations, the original civil rights proposals were abandoned. Finally, on June 19, near the end of a normal congressional session, a new and highly controversial set of proposals was submitted to the Congress. These represented a major revision of the original bills. As late as the end of July, the Attorney General was still preparing major changes in the package plan.

Throughout the first 4½ months of 1963 the administration expressed great confidence in its wheat management program. It could foresee no need for a new or a different program in spite of the discontent of many wheat farmers. The decisive defeat of the proposed controls on wheat production in the May 21 referendum substantially altered the administration and the congressional attitude toward wheat legislation. It also affected legislation relating to all farm commodities.

Of course, the year came to a dramatic and horrifying close with the assassination of the President in November. I am not sure we even now can appraise the full impact of this tragic event on our national or international life. The repercussions will be felt for some time to come. Needless to say, its immediate impact upon Congress and on matters under consideration was very substantial.

These, among others, were unanticipated domestic events of such proportion as to significantly alter the content and the priority of legislation under consideration in the 1st session of the 88th Congress.

In the field of foreign affairs the changing nature of our world and our part in it was never more obvious. Six new nations were born as colonialism continued to disappear. In addition to a new administration in our own country, new governments assumed power in 22 countries, including 7 in Latin America and such other major allied nations as England, Canada, West Germany, and Italy.

The European Common Market, upon which we had placed great reliance as a means of exerting greater economic pressure on the Communist bloc and as a forerunner of greater political unity in Europe, rejected Great Britain as a member. NATO was shaken because of the attitude of France and, as a result, our Western hemisphere defense posture required careful reevaluation. After 5 years of apparently futile disarmament negotiations we unexpectedly found a basis for a limited test-ban agreement with Russia. This came on the heels of a breakdown of Soviet-Sino relations and was followed by an unprecedented offer of the Russians to buy Western wheat and an offer by the American President to conduct joint space shots.

In such a changing world, it is no wonder that the Congress and the American people became frustrated with the stagnant condition of our foreign aid program. After years of constant growth in our foreign aid expenditures, in spite of free world capacity to assume some of the additional responsibility, our foreign aid program plugged along without clear objectives supplying funds to 97 nations at the rate of over $4 billion a year. When neither the administration nor congressional committees seemed able to grasp the picture of discontent, Members of Congress gave the old program an extensive working over on the floor of the House and the Senate. This consumed many days of debate. The result was a reduction of $1.6 billion in foreign aid appropriations for 1964. But more important, it has forced a major review of the whole foreign aid concept by the administration.

Thus it was that Congress found it necessary to spend one of its longest sessions struggling to produce a record which will be variously measured.

In terms of the number of bills passed as compared with other sessions, the record will not look good. While many major issues are yet to be formally acted upon, the progress made on such issues as the tax bill, civil rights, education, mutual disarmament, mental health, control of air and water pollution, foreign aid, and development and preservation of water resources, is fairly respectable, particularly in light of the year's development. Viewed from the fiscal standpoint, the reduction of $6 billion below the administration's original request presents a pretty good record.

In conclusion, I would make three quick observations.

First, it has not been my purpose to condemn, praise or apologize for the action or inaction of the 1st session of the 88th Congress. Neither have I attempted to discuss the merit of the issues. It has been my purpose to suggest some of the forces which frequently dictate the course of congressional activity. Unfortunately, neither the President nor the Congress can control all of these forces. Equally unfortunate is the fact that many who are quick to pass judgment never understand that these forces exist or, if they do, they choose to ignore them to serve other ends.

My second concluding observation is that the 88th Congress has completed one-half of its term. Much of the spadework done in 1963 will result in crops to be harvested in 1964. Nevertheless, 1964 will bring its own brand of unanticipated events. Issues will be altered and the priorities will be juggled accordingly. Not the least of the forces affecting legislation in 1964 will be the presidential campaign of this fall—and don't discount its importance.

Finally, as you and I look both to the past and to the future, we would do well to understand that, in no nation, do events ever move forward in a constant flow toward desired or perfect goals. At times we achieve prosperity and progress. At other times this country, and all countries experience difficulties and periods of hard times and self-doubts. Such was 1963. But the United States has matured and become the leader of the free world very suddenly when measured by the lives of civilizations and nations. Certainly, we must expect to experience some growing pains.

THE PUBLIC SERVICE OF SENATOR MUNDT, OF SOUTH DAKOTA

Mr. DIRKSEN. Mr. President, the distinguished senior Senator from South Dakota [Mr. MUNDT] has actively and diligently served the people of the State of South Dakota and of the United States for a period of 25 consecutive years in the House of Representatives and in the Senate of the United States.

Recently the people of South Dakota, as an evidence of their appreciation for his loyal, patriotic, and devoted service, showered him with congratulations at a 25th anniversary dinner in his hometown of Madison, S. Dak., and in connection therewith the Senate and the House of Representatives of South Dakota joined in a concurrent resolution properly attested by the officials of both bodies, expressing the appreciation of the South Dakota Legislature not only for the services rendered but for the prestige which he has brought to his State and for the recognition which he has achieved in all sections of the Nation as a student of government, as a faithful legislator, and as a genuine, redoubtable American. These expressions are so richly deserved; and it is my pleasure to submit for the RECORD a copy of the concurrent resolution adopted by the South Dakota Legislature on February 4, 1964, which I ask unanimous consent to include at this point with my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SENATE CONCURRENT RESOLUTION 4

Concurrent resolution expressing the appreciation of the people of South Dakota for the long, distinguished service of KARL E. MUNDT, senior Senator from South Dakota, in the Congress of the United States

Whereas KARL E. MUNDT, our senior Senator from South Dakota, has devoted 25 years in his life to the service of the people of South Dakota in the Congress of the United States; and

Whereas KARL E. MUNDT has served this State and Nation in both the House of Representatives and in the Senate of the United States and has achieved national recognition for his contribution to the growth, development, and freedom of our State and Nation; and

Whereas KARL E. MUNDT has earned the affection and esteem of his colleagues in the Congress of the United States and of the people of South Dakota as has been evidenced by the recent congratulatory expressions extended to him on the occasion of his 25th anniversary dinner at Madison, S. Dak.; and

Whereas KARL E. MUNDT has never wavered from his devotion to principle and his selfless determination to promote the welfare of the people of South Dakota and of the United States: Now, therefore, be it

Resolved, That the people of South Dakota through their elected representatives in the Legislature of South Dakota (both houses concurring) do hereby express their appreciation for the long, distinguished, devoted and fearless service of KARL E. MUNDT and wish for him many more years of good health and humanitarian devotion to this State and Nation; and be it further

Resolved, That copies of this resolution be delivered to the President of the U.S. Senate, to the Speaker of the House of Representatives of the United States, to Senator MUNDT, and to each member of the congressional delegation from South Dakota.

Adopted by the senate January 27, 1964.

Concurred in the house of representatives February 4, 1964.

NILS A. BOE,
Lieutenant Governor,
President of the Senate.

Attest:

NIELS P. JENSEN,
Secretary, State Senate.
PAUL E. BROWN,
Speaker, House of Representatives.

Attest:

W. J. MATSON,
Chief Clerk,
House of Representatives.

RECESS TO 12 O'CLOCK NOON TOMORROW

Mr. HUMPHREY. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 1 o'clock and 48 minutes p.m.) the Senate took a recess until tomorrow, Thursday, February 20, 1964, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 19 (legislative day of February 10), 1964:

DEPARTMENT OF STATE

W. Tapley Bennett, Jr., of Georgia, a Foreign Service officer of class I, to be Ambassador Extraordinary and Plenipoteniary of the United States of America to the Dominican Republic.

William Attwood, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Kenya.

James D. Bell, of New Hampshire, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Malaysia.

Robert G. Barnes, of Michigan, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan.

G. McMurtrie Godley, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Congo.

HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Job 30: 5: *Behold, God is mighty; He is mighty in strength and wisdom.*

Almighty God, at this noon hour, our hearts are turning unto Thee in the ancient and sacred attitude and prayer habit of our human race.

May our vision of Thy greatness and goodness, Thy righteousness and justice, Thy love and mercy, be so real and compelling that we shall surrender ourselves wholeheartedly to Thy will and obey it gladly and gratefully.

We earnestly beseech Thee to endow our President, our Speaker, and our chosen Representatives with insight to see and read clearly Thy mind and wisdom in all the events and experiences of this new day.

Grant that we may have patience and perseverance, when we are beset by problems that seem to become more difficult to solve the longer we ponder and discuss them.

Hear us in Christ's name Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

> S. 178. An act to make certain provisions in connection with the construction of the Garrison diversion unit, Missouri River Basin project, by the Secretary of the Interior.

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 1, 2, and 3, to the bill (H.R. 5945) entitled, "An act to establish a procedure for the prompt settlement, in a democratic manner, of the political status of Puerto Rico."

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1057) entitled, "An act to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the United States," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Eastland, Mr. Ervin, Mr. Hart, Mr. Hruska, and Mr. Keating to be the conferees on the part of the Senate.

The message also announced that the Presiding Officer of the Senate, pursuant to Public Law 115, 78th Congress, entitled "An act to provide for the disposal of certain records of the U.S. Government," had appointed Mr. Johnston and Mr. Carlson members of the Joint Select Committee on the part of the Senate for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 64-10.

PERMISSION TO COMMITTEE ON RULES TO FILE CERTAIN REPORTS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

SUBCOMMITTEE ON MANNED SPACE OF THE COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Manned Space of the Committee on Science and Astronautics be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

TRIBUTE TO HARRY KALICH, TALLY CLERK

Mr. ROSENTHAL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, I would like to take this opportunity to call to the attention of my colleagues the fact that our tally clerk, Harry W. Kalich, is planning to retire on March 1. Harry Kalich has been here in the House of Representatives in that capacity for approximately 18 years, and during that time has made himself an invaluable employee and an almost indispensable man.

Harry comes from my own congressional district in the county of Queens in New York, and has been active in civics and politics in that area for 39 years. He began his climb up the political ladder in the sheriff's office in Queens County, where he served as a deputy sheriff and entry clerk. He was then appointed to the position of deputy tax appraiser for the State of New York, covering a large area and working out of the Brooklyn division. He was subsequently elevated to the position of commissioner of motor vehicles for Queens County, and maintained an active interest in politics during all those years. He was a Democratic leader in his area in Queens for many years, and in addition served as a Democratic State committeeman in the second assembly district in that county for 8 years. His ability and dedication to both Government and politics were recognized and in 1944 he was selected for the post of tally clerk, and has served us all—on both sides of the aisle—faithfully and well for almost 18 years.

His health has not been all it should be during the last several years, but this has not affected in any way the cooperation and consideration he has shown each and every Member of this House. Now that he must retire, on orders from his physician, we shall all miss him and the many courtesies he has performed in so many ways. His long career as a public servant, on the local, State, and National level is now coming to an end, and he will be sorely missed.

I sincerely hope he and his wife will have many years of relaxation and happiness ahead of them in the years to come. I am sure that Harry, in particular, will look with fond memories on his long association with the many Members of the House of Representatives, who have held him in such high esteem, and who, in turn, have earned his friendship and respect.

I know all my colleagues join me in wishing him the best of everything for the future.

Mr. ADDABBO. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Speaker, I wish to associate myself with the remarks of the gentleman from New York [Mr. Rosenthal].

Mr. Speaker, it gives me great pleasure to join in the tributes to Harry W. Kalich, a personal friend, a fellow citizen from Queens County, N.Y., and a great public servant.

Mr. Kalich has given 18 years of meritorious service here in the House of Representatives and were this all he would have earned the accolades of us all. However, Harry's service to his community, State, and Nation started long before he arived on the Washington scene. He has given 39 years of loyal dedicated service.

When I arrived in Washington as a freshman Member of this body, it was a source of satisfaction to me to have this friendly face from home here to greet me. He was always available for counsel and advice on the legislative procedures which were so new to me at the time. I was and am proud of the fact that we both hail from the great Borough of Queens in the city of New York.

Our friend will be greatly missed by this body, but I know that we all know he has earned his retirement and we wish for him and his lovely wife many long years of happiness and good health in the leisure now before them.

Mr. GILBERT. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. GILBERT. Mr. Speaker, I am pleased to join with my colleagues in paying tribute to my dear friend, Mr. Harry W. Kalich, our tally clerk.

He has rendered faithful and invaluable service in the House of Representatives for 18 years. Harry is a perfect gentleman in the truest sense of the word. His unfailing courtesy, friendliness, and cheerful service to the Members of this House have endeared him to all of us.

Harry Kalich has had an illustrious career in political life for the past 39 years. He has served in many important offices, among them, as sheriff of Queens County, deputy tax appraiser of the State of New York, commissioner of motor vehicles of Queens; he also was secretary of former Congressman Roe.

Now Harry Kalich has announced that he will retire at the end of this month. My sincere wish for him is that he will enjoy many years of leisure and all the good things that leisure can bring. He is most deserving of all the happiness that life can hold. We shall miss him very much; he will not be forgotten. He leaves us knowing he has our affection and gratitude for all his efforts in our behalf.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. KEOGH. Mr. Speaker, it was in 1936 that I was first privileged to run for the office that I now hold. The then Ninth District of New York encompassed part of Queens County. I was therefore privileged during that year, and ever since, to consider Harry Kalich one of my fine friends.

Mr. Speaker, Harry Kalich has served his county, his party, and his country with credit and with distinction.

Mr. Speaker, I join with his many friends today in wishing for him many, many years of health and happiness. We shall miss him, but we shall not forget him.

Mr. BECKER. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. BECKER. Mr. Speaker, I too join with my colleagues in paying tribute to our good friend, Harry Kalich, our tally clerk, who has announced his retirement.

Mr. Speaker, I have not known any man in my 20 years of service as a member of a legislative body who has been more kind and more diligent in his duties than Harry Kalich.

Mr. Speaker, I have not only been associated with him here in the House of Representatives, but also as a friend and a resident of a neighboring county of mine on Long Island.

Mr. Speaker, we shall all miss Harry Kalich. I join with my colleagues in saying that I trust he will enjoy a long life and many years of happiness in the future.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Speaker, I want to compliment the gentleman from New York for paying tribute to an outstanding employee of this House. It is good to do this. It is good that we recognize there are a great many employees of the House who do a faithful and conscientious job.

We will all miss Harry Kalich, we will miss his friendship, we will miss his explosive fashions.

New York can take credit for bringing to this House a very wonderful, a very fine fellow, but we should recognize also his perspicacity. He married a lady from Massachusetts. So we compliment him for that, too.

I join with the New York delegation and all of the Members of this House in wishing him well in the future. His health has not been too good. I remember only last year when he underwent a very serious operation.

We will miss his cheerfulness, we will miss his personality.

Mr. ROONEY of New York. Mr. Speaker, will the distinguished gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. ROONEY of New York. Mr. Speaker, it was somewhat with a feeling of sadness that I first learned of the impending retirement of my longtime friend, Harry Kalich. I have been privileged to know Harry for approximately 30 years. He has ever been a fine friend, and I have greatly appreciated this friendship over the many years.

Harry Kalich has been an outstanding official of this House for many years and has made many friends on both sides of the aisle. I shall always be grateful to him for his many courtesies, and I should like to join my colleagues in this body in saying to Harry and to his lovely wife we wish them both good health and happiness in their well-earned retirement, and hope that the retirement period will be for many, many years to come.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, I am happy that the gentleman has taken this time to pay tribute to a worthy employee of the House of Representatives. Upon his retirement we shall miss one of the most devoted servants of the House, and one of the very fine gentlemen of this country.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Louisiana.

Mr. BOGGS. Mr. Speaker, I would like to reiterate all of the fine things that have been said about Harry Kalich. He has served all of us well and faithfully for many years. Along with my colleagues, I shall miss him greatly, and I do wish for him the happiest retirement a man can have.

Mr. MATTHEWS. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Florida.

Mr. MATTHEWS. Mr. Speaker, I want this high tribute to be an all-American tribute. I want our very dear friend to know that we in Florida love him too.

I join with my colleagues in thanking him for the excellent service he has rendered, and I wish for him many, many happy years in his retirement.

Mr. DEROUNIAN. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. DEROUNIAN. Mr. Speaker, I join with my colleagues in paying tribute to Harry Kalich, who is 75 years old though he does not look it. We will all be very sorry to see him go. He has been of great assistance to all Members, and I wish him and Mrs. Kalich great comfort and happiness in his retirement.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Florida.

Mr. FASCELL. I want to join my colleagues in paying a well deserved tribute to Harry Kalich for his many years of devoted and conscientious public service. We all regret his retiring from the splendid service he has rendered in this Chamber.

I think my feelings may be somewhat different from the others because I have an idea I will be able to see Mr. and Mrs. Kalich many times down my way. We will look forward to their visits to Florida, and hope they will be quite often.

Mr. GROVER. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. GROVER. Mr. Speaker, I am pleased to join my colleagues in praise of Harry Kalich, a distinguished public servant who, I am honored and pleased to say, spent many pleasant years in my hometown on Long Island, during which time he not only made many friends but contributed much to our community life.

The Congress loss is his family's gain, and I wish Harry Kalich many happy years in retirement.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield.

Mr. ROGERS of Florida. Mr. Speaker, I join my colleagues in expressing regret at the retirement of Harry Kalich and wish him and his wife much happiness in the future. We owe him thanks for the wonderful job he has done. I hope we can even convert him into a Floridian and get to see him in Florida many times.

Mr. RYAN of New York. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield.

Mr. RYAN of New York. Mr. Speaker, I should like to join in this tribute to Harry Kalich and wish him well. But let me remind him that, while he may visit Florida many times, his home is in New York. Harry Kalich has been a devoted and dedicated public servant whose engaging personality will be greatly missed by all of us in this body. As he leaves us after so many years of public service, I know we all wish Mrs. Kalich and him many years of future happiness.

Mr. BOLLING. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Missouri.

Mr. BOLLING. I should like to join my colleagues in this tribute to Harry Kalich. I wish him the very best in a long and pleasant retirement.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I join my colleagues in their statements about Harry Kalich, and wish him well in his retirement.

Mr. EVINS. Mr. Speaker, I am delighted to join with my colleagues in paying tribute to our genial friend, Harry W. Kalich, the efficient tally clerk of the House of Representatives.

We are all sorry to learn that he is retiring but can understand his reasons and desire for seeking retirement and some years of rest. He is one of the most courtly and most courteous officials of the House and is always most helpful. We shall all miss him—we shall miss his warm personality.

Until our friends had indicated that Harry was a native of New York, I had always referred to him as "Colonel" Kalich—a son of Tennessee. I consider him as an adopted Tennessean. He is indeed an all-American.

Mr. BURKE. Mr. Speaker, one of the first persons I met in the Capitol when I arrived as a freshman Congressman over 5 years ago was Harry Kalich, our very distinguished tally clerk. Harry Kalich is the kind of fellow that has in a very quiet way accomplished his work without fanfare and with great dignity. I can say that my high regard for him has grown steadily over this 5-year period and my friendship and feeling for him has steadily increased. On many occasions he made me aware of the many procedures in the House and he has been of great assistance to me in countless other areas.

Harry Kalich has served as tally clerk for 18 years. He came to Washington with a solid background in public office. He has held many positions of public trust over the years having served as deputy sheriff of Queens County, N.Y. for 3½ years, as secretary of former Congressman James A. Rowe of New York, deputy tax appraiser for the State of New York and also as Commissioner of Motor Vehicles of Queens County, N.Y. He has been a loyal, devoted, and dedicated public servant in every position of public trust he has held.

As tally clerk in this House he has given unstintingly of his time and we have been very fortunate to have a man of such fine qualities serving in this most important position.

It is a great privilege to know Harry Kalich. He has always been courteous and helpful to all the Members of Congress and their staffs.

His exceptional qualities of dignity, courtesy, and personality reflect what a wonderful person that he is. Harry Kalich never portrayed any other picture than one of a man who was content in his job and anxious to be helpful to all.

Of course in mentioning these few and inadequate words of praise for Harry Kalich I could not let the opportunity to pass without comment on his neatness of person. Harry Kalich always dressed with an excellent selection of clothing. His neckties, his vests, his very personal appearance reflected the habits of a person who was meticulous in his selection of garments. His neatness in clothing was also indicative of his neatness in his personal affairs. Yes, Harry Kalich had a certain perfection about him that prompted everyone who met him to admire his way of life.

Many times during the past 5 years I have enjoyed the company of Harry Kalich and his beautiful and lovely wife Ann May who of course came from Massachusetts. So you see Harry always used good judgment even in the selection of a bride. They are a wonderful couple and it is my fervent hope and prayer that they will enjoy each others company for many years to come.

I do not know what Harry's plans are for the future. I do know that if he and Mrs. Kalich decide to spend his retirement in Framingham, Mass., the former residence of Mrs. Kalich, the people of that area will welcome back Mrs. Kalich and will roll out the red carpet for Harry and receive him with open hearts. God bless him.

Mr. DONOHUE. Mr. Speaker, it is always painful and distressing to have to say—goodby, good luck—to anyone with whom we have been closely associated. When the occasion involves a long and dear friend it becomes a parting of immeasurable sadness and regret.

The most distinguished and efficient tally clerk of this House, Harry W. Kalich, was among the very first friends I made after entering the House. The courteous assistance and guidance Harry gave me, and so many other Members of the House through these passing years, about procedures in the Chamber here were of immense value and saved the expenditure of a great deal of unnecessary time and energy.

However, I believe that Harry has more truly endeared himself to all of us by the forceful impact of his sterling character and striking personality. Throughout the years he has been associated with us here he has well earned his acknowledged reputation for conducting and directing a most efficient and cooperative office. He has never failed to hold out a helping hand, not only to the Members of this House, but to all members of their staffs and House employees. Many are the Members here who have been prevented from making a procedural misstep through Harry's alert, thoughtful, and knowledgeable guidance. All of these vitally important gestures he has made without ever any pretense or overbearance, but with the utmost dignity and decorum. But beyond this, Harry Kalich has, I think, provided for all of us a model and example of the manner in which a man should project himself in daily life in this challenging world. In all the years I have known Harry neither I nor anyone of you have ever seen him when he was not pleasant, when he was not courteous, when he was not ready with his warm and encouraging smile, when his head was not confidently uplifted, when he was not ready to engage in gay repartee. As I am well aware, Harry has the cares and the concerns and the burdens of each of us and more of them than most of us. Nevertheless, his irrepressible good nature and his effervescent personality, impeccably attired, has shone forth upon us and brightened this Chamber's atmosphere each day that we have been assembled. It is not in this man to groan, or grump, or growl because I think he has truly found the secret of successful living. I think the secret may be contained in these few lines I believe reveal his philosophy of life:

> There is a destiny that makes us brothers,
> No one walks this way alone.
> All that we put into the lives of others
> Comes back into our own.

Mr. Speaker, I am indeed highly honored and very proud to call Harry W. Kalich my dear, personal friend and consider his friendship to have been one of the real blessings of my own life. If he gets back even the smallest portion of what he has given to others, in the days ahead, his philosophy will have been justified, and I think such will occur.

Since he has determined to leave, and none of us have been able to make him change his mind, we must attempt to resign ourselves to his leaving.

Mr. Speaker, as Harry W. Kalich, tally clerk of the U.S. House of Representatives, prepares to leave his post we join together in wishing for him, and his gracious charming wife, Ann—who incidentally is from my congressional district—continuing good health and good fortune through many more fruitful years. Harry, you will forever remain in our grateful hearts and you will be frequently in our remembering prayers. May God bless and keep and direct you and yours into a new and rewarding future.

Mr. PHILBIN. Mr. Speaker, I think it can well be said that every Member and associate of this House is understandably deeply regretful to see our truly beloved friend and valued helpmate, Mr. Harry W. Kalich, leave us and thus terminate his more than 18 years of outstanding, highly meritorious service to this great body.

We had hoped that Harry would remain with us and with the House for years to come. After all, his name is synonymous with the House and he seems indeed like some veritably immovable fixture in the heart of this great deliberative body, serving as an integral functioning part and as one of the real guiding, motivating spirits of one of our most important operational activities.

In that sense, certainly this Chamber will never be the same without him, and this would be true not only because we will sorely miss his tremendously valuable services to our membership, but because we will also greatly miss his incredibly lovable, generous, and inspiring personality.

Harry Kalich is one of the very rare individuals whose fine qualities are so numerous that they are extremely difficult to define or describe. It is almost impossible to articulate or adequately enumerate all the wonderful qualities that make Harry Kalich stand out so vividly in our minds and in our hearts as a man that everyone loves and respects.

The duties of tally clerk in the House of Representatives are of highest importance to the efficient functioning of the House itself. This high calling is indeed a most difficult and challenging task. It requires a wide spectrum of special qualifications that are as much innate as they are acquired.

The tally clerk must be exceptionally well equipped. Ordinarily, he must be possessed of highest character, sound education, training and experience, exceptionally specialized ability and a fast-moving agile mind. He must be capable of speedy observations and prompt decisions. He must possess a thorough knowledge of our membership and a capacity for working with other officials of the House.

More than that, he must be mentally alert, highly experienced in his calling and he must constantly demonstrate the meticulous grasp of the mass of detail demanded by the imperative need of efficient performance of his duties.

In addition, he must exemplify a genuine enthusiasm for his work, as well as those physical and mental endowments always required by extended periods of careful concentration, strictest accountability and persistent, painstaking attention to ofttimes incessant routines occasioned by the rules of the House.

He must have an unusual flair for accuracy and correctness and unflagging diligence.

Without men of such high qualifications handling the affairs of these particular activities of the House, required of our tally clerks, our business could well be stagnated and delayed, and our efficiency seriously impaired.

But Harry Kalich has admirably met all these exacting requirements of our rules. He has met them in superabundant measure. He has excelled even our highest standards. He has made here, during his tenure, a brilliant record of devoted, efficient, faithful service to this House that could never possibly be excelled. It will long stand among us, and in this body, as the highest inspiration and example for ourselves and, all those who serve us in this great legislative forum.

That Harry Kalich should have measured up as magnificently as he has, occasions no surprise for those of us who know his background and who have had the privilege and pleasure of his friendship.

Before he came here 18 years ago, this distinguished public servant had already carved a proud niche for himself in serving his fellow man. In every field in which he served he brought to bear the splendid qualifications and spirit of dedication which we have seen him display in this body.

Thus, the rich experience that he gained in other positions of trust and high responsibility, not only stood him in good stead in the House, but enabled him to serve us with a distinction born of keen awareness of his tasks, and rare understanding of how to discharge them with exceptional efficiency and ever-present dependability.

But Harry Kalich brought a great deal more to his duties than a zeal for perfectionism. In performing his work and in everything he undertook, to be sure, perfectionism was one of the most conspicuous traits of his many-sided personality. It was rooted in his very philosophy of life—a philosophy that always put first things first. It was soundly grounded in fundamental concepts that were inseparably associated with his entire being.

He came from a school that believed in the tenets of our American Government, our way of life, our culture, our basic ideals, and our resolve to preserve them at all costs. His zeal for sartorial perfection was but one side, yet for him an important side of the beliefs and practices which were followed so religiously by this buoyant, amiable spirit in our midst, and which placed upon him an inescapable impression of the man who does things thoroughly and well.

He was a man of deep loyalties and profound sympathies, instinctively desiring to give of himself with unselfishness and wholeheartedness to help and advance every good cause that he embraced and to make his life complete in the realm of service, tireless, effective work and immeasurable contributions to the House, his country, and his friends.

"Some men are born great, some men achieve greatness, while others have greatness thrust upon them." Harry Kalich fell into the first category. He was born into a family of rugged, devoted, patriotic people, and he grew up in an atmosphere where faith in his Maker and devotion to his country were expected of everyone. He was a born leader among men and throughout his life, as well as in this body, he exemplified this quality in innumerable ways.

He generously assisted the Members and his coworkers. He was ready with his counsel, willing with his assistance, devoted and loyal, in the best sense of these words, in fulfilling every measure or mission dictated by the canons of honor, honesty, and dedicated service and friendship that he learned in his family circle and which have always guided his actions.

One of our greatest poets quoted the meaning of friendship in inspiring words when he said: "When thou hast a friend and his adoption tried, grapple him to thy soul with hoops of steel."

This could well be said of Harry Kalich because he not only fully grasped the meaning of these words, but he lived them throughout his life, and one of the most inspiring, satisfying, and pleasurable experiences of my life has been to know Harry Kalich.

The House has been fortunate and we, who serve here, have been fortunate and blessed beyond measure, to have a man like Harry working with us. We are all the better for having known and worked with him, and those of us who were lucky enough to know and to enjoy his close friendship can appreciate best the scope of his devotion to the House and the charming, lovable qualities that so endeared him to us.

To be sure, it is very difficult to appraise with any sense of accuracy the virtues and contributions of this man. They are somehow not quite measurable. For the most part, these qualities are to be felt, rather than to be defined, but they leave a deep, everlasting impression of virtue, steadfastness, loyalty, courage, and amiability that can never be forgotten.

In recent years, Harry Kalich has not enjoyed particularly good health, and that is probably one of the reasons for his retirement at this time. He was never heard to complain about his indisposition. He accepted it as he accepted everything else in his lifetime with a supreme faith, with a sense of submission to the Divine Master and firm confidence in the future.

I am very proud to have known Harry Kalich. I am very thankful to him for his superlative contributions to this House and to our country. I heartily congratulate him upon his outstanding magnificent service, which we will long remember here.

Harry Kalich will always have a very warm place in our hearts and in our sentiments of deep appreciation. I especially cherish the valued friendship that I have enjoyed with him and with his beautiful, gracious, charming wife, a native of my own great State of Massachusetts, who has been such a tower of strength and assistance to him throughout the years.

Harry may be leaving the House, but he will always be with us in our thoughts, in our appreciation, in our hearts, in our gratitude, and in our affections.

Whenever I think of Harry, I think of the great poet, Goethe, who in his day wrote much of human virtue, loyalty, courage, and the sublime qualities that touch the human heart, and spark human achievement.

"Courage," said Goethe, "is the greatest quality of the human heart. Without it, thou wert better never born."

Courage is the badge of Harry Kalich.

May the good Lord for many years to come bring to him, his beloved wife, and all his dear ones, choicest blessings of good health, success, happiness, and peace.

May every joy and good fortune attend them always.

Mr. HALPERN. Mr. Speaker, the announcement of Harry Kalich's retirement as tally clerk of this House is felt, I am sure, by all the Members with mixed feelings. It is with regret that we will feel his absence from the front desk where his handsome, solid countenance seemed to be an expected part of the House of Representatives. And, it is with joyous heart that we know Harry will soon be relaxing and spending the many years ahead with his beloved Anne in total enjoyment of comfort, happiness, and good health.

I will truly miss seeing Harry in these environs. But, I am going to welcome him back to his beloved Queens where we have enjoyed being neighbors for so many years. As a matter of fact, while I was cutting my political teeth, Harry was one of the stalwart community and political personalities of our borough. We are of different political faiths, Mr. Speaker, but we are dear friends and have always respected each other's opinions and the sincerity of our convictions.

Harry's entire life has been dedicated to politics and to public service. And he has been a credit to both. Harry has always adhered to the philosophy that good politics is good government and he has personally exemplified this philosophy.

In this House I am certain every Member admires him for his faithful, capable, and sensitive work in recording the votes of hundreds of Members, day after day, year after year, for 18 devoted years. And the greatest tribute to the man—and I have known him for 35 years—is that I have never heard anyone say anything but nice things about him. What greater accomplishment can one gain in life?

Mr. Speaker, if ever a man has earned happy retirement years, it is Harry Kalich. After these many years of service to his city, State, and Nation, Harry can now reflect with pride on a life well spent. And all of us who know him can feel enriched in having his friendship.

Although Harry will not be here to answer the roll after February 29, we know that he is recorded in our hearts as being present, always.

Mr. BROOKS. Mr. Speaker, Harry W. Kalich, chief talley clerk of the House, is retiring at the end of February after almost 18 years of service with us. After an earlier career in government in New York he first came to Washington to serve as secretary to Congressman James A. Roe and subsequently assumed the duties in the House of Representatives which he has performed so ably.

Harry Kalich has been a devoted public servant, performing an essential function which requires accurate, careful, and meticulous work. Now, on the basis of doctor's orders, he is compelled to accept much-deserved retirement.

Mr. Speaker, in view of his fine service to you and to Members as a whole, I believe it altogether fitting that coupled with our expressions of regret at his retirement, we wish him every success, happiness, and a return to good health. We are extremely grateful to him for his devoted and distinguished service over these many years.

Mr. TRIMBLE. Mr. Speaker, Harry Kalich is a wonderful friend to all of us. I shall cherish his friendship as long as I live. He is a devoted public servant; an ideal public servant, and I would like to join all my colleagues in saying to Harry and his family we wish for them the best that life affords and may he enjoy his well-earned retirement for many, many years.

Mr. RODINO. Mr. Speaker, it is indeed a real pleasure for me to join in tribute to Harry Kalich. Not only has he been a very good friend for these many years, but he has been an invaluable and dedicated public servant, and a genuine asset to this House and to the country.

Harry's life has been one of service, and his personal qualities and professional competence have earned him the sincere admiration and affection of all of us who have known and worked with him. I am sure that he must feel a deep sense of gratitude knowing that he leaves us with a job well done, and I wish him and his charming wife all the happy years ahead that they so richly deserve.

Mr. DELANEY. Mr. Speaker, it is a pleasure and a privilege to join with my colleagues in paying tribute to Harry Kalich, a neighbor of mine in Queens County, N.Y.

We in the community recognize him as an outstanding leader in all fields beneficial to the community in which he resides, and we wholeheartedly approve his unselfish efforts as a leader and moving spirit in these activities.

Prior to coming to Washington, Harry served with distinction in the office of the Sheriff of Queens County, as deputy tax appraiser in the State tax department, and as commissioner of motor vehicles for Queens County.

Harry came to Washington in 1945 and took over the job as tally clerk of the House of Representatives, where he has earned the respect of all Members. During this time we have found him able, courteous, most cooperative, and friendly, and we appreciate the dignified manner in which he conducted the office of tally clerk.

Certainly, he has earned his retirement, and my hope is that he and Mrs. Kalich will enjoy many years of leisure and happiness.

Mr. ZABLOCKI. Mr. Speaker, I am pleased to join with my colleagues in extending best wishes to Harry W. Kalich who will retire from his duties as tally clerk at the end of the month.

The accolades which have thus far been showered on him are richly deserved. For Harry has served the House of Representatives long and well in a position of recognized responsibility.

For myself, I miss him. Our association through the years has been a most pleasant one; and, for me, his announced retirement came as a surprise. Harry's youthful appearance would make it seem that such an event would be years in the future.

But, nonetheless, this retirement is well deserved. Harry can, indeed, look back on years of accomplishment and good deeds.

My wife and I join in wishing Harry and his wife all the best things in the golden years to come. May God's choicest blessings come to you and yours.

Mr. ROSENTHAL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD regarding Harry Kalich.

The **SPEAKER.** Without objection, it is so ordered.

There was no objection.

CASTRO IS A PASSENGER IN EVERY TRIUMPH CAR

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, everyone is aware of the fact that a British company, Leyland Motors, is engaged in an $11 million contract to provide 400 buses for Communist Cuba. I feel, however, that there are other facts concerning Leyland Motors of which every American should be aware.

Leyland Motors has a subsidiary company, Standard Triumph, which is engaged in the manufacture of sports cars, commonly known as Triumphs. Great numbers of these automobiles are shipped and sold within the United States. In the last 4 years, Standard Triumph, according to the Department of Commerce, has sold over 63,000 autos in the United States. The last complete full year figures are from 1962 and they reveal some 15,781 cars were sold, which at $2,500 per car, would amount to over $39 million in total sales.

Great Britain and other "allies" of this country see fit to carry on trade with Cuba. Yesterday the State Department announced that it was cutting off aid to those countries. However, we can do more. Keeping in line with a policy suggested by Secretary of State Dean Rusk, American consumers can boycott those goods manufactured by companies shipping to Cuba which are sold here in the United States.

A perfect example of this is Standard Triumph. While Leyland Motors sees fit to trade in complete disregard of American policy, it nevertheless keeps its hand in the pocket of the American economy. American consumers, by refraining from purchasing Triumph automobiles, can help bring that hand out empty. Castro is truly a passenger in every Triumph car.

HALTING TRADE WITH COMMUNIST CUBA

Mr. FUQUA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FUQUA. Mr. Speaker, the threat which Communist Cuba poses to this hemisphere and to the free world cannot be minimized. As has been pointed out countless times in this Chamber, from this base communism is being exported into every nook and cranny of South and Central America. It is no idle threat and must be met with bold action.

I commend the action of the President with the announcement that foreign aid is being cut off to several of those nations that are continuing to trade with Communist Cuba.

Trade with Communist Cuba by buying their products and selling to them, can only strengthen the hand of Castro and is a shortsighted policy on the part of our allies. They have deluded themselves into believing that communism can be lived with—while at the same time this insidious doctrine and its perpetrators seek violent overthrow of each of the democratic governments of the world.

I believe the action of the President to be a bold one and in line with the expressed will of the Congress. Aid to several other nations is being studied and I trust that bold action will be taken with regard to them.

To continue to subsidize nations that trade with Communist Cuba is to be a part in financing the continued existence of Dictator Castro over the enslaved people of Cuba, and what is more horrible and terrifying, to allow these Communist masters to continue to train and send out agents whose sole purpose is to plot the violent overthrow of every government now not under the heels of the Communist menace.

I commend President Johnson for his action. I urge that all aid to nations trading with Communist Cuba be halted immediately. We cannot afford to do less.

This Nation cannot afford to both subsidize trade with Cuba and at the same time decry such trading. It would make a farce out of our foreign policy.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. CHARLES H. WILSON. Mr. Speaker, I ask unanimous consent that the Subcommittee on Census and Government Statistics of the Committee on Post Office and Civil Service be permitted to sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

SUBCOMMITTEE ON FINANCE AND COMMERCE OF COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Finance and Commerce of the Committee on Interstate and Foreign Commerce be allowed to sit this afternoon during general debate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CONGRESSIONAL APPORTIONMENT

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HUTCHINSON. Mr. Speaker, the Supreme Court's decision in the congressional apportionment case last Monday sows further seeds of mischief in our Federal system. The majority of the Court now abrogates to the judicial branch the power to determine how a coordinate branch of government—the Congress—shall be composed.

Mr. Speaker, the Court has departed from its constitutional role as arbiter of legal rights and has involved itself in political questions.

The Members of Congress and of each State legislature are sworn to uphold the Constitution too, and the organization of government is a legislative, not a judicial function. We face the task, Mr. Speaker, of somehow redefining the judicial power of the United States, and we should be about it, if the other coordinate branches of government are not to be swallowed up and made subservient to an all-powerful judiciary.

REDUCING INDIVIDUAL AND CORPORATE INCOME TAXES

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight, Monday, February 24, to file a conference report on the bill, H.R. 8363.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CHANGE IN LEGISLATIVE PROGRAM

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time merely to advise the Members of the House that H.R. 9022, a bill to amend the International Development Association Act, will not come up this afternoon as previously announced but will be programed for next week.

AUTHORIZING APPROPRIATIONS FOR PROCUREMENT OF VESSELS

Mr. YOUNG. Mr. Speaker, on behalf of the gentleman from Mississippi [Mr. Colmer], and by direction of the Committee on Rules, I call up House Resolution 623 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9640) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. HOEVEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 36]

Adair
Ashley
Ashmore
Avery
Bass
Battin
Berry
Bolton, Frances P.
Bolton, Oliver P.
Broomfield
Brown, Calif.
Brown, Ohio
Bruce
Buckley
Burkhalter
Burleson
Casey
Cederberg
Celler
Cohelan
Collier
Colmer
Corman
Cramer
Davis, Tenn.
Diggs
Dowdy
Dulski
Edmondson
Elliott
Finnegan
Flynt
Forrester
Goodell
Green, Oreg.
Gubser
Hanna
Harvey, Ind.
Hoffman
Jones, Ala.
Kee
Kelly
Kluczynski
Kornegay
Leggett
Lesinski
Lindsay
Lloyd
McDowell
McLoskey
Macdonald
Mailliard
Martin, Mass.
Meader
Miller, Calif.
Miller, N.Y.
Montoya
O'Brien, Ill.
O'Konski
Powell
Price
Rains
Rhodes, Ariz.
Riehlman
Roberts, Ala.
Roberts, Tex.
Roosevelt
Rostenkowski
Roybal
St. Onge
Sheppard
Short
Smith, Calif.
Tupper
Udall
Weaver
Westland
Williams
Willis
Younger

The SPEAKER. On this rollcall, 348 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AUTHORIZING APPROPRIATIONS FOR PROCUREMENT OF VESSELS AND AIRCRAFT AND CONSTRUCTION OF SHORE AND OFFSHORE ESTABLISHMENTS FOR THE COAST GUARD

The SPEAKER. The gentleman from Texas [Mr. Young] is recognized for 1 hour.

Mr. YOUNG. Mr. Speaker, I yield 30 minutes to the gentlewoman from New York [Mrs. St. George], pending which I yield myself such time as I may require.

Mr. Speaker, the resolution, House Resolution 623, provides for the consideration of the bill, H.R. 9640, which authorizes appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

The resolution provides for an open rule with 2 hours of general debate.

Mr. Speaker, the Coast Guard vital mission facilities have become generally inadequate. There is no branch of the services of the United States that has contributed more to the security of this country in war and in peace than the Coast Guard.

The Coast Guard in recent years has had an inordinate number of additional responsibilities and duties placed upon it. In connection with these responsibilities and duties, of course, it has taken unto itself many additional activities. Some of these have been the recent expansion of its work to cover the Federal Boating Act of 1958, the growth of the Russian fishing fleet in Atlantic waters, the incursion of the Japanese fishing fleet in Alaskan waters, the Cuban crisis and the constant patrol in southern Florida waters caused thereby.

In addition to these matters is the practice of Russian fishing trawlers in their passage from Cuba to North Atlantic waters of trespassing in the territorial waters of the United States.

The Coast Guard equipment has been in constant usage and, as a result of this constant usage, the Coast Guard has become handicapped and imperiled by inadequate, obsolete, and wornout equipment. This authorization bill is but a bare minimum, Mr. Speaker, but it is a start toward the extensive and necessary replacement of outmoded, antiquated equipment and facilities. This bill authorizes expenditures of $93,299,000. The bill makes no change in existing law.

Mr. Speaker, I know of no opposition to the rule, and I urge the adoption of House Resolution 623.

Mr. Speaker, I reserve the balance of my time.

Mrs. ST. GEORGE. Mr. Speaker, this resolution makes in order the consideration of H.R. 9640, with 2 hours of general debate. The purpose of the bill is to provide authorization for the procurement of vessels, aircraft, and the construction of shore and offshore establishments for the U.S. Coast Guard for the fiscal year 1965. The bill as approved by the committee authorizes a total of $93,299,000. It has been noted by the committee, and they so state in their report, that in general the committee is concerned with the generally inadequate facilities, both ashore and afloat, with which the Coast Guard must perform its vital missions.

Mr. Speaker, I think this is a generally conceded fact. It has often seemed to me that the Coast Guard was the stepchild among the services. I know for a fact that the installations at New London certainly need a great deal of attention at this time, notably the fieldhouse, which has also been considered in this legislation and has been approved.

I think it can be well said that the Coast Guard has always given a dollar's worth for every dollar that has ever been spent on it. For this reason there is no objection to the rule, and I trust that the bill will pass.

Mr. Speaker, I yield back the balance of my time.

Mr. YOUNG. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

IN COMMITTEE OF THE WHOLE

Mr. BONNER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9640) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9640) with Mr. Evins in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. BONNER. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this bill would authorize appropriations for the procurement of vessels and aircraft, and the construction of shore and offshore establishments for the U.S. Coast Guard for fiscal year 1965.

On page 2 of the committee report the estimated cost of the various items in the bill are tabulated under the three major headings of the capital items involved: vessels, aircraft, and construction. They are all essential items which collectively represent but a small first step in a long-range program to rehabilitate and modernize the equipment and facilities of this vital agency.

General enabling authority under existing law will continue to cover such matters as repair of existing equipment and facilities, personnel, and the other usual housekeeping and maintenance items of a Federal agency.

This is the first annual authorization bill of its kind for the Coast Guard.

Prior to World War II, when the Coast Guard was considerably smaller and its responsibilities were far less than at present, the general procedure was to request, from time to time, authorization from the cognizant legislative committee for the procurement of individual capital units. This procedure continued up until 1949 when title 14 of the United States Code, relating to the Coast Guard, was codified. The codification granted blanket enabling authority to the Secretary of the Treasury, thus obviating the necessity for specific authorization requests to be considered by the legislative committee prior to appropriation action.

In recent years the Committee on Merchant Marine and Fisheries has become greatly concerned over the woeful and deteriorating condition of the Coast Guard's equipment and facilities. We found, moreover, that we were losing touch with important needs and developments of the agency due to our lack of continuing authorization responsibility. Thus it was that last year this lack was remedied by the enactment of legislation—Public Law 88-45—which provided:

> That after fiscal year 1964, funds may not be appropriated to or for the use of the Coast Guard for the construction of shore or offshore establishments, or for the procurement of vessels or aircraft, unless the appropriation of such funds has been authorized by legislation enacted after December 31, 1963.

That act, modeled after the authorization procedure for comparable procurement and construction for the Department of Defense, was reported only after thorough hearings as to needs and with the full cooperation of high-level Treasury and Coast Guard officials.

The bill was reported unanimously by the committee.

Over the years, the responsibility of the Coast Guard has increased to a large extent, either because of the delegation of new functions through legislation or the expansion of activities. In the category of new responsibilities is the Federal Boating Act of 1958, which placed upon the Coast Guard new powers and responsibilities with reference to recreational boating and greatly extended its geographical range, through virtually every State in the United States.

At the same time, its activities in the field of existing responsibilities has increased through the vast multiplication of navigational aids and developments in electronics.

At present, the Coast Guard is active in 49 of the 50 States of the United States, Wyoming being the sole exception. Its stations range almost literally over the entire world.

Its combination of functions is unique among the nations of the world, and I feel that we can view its accomplishments with justified pride. Unfortunately, however, over the years we have tended to take too much for granted and have failed to furnish it with the necessary modern tools to perform its many functions. Thus, for example, its fleet of 36 high-endurance cutters, which are vital for iceberg patrol, weather ship and long-range rescue activities, is obsolete.

Mr. Chairman, but for the splendid and great interest of the gentleman from Virginia [Mr. Gary], chairman of the Appropriations Subcommittee on the Coast Guard, this Service would be in a more deplorable situation.

The newest vessels in the group of the important high-endurance cutters are war-built converted Navy seaplane tenders which were never designed to sustain the constant buffeting of North Atlantic and subarctic storms.

Its fleet of medium-endurance cutters, which constitute the backbone of law enforcement and medium-range patrol activities, consists of a hybrid group of vessels which demand constant excessive maintenance.

The dedicated officers and men of the service not only are operating with inadequate tools, but are compelled to live under conditions that are substandard by any reasonable test. Thus, for example, on Annette Island in Alaska, men and their families are living in war-built quonset huts.

The Coast Guard helicopters, which are performing an increasingly important function in search and rescue duties, are outmoded, and where the Navy places the life of a helicopter at 8 years, the Coast Guard is still operating some that are 12 years old.

The present bill represents a considerable increase in the amount sought by the Coast Guard for capital items and it is my view, and that of the Merchant Marine Committee, that it errs on the side of inadequacy. The amount sought by the Treasury for capital items was $71,800,000, the items of which are shown in the committee report on the bill.

In the course of its consideration of the bill, the committee came to the conclusion that it was imperative to replace not one, but two, of the high-endurance cutters, and to procure not six, but eight of the medium-endurance, a total increase in the requested authorization of $21,500,000.

This represents an increase in the authorization as submitted by the Treasury from $71,800,000 to $93,500,000.

The committee is convinced of the need for all items covered by this bill as it is reported to the House with amendments.

Mr. Chairman, from time to time it has been brought home to me that some Members of this House do not know of the scope of the Coast Guard's activities which provide valuable services to the life of this country in almost every State. The public at large does not appreciate the many varied and important functions of this agency in its peacetime roles and missions as a part of the Treasury Department, though its record as a military service with the Navy during World II has received much more public attention.

Mr. Chairman, I would like to call the attention of the Members of the House to some of the services that the Coast Guard renders. I point out one of the worst flood disasters that occurred in 1959 when after 3 days of torrential rains the Naugatuck and Housatonic Rivers in Connecticut spilled over five State areas, bringing havoc in its wake. Most seriously damaged by the disaster was Connecticut, including Stamford and other towns. Other States affected were New York, New Jersey, Pennsylvania, Rhode Island, and Massachusetts.

For days a large contingent of Coast Guard personnel worked tirelessly to save the sick, to serve the old, and the women and children, anyone in need of help. Without a doubt they saved many lives.

One might reflect on the floods in the Mississippi Valley where the Coast Guard has had to take its equipment and personnel from the Atlantic Coast, away from the required services that were needed in the coastal and other areas of their regular assignment, to go into the interior of the Mississippi Valley and render life-saving services and other necessary functions that they are required to do throughout the country. Their missions are voluminous.

Mr. Chairman, I ask unanimous consent to insert at this point in the RECORD a memorandum touching upon a few additional examples of the beneficial work of the Coast Guard in recent years:

EXAMPLES OF COAST GUARD ACTIVITIES

Last week the Nation's newspapers headlined the dramatic rescue by a Coast Guard patrol boat of 11 passengers from the Yacht *Hattie D*, sinking rapidly off Cape Mendocino, Calif. Working against time, the Coast Guard managed to get the passengers off just before the yacht went under. Later, a Coast Guard helicopter brought the passengers to shore.

Several months earlier, in the fall of 1963, the world was electrified by the Coast Guard's almost miraculous rescue of a German seaman who had fallen overboard in the middle of the Atlantic. The Coast Guard cutter *Absecon* was alerted and it sped to the rescue. Through the application of time-tested search techniques and good judgment, the *Absecon* saved the German sailor against odds of a billion to one.

This is the Coast Guard at work in search and rescue on and over the high seas, an area in which it has won worldwide acclaim. In the past year, the Coast Guard saved 1,900 persons and answered 37,330 calls for assistance, involving a total property value of nearly $1 billion, more than three times the Coast Guard's budget for the entire year. That's a pretty good return for the U.S. taxpayer on his dollar by this small service of approximately 31,500 officers and men.

But search and rescue is only one of many services rendered by the Coast Guard to Americans. As the chief U.S. agency for maritime safety and marine law enforcement, the Coast Guard has its work cut out for it. There is, for example, its extensive merchant marine safety program aimed at making the U.S. merchant fleet the best and safest in the world. Coast Guard inspectors resident in shipyards see to it that safety is built into every American vessel, emphasizing fire protection. Their concern extends from the blueprint stage, through the operating life of the vessel, to its final scrapping. That's why no fatal fire has occurred on any American-built passenger ship in more than a generation. It is also the reason that passengers on American-built ships rest a little easier.

In the rapidly growing field of recreational boating, Coast Guard boarding teams crisscross the States, making safety checks on the vast armada of recreational craft. Greatly facilitating the Coast Guard's work is the Coast Guard Auxiliary, a nonmilitary, voluntary organization operating throughout the Nation. Its flotillas can be found in such widely separated places as Coeur d'Alene, Idaho; Yuma, Ariz.; Salt Lake City, Utah; Anchorage, Alaska; Dayton, Tenn.; and Stillwater, Minn.

Already the Coast Guard has assisted 45 States in setting up boating safety authorities. Work is now going forward to establish similar agencies in New Hampshire, Tennessee, Washington, Alaska, Puerto Rico, Guam, and the District of Columbia.

With the approach of spring the Coast Guard is preparing for its relief work in areas annually endangered by floods. Together with other agencies, principally the U.S. Corps of Engineers and the American Red Cross, the Coast Guard goes about its humane task of alleviating suffering caused by this recurring phenomenon.

With increased use of America's waterways for the transportation of dangerous cargoes, the Coast Guard has intensified its efforts in this direction. Working closely with the Army's Corps of Engineers, and the Office of Emergency Planning, it helped to prevent disaster in the case of a barge heavily loaded with deadly chlorine gas tanks which sank in the Mississippi. More recently, the Coast Guard played an important part in preventing the ignition of a barge in the Chicago River, carrying highly flammable toluene. These are the disasters that didn't happen because of Coast Guard alertness and they can't be estimated in dollars.

Coast Guard icebreakers on the Great Lakes and on the major inland arteries of commerce, help keep shipping lanes open to industry most of the year. Without this vital service, commerce would be seriously impaired.

Few Americans know of the vast network of more than 42,000 navigation aids maintained by the Coast Guard in all the navigable waters of the United States. No one can estimate just how many accidents were averted because of these aids. In line with President Johnson's economy efforts, the Coast Guard is doing its best to modernize its aids system to provide better service at lower cost.

The Coast Guard's helping hand is extended not only to those in peril on the sea but also to victims of natural disasters such as floods. Mostly these occur in spring as rivers swollen with rain overflow their banks and sweep everything before them. The destructiveness of a river gone berserk is hard to imagine. When that happens the Coast Guard is there to bring a measure of comfort to persons who have seen all their possessions carried away by the raging torrent.

One of the worst flood disasters occurred in October 1955 when, after 3 days of torrential rain, the Naugatuck and Housatonic Rivers in Connecticut spilled across a five State area, bringing havoc in their wake. Most seriously damaged by the disaster was Connecticut, especially the cities of Stamford, Croton, and Farmington. Other States affected were New York, New Jersey, Pennsylvania, Rhode Island, and Massachusetts. For days a large contingent of Coast Guard personnel worked tirelessly to save the sick, the old, women and children, and anyone in need of help. Pressed into service was an armada of Coast Guard helicopters, amphibious vehicles, and small boats.

When the toll of the storm was finally reckoned, there were 42 dead, and 30,000 who had been made homeless. Without the all-out effort of the Coast Guard, the toll would undoubtedly have been much greater.

In June 1957, a flash flood smashed into the small community of Valley Park, about 15 miles south of St. Louis, Mo., forcing hundreds of residents to leave their homes and other possessions in areas flooded by the Merrimac River. The flood resulted from a thunderstorm which struck at 7 p.m., Friday, June 14, and continued for 11 hours.

To meet the emergency, the Coast Guard pressed into service every coastguardsman in the vicinity of St. Louis. Because powerlines had been broken, a Coast Guard communications truck kept radio contact throughout flood operations.

Inside the Valley Park High School, Red Cross officials set up an emergency food service for both the rescued and the rescuers. Hundreds of elderly men and women were evacuated from the flood area by Coast Guard boats.

In the summer of 1951, exceptionally heavy rains turned the upper reaches of several midwestern rivers into raging torrents. Sweeping through Kansas, Oklahoma, Missouri, and parts of Illinois, the floodwaters did an estimated $1 billion in damage.

A prelude of what was to follow came when the Kaw (Kans.) River, a relatively small stream, was swollen by heavy rainfall, amounting to 7 inches an hour. Suddenly, swift waters of the Kaw, rising several feet an hour, smashed into North Topeka, destroying hundreds of fine homes and an extensive business district. As the waters backed into the eastern parts of the city, a call went out for Coast Guard men and equipment.

Within 3 hours, Coast Guard forces from the St. Louis area were at work. Throughout the night of July 12 and all through the next day they ran their boats continuously. They used M–2's, punts bracketed together in tandem, and powered by 22-horsepower outboard motors.

But it was in Kansas City that the Coast Guard did its most outstanding work. A total of 157 persons was rescued from positions of definite peril, and vast amounts of livestock and perishable foods were transported to safer ground or to places of need.

One of the most unusual tasks carried out by the Coast Guard was the evacuation of currency by the boatload from Kansas City. Coast Guard crews, accompanied by bank officials, removed several hundred thousand dollars from the Exchange National Bank in Kansas City.

Finally, the Kaw River, after cutting a swath of destruction through the industrial section of Kansas City, poured its silt-laden waters into the already swollen Missouri River.

Coast Guard men and equipment had already been dispatched to fight high waters at Alton, Ill., and at St. Charles, Mo. For 2 or 3 weeks, this new crest of the Missouri headed downstream. More men, boats, and radio

> gear were moved into these two areas and a new unit was set up at Creve Coeur, Mo.
>
> The muddy "Mo" was a formidable foe as it smashed through levee after levee with new-found power. Once again Coast Guard crews worked on a round-the-clock basis. They evacuated hundreds of persons along with the stock and personal possessions.
>
> The situation eased a little as the floodwaters reached the Mississippi after setting the highest crest records in 104 years. Although the Mississippi was relatively low when the high waters of the Missouri came in, more than $4 million in damage was caused along the industrial river front in St. Louis. As the flood receded, there was the heartbreaking job of cleaning up the remains of the disaster. Altogether, this was one of the most disastrous floods in our history.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding. Do I understand that this bill is $21.5 million above the budget figure?

Mr. BONNER. That is an interesting item. The Coast Guard has been most economical and conservative in their requests of the Treasury. The Coast Guard requested of the Treasury the exact item of this total bill. The Treasury went over these thoroughly and approved the request of the Coast Guard. The matter then went to the Bureau of the Budget. The Bureau of the Budget cut this amount.

There is no doubt whatsoever that these three vessels at this increased amount will provide a seriously needed requirement in order to carry out the functions that are necessary for the Coast Guard.

Mr. GROSS. I am not arguing with the gentleman as to the necessity for these three additional vessels. What concerns me is this: If I vote for this bill, am I going to be accused by the allegedly economically minded President of the United States with being a party to having exceeded his budget; in other words, will he put the responsibility on the Congress for having exceeded his budget figures? Incidentally, it is my opinion he has given us a budget figure that I think involves a lot of gimmickry.

Mr. BONNER. I do not think there could be any criticism whatsoever of the gentleman or anyone else who would read the report on this bill, which came out of the committee unanimously, and the hearings that justify the absolute need for the amount here. In fact, the amount ought to be more than it is. I do not know about the appropriations for other agencies, but I do know that this one has been woefully neglected.

Mr. GROSS. I am not quarreling with the views of the gentleman, I just want to know what position I am going to be in if I vote for this bill, that is $21,500,000 above the budget. I do not want the President pointing his finger at me and saying, "You voted to exceed my budget." I wish I could have some assurance before the afternoon is over that this is not going to happen to the gentleman from Iowa. I agree with the gentleman that the Coast Guard performs a very meritorious service and deserves modern equipment and facilities.

Mr. BONNER. Of course I cannot speak for the President, but knowing him as I do I do not believe, in this instance, he could with conscience point out any excessive, wasteful spending.

Mr. GROSS. I hope he has a conscience, and I am sure he does, but I still do not have an answer to my question. I hope someone will elucidate further before the afternoon is over.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. ROGERS of Florida. In response to the gentleman from Iowa, I think all the committee members were concerned with this when we went into this matter. But, after reading the hearings, I think the Congress must assert itself in the defense of this country. This authorization for the Coast Guard ties directly into the defense of the country. I am hopeful, as I am sure the gentleman is, that we can cut expenses in other areas. I am sure his own committee on Foreign Affairs is one area where he is going to be doing good work, and I would certainly support him.

As to this $21,500,000, as the chairman says, we have neglected the Coast Guard year after year. Here is an opportunity to do a little something. We can cut in other areas. In that, I agree with the gentleman.

Mr. TOLLEFSON. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield to the distinguished ranking Member from the State of Washington [Mr. TOLLEFSON], of whom I am really fond and in whom I have the greatest confidence.

Mr. TOLLEFSON. There is a mutuality of feeling there.

I think the record should be corrected a little bit. I understood the gentleman from North Carolina to say that the original request from the Coast Guard was the same as contained in this bill. As I recall, the original request was greater than this. The original request for capital expenditure was something like $112 million. The Bureau of the Budget requested the Coast Guard to cut that figure by $40 million. We now have restored $21,500,000.

Mr. BONNER. The gentleman is absolutely correct. I am glad the gentleman corrected me. This restores 50 percent of the budget cut.

Mr. AUCHINCLOSS. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield to the distinguished gentleman from New Jersey.

Mr. AUCHINCLOSS. I agree with what the gentleman has said about the Coast Guard. I have had occasion along the New Jersey coastline to see it in operation. It is most efficient and it is most worthy of every consideration. However, I think that the Coast Guard errs on the side of economy. What the gentleman said about the Coast Guard economy is perfectly true. But down in the district that I represent in New Jersey we have quite a structure of Coast Guard installations.

The Coast Guard has come up with a proposition to close three of their stations along their coastline. If they close one station that I have in mind, it would leave a gap of 100 miles between two stations. In my opinion, that is unconscionable. I have seen that area devastated by tornadoes when upwards of 20 and 30 houses have been just blown and washed out to sea and if the Coast Guard had not been there, it would have involved a terrible loss of life.

Mr. BONNER. I agree with the gentleman. I, too, have had 10 or 12 Coast Guard stations closed in my congressional district But at the present time we have more sympathy and more cooperation with respect to the Coast Guard and the Treasury Department than we have had in many years because the gentleman from Washington [Mr. TOLLEFSON] and I some years ago went to see the Secretary of the Treasury and pointed out to him the deplorable condition of the Coast Guard with reference to the shortage of manpower and the lack of tools to carry out the responsibilities and the assignments that this House and this Congress has placed upon the Coast Guard. I hope we can look into the matter that the gentleman has pointed out and see if we cannot make some correction about it.

Mr. AUCHINCLOSS. I thank the gentleman.

Mr. DUNCAN. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield to the gentleman.

Mr. DUNCAN. I think the presentation made by the chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. BONNER] is an excellent one. I concur with most of what the gentleman from New Jersey has said. I am not critical of the Coast Guard for spending the money they have in an economical fashion. I am critical of the Congress for not giving them a sufficient amount of money to adequately perform their work.

I happen to represent the southwestern part of the State of Oregon which includes a long stretch of the Pacific Ocean coastline. I have visited a number of the Coast Guard stations and I know that they are operated on an economical basis, and I want them to continue to do so. But I have had the same complaint that the gentleman from New Jersey has just mentioned. There are vast stretches of coastal areas still unprotected, and it makes no more sense to me than it would to put a fire department in every other town or in every third town. I do not think anyone can argue that the loss of one single life or one single vessel does not cost more both in treasure and human suffering than the small amount of money that the Coast Guard spends in maintaining these facilities. As I say, I have had the same experience as the gentleman from New Jersey has pointed out.

Recently, we reactivated the Coast Guard station at Bandon at the mouth of the Coquille River. That station is badly needed there. But in order to activate that station, they had to close the station at Port Orford leaving a big stretch of coastline unprotected.

I want to assure the gentleman of my support and I think the support of the entire delegation from the State of Oregon to provide such additional authorizations and appropriations as are necessary to bring the Coast Guard up to the point where it can do its job and do it well.

Mr. BONNER. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think this is an appropriate time to pay tribute to the chairman of our full committee, the gentleman from North Carolina [Mr. BONNER]. It has been my privilege to serve with him ever since I first came to the Congress back in January of 1947. Throughout all of the years since that time I have known no man in this Congress who has been more concerned and interested in the welfare of the Coast Guard than the gentleman from North Carolina has been. Time and again he has expressed his concern about the deterioration of the facilities and equipment of the Coast Guard. He has invited members of our committee to visit many of the installations to see the facilities at first hand so that we could understand, as he understands, that the Coast Guard facilities were in fact deteriorating.

Mr. Chairman, I take this opportunity to commend the gentleman most highly for his work in behalf of this wonderful department, the Coast Guard.

Mr. Chairman, I think the legislation we have before us today is a result of the gentleman's interest and activity.

I want also to commend the members of the Coast Guard Subcommittee, the gentleman from Maryland [Mr. GARMATZ], who is chairman of the subcommittee, the gentleman from North Carolina [Mr. LENNON], the gentleman from Florida [Mr. ROGERS], the gentleman from New Jersey [Mr. GLENN], and the gentleman from Maryland [Mr. MORTON]. They have all worked hard on this legislation.

For the information of the committee, may I say that this is the first legislative authority for appropriations for the Coast Guard that has come before the House for some 15 or 16 years.

In a law revision back in 1948–49—and I have forgotten the exact year—for some reason or other somebody overlooked the Coast Guard. From that time to this there has been no need for legislative authorization such as is required of the other departments of defense. The Army, the Navy, and the Air Force, as you know, require authorization legislation which emanates from the Committee on Armed Services. As a matter of fact, we will have such a legislative authorization to come before us tomorrow from the Committee on Armed Services. This is the first time the House will have considered legislative authority for appropriations on the part of the Coast Guard since 1949. This comes about as a result of legislation introduced by our chairman a year or so ago. Now for the first time in 15 years we are presenting legislative requests and authority, and I think this bodes well for the Coast Guard.

Heretofore the House itself has not had sufficient information about the requirements of the Coast Guard really to appropriate funds intelligently. The Coast Guard over the years since I have been a member of the Committee on Merchant Marine and Fisheries, I have always felt, was far too modest in its requests. I do not want to blame anybody down there or to criticize anybody, but I have said in our committee sessions on more than one occasion that I felt the Coast Guard was not sufficiently aggressive in its own interests. That picture seems to have changed now. I think it is as a result of a realization on the part of people in the Coast Guard, of course, principally, but also on the part of people in the Treasury Department. The Secretary of the Treasury himself has become concerned over the state of affairs so far as equipment and facilities are concerned in the Coast Guard.

I think the chairman of the committee and succeeding speakers will tell you about the equipment needs and the facility needs of the Coast Guard, so I will not need to go into it now except to say, as I indicated earlier, many members of the committee have seen at first hand the need for replacement not only of shoreside facilities but of the vessels which the Coast Guard operates. Normally the life expectancy of a vessel is 25 years. We used to hold to the figure of 20 years for many, many years, but a short time ago, several years ago, by legislative action for the first time so far as the merchant marine is concerned, we raised the life expectancy to 25 years. Most of the vessels in the Coast Guard by that standard are obsolete right now and should be replaced. The Coast Guard has a program of replacement which will run over a period of years, and it is hoped that by 1975 or perhaps even by 1970 the whole Coast Guard fleet will have been replaced.

Mr. VAN PELT. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Wisconsin.

Mr. VAN PELT. Mr. Chairman, I rise in support of this legislation and I want to associate myself with the remarks of the gentleman from Washington [Mr. TOLLEFSON], and the remarks of our chairman, the gentleman from North Carolina [Mr. BONNER].

Mr. KNOX. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Michigan.

Mr. KNOX. Mr. Chairman, I should also like to associate myself with the remarks of the chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. BONNER], and also with my good friend the gentleman from the State of Washington [Mr. TOLLEFSON].

I have no question in my mind but that the Coast Guard has been neglected to a great degree. It has happended in the area which I represent and at the various Coast Guard stations. They do not have any schedule of work hours. They are called at all hours of the night to work in the Great Lakes area in case of an S O S of some kind and they have done a terrific job of patrolling. I think they are worthy and certainly entitled to have the best equipment that Congress can afford to give them for carrying out their duties, because I do feel sincerely they have been neglected in the past.

Mr. TOLLEFSON. I thank the gentleman for his contribution and I yield to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, I thank the gentleman from Washington [Mr. TOLLEFSON] for yielding to me and I shall not trespass unduly on his time, especially so since I think the arguments in support of this legislation have already been well covered by previous speakers and by the gentleman from Washington [Mr. TOLLEFSON].

However, Mr. Chairman, as a member of the House Merchant Marine and Fisheries Committee, which heard testimony on this bill, I want the RECORD to indicate my support. In previous years I have criticized the Treasury Department and the Coast Guard for failure to request adequate funds to provide for the needs and responsibilities of this important public service. There has never been full recognition given, in my opinion, to the ever-expanding duties of the Coast Guard. Its responsibilities are worldwide and it may surprise many people to learn that its operations cover every State in the Union. One only has to consider the increase in pleasure boating and water recreation to envisage the expansion of the Coast Guard's safety patrol responsibilities.

One important area where the lack of vessels and airplanes has been apparent has been in connection with the protection of our commercial fisheries, especially from Soviet fishing fleets. Also the increased oceanographic program has added to the already heavy burden of the Coast Guard. Likewise safety of life and air and sea rescue work requires modern airplanes and helicopters.

Altogether this authorization bill is modest in comparison with the needs and it is overdue because present vessels and airplanes of the Coast Guard are outdated and obsolete.

Mr. Chairman, as I said, I support this legislation and urge Members to give it their favorable consideration.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Iowa.

Mr. GROSS. I am interested in the report which refers to the acquisition of 63 new helicopters, "including 33 for new stations and 30 to increase the inadequate number at some existing stations."

Is there cooperation between the Navy air stations and the Army Air Force with respect to the use of helicopters in situations that might serve the need for helicopters used by the Coast Guard? This is a rather unusual number of new helicopters to be adding.

Mr. TOLLEFSON. Let me say first that in this bill only 17 helicopters are provided. The plan to which the report refers is the overall, long-range plan. There are only 17 helicopters in this bill. With respect to cooperation between the Coast Guard and other Department of Defense agencies I am not familiar as to the details. I must assume that they do cooperate, but I do not know that to be a fact.

Mr. GARMATZ. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Maryland.

Mr. GARMATZ. Mr. Chairman, for the information of the gentleman from Iowa, on page 5 of the report we find this:

> The plan provides for a total of 41 replacements and 65 additional aircraft for the period 1962–66. The replacement program is on schedule and will be completed by the procurement of 14 medium helicopters, 9 of which are authorized herein, and 5 of which will be presented for consideration for fiscal 1966. When the nine covered herein are delivered those they replace will be 12 years old, which is 4 years beyond their normal service life.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. TOLLEFSON. I yield.

Mr. GROSS. What I wanted to try to establish here is that we are not purchasing helicopters for the Coast Guard where helicopters and other craft might be available in ample supply in the armed services, if there is the proper cooperation between the Coast Guard and the armed services.

Mr. BONNER. Mr. Chairman, will the gentleman from Washington yield to me?

Mr. TOLLEFSON. I yield to the gentleman from North Carolina.

Mr. BONNER. Mr. Chairman, the gentleman has really brought up a pertinent question and made a pertinent observation. But he must remember that the responsibilities and the duties of the Coast Guard are one thing, the responsibilities and the duties of the armed services are another. The armed services have functions with ground troops and the fleet, and so forth. The Coast Guard has the responsibility of air and sea rescue.

I must say that the Marine Corps, the Navy, and the Air Force have been most cooperative, because the Coast Guard simply does not have the tools to work with. In connection with disasters that have occurred on the Atlantic coast, the armed services have responded immediately and loaned their facilities for rescue and rehabilitation. There is no fuss between the two services, but I point out this, that the Coast Guard has lived on the crumbs that fall from the table of the air service in respect of planes and boats from the Navy. They fly planes and boats that you might call crates.

Mr. Chairman, I went out 50 miles on an 80-foot boat some time ago which was carrying supplies to a lightship. The crew was kept busy keeping this 80-footer afloat as they were operating it in an effort to deliver the supplies. It was a wooden vessel, which was a submarine vessel used during World War II.

Mr. GROSS. I want to respond to the necessity of the Coast Guard having to have these items. I have no quarrel with their real necessities and the spending of money to provide for an adequate Coast Guard. But I just do not want to see them build up an air arm in the Coast Guard, if one is available in any of the branches of the armed services.

I note here that a helicopter station is to be established at Detroit, Mich. Apparently, the reason is an ever-increasing concentration of small pleasure boat activity in that area.

Well, I wonder if we are going to provide helicopters and planes, and what have you, for the benefit of the pleasure craft operators.

We are presently badly in debt in this country. The Federal debt is now $309, $310, or $311 billion.

I wonder if we are entitled to go that far in taking care of the pleasure boat operators with aircraft to fly over them. I do not know exactly what they do in the matter of pleasure boating and what relationship there is of helicopters to pleasure boating, unless there is a disaster or an accident of some kind. But are we going to have helicopters flying over our State highways in order to take care of motorists who run out of gasoline, or what is the story?

Mr. BONNER. The gentleman from Iowa makes an interesting observation because he was a good member and an active member of the Committee on Merchant Marine and Fisheries when we passed the Boating Act.

Without a doubt, the Boating Act was a bit unpopular at the time. However, it is very popular today, because it has taught individual citizens the dangers of the sea and the water.

Mr. Chairman, these helicopters are used for lifesaving purposes and rescue purposes. Their pilots are trained entirely different from aircraft and helicopter pilots who supply the ground forces of the Marine Corps, the Army, and the ships of the Navy. It is just a different category of the same machine.

Mr. TOLLEFSON. Mr. Chairman, the gentleman from Iowa [Mr. Gross] did make a good point and I think I should comment on it a little bit with respect to authorizing helicopters that we do not need because the Army and the Navy and the Air Force might have something available.

Actually, according to the statement of the Coast Guard people who appeared before our committee, this represents their minimum requirements.

The helicopters are used in a similar fashion to a fire engine being available at the fire station. They are available there in the event of an emergency. The Coast Guard cannot rely in an emergency upon an Army installation which might be located nearby. That Army installation at the particular moment might have its helicopters out on some other assignment. So, this is a minimum requirement.

Now, Mr. Chairman, what is happening—and the gentleman has heard some discussion along this line—is that a number of Coast Guard stations have been closed. The reason for this is the fact that helicopters have become more popular and effective as a means of search and rescue than the boats used to be. While we are establishing some new helicopter stations, the Coast Guard, on the other hand, is eliminating a number of other stations. This, of course, represents a form of substituting or adding to the old form of the rescue system by the use of a helicopter system instead of a boat system.

Mr. Chairman, I am satisfied that having heard from the Coast Guard representatives many, many times over the years, the request here is a minimum request, and I am satisfied it is, I will say to the gentleman from Iowa.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Washington.

Mr. PELLY. I am very hopeful that very shortly this Congress will pass a law to provide a penalty against any foreign fishing vessels coming into our territorial waters such as the instance recently of the Cuban fishing vessels violating our territorial waters. I would expect that these very helicopters that we hope to authorize in this bill will patrol those waters and see that such vessels are kept out.

Mr. TOLLEFSON. I thank the gentleman from Washington. I believe that the gentleman from Florida [Mr. Rogers] will probably tell us about the experiences of the Russian and Cuban fleets coming into shore in the Florida area.

I will tell you one instance where one of our Coast Guard boats took out after a Russian fishing vessel. They could not catch the fishing vessel. It pulled away from the Coast Guard because the Coast Guard vessel was inadequate and obsolete.

Mr. RYAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Michigan.

Mr. RYAN of Michigan. I thank the gentleman for yielding. I represent a district in the Detroit metropolitan area, in Michigan, where the Air Detachment is to be established and where three helicopters are to be located. It is in that section around Detroit, in the vicinity of the Detroit River and Lake St. Clair. It has one of the heaviest concentrations in this country of small pleasure craft. As a result there are accidents, caused by explosions and many other reasons. These helicopters can get to a place of disaster much quicker to help out, and to perform rescues, rather than waiting for other vessels to get there. This has proven itself repeatedly on many, many occasions.

In addition to that, at this time of the year, a lot of our people go fishing on ice on Lake St. Clair, and other places. The ice breaks, and they are out on the ice floes. It is left up to the helicopters to perform the rescue. That also has happened on numerous occasions throughout the year. So I heartily approve this part of the program as well as the entire matter now before us.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Iowa.

Mr. GROSS. Apparently there is no reference to civil rights in this bill because if there was there would be more Members over here listening to the arguments and debate in connection with this pending $93 million.

Mr. Chairman, I make the point of order a quorum is not present.

Mr. TOLLEFSON. Will the gentleman withhold that point until I finish my comment?

Mr. GROSS. I withhold it.

Mr. TOLLEFSON. May I say that there are no civil rights involved here, of course. I would like to add, I may say to the gentleman, perhaps one reason there are not very many Members over here is because the Members have great confidence in the Committee on Merchant Marine and Fisheries.

Mr. GROSS. Mr. Chairman, last week there was no lack of Members over here to constitute a quorum.

I renew my point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Fifty-three Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 37]

Adair
Ashley
Ashmore
Ayres
Barrett
Bass
Battin
Berry
Boggs
Bolton, Frances P.
Bolton, Oliver P.
Broomfield
Brown, Calif.
Brown, Ohio
Bruce
Buckley
Burke
Burkhalter
Burleson
Casey
Cederberg
Celler
Clark
Cohelan
Collier
Colmer
Cooley
Corman
Cramer
Dawson
Diggs
Dowdy
Dulski
Edmondson
Elliott
Finnegan
Flynt
Forrester
Gallagher
Gill
Goodell
Green, Oreg.
Gubser
Hanna
Hansen
Harvey, Ind.
Hawkins
Hoffman
Hull
Jones, Ala.
Kee
Kelly
Kluczynski
Kornegay
Leggett
Lesinski
Lindsay
Lloyd
McDowell
McLoskey
Macdonald
Madden
Mailliard
Martin, Mass.
Meader
Miller, Calif.
Miller, N.Y.
Montoya
O'Brien, Ill.
O'Konski
Powell
Price
Rains
Rhodes, Ariz.
Riehlman
Roberts, Ala.
Roberts, Tex.
Roosevelt
Rostenkowski
Roybal
St. Onge
Senner
Sheppard
Short
Sibal
Sickles
Smith, Calif.
Smith, Va.
Taft
Taylor
Tupper
Udall
Van Deerlin
Weaver
Whitener
Williams
Willis
Wyman
Younger

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. ALBERT] having assumed the chair, Mr. EVINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 9640, and finding itself without a quorum, he had directed the roll to be called, when 332 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. BONNER. Mr. Chairman, I yield 10 minutes to the chairman of the Subcommittee on the Coast Guard of the Committee on Merchant Marine and Fisheries, the gentleman from Maryland [Mr. GARMATZ].

Mr. GARMATZ. Mr. Chairman, unfortunately, all too many of us fail to consider the number of ways in which the Coast Guard affects our lives.

We know, of course, that it operates an ice patrol to protect the world's ships from the fate that befell the *Titanic*. Some of us recall that it operates a line of weather ships across the Atlantic and the Pacific, whose function is to aid ships and aircraft in distress, furnish navigational aids for commercial and military airlines and weather observations for sea and air traffic.

Those of us who own any kind of boat are aware of its activities on all the navigable waters of the United States in enforcing safety regulations. We have seen its lighthouses and buoys on our rivers and oceans.

But in addition to all of these things, it affects us in many unseen ways. It maintains radio beacons and loran and other navigation systems to guide our commercial and military ships and planes. The loran network alone covers almost half of the globe and extends even as far as remote islands in the Philippines.

We have read recently about Coast Guard activities in intercepting Cuban vessels within the territorial waters of the United States and possibly we are aware that it maintains a constant patrol in the waters between the United States and Cuba, to prevent any international incidents involving that unhappy nation.

We Americans who have occasion to travel in ships have many reasons to be thankful for the Coast Guard in its activities designed for their protection. Any ship built in the United States must have its building plans approved by the Coast Guard and after its construction it is subject to regular Coast Guard inspections to assure that all of the safety devices are functioning and that the vessel in general is in a seaworthy condition. Its officers and men must possess licenses issued by the Coast Guard certifying their competency to fulfill their duties.

In cases involving marine disasters, the Coast Guard is our first line of defense. It maintains in New York a computer-controlled vessel reporting system by which over 90 percent of American merchant vessels and 65 percent of foreign vessels constantly report their positions so that in the case of a disaster the nearest rescue vessels can be immediately determined and dispatched to the scene.

This morning's New York Times reports two instances of Coast Guard activity in the Atlantic. A British freighter has gone down in the North Atlantic and a Coast Guard plane has dropped three life rafts near the scene.

At the same time, an earthquake in the Azores has resulted in a call for help relayed through the commander of the U.S. forces in the Azores requesting a list of ships available for evacuating the inhabitants of one of the islands. The Coast Guard vessel reporting system in New York was able to give him the location and call letters of 74 vessels within 400 miles of the area.

In addition, of course, it maintains a fleet of helicopters and short- and long-range fixed-wing aircraft to function in situations involving search and rescue on the bays and oceans, as well as its fleet of cutters and smaller patrol craft to rescue victims of the sea.

Most Coast Guard activities are unheralded, and I am afraid that it is guilty of far too high a degree of modesty in announcing its accomplishments. The result is the present state of its equipment, which not only presents a possibility of danger to the devoted men who must operate it, but also to the general public in that its ability to perform its functions may be impaired through breakdown or inadequacy of equipment to do its work.

During the conduct of the hearings on this bill I was greatly impressed by the overwhelming need for equipment to replace that which is presently overage and obsolete and I am convinced that every dollar sought to be authorized by this bill is vitally necessary for its success. It is my hope that this represents a start in the rehabilitation of Coast Guard equipment to the end that it may continue its great service to virtually all of us in the United States.

Mr. Chairman, as part of my remarks I include the following items from the press:

[From the New York Times, Feb. 19, 1964]

QUAKES ROCK AZORES ISLE; REMOVAL OF 20,000 STARTS

LAJES AIRBASE, THE AZORES, February 18.—Ships began removing the 20,000 inhabitants of São Jorge Island in the Azores tonight, while planes at this U.S. Air Force base were alerted for a possible airlift duty if continuing earthquake shocks on the island grow worse.

Tremors have rattled the little Portuguese island for the last 3 days, causing panic among the population and tumbling São Jorge's older buildings. No casualties have been reported.

The tremors are succeeding one another in increasing intensity and frequency, islanders reported by radio. At least 47 houses have collapsed.

The harbormaster of Angra do Heroismo, on Terceira Island diverted several vessels to São Jorge by radio, and they began loading terrified evacuees.

LAVA ERUPTION FEARED

Residents were afraid that the quake might awaken a dormant volcano and spill molten lava throughout the area.

[In New York the Coast Guard reported receiving an appeal for help, broadcast by the Horta radio Tuesday. It was relayed by the commander of U.S. forces in the Azores and said: "Suffering great earthquake. Important damage * * * many ruins. Request all navigation available proximity this island render assistance." The Coast Guard radioed back the location and call letters of 74 vessels within 400 miles of the island.]

The British cable ship *Mirror* of the Cable and Wireless Co. put out from Horta harbor for São Jorge carrying two doctors, a nursing staff, medical supplies, bread, flour, and tents.

A ship left Angra do Heroismo today carrying 17 ambulances with blood plasma for São Jorge Island, to be ready should the quakes cause wholesale casualties.

Two U.S. Navy tugs stood by in Praia da Vitoria harbor on Terceira Island. They were to put to sea to be available in case of any volcanic disaster on any other of the nearby islands.

COMPUTER TRACKS VESSELS

The working heart of the Atlantic merchant vessel report system is a computer at the 3d Coast Guard District office in the U.S. customs house here.

The system, which covers all the Atlantic Ocean north of the Equator, keeps track of the hour-by-hour positions of more than 800 vessels plying the North Atlantic sealanes.

These vessels regularly report their position, course, speed, destination, and estimated time of arrival at their destination. This information is transferred first to punch cards, then to magnetic tape and fed into the computer.

On command, the computer can type out a list of all the ships in a given area. Then the Coast Guard can radio to those ships requests for help in any emergency. This was the method used in locating rescue ships for the Azores earthquake.

[From the New York Times, Feb. 19, 1964]

Thirty-five Abandon British Freighter in Atlantic Gale: Liferafts Dropped by Air to Crew of Helpless Vessel 660 Miles Off Halifax

(By Werner Bamberger)

A gale on the North Atlantic battered the British freighter *Ambassador* into a helpless hulk yesterday and may have taken the lives of some of her crew of 35.

Incomplete reports from the Italian liner *Leonardo da Vinci*, standing by the stricken freighter downwind at a point 660 miles southeast of Halifax, said that no survivors were seen on the first of three liferafts that were dropped from the air by a Coast Guard plane. The scene is 1,200 miles east of New York.

At a late hour last night the Italian luxury liner reported that she was investigating a second liferaft. The ship also informed the Coast Guard that one man was still believed aboard the 443-foot British vessel, which was abandoned by her crew at 2:50 p.m.

Capt. Oscar Ribari, master of the 33,340-ton luxury liner, notified the Italian line office here that the seas were the worst he had ever encountered.

Coast Guard sources expressed doubt that the Italian liner would be able to launch one of her own lifeboats in such high seas to pick up the British seamen.

The 10,270-ton *Ambassador* was sailing from Philadelphia to London with a full cargo of 9,516 long tons of wheat and corn. At 6:47 a.m. she sent an S O S saying that her engines were dead and that she was listing heavily to port.

The Italian liner inbound from the Mediterranean with 754 passengers was 50 miles away at the time. At 12:21 p.m. the *Leonardo* sent a message that she had sighted the stricken British vessel.

Two aircraft—a Canadian Argus and a Coast Guard C–130—stood guard overhead. The C–130, piloted by Lt. Clyde E. Robbins, dropped three liferafts.

At 3:30 p.m. Lieutenant Robbins sent a message that he had observed the *Ambassador's* crew abandoning ship. An hour or so later, the Canadian plane sent word that one liferaft, holding seven men, had overturned.

The seven seamen, however, were able to right the raft and reboard it, the message added.

The *Ambassador* was foundering at a point in the Atlantic where, according to the Weather Bureau, the Gulf Stream keeps the water temperature at 62°. At this temperature, it was said, a man can survive in the water from 2 to 40 hours, depending on his physical condition.

The violence of the wind and waves was underscored by word from the West German merchant ship *Carl Trautwein*, which was also 50 miles from the scene.

The 16,850-ton vessel first reported she was unable to make a 180° turn to head toward the *Ambassador* and later reported to the Coast Guard that she was standing still against 50-knot winds and angry seas.

Also ordered to the scene was the 311-foot Coast Guard cutter *Coos Bay*. The cutter was 450 miles away.

Mr. TOLLEFSON. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. GLENN].

Mr. GLENN. Mr. Chairman, of the five branches of our military service, the U.S. Coast Guard has for years been the most neglected, both by administrations and by the Congress. I do not know why this is so.

For years we have let this very fine organization perform its duties with ships and equipment that are very much overage and in need of replacement. For instance, of the 25 light ships now in service, 11 are over 40 years old, and there is no question but that replacement of these vessels is vitally urgent, not only to enable the Coast Guard to perform its assigned duties, but even for the safety of the personnel aboard, and this is only one incident.

In times of war it has been the Coast Guard that has been called upon to immediately transport the necessary personnel and equipment, which has put them in the front lines of every one of our wars. Their peacetime duties have been expanded, not only by the growth of our population and economy, but because of the duties necessitated by our country becoming the leader in the Western World. Even though neglected, they have always been ready.

Not only does the Coast Guard patrol the coastal waters of the United States proper, including the Atlantic, the gulf, the Pacific Coast, and the Great Lakes, but also the entire coastal areas of Alaska, Hawaii, Puerto Rico, and Guam, and it even maintains installations in the Trust Territories of the South Pacific, and areas throughout the world.

The word "Coast Guard" today is really a misnomer. For instance, under the 14th Coast Guard District, with groups and district units located in the Hawaiian Islands, there are also maintained air, loran, and radio stations and facilities at a number of islands in the Mariana and Caroline groups, in the Philippines, and in Japan and Korea, with its offshore islands of Okinawa and Iwo Jima. It has air detachments in Newfoundland and Bermuda for covering the North Atlantic Ocean.

Further, the Coast Guard maintains a Mediterranean section with an air station at Naples, Italy, and loran stations throughout the Mediterranean area all the way from Turkey to Spain.

It must, of necessity, complement performance of its duties with Coast Guard aircraft, and the use of the helicopter is becoming more and more practical in sea rescue work as well as in patrol duties. With the rapid advancement in the development of this type of aircraft, the present helicopter fleet of the Coast Guard is in need of replacement of the older models as well as enlargement from the standpoint of both safety and overall economy. A recent study has indicated that many surface Coast Guard stations can be closed out and the patrolling of the areas and rescue duties incumbent thereby can be performed by helicopters much more proficiently and economically. This is particularly true in the areas of high-density boating and commercial fishing.

We all know of the wonderful work which the Coast Guard has performed for years in the field of iceberg patrol, but it is not as well known that the Coast Guard maintains long-range search and rescue patrols from ocean station positions, with six deepwater locations which are continuously manned along the transoceanic air routes, completely equipped for meteorological, air-navigation, and communication services, in addition to rendering search and rescue assistance as part of a system established by the International Civil Aviation Organization. The ships used are the 350-foot, 2,700-ton, high-endurance vessels. It is the opinion of our committee that this authorization bill should include two of this type ship instead of one, as the administration in its so-called economy program requested. The present ships of this type in service are all suffering from the deficiencies of age, affecting the equipment and machinery, and even the hulls, with 6 already over 25 years old and the remainder will be at least 25 years old by 1971. These ships must stand the ravages of the North Atlantic in the worst kind of winter weather when on duty station, and I have always marveled how these ships and these men perform their assigned duties when we read of the great ocean liners being buffeted by storms with waves 40 to 50 feet high, which bring them into port hours or days late, sometimes even with damaged superstructures.

I am sure we all remember reading of the Greek steamship *Laconia* catching on fire and sinking on a cruise trip from England to the Madeira Islands, and it is a matter of record that two of our Coast Guard cutters, the *Echo* and the *Delta*, received the first S O S and immediately started for the location to effect rescue, but with other ships being closer, they were not needed. But, our Guard cutters in their patrol duties were ready and available, and during this emergency relayed not only the original disaster message from the *Laconia* to their Search and Rescue Headquarters in New York, but for quite a time were the relaying stations for all traffic between the *Laconia* and search and rescue vessels which were close to the scene of the tragedy.

The testimony before our committee indicates that not only is much replacement and repair of ship facilities necessary, but at the shore installations as well, much work needs to be done.

I do not think there is a Member of this body who will disagree with me when I say that the money we spend in maintaining and equipping the U.S. Coast Guard is money well spent.

Please remember also that the Coast Guard has supervision over safety in the use of our lakes and inland waterways, and a year or so ago when I visited the captain of the port of the Coast Guard station at Chicago, he told me that he has increasing fear every year at the commencement of the summer boating season. The large populated areas on our waterfronts are almost as densely congested with pleasure boats of all sizes as are the highways with automobiles, and it is the duty of the Coast Guard to watch over them in fair weather and foul. This is in addition to its many other shoreside duties of enforcing Federal laws at every port of entry, as well as supervising all merchant marine safety on all ships entering and leaving our ports and harbors.

Under the chairmanship of our very capable colleague, the gentleman from Maryland, EDWARD A. GARMATZ, the Subcommittee on Coast Guard spent several days in hearings with Admiral Roland, the Commandant of the Coast Guard, and his staff. Admiral Roland presented a very detailed program for the procurement of vessels and aircraft and for the construction of shore facilities, as presented in this bill. In my opinion, it is a modest request, and there is nothing in this bill that is not absolutely necessary for the continuation of the services which we demand and expect of our Coast Guard.

Of particular interest to me as a representative of a coastal area in which two of our Coast Guard stations are about to be deactivated, is the program for helicopters, and which Admiral Roland pointed out we are neglecting. With respect to additional helicopters and helicopter stations, he said that modern helicopters—the procurement of 17 of which are proposed in this bill—promised the greatest advance since radio in improving search and rescue performance with instrument flight capability and range, and endurance equal to the demands of the great majority of rescue jobs. These craft have already proven themselves capable of producing a real reduction in the time of rescue in a wide variety of situations, and please remember that "time of rescue" is a very good measure of chance of survival.

With the addition of these new helicopters and planned new helicopter stations along the coast, Admiral Roland pointed out that rescue capability in the great majority of instances can be reduced to within 1 hour.

Just recently, in my own district, surface rescue craft could not get out to sea because of the icy conditions in the waterways in answering a call for aid by a disabled ship, but the Coast Guard helicopter rescued the persons aboard the ship without too much difficulty, and brought them safely to port. This with the weather bad and 10-foot-high seas running, so I am convinced that helicopters can not only go where surface craft cannot, but in all kinds of weather as well.

In conclusion, may I state that not only do I support this bill wholeheartedly, but I also desire to extend my thanks to the gentleman from Maryland, Chairman GARMATZ, for the kind and considerate cooperation which he extends to all members of this subcommittee in both public hearings and executive session, and I am indeed honored to serve on this committee with him as our chairman.

I would like also to commend the gentleman from North Carolina, Chairman BONNER, and ranking minority member, the gentleman from Washington, Congressman TOLLEFSON, for the contribution which they made in these hearings as ex officio members of the subcommittee. The House is fortunate in having men of their caliber and experience as chairman and ranking minority member on the Committee of Merchant Marine and Fisheries.

Mr. LENNON. Mr. Chairman, I wish to add my words of endorsement and full support to the statements made by the gentleman from North Carolina, Congressman BONNER, chairman of our full committee, and the gentleman from Maryland, Congressman GARMATZ, chairman of the Subcommittee on Coast Guard, Coast and Geodetic Survey, and Navigation, which held extensive hearings on this measure to authorize the construction of shore and offshore establishments and for the procurement of vessels and aircraft for the U.S. Coast Guard.

Coming as I do from coastal North Carolina—an area of significance to commercial water transportation, the fisheries, and recreational boating activities—I have been familiar with the Coast Guard and its functions for many more years than I have served in the Congress. In the 8 years I have served in this House I have been privileged to serve continuously as a member of the subcommittee having responsibility for the Coast Guard. I have interested myself in the affairs of the agency. I have been named seven times as a member of the Board of Visitors to the Coast Guard Academy.

The Coast Guard today is a far cry from its origins when the Revenue Cutter Service was established by the first Secretary of the Treasury, Alexander Hamilton, in 1790 to control smuggling in the early years of our Republic. Its roles and missions have evolved and grown with our Nation until now—as has already been stated—it performs important functions in virtually every State. Since those early beginnings the law enforcement activity in the Coast Guard has continued to grow. It is now responsible for enforcing or assisting in the enforcement of Federal laws on the high seas and waters subject to the jurisdiction of the United States. These laws govern navigation, shipping and other maritime operations and the related protection of life and property. In addition to its own enforcement responsibility, the Coast Guard has become the enforcement agent for other Government departments and agencies, covering such diverse responsibilities as the loading of dangerous cargo; enforcement of neutrality laws; enforcement of oil pollution acts; enforcement of treaty regulations for the protection of halibut; enforcement of the Fur Seal Act, the Whaling Convention Act and sockeye salmon fisheries and other fishery matters. It works with the Atomic Energy Commission regarding the disposal of nuclear waste at sea. Negotiations are underway regarding procedures for the inspection of nuclear-powered vessels.

The Coast Guard coordinates and provides maritime search and rescue facilities for marine and air commerce and for the Armed Forces. Other functions include promoting the safety of merchant vessels, furnishing icebreaking services to keep navigation open in the wintertime, and to support important national interest projects in the Arctic and Antarctic. The agency is responsible for developing, installing, maintaining, and operating maritime aids to navigation. This briefly outlines the year-in, year-out peacetime function of the Coast Guard.

But it has another and great responsibility for maintaining a state of readiness to function as a specialized service of the Navy in time of war or national emergency, when, as in World War II it bore heavy burdens with an outstanding record, including extensive combat participation.

In the past few years the Committee on Merchant Marine and Fisheries has become increasingly concerned over the capability of the Coast Guard to continue to carry out effectively its heavy responsibilities. Hearings touching on various aspects of its program disclosed serious deficiencies in its capital plant and equipment. Its vessels were found to be inadequate in number, obsolete, and even unsafe. These revelations suggested the desirability of providing for authorization legislation as a prerequisite to annual appropriations for the procurement of such major items as vessels and aircraft and the construction of major shore and offshore establishments and facilities. Such legislation was enacted last year.

As the first authorization bill, H.R. 9640, came before us in January of this year and hearings were held upon it, it became clear to our committee that we must proceed without delay in replacing and building up this vital arm of our peacetime and wartime strength. The hearings disclosed grave deficiencies.

Considering the overall needs of the service, the proposal that came before us was too modest. And, as has already been said, we felt constrained to amend the measure by authorizing one more high-endurance cutter and two more medium-endurance cutters than were requested. Other increases would surely have been justified, but recognition had to be taken of the strain on the overall Federal budget.

It is my hope that the Treasury Department and the Bureau of the Budget will immediately begin to seek ways of adjusting next year's authorization request so as to accelerate the pace of the replacement and development program of the Coast Guard.

With the world in the state it is in today; with the increased oversea transportation by sea and air; with the frequent incursions of alien vessels into our fisheries and territorial waters; and with the increased significance of oceanography to the security and economy of this country, we cannot afford to neglect our duties in providing for this essential service.

Mr. TOLLEFSON. Mr. Chairman, will the gentleman yield?

Mr. LENNON. I yield to the gentleman from Washington.

Mr. TOLLEFSON. Just so that I may have a correct understanding and that the record may be clear, I had stated earlier, when the gentleman from North Carolina [Mr. BONNER], had the floor, that the original request from the Coast Guard for capital outlay was some $112 million, and the Bureau of the Budget cut that $40 million. Also, that the Bureau of the Budget cut about $40 million from the total requested. Now, when the gentleman from North Carolina uses the figure of $130 million, does he mean to include items in addition to the capital items which he mentioned?

Mr. LENNON. I do not include the $13.5 million, which is not in this authorization bill, but which represents continuing authorizations that the Coast Guard now has for projects that have been previously authorized under the former long-range authorization program.

Mr. TOLLEFSON. If the gentleman will yield further, in any event the total suggested cut or the total cut by the Bureau of the Budget was $40 million?

Mr. LENNON. That is true.

Mr. TOLLEFSON. And in this bill we propose to restore $21.5 million of that amount?

Mr. LENNON. That is true.

Mr. TOLLEFSON. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. MORTON].

Mr. MORTON. Mr. Chairman, practically everything has been said here that can be said for the Coast Guard. All of us who have had the privilege of working both on the full committee and on the subcommittee which is so ably chaired by my distinguished colleague, the gentleman from Maryland [Mr. GARMATZ], are aware of the importance of the function of the Coast Guard. However, I think we have overlooked one important thing about the Coast Guard as far as its value and use to this great country. That is its military capability in time of national emergency or in time of war.

Mr. Chairman, the Coast Guard, perhaps, represents our greatest pool of highly skilled, highly trained men of the sea. In time of war the mission of the U.S. Coast Guard becomes greatly expanded. Therefore, any capital improvements, any expansion of the facilities of the Coast Guard in time of peace, represents a direct and significant contribution to our total defense capability.

Mr. Chairman, I believe another point that can be made in an argument for this bill is that the mission of the Coast Guard is constantly changing. The number of fishing vessels of other nations—some friendly and some not so friendly—which have invaded our coastal waters since World War II has been staggering. In fact, as the gentleman from Florida [Mr. ROGERS] has pointed out so many times from this very well, Russian trawlers and Cuban trawlers have virtually nosed into the beaches of his State of Florida. The Coast Guard has a direct and a growing mission to patrol these areas. To enforce existing laws and international agreements affecting the use of our coastal areas by foreign vessels.

Mr. Chairman, it seems a shame to me that any of our weather ships should be obsolete. These long-range high-endurance cutters are essential not only for modern long-range navigational assistance for aircraft, but also they represent important eyes and ears covering distant areas of the sea. They tell us what is going on far beyond our shores. I do not believe we have a single one of these high-endurance cutters that was actually built for that purpose, or that could be called a truly modern ship.

Mr. Chairman, for us to neglect the Coast Guard, it is the most shortsighted thing we could do in terms of developing our national defense, our commerce of the sea, our ability to communicate, our ability to traverse the world with adequate navigational devices and our ability to preserve life and limb of our people.

Mr. Chairman, it is important I believe that we also consider the law enforcement side of the Coast Guard. A great deal of their energy and resource goes into this effort.

I feel that although we are here taking our prerogative and adding to an overall budget I think that the Congress is justified in spending this money. The people of this Nation will receive many, many times over a dollar's worth for every dollar spent.

Mr. BONNER. Mr. Chairman, I yield 10 minutes to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, I want to join with my colleagues in commending the chairman and ranking member of our committee for the attention they have given this particular problem and for the urgency with which all of the committee members have dealt with the need for increased support of the Coast Guard.

I had occasion to inspect the Coast Guard facilities in Florida within the past 10 days. I do not think there is any service supported by this Government that does as much with the equipment, with the manpower and the budget limitation that the Coast Guard does. It is amazing to see the responsibility that they have, and just how it is carried out. Each Member of this Congress should take the time to study the duties of the Coast Guard and also to look at the equipment, much of it obsolete, much of it which we would not dare let the Army, the Air Force, or the Navy use. Simply because it is a peacetime mission, so to speak, we let it go obsolete, we let it go undermanned and underfinanced. It is time for the Congress to change that situation.

Speaking about this equipment, you can go right on down the line. With reference to the high endurance cutters, six of them are 25 years old and obsolete. Others have an average of 20 years. There are the medium endurance cutters, of which we have 30—18 are 30 years old—25 years is the cutoff time for obsolescence. In coastal tenders, of which there are 26, 11 are obsolete. You can go right on down the list, and obsolescence is always apparent.

In the 7th Coast Guard District in Florida, for instance, it covers an area which starts up in North Carolina. It goes down the Florida coast and the Gulf coast to Yucatan, then right on down to South America, and it goes over to San Juan. Do you know how many men this one district has to patrol and carry out law enforcement and sea rescue work in this area?—2,300 men. No wonder we cannot properly patrol the coast of this country. We are spending $50 billion a year for the defense of the United States, and yet, we find we have along our own coast of Florida, New England, and the west coast, Russian trawlers and Cuban fishing vessels penetrating the territorial waters of the United States. I ask, how much good is it going to do to spend $50 billion to protect our people when we are not giving adequate surveillance and protection to the shores close to the heartland of our country?

Mr. PIKE. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from New York, who is a member of the Armed Services Subcommittee that looked into this trawler problem, and who did a magnificent job.

Mr. PIKE. I want to congratulate the gentleman from Florida for the perseverance and determination he has shown in making this Congress face up to this issue. I want to commend him also on what he is saying with reference to this item of money that is being spent. I would like to bring this in perspective. We are involved here with a bill totaling $93 million for all the procurement of the Coast Guard and all of the construction of the Coast Guard. Tomorrow we are going to be considering a bill which has $92 million, almost exactly the same amount added to it for research and development on two different aircraft only.

Mr. ROGERS of Florida. I thank the gentleman for his comment. I believe he has put this in proper perspective. Think of it, research just for two airplanes for the armed services will total the entire amount of what we are asking to equip the Coast Guard.

I do blame somebody. There have been statements on the floor that we do not know where to place the blame. I know where to place the blame. Because the Coast Guard has been too timid in asking for what it really needs, and the Treasury Department has been too timid, and the Secretary of the Treasury has not given this adequate attention, or this condition would never have been allowed to exist.

I think it is high time for Mr. Dillon, the Secretary of the Treasury, to devote some attention to this problem. I think it is time for Mr. Dillon to come to the Congress with sufficient requests in order to bring up to date the facilities and the manpower and the equipment of the Coast Guard, so that they can handle the job for which they are responsible.

Let me point out to you a few things about these Russian trawlers and these Cuban fishing vessels that we are going to see more and more of as this problem develops. It is not just a Florida problem. It starts up on the northeast coast of our country, where they have a Russian fleet of 400 to 500 ships. We have pictures of these ships. These trawlers come down the east coast and pass off Florida. We have had them on the west coast, along with Japanese vessels. We also have them on all sides of our country and the Coast Guard is given the responsibility of surveillance and job of doing something about it.

May I bring to your attention an unclassified document put out by the U.S. Navy from the Office of the Commander in Chief of the U.S. Atlantic Fleet, entitled "Atlantic Fleet Trawler Recognition Guide," which was published shortly after the hearings by the Armed Services Committee on Special Investigations which went into the trawler problem last year. This document has pictures of Russian trawlers. Let me read this. This is in a Government publication, issued by the Navy.

> The Soviets, for the past 2 years, have maintained at least one trawler designed for intelligence collection off the east coast of the United States on a continuous basis.

Do you know how you can tell the difference between the Russian trawler that is used as an intelligence ship and the Russian trawler that is simply fishing?

> The Russian intelligence trawlers usually carry two HF-DF loops, which may be located on top of the bridge and atop one of the two masts, or one on each mast.

Mr. STINSON. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Washington.

Mr. STINSON. Could the gentleman assure me before I vote for this bill that none of these new cutters will be used to stop the anti-Communist infiltrators from going into Cuba? Can the gentleman give me some assurance on that?

Mr. ROGERS of Florida. I cannot assure the gentleman of that. As the gentleman knows, it is official Government policy that they do not expect raids on Cuba to be mounted from this country. I thought at the time this policy was not unreasonable. They have no restriction on mounting raids on Cuba from other parts of Central and Latin America. But this has been the policy on Cuba, and I think it has some merit. So until that policy is changed, there could be no assurance which I can give the gentleman, although I have concern about the problem.

Mr. STINSON. There is no intention by increasing the number of cutters of stepping up the activity against the anti-Communist raiders?

Mr. ROGERS of Florida. I am not sure about what is being done along those lines. What we are concerned with is the protection of the United States. It is the duty of the Coast Guard to get after these trawlers and the Cuban vessels. I think we have moved them along into a position where we have them under control. We have just had an example of it. Here is a picture of the Cuban vessels that have just been picked up. Incidentally, they are very new ships and very capable ships.

Mr. TOLLEFSON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I, too, want to pay my tribute to the very capable, conscientious, and fearless chairman of our full committee and also the chairman of the subcommittee, the gentleman from Maryland [Mr. GARMATZ], as well as our ranking minority Member, the gentleman from Washington [Mr. TOLLEFSON].

When I stand here and advocate increased Government spending, it is an event. I only trust that the Capitol dome will not disintegrate as I stand here.

The Coast Guard, in my opinion, has been a second or third cousin entirely too long. It is called upon to perform more varied duties than probably any of the other services. It is constantly getting additional duties. This morning in hearings on the bill that we were considering, I heard some rather significant statements and I want to read just a few of these:

> Five years ago no large fishing fleets operated off the U.S. coast with the exception of the Bering Sea. Last year there were over 200 large, modern, foreign fishing vessels off our Atlantic coast while at the same time approximately 300 foreign vessels were in Alaska waters including the Gulf of Alaska.

I consider the following a very pertinent statement:

> During the last 8 months 16 foreign vessels have been officially sighted by the U.S. Navy or the Coast Guard in territorial waters within our 3-mile limit off Alaska.

Now I cite these statements to show that the duties of the Coast Guard are increasing all the time.

Following Admiral Roland's testimony before our committee, I suggested to the admiral, I trusted that the personnel he commands is not as obsolete and antiquated as much of the equipment he has.

I want to cite just a few places where there are distinct needs.

In Elizabeth City, N.C., the Coast Guard has its largest aviation activity. One runway there is 23 years old and it must be rebuilt for safety reasons. 20 to 25 percent of the concrete slabs there are either sunken or rather badly tilted.

On Annette Island in southern Alaska, we have conducted air operations for approximately 16 years. They never have had adequate housing facilities. At the present time they are using World War II quonset huts and this detracts from the desirability of assignment and it does make for serious morale problems. In the admiral's words:

> Conditions there are horrible. It is particularly bad since in the very same location, other Government employees have good and desirable housing.

This good and desirable housing was furnished by the Government.

In San Juan, P.R., we have 70 officers and men and 4 aircraft.

This installation is now located on a naval station which is scheduled to close, and here the Coast Guard must become self-sufficient. In Wilmington, N.C., the pier is so badly deteriorated that repairs there are no longer feasible.

In Mayport, Fla., the Coast Guard is now using naval facilities which are wholly inadequate for both services.

On Sitkinak, an island off Alaska, there is an installation which is supported almost entirely by air. The runway there is made of local material which is coarse-ground gravel which cannot be compacted. This creates a real hazard for our aircraft at that station.

I was going to comment on the Coast Guard Academy, but the gentleman from North Carolina [Mr. LENNON] has already done that. From the information I have the Coast Guard Academy definitely must be expanded. It is not receiving the same consideration as similar academies. I could cite many more instances of dire need. I think the gentleman from North Carolina [Mr. BONNER], the chairman of our committee, made a very significant statement following Admiral Roland's testimony to the committee. This is what the gentleman from North Carolina [Mr. BONNER] said:

> Admiral, this is anything but a bright picture of the physical status of the Coast Guard at the present time.

I do want to congratulate the Coast Guard for the commendable job it is doing with very inadequate and obsolete equipment. Something needs to be done, and we in this Congress need to face up to our responsibility.

Mr. Chairman, I yield back the balance of my time.

Mr. BONNER. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. MURPHY].

Mr. MURPHY of New York. Mr. Chairman, about 3 or 4 days each week I walk past one of the largest Coast Guard installations in this country. This base is located on Staten Island in New York City. I also observe the Coast Guard Base on Manhattan Island, New York, several times weekly. It is apparent to me and to everyone who observes these Coast Guard yards that not only are the yard facilities inadequate for the mission these people have to perform, but the ships and the equipment are also inadequate. I think that the previous gentlemen, from the chairman of the committee right on down to the chairman of the subcommittee, have concurred in the fact that this appropriation is a modest request on behalf of the Coast Guard and entirely necessary to enable them to fulfill their mission. I would say it is only due to the high quality of the personnel in the Coast Guard and their efficiency that they carry out their many missions as well as they have.

I would like to state that at the present time before several committees of the Congress there is legislation to extend the responsibilities of the Coast Guard from the 3-mile limit in our territorial waters out to the 12-mile limit. This will create a greater burden on patrolling for the Coast Guard. I think unless we act now and approve the replacement of the already obsolescent vessels, we are going to have problems in expecting the Coast Guard to properly fulfill its mission.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. MURPHY of New York. I certainly will.

Mr. CHELF. I want to take this opportunity to commend and compliment this great committee that has come to this floor today with this information. I am appalled and I am shocked to hear our defenses insofar as our Coast Guard is concerned are at such an alltime low. The only trouble is and the only fault I find with you boys is that you are just not asking for double the amount. I am for you.all the way, boys.

Mr. MURPHY of New York. Mr. Chairman, I yield back the balance of my time.

Mr. TOLLEFSON. Mr. Chairman, I yield such time as he may require to the gentleman from New York [Mr. Grover].

Mr. GROVER. Mr. Chairman, I wish to compliment the subcommittee chairman, the gentleman from Maryland [Mr. Garmatz], the gentleman from North Carolina [Mr. Bonner], the chairman of the full committee, and the gentleman from Washington [Mr. Tollefson], the ranking minority member, for their deep concern and interest in this very important service and security branch.

Mr. Chairman, my State of New York has many rivers and lakes. It does not boast extensive maritime coasts, generally; but Nassau and Suffolk Counties, parts of which I represent, have many hundreds of miles of beaches fronting on ocean, bays, rivers, and inlets.

The south shore of Long Island has a long history of maritime incidents beginning with the days of the Life Saving Service and through the years of the existence of the Coast Guard. The heroism, the courage, the day-to-day dutiful dedication of the Coast Guard is a shining light in the story of New York.

The story of this great branch of service is not autobiographical. The Coast Guard does not blow its own horn. It has no Madison Avenue public relations techniques. It just drives along in its great tradition, doing its job.

It was to me a great shock, as it was to others on the subcommittee on Coast Guard and the Merchant Marine and Fisheries Committee generally, to find the deterioration and obsolescence of the equipment and facilities of the Coast Guard so far advanced.

It is extremely important that immediate steps be taken to reprogram the Coast Guard with the very best possible equipment, and H.R. 9640 is a step in the right direction to keep "Semper Paratus" in the Coast Guard motto.

Mr. TOLLEFSON. Mr. Chairman, I ask unanimous consent that the gentleman from Maine [Mr. McIntire] may extend his remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. McINTIRE. Mr. Chairman, I am in support of this legislation. I wish to commend the Coast Guard for the fine work done by all elements of this fine organization.

The facilities and equipment set forth in this authorization bill are seriously needed and will do much to assist in even better service to the coastal areas of the country and in the security of these areas.

I do, however, wish to express the concern of those of us deeply interested in the coastal areas of Maine relative to the closing of facilities on the Maine coast. We feel that these closings will impair service to our Maine fishery industry and service to the recreational use of the area.

We have voiced our protests but the facilities are being closed.

We shall expect the Coast Guard to be doubly certain that these changes will not reduce vital service on the Maine coast.

Mr. TOLLEFSON. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. Keith].

Mr. KEITH. Mr. Chairman, I represent Cape Cod where we first sighted these tremendous armadas of Russian fishing vessels. Last summer I flew over one of these fleets, which was operating a few miles out beyond Nantucket. It stretched from horizon to horizon, and convinced me that we very definitely need the Coast Guard to maintain surveillance over their operations.

Secondly, Mr. Chairman, in the last 5 years, besides the advent of hundreds of Russian fishing vessels off our coasts, there has been the advent of thousands of small boats in Buzzards Bay and a similar boom in boating in recreational areas throughout the country. In Massachusetts, as recently as 3 years ago we had less than 30,000 small boats. Now we have more than 80,000 registered in Massachusetts. These need the Coast Guard's services. For the pleasure boat operator, often very inexperienced, quick and reliable service can spell the difference in many cases between life and death.

An editorial in the Standard-Times of New Bedford, Mass., recently commented on the plight that can befall the small boat operator and the resultant need for the Coast Guard. I would like to quote a paragraph that sets a scene familiar to almost anyone who has ever found himself at the mercy of the unpredictable sea in a small boat:

> When those sudden fogs make each boat an island in white nothingness and afternoon williwaws churn in from the southwest, it is the assurance of the nearby Cuttyhunk's Coast Guard that keeps the helmsman under control.
>
> And it is the prompt, maneuverable readiness of the Cuttyhunk rescue craft to answer every type of call that has saved many a disabled boating party from distress or even disaster.

The Coast Guard has curtailed its activities in many coastal areas, recognizing perhaps diminishing commercial requirements. Our fishing vessels have become quite reduced in number lately, as they compete with the flood of foreign imports. We must recognize this increase in the number of small boats, in the recreational activities, and in the fact that we need to extend the service particularly in the summertime to make certain that these men and women and their children have the protection to which they are entitled.

May I point out in conclusion, that there is one bright spot on the scene with reference to our fishing fleet. We have increased the scalloping operation considerably out of the city of New Bedford. These scallopers need the services which are provided by offshore cutters.

So, in all, as has been said by the previous speakers, we must recognize the Coast Guard's changing and increasing responsibilities.

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the gentleman from Maine [Mr. Tupper] may extend his remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. TUPPER. Mr. Chairman, the responsibilities of the U.S. Coast Guard have multiplied many times in the last few years, yet Coast Guard budgets have not increased in any direct proportion.

It would be difficult to name a single Federal agency of Government giving comparable service to the American taxpayer for the tax dollars allocated to it.

The U.S. Coast Guard is handicapped by being a branch of the U.S. Treasury Department instead of the Department of Defense. The Coast Guard, sensitive to the Treasury Department's desire to set an example for frugality, submits budget requests far too modest to meet their actual needs. Incongruously, these lean requests are then customarily pared down still lower by the Bureau of the Budget.

To add to the dilemma of this oldest seagoing service, there is a deplorable lack of public information throughout much of the country concerning the various duties prescribed for the Coast Guard. Many unfortunately think of it in vague terms as sort of an auxiliary of the U.S. Navy. Of course nothing is further from the truth.

Anyone living along the coastal areas of our Nation knows that it is the Coast Guard that is looked to when a boat is missing or in distress. The search and rescue mission of the Coast Guard has risen dramatically due to the tremendous increase in private boating in the United States.

At the same time, the Coast Guard's law enforcement responsibilities have grown markedly due to the Cuban situation, the Russian trawler traffic in the North Atlantic and along the eastern seaboard, and heavy concentration of Japanese and Russian fishing vessels off Alaska.

Many Americans do not realize that the Coast Guard has the added chore of picking up Cuban refugees coming into Florida in small craft of every size and description. Since 1961, over 6,300 Cuban refugees have drifted into U.S. waters fleeing Communist Cuba. Nor is it their general realization that it is the U.S. Coast Guard that has the duty of preventing anti-Castro raiders from leaving from U.S. ports.

When a Russian or Cuban fishing vessel is spotted just outside the U.S. 3-mile limit, the Coast Guard must keep this vessel under constant surveillance.

Cuba has developed a modern fishing fleet during the last year. The four vessels seized recently by the Coast Guard for fishing in U.S. territorial waters are exceptionally well built and equipped with the latest conventional equipment; we can assume that the Soviet Union and Cuba intend to intensify their fishing operations in this hemisphere.

Our dependence upon the U.S. Coast Guard will be even greater as a result of the probing by these two countries.

To attend to the greatly increased search and rescue and law enforcement demands, as well as to carry out their other varied normal functions, will require many more vessels, aircraft, and manpower than is found in this year's budget.

Evidence is mounting that there must be a rapid buildup in the U.S. Coast Guard facilities and personnel.

Mr. BONNER. Mr. Chairman, I yield 5 minutes to the gentleman from Alaska [Mr. RIVERS].

Mr. WHITENER. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of Alaska. I yield to the gentleman from North Carolina.

Mr. WHITENER. Mr. Chairman, I appreciate the gentleman's yielding to me.

I regret that due to a commitment of importance during the noon hour I was not present to hear all the debate. But I certainly join with the other Members in expressing the hope that the Coast Guard will be adequately financed. We in North Carolina, particularly the members of the North Carolina delegation, are very proud of the distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. BONNER] and our other member of the committee, the gentleman from North Carolina [Mr. LENNON]. I am sure that when we vote on this legislation all of us will join in making the Coast Guard an even better organization.

Mr. RIVERS of Alaska. Mr Chairman, I thank the gentleman from North Carolina.

Mr. Chairman, I rise in support of H.R. 9640 and to compliment the distinguished chairman of the full committee, the gentleman from North Carolina [Mr. BONNER], and the distinguished chairman of the Subcommittee on Coast Guard, Coast and Geodetic Survey and Navigation, the gentleman from Maryland [Mr. GARMATZ], for their leadership in bringing this constructive and realistic bill to the floor, and I commend all the members of the Committee on Merchant Marine and Fisheries, for their part in reporting this bill.

With its 25,000 miles of coastline in the North Pacific, the people of my State of Alaska depend heavily upon the services of the Coast Guard, and, hold the Coast Guard in high esteem as the guardian of our shores, and the great performer of search and rescue missions. For years this fine organization has been underequipped and undermanned in Alaska, and sorely needs the housing units and improved base facilities and support facilities which would be authorized by this bill.

Others who have preceded me in support of this legislation have mentioned the increasing number of responsibilities which the Coast Guard has had to shoulder in recent years. High on the list of responsibilities is the protection of the territorial waters of the United States against the increasing number of enroachments by foreign fishing vessels. Furthermore, the day is soon coming when, in accordance with the convention on the Continental Shelf, the United States will be asserting ownership and jurisdiction of products upon or attached to the Continental Shelf along our coasts. This, in turn, indicates another great increase in patrol responsibility which the Coast Guard should be adequately implemented to discharge.

In closing, I heartily advocate this proposed augmentation of financial support for the Coast Guard to enable it to modernize its facilities, and increase its capital plant, and expand its organization.

Mr. BONNER. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. GILBERT].

Mr. GILBERT. Mr. Chairman, I rise in support of this legislation.

I wish to commend the chairman of our Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. BONNER] and the chairman of the Subcommittee on Coast Guard, Coast and Geodetic Survey, and Navigation, the gentleman from Maryland [Mr. GARMATZ] for the splendid work they did in committee and on the floor in securing approval of this bill and in explaining its great importance, and the necessity for authorization of the funds requested, so that the Coast Guard can perform its vital missions and satisfactorily discharge the responsibilities placed upon it.

As a member of the Committee on Merchant Marine and Fisheries, I have had the privilege of studying this bill. I attended the committee meetings and heard the witnesses who came before us; I know that our Coast Guard must have all the help provided by this bill; that the generally inadequate facilities, both ashore and afloat, with which our Coast Guard is now contending, mean neglect on our part and that the situation must be corrected without delay. I am happy to give this bill my hearty support and to vote in favor of it.

Greatly increased responsibilities have been placed upon our Coast Guard in recent years. Expansion of activities due to enactment of the Federal Boating Act of 1958, the growth of the Russian fishing fleet in Atlantic waters, the incursion of the Japanese fishing fleet off the State of Alaska, the Cuban crisis, to mention a few facts, all demand that the Coast Guard which has been severely handicapped by progressive obsolescence of its equipment and inadequate funds with which to replace units when necessary, now be given assistance to the fullest extent so that it can carry out the expanded functions and increased responsibilities required of it. I urge all Members to vote in favor of this legislation.

Mr. BONNER. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. DOWNING].

Mr. DOWNING. Mr. Chairman, I rise in support of this legislation most wholeheartedly. I live in a coastal area which is constantly patrolled by the Coast Guard. Personally, I have been rescued twice by the Coast Guard. I am familiar with their equipment and I know that it is obsolete. It is time that we did something for the Coast Guard. This is the first step in that direction through this legislation.

The U.S. Coast Guard performs services all over the world and in every State of our Nation with the exception of the State of Wyoming.

I am sure that if a need developed in that great State, the Coast Guard would meet it regardless of how much it stretched their capability.

The Coast Guard has operated too long with inefficient and obsolete equipment, and it is time that steps be taken to remedy their deplorable situation. The fact that the Coast Guard is as efficient as it is is directly attributable to the high caliber and dedication of the officers and men who compose this service.

I urge my colleagues to support this legislation as a first step in doing something which should have been done a long time ago.

Mr. BONNER. Mr. Chairman, I have no further request for time.

Mr. TOLLEFSON. Mr. Chairman, I have no further request for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 9640

A bill to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated, without fiscal year limitation, for the use of the Coast Guard, as follows:

Vessels

For procurement of—

(1) one high endurance cutter;
(2) six medium-endurance cutters;
(3) one coastal tender;
(4) three inland tenders;
(5) three small harbor tugs;
(6) nine small patrol cutters; and
(7) one river tender.

Aircraft

For procurement of seventeen helicopters.

Construction

For establishment or development of Coast Guard installations and facilities by acquisition, construction, conversion, extension, or installation of permanent or temporary public works, including the preparation of sites and furnishing of appurtenances, utilities, and equipment for the following projects:

Atlantic coast: Offshore light platforms at Diamond Shoals and Chesapeake Bay entrance.

Missouri River: Moorings for river tender.

Air station, Elizabeth City, North Carolina: Replace runway.

Air detachment, Annette Island, Alaska: Family housing units and support facilities.

Detroit, Michigan: Operational facilities for helicopter detachment.

Aircraft repair and supply base, Elizabeth City, North Carolina: Maintenance facilities.

Air detachment, San Juan, Puerto Rico: Maintenance and operational facilities.

Moorings, Mayport, Florida: Administrative, operational, and maintenance facilities.

San Juan, Puerto Rico: Family housing units and support facilities.

Depot, Guam: Replace operational, administrative, and supply facilities.

Wilmington, North Carolina: Moorings for large cutter.

Base, Ketchikan, Alaska: Improve maintenance facilities.

Base, Woods Hole, Massachusetts: Improve operational and maintenance facilities.

Academy, New London, Connecticut: Field house.

Loran Station, Sitkinak, Alaska: Replace runway.

Mr. TOLLEFSON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with and that it be open for amendment at any point and that it be printed in full in the Record at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

> Committee amendment: Page 1, line 8, strike out "one high-endurance cutter" and insert "(1) two high-endurance cutters.".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

> Page 1, line 10, strike out "six" and insert "eight".

The committee amendment was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was much impressed with the argument in behalf of this bill which was made by my good friend the gentleman from North Carolina [Mr. Lennon]. The gentleman from North Carolina is one of the most economically minded Members of the House of Representatives.

This bill, as we all know, is $21.5 million above the budget, but we can take care of that quite easily next week.

Mr. Chairman, we will have on the floor of the House next week a bill which was previously scheduled to come up this afternoon, the bill dealing with the International Development Association. It provides for an increase in the capital structure of the International Development Association's lending fund, as I understand it, of some $312 million. This could very well be cut out altogether, but with the cooperation of the chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. Bonner] and the ranking minority Member, the gentleman from Washington [Mr. Tollefson], as well as the Members who are now on the floor—with your help come next week we could provide the extra money requested in this bill and still keep the President well within the overall budget he has outlined by cutting the $312 million, not only by $21.5 million, but why not cut it in two or cut it out altogether?

We would then have a cushion to work on for some other requirements here in the United States.

I ask the Members here this afternoon to join with some of us next week in cutting down that bill. Remember, this is just another foreign aid agency piled on top of the parent agency, known as the Agency for International Development. The International Development Association is a 40-year lending operation. For the first 10 years there is no payment whatever of interest or on the principal. In the second 10 years there is a small payment on the principal, and a slightly larger payment in the last 20 years. Throughout the 40 years not a dime of interest is paid. Of course, you and I know the foreign borrowers are never going to pay off these so-called loans. This is just another adjunct to the foreign giveaway program. Join with me next week, if you will, and we can take care of today's spending on the Coast Guard and still present the President with more than a balanced budget.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent (at the request of Mr. Tollefson) Mr. Gross was allowed to proceed for 3 additional minutes.)

Mr. TOLLEFSON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Washington.

Mr. TOLLEFSON. I want to assure the gentleman I will assist him in his efforts to reduce whatever that figure may be by this amount, or more, and when any mutual assistance program comes up I will assist him in his efforts to cut those programs as well.

Mr. GROSS. I thank the gentleman. I wish other Members would arise and hit the sawdust trail either this afternoon or next week.

On television last night I saw pictures of the British mission which is going over to Russia to build chemical, fertilizer, and other plants. The thought occurred to me in connection with this bill and the necessity to take care of some of our own domestic enterprises, such as the Coast Guard, that the British could be helpful to us. If they have the money to lend the Russians or give them credits—call it what you will—to finance the building of fertilizer plants, chemical plants and rubber plants in Russia; why do the British not pay us all or part of the $13 billion they owe us? Anything wrong with the British paying back at least part of the $13 billion we loaned them? We would then have some money to take care of icebreakers for the Coast Guard, endurance cutters, and so forth.

I see no reason why the British, if they have the money to finance the Russians, cannot pay their obligations to the taxpayers of the United States. I suggest that President Johnson get busy and tell Prime Minister Home and Britain's international bankers that we have stood in line waiting for our money long enough.

It is about time a President of the United States made the British aware of some of the facts of life, and it is also time that victimizing American taxpayers to underwrite bogus "loans" to foreign governments be stopped.

Mr. ROGERS of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am taking this extra time to finish some remarks I was not allowed to finish before because of limitation of time. It is important for the Congress to know a little more about the Russian trawler situation because it does affect our security and the safety of our Nation. The Coast Guard does have the responsibility here.

As I said earlier, the Committee on Armed Services conducted an investigation of the Russian trawler situation and they found in two instances that the equipment of the Coast Guard off the coast of Florida for the surveillance of Russian vessels, when they came within the territorial waters of the United States, was such that twice the Coast Guard vessels did not have enough speed to catch up with the Russian trawlers. In one instance there was a 7½-mile gap, and in another instance about a 3-mile gap.

We need to provide some equipment. The Secretary of the Treasury did not ask the Budget Bureau for any money to provide additional ships or airplanes for this patrol on Russian trawlers off Florida, as recommended by a subcommittee of the Congress of the United States.

He did not even make any request. There was no planning. So this committee took it up with the Coast Guard, and they say that in order effectively to have continuous patrols to the degree implied in the Florida Straits, off New England, and the Alaskan waters, the Coast Guard would require a rough estimate of at least three additional 95-foot patrol boats, five 210-foot minimum-endurance vessels, six minimum-range patrol planes, and three long-range patrol planes. Crew and support requirements would amount to about 475 officers and men. The activation and construction programs cost of the needed facilities is estimated at about $29,500,000, and an annual operating cost of about $7,420,000. It must be emphasized that this coverage would provide patrols only in the areas listed above.

I would think that the Secretary of the Treasury could go to the Secretary of Defense and the Secretary of the Navy and ask them to transfer to the Coast Guard sufficient vessels and manpower to tide us over until this committee can go through the authorizing legislation and we can go to the Appropriations Committee to get the ships and men necessary for the Coast Guard to do the work, because this is an important problem. It is going to be with us. The fishing is going to start soon off New England. We are going to see these vessels coming up and down our coasts, intelligence vessels mixed in with the fishing vessels, and we need a secure patrol.

I have talked to the chairman of this committee, who is greatly interested in this problem, and he has suggested that perhaps our committee can have hearings for a supplemental authorization to take care of this problem. I would commend him for his consideration of this problem, and would like to ask him if he could comment on the possibility of our perhaps going into this, since there is an immediate and urgent need, as stated by the Coast Guard, and they are now giving us information as to the necessary equipment and men it would take.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from North Carolina.

Mr. BONNER. The gentleman realizes the fact that the Navy Department has the Navy and the Treasury Department has the Coast Guard. There are functions that the Navy on account of international relations cannot perform that the Coast Guard can perform.

With respect to coming in with an additional authorization bill, I want to be perfectly frank about that with the Members of the House and all who may read the Record. The Coast Guard does need what is provided for here in addition to this other that the gentleman refers to. This is the first authorization bill on this matter. Certainly I would hate to commit myself, but we will hold hearings again shortly with the Coast Guard as to their further needs and be prepared next year, and we will see if as time goes on there is anything that can be done to strengthen them.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(By unanimous consent, Mr. ROGERS of Florida was allowed to proceed for 5 additional minutes.)

Mr. ROGERS of Florida. I thank the gentleman. I perhaps feel a little more urgency for the solution of this problem, although I am sure the gentleman is concerned, too.

Mr. BONNER. The gentleman understands that the personnel of the Coast Guard is limited, of course.

Mr. ROGERS of Florida. Yes, I do.

Mr. BONNER. They just do not have the personnel to do all of the things. When you take a cutter, let us say, out of the Chesapeake or the Delaware or the New York area to send it down to Florida, you are then depleting the service in the Chesapeake or the Delaware or the New York area which the people in those areas expect to have. In other words, they do not have any surplus stuff to use in emergency cases.

Mr. ROGERS of Florida. I thank the gentleman. That is true, of course. What I was asking was if the chairman could, perhaps, hold additional hearings this year to consider this problem as to whether we should give additional authorization because we do not have any surplus ships at all. In fact, when a ship has to go into drydock, they do not even have a ship to replace the one that they have to put in drydock. I will present for the consideration of the Congress, if it is deemed advisable, perhaps, on the appropriation bill, sufficient moneys to provide what is necessary for the Coast Guard to have in order to patrol our seas and protect these shores. I think in the meantime the Navy can, in conjunction with the Coast Guard, provide enough facilities and men to do the necessary patrolling off the shores of Florida and New England until we can provide the Coast Guard the necessary ships and the necessary personnel which they do not have now but which they desperately need in order to provide for the security of the United States.

The CHAIRMAN. The Committee will rise.

The Committee rose; and the Speaker having resumed the chair, Mr. EVINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 9640) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard, pursuant to the resolution, House Resolution 623, he reported the bill back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

If not, the Chair will put them en gros.

The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

RESIGNATION OF CONFEREE ON H.R. 4638—PRESIDENTIAL TRANSITION ACT OF 1963

The SPEAKER. The Chair lays before the House the following communication.

The Clerk read as follows:

> FEBRUARY 19, 1964.
>
> DEAR MR. SPEAKER: Please accept my withdrawal as House conferee on H.R. 4638.
>
> CHET HOLIFIELD.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

APPOINTMENT OF CONFEREE ON H.R. 4638—PRESIDENTIAL TRANSITION ACT OF 1963

The SPEAKER. The Chair appoints the gentleman from Texas [Mr. BROOKS] to fill the vacancy on the committee of conference on the bill, H.R. 4638.

The Clerk will notify the Senate accordingly.

AUTHORIZING PICTURES TO BE TAKEN OF THE HOUSE IN SESSION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to advise the House that tomorrow it is expected House Resolution 552, authorizing a picture of the House in session, might be called up.

ELIGIBILITY OF REPRESENTATIVES IN THE CONGRESS

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, the Supreme Court on Tuesday, February 17, in the case of *Wesberry* v. *Sanders*, No. 22, October term 1963, clearly demonstrated that the sky is the limit so far as this Supreme Court's efforts to take over all branches of the Government.

When the Supreme Court in that decision said, by a majority of 6 to 3, that the Court had a right to determine who is eligible to be seated in the House of Representatives, it left no question but what that court, in its mad grab for power, means to take over the whole country and that the Constitution means absolutely nothing to it.

Mr. Speaker, that decision was rendered in the face of section 5 of article I of the Constitution, as follows:

> Each House is the judge of the elections, returns, and qualifications of its own Members.

The Court would add its own restrictions to the limitations of the Constitution having to do with eligibility of Representatives in the Congress. The constitutional limitations are as follows:

> No person shall be a Representative who shall not have attained to the age of 25 years and who shall not when elected be a resident of that State in which he shall be chosen.

Mr. Speaker, fortunately this House of Representatives does not have to pay any attention to the Supreme Court in this instance. After all, the Supreme Court is one of three branches of the Government and although the House of Representatives, in recent years, has stood by while the Supreme Court has assumed the power to legislate and, actually, to amend the Constitution, certainly unless the House speaks up in this instance it will have made itself a party to a judicial dictatorship.

Mr. Speaker, I have, therefore, today introduced the following resolution:

> H. RES. 629
>
> Whereas under the Constitution of the United States the House of Representatives is the sole judge of qualifications of its own members, and
>
> Whereas the Supreme Court of the United States in the case of Wesberry against Sanders, No. 22, October term, 1963, in the decision rendered on the 17th day of February 1964, has attempted to usurp this power granted by the Constitution of the United States specifically to the House of Representatives: Therefore be it
>
> *Resolved*, That the House of Representatives does here and now declare its intention to seat as Representatives in Congress otherwise qualified Members-elect whom the House of Representatives may determine to have been duly elected in accordance with the laws of their respective States.

This resolution, under the rules, should go to the House Administration Committee, headed by a strong believer in the Constitution, the Honorable OMAR BURLESON, of Texas.

Also, Mr. Speaker, I have today introduced the following resolution which would amend the rules of the House, as follows:

> H. RES. 628
>
> *Resolved*, That the Rules of the House of Representatives be and they are hereby amended by inserting after rule VIII a new rule, as follows:
>
> Rule VIIIa. In the exercise of its power specifically granted by section 5 of article I of the Constitution to be "the judge of the elections, returns and qualifications of its own Members" the House shall seat as Representatives those persons, otherwise qualified, determined by the House to be duly elected in accordance with the laws of their respective States notwithstanding the determina-

tion of any court as to the validity of any such law.

Mr. Speaker, under the rules this would go to the Committee on Rules, headed by the distinguished constitutional lawyer, the Honorable HOWARD SMITH. I trust and hope that our friends on these committees will take immediate action, that the Court may know that the House of Representatives recognizes in this recent power grab by the Supreme Court that it is not merely the Congress or Representatives in the Congress who are affected, but in this decision this Court is attempting to take unto itself the right to deprive the people of their power as expressed through the House of Representatives.

Mr. Speaker, it is to be noted that the constitutional requirement is only that a Member be a resident of the State from which he is elected. It is to be remembered that several Members of the present Congress do not even live in their district; and I am advised the late Congressman Sabbath, of Illinois, served some 40-odd years and never lived in his district and, of course, there have been many more.

Mr. Speaker, it is high time that the House of Representatives and the Congress restore its standing as a coequal branch of Government, on a par with the judicial and the executive departments. The day is late. We need to take immediate action.

Then Mr. Speaker, if the Congress wishes to provide for equal or contiguous districts, it can be done in a constitutional manner by the Congress.

The laws included such a provision until 1929; but the Congress, after many years of experience with it, concluded at that time to delete it. If this action should be reviewed, it is for the Congress rather than the courts to do so.

THEY CREATED THEIR OWN TROUBLE

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Speaker, the Departments of State, Commerce, and Agriculture have only themselves to blame for the troubles they are having in regard to the shipment of wheat to Russia. Despite assurances that American-flag vessels would be permitted to carry a fair share of the wheat cargoes, these Departments have deliberately sought to exclude participation by American ships. Testimony before the House Merchant Marine and Fisheries Committee clearly reveals this.

One of the devices used to exclude American ships was the assertion that the sale of wheat was a commercial transaction. The purpose of the assertion was to avoid the provisions of the Cargo Preference Act which provides that at least 50 percent of Government-sponsored cargoes must be carried in U.S.-flag vessels. All Public Law 480 cargoes are handled under this act.

The assertion that wheat sales to Russia are commercial is, in my opinion, unfounded. There was and is more Government sponsorship in these sales than in any sales of grain under Public Law 480. In the first place, no sale of wheat to Russia could have been made but for the decision of the President. Thereafter, no private participation in the matter took place until after the three Departments had held extensive meetings to determine all facets of the wheat sales, including, if you please, the establishment of a ceiling on the ocean freight rates to be paid. This ceiling, as admitted by Government witnesses, was fixed so low as to exclude participation by most U.S. ships. As further indication that this is not an ordinary commercial transaction, the Government, not the exporter, is now negotiating with the longshoremen who say they will not load the wheat scheduled for Russia.

All the difficulties now encountered by the three Departments could have been eliminated if they had designated the wheat sale transactions to be Government-sponsored—which they in fact were. Then the Cargo Preference Act would have applied, and the cargoes would have been handled as they are under Public Law 480. A higher rate is paid to U.S. vessels than to foreign vessels. This is what Congress directed by the Cargo Preference Act.

Interestingly enough, under the current arrangement in addition to the normal export subsidy of 58 cents per bushel, the Department of Agriculture will pay an additional 14½ cents per bushel for ocean freight. It is, of course, paid "in kind." That is, the Department pays the exporter in grain which he can sell to get cash to pay the ocean freight. Thus, the Government in effect is subsidizing the foreign-flag carrier under the present arrangement. Under the Cargo Preference Act the American-flag carrier could participate to the extent of about 50 percent of such subsidy.

WHEAT LEGISLATION

Mr. QUIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. QUIE. Mr. Speaker, it looks like the House is going to be denied the right to work its will again. Ever since the wheat referendum was turned down by the farmers just about a year ago, many of us have been urging that wheat legislation be passed. Now it appears the other body will be adding wheat legislation to the cotton bill which we sent over there and send it back to us.

By this process the Committee on Agriculture will not report out a wheat bill. Neither will the House have an opportunity to work its will on a wheat bill. All the House will have an opportunity to do is to accept or reject the conference report. It should be pointed out that the certificate wheat program which was enacted into law in 1962 and which the farmers subsequently rejected in 1963 was never actually passed by the House. The omnibus farm bill in which it was included was defeated in the House. Later, the House passed a feed grains and wheat bill which did not include a certificate plan and this was added in the Senate and accepted in conference.

The same situation arose in the higher education academic facilities bill which the House passed with overwhelming support in 1962. The Senate passed a similar bill but added a section providing for scholarships, a provision which the House was not willing to accept. As a consequence, the House defeated the conference report on this legislation, and we were again denied the opportunity to consider legislation in this important area. It would be just as detrimental to consider wheat legislation in this way.

I am opposed to the certificate wheat plan. Many of my Democratic colleagues favor it and they may be successful in securing majority support for it in the House. However, every Member should have an opportunity to work for the development of the type of legislation he feels is in the national interest. We will be denied this opportunity if the present plan prevails.

Let me point out one important change in wheat legislation which should be enacted; that is, when the loan level is as low as it will be in 1964 without legislation or with the proposed certificate wheat program, the CCC resale formula should be increased from 105 percent of the support level to 115 percent of the support level plus carrying charges. Since this is not included in the Senate bill, there is no way it could be added in conference since it would not be germane. In order that my colleagues might have a clear indication of the importance of this change in farm law, together with a listing of the pros and cons on this issue which will clearly indicate the necessity of the change, I would like you to look over the statement prepared by the National Federation of Grain Cooperatives which follows:

THE PROS AND CONS OF A PROPOSAL TO INCREASE THE DIFFERENTIAL BETWEEN SUPPORT AND RESALE PRICES OF WHEAT IN 1964 LEGISLATION—105 PERCENT VERSUS 115 PERCENT RESALE PRICE

I. INTRODUCTION AND BACKGROUND

1. Section 407 of the Agricultural Act of 1949, as amended, provided that in selling commodities for unrestricted use, the CCC price should be not less than 105 percent of the support price plus "reasonable carrying charges" (interest, storage).

2. In 1958, Congress provided, in the case of cotton, that the CCC sales price formula should be changed from 105 to 115 percent. There are a large number of proposals to make a similar change applicable to wheat in 1964 legislation.

3. The largest influence on the open market price of wheat at or immediately after harvest is the level of support prices available in the form of loans or purchase agreements to farmers. In subsequent months, the market price is influenced increasingly by the CCC selling price formula, usually called the "resale price." This price is published monthly by CCC covering sales from its inventories for unrestricted use.

4. The loan price at harvest-time provides the major alternative to sale for cash at the

current market price by producers. Thus, the loan serves the function of a floor price for wheat. So also, the CCC resale price becomes the "ceiling" price because buyers of wheat will not pay more than the price at which at a given time they can buy it from CCC.

5. The range between the floor and the ceiling prices, as described above, has been narrowed by reduction in the CCC markup to reflect carrying charges in recent years.

Earlier, CCC sold at 105 percent of the support price during July, the first month of the wheat marketing year, then added 2 cents per month to its price to cover interest and storage costs to CCC for a total of 9 months ending April 30. It added no carrying charges for May and June—then reset its price at 105 percent of the applicable support July 1.

The carrying charge of 2 cents per month was halved. (There were, as always, variations reflecting grade, class, location, billing, etc. Loading-out charges averaging three-fourths of a cent were added to offset any such cost if incurred by CCC in connection with the sale and, as in the case of "in" charges, can, for purposes of this discussion, be disregarded in examining the changes in the formula price.)

Thus, CCC's resale price was reduced well below the cost experience of grain firms and well below customary trade practice.

6. CCC operations are required, under the charter enacted by Congress in 1948–49, to employ the usual and customary channels of trade and commerce. Unless restraint is exercised, in view of its great and growing power, its vast money resources, its nonneed to subject its operations to profit-and-loss criteria, CCC can dominate wheat prices, wheat supplies, sales, movements—in short, all wheat commerce of a significant character. To do so is neither contemplated, required, nor encouraged by Congress under the laws so far enacted, but it is probably necessary for Congress to restate its position from time to time.

II. ADVANTAGES OF THE 115-PERCENT PROVISO

1. Recently in arguing the advantages of certain measures intended to reduce CCC inventory, USDA estimated the cost of carrying a bushel of wheat as averaging 26.21 cents per year. This was made up of 13.53 cents for storage and handling; an average of 3.93 cents for transportation; an average cost incident to resale of 1.24 cents per bushel; and interest computed at its estimated cost to CCC of 7.51 cents per bushel.

Such estimates compared with the value judgments expressed in the advance in price to reflect carrying charges at a maximum of 9 cents per bushel over a 12-month period indicates a major contradiction. Furthermore, it indicates that CCC has traveled far indeed from the patterns employed in the usual and customary channels of trade in figuring carrying charges.

This contradiction also illustrates that mandates from Congress can turn and twist in unfathomable ways within a few years; that the current practice with respect to carrying charges are unrealistic, illogical, and in violation of CCC charter provisions.

This situation requires correction without regard to determination of the merits of 105 percent versus 115 percent.

2. If Congress desires to encourage the grain marketing industry to exercise initiative and enterprise, it must reexamine the condition and durability of the rules Congress established to prevent unfair competition by CCC.

3. The 105 versus 115 percent issue, for purposes of objective examination of advantages and disadvantages, should be analyzed without regard to the specific level of support. In the case of various proposals for legislation for wheat presently under consideration, there is a considerable variation in the proposed levels of support.

The issue should be examined, first of all, in terms of its effects on stimulating private trade efforts in the marketplace.

4. If the considered views of the grain marketing industry were requested, it may be remarked parenthetically that in excess of 95 to 99 percent of the leaders would be found to view CCC's present role as needlessly large and as in a state of aggressive growth.

An example: CCC requested the grain marketing industry to expand grain storage space for a number of years. Rates were gradually increased on a number of occasions. Warehousemen were offered other incentives to expand facilities. The result has been an increase in commercial grain storage facilities from about 1.25 billion bushels in 1950 to 5,453,240,000 bushels as of January 1, 1964. The latter figure is at least twice to three times the normal needs.

In addition, CCC owns bins and other storage facilities with a capacity presently rated at 965 million bushels and has no program for reducing or disposing of these facilities which were originally brought into being with assurances to the grain marketing industry that they were for "standby and emergency use."

It is axiomatic that one Secretary of Agriculture, even within the same administration, is not bound by the pleadings or promises of his predecessors. Thus, the present Secretary, unless continuity of policy in fairness to the marketing industry is insisted upon by Congress, may proceed as he desires in a number of areas with results which can be most serious to the grain marketing industry.

To illustrate:

(a) He may favor the use of CCC-owned storage over commercial space, despite the language of the CCC charter. The CCC-owned storage facilities pay no taxes to school districts, townships, counties, States, or the Federal Government; they are not essential to provide storage service at present except in a very few localities; they are expensive to maintain and administer because they do not justify the cost of modern equipment for large, efficient bulk handling of grain.

(b) He may, as he has only recently intimated, place grain storage rates on a competitive bid or other basis which would destroy the public utility principle of equal treatment for all farmers and other depositors. The bid system could result in curtailing operation of the higher-cost structures in areas with the highest operating costs. It would provide a very great advantage to the lowest-cost but least serviceable storages from the long-range standpoint of providing farmers an efficient marketing system—such as sheepshed-type storage and similar facilities, including remodeled military barracks, abandoned railroad roundhouses, etc.

(c) Unless restrained, he could exercise unchallenged authority to cut existing carrying charges even further than they have been cut. He might, for example, reduce to zero the incentive of grain firms to build inventory for resale or for millers to acquire stocks from CCC at prices largely dictated by CCC's resale policies and practices.

5. The 115-percent resale minimum would reduce program costs because it would have the effect of increasing the volume of purchases to meet their requirements by millers and other end-users during harvest and through the redemption of loans by farmers. This would reduce the takeover volume of CCC.

Each bushel of grain which passes into the hands of CCC involves a considerable cost and a substantial loss, especially during the period of declining prices which are now in prospect.

For example, the reduction in the value of CCC inventory, assuming it will be about 1 billion bushels as of July 1, in case the support price is reduced from that in effect last year to $1.30 or so, national average, next July 1 is obviously a very substantial sum.

6. The following illustrates the basis for computing the CCC resale price under 105- and 115-percent provisions in case the national average wheat loan level should be $1.30 as of the marketing year beginning next July 1:

(a) The resale price for CCC stocks of wheat acquired under past programs for July of this year would be $1.30 times 105 percent, or $1.365. On August 1, 1 cent would be added and 1 cent per month thereafter for 8 additional months. The resale price would reach its maximum of $1.455 in April 1965, remaining at that level until adjusted for the new marketing year starting July 1, 1965, in accord with the law then in effect.

(b) Should the 115-percent provision be in effect, the resale price for July 1964 would be $1.30 times 115 percent, or $1.495. By April 1965, the addition of an unrealistic "loss-leader" carrying charge of only 1 cent per month would bring the resale price for April, May, and June of 1965 to $1.585.

7. The 115-percent formula would help insure that the United States would not have to place an embargo on wheat exported to comply with the minimum price under the International Wheat Agreement, pursuant to the Nation's commitment under that agreement.

The July 1964 price, under a $1.30 loan level and the 105-percent proviso, would place the United States in a position where it would be offering wheat into export channels below the minimum price as related to the schedule set up under IWA, unless some unusual action was taken by the U.S. Government to insure meeting the IWA commitment.

Authority to deal with this matter was delegated to the Secretary of Agriculture by the late President Kennedy soon after farmers voted to reject wheat marketing quotas in the referendum conducted in May 1963.

8. There are other reasons to support the 115-percent proviso, chiefly centering on lower costs to the CCC, encouraging the use of the marketing system, and reducing the prospect of cycling of CCC stocks. This is the process whereby CCC takes possession of stocks acquired under price support with one outstretched hand while, with its other long hand, it sells out inventory which it has possessed for 1, 2, or 3 years. Where CCC owns the commodity outright, this should be known as the stalling period.

For demand to be met out of current production by farmers assists in reducing CCC costs; it reduces the cycling of stocks; it contributes to more aggressive marketing activity on the part of the grain marketing industry to meet domestic and export needs.

III. THE ARGUMENTS AGAINST THE 115-PERCENT PROVISO

1. The Secretary of Agriculture has, at present, authority to increase support and resale prices. The principal argument in opposition to writing into law a provision requiring a minimum resale price of 115 percent of the support price or the market price, whichever is higher, is that such authority resides in the Secretary of Agriculture at the present time and that he would exercise it if need be.

It is argued that public confidence in the Secretary of Agriculture on the part of farmers and the wheat marketing industry, on the part of Members of Congress of both parties, and on the part of the public generally, is extremely high; that he should be entrusted with the broadest possible delegation of authority by Congress in such matters as the CCC resale price.

Furthermore, Congress should, it is argued, leave to his judgment and discretion such matters so as to insure that "a nonpolitical, scientific, and enlightened policy and program would be pursued devoid of congressional controversy" which such program specifics as the 115-percent proposal might engender; that it is assumed he would seek the guidance of the marketing industry, of farm organizations, and of farmers themselves to guide his decisionmaking.

2. The decisions he would make, because they would not be announced in advance, could well keep competitors of the United States in the world wheat trade guessing long and hard; that this tactic would be in the best tradition of Yankee trading and would immeasurably increase the bargaining power of the United States in international wheat markets because of his experience and proved skill in such matters.

3. By delegating the broadest possible powers to the Secretary of Agriculture, Congress will be arming him and his successors with the tools and authority to exercise his demonstrated skills in public management, in achieving efficiency and economy, in inventory management, in reducing operating costs of the Department of Agriculture, and related matters.

4. It may well be that the Secretary, after studying the matter, may decide that resale of wheat should be at 120 percent or a higher percentage of the support level. For Congress to have specified a minimum of 115 percent might, in such event, appear to be inhibiting the making of a decision to specify a higher resale price.

5. It is also argued that the utility of merchandising efforts, domestic and export, of the grain marketing industry have been greatly overvalued and overstated; that the farmers' interest would be better served by enlarging the role of Government in acquiring stocks and disposing of them; and that leaving the matter to the determination of the Secretary would facilitate this development.

MEAT IMPORT AGREEMENT

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota [Mr. REIFEL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. REIFEL. Mr. Speaker, it did not take long for the people of South Dakota to recognize the impact on our No. 1 industry, agriculture, of the meat import agreement reached Monday between the United States, Australia, and New Zealand.

Judging from the letters, telegrams, and telephone calls now pouring into my office, the livestock producers in South Dakota, who provide nearly 70 percent of the agricultural income within our farm State economy, are thunderstruck. We can only regard this agreement as a sellout, a surrender, and a catastrophe for our livestock industry.

It is inconceivable to me how our negotiators could sacrifice this important industry at a time when a massive tax cut is argued for as essential to stimulate business expansion, economic growth, and head off recession. It also comes at a time when official Agriculture Department predictions call for a 5-percent-or-more drop in farm income this year. It comes at a time when farmers have no wheat program to head off a sharp break in prices.

In short, Mr. Speaker, the concessions given to Australia and New Zealand by this agreement, in the face of such economic conditions confronting our farmers and livestock producers, are nothing short of shocking.

The agreement is referred to by our State and Agriculture Departments as one to limit meat imports from these two countries in competition with our own livestock production. This agreement might be better described simply as a freeze on these imports at near their present excessive levels.

It was negotiated in clear disregard of the wishes expressed repeatedly by representatives of livestock producer organizations and by their elected Representatives in the Congress.

Pursuing the "can't win" philosophy that we have seen in some other foreign policy decisions, our negotiators acceded to Australia-New Zealand wishes to use the high-import years of 1962 and 1963 as the base period on which any rollback would be based. Even at that, they obtained only a 6-percent cutback in meat imports and magnanimously awarded a growth factor of 3.7 percent a year to this foreign competition.

Now the livestock producers of this Nation do not exist in a make-believe world where there is no competition for their products. They recognize the need for international trade and the fact that trade must be a two-way street. Yet, ever since the enactment of the Trade Expansion Act of 1962, we have in effect erected a worldwide network of one-way signs pointing to the United States as a dumping ground for foreign products and meat imports in particular.

Our livestock producers had recommended repeatedly that the base period for seeking to obtain voluntary concessions from our friends and allies, Australia, and New Zealand, be the average level of imports in the years from 1957 through 1962. Every year in this 5-year period showed a large volume of imports. So it would not have been a low-base period. It could hardly be regarded as protectionist or isolationism.

Average beef imports for that period were 1,045,000 pounds, equal to about 6.7 percent of our own production. Instead our negotiators from the very beginning conducted these discussions from a position of weakness, using the high years of 1962 and 1963 when imports were twice as high in terms of domestic consumption.

The agreement was rushed to conclusion without regard to the Tariff Commission study requested by the Senate Finance Committee to determine the total impact of these competitive meat imports on prices received by domestic producers. When the results of that study are made known about June 1—and there is little doubt it will show a highly adverse impact—the hands of Congress will be virtually tied when it comes to providing any relief.

Thus, our State, and Agriculture Department negotiators have bargained away not only the rights of domestic livestock producers but also the rights of Congress by agreeing this Nation will make no increases in its duties on beef, veal, and mutton imported from Australia and New Zealand. Should Congress enact any legislation on this subject as recommended by a number of Members, the President under the terms of this agreement would be dutybound to veto it.

In South Dakota the cattle industry is an important part of our agricultural economy. Our leading organization representing that industry is the South Dakota Stockgrowers Association headed by Merton Glover, of Porcupine, S. Dak.

I include at this point a telegram received from that organization which is typical of the protests now pouring into my office:

> The Beef Import Agreement announced on Monday, February 17, 1964, with Australia and New Zealand, permitting imports surpassing anything this country has ever experienced would be disastrous to the cattle industry of South Dakota.
>
> The cattle industry in South Dakota generates the greatest income, employment, investment, and source of urban main street commerce of any industry in South Dakota.
>
> The import agreement reached with Australia and New Zealand for the years 1964, 1965, and 1966 will cripple the cattle industry and economy of South Dakota.
>
> We have appeared before the Trade Information Committee and the Tariff Commission discussing the impact of imports on South Dakota and have asked to be heard in April for the hearings authorized by the Senate Finance Committee.
>
> We are certain the agreement announced will financially ruin a large number of the cattle operators in South Dakota and will further prevent any expansion of the cattle industry in South Dakota.
>
> We ask this agreement be canceled by you until such time as hearings asked for by the Senate Finance Committee can be completed and the total beef import problem be examined.
>
> The serious jeopardy the agreement with Australia and New Zealand places upon our people and cattle operators requires me to urge you to give this request your personal and immediate attention.
>
> MERTON GLOVER,
> *President, South Dakota Stockgrowers Association.*
> PORCUPINE, S. DAK.

The attention of Members is directed especially to this comment of Mr. Glover:

> We are certain the agreement announced will financially ruin a large number of the cattle operators in South Dakota and will further prevent any expansion of the cattle industry in South Dakota.

The stockgrowers association asks that the agreement be canceled before it has even begun. Even this is impossible under the terms of the agreement, for the earliest date at which it can be canceled would be at year's end.

Mr. Speaker, I do not know what can be done to correct this flagrant injustice wreaked upon the livestock producer by this week's agreement which seems to seal off every possible avenue of relief. Certainly the livestock producer has received not even sympathy for the decline in his prices over the past year. The best advice one Cabinet official could offer was to recommend cattlemen "cut out your whining."

The Agriculture Department seems to view the problem as one of producers holding their animals too long and marketing them at excessively heavy weights. This is true to some extent, but it is the only means by which the livestock producer can hope to recover his investment. He holds his animals off the market extra long in the hope that market prices might recover. The far-from-accurate market predictions of the Agriculture Department are in part the cause of this overweight marketing.

I understand the Department has just revised its predictions once more and instead of the market improvement promised for this month, it is now expected to show an upturn in April or May. How many additional cattle feeders will be ruined in the interim, no one can predict.

I appeal to those in the Congress and in the administration who recognize the seriousness of this problem not to regard this agreement as the solution, for indeed it is no solution at all. It simply makes permanent the problem.

I plead on behalf of the livestock producers of this Nation and the millions who depend upon them for their livelihoods that continued study and reassessment be carried out in the hope that some avenue of relief can be found. If not found soon, this agreement should be terminated at the earliest practicable date.

SALUTE TO LITHUANIA

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. BOB WILSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BOB WILSON. Mr. Speaker, Lithuanians and people of Lithuanian descent around the world are marking three important anniversaries this month. They are observing the 713th anniversary of the formation of the Lithuanian state. They mark the 711th anniversary of the founding of the Lithuanian kingdom, when Mindaugas the Great was crowned as the first king of the Lithuanian empire. And they remembered the 46th anniversary of the establishment of the Republic of Lithuania on February 16, 1918.

While these days should be happy occasions for the Lithuanians everywhere, they are haunted by the fact that since June 15, 1940, their freedom-loving country has been suffering under the hands of Soviet captors. It was then that the Soviet Union took over the little country of Lithuania by force of arms.

We, in the United States, can proudly say that we have never recognized the incorporation of Lithuania into the Soviet Union and we continue to maintain diplomatic relations with representatives of the Free Republic of Lithuania. We maintain and support the Lithuanian Legation in Washington, D.C., and four Lithuanian consulates.

In these days, when the Communists seem to be pushing ahead on nearly every front, when they are insulting the image of freedom from Panama to Zanzibar, from Vietnam to Guantanamo, it would be well for us to take a good long look at just what this godless ideology has done in the past to such freedom-loving peoples as the Lithuanians. It seems incredible that we could ever lose sight of these facts which I will relate but which are not, in fact, new.

Since June of 1940—in 23 years—more than one-fourth of the Lithuanian population has disappeared at the hands of the Communists. Hundreds of thousands of Lithuanians have been murdered by the Communists or have died in exile in Soviet slave labor camps and prisons in Siberia and other places in Russia.

As the new emerging nations in Africa and other areas of the world make new demands for freedom and independence, we should not lose sight of the fact that there are, on this earth, countries such as Lithuania, now over 700 years old, which have the same right to freedom and independence as any new state. The denial of freedom anywhere in the world can lead to its denial everywhere.

In this connection, in November of last year I introduced House Concurrent Resolution 234. The resolution would direct our representatives in the United Nations to bring before that world body the question of holding free elections in the so-called captive nations. It is now pending before the House Committee on Foreign Affairs. I hope that my colleagues in the House and on that committee will soon take action on this resolution. The text of the resolution follows:

> Whereas since 1918 the imperialistic and aggressive policies of Russian communism have resulted in the creation of a vast empire which poses a dire threat to the security of the United States and of all the free peoples of the world; and
>
> Whereas the Communist regime did not come to power in Lithuania, Latvia, Estonia, Poland, Hungary, Ukraine, Czechoslovakia, White Ruthenia, Rumania, East Germany, Bulgaria, Armenia, Albania, Cuba, and others by legal or democratic processes; and
>
> Whereas the Soviet Union took over the aforesaid countries by force of arms; and
>
> Whereas these submerged nations look to the United States, as the citadel of human freedom, for leadership in bringing about their liberation and independence and in restoring to them the enjoyment of their Christian, Jewish, or other religious freedoms, and of their individual liberties; and
>
> Whereas it is vital to the national security of the United States that the desire for liberty and independence on the part of the peoples of these conquered nations should be steadfastly kept alive; and
>
> Whereas there exists a strong and undivided world opinion to eliminate all remnants of imperialism and colonialism: Now, therefore, be it
>
> *Resolved*, That the Senate and House of Representatives of the United States of America request the President of the United States to bring up the liberation question of Lithuania, Latvia, Estonia, Poland, Hungary, Ukraine, Czechoslovakia, White Ruthenia, Rumania, East Germany, Bulgaria, Armenia, Albania, Cuba, and others before the United Nations and ask the United Nations to request the Soviets—
>
> (1) to withdraw all Soviet troops, agents, colonists, and controls from the aforesaid countries;
>
> (2) to return all exiles and prisoners from Siberia, prisons and slave-labor camps in the Soviet Union; and be it further
>
> *Resolved*, That the United Nations conduct free elections in these countries under its supervision and punish all Soviet Communists who are guilty of crimes against these nations.

U.S. FISHING RIGHTS

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. BOB WILSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BOB WILSON. Mr. Speaker, I would like to say a few words on behalf of a bill which I have today introduced to protect U.S. fishing rights.

The necessity for this bill arises from the misconduct of other nations. For years our unofficial 3-mile territorial limit was observed by fishermen of other nations with a fair degree of responsibility. However, during the past few years, violations of our territorial waters have occurred with annoying frequency.

We have no law at present that has teeth. This bill simply provides that any foreign craft violating our territorial waters would be subject to penalties, which include seizure of catch, tackle, and cargo, imprisonment of personnel for up to a year and a fine of $10,000. Present law establishes the illegality of violating territorial waters, but provides no penalties.

The bill does not define territorial waters. It does not change any of our present fishing laws, territorial designations, or foreign policy. It will put the United States in line with other nations which zealously protect their territorial waters. The Soviet Union, one of the chief violators of our territorial waters has, during the past decade, seized 854 Japanese fishing vessels and 7,042 Japanese fishermen. In addition, the Soviets have sealed off vast areas of productive water which increases the pressure of Japanese fishermen on our territorial waters. In recent months there have been incidents which could have led to serious international ramifications as our fishermen do not intend to have their gear demolished by international poachers without reprisal of one means or another.

Today when an international interloper is spotted within our territorial waters, we can only ask that he leave. This bill would make a future raid on U.S. coastal fisheries an unappealing act, fraught with risk of serious penalty.

By setting up a definite law—one which is unmistakable in its intent and coverage—and by notifying all the governments of the world that we intend to enforce this law to the fullest, we can provide the protection our fishing industry needs.

It would, of course, be necessary to devise effective means of implementing this law. Use of aerial and surface enforcement would, I am sure, provide adequate coverage to discourage abuses of our fishing areas. Given authority, I am certain that the Coast Guard, Navy, and other agencies can come up with a method of patrol and interception that will be able to cope with "hit and run" type of poaching raids.

This bill applies to waters from Maine to the gulf, from California to Alaska. Our fishermen everywhere need this measure of protection. It provides for protection of certain resources on the Continental Shelf. Much remains to be done in the field of concisely defining these resources and the extent of the area covered. However, it takes a valuable first step in that direction, and I believe this provision is a valid and important part of the bill. The bill passed the Senate on October 1, 1963, without controversy.

I support in general the provisions of S. 1988 as it passed the Senate. There are two modifications which I would like to suggest to the committee for consideration. In section 2, line 12, I would recommend striking out the words "and to land its catch in a United States port." This language, I believe, poses a threat to all of our major fishing industries, be it salmon or as in my home area, tuna. It is intended to permit research vessels to conduct research within the territorial waters of the United States. The idea of having the vessel sell its catch at U.S. ports opens an avenue of abuse that could defeat the very purpose of this bill. The United Nations plans vast research projects, with participating boats fishing in territorial waters of other nations and selling their catch to defray expenses. The joker in this deck is that we cannot trust some of the participating nations. We know the Russian fishing trawlers are not all trawlers, but advanced espionage outposts. What would prevent a similar situation from developing, where commercial fishing boats would be designated as "research" vessels and actively engage in commercial fishing under the protection of this act? Although the language says the Secretary of the Treasury must get permission from the State, Commonwealth or Territory, it has been the painful experience of lesser levels of government that the Federal Government does not always recognize these provisions or challenges their jurisdiction. To make this act effective, I feel we should strike this language.

In order that there be no conflict by interpretation, I would suggest that the following language be written into the bill as section 5:

> Nothing in this act shall be construed to amend or repeal the provisions of section 4311 of the Revised Statutes, as amended, 46 U.S.C. 251.

This section of the code defines in specific language fishing rights of American vessels, and in addition this language:

> Except as otherwise provided by treaty or convention to which the United States is a party, no foreign-flag vessel shall, whether documented as a cargo vessel or otherwise, land in a port of the United States its catch of fish taken on board such vessels on the high seas, or fish products processed therefrom, or any fish or fish products taken on board such a vessel on the high seas from a vessel engaged in fishing operations or on the processing of fish or fish products.

I feel it is important that this section of the code be fully effective and that we make it clear that the measure under consideration in no way suggests changes, revisions, or lessens the effectiveness of this section.

With these two revisions, this bill will provide the apparatus to enforce an existing law. As such it is needed.

PENNSYLVANIA UNEMPLOYMENT COMPENSATION FUND

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SCHNEEBELI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCHNEEBELI. Mr. Speaker, Pennsylvania's Governor Scranton has recently set forth his recommendations for proposed changes in Pennsylvania Unemployment Compensation Fund provisions in order to retrieve this fund from fiscal collapse. Presently, the State of Pennsylvania owes the Federal Government more than $165 million which was borrowed from the Federal Government to keep up payments in previous years to the unemployed in our State. I strongly support the Governor's forthright and courageous position with respect to this legislation.

In an effort to put this fund back into proper balance and to increase the weekly benefits to the legitimately unemployed, the recommendations list the elimination of loopholes presently inherent in the State eligibility requirements. Some of the heads of the labor unions in Pennsylvania have sought to make a political issue out of Governor Scranton's recommendations and have put forth statements which the Governor has called "political and misleading." Governor Scranton's most recent comments on this subject are listed in the statement which follows:

> COMMONWEALTH OF PENNSYLVANIA, GOVERNOR'S OFFICE, HARRISBURG, PA., FEBRUARY 17, 1964
>
> Comments by Gov. William W. Scranton after publication of a memorandum from the U.S. Labor Department to the Democratic National Committee concerning Scranton administration proposals to reform the unemployment compensation laws:
>
> "Like most people I am shocked that opponents of unemployment compensation reform are channeling opposition through the Democratic National Committee.
>
> "This substantiates our charge that much of the opposition has been 'blatantly political.' It throws a cloud of suspicion over the motives of reform opponents, since it clearly indicates that they consider this a political issue, not an issue of Pennsylvania's economic survival and prosperity.
>
> "Let me make one point emphatically clear: There is no political prize big enough to make me turn my back on the unemployed of this State. It is for their sake that we must have reform.
>
> "I am not going to stand by silently while Pennsylvania's unemployment compensation mess continues to fester until it erupts and causes irreparable hardship to the people of this State.
>
> "Meanwhile, the political memorandum from the U.S. Labor Department to the Democratic National Committee emphasizes the weak position of the reform opponents.
>
> "Secretary of Labor Wirtz is clearly on the record favoring elimination of the second round of benefits. The memorandum to the Democratic Committee hints that this position was contingent upon enactment of a total Federal unemployment compensation program.
>
> "That is not what he said in his letter of July 16, 1963, to the chairman of the Federal House Committee on Government Operations. Without any conditions he said in that letter that:
>
> " 'This Department in order to insure that only individuals who have had a very recent attachment to the labor force are eligible for benefits, has encouraged the States to modify their laws to provide that the lag period be reduced to less than 3 months. Such modification of the State lag period would assure that no individual (whether State-covered or Federal employee or ex-serviceman) would be able to establish eligibility in a second consecutive benefit year based on wages from the last separating employer paid prior to the first benefit year.'
>
> "Stripped of bureaucratic gobbledygook, what the Secretary was saying—without any ifs, ands or buts—was that the U.S. Department of Labor has been encouraging the States to eliminate the second round of benefits. The Department's political memorandum admits that the reform of second round payments which we have proposed is similar to what they've been encouraging all States to do.
>
> "But, to give the Democratic National Committee a political point to argue, the Department now says that it favors elimination of the second round only if a new Federal program is totally adopted. That is not what Mr. Wirtz said in his letter of July 16.
>
> "And for good reason. The Federal program has to do with the first 52 weeks of unemployment. It does not have to do with the 30-week period for which Pennsylvania now pays the second round and which follows the first 52 weeks.
>
> "Nor does the Labor Department's political memorandum mention that not one other major Eastern industrial State—and they are the States with which we are in competition for new plants and new jobs—pays a second round. Why hasn't the U.S. Labor Department advocated that all of these States which compete with Pennsylvania start paying a second round until a new Federal program is passed?
>
> "Most important of all, the political memorandum proposes no solutions to the serious unemployment compensation problems faced by Pennsylvania. It does not suggest how we are to get our fund out of bankruptcy, how we are to pay higher weekly benefits to the legitimately unemployed, or how we are to make it possible for Pennsylvania to compete successfully for more plants and more jobs. It doesn't offer a solution, because the only solution possible is the reform program advocated by this administration.
>
> "The U.S. Labor Department is obviously unable to frankly say so in a political memorandum to the Democratic National Committee. Instead, it blithely suggests continuing the loopholes, forgetting about the real problems, and assigning Pennsylvania to a future of high unemployment without a fund capable of paying legitimate benefits."

CHAPLAINCY OF THE HOUSE OF REPRESENTATIVES

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. HOEVEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HOEVEN. Mr. Speaker, pursuant to a student inquiry I recently received regarding the Chaplaincy of the House of Representatives, I was surprised to find that little has been printed on the history of this position. Under leave to extend my remarks in the RECORD, I include the following report prepared by the Legislative Reference Service, Library of Congress, together with a bibliography of references on Chaplains of the United States Senate and the House of Representatives. I am sure my colleagues in the House will find this information most helpful in replying to similar inquiries from teachers and students.

Miscellaneous Historical Data on Chaplains in the House of Representatives of the United States

I. AUTHORITY TO ELECT A CHAPLAIN

The House of Representatives derives from the Constitution its authority to elect a Chaplain. The Constitution provides that the House shall choose their Speaker and other officers. The other officers have from time to time been created and their duties defined by the rules of the House, which also are made pursuant to the authority of the Constitution, hence one of the rules prescribes the duties of the Chaplain.[1]

II. OPENING OF SESSIONS OF CONGRESS WITH PRAYER

The custom of opening the daily sessions of the Senate and House of Representatives with prayer is a very old one dating back to the Continental Congress. The Journal of the Continental Congress of September 6, 1774, first records the practice, which seems to have been continued in the Congress under our constitutional form of government. For many years it was customary to elect two chaplains, one by the Senate and one by the House of Representatives, who officiated alternately; but since 1856 each House has elected its own Chaplain.

In the first Congress, when the custom came over from the Continental Congress, George Washington was President of the United States.

During a protracted struggle over the organization of the House in the 35th Congress, and before a Chaplain was elected, the House was opened alternately with prayer daily by ministers of the gospel of Washington.

The original reason for the custom, although not of record, may be readily assumed to be as expressed in a resolution adopted by the House in later years, that "it eminently becomes Representatives of a people so highly favored to acknowledge in a public manner their reverence for God."—The Honorable William Tyler Page.

III. EXCERPTS FROM HOUSE REPORT NO. 124, 33D CONGRESS, 1ST SESSION

Let us look at the history of chaplains in Congress. Here, as before, we shall find that the same practice was in existence before and after the adoption of the Constitution. The American Congress began its session September 5, 1774. On the second day of the session, Mr. Samuel Adams proposed to open the session with prayer. I give Mr. Webster's account of it: "At the meeting of the First Congress there was a doubt in the minds of many about the propriety of opening the session with prayer; and the reason assigned was, as here, the great diversity of opinion and religious belief: until, at last, Mr. Samuel Adams, with his gray hairs hanging about his shoulders, and with an impressive venerableness now seldom to be met with (I suppose owing to different habits), rose in that assembly, and, with the air of a perfect Puritan, said it did not become men professing to be Christian men, who had come together for solemn deliberation in the hour of their extremity, to say there was so wide a difference in their religious belief that they could not, as one man, bow the knee in prayer to the Almighty, whose advice and assistance they hoped to obtain; and, independent as he was, and an enemy to all prelacy as he was known to be, he moved that Reverend Dushe, of the Episcopal Church, should address the throne of grace in prayer. John Adams, in his letter to his wife, says he never saw a more moving spectacle. Mr. Dushe read the Episcopal service of the church of England; and then, as if moved by the occasion, he broke out into extemporaneous prayer, and those men who were about to resort to force to obtain their rights were moved to tears; and floods of tears, he says, ran down the cheeks of pacific Quakers, who formed part of that interesting assembly; and depend upon it, that where there is spirit of Christianity, there is a spirit which rises above form, above ceremonies, independent of sect or creed, and the controversies of clashing doctrines." That same clergyman was afterward appointed chaplain of the American Congress. He had such an appointment 5 days after the Declaration of Independence.

On December 22, 1776; on December 13, 1784; and on February 29, 1788, it was resolved that two chaplains should be appointed. So far for the old American Congress.

There certainly can be no doubt as to the practice of employing chaplains in deliberating bodies previous to the adoption of the Constitution. We are, then, prepared to see if any change was made in that respect in the new order of affairs.

The First Congress under the Constitution began on the 4th of March, 1789; but there was not a quorum for business till the 1st of April. On the 9th of that month Oliver Ellsworth was appointed, on the part of the Senate, to confer with a committee of the House on Rules, and on the appointment of chaplains. The House chose five men—Boudinot, Bland, Tucker, Sherman, and Madison. The result of their consultation was a recommendation to appoint two chaplains of different denominations—one by the Senate and one by the House—to interchange weekly. The Senate appointed Dr. Provost, on the 25th of April.

On the 1st day of May Washington's first speech was read to the House, and the first business after that speech was the appointment of Dr. Linn as chaplain. By whom was this plan made? Three out of six of that joint committee were members of the convention that framed the Constitution. Madison, Ellsworth, and Sherman passed directly from the hall of the convention to the Hall of Congress. Did they not know what was constitutional? The law of 1789 was passed in compliance with their plan, giving chaplains a salary of $500. It was reenacted in 1816, and continues to the present time. Chaplains have been appointed from all the leading denominations—Methodist, Baptist, Episcopalian, Presbyterian, Congregationalist, Catholic, Unitarian, and others.

IV. EXCERPTS OF LETTER CONCERNING CHAPLAIN WILLIAM H. MILBURN

Replying to your letter of January 15, regarding the service of Reverend William H. Milburn as Chaplain of the House of Representatives, I beg to state that he served from December 7, 1885, to March 3, 1893, during the 49th, 50th, 51st, and 52d Congresses.

He resided at 1318 14th Street NW., Washington, D.C.

The 51st Congress was Republican. For Chaplain of the House the Reverend Charles B. Ramsdell was the Republican caucus nominee. A movement was started to retain Dr. Milburn, the former Chaplain, because he was blind and although a Democrat, several Republicans voted for him and he was elected by a vote of 160 to 155.

In the 52d Congress he was reelected by a Democratic House without opposition and afterward became Chaplain of the Senate.

When "Tom" Reed was Speaker of the House, the Chaplain was the blind and eloquent orator Milburn. Milburn got into the habit of praying against gambling in stocks and bonds. Dunham, a stocky, swarthy Member of the House from Chicago, was a prominent member of the Chicago Stock Exchange.

So regular and persistent were the Chaplain's daily attacks upon "bucket shops" that Dunham, whose name figured prominently in certain doings in the Chicago "pit," went to "Tom" Reed and objected vehemently to what he said was getting "personal." Speaker Reed only smiled and in his inimitable drawl, said: "Aw, Dunham, don't mind that; it's only the Chaplain's way of telling the Lord all the news."[2]

V. EXCERPT FROM "HISTORY AND PROCEDURE OF THE HOUSE OF REPRESENTATIVES" BY DE ALVA STANWOOD ALEXANDER, PAGES 89–99

The chaplain opens each day's session with prayer, for which he receives a salary of $1,200 [1916]. It is not stipulated that prayers be short, or that Members stand during the service, but brevity and reverence are usually observed. Originally the chaplain was not an official of the House. A concurrent resolution named two clergymen of different denominations, who, interchanging weekly, supplied the Senate and House. The prolonged speakership contest in 1855 interrupted this custom, the House meantime employing local ministers. Their prayers, it seems, too often evinced something of the partisan spirit that characterized the pending controversy, and in the following Congress (1857) certain Members who claimed that the employment of chaplains conflicted with the spirit of the Constitution and tended to promote a union of church and state, made a determined effort to discontinue their use. This aroused the churches of the country, and at the end of an acrimonious debate the House, by an overwhelming majority, adopted the following resolution: "Whereas the people of the United States, from their earliest history to the present time, have been led by the hand of a kind providence and are indebted for the countless blessings of the past and the present and dependent for continued prosperity in the future upon Almighty God; and whereas the great vital and conservative element in our system is the belief of our people in the pure doctrines and divine truths of the Gospel of Jesus Christ, it eminently becomes the representatives of a people so highly favored to acknowledge in the most public manner their reverence for God: Therefore be it

"*Resolved*, That the daily sessions of this body be opened with prayer, and that the ministers of the Gospel in this city are hereby requested to attend and alternately perform this solemn duty."[3] The adoption of this creed forever crushed objection to the presence of a chaplain. Nevertheless, his status remained unfixed. It was objected that neither the Constitution nor the law recognized such an officer, and not until the payment of his salary depended upon his taking the ironclad oath, adopted in 1862, did his official character become established.

VI. SELECTED, ADDITIONAL REFERENCES TO MATERIAL ON CHAPLAINS IN THE HOUSE OF REPRESENTATIVES

"Constitution, Jefferson's Manual and Rules of the House of Representatives of the United States, 75th Congress," House Document No. 496, 74th Congress, 2d session, Lewis Deschler, Parliamentarian. Washington: Government Printing Office, 1937.

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[1] Letter from the Honorable William Tyler Page, Clerk of the House of Representatives, to Senator Harris, May 23, 1929.

[2] Letter from the Honorable William Tyler Page, minority clerk, House of Representatives, to Miss Lorene Martin, Virginia, Ill., Jan. 23, 1941.

[3] 35th Cong., 1st Sess., Globe, pp. 25, 26.

See sections 621, 635, 655, and 878.

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WHY HASN'T CONGRESS BEEN ENTITLED TO THE TRUTH ABOUT THE CULTURAL CENTER?

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. WIDNALL] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WIDNALL. Mr. Speaker, Why hasn't Congress been entitled to the truth about the Cultural Center?

According to a page 1 report in the New York Times of February 18, 1964, the guidance of the cultural affairs of the United States is to be placed in the hands of one individual. According to the report, the cultural affairs of the Federal Government are to be organized and directed by the New York theatrical producer, Roger L. Stevens, who has been serving since 1961 as the Board Chairman of the National Cultural Center and, presumably, will continue in this post as well.

Before President Johnson makes final his decision regarding this concentration of the art activities of the Federal Government in the hands of Mr. Stevens, I would hope he would take another look at the financial affairs of the Cultural Center and the misinformation given to the Congress regarding it.

I would think that the President would want to concern himself about some of these actions which our distinguished colleague, Senator ELLENDER, has called "slick parliamentary practices." I would further think that the President would at this time be particularly sensitive to the possible conflict of interest which arises from having an active commercial theatrical producer in such an influential Federal post as the Presidential Adviser on National Cultural Affairs at the White House.

It is extremely significant, I think, that Mr. Stevens as Board Chairman of the National Cultural Center has told Congress that he sees this project as so much real estate. It would seem to me that a loftier view should be taken of the National Cultural Center, and of the arts and artists, than the real estate view.

Speaking of real estate, in December of 1963 and January of this year, increasing numbers of Members of Congress, including myself, became concerned with many unsound aspects of the hastily contrived change in financial planning for the National Cultural Center. We were suddenly confronted with a piece of legislation that had literally been drafted overnight and which alarmed many of us by compounding a series of questionable fiscal actions by the trustees of the Cultural Center. The amended act, as finally adopted by Congress, included a provision for a first mortgage on a Presidential memorial, something that has never been proposed before in our history. At the time many of our distinguished colleagues and I looked upon this aspect of the amended Cultural Center Act with deep concern and we were supported in our views by a thoughtful editorial in the New York Times of January 7, 1964, which said in part:

> The National Cultural Center should stand on its own merits. The proposal to finance it now in important part through public money is a complete reversal of the original plan, which was that the Federal Government would provide only the site. Furthermore, as Mr. WIDNALL points out, the Government is in effect pledging itself to provide annual operating funds to keep the project solvent—because obviously a Presidential memorial cannot be allowed to go bankrupt. In addition, the provision for a loan of $15.4 million for construction of parking facilities is, as Mr. WIDNALL says, tantamount to putting "a first mortgage on a Presidential memorial for the first time in our history."

The announced purpose of the mortgage loan was to finance an underground parking facility for some 1,600 cars by means of a U.S. Treasury loan of $15.4 million—coming to an unprecedented cost of $10,000 per car. Chairman Roger Stevens, of the Cultural Center, acknowledged under committee questioning that the foreseeable annual net income from this parking facility would not be sufficient to pay the annual interest on such a loan, still less allow provision for paying off any part of the principal.

Many members recorded their opposition to this measure under very difficult circumstances.

A new proposal has just been sent to Congress by President Johnson which bears seriously on the continuing financial problems of the Cultural Center. The request by the President, dated February 13, 1964, is but another chapter in a sorry history. This comes as a request for supplemental appropriations for fiscal year 1964 and it divides itself into two parts. First, a request for immediately appropriating the $15.5 million in matching funds that the Congress authorized in January. The President is requesting that we appropriate these funds immediately rather than waiting until the Cultural Center trustees have enough funds in hand from private sources to build the Cultural Center when combined with the Federal grant. Our matching funds should only be about $9 million at this point. The circumstances of this request are enough to warrant the Appropriations Committee to make a careful examination before releasing such funds. A second White House request is for the sum of $3.3 million to acquire additional land for the Cultural Center. This is $3.3 million over and above the $15.5 million that have been authorized as a matching grant and over and above the $15.4 million that have been authorized as a loan—a loan that is openly unpayable and therefore should also be considered realistically as a grant. So now suddenly we have a $50 million Cultural Center instead of the $30 million Center that we thought we had authorized. This is one of the fastest cases of inflation in the history of finance. More will undoubtedly follow.

My study of the new proposal to acquire more than double the acreage originally authorized by Congress and the associated background events leads me regretfully to the conclusion that matters have gone so far that the Congress and public are being badly misled.

I became concerned about the land problem relating to the Cultural Center when the revised architectural plans were presented to the public in Newport, R.I., in September of 1962. At that time it appeared to me that the building was not adapted to the site which Congress had authorized in 1958. Upon investigation I found that this indeed was the case: that the architect and the trustees had designed and authorized a building which in part must occupy land that was never assigned to them by the act of Congress under which they exist. The proposed site on which Congress voted and which is reproduced pictorally in the published hearings of the Senate Committee on Public Works, and which is carefully described in section 3 of the National Cultural Center Act, consists of about 9 acres of which 1 acre, we were told in the committee report in 1958, was not yet in Government hands in 1958 and would have to be acquired. In the Senate committee hearings, in the House committee hearings and on the floors of both Houses of Congress it was firmly stated by the proponents of this bill that the cost of this additional land acquisition to the Federal Government would be about $650,000. This, then, is the landsite and the price of acquisition that was covered by the bill presented to Congress, and it is the only bill of this sort that Congress has ever acted on in connection with the Cultural Center.

It is self-evident that the trustees of the Center knew that their architect was exceeding the authorized site. It is more than self-evident, because the publicity issued by the Center has regularly, during the Stevens regime, been referring to 13 acres rather than the 9 acres authorized by Congress. At a meeting of the executive committee of the trustees which took place on January 18, 1963, it was noted that the building plans did not conform to the authorized site and that "the officers are developing legislation to expand the present site * * * sufficiently for the purposes of creating upon it the building design approved by the board of trustees."

The summary of actions of the executive committee reflects this.

The concern of the trustees that legislation in the form of an amendment to the National Cultural Center Act would be necessary to expand the site was correct. It was so correct that, at the urging of the trustees, Senator DIRKSEN has a bill in the present Congress (S. 315) that would amend section 3 of the act so that the Center would have the legislative authority to occupy the land that the President of the United States now seeks to acquire without such legislative authority.

The existence of Senator DIRKSEN's bill, and the fact that it was introduced a year ago, is extremely significant. Since the trustees knew that the additional land would be necessary for the building they had already approved, and since they had encouraged Senator DIRKSEN to introduce his bill, why was not this amendment brought to Congress last summer, at the time we were asked to pass legislation amending the act to allow the National Cultural Center to continue operations for 3 years? Why did not President Johnson send along this important amendment with the other extensive amendments he sent to Congress in December 1963 in connection with the change of name and financial plan?

The facts appear to justify the view that this plan of action was designed for the purpose of encouraging Congress to approve something it might not have approved if the full story were known. Because I was aware of the inconsistencies between the architect's plans and the authorized site I asked the following question of the gentleman from Alabama [Mr. JONES] on the floor of the House on August 5, 1963:

> Is any further acquisition of land contemplated for the Cultural Center?

This is his reply:

> No, there is none, or it would be considered along with this legislation. There has been no request for additional land in the last 2 years that I know anything about. There was about 3 years ago a request for additional land. The Public Works Committee took the position that we have already supplied a sufficient amount of land to accommodate the need.

You will find this in the CONGRESSIONAL RECORD, volume 109, part 11, page 14076.

Once again, I became concerned about this issue during the December hearings before the Public Works Committee, chairmaned by the gentleman from Alabama [Mr. JONES]. I was alarmed by certain testimony by one of the trustees and I stated during my own testimony:

> I believe also it will be necessary to pass further enabling legislation if they are going to acquire additional property and it seems that they have that in mind.

And here is the reply of the gentleman from Alabama:

> There is no authority in this bill for the trustees to acquire any more property, Mr. WIDNALL.

You will find this exchange on page 69 of the published hearings for December 16, 1963. It is now only 2 months later and we suddenly find that the assurances we have been given, in regard to the land, do not really stand up; and now the President himself is backing a plan to acquire more than double the originally authorized acreage and to do so without any enabling legislation at all. If it was necessary to pass legislation in 1958 under President Eisenhower to set aside 9 acres of land, why is not legislation necessary to set aside 9 additional acres now under President Johnson?

As we look more deeply into this land problem we find that the trustees have purchased real estate in the Nation's Capital. For the first time in their presentations to Congress, the trustees provided a current balance sheet which is included in the published hearings of December 12 and 16, 1963, that I have just cited. On this balance sheet there appears an extraordinary entry under fixed assets where we find:

Cost of land______________________ $146,000

Now why should the National Cultural Center balance sheet show land ownership as an asset when, under the act, the one thing that was to be provided by the Federal Government was the land. Under section 3 of the act the only authority for anybody to acquire land for the National Cultural Center is vested in the National Capital Planning Commission. The act clearly specifies, and the legislative history proves, that the National Cultural Center trustees were not authorized by law to acquire the land on which the building is to stand. That being the case, how can any portion of that land be shown as a capital asset?

Thus, investigation reveals the trustees arranging to acquire land outside the authorized site and adjacent to it and becoming behind-the-scenes parties to a purchase of private real estate in direct conflict with the limitations of the act from which they derive their authority to exist. The records of the U.S. district Court show that the actual conveyance of this private property came about as the result of a condemnation proceeding by the National Capital Planning Commission and that the NCPC appears in these records as the buyer of this land. Yet, it shows up on the November 30, 1963, balance sheet of the National Cultural Center as a capital asset of the Center.

To add to this unusual real estate transaction and accounting, we must now consider the recent revelation in the Washington Evening Star of the fact that still another privately owned tract of land outside the authorized site—one that is essential to the building as planned by the architect and approved by the trustees—is now under contract of sale from one private owner to another. I refer to the famous Watergate Inn which was sold with its one-fourth acre of ground for $900,000 to a group of investors and on which settlement is scheduled to take place March 3, 1964.

At first glance it might appear that this is land speculation based on someone's belief that the Federal Government would authorize the purchase, and pay a handsome profit, in order to acquire this land for the National Cultural Center. The facts as given to the press by the buyer and seller show the complete opposite to be the case. They show that both the buyer and the seller conscientiously tried to determine by direct questions to the trustees of the Center if this land was still essential to the project. They failed to obtain any appropriate information and so they proceeded, as American citizens have the right to do, to sign their contract.

Step by step, this Congress and the American people which it represents have been led to grant more and more of the taxpayers' dollars to a venture that becomes more inflated by the minute.

We are already on notice that today's demand for $3.3 million for additional land is not the end. The Washington Post of February 14 reports that the architect now has plans for tunneling Rock Creek Parkway under the Cultural Center building to improve the vista. Is there anyone in this Congress who would care to give even a wild guess as to what that might cost, especially in the lowlands adjacent to the Potomac River? I think it is safe to say that it will involve many millions of dollars. It is equally prophetic to say that whatever it costs, the millions will be tacked into some other convenient budget, presumably that for highways or parks under the direction of Mr. Stevens, as Presidential Cultural Adviser.

It might be well to make a short list of the steps which have led Congress into the serious mess with which we are now confronted in this Cultural Center project.

First. The size of the site and the repeated statements that no further land would be needed.

Second. The price of additional land. Until the last 60 days the only additional money for land noted in the history of the legislation is $650,000. Now, for today's bite, we are being asked for $3.3 million.

Third. The concealment of the need for extra land. In spite of the existence of a bill (S. 315) which Senator DIRKSEN introduced at the request of the Cultural Center trustees to enlarge the site by amendment, this vital matter was not exposed to Congress on either of two occasions during the past 8 months when Congress was considering other amendments to the same bill. Now the President suggests purchasing the additional acreage without legislative authority.

Fourth. The cost of construction. With great publicity it was announced by Mr. Roger Stevens in September 1962 that the Cultural Center could be built for $30 million based on the plans at that time. The publicity material of the Cultural Center consistently mentioned parking in connection with the Cultural Center so that donors, Congress, and the general public were lulled into believing that the cost of the parking facilities were included in the $30 million price tag. It was revealed for the first time in December 1963 that the so-called parking garage was not included and that it would cost an unprecedented $15.4 million to build.

Fifth. The nature of the parking garage. Part of the explanation of the high cost of the so-called parking garage arises from the fact that the cost of this structure includes the actual foundations of the theaters above as well as many working components of those theaters. It follows that these components of the so-called parking garage are what account for the major part of the high cost, and, of course, have nothing to do with parking. Many competent observers doubt that this will actually work, because the hastily contrived act authorizes the Treasury loan only for a parking garage and appears not to authorize such a loan for any part of the Cultural Center structure itself. In any event, the method of presentation was flagrantly misleading. This was intensified by the report of the Committee on Public Works—No. 1050—which notes that the parking facility "includes the foundation, loads of the structure above, the vertical circulation, and space for mechanical services of the structure above." Although this material is included in the report, apparently at the last moment just before going to press, it was not the subject of testimony in the hearings, nor of House debate on January 8, 1964.

Sixth. The reporting of gift income. Each time that Congress has considered the Cultural Center legislation it has received rosy statements concerning the ease with which voluntary contributions could be solicited. The first such representations came from Mr. Robert Dowling, the chairman of the Advisory Committee, who testified in 1958 that the necessary funds could be raised publicly in a matter of months. His business partner, Roger Stevens, who is the Chairman of the Board of Trustees, used the White House as a forum last summer to state that he already had $15 million in hand in private gifts. Yet, by December, when appearing before Congress, Mr. Stevens was able to account for only some $13 million, including a conditional grant of $5 million from the Ford Foundation which has never been fully described to Congress. A fundraising concert dinner held at the National Guard Armory in Washington a little over a year ago and telecast by closed circuit to the rest of the Nation was claimed in advance by Mr. Stevens as an activity that would raise $5 million for the Cultural Center. Not only was this event universally denounced as an artistic failure but, according to the financial statements of the Cultural Center, it produced some paltry $300,000 in funds which is a far cry from $5 million.

This dismal history is the more disheartening because it serves as the background to a project that was created with the loftiest of intentions: An arts center for the Capital City of the United States. And it was renamed with equally lofty intent as the Washington memorial for a much beloved President of the United States, President Kennedy. The National Cultural Center was renamed with the support of all Members of Congress.

At the time, serious questions were raised about the financing and maintenance of the Cultural Center. We now find that the Cultural Center Board Chairman, under whom most of the "slick parliamentary practices" have taken place, is being considered for appointment by the President as the cultural czar of the United States—that he is to be given the White House post as Presidential Cultural Adviser, in addition to his post as Board Chairman of the Cultural Center.

Even if Mr. Stevens is the ideal man for this post, I think that all of the foregoing clouded issues relating to his administration of the Cultural Center should be resolved to the satisfaction of all before President Johnson can, in good conscience, give him unlimited control over the cultural destiny of the United States. The President should also concern himself with the obvious conflict of interest which will continue to prevail and be increased when Mr. Stevens, as a Broadway producer, is faced with the tantalizing prospect of booking his own commercial productions into the Cultural Center of which he is the Board Chairman.

It is my hope that the House Appropriations Committee give thorough scrutiny to the pending appropriation requests for the construction of the Cultural Center.

RESIDUAL OIL QUOTAS—LIGHTS OFF AT THE WHITE HOUSE—LIGHTS UP HOPE FOR MILLIONS

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, the imposition of residual oil quotas has long been a matter of concern to thoughtful citizens living on the eastern seaboard. The battle to remove these unfair quotas has been fought here in the House on a broad bipartisan front for many years.

Now that we have a President who has demonstrated his concern for economy, there is new hope that these costly quotas will be removed. By turning off the lights at the White House, President Johnson has given the Nation and the whole world tangible evidence of the importance of economy. Certainly, when fully apprised of the facts, he will help millions of Americans located on the eastern seaboard and far removed from the mineral resources so richly bestowed on some parts of our Nation, to help reduce their light bills, too.

For this reason, Mr. Speaker, I have written to the President suggesting that, just as he has cut the light bill at the White House by a flick of a switch, he can help New England and eastern seaboard homeowners reduce their light bills, too, by a stroke of the Presidential pen.

My letter to the President follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 19,1964.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Your successful efforts to reduce the electric light bills in the White House have been widely noted. This tangible evidence of your pledge for economy in Government has received well-deserved praise. Believing with you that economy in Government is an important and attainable goal, I commend your efforts and the example you have set. In New Hampshire we still have a high regard for thrift, and despite the scoffing of Government economists, we still view the Puritan ethic with esteem.

Because of your interest in economy, permit me to suggest the next logical step.

For 5 years, 50 million consumers along the east coast from Maine to Florida have been trying to do what you have accomplished in 1 month—reduce their own light bills. They have tried to do this by seeking the removal of residual fuel oil controls, which have been costing consumers in New England alone close to $30 million a year in increased light bills and heating costs.

Removal of these residual fuel oil controls, Mr. President, can be accomplished by you and you alone, not by a "flip of a switch" but by "a stroke of a pen." They are unneeded and unnecessary, both from the standpoint of our national security and the safeguarding of our domestic petroleum industry. By putting the lights out in the White House, and by doing away with a useless system of Government controls, you can help 50 million Americans and can further prove that economy in this era of hundred-billion-dollar budgets, does truly begin at home.

Respectfully,

JAMES C. CLEVELAND,
Member of Congress.

THE JUNIOR COLLEGE OF BUSINESS—IS IT THE ANSWER FOR YOUR SON OR DAUGHTER?

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusets [Mr. MORSE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MORSE. Mr. Speaker, as the crush of young people desiring higher education puts an ever greater strain on our educational resources and our imagination, one possible solution may be greater attention to junior colleges. In the Higher Education Facilities Act of 1963, we reserved a substantial portion of our funds for junior community colleges. Junior colleges of business are now receiving greater study as one means of channeling students into the educational environment best suited for them. C. Fred Burdett, president of Burdett College of Boston, Mass., recently wrote a fine article describing the advantages of junior business colleges. The article appeared in a number of Massachusetts newspapers and I would like my colleagues to have the benefit of its contents:

THE JUNIOR COLLEGE OF BUSINESS—IS IT THE ANSWER FOR YOUR SON OR DAUGHTER?

(By C. Fred Burdett, president, Burdett College, Boston)

Every high school class produces a certain number of students who are slated for a college degree, another group who have an affinity for tools and trade, and a third group, the largest, who fall into the so-called general and business classifications.

The road ahead for the first two groups is fairly well defined. College selection and admission for one, choice of technical school or apprenticeship for the other.

Not so for the third group—the students who are not sure they want to (or can) go on for 4 more years of school, who may not have taken college preparatory courses, or who want to achieve maximum employability in the shortest possible time. These youngsters should continue their education, especially the many who are good students and would benefit by college-level instruction. A high school diploma is no longer adequate preparation for employment—the complexities of this age make additional training essential for advancement.

So, what should they do—what educational avenue is open that will enhance their chances of success?

Like their counterparts who will go on for a degree, most of these young men and women will carve careers in some form of business. Accordingly, they should have as much of the best business training as possible. And they can, through one of the most rapidly growing, but least publicized areas of education—that the accredited junior college of business. Specifically, accredited junior colleges of business because accreditation is indicative of high standards and a specialized 2-year curriculum of business subjects that in general is equivalent in technical content to those offered by 4-year institutions.

There are over 40 such junior colleges of business in the country. All set rigid admissions standards as to grades, interest, and recommendations, but college preparatory courses and college boards, examinations, while helpful, are usually not required. Educational programs are coordinated to the requirements of business and planned to provide an understanding of business philosophy and ethics as well as training in definite subject areas—i.e., in the coeducational colleges, accounting, marketing, management, and secretarial specializations.

Yearly costs vary throughout the country but generally are somewhat lower per year than those of the 4-year private college. Total costs, again in approximate terms, are roughly one-half or less.

Student life is much similar to that at other colleges, includes periodic guidance and counseling interviews, well-rounded extracurricular activities programs, sponsored travel, discussion groups, etc. Some students commute, some live in dorms—many come from the immediate locale, but others are also attracted from many parts of the world.

While programs are largely terminal in nature, many junior colleges of business have established transfer relations with 4-year institutions. Students from these junior colleges of business, while prepared for immediate employment, may also transfer after graduation and go on for a degree. Those who do want immediate employment will find placement offices active and a certain amount of recruiting. Employers are rapidly learning that the junior college of business is an excellent source of personnel who need only a minimum amount of on-the-job training.

Students, and their parents, who feel that this may be the answer to their educational needs should talk first to the high school guidance directors and then to the admissions officer of the college best suited to their particular requirements. A complete list of accredited junior colleges of business may be obtained from James R. Taylor, executive secretary, Accrediting Commission for Business Schools, Wayne University, Detroit 2, Mich.

THE NEW PUBLIC LAW 480 AGREEMENT WITH POLAND

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Delaware [Mr. MCDOWELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. McDOWELL. Mr. Speaker, we sometimes fail to recognize the effectiveness of our food-for-peace programs, the Public Law 480 programs, and occasionally we hear complaints that the people in a foreign country are not aware of the Public Law 480 agreements between the United States and that particular country. Such misgivings have certainly been expressed in the past with respect to our agreements with Poland.

I should like to take this occasion to draw attention to the publicity in Poland about the recently concluded Public Law 480 agreement. On February 4, 1964, the day after the agreement was signed, all four major Warsaw daily newspapers front-paged the new agreement. Similar publicity was given in the provincial press throughout Poland and the Polish radio also reported the new agreement.

The Polish news reports accurately reported the composition and terms of the agreement which provide for the sale of $90 million worth of U.S. surplus agricultural commodities. The new agreement consists of three parts: One part provides that Poland will convert into dollars, over a 3-year period, the local currency proceeds derived from $30 million worth of sales; the second part provides for a $30 million conversion over an extended period of years; that is, the same terms contained in our previous agreements; and the third portion provides for the commercial purchase of $30 million worth of agricultural commodities in the United States during 1964.

I also note with satisfaction the published comments of the Polish Deputy Minister of Foreign Trade who earlier this month visited the United States and met with Members of the House and Senate as well as with officials in the executive branch. The Minister declared that he expected the recent Public Law 480 agreement "to pave the road toward normalization and the development of economic and trade relations between Poland and the United States."

I am happy that the Polish Government demonstrated its appreciation of the Public Law 480 agreement by giving it such prominent publicity. There is no doubt in my mind that the Polish people are aware of and appreciate the receipt of food and other agricultural commodities from the United States. It is another reminder of the ties between the United States and the Polish peoples.

For my part, I am pleased to note that the new Public Law 480 agreement with Poland represents a significant step toward placing the trade relations between the United States and Poland on a broader commercial basis.

One-third of the agricultural commodities involved in the Public Law 480 agreement with Poland are to be purchased on a commercial basis in 1964. One-third are to be paid for with zlotys which can be converted into dollars over a 3-year period. Only the remaining one-third of the commodities in this agreement are being sold on relatively soft terms—the same terms contained in our previous Public Law 480 agreements with Poland—which enable that country to pay for them with zlotys and to convert those zlotys into dollars over an extended period of years. I believe this is a step in the right direction.

Mr. Speaker, under leave to extend my remarks, I would like to place in the RECORD at this point a translation of an article which appeared in the February 7, 1964, issue of Trybuna Ludu, as well as the text of the Department of State release of February 3, 1964, containing the most recent Public Law 480 agreement with Poland:

[From Trybuna Ludu, Feb. 7, 1964]

VICE MINISTER MODRZEWSKI ON THE COURSE OF ECONOMIC TALKS IN THE UNITED STATES OF AMERICA

In a talk held with PAP correspondent editor Zwiren, Vice Minister of Foreign Trade Franciszek Modrzewski recalled that the

Polish-American trade agreement signed on February 3, 1964, represents the seventh successive agreement of this type since 1957. "However, the present agreement", pointed out Vice Minister Modrzewski, "introduces certain new provisions indicating a comparatively universal development of our relations in the purchase of agricultural products from the United States. This agreement covers the purchase of these products by Poland for the amount of approximately $90 million, one-third of which is on terms of long-term credit in agreement with Public Law 480 covering agricultural surplus, one-third of which is on 3-year credit without interest (this is something new) and is also subject to the regulations of Public Law 480, and one-third of which is for cash. At the same time it has been established with the Export-Import Bank that operations conducted on a normal commercial basis can be financed on the basis of 18 months' credit.

"The signing of the current agreement should pave the road toward normalization and the development of economic and trade relations between Poland and the United States. Both in government as well as in the bank and trade circles it has been possible to notice the existence of a better and I would say even a more promising atmosphere in the field of Polish-American trade, thanks to last year's reintroduction of the most-favored-nation clause for Poland by Congress. Although not all obstacles on the road toward the development of Polish-American trade have been removed—here I have in mind certain legislative restrictions—it is hoped that this atmosphere will permit Poland to considerably increase her exports to the American market in 1964 and subsequent years, this being closely connected with the refund of credits. The list of Polish goods sold on this market already comprises approximately 250 items.

"As far as Polish purchases in the United States are concerned they already have a 7-year tradition, and the signing of this year's agreement indicates that they will also grow.

"In the beginning the purpose of my visit, planned for 1 week, was to hold general talks on the prospects for the development of trade relations between our two countries. This visit, however, was extended to 2½ weeks in connection with the negotiations for the conclusion of the present agreement. I am satisfied with the talks held on a high level with the representatives of the American Government, with the Members of the Congress, and with bank and economic representatives. The talks were objective and were held in an atmosphere of mutual understanding."

AGRICULTURAL COMMODITIES AGREEMENTS BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE POLISH PEOPLE'S REPUBLIC UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, AS AMENDED

Agreements providing for the sale to Poland of agricultural commodities were signed today in Washington by George W. Ball, Under Secretary of State, and Franciszek Modrzewski, Deputy Minister of Foreign Trade of the Polish People's Republic. Within the framework of the agreed arrangement, Poland will purchase surplus agricultural commodities, including wheat, cotton, edible oils, rice, and tobacco, having a total export market value of $90.9 million, including certain ocean transportation costs.

As provided in the Agricultural Trade Development and Assistance Act (Public Law 480), purchases under the act will be paid for in local currency (Polish zlotys). This currency will be deposited to the credit of the United States and will be available for use by the U.S. Government. Under one agreement the Polish Government is scheduled to commence by December 31, 1964, and to complete by December 31, 1967, the repurchase for dollars of the unused zloty proceeds from $30.2 million worth of commodities. A second agreement concluded on the same terms as in previous Public Law 480 agreements with Poland provides that beginning January 1974, the Polish Government will repurchase for dollars, at the annual rate of $750,000, the remaining balance of zloty proceeds derived from the sale of $30.7 million worth of commodities.

Poland has also undertaken, in connection with these arrangements, to purchase with its own resources from the United States during 1964 an additional 200,000 metric tons of feed grains, 66,000 bales of cotton, 5,500 metric tons of edible oil or tallow, 10,000 metric tons of rice, and other U.S. agricultural commodities to bring the total purchases to $30 million. These purchases are over and above the amounts to be purchased for the zloty equivalent of $60.9 million mentioned above.

These argreements represent another step of the U.S. Government to meet Polish needs by sales of agricultural commodities, while at the same time encouraging further the trend in recent years to expand the commercial basis of the economic relations between the United States and Poland. Since 1957 agreements under Public Law 480 have provided for a total of $538.2 million in such sales to Poland, including the sales agreements signed today.

The texts of the present agreements follow:

AGREEMENT A

(*Long-term agreement*)

The Government of the United States of America and the Government of the Polish People's Republic:

Recognizing the desirability of expanding trade in agricultural commodities between their two countries in a manner which would not displace usual marketings of the United States of America in these commodities or unduly disrupt world prices of agricultural commodities;

Considering that the purchase for Polish zlotys of agricultural commodities produced in the United States of America will assist in achieving such an expansion of trade;

Desiring to set forth the understandings which will govern the sales, as specified below, of agricultural commodities to Poland pursuant to title I of the Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as the act) and the measures which the two Governments will take individually and collectively in furthering the expansion of trade in such commodities;

Have agreed as follows:

Article I

Sales for Polish Zlotys

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of the Polish People's Republic of purchase authorizations and to the availability of commodities under the act at the time of exportation, the Government of the United States of America undertakes to finance the sales for Polish zlotys, to purchasers authorized by the Government of the Polish People's Republic, of the following agricultural commodities in the amounts indicated:

[In millions]

Commodity:	*Export market value*
Wheat	$9.7
Cotton	5.7
Edible oil	10.8
Tobacco (leaf)	2.6
Ocean transportation (estimated)	1.9
Total	30.7

2. Applications for purchase authorizations will be made within 90 calendar days after the effective date of this agreement, except that applications for purchase authorizations for any additional commodities or amounts of commodities provided for in any amendment to this agreement will be made within 90 days after the effective date of such amendment. Purchase authorizations will include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of Polish zlotys accruing from such sale, and other relevant matters.

3. The financing, sale, and delivery of commodities under this agreement may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, sale, or delivery is unnecessary or undesirable.

Article II

Uses of Zlotys

1. The two Governments agree that the zlotys accruing to the Government of the United States of America as a consequence of the sales made pursuant to this agreement may be used by the Government of the United States of America, in accordance with section 104 of the act, to help develop new markets for U.S. agricultural commodities under subsection (a) thereof; to finance the purchase of goods or services for other countries under subsection (d) thereof; to pay U.S. obligations under subsection (f) thereof; to finance educational exchange activities under subsection (h) thereof; to finance the translations, publication and distribution of books and periodicals under subsection (i) thereof; and for other expenditures by the Government of the United States of America under subsections (j), (k), (l), (m), (n), (q), and (r) thereof.

2. The zlotys accruing under the agreement may be expended by the Government of the United States of America, for the purposes stated in paragraph 1 of this article, in such manner and order of priority as the Government of the United States of America shall determine. It is understood that, with respect to the purchase of goods or services for other countries, the types, quantities, and prices will be subject to negotiation between the two Governments.

Article III

Deposit of Zlotys

1. The amount of Polish zlotys to be deposited to the account of the Government of the United States of America shall be the equivalent of the dollar sales value of the commodities and ocean transportation costs reimbursed or financed by the Government of the United States of America (except excess costs resulting from the requirement that U.S.-flag vessels be used) converted into zlotys, as follows:

(a) At the rate for dollar exchange applicable to commercial import transactions on the dates of dollar disbursements by the United States, provided that a unitary exchange rate applying to all foreign exchange transactions is maintained by the Government of the Polish People's Republic, or

(b) If more than one legal rate for foreign exchange transactions exists, at the highest of any rate of exchange (i.e., the largest number of zlotys per U.S. dollar) established by the Government of the Polish People's Republic, or any agency thereof, prevailing on the dates of dollar disbursement by the Government of the United States of America.

2. Any refunds of Polish zlotys which may become due under this agreement may be made by the Government of the United States of America from funds available under this agreement. Any refunds of Polish zlotys which may be due or become due under any prior agreement under the act for which undisbursed funds are no longer available in the accounts of the Government of the

United States of America in Poland may be made by the Government of the United States of America from funds available under this agreement. In the event that a subsequent agricultural commodities agreement or agreements should be signed by the two Governments under the act, any refunds of zlotys which may be due or become due under this agreement more than 2 years from the effective date of this agreement would be made by the Government of the United States of America from funds available from the most recent agricultural agreement in effect at the time of the refund.

3. The two Governments agree that the following procedures shall apply with respect to the zlotys deposited to the account of the Government of the United States of America under this agreement:

(a) On the date of the deposit of such zlotys to the account of the United States they shall, at the same rate of exchange at which they were deposited, be converted and transferred to a special dollar-denominated account to the credit of the U.S. Government in the National Bank of Poland.

(b) Withdrawals in zlotys from such special dollar-denominated account by the United States for uses referred to in article II of this agreement other than the purchase of goods or services for other countries shall be paid by the National Bank of Poland at the highest of any rate of exchange (i.e., the largest number of zlotys per U.S. dollar) established by the Government of the Polish People's Republic, or any agency thereof, prevailing on the date of the withdrawal, provided that if such rate is more appreciated than the rate at which zlotys were deposited under paragraph 1 of this article, the rate in paragraph 1 shall apply.

(c) Payment for purchases of goods or services for other countries referred to in article II of this agreement shall be made by reducing the balance in the dollar-denominated account by an amount equal to the dollar prices of such purchases agreed upon by the two Governments.

(d) If any unused balance remains in such special dollar denominated account on and after January 2, 1974, the Government of the Polish People's Republic agrees that, if the Government of the United States of America shall so elect, the National Bank of Poland will sell to the Government of the United States the sum of $750,000 in dollar exchange annually, beginning January 2, 1974, and on each succeeding January 2, such dollar exchanges to be paid for by reducing the balance in the dollar denominated account by the same amount.

Article IV

General Undertakings

1. The Government of the Polish People's Republic will take all possible measures to prevent the resale or transshipment to other countries or the use for other than domestic purposes of the agricultural commodities purchased pursuant to this agreement (except where such resale, transshipment or use is specifically approved by the Government of the United States of America); to prevent the export of any commodity of either domestic or foreign origin which is the same as the commodities purchased pursuant to this agreement during the period beginning on the date of this agreement and ending with the final date on which such commodities are received and utilized (except where such export is specifically approved by the Government of the United States of America), and to assure that the purchase of such commodities does not result in increased availability of these or like commodities for export to other countries.

2. The two Governments will take reasonable precautions to assure that all sales and purchases of agricultural commodities pursuant to this agreement will not displace usual marketings of the United States of America in these commodities or unduly disrupt world prices of agricultural commodities.

3. The Government of the Polish People's Republic will furnish quarterly information on the progress of the program, particularly with respect to the arrival and condition of commodities; provisions for the maintenance of usual marketings as described in paragraph 1 of the letter accompanying the agreement; and information relating to imports and exports of the same or like commodities.

Article V

Consultation

The two Governments will, upon request of either of them, consult regarding any matter relating to the application of this agreement, or to the operation of arrangements carried out pursuant to this agreement.

Article VI

Entry Into Force

This agreement shall enter into force upon signature.

In witness whereof, the respective representatives, duly authorized for the purpose, have signed the present agreement.

Done in duplicate at Washington, D.C. in the English and Polish languages this 3d day of February 1964.

For the Government of the United States of America:

George W. Ball

For the Government of the Polish People's Republic:

Franciszek Modrzewski

AGREEMENT B

(Three year agreement)

The Government of the United States of America and the Government of the Polish People's Republic:

Recognizing the desirability of expanding trade in agricultural commodities between their two countries in a manner which would not displace usual marketings of the United States of America in these commodities or unduly disrupt world prices of agricultural commodities;

Considering that the purchase for Polish zlotys of agricultural commodities produced in the United States of America will assist in achieving such an expansion of trade;

Desiring to set forth the understandings which will govern the sales, as specified below, of agricultural commodities to Poland pursuant to title I of the Agricultural Trade Development and Assistance Act, as amended (hereinafter referred to as the act), and the measures which the two Governments will take individually and collectively in furthering the expansion of trade in such commodities;

Have agreed as follows:

Article I

Sales for Polish Zlotys

1. Subject to issuance by the Government of the United States of America and acceptance by the Government of the Polish People's Republic of purchase authorizations and to the availability of commodities under the act at the time of exportation, the Government of the United States of America undertakes to finance the sales for Polish zlotys, to purchasers authorized by the Government of the Polish People's Republic, of the following agricultural commodities in the amounts indicated:

[In millions]

Commodity:	*Export market value*
Wheat	$21.0
Rice	1.4
Cotton	4.8
Ocean transportation (estimated)	3.0
Total	30.2

2. Applications for purchase authorizations will be made within 90 calendar days after the effective date of this agreement, except that applications for purchase authorizations for any additional commodities or amounts of commodities provided for in any amendment to this agreement will be made within 90 days after the effective date of such amendment. Purchase authorizations will include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of Polish zlotys accruing from such sale, and other relevant matters.

3. The financing, sale and delivery of commodities under this agreement may be terminated by either Government if that Government determines that because of changed conditions the continuation of such financing, sale or delivery is unnecessary or undesirable.

Article II

Uses of Zlotys

1. The two Governments agree that the zlotys accruing to the Government of the United States of America as a consequence of the sales made pursuant to this agreement may be used by the Government of the United States of America, in accordance with section 104 of the act, to help develop new markets for U.S. agricultural commodities under subsection (a) thereof; to finance the purchase of goods or services for other countries under subsection (d) thereof; to pay U.S. obligations under subsection (f) thereof; to finance educational exchange activities under subsection (h) thereof; to finance the translation, publication, and distribution of books and periodicals under subsection (i) thereof; and for other expenditures by the Government of the United States of America under subsections (j), (k), (l), (m), (n), (q), and (r) thereof.

2. The zlotys accruing under the agreement may be expended by the Government of the United States of America, for the purposes stated in paragraph 1 of this article, in such manner and order of priority as the Government of the United States of America shall determine. It is understood that, with respect to the purchase of goods or services for other countries, the types, quantities, and prices will be subject to negotiation between the two Governments.

Article III

Deposit of Zlotys

1. The amount of Polish zlotys to be deposited to the account of the Government of the United States of America shall be the equivalent of the dollar sales value of the commodities and ocean transportation costs reimbursed or financed by the Government of the United States of America (except excess costs resulting from the requirement that U.S.-flag vessels be used) converted into Polish zlotys, as follows:

(a) At the rate for dollar exchange applicable to commercial import transactions on the dates of dollar disbursements by the United States, provided that a unitary exchange rate applying to all foreign exchange transactions is maintained by the Government of the Polish People's Republic, or

(b) If more than one legal rate for foreign exchange transactions exists, at the highest of any rate of exchange (i.e., the largest number of zlotys per U.S. dollar) established by the Government of the Polish People's Republic, or any agency thereof, prevailing on the dates of dollar disbursement by the Government of the United States of America.

2. Any refunds of Polish zlotys which may be due or become due under this agreement more than 2 years from the effective date of this agreement may be made by the Government of the United States of America from funds available in the accounts of the Government of the United States of America in Poland other than those accruing under this agreement:

3. The two Governments agree that the following procedure shall apply with respect

to the zlotys deposited to the account of the Government of the United States of America under this agreement:

(a) On the date of the deposit of such zlotys to the account of the United States they shall, at the same rate of exchange at which they were deposited, be converted and transferred to a special dollar-denominated account to the credit of the U.S. Government in the National Bank of Poland.

(b) Withdrawals in zlotys from such special dollar-denominated account by the United States for uses referred to in article II of this agreement other than the purchase of goods or services for other countries shall be paid by the National Bank of Poland at the highest of any rate of exchange (i.e., the largest number of zlotys per U.S. dollar), established by the Government of the Polish People's Republic, or any agency thereof, prevailing on the date of the withdrawal, provided that if such rate is more appreciated than the rate at which zlotys were deposited under paragraph I of this article, the rate in paragraph 1 shall apply.

(c) Payment for purchases of goods or services for other countries referred to in article II of this agreement shall be made by reducing the balance in the dollar-denominated account by an amount equal to the dollar prices of such purchases agreed upon by the two governments.

(d) If any unused balance remains in such special dollar-denominated account on and after December 31, 1964, the Government of the Polish People's Republic agrees that, if the Government of the United States of America should so elect, the National Bank of Poland will sell to the Government of the United States in dollar exchange on January 2, 1965, the sum of $3 million; on January 2, 1967, the sum of $9 million; on July 1, 1967, the sum of $9 million; and on January 2, 1968, the remaining balance in such special dollar-denominated account, such dollar exchange to be paid for by reducing the balance in the dollar-denominated account by the same amount.

Article IV

General Undertakings

1. The Government of the Polish People's Republic will take all possible measures to prevent the resale or transshipment to other countries or the use for other than domestic purposes of the agricultural commodities purchased pursuant to this agreement (except where such resale, transshipment, or use is specifically approved by the Government of the United States of America); to prevent the export of any commodity of either domestic or foreign origin which is the same as the commodities purchased pursuant to this agreement during the period beginning on the date of this agreement and ending with the final date on which such commodities are received and utilized (except where such export is specifically approved by the Government of the United States of America), and to assure that the purchase of such commodities does not result in increased availability of these or like commodities for export to other countries.

2. The two Governments will take reasonable precautions to assure that all sales and purchases of agricultural commodities pursuant to this agreement will not displace usual marketings of the United States of America in these commodities or unduly disrupt world prices of agricultural commodities.

3. The Government of the Polish People's Republic will furnish quarterly information on the progress of the program, particularly with respect to the arrival and condition of commodities; the provisions for the maintenance of usual marketings; and information relating to imports and exports of the same or like commodities.

Article V

Consultation

The two Governments will, upon request of either of them, consult regarding any matter relating to the application of this agreement, or to the operation of arrangements carried out pursuant to this agreement.

Article VI

Entry Into Force

This agreement shall enter into force upon signature.

In witness whereof the respective representatives, duly authorized for the purpose, have signed the present agreement.

Done in duplicate at Washington, D.C., in the English and Polish languages this 3d day of February 1964.

For the Government of the Polish People's Republic.

FRANCISZEK MODRZEWSKI

For the Government of the United States of America.

GEORGE W. BALL

BRACERO PROGRAM

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, last night I received a telegram from Rev. John A. Wagner, of San Antonio, Tex., a member of the National Council for the Spanish Speaking, concerning Public Law 78. Public Law 78 is the bracero program, perhaps better known as the Mexican slave labor law.

In his telegram Reverend Wagner isolates one of the arguments which has been put forth in defense of the slave law bracero program. That is, the argument that this program is necessary for the well-being of the Mexican economy. Reverend Wagner points out that narcotics and prostitution are also important to the Mexican economy, and he asks, "Does this mean that we should relax our narcotic law and openly advertise the house of pleasure so eagerly awaiting the American dollars just across the border?" Indeed, in our own country crime and disease are also important factors in the economy. But they represent wasteful factors and areas where our productive capacity must be diverted from more useful endeavors. The slave labor program is in the same class, for it robs tens of thousands of Americans of jobs and it thereby contributes to the economic disease we know of as unemployment.

With the unanimous approval of the Member of this House, I submit for the RECORD a copy of this excellent telegram, which urges that the odious bracero program not be continued after 1964. In this connection, I also submit a copy of a letter I recently sent to President Johnson:

SAN ANTONIO, TEX.
February 18, 1964.

Hon. HENRY B. GONZALEZ,
House of Representatives,
Washington, D.C.:

I understand that the State Department is advising President Johnson to promise President Mateos at their forthcoming meeting that Public Law 78 will be continued with a 3-year phaseout period. You and I know what Public Law 78 has done to the poorest of the poor of our American citizens, especially the Mexican-American. This lamentable program must be allowed to die at the end of this year. Any extension of Public Law 78 is not consistent with the war on poverty declared by President Johnson.

The poorest of the poor American citizens must not be forced to compete with the tens of thousands of even poorer Mexican nationals. Our poorest citizens should not be made to pay this price, regardless of the advantage of the bracero program to the Mexican economy. Some urge that the continuation of the bracero program is necessary for the well-being of the Mexican economy.

Narcotics and prostitution are also important factors to the Mexican economy. Does this mean that we should relax our narcotic law and openly advertise the house of pleasure so eagerly awaiting the American dollars just across the border? Neither should the advantage to the Mexican economy be the reason for continuing Public Law 78. I urgently request that you read this wire before the Members of the House so that its contents may be included in the CONGRESSIONAL RECORD to emphasize the opposition of the National Council of the Spanish Speaking to any deal which would promise to anyone the continuation of Public Law 78 after the end of this year.

Rev. JOHN A. WAGNER.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 10, 1964.

Hon. LYNDON B. JOHNSON,
President of the United States,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: No doubt among the topics you will discuss in your meetings with President Lopez Mateos will be included the future of Public Law 78, the bracero law.

This is to urge you in the strongest terms not to commit the administration to a further extension of this odious law and the program it created.

As you know, the question of extending Public Law 78 became one of the most controversial measure in the first session of this Congress. Originally efforts were exerted to get the bracero program extended until 1965, but this was defeated in the House. Only by the most strenuous efforts did proponents of the program gain a 1-year extension of the law.

Clearly, the sense of the Congress is that this program should come to an end on January 1. It is equally clear that President Kennedy opposed the program and intended not to extend it again. He pointed this out clearly in his administration and in strong terms.

In light of these facts, and in light of the incontrovertible evidence that the operation of the bracero program has caused much needless suffering to American farmworkers while being of little or no benefit to the Mexican workers, there can be no benefit to either this country or to Mexico by again extending this program.

I am very pleased that you have initiated a vast program to combat poverty in this country. No one knows as well as yourself that the poorest people in this country, and those who have the least hope, are American migrant farmworkers. I urge you not to extend a program which is one of the chief causes for poverty in this segment of our society.

With warmest personal regards, I remain,
Sincerely yours,
HENRY B. GONZALEZ.

PERSONAL EXPLANATION

Mr. KASTENMEIER. Mr. Speaker, on yesterday inclement weather delayed my return to Washington as a result of which I am recorded as absent and not voting on rollcall No. 35. Had I been present and voting, I would have voted in the affirmative.

COMMITTEE STAFF FOR THE MINORITY

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. HALPERN], is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker the reasonable protection of minority rights lies at the heart of representative government. Unless the minority is given equal opportunity to compete with the majority, democratic procedure becomes a mockery and a farce. Minority rights and democracy are indivisible.

This principle ought never to be compromised anywhere in our Government, but most especially not in this House of Representatives. Congress has had before its eyes almost from its birth Thomas Jefferson's reminder, expressed in the very first section of his "Manual of Parliamentary Practice":

> That as it is always in the power of the majority, by their numbers, to stop any improper measures proposed on the part of their opponents, the only weapons by which the minority can defend themselves against similar attempts from those in power are the forms and rules of proceeding which have been adopted as they were found necessary, from time to time.

Mr. Speaker, the time has come in this House of Representatives when an additional rule is urgently needed so that the minority can continue to defend themselves. That rule must see to it, under one formula or another, that the minority party is permitted its fair share of committee staff aids.

The burdens and disadvantages under which minority members of the House have been forced to work because of the lack of adequate staff aid are fast becoming intolerable. If some substantial reform is not adopted in the near future, the minority party's utility as a responsible and responsive opposition will seriously deteriorate.

Every Member of this body knows about the vital role committee staffs play in the legislative process. The wide range and complexity of the problems we must deal with in our daily work require the presence of experts of many kinds. Technicians, scholars, researchers, writers, investigators, lawyers with specialized knowledge—without these professionals the membership of our committees would be so buried in the mass of legislative proposals heaped upon them and so entrapped by the immense detail work that hardly a fraction of the work now accomplished would ever be performed.

Congress openly acknowledged the necessity for such assistance in the Legislative Reorganization Act of 1946 by authorizing every standing committee to employ professional staff "on a permanent basis without regard to political affiliations and solely on the basis of fitness to perform the duties of the office."

Unfortunately, the wording of the law placed the power to hire and fire such staff in the hands of the majority on each committee. Frequently, such power has been taken over by the chairmen with virtually no check upon their actions. Even more unfortunately, no provision of any consequence was made in the law to protect the rights of the minority to equal access to such staff. The unjust results of these provisions might have been mitigated somewhat if control of Congress had fluctuated between the two major parties. Unhappily, the present majority has maintained an all-too-long tenure.

As a result, the minority party in this House, outnumbered by a ratio of about 3 to 2, finds itself outmanned in the number of committee staff aids by about 8 or 9 to 1. I understand that the standing and select committees of the House employ approximately 500 professional staff members; only some 60 of these are permitted to the minority—figures are based on data compiled by the Republican Committee on Increased Minority Staffing.

Five of our committees actually employ no minority staff at all. On the Committee on Appropriations the staff responsible to the minority membership number barely more than one-quarter of the total. The Education and Labor Committee balance is about 10 to 1. The Judiciary Committee's ratio is about 12 to 1. The Committee on Banking and Currency, of which I am a member, has five majority staff aids for every one minority assistant.

Of course, numbers and ratios do not completely define the situation. On some committees the professional staff members appear to give both parties equal and objective service. Many other committees, however, are under the thumb of arbitrary and partisan chairmen. The persons who work for such individuals inevitably reflect their attitudes. Minority members of these committees are either refused staff assistance or cannot bring themselves to trust the small assistance that may be offered.

Even on those committees which enjoy a nonpartisan reputation minority members can hardly be blamed for their reluctance to employ the services of men and women whose very basic loyalty belongs to the majority. The Representative from Iowa [Mr. SCHWENGEL], leading advocate of reform in this area, has very rightly observed that to believe—

> congressional staffs can be nonpartisan simply ignores political reality. Obviously staff members will have an allegiance to those members of a committee—who hire and fire, promote and demote them, and have first claim on their time.

What are the practical effects of this staff imbalance? Minority Members of the House, like their majority brethren, are constantly pressed for time. Without sufficient staff aid, minority views, in too many instances, are not written when bills are reported. Committee investigations are carried on almost entirely from the majority point of view. Minority ideas for legislation or for improvements in legislation are often abandoned for lack of the manpower needed to develop them.

The implications of these difficulties go much further than mere inconvenience for the present minority party. They affect the very roots of American political theory and practice. It is the duty of the party in power to attempt to put its program through. But it is just as important for the political health of this country that the majority be faced with a vital, responsible, and dynamic opposition. Our legal and political systems are both based on the adversary system. The duty of the opposition party, in short, is to oppose, to prosecute, to criticize: vigorously, conscientiously, and intelligently.

The opposition is obliged to do even more. It must present to the public reasonable and applicable alternatives—and this takes staff work, often difficult and detailed staff work. As Senator HUGH SCOTT has said:

> We of the minority are greatly concerned because the means of offering constructive alternatives, through adequate help in researching policy problems, is presently unavailable to us. Without adequate staff good ideas die for lack of public airing. We should all agree that good government suffers when the minority is deprived of the means to (1) develop constructive alternatives, (2) offer sound criticism and evaluation, (3) document and communicate its views, and (4) check information supplied by the majority against impartial sources.

The problem is acute at this moment. It will become more acute with every year that passes as the Nation's problems become more and more complex and as the necessity for sound alternatives becomes more crucial.

Moreover, there is every reason for the present majority in Congress to be as concerned about this situation as we are; there is no guarantee that the other side of the aisle will forever hold the reins of power.

What is to be done? How will the majority party carry out its obligation to maintain rather than maim our two-party system? We of the minority have offered an equitable solution, introduced by the gentleman from Iowa [Mr. SCHWENGEL] and officially endorsed by the Republican conference of the House, the Republican Governors of the Nation, and the Republican National Committee.

We propose that the rules of the House of Representatives be amended. We propose that the minority Members of each committee be afforded the option of hiring staff members responsible only to them. We suggest that the minority group be empowered to appoint two out of every five professional staff members and three out of every seven clerical employees on every standing committee and every subcommittee.

We do not insist upon a mandatory rule. On the contrary, we feel that the minority ought to exercise its option only on those committees in which it feels it is unable to obtain adequate service.

Mr. Speaker, this suggestion has received enthusiastic support from numerous columnists and newspapers all over the country. Sooner or later a solution must be found to this problem so that the minority in Congress may properly carry out its democratic function. But, any further delay in alleviating this staff imbalance could prove detrimental to the wholesome development of democracy in our country.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. KEE (at the request of Mr. ALBERT), for the remainder of the week, on account of illness.

Mr. HANNA (at the request of Mr. ALBERT), for today, and the balance of the week, on account of official business.

Mr. RANDALL for Thursday, February 20, on account of official business participating in hearings of Natural Resources and Power Subcommittee of the Committee on Government Operations at Muscle Shoals, Ala.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FEIGHAN, for 15 minutes, today; and to revise and extend his remarks.

Mr. HALPERN (at the request of Mr. GOODLING), for 15 minutes, today; to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. CAMERON.

(The following Members (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. COOLEY.

Mr. SICKLES.

Mr. GALLAGHER.

Mr. GARMATZ to include extraneous matter in the remarks he made today on H.R. 9640.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 178. An act to make certain provisions in connection with the construction of the Garrison diversion unit, Missouri River Basin project, by the Secretary of the Interior; to the Committee on Interior and Insular Affairs.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 573. An act for the relief of Elmer Royal Fay, Sr.;

S. 1206. An act for the relief of Georgie Lou Rader;

S. 1488. An act for the relief of Alessandro A. R. Cacace; and

S. 1518. An act for the relief of Mary G. Eastlake.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 31 minutes p.m.) the House adjourned until tomorrow, Thursday, February 20, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1724. A letter from the Comptroller General of the United States, transmitting a report on development, procurement, and deployment of an unsatisfactory missile system by the Department of the Army; to the Committee on Government Operations.

1725. A letter from the Comptroller General of the United States, transmitting a summary of findings in the report on the development, procurement, and deployment of a missile system by the Department of the Army; to the Committee on Government Operations.

1726. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a report pertaining to the appropriation to the Bonneville Power Administration for "Operation and maintenance," for the fiscal year 1964, pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665); to the Committee on Appropriations.

1727. A letter from the Comptroller General of the United States, transmitting a report on overpayments made under a cost-plus-a-fixed-fee contract for the procurement of nuclear submarine components from Combustion Engineering, Inc., New York, N.Y., awarded by the Bureau of Ships, Department of the Navy; to the Committee on Government Operations.

1728. A letter from the Comptroller General of the United States, transmitting a report on unnecessary procurement initiated or planned because equipment requirements were overstated by White Sands Missile Range, N. Mex., Department of the Army; to the Committee on Government Operations.

1729. A letter from the Comptroller General of the United States, transmitting a report on overprocurement by the Department of the Navy of a spare fuse component used for the repair of missiles, pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67); to the Committee on Government Operations.

1730. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases as of December 31, 1963, pursuant to section 5(e) of the Communications Act, as amended, July 16, 1952, by Public Law 554; to the Committee on Interstate and Foreign Commerce.

1731. A letter from the Chairman, Interstate Commerce Commission, transmitting drafts of proposed legislation giving effect to Legislative Recommendations Nos. 1 through 6 in the Commission's current (77th) annual report; to the Committee on Interstate and Foreign Commerce.

1732. A letter from the executive vice president, National Fund for Medical Education, transmitting a report of an audit of the National Fund for Medical Education for the year ending December 31, 1963, pursuant to section 14(b) of Public Law 685, 86th Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ELLIOTT: Committee on Rules. House Resolution 631. Resolution for consideration of H.R. 9637, a bill to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes; without amendment (Rept. No. 1145). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 632. Resolution for consideration of H.R. 9022, a bill to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association; without amendment (Rept. No. 1146). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HALPERN:

H.R. 10023. A bill to establish a National Economic Conversion Commission, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HENDERSON:

H.R. 10024. A bill to grant credit for purposes of the Civil Service Retirement Act for service performed by Federal employees under a cooperative agreement between the Federal Government and the State of North Carolina with respect to the administration of the Fair Labor Standards Act of 1938 in such State, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. JENNINGS:

H.R. 10025. A bill to amend section 4071 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. RHODES of Pennsylvania:

H.R. 10026. A bill to amend the act of June 29, 1906, to apply to the transportation of animals in interstate commerce by motor vehicle; to the Committee on Interstate and Foreign Commerce.

By Mr. SHRIVER:

H.R. 10027. A bill to extend for 2 years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments; to the Committee on Government Operations.

By Mr. BOB WILSON:

H.R. 10028. A bill to prohibit fishing in the territorial waters of the United States and in certain other areas by persons other than nationals or inhabitants of the United States;

to the Committee on Merchant Marine and Fisheries.

By Mr. OLSEN of Montana:

H.R. 10029. A bill to increase the appropriation authorization for the completion of the construction of the irrigation and power systems of the Flathead Indian irrigation project, Montana; to the Committee on Interior and Insular Affairs.

By Mr. BURKE:

H.J. Res. 927. Joint resolution designating the 5-day period beginning September 21, 1964, as "Licensed Practical Nurse Week," and for other purposes; to the Committee on the Judiciary.

By Mr. CLEVELAND:

H.J. Res. 928. Joint resolution proposing an amendment to the Constitution of the United States to preserve, foster, and protect our Nation's spiritual heritage and deep-rooted dependence on Divine guidance; to the Committee on the Judiciary.

By Mr. WHITTEN:

H. Res. 628. Resolution to amend the Rules of the House of Representatives to declare the right of the House of Representatives to determine the qualifications of its Members; to the Committee on Rules.

H. Res. 629. Resolution declaring the intent of the House of Representatives to retain its right to determine the qualifications of its own Members; to the Committee on House Administration.

By Mr. CONTE:

H. Res. 630. Resolution to authorize the Committee on Post Office and Civil Service to conduct an investigation and study of solicitations of certain contributions of Government employees for charitable purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 10030. A bill for the relief of Demijohn D. Downer; to the Committee on the Judiciary.

By Mr. ASHBROOK:

H.R. 10031. A bill for the relief of Mrs. Olga I. Sazdova and minor children, Zaneta Sazdova and Elisabeta Sazdova; to the Committee on the Judiciary.

By Mr. BURKE:

H.R. 10032. A bill for the relief of Thomas J. Condon; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H.R. 10033. A bill for the relief of Dr. Ignace D. Liu; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 10034. A bill for the relief of Diosdado F. Almazan; to the Committee on the Judiciary.

H.R. 10035. A bill for the relief of Francisco Mougruza Fortea; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

707. By the SPEAKER: Petition of Henry Stoner, Avon Park, Fla., requesting Congress to send to all teachers copies of "Reports To Be Made to Congress" as aids in teaching government and history; to the Committee on House Administration.

708. Also, petition of Henry Stoner, Avon Park, Fla., requesting Congress to pass a commendatory resolution for the Supreme Court relative to its February 17, 1964, decision requiring congressional districts to reapportion on an equal population basis; to the Committee on the Judiciary.

709. Also, petition of Henry Stoner, Avon Park, Fla., requesting Congress to ask the American people to ring bells and blow whistles for 3 minutes at noon March 4, 1964, to celebrate the 175th anniversary of the Constitution; to the Committee on the Judiciary.

710. By Mr. CUNNINGHAM: Petition of Kearney County T-Bone Club of Minden, Nebr., objecting to the amount of imported beef, resolving that imports be reduced to not more than 5 percent of domestic consumption, resolving that members of the Kearney County T-Bone Club pledge themselves to not feed cattle to weights over 1,150 pounds, urging all cattle feeders to refrain from feeding cattle to over 1,150 pounds; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

The Johnson-Home Communique

EXTENSION OF REMARKS

OF

HON. CORNELIUS E. GALLAGHER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1964

Mr. GALLAGHER. Mr. Speaker, I am sure that I voice the sentiment of this Chamber in hailing the recent Johnson-Home communique. Its tone of quiet confidence was a source of encouragement. It reflected an air of comity and candor. It revealed proven and tested allies working toward the attainment of common goals.

It was the first opportunity of President Johnson and Prime Minister Douglas-Home for a working meeting since they assumed the leadership of their respective Governments. But it followed in the high tradition of Wilson and Lloyd George, Roosevelt and Churchill, Kennedy and Macmillan.

Both men saluted the test ban accord, and at the same time reaffirmed their intent to search out other ways of reducing tension, of banishing the risks of war, of lifting the crushing burden of armament. In particular the Prime Minister welcomed the proposals made to the 18-Nation Disarmament Conference by the United States in President Johnson's message of January 21.

Both leaders pledged their full support to the United Nations.

The President and the Prime Minister affirmed our common hopes, aims, and aspirations in Southeast Asia. The Prime Minister reemphasized the United Kingdom's support for the U.S. policy in South Vietnam. The President reaffirmed the support of the United States for the peaceful national independence of Malaysia.

But they found peace alone an inadequate goal. They sought it as a necessary precondition for expanding international trade and promoting economic growth for all to the end that all peoples of this world may live out their days free from the shroud of fear and the specter of want.

An Address by the Honorable John E. Fogarty, of Rhode Island, at the Annual Dinner of the Maryland Association for Mental Health, February 11, 1964

EXTENSION OF REMARKS

OF

HON. CARLTON R. SICKLES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1964

Mr. SICKLES. Mr. Speaker, the problem of meeting the needs of the mentally ill has become more visible in recent years. The neglect of the past has been replaced with new opportunities for the care and prevention of mental illness. Recently my distinguished colleague, the gentleman from Rhode Island, Congressman FOGARTY, gave a talk on this timely subject before the annual dinner of the Maryland Association for Mental Health on February 11, 1964. Under previous permission I place the text of his excellent remarks in the RECORD:

REMARKS OF HON. JOHN E. FOGARTY, REPRESENTATIVE, SECOND CONGRESSIONAL DISTRICT OF RHODE ISLAND, AT THE ANNUAL DINNER OF THE MARYLAND ASSOCIATION FOR MENTAL HEALTH, FEBRUARY 11, 1964

I feel very much at home here in Maryland among you who share with me concern for the mental health of our citizens. You who have had it in your hearts to join this gathering now have it in your hands to bring to your State a new era of promise for the mentally ill and the mentally retarded toward which we have labored so long.

We meet together at a time of great momentum in our Nation's drive against the mental illnesses. The community mental health centers program envisioned in recent Federal legislation, and toward which you are already planning in your mental health services, is a consummation of a nationwide effort, of two decades of study and work.

It is to this new opportunity I would like us to address ourselves this evening.

Mental health care today concerns every city and community and State in the country. This point has been made indelibly clear to us in Congress. I am sure it is just as clear to you, and that you in the Commonwealth of Maryland, who are no strangers to bold pioneering, will continue the vital planning, the action essential to breaking from the dreary patchwork of old ways.

We can look back to the days—the not-so-far-distant days—when the locked ward, the bolted door, and the barred window were our major gifts to the mentally ill; when they were regarded, if regarded at all, as inmates in the safe custody of State asylums.

Today the large, isolated asylum is as archaic as the last vestige of the narrow, one-lane roads we see beside our superhighways, the pock-marked relics which lead from nowhere to nowhere.

Indeed, no field of public health has undergone more radical change than the care and prevention of the mental illnesses. It continues to undergo change. In the last two decades, our ability to treat the mentally troubled and our capacity to prevent mental disorders have been greatly accelerated. Steadily, our sole reliance on the mental hospital has diminished. Steadily, the very nature of the mental hospital itself has changed. We have begun to deal significantly with the mental health of our citizens in terms of our own time and knowledge, and not of some past century.

Today we are far better prepared to give help to our people as they live in the communities of our affluent land. We can give help to the disturbed child, the unhappy adolescent, the troubled new mother. We can give help to the chronic alcoholic and the mentally retarded. We can give help to our growing number of elderly citizens. A vast inheritance of knowledge and dedication has prepared us. Now let us move forward to provide that help on a broad scale.

When I began my service on the House Appropriations Subcommittee 17 years ago, it may have seemed a poor risk to many to sponsor the National Mental Health Act and to provide funds for the new National Institute of Mental Health. But in no field of domestic well-being am I more proud of our efforts, those first hesitant efforts to give national impetus against the problems of mental ills.

For our States and communities can and do advance against the darkness of old systems as they are shown the way. Under the National Mental Health Act, States must match each Federal dollar given for grants-in-aid with $1 from their own funds. In actual practice, however, the States are doing much more than this. By 1961 they were matching Federal funds of more than $6 million for community mental health services with $85 million budgeted by State and local governments.

This fostering of mental health care within the community is reflected in the spread of the Nation's outpatient psychiatric clinics. By 1961, our 500 clinics had grown to more than 1,500, sponsored privately or by schools, courts, universities, general and mental hospitals, charities, foundations, agencies for veterans, public health, and welfare. Today 56 fewer persons per 100,000 population are in our public mental hospitals than there were in 1950, and clinics are treating as many patients as are admitted to public and private mental hospitals combined.

On our mutual journey into mental health research, exploring the barriers of the mental illnesses has led us to other advances in the care of our people. Some disorders previously requiring long care were responding to shorter, intensive treatment, frequently in the general hospital near the patients' families and homes. Today the number of psychiatric patients admitted to general hospitals equals the number admitted to mental hospitals. These citizens are being helped through crises without the indignity of custodial care. This is another promising outcome of our Federal-local team.

And I could cite other advances in the mental health care of our citizens in States alert to the model, the successful new trials proceeding without respite in our common resolve.

In these trials, we have viewed mental health problems as a spectrum of problems requiring a spectrum of services. Many elements combined to remove our old blindfolds, to give us this outlook. One element is the high cost of traditional, custodial hospital care—last year, this was more than $2 billion. Another element is the buildup of medical knowledge stimulated in trying to find our way past this costly deadend. Another element is our invigorating social insight inherited from the turmoil of the world's people and tne consequent revulsion at public neglect of our citizen's needs.

Thus, the stimulus we have mustered at the national level has stemmed, in democratic partnership, the backwash of stagnant medical care. Extensive Federal grants spurring research in mental health, training workers in mental health, supporting experimental projects, continue. Now they can go forward, with your help, into broad and integrated systems of mental health services.

To this end, the increasing national interest in the mental health care of our citizens has recently provided new momentum. Just 1 year ago our late President Kennedy delivered before Congress his unprecedented message on mental illness and mental retardation. Within months, the Federal Government provided action. Within months, recommendations of the Joint Commission on Mental Illness and Health which could be implemented under the existing law were written into the Federal budget: more funds for improving mental hospitals, more funds for training hospital personnel, more funds for care of the mentally retarded.

And, as a starting point for a new national mental health program, $8,400,000 was earmarked for nationwide, long-range planning of mental health services. It was an effort and a concept without parallel in the history of public health in our land.

For this planning, each State was first summoned to survey its mental health needs and resources, and to have in readiness channels into every county to insure a flow of participation in the plans. In this common cause, State agencies; lay groups representing church, school, and industry; enforcement officials; medical and social authorities met and still confer. The wide representation in these preliminary moves toward planning has been as unique as the task.

In the fresh mobilization against the mental illnesses, other recommendations to the President were introduced before Congress as new legislation, passed, and signed into two new laws.

One law amends the Social Security Act to assist States and communities in preventing and combating mental retardation. This is Public Law 88–156. It provides massive funds for four programs. For maternal and child health and crippled children's services, funds are increased by steps from $50 million a year in fiscal 1963 to $100 million in 1970 and after. For maternity care projects designed to prevent mental retardation, $120 million has been authorized over a 5-year period. For research projects in maternal and child health and crippled children's programs, there is $8 million a year; and to encourage States to plan for action against mental retardation, $2 million has been assigned.

The other legislation, Public Law 88–164, appropriates, under title I, $126 million for the construction of research centers for mental retardation, for university-associated facilities, and for facilities for the care and treatment of the mentally retarded. For training teachers of mentally retarded, emotionally disturbed, and physically handicapped children, $47 million has been assigned under title III; $6 million will sponsor research and demonstration projects in the education of these handicapped children.

It is title II of this act, directed to the welfare of the general community, I now submit to your attention. This title provides $150 million in matching funds for the construction of community mental health centers through 1967. Starting in fiscal 1965, the money is being made available in increasing amounts, yearly, from $35 million to $50 million in 1966 to $65 million in 1967, to give the States ample time to complete their mental health services planning.

It is this act which provides the seed, nurtured by your tending, from which your coordinated mental health services can grow.

If we are about to emerge upon a new horizon of care for our citizens, the community mental health center can be seen as its bright core. For the goal of these centers is the goal of all our efforts—to prevent the mental illnesses, to diagnose them promptly and effectively when they do occur, and to rehabilitate those who have suffered from mental disorders.

Within our counties and within our great cities, the mental health center can be fashioned into an arsenal of our modern weapons against the mental illnesses. These weapons include general diagnostic and evaluation service, acute inpatient service, outpatient service, day-care service, and emergency service available around the clock. We can arm our centers with rehabilitation service, consultation service, services for public information and education, supervision of foster homes and home visiting care. The center can become a place for research, and for the training of mental health workers needed in our ranks. Indeed, the center can be a community haven within which our troubled compatriots can receive a continuity of care. As their needs change, they can move among the appropriate services, proceeding from diagnosis, to cure, to rehabilitation * * * and then, should the need arise, back to treatment.

These centers can perform another great function. As you know, help which we today call mental health guidance has been given to people since times of old by teachers, physicians, and clergy. By providing professional consultation for these indispensable servants of the community, and for lawyers, law-enforcement officers, and social workers, the center becomes part of the very pulse of mental illness prevention.

Since many of you may become involved in developing mental health centers in Maryland—I understand that your mental hygiene commissioner has had the foresight to request again in his budget this year funds to start three mental health center programs—I should like to share with you a few of the points made to our Appropriations Subcommittee when we considered the support of mental health centers.

One point made was that there is no intention of supporting facilities or services which duplicate—though they may extend—those already existing in a community.

Another point made was that the community mental health centers can be started in different ways. Each center can be as unique as its own community. It may function under a variety of auspices: State, county, municipal, and voluntary. Physically, it can exist under one roof or become the focal point of services conveniently located near each other. It can exist also under a variety of organizational arrangements.

For example, in one city, the center may be based at a general hospital. Since most of the large general hospitals already furnish psychiatric care, a day service, night service, and outpatient service could be added all at once, or in stages. Another community may decide that its mental health center should start with an outpatient facility. In rural Pennsylvania, a tricounty mental health center established 3 years ago for outpatient treatment has already added a mobile unit, and anticipates expanding its services further. In New Haven, ambitious plans are already on the drawing board for a $2 million mental health center under university and city auspices. The possibilities are flexible, various.

The one common essential, however—a third point emphasized before us in Congress—is that to participate in the Federal funding, each center must fit within a comprehensive, long-range plan for mental health services, the planning now underway in our States.

Now let us consider some of the challenges in moving forward with the new Federal benefits.

As enacted, the law provides Federal aid for the construction of mental health centers, not for their maintenance and staffing. Therefore, in order to share in the appropriation, the States will have to indicate adequate support and staffing of the centers. We in Congress who advocated Federal assistance for staffing hope now that most areas of the country will be able to provide this needed assurance to get their centers underway. We hope that geographic differences and lack of funds or personnel will not deprive some of our less-well-off States of essential community services.

Another challenge, faced by all planners, including Congressmen, is how to alter old systems while still being, as it were, entrapped within them. In the planning for mental health services, all agencies, and dedicated individuals involved must look beyond whatever special prerogatives they may harbor, in benefit to the common good. Entanglements over jurisdiction, while understandable in such a broad effort, can only block our hard-won momentum. As a legislator, I can well assure you that to gain support mental health leaders must present coordinated plans, a united front.

Whether in Annapolis or in Washington, we legislators want to be reasonably sure that the money we appropriate makes reasonable sense. This, of course, presents another challenge to the planners of new ways.

I commend to my fellow legislators, however, that the public cost of providing more meaningful and more extensive mental health services may prove to be a wise investment not only in greater human happiness, but in budgetary savings in the long run. The results of one study, for instance, has shown that a vocational rehabilitation program for mental patients costing $53,000 yielded reduced hospital costs of $449,000, and $256,000 in annual wages earned by the released patients. Investment in another project, in Pennsylvania, is conserving both funds and human dignity. There the cost of operating a screening center for patients headed for mental hospitals is more than offset by directing many to less costly outpatient care.

Here in your own State, I understand, shortened hospital stays resulting from improved care and treatment has decreased the average cost of treating a patient 40 percent over the past 10 years.

To be sure, as we extend our services the cost of caring for the mentally ill will be met to an increasing extent by the private sector of our economy. Individual fees, individual and group insurance will share the financial burden. But whatever arrangements we make for the care of the more vulnerable among us, we can in good conscience no longer withhold from the public the knowledge, the skills, the promise which science has laid at our door.

In closing, I should like to salute you here in Maryland for the forward advances you have already made in behalf of the mental health of your citizens. These advances you are now prepared to weave into a concerted design of services for the future.

You have moved to accredit your State mental hospitals, and you are still improving them and expanding their service. You have moved to provide more programs of community care. In Baltimore, a new day hospital in a rented building is enabling mental patients to spend their evenings and weekends at home. In the same city, a new clinic for alcoholics is bringing new hope to many families. You have moved to provide for patients discharged from mental hospitals and for the mentally retarded foster homes to replace the environment of institutions, the environment of loneliness.

Within the mental health profession, your many eminent citizens have also provided leadership. The first psychiatric case register in the Nation is recording in Maryland data on the prevalence, patterns of treatment, and final outcome of mental disorders. One of the first preliminary plans for planning mental health services was submitted by Maryland, and that planning is now proceeding.

These are some of Maryland's vital moves, and I am certain there are more. Surely you will be counted among the States traversing further up the road, toward community mental health. From $1½ to $3 million in Federal funds may be made available to your State for the construction of mental health centers. With 145 centers across the Nation anticipated within the next 3 years, let it not be said that Maryland failed to build for her citizens.

As we meet in our halls of assembly, let us recall the words of Thomas Jefferson, who said: "The care of human life and happiness, and not its destruction, is the first and only legitimate object of good government."

As we meet in our halls of assembly, let us recall our late young President who was to be the tragic victim of the very kind of mental blot he sought to erase: the unseen, untended disorders which rebuke our civilization. Who knows how many untold acts of violence, days of trouble, and nights of misery shall never come to pass because of our present determinations?

When President Johnson included mental illness in his first message to Congress last year, the signal was clear: our Federal Government, our States, and our communities have at last become inseparable partners against the tenacious shadows of public neglect. And in partnership, we shall advance steadily toward new horizons of mental health care. For, finally, we are in view of the shining, indeed, the lustrous reality that all but a small proportion of the mentally ill can achieve constructive living, and that the mental health of our people can and will be strengthened in every city and town in our land.

Farm Programs: Profit Weighed Against Loss

EXTENSION OF REMARKS

OF

HON. HAROLD D. COOLEY

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1964

Mr. COOLEY. Mr. Speaker, the Wall Street Journal, in a February 5 editorial attacking the President's farm message, repeated its now familiar pleas for what it terms a return to the "free marketing system."

The Journal never defines this system, but invariably indicates it is something we can achieve only by going backward. There was, the Journal intimates, a golden age of freedom for farmers in our past that must be relocated and revived. And it usually makes the abandonment of existing programs for supporting the price of farm commodities the first step in that direction.

Mr. Speaker, this Journal is widely read in the Nation's business community. In casually casting aside programs for farm commodity price support, it gives no attention to the distress this solution to the farm problem would cause in both rural and urban areas of the Nation.

In recent years, as a result of technological advances, there has been a migration of farm people to towns and cities. There is another form of migration from the land to the city, however, and that is the movement of farm-earned dollars.

If the Journal wants to throw farm programs out the window it should, in all fairness, warn its most constant readers—the industrialists and businessmen and stock traders—that they would share the cost of such an action and the cost would run well into the billions of dollars.

A recent study by the Iowa State University Center for Agricultural and Economic Development shows net farm income would drop by $5.7 billion—from $13.3 billion in 1962 to $7.6 billion in 1967—without national programs to stabilize prices and production of feed grains and wheat.

The $5 billion loss is tied to the abandonment of only the feed grains and wheat programs—the losses would mount even higher as dairy, cotton, tobacco, peanut, and conservation cost-sharing programs were discarded.

Five billion dollars will buy long caravans of cars, trucks and tractors; will buy thousands of refrigerators, TV receivers and other home appliances and furnishings; will buy rack after rack of clothing and box after box of shoes; will build and remodel homes, and provide jobs in the factories and mills of cities and towns and for the building trades.

Where will the industrialists, the businessmen, the factory workers go to find a substitute for these billions of dollars?

The Wall Street Journal was founded in 1882.

In 1882 one American farmer produced enough food for himself and five others. Today 1 American farmer produces enough food for himself and 28 others. The skills of our farmers, and the productivity of our farms, have made their greatest gains in the years since the early 1930's—years marked by farmer-Government cooperation in efforts to improve farm income. As recently as 1930 the number of persons supplied per farmworker was slightly less than 10. Between 1940 and 1960 there was a gain of more than 15 in the number of persons provided with food by a single farmer—from 10 to 25. Such progress does not occur where free enterprise, free competition and freedom for decision-making by the individual are prohibited.

I do not know what percentage of disposable income American families had to invest in food back in 1882. But as recently as 1939 consumers were spending 22.3 percent of their disposable incomes for food. In the war years the figure went up to nearly 27 percent. In the 1960's it has been around 19 percent.

In 1963, American families had $403 billion of spending money and they used only 19 percent of it—$77 billion—for the purchase of food. In 1948, 15 years earlier, they were spending 25.5 percent of their disposable income for food. If they had been required to spend the same percentage of their 1963 income for food as they did in 1948, their grocery bill would have been $103 billion.

Mr. Speaker, the greatest part of this saving of $26 billion in 1963 in the cost of food to American consumers must be attributed to the dramatic increase in efficiency in agricultural production and marketing.

Does anyone believe that a substantial part of this increased efficiency should not be attributed to Government programs? Government research has shown the way to more abundance and more efficient production. Price supports and other assistance to farmers have given them the assurance of stability that is necessary to effective planning and the incomes with which to purchase the machinery, equipment, and technological supplies that have brought about this increased efficiency.

Even if there is subtracted from the $26 billion saving to consumers in 1963 the full amount of the Department of Agriculture appropriation for the fiscal year 1964—about $6 billion—this still leaves a clear saving to American consumers in 1963 of approximately $20 billion compared to 1949.

As everyone knows, only a relatively small part of the Department of Agriculture appropriation finds its way directly to farmers. Less than $3 billion is programed for price-support operations and approximately 60 percent of this will consist of nonfarm expenditures to warehousemen, transportation companies, and exporters, and to pay for food donated to needy persons. The other $3 billion of the appropriation goes to pay for a multitude of programs and services, many of which are directly for the benefit of consumers.

Mr. Speaker, it is a reasonable conclusion that in 1963, agricultural programs did not cost consumers a cent, but saved them something more than $20 billion compared to 15 years ago.

Because of this saving in their food bill, city and town families are able to spend more for the education of their children, for health care, for homes and home furnishings, and for cars and recreation. How prosperous would these areas of the economy be in 1963 without the $20 billion consumers are saving on food?

In the Wall Street Journal's Farm Message editorial, reference is made to a proposed wheat program with the declaration it would be impossible to raise the incomes of growers above currently-anticipated 1964 levels without boosting the price of bread to consumers. The legislation recently developed by the Wheat Subcommittee of the House Agriculture Committee opens the avenue for better farm returns than would be possible without such legislation, and at the same time protects consumers from any bread price increase resulting from wheat costs. Under this bill, millers would be paying no more for wheat than they have been paying during the past year and there would be no reason whatever for an increase in bread prices.

The Congress of the United States was not just looking for something to do when it tried to create some farm programs in the 1920's and when it succeeded in creating them in the 1930's. It was acting in response to human and economic needs.

The Congress, from time to time, has updated these programs in response to changing conditions—and the need to update some of them again was made clear in the President's farm message.

Mr. Speaker, the story of food and agriculture in the United States of America is not the story of failure written in the editorial columns of the Wall Street Journal. It is a story of achievement, and the achievement is a blessing to every American consumer and the envy of all the world.

Cameron Voting Record

EXTENSION OF REMARKS
OF

HON. RONALD BROOKS CAMERON

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 19, 1964

Mr. CAMERON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

ROLLCALLS NOS. 1–21

CONGRESSIONAL REPORTS

During the first month of the 88th Congress' 2d session, which convened on January 7, I remained in the 25th District conducting an extensive series of public report meetings with constituents. Contact with the people in open and frank face-to-face discussions is to me one of the most essential features of government by, of, and for the people. My report meetings had two basic aims: to thoroughly acquaint constituents with my record during the first session, to give them an opportunity to present their views regarding the representation they received; and to get the benefit of their thinking on matters of major consequence which are likely to come before the Congress in 1964.

In a normal congressional year such meetings would have been possible during adjournment between sessions. But 1963 was not a normal year. It was the fifth longest session in the Nation's history, stretching from January 9 through December 30—356 days. It would have been a disservice to citizens of my district, I think, to have deprived them of their right of access to me simply because Congress—largely for a variety of internal reasons—failed to act with dispatch after due deliberation of issues facing the American people.

To insure that citizens had access to me—and I to them—I programed 152 congressional report meetings during January, holding 6 meetings a day during the week and 8 meetings on Saturdays. The meeting places were carefully selected throughout the district so constituents would not have to drive miles to attend. Every registered voter received an invitation—printed at my expense—advising him of the time and place a meeting would be held in his neighborhood. In addition, every voter received—at my expense—a 12-page booklet containing my complete voting record through December 4, my attendance record on quorum calls during this period, and explanations of why I voted as I did on legislation which I thought to be of greatest significance.

Equipped with this written and detailed report, the people knew exactly what I did, where I stood and why. And because they had this information, it was for me—and I hope for them—an exhilarating experience in the exercise of democracy when we met face to face. It was people-to-people government in the highest sense.

During the days that I spent with my constituents in the district, the House had 14 quorum calls and 7 rollcalls. The latter covered votes on amendments to the Federal Airport Act (S. 1153); amendments to the Library Services Act (H.R. 4879), and amendments to the Davis-Bacon Act (H.R. 6041). On final passage of each of these measures the voting balance ranged from 27 to 1 to 3 to 1 in favor. On these final votes my presence in the House would not have affected the outcome of the proposals, one way or the other. As these measures made their way to the floor, I kept in close telephone contact with my Washington office to determine whether an issue was likely to be decided by a handful of Members. Had I been present during final voting on these bills, I would have voted "yea" on each of them.

On January 31, with only one more round of Saturday congressional report meetings to go, I flew to Washington to be present for debate and voting on the Civil Rights Act. My wife filled in for me at Saturday's meetings, and I rescheduled these report sessions for February 15, when I was in my district during the Lincoln Day recess.

ROLLCALL NO. 32

CIVIL RIGHTS

The most comprehensive civil rights bill in the Nation's history passed the House by a margin of better than 2 to 1 after 9 days of debate on 140 proposed amendments. Credit for the bill's success must go to 138 Republicans and 152 Democrats who repeatedly warded off southern attempts to cripple the measure. But as they went down to defeat, outweighed by an overwhelming majority of national opinion, southern Congressmen were at all times gentlemen and statesmen. Their attitude, oration, and strategy were in the best traditions of the House.

Unfortunately, there is a great deal of public misconception regarding provisions of the civil rights bill as approved by the House. Many well-meaning Americans fear it because they have been misinformed as to what it is and what it is not. They do not understand what the bill is designed to accomplish and how. And yet the bill deserves to be understood and supported by all citizens who hold allegiance to the American heritage of freedom, who in thought, word, and deed believe "that all men * * * are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness."

The aim of the first title of the 10-section bill is to enforce the constitutional right to vote in Federal elections, a right guaranteed by the 15th amendment to all citizens, but a right which is being denied and thwarted with impunity by many Southern States which determine voting qualifications solely on the basis of color.

PUBLIC ACCOMMODATIONS

Title II makes discrimination unlawful in establishments that serve the public if their operations affect interstate commerce, or if State law requires that a business segregate or discriminate. Covered under the bill are hotels, motels, and lodging houses except those that rent less than six rooms and have an owner living on the premises. Also covered are lunchcounters, soda fountains, gasoline stations, restaurants, movie houses, theaters, sports arenas, and other places of exhibition or entertainment. Private clubs are not included in the bill. Public accommodation laws are already in the statute books of 32 States—including California—and title II of the Civil Rights Act would serve to make equal access a national right.

Our late and beloved President Kennedy stated the legal argument for title II in these words:

> No property owner who holds his premises for the purpose of serving at a profit the American public at large can claim any inherent right to exclude a part of the public on grounds of race or color. Just as the law requires common carriers to serve equally all who wish their services, so it can require public accommodations to accommodate equally all segments of the general public.

Enforcement provisions provide latitude for persuasion and conciliation in public accommodations disputes and guarantee just protection for the rights of accused offenders.

PUBLIC FACILITIES

Whereas places of public accommodation are usually privately owned, public facilities are generally owned by a State, county, or city and are built and maintained with public funds. Such facilities should therefore be available on an equal basis to all citizens and taxpayers. But today in many Southern counties and cities, public parks, playgrounds, community centers, libraries, and so forth, are closed to Negroes. Title III is designed to provide legal assistance from the U.S. Attorney General to persons who are deprived of the 14th amendment's "equal protection of the laws" by being denied equal access to and full use of public facilities. If the Attorney General finds that an aggrieved party cannot bear the financial burden of filing and maintaining a lawsuit, the Federal Government can bring court action on his behalf. The Attorney General is also empowered to intervene in—but not to initiate—suits seeking relief from denial of "equal protection" in areas other than public facilities. Presumably this would involve cases of alleged denial of the rights of assembly, petition, free speech, and so forth.

SCHOOL DESEGREGATION

Title IV is designed to speed up the school desegregation process which has been moving at a snail's pace since the Supreme Court decision 10 years ago. At the present rate, school desegregation in many Southern cities will not be completed for at least another century. The U.S. Commissioner of Education, under title IV, would be authorized to give technical assistance to school districts which ask for help in formulating and implementing desegregation plans. The Attorney General would be empowered to bring court action against school boards which fail to desegregate if aggrieved parents certify that they cannot bring their own suit because of financial reasons or fear of economic or personal reprisals.

CIVIL RIGHTS COMMISSION

Title V extends the life of the Civil Rights Commission for another 4 years. A product of the 1957 Rights Act, the Commission is authorized to: First, investigate complaints of denial of voting rights because of race or religion; second, study segregationist legal maneuvers aimed at denial of "equal protection under the laws"; and third, evaluate Federal activity regarding the 14th amendment's "equal protection" clause. Title V would also broaden the Commission's area of activity by permitting it to serve as a national information clearinghouse on equal protection in employment, education, housing, voting, transportation, and so forth. In addition, the Commission could investigate complaints of voting frauds allegedly perpetrated because of a citizen's race.

FEDERAL FUNDS

Title VI is designed to overcome one of the greatest ironies of the Nation's racial problem: the support and promotion of discrimination by funds of a Federal Government which has ruled that discrimination is in violation of the Constitution. Many hospitals, for example, constructed and equipped with Federal funds under the Hill-Burton Act, either do not accept Negro patients or segregate those that are accepted, and deny Negro doctors staff privileges. Many universities and research facilities working on projects financed by the Federal Government close their doors to Negroes. Many schools built and maintained with Federal funds under the impacted areas program are operated on a segregated basis. Many Negro children are being denied participation in federally financed school lunch programs. Many Negro families are being denied surplus commodities provided by the Department of Agriculture. Many Negroes are being denied access to housing built under urban renewal programs. The list goes on and on.

Title VI declares that discrimination in any program receiving Federal financial assistance is contrary to public policy. Federal agencies are authorized, but not required, to withhold Federal funds after notice, hearings, and persuasive efforts to obtain voluntary compliance have failed. The agency must also submit a report to the Congress. An order to cut off funds must be approved by the President, but penalized State and local agencies may appeal the action in Federal courts.

I am hopeful that in most cases the goals of Title VI can be achieved without resorting to actual cutoff of funds. Two years ago, for example, several Southern universities agreed to admit qualified Negroes to summer programs financed under the National Defense Education Act, rather than face the loss of Federal aid. Several years ago a veterans hospital in Mississippi opened its doors to Negroes rather than have no hospital at all. This year several schools in Florida and Texas, built and maintained under the impacted areas program, admitted Negro children rather than lose Federal funds. In any event, when persuasion and administrative efforts fail to bring compliance, funds will be withheld only from a county or area immediately involved in a specific Federal program. Aid would not necessarily be halted to an entire State.

MISCELLANEOUS

Title VIII directs the Census Bureau to compile registration and voting statistics by race, color, and national origin in areas designated by the Civil Rights Commission for congressional elections since January 1960. Such information could presumably be used as a basis for reducing House representation, pursuant to the 14th amendment, for States which deny the equal right to vote. The bill's last two titles provide for appeal procedure in State courts and authorize necessary funds for carrying out provisions of the act.

MORALLY RIGHT

With the exception of the last three titles, provisions of the bill have already been written into California law with a corresponding positive effect upon the State's 18 million residents. California has been a pioneer in enlightened race relations and has set an excellent example for the Nation to follow. There is nothing in H.R. 7152 which will be new to Californians.

In my judgment, the provisions of the Civil Rights Act are morally right, intellectually sound, legally correct, and socially necessary. I believe that the Declaration of Independence is more than a justification of rebellion. It is also a statement of the American democratic creed. It is designed to justify the past and chart the future—and the future is now. Today we are a Nation on trial and the jury must be the conscience of each individual. It is our opportunity to reaffirm by translating into action one of the basic truths that the Founding Fathers held to be self-evident—that all men are created equal. By so doing, we can go forward accepting the challenge and sharing the hope which President Johnson has enunciated so eloquently—that the world will not narrow into a neighborhood before it has broadened into a brotherhood.

FAIR EMPLOYMENT PRACTICES

Title VII, the longest and most complicated section of the civil rights bill, declares it an unlawful employment practice for an employer to refuse to hire or promote, to segregate or to discriminate on the job against any person because of his race, color, religion, or national origin. This title applies to labor unions and employment agencies, as well as to employers. For the first year after the effective date, employers and unions with 100 or more workers are covered. This drops to 75 the second year and 50 the third year. Thereafter, all employers with 25 workers in industries affecting commerce will be covered. The title establishes a five-member Equal Employment Opportunity Commission to be named by the President and confirmed by the Senate. No more than three members may belong to the same political party. The Commission would be empowered to investigate complaints and go to court in civil actions to halt or prevent unlawful employment practices. Before bringing court action, however, the Commission must first investigate and then seek to end the unlawful practice by informal methods of conference, conciliation, and persuasion. The Commission is authorized to make agreements ceding jurisdiction to State fair employment practices commissions, such as that in California and 24 other States.

Title VII is perhaps the most important section of the bill when viewed from the strong desire of 20 million Negroes to build, through their own efforts, a more secure place in American society. Statistics which show that they are being denied their right to the pursuit of happiness are impressive: The Negro unemployment rate is twice as high as the rate for whites. Negro earnings are slightly more than half as high. Many of the better jobs are closed to Negroes altogether. Across the Nation they are victims of the last-hired, first-fired doctrine. Thus their potential contribution to American society remains unfulfilled. They contribute less to production and, therefore, have less to give toward consumption. Negroes cost society more in unemployment and welfare benefits than they would if there were no color barriers to jobs. Many opponents of the civil rights bill declare "Negroes should work to improve their economic condition." Title VII will go a long way toward giving them this opportunity.

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 20, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Ecclesiastes 12: 13: *Fear God, and keep His commandments: for this is the whole duty of man.*

Eternal God, our Father, help us to appreciate more fully how sacred and wonderful is the privilege we have of engaging in a moment of prayer and yielding our minds to a mind that is infinitely wiser than our own to be instructed and guided.

We rejoice that in this quiet Lenten of prayer and meditation we may hold fellowship with a heart that is filled with love and mercy toward all the members of the human family who at times are so lonely and disquieted.

Endow us during these troubled and restless days with calm and courageous hearts and inspire us to cultivate and keep alive our faith in Thee and in the moral and spiritual values without which we have no standards and no stability, no peace and joy.

Grant that we may be eager to follow Thy ways and obey Thy will and live righteously and honestly, believing that this is Thy divine order for the universe in which we live and move and have our being.

Hear us in the name of our blessed Lord who is the way, the truth, and the life. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

SUBCOMMITTEE ON IRRIGATION AND RECLAMATION OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent that the Subcommittee on Irrigation and Reclamation of the Committee on Interior and Insular Affairs be permitted to sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Manned Space of the Committee on Science and Astronautics may be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

WILLIAM N. McLEOD, JR.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, the information that William N. McLeod, Jr., a former clerk of the House District Committee, received $2,500 in gifts as a result of his employment by that committee, should be of serious concern.

McLeod first stated he was paid $1,500 by Don B. Reynolds, Maryland insurance broker, for legal services in connection with passage of a bill authorizing construction of the District of Columbia Stadium. Reynolds denied McLeod had performed any legal service, and McLeod then said the money was a gift.

The Washington Metropolitan Police Relief Association admits payment of $1,000 to McLeod for his "courtesies" to the association while an employee of the House District Committee.

Mr. Speaker, in view of the fact that it has been said this sort of gift giving is "not unusual," I urge the House Administration Committee to launch an investigation of the activities of this former employee of the House of Representatives.

LEGISLATIVE PROGRAM FOR THE BALANCE OF THIS WEEK AND THE NEXT

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I take this time for the purpose of inquiring of the majority leader as to the program for the balance of the week and the program for next week.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the minority leader, today we have, of course, the military authorization bill.

That will be followed by a resolution providing for an official picture of the House of Representatives.

On tomorrow, under consent previously granted, George Washington's Farewell Address will be read.

The program for next week is as follows:

Monday is District Day, and there will be called up for consideration H.R. 9419, regulation of business of selling securities.

On Tuesday the conference report, H.R. 8363, Revenue Act of 1964, will be called up for consideration.

On Wednesday, H.R. 8316, lack of authority of FCC to make rules relating to the length or frequency of broadcast commercials, will be called up for consideration.

For Thursday and the balance of the week, H.R. 5838, amending the organic act of the National Bureau of Standards, will be considered.

This announcement, of course, is made subject to the usual reservation that conference reports may be brought up at any time, and any further program will be announced later.

Mr. HALLECK. Mr. Speaker, may I make a further inquiry of the gentleman? A number of Members have expressed some concern as to how quickly on Tuesday the conference report on the Revenue Act may be called up. Do I understand correctly there will be a beginning made on the International Development Association bill?

Mr. ALBERT. At the present time that is the plan.

Mr. HALLECK. And the conference report will come up sometime along in the middle of the afternoon?

Mr. ALBERT. I would think it would not be earlier than 2 o'clock, although I do not want to be held to that. It is planned to take up the rule on the International Development Association Act first.

May I advise the gentleman that today when the legislative program has been completed, I shall ask unanimous consent to adjourn from tomorrow until Monday, and also to dispense with Calendar Wednesday business.

AUTHORIZING DEFENSE PROCUREMENT AND RESEARCH AND DEVELOPMENT

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 631, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9637) to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentlewoman from New York Mrs. [ST. GEORGE], and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 631 provides for consideration of H.R. 9637, a bill to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes. The resolution provides an open rule with 3 hours of general debate.

H.R. 9637 provides authorization in the amount of $16,914,800,000 for defense programs for fiscal year 1965, which amount includes $2,061,200,000 for the Army, $5,823,600,000 for the Navy and Marine Corps, and $8,533 million for the Air Force.

The bill authorizes over 2,700 aircraft and about 35,000 missiles for all the three military services and 53 new ships for the Navy. The bill also authorizes the conversion of seven ships.

It is appropriate to note that the Army will procure 1,282 aircraft this year which is 234 less than authorized for fiscal year 1964.

In the case of the Navy and Marine Corps, the number of aircraft authorized for fiscal year 1964 was 670 while this year 584 are requested—which is 86 less.

For the Air Force, the number of aircraft being requested is 889 which is 23 less than authorized last year.

This is 343 aircraft less than was authorized last year for all three services.

The Army is requesting 13,998 missiles this year as against 28,196 authorized last year.

The Navy is requesting 9,914 as against 14,705 authorized last year.

The Marine Corps is requesting 1,505 as against 400 authorized last year.

The Air Force is requesting 9,795 as against 16,560 authorized last year.

All in all, this is 24,649 missiles less than the number authorized last year. The reason for this is, of course, the large missile buys of last year and the year before. We are approaching our total requirements.

In the case of ships, this year's program covers 53 new ships and 7 conversions of which 38 of the new ships are combatant ships and 1 of the conversions is a combatant ship.

Last year's authorization was for 31 new ships and 35 conversions. Of those new ships, 27 were combatant and of last year's conversions, 26 were combatant.

The large procurement programs of the last several years, particularly in the field of missiles, permits a lower level of procurement for fiscal year 1965.

Mr. Speaker, I urge the adoption of House Resolution 631.

The SPEAKER. The Chair recognizes the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution, as has already been stated, makes in order consideration of the bill, H.R. 9637. This is probably one of the most important bills to come before the House and it is also probably one of the least controversial bills. It authorizes appropriations during the fiscal year of 1965 for procurement of aircraft, missiles, and naval vessels and research, development, test, and evaluation for the Armed Forces and for other purposes.

The Committee on Armed Services has brought this bill out after most careful consideration, as we all know. It has been considered in the subcommittee. It has been worked over in that committee and then again in the full committee.

Mr. Speaker, this is a highly technical bill. It is a bill really that no one can judge unless they sat in on all of the hearings and unless they had heard all of the discussions.

It is to be noted that the fiscal year 1965 request for new obligational authority for the entire Department of Defense totaled $50,880 million. Of this amount $17,185,300,000 was requested by the executive branch for authorization under the provisions of section 412(b) of Public Law 86-149, as amended. The committee modified the original request by deleting $270,500,000. So that the new net total in H.R. 9637 is $16,914,800,000—or close to $17 billion.

The committee, however, did cut, and there would have been a further reduction of $92 million more, but the committee in its wisdom felt it was necessary, and to fulfill their responsibility, to continue the building of the manned bombers which will not, incidentally, be ready for use, as I understand it, until 1970—and some say not until 1972. It seems to me this is a question that has been solved by the committee. I doubt very much if anything we say or do here will be of much importance. I am quite sure the chairman has expressed it aptly when he said "we should not have all our eggs in one basket." That is a very true and oldtime saying. There is another saying very much like it and that is, "It is better to be sure than sorry." I fear very much if we do not do what is recommended in this legislation and what has been passed by the Committee on Armed Services, we may in time rue the day.

For this reason, I feel sure the House in its wisdom will as usual back the Committee on Armed Services.

Mr. Speaker, I know of no possible objection to the rule. I feel that the 3 hours of general debate can give us a clear picture, that is, as clear as we could get, on such an important subject.

Mr. Speaker, I yield back the balance of my time.

Mr. SISK. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. WICKERSHAM] 5 minutes.

Mr. WICKERSHAM. Mr. Speaker, the House is today considering legislation authorizing research and development funds for the military. I feel that it is appropriate to address the House on this subject and on another aspect of military life.

I should like to take this opportunity to congratulate my colleague, good friend, and chairman, the honorable CARL VINSON, for the speed, effort, and precision with which he cleared H.R. 9637 through the Armed Services Committee and to the House floor. It was "leadership and generalship" at its best. He set a grueling pace for those of us who are privileged to be members of his committee. He started hearings at 9:30 in the morning, and ran them until 7:30 and 8 o'clock in the evening.

It is my prayer that when I reach the age of 80 years, I too can set as fast a pace, and stay with it, as the gentleman from Georgia. The Congress is indeed fortunate to have the services of a man with 50 years of continuous experience in the demanding field of military legislation, such as CARL VINSON. This Nation will feel a great loss if he follows his announced plans to retire at the end of this Congress.

Before President Johnson announced the appointment of Stan Musial as his adviser on physical fitness, I heard several members suggest that the chairman was the most obvious candidate for the job, and from the committee schedule, it appeared that he was only exercising his muscles. My hat is off to the chairman of the House Armed Services Committee. He is truly an outstanding gentleman, legislator, and statesman.

Gentlemen, at Fort Benning, Ga., the infantry division has a statue of the Army's ultimate weapon. It is a statue of an infantryman. The Chief of Naval Operations, Admiral McDonald, in January, told the Armed Services Committee that "people" are the Navy's most priceless asset. Gen. Curtis LeMay, Air Force Chief of Staff, has repeatedly stated that he considers "people" the Air Force's most valuable asset. This Congress has recognized this fact by passing the largest military pay increase in the last decade. Today the House considers a bill for the machines the military needs and will need to maintain the defenses of this country. With such items as new manned bombers, which I have long advocated, we are keeping our military hardware up to date and ready. But machines are only as good as the men who operate them.

Last week the House passed the most far reaching civil rights bill in history. Today I rise to report on legislation aimed at protecting the civil rights of another major segment of our society—the members of the military forces of the United States.

I want to see the rights of "our first line of defense" protected every bit as much as the civil rights our civilian society enjoys. We know and appreciate the importance of morale in our Armed Forces. We have taken cognizance of this fact in passing legislation concerning pay and better housing for the military personnel. Now, let us not forget another major aspect of their lives—justice and equality before the law.

I am very pleased to report to you that the Department of Defense has favorably reported on 6 of the 18 bills I introduced on September 25, 1963, designed to bring additional protection and justice to the millions of men and women in uniform. These six bills, which the Defense Department has favorably reported, have also been accepted by the Bureau of the Budget. The Defense Department suggests that H.R. 8567, H.R. 8576, and H.R. 8577 be combined into one bill. On H.R. 8571 the Department suggested certain amendments, which I have incorporated in a new bill. In reporting on H.R. 8574 and H.R. 8579, the Defense Department suggested they be combined into one bill, also.

I wish to thank the Department of Defense and the Bureau of the Budget for their valuable assistance with these bills.

I have today introduced three bills as substitutes for the six bills now under consideration. The first bill is offered as a substitute for H.R. 8567, H.R. 8576, and H.R. 8577. The second bill introduced today is a substitute for H.R. 8571 to include only those provisions that meet with Defense Department approval. The third bill introduced today is a substitute for H.R. 8574 and H.R. 8579.

In reporting on H.R. 8567, which would amend chapter 47, title 10, United States Code, by adding a new section to provide that the law officers of a general court-martial may conduct a pretrial conference, with counsel for both sides, the accused, and a reporter present. The Department and the Bureau of the Budget observed that such procedure is desirable as an aid in affording the accused a speedy trial. Also, it results in savings in money and man-hours.

The Department and the Bureau of the Budget pointed out that use of this pretrial procedure would improve greatly the administration of military justice. It would eliminate the numerous delays now encountered after the convening of a court-martial.

The Department's report on H.R. 8576, which is primarily concerned with the one-officer court and the right to waive trial by court-martial in favor of judgment by the law officer, points out that the Department of Defense supports the concept of a one-officer court, noting that such a procedure has long been recognized in Federal district courts where the accused may waive trial by jury. Adoption of this concept for use in the Armed Forces would improve the administration of military justice and would save money and man-hours, the Department advised.

I am delighted that these provisions of H.R. 8567 and H.R. 8576, which received such high praise from the Department of Defense and approval by the Bureau of the Budget, are included in the first bill I introduced today.

With the passage of this substitute bill for H.R. 8567, H.R. 8576, and H.R. 8577, the duties and responsibilities of the "law officer" in a military court-martial become more like those of a judge in the Federal district courts; thus, the second bill I have introduced today, as a substitute for H.R. 8571, will change the name from "law officer" to "military judge," and should be of great value to everyone in understanding the scope of this position and the powers and duties of this office. While some might consider it only a technical matter, it will certainly make the court-martial procedure more understandable to everyone.

The third bill I introduced today, which was worked out as a substitute for H.R. 8574 and H.R. 8579 with the Department of Defense and the Bureau of the Budget, amends chapter 47—Uniform Code of Military Justice—of title 10, United States Code, section 869, article 69, by authorizing the Judge Advocate General to either vacate or modify the findings or sentence or both, in whole or in part, in any court-martial which has been finally reviewed, but which has not been reviewed by a board of review, because of newly discovered evidence, fraud on the court, lack of jurisdiction over the accused or the offense, or error prejudicial to the substantial rights of the accused.

The Defense Department has pointed out that it has been the experience of all the services in this class of cases, particularly with respect to summary court-martial cases and those special court-martial cases not reviewable by a board of review, that some provision should be made for removing the fact of conviction, as well as granting other relief. This amendment would not limit the power now possessed by the Secretary concerned, acting through boards established by public law to correct an error or remove an injustice.

This bill will extend the time within which an accused may petition the Judge Advocate General for a new trial from 1 to 2 years.

I also feel it is my responsibility to report to you that the Department of Defense and this Oklahoma Congressman are not in agreement on H.R. 8578, a bill to further insure the fair and independent review of court-martial cases by prohibiting any member of a board of review from rating the effectiveness of another member of a board of review.

The hearings held by the Senate Subcommittee on Constitutional Rights in February and March, 1962, revealed that in Army and Air Force Boards of Review, the chairman of the board rated the efficiency of the members of the board and that these ratings helped determine future promotions and assignments of the board members. Naturally, this practice does not promote the independence of the board members in cases where they disagree with the chairman. Shortly after the Senate subcommittee hearings, the Army discontinued this practice, but the Air Force has retained its rating system. Because such rating systems threaten the fairness of the appellate review of court-martials, including review of serious issues involving constitutional rights, it should be prohibited. I shall make my disagreement with the Department's report on H.R. 8578 known to the Armed Services Committee chairman, and shall hope for a full hearing before a subcommittee in order to give this measure the fullest possible consideration.

The Defense Department's report on H.R. 8570, a bill to improve the structure and designation of boards of review, does not favor its passage because they feel it would undermine the prestige of the military lawyer inasmuch as the bill would provide that the presiding officer of the appellate court be a civilian. They also disagree because it sets a tenure of office for the military personnel assigned to these boards.

I cannot agree with the Department's report. The highest position a member of the military service can attain is not a job description, but the number of stars he may wear on his shoulders. The introduction of highly qualified civilian judges in the appellate system of military law assures us of continued civilian control of the military, which I feel is the very backbone of this democracy.

As for the Department's complaint on the bill establishing a tenure of office for those military officers assigned to such duties, I find myself in complete agreement with Chairman VINSON's principles when he introduced a bill establishing the tenure of office for members of the Joint Chiefs of Staff. This tenure in the justice field will permit free and independent judgment of all cases, without the military board members having to fear being withdrawn from the assigned duty and shipped by a slow boat to Vietnam.

I shall, of course, make my views on H.R. 8570 known to the chairman of the Armed Services Committee, and seek a hearing in order to give full consideration to this most deserving piece of legislation. The Department's report on H.R. 8578, a bill to insure due process in the administration of military justice in the Department of the Navy by establishment of a Judge Advocate General's Corps in such Department, seems to be in agreement with the purpose of the bill, but complains that it will require additional "admirals" to get it done. I shall withhold comment on this report at this time, but with the full understanding that I shall comment on it at a later date, and perhaps we can, in the name of justice of all naval personnel, even locate a few additional "unused admirals" for the Department of the Navy.

Thus, gentlemen of the Congress, I am happy to report a high batting average on the military justice bills that were introduced on September 25, 1963. The Department of Defense has reported on 9 of the 18 bills. I shall seek additional information from the Defense Secretary on why reports have not been filed on the remaining nine bills, which are as follows:

H.R. 8565, a bill to insure due process in the case of certain administrative actions involving military personnel.

H.R. 8566, a bill to broaden the constitutional protection against double jeopardy in the case of military personnel.

H.R. 8568, a bill to provide additional constitutional protection in certain cases to members of the Armed Forces.

H.R. 8569, a bill to protect the constitutional rights of military personnel by insuring their rights to be represented by qualified counsel in certain cases.

H.R. 8572, a bill to implement the constitutional rights of military personnel by providing appellate review of certain administrative board decisions.

H.R. 8573, a bill to insure the military personnel certain basic constitutional rights by prohibiting command influence in court-martial cases and in certain nonjudicial proceedings.

H.R. 8580, a bill to amend chapter 47—Uniform Code of Military Justice—so as to assure the constitutional rights of confrontation and compulsory process by providing for mandatory appearance of witnesses and the production of evidence before certain boards and officers, and for other purposes.

H.R. 8582, a bill to provide for compliance with constitutional requirements in the trials of persons who are charged with having committed certain offenses while subject to trial by court-martial, who have not been tried for such offenses, and who are no longer subject to trial by court-martial.

H.R. 8581, a bill to provide for compliance with constitutional requirements in the trials of persons who, while accompanying the Armed Forces outside the United States, commit certain offenses against the United States.

The entire area of administrative boards and the separation of military personnel by these boards cannot be considered by the House Armed Services Committee until seven of the remaining nine bills have been reported by the Defense Department and the Bureau of the Budget to the committee chairman. It is in this area that kangaroo courts are made official. This is the area of military justice that disgraces our whole concept of fair play and equal rights. These seven bills can do away with the legal front these administrative boards have maintained.

Gentlemen, last week this House passed the civil rights bill, which its strongest supporters claimed would bring justice to the Negro population of this Nation. The enforcement of that civil rights bill, if it should become a public law, can well rest in the hands of the men and women of the Armed Forces of the United States. In all good conscience, can you expect our service people to enforce the civil rights law, when the military law covering their own lives is not just and fair? Some of you will remember the closing line of my speech on September 25, 1963, when I introduced these 18 military justice bills. It carries even more meaning today than it did some 5 months ago. Thus, I repeat, "Justice might wear a blindfold, gentlemen, but let us never forget she also carries a sword."

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The **SPEAKER.** The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER.** Evidently a quorum is not present.

Mr. VINSON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 38]

Abele
Adair
Ashmore
Ayres
Bass
Battin
Berry
Blatnik
Bolton,
  Frances P.
Broomfield
Brown, Calif.
Brown, Ohio
Bruce
Buckley
Burkhalter
Burleson
Casey
Cederberg
Celler
Collier
Colmer
Corman
Cramer
Curtis
Davis, Tenn.
Dent
Diggs
Dorn
Dowdy
Elliott
Finnegan
Flynt
Forrester
Fulton, Tenn.
Gill
Goodell
Grant
Hanna
Harvey, Ind.
Hawkins
Hoffman
Horan
Jones, Ala.
Kee
Kelly
Kluczynski
Leggett
Lesinski
Lloyd
McClory
Macdonald
Madden
Mailliard
Martin, Mass.
May
Meader
Miller, Calif.
Miller, N.Y.
Montoya
Morris
Murray
O'Brien, Ill.
O'Konski
Powell
Randall
Rhodes, Ariz.
Riehlman
Roberts, Ala.
Roybal
St. Onge
Secrest
Senner
Short
Smith, Calif.
Teague, Tex.
Tupper
Udall
Younger

The **SPEAKER.** On this rollcall, 350 Members have responded to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AUTHORIZING DEFENSE PROCUREMENT AND RESEARCH AND DEVELOPMENT

Mr. VINSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9637) to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation for the Armed Forces, and for other purposes.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 9637, with Mr. DONOHUE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN.** Under the rule, the gentleman from Georgia [Mr. VINSON] will be recognized for 1½ hours and the gentleman from Illinois [Mr. ARENDS] will be recognized 1½ hours.

The Chair recognizes the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Chairman, I yield myself 30 minutes.

Mr. VINSON. Mr. Chairman, this bill, H.R. 9637, is the annual authorization bill for aircraft, missiles, and naval vessels. It also covers research and development for those items and, for the first time this year, all other research and development.

It is the largest authorization bill ever to be presented to the House. But at the same time, the program it represents is smaller than it was last year. This is easily explained by the fact that the bill covers more territory this year than last year. But it does not involve any new elements. It is just that last year some of the things that now require authorization did not require authorization at that time.

The bill totals $16,914,800,000, and I am going to go into some detail as to just what makes up this total. First, however, let me refer to the law which makes this authorization bill necessary.

Back in 1959, we passed Public Law 86–149. Section 412(b) of that law required that there be congressional authorizations for the procurement of aircraft, missiles, and naval vessels.

In 1962, this law was modified to require similar authorization for the research, development, test, and evaluation appropriations associated with aircraft, missiles, and naval vessels.

Last year, we passed Public Law 88–174 and modified the basic law once more so as to require that appropriations for all research and development be authorized.

The law today, therefore, reads as follows:

> SEC. 610. Section 412(b) of Public Law 86–149, as amended, is amended to read as follows:
>
> "(b) No funds may be appropriated after December 31, 1960, to or for the use of any Armed Force of the United States for the procurement of aircraft, missiles, or naval vessels, or after December 31, 1962, to or for the use of any Armed Force of the United States for the research, development, test, or evaluation of aircraft, missiles, or naval vessels, or after December 31, 1963, to or for the use of any Armed Force of the United States for any research, development, test, or evaluation, unless the appropriation of such funds has been authorized by legislation enacted after such dates."

I am going to deal in these remarks with economies that have been effected within the Department of Defense, and I will make reference to the fact that this year's bill shows a decline in almost all areas of procurement. Therefore, I want to draw your particular attention to the fact that if the newly added jurisdiction which I have referred to were not considered, the bill this year would be actually less than the bill last year—about $1.3 billion in the field of procurement alone, or $1.6 billion if both procurement and research were considered.

You should not think for one moment, however, that the fact that this bill is smaller than last year—and that the number of items that we are procuring is less than last year—has in any way diminished our military strength.

Simply stated, we are reaching a point in several areas, principally missiles, where we are coming up pretty close to our total needs. And we simply do not need to buy as many of the items as we did before. As a matter of fact, we are stronger in our defense today than we have ever been in any peacetime period before.

We have got the best peacetime Army that we have ever had—the strongest Air Force—and our Navy is more powerful than all of the other navies of the world combined. So there need be no fear on that score.

Now, I am going to tell you what this bill will do.

In the area of procurement of aircraft, the Departments will receive the following amounts:

For the Army, $443,600,000 for 1,282 aircraft.

For the Navy and Marine Corps, $1,854,900,000 for 584 aircraft.

For the Air Force, $3,663 million for 889 aircraft.

This is a total of 2,755 aircraft in the bill.

You will see all of these aircraft described on pages 7, 11, and 19 of the committee report.

In the area of missile procurement, the Departments will receive the following amounts:

For the Army, $282,600,000 for 13,998 missiles.

For the Navy, $660,100,000 for 9,914 missiles.

For the Marine Corps, $13,100,000 for 1,505 missiles.

For the Air Force, $1,730 million for 9,795 missiles.

This is a total of 35,212 missiles in the bill.

There is a description of all these missiles on pages 8, 13, and 20 of the committee report.

The Navy will get 53 new ships and 7 conversions at a cost of $1,966 million. Thirty-eight of these new ships and one of the conversions are combatant-type vessels.

Starting on page 14 of the report, you will find all of these naval vessels described and the estimated cost of each one stated.

Now, that is a total of $10,613,300,000 for all of the procurement in the bill. Last year, for these same items, we authorized $11,915,200,000. Against this $11.9 billion in authorizations, appropriations were granted in the amount of $11.4 billion. This is only about a 4-percent difference.

Specifically, there are 343 less aircraft in the bill this year than there were last year.

There are 24,649 less missiles this year than last year.

As for ships, last year's bill had a total of 66 new ships and conversions while this year's bill has only 60 ships and conversions. This year's bill is $193 million less than last year's authorization for ships.

Now, for "Research and development."

The bill requests authority for $6,301,500,000. I want to point out that this is $270,500,000 less than requested by the Department. This reduction in research and development, and this was the only place in the bill that the committee made any reductions, would have been $362.5 million but for the fact that the committee added $92 million to this portion of the bill for research and development associated with the follow-on bomber and the improved manned interceptor. I will go into this matter in more detail a little later on.

It is always a matter of interest to see the direction in which we are going in legislation which involves sums as large as there are in this bill. I am, therefore, going to briefly compare this year's bill with last year's bill, and you will immediately see that the trend is now downward.

On page 3 of the report which is before you, you will see a table entitled "Progress of the Program." It has five columns. The first column shows the authorization last year and the fifth, or last column, shows the authorization in the bill this year as reported by the committee.

You will note that, for example, Army aircraft procurement has gone down by $60 million—and Army missile procurement for this year is only about one-half of what it was last year. This is also true of Navy missiles. Substantial reductions are also apparent in Air Force aircraft and naval vessels and the authorization for naval vessels has gone down by $193,600,000.

In the field of research and development associated with aircraft, missiles and naval vessels—the decrease is $442 million from last year. Part of this particular difference is a smaller request than last year and another part of it consists of reductions made by the committee.

So, here is the whole bill in a nutshell:

The grand total of the bill for procurement and research and development is $16,914,800,000.

The Army gets $2,061,200,000.

The Navy and Marine Corps get $5,823,600,000.

The Air Force gets $8,533 million.

And the defense agencies get $497,200,000.

The bill will authorize 2,755 aircraft for all services and 35,212 missiles for all services.

And the Navy will get 53 new ships of which 38 are combatant and 7 conversions of which 1 is a combatant type.

And as I have said, in almost every area the bill has gone down from last year. I want to stress the fact that the decreases noted above do not in any way weaken our defense, and I have told you why this is so.

PERSONNEL

At the end of fiscal year 1965, the total active duty military is planned to be 2,680,721. This will be about 6,100 less than the number planned for the end of this fiscal year, that is, June 30, 1964.

Air Force strength will decline somewhat primarily as a result of the phaseout of the B-47 bomber. Navy strength will increase somewhat as additional Polaris submarines are commissioned. The Army and the Marine Corps will continue at about their present levels.

The actual personnel strengths at the end of fiscal 1965 will be about as follows:

Army	973, 999
Navy	677, 896
Marine Corps	190, 060
Air Force	838, 766

ARMY DIVISIONS

The Army will continue to have 16 combat divisions and will continue to test an Experimental Air Assault Division at Fort Benning, Ga.

STRATEGIC AIR COMMAND

We have about 1,300 strategic bombers today:

600	B–47
630	B–52
80	B–58

This 1,300 will decline to about 935 by June 1965 through deactivation of all but five B–47 wings.

NAVAL VESSELS

On June 30, 1964, the Navy will have an active fleet of 873 ships of which 656 will be combat types; and on June 30, 1965, there will be an active fleet of 883 ships, or 10 more than on June 30, 1964.

POLARIS

The last six of the planned fleet of 41 Polaris submarines were in last year's bill. The entire force of 41 submarines and 656 missiles can be deployed by the end of fiscal year 1967.

The first 5 of these submarines will have the 1,200-mile missile. The 6th through the 18th will have the 1,500-mile missile and the 19th through the 41st, with the 2,500-mile missile.

Today there are 16 Polaris submarines—each with 16 missiles—ready for sea duty. And 11 of them are actually deployed right now.

ICBM'S

Today there are about 554 intercontinental ballistic missiles in place and ready to go. They are divided up as follows:

Atlas	126
Titan I	54
Titan II	54
Minuteman	320

Within a couple of months, there will be another 130 Minutemans in place.

Only the Minuteman has solid fuel. The Atlas and Titan have liquid fuel. And the time will come in the future when we will have only Minuteman missiles. They will be improved from time to time.

By 1965, we will have 1,184 ICBM's made up of Atlas, Titan, and Minuteman.

I should point out that all of the Minuteman missiles are in hardened sites and are safe from any kind of attack except for a direct hit. They are also dispersed not only throughout the country but also widely dispersed in the individual locations.

Mr. Chairman, the committee did something a little bit unusual this year in that it inserted in the report a portion of the statement delivered to the committee by the Secretary of Defense. This section begins on page 41 of the report and is headed "Excerpt from Secretary of Defense Statement." It is preceded by a section of the report designated as "Decrease in Budget—Increase in Savings."

I hope that every member of the committee has already read these two sections and if he has not, I certainly hope he will because it provides truly substantial grounds for encouragement in the field of expenditures for our defense.

I will mention only a few highlights but I certainly do recommend these portions of the report to every member of the committee and, indeed, to every Member of the House—and to the public.

In the first place, the total requests by the Departments came to almost $61 billion. But the budget, as approved and presented to the Congress, is over $10 billion less than this.

I hope you will not mind my making a somewhat prideful reference to the fact that virtually every step taken by the Secretary of Defense in reducing expenditures follows a course laid out by the Armed Services Committee in its reports over the past 12 years. No one, however, has been able to take the actions recommended by the committee to anything like the extent that Mr. McNamara has been able to do.

As a matter of fact, Mr. McNamara in his testimony conceded this debt when he said:

> I obtained a lot of the ideas that we have outlined here from the reports of this committee and from, I should say, the reports of the Comptroller General.

Some typical examples given by Mr. McNamara of savings effected appear on pages 43 and 44. Again on page 46 is a table showing savings that were gained through competitive as distinguished from noncompetitive buying. The first two items, for example, on the table shows that the price was more than halved through competitive procurement.

And let me draw your attention to page 53 of the report under "Cost Reduction Goals." Here the report sets out the goals set by Mr. McNamara for each of the Departments and as you can see in the table, every Department exceeded the goal assigned to it for fiscal year 1963 and the same will be true of fiscal year 1964. And I personally believe they will be exceeded again for fiscal year 1965.

I think you will all agree that Mr. McNamara has done a magnificent job and should be congratulated for the way he is running the Department of Defense.

Mr. Chairman, I would now like to refer to the $92 million added by the committee to the Air Force R. & D. section of the bill. This is made up of $52 million for a follow-on bomber and $40 million for an improved manned interceptor. I shall refer to them as the bomber and the interceptor.

The first thing I would like to say is that this bomber has nothing whatsoever to do with the XB-70. As the Committee recalls, the original plan of the XB-70 was for three airplanes. We were advised by General LeMay that he is recommending the cancellation of the third airplane but that they are going forward with the developing and testing of the first two, including certain instrumentation and testing requested by the Federal Aviation Agency to assist in the development of the supersonic transport—SST.

This is the situation: The last B-52 and the last B-58 were delivered to the Air Force in October of 1962. SAC bomber strength will drop from about 1,300 today to 935 by June 1965 through deactivation of all but five B-47 wings. These 935 bombers are made up of:

225	B-47
630	B-52
80	B-58

There is no bomber anywhere near production. In fact, there is no bomber even designed at this time, and as you all know, design to delivery on a complicated bomber is some 6 to 8 years.

Now, our B-52's and B-58's are going to last for a good while. But the time is going to come when there will be no bombers if we do not get started on a bomber today. The B-52's and B-58's will simply wear out. And should this happen, we will be in the position of depending entirely on missiles, a thing that none of us wants to do.

The Department of Defense is thinking about a bomber but there does not seem to be much push behind designing one and getting one up to the point where it could be produced. In the minds of the committee, there just is not enough sense of urgency involved here. And we are trying to create that sense of urgency by putting $52 million in the bill so as to indicate that it is the committee's view, and we think it will be the view of the whole House that we should step along this road faster than we are today.

Now, I want it clearly understood that these additions by the committee are not just an expression of the committee's views. We did not start this whole thing. Solid testimony was given to the committee by General LeMay, the Chief of Staff of the Air Force, clearly indicating the urgency of starting out on a follow-on bomber and a new interceptor.

Simple logic—not technical information—tells anybody that if it takes 6 to 8 years from drawing board to runway for an airplane, and if you know that your present bombers will not do the job 6 to 8 years from now, you had better get started on some new airplanes now.

I believe what General LeMay says.

Now, that is a simple explanation of that particular addition to the bill.

Now, let me say a word about the interceptor.

I do not know how many years we have been talking about a new interceptor. Apparently everybody agrees that we need one, but nothing very much has been done about obtaining one.

There can be no doubt that we have some of the finest airplanes in the world today in our Air Force and Navy. And we know that the TFX is coming along and will do a fine job. But the plane I am talking about—the interceptor—must have very special characteristics. Very special in the way of radar; that is, its ability to see very far in front of it and from a great altitude down to the ground—a much greater capability in those areas than any other plane in the world possesses today.

The reason we need this interceptor, stated in the simplest of terms, is this: You all know that we have on our B-52 bombers a missile called the Hound Dog. This is a missile which is launched by the B-52 at a great distance from its intended target. The missile proceeds to its target and the bomber, if such is the plan, need not proceed anywhere near that particular target.

Now, the Soviet Union also has missiles somewhat like the Hound Dog. And the job of the new interceptor would be to knock the Russian bomber from the skies before it got within range of a target within the United States at which it could launch its missile.

Now, there is much more to be said about both of these airplanes but if we go very much further than what I have said, we get into classified areas.

Now, as to the bill as a whole, let me say this: There is nothing new about it. It is the same annual authorization bill that you have seen for the past several years. The only thing that is at all different about it is the fact that it now contains authorization for research and development which is not connected with aircraft, missiles, and naval vessels.

The committee became aware of the tremendous interest that had been generated in the research and development programs being carried on by the Government. Very, very large sums are spent each year in this field, not only by the Department of Defense, but by almost all agencies of the Government. The reason for this, of course, is quite simple: We are living in an age of much more than technological advance—it is more an age of technological explosion.

This being so, we have no choice but to progress as the state of the various arts permits us to progress and, in the area of defense, we are not seeking things that are better, merely because they are better—but because our national survival will depend upon them being better.

A better strain of corn, a better breed of cattle is a good thing to have. But we could live without them. And research and development in those areas, while important, are probably not absolutely essential.

In the area of defense, however, second best is simply not good enough. We must make every effort to keep well ahead of the enemy in our aircraft and missiles and naval vessels. We are not talking about luxury here. We are talking about sheer, stark necessity.

So, as I say, the bill is, in essence, just more of the same with only the slight difference that the committee has taken cognizance of the area of research and development which has always been going on but which we are authorizing this year for the first time.

I would like to make particular note of the outstanding work which has been performed for the committee by the gentleman from Illinois [Mr. PRICE]. He is chairman of the Research and Development Subcommittee and has as his right-hand man on the minority side the gentleman from New York [Mr. BECKER].

The gentleman from Illinois [Mr. PRICE] will have some remarks to make on the subject of research and development and I commend his statement to all of you because he is our expert in the field of research and development. We all owe him a debt.

Mr. Chairman, there is the bill and this is my statement. I will ask no more of the House than has been given by it freely and wholeheartedly in the past: an overwhelming vote in favor of this most important defense legislation.

Mr. LAIRD. Mr. Chairman, will the distinguished chairman of the committee yield to me?

Mr. VINSON. Yes. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I can well understand the gentleman from Georgia in his concern about the time period of 1970–75. This is indeed a very important time period as we look down the road on our military preparedness program for those years. I am concerned, Mr. Chairman, however, with the reductions in the R.D.T. & E. authorizations. I realize the chairman of the committee and the Committee on Armed Services have a legitimate concern for the bomber and the interceptor aircraft development during the time period 1970–75. Just as important however as these weapons systems are our ASW efforts and many of these other systems under study in research and development. The committee has cut these other programs. It takes from 4 to 7 years to move a new system from the start of R.D.T. & E. efforts to use by our forces.

Mr. VINSON. Of course it is.

Mr. LAIRD. It seems to me rather than decrease research and development funds, that during the next few years we should be increasing them. I am not as concerned about procurement funds during the time period up until 1969. We do not have any new major weapons systems in development and we need these systems in the 1970–75 time period. R.D.T. & E. is the important area in this year's budget, and I do not believe it is being given proper consideration by your committee recommendations.

Mr. VINSON. I want to thank the gentleman. Because of what he says I am glad that he finds himself in agreement with an amendment that the committee put in to provide $92 million.

Mr. LAIRD. On the increase I do, but this is a reduction in funds of $500 million compared with the 1964 spending level in research, tests and evaluation, and for the time period of 1970–75 this is the year that we have to be making those expenditures if we are going to develop new systems, whether they are offensive or defensive.

Mr. VINSON. That is the reason why, after we took the testimony of General LeMay, we wrote this amendment in.

Mr. LAIRD. I agree with the gentleman as to the strength of this country during the next 4 years, but I am concerned about it for the period between 1970 and 1975.

Mr. VINSON. I will have more to say about this matter later on.

Mr. ARENDS. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, let me say at the outset that I wholly support this bill. The chairman of the committee has described the bill in very considerable detail and I will not burden you with repetition of facts and figures. I would, however, like to express to the House some deep concerns which I have felt for a long time and have, on more than one occasion in the past, presented to the House when considering legislation of this kind.

I suppose that it is correct to say that again the Armed Services Committee comes before the House to continue what some may feel to be a useless fight for the retention of manned weapons systems in our military arsenal.

The nature and extent of the military force in this country is the result of bilateral action with the legislative branch and the executive branch each contributing to the end result.

There are, however, substantial differences between the contribution made by each—and the failure of the one to authorize or the other to execute frustrates what is ostensibly a common end.

Of the two branches of the Government, the true moving force behind the establishment of an effective military posture is the legislative branch—for it must provide the authority and the funds to create such a military force. It must always take the first step. If it fails to perform its proper function, the Executive is powerless to act. Neither branch can assume or exercise the authority of the other. Responsibility, therefore, is clearly fixed for each of the branches of the Government but, again, it must be kept in mind that the first step must be taken by the legislative branch.

Neither the people who elect us nor our own good conscience can permit us to sit idly by and allow the executive branch to both propose and execute. Sometimes it seems to have been forgotten—but we are lawmakers. And among the laws which we must make are those which reflect our constitutional power—

> To raise and support armies.
>
> To provide and maintain a Navy.
>
> To make rules for the Government and regulations of the land and naval forces.

All too often in the recent past, we in the Congress have found ourselves threshing about in a sea of frustration because the Congress cannot, except by the most extraordinary action, force the executive branch to take action.

And what does all of this lead to? It leads to simply this:

We have a very strong man at the head of the Department of Defense; an effective man. But, I fear, a man who feels it his bounden duty to make every decision with the Department by himself. He is a man who does, indeed, listen to his military advisers but I, for one, must wonder how often his decisions are colored by what he has heard from his military advisers. Not very often, I think.

We remember the RS–70. We remember Skybolt. And I am fearful that in the future I may be able to say, "We all remember the follow-on bomber and the improved manned interceptor."

We added a total of $92 million to the bill for these two airplanes—$52 million for the bomber and $40 million for the interceptor. I hope and expect that the House will follow the committee in these two recommendations. I hope also that the other body will join with us as it has in the past in the case of the RS–70, for example.

But let us suppose that Congress does express its will, based on its best judgment which, in turn, is based on the firm recommendations of the military people within the Department of Defense—where will we be then? Probably no further along the road than we are at this moment. Because the Secretary of Defense simply does not seem to care how the greatest bomber expert in the world feels about airplanes.

I anticipate—and I say this with real reluctance—that he will again say to us, in effect: "I'm not really taking your part in the decisionmaking process away from you, I'm just not abandoning it to you."

I feel it my duty to alert the House to the fact that power has moved—on tip-toes—from Capitol Hill to the Pentagon, and once there, has reached back a friendly hand and issued a smiling invitation to come on over and watch the computers work.

Frankly, I am frustrated. And I think a lot of you listening to me today are frustrated. It is a disturbing feeling to sit in committee and listen to the recognized military experts of our country state flatly that we need this or we need that, and for us to attempt to meet those military needs through legislation and have the whole thing an exercise in utter futility.

I am, indeed, frustrated.

Two years ago, the committee referred in one of its reports to how the role of the Congress in determining national policy, defense or otherwise, had deteriorated over the years. The committee referred to the fact that the role of the Congress had come to be that of a sometimes querulous but essentially kindly uncle who complains while furiously puffing on his pipe—but finally gives in, hands over the allowance, grants the permission or raises his hand in blessing and then returns to the rocking chair for another year of nodding and wondering as to whether he has done the right thing. This is a sorry sight.

If I exaggerate somewhat, it is only to dramatize the danger we face as a legislative body—a danger that can be met if we press hard enough.

Here we are today with 1,300 bombers. In 1965 this 1,300 bombers will become 935 bombers. What will we have in 1970? No one can say.

But we do know this. That the last bomber was delivered to the Air Force in 1962 and that in 1970 that last bomber will be 8 years old.

And what answer has the Department of Defense found to this problem? It has found no answer at all.

The chairman of the committee has pointed out that it takes 7 or 8 years from the time a bomber is conceived to the time that it flies. And to date, there has not even been a conception.

I do not know whether I will be in the Congress 8 or 10 years from now but whether I am or not, I want to be able to look back and say that I issued a warning—that I did my best to see that a new bomber airplane was started. Perhaps there is no more that I can do.

Let me speak for a moment about the state of our fleet. I am happy to say that it is in excellent shape at this time.

We have some 873 ships in the fleet today—656 of these ships are combat types. Our Navy is in the forefront of our defense and we all have reason to be proud of it.

But let me ask this question. Where will we be in that inevitable future which we must face if we continue to build ships at the rate we are building them today?

The gentleman from South Carolina [Mr. RIVERS] has shown a great deal of concern in this field and as chairman of a subcommittee looked into this matter 2 years ago. And what he found was not encouraging. He worked the whole matter out on a purely mathematical basis and his conclusion was that our Navy would be in very dangerous shape less than 10 years from now unless the course we are pursuing is changed and changed promptly.

Let me show you what this arithmetic is. The Navy, in 1973, will have about 335 ships which either are in existence today or which have been authorized and which can be considered as assets in 1973. That number is 335.

The next step in the arithmetic is to realize that the ships we will have in 1973 must have been authorized by about 1970 for the simple reason that it takes that long for some ships to be built, launched, commissioned, and made ready for sea.

So, if we take the number of new ships which are authorized for this year—that is, 53—and multiply that by the number of years between now and 1970—that is, 7 years—we get the figure of 371. If we add this 371 to the 335 which I have referred to as assets during that time, we get a total of 706 ships. That is 706 ships against 873 ships which we have today.

In other words, our "progress" will be from 873 ships to 706 ships 9 years from today—or 167 ships less.

Your immediate reaction might well be, "Well, we will build more ships in the future." And I will answer that; last year only 33 new ships were authorized—although the Armed Services Committee of the House attempted to increase this program—and there is no reasonable expectation that we will see such an increase in the program in the years to come as to warrant a belief that we will be able to maintain the fleet at anything like its present size.

I hope that I have made my major point clear and that is that the voice of the military, although, in my own opinion, loud enough, is not being heard in the Pentagon. What are, in truth, military decisions are being made on the purely civilian basis of cost analysis, computer gaming, and theoretical extensions of what are, in essence, a civilian's view of military matters.

I have said that I am frustrated. I must also say that I do not despair. I have great faith in the American people and I have great faith in the Members of this House. This trend can be reversed and I hope that you will all join with me today in beginning that reversal.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ARENDS. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES. Mr. Chairman, overall I believe we have brought a good bill to the floor of the House today, and I have no hesitation whatsoever in giving it my complete support as far as it goes. But, as the gentleman from Illinois has indicated only a few minutes ago, there are many items omitted from this bill which I believe must be put in the bill next year and in subsequent years.

Last year when we addressed ourselves to the question of ship obsolescence on this floor we indicated quite clearly that unless we took more aggressive action in respect to the fleet over the period of the next few years our fleet would dwindle. Unfortunately, Mr. Chairman, this bill has in it less money today for ships than last year, and last year's bill had less money in it than the year before. Seventy-one percent of our ships today are of World War II vintage. They are getting old, not only advancing in age, but from the point of view of practical usage they are really becoming really outdated. I think we should do more than we have done in this bill with respect to the fleet of the U.S. Navy.

In that connection, I would like to make some remarks on a subject which is of particular interest to me and which has a direct relationship to this bill and bills of this type that we will see in the future. That subject is nuclear power for ships generally, and especially for aircraft carriers.

There is no aircraft carrier in this bill. The last one was authorized 2 years ago and, as you know, has been the subject of considerable discussion as to whether it should have a conventional powerplant or a nuclear powerplant. As authorized, it must have a conventional powerplant. Legislation would be necessary in order to change its propulsion to nuclear power.

All in all, this bill represents what I consider to be a sound view that it is proper at this time to do something about replacing many of the old and only partially effective logistical replenishment and amphibious lift ships.

As you have been told, today there are 53 new ships in this bill, and 7 conversions. This program will cost almost $2 billion.

In the bill there are six nuclear attack submarines. As I am sure you are all aware, all of the submarines now being built are nuclear powered, and I do not think there can be any serious argument against this program.

In the fleet today, the Navy has three nuclear powered surface ships in operation. These are the aircraft carrier *Enterprise*, the cruiser *Long Beach*, and the destroyer *Bainbridge*. I think it fair to say that in a very real sense these three ships represent a pilot program to test nuclear power in these three different types of combatant ships.

The Congress has authorized 41 ballistic missile submarines, and 16 of these have been completed. We also have authorized 45 nuclear attack submarines, of which 17 are now complete. The addition of 6 nuclear attack submarines in this bill will raise the total number of nuclear powered submarines in our Navy to 91, allowing for the loss of the *Thresher*. At the present time, the Navy is building a destroyer leader, named the *Truxton*, which was added by this body to the fiscal year 1962 shipbuilding program.

There we have, then, a summary of past and present nuclear powered shipbuilding.

The advantages of nuclear power combatant ships appear to be so greatly accepted today that one wonders why there is opposition to further extension of nuclear power in the Navy. We no longer have to present our arguments for nuclear power in terms of analytical studies and technical judgment, but can point persuasively to a great wealth of operational experience.

Nuclear power for submarines hardly needs to be advocated, for it has proved itself beyond the wildest expectations of its early proponents. We take it for granted today that our Polaris submarines can take their stations for the defense of the free world without any doubt as to their ability to remain on station for great lengths of time and to be ready to resume station on short notice.

The nuclear powered submarines of our Navy are capable of sustained high speed which the submariner of World War II would find it hard to believe. These submarines can penetrate deep into enemy waters without any worry over their endurance.

In summary, our new submarines can maintain a much higher degree of readiness to operate than could ever have been the case with their oil-burning ancestors.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BATES. I am glad to yield to the distinguished Speaker of the House, the gentleman from Massachusetts.

Mr. McCORMACK. As a matter of fact, if my memory serves me right, the program for the building of the Polaris-type submarine originated in the Congress.

Mr. BATES. Yes, it did. All of us who are great believers in the experience and ability of Admiral Rickover, and those of us who served on the Committee on Armed Services as well as those of us who served on the Joint Committee on Atomic Energy were convinced as to the desirability and the necessity of such a program very quickly after the admiral made his presentation to us.

Mr. McCORMACK. Surely, it is most appropriate at this time to also mention Admiral Raborn in this connection.

Mr. BATES. Yes, indeed and I believe he should have been awarded medals to a greater degree than he has been. Admiral Raborn is one of the great heroes of the postwar period. I am glad the distinguished Speaker of the House has referred to the admiral and I do hope that somehow Admiral Raborn will be given another medal commensurate with his abilities, the courage he has demonstrated, and the many contributions he has made to our country. It was, the result of his tremendous effort, because of physical reasons, that he had to leave his post of duty and is now retired.

The experience which we have gained from the aircraft carrier *Enterprise* has rendered, in my own opinion, entirely clear the great advantage of nuclear power in carriers. Not only can it steam to distant parts of the globe—and steam at high speed—but it can at a moment's notice launch a varied mix of airplanes capable of delivering a great variety of weapons. The *Enterprise* now carries more airplanes than the largest conventional powered carrier in the fleet.

The reason for this is quite simple. Additional space is available for these airplanes because of the elimination of the very large amounts of fuel oil used by a conventional powerplant.

Another advantage which has been established by the *Enterprise* is a substantial decrease in the vulnerability of the carrier because of her high sustained speed and her freedom at sea from the requirement that she be replenished by oilers.

I feel that the cruiser or large destroyer or frigate can experience similar advantages.

One of the interesting and gratifying results of operating the carrier *Enterprise* is the realization that the Navy can operate mixed types of ship power. Right now, for example, the *Enterprise* is operating along with oil burning destroyers, cruisers, and other ships. There is no serious degradation to the *Enterprise* because her escorts are conventional powered. As additional nuclear powered ships—large antisubmarine and anti-air-escorts and carriers—join the *Enterprise*, the *Long Beach*, and the *Bainbridge*, measurable advantages will accrue to the force.

The real controversy over nuclear power for naval ships centers around the problem of cost. Here there is no argument that nuclear powered ballistic firing or attack submarines are not economical—to build and to operate. But for the carrier and other surface vessels, there are those who say that we cannot afford the luxury of nuclear power and that it does not afford us justifiable military advantages. Much of this argument is concerned with what factors to include in the computation of the costs of a nuclear carrier and a conventional aircraft carrier.

If authorized now, a conventional carrier would cost about $277 million. To build a nuclear powered carrier, we would have to add the reactors and the nuclear core or fuel. The Navy would also prefer the size of the next nuclear powered carrier be somewhat larger than the *Enterprise*. This increase in hull size is not necessarily attributable to nuclear power, but simply represents the growth of aircraft carriers.

We are told that the reactors would cost about $81 million, the nuclear core about $32 million, and the cost of an increased hull would be about $13 million, adding up to $126 million for the additional cost of a nuclear-powered ship. The total cost of a nuclear-powered carrier, then, would be about $403 million.

These figures apply only to the construction cost of a carrier. For a proper appreciation of the increase in costs which are attributable to nuclear power, we should consider all costs associated with a warship. As a result of their investigation into this question, the Joint Committee on Atomic Energy recently concluded:

> The total lifetime cost of the nuclear carrier with its aircraft is estimated to be only about 3 percent more than the lifetime cost of the conventional carrier with its aircraft.

What then should our policy be on the question of nuclear power for ships?

First of all, it is generally agreed that we should incorporate nuclear power in a naval vessel wherever there is a military gain and where installation is technically and economically feasible. The Navy now has a policy that all combatant ships above 8,000 tons to be built in the future should be nuclear propelled. I believe we should endorse this policy, as well as to lend it a degree of flexibility by saying that where these gains and feasibility exist, we should incorporate nuclear power in all large combatant ships, even if this means going below the 8,000 ton figure.

The question of economic feasibility is a relative one. We should not let ourselves be so circumscribed by artificial cost-effectiveness analyses that we sacrifice important military advantages for a mere few dollars. I would rather see the slight additional money taken from some other program in the military budget. In this connection, we should recognize too, that in the final analysis, cost effectiveness is little more than an educated opinion. For there is still the problem of what costs are proper to include.

We must continue to vigorously prosecute efforts to advance the state of the art of nuclear power. This is true not only of warships, but of merchant ship applications such as the NS *Savannah* and of atomic power generating stations. There is every reason to expect that the research and development will bring about simpler, smaller, safer, and more efficient nuclear powerplants.

Of course, one of our principal objectives should be to reduce cost. If we are successful here, we will not only conclusively resolve the question of nuclear power for ships, but will be providing, at the same time, a wonderful benefit for our civilian nuclear powerplants around the country.

It is important to increase the number of trained persons in the field of nuclear power. The development of a large group of educated and skilled engineers and technicians will not only insure that we are able to operate the nuclear equipment on hand, but are able to staff our development centers as well.

As a final objective, I submit to the House that we should encourage the Navy and the Department of Defense to speedily bring to us a program that will create an entire nuclear task force in our fleet. When this request is presented to us, I am sure the Congress will exercise its wisdom in authorizing the necessary construction, just as it has done in encouraging the adoption of nuclear power for submarines.

I would like to speak briefly at this time on a matter which is of considerable concern to me, and I know of great concern to many Members of Congress, and that is the obsolescence of our fleet.

Two years ago I had the honor to serve as a member of a subcommittee of which the gentleman from South Carolina [Mr. Rivers] was chairman, and the gentleman from Virginia [Mr. Hardy] was a member.

This subcommittee was appointed by the chairman [Mr. Vinson] to look into the serious problem of block obsolescence of our fleet.

Now, until recently, block obsolescence has been predicated on the principal basis of mere age of the ships of the fleet. This was not unreasonable in view of the fact that most of the ships in our fleet today were built during World War II.

However, there is another serious problem relating to obsolescence of our fleet which until recently did not receive sufficient attention, and that is tactical obsolescence. Broadly defined, this term means the inability of a ship to perform her assigned missions in the face of enemy threat.

The term "block obsolescence" which implies a sudden, wholesale, overage condition of our ships, has tended in the past to obscure the real nature of this problem. As I have indicated, age, in itself, does not necessarily represent a measure of the ship's capability, or, in reverse, the extent to which it is obsolete.

Rather, it is necessary to determine first what exactly are the precise criteria for each type of ship as such relate to the particular mission of that ship. Second, when, in the point of time, for any given ship or class of ships, is it no longer tactically effective, and, third, what feasible methods are there for overcoming this obsolescence.

At the present time the Department of the Navy is conducting a major study to establish valid criteria for ship obsolescence on a ship-by-ship and class-by-class basis.

I have been informed that the results of this study will be presented to the Armed Services Committee, and I believe this study will define more clearly exactly what kind and how many of the ships which we in the Congress should authorize in the years to come.

It has been pointed out before, and I wish to stress here, that at the rate we are proceeding in our building of new ships, our Navy, of very necessity, must be degraded in the years to come.

One might contend that the tremendous improvement in the individual ship—its greater firepower and its greater speed—has made numbers of ships, as such, much less meaningful than in the past. While the speed of the individual ship has tended to shrink to some small extent the vast reaches of the oceans of the world, this has not been enough to change the classic situation which requires our Navy to be widely dispersed throughout the world.

A particular ship, or a particular task force of ships, cannot be in two places at one time—and no amount if improvement in the ships themselves can ever change this fact.

On a purely arithmetical basis, we are headed for a smaller, and necessarily less effective fleet by 1972 or 1973. This trend must be reversed; the number of new ships to be built each year must be increased, or we all will have failed to fulfill a clear and present responsibility toward the defense of our country.

Mr. SHRIVER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SHRIVER. Mr. Chairman, the Nation's first President, George Washington, whose birthday we observe tomorrow, declared in his first annual address to both Houses of Congress:

> To be prepared for war is one of the most effectual means of preserving peace.

I rise in support of H.R. 9637 because it represents positive action by the Congress in providing the necessary weapons and materials for our armed services. By authorizing nearly $17 billion for military hardware and research and development upon new weapons systems, we acknowledge General Washington's concept that a strong defense capability is the best deterrent to actual conflict.

Mr. Speaker, I particularly want to voice my support of the Committee on Armed Service's recommendation that the Congress authorize $52 million in order that substantial development work can be initiated on a follow-on bomber for our present B–52 and B–58 aircraft, and $40 million for development of an improved manned interceptor.

All of us are aware of the many trouble spots throughout the world. We must be on guard in southeast Asia, Africa, in Central and South America, and in the Mediterranean area. We can well remember the confrontation with the Soviet Union over missile installations in Cuba in the fall of 1962. SAC bombers played a vital part in that crisis when they maintained an around-the-clock airborne alert for approximately 1 month.

There is a substantial and necessary program to modernize and keep the B–52 fleet operational into the 1970's. However, we know that sooner or later these jet bombers will wear out. There are no other bombers presently on the drawing boards. The B–70 bomber, still in the developmental stage, evidently is to be abandoned.

We have been told by the Secretary of Defense that this Nation will continue to have a mixed force of missiles and manned bombers. However, we must prepare for the day when our present bomber fleet has reached full depreciation.

Mr. Chairman, I believe in listening to our military authorities, such as General LeMay. We have been told that we can gain 1 year in the development of a follow-on bomber if we begin now. We must maintain versatility and flexibility in our defense system. We cannot do this if we place our complete reliance upon missiles alone.

Mr. ARENDS. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. Don H. Clausen].

Mr. DON H. CLAUSEN. Mr. Chairman, I simply want to rise to place myself in accord with the remarks made by the gentleman from Massachusetts who has just spoken.

As a former Navy pilot, having flown planes off our carriers, I think I can speak with some authority on the subject that the gentleman has spoken about. I would urge everyone who has not had the opportunity to visit and go aboard one of the aircraft carriers, particularly to see the changes and advances that have been made in their operation. I know you would feel much more secure for having made such a visit.

Mr. Chairman, I strongly urge my colleagues to support this legislation.

Mr. ARENDS. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. Becker].

Mr. BECKER. Mr. Chairman, you have been informed by the chairman of the committee and you have seen in the committee report on the bill that we have added $92 million to the bill for studies directed at a follow-on bomber and an improved manned interceptor.

I trust that the House will indulge me when I say that I was at least somewhat instrumental in having these two additions—$52 million for the bomber and $40 million for the interceptor—placed in the bill.

I have felt for some years the same concern which has been expressed by many members of the committee and many Members of Congress who are not members of the committee, that we are headed—and inevitably headed—for a single kind of defense, and that is missiles.

This is a very, very serious matter. You have been told that our last bombers were delivered to the Air Force in the latter part of 1962. Those bomber lines—the B–52 and the B–58—have been closed down since that time. Even if we wanted to buy some more B–52's or B–58's, we would have to spend vast sums of money to get these production lines back in working order.

And, although these are both fine airplanes, I think it would be unwise for us to take this course. The art and science of airplanes, like the art and science in all other fields, is advancing very rapidly. The technology of today is of little use in the weapons system of tomorrow. And we cannot afford to fall behind.

Although Premier Khrushchev has talked about the bomber being no longer a truly effective weapon, there is very good reason to believe that he is improving his existing bombers in very much the same way that we are improving our own bombers. I cannot say with any authority that the Soviet Union is producing a new type of bomber but, as we all know, the closed society of the Soviet Union glories in its ability to surprise the Western World with a new missile or a new airplane.

How many times has our first view of a major new Soviet weapons system been that which we gained during the May Day parade. The development of these weapons systems has been kept a closely guarded secret, and the first time we learn about it, it is an operational system. So, how can we say today that they are not producing a new bomber and perhaps a much more effective bomber than we have in our own inventory.

I feel—and all but a few members of the committee feel—that we are on the soundest possible grounds in adding authority to this bill for the follow-on bomber and interceptor, a total of $92 million. And what is our basis for making these additions? Our authority is the greatest expert in the world on bombers and fighter aircraft—General LeMay, the Chief of Staff of the Air Force.

He said flatly and absolutely before our committee, that there was a need and an urgent need, for studying, designing and developing both a follow-on bomber and an improved interceptor.

I think we made one tactical error in committee, and I would like to speak about this for a moment. Our discussion in committee revolved in very great part about the need for stepping these programs up, and stepping them up immediately. We talked in committee—and talked at considerable length—about these two airplanes. But all of our talk, as I say, related to the idea, the theory, for these airplanes. We did not get down into the details as to how, precisely, each dollar would be spent during fiscal year 1965.

It was my own intention, and I am sure the belief of the whole committee, that these minute details would be the subject of papers submitted to the committee, studied by the staff, and presented here on the floor today. I regret to say that this is not the case.

I want it clearly understood that we in the committee were fully satisfied from the testimony given by General LeMay, that there was a real need for these two airplanes, and that the amount of money for each of them was General LeMay's own statement. We did not dream up the $52 million or the $40 million; these are General LeMay's figures.

You might well ask, "Well, why did you now get this detailed material as to just how each dollar would be spent during this fiscal year?" The answer to this is a very simple one: As soon as General LeMay left our committee and went back to the Pentagon, he had the lid clamped on him so firmly that he could not say a single word to us from then on. The Secretary of Defense simply refused to permit the committee to get any information which would permit it to give you the details today as to how, in minute detail, the funds would be spent.

In other words, since Mr. McNamara had not asked for the follow-on bomber or the improved manned interceptor, he was not about to permit anybody in the Pentagon to help us get the detailed facts so that we could make a better case ourselves.

General LeMay may have been gagged, but I have not been. And I am telling you the plain, unvarnished truth here on the floor today.

Why do I make such a point of this particular matter? It is simply this: Those of the committee who have issued "additional views" on this subject, seem to place some emphasis on the fact that these details are not known, that the Department is not really ready to spend this money, that it is, in effect "pressing the art" to go ahead with these studies at this time.

Well, I do not know where they get their information or on what basis they draw their conclusions unless, of course, there has been less reluctance on the part of the Pentagon—and I am speaking of the very top of the Pentagon—to give them information than to give it to those of us who are trying to get these airplanes.

I can make no direct statements on this subject because I do not have any facts. But I can draw reasonably logical conclusions.

Here we have another example of the military being overridden by the civilians in the Department on matters that are of a purely military nature.

General LeMay during his testimony, said that he had his "best people" working hard on this matter for many months. Now, you do not put your "best people" on anything but your most important problems. If he thinks that he should have his best people occupied in this fashion, that is good enough for me.

You have had the follow-on bomber and the improved manned interceptor described to you by others who have spoken. What I am talking about here is the principle involved. Our bombers are wearing out, and I do not think it is reasonable to expect them to last beyond 1970 or, at the very latest, 1972.

Just stop for a moment and think that there are B-52's flying as part of our active Air Force today that are already 10 years old. These planes, it is true, will fly for some more years. But it seems to me to be the very height of foolishness to expect these airplanes to fly forever. And if they will not fly forever, then where are we going to be less than 10 years from now? I will tell you where we are going to be. We are going to have a country studded with missiles and we are going to have nothing else.

As General White, when he was Chief of Staff of the Air Force, so rightly said, "missiles have two modes—they can go or they cannot go." And once they are on the way, there is nothing that can call them back.

Missiles are important, and I do not mean to degrade them in any way. But in the last analysis, they are what we could call absolute weapons. They have no flexibility whatsoever.

On the other hand, our bombers—and this is true as I speak here today—can be in the air, loaded with their weapons, ready to go at all times. But if there is some reason to call them back or to redirect them to different targets, this could be done. They are flown by men. They are at all times subject to the intelligence of the people flying them and the commanders who are directing them from the ground.

I will end on this note: We will be in a sorry state, indeed, the day that we find ourselves with one single weapons system—missiles.

And I say to you today that unless we reverse the present trend in the Pentagon, that is where we are going to be in the very near future.

I call on every Member of the House—on both sides of the aisle—to support the committee in the addition of this $92 million to the bill. You will then be participating in the exercise of a constitutional responsibility which has been started by the committee but which cannot be completed without your help.

Mr. VINSON. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, I rise to support this legislation. Of course, as a member of the committee, I am in favor of it. It is a fine bill. I simply have one or two changes to propose in the legislation. I would like to invite Members who may not yet have had an opportunity to read some of these proposed changes and the reason for them to look at part II of the committee report, report 1138, which I am sure is available from the pages on the floor of the House.

Mr. Chairman, it is always of course with a certain amount of trepidation that any member of the great Committee on Armed Services opposes the view of the distinguished chairman and the majority, and this situation is no different today.

Mr. Chairman, in the past few years we have, of course, gotten rather used to having some opposition from some members of the committee on some parts of these bills. We thought that, perhaps, the members of the committee would be a little bit disappointed if there were not some opposition today, even though the "fearless five" of last year on the B-70 question has now become the "fearless four."

Mr. Chairman, what we have to propose today, I believe may be of some interest to the members of the committee, because we are going to offer an amendment at the appropriate time. This amendment, I am happy to advise the Members in advance, is going to be the kind of an amendment which every Member of this House is always looking for, an economy amendment which you can support.

Mr. Chairman, this is an economy year. The President of the United States has made it very clear that we are all interested in reducing excess expenditures and in getting a dollar of value for every dollar we spend. Here is the first big major authorization bill of this 2d session of the 88th Congress. I say to the members of the committee that I want to urge you to get your economy vote in early by supporting our amendment.

Mr. Chairman, this is a tight bill. It has been reduced, as the distinguished chairman said, even in the Department of Defense. When it came over to our committee, it went, first, to the Research and Development Subcommittee and the members of that committee reduced it even further, recommending a reduction of $362 million in R. & D. funds. Perhaps, we went a little bit too far. However, we made this reduction at the urging of the chairman of the committee who said that we have got to get in step with this economy program, we have got to think and we have got to act economy in our great committee. We believed him. We supported him on that basis.

Mr. Chairman, we all recognize that we do not get everything we want if you believe in economy even in the field of national defense. Even in that field, if you want economy you have got to keep a tight budget.

Now, our amendment, Mr. Chairman, is that the $92 million which the full committee has recommended be added back in by way of new aircraft should be eliminated.

Now, I would like to make one thing clear, Mr. Chairman. You are going to hear—in fact, you have already heard and you have read in the press—that this is a fight over the manned bomber, that we who are pushing this amendment are opposed to manned strategic aircraft, that a great battle is going to be fought on the floor of the House to test whether we do or do not still believe in the manned bomber. Well, do not believe it. That is not the question here at all. We are in favor of aircraft. One of our Members even flew them, with a very distinguished record, during the war. We believe in aircraft. In fact, we have supported in this bill, mind you, another $75 million for the controversial B-70 aircraft. We believe in a mix between manned aircraft and missiles.

But we do not believe, Mr. Chairman, that there is anything sacred about manned bombers. We do not believe that this House has or should have any commitment in perpetuity to the manned bomber any more than it should have a commitment in perpetuity to the battleship or the horse cavalry. Every weapon has got to justify its existence and the money we spend on it on the basis of hard fact. If we are going to have a new aircraft then we ought to know what it is going to do and what it proposes to add to our national defense and how much money we have to spend on it.

All that we oppose in our amendment, Mr. Chairman, is the spending of money on these new aircraft when the record itself clearly demonstrates that the Air Force itself does not know exactly what it wants in this particular instance. This might be called an instance of what is sometimes referred to as the Washington syndrome, the feeling that if you have a problem and all you do is throw money at it, somehow it will go away. So, we hear, we have a problem, so if we will only put some money in this budget, about $92 million, then we can all feel a little bit better and we can all go home with a clear conscience.

But, Mr. Chairman, I submit that the real waste in the Department of Defense over the years has come from spending money prematurely on projects nobody clearly knew what they could do, like the Dyna-Soar, the Typhon, and even the B-70. We of the "fearless five" urged you last year to oppose $363 million for the B-70. We did not give you a bum steer then. We came within a narrow margin of carrying that recommendation on the floor. And those of you who stood with us then, when you go home now you can hold your head high because you were right—and because today, 1 year still later, the B–70 is still not flying and it probably will not get into the air now until late this spring. Even the Air Force itself has now abandoned the B–70 as a weapon system. Well this is what happened on one attempt to try to spend money before we knew precisely where we were headed.

Now, Mr. Chairman, we are opposing the same kind of thing on this proposal. Let us see what happened to this follow-on bomber? Well, the Air Force said last year, "We have agreed that the B–70 is not getting anywhere. We want to find a new plane." So the Air Force asked last year for a reprograming of $5 million to study the concept of such a new plane. The Secretary said "Look, you already have money in there to study such things. You do not need $5 million to make this study." And they did make their study. This year when the budget came up the Air Force said:

> We want $53 million to move into the program definition of a new bomber, and also to procure various components.

The Secretary said:

> Look, you still have not told me exactly what you want. I am willing to give you the $5 million you wanted last year so you could make the study. Tell me what you want first, before we spend all this money without knowing what we are going to get.

That $5 million is in this bill. It was presented to the Research and Development Subcommittee, we approved it, and it is already included there.

The fact of the matter is that this follow-on bomber is still nothing but an idea. Even the Air Force is not clear just what their idea is, because the Secretary of the Air Force has not sent the request for this new bomber to the Secretary of Defense.

And let me say further, in response to what the gentleman from New York said a moment ago, even the distinguished Chief of Staff of the Air Force, General LeMay, has not come up with the answers to these questions either. On page 7479 of the hearings, in answer to a question by the gentleman from New York [Mr. Becker] General LeMay is quoted as having said:

> It is correct that the formal papers have not yet gone on down because he has asked additional questions—

referring to the Secretary of Defense—

> of how we intend to use these bombers, what the operational concept is going to be, and how many of them are going to be needed. These are very difficult questions to answer at this particular time when we are talking about * * *.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. If I have time at the conclusion of my statement, I will be glad to yield.

Mr. BECKER. The gentleman has used my name and referred to me.

Mr. STRATTON. I will be happy to yield when my statement has been completed. My time is running out.

Mr. BECKER. Read General LeMay's answer. I challenge the gentleman to read General LeMay's answer.

Mr. STRATTON. General LeMay said "These are very difficult questions to answer."

They may be hard questions to answer, but they go to the key of whether we are spending this $92 million wisely. I do not know what we are going to get. And if we do not know how this money is going to be used, if we do not know how it is going to contribute to our defense, then the $5 million is all we need because that money is in the bill precisely to answer these specific questions, and until they are answered we cannot use the money any more wisely than it was suggested last year we use it for the B–70.

The distinguished Secretary of the Air Force is quoted in this morning's paper as saying:

> The cost of weapons systems has reached such a point that no military organization can make many bets of new systems.
>
> Very difficult choices have to be made, and the time devoted to painstaking analysis will be well worth while, in terms of getting the right system and the right program.

So let us not waste money. Let us find out what we want to spend this money for before we go ahead and spend it. For in these two planes we are not just getting into $92 million. The follow-on bomber is the system that will cost ultimately some $5 billion. The improved manned interceptor is a system that will cost ultimately at least $3 billion.

Mr. McNamara has been praised by the majority of the committee, Mr. Chairman, for saving money. But the reason Secretary McNamara has saved money, the reason he has been a great Secretary of Defense, is that he has had the courage to refuse to spend money on systems that nobody could completely define or completely understand. I say that it is about time that we in this Congress demonstrated the same kind of courage. Let us not just spend money here because of slogans, or words. Let us not have it said that you can always get $92 million out of the House of Representatives any day in the week just by crying "Manned bombers!" We are living today after all in a modern age of missiles. Let us look before we leap. Let us look before we spend.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from New York.

Mr. BECKER. The first thing I would say to the gentleman is that he has made a plea for economy. It is rather surprising in view of his many votes in the House I have noticed, where he never voted for economy on other things. If he is so much for economy, why is he fighting to keep the base at Schenectady? That is in his own district. It is a different kind of economy when it hits home in his own district.

Mr. STRATTON. As the gentleman well knows, the studies show, and in my discussion in the committee the other day with the Assistant Secretary of Defense for Installations he agreed with me, that that base is more economical and more efficient than others that are not being closed.

Mr. BECKER. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. Pirnie].

Mr. PIRNIE. Mr. Chairman, maintenance of our military strength at the level required to secure our Nation against attack is an objective to which all are committed. However, what constitutes that level in the face of world tensions and rapidly changing technology is not readily ascertained.

First, the danger must be correctly appraised. Even a quick glance at the face of the world will disclose troubled areas in a "measles" pattern. Despite gestures of detente, we know that the Communist conspiracy is continuing its drive for world domination. In so doing it is employing its most effective techniques of subversion, and the unrest in emerging nations is being exploited with the propaganda machine working overtime. Our involvement, or threat of involvement, has assumed such proportions that only through the most modern of weapons can we provide adequate response. We are compelled to deploy our military strength over widely dispersed areas, so we must have the mobility and flexibility which the best modern technology can devise. The cost of this effort is sobering but there are few who would suggest that we take the great risk which a lesser effort would entail. The action of the Armed Services Committee in bringing H.R. 9637 to the floor affirmed its conviction that the military responsibilities of our Nation demand a high level of development and procurement in our basic weaponry. The procurement portion of the bill supports unchanged the request of the Defense Department respecting aircraft, missiles, and naval vessels. Guided by the study of our distinguished Subcommittee for Research and Development, we have reduced the Department's figure by $362.5 million and added $52 million for the follow-on bomber and $40 million for the improved manned interceptor. This increased support of the bomber project was prompted by the belief of the committee that the most satisfactory weapon response required a strategic mix which would be lost if ultimate reliance were placed solely on missiles. This concern has been expressed quite consistently over recent years and the House has shared the apprehension. The Secretary of Defense and the Air Force representatives confirm the vital role of the manned bomber in present-day strategy. We have no reason to believe that this role will terminate with the life of our B–52 and B–58 bombers. Therefore, it seems mandatory for us to proceed with all reasonable speed to provide the successor to these very effective planes. The Chief of Staff of the Air Force, General LeMay, has made it very clear that time is against us and delay in pressing this development is dangerous and unwise. The $52 million which we include for this project in this authorization represents cheap insurance. We do not know the precise status of Soviet bomber capability as of this date nor can we predict with certainty the future emphasis it will receive, but we can be certain it will be substantial. Accordingly, we must accelerate the research necessary for the selection of our next version in this field. The required leadtime is so extensive in years that if the decision is not promptly made we will incur a dangerous gap before the actual bomber can come off the production line. This step which the committee recommends is vital if we are not to be caught off guard. The same general reasoning supports the additional funds for the manned interceptor.

It is argued that even if we authorize and subsequently appropriate this additional $92 million for aircraft research and development, the money may never be used. Certainly it will never be done without this action on our part and by so doing we are making very clear our judgment and our wishes in this vital matter. We have a responsibility to discharge. We are acting in good faith and call upon all concerned with this program to do likewise. We do not ask or expect that this money will be spent beyond the rate of effective use but we do wish to do everything possible to expedite the right answer. Many of us believe that the security of our country makes this an action of highest priority.

The U.S. Army, together with other members of the defense team, is faced with an ever-increasing responsibility and problem of protecting this Nation, aiding new nations and their allies, against the basic world Communist threat. This responsibility requires our personal constant vigilance to see that our Armed Forces obtain the maximum capability to meet the real and potential capabilities of the Communists to wage war.

We have, in the last few years, seen significant progress made in the modernization of our Army by the procurement of the most advanced and modern materiel available. We have seen the Army equipped with a new light antitank weapon for the individual infantry soldier; a new and much improved machinegun; we have seen the soldier's battlefield mobility improved by new armored personnel carriers; and the battlefield control and command of his actions increased with vastly improved, transistorized communication equipment. We are giving him the ability to move quickly and rapidly—overcome obstacles such as rivers and mountains and be able to take the battle to the enemy at the time and place of our choosing through the use of modern Army aircraft. We have seen our Army receive new guided missile antitank weapons, new armored reconnaissance and mechanized flamethrower vehicles; we have seen its artillery support being increased by new self-propelled howitzers, in lieu of the towed howitzer. We have seen its long-range conventional and nuclear capability increased with the addition of the Sergeant and Pershing missile systems, as well as its antiaircraft defense capability improved with the addition of the Hawk missile. However, we cannot have a really modern Army if we have insufficient materiel on hand to support the Army in combat, no matter how modern it may be. Likewise, our Army cannot be modern if it was fully equipped, but only a small portion of its equipment was of the latest design. We must have adequate quantities of equipment in all categories of the latest design available and actually in the hands of our troops if we are to have a really modern Army that is capable of carrying out its responsibility in protecting this Nation from the critical and real Communist threat.

For our troops to gain the advantages of our scientific knowledge and technology, they must have the new equipment that we can produce in their hands when the battle starts. Prototype and drawing board designs are no value to the soldier engaged in combat against forces equipped with superior materiel. The next war, if it comes, will be won or lost with the materiel our soldiers take into battle, not what they would take if we were given sufficient time.

The job of keeping our combat forces at the highest degree of combat capability is a continuous process of seeing that they receive an adequate flow of modern equipment. Our whole society and way of life depends on recognizing that a forward-looking research and development program must be pursued. We must act to keep our Army modern and in the highest state of readiness to meet the challenge, where and when it comes, from the Communist bloc.

We, in Congress, have done a pretty good job over the past few years in helping to modernize our Army. But, there is no basis for complacency, no reason to feel that we have finished our job. We must continue to see that the Army is equipped in a timely manner with the new weapons and equipment appearing on the horizon which will give our forces even greater capability to protect this Nation and to carry out this Nation's responsibilities and commitments.

I am concerned as anyone with the high cost of meeting our defense needs. Where we can economize without weakening our military strength we should do so. Postponement of necessary items may masquerade as economy but we should not deceive ourselves or the country. During the past year, I served on a Subcommittee on Military Reserve Posture. It was clear that critical shortages existed in the Active Army units and the Reserve components and as a result of extended hearings, we became convinced that modernization of the equipment of the Army required an expenditure of $3.5 billion each year for 5 years. Yet there is proposed a budget for fiscal year 1965 which calls for a little over $2 billion. Either the information given to us on the hearing was not valid or we are gambling in a dangerous area.

I would like to see world conditions which minimize our threats but if I read the signs correctly there is no such indication. On the other hand there is much to tell us that if we are not firm and courageous we will be subjected to even greater pressures and indignities. Our ability to protect our rights and our willingness to do so must go hand in hand. Congress is concerned with providing the means to act and this bill is a sensible effort to do so. It deserves the full support of the House.

Mr. VINSON. Mr. Chairman, I yield 8 minutes to the distinguished gentleman from California [Mr. COHELAN].

Mr. COHELAN. Mr. Chairman and Members of the Committee, I rise in support of this bill. I also rise in support of the amendment introduced by my distinguished colleague from New York [Mr. STRATTON], the current leader of the "fearsome four." As you know, his amendment is designed to reduce the proposal by $92 million and for the reasons that he has already so clearly outlined.

I do not, however, go along entirely on the theory that we should look at this as strictly a budget matter; I do not go along entirely because as a member of the Committee on Research and Development, which went into this subject in great detail, I would argue that it is not only our obligation to try to reduce the spending levels, for the reasons that have been noted by my distinguished colleague, but in addition there is a question of priorities. I will have more to say about this later, because if we are going to add $92 million, I believe we can better spend that money in some other places, and I will make certain proposals at the appropriate time.

First of all, let me take this opportunity to thank my chairman for the time that he has given us to argue our case. I might say also that if the chairman is allowed to carry out his announced intention of retirement at the end of this 88th Congress, which I sincerely hope he will not, that this may indeed represent a milestone in our national history, as this will be the last time that Chairman VINSON will be presenting this always formidable procurement bill for aircraft, missiles, ships, research, and development. Therefore, while I am in opposition today in respect to this amendment, and as I have been from time to time in the past, I want to say publicly that I consider this in no way detracts from my deep personal regard, my great appreciation and pride in getting to know and to serve with a great American, Mr. CARL VINSON, the chairman of the House Committee on Armed Services. In all my time on the committee he has been most gracious in his consideration of all the members of his great committee.

Mr. Chairman, as you now know and as has been set forth in the committee report on page 2, the Air Force requested $3,205 million, for research, development, test, and evaluation. The full committee accepted the recommendation of the subcommittee to reduce the Air Force portion by $157 million. In a separate action the full committee added $52 million for the development of a follow-on strategic bomber and $40 million for a so-called improved manned interceptor. By this action there is left a net reduction for the Air Force of $65 million.

For a more detailed analysis of our argument I urge Members by all means to read the additional views of Messrs. STRATTON, COHELAN, PIKE, and NEDZI. Meanwhile I should like to review the present situation as I see it.

Last year our distinguished chairman appointed a Committee on Research and

Development. I serve on that committee under the chairmanship of our able colleague from Illinois [Mr. PRICE], a veteran member of the Armed Services Committee and of the Joint Committee on Atomic Energy.

Mr. Chairman, the declassified transcript of our extensive hearings may be found on pages 7549 through 7906, some 357 pages of testimony which represent 30 sessions that we went through last year and approximately 25 hours that we put in this year.

It should be noted that when the Air Force came before our subcommittee there was no effort made to present their case for either the IMI or the follow-on bomber, except in the broadest and most general terms. This was no accident as the record will show that the proposals for both the follow-on bomber and the improved manned interceptor have not even been submitted from the Department of the Air Force. And in the hearings you can find ample evidence to support this statement, which was made by Secretary Zuckert.

I think it should be clear by this time that this whole subject should have been reviewed by our subcommittee. And, incidentally, this is one of the basic reasons for my dissent on this particular problem. No one I know of on our subcommittee is dogmatic or is unwilling to consider the follow-on bomber or the improved manned interceptor. As a matter of fact we are all agreed that we must examine this question forthwith. This can be done expeditiously and in an orderly fashion. The entire question, therefore, should be referred to the Research and Development Committee for intense study and investigation. We can then come back with a report and recommendation that will enable us to go forward in a manner that will insure we are going to minimize waste and maximize the effectiveness of any program the Department of Air Force comes up with.

Reluctantly some of us on the Research and Development Committee cut $362 million out of that bill. In my own case I had great reservations about the $45.1 million that was cut from the proposed budget for military science. And I intend to have more to say about this before the day is over.

One further thought about the B–70. Last year the then "Fearless Five," as we have been called, urged you to cut $363 million for 2 additional B–70 R. & D. bombers.

Mr. Chairman, I do not wish to overdo this because it is fairly clear that the B–70 had much bad luck. But I desire to make my own position clear. And the testimony as contained in the record will clearly support it.

I earnestly hope that the B–70 will fly, and I expect it to fly. I feel that there will be some fallout, although the record will show in the research and development hearings that whatever fallout we are going to get from the B–70 bomber is only around $200 million. Last year the Air Force declared that they had to have these two additional B–70 bombers. Now we find, from the testimony of Dr. Brown and General LeMay, that it is not even going to become a weapons system because it has no mission. But what we are going to get out of it is about $200 million worth of fallout which will probably go to the FAA in its development of the supersonic transport. This is true even after a total expenditure of $1.6 billion.

Mr. Chairman, it seems to me that this should be pretty good evidence that our efforts here today are in good faith. We are trying to do an honest job as we see the situation. We sincerely feel that our views in the matter should prevail for all of the reasons set forth in our additional views.

Now, I would like to make one reference to what Dr. Brown had to say about this matter in respect to the B–70. He says, and I quote Dr. Brown:

> I think the conclusion which I reached a long time ago, and which may or may not be shared by the qualified people in the Air Force, but in any event are the same conclusions that the studies have gotten to, is that additional speed is not worth the additional cost and additional difficulty for this mission. There are perhaps other purposes for a mach 3 aircraft, but the strategic capability with which an aircraft can complement missiles are not associated with its having to go mach 3.

Mr. Chairman, I believe this pretty well takes care of the question of the B–70.

Now, what about the IMI? Why were funds not requested? You could look at the hearings—and I do not have time to make the references now—but the hearings are clear that they never requested anything before our committee.

The matter that bothers me—and I am most disturbed about this—is that I cannot understand why they have to make this end run around the Research and Development Subcommittee. We are a hard-working group. We would have been glad to consider this question. But the fact of the matter is they did not have a proposal. The Secretary of the Department of the Air Force has testified to this. He testified at the time he was before our full committee that no proposal had come from his office. To be sure, there had been discussions about this, but there had been no proposal.

Mr. Chairman, what we are suggesting is this: Bring us a proposal, bring it to the proper subcommittee of the Committee on Armed Services. We have every confidence that our subcommittee can come back and make recommendations on this question. This is not simple. It is a very complex and difficult problem.

In the limited time remaining, let me briefly restate our position and our reasons for opposing the additional $92 million for a follow-on bomber and a manned interceptor.

Let me make it clear once again that we do not oppose this bill—we support it. But we do oppose the committee's action in adding $92 million to it—an action we believe to be premature, totally unwarranted by the facts, and contrary to the committee's otherwise rigid adherence to strict budget economy.

As the additional views make clear, three stages are involved in the development of any new aircraft: the conceptual stage, the definition stage, and the acquisition stage. And as General LeMay testified, it would take a year to a year and a half, once the concept had been approved, for the definition stage to be completed.

In other words, at this stage the Air Force itself does not yet know what it wants for a follow-on bomber. As a matter of fact, the $5 million which the Air Force requested, and which our Subcommittee on Research and Development approved, was intended to provide answers to just these questions.

It is simply not clear what the additional $52 million is to be spent for, and there is nothing in either the committee report or in the hearings to answer this question. It is therefore hard to see how funds could be wisely or economically spent on an aircraft whose full configuration and mission have not even been clearly defined. Indeed, the expenditure of funds on weapons systems which have not been clearly defined has been a major source of waste in the past, as programs such as the Dyna-Soar and Typhon so dramatically illustrate.

There is great merit to the Air Force's plan of a mixed strategic force of missiles and manned aircraft operating into the 1970's. But we must be careful to guard against building new aircraft for the sake of building them; before we know how a particular system will be used and precisely how it will be integrated with the ballistic missile force on which we are now concentrating so much of our effort and substance.

And we should not forget that if the committee's recommendation is adopted, the total cost of the program will not be just $52 million, but, rather, closer to $5 billion.

As for the IMI, it is significant, I believe, that the Air Force representatives who testified before the Research and Development Subcommittee made no request—none whatsoever—for funds for this plane.

Second, as the additional views again make clear, there is substantial reason to be concerned with the apparent neglect tendered one of our basic aircraft for the 1970's, the TFX.

The Air Force, for example, regards the TFX as an attack plane, and this makes the appeal for a new interceptor. The Navy, on the other hand, regards the TFX as an interceptor and has requested funds for a new generation attack aircraft, the VAL. These conflicts and discrepancies obviously must be cleared up before the House can intelligently go over the head of the Secretary of Defense and authorize this added $40 million for the IMI.

Third, an adequate continental defense requires two programs—a sound defense against aircraft and a sound defense against missiles. We already possess a substantial capability in the first but the second is enormously expensive and we have not yet really begun to implement it. It is hardly practical—either financially or militarily—to further increase the former when so much work remains to be done in the latter.

Mr. Chairman, before this House decides to embark on new spending programs totaling $92 million, I think it is essential to know first whether we would really be getting our money's worth; whether we would really be making a corresponding increase in our overall defensive strength; whether any increased defensive power that might result would exceed that which could be obtained from expending comparable funds in other directions, on other weapons systems.

In the absence of persuasive evidence to the contrary—and none has been presented—I do not believe we are justified in authorizing these additional funds, at this time.

Instead, I urge support of the Stratton amendment when it is made. And I urge support of the amendments which I will offer at the appropriate time to restore shortsighted cuts made in the military science programs; programs which have a higher priority, in my opinion, in fiscal 1965.

Mr. BATES. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CHAMBERLAIN].

Mr. CHAMBERLAIN. Mr. Chairman, I rise in support of the bill H.R. 9637.

I endorse the committee's recommendations though I recognize that even with this procurement authorization we will still be inadequate in certain areas. I am particularly concerned about our shipbuilding program because I am very much afraid that there are many people in the Department of Defense who do not have a full conprehension of the importance of seapower.

I was disheartened to learn that the Secretary of Defense is of the opinion that by the early 1970's there will be a reduction in the number of attack carriers.

As the importance of seapower increases with each passing day, the need for naval task forces increases correspondingly. I can see nothing in the future that will permit us to reduce our attack carriers. In fact, I am thoroughly convinced that we are going to have to have more attack carriers.

We were all impressed with Operation Big Lift, and our ability to move a division of troops by military aircraft in a short period of time. But Operation Big Lift was made possible because we prepositioned heavy equipment weeks and months in advance, and this equipment was carried in the holds of naval vessels. Operation Big Lift was possible because we had overflight rights over foreign countries. Operation Big Lift was possible because air fields were ready to receive American aircraft. But it does not take much imagination on anyone's part to visualize a situation where we would not have prepositioned equipment; we could not get overflight rights, or airfields would not be accessible to us.

Until the day arrives that we have aircraft capable of long and sustained flights carrying heavy equipment and men, and resupply, we are going to need carrier task forces, and more of them than we have today.

I would also like to endorse, without reservation, the additional $52 million that the committee added as an amendment for the development of a follow-on strategic bomber, and the $40 million added for an improved manned interceptor.

In January 1962, General LeMay directed the Deputy Chief of Staff for Research and Development, General Ferguson, to convene a group to examine the nature of a follow-on aircraft to the B-52. The question was studied intensively and a report was submitted to General LeMay last October.

The last 2 months of this 8 or 9 months' study were continued concurrent with Project Forecast, another Air Force study of broader scope. I am advised that the conclusions and findings of both studies turned out to be essentially the same.

The program which was approved consisted of first, studying a group of low-altitude manned penetrators; second, a group of high-altitude supersonic reconnaissance airplanes which were penetrators also; and third, a group of airplanes called MPLE—multipurpose long-endurance airplanes—which were large airplanes which would not penetrate, but which would stand off and launch missiles.

The concept of the program consisted of in-house studies in each of the areas, to be followed by contract studies over the winter. The study of these new SAC systems was not restricted to only these three classes, but any reasonable candidate was to be looked at. In addition, the study group was asked to look at modifications of existing airplanes.

In examining the multipurpose long-endurance concept, the Air Force conducted an extensive in-house study. This was initiated as a result of a request from Secretary McNamara that the Air Force look at and consider such a type airplane.

In 1962 the Air Force contracted for studies on the extended range strike aircraft system—ERSAS—with General Dynamics and Boeing. In addition, further in-house studies were conducted.

Advanced manned precision strike—AMPS—studies were conducted under contract by General Dynamics, Boeing, and North American. These studies have been completed and reports have been submitted to the Air Force.

The Air Force has a design for the airplane desired. This design is the result of many thousands of man-days of examination of all of the alternatives, and in addition, I am sure, an expenditure of several millions of dollars.

Testimony was that the design itself is not pressing the "state of the art." The fundamental design will take advantage of experience with the TFX. The engine is the item or subsystem requiring the longest leadtime. However, it is stated that the engine will be of a type on which one or more of the engine manufacturers is already doing component development.

Air Force testimony was that the long leadtime items are not the airframe, necessarily, but the engine and the bombing and navigation systems.

It appears to me that the Air Force has conducted sufficient studies to know that the airplane required is feasible and is within the "state of the art." No technological breakthroughs are required.

Funds should be authorized and appropriated now for the development and testing of the already identified long leadtime items, the engine and the bombing and navigation systems. The funds authorized by the Committee on Armed Services would allow this development to be accelerated during the coming fiscal year and would increase substantially the possibilities of having a follow-on system to the B-52 operational in the early 1970's.

Mr. VINSON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. PIKE].

Mr. PIKE. Mr. Chairman, it seems to me that in a bill of the magnitude of $16,914,800,000 it is very easy to get lost regarding the 1.5 percent on which there may be some disagreement, and to ignore the fact that on the 98.5 percent there has been no disagreement whatever. It is a tribute to the chairman of the committee, and the members of the committee, that despite the small disagreements on relatively small amounts the bill was reported out of the committee without a dissenting vote.

It is the differences, however, which are perhaps a little more interesting and which, of course, make the newspapers a little more conscious of what we are doing here.

I take you back to the report on the military authorization bill for last year. Starting in the middle of page 4 you will find a heading called "The RS-70 Weapons System." It goes on for the balance of page 4, page 5, page 6, and to the middle of page 7, and in all of that, they were talking about the RS-70 weapons system.

In the report for this year you will find on page 32 one paragraph of six lines entitled "XB-70." They do not call it the RS-70 this year. It is the XB-70 program. That does not mean it is out, that does not mean there is not any money in this bill for a follow-on bomber. Anybody who tells you that we are not spending money for a follow-on bomber this year, whether we put the extra $92 million in the budget or not, is talking through his hat. There is $55 million left in the B-70 program from last year, there are $20 million more for the B-70 program which we have added this year. There is $5 million in the research budget for the conceptional studies of a follow-on bomber. That is $75 million right there. In addition to that, every single month that that B-70 program is delayed costs us another $15 million.

So those who say we are not spending anything to study the concept of the follow-on bomber are not being particularly sympathetic to the views of the people back home who are paying the price.

I am glad the gentleman from California talked about the fact that we in the Research and Development Subcommittee cut $157 million from the R. & D. budget. The interesting thing is that not a dime of what we cut is being put back by this $92 million. We cut it $157 million, and the committee did not restore a dime of it. We are putting in $92 million here that the Air Force did not ask for before the R. & D. Committee, and that was not in the original Air Force budget. We are putting in $92 million based solely on the testimony of General LeMay before the full committee. It would seem to me that the Air Force itself might almost rather have $92 million which we cut from them that they had asked for put back in than $92 million that they did not even ask for in the first place.

I should like to talk a little bit about a different program. I am later going to have an amendment to offer. Mr. Chairman, I do not think anybody can call me a compulsive amendment offerer. The sight of a clean bill does not trigger any Pavlovian reaction within me in a desire to substitute my language for the bill's language. In fact, after 3 years and 6 weeks in this honored and honorable body, this will be the first amendment which I have ever offered from the floor.

This amendment will cut $171 million from the Navy's portion of the bill. At the risk of saying something so classified that even Time magazine has not printed it yet, I will say that a substantial portion of this money will be found in Navy R. & D. and another substantial portion of it will be found in Navy procurement. This amendment will be aimed at that part of the Navy procurement called the VAL aircraft. You will find the VAL explained on page 11 of the committee report. Anyone with the temerity to point out that the three-line explanation there comes to about $60 million a line will be met with the argument that the details are "secret" or, as we say for the enlightenment of Members in our printed hearings, "deleted." To those of you who may feel slighted by the word "deleted," I want to say to you that as far as this program is concerned you are not missing a thing. I want to assure you further that the more you study this particular procurement the more firmly you will be convinced of the need for secrecy, not to protect the details of this program from the terrible Communists, but to keep the details of this procurement from our taxpaying constituents.

The VAL is a new attack aircraft for the Navy. It is designed to be placed on the new aircraft carriers which we are not building in the late 1960's or the early 1970's.

I hope that before you vote on this amendment you will consider two things: First of all, how this program was presented to Congress and to the American people, and second, the merits of the proposed aircraft itself.

The proposal was presented to Congress as a reprograming action. To me, a reprograming action has always meant that you take money from one authorized project and you put it into another authorized project. What was done in this instance was nothing even remotely like this. We took money away from 27 separate projects which had been authorized and put it into a new project which had not been authorized in any manner.

The Navy called it a modification of an existing aircraft. It was just a tiny little modification—consisting of a new engine, a new fuselage, new wings, and new avionics. It comes out 10 percent existing aircraft and 90 percent new aircraft. If this can be done by reprograming, the Navy can reprogram a barge into a battleship or a carrier into a catamaran.

Why did they do it by a reprograming? Because, they said, time was of the essence. So important was time that they waited from November until February before announcing that this little old $2 billion program—and that is what it will be eventually—was heading deep into the heart of Dallas. Of course, everyone in the aircraft industry knew it was heading for Dallas back in December, but the Navy played games with Congress on this procurement. They showed us in the Armed Services Committee pictures of four aircraft and they said that the changes in whichever one of these aircraft was picked would range from 30 to 90 percent. But they did not tell us they had already decided on the one which was 90 percent new plane. Since they would not tell the committee, one of the members of the committee told them on February 1. The Navy confirmed it on February 11 publicly. That was a pretty date—the House had finished the civil rights bill the day before and the Members of the House had all gone home. I cannot conceive of a better day to slide that particular announcement out.

As to the merits of this aircraft, I believe it should be judged in conjunction with the merits of all other aircraft which are now in production or which are now under development.

Aside from the long-range strategic bombers, both the Navy and the Air Force have two basic types of fighter aircraft, the interceptor aircraft, designed to fight way up there, and the attack aircraft, designed to fight way down there. The interceptor aircraft is designed to intercept other aircraft; the attack aircraft is designed to lend support to troops on the ground. What do we have today?

The Navy has plenty of interceptor aircraft designed to fight way up there. They have a plane called the F-4, and they think it is the best interceptor in the world. The Navy, however, says it needs a new attack plane called VAL.

Now, the Air Force today has a new attack plane called the F-110, and they think it is a pretty good one.

For the future, the Air Force is going to get another attack plane called the F-111. The Navy is going to get a new interceptor called the TFX. So today the Navy is producing one interceptor and preparing to produce another, but it needs a new attack plane. The Air Force is producing one attack plane and preparing to produce another. And one amazing thing about it all is that the interceptor the Navy is now producing and the attack plane the Air Force is now producing are the same plane. Another amazing thing about it all is that the TFX which the Navy calls an interceptor and the F-111 which the Air Force calls an attack plane will also be the same plane. Just by applying different labels to them the Navy says it needs a new attack plane.

The VAL program is designed to keep some production lines which were to close down this summer in operation. What will this magnificent new naval aircraft do?

I quote from Admiral Thach, page 7319 of the hearings:

> Question. Admiral, can you tell me any mission which your new VAL can accomplish that the A-6A you have just shown us cannot accomplish?
>
> Admiral THACH. No, sir. Both can accomplish the mission that we have in mind.
>
> Question. Is it not also true that the A-6A which you have just shown us can accomplish a great many missions which the VAL that you now propose to buy cannot accomplish?
>
> Admiral THACH. That is also true, sir.
>
> Question. The A-6A is faster, is it not?
>
> Admiral THACH. Yes, sir. The A-6A is slightly faster.
>
> Question. It has a substantially greater carrying capacity for ordnance, has it not?
>
> Admiral THACH. It has more capacity than was envisioned for this specific requirement, sir.
>
> Question. It has a substantially greater range, has it not?
>
> Admiral THACH. Yes, sir.

What does the Air Force think of this program? I quote from General LeMay, page 7515:

> We won't be interested in it, because as I understand it, it is practically the airplane they are flying now, with a new engine in it, which would give a little more range, a little more load-carrying capability, but nothing like the TFX. And I believe the TFX will be a better airplane, not only from the users' standpoint, from a tactical standpoint, but I think it will prove out from an economic standpoint; from a cost effectiveness standpoint the TFX will be much better.

This is a brandnew $2 billion program, illegitimately conceived, and dedicated to the proposition that the Members of Congress will vote for any military program because they would rather be called soft in the head than soft on communism.

Mr. BATES. Mr. Chairman, I yield to the gentleman from Texas [Mr. FOREMAN] such time as he may desire.

Mr. FOREMAN. Mr. Chairman, I am pleased indeed to join my Armed Services Committee colleagues today in support of this legislation authorizing the procurement of aircraft missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces.

Of course, in any procurement authorization of this size, there is bound to be some waste and unnecessary fat, but I believe that the Armed Services Committee members, our staff and the military services have done a very reasonable and commendable job in making this an efficient, economical procurement bill. I support this bill as is.

Mr. Chairman, we have heard a lot of talk today in reference to the so-called "fearless five." I am pleased to be a member of the "We need something new 32."

Further, I am pleased to support the position taken by Air Force Secretary Gen. Curtis LeMay, our distinguished committee chairman CARL VINSON, and the majority of the members of our committee who have recommended and approved the additional funds for the development of the advanced follow-on manned bomber and the advanced improved manned intercepter program. We cannot afford to put all our eggs in one missile basket; we must have mix of both missiles and advanced manned aircraft.

This country will remain free only so long as we remain strong, militarily strong. We must not, indeed, we dare not, drag our feet, back down, give in, up or out. I urge the passage of this legislation.

Mr. BATES. Mr. Chairman, I yield to the gentleman from Kansas [Mr. ELLSWORTH] such time as he may desire.

Mr. ELLSWORTH. Mr. Chairman, this bill points up what I consider to be a basic fault in the McNamara approach to our Nation's defense and security policy. We are spending too much money building up our conventional warfare forces while at the same time we are embarked on a slowdown in our capital investment on the side of technological advances, which is a form of pressure the adversary finds most difficult to meet over the long pull.

In this bill, the authorization for research, development, test, and evaluation is down 7 percent from what was appropriated last year, while ships and aircraft for conventional warfare are sharply up.

For example airlift aircraft is up 19 percent over last year. Ships for mine warfare is up 55 percent over last year. Amphibious ships is up 186 percent over last year. And yet it was last November that the Secretary of Defense was bragging about our then existing conventional superiority over Soviet bloc conventional forces. In an address to the Economic Club of New York, on November 18, 1963, Secretary McNamara said:

> The Warsaw Pact total, including the Soviets, is only about 4.5 million. Against that, it is today the members of NATO whose active armed forces number over 5 million. The ground forces of NATO nations total 3.2 million, of which 2.2 million men are in Europe, as against the Soviet ground combat forces total of about 2 million men, and a Warsaw Pact total of about 3 million. Both the Soviet Union and the United States forces of course include units stationed in the Far East. In central Europe, NATO has more men, and more combat troops, on the ground than does the bloc. It has more men on the ground in West Germany than the bloc does in East Germany. It has more and better tactical aircraft, and these planes on the average can carry twice the payload twice as far as the Soviet counterparts.

This bill ought to be lower by about $3 or $4 billion being wasted on unnecessary buildup of equipment for conventional warfare.

We ought to be investing more in R.D.T. & E. to strengthen our advance technology for the long haul.

In order to emphasize my views on this fundamental and important point, I intend to vote against this authorization bill.

Mr. BATES. Mr. Chairman, I yield to the gentleman from Ohio [Mr. CLANCY] 10 minutes.

Mr. CLANCY. Mr. Chairman, I rise in support of H.R. 9637 and urge the adoption of this legislation.

Although differences exist respecting the emphasis to be placed on certain weapons systems, most of the members of the committee have questioned the wisdom of the Defense Department's decision to place so much reliance on missiles. Most of us are very disappointed over the indifferent attitude of the Department in the development and construction of aircraft to replace the aging B–52's and B–58's. It is an uncontroverted fact that we will have no bombers if we do not now commence a program in order that we can bring the bombers into our inventory in the seventies.

We have taken the position that our national defense effort, to be truly effective, must be based on a balanced and flexible military force, a force capable of meeting any crisis or emergency that may arise anywhere in the world, be it guerrilla warfare or nuclear attack.

When we urged passage of last year's procurement authorization bill, the grave situation in Cuba was cited as a dramatic illustration of the Communist threat we must be prepared to counter. Today, almost 1 year later, we learn that Cuba is used as a major training ground for subversive agents and guerrillas from many parts of the globe promoting takeovers by Communists throughout Latin America. Trouble brews in nearby Panama, as well as other areas around the globe. We must be ready, and that readiness must not consist of total reliance on our missile capability for our military strength. It would in my judgment, be dangerous indeed if the safety of the United States was totally dependent upon the faultless operation of electronic equipment. It is imperative that we maintain a proper mixed striking force of missiles and manned aircraft, and the decision to increase the recommendations of the Defense Department by $92 million to further this stated objective was in my opinion a most wise decision.

Although technical difficulties have naturally been encountered in the development of the RS–70 bomber program, it appears that they are being overcome and we are anticipating a test flight in the near future. It may be stated here that the money expended on this aircraft to date has paid for giant steps forward in the advancement of the art of supersonic flight.

Unless plans are made for a new bomber, the time will come, in the not distant future, when this Nation has no new bombers in the planning or production stage.

While we recognize the capabilities of the Secretary of Defense and commend him for his success to date in implementing cost reductions, I sincerely believe that he has seriously erred in his decision to deemphasize the role of long-range bombers. I am of the further opinion that he committed grave error in submitting his written statement to the committee prior to having the comments of the Joint Chiefs of Staff, and I would hope that this would not occur in future posture hearings. I am hopeful therefore that he will see fit to direct the expenditure of the $92 million which this bill would authorize in the manner desired by an overwhelming majority of the committee. This expenditure would greatly insure the strong military posture of the U.S. strategic forces far into the 1970's and will enable us to remain as the strongest Nation in the world militarily. The cost of national security is high indeed, but it must be paid and we can afford no other position.

The committee has approved the recommendation of the Research and Development Subcommittee reducing the total R. & D. budget request by $362 million. Of this reduction $92 million was restored. I approve of the committee's action with one reservation, and that has to do with the authorization of funds for research and development of vertical takeoff and landing aircraft programs. I believe that more emphasis and more funding should have been recommended for the programs being pursued in this country. Our programs are much superior to the English programs and will favorably affect our economy.

Although this legislation authorizes the expenditure of in excess of $16.9 billion for military procurement—the largest sum authorized for this purpose in the Nation's history—the hearings before the Armed Services Committee have convinced us that any lower ceiling would not enable us to maintain the level of military preparedness the current world situation demands. Accordingly, I strongly urge passage of H.R. 9637 as reported by the committee.

Mr. ARENDS. Mr. Chairman, I yield to the gentleman from California [Mr. GUBSER], a member of the committee.

Mr. GUBSER. Mr. Chairman, I rise in support of this legislation. As can be expected in a bill which is so complicated and so far reaching, and which involves so many highly technical procurement items, I naturally have some reservations. I intend to speak about those reservations, but that should in no way be interpreted as detracting from the fact that this is on balance an excellent bill and deserves the support, I believe, of every Member of this House.

First, I would like to express a doubt, a deep-rooted doubt, that this Nation is embarking speedily enough upon a military space program.

We all know that the history of warfare is one of continuing breakthrough, technologically speaking, followed by moves from potential enemies to meet that breakthrough.

I sometimes think that we in this country have a tendency to develop a system and then think, "Well, this is the ultimate." We have a tendency to get caught without having looked far enough down the road. Missiles today are looked upon as the ultimate in a defense system. I cannot believe that the history of warfare is going to change. I believe further that within a very few years a crucial advantage to a possible enemy may be gained in either inner space or outer space, or both.

I questioned General LeMay at considerable length, and Secretary Zuckert, about our military space program. Naturally the replies have to be considered as classified information. But I can say that the impression which I gained from those questions and answers was that the Air Force today is too content to wait for what NASA may be able to tell them about requirements for a military space force.

Now, early in December some of the confusion was theoretically removed when the Secretary of Defense announced that we would embark upon a manned orbital laboratory program, which would be designed to give us some of the answers insofar as the military use of space is concerned.

At this point the aerospace industry does not have any idea where the Department of Defense—or NASA either, for that matter—intends to go in the military development of aerospace. We are rambling around here in a space cloud with no definite indication of where we are going or what our objectives are going to be. In fact, at this very moment, industry does not even know whether the MOL program is going to be handled by NASA or the Air Force.

The time has come for some decisions to be made, some objectives and guidelines to be set down and the aerospace industry told what to expect. This is a deficiency which may become acute in the near future.

For a few minutes today I would like to talk about a part of aviation which is becoming more important each year. I believe that if the possible benefits of vertical and short takeoff and landing aircraft can be fully exploited there will be radical changes in the character of future military forces. This potential leads me to the conclusion that we in the Congress should strongly support development in this area.

The idea of vertical flight is certainly nothing new—for it is far older than aviation itself. Before conceiving of the glider or the powered flying machine, man always thought in terms of lift devices that would carry him straight up and down. But until fairly recently we simply did not have the technology to permit this kind of flight.

From the days of the very first aircraft, takeoff and landing characteristics have always been limiting factors. As military requirements demanded higher performance aircraft, we were forced to longer and longer runways. This was true for both propeller-driven and jet aircraft, and complicated our operational problems in a number of mission areas.

However, recent improvements in lightweight gas turbine propulsion systems have offered several promising solutions to this runway problem.

These concepts have become known as **VTOL**—vertical takeoff and landing—and **V/STOL**—vertical and short takeoff and landing. There are essentially two approaches: one would use a lift engine for the vertical portion of the flight and a separate cruise engine; the other would use the same engine for lift and cruise, with thrust deflection or engine tilting for vertical flight. When more fully developed, these concepts will reduce our dependence on airfields; make possible high performance, vertical rising fighter aircraft; permit operations in remote, primitive areas; and markedly improve our airborne assault operations.

The closer we can get the tactical aircraft to the commander's tent in the field the more efficient the aircraft will be. This is the reason for the vertical and short takeoff and landing aircraft.

We happen to have two American aircraft which are ready to fly. In fact one of them will fly this week at Edwards Air Force Base in California and will be taken to Ames Laboratory at Moffett Field next month for tests in the large subsonic wind tunnel at that installation.

This particular aircraft, and the other American-made plane are funded to the extent of only a half million dollars each in this particular bill.

Now what are we doing for the tripartite development being built in England today, the British Hawker 1127? We have $12.5 million in this bill for that aircraft. They say that it is 2 years further down the research and development trail than are the American planes. Well, now, let us just explore that for a moment. This aircraft, the Hawker 1127, will fly 17 minutes with no payload at all. The reason we are putting $32.5 million into the program from all three of the participating governments—$12.5 million from ourselves—is that the powerplant has proven to be a failure and we have got to start over from scratch. So, if this airplane is 2 years ahead of anything in the United States, it is in this sense: that it has already been proven to be a flop while the American planes give promise of being successful.

Mr. Chairman, here in this country we are starving two American aircraft companies where jobless Americans could work and giving them a paltry, measly $500,000 apiece. Here we are pouring $12.5 million in this bill into a plane to be developed in England which is already a flop and which has only flown 17 minutes, with no payload at all.

Mr. Chairman, I tried a week ago Saturday morning in our committee to get a little time to discuss this matter. Unfortunately, this is a complicated bill. The requirements of the legislative schedule are very heavy. I recognize that we have to move along on these things. However, 3 minutes is all I was able to get. We poured $12.5 million down a rathole in that time for $4 million a minute. In the meantime we have starved two American companies out of their right to develop an airplane which would provide Americans with jobs. Furthermore, they are airplanes which will fly for longer than 17 minutes.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from California.

Mr. COHELAN. Is the gentleman from California aware of the fact that shortly or later on during this year the Subcommittee on Research and Development plans to look into the entire V/STOL problem in great detail, including all of the varieties of aircraft in that field the gentleman has been discussing?

May I say also to the gentleman that I believe he may be incorrect with reference to the figure which he cited, because as far as at least one of those aircraft is concerned, the consortium airplane, this was a project that we "bought into" at a time that we were somewhat behind. As the gentleman well knows, without armament, it does have a greater capability than the gentleman has mentioned.

Mr. GUBSER. If I may say to the gentleman—I would like to commend not only the Subcommittee on Research and Development, but the chairman of the subcommittee, the gentleman from Illinois [Mr. PRICE]—had it not been for this wonderful work that this Research and Development Subcommittee has set about this year, I would never have heard of this thing. I am delighted that now we are finally going to have a subcommittee which is going into these matters. I am quite sure if the members of the subcommittee had had more time to go into this question, we would not have this $12.5 million in this bill.

Mr. Chairman, my point is simply this. That we should not pour money into a program which is already a flop and which I do not think has much chance of being much better than a flop. We should support our own aircraft industry when it clearly has the better plane.

Mr. PIKE. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from New York.

Mr. PIKE. I want to commend the gentleman from California for the fight which he has consistently made in this regard. I believe the gentleman is absolutely right. The amount of money that we have spent abroad in the development of this vertical takeoff aircraft is out of all proportion to the return we have gotten from them. The amount that we have spent in this country is ridiculously small compared to the capability of the aircraft which are presently being produced here.

Mr. GUBSER. There is the sum of $32.5 million of U.S. money already invested in this British Hawker. It has flown only 17 minutes.

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from South Carolina.

Mr. RIVERS of South Carolina. I would like to say to the gentleman that had the American companies received the same sort of consideration, backing, and encouragement, I venture the assertion that we would have one almost ready to be operational.

Mr. GUBSER. I thank the gentleman. I agree with him.

Mr. ARENDS. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. BOB WILSON].

Mr. BOB WILSON. Mr. Chairman, as a member of the committee, I join my colleagues in supporting this military procurement bill with a few minor reservations which I will go into in a moment.

First, I want to pay my personal tribute to the chairman of this committee, the gentleman from Georgia [Mr. VINSON], who is ably shepherding this legislation through the House. Since this bill includes the procurement of many ships for the U.S. Navy, I think it is fair to point out that this regretfully may well be the last of many ships that CARL VINSON has worked for in his remarkable career in the House of Representatives.

When we consider the Vinson-Trammell Act and what it has meant over the past years to the maintenance of a modern U.S. Navy, we can perhaps grasp to a slight extent the imprint of this man's personality on the modern Navy of today. There is no question in my mind that Carl Vinson deserves the title of "Father of the Modern U.S. Navy." My hometown of San Diego, Calif., recently gave the gentleman from Georgia [Mr. Vinson] the title of "Honorary Citizen of San Diego" and, of course, he is already known as "Honorary Admiral of the Fleet."

As to this specific legislation, I support the general procurement items in the aircraft, missiles, and ships, but expressed great concern in the committee about the lack of emphasis by the Air Force on military space activities. I believe it will be imperative for us to maintain in the future complete military control of space if we are to be adequately defended in the space age. I do not believe the Air Force has pursued the military possibilities of space with sufficient vigor and enterprise.

Testimony before our committee has revealed that a real bomber gap will develop early in the seventies unless we follow the lead of this committee in deciding today to approve the $52 million added by the committee for bomber development. I have no intention of pitting missiles against bombers, but I do agree with the majority of the committee that this Congress would be derelict in not moving forward immediately with a long-range bomber program.

I find fault as well with the failure of our committee to provide sufficient emphasis in the Vertol field. In this bill we seem to be gambling research and development funds on the British designed P–1127 Hawker vertical takeoff aircraft. As our share of this agreement with the British and Germans, we are granting $12.5 million this year on an aircraft that has performed miserably in its initial tests and offers little promise toward becoming a workable aircraft. On the other hand, the two American designed and manufactured aircraft in this category are given this year $500,000 apiece despite the great promise both of these American products show.

Personally, I can see some merit in off-the-shelf procurement of foreign military items that are superior to our own, but it is plain foolishness for us to lavish research dollars in this important new vertical takeoff field and grant insufficient funds for competing American-made products.

I also feel compelled to express my concern over another reduction in the research and development expenditures. It is in this area that we insure ourselves for the future. We cannot afford to let technology development lag in any area. Particularly am I concerned with research and development of weapons designed for use in guerrilla warfare, counterinsurgency, and limited war situations.

The committee's recommended denial of Navy requested funds for development of a special warfare airplane for counterinsurgency and limited war application causes me great concern. This new aircraft is proposed specifically for the situations I have just enumerated. According to testimony, no present day in-service aircraft has the desired capability. This aircraft would see service with both the Marine Corps and the Army in trouble areas such as Vietnam. Significant studies within the Marine Corps over the past few years and recently augmented by Department of Defense analysis, attest to the desirability and practicability of developing a simple, inexpensive but rugged aircraft tailored to this mission. The Department of Defense, through the Navy Bureau of Weapons, formally advertised for proposals from industry for such an aircraft. No less than 12 contractors have been underway with this effort at their own expense for several months in response to this request. Results of this effort are already significant. Large amounts of wind tunnel data have been generated, mockups have been built and the validity of proceeding with the program is virtually at hand. The fact is, that this new airplane, scheduled to be developed and built on a firm fixed price contract, can be produced for less dollars than modification of existing airframes which would themselves only partially satisfy the requirements. I believe it is fair to say that since the industry has already invested at least $12 million in preliminary studies, we should meet them halfway, at least.

The COIN airplane is designed to perform aerial reconnaissance, close support for ground troops, helicopter escort and a variety of light logistic tasks. It is in every sense of the word, a state-of-the-art development. It will be powered by two 600-horsepower turboprop engines. It will take off in less than 800 feet over a 50-foot obstacle with a full combat load. The landing distance will be less than 800 feet over a 50-foot obstacle. This short takeoff and landing capability will permit use of the aircraft from unprepared fields, roads, and so forth, thus allowing operation of the aircraft directly with the ground troops. As a consequence, it will instantly be available for close support. In addition to its combat capability, without any modification, the aircraft can carry two litter patients and three additional passengers or upward of 4,000 pounds of cargo.

Vietnam is only one example of what is happening in many places around the world and in my opinion a versatile, rugged aircraft such as the proposed COIN aircraft is a valid requirement. Since so much has already been invested, on faith, because of the call for proposals by the Bureau of Weapons, it is my considered judgment that it is unwise and unfair to recommend denial of the $6 million requested to verify this program. These limited funds will produce several aircraft for test purposes, the results of which will be available within 18 months. Our judgment should then be made on these test results. It is my recommendation that the House reinstate the $6 million requested for this program.

Mr. ARENDS. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. Hall].

Mr. HALL. Mr. Chairman, I am glad that my remarks come at a time when there is the least dissension in the debate on the floor. I would hope like a gentle but copious rainfall in mid-May in the Ozark hills, the lightning sometimes flashes, and the thunder rolls, and that likewise, what I have to say will fall on and startle the ears of the listeners.

I want to associate myself with everything that has been said by our distinguished chairman, the gentleman from Milledgeville, Ga., who has led this procurement military armed services program today, and I, too, hope he will return early, often, and long.

Mr. Chairman, I rise in support of H.R. 9637. For almost a month and a half, members of our committee have held sessions with Secretary of Defense McNamara and his civilian or military chiefs. We have, in marking up the bill, tried to be as frugal as possible, without reducing the forces that are necessary to insure the national security and the carrying out of national policy. I would like to address myself to an even more basic and profound premise.

Seventeen billion dollars is no small amount of money, but I believe it is considerably less than those who would bury us are committed to spend during this same period for weapons of war. Within the past week, we have heard it reported that a new ring of missile bases are being built around Moscow, and possibly Leningrad. Presumably these are to house antimissile missiles. These actions are hardly those of a nation which has any serious expectation of success, in the current disarmament talks. They are more likely the actions of a nation which intends to be prepared for any eventuality, and to take advantage of any weakness which their "capitalist" adversaries might demonstrate.

We cannot afford to be any less vigilant, and the funds contained in this bill are designed to maintain and strengthen our deterrent. I believe we would do well to consider the words of our first President whose birthday we will soon celebrate.

He said:

> There is a rank due to the United States among nations, which will be withheld, if not absolutely lost, by the reputation of weakness. If we desire to avoid insult, we must be able to repel it. If we desire to secure peace, it must be known that we are at all times ready for war.

The dollars contained in the bill we are considering today, will not, by themselves, secure the peace. They will only provide the tools of deterrence, which our committee believes are necessary and vital to security. We must be, as a nation, like our Coast Guard, always ready—"semper paratus." It will remain the responsibility of our present leadership to be aware of that strength in the forging of a strong foreign policy. If others can be persuaded that we are not willing to use our national assets to guard and protect vital American interests, then we are today really wasting $17 billion representing blood, sweat, and tears of millions of American taxpayers. If there is no will, there is no way. If no backbone, honor will not long remain. If our policy is always based on fear, we shall neither lead—nor long have opportunity. In short, we must lead in demonstrating responsibility and progress.

I prefer to hope, Mr. Chairman, that America will not give further credence to the naive hope of some of our adversaries that we are "paper tigers." I prefer to hope, Mr. Chairman, that when a foreign nation defiles our flag, murders our citizens, or insults us in their government controlled press, that we will at the very least, shut off the flow of American dollars. And if the circumstances are such that stronger action is called for, I prefer to hope that our approval of these funds today will give the Commander in Chief whatever assurance he needs that this body is ready to support whatever is required to uphold our national honor. I prefer to have faith in the informed judgment of our peoples, who I find are usually well ahead of both the legislative and executive branches in their desire to get on with the job. We must always be vigilant and ready, plus willing, even in spite of danger of death, which is not the worst thing to befall man in life on earth. The haunting and ever present question is, "Do we have the will?"

Mr. VINSON. Mr. Chairman, I yield 15 minutes to the gentleman from South Carolina [Mr. Rivers].

Mr. RIVERS of South Carolina. Mr. Chairman, at the outset I want to pay my great respects to my distinguished chairman. We have heard said here what his intentions are at the end of this session, but for 49 years he has been in this House of Representatives. Half of that time, almost 25 of them, I have labored with this dedicated American. He has led by example. Never did he count the hours of his dedication, nor indeed, has he ever placed a dollar mark ahead of the security of this country.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The gentleman from Georgia has been here for nearly 50 years. I want everyone to know that I share the views of the gentleman who is now addressing the House, and to add that the gentleman from Georgia will be the model committee chairman for others in the House to follow, for many more than 50 years to come. I doubt that he will ever have a peer.

Mr. RIVERS of South Carolina. I thank the gentleman.

He has been the father of more things to save America than any man since the dawn of this country's birth. I consider it a privilege to have been with this dedicated American, to serve and labor in his vineyard. As I have said on many occasions, I have sat at his feet as St. Paul sat at the feet of Gamaliel. If you do not know who Gamaliel was, come to my office and I will tell you. I want to pay my respects also to the subcommittee, the new subcommittee headed by the distinguished gentleman from Illinois [Mr. Price], on research and development. Mr. Vinson selected this subcommittee with great care and he placed in its membership men of unquestioned ability—unquestioned ability, indeed, and of dedication.

When they made their report, the committee did not detract from it in one iota. Indeed, it was so good we upped it $92 million just to be sure.

Someone has said and talked about the "fearless four" and the "fearless five." I do not know who they are talking about. But I am glad I hold membership in the "thinking 33." I would rather be wrong in the company of Carl Vinson than 50 younger men of a later persuasion. I do not want to detract from anything that these attractive young men have said. But they just happen to be wrong—they just happen to be wrong. We cannot get angry with them—we cannot get mad with them.

Let us talk about what this bill contains. I am not here to debate what they have proposed. I will debate that when their proposals are offered.

I want to address myself to what is in this bill. If, indeed, I know anything, it it because of 24 years on this committee and its predecessor under the leadership of Mr. Vinson. This is a $16,914 million bill. We spent day and night to the tune of almost 50 hours on this bill—over 45 hours—day and night. This is not easy with a so-called civil rights bill running concurrently with its deliberation. It takes a lot out of a man to be objective under these conditions. What did we bring to you? We brought to you one of the most comprehensive bills or proposals since we assumed jurisdiction in this area. You have heard Mr. Arends and what he had to say about the mission of the Congress. Just to refresh your memory, let me tell you what the Constitution has told you to do. I did not write the Constitution. I wish they would not change it without our having an opportunity to consider it over in another branch of the Government and in the fourth estate. But this is what the Constitution says. This is what you are charged with—"raise armies"—"provide for a navy"—"to make rules for the government and regulation of the land and naval forces." No other branch of the Government is given this responsibility. It is placed in your hands directly by the Constitution of the United States. They did not say the Treasury Department. They did not say the State Department. They did not say the Commerce Department. The Constitution says the defense of this country is your responsibility. Let me tell you what this Congress did. We created the Polaris submarine. I am glad I had a little something to do with that.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. Of course, I yield to the gentleman.

Mr. GROSS. Is the gentleman saying the Supreme Court has not changed that constitutional provision to which he has referred?

Mr. RIVERS of South Carolina. Not much.

Mr. GROSS. Well, not yet?

Mr. RIVERS of South Carolina. They have not changed the Constitution since yesterday—nightfall has not come yet. I would not put anything past them—if you do not fully understand my position.

Let me tell you something. We started a Polaris submarine—thank God we did.

This Congress accelerated the airlift. Thank God we did.

We have a plane that can fly 5,000 miles with 159 soldiers in their battle dress.

It will cost over $2 billion when our procurement is completed. This is our program.

Mr. NORBLAD. Mr. Chairman, will the gentleman yield to me?

Mr. RIVERS of South Carolina. I will be delighted to yield to the gentleman.

Mr. NORBLAD. I would like to express my compliments to the gentleman as the leader in the airlift and for the fine job that he has done as a member of the committee.

Mr. RIVERS of South Carolina. I thank the gentleman. Someone has said the Committee on Research and Development did not suggest that we have a follow-on model. Well, they did not ask the right man. If they had asked me, they would have found out. This is no reflection on the subcommittee, they are going to do a magnificent job and it will be implemented if I have anything to do with it. Their work will be adequate to keep them busy, because they are capable, they are competent, and they are headed by a distinguished and dedicated American. But, remember this: The B-47's are gone, the B-52's are on the way out, and the B-58's really have never been used too much.

Carl Vinson says this—and he is a pretty good source of authority to quote:

> They will be worn out before we have a new one if indeed we do not do something about it.

So many of us, I included, interrogated General LeMay and said, "Do you need a follow-on for the B-52?" He said, "Indeed I do. Indeed I do." In substance, if not verbatim, he said, "I want something to complement the missiles."

You have heard Mr. Vinson talk about the Atlas, the Titan, and the Minuteman. These generations are going, but I can tell you that the B-52 is already obsolescent and there is nothing on the drawing board. Nothing. The $52 million which we have suggested you put in this is for the in-house continuation of the research and development to place one on the drawing boards.

I guess the wisest of philosophers was Aristotle. He is alleged to have said—and I take it on authority that he did—that only the dead have seen the end of war. You remember your history. What did Carthage do? Carthage in good faith sent the best young men that they had to Rome for the disarmament proposals of that time. What happened to them? They went to Rome on a one-way ticket. And what happened to Carthage? It was plowed under and covered by centuries of sand. I am not willing to put my faith in the future of my country in Geneva or in anybody's disarmament conference or, indeed, in missiles. I want B-52's and follow-on bombers, so many of them that we will not have runways to hold them. I want the latest type missiles that California can produce, and I want so many of them that they will stick up like goosepimples.

Sam Rayburn—and he was a very great American—said this: "I would rather be a live American with an empty pocketbook than a dead one with a full one." This is my philosophy. I do not want to cut to save a few dollars and then lack for something. I would rather have an overcoat than want one, if you catch the point.

Now, take the planes of my own knowledge. Planes happen to be my hobby. Also ships. Let me tell you about ships. We will not have a navy if arithmetic is a sound science. We had a little investigation of our naval vessels. These are the things I remember. I do not have to read this from notes. These are the things I remember. We had a ship-obsolescence subcommittee look into this; the gentleman from Massachusetts [Mr. BATES] and the gentleman from Virginia [Mr. HARDY] were on it, and I forget who else—three of us, I think. We made a report on it. The Navy told us that in 1973 they would have 335 ships in the fleet that could be used. At this time they have 870-plus.

Now, this is 1964. It is 9 years to 1973. Take 3 years off of that, which leaves 6 years, because it takes 3 years to build some of them. If you have 875 ships now, in 1973 you will have 335. You have got 6 years. If my arithmetic is correct, you will have to build 80 ships every year. If you build 50 as we are doing now we will come up with, as the gentleman from Illinois [Mr. ARENDS] said, something like 135 to 150 short. So, carried to its logical conclusion, there may come a time when you will not have any because you come up short every 10 years with 150 ships.

Now, for the Navy, we have increased missions. We took on the Red Sea the other day. Obsolescence is catching up with us.

This is a modest proposal we are bringing to you. Take the fighter airplane. We are recommending to you now that we give to this country an improved manned interceptor. What new airplanes do we have in the interceptor business? We only have one and it is obsolescent, the F–106. There is the F4H, one of the greatest planes ever designed, made by McDonnell. We have the A3E series of Douglas. But the Air Force planes are obsolescent. We want to get the VAL plane. We have recommended the VAL to take its place. But we do not have a brandnew plane as an interceptor. I defy anybody to tell me that we have one. The best we have today is an obsolescent interceptor.

So our committee, responsive to its responsibility and in view of what I read you from the Constitution, have come to you and told you that we propose that we build an improved manned interceptor.

The chairman of the committee, the gentleman from Georgia [Mr. VINSON], has said, "Don't put all your eggs in one basket." Let us have a James Forrestal philosophy, a rounded defense. You cannot place your faith in the parliament of man. This war may come.

This is our proposal, and out of a $600 billion gross national product we are asking you to give us $92 million.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. Unlike the gentleman, I will be glad to yield to him.

Mr. STRATTON. I thank the gentleman from South Carolina. He said we had no new planes coming along; that we had no new interceptor. We have the TFX coming along and they are going to spend something like $6 or $7 billion on that aircraft. Is that not an interceptor?

Mr. RIVERS of South Carolina. Mr. Chairman, I would suggest that the gentleman use his own figures. We have not got that now. My figures are from Gen. Curtis LeMay. I take him for my authority. Besides, the TFX is an all-purpose airplane and the TFX is only a proposal. The TFX came from the Department of Defense exclusively. The manned interceptor comes from the Committee on Armed Services, and I know of no better authority.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman.

Mr. GUBSER. The gentleman will agree that the TFX is not an interceptor?

Mr. RIVERS of South Carolina. It is an all-purpose airplane. Everybody knows it is not an interceptor. The gentleman knows that I know better than that.

Mr. STRATTON. Mr. Chairman, if the gentleman will yield further, the Navy says that it is an interceptor, does it not?

Mr. RIVERS of South Carolina. I can tell you more about airplanes than a show dog can jump over. We do not have a new one. You better get on that bandwagon while time remains. Let us get the airlift. We do not have any new airplanes but the 141 that is in production. We have got the obsolete 124's; the interim 130–E's, the interim 135's. The only one we have is the 141. And this came from the Congress.

We have never advised you wrong. Place your confidence in that wise old Georgian.

I have never been wrong in 24 years in following his advice and I believe his advice will stand this country in good stead for many years to come.

Mr. BURKE. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I am delighted to yield to the gentleman from Massachusetts.

Mr. BURKE. I do not like to take the gentleman off his subject, but there is one problem that concerns me and one which I believe concerns many other Members of the House.

I would like to know whether or not the Defense Department has changed its policy in awarding contracts to surplus labor areas in the Nation?

Mr. RIVERS of South Carolina. My information is that they have not. They have not changed that policy. I believe I have a note on that somewhere. Let me see if I have it here. I am glad the gentleman asked me because I felt that someone would. I had this problem come up in my own district. I lost a contract on this.

I am informed that with respect to allocation of contracts—I assume the gentleman is talking about labor surplus areas—that the policy has not changed and the contracting officers must follow the monthly publication issued from the Commerce Department which shows the labor situation all over the country by State and by area. If all factors are equal between two bidders, the bidder from an area where a labor surplus is a fact gets the contract.

Does this answer the gentleman's question?

Let me say this in closing: This is a modest, a modest, proposal. But we have labored over this. We recommend this to the consideration of the committee and of the House, because it is a comprehensive budget. I believe it will do the job. If it does not, we have next year. But this will stand us for this year. We recommend it to you.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I am delighted to yield to the gentleman from California.

Mr. COHELAN. As the gentleman knows, I am in full support of the bill, with the exceptions that have been noted and with some concern about some other areas in the bill. But can the gentleman tell the members of the committee if we today authorize the proposal for the $52 million and the $40 million for both the follow-on bomber and the improved manned interceptor, can the gentleman give the members of the committee any assurance that the Committee on Appropriations will appropriate that money?

Mr. RIVERS of South Carolina. I am glad the gentleman asked me that question. I almost forgot to put that in. I have already received my orders to appear before the Appropriations Committee, where I have always been received with sympathy, courtesy, and outstanding cooperation.

Mr. ARENDS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HOSMER].

Mr. HOSMER. Mr. Chairman, I listened with great satisfaction to the eloquent plea of the gentleman from South Carolina that our armed services not be equipped with obsolete equipment.

Yet, Mr. Chairman, the United States of America is about to engage upon a $277 million expenditure for an attack aircraft carrier which will be obsolete when the keel is laid, which will be obsolete when it is launched, and which will be obsolete every minute during the 25 to 30 years of its expected life.

This in my opinion is a gross error. It is in my opinion an error that the Congress of the United States should correct and which the Congress of the United States can correct. And, let me say to my colleagues, whether you are for or against aircraft carriers, one is about to be built. The issue, thus, is not whether or not one shall be built, but whether or not the one that will be built will be an obsolete carrier, less effective, less powerful, less safe, or whether it will be the most modern equipped that this United States of America can place upon the seas of the world in the protection of its life, freedom, and order. I intend to offer the members of the committee the opportunity to make that decision by an amendment which will cause that new carrier to be constructed as a modern, up-to-date propelled U.S. naval vessel rather than an obsolete, conventionally propelled vessel.

Mr. VINSON. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Illinois [Mr. PRICE].

Mr. ARENDS. Mr. Chairman, I yield the gentleman from Illinois [Mr. PRICE] 2 minutes.

Mr. PRICE. Mr. Chairman, in preparation for carrying out our increased responsibility to review all military research, development, test, and evaluation authorization requests, beginning this year, the Subcommittee on Research and Development received some 30 briefings last fall. The purpose of these briefings was to become more familiar with existing research and development programs and those projected for fiscal year 1965. In our review the subcommittee heard from some 56 witnesses representing the Department of Defense and each of the military services. The information presented comprised almost 2,500 pages of transcribed testimony. This material was not printed as a hearing volume because much of the unclassified information was included in the hearings released by the Appropriations Committee.

Despite this comprehensive study and review, I am the first to admit that the Research and Development Subcommittee neither knows all nor sees all that goes on in the vast area of military research and development. We have only scratched the surface. However, I do feel that we have acquired a limited knowledge of the subject and that we are better qualified to make recommendations to the Congress today than we were a year ago.

The Defense budget submitted to the Congress included a request for new obligational authority of $6.572 billion for research, development, test, and evaluation. This request compares with the $6.949 billion appropriated by Congress in fiscal year 1964; the $7.008 billion in fiscal year 1963 and the $6.402 billion in fiscal year 1962.

The recommendations of the Subcommittee on Research and Development reduced the requested amount by $362.5 million. This reduction was distributed among the services as follows:

[In millions]

Army	$62.0
Navy	121.5
Air Force	157.0
Defense agencies	22.0
Total	362.5

The amount recommended by the subcommittee, $6.2095 billion, is $739.5 million below the amount appropriated last year, and $798.5 million below fiscal year 1963. In subsequent action, the full committee increased the amount requested by the Air Force for aircraft research and development by $92 million. This "add on" has been discussed by the gentleman from Georgia, Chairman VINSON. The subcommittee received a special briefing on the follow-on strategic aircraft during its review of the fiscal year 1965 programs. However, no request was made for increasing the amount funded above the $5 million contained in the budget. General LeMay's testimony before the full committee and my review of the information presented to the subcommittee convinced me that the Air Force requirements and design concept are far enough along now to permit a more rapid development program during fiscal year 1965. The funds added by the Armed Services Committee would permit initiation of development and testing of the longest leadtime elements such as the engine and the avionics system.

The other "add on" by the full committee was for an improved manned interceptor—IMI. This development program was not presented to the Research and Development Subcommittee. I hope that in the future, if the military departments have an urgent requirement for a weapons system such as this, they will feel free to discuss the matter with the subcommittee which has the assigned responsibility of reviewing research and development programs prior to seeking the support of the full committee. However, in this instance, as in most instances, I bow to the wisdom and judgment of my chairman, the gentleman from Georgia [Mr. VINSON], and I will support the amount recommended to accelerate the development of this new airplane.

In his testimony before the subcommittee, Dr. Brown, Director of Defense Research and Engineering, stated that program and budgetary decisions in both research and exploratory development are appropriately made more on the basis of the overall "level of effort" than on detailed program content. He further stated that for fiscal year 1965 the exploratory development category reflects a slight decrease below what was initially programed in fiscal year 1964. He justified this reduction with the following statement:

> We are convinced that substantial increases in the effectiveness of exploratory development dollars are possible which may well more than compensate for this small decrease in budgetary support. During this coming year one of our primary concerns will be to seek out and identify those management conditions which have in the past proven to be highly productive of militarily useful results. We then intend to initiate new policies which will make these favorable conditions more widespread than they have been in the past in the expectation that this will result in more defense for each exploratory development dollar expended.

I commend the Defense Department for this attitude and approach toward economy and efficiency. Further, I believe that the same or similar techniques should be applied to all categories of research and development, and not just to exploratory development alone. I am convinced that substantial increases in the effectiveness in research and development dollars are possible by improved management techniques, improved selectivity and objectivity of programs and better coordination among the military services and with other Government agencies. It was on this premise that the subcommittee made its recommendations for reductions totaling $362.5 million. The recommended reductions are discussed by budget activity beginning on page 23 of the committee report. The report also contains a summary chart for each department broken down by budget activities and the amount recommended for each activity.

During the past year noteworthy accomplishments have been achieved in the research and development area. One of the most outstanding of these is the Polaris missile system. Others are the Shillelagh and Tow in the Army antitank arsenal and the C-141 transport aircraft for the Air Force. These successful development programs, along with the cancellation of certain unsuccessful programs, such as Dyna-Soar and Typhon, reflect a reduction in the amount requested in the fiscal year 1965 budget of over $650 million. One way of interpreting the subcommittee's action, in reducing the authorization by $362.5 million, is that we have placed in reserve or saved approximately half of this and have allowed the balance to be allocated to other development programs.

In our recommendations, the subcommittee endeavored to be objective in its criticism and understanding of the problems of the military departments. However, in view of the increased attention now being focused on research and development, I believe that a critical analysis was warranted. In the past the committee, and the Congress, rarely has questioned the requests or requirements of the military departments for new weapons systems. With the coming of the missile age and the supersonic aircraft, the tendency has been to overlook the conventional and less sophisticated systems needed for limited and special warfare.

This oversight was corrected several years ago with increased funding and emphasis on the latter areas. Now the services appear to be in a race to stake out roles and mission claims in the special warfare area. I do not intend to discuss this further at this time, but merely indicate an impression that did influence my position on several of the research and development authorizations requested by the military departments.

It appears to me that we have reached a plateau in the level of Defense spending for research and development. Unless there is a drastic change in the military threat in the near future, we should be able to enjoy this leveling-off condition in terms of expenditures for several years to come. Because of this belief I feel that the proposed reduction to the research and development budget will neither impair nor delay the development and acquisition of the weapons systems needed to meet present or future defense requirements.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from New York.

Mr. BECKER. At this time I would like to compliment the chairman of the Subcommittee on Research and Development, the gentleman from Illinois [Mr. PRICE]. Having the honor of serving with him as the ranking minority member of that committee, I compliment the gentleman for the magnificent job he has done. He has well prepared our meetings, and I compliment the gentleman for the very splendid service he has rendered.

Mr. PRICE. I thank the gentleman.

Mr. SMITH of Iowa. Mr. Chairman, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GONZALEZ. Mr. Chairman, we are not capitalizing on some of our most important assets in the field of foreign relations. Recently the United States and Mexican Governments completed the Chamizal Treaty concerning certain disputed property in the El Paso-Ciudad Juarez area of Texas and Mexico. The fact that the greatest power in the world today sat down with a sister state to negotiate as equals over disputed property should have been publicized far and wide, throughout Latin America and the world. For it completely puts the lie to our detractors here and abroad.

The Chamizal Treaty was entered into and worked out by President Kennedy and completed by President Johnson. By the terms of this treaty 437 acres of land are being transferred from the United States to Mexico. This is a matter of tremendous moment, exceeding by far the actual amount of land involved. In the world today, where the guiding principles of the Communist bloc are almost exclusively based on power politics, great and powerful nations just do not ordinarily sit down with weaker ones, listen to their demands and grant their just requests. Such disputes usually end in conflict in which the larger fishes gobble up the smaller ones. But this is not the American way. The United States has always been a nation of right, not might.

The entire world needs to know of the Chamizal Treaty. It reveals the falseness and the baseness of the charges of the Communists and our other enemies that we are not a freedom-loving and a peace-loving Nation. The United States has actively sought peace and will continue to do so within the bounds of reason and national security. The Chamizal Treaty is a testament to this.

In furtherance of our efforts to win the peace and to befriend freedom-loving people everywhere President Johnson is leaving Washington, D.C., today to meet with the President of Mexico. One of America's most widely read and most perceptive and thoughtful political columnists is Drew Pearson. His column for this morning concerns in part the forthcoming conference between President Lyndon B. Johnson and President Adolfo Lopez Mateos, of Mexico. Mr. Pearson writes of some of the evils that have hampered relations with our good neighbor to the south. But he also very effectively reveals the basic humanity and good will of the American people. In this lies our true source of strength and our hope for the future.

With the unanimous consent of the Members of this House, I would like to have reprinted in the RECORD the column of Drew Pearson which appears in the Washington Post, February 20, 1964:

THE WASHINGTON MERRY-GO-ROUND: JOHNSON HOLDS MEXICO'S ESTEEM

(By Drew Pearson)

For almost 100 years any Texan was always suspected, sometimes hated, by Mexico. Its people remembered—just as vividly as Texans remembered the Alamo—the War of 1848 when a good slice of Mexico was chopped off by fire-eating, pistol-packing, land-hungry Texans.

Fifty years ago, perhaps even 20 years ago, no one would have believed that a President of Mexico would sit down on American soil to confer with a Texas-born President of the United States.

The fact that it is happening this week is due in part to the more commonsense shown by both nations; in part to the two men who are meeting in Los Angeles; and in part to the people of San Antonio who elected a Spanish-American, HENRY GONZALEZ, to Congress, and to the people of El Paso who elected another Spanish-American, Raymond Telles, as their mayor.

President Adolfo Lopez Mateos is a moderate who has continued the land and economic reforms of the Mexican revolution—at first bitterly opposed by the United States. Lopez Mateos has realized that American tourist trade and American investments mean the difference between prosperity and poverty; so without sacrificing anything in the way of Mexican pride and sovereignty, he has gone out of his way to work at friendship.

He became the first Mexican President in history to cross into Texas, when he visited the L.B.J. ranch while Mr. Johnson was Vice President. And previously he conferred with Mr. Johnson at Acapulco when Mr. Johnson was Senate majority leader.

JOHNSON'S FRIENDSHIP

President Johnson, in turn, is revered in Mexico as perhaps few other American Presidents. Mexicans remember how he toured San Antonio in an old pickup truck campaigning for HENRY GONZALEZ and conceived the brilliant idea of bringing Pepe Cantinflas, popular star of "Around the World in 80 Days," to San Antonio to help GONZALEZ.

But most of all, Mexicans remember an event which occurred during the Korean war when the people of Three Rivers, Tex., refused to bury a Mexican-American boy killed in battle.

The brother of the Governor of Taxco told the story when Johnson went to that city in 1958. Tears streamed down his face as he spoke, and Johnson, who doesn't speak Spanish well, couldn't understand the reason. But here is what the Mexican said:

When a Mexican boy, drafted into the American Army, was killed in Korea, his body was brought back to Three Rivers, Tex., where he had lived. But the one funeral parlor in that little town would not give him a burial because he was a Mexican.

"Whereupon the Senator from Texas who is with us today telephoned from Washington: 'I can't make the funeral parlor bury this boy, but I can bring his body to Arlington National Cemetery in Washington and bury him alongside Presidents.'

"And that," said the Mexican speaker, "is what the Senator from Texas did."

Mr. ARENDS. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. HÉBERT].

Mr. HEBERT. Mr. Chairman, it was not until just a few minutes ago that I knew that I was going to have the privilege of closing debate on this bill. In summation, I should like to be as succinct and as simple as possible, because the issue is very simple.

There is not a Member of this House who does not know that it was a great American, Al Smith, who said, "Let's look at the record." If I knew who said it first I would give him credit when I say, "The proof of the pudding is in the eating."

We are faced here in one area with making a decision which we have made many times before, and that is the area of disagreement as to whether or not this Congress shall discharge its responsibility as written into the Constitution to support the armies and navies of this country. It is in that area that we almost come to an oversimplification of who is right and who is wrong.

Recognizing fully the fact that we have been thwarted in the past by the executive branch's refusing to take our direction or to fund the appropriations which have been given them, we nevertheless cannot escape the fact that it is our responsibility to guide the way. Oh, I know the story of the RS-70. Many of you were not here when the carrier *United States* was canceled out by Executive order.

But if you look back in history and see exactly where the real leadership has come from in the military, you will find it has come from this body, as led by the distinguished gentleman from Georgia, the chairman of the Committee on Armed Services. I certainly will not waste words or time to gild the lily—not enough can be said of him and of his great leadership.

You heard the distinguished and beloved Speaker of the House of Representatives stand here today and make the statement about who led the way on the Polaris, the most powerful weapons system the world has ever known in its entire history. It was the Congress who put that weapon in our hands and built the Navy and the defenses we have. Maybe it is significant that the present Secretary of Defense was not in office then when the Department of Defense followed the lead of the Congress. Perhaps, if that were the case, we would not have had the Polaris today. I can only speak of the future by the past.

The chairman has been most gracious in his comments about the subcommittee which I had the great privilege of heading over the past 12 years. He has been most gracious in naming me as a leader in this field. But this work was not done alone. If ever there was a bipartisan subcommittee, it was that subcommittee. I pause to pay tribute to my dear friend, former Congressman Hess, who headed the subcommittee 1 year and to pay tribute to my successor to whom I have handed the reins and who has helped me so well, the gentleman from Virginia, Porter Hardy. In associating myself with the remarks made by the distinguished gentleman from Illinois [Mr. Arends] as to his appreciation, I point out to him, I too have been frustrated. But I have never despaired though I have been on the brink of despair many times. If I had despaired and if the subcommittee which I headed had despaired, you would have a Secretary of Defense reporting to this Congress today that by 1967 he will be able to save $4 billion a year. He did not say it in his statement, but he conceded as a result of questioning that he owed a great debt to the committee and the GAO. Where did the guidance come from?

It came from 12 long years of prodding by the Committee on Armed Services beginning back with the single catalog as introduced by our former colleague, Jack Anderson, of California, up through the so-called chamber of horrors and up through the hearings and hearings on hearings—and based on accounts furnished by the General Accounting Office and brought to the attention of the public—based on a competitive bidding piece of legislation originally introduced by the distinguished gentleman from Georgia and later introduced by me, passed by this body and the other body, and enacted into law. There is not a single instance in this saving of $4 billion where the guidance has not come from the Committee on Armed Services. But it is a tribute, at least to the ingenuity of the Secretary of Defense who is a genius of management, and I think one of the strongest and most effective Secretaries of Defense I have ever met. And I pay him tribute.

If I had a big business and I wanted a great manager of an automobile outfit like General Motors or Ford or Chrysler, I would unhesitatingly put the Secretary of Defense in charge. He is a genius at management and he has demonstrated it here where he has followed the leadership of people who know. But if I want to know something about the military—if I want to know what the future of America is in the air—I will take Curtis LeMay's word for it.

Too many times now, and continuing too many times, the beardless striplings of the whiz kids are superseding the judgment of the people who have devoted and dedicated their lives to their country in uniform. Why only yesterday it developed in the hearings that the Surgeon General does not have a thing to say about the hospitals in the country. It is a sad state of affairs, I am sure you will agree.

The words I say here are now merely echoing the words you heard in the past. The words may be a little different, but the melody is the same. It is our decision today, now, again, to make positive that we will follow the experts. My friends, the distinguished gentlemen, the self-styled "fearless five," are now reduced down to four. I claim no fearlessness. I am scared to death about what is happening around us, and I am so scared that is the reason why I make this appeal as forcefully as I can for you to support this committee; vote down any amendment that is offered. The gentlemen have asked why did not General LeMay suggest in the Committee on Research and Development, which is headed by the distinguished gentleman from Illinois [Mr. Price], who has done a magnificent job, that he needed this. Why? How could they be so naive? Perhaps the tribute belongs to their youth. They will learn when they get older. Those men in uniform cannot volunteer one single word or iota of information of anything that they believe unless they are asked the right questions, and they were not asked the right questions until they got before the full committee. Then, as the gentleman from New York said, I think after General LeMay said what he had to say through direct questioning of some of us on the committee, he was immediately gagged. This is what we have to put up with. I do not know whether the Defense Department will spend this extra $92 million or not. I do not know, but it is our responsibility to express ourselves here today and to repeat, repeat, and repeat, perhaps with frustration upon frustration, but let us never despair. I exhort you and I ask you, certainly as a great tribute to a great American, to follow the leadership of that distinguished gentleman from Georgia, Carl Vinson, because we shall never see his like here again.

Mr. EDMONDSON. Mr. Chairman, I strongly support the committee bill calling for updating our Nation's arsenal of weapons and assuring a strong and prepared America.

In these perilous times, we cannot afford to permit any part of our vital defense structure to become obsolete or inadequate to maintain our security.

The committee bill is our best insurance of peace today, for the men in the Kremlin understand the language of strength and preparedness better than any other.

I personally regret the committee cuts in research, development, test, and evaluation programs for each of the services, for these programs are indispensable to the preparedness of the Nation in the future, and I am convinced the Bureau of the Budget had already cut severely in these fields.

The day is not far away when mastery of space will be just as essential to the security of America as mastery of the air and the seas is essential today. I seriously question that our military research and development effort in the field of space is adequate, in view of cutbacks already imposed by administrative action.

On balance, however, I support the committee recommendations, and commend the great chairman and other members of the committee for an outstanding legislative job.

The bill should be, and I am sure will be, overwhelmingly approved by the Congress.

Mr. McDOWELL. Mr. Chairman, I fully support the Stratton amendment to strike out of H.R. 9637 the $92 million for a new bomber development program in the Department of the Air Force budget which is not wanted by President Johnson, not recommended by the Secretary of Defense, and was only added to the $16,914,800,000 appropriation bill which we are considering today upon the recommendation of the Appropriations Committee after hearing of testimony by the Air Force alone.

It is clear from the committee's report, as well as the minority report, that this is a continuation of the RF-70 bomber program which has been acknowledged by the Air Force itself as a failure in spite of the expenditure of $1.3 billion. This is completely contrary to President Johnson's economy-in-Government directive, a directive which has been fully agreed to by the Congress. It is not a matter of not appropriating enough money for a strong national defense which is involved in this question. It is entirely clear that the remaining amount to be appropriated under H.R. 9637 is adequate to provide a strong defense program for fiscal year 1965. This is but another attempt by defense industry lobbyists to coerce Congress into a new subsidy program for the aircraft industry. Adequate funds are provided in this bill, H.R. 9637, without this $92 million item to provide for research and development for any needed new aircraft program. In fact, the committee in executive session reduced the research and development requests by $362 million.

Secretary of Defense McNamara deserves the commendation of this Congress for his courage and determination in effecting economies in his Department over the past 2 years, economies which have saved the American taxpayer several billions of dollars. It would, indeed, be irresponsible, in this instance, for Congress to force $92 million on Secretary of Defense McNamara for an unjustified program he does not want or need.

The time has come for Congress to face up to its responsibilities to not only talk about reducing Federal expenditures but to follow the lead of President Johnson and be frugal.

Mr. RUMSFELD. Mr. Chairman, according to page 7059 of the hearings held in connection with H.R. 9637, this bill will authorize $1,474 million in fiscal year 1965 for Department of Defense space research and development programs. This represents a reduction of approximately $140 million from the level appropriated for fiscal year 1964. It is incredible that at a point in history where the Soviet Union is continuing its stepped-up military space programs and scoring space success after space success, our Defense Department's answer to this challenge is to reduce further the already underfunded military space program.

Contrary to what the administration would have us believe, the billions of dollars being expended by the National Aeronautics and Space Administration are not and cannot provide all of the answers to the problems facing this Nation with respect to the military implications of space and the military threat from space which Soviet space activities indicate.

Last year, during debate on the NASA authorization bill for fiscal year 1964, the possible error of our present course was widely discussed. Since that time the administration has consistently refused to recognize the danger to the security of this Nation and the free world which is implicit in our present course. This bill, with a reduction of military space expenditures, is a monument to the negligence of the administration and its failure to recognize the need for a dramatically improved military space capability.

Space provides a new dimension in military strategy. It presents boundless opportunities to the nation which would achieve such a dominant military advantage that it could inflict its aggressive aims upon free societies.

Mastery of near or inner space—the 100-to-500-mile belt surrounding the earth—could provide critical military advantages, enabling a nation to extend and preserve a deterrent strength, or to control, or inhibit those who would use their power aggressively to dominate life on earth. Specifically these advantages include a superior capability in reconnaissance, intelligence, and communications, an ability to direct and control far-flung ground, sea, and air operations, the defensive potential to destroy or neutralize an aggressor's missiles or his space-launched attack vehicles, and the retaliatory capability to respond with space weapons to a surprise attack.

The nation developing only limited military space competence could find itself in the role of a supplicant to a nation which has successfully developed these techniques and employs them to achieve its political aims. For these reasons, the minimal emphasis being given to military considerations in current U.S. space programs exposes the United States to a grave risk. Perhaps nothing is so portentous for the future security of the United States as the prompt establishment of realistic priorities in space expenditures.

Initially, the Soviets repeatedly claimed that their space program was scientific and peaceful in nature. But in December 1961, Premier Khrushchev pointed out that the space ships of Gagarin and Titov could be used to carry nuclear weapons to any point on the globe.

The obvious next step in the Soviet space program—and it would seem to be almost predictable—will logically be a manned earth orbital rendezvous mission. Certainly, when this event is announced, it will point even more dramatically to the Soviet determination to refine their capability in inner space—the most critical area of space from a military standpoint. Given an absolute weapon superiority it would be possible for the Soviets to implement their policies on their own terms.

In the face of these Soviet developments, the United States has assigned only subsidiary importance, both in dollars and manpower allocated, to an inner space capability and military utilization of that medium.

In an attempt to bring about a reevaluation of our national goals in space, I introduced, on August 1, 1963, House Resolution 470 to create a select committee of the House of Representatives to review and reappraise our national space goals. Shocking as it may seem, there is not now and never has been any committee in the Congress concerned with both military and civilian space programs—and the logic of our national space goals.

It cannot be doubted that American nuclear superiority has been the chief, if not the sole, deterrent of major military action by the Communists to further their aim of destroying our society. Yet despite this deterrent, the Communists have brought millions of once free peoples under the yoke of dictatorship behind the Iron and Bamboo Curtains. It takes little imagination to project how long our own freedom would survive should the Russians achieve an unquestioned military superiority through the military utilization of inner space.

Can this Nation pursue any course of action that could possibly lead to a loss of its liberty? The answer can only be no. I ask, then, that we act before it is too late by reevaluating, redefining, and restructuring the priorities of our space program to recognize the Communists' unswerving goal of world conquest and the fatal risk this Nation runs in permitting their possible achievement of that goal through military space superiority.

Certainly, today is no time to stop or retard space exploration. It is, however, past time for a reappraisal and redirection of our space goals. We should not necessarily abandon our ultimate goals of a lunar landing and the use of space for peaceful purposes. I suggest only that in light of the Communist record, the direction of Soviet space programs, and advancing space technology, we first take the necessary precautions to insure that peace and freedom survive. The United States has already achieved a high level of competence in space disciplines and techniques in the 6 years of NASA's life. The question is one of emphasis, of priorities. Bluntly, the question is one of national security.

Mr. PUCINSKI. Mr. Chairman, I rise in support of this legislation and wish to congratulate the committee for the outstanding job it has done in bringing this very difficult legislation to the floor.

I should like to particularly join in supporting the appropriation which the committee has recommended for research on manned bombers.

It was my great privilege to serve under Gen. Curtis LeMay in the 20th Global Air Force during World War II. We were bombing Japan in B-29 bombers which took off from Saipan.

There can be no question in anyone's mind that one of the truly great architects of victory for our side in World War II was Curtis LeMay. It was his genius; his great skill; his confidence and courage; and his extraordniary knowledge of aerial warfare that produced a campaign of havoc over Germany and paved the way for the successful invasion by our forces.

I know of no general in the world's entire history who knew and understood the value of aerial warfare as thoroughly as did Curtis LeMay. He had that outstanding ability to marshal all the resources of our aerial strength and deploy them in a manner that helped bring the Nazis to defeat much sooner than anyone had ever dared imagine. There can be no question that because of Curtis LeMay, this Nation and the free world witnessed the glory of victory sooner and with less losses than any reasonable person could have imagined. Curtis LeMay brought to World War II the devastating techniques of precision daylight bombing, which reaped such destruction on Hitler's industrial centers producing his sinews of war.

And after he helped win the war in Europe, General LeMay came to the Pacific theater where again through his daring and uncanny knowledge about aerial bombardment, he devised the devastating fire raids which brought Japan to her knees.

It was my privilege to fly under General LeMay's command and I can tell this House that anything Curtis LeMay recommends for the future of America deserves the full support of this Congress. Curtis LeMay is a man whose only goal in life is to make America so strong that not only this generation but future generations of Americans will be able to live secure in the knowledge that no enemy would dare violate the world's peace.

It is for this reason, Mr. Chairman, that I join in supporting the committee recommendation. On this very critical issue, I shall go along with Curtis LeMay, architect of victory on two continents in World War II.

Mr. VINSON. Mr. Chairman, I make the point of order that a quorum is not present.

The **CHAIRMAN.** The Chair will count. [After counting.] One hundred and five Members are present, a quorum.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House or Representatives of the United States of America in Congress assembled,

TITLE I—PROCUREMENT

SEC. 101. Funds are hereby authorized to be appropriated during fiscal year 1965 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, and naval vessels, as authorized by law, in amounts as follows:

Aircraft

For aircraft: For the Army, $443,600,000; for the Navy and Marine Corps, $1,854,900,000; for the Air Force, $3,663,000,000.

Missiles

For missiles: For the Army, $282,600,000; for the Navy, $660,100,000; for the Marine Corps, $13,100,000; for the Air Force, $1,730,000,000.

Naval vessels

For naval vessels: For the Navy, $1,966,000,000.

AMENDMENT OFFERED BY MR. PIKE

Mr. PIKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PIKE: On page 2, line 3, after "Marine Corps," strike out "$1,854,900" and insert "$1,722,900".

Mr. HARDY. Mr. Chairman, what about the second part of the amendment?

Mr. PIKE. Mr. Chairman, the amendment is in two parts, but I understand we can take only the first part of it at this time as a matter of procedure.

The CHAIRMAN. The Chair will state that the second portion of the gentleman's amendment is to a section that has not been read.

Mr. PIKE. That is correct. I was going to address myself only to the first portion at this time; but it is immaterial to me, I can do either.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that the entire amendment be considered at this time. We will deal with it as a package, because the money is distributed in different places.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The Clerk will rereport the amendment.

The Clerk read as follows:

Amendment offered by Mr. Pike: On page 2, line 3, after "Marine Corps" strike out "$1,854,900" and insert "$1,722,900".

And on page 2, line 19, strike out "$1,329,500" and insert "$1,290,000".

Mr. GROSS. Mr. Chairman, the Clerk has read $1,854,900. It seems to me that should be billion and not million. May we have the amendment reread?

The CHAIRMAN. Without objection, the Clerk will reread the amendment.

Mr. PIKE. Mr. Chairman, I ask unanimous consent the amendment be withdrawn for the moment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. HOSMER

Mr. HOSMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Hosmer: On page 2, line 10, strike out line 10 and insert: "For naval vessels, including nuclear propulsion for CVA-67: $2,092,000,000."

Mr. HOSMER. Mr. Chairman, a moment ago I said that the United States is engaging upon the expenditure of $277 million very shortly for the construction of a new attack aircraft carrier. I charged that at the time its keel will be laid down and at the time the ship will be launched and throughout her 25 to 30 years of expected life, she will be obsolescent because she will not have nuclear power. In the world today I do not think that the United States can afford to send to sea ships that are not the finest ships this Nation is capable of producing.

The Secretary of Defense has admitted that nuclear propulsion gives us a better, a finer, a more powerful ship than otherwise. But in this case he has simply said that the cost is too much; in other words, cost comes before excellence in defense.

That kind of attitude preceded World War II. That kind of attitude preceded World War I.

The gentleman from South Carolina eloquently argued a moment ago against obsolescence. The gentleman from Louisiana eloquently challenged the ability of the Secretary of Defense to make decisions on military matters of more import than those made by the military people themselves.

And the military themselves do say that we must have, in all instances—the Air Force, the Army, and the Navy—the best possible equipment we can find.

Believe me, my friends, whether you are for or against aircraft carriers, a new one is to be built. The issue is not whether it is to be built, but whether we want to build an obsolete ship or the finest, most modern ship that this Nation can build. If so, we must build a nuclear-powered ship, because for 30 years ahead it must defend freedom on the seas throughout the world. For 30 years this ship must be capable of being adapted to new and unforeseen challenges. It cannot be so unless its enginerooms are powered by nuclear reactors. Thirty years back, we were in the year 1933. Who then could have anticipated the equipment that we would have needed to fight and win World War II? Yet the finest equipment built at that time was capable of adaptation to the emergencies of World War II. The obsolete equipment of that day was valueless. The principle is the same today. We must make this expenditure in order to be able to adapt ourselves to the unforeseen but not unanticipated emergencies of the future.

Mr. Chairman, the sum that I have asked to be placed in this bill is $126 million greater than the amount that is now contained in the bill. That is what it would take to convert this $277 million conversion ship to a nuclear carrier. But when you convert it for this amount of money you buy a 7 years' fuel supply for $32 million, the same amount that conventional fuel for the carrier and her accompanying tanker would cost for the same period. You buy $81 million worth of nuclear propulsion and $13 million worth of refiguring of the hull, all of which give the ship excellence in offense and excellence in defense over the entire lifetime of this ship. This represents only an increase in cost of less than 2 percent a year. It represents an increase in capability of at least 50 percent.

Mr. Chairman, can we afford not to add that cost to get the power? Can we afford not to provide the increased effectiveness of the ships and the safety of the men who sail her and the safety for our Nation by launching on the seas a modern nuclear-powered naval vessel? Furthermore, this conversion to nuclear power can be made without any substantial delay in getting the ship built. With the *Enterprise* nucleared now on the high seas, if we do not make it a nuclear ship, we signal to the Soviet Union that the United States no longer cares about superiority and power, the United States no longer cares about the threat that is now posed against us.

Mr. Chairman, just a few weeks ago the Joint Committee on Atomic Energy held extensive hearings on this subject. Such extensive hearings have not been held by the Committee on Armed Services since 1942. The Joint Committee heard the able naval experts; it has heard the Secretary of Defense and others. Then it reported as follows:

First, that nuclear propulsion provides significant military advantages for surface warships.

Second, that the increased costs attributable to nuclear power are minor.

Third, the new aircraft carrier, CVA-67, should be nuclear powered.

Now, today is the last chance to make it nuclear powered. If this Congress does not act in this amendment, that ship will have conventional power and it will be an obsolete ship, a ship less than the best ship we can build. I believe it would be gross error not to make it the best.

Mr. Chairman, I ask the gentlemen of this House, for the sake of the Nation, to support this amendment and authorize the small additional cost it adds to this bill, and thereby to buy the kind of defense Americans want—the best defense we can buy.

Mr. VINSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to see if we can agree on some time limitation for the discussion of this amendment. I think the committee exactly understands the issue. It is whether we have a conventional airplane carrier or a nuclear-powered one.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

Mr. HOSMER. Mr. Chairman, reserving the right to object, does the gentleman agree that if this action is not taken now that contracts will be let and that the CVA-67 will be a conventional rather than a nuclear-powered carrier?

Mr. VINSON. Yes; I agree that the gentleman is correct about that.

Mr. HOSMER. And does the gentleman agree that the authorization previously by Congress was on the recommendation of the Secretary of Defense?

Mr. VINSON. The Armed Services Committee recommended it to be a conventional carrier after a long hearing, and on recommendation of the Department of the Navy.

Mr. HOSMER. Does the gentleman agree that the nuclear carrier is a superior vessel?

Mr. VINSON. I agree it will cost $126 million more, and that the program will be delayed 5 years.

Mr. HOSMER. I must respond to the gentleman from Georgia's assertion it will take 4 years. The plans have been made on nuclear propulsion and it will not be delayed for more than 6 additional months. It has already been delayed since the 1963 authorization. I must add that this ship must sail the seas for 25 to 30 years. The critical period is when she is built, not when she is building. The protection that this Nation requires is from superior hardware, the kind of hardware that means to the other side strength and a determination that the United States and her free world allies shall remain free. I do not believe we can give that kind of message unless we send to sea our most modern equipment.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia [Mr. Vinson]?

There was no objection.

Mr. VINSON. Mr. Chairman, I ask that this amendment be voted down. In 1962 the Armed Services Committee had before it an authorization for a carrier. After long consideration and after taking lots of testimony, the committee concluded it should recommend a conventional carrier, as requested. Architects were employed, drawings were made, and on April 1 they will let the contract. This coming April they will let the contract for the building of a conventional carrier. It will require at least an additional year to go from the powerplant of a conventional carrier to a nuclear carrier. There is a 1-year delay there. It requires 3 years to build either a conventional ship or a nuclear ship. So you are delaying this airplane carrier at least by 1 year, and it would be 4 years before you got the carrier. All the money that has been spent for drawings, plans, and specifications for the powerplant to be put in the ship would be absolutely wasted.

The committee concluded from all the facts and on the recommendation of the Secretary that the proper type of carrier at this time is a conventional carrier. The House has authorized a conventional carrier.

At this late date the gentleman from California comes in and wants to change it from a conventional carrier to a nuclear carrier. The committee is deeply concerned about nuclear power. We have 91 ships today in our Navy that are nuclear ships. But on the facts submitted in this case we felt we should not duplicate right now the *Enterprise* carrier.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from California.

Mr. HOSMER. I wish to point out to the gentleman this is the first opportunity to bring this decision to the House of Representatives.

Mr. VINSON. I fear that the gentleman is wrong about that, he could have done this last year, for example.

Mr. HOSMER. It is the first opportunity since hearings were held last November on the specific issue of the nuclear carrier out of which a unanimous report was made by the Joint Committee on Atomic Energy. The membership of both bodies strongly recommended that the CVA-67 be nuclear propelled, after considering each and every one of the objections that the gentleman from Georgia has made.

Mr. VINSON. The committee the gentleman refers to is the Atomic Energy Committee. The Atomic Energy Committee did make a recommendation. They could make a recommendation any time with relation to nuclear carriers. But the Congress has gone on record on this particular carrier.

Mr. Chairman, I ask that the amendment be voted down, and I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HOSMER].

The question was taken; and on a division (demanded by Mr. HOSMER) there were—ayes 32, noes 67.

So the amendment was rejected.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read in its entirety and that each section now be open to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The remainder of the bill is as follows:

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during fiscal year 1965 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, $1,397,000,000;

For the Navy (including the Marine Corps), $1,451,000,000;

For the Air Force, $3,205,000,000;

For Defense agencies, $519,000,000.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Page 2, line 17, strike out "$1,397,000,000" and insert "$1,335,000,000".

AMENDMENT OFFERED BY MR. COHELAN

Mr. COHELAN. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COHELAN to the committee amendment: On page 2, line 17, strike out "$1,335,000,000" and insert "$1,342,600,000".

Mr. COHELAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COHELAN. Mr. Chairman, I wonder if at this time I should offer my amendments en bloc, as I have two other amendments to the bill.

The CHAIRMAN. There is pending now only the first committee amendment to this section.

Mr. COHELAN. Very well. I will introduce the others at the appropriate time.

Mr. Chairman, it is because of this procedural point that I am in the position of having to argue this amendment before the amendment to be offered by the gentleman from New York [Mr. STRATTON] to strike the $92 million.

As I indicated in my remarks during general debate, as far as I am concerned there is a serious question of priority here. If we are to add $92 million on the way we apparently are going to do it—without having the opportunity to consider it in the Subcommittee on Research and Development, I think the matter of priority should be very seriously considered. As I indicated in my earlier remarks, I am very reluctant to make a recommendation to cut certain items. This amendment is to restore $7,600,000 for Army military science.

Now what the subcommittee has done is to strike $45.1 million for military science, which is basic research—and very vitally needed research for the armed services.

I am sure you will agree with me, this is just as important if not more important than this problem of the followon bomber and the IMI at this time. The Secretary of Defense has plainly come to the conclusion at this time, we are not at a stage where we can spend sums in dealing strictly with air defense. A number of projects, as we indicated in our report, which we regard as meriting higher priority than the two aircraft were cut by the Research and Development Subcommittee in its efforts to hold research and development spending at an absolute minimum in line with the requirements of national defense and strict budget economy.

For example, $28.5 million was cut from research in military sciences for the Navy; $32 million was cut for aircraft engine research; and $17 million was cut for ship studies.

All three of these items are related to the priority basis of antisubmarine warfare.

For the Army, and this is the pending amendment, $7.6 million was cut for military sciences and $23 million from other equipment, with both items relating to development useful in special warfare operations such as now being conducted in Vietnam.

What this particular amendment, and there will be two to follow, proposes, is simply that we restore $7,600,000 for military sciences for the Army, and I will subsequently introduce amendments for the Navy and the Air Force.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. COHELAN. I yield to the distinguished chairman, the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. I think the committee would be enlightened, if you would just tell us where all of this study is taking place. Where is this research being carried on for the Army, the Navy, and the Air Force? I am asking that because a moment ago you were against increasing the bill and now by this amendment you propose to increase it. I just want to know where all this research and development is taking place. I am sure you can tell us where it is taking place.

Mr. COHELAN. It is taking place in antisubmarine warfare.

Mr. VINSON. I am referring to where it is taking place geographically. That is what I am talking about. That is all I want to know and I am sure our colleagues want to know where all this is going on.

Mr. COHELAN. Geographically this is going on in the universities throughout the country in the basic sciences.

Mr. VINSON. In which particular universities is it going on?

Mr. COHELAN. In many universities throughout the country. The distinguished chairman of the Committee on Armed Services is trying to get me to say this is all going to the University of California, but believe me; it is not.

Mr. VINSON. I see.

Mr. COHELAN. It is going to every university in the country. Of course, this is an extremely important item of research that we need to continue. I do not want you to get pulled off the bag, as it were, because this matter has been called to my attention by the services and there are many areas here that are classified, but it is an extremely important thing.

Let me point out what is going to happen so far as the Navy is concerned. We have told them that they could not cut oceanography. We have told them they could cut other very delicate things in antisubmarine warfare. But there remains, for example, other activities.

Mr. Chairman, I urge the adoption of the amendment.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that debate on the pending amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the Subcommittee on Research and Development was unanimous on this item when it considered the budget request for the Army for military science. All seven members of the subcommittee supported a minimum reduction in this item.

The Department of the Army for the fiscal year 1965 requested $154,200,000 for the military sciences.

The Department of the Army for the fiscal year 1964 was funded in the amount of $147,900,000 for this item.

The committee's recommendation was to allow $146.6 million in authorization for military science or a reduction of only $7.6 million. The two major activities in this item in the military science category are for research and exploratory development. The subcommittee held thorough hearings on this matter. There are a number of items within this category. The subcommittee has allowed the Department full flexibility in reprograming within this category, so that in the opinion of the subcommittee, and unanimously at the time, there was little opportunity for this category to be hurt by this minimum reduction. Since the action of the subcommittee was unanimous and has been unanimously endorsed by the full committee, and since this is a very minimum reduction on a $154 million item, I ask that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. COHELAN] to the committee amendment.

The amendment to the committee amendment was rejected.

The CHAIRMAN. The question now recurs on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read the next committee amendment.

The Clerk read as follows:

> Committee amendment: On page 2, line 19, strike "$1,451,000,000" and insert "$1,329,500,000".

AMENDMENT OFFERED BY MR. COHELAN

Mr. COHELAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. COHELAN to the committee amendment: On page 2, line 19, strike "$1,329,500,000" and insert "$1,358,000,000".

Mr. COHELAN. Mr. Chairman and Members of the Committee, this specific item refers to the Navy and on this $45.1 million for military science what we have done inadvertently is to cut the Navy some $28.5 million, which I think any fair person will agree is a disproportionate amount. The object of my amendment is to take the whole area of military science and give each service the amount they requested in an effort to try to adjust what is an obvious inequity.

What we have done—and I am sure we did not intend this—was to cut $28.5 million from the Navy requests for research and development in the field of military science where they are doing some very distinguished work.

Mr. Chairman, I have here letters and correspondence from areas throughout the country where this work is going on, where they have made a point that this is going to affect seriously some of the very important work that the Navy is carrying on. For example, I quote from a report on the impact of what we have done.

It goes on to point out that:

> Due to constraints which may not allow reduction of funding in oceanography, ARTEMIS and in other antisubmarine warfare areas, the remaining items in this budget activity will of necessity suffer a disproportionately large cut, 20 percent. With the cost rise of 5 percent per year, the reduced fiscal year 1965 program of $98.6 million represents a reduction of 19 percent below the equivalent fiscal year 1963 level ($110.0 million plus 5 percent per year for fiscal year 1964 and fiscal year 1965—$121.3 million).

Mr. Chairman, I think this is manifestly unfair. If we are going to put in arbitrarily by action of the full committee an item of $92 million it would seem to me that this is the proper place to express one's self on what we think priorities should be. I would suspect that if the services had their choice as between what may happen to the $92 million and what would happen in connection with the $45.1 million, they would choose the $45.1 million.

Mr. Chairman, so that there will be absolutely no mistake about who the beneficiaries will be in connection with this particular item on military science I want to refer you to the hearings at page 7635 and following pages, which will give you a complete list of the educational and nonprofit institutions which receive military prime contracts for experimental development, test, and research work for 1963. My own University of California is included among those. It is an array of great colleges throughout the country; University of California is certainly among them along with every other university in the country. It so happens that the sum total as listed in the committee report as far as the University of California is concerned is a mere $12 million. And you must remember that this must be related to the size of the institution.

Let me point out what is going on in some of the other great institutions. Georgetown University is receiving some; George Washington University also, and let us not forget that the Georgia Medical College in Augusta, Ga., is receiving some, as are universities in almost every State of the Union represented by every member on the committee. So this is not a personal matter of whim with me. It is a very, very important item which I consider to be even more important than the addition of $92 million for the follow-on bomber above the already authorized levels.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. PIKE. Mr. Chairman, reserving the right to object, would this be on the committee amendment and all amendments thereto?

Mr. VINSON. On this amendment.

Mr. PIKE. On the amendment offered by the gentleman from California?

Mr. VINSON. That is right. We are trying to deal with one of you at a time.

Mr. PIKE. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PRICE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment is directed toward the largest request in the research and development budget for military science; that is, from the Department of the Navy. The Navy requested $190,458,000 for this budget activity. The committee recommended $161,958,000, a reduction of only $28½ million.

Mr. Chairman, in the opinion of the committee, the unanimous opinion of the committee, it was felt that this small reduction would allow a continuation of efforts in fundamental research and exploratory developments at a level only slightly below that of fiscal year 1964, and above the funding level of fiscal year 1963.

The Navy had the largest research and development effort in military science, and this particular category is spread over 10 different budget efforts. Therefore, the reduction is at a very low figure for the 10 different budget estimates.

Mr. Chairman, the portion of this budget activity that is disturbing to the committee is the area of management and support which shows a funding increase of almost 50 percent since fiscal year 1963. This is the result of increased contract efforts with nonprofit institutions to conduct operational studies and analyses.

Mr. Chairman, the committee believes that these efforts can be reduced to the fiscal year 1963 level without endangering the defense posture of the Navy.

Mr. Chairman, I suggest the defeat of this amendment and I ask for a vote thereon.

The CHAIRMAN. The question is on the amendment of the gentleman from California to the committee amendment.

The amendment to the committee amendment was rejected.

AMENDMENT OFFERED BY MR. PIKE

Mr. PIKE. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

> Amendment offered by Mr. PIKE to the committee amendment: On page 2, line 19, strike out "$1,329,500,000" and insert "$1,290,000,000.".

Mr. PIKE. Mr. Chairman, after some procedural perils, I find myself here with half of an amendment to the entire bill. I am obliged to do it in this manner because of the parliamentary situation. However, in order to simplify it I would like to say that this particular amendment takes $39.5 million out of the Navy's R. & D. The other amendment which I shall offer takes $132 million out of the Navy's R. & D., representing a total of $171.5 million.

Mr. Chairman, the program intended to be affected by these two amendments is a new naval attack aircraft, called the VAL. I discussed earlier the fact that this program which will finally culminate in a better than $2 billion appropriation was commenced as a reprograming action, although in fact this is 90 percent the procurement of a new aircraft.

Mr. Chairman, I would like now to talk about the merits of this plane. I believe that this program should be judged in conjunction with the merits of other aircraft which are now in production or which are under development.

Aside from our long-range strategic bombers, both the Navy and the Air Force have two basic types of fighter aircraft. They have the interceptor aircraft designed to fight way up there and the attack aircraft designed to fight way down there. The interceptor was designed to intercept other planes. The attack aircraft is designed to help troops on the ground. The Navy says they have plenty of interceptor aircraft designed to fight way up there.

We were told earlier in general debate there are not any new interceptors under development, there are not any new interceptors under production.

I call your attention to page 7721 of the hearings where Navy Secretary Nitze refers to the TFX as an interceptor. I call your attention to page 7236 where the Chief of Naval Operations refers to the F-4 as an interceptor. The Navy calls both of these airplanes interceptors.

The Air Force, on the other hand, manufacturers the F-110. It is a McDonald Phantom aircraft. They call it an attack plane. The Air Force is also going on with the TFX program. They call that an attack plane. So today the Navy is producing one plane it calls an interceptor, and it is preparing to produce another plane it calls an interceptor. The Air Force is producing a plane it calls an attack plane, and it is prepared to produce another plane it calls an attack plane. They are the same aircraft. The Navy says it needs a new attack plane because it has not any attack planes, but it already has the same two planes that the Air Force calls attack planes.

What will this magnificent new naval aircraft do? I quote from page 7319 of the hearings, the witness being Admiral Thach:

> Question. Admiral can you tell me any mission which your new VAL can accomplish that the A-6A you have just shown us cannot accomplish?
>
> Answer. No, sir. Both can accomplish the mission that we have in mind.
>
> Question. Is it not true that the A-6A which you have just shown us can accomplish a great many missions which the VAL that you now propose to buy cannot accomplish?
>
> Answer. That is true, sir.

That is what the Navy thinks about this program. What does the Air Force think about this program? We have heard so much about General LeMay and what a wonderful mind General LeMay has, both as to fighters and bombers, and I agree. But this is what he says regarding this VAL program on page 7515. This is the position of the Air Force:

> We won't be interested in it, because, as I understand it, it is practically the airplane they are flying now with a new engine in it, which would give a little more range, a little more load-carrying capability, but nothing like the TFX. I believe the TFX will be a better airplane, not only from the user's standpoint, from a tactical standpoint, but I think it will prove out from an economic standpoint; from a cost effectiveness standpoint the TFX will be much better.

Mr. Chairman, I ask that the pending amendment be adopted.

Mr. VINSON. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Chairman, I hope the committee will vote down this amendment. We had a very fine hearing on this new plane. This plane operates off the airplane carriers. You might classify it as an attack bomber.

Four big companies in the United States were invited to participate. It so happened that we did not have enough planes to go around, so they had to select one company. They did not select the company located in the district of my friend from New York. They selected another company, the Ling-Temco-Vought Co. down in Texas. The Navy came before the committee and said Congress had authorized money in 17 other instances, and they would like to reprogram some of that money. They also said that the Secretary of Defense was going to let them have $15 million of his emergency fund to use also. So after a lengthy hearing, the Armed Services Committee by a rollcall vote of 26 to 6 agreed to the reprograming. After it had agreed to the reprograming, which authorized 3 to be built, then they came before the committee in the consideration of this bill and said they wanted to buy 35 planes. The 35 planes would cost $105,800,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VINSON. Mr. Chairman, I ask that this amendment be voted down.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. GUBSER].

Mr. VINSON. Mr. Chairman, I thought all time had expired.

Mr. GUBSER. I will be glad to yield to the gentleman.

Mr. VINSON. I have said enough. Everybody knows you cannot do everything you want to do. But I am not concerned about these things. I am concerned about an adequate national defense. Here is a plane that can fly twice as far as the planes they are replacing on our carriers, and carry twice the load. I ask that this amendment be rejected.

Mr. GUBSER. Mr. Chairman, in the time remaining may I say I agree completely with the gentleman from Georgia, the chairman of the committee. May I say that the TFX, the F-111 as it is sometimes called, is technically an interceptor, but it is a fighter interceptor. On page 7221 of the hearings it is said that the F-111 will provide greater "fighter capabilities" for less carrier deck space. There is no interceptor under development which will perform the mission of the IMI which this amendment would delete.

Mr. BENNETT of Florida. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to speak briefly today in support of H.R. 9637, this year's authorization bill for aircraft, missiles, and naval vessels, and for the research and development carried on by the Department of Defense. I would like to deal with three particular matters since they represent areas of special interest to me.

The first of these is, I think, one of the most interesting and more important developments in recent years. I am referring to the Army's Air Assault Division which is now training and experimenting at Fort Benning, Ga.

I have seen—and I am sure that you have seen—references in the press which tend to create the impression that the Army is building up its own Air Force. This, of course, is a matter which has been the subject of question over the years and I felt that this should be inquired into and the true facts discovered. I did exactly this and this is what I found out.

The Army, at the direction of the Secretary of Defense, at present is testing a concept in which aerial vehicles replace conventional means for the movement of troops and supplies, and also replace some of the traditional fire support systems with armed aerial platforms.

Land warfare is based upon the two basic essentials of firepower and maneuver. The firepower of today's soldier has increased many times over his World War II counterpart, but his mobility, until recently keyed to the wheel, has changed but little. By getting the soldier away from the friction of the earth's surface, he can transcend obstacles and, more importantly, can avoid much of the ground based fire of the enemy. I am told that in World War II and Korea over 90 percent of the casualties in our Armed Forces were suffered by soldiers on the ground.

The air mobility concept was born as a result of exhaustive studies conducted to determine the best methods of reducing the ground soldier's exposure to enemy ground based fires, thereby reducing casualties, and of increasing his ability to move rapidly around the battlefield, thus reducing the size of forces required.

As you know, the Army has just reorganized its divisions to make them more flexible, to increase their firepower, and to adapt them to the requirements of the modern battlefield. The Army is justly proud of the results of this reorganization. Using the new infantry division as a base the Army has developed and organized an experimental air assault division. This experimental division, designated the 11th Air Assault Division, was activated last February at Fort Benning, Ga. In this new type division they have added some 350 aircraft, but have reduced the number of trucks by over 1,800 and have taken out all the tanks and medium artillery. The weight of equipment in this new division is substantially lighter, actually about one-fourth the weight of a standard infantry division.

To compensate for the loss of medium artillery and tanks, the air assault division includes an aerial rocket battalion and a Little John rocket battalion.

The Army is now training the personnel and testing the concepts of employment of this division to determine if it offers significant advantages over divisions already in being. The first test of a reinforced infantry battalion at Fort Stewart, Ga. last fall indicated that the air mobility concept shows great promise. Additional testing by the Army and also by the Joint U.S. Strike Command will be held this year.

The Army recognizes that the air assault division is not a panacea for all types of warfare. In fact Army officers candidly discuss certain limitations in the concept. They concede that low and slow flying aircraft which live and operate in the frontline environment are vulnerable to enemy action, but not nearly so vulnerable as a slow moving column of trucks or infantry marching on foot. The current lack of an all-around-the-clock capability for Army aircraft is often cited as affecting the sustained fighting ability of air mobile units. This is an area to which the Army is devoting a considerable effort and has a reasonable expectation of developing improvements in bad weather capabilities.

As I mentioned earlier, the initial tests of air assault units show great promise. There will be no decision by the Army or the Department of Defense however, as to placement of air assault division in the force structure until all the results are in and have been completely evaluated. But I feel the Army can point with pride to the steps which they are taking to enhance the effectiveness of their forces by examining bold new concepts for land warfare in the future.

I mentioned that I was going to discuss three matters relating to H.R. 9637. The second of these is the VAL, spelled V-A-L, airplane in which the Navy is showing such a great interest. V, is the designation for a heavier than air aircraft; A, stands for attack; and L, is the symbol for light; a light attack aircraft which will be able to carry a much greater payload than the Skyhawk, and will have almost twice the range of the Skyhawk. This means, of course, that VAL will have more time on station for any close support mission.

Last year the Navy in reviewing the entire picture of its air-strike capabilities found that the A4 series of aircraft did not fully meet its present requirements. The A4 aircraft was designed in the late forties to deliver at the least possible cost a single nuclear weapon.

Today with our great Nation faced with an ever increasingly and vitally important limited war role for our aircraft carriers, the Navy determined that a more versatile aircraft with a great nonnuclear capability is required. Although this is a new buy, it is not a completely new aircraft. The VAL in effect is an improved version of the F8E Crusader. It will be modified primarily for its attack mission.

On February 11 of this year the Navy announced the selection of Ling-Temco-Vought, Inc., of Dallas, Tex., as the winner of the design competition. The selection was made from proposals submitted by four aircraft companies: Grumman, North American, Douglas and the Ling-Temco-Vought. The Navy expects that a fixed price development contract will be awarded in the near future. In its fiscal year 1965 request the Navy has asked for 35 VAL at an initial unit cost of $3,033,857. It is expected that the unit cost, however, will average out at approximately 1.7 million over the life of the VAL program. These figures include spares and repair parts.

I consider this VAL program one of the most important, if not the most important, current effort and current program that the Navy has presented. I consider it to be essential to have an aircraft with the characteristics of the VAL and to have that airplane in the shortest possible time.

The third matter which I would like to deal with is the addition to the bill of $92 million.

I feel the same concern that you have heard voiced so often; that is, that we are headed down a road which leads to the total abandonment of the manned bomber.

It has always been a matter of complete paradox to me that those charged with the responsibility for defending the United States could be so shortsighted as to place all of our capabilities in one single weapon system.

I do not mean to say by any means that that has been done. What I do mean to say is that it is an inevitable consequence of the course now being followed by the Secretary of Defense. He is a brilliant and capable administrator; of this there can be no doubt. But I simply cannot find myself in agreement with him that we should not at this time start on a new bomber when we know that it is somewhere between 7 and 9 years from the time that the studies start on such a complex system to the time that the individual service actually begins to fly the plane as an operational weapons system.

As a matter of fact, in my own opinion, I wonder why we did not start this years ago. I think we are already late.

Mr. McNamara himself said and I quote:

> We plan to continue a mixed force of missiles and manned bombers throughout the entire planning period, fiscal years 1965–69. Although most of the aiming points in the Soviet target system can be best attacked by missiles, the long-range bombers will continue to be used in the followup attack, particularly against hard missile sites and against the targets which need not be attacked within minutes; for example, weapon storage sites.

In the committee report, the committee asks, and I ask here: What is the plan if war does not occur during the life of our present bombers—the B–52 and the B–58? What will then be used to attack hard missile sites and weapon storage sites?

As I say, the whole matter is incomprehensible to me and I will say only this: I voted for the addition of the $52 million for the follow-on bomber and the $40 million for the manned interceptor. In my heart and in my mind I feel that I have done the right thing for my country. I can only hope that my strongly felt belief will be reflected in the vote on this matter in the House today.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. PIKE] to the committee amendment.

The amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

> Page 2, line 20, strike out "$3,205,000,000" and insert "$3,140,000,000".

Mr. COHELAN. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

> Amendment offered by Mr. COHELAN to the committee amendment: Page 2, line 20, strike out "$3,140,000,000" and insert "$3,149,000,000".

Mr. COHELAN. Mr. Chairman and members of the Committee, I shall not detain the Committee long. I am offering this amendment as a matter of consistency. This proposed amendment merely adds to the Air Force request for air science the sum of $9 million and will raise the existing sum by that amount. Of course, this is part of the overall $45.1 million that I have been seeking to restore in the bill.

Mr. Chairman and members of the Committee, the report, as you know, praises Mr. McNamara for his accomplishments in saving money in the Department of Defense. But most of the major savings that the Secretary has made were possible only because he had the courage to oppose the expenditure of funds for projects which had not been fully considered or defined.

The items I have been proposing to be retained in the bill are all items that have been requested by the various services and supported by the Department of Defense. Indeed, I feel sure the Air Force itself would prefer to use any funds that the Committee of the Whole might wish to restore in the bill for a project such as this.

Mr. Chairman, I ask for an "aye" vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. COHELAN] to the committee amendment.

The amendment to the committee amendment was rejected.

AMENDMENT OFFERED BY MR. STRATTON

Mr. STRATTON. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. STRATTON to the committee amendment: On page 2, line 20, after "Air Force" strike out "$3,140,000,000" and insert "$3,048,000,000".

Mr. STRATTON. Mr. Chairman, in the past few minutes somewhat because of the strange parliamentary situation, the fearless four have been somewhat fractured. But lest there be some confusion with some of the amendments that have been offered previously, the amendment which has just been offered is an amendment that is being offered in behalf of our group on the Committee on Armed Services. It is the amendment that was brought to your attention by the letter circulated to the offices of Members of the House yesterday. It is the amendment proposed in the additional views which were circulated and which were printed. It is the basic amendment addressed to the arguments that have taken place on this floor this afternoon in those very minor areas such as the gentleman from New York [Mr. PIKE] has pointed out which are controversial in this bill; namely, the wisdom of expending $92 million for two additional aircraft which are either not very well conceived or which yet have not been properly integrated into the defenses of the country.

The hour is late, Mr. Chairman. I do not want to take the time of the Committee at this hour to discuss this at length. I think that probably we understand it well. This is the economy amendment. This is the amendment that those of you who supported us last year when we asked your help in striking out the $363 million for the B-70 plane want to support now and we will welcome your support. This is the amendment that those of you who for some mistaken reason perhaps, did not have the opportunity to support us on that amendment and, of course, have been regretting it, since this plane still has not gotten into the air—as I say, this is the amendment which you can now join us in supporting and erase your mistake of the last time.

This is the economy amendment. May I just say one thing more, Mr. Chairman. You have heard a lot about our B-70 getting old; and about our B-70 going out of inventory; and about us not having any manned bombers in the 1970's. Do not believe it. We have invested $18 billion in the B-52 force which we have at the present time. We have expended $1.6 billion in improving and strengthening this force and to have it continue. In this bill there are $306 million more for strengthening this force.

Talk about getting old. The 707 jet aircraft, which many of you hope to catch, if we can get out of here in time, to go back to your home districts, have racked up to date twice as many flying hours as the B-52's will have by 1970, and that, after all, is the real measure of an aircraft. Here is a safe, sound, economy amendment, and I hope it will be adopted.

Mr. ICHORD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and Members of the House, I am the Member referred to by the gentleman from Louisiana as the one who decimated the five last year to four this year. I did join with the two gentlemen from New York, the gentleman from California, and the gentleman from Michigan in the fight on the RS-70 issue, because I thought they were right on that issue. I still think we were right on the RS-70 issue. I think that history has proven we were right on the RS-70 issue. But, ladies and gentlemen of the House, this is an entirely different issue. It involves an entirely different concept. The issue is very simple. The last B-52's and B-58's were delivered in 1962. Those B-52's and B-58's are wearing out. At the present time we do not have anything in the mill to replace those B-52's and B-58's when they are obsolete. All of the experts agree that we need a follow-on bomber to replace the B-52's and B-58's. We need a mixed force of bombers and missiles. This, in my opinion, Mr. Chairman, is not an economy amendment; it is an amendment which will cost this Congress, this Government, more in the long run if you do not take this step to put the follow-on bomber in the mill now.

Dissent, Mr Chairman, I think is a healthy thing, but healthy defense of the country is imperative, and this will destroy that healthy defense. I hope the amendment is defeated.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I yield to the gentleman from Virginia.

Mr. HARDY. Let me compliment the gentleman for the statement he has made. He has pointed out the fact that at least this year was different from last year.

Mr. ICHORD. Entirely different.

Mr. HARDY. And we are talking about an entirely different matter. The gentleman very aptly said we do not have any follow-on bomber beyond what we have now that are actually in service and fast becoming obsolete and running out.

Mr. ICHORD. That is correct.

Mr. HARDY. The gentleman did not mention the IMI. That is the other facet of this total item. That is the one portion to which I would like to address myself. I will not take up much time on it, but as a result of the hearings of the subcommittee conducted on the defenses of this country, I came to the strong conclusion that we are urgently in need of developing an improved IMI to defend our own country. It is something that must be done.

Mr. ICHORD. I agree wholeheartedly.

Mr. HARDY. And the other parts that are in this amendment that the committee added are absolutely necessary, in my opinion.

Mr. ICHORD. The gentleman is absolutely correct.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I yield to the gentleman from New York.

Mr. BECKER. I want to join with the gentleman and I want to say to the gentleman in answer to the statement, let us be perfectly fair about this. The Joint Chiefs of Staff, Army, Navy, and Air Force, jointly and collectively agree that we need this bomber and we need this interceptor. It is not done because of General LeMay alone. The testimony in this book here conclusively points out that the Joint Chiefs of Staff insist that they need these two; namely, the follow-on bomber and the manned interceptor.

Mr. ICHORD. That is correct.

Mr. HARDY. Will the gentleman permit one other comment on that score; namely, that the other point was developed by our subcommittee in its hearings last summer with respect to the IMI.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I yield to the gentleman from California.

Mr. GUBSER. To carry the point made by the gentleman from Virginia a bit further, I would like to ask the gentleman from Virginia through the gentleman from Missouri whether or not it is true that we knowingly accepted a degradation of our air defenses through the phaseout of certain radar centers in anticipation that we could trade this saving off on a faster development of the improved manned interceptor.

Mr. HARDY. If the gentleman will yield, let me say the matter here involved was included in a classified report. I cannot discuss this item by item, but we can probably say this, that the military anticipated the IMI would offset the degradation which might otherwise occur.

Mr. GUBSER. That is correct.

Mr. PIKE. Mr. Chairman, I rise in support of the amendment.

This amendment we are now discussing is indeed, as the reformed gentleman from Missouri has said, a new program. It is an entirely different program and if we do not accept this amendment what it is going to mean is we are going to have two follow-on bombers under development in the United States of America at the same time next year. That is what it is going to mean. We have not buried those B-70's. They are out there in California. They are sitting there in the hangars. They are going to fly some day. Do we need develop two manned bombers at the same time? Why do we not wait and see if we get these things off the ground? The same people who are promoting this new follow-on bomber this year were standing up in this House on this floor at the same time last year saying, "The B-70 is ready to fly."

The B-70 is not ready to fly. The B-70's delays are costing us today $15 million a month just for standstill time. This is the manned bomber that we are developing right now. Now they say one additional manned bomber is not enough, we have got to have two additional manned bombers. That is what this program is. This is a completely new and completely different program. Before the other one is even completed, for heaven's sake in a sense of reasonableness, let us wait until that B-70 flies. Let us wait until it gets off the ground. Let us wait until we learn from the B-70 program all we can learn from it. It has cost us $1.5 billion for a 3-plane program by the time we get it off the ground.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. PIKE. I am glad to yield to the gentleman from Vermont.

Mr. STAFFORD. I would like to address a question to my distinguished colleague from New York who serves on the Research and Development Subcommittee. Was any presentation made in our committee asking for justifying this $92 million?

Mr. PIKE. No presentation whatsoever was made to the Research and Development Subcommittee asking for this $52 million. This was not something that we took out of the Air Force budget. This was something we put in the Air Force budget they did not even ask for.

Mr. STAFFORD. Can the gentleman tell me if there were not some funds included in the budget for the program definition on the B-70?

Mr. PIKE. There are included in the budget without this $52 million follow-on bomber money $75 million for the B-70 development plus $5 million for the development of a new follow-on bomber concept.

Mr. STAFFORD. Is it the opinion of the gentleman that this $92 million is not necessary this year or could not be effectively used this year?

Mr. PIKE. I would say the gentleman is absolutely correct. Nobody says that there should not ever be another manned bomber but, for heaven's sake, let us learn what we can learn from the $1½ billion we have already spent on the B-70 before we go hog wild on another one. All we have learned at this point for the $1.5 billion which we have invested in that program is that this is not the way to build a new manned bomber.

Mr. STAFFORD. I thank the gentleman for yielding.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. COHELAN] for 1½ minutes.

Mr. COHELAN. Mr. Chairman, I rise in support of the amendment and I yield to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, I appreciate the gentleman yielding to me.

Mr. Chairman, the gentleman from New York [Mr. BECKER] referred a moment ago to the Joint Chiefs of Staff with regard to this follow-on bomber.

I would like to call the attention of the Committee, Mr. Chairman, to the hearings at page 7477 at which General LeMay says that the Joint Chiefs said we should go ahead with the bomber. However, the chairman of the Joint Chiefs qualified his statement to some extent, that he did not buy the long leadtime items which would go into just the program definition phase.

Mr. Chairman, we have the $5 million in there to go into the program definition phase. What General LeMay did not tell the committee, but what is a fact, Mr. Chairman, and I have been authorized to say so, is that the Joint Chiefs sent a memorandum to the Department of the Air Force after they took this action specifically asking the Air Force to give them a little better idea of exactly what this follow-on bomber was all about. This is what the $5 million is for.

Mr. Chairman, until those questions are answered, we would be wasting money to spend another $93 million, as the committee has proposed.

Mr. COHELAN. Mr. Chairman and members of the Committee, I want to point out in the very brief time I have remaining that if we put in this $92 million for a follow-on bomber and for an IMI aircraft, which is incidentally in quite a phantom state and we have $5 million in the budget for it.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. NEDZI. Mr. Chairman, I ask unanimous consent that my time be allotted to the gentleman from California.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COHELAN. Mr. Chairman, I thank the gentleman from Michigan. I sincerely appreciate it.

Mr. Chairman, if this money is authorized, as it was authorized in the B-70 program of last year, I have a strong feeling that it is very unlikely the Committee on Appropriations is going to appropriate this money. Not only that, I have grave doubts as to whether or not the Defense Department will use the money if it is appropriated, simply because we do not in fact have a proper and acceptable proposal.

Now, Mr. Chairman, there is no one objecting to these follow-on studies. They are already in the conceptional phase. Once they bring up a program and tell us what they are talking about, then we can consider and approve the program. What we have been pleading for with the members of the Committee all afternoon in general debate—for those members who were not here—was to ask the members of the Committee to refer this matter back to the Research and Development Subcommittee where we can deal with it properly, correctly, and constructively; where we can make urgent and serious study of the IMI and the FOB.

Mr. Chairman, this is a very complex and difficult question. It is not to be solved simply by throwing money at it. And we already have $5 million planned and approved for fiscal 1965.

Let me quote what Dr. Brown said when he was before our Subcommittee on Research and Development:

> However, to insure against uncertainty or possible errors in our present estimate of future wars, continuing systems studies of alternative manned aircraft systems are warranted.

Mr. Chairman, the money is in there, but we do not need $92 million in this year authorization bill.

I urge you to support the pending amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Chairman, I doubt whether any member of the Committee on Armed Services has voted any more consistently toward economy than I. Today we are faced with a matter of national defense. General LeMay says that we need this bomber. Dr. Brown, as has been stated, says that we do not need it.

In this matter, are you going to listen to General LeMay or to Dr. Brown? It is just exactly that simple.

We went into this matter fully in committee. Five members voted against it. One later has repented, for which I am happy.

It is undisputed that even with the money in the bill we will not have a new bomber until 1972. If you wait until next year it will be 1973.

The question is: Are you going out of the bomber business? Today we are still ahead of Russia in bombers. If we cease to go forward and Russia does go forward, and she is certainly going forward in the matter of the production of bombers and in research and development of bombers, we will ultimately be inferior to Russia.

Are we going to listen to General LeMay, and no one questions but what he is the greatest authority in the world on this matter, or are we going to listen to Dr. Brown, a 33-year-old physicist? That is the answer we will have to make in our vote on this amendment. I urge this committee to vote against this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, it seems to me that the basic issue involved in this amendment is whether or not we are going to paint ourselves into a missile corner and rely entirely on one concept of defense, or we are going to take the concept which has proven so successful and retain the bomber which is prepared to meet any eventuality.

I observe that a bomber can be airborne and still reserve the right until the last moment before the release of a bomb to turn back on command from the Commander in Chief. That is something that can happen in pushbutton warfare.

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from South Carolina.

Mr. RIVERS of South Carolina. These are capable of low or high penetration. There is nothing that can compare with it anyplace in the world. The state of the art will be lost if you cut this money out; the state of the art on interceptors will be lost if you cut this out. The case is in your hands.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Chairman, regardless of the merit or demerit of this bill, and I expect to vote for it, one thing that has impressed me is the fact that the gentleman from Georgia, [Mr. Vinson] is apparently closing out his long Congressional career by establishing some kind of a record. Here is a $17 billion bill, and it is printed on two short pages.

I do not recall during my time in Congress of another bill being presented to the House, involving the expenditure of $17 billion, which involved less than two pages of double spaced type.

If the gentleman from Georgia does not retire this year, I wonder if next year he will be here with a bill containing one printed line, $17 billion? I personally would like to see more line items, advising where the money will be spent. On the other hand I do appreciate the economy in paper and printing.

The CHAIRMAN. The chair recognizes the gentleman from New York [Mr. Becker].

Mr. BECKER. Mr. Chairman, I rise in opposition to the pending amendment. I might say to my very dear friend from Iowa, the chairman of the Committee on Armed Services is not the only one retiring this year.

Everything is being thrown, studies, and so forth, and they are distorted and twisted.

I do know of one thing, however: when Members have an interest in their own districts they have an entirely different attitude. Actually, the thing we are arguing about is $52 million for the definition phase of bombers.

The gentleman from New York, my colleague, did not refer to certain testimony in here. I said:

> I am sick and tired of study, and spending $5 million for studies which we do not get anything for.

That is why General LeMay testified for $92 million.

The second reason they did not come before the Research and Development Subcommittee was that the services were not permitted to, by the Secretary of Defense and by the Budget Director. The only things they could testify to were the questions we asked them and what was in the budget requests. It was not until we got to the full committee that we were able to develop with General LeMay that the bombers and interceptors were badly needed.

I will close by reading this testimony, and I will not take it out of context. It closes out this entire argument. This is the testimony of General LeMay:

> Mr. Becker. Now, let me ask you this question, General: Has this matter of the bombers and interceptors been thoroughly discussed in the overall defense with the Joint Chiefs?
>
> General LeMay. Yes, it has.
>
> Mr. Becker. And what are their feelings? Have they made any determination?
>
> General LeMay. The Joint Chiefs have said we must go ahead with the IMI.
>
> Mr. Becker. With the bomber.
>
> General LeMay. The Joint Chiefs said we should go ahead with the bomber. However, the Chairman qualified his statement to some extent, that he would not buy the long leadtime items, but he would go into just the program definition phase.
>
> Mr. Becker. Now, this is the Chairman of the Joint Chiefs?
>
> General LeMay. Yes, sir.
>
> Mr. Becker. I was talking about the Joint Chiefs, Army, Navy, Air Force.
>
> General LeMay. The Joint Chiefs shared my view that we must go ahead.
>
> Mr. Becker. They share your views irrespective of the Chairman; the Chairman has a modification in here?
>
> General LeMay. That is right.
>
> Mr. Becker. What about the interceptors?
>
> General LeMay. We all, including the Chairman, agreed about the interceptors.
>
> Mr. Becker. Mr. Chairman, I don't know what we are waiting for.

Mr. VINSON. Mr. Chairman, enough evidence has already been submitted to the Committee to justify an overwhelming defeat for this amendment. I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. Stratton] to the committee amendment.

The question was taken; and on a division (demanded by Mr. Stratton) there were—ayes 29, noes 121.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

> Page 2, line 21, strike out "$519,000,000" and insert "$497,000,000".

The committee amendment was agreed to.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Donohue, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 9637) to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes, pursuant to the resolution, House Resolution 631, he reported the bill back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. ELLSWORTH. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ELLSWORTH. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. Ellsworth moves to recommit the bill, H.R. 9637, to the Committee on Armed Services.

Mr. VINSON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. VINSON. Mr. Speaker, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

The question was taken; and there were—yeas 336, nays 0, answered "present" 1, not voting 94, as follows:

[Roll No. 39]

YEAS—336

Abbitt
Abele
Abernethy
Addabbo
Albert
Alger
Andrews, Ala.
Andrews, N. Dak.
Ashbrook
Ashley
Aspinall
Auchincloss
Baldwin
Baring
Barrett
Barry
Bates
Battin
Becker
Beckworth
Beermann
Belcher
Bell
Bennett, Fla.
Bennett, Mich.
Betts
Blatnik
Boggs
Boland
Bolton, Oliver P.
Bonner
Bow
Brademas
Bray
Brock
Bromwell
Brooks
Brotzman
Broyhill, N.C.
Broyhill, Va.
Burke
Burton
Byrne, Pa.
Byrnes, Wis.
Cahill
Cannon
Chamberlain
Chelf
Chenoweth
Clancy
Clark
Cleveland
Cohelan
Conte
Cooley
Corbett
Cunningham
Curtin
Daddario
Daniels
Davis, Ga.
Delaney
Denton
Derounian
Derwinski
Devine
Dingell
Dole
Donohue
Downing
Dulski
Duncan
Dwyer
Edmondson
Edwards
Everett
Evins
Farbstein
Fascell
Feighan
Findley
Fino
Fisher
Flood
Flynt
Fogarty
Ford
Foreman
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fuqua
Gallagher
Garmatz
Gary
Gathings
Giaimo
Gibbons
Gilbert
Glenn
Gonzalez
Goodling
Grabowski
Gray
Green, Oreg.
Griffin
Griffiths
Gross
Grover
Gubser
Gurney
Hagan, Ga.
Hagen, Calif.
Haley
Hall
Halleck
Halpern
Hansen
Harding
Hardy
Harris
Harrison
Harsha
Harvey, Mich.
Hays
Healey
Hébert
Hechler
Hemphill
Henderson
Herlong
Hoeven
Holland
Horan
Horton
Hosmer
Huddleston

Hull
Hutchinson
Ichord
Jarman
Jennings
Jensen
Joelson
Johansen
Johnson, Calif.
Johnson, Pa.
Johnson, Wis.
Jonas
Jones, Mo.
Karsten
Karth
Kastenmeier
Keith
Kilburn
Kilgore
King, Calif.
King, N.Y.
Kirwan
Knox
Kornegay
Kunkel
Kyl
Laird
Landrum
Langen
Lankford
Latta
Lennon
Libonati
Lindsay
Lipscomb
Lloyd
Long, La.
Long, Md.
McCulloch
McDade
McDowell
McFall
McIntire
McLoskey
McMillan
MacGregor
Madden
Mahon
Marsh
Martin, Nebr.
Mathias
Matsunaga
Matthews
May
Miller, Calif.
Milliken
Mills
Minish
Minshall
Monagan
Moore
Moorhead
Morgan
Morrison
Morse
Morton
Mosher
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Nix
Norblad
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
Olson, Minn.
O'Neill
Osmers
Ostertag
Passman
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pilcher
Pillion
Pirnie
Poage
Poff
Pool
Price
Pucinski
Purcell
Quie
Quillen
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Rhodes, Pa.
Rich
Rivers, Alaska
Rivers, S.C.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roudebush
Roush
Rumsfeld
Ryan, N.Y.
St. George
St Germain
Saylor
Schadeberg
Schenck
Schneebeli
Schweiker
Schwengel
Scott
Selden
Shipley
Shriver
Sibal
Sickles
Sikes
Siler
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Va.
Snyder
Springer
Staebler
Stafford
Staggers
Steed
Stephens
Stinson
Stratton
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Thomas
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.
Toll
Tollefson
Trimble
Tuck
Tuten
Ullman
Utt
Van Deerlin
Vanik
Van Pelt
Vinson
Waggonner
Wallhauser
Watson
Watts
Weaver
Weltner
Westland
Whalley
Wharton
White
Whitener
Whitten
Wickersham
Widnall
Williams
Willis
Wilson, Bob
Wilson, Ind.
Winstead
Wright
Wydler
Wyman
Young
Zablocki

NAYS—0

ANSWERED "PRESENT"—1

Ellsworth

NOT VOTING—94

Adair
Anderson
Arends
Ashmore
Avery
Ayres
Bass
Berry
Bolling
Bolton,
  Frances P.
Broomfield
Brown, Calif.
Brown, Ohio
Bruce
Buckley
Burkhalter
Burleson
Cameron
Carey
Casey
Cederberg
Celler
Clausen,
  Don H.
Clawson, Del
Collier
Colmer
Corman
Cramer
Curtis
Dague
Davis, Tenn.
Dawson
Dent
Diggs
Dorn
Dowdy
Elliott
Fallon
Finnegan
Forrester
Fulton, Tenn.
Gill
Goodell
Grant
Hanna
Harvey, Ind.
Hawkins
Hoffman
Holifield
Jones, Ala.
Kee
Kelly
Keogh
Kluczynski
Leggett
Lesinski
McClory
Macdonald
Mailliard
Martin, Calif.
Martin, Mass.
Meader
Michel
Miller, N.Y.
Montoya
Morris
Moss
Multer
Murray
O'Brien, Ill.
O'Konski
Powell
Rains
Randall
Rhodes, Ariz.
Riehlman
Roberts, Ala.
Roberts, Tex.
Roosevelt
Rostenkowski
Roybal
Ryan, Mich.
St. Onge
Secrest
Senner
Sheppard
Short
Smith, Calif.
Stubblefield
Teague, Tex.
Tupper
Udall
Wilson,
  Charles H
Younger

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Arends for, with Mr. Ellsworth against.

Until further notice:

Mr. Montoya with Mr. Diggs.
Mr. Forrester with Mr. Finnegan.
Mr. Randall with Mr. Casey.
Mr. Burkhalter with Mr. Hawkins.
Mr. Secrest with Mr. Hanna.
Mr. Grant with Mr. Gill.
Mrs. Kee with Mr. Powell.
Mr. Kluczynski with Mr. Murray.
Mr. Dowdy with Mr. Senner.
Mr. Keogh with Mr. Martin of Massachusetts.
Mr. Ryan of Michigan with Mr. Goodell.
Mr. Buckley with Mrs. Bolton.
Mr. Fulton of Tennessee with Mr. Anderson.
Mr. Fallon with Mr. O'Konski.
Mr. Holifield with Mr. Hoffman.
Mr. Cameron with Mr. Adair.
Mr. Roosevelt with Mr. Del Clawson.
Mr. Macdonald with Mr. Younger.
Mr. Corman with Mr. Smith of California.
Mr. Roybal with Mr. Riehlman.
Mr. Roberts of Texas with Mr. Avery.
Mr. St. Onge with Mr. Brown of Ohio.
Mr. Carey with Mr. Miller of New York.
Mrs. Kelly with Mr. Harvey of Indiana.
Mr. Davis of Tennessee with Mr. McClory.
Mr. Teague of Texas with Mr. Bruce.
Mr. Celler with Mr. Tupper.
Mr. Dent with Mr. Cederberg.
Mr. Dorn with Mr. Michel.
Mr. Sheppard with Mr. Martin of California.
Mr. Lesinski with Mr. Ayres.
Mr. Elliott with Mr. Cramer.
Mr. Burleson with Mr. Short.
Mr. Leggett with Mr. Mailliard.
Mr. Rains with Mr. Berry.
Mr. Ashmore with Mr. Dague.
Mr. Moss with Mr. Don H. Clausen.
Mr. Multer with Mr. Broomfield.
Mr. Colmer with Mr. Rhodes of Arizona.
Mr. Stubblefield with Mr. Curtis of Missouri.
Mr. O'Brien of Illinois with Mr. Meader.
Mr. Rostenkowski with Mr. Collier.
Mr. Roberts of Alabama with Mr. Udall.
Mr. Jones of Alabama with Mr. Charles H. Wilson.
Mr. Morris of New Mexico with Mr. Dawson.

Mr. ELLSWORTH. Mr. Speaker, on this vote I am recorded as voting "nay." I have a live pair with the gentleman from Illinois [Mr. Arends]. If he were present he would vote "yea." Therefore I withdraw my vote and vote "present."

The vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members of the House desiring to do so may have permission to extend their remarks immediately prior to the passage of the bill to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research and development, and also that all Members may have 5 legislative days in which to extend their remarks in the Record on this subject.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PRESIDENTIAL TRANSITION ACT

Mr. FASCELL submitted a conference report and statement on the bill (H.R. 4638) to promote the orderly transfer of the Executive power in connection with the expiration of the term of office of a President and the inauguration of a new President.

PROVIDING FOR AN OFFICIAL PICTURE OF THE HOUSE OF REPRESENTATIVES

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 552 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> Whereas the United States Capitol Historical Society, an educational organization incorporated under the laws of the District of Columbia and counting among its membership some two hundred and fifty founding Members of the Congress of the United States, has as its stated purpose the fostering of an informal understanding of the inspiration and promise of American history with the Capitol edifice itself as the focal point of its program; and
>
> Whereas said society is currently engaged in the compilation and publication of an illustrated historical introduction and guide to the United States Capitol to be made available to the public; and
>
> Whereas said publication will be a complement to and comparable in format to the extraordinary historic guide to the White House recently developed and published by the White House Historical Association; and
>
> Whereas said society in the public interest has pledged to make available for public use negatives of all photographs which it has collected or newly processed for its historic guide; and
>
> Whereas to complete and lend to a book "We the People" which will serve to reflect on the magnificent history of the events which took place in the Capitol Building, said society requests official permission to make for inclusion therein a color photograph of the United States House of Representatives in actual session, which will be used in the book to be published, and for other purposes: Therefore be it
>
> *Resolved*, That the Rules of the House of Representatives be lifted at a time designated by the leadership so that the United States Capitol Historical Society be given permission to take some pictures of the House in actual session for inclusion in their publication and for the use of the news services and any and all people who have a legitimate claim to the picture.

Mr. MADDEN. Mr. Speaker, the resolution sets out in detail what it calls for. I have no requests for time. I yield to the gentlewoman from New York [Mrs. St. George].

Mrs. ST. GEORGE. Mr. Speaker, I agree that the resolution sets forth the full purpose of this legislation. I have no requests for time. I know of absolutely no objection to the adoption of the resolution.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to advise the House that the official picture of the House, authorized by the resolution just adopted, will be taken upon the disposition of the conference report on the tax bill on Tuesday next.

ADJOURNMENT FROM FRIDAY, FEBRUARY 21, TO MONDAY, FEBRUARY 24

Mr. ALBERT. Mr. Speaker, this completes all the legislative business for the week. We do meet tomorrow.

I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

RESOLUTION TO PERMIT PRAYER AND BIBLE READING IN PUBLIC SCHOOLS

Mr. BECKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, I take this time for one moment to tell the Members of the House that for months and months and months rumors have been going around, and today are still going around more and more, that the Committee on the Judiciary will hold hearings on the subject of prayer in public schools and permission to read the Bible in public schools.

Mr. Speaker, I have been told by the chairman of the Judiciary Committee verbally from time to time that this was going to happen. As far back as May of last year on this floor the gentleman from New York [Mr. CELLER] said he was going to make an announcement in 2 weeks.

Now, Mr. Speaker, we hear these rumors again. Of course, I realize that there is a discharge petition, discharge petition No. 3, on the desk on which there are 145 signatures. I say to the Members of this House if you want to bring this subject to the floor of the House and get it over to the other body, in time for action to be taken at this session, the signing of discharge petition No. 3 is the only route by which we will be able to do it.

Mr. Speaker, I hope the Members of the House will pay some attention to this matter and sign the discharge petition now.

Mr. Speaker, I include with my remarks a copy of a letter which I have recently addressed to the chairman of the House Judiciary Committee, the gentleman from New York [Mr. CELLER].

Hon. EMANUEL CELLER,
Chairman, House Committee on the Judiciary, House of Representatives.

MY DEAR MR. CHAIRMAN: Because there are so many rumors being circulated as to the possibility of hearings being held on my House Joint Resolution 693, and other resolutions to amend the Constitution to permit prayer and Bible reading in public schools, I would hope an immediate response would be forthcoming from you in order to clear up these rumors.

Some time ago, you told me you were having a study made by your staff on this subject, and that when this study was completed and printed, you would assign this subject to a subcommittee to hold hearings.

I respectfully request that these questions be answered now:

(1) Has this study been completed?

(2) Has it been printed?

(3) Has the subject been assigned to a subcommittee, and who is chairman of the subcommittee, and what is the subcommittee?

(4) Has a date been scheduled for hearings to begin; when will these hearings be completed; when can I count on a vote from the Committee on the Judiciary; and when will a report be rendered to the House?

I assure you I intend to keep driving to secure the necessary signatures on Discharge Petition No. 3, for I am convinced that the time is drawing too short in this session in order to complete action early enough for hearings to place this matter before the House for action and to be sent to the Senate early enough for action by that body.

A prompt reply will be greatly appreciated.

FRANK J. BECKER,
Member of Congress.

FRANK M. COFFIN

Mr. MORGAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MORGAN. Mr. Speaker, Frank M. Coffin, who for 4 years served as a Member of this House during the 85th and 86th Congresses from the Second District of Maine, has recently been appointed by President Johnson to serve as the U.S. representative to the Development Assistance Committee in Paris.

Frank Coffin, during his two terms in the House, was an energetic, imaginative and conscientious member of the House Foreign Affairs Committee and a colleague for whom we had affectionate regard.

In resigning the position of Deputy Administrator for the Agency for International Development, a position to which he was appointed by the late President Kennedy and which he has held for nearly 3 years, Frank Coffin is undertaking the difficult assignment of representing the United States in the vital Committee of 12 industrialized nations which are combining their efforts to aid the less-developed countries of the world. The importance of a deep and united commitment by these nations to assist half of the world's population in the less-developed areas is one that particularly concerns the United States. The Development Assistance Committee which is generally known as the DAC, was formed on the initiative of the United States. Our strong and continuing concern in seeing that our industrialized partners increase both the amounts and terms of aid was underscored in President Johnson's appointment of Frank Coffin.

In making the Coffin appointment, the President said:

> This appointment reflects the seriousness with which I view the work at DAC. We hope it will make steady progress toward the stimulation of greater and more effective participation of a common aid effort by the industrialized nations of the free world.

As a Member of the House under the Foreign Affairs Committee, Frank Coffin prepared himself well not only for the important responsibilities he has held as Deputy Administrator for AID, but for the new challenge that confronts him in DAC. As a member of the House Committee on Foreign Affairs, he first evidenced interest in the free world common aid effort by heading a major study of the Common Market which recommended the establishment of a forum similar to DAC and which would include the United States and Canada.

The DAC was formed in 1961, the year after Frank Coffin left the House. He lead the U.S. delegation to the first annual review and confrontation conducted by DAC in the summer of 1962. As a member of the Foreign Affairs Committee, he and our former colleague Brooks Hays, undertook the first two major congressional studies of Canadian-United States relations and worked toward the development of a permanent Canada-United States interparliamentary group which is now a well established and effective channel of communications between our Congress and the Canadian Parliament. As Deputy Administrator of AID, he has been an able and articulate advocate of the executive branch in testimony before our committee and other committees of the House.

I am sure that the Members of the House, and particularly the members of the Foreign Affairs Committee, join me in wishing Frank Coffin success in this new and challenging position for which he is so exceptionally well qualified.

I would like at this point to insert an editorial printed in the Washington Post of February 18 entitled "Mission in Paris" praising the appointment of Frank Coffin to the Development Assistance Committee.

MISSION IN PARIS

Frank Coffin, the able Maine Democrat, has been appointed to a post of great potential importance in Paris. He will become U.S. representative to the Development Assistance Committee, which has as its task the coordination of European, American and

Japanese foreign aid to underdeveloped countries. "Coordination" is a deadly word, but in this case it clearly describes a necessary function. Besides giving multilateral direction to aid, DAC will strive to encourage a growing European participation in assistance to poorer countries.

What is especially gratifying about the appointment is that it has ended Mr. Coffin's prolonged tour in diplomatic limbo. He has been operations director for the AID agency, a thankless chore, and his name had been on President Kennedy's desk last November as Ambassador-designate to Panama. That appointment was never made, and this country was unrepresented in Panama when the canal crisis flared up. It is good that Mr. Coffin has now been assigned a task in which his zeal and dedication can be used to good purpose.

WE CAN AND MUST WIN IN VIETNAM

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter, including articles, editorials, and reports.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, in some circles recently it has been suggested that the United States seek some form of neutralization as a solution for the situation in Vietnam.

The suggestion has come from Hanoi, from France's President de Gaulle, and now even from our own legislative halls.

Such expressions from Americans, it seems to me, do a grave disservice to the brave Vietnamese people who have demonstrated, and are continuing to demonstrate, their desire to win the present guerrilla conflict against the Communist Vietcong.

Their morale, their feeling of national purpose, is most important to winning this fight. Their morale is the first line of defense.

The effect of statements, from American legislators, whether or not they have the sanction and approval of the administration, are bound to be construed by the Vietnamese as indications that the United States is growing weary of the grueling guerrilla war and want to pull out.

Nothing could be further from the truth. The people of the United States want Communist aggression defeated in Vietnam.

But the Vietnamese may not realize this. They are accustomed to hearing suggestions of neutralization from the North Vietnamese and the French, but not from Americans.

The spirit of these people has been assaulted heavily in recent months. Morale sagged as a result of the political chaos which accompanied the overthrow of the Diem regime and the subsequent ouster of the Minh military junta.

Further, French views on the struggle with the Vietcong have caused discouragement. Vietnamese fear that this attitude may become general throughout the Western alliance, causing withdrawal of U.S. men and assistance.

These latest statements from American statesmen can only indicate to them that their worst fears have been realized, that the United States is, indeed, considering neutralization for South Vietnam.

Besides worrying our Vietnamese allies, these statements give aid and comfort to the North Vietnamese and the Vietcong.

The Vietcong, I am convinced, were losing their war of attrition prior to the assassination of President Diem. Subsequently they rallied and the South Vietnamese suffered setbacks. But these setbacks are no reason to panic.

There is concrete evidence that the regime in Hanoi is meeting with widespread unpopularity among its own people over the war which is draining off resources from an already depressed economy.

The North Vietnamese have other problems. Their harvest last year was at least 20 percent below that of the previous year. They have been unable to rally the Soviet Union to support the war directly. Morale among the Vietcong is a continuing problem.

At this point, Mr. Speaker, I should like to include two recent newspaper articles which spell out some of the difficulties which beset North Vietnam:

[From the Christian Science Monitor, Feb. 19, 1964]

HANOI BARES WEAKNESSES

(By Robert R. Brunn)

WASHINGTON.—Communist North Vietnam's woes are giving sizable encouragement to the South Vietnamese regime and the United States.

Some kind of a respite is being offered hard-pressed American officials dealing with the guerrilla war. They argue that now is the time to place aggressive pressure on the Communist forces.

Self-admitted weaknesses of the Hanoi government of North Vietnam, some rather surprising assumptions by the Communists, and U.S. intelligence assessments add up in this way:

Hanoi grimly assumes that the anguish-provoking war will continue, without any question, through 1964 and beyond. This is despite Washington's acknowledgment that the next 4 months are crucial.

Hanoi is combating the widening unpopularity of the war in the south which is draining off resources from a seriously depressed economy. Apathy often characterizes the civilian attitude.

MOSCOW REJECTION

Last year's North Vietnamese harvest was at least 20 percent below 1962's middling harvest. Some starvation is visible but there is no general disaster in sight.

Moscow has flatly turned down a direct Hanoi plea for aid to support the war. The North Vietnamese reason that they can't afford to turn their backs politically on Peiping, and that Peiping's gasping economy can give them little help in terms of food or weapons.

Morale among the Communist Vietcong troops in the guerrilla war is a continuing problem for the North Vietnamese Government. Analysts have seen absolutely no evidence that the division between pro-Peiping and pro-Moscow camps seriously hampers the war effort, as such. The major Hanoi decision to side openly with Peiping was bound to leave a disappointed minority but there have been no demotions, no dissident voices raised.

Hanoi has a healthy, decisive respect for U.S. military power and sees the superior weapons, equipment, and manpower of the South Vietnamese are still a major obstacle to victory. The Communists fear an escalation of the war bringing an open U.S. invasion of North Vietnam and this has tended up to now to keep the Communist military effort within a limited framework.

While the Vietcong at times has its guerrillas at battalion strength, they are in no position to coordinate such units in massive movements against the South Vietnamese. One factor is the lack of well-anchored supply bases for such operations.

Neutralization of North Vietnam is considered to be utterly out of the question in the minds of the Hanoi regime.

Much of the above analysis comes out of a careful American study of the most important statement made by the Hanoi government in several years.

PROTRACTED TRIALS

It was spelled out in two articles in the January and February issues in Hanoi's principal journal Hoc Tan, and a third article in the newspaper Nhan Dan.

This official line laid down by the articles in Hoc Tan is designed to seep down through the ranks of the faithful and be imported to South Vietnam and discussed by the fighting guerrillas, observers here believe.

When the articles speak of "new, hard, long protracted trials" in the war and use the word "protracted" over and over again, the signal is that the Hanoi Communists are not thinking in terms of a rapid termination of the war or the imminent defeat of the South Vietnamese Army.

On the contrary, the Communists expect a mounting military initiative in South Vietnam and complain that often they will have to meet modern weapons with rusty nails and crossbows.

ECONOMIC DRAIN

Analysts emphasize there is no widespread disaffection in North Vietnam. The farm situation is grim but not beyond hope.

But there is little doubt there is a solid body of opinion in the north that the never ending war is the primary cause for the weakness of their economy.

The war in South Vietnam is seen here as basically an indigenous one, gaining its support from within Vietnam. It is a "dirty" war, and one which has its grim aspects for the Communists who have had no spectacular victories. These magazine articles were designed to buck up the morale of the fighting men.

[From the Washington Post, Feb. 16, 1964]

HANOI APPEARS WORRIED OVER WAR'S PROGRESS

(By Stephen S. Rosenfeld)

From Hanoi last week came signs that the grueling war in South Vietnam is as uncertain and troubling to Communist North Vietnam as to the United States.

This message of doubt and difficulty was extracted by Washington from what was described as the most important statement of North Vietnamese policy in the last few years.

On one side, the Hanoi Communists warned that China would defend them if the United States—in order to win in South Vietnam—invaded or attacked the north. The terms of the warning, however, clouded the question of how much Soviet or nuclear help Hanoi might get.

NEUTRALIZATION REJECTED

On the other side, North Vietnam rejected suggestions for its own neutralization, as distinct from the neutralization of the South. But in so doing it raised doubts about the Communists' heart for continued combat.

In place of both "escalation" and neutralization as desirable or likely turns, Hanoi laid out a policy embracing the Chinese line of continued struggle against "imperialism" and abandoning the Soviet line of accommodation.

But in facing up to "new, hard, long and protracted trials" against the U.S.-supported Government of South Vietnam, Hanoi avoided deadlines, timetables and any other assurances except open-ended prophecies of "final victory."

These policy developments came in major articles in the January and February numbers of Hanoi's chief journal Hoc Tap, and in a short article in the chief newspaper, Nhan Dan.

The January number had been suppressed in Hanoi until last Tuesday, when both it and the February issue were publicized. The newspaper article was distributed next day.

MOSCOW COOL

The occasion was the failure of a North Vietnamese mission to Moscow to reach agreement with the Soviet Union. This result of the trip was suggested by the frosty and fading treatment given the mission by the Soviet press. Departing Moscow, the delegation stopped off in Peiping early last week and arrived back in Hanoi yesterday.

To Washington, the journal articles had the appearance of position papers prepared for the confrontation in Moscow, while the brief newspaper story was an updating required by events.

The delegation's doings, the publication schedule of the three articles and their content—all indicated that the North Vietnamese regime of Ho Chi Minh finally has fallen off its neutral perch in the Sino-Soviet dispute and now is on the side of Peiping.

The delayed January article quoted Soviet Premier Khrushchev critically without naming him. It declared: "All arguments and actions for 'all-round cooperation' with U.S. imperialism and all hopes to prevent war and uphold world peace through consultation and cooperation with the United States are illusions."

"The people in the south should not pin their hope on the 'sincere desire for peace' of the U.S. aggressor, nor should they wait for 15 or 20 more years for the defeat of the imperialist camp in economic competition."

Said Hanoi: "The only way to achieve peace is to fight against imperialism."

The February article dealt in practical terms with the conduct of the war. It spoke confidently of the advantages conferred on the Communist guerrillas by their tactics and morale—calling morale the "main decisive factor" in a number of their conspicuous victories.

LOW ON WEAPONS

Morale is more important than weapons and physical means to those who lack the latter, observers here noted. They pointed out the article's stress on the fashioning of rudimentary weapons such as rusty nails and the capture of enemy weapons by the guerrillas. This suggested, too, no change in the low level of physical Chinese support of the war, and therefore no prospect of quick success.

In a key section, Hanoi said that "the U.S. imperialists can only choose one of the following three courses:"

1. To withdraw. But only by heavier and heavier defeats will this result.

2. To "introduce hundreds of thousands of more troops and large quantities of arms, and apply new techniques to carry on the war for some years."

WORLD OPINION CITED

Arguing against this course, Hanoi cited world opinion and past events in Laos, Algeria, and Vietnam. "As for the eventual use of tactical nuclear weapons by the United States," it said, the closeness and irregularity of the front lines make this unlikely. It added obliquely: "It is difficult for the U.S. imperialists to estimate beforehand all the consequences."

3. To broaden the war and invade North Vietnam in an attempt to win victory in South Vietnam. Then, threatened Hanoi, the United States "would have to cope not only with North Vietnam, but also with China or eventually with the socialist camp as a whole."

The phrase "or eventually" was taken here as a purposefully vague reference to Soviet support. The same vagueness was seen in the statement that, if the United States used nuclear weapons, "that might directly lead to retaliation with the same weapons."

MORALE A WORRY

The Nhan Dan newspaper article took up neutralization. The French have proposed such a course for South Vietnam but President Johnson has said it must apply to both north and south to be worth considering.

"Why did Johnson raise the question of neutralizing both zones of Vietnam, although he knows too well that our people will never accept the neutralization of North Vietnam?" asked Nhan Dan. It answered: "To soothe the tendencies" for peace and neutrality in South Vietnam.

Analysts, noting the possible harmful effects on military morale of talk about neutralization, said this statement was a way to reject the French proposal without spoiling relations with French President de Gaulle.

This statement was one of many which led analysts here to suspect that Hanoi is worrying about the morale of the forces it supports in the south.

Both these articles, it should be pointed out, emphasize that the North Vietnamese and the Chinese Communists do not see any resolution to the war in South Vietnam in the near future.

Neither, I might add, should the United States. There is not going to be a quick military victory. Even with increased U.S. help to a politically stable South Vietnam, it might be a decade or more until the Vietcong resistance is broken.

U.S. aid and combat training teams are going to be needed in Vietnam for quite some time to come. We are going to need much perseverance.

One alternative, of course, is neutralization of the two Vietnams. This course would ultimately, I am convinced, result in complete Communist dominance in the whole of the Indochina Peninsula.

For Red China is not going to be content to be buffered by neutral states. She is going to want—and need—satellites, as the Soviet Union wanted, and obtained, satellites.

As the late President Kennedy said in an important foreign policy speech last September:

> China is so large, looms so high just beyond the frontiers, that if South Vietnam went, it would not only give them an improved geographic position for guerrilla assault on Malaya, but would also give the impression that the wave of the future in southeast Asia was China and the Communists.

Mr. Speaker, we cannot let that happen. We cannot give way—or appear to give way before the expansionist policies of Communist China. Instead, we must make our stand in Vietnam, as long as the freedom-loving people of that nation ask our assistance in this joint endeavor against communism.

The question has been asked whether we, in terms of the American lives and resources expended, prefer what exists in South Vietnam to what we see in Laos and Cambodia.

To that I answer a resounding, yes.

In South Vietnam we see a brave and proud people battling to keep their nation free in the face of brutal attacks by Communist guerrillas.

In Laos in recent days we have seen the Communist Pathet Lao forces win more territory against the neutralist and rightist forces which are slowly, but surely, being backed to the wall. In Laos we see a sham of neutralization where each day the Communist forces commit another violation of the Geneva accords.

Some observers have all but written off Laos to the Communists.

In Cambodia we have seen a steady drift toward Peiping. Yesterday, for example, the press carried a report that Prince Sihanouk would seriously consider alining his country with Communist China and North Vietnam.

I would rather see a fight being mounted against Communist aggression than stand by while country after country, like a string of dominoes, goes down before the Communist advance.

My belief is that the American people who have three times in this century mounted major campaigns to defeat totalitarianism, will not flinch before this challenge.

Certainly we do not welcome the expenditures in men and resources which might be demanded of us in continuing our presence in South Vietnam. Every dollar spent could, no doubt, be put to good use here in our own country. Every American boy killed will leave hearts stricken with grief. We do not make these sacrifices lightly; we make them in the knowledge that if we fail to remain firm in Vietnam, then southeast Asia may be lost to the free world.

Let us not minimize the extent of our country's commitment in Vietnam. Let us not delude ourselves about how much is at stake in that beleaguered country.

True, this is a war that the Vietnamese must fight and try to win themselves. But they cannot do it alone. With the resources of the Communists thrown on the other side, the scales are weighted against them. Our Nation, as the leader of the free world, must help tip the balance on the side of freedom.

It has been questioned whether the war in Vietnam is in our national interest. That same question could, I suppose, be asked about Korea and Berlin.

As in those situations, the answer can only be affirmative. A firm stand in South Vietnam is in our national and international interests.

While we do not wish additional commitments of men and equipment in South Vietnam, let us not hesitate to provide them should it become necessary.

While we do not wish to involve U.S. troops in direct fighting in South Vietnam, let us not shrink from such involvement should it become necessary.

While we do not desire to fight a Korea-type war in South Vietnam, let us not rule out the possibility. By remaining firm in Vietnam, we prevent such a probability.

Mr. Speaker, the forces of light struggle against the forces of darkness in southeast Asia. This battleground has seen some victories for free world forces, some defeats. The war itself still hangs in the balance; its outcome is by no means certain.

Seen in that light, Vietnam becomes more than just a country of 15 million people. It is a symbol of American intentions and a test of our perseverance.

As chairman of the House Subcommittee on the Far East and Pacific and an American citizen, I do not want history to record that because of the narrowly construed opinion of what is in our national interest, the United States failed to stand in Vietnam, and found that such a course led it to further withdrawals and ultimate decline.

In conclusion, Mr. Speaker, I commend to the attention of my colleagues an article by Mr. Hanson Baldwin which appeared in the New York Times on Sunday, February 16, 1964. I am also including an article from the Christian Science Monitor by Joseph C. Harsch which emphasizes that patience and tenacity may yet pay off for the United States in Vietnam:

[From the New York Times, Feb. 16, 1964]

The War in South Vietnam—Is Victory for the West Possible?—Much Depends on Stability in Saigon and New Leadership for the Armed Forces—The Military Situation Has Deteriorated and the Ultimate Outcome Is in Doubt

(By Hanson W. Baldwin)

South Vietnam's moment of truth appears to be at hand. The 4-month dry season, when counterguerrilla operations are easier, has started but against a dismal military and political background.

Another military coup d'état in Saigon has shaken both South Vietnam and Washington. The French recognition of Communist China and Communist or neutralist gains in bordering Laos and Cambodia have made the position of a strong anti-Communist South Vietnamese Government far more difficult.

The Vietcong, the Communist-led guerrillas, have increased the tempo of their attacks and clearly have the initiative in the important Mekong Delta region and in some other areas of the country. And last week the Communists opened a new campaign of terrorism against the 16,000 U.S. military and civilian personnel in South Vietnam and brought the war of stealth and assassination, of ambush and subversion, to the homes and playgrounds of Americans in Saigon.

President Johnson said that "we are not pulling out of southeast Asia, because we are not willing to yield that part of the world to * * * communism."

Nevertheless, more and more people in Washington and abroad were asking: Is victory possible in South Vietnam?

I. MILITARY PICTURE

There is no doubt that, from the point of view of Washington and the anti-Communist leaders of South Vietnam, the military situation has deteriorated in the last 10 months.

Part of the deterioration is more apparent than real. Washington, and Secretary of Defense Robert S. McNamara and Gen. Maxwell D. Taylor in particular, has become aware since the overthrow of the regime of Ngo Dinh Diem last November, that they had accepted too much at face value the exaggerated reports of "successes" of the South Vietnamese Government and of some top U.S. military sources in Saigon.

However, if the Vietnamese war was not going as well as Washington said it was, there certainly had been considerable improvement since the dark days of 2½ years ago, when the United States began its big buildup of effort and aid. With U.S. aid, the South Vietnamese were better trained, better organized, and better equipped, and in some areas they had cleared out the Vietcong guerrillas and undertook the slow and grueling business of wearing down the enemy.

Early last year, though the war was never over the hump, it could be said, with fair certainty, that the tide of defeat had been dammed and that it was the end of the beginning.

But a spring, summer, and fall of political instability and military deterioration have now culminated in a second military coup and the resumption by the Vietcong of extensive aggressive and successful operations. The Communists hold the initiative in much of the country, and the ultimate outcome is in doubt.

The statistics of this "war in the shadows" can be misleading, but they provide some index to the present situation. Our 1962 estimate of 15,000 to 20,000 hard core Vietcong regulars has now increased to about 25,000 and 30,000 to 35,000 may actually be a more accurate total. The increase, despite South Vietnamese claims of inflicting about 30,000 casualties on the Vietcong in each of the last 2 years, is attributable to several factors:

(1) Exaggerated casualty claims by Saigon.

(2) Defections, including some from the South Vietnamese Army, and extensive recruitment in South Vietnam by the Vietcong.

(3) Infiltration into South Vietnam during the last 3 years from North Vietnam, Laos, Cambodia, and elsewhere of about 21,000—perhaps more—tough, highly trained Communists.

The Vietcong regulars are considerably better equipped than they were 2 years ago, as increased hits upon U.S. helicopters demonstrate. They employ many more machineguns, mortars, and recoilless rifles, and more automatic and semiautomatic small arms, either made in China, or imported through China from the Soviet bloc. But by far the greater part of their armory is indigenous; it has been captured from South Vietnamese troops or manufactured, in crude but effective form, in South Vietnam itself. The ratio of weapons captured to weapons lost still considerably favors the Vietcong, as to a lesser extent, do recent casualty estimates.

GUERRILLA STRENGTH

In addition to the Vietcong regulars, there are estimated to be 100,000 to 125,000 active supporters or part-time guerrillas, a number which appears to be increasing, plus an undetermined number, hundreds of thousands, or even millions, of civilians whose active sympathies or enforced cooperation aid the Communists—the "sea" in which the guerrilla "fish" swim.

The South Vietnamese Government's forces total about 380,000—about 200,000 of them regulars, the rest in the civil guard, self-defense corps, and other paramilitary organizations.

The Government can claim some areas. Saigon and its immediate vicinity, though not immune to Communist terrorism, is firmly held. The central coastal area is, on the whole, under fairly firm Government control. The rugged, mountainous central highlands area, home of the primitive montagnards, is less certain, but U.S. special forces teams have made considerable progress, and the area, though by no means completely pacified, is not the free and open sanctuary for the Vietcong it once was.

The delta region, which is the great rice producing area and the heart of the country, is the vital battleground, and here the dry season opens with the Government forces eagerly on the defensive and with much of the area controlled—not only by night but also by day—by the Vietcong. Nevertheless, in 1963 the Government exported surplus rice; in 1962 it was forced to import rice.

II. AREA'S IMPORTANCE

South Vietnam has major strategic, political, psychological and economic importance in southeast Asia and to the United States global image.

Perhaps most important to Washington, in any long-term assessment of the consequences of a defeat there, is the fact that the United States has been fully committed to victory. Both President Kennedy and his brother promised a fight to the finish against communism. If this finish should not be successful, or if the United States should renege on its promise, the "paper tiger" image of the United States so sedulously cultivated by Peiping, particularly after the Korean war and the French-American defeat in Indochina, would become a powerful psychological liability for Washington's policies in the Orient.

The encroachments of communism and neutralism in the threat of Chinese armies to India have already shaken Thailand. A victory by the Communists in South Vietnam would probably mean communism's eventual conquest by bloodless coup or by creeping aggression, of most of the rest of the southeast Asian peninsula and would pose a threat to Malaya and the important Singapore Strait.

SEVERE DEFEAT

No matter how viewed the loss of South Vietnam would mean a severe moral, political and psychological defeat for the United States in the Orient, and also a blow to our military image since the policies and the tactics employed there were worked out and backed to the full by Secretary McNamara, General Taylor and other military officials.

South Vietnam also has a considerable economic importance as a rice bowl and would be a welcome prize both to the Communist-controlled industrial northern part of the country and to overpopulated China.

III. MILITARY REQUIREMENTS

Additional military equipment (except for replacements and a few new specialized items peculiarly suited to the climate, terrain, and nature of the war) is emphatically not a requirement. The South Vietnamese Army is more lavishly equipped with modern weapons and equipment, and has, thanks to U.S.-operated helicopters and U.S. support, more tactical mobility and better air support than any other army in southeast Asia.

There is less agreement whether South Vietnam has enough men under arms to do the job. Most observers believe there is no requirement for an increase in numbers; the problem is to improve the combat capability of those already in uniform. But any discussion of quantitative or qualitative manpower requirements sooner or later brings up the question of whether it is necessary for the United States to intervene in South Vietnam with combat units in addition to the advisory and support forces there now. Most observers do not feel that such an involvement is essential to victory if—and the if is a big condition—other requirements are met.

What is needed, it is generally agreed, are new policies, new leaders, new tactics, and new intangibles—and it is the last named that will make all the difference between men in uniform with rifles in their hands and an army.

The new policies should aim at reducing the amount of supplies and the numbers of trained Communists flowing to the Vietcong across, South Vietnam's borders. This is a difficult but not impossible task.

AGGRESSIVE MOVES

Aggressive attempts to seal off South Vietnam's frontiers, aided by political efforts in Cambodia and Laos, and to project a South Vietnamese guerrilla effort into North Vietnam, would probably more than repay their costs. The establishment of anti-Communist guerrilla forces of any consequence in North Vietnam would be exceedingly difficult (less so in Laos) but not impossible. So far, the small and experimental efforts made have been doomed by overcaution and all sorts of caveats from Washington.

Direct and open attack, by bombing or other means, against the North Vietnamese privileged sanctuary appears to have little support chiefly because such assaults would escalate or greatly broaden the war, without compensating military results. The bombing of North Vietnam could not halt the flow of supplies to the Vietcong, particularly since most of their weapons are captured from the South Vietnamese Army.

New leadership—aggressive, tough, imaginative and with the will to fight—is essential to any prescription for victory. It is needed at many levels, particularly in the higher levels of the South Vietnamese Army. Washington has made a contribution of its own to this end by sending Lieut. Gen. W. C. Westmoreland as a deputy and apparent understudy for Gen. Paul D. Harkins, who may retire soon. At the same time, the command of the Pacific Ocean area, under which Vietnam comes, will change this spring, and there may be changes in the high command in the Pentagon.

NEW LEADERSHIP

The new leadership is needed most in the Vietnamese Army, particularly in lieutenant colonels, colonels, and division and corps commands.

Only the new leadership can foster the new tactics—or rather the old time-tested tactics that are essential for victory in any war of counterinsurgency.

Aggressive patrolling is their keynote; it has usually been conspicuous by its absence in the past. The tactics must be keyed to mobility—not only to helicopter mobility, but to shanks mare mobility, to denying the Vietcong the sanctuary of the night hours and of large tracts of jungle and swampy terrain. The mobile tactics must emphasize continuous, aggressive patrolling day and night, the utilization of ambush, the unceasing harrying of all known guerrilla units, the seizure of the initiative from the enemy, the elimination of as many static posts as possible and a definite transfer of the main emphasis to mobile warfare, utilizing the helicopter for transport where advisable, but using it also to supply jungle patrols.

The new leadership and the new tactics, which are indispensable to victory, mean also the most important of the new intangibles: a growth of the will to fight, a desire to defeat the Communists, on the part of the Vietnamese regulars and their paramilitary support forces.

IV. POLITICAL REQUIREMENTS

The most important of the political requirements for victory, and perhaps the most difficult to achieve, is Vietnamese political stability. South Vietnam, never a nation in the Western sense, but more a loose amalgam of village, tribal, and factional loyalties and rivalries, has experienced two coups in a few months. The army, the only national "cement" in the social structure, has been involved in both and it is evident there are many factions and much politics in the army. If another coup occurs, the army might well degenerate into many power-seeking factions each more intent on its own elevation than on national preservation. For South Vietnam today, threatened by a powerful internal enemy heavily supported from without, it is quite clear that two coups are enough. Political and hence military stability are essential to victory.

WAR OF ATTRITION

A major requirement for winning any long-drawn-out war of attrition is public support; both the Vietnamese Government's and the U.S. Government's restrictive and misleading public-relations policies have contributed greatly to a declining lack of support, which could be fatal. And Washington, with its tremendous bureaucracy, has sometimes hampered rather than helped those trying to win the war in Vietnam. Differences in Washington have been reflected in the American team in Saigon, on the one hand; on the other, there has been overcontrol from Washington.

Political and psychological efforts to deny the Communist fish the support of the population sea in which they swim must also be accelerated. These require a combination of military, psychological, social-economic, and civic-action activities. The fortified-hamlet program plays an important role in this process, for the civilian has to be offered some security against Communist duress. But the hamlet program is of little use when established in areas normally controlled by strong Communist forces, which can, at leisure, overrun any desired hamlet. It is far more important, however, when Vietcong units are broken up and harried; then the peasant can find real security in collective measures.

The political recipe for victory should also include diplomatic measures to strengthen the anti-Communist position in Laos and truly to neutralize Cambodia.

V. THE STAKES

There is no doubt that the stakes are high in Vietnam. They are considerably more important than the economic, political, and strategic value of the country. For in Vietnam the United States has fielded, for the first time, its concept of counterinsurgency and has made its first all-out attempt to erect a defense against Communism's creeping aggressions and Premier Khrushchev's tactics of national wars of liberation. If the defense fails, if the dam breaks, there will be no clear-cut line drawn against Communist expansion in Southeast Asia or anywhere else in the world. A new victory for communism would have most serious international and domestic consequences.

Because the United States has been morally, militarily, and politically committed in South Vietnam, because its prestige is involved and because the consequences of failure would have worldwide repercussions, most, but not all, Washington officials believe the price of victory must be paid even if the price includes some limited commitment of U.S. combat forces.

VI. THE FUTURE

The intangibles of the Vietnamese situation make nice power equations illogical and forecasts impossible. The military situation has deteriorated; in some areas it is bleak, indeed. But it is by no means hopeless—if. The greatest imponderable is the stability and ability of the South Vietnamese Government. If it fails—as it may if there is another coup, as there may be—the achievement of military victory may become politically and psychologically impossible and there will be increasing demands for a political solution, that is, some form of neutralization. From Washington's point of view this could only mean delayed defeat, for neutralization would almost certainly mean an eventual Communist takeover.

DISTANT VICTORY

On the other hand, if the South Vietnamese Government is stable and the requirements of victory are met, there will be much more blood, sweat, and tears before any definitive results become apparent. For wars of attrition, and particularly counter-guerrilla operations, are slow and wasting. Results, or the lack of them, must be measured against the yardstick of months and years, not days.

Thus, the great problem in South Vietnam today is that defeat, even though masked in terms of a "political settlement," could come quickly, whereas victory, no matter what is done, is far away.

[From Christian Science Monitor,
Feb. 14, 1964]

THE RIFT IN THE VIETNAM CLOUDS

(By Joseph C. Harsch)

LONDON.—Patience and tenacity may yet pay off for Washington over Vietnam.

The current general assumption is that the American position there is suspended helplessly and hopelessly between the danger of disengagement and the impossibility of winning a military victory.

But as so often happens in power politics there is now a tiny ray of light through the gloom from unexpected quarters. There is interesting evidence that the Communist Party in North Vietnam is now badly split between the Peiping and Moscow factions, even to the point of resistance to continuation of the war from within the Communist leadership.

First hints of possible trouble within the Communist ranks date from last October. Appeals for unity within the party became so insistent and persistent as to suggest a possibility that perhaps unity was less than perfect.

Since then a top party delegation has been suddenly and without advance warning sent off first to Peiping and then to Moscow. The circumstances suggest that this constitutes an urgent effort to persuade Moscow and Peiping to reconcile their differences on the ground that without such reconciliation the party in North Vietnam will be dangerously divided.

Reasons for an opposition group to form in Vietnam arise out of the fact that Moscow has cut down its aid to the North Vietnam Communists since President Ho Chi Minh refused to sign the nuclear test ban treaty and thus alined himself with Peiping in the big internal division in the Communist world.

Apparently Peiping is unable to make up for the decline in Soviet aid, thus leaving North Vietnam with a declining economy and the continuing drain of the war.

Seen from the Western side of the fence, the Communists sometimes seem to enjoy unlimited resources and energy, but, of course, this is not always the case.

We know now that the Korean war put a severe strain on the economies of all the European Communist countries. In fact, an interesting case can be made that the dislocations caused by that war were actually at the root of all the troubles Moscow has since had with its satellites.

The struggle in Vietnam has seemed to Westerners to be frustrating. There has never yet been a native Vietnamese government which could earn and hold the confidence of the people. The guerrilla tactics used by Communists in the rice paddies of the Mekong River Delta have not yet yielded to any military formula the West has ever been able to devise.

Many a Western statesman has examined and re-examined the problem and come to the conclusion that it was one of those monstrous cases where there seemed no end ever in sight—nothing but the continued frustration of being unable either to conclude or get out.

But as so often happens in war the moment comes when the side so conscious of its own difficulties and weaknesses discovers that the opponent has his weaknesses as well.

The implication would appear to be clear that this is no time to talk or think of disengaging or calling off the military effort. On the contrary, it should be maintained as vigorously as possible because relaxing now could save the hard-line Communists by the one sure means. All Vietnam would fall to them while the Peiping extremist faction is still in control.

At the same time, exploration of the possibility of neutralization of the entire country should go on and could eventually be the solution—at such time as the Moscow faction came out on top.

Moscow-style communism would serve the West better in the Far East, just as Peiping style communism was an improvement for the West when it broke out in Albania and thus broke up Moscow's European empire.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman.

Mr. PUCINSKI. Mr. Speaker, I would like to associate myself with the remarks made by the gentleman from Wisconsin [Mr. ZABLOCKI]. I congratulate the gentleman on his statement. As ranking member of the House Committee on Foreign Affairs, I think the gentleman's statement has particular significance. I happen to know that the gentleman has spent a great deal of time studying this very serious problem in Vietnam. He has visited that war-torn country to obtain firsthand information. There can be no question that for the world to turn its back now on those who continue to struggle for freedom in Vietnam would be to set back the cause of freedom throughout the world.

Mr. ZABLOCKI. I thank the gentleman.

CONGRESSMAN HORTON

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. BROYHILL] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BROYHILL of North Carolina. Mr. Speaker, I am pleased to pay tribute today to our colleague, the gentleman from New York, Congressman HORTON, for the service he has and is rendering this great Nation. Courageous service in an honorable cause is a supreme achievement in human life. Having served here with FRANK, my admiration for his dedication and devotion to principle has grown with our association.

It is no surprise that he has given service to his country in time of war. Certainly, he possesses the personal qualities that makes possible an unselfish choice when the battlefield was before him.

He still possesses those qualities, and now is prepared to use them in this Chamber. Indeed, his short record in Congress has already marked him as a legislator of great ability and understanding. His dedication to his principles has shown him to be a leader of great promise. He has been diligent in the unswerving service he has given to the fine district in the State of New York that he has the honor to represent here.

I am honored to join with my colleagues in expressing to the gentleman man from New York, FRANK HORTON, my gratitude for the courageous service he has rendered on the field of battle and to express my confidence that his achievements as a lawmaker and statesman will be no less meritorious.

PANAMA SITUATION

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. KEITH] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. KEITH. Mr. Speaker, the problems confronting the United States in Panama remain unsolved. The situation is serious and it should receive serious attention. Among the questions which we should pose is "To what extent is this Communist inspired?" The evidence is now beginning to confirm suspicions of Communist involvement in the Panama flareup. We should take a long hard look at the facts and in this connection, I refer the following article from the Chicago Tribune of February 1, 1964, to the attention of my colleagues.

[From the Chicago Tribune, Feb. 1, 1964]

IDENTIFY REDS IN CANAL RIOT—40 AGITATORS ARMED; MOST VISITED CUBA—TOOK ADVANTAGE OF FLAG INCIDENT

NEW YORK, January 31.—Communists and Fidelistas (Castroites) helped organize and develop the anti-American riots in Panama in which 21 persons were killed and several hundred injured, authoritative sources told United Press International here today.

The sources supplied photographs and identifications of participants. They included 70 known Communists and fellow travelers, 40 of whom were armed and played leading roles.

Most were said to have been recent visitors to Cuba, Communist China, or the Soviet Union.

ARREST SOME RADICALS

Despite Panamanian denials, the sources said Panama authorities arrested some of the better known radicals on American complaints.

Panama released them quickly because of their student status and government fears of adverse public reaction in Panama.

The sources said a flag-raising incident at Balboa High School in the Canal Zone for which American students were responsible gave the Communists and Castroites the incident they long had sought to provoke violence.

Their subsequent actions responded to appeals from Havana for riots and disorders throughout Latin America to divert world opinion from Venezuelan charges of Cuban aggression filed with the Organization of American States.

INTERRUPT STUDENT RALLY

UPI's sources traced organized agitation in the days immediately preceding and following the flag-raising incident as follows:

On January 9, Communist speakers interrupted a student rally at the National Institute in Panama City to announce a march on Balboa High School. The Communist orators were identified as Floyd Britton, Carlos Nunez, and Virginia Ramirez.

They called for violence after the march.

Britton, 26, has been registered as a Communist since 1960. He instigated demonstrations against the American Embassy in Panama City in 1955, participated in the Cuban-sponsored guerrilla activity in the Panamanian interior in 1959, and in student riots against the Panama Canal.

He was a guest of Fidel Castro in 1961 and 1962.

On January 10, after a night of rioting, Communist leaders appeared at the National Institute to distribute arms to demonstrators.

IDENTIFY THREE REDS

Identified in this activity, and their names reported to the Panama national guard, were Cleto Souza, Ruben Dario Souza, Jorge Turner, and Cesar Carrasquilla.

Dario Souza was arrested in Panama in 1953 while with a Russian who was carrying information about active Communists and Communist sympathizers in Panama.

Turner has been a Communist Party member since 1945. Carrasquilla was identified as a Communist cell leader in the science faculty of the University of Panama.

These men were heard urging the crowd to "kill Americans" and keep up the disorders "until all Americans have left Panama."

FRIEND OF CASTRO

Later in the day, Thelma King, a deputy in the national assembly and close friend of Castro, led a mob of 1,000 persons to national headquarters to demand weapons to "fight Americans."

Radio Tribuna, of which she is part owner, broadcast appeals for mob violence against Americans and U.S. properties.

Miss King has been a frequent visitor to Havana.

A subsequent meeting at Panama University, which led to further violence, was organized by Victor Avila, 24. He was described as a Communist student leader since 1960 and a former secretary general of the Panamanian students federation.

LINKED TO ROLES

Other Panamanian Communists linked to active roles in 4 days of anti-American sniping, rioting, looting, and burning were said to include David Turner, Samuel Gutierrez, and Alvaro Menendez Franco.

Turner, a Communist Party member since 1946, has been particularly active in recent months among student groups. Gutierrez is a Communist Party aid in Mexico. Menendez Franco is an associate of Miss King.

These men were photographed provoking violence.

HATS OFF

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, eggs are still a big bargain even after 50 years. A well-known and successful farmer and a distinguished constituent of mine, J. Prentice Weston, of Bennington, N.H., points out in a letter to the Petersborough Transcript that eggs are selling for the same price of 60 cents a dozen as they were back in 1913. "Can you think of any other product, be it food, clothing, or what have you, that is better than it was 50 years ago, and yet selling for 1913 prices?" asks Mr. Weston. I agree with him that we should take our "hats off" to U.S. poultrymen.

I commend the letter to my colleagues:

[From the Petersborough Transcript, Nov. 21, 1963]

HATS OFF

EDITOR: I read with considerable interest your final item under heading of November 13, 1913, "50 years ago." Eggs at that time were selling for 60 cents a dozen in Manchester and hard to obtain.

And now, just 50 years later, eggs are still selling for 60 cents a dozen with no problem as to scarcity, and believe it or not, they are better eggs.

Can you think of any other product, be it food, clothing, or what have you, that is better than it was 50 years ago, and yet selling for 1913 prices?

You and your readers should certainly say, "hats off" to the poultrymen of the United States.

Sincerely,

J. PRENTICE WESTON,
Bennington.

RESEALING CCC GRAINS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LANGEN. Mr. Speaker, I have written the Secretary of Agriculture, requesting that the American farmer be given first consideration in the resealing of Commodity Credit Corporation stocks of grains. It is my opinion that all grains presently stored on farms should be made available for resealing.

In view of falling farm income, the declining share of the national income going to the agricultural segment, and the tightening price-cost squeeze experienced by our farmers, it is suggested that the farmer receive first consideration in CCC storage plans this year.

The farmer should be given the decision to reseal if he chooses, and to seal the qualified 1963 grains. It would be unconscionable to deprive our farmers of this needed income in favor of commercial interests. In Minnesota alone, the income from the storage of the principal grains under CCC loan on farms could be over $15 million in 1964 out of a national total of over $105 million.

The decision on resealing should be forthcoming from the Department of Agriculture in the near future. It is hoped that this year's decision is in favor of the American farmer and that these grains will remain on our family farms across the Nation, where this storage revenue is badly needed.

ARA AND THE GORED OX

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LANGEN. Mr. Speaker, I would like to share with my colleagues a recent editorial broadcast by one of the many public spirited radio stations in our Seventh Congressional District of Minnesota. The editorial, broadcast over KBUN in Bemidji and called to our attention by James Hambacher, president of the Bemidji Chamber of Commerce, documents another in the growing list of tragic blunders by the Area Redevelopment Administration.

Bemidji, Minn., is the land of Paul Bunyan and Babe the Blue Ox. But I assure you the complaint registered in this editorial is no myth.

KBUN COMMENTARY

There is an old expression which says, "A thing is good or bad depending upon whose ox is being gored." And people in this area who have viewed the increasing number and scope of Federal agencies with disinterest may suddenly discover that Bemidji's ox is about to be gored.

In this instance, the ox is the NuPly Corp.—just about the only manufacturing industry in this community. The Federal agency about to lend a hand in the goring is the ARA, the Area Redevelopment Administration.

With a great deal of political speechmaking this fairly new bureaucracy was launched to provide counseling and money to assist depressed areas in the establishment of new industry and new payrolls. It sounded good to some people. Others couldn't have cared less, and still others, including KBUN forewarned that ARA was simply robbing Peter to pay Paul, was simply moving industry into one poor industrial area by pirating it away from a thriving industrial area.

NuPly, as every Bemidjian should know, makes hardboard. NuPly has 18 competitors in the United States, and there are 188 hardboard plants in the world, in the United States the 19 hardboard plants are equipped to produce 3.3 billion feet of hardboard a year. Sales last year amounted to 2.2 billion feet or about two-thirds of what the domestic industry can produce if it operates at full capacity. It is obvious that we are not using anywhere near what existing plants can produce. And, under those circumstances, it is just as obvious that there is no need for more hardboard plants.

There is still another problem, 16 percent of the sales of hardboard in 1963 were imports, mainly from Sweden, and that 16 percent was a 30-percent increase in imported hardboard sales over the preceding year.

The U.S. Department of Commerce summed up the hardboard situation in a survey made for ARA and we quote from it. "Imports increased sevenfold during the period from 1952 to 1962. While interindustry competition is extremely intense, the problem of foreign competition is the single factor most important to consider. Foreign producers can sell standard hardboard for less in this country than domestic producers. Existing facilities are apparently more than adequate to supply all demand in the United States for several years."

That survey was made for ARA and it should certainly have killed any ideas about building more plants in a field that is already having trouble operating at full capacity, and what is ARA's reaction to this survey, this good advice, from the U.S. Department of Commerce?

ARA has studies now underway which could result in adding as many as 17 more hardboard plants in the United States. The closest one and the nearest threat to NuPly is a $6 million plant proposed for Superior, Wis., six times the size of NuPly. Investors will be asked to put up only $300,000, the Federal Government will put up 65 percent of the total in taxpayers' money, and the banks—protected by Government insured loans—will put up the balance.

The financing of this new hardboard plant at Superior is a far cry from the mostly do-it-ourselves financing of NuPly, putting men to work in the new plant at Superior will only reduce employment in Bemidji because the market does not need the increased hardboard production.

A new plant at Superior will also reduce the demand for wood in Bemidji—and local farmer-loggers and pulpcutters will lose some of their income.

We know it will serve no purpose to adopt a "We told you so" attitude toward ARA, and we know it will do no good to write to Minnesota's two Senators since they are not about to stop a new plant from being built on Minnesota's border; furthermore, they are not about to stop logrolling or vote swapping with Wisconsin's counterparts in Congress; our own Congressman ODIN LANGEN is one of the few who wisely voted against ARA and you might write to him.

But it would probably be more to the point to write to Eugene D. Foley, Administrator, Small Business Administration, Washington 25, D.C., or to William Batt, Jr., Administrator, Area Redevelopment Administration, Washington 25, D.C. It's a little late but you might tell them that's our ox that's about to be gored.

COMBINED CHARITY DRIVE FOR FEDERAL EMPLOYEES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. TAFT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. TAFT. Mr. Speaker, I have today introduced a resolution in the House of Representatives calling on the Post Office and Civil Service Committee to hold investigatory hearings on a recently announced proposal of the Civil Service Commission to initiate, on an experimental basis, a combined charity drive for Federal employees.

John Macy, Jr., Chairman of the Civil Service Commission, proposed a new type of fundraising campaign for Federal employees. It would be a single campaign which would combine the united fund agencies, federally approved health agencies, and certain international agencies into the same drive. Employees will be permitted to pay for their pledges through payroll deductions.

Most of us who have long supported the united fund approach for community giving in our own areas must realize that the success of such an approach depends upon centralized community budgeting. By forcing agencies unwilling to have their budgets reviewed through a community-based committee process and unwilling to give up their regular communitywide campaigns to combine with others, in one drive with payroll deductions, the Federal Government will be weakening the united fund approach. Instead they will be encouraging separate efforts of those very agencies which have been unwilling, in many instances, to cooperate in a communitywide campaign. Moreover, the choice of agencies participating can become entirely a matter of administrative whim.

There has been a great deal of opposition expressed to this program and I believe that, in fairness to all concerned, the Post Office and Civil Service Committee should look into both sides of this proposal, allow all interested parties to testify, and then report their findings and recommendations back to the House.

The Civil Service Commission presently has put this plan on an all-or-nothing basis. There may well be alternate proposals which will have the full support of all the affected agencies. This is the goal that we should be striving for. However, only with a public airing of all the issues involved will substitutes and alternatives present themselves.

The plan recommended by Chairman Macy is completely different from the type generally followed in business, industry, and labor. The Civil Service Commission has presented no good reasons why the plan for the Federal employees should run counter to those found in private sectors.

For these reasons, I have introduced this House resolution and I am asking other Members of the House who are familiar with and concerned about community fundraising techniques to support my resolution for an early committee hearing on this most important matter.

WHEAT BILL IS ACTUALLY A TAX ON POOR PEOPLE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. FINDLEY. Mr. Speaker, President Johnson is starting his war on poverty by proposing a tax on poor people.

The administration wheat bill (H.R. 9780) proposes a processing tax on flour, and this tax of course will be passed on to consumers. Poor people are the biggest users of flour and flour products. As income goes down, use of wheat products in the diet goes up.

Here are typical statistics from USDA:

Home use of wheat products per person per week

Annual income per family	Southern United States	U.S. average
	Percent	*Percent*
Under $2,000	4.44	3.83
$2,000 to $2,999	3.68	3.15
$3,000 to $3,999	3.41	2.84
$4,000 to $4,999	3.29	2.59
$5,000 to $5,999	3.11	2.58
$6,000 to $7,999	2.90	2.46
$8,000 to $9,999	2.56	2.29

It is clear, therefore, that a processing tax on flour would fall most heavily on low-income people, those least able to pay. The geographical area of greatest poverty is southern United States, and the statistics show that the use of wheat products in that area is even heavier among poor people than the national average.

In view of the current interest in civil rights, it is noteworthy that one-half of the nonwhite population has an annual family income of less than $3,000.

Further evidence of the repressive character of this tax comes in a study of the percentage of the family budget spent for wheat products.

[Percent spent for wheat products]

Annual income per family:	
Under $2,000	6.6
$2,000 to $2,999	5.9
$3,000 to $3,999	5.8
$4,000 to $4,999	5.3
$5,000 to $5,999	5.1
$6,000 to $7,999	4.8
$8,000 to $9,999	4.6

Based on current prices and futures and making allowance for the processing tax, it is likely that under the administration wheat bill, U.S. mills would have to pay about 35 cents more per bushel for wheat than this year. That can be translated into a price jump of nearly $1 on 100 pounds of flour.

SENATE HAS NO RIGHT TO ORIGINATE FLOUR TAX

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the best information available indicates that the other body in the next few days will act on a greatly amended version of the Cooley cotton bill—H.R. 6196—which was passed by this body last December.

Greatly amended is a term much too modest to describe the transformation that has occurred. The cotton bill has become a legislative monstrosity, as it now includes as a separate title the wheat certificate program which has been under consideration by the House Committee on Agriculture, but as yet has not been reported for consideration by this body.

The wheat program would be financed by a processing tax on flour. U.S. mills would be required to buy a 70-cent certificate—which can accurately be described as a flour tax—for each bushel of wheat processed into food for U.S. consumption. Certificates would be issued directly by the U.S. Government. They would be required regardless of where and by whom the wheat is produced.

Therefore, in my opinion, the certificates very clearly qualify as a tax.

Under the Constitution, revenue measures must originate in the House of Representatives. Therefore I appeal to Members of the other body to strike from the bill the title which would authorize the flour tax, and thus permit the House Committee on Agriculture to proceed with the orderly consideration of the flour tax proposal—H.R. 9780—so that Members of this body may work their will in the customary and proper fashion.

If the other body passes the bill for a flour tax, it will very likely come before this body only as a conference report. Thus, the House would not only be denied its constitutional prerogative to originate the tax measure, it would have only 1 hour for debate of a major new tax measure. No amendments would be possible, despite the fact that the measure has had no previous consideration in this body. Our only avenue of influence would be through a motion to recommit with instructions.

Surely this body will wish to assert its proper constitutional authority on this measure, just as it did so clearly in 1960. At that time, during an all-night session, this body rejected an attempt by the other body to originate an extension to the Sugar Act, which includes a processing tax similar to the proposed flour tax.

On July 2, 1960, Senate Joint Resolution 217, providing for an extension of the Sugar Act, came to the House. This body responded by adopting on a voice vote, House Resolution 598, stating that the Sugar Act was an act raising revenue and under the Constitution an extension of it had to originate in the House. I refer to Legislative Calendar, 88th Congress, final No. 14, page 85. Adoption of House Resolution 598 had the effect of tabling Senate Joint Resolution 217.

Those present for the House action will recall that Senate Joint Resolution 217 was rejected by a voice vote that fairly shook the rafters.

Inasmuch as the wheat program—like the Sugar Act—would raise revenue, a parallel situation exists as to constitutional authority to originate.

JOSEPH W. BARR, CHAIRMAN, FDIC, MAKES A POLICY STATEMENT

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. PATMAN. Mr. Speaker, Joseph W. Barr, the recently appointed Chairman of the Board of the Federal Deposit Insurance Corporation, issued his first policy statement a few days ago. It was a good statement—an auspicious beginning. He showed commendable vision when addressing the 330 Washington office employees of the agency, calling for support of President Johnson's war on poverty, and expressing the clear intention to help where needed in dealing with any threats to the economy.

STATEMENT OF POLICY BY JOSEPH W. BARR

Three weeks ago, after I had been sworn in, President Johnson made a short speech to the audience gathered in the Cabinet room. He told one of his favorite stories about the time in Indianapolis several years ago when he was concluding a speech by urging the audience to seize a matchless opportunity to obtain a great public servant by voting for me. His oratory was superb, but he forgot my name. When I saw that he was groping, I called out in tones that I hoped were subdued, but seemed to echo through the hall, "Barr, Joe Barr." He finally heard me, and I had a recommendation by the then majority leader of the Senate. (I also was elected.)

There is a sequel to this story which the President does not tell. Before he left town he asked me to call him in Texas the minute the polls closed. I called him to inform him that I had been elected; he congratulated me briefly and then told me to stand by for a call the next morning. At 10 a.m. the next day one of his senior staff members called to tell me precisely how to begin a congressional career. During the next few months, I saw Senator Johnson frequently for help and advice. His advice was simple: "Determine for yourself how you can be most useful. I will help you get in a position where you can make your best contribution."

President Johnson has a wide reputation for being effective with the Congress. Oddly enough, I never see any perceptive analyses of "Why." In my opinion his strength lies in two directions. To those Senators senior to him who gave him the responsibility of majority leader, his strength lies in their knowledge that he discharged his duties well and faithfully. To those Senators, and Congressmen like myself, who were junior to him, his strength lies in their knowledge that he gave them a chance to do their best. I am going to try to imitate both of those attributes.

This Corporation was born in desperate days. In 1931, 2,293 commercial banks with $1.7 billion in deposits failed. The next year there were 1,453 bank failures with $706 million in deposits, and for 1933 the total was a shocking 4,000 banks—with total deposits of more than $3.5 billion.

This tidal wave of bank failures destroyed public confidence in the commercial banking system and its demand deposits which constituted at that time about two-thirds of the money supply of the country. Recovery was impossible unless public confidence in demand deposits and in the banking system was restored.

The Glass-Steagall Act of 1933 established this Corporation and was unquestionably the single most important factor in restoring the viability of the Nation's deposit currency. There were no mile-long parades such as that which kicked off the NRA. The Corporation began quietly under the aegis of Mr. Walter J. Cummings, who certainly did not compare in dramatic or forensic ability with some of the more colorful early New Deal figures. But the Corporation's success has been little short of incredible. Bank failures are almost unknown. The possibility of losing money in a failed bank does not occur to an American citizen. The possibility of a sharp and sudden contraction in the money supply resulting from a wave of bank failures is a factor which the Federal Reserve System and the Treasury no longer take into account in their respective areas of money and debt management.

As a matter of fact the success of the Corporation is almost embarrassing. Let none of us think that we can rest secure and complacent in this lovely building on top of our almost $3 billion in assets.

My favorite lines from the speeches of the late President John F. Kennedy are these: "We are on the side of the hill, not the top. The absence of war is not peace. The absence of recession is not growth." This is the way that I view the posture of this Corporation. The horror of thousands of bank failures is behind us and I intend to devote sufficient time to our problems of regulation and examination to see that it stays behind us. But our demand deposits and our money supply face less apparent but nonetheless real challenges.

The Secretary of the Treasury faces a daily struggle to reduce and eliminate our balance-of-payments deficit. Anything that I can do, or that this Corporation can do, to assist him in his efforts, should be done without hesitation.

The President, as he guides our foreign policy in a troubled and turbulent world, may also have use for the nonfinancial resources of this Corporation in the support of the international financial institutions which we have helped to create.

Finally, President Johnson has declared war on poverty. This attack will be of necessity complicated, tedious, and demanding. However, this Corporation will not shrink from any responsibility in this area which the President may wish to delegate to us.

Neither I nor this Corporation has the competence to move in all areas of public policy and we shall not attempt to do so. But in those areas which contain a present or potential threat to our economy, we shall not hesitate to move if our help is needed. In addition to our regulatory and examination duties, we act in this Corporation as trustee for nearly $3 billion in assets of the American people. Surely our responsibility as trustees runs to more than petty bickering over details of regulatory policy.

In the past 10 days I have watched over 500 men and women, the Congress of the United States, work their way through many intricacies and controversies surrounding taxes and civil rights. Surely if they can resolve national differences in these terribly troubled and complex areas, then three men, the Chairman of this Corporation, the Comptroller of the Currency, and the Chairman of the Federal Reserve Board, can sit together and reason together about the differences that divide the commercial banking community. If we cannot, then I believe that the Congress is perfectly justified in firing us all and starting over again either with new men or a new system.

I invite you to join me in a climb up "the side of the hill." I make you only one promise—the same promise that President Johnson gave to me—the promise that I will give each of you the chance to do his best.

LITHUANIAN INDEPENDENCE DAY

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. RODINO. Mr. Speaker, I would like to bring to the attention of my colleagues an eloquent and forceful resolution submitted by the Lithuanian community of Kearny, Harrison, and North Arlington, on the occasion of the 46th anniversary of that gallant nation's Declaration of Independence:

> Whereas the Lithuanian nation on the 16th of February 1918 established an independent national state; and
>
> Whereas during 22 years of national independence the Lithuanian Republic made cultural, economic, and social advancements comparable to those achieved by the Western Democracies; and
>
> Whereas on the 15th of June 1940 the Soviet Union flagrantly violated Lithuania's sovereignty by occupying and subsequently forcibly incorporating Lithuania into the Soviet Empire; and
>
> Whereas the United States of America, being the strongest free nation in the world, in every way possible gives encouragement and assistance to those in Africa, Asia, and other underdeveloped areas who are less fortunate than the United States, yet who strive for the fruits of freedoms; and
>
> Whereas, by the same token, Lithuania, with its long and honorable political history and traditions, perseveres in its hope that some day its 3 million people once again will enjoy the democratic fundamental principles of liberty, as a nation:
>
> Therefore, we, the representatives of the Lithuanian community of Kearny, Harrison, and North Arlington, N.J., assembled at the Lithuanian Catholic Community Center of Kearny, N.J., on this solemn occasion, the 16th day of February 1964, do hereby unanimously request you, our Congressman, PETER W. RODINO, in your official capacity as U.S. Congressman to keep alive, by open discussion, the cause of Lithuanian independence and to give your support to measures in the Congress of the United States of America whose ultimate purpose is to restore to Lithuania its historic claim of freedom as an independent nation in the free world.
>
> Affirmed by our signatures:
>
> REV. RAYMOND F. THOMPSON,
> Councilman PETER W. VELEVAS,
> JOSEPH N. BELZA.
>
> In the name of the Lithuanian community of Kearny, Harrison, and North Arlington, N.J., on the 16th of February 1964.

CANAL ZONE POLICE: PERIL OF COMMUNISTIC REVOLUTIONARY INFILTRATION

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. FLOOD. Mr. Speaker, since making a statement to the House on February 7, 1964, strongly condemning a proposal of the Gov. Robert J. Fleming, Jr., of the Canal Zone to employ alien Panamanians as members of the Canal Zone Police Force, I have looked briefly into the history of that fine body and have received additional information concerning a plan that could destroy its effectiveness as a protective force for the Panama Canal.

The Canal Zone Police Force started with the appointment in 1904 of Capt. George R. Shanton, who had served with Col. Theodore Roosevelt's Rough Riders in Cuba. Recruited largely from carefully selected ex-U.S. soldiers, sailors, and marines, the force adopted the khaki uniform of the Rough Riders in honor of Colonel Roosevelt who, by then, was President. Brought into public spotlight by the building of the Panama Canal, the Canal Zone Police established high standards of performance and morale, and become famous as one of the best law enforcement agencies of the world, with an ultimate record of 80 percent convictions on arrests. During the crucial tests of three major wars and serious border violence, it has rendered indispensable services in the protection of the Canal Zone and Panama Canal.

Mr. Speaker, imagine the shock to the Members of this fine body of U.S. citizens on first learning on February 3, 1964, that Panamanian nationals would be employed as members of the police force charged with heavy responsibilities in the protection of the Canal Zone and Panama Canal against "lawlessness and disorder"—Hay-Pauncefote Treaty.

Since making my February 7 statement, I have received much information supplementary to that previously stated to the House.

The facts are simple and are here summarized:

First. The Governors' program to employ aliens—Panamanians—as members of the Canal Zone Police Force was secretly formulated without consultation with the Canal Zone police membership.

Second. Police union officials did not learn of it until Monday, February 3, 1964, when they were notified that the Canal Zone Police Force would be augmented by 110 additional members, with 50 of them non-U.S. citizens—Panamanians.

Third. More than 70 off-duty Canal Zone police, in full uniform, formed a protest group on February 3 outside the Canal Zone Administration Building soon after the disclosure of the plan.

Fourth. Word about the plan reached the Canal Zone from Washington and not from Panama Canal authorities.

Fifth. One police union official has charged that the plan "is a State Department idea originated here through the U.S. Embassy."

Sixth. As a direct result of the announced program, three policemen have handed in their resignations and five have requested their retirement.

Seventh. The chairman of the welfare committee of the Canal Zone Pacific Civil Council emphasized that these separations are "a very serious thing because (they) reflect the attitude of the U.S. citizens in the Canal Zone."

Eighth. Samuel Roe, Jr., Canal Zone police officer and legal adviser of the Canal Zone Police Association, made the following statement published on February 7:

The position of the Canal Zone police is that if we can't have the caliber of men we have today, and U.S. citizens, then we will do everything possible to destroy the entire administration plan to beef up the Canal Zone police and carry on with what we have.

Ninth. Canal Zone Policeman Roe was suspended from duty on February 8 because of his published statement.

Tenth. The Governor's plan disregards section 147—security positions—and section 149—merit system—of title 11, Canal Zone Code—Public Law 87–845—and the wise safeguards for Panama Canal security that these related sections provide.

Eleventh. The proposed hiring of aliens was planned to take place over a period of 2 years so that the process would be so gradual that the people of the United States and the Congress would not appreciate what was taking place.

Mr. Speaker, the foregoing facts are the essentials of what many experienced officers in the Armed Forces of our country consider would be a serious breach in the security system for protecting the Canal Zone and Panama Canal. In view of all the facts in the situation, any other view reflects a naivete on the part of the architects of the plan that is incredible. Moreover, the proposal raises serious questions as to subversion in our Government.

In view of what has been revealed of communistic revolutionary leadership and direction of the recent Panama mobs and the failure of the Panamanian Government to prevent Castroite infiltration of Panama, it must be clear that if the proposal to employ Panamanians as Canal Zone police is adopted, communistic revolutionists will infiltrate into the ranks of those thus accepted with disastrous results. What greater folly and criminal stupidity can there be than to employ as police officers in the Zone at this time when the world is on fire and communistic revolution is everywhere aiding the conflagration to employ in security positions in the Canal Zone those who have no allegiance to the United States and who may at any time be guilty of sabotage and violence. This danger has been demonstrated as shown by the fact that during the recent violence, Panamanians employed in the Canal Zone were involved in shooting attacks.

Already we are employing large numbers of Panamanians as workmen in canal operations; but these are not security positions as are Canal Zone police. Certainly we should go no further in the employment of Panamanians. We must deal with the cruel, realistic situation at hand and not be governed by maudlin sentiment.

To the end that the people of our Nation and the Congress, especially the members of the investigating and appropriating committees, may be supplied with the documentation on which the above factual summary is based, I quote excerpts from three letters from Panama Canal employees, including two from members of the police force, and Panama and Washington newspaper stories as part of my remarks.

Mr. Speaker, I would urge that the committees of the Congress having cognizance of security and appropriation questions involved by this situation start immediate inquiries into this pending peril to Panama Canal security.

FEBRUARY 9, 1964.

DEAR CONGRESSMAN FLOOD: I am a member of the Canal Zone police force and I have been employed by the police division since 1952. It is not unusual to witness appeasement of aliens by the Governor of the Canal Zone; however, the Governor has presently carried his appeasement of aliens to extremes. The Governor has proposed the hiring and training of aliens on the Canal Zone police force. He has proposed the hiring of 100 additional policemen to bolster the Canal Zone police force, of which 50 will be non-U.S. citizens. Regardless of duties assigned to alien policemen, those 50 policemen would be aliens owing no allegiance or loyalty to the U.S. Government. The Governor's proposal should gravely concern the U.S. Congress in view of the existing crisis in the Canal Zone. Should the Governor's plan be accepted, Panamanians would know all plans of the Canal Zone police, and during times of disorder we would not only have to combat aliens from across the boundary; we would have them in our own ranks.

There is some evidence that an alien industrial guard at Cristobal, Canal Zone, turned out to be one of the snipers during the January 9 riots. If an alien is disloyal in a minor capacity, he will be disloyal when given greater authority and responsibility. Aliens employed by the U.S. Government took part in the riots in January and against the United States in 1959.

To implement this asinine proposal, agency officials are prepared to totally disregard section 147 (security positions) and section 149 (merit system) of title 11, Canal Zone Code—Public Law 87–845. Further, the implementation of the above plan will be in direct violation of the intent of Congress as outlined by the House Committee on Post Office and Civil Service in their House Report No. 1869 (85th Cong., 2d sess.), which precedes the enactment of Public Law 85–550, of which sections 147 and 149 are part of the provisions incorporated in Public Law 87–845 (Canal Zone Code).

The Governor should realize that all aliens hired as police officers would have the same power of arrest as American officers and the same personnel regulations would have to govern both. This would mean that Americans would be subject to arrest by aliens and that alone will result in eventual chaos in the Canal Zone. They would have the same opportunities for promotion and that would mean that, in time, aliens would be in policymaking positions which would further imperil Canal Zone security.

Congress should also note the secrecy in which the Governor tried to effect his plan. He failed to notify the president of the Police Union. Policemen received notice of the proposed plan from Washington and not from local Canal Zone officials. How long will Congress allow the Governor to operate under a veil of secrecy and continue to cause a feeling of insecurity among Americans?

I, along with other Americans, am asking for the assistance and intervention of our Congress in prohibiting the implementation of the Governor's plan, which can only lead to further compromise of the United States and eventual chaos in the Panama Canal Zone. Enclosed are a number of newspaper clippings concerning the Canal Zone.

FEBRUARY 7, 1964.

DEAR REPRESENTATIVE FLOOD: I am not a resident of your State. In fact, I have no residence in the United States. The Canal Zone has always been my home. I have always admired your stand on the Canal Zone and I, along with other Canal Zone policemen, solicit your support in seeing that Congress appropriates no funds for the employment of policemen other than American citizens in the Canal Zone.

It is shocking to know that the Governor of the Canal Zone would place the security of the Canal Zone in jeopardy by hiring aliens who on January 9 invaded, burned, and destroyed property and killed four U.S. soldiers. Aliens employed in the Canal Zone have been disloyal in capacities that are not of a security nature. How can aliens swear allegiance to a government other than their own?

Should the Governor's plan be accepted Canal Zone police operations would be no secret to Panamanians, and Canal Zone policemen would not only have to contend with alien invaders, we would have them in our own ranks.

The police division would also be removed from the Canal Zone merit system. The same personnel regulations would have to be established for both alien and American policemen. They would have to be given the same opportunities for promotion. This would mean that in time aliens would be in policymaking positions. They would have the same power of arrest that American officers have. Americans will not tolerate being pushed around by aliens in territory under American jurisdiction.

It is very strange that the Governor tried to secretly effect his plan and made no attempt to notify the president of the Police

Union. Policemen became aware of the Governor's secret plan from Washington and not through Canal Zone officials.

The time has come when Congress should put an end to the secret operations of the Governor of the Panama Canal, who is presently attempting to appease aliens, endanger Canal Zone security, and create a feeling of insecurity among Americans employed in the Canal Zone.

February 3, 1964.

Dear Congressman Flood: The U.S. citizens of the Canal Zone have asked I call your attention to one of the most diabolical plans ever proposed by a Governor or members of the Panama Canal Board of Directors—the hiring of, and the training of aliens for positions on the Canal Zone Police Force.

It is proposed to hire about 100 additional policemen to bolster the Canal Zone Police Force of which 50 will be non-U.S. citizens. Irrespective of the duties assigned the alien policemen, these 50 policemen-to-be would still be aliens owing no allegiance or loyalty to the U.S. Government. The contemplated proposal should gravely concern the U.S. Congress in view of the existing crisis in the Canal Zone.

Due to recruitment difficulty of screening and selecting 50 desirable aliens (Panamanians) agency officials report the alien additions to the force may take about 2 years to complete. I believe the agency's 2-year target date was made to help overcome protests and budgetary problems expected by the Congress.

To implement this asinine proposal, agency officials are prepared to totally disregard section 147 (security positions) and section 149 (merit system) of title II of the Canal Zone Code—Public Law 87–845. Further, the implementation of the above plan will be in direct violation of the intent of Congress as outlined by the House Committee on Post Office and Civil Service in their House Report No. 1869 (85th Cong., 2d sess.) which preceded the enactment of Public Law 85–550, of which sections 147 and 149 are part of the provisions incorporated in Public Law 87–845 (Canal Zone Code).

A delegation of some 40 U.S. policemen recently informed Col. David Parker, Lieutenant Governor of the Canal Zone, that they were prepared to lay down their lives in the course of their duties, however, in view of recent circumstances they could not and would not accept the plan to integrate "aliens" into the Canal Zone Police Force.

We are asking for the assistance and intervention of our Congress prohibiting the implementation of this plan which can only lead to further compromising of the U.S. position, and eventual chaos in the Panama Canal Zone.

[From the Washington Post, Feb. 11, 1964]

Canal Zone Policeman Suspended for Opposing Natives on Force

A veteran U.S. police officer has been suspended from the Canal Zone Police Force for opposing the plan to integrate Panamanians into the unit.

Sam Roe, Jr., 48, legal and technical adviser of the Canal Zone Police Lodge (AFL–CIO), was reportedly reprimanded by his superiors and suspended last week for statements against the plan. He has been a Canal Zone police officer for 29 years.

Gen. Robert J. Fleming, Jr., Governor of the Canal Zone, last week announced plans to bring about 20 Panamanians into the police force soon. Ultimately some 50 to 75 Panamanians would be used to reinforce the peacekeeping units inside the zone, mostly in communities heavily populated by Panamanians.

It was understood that Roe was summoned before Police Chief E. C. Shipley late last week and suspended with pay after a reprimand for a statement to newsmen.

[From the Panama American, Panama (Republic of Panama), Feb 10, 1964]

Canal Zone Suspends Roe for Criticizing Republic of Panama Enlistments

Canal Zone policeman Samuel Roe, Jr., has been suspended from his job by Police Chief E. S. Shipley, reliable sources said today.

Although Roe declined to comment on reports of his suspension, the source said the long-service policeman was suspended at the weekend because of statements concerning Panama Canal administration plans to hire 110 Panamanian nationals for the Canal Zone Police Force, which were published in the Panama American last Friday.

Sources said that although Roe has been suspended from duty since Saturday he is receiving full pay.

Meanwhile local civic council sources today announced plans to circulate statements reportedly made by Canal Zone Gov. Robert J. Fleming, Jr., at a civic council executive meeting held in the Balboa Heights Administration Building December 12, 1962.

Fleming, at that meeting, allegedly said that there were four classifications of employment in the Canal Zone which would not undergo changes—the police force, fire department, comptroller's office positions, and supervisory and technical jobs on the Panama Canal locks.

Civic council sources said Fleming claimed that because of the law there would be no transfer of jurisdiction and no changes in the court system. "This was violated last night when a National Guardsman from Panama entered the zone and went to the Balboa High School to escort out a Panamanian youth who was carrying a Panamanian banner," one source said.

[From the Panama American, Feb. 7, 1964]

Plan To Hire Republic of Panama Nationals for Canal Zone Police Meets Strong Opposition

Officials of the Canal Zone Police Union vowed today they will do everything possible to "destroy" Panama Canal administration plans to bring 110 Panamanian nationals into the zone police force.

The Panama Canal Pilots Association and the Central Labor Union (CLU), have reportedly backed protests from the Canal Zone Police Union terming the move as a "dramatic inroad and a breach in the Canal Zone security system."

First reports yesterday said Gov. Robert J. Fleming, Jr., intended enrolling some 40 Panamanians into the police force before Sunday "to meet any situation which might arise in relation to the proposed demonstration by Panamanian students this Sunday, in observance of the first month after the January 9 riots."

But later newscasts based on information supplied by the Panama Canal omitted previous reports that the Panamanians would be sworn in "immediately," saying they would be hired "on a normal recruiting basis." These later reports also claimed that the number of Panamanians to be hired "has not yet been announced."

Police union officials, however, said they had been told during a meeting with Lt. Gov. David S. Parker, Monday, that 110 Panamanian and United States citizens would be hired with 30 Panamanians serving in supervisory categories and 3 working as liaison officers.

Over 70 off-duty Canal Zone policemen in full uniform formed a protest group outside the Balboa Heights Administration Building Monday—shortly after rumors of the plan to hire Panamanians for the police force became known.

The protest group stayed in front of the building until one of their union officials was allowed to attend a meeting with Parker at which the official announcement to implement the force with Panamanian nationals was made.

Meanwhile it was learned that three zone policemen have handed in their resignations and five have requested their retirement as a direct result of the administration announcement.

This move was termed "a very serious thing because it reflects the attitude of the U.S. citizen in the Canal Zone," Arthur C. Payne, chairman of the Pacific Civil Council Welfare Committee, said.

"The position of the Canal Zone Police is that if we can't have the caliber of men we have today, and U.S. citizens, then we will do everything possible to destroy the entire administration plan to beef up the Canal Zone Police and carry on with what we have," Samuel Roe, an official of the Police Union said.

The first announcement of the Governor's plan yesterday said "the plan to strengthen the police force was revealed when he [the Governor] ordered special security measures along the boundary between the Canal Zone and Panama."

But an announcement read over SCN television last night claimed "the obvious solution to the problem of maintaining peace is sharing work with the greatest number of Latin Americans."

Richard Meehan, president of the Canal Zone Police Union, countered this statement, saying "Panamanians' loyalty in carrying out these tasks can be questioned. This plan will cause a large number of Americans to quit and go home."

Reliable sources said that, contrary to Panama Canal indications that the Panamanian policemen will be charged only with looking after areas housing a predominantly Panamanian population, the Panamanians will be given "technical jurisdiction over Fourth of July and President Kennedy Avenues, the Thatcher Ferry Bridge and all the territory on up to Arraijan."

Commenting on reports that the hiring of Panamanians will do away with the merit system—a system similar to the civil service system practiced in the United States—Canal Zone Police Union officials said "the only reason for doing away with the merit system is to provide the Panama Canal with the ability to commit discriminatory practices in the hiring of Panamanian nationals against these same Panamanian nationals."

Roe said that when the Panamanian policemen join the zone force, they will receive "our salary less the 25-percent differential. But no one has been able to get near the Governor to get the true picture."

Union officials also pointed out that in their opinion, the plan to hire Panamanians as policemen is far from reality. "Before this can be done permission must be obtained from the Secretary of the Army and then a go-ahead from the Budget Bureau—the people who will provide the money," union spokesmen said.

But one union official said "if the Budget Bureau doesn't give it permission then the State Department will probably go ahead and provide the money. This is a State Department idea originated here through the U.S. Embassy."

THE HONORABLE FRANK HORTON, REPRESENTATIVE FROM NEW YORK

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. Foreman] is recognized for 60 minutes.

Mr. FOREMAN. Mr. Speaker, I am pleased, indeed, to take this time on the floor of the House of Representatives today to pay tribute and appreciation to one of our finest Members, my good friend, the distinguished gentleman from New York, Mr. FRANK HORTON. Our colleague, FRANK HORTON, has just been decorated by the U.S. Army with the Bronze Star Medal for his outstanding performance and heroism during World War II. During World War II, he received the Legion of Merit, a decoration for even greater valor than that necessary to qualify for the Bronze Star Medal.

This award, coming almost 20 years after FRANK HORTON's valiant service is significant, indeed, for up until the moment that Brig. Gen. F. W. Boye made the award, FRANK HORTON was unaware of its nature. An Army research officer had accidentally discovered our colleague's eligibility for the Bronze Star during a periodic review of Army Reserve records.

Because FRANK HORTON, now a Reserve lieutenant colonel, had previously been awarded the Combat Infantryman Badge for distinction in wartime service, he was entitled to the Bronze Star. In decorating Congressman HORTON, General Boye read from the official authorizing order which cited FRANK's "exemplary conduct in ground combat against the armed enemy while assigned as first lieutenant to the 60th Infantry Regiment, on or about July 3, 1944, in the European Theater of Operations."

We who serve in the Congress with FRANK HORTON are indeed proud of him, his background, and particularly the outstanding record he is making for the folks of New York's 36th Congressional District. He works hard, and his dedication to the cause of freedom and the preservation of individual liberty is exemplary. We need more men like FRANK HORTON. I hope the good folks of New York will return him to us in the Congress so long as he is willing and capable of serving.

Mr. HALLECK. Mr. Speaker, will the gentleman yield to me?

Mr. FOREMAN. I yield to the distinguished minority leader, the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I join my colleagues in paying tribute to a gallant colleague, FRANK HORTON.

He came to our ranks with an outstanding record of service to his community and to his country.

He has distinguished himself in whatever capacity he has undertaken, in civic affairs, as a public official in his hometown, in the Armed Forces of the United States; and most recently, as a Member of the Congress.

He has my warmest congratulations for the belated recognition which has come his way for bravery and devotion to duty.

FRANK HORTON is a fine American whom we are all justly proud to have among us.

Mr. FOREMAN. I thank the distinguished minority leader.

Mr. BRAY. Mr. Speaker, will the gentleman yield to me?

Mr. FOREMAN. I yield to the gentleman from Indiana.

Mr. BRAY. Mr. Speaker, I want to join in this tribute to my dear friend and colleague. I am proud of what he has accomplished here in Congress and of the patriotic duty that he has performed through the years to his country not only in the Army in combat but here in Congress.

Mr. FOREMAN. I thank the gentleman.

Mr. LONG of Louisiana. Mr. Speaker, will the gentleman yield to me?

Mr. FOREMAN. I yield to the gentleman from Louisiana [Mr. LONG].

Mr. LONG of Louisiana. Mr. Speaker, we in the State of Louisiana are also particularly happy to see this honor that has come to Congressman HORTON. You know, I guess, Congressman HORTON represents the reverse of what is often true. He was raised in Baton Rouge, La., and graduated from high school there. He graduated from Louisiana State University before World War II. Then he had a distinguished record during World War II and then left us in the Southland and left the glorious Democratic Party and turned Republican and moved to upstate New York.

We are happy to see this honor come to him, and I am certainly very happy to add my personal congratulations to an outstanding American.

Mr. FOREMAN. I thank the distinguished gentleman from Louisiana for his comments. I might note the distinguished gentleman from New York [Mr. HORTON] got the proper start in life, however, for before going to Louisiana, he was born in Cuero, Tex., and there are a lot of good folks, Republicans and Democrats, who come from that part of the country. We are proud to claim at least a part of FRANK HORTON and his outstanding accomplishments.

Mr. McMILLAN. Mr. Speaker, will the gentleman yield?

Mr. FOREMAN. I yield to the gentleman from South Carolina.

Mr. McMILLAN. Mr. Speaker, I want to join with the New York congressional delegation in congratulating our colleague, Congressman FRANK HORTON, on being awarded the Army's Bronze Star Medal for World War II heroism. I can assure you that the good news comes as no surprise to me as I consider Congressman HORTON one of the outstanding Members of the U.S. Congress. He has impressed me as being one of the most able and conscientious Congressmen to be elected to this distinguished body during the 26 years I have been privileged to serve as a Member of the U.S. Congress.

Mr. HORTON enjoys the respect of every member of the House District Committee, of which I am privileged to act as chairman. I do not know of any piece of legislation that has been referred to the House District Committee that has not received the serious consideration of my colleague, Congressman HORTON, and he has proven to be a wealth of strength to our committee.

I want to congratulate the good people of his congressional district on their sound judgment in selecting FRANK HORTON to represent them in the U.S. Congress. I can assure each of them that their welfare in the National Congress is in good hands. I have seen Members come and go by the hundreds since I have been a Member of Congress and, as I have previously stated, I have not met one that I thought was better qualified to serve as a Member of the National Congress than FRANK HORTON.

We are all extremely happy to see FRANK receive this extraordinary recognition, being presented with the Army's Bronze Star Medal, and we wish for him continued success as a lawmaker in the most outstanding lawmaking body in the world and in all of his business endeavors in private life. I am certain that the Congress of the United States has gained a great deal by having FRANK HORTON serve as a Member of this body and I am also certain that every member of the House District Committee is of the opinion that the standing of our committee has been greatly enriched and improved by having FRANK HORTON as one of our members.

It is my sincere opinion that FRANK HORTON will go down in history as one of our greatest lawmakers the same as he came out of the Army as one of our greatest heroes.

Mr. Speaker, I could talk for hours concerning the fine manner in which Congressman HORTON has conducted himself as a Member of Congress and the good work he has done in having some of the most important legislation that has been presented to the Congress during the past 2 years enacted into law. I wish Congressman HORTON and his family all the good things of life and that we will have the privilege to have him as a Member of Congress as long as he will agree to make sacrifices from his private life to serve as a lawmaker in this body.

Mr. FOREMAN. I thank the gentleman from South Carolina for his remarks.

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. FOREMAN. I yield to the distinguished gentleman from North Carolina.

Mr. WHITENER. Mr. Speaker, it has been my privilege for the past year and a few months to become intimately acquainted with our distinguished colleague from New York [Mr. HORTON]. We have worked together on a committee of this Congress and I am sure that the dedication to duty which he has manifested as a member of that committee is characteristic of his dedication to duty during military service in time of conflict. It is unfortunate that this award which he earned so many years ago was so late in coming. I would not want to be a party to having it said that it was 20 years before his outstanding service as a Member of this Congress was noted by some of us who are privileged to serve with him.

I commend the gentleman from Texas for his foresight and thoughtfulness in getting the time for us to take note of this belated bestowal of the honor which the gentleman earned so long ago. It is a wonderful thing to be recognized, even late, I am sure. All of us who have had the privilege of military service during the time of the great wars in which our Nation has been engaged always feel a bond of friendship and comradeship; and I am sure that all of those who served here who are entitled to wear the ribbon of military service appreciate the Army's taking note of this wonderful performance by our friend while he was in the military.

Mr. FOREMAN. I thank the gentleman from North Carolina for his fine remarks. I am sure that, having served on the committee with our friend from New York he knows him perhaps even better than I do. I appreciate the comments that he made.

Mr. MATHIAS. Mr. Speaker, will the gentleman yield?

Mr. FOREMAN. I yield to the gentleman from Maryland.

Mr. MATHIAS. Mr. Speaker, it is with pride in the accomplishments of a distinguished colleague and pleasure that his accomplishments have once more been recognized, that I join with other Members of the House of Representatives in commending the Honorable FRANK HORTON, of the State of New York, on his selection by the U.S. Army as a recipient of the Bronze Star Medal Award.

Mr. HORTON has been so honored for his outstanding military leadership and heroism above and beyond the call of duty while serving with the Army for 3 years in the campaigns of Africa and Italy during World War II.

Twice, the gentleman from New York has set aside a brilliant legal career for service to his country. First, as an Infantry officer in the Second World War; and, second, as a Member of the U.S. Congress.

This Bronze Star Medal Award, earned some 20 years ago, is one more item of convincing evidence of his patriotic and devoted service to his country.

Mr. FOREMAN. I thank the gentleman.

Mr. BROTZMAN. Mr. Speaker, will the gentleman yield?

Mr. FOREMAN. I would be pleased to yield to the gentleman from Colorado [Mr. BROTZMAN], who has been so helpful in arranging this time.

Mr. BROTZMAN. I thank the gentleman for yielding. At the outset I would like to congratulate the gentleman from Texas [Mr. FOREMAN] in arranging this special order in his usual careful and thorough manner to pay tribute to our good colleague, Mr. FRANK HORTON, of New York. It has been a distinct pleasure for me to work with the gentleman from Texas in arranging to pay tribute to this gentleman.

Mr. Speaker, we who are engaged in politics know how competitive our world is. This is true not only in politics but in virtually every endeavor we engage in. However, in the history of man there has been no keener competition or greater test than that found in our wartime military service.

With this in mind it is with respect and admiration that I join my colleagues today in expressing our congratulations to the gentleman from New York, FRANK HORTON, for belatedly receiving the Bronze Star Medal for World War II heroism while serving as a combat infantryman. This recent award plus his previous decorations including the Legion of Merit attest to his outstanding ability and courage during wartime.

He also serves his country at peace as he is doing so admirably in the U.S. Congress. Today we especially take note of FRANK's military feats, but I also want to congratulate him for his exemplary work with young people, in the legal profession, and in the sports world.

This Nation has benefited greatly from the services to date of the gentleman from New York, Congressman HORTON. Let us hope he will continue to serve in the House of Representatives for many more years.

Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD other tributes of Members of the House honoring our colleague the gentleman from New York [Mr. HORTON].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. BROTZMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. FOREMAN. I thank the gentleman from Colorado for his contribution in this tribute to our distinguished friend and colleague the gentleman from New York.

Mr. BROYHILL of Virginia. Mr. Speaker, I am delighted to join my colleagues in commending FRANK HORTON upon his selection to receive the Bronze Star. FRANK's outstanding military leadership as a combat officer in World War II, is characteristic of the man we have come to know here in the House of Representatives.

Early in his career as a Member of Congress FRANK's aggressive ability, depth of understanding, and willingness to accept responsibility was apparent to me because of our service together on the Committee on the District of Columbia. He quickly won the respect of senior members of this committee on both sides of the aisle and it became evident that we would hear a great deal more from this gentleman from New York. His effectiveness in behalf of his constituency is superior and his devotion to the service of his Nation has been unswerving.

It is a privilege to serve with FRANK HORTON and I congratulate him upon this recognition by a grateful Nation for heroism in time of war.

Mr. DOWDY. Mr. Speaker, during the comparatively short period of time that he has served as Representative in Congress from the 36th District of New York, FRANK HORTON has earned the respect and admiration of all his colleagues here. Both in his committee work and on the floor of the House, he has achieved a stature and a reputation for keenness of mind and fearless integrity.

I have been particularly fortunate in having FRANK serve as a member of Subcommittee No. 4, of which I am chairman, of the Committee on the District of Columbia. Our work has been particularly difficult and trying during this Congress, and I can say in all sincerity that no other member of that group has surpassed FRANK HORTON in diligence, intelligence, and forthright adherence to those principles of sound government and constructive legislation which are his convictions.

Knowing FRANK as I do, therefore, and holding him in the highest esteem, I was in no way surprised to learn that he has recently been belatedly cited for "exemplary conduct in combat against the armed enemy" while serving as an officer of the 60th Infantry Regiment in Europe during World War II. The fact that because of some confusion in the records, this recognition came to FRANK some 20 years after he had displayed on the field of battle that courage and devotion to his country which exemplify the highest ideals of American manhood, does not in any way dim the luster of his courageous deeds.

We, his colleagues in the House of Representatives, see in FRANK HORTON an outstanding young Congressman with a bright future of distinguished service to his country, his State, and his community.

In addition to his other accomplishments, FRANK was born in the great State of Texas which I have the honor to represent, and Texas is proud indeed to claim as a native son this gallant soldier and statesman.

Mr. RHODES of Arizona. Mr. Speaker, it is with a great deal of pleasure that I join with my colleagues today in this appreciation tribute and salute to an outstanding member of this body, Congressman FRANK HORTON. As a member of the influential House District of Columbia Committee, the House Government Operations Committee, and special subcommittees, he has made an impressive and exemplary record. We are proud of FRANK HORTON, not only because of his military accomplishments and awards, but particularly for the great job he is doing in representing New York's 36th Congressional District in the House of Representatives.

Mr. PIRNIE. Mr. Speaker, I am most pleased to learn that our colleague, FRANK HORTON, from my own State of New York, has been awarded the Bronze Star Medal for outstanding service during World War II. This recognition will be none the less pleasing to FRANK because it is belated for it will recall memories of places and people associated with the war years. His continuing service in the Army Reserve sets a worthy example of responsibility and I know it gives encouragement and leadership to Reserve activities in his home city of Rochester. We are not surprised that his military career brought repeated honors for his record in the House is one of faithful and distinguished performance. We look forward to his future years in this House knowing the same high standard of public service will be maintained. I am glad to have this opportunity to congratulate FRANK on this fine honor and to express my pleasure at having him as a colleague.

Mrs. REID of Illinois. Mr. Speaker, it is a privilege and a pleasure to join with my colleagues this afternoon in honoring FRANK HORTON for his great service to his country in time of war as well as in time of peace. I am proud, indeed, to be a fellow member of the 88th Club.

During World War II he served with distinction and heroism as an infantry officer in North Africa and Italy—receiving the Legion of Merit and the Combat

Infantryman Badge. Just recently, in line with his duty as a Reserve lieutenant colonel, the U.S. Army discovered that through an error he had not received the Bronze Star to which he was entitled because of outstanding leadership in World War II—and I am happy that this error was rectified, with the Bronze Star being presented to him early this month.

In addition to serving as a Reserve officer since his discharge from active duty, Frank has been a successful lawyer and has been very active in civic affairs. His long years of dedicated service to his country were culminated with his election to the 88th Congress in the fall of 1962. He has already clearly demonstrated his ability as a legislator; and I know that his contributions will continue to be outstanding.

Mr. CELLER. Mr. Speaker, congratulations to our colleague, Frank Horton. We salute his heroism, and we know that he honors all of us by wearing the Army's Bronze Star Medal. Having previously been awarded the Legion of Merit and the Combat Infantryman Badge, this further recognition has been long overdue.

I am happy to join with all of our colleagues in applauding Frank Horton and, further, to thank him for his devotion and bravery of which we, after all, are the beneficiaries.

Well done, Frank.

Mr. BROTZMAN. Mr. Speaker, I am pleased to join my colleagues in paying our due recognition and respect to Frank Horton, who recently has been awarded the Army's Bronze Star Medal for heroic service in World War II.

Frank is a most unassuming gentleman, and no doubt wishes that we would have refrained from this public expression of recognition of his wartime service. However, Frank is representative of the type of civil soldier who performs so well in the crises which have confronted our Nation and his record is an inspiration to all who know him. He is an extremely conscientious, persevering, and effective Member of this body and all of us hold him in even higher respect now that we fully appreciate his outstanding military service in World War II.

Mr. DEL CLAWSON. Mr. Speaker, for one who has not served his country in a military capacity, but who enjoys the heritage of liberty and freedom that those servicemen and veterans have made possible, I am happy to extend congratulations to our friend, colleague, and freshman Member of Congress for the honor recently bestowed upon him.

Frank Horton, in receiving the Army's Bronze Star Medal for World War II heroism, permits many of us to recognize his other outstanding military leadership accomplishments as an infantry officer in North Africa and Italy. It is a privilege to bask in the reflected glory that comes to one of our Members especially when it is so well deserved. During my brief service in the 88th Congress it is apparent that Frank Horton brings the same degree of ability and leadership to this House that he provided in the service of his country on active duty in World War II, and as a Reserve lieutenant colonel. I take personal pride in being counted among his friends.

Mr. SHRIVER. Mr. Speaker, it is a privilege for me to be associated with the tributes which have been paid today to my able and dedicated colleague, the gentleman from New York, Frank J. Horton. Our country owes a great debt to Frank Horton for his bravery and outstanding military heroism as an infantry officer in North Africa and Italy. America and the citizens of the 36th Congressional District of New York State, in particular, are fortunate to have him continue serving them in this greatest of all legislative bodies.

Since Congressman Horton is my neighbor in the House Office Building, I can testify firsthand to his dedication to his constituents and his country in fulfilling his responsibilities as an elected representative. It is a pleasure to serve with him and to work with him in the best interests of the United States.

Mr. FORD. Mr. Speaker, we offer recognition today to Representative Frank Horton, of New York, who earlier this month received the Bronze Star Medal for World War II heroism. Previously awarded the Combat Infantryman Badge, Frank was cited for "exemplary conduct in ground combat against the armed enemy while assigned as first lieutenant to the 60th Infantry Regiment, on or about July 3, 1944, in the European Theater."

At that time First Lieutenant Horton's regiment had finished 18 days of combat at the front in the Cottin Peninsula in France and proceeded south of Les Bieux, France. Shortly after this, the 60th Regiment took part in the 1st Army's push to the Marigny-Coutances area. While in the Infantry, Representative Horton also took part in amphibious landings in North Africa and Italy, serving from June 1941 to January 1946 and receiving the Legion of Merit and the Combat Infantryman Badge. We congratulate our colleague, Frank J. Horton, on receiving the Bronze Star and for his valorous service in the campaign in France.

As Lieutenant Horton, he served his country well. As Congressman Horton we know that he will continue to exert all his efforts in behalf of the best interests of the United States.

Mr. WEAVER. Mr. Speaker, it is with great pleasure that I participate in this tribute to my New York colleague, the Honorable Frank Horton.

Frank Horton has not only compiled an outstanding military record, but has made a creditable record in Congress, giving effective representation with the national interest in mind to the district he represents.

We are proud to have him in Congress. His guidance and advice has been invaluable in helping us make considerable decisions on the many important legislative matters affecting this country.

In his first year as a Representative he joined and played an important role in a bipartisan effort to find solutions to the continuing problems of communism and Cuba. His contributions to this discussion were practical and effective.

The House of Representatives is honored to have Frank Horton among its many Members who have served this country in its wars.

I join with the other Members of the House in congratulating Congressman Horton for having won the Bronze Star Medal Award for heroic achievement in the military service. May he have many more years of service to his district and our Nation.

Mr. GURNEY. Mr. Speaker, I am pleased to have the opportunity to join in recognizing the honor which has been bestowed on our friend and colleague, Frank Horton, by being awarded the Bronze Star Medal of the U.S. Army.

Lt. Col. Frank Horton's brilliant military record during World War II has been previously acknowledged by the award of Legion of Merit and the Combat Infantryman's Badge.

During the dark days of World War II, in the campaigns of North Africa and Italy, Frank Horton's valiant leadership provided strength and inspiration for the men of the 60th Infantry Regiment.

His stalwart devotion to duty while in command of an infantry company during the amphibious landing of Allied troops in north Africa in November of 1942, and his participation with British forces during subsequent landings in Italy in September of 1943 made an invaluable contribution to our final victory in Europe less than 2 years later.

Those of us who are honored to work with Congressman Frank Horton in committee and on the floor of the House of Representatives are well aware of his loyal adherence to the principles of truth, integrity, and fairness.

In expressing my high esteem and eminent regard for Frank Horton, I am profoundly grateful to the electors of the 36th Congressional District of New York for selecting a man of such exceptional stature and rare ability to represent them in Congress.

Mr. KILBURN. Mr. Speaker, it was a great addition when Frank Horton joined the New York delegation in Congress. I am glad that he is finally being presented with the Army's Bronze Star Medal for World War II heroism. This, of course, has to do with his distinguished war record. But it seems to me he has earned some kind of a star for his work here in Congress. As we all know, he is an able, dedicated, conscientious, and outstanding Member of the House. I am proud that he was elected from my home State of New York.

Mr. SCHNEEBELI. Mr. Speaker, my colleague, the gentleman from New York, the Honorable Frank J. Horton, who is an up-and-coming freshman Member of the House, was recently surprised, I understand, when a brigadier general of the Army appeared at his office to present him with the Army's Bronze Star Medal for his heroism in North Africa and Italy during World War II. Though he had previously been awarded the Legion of Merit and the Combat Infantryman Badge, I was nonetheless delighted to learn of this belated additional recognition of his outstanding service as an infrantry officer during the hostilities.

Representative Horton is a fine gentleman and his outstanding service is by no means limited to the Army infantry, but is also evidenced by his record as a member of his home community, his

State, and the House of Representatives. Though a busy lawyer prior to his election to Congress, he still found time to engage in many worthwhile activities consistent with his interest in the public welfare and in the youth of our country, as, for example, his work in the areas of civil defense and the Boy Scouts. Since turning his energies to his responsibilities as a U.S. Representative, he has made a fine record both in his committee work and on the floor of the House. It is a pleasure to offer him my heartiest congratulations for his distinguished service to his country not only in military combat but also as a fine citizen and legislator.

Mr. OSTERTAG. Mr. Speaker, it is a pleasure to join in tribute to my colleague from Rochester, N.Y., Representative **Frank Horton**, upon the recent award to him of the Bronze Star Medal by the Department of the Army. Though this award is more than a little belated, we are glad to see the Army correcting this oversight which has existed for almost 20 years since the time **Frank** participated in the invasion of Italy.

I am sure that those challenging and difficult days of World War II provided a sobering yet strengthening experience for **Frank**, as they did for most of the young men who served our country in that heroic conflict. Certainly those experiences are of particular value here in the Congress where so many of our responsibilities are related to the defense and security of our Nation.

Congressman **Horton**, of course, has been well prepared for his responsibilities here in Congress by many experiences, in addition to his military service. His training in the law at Cornell University and the practice of law in Rochester, his service as a member of the Rochester City Council from 1955 to 1961, his experience with Republican ward and county committees, as president of the Rochester Community Baseball Club and executive vice president of the International Baseball League, and in church, fraternal, and civic positions—all these have provided a wealth of training and experience which enable **Frank Horton** to represent so ably the broad interests of the people of his area.

In his short time in the Congress, our colleague, Representative **Horton** has demonstrated that he is a sensitive and vigorous representative of his constituents' interests, and he has labored diligently on the legislative responsibilities of his respective committees. I am confident his contributions to good Government for our Nation will continue to broaden and grow with his lengthening service in the Congress of the United States. I salute him on this occasion and am happy in the knowledge of this deserved recognition.

Mrs. DWYER. Mr. Speaker, the belated award of the Army's Bronze Star medal to our distinguished colleague, **Frank Horton**, of New York, presents us with the happy opportunity not only to offer our congratulations on his record of outstanding military leadership during World War II but also to consider the way in which our friend and associate has responded so impressively to the broader and potentially more significant possibilities for public service here in the Congress of the United States.

From a background rich in public and private service to the people of his community, Rochester, N.Y., **Frank Horton** has brought to the House qualities which have earned him an enviable reputation in just a few short months—a high degree of commonsense, a thoughtful and scholarly approach to his job, an awareness of the complexity of so many of the issues before us, a taste for hard work, a willingness to face difficult questions forthrightly and take a stand on controversial issues.

When these valuable qualities are wedded to great ability and to a conscientious sense of obligation to his country and his constituents—as they are in the person of **Frank Horton**—then we have a Congressman who is serving in the finest traditions of this body.

As a Member of Congress, as a Republican, and as a colleague who has enjoyed his friendship, it is a special pleasure for me, Mr. Speaker, to join so many of our colleagues today in paying deserved tribute to **Frank J. Horton**—a gentleman who has brought a positive outlook and a sound, inquiring and perceptive mind to the deliberations of the House.

Mr. STAFFORD. Mr. Speaker, as a member of the Armed Services Committee and as an admirer of my able colleague from New York, I am pleased to join in paying tribute to our distinguished associate, the Honorable **Frank J. Horton**.

In recognition of his outstanding military leadership while an infantry officer in North Africa, and Italy during World War II, Congressman **Horton** was previously awarded the Legion of Merit and the Combat Infantry Badge. As is now known, by virtue of these earlier decorations, he should have also been awarded the Bronze Star. This has now been presented to him, and although 20 years late, it is gratifying to know that the Army has corrected its oversight.

Congressman **Horton** has fulfilled his duties here in Congress effectively and with the same courage which he demonstrated on the battlefields of World War II. I hope that he will be a Member of this distinguished body for years to come, and I congratulate him upon this additional honor which he so deserves.

Mr. LANGEN. Mr. Speaker, it is indeed a pleasure to congratulate our colleague from New York, **Frank Horton**, upon receiving the Army's Bronze Star for World War II heroism. This honor, with his previous awards of the Legion of Merit and the Combat Infantryman Badge, provides a fitting tribute to a man whose entire life has meant accomplishment and dedication to the American principles.

Although a freshman Member of Congress, his young life has been one of public service, first to his country through distinctive performance in the military service, then to his community and State through worthwhile contributions to the welfare of his fellow residents, and now through national service in this legislative body.

I am grateful to our colleagues, **Ed Foreman** and **Don Brotzman**, for arranging this time for the inclusion of our remarks. They, along with **Frank Horton**, constitute three of our young Members who have made significant contributions to the work of this assembly in their first terms. Their outstanding and effective efforts are a credit to these men and the people who sent them here.

Mr. McLOSKEY. Mr. Speaker, as a freshman Member of the 88th Congress one of the most gratifying pleasures has been the privilege of meeting so many wonderful people from all parts of the Nation. Without seeming presumptious I think each of us can point with pride to the outstanding character and ability of the Members who were elected to serve in this great body at the 1962 election.

Throughout the past year it has been my privilege to learn to know Congressman **Frank Horton**, of New York, and to count him among my personal friends. Not only has the gentleman from New York [Mr. **Horton**] shown great ability and skill in legislative procedures but I feel he has become one of the most effective and outstanding Members of the House of Representatives.

I was delighted to learn of the recent honor granted **Frank** in the award of the Army's Bronze Star Medal for heroism during World War II. This is indeed a high honor and I join with my colleagues in paying compliments to him today and wish him many, many years of successful service in this legislative body.

Mr. GROVER. Mr. Speaker, I am extremely pleased with the news of another great honor being bestowed on my distinguished colleague from New York, Hon. **Frank Horton**.

Since I, like the gentleman from New York [Mr. **Horton**] am a freshman Congressman from New York, I have a ready opportunity to observe his depth of knowledge of the mechanics of New York State government, its people, their needs and problems, and his already demonstrated ability and readiness to work tiresome hours in their interest.

I am convinced that the qualities of leadership, courage, and good judgment, which earned him great honors in his military career, will bring to the Congressman great honors as a legislator and a statesman.

It is an honor to be associated with him.

Mr. KING of New York. Mr. Speaker, I wish to join with the other Members of the House in a well deserved salute to our colleague, **Frank Horton**, who has been awarded the Army's Bronze Star for World War II heroism.

As a freshman Member of Congress, **Frank** has worked diligently, giving his time and efforts to one task, to make this country and our system of government work just a little better. **Frank** has already established himself as an outstanding Member of Congress, and we in New York feel it is our good fortune to have him as a Member of our congressional delegation.

I am proud to join with my colleagues in expressing our thanks to him for his many accomplishments and to congratulate him upon his selection to receive the Bronze Star.

Mr. ARENDS. Mr. Speaker, it is a rare event, indeed, for a Member of Congress serving in his first term to be commended on the floor of the House.

But our colleague, Frank Horton, is that rare individual who is being so commended today.

Frank Horton is an outstanding attorney, a Reserve officer with a distinguished war record, and a man who has made many vital contributions to his State and his congressional district.

But in addition to his civil accomplishments, I would like to join with his many friends today in extending my congratulations for the recent presentation of the Bronze Star which Frank Horton won as an infantry officer in Italy and north Africa 20 years ago.

By inadvertence, the War Department, at that time, never presented Frank Horton with the Bronze Star and, modest as he is concerning his own accomplishments, he never sought recognition for his valor. A review of his service records indicated that he was awarded the Bronze Star but, actually, it had never been officially presented to him.

Recently, Brig. Gen. F. W. Boye, U.S. Army, called on our distinguished colleague to present to him the medal which he won for bravery 20 years ago.

Frank Horton is now a Reserve lieutenant colonel. He has never lost his interest in Reserve matters or his dedication to the security of the Nation.

I congratulate our distinguished colleague from Rochester, N.Y., and I congratulate the people of his congressional district for their wisdom in sending a man of his ability to serve in the Congress of the United States.

Frank Horton is the kind of American that the Nation needs in the Congress of the United States in these troubled times. We need his judgment; we need his ability; we need his already demonstrated courage; and we need his patriotism.

I am very proud to call him my friend and colleague.

Mr. BELCHER. Mr. Speaker, you know, I love pleasant surprises. And who does not? That is why I would have liked to have been present in Frank Horton's office the other day when Brig. Gen. F. W. Boye paid him a surprise visit to award him the Army's Bronze Star Medal—20 years overdue. It would have been worth any number of Polaroid films to get the expression on Frank's face.

Fortunately for the rest of us though, Frank became a Member of our group last year, and so cannot hug this honor to himself, but must share the experience with us.

While we all have heard it said that Congress is made up of men and women from all walks of life, I like to believe it draws, too, from the "cream of the crop"; and when we suddenly find among us such heroes as Frank, then, by golly, I just like to sit right up and say, "I told you so."

There are many in Congress—indeed throughout the Nation—who, in those dark years of World War II, so faithfully served their country; ofttimes making the supreme sacrifice. It just seems to me that America has been bountifully blest down through its history with individuals who proved they loved their country more than themselves. When one stops to recall the terrible history of that World War, then he can honestly appraise the value of such an award as the Army's Bronze Star and of the man who so dutifully won it.

We are more fortunate probably than we realize to have a man of Frank's caliber still faithfully serving his country to the best of his ability. And we can rest assured that the same strength, courage, and perspicacity which carried him to heroism in World War II will continuously return to carry him onward in his work, day by day. I believe we have proof of this in Frank's first year as a Congressman—a year ago when he came to Washington, he surveyed the field and quickly grasped the complexities of Congress, put his shoulder to the wheel and began his labor.

Frank, to say that I am proud to serve with you is the understatement of the year; and my wholehearted congratulations on this "hour of glory"—in which we all shared.

Mr. BROCK. Mr. Speaker, I would like to be associated with my colleagues today in paying a well-earned tribute to our esteemed colleague, Frank Horton.

The Army's award of the Bronze Star Medal to Frank is but another in a long line of honors paid the effective Representative from New York's 36th Congressional District. Whether in his church, the Boy Scout movement, civil defense work, freemasonry, bar associations, veterans organizations, or in Congress serving the people of his district, Frank Horton has consistently demonstrated outstanding qualities of leadership. "No task too small; no challenge too great" could well be the motto of the man we honor today. His many accomplishments reflect this wholesome attitude.

On the floor of this body, I have had opportunities to observe Frank both in thought and action. He is a dedicated public servant and a tireless worker.

Knowing of his courageous military service as a combat infantry officer in North Africa and Italy during World War II, I would like to salute Col. Frank J. Horton on his belated but much-deserved Bronze Star award.

Mr. BOB WILSON. Mr. Speaker, it is always a proud moment for us in the Congress when one of our Members is cited for extraordinary accomplishment and it is a pleasure for me, as I know it is my colleagues, to have the opportunity to participate in this tribute to Frank Horton.

Although it is 20 years late, I am sure that the award of the Bronze Star to Frank for heroism does not come as a surprise to anyone who knows him. His record of achievement speaks for itself and a military award for meritorious service fits right into the pattern.

Frank Horton has previously been awarded the Combat Infantryman Badge for distinction in wartime service and the Legion of Merit. The specific action for which he was cited in the award of the Bronze Star was exemplary conduct in ground combat against the enemy in North Africa and Italy in 1944 while assigned as 1st lieutenant to the 60th Infantry Regiment. Through an oversight, the award had never been presented until discovery of the error was made recently by the Army.

It has been a pleasure to know and work with Frank since he came to Congress in January 1963. He has performed his duties here in the Congress with the same diligence and devotion he displayed on the battlefield years earlier. I know he will be around for a good many years and that we will be hearing many more good things from him.

Mr. CLEVELAND. Mr. Speaker, recognition by the Department of the Army that Frank Horton earned the Bronze Star for his service in World War II makes this a fitting time to review Frank's many other accomplishments. Frank has been an outstanding member of both the Government Operations Committee and the District of Columbia Committee and has well served the voters of the 36th District in New York as an all-round leader. Having grown up in Texas and Louisiana, Frank moved to Rochester, N.Y., after graduation from Cornell University Law School. He distinguished himself as a community leader in municipal government, church affairs, civil defense, minor league baseball, bar association activities, and service to youth.

As a fellow freshman Member of the 88th Congress I know Frank as a friend always able, ready, and willing to take the initiative. Hard work and conscientious effort are characteristic of Frank's work. His fine military record was thus but the beginning of a career of service that we can all join in hoping will continue for many more successful and rewarding years. The Republican Party and the House are stronger for having the benefit of Frank's service.

Mr. RICH. Mr. Speaker, it is a great pleasure for me to have this opportunity to join with my colleagues in paying a most deserving tribute to the Honorable Frank Horton, who serves his country so well both in war and in peace. A leader in all worthwhile civic endeavors he contributes greatly to the welfare of his State and his Nation. A devoted public servant is deservedly being honored today by his Nation. May he long continue to serve in this great body of Congress.

Mr. McDADE. Mr. Speaker, on the morning of the 19th of June 1944, along a stretch of beach known as the Normandy Peninsula, strong winds began to blow out of the northeast. Along that beach, and just inland from it, were elements of the most gigantic military invasion ever mounted in an overwater attack. By noon the winds had reached such velocity that ferrying operations to bring supplies to the troops ashore had been suspended. By evening the winds had increased to 32 knots along the beach and small boats were being pounded to pieces in the mountainous waves.

All night long the storm blew. By morning the artificial port built to supply the Allied troops was beginning to break up. The floating breakwater had cast loose from its moorings, and was pounding against the pier; by evening the full scale of the disaster was apparent; the pier could not possibly hold. On the 21st of June the ports pierheads were carried away, the bridging connecting the port to the shore was a twisted mass of junk; the bridge of supplies to the Allied troops ashore in Normandy had been cut.

On Normandy itself the troops crouched in foxholes and weathered the storm as soldiers have always endured hardships. But on the evening of the 21st of June, General Collins knew that he would be fighting with only the supplies he had on the beach. There was no way of knowing when the flow would begin again. There could be no waiting while the enemy built up his supplies. He ordered an attack on Cherbourg for the following morning.

The 9th, the 79th, and the 4th Divisions of the VII Corps of the American 1st Army were assigned the task of taking Cherbourg. The 9th and 79th were to carry the attack while the 4th was to seal off the city from the east. On the morning of June 22, after a heavy bombardment from the air and from the ground, the 9th Army moved to the attack, led by the 60th Infantry Regiment. The 60th, echeloned to the left to guard its open flank, captured Acqueville in the first half hour. By evening it was at the outskirts of Flottemanville, and on the following day Flottemanville fell to the 60th. They were in the outer ring of the Cherbourg fortress. On the 24th of June the 60th moved along the north flank of the 9th Division deeper into Cherbourg. On the 25th, the 60th was deep in the fortifications. On both sides the 4th and 79th Divisions pressed into Cherbourg, and on the 26th of June the capture of the first great city of the war was recorded when Generalleutnant Karl-Wilhelm von Schlieben surrendered the city of Cherbourg.

These are the facts as history will tell them as long as the stories of battles will endure. But I call up these facts from history to note another fact, another tiny grain in the sand heap of history. There was a young first lieutenant in the 60th Infantry of the 9th Division of the VII Corps of Gen. Omar Bradley's 1st Army. He had already earned his spurs in the invasion of north Africa. His name was Frank Horton.

From Cherbourg the 60th Infantry Regiment was to go on to win new laurels in the battle to liberate Europe. We are proud that one of our colleagues was a member of that splendid unit. We are proud that even now, nearly 20 years after that battle in Cherbourg, the Army has seen fit to bestow a new award on Frank.

In many ways the award is necessary. The Legion of Merit which Frank had already received is eloquent tribute to his personal bravery. And the Combat Infantryman's Badge which he wears is an award that generals have coveted. It is certainly one decoration that is an outstanding honor for all who wear it.

On this occasion I am happy to join with my colleagues who pay tribute to Frank today. He is a man who was willing to die for his country; he is no less willing to live for his country. He has served well in time of war; he will serve no less in time of peace. If the test of a man's future is his past, then the people of the 36th Congressional District in New York can be proud to be represented by Frank J. Horton, as all of us here are proud to be associated with him in the House.

Mr. CHENOWETH. Mr. Speaker, I am happy to join my colleagues in congratulating the distinguished gentleman from New York, Frank Horton, on receiving the Army's Bronze Star Medal for his outstanding service in World War II. I understand that our colleague, the gentleman from New York [Mr. Horton], served as an infantry officer in the campaigns in North Africa and Italy, and was awarded this decoration for heroism displayed on those fronts.

It has been a great pleasure and privilege to serve in this body with Frank Horton, and I greatly enjoy our association. He has been a leader in organized baseball and was president of the Rochester club in the International League. I have followed baseball for many years and we have had a common interest in discussing events taking place in the baseball world. If Ford Frick should retire as commissioner of baseball I consider Frank an excellent choice for this high position.

I wish Frank continued success in all of his activities. He is a most able and effective Member of the House. It makes me very happy to extend my good wishes on this happy occasion.

Mr. REID of New York. Mr. Speaker, I am happy today to salute my good friend and distinguished colleague from New York, Frank Horton.

He is an outstanding Congressman who has been in the vanguard of the bipartisan effort to secure equal opportunity now—for all Americans. Congressman Horton was one of those in June 1963, who joined in introducing the Equal Rights Act of 1963, basing bill of rights profections firmly on the 14th amendment. This approach was subsequently adopted by the Judiciary Committee in the historic civil rights bill which passed the House on February 10.

Congressman Horton well and effectively represents his district and Nation. It is a privilege to serve with him in this House.

Mr. MILLER of New York. Mr. Speaker, I take great pleasure in joining with my colleagues in commending my fellow New Yorker, the Honorable Frank Horton, upon the occasion of his receiving the Bronze Star. This medal, testifying to his personal bravery in combat, is richly deserved by a gentleman who has consistently demonstrated a deep devotion to his country in the area of public service.

Mr. WYMAN. Mr. Speaker, whenever a new Member comes here there are bound to be trying days and hours. In this discovery my situation has proved no exception and I am happy to join with his many friends in the House in expressing my appreciation to Frank Horton for his continued helpfulness and generous cooperation during these difficult times. Frank is an outstanding Member of this body and a great credit to his district and State.

Time and again he has risen courageously to meet squarely some of the great questions we are here called upon to decide. His work on the floor, in committee, in the 88 Club and in the Republican conference has been distinguished. It is a privilege for me to have made the acquaintance of my colleague from New York's important 36th District.

I am proud also that Congressman Horton has recently received the Army's Bronze Star Medal for heroism in World War II. I am not surprised to learn this however, for this signal recognition of valor and merit confirms the impression of an outstanding Member of Congress that has come to those of us who have observed Frank's effective work in the House of Representatives.

Mr. RUMSFELD. Mr. Speaker, I am delighted to join my colleagues in honoring the gentleman from New York [Mr. Horton]. He has devoted his life to public service. As a distinguished Army officer, a veteran of the Rochester City Council, and an able Member of the U.S. Congress, he has demonstrated that he has an unusually keen mind, a willingness to work hard, a warm sense of humor, and an ability to lead and work well with his associates.

I congratulate Frank Horton on his valuable service to this Nation and wish him well in the coming years.

Mr. HALPERN. Mr. Speaker, I understand that the Army just recently discovered that the Bronze Star Medal was due Frank Horton for World War II heroism, in connection with his outstanding military leadership as an infantry officer in north Africa and Italy.

To their everlasting good fortune, the people of the New York State's 36th Congressional District also have discovered Frank Horton's outstanding leadership qualities, and gave him their own special kind of medal by electing him to the House of Representatives.

The Bronze Star Medal which Frank Horton has received from the Army can only add luster to his previous awards of the Combat Infantryman Badge and the Legion of Merit.

But Frank has been adding his own brand of luster to his role as a Congressman, for he is one of our most conscientious and hardworking Members who spends his every conscious hour proving that the faith and trust which his constituents have placed in him is not misplaced.

Mr. Speaker, I join with my colleagues in not only commending Frank Horton as an outstanding American, but also as one of the most praiseworthy Members of the New York State congressional delegation.

Mr. LINDSAY. Mr. Speaker, I am honored today to join my colleagues in paying tribute to Congressman Frank Horton, a man who has proved to be as brave and courageous on the floor of the House of Representatives as he was on the battlefield.

Just recently, the U.S. Army awarded the gentleman from New York [Mr. HORTON] the treasured Bronze Star Medal for World War II heroism. In decorating our brave colleague earlier this month, Brig. Gen. F. W. Boye cited his exemplary conduct against the enemy while assigned as 1st lieutenant to the 60th Infantry Regiment on July 3, 1944, in the European theater of operations.

The fact that Mr. HORTON's eligibility for this high award was discovered only recently in past records by an Army research officer detracts not at all from the meaning of this honor. For during World War II, our friend and associate won a decoration for even greater valor than that necessary to qualify for the Bronze Star Medal—the Legion of Merit.

Mr. HORTON served in defense of our country during that trying and dangerous period from 1941 to 1946. With the infantry, he made amphibious landings in North Africa and Italy, in addition to his other activities as a brave soldier.

Mr. Speaker, I am honored to serve with a man such as the gentleman from New York [Mr. HORTON], a man whose honor and courage has been as remarkable in this body as in battle.

Mr. MORSE. Mr. Speaker, I am happy to join with my colleagues today in paying tribute to one of the outstanding newer Members, FRANK HORTON, of New York. FRANK's latest honor, that of the Bronze Star, caps a distinguished career of public service in his community, in wartime, and here in the House, and indicates that FRANK can look forward to a future studded with more accomplishments. My very best wishes to FRANK on this occasion and for the future.

Mr. LIPSCOMB. Mr. Speaker, it is a distinct pleasure for me to join with other Members of the House today in congratulating our able colleague, Representative FRANK HORTON, of New York, on his receiving the U.S. Army Bronze Star Award.

FRANK HORTON's Bronze Star, earned as an infantry officer in North Africa and Italy during World War II, represents yet another recognition of his fine record of service to his fellowman.

The citizens of the 36th Congressional District in New York are fortunate to have such a worthy representative in the Congress of the United States.

Mr. FOREMAN. Mr. Speaker, it is a pleasure to take a part in this tribute to Congressman FRANK HORTON today. As a matter of record, I think it is proper to list some of the background and biographical information about this outstanding American.

Congressman FRANK HORTON, U.S. Representative from the 36th District of New York State, was born in Cuero, Tex., on December 12, 1919. He attended grammar and high school in Baton Rouge, La. He received a bachelor of arts degree from Louisiana State University in 1941, and a bachelor of laws, LL.B. degree from Cornell University Law School in 1947. He was elected a member of the Phi Kappa Phi honor society at Cornell University.

FRANK HORTON entered active duty with the U.S. Army in June 1941 as second lieutenant and was released to inactive duty January 1946 with rank of major. He holds a commission as lieutenant colonel in U.S. Army Reserve. His foreign service, from November 1942 to August 1945, consisted of various assignments in North Africa and Italy. He served in base section headquarters in Casablanca and Bizerte, North Africa, and in Naples and Leghorn, Italy. FRANK HORTON commanded an infantry company which participated in amphibious landing of American troops in North Africa on November 8, 1942, and participated in amphibious landing of American and British forces in Italy during September 1943 as a member of G-3 Section, 5th Army Headquarters.

Our colleague moved to Rochester, N.Y., in July 1947 after graduation from Cornell University Law School. He passed the bar examination in July 1947, and was admitted to practice as an attorney in September 1947. He was associated with the law firm of Moser, Johnson & Reif, 47 South Fitzhugh Street, Rochester, N.Y., in June 1947, and became a partner in January 1952.

He is past president of Federation of Bar Associations of Western New York; was secretary of the Rochester Bar Association for 4 years from June 1953, to June 1957; served on the executive committee of the Young Lawyers Section of the New York State Bar Association; was elected to Order of the Coif, legal honor society, 1947; is member of the Monroe, New York State, and American Bar Associations; is member of executive committee, Cornell Law School Association.

Congressman HORTON's political career has been one of exemplary service. He was elected to Rochester City Council in 1955 to fill an unexpired term and was reelected for a 4-year term in 1957. He served on the council from 1955 through December 1961. He was chairman of city council public utilities and special services committee and served as member of joint city-county planning committee, joint city-county civic center committee, chairman of port survey and park subcommittees of city-county planning committee.

He served as committeeman for the 18th ward from 1952 to present; served as vice president, 18th Ward Men's Club; vice chairman, 18th ward; ward and county committee from 1957 to present. He served as campaign manager, Republican campaign 1960, and as director 1962, Republican campaign training course.

He was elected to serve in the 88th Congress, having been sworn in January 9, 1963, representing the 36th Congressional District of New York State; appointed to serve as a member of the House District of Columbia Committee as well as three subcommittees of that committee; appointed to serve as a member of the House Government Operations Committee as well as the Military Operations Subcommittee of that committee; and is a member of the 88th Club.

He is an elder—since 1950—and trustee—since 1953—of Central Presbyterian Church, past president of Central Church Chapter of Presbyterian Men, member of Men's Work Council—1950–58—and Ministerial Relations Committee of Rochester Presbytery—1954–60. He taught Sunday school; is a member of the Legislative Committee of Rochester Presbytery and New York Synod of New York since 1959.

He was master of Seneca Lodge No. 920, F. & A.M.—1962; past president of Masonic Service Bureau—1955 and 1956; director of the Masonic Service Bureau; member Rochester Consistory, Scottish Rite; Damascus Temple, Shrine; Hamilton Chapter No. 62, R.A.M.; Doric Council No. 19, R. & S.M.; Monroe Commandery No. 12, Knights Templar.

As a sportsman and civic leader, FRANK HORTON served as president of the Rochester Community Baseball, Inc.—Red Wings—from 1957 to June 1962; executive vice president, International League 1959–60; attorney for International League 1957 to 1962; chairman, Minor League Committee, National Association of Professional League, Major-Minor League Player Development Committee; served on Major-Minor League Radio-TV Committee for baseball.

In 1958, he testified before the House Judiciary Committee in connection with the problem of major and minor leagues in baseball and also conferred with Antitrust Division of the Department of Justice as a representative of the minor leagues. Also, he participated in discussions with U.S. diplomatic personnel on several occasions regarding continuance of baseball by International League teams in Cuba.

Mr. HORTON is coowner, with William Swift of Brighton, N.Y., of Camp Pathfinder, a boy's camp located in Algonquin Park, Ontario, Canada. This camp has been in operation for over 30 years and was formerly owned and operated by Herman Norton of Rochester, N.Y. The camp specializes in outdoor education for boys 6 to 16 years of age with emphasis in canoe tripping and hiking.

FRANK HORTON was sector warden, Civil Defense for Northeast sector—city and county—1951–56; taught in Civil Defense Training School and supervised instructions of wardens; past president Reserve Officers Association; member and past secretary, 18th Ward Businessmen's Association; member of executive committee, 1954 to date, Otetiana Council, Boy Scout; member Ad Club, member Downtown Post, Veterans of Foreign Wars, member, Doty Magill Legion Post.

FRANK is married to the former Marjorie Wilcox of Interlaken, N.Y. They have two fine sons, Frank, 17; Steven, 12.

So goes the brief summary of the active life and outstanding accomplishments of a fine man and dedicated Congressman, our colleague, FRANK HORTON of Rochester, N.Y.

Mr. TAFT. Mr. Speaker, I would like to join with the other Members who are today acknowledging the outstanding military career of our colleague, the gentleman from New York, FRANK HORTON. Being awarded the Army's Bronze Star is indeed a great honor and we all congratulate him. However, his military service represents just one phase of FRANK's successful and effective career.

From the end of the war and up until his election to Congress he served his community of Rochester, N.Y., with distinction as a private citizen and then as an elected official. In 1962 he was elected to the 88th Congress where he has made outstanding contributions as a new Member. We all look forward to a long and productive career for him in the House as a Congressman. I am confident it will continue to be as outstanding as his career in the military as an infantryman. In selecting Frank Horton to represent them, the citizens of his district have chosen well.

Mr. McCLORY. Mr. Speaker, it is a privilege to join in this tribute to our colleague, the gentleman from New York, Representative Frank Horton.

Frank Horton's bravery "above and beyond the call of duty" is appropriately recognized through the award to him of the Army's Bronze Star medal for his heroism in World War II.

In addition to his ready call to duty and personal bravery, Frank Horton has demonstrated his qualities for public service as a Member of Congress representing the 36th District of the State of New York. It has been my fortune to serve with Frank Horton as a member of the House Committee on Government Operations. From this experience, I know—firsthand—of his interest in promoting efficiency and economy in the operation of our Federal departments and agencies. I expect his record of public service in the U.S. Congress to match his outstanding military service in the U.S. Army.

I salute Frank Horton as a brave patriot and as a wise and able Member of the greatest legislative body in the world—the U.S. House of Representatives.

Mr. JOHANSEN. Mr. Speaker, I am happy to join in this merited tribute to our colleague and friend, the gentleman from New York, Congressman Horton.

I am equally pleased that the Department of the Army has corrected the previous oversight and awarded Colonel Horton the Bronze Star Medal for World War II heroism.

It is interesting to note that the gentleman from New York, Congressman Horton, with characteristic modesty, limited the reference to his World War II career to the simple line "service in North Africa and Italy from November 1942 to August 1945" in the Congressional Directory.

It will be 20 years next year since the end of World War II and it is good to have a reminder of this kind of the valiant and heroic service of many of our colleagues and of countless fellow Americans in that titanic struggle.

GENERAL LEAVE TO EXTEND

Mr. FOREMAN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks in tribute to our colleague the gentleman from New York [Mr. Horton].

The SPEAKER pro tempore [Mr. Murphy of New York]. Is there objection to the request of the gentleman from Texas?

There was no objection.

FOR MORE EFFECTIVE FOREIGN AID: A PROPOSAL

The SPEAKER pro tempore (Mr. Murphy of New York). Under previous order of the House the gentleman from Delaware [Mr. McDowell] is recognized for 15 minutes.

Mr. McDOWELL. Mr. Speaker, the assaults on the foreign aid program in both Houses of Congress in the press and elsewhere are more than sufficient evidence that the present pattern of AID as an instrument of U.S. foreign policy is in serious trouble. Even those of us who are firmly behind AID recognize that there has to be a drastic revision of the program in order to sustain it. The shortcomings of the AID program need not be reviewed here—that was amply done in the debates in the House and the Senate. What is needed is a specific proposal to serve as a focus for public discussion, both in and out of the Government, from which will emerge a consensus on the role and organization of AID activities. Only then will the United States be able to use this essential instrument of foreign policy more effectively in the future than has been done in the past. Committed as I am to the necessity of foreign aid as an instrument of U.S. foreign policy, I am concerned that without substantial revision, the program will be rendered impotent by the ineffectiveness of the drones in its mushrooming bureaucracy and its opponents in the Congress who came close to succeeding in gutting the foreign aid bill last year. This proposal is not as a result of any consultation with any branch of the Government, but contains my personal views and those of competent advisers outside of Government and legislative circles.

There are four major factors in this proposal that are submitted for consideration and public discussion. First, military aid should be divorced from other forms of aid and administered by the Department of Defense; second, nonmilitary aid activities should be placed under a new organization designed for management rather than operation; third, the new organization, much smaller in size, should be located in the Executive Office of the President and not attached to the State Department, or stand alone as the newest and least effective independent agency; fourth, the execution of the AID program should be accomplished primarily by contracts with private industries, foundations, universities, both State and private ones, and other Government agencies which administer programs similar to the ones required by AID.

First, military aid performs a specific function as a part of U.S. foreign policy. Briefly stated, its purpose is to assist countries requesting it to increase their strength to withstand Communist aggression either from without or within. This is basically a military problem or, particularly with the relatively new countries, at least a police one, and aid directed toward that end should be administered by Defense officials who carry that responsibility with our Government. Some concern will be expressed for the necessity of relating all of aid effort and some misgiving remains about the nature of the so-called "military mind" for this task, complicated as it is in most countries with involved political factors—Vietnam being a conspicuous example. Increasingly, Defense officials have demonstrated a much broader grasp of the role of military assistance to new countries. In recent years the correlation of foreign political considerations with military programs has improved with the establishment of political-military offices in the State Department and Defense. Too, the lesson at long last has gotten home to most military leaders that a military solution alone in underdeveloped areas will not suffice in the gray area between all-out war and peace. Separating military support from economic aid can be absorbed in our overall defense budget at a time when that budget can be reasonably reduced. Such a separation could reduce the overall aid figure by one-third to one-half its present total.

Second, all nonmilitary aid activities in the future should be the responsibility of a new and small organization designed to manage rather than to operate. The Atomic Energy Commission which successfully managed the exceedingly complex development of the uses of the atom is an example of the distinctive role I think the new AID agency should have. The Army Corps of Engineers with its refined techniques of managing the assignments, not itself operating them, is another example. Getting AID officials out of the operating responsibilities of a vast bureaucracy and limiting their role to management seems to be the only feasible way to free these top officials, many of whom are well qualified, for the fundamental and tough policy decisions which must be made and supervised. Limited to management functions as this proposal specifies, the overextended field activities of AID people as an agency of the Government would be reduced. The organization in turn would be freed of a large number of time-servers who originally were recruited by AID in one or the other of its earlier incarnations who are now turned into administrators more interested in the continuation of programs to insure their own tenure than in the completion of them for the benefit of the recipient countries and a subsequent saving of tax dollars.

Third, the new organization, limited to management functions, should be placed in the Executive Office of the President similar perhaps to the role performed by the Bureau of the Budget. This position in the hierarchy of the Government would give officials in the new organization better access to all the line departments which was not so easily available as an adjunct to the State Department, as it now operates. With its location in the Executive Office of the President, the new organization would be in a far better position to coordinate the involvement of other agencies concerned with aid and to manage the contracts let to accomplish the objectives of the program. Furthermore, its new location would put it closer to the source of ultimate decisions in foreign policy, the Presidency itself. It could be assumed, I should hope, that the State Department would keep the President informed of any political considerations affecting AID programs.

Fourth, with the new organization designed for management and located in the Executive Office of the President, the operation of the AID program should be accomplished by contracts with qualified, competent organizations, both public and private. This pattern, one particularly appropriate for the mixed state, has been utilized with success in other major Government programs, as complex if not more so, as the requirements for AID. Several advantages support this proposal, already used in a lesser degree in the current AID efforts. In simple language by using contracts, it would be easier to ascertain what was being done in the AID program, at what cost, for how long, and by whom. The self-perpetuating tendency of the bureaucracy to keep its activities going would be checked by a determination before a contract is let how long it would take to complete a specific project and at what cost. The specifications for the project would be determined in advance of the letting of the contract, and the progress in fulfilling the contract could be controlled by a phased releasing of funds as specific steps are completed. Even with its shortcomings, the contract arrangement is a much better management tool than the present arrangements in that it has a builtin terminal date with a predetermined cost. In using this device, any criticism of the effectiveness of the program would be directed at the contracting organizations, thus getting some of the problems associated with AID activities off the back of the State Department. It could be anticipated, I think, and it might as well be recognized now if this proposal is to be considered realistically, that Congress would specify that all contracting agencies be American based. After all, it is American money that is involved and American interests at stake. Moreover, I have not noticed any of our allies, particularly those who are now prospering largely as a benefit of earlier U.S. aid programs—the Marshall plan, for example—using American concerns in their aid activities, modest as it is in too many instances.

Other aspects of the sprawling functions of AID should receive the attention of the Congress in redefining the role of the agency. Without discussing them in detail here, a listing of the more important ones will indicate the reorganization task that needs to be done. Development loans should be handled by the Export-Import Bank or the World Bank. These institutions have developed the machinery for evaluating loan applications. With their experience—and profits—they should be willing to make some of the "soft" loans, assuming some of the risks involved in putting capital in new countries. This activity basically is the banking business and should be handled as such and not by bureaucrats posing as bankers.

Public Law 480 should be made an integral part of the total program of AID, accounted for, and put to work in programs clearly compatible with U.S. interests and those of the countries in which the funds are located. The resources of trade rather than aid must be developed to bring the commercial activities of new countries more in line with sound industrial development.

Pompous fat such as gold-plated Cadillacs, mahogany and brass trimmed yachts, jet airliners, huge airports with little or no air traffic, must be taken out of our economic aid to new and underdeveloped countries. We are not a kingdom and as a republic we do not need to carry such competition to every friendship. These examples of use of aid funds have played into the hands of isolationist demagogues at the expense of concrete economic AID projects. The usefulness of increasing the guaranty provisions for U.S. private investment in these areas should be given careful consideration.

The task before us, Congress, the public, and countries receiving aid, is tremendous and complex, but nonetheless imperative if AID is to continue its usefulness as an instrument of foreign policy. The success of aid efforts in the Marshall plan, the support of Turkey and Greece under the Truman doctrine, and the reconstruction of Japan as a strong ally in the Pacific area, demonstrates the effectiveness of aid properly administered and utilized. There were programs in which economic and military considerations were dominant and relatively less involvement in internal political reforms was required.

President Truman's now too often forgotten point 4 declaration in 1950 recognized the drastically altered role addressed to the task of development in newly independent countries in contrast to the reconstruction of politically mature countries whose productive capacities were victims of World War II. Truman's proposition that the task of development should be shouldered largely by private industry was not taken up then and the responsibility for this role fell to successive aid organizations—ICA, MSA, and the current AID. Unfortunately the transition from reconstruction to development has not met with success commensurate with the cost and efforts. Now, before AID is the victim of its critics and its own unwieldy efforts, is the time to redefine its role and design the organization to accomplish its strategic assignment with less money doing a better job.

The vitality and ingenuity of the free enterprise system of the United States must be better utilized, and given more responsibility for future aid programs.

PROJECT PRAYER CALLS FOR A CONSTITUTIONAL AMENDMENT

The SPEAKER pro tempore. Under previous order of the House the gentleman from Ohio [Mr. FEIGHAN] is recognized for 15 minutes.

Mr. FEIGHAN. Mr. Speaker, today I introduced House Joint Resolution 930 as a means of indicating publicly my support for and association with the national movement to bring about a constitutional amendment which would remove any and all doubts about the citizen right to make reference to belief in or reliance upon, or invoking the aid of God or a Supreme Being in any public or governmental facility under any and all circumstances and for other similar purposes.

Millions of Americans believe this traditional right has been injured or otherwise impaired and are concerned that a trend has developed which will eventually drain from our public life that firm reliance upon divine providence which provided our Founding Fathers with enlightenment, strength, and courage to pursue the purposes of their Declaration of Independence. Our Nation was born in the circumstances of dedicated spiritual beliefs. We grow strong and powerful by adhering to those fundamental beliefs, and our destiny demands that we remain firm and faithful in our adherence to those spiritual beliefs.

The Supreme Court decision on school prayers has given rise to many questions about the rights of our children to recognize God or a Supreme Being as the guiding light in the formative and most impressionable years of their lives. All of us are aware of the negative influences which bear upon the lives of our children as well as the need for strong spiritual motivation if they are to mature into happy and well rounded citizens of the future. The question of separation of church and state is a proper one and it is our American tradition that this separation be maintained. But this does not require that we must separate the children of our Nation from God or a Supreme Being once they enter a public institution or facility. The same principle applies to the use of any public facility whether by adults or children.

Concern over this trend to isolate God or a Supreme Being from all our public affairs has caused many Members of Congress to introduce resolutions calling for a constitutional amendment which would reverse that trend. There have been no public hearings by the Judiciary Committee on those pending resolutions. The chairman of the Judiciary Committee, the gentleman from New York [Mr. CELLER], has informed me that he has ordered a staff study of the pending resolutions. Presumably public hearings will be scheduled when the staff study is completed, which I trust will be soon.

There is also before Congress a discharge petition to bring the pending resolutions directly before Congress for consideration and action. A number of Members have signed the discharge petition and other Members would readily sign except for the fact that in doing so they would provide the necessary number of signatures which in turn would establish a precedent with which they are not in agreement. This procedural matter is not to be confused with the substantive intent of the Members who have introduced such resolutions. Accordingly, a solution must be found which will accomplish the purposes intended and bring the issue before Congress for debate and decision.

I am, therefore, informing Chairman Celler today that as ranking member of the Committee on the Judiciary I am prepared to chair public hearings on this important public issue.

The millions of Americans who have joined in the efforts of Project Prayer have a right to have their voices heard.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. McClory (at the request of Mr. Arends), for February 20 and 21, on account of official business participating in hearings of Natural Resources and Power Subcommittee of the Committee on Government Operations at Muscle Shoals, Alabama.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Patman, for 60 minutes, on tomorrow; and to revise and extend his remarks, and include extraneous matter.

Mr. McDowell (at the request of Mr. Smith of Iowa), for 15 minutes, today; and to revise and extend his remarks, and to include extraneous matter.

Mr. Feighan (at the request of Mr. Smith of Iowa), for 15 minutes, today; and to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Rogers of Texas and to include extraneous matter.

(The following Members (at the request of Mr. Smith of Iowa) and to include extraneous matter:)

Mr. Pepper.

Mr. Carey.

Mrs. Sullivan.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 5945. An act to establish a United States-Puerto Rico Commission on the Status of Puerto Rico.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 5945. An act to establish a United States-Puerto Rico Commission on the Status of Puerto Rico; and

H.R. 7356. An act to amend title 10, United States Code, relating to the nomination and selection of candidates for appointment to the Military, Naval, and Air Force Academies.

ADJOURNMENT

Mr. SMITH of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 1 minute p.m.) the House adjourned until tomorrow, Friday, February 21, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1733. A letter from the Comptroller General of the United States, transmitting an audit of the Export-Import Bank of Washington for the fiscal year 1963, pursuant to the Government Corporation Control Act (31 U.S.C. 841) (H. Doc. No. 233); to the Committee on Government Operations and ordered to be printed.

1734. A letter from the Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to provide for a flat fee for services performed in connection with the arrival in, or departure from, the United States of a private aircraft or private vessel, and for other purposes"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAWSON: Committee on Government Operations. Report on crimes against banking institutions (Rept. No. 1147). Referred to the Committee of the Whole House on the State of the Union.

Mr. FASCELL: Committee of conference. H.R. 4638. A bill to promote the orderly transfer of the Executive power in connection with the expiration of the term of office of a President and the inauguration of a new President (Rept. No. 1148). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK:

H.R. 10036. A bill to create the Freedom Commission for the development of the science of counteraction to the world Communist conspiracy and for the training and development of leaders in a total political war; to the Committee on Un-American Activities.

By Mr. DON H. CLAUSEN:

H.R. 10037. A bill to create the Freedom Commission and the Freedom Academy, to conduct research to develop an integrated body of operational knowledge in the political, psychological, economic, technological, and organizational areas to increase the nonmilitary capabilities of the United States in the global struggle between freedom and communism, to educate and train Government personnel and private citizens to understand and implement this body of knowledge, and also to provide education and training for foreign students in these areas of knowledge under appropriate conditions; to the Committee on Un-American Activities.

By Mr. DANIELS:

H.R. 10038. A bill to amend the Federal Employees' Group Life Insurance Act of 1954 and the Civil Service Retirement Act with regard to filing designation of beneficiary, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS:

H.R. 10039. A bill to authorize a study of methods of helping to provide financial assistance to victims of future flood and earthslide disasters; to the Committee on Banking and Currency.

By Mr. HAGEN of California:

H.R. 10040. A bill to prohibit fishing in the territorial waters of the United States and in certain other areas by any vessel, except a vessel of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. HARRIS:

H.R. 10041. A bill to improve the public health through revising, consolidating, and improving the hospital and other medical facilities provisions of the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

H.R. 10042. A bill to amend the Public Health Service Act to increase the opportunities for training professional nursing personnel, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 10043. A bill to amend the Public Health Service Act to extend the authorization for assistance in the provision of graduate or specialized public health training, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MATTHEWS:

H.R. 10044. A bill to amend title 10, United States Code, to provide medical care for certain members of the Armed Forces who are entitled to retired or retainer pay, or equivalent pay, and who served on active duty for at least 90 days during time of war or conflict, and their dependents; to the Committee on Armed Services.

By Mr. RYAN of New York:

H.R. 10045. A bill to authorize the payment of overtime compensation to substitute employees in the postal field service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE of California:

H.R. 10046. A bill to amend the Federal Employees' Compensation Act so as to permit injured employees entitled to receive medical services under such act to utilize the services of optometrists; to the Committee on Education and Labor.

By Mr. WHITENER:

H.R. 10047. A bill to grant credit for purposes of the Civil Service Retirement Act for service performed by Federal employees under a cooperative agreement between the Federal Government and the State of North Carolina with respect to the administration of the Fair Labor Standards Act of 1938 in such State, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WICKERSHAM:

H.R. 10048. A bill to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, by creating single-officer general and special courts-martial, providing for law officers on special courts-martial, affording accused persons an opportunity to be represented in certain special courts-martial proceedings by counsel having the qualifications of defense counsel detailed for general courts-martial, providing for certain pretrial proceedings and other procedural changes, and for other purposes; to the Committee on Armed Services.

H.R. 10049. A bill to further insure to military personnel certain due process protection by providing for military judges to be detailed to all general courts-martial, and for other purposes; to the Committee on Armed Services.

H.R. 10050. A bill to amend chapter 47 (Uniform Code of Military Justice) of title 10, to authorize the Judge Advocate General to grant relief in certain courts-martial cases, to extend the time within which an accused may petition for a new trial, and for other purposes; to the Committee on Armed Services.

By Mr. WILLIS:

H.R. 10051. A bill to amend Public Law 86-272, as amended, with respect to the reporting date; to the Committee on the Judiciary.

By Mr. CHARLES H. WILSON:

H.R. 10052. A bill to amend title 13, United States Code, to provide for a mid-decade census of population, unemployment, and housing in 1965 and every 10 years thereafter; to the Committee on Post Office and Civil Service.

By Mr. BONNER:

H.R. 10053. A bill to amend section 502 of the Merchant Marine Act, 1936, relating to the construction differential subsidies; to the Committee on Merchant Marine and Fisheries.

By Mr. LENNON:

H.R. 10054: A bill to grant credit for purposes of the Civil Service Retirement Act for service performed by Federal employees under a cooperative agreement between the Federal Government and the State of North Carolina with respect to the administration of the Fair Labor Standards Act of 1938 in such State, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BUCKLEY:

H.R. 10055. A bill to authorize appropriations for the fiscal years 1966 and 1967 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; to the Committee on Public Works.

By Mr. NELSEN:

H.R. 10056. A bill to limit the authority of the Commodity Credit Corporation to sell any food grains and feed grains owned or controlled by it; to the Committee on Agriculture.

By Mr. ROOSEVELT:

H.R. 10057. A bill to amend the act of June 6, 1933, as amended, to authorize the Secretary of Labor to develop and maintain improved, voluntary methods of recruiting, training, transporting, and distributing agricultural workers, and for other purposes; to the Committee on Education and Labor.

By Mr. TOLLEFSON:

H.R. 10058. A bill to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies; to the Committee on Merchant Marine and Fisheries.

By Mr. BECKWORTH:

H.R. 10059. A bill to amend title II of the Social Security Act to eliminate the provisions which presently prevent an individual from simultaneously receiving both a full old-age or disability insurance benefit and a full widow's, widower's, or mother's insurance benefit; to the Committee on Ways and Means.

By Mr. DERWINSKI:

H.J. Res. 929. Joint resolution authorizing and requesting the President to designate April 9, 1964, as a day for observance of the courage displayed by the uprising in the Warsaw ghetto against the Nazis; to the Committee on the Judiciary.

By Mr. FEIGHAN:

H.J. Res. 930. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. STAFFORD:

H.J. Res. 931. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. RYAN of New York:

H. Con. Res. 268. Concurrent resolution expressing the sense of Congress with respect to the persecution by the Soviet Union of persons because of their religion; to the Committee on Foreign Affairs.

By Mr. JOELSON:

H. Con. Res. 269. Concurrent resolution expressing the sense of the Congress that the President bring the Baltic States question before the United Nations, and for other purposes; to the Committee on Foreign Affairs.

By Mr. ADDABBO:

H. Con. Res. 270. Concurrent resolution expressing the sense of Congress with respect to the persecution by the Soviet Union of persons because of their religion; to the Committee on Foreign Affairs.

By Mr. FLOOD:

H. Res. 633. Resolution to investigate solicitations of certain contributions from Government employees for charitable purposes; to the Committee on Rules.

By Mr. TAFT:

H. Res. 634. Resolution to investigate solicitations of certain contributions from Government employees for charitable purposes; to the Committee on Rules.

By Mr. GURNEY:

H. Res. 635. Resolution to investigate solicitations of certain contributions from Government employees for charitable purposes; to the Committee on Rules.

By Mr. SCHWEIKER:

H. Res. 636. Resolution to investigate the solicitation of certain contributions from Government employees for charitable purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of South Dakota memorializing the President and the Congress of the United States to take notice of a declaration of an emergency relating to the operation and effect of chapter 125 of the sessions law of 1963, which was referred to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GALLAGHER:

H.R. 10060. A bill for the relief of Kenneth Clinton Lewis; to the Committee on the Judiciary.

By Mr. KEOGH:

H.R. 10061. A bill for the relief of Vito Giammona; to the Committee on the Judiciary.

By Mr. LONG of Maryland:

H.R. 10062. A bill for the relief of John J. Tavormina; to the Committee on the Judiciary.

By Mr. MARTIN of Massachusetts:

H.R. 10063. A bill for the relief of Dimas Pereira Tavares; to the Committee on the Judiciary.

By Mr. PHILBIN:

H.R. 10064. A bill for the relief of Maria Coutoupidis; to the Committee on the Judiciary.

By Mr. ROBERTS of Alabama:

H.R. 10065. A bill for the relief of John Raymond Witt; to the Committee on the Judiciary.

H.R. 10066. A bill for the relief of Joe C. Oden; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H.R. 10067. A bill for the relief of Mrs. Dickranouhi Barsamian; to the Committee on the Judiciary.

By Mr. VAN PELT:

H.R. 10068. A bill for the relief of Miss Dimitra Petta and Miss Demetra Koutroumbi; to the Committee on the Judiciary.

SENATE

THURSDAY, FEBRUARY 20, 1964

(Legislative day of Monday, February 10, 1964)

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou God of truth, Father of our spirits, all is Thine except the drifting clouds of unrighteousness which in the end cannot hide Thy light, which no darkness can put out.

For those who here in perilous times, sent to this body by those who put their trust in them, and who speak for the people's best welfare, we pray for their deliverance from the subtle lures of office and from the arrogance which lurks always in power, and for the unswerving determination to bow to no compulsion, save the sovereignty of their own conscience.

Steady us in all our decisions and in all our ways, with the knowledge that only in Thy will is our peace and our victory.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, February 19, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, notified the Senate that Mr. BROOKS, of Texas, had been appointed a manager at the conference with the Senate on the disagreeing votes of the two Houses thereon to the bill (H.R. 4638) to promote the orderly transfer of the executive power in connection with the expiration of the term of office of a President and the inauguration of a new President, vice Mr. HOLIFIELD excused.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 7381. An act to simplify, modernize, and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services, and for other purposes; and

H.R. 9640. An act to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 5945) to establish a United States-Puerto Rico Commission on the Status of Puerto Rico, and it was signed by the Acting President pro tempore.

HOUSE BILL REFERRED

The bill (H.R. 7381) to simplify, modernize, and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services, and for other purposes, was read twice by its title and referred to the Committee on Post Office and Civil Service.

TRANSACTION OF ROUTINE BUSINESS

On request by Mr. MANSFIELD, and by unanimous consent, it was ordered that there be a morning hour, with statements therein limited to 3 minutes.

AUTHORIZATION FOR COMMITTEE ON AGRICULTURE AND FORESTRY TO FILE REPORT UNTIL MIDNIGHT TONIGHT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry may have until midnight tonight to file a report.

The ACTING PRESIDENT pro tempore. Without objection——

Mr. AIKEN. Mr. President, I would be willing to have a little more time allowed, if necessary. So far as I am concerned the committee can have until tomorrow night—although, so far as I am concerned, I shall be ready by 6 o'clock tonight.

As I understand, one or more members of the committee wish to file minority views. Whether they will be ready by tonight, I do not know.

Mr. MANSFIELD. Mr. President, with that proviso, I should like to have my unanimous-consent request acted on; and if any difficulties arise in the meantime, I shall be most happy to withdraw the request.

The ACTING PRESIDENT pro tempore. Without objection, the committee will be allowed until midnight tonight—as requested—to file a report.

COMMITTEE MEETINGS DURING SENATE SESSION

On request by Mr. MANSFIELD, and by unanimous consent, the Housing Subcommittee of the Banking and Currency Committee and the Antitrust and Monopoly Subcommittee of the Judiciary Committee were authorized to meet during the session of the Senate today.

SUSPENSION OF EQUAL OPPORTUNITY REQUIREMENTS OF SECTION 315 OF COMMUNICATIONS ACT OF 1934

Mr. PASTORE. Mr. President, there is at the desk a privileged matter—a message from the House, in connection with House Joint Resolution 247 and the Senate amendment to that measure. I ask that it be taken up at this time.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the joint resolution (H.J. Res. 247) to suspend for the 1964 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for legally qualified candidates for the offices of President and Vice President, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. PASTORE. Mr. President, I move that the Senate insist upon its amendment and agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Acting President pro tempore appointed Mr. PASTORE, Mr. MONRONEY, Mr. THURMOND, Mr. SCOTT, and Mr. PROUTY conferees on the part of the Senate.

BEEF IMPORT AGREEMENT

Mr. MANSFIELD. Mr. President, on Monday, the Department of State and the Department of Agriculture announced a voluntary agreement with Australia and New Zealand on beef imports. These two countries provide approximately 80 percent of our imports of fresh and frozen beef and veal. The agreement, as I understand it, is subject to review after 3 years.

In brief, the agreement guarantees foreign exporters of beef to the United States approximately 11 percent of our domestic market, holding Australian and New Zealand exports to the United States at the 1962–63 average, allowing for consumption growth.

Mr. President, this is a small step—a very small one—in the right direction; but it is not enough. It provides little protection for our domestic industry at a time when prices are down. During the current calendar year, it will provide a 6-percent reduction, as compared with 1963 imports.

The idea of a voluntary negotiated agreement with these two major beef exporters is excellent—but certainly not one that guarantees foreign suppliers such a major foothold on our beef market. We cannot blame Australia and New Zealand when they can get an agreement which will permit them to continue to export to the United States at a rate comparable to those of the two highest years in history. The American cattle industry is the one that is being hurt. It would have been far more realistic if the average imports had been computed over the past 5 years, instead of the last 2 years.

In addition, I am somewhat concerned about the effect such an agreement will have on efforts to aid the domestic livestock industry, in light of the delicate state of our international trade negotiations. Frankly, I am anxious to see a much more realistic quota established, either through U.S. Tariff Commission recommendations or congressional action. It is for this reason that my colleague [Mr. METCALF] and I have prepared, for introduction, legislation which would establish a quota system on beef imports, based on the past 5-year average.

Mr. President, I introduce this bill, on behalf of myself, my colleague, the Senator from Montana [Mr. METCALF], the Senators from North Dakota [Mr. YOUNG and Mr. BURDICK], the Senator from South Dakota [Mr. MCGOVERN], and the Senators form Iowa [Mr. HICKENLOOPER and Mr. MILLER]; and I ask unanimous consent to have printed at the conclusion of my remarks the text of this proposed legislation and a letter on the same issue which my colleague, the Senator from Montana [Mr. METCALF] and I addressed to the U.S. Tariff Commission.

Mr. President, I also ask unanimous consent to have the bill held at the desk, for additional cosponsors, until Monday, February 24.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD, and the bill will be held at the desk, as requested by the Senator from Montana.

The bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by Mr. MANSFIELD (for himself and other Senators), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the total quantities of beef, veal, and mutton (in all forms except canned, cured and cooked meat, and live animals) originating in any country which may be entered, or withdrawn from warehouse, for consumption during any period of 12 months shall not exceed the average annual quantities of such products imported from such country during the 5-year period ending on December 31, 1963: *Provided*, That beginning January 1, 1965, there may be an annual increase in the total quantities of such products which may be entered, or withdrawn from warehouse, for such purpose, corresponding to the annual rate of increase in the total United States market for such products, as estimated by the Secretary of Agriculture.

The letter presented by Mr. MANSFIELD is as follows:

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, D.C., February 19, 1964.

Mr. BEN DORFMAN,
Chairman, U.S. Tariff Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: We are informed that on February 20, the U.S. Tariff Commission will consider copper for possible inclusion on the President's list of articles for consideration in trade agreement negotiations. Because copper is the leading mineral in the State of Montana's active mining industry, we wish to take this means of opposing any reduction on rates of duty on copper imports. We can find no justification for lowering the present duty on foreign copper; in fact, the original 4-cent tax should be restored, based upon the statistical position of the industry.

The domestic copper mining industry is at present at a disadvantage because of excessive production of high grade ores in Africa and South America. Should the tariff be lowered and the demand for domestic copper fall off, the domestic mines would be in severe economic difficulties. In addition, our foreign suppliers often enjoy cheaper water transportation and certain tax advantages.

We wish to remind the Commission that copper tariffs are not and never have been for the purpose of keeping out or penalizing foreign metal, but principally are to provide a balance of relative costs of those who supply world markets. Under present conditions, the excise of 1.7 cents per pound is too low to provide the necessary protection; therefore, we endorse the industry's request that the tariff be restored to 4 cents per pound. This would then put domestic mines on a competitive basis with foreign mines.

In reviewing the tariff on copper, we ask that prime consideration be given to national security demands. We also urge that no recommendations be made which will be adverse to a healthy domestic copper mining industry operating under a reasonably balanced situation.

Thank you for your consideration, and we ask that this letter be made a part of the printed proceedings of this hearing.

With best personal wishes, we are,

Sincerely yours,

MIKE MANSFIELD.
LEE METCALF.

UNITED STATES-MEXICO NEGOTIATIONS

Mr. MANSFIELD. Mr. President, today President Johnson will fly to California, where he will hold 2 days of meetings in Palm Springs with President Adolfo Lopez Mateos, of Mexico. The Chiefs of State will discuss problems of mutual concern to our two countries, as well as of concern to the hemisphere and the world.

A quick glance at history reveals that all has not always been well between our two countries. However, history also shows that no problem between nations can long defy solution when negotiations are entered into a spirit of friendship and good faith and a genuine desire to succeed. Fortunately, this has been the tenor of United States-Mexican relations over the last three decades, beginning with the good neighbor policy of Franklin D. Roosevelt, and reaching a high point under the administrations of Presidents Kennedy and Johnson.

Recent approval of the Chamizal Treaty—whereby a longstanding border grievance was settled—removes a great barrier to further understandings. The Chamizal problem, which has been a divisive factor between our countries for nearly a century, could not have been settled without the friendship and statesmanship of the Mexican Government; and we are most appreciative of the role played by its great President, Adolfo Lopez Mateos.

I am confident that the one remaining serious border problem—that of dealing with the salinity of water which flows from the Southwestern United States into northern Mexico—can be resolved in a similar spirit. Certainly President Johnson is eager to maintain and improve existing relations on the high plane to which Presidents Kennedy and Lopez Mateos helped bring them, and in which President Johnson played a highly significant but unpublicized part. And I know I speak for my colleagues in both Houses when I say that we look forward to the visit of the Mexican Congressmen to Washington on March 3, 4, and 5, when we shall discuss this and other items of mutual interest.

Mr. President, in his meeting with President Johnson, President Lopez Mateos will encounter a neighbor of Mexico whose friendship for that great land is of long standing. Coming as he does from a State with a large population of Mexican extraction, President Johnson has long been aware of the contributions which these people have made. A short excerpt from the history of Texas-Mexican relations, and of a part which President Johnson has played in them, is told in an article by columnist Drew Pearson which appeared in this morning's Washington Post. I commend its reading to my colleagues, and ask that it be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOHNSON HOLDS MEXICO'S ESTEEM

(By Drew Pearson)

For almost 100 years any Texan was always suspected, sometimes hated, by Mexico. Its people remembered—just as vividly as Texans remember the Alamo—the war of 1848 when a good slice of Mexico was chopped off by fire-eating, pistol-packing, land-hungry Texans.

Fifty years ago, perhaps even 20 years ago, no one would have believed that a President of Mexico would sit down on American soil to confer with a Texas-born President of the United States.

The fact that it is happening this week is due in part to the more commonsense shown by both nations; in part to the two men who are meeting in Los Angeles; and in part to the people of San Antonio who elected a Spanish-American, HENRY GONZALEZ, to Congress, and to the people of El Paso who elected another Spanish-American, Raymond Telles, as their mayor.

President Adolfo Lopez Mateos is a moderate who has continued the land and economic reforms of the Mexican revolution—at first bitterly opposed by the United States. Lopez Mateos has realized that American tourist trade and American investments mean the difference between prosperity and poverty; so, without sacrificing anything in the way of Mexican pride and sovereignty, he has gone out of his way to work at friendship.

He became the first Mexican President in history to cross into Texas, when he visited the LBJ ranch while Mr. Johnson was Vice President. And previously he conferred with Mr. Johnson at Acapulco when Johnson was Senate majority leader.

JOHNSON'S FRIENDSHIP

President Johnson, in turn, is revered in Mexico as perhaps few other American Presidents. Mexicans remember how he toured San Antonio in an old pickup truck campaigning for HENRY GONZALEZ and conceived the brilliant idea of bringing Pepe Cantinflas, popular star of "Around the World in Eighty Days," to San Antonio to help GONZALEZ.

But most of all, Mexicans remember an event which occurred during the Korean war when the people of Three Rivers, Tex., refused to bury a Mexican-American boy killed in battle.

The brother of the Governor of Taxco told the story when Johnson went to that city in 1958. Tears streamed down his face as he spoke, and Johnson, who doesn't speak Spanish well, couldn't understand the reason. But here is what the Mexican said:

When a Mexican boy, drafted into the American Army, was killed in Korea, his body was brought back to Three Rivers, Tex., where he had lived. But the one funeral parlor in that little town would not give him a burial because he was a Mexican.

"Whereupon the Senator from Texas who is with us today telephoned from Washington: 'I can't make the funeral parlor bury this boy, but I can bring his body to Arlington National Cemetery in Washington and bury him alongside Presidents.'

"And that," said the Mexican speaker, "is what the Senator from Texas did."

PROGRAM FOR PRODUCTION AND CONSUMPTION OF COTTON AND WHEAT

Mr. MANSFIELD. Mr. President, if I may have the attention of the distinguished minority leader, I announce that if there are no difficulties connected with the filing of the report on the wheat and cotton bill by the Committee on Agriculture and Forestry by midnight tonight, it would be the hope of the leadership to bring up that bill tomorrow at the conclusion of the reading of Washington's Farewell Address.

Mr. WILLIAMS of Delaware. Mr. President, I have no objection to the Senate's making progress, but we have not yet received a bill from the committee. I do not see how we can intelligently debate a bill we have not yet seen.

Mr. MANSFIELD. The Senator is correct.

Mr. WILLIAMS of Delaware. I wonder if we would not make better time if Senators had an opportunity first to read the bill—which will not be available until tomorrow morning—to study it and then proceed to consider it next week. I shall not object if that is what the Senator wishes to do, but I think the Senators would be trying to debate something they do not know anything about. We do too much of that as it is.

Mr. MANSFIELD. The Senator has a good argument, as always. It is my understanding that the report will be available this afternoon. I, of course, made the request—which would have to be a unanimous-consent request—with the idea in mind, though I did not state it, that the report would be available.

But if the Senator desires, I would be most happy to change the tentative announcement to make it applicable to Monday.

Mr. WILLIAMS of Delaware. Unless we are sure we will get the report and have time to read it, I think it would be better to carry it over until next week. However, I would be willing to wait until later in the day to see how much progress is made toward completing the report. I understand that the committee has until midnight to file it.

Mr. MANSFIELD. The Senator has a point, and I will discuss it with the minority leader.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. DIRKSEN. It is my understanding that in order to make the unanimous-consent request valid, the Senate would have to adjourn.

The ACTING PRESIDENT pro tempore. The Senator from Illinois is correct; it would require unanimous consent to bring up the report while the Senate is in recess.

Mrs. SMITH. Mr. President, will the minority leader yield?

Mr. DIRKSEN. I am delighted to yield to the distinguished Senator from Maine.

Mrs. SMITH. Would the majority leader say he is not expecting any votes tomorrow, but only statements on the bill about which he is talking?

Mr. MANSFIELD. If the bill is brought up tomorrow, the joint leadership could assure the distinguished Senator from Maine that there would be no votes tomorrow.

Mrs. SMITH. I thank the Senator very much.

Mr. MANSFIELD subsequently said: Mr. President, pursuant to the unanimous-consent request made previously, I now ask unanimous consent that the minority and supplemental views on the bill to be reported from the Committee on Agriculture and Forestry may have until midnight tonight to be filed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ET CETERA

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Fee for Services Performed in Connection With the Arrival In, or Departure From, the United States of a Private Aircraft or Private Vessel

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide for a flat fee for services performed in connection with the arrival in, or departure from, the United States of a private aircraft or private vessel, and for other purposes (with accompanying papers); to the Committee on Finance.

Audit Report on Export-Import Bank of Washington

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Export-Import Bank of Washington, fiscal year 1963 (with an accompanying report); to the Committee on Government Operations.

Report on Unnecessary Procurement Because Equipment Requirements Were Overstated by White Sands Missile Range, New Mexico

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on unnecessary procurement initiated or planned because equipment requirements were overstated by White Sands Missile Range, New Mexico, Department of the Army, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Overpayments Made Under a Cost-Plus-a-Fixed-Fee Contract for Procurement of Nuclear Submarine Components From Combustion Engineering, Inc.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on overpayments made under a cost-plus-a-fixed-fee contract for the procurement of nuclear submarine components from Combustion Engineering, Inc., New York, N.Y., Department of the Navy, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

LITHUANIAN INDEPENDENCE DAY—RESOLUTION

The ACTING PRESIDENT pro tempore laid before the Senate a resolution adopted at a mass meeting of Lithuanian-Americans, in Elizabeth, N.J., on February 16, 1964, relating to Lithuanian independence, which was referred to the Committee on Foreign Relations.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. EASTLAND, from the Committee on Agriculture and Forestry, with amendments:

H.R. 6196. An act to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes (Rept. No. 874); with minority and supplemental views.

(See the remarks of Mr. Mansfield relating to the report on the above bill, which appear under a separate heading.)

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare:

Leverett Edwards, of Oklahoma, to be a member of the National Mediation Board.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MANSFIELD (for himself, Mr. Metcalf, Mr. Burdick, Mr. Young of North Dakota, Mr. McGovern, Mr. Miller, and Mr. Hickenlooper):

S. 2525. A bill to restrict imports of beef, veal, and mutton into the United States; to the Committee on Finance.

(See the remarks of Mr. Mansfield when he introduced the above bill, which appear under a separate heading.)

By Mr. EASTLAND:

S. 2526. A bill for the relief of Wright G. James; to the Committee on the Judiciary.

By Mr. ELLENDER (by request):

S. 2527. A bill to amend paragraph (a) of the act of March 4, 1913, as amended by the act of January 31, 1931 (16 U.S.C. 502); to the Committee on Agriculture and Forestry.

By Mr. MORSE (for himself and Mr. Metcalf):

S. 2528. A bill to amend Public Law 874, 81st Congress, in order to provide assistance to local educational agencies in the education of children of needy families and children residing in areas of substantial unemployment with unemployed parents; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Morse when he introduced the above bill, which appear under a separate heading.)

By Mr. HILL:

S. 2529. A bill to amend the Public Health Service Act to increase the opportunities for training professional nursing personnel, and for other purposes;

S. 2530. A bill to amend the Public Health Service Act to extend the authorization for assistance in the provision of graduate or specialized public health training, and for other purposes; and

S. 2531. A bill to improve the public health through revising, consolidating, and improving the hospital and other medical facilities provisions of the Public Health Service Act; to the Committee on Labor and Public Welfare.

By Mr. GRUENING (for himself and Mr. Bartlett):

S. 2532. A bill to aid in the administration of the Pribilof Islands, in Alaska, by the Secretary of the Interior and to provide for the self-sufficiency of the inhabitants thereof, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (for himself and Mr. Magnuson):

S. 2533. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Manson Unit, Chelan Division, Chief Joseph Dam project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. YARBOROUGH (by request):

S. 2534. A bill to authorize outpatient medical services to certain veterans of World War I, World War II, and the Korean conflict, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Yarborough when he introduced the above bill, which appear under a separate heading.)

By Mr. YARBOROUGH:

S. 2535. A bill for the relief of Wong Gar Wah; to the Committee on the Judiciary.

By Mr. ERVIN:

S.J. Res. 157. Joint resolution proposing an amendment to the Constitution to provide a means for determination of the inability of the President to discharge the powers and duties of his office; to the Committee on the Judiciary.

(See the remarks of Mr. Ervin when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION

INVESTIGATION OF GOVERNMENT COMPETITION WITH PRIVATE BUSINESS

Mr. TOWER submitted the following resolution (S. Res. 299); which was referred to the Committee on Government Operations:

Resolved, That the Committee on Government Operations, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to make a full and complete study for the purpose of determining—

(1) the extent to which departments and agencies of the Government are engaged in the production or furnishing of goods and services which can be supplied by private enterprise;

(2) the extent to which necessity or the national security require that such goods and services be produced or furnished by departments or agencies of the Government; and

(3) the means and methods by which the function of producing or furnishing such goods and services may be transferred at the earliest practicable time and to the greatest practicable extent to private competitive enterprise within the United States.

SEC. 2. For the purposes of this resolution, the committee, from March 1, 1964, through January 31, 1965, is authorized to (1) make such expenditures as it deems advisable; (2) employ upon a temporary basis technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized, at its discretion, to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent to the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings upon the study and investigation authorized by this resolution, together with its recommendations for such legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1965.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $125,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

A BILL TO PROVIDE OUTPATIENT TREATMENT OF VETERANS BY VA HOSPITALS

Mr. YARBOROUGH. Mr. President, I introduce, by request, for appropriate reference, a bill which would permit outpatient treatment by the Veterans' Administration hospitals for veterans of World War I, World War II, or the Korean conflict who are in receipt of a pension under chapter 15, title 38, United States Code.

This is an area where more study is needed. The veteran population is growing older and its health problems are more acute. This bill will give the appropriate committee of the Senate an opportunity to look deeply into this matter.

This bill would extend the outpatient program, which presently exists for veterans of the Spanish-American War, the Boxer Rebellion, and the Philippines Insurrection, to include the veterans of both World Wars and Korea.

Under existing law veterans other than those above mentioned must be admitted to a Veterans' Administration hospital before they can be treated. It might be far less expensive to provide those veterans who do not need extended hospital treatment with this outpatient care.

In any event, I feel that this is a worthy area for extensive study, and this bill provides a vehicle for exploration of the needs and solutions in this area.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2534) to authorize outpatient medical services to certain veterans of World War I, World War II, and the Korean conflict, and for other purposes, introduced by Mr. YARBOROUGH, by request, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

PRESIDENTIAL SUCCESSION AND DISABILITY

Mr. ERVIN. Mr. President, on January 20 I introduced Senate Joint Resolution 147 which would provide a method to select a new Vice President in the event of a vacancy in that office. It would also provide a method to fill vacancies in the offices of the President and the Vice President should these offices be vacant at the same time.

I have testified in support of this joint resolution before the Subcommittee on Consitutional Amendments. That subcommittee had before it eight resolutions dealing with the questions of Presidential succession and disability. Because of the variety of solutions to these vexing problems proposed by these resolutions, I would like to discuss the reasons why I think my resolution best meets the country's needs. Following my remarks on the problem of succession, I shall discuss the problem of Presidential disability and introduce a resolution on that subject.

These are problems of very serious proportions and it is most fitting that so much thought has been given them. I am pleased that there have been proposed a number of constructive solutions to these problems, and I congratulate our distinguished colleague, Senator BAYH, who, as chairman of the Subcommittee on Constitutional Amendments, has conducted hearings on this vital subject.

The system which I have proposed has the advantage of utilizing the same method for filling vacancies in the office of Vice President and in the offices of President and Vice President together. I think that it is necessary to prepare for the possibility, however remote, that both of our top executive positions might be vacant and I think it highly desirable that the same method be used to meet both contingencies.

For this reason, I do not support the system of succession embodied in Senate Joint Resolution 139 or that in Senate Joint Resolution 148. These resolutions provide that upon the succession to the Presidency of the Vice President, he shall nominate a candidate—in the case of Senate Joint Resolution 139—or between two and five candidates—in the case of Senate Joint Resolution 148—to fill the office of the Vice President. Upon confirmation by the Congress of the new President's choice—under Senate Joint Resolution 139—or upon selection by the House of Representatives of one of the new President's nominees—under Senate Joint Resolution 148—the candidate so selected assumes the office. This system, of course, could not be used to fill vacancies in both executive offices because it presupposes the existence of a Vice President who will nominate his successor once he has succeeded to the Presidency.

Uniformity, in this instance, is not dictated solely out of consideration for form. All have agreed that a new Vice President should be selected upon succession to the Presidency of the former Vice President. One of the main reasons for favoring such a plan is the fact that we want the successor to the Presidency to be selected on the basis of a considered judgment that he possesses the characteristics necessary to make a good President. We do not want the potential successor to the Presidency to be a man who, while eminently suited to be Secretary of State or Speaker of the House, lacks the qualities necessary to make a good President. We therefore want to guard against a system of succession which places a man in the Presidency by virtue of the fact that he holds a certain designated office.

If this is true in the case of the man who is to serve as Vice President, it is certainly even more compelling in regard to an individual who is chosen to serve as President. Thus, I feel that we should not provide for the contingency that both our highest executive offices will be vacant at once with a different plan than that which we employ to fill the single vacancy in the Vice-Presidential office.

For this reason, I do not favor a resolution which makes no provision for filling a dual vacancy as is the case of Senate Joint Resolution 148. Nor do I favor meeting this contingency by providing that the Secretary of State succeed to the Presidency, as does Senate Joint Resolution 139. Again, I do not favor this arrangement because the Secretary of State is selected by the President on the basis of his ability to serve in that position; he is not selected by the people or their representatives as President.

I might point out that those who advocate that the members of the Cabinet be first in line of succession in order to avert a situation where a member of one party succeeds a President elected by the other party will also not avoid this possibility. In every recent administration members of both parties have served as Cabinet officers and while, I am sure they faithfully execute administration policy in their particular departments, I have no reason to believe that they share their Chief's views on all policy questions.

Turning to another facet of this question, Mr. President, I want to recall the objection to the Succession Act of 1886 voiced by President Truman. That law, which was in force until 1947 when the present succession law was enacted, provided that the Secretary of State, followed by other members of the Cabinet in stated order, would succeed to the Presidency. President Truman believed that it was undemocratic for a Vice President, who had himself succeeded to the Office of President, to be able to pick his successor and therefore advocated that elected representatives of the people, the Speaker of the House, and the President pro tempore of the Senate, be first in the line of succession. I believe that as a practical matter the same objection can be made to succession measures which allow the new President to nominate his successor while the Congress merely confirms.

It is my view that during a time of crisis, such as exists following the death of a President, all responsible political factions will rally to the administration. For this reason, it appears to me that a system which allows the new President to nominate his successor would, in practice, be subject to President Truman's objection—it would allow the new President who had not been elected to the Office to handpick his successor. This is true because Congress would be loath to rebuff the new President by refusing to confirm his choice.

Yet this same reluctance on the part of Congress to rebuff the fledgling administration would be an asset in a system which gave to the Congress the authority to select the new Vice President. This reluctance would impede any attempt to cause a change of party in midstream and at the same time would allow the President's successor to be democratically selected.

I think it very important that any President or potential President be selected by a democratic process. The very cumbersome mechanics of a countrywide popular election prevent recourse to this solution when time is of the essence. Nor do I think it feasible to appoint an interim President or Vice President by one method and then fill the office or offices permanently by a future popular election. This would give the interim official no real mandate—a state of affairs we can ill afford in this nuclear age when the events of a week or a day can alter the course of history.

Because the Members of Congress are elected by the people, they best reflect the popular will. Election of executive officers by Congress, puts selection only one step removed from popular vote. Furthermore, my resolution provides that Congress shall meet and vote in joint session, each Member having one vote. Under this system, the preponderance of voting strength rests with the House of Representatives. This is justified, I think, because all the Members of the House are elected every 2 years while only one-third of the Senate is elected concurrently with the President and Vice President. For this reason, the House is more likely to be in accord with the views of the administration. I do not think it is wise to allow one House of Congress to defeat a candidate for whom a majority of the total membership of Congress indicates approval.

I might add, at this point, that I see no reason to restrict the class of persons from whom Congress can select. I think that there are many State Governors or, indeed, distinguished men in the private sector of national life, who are as qualified as any to serve in our highest executive office.

I do not think that election of two Vice Presidents at the time of presidential elections is a felicitous solution to the problem of Presidential succession. For one reason, I share the fear of those who express doubt as to whether the type of person who we would want to be second in line to the Presidency would be willing to serve in this position. It is only recently that we have seen the Vice Presidency become an office of major importance; bisecting it might well impede this salutary trend. I think this plan has another serious defect. It is not inconceivable that tragedy could strike, vacating both Vice Presidential offices and that of the President. It is not rare, at occasions of state, for all our top executive officers to be present, and we cannot forget that ours is the age of the nuclear bomb. An adequate succession plan, I feel, must provide a method to fill any and all vacancies that occur when they occur, a short list of successors will not do.

To those who feel that our present succession law is adequate, let me say that I consider it vital to have at all times a Vice President who can be briefed on and participate in important matters of state. Only in this way can continuity in our Government be assured. But I want to reiterate the statement which I made before the Constitutional Amendments Subcommittee that my objections to the present system do not in any way reflect doubt on the abilities of the Speaker, Mr. McCormack, or on the President pro tempore of the Senate, Mr. Hayden. Each, I think, would make a fine and able President should he be called upon to serve in that capacity.

PRESIDENTIAL DISABILITY

Mr. President, I now would like to address myself to the question of Presidential disability. I am introducing, for appropriate reference, a joint resolution proposing an amendment to the Constitution relating to Presidential disability which I would like to have printed in the Record at the close of my remarks.

While the country has had three different laws relating to succession, none of which we have had to utilize, we have never promulgated a law relating to disability and there have been at least two situations when such a law was needed. Perhaps this deficiency is due to the fact that disability raises thornier and touchier problems than does succession. For solving the problem of Presidential succession involves deciding who can best fill a vacant office. Providing for Presidential disability necessitates selection of those who must make the awesome judgment to remove from office our highest executive officer.

I think that we must look to the Constitution to solve this difficult problem. The Constitution provides a method of impeachment for cause. I see no reason why this same method cannot be invoked to render decision on physical or mental disability. The fifth clause of article I, section 2, of the Constitution gives to the House sole power of impeachment. To the Senate is given the power to try all impeachments in article I, section 3, clause 6. This clause further provides that a two-thirds majority is necessary for removal. The Chief Justice presides over the deliberations.

My resolution follows this system to the extent that that is possible. Under it the House must declare its belief that the President is disabled, and the Senate, presided over by the Chief Justice, must so find by the vote of two-thirds of the Members present.

Impeachment proceedings, of course, contemplate permanent removal from office. Disability, it is always hoped, will be a temporary affliction. Therefore, I have added a second section to provide a mechanism to determine when disability has terminated. The section provides that whenever the President declares in writing that he is no longer disabled, the Senate, sitting as before, shall determine by majority vote whether this is the case.

I know that many will say that this system is unwieldy. But make no mistake, removing a President from office, even temporarily and without blame, is serious business. It is not work for a small group of men, operating out of the searching light of public scrutiny. It is nothing that should be done hastily and without serious deliberation. While its consequences for the individual involved are not so serious as successful impeachment, its consequences for the country are every bit as serious.

Therefore, I oppose all plans for deciding when a President is disabled which place on the Cabinet or on any small group of men this awful burden.

Let us not delude ourselves, either, in a belief that Cabinet members are always united as one behind their Chief. The fact that Edwin Stanton, Secretary of War, in Andrew Johnson's Cabinet actively conspired against the President, while feigning loyalty to him, is well known. One authority on Johnson's impeachment has referred to Stanton as "Iago in the War Department." Johnson's inauspicious inauguration as Vice President perhaps laid the groundwork for the machinations which followed his tenacity as President in maintaining convictions, which he believed in accord with constitutional government and his conscience.

Again, a lesson from the period of President Wilson's disability is instructive. It was well known that the President felt that Secretary of State Lansing was not supporting his policies. If the Cabinet had had the power to remove Woodrow Wilson, there would always be nagging suspicions that their action was motivated out of personal disagreement with the President's policies. This is because the Cabinet, unlike the Congress, does not deliberate in public; it does not marshal the facts openly nor are its conclusions open to public scrutiny.

Therefore, I feel that removal of the President should only be made by a deliberative body whose actions are subject to public scrutiny. The Senate is such a body and such procedure is in keeping with the constitutional precedent for removal from office.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S.J. Res. 157) proposing an amendment to the Constitution to provide a means for determination of the inability of the President to discharge the powers and duties of his office, introduced by Mr. ERVIN, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. Whenever the House of Representatives, by proceedings taken as in the case of an impeachment, declares its belief that the President has suffered an inability to discharge the powers and duties of his office, the Senate shall determine whether such inability exists. When the Senate is sitting for that purpose, Members thereof shall be on oath or affirmation, and the Chief Justice shall preside. No determination that such disability exists may be made without the concurrence of two-thirds of the Members of the Senate present.

"SEC. 2. Whenever a President as to whom any such determination has been made makes written declaration to the Senate and to the House of Representatives, before the end of the term for which he was elected, that his inability has been removed, the Senate shall determine whether said inability has been removed. Any such determination shall be made in the manner provided by section 1, except that a determination to the effect that the inability of the President has been removed shall be made upon the concurrence of a majority of the Members of the Senate present. Upon the making of any such determination by the Senate, the President shall resume the discharge of the powers and duties of President unless the term for which he was elected shall have expired.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the States within seven years from the date of its submission to the States by the Congress."

NOTICE OF HEARINGS ON BILLS FOR PAYMENTS TO SENECA INDIANS

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Idaho [Mr. CHURCH], chairman of the Subcommittee on Indian Affairs, I wish to announce that the subcommittee will hold a hearing on H.R. 1794 and S. 1836, two bills that provide for payments to the Seneca Indians for lands required for the Kinzua Dam and Reservoir in New York and Pennsylvania.

The hearing will be held on Monday, March 2, 1964, at 10 a.m., in room 3110, New Senate Office Building, and all parties who are interested in testifying on this proposed legislation should contact the staff of the Senate Committee on Interior and Insular Affairs at the earliest opportunity.

NOTICE OF PUBLIC HEARING OF NOMINATION OF EDWARD J. BRENNER, OF NEW JERSEY, TO BE COMMISSIONER OF PATENTS

Mr. McCLELLAN. Mr. President, as chairman of the standing Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, I wish to announce that the subcommittee has scheduled a public hearing on the nomination of Edward J. Brenner, of New Jersey, to be Commissioner of Patents.

The hearing will commence on Friday, February 28, at 10 a.m., in room 3302, New Senate Office Building.

Anyone wishing to testify or file a statement for the record should communicate immediately with the office of the subcommittee, room 349-A, Senate Office Building, Washington, D.C., telephone Capitol 4-3121, or Government code 180, extension 2268.

The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Michigan [Mr. HART], the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Hawaii [Mr. FONG], and myself.

A TRIBUTE TO A KENNEDY AID—THEODORE C. SORENSEN

Mr. MANSFIELD. Mr. President, on Monday the Washington Evening Star carried an article by Max Freedman about Theodore Sorensen, one of the late President Kennedy's closest aids.

Occasionally in the limelight, more often in the background, Mr. Sorensen was a principal assistant in the design of the President's domestic policies. Because his thinking on most issues was close to the President's and because he was an expert at translating ideas and ideals into tangible policies, his work in the White House was of immense value to the Nation.

After the assassination, Mr. Sorensen agreed to stay in the White House at the request of President Johnson. But now that the critical period of transition has been successfully passed, Mr. Sorensen is leaving the Government to write a book about President Kennedy. His qualifications for this task are unique, and I am sure that the product of his labors will be an enduring contribution to the historical literature of our times.

Mr. Freedman's article is a fitting tribute in which the outstanding nature of Mr. Sorensen's service to the Nation is revealed with great clarity and perception. I ask unanimous consent that the article previously referred to be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Evening Star, Feb. 17, 1964]

A TRIBUTE TO A KENNEDY AID—THEODORE SORENSEN'S ROLE SEEN MORE THAN JUST THAT OF SPEECHWRITER

(By Max Freedman)

On Wednesday, a few days before his departure from Washington, Theodore C. Sorensen, the special counsel for President Kennedy, will be honored at a public ceremony sponsored by the present and former members of the Cabinet and by his closest associates in the Government. It is difficult to recall any other public servant who has received such a tribute, and impossible to think of anyone with an equal claim to public recognition.

It is a strange misconception of Mr. Sorensen's role to think of him primarily or essentially as Mr. Kennedy's most trusted speechwriter. He is the last man to minimize the power of eloquence as the champion of great causes. But he knows that the art of politics consists in turning ideas into achievements; and he towered into greatness as an architect of policy and a master of strategy. He was so valuable to Mr. Kennedy in the drafting of state papers precisely because he was so familiar with the ideals and hopes of the leader whom he delighted to serve.

This surely is the central point, the one which means the most to Mr. Sorensen. He saw in Mr. Kennedy the leader who embodied and fulfilled his own highest principles of government. It was never necessary for Mr. Sorensen to attribute to Mr. Kennedy any spacious ideals of his own. His task was rather to draw out and express the ideals which glowed with quiet passion in Mr. Kennedy's mind and heart.

One tiny story will illustrate the almost unique gift which Mr. Sorensen and Mr. Kennedy both had in being able to laugh at themselves without ever laughing at their principles. Within a few days of its delivery, President Kennedy's inaugural address, with its soaring eloquence and majestic idealism, was universally recognized as a noble affirmation of the faith which has often glorified America in times of challenge. The overflowing praise rather embarrassed the President, and one day Mr. Sorensen drew gusts of laughter from Mr. Kennedy by bringing him a hilarious parody—never published to this day—of the inaugural address.

Now Mr. Sorensen would have put his hand in the fire to protect the principles of that speech, and Mr. Kennedy served those ideals with gay courage to the moment of his death. For both of them what mattered above everything else was the victory of principles, not the glory of words; and they shrank with wise reserve from turning the tributes to the speech into the exaltation of the speaker.

We are fortunate beyond the usual measure of men in knowing that before many months have passed we will be able to look at President Kennedy and the record of his administration through the eyes of Mr. Sorensen and Arthur Schlesinger, Jr. Their two books will not be competitive, for they will approach their subject from different points of view, and will throw accumulated light on a gallant and unforgettable figure.

Mr. Schlesinger came to the White House with an established reputation as a historian, a biographer, and an interpreter, and defender of democratic values. His years in the White House add another notable chapter to his record of public service. But with Mr. Sorensen it is rather different. He will not only be rearing a monument to Mr. Kennedy; he will also be going on a pilgrimage into his own past. He has it within his power to write a book about President Kennedy that will be at once unique, invulnerable and immortal, if it is no exaggeration to use Augustine Birrell's words in tribute to Gibbon.

Then, his task completed, Mr. Sorensen will be on his own. That may well be the beginning of a new career of great significance for the American people. Mr. Sorensen will not seek elected office for himself; but in the world of ideas and in the clash of debate his influence will often count decisively, and it will be an influence with which scrambling politicians will have to reckon. Countless people, especially young people with an adventurous faith in the destiny of America, look to Mr. Sorensen as a spokesman for their hopes. Not even the cruel changes of a democracy can dim our memory of his valiant services, nor extinguish our conviction that in service to President Johnson and other Presidents he will many times place the whole country again under obligation to him.

THE 100TH ANNIVERSARY OF THE DEATH OF FATHER MAZZUCHELLI—WHAT ONE MAN DID FOR HIS COUNTRY

Mr. PROXMIRE. Mr. President, today marks the 100th anniversary of the death of Father Samuel Charles Mazzuchelli. Father Mazzuchelli did not ask what his country could do for him but he spent 34 years doing for his country in educational, civic, architectural, and religious fields. One hundred years ago, when pioneers were building the West on the constitutional rock of the Founding Fathers, Samuel Charles Mazzuchelli, missionary, died a victim of doing for others, having contracted pneumonia on an errand of mercy for a neighbor in southwestern Wisconsin.

Citizens of Wisconsin, Iowa, and Illinois have long honored Mazzuchelli in their territory as "Builder of the West." On the centennial of his death, February 23, 1864, we wish to go on record here today in the Congress of the United States as striving to make him known to a wider circle of Americans.

As a missionary builder, his transforming touch—both apostolic and architectural—helps to make "America beautiful for patriots' dream that sees beyond the years." In 1830, Samuel Mazzuchelli was the solitary priest from the waters of Lakes Huron and Michigan to the Mississippi across the widespread prairies of Wisconsin, Iowa, and Illinois. Italian born, he came to the United States as a Dominican missionary in 1828. Newly ordained in Cincinnati, he set out from there to serve the inhabitants of Michigan Territory, beginning at Mackinac and Green Bay.

Reared in the Old World refinement of a comfortable Milanese family, he bore the privations of the wilderness with urbanity and courage. He traveled by canoe, on foot, on snowshoes, and on horseback. He shared the Indian's tepee and the white man's cabin. He was a friend of tribal chieftain and fort commandant. He planned the first curriculum for Indians in native idiom and cooperated with the Indian agents in Green Bay and Fort Winnebago to improve the lot of the Menominee, Winnebago, and Chippewa. He published the first book to be printed in what is now the State of Wisconsin in 1834.

Father Mazzuchelli also planned an adult education class for Indians as well as a curriculum for their children in the mission school, including a program of agriculture, manual training and domestic arts hitherto unknown among the aborigines. He attempted to redress the wrongs committed against the Indians and petitioned the Indian Affairs Bureau in Washington for money to further the red man's education. He once wrote, "It is just as hard for the Indian to leave his home as it is for a white man." He could say this with feeling as he himself was a voluntary exile.

From 1835 to 1843 the missionary followed the direction of the Mississippi through Portage, Prairie du Chien, Benton, Galena, to Dubuque, Garryowen, Bellevue, Muscatine, Davenport, and Burlington, teaching, designing, sharing, ministering to the sick in numerous epidemics.

Always a participant in civic concerns, he discoursed with preachers of other beliefs, some of whom donated to his church-building funds. He was always amiable, excluding no one from the scope of his charity, whatever their rank, means, race or religion.

Political assemblies, public ceremonies, national holidays, social gatherings were all opportunities to speak about God and the moral obligations of citizens to serve their country which he constantly praised as a gift of God's bounty. These are his words from a public address in 1835:

> The Supreme Maker has opened before us the treasures of His benevolence by locating us in a country which His almighty power and infinite providence has made to abound with all that is necessary and useful to human life.

Friends of Father Mazzuchelli included all classes: Indian braves, French traders, German farmers, Irish miners, pioneer Americans, all won over and charmed by his courtly Old World manners and his priestly example. Civic leaders like Henry Dodge, Wisconsin's first Governor; George Wallace Jones, Iowa's first Senator, and Chief Justice Dunn sought his advice.

One historian recorded that "the esteem in which he was held by all classes marked him not only as a great priest but also as a great citizen." When the first legislature of the Territory of Wisconsin convened in Belmont in 1836, he was the chaplain and at the opening session addressed the members on government.

At the first Independence Day rally held in Dubuque, Iowa, that same year he gave the following toast:

> May the American Republic be lasting, glorious, and powerful and may Wisconsin Territory whose birthday we celebrate shortly be not inferior to any of the States.

Wisconsin Territory included both Wisconsin and Iowa until 1838.

When the legislature next convened in Burlington he persuaded the Senate to hold its sessions in his yet undedicated church of Saint Paul.

Mazzuchelli's understanding of the principles of American law and life amazes the native born. Though foreign by birth and education, he understood and loved America and applied for citizenship in 1842. A chapter in his "Memoirs"—written in 1844—notable for its correctness of thought and lucidity of exposition, is that which describes the relations of church and state in the American Republic. It reads in part:

> The Constitution of this great Republic was framed by the representatives of the people, who all on one plane of equality, were not willing to yield to the law the very least right over their particular and multiform religious creeds; on the other hand, the design of the Constitution was simply to provide for the well-being of each individual, giving him a guarantee for everything pertaining to him as personal property.

Again:

> The legislators of the United States had in view the establishment in their law of that straight line which separates the civil power from conscience, leaving to this last, all doctrines, true or false, with all their present and future consequences, good or bad. The very fact that the civil authority is obliged to protect the citizen in the practice of his devotions is the very strongest proof that the majority is religiously inclined. Woe to that country if the mass of its people shall ever become unbelievers. Then will religion lose that protection which makes it now so free to act * * * a republic demoralized is worse than any form of government whatever.

From the "Iowa Historical Annals" comes the following summary tribute of Father Mazzuchelli's role in the building of the Nation:

> Of all the pioneers of civilization in the interiors of our frontiers, few have contributed more largely to its diffusion, less numerous still are those who are identified more intimately in the formation of the States. And among those, no one has loved more profoundly the institutions of our country and foresaw more clearly our splendid successes than Samuel Charles Mazzuchelli.

The last 20 years of his life were devoted to forming good citizens through pastoral and educational pursuits. Sinsinawa Mound College for men, St. Clara Academy for girls; and the American Congregation of the Most Holy Rosary, a teaching sisterhood that today perpetuates the social principles he enacted during his busy apostolate—these institutions were among the first to be chartered by the new State of Wisconsin. The latter two foundations still function usefully as the crowning achievements in a life of teaching and building. Twenty-four churches as well as a number of public buildings, making some 30 establishments in all, are credited to his apostolic zeal and architectural skill.

This patriot-preacher designed the courthouse and markethouse at Galena, Ill.; the courthouse at Fort Madison, Iowa, and is credited with being consultant architect of the old State capitol of Iowa City. He planned streets for Iowa City and named many of the streets in Shullsburg, Wis. This town has acquired some fame due to the uniqueness of those names, including faith, charity, justice, truth, goodness, and judgment.

It would not be an exaggeration to say that with his draftman's tools, this "Builder of the West" literally carved for himself a niche in the Hall of Fame in our Nation's Capitol. Whether or not his adopted country will ever place his statue there, he remains a creditor whom no material monument could in fact repay.

The Galena Gazette of September 26, 1835, quoted from Father Mazzuchelli's speech at a cornerstone laying:

> Be it then our most sacred duty to defend the rights and liberties of this land, even to the cost of our lives when so required because having our patriotism strengthened and invigorated by the love of God and our neighbor, we are necessarily induced into the obligation of becoming useful members of society.

From the same speech:

> The land in which we dwell together becomes a strong bond of union between us. Thus, we become animated by a noble and patriotic zeal and courage in the defense or protection of all its interests, either ecclesiastical or civil.

And finally:

> The peaceful man must see that Christianity is the most powerful promoter of peace and tranquillity of states; and the patriotic mind has to be convinced that it inspires men with that love of their own country which has ever been the peculiar characteristic of great and exalted minds.

Father Mazzuchelli scorned the American dollar in his own interest, but lived his life under its motto, "In God We Trust." His varied interests and multiple talents are expressed in the American slogan for the union of States: "E Pluribus Unum." Like the American eagle he drew great lines across the sky of American life. He carried the twin standards of faith and freedom into unchartered areas of the Midwest and because of his lone and early passage, the migration of many others was made easier.

Unaware no doubt of the symbolism which is apparent today, the missionary chose the Mound of Sinsinawa, which is the Indian word for eagle, to build the foundation which makes Sinsinawa a significant word through the 132 schools and the 102,000 pupils taught by his Dominican Sisters of Sinsinawa throughout the United States.

Men of action must first be men of dreams. If the realization of patriots' dreams falls short of building those "alabaster cities that gleam undimmed by human tears," it is the failure of their successors that cause the tears and not the stuff of which the dreams are made.

When Father Mazzuchelli died in 1864 the story of his career was widely printed in newspapers across the country. The San Francisco Monitor, the Cincinnati Telegraph, and the Metropolitan Record of New York carried eulogies. From the Record, May 28, 1864, the following is an exerpt:

> Today he [Samuel Mazzuchelli] is found at the mansion of the affluent; tomorrow in the hovel of the poor; but for all alike he had that modest look of persuasive eloquence whose command was irresistible. There he is, high upon the scaffold of a church, with coat off and sleeves tucked up, industriously at work in brick and mortar. In the evening, you see him in the pulpit discoursing on * * * Christian philosophy, and tomorrow he lectures on the science of political economy, but always and everywhere present when sacred duties of the ministry required. Wonderful little man.

INTERNATIONAL COFFEE AGREEMENT

Mr. PROXMIRE. Mr. President, last year the Senate considered the International Coffee Agreement. At that time I protested that it was a long step in the direction of international, worldwide price supports.

In view of the unfortunate consequences of domestic price supports, with the enormous burden on our taxpayer, and the pitiful results for our farmers, I felt that it was a mistake. A constituent of mine in Milwaukee, Leonard Campbell, has written to me, pointing out eloquently the impact of the coffee situation on his business, the great increase in cost, and what it has done to him.

I have had occasion to talk with a large number of restaurant owners in Wisconsin in recent days, and they also report that the international coffee situation has developed to the point where they have to pay an extremely high price for their coffee, which is, of course, essential for their operation.

I ask unanimous consent that this excellent letter from Mr. Leonard Campbell and two clippings on the matter from the Milwaukee Journal be printed in the RECORD at this point.

There being no objection, the letter and clippings were ordered to be printed in the RECORD, as follows:

HOT COFFEE SERVICE,
Milwaukee, Wis., February 15, 1964.

Senator WILLIAM PROXMIRE,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR PROXMIRE: We are faced with a problem that to us is quite serious, and it appears to be getting steadily worse. Whether or not you can be of help to us is a matter of conjecture. We will assure you of our sincere appreciation for any assistance that you may find possible to render in the amelioration of our situation.

Our problem is basically the adverse effect that the recent drastic increases in coffee prices is having on our business. We are a small business operating in the traditional manner under our American free enterprise system, which we believe to be the finest and fairest of them all. We are sure that you share our opinion in this point of view.

We genuinely try to make the most of our opportunities and thereby contribute our modest share to the growth and welfare of our community, our State, and our Nation, in the true spirit of good citizenship. In so doing we provide self-sufficiency through steady employment, for five families, and are able to make our share of tax dollars continue to flow into the proper channels in support of our various levels of government, local, State, and National. We are indeed proud to have the opportunity of participating in this great American way of life, but we are likewise finding it more and more difficult to maintain our normal incentive, which is, of course, the opportunity to earn a reasonable return on our investment of funds, time and effort devoted to our business enterprise.

We are particularly restricted in our ability to defend our position against the inroads of increasing costs of our basic commodity ingredient, namely coffee, inasmuch as we cannot merely "pass along" the increases in price which comes to us, by raising our selling price. Were we in the ordinary channels of trade such as the wholesale or retail outlets, or restaurant or catering fields, we could probably minimize the effect of higher costs, by corresponding increases in our selling price. But, sir, we are not able to do this because we sell our coffee a cup at a time through coin operated vending machines. We are virtually "locked in" as far as our selling price is concerned. It is actually neither feasible nor desirable to undertake "odd penny" pricing in our business, due to mechanical and other practical considerations.

Now our purpose in writing to you about this dilemma, Senator, is to ask whether you can help us to try to get some relief from this sharply increasing price of coffee. We understand that the recent spurt in coffee prices is largely caused by the action of the International Coffee Agreement, which is aimed at raising world coffee prices for the benefit of the coffee producing countries.

We enclose a couple of clippings from the Milwaukee Journal which comment on this situation. It is interesting to note that one of these contains the statement that this International Coffee Agreement's effect largely depends upon the ratification of the U.S. Senate, without which the agreement becomes virtually useless, and by implication, coffee prices will cease to be artificially skyrocketed, and will be restored to their normal levels based upon world supply and demand. If this bit of reporting by our local paper is accurate, you can understand of course why we hasten to appeal to you as our U.S. Senator, to support our pleas for help. We want to avoid being "bled to death" in order to subsidize the coffee producers.

Rightly or not, we have the impression that much of the effort on the part of our Government in rendering economic aid in whatever form it may take, to the Latin American countries, is intended to overcome the influence of communistic subversion being so actively directed by the Castro regime from Cuba. We wholeheartedly support this objective. However, we note from a recent statement in the Milwaukee Journal, a copy of which is attached herewith, that our contribution to 11 of the principal coffee producing countries, under the Alliance for Progress program, amounts to $1,101 million during the past 2 years.

We cannot help but wonder how far it is deemed necessary and prudent to go in pursuing this program of financial aid to our neighbors to the south of us, especially when the effect of it begins to hit our own citizens here at home so hard, in the form of sharp increases in commodity prices such as the present coffee situation reflects, in addition to inevitable increases that must be expected in the form of further tax burdens that will have to come in order that such programs can be maintained.

It would be our hope, that the benefits of the general aid extended under the Alliance for Progress would suffice to illustrate our unmatched benevolence to these people, without the necessity of further penalizing our already overburdened business people and citizens in general with painful price increases on our daily cup of coffee.

You may or may not realize it, Senator, but we speak for a fairly substantial group in the vending industry in making this plea. Not officially, of course, but what goes for us as individuals, also pertains to the entire vending industry which is dependent to a considerable extent on the sale of coffee through coin operated dispensing machines, for a satisfactory livelihood. The latest estimates of sales of coffee by this means, for 1963, is from $250 million to $260 million which is a lot of cups of coffee. Each and every cup sold is subject to the inexorable price squeeze inflicted upon the businessmen who operate these coffee vending machines.

We respectfully ask you to pause in reflection of the problem that this International Coffee Agreement imposes upon this group of hard-working Americans, who are completely helpless to combat the adverse affects of this coffee price squeeze.

If it is true that the ratification of this International Coffee Agreement is still to be acted upon by the U.S. Senate, we urge that you use whatever influence you may deem proper in explaining our situation to those Senators whose direct vote will determine the acceptance or rejection of this agreement on behalf of the United States.

We would greatly appreciate your comments on this matter, at your earliest convenience.

Sincerely yours,

LEONARD CAMPBELL.

1961–63 aid granted to 11 coffee-producing nations, Alliance for Progress program

Country:	*Million*
Mexico	$191
Guatemala	23
El Salvador	46
Nicaragua	21
Costa Rica	25
Panama	34
Honduras	16
Ecuador	73
Colombia	202
Venezuela	112
Brazil	358
Total	1, 101

[From the Milwaukee Journal]

SEEK TO HALT RISE OF COFFEE PRICES

LONDON, ENGLAND.—An emergency meeting of the 58 member International Coffee Council has been requested for February 10 to consider ways of halting recent sharp price rises.

Joao Santos, executive director of the council, said the request came after a week of discussion by the organization's 14 member executive board.

Reliable sources said the board had agreed to bring about 2 million extra bags of coffee into the market to counter price increases.

GROUNDS IN THE COFFEE

Certainly most people sip their morning coffee without a thought to the international economic and political implications of the steaming black liquid.

In terms of global trade, coffee is the second most important commodity in the world exceeded only by petroleum. It is cultivated in 70 countries and in 9 of these accounts for more than 50 percent of all foreign exchange earnings.

New problems are now percolating in the world coffee market. Wholesale prices, which dropped to a 14-year low last summer, have since spurted more than 30 percent. The executive board of the International Coffee Agreement, a pact drafted last year by 57 producing and consuming countries in an effort to stabilize the market, now has under consideration a request immediately to increase coffee export quotas. The intention is to inflate supply of world coffee and thereby depress prices.

Source of the present trouble seems to be a shortage of supply, which Brazil and other coffee lands attribute to recent drought and fire damage to trees. This explanation is challenged in some quarters as a counterfeit excuse for driving up prices.

Whatever the reason, the situation is raising doubts about the entire coffee agreement in the U.S. Senate, which has yet to ratify the pact. Without U.S. approval the agreement is virtually worthless, since Americans consume more than half the world's coffee.

The principal motive behind the international agreement—to help insure a stable source of income for some of the world's poorest lands—is basically sound. It would be most unfortunate if an apparently temporary market condition were allowed to dash such a worthy goal.

NEW HAMPSHIRE FEDERATION OF WOMEN'S CLUBS SUPPORTS DETERGENT CONTROL

Mr. McINTYRE. Mr. President, the New Hampshire Federation of Women's Clubs supports congressional action to banish detergent residues from our streams and ground water. The Senate has passed amendments to the Federal Water Pollution Control Act which include a measure of control over the water problems created by nondecomposable detergents. These problems include persistent foaming, increasing ability to penetrate substrata to contaminate wells, changes in oxygen content of streams, and impaired efficiency of municipal sewage treatment works. I am highly gratified by the public-spirited response of the New Hampshire Federation of Women's Clubs to this problem and ask unanimous consent that the resolution passed by their midwinter meeting at Concord on January 22, 1964, be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

WATER POLLUTION CONTROL 1964

Whereas the lakes, rivers and streams of New Hampshire are vital to its very existence; to its economic and social progress; and to the public health and welfare of its people; and

Whereas the domestic agricultural, fishing, wildlife, industrial productive capacity and recreational uses are seriously threatened because of pollution of our streams, rivers and lakes, and

Whereas prevention and control of pollution is necessary to serve the widest possible range of human needs; and the presence of nonbiodegradable chemicals in detergents is causing serious problems in municipal and private sewage treatment plants; is polluting our rivers, lakes and streams, and has already reached the underground water table, thus polluting both public and private wells;

Whereas the responsibility of water pollution control is primarily State and local: Therefore be it

Resolved, That the New Hampshire Federation of Women's Clubs urges its members to promote a program of education emphasizing the urgency of prevention and control of water pollutants; and further

Resolved, That the New Hampshire Federation of Women's Clubs urges that (1) private industry, local, State and Federal agencies encourage research and that they cooperate to accomplish adequate water supply and pollution abatement; that (2) pollution control be developed as an integral part of river-basin programs; and that (3) stronger regulatory laws including the ban on nonbiodegradable detergents be enacted to improve water pollution control.

HELEN P. MADAN
Mrs. Edwin S. MaDan,
Chairman, Conservation Department, New Hampshire Federation of Women's Clubs.

UNIVERSITY OF NEW HAMPSHIRE PIONEERS IN ENGINEERING EDUCATION

Mr. McINTYRE. Mr. President, the United States is engaged in an undramatic effort to solve a critical problem, the shortage of well qualified scientists and engineers. We have heard a great deal about the "brain drain" of senior scientists and recent Ph. D.'s from Great Britain to the United States. The reservoir of top-flight scientific manpower upon which a nation may draw is obviously a matter of central concern. The Engineering Manpower Commission is a private body that has done excellent work in this field. Their 1963 report stated:

> In the face of growing need, the year-by-year decline in engineering enrollments and graduations poses a severe threat to our Nation's wholesome industrial and economic growth, as well as to its influence as a stabilizing force in the free world.

I am pleased to note, Mr. President, that the National Science Foundation will devote the principal part of their effort, in the first year of implementing President Kennedy's scientific manpower program, to the critical need for more graduate degree awards in engineering. We must increase not only the number of engineers working for government and industry, but also the number who will become teachers of engineering. Thus I welcome the leadership of the University of New Hampshire in this area of critical national need.

I ask unanimous consent that W. Arthur Grant's article, "University Pioneers a Plan for More Engineers," from the University of New Hampshire Alumnus for February 1964 be printed at the conclusion of these remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNIVERSITY PIONEERS A PLAN FOR MORE ENGINEERS

(By W. Arthur Grant)

Amid mounting evidence that cold war skirmishes of the late 1960's and early 1970's will increasingly be waged on the production line, many informed voices are echoing concern over the fact that during the next decade, Russia will graduate 1.4 million engineers as against an estimated 435,000 in the United States.

The predicted shortage of trained engineering talent is a particularly vexing one for the United States. Declining enrollments in the Nation's engineering colleges—and shrinking graduating classes—come at a time when hard-sell recruitment programs seek to excite would-be engineers with salaries, status and other inducements considered the acme in careerism today.

A committee on engineering student attrition, appointed by the Engineering Manpower Commission to make a nationwide survey of the problem last spring, pointed its finger at the Nation's colleges as a major factor.

Attrition rates of from 30 to 50 percent among technology colleges in the United States are "discouraging large numbers of capable students from even considering engineering as a career," the committee reported. It observed:

"A surprisingly large number of students who have both the talent and the desire for engineering fall by the wayside in educational systems that are archaic, haphazard, impersonal, and lacking in vital motivation."

The University of New Hampshire's College of Technology arrived at a similar judgment nearly 4 years ago after a critical examination of its engineering student attrition rate. From that exhaustive review emerged a new philosophy and a fresh approach, a prototype of programs now under consideration on the campuses of many engineering colleges.

The UNH plan has two distinct phases:

1. A reduction in the traditionally high attrition rate among student engineers to preserve their thin ranks and thereby increase the number of graduating engineers;

2. The seeking out and encouraging of more talented young men and women to enroll in the university's College of Technology.

Four years have passed since the university came to grips with the problem. The effort began in 1959 shortly after Dr. Robert N. Faiman became dean of the College of Technology. After 18 months' service with the engineering sciences program of the National Science Foundation in Washington, D.C., Dean Faiman was deeply concerned over the Nation's critical demand for engineering talent and the tremendous loss of potential engineers on college campuses.

A statistical survey of the class which entered the College of Technology in 1958 revealed that nearly 50 percent had voluntarily withdrawn from the college, transferred to nonengineering courses, or had failed to satisfy the college's academic requirements in their first year. The casualty rate was typical of experience in America's engineering schools over the past 40 years. But New Hampshire decided to do something about it and this winter the college could report that 85 percent of its 1962 freshman engineering class had successfully completed its first-year studies.

During the intervening years, a variety of committees had investigated and made recommendations on a wide range of problems bearing on the engineering-student attrition rate. Almost to a man, the investigators underscored the importance of student motivation. To deal with this factor, the college developed a new basic technology course for freshman engineers. Dr. Oswald T. Zimmerman, chairman of the department of chemical engineering and one of the founders of the course, explains:

"These youngsters come to us to become engineers but, traditionally, they have spent their first 2 years in basic science and mathematics courses that afforded little or no contact with engineering. We wanted to introduce the engineering fields to them and, at the same time, demonstrate the tie between these subjects and their future careers."

The new course strikes directly at one of the biggest weaknesses among today's students—an inability to translate word problems into mathematical formulas for solution purposes.

"These students are adept at understanding the principles of mathematics and engineering but they falter when they have to use precise measures to determine exact answers," reports Prof. Alden L. Winn, chairman of the department of electrical engineering and one of the eight veteran faculty members who teach the course.

The basic technology course also introduces computer programing, formerly reserved for the junior and senior years.

Motivation and problem-solving deficiencies also figured in the development of a revised basic physics course for freshman engineers.

In colleges across the country, students in basic courses have traditionally studied only classical material—developments within the physics field prior to 1900. Modern physics, encompassing such post-1900 developments as atomic, nuclear, and relativity theories, have generally been left for specialized study in the upper-class years.

"In essence, our youngsters have been studying the same material and doing the same experiments their fathers and grandfathers did," explains Dr. Robert E. Houston, Jr., associate professor of physics who directed development of the revised program. "While interested and quite knowledgeable in the terminology of modern physics—which they read about in their daily newspapers—they had little classroom contact with it," he adds.

The new physics program is a 1½-year course which stresses the teaching of about 10 fundamental conservation principles as they apply to both classical and modern physics, and thus demonstrate the unity of the entire discipline.

The course, with revised experimental work each year, offers a quick look at the highlights of physics and, in its second and third semesters, goes into the conceptual and mathematical details of those highlights. It has helped reduce the failure rate among physics students from 35 percent in 1959 to less than 10 percent last year.

In yet another area, the College of Technology has dramatically overhauled the 1½-year mathematics program required of all freshman engineers. Calculus is now the basic course, replacing a previous combination of algebra-trigonometry and calculus-analytical geometry in separate semesters.

A remarkable new placement test has been devised to place freshmen in graded math sections. About 80 percent of entering freshman engineers have a better than 3-to-1 chance of earning a grade of C or better and are assigned to a main or fast track calculus course. The other 20 percent—students who would be quite probable casualties in the fast course—are placed in slower sections offering more time for individual and remedial attention.

Dr. M. Evans Monroe, chairman of the department of mathematics, states that nearly 40 percent of the 1959 freshman engineers failed the new calculus course without the benefit of the ability-graded sections. Last year, only 14 percent failed and withdrawals have dropped from 24 in 1959 to only 4 this past year.

Many other factors enter into the UNH plan. They include revamping of the faculty adviser program, an emphasis upon use of the college's most experienced teachers to instruct first-year courses, and a sweeping study of outside-the-classroom influences upon students—ranging from the environment in which they study to the off-campus professional contacts available to them.

Dr. John B. Hraba, associate dean of the college, sums up the college's new philosophy:

"With very few exceptions, we know that every student admitted to this college is capable of succeeding—if he wants to. Our attention continues to be centered on the factors which cause otherwise able students to fail."

With New Hampshire's pioneering work behind him, it was not surprising that Dean Faiman should be selected by the engineers joint council to serve on its committee on engineering student attrition—or that many of the recommendations proposed by the committee to the Nation's engineering colleges should reflect actions undertaken at UNH.

Fortified with the brightened prospects for success which their college can now offer, teams from the College of Technology are today beating a path to secondary schools throughout the East in search of engineering candidates. This is the implementation of the second phase of the UNH plan.

The importance of their mission is underscored by the Manpower Commission's admonition: "Competition with Europe, Russia and Japan will mount at an accelerating pace, jeopardizing large sectors of American industry. Beyond our own needs, there is our growing moral commitment to the free world to assist newly emerging nations in their educational and technological growth. The technological manpower pools of these competitive nations (Russia and the United States) could be a decisive force in the struggle between communism and the free world."

MENTAL HEALTH CHALLENGE

Mr. TALMADGE. Mr. President, a great deal has been accomplished in recent years in the area of mental health, on both the National and State levels.

Of this we can be proud, but we know that much remains to be done. This Congress last year enacted into law a provision for Federal matching funds for the construction of community mental health centers throughout the Nation. I consider this one of the most important actions of the Congress, and believe it to be a significant step toward the solution of the problems of the mentally ill.

In a recent address before the annual convention of the Georgia Association for Mental Health in Macon, Ga., Mr. Mike Gorman, executive director, the National Committee Against Mental Illness, rightly pointed out that it is now up to local communities to translate this new legislation into specific programs.

Mr. President, Mr. Gorman's splendid address is deserving of wide dissemination, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE NEW MENTAL HEALTH CHALLENGE FOR ALL AMERICANS

(By Mike Gorman, Washington, D.C.)

The gauntlet was thrown down by our martyred President less than a year ago when he sent to the Congress the first message on mental health and mental retardation ever submitted by a Chief Executive of this Nation. In that message, he said: "This situation has been tolerated far too long. It has troubled our national conscience—but only as a problem unpleasant to mention, easy to postpone and despairing of solution. * * * The time has come for a bold new approach."

The Congress responded to the challenge and enacted into law a bill providing Federal matching funds for the construction of mental health and mental retardation centers in the heart of the community. In affixing his signature to this legislation on October 31, 1963, former President Kennedy noted: "The Nation owes a debt of gratitude to all who have made this legislation possible. It was said, in an earlier age, that the mind of man is a far country which can neither be approached nor explored. But, today, under present conditions of scientific achievement, it will be possible for a nation as rich in human and material resources as ours to make the remote reaches of the mind accessible. The mentally ill and the mentally retarded need no longer be alien to our affections or beyond the help of our communities."

There is really no way in which I can adequately convey to you the historic, precedent-shattering importance of this legislation. In very simple terms, it repudiates two centuries of isolation and custodial confinement of the mentally ill, and it proclaims their inalienable right to skilled and compassionate treatment in the milieu in which they live, love, work, and aspire.

Describing this legislation as "one of the boldest programs in the field of mental health in the history of the world," Senator HUBERT HUMPHREY told the annual convention of the National Association of Mental Health last November that if the 1st session of the 88th Congress had achieved nothing more than the passage of President Kennedy's mental health program, it could lay justifiable claim to a memorable record.

The task before all of us now, here in Georgia and throughout the Nation, is to translate these new concepts for the care of the mentally ill from broad generalities into specific programs.

In the words of Ralph Waldo Emerson: "Go put your creed into your deed."

Let us remember that we must honor a solemn commitment to the Congress and to the American people in putting this community mental health concept into effect.

Your program for this convention lists separate panels on attitudes and services. I submit that these two areas are closely related—that through the provision of intensive care for the mentally ill when it is needed and where it is needed, you will do more to change community attitudes than through a hundred pamphlets or a thousand speeches.

As a first step you are engaged here, as are your sister States throughout the country, in comprehensive planning designed to develop solid foundations for new mental health services tailored to meet the specific needs of each community.

This is a precious opportunity which must not be missed. Noting that this is the first time such a total planning effort has been made in any health area, Dr. Robert Felix observed recently that "the mental health field, which for so long lagged behind other health areas, has an opportunity to demonstrate on a national scale the value of comprehensive, long-term planning in a broad medical-social problem area."

Hundreds of professional workers will be involved in hammering out these plans over the next several years, but they must be augmented and guided by thousands upon thousands of citizens who care so deeply that they will insist upon a clean break with the custodial past.

First and foremost, we must realize that this is a long, uphill fight. Equally important, we must abandon the mendicant, somewhat apologetic approach we take when we ask for a few crumbs from our national bounty. Our stance must be vigorous, aggressive and unwavering in our continued efforts to shape a new and enlightened national policy for the care and treatment of the mentally ill.

In doing this, we must adhere to a boldly proclaimed set of minimum standards short of which we will not compromise under any circumstances.

In testifying before a congressional committee last year, I said that in the same manner as we talk of the right of a child to a good public education, we must talk of the right of every individual who needs it to early psychiatric treatment designed to make him a happier and more effective individual. Dr. B. H. McNeel, commissioner of mental hospitals of Ontario in Canada, summed up this minimum medical demand concisely when he said recently: "Adequate treatment should be available for all psychiatric patients as early as possible, as continuously as possible, with as little dislocation as possible, and with as much social restoration as possible. Treatment should be available on the job, but if that is not possible, with the patient still living at home, and if that is not possible, it should be done in the community, and if that is not possible, then without breaking the ties which commit the patient to his community."

As a statement of our national objectives in the mental health field, I commend to you the words of Dr. Felix, who told the Congress last year that "public mental hospitals as we know them today can disappear in 25 years" if all levels of government and the public at large unite in this great endeavor.

We must devote particular attention to the several millions of Americans who need psychiatric treatment, but cannot get it today because it is too expensive. There is no point in establishing a chain of community mental health centers designed to apply psychiatric band-aids to neurotics from middle-income and upper-income groups. We must first of all guarantee treatment in depth to those who are seriously ill.

We have been much too gentle in calling health insurance plans to task on this point. Many health insurance plans still discriminate against the hospitalized mentally ill. Furthermore, as we move out into the community, we face a real challenge in convincing these health insurance plans that it is wiser and far less expensive to cover the patient on a short-term ambulatory basis than in any expensive hospital bed. In a long and somewhat wearying experience dealing with executions of these plans, I am convinced that they will take no forward steps of this kind unless the public pressure is intense.

We must supply that pressure.

We face an exciting challenge in providing psychiatric services for emotionally disturbed children. Here again, we have often settled for the bare minimum—a separately designated ward in an overcrowded state nospital or, infrequently, a 10- to 20-bed unit which is almost immediately overloaded with a backlog of cases.

Happily, there are places in this country where the mendicant approach is being abandoned.

Several months ago, I spent a day visiting the Massachusetts Mental Health Center in Boston. Its buildings are not very prepossessing, but its services to suffering mankind are magnificent. With a full-time staff of 14 psychiatrists, plus 59 psychiatric residents, it handles 4,000 patients a year. Its doors are open to all, yet it has no waiting list. In its emergency walk-in clinic, it handles more than 2,000 patients a year. It assigns patients to its various services—the 24-hour hospital, the day hospital, the night hospital, or the emergency clinic—on the basis of psychiatric need, not on the basis of ability to pay or the comfort of the staff.

As we go about the task of building a nationwide chain of community mental health centers, we will run up against the negativists who argue that the goals we set are impossible because we do not have the manpower.

In 1947, the National Institute of Mental Health was allocated $1 million to inaugurate a training program in the various psychiatric disciplines. In that first year, it supported the training of 219 professionals. The negativists argued that this was about the limit—the field of mental illness was too discouraging and dreary to attract many new people.

How wrong these naysayers have been. Federal and State training programs more than doubled the number of psychiatrists, clinical psychologists, social workers and psychiatric nurses in a decade—from about 22,000 in 1950 to 45,000 in 1960. The current training program of the National Institute of Mental Health is supporting close to 4,000 trainees a year, and a most conservative estimate indicates that there will be 85,000 professional workers in the key mental health disciplines available to this country by 1970.

Furthermore, we have just begun to tap the potential of professional and nonprofessional people in related fields. For example, during the past 5 years, thousands of family physicians, pediatricians, and other nonpsychiatric specialists have enrolled in formal, postgraduate courses designed to increase their psychiatric skills. These physicians, who will be given the opportunity to hospitalize their emotionally disturbed patients in the new mental health centers, will provide an enormous complement of additional skilled manpower.

By the same token, we must avail ourselves of the skills of other members of the medical team. Your use, here in Georgia, of the public health nurse as the contact and followup person with mentally ill patients and their families is but one of the many illustrations of the new flexibility we must adopt.

If and when we satisfy the negativists as to the adequacy of psychiatric manpower, they will then move two steps to the right and tell us that this country cannot afford to treat the mentally ill on the same basis as it now treats the physically ill.

We must make a strong, factual case in answer to these people. We must point out to them that the direct and indirect costs of mental illness and mental retardation now exceed $3 billion a year. The States alone spend more than a billion dollars a year for the maintenance of large institutions for the care of the mentally ill. These present costs are a tremendous drain upon our economy. More important, the loss of effective, functioning people is a constant hemorrhage which this democracy can ill afford.

We have impressive documentation to the effect that early, intensive treatment, while more expensive on a day-to-day basis, is considerably cheaper per patient than long-term custody at supposedly economical rates.

You have proven this here in Georgia over the past few years, and I have cited your experience in talks in many parts of the country. To me, the most dramatic result of your experiment in hospitalizing mental patients in general hospitals in some of your larger cities is not the economic saving—it is the saving of human beings who have not only been kept from going to the State hospital but, in a remarkably large number of cases, have found successful employment. I commend Georgia industry and the Georgia Junior Chamber of Commerce for this remarkable program of placing the mentally restored in job situations.

Our critics may grant us the point that early, intensive treatment pays off in human and economic terms, but they then will argue that taxes are already too high—that this democracy cannot bear this further financial burden.

I am willing to grant the point that these community mental health centers will be relatively expensive to operate, and that we do not have detailed cost statistics from every State in the Union. Suppose the average cost is $20 a bed—this is still $15 a bed under the comparable cost for care of physical illness in our general hospitals.

Because of the nature of our affluent society, many of us who have testified before Federal and State legislative bodies for increased financing of intensive treatment services have been forced on many an occasion to restrict our case to the economic savings which accrue from support of such services. Over the years, a very good case has been made against the unimaginative construction of huge State mental hospitals which eat up tax dollars at a staggering rate.

However, I would like to submit the proposition that the issue of economic savings has a relatively low priority in the field of mental health.

The overriding consideration is the treatment and return to society of thousands upon thousands of sick individuals. This is the true measure of our worth as a society.

However, when we talk about increased financing of mental health services so that thousands upon thousands of mental patients can be returned to productive living, we run up against the hoary argument that public taxation has reached a confiscatory level and that the individual citizen is groaning under a tax burden which he is increasingly unable to handle.

Have we, indeed, as a people, been increasing our expenditure for public services at a rate which is too burdensome for the individual taxpayer?

In his beautifully documented study "The Question of Government Spending," Francis M. Bator notes that in the years from 1929 to 1959, nondefense spending as a percentage share of the nondefense output of our economy rose only slightly: "We have been committing in the postwar period only a slightly larger fraction to such communal uses as schools, roads, sanitation, urban renewal, etc., than we did in 1929 and a smaller share than in 1939 and 1940."

When we consider the rapid rise in our population—a record growth of 3 million in a year—added to a sharp jump in individual personal income, we cannot but conclude that the so-called heavy burden of increased taxes for public services is an undocumented myth.

What are we spending our money on these days? A 1962 Bureau of Labor Statistics survey reports that our gains in income have far outstripped our basic living costs since 1957; we now spend a smaller share of our income on the basic necessities—food, clothing, and shelter.

In 1961, for example, we spent $20 billion on recreation; $11 billion for alcoholic beverages; more than $7 billion for tobacco products, and $3½ billion for TV sets, radios, and phonographs. We also managed in that same affluent year to spend $323 million for chewing gum. Over and above these and many other expenditures, we managed to accumulate the record sum of $78 billion in savings and in durable assets.

Now, and much more to the point, how much of our booming personal income did we spend on these onerous State taxes about which we hear so much talk? In 1961 we spent, measured in constant dollars, 4 percent of our personal income for State taxes as against 3.7 percent in 1948. In other words, in a period of 13 years there was a rise of only three-tenths of 1 percent in the portion of our individual incomes which went to State government in the form of taxes.

Zeroing in on the target, how much did we spend on mental hospitals as a percentage of our personal incomes? In 1961 we spent eighteen-hundredths of a percent of our personal income on mental hospitals, as against seventeen-hundredths of a percent in 1948. In very simple terms, in 13 years we devoted only an additional one-hundredth of a percent of our personal incomes to the support of mental hospitals.

How about State mental hospitals operating expenditures as a percentage of total general State expenditures? According to a survey jointly conducted by the American Psychiatric Association and the National Association for Mental Health, less than 3 percent of general State funds went to mental hospitals in 1961, a significant drop from the 3⅓ percent which was devoted to these facilities in 1956.

Is this a fair proportion of State expenditures? By way of contrast, State governments in 1961 devoted 28 percent of their funds to highways. In that year, as a nation, we spent $10 billion for highways. Furthermore, the Department of Commerce recently estimated that the accelerated national highway program inaugurated in 1957 would, upon completion in 1972, cost the American people $55 billion.

I know that you here in Georgia, and your sister States throughout the South, will not be a party to any defeatist gospel.

Ten years ago, I participated in a 4-day meeting of the Southern Regional Educational Board in Atlanta at which the pioneer regional program for interstate cooperation in mental health research and training was hammered out. Over the past decade, the Southern Regional Council on Mental Health Research and Training has played a significant part in welding the 16 States of the southern Governors' conference into a coordinated effort to lift the mental health standards of this entire region.

While taking pride in these accomplishments, I know that you will agree with me that much yet remains to be done. In a report released last November, the Southern Regional Education Board called for increased State support for research and training, and for bold steps so that existing institutional services could be decentralized and mental health services brought closer to the community.

You have responded to this challenge in many ways here in Georgia, starting with the magnificent series of articles by Jack Nelson in the Atlanta Constitution. You have accomplished a top-to-bottom revamping of Milledgeville State Hospital which has earned the admiration of the Nation. Under the skilled administration of Dr. I. H. MacKinnon, that vast institution has been broken up into eight separate units, each operating as a complete hospital in itself. Most exciting is the fact that Milledgeville is training personnel in all of the psychiatric disciplines, and that much of this training is being made possible by State training stipends.

In an effort to strength your mental health research and training potential, you are now embarked on the construction of the Georgia Mental Health Institute in Atlanta which, when completed, will surely be one of the outstanding facilities in the country for service to patients, for the training of your own native sons in the various psychiatric disciplines and for the furtherance of research knowledge.

Your division of mental health, now under the skilled direction of my good friend Dr. Addison Duval, is pioneering in the close coordination of your State hospital and community mental health services. I am sure that representatives of many States involved in planning efforts will come to Georgia in the near future to learn from you how you have used facilities such as your general hospitals, and personnel such as your public health nurses, to establish a close, continuing contact with the mentally ill from the point of their admission to hospitalization to their aftercare needs in the community.

In his magnificent inaugural address in January 1961, our late President told us that the road would not be easy: "All this will not be finished in the first 100 days. Nor will it be finished in the first 1,000 days, nor in the life of this administration, nor even perhaps in our lifetime on this planet. But let us begin."

Here in Georgia and throughout this great land, let us continue.

BROTHERHOOD WEEK

Mr. SALTONSTALL. Mr. President, for over 30 years the National Conference of Christians and Jews has sponsored an annual Brotherhood Week, which in 1964 is being observed this week. It seems to me like a particularly appropriate time for all of us to think about the meaning and spirit behind this special civic observance.

This is a time when the pressures on all of us, from our top leaders down to each citizen, to meet new and difficult problems seem to mount daily. It is a time of change and challenge on the local, the national, and the international levels. We must meet these challenges with the patience, determination, and imagination which can only be derived by every man putting forth his best effort to work in cooperation with every other man. We must seek justice and unity through a continued dedication to the principles on which this country was founded. This is a year-around job, a day-to-day task.

I commend the National Conference of Christians and Jews for their work in urging all citizens of every race, creed, and color to rededicate themselves to the true spirit of brotherhood in their every endeavor. And I say let each one of us take up this cause—this week, and every week.

RIGHT OF THE FEDERAL TAXPAYER TO CHALLENGE THE UNCONSTITUTIONAL EXPENDITURE OF FEDERAL FUNDS

Mr. ERVIN. Mr. President, when the Higher Education Facilities Act of 1963 was debated before the Senate last fall, Senator JOHN SHERMAN COOPER and I offered an amendment to make it certain that any Federal taxpayer suing in behalf of himself and all other taxpayers could question the constitutionality of disbursement of Federal funds to church-owned, controlled, or operated colleges and universities. Some time ago, Mr. Kenneth Culp Davis, John P. Wilson professor of law at the University of Chicago Law School, made an excellent address entitled "Standing To Sue in Religion Cases," which deals in an illuminating manner with this subject and expresses the opinion that the Federal taxpayer is adversely affected in fact by an unconstitutional expenditure of Federal funds and is entitled to challenge such expenditures notwithstanding the language used by the court in Frothingham against Mellon. This excellent article should be made available to all Members of Congress, and for this reason, I ask unanimous consent that it be printed in the body of the RECORD as a part of my remarks.

There being no objection, the article was ordered printed as follows:

STANDING TO SUE IN RELIGION CASES

(By Kenneth Culp Davis)

The Constitution is still the Constitution and is still the supreme law of the land even when no one has standing to enforce it in court. Yet we in the United States have become so accustomed to relying on the courts for enforcement of the Constitution that we often make the untenable assumption that a constitutional provision that cannot be judicially enforced is the equivalent of no constitutional provision. We tend to forget that in most countries of the world, courts are not used at all to enforce constitutional limitations on legislative powers. When no one has standing in court to enforce the Constitution, we ought to think of ourselves as having a system to assume that the Constitution is nonexistent to that extent.

This observation gives standing a rather special importance that it ought not to have.

My subject is standing to challenge violations of the religion clauses of the first amendment. This subject is one small portion of the general law of standing, which is especially confused and contradictory in both Federal courts and State courts. One major reason for the confused case law is is that judges often give their primary attention to the law of standing, and that judges sometimes manipulate the law of standing so as to produce the substantive results they deem desirable. But those who believe that the law of standing is nothing but the product of manipulation are just as wrong as those who believe that it is nothing but the product of logical analysis. My opinion is that the law of standing is a mixture of logical analysis and manipulation. In some cases manipulation motivates, in some logical analysis motivates, and in some combination of the two elements motivates. I think that time spent in logical analysis of the law of standing can be time well spent, so long as we remember that it is not the only factor at work.

One who tries to produce some order out of the chaotic law of standing must construct his own philosophy of standing or at least his own approach, and before I begin my discussion of standing in religion cases, I think I should disclose my basic assumption. My whole philosophy of standing, elaborately developed in more than a hundred pages of my "Administrative Law Treatise" and in the supplement to the treatise to be published this month, can be stated in one extremely simple sentence: One who is adversely affected in fact by governmental action should have standing to challenge it. I use the words "in fact" to indicate that theories about a legal right or a legal wrong are unnecessary. The test should be adverse effect in fact. The view I have been advocating was the basis for the Supreme Court's sound decision in the Bantam Books case of 1963; the Court said the plaintiffs had standing because they "have in fact suffered a palpable injury." (372 U.S. 58, 64 (1963).)

Now I find that the Supreme Court has decided about 60 cases involving the religion clauses of the first amendment, although I am often in doubt as to what cases to include or exclude. Of the 60, 9 seem to me to have significance to the law of standing. Surprisingly enough, in view of the general confusion about the law of standing, I think that the nine cases form a largely coherent body of law, both more orderly and more satisfactory than the rest of the Supreme Court's law of standing. Indeed, eight of the nine opinions I am inclined to approve rather fully. The only opinion I shall criticize adversely is the McGowan opinion of 1961. Lest you think I am mellowing in old age, I shall disagree all along the line with some of the commentators.

The nine cases raise two questions—whether taxpayers as such have standing, and whether other parties have standing. It is important to keep the two questions distinct, even though both questions may come up in the same case. Let us look first at standing of taxpayers.

TAXPAYERS

The 1899 decision in *Bradfield* v. *Roberts*, 175 U.S. 291, is without modern significance. A taxpayer was allowed to challenge validity of an appropriation by Congress for a District of Columbia hospital allegedly operated by a sisterhood of the Roman Catholic Church. The Court simply passed over the question of standing without either deciding or discussing it. The Court found its position on the standing question just 24 years later, when it held in *Frothingham* v. *Mellon*, 262 U.S. 447, that a Federal taxpayer lacks standing to challenge a Federal expenditure. That the Court in the Bradfield case found it easier to decide the merits than to decide the question of standing had little or no effect on development of the law of standing.

In the *Cochran* case, 281 U.S. 370 (1930), citizens and taxpayers of Louisiana sued in State courts to restrain the State board of education from spending for supplying free schoolbooks to schoolchildren, including those in church-affiliated schools. The main thrust of the challenge went not to religion but to use of public funds for private purposes. The Supreme Court considered the merits without discussing standing. The case contributes to the orthodox and consistent theory that a State or local taxpayer who has standing under State law to challenge a substantial public expenditure may have his case considered by the Supreme Court of the United States. That question has arisen many times and the Supreme Court has always given the same answer.

The next case in our series, *Everson*, 330 U.S. 1 (1947), is consistent with the Cochran case and is consistent with all later Supreme Court law on standing. A taxpayer of a school district was allowed to challenge the school district's reimbursement of parents of parochial school students for bus transportation. The theory is clear: An unconstitutional expenditure of public funds adversely affects a local taxpayer, who therefore has standing to challenge the expenditure.

The *Doremus* case, 342, U.S. 429 (1952), was perfectly consistent with the Cochran and Everson cases. A taxpayer was held without standing to challenge a New Jersey statutory requirement of Bible reading in the public schools. In distinguishing Everson, the Court said that for a taxpayer to have standing, his action must be "a good-faith pocketbook action," and that the injury in the Doremus case, unlike that in Everson, was not "a direct dollars-and-cents injury." The Court very helpfully added a remark that some of the commentators have apparently failed to understand: "It is not a question of motivation but of possession of the requisite financial interest that is * * * injured by the unconstitutional conduct."

A financial interest of a State or local taxpayer is injured by an unlawful expenditure, but a financial interest of a taxpayer is not injured when the Bible, instead of some other book, is read.

In determining the standing of a taxpayer as such, then, the important distinction is between State or local action which involves a substantial expenditure and State or local action which does not involve such an expenditure. The Supreme Court consistently allows standing to challenge a State or local expenditure but denied standing in the Doremus case because an expenditure was not involved.

Nearly every State court that has passed upon the question allows standing when expenditure is involved but only a handful do when expenditure is not involved. My statement is directly at variance with that of Professor Jaffe in the Harvard Law Review, who has written that 40 States allow a taxpayer to challenge local action "whether or not it has an impact on the expenditure of funds," 76 Harv. L. Rev. at 1280. In this, Professor Jaffe is clearly in error; most of the cases Professor Jaffe relies upon involved an impact on expenditure and his statement is simply a mistake.

PARTIES OTHER THAN TAXPAYERS

The standing of parties other than taxpayers to raise questions under the religion clauses of the first amendment is also the subject of Supreme Court law that is reasonably clear, consistent, and satisfactory, except for one opinion. The first case was *McCollum*, 333 U.S. 203 (1948). The parent of a child currently in school was held to have standing to challenge a system of allowing religious teachers to come into public school buildings and provide religious teaching. Although the Court disposed of the standing question in one sentence, citing a case which was unhelpful, the ground for standing was clear. The parent was clearly adversely affected in fact. The school had a system which influenced children toward religion distasteful to the parent. That ought to be enough for standing. The Court held it enough for standing.

The Doremus case is easy to distinguish, for the child of the plaintiff parent had already graduated, and furthermore, no charge was made that the Bible reading conflicted with convictions of either the parent or the child. For all that appeared, the plaintiff was in no way adversely affected in fact.

On the question of standing of a parent to challenge the constitutionality of what a school does, I think that both the McCollum case and the Doremus case are clearly sound. The parent was adversely affected in fact in McCollum and therefore had standing. The parent was not adversely affected in fact in *Doremus* and therefore lacked standing.

In the *Zorach* case, 343 U.S. 306 (1925), the basis for standing was again clear, for the plaintiffs were parents whose children were currently attending the public schools and who were affected in fact by the released time program. Because the children were influenced, the parents had standing.

The same is true and seems to me to be even obviously true of the *Engel* case, 370 U.S. 421 (1962). The parents of current pupils asserted that the prayer in the public schools was contrary to the beliefs of themselves and their children. Although pupils were free to be excused during the prayer, the Court declared: "When the power, prestige, and financial support of government is placed behind a particular religious belief, the indirect coercive pressure upon religious minorities to conform to the prevailing officially approved religion is plain." The pressure, without coercion, surely should be enough for standing, as the Court silently assumed in the Engel case.

Although some commentators have expressed consternation about the Court's failure to mention any problem of standing in the Engel case, it seems to me that the standing was sufficiently clear that no such mention was necessary, especially in view of the fact that no party was urging lack of standing.

Prof. Arthur Sutherland, in 76 Harv. L. Rev. 25, 27 (1962), says that the Engel case suggests that the Supreme Court has somewhat revised its previous ideas concerning standing because the Court did not require the plaintiff to show a direct injury. But I think a direct injury was shown. The injury, in my opinion, is to parents whose children must choose between listening to a prayer that is offensive to their religious sensibilities and absenting themselves from the prayer ceremony, perhaps at the psychological expense of overriding a child's instinctive dislike for nonconformity. Professor Kurland has suggested in his discussion of the *Engel* case, 1962 Sup. Ct. Rev. 1, 22, that "Perhaps the Court is starting down the road toward justification of the 'public action' that Professor Jaffe has advocated." I do not at all agree. The tradition of the Supreme Court against the public action is strong and clear and almost uniform. Professor Jaffe does not cite a single case in which the Supreme Court has entertained an action brought to vindicate the public interest by a citizen having no legal interest of his own. Because the plaintiff's in the Engel case were adversely affected, the Court's action with respect to standing in the Engel case seems in all respects in accord with conventional doctrine, and resort to a doctrine the Court has consistently rejected is unnecessary to explain the case.

The *Schempp* case, 374, U.S. 203 (1963), is entirely orthodox in its holding. Schoolchildren and their parents were held to have standing to challenge Bible reading in the public schools in which the children were students. The Court properly said that the children and parents were "directly affected by the laws and practices against which their complaints were directed. These interests surely suffice to give the parties standing to complain." The holding is clear and simple and consistent with other cases. I like the language, "directly affected." That the children could be excused from the

Bible reading did not affect their standing; one parent had decided against having his children excused "for several reasons, including his belief that the children's relationships with their teachers and classmates would be adversely affected." I am fully in accord with a footnote statement of Mr. Justice Brennan in his concurring opinion that "these parents have very real grievances against the respective school authorities which cannot be resolved short of constitutional adjudication," 374 U.S. at 267.

THE DOCTRINE EMERGING FROM THE CASE LAW

Now, the standing law I have discussed so far seems clear, simple, and consistent: A State or local taxpayer who has standing under State law to challenge a substantial public expenditure may have his case considered by the Supreme Court, but such a taxpayer may lack standing in the Supreme Court if no such expenditure is challenged. A party whose interest is in protecting his child from what he deems to be the wrong religious influence has standing to object to that influence. The clarity, simplicity, and consistency of this case law seems to me highly meritorious.

The only feature of the law I have discussed that I would change is the holding in *Frothingham* v. *Mellon* that a Federal taxpayer has no standing to challenge a Federal expenditure. I think that is unsound because I think a Federal taxpayer is adversely affected in fact by an unconstitutional expenditure.

If we have a Federal budget of a hundred billion, and if General Motors pays more than a billion Federal income taxes, then I think that when the Government undertakes a program costing $10 billion, the cost to General Motors is more than $100 million, and I think that General Motors ought to have standing to complain of unconstitutionality of the program. My figures show the utter and complete unsoundness of the language of Mr. Justice Sutherland in the Frothingham opinion. (For a full discussion of my reasons for thinking the Frothingham doctrine unsound, I refer you to section 22.09 of my treatise.)

Yet I acknowledge that the Frothingham doctrine is deeply embedded in our legal system and is unlikely to be changed, even though Mr. Justice Douglas has recently announced in a separate opinion that he has great difficulty with the Frothingham doctrine. ***Public Affairs Associates* v. *Rickover*, 369 U.S. 111, 114 (1962).**

If the Supreme Court were inclined to allow a Federal taxpayer to challenge a Federal expenditure, I could come up with a pretty respectable analytical argument that would allow this result without overruling Frothingham. At the time of Frothingham we had no Federal statute on standing. We have such a statute now, the Administrative Procedure Act, which provides for challenge of administrative action at the instance of one who is "adversely affected."

The committee reports of both Senate and House committees said that meant adversely affected in fact. The action to challenge the disbursement could be brought against the disbursing officer to challenge his administrative action, and the APA would be fully applicable. The applicability of the APA, enacted in 1946, would be the ground for distinguishing Frothingham.

THE UNSATISFACTORY M'GOWAN OPINION

The only unsatisfactory standing law the Supreme Court has produced in cases involving religion stems from the *McGowan* opinion, 366 U.S. 420 (1961), which in turn spilled over into a footnote in the Schempp opinion.

The McGowan case, involving challenge by a store's employees who were indicted for violating Sunday closing laws, held that those who assert only an economic injury (1) do not have standing to assert infringement of religious freedoms of others, and (2) do have standing to raise the question of violation of the establishment clause.

My appraisal of the McGowan case rests heavily upon a distinction that seems to me essential to sound thinking about standing even though the Supreme Court has never recognized it. The distinction is between standing to initiate a proceeding in court and standing to take a particular position in a proceeding to which one is already a party. If you stop and think of all the cases we have discussed before we came to the McGowan case, you will observe that in every case the problem of standing was whether the particular party could be a plaintiff, that is, whether he could start the judicial machinery in motion. But in the McGowan case, the question was not whether the store's employees could be plaintiffs; they were defendants in a criminal prosecution that had already been properly commenced. The question in the McGowan case was not whether A could go into court to get a declaratory judgment that the Sunday-closing statute would interfere with B's religious liberty. If it had been, the Court might properly have held that A lacked standing. The question was whether A, in a criminal proceeding already commenced against A, could point out to the Supreme Court that the Court's own action would infringe the religious liberty of B and others. The Court in my opinion should not have disposed of that question on the ground of lack of standing.

If the Court had understood the McGowan problem, it would have used *Barrows* v. *Jackson*, 346 U.S. 249 (1953), as authority in favor of standing. In that case, whites were permitted to assert the constitutional rights of Negroes; not only that, but the Negroes whose constitutional rights were asserted were Negroes in general and not any particular or identified ones. The plaintiffs, whites, sued the defendant, a white, in a State court for damages for breach of a restrictive covenant against use or occupation of land by non-Caucasians. The defendant prevailed on the ground that an award of damages would infringe rights of unknown non-Caucasians; the white defendant was allowed to assert the rights of Negroes not before the court. In trying to explain why this could be done, the Court confessed a rather complete intellectual poverty; it approved the rule that a party cannot challenge constitutionality of a statute unless he is within the class whose constitutional rights are allegedly infringed, and then said little more than that this case was "a unique situation" in which the reasons for the standing rule were outweighed by the need to protect fundamental rights.

The Court should have enunciated a principle that a party always has standing to call to a court's attention the illegality of a course of action which the court is contemplating. A party who lacks standing to initiate a proceeding may have standing to ask the court to refrain from a course of action which the court may take on its own motion or refrain from taking.

The McGowan holding that the criminal defendants lacked standing to assert that the Court's enforcement of the statute would infringe the religious freedom of others is contrary to at least eight Supreme Court decisions in which parties to proceedings already initiated have been allowed to assert the constitutional rights of nonparties. All these cases are discussed in sections 22.05–22.07 of my treatise.

The McGowan opinion seems to me further unfortunate in so sharply separating the two religion clauses of the first amendment. The Court seems to overlook the plain fact that both clauses, as applied to State action, necessarily rest upon freedom or liberty. Logically, both clauses as restraints on State action have to be brought within the word "liberty" in the "life, liberty, or property" provision of the 14th amendment. The only way a State can violate the establishment clause is by depriving a person of "liberty" within the meaning of the 14th amendment.

The McGowan opinion's unfortunate separation of establishment from free exercise for purposes of standing led the Court in the Schempp opinion to make the flagrantly unsound statement that "the requirements for standing to challenge State action under the establishment clause, unlike those relating to the free exercise clause, do not include proof that particular religion freedoms are infringed," 374 U.S. at 224. I do not see how the establishment clause can be violated by State action unless some person is deprived of "liberty" under the 14th amendment. In other words, a State can no more violate the establishment clause without infringing freedom or liberty than a State can violate the free exercise clause without infringing freedom or liberty.

FEDERALISM

Now I want to go back to one complicating factor about the law of standing that I have heretofore omitted from consideration—federalism. We must know not only who has standing in a Federal court and who has standing in a State court but also whose law of standing governs Supreme Court review of a State court decision. May a party have standing in the Supreme Court if he lacks it in a State court, and may he lack standing in the Supreme Court if he has it in the State court?

Although some commentators seem perplexed about these questions, I think that the main answer is entirely clear: The Supreme Court does and must maintain its own law of standing, and no State court decision for or against standing is binding upon it; at the same time, the Supreme Court keeps its system of standing flexible and goes along with the State law of standing whenever in particular circumstances it sees fit to do so.

To the extent that Federal law of standing rests on the constitutional concept of case or controversy, State courts obviously lack power to bind the Supreme Court about interpretation of the Federal Constitution. The holding in the *Summers* case, 325 U.S. 461 (1945), that the Supreme Court would decide for itself whether a case or controversy exists, after the Illinois court had held that a case or controversy was absent under Illinois law, is clear law and necessary law. So is the holding in Doremus that even though the New Jersey court had reached the merits despite doubts about standing, the Supreme Court was still free to apply its own law of case or controversy. The Doermus case even seems to me obviously sound in its view that Supreme Court law of standing must override State law of standing, for otherwise the Supreme Court could be compelled to give advisory opinions to State legislatures in reviewing the decisions of State courts in the half dozen States (including Massachusetts) in which the highest courts give such advisory opinions.

Of course, nothing binds the Supreme Court to have a rigid system of standing or to make its system logical or consistent. The Court is entirely capable of throwing logic to the winds, and sometimes I am inclined to defend it in doing so. For instance, even though some minds prefer the beauties of logical symmetry, I think the Court behaves sensibly when it refuses to decide an especially difficult question of standing and disposes of a case by deciding the relatively easy question of the merits. This is essentially what it did in the 1899 Bradfield case; it simply backed away from deciding what it called the "alleged defect of parties."

When no question about standing is urged by the parties, the Court has a discretionary power to decide on the merits, skipping the question of standing, as it did in the *Trial Examiners' Conference* case, 345 U.S. 128, 129

(1953), and in the old case of *Heim* v. *McCall*, 239 U.S. 175 (1915), or it can consider the standing question on its own motion, as it did in *Storer*, 351 U.S. 192, 197 (1956). The Heim case can also be explained away as having arisen before the Supreme Court created its modern law of standing. But in *Wieman* v. *Updegraff*, 344 U.S. 183 (1952), the Court considered the merits in a suit by a State taxpayer even though the issue was a nonfinancial one. Since the Court did not mention the subject of standing, the case can be explained as (1) an oversight, (2) as an exercise of discretion to skip the problem of standing when the parties do not urge lack of standing, (3) as a decision that the Supreme Court will bend to the State law of standing when it wants to, or (4) as a decision that a State taxpayer has standing to raise the nonfinancial issue.

That the Court can go in either direction in such circumstances is emphasized by a really extreme case in the opposite direction, *Gauge Lumber Co.* v. *Rowley*, 326 U.S. 295 (1945), holding that an employer in a workmen's compensation case lacked standing even though he had a financial interest at stake, even though the State specifically provided that judicial review could be had by an "employer," and even though the State court had recognized the employer's standing.

The combination of the Gauge case with the Wieman case, two cases at opposite ends of the scale but involving the same abstract problem of standing, shows that the Court keeps a discretionary power which it is quite capable of exercising inconsistently. Or, if you prefer, this pair of cases shows that the Court is willing to manipulate the law of standing to consider the merits when it wants to and to avoid the merits when it wants to.

The most flagrant indifference to the law of standing that I have encountered is the *Adler* case, 342 U.S. 485 (1952). The Court refused to discuss either standing or ripeness or even to state the facts that bore on the problems of standing and ripeness, even though a dissenting opinion vigorously asserted that the plaintiffs lacked standing and even though the most direct precedent supported the dissenting opinion.

WHO CAN CHALLENGE FEDERAL AID TO CHURCH-AFFILIATED SCHOOLS?

Now let's take up the burning question that I'm sure you want me to try to answer: If Congress appropriates funds for schools, including or excluding all or some church-affiliated schools, who, if anyone, has standing to raise the question whether the religion clauses of the first amendment are violated?

The answer is probably no one, unless *Frothingham* v. *Mellon* is changed or violated or unless a statute provides for standing. I use the word "probably" because real life so often outruns imagination; the constitutional problem can conceivably bob up in complex litigation in some totally unexpected way.

More important than that remote possibility is the clear congressional power to provide for standing. A commentator who says that because case or controversy is a constitutional requirement it cannot be satisfied by a statutory provision seems clearly on the wrong track.

One idea is that legislation could provide that a Federal taxpayer shall have standing to challenge the constitutionality of any disbursement under the particular statute. Although constitutionality of such a provision is not wholly free from doubt, I think it would be constitutional for many reasons, three of which are: (1) The Supreme Court even without such a statute considered the merits of the Bradfield case in a suit by a Federal taxpayer to challenge an expenditure; the statute would merely provide for what the Supreme Court on its own motion has already done. (2) Judicial tolerance for a legislative judgment ought to be sufficient to allow Congress to enact a law of standing that most State courts have developed; in nearly all States that have passed upon the question, a taxpayer has standing to challenge an expenditure. (3) On the merits, one who is hurt by governmental action ought to have standing to challenge it, and I think a Federal taxpayer is hurt by a Federal expenditure. I agree with the State courts that allow State and local taxpayers to challenge expenditures, and the impact of Federal taxpayers is much greater than the impact of State and local taxes.

Another way of creating standing to challenge Federal disbursements for education is preferable to conferring standing on Federal taxpayers, although I think a good statute would provide for both methods. The orthodox law of standing is that one whose legal right is at stake normally has standing to go to court to enforce the legal right. All that Congress has to do to confer standing is to create a legal right in a party who will raise the question. For instance, Congress could appropriate for all schools to which Congress is constitutionally empowered to appropriate, it could instruct the administrator to deny funds to any school whose right to receive the funds is constitutionally doubtful, and it could provide that any school whose application for funds is denied is entitled to judicial review of the question whether the funds may be granted to the school without violating the Constitution. Such a system would validly confer standing upon a parochial school, and such a system would assure a judicial determination of the constitutional limits.

That a statutory provision conferring the right of judicial review can create standing where no standing exists without the statute can be beautifully demonstrated with two cases, both involving Federal appropriation of money to States and both involving the question of standing of the State to challenge the validity of the action of the Federal Government. Without a statute providing for judicial review, Massachusetts had no standing to challenge the Maternity Act. This is the prominent case of *Massachusetts* v. *Mellon*, 1923. But when the statute provides for judicial review, as did the Hatch Act, Oklahoma was held to have standing to challenge a determination by the Civil Service Commission which would have reduced Federal highway grants to Oklahoma. The Supreme Court declared: "By providing for judicial review of the orders of the Civil Service Commission, Congress made Oklahoma's right to receive funds a matter of judicial cognizance. Oklahoma's right became legally enforceable," *Oklahoma* v. *Civil Service Commission*, 330 U.S. 127, 137 (1947).

I think it safe to say that the power of Congress to confer standing by providing judicial review by one who seeks to enforce a legal right is beyond reasonable doubt.

SOME PERSPECTIVE ABOUT STANDING

My guess is that most violations of the first amendment's religion clauses may be beyond judicial challenge because no one has standing. Perhaps we shall never know whether trusting in God on all our coins and some of our currency is unconstitutional, because no one can raise the question in court. Similarly, we probably have no means of knowing whether prayers in the Houses of Congress are constitutional, or religious services in Federal hospitals and prisons, or use of the Bible in administering oaths, or including God in the pledge of allegiance, or allowing income tax deductions for contributions to religious organizations, or exempting religious organizations from income tax, or giving them postal privileges.

Are we not allowing the law of standing partly to defeat the purpose of the bill of rights? Does not the law of standing largely cancel out the religion clauses of the first amendment?

State constitutional provisions against use of public funds in support of religion are relatively effective, because State taxpayers generally have standing to challenge the constitutionality of State expenditures. A striking illustration of this is the administration of the National School Lunch Act, under which Federal funds go to the educational agency of each State, except that when the State educational agency is not permitted by State law to disburse directly to schools with religious affiliation, the Federal Government makes the disbursement directly to the schools. According to a memorandum furnished by the Department of Health, Education, and Welfare in 1961 to a Senate committee, "In more than half of the States the educational agency has considered that it could not make the funds available to nonprofit private schools and as a result in those States the Secretary of Agriculture makes funds available directly to such nonprofit schools, including those with religious affiliation." Hearings before Subcommittee on Education of the Senate Committee on Labor and Public Welfare, 87th Congress, 1st Session, 146 (1961).

Relatively, the State constitutional provisions are obeyed and the Federal constitutional provisions may be ignored. We don't know whether the school lunch program for church-affiliated schools violates the Federal Constitution and, judicial enforcement being unavailable for lack of standing, we go ahead with the program despite unresolved doubts about constitutionality.

Again I ask: Are we not allowing the law of standing to eat away a large portion of our constitutional limitations on government?

I see no escape from saying "Yes" to that question.

Our theory that the legislative and executive branches are bound by the Constitution whether or not the judicial branch enforces it is largely overriden by the reality that constitutional issues usually remain open until the judges close them. Constitutional provisions that are not judicially enforced tend to become the equivalent of no provisions.

The law of standing does largely cancel out some constitutional protections.

Then what should we do?

One proposal is that we should open the doors to the courts to suits by "any citizen" whenever a public interest is involved. I oppose this idea because it goes much further than is necessary to correct the known deficiencies in the law of standing and, unless all the relevant Supreme Court decisions on the subject are overthrown, it could be adopted only by a constitutional amendment. I think *Marbury* v. *Madison* should remain the foundation for judicial review of legislation, that the main business of courts should continue to be to resolve controversies between parties whose interests are at stake, that the courts should continue to close their doors to citizens who have no interests at stake, and that the Supreme Court was right in 1793 in refusing to give advisory opinions to two citizens by the name of George Washington and Thomas Jefferson.

I am not opposed to throwing all our traditions into the fire if we must do so in order to solve serious problems of our own generation. But I see nothing to gain by allowing "any citizen" to be a plaintiff on any question of public interest. I have never seen a real case, and I have never yet been able to imagine a hypothetical case, in which a plaintiff who is without an interest of his own should in my judgment be allowed to initiate a proceeding in court. If anyone here can think up such a case, I wish he would call it to my attention.

What the law of standing needs is not a demolition of the whole framework within which our courts now work but a slight shift of attitudes within the existing framework. What we need is consistent judicial acceptance of the simple proposition that any party who is adversely affected in fact by governmental action should have standing to challenge it in court. And, contrary to *Frothingham* v. *Mellon*, I think that a Federal taxpayer is adversely affected in fact by an unconstitutional expenditure of Federal funds.

RESOLUTIONS ADOPTED BY THE NORTH CAROLINA STATE COUNCIL OF THE JUNIOR ORDER, UNITED AMERICAN MECHANICS

Mr. ERVIN. Mr. President, during its 1963 session, the North Carolina State Council of the Junior Order United American Mechanics adopted certain resolutions and reciting its position with respect to some of the crucial issues confronting our country. These resolutions merit the consideration of the Congress, and for this reason, I ask unanimous consent that they be printed at this point in the body of the RECORD as part of my remarks.

There being no objection, the resolutions were ordered printed as follows:

RESOLUTION 3: SUPPORT OF THE IMMIGRATION AND NATIONALITY ACT (MCCARRAN-WALTER ACT)

Whereas the McCarran-Walter Act, which was passed in 1952 over a Presidential veto, has been subject to unremitting attacks by Communists, hyphenated Americans, political auctioneers and liberals, and continuous efforts have been made to have it repealed or altered by amendments detrimental to the best interest of our country; and

Whereas the maintenance of our protective national origins immigration system, embodied in the Immigration and Nationality Act, is vital to the preservation of this Republic, and to the welfare of its citizens; and

Whereas there is deep concern by officials of Government, labor unions and taxpayers' associations about the problems posed by the high degree of unemployment, the anticipated further loss of jobs resulting from automation and the mounting numbers and costs of welfare cases, all of which increased quotas will aggravate, not correct; and

Whereas those opposed to the act have resorted to the technique of chipping away at the act by law enforcement, administrative interpretations and amendments which have the effect of undermining the foundations of our cultural integrity and threaten our security; and

Whereas there are now pending in the Congress proposals to increase the quotas 36 percent or more, to expand the classes of aliens who are admissable for permanent residence outside quota limitations; to pool unused quotas; to abolish the National origins quota system and to recompute the entire basis of alloting quotas to the end that our historic immigration policies will be abandoned: Now, therefore, be it

Resolved by the State Council of North Carolina, Junior Order United American Mechanics, in session assembled this 9th day of August 1963, at Greensboro, That it favors the law as it now stands and reaffirms its confidence, trust and reliance in this law, and is most strongly opposed to its repeal or amendment, the admission of additional numbers of aliens, or relaxing the requirements for admission or deportation; and be it further

Resolved, That the State secretary be requested to forward a copy of this resolution to the Members of Congress representing this State.

J. L. WHITE.
ERNEST I. STRICKLAND.
K. C. LONG.

Approved by the Good of the Order Committee:

J. A. PRITCHETT.
W. G. SUGG.
JAMES E. MASTELLER.

RESOLUTION 4: OUR STAND

Whereas during the past 110 years, the Junior Order United American Mechanics, as an American patriotic society, has adopted hundreds of resolutions in the field of Americanism; and

Whereas certain of these resolutions, together with current ones, have been reviewed by competent officials of the order and judged to be pertinent and vital to the welfare of the Nation and each American; and

Whereas most of the resolutions set forth below can be acted upon by Members of the U.S. Congress, now, therefore, be it

Resolved, That the State Council of North Carolina, Junior Order United American Mechanics, assembled this 9th day of August, 1963, in the city of Greensboro, respectfully petitions the U.S. Senators and Representatives representing this State to:

1. Preserve the sovereignty of the United States, its Constitution, institutions, and laws;
2. Preserve intact the Immigration and Nationality Act and to oppose any liberalizing amendments thereto;
3. Maintain the separation of church and state, and to oppose the granting of Federal or State aid to parochial or sectarian educational institutions;
4. Encourage the study of the U.S. Constitution and American history in the educational institutions of the Nation that American youth may have a fuller understanding of our unique form of constitutional government and a truer concept of national patriotism;
5. Never cease combating communism and its efforts to control and colonize areas in the Western Hemisphere;
6. Support the House Committee on Un-American Activities;
7. Oppose the recognition of Red China and the admission of Red China to the United Nations.
8. Protect desecration to the flag of the United States of America by anti-American agitators abroad and provide penalties for deliberate and malicious violators of the Flag Code (Public Law 77–829) at home;
9. Halt postage-free flow of communistic propaganda in the United States.
10. Preserve the Conally Reservation as a necessary safeguard to our national security;
11. Seek enforcement of the financial responsibility provisions of the United Nations Charter and seek suspension in voting rights of all nations which are delinquent in their United Nations dues and assessments, so long as the United States remains a member of the United Nations; and make an investigation of the United States-United Nations relations to determine whether it is in the best interest of the United States to remain a member of that which is being increasingly confused and preyed upon by Socialist and Communist politicians;
12. Request assurances from the President of the United States that the Guantanamo Naval Base will not be surrendered to communistic Cuba and that said base shall be maintained at the highest state of military and naval preparedness;
13. Sponsor legislation which would reassert, reactivate, and effectively maintain the principles of the Monroe Doctrine;
14. Preserve our historic, indispensable and time-tested policies for the U.S. control in perpetuity over the Canal Zone and the Panama Canal;
15. Secure the enactment by Congress of a bill containing a minimum loyalty oath which will clearly bind all governmental officials and employees to defend the United States of America; and (a) make it obvious that an American citizen's loyalty should be directed toward his Nation and not to a given administration in Government; and (b) endorse the loyalty oath required for Government loans under the National Defense Education Act; and be it further

Resolved, That the State Council of North Carolina, Junior Order United American Mechanics, request the subordinate councils under its jurisdiction to urge their members to appeal to relatives, friends, neighbors, and fellow citizens to write their Senators and Congressmen that the voice of the American people may be heard on these issues; and be it further

Resolved, That the State secretary be and he is hereby directed to send copies of this resolution to the Members of the Congress representing this State and to the local press.

J. L. WHITE.
ERNEST D. STRICKLAND.
K. C. LONG.

Approved by the Good of the Order Committee:

J. A. PRITCHETT.
W. G. SUGG.
JAMES E. MASTELLER.

JUDICIAL REVIEW OF CONSTITUTIONALITY OF USE OF FEDERAL TAX MONEYS TO ACQUIRE LANDS AND BUILDINGS FOR CHURCH COLLEGES AND UNIVERSITIES

Mr. ERVIN. Mr. President, Senator JOHN SHERMAN COOPER and I attempted unsuccessfully to amend the Higher Education Facilities Act of 1963 to make it certain that there could be a judicial review of the constitutionality of the use of Federal tax moneys to acquire lands and construct buildings for church colleges and universities. The Charlotte News, of Charlotte, N.C., carried thoughtful editorials on December 18 and December 27, 1963, commenting upon this matter. Since this question will undoubtedly continue to arise until it is settled either by congressional action or judicial decision, I ask unanimous consent that these editorials be printed at this point in the body of the RECORD.

There being no objection, the editorials were ordered printed as follows:

[From the Charlotte (N.C.) News, Dec. 18, 1963]

DUCKING A PRINCIPLE

Comment on passage of the $1.2 billion college aid bill generally has approved the absence of abrasive debate over what is called the religious issue. The implication of much of this comment is that the religious issue is a sham raised for reasons having nothing to do with education. The implication is false; worse, the thinking it reveals obscures a critical issue having everything to do with education.

The broad issue is how Americans wish to spend public funds for education; whether they wish to support private and church-supported institutions and, if so, in what ways and to what degree. In past sessions of Congress the clash of opposing philosophies on this issue brought stalemate. In 1962 the college aid bill died in the midst of such controversy. This time it passed but with the central issue relatively muted.

Senator ERVIN posed the constitutional question. He called up a string of Supreme Court decisions dealing with the first amendment's prohibition of the establishment of religion. In *Everson* v. *Board of Education* (1947), Senator **Ervin** pointed out, the Court majority, approving a State law reimbursing parents for transportation of children to parochial schools, stated that the law went to the verge of the Constitution.

"If that statute went to the verge of the Constitution, certainly a statute which would authorize the appropriations of hundreds of millions of dollars to construct buildings for church owned or controlled or operated colleges and universities would go beyond the verge of the Constitution," he said.

Senator **Ervin** was speaking for an amendment he offered with Senator **Cooper** which would have permitted a taxpayer to file suit challenging the constitutionality of a grant or loan under the program. The amendment was dropped in House-Senate conference and we are left with Senator **Ervin**'s fear that for technical reasons a constitutional test of the law may not now be possible.

We hope that this is not the case. Senator **Ervin**'s doubts of the constitutionality of the legislation are well founded. Nor is this legislation necessarily granted immunity by a clause forbidding grants or loans for sectarian use. We have Justice Douglas' opinion to the contrary in a case decided earlier this year:

"Financing a church either in the strictly religious activities or in its other activities is equally unconstitutional, as I understand the establishment clause," Justice Douglas wrote.

Beyond the issue of constitutionality lie the issues of a purely practical nature. The money appropriated for a 5-year program of college construction will be available in theory to all of the Nation's 2,100 colleges and universities, including at least 700 church-related institutions belonging to the American Council on Education, which lobbied for the bill. Officials concede that this is spreading the available public resources a bit thin.

It is surely no exercise of religious bigotry to question whether the larger public interest is served by this thinning process. Yet this vital question was all but submerged by the desire to have a bill at all costs.

This desire produced a bill that is being hailed in educational circles as a landmark comparable to the Morrill Act which created State universities through land grants. This may be. Yet it is hard to believe that a constitutional test of the law will not arise. It is hard to believe the law would survive, or should survive, such a test.

[From the Charlotte (N.C.) News,
Dec. 27, 1963]

It Will Rise Again

In the editorial reprinted in the columns to the right, the Greensboro Daily News suggests that we placed too much emphasis on the religious issue in our discussion last week of the higher education bill. The Daily News cautions against being affrighted by the bugaboo of the absolute wall of separation between church and state and suggests that we consult our own editorial position on the New York Regent's Prayer decision for comfort.

But we are no more dismayed by an imaginary wall of separation than by any fears that a Catholic in the White House would sell out to the Vatican. Our editorial position in the Regent's Prayer case was simpler than that: We thought that the Supreme Court had stepped where it need not have stepped; that it had senselessly wasted its prestige on customs which were firmly fixed in the traditional pattern of public education and which offered no significant threat to constitutional liberty.

Our concern in last week's editorial was with the appropriation of hundreds of millions of dollars in public funds for use in improving private and parochial institutions. We are concerned with this and dismayed that it was accomplished with such a tenuous recognition of sudden and drastic departure from American political tradition.

The constitutional issue is not as simple as the Daily News seems to think. There is room for lively debate between observers who agree that the "establishment" clause in the Constitution was not meant to forbid any and all contact between church and state. Degree is important in constitutional matters. One may doubt that the reading of a prayer before class fatally offends the Constitution and still believe that the massive expenditure of public funds for private education does.

Other powerful considerations stand. Having opened the door to the expenditure of public funds for private schools on a college level, have we not invited the same kind of thing on an elementary and secondary level? Does this not raise new and delicate questions of Federal control of education?

In short, we do not fear what the Daily News fears we fear. We are concerned, instead, with the politics of the entering wedge of support for private education. We are mightily concerned about whether the education bill just passed isn't too great a compromise of resources. We detect a measure of euphoria in the Daily News observation that, after all, the act responsible for this thinning out of support for education "will surely be renewed and augmented in the future."

Surely. And augmented and augmented some more unless it is declared unconstitutional. But the significant question is whether this augmentation is desirable as a matter of public policy. The significant question is the one we posed as quoted by the Daily News * * * "whether Americans wish to support private and church-supported institutions and, if so, in what ways and to what degree."

This issue was not debated fully by a Congress preoccupied with other concerns. The very Congressmen who might have been expected to raise the issue instead suppressed it in the name of wringing out passage of some kind of higher education bill.

The issue will not disappear because Congress wishes it would disappear. It will rise to haunt us all as the Nation tackles the complex of educational problems ahead. It will rise and rise again—until it is met.

THE STATUE OF FREEDOM

Mr. PELL. Mr. President, atop the Capitol dome is a lady who, in statuesque and symbolic form, has just passed her 100th birthday.

She came to us from Italy. Her trip to the United States was delayed by storms and there were moments when she might have rested on the ocean floor instead of high above this Chamber. She is clad in flowing garments. A wreath of stars is around her head, and over this are perched plumes reminiscent of the American Indian. Her right hand rests on the hilt of a sheathed sword. Her features are classic in the Grecian manner.

She is the Statue of Freedom. With some deference I mention her age, but chiefly I call attention to the variety of her composition; for freedom is composed of many elements, and significant aspects of freedom have come to us from foreign shores and through stormy difficulties. Indeed, such a lofty position for this lady immigrant is not inappropriate, especially in these times when we would seek to provide greater immigration opportunities for access to the United States.

She may not be modishly gowned in modern fashion; a contemporary artist might produce a different conception. But she stands with historic poise and as a reminder of the continuing diversity of our life. Her placement on the dome was heralded by a 35-gun salute from Capitol Hill a century ago.

Mr. President, as an indication that the past can be combined with the present and to illustrate the vitality of this lady, I ask unanimous consent that a most interesting and somewhat whimsical article from VFW, the monthly publication of the Veterans of Foreign Wars of the United States, be inserted at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

She's 100 Years Old—And Doing the Twist

(By Mrs. A. R. Forbush)

The Statue of Freedom (not of Liberty—that's in New York Harbor) which surmounts the dome of the Capitol Building in Washington, D.C., is misbehaving.

This year, the lady is 100 years old. She is clad in the flowing, bulky garments of an indefinite period of antiquity, and both her hands are holding a sword, shield, and wreath.

Yet, uncomfortable as her perch may be, and however awkward her costume and accessories, Freedom is doing the twist.

In fact, J. George Stewart, Capitol Architect, said recently that pressures caused by the movement of the dome, which has shown to twist from 3 to 4 inches a day following the course of the sun, were affecting the west front of the building.

Freedom, the dear girl, has had an adventurous life. She was born, so to speak, in Rome, Italy, where her sculptor, Thomas Crawford, had his studio. He was the father of F. Marion Crawford, the novelist.

Such a rugged time did Freedom have getting here that it often seemed she would never reach the United States, let alone the top of the Capitol where she is now, and has long been, it seems, twisting at the rate of 4 inches a day.

She arrived in this country, as a matter of fact, all in pieces. (Which is what some doctors say teenagers will be in if they overdo their twisting.)

Crawford modeled his impressive figure in Rome, and for the plaster model which was to be cast in bronze in the United States he received only $3,000. After Crawford's death, under his wife's supervision, the model—almost 20 feet high—was completed, packed, and shipped on the bark, *Emily Taylor*. Then excitement for Freedom really began. Storms, leaks, repairs—a stop at Gibraltar to caulk the ship and restore the shifting cargo—resailing, new storms, worse leaks—part of the cargo had to be jettisoned and it proved a desperate ordeal to keep the ship afloat across the Atlantic—and finally the battered *Emily Taylor* put into British-owned Bermuda on July 27, 1858, 750 miles off the American coast. There, the ship practically disintegrated.

Freedom, as part of the miscellaneous cargo remaining, was unloaded and stored in a shed along the Bermuda waterfront. The Bermuda Royal Gazette, in November 1858, announced on its front page there would be a sale of, "sails, hull, boats, anchors, and spars" of the *Emily Taylor*, "which vessel put into the port in distress"—but luckily, the part of the cargo listed as "statuary" was not included. The plaster lady spent a quiet, though disjointed, 8 months in Bermuda, one of the first travelers to enjoy a rest cure on that lovely island. As she was all in pieces, she undoubtedly needed it.

Finally, the bark *G. W. Horton* arrived with part of the statuary. The rest eventually arrived at New York, March 30, 1859, and was shipped in disconnected chunks of plaster to Washington by water aboard the schooner *Statesman*—the final portions arriving late in 1859. Poor Freedom. Her troubles were not yet over. She was reassembled at the Clark Mills foundry northeast of Washington at Bladensburg to be cast in bronze.

The Civil War was the next catastrophe for her. In May of 1861, work was ordered stopped on the statue because, "the Government has no money to spend except on self-defense."

Though much of the contract had been completed, everything was loaded on a railroad flatcar and taken to Washington where work was progressing on the Capitol Building. After a time the lady was returned to the foundry and work proceeded with her casting in bronze.

A gap in available records at this point would make it appear that Freedom, like some other ladies, is coy about revealing her exact birthday. If the date should be that of her first assembly, it could have been in November 1862, for then she was set upon a temporary pedestral on the Capitol Grounds. The annual report of Thomas U. Walter, architect of the Capitol extension, dated November 1, 1862, states that "the statue of Freedom, which is intended as the crowning feature of the dome, is completed, and removed to the grounds east of the Capitol, where it has been placed on a temporary pedestal, in order that the public may have an opportunity to examine it before it is raised to its destined position."

So there was one more step, much delayed, before Freedom attained her permanent position of prominence. It was not until late in 1863 that she was hoisted by steam apparatus to the dome, again in parts because of the terrific weight—and on December 2, the final section, the head and shoulders (this in itself weighing 2,700 pounds) was put in place.

The Federal City of Washington was circled by camps at the time from which thousands of soldiers eagerly watched the Capitol dome for the unfurling of the Union flag which was to signal completion of the installation. Curiously, it was forbidden that any of those engaged in the task make any noise whatever or even wave their hats.

Less difficult to enforce was the prohibition "that anyone get on the head after it is up."

At noon, the signal was given and the head was elevated; the flag was broken out 15 minutes later, whereupon 35-gun salutes were fired, first from a field battery on Capitol Hill, then from one fort after another.

Freedom was officially home.

The immensity and strength of the Capitol dome upon which the statue rests, draws the admiration of most visitors.

Above the outer colonnade, and resting directly over and bearing upon a strong foundation, 36 immense ribs of iron ascend, of a semiellipsoidal shape. These are the skeleton of the huge creation. Hundreds upon hundreds of iron panels, with clamps and screws innumerable, riveted into one circuit of architectural symmetry around these metal ribs, constitute the dome.

The influence of the sun upon this vast iron structure is great. The sun sways its 4,455-ton weight even as it causes the fragile sunflower to bend and follow the course of its flaming path. This fact has been tested by interesting vibratory experiments, made in August 1865, by Mr. B. B. French, Jr., civil engineer, in conjunction with Professor Henry of the Smithsonian Institution. The experiments indicated that the dome oscillated a distance of between 3 and 4 inches. The motion is south, southwest, then west, and as the retiring sun declines and finally disappears, north, northeast, and east, returning to its original position.

Visitors to the Smithsonian Institution in Washington can view the original plaster cast. Freedom's right hand rests upon the hilt of her sword while her left holds a wreath and shield. A medallion below the bodice bearing the letters "U.S." gathers her draperylike attire. Her headdress is the most startling ornamentation. The classic "liberty cap," with which Crawford had crowned his creation, had been rejected because in ancient Greece the insignia was that of freed slaves.

Ironically, it had been Jefferson Davis, Confederate President at the time of Liberty's rise, who had carried through the project to replace the "liberty cap" with a curious feathered helmet, encircled with stars and surmounted by an eagle's head. Davis arranged this alteration when he was U.S. Secretary of War prior to the War Between the States. This change vaguely suggests an Indian bonnet and results in the frequent guess by some that the statue represents Pocahontas. The redesign pleased very few at the time; there was strong pressure to have Freedom hauled down and her headdress again restyled. The cost and difficulty of this proposal, however, resulted in general agreement to let well enough alone.

Ornamentation has since been added by 10 platinum-tipped lightning rods; 1 on the head; 6 on headdress feathers; 1 on each shoulder, and 1 on the shield. A ring of lights, recently installed, illuminates the base of the statue. These additions, of course, have not been duplicated on the plaster model at the Smithsonian. Though just as tall—19 feet 6 inches—it also does not have the immense weight of the giant bronze figure on the Capitol dome.

There she stands and twists—all 14,985 pounds of her. As an awed visitor, hearing of her steady, rhythmic motion, once exclaimed—"Some shimmy!"

THE STATUS OF THE FIGHT AGAINST NARCOTICS ADDICTION

Mr. JAVITS. Mr. President, the report, finally published last month by the President's Advisory Commission on Narcotic and Drug Abuse, should have marked the historic break with the past which I have long advocated, by beginning to treat addiction as an illness and not merely as a crime. The Commission set the stage for this new look by backing, in its comprehensive report, what I have continually urged—along with my colleague, Senator KEATING—as the basic minimums of an enlightened view of this social disease:

1. Legislation to provide Federal assistance to State and local governments and nonprofit organizations for broad treatment and rehabilitation programs in the metropolitan environment of those afflicted.
2. Legislation authorizing Federal civil commitment for treatment of narcotic abusers as an alternative to criminal conviction and imprisonment.
3. Development of a comprehensive Federal research program within the National Institute of Mental Health.
4. A massive effort to achieve effective international control of the distribution of dangerous drugs.

I have hoped that with this distinguished expert support behind the recommendations, the executive branch and the Congress would now act speedily on these recommendations. So far there has been no indication of action, perhaps because of controversy over the Commission's recommendation that the Narcotics Bureau be removed from the Treasury Department and split between the Justice Department and the Department of Health, Education, and Welfare. This may or may not be advantageous, but whatever the dispute on its merits, it should not sidetrack the administration from acting on, and recommending to the Congress, the basic requirements of a modern program to solve the drug abuse problem.

I ask unanimous consent that there be included in my remarks at this point a recent editorial from the Wall Street Journal bearing on this problem.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Feb. 7, 1964]

DISMANTLING A NARCOTIC THEORY

One proposal in the newly published report of the President's Commission on Narcotics and Drug Addiction is that the Treasury's Narcotics Bureau be dismantled, with the Justice Department assuming its police functions.

The response to this suggestion could not have been much chillier if the Commission had come out for dope smuggling. Officials of the Treasury, the Justice Department, New York City's Police Commissioner—just about everyone who commented condemned the idea.

That reaction is not only strange but disquieting. It is symptomatic of the whole rigid policy which for so long has made the narcotics problem even worse than it has to be.

To consider the administrative setup itself, it has never made much sense to have the Government's fiscal agency engaged in battling a major criminal problem; the transfer to the Justice Department would merely be a step toward more logical organization. In fact, the Hoover Commission on Government Reorganization proposed just such a move as long ago as 1949.

But it is more than a matter of administrative efficiency. For the Narcotics Bureau has become a symbol of a single theory of dealing with drug addiction. This theory rests on the premise that addiction is a crime and, for all practical purposes, little more than that. It is to be dealt with largely by "strong" laws and "strong" enforcement.

This is the theory the Government has followed for half a century; for the Bureau it has become almost a narcotic. Yet the drug problem remains with us; if anything, it is more virulent than ever. It is clear that strong laws and strong enforcement are hardly deterring addicts.

As the President's Commission commented, "It is difficult to believe that a narcotic addict who is physically and psychologically dependent on a drug will forgo satisfaction of his craving for fear of a long prison sentence. The weakness of the deterrence argument is proved every day by the fact that illicit traffic in narcotics continues."

In seeking a more effective approach, a start can be made by recognizing that addiction is a medical as well as criminal problem. Some people become hooked accidentally through medical treatment to relieve pain. Some fall into the habit because of psychological aberration, curiosity, many other reasons.

Therefore, says the Commission, Federal regulations should be amended "to reflect the general principle that the definition of legitimate medical use of narcotics and legitimate medical treatment of a narcotics addict are primarily to be determined by the medical profession."

As matters now stand, the rules of the Narcotics Bureau often confuse the physician. From fear of prosecution he may refuse to use drugs to treat addicts or, more often, he may refuse to treat them at all. For the same reason the addict may shun physicians. In his mind, at least, he has little recourse but to seek out the dope peddler whose exorbitant profits batten on the addict's seemingly uncontrollable urge for drugs.

With that in mind, the Commission suggests that the law should be changed to discriminate between the dope peddler and the addict who possesses drugs only for his own use. Changes also are overdue in the present heavy mandatory sentences and restrictions on parole. These not only deny courts and enforcement officials any exercise of judgment but make the addicts outlook practically hopeless.

Neither the Commission nor we are suggesting the unrestricted sale of narcotics. Nor are we urging changes just to be soft on addicts; the aim is to find a more sensible approach that would be of some help to some of them. Above all, perhaps, future policy and practice must be flexible, for there is much still to be learned about drug addiction. It would be folly to replace the current status quo with new rigidity.

Dismantling the Narcotics Bureau, the symbol of that status quo, would accomplish little by itself. But if it marked the beginning of a more humane, more fruitful approach to the problem, it would be a good place to start.

PRESIDENTIAL PRAYER BREAKFAST

Mr. CARLSON. Mr. President, many fine articles and editorials have been written regarding the recent Presidential prayer breakfast.

David Lawrence, one of our Nation's outstanding columnists, wrote an article entitled "Prayer Breakfast a Voluntary Affair." It is an excellent discussion and analysis of the breakfast.

I ask unanimous consent that the article be made a part of these remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRAYER BREAKFAST A VOLUNTARY AFFAIR

(By David Lawrence)

WASHINGTON.—Perhaps a Presidential prayer breakfast, such as is held here annually, may seem like a paradox. But the name describes a meeting of more than 1,000 persons, most of them in the Government, who sat down together in the ballroom of the Mayflower Hotel one morning to pray together.

Since Chief Justice Earl Warren himself was at the head table, the event could hardly be criticized on constitutional grounds, and President Johnson took particular pains in his speech to point out that there is a difference between prayer that is voluntary and prayer that is directed by the state itself. He said:

"We who hold public office are enjoined by our Constitution against enacting laws to tell the people when and where or how to pray.

"All our experience and all our knowledge proves that injunction is good. For, if Government could ordain the people's prayer, the Government could also ordain its own worship—and that must never be.

"The separation of church and state has served our freedom well because men of state have not separated themselves from church and faith and prayer.

"I believe that these annual prayer breakfasts serve a most useful purpose in both reminding and reassuring the people that those who hold their trust are themselves godly and prayerful men and women."

It was impressive to see in the audience such an array of Government officials and some Ambassadors. The Speaker of the House was there, as well as Senators and Representatives from both political parties.

Senator FRANK CARLSON, of Kansas, presided. Businessmen, lawyers, and public officials from various States, including some Governors, also participated in this nonpolitical affair. The occasion was sponsored by the International Christian Leadership, and the audience was comprised of Catholics, Protestants, and Jews.

President Kennedy made a speech to a similar gathering just a year ago, and President Eisenhower before him did likewise. The program was devoted entirely to the spiritual theme. It began with a song from the Navy Choir, and the invocation was delivered by George Hayes, a prominent Negro layman,

Gov. Mark Hatfield, of Oregon, made an impressive talk on the meaning of prayer, and then Dr. Billy Graham delivered an impassioned address on the need for spiritual help in these troublous times. He sketched the grave situations that exist throughout the world and pointed regretfully to the many emotional controversies of today, including the racial question. He said this would never be settled in the streets, but only in the homes and in the hearts of men.

President Johnson in his address made an interesting suggestion—that in the city of Washington, the seat of Government, there must be "a fitting memorial to the God who made us all."

He added:

"Our Government cannot and should not sponsor the erection of such a memorial with public funds. But such a living memorial should be here. It should be a center of prayer, open to all men of all faiths at all times.

"The world is given many statistics about the per capita vices of Washington, but the world knows all too little about the per capita virtues of those who live and labor here."

The occasion was an extraordinary one. Not a word of politics—implicit or explicit—was expressed. Nor was there any comment on the policies of the Government.

The meeting was devoted entirely to the encouragement of prayer breakfast groups throughout the country. These are voluntary meetings held by small groups in every city and State. The movement was founded by Dr. Abraham Vereide who also initiated the breakfast groups at the Capitol in the two Houses of Congress more than 20 years ago. Now there are many breakfast groups, composed of personnel of State as well as city governments.

THE FEDERAL GOVERNMENT'S STEPCHILD: THE U.S. MINING INDUSTRY—A NEW APPROACH IS LONG OVERDUE

Mr. GRUENING. Mr. President, during my service in the Senate, I have repeatedly expressed my great concern that more attention should be paid by the Congress to the importance of our mining industry in the United States. As I have said before, it frequently seems as though the mining industry is the one part of our economy which has been completely neglected over the years in planning national policies. As chairman of the Minerals, Materials, and Fuels Subcommittee of the Senate Committee on Interior and Insular Affairs, I had repeatedly called to my attention the real needs of the mining industry for assistance which have been either ignored or opposed by the executive branch of the Government.

In the case of the gold miners, a group uniquely damaged by arbitrary Government action, it has been impossible, so far, to enlist the very important support of the Treasury and Interior Departments for the enactment of legislation that would be important in reviving this almost extinct enterprise. Gold miners cannot now produce gold profitably because of an arbitrary price set by the executive branch of the Government 30 years ago which cannot be changed. The unduly stringent Order No. L–208 of the War Production Board during World War II which closed all the gold mines was another example of arbitrary Government action directed against the gold miners which proved to be a blow that has never been fully or fairly compensated.

No other gold mining country among our allies and associates in the war took a similar step. Canada, South Africa, Australia all continued to produce gold. The U.S. Government alone put its gold miners out of business. It seems to me inexcusable that the executive branch has never been willing to recognize that the gold miners deserve special assistance not only because this is a very important industry but because the difficulties it faces arise entirely from repressive measures imposed by the executive branch from which there has been no appeal.

I hope there will come a time when a different attitude will prevail and legislation to revitalize the gold mining industry can be enacted.

The negative attitudes of the executive branch of the Government toward the mining industry are not restricted to gold miners alone. In fact, this lack of sympathy toward the mining industry is apparent in almost every context. For example, I introduced an amendment to the Revenue Act of 1964 which was designed to eliminate an existing restriction on amounts mining industries may deduct for exploration expenditures. This modest proposal to aid the miners was strangled by opposition of the Treasury Department. It is, again, my hope that patient exploration of the issues involved will develop a new attitude on the part of the Treasury Department and that eventually we may be able to obtain at least some tax relief for the mining industry.

The premise on which I have sought legislation to remove restrictions on exploration expenditures in the mining industry has been that, in modern days, exploration techniques for minerals are wholly comparable with research programs of other industries, which expenses are entirely deductible.

The significance of the great changes in mining exploration techniques which have occurred are evidence in reading a most interesting article in the New York Times of Sunday, February 16. The article "Modern Sourdoughs Bring New

Techniques to Ancient Search for Minerals" describes the new world of prospecting in which highly sophisticated scientific methods are used to explore for mineral deposits. I ask unanimous consent that this article be printed in the RECORD at this time together with another related article in the same issue of the New York Times dealing with a new look in silver mining in the State of Utah.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 16, 1964]

MODERN SOURDOUGHS BRING NEW TECHNIQUES TO ANCIENT SEARCH FOR MINERALS

(By John M. Lee)

Mining has long held a romantic fascination for Americans.

Almost 100 years ago, when Bret Harte wrote "The Luck of Roaring Camp," easterners delighted in the crusty color of the California mining country.

Although the sourdough and his burro have yielded to the engineer in light plane or station wagon, mining remains a great adventure. Its contemporary dimensions include political turmoil abroad, world price competition and the technology of the computer age.

Mining also faces the mundane problems of rising costs and declining grades of some domestic ores. But these problems are being tackled through the cost-cutting and improved efficiency of automation and mechanization. Employment, however, is declining.

Some 2,500 minerals specialists who grapple with these issues are in New York this week for the annual meeting of the American Institute of Mining, Metallurgical, and Petroleum Engineers.

Most of their 150 technical sessions at the Astor and Statler Hilton hotels will deal with the techniques of finding, extracting, refining, and using mineral products.

But mining has broadened its horizons, and some sessions will deal with international financing, the exploitation of minerals in underdeveloped countries and the social consequences of closing a mine.

For the next few days, Manhattan can stake a claim as the world's biggest mining camp.

The importance of the minerals industries can hardly be exaggerated. From the days of King Solomon's mines and the Damascus sword, minerals and their effective use have formed the base of national wealth and power.

Broadly speaking, the minerals industries comprise metals, such as iron ore, copper, and silver; nonmetallic minerals, such as gypsum, potash, sand, and gravel, and mineral-derived fuels, like coal, oil, and gas.

The value of mineral production last year climbed to a record $19.7 billion, the U.S. Bureau of Mines reports. The 1963 figure was some $800 million above the previous high in 1962 and continued the upward trend begun in 1959.

OUTLOOK CALLED BRIGHT

With the uses of minerals and mineral fuels so intertwined with an expanding industrial economy, the outlook is bright. Charles White Merrill, Chief of the Bureau of Mines' Mineral Divisions, writes in the February issue of Mining Engineering:

"It is clear that the overall demand for minerals is not only assured but is certain to expand for many years ahead."

Mr. Merrill warns, however, that not all minerals can be expected to expand their use at the same rate. He notes, for example, the decline in importance of anthracite coal and the rise of natural gas.

Other observations are that the mineral supply of the future must be won from lower and lower grade materials, often at greater depths; that mechanization and automation will continue to advance, and that mineral demand can often be reduced by more efficient consumer use.

Other factors that can influence mineral use are the competition between metals, such as between aluminum and steel, and the competitive challenge of metal substitutes, such as plastics.

SEARCH CONTINUES

He also notes the enormous investments needed for efficient mining today and warns of the need for political stability when considering investing in underdeveloped nations.

"Engineering judgments," he says, "frequently involve political appraisals more difficult than the technologic ones."

With the demand for minerals taken for granted, the search for new, higher grade or more accessible mineral deposits continues. The newer techniques of geophysics and geochemistry have been supplementing the older geology.

P. W. Guild of the U.S. Geological Survey illustrates modern corporate practices in a current Mining Engineering article by quoting Paul A. Bailly, president of the Bear Creek Mining Co., to this effect:

"At the reconnaissance stage, we have done regional geologic map compilation and quite a lot of literature search. Our reconnaissance in the field involves the use of airplanes and helicopters for what can be called geo-optical reconnaissance."

BAFFIN ISLAND TO BRAZIL

"We also use some geochemical exploration methods. The geophysics division continues to use the induced polarization method for defining shallow sulfidized areas.

"At the physical exploration stage, we have started using operations research in evaluating drill hole spacings, and statistical methods in evaluating assay data."

What a far cry this is from the prospector, his pick, and shovel.

Last year, minerals exploration turned up rich iron ore on Baffin Island in the Arctic Ocean, gold in Canada's Northwest Territory, molybdenum in Wyoming, and zinc in Brazil.

The rise in the price of silver has stimulated exploration for that metal, particularly around the old western camps, Mr. Guild says, with some new finds apparently being made.

He also notes the increasing role that international organizations are playing in mineral development. The World Bank has helped finance Gabon maganese and Mauritanian iron, although not at the exploratory stage.

A more direct role is played by the United Nations Special Fund, which is administered by Paul G. Hoffman as managing director. The Fund engages in preinvestment surveys, feasibility studies, and technical training in minerals and metallurgy.

The Fund presently has underway 27 projects from Argentina to Upper Volta at a cost of $40.3 million. The objective is to aid economic development through the building of local mining and refining industries.

In Africa, for example, mineral resources hold that continent's great promise of industrialization and increased export earnings.

Mining investments abroad, however, have taken on an incredible complexity.

Last November, in Liberia, an iron ore project known as the Lamco Joint Venture was dedicated, but only after a decade of financial, engineering, and construction activity involving United States, German, Swedish, and Liberian participants and the expenditure of $220 million.

The hazards of oversea investment were dramatized in the change of regime in Cuba and the subsequent elimination of that island as an important source of nickel and cobalt for the United States.

In a symposium this week, L. C. Raymond, senior mining engineer at Ford, Bacon & Davis, Inc., will comment on the risks of oversea investment. In a paper, he suggests:

"These risk factors can be greatly cushioned by recourse to law and order, possibly a special arbitration group connected with the World Court."

Despite the risks, foreign ores continue to be sought when the grade is high and when the economics of extraction and shipment are attractive. But the influx can create competitive problems for the domestic industry.

MEETING COMPETITION

In the case of iron ore, however, domestic producers are meeting the competition with high-iron-content pellets. In the case of lead and zinc, domestic producers have been successful in obtaining quotas to limit imports.

The combination of lead and zinc quotas and higher demand for these metals have led to higher prices, which in turn could stimulate greater domestic mine production.

Politics and mining are inevitably mixed, with mining interests affected by Government stockpile accumulations or disposals and by the proposed wilderness bill, which would exclude minerals prospecting from designated recreational areas. Mining subsidies are often proposed.

On a State level, the possibility of massive investments in Minnesota taconite, a low-iron rock, hinges on the approval by Minnesota voters this fall of a referendum on so-called fair tax treatment for the taconite mining industry.

The U.S. mining industry sometimes raises a protectionist cry on the ground that this country must become self-sufficient in minerals as a defense in the cold war.

Although this country leads the world in mineral output and consumption, the point is raised that its share of the world's total is dwindling rapidly. More attention to domestic resources is urged.

The counterargument is that the United States could not become completely self-sufficient if it wanted to. Although this country is liberally endowed with most resources, some important ones, such as tin, are either not available at all or not available in large quantity or in economically extractable grades.

In addition, friendly nations with minerals to sell must be supported through liberal and mutually profitable trade policies, this argument holds.

Consequently, foreign policy might bear on the future of the minerals industries as much as advanced control systems for the preparation of ore.

[From the New York Times, Feb. 16, 1964]

SNOW NOR COLD HALTS MINING, BUT THOSE SKI GALS MIGHT

PARK CITY, UTAH, February 15.—Neither snow, nor cold, nor sleet, nor ice is slowing ore production here in the operating mines of Utah's oldest silver camp, "but those ski gals are liable to bring work to a shuddering stop anytime soon." That's the considered opinion of mining men lining the bar in the Bucket, Tommy Matthew's popular spa in Park City.

To foster employment in what was once Utah's busiest silver-lead-zinc district, the United Park City Mines Co. recently utilized a $1.2 million Area Redevelopment Administration loan to construct a 2½ mile long gondola lift, a chair lift and two J-bar tows atop the snowy Wasatch peaks into which its mine shafts burrow.

THE WHISTLING STOPS

As a result, when the snows deepened just before Christmas, skiers including quite a few women began stemming and schussing past the shaft house and offices of the old Silver King Mine Co. "Eyes popped for a while, but now the whistling has stoppped and mining is back to normal," says Art Gray, an underground superintendent.

S. K. Droubay, mining engineer who manages both the resort and mining operations of United Park City, believes he is the only mining man extant who scans the skies in hopes of heavier snowstorms.

"We have about 100 men working underground in Park City and snow, or lack of it, don't bother them at all," he says. "But plenty of snow means plenty of work for another 100 employees of our recreation division—and most of them running the lifts and gondolas are ex-miners."

Elsewhere in the mountainous West, mining engineers look at snow and below-zero temperatures less favorably, although modern machinery and proper lubricants keep open-pit mines, as well as underground operations, running smoothly despite bitter weather. Near Ely, Nev., a perennial "icebox of the Nation" where temperatures of 15 below zero are not uncommon, Kennecott Copper Corp. crews keep pretty close to the goal of 24,000 tons of ore and 80,000 tons of waste that must be moved from the Ruth open pit daily.

ONE BIG BLIZZARD

According to Canadian-born M. J. O'Shaughnessy, heavy-set, round-faced, cheerful chief of Kennecott's Nevada operations, "Snow hasn't been too bad except for one big blizzard in January."

Traffic problems engendered when 500 men drive to the mine and another 500 drive to the reduction plant 20 miles away at McGill set off major headaches for all mine families. Keeping ore from freezing in railroad hopper cars and proper lubrication of the mine's 9-cubic-yard shovels and 65-ton trucks are Mr. O'Shaughnessy's operating problems, "but you meet them by preparing in advance," he says.

At Hailey, Idaho, not far from Sun Valley, Gavin Young, project manager at the Federal Resources Co.'s Silver Star-Queen Mine echoes Mr. O'Shaughnessy's motto, sadly adding, "You can have plenty of trouble with winter weather if you're not ready. That's why we spent our time mining snow a few weeks back."

Mr. Young explains that his men were building a new mill, but couldn't get the roof on before the first big storm hit.

"You could ski down the ridge where the room should have been. In fact, some of the men did," Mr. Young says ruefully. The roof is on now, machinery is being installled and the mill will be operational in March. "But that was the first time I ever mined snow out of the inside of a building."

Far to the north, in Idaho's frigid Coeur d'Alene country, 62-year-old Lee Messerly, general mining superintendent for Federal Resources, is trying to prepare the Conjecture-Star Mine for springtime operation.

"It gets a bit rough," he reports, "since we've got almost 20 miles of road to Bayview to keep open ourselves, and the snow is 4 or 5 feet deep."

His eight-man crew manages without a telephone, "but we are real comfortable, with electric blower stoves giving us all the heat we need." Mr. Messerly and his men are "kind of used to snow; after all, it started coming down in October." They watch deer and elk rather than television and do some fishing in nearby Lake Ponderosa when the weather eases off."

EASIER THAN ANDES

In Utah's old Tintic mining district, 40-year-old Gale Hansen, a "geologist who went wrong," is the mining engineer in charge of a Kennecott effort to establish a new, productive silver-lead-zinc operation. Heading up a 46-man crew, Mr. Hansen has headquarters 6 miles from Eureka in a windswept cluster of mine buildings 6,000 feet above sea level.

"This is pretty easy compared with three winters I spent in the Andes," Mr. Hansen says, "We have all the conveniences, television, stores in Eureka." But he commutes 75 miles to Salt Lake City each weekend to be with his wife and children, and adds "trying to make a mine is never easy."

Mr. Hansen's development work includes sinking a 1,500-foot-deep shaft, constructing shops, compressor houses, assay office, hoists and related structures.

"If you plan it, you can do it, and keep pretty much on schedule," he believes. "Partly it's because of new materials. Nowadays you can use plastics and heaters and pour concrete even though we've got a foot of snow and zero weather."

Proper lubrication keeps bulldozers and snow-removal gear operating, proper clothing makes outdoor work far easier than a decade or so ago. "Why, some of my people like the winter weather so much they drive ever to Alta for some skiing on their day off, almost 70 miles," Mr. Hansen says with a grin.

The ACTING PRESIDENT pro tempore. Is there any further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MORSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ASSISTANCE TO CERTAIN LOCAL EDUCATIONAL AGENCIES—AMENDMENTS TO PUBLIC LAW 874

Mr. MORSE. Mr. President, I send to the desk for appropriate reference a bill to amend Public Law 874 to provide payments to local school districts based upon two additional categories of public school pupils who have a relationship to Federal programs and activities. The bill would also amend existing law to provide the Commissioner of Education with authority to phase out payments in connection with termination of existing programs over a 3-year period, instead of the present 1-year period.

If enacted, the bill would recognize the Federal connection for school district payment purposes of first, children of school age on whose behalf parents are currently receiving payments under the aid for dependent children welfare program and, second, children in families receiving unemployment compensation benefits in those areas which have been designated by the Secretary of Labor as areas of substantial unemployment.

It is estimated that there are currently some 2-million school age children in families receiving aid for dependent children payments. The bill provides that if the number of children in a school district is 3 percent or more of the total number of children who were in average daily attendance during the year that the district could receive for each child a payment equal to 25 percent of the payment made under Public Law 874 for a child whose parent both lives and works on Federal property. The cost of this portion of the amendment would thus be under $140 million a year. The second category for which payment would be made relates to areas designated by the Secretary of Labor as areas of substantial unemployment. In January there were 39 such areas throughout the country.

Mr. President, I ask unanimous consent that at this point in my remarks a listing of these areas and the number of families receiving unemployment compensation benefits be printed.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Areas of substantial unemployment as of mid-January 1964

1. Fresno, Calif	7,200
2. San Diego, Calif	16,100
3. San Jose, Calif	12,500
4. Stockton, Calif	6,500
5. Waterbury, Conn	3,500
6. Miami, Fla	7,500
7. South Bend, Ind.[1]	6,100
8. Brockton, Mass	4,500
9. Fall River, Mass	8,100
10. Lawrence, Haverville, Mass	5,800
11. Lowell, Mass	4,800
12. New Bedford, Mass	6,600
13. Springfield, Chicopee, Holyoke, Mass.[1]	9,400
14. Worcester, Mass	7,800
15. Duluth-Superior, Minn	3,200
16. Atlantic City, N.J	7,100
17. Jersey City, N.J	16,200
18. Newark, N.J	36,100
19. Buffalo, N.Y	23,800
20. Utica-Rome, N.Y	7,500
21. Hamilton-Middleton, Ohio	3,600
22. Altoona, Pa	3,200
23. Erie, Pa	5,100
24. Johnstown, Pa	6,500
25. Philadelphia, Pa	79,800
26. Pittsburgh, Pa	48,700
27. Scranton, Pa	8,300
28. Wilkes-Barre-Hazelton, Pa	13,600
29. Mayaguez, P.R	1,000
30. Ponce, P.R	1,500
31. San Juan, P.R	3,900
32. Providence-Pawtucket, R.I	20,400
33. Chattanooga, Tenn	4,000
34. Beaumont-Port Arthur, Tex	3,400
35. Seattle, Wash.[1]	28,300
36. Tacoma, Wash.[1]	6,500
37. Charleston, W. Va	3,000
38. Huntington, W. Va	4,400
39. Wheeling, W. Va	3,600

[1] All the foregoing areas with these exceptions have had substantial unemployment for a period of at least 9 months.

NOTE.—Total number of benefit payments, 449,100.

Average number of children per unemployment compensation benefit families estimated at 2.6.

Number of children on whose account school district payments by virtue of unemployment compensation benefit relationship is 1,167,660.

Estimated cost based on 25 percent of local contribution rate (average payment made by Federal Government to school districts under category A of Public Law 874 for children whose parents are both employed on and who live on Federal property) $78,815,050.

Mr. MORSE. Mr. President, Senators will note that the geographical distribution ranges from Fresno, Calif., and Seattle on the west coast through the Midwest—Minnesota and Indiana are on the list—to the east coast and Southern States of Florida, Tennessee and Texas.

It is estimated that the school district would receive payments based upon 2.6 times the number of unemployment compensation benefits. The rate of payment in this category would also be set at 25 percent of the payment made for a child whose parent both lives and works on Federal property.

I am currently in the process of deriving cost figures for this portion of the program, but, in my judgment, the total cost of the program initially would not exceed $200 million annually, or less than is being appropriated for category A and B payments under Public Law 874.

The important point, however, is that this money would be funneled directly into those areas by these twin standards having a great need for additional school funds. Every large metropolitan center would receive help from the Federal Government to educate these youngsters for whom the Federal Government through the twin programs of aid to dependent children and unemployment compensation benefits has already assumed a responsibility.

I want to make it perfectly clear that I am not wedded to the precise language of the bill. It would be my hope that hearings upon it could perfect the detail and the language.

I suggest to Senators that the bill has certain advantages in its approach. These include:

First, the decision as to which school district the aid shall go, and the amount, is automatically determined by objective verifiable factors associated with depressed areas whether rural or urban——

The **ACTING PRESIDENT** pro tempore. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Oregon may have an additional 10 minutes.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. MORSE. Second, the certification to the school district from local welfare offices and unemployment compensation offices of the numbers of children in each category could be accomplished with a minimum of clerical expense, and in addition, such a program should not increase Federal employment perceptibly;

Third, under the procedure no question of Federal control of local education is raised;

Fourth, all metropolitan areas and many additional school districts, particularly in areas such as Appalachia, could qualify for assistance, thus adding significantly to the political support for the program;

Fifth, since this is not a general aid bill but rather a pin-pointed assistance to economically distressed school districts bill, I would hope that it could escape the church-state and racial issue controversies; and

Sixth, it possesses a philosophy or logic for the aid given—the children in the two new categories are already related to Federal programs. The Federal Government is contributing to their housing, clothing, and food through the AFDC and the unemployment compensation programs. These children and their families are not in economic brackets whereby the local tax base is enhanced by their presence. By adopting these amendments we would be recognizing that the Federal Government has a responsibility, in part, to help to educate the children so that in the future, through education, perhaps these cycles of poverty could be broken. School districts which have large numbers of children from very low income families have costs which are greater in many instances than high income suburban school districts—yet far too often they do not have the revenues to finance the types of program which are needed if the native talent and ability of the child is to be developed. The additional $200 million or more annually that this program might cost, perhaps, is justified if it serves to reduce the ranks of the future unemployed.

One thing we can be sure of, unless we strive to find ways to meet the problem of poverty, we will serve only to perpetuate it. Education may not be the only key to the door of opportunity, but without education that door will remain locked.

The bill has two main sections. The final section of the bill is designed to guard against the disruption of an ongoing program in the event of a cancellation of the military or defense activity. At the present time the phaseout of Federal assistance would take place within a year. I am suggesting that the Commissioner be given authority to stretch out the termination of this impacted area program for 3 years when he finds this to be appropriate. I can foresee that the elimination of a defense activity in an area can cause just as great or greater problems for a school system as the establishment of such a program.

Mr. President, I ask unanimous consent that the text of the bill as introduced be printed at this point in my remarks.

I also ask unanimous consent that the bill be held at the desk for additional cosponsors until the close of business, February 28.

The **ACTING PRESIDENT** pro tempore. The bill will be received and appropriately referred; and, without objection, will be printed in the RECORD and held at the desk as requested.

The bill (S. 2528) to amend Public Law 874, 81st Congress, in order to provide assistance to local educational agencies in the education of children of needy families and children residing in areas of substantial unemployment with unemployed parents, introduced by Mr. MORSE (for himself and Mr. METCALF), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act entitled "An Act to provide financial assistance for local educational agencies in areas affected by Federal activity, and for other purposes", approved September 30, 1950 (20 U.S.C. 236) is amended (1) by inserting "(a)" after "SECTION 1." and (2) by inserting at the end of such section a new subsection as follows:

"(b) It is further declared that in recognition of the continuing policy and responsibility of the Federal Government to promote full employment throughout the Nation and to encourage education necessary to such employment, it is also the purpose of this Act to provide assistance to local educational agencies in the education of children of needy families and children residing in areas of substantial unemployment with unemployed parents."

SEC. 2. Such Act is further amended by inserting after section 4 a new section as follows:

"CHILDREN OF NEEDY FAMILIES AND CHILDREN RESIDING IN AREAS OF SUBSTANTIAL UNEMPLOYMENT WITH UNEMPLOYED PARENTS

"Authorization

"SEC. 4A. (a) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year, the Commissioner shall determine the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools—

"(1) were dependent children for the purposes of title IV of the Social Security Act, or

"(2) resided in an area, which during a major portion of such year was designated by the Secretary of Labor as an area of substantial unemployment, with one or more parents neither of whom was regularly employed and at least one of whom was drawing State unemployment compensation.

For the purposes of this section a child may not be counted under both clauses 1 and 2 of this subsection for the same period.

"DETERMINATION OF AMOUNT

"(b) The amount to which a local educational agency is entitled under this section for any fiscal year shall be an amount equal to (1) 25 per centum of the local contribution rate (determined under section 3(d)) multiplied by (2) the number of children determined under subsection (a).

"MINIMUM REQUIREMENT

"(c) No local educational agency shall be entitled to receive any payment for a fiscal year with respect to a number of children determined under subsection (a) unless the number of children who were in average daily attendance during such year and to whom such subsection applies—

"(1) is ten or more; and

"(2) amounts to 3 per centum or more of the total number of children who were in average daily attendance during such year and for whom such agency provided free public education.

Notwithstanding the preceding provisions of this subsection, the Commissioner may waive the 3 per centum condition of entitlement whenever, in his judgment, exceptional circumstances exist which would make the application of such condition inequitable and would defeat the purposes of this section.

"DETERMINATION OF NUMBER OF CHILDREN

"(d) The determination whether a local educational agency has met the percentage requirement for eligibility under this section for any fiscal year shall be made on the basis of estimates by the Commissioner prior to the close of such year, except that an underestimate made by the Commissioner pursuant to this subsection shall not operate to deprive an agency of its entitlement to any payments under this section to which it would be entitled had the estimate been accurate."

Sec. 3. Sections 3(f) and 4(d) of such Act are each amended (1) by inserting after "such agency is otherwise entitled under this section for such year" the following: "and the two succeeding fiscal years", and (2) by striking out "current expenditures for such year" and inserting in lieu thereof "current expenditures for such years".

Sec. 4. Section 5 of such Act is amended (1) in subsection (a) by striking out "or 4" and inserting in lieu thereof "4, or 4A", and (2) in subsection (c) by striking out "and 4(a)" and inserting in lieu thereof "4(a), and 4A".

Sec. 5. Section 9 of such Act is amended by inserting at the end thereof the following:

"(11) The term 'State unemployment compensation' means unemployment compensation paid to an individual under State law or title XV of the Social Security Act."

Sec. 6. The amendments made by this Act shall be effective for fiscal years beginning after June 30, 1964.

WHEAT AND COTTON PROGRAM

Mr. DOMINICK. Mr. President, I feel shy speaking on an agricultural subject, because I am not a member of the Committee on Agriculture and Forestry, but I did wish to bring out what has happened in the committee, inasmuch as we shall be debating the particular issue within the next few days, and also to present to the Senate some questions as to the merit of the bill that was reported.

It is my understanding that the bill finally reported by the committee over the objection of the chairman was a bill which was not even considered, so far as hearings were concerned, but was pushed through as a compromise, with wheat and cotton lumped together.

The proposals for both wheat and cotton have one basic ingredient in common, and that is that the farmers who will receive support under them will receive payment for their crops, part of it in the marketplace and part of it from the Federal Government. In general, this is considered as the payment issue, involving the question of whether the Government itself should provide a part of the income for the farmers who are producing the crops.

There are a number of different viewpoints on this question. I recently received a document from the American Farm Bureau Federation, dated February 1964, entitled "Questions and Answers on 'The Payments Issue'."

I must say, in all candor, that this is about as clear an exposition of the basic issues we shall be asked to debate—either this week or next week—as I have yet seen on this particular agricultural problem.

For example:

Question No. 1. What kind of payments are we talking about?

Answer. Any kind of Government payment that is made for the purpose of supplying a part of the income farmers receive for the sale of their products.

This is true whether we do it in the form of support, in the form of loans, or in the form of certificates—which is what is being proposed at this point, certificate payments for wheat supports. We are doing it whether it applies only to cotton and wheat, as in this particular bill, or whether it also applies to the dairy production supports which have been asked for by the Senator from Minnesota.

It seems to me that finally we must come to a decision on—and a basic decision—as to whether we are to go along with producers in the agricultural industry themselves, who feel that they can do better by getting free from governmental control, or whether we are going to keep them encased in a system whereby we provide incentives for their prices and still say that they must reduce production even with that incentive. These two things conflict on every occasion and on every other program with every other commodity in this country.

We should not forget that support payments were designed to promote increased production. Yet, in the agricultural field, for some reason wholly bewildering to me and to many others, we provide the support payments and then say there is no reason why production will be cut down. It makes no sense.

Inasmuch as I believe this particular series of questions and answers is productive and will be useful in the debate soon to follow, I ask unanimous consent to have the document printed in the Record.

There being no objection, the document was ordered to be printed in the Record, as follows:

Questions and Answers on the Payments Issue

Should farmers get their income in the marketplace or partly from the market and partly from some sort of Government payment? In other words, the issue is whether Government checks should be used to pay a part of the price farmers receive for their products. This is the hottest farm policy issue before Congress during this election year of 1964.

The following questions and answers have been prepared to facilitate understanding of this issue:

Question. What kind of payments are we talking about?

Answer. Any kind of Government payment that is made for the purpose of supplying a part of the income farmers receive for the sale of their products.

Question. What commodities would be affected by current payment proposals?

Answer. Legislation now before Congress proposes various types of payments for dairy products, wheat, and cotton. If the payments approach is adopted for these major commodities, it can be expected to spread to the rest of agriculture.

Question. What is proposed for dairy products?

Answer. Senator McCarthy of Minnesota has proposed a plan under which producers reducing production of manufacturing milk would receive Government payments of not to exceed 50 cents per hundredweight on their marketings.

Question. What is proposed for cotton?

Answer. There are two types of payment proposals on cotton. Under the Cooley bill, which has passed the House, payments would be made to handlers (in effect, to the mills) to compensate in full or in part, for the subsidies already being paid on cotton exports. An additional payment would be made to each cotton grower on the first 15 bales of his production although this might be disguised by a program of buying such cotton at the support level and offering it for resale at a lower price.

Under the Talmadge-Humphrey bill cotton would be supported at the world price level, and payments would be used to provide additional support for cotton produced within a domestic allotment. All such payments would go directly to producers. Producers would receive one rate of payment for the first 15 bales of production, within domestic allotments, a lower rate for the next 15 bales of such production, and a still lower rate for production in excess of 30 bales.

Question. What is proposed for wheat?

Answer. The major payment proposals for wheat are the so-called voluntary certificate plan and the Humphrey bill. Pending certificate proposals are based on the plan which growers voted down in the May 1963 wheat referendum. Cooperating growers would receive certificates entitling them to payments on certificate wheat. The total number of certificates to be issued would be based on domestic human consumption and a portion of wheat exports. Some versions provide for one level of payments on the domestic portion of the certificate wheat and a lower rate on the export portion. The cost of the proposed payments would be partly, or completely, offset by a processing tax (bread tax). The cost could be completely offset if participation were low since the tax collected on wheat sold by noncooperators could cover the cost of the payments on export wheat. If participation were high it would be necessary to use Treasury funds for payments on the export portion of the certificate wheat. Under the Humphrey bill cooperating producers would receive a payment of not more than .65 cents per bushel on 50 percent of the normal yield of their planted acres (which is assumed to be the domestic portion of the crop), and 25 cents per bushel on the other 50 percent (which is assumed to be export wheat). This plan is similar to the certificate plan in many respects. The principal difference is that under the Humphrey bill all payments would be financed by the Federal Treasury as there is no provision for a processing tax.

Question. Aren't some of these proposals similar to the present feed grain program in some respects?

Answer. Yes. Under the 1963 and 1964 feed grain programs cooperating producers qualify for both commodity loans and price support payments. For example, in 1963 cooperating corn producers were eligible for price support loans at a national average rate of $1.07 per bushel, and a price support payment of 18 cents per bushel on the normal yield of their planted acres.

Question. Are there objections to a payment plan such as the one now in effect on corn?

Answer. Yes. Payments are wrong in principle because they are destructive of the market system. Under the feed grain program the producer makes his production plans on the assumption that corn is worth $1.25 per bushel. But, since he is getting part of the support price (18 cents in 1963) from the Government, he bases his livestock production plans on the assumption that corn is worth only $1.07 per bushel. A situation of this type encourages an overproduction of both corn and livestock. The feed grain program is supposed to reduce production but the 1963 feed grain crop was the largest on record.

Question. Is there any common denominator in these various plans?

Answer. Yes. While the various plans differ in form and detail they all propose to make producers dependent upon Government payments for a part of the price of their product.

Question. Is this a new issue?

Answer. No; the issue raised by current payment proposals is the same as that raised by the Brannan plan, which Congress rejected in 1949. Regardless of differences in form and detail, the current payment proposals are all "Brannan-type plans."

Question. What's the difference between Brannan-type payments and the payments that are made under the ACP and Conservation Reserve programs?

Answer. Payments for retiring land or following conservation practices are not destructive of the market system. They do not come between the producer and the consumer of farm products by establishing one price level for the producer and a lower price level for those who buy his product as all Brannan-type programs would do. They do not divide farmers into classes and establish separate prices for commodities produced by each class as the Cooley and Talmadge bills would do. They do not force the individual farmer to sell products of identical quality for different prices as the certificate plans would do.

Question. Would payments make it possible to support prices without production controls?

Answer. No, except in the case of a deficit commodity such as wool. Payments would stimulate excessive production of most commodities and this additional production would depress prices below the level that would prevail on a free market. With payments stimulating production the prices prevailing in the market would not be true "market prices"—they would be "Government-wrecked prices." Proponents recognize that payment programs would require controls to limit Government costs. In a number of current proposals the purpose of the payments is to buy compliance with a Government supply-management program.

Question. Would Congress provide the money for a large-scale payments program?

Answer. No one can answer this question with absolute certainty. A payment program covering all of agriculture would cost billions of dallors. Farmers are a constantly declining percentage of our total population. There may well be a limit to the willingness of the Congress (a majority of whose members are primarily responsible to nonfarm people) to vote the vast sums that would be required for a full-scale payments program year after year. Farmers might well have to enter into political deals with other groups such as organized labor in order to round up votes for payment appropriations.

Question. What would happen if Congress should provide less than the full amount needed for a payment program?

Answer. The payments promised producers would have to be reduced. The easiest way to do this would be to limit the amount that may be made to any one producer. The proposal in the Talmadge-Humphrey cotton bill to establish a graduated scale of payment rates for producers who receive domestic allotments of more than 15 bales illustrates one method of limiting payments to individuals. Other proposals would simply set a limit on the total amount that may be paid to any one producer.

Question. Are there limitations on payments under the Wool Act?

Answer. Not yet; however, a limitation of $1,000 has been proposed. The 11 Western States, plus Texas and South Dakota, have 95 percent of the growers that would be affected by such a limitation. The other 37 States have the remaining 5 percent of the affected growers. Thus, the politics of numbers favors the adoption of a limitation so that the payments to smaller producers can be increased.

Question. How would a limitation on payments to individuals affect producers?

Answer. It would set a ceiling on opportunity in agriculture. Since payments would stimulate production and depress market prices, it would become unprofitable to produce more than the amount eligible for the payments.

Question. How would a payment program affect efficiency?

Answer. Producers would be encouraged to continue high-cost inefficient production in order to get the payments. On the other hand, the restrictive effect of controls and limitations on payments would fall primarily on the producers with efficient-size units.

Question. How would a payment program affect consumers?

Answer. Any program that encourages inefficiency means high-cost food and fiber when total costs (market prices, plus payments) are taken into account.

Question. Who is for the payment approach?

Answer. The payment approach is advocated by the Secretary of Agriculture and groups that favor a Government-managed agriculture. In the past 3 years a number of supply management programs have been rejected either by the Congress or by producer referendums. So, the supply managers are now pinning their hopes on the idea that payments can be used to buy support for Government supply management programs.

Question. Where do labor unions stand on the payments issue?

Answer. Labor unions are generally in favor of payments. Union leaders are no doubt interested in cheap food, but their real objectives are to keep as many people as possible on the farm (and out of the job market) and to break down the farmers' traditional independence. If farm income were dependent on annual congressional appropriations farm groups might well be forced to support union-backed "welfare" legislation in order to get union support for farm appropriations.

Question. Where do businessmen stand on this issue?

Answer. Some businessmen who buy and sell farm products think that the payment approach would "get the Government out" of their business. Some who sell to farmers think that payments would give farmers more spending money. Dealers in farm products should ask themselves whether they can really "get the Government out of their business" by destroying the market system. Those who sell to farmers should ask themselves whether farmers will be better customers under a system that emphasizes individual opportunity, permits farmers to adjust to changing conditions and encourages the development of adequate units; or a system that fosters inefficiency and sets a ceiling on opportunity.

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

MR. AND MRS. HARLEY BREWER

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which the clerk will state by title.

The LEGISLATIVE CLERK. An act for the relief of Mr. and Mrs. Harley Brewer.

MASS TRANSPORTATION

Mr. LAUSCHE. Mr. President, during the tax bill debate, last week, I made the comment on the floor of the Senate that once it was enacted, the accompanying sanctimonious outbursts for Federal fiscal responsibility would soon turn into polite whispers and then quietly disappear into oblivion. I further stated—and one does not have to be a prognosticator to do this—that once a respectable period of time went by after its enactment, the race for more and greater Federal spending would get underway with lightning speed. The bill has not been signed into law yet—but already the Federal subsidy idealists are on their way again. The mad dash to the Federal Treasury by special interest groups has started, and as usual the American taxpayers—especially those who work conscienciously to meet their needs and wants—will end up being trampled on like so many jack rabbits in a stampede. Well, if it is really beyond our power to help protect the American taxpayer from these spurious Treasury raids—undeniably some of us in Congress are desperately trying—then we can at least alert the responsible citizen, so that he can protect himself wherever possible from the onslaught of Federal fiscal irresponsibility.

According to a notice on the front page of the American Transit Association's recent weekly newspaper, there will be a meeting this week of a group known as the Urban Mass Transportation Steering Committee here in Washington, D.C. I urge my brethren in the House of Representatives to take special notice of this group—whatever it might call itself—because the object of this meeting will undoubtedly include the development of a program to pressure House Members to vote for the mass transit subsidy bill now pending in the House Rules Committee. As a matter of fact, this notice bluntly implies just that.

The new program that the group will push for seems innocent enough, as embodied in the budget submitted to Congress. Only $75 million is asked for in fiscal 1965 to get the transit subsidy program going. After all, $75 million from a $100 billion budget is nothing but the proverbial drop in the bucket. The newly formed Urban Mass Transportation Steering Committee will no doubt try to convince the Members of the House of Representatives that this new program is nothing more than that.

Let me briefly show for the RECORD what this seemingly innocent plea will amount to if the transit subsidy bill is enacted.

First, as passed by the Senate, the bill contemplates $375 million in direct subsidies, a $375 million revenue bond guarantee program and a loan program, all to be used by local and State public bodies for building mass transportation facilities. The program would be administered by a special office in the Housing and Home Finance Agency which was set up less than 2 years ago. HHFA would decide which cities would be eligible to receive Federal aid under the overall program.

If I may digress here briefly—this proposed subsidy program is being advocated by these special interests groups because, they say, the Federal Government subsidizes the construction of highways which in turn, is causing more traffic congestion, air pollution, "miles and miles of unsightly concrete and asphalt," to use their words, in the Nation's cities. But they are quick to add that highways are necessary—as if this were a revelation. So it follows, they say, that the Federal Government has the obligation to subsidize local mass transit. What logic.

Mr. President, it is more than just about time to set those so-called facts right. The Nation's highway program is being paid for by the users of the highways through gas, rubber, and excise taxes. These taxes go into a special Federal trust fund—and for the benefit of the transit subsidy proponents it is known appropriately as the highway trust fund—and these user charges pay for the construction of a national, coast-to-coast highway system on a pay-as-you-go basis. Furthermore, this highway system unites all cities in the Nation without regard to their size; funds are apportioned accordingly. And this national system—I want to emphasize the words national system—serves not only the automobile users but the "baker and candlestick maker," the trucking industry and business in general by the delivery of products over the highways between the cities as well as within them. In addition, the Nation's fire and police departments and school buses—as well as ambulances on emergency calls—use these highways. Who else but the Federal Government could act as the catalyst for collecting the charges imposed on the users of the highways and coordinate the development of a national system of highways? The argument by the transit subsidy proponents concerning the Federal aid highway is specious.

On the other hand, the transit subsidy proposal, if enacted, will not be paid for by the users, and funds for carrying it out will come from the general treasury which contains taxes collected from everyone in all parts of the country. Only the users of transit would directly benefit from this subsidy program.

How many cities would be eligible for direct subsidy under this proposal? As constituted, no one would really know until the HHFA Administrator decided, of course. But here are some hopeful guidelines as to the program's possible cost. The Census Bureau statistical breakdown shows that there are 212 standard metropolitan areas. These are areas having 50,000 or more inhabitants. According to a study paid for by the Federal Government, the total projected needs for only 40 of these 212 areas for developing new transit facilities amounts to some $10 billion over the next 16 years. So, if the Federal Government puts up two-thirds of the net project cost of each facility involved, this could amount to two-thirds of the total cost—or as high as $6 billion as the Administrator of HHFA pointed out in testimony. But the point of my statement is that the real figure would be considerably higher than 6 billion or even 10 billion if the program were to go into effect, because then more and more cities would fight for their rightful share. It is a well-known fact that the price tags for new Federal programs are almost always underestimated. This program is no exception. The irony of the whole thing is that the proposal is strictly a big city attempt to get the American taxpayer to foot the bill for its transit facilities; facilities which it can pay for if it wants to. San Francisco—as well as other cities around the country—has proven that.

Mr. President, I shall ask unanimous consent to have printed in the RECORD following my statement a report given at a conference on urban passenger transportation held recently by the U.S. Chamber of Commerce, which shows that the Nation's urban areas have the wealth to pay for—and subsidize if need be—their own transit construction programs.

The ACTING PRESIDENT pro tempore. Is there objection to the request by the Senator from Ohio? The Chair hears none, and it is so ordered.

Mr. LAUSCHE. Mr. President, so the American Transit Association, with a membership of 250 transit systems—out of a total of about 1,200—is trying to get the transit subsidy bill enacted. But the American Transit Association has a selfish financial interest in getting good old Uncle Sam to pay their transit bill. This meeting in Washington is of interest to those who stand to gain by the passage of a program that will cost the American taxpayer well over $10 billion, if it is enacted.

Mr. President, now that the matter of Federal fiscal responsibility has subsided, the gold rush is on again—not the old-fashioned type of course, but the one that leads to the Federal Treasury. Maybe it is time for the Nation's taxpayers to form a committee of its own that will successfully head off the stampede before it reaches them—at least as it relates to this proposal.

Mr. President, as I have stated, assembled in Washington this week is the so-called urban mass transportation steering committee, meeting primarily for the purpose of stimulating favorable consideration of the great urban mass transportation bill which was passed by the Senate last year and is now pending in the House.

In my judgment, if the bill eventually becomes law it will entail an expense of at least $10 billion on the part of the Federal Government before the program is finally put into effect. There has been considerable talk about reduction of governmental expenses so as to warrant the tax reduction which was made.

Mr. PROXMIRE. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. PROXMIRE. The Senator from Ohio estimates that it will cost $10 billion before the program is finally put into effect. Would he not agree that over the years that expenditure will continue indefinitely and will grow as the years pass by, certainly so long as the Federal Government offers this kind of superincentive, this kind of grant, this vast amount of subsidy to a mass transportation system? There is every reason why the local communities are sure to rely on the Federal Goverment to provide the money rather than paying for it through its own fare-box operation.

Mr. LAUSCHE. I concur completely in what the Senator from Wisconsin has said. This will be a permanent program, in my judgment. It will mean that forever, hereafter, the Federal Government will be buying buses, terminal facilities, and equipment, to finance governmentally local operated mass transportation systems.

Mr. PROXMIRE. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. PROXMIRE. Will the Senator from Ohio also agree that this kind of program will result in wasteful expenditures, inasmuch as there will not be the same kind of incentive to eliminate the uneconomic runs of the bus system, for example, that there will not be the same incentive for keeping costs down that there would be if operators faced the alternative to efficient operation of higher fares or higher local property taxes?

Mr. LAUSCHE. I concur in the statement by the Senator from Wisconsin. Strong proof is available as to what happens in the efforts to fiscally manage a local mass transportation system when it is being subsidized. New York has not been able to solve its problem—neither has Boston or Philadelphia. There are other communities in the Nation, including my own city of Cleveland, which have made it an objective to operate the system on a self-sustaining basis—and it has done so.

My judgment is rather unalterable that the moment the Federal Government begins to subsidize these systems, all concern about prudent management will be thrown to the winds. The deficits will mean nothing because the Federal Government will pick them up. I repeat, I concur with what the Senator from Wisconsin has said.

Mr. DOMINICK. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I am glad to yield to the Senator from Colorado.

Mr. DOMINICK. I should like to remind the Senator from Ohio that during the process of debate on the mass transit bill, I brought up the point of whether we should eliminate the provision which now permits all Federal aid to be cut off from an entire area if the administrator or the transit agency does not like the rate structure which is put in, even though it may have been approved by the local or State public utilities commission.

Can the Senator tell me whether this provision is still in the House bill that is about to be debated, or whether we have an opportunity at least of getting out of this autocratic power?

Mr. LAUSCHE. I cannot answer that, because I do not know. The Senator gives me information of which I have not been aware. Has it come to the floor of the House yet?

Mr. DOMINICK. I believe it is still in committee.

Mr. LAUSCHE. It is in committee, but the committee does not feel that we should enter into this expenditure. The pressure is on to get the committee to release it. I hope that the good judgment which has been manifested by the committee members will not now be thrown aside, because it is needed, more than ever in face of the fact that we have reduced prospective revenues to the Government by $11 billion through the tax reduction.

Mr. DOMINICK. I agree with the distinguished Senator from Ohio.

Mr. LAUSCHE. One word further, Mr. President.

The sponsors of the bill are arguing that the U.S. Government should finance the building of interstate highways. They say, "If we are financing the building of interstate highways, logically we should finance the mass transportation systems of the various communities throughout the country." There is a flagrant weakness in this argument of the proponents of the mass transportation bill. We forget completely that the Federal Government has imposed a special gasoline tax, an excise tax on tires and accessories for the purpose of creating the trust fund to build highways.

There was no contemplation of imposing a special tax to finance this eternal program which is being urged. The taxpayers generally will have to provide the money. When hearings were held on the measure before the Commerce Commission, a Mr. Maloney, of Boston, in charge of the Boston transit system, testified that he was highly elated by the results being obtained in a pilot test that was being made. The Federal Government spent $4 million in Boston. The State of Massachusetts put up some money, and the local people put up some money also. It was decided that if fares were cut by one-third and train service increased by 75 percent, people would give up their automobiles and ride the trains.

Mr. **SIMPSON**. Mr. President, will the Senator yield?

Mr. **LAUSCHE**. I yield.

Mr. **SIMPSON**. Does the Senator believe that it is possible to beguile car owners into not using their automobiles by any such subterfuge?

Mr. **LAUSCHE**. I did not think so at that time, and my judgment has been corroborated by what happened on the Boston & Maine Railroad.

Mr. **SIMPSON**. It happened also in Chicago. The reverse is exactly the fact.

Mr. **LAUSCHE**. Yes. Mr. Maloney was in charge of the project. Ten million dollars was made available. Fares were reduced by 33⅓ percent, and the frequency of train service was increased by 75 percent.

About 3 weeks ago the program was abandoned. Automobilists would not give up the convenience of their automobiles. They did not ride the trains.

There was also a rather fascinating sidelight to all this. The transportation expert of Northwestern University testified last March that even if automobilists were paid to ride the trains, unless they were picked up in front of their homes and brought to their offices, they would not ride the trains.

Mr. **McNAMARA** rose.

Mr. **LAUSCHE**. I am glad to yield to the Senator from Michigan.

Mr. **McNAMARA**. I had not intended to participate in the debate. I am very much interested in what the Senator is saying, however.

Mr. **LAUSCHE**. The Senator and I will be together on the St. Lawrence Seaway issue.

Mr. President, I have some statistics, which I ask unanimous consent to have placed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE PLIGHT OF METROPOLITAN AREAS—TOO MANY GOVERNMENTS, TOO FEW FINANCIAL POWERS?

(By Ralph E. Rechel, consultant, Economics and Organization of Transportation, Washington, D.C.)

These sheets present data on trends in the numbers of jurisdictions (I), on the taxes collected from metropolitan area residents by all levels of government (II), and on the dependence of local governments on transfers of money from State and Federal levels (III). These figures provide rough measures of the jurisdiction problem and of the past financial trends.

I. TRENDS IN THE NUMBER OF JURISDICTIONS INVOLVED IN METROPOLITAN REGIONAL TRANSPORTATION PROBLEMS

The first portion of the 1962 Census of Governments to be tabulated and published covers government organization. This census report shows that between 1952 and 1962:

The number of counties decreased by 10, primarily caused by the elimination of counties in Connecticut.

The number of municipalities increased by 1,190 due to new incorporations.

The populations in many of the newly incorporated areas (effectively severed from a more unified type of administration) are large: 23 new cities had over 100,000 people when incorporated; 423 new cities had over 10,000 people.

The number of townships decreased by 58 due to the above incorporations.

The number of special districts (not including school districts) increased by 4,283.

The number of school districts, the government unit least related to finance of transportation facilities, decreased by 6,000 due to consolidations.

Central cities of 50,000 or more population and their contiguous urban county, or counties, are designated as standard metropolitan statistical areas (hereafter SMA) in Federal statistics, including the census of governments. The census shows that between 1957 and 1962 the number of SMA's increased from 174 to 212. Within the 212 SMA's there were increases of 298 (8 percent) in the number of municipalities and of 1,675 (45 percent) in the number of special districts in the 5 years between 1957 and 1962. There was a decrease of one county.

Since the urban passenger transportation problem is located primarily in the SMA's, it is clear that the number of jurisdictions which must cooperate in, or organize for, planning, financing, and operating areawide transportation services are increasing. This will inevitably make cooperation and organization in the metropolitan areas more difficult.

In 1962 the 212 SMA's contained 310 counties, 4,142 municipalities, 2,575 townships, and 5,411 special districts. While many of the latter will not affect transportation directly, there were 310 multiple-purpose districts and 773 highway districts. Housing and urban renewal accounted for another 1,099 districts. While there is no data on the number of special districts having the power to tax property within SMA's, over half of all special districts (not including school districts) in the United States possess such power. Presumably half or more of the districts within SMA's have taxing powers.

II. WHO PAYS THE TAXES IN THE UNITED STATES?

The following table shows the proportion of revenues of local, State, and Federal Governments which are collected from people residing in SMA's. Since the revenue portions of the 1962 Census of Governments have not been published, the data are from the 1957 Census of Governments and the 1957 report of collections by Internal Revenue Service. The methods of estimating State and Federal tax colelctions in SMA's are contained in an appendix note.

Estimate of the collection of all taxes inside and outside of metropolitan areas, fiscal year 1957

Level of government	Total public revenue [1]	Revenues from outside SMA's (thousands)	Revenues from inside SMA's [5]	Percent of total revenues from SMA's
1. Federal tax collections	[2] $82,387,233	$25,722,408	$56,664,825	68.8
2. State collections and charges	[3] 20,728,217	66,867,736	14,041,481	67.7
3. Local collections and charges	[4] 18,407,000	5,339,000	13,068,000	71.0
4. Total	121,522,450	37,748,144	83,774,306	68.9
5. 1960 population	178,464	66,079	112,385	63.0

[1] For 48 States and the District of Columbia.

[2] Internal Revenue Service only, thus excluding customs duties and charges or sales revenues of various Federal agencies.

[3] Include taxes, interest, charges for services, and liquor store income.

[4] Same items as in footnote 3 for county, municipal, and township governments, and all types of special districts including school districts.

[5] Includes only the 174 SMA's in the 1957 census. There are 212 in the 1962 census which is not yet published.

The answer to the title question is, of course, "People who live in metropolitan areas." Since the methods of estimation tend to undervalue the State and Federal collections in SMA's, and there are now 212 SMA's rather than the 173 used in 1957, it is conservative to assume that at least 75 percent of all Federal, State, and local taxes are paid by residents of metropolitan areas.

Since these areas are the primary producers of wealth and taxes in the country, the question may well be asked, "Why do they have to come to Washington for money?" A principal reason is that these major groups of taxpayers are not able to effectively control or channel the collection and spending of the public funds which they provide. This lack of control is largely caused by the multitude of political jurisdictions acting within the SMA's, and the many limits on the powers to act of the individual units of local government. Legally, towns, cities, counties, and special districts are much better equipped to spend money handed to them from the outside than to raise and spend their own money, or to cooperate with equivalent jurisdictions in spending jointly the locally raised funds. The local government's power tends to be negative in effect rather than creative.

It is clear that SMA's do not get "free" money from Washington, since they already supply most of Washington's money.

III. LOCAL GOVERNMENTS RECEIVE LARGE PORTIONS OF THE FUNDS THEY SPEND FROM STATE AND FEDERAL SOURCES

The dependence of local governments (cities, townships, counties) on transfers of funds from the State and Federal Governments increased steadily until 1950. Since that time local revenues have increased at a slightly more rapid rate than the transfers from outside.

Year	Transfers from State and Federal sources (millions of dollars)[1]	State-Federal transfers as percent of total local government revenue
1902	$56	6.6
1922	321	8.3
1932	811	14.3
1940	1,932	27.8
1948	3,501	30.8
1950	4,428	31.6
1957	7,539	29.7

[1] Of these amounts, the direct Federal grants are less than 10 percent of the Federal-State total in all years.

The 1957 figure consists of $350 million granted directly to local governments by the Federal Government and $7,189 million transferred to them by State governments. An additional $3,523 million was granted to the States by the Federal Government. Much of this was spent in urban areas for education, public welfare, highways, etc., so that, in terms of the physical location of expenditures rather than the government unit doing the spending, the total transfers to local governments were substantially greater than the above table indicates. The ratio is probably 35 to 40 percent.

All of the above data include all local governments, both in and out of SMA's. State and Federal grants constituted 25.1 percent of the general revenues of local governments in SMA's in 1957, or 4.6 percentage points less than the ratio for all local governments. This may indicate that revenues are increasing more rapidly in the SMA's than outside. No historical trend is available.

These figures, while indicating a favorable change in trends, emphasize the relative financial weaknesses of local government as presently operated. If metropolitan regional needs of great magnitude are to be effectively dealt with by local governments, much strengthening will be necessary.

APPENDIX NOTE—METHOD OF ESTIMATING FEDERAL AND STATE TAX DISTRIBUTIONS TO SMA'S

The taxes and charges collected by the local governments in the SMA's were reported directly by SMA and by State in the census of governments. State tax and charge revenues were reported by the Census but without any geographic breakdown within the State. The Federal revenues were taken from the annual collection report of Internal Revenue Service for 1957 where the moneys are identified by the State in which the collection took place. The total of State and Federal revenues for each State were distributed between residents of SMA's and all other residents on the basis of the 1960 Census of Population. While this is a convenient method for a brief analysis such as this, the use of population has a number of disadvantages.

States: Detailed studies of the distribution by county of State revenue collections have indicated that urban taxpayers contribute about 5 to 8 percent more per capita than do rural taxpayers. Thus the State revenues from the SMA's are understated by perhaps 5 percent or more.

Federal: Although the IRS collections are reported by State many problems arise in relating such collections to the people who actually paid the taxes as consumers. Corporate income taxes, paid originally by the entire population, are concentrated as collections in a few of the States with large populations in the SMA's. On the other hand the manufacturer's excises on alcohol and tobacco products are collected in predominantly rural States although paid largely by the urban population (the latter constitutes over 70 percent of the total). For purposes of this analysis it is assumed that these defects roughly cancel out; that is, do not shift enough income among States with differing ratios of SMA population to seriously affect the suggested distributions.

Federal taxes are much more strongly alined with income than are State taxes. Therefore the Federal taxes collected in SMA's are more seriously understated by using distributions based on rural-urban population ratios than are State taxes. Average annual cash income differences between urban and rural populations range from 15 to 25 percent. It is not possible to judge the probable understatement of SMA Federal tax production without additional analysis.

While a thorough analysis of the origins of taxes and charges paid to governments would cause many changes in details, it is unlikely that the 75-percent ratio estimated for SMA's in the text would be changed more than 5 percentage points.

MASS TRANSIT STEERING COMMITTEE MEETS FEBRUARY 18

WASHINGTON, D.C.—The Urban Mass Transportation Steering Committee will hold a meeting here on Tuesday, February 18, in the Housing Center on L Street. This Committee is the one set up to assist toward the enactment of the Federal mass transportation bill. All parties interested in attending the meeting are invited to do so. Further details can be obtained from ATA Headquarters in New York.

UNITED STATES TERMINATES ASSISTANCE TO ALLIES

Mr. SIMPSON. Mr. President, the administration, after interminable study and a few quarterback sneaks, has reached a consensus, labored, and brought forth a brilliant coup d'etat against communism in the Western Hemisphere. This deft blow was delivered Tuesday by terminating U.S. military assistance programs to two of our stanchest European allies.

The administration has moved off dead center, but from where I sit, the villains of the piece have escaped unscathed while we have placed ourselves at the throats of our friends.

The action, in the name of anticommunism, has indicated our willingness to slap down our allies and cleave the Western alliances provided, of course, that the administration's critics are mollified and Castro is not goaded into threats of a "thermonuclear holocaust." But, of paramount importance, Mr. President, the administration has announced to the world the extent to which its alternatives of action have been reduced in meeting the challenges of the cold war.

Communist Cuba is the root of the strife to the south. The State Department, with an assist from the press, handed the Pearl of the Antilles and its 7 million inhabitants to communism on a silver platter. Now, a half decade later, comes the terrifying realization that Khrushchev and Castro have boxed the United States into a corner.

In just 5 years Khrushchev, without firing a shot or sacrificing a Russian soldier anywhere in the Caribbean, has caused us to make a mockery of our alliances, obviate our sacred trusts, and turn against the nations with which we must identify ourselves to survive. Khrushchev has bluffed, coerced, subverted, and bought a position of Soviet preeminence in the Western Hemisphere and so frightened the timid souls who execute our foreign policy that not a finger is raised against him.

In the administration's eyes our alternatives are deteriorating so rapidly that the only action we can now take against Communist aggression is against our friends and allies. We cannot chase the bear or pull the beard. We can only strike at our friends—for they will not strike back.

Mr. President, the Congress enacted the law under which the administration is directed to end aid to countries violating our facetious embargo on Cuban trade. I have no quarrel with that law. I voted for it when the foreign aid bill was passed. But, I feel it important that this question be raised: Must this legislation now become an "out" for the administration to use in circumventing a decision on the source of the violence that pervades the Western Hemisphere?

On January 31 I placed in the RECORD a speech in which I said, in regard to French recognition of Communist China:

> The tragedy of the French action is that it is a byproduct of what might be termed America's policy of "the great vacillation." U.S. policymakers had not caused us to stand firm in Europe and in our own hemisphere, and we had not guided with decisiveness the thrust of the free world against the menace of international communism.

I would hazard the opinion again, Mr. President, that had the United States conducted its foreign affairs in a manner compatible with its position and its responsibilities, and had we developed the hand-tailored opportunities in April of 1961 and October of 1962 to expel communism from Cuba, we would not today find our alternatives of action limited to striking against our allies or doing nothing at all.

I am not defending the British and French policy of trading with Castro. It is a demonstrably false policy. The British position that a fat Communist is more amenable than a lean one recalls the profundity of Neville Chamberlain when he brought peace to Europe in the 1930's only to find England in the middle of a savage war months later and his name synonymous with appeasement.

As David Wills of Three Star Extra put it last Friday:

> The British argue that a well-fed Communist, a fat and confident Communist, loses his revolutionary zeal and ceases to be a Communist. Hence, they conclude the best way to defeat the Communists is to trade with them—to feed them and to fatten them. Now the British surround their argument with an atmosphere of superior wisdom presumably gathered over the centuries while we were indifferent and inexperienced in foreign affairs. But this assumption is not supported by the facts. Before the Second World War, successive British governments were just as determined to ignore Hitler's written threats as they now are to belittle the Communist menace. Despite all warnings Chamberlain pursued appeasement until disaster was inevitable. The unequaled bravery displayed by the British when their backs were to the wall was matched only by the blindness with which they maneuvered themselves into this desperate condition. The record suggests that the British may be as wrong now in trading with Russia as they were in appeasing Hitler

* * * just as wrong in fact as we were in selling scrap iron to Japan in the thirties.

Those are strong and prophetic words. Moreover, it can be said another way, that Britain is as wrong in trading with Communist Cuba as we are in peddling our wheat to the Soviet Union for rerouting to Cuba.

Tuesday's action, although not of great importance from a dollars and cents basis, can be expected to have symbolic impact on relations with our allies.

Two English newspapers, the Daily Telegraph and the Guardian, made the most indicative remarks. The Daily Telegraph said the move "amounted to a rather undignified end to one of the historic postwar arrangements between the two countries." Both the newspapers noted the absurdity of one member of an allied triumvirate terminating its aid to the other members for an "offense" of which all three are equally culpable. The Guardian, aware of the shiver of trepidation that runs through the State Department whenever Castro's name is mentioned, correctly opinated that "the Americans merely contrive to hurt their friends without hurting Castro."

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. SIMPSON. I yield.

Mr. LAUSCHE. It is a coincidence that a few days ago there came to my office a letter from a citizen of Columbus, Ohio, whose name I shall not identify, reciting facts giving strong corroboration to the correctness of the views which the Senator from Wyoming has just expressed.

I read from the letter:

FEBRUARY 18, 1964.

Hon. FRANK J. LAUSCHE,
New Senate Office Building,
Washington, D.C.

DEAR MR. LAUSCHE: In January 1964, I spent some time in Mexico, not as a tourist, but as a member of the wedding party of a physician friend of mine. In fact, I was the best man at this wedding, which not only had a civil ceremony on one day but a religious ceremony the next. Because of this I spent considerable time in the homes of professional and business Mexicans, many of whom I have known from previous visits to Mexico. This trip was limited to visiting of friends in Mexico City and spending a few days in Taxco.

I am giving you this outline so that you will realize that what I am writing you about is not hearsay picked up by a random tourist.

The Mexican citizens with whom I came in contact are very much perturbed and bewildered at the United States so-called foreign policy. They cannot understand what has happened to our State Department. They cannot understand why a country like the United States has suddenly taken the attitude as they phrased it (of hiding under the bed whenever some small country politician said boo). This got to be very embarrassing to both my wife, our daughter, and myself because it was brought up at each place we were. They are especially concerned about the Cuban situation, as they are now being infiltrated to such a state that the Cuban agents openly work among the students at the university. They made the statement many times that they were not concerned about the older Mexican people, regardless of class, but that it was the students who were being indoctrinated and who are now beginning to raise trouble for them.

Everyone with whom I talked emphasized the fact that while Mexico was strongly pro-United States, they could not be expected to continue in that manner unless the United States did an about face and did something to regain the vast amount of lost prestige. Needless to say this is very humiliating to one, when one's very good friends bring up these problems. In fact, it has been more than humiliating to me here in the United States to see how we have deteriorated in our handling of these situations.

I spent considerable time with various physicians, many of whom teach at the great University of Mexico Medical School. They are having their problems with socialized medicine and told me that many of their top men were leaving Mexico to practice in other countries because of this situation.

Trusting this information from an interested citizen may be of some help to you in getting us (out from under the bed) I am,

Yours very truly,

——— ———.

The people of the world want to honor us. By our weakness in asserting our rights, we are making impossible the fulfillment of the will of the people of the world.

The difficulties in which we find ourselves in countless places around the world should be a matter of grave concern to every citizen of our country.

Mr. SIMPSON. Mr. President, I appreciate very much the contributions made to this discussion by the distinguished Senator from Ohio. The letter which he read thoroughly accords with my views as to what is happening. Castro's Communist base in Cuba is now causing trouble all over the world, and will continue to cause increased trouble.

EARTHQUAKE AT AZORES ISLANDS

Mr. KENNEDY. Mr. President, once again tragedy has struck the Azores Islands. An earthquake hit the island of São Jorge on Tuesday, causing widespread damage and forcing at least 20,000 persons from their homes.

In 1958, when a similar calamity struck the Azores, President Kennedy, then Senator from Massachusetts, cosponsored special emergency legislation to provide nonquota immigrant visas so that some of these displaced Portugese citizens could enter the United States.

The tragedy of this week is just as great and it calls for similar compassionate action on the part of our country.

As soon as the reports are in on the extent of the damage and the number of persons rendered homeless by the catastrophe, I intend to introduce similar emergency legislation to relax the immigration quota.

I hope it will find the support of Congress.

INTIMIDATION OF SENATOR DIRKSEN

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Intimidating Senator DIRKSEN," written by William S. White and published in the Evening Star of yesterday, February 19, 1964. Mr. White, who as we all know is one of the most astute and able correspondents and columnists in the Washington newspaper field, has written a remarkably fine article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INTIMIDATING SENATOR DIRKSEN

(By William S. White)

The United States has, in the old phrase, now seized the issue of civil rights. A long and bitter struggle over that bill, as already passed by the House of Representatives, now opens.

Now opens, too, the most powerful and open pressure upon a single Senator—EVERETT MCKINLEY DIRKSEN, of Illinois—ever applied in the memory of old Washington hands.

Senator DIRKSEN, the Republican leader of the Senate, has long been an advocate of civil rights in general. He has, however, been opposed to any unqualified grant of power to the Federal Government to compel privately owned businesses to serve Negro customers against their will. He does not like or support such discrimination. But he honestly questions whether Federal compulsion would not be an unconstitutional intrusion on the right of private property.

All the same, the proposed ban on this form of discrimination is the heart of this whole bill, as the Negro organizations now see it. To oppose it is to be treated as "against civil rights."

The Negro organizations frankly intend to drive Senator DIRKSEN from his present position of resistance on principle by the most extraordinary demonstrations against a single public officeholder ever seen in the United States since those directed a century ago against individual Senators not willing to vote a verdict of impeachment against President Andrew Johnson in the Reconstruction aftermath of the Civil War.

PERSONAL DEMONSTRATIONS

James Farmer, national director of the Congress of Racial Equality, has publicly declared that there will be extensive demonstrations in Illinois against the Senator personally. He has added that people will march en masse to the post offices there to file handwritten letters protesting Senator DIRKSEN's attitude.

The Senator, himself—whose courage and high sense of responsibility have rightly become familiar to a Senate which once had reason not quite so highly to regard him—has retorted:

"All the picketing they may do in my home State and all the picketing they may do here is nothing more than a form of unjustified duress to secure a judgment against my convictions." If the day should come when such pressure could force him to change honestly held convictions, he has added, on that day he would leave the Senate.

Without going at the moment into the merits and demerits of the public accommodations section of the civil rights bill, some observations are now essential.

MOBISM

This sort of naked attempted intimidation of a U.S. Senator is not a part of anybody's civil rights. It is, instead, a profound civil wrong. This is not the way of fair men in a free society. This is moral and intellectual mobism. And those who condone it, either out of a confusion of motives or a lack of courage, will live to regret a shameful surrender to hysteria and demagoguery.

What happens to Senator DIRKSEN personally in itself is important. For he has behaved with civility and honor in a high post in a forum whose whole tradition is the assumption that great public issues are to be settled in the minds of men and not by crude menace, in whatever form it might take.

But what happens to Senator DIRKSEN as a symbol is even more important. If pressure groups, however earnestly motivated, can picket a Senator in the exercise of his duty and conscience, as though he were some industrial plant refusing a wage increase, where does the picketing stop?

Can a judge be terrorized to turn from an unpopular to a popular decision in a case at law? Can a jury be swayed in the very courtroom by the chants of pickets under the courthouse windows, or thrust from its convictions by the physical pressures of marching men shouldering and elbowing it as it goes out to lunch?

Can a somber and infinitely complicated national issue be decided by the simple process of selecting a single man of responsibility and pouring out upon him, day and night, the angry demands of one set of partisans in the dispute? Is this legislation? Or is this the thin and terrible end of a wedge that might one day be driven into the whole fabric of orderly responsibility in this Nation?

AUTHORIZATION OF APPROPRIATIONS FOR PROCUREMENT OF VESSELS AND AIRCRAFT AND CONSTRUCTION OF SHORE AND OFFSHORE ESTABLISHMENTS FOR THE COAST GUARD

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 849, S. 2456.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2456) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, with an amendment, on page 1, after the enacting clause, to strike out "That funds are hereby authorized to be appropriated, without fiscal year limitation, for the use of the Coast Guard as follows:" and insert "That the sum of $71,799,000 is authorized to be appropriated for the fiscal year 1965 for the use of the Coast Guard as follows:"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the sum of $71,799,000 is authorized to be appropriated for the fiscal year 1965 for the use of the Coast Guard as follows:

VESSELS

For procurement of—

(1) one high-endurance cutter;
(2) six medium-endurance cutters;
(3) one coastal tender;
(4) three inland tenders;
(5) three small harbor tugs;
(6) nine small patrol cutters; and
(7) one river tender.

AIRCRAFT

For procurement of seventeen helicopters.

CONSTRUCTION

For establishment or development of Coast Guard installations and facilities by acquisition, construction, conversion, extension, or installation of permanent or temporary public works, including the preparation of sites and furnishing of appurtenances, utilities, and equipment for the following projects:

Atlantic Coast: Offshore light platforms at Shoals and Chesapeake Bay entrance.

Missouri River: Moorings for river tender.

Air Station, Elizabeth City, North Carolina: Replace runway.

Air Detachment, Annette Island, Alaska: Family housing units and support facilities.

Detroit, Michigan: Operational facilities for helicopter detachment.

Aircraft Repair and Supply Base, Elizabeth City, North Carolina: Maintenance facilities.

Air Detachment, San Juan, Puerto Rico: Maintenance and operational facilities.

Moorings, Mayport, Florida: Administrative, operational and maintenance facilities.

San Juan, Puerto Rico: Family housing units and support facilities.

Depot, Guam: Replace operational, administrative, and supply facilities.

Wilmington, North Carolina: Moorings for large cutter.

Base, Ketchikan, Alaska: Improve maintenance facilities.

Base, Woods Hole, Massachusetts: Improve operational and maintenance facilities.

Academy, New London, Connecticut: Field house.

Loran Station, Sitkinak, Alaska: Replace runway.

Mr. BARTLETT. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 9640.

The ACTING PRESIDENT pro tempore laid before the Senate the bill (H.R. 9640) to authorize authorizations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard, which was read twice by its title.

Mr. BARTLETT. Mr. President, I move to strike from H.R. 9640 all after the enacting clause and to insert in lieu thereof the language of S. 2456 as it is proposed to be amended.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Alaska.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 9640) was read the third time and passed.

Mr. BARTLETT. Mr. President, I move that the Senate insist upon its amendment and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. BARTLETT, Mr. MAGNUSON, Mr. HART, Mr. PROUTY, and Mr. BEALL conferees on the part of the Senate.

The ACTING PRESIDENT pro tempore. Without objection, Senate bill 2456 is indefinitely postponed.

Mr. BARTLETT. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement concerning the bill, together with an excerpt from the report.

There being no objection, the statement and excerpt were ordered to be printed in the RECORD, as follows:

STATEMENT

The purpose of this bill is to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard. The committee authorized a sum of $71,799,000 to be appropriated to the U.S. Coast Guard for the fiscal year 1965.

AMENDMENT TO THE BILL

The committee amendment modified the bill in two respects. As introduced, the bill included no dollar figures for specific items authorized or for a total authorization and the bill would have permitted the Coast Guard to carry authorizations forward without fiscal year limitation for purposes of future appropriations.

When the act requiring this authorization (Public Law 88–45) was enacted, the Senate Commerce Committee report stated that one purpose of the legislation was to bring the congressional procedures affecting the Coast Guard into harmony with those relating to the Army, Navy, and Air Force. It is also acknowledged that the operations of the Coast Guard involve significantly smaller appropriations and special consideration may be required to assure the necessary flexibility.

For the past several years the practice has been to enact two authorization bills annually for the Armed Forces, one primarily for procurement and research and a second for construction of military installations. The practice has been to include specific dollar figures, with limited authority for adjusted increases, on items of military construction and to provide specific dollar figures on total procurement of aircraft, missiles, and vessels. The funds are authorized with fiscal year limitations. The committee amendment to the bill, therefore, has the dual effect of placing an overall dollar limitation on the authorization and limiting the authorization to the single fiscal year 1965. The latter, of course, has no effect on the question of whether funds appropriated may be held until expended, which is a concern of the Committee on Appropriations.

The committee did not attempt at this time to establish any permanent practice in respect to future Coast Guard authorizations, but it is hoped that the legislation introduced next year will follow more closely the practices developed under the authorizations for the Armed Forces.

LEGISLATIVE BACKGROUND

This bill represents the first legislative proposal submitted by the U.S. Coast Guard to obtain authorization for appropriations pursuant to Public Law 88–45. That act, passed and approved by the President in June 1963, provides that no funds may be appropriated to the Coast Guard for the procurement of vessels or aircraft or the construction of shore or offshore establishments unless the appropriation of such funds has been authorized by law. Public Law 88–45 gives the Coast Guard the same opportunity as is given the Armed Forces of the United States to present a construction and procurement program to Congress.

The committee received the bill on January 22 of this year. Hearings were held January 29 and the bill was ordered reported February 7. In responding promptly to this request for authorization, the committee recognizes that the responsibilities of the Coast Guard have increased by severalfold in recent years and obsolete and inadequate facilities and vessels have continued to pyramid.

ANALYSIS

Vessel replacement program

The Coast Guard construction and procurement authorizations included in this bill are parts of a comprehensive program documented in Coast Guard reports relating to the replacement and augmentation of vessels, aircraft, and shore establishments.

In respect to the authorization of vessels, the basic plan provides for a construction schedule which will, by 1975, make available to the Coast Guard an adequate fleet of serviceable and modern ships. The basic program for this year would permit the replacement of 15 vessels and the construction of 9 new augmenting vessels.

The vessel replacement program includes the construction of one 350-foot, 270-ton, high-endurance vessel; five medium-endurance vessels of 210 feet in length; one coastal tender of 157 feet; three inland tenders, two tugs, and three patrol boats of 100 feet or less.

The Coast Guard has 36 ships now classed as high-endurance vessels. These are the Coast Guard's largest and most versatile vessels. They are used in long-range search and rescue and in ocean station duty primarily. Six of these vessels are over 25 years old and all of the 36 will be at least 25 years old by 1971. The committee approved authorization for the construction of one vessel for replacement. The Coast Guard noted that a second vessel is to be reconditioned during 1965 with funds outside the authorization bill.

The Coast Guard uses the medium-endurance vessel primarily for search and rescue work immediately offshore along our coast. The Coast Guard has 30 vessels in this category that are or will be overage by 1970. The program for fiscal year 1965 authorizes the replacement of five vessels of this class with cutters of 210 feet overall in length with a maximum speed of 18.7 knots.

The Coast Guard has 26 vessels of the coastal buoy-tender class. Eleven of these ships will be obsolete by the end of 1964. At the present time two are under construction from funds previously made available. The authorization for fiscal 1965 permits the replacement of one additional vessel of this class with a tender of 157 feet overall with a maximum speed of 14 knots.

The Coast Guard uses inland buoy tenders to service navigation aids in harbors, lakes, and rivers. It employs small harbor tugs for operations in ports. The 1965 program authorizes the replacement of three obsolete inland tenders and five small harbor tugs.

Vessel augmentation program

In addition to the replacement of certain obsolete Coast Guard vessels the comprehensive vessel plan recommends the addition of a total of 31 vessels by 1975. The 1965 program includes nine of these ships. These include one medium-endurance cutter, seven patrol boats, and one river tender.

The medium-endurance cutter will be assigned primarily to fisheries patrol. In describing the need for this additional vessel, Adm. Edwin J. Rollin, Commandant of the Coast Guard, stated:

"Other missions absorb all our presently available capability for this type of work and in face of the influx of foreign vessels into traditional American fishing grounds it has become more and more urgent to put vessels on patrol in the fishing areas to enforce laws, carry out surveillance in connection with fishing activities, and provide protection for American interests on the fishing grounds."

The seven patrol boats to be constructed will be used for search and rescue purposes and close-in law enforcement work. It is anticipated that the new vessels will be stationed at Etons Neck, N.Y.; Fort Pierce and Fort Myers, Fla.; Port Hueneme, Calif.; Seattle, Wash.; Petersburg, Alaska, and American Samoa. The addition of these steel-hull, small patrol crafts will complete the total requirement for this type of vessel set out in the approved plan of Coast Guard vessel requirements.

The new river tender is programed for use out of St. Joseph, Mo. The servicing of aids to navigation in the upper Missouri River was initially accomplished by the Corps of Engineers on a reimbursable basis. The new tender will permit the Coast Guard to assume this function.

Aircraft replacement program

The Coast Guard's request for authorization to purchase aircraft is based on a 5-year aviation plan. The plan requires both a schedule for replacement and a program for augmentation of the present capabilities. For the 5-year plan, 1962 through 1966, 41 replacements and 65 additional aircraft were recommended.

The replacement program will be completed by the procurement of nine helicopters as proposed by this year's authorization and five during the 1966 fiscal year. The helicopters are a new turbine-powered amphibious type which was first put in service in 1963.

Aircraft augmentation program

Sixty-three of the sixty-five additional aircraft called for by the aviation plan will be helicopters. The Coast Guard has already received appropriations for 17 of the 63. The 1965 program provides for eight additional helicopters. The new helicopters will be assigned as follows: Three to a new station in Detroit, two to Kodiak, Alaska, one to New Orleans, and two to Corpus Christi.

Construction program

This bill would authorize the Coast Guard to proceed with the construction of 15 shore and offshore establishments. These include the replacement of overage lightships at Diamond Shoals and Chesapeake Bay entrance with two offshore light platforms; the construction of mooring facilities for the Missouri River tender; the replacement of the runway at the air station at Elizabeth City, N.C.; the construction of 24 family housing units at Annette Island, Alaska; the establishment of an air detachment at Grosse Pointe, Mich.; the construction of a paint and dope shop at Elizabeth City, N.C.; the improvement of operational and maintenance facilities in San Juan, P.R.; the construction of moorings at Mayport, Fla.; the construction of family housing units at Fort Buchanan, San Juan, P.R.; the replacement of storm damaged facilities at Guam; the replacement of existing mooring facilities at Wilmington, N.C.; the improvement of facilities at Ketchikan, Alaska, and Woods Hole, Mass.; the construction of a fieldhouse at the Academy, New London, Conn.; and the improvement of the runway at Sitkinak, Alaska.

Mr. GRUENING. Mr. President, the U.S. Coast Guard provides the citizens of this Nation with heroic, unwritten 24-hour service as it patrols our coastal waters and strives to keep our fishermen and pleasure boatowners safe. As the Coast Guard works to do this, so must it be ever on the alert to protect our territorial waters against the growing encroaching of foreign fishing vessels.

In the State of Alaska the Coast Guard must patrol thousands of miles of jagged coastline. The job is not easy, but when vessels of other nations venture illegally and unwisely into our waters, it is the duty of the Coast Guard to protect our waters.

Obviously, and I have said this many times, the Coast Guard cannot be expected to do its job unless it is given the tools which are modern.

We read daily of the growth of the fishing fleets of the Soviet Union, of Japan, of Cuba, and other nations. These fleets are modern. So it is appropriate that we authorize a sum which will procure for the Coast Guard vessels and aircraft of the same or better caliber. And it is urgent that we construct shore and offshore establishments equipped to cope with the demands of this age.

The bill reported by the Senate Committee on Commerce by my able friend and colleague, Senator BARTLETT, makes authorization for the following:

Vessels:	
1 high-endurance cutter	$14,000,000
6 medium-endurance cutters	22,500,000
1 coastal tender	2,500,000
3 inland tenders	2,100,000
3 small harbor tugs	795,000
9 small patrol cutters	3,375,000
1 river tender	500,000
Total	45,770,000
Aircraft: 17 helicopters	9,350,000
Construction: Construction of shore and offshore establishments	16,679,000
Total	71,799,000

The total cost for these vessels, aircraft, and shore and offshore establishments is $71,799,000. The investment is small but the return is great.

For example, the seven patrol boats to be constructed will be used for search and rescue purposes and close-in law enforcement work. That work will be done in New York, Florida, California, Washington, Petersburg, Alaska, and American Samoa. And it can be expanded.

The construction program proposed authorizes the Coast Guard to proceed with work in 15 areas, including Annette Island, Ketchikan, and Sitkinak, Alaska.

The historical development of the work of the Coast Guard dates from 1790 when the old Revenue Cutter Service, the Lifesaving Service, and Bureau of Marine Inspection and Navigation were amalgamated.

And the function of the Coast Guard today includes the saving and protecting of life and property, maritime law enforcement, the providing of navigational aids to maritime commerce and to transoceanic air commerce, the promoting of the efficiency and safety of the American merchant marine, and the readiness for military operations.

The motto of this fine service group is "Semper Paratus," which means "always ready."

That the Coast Guard has brilliantly lived up to its motto even as it has been inadequately equipped cannot be denied. That the Coast Guard will surpass its previous record when it is properly outfitted is inevitable.

I endorse the legislation which will make this possible.

I discussed the plight of the Coast Guard in protecting our coastal waters when I spoke before persons attending the 16th annual session of the Gulf and Caribbean Fisheries Institute held in Miami, Fla., on November 11, 1963.

In that speech I said:

> The need for both the penalties and the extension is further demonstrated by actions of the Russian fishing fleet. Soviet vessels have repeatedly, under cover of morning fog, penetrated inside our 3-mile limit. Russian whaling vessels have taken whales well within it and have been observed doing it. When detected by plane, they have often not moved, and only with the approach of our Coast Guard vessels have they moved out. Hitherto they have had nothing to fear. The Coast Guard vessel merely escorts them outside of the 3-mile limit. Actually, if S. 1988 becomes law, we shall need faster vessels because as of now they are not fast enough to catch the Russian ships. I have repeatedly requested the administration to station faster vessels—a destroyer or two—in Alaskan waters to overtake and apprehend such violators. Up to now, we are limited to escorting them outside our waters and then making a protest to the Russian Foreign Office.

The Coast Guard is known by and closer to the people of Alaska than to the people in any other State. We cherish it. Its record of performance has been superb. We must give it the tools it needs to carry on in the face of expanding needs.

U.S. POLICIES ON VIETNAM

Mr. JAVITS. Mr. President, I am glad that the majority leader is in the Chamber. I hoped he would be, so that I could say a word of comment about his statement of yesterday, which is of such great interest to all of us here and to the world, concerning our posture in Vietnam. I believe it is essential that other Senators have a word to say about this very vexing subject in order to develop what in this country we always so proudly consider to be a consensus of the judgment of the people upon it.

While I sympathize deeply with the motives and the feeling which dictated the statement of the Senator from Montana [Mr. MANSFIELD]—widely interpreted as lending some aid and support to the position of President de Gaulle in respect to Vietnam, Laos, Cambodia, and the general situation in southeast Asia, and as bearing importantly on the debate with respect to the continuance of the American presence there—it would be most unhappy and most harmful, in my judgment, if an impression should get abroad that we have lost confidence in the fundamental reason why we are in South Vietnam or in our determination to help the Vietnamese carry on that struggle for freedom, as long as it is humanly possible to carry it on, and that we are looking for some way out; or that the American people require assurances that we are trying to find a way out because they are unhappy about what is taking place in Vietnam and reluctant to continue our assistance.

I do not for a moment believe that any such impression was sought to be created. I speak because I wish to express myself in an affirmative way, not in any negative sense, with respect to the policy which we are pursuing there. Also by expressing what I conceive to be the sentiment of the country, we shall speedily ascertain in editorial comment and in other ways in which our great democracy has a way of expressing itself, what is the sentiment of the country, and thereby generate a good debate on the subject.

A headline in the New York Times today reads: "MANSFIELD Supports Paris Effort in Asia." Senator MANSFIELD will himself in due course, I am sure, say whether that headline is justified or not. Nonetheless, it will, as I say, arouse comment. Therefore I should like to make my contribution to what I consider should be the consensus on this subject.

In the first place, I believe that the American people support the presence of the United States in Vietnam. I believe they recognize the fact that our presence there is important enough to warrant the risks which we are running. I believe that in the great understanding our people have of these grave and difficult problems, they will accept those risks—yes, even accept the casualties—if they believe there is the remotest chance in that way to keep the Communist grip from encompassing Vietnam.

Also, I believe it has been widely considered in this country—perhaps unjustly, but certainly widely considered—that if we adopted the attitude of General de Gaulle in that area, it would represent a diminution in American effort, some lessening in our support, perhaps even a decision to pull out and let the Government of South Vietnam do whatever it pleases.

It seems to me that General de Gaulle's position with respect to this situation is made possible, as General de Gaulle's positions have been made possible in so many other areas of the world, only by the fact that the United States is present and is taking the "rap." If we were not there helping to hold the line against the inundation of South Vietnam by Communists, there would be no room for the lofty preachment by General de Gaulle that somehow the whole area should be negotiated into a neutralized area. It is doubtful whether Prince Norodom Sihanouk and his administration in Cambodia would indulge in the luxury of inviting neutralization, with some hope of success, if the United States were not helping, at tremendous cost and sacrifice both of treasury and of blood, to buttress the whole area of South Vietnam.

Many of us have been terribly dismayed by the shaky position in Laos and the real uncertainty whether, within the proximate future, Communists, notwithstanding any agreement about neutralization and an armistice in terms of conflict, would not then overrun the country.

Let us remember, too, that, what we are dealing with is a Communist giant, nothing else. That Communist giant is the great, overwhelming figure that stands over everything that is happening in Asia today; and Ho Chi Minh, of North Vietnam, is nothing but a creature of Communist China.

Mr. MANSFIELD. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. I appreciate the comments which the distinguished Senator from New York has just made. I am sorry I have not been able to follow the full content of his speech, because—as always—I know he makes a distinct contribution.

But I would say that while Communist China is a menacing shadow over all of southeast Asia—and perhaps we could say over south Asia, as well, in view of the aggressive tactics of Communist China some months ago against India—it is my belief that so far as Hanoi—North Vietnam—is concerned, based on the ancient enmity of the Vietnamese people toward China, the relationship between Hanoi and the Soviet Union may well be closer and may prove to be a mitigating factor.

I would point out that so far as General de Gaulle is concerned, to the best of my knowledge he did not indicate that Communist China should be brought into consideration in connection with all of old Indochina, but that his remarks diverged in two directions. One was recognition of Peiping, which I think was a tragic mistake, as I said yesterday; and in that respect I join in the remarks made by the Senator from Minnesota [Mr. HUMPHREY], the Senator from Connecticut [Mr. DODD], the Senator from Ohio [Mr. LAUSCHE], and others in deploring that act. Aside from what the French did on their own responsibility in that respect, and in connection with a government which is acting within those bounds, I was sorry to note that the Government of Formosa broke relations with General de Gaulle, although I understand that, in effect, that was forced by Paris, in an attempt to get away from continued French recognition of Formosa and to make possible French recognition of Peiping. That is an unfortunate situation; and I think the Nationalists by their action took President de Gaulle out of a hole in which he had inadvertently placed himself.

So far as the other divergent view—Indochina—is concerned, I think General de Gaulle, who is a man of great historic perspective, and quite often offers ideas which at least are worth consideration—whether they prove to be right or wrong, only time will tell—is aware of a deepening difficulty in that area; and certainly France, based on 80 years of experience in Laos, Cambodia, and the two Vietnams, is in a position to speak with some degree of authority.

It is true that the United States has 15,500 troops there at the present time, as "advisers." We are faced with a number of choices. We can go ahead and can increase our military commitment and can increase our resource expenditures and can carry the war to North Vietnam, and maybe into Communist China, itself, and be prepared to pay the consequences. I do not think that is the motive behind American thinking. I hope it is not.

Or we can withdraw. I think that would be just as bad a mistake, because then South Vietnam and the rest of southeast Asia would be placed at the mercy of elements connected with the Communist movement.

There may be a third alternative, and it may be the suggestion advanced by De Gaulle—which may be a good one or may be a bad one; at the moment, no one can tell. But if any stability is to be brought to South Vietnam, it is not going to be done on the basis of coup after coup after coup.

Personally, I deplore what happened to the late President Ngo Diem Dinh, who, in spite of all his faults, I thought was a good man, and who did maintain a degree of civilian control over that government. If he had his way, I think he might in time have achieved a degree of stability which would have redounded to the benefit of his country.

But if we go back to the Geneva Agreement of 1954, to which we were not signatories, we recall that that agreement partitioned Vietnam at the 17th parallel, and also contained a provision that within 2 years thereafter there would be elections, in both North Vietnam and South Vietnam, as to what the future of the country would be.

I do not endorse the election proposal in that Geneva Agreement; but, after all, we did agree—at least, by association—to a line of demarcation of the 17th parallel.

I believe that the stability of South Vietnam must be maintained; and if, for example, there is some way, based on De Gaulle's suggestion, and apart from any consideration of Peiping and recognition of Communist China, that this stability could be given a chance to enhance itself, and if Vietnam could become a more stable nation, then I think the idea, if not the proposal, is at least worth considering.

I repeat that it may be a good idea; it may be a bad idea; it may have some value; it may be worthless. But we have to have something to contrast with the choice between going all the way in or all the way out; and one of the ideas advanced in that area is such a factor as an international patrol which would guarantee a true neutrality and a true territorial integrity which would stop the flow of arms along the Ho Chi Minh trail—or by sea, which is the way they seem to be coming in at the present time—that stability perhaps to be maintained by American troops who are there, and/or perhaps by others of international agencies, so that there would be a type of neutrality based on guarantees—not on words, proposals, or promises.

So I think these statements should be made—even though they have taken a little longer than I anticipated when I asked the distinguished Senator from New York to yield—in order to indicate that a proposal coming from a quarter with which we have had differences, but with which we are still, on the whole, friendly, should not be treated casually, should not be tossed out the window; but if such an idea has merit, it should be given some consideration; and if, after study, we find that it has no merit, then it should be tossed aside.

Mr. JAVITS. Mr. President, no one respects the majority leader more than I do. I have said that many times, and I am sure he knows that.

I rose today only to make clear what I think needs to be made clear even if that does involve a difference with the majority leader.

What I thought needed to be made clear was that the struggle which we are helping to wage in South Vietnam is understandable to the American people, and that they are determined to wage it, and that they will not stop waging it until they see a much better solution than De Gaulle's idea that he will "take care of it", and just "leave it to him." After all, he "took care of it" at Dien Bien Phu, too.

Mr. MANSFIELD. No; he did not, because he was not in power at the time.

Mr. JAVITS. I am speaking about France.

Mr. MANSFIELD. But on the basis of what the distinguished Senator from New York has said, I hope he will keep in mind the other two alternatives—because he is making a distinct contribution, and we have remained silent too long on this subject.

It is all very well for the people to talk about Panama and Cyprus and the difficulties there; but perhaps the most difficult problem at the present time is the one in southeast Asia. On that basis and on the basis of the intelligence the Senator from New York always displays, I think his suggestions will be a service to the country, which is displaying great interest in this most difficult and vexatious problem.

Mr. JAVITS. Mr. President, I am most grateful to the majority leader.

I point out that the minute we begin to talk about neutralization and neutralism, the backbone and the spirit could go out of the action which is being taken in this struggle. No one would intend that or desire it to happen, but such things do happen.

Therefore, I thought it important to emphasize—and to speak these words in the same forum—the determination of the American people, as I view it, to carry on the struggle in Vietnam until there is a far more viable solution.

Mr. President, let us remember that our forces are in South Korea, and have been there for 14 years; that South Korea has not been neutralized; but that, nonetheless, the confrontation between ourselves and the Communist Chinese in South Korea has been a very restraining influence upon the Communist Chinese, and will continue to be for a very long time to come.

Let us remember also in respect of Communist China that her incursion against India, her deals with Pakistan, the taking of Tibet, and her assaults, which for the moment have ceased, on Taiwan, certainly are not reassuring in terms of the intentions of Communist China, which I believe are very clear—to dominate the whole of the Asian Continent.

With all due respect to the Senator from Montana, I believe he assumes far too much when he assumes that the relations between Ho Chi Minh and Moscow are better than the relations between Ho Chi Minh and Mao Tse-tung. I believe there are many proverbs, both Eastern and Western, to the effect that the tiger at the door is much more important than the tiger in the forest.

It is inconceivable to me, and to most Americans, that Ho Chi Minh could be carrying on this guerrilla war throughout South Vietnam and Cambodia and into Laos without the friendship, support, and alliance of the Communist Chinese, who are on his doorstep, and without whom he could not survive for 20 minutes.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. If the Senator will go back over his history, he will recall that the enmity between Vietnam, and the Chinese to the north goes back well over 1,000 years. Much of Vietnam, and almost all of southeast Asia, were either tributary to or vassal kingdoms of the Chinese emperors.

There is an inherent fear on the part of all Vietnamese because of the nearness of China; and there is, I believe, testimony to the effect that even in recent weeks there have been exchanges of missions between Moscow and Hanoi by means of which North Vietnamese groups went to Moscow for the purpose of seeking assistance from the Soviet Union.

The Senator will recall that when the activities in Laos were being carried on by the Pathet Lao, it was not the Communist Chinese who were sending down the supplies by sea from Vladivostok and elsewhere on the Siberian coast, but it was the Soviet Union which was sending down those supplies to Haiphong, the port for Hanoi, and from there sent overland into Laos and were taken over by the Pathet Lao.

There have been no indications, I admit, that in recent months there have been any Soviet airlifts or Soviet sea trips from Vladivostok or any other ports to Hanoi. But I still think that basically the friendship is toward Moscow, and basically the enmity on the part of the Vietnamese, North and South, is still directed toward Peiping.

Mr. JAVITS. Mr. President, I would not wish to be distracted from the main scene by what is a sideshow. We all know that the Poles and the Finns hate the Russians, too. Nevertheless, those people do the bidding of the Russians because they have no other choice. Be that as it may, the end point is as follows: If North Vietnam should be able to overrun South Vietnam, and thus destroy the whole position in south and southeast Asia, she would be doing an inestimable service to Communist China. That is all I am speaking about.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. Who has indicated that North Vietnam would seek to overrun South Vietnam? Who has brought out any indication that General Giap, an able soldier, has ever used his troops on that basis to penetrate into North Vietnam? It may be that elements of the North Vietnamese Army have penetrated into South Vietnam. I do not know.

But south of Saigon, in the Mekong Delta, there are a number of Communist Vietcong elements which do not seem to be decreasing in number, and which have been most effective in fighting the Vietnamese Army in that particular area. Of course, circumstances—geography and terrain—are on their side, as was the case in the Red River Delta outside of Hanoi when the French were in control and tried to subjugate that area. They were unsuccessful.

The point is as follows: To the best of my knowledge, only irregular elements have been coming into South Vietnam. Perhaps certain elements of the North Vietnamese Army have also come in. Again, I do not know for certain the facts in this matter.

Mr. JAVITS. The Senator from New York has certainly not charged that which he knows nothing about as to the regular elements of the North Vietnamese Army. But it is very clear—and upon this point the Senator from New York has received ample confirmation—that the lines of supply and the base of support for what is going on in South Vietnam are in North Vietnam.

When things really became hot, as they did at one time in the northern provinces, the Communist elements moved over into North Vietman for rest, reequipment, and supply. Without that base, the whole operation of the Communists in South Vietnam would be untenable. We well know Communist technique in these wars of so-called national liberation which are fought in precisely that way. We also know that if the Communists should take over in South Vietnam, it would be as effective, from the point of view of the free world, in that there would be another Communist state which would play freely with North Vietnam and Communist China. That is the only point I am making.

I do not desire to be diverted from my main point. I believe the American people support what is being done in South Vietnam. I do not believe that the American people are in any mood to back away from it. If they are, they should not be, because though we are suffering casualties and running grave risks, the alternatives are far more dire. Let us remember that even a great nation must suffer casualties currently in order to avoid even greater casualties later. The present position in south and southeast Asia—representing still a rampart against the absolutely uncontrolled expansion of Communist China, which preaches to all its people that its ultimate aim is the destruction not only of the free world, but specifically the United States of America and its people—it seems to me is only insurance against a future which seems so foreboding in terms of the intentions at the moment which Communist China declared and reiterated for so very long.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. JAVITS. Not yet. I shall yield in a moment. My only purpose in speaking is that on the one hand we are told that we should have a completely open mind about this area, that we should consider President de Gaulle's suggestions—and I assume those of anyone else—and also that we should be searching for new methods, new techniques, and new ways of dealing with the problem. I believe it is also important to reiterate our fortitude and determination to stay in South Vietnam and do the job, though it is costly and difficult. We should reiterate our determination to try to find a viable, freely elected government for South Vietnam, pursuing very much the same policy that we have pursued, notwithstanding reverses, in South Korea, and for the very same reasons. I merely reiterate that. I believe it is extremely important. I do not think there should be any sapping or lessening of the morale of the American people, nor do I believe that the Pentagon should be doubtful of the fortitude of the American people, or that there must be a promise that we will not pull out or they will not stick it out. That was the mistake made after World War II that was so costly to us in terms of the rise of the Communist power in Europe. It resulted in nothing but losses; and we are still licking our wounds today. We do not wish to repeat that experience in southeast Asia.

It is not necessary to have a repetition of the debate about morale, as we did with General MacArthur. It is not necessary for a determination that we must wipe out the northern base for this operation in South Vietnam. Sufficient unto the day is the work thereof.

All that must be reiterated now is that we know what we are doing. We will continue to do it. It is worth doing. No one in the Pentagon or in the Senate need have the "jitters" about it. It is high time that some people understand that the American people are adults. They understand that in order to make an omelet, some eggs must be broken.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. JAVITS. Not yet. A little later.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JAVITS. I should first like to finish my thought.

Mr. MANSFIELD. The Senator has used a word which I believe needs correction.

Mr. JAVITS. If the Senator would permit me to finish, I should be glad to withdraw the word "jitters."

Mr. MANSFIELD. Very well.

Mr. JAVITS. I wish to speak in the affirmative. I love the majority leader too much to be critical. I mean that in every way. I wish to speak only in the affirmative. I think there must be cojoined with whatever he has said and whatever Secretary McNamara has said about the fact that we will bring people back from Vietnam a reiteration of the American determination to do what we are doing, even though it involves losses, to persist in doing what we are doing, to undertake our commitment and to carry it through, because it is worthwhile, and because the alternatives are greater losses, both in national terms and in terms of killed and wounded and the expenditure of treasure.

That is all that needs to be said about it. If we have both understandings, certainly the United States should always keep an open mind. I am sure the majority leader, and others, as well as I, am for our experts in the State Department and others using their ingenuity to see if they cannot come forward with a better line of policy. I have heard people raise some questions, but I think we are convinced that what we are doing is necessary and that no pullout is necessary in order to placate a feeling by some American people that we are doing the wrong thing. On the contrary, it is the right thing, and I think we must continue to do it in the national interest and in the interest of the American people.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. GRUENING. I understand the Senator made a comparison of the United States long sojourn of 14 years in South Korea with the situation in South Vietnam. Has the Senator noted the marked difference in the attitude of the South Koreans from that of the South Vietnamese? The South Koreans were opposed to the Communists. They fought bravely and incurred many losses. The United States went in there to help those who wanted to help themselves. There seems to be a lack of will on the part of the South Vietnamese to wage a fight against the Communists. It contrasts with the will to fight of the Koreans. That is the basis of our difficulty in Vietnam. The Vietnamese show no great enthusiasm for being saved. That is why our performance there has not been as successful as it should have been. Will the Senator comment on that point?

Mr. JAVITS. Yes. On the first point, I would prefer not to say that the South Vietnamese have not been willing to fight. On occasion they have shown a great intrepidity and have sustained great losses, both civilian and military. It seems to me the problem has been one of government stability and the question of whether the government has had the interests of the people at heart, which has been a blow to morale. Nevertheless, I would not try to draw a precise comparison between the South Koreans and the South Vietnamese.

I was only pointing out that we have had military programs in a dangerous spot for a long period of time, and, notwithstanding the dangers and losses, the policy has paid off, because the Communist forces have been restrained in that area of the world for a very considerable time. I was only making the analogy that we cannot look at these problems in terms of short swings. We must take the longer swings into consideration. That was the only comparison I was making.

Mr. GRUENING. Mr. President, will the Senator yield further?

Mr. JAVITS. I yield.

Mr. GRUENING. Does the Senator think that if our action in South Vietnam is not more successful than it appears to have been, we should go in there with greater strength, more manpower, and more equipment and win the war for the South Vietnamese?

Mr. JAVITS. I think I have made my views on that point very clear—that we ought to continue doing what we are doing. I am not sitting in the Pentagon and judging the strategic and tactical necessities. If I could write a one-line directive, I think it would be that we should do what we are doing. We should continue with our "instruction" in that area, and support it with highly technical assistance, and also incur the danger which is involved, which is a help to the morale of the Vietnamese, and do our utmost to bring about a freely elected government there.

I cannot say to the Senator that I would send in a new group of instructors, or take out an old group, or increase the number from 15,500 to 16,500, or reduce it to 14,500. I do not know. That is why I have said we should continue to do what we have been doing; that the effort is worthwhile, and that the American people are backing it up, or should be; and that we should determine to cojoin our ideas, as was done in the debate engaged in yesterday, in looking at De Gaulle's neutralist ideas, and thinking of other ways to deal with the problems.

I had feared that unless our ideas were cojoined, the result might be to lead people to feel that the United States was looking for a way out.

Mr. GRUENING. Mr. President, will the Senator yield further?

Mr. JAVITS. I yield.

Mr. GRUENING. I agree with the Senator that there should be an open mind, but I do not think anyone can state with any degree of assurance that our policy and performance in Vietnam to date have been successful. We have been in there for a long time and we have lost substantially, both in American lives, and in southeast Asia over four billion dollars in money. We are now spending at the rate of a million dollars a day. Will the Senator admit that if this situation continues much further without success, we should have an alternative? Does the Senator think that if we continue in this way we should go into that area with larger forces and see if we can win the war, instead of having a stalemate, which would go on and on with loss of American lives and substance?

Mr. JAVITS. As to the increase in forces, I think I have answered that point by saying I would continue to do what we have been doing. At least we have outlined an objective and have learned what is required to carry out that objective.

With respect to the success or lack of it, I certainly am no apologist for the administration. However, South Vietnam has not been taken over by the Communists. If that took place, it would be a disastrous rout for us. That has not happened. I do not want it to happen.

I would certainly rather have that situation than the alternative. I am sure that the Senator from Montana, as well as I, and the rest of us, would want to guard against it. That is the purpose of my making this statement. When one gives tongue to an idea, one can interest others in it, and perhaps arrive at a consensus, just as we should look at all problems with fairness, with open eyes, and try to decide on our own. But that is no "flap" for pulling out of Vietnam because certain people have determined that we should not pursue what we have been doing. That is all I have been trying to say today.

Mr. GRUENING. I thank the Senator.

Mr. JAVITS. I thank the Senator, and also the majority leader, for their kind contributions.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PROUTY. The Senator from New York has rendered a signal service to the country by a logical analysis of the situation in South Vietnam. What really concerns the top military personnel in the Pentagon is the fact that measures are not being taken which would enable them to win the war with Vietnam. I think that concerns our officials. I commend the Senator from New York.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. The discussion which has taken place this afternoon has broken a long silence on affairs in Vietnam. The distinguished Senator from New York has performed a service.

I know he agrees with me when I say the answer is not an increase in forces or resources, to carry the war into North Vietnam or, for that matter, possibly into Communist China itself. I know he agrees with me that the answer is not a withdrawal of the American forces in South Vietnam at the present time. But if he agrees with me in those two respects, I believe we should keep an open mind to consider other possibilities. While we may disagree with a man of the stature of General de Gaulle from time to time—and I do, most certainly—nevertheless, I have a great respect for him because I believe he is doing for his country that which France, by and large, wishes him to do. When he does these things, he sometimes comes into disagreement with his allies; but that is his responsibility, just as what we do is our responsibility.

The mere fact that he advanced the idea covering the old associated states of French Indochina does not necessarily mean that our reaction should be to treat it in a casual way or to pay no attention to it.

I believe an open mind is a good thing. I believe discussions concerning a most difficult part of the world in which we are heavily involved are worthwhile. I believe that so far as Vietnam is concerned, it is just as important as Cuba, even though one is 10,000 miles away and the other is only 90 miles from our shores.

I point out that late news stories are to the effect that no more dependents would go to Guantanamo, and that those who are there would be brought home when their regular tours of duty were over, if not before. Perhaps we have too many dependents in South Vietnam. Perhaps a conflict of interest exists because of this fact. But I point out, if my understanding is correct, that what we have sent to South Vietnam are probably the best we have in the way of fighting men, that they are the elite of the various services, and that they all volunteered for that hazardous duty. But there is no reason why discussion should not occur. There is no reason why debate and differences on the floor of the Senate should not be stated because ways and means will have to be found not only in South Vietnam, but elsewhere throughout the world, to face the changes which occur and to try to do our best as the leader of the free world, as the Nation charged with the primary responsibility, in my opinion, in too many areas of the world, to find different answers and to face different changes in different times.

Mr. JAVITS. As to my answers in agreement or disagreement with respect to the basic posture of the Senator from Montana, I have already expressed my views in my address, and I shall let those answers stand as answers to those questions.

As to General de Gaulle, I too, have great respect for him. He was a great hero during the war. He is a great hero to his people. I deeply believe, however, that General de Gaulle could not be doing what he is doing for France unless we were around to do what we are doing for the free world, and that so long as this is a rather free ride, we had better be wary of how we operate in taking these grand suggestions.

That is the only thing I stressed in my speech—that we had better not be distracted from persevering in the basic policy in relation to the free world, and that our people, in my judgment, should support it.

That was the reason for my speaking today. I agree with the Senator from Montana that the airing of this issue is valuable.

I believe that he and I made somewhat similar speeches in regard to Berlin. The Senator from Montana first authored the suggestion with respect to some possible change or consideration of a change in the status of Berlin. He took up the issue in much the same way I am doing today, in order, if possible, to reach a consensus. I believe the Senator from Connecticut [Mr. DODD] participated in this debate, along with many other Senators. The result was a better consciousness in the United States of its policy and determination as to how to pursue it to the best effect.

Mr. MANSFIELD. Mr. President, will the Senator from New York yield at that point?

Mr. JAVITS. I yield.

Mr. MANSFIELD. There was a change which resulted in the wall being created between East and West Berlin, instead of a unified Berlin, a Berlin to be the future capital of a unified Germany.

Mr. JAVITS. I do not wish to raise that problem again, but it was my view that the result might have been extremely dangerous to the continued presence in Berlin of the allies. At the time, the Russians could easily have taken over Berlin and made of it the capital of East Germany. In any case, the decision could have gone either way, in my judgment, but I believe that our debate upon the subject or consideration of the subject is helpful to the country, as I hope this one will be.

Mr. MANSFIELD. Speaking of Berlin, this is one area in the world where the U.S. Government is in effect begging the Soviet authorities and the Soviet troops to remain, because we do not wish to displace them by East Germans.

Mr. JAVITS. Mr. President, that is a subject which I shall be glad to discuss at some other time; but right now I believe we had better keep our eyes fastened on the Vietnamese ball, which is serious enough.

Mr. MANSFIELD. It is always a pleasure and a privilege to have the opportunity to debate and discuss issues, both foreign and domestic, with the distinguished Senator from New York.

Mr. JAVITS. I am grateful to the Senator for those remarks. I am pleased at his reference to me. He knows full well that I deeply feel the same way about him.

INTER-AMERICAN COMMITTEE ON THE ALLIANCE FOR PROGRESS

Mr. JAVITS. Mr. President, I should like to comment for just a few moments on what I believe to be a significant new development in the Alliance for Progress. As my friends in the Senate know, I have had a long and intense interest in the problems and opportunities in the countries closest to us. I recently returned from Europe, where I believe we made considerable progress in harnessing new resources from private sources for Latin American development through the organization I had the honor to cosponsor known as ADELA.

There is no question in my mind that what the Alliance for Progress has been lacking is multilateralism. It has been too much an American show. This is why I have been so interested in getting more European participation in the program.

Now, the Latin American countries and the United States have taken another step forward in the inevitable process of making this a true alliance, rather than merely another foreign aid program. The 20 member nations have established a small, 7-nation committee, to be headed by a distinguished Latin American chairman, Carlos Senz de Santamaria, Finance Minister of Colombia, which can convert this program from a relationship of rich uncle and poor relatives to one of free and equal partners. The new group is designed to involve our Latin American friends in the appraisal of each other's progress and performance under the criteria of the Charter of Punta del Este, instead of having this job performed by the United States. That way, it is more likely that judgments will be accepted in good grace rather than resented as dictation.

The new group is also charged with making recommendations, based on the joint appraisals and analyses, on the resources each Latin American country should generate for its development, and on the distribution of funds that become available from abroad.

The European Economic Community, the Organization for Economic Cooperation and Development, and nongovernmental organizations are invited to join the CIAP's meetings. This is, of course, in addition to the Inter-American Development Bank and other hemispheric organizations with an obvious and direct interest in the progress of the Alliance.

I believe this is a most healthy development. Only by involving all member countries in the policymaking and coordinating work on a permanent basis will this become a true Alliance. Only by doing everything to draw other industrialized countries, especially those of Western Europe and Japan, into the Latin American development programs shall we succeed in generating the resources needed for the gigantic task we have set ourselves in this hemisphere. I hope that this new organization will so operate in carrying out its responsibility that this Government, in making available U.S. funds, will be able to rely heavily on their recommendations.

Finally, only through such deep and constant involvement with us and the West European countries will our Latin American friends come to fully realize the need to provide greater opportunities for private enterprise to do its share in the development process.

The new multilateral group is indeed a welcome step forward. It will provide a forum not only for the 20 Alliance members to weld themselves into a genuine team of builders. It will also be a useful means to attract others outside the hemisphere, and to galvanize private enterprise where contributions are indispensable for developing Latin America.

I hope that we will give the new group all the support it needs. I am confident that Ted Moscoso, who will represent us in it, and for whose ability and dedication I have the highest respect, is the best man we could have picked to give it that support.

I ask unanimous consent to have printed in the RECORD an editorial published in the New York Times of February 2, entitled "New Life in the Alliance."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW LIFE FOR THE ALLIANCE

The Inter-American Committee for the Alliance for Progress has been elected and will soon be starting work. All of Latin America will watch to see whether the Alliance will, in truth as well as in theory, become a hemispheric program run by all the nations and not just by the United States.

A distinguished Latin American—Carlos Sanz de Santamaria—has been elected chairman. He is a good choice because of his caliber, his familiarity with the United States and Brazil, where he served as Ambassador, and his popularity. Mr. Santamaria evidently received some assurances that he would be able to exercise genuine authority before he accepted the post.

Much of the criticism leveled against the Alliance for Progress by Latin America has been that it is simply an instrument of U.S. politics. Unhappily, the program has been treated as such by Congress and on occasions by the State Department. When Washington wanted to punish the Dominican military junta which staged a coup last September, the Kennedy administration unilaterally stopped Alliance aid and withdrew all Alliance personnel from the Dominican Republic. The same thing seems to be happening now in the case of Panama.

The idea for the new committee, known as ICAP, was first put forward by two South American statesmen, the Brazilian Kubitschek and the Colombian Lleras Camargo. At the second annual review of the Alliance in São Paulo in November, the size and composition of the committee were agreed upon.

Since then President Johnson has overhauled his Latin-American staff at the State Department and White House, putting diplomatic, economic and Alliance affairs under Thomas Mann, who has a difficult and delicate task. He must satisfy Congress, which cut foreign aid funds so brutally; he must arrange to give the United States its due role, which has to be a very big one; and he must satisfy the Latin Americans that the Alliance for Progress really is an alliance of all active members of the Organization of American States.

Mr. JAVITS. Mr. President, I yield the floor.

ORDER OF BUSINESS

Mr. PROUTY. Mr. President, I believe the minority leader wishes to be recognized at this point, so I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 12 O'CLOCK NOON TOMORROW—READING OF WASHINGTON'S FAREWELL ADDRESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 12 o'clock noon tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. For the information of the Senate, I wish to state that the distinguished Senator from Maine [Mr. MUSKIE] will read Washington's Farewell Address shortly after the Senate convenes tomorrow.

CIVIL RIGHTS LEGISLATION

Mr. HART. Mr. President, some weeks ago I received a letter, eloquent in its simplicity, signed by the members of homeroom 15 of the Condon Junior High School in Detroit, Mich. The students wrote to tell me the reasons as they see them for action by Congress on civil rights legislation.

Sometimes the straightforward statements of young people viewing the world they live in are far more impressive and persuasive than speeches made here on this floor, and for that reason I ask unanimous consent that this thoughtful letter from students at the Condon Junior High School in Detroit be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DETROIT, MICH.,
January 13, 1964.

DEAR SENATOR HART: We are very sorry about the former President's death. He was so concerned with the civil rights bill; and would have like to have seen it pass. We feel that the civil rights bill should be past in the remembering of President Kennedy.

So the Condon Junior High School put down some facts why the bill should pass.

1. In war all races fight side by side.
2. We feel all people should be allowed in any public place.
3. All races should be able to vote in any part of the United States.
4. Students ought to be allowed in any school.
5. A person should not be turned down in a job because of race.
6. A person should live where he wants to live.
7. All persons should be allowed to use public transportation.
8. All persons should get the same pay for the same work.
9. People should be protected from bombing, shooting and other forms of hurt by racial hatred.
10. People ought to be allowed to worship in any church they want.
11. Any race ought to be allowed to walk down the street without being criticized because of their race. We hope the bill will pass.

Sincerely yours,

Condon Junior High Homeroom 15: William Winiarski, Charlie Chisholm, Stephanie Stevenson, Charlene Tomlinson, Samuel Thompson, Brenda Flemons, David Hill, Nathaniel Black, Ernestine Griffin, Ronnie Berry, Sammie Jo Anding, Larry Clemons, Yvonne Lawrence, Kenneth Robinson, Ernestine Elam, Clarence Perkins, Doris Goldsmith, Lyonel Davis, Lucille Diane Shaw, James Sims, LaVerne Cheatham, Freddie M. Taylor, Jacqueline Howell, Marvin Lee, Nell Rose Brooks, Jean Kildy, Douglas Mitchell, Gail Puckett, Allen Peery, Carolyn Moore, Aaron Rials, Jr., Marlene Pearl Robertson, Gregory Fountain, Lancine D. Martin, Franklin D. Carter, Sherrie A. Johnson.

SCIENTISTS MELNICK AT BAYLOR COLLEGE OF MEDICINE MAKE PROGRESS IN WAR ON CANCER

Mr. YARBOROUGH. Mr. President, the battle against the deadly ravages of cancer goes on daily in scientific laboratories all over the country. Our ablest researchers are making every effort to discover the causes of this malignant disease which takes so many human lives every hour of the day.

Scientists have turned their attention to the virus for possible clues in their search for eventual control of cancer. One of the leading figures in this field, a scientist with an international reputation, who played an important role in the development of the polio vaccine, is associated with Baylor University in Houston, Tex. He is Dr. Joseph L. Melnick, chairman of the Department of Virology of Baylor's College of Medicine.

This week Dr. Melnick presented to a symposium in New York City the results of recent studies which hold out hope of an important breakthrough in the role of viruses in cancer. Dr. Melnick was assisted in these researches by his wife, Dr. Hatilda Benyesh-Melnick, who has achieved an independent reputation for her own studies. They are one of the few scientific couples who work side by side in the same laboratory. They are an excellent example of the tireless men and women who spend their lives in selfless dedication to humanity. Texas is proud to have them on the staff of one of its finest universities.

Excellent articles describing recent developments in their researches, as announced this week, have been printed in the New York Times and the Wall Street Journal of Tuesday, February 4. I ask unanimous consent that they be included in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 4, 1964]

PARTICLES SIMILAR TO VIRUSES ARE FOUND IN THE BLOOD OF LEUKEMIA PATIENTS

(By Robert K. Plumb)

The discovery of particles that look like viruses in the blood of children who have leukemia was reported here yesterday at a symposium on virology.

The medical scientist who made the report, Dr. Joseph L. Melnick, of the Baylor College of Medicine in Houston, declined to say flatly that his team had proved for the first time the presence of viruses in association with human cancer.

Leukemia is a form of cancer. Particles that look like viruses have been previously found in the blood of leukemia patients but have never been positively identified as viruses.

During recent years, it has become widely believed that viruses and cancer are associated. The list of viruses capable of producing cancer in animals grows almost daily.

It is known that viruses that commonly infect man can produce cancer in laboratory animals. The list includes the adenovirus, popova, and pox virus groups. But the role of viruses in human cancer remains undefined.

A difficulty is that the causative viruses may disappear after cancer develops and become "masked" or "hidden." There has been no laboratory technique for demonstrating the presence of these hidden viruses.

Associated with Dr. Melnick in new studies at Baylor were his wife, Dr. Matilda Benyesh-Melnick, Dr. Kendall Smith, and Dr. Donald Fernbach. As a model for their research they took a well-studied situation in which virus-caused leukemia occurred in fowl.

The particles the group found have been studied by an electron microscope so that physicians with an ordinary light microscope can make blood counts.

The strange particles appear to belong to a class of viruses known as the myxoviruses. About a hundred children with leukemia and children without leukemia have been studied at Baylor. The particles were found in 0 to 90 percent of the leukemic children and in fewer than 10 percent of the children without leukemia.

The group took tissue from leukemia patients and grew it to determine whether cells from the tissue would develop changes characteristic of viral infection.

In the case of leukemia and a disease called infectious mononucleosis, cultures grown out of bone marrow of children transformed spontaneously into a cell-type characteristic of leukemia.

In addition, the same kind of particle present in the blood of the patients was found in the culture fluids. The group took this to be a demonstration of their viruslike character.

Strangely, the same particles, and their ability to appear in transformed bone marrow cultures, were found in children with infectious mononucleosis.

Dr. Melnick and his associates believe they have demonstrated some similarity between leukemia and infectious mononucleosis. They have adopted as a working hypothesis the idea that, in infectious mononucleosis, antibodies are produced that in time stop the disease process. In leukemia, they believe, no antibody production occurs, and the disease progresses until the patient dies.

If a virus is shown to be the cause of leukemia, the agent might be used to produce a vaccine against leukemia, just as vaccines are used to protect against other virus diseases.

The virus symposium, held here at the Barbizon Plaza Hotel, is one of a series on virology held every 2 years by the Gustav Stern Foundation.

[From the Wall Street Journal, Feb. 4, 1964]

SCIENTISTS DISCOVER VIRUSLIKE PARTICLES IN BLOOD THAT MAY BE CAUSE OF LEUKEMIA

NEW YORK.—Scientists may have uncovered another important clue indicating viruses as a cause of the childhood type of blood cancer, leukemia.

A Houston research team, using a new technique of viewing and counting viruses, said they found large quantities of viruslike particles in the blood of about 80 percent of leukemic children studied. Similar viruslike particles were found in the blood of only about 10 percent of normal children checked in the study. The viruslike particles also were found in test tubes containing bone marrow cells from leukemic children. Bone marrow is involved in the manufacture of blood cells.

The researchers said they aren't yet positive that the particles are actually viruses. But as a result of their research and similar research findings at the National Cancer Institute in Bethesda, Md., a project will be launched by several other groups to inoculate newborn baboons and monkeys with the particles. This will be a test to discover if the particles could cause leukemia or some similar disease in the animals.

Scientists in the past few years have grown increasingly suspicious that leukemia, as well as some other cancers, might be caused by viruses. This suspicion centers mainly on the acute, childhood type of leukemia, which is usually fatal within a few months; another type, chronic leukemia, usually occurs in adults and can last for years.

Most of the evidence in the recent studies shows that the submicroscopic germs can cause leukemia in animals such as fowl and mice.

PREVENTION, TREATMENT POSSIBILITIES

So far, researchers have been unable to find evidence of a virus in human leukemia or other cancer cells. Such a discovery, however, would open up the possibility of finding a preventive or treatment of some type. Vaccines, for example, are made of killed or weakened viruses that, when injected, stimulate the body to build up an immunity to the particular disease caused by the viruses.

The finding in Houston was reported here by Dr. Joseph L. Melnick of Baylor University College of Medicine in Houston. The report, made before a meeting of virologists sponsored by the Gustav Stern Foundation, covered research by Dr. Melnick, his wife, Dr. Matilda Benyesh-Melnick, and Drs. Kendall Smith and Donald Fernbach.

Using a new technique to count viruses, the group looked at blood plasma taken from 24 children with leukemia. Examining the blood under a powerful electron microscope, they conuted large quantities of viruslike particles in blood from 19 of the children. They then looked at blood from 40 normal children and were able to find quantities of the virus particle in the blood of only 4 children.

In a related experiment, they grew bone marrow cells, taken from leukemic children, in the test tube. The bone marrow cells were chosen because the bone marrow is involved in leukemia, a disease in which a large quantity of cancerous white blood cells is produced.

In the test tube, the bone marrow cells produced cells similar to that seen in leukemia. When the researchers examined the fluid in which the bone marrow cells were grown, they found the viruslike particles. Under an electron microscope the viruslike particles appear physically similar to viruses known to cause leukemia in fowl, Dr. Melnick explained.

COOPERATIVE STUDY PLANNED

Dr. Melnick said the group couldn't say for certain that the particles they see are viruses. He also noted that whether the viruslike particles could cause disease would have to await further research. In an interview later, however, Dr. Melnick said that research at the National Cancer Institute, part of the U.S. Public Health Service, was turning up similar findings. As a result, the cooperative study among several groups would get underway with newborn baboons and monkeys to find out if the particles have disease-causing capacity. If it turns out that the animals after receiving the particles develop leukemia or some similar condition, it would mean "we're on the right track," he explained.

In the Houston study, Dr. Melnick said the group unexpectedly discovered that the blood from persons suffering infectious mononucleosis, sometimes called "kissing disease," also contained large quantities of the viruslike particles similar to those seen in the blood of leukemic children. The significance isn't certain, but Dr. Melnick noted that infectious mononucleosis, also, is a disease involving alteration of the blood. The germ that causes the disease has never been discovered.

The researcher said one tentative theory might be that both leukemia and infectious mononucleosis are caused by the same family of viruses.

Dr. Melnick's report was made primarily to describe the value of the new virus counting method. He noted there are apparently many virus diseases in which there are no known chemical or biological methods of detecting the viruses. These hidden virus diseases, he said, appear to include leukemia and infectious mononucleosis. The method of physically counting viruses holds promise in detecting possible disease-causing viruses for further experiments. "If such methods prove successful, the term 'hidden viruses' might no longer apply to human leukemia and infectious mononucleosis," he said.

NATO AND CRISIS

I. INTRODUCTION

Mr. PROUTY. Mr. President, for a number of years now the North Atlantic Alliance has been divided within itself. That division has been noted by virtually all competent commentators on the European scene. It has been the subject of speeches and international debates between heads of government, defense and foreign ministers, civil servants, and parliamentarians. No person who considers himself informed on world events can be unaware of it.

This division arises essentially over the question of military strategy. But it is compounded by conflicting economic policies and alinements, by differing political goals, and so forth. These factors are all mutually interacting, with the result that a difference in any one of them may have adverse ramifications for NATO. Since the divisions within NATO are presently serious, and since they often involve views and interests of the members which, strictly speaking, may not be NATO's concern but nevertheless affect the relations between NATO members, many commentators have referred to a crisis within NATO. This term may be too strong, if a crisis is thought of as a flash-point threatening to disintegrate NATO at one stroke, but may not be too strong if one contemplates the serious breach that has developed within NATO over the past few years.

II. THE MILITARY ASPECT

The differences within NATO over military strategy are actually a product of the revolution in weaponry, and the changing military environment which that revolution has produced. American strategic thinking has undergone something resembling a total reversal over the past 3 years, although certain of its elements have remained consistent for roughly a decade. This changing thinking has clashed with European conceptions, most specifically with the politicomilitary aims of President de Gaulle. Indeed, although rival French and American strategic concepts have been highlighted since 1961, it is probably safe to say that this rivalry began with General de Gaulle's advent to power in 1958, although France actually inaugurated her drive for a nuclear capability even earlier.

At its inception, NATO's strategy was essentially simple. It was based on America's monopoly of the atomic bomb and the means to deliver it. Assuming a Soviet attack in Europe, it called for conventional forces to fight a holding action, while the finishing blow to the Soviet's home base was struck by American strategic airpower. When it proved difficult to raise the ground forces originally envisioned, NATO's force goals were trimmed, and the concept of the tripwire was elaborated. Under it, NATO's ground forces were to act as little more than a screen to determine the weight and character of a Soviet attack. If such an attack proved genuine, nuclear retaliation was to be immediate. Mr. Dulles applied the concept of retaliation to any attack on the recipient of an American guarantee. There could be no question of meeting such an attack with conventional forces. Instead, we would retaliate massively with our nuclear weapons. It is obvious that American strategy in this period, then, whether applied to Europe or other areas of the world, relied on our nuclear primacy.

This strategy of retaliation was admirably suited to protect Europe against a large-scale Soviet ground attack, so long as the United States maintained sole possession of nuclear power. In addition, it dovetailed neatly with Europe's order of priorities, for it permitted economic reconstruction behind America's nuclear shield. But when the Soviet Union began to develop its own nuclear and thermonuclear capability, the strategy began to be questioned. For one thing, it was realized that tactical nuclear weapons would not necessarily make up for the difference in manpower between Soviet and NATO forces. Assuming that the Soviet Union also developed tactical nuclear weapons, any Soviet attack would inflict huge casualties on NATO's forces, even if sustaining heavy casualties itself. NATO's slim reserves would be quickly depleted. Hence the tripwire theory diminished in acceptability as it seemed that the retaliatory strategy might require more, rather than fewer, ground troops.

The result was a shift in emphasis from the defensive to the deterrent value of nuclear weapons, accompanied by an undercurrent which began to question the credibility of any tactical nuclear response—Osgood, Robert E. "NATO: Problems of Security and Collaboration." American Political Science Review, March 1960, pp. 119–120. All of this was prior to the advent of missiles. The appearance of IRBM's may not have altered the essential strategic picture, but certainly that of ICBM's—the Intercontinental Ballistic Missiles—did. The new factor in the equation was the tremendously increased risk of massive destruction to the continental United States. There had always been the risk of considerable devastation to this country once the Soviet Union acquired a nuclear capability, and built up a bomber force with the capacity to deliver a nuclear attack. But the development of ICBM's meant that large-scale destruction within the United States was a virtual certainty in the event of nuclear attack. According to some estimates, that devastation might mean the death of half our population and the destruction of three-fourths of our cities—Gallois, Pierre M. "U.S. Strategy and the Defense of Europe." Orbis, Summer 1963, p. 228. If America had not been completely out of reach before, it was now in the front lines.

This consideration began to play an increasing role in American strategic thinking. During the latter part of the 1950's a number of writers and political opponents of the Eisenhower administration began to criticize our dependance on nuclear retaliation, asserting that we thereby committed ourselves to a course of action where even minor intrusions might eventuate in all-out nuclear war. They argued that nuclear retaliation was not necessarily appropriate as a response to the great variety of provocations which the Communists might employ. Furthermore, the Soviet Union might not regard such retaliation as credible, and hence would continue to nibble at our flanks. What the United States needed was the ability to meet something less than all-out nuclear attack with something less than an all-out response. Otherwise we might risk an unnecessary nuclear exchange, with all of its destructive consequences.

When the Kennedy administration assumed power in January of 1961 it put into effect this strategy of options and flexible response. It exhorted our NATO allies to increase their contributions to NATO's conventional forces, not only to enforce a pause in Europe during which the United States might consider its options, but also to help ease the U.S. balance-of-payments problem. Europe had heard these exhortations before, ever since the inception of NATO in fact, but had done little to satisfy them. Now, however, European suspicions were aroused. They wondered whether the United States was not asking them to bear the brunt of a conventional war without guaranteeing to come to their assistance. Once the nuclear guarantee was suspect, it was just one step to the demand for an independent nuclear deterrent. The course that General de Gaulle has followed appeals to those within the NATO countries who hold this view.

The idea of independent deterrence is looked upon with disfavor in the United States for two basic reasons. In the first place, if the United States is to pursue a strategy of flexible response, it must retain as tight control of Western nuclear capabilities as possible. We want to be able to select that form of response that we believe is most appropriate to a given situation, and not have Europe force our hand. As it has so often been put, we want an American finger on the nuclear trigger. In the second place, the United States quite genuinely fears the spread of nuclear weapons. Not only would it diminish our control of events within the Western Alliance, but it would multiply the difficulties of peacekeeping all around the world. In more concrete terms, the wider the spread of nuclear weapons around the world, the greater the chances for the outbreak of nuclear war. At the present moment the nuclear powers include, besides ourselves, the U.S.S.R., Great Britain, and now presumably France. In a few years mainland China may join that group. A number of other countries have the potentiality of making nuclear weapons, Sweden for example, or Germany. Both Israel and Egypt have been reported as developing nuclear capabilities. It can readily be seen how much of a temptation nuclear weapons would pose for those seeking a quick solution to protracted or bitter rivalries. Hence U.S. concern in this regard is undoubtedly genuine.

But a considerable segment of the population and leadership of our NATO allies is skeptical of this concern. They believe it masks a simple unwillingness on the part of the United States to share effective control of the deterrent. Since their own fate is bound up with whatever decisions America might choose to make concerning the deterrent, they believe they should be given a much greater measure of control over decisions involving its deployment and use. This demand took shape a number of years ago, and was advanced by various NATO governments prior to the change of administration in 1961. Yet under the spur of the French example, these demands have become more insistent in recent years.

The thesis of those Europeans opposed to American NATO strategy is roughly as follows: Europe can no longer rely on America's commitment to come to its defense. In a crisis the United States may well decide that it is not going to suffer catastrophic destruction in order to preserve Western European freedom and independence. Furthermore, since Europe is tightly packed, with little room to spare, its chances of surviving a nuclear blow are far less than those of the United States. As a consequence Europe must develop its own nuclear force, of sufficient strength not only to retaliate against a Soviet nuclear strike, but to prevent it from happening in the first place. This means that any European—or French—deterrent must be sufficiently credible to the Soviet Union as actually to deter. Secretary McNamara is on record as questioning the credibility of any such deterrent—Speech of Secretary McNamara, Ann Arbor, Mich., June 16, 1962. Department of Defense, Office of Public Affairs, No. 908-62.

Indeed, if a major antagonist should believe that there was a substantial likelihood of its being used independently, it was his view that such a force might actually invite a preemptive strike. Using such a small nuclear force against cities of a major nuclear power would be tantamount to suicide, and its employment against significant military targets would have a negligible effect on the outcome of any conflict. In thus voicing administration views, Secretary McNamara threw down the gauntlet to De Gaulle.

This divergence in strategy between the United States and Gaullist France is at the heart of the difficulties now plaguing NATO. At times this quarrel has taken on overtones of bitterness, with neither side wishing to yield any concessions to the other. The United States has been particularly incensed by the French questioning of our good faith, and by French intimations that they want to have the power to trigger nuclear war if necessary in order to commit America to massive intervention on their behalf. Paraphrasing a recent sentence of Louis Halle, the French President, employing his own deterrent would have virtually the same power as the American President to detonate our deterrent—Halle, Louis J., "The Wrangle Over Strategy," the New Republic, January 18, 1964, page 20.

President de Gaulle's policies are the most dramatic manifestation of an increased concern of NATO's European members for a greater voice in alliance decisions involving nuclear weapons. Several American proposals have sought to relieve this concern, but since we have been reluctant to permit many fingers on the nuclear trigger, these proposals have not evoked an enthusiastic response. During 1958 and 1959, we deployed Thor and Jupiter missiles in Britain, Italy, and Turkey, but not on the territory of any other member of the alliance. Next, we offered to sell ballistic missiles to Europe, while keeping custody of the warheads, but this idea found little acceptance. Then, in December 1960, at the NATO foreign ministers' meeting in Paris, Secretary of State Herter proposed consideration of the establishment of a medium-range sea-based ballistic missile force. Under the plan, the United States would commit 5 Polaris submarines, each carrying 18 missiles, to NATO before the end of 1963. In return, our NATO allies were to buy 100 more missiles from the United States. A plan for joint control of this force would then be worked out.

After the Kennedy administration assumed office, Secretary Rusk renewed this commitment. In May of 1962, five Polaris submarines were earmarked for NATO. But the project went no further, for in the summer of 1962 the administration decided that a surface fleet was a preferable method for any multilateral experiment. As presently conceived, such a force would consist of 25 surface ships, each carrying 8 Polaris missiles. This would make a force of 200 missiles in all. The crews of these ships would be mixed, representing at least three nations, with the United States one of these in every case. The estimated total cost of such a force would be $4 to $6 billion, spread out over an 8- to 10-year period, with the greater part to be borne by the United States and West Germany. The ships and supporting bases for this force would require a 10,000-man force. It would be under the overall command of the Supreme Allied Commander, Europe. Close liaison would be maintained by NATO, the U.S. Strategic Air Command, and Britain's Bomber Command, and European officers would participate in target planning at SAC Headquarters—Congressional Quarterly, week ending July 5, 1963, page 1083.

At about the time that the United States was coming to the decision to press for a multilateral surface force as the means of satisfying pressures within NATO, it was also in the process of deciding to abandon Skybolt. Since Britain had pinned her defenses to this standoff missile, which was fired from an aircraft, the United States appeared to have pulled the rug from under Britain's independent deterrent. Britain's reaction was one of great consternation and anger, and Anglo-American relations were severely strained, at least for a short time. The upshot of this controversy was the Nassau agreement of December 1962, under which the United States was to make Polaris missiles available to Britain, while Britain would supply the nuclear warheads and the submarines to carry the missile systems. Although this British force and equivalent American forces were to be included in a projected NATO nuclear force, Britain was to retain control of this nuclear deterrent in the event supreme national interests required it.

Since the Nassau agreement spoke of assigning Polaris submarines to a NATO force, it implied that a mutual deterrent force would include undersea as well as surface vessels. With our more recent emphasis on a surface fleet, it is not clear whether the current conception still includes both types of vessels, although that is probably the case—at least one knowledgeable commentator, Alastair Buchan, has stated unequivocally that the multilateral force would include undersea and surface ships. See his "The Control of Western Strategy." Royal United Service Institution Journal. November 1963, page 305.

If we are to be precise, we must distinguish the multilateral from the multinational force. A multilateral force implies an integrated arm, including crews of mixed nationalities on missile carrying ships, such ships to be under a common command. A multinational force, on the other hand, would group the countries which have either nuclear weapons of their own or important nuclear delivery vehicles into a special relationship in NATO, for purposes of planning. While joint action is implied, it would be joint action by allies, but by separate and independent national forces. The United States has championed the multilateral idea, although it has been suggested that France and even Britain, which presented the multinational idea at Nassau—ibidem—might prefer the multinational approach.

The dispute with Britain arising from the cancellation of Skybolt could not help having an impact on NATO as a whole. For one thing, it gave added force to the position of De Gaulle, who could point to the dangers of pinning one's defense on the United States. For another, it undermined the British claim to a special relationship with the United States, a claim deriving in part from Britain's possession of a nuclear capability.

The United States made the same offer to France that it had made to Britain at Nassau; but President de Gaulle rejected it, on the ground that France had neither the warheads nor the submarines to carry Polaris. He restated France's intentions of pressing on with her program for an independent deterrent, a force de frappe. He may well have been strengthened in his resolve by the Skybolt affair, despite his prior resentment at Anglo-American nuclear collaboration and French exclusion therefrom. Such resentment, while understandable, overlooks the fact that Britain attained her nuclear capability without special assistance from the United States, having built up a backlog of knowledge during the joint wartime effort to develop the atomic bomb. But if De Gaulle enjoyed British discomfiture, his official posture was correct. All in all, the Skybolt incident hardly reflected credit on U.S. leadership of the alliance, and indeed may have led to a temporary decline in allied confidence in such leadership.

Confidence has not been fully restored by the multilateral surface force plan. Most of NATO's members feel the plan is impractical; and strong criticism of it has been voiced in the European press and in some official circles. British naval officers are said to be particularly skeptical. However, the United States can truthfully point out, in reply, that despite its repeated invitations, the European members of NATO have never advanced any precise and careful plans for sharing nuclear control.

So far as conventional military forces are concerned, the problem remains what it always has been—the reluctance of NATO's members to meet their commitments. Britain has been talking of cutting down, and even withdrawing, her Army of the Rhine. French troops assigned to NATO fall short of programed strength. Part of the problem is economic, but a greater part of it may well lie in the rather widespread European belief that any war with the Soviet Union would be bound to be a nuclear holocaust; and that if this is so, there is not much point in building up conventional forces.

One country which has not not followed this philosophy is West Germany, which, along with the United States, furnishes most of the ground troops for NATO's crucial central front. This puts the Germans in a position to demand nuclear equality, a demand which the United States well realizes might shatter the alliance. It was in at least partial anticipation of such a demand—to forestall the controversy that nuclear arms for Germany would be sure to provoke, while at the same time honoring legitimate German interests—that the United States put forward the multilateral deterrent force plan. Germany may protest that she has no intention of asking for nuclear arms; but the Gaullist drive for an independent nuclear force could weaken her resolve. Certainly this is a strong argument in the American arsenal against French nuclear aspirations.

A final military problem is posed by the generally cool attitude of France toward NATO. In 1959, France withdrew her Mediterranean fleet from NATO control; and in June of 1963, she took similar action with her North Atlantic fleet. In 1958 and 1959, France refused to integrate her tactical air forces with the rest of NATO. In 1960, she agreed to unify such forces in the forward area only—that is, in a zone on either side of the Franco-German frontier. It was only after this French action that a unified air defense system running from Turkey to Norway was established by NATO.

One might conclude, then, that for the past 3 years the strategic problems within NATO have become intensified, and no satisfactory solution for these problems has yet been found. It has been suggested that one of the reasons for this intensified conflict was the increased lack of consultation between the United States and its NATO allies in the actual formulation of that strategy—Buchan, Alastair, "Partners and Allies," Foreign Affairs, July 1963, page 632. Thus, the doctrine of "controlled nuclear response" arose out of American discussions, and was presented to the Europeans as a fait accompli. This only served to nurture European suspicions—Buchan, Alastair, "Partners and Allies," Foreign Affairs, July 1963, page 632.

III. POLITICAL ABRASIONS

Since its inception, a number of political disputes have arisen within NATO. The one issue that most consistently entangled the United States was colonialism, with the United States favoring independence for particular dependent areas when such independence was opposed by the metropolitan power, which also happened to be a NATO member. Thus, we clashed with France, over Algeria; and with Belgium, over the Congo. For the past 3 years such a clash has infected relations between this country and Portugal. In 1961, the United States voted with the Soviet Union in the United Nations Security Council for a resolution calling for an inquiry into conditions in Angola. Then we voted for a General Assembly resolution calling upon Portugal to institute reforms in Angola. Portugal also deplored our failure to take stronger action against the Indian seizure of Goa, a Portuguese territory on India's coast. The dilemma for U.S. policy was summed up by Arthur Krock as follows:

> The perplexity of the U.S. Government created by the latest Afro-Asian activity in the U.N. against the Portuguese in Angola grows out of policies which require the Kennedy administration to try simultaneously to ride two horses galloping in opposite directions. Our fundamental military alliance in NATO, and its strength depend greatly on the unity which this Government is ever urging. Our fundamental diplomatic policy is to demonstrate by votes in the U.N. and otherwise that the United States unreservedly supports movements for the independence of people everywhere. (New York Times, June 8, 1961.)

The United States has never fully extricated itself from this predicament.

Portuguese sovereignty over the Azores, where the United States has had bases since World War II, put them in a position to exercise considerable leverage when the United States sought an extension of these base rights. Because of our desire to have the agreement extended without a prohibitive increase in the Portuguese asking price, either political or financial, even though the bases are less important than formerly, we backtracked somewhat from our previous stand on Angola, abstaining from a vote on a Security Council resolution calling upon Portugal to grant independence to her African colonies. This action, as might have been expected, satisfied neither the Portuguese nor the Africans. When our lease on the Azores bases expired at the end of 1962 the Portuguese let us stay on, pending a new settlement. We are still there on this somewhat unsatisfactory ad hoc basis. There seems little doubt that the Portuguese inclination to drag matters out is directly related to their dissatisfaction over U.S. policy regarding their African possessions.

Just as the importance of Portugal within NATO was pointed up during 1962–63, so was that of her Iberian neighbor, Spain. Spain is not a member of NATO; but the United States maintains there bases which play an important part in NATO strategy. The defense pact under which the United States exercised its rights to these bases expired in September 1963. It was renewed for a 5-year period, but not until after concern had been expressed over possible Spanish exploitation of her position to gain admission to NATO, or at least to effect a closer association with the alliance. Formal Spanish application for admission would have elicited formal Scandinavian opposition, and perhaps split the alliance. That such an application was not made is due, at least in part, to the buildup of Polaris and other missile forces, and the subsequent decline in importance of Spanish air bases. But Spain did not come off too badly in the base negotiations. In a joint statement of Secretary Rusk and the Spanish Foreign Minister the United States affirmed its recognition of the importance of Spain to the security, well-being, and development of the Atlantic and Mediterranean areas. There is to be a joint consultative committee on defense, with headquarters in Madrid. A threat to either country is a matter of common concern, and both countries recognize that the security of each of them is necessary to the common security. If this agreement does not admit Spain to NATO directly, it nevertheless appears to amount, as the French paper Le Monde pointed out, to a military pact which is not formally called one—Le Monde, September 28, 1963. As such, it can have a definite bearing on NATO policy at some future date.

At the present moment the political problem most threatening to NATO is the quarrel between the Greeks and Turks on Cyprus. The particulars of that quarrel need not concern us here. The United States was asked by Britain, along with West Germany, France, and Italy, to supply troops for a NATO peacekeeping force on Cyprus. We were reluctant to become involved, but agreed provisionally to go along. But the plan is now dead because the Cyprus Government refused to accept it. Apparently the Cyprus Government did not like the idea of any NATO force, because Turkey is a NATO member, and under the 1960 Constitution of Cyprus, Turkey, Greece, and Britain as guarantors of Cyprus' independence, each may intervene in Cypriot affairs.

At any rate, Cyprus and Britain addressed an urgent appeal to the U.N., and the problem is now in the hands of the Security Council. It has been reported that a plan advanced by U Thant, the Secretary General, has found favor, and stands a good chance of acceptance. This plan calls for an international force to maintain the peace in Cyprus, and the appointment of a neutral mediator who would seek a long-range political settlement. From the Cypriot point of view the essential thing is, at the very least, a declaration of respect for Cyprus' sovereignty. At the maximum they would like a repudiation of those provisions giving Greece, Turkey, and Britain the right to intervene.

The United States, and indeed all other members of NATO, must proceed with caution in this dispute, lest it get out of hand and blow apart NATO's eastern flank. If nothing else, the dispute is instructive in pointing out that NATO is anything but a monolithic structure. Unfortunately it also highlights Britain's conventional weakness, for her troops have been stretched so thin by a succession of crises that she was forced to turn to her fellow NATO members for assistance lest she further deplete her already undermanned forces in Germany. Despite the decline in British conventional strength furthermore, there is little likelihood of the present Conservative or of a possible future Labor government instituting conscription.

If the Cyprus quarrel is presently the most severe within NATO that should not obscure the fact that Franco-United States disagreements characterize the political as well as the military sphere. On January 22, 1963, a treaty of cooperation was signed between France and Germany, which was ratified in May by the German Bundestag and in June by the French National Assembly. This treaty signalized the French desire to play an independent political, as well as military, role. On the German side this treaty was largely the doing of former Chancellor Adenauer, who reportedly was unhappy with what he believed to be a more flexible attitude of the Kennedy administration toward Berlin. It is also conceivable that the Chancellor had been won over to the view that Europe must have its own nuclear deterrent, and believed that joining forces with De Gaulle might help bring this about. But whatever Adenauer's motivation, it seems fairly clear that the Bundestag was not too happy with the arrangement, for it ratified the treaty with a preamble reaffirming German commitments to the United States, to NATO, to the unification of Germany, and to the unification of Western Europe through the integration of Britain and other countries wishing to join. Other German leaders, such as the present Chancellor, Erhard, Foreign Minister Schroeder, and President Lubke were all known to be uneasy at this tack in German policy. For while under other circumstances a Franco-German rapprochement might give cause for satisfaction, under present circumstances, with De Gaulle mistrustful of American leadership and determined to pursue his own policy, it gave cause for anxiety. For one thing, these leaders believed, Germany should not be drawn into any Franco-American quarrel. For another, it seemed obvious that the French connection could provide no real substitute for the American guarantees that are vital to West German security.

In any event it does not appear likely that the Franco-German Treaty will be a touchstone of Bonn's policy, now that Dr. Adenauer has left the scene. This is apparently the case not only because Germany wants American nuclear protection, but also because the German interest in reunification seems rather unlikely to be advanced by a Gaullist orientation to her policy. This does not mean the end to French foreign policy initiatives, some of which we are going to deem inimical to our interests. The recognition of Communist China and the suggestion for the neutralization of Vietnam are two current illustrations. As long as France desires to play a more active role on the world stage we may expect such periodic eruptions, with concomitant strains on NATO.

IV. ECONOMIC PROBLEMS

Throughout its existence NATO has been necessarily concerned with economic problems which might adversely affect the defense effort. First and foremost was the simple fact of the economic burden the NATO defense effort imposed on its members. Then followed the related problems of rising prices, possible inflation, imbalance of payments, difficulties in the procurement and distribution of raw materials, and so forth. While there was a certain amount of grumbling over the economic requirements of NATO, and indeed the reluctance to meet force goals can be attributed partially to this factor, the difficulties enumerated did not cause any major breach within NATO.

But NATO could not escape repercussions arising from the attempt to unite Europe economically. In particular, it is undeniable that French rejection of Britain's bid for entry into the Common Market a year ago—although technically the negotiations concerned the establishment of conditions for entry—imposed a severe strain on Franco-British relations and thus indirectly on NATO, to which each of the Six belong. Although the Common Market did not break up, and indeed the other members opposed the French action, the drive for European integration did lose momentum. Furthermore the French decision meant the perpetuation of Western Europe's division into two economic camps, with leading NATO members in each.

Other pronouncements of President de Gaulle relative to the economic affairs of the Common Market have caused some uneasiness among the other members, particularly a statement of last July 29 in which he said that at the forthcoming round of tariff negotiations between the United States and Europe the Common Market must either stand on its own feet or it must disappear. This was coupled with a statement that Europe must assure its own food supplies, which was taken to mean that France must have an assured market for her agricultural produce within the Common Market.

But generally speaking, agricultural policy within the Common Market is not, at this writing, a major source of stress within NATO. Rather, difficulties arose between the United States and the Common Market, and it was these which for a time threatened to engender unwonted bitterness.

These difficulties, embodied in the so-called chicken war, had their origin in the EEC's implementation of the first phases of its common agricultural policy. As part of this process, the Market raised its ad valorem duties on American poultry from 15 percent to 45 percent. The United States estimated that this would cause damages to American poultry exports amounting to $46 million. The EEC assessed the damages at far less, and argued that in any event community poultry producers were fast adopting U.S. mass production methods, and that as a result we were going to lose much of our European market fairly soon, anyway. With the Common Market standing adamant, the United States took steps to retaliate, by withdrawing trade concessions on a number of commodities to make up for the estimated losses to our poultry industry. Eventually the Common Market accepted mediation of the dispute by a special GATT panel, as we had earlier proposed. That panel fixed the damage to the United States at $26 million, rather than $46 million. This was a great deal closer to the market estimate of $19 million than to our own figure. This past January the United States withdrew trade concessions to EEC countries equal to the value of this particular loss. Thus while the matter has been smoothed over, there has been a certain decline in confidence in this country over the direction the EEC might be taking. Obviously, this could complicate our relations within NATO.

One reason for U.S. vehemence against the increase in poultry tariffs lay in the difficult U.S. balance-of-payments position. The United States has continued to insist that its European allies pay a greater share of both the defense and foreign aid load as a means of reducing our unfavorable balance-of-payments position and the consequent gold outflow. Our allies have generally stepped up their expenditures in these areas, particularly with respect to foreign aid, but in our view their efforts have not been commensurate with what their booming economies can support. This question has been a continuing source of friction within NATO, that was highlighted during the Kennedy administration, and may be again in the future.

V. SOME PARTING THOUGHTS

NATO is beset with problems, so much so that some people predict its dissolution. Yet it has never been free of problems from the moment the rearmament of Germany was decided upon. In the past few years differences over strategy and over the control—in the sense of the right of review—to be exercised by our European allies with respect to nuclear weapons, have perhaps been exacerbated. This is due primarily to the clash fostered by the French belief in the need for their own deterrent system, and the American feeling that we must maintain as close control as possible over the decision to employ nuclear weapons if our strategy of flexible response is to be viable. This strategic argument is complicated by political and economic problems which in themselves are considerable sources of internal NATO division. The plan America is advocating to accommodate allied insistence on sharing control of nuclear strategy, that is the multilateral seaborne force, appears to have a less than 50-50 chance of adoption by NATO. Even if it is eventually accepted, France will probably continue to construct her own nuclear force and go her own independent way. If it is not adopted, NATO will continue to be plagued by the necessity of finding some feasible method of sharing nuclear control. In either case, the waters of NATO will probably be roiled for some time to come.

VI. A CALL FOR A NATO SUMMIT CONFERENCE

I have discussed, briefly some of the history of NATO, and, more particularly some of the problems which beset the alliance at present. These problems are very real, and they must be met. It is most appropriate, therefore, that we seek means through which solutions to them might be found.

If we desire to lead the West from wisdom as well as from strength, now is the time. This means, as I see it, a NATO summit conference, a conference which we should call. That conference should be held as quickly as it can be organized and the necessary staff work done.

We cannot afford to let NATO drift. Nor should we permit the call for such a conference to originate in another quarter—let us say the French quarter. If it does, wounded pride might dictate our rejection, and wounded pride seldom makes for wise decisions. Most of all, we should not wait until particular quarrels and irritations boil up into one grand crisis. If that happens, any conference we call would meet hastily, under extreme pressure, with ill-prepared positions. Its chances for success would hence be very slim.

No, we should not respond after the situation has gotten out of hand, as has all too often been the case in the years since World War II ended. We should seize the initiative. A call for a NATO summit conference would proclaim our concern with the state of the alliance, our realization that our policies, however well conceived in terms of our own interest, do not necessarily satisfy the interests of the alliance as a whole. Or, if we believe they honestly do, a NATO summit conference would give us a platform, which we would have to use most thoroughly and carefully, to explain to our allies why we think this way.

I would like to see the United States resume its leadership of the West, a leadership which can be respected and admired, rather than simply borne with. A NATO summit conference would be the first step in that direction.

Mr. **DOMINICK**. Mr. President, will the Senator yield for a couple of comments and then a question or two?

The **PRESIDING OFFICER** (Mr. McINTYRE in the chair). Does the Senator yield?

Mr. **PROUTY**. I yield.

Mr. **DOMINICK**. First of all, I have been listening with great interest to the Senator's analytical summary of the problems we have in NATO. There is no doubt that those problems exist. There is no doubt that they have increased in the last 2 or 3 years. I had the opportunity, a couple of years ago, of visiting a good many of the NATO bases. It became apparent, in the process of visiting the military bases, that many of the nationals in them, including the Turks and Greeks, who have been historic enemies, were working very well together in a combined effort to try to offset the Communist pressure we were having on all flanks. But it also became clear to me that the political pressures were not solved.

During this process, I got to Spain. It was a great surprise to me to learn that, although Spain is not one of the NATO countries, nevertheless her armed forces were maneuvering in conjunction with the NATO forces. Her military maneuvers were apparently under Spain's own auspices and obviously, under her own command, but she had the definite intention of cooperating with the NATO forces to help us, if called upon. I thought it was very interesting.

I was also interested in the comments of the Senator from Vermont on agricultural problems with the European Economic Community, with particular reference to the chicken problem. I believe the Senator stated that our Government has said we would lose $46 million if the treaty were used, and GATT said we would lose $26 million. I was interested because recently we entered into a voluntary agreement with the Australians and New Zealanders so far as livestock importations into this country are concerned. The State Department has gone ahead and entered into these negotiations for the agreement, under which the Australians and the New Zealanders will be permitted to bring into this country a little over 10 percent of the total amount of livestock produced for consumers in this country. This is an increase of some 85 percent over what we were importing in 1960.

It builds into our economy a leverage for the Australians and New Zealanders and their livestock which at the present moment is costing our own national economy $2 billion. Not $26 million but $2 billion.

Mr. **PROUTY**. I believe the Senator from Colorado should emphasize that point once more. So let me help him by asking the question: Did the Senator say $2 billion?

Mr. **DOMINICK**. Yes; I said $2 billion. This is the direct loss which the economy will suffer in terms of the agreement entered into.

It strikes me that somewhere along the line we must not only try to do something to expand our exports, but also we must be realistic enough to recognize that if all the other countries come into our country and use our country as a primary market for their production, our own domestic production will be at least reduced and may be eliminated—at least curtailed to such an extent that the unemployment level in this country, which we are trying to lower, will be seriously affected. This, I believe, the State Department and those in favor of the idea have not really come to grips with yet.

On trade with Communist countries, which is another subject, I wish to ask a question. Section 2 of the NATO Agreement permits us to call a conference on an overall trade agreement, including the agreed on policies on trade with Communist countries. Is that correct?

Mr. **PROUTY**. I do not have the charter before me, but I believe the Senator is correct.

Mr. **DOMINICK**. I have been trying to urge a policy under which we could have some kind of conference, such as the Senator from Vermont has just called for, on trade with Communist countries. It seems to me that the type of conference among the NATO countries at the high level of which the Senator from Vermont is speaking would be a magnificent forum to make a start. At the moment, we are going in every direction at once.

Mr. **PROUTY**. I am sure that would be a conference that would be germane, and one about which the American people and the American Government should be much concerned. We see what has happened in connection with shipments to Cuba and other Communist countries by our Western Allies. It is a matter which disturbs most of us in this country. A conference would afford an opportunity to stress our point of view and try to persuade our allies that it is in their interest, as well as ours, to reduce those shipments quite considerably.

Mr. **DOMINICK**. I thank the distinguished Senator from Vermont. He has rendered a great service with his analysis. It gives the Senate the historical background on the situation we are facing and the problems that lie ahead.

Mr. PROUTY. Mr. President, I am grateful to the distinguished Senator from Colorado.

Mr. President, I yield the floor.

AMENDMENT OF FEDERAL AIRPORT ACT

Mr. MONRONEY. Mr. President, I ask that the Chair lay before the Senate a message from the House on S. 1153.

The PRESIDING OFFICER (Mr. HART in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1153) to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes, which was to strike out all after the enacting clause and insert:

That section 2 of the Federal Airport Act (49 U.S.C. 1101) is amended:

(1) by striking out the designation "(a)" at the beginning thereof;

(2) by inserting "(except advance planning and engineering for which specific grants have been made)" immediately after "specifications" in paragraph (6);

(3) by striking out "and the Virgin Islands" in paragraph (7) and inserting in lieu thereof "the Virgin Islands, and Guam";

(4) by inserting "of the advance planning and engineering costs or" immediately after "portion" in paragraph (10);

(5) by inserting "the United States Air Force," immediately after "Navy," in paragraph (11); and

(6) by striking out the subsection heading "Airport Classifications" and all of subsection (b).

SEC. 2. Section 3(b) of such Act (49 U.S.C. 1102(b)) is amended:

(1) by striking out the phrase "War and Navy Departments" wherever it appears in the subsection heading and text and inserting in lieu thereof "Department of Defense"; and

(2) by striking out "such Departments" and inserting in lieu thereof "the Department".

SEC. 3. Section 4(a) of such Act (49 U.S.C. 1103(a)) is amended by inserting "and for advance planning and engineering therefor" immediately after "airport development".

SEC. 4. Section 5(d) of such Act (49 U.S.C. 1104(d)) is amended by adding at the end thereof the following new paragraphs:

"(4) For the purpose of carrying out this Act in the several States, in addition to other amounts authorized by this Act, appropriations amounting in the aggregate to $199,500,000 are hereby authorized to be made to the Administrator over a period of three fiscal years, beginning with the fiscal year ending June 30, 1965. Of amounts appropriated under this paragraph, $66,500,000 shall become available for obligation, by the execution of grant agreements pursuant to section 12, beginning July 1 of each of the fiscal years ending June 30, 1965, June 30, 1966, and June 30, 1967, and shall continue to be so available until expended.

"(5) For the purpose of carrying out this Act in Hawaii, Puerto Rico, and the Virgin Islands, in addition to other amounts authorized by this Act, appropriations amounting in the aggregate to $4,500,000 are hereby authorized to be made to the Administrator over a period of three fiscal years, beginning with the fiscal year ending June 30, 1965. Of amounts appropriated under this paragraph, $1,500,000 shall become available for obligation, by the execution of grant agreements pursuant to section 12, beginning July 1 of each of the fiscal years ending June 30, 1965, June 30, 1966, and June 30, 1967, and shall continue to be so available until expended. Of each such amount, 40 per centum shall be available for Hawaii, 40 per centum shall be available for Puerto Rico, and 20 per centum shall be available for the Virgin Islands.

"(6) For the purpose of developing, in the several States, airports the primary purpose of which is to serve general aviation and to relieve congestion at airports having high density of traffic serving other segments of aviation, in addition to other amounts authorized by this Act for such purpose, appropriations amounting in the aggregate to $21,000,000 are hereby authorized to be made to the Administrator over a period of three fiscal years, beginning with the fiscal year ending June 30, 1965. Of amounts appropriated under this paragraph, $7,000,000 shall become available for obligation, by the execution of grant agreements pursuant to section 12, beginning July 1 of each of the fiscal years ending June 30, 1965, June 30, 1966, and June 30, 1967, and shall continue to be so available until expended."

SEC. 5. (a) Section 6(a) of such Act (49 U.S.C. 1105(a)) is amended—

(1) by striking out "or 5(d)(1)" in the first sentence and inserting in lieu thereof ", 5(d)(1), or 5(d)(4)": and

(2) by inserting "for advance planning and engineering or" immediately after "grants" in the second sentence.

(b) Section 6(b)(1) of such Act (49 U.S.C. 1105(b)(1)) is amended—

(1) by striking out "and 5(d)(1)" and inserting in lieu thereof ", 5(d)(1), and 5(d)(4)"; and

(2) by striking out "section 5(d)(3)" and inserting in lieu thereof "sections 5(d)(3) and 5(d)(6)".

(c) Section 6(b)(2) of such Act (49 U.S.C. 1105(b)(2)) is amended—

(1) by inserting "for advance planning and engineering grants or" immediately after "available" in the first sentence;

(2) by inserting "advance planning and engineering or" immediately before "projects" in the second sentence; and

(3) by striking out "and the Virgin Islands" each place it appears and inserting in lieu thereof in each such place "the Virgin Islands, and Guam".

(d) Section 6(c) of such Act (49 U.S.C. 1105(c)) is amended by inserting "advance planning and engineering and" immediately before "projects".

SEC. 6. Section 7 of such Act (49 U.S.C. 1106) is amended—

(1) by inserting in the section heading "ADVANCE PLANNING AND ENGINEERING AND" immediately before "PROJECTS";

(2) by inserting "advance planning and engineering and" immediately before "projects" where it first appears in the text; and

(2) by inserting "advance planning and engineering costs or" immediately after "United States share".

SEC. 7. Immediately after section 7 of such Act, insert the following new section:

"ADVANCE PLANNING AND ENGINEERING GRANTS

"SEC. 8. For the purpose of developing airport layout plans and plans designed to lead to a project application, the Administrator is authorized to make grants to sponsors, based upon approved advance planning and engineering proposals, for not more than 66⅔ per centum of the estimated cost thereof. For the purposes of this section, 'airport layout plan' means a plan for an airport showing boundaries and proposed additions to all areas owned or controlled by the sponsor for airport purposes, the location and nature of existing and proposed airport facilities and structures, and the location on the airport of existing and proposed nonaviation areas and improvements thereon."

SEC. 8. (a) The section heading of section 9 of such Act (49 U.S.C. 1108) is amended by inserting "ADVANCE PLANNING AND ENGINEERING PROPOSALS AND" immediately before "PROJECTS".

(c) Section 9(b) of such Act (49 U.S.C. 1108(a)) is amended by inserting "an advance planning and engineering proposal or" immediately after "Administrator" where it first appears in the first sentence.

(c) Section 9(b) of such Act (49 U.S.C. 1108(b)) is amended—

(1) by striking out "submission of a project" and inserting in lieu thereof "submission of an advance planning and engineering proposal or a project"; and

(2) by inserting "advance planning and engineering proposal or" immediately before "project" the second time it appears.

(d) Section 9(c) of such Act (49 U.S.C. 1108(c)) is amended—

(1) by striking out "submission of a project" and inserting in lieu thereof "submission of an advance planning and engineering proposal or a project"; and

(2) by inserting "Guam," immediately after "the Virgin Islands,".

(e) The first sentence of section 9(d)(1) of such Act (49 U.S.C. 1108(d)(1)) is amended to read as follows: "All such projects and advance planning and engineering proposals shall be subject to the approval of the Administrator, which approval shall be given only if he is satisfied that the project or advance planning and engineering proposal is not inconsistent with plans (existing at the time of approval of the project or advance planning and engineering proposal) of public agencies for the development of the area in which the airport is located and will contribute to the accomplishment of the purposes of this Act, that sufficient funds are available for that portion of the project or planning and engineering costs which are not to be paid by the United States under this Act, that the project or planning and engineering will be completed without undue delay, that the public agency or public agencies which submitted the project application or planning and engineering proposal have legal authority to engage in the airport development as proposed, and that all project sponsorship requirements prescribed by or under the authority of this Act have been or will be met."

SEC. 9. (a) Section 10(a) of such Act (49 U.S.C. 1109(a)) is amended to read as follows:

"General Provision

"SEC. 10. (a) Except as provided in subsections (b), (c), and (d) of this section, the United States share payable on account of any approved project under this Act shall not exceed 50 per centum of the allowable project costs."

(b) Section 10(b) of such Act (49 U.S.C. 1109(a)) is amended by striking out "(1); and the maximum United States share under subsection (a)(2),".

(c) Section 10(c) of such Act (49 U.S.C. 1109(c)) is amended by striking out the parentheses and all words within the parentheses and inserting ", not to exceed 75 per centum,".

SEC. 10. Section 11 of such Act (49 U.S.C. 1110) is amended:

(1) by redesignating paragraphs (4) through (8) as paragraphs (5) through (9), respectively, and by inserting immediately after paragraph (3) the following new paragraph:

"(4) appropriate action, including the adoption of zoning laws, has been or will be taken, to the extent reasonable, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations including landing and take-off of aircraft;";

(2) by striking out "(5)" in the last sentence and inserting in lieu thereof "(6)"; and

(3) by adding at the end thereof the following new sentence: "Except for the purpose of carrying out a provision of law specifically set forth in this Act or in another Act of Congress, no rule, regulation, requirement, restriction, or order heretofore or hereafter issued, established, proclaimed, or published by any officer, employee, department, agency, or establishment in, of, or under the executive branch of the Government shall apply to the construction, maintenance, operation, or administration of any airport or project with respect to which funds have been or may be obligated or expended under this Act."

SEC. 11. Section 12 of such Act (49 U.S.C. 1111) is amended—

(1) by amending the first sentence to read as follows: "Upon approving an advance planning and engineering proposal or a project application, the Administrator, on behalf of the United States, shall transmit to the sponsor or sponsors of the advance planning and engineering proposal or project application an offer to pay the United States share of the planning and engineering costs or allowable project costs.";

(2) by striking out "of the project" where it appears in the third sentence; and

(3) by amending the last sentence to read as follows: "Unless and until such a grant agreement has been executed, the United States shall not pay, nor be obligated to pay, any portion of the costs which have been or may be incurred."

SEC. 12. Section 14 of such Act (49 U.S.C. 1113) is amended—

(1) by inserting "advance planning and engineering costs or" immediately before "allowable" in the second sentence;

(2) by striking out "of the project" each place it appears in the second and third sentences;

(3) by inserting "advance planning and engineering or" immediately before "airport development" each place it appears in the second and fourth sentences;

(4) by inserting "of advance planning and engineering costs or" immediately after "United States share" in the third sentence; and

(5) by inserting "planning and engineering or" immediately after "such" where it first appears in the fourth sentence.

SEC. 13. The Federal Airport Act is amended further by inserting at the end thereof a new section as follows:

"ACCESS TO RECORDS

"SEC. 21. (a) Each recipient of grants under this Act shall keep such records as the Administrator shall prescribe, including records which fully disclose the amount and the disposition by such recipient of the proceeds of such grants, the total cost of the plan or program in connection with which such grants are given or used, and the amount and nature of that portion of the cost of the plan or program supplied by other sources and such other records as will facilitate an effective audit.

"(b) The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers and records of the recipient that are pertinent to the grants received under this Act."

Mr. MONRONEY. Mr. President, I move that the Senate disagree to the amendment of the House and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MONRONEY, Mr. BARTLETT, Mr. LAUSCHE, Mr. HART, Mr. COTTON, Mr. MORTON, and Mr. SCOTT conferees on the part of the Senate.

THE IOU'S, NO. 8: WATER OVER THE DAM IN VIRGINIA

Mr. METCALF. Mr. President, this week a Virginia State senator, Edward O. McCue of Charlottesville, asked for an investigation of high electric and telephone rates in his State, despite record earnings by the utilities.

Senator McCue's interest is warranted.

The value of Virginia Electric & Power Co. common stock has increased in capital value more than five times during the past 11 years. Dividends have been handsome. The value of each stockholder's 1953 investment has increased more than 50 percent annually since that date. However, there have been no major adjustments in rates charged residential customers for about 10 years. And that last major adjustment, affirmed in a Virginia court in 1955, was a rate increase.

A review of the hearing which preceded that increase, and an examination of statements made subsequently by officials of Vepco and the State corporation commission—the utility regulatory body in Virginia—illustrate how the electric consumer is subsidizing the stockholder and how the regulation of IOU's has broken down.

Customers of Vepco—and they include Members of this body—are billed every other month. Vepco was in the process of changing from monthly to bimonthly billing during the 1953 rate hearing. Maximilian George Baron, an attorney for Arlington County, which was fighting the proposed rate increase, asked the company treasurer, Samuel Edward Ratcliffe—now vice president—how much the company would save by bimonthly billing. Mr. Ratcliffe replied that some 150,000 customers—about one-fourth of the total served—were already on bimonthly billing. The company planned to put about 25,000 more customers on bimonthly billing, he said, "so the only additional savings that might be gained would be with respect to this 25,000 additional customers."

"What is the amount that would be saved on that?" asked Arlington County's counsel.

"That would run approximately $60,000 a year," responded Vepco's treasurer.

The State corporation commission accepted the company's stated position. Commissioner H. Lester Hooker said, in his opinion:

> This protestant [Arlington County] also asserted that expenses should be reduced because of savings to be anticipated from bimonthly billings. * * * The savings from bimonthly billing are, as the treasurer of the company testified, of a very modest amount and almost all of the savings that are practical have been already realized.

Therefore, the predicted income reflected no savings in expenses by reason of additional bimonthly billing of Vepco customers.

Mr. President, now let us see what the company and the commission have said more recently about bimonthly billing.

Mr. E. H. Will, at that time chairman of the board of Vepco, journeyed to New York in March 1960, where he was interviewed by the Wall Street Journal. I shall read one paragraph from the Journal's March 7, 1960, article:

> The (Virginia Electric & Power) company's ratio of operating expenses to operating revenues was 41.72 percent last year, according to Mr. Will, reflecting a gradual decrease from 49.07 5 years ago. He said the company estimated a "further slight improvement" in this ratio in 1960. Contributing toward the lower ratio, Mr. Will states, was the company's method of billing its customers every other month, saving $2 million last year over the cost of monthly billing.

Mr. President, it would appear that savings from bimonthly billing are not as modest as the company and commission visualized they would be.

However, to my knowledge, neither has suggested that electric rates be reduced to reflect this saving.

Under the water-over-the-dam principle of utility regulation, the party which benefits from a miscalculation of predicted income is not required to share the benefits with the other party.

This month a Vepco customer in northern Virginia asked the State corporation commission how much the company had saved in recent years by bimonthly billing, and the extent to which these savings were reflected in the rate structure. The reply from the State corporation commission said:

> We do not have any specific information concerning the amount of money saved by the Virginia Electric & Power Co. by the use of bimonthly billing.

As I said at the outset, the interest of a Virginia State senator in this subject is warranted.

Mr. President, I ask unanimous consent to insert in the RECORD a United Press article appearing in the February 18 issue of the Northern Virginia Sun, under the heading "Bill Asks Utility Rate Probe"; a series of three articles by Rice Odell which appeared last year in the Washington Daily News; a letter to the State corporation commission from the Arlington County board, dated August 21, 1963, and an analysis of earnings and rates of Vepco and the Chesapeake & Potomac Telephone Co. of Virginia, which was prepared by Martin Bennett Associates, consultant to the Norfolk City Council.

I call particular attention to the unanimous conclusion of the Arlington County board based upon a study by the county public utilities commission:

> The rate of return for Vepco, instead of fluctuating about the 6-percent level which the State corporation commission said was appropriate in 1953, actually reached the 7-percent level in 1962 and, based on current information, the rate continues to climb. The stockholders have benefited greatly as their dividends per share have increased 123 percent since 1954. At the same time, the residential user of electricity who is unable to take advantage of the new promotional rates, is eligible for a maximum annual rate saving of but 60 cents.

There being no objection, the articles and analysis were ordered to be printed in the RECORD, as follows:

[From the Northern Virginia Sun, Feb. 18, 1964]

BILL ASKS UTILITY RATE PROBE—TELEPHONE, ELECTRIC PRICES HIT

RICHMOND.—Senator Edward O. McCue of Charlottesville wants to find out why telephone and electric rates in Virginia are "quite high" despite record earnings of the State's utility companies.

McCue introduced a resolution Monday that would require the State corporation commission to provide the answers by February 24 to a long string of questions "for the protection of homeowners and domestic users."

The resolution was one of 51 last minute measures introduced in the upper chamber of the Virginia General Assembly. Further legislation during the current session may be introduced only by unanimous consent of the members or on request of the Governor.

McCue remarked on the senate floor last week that he had received a "flood of letters" from homemakers in the Richmond area in response to the suggestion of Joseph Weeks, a television commentator on WRVA-TV's "News Probe," an editorial program.

Weeks told his viewers last week to squawk to Senator McCue if they thought their utility rates were too high. Consequently, McCue said he received more than 50 letters from the Richmond area complaining about utility rates.

Weeks contended McCue favored taxing the utility companies to the point where they were forced to raise their rates.

However, in his resolution McCue said:

"It has been brought to the attention of the general public that the stock of the major power companies and telephone companies has increased in value to such an extent that * * * stock splits have taken place." He singled out American Telephone & Telegraph Co. as recently splitting its stock shares 3 for 1, and proposing to have a further 2 for 1 stock split.

"These companies are making money hand over foot," he said on the senate floor. "Being a businessman, I'm not against making money. I only wish I'd have gotten in on the split with some of that A.T. & T. stock."

The resolution asked the State corporation commission to report on the following:

The rates of return allowed major telephone and electric companies in 1948 and the rate allowed today.

The average sales price of telephone and electric stock in 1948 and the price today, disregarding splits

Rates for electricity in Virginia as compared with those charged in the neighboring States.

The average lowest price charged the homeowner for the minimum electric bill compared with the price charged major industrial users of electricity.

The last day's flood of bills and resolutions, which brought the total to 442 in the senate for the entire session, included a Republican bill that would abolish closed-door sessions from the general assembly down to the local school board.

Senator James Turk of Radford sponsored the measure to require all public meetings to be open to the public—excluding executive sessions.

These sessions could be called only on matters pertaining to "national defense, the negotiations for the sale of public property, in which the reputation of any person is at issue."

Turk also sponsored a bill to require that Commonwealth's attorneys represent the State highway department in all matters involving land acquisition and rights-of-way. As it stands now, the department appoints its attorneys, subject to approval by the attorney general.

It was revealed last week that at least 15 members of the general assembly were working for the highway department on rights-of-way.

[From the Washington Daily News]

ARE ELECTRIC BILLS TOO HIGH?

(By Rice Odell)

(One of a series)

If you think your electric bills are too high, you may be right.

A number of experts think bills in the Washington area are running an average of $1 or more per month above what should be allowed.

This does not mean that the electric companies are gouging their customers. They are charging rates set by law. However, there is growing concern that the legal rates may be too high.

Various commissions serve as watchdogs for the consumer. They are supposed to see that the rates charged are "just and reasonable," and they have the power to back up their findings.

But if the consumer thinks this is a guarantee against being overcharged, he might change his mind if he knew how the system works.

In the last few weeks, three utility commissions have taken a sudden interest in the rates being charged by the two big electric companies serving the Washington area—Potomac Electric Power Co. and Virginia Electric Power Co.

The Maryland and District public utilities commissions have both launched investigations of Pepco rates and the Arlington Public Utilities Commission seeks a probe of Vepco rates.

The District PUC, which last set rates for Pepco in 1959, now suspects that its more than 376,000 customers are being overcharged at the rate of roughly $7 million a year.

This would come out to more than $18 a year per average customer.

(This figure does not indicate how the burden is divided between residential and commercial users.)

On the other side of the river, the staff of the Arlington Public Utilities Commission has concluded that Vepco's 810,000 customers are paying almost $15 million a year more than they should. This also represents about $18 a year per average customer.

At the moment, Pepco officials are declining to make any comment on the situation. Vepco has denied any overcharge at any time.

Here's how things work:

The regulatory commission at any time it deems appropriate, holds a hearing and is then supposed to fix rates designed to be "just and reasonable." This may involve either raising or lowering the previous rates. There are several factors usually considered in deciding what is reasonable:

The company should not be allowed to reap profits which far exceed those of normal business.

On the other hand, the company should be allowed to earn enough so it can provide sound management and credit and attract, at low cost, the investment capital it needs to operate properly.

WHAT'S FAIR?

What rate of return on investment is considered fair?

The Supreme Court has said this varies with the company and the circumstances. Leaving off the extremes, the opinions of State commissions usually vary from around 5.25 to 7.25 percent.

(The conservative or liberal character of a commission is usually reflected in the percentage considered reasonable.)

In general, a 6-percent rate of return on investment has long been regarded as the norm. In fact, since 1954 the District PUC has tried to set Pepco rates which would return 5.85 percent. In Virginia in 1953, the authorities said that a proper return would be 5.87 percent.

In spite of this, studies indicate that the present profits of Pepco are more than 6.5 percent, and those of Vepco about 7 percent.

That sounds slight, but consider what it would mean in the case of Vepco to have a return of 6.87 percent, for example, rather than 5.87 percent:

The company's rate base (or capital investment) at the end of 1962 was nearly $717 million. The 1 percent difference on that amounts to almost $7.2 million.

For the company to realize that amount of profit, after Federal taxes of 52 percent are taken out, it would have to take in gross revenues of almost $15 million—and that $15 million represents overcharge to the customers beyond what is necessary to yield the approved 5.87 percent profit.

VEPCO'S EFFICIENCY BRINGS IT UNDER FIRE

(By Rice Odell)

(Second of a series)

There is evidence, too strong to be ignored, that the rates being charged by Virginia Electric & Power Co. are too high to be considered "reasonable," as that word is used in utility rate semantics.

There has been no major change in the rates since March 1, 1954—but the story of company earnings is far different. These are some illustrations:

In 1953 the average market price of Vepco common stock was a little over $25. It has recently been around $44. In addition, since 1953 there have been 2-for-1 and 3-for-2 stock splits, so that every share in 1953 has turned into 3 shares today.

Thus a single $25 share in 1953 has increased in capital value today to over $130. In addition, dividends (adjusted for the splits) have totaled $21.82.

Added to the stock value increase of $105 this gives a total gain to the stockholder of $126.82—or an annual average gain of $12.68, which is just over 50 percent each year on the 1953 market price.

CONSULTANT

This analysis comes from Laurence S. Knappen, a public utility consultant.

"You have to allow them to keep their credit good and attract capital, but that's the kind of return you expect to get in a speculative venture," he said.

Mr. Knappen, who has worked in the field for 20 years, defends his figures on grounds that the formula used is the very same which company witnesses across the country have often adopted in their efforts to get rates increased—by claiming inadequate market value of stock.

Throughout the United States electric companies have shown a pattern of increased profits due to heavier sales, greater efficiency, and new technology. Revenues rise while company costs go down.

Vepco speaks proudly of this in its 1962 annual report: "That important measure of the efficiency of our operations, ratio of expenses to revenues, continued to improve * * * and has been almost constantly downward in the past 10 years." A graph illustrates the improvement sharply.

(It is a measure of the difficulty which regulatory commissions face that it is next to impossible to change rates fast enough to keep pace with this growing efficiency.)

Vepco has answered charges of overly high rates by saying, among other things, that electricity is a great "bargain" and that its cost per unit used has gone down while the cost of living has gone way up. This argument has an attractive sound, but it misses the point. It says nothing about earnings.

From 1953 to 1962, Vepco has reported steadily increasing net operating revenues

($17.7 to $49.4 million), net income ($12.9 to $33.4 million) and earnings per share of common stock (89 cents to $2.35).

The Arlington Public Utilities Commission, using the same formula accepted by the Virginia Supreme Court in 1953, has concluded that the rate of return has risen from the approved 5.87 percent of 10 years ago to a current 6.99 percent.

Such a seemingly small difference would actually involve additional charges to the public of some $15 million a year.

The final word on rates in Virginia comes from the three-man State Corporation Commission (SCC) in Richmond. Arlington and Norfolk are among the few local governments which have been able and willing, on their own, to challenge the status quo on behalf of their residents.

In 1960, the city of Norfolk wondered about Vepco's rates and retained Martin Bennett Associates of Washington, utility consultants, to report on the situation.

The result was a finding that the 1960 rate of return ranged somewhere between 6.36 percent and 6.93 percent, depending on the method of calculation used.

"Earnings are high in our estimation," the firm said.

The staff of the SCC itself has reported to the Commission that the 1962 rate of return was 6.36 or 7.01 percent, depending on how Federal income tax payments are taken into account.

The National Rural Electric Cooperative Association earlier this year issued a report on "overcharges" of 38 major electric utilities in the country. Assuming 6 percent to be a fair rate of return, it estimated that from 1956 to 1960, Vepco's customers paid $83.6 million too much.

Vepco responded that the claim was "absurd on its face."

For normal residential use, at least, Vepco rates are noticeably higher than those of Pepco across the river, but that does not take into account various factors, including commercial and industrial schedules.

There is no doubt that all the figures can be looked at many ways in determining rates of profit. And there is also no doubt that they are.

For example, much depends on whether the "rate base" (or roughly capital investment) is taken from the end of the year or as an average during the year.

AVERAGES

Most State commissions use the average, which substantially lowers the base and thereby increases the rate of return. (In the last year alone, for example, Vepco's rate base or capitalization increased $56 million during the year.)

Vepco, however, has been allowed to use the yearend base since 1953, and feels this is the proper method. Were the year's average investment used, the base would be lowered by half of the $56 million added during the year—much to the consumers advantage—in figuring rates of return on that investment.

But to the consumer's pocketbook there is an even more important battle of accounting going on throughout the country. It involves different ways of treating taxes which, for the average Vepco customer, makes a difference of $13 or more in his bills each year.

The most important type of tax adjustment was discussed in outspoken fashion recently by Howard Morgan, outgoing member of the Federal Power Commission. On February 28, while testifying before a special House Interstate and Foreign Commerce subcommittee, he said:

"The electric and gas utilities of the United States are currently syphoning off hundreds of millions of dollars a year of consumers' money by means of paying taxes to the Treasury on a basis of accelerated depreciation, while reporting their tax expenses to the Commission for rate-making purposes on the basis of the full taxes they would have paid without accelerated depreciation.

"This means that the consumers are being charged huge amounts representing phantom taxes which are not paid and in the opinion of most, if not all, disinterested students of taxation, will never be paid."

The FPC which is changing its political makeup, now has under review the question of how deferred taxes, as well as investment tax credit, should be treated for rate-making purposes. The utility world, with hundreds of millions of dollars riding on the outcome, has its fingers crossed.

S. E. Ratcliffe, treasurer of Vepco, says that taxes should be reportable as if paid in full without benefit of accelerated depreciation.

He said if this method is used—and last December's $3.2 million decrease in commercial and industrial rates is taken into account, among other things—the rate of return for Vepco is now about 6.1 percent rather than the 7 percent claimed.

BEHIND VEPCO PROBE: NEW PUC MEMBER

(By Rice Odell)

(Third of a series)

Arlington County officials are troublemakers for the Virginia Electric & Power Co.

Ten years ago, when Vepco asked for a rate increase, Arlington protested vigorously, carrying the case all the way to the Virginia Supreme Court.

Arlington lost.

NEW CONCLUSION

Now the Arlington Public Utilities Commission has concluded that Vepco's current rate of return is about 7 percent rather than the acceptable 6 percent.

It has asked the Arlington County Board to request the State corporation commission make a "serious inquiry" into Vepco rates. The county board—voting 4 to 0—agreed to make the request.

It is no accident that the Arlington PUC suddenly became concerned over Vepco. In January Laurence S. Knappen, a public utility consultant just turned 65 and ready for retirement, was named vice chairman of the commission. A dogged fighter, he is not a favorite of the utility companies.

"For 20 years I've been working the consumer's side," Mr. Knappen said. "The biggest trouble is getting the public to act in time. Until somebody complains, nothing happens.

"The residential users are always the last ones to get any downward revisions of rates," he said. "They're not organized. There are all sorts of things large companies can do to drive bargains."

For example, industries can threaten to get diesel engines and generate their own power.

Mr. Knappen said that was once involved in one case he became convinced that the power company was selling electricity at a loss to a large client.

PET PHRASE

There is a pet phrase which keeps creeping up in the utility field—"regulatory climate." This is a polite way of referring to outlook of a regulatory commission. The climate is either favorable to the companies or to the consumers.

For example, in 1960 the city of Norfolk had some doubts about the rates Vepco was charging in the State and asked a Washington firm to make a study. The firm concluded that although it felt the rates were too high, but said, "We believe that the regulatory climate of the Commonwealth of Virginia would thwart any attempt to obtain a rate reduction at this time."

A number of observers are still pessimistic about the "climate." Although the three-member State Corporation Commission's findings were protested in 1953, and there has been every indication of steadily increasing earnings by Vepco, the commission has held no hearing on general rate changes for almost a decade.

What will happen to the Arlington request is quite uncertain. The News asked the newest member of the SCC, Judge Jesse W. Dillon, whether he thought that a 6.36 percent rate of return (reported for Vepco in 1962 by the SCC's own staff) was excessive.

"I don't think so," he said.

Asked about the 7.01 percent rate which the staff reported through use of a more common method of allowing for income taxes (based on accelerated depreciation), Judge Dillon said, "That may be getting close to the borderline."

He added that the Federal Power Commission has not yet ruled on how accelerated depreciation should be treated for rate-making purposes. "We'll probably not go against the FPC," he said.

If the FPC says that the accelerated depreciation is to be used, the books of the utilities will show a far higher rate of return and provide a better chance of getting rates lowered.

The regulatory climate manifests itself in many ways, Mr. Knappen said. Whichever party is pressing for a rate change may be warned by someone on or close to the Commission, "This is not the time to take aggressive action."

Often, he said, a diligent Commission staff may work hard to present evidence for a needed rate change, only to have an unsympathetic Commission itself quash the case.

HIGH PROFIT

Mr. Knappen said he knew one staff member who took a report to a commissioner which showed that a firm was earning at a rate of more than 15 percent.

"Isn't that interesting" the Commissioner said, taking the report from him and putting it back on the shelf.

The Federal Power Commission only has jurisdiction over wholesale interstate rates, so when it orders a refund from one supplier to another, there is no provision for passing any of it on to the consumer.

Mr. Knappen said he has run across a number of instances in which official transcripts of hearings were changed or doctored to suit someone's taste.

Once in a Kentucky case, he said, the treasurer of a company referred in testimony to his firm as having "sold the Treasury a bill of goods." The comment didn't appear in the official record.

In an Indiana case, someone remarked that something was missing from the transcript and the attorney for a company said to a group of people, "Well, I cooperated with the stenographer to clean up the record."

Sometimes, Mr. Knappen said, things are removed without anyone asking. It even happened to him. He said he once made a statement at a hearing embarrassing to himself. He had calculated some figures on the stand, adding that he would be glad to stand corrected. He was corrected a few minutes later.

But when the transcript appeared, Mr. Knappen's first calculations had been removed. He said stenographers possibly take it upon themselves to eliminate things they consider unnecessary, or perhaps something embarrassing, out of sympathy for the witness.

BRIBERY

Other obstacles to reaching a just conclusion in a regulatory case have included bribery and even keeping an official on the payroll of a utility company. That is to say nothing of the weight that mere friendship can carry.

There are, of course, thousands of ways in which books and figures can be shifted, to hide or pad items.

As if all these potential obstacles aren't enough, some commissions simply have too small a staff to watch over the utilities under their jurisdiction.

And, with utility costs constantly going down and earnings up, any commission is hard put to keep up with the current situation.

The timelag involved in laborious administrative procedure (and sometimes judicial as well) makes it nearly impossible. If a rate reduction is threatened, a company can usually think of many ways to delay the day when it is ordered, just as those on the consumers' side can try to postpone an increase.

OFFICE OF THE COUNTY BOARD,
Arlington, Va., August 21, 1963.

STATE CORPORATION COMMISSION,
Richmond, Va.

GENTLEMEN: At its August 10, 1963 meeting the Arlington County Board unanimously voted to accept the recommendation of its Public Utilities Commission and authorized the forwarding to the State Corporation Commission of a request that the commission, on its own motion, issue a show cause order to the Virginia Electric & Power Co. asking that company to appear and give justification for the rate of return now being earned and to show cause as to why its rates for electric service in Virginia should not be further reduced. In support of its request the board offers the following:

On March 1, 1954, the Virginia Electric & Power Co. instituted new electric rate schedules, pursuant to a decision of the State Corporation Commission in case No. 11788, which was handed down on December 30, 1953. In its decision, the commission stated (at p. 66 of 1954 SCC annual report), "In the light of all the testimony of record, it is our opinion that a proper rate of return is in the vicinity of 6 percent." (The commission actually allowed 5.87 percent.) While minor downward adjustments have been made in the Vepco rates, an examination of the earnings and rate of return, developed for each of the succeeding years on the same basis as that employed by the majority in rendering the decision, reveals a steady climb upward from 6 percent. The following table reflects increased rates of return on net investment in plant and allowances (rate base) enjoyed by the company since the change of the rates in 1953. The data are system results which include minor and relatively insignificant amounts of plant, revenues and expenses attributable to the gas portion of the business and to those portions of the electric business in North Carolina and West Virginia.

	Percent
1954	5.68
1955	5.82
1956	5.95
1957	6.18
1958	6.21
1959	6.28
1960	6.28
1961	6.48
1962	7.03

The earnings and profits for Vepco have increased substantially by virtually every standard of analysis which may be applied as is illustrated in the table below:

	Return on common stock equity [1]	Return on total capital	Equity per share of common split basis
	Percent	*Percent*	
1954	10.44	5.92	$7.02
1955	11.35	5.95	7.46
1956	11.57	6.13	8.03
1957	10.99	6.18	9.23
1958	10.97	6.25	9.86
1959	9.97	6.17	11.11
1960	10.37	6.21	11.70
1961	11.19	6.66	12.28
1962	12.09	7.28	12.97

[1] Ratio of earnings per share to equity per share.

During the years since the 1953 rate case, the stock has been split 2 for 1 in 1957 and 3 for 2 in 1963, with the price of the stock having increased very substantially as the dividend rate was increased at least once in each of the years. The trends of earnings, dividends and stock prices are shown below (all figures are adjusted for stock splits in 1957 and 1963):

	Earnings per share	Dividends per share	Price of common stock [1]
1954	$0.73	$0.4667	$10.10
1955	.85	.5166	12.96
1956	.93	.5833	14.23
1957	1.01	.6501	15.99
1958	1.08	.6834	22.33
1959	1.11	.7332	24.33
1960	1.21	.8000	29.71
1961	1.37	.8668	39.33
1962	1.57	.9332	37.69
1963 (12 months ended June)	1.58	.9332	
1963 (indicated for year)		.9866	
1963 (to Aug. 1)			44.37
1963 (current annual rate)		1.0400	

[1] Prices are averages of high and low for each period.

A comparison of the results of operations of the electric portion of the business for the period ended December 31, 1962, with those for the 12 months ended June 30, 1953, which were used in the 1953 rate case, presents, the Arlington County Board believes, a prima facie case for a prompt review of the rate structure of the Virginia Electric & Power Co. Using, as nearly as is practicable, the same basis for developing net operating income, rate base, and rate of return as was employed by the majority in the 1953 decision, it appears that the rate of return for this company has increased from the 5.87 percent allowed to about 7 percent in 1962. The comparative results are shown below.

[Dollar amounts in thousands]

	1953 rate case [1]	1962
RATE BASE, END OF PERIOD		
Electric plant	$329,828	$815,054
Electric portion of common utility plant	3,706	6,883
Plant acquisition adjustments	17,254	
Miscellaneous plant		1,441
Total plant investment	350,788	823,378
Reserves:		
Depreciation:		
Electric plant	$39,535	$124,297
Electric portion, common plant	251	891
Amortization of plant acquisition adjustments	11,078	
Total reserves	50,864	125,188
Plant investment less reserves	299,923	698,190
Working capital:		
Materials and supplies	9,291	11,546
Cash (40 days)	4,460	7,210
Total working capital	13,751	18,756
Rate base, end of period	313,954	716,946
NET OPERATING INCOME		
Operating revenues	76,559	170,937
Operating revenue deductions:		
Operating expenses	40,134	65,716
Depreciation	5,735	19,871
Amortization of acquisition adjustments	1,113	
Taxes:		
Federal income:		
Currently payable	7,584	[2] 22,931
Deferred	934	[3] 1,687
Other	5,457	13,876
Net operating income	15,602	46,856
Add interest during construction	728	3,310
Balance	16,330	50,166
Deduct charitable donations	85	[4] 150
Total	16,245	50,016
Adjustment for increased rates	2,201	
Earnings during period	18,446	50,016
Rate of return (earnings per rate base)	5.87	6.99

[1] From decision, pp. 61-66 of SCC 1954 Annual Report.

[2] Includes downward adjustments for declining balance, $2,130,000; guideline lives, $761,000; and investment tax credit, $1,885,000, as reported in company reports.

[3] Includes downward adjustment of $1,045,000 for portion of current income tax provided in prior years, as reported in company reports.

[4] Estimated.

The rate of return for Vepco, instead of fluctuating about the 6-percent level which the State corporation commission said was appropriate in 1953, actually reached the 7-percent level in 1962, and based on current information the rate continues to climb. The stockholders have benefited greatly as their dividends per share have increased 123 percent since 1954. At the same time, the residential user of electricity who is unable to take advantage of the new promotional rates, is eligible for a maximum annual rate saving of but 60 cents. In view of these facts, and those contained in the body of this letter, the Arlington County Board believes that the Virginia Electric & Power Co. should be required to come before the commission and justify the rate of earnings being earned and to show cause as to why its earnings level should not be adjusted downward to the level authorized by the commission in the 1953 rate case.

The Arlington County Board respectfully requests that the commission, on its own motion, issue such a show cause order, and further requests that the commission keep the board fully informed as to any and all proceedings which may develop from this request.

Very truly yours,
THOMAS W. RICHARDS,
Chairman, Arlington County Board.

ANALYSIS OF EARNINGS AND RATES OF TWO VIRGINIA UTILITIES

I. VIRGINIA ELECTRIC AND POWER COMPANY

Virginia Electric and Power Co.'s present rates became effective March 1, 1954, pursuant to the corporation commission's order of December 30, 1953 (case No. 11788; 9 PUR3d 225). The Board of Supervisors of Arlington County appealed the commission's decision but it was affirmed by the Virginia Supreme Court of Appeals on April 25, 1955 (87 SE2d 139; 8 PUR3d 120). Since becoming effective, the rate schedules have undergone certain minor revisions such as changes in the minimum bill.

In its order of December 30, 1953, the commission found that a rate of return of about 6 percent was proper on a rate base reflecting year-end original cost less book reserve plant balances. The revenues allowed actually produced a return of 5.87 percent on the test year rate base, which included allowances for cash working capital,[1] materials and supplies, construction work in progress, and plant acquisition adjustments. The net utility income reflected the deduction of charitable contributions, the amortization of plant acquisition adjustments, and interest charged to construction. On this basis we calculate the company's 1960 return earned at 6.36 percent.

At the time of the 1953 proceeding, the company held certificates of necessity enabling it to accelerate the amortization of certain facilities for Federal income tax purposes. Subsequent to January 1, 1954, the company had the option of utilizing one of the forms of liberalized depreciation on all additions to plant but it was not until 1960 that it used this option to reduce taxes by $420,000.

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[1] The allowance was equal to 40 days' operating expenses and was not offset by tax accruals.

In contrast to the commission's treatment of rate base and income items in the 1953 case, we have calculated VEPCO's rates of return earned for each of the calendar years 1956 through 1960 by utilizing ratemaking principles which we have advocated in other jurisdictions. We used an average rate base for each year since the plant represented by the average investment in any year is most properly related to the income produced in the same year. The average rate base included materials and supplies, plant acquisition adjustments, and an offset for accumulated deferred taxes resulting from the rapid amortization of emergency facilities.[2] Relating reported net utility income, normalized for income taxes deferred by rapid amortization, to the rate base, we calculate the following:

	Percent
1956	6.85
1957	7.18
1958	7.14
1959	7.09
1960	6.93

If we had allowed for working capital in arriving at the average rate base, the rates of return might be slightly lower. For instance, the 1960 return would be 6.84 percent if an allowance equal to 40 days' operating expense were made. In a rate case, we would propose offsetting any cash working capital allowance with funds available to the company because of income tax accruals and/or lack of synchronization in collecting revenues and paying expenses. Although the rates of return would be affected by including in the rate base any items in construction work in progress which are actually in service, an estimate of items in service at specific dates would require analysis of the company records. Thus, the above rates of return may not be precisely those arrived at after a full-scale analysis for a rate proceeding, but they are a reasonable approximation.

Recent press reports indicate that the company's 1961 earnings have improved, rising from $1.86 per share for calendar 1960 to $1.95 per share for the 9 months ended September 30, 1961, on an annual basis. For the same period in 1960, earnings were $1.82 on an annual basis.

Over the 5-year period 1956-60, the company's net investment in total plant increased from $407 to $590 million. Over the same period the net investment in electric plant rose from $385 to $558 million. Installed electric generating capacity increased from 845 megawatts at December 31, 1955, to 1,507 megawatts at the end of 1959. The addition of modern generating equipment reduced the investment in that plant from $147 to $132 per kilowatt of installed capacity. Production expenses exclusive of fuel declined from 0.736 mill per kilowatt-hour of net generation in 1955 to 0.564 mill in 1959. The company's operating ratio[3] declined slightly from 54.1 percent in 1956 to 52.7 percent in 1960. Thus, it appears that the company has been in a period of declining costs.

To compare Norfolk's residential electric bills with those in other cities, we selected from the Federal Power Commission's typical electric bills, 1961, 11 cities in the South Atlantic Division and 1 Kentucky city.[4] The South Atlantic Division is comprised of 8 States, 7 bordering the Atlantic coast from Delaware to Florida, West Virginia, and the District of Columbia. We tabulated and averaged typical bills in cities with populations ranging from 50,000 to 1 million because of our desire to include the rates of all large companies in these States. Comparing typical bills in Norfolk with the mean average for the 12 cities shows that customers of Vepco pay higher bills at the minimum and at the 25 kilowatt-hour, 100 kilowatt-hour, and 250 kilowatt-hour consumption levels.

At the 40 kilowatt-hour and 500 kilowatt-hour consumption levels, residential bills in Norfolk are slightly lower than the average bills in the 12 comparable cities. In neighboring North Carolina, residential bills are lower at virtually all levels of consumption.

The comparison of industrial bills is complicated by the number of rate schedules available to customers. Assuming that all customers would avail themselves of the favorable tariff for their demand and consumption, we considered the lowest bill for each level of demand and consumption. We attempted to select cities or areas in the South Atlantic region with industrial facilities similar to those in Norfolk. Admittedly, this is a matter of judgment. Comparing the mean average of the bills in 10 other cities with those in Norfolk, we found that typical bills were lower for Norfolk industrial customers at 6 of the 10 consumption levels for which bills were reported. Contrasting the Appalachian Power Co.'s bills with Vepco's reveals that the Norfolk rates were higher in only three of the categories reported. Bills in North Carolina cities were consistently below those in Norfolk.

Although Vepco's earnings are high in our estimation, we believe that the regulatory climate of the Commonwealth of Virginia would thwart any attempt to obtain a rate reduction at this time.

II. CHESAPEAKE & POTOMAC TELEPHONE CO. OF VIRGINIA

The present rates of the Chesapeake and Potomac Telephone Co. of Virginia were put into effect January 1, 1958, pursuant to the commission's December 31, 1957, order (case No. 13591; 21 PUR3d 239). The city of Lynchburg, et al., took an appeal from the order but the Virginia Supreme Court of Appeals affirmed it on March 16, 1959 (107 SE2d 462; 28 PUR3d 368).

In that case, the commission allowed a 6.38 percent rate of return on an original cost, less book reserve, year-end rate base. In addition to including in the rate base construction work in progress, plant acquisition adjustments, materials and supplies, and an allowance for cash working capital equal to 20 days' operating expenses, the commission rejected annualization of revenues and included an attrition allowance of $466,000 as an adjustment to test year utility income. Making these same adjustments to 1960 operating data, we calculate the company's earnings to be 6.56 percent. This is confirmed by section F of the company's answer to the city's inquiry as reported in the Richmond Times-Dispatch of April 6, 1961. According to that report, the corporation commission's routine investigation revealed that the company was earning a return of approximately 6.5 percent on an annual basis during the last 6 months of 1960.

As we did for Vepco, we have based our calculations on an average rate base including materials and supplies.[5] Relating the company's reported utility income, adjusted for its share of the parent company's income tax saving, to the rate base we have calculated the following rates of return:

	Percent
1956	6.83
1957	6.29
1958	[1]7.65
1959	7.65
1960	7.67

[1] Increased rates effective January 1.

The same infirmities discussed in connection with the analysis of Vepco's rates of return earned apply in this case although the weaknesses are probably even less significant.

The adjustment made to net income referred to above is commonly known as the "NARUC adjustment" and has been used in rate proceedings by many State commissions. Essentially, the NARUC adjustment imputes a debt ratio to the operating companies in the Bell System equivalent to the debt ratio of the consolidated sytem. The adjustment is especially important in considering the earnings of a company such as C. & P. which has no outstanding publicly held debt and therefore does not have the tax advantage of large interest deductions. Rather, these advantages accrue to and are retained by the parent company in its capacity as financing vehicle for the system.

In addition to indicating, from our point of view, that the company's earnings are excessive, this analysis also demonstrates that earnings have been relatively stable since the commission's 1957 order. However, some of the stability results from including the NARUC adjustment from parent company taxes. Without this adjustment, earnings for 1958, 1959, and 1960 would be 7.11, 7.30, and 7.19 percent of the average rate base, respectively. The effect of the 1957 rate case is also apparent in the company's operating ratio, which for the 5 most recent years has been as follows:

	Percent
1956	66.42
1957	68.02
1958	[1]61.96
1959	60.91
1960	60.66

[1] New rates.

Any comparison of telephone rates must take into consideration not only the size of the cities but also the companies' relative costs of service and the number of telephones in each calling area. Although the company indicates that rate comparisons are of little value because of the variation in these factors among cities, it presented in section E of its answer to the city a tabulation of telephone rates in various cities scattered over the entire country. Apparently the companies were selected so that 10 would have business line rates higher than Norfolk's and 10 would have rates below those in Norfolk.

The costs of service in the company's selected cities would undoubtedly vary widely because of the variations in economic and geographic conditions over the country. The number of telephones in the service areas also varies widely with Norfolk falling some 50,000 below the median of 241,000. The nearby cities of Charlotte, Greensboro, Winston-Salem and Raleigh—all with more than 60,000 phones in their calling areas—are conspicuous by their absence from the tabulation, although Mr. Cash reveals on page 8 of his August 25 letter that the rates in all four cities are considerably less than C. & P.'s. Even with all these infirmities the company's tabulation shows that Norfolk's residential rates are fourth or fifth highest depending on whether individual line or two-party service is considered.

It is evident that C. & P.'s rates are not low. More important, the company's earnings, in our opinion, are excessive. However, as indicated by the commission's review of C. & P.'s 1960 operations, little hope exists for reducing rates at this time.

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[2] Accumulated deferred taxes under section 168 of the Internal Revenue Code are treated as temporary interest-free loans by the Government.

[3] Ratio of operating expenses, including depreciation, to operating revenues.

[4] Tennessee was initially considered but deleted because of TVA's abnormally low generation costs.

[5] No plant acquisition adjustments or accumulated deferred taxes were recorded.

FLORIDA EAST COAST RAILWAY STRIKE

Mr. MORSE. Mr. President, in a speech on the evening of February 5, I drew the attention of the Senate to a railroad strike in Florida and to various abuses of power by the Alfred I. du Pont estate, which controls the struck Florida East Coast Railway.

I pointed out that this Du Pont estate is among other things, a large bank holding company, but it is not registered under the Bank Holding Company Act of 1956. Both this Florida Du Pont estate and the Florida East Coast Railway are run by the same man, Mr. Edward Ball.

Mr. President, the past few days have brought important and dangerous developments in this Florida railroad strike. The latest of these developments are described in articles published in the New York Times of yesterday and today.

I shall read the first few paragraphs of yesterday's New York Times story, as follows:

> BAL HARBOUR, FLA., February 18.—Assistant Secretary James J. Reynolds said tonight he would recommend that the Florida East Coast Railway be denied access to Cape Kennedy and adjacent Merritt Island.
>
> Mr. Reynolds returned here from Daytona Beach, where he had been unsuccessful in getting the road's officials to resume negotiations with representatives of the 11 nonoperating unions that have been on strike for 13 months.

Mr. President, in my speech on the night of February 5, I expressed some criticisms of James Webb, Director of NASA, who had announced that NASA was going to make this spur available to Mr. Ball.

I pointed out that Director Webb's position was contrary to the recommendations of the Presidential Board of Inquiry established to investigate this dispute.

It is the old story of turning labor matters over to defense experts. That is always a mistake, for we have learned to our great regret, time and time again, that to do so does not protect the freedom either of American workers or American management.

As I said on the night of February 5, during the war we did not do that, we turned labor matters over to a War Labor Board, tripartite in nature, consisting of an equal number of public, employer, and labor representatives.

Mr. President, the strength of our democracy is found in our ability to adhere to our system of economic freedom in times of crisis. In our system we do not and we cannot substitute military procedures for peaceful methods for the settlement of labor disputes.

On the night of February 5, I warned—before any crisis had arisen—that we were headed straight into a crisis. Subsequent events have proved how right I was. We are not through with that crisis.

The free workers in this country are not going to work under the tyrannical regime that Mr. Ball is attempting to establish on the Florida East Coast Railway.

I return to the New York Times article:

> Labor Secretary W. Willard Wirtz has asked Edward Ball, chairman of the road, and G. E. Leighty, chairman of the Railway Labor Executives Association, to meet with Mr. Reynolds in an attempt to set up procedures for resolving the violent dispute.
>
> Mr. Ball went to Daytona Beach, but insisted that a court reporter be present to record this discussion with Leighty.

Mr. President, imagine seeking to carry on mediation with a court reporter present. It is just not done in this professional field by any mediator. Mr. Reynolds was quite right in following a course of action which the story in the New York Times now records.

I wish to pay my high respects to Assistant Secretary of Labor James Reynolds. So far as I am concerned, no one could be higher on the list of rated ability in the field of labor relations and labor negotiations than Mr. James Reynolds.

> Mr. Reynolds said he would not permit the reporter to record the informal discussion. It was unnecessary in a conference of honorable men, he said, and would inhibit the freedom of talk.
>
> As a result Mr. Reynolds met separately with Mr. Ball and three other executives of the company. He proposed that wages and other issues be submitted to binding arbitration.
>
> Mr. Leighty agreed to accept binding arbitration, but there appeared to be no prospect of it in view of Mr. Ball's adamant position.

Mr. President, today's story in the New York Times gives some additional comments by Mr. Reynolds, as follows:

> At a press conference he criticized Mr. Ball's attitude and said his labor relations philosophy had no place in this century.

It is a rather interesting story, and reads in part as follows:

> BAL HARBOUR, FLA., February 19.—The Railway Labor Executives Association called on President Johnson today to reverse what it called the provocative opening of a Government-owned railroad spur at Cape Kennedy for the use of the struck Florida East Coast Railway.
>
> Meanwhile, a subcommittee of the President's Missile Sites Labor Commission was expected to convene in Florida this week to seek a solution to the dispute at the Space and Missile Center.
>
> The difficulties at Cape Kennedy grew out of picketing by the striking railroad men when the Florida East Coast started to move freight into the facility last week.
>
> The subcommittee—David L. Cole, John T. Dunlop, and William Simkin; Director of the Federal Mediation and Conciliation Service—will examine only the involvement at Cape Kennedy and the potentially disruptive effect of continued use of the partly completed spur there.

Mr. President, I digress to say that Mr. David L. Cole, John T. Dunlop, and William Simkin are recognized in the field of labor relations work as three of the most able mediators and arbitrators in this country. All of these three men performed outstanding work for us on the Railway Labor Board during my service on the board during the war.

I continue to read from the article in the New York Times.

> James J. Reynolds, Assistant Secretary of Labor, was unsuccessful yesterday in getting railroad officials and representatives of the 11 nonoperating unions on strike to engage in direct bargaining.
>
> When Edward Ball, chairman of the Florida East Coast, refused a proposal for binding arbitration, Mr. Reynolds said he would recommend that the railroad be denied access to the spur for transporting materials to the space center.

In other words, his recommendation would be directly opposite to the position taken by Mr. Webb, the head of NASA, a position that Mr. Webb never should have taken in the first place, because he should have known that this involved basic policy problems of great concern to our country and to the administration.

> The National Aeronautics and Space Administration announced last week that it would permit the railroad to use the new spur.
>
> The Presidential board of inquiry that studied the strike recommended against opening the spur to the railroad last fall. But NASA took the view that it was obligated by contract to permit the railroad to use it.
>
> Union picket lines temporarily halted construction at the cape. Picketing was stopped by a temporary restraining order, which later expired, but the unions have agreed to hold off picketing temporarily and to give 72 hours' notice before resuming it.
>
> Mr. Reynolds said today that continued use of the spur by the railroad during the strike could have a disruptive effect on operations and construction at the space center.

Mr. President, the labor philosophy of Mr. Ball is obviously the philosophy of such 18th century individualism that he seems to be of the opinion that in 1964 labor is a commodity and must be required to work under such conditions and for such wages as an employer proposes to give labor—take it or else—forgetting the fact that the rights of management are as limited as the rights of labor, in that neither has the power of autocracy and that both must be required to comply with the overall public interest.

That is a lesson which Mr. Ball and a few remaining antiunion tyrants in this country have never learned.

Mr. President, from my study of this situation I agree wholeheartedly with the views voiced by Assistant Secretary of Labor Reynolds.

Mr. Edward Ball has steadily refused to negotiate in any significant way throughout this 13-month-old strike. He has made no settlement offer whatever for 13 months. He has rejected the recommendations of a Presidential Emergency Board, which the unions accepted. He has repeatedly refused all pleas to arbitrate, while the unions have agreed to do so.

He continues to make money at the expense of the American taxpayers. He is perfectly willing to take a direct and indirect subsidy benefit. Let us not forget that the great defense program which feeds this railroad in no small part amounts to a form of subsidy.

Mr. Ball, in fact, threatens to torpedo our whole voluntary system for handling railroad labor disputes under the Railway Labor Act.

Mr. President, this gentleman, Mr. Ed Ball, is primarily a banker. He runs a great chain of 31 banks in Florida. These events, I think, demonstrate very clearly that a banker of this kind has no business running a railroad.

The only reason Mr. Ed Ball is in charge of the Florida East Coast Railroad today is that the Du Pont estate, which he runs, was exempted from the

Bank Holding Company Act. Next Wednesday, I intend to offer a bill to end this unjustifiable special-privilege exemption from this act.

Why was this major bank holding company with its 31 banks excluded from coverage of the Bank Holding Company Act? During Senate hearings on that bill, back in 1955 and 1956, this very question was raised. It was raised by my good friend from Illinois [Mr. DOUGLAS], among others.

And the reply given by other Senators at the hearings was this: The Alfred I. du Pont estate's money, they said, goes primarily for charity—to aid crippled children.

Mr. President, in making that reply, our colleagues were misled. Someone had misled them. From the very beginning, nearly all the Du Pont estate's large income has gone to the late Mr. du Pont's widow, Mrs. Jessie Ball du Pont.

I have here a certified copy of the annual accounting of the Du Pont estate's trustees, filed with the circuit court of Duval County, Fla., on January 27, 1964, covering the year 1963.

This accounting shows the Du Pont estate received income of $9,546,025.11 in 1963. The accounting shows that after certain expenses and after certain small annuities paid to other persons, the annuities payable to Mrs. Jessie Ball du Pont by the estate last year totaled $8,591,889.28.

Over $8½ million of income to one lady is not charity. Let us not forget that she has been receiving vast sums of money for more than 20 years out of this estate under the direction of Mr. Ed Ball, her brother.

Mrs. du Pont, in fact, must have received more income last year than almost any other member of her sex in the world. I am told, for example, that the yearly allowance of Queen Elizabeth of England amounts to £475,000 That is about $1,425,000. Mrs. du Pont's income far overshadows that of the Queen of England.

No, Mr. President, the Alfred I. du Pont estate is not a charitable organization, and it never has been.

Let us not forget that when she gets this money, it is subject to her disposal; she can do with it what she wishes. As Senators will see in a moment, what is left over at the time of her death is another matter. It is true that Mrs. du Pont assigned about 12 percent—12 percent of more than $8 million—of her Du Pont estate income last year to a charitable foundation for crippled children. After deducting this 12 percent assigned to charity, she had left $7,584,862.57.

Back in 1955 and 1956, if it had not been for the representation that this estate was a charitable institution—which it is not—the Du Pont estate would have been brought under the Bank Holding Company Act. If it had been brought under the Bank Holding Company Act, it could not possibly have maintained its interest in both the Florida East Coast Railway and in its numerous banks—it would have had to divest one or the other. One of the purposes of the Bank Holding Company Act is to prevent great financial institutions, great banking combines, from having a stranglehold on any segment of the American economy, for we know that monopoly is irreconcilable with economic freedom; monopoly is irreconcilable with competitive freedom.

The public policy behind the Bank Holding Company Act of 1955 and 1956 is a policy to protect the American people, to protect American consumers, to protect American taxpayers, to protect all of us from being required to have our economic rights, our economic freedom, jeopardized by powerful financial combines. So a part of the purpose of the Bank Holding Company Act was to require great financial banking institutions to divest themselves of such operations as the Florida East Coast Railway. That is what ought to have been done. It is what, in my judgment, must be done now in the interest of the people of Florida and of the country.

I repeat, so that there will be no question about my emphasis on this point, that after Mrs. du Pont last year deducted 12 percent of her income for charitable purposes, she had left $7,584,862.57 for her personal use. It is also true that after Mrs. du Pont's death, the income now going to her will go wholly to the foundation for crippled children. But that does not make the estate a charitable foundation or institution now. During the lifetime of this lady, there can be a powerful combine, as I pointed out in my speech on the evening of February 5, exercising in no small degree a choking stranglehold on the economy of the State of Florida. I specified on the night of February 5 how Mr. Ball has said to the communities of Florida in which the estate has its properties, "I will pay this amount of taxes, and no more." His political power, his economic power, his despotism are so great that in many parts of Florida he rules with an iron economic hand. We must find out whether he is bigger than the Government.

I shall give the Senate and the House of Representatives an opportunity to cast their votes on that subject, for I shall seek to bring this financial tyranny under the control of the Bank Holding Company Act. Once it is placed under the Bank Holding Company Act, the problems of the Florida East Coast Railway will vanish, because Mr. Ball will then have to dispose of its property, as he should have been required to do years ago.

Mr. President, I do not begrudge this lady her ample income. I have been told she is a fine lady. I wish her a long life. I mention Mrs. du Pont's income now solely because the phony charity excuse was used to justify excluding the Du Pont estate from the Bank Holding Company Act. Senators were misled on the matter.

Mr. President, as I said, the man who runs the Du Pont estate is Mrs. du Pont's brother, Mr. Edward Ball, and Mr. Ball has gravely abused the vast economic power left in his hands by the Du Pont's estate exemption from the Bank Holding Company Act.

Mr. Ball has abused his power over his railroad, the Florida East Coast Railway. Mr. Ball has abused his power by refusing to pay the property taxes owed by this railroad. Mr. Ball has abused the power given by the vast landholdings he controls to defy the highway authorities in Florida. I fully documented those statements in my speech the other night.

We in Congress have let Mr. Ball keep all his vast power by exempting the Du Pont estate from the Bank Holding Company Act. That act required other bank holding companies to divest themselves of control over all nonbanking enterprises. The Du Pont estate was not required to do so.

It is an estate the chief characteristic of which is the operation of 31 banks. This gives it the most powerful financial influence in the entire State of Florida. The Du Pont estate, with its 31 banks, was not covered by the Bank Holding Company Act. I suggest it is time to do so now.

The "charity" excuse offered for the Du Pont empire was not valid. I repeat: Senators were misled; Mrs. du Pont gets the money—Mr. Ball gets the power, which he then proceeds to abuse. We should no longer make a special exception for these people. We should bring them under the Bank Holding Company Act and keep them there.

I ask unanimous consent that a portion of the 24th annual report of the trustees of the Alfred I. du Pont estate, entitled "Schedule 'G'—Income cash disbursements," be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SCHEDULE G

Income cash disbursements

Jan. 1, 1963 to Dec. 31, 1963 inclusive:	
Trustees' fees:	
Jessie Ball du Pont	$5,000.00
Elbert Dent	5,000.00
Florida National Bank of Jacksonville	2,000.00
Total	12,000.00
Nemours estate maintenance	209,939.98
Trustees' miscellaneous expense	255.26
Ulmer, Murchison, Kent, Ashby, and Ball, retainer	1,200.00
Interest paid on bank loans	19,312.50
Florida intangible tax	353,877.69
State and county real estate taxes	10,735.47
Printing and other costs pertaining to booklet	60,614.93
Jessie Ball du Pont, preferred annuity	200,000.00
Other annuities as follows:	
Mary E. Brereton	1,200.00
Charlotte Lee Cannon	5,000.00
Katherine Lee Chatfield	5,000.00
Mrs. H. E. Crist	800.00
James Dolan	1,200.00
Catherine C. Gardner	1,800.00
Elizabeth Saxon Jakes	500.00
Margaret H. Kyle	1,200.00
L. Vandergrift Lee	5,000.00
Maurice du Pont Lee	15,000.00
Maurice du Pont Lee, Jr	5,000.00
Richard H. Lee	5,000.00
Marga Lee Mahony	5,000.00
Anne Evans Matthewson	1,200.00
Mary G. Shaw	1,200.00
Laura Calhoun Walls	900.00
Irene Walsh	1,200.00
A. C. Denise du Pont Zapffe	30,000.00
Total	86,200.00
Residual annuity, Jessie Ball du Pont	8,391,889.28
Less 12 percent assigned to Nemours Foundation	1,007,026.71
Total	7,384,862.57
Plus income balance reserved on Dec. 31, 1962	200,000.00
Total	7,584,862.57
Less income balance reserved on Dec. 31, 1963	200,000.00
Total	7,384,862.57
Nemours Foundation 12 percent of residual income under irrevocable assignments	1,007,026.71
Total income disbursements, Jan. 1, 1963, to Dec. 31, 1963	9,346,025.11

Mr. MORSE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ARREST OF MISS CAROLE ELAINE MERRITT IN CANTON, MISS.

Mr. LAUSCHE. Mr. President, I have received a number of letters from citizens in Cincinnati, Ohio, discussing the plight of Miss Carole Elaine Merritt, who is held in jail in Canton, Miss., in connection with a movement of Negroes to attempt to attain certain objectives.

I know nothing about the merits of the charges that were placed against her. However, I am told that she is required to post a $500 property bond to procure her release pending trial. The pledgers, friends of hers, have offered to post $500 in cash; but seemingly, under the law, the enforcement officials have the right to reject that type of bond and insist that a $500 property bond be posted.

She has not been able to procure the $500 property bond. She has been able to procure $500 in cash—which her pledgers are willing to post.

I cannot understand why it should be insisted that the $500 in cash is not acceptable, and that a $500 real property bond has to be posted with the court.

The Constitution provides that people shall be allowed, pending criminal proceedings, to be released on the posting of adequate bail. Whether this lady is guilty of the offense with which she has been charged, I do not know, as I have said; but I am certain that if I am relating the facts; namely, that it is insisted that she post a $500 real property bond, and that the $500 in cash is not acceptable, justice is not being done.

I called the Department of Justice, and discussed this subject, and asked the Department, through its representatives, to check into the matter. I was told that it will do so. I hope the Department will be able to accomplish something in behalf of getting this lady released, so there will be accorded her the justice to which she is entitled under the U.S. Constitution.

Carole Merritt is a very superior young woman who won a scholarship to Vassar College from Cincinnati, Ohio, Vassar Club and graduated from Vassar cum laude.

Mr. President, I yield the floor.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McINTYRE in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MORSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALLIANCE FOR PROGRESS HAS LAGGED FAR BEHIND HOPES

Mr. MORSE. Mr. President, in the current issue of the Hadassah magazine appears an article entitled "Squalor and Wealth: Alliance for Progress Has Lagged Far Behind Hopes." The article was written by the Senator from Alaska [Mr. GRUENING].

As I have been heard to say before, I repeat that I do not know of a keener student and scholar of Latin American problems than the Senator from Alaska. He has been the author of many writings on Latin America; and his book on Mexico is still a standard reference in the universities of this country, in connection with any course dealing with United States-Mexican problems.

The Senator from Alaska does well to point out, in the article, that our responsibility in regard to Latin America is to see to it that we do a better job of exporting to Latin America the institutions of economic freedom, for it is impossible to solve the problems of squalor until something is done about putting food into empty stomachs. Empty stomachs do not make for vigorous exponents of our wishes, when it comes to a matter of a political ideology. So if we do something to help raise their standard of living—and that was the great vision of President Kennedy at the time when he initiated the Alliance for Progress program—we have a much better chance to stem the tide of communism in Latin America.

So I compliment the Senator from Alaska for this penetrating article; and I ask unanimous consent that it be printed at this point in the RECORD.

Mr. GRUENING. Mr. President, I thank the Senator from Oregon for his courtesy and his kind words. Coming from him, the knowledgeable chairman of the Subcommittee on Inter-American Affairs, his words constitute, for me, the highest tribute which could be rendered on the floor of this body.

Mr. MORSE. I thank the Senator from Alaska.

Mr. MANSFIELD. Mr. President, I join the distinguished Senator from Oregon in extending congratulations to the Senator from Alaska, because he is, and has been for decades, a recognized authority in the field of Latin-American affairs; and when he speaks or writes on that subject, his words are well worth the attention of the Senate and the entire country.

Mr. GRUENING. Mr. President, I am very grateful to the distinguished majority leader for his kind words, even though they may not be fully deserved. I appreciate the wonderful support he has continually given in connection with these matters. He, himself, is an expert on foreign affairs, as his every utterance demonstrates, as well as on domestic matters.

Mr. MANSFIELD. The words are very well deserved; otherwise they would not have been spoken.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SQUALOR AND WEALTH: ALLIANCE FOR PROGRESS HAS LAGGED FAR BEHIND HOPES

(NOTE.—The violence in Panama last month is symptomatic of the volcanic emotions of the impoverished people of Latin America described in this exclusive article by Senator ERNEST GRUENING. The achievements and failures of the Alliance for Progress in dealing with this explosive situation are analyzed by the Senator from Alaska.)

(By ERNEST GRUENING)

Addressing Latin American diplomats and Members of Congress and their wives at a White House reception on March 13, 1961, less than 2 months after his inauguration, President John Fitzgerald Kennedy launched the Alliance for Progress. It proposed a cooperative effort for the economic and social rehabilitation of Latin America. It projected a great vision. It offered, by means of a major joint undertaking, to try to bring the Latin American nations abreast of mid-20th century potentials.

Reviewing the similarities in the histories of the republics of the Western Hemisphere—their self-establishment as self-governing nations—the late President then pointed out their great deficiencies in economic well-being. He depicted the contrast between their abundant natural resources and "the daily degradations of hunger and poverty" suffered by millions of Latin Americans. He stressed their lack of decent shelter, their ill health and inadequate protection from disease, their widespread illiteracy.

These conditions, he said, made for the infiltration of alien forces, seeking again to impose on the people of the New World the despotisms of the Old, with ideologies foreign to the freedom visioned by the great leaders of Latin American independence, Bolivar and San Martin, and by our own founders; and that the peril had never been greater than now.

President Kennedy was referring to the Communist takeover in Cuba and to the danger that similar overthrows would take place in other neighboring countries. Unquestionably the Communist infiltration and capture of Cuba, the first of its kind in the Western Hemisphere, gave both impetus and urgency to the proposal for the Alliance for Progress.

Throughout these messages, President Kennedy repeatedly stressed the need of the recipient nations enacting measures of self-help.

"Only the most determined efforts of the American nations themselves can bring success to this effort," he said in his White House address of March 11, 1961.

"Its effectiveness depends on the willingness of each recipient nation to improve its own institutions, make necessary modifications in its social patterns and mobilize its own domestic resources for a program of development," he said in his March 14 message to Congress, and then specified: "Even at the start such measures will be a condition of assistance. * * * Priorities will depend not merely on need, but on the demonstrated readiness of each government to make the institutional improvements which promise lasting social progress."

And twice again in the same message he stressed these conditions:

"When each nation demonstrates its willingness to abide by these general principles, then outside revenues will be available."

Finally the late President declared: "So that each recipient nation will live up to the principles of self-help and domestic reform outlined above, funds will not be allocated until the operating agency receives assurances that the country being aided will take those measures necessary to insure that the particular project brings the maximum social progress."

The two basic principles stressed by President Kennedy as essential to the successful functioning of the Alianza Para El Progreso (to give it its Spanish name); namely, (1) the strengthening of democratic institutions and safeguarding of human rights, and (2) the intensification of self-help, were affirmed by a meeting of the Foreign Ministers of the American Republics, meeting at Punta del Este, Uruguay, in January 1962. Thus these principles and conditions received bilateral assent and sanction from both the United States and the Republics to the south of us.

How has the Alianza fared since then?

The realistic answer must be highly qualified.

But, first, let it be said that in the writer's view, the purpose of the program is noble, its objectives desirable, and its value, if achievable, unquestioned.

Unfortunately, in its execution, performance, and results have lagged far behind hopes.

To date, the United States has poured somewhat in excess of $7 billion into 28 countries to the south of us. This figure may cause surprise, since there are only 20 Latin American Republics, 18 of them Hispanic-American, while the official language of Brazil is Portuguese, and that of Haiti, French. But the United States has also given aid to the United Kingdom's colonies of British Guiana and British Honduras, to Surinam (Dutch Guinea), Trinidad, Tobago and Jamaica, also until very recently British colonies. (Personally, I consider that folly. The mother country should have furnished the aid, if it was required; but that is another matter.)

As for our Latin American aid, there is not too much to show for this vast expenditure. In two of the largest countries, Argentina and Brazil, into which nearly a billion and two billion dollars have gone respectively, the money has, in my judgment, been totally wasted.

The fault, in my view, is Uncle Sam's. We have not lived up to the specific prescription of reform and self-help required of them in President Kennedy's repeated assertions. In both countries the governments have been unstable, dependent on the whim of the military, and unable or unwilling to make—and keep—commitments of self-help.

At this point it might be desirable to indicate what some of the measures of self-help specified by President Kennedy as prerequisites to our aid are, and why.

Nearly all of the Latin American countries (there are a few exceptions) have a feudal structure at the top of which a plutocracy, composed of a relatively few families, allied with the military, controls the wealth and power. These families manage the nation's finances and resources. They own most of the land. In contrast, the vast majority live in abject misery. A typical illustration of this contrast exists in almost every Latin-American city where the luxurious palaces of the few and mighty look down on the vast and loathsome slums of the many. This contrast has never seemed to trouble the consciences of the intrenched oligarchy.

What President Kennedy was in effect asking was that the ruling powers distribute some of their vast landholdings equitably; cease their usurious lending practices—36 percent a year is not uncommon; tax themselves—which they have never done; permit the new revenues to go to social and economic betterment of the masses; and invest their own funds at home rather than stash them away in Swiss banks. So far the response in many Latin-American countries has been negligible. Maybe it was naive to expect this power elite to depart from encrusted practices, to divest itself of some of its riches and pelf so that the masses on whose backs its affluence rests can improve their living standards. But the alternative to this proposed evolutionary approach, as President Kennedy sought to make clear, was bloody revolution, which in this day probably means another Castro-Communist type of takeover.

Yet, despite noncompliance, the United States has repeatedly made lavish grants and so-called loans to Brazil, whose repeated promises for anti-inflation measures and other reforms have never been kept. Similar departure from the prescribed Alliance principles has characterized our relations with Argentina.

In other countries also—Peru, Ecuador, Guatemala, and more recently the Dominican Republic and Honduras—the duly elected regimes, chosen by as close an approximation to free and democratic elections as those countries have ever known, were overthrown by military juntas, using as the instruments of overthrow the tanks, airplanes and machineguns furnished by the United States, presumably for hemispheric defense. These military coups, bringing to power by force irresponsible elements with whom it is impossible to work out an assured economic and social program (to which they are generally hostile), nullify the efforts previously made by the United States and consign the funds already advanced to the familiar "down the drain."

Some three-quarters of a billion dollars have already been wasted on military aid to Latin America. The United States has aggravated the situation by not holding firm in nonrecognition and withholding of aid to the usurping juntas. After a brave show of nonrecognition and cancellation of aid in Peru, the policy was reversed and aid resumed 2 weeks later.

Such a vacillating and shilly-shallying policy engenders no respect for the United States or confidence in its pronouncements. If continued it will spell the end of the Alliance for Progress. However, in November 1963, the U.S. Senate, belatedly assuming some of its constitutional responsibility to be watchful of the authorization of funds, amended the Foreign Assistance Act to eliminate military aid to Latin America. Like all such provisions, it was qualified by giving the President the right to make exceptions where, in his judgment, the national interest required it.

In other countries our program appears to have fared better. It is too early to so state categorically. But in a number of the small Central American countries, and in Colombia and Venezuela and Chile, efforts are being made to carry out those nations' responsibilities under the prescriptions laid down by the author of the Alliance, President John F. Kennedy, and ratified by the conference at Punta del Este. Concomitantly schools, housing, clinics, roads, technical assistance, and other material benefits have flowed from U.S. dollars and are tangible and visible evidences of the U.S. high purpose.

The need is so great, however, and so undercut by the population explosion—greater in Latin America than elsewhere—that only a mighty cooperative effort and reform will spell the progress to which the Alliance is dedicated. For only by adherence to the mutuality of the effort can the program advance. The fault in not insisting upon adherence to the prescribed conditions lies with the U.S. administration of the program.

What is needed, in short, is selectivity. We should work with those nations—and only with those nations—that are willing to work with us for the common and highly desirable objectives of the Alliance.

To achieve these objectives through democratic processes was an integral part of President Kennedy's proposal. But let no one be deluded that this goal is easy of attainment. The history of most—though by no means all Latin American countries—is that of alternation between chaos and dictatorship. One may observe pertinently that in their mother countries, Spain and Portugal, after a thousand years of exposure to Western European civilization, there are still dictatorships (the dictatorships of Franco and Salazar) while their people enjoy none of the basic freedoms—of press, speech and assembly—that the Alianza hoped to inculcate along with economic progress.

True, the Alliance is scarcely 3 years old; it must be tried further before final judgment can be rendered on it.

But, unless that further trial rigidly adheres to the sound principles predicated for it, it will be a failure.

One basic fact that the administrators of our foreign aid program have lost sight of needs to be stressed. It is this: No country is obliged to accept our aid. Neither is the United States obligated to give aid to any country. Unless these twin axioms are to govern our actions in the administration of the foreign aid program, of which the Alliance for Progress is a part, we can face only disillusion and failure.

The purpose of the Alliance is too worthy to be allowed to fail. But it has failed in part to date, and will fail completely unless it becomes a two-way enterprise, instead of what it has been, a careless and prodigal disbursement of American funds without vigilance and determination as to their ultimate useful application.

PROGRAM IN CONNECTION WITH H.R. 6196, THE COTTON-WHEAT PROGRAM

Mr. MANSFIELD. Mr. President, before I move that the Senate take a recess until tomorrow, I wish to announce that after consultation with the distinguished minority leader and with other Senators who have been consulted, it is our intention, following the reading of George Washington's Farewell Address, to have the Senate proceed to the consideration of House bill 6196, the cotton-wheat bill, which has been reported from the Committee on Agriculture and Forestry.

Mr. JAVITS. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I am very cognizant of the Senator's problems in connection with scheduling measures for consideration, and so forth; but I think this matter should not be passed over without elucidation.

I preface my remarks by saying that I realize that the Senator from Montana has very great problems in connection with scheduling the consideration of measures; second, in no way do I challenge his desire—and it is urgently mine—to schedule the consideration of the civil rights bill and to have it disposed of, although we know its consideration will take a considerable length of time.

However, we have been carried along here, without anyone's really raising hob about the situation, and have waited for the conference report on the tax bill to be made, although normally there would have been an adjournment, and the second reading of the civil rights bill would have been in order, and it could have been placed on the calendar, and could have been brought up for consideration. A question of proportion is always involved. So, Mr. President, many of us felt—although we were most unhappy about it—that that was one of the facts of life with which we had to live, and that it would take a few days, and then that would be done.

In the cloakrooms there has been talk to the effect that the farm bill would be brought up first, and thus would to that extent delay the Senate's consideration of the civil rights bill.

So I wish to ask this question—and I emphasize the fact that I am not doing this idly or on a nit-picking basis: Should it appear—assuming that the tax bill will finally be disposed of by Wednesday, let us say—that, come Wednesday night or Thursday, the farm bill is still being debated—and, after all, it could be filibustered, too—could the Senator from Montana, in all fairness to him and to his many responsibilities and obligations—give us some outline of his plans?

If we are to let the farm bill run its course and to hold the civil rights bill out of consideration until the farm bill has run its course, some of us would have strong objections.

I merely lay that point before the Senate, without jumping to conclusions, as a problem not only for me, but for the country. There has been a great deal of talk in the newspapers about the fact that civil rights bill will be stalled. We all understand that the newspapers like to write things in a dramatic way, but I do think it would be helpful for the Senator to state—if he feels he can—his full purpose.

Mr. MANSFIELD. Mr. President, the question raised by the distinguished Senator from New York is a legitimate one. I have been in close contact with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], about our plans. He has always given me the utmost of cooperation, understanding, and tolerance. As we all know, it is the understanding as of the moment that it will be Tuseday before the House will be able to take up the conference report on the tax bill. We hope to take it up as shortly thereafter as it is possible to do so.

We do not know how long it will take to dispose of the farm bill, but it is anticipated that if it is not disposed of by Tuesday or Wednesday—and I doubt that it will be—the farm bill will be laid aside and the conference report on the tax bill will be taken up.

We hope that there will be no dilatory or delaying tactics and that as soon as the farm bill, the conference report on the tax bill and the authorization for military procurement—which I understand will not take too much time—are disposed of, we shall face the civil rights bill with our decks as clear as possible.

I assure the Senator—and I am sure he knows this—that there is no attempt to stall the civil rights bill. But the Senator has been a Member of both Houses long enough to understand some of the difficulties that confront the leadership from time to time, and to be aware of the pressures which descend upon on us on occasion, with which we find it quite difficult to cope.

Mr. JAVITS. Mr. President, will the Senator yield further? He has been very gracious.

Mr. MANSFIELD. I yield.

Mr. JAVITS. I do not desire to put any words in the Senator's mouth, but may we assume, first, that what the majority leader proposes is that the only two that will be considered are the farm bill and the military procurement bill with the conference report on the tax bill, which in any event has priority under the rules, to come in Tuesday or Wednesday, and that then the civil rights bill will be considered? Second, those of us who may feel that other measures would take too long, thus defer the civil rights bill too long, I assume would have, under the procedures which we follow, a number of opportunities, if the Senate set aside the farm bill for the conference report on the tax bill, and then came back to it. I assume that if we strongly objected to taking it up again, we could have a vote on that question. If we came to the military procurement bill, we could proceed in the the same way.

Two items should be cleared of record: First, an understanding with the majority leader as to the bills which will come before the civil rights bill; and, second, the fact that no opportunity will be foreclosed—as a number of Senators may feel that considerations of the two bills to which I have referred will take longer than we have any right to defer the civil rights bill—to an appropriate way to get at that issue.

Mr. MANSFIELD. My answer to the first question would be "Yes." However, if bills of minor importance, about which there should be no difficulty, are reported, I assume that the Senate would allow us to bring them up for passage or consideration.

Mr. JAVITS. I understand that.

Mr. MANSFIELD. Second, I hope that the Senator from New York will not bind the hands of the leadership, because we do not wish to take away the rights of any Senator. I assure the Senator that once the bill is called up, it will not be called up for the purpose of being laid aside. There will be plenty of time to devote to the civil rights bill. I am sure, the Senator is aware, that it will take not weeks, but very possibly months, before we can come to a definitive conclusion on that matter. So, if the Senator and the Senate would allow us a little flexibility, we would appreciate it most deeply, because our task is not too easy.

Mr. JAVITS. If the Senator will indulge me, certainly we are assured that the controversial bills—the farm bill and the military procurement bill—are the only two bills which will stand in the way. Second, the Senator will have to move to take up the farm bill and the military procurement bill. If any of us feel strongly about the order of precedence at that time, we shall naturally have an opportunity to bring before the Senate that issue. I hope we will not have to.

Mr. MANSFIELD. That right is the right of every Senator. But, as always, the leadership anticipates that Senators will give us their most serious consideration and cooperation.

Mr. JAVITS. Would the Senator be willing to estimate the time when the civil rights bill would be taken up under that schedule?

Mr. MANSFIELD. I could not give an answer to that question until we get underway on the farm bill. Then I would be able to answer the question better, but it will be as soon as possible.

Mr. JAVITS. I do not like to have the Senator engage in suppositions. I know the Senator has read, as I have, speculation on the intercession of a farm bill between the present time and the time of taking up the civil rights bill. I think it would be most reassuring if the Senator should choose—and I submit it to the Senator—to tell the Senate what will be done if there is an inordinate delay.

For example, suppose there were a filibuster against one of the other bills. Will the Senator continue in his determination to bring up the civil rights bill within a very proximate time?

Mr. MANSFIELD. Yes.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am delighted to yield.

Mr. DIRKSEN. Mr. President, I would say on behalf of the majority leader that at least on four separate and distinct occasions we have conferred with respect to bringing up the farm bill. At the very first of those meetings, I told him there was some opposition on this side, and there was the expressed hope that perhaps it could be deferred until after civil rights came up for consideration in the Senate.

At the second meeting I had occasion to confer with the Senator from Vermont [Mr. AIKEN], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Delaware [Mr. WILLIAMS], all of whom have quite an abiding interest in the farm bill. As a result of the many conversations that have taken place within the past 2 days, it was quite agreed that the farm bill could be laid before the Senate as of tomorrow, after the reading of Washington's Farewell Address.

So I think we have composed all of our differences on this side, in the hope that we can dispose of the farm bill, and, for as long as it takes, the military procurement bill, about which there is some urgency, and then proceed to civil rights. Then we will stay on civil rights. I think that it is the distinguished majority leader's intention, once we take up civil rights, to stay with it until we either resolve the issue or discover there is no sword sharp enough to cut the Gordian knot.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. JAVITS. Would the Senator answer the same question I propounded to the majority leader? Would the minority leader join with the majority leader in the statement that should there prove to be an inordinate delay with respect to these measures, which will be interposed, that such delay will not be permitted to defer the consideration of the civil rights bill beyond that reasonably proximate time within which the leader had intended to bring it up?

Mr. DIRKSEN. Speaking only for the minority leader, it would be easy for me to give the Senator from New York that assurance, because my attitude on the farm bill is anything but a felicitous one.

It strikes a note of deep and durable unhappiness in me. In my present frame of mind, I expect to oppose it on every possible count, so that if it tailed off, with the hope that perhaps it could be cast into outer darkness, it would make the minority leader happy indeed. But I do not wish to speak for the majority leader on that point.

Mr. JAVITS. I believe the majority leader has already answered the question, but being a fairly experienced lawyer, I will not ask the majority leader again.

Mr. MANSFIELD. But I have an abiding faith in the understanding and tolerance of the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN]—an abiding faith based on long personal experience.

Mr. JAVITS. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. JAVITS. Mr. President, reserving the right to object, may we know what the request is?

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. MANSFIELD. Mr. President, what was my request? I have forgotten it.

The PRESIDING OFFICER. To take up the farm bill tomorrow.

Mr. MANSFIELD. No; I am not making that request. I merely have announced to the Senate that it is the intention of the leadership, at the conclusion of the reading of the Washington's Farewell Address, to lay before the Senate H.R. 6196, the agricultural bill on cotton and wheat, reported from the Committee on Agriculture and Forestry.

Mr. MILLER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MILLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BEEF AND VEAL IMPORTS

Mr. MILLER. Mr. President, yesterday I received a telegram from a man in Oklahoma City. I think he expressed a timely thought, and I should like to quote it:

> Beef imports based on 1962–63 quotas—

He wired—

> is like throwing a drowning man a life line with a rock tied to it.

He went on to say that the cattlemen are in trouble and that, to survive, they need action now. He ended the telegram with a plantive cry of "help."

I concur. I have been calling on the administration to do something about the beef and veal import problem for a year. I agree with the senior Senator from Nebraska [Mr. HRUSKA], who, on February 18, said the agreement entered into with Australia and New Zealand represented a surrender on our part—see pages 3082–3086, CONGRESSIONAL RECORD, February 18, 1964.

I believe that selecting the 2 highest import years and using the average as the limitation base for 1964 imports does not meet the problem. It is only a token gesture.

So I have joined in a bill introduced by the distinguished majority leader [Mr. MANSFIELD], which would provide a base or limitation represented by the average of the last 5 years of imports of these items. I think this is a far better solution to the problem than what has been a voluntary measure. Although I have some reservations about the bill, we want to see some action taken; and the fact that the majority leader has seen fit to introduce the legislation speaks for itself.

I fear that if we do not meet the problem without further delay, the situation this year may worsen.

I suggest the possibility that if all the beef and veal exporting countries eventually come under the terms of the new agreement, beef and veal imports into the United States this year may well be higher, not lower, than in 1963.

I realize that press releases on the agreement with Australia and New Zealand suggest that the 1964 importation level will be 6 percent lower than in 1963. If this 6-percent stipulation were applied to all types of imports of beef and veal—based on the assumption that all exporting nations will eventually be covered by the agreement—imports of all types of beef and veal would drop to 1,095,175,000 pounds—product weight—from the 1963 total of 1,165 million pounds—estimated. But this will not happen under the agreement. Moreover, imports should be rolled back much more than that.

Let me explain. There is a defect in the agreement. Australia and New Zealand propose to limit exports to the United States of beef and veal "in all forms except canned, cured, and cooked meat and live animals." But these excepted items are still included in the totals for 1962 and 1963, which establish the base for continuing future limits.

Granted canned, cured, and cooked meat represents today only a minor portion of the imports from Australia and New Zealand. Nevertheless, these products should have been excluded from the base, and it is unlikely that other countries will accept a different base when agreements are negotiated with them.

In 1963, total imports of canned, cured, and cooked beef and veal amounted to approximately 114 million pounds—one-tenth of the total beef and veal imports. If exclusion of these canned, cured, and cooked meats from the base were provided for by all agreements covering all imports, the 1964 ceiling on beef and veal imports—other than canned, cured, and cooked—would be 987 million pounds, one hundred and eight million pounds less than it will be. So, Mr. President, as the result of this defect in the agreement we can expect 108 million pounds of imports of fresh and frozen bone and boneless beef and veal which should not come into this country to aggravate the markets of our livestock feeders and our cattlemen.

In addition, as I have pointed out, the agreement fails to put any limitation at all on the amounts of canned, cured, and cooked meat imported into this country.

And if you do not think that this will occur, I should like to invite the attention of the Senate to a press release of January 26 by the Australian Minister for Primary Industry, the Honorable C. F. Aderman.

In agreement with the Australian livestock industry, it is planned "to introduce legislation in the next session of Parliament to give effect to industry proposals for meat market diversification."

The legislation, according to the release, will take the form of imposing a levy on all cattle over 200-pound dressed weight, sheep and lambs slaughtered for human consumption "to provide the finance necessary to undertake additional measures to diversify markets for Australian meat."

Continuing:

> Without doubt, the continued prosperity of the Australian meat industry is bound up with the necessity to insure that satisfactory arrangements are made to preserve our existing markets and to develop new ones. The proposed legislation is aimed at the maximum development of the domestic market and diversification of export markets in the long-term interests of the Australian meat industry.

There, in a nutshell, is what Australia plans to do. And we can rest assured that this diversification will be felt here.

But there are other weaknesses in that agreement negotiated by the United States.

In its press release, the State Department said that "both exporting countries have agreed that the proportion of primal cuts, such as steaks or roasts, should not exceed approximately the current levels."

In a background statement to Members of Congress, the State Department had this comment:

> Agreements provide that the proportion of primal cuts—i.e., better-quality cuts such as steaks and roasts—in each country's beef and veal shipments to the United States is not to exceed the present percentage these cuts constitute in the country's total beef and veal exports to the U.S. market.

"Not to exceed the present percentage" is underlined.

Parenthetically, I might add the State Department says that imports of primal cuts have been blamed by the domestic cattle industry as important causes of low prices. Australian exports to the United States of this grade, incidentally, amount to about 5 percent of their total.

Now let us turn to the text of the Australian note to the United States—the New Zealand text is worded similarly:

> Australia shall use its best endeavors to limit its exports to the United States of better-quality primal cuts of beef and veal, such as steaks and roasts, approximately to the percentage these cuts currently constitute of total annual exports of beef and veal from Australia to the United States.

Note the difference in wording—the United States says the two have agreed to a limitation; Australia and New Zealand both say they shall use their "best endeavors" to limit its export of this type of cuts.

Thus, in my mind at least, it is questionable whether those countries must limit this type. And if their "best endeavors" do not prove good enough, they could actually step up these imports.

Mr. President, there are commitments in that agreement: it assures these nations a definite share of our market; it may assure, in effect, that the Congress cannot take any action to correct the situation and if it does, the President may be obligated to veto the measure.

I ask unanimous consent that the State Department press release and the press statement of the Australian Minister may be printed in the Record.

There being no objection, the statements were ordered to be printed in the Record, as follows:

United States Concludes Meat Agreements With Australia and New Zealand

The Governments of Australia and New Zealand have agreed to limit meat exports to the United States, the Departments of State and Agriculture announced today.

Australia and New Zealand are the principal suppliers to the United States of beef and veal. The agreements announced today were concluded because U.S. imports of these products have increased markedly the past few years. Beef cattle prices are low and declined importantly in 1963. Low domestic prices were mostly caused by heavy domestic production of fed beef. However, analysis by the U.S. Department of Agriculture show that imports also were a contributing factor.

The agreement with Australia covers beef, veal and mutton in all forms other than canned, cured and cooked meats and live animals. The one with New Zealand covers only beef and veal. Australia is the only substantial foreign supplier of mutton to the U.S. market. Mutton is partially interchangeable in use with manufacturing beef, the kind of beef which constitutes the bulk of American imports.

Australia has agreed to limit its exports in 1964 to 242,000 long tons (542 million pounds), in 1965 to 251,000 long tons (562 million pounds) and in 1966 to 260,000 long tons (582 million pounds) product weight of the meats covered in its agreement.

New Zealand has agreed to limit its exports in 1964 to 103,000 long tons (231 million pounds), in 1965 to 107,000 long tons (239 million pounds) and in 1966 to 111,000 long tons (248 million pounds) product weight of the meats covered in its agreement.

The quantities for 1964 reflect the average level of U.S. imports from each country in 1962 and 1963. The quantities specified for 1965 and 1966 are calculated at an annual growth rate of 3.7 percent based on the agreed limits for 1964 exports. This growth rate corresponds to the expected rate of increase in the total U.S. market for these meats. The agreements provide for triennial review of this growth factor and adjustment as appropriate for each succeeding period.

The agreements provide for preservation of the present pattern of trade in meat products between the United States and Australia and New Zealand. Both exporting countries have agreed that the proportion of primal cuts, such as steaks or roasts, should not exceed approximately the current levels.

The agreements represent an important contribution to the stability of the meat industries of the three countries. U.S. domestic producers and Australian and New Zealand suppliers will be able to share equitably in the growth in the U.S. market.

The United States has received assurances from both Australia and New Zealand that in implementing the agreements they will not discriminate against U.S.-owned meat-industry interests in their countries.

Both agreements are of indefinite duration, but they may be terminated by either party upon at least 6 months' notice prior to the end of any calendar year.

The three Governments agreed on the desirability of expanding world trade in meat and meat products. To that end they reaffirm their intention to continue efforts under the General Agreement on Tariffs and Trade (GATT) to negotiate broader international arrangements to expand access of meat exporting countries to all major world markets. The agreements with Australia and New Zealand could be incorporated into such a broader arrangement.

Text of Australian Note to the United States

I have the honor to refer to recent discussions in Washington between representatives of the Government of Australia and the Government of the United States with regard to the desire of the Government of the United States to arrive at an understanding concerning the level of future exports of Australian beef, veal, and mutton to the United States. As a result of these discussions, I have further the honor to propose that the following agreement shall become effective between our Governments:

The Governments of Australia and the United States have agreed to the following measures in the interest of promoting the orderly development of trade in beef, veal, and mutton between Australia and the United States. In assuming the following obligations, the Governments of Australia and the United States are seeking as well to preserve approximately the present pattern of trade in beef, veal, and mutton between the two countries.

1. Accordingly, the Australian Government shall limit exports from Australia to the United States of beef, veal, and mutton (in all forms except canned, cured, and cooked meat and live animals), in accordance with the following:

(a) Exports shall be limited to a total of 242,000 long tons in calendar year 1964, 251,000 long tons in calendar year 1965, and 260,000 long tons in calendar year 1966, all in terms of product weight.

(b) In each succeeding calendar year there shall be an increase, corresponding to the estimated rate of increase in the total U.S. market for these meats. This increase in the total U.S. market is presently estimated to be 3.7 percent annually.

(c) The purpose of the annual increases established in paragraphs (a) and (b) is to secure to Australia a fair and reasonable share in the growth of the U.S. market. There shall be a triennial review and, as appropriate, an adjustment of this estimated rate of increase in consumption to apply to the succeeding 3-year period. The first such review shall take place no later than October 1, 1966.

(d) Australia shall maintain approximately the present relationship between beef and mutton exports to the United States.

(e) Australia shall use its best endeavors to limit its exports to the United States of better-quality primal cuts of beef and veal, such as steaks and roasts, approximately to the percentage these cuts currently constitute of total annual exports of beef and veal from Australia to the United States.

2. Australia undertakes to limit its exports to the United States upon the understanding that Australia will not be adversely affected by such limitations in relation to the position of other substantial suppliers in the U.S. market and so long as Australia's access to the U.S. market for beef, veal, and mutton is not limited by an increase in the duties of these products.

3. The U.S. Government shall continue to permit access each year into the United States of beef, veal, and mutton exported from Australia, up to the maximum quantity determined for that year in accordance with provisions of paragraphs 1(a) and 1(b) of this agreement.

4. The Governments shall continue to take an active and leading role in negotiating in the GATT, in harmony with the objectives agreed at the ministerial meeting of the GATT in May 1963, arrangements leading to expanding access in meat importing countries.

5. Should such a wider international arrangement be reached, it could subsume this agreement.

6. The Governments agree to consult, at the request of either Government, on any questions arising on the implementation of this agreement.

7. Either Government may terminate this agreement, effective at the end of a calendar year, by written notice given at least 180 days prior to the end of that calendar year.

If these proposals are acceptable to your Government, this note and your note of acceptance shall form an agreement between our Governments.

Accept, sir, the renewed assurances of my highest consideration.

Text of U.S. Note to Australia

Excellency: I have the honor to refer to your note of February 17, 1964, concerning trade in beef, veal, and mutton between Australia and the United States which reads as follows:

"I have the honor to refer to recent discussions in Washington between representatives of the Government of Australia and the Government of the United States with regard to exports of Australian beef, veal, and mutton to the United States. As a result of these discussions, I have further the honor to propose that the following agreement shall become effective between our Governments:

"The Governments of Australia and the United States have agreed to the following measures in the interest of promoting the orderly development of trade in beef, veal, and mutton between Australia and the United States. In assuming the following obligations, the Governments of Australia and the United States are seeking as well to preserve approximately the present pattern of trade in beef, veal, and mutton between the two countries.

"1. Accordingly, the Australian Government shall limit exports from Australia to the United States of beef, veal, and mutton (in all forms except canned, cured, and cooked meat and live animals), in accordance with the following:

"(a) Exports shall be limited to a total of 242,000 long tons in calendar year 1964, 251,000 long tons in calendar year 1965, and 260,000 long tons in calendar year 1966, all in terms of product weight.

"(b) In each succeeding calendar year there shall be an increase, corresponding to the estimated rate of increase in the total U.S. market for these meats. This increase in the total U.S. market is presently estimated to be 3.7 percent annually.

"(c) The purpose of the annual increases established in paragraphs (a) and (b) is to secure to Australia a fair and reasonable share in the growth of the U.S. market. There shall be a triennial review and, as appropriate, an adjustment of this estimated rate of increase in consumption to apply to the succeeding 3-year period. The first such review shall take place no later than October 1, 1966.

"(d) Australia shall maintain approximately the present relationship between beef and mutton exports to the United States.

"(e) Australia shall use its best endeavors to limit its exports to the United States of better quality primal cuts of beef and veal, such as steaks and roasts, approximately to the percentage these cuts currently constitute of total annual exports of beef and veal from Australia to the United States.

"2. Australia undertakes to limit its exports to the United States upon the understanding that Australia will not be adversely affected by such limitations in relation to the position of other substantial suppliers in the U.S. market and so long as Australia's access to the U.S. market for beef, veal, and mutton is not limited by an increase in the duties on these products.

"3. The U.S. Government shall continue to permit access each year into the United States for beef, veal, and mutton exported from Australia, up to the maximum quantity determined for that year in accordance with the provisions of paragraphs 1(a) and 1(b) of this agreement.

"4. The Governments shall continue to take an active and leading role in negotiating in the GATT, in harmony with the objectives agreed at the ministerial meeting of the GATT in May 1963, arrangements leading to expanding access in meat importing countries.

"5. Should such a wider international arrangement be reached, it could subsume this agreement.

"6. The Governments agreed to consult, at the request of either Government, on any questions arising on the implementation of this agreement.

"7. Either Government may terminate this agreement, effective at the end of a calendar year, by written notice given at least 180 days prior to the end of that calendar year.

"If these proposals are acceptable to your Government, this note and your note of acceptance shall form an agreement between our Governments."

I have the honor to confirm on behalf of the Government of the United States that the agreement outlined in your note is acceptable to the U.S. Government and will govern trade in beef, veal, and mutton between Australia and the United States.

Accept, Excellency, the renewed assurances of my highest consideration.

(For the Secretary of State).

Text of New Zealand Note to the United States

SIR: I have the honor to refer to recent discussions in Washington between representatives of the Government of New Zealand and the Government of the United States with regard to the desire of the Government of the United States to arrive at an understanding concerning the level of future exports of beef and veal from New Zealand to the United States. As a result of these discussions, I have the honor to propose that the following agreement shall become effective between our Governments:

The Governments of New Zealand and the United States have agreed to the following measures in the interest of promoting the orderly development of trade in beef and veal between New Zealand and the United States. In assuming the following obligations, the Governments of New Zealand and the United States have agreed on the desirability of preserving approximately the present pattern of trade in these products between the two countries.

1. Accordingly, the New Zealand Government agrees to limit exports from New Zealand to the United States of beef and veal (in all forms except canned, cured, and cooked meat and live cattle), in accordance with the following:

(a) Exports shall be limited to a total of 103,000 long tons in calendar year 1964, 107,000 long tons in calendar year 1965, and 111,000 long tons in calendar year 1966, all in terms of product weight.

(b) In each succeeding calendar year there shall be an increase, corresponding to the estimated rate of increase in the total U.S. market for these meats. This increase in the total U.S. market is presently estimated to be 3.7 percent annually.

(c) The purpose of the annual increases established in paragraphs 1(a) and 1(b) is to secure to New Zealand a fair and reasonable share in the growth of the U.S. market. There shall be a triennial review and, as appropriate, an adjustment of this estimated rate of increase in consumption to apply to the succeeding 3-year period. The first such review shall take place no later than October 1, 1966.

(d) The New Zealand Government shall use its best endeavors to limit exports from New Zealand to the United States of better quality primal cuts of beef and veal, such as steaks and roasts, approximately to the percentage these cuts currently constitute of total annual exports of beef and veal from New Zealand to the United States.

2. The New Zealand Government shall limit exports from New Zealand to the United States upon the understanding that New Zealand will not be adversely affected by such limitations in relation to the position of other substantial suppliers in the U.S. market and so long as New Zealand's access to the U.S. market for beef and veal is not limited by an increase in the duties on these products.

3. The U.S. Government shall continue to permit access each year into the United States for beef and veal exported from New Zealand, up to the maximum quantity determined for that year in accordance with the provisions of paragraphs 1(a) and 1(b) of this agreement.

4. The Governments shall continue to take an active and leading role in negotiating in the GATT, in harmony with the objectives agreed at the ministerial meeting of the GATT, in May 1963, arrangements leading to expanding access in meat importing countries.

5. Should such a wider international arrangement be reached, it could subsume this agreement.

6. The Governments agreed to consult, at the request of either Government, on any questions arising on the implementation of this agreement.

7. Either Government may terminate this agreement, effective at the end of a calendar year, by written notice given at least 180 days prior to the end of that calendar year.

If these proposals are acceptable to your Government this note and your note of acceptance shall form an agreement between our Governments.

Accept, sir, the renewed assurances of my highest consideration.

Text of U.S. Note to New Zealand

EXCELLENCY: I have the honor to refer to your note of February 17, 1964, concerning trade in beef and veal between New Zealand and the United States which reads as follows:

"I have the honor to refer to recent discussions in Washington between representatives of the Government of New Zealand and the Government of the United States with regard to the desire of the Government of the United States to arrive at an understanding concerning the level of future exports of beef and veal from New Zealand to the United States. As a result of these discussions, I have the honor to propose that the following agreement shall become effective between our Governments:

"The Governments of New Zealand and the United States have agreed to the following measures in the interest of promoting the orderly development of trade in beef and veal between New Zealand and the United States. In assuming the following obligations, the Governments of New Zealand and the United States have agreed on the desirability of preserving approximately the present pattern of trade in these products between the two countries.

"1. Accordingly, the New Zealand Government agrees to limit exports from New Zealand to the United States of beef and veal (in all forms except canned, cured and cooked meat and live cattle), in accordance with the following.

"(a) Exports shall be limited to a total of 103,000 long tons in calendar year 1964, 107,000 long tons in calendar year 1965, and 111,000 long tons in calendar years 1966, all in terms of product weight.

"(b) In each succeeding calendar year there shall be an increase, corresponding to the estimated rate of increase in the total U.S. market for these meats. This increase in the total U.S. market is presently estimated to be 3.7 percent annually.

"(c) The purpose of the annual increases established in paragraphs 1(a) and 1(b) is to secure to New Zealand a fair and reasonable share in the growth of the U.S. market. There shall be a triennial review and, as appropriate, an adjustment of this estimated rate of increase in consumption to apply to the succeeding 3-year period. The first such review shall take place no later than October 1, 1966.

"(d) The New Zealand Government shall use its best endeavors to limit exports from New Zealand to the United States of better-quality primal cuts of beef and veal, such as steaks and roasts, approximately to the percentage these cuts currently constitute of total annual exports of beef and veal from New Zealand to the United States.

"2. The New Zealand Government shall limit exports from New Zealand to the United States upon the understanding that New Zealand will not be adversely affected by such limitations in relation to the position of other substantial suppliers in the U.S. market and so long as New Zealand's access to the U.S. market for beef and veal is not limited by an increase in the duties on these products.

"3. The U.S. Government shall continue to permit access each year into the United States for beef and veal exported from New Zealand, up to the maximum quantity determined for that year in accordance with the provisions of paragraphs 1(a) and 1(b) of this agreement.

"4. The Governments shall continue to take an active and leading role in negotiating in the GATT, in harmony with the objectives agreed at the Ministerial meeting of the GATT in May 1963 arrangements leading to expanding access in meat importing countries.

"5. Should such a wider international arrangement be reached, it could subsume this agreement.

"6. The Governments agree to consult, at the request of either Government, on any questions arising on the implementation of this agreement.

"7. Either Government may terminate this agreement, effective at the end of a calendar year, by written notice given at least 180 days prior to the end of that calendar year.

"If these proposals are acceptable to your Government this note and your note of acceptance shall form an agreement between our Governments."

I have the honor to confirm on behalf of the Government of the United States that the agreement proposed in your note is acceptable to the U.S. Government and will govern trade in beef and veal between New Zealand and the United States.

Accept, Excellency, the renewed assurances of my highest consideration.

(For the Secretary of State).

Meat Markets Plan: Statement by the Minister for Primary Industry, the Honorable C. F. Adermann

The Minister for Primary Industry, Mr. C. F. Adermann, announced today that the Commonwealth Government has agreed to introduce legislation in the next session of Parliament to give effect to industry proposals for meat market diversification.

Mr. Adermann said the legislation would provide for the introduction of a levy on all cattle (over 200 pounds dressed weight), sheep and lambs slaughtered for human consumption to provide the finance necessary to undertake additional measures to diversify markets for Australian meat.

"The rate of levy will be fixed annually on the recommendation of the Australian Meat Board after consultation with the industry. The incidence of the levy will be borne by the producer sector of the industry, and provision will be made in the legislation for meat operators and selling agents to have the legal right to pass back the incidence of the levy at the time the stock are purchased for slaughter.

"The funds derived from the proposed slaughter levy would be used by the Australian Meat Board for market diversification and to undertake additional meat promotion in Australia and overseas," Mr. Adermann said.

There were special factors associated with the Australian meat export trade which pointed to the need for new measures in the marketing of Australian meat.

"Without doubt, the continued prosperity of the Australian meat industry is bound up with the necessity to insure that satisfactory arrangements are made to preserve our existing markets and to develop new ones. The proposed legislation is aimed at the maximum development of the domestic market and diversification of export markets in the long-term interests of the Australian meat industry," Mr. Adermann said.

The Minister said that provision would also be made in the legislation for the reconstitution of the membership of the Australian Meat Board. The reconstituted Board would comprise nine members—a chairman, five meat producer representatives, two meat exporter representatives and a Commonwealth Government representative.

Mr. Adermann said that the proposed livestock slaughter levy would replace the existing cattle slaughter levy and the current charge on meat exports. However, the cattle and beef research scheme would continue, part of the new levy being used to finance this research scheme.

"The principles of these proposals were submitted to the Government by the Australian Woolgrowers' and Graziers' Council and the Australian Wool and Meat Producers Federation. The proposals have been approved in principle by the Australian Agricultural Council, which includes all State Ministers for Agriculture, and by the Australian Meat Exporters' Federal Council," Mr. Adermann said.

"The initiative taken by the meat industry is an important step in the right direction. The proposals, when implemented, will contribute substantially to the future welfare of this great industry. As such, they have the full support of the Government," Mr. Adermann said.

DECLINE OF EGG PRICES

Mr. MILLER. Mr. President, the egg producers of the United States, in recent days, have seen the bottom drop out of their market.

Egg prices have declined by more than 12 cents a dozen and there is no assurance that the decline will not continue.

Market fluctuations are to be expected in any industry, but this one felt by the egg producers is particularly severe.

The Department of Agriculture correctly forecast last November that there would be a drop in prices in early 1964. But I am wondering why remedial measures could not have been set in motion to prevent a decline of such proportion.

On February 10, I addressed a letter to the Honorable Orville Freeman, Secretary of Agriculture, in which I pointed out the seriousness of the situation and asked whether there was any program relating to Government purchases of whole and dried eggs, or any other action taken to improve the situation.

I am pleased to report that last Wednesday evening the Secretary of Agriculture did take steps to ease the producers' plight by plans to make available soon dried eggs to families receiving foods under the direct food distribution program.

Mr. President, I ask unanimous consent to have printed in the Record my letter of February 10 to the Secretary of Agriculture.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., February 10, 1964.

Hon. Orville Freeman,
Secretary of Agriculture,
Department of Agriculture,
Washington, D.C.

Dear Mr. Secretary: The New York market on fancy large white eggs opened at 34 cents per dozen today. This is a drop of 11½ cents in 3 weeks. Corresponding losses have been reflected at Chicago and other commodity exchanges.

I recognize that in the November outlook issue on the poultry and egg situation, published by the USDA Economic Research Service, it was forecast that prices were likely to fall below the 1963 level in the first quarter of 1964.

Market fluctuations naturally are to be expected, but this one is particularly severe and is working hardship on farmers in the egg producing business.

I am wondering whether you have any program relating to Government purchases of whole or dried eggs or any other action designed to improve the situation.

Sincerely,

Jack Miller.

Mr. MILLER. Mr. President, I believe the Department of Agriculture had sufficient knowledge of a trend to anticipate this problem before now:

The annual average of prices farmers received for eggs dropped from 36.2 cents a dozen in 1960 to 34 cents in 1963.

The average price of a dozen eggs as a percentage of annual averaged parity price declined from 76 percent in 1960 to 71 percent in 1963.

Per capita consumption of eggs dropped from 334 in 1960 to 316 last year.

A stepup in production is cited as one possible reason for the drop although available statistics do not indicate that this boost in production is so great as to have had a noticeable effect.

Another possible reason for part of the decline, I believe, could be attributed to the unpredictable Government purchasing policy, as well as the sharp drop in such purchases. I hope the Secretary's action of Wednesday will do much to correct this situation.

Government purchases of dried eggs, according to the January issue of the "Poultry and Egg Situation" put out by the Department, decreased from 1,763,000 cases in 1960 to 778,000 cases in 1963. In 1963, Government purchases were made in only 4 months while in 1960 such purchases were spread over 10 months. In 1961, Government purchases were made in only 6 months and in 1962, only 5 months.

It would seem that if the Government returned to a policy of spreading its purchases as was the case in 1960, it would do much to stabilize the market.

Secretary Freeman, in his statement of Wednesday, indicated as much when he said:

> Removal of surplus egg supplies will help also stabilize prices to producers during the coming peak season of production.

And perhaps the egg producers, at the same time, could intensify their efforts to open up new oversea markets for their products. It should be noted that in 1960 egg exports of frozen or preserved types totaled 2,640,000 pounds while in 1963 they had dropped to 801,000 pounds.

Perhaps an investigation is warranted, to determine the extent speculators may have had a hand in the severe market fluctuations.

These are all proposals which merit serious consideration if a repetition of the current problems are to be avoided.

I ask unanimous consent that the following tables and Department of Agriculture statement be placed in the Record:

First. "Factors in monthly supply of shell eggs, 1960 to date."

Second. "Number of layers on farms, rate of egg production, and total egg output on farms, by months, January 1957 to date."

Third. "Eggs, Exports, Imports."

Fourth. "USDA's Purchases, Dried Whole Egg Solids."

Fifth. "Text, Freeman's announcement on egg product purchases."

There being no objection, the material was ordered to be printed in the Record.

Factors in monthly supply of shell eggs, 1960 to date [1]

[In thousands of cases]

Year and item	January	February	March	April	May	June	July	August	September	October	November	December	Total
1960:													
Eggs produced on farms	15,092	14,319	15,542	15,356	15,753	14,442	13,936	13,344	12,672	13,117	13,144	14,092	170,809
Shell eggs to storage	116	41	−164	118	454	357	−81	−283	−263	−214	−173	−20	−112
Eggs broken commercially [2]	853	1,297	1,240	1,280	2,521	2,247	1,034	919	499	476	258	359	12,983
Eggs used for hatching	760	954	1,073	1,170	910	773	660	603	617	617	683	773	9,593
Balance	13,363	12,027	13,393	12,788	11,868	11,065	12,323	12,105	11,819	12,238	12,376	12,980	148,345
Government purchases: Dried [3]	255	248	202	116	25	----------	376	282	222	29	8	----------	1,763
1961:													
Eggs produced on farms	14,394	13,617	15,831	15,394	15,467	14,289	14,033	13,597	13,100	13,803	13,828	14,653	172,006
Shell eggs to storage	4	−31	2	27	160	127	−51	−34	−55	−80	−62	−44	−37
Eggs broken commercially [2]	792	797	1,100	1,726	2,088	1,977	1,302	1,059	772	801	790	786	13,990
Eggs used for hatching	861	1,155	1,260	1,167	910	823	731	635	621	627	677	787	10,254
Balance	12,737	11,696	13,469	12,474	12,309	11,362	12,051	11,937	11,762	12,455	12,423	13,124	147,799
Government purchases: Dried [3]	----------	345	642	186	421	382	108	----------	----------	----------	----------	----------	2,084
1962:													
Eggs produced on farms	14,708	13,736	15,961	15,653	15,872	14,656	14,395	13,919	13,439	14,114	13,947	14,561	174,961
Shell eggs to storage	−10	9	18	−4	267	75	−54	−93	−23	9	−74	−45	78
Eggs broken commercially [2]	812	938	1,457	1,562	2,277	2,230	1,713	1,238	815	704	584	534	14,865
Eggs used for hatching	801	1,102	1,197	1,153	907	823	747	699	741	737	737	789	10,433
Balance	13,105	11,687	13,289	12,942	12,421	11,528	11,989	12,075	11,906	12,664	12,700	13,283	149,585
Government purchases: Dried [3]	----------	----------	112	340	278	338	138	----------	----------	----------	----------	----------	1,205
1963:													
Eggs produced on farms	14,369	13,333	15,736	15,656	15,867	14,733	14,594	14,208	13,625	14,244	14,136	14,675	175,175
Shell eggs to storage	−53	−35	22	5	144	74	−41	−27	−52	−17	−26	−41	−50
Eggs broken commercially [2]	650	737	1,333	1,860	2,169	1,850	1,481	1,715	778	725	629	----------	----------
Eggs used for hatching	799	1,030	1,178	1,160	941	847	768	698	738	753	795	847	10,554
Balance	12,973	11,601	13,203	12,631	12,613	11,962	12,386	12,362	12,161	12,783	12,738	----------	----------
Government purchases: Dried [3]	----------	----------	----------	155	298	280	45	----------	----------	----------	----------	----------	778

[1] 48 States.
[2] Excluding equivalent of Government purchases of dried or frozen eggs.
[3] Shell equivalent.

Source: Poultry and Egg Situation, January 1964, Economic Research Service, USDA.

Number of layers on farms, rate of egg production, and total egg output on farms, by months, January 1957 to date [1]

A. AVERAGE FOR THE MONTH

Item and year	Unit	January	February	March	April	May	June	July	August	September	October	November	December
Average number of layers on farms:													
1957	Million	333	325	316	305	294	284	280	286	300	313	321	324
1958	do	321	314	307	299	290	284	282	288	301	315	324	329
1959	do	327	321	316	308	297	286	281	286	299	311	317	319
1960	do	316	309	302	295	288	281	276	277	285	295	303	308
1961 [1]	do	306	301	297	292	286	281	279	282	293	303	309	312
1962 [1]	do	310	306	303	297	290	285	282	286	295	303	308	308
1963 [1]	do	306	302	300	296	291	287	286	289	295	302	306	307
1964 [1]	do	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Eggs laid per 100 layers:													
1957	Eggs	1,606	1,543	1,862	1,872	1,919	1,772	1,718	1,621	1,491	1,489	1,459	1,588
1958	do	1,664	1,537	1,806	1,861	1,933	1,796	1,757	1,660	1,530	1,564	1,548	1,632
1959	do	1,676	1,612	1,908	1,911	1,963	1,828	1,798	1,701	1,565	1,580	1,542	1,661
1960	do	1,719	1,667	1,851	1,873	1,969	1,850	1,816	1,736	1,601	1,600	1,561	1,649
1961 [1]	do	1,699	1,634	1,923	1,903	1,952	1,833	1,815	1,739	1,616	1,645	1,617	1,697
1962 [1]	do	1,713	1,618	1,902	1,901	1,972	1,859	1,840	1,757	1,646	1,680	1,637	1,706
1963 [1]	do	1,698	1,593	1,895	1,906	1,965	1,855	1,845	1,777	1,665	1,702	1,668	1,724
1964 [1]	do	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Total monthly egg production:													
1957	Million cases	14.9	13.9	16.3	15.9	15.7	14.0	13.3	12.9	12.4	13.0	13.0	14.3
1958	do	14.8	13.4	15.4	15.4	15.6	14.2	13.8	13.2	12.8	13.7	13.9	14.9
1959	do	15.2	14.4	16.7	16.3	16.2	14.5	14.1	13.5	13.0	13.6	13.6	14.7
1960	do	15.1	14.3	15.5	15.4	15.8	14.4	13.9	13.3	12.7	13.1	13.1	14.1
1961 [1]	do	14.4	13.6	15.9	15.4	15.5	14.3	14.1	13.6	13.1	13.8	13.9	14.7
1962 [1]	do	14.7	13.8	16.0	15.7	15.9	14.7	14.4	14.0	13.5	14.2	14.0	14.6
1963 [1]	do	14.4	13.4	15.8	15.7	15.9	14.8	14.6	14.2	13.7	14.3	14.2	14.7
1964 [1]	do	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------

B. FIRST-OF-MONTH

Item and year	Unit	January	February	March	April	May	June	July	August	September	October	November	December
Number of layers on farms:													
1957	Million	337	328	321	310	300	289	279	280	292	309	317	324
1958	do	324	317	311	304	294	286	281	283	292	309	320	329
1959	do	330	324	319	312	303	291	281	282	291	306	315	319
1960	do	319	313	306	299	292	284	278	275	279	291	299	307
1961 [1]	do	309	303	299	295	289	283	280	279	286	299	306	311
1962 [1]	do	312	308	305	301	294	287	282	283	289	300	306	309
1963 [1]	do	308	303	301	299	294	289	285	286	291	300	305	307
1964 [1]	do	307	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Eggs laid per 100 layers:													
1957	Eggs	51.8	51.9	58.3	61.9	63.0	60.8	57.3	53.5	51.0	48.4	47.8	49.6
1958	do	52.9	54.5	55.3	60.8	63.2	61.5	58.2	55.1	52.0	50.0	50.9	52.4
1959	do	52.9	55.2	59.9	63.2	64.0	62.6	59.3	56.6	53.1	51.3	50.7	52.2
1960	do	54.9	56.0	58.9	60.6	64.2	62.9	60.0	57.3	54.7	52.0	51.2	52.8
1961 [1]	do	53.6	55.9	60.8	63.2	63.6	62.4	59.8	57.3	54.9	52.9	53.3	54.5
1962 [1]	do	55.0	55.4	60.2	62.5	64.2	63.0	60.9	57.8	55.5	54.3	54.1	55.0
1963 [1]	do	55.0	54.7	59.1	63.1	63.9	62.9	60.8	58.3	56.4	54.7	55.2	56.0
1964 [1]	do	55.3	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Daily rate of egg production:													
1957	Million eggs	175	170	187	192	189	176	160	150	149	150	152	161
1958	do	171	173	172	185	186	176	164	156	152	155	163	172
1959	do	175	179	191	198	194	182	167	159	155	157	160	166
1960	do	175	175	180	181	187	179	167	157	153	151	153	162
1961 [1]	do	166	169	182	187	184	177	167	160	157	158	163	169
1962 [1]	do	172	170	184	188	189	181	172	164	160	163	166	170
1963 [1]	do	169	166	178	188	188	181	173	167	164	164	168	172
1964 [1]	do	170	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------

[1] Includes Alaska and Hawaii.

Source: Poultry and Egg Situation, January 1964, Economic Research Service USDA.

Eggs

	1960		1961		1962		1963	
	Total	Value	Total	Value	Total	Value	Total	Value
Exports:	*Dozen*		*Dozen*		*Dozen*		*Dozen*	
In shell	17,547,000	$11,847,000	14,677,000	$11,645,000	8,572,000	$7,970,000	17,591,000	$11,706,000
Hatching	6,207,000	7,403,000	8,842,000	9,259,000	6,842,000	7,272,000	9,906,000	9,157,000
Other	11,340,000	4,444,000	5,835,000	2,386,000	1,730,000	698,000	7,685,000	2,549,000
	Pounds		*Pounds*		*Pounds*		*Pounds*	
Dried	5,417,000	5,218,000	4,949,000	4,424,000	4,353,000	4,372,000	5,074,000	5,475,000
Frozen/preserved	2,640,000	1,166,000	3,657,000	1,737,000	2,035,000	971,000	801,000	416,000
Imports:	*Dozen*		*Dozen*		*Dozen*		*Dozen*	
In shell	2,610,000	1,194,000	2,522,000	1,071,000	1,560,000	508,000	[1] 1,334,506	[1] 954,000
Chicken	2,405,000	974,000	2,369,000	883,000	1,326,000	478,000	[1] 984,199	
Other	205,000	220,000	153,000	188,000	234,000	300,000	[1] 350,307	
	Pounds		*Pounds*		*Pounds*		*Pounds*	
Dried, whole, yolks, albumen	3,000	4,000	40,000	46,000	None	None	[1] 185	7,000
Frozen/prepared	13,000	8,000	4,000	4,000	4,000	5,000	[1] 4,765	

[1] Preliminary.

Source: Library of Congress, Agricultural Division, Feb. 18, 1964.

USDA's purchases

	Sec. 32		Sec. 6	
	Million pounds	Million dollars	Million pounds	Million dollars
Dried whole egg solids:				
1959	12	14	8	9
1960	19	21		
1961	22	27		
1962	13	13		
1963	8	9		

Source: Secretary's Office, Department of Agriculture, Feb. 20, 1964.

Mr. MILLER. Here is full text of story released in Washington at 5 p.m., Wednesday, February 19:

FREEMAN ANNOUNCES ADDITION OF EGG PRODUCTS TO NEEDY PERSONS DISTRIBUTION PROGRAM

Secretary of Agriculture Orville L. Freeman announced today that the Department would soon make available dried eggs to families receiving foods under the direct food distribution program. Purchases of dried whole egg solids will be made with section 32 funds.

The Secretary said, "This action is being taken in response to President Johnson's overall objective of easing the impact of poverty among needy people. The recent substantial decline in egg prices to producers makes a highly nutritious protein food readily available for supplementing the diets of hungry people. A second consideration is that the removal of surplus egg supplies will help also stabilize prices to producers during the coming peak season of production."

Currently, over 5 million needy persons are being provided with surplus foods in 48 States and over 1,500 counties.

Procurement details regarding the purchase program will be mailed to the trade next week.

THE PRESIDENTIAL ASSISTANT FOR CONSUMER AFFAIRS IN THE DEPARTMENT OF LABOR

Mr. MILLER. Mr. President, the Associated Press, in a dispatch appearing in the New York Times of February 16, performed a service in calling attention to the possibility of a duality of functions stemming from a recent action of President Johnson.

In placing the new post of Presidential Assistant for Consumer Affairs in the Labor Department, the report pointed out, the President may have overlooked or may not have been fully aware of the consumer-oriented services of the Department of Agriculture.

I hope that when the new post becomes fully operational, that there will be no overlapping of services. I hope also that establishment of the new post is not the first step toward a new agency.

I believe that the Congress should be informed as to the scope of this new position of Presidential assistant and exactly what services will be entailed.

I ask unanimous consent that the article, entitled "Consumers Aided by Farm Agency," be placed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONSUMERS AIDED BY FARM AGENCY—DEPARTMENT PRIDES ITSELF AND ELECTRONIC DEVICES

WASHINGTON, February 15.—President Johnson gave the Agriculture Department a jolt when he put the new post of Presidential Assistant for Consumer Affairs in the Labor Department.

The Agriculture Department has prided itself on its services aimed at helping consumers. But the President gave the new position to Mrs. Esther Peterson, an Assistant Secretary of Labor. Some in the Department believe that Mr. Johnson may have overlooked or may not have been fully aware of the many consumer-oriented services carried out along with farm programs.

The Department says that its consumer services reach into 50 areas, ranging from food grading, nutritional research and clothing studies to house planning.

Yet the Department quite obviously has not had great success in impressing its consumer interests on the general public.

Aside from consumer benefits from farm production research, the Department offers the general public such services as inspection and grading of meats, poultry, eggs, dairy products, fruits and vegetables—services designed to assure consumers good, clean, wholesome food.

The Department has some of the world's leading authorities on nutrition, textiles, horticulture, and other fields of interest to city people as well as farm people.

If the consumer has any question regarding soil, water, fruits, vegetables, flowers, trees, shrubs—any that are connected with food, its preparation, care, preservation, how to buy, nutrition, planning houses or kitchens, making or mending clothes, controlling insects, he can get a bulletin covering the subject or a personal answer to a specific question by writing the Department.

For years the Department has been issuing guides on best food buys at various seasons of the year. It has done much of the research leading to new wash-and-wear fabrics.

The Department studies and advises housewives on buying and care of household appliances, cookwear, and other equipment. It has developed fire-resistant cotton materials. It has issued a shopper's guide for men's suits. It has developed a durable fire-retardant paint for outside use.

The Department has helped develop wool sweaters and blankets that can be washed by machine, permanently pleated wool skirts, and permanently creased wool trousers.

It has bulletins on stain removal, mildew control, repair of rugs, laundry methods, pattern alteration, house location, fireplaces, and chimneys, care of wood floors, household pest control, drainage, house plants, recreation, community projects, family budgeting, consumer credit, and on how to meet national defense emergencies.

LEE P. LOOMIS

Mr. MILLER. Mr. President, a journalistic giant whose influence and reputation extended far beyond the borders of the State of Iowa, died on February 10. He was Lee P. Loomis, chairman of the board of Lee Enterprises, Inc., a group of Midwest and Rocky Mountain newspapers and radio-television stations.

Many things can be said about Lee P. Loomis—of his vision, his warmheartedness, his love of Mason City, Iowa, and the State of Iowa.

But no more fitting tribute can be given than the words of those with whom he was associated for so long. I believe the remarks of Philip Adler, publisher of the Davenport, Iowa, Daily Times, and president of Lee Enterprises, Inc., and W. Earl Hall, editorial consultant and former publisher-editor of the Mason City Globe-Gazette, best sum up the life and contributions of Lee P. Loomis.

Said Mr. Adler:

> He had a lifelong dedication to newspaper work, a faculty for making friends, an enthusiasm for selling and a business foresight which will long be remembered. He leaves a legacy of good works in his home community of Mason City, his church, and among newspapermen everywhere.

Said Mr. Hall:

> Newspapering was not merely the lifework, it was the life of Lee Loomis. While he possessed a singularly wide range of interests, all of the others were linked to journalism. Just about every recognition that could come to him did come but his greatest satisfactions came from the performance of the task at hand each day.

Lee P. Loomis will not soon be forgotten.

I ask unanimous consent that the following articles relating to the death of Mr. Loomis be placed in the RECORD: First, "We Were Proud To Call Him Boss," "Lee Loomis Leaves Legacy of Good Work," "Lee P. Loomis: A Man of Contracts," and "Thanks, Boss," all from the Mason City, Iowa, Globe-Gazette; and second, "Lee Loomis," from the Sioux City, Iowa, Journal.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Globe-Gazette, Feb. 11, 1964]

WE WERE PROUD TO CALL HIM BOSS

An association of almost 40 years between Lee Loomis and the writer has come to an end in the death of our beloved publisher emeritus. There is sadness around the office where he presided with a smile, a soft voice and a general tone of friendliness that made "Boss" a term of affection.

Newspapering was not merely the lifework, it was the life of Lee Loomis. While he possessed a singularly wide range of interests, all of the others were linked to journalism. Just about every recognition that could come to him did come but his greatest satisfactions came from the performance of the task at hand each day.

His first contact with newspapering was at Ottumwa where on the parent paper he was assigned to the most onerous tasks of the profession—farm-to-farm subscription solicitation, bookkeeping and the like. His uncle, A. W. Lee, founder of the Lee papers, wanted to test him. His being a nephew wasn't enough. At Muscatine the trial was continued. He measured up by earning first the managing editorship, then the publishership.

In 1925 when he came to Mason City as publisher, he had reached full professional maturity. His discipline had given him not merely an understanding but a mastery of every phase of newspapering. His coming was an event of significance not alone to the Globe-Gazette but for Mason City and the extensive area in north Iowa and southern Minnesota served by our daily newspaper.

The Loomis journalistic credo contained two cardinal guidelines:

1. The accent must always be on the news in newspaper. While reasonable earnings are essential to a free press, they must never be at the expense of news content.

2. A newspaper, to fulfill its fundamental responsibility, must make itself a part of the life of the community in which it exists. In short, it must be a good citizen.

This philosophy made working with and under Lee Loomis a joy. It meant separation of the editorial and the business operations of the paper. News has been handled with no restraints other than those suggested by editorial judgment and good taste.

In the working out of things, too, the determination of editorial policy resided in the editorial department. This is not to say, however, that the Loomis counsel was not sought on matters of import. It was freely sought and freely given.

The amazing range of the Loomis interest in his church and in all projects designed to advance the cause of Mason City and north Iowa, as well as those of journalism, is set forth elsewhere. His imprint on the face of our community will be discernible far into the future.

A distinguishing mark of the Lee Loomis personality was his ability—and it amounted almost to a genius—for giving leadership quietly and from behind the scenes. He was content to let others, including this writer, represent him and the newspaper over which he presided so long and so ably.

A profound sorrow is manifest in all departments of the Globe-Gazette. No "boss" ever had a greater love or loyalty from his associates. When the plant now nearing completion is dedicated later this year, there will be one fact uppermost in the minds of us all:

"That's a monument to Lee Loomis."

[From the Globe-Gazette, Feb. 11, 1964]

LEE LOOMIS LEAVES LEGACY OF GOOD WORK

(By Philip Adler)

Philip D. Adler, president, Lee Enterprises, Inc.: "Lee Loomis stood tall as a newspaper publisher in the Midwest. His publishing career touched three cities and largely developed the Lee newspaper group in the Midwest and Montana. His interest in radio and television brought the Lee interests into this field.

"For 60 active years as a newspaperman, Lee Loomis devoted himself wholeheartedly to the task which A. W. Lee began. He had a lifelong dedication to newspaper work, a faculty for making friends, an enthusiasm for selling, and a business foresight which will long be remembered.

"He leaves a legacy of good works in his home community of Mason City, his church, and among newspapermen everywhere.

"Mr. Loomis' accomplishments included an invaluable contribution to the development of the Davenport newspapers. His interest in their success made him a frequent visitor who became a familiar figure in the offices of the Times and the Democrat for two generations.

"In the Lee group his death brings a personal loss to hundreds of newspapermen and women with whom he worked and whom he inspired."

Ray N. Rorick, Globe-Gazette publisher: "The uplifting influence of Lee P. Loomis will be the star on which Globe-Gazette employees will set their sights for all of the foreseeable future. Woe to that employee who sought to practice anything less than the very highest in ethics. He was personal counselor to every one of his employees and revered by every single one. His passing is very real and personal to each of us."

W. Earl Hall, editorial consultant and former editor of the Globe-Gazette: "Our 39 years together on the Globe-Gazette have proved a rich and stimulating association. I have been proud always to call Lee Loomis 'Boss.' At the core of his professional credo was an insistence that the 'news' in 'newspaper' have the emphasis. This meant news and editorial independence in the making of our daily newspaper. This is one of the rich heritages bequeathed by Lee Loomis to our newspaper."

[From the Globe-Gazette, Feb. 12, 1964]

LEE P. LOOMIS: A MAN OF CONTRAST

(By Thor J. Jensen)

Active supervision of 10 daily newspapers and associated radio stations means managing of millions of dollars of business and more millions of property.

It made Lee Loomis one of the biggest businessmen in Iowa for many years. Few of his neighbors realized it. He didn't talk about it.

His wife didn't talk about it either. She was used to it. "I had a husband for 6 months," Mrs. Loomis once observed, "and after that, I had a newspaperman."

She referred to the fact that Mr. Loomis, at the age of 31, was called back from his honeymoon to become publisher of the Muscatin Journal. That was in 1915. Within 6 months the newspaper took his time.

He came to Mason City April 1, 1925, when the Globe-Gazette became affiliated with the Lee Newspapers. That led him to say later: "What a hell of an April Fool's joke to play on good, unsuspecting Mason City people."

He used strong language, no doubt dating back to his days as police reporter in Ottumwa. It took him 4 years to persuade Margaret Anna Hakes to marry him, complicated by the fact that her minister father kept asking:

"Are you sure you want to marry this young man, who uses such strong language over the phone?"

On the other hand, he was for some years one of two men who kept the financial head of St. John's Episcopal Church in Mason City above water. Said the man who at that time was in charge of the finances:

"Several times I went to Lee or 'Bide' Way and told them the problem. Each time Lee would call in his secretary and tell her to make out a check. Mr. Way did the same."

The language he had learned in his youth followed a short term as a bookkeeper of the Ottumwa Courier. One day the publisher, A. W. Lee, looked over his shoulder and said:

"Lee, you'd make a good bookkeeper—if you could only write."

So Loomis became a cub reporter. He was a born versifier. Even his police report was in verse. It was spicy, he said in later years, because that's the way the town was then.

It was so spicy, he recalled with a laugh, that some days he and the city editor would make it a point to be out of the building when the paper got to Mr. Lee's desk. It was read.

The Ottumwa publisher may not have thought much of Lee Loomis as a bookkeeper, but when he became head of the Lee Group, he became again a bookkeeper.

Every month he received from each of the 10 Lee papers a report on that month's business by departments. That record he kept in his little black book. He could tell at all times how business was going in each of the 10 newspapers. He was in command.

When he walked into the composing room of the Globe-Gazette, the printers said, "Good morning, Lee." They went to work at 7 a.m. and he was there then or soon after. He was earlier than the reporters.

Despite his command of 10 newspapers, he never overlooked the smaller details. Mrs. Loomis confesses that was the one thing she complained to him about—wearing himself out with details. He couldn't help it. He had to be at the newspaper whenever the press was running and before, including Sunday evenings if he was in Mason City.

His minute attention to Globe-Gazette matters didn't keep him from giving a full measure of his time to civic affairs.

Bank failures plagued north Iowa when he came to Mason City. He took a leading part in trying to stop them and in softening the effects of their closing.

The depression followed the bank closings and brought him new community worries. When the Mason City Community Chest had an immediate need for more money for relief, he told others:

"I'm subscribing the first $100 toward $1,000 more. Now you go out and get the other $900."

He was usually first.

When it became obvious that Mason City must have an airport to take the place of railroad passenger traffic, he took the lead in raising a special fund of $3,000 to send emissaries to Washington. The result was the Federal grant which made possible the Mason City Municipal Airport.

When World War II was over and housing was a problem, he subscribed the first $1,000 for the Globe-Gazette and the second $1,000 for KGLO to organize the Mason City Development Association. He added more thousands later, when needed.

Lee Loomis led but usually was not the one in the public eye. Someone else was chairman, as a rule. In later years, however, he was chairman of the fund drive which made possible the conversion of what had been built as a hospital into our Good Samaritan Home.

His versifying stayed with him as long as he was active. The annual gridiron show at the Mason City Chamber of Commerce Christmas party died when he stopped writing it.

So long as he wrote it, the script was full of verse and spicy (but never barbed) comments about his neighbors. For more than 20 years, with Lester Milligan at the piano, he wrote parodies on popular songs and poked fun at the Mason City scene.

He didn't mind kidding himself. In 1930 he wrote in the script:

"Say, this crime situation is getting worse. I saw two men stick up a guy on the street Friday afternoon."

"Aw, that wasn't a holdup. That was Bide Way and Lee Loomis raising money for the Episcopal Church."

"How did Bide and Lee get on that church board anyway?"

"Well, they say the rough element rose up and demanded recognition."

His parodies were not always funny. One, a parody on "Oklahoma," was used for many years by the Mason City Chamber of Commerce chorus:

"Mason City, where the corn grows tow'ring round about,
Where men work and play, and fill each day
With a lust for living like a shout.
Every day we're milling out cement, making brick and tile; our pork's the style.
Happy, busy, yes, and so content.
We know we belong to our State,
And the State we belong to is great.
And when we say
Yeeow—I-O-W-A—I-o-way,
We're only saying,
You're mighty fine.
Mason City, Mason City, Okay!"

An active Republican, he nevertheless never hesitated to kid politics and politicians. In the minstrel chorus, Earl Dean, Democrat, and Earl Hall, Republican, were constantly pitted against each other as donkey and elephant.

Dean, in 1943, sang this one:

"The Republicans think they are lucky,
And they boast to the vote in Kentucky.
You partisans gloat; on the prospects you dote.
But wait till our Franklin goes after the vote."

The chorus was prophetic:

"Oh, what a beautiful morning.
Oh, what a beautiful day!
I've got a wonderful feeling
Everything's going our way."

Lee Loomis brought radio to Mason City. In 1940 he even kidded about that:

"Earl Hall cheers for the GOP
While Eighmey loves Democracy.
But Old Lee Loomis, ain't it so?
He just loves KGLO."

One of the most beautiful things he wrote was in 1946 when the Reds had exploded their atom bomb, the Communists had taken China and things were going not too well at home. After a recital in song of all the discouraging events, came these concluding lines:

"Oh, all is gloom and all is woe—
But stop—What cynic told you so?
Green grows the holly—the snow is white.
The Yule log fire gives crimson light.
Throughout the land the churchbells ring,
And carols of joy the children sing.
Old Santa comes in fabled sleigh—
If we could only make him stay—
One day we'll banish doubt and fear
And fill their void with love and cheer.
Our fondest wish to you, our peers,
May your days be turned to Christmas years!"

[From the Globe-Gazette, Feb. 13, 1964]

THANKS, BOSS

We said goodby to "the boss" today.

Each of us who still tread the steps of the building Lee Loomis loved so much did it in our own individual way.

How does one give a parting heartfelt salute to a man who was father to all, a counselor to many and a gentle critic of both the veteran and the neophyte alike?

One does it best with thoughts, those and little mental images painted by the broad pen of personal relationship.

For some of us in the Globe-Gazette family this intimate contact was established and nurtured over a span of nearly 40 years. For others, the more-or-less newcomers, it represents only a millisecond in this man's long and venerable newspaper career.

There was, for instance, that blustery February afternoon almost 10 years ago to the day.

We had just come to the wire news desk assignment from the city hall beat and were still unaccustomed to all the workings. Mr. Loomis happened into the newsroom, as he often did late in the day, and noticed the consternation written on our face.

"There's a tremendous photo here on the shooting at Des Moines," we almost shouted, "and we could get it into the North Iowa edition if we call the engraver back from home."

This, of course, necessitated a juggling of schedule and extra expense.

It was at this point that the voice from the doorway made the decision for us.

"If it will make it a better paper, go ahead and do it," was the never-to-be-forgotten bit of advice. "Your job is to get the news into this edition."

The decision, of course, was the correct one. His basic tenet that news is the very essence of newspapering can never be challenged.

Then there were those seemingly too-frequent intraoffice telephone calls "from downstairs"—pointing out what we at that time believed to be inconsequential corrections of grammar or wrist-slappings on picayunish deviations from fact.

"Let the little things get away from you and you're in trouble" was the admonition we received—and deserved.

Yes, we all have learned there is an important place for such critical "flyspecking" in carrying out our daily assignments. We learned because we had a superior teacher.

These are just two indelible vignettes of a good friend we'll never forget. We could recite many, many more.

But now it's back to the job at hand. There are deadlines to meet and readers to serve.

That's the way Lee Loomis would have wanted it. After all, the readers were his friends, too.

[From the Sioux City Journal, Feb. 12, 1964]

LEE LOOMIS

Everybody who was at all active in the newspaper business in Iowa from the early 1920's to the early 1960's knew Lee P. Loomis, chairman of the board of Lee Enterprises, which owns newspapers and radio stations in a number of midwestern and Rocky Mountain cities. Most people knew him as publisher of the Mason City Globe-Gazette, which he helped make into one of the State's fine newspapers. Older persons in the profession recall him as publisher of the Muscatine Journal, for several years prior to 1925.

Mr. Loomis was truly an Iowa newspaperman, receiving his early training on the Ottumwa Courier before going to Muscatine. There and at Mason City he was active in the affairs of the profession on both State and regional basis. He loved Iowa and "sold" Iowa to everyone who would listen. His organizational and administrative abilities were great, and he was one of the State's most respected newspapermen. His many contributions to his profession will long stand to mark his time in Iowa journalism.

LEAVE OF ABSENCE

Mr. MILLER. Mr. President, I have important speaking engagements in my State on March 13, 14, 20, 21, and 24, and on April 1, 2, 18, 21, and 22.

I therefore ask unanimous consent that I may be excused from attendance on the sessions of the Senate on those days.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McINTYRE. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER (Mr. MILLER in the chair). Without objection, it is so ordered.

PLANS FOR A CHANCERY CENTER IN THE DISTRICT OF COLUMBIA—ADDITIONAL COSPONSOR OF BILL

Mr. McINTYRE. Mr. President, on January 20 I introduced S. 2444, a bill to create a chancery center in the District of Columbia. An unfortunate oversight in preparing the official copy of the bill led to the omission of the name of the senior Senator from Maryland [Mr. BEALL] who joined as a cosponsor in offering the bill. The Senator from Maryland is a distinguished member of the District of Columbia Committee, whose constructive influence has brought many urgently needed projects to completion in the District of Columbia. I regret that his name was omitted from this bill and ask unanimous consent that it may be added at the next printing.

There has been much interest generated in the proposal for an international chancery center. WMAL, a radio and television broadcasting company in the District of Columbia, has stated editorial support for the idea of an international center. I ask unanimous consent that copies of recent WMAL editorials be reprinted at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

CHANCERY BUILDING

Senator McINTYRE, of New Hampshire, has proposed a handsome international center in Washington for the location of chanceries and other office buildings of foreign governments. We have proposed the same idea before and strongly believe in the merits of such a project. When completed, the center would eliminate the need for chanceries in residental areas.

Foreign governments, particularly those of new nations, could lease office space to conduct their affairs. Developed by private investors, the project would cost the taxpayers nothing. Proposed legislation would authorize the use of urban renewal powers to clear land for the enclave. The center would also serve as a convenient place for diplomatic, social, and recreational events.

We agree with Senator McIntyre that an international center is feasible and would be a great asset to Washington.

Russian Embassy—Chancery Location

The controversy over the Chevy Chase location of the Russian Embassy-Chancery remains unsettled. Construction of the proposed facility on the Bonnie Brae estate has been temporarily blocked. A Federal judge recently ruled that permission for the site was granted after the White House and State Department exerted undue pressure in favor of the location.

Judge Pine suggests that a new board be created specifically to hear the Bonnie Brae case. We believe the zoning application should be denied.

Neighbors opposed the proposed embassy-chancery because it would be incompatible with the neighborhood. They also feared heavy traffic congestion and possible demonstrations against the Russian Government.

We advocate that an international center, to serve all nations, be built in downtown Washington. The center could easily become a new urban renewal project. An international center is the only appropriate place for countries to establish new accommodations.

Mr. McINTYRE. Mr. President, I was also greatly encouraged by the editorial support given to the idea by the Washington Post on February 3, 1964. I ask unanimous consent that this editorial be reprinted at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Center for Chanceries

A certain urgency attends the suggestion of a center for foreign governments' chanceries. Several large missions are currently looking for sites into which to expand. If a center is to be established by Congress, it needs to be done in time for these tenants.

Senator McIntyre's bill for this purpose is warmly regarded by the State Department, and for good reason. The chanceries, with their air of commerce and their parking difficulties, are not welcomed in Washington's residential neighborhoods. Their intrusions have proved a source of continued local friction, trivial but by no means negligible. Senator Fulbright's bill, passed last year by the Senate, would prohibit any new chanceries in residential zones. Senator McIntyre now proposes to authorize a 30-acre site, under the District's urban renewal program, for a spacious and well-designed new center in which foreign governments could find quarters.

Before Congress passes the bill, it will demand the answer to one obvious question: Where is the chancery center to be? If the National Capital Planning Commission can bring itself to make a recommendation promptly, the McIntyre bill may yet be enacted in time to serve the diplomats, and to save the neighborhoods into which their chanceries would otherwise have moved.

Of course, no chancery center will meet all the office needs of foreign diplomats. For this reason further action on the Fulbright bill is also important. Before it goes any further, however, it should be amended so as to ease the restrictions on the location of chanceries. If Congress is unwilling to lay down guidelines for the Board of Zoning Adjustment in granting exceptions for the location of chanceries in residential neighborhoods, it should at least keep the door open for such facilities in apartment zones.

NOTICE OF HEARINGS

Mr. McINTYRE. Mr. President, I agree entirely with the Post's statement that a certain urgency attends this problem. Therefore I would like to state that every effort will be made to convene hearings before the Business and Commerce Subcommittee of the Senate District of Columbia Committee during the first week of March or, failing that, the week following.

I recently addressed the Chevy Chase Citizen's Association on this problem. Mr. President, I ask unanimous consent that the text of that address appear in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Chanceries and the Nation's Capital

(An address by U.S. Senator Tom McIntyre, Chevy Chase Citizens' Association, February 17, 1964)

As you know, the Congress is entrusted with the power of legislating for the District of Columbia. As a member of the Senate Committee on the District of Columbia I share in the responsibility for governing its 680,000 citizens and 68 square miles. My experience in local government in New Hampshire has convinced me that progress, which is after all why governments are instituted among us, comes from strong local concern for local government. When the machinery of government is dismantled and the National Legislature has to concern itself with local affairs, it doesn't take long for public opinion to die down to a dead calm. From 1802 to 1874 there was a measure of home rule in the District of Columbia, but by the end of the Civil War the problems of the Capital City had really become intolerable. Population was growing far more rapidly than the city could pay for needed public works and services.

Exceptionally difficult racial problems arose. The city became ugly and grew in a heedless fashion. These problems were solved, for a short time, by giving control of the District to Congress. But new problems have arisen, and I think the time has come when Congress should begin to yield back local control and at least a limited amount of home rule. Only then can citizens and their Government, in close and continuing consultation, begin to make meaningful progress on problems of deprivation, the quality of municipal services, the city's finances, and its problems of persistent crime.

And another of these problems is the city's unplanned growth. In my few months in the Nation's Capital, I have come to feel that almost every residential area is threatened by freeways, commercial invasion, crime, blight, and other problems. Any fine vista, whether a downtown street or a stretch of wild country, can be put on the block. There is little confidence that what is best in this beautiful metropolitan area will necessarily endure. And I think it is this lack of confidence, well justified to be sure, that has accounted for the strong fight waged by many local groups, including the Chevy Chase Citizens' Association, against chancery development.

THE NATIONAL CAPITAL DIPLOMATIC COMMUNITY

The public law creating the Capital area, passed in 1790, calls the District of Columbia "the permanent seat of government of the United States." And to our Government, over 100 foreign governments are accredited for the conduct of diplomatic relations. I believe that Washington's status as an international capital is welcome to almost all residents of the area. The diplomats who come here and their families receive a warm welcome in this characteristically American and friendly city. But it seems extremely shortsighted to me, that better provision should not have been made for the location of the offices which these governments employ in conducting relations. I was astonished to discover that chanceries were not even subject to zoning regulations until 1957. Their growth has been largely unplanned and has tended to center in the Sheraton-Kalorama area between Rock Creek Park, Massachusetts Avenue, and Connecticut Avenue. And as the number of new countries has grown, so have the pressures for new chancery locations. But I have formed the impression that the lightning of chancery location can strike just about anywhere, without any regard to the real needs of the neighborhood.

Now it is one thing to be bewitched by advertisements in Holiday magazine: palm trees, tropic sunsets, snow-covered mountains, or French villages. But it is quite another to find a five-story bustling office building, surrounded by swarms of cars, with streams of visitors, right in the middle of a residential area. There was abundant testimony at the hearing before our subcommittee that no one could be sure which neighborhood would be chosen next for chancery development. Since 1957 chanceries have been defined as commercial uses of property under the District of Columbia zoning law. Whenever a property owner wanted to sell to a foreign government for chancery purposes in a residential neighborhood, it was necessary to apply to the Board of Zoning Adjustment for a special exception. The standard by which these were granted was never defined in so many words, but compatibility with the neighborhood was the most important requirement. If a proposed foreign government business office was out of place, a special exception would be denied. If it was compatible, the special exception would be granted. Some 30 special exceptions have been granted since this procedure began in 1957.

ROLE OF THE STATE DEPARTMENT

I do not, however, share in the view sometimes expressed, that the State Department is a leading cause for unplanned chancery development in Washington. The Department actually has never been granted legal authority to equal its undeniable responsibility for chancery affairs. It is an exceedingly unsatisfactory legal situation. If the Department does not intervene, an ambitious real estate salesman may fill a residential block with chanceries. If it does intervene with the foreign government, the real estate salesman can still promise to sell. If it intervenes with the Board of Zoning Adjustment, it may invalidate the order of the Board, as recently happened with the Soviet chancery application. No one here would deny that the State Department ought to exercise general guidance of chancery matters, in line with its responsibilities to the President and the Congress. But the law ought to be clear as to what the Department can and should do, and what it cannot and should not do. It is an invitation to confusion to give the Board of Zoning Adjustment authority to waive the law. On the other hand, without a measure of home rule, it is very hard for the District government to resist the State Department once its mind is made up. Now some measure of discretion is proper in government, but we should have a much more definite law governing chancery affairs in the District of Columbia. The legal situation is chaotic. The real estate situation is uncertain. I can tell you that the foreign governments themselves find the uncertainty, confusion, and delay just about as troublesome as the residents of the District do.

That is a brief glance at the problem as I see it. I am not a member of the international set and am certainly not an expert on District of Columbia residential areas. Up in New Hampshire we have a wry saying that an expert is an ordinary fellow from out of town. Well, I am certainly from out of town, and I think my approach to this problem is ordinary enough, but I'm not an expert. We all want to preserve the quality of the Nation's Capital. We all want to do what is right by the diplomatic community. And I think it is possible to strike a fair balance in adjusting these different interests.

THE FULBRIGHT BILL, S. 646

In July the Senate passed the Fulbright bill, S. 646, which bans chanceries from all neighborhoods zoned for residential purposes. It is presently before the Multer subcommittee of the House District Committee for their consideration. That bill was quite simple. Upon the date of its enactment no chancery or business office could be built in a residential area, and no existing chancery could be enlarged beyond the extent of what would require a building permit. The principal purpose of the bill was to close a loophole in the Zoning Act whereby chanceries could acquire these special exceptions. It would treat foreign government business operations just as present law treats foreign commercial operations or American commercial operations. Still, on examination, there would be problems remaining if the bill were enacted. Chanceries would have to acquire property in special purpose or commercial districts which are beyond the means of many countries. There would still be no planning. And the measure would seem to be aimed at countries which are newly independent and do not yet have chanceries in Washington. "Why can't we be permitted to have chanceries in the same kind of area as all the other countries?" would be the question.

THE CHANCERY CENTER BILL

Partly because the Fulbright bill would not solve the whole problem, I gave considerable thought to the possibility of establishing somewhere in Washington a precinct for chanceries—an international center. Within the boundaries of such a center foreign governments could construct buildings or rent space for the conduct of their business of diplomatic representation. Social and recreational facilities might be provided for the diplomatic corps. Businesses and charities with oversea interests might construct offices or rent space. Tour facilities could be provided for students and others visiting Washington to learn more about our foreign relations.

The bill I have introduced, with the very welcome cosponsorship of Senator GLENN BEALL, of Maryland, would grant to the Redevelopment Land Agency of the District of Columbia the power to condemn up to 30 acres for this purpose. The Senate has passed a bill, S. 628, to give this Agency such powers over commercial areas of the city, but it has not passed the House. The Redevelopment Land Agency would have the power to create a chancery center in any blighted residential area of the city, but the Beall-McIntyre bill would give them this power for commercial areas as well. Thus, it is entirely consistent with the earlier Fulbright bill and would complement it nicely, or so it seems to me.

This bill would also solve the pressing problem of the need for chancery space on the part of new countries. It would provide that foreign governments awaiting the completion of space within the chancery center could occupy an existing building in a residential area for up to 3 years while space was being completed in the center. No new building permits would be issued. With permission of the District Government and the State Department, under appropriate regulations which would be issued after passage of the bill, a foreign government could rent existing space until it was able to move into the center. Thus the long-range objective of the Fulbright bill would be preserved, because the governments would have to leave the space when their time was up, but the short-term needs could also be met. It is my hope that this slight liberalization in the terms of the Fulbright bill will help it to win passage in the House.

The countries seeking to enlarge their chanceries or build new ones is about one dozen. As new nations become independent, the list will grow. Larger nations on every continent seek to construct or lease office space in the next few years. The presence of their governments, and famous international corporations and charities would reassure the newly independent nations that the American people were not relegating them to any position of unimportance. Thus this would not be a ghetto. Far from being a preserve for smaller nations, the chancery center could rapidly become a spot of international architectural distinction, and countries would welcome a chance to locate there.

That is one reason for the use of the urban renewal power. It would then be possible to give the center a unified design, like a handsome college campus or group of buildings. It would be my hope that the developer would be willing to construct sufficient low-cost housing in the vicinity so that displaced families could continue to live in their familiar neighborhood.

The diplomats are welcome in every section of Washington, so it would not be the intention to reserve housing space for them either in or near the center. There might be a club, and a hotel for transients, but that is a different matter. Thus, there would be no suspicion that the diplomats, as opposed to their offices, would be asked to locate in any particular part of Washington.

One of the advantages of bringing these offices together in a center would be that services, such as secure electronic communications, might be made available to the smaller countries whose facilities at the United Nations are increasingly burdened. For the first time they would be able to transmit and receive messages direct from Washington, without having to wait for them to be relayed back and forth from New York. There would also be service businesses, such as travel and office services, perhaps a foreign bookshop, and almost certainly an American hospitality center somewhere in the chancery precinct.

This bill would make a distinct contribution to the beautification of Washington. Development would be in private hands without cost to the taxpayer. I hope that you, with your concern for our foreign relations and also the integrity of neighborhoods, would give it your support. I am confident that the foreign governments and our State Department will support this idea. I warmly hope that city planners and others who are professionally concerned with the urban progress of Washington will soon agree upon a site. In light of the fact that participation by both large and small, wealthy and less wealthy countries will be necessary for the center, one of the principal needs is for a rapid growth of public support for this project and rapid action by the agencies of Government. I hope I will enjoy your support in the campaign to create such a center in the District. I can assure you that I will urge the Government agencies to hasten in their work toward passage of the bill and active planning for the chancery center. The disputes over the Soviet Chancery and perhaps some of the other well-publicized chancery problems will have served a useful public purpose if they help to bring about this outcome.

RECESS UNTIL NOON TOMORROW

Mr. McINTYRE. Mr. President, under the previous order, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 48 minutes p.m.) the Senate, under the previous order, took a recess until tomorrow, Friday, February 21, 1964, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 20 (legislative day of February 10), 1964:

DEPARTMENT OF COMMERCE

Nicholas Johnson, of Iowa, to be Maritime Administrator, Department of Commerce.

DIPLOMATIC AND FOREIGN SERVICE

Fulton Freeman, of California, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico.

The following-named persons, now Foreign Service officers of class 2 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Perry H. Culley, of California.
John H. Stutesman, Jr., of New Jersey.

Elmer E. Yelton, of Texas, now a Foreign Service officer of class 3 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

Donald C. Ide, of Washington, for appointment as a Foreign Service officer of class 3, a consul, and a secretary in the diplomatic service of the United States of America.

John R. Vought, of New York, for appointment as a Foreign Service officer of class 4, a consul, and a secretary in the diplomatic service of the United States of America.

The following-named Foreign Service officers for promotion from class 7 to class 6:

Raymond J. Alvarez, of California.
William Bodde, Jr., of Maryland.
John S. Brims, of New Jersey.
John W. Campbell, of California.
Richard P. Draves, of New York.
Irving Lewis Fuller, Jr., of Virginia.
Marshall J. Jeannero, of Florida.
Francis M. Kinnelly, of Maine.
Clint A. Lauderdale, of California.
Allan M. Parrent, of Kentucky.
James D. Phillips, of Kansas.
John E. Reinertson, of Wisconsin.
G. Henry M. Schuler, of Pennsylvania.
Frederick S. Vaznaugh, of California.
Eugene R. Vikingson, of Minnesota.
David E. Zweifel, of Colorado.

The following-named Foreign Service officers for promotion from class 8 to class 7:

Miss Peggy A. Antonides, of Illinois.
Charles H. Barr, of Washington.
Adrian Anthony Basora, of the Commonwealth of Puerto Rico.
John Franklin Campbell, of California.
Donald D. Casteel, of Wyoming.
Reed Cecil, of Texas.
John H. Christensen, of Iowa.
Daniel H. Clare III, of New York.
Harvey T. Clew, of Connecticut.
Edward Knapp Dey, of New York.
Clarke N. Ellis, of California.
Henry A. Engelbrecht, Jr., of the District of Columbia.
Patrick J. Flood, of Ohio.
William A. Garland, of Maryland.
Ralph E. Hamil, of New York.
William B. Harris, of California.

F. Stephen Hoffman, of New York.
Robert Onan Homme, of Minnesota.
Robert G. Houdek, of Illinois.
David A. Hughes, of Washington.
William P. Kelly, of Pennsylvania.
William A. K. Lake, of Connecticut.
William Harold Levit, Jr., of California.
Joseph Charles Luman, of Pennsylvania.
James Richard Matz, of Texas.
Bradford William Miller, Jr., of New York.
Ronald Peter Myers, of Michigan.
Miss Leona M. Nelles, of South Dakota.
Robert F. Ober, Jr., of Illinois.
Bradford C. Oelman, of Ohio.
Samuel R. Peale, of New York.
Reynold A. Riemer, of New York.
Robert M. Ruenitz, of California.
Murray C. Smith, of the District of Columbia.
Richard L. Storch, of Illinois.
Maurice M. Tanner, of Arizona.
Milton J. Wilkinson, of California.

The following-named persons for appointment as Foreign Service officers of class 7, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

John M. Beshoar, of Colorado.
Michael V. Connors, of Washington.
John P. Ferriter, of New York.
John H. Fincher, of Illinois.
T. Patrick Killough, of Texas.
Miss JulieAnn McGrath, of Illinois.
Franz H. Misch, of California.
John C. Stephens, of Colorado.
William L. Swing, of North Carolina.
Norman E. Terrell, of Washington.
Miss Paula Ann Wiegard, of Maryland.
Augustus J. Williams, Jr., of Georgia.

The following-named persons for appointment as Foreign Service officers of class 8, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Richard C. Alvarado, of Texas.
Lynn Darrell Bender, of California.
Miss Kirsten Campbell, of New Jersey.
L. Selwyn Coates, of Ohio.
Peter Collins, of New York.
John H. Hawes, of New Jersey.
Alvin Helfeld, of New York.
Herbert J. Horowitz, of Michigan.
Richard M. Ogden, of Connecticut.
Karl S. Richardson, of Nebraska.
David H. Shinn, of Washington.

The following-named Foreign Service Reserve officers to be consuls of the United States of America:

Lewis P. Achen, of Montana.
Miss Aileen Aderton, of Pennsylvania.
Dewey W. Conner, of Kansas.
Samuel P. Dieli, of Michigan.
Michael L. Di Legge, of Virginia.
Philip F. Dorman, of California.
John F. Fay, of Virginia.
George G. Jespersen, of Maryland.
Robert F. Jordan, of Massachusetts.
Joseph Kinal, of Nevada.
Samuel H. Rickard III, of Maryland.
John H. Scanlon, of Missouri.
Edward H. Sims, of South Carolina.
Peter N. Synodis, of California.
Wilbur F. Weeks, of Connecticut.

Gerold D. O'Grady, Jr., of Virginia, a Foreign Service Reserve officer, to be a consul and a secretary in the diplomatic service of the United States of America.

The following-named Foreign Service Reserve officers to be vice consuls of the United States of America:

John J. Ewing, of California.
Leonard C. Gmirkin, of Ohio.
Nicholas Letsou, of New Hampshire.
Leonard Whistler, of Connecticut.

The following-named Foreign Service Reserve officers to be secretaries in the diplomatic service of the United States of America:

Donald Porter Barnes, of Colorado.
Stuart T. Baron, of California.
William A. Bell, of the District of Columbia.
Robert E. Button, of New Jersey.
Richard D. Drain, of Maryland.
Orville J. Emory, Jr., of the District of Columbia.
James A. Higham, of Massachusetts.
Jack H. Mower, of California.
John B. Riordan, of Virginia.
William C. Simenson, of Virginia.
David L. Smock, of Florida.
Arthur Stein, of Florida.
Marvin Weissman, of Ohio.

IN THE NAVY

Having designated, under the provisions of title 10, United States Code, section 5231, Rear Adm. Alexander S. Heyward, Jr., U.S. Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominate him for appointment to the grade of vice admiral while so serving.

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve for temporary appointment to the grade of major general subject to qualification therefor as provided by law:

George E. Tomlinson
John L. Winston

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

I. FOR APPOINTMENT

To be senior surgeons

Merlin L. Brubaker
Jean-Maurice Poitras
John E. Scott

To be senior assistant surgeons

William L. Wilkie
Larry H. Dizmang
Donald W. Dippe
Peter L. Putnam

To be dental surgeon

John D. Suomi

To be senior assistant dental surgeons

Benjamin H. Brown, Jr.
John Folio
Robert C. Birch
Ray E. Holloway, II
Alan J. Trager
Edward Kuzma

To be sanitary engineer

Charles W. Northington

To be sanitary engineer

Thomas M. Moore
James D. Russell
Richard F. Boggs
John P. Sorg
Ralph R. Wirt
William F. Buchholz, Jr.
Jerry L. Butler

To be junior assistant sanitary engineer

Robert P. Stein

To be senior assistant pharmacist

Jesse P. Walker, Jr.

To be assistant pharmacists

Leighton H. Tooms
Ronald A. Gomes
Norman L. Dunfee
Francis P. Barletta

To be senior assistant sanitarians

John G. Todd
Donald R. Smith

To be assistant sanitarian

John J. Bolen

To be senior assistant therapist

William D. Wallis

To be senior assistant health services officer

Roger W. Turenne

To be assistant health services officers

Robert M. Moroney
Philip C. Hoyer
Charles W. Roach

II. FOR PERMANENT PROMOTION

To be senior nurse officer

Mildred K. McDermott

IN THE COAST GUARD

The following-named person to be a member of the permanent commissioned teaching staff of the U.S. Coast Guard Academy as an instructor with the grade of lieutenant:

Jimmie D. Woods

EXTENSIONS OF REMARKS

Armed Forces Help in a Civil Emergency

EXTENSION OF REMARKS
OF
HON. WALTER ROGERS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 20, 1964

Mr. ROGERS of Texas. Mr. Speaker, a blizzard of immense proportions recently swept across the Texas Panhandle, the district I have the honor to represent in the House of Representatives, piling up snow on the level to a depth of 25 inches and more. Drifting of this new fallen snow caused enormous drifts and it was virtually impossible for ranchers in some sections of the Panhandle to transport feed to their starving cattle.

In this emergency, which threatened to result in severe losses of cattle, the Army and the Air Force came to the assistance of National Guard units based in the Panhandle. An aerial hay drop from C-119 flying boxcars was organized and executed, more than 2,200 bales of hay were dropped to snowbound cattle in isolated pastures, and as a result the loss of cattle was held to a minimum.

I am proud to pay deserved tribute to the men of our armed services who participated in this mission. I described the operation and its success in my weekly newsletter to my constituents, and I include it in the RECORD as a tribute to the officers and men who served so well:

DEAR FELLOW TEXAN: When I first received word that a blizzard had begun in the Panhandle, I knew that human lives might be endangered and that thousands of cattle might be stranded without feed in the driving, drifting snow. I telephoned my friend Maj. Gen. Selden Simpson in Amarillo and offered my help should the National Guard division he commands—the famous 36th Division—require the help of the U.S. Army or Air Force in alleviating distress. General Simpson said he would keep me advised of the situation. We both recognized that an airdrop of cattle feed might be necessary before the storm abated.

Late Thursday night, General Simpson telephoned to inform me that Panhandle ranchers, particularly in Gray County, feared their herds would suffer heavy losses unless feed could be delivered to them. Blizzard-bound cattle had been without feed since the previous Monday, and General Simpson said losses would mount rapidly unless feed could be gotten to them within 36 hours. An airdrop of feed—a "haydrop"—appeared necessary, he said. He suggested that cargo helicopters might be employed and said that men from Panhandle units of the 36th Division stood ready to load the aircraft and mark drop zones.

I then conferred with Lt. Gen. Carl H. Jark, the commanding general of the 4th Army at Fort Sam Houston in San Antonio. General Jark well understands the problems that can develop on the plains when a heavy snowstorm strikes, and he promised immediate assistance in planning and organizing a hay drop to the stranded cattle. The general assigned the duty of working out the details to the 4th Army's young operations officer, Maj. Conrad K. Hausman. The job was one for the Army and the Army area command because the Defense Department has designated the Army as the action agent for coordinating the emergency assistance of all services when problems arise within the continental United States.

Major Hausman obviously relishes such assignments—not only because they provide a means by which the Army can be of direct assistance to American citizens but also because planning and executing such operations provide good training for more warlike emergencies.

Working closely with General Jark, Major Hausman quickly determined that the Air National Guard in Texas was not equipped for the task. The Texas ANG has fighter aircraft and a few reconnaisance helicopters but no cargo aircraft. Major Hausman contacted the 4th Air Force Reserve Region to determine the status of Reserve air crews which might be coming on active duty for training or which might be on emergency call. He and General Jark had determined that the most suitable aircraft for the hay drop mission were C–119's, the old flying boxcars, and such planes were based at Kelly Air Force Base, San Antonio, and Ellington Air Force Base, Houston. Major Hausman lined up crews for four C–119's at Ellington Air Force Base, home base of the 924th Squadron of the 446th Troop Carrier Wing. Crews were alerted and Major Hausman messaged headquarters in Washington for the necessary high-level approval. That was quick in coming, and at the Pentagon the people who knew of the plans for the operation dubbed it "The Case of the Hungry Cows."

Meanwhile, General Jark's staff members were in contact with General Simpson and also with me and with Maj. Gen. Dwight O. Monteith, the commanding general at Amarillo Air Force Base. All was in readiness for the planes to fly from Houston to Amarillo to begin loading hay—but as of Friday afternoon not enough hay had been rounded up. While waiting for the hay to be accumulated, General Simpson reported to me, he was dispatching National Guardsmen in trucks to go to the ranches to see if they could push through to the pastures.

At noon Saturday, the four planes of the 924th Squadron reached Amarillo Air Force Base and hay was loaded aboard. Through that afternoon and on into Sunday afternoon, the wonderful crewmen of the 924th flew sortie after sortie over 5 Panhandle counties, dropping more than 2,200 bales of hay to the cattle below. So hungry were the cattle that as the planes swung around for a second pass over the fields, the men aboard could see the cattle beginning to eat hay dropped to them moments before. General Simpson reported to me that the operation was highly successful. "The ranchers were 100 percent enthusiastic about it," he said. "It saved their necks." The good news that came this week was that the air drop helped reduce cattle losses from the storm far below the loss experienced in the 1957 blizzard.

To General Jark and Major Hausman, General Simpson, General Monteith, and their staffs—and to the flying crewmen of the 924th Squadron at Ellington—my heartiest congratulations and thanks for a job well done.

An Episode During the Panama Riots—Panamanian Employees Protect the Property of an American Employer in a Voluntary Round-the-Clock Vigil

EXTENSION OF REMARKS

OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1964

Mrs. SULLIVAN. Mr. Speaker, although the news from Panama in recent weeks has emphasized existing tensions between the Panamanian Government and our own, there is considerable evidence that the people of Panama still recognize the close ties of friendship which have bound our two countries together over the years.

For instance, I have been told of one such event that took place during the critical days of rioting in Panama last month. Although the headlines pointed up the existing differences between the United States and Panama, this event reflects a happier picture of relations between our peoples.

At the time of the riots following the Canal Zone flag incident, I am told, the Sears Roebuck Store in Panama City had no company representatives at the store. The U.S. president of Sears' Panamanian operations was in the United States, and along with other Americans in the area, the store manager was warned to remain at home and stay off the streets by the State Department because of the volatile situation.

In the midst of the strife and confusion, and unbeknownst to Sears' store manager or any other company supervisor, 28 Panamanian employees voluntarily set up a 24-hour patrol of the store properties. The volunteer patrol continued throughout the crisis, and company property and interests were unharmed. After the weekend rioting, Sears reopened on Monday, but the patrol continued to guard the premises on a round-the-clock basis.

Small as it is, I believe this incident reflects the basic friendship that exists between Americans and Panamanians of good will—a hemispheric friendship that can and should increase between good neighbors and partners in progress.

The United States does have friends among the people of Panama and Central America. Despite the efforts of enemies who agitate to stir up anti-American feeling, this evidence of Sears' Panamanian employees who voluntarily protected American property, conceivably at some personal risk, demonstrates a commendable bond of friendship between our peoples—a bond that I hope will be strengthened by good citizens of both countries.

Statement Supporting Hospital Aid Bill

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1964

Mr. PEPPER. Mr. Speaker, I share the hope entertained by many of my colleagues that the able Committee on Ways and Means of this House will in this session favorably report to the House the hospital aid bill as strongly recommended by President Johnson and supported, I believe, by the great majority of the Members of the Congress and of the people of the country.

I should like to submit for the consideration of my colleagues in the House a statement in support of the hospital aid bill which I made before the House Ways and Means Committee on November 21, 1963.

STATEMENT OF THE HONORABLE CLAUDE PEPPER IN THE HOUSE OF REPRESENTATIVES ON HOSPITAL AND MEDICAL CARE, NOVEMBER 21, 1963

Mr. Chairman, I am not altogether a stranger to this subject or related subjects. You will recall that back in the early days of the war our people were shocked at the large number of our men between the ages of 18 and 44 who were rejected from selective service because of physical and educational inadequacies. In the field of health alone, 2,997,000 men were rejected because of physical defects.

Because of the fact that that was a matter of vital concern to our national security, I introduced in the other body a resolution which led to the establishment of a committee which, among other things, had the obligation to make a full and complete study and investigation, in cooperation with such public and private agencies and such persons as it might see fit to consult, regarding the distribution and utilization of medical personnel, facilities, and related health services.

For some 3 years, that committee functioned and was known generally as the Committee on War Time Health and Education, a subcommittee of the Committee on Education and Welfare of the other body. As I said, I had the honor to be chairman of that committee. We made a number of inquiries into the health needs of our people, the personnel which was available to care for the needs of our people in the area of physical health, and what, in addition to what was already available, the Federal Government might provide.

As a part of that investigation and as a result of the conclusions we reached on account of it, our committee recommended, among other things, that the Federal Government set up a program to assist in the building of hospitals over the country and our recommendations came to be the Hill-Burton bill which originated in the other body and which is now the law of the land, and it has done immeasurably good.

Fortunately, it maintains the principle of simply being primarily concerned with the provision of hospital facilities and, as you know, today Federal assistance is available to public or private hospitals on the basis of their serving the needs in the area where they happen to be located. There is no way to tell you how many lives have been saved, how much the health of the people of this country has been promoted by that measure which was undertaken by the Congress of the United States and has been steadily maintained and enlarged by the Congress.

We also recommended an extensive program of Federal programs in the field of research and as an outgrowth of that and of other proposals we have today many institutions in the National Institutes of Health which are making immeasurably valuable contributions to the health of the people of our country * * * the prolonging of the lives of our citizens, by virtue of the research that is being carried on. But it became apparent to all of us, Mr. Chairman, that not only did we need the hospital facilities and the medical and other personnel of technical abilities, but we also had to find some way to make it possible for the people of this country to get the benefits of these facilities and the immeasurable skills that are now available in this country from our technical personnel in the medical field.

We discovered as a result of our investigation that the private insurance program as it then existed, and I think the same is true today; was not adequate to meet the needs of our people. We discovered that the people did not have the private means that would make those facilities and that personnel available to them.

Consequently, back near the middle forties, my committee strongly recommended a national health insurance program or compulsory health insurance program, as it was variously called and later recommended by President Truman. The bill came to be known as the Wagner-Murray-Dingell bill of which I was an introducer and I have constantly maintained the stability and soundness of that principle.

Today, however, I think our primary concern is to limit the application of that principle to the hospital area, to the provisions of hospital care, and today I do not favor the inclusion of anything in the principle or in the program except a provision of hospital facilities, because I think the principle should have a fair trial in the provision of those facilities. After sound experience the Congress and the country can determine whether we need to go or should go beyond the limitations of that program which is embodied today basically in the recommendations of the President and in the bill introduced by the able gentleman from California, Mr. KING, which with his permission I was permitted to introduce a copy of in the House.

Now, Mr. Chairman, as we all know, the President of the United States deemed this subject of sufficient importance, that is, the provision of care for the elderly in many fields, to send a special message to the Congress in February 1963. In the course of that message the President said:

"Our senior citizens are sick more frequently and for more prolonged periods than the rest of the population. Of every 100 persons age 65 or over, 80 suffer some kind of chronic ailment, 28 have heart disease or high blood pressure, 27 have arthritis or rheumatism, 10 have impaired vision, and 17 have hearing impairments, 16 are hospitalized one or more times annually. They require three times as many days of hospital care every year as persons under the age of 65.

"Yet, only half of those age 65 and over have any kind of health insurance, only one-third of those with incomes under $2,000 a year have such insurance; only one-third of those age 75 and over have such insurance; and it has been estimated that 10 to 15 percent of the health costs of older people are reimbursed by insurance."

The able chairman of the special committee which has been making a study in the province of the aging in the other body, the distinguished Senator from Michigan, Senator McNAMARA, in a report he made in February of 1963 said:

"Even those of the aged who are fortunate at one time or another to be able to secure some degree of protection through the purchase of hospitalization insurance have felt these often frail needs slip or slipping from their grasp, for increases in the cost of hospitalization have even outstripped the rise in hospital charges. No other major items of consumer expense have experienced rises comparable to the increases in the cost of hospital services and hospitalization insurance. These two items are in a class by themselves. By way of comparison, during the period 1960 through 1962, the price of food increased by some 4 percent, clothing by about 2 percent, and housing by approximately 4 percent, as compared with an increase of an estimated 27 percent in hospital service charges."

Now, what are the needs of these people? How adequate is their ability to provide these facilities and services for themselves?

The President touched upon that point, Mr. Chairman, in his comments to the Congress in February of last year. The President said:

"The average annual income received by aged couples is half that of younger two-person families. Almost half of those over 65 living alone receive $1,000 or less a year, and three-fourths receive less than $2,000 a year. About half the spending units headed by persons over 65 have liquid assets of less than $1,000. Two-fifths have a total net worth, including their homes, of less than $5,000. One out of 8—2¼ million people—are on public assistance, averaging about $60 per month per person, supplemented by medical care payments averaging about $15 a month."

Now, Mr. Chairman, prior to coming here this morning, I called on the telephone the county manager of Dade County—a part of which I have the honor to represent in this House—Mr. Irvin MacNair. We have two county hospitals in Dade County.

By the way, our population in our county is a little over a million. Jackson Memorial and Kendall hospitals are the county hospitals. In the last fiscal year, the fiscal year 1962-63, the budgets of those two hospitals were $17,727,000. Of that budget the county of Dade, from funds derived from the taxpayers of our county, contributed in excess of $8½ million. Less than half of the budgets of those two county hospitals was met by private-paid patients who were patients and hospitalized in those two county institutions.

In the current year, and the fiscal year begins October 1, for the fiscal year 1963-64, Mr. MacNair advised me the budget for those two county hospitals is $18,729,831 and the budget of the county contains funds of a little over $8½ million to be contributed by the county for meeting this budget of something over $18 million because of the inability of so many of the patients in these two institutions to meet the charges that were incurred by their hospitalization in those two institutions.

Now, the county welfare people of course determine how much the patient can pay of his own expenses incurred, and what the patient cannot pay is a part of this budget or taxpayer's contribution to the cost of hospital care for the people of our county. We do not in Dade County have any limitation of residence to make one eligible to get the benefit of this problem. As you know, under certain other programs there is a period of residence required before the citizen can get the benefit of the program.

Consequently, a good many of our people are transients that come or tourists that come from other parts of the country but they live in our county. They are human beings, and I am proud of the fact that our county has recognized and our people have supported the county in doing it, our Christian or our religious obligation to those people to provide that which they cannot themselves provide to enable them to get the hospital care that their physical condition requires.

Mr. Chairman, I want to lay down a premise upon which I stand before this honorable committee and our House and the country in advocating the King bill and the President's recommendations and hospital care for our senior citizens.

I say, Mr. Chairman, that if it is sound and desirable to have old-age and survivors insurance which when a citizen passes the age of retirement entitles him to an annuity of so much a month under that program, the extension of that program to provide a fund which would provide hospital care for the citizen when he or she reaches the same age of eligibility is not only sound, but more desirable than the one that would provide the monthly annuity.

I know there are those who say, Mr. Chairman, "Well, why give any hospital assistance to anybody who doesn't need it? Well, why provide an annuity to a retired citizen who doesn't need it? Why impose a tax upon the employer and upon every eligible employee under the old-age and survivors insurance program when there are many who could get along without it?"

Some of them would have means of their own when they retire. Some of them would be able to work and earn enough to provide their food, and lodging, and their clothing, and their essential requirements. Others could live on their children. Some of them could share the blessings of charity and the benedictions of kindness in their community. But why have we determined not to rely upon those sources in order that a man or woman when he or she comes to the age of 62 or 65 might have an assured minimum income which would contribute at least a minimum level of living to that citizen of the greatest and richest country in the world?

Because human experience has taught that most people don't save. Some are unable to save enough. Some are beset by the vicissitudes of misfortunes in the course of their life.

We know that the fact is that most of them, however worthy they are in character and possessed of virtue, come to that age in their lives without the necessary means to sustain them on a decent minimum level of living as America believes is the right of the people of this land; so through old-age and survivors insurance we tax the employer and through him the people and we tax every covered employee so that when the time of retirement comes there will be a little annuity available.

Prior to the recent amendment it was only $40 a month for some. I believe the maximum is now $140 or $150 a month for an individual, but, it is there. And, Mr. Chairman, have you ever heard anybody say that he regretted his contributions in his working lifetime to the old-age and survivors insurance fund with the provision that from that fund there would be a monthly sum available to him when he came to the age of retirement?

I have never heard an employer, Mr. Chairman, say, "I resent the compulsion of my Federal Government that made me contribute an amount equal to that contributed by my employees into a fund which will give an annuity to my employees when they reach the age of retirement." So the people who pay, the covered employee and the covered employer, I haven't heard protesting before this Congress or before your honorable committee, asking that you relieve them of that obligation to provide retirement benefits.

Now, Mr. Chairman, I say that there is even greater reason to extend the same principle of social security to the provision of a fund out of which hospital care could be provided to senior citizens than there is for the provision of a fund out of which a minimum annuity would be available when the covered person reached the age of retirement. Now, why?

Well, because hospital expenses, as everybody agrees, are more common to that segment of our citizens than to a younger group; in the second place, because hospital expenses are a contingent thing which nobody can evaluate. Nobody can tell how much the hospital bill is going to be. You can know what a minimum level of living is. You can get along on $50 or $75 or $100 or $150 a month, but suppose the hospital bill is $2,500. Where is the money coming from for that?

In regard to insurance on our homes nobody says, "Well, all right, you can insure your home and if it burns up you can get $75 a month for 30 years." If my home burns I don't want $75 for 30 years. I want the amount to restore my home, to repair it or rebuild it. If I have a fire I don't know what the extent of the fire will be. I don't know the amount of damage to my home, so the insurance policy provides that my home will be repaired or replaced in substance by the insurer, whatever the amount of the damage is, and it seems to me the same principle applies here.

I think I recall having seen the figures, and I am sure your able committee is thoroughly cognizant of all of them that of the senior citizens who went into hospitals—I believe something like 1 of 10 of those covered by social security—the average hospital bill was over $700.

Now, Mr. Chairman, $700 is a large amount of money to a lot of people, particularly in this age group of no longer earning, dependent upon the savings of a lifetime or upon good fortune which may have brought in some financial stability, so I say Mr. Chairman, that if old age and survivors insurance is sound and desirable, the extension of the principle and the proven principle—and you deserve great credit, Mr. Chairman, you and your able committee for this program—the extension of that program to provide the funds required for hospital care, is sound and even more desirable than the old age and survivors insurance program of today, which none would eliminate, which provides a limited annuity when the citizen comes to the time of retirement.

Mr. Chairman, I said I knew of no employee or employer coming here to protest to this honorable and able committee against extending the old age and survivors insurance program to cover hospital care. Where are the employees, Mr. Chairman, in your hearing room protesting against the possible imposition of this tax upon them?

What do the labor leaders say who represent as able spokesmen the organized working people of the country? Do they come here to protest against this burden that the President is asking you to impose upon their members? They come here to support this program, Mr. Chairman.

Do you see here in your hearing room or is your calendar crowded with protests from the employers who would pay half of the tax under this program? I haven't seen them. They don't trouble me. I haven't heard of an organized lobby from the employers of this country who would have to pay one-half the cost of this measure if it were enacted.

Mr. Chairman, the employees are asking you for this program. The senior citizens are begging for it, Mr. Chairman. The employers are not protesting and I believe in general they accept the principle as sound. So where does the opposition come from? Not from the people who would pay the tax.

I don't know how vigorous the opposition of hospital care but in general I think the only thing the hospital would fear is that maybe there might be interference in their administration. I think adequate safeguards can be thrown around that.

No, Mr. Chairman, according to my experience, and I do not say it in any way disparaging to them, the most articulate spokesmen in America today against this proposal are not the people who pay and the hospitals who would provide service, Mr. Chairman, but it comes from the medical profession, from the doctors.

I venture to say, Mr. Chairman, that as outstanding as is the skill of the medical profession in its own area, we Americans can consider how the bill at the hospital of the retired senior citizens can be paid without necessarily relying upon the financial advice or the political sagacity, or the governmental knowledge of the medical profession, devoted to a technical area which is somewhat beyond the problems that you are considering here.

So, Mr. Chairman, I believe this is a most vital matter to so many of the people of our country. In my county, and I add only this in conclusion and I thank you for your indulgence, there are over 100,000 people who are covered by old-age and survivors insurance, and I don't have the figures as to how many of those people, Mr. Chairman, are included within the $8½ million that I as a taxpayer in my county contributed to the hospitalization of people who could not pay for hospitalization in my county, but if a tenth of my population is covered by old-age and survivors insurance, I can't but believe that a great deal of this burden upon us as taxpayers in our country would be relieved if these people had as they paid, as they worked, provided their own funds out of which these hospital charges could be paid.

Mr. Chairman, I end as I began. I affirm that if old-age and survivors insurance is sound and desirable, the extension of that principle to cover the provision of hospital coverage to retired citizens is not only sound, but even more desirable and imperative because it affects human life and health itself.

Progress Report on the 88th Congress to the Residents of the 15th Congressional District

EXTENSION OF REMARKS
OF
HON. HUGH L. CAREY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 20, 1964

Mr. CAREY. Mr. Speaker, the Lincoln-Washington birthday interval is an opportune time to assess the record, gains, and goals of the 88th Congress and report on my stewardship to the people of our district.

The 88th Congress, with its longest session in peacetime history, has already written some new records into history but, for that matter, so have the beloved Mets. Some may say the comparison is appropriate.

I believe that we stayed in there like Yankees, pitched as hard as Koufax, and will end our session with a major league legislative average.

No one can dispute that at this stage we have two eye-catching four-masters to our credit in the House; the successful passage of the tax cut and civil rights bills. The success of these bills is the result of intensive, tedious, and devoted committee study and action. Committee work is the keystone of an effective legislature.

In baseball, as in the National-American pastime we call Congress, spring training does the conditioning that wins ball games and we did our training in committees until our bills were fit and ready. This Congress took time because Members labored long and well to shake out the kinks and to bring bills to the floor in shape to meet any test.

THE TAX CUT

In the tax reduction bill, the preparation of the Committee on Ways and Means enabled us to pass the bill by an overwhelming margin. The report of the House-Senate conferees will probably be adopted by a landslide because the tax cut is sound and timely. This reduction is the first in the 20 years since withholding began and it will be retroactive to January 1, 1964. I supported this bill because the next best thing to earning more for your keep is keeping more of your earnings. It is a good bill because it ends the burden of Government as a majority shareholder in business profits and frees capital for the expansion of private enterprise with more employment. It is beneficial for salary and wage earners with an average cut of 20 percent and has especially favorable provisions for senior citizens and heads of families.

My sole disappointment is that the bill does not give effect to the plan I have sponsored to give tax credit for tuition and educational expense (H.R. 5491). It is commonsense that we encourage the investment in education which tuition represents. Tuition costs have increased 100 percent in 10 years and private colleges especially are hard put to meet higher costs. Unless these schools can handle their share of increased enrollment, public colleges will be called upon to do this with Government carrying the entire freight. This would be far more costly than tuition credit. I intend to press for hearings and consideration of my bill. The fact that a similar plan by Senator RIBICOFF of Connecticut came within three votes of passage in the Senate without the benefit of full hearings is a good sign for future action.

It is important to note that tax reduction is feasible only because Congress has fixed a tight lid on expenditures. Using a fine mesh strainer on appropriations, we sifted budget requests until we were able to effect reductions of $6.3 billion. This protects the soundness of the dollar and precludes inflation which could abate the effect of the tax cut. President Johnson's scaling down of budget requests by another $600 million is further evidence that responsive government need not be expensive government.

"THE EDUCATION CONGRESS"

At the outset of the 88th Congress I sought and secured a significant change in committee assignment. I asked to be shifted from the snug vaults of the Banking and Currency Committee to the stormy arena of the Education and Labor Committee. I did so because the greatest areas of challenge and opportunity before us are in the education of our children and all others who need education or are needed by education. My activities on this committee have been gratifying to me and, I believe, meaningful to the people of our district and our country.

In fact, if this Congress could be rated by our children and their descendants as it is by our contemporaries, I feel it would be accorded a superior grade for its work in education alone. This is so because much of the legislation we passed is of far-reaching, long-range effect that will benefit many future generations.

I am not alone in this appraisal. President Johnson describes our deeds in education in this manner:

> This Congress is well on its way to doing more for education than any Congress since the Land Grant College Act was passed 100 years ago.

He later stated on signing one of our committee bills that—

> This session of the Congress will go down in history as the "Education Congress of 1963."

Our district was honored in that your Representative was invited to the White House for the signing of these vital education bills. The pens used by the President on three occasions will be displayed in our district office as a tribute to the devotion of our people to excellence in education.

Our district has more students enrolled in secondary, college, and graduate schools than any congressional area in the United States. It was my pleasure to demonstrate this to the U.S. Commissioner of Education, Hon. Francis Keppel, during his visit to our county at my invitation during the American Education Week proclaimed by our late President John F. Kennedy. To his memory, because he had that special grace of intellect and devotion to knowledge, our work in education under his leadership will stand as his most effective monument. The last message I heard from him, during a visit to the President's house, was a wish expressed in the Lincoln bedroom that we would achieve the gains in education so necessary to true equality in opportunity for all Americans.

A recital of these gains will indicate how well we succeeded in our committee.

The Higher Education Facilities Act is the first general college aid program ever enacted. It provides for loans and grants for both public and private colleges on a fair and equal basis. The bill will provide the funds for expansion of college facilities so that all institutions can expand to meet the new wave of enrollment without raising tuition beyond reach.

To help students meet tuition costs through loans, we tripled the size of student loan funds so that no student may be denied access to financial assistance. All students in public and private colleges are eligible.

Recognizing technological developments and the impact of automation, we energized manpower development and training aid and expanded the Vocational Education Act.

These are designed to hit at hard core unemployment and the demand for new skills in a broad range from technical training to practical nursing. It is significant to note that vocational education has been a category of Federal aid since the Smith-Hughes Act of 1917, but it awaited the action of this Congress to bring its provisions into cadence with today's needs.

We recognized the advancing level of literacy and demand for good reading and extended the Federal Library Assistance Act. Until this Congress, the benefits of this act were available only to rural areas under 10,000 persons so that our own cities and others were ineligible. We struck down that wall of discrimination against city residents and made equal benefits available to all.

The Health Professions Education Act passed by this Congress will bring the long and expensive training required to become physicians, dentists, nurses, and other health and medical professionals within the means of thousands of qualified students. Until we passed this bill the number of medical school applicants was declining, from 22,279 in 1950 to 14,397 in 1960. One-fourth of our interns and residents were foreign medical school graduates. Existing medical schools could not accommodate increased numbers and the cost of education for careers in medicine and health was beyond average means. Now with construction grants for both public and private medical schools and loans available to students of medicine, dentistry, osteopathy, et cetera, we are reversing the scarcity-of-practitioner trend in the healing arts.

This entire report could be devoted to our gains in education but to do so would be to slight our progress in many other fields. But before leaving the subject of education, I wish to emphasize that every bill we passed made adequate provision for fair and equal treatment for all students and all interests in education—public and private—without discrimination. In considering every bill that comes before my committee I will continue to urge that the basic American principle of equality in educational assistance at every level of government must prevail. In general education, our GI bill for junior is earning support steadily.

A complete recital of all the measures enacted by the 88th Congress is beyond the compass of this synopsis but I do believe that areas where we initiated new or breakthrough programs deserve mention.

MENTAL RETARDATION AND MENTAL HEALTH

For the first time, acting on a beam of hope from enlightened research, this Congress met the national aspects of the problem of mental retardation. Through grants to be administered through the States' public and private nonprofit centers for research, clinical treatment, care and education of the mentally retarded will be provided. In the words of our late President, who was personally devoted to this legislation, we are now certain "that those who have felt the hand of fate will not be victims of neglect."

In the field of mental health we found that the Nation is suffering from overcrowded and inadequate facilities for the mentally ill. Half the hospital beds in the country are occupied by mental patients under the old system of quarantining the patient rather than pursuing care and treatment. New methods of therapy, rehabilitation, and research through community centers to be constructed, should result in long-term savings and restoration of human resources under this program.

In the entire field of handicaps we increased our commitment to crippled children and maternal health services, and in a variety of other programs we provided for new treatment, training and facilities for those impaired in vision, speech or hearing.

I was honored to be named last month by the Speaker of the House as a member of the Board of Directors of the National Institution for the Deaf, Gallaudet College, the only such college in the world. It is my hope that I can make a substantial contribution to education for the deaf in this new capacity.

THE CLEAN AIR BILL

In November 1953, New York City suffered a temperature inversion, a lid of warm air overlaid cooler, heavier air, at ground level. For 10 days a stagnant pall trapped pollutants and smog hung over the city. By the time it blew out to sea 240 persons had died. With the fumes of increasing traffic density and industrial and power production drifting across State borders, it was high time for the Government to act on air pollution. I am especially concerned for our area by reason of the imminent increase in vehicle exhaust fumes which will follow from the new bridge across the narrows and its approaches.

Now, by a joint undertaking of local, State, and Federal governments, the Clean Air Act of 1963 will abate the nuisance of respiratory poisons which cause chronic disease and aggravate heart conditions as well as causing economic damage of $11 billion yearly.

NATIONAL DEFENSE AND MERCHANT MARINE

With half of every Federal dollar invested in our national security, we are assured that our defense is the strongest in the world. The words of Washington, 175 years ago, are still valid. "To be prepared for war is one of the most effectual means of preserving peace," he said in his first annual address. With Communist-fed eruptions freckling the face of the earth, we cannot let down in our firm policy of preparedness. This includes a mix of modern armaments. In specifics, it also means a strong surface fleet, modern and well maintained, with shipyards such as the New York Naval Shipyard modernized and up to strength to serve that fleet. I am pleased that our entire New York delegation without partisanship is committed to the preservation of the mission of our shipyard as a vital service.

At the same time we must probe in every way for peaceful reduction of world tensions and it is to the credit of President Kennedy and President Johnson that the peril of nuclear war is reduced and less threatening than at any time since the weapons of ultimate destruction became operational.

As a member of the Board of Visitors to the U.S. Merchant Marine Academy, I have a deep personal interest in the growth of our maritime service. I am distressed that our loss of freight to foreign-flag operators has reduced our share of seaborne commerce to less than 10 percent of the world market. I intend to support legislation now before Congress to build up a modern competitive merchant fleet built in our domestic shipyards and manned by American merchant sailors to gain a proper share of world tonnage. In the light of the fivefold expansion of the Soviet merchant fleet now underway, we must support a building program or yield our traditional position of sea supremacy.

RECREATION AND CONSERVATION

In addition to my responsibilities on the Education and Labor Committee, I serve on the Committee on Interior and Insular Affairs. Our record in this committee continues to be one of achievement in the development of parks, preservation of natural resources, and creation of recreational opportunities. The land and water conservation fund bill to finance park and open space area acquisition of underdeveloped acreage is pending after favorable committee action. It is hopeful that we can also make progress on the wilderness bill to preserve primitive areas for future generations.

This year we enacted a law to set up the Bureau of Outdoor Recreation to look to our future needs and cooperate with State and local agencies to see that the unspoiled areas of the Nation and our fish and wildlife opportunities are not overrun with asphalt.

In our own State the creation of a national seashore at Fire Island has had favorable hearings before my subcommittee and should be enacted during this session.

GENERAL

Since this report is meant only to hit the legislative high spots, it does not incorporate the many other items of garden-variety legislation on which the Congress has acted, such as equal pay for women, privately built housing for the elderly, the military pay raise, et cetera. Each of these was a gain which we produced after extended study demonstrated clear and definite needs and Federal responsibility.

Among others, our attention is now concentrated on such problems as that of the aging, treated in the Carey-Fogarty bill, the "Older Americans Act," which has been voted favorably in our subcommittee. This is not to be confused with hospital care for the aging on which we are continuing hearings to try and reach a solution worthy of broad support. In any solution we must not sacrifice our present health standards which the medical profession has made the highest in the world.

NEW DISTRICT OFFICE

In addition to the legislative activities here in the Capitol, I am encouraged that so many of our residents have seen fit to write on Federal matters of interest. Nothing is more inspiring to a Representative than to have an interested electorate, whether we agree or disagree.

It is a matter of regret that the extended session of Congress needed to cope with the complex of national problems has reduced the time that I am able to spend in our district in personal discussion with our residents.

To offset this and to provide close contact with my constituents and to make it convenient for people of our district to present their needs and problems I opened a new district office centrally located at 7718 Fourth Avenue.

This office is staffed by competent assistants throughout the week and you can contact us at any time by calling Terrace 9–2300. I am gratified that through our district offices we have handled many hundreds of requests such as information for school papers, explanation of Presidential succession, job opportunities in Federal service, and just plain complaints, which I welcome as a sign of healthy diversity.

I shall continue to be present in our district office every Saturday morning, when legislative duties permit, as I have been for the last 3 years. I extend a cordial invitation to any of our residents, regardless of age, origin, or party affiliation, to visit with me at my Washington or Brooklyn offices from Monday through Saturday. There are so many national problems I would like to solve with you and so little I can do without you.

In closing, it is my hope that before the adjournment sine die of the 88th Congress we can strive together without partisanship or prejudice to move toward the high destiny which lies ahead for this great Nation in order that the dreams and hopes of John Fitzgerald Kennedy will be realized. We have made a good beginning and I will do my best to continue.

SENATE

FRIDAY, FEBRUARY 21, 1964

(Legislative day of Monday, February 10, 1964)

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, we turn to Thee in the heat and burden of another day, grateful for the love that our indifference cannot discourage and for the patience that our folly cannot exhaust.

As noontide marks the fast-hurrying day and as the voices in this Chamber are hushed to silence in a moment of devotion, we would steady our hearts and minds in the glorious thought that amid all life's fleeting scenes, we are with Thee who changeth not.

We seek the sense of the invisible and the eternal that alone can bring peace and restoration to jaded bodies and to spirits whose strength is spent.

Grant us such a vision of our needy world, with all its yawning divisions and its poisoning suspicions, and yet with its dawning sense of human brotherhood, that the decisions that are here made may never have to be reversed by those who come after us, but that they may put us among the architects of a kindlier earth and of the final parliament of peace and plenty in which every kindred and tongue shall find their rightful place.

We ask it in the Redeemer's name. Amen.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 9637) to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 9637) to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes, was read twice by its title and referred to the Committee on Armed Services.

READING OF WASHINGTON'S FAREWELL ADDRESS

The ACTING PRESIDENT pro tempore. Under the order of January 24, 1901, as modified for this particular year, Washington's Farewell Address will now be read by the Senator from Maine [Mr. MUSKIE], heretofore designated for that purpose by the President pro tempore.

Mr. MUSKIE advanced to the desk, and read the Farewell Address, as follows:

To the People of the United States:

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently want of success has countenanced the spirit of criticism, the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquillity at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth, as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, suffering and successes.

But these considerations, however powerfully they addressed themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south* in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyments of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be instrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter. Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head; they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? Will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliance, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and maintaining within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations, under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state it is requisite, not only, that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its priniciples, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be involved, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasion of the others, has been evinced by experiments ancient and modern; some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, Where is the security for property, for reputation, for life, if the sense of religious obligations *desert* the oaths which are the instruments of investigation in courts of justice? And let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinions should cooperate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes, that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties), ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessary parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence (I conjure you to believe me fellow citizens), the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interest.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collusions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some, partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe; my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without anything more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

COMMENDATION OF SENATOR MUSKIE

Mr. MANSFIELD. Mr. President, I take this occasion to commend the distinguished Senator from Maine [Mr. MUSKIE] for the way in which he read the Farewell Address of the first President of the United States. I have never listened to a better delivery of it.

I am most happy that the Senate has set a precedent and a tradition by means of which this message can be delivered to us once each year, to bring home to us reminders not only of the newness of this Nation, but of its integrity and the contributions made by those who took part in founding it.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, February 20, 1964, was dispensed with.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business for the consideration of the nomination on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Executive S, 88th Congress, 1st session. Partial Revision of Radio Regulations (Geneva, 1959), and Additional Protocol (Ex. Rept. No. 3);

Executive A, 86th Congress, 2d session. Agreement between the United States of America and the Republic of Austria regarding the return of Austrian Property, Rights, and Interests (Ex. Rept. No. 4);

Executive F, 88th Congress, 1st session. International Agreement Regarding the Maintenance of Certain Lights in the Red Sea (Ex. Rept. No. 5); and

Executive C, 88th Congress, 1st session. Amendments of the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, adopted by a Conference of Contracting Governments convened at London on April 11, 1962 (Ex. Rept. No. 6).

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the nomination on the Executive Calendar will be stated.

NATIONAL MEDIATION BOARD

The legislative clerk read the nomination of Leverett Edwards, of Oklahoma, to be a member of the National Mediation Board for the term expiring February 1, 1967.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

AGRICULTURAL ACT OF 1964—COTTON AND WHEAT PROGRAMS

Mr. MANSFIELD. Mr. President, I am about to make a unanimous-consent request. Before doing so, I invite the attention of the Senate to the fact that yesterday I discussed with as many interested Senators as possible the possibility of bringing up the agricultural bill having to do with cotton and wheat. I know that I missed consulting with some, but I assure the Senate that that was not intentional. Yesterday, toward the close of business, I made the following statement concerning H.R. 6196, the cotton-wheat program:

> Mr. Mansfield. Mr. President, before I move that the Senate take a recess until tomorrow, I wish to announce that after consultation with the distinguished minority leader and with other Senators who have been consulted, it is our intention, following the reading of George Washington's Farewell Address, to have the Senate proceed to the consideration of House bill 6196, the cotton-wheat bill, which has been reported from the Committee on Agriculture and Forestry.

At this time, I ask unanimous consent that the Senate proceed to the consideration of House bill 6196, and that it be made the pending business.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The Legislative Clerk. A bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. WILLIAMS of Delaware. Mr. President, reserving the right to object, I hope the majority leader will not insist on that request today. I promised him yesterday that I would try to obtain copies of the bill and report so that I might study them overnight. I was unable to obtain this information then. However, the bill and report are now before the Senate, but they have been available only in the past couple of hours. I do not believe the Senate should proceed to the consideration of a bill of this nature until Senators have had an opportunity to study it thoroughly. I hope the Senator from Montana will not put us in the position of having to object, but will agree to a delay of the consideration of the bill until Senators have had an opportunity to examine it for at least 1 day.

Mr. MANSFIELD. Mr. President, I am sure the distinguished Senator from Delaware will recall that yesterday in our discussion, in which the distinguished minority leader and other Senators were included, it was stated that the leadership would consider that proposal and would hold it open during the rest of the afternoon, to ascertain exactly what the situation was. It was my understanding—perhaps incorrect—that during the late afternoon this question had been settled. However, a promise was made, or at least implicitly made. So far as I am concerned, if I could receive definite assurance that the bill could be taken up on Monday, I would be most happy to agree to the suggestion made by the distinguished Senator from Delaware.

Mr. WILLIAMS of Delaware. Of course, the Senator from Montana knows that I am not in a position to give him that assurance; I can speak only for myself and I am speaking merely as of today.

Mr. MANSFIELD. I understand.

Mr. WILLIAMS of Delaware. I have not studied the bill sufficiently to say that I could accept it. So far as the bill relates to cotton it is proposed, as the Senator knows, to adopt an entirely new type of program. This is the Brannan plan, and many Senators on this side of the aisle are opposed to that. It is my desire to understand the extent to which the bill would implement the so-called Brannan plan.

For years I have opposed any semblance of the Brannan subsidy program for American agriculture.

Not only is such a program extremely costly from the standpoint of the taxpayers but it would also place our farmers in a straitjacket of bureaucratic controls.

I hope the Senator from Montana will not press that request today. If he did, I would feel constrained to object.

I have always tried to cooperate with him. Monday will have to be taken care of when it comes. So far as I am concerned, I could not now agree to any definite procedure on Monday. We shall have to wait until then to determine what the procedure should be next week.

Mr. TOWER. Mr. President, reserving the right to object, I do not think I could give the majority leader that assurance, either, much as I should like to do so, because, as has been stated, the report has been on the desks of Senators for only about 2 hours, and they have not had an opportunity to digest it. Moreover, Senators have not had an opportunity to hear from cotton farmers or wheat farmers, who would be very greatly affected by this measure, which is of sweeping importance.

This matter could well go over until Monday, although I cannot say that I would be prepared to agree to have the Senate take it up then. I represent the greatest cotton producing State in the Nation; and I feel that a great deal of work should be done on this measure before the Senate takes it up.

Mr. MANSFIELD. Mr. President, I had heard rumors to the effect that what is happening might happen.

The Senator from Texas has stated that he comes from the largest cotton producing State in the Union. I assume he is also aware of the fact that the majority leader and certain other Senators come from some of the largest wheat producing States, and that if something is not done shortly to give assurance to the wheat ranchers, the possibility of giving them any help at all will be practically cast into oblivion.

So we are faced with that situation; and I am faced with a very difficult situation, because I happen to be a Senator from the State of Montana and also the majority leader.

Mr. TOWER. Mr. President, reserving the right to object, I concur in the statement that something needs to be done, and probably needs to be done soon. A delay of a few hours could make a great deal of difference in respect to our attitude in regard to this measure, our reaction to it, and the popular reaction to it.

Let me also point out that a good deal of wheat is raised in Texas, too.

Mr. MANSFIELD. However, Montana far exceeds Texas in the production of wheat, and probably also would exceed Texas in terms of geography, if the mountains in Montana were flattened out.

Mr. TOWER. But even when the ice there melts, Texas will still be bigger.

Mr. MANSFIELD. Mr. President, I am sure Senators realize the "fix" the leadership finds itself in because the Senate is taking a recess from day to day and because of the fact that very shortly the civil rights bill will be before the Senate. Once that happens, it is my guess that all bets will be off, the decks will have to be cleared, and we shall spend our time almost exclusively on that measure.

So it appears to me that the best chance, and perhaps the only chance—although I am not at all certain as to that—for the Senate to consider the cotton-wheat bill, which was regularly reported by one of the standing committees of the Senate, would be either today or Monday.

Mr. WILLIAMS of Delaware. Mr. President——

Mr. MANSFIELD. I yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. I assure the majority leader that I will in the future, as I have in the past, cooperate with him. I recognize the problems which confront him. I have always supported the majority leader when he has moved that the Senate take up a bill, regardless of whether I favored or opposed the bill; and I shall continue to do so. Someone must bear the responsibility for arranging the program and procedure in the Senate, and I am not trying to dictate as to what measures the majority leader should or should not ask the Senate to consider.

But I point out that this bill is of major importance; and Senators who are not on the committee, but very much interested in this measure, have not had an opportunity to study the bill. It was for that reason that I was asking that the majority leader not ask unanimous consent that the Senate proceed to consider the bill today. I did not want to be put in the position of objecting to the requested procedure for the Senate, but at the same time I felt that it was reasonable to ask that this measure go over until we have at least had an opportunity to read the bill, study the report, and prepare our opposition.

In the interest of orderly procedure and perhaps more harmony next week I suggested that the request could be carried over from today, rather than renewed at this time.

Mr. MANSFIELD. I appreciate the statement the Senator from Delaware has made.

Mr. WILLIAMS of Delaware. But I still appreciate the fact that if the majority leader wishes to make such a request he is perfectly within his rights in doing so at this time.

Mr. MANSFIELD. I must say, in all frankness, before I yield to the Senator from Louisiana [Mr. ELLENDER], that I must make that request, because I have no other choice. However, I appreciate the candor with which various Senators have expressed their feelings.

At this time I yield to the Senator from Louisiana [Mr. ELLENDER].

Mr. ELLENDER. Mr. President, reserving the right to object—although I shall not object—it seems to me that in order to have cotton and wheat legislation passed in time for it to be effective for this year's crop, this bill should be passed by both Houses of Congress before March 1.

I wonder whether the Senator from Delaware would agree to allow the bill to be laid before the Senate today, with the understanding that votes on it would not be taken until Monday.

Mr. WILLIAMS of Delaware. No; I would not enter into such an agreement today, because the bill——

Mr. ELLENDER. Such an arrangement would save a great deal of time, for then the distinguished Senator from Mississippi, who is managing the cotton section of the bill, could "have his say" today.

I wish to state to the Senator from Delaware that I am opposed to the cotton measure, and I propose to tell the Senate why I am opposed to it. I shall do so in due time. But, in all fairness, I believe the course requested might not only save time, but also make it possible to have the bill enacted or some action taken on the bill before March 1.

Mr. WILLIAMS of Delaware. I want to cooperate with the majority leader in arranging the program of the Senate although I am not too interested in trying to expedite the consideration of a bill which I will vote against.

But, even so, I am willing to have the Senate have an opportunity to work its will. It is not my fault that the bill was not before us prior to this time. We have been busy attempting to resolve in conference the differences on the tax bill; and in the past few days I have devoted a great deal of my time to that work.

Therefore I have not had any opportunity to read either the bill or the report, and I doubt whether many Senators—other than those on the committee—are familiar with the bill. This bill involves expenditures amounting to several hundred million dollars; and they would affect not only the farmers but the consumers, but in addition it is important to the forgotten taxpayers.

Therefore, at least the Senate should have a chance to do our homework, to study the bill and the report. Certainly there should be such an opportunity before the Senate proceeds to deal with the bill.

For these reasons I would object to a request today to make the bill the pending business. This is not a threat in regard to the procedure next week; but I would object today to a request to make a bill of such major importance the pending business. Any bill which involves expenditures of several hundred millions of dollars deserves more attention. Do not forget that Senators did not see the bill or the report until 1 or 2 hours ago.

So, with great reluctance, I feel that I must register that objection today.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

Mr. WILLIAMS of Delaware. Yes, Mr. President; I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. MANSFIELD. Mr. President, I understand—and I say this with distress on my part—the position taken by the distinguished Senator from Delaware [Mr. WILLIAMS] and the distinguished Senator from Texas [Mr. TOWER]; but I assure the Senator from Delaware that he is acting wholly within his rights, that every Senator has that right and that privilege, and that—contrary to some newspaper reports—there will be no attempt on the part of the leadership to "ram" the cotton-wheat bill through the Senate.

It is our hope to do everything we possibly can—and I use the plural pronoun because yesterday I discussed this matter on three or four occasions with the distinguished minority leader. I tried to "clear the deck," so to speak, so that it would be possible to bring up this bill today.

But it appears that, under the rules of the Senate, and in consideration of the rights of each individual Senator, that will not be possible.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. WILLIAMS of Delaware. Not only did the majority leader discuss the question with the minority leader yesterday, but he also discussed it with me; and I told him that I would try to obtain copies of the bill and be ready today. I regret that I was not able to do so. But the majority leader did everything he could possibly do to reach such an arrangement in advance; and I want the RECORD to show that my objection is made with great reluctance, and in no way should it be interpreted as an indication of a feeling that the majority leader is trying to do something improper or is trying to "steamroller" the bill.

Mr. MANSFIELD. I thank the Senator from Delaware. I appreciate very much his remarks.

Mr. ELLENDER. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. ELLENDER. I have read articles by some columnists about "efforts to ram the bill through." If anyone is to be blamed, I wish to take my place in the front lines. Last year the committee of which I am chairman held over a week of hearings on cotton legislation, but at that time the House had not acted and the committee could not get together on a bill.

When I returned to Washington in January I felt that there was a need for cotton legislation, as well as wheat legislation, and I approached members of the committee, and agreement was reached to hold hearings at a particular time. Those hearings proceeded in order, until the Senate began consideration of the tax bill. Then the Senate began holding sessions early in the day, and objection was made to all committee meetings. Our hearings were discontinued.

Soon after action on the tax bill was completed, I was successful in having the committee meet and the hearings were completed in 2 days. Insofar as I know, complete hearings have been held on the subject, with the possible exception of some parts of the cotton bill that were added in the past few days before the committee considered cotton and wheat legislation in executive session.

When the Committee on Agriculture and Forestry decided to report the bill, and in order to lay the matter before the Senate as fully as possible there was an understanding that a complete report on the bill would be made by the Secretary of Agriculture, giving his views as to the bill, as it was reported from the committee, and also its implications. I believe the Senate has before it practically all the arguments, for and against.

The only thing the committee did not have was testimony as to some of the provisions in the cotton bill that was brought in at the last minute. Even with that situation, if we are to have any effective cotton or wheat legislation that will do any good for the cotton and wheat crop this year, some of which has been planted and some more of which will be planted in the spring, it is imperative that the Senate act before March 1.

I took the position that this matter should be brought before the Senate before the civil rights debate begins. Of course, I realized that if, as, and when we started that debate, there would be little opportunity to take up any other legislation.

So I hope the majority leader will, either later in the day or not later than Monday, make another effort to have this bill considered, so that it may be enacted before the end of next week. If we can do that, I feel confident that legislation can be enacted in time to assist the cotton farmers as well as the wheat farmers in the crops to be planted this year.

Mr. MANSFIELD. I assure the distinguished chairman of the Committee on Agriculture and Forestry that what he has suggested is my intention. I hope we shall be successful. I assure him I shall do everything I possibly can, within the rules and with full publicity ahead of time, to consider the bill and dispose of it, if at all possible.

I now yield to the distinguished senior Senator from North Dakota [Mr. YOUNG], a senior member of the committee.

Mr. YOUNG of North Dakota. Mr. President, I appreciate the Senator's yielding to me. This is a matter of the utmost importance to the wheat producers, and I am sure to the cotton producers as well. If nothing is done, the cash price of wheat will drop at least 25 percent, and perhaps as much as 30 percent, a drop that the wheat producers cannot take.

Every farm organization, starting back at the time of the wheat referendum, and before, promised new legislation. The Farm Bureau was the first one, even before the last wheat referendum. They promised that if the farmers voted "no" they would get new legislation.

I do not know all that they are saying here in Washington. Every farm organization is working to obtain new legislation, because they all realize its importance. It seems to me that the Senate could take at least 2 or 3 days to consider this kind of legislation, which is so important not only to the farm economy but that of the whole Nation. Wheat is produced in all 48 States on the mainland.

Mr. MANSFIELD. Mr. President, I yield now to the Senator from South Dakota [Mr. MCGOVERN].

Mr. McGOVERN. Mr. President, I should like to reaffirm what the Senator from North Dakota has said. All the information we have had in the committee from the Secretary of Agriculture, as the Senator has indicated, shows there will be a drop of somewhere between $500 and $700 million in agricultural income this year if Congress does not act on the wheat situation. In the absence of additional legislation, it would represent a drop of about one-third in the income of the wheat farmers of this country.

The President, in his agricultural message a few days ago, reminded us that the income of the farmers of the United States is only about 55 percent of the national average. At a time when we are talking about having some relief through tax legislation and other devices to stimulate the economy, it does not seem to make much sense to sit idly by and permit one segment of the economy that is already distressed to suffer another loss in income of between $500 and $700 million.

I commend the chairman of the committee [Mr. ELLENDER] for almost superhuman efforts in having this bill reported from the committee.

I think it is especially commendable in view of the fact that, though he personally objects to some features of the bill, he nevertheless worked harder than any other member of the committee to bring this legislation out in time, because he knew, if it was to be effective at all, it had to be on the statute books by the first of March. I think we all owe him a deep debt of gratitude.

Mr. MANSFIELD. I join the Senator from South Dakota in what he has said about the chairman of the committee and his perseverance and determination.

I also wish to join in what the distinguished Senator from North Dakota [Mr. YOUNG] has said about what was told the farmers in the Dakotas and Montana; namely, that if they voted against the referendum, Congress would come through with legislation in the field of wheat. Here we are trying to get through this legislation. The very organization that stated that Congress would come through with legislation is in part holding up legislation at this time.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ELLENDER. This is no new wheat legislation. It is the same measure that was passed last year. In my opinion, there is absolutely no change in it except that the present law is put on a voluntary basis instead of providing for a referendum.

I stated last year, when the enactment of wheat legislation was being considered, when it was defeated, that, as chairman of the Committee on Agriculture and Forestry I would not attempt to have new legislation enacted.

I do not consider the wheat provision in the pending measure as new legislation. It seems to me we would gain much by attempting to try this program on a voluntary basis, in the hope that it can be tried; and, if there are any defects in it, we can add to or subtract from it as time goes on.

I am satisfied that, if Senators will read the bill and compare it with existing law, they will find very little added to the law except to put the program on a voluntary basis.

I am very anxious to have the bill taken up, in an effort to pass it in time to make it effective.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. WILLIAMS of Delaware. I emphasize that I am not objecting to having the Senate's having an opportunity to work its will. What the majority leader and other Senators have said is entirely correct. When the farmers rejected the wheat plan in the referendum last year promises were made by numerous farm organizations and many Members of the Senate that legislation would be introduced and that they would try to enact a new legislative proposal. However, it is also true that the administration and the Secretary of Agriculture took a strong position that there should be no legislation and were opposed to any legislation of any description. It was said that none was needed.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MANSFIELD. In all fairness, I do not believe that was the exact position taken by President Kennedy and Secretary Freeman, but it was a position taken on a number of occasions by the chairman of the Committee on Agriculture and Forestry, who unselfishly and with good heart reversed himself in an attempt to meet a deadline and meet the situation which exists for wheat farmers.

Mr. WILLIAMS of Delaware. The Senator may be correct in part. I know the new administration is recommending some legislation.

Mr. MANSFIELD. That is correct.

Mr. WILLIAMS of Delaware. There was also somewhat of a switch in the position of the administration. Again, all I am suggesting is that if the proposed legislation involving $600 million or $800 million is so important, it should at least be studied by Members of the Senate before they are asked to vote on it.

All I am asking is that on the bill which has been available to us for only 2 hours, there be at least 1 more day in order that Senators may take it home and study it.

Again, I compliment the majority leader for his tolerance and fairness in this regard. I assure him, as I have in the past, that whenever he is ready to move to consider a bill, whatever it may be—whether I am for it or against it—I shall always cooperate with the leadership of the Senate, and will continue to cooperate with him in his right to determine the legislative program of the Senate.

Mr. MANSFIELD. I appreciate the comments of the Senator from Delaware.

Mr. President, I ask unanimous consent that when the Senate meets on Monday next, that the Chair lay before it as the pending business Calendar No. 850, H.R. 6196.

Mr. WILLIAMS of Delaware. Mr. President, I hope the majority leader will not make such a request today, because if he did I would have to object. I would have to object to this bill being made the pending business not only today but also on Monday. I do not wish to do that. Monday is another day, and perhaps we could proceed without objection. I would prefer not to make objection to it Monday, but if the request is pressed today there will be objection.

As I stated earlier, I am not willing to give consent to make this bill the pending business until at least I have had an opportunity to read and study the bill. I would hope the majority leader would not press the second request, because I am afraid it would be misunderstood as a strong indication the bill would not be considered Monday, and I believe it would be better if we——

Mr. MANSFIELD. Mr. President, I feel I am in the position where I must make this request to try to get some assurance that the bill will be taken up on Monday, even if the request is denied. I do so because of the fact that the Senate has for consideration the military procurement bill, the conference report on the tax bill, and the civil rights bill. Once the civil rights bill comes up, all bets are off, because there will not be much time. So, if the Senator from Delaware desires to object, I will understand his position thoroughly, as I know he understands mine; and if objection is made, I shall, of course, make another request on Monday.

Mr. WILLIAMS of Delaware. Mr. President, I will object today; and I suggest that it would have been easier to obtain consideration of the bill on Monday, had we not had to object today.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. WILLIAMS of Delaware. I regret that objection has to be made.

In order that we may make it clear—because we cannot always be in the Chamber—I hope there will be no further request made today unless I am notified in advance, because I would object to any request made today. I hope that——

Mr. MANSFIELD. There will be no request made today. Nor will request be made on the bill without the foreknowledge of the Senator from Delaware, and I would hope, his approval.

Mr. WILLIAMS of Delaware. I thank the Senator. I repeat, I am not suggesting or threatening what will happen on Monday. I thought it was a reasonable request that we have an opportunity to read the bill. As I pointed out to the majority leader yesterday, I did try to get a copy of the bill and study it overnight, but I was unable to get a copy either of the bill or the report until a couple of hours ago. It was for that reason I asked to have it go over until Monday. I would have to make the same objection to any request made today, but I assure the Senator from Montana it is a reluctant and friendly objection.

Mr. DIRKSEN. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. Mr. President, I believe it is generally known that the House will consider the conference report on the tax bill on Tuesday next.

If I may be so bold as to assume that the farm bill might be laid down, would it be the intention of the distinguished majority leader, at the appropriate moment, to set it aside, so that the tax bill conference report, which is, after all, a privileged matter, would be considered as soon as it reached the Senate?

Mr. MANSFIELD. The Senator from Illinois is correct.

Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Montana will state it.

Mr. MANSFIELD. While the Senate continues in recess, is a motion to proceed to the farm bill in order?

The ACTING PRESIDENT pro tempore. Such a motion would not be in order.

Mr. MANSFIELD. Mr. President, a further parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Montana will state it.

Mr. MANSFIELD. It is true, then, that the Senate, while continuing in recess, can proceed to the farm bill only by unanimous consent, and that objection raised by any one Senator can block such request?

The ACTING PRESIDENT pro tempore. The answer is "Yes."

Mr. MANSFIELD. Mr. President, a further parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Montana will state it.

Mr. MANSFIELD. If the Senate adjourns to meet the requirement that a bill must lay over 1 legislative day before it can be motioned up, under the precedents of the Senate, will not second reading be had during the morning hour on the civil rights bill?

The ACTING PRESIDENT pro tempore. The Senator from Montana is correct.

Mr. MANSFIELD. Mr. President, a further parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Montana will state it.

Mr. MANSFIELD. Mr. President, when second reading is had, will not certain motions, points of order, and other debatable matters then be in order?

The ACTING PRESIDENT pro tempore. Yes, such matters would then be in order, after second reading.

Mr. MANSFIELD. The reason I have raised these parliamentary inquiries is to lay before the Senate, insofar as it is within my power to do so, the facts as I see them relative to parliamentary procedures under the rules of the Senate. I respect the right of each and every Senator to exercise his privileges within the rules.

I am sorry it is not possible to get the bill up today, because it is an important bill to my part of the country, as well as to other parts, but I am hopeful that when Senators have an opportunity to study the report over the weekend, perhaps—in their wisdom, and in a spirit of charity and cooperation—we may be able to bring up the bill on Monday next.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. WILLIAMS of Delaware. I should like to address a parliamentary suggestion to the majority leader—he can make a motion to adjourn any time he wishes, can he not?

Mr. MANSFIELD. The Senator is correct.

Mr. WILLIAMS of Delaware. Such motion the majority leader would make would be supported by me, and the Senator from Montana could follow it with a motion to take up any bill he wished and I will support that motion.

I felt it was a perfectly reasonable request to ask for an opportunity to study the bill. The majority leader will admit that when the tax bill was reported by the committee I was one of those who wished to file a minority report. I did not believe it was wise to cut taxes $10 or $11 billion in the face of a $10 billion deficit. I waived my right to file a minority report, in order that the majority leader could get the bill before the Senate. I have tried hard to cooperate with him in every way possible, and I will continue to do so.

I respect the position of the majority leader, however, and want to emphasize that my objection here today is in no way intended as criticism of his procedure.

In my opinion, the Senator from Montana is one of the fairest and one of the greatest majority leaders ever to hold that position.

I am sure that he recognizes it is a reasonable request to have the bill go over. I did not put the Senate in the parliamentary position in which it now finds itself. I am not trying to jockey the Senate into a position where it cannot work its will. I do feel this, however, that we have spent many weeks and months when the administration could, had it wished, had the farm bill before the Senate. Perhaps, had they been as anxious as they are now, we could have had the farm bill disposed of.

That statement is intended as no criticism of the majority leader. He can only bring up bills which come out of the committees. Nevertheless, I still feel that there is no piece of legislation, particularly one involving expenditures of $600 to $800 million, that could be considered so important to require action by the Senate without Senators ever having had the opportunity to read the bill.

All I am asking is that we be given an opportunity to study and read the bill. The taxpayers, at least, are entitled to that much consideration on our part; whether we vote for or against the bill later is a matter for each Senator to determine as to what he believes should or should not be done. Certainly we cannot intelligently approach a decision on that question without at least first reading the bill. We cannot read it until it is printed, and it was printed only 2 hours ago.

Mr. MANSFIELD. Mr. President, I would not disagree with any of the comments made by the distinguished Senator from Delaware. I believe he understands the position I am in and the reason why the postulates were raised and the parliamentary inquiries were made. When a bill is reported, I believe it is my responsibility, in conjunction with the minority leader insofar as that is possible, and with other Senators who are interested, to undertake a procedure—which I did earlier in the day—and I assure the distinguished Senator that there was nothing devious behind it. I merely wished the record made clear so that Senators could understand the situation, and that every means had been used to try to bring up the bill.

Of course the Senate could adjourn, but the Senator knows the reason why I cannot move to adjourn at this time. We shall have to wait and take our chances.

I yield to the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS of Delaware. I wish to state that at the time I was raising this objection yesterday, I said I would try to get a copy of the bill and try to read it overnight. At that time, I did not even know such a parliamentary situation existed. I should have known, but I was not approaching the question from that standpoint.

Mr. MANSFIELD. I am certain of that.

Mr. WILLIAMS of Delaware. It was not a part of any plan to jockey the majority leader into a parliamentary situation. Had I been able to obtain a copy of the bill and report last night, perhaps I would not be in the Chamber objecting today.

Mr. MANSFIELD. As the Senator from Delaware knows, with me his word is his bond.

I yield to the Senator from New York [Mr. KEATING].

Mr. KEATING. The inquiries addressed by the majority leader to the Chair have made the situation clear. I preface my inquiry—if I may have the attention of the majority leader—by saying that I am something less than enthusiastic about the Brannan plan bread tax bill.

Mr. MANSFIELD. Mr. President, I believe we should get one thing straight, if the Senator from New York will yield briefly.

Mr. KEATING. I yield.

The ACTING PRESIDENT pro tempore. The Senator from Montana has the floor.

Mr. MANSFIELD. Many Members of Congress representing large industrial States have the idea that the farmers are responsible for the increase in the price of bread.

If we go back over the past decade, we will find that the average price of a bushel of wheat to the farmer has been $2 a bushel, and that when it goes to the miller, in St. Paul or some other location, it probably costs 50 cents more to mill it into flour. Over the past decade and longer, the farmer has been receiving practically the same price; during that period of time, the price of bread has gone up from 16 cents to approximately 36 to 38 cents.

So it is not the fault of the farmer. We cannot blame the farmer, when we talk about the wheat bill and the price of bread, because the farmer, as well as the consumer, is getting it "in the neck." Someone in the middle, not the miller or the rancher, is getting the gravy.

Mr. KEATING. Pursuing my statement as to the Brannan bread tax bill, I am well aware of the sensitivity of some Senators over the contention that some Senators make, that these continued increased subsidies to wheat growers do have an effect on the price to the consumer in large industrial areas; but I did not intend to debate the subject today and intended to hold that off for the farm bill.

I wished to preface my remarks to the Senator from Montana with a frank admission that I have serious reservations about the wheat-cotton bill. In any event, however, I believe it is time we gave some priority to civil rights in the scheduling of the Senate's business and I am deeply disturbed by the delay in getting the civil rights bill before the Senate.

The impression was first created that the conference report on the tax bill had to be disposed of prior to consideration of civil rights legislation, but the colloquy which took place on the floor today has made it very clear that the conference report on the tax bill could be brought up at any time. It could be considered in the middle of the debate on the civil rights bill or during the debate on any other bill, as a matter of the highest privilege and priority. Therefore, the conference report on the tax bill could never have been a reason for delaying consideration of the civil rights bill.

Mr. MANSFIELD. Mr. President, will the Senator yield at that point?

Mr. KEATING. I yield.

Mr. MANSFIELD. As I understand, the Senator indicates that he has little or no interest in cotton or wheat legislation.

Mr. KEATING. That is not a correct statement.

Mr. MANSFIELD. But that he has a great interest in the civil rights bill. Is that correct?

Mr. KEATING. I have an interest in cotton and wheat legislation. I intend to be on the floor and debate the bill. What I indicated was that I did not expect, at the moment, to support the bill.

Mr. MANSFIELD. I understand.

Mr. KEATING. I am interested in any legislation that comes before the Senate. The point I am making is that civil rights deserves to be given priority. I wish to make it clear to the majority leader and other Senators that I am greatly disturbed by the continual intervention of other proposed legislation ahead of the civil rights bill, which, I had hoped, would follow the consideration of the tax bill. I want to make it clear also that the conference report on the tax bill has nothing to do with the necessity for the delay on the civil rights bill. As I view the parliamentary situation, any Senator can get recognition at any time in the middle of any debate to bring up the conference report on the tax bill. It is a matter of the highest privilege.

It is now obvious that the real reason the civil rights bill is being delayed is in order to enact a farm bill and also, I understand, a bill for military procurement authorizations. Of course these are matters of great importance but civil rights would be delayed indefinitely if it is to be displaced whenever other legislation is reported.

I hope that the distinguished majority leader, if the debate on these important matters runs into a long period of time, will not allow it to continue to delay consideration of the civil rights bill.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. MANSFIELD. This subject was discussed on the floor of the Senate yesterday. The distinguished minority leader and I gave assurance that the civil rights bill would not be unduly delayed. We did think, so long as we had this little interregnum, that if we could finish consideration of the military procurement authorization bill and the cotton-wheat bill within a reasonable period of time, it would not delay very much—perhaps by no more than a day or so—the taking up of the civil rights bill. I assure the Senator that when we get the civil rights bill before the Senate, there will be plenty of time to discuss the issue and to educate the country, as some of our colleagues use that term.

We have been cognizant of the situation and have been doing our best to see if it would not be possible to bring the civil rights bill to a second reading at the conclusion of or shortly after disposition of the conference report on the tax bill by both Houses.

Mr. KEATING. I have no doubt that "plenty of time" will be occupied in the discussion of the civil rights bill and this is another point which needs emphasis. I had hoped that the pressures for a cotton bill, which come primarily from those who traditionally have been in the forefront of the opposition to civil rights legislation, would help expedite consideration of the civil rights bill. Referral of the wheat-cotton bill until after civil rights might well be helpful in convincing some of those who are opposed to civil rights legislation that the debate, while full, should be somewhat shortened. The same perhaps might be true of the military construction authorization bill. I am not aware whether it is a matter that could be handled this week or next week, or whether it could be handled somewhat later. There may be good reason for considering it now. I have no knowledge of that. Apparently the situation has been canvassed and it has been found to be undesirable or unwise to proceed in that way from the point of view of the leadership.

Of course, I am in no position to say whether that is the case. I can only express the hope that since the decision has been made to take up the cotton and the military procurement bills first, it will not cause an indefinite delay in bringing before us the civil rights bill, and that at some stage—and I would not want to ask the Senator to try to say specifically at what stage—if the consideration of those bills was not brought to a conclusion, they might be put aside in order to take up the civil rights bill.

Mr. MANSFIELD. I believe, in fairness, as far as the leadership is concerned, we have been canvassing the situation rather thoroughly. We do not believe any dilatory or delaying tactics will be used. We believe that the authorization bill for military procurement is vitally needed legislation, and that it could be passed without too much delay. We believe that the citizens of this country who live in the West and in the South are entitled to consideration in the matter of wheat and cotton. We also believe that at the first moment, after the tax conference report is agreed to by both Houses, we should, as expeditiously as possible, come to the consideration of the civil rights bill. However, we do not intend to bring up a bill for the purpose of laying it aside. If we bring up a bill we like to bring the matter to a conclusion one way or another, and then enter the ring for the main event.

Mr. KEATING. I am sure the Senator would like to do it that way. I had hoped that it would be possible to proceed with the civil rights legislation, and not have it displaced.

Mr. MANSFIELD. We are not displacing it.

Mr. KEATING. Everyone believed that it would follow consideration of the tax bill. That has not been the case.

Mr. MANSFIELD. It will follow the tax bill. If a day or so intervenes in between, it will not make much difference.

Mr. KEATING. Obviously there will be more than a day or so in between. The tax bill was passed long ago.

Mr. MANSFIELD. Is the Senator referring to the tax bill or to the conference report on the tax bill?

Mr. KEATING. The conference report can be brought up at any time. If we were debating the civil rights bill at this moment, the conference report on the tax bill could be brought up for debate at this time.

Mr. MANSFIELD. That is correct; and it would be debatable.

Mr. KEATING. That is correct.

Mr. MANSFIELD. It could be debated for a long time. Under the plan I suggested, it might not be so debated.

STATEMENT BY SENATOR DIRKSEN AND REPRESENTATIVE HALLECK ON THE WHEAT TRANSACTION WITH THE SOVIET UNION

Mr. WILLIAMS of Delaware. Mr. President, the wheat transaction with the Soviet Union has gone from bad to worse. Senator DIRKSEN and Representative HALLECK, speaking for the Senate-House Republican leadership, issued statements yesterday, February 20, at a press conference that lay the cold facts on the line. These statements are worthy of detailed study by my colleagues on both sides of the aisle.

Mr. President, I ask unanimous consent that these statements be printed in the RECORD:

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DIRKSEN

The wheat deal with the Soviet Union, initiated last October and currently being feverishly pursued by the Johnson administration, is doing far greater damage to American foreign policy than it is good to the American economy.

The chain of events which has followed this reversal of our economic policy toward Russia shows how costly the decision has been. It has all but destroyed our economic blockade of Cuba, a result forecast by Representative HALLECK on October 2 last year when he said: "If the Kennedy administration puts its stamp of approval on sale of wheat to the Soviets, how can our Government expect to persuade other nations not to trade with Cuba in the future?"

The truth is now upon us. We can no longer persuade them.

Our ally, France, is reportedly negotiating a $10 million truck deal with Cuba. Our ally, Spain, is negotiating for the sale of 100 fishing vessels and two freighters to Cuba. Our ally, Great Britain, has sold 400 buses to Cuba over our protest, and another 600 are on order. Four British airliners are being reconditioned for Cuba. Now negotiations are underway for British delivery of $1.4 million in heavy roadbuilding machinery to Castro.

Worse yet, France has recognized Red China. Equally bad, our NATO agreement limiting credit to 5 years to the Communist nations is on the verge of collapse. While France, Italy, and West Germany watch, Britain is now negotiating a 15-year credit with the Soviets for $448 million in fertilizer and chemical plants. Japan is considering credits and trade with Red China.

These nations use the wheat deal as an excuse. Britain's Prime Minister Home stood on the White House steps last week and made it clear the British intend to trade with the Communist nations. Former Prime Minister Ishibashi, a leading Japanese advocate of trade with Red China, has hailed the wheat deal as the "big turning point" in making trade with Communist nations possible.

In short, the wheat deal is turning into a diplomatic nightmare. Nothing has so undermined our leadership of the free world in a score of years. We have set a precedent that can be used against us from now on by the Communist nations to persuade our allies to trade with them on extended credit. We, the members of the Joint Senate-House Republican leadership, strongly urge the Johnson administration to revalue further extension of the wheat deal before the diplomatic damage it is doing is beyond repair.

STATEMENT BY REPRESENTATIVE HALLECK

The wheat deal with the Soviet Union is not only playing havoc with our world leadership but it is also disrupting our economy at home.

Our maritime unions are directing a boycott against loading wheat in American ports for shipment to the Soviet Union and they have adopted a strongly worded resolution this week denouncing the wheat deal as a grotesque blunder.

Our shipowners are up in arms because the White House pledge that 50 percent of the wheat deliveries would be in American ships has not been kept, with nearly 75 percent of the wheat tonnages having been shipped so far on foreign vessels.

The American taxpayers are awakening to the fact that they are paying as much as 84 cents a bushel in special subsidies so that the wheat can be sold to the Soviet Union at the far lower world price instead of at the price an American would pay if he bought it.

Our farmers find themselves in a dilemma because the White House, not they, initiated a deal supposedly for their benefit which is giving the Soviet Union a big financial break at the expense of the U.S. Treasury. And the subsidies for the Russians' benefit keep climbing. The present estimate is that the American taxpayers will contribute more than $40 million in subsidies for the benefit of the Soviet Union.

And finally, the Members of Congress—kept in session day after day, night after night until last Christmas Eve because President Johnson insisted on authority to give extended Export-Import Bank credits to the Soviet Union—now know that the original congressional prohibition against sales of Government-subsidized agricultural commodities to Communist nations was right.

This wheat deal has turned into a sorry mess. The only winner has been the Soviet Union, which is exactly what many of us predicted. The American taxpayers, our maritime unions, and our shippers are the losers. It is time a halt was called on these transactions with the Soviet Union. We believe the overwhelming majority of the American people, including American farmers, would support such a move.

APPOINTMENT OF CAPTAINS ON THE MINORITY SIDE, FOR DEBATE ON THE CIVIL RIGHTS BILL

Mr. DIRKSEN. Mr. President, I previously indicated that I would announce the appointment of seven captains on the minority side to assist in our deliberations on the civil rights bill.

The Senator from New York [Mr. KEATING] will be the captain on title I; the Senator from Nebraska [Mr. HRUSKA] on title II; the Senator from New York [Mr. JAVITS] on title III; the Senator from Kentucky [Mr. COOPER] on title IV; the Senator from Pennsylvania [Mr. SCOTT] on title V; the Senator from New Hampshire [Mr. COTTON] on title VI; and the Senator from New Jersey [Mr. CASE] on title VII.

In addition, the distinguished minority whip and I will be on hand, I trust, at all hours of the day and night, to give such counsel and guidance as we can in the orderly deliberations and the extended discussion that we anticipate will take place in connection with the civil rights bill.

ORDER OF BUSINESS

Mr. KEATING. Mr. President, is the Senate now in the morning hour?

The ACTING PRESIDENT pro tempore. If the Senator will permit the Chair to do so, he would like to lay before the Senate the unfinished business.

MR. AND MRS. HARLEY BREWER

The Chair laid before the Senate the unfinished business, H.R. 2772, for the relief of Mr. and Mrs. Harley Brewer.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, with amendments:

S. 2136. A bill to amend the Foreign Agents Registration Act of 1938, as amended (Rept. No. 875).

BILL INTRODUCED

A bill was introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KEATING:

S. 2536. A bill for the relief of Wilfredo R. Emano; to the Committee on the Judiciary.

(See the remarks of Mr. KEATING when he introduced the above bill, which appear under a separate heading.)

WILFREDO EMANO

Mr. KEATING. Mr. President, I introduce, for appropriate reference, a private bill.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2536) for the relief of Wilfredo R. Emano, introduced by Mr. KEATING, was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. KEATING. Mr. President, normally I, like other Senators, do not enter in the RECORD any comments relating to a private bill; but this is such an unusual situation that I wish to speak about it, because it is a case behind which lies one of the most heartwarming and fascinating tales of the Second World War, a tale that warrants retelling for the historical record.

It involves, of course, the beneficiary of this bill, Wilfredo Emano, and his friend, Mr. Andrew A. Mancuso, or as he is affectionately called, "Gus" Mancuso.

"Gus" Mancuso now runs an elevator in the U.S. Courthouse in Buffalo, N.Y. Twenty years ago, however, and 10,000 miles away, "Gus" Mancuso was one of a small band of brave and heroic GI's who refused to submit to the Japanese invader in the Philippines and who held out in the mountains of Mindanao carrying on guerrilla warfare against the Japanese occupation forces.

It was there, in a small village of north-central Mindanao, that "Gus" met Wilfredo Emano, then a small boy. Wilfredo's family befriended "Gus" and his fellow GI's, gave them safety and shelter, supplied them with the bare necessities of life. "Gus" says these fine Filipino natives made the difference between life and death for the Americans, and enabled them to continue peppering the Japanese with hit-and-run guerrilla raids for the duration of the Japanese occupation.

As I have said, Wilfredo Emano and his family thus gave aid and comfort to the American cause in the Pacific war. Today, more than 20 years later, Wilfredo Emano is a visitor to our shores and now in Buffalo, having renewed his old war comradeship with "Gus" Mancuso. Again, however, there is a familiar ring to this tale. Wilfredo would like nothing more than to become a permanent U.S. resident and ultimately obtain U.S. citizenship. He was born and raised under the American flag, served our country in time of war when boys of his age here in the States were in grammar school, and is as much an American at heart as he is—as a legal matter—a citizen of the Philippine Republic. Moreover, Wilfredo was graduated from college with a degree in business administration and has achieved skills that would enable him to contribute greatly to the benefit and welfare of our country.

Yet, despite all this, there is no hope for his now obtaining U.S. permanent residence under the regular immigration laws. His misfortune is that he happened to be born in the Philippines, which, though under the American flag at the time, later became independent; and as such, it was assigned an annual national origins quota based on the proportion of persons of Filipino ancestry found in the U.S. population of 1920, 15 years before Wilfredo Emano was born. Which is to say, simply, that the Philippine annual quota is the minimum quota of 100, is heavily oversubscribed, and stands as an insurmountable barrier to the regular admission of the Wilfredo Emanos of this world for U.S. residence and citizenship.

Mr. President, this is an extremely meritorious bill, in my judgment. The whole background cannot be done full justice by me in the limited time available. Fortunately, there is a great story on this case, bylined by Reporter Roland Powell, which was published in the Buffalo Evening News of November 16, 1963. In order that the full stirring history of the wartime friendship of "Gus" Mancuso and Wilfredo Emano may be available to interested Congressmen and the public, I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WAR RECORD OUTSTANDING, BUT GUS MANCUSO IS LAST ONE TO TALK ABOUT IT

(By Roland Powell)

Twenty years and 10,000 miles is a long way from the steaming jungle and formidable mountains of the Japanese-invaded island of Mindanao to the bustling metropolitan city of Buffalo.

But that distance has been bridged by a Buffalo man and his wartime Filipino companion.

Reunited recently in Buffalo were Andrew A. Mancusco, 48, of 842 Prospect Avenue, and Wilfredo Emano, 29, of Oriente Misamis Province, Mindanao, Philippines.

Mr. Mancuso, now an elevator operator in the U.S. Courthouse, was a member of the small and heroic band of Americans who refused to surrender to the Japanese when World War II erupted in the Pacific and chose instead to flee to the mountains and continue the fight.

Mr. Emano was only a small boy in a native village in north-central Mindanao when the Japanese troops landed. When the weary, ailing group of American soldiers made their way to his village young Wilfredo joined with his merchant father in getting food and other supplies to them, even under the watch of the Japanese. Among those soldiers was "Gus" Mancuso.

The companionship between American guerrilla and young Filipino boy ripened during the month after month of hit-and-run and plain survival fighting of the stubborn Americans.

As with most soldiers, many of the memories of war faded for Mr. Mancuso over the years. He still kept in touch with some of his buddies and a few years back attended a reunion of Mindanao guerrillas.

He remembered some of the Filipinos who had aided him, making the difference between life and death. He remembered little Wilfredo whom he had not seen since leaving the island.

There was no question about it. Mr. Mancuso was unprepared when he received a telegram from a Wilfredo Emano announcing he was planning to arrive the next day by plane at Buffalo to visit his wartime friend.

The reunion at the airport took place last February when Mr. Emano arrived with a 6-month visitor's visa. Little was said about it; Mr. Mancuso is not one to relate voluntarily his war experiences, and the fact that he had a visitor here from the Philippines would have led to that explanation. But when the 6 months was over Mr. Mancuso and Mr. Emano appeared at the U.S. immigration office seeking a 6-month extension of the visa, which was granted.

The story was out. Simultaneously there came on the market a new book, "They Fought Alone" which tells the story of the Mindanao guerrillas with Mr. Mancuso's name mentioned.

The string of incidents leading to the meeting in the Philippines began before the war. After graduating in 1934 from Lafayette High School, where he captained the baseball team, "Gus" Mancuso worked for a grocery chain and belonged to the National Guard's 174th Regiment.

Early in 1941, with Europe at war and war clouds hanging over the Pacific, though not seen by everyone, Mr. Mancuso quit his job and joined the Army.

He took basic training and then with other peacetime Army recruits was sent to the Philippines, serving in Manila and at Clark Field with the 440th Aviation Bomb Ordnance Group. In late 1941 he was transferred south to the big island of Mindanao.

In December the Japanese launched their surprise many-pronged attack.

Mr. Mancuso's unit was stationed in the Province of Bukidnon in northern Mindanao. The Japanese landed at the nearby Bay of Iligan and at other points on the coast and it became apparent the Americans were in for it.

Supplies ran low and the losses were heavy. Then came word from Maj. Gen. William Sharp, commander of U.S. troops, that the decision to surrender had been made.

It was May 5, 1942, when "Gus" Mancuso and his buddies were called together by their lieutenant and told to prepare to surrender the next day to the Japanese.

"The lieutenant said he needed four volunteers to take a truck to our outposts and pick up the weapons which would be turned over to the Japanese," Mr. Mancuso recalled. "He said the Japanese promised good treatment if we gave them no more trouble.

"I figured this detail was my chance even though I had been in the Army long enough to know not to volunteer. I raised my hand and three of my buddies, seeing it, joined me. We got the truck and spent the night picking up the machineguns and rifles.

"I told my buddies I wasn't going back and they said they were with me."

Mr. Mancuso said his thought was to make his way to the sea, get a boat and join American forces somewhere else. The idea of remaining as a guerrilla hadn't occurred yet.

The truck ran out of water, as luck would have it, so they couldn't have returned to their outfit before the Japanese arrived. Mr. Mancuso, who still shows some concern about disobeying orders, said he gave out the guns to Filipinos passing through on their way into the hills to continue fighting for their homeland.

"We followed them and walked for 2 weeks never knowing where we were. We ate off the land and it wasn't much. I wore out a new pair of Army shoes and when we arrived at a little Manobo tribe village all of us were sick."

The Manobos cared for them until late August. "Gus" Mancuso figured it was time to move on.

"I figured I was going to die there of illness. I heard some other Americans were still free in the jungle and in the hills and were forming guerrilla bands. My buddies stayed behind and I headed out alone, going north."

Most of his hiking experience had been on the west side streets of Buffalo, but "Gus" Mancuso made it, weeks later, to the Gulf of Mindanao. There he met Carlos Garcia, Governor of the island of Bohol to the north and later to become President of the Philippines.

Mr. Garcia was forming resistance groups and Mr. Mancuso went with him to Bohol, remaining there until November when contacted by representatives of Col. Wendell Fertig who was forming a guerrilla organization in Mindanao and needed every American soldier and sailor he could get.

Then, of all things, romance entered the picture.

The small boat taking Mr. Mancuso to Mindanao ran into a storm and put into the tiny island of Camiguin between Bohol and Mindanao. He made friends with a family named Gatasi and especially with their pretty 19-year-old daughter, Predicta. Within a short time they were married, not exactly in line with regulations for activity behind enemy lines.

Mr. Mancuso returned to Mindanao, joining a force commanded by Lt. Col. Ernest McClish. It was the 110th Division, 10th Military District, as designated by Colonel Fertig. Mr. Mancuso was made a lieutenant and given a combat unit whose job it was to seek out and battle small groups of Japanese, part of the hit-and-run tactics of the guerrillas, all aimed at tying up Japanese forces on the island.

The months went by with the Americans sustaining themselves with the help of friendly Filipinos, including the Emano family. Later supplies were sent in by submarines.

On March 9, 1944, a son was born to Mr. and Mrs. Mancuso on the island of Camiguin. He was named Arthur, for the general. His father had a brief visit with him before going back into the Mindanao jungle.

In February 1945—the Philippines now invaded by American forces—Mr. Mancuso was repatriated to Leyte.

There he explained to unsympathetic officers that he had a wife and son on Camiguin and wanted to bring them to Leyte. He received reluctant permission to go after them.

Mrs. Mancuso and Arthur were brought to Leyte and Lieutenant Mancusco then was able to arrange passage on a San Francisco-bound ship.

Arthur is a recent graduate of Erie County Technical Institute. The Mancusos have five other children, Augustine, 17; Dorothy, 15; Catherine, 14; Andrew, Junior, 9; and Ann Marie, 7—all born in Buffalo.

"Gus" Mancuso has one more desire, but the pay of a Government elevator operator apparently will prevent it. He would like to be able to attend another reunion of his old Mindanao guerrillas.

Mr. KEATING. Mr. President, the bill introduced today deserves enactment, and I intend to do everything I can, as a member of the subcommittee which will pass on the measure, to hasten its favorable consideration by our committee and by the Senate.

ADDITIONAL COSPONSOR FOR S. 2176, TO EXTEND FEDERAL MEAT INSPECTION AND TO PERMIT CO-OPERATION WITH STATE MEAT INSPECTION SERVICES

Mrs. NEUBERGER. Mr. President, I ask unanimous consent that in all further printings of S. 2176, the meat inspection bill which I have introduced, the name of the junior Senator from New Jersey [Mr. Williams] be listed as a sponsor of the legislation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. KEATING. Mr. President, in order to make a statement concerning the Seneca Indians, is it necessary for me to ask that the rule of germaneness be waived?

The ACTING PRESIDENT pro tempore. No. The rule of germaneness of debate has been waived while the Senate is considering the present unfinished business that was just laid before the Senate.

Mr. KEATING. I thank the Chair.

SENECA INDIANS AND KINZUA DAM

Mr. KEATING. Mr. President, on Washington's Birthday in 1961, the New York Times published an editorial deploring the violation of one of our oldest treaties. The Pickering Treaty with the Seneca Nation of Indians signed during the administration of our first President, provided that the Senecas should have their land in perpetuity. When it was decided that the building of the Kinzua Dam would require the taking of some of that land, a long, drawn-out court battle ensued, and we who opposed the violation of the treaty lost. Construction of the dam is almost complete, and Indian lands will be flooded this fall.

A number of my colleagues and I introduced proposed legislation to compensate the Senecas for this taking, and a similar bill was introduced in the House. The Indian Affairs Subcommittee of the House Interior Committee held extensive hearings on the measure and reported a fine bill which was promptly passed by the House. A subcommittee of the Senate Interior and Insular Affairs Committee has scheduled hearings on the measure on March 2. That is where we stand now.

Meanwhile, what has happened to the 500 Senecas who must leave their homes by October 1? Have they been able to plan new homesites or begin construction? No, Mr. President, because until the Senate passes the bill, the Indians cannot even obtain loans to begin construction. Until they are guaranteed a fixed amount of compensation they cannot construct the homes, roads, utility facilities, schools, and public buildings which they will need by October 1. In the short space of 7 months they will have to construct two entirely new communities—and they cannot even borrow the money to begin.

The injustice of this situation should be apparent to all. Now we must determine to enact this legislation as soon as possible. The House held extensive hearings on the bill. The record which was made in the other body should preclude the necessity for delay here. I would hope that this measure could be brought to the floor of the Senate as soon after the March hearing as possible. The Senecas have already suffered by our violation of this treaty. Let us do what we can to minimize the hardship by making sure that they receive sufficient and speedy compensation.

RESOLUTION OF ONEIDA COUNTY, N.Y., BOARD OF SUPERVISORS

Mr. KEATING. Mr. President, the proposed move of the Department of Defense to eliminate the Rome Air Materiel Area from Griffiss Air Force Base in Rome, N.Y., is a source of grave concern. As the Oneida County Board of Supervisors has pointed out, there has been no adequate information from the Defense Department as to the reasoning and the full cost savings which are claimed. In fact, there is a strong conviction in the area that the President himself, to whom thousands of communications have been addressed, knows none of the details behind the move which is being carried out by the Pentagon in the name of economy.

Mr. President, I ask unanimous consent to have printed at this point in the Record the text of the resolution unanimously adopted by the Oneida County Board of Supervisors.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION 28 BY THE BOARD OF SUPERVISORS, ONEIDA COUNTY, N.Y.

Whereas the Defense Department of the United States has announced and confirmed the proposed removal and dispersal of the Rome Air Materiel Area (ROAMA) for reasons of economy in national defense spending of Federal tax moneys; and

Whereas the most sincere and diligent efforts of legislators and executive officials of local, State and national governmental bodies, and of competent and respected business leaders have not been able to influence officials of the Defense Department to provide to the citizen taxpayers of upstate New York bona fide, detailed justification of claimed economies involved in the proposed removal of ROAMA; and

Whereas detailed, bona fide studies of the overall effect of the loss of ROAMA on the economic well-being of upstate New York have produced incontrovertible evidence that such effect will be disastrous to the welfare of this area, and will in fact bring severe hardship to thousands of our people; and

Whereas these studies have, in fact, conclusively demonstrated that the overall effect on real costs to all the people of the United States of America can only be materially increased by the dispersal to other facilities of the ROAMA function of worldwide supply of ground electronic defense equipment; and

Whereas the Mohawk Valley of upstate New York has for years been officially designated as an area of economically depressed conditions with high unemployment; and

Whereas for the reasons above specified thousands of the citizen taxpayers of this area have expressed their concern and their chagrin, their feeling of having been "let down" by an agency of their Government in Washington, and have individually appealed to the President of the United States for further consideration of the Defense Department's announcement in this matter: Now, therefore, be it

Resolved, That this Oneida County Board of Supervisors, speaking sincerely for the many thousands of citizens in the Mohawk Valley of upstate New York, does hereby respectfully memorialize and petition the President of the United States to intercede in this matter, and, in fact, implores the President to controvert and cancel the proposed removal of ROAMA, thus permitting the industrial, business, and human resources of this area to continue their rightful role in the defense of our Nation, at the same time retaining a major facility which has been and is vital to the economic welfare of this area; and be it further

Resolved, That copies of this resolution shall be dispatched forthwith to the President of the United States; to both New York Senators; to all individual members of the New York congressional delegation; to all individual New York State legislators representing all upstate New York counties and to the mayors of the cities of Rome, Utica, and Syracuse.

NOMINATIONS REPORTED FAVORABLY BY THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. JOHNSTON. Mr. President, as in executive session, I report favorably from the Committee on Post Office and Civil Service the nomination of Frederick C. Belen, of Michigan, to be Deputy Postmaster General, vice Sidney W. Bishop, resigned, and the nomination of William M. McMillan, of Texas, to be an Assistant Postmaster General, vice Frederick C. Belen, elevated.

The nominations, which were unanimously reported by the committee, are in the nature of promotions. Mr. Belen's promotion is to the position of Deputy Postmaster General, and Mr. McMillan's promotion is to the position of an Assistant Postmaster General.

I ask unanimous consent for the immediate consideration of the nominations, so that the nominees may assume the duties of their offices.

The ACTING PRESIDENT pro tempore. As in executive session, and without objection, the nominations are confirmed, and the President will be notified forthwith.

Mr. HART. Mr. President, the recognition that the Senate has given to Fred Belen by confirming his nomination to be Deputy Postmaster General of the United States is a richly deserved one. Fred Belen has had a long career in the postal service, including years of service with the House Committee on Post Office and Civil Service. Many of us know him well. All of us in Michigan who know him have the highest regard for him and are delighted that President Johnson and Postmaster General Gronouski have presented to us this afternoon an opportunity of demonstrating our admiration for him by advising and consenting to his nomination.

Mr. JOHNSTON. Mr. President, every member of the Committee on Post Office and Civil Service and others who were familiar with the activities of the nominees in the past spoke openly in the hearings today in praise of both nominees, especially Mr. Belen.

I am highly pleased that Mr. Belen's nomination to be Deputy Postmaster General has been confirmed. Senators may recall that some years ago I visited Europe and studied post office operations there. Mr. Belen accompanied me on that investigation. At that time I had the opportunity to learn at first hand of his outstanding capability. I know he has the makings of a very good Deputy Postmaster General.

ADDRESS BY PRESIDENT OF THE UNITED STATES AT THE UNIVERSITY OF CALIFORNIA

Mr. MANSFIELD. Mr. President, the text of the speech which President Johnson is delivering today at the University of California at Los Angeles, is not yet available in this city. But summaries of its content are already on the news tickers.

It appears from these reports, Mr. President, that the address is a major expression on foreign policy and the problems which confront us in many parts of the world. The President notes the handling of the difficulty at Guantanamo and the problem with Panama. In both instances his attitude now, as it has been, is one of a maturity, a restraint and responsibility befitting a great nation. This attitude which he has consistently maintained has already done a great deal to bring about the most effective possible handling of these potentially explosive situations. Insofar as Cyprus is concerned, the President makes clear in his statement that we are prepared to help in any constructive way which may open up, but that we will avoid—and, I believe, most properly—a direct military involvement in that dispute. He stresses, too, the fact that the Vietnamese conflict is primarily a responsibility of the Government of South Vietnam and its people, that our role is to fulfill our commitments to assist them to attain stability, but it is not to place ourselves in the forefront of that conflict. And while providing this assurance, he delivers a most timely warning to the Communists that they are playing a most dangerous game in the aggressive acts which they are committing in the area.

Finally, Mr. President, I believe Mr. Johnson did well to note that the Communist bloc is not immune to international difficulties, that intracamp divergences such as those between China and Russia are in many ways far more profound than our own. This is a healthy antidote to a tendency among some in the Nation to push the panic button and to bewail what is seen as an American monopoly on international hard times—a tendency particularly visible in an election year.

In short, Mr. President, Mr. Johnson's speech in California is that of a President who grasps the world's realities and who seeks to deal with them with maturity and responsibility and with his eyes fixed on the goal of securing the welfare of the people of the United States in a world at peace. He is to be commended for laying it on the line, to the end that the American people may have a balanced picture of what we face in the world from where we stand.

FARM ORGANIZATION POLICIES

Mr. SYMINGTON. Mr. President, as the Senate prepares to deliberate on farm legislation in the near future, I believe that my colleagues will be interested in a public affairs editorial broadcast by radio station KCMO on February 8, "Farm Organization Policies." This editorial clearly presents the problem of the farmer: "It ought not to be necessary for a man to own half a county to earn a living on a farm"; also, the need for farm leaders to "reevaluate their position in this respect * * * compromise and pull together to work for the betterment of the most important single business in the country." I ask unanimous consent that this editorial be printed at this point in the RECORD.

Mr. President, I also ask unanimous consent that an editorial from the Springfield, Mo., Leader-Press of February 4, "The Law of Demand," be printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

SPEAK UP

It's time to speak up. KCMO broadcasting presents an editorial on farm organization policies.

New reports show that farm population continues to drop fast, with a loss of 5,000 farms in Missouri this past year and a decrease of 2,000 in the number of farms in

Kansas for the past 12 months. Actually, there have been corresponding declines for all States in the country except Idaho where the number of farms held steady.

Farm families make up only around 5 percent of the total population at this time; and while a high percentage of the Nation's work force is involved in agriculture indirectly, farmers don't carry the weight in Congress that they have in past years. In addition, farm organization spokesmen haven't been able to agree on the type of legislation that is best for agriculture; this disagreement has certainly been a detriment to the industry.

There is no magic answer to the farm problem, but surely the answer should be found in making family-size farms a place where normal American families can earn a decent, respectable living. It ought not to be necessary for a man to own half a county to earn a living on a farm.

Some farm organization leaders feel that we must have strict quotas designed to keep production in line with demand and that farm operators should respect such quotas. Others feel that we have already drifted entirely too far from the market system in which supply and demand regulate production, and that farm programs should take a new direction. The issue has been a wedge that has split farm representation badly; the chances of passing suitable farm bills can't be good until farm organizations do present a united front, particularly with farm population making up a relatively small portion of the total.

It is, undoubtedly, time that farm leaders reevaluate their position in this respect * * * compromise and pull together to work for the betterment of the most important single business in the country.

[From the Springfield (Mo.) Leader-Press, Feb. 4, 1964]

THE LAW OF DEMAND

If American farmers want any substantial Federal assistance in maintaining the prices of what they grow, they're going to have to cut production and bring it down to a volume more commensurate with demand.

That, in effect, is what President Johnson said when he offered his farm program to Congress last Friday. In fact, the new President's program doesn't differ greatly from that of his predecessor, the late President Kennedy.

Whatever Congress may think about it, Mr. Johnson is already pushing toward that goal. In his earlier budget message to Congress, the suggested appropriations for the whole Federal agricultural program were slashed a sharp 16 percent—from $6.9 billion this year to $5.8 billion for next year. And the budget for direct farm subsidies in the form of price supports was trimmed back from $1.9 billion to $1.7 billion.

In both cases, this reverses the steady push higher of agriculture budgets in the past and is rather indicative of the President's intentions. If any more spelling out is required, Mr. Johnson has let it be known he goes along with Agriculture Secretary Freeman in his thinking, which has been that if farmers want price supports, they are not only going to have to try, they must actually succeed in cutting production.

We're sure that, whatever farm organizations and farmers may think of this, the American taxpayers will be preponderantly in favor of it.

After the resounding defeat of his wheat program last May, we're skeptical that Mr. Freeman or Mr. Johnson will permit a program to be offered on a compulsory cutback basis. Rather, new programs will be tailored along the line of the one for feed grains, which provides for voluntary cooperation. But this has its built-in compulsions in that the farmer who doesn't cooperate is left out in the cold when it comes to Federal price supports.

The thing about it is that the feed grain program is working reasonably well, and surpluses have dwindled, as have Government holdings in those grains.

The President didn't spell out any of the mechanics for his plan—probably they haven't been worked out in entirety yet—but he did suggest compensatory payments, apparently along the line of the Brannon plan that was rejected some 15 years or more ago.

No doubt about it, the President's plan will meet strong opposition from the American Farm Bureau Federation, which claims the largest membership of any farm organization. The Farm Bureau usually battles any plan that is not its own, and this is far removed from what it has proposed in any of its program suggestions.

But there's no denying the trend, either, something Mr. Johnson is too sharp a politician to overlook or misread, and the trend is to cut off farm subsidies, farm programs unless they actually can accomplish what they're supposed to do; cut down the surpluses as well as aid farm income.

CRITICISM OF TESTIMONY OF ROGER FREEMAN ON EDUCATION LEGISLATION

Mr. GOLDWATER. Mr. President, one of the most authoritative voices in the country on the subject of financing education and the related topic of Federal aid is Mr. Roger Freeman of the Hoover Institution of Stanford University. Last spring he testified before the Education Subcommittee of the Senate Committee on Labor and Public Welfare of which I am a member. When the hearings were printed they included, unknown to Mr. Freeman, a letter to the subcommittee chairman, critical of Mr. Freeman's testimony. Inasmuch as the latter never had an opportunity to reply to such criticism, I ask unanimous consent to have printed in the RECORD Mr. Freeman's letter to me of January 28, 1964, in which he comments on the criticism to which I have referred.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE HOOVER INSTITUTION
ON WAR, REVOLUTION, AND PEACE,
Stanford, Calif., January 28, 1964.

The Honorable BARRY GOLDWATER,
The U.S. Senate,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR: Last May 27 I testified before the Senate Committee on Labor and Public Welfare on title IV of the pending National Education Improvement Act of 1963 (S. 580) dealing with higher education. My prepared statement was placed in the record of the committee and appears on pages 1272–1295 ("Education Legislation," 1963, hearings before the Subcommittee on Education of the Committee on Labor and Public Welfare, U.S. Senate, 88th Cong., 1st sess.). You also inserted my statement in the CONGRESSIONAL RECORD, volume 109, part 7, pages 9464–9473.

After the hearings report was published I found that immediately following my statement a letter was inserted, from Mr. John D. Millett, President of Miami University to the Subcommittee Chairman Senator WAYNE MORSE, which charges me with "misinformation," "misinterpretation," "statistical misrepresentation," etc. (pp. 1295–96 of the hearings report).

I did not know of this letter until after the hearings were closed and the report had been printed. I therefore had no opportunity to answer the charges in the publication in which they appeared. These charges are wholly unsubstantiated and merely fabricated claims which can easily be disproved. However since they were publicly levied, I believe that I should have an opportunity of answering them publicly. I would appreciate it very much, Senator, if you could give the proper publicity to this letter so that the Members of Congress may judge the facts for themselves.

I quoted in my statement the conclusions of the Commission on Financing Higher Education, sponsored by the Association of American Universities, which were unequivocally opposed to an extension of Federal aid to higher education:

"This commission has reached the unanimous conclusion that we as a nation should call a halt at this time to the introduction of new programs of direct Federal aid to colleges and universities. We also believe it undesirable for the Government to expand the scope of its scholarship aid to individual students. Our position is based on what we regard as conclusive considerations.[1]

I also quoted one of the members of the commission, President Carter Davidson, of Union College:

"One broad highway to financial security the members of the commission viewed unanimously as the 'primrose path that leads to the everlasting bonfire.' This road was named Federal Government support. Some of us at first felt that we should even advocate that the Federal Government should withdraw its support from those areas which it is now already subsidizing, but we finally agreed that this step was impracticable and that we would be satisfied if the Federal Government would stop where it now is and give to private initiative the chance to show that it really believes sufficiently in higher education to give it ample support."[2]

Mr. Millett admitted that the quotation is accurate, but added:

"The real point is that the quotation is also historical. Only the footnote gives the date of the report, which was 1952. He does not point out that the statement advocated a halt to the introduction of new programs 'at this time.' The commission was not trying to speak for all time. It was speaking primarily about the decade of the 1950's which lay ahead."

Mr. Millett went on to say that the commission failed to foresee the subsequent great enrollment growth which has changed the situation greatly since 1952.

But a few months earlier, in an article, "Financing Higher Education: 10 Years Later" in the Educational Record for January 1963 Mr. Millett wrote that, "the conclusions of the Commission on Financing Higher Education have not been outdated either by events or by further analysis."

So, while in his article in January 1963 Mr. Millett told his readers that the conclusions of the commission were still valid and had not been outdated by events, he then charged me before the Labor and Welfare Committee with using a quotation that is "historical" and no longer valid.

Mr. Millett's inconsistency can easily be explained. The Commission on Financing Higher Education was created by the Association of American Universities for the purpose of counteracting the recommendations of President Truman's Commission on Higher Education (known as Zook Commission) which had advocated large Federal grants-in-aid to public colleges and universities. The membership of the Commission on Financing Higher Education included: Detlev M. Bronk, president of Johns Hopkins University, Paul H. Buck, provost of Harvard University, Lee A. DuBridge, president of the California Institute of Technology, J. E. Wallace Sterling, president of Stanford University, Henry M. Wriston, president of Brown University, etc.

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[1] "Nature and Needs of Higher Education"; The report of the Commission on Financing Higher Education, Columbia University Press, 1952, pp. 157–158.

[2] Carter Davidson, "Blind Alleys in College Finance," the Educational Record, April 1953.

Mr. Millett served as the commission's staff director. In his mentioned article in January 1963 he wrote that, "this was the most comprehensive study of higher education ever undertaken in the United States up to this time. I am tempted to add that it was a study the full importance of which was not immediately realized. Now, 10 years later, it may be better evaluated."

Mr. Millett's national reputation was largely established by this study of which he is justly proud. There is just one fly in the ointment: The commission came out squarely and forcefully against Federal aid to higher education—as the quotations I gave earlier prove—but Mr. Millett now favors Federal aid. Thus he found my statement embarrassing and wrote to the Senate Labor and Public Welfare Committee that the quotation I used was historical and formed without knowledge of the present situation—a few months after he had praised the commission's findings as not outdated by events or further analysis (but without citing the conclusions against Federal aid). In trying to ease his own, admittedly difficult, situation, Mr. Millett then charged me with misrepresentation. This is a clever trick—if one can get away with it.

Mr. Millett's other claims are of the same order. For example, he wrote:

"Moreover Mr. Freeman does not cite his sources for various enrollment projections. He gives us an average of four projections but I cannot find out what they are."

My statement cited the sources quite clearly: Bureau of the Census, Current Population Reports, series P–20, Nos. 52, 89, and 120, series P–25, No. 232. This is as specific as I could be. Anybody familiar with statistical techniques can easily check and verify the figures with these Census Bureau publications.

Mr. Millett charged me with being, "guilty of statistical misrepresentation when he uses averages for all levels of education from which to draw certain conclusions about educational needs."

The fact is that my tables, which appear on pages 1278 and 1279 of the hearings show historical data and projections for each level of education—kindergarten and elementary, high school, college and professional schools—separately, and then a combined total. The data can easily be verified with the Census Bureau reports.

Mr. Millett charged that I "say nothing about differential enrollment expansion in the future between public institutions of higher education and private institutions of higher education."

This is simply not true. I pointed out (p. 1275 of the hearings) that enrollment at public IHL has increased 226 percent, at private IHL only 131 percent since 1940, that the difference in tuition rates—which now average four times higher in private than in public IHL—makes it too expensive for many parents to send their children to private institutions and that the competitive position of private IHL is deteriorating.

Mr. Millett wrote:

"It would look as if Mr. Freeman, in the name of efficient utilization of plant, wants to compel students to conform to a 3-year, 12-month program of education, as opposed to a 4-year, 9-month program of education."

Mr. Millett said, "It would look as if * * *." It probably looks so to nobody but to Mr. Millett. Nowhere did I suggest that students should be compelled to go through a 3-year, 12-month college education. I did suggest that plant facilities be used the year around. Students may get their 12 quarters or 6 semesters or 9 trimesters in 3 or 4 or more years, as they please.

Mr. Millett's charge that I ignore "the fact that many students need summer employment in order to help meet the financial burden of higher education" is without substance. Students can take off a quarter in the summer or at some other time if they want to take a job. Nor does Mr. Millett's claim that I completely ignore the number of institutions on a semester calendar which also have a summer session. Summer sessions, in most cases, are only short—about 6 weeks on the average—and attended by only about one-third the regular enrollment. They are no substitute for all-year use of instructional and other facilities on a regular basis which, according to expert testimony I cited, can extend the capacity of available plant by one-fourth to one-third.

I could go on and dissect and disprove each paragraph in Mr. Millett's letter. But this would take more time and space than seems justified. The fact is that there is no substance or substantiation whatsoever for Mr. Millett's claim that "all the way through Mr. Freeman's testimony there are items of misinformation or misinterpretation which each by itself seems relatively minor, but which in total can be quite damaging."

Damaging to what or to whom?

The fact is that all of my statements are clearly documented and can easily be verified by reference to the specific citations. They include no major or minor misinformation. My statement can be damaging only to Mr. Millett's ambition to reconcile his advocacy of expanded Federal aid to higher education with the findings and conclusions of the Commission which he served as staff director. This is a problem which he cannot solve by levying reckless charges against me.

Sincerely yours,

ROGER A. FREEMAN.

PRAISES USTS OFFICE IN JAPAN

Mr. BARTLETT. Mr. President, the other day I received a letter from Mr. E. E. Swofford, president of the Alaska Travel Promotion Association, which I desire to share with my colleagues. I ask unanimous consent that the letter be printed following my remarks.

Mr. Swofford reported to me that the recent trip to Japan by a group of Alaskans who went over to promote travel to Alaska from the island nation on the other side of the Pacific met with a warm reception everywhere and had a tremendously successful stay.

Mr. Swofford went on to say that much of the success can be attributed to the help given by the U.S. Travel Service office in Japan, headed by Mr. Martin Pray. Mr. Swofford, as will be noted, is warm in his praise of Mr. Pray's leadership which has brought about effective accomplishments by the Travel Service office in Japan. With these conclusions, I find myself in hearty agreement. I was in Tokyo not long after the office had been opened and was favorably impressed by the ability and diligence of the staff under Mr. Pray's direction; and from others I learned of the real and helpful work which had already been made in creating interest in travel to the United States by Japanese people.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ALASKA TRAVEL PROMOTION ASSOCIATION,
Seattle, Wash., February 10, 1964.

The Honorable E. L. BARTLETT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BARTLETT: A group of 15 members of the Alaska Travel Promotion Association, which included 4 Eskimos and Miss Alaska, have just returned from a tour of Japan promoting Alaska as a tourist destination. Without exception, all of us who were involved with this program believe that it was a tremendous success. We had nationwide television coverage; we had daily articles for about 10 days in the major Japanese language newspapers; we had excellent coverage in the English language newspapers; and we put on a 2-hour program for six audience-type shows in Tokyo and Osaka.

None of the above would have been possible had we not had the U.S. Travel Service office in Japan to organize this for us. Mr. Martin Pray, who is the director for USTS in Japan, is a topnoch representative for our country in this key post and he certainly did an outstanding job in organizing our Alaska program. Since I lived in Japan for 6 years prior to coming to my present post with Pan American, I believe I can speak with some authority on the importance of Mr. Pray's job in Japan and the outstanding work he is doing.

I understand that there is some question in the minds of some of our leaders in Congress about the value of the U.S. Travel Service. I would like for you to know the value of this one trip alone to Alaska more than justifies continuing USTS, whose budget is minimum when compared to many of the expenditures required by our Federal Government and the returns from which are inestimable in the promotion of peace in the world.

Sincerely yours,

E. E. SWOFFORD,
President.

"NORTHWIND" CRUISES OFF SIBERIAN WATERS

Mr. BARTLETT. Mr. President, we hear much of Russian fishing vessels equipped with heavy radar sighted along our coastline. There is little doubt that these ships are performing certain surveillance activities on behalf of the Soviet Union.

It is both refreshing and reassuring to report to the Senate on certain activities undertaken by our own Government.

Last fall U.S. Coast Guard Cutter *Northwind* undertook and successfully completed an epic voyage. The 269-foot icebreaker, out of the port of Seattle, sailed through the East Siberian Sea, between the Novo Sibirskie Ostrova and the Siberian mainland, deep into the Laptev Sea. This astonishing voyage marks the first time on record a U.S. vessel has penetrated this far into the forbidding ice-choked waters north of Siberia.

The Coast Guard and the country have reason to be proud of the *Northwind*, her skipper, Capt. Joseph P. Martin, her officers and the 216 members of her crew. I ask unanimous consent that a roster of the *Northwind's* officers and a list of the scientific personnel who participated in the cruise may be made a part of the RECORD at the conclusion of my remarks.

Throughout the cruise oceanography sounding, observations, and samples were taken. The information gathered is now being analyzed. It will be of value to scientists, to mariners, and it will be of assistance to us in our defense activities.

The voyage was in no way secret. It was publicly announced. There was no response from the Russians to the announcement. It is reasonable to expect that the Soviets kept the *Northwind* under radar surveillance. At one point in the trip, a Soviet plane circled the ship at low altitudes. Aside from this single incident, the *Northwind* had no other contact with Russian ships or planes, even though it often came as close as 15 miles to the Russian mainland.

The extent of the scientific work accomplished on the voyage is indicated by a summary of the observational program prepared by the Coast Guard: 180 serial oceanographic stations, 201 gravity core or orange peel samples, 60 radiosonde observations, 363 surface synoptic observations, 106 plankton tows.

With this information it will be possible to determine more accurately the flow of ocean current, the water sources of the Arctic Ocean, and the types of marine life which the ocean can support. It will be possible to formulate a history of the sedimentary deposits in the deltas of the major Siberian rivers, and from this to know more accurately the geologic history of Siberia. The samples taken at the mouths of the rivers will also, to some extent, indicate the industrial activities up river. The water samples taken will allow the accurate determination of the sonar characteristics. This will be useful information for our nuclear submarine fleet to have.

Mr. President, I congratulate the *Northwind*, her crew and the Coast Guard.

There being no objection, the roster was ordered to be printed in the RECORD, as follows:

USCG "NORTHWIND," ROSTER OF OFFICERS, 1963 OCEANOGRAPHIC CRUISE

Capt. Joseph P. Martin, commanding officer.

Comdr. Libourn A. Pharris, Jr., executive officer.

Lt. Comdr. John V. Caffrey, operations officer.

Lt. Richard Rounsevelle.
Lt. Barry C. Roberts.
Lt. (jg.) Lloyd E. Helber.
Lt. (jg.) James D. Johnson.
Ens. Arthur W. Mergner, Jr.
Ens. Richard B. O'Keefe.
Ens. Lawrence M. Schilling.
Ens. Michael P. Studley.
Ens. James L. Webster.

CIVILIAN SCIENTIFIC PERSONNEL ON BOARD USCG "NORTHWIND," OCEANOGRAPHIC CRUISE, 1963

William H. Gladfelter, senior scientist, oceanographer, U.S. Naval Oceanographic Office.

James P. Sullivan, oceanographer, U.S. Naval Oceanographic Office.

James J. McConnell, geologist, U.S. Naval Oceanographic Office.

Harris D. Saunders, oceanographer, U.S. Naval Oceanographic Office.

Vist L. Howard, oceanographer, U.S. Naval Oceanographic Office.

Michael J. Linck, Jr., cartographer (photo), U.S. Naval Oceanographic Office.

Norman E. Carroll, meteorological technician, U.S. Weather Bureau.

Louis A. Codispoti, University of Washington.

Harvey C. Peterson, University of Washington.

Frederick S. Osell, University of Washington.

Lloyd B. Ellis, University of Southern California.

Dr. Kenneth Hunkins, Lamont Geophysical Institute.

Mr. Perry Parks, University of Wisconsin.

Mr. Steven den Hartog, University of Wisconsin.

COAST GUARD OCEANOGRAPHIC PERSONNEL ON USCG "NORTHWIND," OCEANOGRAPHIC CRUISE, 1963

Lt. James S. Washburn.

Chief Aerographer Donald C. Bailey.

Aerographer Second Class Michael L. Smith.

Aerographer Second Class Gerald F. Illingworth.

Aerographer Second Class Russel L. Reynolds.

Seaman William M. Shearer.

WYOMING STATE TRIBUNE EDITORIALIZES ON INCOME TAX CREDITS FOR COLLEGE EDUCATION

Mr. SIMPSON. Mr. President, although it is entirely academic since the Senate has passed the administration's tax reduction bill, I should like to call my colleagues' attention to an editorial from the February 3 Wyoming State Tribune alluding to a tax bill amendment offered by Senator RIBICOFF, which I supported.

The Senator from Connecticut had proposed that a percentage of certain college-connected expenses be made deductible from Federal income tax. I felt this proposal was sound. It would alleviate the great burden placed upon families sending their children to colleges without increasing the already significant power of the Federal Government in the field of education. I regret that the amendment did not gain majority support.

So that some of the thinking in Wyoming on this subject can be made known, I ask that the Wyoming State Tribune editorial by James Flinchum be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Cheyenne (Wyo.) State Tribune, Feb. 3, 1964]

REAL AID TO EDUCATION

Senator RIBICOFF, of Connecticut, is seeking to make a thoroughly palatable proposition a part of the tax reduction bill. It is a feature combining both aid to education and a decrease in the Federal income tax, and yet for a clearly specified reason the Johnson administration appears to be opposed to the measure.

Mr. RIBICOFF, who was Secretary of Health, Education, and Welfare in the Kennedy administration before successfully running for the Senate, offers an idea that will be enthusiastically accepted by both Republicans and Democrats alike, particularly those parents who have college-age children or who have offspring whom they intend to send to college.

The Ribicoff proposition is this: A Federal income tax credit would be granted on the first $1,500 of tuition fees, books, and supplies of a student at an institution of higher education; this credit would be extended on a sliding scale formula with respect to students at public and private educational institutions, and it would be made available to each and every person who pays tuition. The credit also would be limited so that it provides greater benefits to lower income families, thus serving as an increased incentive for them to send their children to college.

The Senate vote on the tax cut bill to which Senator RIBICOFF seeks to attach his college credit proposal, will come this week. The latter already has been defeated by a close vote of 10 to 7 in the Senate Finance Committee apparently on Johnson administration orders.

Interestingly enough, the idea advanced by Mr. RIBICOFF originally was proposed by President Kennedy; but for some reason it now has been discarded by the present administration despite its avowed pledge to carry out the Kennedy program. What happened to bring about this change of mind cannot immediately be determined.

But it is worth pointing out that the present administration's opposition is based on the idea that aid to education can best be supported through Federal grants.

Said the Baltimore Sun in an editorial of January 23: "The [Senate Finance] Committee majority opposes the Ribicoff proposal following the administration's contention that education can be financed more efficiently through grants and loans."

But the Sun also asks: Can it? It proceeds to point out that any administrative effort would involve considerable cost.

The Ribicoff proposal is direct tax relief; it is the kind of Federal aid to education that can be welcomed by all because it involves no strings, no direction, and still accomplishes the same purpose.

The great fear about Federal aid to education is that besides the costly administrative operation, adding to the already staggering burden of operating the Government, it imposes the threat of Federal controls.

This is not a theory; it is fact. Washington seeks to govern through the granting of largesse. The Ribicoff proposal would take away this element of doubt involved in Federal aid to education; in fact, it is similar in format to the proposition advanced by Senator GOLDWATER last year that taxpayers be granted tax credits on the basis of local school district taxes they pay. This also amounted to simple, direct, and untrammeled Federal aid to education, but the executive department of the Government has displayed a notable reluctance to even acknowledge that such a proposition exists.

It seems very likely that the college aid idea of the Senator from Connecticut will die aborning, which is too bad.

AMBASSADOR FARLAND AND PANAMA

Mr. SIMPSON. Mr. President, syndicated columnist, Henry J. Taylor, in a column published February 3, tells of the treatment Joseph S. Farland, former Ambassador to Panama, received upon his recent return to the United States and to private life. Although Farland has been acclaimed as a Latin American expert virtually without peer and as a person of high integrity, his advice and counsel on the crisis brewing in Panama were apparently not sought by the State Department.

Of special significance is a quote by Columnist Taylor that:

We here in the State Department will take care of any discussions about Panama with the CIA ourselves. Further, you are not to have discussions with Members of Congress on the Hill.

This statement was allegedly made by Edwin Martin, the then Assistant Secretary of State for Latin American Affairs to Ambassador Farland. Had the Ambassador been able to tell his story to Congress or to someone with a receptive ear, much of the bloodshed in Panama might have been averted.

I ask unanimous consent, Mr. President, that the Henry J. Taylor article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMBASSADOR NOT CONSULTED

(By Henry J. Taylor)

This firsthand look at what really happened to former Ambassador of Panama Joseph S. Farland should explain much about what confronts President Johnson. And why dangerous event after event abroad is a surprise, surprise, surprise to those at the top on whom our security depends.

Ambassador Farland is an ex-FBI agent, counterintelligence expert, chief of mission for 3½ years in Panama before returning last August, and acclaimed as one of the most successful ambassadors we've ever had in Latin America. He resigned last August and returned to private life in Morgantown, W. Va.

State Secretary Dean Rusk told the House Foreign Affairs Committee, January 15, that he was taken by surprise by events in Panama. The committee asked whether his Department had fully consulted the returned ambassador whose reports had long bristled with information about the Castro buildup and the mounting crisis in the Isthmus. "Oh, yes, Farland has been completely debriefed," Rusk testified.

Now obviously, something or someone was wrong some place. Ambassador Farland has stated publicly that he was asked nothing, and had sat around Washington for 3 solid weeks without being consulted ("debriefed"). So I asked Farland to tell me exactly what went on. He agreed to do so.

He said Secretary Rusk in his testimony apparently relied on a subordinate who reported to him after engaging Farland in a short, and largely irrelevant conversation, that's all.

That State Department man was named Lansing Collins. "We did hardly more than pass the time of day, Collins and I," Farland told me.

That the Secretary of State himself admittedly failed to consult Farland, as CIA Director John A. McCone likewise failed even to see him, was inexplicable. How come?

"When I arrived home in August," Farland answered, "and the State Department circulated its customary notice to appropriate agencies listing returned ambassadors available for consultation, a man in the White House went to work. His name is Ralph Dungau. On whose authority he acted I do not know. But Dungau telephoned the various agencies, including the Pentagon, that I was not to be invited for consultation."

Farland then coupled this action with a previous event. "Earlier in the Panama crisis," he stated, "when I went to Washington for consultation in the late fall of 1962, Edwin Martin, the then Assistant Secretary of State for Latin-American affairs, stepped in. Martin literally ordered me to have no contact with top CIA executives and any congressional leaders."

"'We here in the State Department will take care of any discussions about Panama with the CIA ourselves. Further, you are not to have discussions with Members of Congress on the hill,' Martin directed."

Subsequently, Ambassador Farland met President Kennedy during the late President's conference with Latin-American presidents at San Salvador last March.

"President Kennedy did not know about Martin's directive to me," Farland continued, "and in Martin's presence he crossed up Martin on the congressional angle while Martin remained silent. The President told me to see inquiring congressional leaders on my next trip home. I had nothing but courtesy, understanding and, so far as I know, approval from President Kennedy personally and directly."

I asked about the CIA espionage situation, including Castro penetrations in Panama. Farland described the CIA as an out-of-hand aggregation "underzealous in knowing what was happening in Panama and overzealous in building a CIA empire in the Zone." He revealed the additional stops and blocks he encountered behind the scenes in trying to bring this agency into line.

"The station chief had exposed himself as a prominent figure in the high social world," Farland stated, "and it was easy to see that the whole thing was loose. They simply did not know what was going on. I spelled this out repeatedly to both the State Department and CIA's Washington headquarters in terms of Isthmus and American security. Neither acted. It took me nearly a year to get the station chief removed—a very decisive and critical year—and then only when CIA Director McCone himself came to Panama and heard the facts direct from me in my house."

Bravely, Ambassador Farland gives one phase of the maze President Johnson faces. And our public, too.

OAS CULTURAL AFFAIRS DIRECTOR REPLIES TO FIDEL CASTRO

Mr. SIMPSON. Mr. President, American preoccupation with the dollars and cents aspect of the struggle against communism in Latin America sometimes overshadows another important round of the conflict—one that is fought not with bullets and violence but with pages and eloquence.

For several years a few modest publications aimed at the Latin American intelligentsia have been the sounding board for avant-garde thought on both sides of the ideological fence.

One such publication—El Corno—featured a letter some months ago that was written in reply to an effusion by Cuba's bearded dictator who had hoped to use the magazine to laud his Communist revolution.

The retort came from Argentina born Dr. Rafael Squirru, the articulate and dynamic Director of Cultural Affairs of the Organization of American States in Washington.

Dr. Squirru challenged Castro's assertion that the revolution is "everything," saying that as a student of law:

> I came to the conclusion that those regimes [the Communists] are incapable of giving that minimum guaranty that is still being offered by the democracies.
>
> Freedom cannot be surrendered either to give water to the thirsty, to give food to the hungry, or to clothe the ragged, because freedom is more than clothing, more than bread, more than water, and more than the air itself. Freedom is the possibility of the spirit.

Mr. President, I recommend this letter by Dr. Squirru to the attention of my colleagues and readers of the CONGRESSIONAL RECORD who might question the worth of cultural programs in the Organization of American States, and I ask unanimous consent that excerpts of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PAN AMERICAN UNION,
July 24, 1963.

I read the last issue of "El Corno" with much interest and care. The content of this issue is of great interest for its quality. I have some objections to make about the statements made by Fidel Castro Ruz, which I consider to be fallacious. His final statement sums up his entire thinking: "(for those who are) with the revolution, everything; (for those who are) against the revolution, no rights at all." The whole problem, to my way of thinking, rests in who interprets this final doctrine and how he interprets it. When impartial judges are lacking, every guarantee of justice is automatically vitiated, and when I refer to judges I mean an independent judicial power. As a student of law, I thoroughly investigated these conditions within the Fascist and Communist machinery, and I came to the conclusion that those regimes are incapable of giving that minimum guarantee that is still being offered by the liberal democracies, despite all the shortcomings and imperfections that can be attributed to them. On the plane of the struggle for power, it makes no difference whether tyranny is exercised by rightist or leftist extremists. For the thinking man who knows of freedom, and I use the term "know" (saber) in its double connotation of knowing and enjoying, there can be no compromise in this respect, even though the most heart-rending banners are waved. Freedom cannot be surrendered either to give water to the thirsty, to give food to the hungry, or to clothe the ragged, because freedom is more than clothing, more than bread, more than water, and more than the air itself. Freedom is the possibility of the spirit. When absent, what there is, is something else and that something else is what is expressed by all those who try to be artists in the regimes where freedom does not exist. It is because I have experienced life in communities where there is no freedom that I find empty all the words that are written without the basis of this essential human dignity: the obligation of the intellectual, which is not to serve anything but the purpose of his own revolution—the great struggle he must wage with himself.

RAFAEL SQUIRRU,
Director, Department of Cultural Affairs.

TRIBUTE TO SENATORS WHO AUTHORED THE ORIGINAL GI BILL IN 1944

Mr. YARBOROUGH. Mr. President, the World War II GI bill helped lift teenagers born in the depression years to an educational level where many are now the leaders of the 1960's. The Korean conflict GI bill further proved the benefits of this kind of legislation for veterans of military service.

It is hard for me to understand how such forcible demonstrations of good effects from GI bill educational assistance can be pushed aside. No legislation will ever prove its value more fully than have the GI bills of the past. It is essential that we use what we have learned from them to continue educational assistance to military veterans. If we had continued it since the end of the Korean conflict, our country would be better prepared now and in the next decade to handle the technological and scientific problems we face.

That is why I am working for passage of the cold war GI bill, S. 5, which is cosponsored by 38 of my colleagues.

Of nearly 8 million GI's who received training under the original GI bill, more than 2 million went to college, 3½ million more got precollege training, and millions more got vocational or other training.

The two previous GI bills materially added to the Nation's welfare and productivity by giving us 180,000 doctors, nurses, and medical personnel, 113,000 physicists and research scientists, 450,000 engineers, and 230,000 schoolteachers, in addition to other occupations and professions. The contribution made and to be made by veterans is incalculable, especially in light of our still desperate need for more teachers, more scientists, and more engineers.

Mr. President, I think it appropriate at this time, on the eve of George Washington's birthday, to pay tribute to those in the Senate who sponsored the original GI bill. They are names easy to remember; a few of them still serve in the Senate. I honor them today for their vision and wisdom.

The bill was S. 1767, 78th Congress. It was sponsored by the following Senators:

Mr. Clark of Missouri, Mr. George, Mr. Vandenberg, Mr. Walsh of Massachusetts, Mr. Barkley, Mr. Connally, Mr. O'Mahoney, Mr. Bailey, Mr. McKellar, Mr. Guffey, Mr. Bankhead, Mr. Wagner, Mr. Thomas of Utah, Mr. Johnson of California, Mr. Johnson of Colorado, Mr. Radcliffe, Mr. Lucas, Mr. La Follette, Mr. Davis, Mr. Tydings, Mr. Thomas of Idaho, Mr. Butler, Mr. Capper, Mrs. Caraway, Mr. McFarland, Mr. Maybank, Mr. McCarran, Mr. McClellan, Mr. Hill, Mr. Scrugham, Mr. Hayden, Mr. Bilbo, Mr. Truman, Mr. Brewster, Mr. Brooks, Mr. Hatch, Mr. Chavez, Mr. Stewart, Mr. Clark of Idaho, Mr. Wiley, Mr. Gurney, Mr. Langer, Mr. Overton, Mr. Thomas of Oklahoma, Mr. Eastland, Mr. Millikin, Mr. Wherry, Mr. Willis, Mr. Moore, Mr. Wheeler, Mr. Gillette, Mr. Wallgren, Mr. Bone, Mr. Nye, Mr. Bridges, Mr. Revercomb, Mr. Murray, Mr. Reynolds, Mr. Smith, Mr. Jackson, Mr. Buck, Mr. Tobertson, Mr. Tobey, Mr. Welsh of New Jersey, Mr. Green, Mr. Chandler, Mr. Pepper, Mr. Holman, Mr. Bushfield, Mr. Hawkes, Mr. Russell, Mr. Downey, Mr. Mead, Mr. Aiken, Mr. Weeks, Mr. Murdock, Mr. Ferguson, Mr. Andrews, Mr. Byrd, Mr. Shipstead, and Mr. Cordon.

The bill as enacted contained many provisions which originated in the minds of various persons and organizations. Many people worked for the enactment of the legislation. The Record shows that there was no organized opposition as evidenced by the fact that it passed the Senate by a vote of 55 to 0 and the House by a vote of 387 to 0. The people of this country approve the present pending bill by about that proportion now. Given a chance the people themselves would pass it now.

DEFENSE CUTBACKS HIT PROFESSIONALS

Mr. McGOVERN. Mr. President, Business Week magazine, in a recent issue, reported a sharp drop in jobs for engineers and scientists in the wake of defense cutbacks. Although the number of jobs eliminated was small—counted in the thousands—the significance of their loss was great. According to the Business Week editors:

> After a lag, layoffs of engineers and scientists ordinarily are followed by layoffs in production departments. Supplies orders are canceled. The effects spread out.

The magazine pointed out that the cutbacks in employment tend to be concentrated in certain industries—aerospace, defense installations, and atomic energy—and in certain parts of the country—the Boston area, New York, Pennsylvania, parts of the Midwest, the Pacific Northwest, and California.

A decline in high skill employment has in the past been a prologue to major dips in the economy, according to the Business Week article. However, the outlook is for more large-scale layoffs among our highest skilled workers. The jobs of 2,000 persons are threatened at Hanford, Wash., when a scheduled shutdown of a nuclear reactor takes place next January. An additional 1,700 jobs in Hanford may be eliminated when General Electric relinquishes its contract there.

Both President Johnson and Secretary McNamara have promised further cutbacks in defense spending, as the need for additional weaponry declines and existing military installations and weapons production plants are no longer required. Unless we give serious thought now to ways to convert our present military productive capacity to the production of needed civilian goods and services, we will face a steadily worsening economic situation. Moreover, we will have forfeited the opportunity to turn a cutback in defense spending into a program for improving the lives of our people and the economic strength of our Nation.

I have a bill presently before the Commerce Committee, under the able chairmanship of the senior Senator from Washington [Mr. MAGNUSON], which would establish a National Economic Conversion Commission to plan for the orderly transfer of resources from defense into nondefense production. My bill, S. 2274, would also provide for studies by firms now receiving defense contracts of their civilian production capabilities. Nine Senators have cosponsored the bill, and 12 Congressmen have introduced identical bills in the House of Representatives. I have recently been to the west coast and New York and talked with business leaders and State officials, all of whom are deeply concerned with this problem. Expressions of interest in my bill have come from all parts of the country and from many different economic groups.

Secretary McNamara recently told the House Armed Services Committee that:

> The Defense Department cannot and should not assume responsibility for creating a level of demand adequate to keep the economy healthy and growing. Nor should it, in developing its programs, depart from the strictest standards of military need and operating efficiency in order to aid an economically distressed company or community.

I believe the Secretary's position on that point is unassailable. His proper concern is to run a trim and effective fighting force. Unless our Government is concerned with the economic impact of defense cutbacks, however, we may see the dream of an end to the arms race turn into a nightmare of economic dislocation and unemployment. S. 2274 would create a governmental body to deal with this growing problem, and I hope that Senators on both sides of the aisle will recognize the need for prompt legislative action.

Mr. President, I ask unanimous consent to have printed at this point in the Record the article from Business Week magazine to which I referred.

There being no objection, the article was ordered to be printed in the Record, as follows:

Defense Cutbacks Hit Professionals—It's the Fourth Period of Shrinking Demand for Engineers and Scientists in 15 Years; Earlier Ones Heralded Bad News for the Economy

Industry's demands for engineers and scientists dipped sharply during the past 7 months. Jobs became harder to find—and to hold. Layoffs spread in the wake of defense cutbacks.

The number of jobs eliminated—in the thousands—were miniscule when compared with total employment. But public manpower experts and union officials were nonetheless concerned. Three times before in a decade and a half, similar cutbacks in technical employment were followed in 8 months or less by dips in the economy.

After a lag, layoffs of engineers and scientists ordinarily are followed by layoffs in production departments. Supplies orders are canceled. The effects spread out.

THE PATTERN

The profile of the present drop in demand for engineers and scientists is shown graphically by a demand index prepared by Deutsch & Shea, Inc., a manpower communications firm. The index is based on technical recruitment advertising in 21 major market areas. December's figure of 65.2 (1961=100.0) was the lowest point since the index was begun in July 1960 (chart), and compared with 97.3 in the same month of 1962 and 100.3 in December 1961.

The index readings throughout 1963 were lower than in the preceding year, but Arnold R. Deutsch, president of Deutsch & Shea, is particularly concerned about what has been happening since last May. The index since mid-1963 has been a succession of "sharp danger signals for the economy," according to Deutsch. He sees no present indication that the trend will be reversed.

On a basis of past patterns, this could mean serious troubles for the economy in mid-1964, but, this being an election year, the troubles probably will be averted—or at least delayed. Even so, while the economy may not suffer, engineers and scientists are expected to feel an unaccustomed hurt in a continuing downtrend of job opportunities.

WHERE IT HURTS

Many in the Boston area, with clusters of electronics plants and research centers, are suffering now. So are others in New York and Pennsylvania defense plants. Many in the Midwest are affected and the blow has crossed the country to big installations in the Pacific Northwest and in California.

Cutbacks at Boeing Co. as a result of the Dyna-Soar cancellation are the deepest over a short period since the end of World War II. The newest cutbacks are on the heels of a substantial decline due to other defense program economies. Boeing—and the Seattle area—is suffering the consequences.

UNMANNED DESKS

Among engineers, layoffs now total a few more than 500, a smaller number than first anticipated. Boeing, like every other employer depending on research and development contracts, is inclined to hold onto as many engineers as possible. A visitor to a Boeing engineering department last week saw areas of unmanned desks and drawing boards—but also large numbers of engineers assigned to "reading up" in their technical journals.

GRADUAL CUTBACK

In the same area, operations of the Hanford scientific laboratory face a gradual curtailment, as General Electric Co. relinquishes its contract there. Up to 1,700 engineers and scientists could be affected, but the Atomic Energy Commission hopes to bring in a new contractor. Meanwhile, shutdown of one reactor at Hanford next January will end 2,000 high-skilled jobs.

Down the Pacific coast, engineers and scientists are being let out in aerospace and other plants and development projects. There's more unemployment in engineering ranks in California than there has been for some time. On balance, the figures aren't serious yet—but they are being watched with growing worry.

In San Francisco, Government defense cutbacks have contributed to a sharp decline in the electronics industry, reversing a 13-year boom. Layoffs have been mounting among skilled technical staffs. An employer said a week ago that the situation is expected to "get worse still" in 1964 unless Government business picks up.

BRIGHTER SPOTS

Cutbacks have spread in the Los Angeles area, too, but with silver linings in the dark clouds, according to some recruiting officers. One said he had been unable to hire enough engineers before to fill a quota set for him; now he can hire as many as he needs and get better ones. Others agreed that "pseudo-engineers" hired and tolerated before can now be weeded out and replaced with "engineers mated to specific assignments."

The cutbacks haven't hit as hard yet in the Southeast and Southwest. But in the Cape Kennedy, Fla., area there is talk of "a definite slowdown of any influx of new people into the Cape—they won't be needed."

PREDICTIONS

From an industry standpoint, current defense cutbacks are in three areas: aerospace, defense installations, and atomic energy. According to the Defense Department, there's some doubt about total job losses: Job shifts are more likely—as one firm loses its missile, another picks up a new contract.

According to the Aerospace Industries Association of America, employment in the industry in 1964 is expected to be higher than in 1963—more than 1,300,000 as compared with 1,260,000 in 1963 and 1,150,000 in 1962.

The decision to discontinue plutonium production is expected to eliminate 3,400 jobs in 2 years.

The shutdown or reduction of activities at 33 defense installations (including 26 in the United States) will cost 8,500 civilian jobs and about 8,000 service jobs by mid-1967.

UNIONS' MESSAGE

Unions are urging reconsideration of the orders for a leveling-off of Government spending. The timing is wrong, they say; any further retarding of the national economy could be dangerous.

Longer range, Deutsch says, the market for engineers will firm up again—1963–64 may prove to be only a pause for assimilation of immense strides being made in technology.

U.S. ACTIONS ON CUBA

Mr. McGOVERN. Mr. President, almost 1 year ago, in my first speech in this Chamber, I warned of the dangers of excessive preoccupation with the antics of Castro. I would like to quote a paragraph from that speech today, which I think is still timely:

> I am constrained to speak out, against what seems to me to be a dangerous fixation on Castro that is not worthy of this great Nation. I submit that we have become so involved in charges and countercharges about our Cuban policy that we have come close to losing sight of the real interests of the Nation in the hemisphere. We have ignored the Biblical warning against straining at a gnat and swallowing a camel.

In that speech I also expressed the opinion that the hysteria over Cuba manifested in some Government quarters was not shared by the vast majority of the American people. Most Americans know, as do our more practical-minded policy planners, that Castroism is a symptom, not the cause, of the basic ills of Latin America.

It was particularly disheartening, therefore, to read recently that the United States was cutting off military aid to five nations—including Britain and France—as punishment for their continued trade with Cuba. The whole cutback amounts to less than half a million dollars for the five countries together, and it is absurd to think that our action will have any helpful effect on our foreign policy. The only result is to demonstrate once again—undoubtedly to the delight of Castro and his Communist allies—that our preoccupation with that tiny island continues to cause us to take inane and ineffective action.

Mr. President, next to the story on the cutback of military aid to our allies in yesterday's New York Times there was a stimulating analysis by Max Frankel, entitled "Confusion on Cuba." The subhead states the difficulty precisely: "United States, Reacting to Pressures, Finds Policies Worry Allies and Aid Castro."

I ask unanimous consent that the Times article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, Feb. 19, 1964]

Confusion on Cuba—United States, Reacting to Pressures, Finds Policies Worry Allies and Aid Castro

(By Max Frankel)

Washington, February 18.—Cuba is again causing more confusion than concern here. Once again, just as an administration seemed ready to live with the frustration of Premier Fidel Castro's survival, it has stumbled into a series of moves that merely advertise the frustration and greatly disturb its friends abroad. In calmer moments, officials here readily acknowledge that Premier Castro and Castroism thrive on public demonstrations of Yankee belligerence and impotence. Yet circumstances and the real or imagined pressures of Congress and the voters keep conspiring to give the Cuban leader the headlines and the United States merely more headaches.

In the last 2 weeks alone, the Cuban problem has provoked the administration into a number of statements and motions that it came to regret. Taken together, they suggest an extraordinary sensitivity that does not in fact correspond to basic policy judgments.

Soviet troops continue their gradual exodus from the island. U.S. reconnaissance planes continue their daily flights unmolested. Havana has not seriously molested the Guantanamo Naval Base. The rest of Latin America has shown cooperation to limit the movement of agents and propagandists from the island.

TRADE EMBARGO FAILS

The only major annoyance has been the continuous failure of the U.S.-sponsored trade embargo. This has become more evident as Cuba acquired more foreign exchange from sugar sales. But there was never any doubt that the Western allies would refuse to prohibit nonstrategic trade with the island. In fact, administration officials have themselves pointed to the relatively small volume of that trade and minimized its value to Havana.

Yet when the Coast Guard seized four Cuban fishing boats in Florida waters and Cuba retaliated by temporarily shutting off the flow of water to the Guantanamo Naval Base, Washington bristled. For 24 hours, it imagined a crisis, began to ship its own water and threatened to dismiss 2,500 Cuban workers at the base.

That reaction served primarily to remind the British and other allies that Washington was willing to buy water and labor from Havana to suit its convenience. The crisis finally blew over and fewer than 600 base workers were actually discharged. But then the administration announced the gradual withdrawal of wives and children from Guantanamo, as though to concede the base's vulnerability.

Last week, President Johnson and others again urged Britain's Prime Minister, Sir Alec Douglas-Home, to restrain trade with Cuba. They dwelt only briefly on the subject and did not expect to alter British views, but there was so much talk here about the Cuban trade that newspapers gave the impression it had dominated the conference.

Simultaneously, officials began to spread the word that they planned to get tough with uncooperative allies. There were hints of formal sanctions, but finally Secretary of State Dean Rusk explained that he meant only to warn foreign traders of possible "consumer reaction" in the United States.

That barely disguised invitation to private boycotts contradicted the deep-seated belief of the Secretary and the administration that foreign policy was the business of the Government, not of private citizens. They had worked hard to end private boycotts of Polish hams and Yugoslav wood products last year. Only this week, they were working hard to prevent the seamen's unions from blocking wheat shipments to the Soviet Union.

EXPLANATIONS BARRED

The accumulated embarrassments apparently stung the State Department. In announcing today the cutoff of aid to 5 of 19 nations that take part in Cuban trade, it barred all questions and refused any explanation. It did not wish to be forced to say why some countries, such as Greece, were given the benefit of a vague phrase of extenuation in the Foreign Aid Act, while others, such as Spain and Morocco, were not.

Nor, apparently, did the State Department wish to explain that its grand gesture against Britain, France, and Yugoslavia amounted to the cancellation of only $100,000 in aid to each. For most of the day, therefore, reports of a multimillion dollar sanction went forth from the Capital.

Only a few months ago, the administration was vehement in its pressure to prevent Congress from "legislating foreign policy" in the foreign aid bill. Accordingly, it obtained an escape clause for every prescribed sanction in the law. No one would say today whether the administration was yielding to Congress after all, or whether it agreed with Congress in this case, or what this latest anti-Cuba measure could be reasonably expected to achieve.

Mr. McGOVERN. Mr. President, the reaction in Europe was swift and predictable. The Washington Post yesterday wrapped it up well, and I ask unanimous consent that the Post article, entitled, "British Feel More Sadness Than Anger at Aid Cut," be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

British Feel More Sadness Than Anger at Aid Cut

London, February 19.—Britain reacted more in sadness than in anger today at the formal end of U.S. aid in retaliation for trade with Cuba.

For the British, it was only a matter of $7,400 and officials went out of their way to acknowledge that the U.S. Government had no choice because of legislation.

But there were warnings of a serious Anglo-American quarrel if suggestions for an unofficial American boycott of British goods are carried out.

There are no differences of opinion on the subject here. The most anyone has had to say for the American decision came from Prime Minister Douglas Home, who pointed out it was not President Johnson's doing and that he also was not responsible for the maritime union's stand on shipping.

On the aid cut, the Daily Telegraph sounded the dominant tone, saying that for Britain "the move amounted to no more than a rather undignified end to one of the historic postwar arrangements between the two countries."

It recalled that in the early postwar years, Britain received nearly $10 billion of economic and military aid from the United States.

The Times of London pointed out that President Kennedy had opposed the legislation requiring the aid cutoff, and said the administration is "leaning over backward to lessen any harm the new measure may do."

Sir William Black, chairman of Leyland Motors which has the contract for selling buses to Cuba, told a news conference that "we hope the well-informed public opinion in America will be sensible and broadminded enough to take this at its true value. I think the American people will show a sense of proportion in this."

Elsewhere there were angry comments about Secretary of State Dean Rusk's statement that the public might boycott Leyland's Triumph cars. Rusk's remarks were taken as an official hint to U.S. consumers, not as a warning.

"If America has a surplus of wheat," said Black, "we have a surplus of buses," adding that Leyland's will fulfill the option to sell another 1,000 buses to Cuba if Havana takes it up.

The chairman of the company went on to say that Japan, France, Germany, Italy, Spain, and Czechoslovakia had also bid for the bus contract which Leyland won.

"Why is it worse for us to tender and be successful than for the others to tender and be unsuccessful?" he said.

The sharpest public comment against the U.S. move came from the Guardian. In an editorial headed "Petty Spite in the Family," it said "it should be a prime task of British diplomacy to convince Washington that boycotts of third parties in international trade are objectionable in principle and likely to be futile in practice.

"The Americans merely contrive to hurt their friends withourt hurting Castro," it said.

In sum, Britain is not crying "fool" at the U.S. stand, but it is loudly shouting "foolish."

FRENCH SEE AMERICA HURT MOST BY ACTION

Paris, February 14.—American suppression of aid to countries whose ships or planes call in Cuba wasn't really meant to hurt anybody, France editorialists seem to have agreed tonight, but as a result of European resentment at the gesture, the one hurt may be America herself.

This country's most esteemed pair of radio commentators, Georges Altschuler and Georges Leroy, of Europe No. 1, agreed that on the practical plane no very important results were to be expected from an act which in an election year "is designed to impress American voters with the firmness of their President."

They pointed out how carefully the wind was being tempered to the shorn lamb by applying the measure only where it would cause no real damage, as in exempting agricultural aid to Yugoslavia.

But they predicted that Europe would not relish the decision's arrogant attitude of, "I pay, so I command." It is possible that the United States will receive her answer in the North Atlantic Treaty Organization.

The Catholic daily La Croix predicts that the reaction may wreck completely the Kennedy round of tariff negotiations, due to open soon in Geneva.

"At a time when the United States is developing her trade with the countries of the East," Le Monde writes, "such reprisals provoke sharp reactions. * * * We knew that American aid was not always disinterested. * * * This has just been confirmed."

DEFENSE FUEL POLICY NEEDS REAPPRAISAL TO REFLECT ECONOMIC IMPACT ON COAL-PRODUCING AREAS

Mr. BYRD of West Virginia. Mr. President, yesterday introduced a lesson in how much can be accomplished when men who are sincere and conscientious of their responsibilities sit down informally around a conference table.

For more than a decade the coal industry has protested—justifiably, I believe—criteria used by the Department of Defense to determine the feasibility of converting from coal to other fuels in boiler plants at military installations.

There has been considerable correspondence and discussion of the subject for a long time; yet, a firm solution has somehow previously failed to develop.

Recently I arranged for representatives of the National Coal Association, the United Mine Workers of America, and the National Coal Policy Conference to attend a meeting to which I also invited the Deputy Assistant Secretary of Defense for Properties and Supplies and members of his staff responsible for fuel policy determination. We met in the Senate Armed Services Preparedness Subcommittee room in an atmosphere wholly devoid of acrimony or even irritation despite the very emphatic conflict of opinions on a subject that is of vital importance to the coal industry.

It was my pleasure to introduce Stephen F. Dunn, president of the National Coal Association, to open the coal industry case. He in turn asked Mr. Glenn L. Coryell and Mr. Marc G. Bluth to outline coal's position on the matter, and then graciously complimented the Defense Department representatives for their traditional honesty in dealing with coal industry representatives. I shall ask unanimous consent to include in the Record at the conclusion of my remarks the statement presented by Mr. Bluth. Immediately after that statement, I should like to submit the remarks of W. A. (Tony) Boyle, president of UMWA, who was ably represented at the meeting by Michael F. Widman, director of research and development for that organization. Mr. Widman introduced a note which should have the sympathy of the entire Congress. Mr. Widman showed conclusively that to permit conversions from coal to other fuels at military installations is in direct conflict with the President's plan to eliminate poverty from our land. Since the Appalachian region is particularly affected with the ravages of unemployment and accompaning poverty, it is all the more illogical for a Government facility to consider dispensing with coal at the expense of more miners and their families.

Gen. Louis H. Renfrow, director of legislation, National Coal Policy Conference, was present in the absence of Mr. Joseph Moody, president of that organization, and he made a susbtantial contribution to the discussion.

We found the Department of Defense officials most understanding of coal's problems. They agreed to reevaluate the policies which have tended against the use of coal. I personally believe that Mr. Boyle's suggestion that the economic impact on depressed areas be considered in Defense fuel purchases should be made a part of the policy of every Government department and office, for it is farcical to pursue a program under the guise of economy which in itself creates unemployment and increases burdens and costs of welfare and other agencies.

Yesterday we made a great step forward in resolving differences that had persisted for much too long. I would be remiss if I failed to point out that, as a member of the Armed Services Committee, I was especially proud and appreciative of the cooperation which I received from the group of highly intelligent and conscientious members of the Defense Department who appeared at yesterday's meeting.

Mr. President, I now ask unanimous consent to include the statements of Mr. Boyle and Mr. Bluth at this point in the Record. There being no objection, the statements were ordered to be printed as follows:

Statement by W. A. Boyle, President, United Mine Workers of America, on the Impact of the Fuel Policy of the Department of Defense Upon Employment in the Coal Industry

Today, much attention is being given to the problem of the Appalachian area of this Nation. The plight of many of the people in this region has demanded attention, and the forces of government are being mobilized for this end.

The President of the United States has made the rehabilitation of Appalachia a national policy. A governmental commission under the leadership of the Under Secretary of Commerce is expected to issue a report on the Appalachian region within the next few weeks.

Many Government agencies are already at work to help the Appalachian region. The Department of Commerce has its Area Redevelopment Administration to help the depressed areas of the Nation to help themselves to greater prosperity. In the Department of Interior the Bureau of Mines and the Office of Coal Research are engaged in research activities to find new uses for coal, and thus to improve the market potential for the industry.

State governments are also attempting to do what can be done. The State of West Virginia has established coal research facilities at the University of West Virginia. The Commonwealth of Pennsylvania has a similar research agency, the Coal Research Board, which operates full time to develop the market potential for coal.

Fundamentally all of these diverse activities are aimed at one objective—the creation of jobs. For there can be no victory over poverty, no end to the substandard existence of so many of our citizens, no hope for their children without jobs.

Thus, in the final analysis we return always to jobs, to useful, productive, and secure employment.

This is what we should discuss here today. For, the purchase of coal by the Department of Defense means jobs; jobs for coal miners, and jobs for those who depend upon coal miners. The coal used in defense installations mean wages in coal areas, and a measure of prosperity for coal miners and their families.

We believe that the Department of Defense should recognize its responsibility in this area. We believe that the work being done to rehabilitate the depressed areas of this Nation, and most especially the coal areas, should be aided and not hindered by the fuels purchasing policy of the Department of Defense. We are convinced that Department policy should give consideration to the broad national picture, and not merely the narrow considerations of fuel costs alone.

Coal lies at the heart of the attempts to rehabilitate Appalachia. If coal is prosperous, the Appalachian area will also be prosperous. This is the reason for the many efforts on behalf of the coal industry by governmental agencies. This is why we urge the Department of Defense to consider the impact on coal when it purchases fuel.

We have made certain calculations on the effect that the purchases by the Defense Department have on the coal industry and the coal miners. Remember that in the final analysis we are speaking of jobs and the people who depend upon them.

The Department of Defense purchases about 5 million tons of coal annually. We must ask what does this mean in terms of jobs, and economic impact upon the Appalachian area?

According to statistics compiled by the National Coal Policy Conference the production of 5 million tons of coal provides employment for 2,000 men. These men would support, if we assume that there are 4 in each family, an additional 6,000 people bringing us to a grand total of 8,000 people depending directly upon the coal purchases of the Defense Department.

If we assume that each of these men will work an average of 200 days per year, this means that the fulfillment of the requirements of the Department will require 400,000 working days per year. This means that wages for coal miners supplying coal to the Department of Defense total $9,700,000.

But this is not the end of those wages. Economists tell us that money spent in the economy has a much broader impact than the actual dollar amount. This, if we apply a "multiplier" of three, it means that the total dollar effect to coal areas is $29,100,000. Remember that we do not include any of the auxiliary industries such as rail transportation, etc., which would add greatly to the total.

In addition, the welfare and retirement fund of the United Mine Workers of America is of great benefit to the coal areas. This fund pays pensions, medical care, and other benefits to its beneficiaries. It is directly dependent upon the production and sale of coal for its revenue. The Defense Department purchases represent income to the fund of some $2 million, which represents over 26,000 individual pension payments.

Thus, we may see that the effect of Defense procurement upon the coal industry, and upon coal miners is significant indeed. In fact, to us it means jobs for our members, and security for their families. To the depressed areas of the Appalachian region and to the other coalfields, it means the maintenance of an industry and income in the economic life of the communities involved.

We do not believe that this source of jobs and income should be overlooked by those who are charged with area development. Nor do we feel that the policy of the Defense Department should be other than the maintenance of its coal-fired installations as a contribution to the alleviation of human distress, and the preservation of jobs.

We may look at the significance of these purchases in another way. Defense Department coal consumption is more than the total production in 19 counties reporting in West Virginia, 5 counties in Virginia, 21 counties in Pennsylvania, 22 counties in Ohio, 37 counties in Kentucky, 10 counties in Indiana, and 12 in Illinois.

It is apparent that the impact of Defense purchases means a great deal to coal mining regions.

However, the use of coal by the Department of Defense is always under attack by other fuels. Very often conversions are made; conversions justified by cost figures derived from engineering analysis. In fact, such cost estimates are the reason we are here today.

We are not in a position to debate the various methods of computing fuel costs. However, we would like to pose a question of total costs, of human costs, of the cost that will accrue to the Nation because of the loss of a market of some 5 million tons of coal. We are assuming the maximum loss to permit an analysis of the impact upon coal areas.

Obviously the loss of 5 million tons of coal would mean the displacement of 2,000 coal miners, or the equivalent of 400,000 man-days of work. It would also mean the loss of $9,700,000 in wages, and the multiplier effect of $29,100,000. We might point out that, in this instance, the loss of these wage payments would in all probability result in the loss of additional business as stores and businesses are forced to contract, and thus add to the cycle of unemployment.

Naturally, the money which would have gone to the welfare and retirement fund would be lost, thereby weakening the ability of the fund to provide for benefits for coal miners and their families.

Some 6,000 people in coal mining areas would lose their means of support, and be forced to endure unemployment of a more or less long duration. In this respect, we might point out that the duration of unemployment in coal mining areas is usually longer than the national average, and often extends for years unabated.

There are direct financial costs inherent in this unemployment. Consider only two of them:

Unemployment compensation is paid to those coal miners who are laid off. The extent of these payments and the length of time a beneficiary may receive them varies. For our purposes, we have assumed that the top payment is $35 per week and the length of eligibility is 26 weeks.

This would mean that the loss of 2,000 jobs would entail a weekly unemployment insurance payment of $70,000. And, if the men were forced to exhaust their benefits under the program, it would amount to an expenditure of some $1,820,000.

This is one of the prices that would have to be paid for the loss of only one market for bituminous coal. It is a price which, we believe, should be considered by the Department of Defense, and all of the Government agencies who are contemplating the conversion of their facilities from coal to other sources of fuel.

We must assume that many of the miners who are out of work will eventually receive some type of public assistance. This, too, represents an immediate and direct cost to the Government, both State and Federal.

Under only one such public assistance program, the aid to families with dependent children, the average payment per family for the Nation as a whole is $129 per month. Thus, for every month that the displaced miner receives such assistance the cost of the program is $258,000. For every year that they are on such programs, the cost amounts to some $3,196,000.

These are very real and tangible costs of unemployment. They are costs which must be borne by government. Further they are costs which go on and on; they are never really able to break what President Johnson calls "the cycle of poverty."

But there are other considerations which argue against the unemployment of men in coal-mining areas. Perhaps the greatest single one is the dedication of the administration to do something to help these people. Perhaps America recognizes, at long last, the grave danger of persistent and chronic unemployment in our Nation, and the social and economic ills that spring from such unemployment.

We do not contend that the Department of Defense can eliminate poverty in the coal areas of the Nation. Nor do we believe that the 5 million tons of coal purchased by the Department will spell either prosperity or ruin for the coal miners in America.

But, we do suggest in the strongest possible terms that these purchases can be used, and used quite effectively, in the fight against unemployment and in the efforts being undertaken to aid Appalachia. We do contend that the Defense Department coal consumption produces jobs and income to coal miners, and thus helps to maintain a semblance of economic order in the coal areas. We do contend that 5 million tons of coal is a large and important part of the marketing structure of the coal industry.

On the other side the loss of this market, either all at once or a little at a time, would be damaging to the coal industry. It would be depressing to the already depressed Appalachian coal areas. It would add to the burdens of those men and women already staggering under the weight of poverty, want, and privation. Finally, it would serve to maintain the vicious cycle of poverty which condemns not only the present generation, but also those who follow, to the depths of economic despair.

Therefore, we urge a close consideration of all cost factors occasioned by conversion. We urge that those charged with the policymaking authority of the Department of Defense recognize the economic impact of their action upon coal-mining communities and upon coal miners and their families. We also would suggest that the Department of Defense recognize the key role that it can play in the preservation of the coal industry and in the maintenance of this industry as viable and strong; an indispensable asset to the reconstruction of Appalachia and, indeed, all other coal-producing sections of the Nation.

Finally, we would suggest that the cost of conversion is often a great deal more expensive than the use of coal even without any consideration of social factors, and certainly the inclusion of these factors should insure against conversion in most instances.

STATEMENT BY NATIONAL COAL ASSOCIATION ON CHARGING MILITARY LABOR AGAINST COST OF OPERATING COAL-FIRED HEATING PLANTS, AND PROPOSED CONVERSION OF HAND-FIRED COAL BURNING PLANTS AT FORT BRAGG, N.C.

A number of years ago a question arose about charging military (GI) labor against the operating cost of coal-fired heating plants at military installations. GI labor has been and is extensively used in hand-firing coal in small boilers, furnaces, and stoves, particularly in barracks buildings at many Army posts located in different parts of the country.

When this situation first came to our attention, we attempted to learn the source of a so-called directive to the various branches of the armed services. Our inquiries developed the information that this alleged directive or ruling had been issued by the Comptroller General's Office to the Department of Defense which was to the effect that all "nonorganizational or nonmilitary" type of labor performed by GI's will be subject to a book charge and included in certain reports pertaining to the use of funds allocated to each installation. It was our understanding that the original purpose of this ruling was to prevent a given installation from reducing the final cost of a project, for which full funds had been authorized, for the use of GI labor. For example, $200,000 may be authorized for the construction of streets at a given Army base. Apparently in the past the commanding officer or other duly authorized post official, could delegate the use of a number of GI's for certain labor work with the project and by doing so perhaps save a certain amount of money which he could use for some other purpose that had not been authorized or funded. Under this ruling or directive, there would be a bookkeeping charge against the project amounting to so much per hour for each man-hour of work by the GI's. The charge per hour—or labor rate—seems to vary and this apparently is due to the variation in the rating of the men (GI's) performing this service and perhaps some difference of opinion as to what so-called fringe benefits should be included in the charge.

At the time of our inquiries and contacts with the Comptroller General's Office and later, we did not see a copy of any written directive or ruling. Indeed, the information furnished us was nebulous and largely "hearsay." We were unable to pinpoint the specific terms and assumed, therefore, that the information given to us was correct and authentic even though we took the position then as we do now that assessment of GI labor costs against a project is in reality only a bookkeeping charge. The example we have cited and our comments so far, it is true, concern a new construction project, but the so-called directive on GI labor costing has been used in evaluating the benefits of fuel conversion projects.

For some time the charging of GI labor against the operating costs of coal-fired heating plants did not constitute a serious threat in the loss of a substantial volume of business to the coal industry. This situation prevailed until a proposal was made to convert all the coal-fired plants, as well as oil-fired plants, at Fort Bragg, N.C., from coal to gas. The gas utility serving this area through the services of a consulting engineering firm prepared a very detailed study of various fuels consuming equipment on the base. This study proposed the conversion of all coal, oil, and electric equipment at Fort Bragg to gas. Since this proposal was received and analyzed by the Chief of Engineers' Office, we understand that the central coal-fired plants have been eliminated from the proposed conversion program leaving the hundreds of hand-fired units in the program, which are tended by GI labor.

The principal part of the conversion program with which we are concerned would be started at once and completed within a 5-year period, although the original proposal envisioned a period of 10 to 12 years to put the entire conversion program into effect. The proposal as originally presented by the gas company claimed that for an expenditure of $2,600,000 an overall savings of well over a million dollars would result. The Chief of Engineers' Office reviewed the study and revised the savings to about three-quarters of a million dollars a year. At first this would appear to be a very substantial savings and the conversion cost justifiable. However, the claimed annual savings of $725,000 can be achieved only when charging the $626,000 to GI labor. The Department of Defense policy that the cost of any fuel conversion project must be amortized within 5 years could not possibly be met if the GI labor charge is eliminated. Our position is simply that the GI military labor charge is not an out of the pocket cost to the Government. This conversion will in no way permit the Government to save $626,000 as a result of not having to assign these GI's to the work they are presently performing. We feel very strongly that the Fort Bragg conversion should be considered from the viewpoint that no bodies are removed from the payroll. They are assigned other duties on the post. We do not concur that it was ever intended to be used to justify the spending of capital funds for elementary post duties of GI personnel. The work of GI's on coal-fired plants is a part of the routine duties assigned to such personnel—similar to assignments such as cleaning grounds, kitchen duties, tending lawns, and various other duties related to maintaining post operations.

To pursue further the question of a so-called written directive or regulation, when the Department of Defense authorities were first contacted by us on this GI labor question, we were referred to the Accounting and Audit Division. The Properties and Installations Office at Defense could not produce written substantiation, either from the Comptroller General's Office or the DOD Office of Accounting and Audit. We had an informal conference with an official in the Accounting and Audit Office. We endeavored to find out exactly where the regulation on GI labor originated. The Accounting and Audit Office could not supply this information stating it was generally applied as a matter of policy and we were referred back to the Properties and Installations Office.

While this statement covers the situation at Fort Bragg on GI labor charge against coal-fired plants as a basis for justifying the conversion from coal to gas, the GI labor question applies to all Defense installations where conversions from coal to other fuels are proposed involving the use of military labor.

To conclude: the coal industry contends: (1) that the costing of GI labor against coal-fired heating plants is not a proper charge; (2) that it is merely a bookkeeping transaction; (3) that no labor is eliminated; (4) that GI's are only assigned to other post duties if they are not tending coal-fired plants; (5) that the conversion costs at Fort Bragg cannot be amortized in the 5-year payback period to meet the Defense Department's criteria; and (6) that the conversion of the Fort Bragg plants will further aggravate the unemployment problem in the Appalachia area where the coal for Fort Bragg originates.

The bituminous-coal-producing industry, through the National Coal Association, requests a full-scale review of the Department of Defense's position that the costing of GI labor is a policy matter. If the Department of Defense continues to adhere to this policy on future proposed conversion projects, no matter where or what branch of the military may be involved, we respectfully urge that the question be brought before the Senate and House Armed Services Committees for clarification and such remedial legislative action as may be necessary by the Congress. The critical nature of the Fort Bragg conversion proposal is indicated by the fact that a line item of $1,422,000 is in the military construction bill for the 1965 fiscal year.

Coal requirements, Fort Bragg, N.C.

	Fiscal year 1963	Fiscal year 1964
Egg	19,200	19,200
Stoker (double screened)	6,800	5,900
1½ by 0 inch	36,800	45,700
Total	62,800	70,800

Source: Defense Petroleum Supply Center.

Mr. **MANSFIELD**. Mr. President, I suggest the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **ACTING PRESIDENT** pro tempore (Mr. MCGOVERN in the chair). Without objection, it is so ordered.

THE IOU'S—NO. 9—RATES OF RETURN EXCEEDED THOSE ALLOWED BY REGULATORY AUTHORITIES

Mr. **METCALF**. Mr. President, Standard & Poor's July 18, 1963, survey of the investor-owned utilities, IOU's—provides further proof of increasing profits and decreasing regulation of electric power companies, at the expense of millions of American consumers.

Standard & Poor's is a leading investment adviser and financial publisher. Its report, headlined "A Dynamic Growth Industry," began with these words:

> The extraordinary growth of the electric power and light industry during recent years is but a foreshadowing of continued progress to come. According to estimates by the Federal Power Commission, as detailed by regions in the map on this page, the Nation's electric load in 1980 may be nearly 3.75 times greater than the 880 billion kilowatt-hours of 1960, at some 2,866 billion kilowatt-hours. This projection, released early in 1962, is about 33 percent higher than that included in the year-earlier study. The 1962 projection makes greater allowance for growth in electric air conditioning and space heating, as well as increasing saturations for high electric use appliances such as water heaters, clothes dryers, ranges, and food freezers. Revised projections will probably be released by the FPC when its extensive national power survey is completed, possibly early in 1964.

Under the heading "Industry Characteristics," Standard & Poor's had this to say about regulation:

> Rate regulation of utilities was strict for many years, but eased considerably after 1946. To offset inflated fuel and labor costs and to provide sufficient earnings to attract new capital to finance heavy construction expenditures, regulatory bodies have since

granted numerous rate increases of one form or another to various utilities.

The "Rates" section of Standard & Poor's report told how "rates of return on invested capital reached or exceeded those allowed by regulatory authorities." The section, in full, reads as follows:

> The long-term downward trend of electric rates was halted at the end of World War II. During the years 1946–62, regulatory authorities granted numerous upward adjustments of rate structures to compensate for increasing costs, principally for fuel, wages and materials, and a 37-percent increase in Federal normal and surtax rtaes. It is encouraging that a number of commissions in recent years authorized higher returns than had been allowed previously.
>
> In the past few years, a number of electric utilities increased their earnings to the extent that rates of return on invested capital reached or exceeded those allowed by regulatory authorities. This occurred primarily in States which adopted "flow-through" accounting for tax savings resulting from the use of accelerated depreciation, whereas previously these utilities were permitted to offset the tax savings by making provisions for deferred income taxes. To alleviate this situation, some companies have made voluntary rate reductions for certain types of service which will do them the most good from a promotional standpoint. Many of these adjustments were for electrical heating, for the purpose of making this type of service more competitive with other types of heating.
>
> In view of the past record, it is reasonable to assume that, when needed, regulatory authorities will continue to grant rate relief to electric power companies to augment returns sufficiently to attract the capital necessary to finance expansion. Conversely, it is also reasonable to assume that the utilities will make voluntary rate reductions whenever possible to maintain good relationships with the authorities and also to stimulate the usage of electricity.

The road ahead is quite unlike the terrain foreseen 15 years ago by John T. Flynn in his "The Road Ahead." Members may recall that the IOU's spent thousands of dollars sending out copies of the book and its condensation by the IOU's hip-pocket friend, Reader's Digest. Flynn visualized that the Federal Government wanted to wreck the private power industry. He said the "socialist planners" had good reason to believe that "they have the private power industry on the run." However, Standard & Poor's reported, under the heading, "Revenue trend":

> Revenues of the electric power industry were in a consistent upward trend for the past 20 years, despite the fact that industrial receipts declined in 3 of those years. The rate of gain increased in the years following World War II, partly as a result of rate increases.
>
> There is nothing on the horizon to suggest any change in the impressive trend of revenues for electric utilities, even allowing for the possibility of periodic rate reductions. Growing popularity of appliances, electric heating, and air-conditioning equipment, coupled with the high level of residential construction, should foster gains in this division more than sufficient to offset any periodic reductions in industrial business.

As regards the IOU's competition, Standard & Poor's said:

> In spite of all the activity of local, State, and Federal agencies, most of the country's electric requirements are supplied by private power companies. The generating capacity of these companies constitutes about 76 percent of the Nation's total, compared with 78 percent a decade ago.

Mr. President, on the subjects of "earnings" and "dividends" of investor-owned electric utilities, Standard & Poor's reported the following:

> Earnings of electric light and power companies are noted for their relative stability during periods of declining business activity. This was clearly demonstrated in 1949, when the Federal Reserve Board index of industrial production (1957–59=100) dropped around 5.4 percent, while composite net income of utilities expanded some 15 percent. The same impressive pattern continued in 1958. While total corporate profits of all industries dropped some 18 percent, earnings of the electric power companies gained 7.5 percent. This was followed by a further rise of close to 10 percent in 1959, another of 8.4 percent in 1960 when total industrial profits declined 3.8 percent, and one of 6.2 percent in 1961 at a time when industrial profits were only nominally higher. The year-to-year gain in electric utilities' earnings in 1962 was 6.1 percent compared with close to 16 percent for total industrial profits.
>
> With the exception of a nominal decline in 1951, earnings of the industry expanded uninterruptedly in each of the post-World War II years through 1962. This impressive record reflected expanding demand and rate increases granted by regulatory authorities to offset the sharp rise in costs and Federal tax rates experienced during that period.
>
> Indications are that the upward trend of net income will be extended for some time. Revenues undoubtedly will rise, and economies stemming from new generating plants will aid the cost ratio, particularly through a reduction in the amount of fuel required to produce electricity. The amount of coal used in 1962 to generate a kilowatt-hour of electricity was only around 0.85 of a pound, compared with 1.3 pounds in 1945. There still remains considerable opportunity for further improvement, since new, large-scale generating units are using less than two-thirds of a pound of coal per kilowatt-hour of generation.
>
> The long-term dividend record of electric operating utilities is better from the standpoint of continuity and stability than that of the industrial or rail groups. A stable dividend, which makes for a high credit rating, is of paramount importance to utility companies, since they must raise a large part of funds necessary for property additions and improvements in the capital markets.
>
> The trend of common dividends paid by electric utilities since the end of World War II has followed the upward movement in earnings. From the end of 1945, aggregate common disbursements increased approximately 315 percent, compared with a 328 percent increase in total earnings available for common stock.
>
> Electric utilities as a group paid out some 69.5 percent of available earnings in common dividends in the 5 years through 1962. The payout ratio should hold around that level in the future and with the longer-range outlook for earnings promising, the policy of liberalizing payments periodically is expected to continue.

Mr. President, the record shows that the road ahead for the electric companies is a smooth downgrade. The record also shows that, unless there is more competition or better regulation in this field, the companies' ratepayers will continue to line the pockets of the stockholders.

RECESS TO MONDAY, AT NOON

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in recess until 12 o'clock noon, on Monday next.

The motion was agreed to; and (at 2 o'clock and 5 minutes p.m.) the Senate took a recess to Monday, February 24, 1964, at 12 o'clock meridian.

CONFIRMATION

Executive nominations confirmed by the Senate February 21 (legislative day of February 10), 1964:

NATIONAL MEDIATION BOARD

Leverett Edwards, of Oklahoma, to be a member of the National Mediation Board for the term expiring February 1, 1967.

POST OFFICE DEPARTMENT

Frederick C. Belen, of Michigan, to be Deputy Postmaster General.

William M. McMillan, of Texas, to be an Assistant Postmaster General.

HOUSE OF REPRESENTATIVES

FRIDAY, FEBRUARY 21, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Judges 6: 12: *The angel appeared unto Gideon and said: "The Lord is with thee, thou mighty man of valor."*

Almighty God, we thank Thee for that great day in the calendar of our national history when we are privileged to call to mind the life and character of George Washington who stood like a giant among his contemporaries and whom men reverently and affectionately call the "Father of his Country."

Our hearts expand with pride as we think of his spirit of adventure, his fortitude in times of hardship, and his fidelity to the principles of righteousness and justice which inspired him to champion the cause of the oppressed colonists.

We rejoice in his testimony to a lofty idealism when he exhorted his fellow men to labor and keep alive within their breasts that little spark of celestial fire called "conscience."

How grateful we are for his humble spirit and devout faith which sent him down upon his knees in prayer at Valley Forge in order that he might know how to march in step with the eternal will and wisdom of God.

Grant that the memory of that patriot may strengthen the soul of our Republic and encourage us to labor in faith and faithfulness for Thy glory and the blessedness of all mankind.

In Christ's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 9640. An act to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Bartlett, Mr. Magnuson, Mr. Hart, Mr. Prouty, and Mr. Beall to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1153) entitled "An act to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes," agrees to the conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Monroney, Mr. Bartlett, Mr. Lausche, Mr. Hart, Mr. Cotton, Mr. Morton, and Mr. Scott to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the joint resolution (H.J. Res. 247) entitled "Joint resolution to suspend for the 1964 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for legally qualified candidates for the offices of President and Vice President," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Pastore, Mr. Monroney, Mr. Thurmond, Mr. Scott, and Mr. Prouty to be the conferees on the part of the Senate.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent, without establishing a precedent, that all Members desiring to do so may be permitted to extend their remarks in the Congressional Record today and include pertinent extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

GEORGE WASHINGTON'S FAREWELL ADDRESS

The SPEAKER. Pursuant to the order of the House of February 17, 1964, the Chair recognizes the gentleman from Hawaii [Mr. Matsunaga] to read George Washington's Farewell Address.

Mr. MATSUNAGA. Mr. Speaker, it is with a deep sense of humility that I now attempt to lend voice to the immortal words of George Washington as spoken in his Farewell Address to the people of the United States.

Mr. MATSUNAGA read the Farewell Address, as follows:

To the People of the United States:

Friends and Fellow Citizens: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently want of success has countenanced the spirit of criticism, the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquillity at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth, as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, suffering and successes.

But these considerations, however powerfully they addressed themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south* in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyments of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter. Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head; they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliance, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and maintaining within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations, under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state it is requisite, not only, that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be involved, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding of them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed, but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind (which nevertheless ought not be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasion of the others, has been evinced by experiments ancient and modern; some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, Where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? And let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinions should cooperate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes, that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties), ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessary parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interest.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collusions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forgo the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe; my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without anything more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

Geo. Washington.

United States,
17th September, 1796.

MR. MATSUNAGA'S DELIVERY OF GEORGE WASHINGTON'S FAREWELL ADDRESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to state that this is the 18th time, since I have been a Member of the House, that I have had the privilege of listening to the reading of the great Farewell Address of the Father of Our Country. I have never heard it read better than it was read today. Our colleague from Hawaii [Mr. Matsunaga] has really done a masterful job. I know I express the sentiments of the House when I say that we congratulate him and we extend to him our gratitude for his fine performance.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the distinguished Speaker.

Mr. McCORMACK. I desire to join in the remarks made by the distinguished majority leader. In my 35 years as a Member of the House I have never heard Washington's Farewell Address delivered in a better or a more effective manner. The people of Hawaii, our distinguished friend [Mr. Matsunaga], and his dear family—Mrs. Matsunaga and the children—are all justified in feeling proud. I congratulate my dear and distinguished friend.

Mr. O'BRIEN of New York. Mr Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from New York.

Mr. O'BRIEN of New York. I wish to join the distinguished Speaker and our distinguished majority leader and, I know, all who listened to the moving reading of Washington's Farewell Address. Our colleague from Hawaii made those immortal words leap into new life.

While I cannot look back upon as many years of service as our Speaker or our majority leader, I wish to say that of all the occasions upon which I have been proud of being the floor manager for the bill which brought Hawaii into the sisterhood of States, I was never more proud than today.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Florida.

Mr. HALEY. I wish to join the distinguished Speaker of the House, the majority leader, and others, in complimenting the distinguished gentleman from Hawaii [Mr. Matsunaga]. I believe it is appropriate that the gentleman who represents one of our youngest States, presented the message to us today. He is to be congratulated.

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LIBONATI. Mr. Speaker, we were proud of the oratorical presentation of President Washington's Farewell Address by Congressman Spark Matsunaga of Hawaii this morning—given in commemoration of Washington's birthday anniversary. Personally Congressman Matsunaga is one of the most popular and congenial men in the House. He is a considerate individual with poise and a beneficent attitude of helpfulness toward others. He is an optimist and looks happily upon life with deep contentment and appreciation—avoiding anger and gloom.

In the years that I have attended the House ceremonies on Washington's Birthday, no one presented Washington's Farewell Address—a masterpiece of oratorical effort in itself—with such sincerity and earnestness that carried with it such deep impressions of the advice and admonitions so vividly portrayed by President Washington for the guidance of the future leaders of the Republic.

Mr. Matsunaga emphasized with gesticulatory precision the high principles clothed in the key phrases enunciated by President Washington. He did honor to his State, his constituency, and the House of Representatives in a fine forensic effort well done. It was a splendid address worthy of the purposes intended. I congratulate my good friend from Hawaii.

Mr. RIVERS of Alaska. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Alaska.

Mr. RIVERS of Alaska. As a Representative of the 49th State, I feel a particular affinity for the Representatives of the 50th State. Alaska worked shoulder to shoulder with Hawaii in the joint effort for 10 or 15 years in furtherance of statehood for both the 49th and 50th States. Therefore I feel I would be remiss if I did not acknowledge the great talent and the fine performance of our distinguished colleague from Hawaii [Mr. Matsunaga].

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 56 minutes p.m.), under its previous order, the House adjourned until Monday, February 24, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1735. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation, entitled, "A bill to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes", and remarks on the agricultural export program under Public Law 480; to the Committee on Agriculture.

1736. A letter from the Chairman, Civil Aeronautics Board, transmitting the annual report of the Board covering fiscal year 1963, pursuant to section 205 of the Federal Aviation Act of 1958; to the Committee on Interstate and Foreign Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JOHNSON of California:

H.R. 10069. A bill to authorize the exchange of lands adjacent to the Lassen National Forest in California, and for other purposes; to the Committee on Agriculture.

By Mr. ROGERS of Colorado:

H.R. 10070. A bill to amend section 7701 of the Internal Revenue Code of 1954 to clarify the tax status of certain professional associations and corporations formed under State law; to the Committee on Ways and Means.

By Mr. SHORT:

H.R. 10071. A bill to restrict imports of beef, veal, and mutton into the United States; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. TEAGUE of Texas introduced a bill (H.R. 10072) for the relief of Vlastimir Davidovic, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

711. By the SPEAKER: Petition of Padre Gomez General Assembly, Knights of Columbus, Quezon City, Philippines, petitioning consideration of its resolution with reference to expressing regrets and sorrow at the assassination and untimely death of President Kennedy, and extending sympathy to his family; to the Committee on House Administration.

712. Also, Petition of Henry Stoner, Avon Park, Fla., requesting the House of Representatives to abide by the United Nations Charter; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Mr. Samuel A. Goldsmith Receives Award of Jewish Federation of Metropolitan Chicago

EXTENSION OF REMARKS
OF
HON. DONALD RUMSFELD
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, February 21, 1964

Mr. RUMSFELD. Mr. Speaker, in these days, when so many in our country are looking to the Federal Government to take care of their needs, it is heartening to know that the Jewish Federation of Metropolitan Chicago continues to rely on private philanthropy and privately supported agencies for the care of the aged, infirm, and troubled. The Federation believes strongly in the concept of individual responsibility and has established a memorial award in memory of Julius Rosenwald, one of the Federation's founders and its first president, which is given each year to that individual who has made outstanding contributions to advance the purposes of the Federation.

This year, the award was presented to Mr. Samuel A. Goldsmith, who was the unanimous first choice of the award committee. The influence of Mr. Goldsmith, who will complete his 50th year in the field of social work this year, has spread far beyond the Chicago area. He has been cited by the Illinois Welfare Association as a high-ranking welfare statesman of Illinois, whose able direction and skillful leadership in meeting the human needs of the Jewish community and in serving humanity throughout the world have been outstanding and without parallel.

Among the many significant posts held by Mr. Goldsmith have been the presidency of the National Conference of Jewish Social Work; executive director of the Jewish Charities of Chicago and executive secretary of the Jewish Welfare Fund; member of the executive committee of the National Refugee Service; chairman of the Chicago Mayor's Committee on the Relief Problem; and with Dr. Robert Maynard Hutchins, former chancellor of the University of Chicago, he organized the special gift activities of a huge fundraising effort for relief work in the city of Chicago and later helped in the organization of the Community Fund, serving as a member of its board of directors and of its executive committee for 20 years. As a lieutenant colonel, Mr. Goldsmith served under the Allied Military Government and then under the Allied Control Commission in Sicily and Italy. He was later called to become chief of the Displaced Persons Branch, Allied Forces Headquarters, Mediterranean Theater of Operations.

For his services to humanity and his achievements in the advancement of the purposes of the Jewish Federation, Mr. Goldsmith richly merits the highest and most precious award of the Federation and serves as an inspiration to all who believe that through individual effort and service the cause of human welfare can best be advanced.

Washington Criticized Alliances and Applauded Unions

EXTENSION OF REMARKS
OF
HON. PAUL FINDLEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, February 21, 1964

Mr. FINDLEY. Mr. Speaker, George Washington's Farewell Address was one of his least understood and most misrepresented speeches. In it he warned of the frailties of all alliances, but applauded the federal union system that had recently been adopted by the American States.

He said:

> To the efficacy and permanency of your Union a government for the whole is indispensable. No alliance, however strict, between the parts can be an adequate substitute. They must inevitably experience the infractions and interruptions which all alliances in all times have experienced. Sensible of this momentous truth, you have improved upon your first essay by the adoption of a constitution of government better calculated than your former for an intimate union and for the efficacious management of your common concerns.

In short, Washington said that an alliance cannot be an adequate substitute for a government. In words so clear they cannot be misunderstood, he said that alliances "must inevitably experience the infractions and interruptions which all alliances in all times have experienced."

Without exception, alliances have failed to stand the test of time. They are unworthy of confidence. They are fundamentally doomed to failure.

The North Atlantic Treaty Organization is no exception.

The NATO alliance has experienced an abundance of the "infractions and interruptions" which Washington foretold.

To cite a few: Cyprus, French recognition of Communist China, British sale of buses to Cuba, Canadian sale of wheat to Red China, French blackball of British entry in the Common Market, U.S. cancellation of Skybolt, test ban treaty of Moscow, essentially a bilateral deal between United States and Russia, withdrawal of missiles from Turkey and Italy, U.S. insistence on keeping keys to all NATO atomic weapons, stalemate over the multilateral naval forces, and broad tendency toward coexistence with the Communists, compromise, talk of disarmament—each of which tends to weaken the thin thread of alliance.

Our nuclear policies now place more trust in our enemies than in our friends. We have never been at war with France at any time since this Republic was founded. And yet, our nuclear policies deny France—and other NATO nations—the nuclear weapons we know—and they know—the enemy possesses.

We complain when the British sell buses to Cuban Communists, but see nothing wrong in selling wheat to Russia, the heartland of the Communist movement.

We fight a chicken war with our friends, and hand the enemy "super-duper" bargains in wheat—better prices than we offer to our friends.

These events—the inevitable infractions and interruptions of which Washington spoke—have caused a steady deterioration of NATO.

When we review our weak follow-through after the Cuban confrontation, the withdrawal of missiles from our NATO allies—Turkey and Italy—our shameful silence over the murder of U.S. airmen over East Germany—who can blame our European allies for wondering if, in a showdown, we would really use nuclear weapons to defend their homes? Who can blame them for seeking, in their own way, to appease the Communists?

Not long ago, I heard one of our top military leaders bitterly exclaim, "We have a minimal deterrent, no-win policy."

Present policies are heading us to ultimate isolation in which liberty will surely perish from within if not from aggressive forces across the borders. Surrounded by a sea of communism, we would likely resort to police-state methods at home to meet the police-state menace abroad.

NATO has been described as the most hopeful agency we have for peace and freedom. But, at best, it is but a hopeful beginning. It is far weaker than the Articles of Confederation which were criticized by Washington and found to be totally inadequate in the 18th century.

If a system was too flimsy for the horse-and-buggy days, can we safely settle for one still more flimsy for the rocket age?

NATO is an alliance and nothing more. As such, it carries in it the same seeds for self-destruction typical of all alliances. In its present form it is doomed to failure.

Our NATO defense force hangs by the tiny thread of national expediency. Unanimity is required before anything can be done. In the flashing instant of a nuclear showdown, unanimity may come too late or not at all.

No one can foretell the decision of any member of NATO—not even our own—until the moment of crisis arrives.

The present NATO structure is not good enough. We must build the house of freedom on solid rock, not the shifting uncertain sands of alliance. The best foundation is the Federal union system which Washington himself applauded. It is as American as apple pie, and everyday America bespeaks its success.

It is high time we start to rebuild NATO into a federal union, so that freedom-loving people can avoid the infractions and interruptions of which Washington so eloquently warned.

Report to the People of the Eighth Congressional District of Wisconsin—XVII

EXTENSION OF REMARKS

OF

HON. JOHN W. BYRNES

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1964

Mr. BYRNES of Wisconsin. Mr. Speaker, under leave to extend my remarks, I include a report to the people of the Eighth Congressional District of Wisconsin on my voting and attendance record for the 1st session of the 88th Congress.

The report includes all rollcall votes. Its purpose is to collect in one place and in concise form information which is scattered through 25,696 pages of the CONGRESSIONAL RECORD.

The descriptions of the bills and the amendments or motions in the report are for purposes of identification only; no attempt is made to describe the legislation completely or to elaborate upon the issues involved. This word of caution is advisable in view of the fact that the descriptions used are, for the most part, taken from the official titles of the bills which, unfortunately, do not always reflect the nature or true purpose of the legislation. Upon request, I will be pleased to furnish more complete information concerning any particular bill, as well as a summary of the issues involved and the reasons for my vote.

The furnishing of this report continues a service I began in the 1st session of the 80th Congress. This is the 17th report of my voting and attendance record. These 17 reports show how I voted on 2,164 questions in the House of Representatives. Based on quorum calls and the record votes, they also show an attendance record of 93 percent.

In addition to the votes shown in this report, there were 137 quorum calls in the House which are omitted to conserve space. This accounts for the nonconsecutive numbering of the rollcalls. I answered "present" to 120 quorum calls, and I was absent for 17 quorum calls.

88th Cong., 1st sess.

Roll-call No.	Date 1963	Measure, question, and result	Vote
2	Jan. 9	Election of Speaker. (McCormack 256, Halleck 175.)	Halleck.
		H. Res. 5, permanently enlarging House Rules Committee from 13 to 15 members:	
3	Jan. 9	On ordering the previous question (ending debate). (Adopted 249 to 183.)	Nay.
4	Jan. 9	On agreeing to resolution. (Agreed to 235 to 196.)	Nay.
		H.J. Res. 284, making supplemental appropriations of $508,172,000 for Department of Agriculture for fiscal 1963:	
5	Feb. 27	On passage. (Passed 254 to 154.)	Nay.
		H. Res. 249, providing funds for Committee on Un-American Activities:	
6	Feb. 27	On agreeing to resolution. (Agreed to 386 to 20.)	Yea.
		H.R. 2438, extending the military draft laws:	
8	Mar. 11	On passage. (Passed 388 to 3.)	Yea.
		H.R. 4374, authorizing President to proclaim Sir Winston Churchill an honorary citizen of the United States of America:	
9	Mar. 12	On passage. (Passed 378 to 21.)	Not voting.[1]
		H.R. 2440, authorizing appropriations for military arms procurement during fiscal 1964:	
12	Mar. 13	On amendment adding $363,700,000 for the RS-70 plane. (Adopted 226 to 179.)	Nay.
13	Mar. 13	On motion to recommit with instructions to reduce bill by $636,385,250. (Rejected 149 to 258.)	Yea.
14	Mar. 13	On passage. (Passed 374 to 33.)	Nay.
		H.R. 5366, making appropriations for Treasury and Post Office Departments, Executive Office of the President, and certain independent agencies for fiscal 1964:	
16	Apr. 4	On passage. (Passed 386 to 17.)	Yea.
		H.R. 5517, making supplemental appropriations for fiscal 1963:	
19	Apr. 10	On amendment providing an additional $450,000,000 for accelerated public works program. (Adopted 228 to 184.)	Nay.
		H.R. 5389, repealing law authorizing Federal Reserve silver certificates:	
20	Apr. 10	On passage. (Passed 252 to 122.)	Yea.
		H.R. 12, authorizing program of Federal grants to medical, dental, and related-type college facilities and a loan program for certain students of medicine, dentistry, and osteopathy:	
23	Apr. 24	On motion to recommit with instructions to delete student loan provisions. (Rejected 171 to 239.)	Yea.
24	Apr. 24	On passage. (Passed 288 to 122.)	Nay.
		H.R. 4997, modifying and extending feed grain program prior to May 21 wheat referendum:	
29	Apr. 25	On motion to recommit. (Rejected 196 to 205.)	Yea.
30	Apr. 25	On passage. (Passed 208 to 195.)	Nay.
		H.R. 1762, giving statutory authority to Interior Department's Bureau of Outdoor Recreation:	
33	Apr. 29	On amendment requiring Secretary of Interior to report annually to Congress on donations under the bill. (Adopted 292 to 50.)	Yea.
		H.R. 40, to assist States to provide additional research facilities at State agricultural experiment stations:	
38	May 6	On motion to suspend rules and pass. (Passed 275 to 30.)	Yea.
		H.J. Res. 245, limiting use of funds for foreign travel by Members and employees of Congress and requiring itemized reports:	
40	May 7	On agreeing to resolution. (Agreed to 387 to 2.)	Yea.
		H.R. 5517, making supplemental appropriations for fiscal 1963:	
41	May 8	On motion to recommit conference report with instructions to disagree to Senate amendment providing $65,000 for an International Peace Corps Secretariat. (Agreed to 207 to 190.)	Yea.
		H.R. 950, amending the Internal Security Act to provide for maximum personnel security in the National Security Agency:	
43	May 9	On passage. (Passed 340 to 40.)	Yea.

See footnote at end of table.

88th Cong., 1st sess.—Continued

Roll-call No.	Date 1963	Measure, question, and result	Vote
		H.R. 4274, permitting District of Columbia public school teachers to use reasonable force in maintaining order:	
44	May 13	On passage. (Passed 278 to 53.)	Yea.
		H.R. 5517, making supplemental appropriations for fiscal 1963:	
45	May 14	On adoption of conference report. (Adopted 242 to 129.)	Nay.
46	May 14	On motion ordering previous question (ending debate) on amendment regarding Philippine war damage claims. (Rejected 168 to 207.)	Nay.
		H. Res. 340, authorizing counterpart funds for travel of certain members of Committee on Education and Labor to Switzerland and other foreign countries:	
48	May 14	On agreeing to resolution. (Rejected 153 to 217.)	Nay.
		H.R. 6009, increasing temporary national debt limit to $307,000,000,000 through June 30 and to $309,000,000,000 from July 1 through August 31:	
51	May 15	On Byrnes motion to recommit with instructions to extend existing $305,000,000,000 ceiling without increase. (Rejected 195 to 222.)	Yea.
52	May 15	On passage. (Passed 213 to 204.)	Nay.
		H. Res. 362, providing for consideration of H.R. 6060, requiring that equal work be compensated with equal pay, regardless of sex of the workers:	
54	May 23	On agreeing to resolution. (Agreed to 362 to 9.)	Yea.
		H. Res. 368, authorizing counterpart funds for travel of certain members of Committee on Education and Labor to International Labor Organization conference in Geneva:	
58	May 29	On agreeing to resolution. (Agreed to 278 to 52.)	Yea.
		H.R. 5497, extending the Mexican farm labor program through December 1965:	
59	May 29	On passage. (Rejected 158 to 174.)	Yea.
		H.R 3496, extending for 2 years the Reorganization Act of 1949 which allows the President to submit to Congress plans to reorganize Government agencies:	
61	June 4	On amendment prohibiting President from using act to abolish or create new executive department without usual legislative process. (Adopted 226 to 175.)	Yea.
66	June 4	On motion to adjourn for purpose of preventing Republican discussion of civil rights legislation. (Rejected 53 to 276.)	Nay.
		H.R. 6754, appropriating $5,979,457.000 for the Department of Agriculture for fiscal 1964:	
72	June 6	On passage. (Passed 288 to 79.)	Nay.
		H.R. 6868, appropriating $140,000,000 ($22,000,000 more than 1963) for the legislative branch for fiscal 1964:	
74	June 11	On passage. (Passed 271 to 122.)	Nay.
		H.R. 4996, authorizing an additional $455,500,000 for the Area Redevelopment Administration:	
79	June 12	On passage. (Rejected 204 to 209.)	Nay.
		H.R. 6755, extending excise and corporation income taxes for 1 year:	
81	June 13	On passage. (Passed 283 to 91.)	Yea.
		H.R. 7063, making appropriations for the Departments of State, Justice, and Commerce, and the judiciary for fiscal 1964:	
83	June 18	On passage. (Passed 301 to 93.)	Yea.
		H.J. Res. 247, suspending the equal time requirement of the Communications Act for 1964 presidential campaign, in order to permit TV and radio debate by major candidates:	
85	June 19	On passage. (Passed 263 to 126.)	Yea.
		H.R. 6177, increasing annual Federal payments to District of Columbia from $32,000,000 to $45,000,000:	
87	June 24	On motion to recommit with instructions to increase payment to $53,000,000. (Rejected 99 to 237.)	Nay.
		H.R. 7179, making appropriations for the Department of Defense for fiscal 1964:	
91	June 26	On passage. (Passed 410 to 1)	Yea.
		H.R. 3179, appointing judges to the U.S. Court of Military Appeals for life tenure instead of 15-year terms:	
93	July 9	On passage. (Passed 314 to 82)	Yea.
		H.R. 4897, repealing provisions of Sedition Act restricting application to acts committed only in United States:	
95	July 16	On motion to recommit. (Rejected 40 to 339.)	Nay.
		H.R. 5279, making appropriations for the Department of the Interior for fiscal 1964:	
96	July 17	On motion to recommit conference report with instructions to insist on disagreement to Senate appropriation for plans for the Smithsonian's National Air Museum. (Rejected 144 to 245.)	Nay.
97	July 17	On adoption of conference report. (Adopted 333 to 50.)	Yea.
		H.R. 5171, authorizing General Services to coordinate the purchase and utilization of electronic data processing equipment by Federal agencies:	
101	July 18	On motion to recommit. (Rejected 96 to 258.)	Nay.
		H.R. 6518, to initiate and strengthen programs for the prevention and abatement of air pollution (Clean Air Act):	
102	July 24	On passage. (Passed 273 to 102.)	Yea.
		H.R. 4638, authorizing certain services, facilities, and funds for the orderly transition of executive power upon the election of a new President and Vice President:	
104	July 25	On motion to recommit with instructions to delete all funds from bill. (Rejected 29 to 343.)	Nay.
		H.R. 3872, extending for 5 years the life of the Export-Import Bank of Washington and increasing its lending authority:	
106	July 30	On motion to recommit conference report and insist on disagreement to Senate amendment continuing "backdoor" financing for the agency. (Adopted 379 to 11.)	Yea.
		H. Res. 453, special rule waiving points of order against a Philippine war claims amendment in the conference report on H.R. 5207, the Foreign Service buildings authorization:	
108	July 31	On agreeing to resolution. (Agreed to 234 to 166.)	Nay.
		H. Res. 467, providing for consideration of H.R 7500, authorizing appropriations for National Aeronautics and Space Administration:	
110	Aug. 1	On agreeing to resolution. (Agreed to 387 to 1.)	Yea.
		H.R. 7500, authorizing $5,203,719,400 for NASA for fiscal 1964:	
111	Aug. 1	On passage. (Passed 335 to 57.)	Nay.
		S. 1652, extending for 3 years period for raising contributions for construction of National Cultural Center:	
113	Aug. 5	On motion to suspend rules and pass. (Passed 293 to 33.)	Yea.
		H.R. 4955, Vocational Education Act of 1963:	
115	Aug. 6	On motion to recommit with instructions to require programs to be conducted on a racially nondiscriminatory basis. (Rejected 181 to 217.)	Yea.
116	Aug. 6	On passage. (Passed 378 to 21.)	Yea.
		H. Res. 477, providing for consideration of H.R. 7824, extending the existing temporary $309,000,000,000 national debt limit:	
118	Aug. 7	On agreeing to resolution. (Agreed to 303 to 72.)	Yea.
		H.R. 7824, extending the existing temporary $309,000,000,000 national debt limit:	
121	Aug. 8	On Byrnes motion to recommit with instructions to reduce temporary limit to $307,000,000,000and to limit extension for 2 months. (Rejected 164 to 229.)	Yea.
122	Aug. 8	On passage. (Passed 221 to 175.)	Nay.
		H.R. 7525, amending the District of Columbia Code to increase investigative powers of the police and to fix stricter penalties for certain offenses:	
124	Aug. 12	On motion to recommit. (Rejected 114 to 222.)	Nay.
		H.R 6143, authorizing a 5-year program of Federal grants and loans for college academic facilities:	
126	Aug. 14	On passage. (Passed 287 to 113.)	Yea.
		H.R. 7885, authorizing appropriations of $4,087,075,000 for foreign aid in fiscal 1964:	
132	Aug. 23	On motion to recommit with instructions to reduce bill by $585,000,000. (Agreed to 222 to 188.)	Yea.
133	Aug. 23	On passage of bill as reduced by above motion. (Passed 224 to 186.)	Yea.
		H.R. 7500, authorizing $5,350,820,400 for the NASA in fiscal 1964:	
138	Aug. 28	On motion to recommit conference report with instructions to reduce authorization to amount approved by the House. (Rejected 176 to 200.)	Yea.
139	Aug. 28	On adoption of conference report. (Adopted 248 to 125.)	Nay.
		S. 1576, Mental Retardation Facilities Act:	
144	Sept. 10	On passage. (Passed 335 to 18.)	Not voting.[1]
		H. Res. 504, creating a select committee to investigate expenditures for Federal research programs and activities:	
146	Sept. 11	On agreeing to resolution. (Agreed to 336 to 0.)	Yea.
		H. Res. 527, providing for consideration of H.R. 8363, the Revenue Act of 1963:	
151	Sept. 24	On agreeing to resolution. (Agreed to 324 to 67.)	Yea.
		H.R. 8363, the Revenue Act of 1963:	
156	Sept. 25	On Byrnes motion to recommit with instructions to make the tax reduction dependent on holding the level of expenditures to not in excess of $97,000,000,000 in 1964 and $98,000,000,000 in 1965. (Rejected 199 to 226.)	Yea.
157	Sept. 25	On passage. (Passed 271 to 155.)	Nay.
		H.R. 5555, authorizing a military pay increase:	
160	Oct. 1	On adoption of conference report. (Adopted 333 to 5.)	Not voting.[1]
		H. Res. 539, providing for consideration of H.R 7044, authorizing $1,500,000 for construction of Corregidor-Bataan Memorial:	
162	Oct. 1	On agreeing to resolution. (Agreed 314 to 12.)	Not voting.[1]

See footnotes at end of table.

88th Cong., 1st sess.—Continued

Roll-call No.	Date 1963	Measure, question, and result	Vote
		H. Res. 541, providing for House agreement to a Senate amendment extending for 1 year the life of the Civil Rights Commission:	
165	Oct. 7	On motion to suspend rules and agree to resolution. (Agreed to 265 to 80.)	Yea.
		H.R. 7179, making appropriations for the Department of Defense for fiscal 1964:	
167	Oct. 8	On adoption of conference report. (Adopted 336 to 3.)	Yea.
		H.R. 8747, making appropriations for sundry independent offices for fiscal 1964:	
170	Oct. 10	On motion to recommit with instructions to reduce NASA budget by $200,000,000. (Rejected 145 to 192.)	Yea.
171	Oct. 10	On passage. (Passed 302 to 32.)	Yea.
		H.R. 5871, modifying retirement benefits of District of Columbia municipal judges:	
172	Oct. 14	On passage. (Passed 150 to 86.)	Nay.
		H.R. 6237, authorizing $500,000 annually for 5 years to aid public and private groups to publish historical documents:	
174	Oct. 15	On passage. (Passed 158 to 154.)	Nay.
		S. 1576, Mental Retardation Facilities Act:	
176	Oct. 21	On adoption of conference report. (Adopted 299 to 13.)	Yea.
		H.R. 8821, amending the Temporary Unemployment Compensation Act and title XII of the Social Security Act:	
178	Oct. 22	On passage. (Passed 350 to 1.)	Yea.
		H.R. 5945, establishing a commission to recommend procedures for settlement of political status of Puerto Rico:	
180	Oct. 23	On passage. (Passed 320 to 44.)	Yea.
		H.J. Res. 782, continuing appropriations for certain departments of Government:	
183	Oct. 28	On agreeing to resolution. (Agreed to 280 to 11.)	Yea.
		H. Res. 314, granting additional travel authority to the Committee on Education and Labor:	
184	Oct. 28	On agreeing to resolution. (Rejected 119 to 164.)	Nay.
		H.R. 6500, authorizing certain construction at military installations:	
188	Oct. 31	On adoption of conference report. (Adopted 356 to 1.)	Not voting.[1]
		H.R. 8195, extending the Mexican farm labor program for 1 year:	
189	Oct. 31	On passage. (Passed 173 to 160.)	Not voting.[1]
		H.R. 6143, College Academic Facilities Act:	
191	Nov. 6	On adoption of conference report. (Adopted 258 to 92.)	Yea.
		H.R. 8920, revising the District of Columbia Alcoholic Beverage Control Act:	
192	Nov. 6	On motion to recommit. (Agreed to 258 to 98.)	Nay.
		H. Res. 564, providing for the consideration of H.R. 8969, raising and extending the temporary debt limit:	
194	Nov. 7	On agreeing to resolution. (Agreed to 212 to 149.)	Yea.
		H.R. 8969, increasing temporary national debt limit from $309,000,000,000 to $315,000,000,000 through June 1964:	
195	Nov. 7	On motion to recommit. (Rejected 172 to 197.)	Yea.
196	Nov. 7	On passage. (Passed 187 to 179.)	Nay.
		H.R. 8864, authorizing the United States to participate and carry out its obligation under the International Coffee Agreement:	
200	Nov. 14	On passage. (Passed 181 to 145.)	Not voting.[1]
		H.R. 2988, authorizing up to $2,000,000 for participation by the Armed Forces personnel in international civilian and military sports competition: On motion to suspend rules and pass. (Passed 285 to 30.)	
202	Nov. 18		Nay.
		H.R. 8135, authorizing public recreational facilities at Sanford Reservoir, Canadian River project, Texas:	
203	Nov. 18	On motion to suspend rules and pass. (Passed 283 to 30.)	Yea.
		H.R. 9139, making appropriations for military construction for the Department of Defense for fiscal 1964:	
205	Nov. 18	On passage. (Passed 332 to 5.)	Not voting.[1]
		H.R. 9140, Public works appropriation bill for fiscal 1964:	
207	Nov. 19	On passage. (Passed 358 to 27.)	Yea.
		S. 777, authorizing funds for the Arms Control and Disarmament Agency for 1964 and 1965 and imposing certain limitations:	
209	Nov. 20	On passage. (Passed 251 to 134.)	Yea.
		H.R. 9124, revising ROTC programs:	
211	Dec. 2	On motion to suspend rules and pass. (Rejected 177 to 154, a ⅔ vote being required.)	Not voting.[2]
		H.R. 10, requiring temporary summer jobs in Government agencies in Washington, D.C., area be subject to nationwide competitive examinations:	
213	Dec. 2	On motion to suspend rules and pass. (Passed 301 to 18.)	Not voting.[1]
		H.R. 6196, subsidizing the cotton industry:	
219	Dec. 4	On motion to recommit. (Rejected 179 to 224.)	Yea.
220	Dec. 4	On passage. (Passed 216 to 182.)	Nay.
		H.R. 7885, authorizing appropriations of $3,600,000,000 for foreign aid in fiscal 1964 and adding a number of legislative restrictions:	
224	Dec. 9	On adoption of conference report. (Adopted 195 to 164)	Yea.
		H.R. 8929, authorizing construction of $400,000,000 rail transit system for Washington, D.C.:	
226	Dec. 9	On motion to recommit. (Agreed to 278 to 76.)	Yea.
		H.R. 8747, making appropriations for sundry independent offices for fiscal 1964:	
227	Dec. 10	On adoption of conference report. (Adopted 356 to 22.)	Yea.
228	Dec. 10	On motion to agree to Senate amendment, ordering the Veterans' Administration to construct Bay Pines Hospital for which funds had been previously appropriated. (Rejected 170 to 204.)	Yea.
		H.R. 6518, strengthening programs for prevention and abatement of air pollution (Clean Air Act):	
230	Dec. 10	On adoption of conference report. (Adopted 273 to 109.)	Yea.
		H. Res. 579, providing for consideration of H.R. 7457, providing legal assistance for indigent defendants in criminal cases in U.S. courts:	
233	Dec. 10	On adoption of resolution. (Adopted 345 to 12.)	Yea.
234	Dec. 11	On motion to adjourn for the day in order to prevent consideration of civil rights legislation under Calendar Wednesday procedure. (Agreed to 214 to 166.)	Nay.
		H.R. 9140, making appropriations for public works for fiscal 1964:	
235	Dec. 12	On adoption of conference report. (Adopted 330 to 47.)	Yea.
		H.R. 4955, authorizing new funds for expanded vocational education program; and extending the National Defense Education Act and aid to federally impacted school areas:	
237	Dec. 12	On motion to recommit conference report with instructions to delete authorizations of $150 million for new Federal work-study program and residential vocational education schools added by Senate. (Rejected 180 to 193.)	Yea.
238	Dec. 12	On adoption of conference report. (Adopted 301 to 65.)	Nay.
		H.R. 9139, making appropriations for military construction for the Department of Defense for fiscal 1964:	
240	Dec. 13	On adoption of conference report. (Adopted 301 to 4.)	Yea.
		H.R. 9499, making appropriations of $2,800,000,000 for foreign aid for fiscal 1964, a cut of $1,700,000,000 from administration's request:	
242	Dec. 16	On motion to recommit with instructions to bar Export-Import Bank from guaranteeing credit of Communist governments. (Agreed to 218 to 169.).	Yea.
243	Dec. 16	On passage, as amended by above motion. (Passed 250 to 135)	Yea.
		H.R. 8667, making additional appropriations for certain river basin planning (conference report):	
245	Dec. 17	On motion to insist on disagreement to Senate amendment authorizing $50,000,000 for construction of Knowles Dam in Montana. (Adopted 329 to 41.).	Yea.
		H.R. 9413, providing for 50-cent coins bearing likeness of John Fitzgerald Kennedy:	
246	Dec. 17	On motion to suspend rules and pass. (Agreed to 352 to 6.)	Yea.
		H.J. Res. 875, making supplemental appropriations for fiscal 1964 for mental retardation programs:	
248	Dec. 19	On passage. (Passed 324 to 4.)	Yea.
		H. Res. 598, waiving points of order against conference report on H.R. 9499 with Senate amendment permitting President to authorize Export-Import Bank guarantees on credit to Communist countries for purchase of U.S. commodities:	
251	Dec. 21	On adoption of resolution. (Adopted 182 to 95.)	Nay.
		H.R. 9499, making appropriations for foreign aid for fiscal 1964:	
252	Dec. 21	On motion to recommit conference report with instructions to insist on disagreement to Senate amendment permitting President to authorize Export-Import Bank guarantees on credit to Communist countries for purchase of U.S. commodities. (Agreed to 141 to 136.)	Yea.
		H. Res. 600, waiving points of order and authorizing motion to accept Senate amendment to second conference report on H.R. 9499, permitting President to authorize Export-Import Bank guarantees on credit to Communist countries for purchase of U.S. commodities:	
255	Dec. 23	On motion to consider resolution. (Rejected 202 to 105, a ⅔ vote being required without 1-day layover of rule.)	Nay.
		H.R. 9499, making appropriations for foreign aid for fiscal 1964:	
256	Dec. 24	On motion to amend 2d conference report to permit President to authorize Export-Import Bank guarantees on credit to Communist countries for purchase of U.S. commodities. (Agreed to 189 to 158.)	Nay.

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[1] Absent. If present, would have voted "yea."

[2] Absent. If present, would have voted "nay."

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 24, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Luke 17: 5: *Lord, increase our faith.*

Eternal God, our Father, who art acquainted with all the thoughts and feelings of our minds and hearts, create within us those desires which Thou dost delight to satisfy.

Bring us into complete accord and harmony with Thy wise and holy will and may we be worthy of the many blessings of Thy kind and gracious providence.

Grant that we may feel that no promise is too good to be true and no prayer uttered by our stammering human speech is too faint and indistinct to be heard and answered by Thy divine love and grace.

May we daily give ourselves to Thee gladly and humbly in a new consecration, which is the only return we can make for all Thy goodness and loving kindness.

Hear us in His name who loves us with an everlasting love. Amen.

THE JOURNAL

The Journal of the proceedings of Friday, February 21, 1964, was read and approved.

SWEARING IN OF MEMBER

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California, Mr. PHILLIP BURTON, be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest and no question has been raised with respect to his election.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BURTON of California appeared at the bar of the House and took the oath of office.

THE HONORABLE PHILLIP BURTON

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHEPPARD. Mr. Speaker and my colleagues assembled, it gives me a great deal of personal pleasure in my declining period of service here in the House of Representatives to be able to present to you the Honorable PHILLIP BURTON.

Mr. Speaker, PHILLIP BURTON has served in the State of California Assembly since 1956. He was recently elected by special election to fill the congressional seat vacated by our colleague, the Honorable Jack Shelley, who was elected mayor of the city of San Francisco.

Elected to represent the Fifth Congressional District of California, I am sure that all of you know the gentleman from California [Mr. BURTON] is a Democrat.

Mr. Speaker, I am most pleased and highly honored that he is here with us.

May I say to the gentleman I sincerely trust that the Members on both sides of the aisle—and I say this to my colleagues on the left side of the aisle, as well as the right—are as gracious and as courteous to you as they have been to me. They are a wonderful group and you will dearly love working with them.

COAST GUARD

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9640) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? The Chair hears none, and appoints the following conferees: Messrs. BONNER, GARMATZ, LENNON, TOLLEFSON, and GLENN.

SUBCOMMITTEE ON ADVANCED RESEARCH AND TECHNOLOGY, HOUSE COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. HECHLER. Mr. Speaker, I ask unanimous consent that the Subcommittee on Advanced Research and Technology of the House Committee on Science and Astronautics may be permitted to sit during general debate while the House is in session this afternoon.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LONGSHOREMEN REFUSE TO LOAD WHEAT FOR RUSSIA

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Speaker, there is an old line that goes something like this: "Oh what angled webs we weave, when first we practice to deceive."

It appears that our Government got itself caught in one of its own webs. The morning paper carries a story to the effect that the Secretary of Labor has returned from Miami without having had any success in getting the longshoremen to load the wheat for Russia. That could all have been avoided by calling this transaction a Government-sponsored transaction which it actually was, rather than a commercial transaction. What the Government sought to do was to avoid the Cargo Preference Act which provides at least 50 percent of Government-sponsored cargo be carried in American-flag ships.

The point I wish to make is that the newspaper carries a story to the effect that the Russians did not want to use American-flag ships because the rates were higher, as though the Russians were going to pay the freight rates. The fact is, according to the testimony given in our committee, our Government is to pay the ocean freight rate to the tune of 14½ cents per bushel.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. TOLLEFSON. I am glad to yield.

Mr. MILLER of California. In all of the discussion they are trying to make a case that this is something which is arbitrary. The law provides that now.

Mr. TOLLEFSON. That is correct.

Mr. MILLER of California. That the grain must be shipped, 50 percent, in American bottoms. That law has been on the statute books more than 12 years.

Mr. TOLLEFSON. That is correct. I thank the gentleman.

THE PRESERVATION OF FREEDOM

Mr. GURNEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GURNEY. Mr. Speaker, the other day I received a letter from a young constituent, Tony Poteet, in Titusville, Fla., which I would like to share with the House.

My young friend writes:

> I am interested in the things going on around me, and I am also concerned. I often wonder what will happen to this country someday, wondering if it will be under Communist rule or if it will be able to preserve its freedom. This problem really bothers me, sir, and I would be grateful if you would help me settle my problem.

I reacted to this letter as any of you would. It really touched me that a boy of 14 is so worried about his country's future he would sit down and write his Congressman.

But then the next reaction was, what has created this fear that the United States might lose this ideological battle with communism?

The only conclusion I could come to is, from where this young man stands, communism seems to be winning.

Where is the pride and confidence which has historically provided the strength to keep America free?

It is certainly not between the lines of this letter.

And this is not the isolated concern of one student from Titusville, Fla.

His words are occurring with great frequency in the voice of the next generation.

His fears are a challenge to our leaders in this cold-war struggle.

His concern is a warning to all of us who smugly take our freedom for granted.

This 14-year-old boy is concerned, and if we do not start acting like we are in this battle to win, his concern will slowly erode to complacency and cynicism.

In answering this young man's letter I expressed confidence that we would preserve our freedom as long as we realize it could be lost.

I told this boy how firmly I believe America will continue to be the land of the free, but only so long as it also remains the home of the brave.

ZANZIBAR

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, with our usual alacrity, I notice, we have recognized Zanzibar. I do not know whether it is a republic or a dictatorship. I imagine no one else knows.

I should like to read something about Zanzibar, so that the Members of the House can get an idea as to how that country is run. This is quite interesting.

> Ex-Mau Mau John Okello, "field marshal" of the first stage of the Communist coup, is a man who likes to keep his desk top clear. Five minutes after former Education Minister Shaikh Muhsin surrendered to the new government on January 14, Okello announced he would be hanged forthwith along with assorted colleagues. "I must do the job quickly," he explained, "so that stability returns to the island." Later the same day he strung up former Finance Minister Shakh Juma Aley and Assistant Minister Rashidi Hamadi Othman (along with a thousand or two nonministers). He then broadcast an order for another former minister, Ilek Salim, to report at once to the police for hanging. Otherwise, Okello promised, he would soak Salim in gasoline and put a match to him. "Everything is going splendidly," revolutionary President Karume observed to an interviewer that afternoon. "The entire country is delighted with the revolution."

I presume we consider this a country of great freedom-loving people.

WHEAT SALE TO RUSSIA

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I will say to my friend from the State of Washington [Mr. TOLLEFSON] that, of course, we should never have gotten into this bind over the sale of wheat to Russia if there had not been some arm twisters in the administration who could change 65 votes in the House by some means or other. I do not know how it was accomplished, but if Members of the House had stood by their original votes we would not have this situation at all. The sale of wheat to Russia ought to have been defeated and the gentleman from Washington and the gentleman from Iowa voted to stop it, as did a majority of the Members of the House when the first vote was taken.

We are also learning in the Committee on Foreign Affairs that foreign governments are using our sale of wheat to Russia as the basis for telling us to go jump in the lake when we ask them to stop doing business with Cuba. So this Government is now caught in a trap of its own making. We never should have been in this Communist wheat deal if 65 votes had not been changed in the House of Representatives by administration arm twisting.

CALL OF THE HOUSE

Mr. HALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 40]

Abbitt
Anderson
Ashbrook
Ashmore
Avery
Bass
Battin
Becker
Blatnik
Boggs
Bolling
Bolton, Oliver P.
Brademas
Broomfield
Brown, Calif.
Brown, Ohio
Bruce
Buckley
Burleson
Burton, Utah
Cahill
Carey
Celler
Chelf
Clausen, Don H.
Collier
Corbett
Daddario
Daniels
Davis, Tenn.
Diggs
Dingell
Dowdy
Dulski
Edmondson
Elliott
Evins
Fallon
Farbstein
Fisher
Flynt
Fogarty
Forrester
Giaimo
Glenn
Grabowski
Grant
Gray
Grover
Gubser
Halleck
Hanna
Harsha
Hemphill
Hoffman
Jennings
Jones, Ala.
Kee
Kelly
Keogh
Kornegay
Kunkel
Lankford
Leggett
Lesinski
Long, Md.
Mailliard
Martin, Calif.
Matthews
Meader
Miller, N.Y.
Monagan
Montoya
Morris
Nix
Norblad
O'Brien, Ill.
O'Konski
Pepper
Poage
Pucinski
Quie
Rains
Reid, N.Y.
Rhodes, Ariz.
Roberts, Ala.
Roosevelt
Rosenthal
Rostenkowski
Roybal
St. Onge
Senner
Sibal
Smith, Iowa
Staebler
Steed
Taft
Teague, Tex.
Thompson, N.J.
Vanik
Watson
Whalley
Wilson, Charles H.

The SPEAKER. On this rollcall 327 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DISTRICT OF COLUMBIA DAY

The SPEAKER. This is District of Columbia day. The Chair recognizes the gentleman from Mississippi [Mr. ABERNETHY].

REGULATION OF BUSINESS OF SELLING SECURITIES

Mr. ABERNETHY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 9419) to provide for the regulation of the business of selling securities in the District of Columbia and for the licensing of persons engaged therein, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "District of Columbia Securities Act".

DEFINITIONS

SEC. 2. When used in this Act, unless the context otherwise requires—

(a) "Agent" means any individual other than a broker-dealer who represents a broker-dealer or issuer in effecting or attempting to effect purchases or sales of securities. "Agent" does not include any individual who represents an issuer in (1) effecting transactions in an exempt security, (2) effecting exempt transactions, or (3) effecting transactions with existing employees, partners, or directors of the issuer if no commission or other remuneration is paid or given directly or indirectly for soliciting any person in the District. A partner, officer, or director of a broker-dealer or issuer, or a person occupying similar status or performing similar functions, is an agent only if he otherwise comes within this definition.

(b) "Broker-dealer" means any person engaged in the business of effecting transactions in securities for the account of others or for his own account. "Broker-dealer" does not include (1) an agent, (2) an issuer, (3) a bank, savings institution, or trust company, or (4) a person who has no place of business in the District if (A) he effects transactions in the District exclusively with or through (i) the issuers of the securities involved in the transactions, (ii) other broker-dealers, or (iii) banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees, or (B) during any period of twelve consecutive months he does not direct more than fifteen offers to sell or buy into the District in any manner to persons other than those specified in clause (A), whether or not the offeror or any of the offerees is then present in the District.

(c) "Commission" means the Public Service Commission of the District of Columbia as so designated by section 21 of this Act.

(d) "District" means the District of Columbia, either as a territorial area as defined in the first section of the Act of June 22, 1874, entitled "An Act to revise and consolidate the statutes of the United States, general and permanent in their nature, relating to the District of Columbia, in force on the first day of December, in the year of our Lord one thousand eight hundred and seventy-three" (D.C. Code, sec. 1-101), or as the government and municipal corporation of that name as created by section 2 of such Act (D.C. Code, sec. 1-102), depending on the context.

(e) For the purpose of subsection (a) of this section "exempt security" means—

(1) any security (including a revenue obligation) issued or guaranteed by the United States, any State, any political subdivision of a State, the District, or any agency or corporate or other instrumentality of one or more of the foregoing; or any certificate of deposit for any of the foregoing;

(2) any security issued or guaranteed by Canada, any Canadian Province, any political subdivision of any such Province, any agency or corporate or other instrumentality of one or more of the foregoing, or any other foreign government with which the United States currently maintains diplomatic relations, if the security is recognized as a valid obligation by the issuer or guarantor;

(3) any security issued by and representing an interest in or a debt of, or guaranteed by, any bank organized under the laws of the United States, or any bank, savings institution, or trust company organized and supervised under the laws of any State;

(4) any commercial paper which arises out of a current transaction or the proceeds of which have been or are to be used for current transactions, and which evidences an obligation to pay cash within nine months of the date of issuance, exclusive of days of grace, or any renewal of such paper which is likewise limited, or any guarantee of such paper or of any such renewal; or

(5) any investment contract issued in connection with an employees' stock purchase, savings, pension, profit-sharing, or similar benefit plan.

(f) For the purpose of subsection (a) of this section "exempt transaction" means—

(1) any transaction between the issuer or other person on whose behalf the offering is made and an underwriter, or any transaction among underwriters;

(2) any transaction in a bond or other evidence of indebtedness secured by a real or chattel mortgage or deed of trust, or by an agreement for the sale of real estate or chattels, if the entire mortgage, deed of trust, or agreement, together with all the bonds or other evidences of indebtedness secured thereby, is offered and sold as a unit;

(3) any transaction by a receiver or trustee in bankruptcy;

(4) any offer or sale to a bank, savings institution, trust company, insurance company, investment company, as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity;

(5) any transaction pursuant to an offer directed by the offeror to not more than twenty-five persons in the District during any period of twelve consecutive months, whether or not the offeror or any of the offerees is then present in the District, if the seller reasonably believes that all the buyers in the District are purchasing for investment;

(6) any offer or sale of a preorganization certificate or subscription if (A) no commission or other remuneration is paid or given directly or indirectly for soliciting any prospective subscriber, and (B) the number of subscribers does not exceed twenty-five, and (C) no payment is made by any subscriber;

(7) any transaction pursuant to an offer to existing security holders of the issuer, including persons who at the time of the transaction are holders of convertible securities, nontransferable warrants, or transferable warrants, exercisable within not more than ninety days of their issuance, if (A) no commission or other remuneration (other than a standby commission) is paid or given directly or indirectly for soliciting any security holder in the District, or (B) the issuer first files a notice specifying the terms of the offer and the Commission does not by order disallow the exemption within the next five full business days; or

(8) any transaction effected with existing employees, partners, or directors of the issuer if no commission or other remuneration is paid or given, directly or indirectly, for soliciting any person in the District.

(g) "Fraud", "deceit", and "defraud" shall not be limited to common law deceit.

(h) "Guaranteed" means guaranteed as to payment of principal, interest, or dividends.

(i) "Issuer" means any person who issues or proposes to issue any security, except that—

(1) with respect to certificates of deposit, voting-trust certificates, or collateral-trust certificates, or with respect to certificates of interest or shares in an unincorporated investment trust not having a board of directors or persons performing similar functions, or of the fixed, restricted management, or unit type, the term "issuer" means the person or persons performing the acts and assuming the duties of depositor or manager pursuant to the provisions of the trust or other agreement or instrument under which the security is issued; and

(2) with respect to certificates of interest or participation in oil, gas, or mining titles or leases or in payments out of production under such titles or leases, there is not considered to be any "issuer".

(j) "Person" means an individual, a corporation, a partnership, an association, joint-stock company, a trust where the interests of the beneficiaries are evidenced by a security, an unincorporated organization, a government, or a political subdivision of a government.

(k) (1) "Sale" or "sell" includes every contract of sale of, contract to sell, or disposition of, a security or interest in a security for value.

(2) "Offer" or "offer to sell" includes every attempt or offer to dispose of, or solicitation of any offer to buy, a security or interest in a security for value.

(3) Any security given or delivered with, or as a bonus on account of, any purchase of securities or any other thing is considered to constitute part of the subject of the purchase and to have been offered and sold for value.

(4) A purported gift of assessable stock is considered to involve an offer and sale.

(5) Every sale or offer of a warrant or right to purchase or subscribe to another security of the same or another issuer, as well as every sale or offer of a security which gives the holder a present or future right or privilege to convert into another security of the same or another issuer, is considered to include an offer of the other security.

(6) The terms defined in this subsection do not include (A) any bona fide pledge or loan; (B) any stock dividend, whether the corporation distributing the dividend is the issuer of the stock or not, if nothing of value is given by stockholders for the dividend other than the surrender of a right to a cash or property dividend when each stockholder may elect to take the dividend in cash or property or in stock; (C) any act incident to a class vote by stockholders, pursuant to the certificate of incorporation or the applicable corporation statute, on a merger, consolidation, reclassification of securities, or sale of corporate assets in consideration of the issuance of securities of another corporation; or (D) any act incident to a judicially approved reorganization in which a security is issued in exchange for one or more outstanding securities, claims, or property interests, or partly in such exchange and partly for cash.

(l) "Security" means any note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit-sharing agreement; collateral-trust certificate; preorganization certificate or subscription; transferable share; investment contract; voting-trust certificate; certificate of deposit for a security; certificate of interest or participation in an oil, gas, or mining title or lease or in payments out of production under such a title or lease; any contract issued by an insurance company pursuant to section 41 of chapter III of the Life Insurance Act (D.C. Code, sec. 35–541); or, in general, any interest or instrument commonly known as a "security", or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. "Security" does not include any insurance or endowment policy or annuity contract under which an insurance company promises to pay a fixed sum of money either in a lump sum or periodically for life or some other specified period.

(m) "State" means any State, territory, or possession of the United States, and the Commonwealth of Puerto Rico, but not the District of Columbia.

FRAUD

SEC. 3. It shall be unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly—

(a) to employ any device, scheme, or artifice to defraud;

(b) to make any untrue statement of a material fact, or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances in which they are made, not misleading; or

(c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

LICENSE REQUIREMENT

SEC. 4. (a) It shall be unlawful for any person to transact business in the District as a broker-dealer or agent unless he is effectively licensed under this Act.

(b) It shall be unlawful for any broker-dealer or issuer to employ an agent unless the agent is effectively licensed under this Act. The license of an agent shall not be effective during any period when he is not associated with a particular broker-dealer or a particular issuer. When an agent begins or terminates a connection with a broker-dealer or issuer, or begins or terminates those activities which make him an agent, the agent as well as the broker-dealer or issuer shall promptly notify the Commission.

(c) Every license and renewal license shall expire one year from its effective date, but in any case in which timely and sufficient application for a renewal license has been made in accordance with section 5(a) no license shall expire until final action of the Commission upon such pending application. The Commission may by rule or order fix a schedule for the first renewal of licenses so that subsequent renewals may be staggered over the one-year period. For this purpose the Commission shall reduce the license fee proportionately for any initial license which may expire before one year from its effective date.

LICENSE PROCEDURE

SEC. 5. (a) A broker-dealer or agent may obtain an initial license by filing with the Commission an application executed by all partners, directors, and officers of the applicant personally engaged in the securities business in the District, together with a consent to service of process pursuant to section 15(f) of this Act. The application for each broker-dealer applicant shall contain the following information, and for each partner, officer, or director, each person occupying a similar status or performing similar functions and each person directly or indirectly controlling such broker-dealer the information prescribed in subdivisions (3), (4), (5) and (7); and the application for each agent shall contain the information specified in subdivisions (3), (4), (5) and (7):

(1) the applicant's form and place of organization;

(2) the applicant's proposed method of doing business;

(3) the qualifications and business history of the applicant;

(4) each injunction or administrative order or conviction of a misdemeanor involving a security or any aspect of the securities business and any conviction of a felony;

(5) each disciplinary action by a securities exchange or securities association within the ten years preceding the date of application;

(6) the applicant's financial condition and history; and

(7) such other matters as the Commission may by rule prescribe as being necessary or appropriate in the public interest or for the protection of investors.

The Commission may by rule or order require an applicant for an initial license to publish an announcement of the application in one or more specified newspapers published in the District. If no denial order is in effect and no proceeding is pending under section 10, a license shall become effective at noon of the thirtieth day after any application is filed. The Commission may by rule or order specify an earlier effective date, and it may by order defer the effective date until noon of the thirtieth day after the filing of any amendment to an application. A license of a broker-dealer shall be deemed to constitute a license of any agent who is a partner, officer, or director, or a person occupying a similar status or performing similar functions.

(b) An applicant for an initial or renewal license shall pay a filing fee. The filing fee for an initial or a renewal license shall, except for agents, be fixed by the Commission but shall not exceed $125 for a broker-dealer, plus an amount not exceeding $12.50 for each partner, officer, and director, and each person occupying a similar status or performing similar functions, who transacts business in the District. The filing fee for each renewal license for an agent shall be $5.

(c) A licensed broker-dealer may file an application for a license of a successor, whether or not the successor is then in existence, for the unexpired portion of the period during which the license of such broker-dealer is effective. There shall be no filing fee.

(d) Each broker-dealer licensed in the District shall have and maintain a minimum net capital of $25,000, except that the Commission may, by rule, fix a minimum net capital in lesser amounts, but in no case less than $5,000 net capital, for a broker-dealer with a limited license which authorizes such broker-dealer to engage only in transactions in securities registered under the Investment Company Act of 1940. The Commission may by rule prescribe a ratio between net capital and aggregate indebtedness.

(e) The Commission may by rule require a licensed broker-dealer or the agent of an issuer to post a surety bond issued by a corporate surety company licensed to do business in the District of Columbia in such amounts up to $25,000 and on such conditions as the Commission may determine to be necessary or appropriate in the public interest or for the protection of investors, the surety bond of a licensed broker-dealer to cover such broker-dealer and all licensed agents thereof in the District of Columbia. Every bond shall provide for suit thereon by any person who may have a cause of action arising under section 14 of this Act, and, if the Commission by rule or order requires, by any person who may have a cause of action not arising under this Act. Every bond shall provide that no suit may be maintained to enforce any liability on the bond unless brought within two years after the sale or other act upon which such liability is based.

(f) The license of a broker-dealer or agent may be renewed by filing with the Commission prior to the expiration thereof an application containing such information as the Commission may require to indicate any material change in the information contained in the original application or any renewal thereof, payment of the prescribed fee and, in the case of a broker-dealer, a financial statement showing the financial condition of such broker-dealer as of a date within one year prior to the date of such application for renewal.

UNLAWFUL REPRESENTATION CONCERNING LICENSING

SEC. 6. (a) Neither the fact that an application for a license has been filed nor the fact that a person is effectively licensed shall constitute a finding by the Commission that any document filed under this Act, or that any statement made therein, is true, complete, and not misleading. Neither any such fact nor the fact that an exemption is available for any person, security or transaction shall mean that the Commission has passed in any way upon the merits or qualifications of, or recommended or given approval to, any person, security, or transaction.

(b) It shall be unlawful for any broker-dealer or agent to make, or cause to be made, to any prospective purchaser, customer, or client any representation inconsistent with subsection (a).

RECORDS AND REPORTS

SEC. 7. (a) Every licensed broker-dealer and agent shall make, keep, and preserve for such periods, such accounts, correspondence, memorandums, papers, books, and other records, and make such reports, as the Commission by rule shall prescribe as necessary or appropriate in the public interest or for the protection of investors.

(b) All the records and reports referred to in subsection (a) shall be subject at any time or from time to time to such reasonable periodic, special, or other examinations by the Commission, within or without the District, as the Commission may deem necessary or appropriate in the public interest or for the protection of investors. For the purpose of avoiding unnecessary duplication of examinations, the Commission, insofar as it may deem it practicable in administering this subsection, may cooperate with the securities administrator of any State, the Securities and Exchange Commission, and any national securities exchange or national securities association registered under the Securities Exchange Act of 1934.

FILING OF SALES AND ADVERTISING LITERATURE

SEC. 8. The Commission may by order require any specific broker-dealer or agent to file with the Commission any prospectus, pamphlet, circular, form letter, advertisement, or other sales literature or advertising communication addressed or intended for distribution to prospective investors, except sales and advertising literature describing an exempt security as defined in section 2(e) or used in an exempt transaction as defined in section 2(f).

MISLEADING FILINGS

SEC. 9. It shall be unlawful for any person to make or cause to be made, in any document filed with the Commission or in any proceeding under this Act, any statement which is, at the time and in the light of the circumstances in which it is made, false or misleading in any material respect.

DENIAL, REVOCATION, SUSPENSION, CANCELLATION, AND WITHDRAWAL OF LICENSES

SEC. 10. (a) The Commission may by order deny, suspend, or revoke any license if it finds that the order is in the public interest and that the applicant or licensee or, in the case of a broker-dealer, any partner, officer, or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer—

(1) has filed an application for a license which as of its effective date, or as of any date after filing in the case of an order denying effectiveness, was incomplete in any material respect or contained any statement which was, in light of the circumstances under which it was made, false or misleading with respect to any material fact;

(2) has willfully violated or willfully failed to comply with any provision of this Act or any rule or order under this Act, or has violated or failed to comply with the minimum capital requirement of section 5(d) or any ratio rule prescribed thereunder;

(3) has been convicted, within the past ten years, of any misdemeanor involving a fiduciary relationship or a security or any aspect of the securities business, or of any felony, or has been acquitted of any such offense within the same period solely on the ground that he was insane at the time of its commission;

(4) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the securities business;

(5) is the subject of an order of the Commission denying, suspending, or revoking a license as a broker-dealer or agent;

(6) is the subject of an order entered within the past five years by the securities administrator of any State or by the Securities and Exchange Commission denying or revoking a license or registration as a broker-dealer or agent, or the substantial equivalent of those terms as defined in this Act, or is the subject of an order of the Securities and Exchange Commission suspending or expelling him from a national securities exchange or national securities association, or is the subject of a United States Post Office fraud order; but (i) the Commission may not institute a revocation or suspension proceeding under clause (6) more than two years from the date of the order or action relied on, and (ii) it may not enter an order under clause (6) on the basis of an order under a State act unless that order was based on facts which would currently constitute a ground for an order under this section;

(7) has engaged in dishonest or unethical practices in the securities business or while acting in any fiduciary capacity;

(8) is insolvent, either in the sense that his liabilities exceed his assets or in the sense that he cannot meet his obligations as they mature; but the Commission may not enter an order against a broker-dealer under this clause without a finding of insolvency as to the broker-dealer; or

(9) is not qualified on the basis of such factors as training, experience, and knowledge of the securities business, except as otherwise provided in subsection (b).

The Commission may by order deny, suspend, or revoke any license if it finds that the order is in the public interest and that the applicant or licensee—

(10) has failed reasonably to supervise his agents if he is a broker-dealer; or

(11) has failed to pay the proper filing fee; but the Commission may enter only a denial order under this clause, and it shall vacate any such order when the deficiency has been corrected.

The Commission may not institute a suspension or revocation proceeding solely on the basis of a fact or transaction known to it when the license became effective unless the proceeding is instituted within the next thirty days.

(b) The following provisions shall govern the application of section 10(a)(9):

(1) The Commission may not enter an order against a broker-dealer on the basis of the lack of qualification of any person other than (A) the broker-dealer himself if he is an individual or (B) an agent of the broker-dealer.

(2) The Commission may not enter an order solely on the basis of lack of experience if the applicant or licensee is qualified by training or knowledge or both.

(3) The Commission shall consider that an agent who will work under the supervision of a licensed broker-dealer need not have the same qualifications as a broker-dealer.

(4) The Commission shall by rule provide for an examination, which may be written or oral or both, to be taken by any class of, or all, applicants.

(c) The Commission may by order summarily postpone issuance of a license or suspend an effective license pending determination of any proceeding under this section. Upon the entry of the order, the Commission shall promptly notify the applicant or licensee, as well as the employer or prospective employer if the applicant or licensee is an agent, that it has been entered and of the reasons therefor and that within fifteen days after the receipt of a written request the matter will be set down for hearing. If no hearing is requested and none is ordered by the Commission, the order will remain in effect until it is modified or vacated by the Commission. If hearing is requested or ordered, the Commission, after notice of and opportunity for hearing, may modify or vacate the order or extend it until final determination.

(d) If the Commission finds that any licensee or applicant for a license is no longer in existence, or has ceased to do business as a broker-dealer or agent, or has been adjudicated to be of unsound mind or is subject to the control of a committee, conservator, or guardian, or cannot be located after reasonable search, the Commission may by order cancel the license or application.

(e) Withdrawal of a license of a broker-dealer or agent shall become effective thirty days after receipt of an application to withdraw or within such shorter period of time as the Commission may determine, unless a revocation or suspension proceeding is pending when the application is filed or a proceeding to revoke or suspend or to impose conditions upon the withdrawal is instituted within thirty days after the application is filed. If a proceeding is pending or instituted, withdrawal shall become effective at such time and upon such conditions as the Commission shall by order determine. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the Commission may nevertheless institute a revocation or suspension proceeding under section 10(a)(2) within one year after withdrawal became effective and enter a revocation or suspension order as of the last date on which the license was effective.

(f) No order may be entered under any part of this section except the first sentence of subsection (c) without (1) appropriate prior notice to the applicant or licensee (as well as the employer or prospective employer if the applicant or licensee is an agent), (2) opportunity for hearing, and (3) findings and conclusions, as well as the reasons or basis therefor, upon all the material issues of fact, law, or discretion presented on the record.

INVESTIGATIONS AND SUBPENAS

SEC. 11. (a) The Commission in its discretion (1) may make such public or private investigations within or without the District as it deems necessary to determine whether any person has violated or is about to violate any provision of this Act or any rule or order hereunder, or to aid in the enforcement of this Act or in the prescribing of rules and forms hereunder, (2) may require or permit any person to file a statement in writing, under oath or otherwise as the Commission may determine, as to all the facts and circumstances concerning the matter to be investigated, and (3) may publish information concerning any violation of this Act or any rule or order hereunder, except that no public statement, notice, or release concerning any investigation, proceeding, or order under this Act which is not a finding of a hearing examiner or of a Commissioner or a final determination of the Commission shall allege a violation of this Act or a ground for denial, suspension, or revocation of a license, unless such statement, notice, or lease specifies that such allegations are unproved until final determination, and that the purpose of the investigation or proceeding is to determine whether the allegations are true.

(b) For the purpose of any investigation or proceeding under this Act, the Commission may administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memorandums, agreements, or other documents or records which it deems relevant or material to the inquiry.

(c) In case of contumacy by, or refusal to obey a subpena issued to any person, the United States District Court for the District of Columbia, upon application by the Commission with the approval of the United States Attorney for the District of Columbia, may issue an order compelling such person to appear before the Commission, or the officer designated by it, there to produce documentary evidence if so ordered or to give evidence touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(d) No person shall be excused from attending and testifying or from producing any document or record before the Commission, or the officer designated by it, in obedience to a court order pursuant to subsection (c), on the ground that the testimony or evidence (documentary or otherwise) required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual may be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is by such order compelled, after claiming his privilege against self-incrimination, to testify or produce evidence (documentary or otherwise), except that the individual testifying shall not be exempt from prosecution and punishment for perjury or contempt committed in testifying.

(e) Any person compelled to appear in person before the Commission or a representative thereof shall be accorded the right to be accompanied, represented, and advised by counsel.

INJUNCTIONS

SEC. 12. Whenever it shall appear to the Commission that any person has engaged or is about to engage in any act or practice constituting a violation of this Act or any rule or order hereunder, it may in its discretion bring an action in the United States District Court for the District of Columbia to enjoin the acts or practices and to enforce compliance with this Act or any rule or order hereunder. Upon a proper showing a permanent or temporary injunction, restraining order, or writ of mandamus shall be granted and a receiver or conservator may be appointed for the defendant or the defendant's assets. The court may not require the Commission to post a bond.

CRIMINAL PENALTIES

SEC. 13. (a) Any person who shall willfully violate any provision of this Act except sections 3 and 9, or who shall willfully violate section 9 knowing the representation to be false or misleading in any material respect, shall upon conviction be fined not more than $5,000 or imprisoned not more than three years, or both.

(b) Any person who shall willfully violate section 3 of this Act shall upon conviction be fined not more than $5,000 or imprisoned not more than five years, or both.

(c) Any person who shall wilfully violate any rule or order under this Act shall upon conviction be fined not more than $5,000 or imprisoned not more than one year, or both; but no person may be imprisoned for the violation of any rule or order if he proves that he had no knowledge of the rule or order.

(d) No person shall be prosecuted, tried, or punished for any offense under this Act or any rule or order hereunder unless the indictment is returned or the information is filed within five years next after such offense shall have been committed.

(e) Nothing in this Act shall be construed to limit the power of the United States or of the District of Columbia to punish any person for any conduct which constitutes an offense under any other Act of Congress applicable in the District, or under any municipal ordinance or regulation of the District, or at common law.

CIVIL LIABILITIES

SEC. 14. (a) Any person who—

(1) offers or sells a security in violation of section 4(a) or 6(b) of this Act; or

(2) offers or sells a security by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading (the purchaser not knowing of such untruth or omission), and who shall not sustain the burden of proof that he did not know, and in the exercise of reasonable care could not have known, of such untruth or omission.

shall be liable to the person purchasing such security from him, and the purchaser may bring a civil action to recover the consideration paid for the security with interest thereon and with costs and reasonable attorney fees less the amount of any income received on the security, upon the tender of the security, or for damages if he no longer owns the security. For this purpose damages shall be the amount that would be recoverable upon a tender, less the market value of the security when the buyer disposed of it and interest from the date of disposition.

(b) Any person who directly or indirectly controls a seller liable under subsection (a), any partner, officer, or director of such a seller and any person occupying a similar status or performing similar functions, any employee of such a seller who materially aids in the sale, and any broker-dealer or agent who materially aids in the sale shall also be liable jointly and severally with and to the same extent as the seller, unless the non-seller who shall be so liable sustains the burden of proof that he did not know, and in the exercise of reasonable care could not have known, of the existence of the facts by reason of which the liability is alleged to exist. There shall be contribution as in cases of contract among the several persons so liable.

(c) Any tender specified in this section may be made at any time before entry of judgment.

(d) Any liability or cause of action under this section shall survive the death of any person who, if living, would have such a liability or cause of action.

(e) No person may bring an action under this section after two years from the contract of sale. No person may bring an action under this section (1) if the buyer received a written offer, before suit and at a time when he owned the security, to refund the consideration paid for the security together with interest at 6 per centum per annum from the date of payment, less the amount of any income received on the security, and if he failed to accept that offer within thirty days of its receipt, or (2) if the buyer received such an offer before suit and at a time when he did not own the security, unless he rejected the offer in writing within thirty days of its receipt.

(f) No person who has made or engaged in the performance of any contract in violation of any provision of this Act or of any rule or order hereunder, or who has acquired any purported right under any such contract with knowledge of the facts by reason of which its making or performance was in violation, may base any suit upon the contract.

(g) Any condition, stipulation, or provision binding any person who acquires any security to waive compliance with any provision of this Act or with any rule or order under this Act shall be void.

(h) The rights and remedies provided by this Act shall be in addition to any other rights or remedies that may exist at law or in equity, but this Act shall not create any cause of action not specified in this or section 5(e).

SCOPE OF ACT AND SERVICE OF PROCESS

SEC. 15. (a) Sections 3, 4(a), 6, and 14 shall apply to persons who sell or offer to sell when (1) an offer to sell is made in the District, or (2) an offer to buy is made and accepted in the District.

(b) Sections 3, 4(a), and 6 shall apply to persons who buy or offer to buy when (1) an offer to buy is made in the District, or (2) an offer to sell is made and accepted in the District.

(c) For the purpose of this section, an offer to sell or to buy is made in the District whether or not either party is then present in the District, when the offer (1) originates from the District or (2) is directed by the offeror to the District and received at the place to which it is directed (or at any post office in the District in the case of a mailed offer).

(d) For the purpose of this section, an offer to buy or to sell is accepted in the District when acceptance (1) is communicated to the offeror in the District and (2) has not previously been communicated to the offeror orally or in writing, outside the District. Acceptance is communicated to the offeror in the District, whether or not either party is then present in the District, when the offeree directs it to the offeror in the District reasonably believing the offeror to be in the District and it is received at the place to which it is directed (or at any post office in the District in the case of a mailed acceptance).

(e) An offer to sell or to buy is not made in the District by anything appearing in (1) any bona fide newspaper or other publication of general, regular, and paid circulation, circulated by or on behalf of the publisher in the District which is not published in the District, or which is published in the District but has had more than two-thirds of its circulation outside the District during the past twelve months, or (2) any radio or television program received in the District which originates outside of the District.

(f) Any applicant for a license under this Act shall file with the Commission, in such form as it by rule may prescribe, an irrevocable consent appointing each member of the Commission or his successor in office to be his attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against him or his successor, executor, or administrator which shall arise under this Act or any rule or order hereunder after the consent has been filed, with the same force and validity as if served personally on the person filing the consent. A person who shall have filed such a consent in connection with one application or offering need not file another. Service may be made by leaving a copy of the process in the office of the Commission, but it shall not be effective unless (1) the plaintiff forthwith shall send notice of the service and a copy of the process by registered mail to the defendant or respondent at his last address on file with the Commission, and (2) the plaintiff's affidavit of compliance with this subsection shall be field in the case on or before the return day of the process, if any, or within such further time as the court may allow.

(g) When any person, including any nonresident of the District, shall engage in conduct prohibited or made actionable by this Act or any rule or order under this Act and he shall not have filed a consent to service of process under subsection (f) and personal jurisdiction over him cannot otherwise be obtained in the District, that conduct shall be considered equivalent to his appointment of each member of the Commission, or his successor in office, to be his attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against him or his successor, executor, or administrator which shall arise from that conduct and which shall be brought under this Act or any rule or order under this Act, with the same force and validity as if served on him personally. Service may be made by leaving a copy of the process in the office of the Commission, but it shall not be effective unless (1) the plaintiff forthwith shall send notice of the service and a copy of the process by registered mail to the defendant or respondent at his last known address or shall take other steps reasonably calculated to give actual notice, and (2) the plaintiff's affidavit of compliance with this subsection shall be filed in the case on or before the return day of the process, if any, or within such further time as the court may allow.

(h) For the purposes of subsections (f) and (g) of this section, the term "plaintiff" includes the Commission in any suit, action, or proceeding initiated by it.

(i) After service of process under this section, the court, or the Commission in a proceeding before it, shall order such continuance as may be necessary to afford the defendant or respondent reasonable opportunity to defend.

ADMINISTRATION OF ACT

SEC. 16. (a) This Act shall be administered by the Public Service Commission of the District of Columbia. The Commission is hereby authorized to establish such offices and with such names or titles, and to appoint and employ such officers and employees and prescribe their duties, as may be necessary to carry out the provisions of this Act, and such positions shall be subject to the Classification Act of 1949.

(b) All collections, including fees, received pursuant to this Act shall be deposited in the Treasury of the United States in a trust fund from which may be paid, in the same manner as provided by law for other expenditures of the District, the expenses, as authorized by the Commission, of hearings held pursuant to this Act, including stenographic and reporting services (by contract or otherwise) and rental or purchase of equipment. Whenever the amount of such trust fund exceeds $5,000, the excess shall be transferred to the funds deposited in the Treasury to the credit of the District of Columbia.

(c) Appropriations to carry out the purposes of this Act are hereby authorized.

(d) A majority of the members of the Commission shall constitute a quorum to do business, and any vacancy shall not impair the power of the remaining members to exercise all the powers of the Commission. In the case of any application, investigation, inquiry, hearing, or proceeding under this Act, the Commission may designate one of its members or a hearing examiner to examine documents, hear testimony, and submit to the Commission the record of testimony and such documents with his proposed findings and conclusions of fact and law.

(e) The Commission is hereby authorized to make, amend, and rescind such rules, orders, and forms, as may be necessary to carry out the provisions of this Act, including, but not limited to, rules, orders, and forms governing applications and amendments thereto, investigations, inquiries, hearings, and proceedings, and including by rule definitions of any terms, whether or not used in this Act, insofar as the definitions are not inconsistent with the provisions of this Act. For the purpose of rules and forms, the Commission may classify persons and matters within its jurisdiction and may prescribe different requirements for different classes.

(f) No rule, form, or order may be made, amended, or rescinded, unless the Commission finds that the action is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of this Act. In prescribing rules and forms the Commission may cooperate with the securities administrator of any State and the Securities and Exchange Commission with a view to effectuating the policy of this Act to achieve maximum uniformity in the form and content of license applications, records, and reports, and other documents wherever practicable.

(g) The Commission may by rule or order prescribe (1) the form and content of statements, records, reports, and other documents required under this Act or rules or orders thereunder, (2) the circumstances under which such statements, records, reports, or other documents shall be filed with the Commission, and (3) whether any required statements, records, reports, or other documents shall be certified by independent or certified public accountants.

(h) All rules and forms of the Commission made under this Act shall be published.

(i) No provision of this Act imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, form, or order of the Commission, notwithstanding that the rule, form, or order may later be amended or rescinded or be determined by judicial or other authority to be invalid for any reason.

(j) A document shall be deemed to be filed or submitted to the Commission when it is received by it during regular business hours.

(k) The Commission shall keep a register of all license applications which are or have ever been effective under this Act, and all denial, suspension, postponement, or revocation orders entered under this Act. Such register shall be open for public inspection during regular business hours.

(l) License applications and materials submitted therewith or in connection therewith may be made available to the public under such rules as the Commission may prescribe. Such rules may include, but shall not be limited to, rules prescribing reasonable fees for furnishing photostatic or other copies upon request. The Commission may certify under seal such copy or copies of any document available to the public or any entry in the register, and any copy so certified shall be admitted as evidence with the same effect as the exemplifications of record referred to in section 1070 of the Act of March 3, 1901 (D.C. Code, sec. 14–401).

(m) The Commission may refer evidence concerning violations of this Act or of any rule or order under this Act to the United States Attorney for the District of Columbia who may, with or without such reference, institute criminal proceedings under this Act. The Commission shall comply with any request of the Attorney General of the United States, the Postmaster General of the United States, the Securities and Exchange Commission, or the United States Attorney for the District of Columbia for any information or evidence coming to it in the administration of the Act. The Commission in its discretion may refer any information or evidence coming to it in the administration of this Act to any department or agency of the United States, to the securities administrator of any State, or to any national securities exchange or national securities association registered under the Securities Exchange Act of 1934.

(n) Any hearing held by the Commission pursuant to ths Act shall be public unless the Commission in its discretion and with the consent of all the parties to such hearing order that the hearing be conducted privately.

JUDICIAL REVIEW

Sec. 17. Subsection (e) of section 7 of the Act of April 1, 1942, entitled "An Act to consolidate the Police Court of the District of Columbia and the Municipal Court of the District of Columbia, to be known as 'the Municipal Court for the District of Columbia', to create 'the Municipal Court of Appeals for the District of Columbia', and for other purposes" (D.C. Code, sec. 11–772), is amended by adding at the end thereof the following new paragraph:

"(10) Any final order of the Public Service Commission of the District of Columbia under the provisions of the District of Columbia Securities Act."

ADVISORY COMMITTEE

Sec. 18. The President of the Board of Commissioners of the District of Columbia shall appoint a District of Columbia Securities Advisory Committee which shall consist of six members, who shall be residents of the District of Columbia or the State of Maryland or the State of Virginia, at least two of whom shall be actively engaged in the securities business and at least two of whom shall be members of the bar of the District of Columbia. The members shall be selected on the basis of their experience and qualifications to advise the Public Service Commission on all phases of the securities business. The members shall be appointed for staggered terms of three years each, with two members appointed each year, to serve without compensation and eligible for reappointment for additional terms, provided that not more than two of the terms are in succession. The duration of the terms of the first members appointed hereunder shall be designated by the President of the Board of Commissioners at the time of their appointment. The members of the Advisory Committee shall select their own chairman. Meetings of the Advisory Committee shall be held when called by the Chairman of the Public Service Commission and may be attended by members of the said Commission. The Advisory Committee shall give the Public Service Commission the benefit of its advice on any and all matters pertaining to the administration of this Act, particularly the adoption, amendment or repeal of rules, regulations, and forms provided for herein.

SEVERABILITY

Sec. 19. If any provision of this Act or the application thereof to any person or circumstance shall be held invalid, the invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to that end the provisions of this Act are severable.

EFFECTIVE DATE

Sec. 20. (a) Sections 3, 13(b), 13(d), 16, and 21 of this Act, together with definitions of terms used therein, shall take effect upon approval of this Act.

(b) The remaining provisions of this Act shall take effect at 12:01 antemeridian on the one hundred and eightieth day after approval of this Act, or, if the one hundred and eightieth day be a holiday in the District, at 12:01 antemeridian on the first business day thereafter.

Sec. 21. The Public Utilities Commission of the District of Columbia, established by paragraph 97 of section 8 of the Act of March 4, 1913, entitled "An Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and fourteen, and for other purposes" (D.C. Code, sec. 43–201) hereafter shall be known as the "Public Service Commission of the District of Columbia". Wherever reference is made to the Public Utilities Commission of the District of Columbia in any Act of Congress, or in any compact authorized by an Act of Congress, or in any regulation or order, such reference shall be held to be a reference to the Public Service Commission of the District of Columbia.

Sec. 22. (a) The first sentence of section 26 of title II of the Life Insurance Act (D.C. Code, sec. 35–425) is amended by inserting "other than variable contracts described in section 41 of chapter III of this Act" immediately after "applications for insurance".

(b) The first sentence of section 29 of such title (D.C. Code, sec. 35–428) is amended by inserting ", other than as a broker dealing solely in variable contracts described in section 41 of title III of this Act," immediately after "life insurance broker".

(c) Except as otherwise provided by the amendments made by this section, nothing in this Act shall be construed to exempt any person or company from any requirements of law relating to insurance companies, agents, brokers, or solicitors.

With the following committee amendments:

Page 38, strike out lines 19 and 20, and insert in lieu thereof the following: "amended (1) by striking out the word 'and' at the end of paragraph 8, (2) by striking out the period at the end of paragraph 9 and inserting in lieu thereof '; and', and (3) by adding at the end thereof the following new paragraph."

Page 41, line 11 strike out "25" and insert in lieu thereof "26".

The committee amendments were agreed to.

Mr. ABERNETHY. Mr. Speaker, I move to strike the last word.

Mr. Speaker and Members of the House, this is a longtime needed piece of legislation for the District of Columbia. It provides for the regulation of the business of selling securities in the District of Columbia and for the licensing of individuals engaged in such business. There is now no provision for the licensing of this type of operation, with the result that there has been a considerable quantity of fraud practiced upon the citizens of the District of Columbia.

The bill provides that the licensing and regulation shall be handled by the Public Utilities Commission, the name of which has been changed to the Public Service Commission.

The author of the bill is our colleague, the gentleman from Illinois [Mr. Springer]. He has done a fine job in bringing the legislation to the attention of the committee and the House. I wish to commend him for his effort.

PURPOSE OF THE BILL

As I have said, Mr. Speaker, the purpose of this bill is to provide for the licensing and regulation of securities dealers in the District of Columbia. Unlike all of the States of the Union, excepting only the State of Delaware, the District of Columbia has no local securities laws similar to the so-called blue-sky laws which regulate security sales Although the District of Columbia is a Federal jurisdiction, the existing Federal securities acts apply to the District of Columbia only to the extent and in the same manner as these acts apply to the various States. The legislative history of the Federal securities statutes makes clear that their purpose and intent is not that of being legal tools for local regulation of agents, dealers, and brokers dealing with the local public. While the Federal acts have been actively enforced in the District of Columbia, the local citizens have been without the usual protections which would normally be supplied by a local blue-sky law. The limited application of the Federal acts to local problems was observed by the Honorable William L. Cary, Chairman of the Securities and Exchange Commission, who stated:

> Under the Federal acts, the Commission's power is largely punitive or remedial, not preventive. There are only limited controls over entrance into the securities business. Usually, we cannot act until violations have taken place and investors have suffered—until fraud has been committed, or the firm's net capital depleted beyond the limit allowed by law. (Statement to House Interstate and Foreign Commerce Committee, Subcommittee on Commerce and Finance, May 21, 1962.)

HISTORY OF THE LEGISLATION

The absence of any local licensing or regulatory provisions relating to the securities business in the District of Columbia has resulted in three problems: First, inexperienced persons engaged in the securities business, with a consequent increase in the rate of failures; second, the lack of licensing controls enables persons who lack financial responsibility to engage in the securities business, with consequent losses to the local public; and third, persons who cannot qualify in or have been forced out of business in other jurisdictions find the District of Columbia a convenient place to conduct their operations. As might be expected, the District of Columbia has become a trouble spot in the securities business, and the rate of failures and public losses has accelerated during the past several years.

From July 1, 1955, to June 30, 1959, the Securities and Exchange Commission brought 12 enforcement proceedings against District of Columbia broker-dealers. During the succeeding 4-year period from July 1, 1959, to June 30, 1963, the Securities and Exchange Commission brought 21 proceedings against such securities dealers in the District.

During the 5-year period ending June 30, 1963, the National Association of Securities Dealers' complaints against District of Columbia securities dealers increased 650 percent, as compared to the national average increase of 215 percent. In 1960 the association filed complaints against 25 percent of its members in the District of Columbia compared with 8 percent of its members nationwide. In 1961 the association filed complaints against 18 percent of its members in the District of Columbia, as compared to 9 percent of its members nationally. In 1961, 18 percent of the association members located in the District of Columbia failed compared with 8 percent failures nationally.

On a regional basis, the Securities and Exchange Commission, during the 4-year period from January 1960 to June 30, 1963, has brought more actions against District of Columbia securities firms than in the 5-State area of Delaware, Maryland, Pennsylvania, Virginia, and West Virginia combined—20 actions having been brought in the District of Columbia compared with 13 in the 5 States.

As the record of these actions developed it became increasingly clear that numerous persons who had been forced out of business in other jurisdictions were establishing themselves in the District of Columbia. It has been estimated that approximately 30 percent of the securities firms operating in the District of Columbia could not qualify to operate in most of the States under the local "blue sky" laws applying in those jurisdictions.

During the period 1957 through 1961, the Commission closed 67 broker-dealers in the District of Columbia. In one-third of these cases, an officer, director, or owner has been connected with a firm previously closed by the Commission. In 1 case, persons associated with a firm closed by the Commission spawned 16 new firms. Nine of these firms have failed or gone out of business voluntarily or involuntarily.

The need for legislative action is clearly apparent.

BILL DRAFTING

This bill, H.R. 9419 (and its forerunner, H.R. 4200), was drafted by a group composed of representatives of Government agencies, private bodies and associations, lawyers, securities dealers, and financial groups most closely connected with the securities business and regulation problems presented. Participating in the drafting were the U.S. attorney for the District of Columbia, the Office of the Corporation Counsel of the District of Columbia, the Securities and Exchange Commission, the District of Columbia Bar Association Committee on Securities, and the National Association of Securities Dealers, and with consultation with numerous private experts in the securities field.

The purpose of the drafting committee was to prepare legislation designed to meet the most urgent needs for regulation of the securities business in the District of Columbia. The language of H.R. 9419 was developed with reference to the Uniform Securities Act which is a model law proposed for State legislation by the National Conference of Commissioners on Uniform State Laws. The legislation recommended by the drafting committee paralleled closely the provisions of the Uniform Securities Act, with the exception that part 3 of the Uniform Act, relating to the registration of security issues, was not included in the draft. This was omitted since very few issues originate in the District of Columbia, and such other public offerings as are made in the District of Columbia would be subject to any controls in the States where the issues originated and such issues are always subject to the requirements of the Federal Securities Act of 1933 regarding disclosure statements. In consequence, the scope of the bill is directed to that part of the securities business which deals with the relationship of the seller of securities with the public. The bill will regulate the conduct of broker-dealers and agents through the creation of a licensing authority and clothing it with enforcement powers to make licensing and regulation effective in the District of Columbia. The responsibility for the administration of the act is placed in the Public Service Commission which is successor to the Public Utilities Commission as provided in the bill. The estimated annual cost of administration of the act is $24,000, of which amount about 80 percent would be derived from the fees paid by licensees.

Your committee held public hearings and received detailed testimony regarding the need for the legislation, and specific explanation of the provisions of the bill and their application to the securities business in the District of Columbia. Testimony was presented by the U.S. attorney for the District of Columbia, the Chairman of the Securities and Exchange Commission, the Director of the Division of Trading and Exchanges of the Securities and Exchange Commission, the Corporation Counsel for the District of Columbia, the Washington Board of Trade, the Investment Bankers' Association of America, the Variable Annuity Life Insurance Co. of Washington, D.C., and others.

The witnesses who appeared before your committee were essentially in agreement as to the need for regulatory legislation, although there were some differences expressed as to certain provisions of the bill. At the conclusion of the hearings, your committee directed that further effort be made to reconcile the differences, as to specific provisions, which had been presented to the committee. If agreement were not reached on any particular issue, separate reports and recommendations were to be submitted concerning the remaining conflicting viewpoints to enable the committee to be fully informed of the respective merits of the opposing views to assist in final committee decisions. As a result of this direction from the committee, reports were received which resolved all of the important remaining issues with the exception of one. The committee adopted the recommendations which compromised the differences between various parties.

VARIABLE ANNUITY CONTRACTS

The principal issue in disagreement related to the jurisdiction over agents and broker-dealers offering variable annuity contracts to the public. Within recent years, some life insurance companies began to offer to the public for the first time a type of contract known as a variable annuity contract. In the 86th Congress, Public Law 86-520 (74 Stat. 418) was enacted which authorized insurance companies in the District of Columbia to issue variable annuity contracts. The Congress recognized the difference between the standard type of life insurance policies and annuities and the variable type annuity contract. The law provided that all funds received from purchasers of variable annuity contracts must be segregated from the funds received by the issuing company from any other type of life insurance contract in order to prevent any intermingling of the respective funds. Thus, the company issuing a variable annuity contract in the District of Columbia has to establish a separate account for each variable annuity contract. This account creates for the owner of the variable annuity contract an interest in a folio of securities similar to that interest which is secured by a purchaser of mutual fund shares.

Meanwhile, issue was raised in the courts as to whether or not a variable annuity contract was a security within the definitions of the Securities Act of 1933 (48 Stat. 74) as amended, and the Investment Company Act of 1940 (54 Stat. 789) as amended, and therefore subjected the issuing insurance company to the jurisdiction of the Securities and Exchange Commission. In its decision in the case of *SEC* v. *Variable Annuity Life Insurance Company,* 359 U.S. 65 (1959), the U.S. Supreme Court held that the variable annuity contracts sold by the companies involved in the case were investments within the meaning of the Securities Act of 1933 and the Investment Company Act of 1940. In the light of the decision in that case and the provisions of the District of Columbia insurance law, your committee considered the separate recommendations presented by the U.S. District Attorney and the Office of the Corporation Counsel in determining the regulatory jurisdiction over the sale of such contracts in the District of Columbia.

In reaching its determination, your committee took into consideration the following principles of regulation: First, where persons or companies are doing business with the public and are subject to licensing and regulation, the regulatory controls should normally be (and normally are) directed to a specific service or product; second, where the same party conducts a business involving more than one service or product for which licensing is required, then the party must subject himself to the regulatory jurisdiction of each of the respective agencies responsible for enforcement of the law; third, efficient and effective enforcement of regulatory law should require responsibility by a licensee, under a statute, to only one regulatory body in connection with a particular service or product.

Your committee resolved the issue relating to variable annuity contracts by determining that under the present court decisions and law, agents or broker-dealers offering variable annuity insurance contracts to the public in the District of Columbia shall be required to secure licenses and will be subject to the provisions of this act. If the same party offers two products to the public; namely, variable annuity contracts and also standard annuity and life insurance contracts, he would be required to be licensed under both this act and the life insurance laws of the District of Columbia. Such an agent or broker-dealer would be on equal footing with the broker-dealer or agent offering to the public mutual fund shares and at the same time offering standard life insurance policies.

Inasmuch as the scope of this legislation is narrowed to apply only to the licensee selling variable annuity contracts or other securities to the public and does not include any provision giving the regulatory agency any jurisdiction over the issuer of such securities or contracts nothing in the bill limits or is intended to limit jurisdiction of the Superintendent of Insurance and the general control which that Office exercises over insurance companies as to the quality and character of insurance policies and contracts including variable annuity contracts, or the Superintendent's supervision and regulation of insurance company representatives, agents, or brokers offering other than variable annuity contracts to the public.

CONCLUSION

Your committee also considered the possible application of the definition of broker-dealer to the individual investor who engages in individual trading in securities in the course of management of his own investments or who is acting in a fiduciary capacity. It is not the intent of the committee that such a person come within the definition of a broker-dealer defined in section 2(b) of the bill. Although his transactions would be for his own account, he would not be "engaged in the business." Thus, a person who is effecting transactions for his own account but is not engaged in "business" as a trader in securities does not fall within the definition of a broker-dealer. In contrast, a person who effects transactions on his own account, to avoid the appearances of his actual "business" of trading in securities, would fall within the definition of a broker-dealer.

Your committee also gave studied consideration to the enforcement power of the Commission through the use of the summary suspension of licenses. The need for public protection in aggravated cases was recognized and also the right of licensees when engaged in a properly conducted securities business to be free from unwarranted harassment or injury. It is not the view of your committee that the suspension power be used reluctantly but rather that the power be used judiciously.

It is difficult to see how protection of investors can be guaranteed during the pendency of Commission proceedings unless there is such a summary suspension power as is provided in section 10(c) of the bill. Nevertheless, the Commission should be alert to any possibility of abuse of the summary suspension power and the possibility of injury to a securities business. Your committee assumes that the Commission would exercise the summary suspension power sparingly, invoking it where danger of injury to investors would be substantial without it. The matter is one which must depend upon the informed judgment, integrity, and care of the agency entrusted with this power, and the provisions of section 10 (c) are approved by your committee with the expectation that the Commission will so administer the act.

This bill was reported from the committee unanimously after long hearings and very careful consideration. The inspiration for the bill was provided in a series of articles prepared by a noted local newspaperwoman, Miss Miriam Ottenberg, and published in the Washington Evening Star. Miss Ottenberg, in her own inimitable manner, and most effectively, unearthed for the public to see the fraud that was being practiced upon citizens of the District because of the lack of appropriate regulating authority. We commend her for a great service to the citizens of the District.

And, Mr. Speaker, we commend this legislation to the membership of this body.

Mr. SPRINGER. Mr. Speaker, I move to strike the last word.

Mr. Speaker, every State in the Union, excepting only the State of Delaware, has what is generally known as "blue sky" laws regulating their respective securities industries.

Because of the lack of adequate law governing the District of Columbia securities business, the resulting legal vacuum has made the District a haven for unscrupulous migratory broker-dealers who have gravitated to this area where they know they can expect the least interference with their activities.

Complaints against District of Columbia securities dealers by the National Association of Securities Dealers increased 650 percent within the past 5 years, compared with 215 percent nationally. In 1960 the NASD filed complaints against 25 percent of its District members, as compared with 9 percent on a nationwide basis. In 1961 18 percent of the District members failed, compared with 8 percent nationally. Action in that year by the Securities and Exchange Commission was taken against more firms in the District than against the combined total in Maryland, Virginia, West Virginia, Delaware, and Pennsylvania.

The District of Columbia Commissioners feel that the present provisions of the code empowering them to regulate businesses are inadequate to properly police the securities business. This bill is the result.

The limited application of the Federal acts to local problems was observed by the Honorable William L. Cary, Chairman of the Securities and Exchange Commission, who stated:

> Under the Federal acts, the Commission's power is largely punitive or remedial, not preventive. There are only limited controls over entrance into the securities business. Usually, we cannot act until violations have taken place and investors suffered—until fraud has been committed, or the firm's net capital depleted beyond the limit allowed by law. (Statement to House Interstate and Foreign Commerce Committee, Subcommittee on Commerce and Finance, May 21, 1962.)

Because the District of Columbia has had no licensing or regulatory provisions relating to the securities business three problems have resulted:

First. Inexperienced persons engage in the securities business, with a consequent increase in the rate of failures; second, the lack of licensing controls enables persons who lack financial responsibility to engage in the securities business, with consequent losses to the local public; and third, persons who cannot qualify in or have been forced out of business in other jurisdictions find the District of Columbia a convenient place to conduct their operations. As might be expected, the District of Columbia has become a trouble spot in the securities business, and the rate of failures and public losses has accelerated during the past several years.

Based upon all of this, it is very apparent that legislative action is needed. This bill, H.R. 9419—and its forerunner, H.R. 4200—was drafted by a group composed of representatives of Government agencies, private bodies and associations, lawyers, securities dealers, and financial groups most closely connected with the securities business and regulation problems presented. Participating in the drafting were the U.S. attorney for the District of Columbia, the Office of the Corporation Counsel of the District of Columbia, the Securities and Exchange Commission, and the District of Columbia Bar Association Committee on Securities, and with consultation with numerous private experts in the securities field.

The bill very closely parallels the provisions of the Uniform Securities Act and provides: First, licensing requirements; second, bonding; third, minimum capitalization; fourth, proper recordkeeping; fifth, inspection of sales and advertising literature; sixth, measures against false or misleading statements or documents; seventh, measures dealing with misleading applications for licensing; eighth, procedures dealing with denial, revocation, suspension, cancellation, or withdrawal of licenses; ninth, for administration of this act by the PUC, to be renamed by this act the Public Service Commission; tenth, investigatory powers to the Commission; eleventh, authorizes appropriations to enforce the act; and, twelfth, provides for judicial review.

I want to assure my colleagues in the House that the most careful thought has been given to the drafting of this legislation and we believe that it is a model for a blue sky law in 1964.

There is no opposition to this bill—at least no opposition has appeared to testify against the bill. I have had no letters from any persons or organizations opposing the bill. I believe that anyone who has any knowledge of this situation realizes that this bill has a broad public interest and that the District of Columbia is badly in need of such a law.

Mr. Speaker, I insert at this point in the RECORD a series of articles by Miriam Ottenberg, a Pulitzer Prize winner, titled "Investors Beware." These articles cover the dates February 4, 5, 6, and 7, 1962, in the Washington Star.

(The matter referred to follows:)

[From the Washington (D.C.) Star, Feb. 4, 1962]

INVESTORS BEWARE: 1 OF 3 DISTRICT OF COLUMBIA BROKERS FOUND TO BE UNSAFE

(By Miriam Ottenberg)

More than 100 firms are dealing in stocks and bonds in Washington, but one-third of them couldn't operate in most of the States.

That means the chances are one in three that the unwary Washington investor may run into a broker-dealer who knows nothing about the business or who pays the rent with his customer's investment money or who applies high-pressure tactics to sell questionable stocks.

The present danger to Washington investors is emerging in investigations conducted by the Securities and Exchange Commission, the National Association of Securities Dealers and the Better Business Bureau.

The steadily worsening situation here in the promotion and sale of low-priced, over-the-counter securities lay behind the SEC's recent decision to send a task force of investigators into Washington on a cleanup mission.

The National Association of Securities Dealers, self-policing organization in the securities field, reports that, in its regular examinations of more than 100 investment firms here, it has recently been taking action against 1 out of 3 firms.

The better business bureau hired an ex-FBI agent to investigate Washington securities firms. On the basis of his findings of shoddy and unethical practices, the bureau called on the SEC and the dealers' association to increase their investigative staffs and step up enforcement activities here.

The bureau cited "the promotional activities and business methods of some of these securities firms [that] have resulted in severe losses to the investing public in this area."

RELIABLE FIRMS CONCERNED

Established investment firms here are seriously concerned by the sudden increase in inexperienced, financially unstable firms as well as the out-of-town promoters flocking into Washington.

The many reliable firms welcomed the Better Business Bureau investigation and have labored with the dealers' organization in its self-policing activities as they see the city's reputation for safe dealings in securities threatened.

They are aware of the increasing number of victims—the stock-buying customers—many of whom are investing for the first time. Nearly 800 customers were caught in the collapse of 1 firm last year and their experience has been duplicated on a smaller scale by the customers of other firms.

These newcomer firms have opened their doors with promotional fanfare, accepted money from their customers to buy stock and closed their doors. In some cases, they have protected their investors. But, in other cases, the customers have been seriously hurt.

A Star survey of more than 60 firms which have opened for business here since January 1960, showed that approximately one-third of them have already gone out of business or been put out of business by the SEC or the National Association of Securities Dealers.

In 1 recent week alone, two Washington firms were expelled by the dealers' group and three Washington firms were named in actions launched by the SEC.

Since the start of 1960, the SEC has obtained injunctions against 11 Washington firms and revoked the dealer registrations of 9 firms. The SEC regional office covers Pennsylvania, Maryland, Virginia, West Virginia, Delaware, and the District, but in the past 2 years, half of the SEC actions against broker-dealers throughout the region have been against Washington firms.

During the same period, the National Association of Securities Dealers' District committee has filed formal complaints against 44 Washington firms, expelled 18, suspended 1, and fined 20. It has revoked the registrations of 19 salesmen and fined 2 a total of $4,000.

The closed doors, the injunctions, revocations and complaints do not happen overnight. Before a firm's inexperience, lack of operating capital or questionable activities leads to formal action, plenty of customers have had a chance to lose their savings.

Both the SEC and the dealers' association report that evidence of violation of rules designed to protect the investing public is worse here than anywhere else in their regions.

Both bodies are aware of the prime cause: Washington has no local law to safeguard investors against questionable or financially unfit dealers.

NO LOCAL CONTROL

Unlike most States, Washington has no local control over the dealers or the stocks they sell. It has no requirement that broker-dealers be experienced or trained before going into the business of handling other people's money. It has no local control over salesmen. It also has no requirement that broker-dealers have any money of their own before they go into business.

With more stringent regulations going on the books in many Eastern States, promoters have gotten out one step ahead of legal action and moved into Washington where they feel comparatively safe until the SEC or the dealers' association catches up with them.

Out-of-town firms with no stock exchange connections have opened branch offices here to escape the local controls exerted over their headquarters in other States.

Characteristic of some of the newcomer firms are their fancy names, many of which are so close to those of established firms as to be indistinguishable when said fast. The names also are designed to give the impression to customers that a two-room firm has nationwide connections.

The lack of operating capital, however, is rated particularly dangerous to the customers. Until the SEC pins down a violation of its rule that a firm cannot owe 20 times more than its net capital, some of these firms use their customers' money to pay the rent, promote their business and furnish their offices. When their doors close, the customers' money—if there's anything left—can be attached by other creditors.

The Star's survey of newcomer firms showed seven have gone into business here in the past 2 years with $500 or less in cash. One of them started with $100. More than half started with less than $5,000. Many were in the hole financially with the costs of launching their business before they even began accepting customers' money to buy stocks.

Their lack of experience in the business is equally apparent—and as potentially harmful to the customers.

EXPERIENCE LACK SHOWN

Of the 45 firms who have registered with the SEC since the start of 1960 and are still in business, the Star's survey showed that 7 had no previous experience in the securities field. Four reported less than a year's experience. Nine got their only training as salesmen for a now defunct firm or in one of the firms stemming from it. In 10 firms, only 1 member of the company had any previous experience. In only 11 of the 45 firms, all the partners had some previous experience but frequently not much of it.

[From the Washington (D.C.) Star, Feb. 5, 1962]

INVESTORS BEWARE: VARIOUS TECHNIQUES USED TO LURE UNWARY

(By Miriam Ottenberg)

The techniques for selling low-grade stocks to unwary Washington investors range from elaborate stage settings to fast telephone patter.

While the stock promoters pretend the greatest solicitude for the safety of their customers' money and act as though their only concern is to let a client in on a good thing, their actual goal is to make a killing before the stock they tout becomes worthless.

They can get away with their gimmicks here longer than in most other places because Washington has no law to assure local controls over the investment firms or their salesmen.

Washington has many reliable, firmly established investment firms but one-third of those in business here today would not be allowed to operate in most other cities.

EXAMPLES OF TECHNIQUES

Selling techniques of some stock promoters are shown in reports of an ex-FBI agent who "shopped" Washington investment firms for the Better Business Bureau, in customer complaints and in reports of unethical practices furnished by Washington's reputable firms. Here's the pattern:

1. To create the impression that stocks of little value are being heavily traded, the promoter installs a blackboard in his office and changes the stock quotations on it hourly.

While a customer listens, the promoter calls a well-known investment firm and asks for the latest price on a stock. When the promoter gets the answer, he tells the customer: "See, the big boys are trading in this, too."

JUST WINDOW DRESSING

The impressed customer doesn't realize that the blackboard quotations are just window dressing. He doesn't know that the answer given by the big firm was simply read from the daily sheet of over-the-counter listings and that a reputable firm wouldn't touch the particular stock. He also is unaware that the buying price of the stock given to him is substantially higher than the price the promoter got over the telephone.

Reputable firms are trying to curb this practice by offering to call back with the answer when they suspect a fly-by-night outfit is on the other end of the telephone. If their suspicions are proved correct, they don't call back—but they can't detect them all.

2. To create the illusion of respectability, a shoestring outfit claims it is trading regularly with one of the well-known firms.

To prove it, the promoter flashes a bill on the letterhead of the big investment house. The bill was easy to come by. The promoter simply ordered some well-known stocks or bonds as any customer could do. Even if he lost a little money on the deal, he has evidence to show the doubting customers that he does business with recognized firms.

3. To attract servicemen with a few dollars to invest, the promoters recruit officers retiring from the Armed Forces as salesmen or junior partners. The promoters are attracted by the service contacts of these former officers as well as by their savings.

The ex-FBI agent working with the better business bureau reported hearing a promoter addressing several telephone callers by their officer rank, and added: "It has become rather obvious during this investigation that the Armed Forces offer a tremendous market for over-the-counter dealers."

A number of letters from customers who lost their savings in the collapse of one

Washington firm came from both officers and enlisted men.

ATTRACTING SALESMEN

4. To attract salesmen with some money of their own, the promoters put help-wanted ads for salesmen in the newspapers on the same day they advertise spectacular new issues.

When the would-be salesmen apply for jobs, they have to agree to invest in these questionable new stocks themselves before they can go to work. They are expected to get their relatives and friends into the deal, too. To milk them a little more, the promoters make them pay various fees as well as a lump sum for so-called training.

The wife of one salesman who went into a now defunct firm complained that her husband had given up a good job in another field, invested all their savings in the stocks he was supposed to sell and ended up with neither savings nor job.

VARIOUS GIMMICKS

5. To drain the financial resources of their customers the promoters have several gimmicks.

One convinced a customer to cash in his life insurance and put the money in low-priced stocks which would grow and grow in value.

The head of another firm here told the better business bureau investigator that customers left their money with him and authorized him to use his own discretion in buying and selling stocks. The reputable firms, with plenty of capital behind them, are extremely cautious about accepting any such discretionary accounts and do it only in individual cases for longstanding customers.

A similar promoter concentrates on older people who have clung through the years to a few blue chip stocks. They are advised to sell the blue chips because they can get more income out of a lower priced stock. They are not warned that a promised 8-percent dividend might be accompanied by a greater risk. So they give up safe investments in favor of stock in struggling young companies that can't make ends meet.

TELEPHONE USE

6. To promote sales, promoters hire a battery of part-time telephone salesmen. Prospective customers called at random are told a stock selling for $2 has just gone up an eighth and the "inside" word from New York is that it actually has gone up a quarter. No reputable firm would bother to use fractional changes to interest investors but the salesmen are trained to give the impression that the stock is moving fast and the time to get in on quick profits is now.

Or prospective investors are told the salesman has "inside information" about a contemplated merger, a spectacular earnings report, a new invention, an extra dividend, a big order the company has just received or a successful test of a complicated gadget.

Some of the promoters have imported high-pressure salesmen from New York. One of their favorite gambits is the earnest assurance that the salesman has bought stock in this venture for his mother. Obviously, the customer is led to believe if a man put his own mother's money in this stock, it must be safe.

ANOTHER ARGUMENT

Or the argument is advanced that low-priced stocks are safer to buy because they can't drop as far as the high-priced stocks.

Complaints from the public indicate that many of those fleeced were buying stocks for the first time. Typical of their innocence is one victim's remark that she did not investigate the salesman before she let him take her money because she thought all stock salesmen had to be licensed.

In many places, both the investment firms and their salesmen are subject to local regulation, but not in Washington.

[From the Washington (D.C.) Star, Feb. 6, 1962]

INVESTORS BEWARE: CASE OF 1 FIRM AND 800 VICTIMS

(By Miriam Ottenberg)

When a Washington investment firm called American Diversified Securities, Inc., closed its doors last year, close to 800 customers were caught in the collapse. Their claims amount to over half a million dollars.

Nobody is sure yet what can be salvaged for the customers and other creditors, but the company's ultimate deficit is expected to run over a million dollars.

The story of the rise and fall of American Diversified is the story of what can happen in a community without a local law to protect investors from inexperienced and undercapitalized investment firms.

OFFSHOOTS SPROUT UP

It is a continuing story, because many of American Diversified's former salesmen and associates have opened investment firms of their own—and some of them have already run afoul of Federal regulations.

Six have been named in proceedings by the Securities and Exchange Commission or the National Association of Securities Dealers. Four others have closed. At least seven are still in business. Among other newcomers to the burgeoning securities business here are broker-dealers who gained their only experience in firms launched by former American Diversified salesmen.

Some of these offshoots presumably have learned something from the experience of American Diversified and are trying to conduct a different kind of business. But a survey shows that others belong in the one-third of Washington investment firms which wouldn't be allowed to operate in most States.

Most of American Diversified's successors are selling the same kind of stock, using the same sales methods and operating with the same lack of experience and shaky financing that contributed to American Diversified's boom-and-bust history.

BEGAN AS ONE-MAN FIRM

American Diversified had its origin in a one-man company launched in February 1958, with $2,200 and no previous experience in the securities business. It incorporated in August 1958.

Its cash amounted to less than $3,000 when it launched its plan to raise capital to keep going. It started issuing stock in its own newly formed corporation and announced its program to organize mutual funds among members of national organizations.

During 1959, according to a report of a court-appointed accountant, 49,000 shares of American Diversified stock were sold. Ultimately, this accountant reported, $335,000 was raised through stock sales. People paid as much as $28 a share for American Diversified stock.

The mutual fund concept which had attracted stockholders never got off the ground. While waiting for it to materialize, the company engaged in selling over-the-counter securities and started underwriting stock issues.

EXPANDED RAPIDLY

The company rapidly expanded. From 20 employees in 1958, it had grown to 120 by September 1960. Like similar companies, it took on retired officers from the Armed Forces who could and did interest officers and enlisted men in the low-priced stocks being offered by the company.

Among its other salesmen were former used car salesmen, discounthouse salesmen, electricians, men's wear salesmen, floor managers, and hotel clerks. Much of their business was done by telephone.

American Diversified spread out. It opened a Philadelphia office, merged with another company and, in the fall of 1960, opened offices in Miami and New York.

At that point, the Securities and Exchange Commission moved in. The SEC tries to protect the investing public by requiring the firms intrusted with the public's money to keep a proper record showing who owes what to whom.

COURT ISSUES INJUNCTION

In September 1960, district court, at the request of the SEC, enjoined American Diversified from doing business until its books and records complied with SEC rules. An SEC investigator reported at the time that the books were 3 months behind and that the firm had about 3,000 customers' accounts "many of which contain inaccurate securities positions and errors which reflect purchases for which the firm has not received payment and many unrecorded receipts and deliveries of securities."

Summarizing American Diversified's rapid expansion and its first setback, the court-appointed accountant reported:

"Despite this feverish growth, the company at no time earned any income * * *. For the most part, the company was living on its expectations. The company had geared itself to a high volume operation. When such was not forthcoming, losses became severe. The SEC shutdown for the fall of 1960 was a heavy burden to overcome. Opening two new offices during this same period was an excessive one."

PRESSES STOCK DRIVE

After the SEC shutdown, American Diversified brought in a national accounting firm to straighten out its books. The firm, according to a later report, had to make more than 1,000 corrections in the records.

When the records were adjusted, the company was allowed to reopen for business in January 1961.

In less than 2 months, it was in financial trouble because of its heavy operating expenses and vast corps of salesmen. The court-appointed accountant tells how the company, faced with a second shutdown, zeroed in on one stock and feverishly began promoting it. The chosen stock went from $7 a share on March 11 to 21⅞ by April 3.

American Diversified salesmen were busy. Letters from customers who were solicited to buy the chosen stock during the March drive are now in the files of the trustee in bankruptcy in the American Diversified case.

One midwestern customer said he was called long distance on March 20 and advised to buy 50 shares of the chosen stock at $13 a share. He said he was called again a week later by the same salesman, who told him the stock had been recommended by a New York investment house which sounded to him like Rothschild. Urging him to buy more, the salesman said the stock was now selling at $20 and was expected to go much higher.

BOUGHT $6,000 OF STOCK

A Washington doctor, also solicited by telephone, reported he bought $6,000 worth of the stock on March 17. A Washington woman wrote that she bought $237.50 worth of the stock on March 13 and added that "this may not appear to be an impressive transaction, but these shares were paid for out of savings accumulated through 11 years of hard work as a waitress."

A Shreveport (La.) man isn't sure exactly what he bought. He knows he bought 50 shares of this stock on January 17 and sold 25 shares on March 13. Then, he said, he was notified the next day that he had sold another 25 shares but his salesman told him to ignore that notice because it was a mistake and he still had 25 shares. On March 27, he was notified that he had sold his remaining 25 shares but in April he was advised that he had bought 50 shares, "which was news to me."

COULDN'T PAY FOR SHARES

The flurry of activity reflected in these letters and dozens like them climaxed when American Diversified couldn't pay for the shares it had ordered from other brokers to fill its customer orders. It tried to cancel the orders but most of the brokers refused to allow cancellation and American Diversified was stuck. Customers clamored for payment on the stock they had sold or stock certificates for the shares they had bought. American Diversified had neither enough money nor stock to satisfy its customers.

At that point, the company was so far in the hole that it had clearly violated the SEC rules forbidding a securities dealer from owing 20 times more than his net capital. On April 6, a district court judge, at the request of the SEC, granted a temporary restraining order to halt American Diversified from transacting business until it could comply with the net capital rule.

An SEC affidavit filed in court at that time reported that the company's deficiency in capital amounted to $217,804.47 and aggregate indebtedness to all others amounted to $1,064,416.91. Among these others were the customers who had been pressed to buy the "hot" stock—which is now selling at around 50 cents.

VICTIMS ARE MANY

They weren't the only victims. The letters sent to the trustee in bankruptcy reflect the disappointment, despair, and heartache of many others who never received the stock they bought nor were paid for the stock they sold.

One man wrote that he had put money into American Telephone & Telegraph stock over many years while he was saving to buy a home. When he thought he had enough, he turned over his 60 shares of A.T. & T. to American Diversified to sell for him. He should have gotten a check within 5 days. When it didn't come in 2 weeks, he asked questions and was told the check had been sent to the wrong address. He couldn't understand that because the confirmation of the sale had reached him all right. By the time the check finally arrived, the company was in receivership and payment had been stopped.

A Florida mother said she went into the stock market early last year to make a quick profit to help finance her daughter's operation. When the time came to sell the stock and take her profit, she still hadn't received the stock certificates. So she couldn't sell. She is still waiting for $2,795 in stock certificates or cash.

CERTIFICATE STATUS UNCERTAIN

The stock certificates of some of the customers have been located, but it hasn't been decided yet whether they're entitled to the stock they bought or whether they must join the other customers in participating in whatever can be salvaged from the collapse.

Some of the stock certificates won't help the customers much now, in any case. If they had received the certificates when they were supposed to they could have sold at a profit or at least broken even. Now, several of the issues touted by American Diversified salesmen have fallen more sharply than they rose and today are only worth a fraction of what they cost.

Last June, after the court-appointed accountant went over the books of American Diversified and attempted to trace the transactions, he reported to the receiver:

"There are many peculiar, strange, and mystifying transactions which have created a substantial feeling of uncertainty on our part. * * * We recommend further investigation."

HOW TO PICK A BROKER

There are many reliable, established investment firms in Washington with whom you can invest with confidence. To would-be investors, they give this advice:

1. Know the investment firm. Check with your banker or other financial adviser on the firm's background and reputation.
2. Insist on reading the prospectus or circular before you invest in a new stock to understand just how much risk is involved.
3. Never buy stocks on the basis of unsolicited telephone calls. This is the high-pressure approach that can lure you into losing money.
4. If a salesman makes extravagant promises about a new or recently issued stock but declines to put his statements in writing, watch out—and report to the Securities and Exchange Commission or the National Association of Securities Dealers.

[From the Washington (D.C.) Star, Feb. 7, 1962]

Investors Beware: Law Is Needed Here To Protect Buyers

(By Miriam Ottenberg)

Investors in 48 States are better protected against unscrupulous or financially unfit investment firms than are the investors in the Nation's Capital.

Everywhere in the country but Delaware, Nevada and the District of Columbia, some form of "blue sky" law regulates securities dealers and the stocks they trade.

Most of these State laws would prevent one-third of Washington's investment firms from operating. That's the conservative estimate of the proportion of marginal firms here.

State enforcement of "blue sky" laws is part of a three-pronged defense against unqualified investment firms and questionable stocks. The other two prongs are the Securities and Exchange Commission and the National Association of Securities Dealers.

Washington lacks the first prong—a local law to keep out under-capitalized, underexperienced and unethical firms peddling questionable stocks.

As a result, the other two prongs—the SEC and the dealers' association regional offices—report more complaints and more violations of securities rules here than anywhere else in their regions.

To cope with the local problem, the SEC has sent a task force of investigators into Washington on a cleanup drive. The National Association of Securities Dealers has stiffened its examination requirements for those selling stock, but the dealers' association's self-policing efforts cover only its own members. At least seven of the recently established firms here are not members.

Many of the States have recently tightened their securities laws. A number of them have amended their laws to conform to the tough Uniform Securities Act, a model State law drafted by a board of experts. These actions have prompted more out-of-towners to come to Washington where they can operate free from local controls.

Maryland has a blue sky law but proposes to tighten it. A committee appointed by Governor Tawes has come up with a draft of legislation closely paralleling the Uniform Securities Act. Governor Tawes has already tagged it as a priority measure for the new session of the Maryland General Assembly. If Maryland succeeds in tightening its law, some of its ousted promoters can be expected to cross the line into Washington.

Virginia has a strict law patterned after the uniform act. The Virginia law, regulations drafted under it and its forthright enforcement are widely regarded as successful in keeping questionable operators out of the State.

THREE CONTROLS

Generally, the State laws provide these three types of regulations:

1. Antifraud provisions which enable blue sky administrators to issue public warnings, investigate suspected fraud, move in fast to stop fraudulent activities and punish malefactors.
2. Registration or licensing of broker-dealers and their salesmen, which is aimed at keeping out the unqualified or unethical, assuring supervision of their activities and putting them out of business if they fall below required standards.
3. Registration of the securities to be sold in a State, which assures that the investors can learn about what they are buying and that stocks violating either State or Federal laws are not circulating.

PROTECTION SLIGHT

In Washington, a survey by the Star disclosed, customers have been hurt most by the lack of any requirement that investment firms must have any cash of their own to do business. The only protection offered to Washington investors is the SEC rule that forbids a securities firm from owing more than 20 times its net capital. However, by the time investigators discover this rule has been violated, the firm often has used up the customer's money on rent and promotion. The firm's doors are shut, but that doesn't help the customer who got hurt.

The Star's survey showed that more than half the investment firms going into business here since January 1960, started with less than $5,000 and one only had $100.

Virginia authorizes its State Corporation Commission to require a $25,000 surety bond to protect investors. The proposed Maryland act requires the broker-dealer to maintain a net capital of at least $15,000 and makes him subject to posting a surety bond up to $10,000.

Among other States, Michigan can require the broker-dealer to show up to $100,000 in capital. New Hampshire sets the figure at $25,000, and Pennsylvania recently raised its required capital from $10,000 to $25,000.

TRAINING IS LACKING

In Washington, lack of experience has proved the downfall of some investment firms which traded themselves into bankruptcy and took their customers' money with them. No training or experience is required here of either the broker-dealers or their salesmen. If the firms stay out of the National Association of Securities Dealers, even the protection of an examination is lost.

The lack of experience was clearly revealed in the Star's survey of newcomer firms where some of them had no experience, some had less than a year and less than a third of them could report that all members of the firm were experienced.

In contrast, half the State laws refer to lack of training or inexperience as sufficient grounds to keep a broker-dealer out of business.

Virginia requires a broker-dealer to have 3 consecutive years of experience in the securities business before he can register. If the firm is a partnership, the majority of the firm's members must have 3 years' experience and if it's a corporation, at least 2 officers must meet the experience qualification.

Maryland's proposed law allows the commissioner administering the "blue sky" law to deny registration to a broker-dealer lacking training, experience or knowledge of the securities business. It also allows him to require an examination of both broker-dealers and salesmen.

SITUATION ON FRAUD

In Washington, no local law deals specifically with fraudulent practices in securities. The city is protected by Federal law more fully than the States since all but a few securities here are considered interstate and subject to SEC rules.

Virginia's law and Maryland's proposed law, however, offer the kind of broad coverage that would give the U.S. attorney here some clearcut law to use against fraud artists in the securities field if Washington had a local law.

Virginia's law, paralleled by the Maryland proposal, makes it unlawful to employ any device, scheme or artifice to defraud in the offer or sale of any security, directly or indirectly. It also makes it a crime to obtain money or property by untruth or omission of a material fact or to engage in any practice which defrauds or could defraud or deceive the stock purchaser.

RULES ON CRIMINALS

In Washington, a man with a criminal record can go into the business of dealing with other people's money as long as his record doesn't involve securities. The SEC rules bar the registration of anyone convicted in the past 10 years of a crime involving securities or the conduct of the broker-dealer's business. The SEC also bars those previously enjoined in connection with securities transactions or cited by the SEC for violating its laws or regulations.

Virginia's law requires that the broker-dealer be of good character and reputation. Virginia's commission can revoke or refuse to renew a registration in the public interest or if the broker-dealer has engaged in a fraudulent transaction, become insolvent, faces insolvency or has been convicted of a misdemeanor involving securities or any felony

Maryland's proposed law allows the commissioner to deny or revoke a license for any felony conviction, any false or misleading statements on the registration, any dishonest or unethical practice in the securities business or insolvency.

FAST FRAUD ACTION

Virginia's law and Maryland's proposed law allow the administrator to move fast against the unethical or fraudulent stock dealer—faster than the authorities can move in Washington.

Both the SEC and the National Association of Securities Dealers acknowledge that they can rarely go after the unqualified, financially unfit and unscrupulous firms in Washington until some customers have already been hurt.

"The reason they're selling junk stocks here," one securities official summed it up, "is because the people coming in are promoters. They don't have the capital or the experience to deal in good stocks even if they wanted to."

Experts in the field, from official investigators to reputable investment executives, are convinced the promoters will continue to prey on Washington investors as long as there's no local law on the books to discourage them.

Mr. SELDEN. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SELDEN. Mr. Speaker, a full-page advertisement, headlined "An Open Letter to the Officials and the People of the United States," appeared in this morning's Washington Post. The advertisement was purportedly sponsored by a group of Panamanians who stated that they had "been authorized to publish this open letter on behalf of many Panamanians who regard themselves as true friends of the United States."

The advertisement is primarily an attack on what is referred to as this country's hard line toward Panama regarding the current Canal Zone dispute. Reference is made to "the ill-begotten pact of 1903," and the general tone of the advertisement is critical of past and present U.S. policy toward Panama.

To my mind, there is some question as to the propriety of this advertisement, inasmuch as it represents an effort by foreign citizens to circumvent normal channels of diplomacy between Panama and the United States by means of a direct propaganda appeal. I have no doubt as to the American people's ability to recognize this propaganda for what it is, but I cannot help but wonder what would be the reaction of this same group of Panamanians if a similar group of U.S. citizens blatantly attempted to bypass normal Panamanian Government channels in our country's dealings.

But beyond this question of propriety, the content of the advertisement itself presents a distorted picture of the situation regarding current United States-Panamanian differences over the Canal Zone. Especially distorted is the advertisement's emphasis of a statement of John Hay, Secretary of State in 1903 at the time of the original negotiation of the zone treaty.

According to the advertisement, Mr. Hay's quotation is drawn from a report of a subcommittee of the House Foreign Affairs Committee which studied United States-Panamanian relations during the 86th Congress.

As chairman of this subcommittee, I would like to point out most emphatically the advertisement conveys false impressions and implications both as to the subcommittee's findings and the relevance of these findings to the current zone dispute.

By omitting reference to important treaty revisions of 1936 and 1955, the advertisement would have the reader believe that the original 1903 treaty terms remain in force in unaltered form. The fact is that in both 1936 and 1955, the treaty was twice substantially revised at the request of and with the full agreement and consent of the Panamanian Government. Moreover, there have been numerous other concessions on the part of the U.S. Government—the most notable recent concession being that contained in President Eisenhower's order of 1960, permitting joint flag showings in the zone.

Thus, the omission of facts concerning these revisions and concessions leaves the impression that this country and Panama are still operating under terms of the 1903 treaty, arrived at some 60 years ago. This is historically incorrect and presents a grossly false picture of the current U.S. position in the zone.

In conclusion, I should like to point out that much of our subcommittee report dealt with the failures of Panamanian leaders to meet their responsibilities toward improving the living standards of their people. I would think that many of the signatories to the advertisement appearing in this morning's Post might better spend their time, effort, and money in the development of the natural resources of their own country and the raising of the living standards of the Panamanian people. The Canal Zone, after all, is not a natural resource of the Republic of Panama. Rather it is a contribution to hemispheric and world progress constructed at great cost to the United States in both lives and money.

By treaty and by international law, the United States operates the Panama Canal. We have always carried out our treaty obligations, and we have every right both legally and morally to insist that responsible Panamanians make efforts to see that their Government does the same. In the last analysis, friendship between our two countries can only find a firm basis in mutual respect for international law and treaty rights.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from Alabama has expired.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the gentleman be permitted to proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I would be delighted to yield to the gentleman from Iowa.

Mr. GROSS. I want to commend the gentleman for his statement. Does the gentleman from Alabama know of the incident wherein a U.S. marshal from the Canal Zone came to the continental United States recently and landed in an airplane, I believe, at Andrews Field or the National Airport near Washington? The press was waiting to interview him. However, he was removed from the scene by certain individuals, unidentified. It is my understanding that this U.S. marshal came here to tell Members of Congress and others in this Government of the situation as it exists in Panama, but he was stopped from giving the press an interview. Now the report is current, and I do not know whether there is even the essence of truth, that he was incarcerated in a mental institution.

Does the gentleman know anything about this?

Mr. SELDEN. This is the first information I have been given.

Mr. GROSS. If the gentleman will yield further, I would like to suggest to the gentleman who is the capable chairman of the Inter-American Affairs Subcommittee of the Committee on Foreign Affairs that the subcommittee ascertain what happened to this representative of the Government employees in the Canal Zone who came to this country ostensibly to tell Members of Congress and others of the actual situation in Panama.

Mr. SELDEN. If the gentleman from Iowa will furnish me with the information he has been given, I shall make every effort to ascertain the facts.

Mr. GROSS. I thank the gentleman and again I commend him for his statement.

Mr. BECKWORTH. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Texas.

Mr. BECKWORTH. Mr. Speaker, I want to commend the gentleman from Alabama for the excellent statement he has made here this morning, and to say to the Members of the House that we are very fortunate to have the gentleman from Alabama as chairman of the Inter-American Affairs Subcommittee. He has devoted a lot of attention and study to the problems of this area, in which he is so vitally interested. He has done an outstanding work. It would be well if there are Members who have not read the statement he made that has been printed in the U.S. News & World Report that they read this statement.

Mr. SELDEN. I thank the gentleman from Texas [Mr. BECKWORTH] for his kind remarks.

Mr. McMILLAN. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, on May 2, 1963, hearings were held by Subcommittee No. 2 of the House Committee on the District of Columbia on H.R. 4200, the predecessor to H.R. 9419. The bill, which was the subject of these hearings, excluded variable annuities from its jurisdiction and this exclusion was supported by the SEC, the District of Columbia Commissioners, and by the U.S. attorney's office. See excerpt of statement which appears at the conclusion of these remarks.

The only opposition expressed at this hearing to the exclusion of variable annuities from the bill's provisions was by the Investment Bankers Association, a trade association representing the mutual fund industry. A representative of the Investment Bankers Association opposed portions of the bill and recommended that it be amended to require that variable annuities be regulated under the bill.

Subsequent inquiry on the issue of whether or not variable annuities ought to be brought within the provisions of the new "blue sky law," which H.R. 9419 proposes, revealed that the District Commissioners, as evidenced by their letter of July 22, 1963, had not changed their position of opposition to dual regulation of life insurance companies who sell variable annuities. See copy of letter attached. Notwithstanding this fact, H.R. 9419 was amended to bring variable annuities within the jurisdiction of the bill. That this should not have been done is evidenced by the following:

H.R. 4200 was modeled after the uniform securities law developed by the National Conference of Commissioners on Uniform State Laws. When this uniform act was adopted, it was noted and provided that where the "variable annuity" and its sales were adequately regulated by the insurance department of the State, the variable annuity could be excluded from the definition of security. See excerpt from official notes on uniform act. The variable annuity in the District of Columbia is subject to all the requirements and regulations of the insurance laws of the District. The insurance department of the District is administered as effectively and efficiently as any State in the Union. Special regulations have been adopted which apply to the issuance of variable annuity contracts, and the sale of variable annuities is rigidly and effectively controlled. Nothing in the congressional hearings indicated any need for further regulation in this area.

Only recently the neighboring State of Maryland made an extensive study on this same subject when they adopted their new blue sky law. The Governor's commission making this study made the same recommendation. See attached copy of excerpt from the report. I, therefore, recommend that in deference to the position of the District Commissioners who are most directly affected by this bill, that H.R. 9419 be amended as follows, and that with these amendments, H.R. 9419 be passed.

Additional reasons why variable annuities should not be included as securities in H.R. 9419 are set forth in the attached memorandum:

MEMORANDUM ON THE REASONS WHY VARIABLE ANNUITIES SHOULD NOT BE INCLUDED AS SECURITIES IN H.R. 9419

First, it should be recognized that the purpose of H.R. 4200 was to provide regulation in an area in which no regulation existed. A brief review of the summary as contained in the articles by Miriam Ottenberg which was reviewed by the House Commerce Subcommittee chairman, indicates that at no point was there any indication that there were any abuses in the sale of variable annuities in the District of Columbia. The District of Columbia has one of the best administered insurance departments in the United States.

A second and key point to remember is the fact that the relationship of the agent representing an insurance company to the public is basically different from that of the security salesman who represents the public in purchasing securities. In fact, the relationships are almost the opposite of each other. In the case of a member of the public coming to a security salesman to purchase securities, the securities salesman or broker is representing the member of the public and as such the public does need certain additional protection such as the bonding requirements and the net worth requirements which are provided in H.R. 4200. However, when a member of the public comes to a representative of an insurance company selling variable annuity contracts, the situation is quite different. In this case, when the member of the public gives any money (which as a matter of practice is usually in the form of a check payable to the insurance company itself), receipt by the agent constitutes receipt by the company. In this respect the public is fully protected by the controls which the Insurance Department exercises over the financial condition of such companies. In other words, there is no necessity for the additional safeguards which would be imposed by H.R. 4200.

A further point which is most significant is the fact that H.R. 4200, as amended in H.R. 9419, makes an effort to avoid the question of dual regulation. Section 22, for example, would take away from the Insurance Commissioner his jurisdiction over the licensing of agents who sold solely variable annuity contracts. It should be pointed out that it is inconceivable to imagine any salesman who would be dealing only in variable contracts. Agents for either Variable Annuity Life or the Prudential, the leading companies who might be doing business in the District of Columbia, would definitely be selling both variable annuity contracts as well as all other insurance. Therefore, the problem of dual regulation will not be solved by adding section 22 to the bill. Further, it should be pointed out in any case that the Insurance Department would still have jurisdiction over the company and it would be inconsistent and impractical to have one department regulating the company and another regulating the salesmen.

The key question as raised by the drafters of the model bill—and the key question here is as follows: Is the sale of variable annuities in the District of Columbia being adequately regulated? If the answer is "Yes," there is no need to include them under the bill. The District of Columbia Commissioners have so found this to be the case. The committee which drafted the original legislation found this to be true. No abuses of the sale of variable annuities were found.

If more regulation is needed in the public's interest, we believe the proper approach is as suggested in the letter from the Board of Commissioners of the District to the subcommittee dated July 22, 1963, when they said:

"If the committee is of the opinion that the activities of life insurance companies in respect to the issuance of variable annuity contracts need more regulation than is possible under the authority now vested in the Superintendent of Insurance, the Commissioners feel that the Life Insurance Act should be amended to accomplish this objective."

PORTION OF STATEMENT OF WILLIAM L. CARY, CHAIRMAN OF THE SECURITIES AND EXCHANGE COMMISSION, BEFORE SUBCOMMITTEE NO. 2 OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA, HOUSE OF REPRESENTATIVES, ON H.R. 4200, 88TH CONGRESS, MAY 2, 1963

Mr. Chairman and members of the committee, I am William L. Cary, Chairman of the Securities and Exchange Commission. I am here today at your invitation to testify in favor of enactment of H.R. 4200, which would provide for the regulation of the business of selling securities in the District of Columbia and for the licensing of persons engaged in that business.

I

The Commission, as well as industry organizations, responsible citizens and committees of Congress, has been concerned about the lack of local securities regulation in the District of Columbia and the consequent erosion of standards of conduct in the securities field here. On April 21, 1962, I testified on those issues before the Subcommittee on Commerce and Finance of the Committee on Interstate and Foreign Commerce, House of Representatives. I there expressed the Commission's concern with the serious problems existing in the Metropolitan Washington area with respect to the conduct, business methods, ethics, and qualifications of numerous broker-dealers engaged in the securities business. I pointed out that, although vigorous enforcement activity on the part of the Commission had measurably reduced the gravity of the problems, they cannot be a permanent substitute for high regulatory standards. Indeed, the legislative history and the language of the Federal securities acts makes it clear that these statutes are not, and were not intended to be, complete instruments for local regulation, but that they contemplated concurrent jurisdiction by local securities commissions. It is primarily for this reason that we recommended that local regulatory controls over broker-dealers be established by a blue sky law administered under the District of Columbia government by an administrator with an adequate enforcement staff. In the Commission's opinion H.R. 4200 would furnish the local regulation necessary to complement the Federal statutes and would contribute significantly to the protection of investors in the District of Columbia. Its benefits would not, however, be limited to this area, since the impact of improper practices by broker-dealers in the District is felt not only by residents of the District, but also by persons in adjoining States who may have dealings with such broker-dealers. The Commission, therefore, strongly favors enactment of H.R. 4200.

III

There is one additional provision of the bill to which I should like to address myself. The definition of "security" in section 2(m) of the bill excludes insurance and annuity contracts, which are exempted under section 3(a)(8) of the Securities Act of 1933. However, the bill also excludes contracts issued by an insurance company pursuant to section 41 of chapter III of the District Life Insurance Act, so-called variable annuity contracts. Accordingly, persons engaged in the business of selling variable annuity contracts who have complied with the local insurance law would be subject to regulation by the Superintendent of Insurance, rather than the Public Service Commission. It is our understanding that these provisions are designed to prevent the sellers of variable annuity contracts from being subjected to dual regulation by local authorities, and represent an effort to provide fair, but not oppressive, regulation on a local level pending further experience with variable annuity contracts.

The Commission has asserted, and the Supreme Court has upheld, the proposition that variable annuity contracts are securities. Although in our view persons who sell variable annuity contracts may be more appropriately regulated by a securities commissioner, we do not believe that this provision of the bill will have any adverse impact upon our administration of the Federal securities laws. In any event, it is not our understanding that considerations leading to a choice of regulatory authorities on a local level are intended to have any significance with regard to our administration of a problem which is national in scope.

Prepared Statement of David C. Acheson, U.S. Attorney for the District of Columbia, Before the Committee on the District of Columbia of the House of Representatives, on H.R. 4200, May 2, 1963

My statement is directed to H.R. 4200, the bill for the licensing and regulation of securities dealers in the District of Columbia. I would like first to outline the problems with which the bill is intended to deal, then point out the principal aims and features of the bill, and finally provide a condensed comparison of the bill with the Uniform Securities Act, on which it is substantially based.

Unlike 49 of the 50 States, the District of Columbia has no local securities legislation or "blue sky" law.[1] Not surprisingly, this fact, coupled with the relatively high average income level of the population of this metropolitan area, has aggravated here the problems that are apparent in the Nation generally. In several of the ways by which the health of the securities business can be measured, Washington, D.C., compares very unfavorably with the national average performance * * * basic definitions, certain exemptions from licensing are provided for agents of issuers of certain securities and in certain transactions. These exemptions are particularized and are kept to a minimum.

The definition of "security" (see p. 10, line 4 of the bill) excludes insurance or annuity contracts payable "in a fixed sum," or contracts issued by insurance companies pursuant to section 41 of chapter III of the local Life Insurance Act (D.C. Code 35–541). This latter reference is to variable annuity contracts issued in compliance with the local law governing the same. The purpose of this handling of variable annuities in H.R. 4200 is to bring under regulation by this bill all variable annuities sellers in the District who have not been approved by the local Superintendent of Insurance and have not complied with section 541 of the insurance law. The definition of "security" in this bill would exclude from regulation variable annuities sellers who have complied with the local insurance law and are approved by the Superintendent. The sellers in this latter category would then fall under the regulatory scheme of the insurance law and would not be subject to dual regulation by two local agencies under two separate local statutes and two local sets of agency regulations.

This statement is not the place to attempt a definitive discussion of the pros and cons of regulation of variable annuities under the securities laws. The Supreme Court has held that variable annuities may be regulated as securities for registration purposes under the Federal Securities Act of 1933, and that issuers of such annuities may be treated as investment companies under the Investment Company Act of 1940. *SEC* v. *Variable Annuity Life Insurance Co. of America, et al.*, 359 U.S. 65 (1959). It may be that variable annuities also may be regulated under the Securities Exchange Act of 1934, a question which the courts have not thus far decided. The drafting committee did not attempt to decide whether variable annuities are securities for all purposes. Variable annuity contracts are sold and handled by issuers in ways that have some of the aspects of the selling and handling of mutual fund shares. Of course, variable annuity contracts also have some of the basic aspects of insurance. In the District of Columbia, variable annuity contracts are now subject to regulation by the Superintendent of Insurance. Variable annuities and their regulation are matters of relatively recent consideration, and experience with the problem is not highly developed. Differences of view exist among lawyers and securities men as to how variable annuities can best be regulated. The provisions of this bill regarding variable annuities represent an effort to find an interim solution that will assure effective, but not oppressive local regulation pending further experience with the problem.

Sec. 3. Fraud:

The provisions of 3 (a), (b), and (c) are substantially verbatim from 101(a) (2) and (3) of the Uniform Act.

These provisions are also closely similar to those of section 17(a) of the Securities Act of 1933. Section 17(a) of the 1933 act is, by operation of section 2(7) of that act, applicable in the District of Columbia. It is not intended that H.R. 4200 should oust the application in the District of section 17(a) or of any Federal statute. There may be other provisions of Federal statutes that are parallel to provisions of H.R. 4200 and are applicable in the District of Columbia. It was thought unwise to specify particular provisions of Federal statutes which were to remain in effect locally, for fear of implying, contrary to the intention of the drafting committee, that provisions not specified should be suspended locally.

Sec. e. License Requirement:

Subsection 4 (a), (b), and (c) are substantially verbatim from section 201 of the Uniform Act, except that the present bill—

(1) uses the term "license" instead of the Uniform Act term "registration," and

(2) omits the license requirement as to investment advisers. This omission is based upon a desire to limit the new administrative responsibilities of the local * * *.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. GROSS. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I take this time to ask a question or two concerning the bill. This would in no way inhibit Bobby Baker insofar as stock in his vending machine company is concerned?

Mr. SPRINGER. Provided he could qualify for a license, but may I say to the distinguished gentleman from Iowa that with such a record he could not be licensed.

Mr. GROSS. This applies only to licensed brokers?

Mr. SPRINGER. Yes, this applies only to licensed brokers.

Mr. GROSS. Apparently it will not slow him down.

I would like to ask another question. This does not deal with insurance at all, does it?

Mr. SPRINGER. It does insofar as variable annuities are concerned. Variable annuities was put in this bill, and that was given a great deal of thought and consideration by the committee. The Supreme Court recently rendered a decision, which decision has been reinforced by other decisions since then which said that variable annuities were in the nature of securities. That is the reason variable annuities was put in the bill. and that is the only reason.

Mr. GROSS. The bill would not prohibit Bobby Baker from borrowing without posting collateral, another $125,000 from a Washington, D.C., bank?

Mr. SPRINGER. What the gentleman is talking about is covered by other statutes. This particular bill has to do with securities and would cover only those licensed to sell securities in the District of Columbia.

Mr. GROSS. This would not have anything to do with the sale of $200,000 of life insurance to the President, with the premiums paid by the L.B.J. Radio & Television Co.?

Mr. SPRINGER. That phase of insurance is covered by the insurance code.

Mr. GROSS. How about the performance bond on the construction of the District of Columbia Stadium?

Mr. SPRINGER. That is covered by another special statute on security bonds. That does not have anything to do with licenses to sell securities. This is a blue-sky law, and may I say to the gentleman we have tried to take all the best features we could find from what we considered the best securities State codes in the entire country, and have combined them into this bill. This is the result not of hours or days, but of months of work, and I commend those who have made an honest attempt to work out what we believe is a model bill.

Mr. GROSS. I would not say Bobby Baker is a blue-sky operator, but he has been flying high, wide, and handsome in this area for a long time, and I wondered if this bill would have anything to do with his operations?

Mr. SPRINGER. I would say it would if he comes under the provisions of this insofar as the licensing of security dealers is concerned. It does cover those engaged in the business of selling stock and securities of all kinds.

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[1] The one State that has none is Delaware.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

REVENUE ACT OF 1964

Mr. **MILLS** submitted a conference report and statement on the bill (H.R. 8363) to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, and for other purposes.

UTAH POWER & LIGHT CO. RATE INCREASE PROTESTED

Mr. **HARDING**. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. **HARDING**. Mr. Speaker, we presently have the unusual situation in our State of Idaho in which a power company that reported a considerable increase in last year's profits is attempting to raise the electric rates that they are charging to hard-pressed Idaho consumers. Their profit increase slipped out recently when the Utah Power & Light Co. financial statements for last year were reviewed in the business section of a Salt Lake newspaper.

On February 4 the following Associated Press release carried in the Idaho Falls Post Register quoted Utah Power & Light Co., as stating it could no longer provide top service to its customers in eastern Idaho without an increase in its rates:

[From the Idaho Falls Post Register, Feb. 4, 1964]

UTILITY SEEKS RATE INCREASE

POCATELLO.—Utah Power & Light Co. claims it can no longer provide quality service to its eastern Idaho customers without a rate increase, because of higher costs.

The Idaho Public Utilities Commission is hearing cross-examination of company witnesses on their testimony in support of an increase. They say it would be the first since 1952.

Witnesses were questioned Monday by representatives of Monsanto Chemical Co., the General Services Administration, representing the Atomic Energy Commission, water users, the Grace School District and the Central Farmers Fertilizer Co.

The hearing moves to Rexburg Thursday and Preston Friday.

Utah Power asks a 10-percent boost for the general public and underground water users, and 5 percent for interruptable customers such as Monsanto and the GSA.

On February 6, the Salt Lake Tribune reported witnesses at Pocatello opposed this flagrant request for rate increases by the out-of-State power company by furnishing facts to back up the protesters' charges that rather than a limited increase as the Utah Power & Light Co. had claimed, the higher rates would actually amount to a steal from Idaho farmers and power users because the company is already receiving a greater return in Idaho than is considered reasonable. This charge would also seem to be supported by a study conducted recently by Ronnie J. Straw, staff economist of the National Rural Electric Cooperative Association, who reported that Utah Power & Light Co. in the years 1956 through 1960 had overcharged their consumers $7,009,000. Following is the aforementioned Salt Lake Tribune article:

[From the Salt Lake Tribune, Feb. 6, 1964]

IDAHO RECESSES ONE POWER PROBE

POCATELLO.—The Pocatello phase of an Idaho Public Utilities Commission hearing on application of Utah Power & Light Co. to increase its rates was recessed Wednesday noon when the company requested more time to study exhibits.

Ralph Wickberg, Boise, commission chairman, said the recessed session will be resumed at Boise. Dates will be announced when arranged.

The recess will not delay other parts of the hearing in eastern Idaho.

One will be Thursday at 10:30 a.m. in the Madison County Courthouse in Rexburg, and another Friday at the same hour in the Franklin County Courthouse at Preston.

Mr. Wickberg explained that plant industry, namely Monsanto Chemical Co. of Soda Springs, was confirmed to the Pocatello session. U.P. & L. also serves Central Farmers Fertilizer Co. at Georgetown, but the firm sent no one to the hearing.

The Rexburg and Preston sessions mostly will concern underground water users and individuals.

Mark D. Stenson, Seattle, consulting engineer for the Eastern Idaho Pumping Association, tossed a figurative monkeywrench onto the hearing table at Pocatello by suggesting a reduction rather than an increase in power rates.

He said the U.P. & L. rate of return in Idaho is 7.031 percent, not 4.83 percent as shown on the company's exhibit.

"This substantially is in excess of that which usually is considered reasonable and suggests that, rather than increase its rates in Idaho, the company should perhaps consider a rate reduction.

"Historically, appropriate reductions in electric rates have resulted in increased consumption by all classes of customers and an ultimate strengthening of the financial condition of utilities," Mr. Stenson said.

The company is asking for a 10-percent increase in its residential, commercial, and farm rates; 5 percent in its industrial rates.

The pumpers challenged the method of allocation of the company's expenses on the basis of kilowatt-hours used rather than facility capacities.

They also challenged the proposed regulations which would allow the company to require the pumpers to deposit the entire estimated annual billing in advance, without the company paying interest on the deposits.

It was pointed out this regulation was not proposed for any other type of customer, inincluding pumpers in Utah, by Ray Rigby and Gordon Thatcher, Rexburg, legal counsel for the pumpers.

It was estimated the advanced payment could be at least $1½ million.

Monsanto's exhibit purported to show that the Utah Power & Light Co. property devoted to serve Monsanto is now earning a fair rate of return.

A 5-percent increase would add $150,000 to Monsanto's annual $3 million power bill.

Monsanto has interruptible power. Farmers use firm power. Interruptible power, coming from reserve supply, is cheaper.

General service agencies of the Federal Government cross-examined company witnesses to try to bring out points advantageous to the Government.

The Atomic Energy Commission installation west of Idaho Falls is served by both the U.P. & L. and the Idaho Power Co.

The Idaho Power Co. had a 7½-percent increase January 2, 1963.

Total operating revenues of U.P. & L. were shown as $10,447,769 annually. This includes $3,651,370 from interruptible phosphate furnaces.

U.P. & L. had a 10-percent increase in residential and commercial rates in 1952.

Again, on February 8, the Salt Lake Tribune reported that at Preston, Idaho, witnesses again registered strong opposition to this unfair rate increase. I know many of the witnesses mentioned and in the past they have been some of the power company's best friends. So this power company has become so unreasonable in its rate demands that even its best friends in public hearings come out in opposition to their proposed rate increases. The following is the Salt Lake Tribune report of the Preston hearing:

[From the Salt Lake Tribune, Feb. 8, 1964]

HIGH ENOUGH: OPPONENTS RIP U.P. & L. RATES

(By Carl E. Hayden)

PRESTON, IDAHO.—Opposition to the Utah Power & Light Co.'s wish to raise rates in Idaho was expressed at an Idaho Public Utilities Commission hearing Friday in Preston by a cross section of rural and urban life.

One woman was among those who testified. No women appeared at phases of the hearing held earlier at Pocatello and Rexburg. Testimony at Pocatello was largely confined to irrigation water pumping and the phosphate industry. Farmers gave most of the testimony at Rexburg.

"When the power company talks about free enterprise and that it pays heavy taxes, it refers to the Idaho Tax Commission's valuation and assessment," R. G. Cranney, Preston mayor, said.

"But when it wants to extract more money from the public it claims it is a public utility and requests higher rates based on a higher valuation than the Idaho Tax Commission uses," the mayor said.

Offer of the Utah Power & Light Co. to decrease its heating rate in Utah by 15 percent is definite evidence a rate increase is not justified in Idaho," Mayor Cranney said.

"Idaho people seem to be victims of crossfire power-pricing procedures," the mayor said. "While one company receives rate increases (Idaho Power Co. last year), the other stands by biding its time to request an equalization."

E. M. Naughton, Salt Lake City, president and general manager, U.P. & L., in opening the hearing, said: "Our case is rather simple. We are requesting new rate schedules which will yield additional revenues of $800,000 a year, which, based on overall operations in 1962, is an increase of 7.8 percent. We are operating under Commission schedules set 11 years ago."

Mrs. Elizabeth Call, who has farming, hotel, and grocery store interests in Bancroft, said she understood U.P. & L. rates for farm pumping in Idaho are already more than Idaho Power Co. rates, and that they are greater than in Utah.

She said she has been looking toward substituting natural gas for electricity.

"Agriculture's short-term use of electricity—the irrigation season is but 4 months long—has given us considerable concern in that it greatly reduces the annual load factor of our Idaho business," Mr. Naughton said.

He also noted that since 1951 the irrigated land the company serves in Idaho has increased from 90,000 to 250,000 acres.

"Our summer loads in Idaho are about twice the winter loads," he added.

Referring to the load factor, L. Bryan Bergeson, Weston, president, Utida Pumping Co., countered. "I don't buy a tractor that does the minimum amount of work, because sometimes I have to call on it for a maximum."

Tom Heath, Preston, president, Eastern Idaho Production Credit, testified that the performance of Utah Power & Light Co. stock does not indicate necessity for an increase in power rates.

Speaking for 328 persons, who signed petitions against the proposed increase, H. W. Beckstead, Preston, president, Franklin County Farm Bureau, cited the number of families in the area unable to meet taxes because of depressed farm returns.

Other witnesses who appeared in opposition to the power rate increase were Myron P. Sorensen, Malad, clerk, Oneida County School Board; Marlo W. Woodward, Franklin farmer; Nephi Johnson, Lewiston, Utah, farmer; Raoul Wistesen, Bancroft livestock man, and Earl Thiemann, Preston hotelman.

However, the most shocking thing about this unjustified, unfair, and unethical rate hike requested by the Utah Power & Light Co. was exposed when on February 11, Bob Bernick, the Salt Lake Tribune business editor, reported that the Utah Power & Light Co. had a profit increase from $9,507,457 in 1962 to $9,874,600 in 1963. This increase in profit of $367,143 enabled the power company to raise their dividends on preferred stock from $1.95 a share to $2.02 a share. Following is Mr. Bernick column:

[From the Salt Lake Tribune, Feb. 11, 1964]

U.P. & L. REPORTS INCREASE IN LAST YEAR'S PROFITS

(By Robert W. Bernick)

Utah Power & Light Co. Monday reported net income for last year, after provision for preferred stock dividends, of $9,874,600, or $2.02 a share.

T. C. Woodside, vice president and treasurer, said this compares with net on a like basis for 1962 of $9,507,457, or $1.95 a share.

The company and its subsidiaries had a net last year before payment of $1,078,400 in preferred dividends of $10,953,000. In 1962, income on a like basis was $10,349,857.

Utah Power & Light Co. and subsidiaries achieved gross revenues last year of $64,786,207—up $5,475,088, or 9 percent from 1962 levels.

The utility reported net after deduction for preferred dividends of $2,563,396, or 52 cents a share, for the fourth quarter of 1963.

This compares with a net of $2,331,718, or 47 cents a share, for the like quarter a year earlier. The increase in the fourth quarter of 1963 over the same 1962 quarter was 10 percent.

Earnings before payment of $269,600 in preferred requirements for the 1963 quarter were $2,823,996, up 9 percent from comparable quarter a year ago.

Total operating revenues for the last quarter of last year were $16,099,055, an increase of $1,473,441, or 10 percent.

Total assets of the firm and affiliates as of December 31, 1963, were $315,785,512 versus $296,433,113 on like date year earlier.

Net utility plant was carried at $298,173 816 against $279,682,274 on December 31, 1962.

Mr. Speaker, if this out of State monopolistic power company were truly interested in the economy of Idaho they would withdraw this unreasonable request for a rate hike. They would return to their Idaho customers their share of the $7,009,000 in overcharges that they collected during the years 1956 through 1960 by reducing instead of increasing the present unnecessarily high power rates they are charging hard-pressed Idaho farmers and power users at a time when they are reporting an increase in their annual profits.

CONGRESS OF RACIAL EQUALITY

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAMS. Mr. Speaker, during the recent civil rights debate, every Member of this body was aware of the constant presence of special interest lobbyists in behalf of the bill. These people, representing various pressure groups, conducted the most brazenly insulting high pressure lobbying activities that I have seen in the time I have been a Member of this body.

One of these outfits, which has since claimed credit for having helped "lobby" the civil rights bill through the House, and which now brags about the tactics it used to coerce Members into voting their way, is a motley crowd of professional agitators calling themselves the "Congress of Racial Equality." Its national director is a hate-peddling racketeer by the name of James Farmer.

Recently, on a nationwide television broadcast, Farmer bragged vociferously of his lobbying activities on the civil rights bill.

Now, Mr. Speaker, I have checked with the Clerk of the House, and I find that neither the Congress of Racial Equality nor its national director, James Farmer, is registered with this body as required by law. Is it possible that these people consider themselves to be above the laws of the United States as they have demonstrated they feel about the laws of our States? In an attempt to get the answer to that question, I have written a letter to Hon. David Acheson, U.S. attorney for the District of Columbia, calling these facts to his attention. It will be interesting, indeed, to learn whether these people will be subjected to equal justice under the law, as has been meted out to others who have committed the same offense.

For the information of the House, I am including herewith a copy of my letter to Mr. Acheson.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 17, 1964.

Hon. DAVID C. ACHESON,
U.S. Attorney, District of Columbia,
U.S. Courthouse, Washington, D.C.

DEAR MR. ACHESON: On the CBS television and CBS radio networks, Sunday, February 16, 1964, James Farmer, national director of the Congress of Racial Equality, made the following statement with reference to the civil rights bill:

"We had lobbyists from CORE in Washington talking with Congressmen and demanding that they vote on the bill and vote for the strong legislation. We will be doing the same in the Senate. We will have even more lobbyists and, if necessary, there will be direct action."

I am informed by the Clerk of the House of Representatives that neither James Farmer nor the Congress of Racial Equality have registered in accordance with section 267 of title 2 of the United States Code.

Perhaps you will want to initiate an investigation to determine whether there has been a violation of the law in this instance. I would appreciate your informing me of your findings.

Thanking you, I am,
Sincerely yours,
JOHN BELL WILLIAMS.

THE HOUSE OF REPRESENTATIVES—MAN OR MOUSE?

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, the New York Times of yesterday carried a story on the recent Supreme Court decision in the case of Wesberry against Sanders, where the Supreme Court takes unto itself the right to determine the qualifications of Members of Congress. This article is headed:

HIGH COURT'S NEW ROLE

The decision on congressional districts points up its enlarged role in the government structure.

Mr. Speaker, acting under the threat of this decision, the State Legislature of the State of Georgia passed a redistricting bill 25 minutes after midnight on the last day allowed, only to pick up today's paper to see that, in all likelihood, their action would not satisfy the Supreme Court dictatorship.

Our colleagues from Texas and Maryland are under the gun right now. Shortly the rest of the States might well be, for 398 Members of the 435 in this body come from States whose districts are illegal according to the only yardstick mentioned in the Court's opinion. Mr. Speaker, the House of Representatives must once and for all serve notice that it will not surrender the powers granted to it under the Constitution.

I call on all Members to urge the Committee on Rules and the Committee on House Administration to report, at the earliest possible moment, House Resolution 628 and House Resolution 629, which I introduced on February 19 and copies of which appear on page 3170 of the CONGRESSIONAL RECORD of that date.

By adopting these resolutions we would tell the Supreme Court in no uncertain terms that the Constitution provides for the House of Representatives to be the sole judge of the qualification of its Members. If there is need to require equal and contiguous districts, we should follow the constitutional approach and have the House of Representatives work its will in this area. Under this approach the disruptive effect of action by the Supreme Court would be avoided.

In fact, until 1929, following each census the law passed by the Congress provided for contiguous districts of somewhat equal population. There is no reason for the House of Representatives to pay any attention whatsoever to the decision of the Supreme Court in this area, for the Constitution provides:

> Each House is the judge of the elections, returns, and qualifications of its own Members.

The House has jealously guarded this power with regard to contested elections. Seating of a Member is never determined by the courts, but by the House itself.

To adhere to the Court's usurpation of power would make the House of Representatives a party to its own destruction. If we do not stand up now, truly the House of Representatives will deserve to be listed as nothing but a rubber stamp for the executive and judiciary, to be belittled on every hand by anyone who wishes.

THE "DON'T BE BEASTLY TO CASTRO" SCHOOL

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an article.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, Columnist William S. White has informed the "don't be beastly to Castro" school that it is the desire of the American people that our Government move ahead with the foreign aid cutoffs and other steps to tighten the economic blockade against Cuba. He points out that this is just the beginning, not the end, of our determination to stop our "friends and allies" from further strengthening Castro.

Mr. White concludes his column by pointing out that those who are against economic sanctions against Castro are also against any form of effective action. "If we are not to try to bring him down through economic sanctions, what sanctions are left," Mr. White asks. "What, indeed is actually the policy of the 'don't be beastly to Castro school?' What is it, despite all the fine talk, but permanent appeasement?"

I ask that this entire article be printed at this point in the RECORD.

THE DON'T BE BEASTLY SCHOOL

(By William S. White)

Notwithstanding all the shrill laments of the don't be beastly to Castro school, the U.S. Government is going right ahead in determination to do something real about the standing menace of the armed Communist beachhead that is Cuba.

President Johnson's action in cutting off military aid to countries persisting in trading with Mr. Castro is only the first step. Predictably, a howl of protest is going up from certain political and editorial quarters. These invariably find something wrong in any effort anywhere to put any genuine squeeze upon Mr. Castro or upon those ill-advised Western allies who are steadily strengthening a Cuban economy which the United States is trying so hard to weaken.

Of course, most of these critics not only encouraged Mr. Castro's "democratic revolution" in the first place but also stooged for him long after it had become indisputable that he was the head of a Soviet-dominated vanguard in this hemisphere. They have an investment in a mortal error of previous judgment. Frantically they are still protecting that investment.

The fact is that this one long-delayed step against Castroism—the curtailment of aid to Castro helpers—is the beginning and not the end. The Johnson administration has not the slightest intention to sit down and let Mr. Castro be further entrenched. The coming months will see not less but more thrusts to tighten the screws on Cuba. Certain additional measures, indeed, are already in preparation.

CRITICS CITE ELECTION

The central motive is nothing less than the security of the United States and of Latin America. But some critics are suggesting that the true reason is only that this is a presidential election year. Even if this were so, as it is not, then so what? It is not easy to see what is wrong with a decent response by a democratic government to the undoubted sentiment of a vast majority of the American people that wrist-tapping is no longer a proper way to deal with Castroism.

In the meantime, and pending the full development of other steps against Castro Cuba, the objections to cutting off military aid to such determined traders with Mr. Castro as Britain and France are worth examining.

It is complained that the military aid involved is small, anyhow. True. It is complained that this is a harsh business indicating that our aid program to foreign countries might have some dreadful "string" attached to it. True; and why not? Are vital American interests to be eternally waived lest somebody be able to say that for once we are committing the crime of trying to look after ourselves—and of others too weak to look after themselves?

ALLIED TRADE HELD VITAL

It is complained that Allied trade with Cuba is in any case a small affair. Basically untrue, because misleading. It is small in a relative way. But it is large and dangerous in a more real sense. For when heavy equipment such as buses and airplanes are sent to Mr. Castro they are easing his greatest single problem—the problem of a collapsing transportation system. It is no great secret that when a dictator has a good transportation system ready to move troops and weapons about quickly he can crush revolutionary movements that otherwise might well crush him.

It is said that the United States itself sells wheat to Russia, so why shouldn't Britain and the others send heavy equipment to Cuba? The answer is easy, except to those who have never been willing to support an actual blow to Mr. Castro and never will be. Wheat is to eat, and this Government itself is not attempting to halt any sale of food to Cuba. But machines of all kinds are Mr. Castro's greatest need in maintaining his grip on the island, for machines are almost as important to him now as shooting weapons.

Finally, most of those who object to any interruption of trade with Mr. Castro also object, and most violently, to any sort of military measure against him, for any reason, any time. If we are not to try to bring him down through economic sanctions, what sanctions are left? What, indeed, is actually the policy of the don't-be-beastly-to-Castro school? What is it, despite all the fine talk, but permanent appeasement?

HOW TO TEACH OUR CHILDREN WITHOUT REALLY TRYING

Mr. OLSEN of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. OLSEN of Montana. Mr. Speaker, recently the oversea teachers received a raise across the board of $100. This increase was for the period of 1963-64 school year. This has been the first increase in oversea dependents schools salary schedule since September 1960. At that time starting salaries were fixed at rates equal to those paid teachers in large U.S. school systems in September 1959. This was in line with a law passed in 1959 by the Congress, Public Law 86-91, Defense Department Overseas Teachers Pay and Personnel Practices Act. The directive issued by the U.S. Department of Defense which established the September 1960 salary rates recognized this schedule. This directive, the salary determination procedures, has not been followed because funds have not been provided.

If the salary directive had been fully implemented, the starting salaries of oversea teachers would be at least 9.6 percent higher in 1962-63 than they are. As a group oversea teachers have lost more than $4 million in the past 3 years by the failure of the Department of Defense to pay the salaries rightfully due them. During this period that teachers' salaries have stood still other civilian Federal employees have had two pay raises averaging 13 percent. It is no wonder the annual teacher resignation rate overseas is over three times the national average.

Public Law 86-91, the Oversea Teachers Pay and Personnel Practices Act, directs the Secretary of Defense to issue regulations governing "the fixing of the rates of basic compensation of teaching positions in relation to the rates of basic compensation for similar positions in the United States," and not in excess of salaries paid in the public schools of the District of Columbia.

These regulations, when issued in August 1960 provided that the amounts of salaries were to be established in relation to salaries paid teachers in U.S. urban school jurisdictions of 100,000 population and over.

The Department of Defense has not implemented its salary formula since 1960-61, the NEA research division has provided each year the basic survey data expected by the formula.

This year's findings indicate that the arithmetic average of the salary for beginning or first-year teachers in the bachelor's degree salary class in the salary schedule of urban school districts of 100,000 population or more is $4,693. The average step-rate increases based upon experience are $201.

The table on the next page compares the schedule used in the oversea schools this year, with the recent $100 raise included, with the survey data for 1962-63 and 1963-64 and with the schedule in effect at the beginning of the school year 1963-64 for public school teachers in the District of Columbia.

On January 17, 1963, the Department of Defense asked Congress for a modest increase of less than 2 percent in the funding of its oversea schools for 1963–64. This request, even if authorized by the Congress, would be insufficient to bring about the justified pay increase for teachers and the educational improvements long recommended by the Overseas Education Association, the National Education Association, and the recent survey.

Mr. Speaker, I want to urge the Department of Defense to improve their school facilities, unify the administration of the schools, strengthen its educational program, and pay the teachers a professional salary.

Salary schedule comparisons with oversea teachers' schedule

Salary class	Schedule in DOD oversea schools, 1962–63	Average schedule in large urban school districts, 1962–63	Salary schedule in District of Columbia schools, 1963–64	Average schedule in large urban school districts, 1963–64
Bachelor's degree	(a) [1] $4,165	1 $4,549	1 $5,000	1 $4,693
	(b) [1] 4,350	2 4,745	2 5,260	2 4,894
	1 4,535	3 4,941	3 5,520	3 5,095
	2 4,720	4 5,137	4 5,735	4 5,296
	3 4,905	5 5,333	5 5,950	5 5,497
	4 5,090	6 5,529	6 6,165	6 5,698
	5 5,275	7 5,725	7 6,380	7 5,899
	6 5,460	8 5,921	8 6,595	8 6,100
	7 5,645	9 6,117	9 6,810	9 6,301
	8 5,830	10 6,313	10 7,025	10 6,502
	9 6,015	11 6,509	11 7,240	11 6,703
		12 6,705	12 7,455	12 6,904
		13 [2] 6,905	13 7,670	13 [2] 7,101
			(x) [3] 8,190	
			(y) [3] 8,710	
Master's degree	(a) [1] 4,365	1 4,903	1 5,500	1 5,064
	(b) [1] 4,550	2 5,108	2 5,760	2 5,277
	1 4,735	3 5,313	3 6,020	3 5,490
	2 4,920	4 5,518	4 6,235	4 5,703
	3 5,105	5 5,723	5 6,450	5 5,916
	4 5,290	6 5,928	6 6,665	6 6,129
	5 5,475	7 6,133	7 6,880	7 6,342
	6 5,660	8 6,338	8 7,095	8 6,555
	7 5,845	9 6,543	9 7,310	9 6,768
	8 6,030	10 6,748	10 7,525	10 6,981
	9 6,215	11 6,953	11 7,740	11 7,194
		12 7,158	12 7,955	12 7,407
		13 7,363	13 8,170	13 7,620
		14 7,568	(x) [3] 8,690	14 [2] 7,829
			(y) [3] 9,210	
Master's degree plus 30	(a) [1] 4,415	1 5,453	1 5,700	1 5,661
	(b) [1] 4,650	2 5,686	2 5,960	2 5,899
	1 4,835	3 5,919	3 6,220	3 6,137
	2 5,020	4 6,435	4 6,435	4 6,375
	3 5,205	5 6,385	5 6,650	5 6,613
	4 5,390	6 6,618	6 6,865	6 6,851
	5 5,575	7 6,851	7 7,080	7 7,089
	6 5,760	8 7,084	8 7,295	8 7,327
	7 5,945	9 7,317	9 7,510	9 7,565
	8 6,130	10 7,550	10 7,725	10 7,803
	9 6,315	11 7,783	11 7,940	11 8,041
		12 8,016	12 8,155	12 8,279
		13 8,249	13 8,370	13 8,517
		14 [2] 8,480	(x) [3] 8,890	14 [2] 8,756
			(y) [3] 9,410	

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[1] Steps (a) and (b) on DOD schedules are used for teachers not possessing the minimum qualifications of 2 years' experience and required degree.

[2] Final step includes adjustment (more or less than other increments) to reach average scheduled maximum in average number of steps.

[3] Step (x) granted after 15 years of service and step (y) after 18 years.

LIMITING IMPORTS OF BEEF

Mr. McLOSKEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McLOSKEY. Mr. Speaker, the recent announcement by the Agriculture Department and State Department concerning an agreement with Australia and New Zealand limiting the imports of beef into this country has not caused the exuberance among persons in the cattle industry that was hoped.

As early as last April I introduced legislation concerning this problem as did many other Members of Congress. There is no need to review the history of this legislation as most Members are fully aware that no hearings were granted so that the subject matter might be brought out into the open.

From that time on I, along with other Members, have been calling upon the administration to do something about the beef import problem. As many Members know it was months before either the Agriculture Department or the State Department even acknowledged that the imports of meats into this country had any effect on our domestic market. Very frankly, about the only good which has come out of this recent agreement is the acknowledgement by our Government that the problem is one of concern and that steps should be taken to protect our own American citizens.

Once more, in the signing of this agreement, it is apparent to many of us that the administration is more concerned with creating an image than they are in actually solving the problem.

It was very disturbing to me to learn that in the agreement entered into the 2 highest years in the history were used as selecting the average for a limitation base for 1964 imports. I think it only fair that we again ask is this a surrender to external pressures on our part, and is this another example where the cattle producers of America are being used as pawns in this international game of chess?

We have been told repeatedly that if legislative action was taken to correct the situation it would create bad feelings with other nations and that the problem should best be solved by voluntary agreement. None of us can take issue with this approach if in working out voluntary agreements it did not work to the detriment of our own citizens.

I think it should further be pointed out to the Members of this body that while it is true there have been some limitations placed upon the imports of meat that it is also significant that it would appear there is a real defect in this agreement. I shall attempt to explain.

Under this agreement Australia and New Zealand propose to limit exports to the United States of beef and veal "in all forms except canned, cured, and cooked meat and live animals." Granted that in this category at the present time it may represent only a minor portion of the imports from these two countries, nevertheless, it would seem to me that these products should have been excluded from the base because of the effect it might have in setting precedents in further negotiations with other countries.

Furthermore, I should like to point out that since this agreement fails to place any limitation at all on canned, cured, or cooked meat imported into this country, if past experience means anything we can look for a rapid increase in imports of this type of meat.

I think it also rather interesting that when the State Department made their news release concerning this agreement this matter of canned meats was not mentioned. Are we again seeing an example of managed news and are we attempting to kid a vital segment of our American society?

In addition to this defect in the agreement I am sure I share the disappointment of many other Members that in negotiating we did not insist that some other period be taken as a base in arriving at the amount of meat which could be imported. By taking the 1962–63 average, which was the highest in the history, plus the fact we included a so-called escalator clause in which imports might be raised on a percentage basis depending upon the total amount of domestic consumption, it would seem we have once more placed our own people at a decided disadvantage.

It is my understanding already bills have been introduced in the Senate which would provide a base of limitation representative by the average of the last 5 years of imports. While this is a rather different approach than my original bill which would have increased tariffs if the imports exceeded the average of the past 5 years it would seem this new idea, as expressed in the Senate bill, is a far better solution than what has been obtained on a voluntary basis.

In any event I feel the time has come for immediate action and that this problem should be met head on lest the situation this year becomes worse.

MOVING COSTS OF FEDERAL EMPLOYEES

Mr. OLSEN of Montana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. OLSEN of Montana. Mr. Speaker, today I have introduced a bill to amend the Administrative Expenses Act of 1946, as amended, to provide for reimbursement of certain moving expenses of employees transferred in the interest of the Government to a different geographical location and to authorize payment of expenses for storage of household goods and personal effects of civilian employees assigned to isolated duty stations within the continental United States.

Mr. Speaker, my purpose today is to explain the purpose and justification in detail of my bill.

PURPOSE

To reduce the financial losses of employees transferred in the interest of the Government, thereby increasing the acceptance of transfers by employees with consequent benefit to the morale and efficiency of the Federal work force.

JUSTIFICATION

The Federal Government frequently needs to transfer its employees from one place to another. Sometimes this is necessary because of changes in program, workload, or organization, or because persons qualified to do the work are not available locally. Certain career systems, such as the Forest Service, depend on progressive geographical movement of employees to positions of increasing responsibility. Some types of work, such as bank examining, require periodic moves of personnel in the interest of maintaining objectivity. In short, for numerous good reasons it is in the Government's interest to be able to shift personnel readily from place to place.

Under current legislative authority, the Government pays for some of the basic costs of moving its employees, for example, transportation of the employee, his family, and his household goods. There is ample evidence to indicate that for most employees these payments fall substantially short of covering all the necessary and reasonable expenses related to moving. Understandably, this leads to reluctance to move. When employees are unable or unwilling to transfer, Government's efficiency drops and its costs go up. Besides losing the services of experienced employees, agencies may have to promote less well-qualified people or spend extra time and money to find, hire, and train new people to do the work. When employees do make the transfers they often suffer, in addition to the inconvenience and the emotional stress of an undesired move, direct financial losses which they have no way of recovering. Agencies say that the certain prospect of financial losses which the employee can ill afford frequently tips the scale against the experienced employee's making the move his agency needs to have him make.

There is also a question of equity involved. When the Government initiates an employee move and expects to benefit from it, it is not fair to the employee to make him pay substantial sums for expenses which are not reimbursed under existing law.

HOW MUCH DO EMPLOYEES LOSE?

To obtain recent information on moving costs, the Civil Service Commission, with the cooperation of a number of Federal agencies, conducted a voluntary survey of the expenses of more than 5,000 Federal employees moving in the United States in fiscal 1962 for the convenience of the Government. The results showed that more than four employees in five lost money on their move. The average loss was $558. A significant number of respondents—17 percent—lost more than $1,000.

WHAT WERE THE LOSSES FOR?

Heaviest losses were from closing costs on the sale of the employee's old home—average $677—followed by closing costs on new homes—average $297—above normal living costs of employees reporting to the new job ahead of their families—average $257—and cost of temporary quarters for the family—average $134. Other types of losses averaged $100 or less and included cost of househunting trips, above normal food and lodging costs for dependents, trips to the old home to help move, and losses on shipment of household goods—one respondent in five, with dependents, shipped goods in excess of the 7,000-pound limit for reimbursement. None of these losses typically incurred by employees are reimbursable under existing law. In addition, employees reported many other incidental or unforeseen expenses not included in the figures given above.

WHAT IS DONE FOR OTHERS?

The Government already provides a special relocation allowance, equal to the basic monthly allowance for quarters, for members of the uniformed services whose dependents move when the man has a permanent change of station—Career Incentive Act of 1955, Public Law 20, 84th Congress.

The Government already provides for officers and employees transferring under the Foreign Service Act of 1946 allowances and reimbursement covering many expenses of the kinds that produced the loss figures cited—60 Stat. 1025, 1026, and 1027. Legislation passed in the 86th Congress provides other civilian employees assigned to foreign areas with special transfer allowances for extraordinary, necessary, and reasonable expenses, not otherwise compensated for—Public Law 86–707.

Business, too, is far more generous in reimbursing its employees for company moves than is the Government in dealing with its civilian employees. As periodic studies by the National Industrial Conference Board have shown, the great majority of businesses surveyed reimburse employees for such items as travel expenses of the family and temporary living expenses. In addition, other allowances or combinations are granted, especially in the case of management and professional employees who frequently are afforded various types of assistance in disposing of homes and in meeting other expenses.

The financial penalty imposed on employees who move at Government request should be reduced. The burden on employees is substantial and far less assistance in meeting it is provided civilian employees transferred within the United States than is provided for military personnel, persons on foreign assignment, and business employees.

ITEM COVERAGE

The terms of the proposed legislation are broad enough to provide needed flexibility within the types of expenses covered. For example, the bill would eliminate the current reimbursable limit of 7,000 pounds on shipment of household goods, now exceeded by about 1 in 5 persons with dependents. Limits could be set by regulation and changed from time to time to reflect changes in living standards so as not to penalize employees for normal accumulation of household goods.

Under the bill employees moving to isolated locations where they cannot use their household goods could be reimbursed under regulations issued by their agency for up to 3 years storage of goods in an amount not to exceed the maximum weight the employee would be entitled to move under the regulations governing moves generally.

Reimbursement for family travel could be set by regulation at an appropriate rate, for example, one-half the regular per diem rate for the spouse plus one-fourth for each dependent. Reimbursement for temporary living expenses could be structured according to a similar scale, with additional features such as diminishing rates over a 30-day period to encourage rapid moves to permanent quarters.

EMPLOYEE COVERAGE

The proposed legislation would not apply to Foreign Service officers or to other employees transferring to foreign areas. Other groups excluded are: Intermittently employed experts and consultants on per diem pay; employees transferring in their own interest; and all other persons not entitled to Government-paid travel.

ADMINISTRATION OF THE PROPOSED LEGISLATION

Regulations for administration of the proposed legislation, including the method and amount of reimbursements and who would be eligible to receive them, would be issued for the President by the Director, Bureau of the Budget, who prescribes other regulations under the Administrative Expenses Act. For interagency moves, the head of the agency to which the move is made would determine whether a transfer is in the Government's interest.

Administrative experience and changing times may necessitate periodic changes in the method and amount of reimbursements authorized. The overall sums involved would, of course, be controlled by Congress through the appropriation process. But as has been indicated, the language of the bill is flexible enough so that changes in the payments themselves could be accomplished by regulation.

ESTIMATED COSTS

In accordance with the provisions of the act of July 25, 1956, 70 Stat 652—5 U.S.C. 642a—we estimate the Government-wide cost of the proposed legislation for the first year after enactment at about $3 million. This figure is based on cost data obtained from the moving expense study, as applied to an estimated 35,000 employees relocated each year in the interest of the Government. It assumes a structure of payments such as that indicated in item coverage above and a continuation of the pattern of moves as to distance, family size, time in temporary quarters, and so on as found in our survey. Costs for the following 4 years are dependent on the extent to which agencies will find it necessary to transfer personnel from one locality to another, but are not expected to exceed the first year's cost estimate.

The proposed legislation will not involve any expenditure for personal services. Funds to make reimbursements authorized by the proposed legislation would be secured by the individual agencies through their regular appropriation requests to the Congress. When spread over the many Federal agencies which are authorized to transfer employees, these added costs would not be such that they would require additional funds to be budgeted. In other words, the differences in cost would be too minor in any one place to involve anything but the most nominal budget impact.

GOVERNMENT CENSORSHIP ON SOVIET TRADE

Mr. LIPSCOMB. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LIPSCOMB. Mr. Speaker, a move which bears all the earmarks of Government censorship is the Department of Commerce announcement that beginning April 1, 1964, it will discontinue publication of the daily list of export licenses issued by the Department.

The daily list, entitled "Export Licenses Approved and Reexportations Authorized," provides day-to-day information on licenses issued by the Commerce Department outlining the type of commodities, their value, and the destination of exports authorized, including exports to Communist nations.

The practical effect of ceasing this publication would be to deny the public access to this data on a timely basis for there is no other similar source from which it is available.

As I mentioned to the House of Representatives on February 17, 1964, in commenting on this action by the Commerce Department, the only reason cited by the Department for wanting to discontinue the list is because of its workload and the cost of the daily list, which has been alleged to be $25,000 a year.

I have been and continue to be all for economy in Government, but it is difficult to see how the Department can be seriously concerned about the cost of putting out this publication when it has pending before Congress a request for $919 million to operate the Department for fiscal year 1965, including a request for $8,203,000 for printing and reproduction work.

In addition, can the Department's claim that it needs to save tax money on publishing this list be valid in view of its role in the arranging of special subsidies to grain companies of $2.8 million to help sell wheat to the U.S.S.R.? These subsidies represent expenditures in addition to the millions of dollars in the regular export subsidies involved in the wheat sales.

In 1961, shortly before publication of the daily export license list was begun, it was reported that Secretary of Commerce Hodges said with regard to the decision to publish information concerning granting of export licenses, "It would be consistent with the total national interest" to end the secrecy policy.

Later, in October of 1961, Secretary Hodges told the House Select Committee on Export Control, on which it was my privilege to serve:

> I instituted some months ago the practice of issuing a daily report on export licenses approved by the Department. These reports give the fundamental data necessary to enable anyone to know what his Government is authorizing for export, to what country, and in what quantity or value.

What has changed? Is not it still consistent with the total national interest to publish this information? Is not it still important for the people to know what their Government is authorizing for export? I firmly believe it is.

There seems no other conclusion but that the decision to discontinue publishing the daily export license list is a thinly veiled attempt to stem public criticism of exports to the Communist bloc. It could well be the forerunner of attempts to greatly expand such trade under cover of a news blackout.

I have written to both President Johnson and to Secretary of Commerce Hodges expressing my position that the public has a right to this information and requesting that publication of the daily lists continue.

I have also introduced in the House of Representatives today a joint resolution which would require the Department of Commerce to continue publication of the daily export license list. Under the terms of the resolution, the daily list would be continued, containing information as to the country of destination, the dollar value, and a commodity description relating to export licenses issued. In addition, the resolution would require publication of the name of the person, firm, organization, or other entity to which export licenses are granted.

The text of my resolution follows:

> Whereas the United States Secretary of Commerce issues a daily export license list entitled, "Export Licenses Approved and Reexportations Authorized" which contains information relating to the country of destination, total dollar value, and a commodity description pertaining to export licenses issued by the Secretary of Commerce authorizing exportation of commodities, products, and technical data to other nations, including Communist nations; and
>
> Whereas the Department of Commerce has announced that as of April 1, 1964, it plans to discontinue issuance of this daily export license list; and
>
> Whereas this daily export license list contains information and data concerning export licenses granted by the Federal Government which the American public is entitled to know; and
>
> Whereas there is no other source from which the American public can obtain timely export licensing information: Therefore be it
>
> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of Commerce is hereby directed to continue issuance on a daily basis of the publication entitled, "Export Licenses Approved and Reexportations Authorized." The Secretary is hereby further directed to include in this publication, in addition to a commodity description, total dollar value designation, and country of destination for each license issued authorizing exportations to other countries, the name of each person, firm, organization, or other entity to which such an export license is granted.

I sincerely solicit the interest and support of the Congress for this resolution. Two basic issues are involved, Government censorship of information and trade with the Communist bloc. Both of these are vital to the security and welfare of our Nation and its citizens.

ALL-OUT WAR ON POVERTY

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, I have not heard of anyone who opposed a war on poverty any more than I have heard of anyone supporting sin or being against purity, motherhood, and so forth. The question is what to do about unemployment and substandard living. Something more I hope than practicing austerity by turning out lights at the White House.

The problem of poverty today consists of some 4 million Americans who have no jobs and 30 million people, so we are told, who live in families where incomes are less than $3,000 a year.

A solution in the way of combating poverty—an all-out war on poverty if you will—is wherein the rub lies.

The most frequent suggestion to improve this situation offered politicians here in Washington, D.C., is initiating accelerated public works and expending hundreds of millions of borrowed Government money to create employment. The Government stimulates construction and when the work is completed the workers become unemployed again and all that remains is more debt.

Mr. Speaker, there are some ways to war on poverty with the taxpayers' money which would create permanent additions to employment. One of these which could take at least 100,000 persons off the rolls of the unemployed would be for the Government to employ American nationals abroad. For example, right now the Panama Canal Company is hiring Panamanian policemen to patrol the Canal Zone and protect our citizens and property. Aside from the poverty issue one wonders what these foreign nationals would do in the face of a Panamanian mob. In any event, let us recall that presently there are 11,000 Panamanians employed by us in the Panama Canal Zone and just to cite one other example, 3,000 Cubans until recently had jobs at the U.S. naval base at Guantanamo.

National security interests also would be better served if our State Department used American instead of foreign nationals at our embassies abroad. After all it is known that Russians working at our Embassy in Moscow are Soviet spies and are members of their secret police while the Russians themselves employ only their own nationals in Soviet embassies including the one here in Washington, D.C.

Combating poverty in America, of course, goes much deeper and it should be recognized too that employment is not necessarily based on spending vast sums of money or is in conflict with "frugality"—if I may borrow this word from the President's message to Congress of November 27, 1963.

However, addressing myself to the proposed all-out war on poverty I think it can be shown that increased Federal spending is not the answer to substandard living in America.

Milton Friedman, professor of economics at the University of Chicago, for example, in his book "Capitalism and Freedom" says that in the year 1961 payments by governments including Federal, State, and local programs at all levels for direct welfare, old-age assistance, social security, price supports, and other governmental benefits totaled $33 billion. Using Dr. Friedman's total of $33 billion it would provide an average payment of $6,000 for each consumer unit—family—in the 10 percent of the country with the lowest incomes, or $3,000 per family in 20 percent of the country's people with lowest incomes.

Bear in mind that even the annual expenditure of this vast sum—which incidentally does not include many additional billions contributed by private sources—has not solved the problem of poverty.

Let us not, therefore, seek to cure the situation with more of the same treatment, but rather try and study wherein is the present waste and failure. Instead let us try to determine how to better the existing programs to alleviate hunger, sickness, and other human needs in America.

Adding more Federal aid and assistance on top of existing uncoordinated and unworkable programs is not the real challenge of a war on poverty. Rather it is redirecting and redistributing a total overall sum that should under efficient and frugal administration—getting a dollar's worth for each dollar—take care of all the needy who are worthy of being helped.

Under such an all-out war on poverty there would be savings aplenty to the taxpayers, I am sure, in addition to providing sufficient money to care for all Americans who need help.

DIGEST OF TAX BILL CONFERENCE REPORT

Mr. ALGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a digest of the tax bill conference report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ALGER. Mr. Speaker, very shortly we will be asked to consider the conference report on the tax bill. In order to help inform my colleagues I would like to include as a part of these remarks the following digest of the bill as reported by the Wall Street Journal and which, in my opinion, is a good analysis of the bill as it now stands.

[From the Wall Street Journal, Feb. 20, 1964]

CONFEREES AGREE ON $11.5 BILLION TAX CUT; PRESENT CAPITAL GAINS RATE IS RETAINED—ACCEPTANCE BY BOTH HOUSES IS EXPECTED NEXT WEEK—MARCH PAY TO SHOW EFFECT

(By Arlen J. Large)

WASHINGTON.—Congressional negotiators carried the administration's history-making $11.5 billion tax-reduction bill to the threshold of enactment.

A final House-Senate compromise draft, agreed to yesterday, is almost sure to be the version sent to the White House for President Johnson's signature next week, after routine approvals by both Houses of Congress; these probably will come next Tuesday or Wednesday.

"I don't expect any trouble in getting the conference report adopted," said Senator LONG, Democrat, of Louisiana, 1 of the 14 lawmakers who smoothed out differences between separate versions of the bill approved earlier by the two Houses of Congress.

The tax cut will begin showing up in employees' paychecks early next month.

The biggest point of difference between the House and the Senate was settled yesterday morning when the conference negotiators agreed to leave unchanged the present tax law's treatment of capital gains. The House bill would have reduced the tax on long-term profits from the sale of property, but the Senate's resistance to changing this capital gains rate was upheld, as expected, by the conferees.

The measure, the result of more than a year of work by the House and the Senate, retains the rough outlines of the proposals submitted by President Kennedy in January 1963. The bill cuts individual and corporate tax rates, as Mr. Kennedy asked, but it includes few of the stiff revenue-recouping "reforms" he wanted.

AVERAGE CUT OF 19 PERCENT

The bill's two-stage reduction will cut individual tax liabilities by an average of 20 percent when fully effective in 1965. The handful of structural reforms unfavorable to taxpayers will offset a fraction of these rate cuts, bringing the net average reduction in liabilities to about 19 percent.

The final bill is more generous than Mr. Kennedy's original call for a net reduction of $10.3 billion in individual and corporate tax liabilities. The final combination of rate cuts and reforms contained in the bill will reduce liabilities by nearly $11.5 billion annually when the measure is fully effective next year.

It is the biggest tax reduction in U.S. history, and it marks a departure from previous fiscal policy. Mr. Kennedy proposed it at a time when the Federal budget already was in the red and expenditures were rising. Mr. Kennedy, and President Johnson after him, argued that the cut in tax rates was needed to raise the economy to a permanently higher level of activity. Presidential eagerness for the tax cut relegated to second priority the structural reforms long sought by liberal theorists.

DIVIDEND TAX CREDIT REPEALED

Perhaps the biggest single victory for the tax reformers is the bill's two-step repeal of the 4-percent tax credit on dividend income, although Congress insisted on a related provision that softens this blow to stockholders. The lawmakers also tightened a number of other tax rules, including those affecting executive stock options, but in most cases Congress didn't go as far as the Treasury had hoped when it drafted the original proposals.

One of the administration's most far-reaching proposals—taxation of capital gains at death—isn't to be found in the final bill in any form. And Mr. Kennedy's widely attacked request to limit total itemized deductions to amounts that exceed 5 percent of a taxpayer's income has been reduced to an almost unrecognizable ban on deductions for a few kinds of State and local taxes.

Throughout its legislative journey, the bill's main opposition came from conservatives who demanded Federal spending be cut sharply before taxes were reduced. Republicans unsuccessfully tried to attach spending limits to the bill when the House passed it last September.

The Senate's work on the bill was slowed late last year by conservatives who wanted action delayed until the President submitted his new budget in January. Mr. Johnson's surprise forecast of slightly reduced Federal spending in the coming fiscal year helped win the cooperation of Finance Committee Chairman HARRY BYRD in speeding action on the measure; the veteran Virginia Democrat, however, refused to vote for it. The Senate passed the bill earlier this month after narrowly rejecting a Republican effort to make it a vehicle for the repeal of assorted Federal excise taxes.

KEY DECISIONS LISTED

Seven members of the House Ways and Means Committee and seven members of the Senate Finance Committee were assigned to reach a compromise on the relatively minor differences between the two bills. In 2½ days of intensive work, the conferees made these key decisions.

Profits from the sale of property held more than 6 months will continue to be taxed as before. The law allows sellers of the property to include only 50 percent of these profits in taxable income, with the tax on the total gain limited to a maximum of 25 percent. House bargainers gave up their formula of cutting the capital gains inclusion rate to 40 percent, and the maximum tax to 21 percent, for property held more than 2 years.

One of the existing capital gains tax rules will be liberalized. Present law allows a net capital loss incurred in a given year to be used to offset as much as $1,000 of ordinary income subject to tax. If the actual loss exceeds this annual ceiling, it may be applied against $1,000 of ordinary income in each of the next 5 years, but no longer than that. Senate conferees agreed to a House provision extending the capital loss carryover, for an indefinite number of years, thus allowing an annual offset of as much as $1,000 of ordinary income until the capital loss is exhausted. The provision will reduce Treasury revenues by an estimated $30 million annually.

The conferees agreed on a somewhat lower ceiling, starting next year, on tax-free earnings of Americans residing abroad for more than 3 years. The old law allows these Americans to exclude from income subject to

U.S. tax their first $35,000 of earnings. Conferees lowered this to $25,000, modifying a much stiffer proposal by Senator **GORE**, Democrat, of Tennessee. A $20,000 ceiling on tax-free earnings of Americans who stay abroad for shorter periods was left unchanged. The revenue gain is negligible.

Eliminated was a House requirement that people who receive medical insurance benefits greater than the cost of a given illness must include the excess in their taxable incomes.

Part of the 1962 expense-account law denying full travel-expense deductions for combined business-vacation trips by high-ranking executives will be repealed. If the work-and-play trip is within the United States, the full cost of transportation can be claimed as a deduction, under a Senate provision accepted by the conferees. The 1962 rule, however, will still apply if the executive travels to another country. The revenue effect is negligible.

A modified Senate provision benefiting department stores that sell merchandise under revolving credit plans was accepted by House conferees. The amendment, in effect, lets department stores stretch out their tax payments on installment payments received from revolving-credit customers. There will be an estimated one-time revenue loss to the Treasury of $100 million this year, followed by a continuing $5 million annual loss in future years.

TAX-RELIEF SECTIONS DROPPED

Several Senate provisions granting additional tax relief were rejected. Among them were:

A $28 million provision allowing business purchasers of equipment designed to control air and water pollution to subtract 14 percent of the cost from their final tax.

A $25 million provision for deductions for political campaign contributions by individuals.

A $20 million liberalization of the rules under which an unmarried taxpayer can qualify for favorable "head of household" tax rates for supporting a dependent relative.

A $185 million package of deductions and extra personal exemptions for disabled persons.

A $45 million tax break for transferred employees on company reimbursements for losses on the hasty sale of their homes.

Following are the major provisions of the final bill as approved by the House-Senate conference group; unless otherwise noted, all the changes from the old law are effective beginning January 1 of this year:

INDIVIDUAL TAXES

The bill provides for a two-step reduction in the percentage rates of taxes levied on individual incomes; these rates currently run from 20 percent at the bottom bracket to 91 percent at the top. For this calendar year the bill applies a new range of rates running from 16 percent at a revised bottom bracket to 77 percent at the top. In 1965 these percentage rates will drop to a range of 14 to 70 percent.

This schedule of tax rates determines the taxpayer's final liability when he files his income tax return after the end of a taxable year. Throughout the taxable year, however, employees have had a part of their pay kept back at the source by the withholding system. At present this withholding rate is 18 percent; the tax bill cuts it to 14 percent. This will take effect 8 days after the tax bill is signed into law, and the withholding rate will continue at that level through 1965 and future years. The reduction will fatten employees' paychecks by an estimated $800 million a month, beginning in early March.

CORPORATION TAXES

The bill cuts the old law's 52-percent tax on corporate incomes to 50 percent this year and further to 48 percent in 1965 and later years. The cut provides a special break for small companies by giving an extra-deep reduction for corporate income below $25,000.

Corporations currently pay a "normal" tax of 30 percent on their total income, plus a "surtax" of 22 percent on that part of their income exceeding $25,000. The bill provides that the normal tax will drop to 22 percent this year and will remain at that level. The surtax for this year will rise to 28 percent, producing a combined corporate tax rate of 50 percent for this year's income. The surtax in 1965 and later years will become 26 percent, which together with the 22-percent normal tax will produce a combined corporate levy of 48 percent.

The interim 50-percent corporate tax rate will be effective for the taxable year after December 31, 1963, and the 48-percent rate will be effective for taxable years after December 31, 1964, making the change simple for companies that keep their books on a calendar-year basis. For companies with fiscal years straddling these dates, a prorating system is to be used.

If a corporation's fiscal year ends June 30, for example, the effective tax rate for the current fiscal year will be 51 percent—the average for 6 months in 1963 at the old 52-percent rate and for 6 months this year at the new 50-percent rate. In the next fiscal year ending June 30, 1965, the company's effective tax rate will average 49 percent, and the ultimate 48-percent level will be reached in the fiscal year after that.

A company whose fiscal year ends September 30 will pay an effective rate of 50.5 percent in its current fiscal year, 48.5 percent the following year, and 48 percent after that.

The corporate rate reductions would reduce tax liabilities for corporations by $2.2 billion when fully effective next year.

The bill seeks to soften the impact of the corporate tax reductions on the Federal budget by requiring many companies to advance their taxpaying timetables. Corporations owing an annual tax of more than $100,000 are required by existing law to pay four installments of estimated tax. For calendar-year companies, this means quarterly installments of 25 percent each on September 15 and December 15 of the year the tax is incurred and cleanup payments due in the following year on March 15 and June 15.

The bill requires a gradual speedup in these payments over a 7-year period, so that by 1970 the quarterly payments of 25 percent each would be due on April 15, June 15, September 15, and December 15 of the same year the tax liability is incurred. The Treasury estimates the new plan will affect about 15,000 large corporations. The faster timetable won't increase their tax liability, but it will reduce their cash benefits from the tax rate reduction during the 7-year transition.

MULTIPLE CORPORATIONS

The bill seeks to discourage companies from fragmenting themselves into small subunits to take advantage of the new reduced 22-percent tax on earnings below $25,000. Parent-subsidiary groupings and families of companies with at least 80 percent common ownership are given several ways to organize themselves for taxpaying purposes.

First, if a parent-subsidiary group has been filing separate tax returns for each subunit and each has been exempting its earnings below $25,000 from the corporate surtax, it can start filing a consolidated tax return for the entire group. The group will get only one exemption from the surtax. But all companies filing a consolidated return will benefit from the bill's repeal of the former 2-percent penalty tax levied on consolidated taxable earnings.

Also, a family of companies with 80 percent common ownership can continue to file separate returns and each claim an exemption from the new 26-percent surtax. But these companies each must start paying a new 6-percent penalty tax on their first $25,000 of earnings, in addition to the new 22-percent normal tax.

Finally, a parent-subsidiary grouping can continue to file separate returns for each subunit but agree to claim only one surtax exemption for the entire group. A group of companies taking this option will be allowed to exchange dividends between themselves tax-free, instead of paying tax on 15 percent of the intercorporate dividends as required by existing law. Life and mutual casualty companies choosing this option also will be allowed a tax-free exchange of dividends among subunits. The annual revenue loss: $20 million.

REVENUE PRODUCERS

Dividend credit

For the past decade stockholders have been allowed to exclude from taxable income their first $50 of dividend income; the exclusion for married couples filing a joint return has been $100. Also, stockholders have been able to subtract from their final tax 4 percent of dividend income above the $50 or $100 exclusion.

The bill doubles the exclusion of $100 for individuals and to $200 for married couples filing a joint return, beginning with dividends received this calendar year. But it cuts the credit that can be subtracted from this year's final tax to 2 percent of the amount remaining above the new $100–$200 exclusion. The dividend credit is to vanish in 1965 and later years, while the double exclusions are to continue. The annual revenue gain: $300 million.

Sick pay

The bill continues the old law's provision allowing sick employees to exclude from taxable income up to $100 a week in pay received while off the job, but the rules are tightened to discourage malingering. The old law allowed a worker to begin claiming the sick pay exclusion immediately if he was hospitalized for illness or injury and after 7 days if he remained at home. The bill requires a 30-day waiting period before the sick-pay exclusion can begin, whether the worker is hospitalized or is at home.

The new rule has an important exception. The old law will still apply if the employee's pay received while he is sick drops to less than 75 percent of his regular weekly wages. In this event, he can claim a weekly sick-pay exclusion of as much as $75, beginning immediately if he is hospitalized and after a week if he stays home. If he is still away from work after 30 days, the weekly ceiling on the exclusion will rise to $100, the level permitted for all employees after 30 days. The annual revenue gain: $65 million.

Casualty losses

The old law has allowed taxpayers an unrestricted itemized deduction for personal property losses arising from accidents, fires, storms and theft. Seeking to end deductions for dented fenders and other minor mishaps, the bill allows casualty loss deductions only where each loss exceeds $100.

The official description of this provision calls for a liberal interpretation of the words "each loss," thus telling tax agents not to subdivide a single expensive mishap into a series of below-$100 losses that would deprive a taxpayer of any deduction.

"For example," says the House report on the bill, "if a storm damages a taxpayer's residence and his automobile parked in his driveway, a single casualty is involved. Similarly, if a hurricane causes high waves and a taxpayer suffers both wind and flood damage to his summer residence, a single casualty is involved." The new $100 rule does not apply to casualty losses by businesses. The annual revenue gain: $50 million.

Gas and oil

The old law allows gas and oil poducers to deduct from taxable income 27½ percent of a well's gross income; this depletion deduction can't exceed 50 prcent of the well's net income after expenses are paid. The bill doesn't make any change in this general rule. But it does forbid an oil-industry bookkeeping practice that has been used to raise the 50-percent-of-net-income ceiling and thus increase the depletion deductions claimed.

Gas and oil companies have been able to combine into "operating units" a number of separate leases or land parcels on which producing wells are located, even if the leases were widely scattered geographically. By aggregating a carefully selected combination of leases, high-profit wells could be grouped with low-profit wells to raise the "operating unit's" overall net income.

The bill forbids such groupings for purposes of figuring depletion deductions, requiring the producers to compute deductions for each lease separately. An exception permits two or more taxpayers to pool their leases under a "unitization agreement," provided the land parcels are close together and the joint enterprise is logical from the standpoint of geology and other considerations.

The no-aggregation rule is effective in 1964 and future years. In addition, leases that have been aggregated in the past must be "unscrambled" and treated separately. The annual revenue gain: $40 million.

Eliminated from the bill at the last minute was another provision that would have increased slightly the tax on nonmineral activities abroad of U.S.-based producers of oil, gas, and other minerals.

Real estate

The bill imposes heavier taxes on profits from certain sales of buildings and other depreciable real estate. Congress agreed with the Treasury's complaint that the use of extra-fast depreciation methods has allowed sellers of buildings to convert ordinary income into more favorably taxed capital gains.

Assume that a building originally cost its owner $100,000. Using one of the legal accelerated writeoff techniques that concentrate depreciation deductions in the early life of the building, the owner has reduced its cost "basis" to $70,000 after 4 years. If he then sells the building for $110,000, under the old law he can count as a capital gain the full $40,000 difference.

In the bill, a complex formula requires the seller to pay higher ordinary income tax rates on various portions of the book profit arising from the use of depreciation. If a building is sold within a year after acquisition, all the profit arising from depreciation writeoffs of any kind must be counted as ordinary income. If the building is sold after 12 months but in less than 21 months, then 100 percent of any "excess" accelerated depreciation is to be taxed as ordinary income. Thereafter, the portion of "excess" depreciation taxed as ordinary income upon sale of the building declines by 1 percentage point a month. This portion vanishes after 10 years.

To determine the amount of excess depreciation subject to this formula, the building's owner must compute what his depreciation deductions would have been if he used the nonaccelerated "straight-line" method. Straight-line depreciation spreads the annual writeoffs equally over the building's useful life, instead of concentrating them in the early years.

Assume that, in the example, straight-line depreciation after 4 years would have reduced the building's cost "basis" to $80,000 instead of the $70,000 achieved through accelerated writeoffs. Selling the building after 4 years, or 48 months, the seller must count as ordinary income 72 percent of the $10,000 excess of depreciation over a straight-line writeoff. Thus, with a sale price of $110,000, the seller would have $7,200 of ordinary income and a capital gain of $32,800.

A number of technical provisions describe how the formula works if major improvements have been made in a building. The annual revenue gain: $5 million in 1965, rising to about $15 million in later years.

State and local taxes

The bill prohibits itemized deductions on Federal income tax returns for payment of State and local taxes on liquor, cigarettes, and such miscellaneous items as hotel rooms and theater tickets. Also banned are deductions for State and local drivers' license and auto tag fees.

At present State and local taxes on cigarettes and liquor are deductible only when levied directly on the consumer or stated by the seller separately from other taxes. Cigarette and tobacco taxes meet this requirement in 26 States and therefore have been deductible, but in 21 other States they are collected at the manufacturing or distributing level and haven't been deductible anyway; and 3 States don't levy taxes on cigarettes. Similarly, liquor taxes have been deductible in 16 States but not in the others.

Still deductible under the new law are State and local taxes on gasoline, plus general sales, property, and income taxes. The estimated annual revenue gain: $300 million.

Group term insurance

The bill makes some business executives pay tax on part of the group term life insurance coverage their companies buy for them. These employees will be required to count as part of their taxable income those company-paid premiums that provide insurance coverage exceeding $50,000. The amount to be included in taxable income will be determined from premium tables prepared by the Treasury.

The bill won't require a company to withhold the tax an executive owes on his insurance coverage, but it provides instead for periodic reports from the company on the amounts its employees should be including in their taxable incomes. The annual revenue gain: $3 million.

Personal holding companies

The bill contains a series of new rules intended to discourage wealthy individuals from using closely held corporations as tax shelters for dividends and other investment income.

The old law provided that if at least 80 percent of a company's income is from dividends and interest and, under certain conditions, from rents and royalties, the concern is classified as a personal holding company. These have been required to pay a penalty tax rate of 75 to 85 percent on their undistributed earnings. The bill reduces the old 80-percent test to 60 percent. For those companies with incomes that fit this broader definition, the penalty tax is lowered to a flat 70 percent to conform to the new top-bracket tax rate for individuals.

The old law specifies that a company can escape the personal-holding-company classification if at least half its income is from rents or royalties received through active business operations. The bill toughens the definition of "rental income," thus allowing fewer companies to meet the 50-percent rental test and consequently classifying more as personal holding companies. There are a number of exceptions to the tighter definition, including one for companies that rent out tangible personal property, such as cars and trailers, for less than 3 years.

The tougher rules are expected to require some present tax-avoidance techniques to be dismantled so that companies will escape the personal-holding-company classification. So, despite the lower penalty tax rate, the Treasury expects the new rules to raise $15 million in annual revenue.

Bank loan insurance

The bill denies deductions for interest payments on money borrowed under a systematic plan to buy life insurance. The provision is designed to curb alleged abuses by high-bracket taxpayers who borrow most of the money needed to pay premiums on life insurance, endowment contracts, or annuities, then claim big deductions for their interest payments on this debt. There are a number of exceptions to the general ban on such deductions. For example, deductions for insurance premium borrowing still will be allowed if they don't exceed $100, and deductions are permitted if the indebtedness results from a sudden drop in income. The conference agreed that the general ban on these deductions should begin this year, but that it won't apply in cases where an insurance contract was purchased before August 6, 1963. The annual revenue gain: $5 million.

REVENUE REDUCERS

Minimum standard deduction

At present taxpayers can either itemize their deductions for charitable contributions, medical expenses, mortgage interest and other eligible outlays, or they can claim a standard deduction equal to 10 percent of their gross incomes. There isn't any dollar limit on itemized deductions, but the standard deduction on a joint return can't exceed $1,000.

The bill continues these alternatives but adds a third choice that the Treasury estimates will be taken by more than 13 million low-income families. The new "minimum standard deduction" allows each taxpayer a flat $300 deduction for himself, plus an additional $100 for his wife and for each exemption claimed on his tax return. Thus, for a married couple, the new minimum standard deduction is $400, which is more attractive than the 10 percent-of-income method if their income is below $4,000. Like the present 10-percent standard deduction, the new formula has a ceiling of $1,000.

The minimum standard deduction drops an estimated 1.5 million taxpayers from the tax rolls. Under the old law, a married couple without children didn't have to pay any tax until income topped $1,333, reflecting a $133 deduction under the 10 percent rule and two $600 personal exemptions. With a $400 minimum standard deduction and two $600 personal exemptions, the couple won't pay tax until income exceeds $1,600. The annual revenue loss: $320 million.

Moving expenses

The bill seeks to encourage mobility of the labor force by liberalizing rules for moving-expense deductions. The old law allows a company's existing employee to exclude from taxable income any money received as reimbursement for the cost of moving his family and household goods to a new work location. The bill continues this treatment without change, but it also allows for the first time a deduction from taxable income for expenses incurred by a newly hired employee who joins a company at a distant location. The new deductions can cover the transportation costs of the new employee and his family, the cost of meals and lodging en route, and outlays for moving household goods. The bill allows a similar deduction for existing employees who are transferred to a new location without company reimbursement for their moving expenses. The deduction can be claimed only if the new job would increase the employee's commuting distance by at least 20 miles one-way unless he moves. The annual revenue loss: $60 million.

Investment credit

The bill increases the tax savings for businessmen who use the investment credit allowed for new purchases of equipment. In 1962 Congress allowed businessmen to subtract from their final tax as much as 7 percent of the cost of newly purchased machinery and equipment, but it attached a bookkeeping restriction that diminished this benefit. The purchaser of a $100 machine, for example, could subtract $7 from his tax but was required to reduce to $93 the machine's initial value carried on his books for depreciation purposes. This in turn reduced the annual amount the businessman could claim as a depreciation deduction from taxable income.

The bill repeals this requirement, allowing the original $100 cost of the machine to be written off over its useful life and thus permitting undiminished annual depreciation deductions. The increased deductions will cost the Treasury nearly $200 million in revenues by 1965, according to that agency's estimates.

Writeoffs based on 100 percent of the cost can begin for equipment installed after January 1 of this year. For equipment installed in 1962 and 1963 under the old bookkeeping rules, the book value now can be increased by the missing 7 percent; thus, future depreciation deductions will be somewhat bigger.

The bill also makes purchases of elevators and escalators eligible for the investment credit for the first time, and it contains a technical provision designed to help independent distributors who buy equipment from a manufacturer at a discount.

Utilities, pipelines, and other federally regulated companies that use the investment credit also will be helped by the bill. It forbids Federal regulatory agencies to compel pipelines, railroads, airlines, truck and bus operators, and other common carriers that use the 7-percent credit to pass the tax saving to consumers in the form of lower rates. Federally ordered rate cutting will be allowed in the case of electric, gas, water, telephone, and telegraph utilities, which are eligible for an investment credit of only 3 percent, but the rate reductions must be spread over the useful life of the newly purchased equipment instead of being concentrated in 1 year.

Elderly taxpayers

The bill contains three provisions benefiting taxpayers aged 65 or over.

The first is designed to help elderly persons who want to sell the family home and rent an apartment or a retirement residence.

If the home has appreciated in value, the old law imposes a capital gains tax on this profit unless a new home is purchased. The new law exempts from capital gains taxation the first $20,000 of proceeds from the sale of a personal residence by a taxpayer aged 65 or over, providing he has lived in the home for at least 5 of the past 8 years. If the home's sales price is more than $20,000, the proportion of the capital gain that $20,000 bears to the sales price is excluded from capital gains tax. For example:

A home originally valued at $45,000 is sold for $60,000. Because $20,000 is one-third of the sales price, one-third of the $15,000 gain, or $5,000, is exempt from capital gains taxation. Tax at capital gains rates must be paid on the other $10,000.

The annual revenue loss from this provision: $10 million.

The bill's second benefit for those over 65 adds to their present exemption from the law's restriction, on deductions for doctor bills and other medical expenses, to amounts exceeding 3 percent of gross income. They have been subject to the rule limiting deductions for drugs and medicines to outlays above 1 percent of their incomes, and the bill repeals this 1-percent rule for a taxpayer if he or his wife has reached age 65 by the end of a taxable year. The 1-percent rule likewise is repealed for taxpayers who are paying drug and medicine expenses on behalf of dependent parents who have reached age 65. Taxpayers younger than 65 must still comply with the old law's 3-percent rule for general medical expense deductions and the 1-percent rule on deductions for drugs and medicines. The annual revenue loss: $10 million.

The third benefit liberalizes the special tax credit granted to retired couples against dividends and other kinds of investment income on joint returns. The old law allows a husband aged 65 or over to take his tax credit on investment income up to a maximum of $1,524, provided he previously held a job at least 10 years. But if his wife hasn't had this work experience, he can't make a similar computation on her behalf. In such cases the bill increases to a maximum of $2,286 the retirement income on which the couple can take their credit. The retirement income credit itself will be 17 percent of the investment income eligible under these ceilings in 1964, and 15 percent in 1965, and thereafter, down from 20 percent under the old law.

Income averaging

Artists, authors, lawyers, athletes, farmers, and others whose incomes can jump sharply in 1 year long have pleaded for a device to ease the tax take on their sudden wealth by spreading it over their lean years. The bill contains such a formula, which generally replaces a sharply limited averaging provision of the old law.

To be eligible for the new averaging plan, the taxpayer's big burst of income must be at least one-third greater than his average annual income in the 4 preceding years. This excess, moreover, must be at least $3,000. Any kind of income is eligible for averaging, except capital gains, gifts, inheritances, and net winnings from gambling.

The averaging calculation is performed solely on the tax return for the year in which the big income was received. Assume an unmarried lawyer has had taxable income of $3,000 a year since 1961, and next year lands big fees that run his taxable income to $44,000.

His first step when making out his 1965 tax return under the bill will be to multiply his $3,000 average income during the lean years by 133⅓ percent, getting $4,000, which is deemed his "base" income for 1965.

This is subtracted from his total $44,000 bringing it down to $40,000, which is the amount of income subject to averaging. Spread over 5 years, it would be $8,000 a year.

A preliminary calculation is needed to show the tax on his base income plus the $8,000, or a total of $12,000. Under the new rates, the tax would be $2,830. Of that, $690 is attributable to the base income and $2,140 to the $8,000 of averageable income.

Then the $2,140 is multiplied by 5, yielding $10,700. The $690 of tax on the year's base income is added to that, bringing his final tax for 1965 to $11,390. Had the full $44,000 been taxed without using the averaging formula, the lawyer would have owed $18,990.

In general, everybody who has reached age 25 will be eligible to use the new formula, though there can be exceptions. Averaging can be performed for the first time on this year's income, using a 4-year base period stretching back to 1960. The annual revenue loss: $40 million.

Child care

The bill allows bigger child-care deductions in certain cases by working wives, widows, and widowers who pay others to care for their dependent children during working hours. The old law allows a deduction of as much as $600 for payments to nurseries, day schools, babysitters and the like by widows, widowers, and wives of incapacitated husbands. The working wife of a healthy husband, however, can claim the full $600 child-care deduction only if their joint income isn't more than $4,500.

Now these rules are liberalized somewhat, although not as much as the Senate wanted. The joint-income ceiling under which a working wife is allowed to claim the full child-care deduction is raised to $6,000 from $4,500. The maximum deduction remains at $600 for working wives, widows, and widowers paying for the care of one child. If there are two or more children, the maximum deduction for these taxpayers, including working wives, is $900.

Expenses for children under age 13 will qualify for the deduction; the present limit is under age 12.

The annual revenue loss: $15 million.

Seized property

U.S. companies whose property has been seized in Cuba and other foreign lands since the end of 1958 may be helped by the bill. It allows such companies to use their expropriation losses to offset annual income over a 10-year period instead of the 8 years allowed under the old law. The carry-forward must be based on the original cost of the seized property, not its market value at the time of seizure. The provision applies only to businesses.

The bill also allows individuals to claim casualty loss deductions (subject to the new $100 floor) for personal property seized in Cuba. But because of a drafting error, this part applies to Cuban seizures only from now on; the conferees agreed to work on separate legislation later, making it retroactive through 1959. The annual revenue loss: $5 million.

Iron ore

Taxpayers who lease out iron-ore producing properties to mining companies will be able to count their royalty income as a capital gain taxable at the maximum 25 percent rate, instead of counting it as ordinary income. This favorable treatment won't be available, however, for foreign leases or in cases where the party owning and leasing the iron-ore property is substantially the same as the operator. The annual revenue loss: $5 million.

NO REVENUE CHANGE

Stock options

The bill puts new restrictions on the kinds of executive stock option plans that can qualify for favorable tax treatment.

Under existing law a company whose stock is selling on the market for $100 a share, for example, can offer to sell some shares to one of its key executives at a special price of $95. The executive can wait as long as 10 years before he exercises this option and actually buys the stock at the fixed price of $95. Assume he buys when the market price has reached $150, then sells after 6 months when the market price has advanced further to $160. The executive has a $65 capital gain, taxable at a maximum 25 percent rate instead of the higher ordinary income rates applying to big-salary brackets.

There never has been any controversy about counting as a favorably taxed capital gain the $10 increase in value between the time the stock was bought and its sale 6 months later. The special benefit conferred by existing law lies in the tax treatment of the $55 spread between the option price and the market value at the time the executive exercises his option. The Treasury proposed taxing this spread as ordinary income instead of as a capital gain. Congress refused, but devised the following tighter rules for determining whether the spread between option price and market price at the time of exercise is a capital gain:

Once an option is granted to an executive, he must exercise it within 5 years instead of 10. This tends to reduce the option's potential benefit, because there is less time for a big gap to develop between the option price and the market price.

To obtain full capital gains benefits, an executive must hold option-acquired stock at least 3 years before he sells it, instead of the 6-month holding period required by the old law. If, under the new rules, he sells his stock after 6 months but in less than 3 years, the spread between the option price and the market value at the time the option is exercised is to be taxed as ordinary income. This tax, however, is to be levied only when the stock is sold and not at the time of exercise. Any further appreciation in market value between exercise of the option and the stock's sale is to be a captial gain, if the stock has been held at least 6 months.

A company offering the option must establish an option price equal to at least 100 percent of the stock's market value at the time the option is granted. Present law allows partial capital gains benefits if the option price is at least 85 percent of the market value and full benefits if the option price is within 95 percent of the market value.

A company's option plan won't necessarily be disqualified if it inadvertently sets the option price lower than the market value on the day the option is granted. The executive, however, will be required to multiply any such spread by a factor of 1½ and pay his tax on this amount at ordinary income rates at the time the option is exercised.

If after an option is granted the stock's market value goes down, a company generally won't be able to reset the option price at a lower level or cancel the old option and issue a new one at a lower price. Thus, if a new option is granted, an executive won't be able to exercise it if he still has an option to buy stock under an old plan. There are some exceptions to this rule. Any outstanding options set up under the old law can be canceled during calendar 1964, without curbing the executive's right to exercise a new option granted under the revised rules. Exceptions also cover certain cases where an old option could only be exercised by an executive in installments.

An executive can't get capital gains benefits from a stock option plan if he owns more than 5 percent of his company's stock. But this change from the old law's 10-percent disqualification rule has an exception for small businesses. If a company's net worth is less than $1 million, an executive can still own up to 10 percent of its stock before being disqualified. The 5-percent rule applies if the company's net worth is more than $2 million. Ownership can run between 5 percent and 10 percent if the company's net worth is between $1 million and $2 million.

A company's shareholders must approve a stock option plan within 12 months before or after it is adopted by the management. Once a plan is adopted, its options must be granted within 10 years.

The new rules generally apply to all stock options granted to an individual after December 31, 1963. Options granted after that date can be amended throughout this year to conform to the new rules without resetting the original option prices.

These provisions apply to "qualified stock options" granted to key employees. The bill doesn't make any substantive change in the present tax treatment of stock purchase plans made available without discrimination to most of a company's employees. The bill contains a new requirement for stockholder approval of stock purchase plans and sets up new standards of nondiscrimination.

Installment sales of property

Under the old law, sellers of real estate and other property sometimes have accepted payment on an installment basis but have not charged the buyer any interest. The entire profit thus could be treated as a favorable taxed capital gain. The bill specifies that if any part of the payment is deferred for more than a year, tax agents can earmark a portion of the total sales price as "interest" and tax it as ordinary income to the seller. This rule won't apply if a sale is made under a binding written contract signed before July 1, 1963.

This section of the bill includes a slight liberalization of the rules for parents who pay college tuition in installments. They will be allowed to claim a deduction for "carrying charges" on such tuition contracts.

Charitable contributions

The old law allows an individual to claim deductions of as much as 20 percent of his income for gifts to charities and public and private foundations. An additional 10 percent has been allowed for gifts to churches and schools. The bill places a flat 30 percent-of-income limit on contributions to all publicly controlled foundations and charitable organizations, but keeps the 20 percent limit on gifts to private foundations. The measure also allows corporations to carry forward for 5 years their deductions for contributions exceeding the old 5-percent-of-income annual limit on corporate gifts, a provision that is retroactive to gifts beginning in 1962.

The bill makes available for the first time a new 5-year carryover for individuals whose charitable-contribution deductions exceed the 30 percent annual limit.

There isn't any limit on charitable-contribution deductions by wealthy persons (about 100 of them in the country) whose combined gifts and tax payments have totaled at least 90 percent of their taxable income in 8 of the past 10 years. The bill specifies that, in meeting this 90 percent test, a taxpayer can't count his gifts to private foundations unless these organizations are actively dispensing money, but not to him.

Some taxpayers have been claiming deductions for paintings or other art objects technically donated to museums but physically retained at home during the donor's lifetime. The bill generally forbids such deductions unless the painting is physically surrendered to the museum. However, this rule won't take effect until July 1.

[From the Wall Street Journal, Feb. 20, 1964]

NEW TAX SCHEDULES ON INCOME RECEIVED THIS YEAR AND NEXT

WASHINGTON.—How big is your tax cut?

Here are the new schedules most people will use in computing their taxes on income received in 1964, 1965, and later years.

The top table's reduced rates will apply to this year's income, on which the tax is paid next spring. The bottom table's rates, further reduced, will apply to income received in 1965 and thereafter.

(These tables won't work in computing your 1963 income tax; the rates for 1963 income are in the Internal Revenue Service instruction book that accompanied your Form 1040.)

The reduction for all taxpayers by 1965 averages out to just under 20 percent, according to the Treasury Department. The cut for lower bracket taxpayers exceeds 20 percent, but higher bracket taxpayers will get a smaller reduction.

These schedules are for married couples filing a joint return. Single persons, and married persons filing separate returns, can use these schedules by cutting every dollar figure in half while leaving the percentages as they stand. Taxpayers in the "head-of-household" category must use a different set of schedules:

Calendar year 1964

If taxable income is—	The tax is—
Over $1,000 but not over $2,000	$160, plus 16.5 percent of excess over $1,000.
Over $2,000 but not over $3,000	$325, plus 17.5 percent of excess over $2,000.
Over $3,000 but not over $4,000	$500, plus 18 percent of excess over $3,000.
Over $4,000 but not over $8,000	$680, plus 20 percent of excess over $4,000.
Over $8,000 but not over $12,000	$1,480, plus 23.5 percent of excess over $8,000.
Over $12,000 but not over $16,000	$2,420, plus 27 percent of excess over $12,000.
Over $16,000 but not over $20,000	$3,500, plus 30.5 percent of excess over $16,000.
Over $20,000 but not over $24,000	$4,720, plus 34 percent of excess over $20,000.
Over $24,000 but not over $28,000	$6,080, plus 37.5 percent of excess over $24,000.
Over $28,000 but not ober $32,000	$7,580, plus 41 percent of excess over $28,000.
Over $32,000 but not over $36,000	$9,220, plus 44.5 percent of excess over $32,000.
Over $36,000 but not over $40,000	$11,000, plus 47.5 percent of excess over $36,000.
Over $40,000 but not over $44,000	$12,900, plus 50.5 percent of excess over $40,000.
Over $44,000 but not over $52,000	$14,920, plus 53.5 percent of excess over $44,000.
Over $52,000 but not over $64,000	$19,200, plus 56 percent of excess over $52,000.
Over $64,000 but not over $76, 000	$25,920, plus 58.5 percent of excess over $64,000.
Over $76,000 but not over $88,000	$32,940, plus 61 percent of excess over $76,000.
Over $88,000 but not over $100,000	$40,260, plus 63.5 percent of excess over $88,000.
Over $100,000 but not over $120,000	$47,880, plus 66 percent of excess over $100,000.
Over $120,000 but not over $140,000	$61,080, plus 68.5 percent of excess over $120,000.
Over $140,000 but not over $160,000	$74,780, plus 71 percent of excess over $140,000.
Over $160,000 but not over $180,000	$88,980, plus 73.5 percent of excess over $160.000,
Over $180,000 but not over $200,000	$103,680, plus 75 percent of excess over $180,000.
Over $200,000 but not over $300,000	$118,680, plus 76.5 percent of excess over $200,000.
Over $300,000 but not over $400,000	$195,180, plus 76.5 percent of excess over $300,000.
$400,000 and over	$271,680, plus 77 percent of excess over $400,000.

If taxable income is not over $1,000, the tax is 16 percent of taxable income.

Calendar 1965 and after

If taxable income is—	The tax is—
Over $1,000 but not over $2,000	$140, plus 15 percent of excess over $1,000.
Over $2,000 but not over $3,000	$290, plus 16 percent of excess over $2,000.
Over $3,000 but not over $4,000	$450, plus 17 percent of excess over $3,000.
Over $4,000 but not over $8,000	$620, plus 19 percent of excess over $4,000.
Over $8,000 but not over $12,000	$1,380, plus 22 percent of excess over $8,000.
Over $12,000 but not over $16,000	$2,260, plus 25 percent of excess over $12,000.
Over $16,000 but not over $20,000	$3,260, plus 28 percent of excess over $16,000.
Over $20,000 but not over $24,000	$4,380, plus 32 percent of excess over $20,000.
Over $24,000 but not over $28,000	$5,660, plus 36 percent of excess over $24,000.
Over $28,000 but not over $32,000	$7,100, plus 39 percent of excess over $28,000.
Over $32,000 but not over $36,000	$8,660, plus 42 percent of excess over $32,000.
Over $36,000 but not over $40,000	$10,340, plus 45 percent of excess over $36,000.
Over $40,000 but not over $44,000	$12,140, plus 48 percent of excess over $40,000.
Over $44,000 but not over $52,000	$14,060, plus 50 percent of excess over $44,000.
Over $52,000 but not over $64,000	$18,060, plus 53 percent of excess over $52,000.
Over $64,000 but not over $76,000	$24,420, plus 55 percent of excess over $64,000.
Over $76,000 but not over $88,000	$31,020, plus 58 percent of excess over $76,000.
Over $88,000 but not over $100,000	$37,980, plus 60 percent of excess over $88,000.
Over $100,000 but not over $120,000	$45,180, plus 62 percent of excess over $100,000.
Over $120,000 but not over $140,000	$57,580, plus 64 percent of excess over $120,000.
Over $140,000 but not over $160,000	$70,380, plus 66 percent of excess over $140,000.
Over $160,000 but not over $180,000	$83,580, plus 68 percent of excess over $160,000.
Over $180,000 but not over $200,000	$97,180, plus 69 percent of excess over $180,000.
Over $200,000 but not over $300,000	$110,980, plus 70 percent of excess over $200,000.
Over $300,000 but not over $400,000	$180,980, plus 70 percent of excess over $300,000.
$400,000 and over	$250,980, plus 70 percent of excess over $400,000.

If taxable income is not over $1,000, the tax is 14 percent of taxable income.

A CRITICAL LOOK AT AMERICA

Mr. THOMSON of Wisconsin. Mr. Speaker, I ask unanimous consent that the gentleman from Maine [Mr. TUPPER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. TUPPER. Mr. Speaker, I have received a great many communications concerning an article written by the noted correspondent, Mrs. May Craig, which appeared in the Portland, Maine, Sunday Telegram on February 9, 1964, and most recently in U.S. News & World Report.

I believe that every Member of Congress will profit by reading this thought-provoking article by one of the finest columnists in the country.

A WOMAN WRITER TAKES A CRITICAL LOOK AT AMERICA

Unless there is a change, deep down, in the American people, a genuine crusade against self-indulgence, immorality, public and private, then we are witnesses to the decline and fall of the American Republic.

Death on the highways, a pack a day, cheating from top to bottom in our society, get rich quick, breakup of the family, faltering in foreign policy, reckless debt—these have destroyed nations before us. Why should we think we can take that path and change history?

Look around you, and everywhere you see lack of principle and steadfastness in the right and brave. The disgraceful cover on the recent issue of a publication with a nationwide circulation and its palliating story of sexual immorality adds adult consent to the looseness of our youth, already far down the road of delinquency, shiftlessness, derogation of virginity in our girls who will be the mothers of tomorrow.

There is no financial morality in our Government—"Charge it," is the accepted practice.

Round the world they think they can take our money with one hand and slap us in the face with the other. We talk of our leadership, but we are apparently incapable of giving leadership.

One listens with dismay to the campaigning for the Presidency that is going on. Oh, for a crusader to call us back to dignity and strength and austerity.

What was that last word? "Austerity"—plain living and high thinking, putting our money into the real things of life, not mink-handled saucepans and three cars in every garage; public servants who are not Bobby Bakers. Schools for the young, care for the elderly, strength so that none will dare attack us, a worthy succession to those men with feet wrapped in bloody bandages at Valley Forge to give us liberty. How have we used the liberty they bought for us so dearly?

Because it is unpleasant to think of unpleasant things, we say the Soviet Union may be changing its determination to "bury us." Red China is bad, of course, but maybe not Khrushchev. Halfheartedly we send American men to die in jungles, where we do not have the guts to go in to win or to stay out.

We sell wheat to Russia to save her from a demonstration that communism cannot produce enough food for its own people. If we do this to get rid of surplus wheat, which we have already subsidized and which we will subsidize again to give it to the Communists cheaper, we might try discouraging the production of surplus wheat and remember the old-fashioned private enterprise where one grows for the market, not the Government storage bins.

We faltered in Cuba and now she is the homeland of subversion of all Latin America and Africa. Where will we find a strong man to lead us? Would we vote for one if he campaigned, crying in the wilderness that we come and be saved—from ourselves? We could have saved Cuba for freedom, and saved ourselves and the rest of Latin America from this nest of communism, but we did not. Around the world they do not believe what we say; they look at what we do.

The United Nations was founded in this country. Now it is a messy combination of polyglot nations, old and new, grabbing for our money and ignoring our halfhearted arguments.

The idea of letting in a small nation of fewer than a half million people, utterly inexperienced in governing itself, unproved as a stable, honest state—letting them in within a few days of their establishment. We might at least insist on a period of probation.

The United Nations itself should be forced into financial honesty by the United States refusing to keep on paying the bills while many get a free ride while outvoting us. The idea of letting in Red China in the face of the charter which says, "peace-loving nations." True, we are against letting Red China in, but all we do is get out our handkerchiefs and weep into them while the majority in the United Nations does as it pleases.

We waste untold sums on useless defense, and fail to keep ourselves truly strong in all fields, to be able to fight small as well as missile wars.

We sign test ban treaties with known enemies, known defaulters on treaties, that we will not test as we may need to. Why should we put our defense in such an agreement? If our defense experts—not businessman McNamara (Secretary of Defense)—say we need to test, then let us test without asking permission of friend or foe.

We fiddle-faddle in southeast Asia, and may be ignominiously pushed out. Maybe we should never have gone in there—let the Reds take it—but there is one thing for sure: If we go in anywhere, we should go in to win.

We are losing the respect of the world, and respect is more necessary to a nation, as to a person, than affection. We get little affection from the people we have helped over the years—and we are losing respect.

Nobody respects a fumbler, a weak man, a wobbler, in policy or deeds.

First, every one of us has to clean out weakness and selfishness and immorality of all types. Then choose leaders who with strength and principle and intelligence will lead us to where we can have self-respect and respect of others.

Would we elect such a man if he campaigned on such a platform?

ESTONIAN INDEPENDENCE

Mr. THOMSON of Wisconsin. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, today, February 24, marks the 46th anniversary of the establishment of independence of the Republic of Estonia. Unfortunately, the people of Estonia, held in bondage by the Soviet Union, are not free to commemorate this day. In the free world, however, the people of Estonian origin and all others interested in restoring freedom to the oppressed citizens of communism are commemorating this day in most appropriate fashion.

Since we, as a nation, continue to support the principle of self-determination of peoples, we should give the observance of Estonian Independence Day special prominence. If the people of that country had their choice they would not remain within the prison that is the U.S.S.R.

On this day, in paying tribute to the brave people of Estonia and to the 46th anniversary of their independence, the people of Estonia and their supporters throughout the free world renew their pledge to work for the day when freedom can be restored to all peoples behind the Iron and Bamboo Curtains.

ESTONIAN INDEPENDENCE DAY

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, it is surely appropriate that we pause a moment in our busy schedule to remember the plight of the oppressed Estonian people. On their 46th independence day anniversary, Estonians are laboring under the same tyranny which the Soviet Union promises to bring the whole world. On the other hand, Americans do not speak often enough themselves about what they hope to bring the world. We must not accept our freedom as only our own right. Freedom is the right of every human being, and the great struggle presently encompassing the world is the manifestation of man's determination to throw off the last vestiges of suppression.

Estonia's tragic struggle against unconquerable odds in 1940 was a bitter end to 22 years of freedom, which brought Estonia to world prominence as a prosperous, progressive nation. Now it is a satellite of the Russian people, exploited and suppressed. How clear a warning its end is for other new small nations.

Estonia's misfortune has resulted in a great treasure for the United States, because we received many Estonian leaders. But we would be happy to have seen them return to a free Estonia. We would be less fortunate, but Estonia would be infinitely more fortunate. Let us wish Estonians everywhere success and happiness on their independence day. Despite the tragedy of Soviet imperialism, Estonia is not forgotten. If free people have their way, Estonia will rise again, stronger and more brilliant than before.

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the gentlewoman from New York [Mrs. KELLY] may extend her remarks at this point in the RECORD.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

There was no objection.

Mrs. **KELLY**. Mr. Speaker, I join with your loved ones to commemorate with you the 46th anniversary of your once independence day, the Estonian Independence Day. My prayer and wish is to see you regain your freedom and celebrate your independence day in your beloved and historic homeland. For nearly 24 years you have been robbed of your priceless possession; your freedom, by your heartless foes, and since the early days of the last war you have been prisoners in your homeland. You endured all the vicissitudes of the war in the hope that in the end you would have your reward in freedom. History records an unfortunate blot in your lives; your genuine friends could not help you in your struggle for your freedom; you have been at the mercy of your heartless oppressors. But we millions of friends of the Estonian people in this great Republic are hoping and praying for your freedom, for your deliverance from Communist totalitarian tyranny. God bless you and may His mercy help to keep alive the spark of love for the dignity of person—and for justice to you and yours.

ESTONIAN INDEPENDENCE DAY

Mr. **STRATTON**. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. **DINGELL**. Mr. Speaker, in 1917 when the First World War was still raging, the Russian revolution shattered the chains which had held a score of nationality groups in bondage for centuries. In Europe alone a number of these nationalities regained their freedom. Estonians were among these people who proclaimed their national independence on February 24, 1918, and founded the Estonian Republic. Thenceforth these hard working and sturdy Estonians, numbering a bare million in their homeland on the northeastern shores of the Baltic Sea, instituted their own democratic government, took their destiny into their own hands and became masters of their fate.

For two decades the Estonian people worked hard and diligently at the task of rebulding their war-torn country. In the course of that relatively short time they worked near miracles and made their country a happy haven. As one of the smallest independent and sovereign states in Europe, they gave a good account of themselves in all walks of life. Economically, socially, culturally and politically, their leaders showed remarkable gifts and rare astuteness. Wishing to be at peace and live on friendly terms with all their neighbors, they were perfectly content to be left alone. But as we know today, they were not allowed to live in peace; nor were they allowed to enjoy their richly deserved freedom. Early in the last war the Soviet Union seemed determined to eliminate democracies on its western borders. In 1940 all three Baltic democracies, inluding the Estonian Republic, were destroyed; Estonia was overrun and occupied by the Red Army and in mid-1940 the country was annexed to the Soviet Union.

Since that fateful year, for nearly 24 years, these dauntless and daring Estonians have been living in misery, and have been enduring the worst of tyrannies known to men in modern times. Today they are prisoners in their homeland, cut off from the free world by the Kremlin-imposed Iron Curtain between the free West and Communist-dominated East. There they have none of the freedoms which we in the West consider our inalienable birthright, and of course are not free to celebrate their national holiday, Estonian Independence Day. We in this great Republic do this annually and thereby echo their genuine patriotic sentiment. On the 46th anniversary of Estonian Independence Day the least we in this country can do is to wish them power and fortitude against Communist totalitarian tyranny.

BANKRUPTCIES AND BUSINESS FAILURES, 1958-63

The **SPEAKER** pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. DERWINSKI] is recognized for 15 minutes.

Mr. **DERWINSKI**. Mr. Speaker, on August 29, 1960, the Honorable WRIGHT PATMAN, then chairman of the Select Committee on Small Business of the House of Representatives, made before the House a comprehensive report on the status, at that time, of the bankruptcies and business failures of the country. Since 1960 there has been an ever-increasing concern with the number of bankruptcies taking place in the country and with the mounting "toll of small business failures." Thus, it is fitting that further and timely examination of this data be made.

We are all aware, in a general way, of the declining business environment since 1960. Recognizing the value, in that year, of the report given by my colleague from the State of Texas, I have endeavored to assemble the statistics to update it, to present for the information and consideration of the Members more current data reflecting the business climate through the year 1963, and to answer currently arising questions similar to those previously proposed.

What has been the record of business failures over the past 6 years? In which States and in which industries are the bankruptcies and failures taking place? How long have the firms that are now failing been in business? What is the amount of their liabilities?

The tables which follow are in answer to these and other questions which confront us all. Following a brief description of each, I will insert them in the RECORD for the Members' attention.

The information on business failures once again comes from the reports of Dun & Bradstreet, Inc. It is emphasized that such reports encompass only those firms, "slightly more than one-half of those reported by the Department of Commerce," appearing on the lists of Dun & Bradstreet, and described by them as follows:

> Total listed concerns represent the total number of business enterprises listed in the Dun & Bradstreet reference book. This book includes manufacturers, wholesalers, retailers, building contractors, and certain types of commercial service including public utilities, water carriers, motor carriers, and airlines. This count by no means covers all the business enterprises of the country. Specific types of business not listed are: financial enterprises including banks, and mortgage, loan, and investment companies; insurance and real estate companies; railroads, terminals; amusements; and many small one-man services. Neither the professions nor farmers are included.

"Failures" reported include only those firms which become bankrupt or cease operation under circumstances involving substantial loss to creditors. Businesses which close, at substantial and perhaps ruinous loss to the owners, but to the satisfaction of creditors, are not counted, though, understandably, such closing is of equal concern to us in our analysis of the business climate.

NUMBER OF BUSINESS FAILURES, 1958-63

Table 1, which I insert at this point, shows the number of concerns in the Dun & Bradstreet list for each year, 1958-63, the number of failures, and the failure rate per 10,000 listed concerns. Despite the continuing and substantial drop in the number of listed firms each year since 1960, the number of failures indicated for 1961 and 1962 reached a high unknown since 1933. The failure rate of 64 and 61 per 10,000 listed concerns has not been equaled since immediately prior to World War II. The failure rate for 1963, though showing slight improvement from the years 1960-62, is as high as the so-called recession year of 1958.

TABLE 1.—*Number of business failures, 1958-63*

Year	Number of listed concerns	Number of failures	Failure rate per 10,000 listed concerns
1958	2,675,000	14,964	56
1959	2,708,000	14,053	52
1960	2,708,000	15,445	57
1961	2,641,000	17,075	64
1962	2,589,000	15,782	61
1963	2,553,000	14,374	56

FAILURE LIABILITIES AND AVERAGE LIABILITY PER FAILURE, 1958-63

Table 2, which I insert at this point, shows the total failure liabilities and the average liability per failure for the years 1958-63. In 1961 total failure liabilities exceeded the $1 billion figure for the first time since 1920, the first year for which figures are available. This record high, however, was exceeded by the total failure liabilities of 1962, $1,213,601,000 and again in 1963 when failure liabilities rose to $1,352,593,000. The average liability per failure in 1963 also reached a high unknown since 1920, $90,500. The rise in average liability increased from 1962 to 1963 in the amount of $13,602, the greatest increase since the immediate postwar years of 1945 and 1946.

TABLE 2.—*Failure liabilities and average liability per failure, 1958–63*

Year	Total failure liabilities	Average liability per failure
1958	$728,258,000	$48,667
1959	692,808,000	49,300
1960	938,630,000	60,772
1961	1,090,123,000	63,843
1962	1,213,601,000	76,898
1963	1,352,593,000	90,500

DISTRIBUTION OF BUSINESS FAILURES BY SIZE OF LIABILITY, 1958–63

Table 3, which I insert at this point, sets forth the number of failures according to the amount of liability of the failing firm, such liabilities being grouped under three classifications: Under $25,000, $25,000–$100,000, and over $100,000. Firms with liabilities under $100,000, which may be properly viewed as smaller businesses, represent 84.8 percent of business failures. Firms with liabilities under $25,000, however, represent a decreasing percentage of the total failures; the percentage of failing firms represented by liabilities of over $100,000 is increasing.

TABLE 3.—*Distribution of business failures by size of liability, 1958–63*

UNDER $25,000

Year	Number	Percent
1958	9,043	60.4
1959	8,505	60.5
1960	8,572	55.5
1961	9,281	54.4
1962	8,347	52.9
1963	5,781	49.2

TABLE 3.—*Distribution of business failures by size of liability, 1958–63*—Continued

$25,000 TO $100,000

Year	Number	Percent
1958	4,456	29.8
1959	4,202	29.9
1960	5,078	32.9
1961	5,725	33.5
1962	5,425	34.4
1963	5,115	35.6

OVER $100,000

Year	Number	Percent
1958	1,465	9.8
1959	1,346	9.6
1960	1,795	11.6
1961	2,069	12.1
1962	2,010	12.7
1963	2,182	15.2

TREND IN AGE OF BUSINESS FAILURES, 1958–62

Table 4, which I insert at this point, sets forth the percentage of businesses which have failed, which have been in business over 10 years. In 1962, 22.4 percent of all the firms that failed had been in business more than 10 years. This represents a record proportion of the failures from the ranks of the older, established small businesses. Figures for 1963 are not available at this time.

TABLE 4.—*Trend in age of business failures, 1958–62*

[Percent in business over 10 years]

1958	21.4
1959	20.6
1960	20.6
1961	21.4
1962	22.4

In 1962, the latest year for which data is available, 35.3 percent of all firms that failed had been in business 3 years or less. This represents a decrease of 4.4 percent from the 1960 figure. Similarly, the percent of all firms that failed that had been in business 5 years or less decreased 3.2 percent from the 1960 figure. The percentage of the total number of firms that failed and which were in business between 6 and 10 years, as in the case of the older, established firms in existence over 10 years, rose 1.4 and 1.8 percent, respectively, since the year 1960. Further details on the ages of the firms which have failed, by each of the five major industry classes are shown in table 5, which I insert at this point.

TABLE 5.—*Age of business failures, by function, percentages, 1959–62* [1]

Years in business	All concerns				Mining and manufacturing				Wholesale			
	1959	1960	1961	1962	1959	1960	1961	1962	1959	1960	1961	1962
1 year or less	3.6	3.8	3.2	3.1	3.1	3.1	2.4	2.6	3.3	2.7	2.0	2.3
2 years	18.1	19.2	16.6	15.7	16.8	15.3	14.2	13.9	12.8	15.1	11.5	11.8
3 years	15.3	16.7	17.0	16.5	14.2	13.6	16.3	14.1	11.8	14.5	15.9	14.7
Total, 3 years or less	37.0	39.7	36.8	35.3	34.1	32.0	32.9	30.6	27.9	32.3	29.4	28.8
4 years	11.5	10.9	11.6	12.2	10.5	10.8	11.0	11.6	10.7	9.8	10.7	10.9
5 years	8.6	8.0	7.8	7.9	7.4	8.2	7.1	6.8	8.7	7.7	7.5	8.6
Total, 5 years or less	57.1	58.6	56.2	55.4	52.0	51.0	51.0	49.0	47.3	49.8	47.6	48.3
6 years	6.9	6.4	6.2	6.4	6.7	6.7	6.6	5.2	6.8	6.5	5.7	6.5
7 years	5.2	4.8	5.6	4.8	4.8	4.[illegible]	4.9	5.4	5.7	4.6	5.6	3.7
8 years	4.2	4.0	4.0	4.6	3.9	3.7	4.6	4.1	5.1	4.0	4.4	4.6
9 years	3.0	3.2	3.6	3.5	3.0	3.8	4.1	2.6	3.0	3.2	3.0	4.4
10 years	3.0	2.4	3.0	2.9	3.3	2.7	3.0	3.5	3.8	2.7	3.4	3.1
Total, 6 to 10 years	22.3	20.8	22.4	22.2	21.7	21.3	23.2	20.8	24.4	21.0	22.1	22.3
Over 10 years	20.6	20.6	21.4	22.4	26.3	27.7	25.8	30.2	28.3	29.2	30.3	29.4

Years in business	Retail				Construction				Commercial			
	1959	1960	1961	1962	1959	1960	1961	1962	1959	1960	1961	1962
1 year or less	4.3	5.0	4.1	4.0	2.0	2.3	1.6	1.4	3.6	3.4	3.7	3.4
2 years	21.4	23.7	20.9	19.7	12.1	13.3	10.9	8.2	18.7	18.8	13.8	17.2
3 years	17.1	18.4	18.0	18.7	13.0	15.4	15.8	14.2	15.6	17.8	17.3	15.7
Total, 3 years or less	42.8	47.1	43.0	42.4	27.1	31.0	28.3	23.8	37.9	40.0	34.8	36.3
4 years	11.5	11.2	11.7	12.2	13.4	10.8	12.1	13.4	11.5	10.5	13.0	11.8
5 years	7.9	7.3	7.6	7.5	11.4	9.6	9.0	9.9	9.6	8.2	8.4	8.1
Total, 5 years or less	62.2	65.6	62.3	62.1	51.9	51.4	49.4	47.1	59.0	58.7	56.2	56.2
6 years	6.3	5.5	5.4	6.0	8.8	8.7	7.8	8.6	6.7	6.3	6.7	6.6
7 years	5.1	4.2	5.4	4.2	6.3	7.0	6.6	6.7	4.1	5.1	6.5	4.6
8 years	3.8	3.7	3.4	4.0	5.4	4.9	5.1	6.2	4.0	4.5	3.9	5.6
9 years	2.7	2.8	3.1	3.3	4.0	4.0	4.8	4.9	3.2	3.5	3.9	3.0
10 years	2.6	1.9	2.8	2.4	3.4	3.2	3.7	3.9	3.6	1.8	2.7	2.5
Total, 6 to 10 years	20.5	18.1	20.1	19.9	27.9	27.8	28.0	30.3	21.6	21.2	23.7	22.3
Over 10 years	17.3	16.3	17.6	18.0	20.2	20.8	22.6	22.6	19.4	20.1	20.1	21.5

[1] 1958 not available.

COMMERCIAL AND INDUSTRIAL FAILURES BY 44 DIVISIONS OF INDUSTRY, 1958–63

Table 6, which I insert at this point, shows the number of failures and the failure liabilities in 44 lines of industry during the period, 1958–63. As to the number of failures, 33 of the 44 divisions reached the 6-year high during the years 1961–63. As to the total failure liabilities, 37 of the 44 divisions reached the 6-year high during those years.

TABLE 6.—*Commercial and industrial failures by 44 divisions of industry, 1958–63*

Line of Industry	1958		1959		1960		1961		1962		1963	
	Number	Liabilities	Number	Liabilities	Number	Liabilities	Number	Liabilities	Number	Liabilities	Number	Liabilities
Mining and manufacturing	2,680	$245,598	2,465	$207,736	2,612	$289,635	2,825	$325,282	2,575	$400,001	2,409	$557,699
Mining, coal, oil, and miscellaneous	86	17,619	91	8,363	98	19,650	103	16,814	85	48,278	84	18,269
Food and kindred products	189	17,431	176	14,288	173	31,276	182	26,767	160	23,167	179	209,837
Textile mill products and apparel	493	33,082	420	24,125	435	36,374	467	40,647	393	36,764	348	50,141
Lumber and lumber products	530	30,453	503	24,599	520	38,292	497	36,824	386	34,632	353	32,104
Paper, printing, and publishing	181	8,411	164	8,881	200	12,084	238	16,415	246	21,127	220	23,156
Chemicals and allied products	66	4,477	62	4,568	63	5,662	94	9,135	74	43,524	79	20,004
Leather and leather products	100	12,668	72	6,724	82	12,786	75	6,074	68	10,539	65	14,537
Stone, clay, and glass products	62	10,631	48	4,143	44	4,000	64	5,632	59	6,394	57	9,487
Iron, steel, and products	177	16,797	136	15,098	167	27,046	183	70,337	175	26,042	138	35,974
Machinery	294	38,487	254	43,049	289	44,682	294	32,372	351	71,229	385	68,418
Transportation	80	16,838	108	9,457	133	16,854	136	27,332	130	43,526	86	33,072
Miscellaneous	422	38,704	431	44,441	408	40,929	492	36,933	448	34,779	415	42,100
Wholesale trade	1,431	81,984	1,387	82,174	1,473	107,156	1.734	158,465	1,613	126,377	1,510	175,071
Food and farm products	330	20,903	290	22,602	321	29,318	318	53,402	293	23,532	278	21,931
Apparel	62	2,726	42	1,722	46	3,513	56	3,038	53	3,204	37	4,615
Dry goods	46	1,463	42	1,954	35	1,403	43	2,896	31	1,762	34	3,848
Lumber, building materials, and hardware	175	12,840	153	10,171	184	14,040	241	23,012	208	17,836	193	27,401
Chemicals and drugs	50	1,297	60	1,672	45	1,626	58	2,407	65	4,607	46	4,122
Motor vehicles and auto equipment	67	2,274	74	3,340	116	7,404	128	6,167	100	5,277	102	5,594
Miscellaneous	701	40,481	726	40,713	726	49,852	890	67,543	863	70,159	820	107,560
Retail trade	7,514	225,277	6,873	226,832	7,386	241,094	8,292	333,043	7,552	349,716	6,681	299,365
Food and liquor	1,127	25,717	1,113	29,973	1,059	28,557	1,151	67,604	1,078	51,200	851	34,578
General merchandise	291	11,438	281	16,202	255	12,844	304	15,482	304	29,536	251	34,507
Apparel and accessories	1,140	29,459	1,011	38,841	978	25,753	1,107	39,748	1,026	64,986	889	39,454
Furniture and homefurnishings	1,041	45,098	816	35,859	968	38,782	1,033	51,581	853	62,776	678	37,862
Lumber, building materials, and hardware	504	15,980	453	15,146	487	20,063	530	21,511	506	21,582	439	21,388
Automotive group	1,101	39,300	1,015	26,922	1,338	49,944	1,535	51,848	1,315	34,357	1,230	36,743
Eating and drinking places	1,436	37,333	1,334	35,528	1,426	41,589	1,593	51,278	1,456	47,137	1,383	55,750
Drugstores	165	3,975	122	3,111	166	5,817	204	6,623	186	5,170	210	7,057
Miscellaneous	709	16,977	728	25,250	709	17,745	835	27,368	828	32,972	750	32,026
Construction	2,162	115,115	2,064	121,883	2,607	201,369	2,752	193,005	2,703	243,535	2,401	231,354
General building contractors	872	62,758	749	66,075	1,020	110,656	1,068	94,042	1,003	133,901	888	140,630
Building subcontractors	1,169	41,006	1,159	42,492	1,419	74,177	1,520	76,685	1,498	81,370	1,357	66,680
Other contractors	121	11,351	156	13,316	168	16,536	164	22,278	202	28,264	156	24,044
Commercial service	1,177	60,284	1,264	54,183	1,367	99,376	1,472	80,328	1,339	93,972	1,373	89,104
Passenger and freight transportation	398	21,943	437	22,714	410	38,356	409	30,690	336	29,350	326	21,982
Miscellaneous public service	43	2,424	43	2,523	62	3,874	58	2,239	71	3,605	83	6,606
Hotels	76	17,988	68	9,380	82	23,271	97	23,786	70	20,957	81	28,465
Cleaning, dyeing, and repairing	121	2,746	138	2,461	122	3,381	153	4,057	145	4,288	142	5,892
Laundries	41	1,178	53	1,612	68	2,459	77	2,719	57	4,568	76	3,473
Undertakers	6	98	11	282	7	172	14	520	5	248	9	251
Other personal services	71	3,240	83	3,949	81	3,583	105	1,872	97	13,923	103	2,564
Business and repair services	421	10,667	431	11,262	535	24,280	559	14,445	558	17,033	553	19,871

NUMBER OF FAILURES, TOTAL FAILURE LIABILITIES, AND FAILURE RATE PER 10,000 LISTED FIRMS, BY REGION AND STATE

Table 7, which I insert at this point, shows by regions, States and the District of Columbia, the number of failures and the total failure liabilities during the years 1958 through 1963. The failure rate per 10,000 firms listed by Dun & Bradstreet, Inc., is listed for the years 1958–62; 1963 data is not as yet available.

During the years 1961–63, 6-year highs for total failures occurred in 40 of the 48 States and the District of Columbia. Also, in those years, total failure liabilities highs occurred in 41 States and the District of Columbia. As to total failure libilities, 1 State experienced a 6-year high in 1958, 3 in 1959, 4 in 1950, 9 in 1961, 14 in 1962, and 18 States and the District of Columbia in 1963.

Of the 48 States and the District of Columbia, 9 suffered the highest failure rate for the 5-year period—1958–62—in 1958, 2 in 1959, 2 in 1960, 20 in 1961 and 16 in 1962.

The States of New York, Florida, Arizona, Oregon, and California have the highest failure rates during 1962, all with 110 failures or more per 10,000 listed firms. Once again the declining business environment of the years 1961 and 1962 are evidenced by the fact that during this period 35 of the States and the District of Columbia had their highest failure rate.

TABLE 7.—*Number of failures, total failure liabilities, and failure rate per 10,000 listed firms, by region and State*

Region and State	Number						Liabilities (in thousands)						Failure rate				
	1958	1959	1960	1961	1962	1963	1958	1959	1960	1961	1962	1963	1958	1959	1960	1961	1962
New England	908	809	717	737	718	666	$49,114	$40,341	$56,688	$54,308	$63,441	$119,193	50	44	41	44	45
Maine	33	38	39	26	38	29	2,220	824	3,875	1,169	4,205	8,986	21	24	25	17	26
New Hampshire	27	23	33	19	29	23	1,904	2,403	2,424	900	2,920	2,773	27	22	32	20	32
Vermont	15	13	14	22	11	4	1,970	529	1,223	1,943	999	9,451	22	19	21	33	17
Massachusetts	390	377	295	301	335	323	22,170	17,501	28,887	30,210	28,426	49,280	42	40	33	35	42
Connecticut	308	208	233	238	227	159	15,804	12,824	14,549	14,067	19,284	13,847	76	53	61	66	64
Rhode Island	135	150	103	131	78	128	5,046	6,260	5,730	6,019	7,577	34,856	82	91	65	84	50
Middle Atlantic	4,969	4,566	4,609	4,873	4,421	3,760	232,006	238,749	276,280	297,483	341,967	529,745	91	84	87	93	83
New York	3,365	3,190	3,093	3,249	3,010	2,461	139,503	173,178	191,546	201,562	246,750	216,215	126	121	122	130	116
New Jersey	778	639	714	717	591	509	43,475	27,619	49,071	53,282	58,468	256,075	79	65	72	73	60
Pennsylvania	826	737	802	907	820	790	49,028	37,952	35,663	42,639	36,749	57,455	46	41	45	53	48
East North Central	2,374	2,401	2,683	3,127	3,094	2,798	127,416	124,258	146,212	166,606	200,585	204,191	45	45	51	60	61
Ohio	664	740	836	1,045	1,009	1,002	36,084	29,431	38,603	53,340	58,856	54,765	49	54	63	78	77
Indiana	168	143	151	192	198	157	11,560	10,391	9,686	9,228	17,793	9,504	25	21	23	30	30
Illinois	622	663	836	982	997	963	35,022	39,508	47,367	53,621	63,581	76,045	40	43	55	66	69
Michigan	547	496	524	564	523	371	32,767	30,600	37,687	35,560	37,526	47,292	53	47	50	55	52
Wisconsin	373	359	336	344	367	305	11,983	14,328	12,869	13,857	22,829	16,585	52	51	47	50	58

TABLE 7.—*Number of failures, total failure liabilities, and failure rate per 10,000 listed firms, by region and State*—Continued

Region and State	Number						Liabilities (in thousands)						Failure rate				
	1958	1959	1960	1961	1962	1963	1958	1959	1960	1961	1962	1963	1958	1959	1960	1961	1962
West North Central	529	448	492	631	607	559	35,151	23,754	29,204	40,052	33,213	38,895	20	17	18	24	24
Minnesota	133	118	101	167	166	181	7,499	4,098	5,050	8,142	9,873	13,165	24	21	18	32	33
Iowa	62	74	92	136	150	116	2,499	4,369	4,393	8,799	7,129	6,863	12	14	18	27	21
Missouri	182	158	132	159	169	119	7,764	7,948	7,489	10,008	8,870	10,861	26	22	19	23	27
North Dakota	13	4	13	11	6	4	1,010	195	1,496	364	220	380	12	4	12	11	6
South Dakota	10	6	5	9	2	10	187	115	179	391	201	367	8	5	4	7	2
Nebraska	30	13	32	35	35	50	2,998	384	2,366	4,443	3,120	2,258	11	5	12	13	13
Kansas	99	75	117	114	79	79	13,103	6,645	8,231	7,905	3,800	5,001	26	19	30	29	21
South Atlantic	1,417	1,262	1,695	2,188	1,907	1,772	66,802	68,806	78,940	108,631	132,729	113,281	41	36	47	63	57
Maryland	197	142	160	185	163	186	8,856	4,425	7,043	8,563	8,816	9,702	55	40	44	50	45
Delaware	9	12	18	22	21	10	629	3,097	1,532	1,142	790	420	14	18	29	35	32
District of Columbia	28	27	30	33	16	31	2,680	4,931	2,161	4,576	1,105	8,173	31	30	32	34	16
Virginia	129	129	143	181	147	138	7,781	7,385	10,681	18,665	8,951	12,192	28	27	29	38	32
West Virginia	67	89	85	95	81	95	2,581	5,123	4,051	3,933	3,829	5,792	24	33	33	38	34
North Carolina	157	131	152	192	135	129	4,913	4,467	4,874	7,146	11,592	7,759	25	21	23	30	21
South Carolina	122	133	162	227	215	114	1,969	3,207	2,349	3,126	4,315	3,709	42	45	56	80	79
Georgia	191	177	227	286	302	337	10,476	11,904	11,813	19,489	16,145	19,074	37	33	41	56	62
Florida	517	422	718	967	827	732	26,917	24,267	34,436	41,991	77,186	46,460	69	52	83	122	110
East South Central	397	328	406	473	435	395	20,968	12,763	33,016	34,271	37,501	22,147	27	22	27	31	29
Kentucky	80	59	86	88	88	43	6,870	2,027	11,593	4,526	6,960	2,494	20	14	21	22	21
Tennessee	157	133	172	200	192	210	6,225	5,746	10,850	19,237	18,036	10,419	36	30	38	44	42
Alabama	72	80	85	115	108	98	4,390	3,202	4,149	6,195	9,460	5,738	21	22	23	30	29
Mississippi	88	56	63	70	47	44	3,483	1,788	6,424	4,313	3,045	3,496	34	22	23	26	17
West South Central	819	752	888	897	842	903	46,832	42,325	77,942	62,267	138,131	76,882	30	27	31	33	32
Arkansas	55	65	76	52	75	48	1,970	2,506	5,231	2,231	2,847	3,742	20	23	27	18	27
Oklahoma	92	60	105	119	100	111	6,431	2,977	8,078	7,009	7,883	5,714	22	15	25	29	25
Louisiana	222	192	190	157	134	134	8,628	6,676	9,725	9,568	8,915	14,908	50	41	40	34	30
Texas	450	435	517	569	533	610	29,803	30,166	54,908	43,459	118,486	52,518	28	26	31	36	35
Mountain	330	364	452	538	486	648	15,301	17,890	26,020	30,398	34,427	42,701	31	33	39	47	43
Idaho	32	20	40	42	41	24	911	555	1,987	1,655	2,258	922	30	19	37	40	39
Montana	30	21	17	17	18	63	1,269	744	555	971	806	3,134	24	16	13	14	15
Wyoming	5	17	5	1	6	12	128	1,017	630	11	438	714	8	26	7	1	9
Colorado	62	103	110	154	120	120	4,032	5,108	6,348	9,447	10,137	6,959	20	32	32	48	37
New Mexico	11	7	43	60	17	32	403	1,374	2,222	4,047	933	2,355	8	5	27	37	11
Arizona	111	123	183	196	208	227	4,288	5,921	11,662	10,040	13,840	17,085	75	74	100	102	110
Utah	49	46	37	43	43	154	2,816	1,543	1,623	2,001	4,028	9,040	39	37	29	34	34
Nevada	30	27	17	25	33	16	1,454	1,628	993	2,226	1,987	2,492	70	61	36	54	72
Pacific	3,221	3,123	3,503	3,611	3,272	2,783	134,668	123,922	214,328	296,107	231,637	205,558	115	109	119	126	117
Washington	355	356	428	414	351	429	8,144	8,715	15,534	12,859	13,521	19,698	85	84	102	103	89
Oregon	532	471	541	498	374	218	11,308	9,785	13,407	15,432	13,488	13,322	183	164	190	178	138
California	2,334	2,296	2,534	2,699	2,547	2,226	115,216	105,422	185,387	267,816	204,628	172,538	111	106	113	124	120

BANKRUPTCY PETITIONS FILED IN THE UNITED STATES, 1958–62

Table 8, which I insert at this point, shows the bankruptcy petitions filed in the United States for the fiscal years, 1958–62, and is taken from the records of the administrative office of the U.S. courts. These statistics include bankruptcies of business firms of all types and all sizes and also bankruptcies of individuals and partnerships conducting professional offices, farmer bankruptcies and bankruptcies of individuals.

Representative PATMAN, citing the 110,034 bankruptcy petitions filed in the U.S. courts in the fiscal year ending June 30, 1960, compared this figure to that of the "peak depression year" of 1932, when there were 70,049 bankruptcies. He further commented that it was "extremely disturbing to note, furthermore, that the number of business firms and individuals who went bankrupt last year—1960—were almost 10,000 more than in the previous fiscal year." We find these comparisons pale, however, when viewed in the light of the great increase, virtually four times that of fiscal year 1960, which occurred in fiscal year 1961. With this increase, by far the greatest increase since the year 1920, the first year for which these figures are listed, a new high of 146,643 bankruptcies were reported. Yet, even this figure was surpassed in 1962. Data for 1963 is not as yet available. Could it be that Mr. PATMAN now suffers from a poverty of interest in the subject because figures show that both business failures and bankruptcies are on the increase?

TABLE 8.—*Bankruptcy petitions filed in the United States, 1958–62*

Fiscal year ending June 30:

1958	91,668
1959	100,672
1960	110,034
1961	146,643
1962	147,780

THE NATIONAL CULTURAL CENTER—FACT AND FANCY ABOUT A PROBABLE WHITE ELEPHANT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Iowa [Mr. KYL] is recognized for 5 minutes.

Mr. KYL. Mr. Speaker, the Washington Star newspaper, of Washington, D.C., reported on February 23, 1964, that the present design for the Cultural Center in the Nation's Capital calls for a mammoth building whose base will cover more than 1½ times the amount of land occupied by the U.S. Capitol Building. The Cultural Center designed by Edward D. Stone has a maximum height of at least 122 feet above grade on the river side.

The total project cost, according to the Washington Star, will be a minimum of $65 million, for a building that will have a maximum length of 700 feet, and a maximum width of 530 feet. This newspaper article adds that "the largest floor—which will be one of three to be used for parking cars—has a total area of about 6½ acres. The Capitol, including the east front extension, covers 4 acres."

The Cultural Center building will include a 2,750-seat symphony hall, a 1,200-seat theater, and a 2,500-seat hall for opera, ballet, and musical theater.

It has been very difficult for the Congress to obtain the true facts about the Cultural Center from the Center's Board of Trustees. Commenting on this the Washington Star declared:

> Part of the reason why a number of members have said that Congress has been misled regarding the size, requirements, and cost—

Of the Cultural Center—

> is that there never has been a clear public statement by the architect or sponsors that gives the full dimensions of this project.
>
> As a result, an aura of suspicion has arisen that can best be cleared away, perhaps, by making very clear to Congress, and to everyone else, that the present design calls for a mammoth building whose base will cover more than one-and-a-half times the amount of land occupied by the Capitol in which Congress meets.

At least half a dozen theaters have been destroyed in Washington, D.C., in the past few years, and no explanation has been made of where the patronage is coming from for this $65 million structure.

It is significant that the Cultural Center architect, Mr. Stone, in his testimony before the House and Senate Public Works Committees at the joint hearing held on December 12, 1963, in the caucus room of the Cannon House Office Building, in answer to this direct question: "Mr. Stone, how tall is this building going to be?" replied:

> Mr. Stone. It is 60 feet high and added that, "This is approximately six stories."

There would seem to be, and I think there is, a considerable discrepancy here, for, as the Washington Star notes:

> An understanding of this project also demands that it be made clear the building will have a maximum height at least 122 feet above grade on the river side, and that this is a 12-story height as most stories are measured.

The Congress has been repeatedly informed that this Cultural Center is a $31 million building by its proponents in the debate on January 8, 1964, as well as by its proponents in the hearings held on December 12, and December 16, 1963. Now the Washington Star informs us that the total project value at a minimum is about $65 million.

The Washington Star is indeed right in saying that—

> If Congress fully understands what is being proposed, it can then make informed decisions on lands and funds that will minimize the prospect of later recrimination.

In view of the fact that a new proposal has just been sent to Congress by President Johnson which bears seriously on the continuing financial problems of the Cultural Center in that it calls for major appropriations for the Cultural Center of many millions of dollars, and the Congress is asked to appropriate these funds immediately, this Washington Star article is of major importance, and I include it as part of my remarks.

[From the Washington (D.C.) Sunday Star, Feb. 23, 1964]

UNDERSTANDING THE CENTER

(By Robert J. Lewis)

Part of the reason why a number of members have said that Congress has been misled regarding the size, requirements, and cost of the John F. Kennedy Center for the Performing Arts is that there never has been a clear public statement by the architects or sponsors that gives the full dimensions of this project.

As a result, an aura of suspicions has arisen that can best be cleared away, perhaps, by making very clear to Congress, and to everyone else, that the present design calls for a mammoth building whose base will cover more than one-and-a-half times the amount of land occupied by the Capitol in which Congress meets.

An understanding of this project also demands that it be made clear the building will have a maximum height at least 122 feet above grade on the river side, and that this is a 12-story height as most stories are measured.

Another fact that should be faced squarely is that the total cost of the proposed design will not be $30 million, or even $50 million, but at least $54 or $55 million, without including the value of land the Government already owns. The current market value of the setting would be at least $10 million more, which would bring the total project value to a minimum of about $65 million.

We do not refer here to the dimensions of this project to harm it but to help it, and to prevent further misunderstanding in the future.

The tendency on the part of the sponsors understandably has been to minimize the size, the requirements and the cost, and this course, however plausible and proper it may have seemed, cannot any longer be assumed to be a helpful one now that Congress is to be relied on to appropriate and guarantee so large a part of the funds.

One of the reasons why no one seems to have a full understanding of the great size of this proposed design is that sponsors persist in referring to only one part of the building ("the superstructure") as the building itself.

The substructure and superstructure are inseparable parts of the same building. The substructure is not underground. It is almost entirely above ground on the river side and is exposed to view. This has not been made clear.

Playing down existence of the substructure minimizes the apparent size and cost. It also is the reason for the real lack of understanding of this project. From now on, the sponsors might do well to speak frankly of the fact that the building is an entity with a podium or base having a maximum length of 700 feet and a maximum width of 530 feet, and that the maximum usable area of the building on its largest level is 700 by 400 feet.

Thus, the largest floor—which will be one of three to be used for parking cars—has a total area of about 6½ acres. The Capitol, including the east front extension, covers four acres.

Another thing to know about this proposed building is that a 700-foot-long, 27-foot-high length of the substructure will be exposed to view on the river side.

If the present design is to be used as the final one for the building, it is evident that what is proposed here is one of the largest structures in Washington.

It will be larger in both length and width than the new Smithsonian Museum of History and Technology, which cost $36 million, and which is 577 feet long by 300 feet wide on the first floor and steps back to 491 feet in length and 216 feet in width on the second, third and fourth floors.

The Center, in fact, has a proposed length only 50 feet short of the huge 750-foot-long third House Office Building now nearing completion on Capitol Hill at a cost of $85 million.

In renaming the Center as a memorial, and in voting authorization of $30.9 million support, Congress has acted promptly and generously. Now is the time for all the facts about the current design to be made public by the architects and sponsors in a form everyone can understand.

If Congress fully understands what is being proposed, it can then make informed decisions on lands and funds that will minimize the prospect of later recrimination.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Derwinski, for 15 minutes, today; and to revise and extend his remarks and include certain tables.

Mr. King of New York, for 15 minutes, on February 25.

Mr. Schwengel, for 30 minutes, on February 25.

Mr. Kyl, for 5 minutes, today; and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Pelly.

Mr. Alger and to include extraneous material.

Mr. Auchincloss.

Mr. Taft.

Mr. Springer, to include in his remarks on H.R. 9419 four articles by Miriam Ottenberg appearing in the Washington Star on February 4, 5, 6, and 7.

(The following Members (at the request of Mr. Stratton) and to include extraneous matter:)

Mr. Brademas in two instances.

Mr. Hays.

ADJOURNMENT

Mr. STRATTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 14 minutes p.m.) the House adjourned until tomorrow, Tuesday, February 25, 1964, at 12 o'clock noon.

OATH OF OFFICE

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members and Delegates of the House of Representatives, the text of which is carried in section 1757 of title XIX of the Revised Statutes of the United States and being as follows:

"I A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 88th Congress, pursuant to Public Law 412 of the 80th Congress entitled "An act to amend section 30 of the Revised Statutes of the United States" (U.S.C., title 2, sec. 25), approved February 18, 1948: Phillip Burton, Fifth District, California.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1737. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting the July-December 1963 report on Department of Defense procurement from small and other business firms, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

1738. A letter from the Secretary of Commerce, transmitting the quarterly report of the Maritime Administration on the activities and transactions under the Merchant Ship Sales Act of 1946, for the period ending December 31, 1963, pursuant to the Merchant Ship Sales Act of 1946, as amended; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLS: Committee of conference. H.R. 8363. A bill to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes (Rept. No. 1149). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H.R. 10073. A bill to amend chapter 15 of title 38, United States Code, to liberalize the basis on which pension is payable by providing that public or private retirement payments shall not be counted as income and that the income of the spouse shall be disregarded in the determination of annual income of a veteran; to eliminate the "net worth" eligibility test; and to repeal the requirement of reduction of pension during hospitalization for veterans with dependents; to the Committee on Veterans' Affairs.

By Mr. HUDDLESTON:

H.R. 10074. A bill to amend chapter 53 of title 10, United States Code, to provide medical care for certain members of the Armed Forces who are entitled to retired or retainer pay, or equivalent pay, and who served in active duty for at least 90 days during time of war or conflict, and their dependents; to the Committee on Armed Services.

By Mr. MATHIAS:

H.R. 10075. A bill to amend the act entitled "An act to provide for insanity proceedings in the District of Columbia"; to the Committee on the District of Columbia.

By Mr. OLSEN of Montana:

H.R. 10076. A bill to amend the Administrative Expenses Act of 1964, as amended, to provide for reimbursement of certain moving expenses of employees transferred in the interest of the Government to a different geographical location and to authorize payment of expenses for storage of household goods and personal effects of civilian employees assigned to isolated duty stations within the continental United States; to the Committee on Government Operations.

By Mr. SCHADEBERG:

H.R. 10077. A bill to create the Freedom Commission for the development of the science of counteraction to the world Communist conspiracy and for the training and development of leaders in a total political war; to the Committee on Un-American Activities.

By Mr. LIPSCOMB:

H.J. Res. 932. Joint resolution to require disclosure of information concerning exports to Communist nations; to the Committee on Banking and Currency.

By Mr. KING of New York:

H. Con. Res. 271. Concurrent resolution proposing the recognition of the village of Whitehall, Washington County, N.Y., as the birthplace of the U.S. Navy; to the Committee on the Judiciary.

By Mr. MacGREGOR:

H. Res. 637. Resolution to investigate solicitations of certain contributions from Government employees for charitable purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Alaska, memorializing the President and the Congress of the United States to take favorable action toward the improvement of the Alaska Highway; to the Committee on Public Works.

Also, memorial of Legislature of the Territory of Guam, memorializing the President and the Congress of the United States to recognize the problems of Guam and to take the necessary action toward solving these problems; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHMORE:

H.R. 10078. A bill for the relief of Philip N. Shepherdson; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 10079. A bill for the relief of Elaine Minerva Hylton; to the Committee on the Judiciary.

By Mr. MOORE:

H.R. 10080. A bill for the relief of Mrs. Goldie Stakias; to the Committee on the Judiciary.

By Mr. RYAN of Michigan:

H.R. 10081. A bill for the relief of Miss Remedios R. Magtira; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

713. By the SPEAKER: Petition of the House of Representatives, Republic of Cyprus, Nicosia, Cyprus, petitioning consideration of its resolution with reference to expressing support to the Government of the Republic for the policy followed by it on the Cyprus question for a unitary, independent, and democratic State free from outside intervention or threat, on the basis of the principles of the United Nations Charter and to declare members to struggle until the Cypriot people's just demands are satisfied; to the Committee on on Foreign Affairs.

714. Also, petition of W. Pearl B. Phinney, R.N., New York City, N.Y., petitioning consideration of her resolution with reference to certain impeachment proceedings; to the Committee on the Judiciary.

715. Also, petition of Henry Stoner, Avon Park, Fla., petitioning consideration of his resolution with reference to suggested changes in the publication of the Congressional Record; to the Committee on House Administration.

716. Also, petition of Henry Stoner, Avon Park, Fla., petitioning consideration of his resolution with reference to asking Congress to require the Government Printing Office to employ adequate help to improve the public sales activities of the Congressional Record; to the Committee on House Administration.

717. Also, petition of Henry Stoner, Avon Park, Fla., petitioning consideration of his resolution with reference to asking Congress to override the Supreme Court prayer decision by statute legislation; to the Committee on the Judiciary.

718. Also, petition of Henry Stoner, Avon Park, Fla., petitioning consideration of his resolution with reference to asking Congress to require the Appropriations Committee to show, by annual report, exact amounts appropriated to each Federal agency or department, and list them with largest appropriations first; to the Committee on Rules.

SENATE

Monday, February 24, 1964

(Legislative day of Monday, February 10, 1964)

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. Metcalf].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Merciful Father, whose faithfulness is constant with all our fickleness, whose forgiveness outlasts all our transgressions against Thy love which will not let us go, we bemoan the delusions which so often have led us to mistake shadow for substance; we confess that by false pride in our own ability to achieve we have been lulled into a cushioned optimism that the forked lightning of threatening tempests does not warrant.

And now with jarred and jolted minds we see the whole circle of the world about us grown somber and terrible with suspicion and conflict, with rumors of war, and with the smoke of a judgment which engulfs us all.

In this testing day when Thou art sifting out the souls of men before Thy judgment seat, give us the contempt for our own prejudices and the passion for pure motives and spiritual integrity in ourselves that will enable us to put on the whole armor of God as we fight for the emancipation of the downtrodden and exploited, and against the rulers of the darkness of this world and against spiritual wickedness in high places.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Friday, February 21, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. Mansfield, and by unanimous consent, the Committee on Rules and Administration, the Committee on Commerce, and the Subcommittee on Housing of the Committee on Banking and Currency were authorized to meet during the session of the Senate today.

On request of Mr. Byrd of West Virginia, and by unanimous consent, the Subcommittee on District of Columbia Appropriations was authorized to meet during the session of the Senate today.

AGRICULTURAL ACT OF 1964—COTTON AND WHEAT PROGRAM—REQUEST FOR PRESENT CONSIDERATION OF A BILL

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 850, House bill 6196, the cotton and wheat bill.

The ACTING PRESIDENT pro tempore. The bill will be read by title.

The Legislative Clerk. A bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

Mr. TOWER. Mr. President, reserving the right to object, this is a complex and far-reaching proposal, based largely on proposals submitted by Under Secretary Murphy on the last day of the hearings. The bill in printed form, along with the report, was given to us on Friday. The document room was unable to provide additional copies which could be circulated in order to obtain a reaction to the bill. Thousands of farmers in Texas, or those representing thousands of farmers or others involved in the cotton industry and the wheat industry, have asked me to do what I could to delay Senate consideration of this measure until they could find out what was in it.

I have before me a stack of telegrams from wheat and cotton producers who ask me to do what I can to delay Senate consideration of the bill until they can find out what is in it, can make their comments to the committee, can obtain its reaction to their views, and can represent their interests.

Therefore, it is my hope that the distinguished majority leader will not press for action on his request. I am now beginning to hear from my State, and I am reasonably sure that by tomorrow I shall have a fairly accurate reflection of the attitude toward the bill, and how it should be amended, if at all.

I do not intend to press for an indeterminable period of time my objection to consideration of the bill, because I should like to see it dealt with, with all deliberate speed and expedition, for some cotton legislation is needed. But under the circumstances I believe I would be less than responsible if I failed to note that if the distinguished minority leader is to press for present action on his request, I shall have to object.

Mr. MANSFIELD. Mr. President, will the Senator from Texas temporarily withhold his objection?

Mr. TOWER. Yes.

Mr. MILLER. Mr. President, reserving the right to object, I wish to echo the sentiments which have been expressed by the Senator from Texas, by pointing out that, according to my understanding, the bill contains both a cotton section and a wheat section, and that it was the cotton portion of the bill which was deliberated on and was voted on by the House, but that the wheat section was added only the other day, within the Senate Committee on Agriculture and Forestry.

Therefore, insofar as the wheat section of the bill is concerned, the bill has not received the stamp of approval—much less debate—by the House. I am advised that in the wheat section there are certain provisions which could have a serious impact on the feed-grain situation. Livestock prices in the Middle West now are in a terribly depressed state; and a further depression, due to depressed feed prices, could be catastrophic.

Accordingly, it seems to me unwise for the Senate to take up at this time such a bill—especially inasmuch as the wheat section has not been debated or given much consideration—until after we have had an opportunity to hear from the people in our States and from other interested persons.

Therefore, I support the view of the Senator from Texas.

Mr. McGOVERN. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield.

Mr. McGOVERN. Mr. President, in response to the statement just now made by the Senator from Iowa, I believe it should be pointed out that his concern about the possible impact on cattle prices should prompt him to give support to speedy action on this bill, because one of the things that would complicate and aggravate the cattle-price situation would be failure on the part of Congress to act quickly to halt a further skid in wheat prices. The Senator from Iowa knows that anything that would result in a further drop in the price of either wheat or feed grains would be the most serious possible sort of threat to cattle prices.

One of the reasons why I am anxious to have the Senate act quickly on the bill—and the Senate must act before the first of March if the bill is to be effective—is to prevent the very danger the Senator from Iowa fears.

As for the argument about inadequate hearings and inadequate discussion and debate on the proposed wheat legislation, the bill is basically the 1962 act, which Congress debated at great length, both in the House and in the Senate. Farmers have discussed it at great length over the past year and one-half. Our committee has heard from everyone who wished to be heard on that legislation—including the Secretary of Agriculture and his assistants, and all of the major farm organizations.

On the basis of that discussion, we have reported a bill—with strong bipartisan support in the committee—which merely strikes out the mandatory features which were present in the proposal which was offered last spring to the wheat farmers. The aspect to which many farmers objected was the mandatory or compulsory features.

What we are offering now is a voluntary program in which the wheat farmers of the Nation are told that they can participate if they wish to do so, or can stay out of the program without penalty of any kind, except that, of course, they would forgo price supports and certificate payments.

Mr. MILLER. Mr. President, at this point, will the Senator from Montana yield for a question?

Mr. MANSFIELD. I yield for that purpose.

Mr. MILLER. I understand that the bill includes, among other things, a provision for so-called noncertificate wheat. Is that correct?

Mr. McGOVERN. The bill would not change existing law at that point; that provision is exactly as it was in the 1962 act.

Mr. MILLER. I wish the Senator would respond to my question. It is my understanding—and I have received correspondence to that effect—that the wheat section of the bill includes a provision for noncertificated wheat. If it does include a provision for noncertificated wheat—and I do not know because the bill has so recently come from the committee that I have not had an opportunity to read it—that provision would be at the heart of the concern of the Senator from Iowa in respect to the bill, because noncertificated wheat would then become a competitor of feed grains in my State and in other Midwestern States, and being a competitor, it would tend to depress feed grain prices and, in turn, livestock prices. Perhaps the bill would not include noncertificated wheat, but I have been advised that it would.

Mr. TOWER. Mr. President, will the Senator yield to me?

Mr. McGOVERN. First, I should like to comment on the question of the Senator from Iowa, and then I shall be happy to have the Senator from Montana yield to the Senator from Texas.

The proposed legislation would not change the manner in which noncertificated wheat is dealt with. There would be no change at that point.

The bill would provide a device whereby farmers would be encouraged to cut back on their production. It would provide a certificate and a price support program that would have the effect of raising the price of the certificated wheat. To that extent it would benefit the cattle producers. It would have the overall effect of raising wheat prices in the United States. To that extent it would be an improvement over the situation that we have today in reference to the prices of wheat and cattle.

If it is not enacted, all wheat would be noncertificated and in competition with feed.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. TOWER. I believe we are now involved in debating the merits of the measure. I do not believe the merits are in question at this time. The fact remains that the bill has been available to us in printed form only since Friday, and then only in a very limited quantity; so the bill could not be circulated freely. Regardless of the fact that we have knowledge of what is in the bill—and perhaps it has been published in newspapers—many people would like to read the bill itself and study its contents. There is always a lingering distrust of politicans in Washington on the part of people on the farms. They wish to see what is in the bill itself. Rarely do we take up such an important measure such a short time after it has been reported without publicity being issued on what the measure contains. Senators should have a little more time—not much more—to study the bill.

Mr. MANSFIELD. I am afraid that the Senator from Texas does not agree with us that we ought to expedite consideration of the bill. However, I do not believe he should aline himself with those who might distrust politicians, because all of us in the Senate Chamber happen to be politicians, and all of us have a modicum of honesty.

The bill was reported from a regular standing committee of the Senate by a vote of 10 to 3. The bill has been on the Calendar 4 days now. The bill was discussed last Friday. Last Thursday, during colloquy with the distinguished minority leader, the Senator from Illinois stated as follows:

> Mr. DIRKSEN. Mr. President, I would say on behalf of the majority leader that at least on four separate and distinct occasions we have conferred with respect to bringing up the farm bill. At the very first of those meetings, I told him there was some opposition on this side, and there was the expressed hope that perhaps it could be deferred until after civil rights came up for consideration in the Senate.
>
> At the second meeting I had occasion to confer with the Senator from Vermont [Mr. AIKEN], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Delaware [Mr. WILLIAMS], all of whom have quite an abiding interest in the farm bill. As a result of the many conversations that have taken place within the past 2 days, it was quite agreed that the farm bill could be laid before the Senate as of tomorrow—

This was last Friday—

> after the reading of Washington's Farewell Address.

I should like to interpolate by saying that the statement was made in good faith, and there were circumstances over which the minority leader had no control which intervened. Continuing to read:

> So I think we have composed all of our differences on this side, in the hope that we can dispose of the farm bill, and, for as long as it takes, the military procurement bill, about which there is some urgency, and then proceed to civil rights. Then we will stay on civil rights. I think that it is the distinguished majority leader's intention, once we take up civil rights, to stay with it until we either resolve the issue or discover there is no sword sharp enough to cut the Gordian knot.

That statement was made last Thursday evening. Senators have had the weekend to examine the bill. Objections were raised last Friday. They were legitimate objections. The bill has been studied. The responsibility is ours. We are supposed to speak for the people in the State which we represent. I believe that the Senate is an honest body. I believe that the Committee on Agriculture and Forestry is an honest committee. They have done a good job. I compliment the distinguished chairman of that committee, the Senator from Louisiana [Mr. ELLENDER], who was so active in reporting the bill, even though he is vehemently opposed to certain parts of it.

So I would hope that we would keep the discussion on a fairly high plane and recognize the position in which the leadership finds itself, and do what we can to honor the reporting of the bill by a standing committee of this body.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. TOWER. I should like to clarify what I said. I did not mean to cast any aspersions on the Senate. I do not believe that we could find any more honest an assembly of 100 persons anywhere than exists in this Chamber. People back home like to see what is being proposed in Washington. They do not like to accept everyone's word for what is going on. In a democratic process, it is good that they desire to see for themselves. I have received a large sheaf of mail and many telephone calls from my people stating, "Hold it up longer until we can give you our reaction."

It occurs to me that if we were to allow 2 or 3 more days in which to obtain an accurate reflection of the attitude of the people, we might have much easier going than if we started consideration of the bill immediately.

Mr. MANSFIELD. The Senator from Texas is very shrewd. He knows what he is doing. I can understand his position. I, too, have received letters and telegrams, both for and against taking up the bill. Regardless of my position, which is in favor of the bill in this instance—but even if I were opposed to it—I would make every effort to bring before the Senate a bill which had been reported by a standing committee and which had received due consideration by that committee. As far as the people in the States, which we have the honor to represent, are concerned, it is up to us to make our decisions as to whether the proposed legislation is good or bad, vote accordingly, and then return home and be prepared to take the consequences, whatever they may be.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. YOUNG of North Dakota. I have in my hand 455 telegrams received over the weekend urging immediate consideration of the proposed wheat legislation. Practically all of them favor this or some variation of the pending program. This is the largest number of telegrams I have received in a period of time since the Taft-Hartley law was considered and passed approximately 10 or 12 years ago.

The telegrams give some indication of what farmers are thinking. Headlines appearing in North Dakota newspapers yesterday were not very good for the Republican Party, for they stated that Republicans and the Farm Bureau are blocking consideration of wheat legislation. I am not one of that kind of Republicans. I think that wheat legislation should be considered immediately. Those who favor the Farm Bureau proposal should offer it as a substitute. If they desire me to do so, I shall offer it as a substitute. The Farm Bureau promised wheat legislation, and it is time that we get to it.

Mr. President, I ask unanimous consent that a list of the names of the signers of the telegrams to which I have referred be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Emanuel Tebelius.
Oscar Solberg.
Harris Disrude.
Wilfred Tuomala.
Marvin Tuomala.
Albert Reiswig.
Ben Mickelson.
Rudy Mickelson.
Mr. & Mrs. Walter Martz.
Esmond Co-op Creamery.
Abner Disrude.
LeRoy Bechthold.
Minnie Tuomala.
Bert Gumeringer.
Art Tuomala.
Jerry Perdaems.
S. M. Young.
Isadore Kostelecky.
John Deck.
Richardton Farmers Union Elevator Co.
Mike Adamski.
Edwin Brodehl.
Richard Weidmeier.
David Disrude.
Leonard Smestad.
Farmers & Merchants Exchange of Esmond, N. Dak.
Lodver Lo.
Fred Williams.
Horner & Horner U-Save Store of Esmond, N. Dak.
Myron Disrude.
Paul Ross.

Vernon Disrude.
Ray Becker.
Bruce Theel.
Olaf Lindbo.
Maurice Desroch.
Fred Darling.
Edwin Keller.
John H. Ben.
President and board of directors of Farmers Union Cooperative Oil Co. of Jamestown.
Esmond Equity & Trading Co.
Harold Mindeman.
Munster Elevator.
Tolley Skar.
Louis Hitz.
Francis O'Connor.
Lewis O'Connor.
Gordon Johnson.
John Molitor.
Gaelon Johnson.
Carl Amb.
Ernest Odegard.
Chester Lalum.
Geo. Neimeier.
Ray Reiner.
Bernard Zimprich.
Robert Thorson.
David M. Olson.
Walter Peterson.
Edwin Krambeer.
Whitman Farmers Union Oil Co.
Ralph Zimprich.
Paul Tarasenko.
Harold E. Switzer.
Harry Anderson.
Gaylord Olson.
Sterling Ingwalsen.
Adolph Doebler.
G. G. Henne.
J. V. Leppard.
Earl R. Larson.
M. J. Engen.
Buxton Farmers Union Elevator Co.
Arthur J. Stevens.
George Sandvik.
Douglas Hankel.
Ivan Sears.
Lloyd Sondreal.
R. Walter Olson.
Oscar Sturlaugson.
Joe Olson.
Harold Michels.
Elwin Sears.
Hugo Matton.
Hatton Grain Terminal Association.
Jens Ashland.
Arne Stafne.
Melvin Miller.
O. Reuben Nash.
Stanley McDougall.
James Hjelseth.
Mancur Olson.
Gottlieb Hartman.
Ronald McLean.
Roy Sears.
Regan Farmers Union Co-op.
Everett Mattson.
Cavalier Farmers Co-Op Elevator.
M. O. Danielson.
Osborne Wangen.
Ben Strehlow.
Lester Appel.
Gerald Dahl.
Arlo Olson.
Albert Kotajek.
Whitman Co-op Association.
Orie Huizenga.
Clayton Larson.
George Grilley.
Andrew Urness.
Harry C. Whalen.
Gordon Hacanson.
Regan Farmers Union Co-op.
Oberon Farmers Union Co-op Elevator.
Eino Mattson.
Don Brown.
Curtis Bergrud.
Ernest M. Hanson.
Lloyd Myhter.
Frank W. Johnson.
Hans J. Wangen.
Leeds-York Farmers Union Local.
Hugo Henke.
Donald Ralston.
Les Brown.
Arthur Vangsness.
Robert Mattson.
Douglas Rath.
Mr. and Mrs. Albert Becker.
Mr. and Mrs. Charles Sipma.
Adams County Farmers Union.
Arthur T. Ophaug.
Kenneth Anderson.
Elmer Aanerud.
Gordon Olson.
Art Des Lauries.
Howard Bangen.
Oscar Ladoen.
Silas Sjol.
Harold Olson.
Golden Valley Farmers Grain Co.
Albin Haugen.
Clifford Daleness.
Archie Sullivan.
Mr. and Mrs. Bill Meyer.
William Williamson.
Albert Madsen.
Levi Emmel.
Oscar H. Olson.
Harry Bergquist.
Emil Reinholt.
Paul Chally.
James Hultstrand.
Karl Henderson.
George Stensland.
Selmer Amundrud.
Charles Samson.
Ray Westby.
Alfred Robb.
Garland Skare.
Omar Johnson.
Lloyd Erickson.
Donald Aune.
Robert Laumb.
Pete Swensen.
Mrs. Daisy Schuman.
Floyd Hauge.
Clarence Steen.
Robert Benson.
Alvin Nelson.
Robert Soderholm.
Darrell Husle.
Isak Hystad.
Dale Johnson.
Byron Duerre.
Clifford Erickson.
Harold Anderson.
Denver Rosberg.
Sverre Houge.
Knute Bondell.
Holbert Schimke.
Eddie Schmid.
Albert F. Pachl.
C. J. Dalzell.
Carl Fugelstin.
Nels Berger.
Perth Farmers Elevator Cooperative Association.
Lloyd Peterson.
Seymour Bjorlie.
Farmers Union GTA.
Judson Farmers Union Mercantile Co.
Carl Klattman.
Carl Helbig.
Kurt Zeutschel.
Lawrence Hoesl.
Glen Dettman.
Carl Held.
Paul Sormula.
Alfred Scoba.
Toivo Henning.
P. E. Elichuck.
Ted Hagerott.
Phillip Eckroth.
Glenn Hogan.
Oscar Selle.
August Dahme.
Maynard Klier.
Wilton Farmers Union Oil Co.
Clifton M. Marple.
Farmers Union Elevator Co., Wheelock.
Art Horne.
Einard Juhala.
Rudolph R. Hemmann.
Pittsburg Farmers Union GTA Elevator.
Walter Bartholome.
Epping Farmers Union Grain Co.
Grant Settingsgard.
James D. Bopp.
Raymond Gieser.
Ernest C. Ross.
M. H. Skaley.
Ed Orgaard.
William Voegele.
Ralph Herseth.
Lynn Ziegler.
Knute Bondell.
Gerand Larson.
Irving Naas.
Oscar Glundberg.
Arnold Hill.
Gordon W. Schumacher.
Ronald Ostby.
Ted Johnson.
Leslie Peterson.
Melvin Narum.
David W. Morris.
Arnold Larson.
Glenn Hopkins.
Elvin Johnson.
R. J. Dinwoodie.
Orvin Gunderson.
R. E. Olson.
Charlie Miller.
Christ M. Christianson.
Herman Muhlbradt.
L. C. Bohmback.
Jack Cowan.
Kenneth Presthus.
T. R. Hanson.
L. S. Bo.
John Anderson.
Arnie Saari.
Ivan Erickson.
A. H. Berg.
John Hendrickson.
George Schlenk.
John Grann.
Adolph Neuman.
Russell Coutts.
Axel Halberg.
Robert Neameyer.
Leo Miller.
Otto Broeder.
Virgil Bucholz.
H. N. Tuck.
Clarence Larson.
Mrs. Fred Kuebler.
Mr. and Mrs. F. B. Aniel.
Clementsville Farmers Cooperative Elevator.
Mr. and Mrs. Roy P. Redman.
Ted Scheresky.
Ed Hortenstine Gays.
Oscar Wahlund.
Edwin Christianson.
Watford City Farmers Union Oil Co.
R. C. Domres.
North Towner Farmers Union Local.
Ivan Peterson.
Mr. and Mrs. Ronald Holtz.
Orville Samuelson.
George Olson.
David Ford.
Milton Stevens.
Harold Garnass.
Wallace Lien.
C. D. Ellingson.
Wendell White.
Senator Bronald Thompson.
Wegenast Brothers.
Herbert O. Johnson.
Ed Salzieder.
Earl O. Isaacson.
Ernest Dallman.
Howard Salzieder.

Harvey Wixo.
Lynn Ralston.
Oren Hillebrand.
N. Arthur Thompson.
Art E. Erickson.
Bjarne Hegstad.
Melvin Hjelmstad.
Virgil Swenson.
M. O. Danielson.
Maurice Hanson.
George Ruud.
Sivert Hjelmstad.
Martin Halvorson.
Ted Omoth.
Howard Nielson.
Erling Anderson.
Morris Hoggie.
Ever Hanson.
Sigurd Olson, Jr.
Sigurd Olson, Sr.
Lloyd Jordre.
Isaac Kindem.
Henry Widdell.
Raymond Muss.
Leo Schultz.
Mr. and Mrs. Edwin Flesche.
Clarence Martin.
Earny Ronningen.
Robert Soderholm.
Bernard Soldberg.
Hilmer Rice.
Ray Emanuelson.
Elmer Sears.
Ernest Martinson.
W. A. Knain.
Tom M. Moen.
Oliver Ruzicka.
Christ Klein.
James and John Krogstad.
Melvin Wippler.
Kenneth Stennes.
John H. Novak.
Ray Ginsbach.
Jerald Lotvedt.
Gilmore Ness.
Bennie R. Grove.
Frank Klein.
S. A. Torgerson.
Orlando Odegard.
Magnus M. Lysne.
Knute Loyland.
Melvin Moench.
Arnet Weinlaeder.
Roald Lysne.
Wayne Ophaug.
Dale Mangin.
Raymond H. Mitchell.
Clarence Schermer.
Glenn Miller.
Lud Laroson.
O. B. Knote.
Walter R. Hageman.
Ole L. Olson.
Robert A. Bush.
L. F. DeHaven.
Lawrence Sandbeck.
Ernest Pietsch.
Johnny Ott.
Billy Thorson.
Cavalier F. U. G. T. A.
Hector Johnstone.
Dwight Holmes.
John Adamski.
R. S. Hardy.
Tony Krance.
Jack Soeby.
Robert J. Chrne.
Emil Gendreau.
Alex Wisenthal.
Clif Ford.
Maurice Dunnigan.
Stanley Metelman.
J. I. Shepard.
Harley Kessner.
Tony Pfleffer.
Selmer Haugen.
Ross Van Horne.
Harvey Piper.
Ray Emanuelson.
Arthur J. Stevens.
Adolph Lysne.
Jesse Rae.
Joseph Soderberg.
Gilbert Spillum.
Edwin E. Olsen.
John Stenberg.
Ted Volk.
Joyce Knudsvig.
Ernest Emanuelson.
Lars A. Larson.
O. T. Holdal.
Oscar Franson.
Olaf J. Ophaug.
Lee Bennington.
Albert Kven.
Ernest Borgeson.
Walter Vollmers.
Orville I. Anderson.
Joseph Kratochvil.
Robert Kyllo.
Fred Mahoney.
Oscar Selle.
Earl Ronan & Sons.
David Holje.
John Brown.
Bennie O. Dahl.
Norman Gjellstad.
Clarence Okerson.
Lester F. Anderson.
Steve Dostal.
J. G. Brown.
Edwin Plutowski.
Norman Westrum.
Tilford Hegg.
Melvin Klein.
Joseph Rose.
Chester Johnson.
Leland Davis.
Leo Schultz.
Orville Bragg.
Sentinel Butte Farmers Elevator and Directors.
The Farnhams.
Alva Gladue.
Mel Solberg.
Douglas Hoffman.
Francis Perdaems.
Wayne Powers.
Milton Samson.
Gideon Bietz.
Wallace Jahnke.
Mr. and Mrs. Dale Shoeder.
George Ehlers.
Harold Arndorfer.
Fred Ehlers.
Melvin C. Djornholt.
Russell Earsley.
Clayton Runck.
Earl Rosenow.
A. K. Stolzman.
Lauvern Shoeder.
Mr. Dan Murphy.
Mr. John Bakken.
Norman Jellstad.
Al Lutgen.
Isak Hystad.
A. H. Burkle.
Norman Moen.
J. Allen Ogren.
Andrew Johnson.
Orville Ogren.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. AIKEN. In the discussion of the pending business, many pertinent facts have not yet been presented, either to the Senate or to the public. It is time that they should be. I think that the 450 farmers who sent telegrams to the Senator from North Dakota would be interested in what I have to say.

Since there seems to be some doubt about the effect upon the income of wheat and cotton producers, should Congress fail to enact any new legislation, it would seem in order to set forth pertinent facts at this time.

In my opinion—and that opinion seems to be borne out by the evidence—the Secretary of Agriculture has adequate authority under existing law to maintain wheat and cotton price supports at a level comparable to this year's prices if he deems it advisable.

Presenting the wheat situation first, let me say that the data I shall offer were obtained from the most recent official figures of the U.S. Department of Agriculture.

I shall try to present such material in terms that can be understood by anyone whether or not they are farmers.

The wheat marketing year runs from July 1 to July 1.

The supply and demand situation is, of course, the basis of any good legislation or administrative action.

On July 1, 1963, there were on hand 1,189 million bushels of wheat in the United States. The production for the year 1963 was 1,133 million bushels. Imports for the year in the form of feed and other wheat products amounted to 5 million bushels, making a total supply available for the current marketing year of 2,327 million bushels.

The disappearance of wheat for the current year is estimated by the Department to be 1,602 million bushels, of which 602 million bushels will be used domestically and 1 billion bushels exported.

Deducting the amount of wheat used at home and the amount exported from the total available supply, the Department finds that when July 1 1964, comes around the total supply on hand will be 725 million bushels, or 464 million bushels less than last July 1.

Since it would be impractical to base legislation or administrative action on the record of the current year alone, it is necessary to look ahead through the coming year to the beginning of the wheat marketing year which begins on July 1, 1965, or 16 months from now.

Again, the supply and demand figures should weigh heavily in our consideration.

Starting on July 1, 1964, with a carryover of 725 million bushels, we must add the prospective production for this year in order to get the total supply available.

Thus far the only estimate on production is for winter wheat.

If the U.S. Department of Agriculture estimate of winter wheat production is borne out, there will be 959 million bushels produced this year. Add to this the most generous estimate of 275 million bushels of spring wheat, and we have a total production of 1,234 million bushels, which, added to the carryover, would make a total supply of 1,959 million bushels.

Now, what will be our requirement for the year ending June 30, 1965?

The Secretary of Agriculture properly contends that for security reasons we should maintain a reserve of a year's domestic supply, or 600 million bushels.

Then, he estimates exports for the coming marketing year at 650 to 700 million bushels.

Since we will use domestically another 600 million bushels, it appears that for home use, for export, and for security reserves we must have a supply of not less than 1,850 to 1,900 million bushels, which is only 50 to 100 million bushels less than the anticipated total supply, according to the figures of the U.S. Department of Agriculture.

In the face of these figures, we might conclude that the U.S. producers, consumers, processors, and exporters of wheat are "sitting pretty."

This assumption is not warranted.

First. We cannot assume that the 725 million bushels carried over is all fit for human consumption. No such miracle has ever occurred yet. To be safe, we had better deduct 50 million bushels for shortages and deterioration.

Second. In estimating exports, the Secretary obviously did not include any continuation of exports to Russia and other Communist countries.

It is understandable that the Secretary could not safely include sales in his estimate, but, as the newspapers say, "a reliable source" advises me that Eastern European countries are already undertaking to negotiate for next year.

Even though such sales might be reduced 100 million bushels from this year, we would have to boost the official estimate of requirements by another 200 million bushels.

Third. Department estimates are not infallible.

The administration desires new legislation.

It is understandable that the Secretary of Agriculture should present his testimony to Congress in the most persuasive manner possible.

However, if we look back to the spring of 1963, before the referendum on the wheat program then proposed, we find the U.S. Department of Agriculture solemnly and officially advising the producers that if the program were rejected, there would be a crop of 1.5 billion bushels this year.

The USDA planners missed their mark by 20 percent, which, to say the least, was not very good estimating.

They also told the farmers that there would be 70 million acres of wheat planted for the 1964 crop. It appears that there may be a maximum of 53 million acres, which means they missed the mark by about 30 percent in that estimate. In the estimate on exports, they missed the mark, even further, by 66⅔ percent. All of that teaches us that the Department estimates are not always infallible.

In the light of known facts and past experiences, we can safely assume that the supply of quality wheat will not equal the demand for the coming marketing year and that it will be necessary to cut into our security reserves rather heavily.

With virtually the entire carryover of old crop wheat in the hands of the Commodity Credit Corporation and with the estimated production of new wheat being less than the prospective demand, it would seem that if the CCC withholds Government-owned wheat from the market, the law of supply and demand alone should guarantee a good market price to producers.

Apparently, the Secretary does not share this view—and there may be substance to this difference of opinion.

It is, of course, possible that wheat buyers might persuade many farmers to sell for a lower price than that warranted by supply and demand.

The predictions of dollar wheat made by Department officials last year would lend itself to this purpose.

In the event that no new legislation is enacted and in the event that the law of supply and demand alone will not assure fair farm income, there is a way under existing law by which the Secretary can maintain the price of wheat.

Section 332, paragraph C, of the Agricultural Adjustment Act, provides that when there is a "national emergency"—and we are not at that stage yet—or a "material increase in the demand for wheat"—and we definitely are in that position now—the Secretary may terminate the national marketing quota.

If marketing quotas are terminated the Secretary may require compliance with acreage allotments as a condition of eligibility for price support and, therefore, he has the authority to establish acreage allotments for 1965, in the event that he does not proclaim a marketing quota.

If a marketing quota is not proclaimed, section 107 of the Agricultural Act of 1949 provides that the support price for wheat to those who comply with acreage allotments, if the Secretary required such compliance, will be from 75 to 90 percent of parity, or from $1.89 to $2.27 per bushel, as determined by the Secretary.

It is perfectly obvious that with the current year's crop running 465 million bushels behind the demand and with a material increase in the demand for wheat, the Secretary is in an excellent position to maintain a highly satisfactory income to the wheatgrower.

It is also obvious that with production running behind disappearance, we must either increase production or cut down on exports.

Mr. President, I have been asked whether the Secretary could apply the new support prices and acreage allotments to this year's crop, three-quarters of which is already planted. He could not do so. But it is perfectly obvious to anyone engaged in business that with the CCC owning all the old wheat available on July 1, and the new crops running 2 or 3 hundred million bushels below requirements for the coming marketing year, and with a support price of, we will say, $1.89 to $2 announced for the 1965 crop, there would be a scramble for the 1964 crop which would probably guarantee the best prices that the wheatgrowers have had in years.

Turning briefly to the proposed cotton program, we find a situation which we have hardly considered before in relation to farm programs.

At present, the price of cotton to the farmer is supported at approximately 32½ cents per pound. The Secretary has authority to continue supports at this level under existing law.

The bill reported out by the Senate Agriculture Committee would authorize supports under different circumstances ranging from 30 to 34½ cents per pound.

I have a feeling that farm income would not be affected too greatly by this change, although it might result in some changes in the area of production.

The most far-reaching provision of the bill is that which provides a subsidy to the textile industry of the United States.

This subsidy would probably amount to around a half billion dollars a year and ostensibly would permit American manufacturers to compete equitably with or even undersell textile manufacturers of other countries in world markets.

There are many questions raised by this proposal which are not directly related to farm programs, although our cotton farmers will be affected by what we do.

First. Will the new policy of subsidizing the mills result in a further drop in the world price of cotton, thereby creating a need for still higher subsidies?

Second. Will this action on our part increase the probability of a world trade war?

Third. Having established a policy of directly subsidizing the textile industry, do we go on from there to other lines of manufacture? What about flour millers and manufacturers of aluminum or copper products and so on—and heaven knows what the end might be.

Fourth. If we subsidize our export manufacturers, will we then be willing to do away with tariff protection and import quotas so that American consumers will be able to buy on a competitive market?

I am not raising these questions in opposition to the cotton provisions of the bill because I am not sure what should be done.

It may be that the time has come when we should fight vigorously to maintain and expand our foreign markets.

I am sure of one thing, however, and that is when we decide to subsidize industry to the tune of what may turn out to be billions of dollars, let us be honest about it and not pretend we are doing so for the benefit of the little farmers.

If this bill passes, then the Secretary of Commerce should be authorized to reimburse the Commodity Credit Corporation for the cost of the subsidy and appropriations made to the Commerce Department for that purpose.

Mr. President, the Senator from North Dakota has received 450 telegrams, and I am sure they come from bona fide farmers. I have received telegrams from some of the largest banks and manufacturers in the country, in support of the bill. So there is another angle to the proposal, other than merely to help the farmers.

In proposing to consider H.R. 6196 at this time, the majority leader is quite properly attempting to carry out the policy of his party. The fairness of the majority leader and his respect for the rights of all Senators has become classic.

In objecting to consideration of the proposed legislation at this time, other Senators are acting in accordance with their judgment and their conscience.

My purpose in setting forth pertinent facts at this time is to assure the wheat and cotton growers of this country that regardless of whether new legislation is passed or not, there is no need for them to suffer a loss of income or a lowering of prices.

The Secretary of Agriculture is fully aware of the situation and I have no doubt will exercise his authority in a competent manner.

Mr. TOWER. Mr. President, a parliamentary inquiry.

The **ACTING PRESIDENT** pro tempore. The Senator from Texas will state it.

Mr. TOWER. Is it correct that the unanimous-consent request of the distinguished majority leader is still pending?

The **ACTING PRESIDENT** pro tempore. The Senator is correct.

Mr. TOWER. Mr. President, reserving the right to object, I wish to address myself to a comment made by the Senator from North Dakota.

Although there have been accusations to the effect that I have been much influenced by the Farm Bureau Federation, I have had very little contact with the Farm Bureau Federation. My position is at variance with their position, so I should like to disabuse the minds of those who believe otherwise.

Mr. President, I am constrained to object.

The **ACTING PRESIDENT** pro tempore. Objection is heard.

UNANIMOUS-CONSENT REQUEST

Mr. MANSFIELD. Mr. President——

The **ACTING PRESIDENT** pro tempore. The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that tomorrow, at the conclusion of the morning hour, the Senate turn to consideration of Calendar No. 850, H.R. 6196, the cotton-wheat bill.

The **ACTING PRESIDENT** pro tempore. Is there objection?

Mr. TOWER, Mr. MILLER, and **Mr. CARLSON** addressed the Chair.

The **ACTING PRESIDENT** pro tempore. The Senator from Iowa [Mr. MILLER] is recognized.

Mr. MILLER. Mr. President, I am not saying that I will object tomorrow, but I am constrained to object today.

The **ACTING PRESIDENT** pro tempore. Objection is heard.

Mr. MANSFIELD. Will the Senator from Iowa withhold that objection? I understand that other Senators have comments to make, so that they may have the right to object.

The **ACTING PRESIDENT** pro tempore. Does the Senator from Iowa withhold his objection?

Mr. MILLER. I withhold the objection for that purpose.

Mr. CARLSON. Mr. President, reserving the right to object—and I probably shall not object, this issue is more than one of farm programs—it is also one of farm income. As we begin discussion of these farm programs, I believe we should also realize what is happening to farm income.

It is estimated that for the year 1964 farm income will be $11.6 billion. In 1963 it was $12.2 billion. In 1960 it dropped to $12 billion from 1947 which was $17.3 billion, the highest income the farmers have ever received. We cited the $400 million loss of income last year as a result of livestock prices. If no action were taken on the wheat program and there should be a lower margin of $1.25 to $1.30 a bushel, it would mean another loss of $600 million.

Therefore, it seems to me that the issue in the Senate today is whether there is to be farm income, and not particular types of farm programs. The idea is to protect the farmer. We should remember that the parity ratio or the farm program goal for agriculture has dropped to its lowest level since 1939. It is important that we begin to look at some of the figures.

Farming costs are at record highs. The distinguished Senator from Vermont [Mr. AIKEN] discussed the programs and the possibility of the Secretary of Agriculture being in a position to take action. While wheat supplies will not be excessive on July 1, 1965, that is the end of the 1964 marketing year. The Secretary of Agriculture will have to determine this spring whether production in 1965, together with the carryover, will result in an excessive carryover on July 1, 1966, if he does not proclaim marketing quotas on the 1965 crops.

I believe this is of immediate concern to us. When we realize that the farmer has to buy in a domestic market, that he buys his labor in market that has a minimum wage and other fringe benefits, that he has to pay for his transportation and his utilities based on Federal statutes that guarantee a profit cost of operations, and that he buys his utilities, energy and gasoline in a market that has quotas and import limitations, it seems to me, Mr. President, based on all the information we can get, that some action must be forthcoming, if we are to protect the farmers' income this coming year.

Mr. ELLENDER. Mr. President reserving the right to object—and I shall not object—I listened with a great deal of interest to the statement made by my good friend from Vermont with respect to wheat prices. The program he suggests would, of course, be possible for 1965. However, the present wheat bill would affect the 1964 crop. Unless Congress acts, there is no doubt in my mind that wheat will be selling for $1.35 or $1.40 a bushel. That would certainly affect the income of wheat farmers. Inasmuch as wheat farmers have already turned down the program, under the law, the Secretary of Agriculture is unable to deal with price supports even if he desires to do so, because the law prevents it. That is because the wheat quota provisions have been voted down.

The wheat bill as now presented to the Senate does not differ from the present law, except that it is on a voluntary basis, rather than mandatory.

With respect to cotton, I was voted down in the committee. However, notwithstanding that fact, I did not object to taking it up. It is true, as my good friend from Texas has said, that the cotton provisions would change a great deal of what is now the present law. Further, the cost of the new program in my opinion would be much greater than has been alleged by the Department.

There has been a great deal of figure juggling; and I am prepared, when the time comes, to show—and I believe I can successfully show it—that the cost of the proposed program would be much greater than that of the present program.

New features have also been added to the bill. Notwithstanding the fact that we have a substantial surplus of cotton at the present time, the Secretary of Agriculture is permitted, during the current year, to increase acres for export over and above the quota by up to 10 percent, if he sees fit to do so. That will contribute to the production of much more cotton than we need.

There is no doubt that the export cotton would come into competition with the vast amount of cotton we now have in surplus.

For the years 1965, 1966, and 1967, there is no limitation in the bill as to the number of acres the Secretary of Agriculture could permit to be planted in excess of the allotment. That cotton, in my opinion, would also come into competition with our surplus, which we now have on hand, and prevent it from moving out of CCC stocks.

Another new feature is the provision permitting cotton producers to cut back on production and receive payments of up to 15 percent above the support price.

Still another, and the worst provision in my opinion is the requirement that the Secretary of Agriculture pay a domestic subsidy to other than producers in the same amount as the export subsidy. Today, that subsidy, paid on all domestic consumption, would be $42.50 per bale, or a total of $357 million.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. Notwithstanding these facts, as I have said, I was voted down in committee. However, I did all I could possibly do to get a bill before the Senate. It is before the Senate. In my judgment, we should take the bill up at this time and vote it up or down, or amend it in one way or another.

Mr. HUMPHREY. Mr. President, reserving the right to object, my first comment is to indicate to the distinguished Senator from Vermont [Mr. AIKEN], that much of what he has said in his statement is most constructive and helpful. I do not take exception to many of the points he has made. I said this the other day with respect to his address of about 2 weeks ago. I believe his address on the agricultural situation was most helpful and informative.

However, if wheat legislation is not passed there will be a direct and, I believe, unquestioned possibility that there will be an increase in wheat acreage.

It is one thing to anticipate a drop in wheat prices and to adjust our wheat acreage accordingly, and possibly not adjust it very much, but when we experience a $1.25 and a $1.30 price for a bushel of wheat, there will be no end to the amount of wheat planted.

We saw that happen with respect to corn. We cut back the price support levels on corn, and eliminated restrictions. I did not vote for that program, but it did become the law of the land, because a majority of the Senate voted for it. We saw millions more acres planted, and the most fantastic production of corn. We thought that by lowering prices, we would have a built-in discipline or control, on a voluntary basis, on producers, which in turn would result in lower production. Nothing has been proved more false than that assumption.

I listened to the junior Senator from Iowa indicate some concern about the so-called noncertificated wheat provision in the bill.

The Senator from South Dakota [Mr. McGovern] made some reply to that statement. It is my understanding that unless the wheat bill which is on the calendar is passed, for all practical purposes, all wheat produced in the crop year 1964 will be noncertificated and will be at a price related to the feed value of corn, at about $1.28 to $1.30 a bushel. Therefore, we would have wholesale competition with the feed-grain program.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. McGOVERN. The Secretary of Agriculture, as matters now stand, would set the support at $1.26 a bushel, which is several cents below what the noncertificated wheat would bring under the bill, as proposed. Therefore, instead of having about 75 percent or 80 percent of the wheat moving at a price of around $2 a bushel, we would have the whole crop supported at not more than $1.26 a bushel. That is the basis of the estimates by the Department of Agriculture and by the Senator from North Dakota and the Senator from Kansas. In other words, we would experience a drop of about $600 million in income for wheat farmers if we do not act between now and the end of this month to implement the legislation.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. HUMPHREY. If I am permitted to do so, while reserving my right to object, I am glad to yield to the Senator from Iowa.

Mr. MILLER. Inasmuch as the Senator from Minnesota has raised the question, as I have already indicated, I have not had an opportunity to read the bill. I have been advised that there is a noncertificated wheat provision in the bill; therefore, I would like to have more information about it. What the Senator from South Dakota has said he has said in good faith, and that is also true of what the Senator from Minnesota has said.

However, the statement that the Secretary of Agriculture will set the price at a certain figure, and that there will be a decline of $600 million in farm income, is based on the situation which existed several months ago. That is an estimate which the Senator from Vermont has already shot down. The estimate was that there would be a very great increase in production. If the premise is false—and the Senator from Vermont has already proved it to be false—I believe perhaps the Senator from South Dakota and the Senator from Minnesota and the Secretary of Agriculture had better start recalculating their figures before they tell us that there will be such a drop in price and such a loss in income as they have indicated.

I believe we are premature in taking up the bill. That is why I felt constrained today to object to taking it up tomorrow. I believe we ought to allow at least a day to elapse.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I shall be glad to yield in a moment. I am not making any wild predictions as to calculations or estimates.

Unless some legislation is passed, under existing law the Secretary of Agriculture has to adjust the price support levels downward. I know—as the Senator from Vermont has said, and rightly so—that certain administrative decisions can be made which may help to alleviate this situation. I am not trying to be dogmatic; in fact, I belive that ever since the defeat of the wheat referendum the Senator from Minnesota has been one of those who have called for administrative action, and I have indicated that there ought to be new legislation. I have not been conducting myself in a dog-in-a-manger attitude. I do not believe in punishing those who rejected the proposal that was extended to the farmers. I am interested in farm income. I would be less than honest if I did not say I am deeply concerned about farm income. I have every right to be deeply concerned about it. I am not an expert on the subject of cotton, and I do not pretend to be an expert in the field of wheat. But shortly the conference report on the tax bill will be before the Senate, and it is calculated to stimulate the economic structure of the United States.

I know of no person who has estimated that unless we pass a cotton bill or a wheat bill, we shall have anything else but lower prices set on accumulated surpluses of cotton and wheat. If that is the case, farmers will lose a part of the benefit of the tax bill by reason of our refusal to act on a timely basis on wheat and cotton. It will not do much good to act on wheat and cotton in July. Let us stop deluding ourselves, because we are not fooling any farmer. If we do not act on the wheat and cotton bill very shortly—in fact, we should act on it today; we should have acted on it last week—we shall have trouble.

In all good conscience, let us remember that shortly we shall have a highly controversial issue before us, namely, the question of civil rights. Unanimous consent is required to proceed with the wheat and cotton bill. It may require a week to debate it. I think we should look into it. Very frankly, I had intended to introduce a wheat bill different from the one reported to the Senate. I believe mine is better. I had a different proposal with respect to cotton. There are some proposals on cotton that I believe to be acceptable. But, be that as it may, as the Senator from North Dakota [Mr. Young] said, we should consider these proposals and vote them up or down.

If the Farm Bureau has a proposal that it wants enacted, let us bring it up and vote on it. If the Senator from Vermont has a proposal, he can offer it as an amendment. If any other Senator has such a proposal, he can offer it as an amendment. The only issue is: When shall we take up the bill?

I yield to the Senator from Vermont.

Mr. AIKEN. I believe the Senator from Minnesota, like many other persons has naturally been giving credence to the figures and estimates set forth in the 45-page document which was broadcast over the wheat area by the Department of Agriculture last spring. Although it was assumed that there would be an overplanting of wheat—and this document said if the farmers voted "no," 70 million acres of wheat would be planted—it now appears that about 53 million acres will be planted, which is 2 million acres less than the 55 million acre minimum national allotment up to now. But to assume there is to be a big increase in the planting of wheat, one must assume that many farmers will be stupid enough to give up the growing of corn and soybeans, which pay them $75 to $100 an acre, in order to plant wheat at $35 an acre. Farmers are not built that way. That is why this year they are planting less than the minimum they could have planted 2 years ago by 2 million acres.

Mr. HUMPHREY. Let us not be too sure about that, because all of the plantings are not in.

Mr. AIKEN. If the entire States of Minnesota and North Dakota were planted in spring wheat it would be possible only to catch up to the minimum allowed 2 years ago.

The Senator from Louisiana very properly pointed out that the Secretary of Agriculture cannot announce a $2 support price for wheat for the 1964 crop. Unless the Commodity Credit Corporation sees fit to dump its holdings on the market come the first of July in order deliberately to depress the price, the supply of free wheat is going to be 20 percent less than the demand for the coming marketing year. When the free supply is 20 percent less than the demand, it is a seller's market. I do not believe Lyndon B. Johnson will ever permit the Secretary of Agriculture to crush the farm price for wheat or any other farm commodity, if he can help it. I think he is too smart for that. I do not believe the Secretary of Agriculture wants to do that, either.

Mr. HUMPHREY. The Senator from Minnesota, along with the Senator from Vermont, has been urging that there be a tightening up on the operations of the Commodity Credit Corporation. I have never believed that the Commodity Credit Corporation ought, willy-nilly, to run through the marketplace. I believe its purpose is to supplement, not to supplant. I join the Senator from Vermont in that belief. But I wish I could be as hopeful about the more conservative estimates that the Senator from Vermont makes.

Mr. AIKEN. I do not think the President or the Secretary of Agriculture will let this terrible thing happen or cause it to happen.

Mr. HUMPHREY. The Senator from Vermont is one of the wisest Members of this body, especially on the subject of agricultural policy. That is why we all listen to what he has to say. I must say, with all due respect, that even those who are opposed to the proposed legislation—and I have heard from many of them who are opposed to it—are concerned that there will be a rather sizable crop and that it will have a depressing effect on the market. I do not know whether the price will go down to $1.30 or $1.25 in the marketplace, but we are surely skating on thin ice. We can take some remedial action. I see no reason to take a risk.

Mr. AIKEN. The predicted 1964 crop will be a little less than what the Secretary now predicts will be the requirements for the coming year. But the Secretary quite obviously omits all possible sales to Russia or other Communist countries, which amounted to something like 300 million bushels this year. I believe that very probably it will not be as much next year. Regardless of what the Senator may say, reliable sources tell me that those countries already are looking into the prospects for buying next year.

Mr. JOHNSTON. Mr. President, I should like to describe to the Senate exactly what will happen if the wheat bill is not passed. It is estimated by the Department of Agriculture that farmers will have $400 million more in their pockets if the bill is passed than they would have if the bill were not passed.

The Senator from Vermont was discussing the income of farmers. The income of farmers will be $400 million less if this bill is not passed than it would be under the bill. The reason is that it is calculated that domestic food wheat may sell for as much as 16 cents a bushel less if the bill is not passed.

Therefore, the bill should be passed. Farmers are already preparing to plant their spring crops. They will be planting them in only a few days. So the passage of the bill is highly important. Every day that we can save will mean one more day of benefit to the farmers who are planting wheat.

The bill is important for cotton farmers, too. They will want to know how many acres they can plant this year.

It is my view that the bill would be of great benefit, especially to small farmers throughout the South.

So I urge the Senator from Iowa [Mr. Miller] to join in starting a movement to have the Senate take up the bill on Tuesday. We can have another day in which to study it.

I am learning that the telegrams reaching my office—I called my office only a moment or two ago—are more than 10 to 1 in favor of the bill. If they continue to come in such numbers, I think the Senator from Iowa also would like to check on his mail. I am sure that when the wheatgrowers of the Middle West and Northwest have learned that they will receive more money, the telegrams in favor of the bill will start pouring in on him.

I urge Senators not to object at this time to the taking up of the bill. Let us discuss whether it is a good bill. Every feature of the bill can be discussed after it has been taken up. I do not think that this is the proper time to discuss that question, but it is the proper time to stress to the Senate that every day counts in determining whether to consider a bill that will benefit the farmers of our Nation.

Mr. HUMPHREY. Mr. President, at this time I yield, if I may, to the distinguished Senator from North Dakota [Mr. Young].

Mr. YOUNG of North Dakota. Mr. President, I should like to believe in the accuracy of the figures submitted by the Senator from Vermont, and I should like to believe his optimistic viewpoint about what the Secretary of Agriculture could do about wheat prices and about what wheat prices would be. Winter wheat farmers did not overseed as much as expected. I understand that ordinarily they overseed about 12 percent, but that this year they overseeded about 14 percent; and the amount they plow down remains to be seen. Ordinarily they overseed for grazing purposes and to keep the land from blowing. This year, in the absence of new wheat legislation, I think they would not plow down very much.

In the spring wheat area, certainly the surplus of wheat has greatly increased. This year we had an alltime record, in storage, on January 1 of 179 million bushels. We had an estimated carryover, until Russian sales of around 1,100 million bushels. Even if the Russian sales materialize, we are going to have at least 750 million bushels; and that, on top of only a rather small crop, would mean a price-depressing surplus next year.

So I cannot believe that the position taken by the Senator from Vermont is accurate—namely, that the Secretary of Agriculture could declare there was an emergency on the basis that there is a shortage of wheat.

Mr. AIKEN. No, that is not true——

Mr. YOUNG of North Dakota. In order to declare an emergency, he would have to determine that by 1966 there would not be a surplus; that would be the only way by which he could put into effect from 75 percent to 90 percent supports, as the Senator has said.

Mr. AIKEN. The Secretary of Agriculture would only have to find that there had been a "material increase" in the demand for wheat.

Furthermore, the figures I used were official U.S. Department of Agriculture figures; and I think they are more accurate than the ones issued before the referendum last spring.

Mr. YOUNG of North Dakota. He would have to determine that there would not be a surplus carryover on July 1, 1966. That is exactly what happened to dairy commodities and cotton; and when the Secretary of Agriculture Freeman increased the price supports it resulted in more surpluses. By no stretch of the imagination could he declare that there was not a surplus, and thus put into effect price supports of from 75 percent to 90 percent and acreage allotments. But even if he did with no mandatory controls that would result in a horrible increase in the surplus—a greater surplus than ever before.

Mr. AIKEN. The figures I used were absolutely correct; and the citations of law I submitted were found by the staff of the Senate Committee on Agriculture and Forestry. I asked them to find the provisions of the law which authorize the Secretary to proclaim and also to terminate marketing quotas. The figures I used were from the U.S. Department of Agriculture, except I had to estimate 200 million bushels more for exports, which he did not include in his estimate, because he could not include it. That is not known, for there has not yet been a deal with the Communist countries, but they are dickering; let us be sure of that. They want to buy almost as much as they did last year, but not quite as much.

Mr. YOUNG of North Dakota. I should like to have the opinion of a competent attorney put into the Record, in order to support a case for the position that the Secretary of Agriculture could support prices for wheat, next year, by from 75 percent to 90 percent of parity, without a new law.

Mr. AIKEN. That is exactly the procedure I followed; I obtained the views of a competent attorney—one who knows agriculture from top to bottom; and he is not a farmer.

Mr. HUMPHREY. Mr. President, we have had demonstrated here the importance of debate on the farm bill, because it is clear that there are honest differences of opinion; and we should have this bill here before us, and it should be before us, not in connection with a point of order or in connection with a reservation of the right to object, but, instead, as a measure which is on the calendar, and is called up from the calendar, and is before the Senate, for action.

In the estimates made on either side, certain "ifs" are always included. In making his estimates just prior to the referendum, the Secretary of Agriculture had in mind some "ifs," too—relating to the increased acreage which would be put into production if the referendum were defeated.

Now we hear some say, "If the Communists continue to buy"—and, by the way, as things look at the moment, they may be buying, but there may be no deliveries. I have not yet heard of any reconciliation of that problem, which affects shipments of the supplies. And if the senior Senator from South Dakota [Mr. MUNDT] were to gain a little more power in the Senate, the "if" about purchases by Communists would be out, once and for all.

Mr. MUNDT. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I shall yield in just a moment.

Mr. MUNDT. Very well.

Mr. HUMPHREY. The other "if" is that if Western Europe were to have a crop failure, the United States would export about as much as it did this year. But no one can count on a crop failure in Western Europe.

Furthermore, if there is a drought in the United States, there will be decreased production. But that is another "if."

I think the point the Senator from North Dakota is trying to make is that even with the most reliable estimates in regard to the wheat carryover and production, I believe it will be well nigh impossible for the Secretary of Agriculture to invoke section 322, paragraph (c) of the Agricultural Adjustment Act, relating to a national emergency; at least, I believe there would be quite a stew and quite a series of complaints if that were to be done.

The Secretary can tighten up some of the procedures in regard to the disposal of the Commodity Credit Corporation stocks; I think that is a possibility. I believe he could set the resale price on Commodity Credit Corporation stocks a little higher. But those would be only palliatives, not cures; and they do not in any way limit the accumulation of additional surpluses.

The Senator from South Dakota and the Senator from Louisiana were referring not only to the price structure, but also to the production itself and the accumulation of further surpluses; and that applies to cotton.

It is true that the Secretary of Agriculture, acting for the President, can continue the same price support or loan rate upon cotton; but he will also accumulate vast amounts of cotton in storage.

Without trying—again—to be an expert on that matter, let me say that I would hope the Senate would permit us to take up this farm bill expeditiously. I believe we should take it up this afternoon.

As soon as the majority leader returns to the floor—following some conferences—I shall urge that he try, once more, to see whether the Senate will agree to take up the bill today.

The report on the bill has been on the desks of Senators since last week. I recall the time when the Senate took up a bill which related to as much as $50 billion for defense procurement—legislation which affected the very life of the Nation—even though copies of the bill had been on our desks for only a few minutes; and then some Senator asked for unanimous consent for the immediate consideration of the bill, and it was then considered. I recall a time when proposed legislation more far reaching than this measure was passed even though the printed report was not on the desks of Senators.

So, although I have my view in regard to certain controversial legislation, such as the civil rights bill, I believe we also need cotton legislation and wheat legislation, and I do not think we should stall it in any way. We have a difficult parliamentary situation; and the sooner we get at this proposed legislation, the better.

Mr. AIKEN and Mr. MUNDT addressed the Chair.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). Does, the Senator from Minnesota yield; and if so, to whom?

Mr. HUMPHREY. I yield first to the Senator from Vermont.

Mr. AIKEN. Mr. President, I was just wondering. I am sure this proposed legislation is important to some people, and so is the civil rights bill. Why not take up the civil rights bill first, and get it out of the way; and then take up the farm bill?

Mr. HUMPHREY. Mr. President, I would love to have that done, and my heart goes out to the Senator from Vermont. But the trouble is the calendar. I have reason to believe—on the basis of experience in the Senate—that when the civil rights bill is called up, following both the first reading and the second reading, and when the bill then is brought up by motion, we may be here a few days discussing it; and I also have a feeling that the planting season for wheat may well be over by the time we have completed our discussion of the civil rights bill. In fact, I am worried that perhaps the harvest will be over by the time we get through with the civil rights bill.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Illinois.

Mr. DIRKSEN. The distinguished acting majority leader has made the suggestion that perhaps when the majority leader returns, he will renew his request to take up the two-pronged farm bill. The Senator from Texas has objected. He registered a firm objection. The question is whether his objection stands for the day or whether objection must be made every time the request is made, because I would feel compelled to protect the distinguished Senator from Texas——

Mr. HUMPHREY. I should like to inform the Senator from Illinois that the Senator from Texas was told by the distinguished majority leader that any new unanimous request that might relate to the cotton and wheat bill would only be made after the Senator from Texas had been informed, because there are some other procedures that might be followed. So I can assure the Senator that no effort will be made to embarrass anyone, but there will be an honest effort made to find if we can get some date certain, at least, to take up the farm bill.

Mr. DIRKSEN. Mr. President, it ought to go further than that. If for any reason the Senator from Texas is tied up in a committee meeting and would not be available——

Mr. HUMPHREY. He will be brought back.

Mr. DIRKSEN. He should be present in the Chamber when the request is made. I shall protect him. I must protect him, because he registered a bona fide objection.

Mr. HUMPHREY. I understand. The minority leader is absolutely correct. All rights will be protected. I understand that a further effort will be made to bring the cotton and wheat bill before the Senate; and all Senators who are interested in it will be informed by word of mouth, ringing of bells, Western Union, smoke signals, or in some other way.

Mr. JOHNSTON. Mr. President, will the Senator yield so that I may clarify a statement?

Mr. HUMPHREY. I yield for a clarification.

Mr. JOHNSTON. The majority leader changed his request so that the bill would be considered tomorrow.

Mr. HUMPHREY. The Senator is correct.

Mr. JOHNSTON. Then the Senator from Iowa [Mr. MILLER] entered an objection temporarily. He withdrew it in order that there could be discussion of the request. I believe that is what is before the Senate.

Mr. MILLER. I propose to object after the discussion.

Mr. HUMPHREY. The Senator is merely accommodating Senators who wished to make some remarks.

Mr. MILLER. The Senator is correct. First, there was the objection to taking up the cotton and wheat bill today. The majority leader asked unanimous consent that it might be brought up tomorrow. I said that I would enter an objection at the appropriate time to taking up the bill tomorrow. I do not know what I shall do tomorrow. I do not know what the Senator from Texas will do tomorrow. That is the situation.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am delighted to yield to the Senator from South Dakota, who musters more power on the wheat sale every day.

Mr. MUNDT. I thank the Senator very much. I join the distinguished Senator from Minnesota to the extent that I hope we can get before the Senate for discussion the proposed wheat legislation and cotton legislation at the earliest possible date. I agree with him. I hope the Senate schedule will be arranged to accomplish this.

I agree also that it is a pretty precarious farm program that must rely on the presumed sale of wheat to the Communists. I commend the longshoremen for having displayed more regard for the best interests of Americans and the free world in connection with credit sales to Communist countries than has been demonstrated by the State Department, because they have refused to deliver what the State Department has authorized us to sell on highly speculative credit terms. But that is entirely a separate question.

Mr. HUMPHREY. The Senator made that point very well.

Mr. MUNDT. At some other time it should be and will be discussed more fully. I hope an appropriate farm bill can be enacted, for I follow more closely the line of reasoning of the Senator from North Dakota [Mr. YOUNG] that the wheat farmer would prefer to have the Department of Agriculture directed to do thus and so than to rely on the optimistic hopes of the Senator from Vermont [Mr. AIKEN] that the Secretary of Agriculture will voluntarily do what is required on his own volition.

I feel that a government of laws is always superior to a government of men. I wish to write specific provisions into the law. I think the proposed farm legislation can be substantially improved by proper amendments. This, I submit, is sound Republican philosophy.

Mr. President, in that connection I send to the desk an amendment of my own to the proposed farm bill (H.R. 6196) as reported by the Senate committee. In the main, my amendment provides that—

> Notwithstanding the foregoing provisions of this section, the Commodity Credit Corporation may not—

I repeat—not—

> not sell wheat owned or controlled by it at less than 115 per centum of the current price therefor, plus reasonable carrying charges.

That would do one of the things which the Senator from Minnesota has been discussing. This could be the most significant factor in the proposed new farm bill from the standpoint of giving our farmers a better price for their wheat production. It also moves in the direction of taking the Government out of competition with the private trade channels and individual farmers in the marketing of wheat at rising price levels. It is a salutary amendment. I hope that the Senator from Minnesota will support it at the proper time. I believe it is one of the things which would improve the bill and increase chances of passing appropriate, effective, and timely wheat legislation.

Mr. HUMPHREY. I thank the Senator. I have a similar amendment. I hope we can team up on the question.

It is good to have the Senator from South Dakota supporting the things I believe are right.

I would have felt much more influenced by the distinguished Senator from Vermont if I had not felt the massive power of the Senator from South Dakota when he took us over the traces on the matter of credit insurance on the sale to the Communist countries. So I am a little worried and confused by the cross current of argument between the Republicans on this question of proposed wheat legislation. But I wish to join the Senator from North Dakota [Mr. YOUNG] and the Senator from South Dakota [Mr. MUNDT], as I have done 101 times before, for the benefit of farm producers. I believe the effort will be all to the good.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. WILLIAMS of Delaware. The Senator from Texas is not present in the Chamber. The Senator from Illinois has pointed out the agreement he had with the majority leader to be advised before a unanimous-consent request is again advanced. That agreement also covers notice in the event there should be a motion made in connection with taking up the bill.

Mr. HUMPHREY. Oh, yes. I assure the Senator that the majority leader never has done and never would do such a thing when the Senate is not fully notified of his intention to do so. Moreover, that valiant guardian of the public interest, the distinguished Senator from Illinois [Mr. DIRKSEN], is present to make sure that Senators behave.

SALE OF WHEAT TO THE SOVIET UNION

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DIRKSEN. Since my distinguished friend from Minnesota alluded to the fact that the so-called Soviet wheat was not moving too freely, it ought to be pointed out, first, that they were going to charge us 66 cents a ton harbor fees as against the regular 22 cents until we unearthed a 1903 treaty.

Second, there was the assurance that payment would be cash on the barrelhead, until the transaction stretched out into a commercial venture with commercial credit running over a period of 18 months with export-import guarantees.

Third, it should be pointed out that not only did the late President of the United States give assurances about shipping in American bottoms, but Mr. James Reynolds, the Assistant Secretary of Labor, gave an unqualified assurance that that would be done. It is easy to understand why the maritime unions are up in arms. Only yesterday Mr. Meany commented on the fact, because here was an assurance from a responsible agent of Government as to what the Government was going to do. Then it begins trimming on its own assurances. Other things have entered into the picture to make it something of a nightmare. So when the story is told, let us tell the whole story and get all the facts before the Senate and before the country.

Mr. HUMPHREY. Mr. President, I do not wish my good friend from Illinois to think I am not in full disagreement with what he said, because much of what he has said is on the line.

Mr. DIRKSEN. All of what I said is on the line.

Mr. HUMPHREY. Much of what the distinguished Senator has said is on the line. If we can obtain agreement that much of what we say is on the line, it seems to me that we have secured a major victory. I was about to say "concession," but one cannot concede if he agrees.

Mr. DIRKSEN. All of what I said was on the line.

Mr. HUMPHREY. Mr. President, having heard from the distinguished Republican leader why the estimates of the Senator from Vermont are wrong, I want to yield to the Senator from South Dakota [Mr. McGOVERN]——

Mr. DIRKSEN. Mr. President, I said nothing about the estimates of the Department of Agriculture.

Mr. HUMPHREY. The only problem is that the "ifs" and "ands" of the estimates of the Senator from Vermont were based on the fact that we were working on a normal, healthy basis of trade relations between the United States and the Soviet Union on wheat. I do not think the able Senator took into consideration the fact that the ships did not get off the track. Of course, I know that ships do not travel on tracks.

Mr. DIRKSEN. My distinguished transportation expert from the State of Minnesota has alluded to the Soviet wheat transportation, and I wanted to be sure that the whole story became a part of the record.

Frankly, it is something of a mess—and all four letters in that word can be spelled with capitals.

Mr. HUMPHREY. Let me say to the Senator from Illinois that after having heard the Senator from South Dakota, and now having listened to the eloquent and penetrating argument of the Senator from Illinois, and the sage arguments by the Senator from Vermont, whose estimates were based and predicated on wheat sales to the Soviet Union as one way of reducing wheat stocks, I am convinced that he did not consider the possibility that such sales would be erased from the calculations.

Mr. MUNDT. Let us hope they are.

Mr. HUMPHREY. The Senator from South Dakota and the Senator from North Dakota have made a case, in consequence of the supply of wheat and demand for it, which have an effect on price, which demands legislation.

I say the Senator has completely disproved the estimates of the Senator from Vermont.

Mr. DIRKSEN. Mr. President, will the Senator yield once more?

Mr. HUMPHREY. I yield.

Mr. DIRKSEN. The distinguished Senator from South Dakota, at the time he had offered and was doing his best to secure the adoption of the proposal that went to the Banking and Currency Committee, never quite knew how prophetic he was going to be, because none of the insurance authority of the Export-Import Bank has been used except with respect to two dribbling shipments to Hungary. So the distinguished Senator from South Dakota was quite prophetic.

Mr. HUMPHREY. Under that argument, the distinguished Senator from South Dakota was making much to do about little or nothing, because some of us said at that time that the Soviet Union was not going to ask for credit.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MUNDT. Quite different from making much to do about nothing, the "to do" the Senator from Minnesota alludes to has brought about a salutary effect.

Mr. HUMPHREY. That was the purpose of the Senator from South Dakota.

Mr. MUNDT. Precisely.

Mr. HUMPHREY. The Senator has tried, through many ways and means—I will not say they were devious, but they were effective—to see that all the negotiations would result in a great big goose egg.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DIRKSEN. As they say down in Tennessee, it was one of the greatest nothings that ever happened, so far as the country is concerned.

Mr. HUMPHREY. Mr. President, I yield now to the Senator from Arkansas [Mr. FULBRIGHT].

Mr. FULBRIGHT. Mr. President, I appreciate the Senator's yielding to me. I have been very interested in the discussion and argument of the outcome of the wheat agreement. There was a very interesting discussion last fall. The Senate acted on that question, and approved the Export-Import Bank guarantee of the credit, which, in effect, was approval by the Senate of the sale.

There has been a great deal of criticism recently, and I thought in an offhand remark by the Secretary of State, talk about private boycotts of sales. In effect, it seems to me as a result of the agitation by those who oppose the wheat sale, as demonstrated now by the labor unions, the conduct of our foreign relations has been taken out of the control of the administration and the Senate—insofar as concerns the Senate's part in having approved the wheat sale. In this case the labor union has negated the foreign policy as announced by the administration and as approved by the Senate. I think this is a dangerous thing to do, and that we should deplore it in the strongest possible terms. This is an effort to achieve indirectly what was sought to be achieved directly, through the challenge of that bill on the floor of the Senate.

Mr. HUMPHREY. Mr. President, it all adds up to the fact that if this situation continues, and if the sale does not go through, there will be no further sales. It will mean that supplies of wheat which have been gathering in the Commodity Credit Corporation inventory will continue to mount. If the sale is off, supplies of wheat will continue to grow and mount in size. The price will go down. If the price to the producer and farmer goes down, we shall be in economic trouble.

I am hopeful the sales will go through. I am hopeful that exports will expand. If they do not, much of what the Senator from Vermont has said bearing on market price and the sale will have no basis. But there are some uncertainties; and it is those uncertainties that plague us.

I yield now to the Senator from South Dakota [Mr. McGOVERN].

Mr. McGOVERN. Mr. President, first, I agree wholeheartedly with the observations of the distinguished chairman of the Committee on Foreign Relations. I think it is a shocking situation when a handful of labor leaders in effect take over the foreign policy of the United States.

On another matter, the Senator from Vermont very properly pointed to the unreliability of some of the estimates on which we attempt to base our actions.

I think we should agree that what we must do is make a judgment based on the best possible information we can obtain.

Without speaking directly to the point raised by the Senator from Vermont, I remind Senators that there have been at least six studies by agricultural economists as to what would happen to the farm economy in the absence of any farm program. There have been various studies showing that if we do not pass a wheat bill it will have a harmful effect on our livestock market, as well as wheat itself. The studies all indicate what will happen if agriculture is thrown on a free market, or something near a free market.

The latest study was made at Iowa State College, a distinguished agricultural institution in the State represented by the Senator from Iowa. This study projected what would happen in the absence of farm programs to stabilize both production and price of agricultural commodities. This is what the experts have found:

First of all, farm income by the year 1967 would fall by approximately $5.7 billion, or a drop of 40 percent. Corn prices would drop to 85 cents a bushel. Wheat prices would drop to 94 cents a bushel. As a consequence, the price of cattle would fall to about $15.80 a hundredweight, or $6 below the price for 1962.

Estimated hog prices then would be $13.50 a hundred, and so on. This means a total drop of some 40 percent in net agricultural income. I believe the best estimates that are available to us from the Department have made it quite clear that if we fail to act, the best we can hope for in wheat prices for 1964 is around $1.40 to $1.45. The support price, I should like to emphasize again, will be only $1.26 or 50 percent of parity. So I wish to say to those who are concerned about livestock prices that the surest way we can undercut livestock prices and knock the bottom out of the cattle and hog market is to delay action on the bill to the point where it cannot be effective in time to benefit the 1964 crop.

Mr. AIKEN. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I yield.

Mr. AIKEN. I will agree it is the surest way to undercut livestock prices. It has been amply proved already by admitting unrestricted imports of meat products from other countries into the U.S. market.

Mr. McGOVERN. I will agree with the Senator that that is one problem.

Mr. AIKEN. That is a problem for the executive branch. It could have stopped that a year ago, before it got started, but it did not. It was so interested in turning over our markets to other countries that would lose their commonwealth preference if England were admitted to the Common Market, that it was trying to absorb those exports.

Mr. McGOVERN. I agree that an increase in our imports is one factor that helps to determine the price of our own livestock prices, but it is only one. A basic factor is the price of feed grains that go to cattle and hogs. Cheap feed grains mean cheap cattle and hog prices a little later. I submit that is a basic cause of our problem.

Mr. AIKEN. The other day, I took occasion to compliment the Secretary of Agriculture on his handling of the feed grain situation. It has been costly. We cannot deny it. But the Secretary has held the price at a rather good level.

I wish the Senator from South Dakota to know why I spoke this morning as I did. The Senator may have noticed that I did not take a position on either part of the farm bill, but I do not wish the wheat growers of the Central Plains States, and other States, to get the idea that all is lost if they do not get the legislation out of this session of Congress. In fact, I believe the cotton part of the bill would get a lot more votes than the wheat part, anyway; but I do not wish wheat farmers to get discouraged. I believe there is a future in growing wheat. Regardless of whether we act on this bill or not, we are not going to produce enough this year to meet the probable demand. So there will be still further reduction in carry-over next year. My best guess now would be in the neighborhood of 200 million bushels or more; but what I was trying to point out was that there is a way in which wheat prices can be maintained. If I know the President of the United States—and all Senators worked with him in the Senate for many years—and I know the Secretary of Agriculture, they are not going to let wheat prices fall to a disastrous level, regardless of what Congress does.

Mr. McGOVERN. The Senator from Vermont fully recognizes that in terms of the 1964 crop, the hands of the Secretary of Agriculture are tied, that he has already prescribed marketing quotas. The referendum has rejected the quotas and I do not know how the price support can go over $1.26; the law clearly says where quotas are rejected support shall be 50 percent of parity.

Mr. AIKEN. The hands of the Secretary of Agriculture are not tied. He will have control of practically all of the old wheat, I believe it is 725 million bushels, on July 1, and if that is not put on the market at the minimum allowed by law, market prices will be good. It is evident that 1964 production will be considerably less—I estimate 20 percent less—than the requirements; and, under such conditions, we will have a seller's market. It is probably true that some wheat growers might get pinched for money and might sell for less than they should, but wheat growers are smart people and will not give away their wheat when they realize the demand is greater than the supply—assuming, of course, that the CCC will not dump its supplies on the market. That would depress prices, of course; but I do not believe they will use CCC wheat to depress the price to $1.30 or $1.40 a bushel; I do not believe that.

Mr. McGOVERN. I appreciate the concern of the Senator from Vermont that the executive branch use whatever authority it has to protect prices of agricultural commodities, but I do not believe that relieves Congress from doing what it can to head off——

Mr. AIKEN. We have an obligation to the people who have been discriminated against. We also have an obligation to the civil rights advocates. I do not know which bill will take longer when it comes up on the floor of the Senate.

Mr. McGOVERN. I would hope, in view of the planting season that faces us just a couple of weeks down the road, that we could act quickly on this matter.

Mr. AIKEN. I am sure the farmers of the country are not going to give up planting corn for $1.25 or $1.26 a bushel, or planting wheat at the same price. Neither are they going to give up planting soybeans at $2.50 a bushel when planting wheat would bring half that price. I believe this is a practical situation, but what I wished to do is reassure wheat farmers that if Congress does not act, there is no necessity for and no probability of their getting disastrous prices next year.

Mr. McGOVERN. I agree that we must give the farmers whatever assistance we can muster if the bill fails, but I am afraid that the rather optimistic conditions the Senator paints depend on an awful lot of "ifs." I believe there are at least 8 or 10 "if" conditions that would have to be met before what the Senator from Vermont contends would come true, so we really cannot promise the farmers of the country that they will get a good price for their 1964 wheat crop without any new wheat law at this time.

The supply of wheat will be near the level of our needs and prices will be above $1.26 supports, but below the $2 per bushel level in case all these "ifs" come true:

First. If winter wheat crop planting estimates prove correct.

Second. If farmers follow the plow-down pattern of recent years—years when marketing quota penalties were in effect—and

Third. If weather conditions are exceptionally unfavorable from the Dakotas to Texas the next 6 months; and

Fourth. If spring wheat producers do not overplant to any significant degree. In short, if all of these conditions did exist, production could be as low as 1,200 million bushels. This production, taken together with the 25 million bushels of "hot" wheat available on July 1, the 65 million bushels of barter and donation wheat which by law must come from CCC stocks, the normal 5-million-bushel imports, plus the 65 million bushels PIK certificate redemption wheat, would mean a free supply of 1,360 million bushels as a bare minimum; and

Fifth. If export demand holds at a high level which depends on worldwide weather conditions, production, quality, response to the 1963 situation, dollar demand, Public Law 480 demand, and shipments, and so forth; and

Sixth. If wheat prices stay in the range of $1.25–$1.35, we could estimate a significant increase in feed use—as much as 75 million bushels. If prices are above this level, feed utilization will drop sharply; only if there is stable domestic food use and some increase in feed use, could utilization in the range of 1,280 to 1,320 million bushels occur; and

Seventh. If all of these assumptions, or "ifs," were to turn out as facts; and

Eighth. If CCC abandons its long-time and well-accepted policy of payment-in-kind for export subsidies; and

Ninth. If CCC completely withdrew from the market and locked up its stocks; and

Tenth. If the policy of using wheat from CCC stocks for the short-term credit program was reversed; and

Eleventh. If wheat or flour for donation programs were, to the maximum extent possible, obtained from private stocks, then there would be upward pressure on wheat prices, at least after the normal harvest season glut, and season average prices could possibly be in the range of $1.70–$1.75 per bushel.

However, should all of the supply and utilization "ifs" not generally materialize, then even with all of the administrative actions permissible, it is hard to see how the season average prices could be much above $1.40 per bushel.

If, on the other hand, weather was real good this spring, if plow down was less than normal, if spring wheat plantings were up, if world wheat supplies were good and total utilization equal to recent years prevailed, then prices could well average in the range of $1.25–$1.30 for the 1964 marketing year.

With only winter wheat seedings as a guide, I do not believe the incomes and destinies of some 1.25 million wheat farmers should be left to chance, or to the uncertainties of weather, plow down, world wheat production, and so forth. The risks, the "ifs," are just too great—too much of a gamble.

Mr. MILLER. Mr. President——

The PRESIDING OFFICER (Mr. NELSON in the chair). The Senator from Iowa is recognized.

Mr. MILLER. I wish to make a few comments before I close. First of all, the Senator from Vermont had two sets of figures, one set relating to the estimated production of acreage by the Secretary of Agriculture, and the other relating to exports more particularly to Communist countries.

It may be that the Senator from Minnesota believes that the second set of figures has been demolished; but I assure him that there has been no demolishment of the first set of figures, upon which the Senator from South Dakota is premising the somewhat dismal picture.

I do not gainsay the sincerity of the Senator from Minnesota and the Senator from South Dakota. We come from the same general area of the country and we are all concerned about the prosperity of the farmer. But I do believe that we had better get our premises lined up. I have not seen anything yet to refute the figures of the Senator from Vermont with respect to the first total, and I would suggest that the Senator from South Dakota has been premising his viewpoint on obsolete figures and obsolete estimates by the Secretary of Agriculture which were made about the time of the wheat referendum nearly a year ago.

I do not wish to take a dog-in-a-manger attitude on this question, but I pointed out earlier in the day that I have not even had an opportunity to read the bill; but I must confess a little amazement at the great concern on the other side of the aisle to get something done on the wheat bill right now.

After the wheat referendum rejected the wheat program last spring, I was among the first in the Senate to ask for a new bill which would give the farmers a decent choice. Months have since gone by. The distinguished chairman of the Senate Agriculture and Forestry Committee was quoted as saying, I believe, that after the wheat referendum there would be no farm bill and that was all there was to it.

Other statements were made by other responsible Members of the Senate on the other side of the aisle. I do not recall hearing the distinguished Senator from Minnesota say anything about it. He might have used a little more influence as the majority whip to get a bill before the Senate last year.

Months have gone by, and suddenly, Friday and today, a great sense of urgency is being displayed in the Senate.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. MILLER. I am not blaming the Senator from South Dakota for this situation. He was one of those who was in favor of a bill. Unfortunately his views did not prevail. It is a little late now, it seems to me——

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MILLER. The Senator from Minnesota and the Senator from South Dakota are in good standing on this subject. It is a little late, however, for our friends on the other side to say that the bottom will fall out of things if something is not done about the situation today or tomorrow.

The PRESIDING OFFICER (Mr. NELSON in the chair). Is there objection to the unanimous-consent request of the Senator from Montana?

Mr. MILLER. Mr. President, I enter my objection.

The PRESIDING OFFICER. Objection is heard.

Mr. HOLLAND. Mr. President, may I address a question to the acting majority leader?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. As usual, two or three different things require my attention. I wish to be on the floor of the Senate as a member of the Committee on Agriculture and Forestry if the bill is to come before the Senate today. Are we to understand that now it has been definitely decided that the bill will not come up on the floor for debate?

Mr. HUMPHREY. Regrettably, that is the decision. There will be no agricultural bill on the floor of the Senate today. There may be some discussion of the bill, but no further action.

Mr. HOLLAND. I thank my friend.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER (Mr. NELSON in the chair). The Chair, for the President pro tempore, announces the following appointments:

To the Board of Visitors to the U.S. Coast Guard Academy: Senator WALTERS.

To the Board of Visitors to the U.S. Military Academy: Senator BIBLE, Senator HOLLAND, and Senator KEATING.

To the Commission on Battle of New Orleans Sesquicentennial: Senator WALTERS.

To the Joint United States-Mexican Parliamentary Conference: Senators ELLENDER, JOHNSTON, GORE, GRUENING, KUCHEL, TOWER, MECHEM, and SIMPSON.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 9640) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BONNER, Mr. GARMATZ, Mr. LENNON, Mr. TOLLEFSON, and Mr. GLENN were appointed managers on the part of the House at the conference.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. BIBLE (by request):

S. 2537. A bill to amend the Policemen and Firemen's Retirement and Disability Act to allow credit to certain members of the U.S. Secret Service Division for periods of prior police service; to the Committee on the District of Columbia.

By Mr. COTTON (for himself and Mr. EASTLAND):

S. 2538. A bill to amend section 47 of title 28, United States Code, to provide means for the disqualification of circuit judges for bias or prejudice; to the Committee on the Judiciary.

By Mr. ALLOTT (for himself and Mr. DOMINICK):

S. 2539. A bill for the relief of Koo-Sun Kim; to the Committee on the Judiciary.

By Mr. NELSON:

S. 2540. A bill for the relief of Emanuel E. Bloch; to the Committee on the Judiciary.

By Mr. JACKSON (by request):

S. 2541. A bill to repeal the provisions of law codified in 5 U.S.C. 39, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. JACKSON when he introduced the above bill, which appear under a separate heading.)

By Mr. SMATHERS (for himself and Mr. HOLLAND):

S.J. Res. 158. Joint resolution to authorize the President to proclaim the week beginning February 10 in each year as National Parkinson Week; to the Committee on the Judiciary.

TO PRINT A SENATE DOCUMENT ON THE FEDERAL PRISON SYSTEM

Mr. LONG of Missouri (for himself and Mr. HRUSKA) submitted a resolution (S. Res. 300) to print a Senate document on the Federal prison system; which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when submitted by Mr. LONG of Missouri, which appears under a separate heading.)

AGRICULTURAL ACT OF 1964—AMENDMENTS (AMENDMENT NO. 424)

Mr. HUMPHREY submitted an amendment, intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. MUNDT submitted amendments, (No. 425), intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which were ordered to lie on the table and to be printed.

REPEAL OF PROVISIONS OF LAW CODIFIED IN TITLE 5, UNITED STATES CODE, SECTION 49

Mr. JACKSON. Mr. President, I introduce, by request, a bill to repeal the provisions of law codified in title 5, United States Code, section 39, and for other purposes.

This bill has been submitted and recommended by the Department of the Interior, and its purpose is to repeal the provisions of law which prohibit the detail of Department of Interior field personnel to duty in the District of Columbia except under certain conditions.

I ask unanimous consent that the letter from the Assistant Secretary of the Interior explaining the purpose of this legislation be printed at this point in my remarks.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2541) to repeal the provisions of law codified in title 5, United States Code, section 39, and for other purposes, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The letter presented by Mr. JACKSON is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 14, 1964.

Hon. CARL HAYDEN,
President pro tempore,
U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT PRO TEMPORE: Enclosed is a draft of a proposed bill to repeal the provisions of law codified in title 5, United States Code, section 39, and for other purposes.

We suggest that the bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The proposed bill repeals the provisions of law that are codified in title 5, United States Code, section 39 (22 Stat. 255 and 34 Stat. 449), which prohibit the detail of field personnel to duty in the District of Columbia except for the performance of duties connected with their respective field offices. The language repealed provides as follows:

"It shall be unlawful to detail civil officers, clerks, or other subordinate employees who are authorized or employed under or paid from appropriations made for the military or naval establishments or any other branch of the public service outside of the District of Columbia, except those officers and employees whose details are specially provided by law, for duty in any bureau, office, or other division of any executive department in the District of Columbia, except temporary details for duty connected with their respective offices."

Repeal of these statutes would make meaningless the provisions of title 5, United States Code, section 40, and title 19, United States Code, section 1525. These provisions are therefore also repealed.

Title 5, United States Code, section 40, provides:

"Nothing in section 39 of this title shall be construed to prevent the Secretary of the Treasury from detailing one officer from the Bureau of Customs for duty at the Treasury Department at Washington."

Title 19, United States Code, section 1525 provides:

"In connection with the enforcement of this chapter, the Secretary of the Treasury is authorized to use in the District of Columbia not to exceed ten persons detailed from the field force of the Customs Service and paid from the appropriation for the expense of collecting the revenue from customs."

Prior to the 1951 fiscal year, appropriations made to the Department of the Interior contained limitations on amounts available for personal services in the District of Columbia. Such limitations were eliminated in the 1951 Appropriation Act for the Department, and they did not appear in the Department's 1952 budget. This has remained standard practice since that time. The language "personal services in the District of Columbia" was deleted from the Department's 1952 budget pursuant to section 7 of the Administrative Expenses Act of 1950 (64 Stat. 985, 986), which repealed the provision of the United States Code that required specific authorization in the appropriations for personal services in the District of Columbia.

The Department of the Interior has need, on occasion, to detail field employees into Washington, D.C., for experience in technical, executive, management and specialized work not necessarily related to their field tasks and to perform temporary duties in order to alleviate temporary workloads in the central offices. Several of the Department's bureaus have experienced increasing need for authorization to accomplish this. The Comptroller General has construed the present law as prohibiting such assignments unless directly related to the performance of field service.

The Department has no information as to the underlying reasons for this statutory restriction upon details of field employees in the District of Columbia. The statute was first enacted in 1882 (22 Stat. 255). The Department is of the opinion that it no longer serves any useful purpose and its repeal is recommended. If the statute were repealed and authorization granted to detail employees into Washington, D.C., there would be a small increase in costs involving payment of per diem and travel expenses. However, it is believed that the increased costs will be more than offset by the increased efficiency resulting in the utilization and performance of personnel.

The Bureau of the Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the administration's program.

Sincerely yours,

D. OTIS BEASLEY,
Assistant Secretary of the Interior.

TO PRINT A SENATE DOCUMENT ON THE FEDERAL PRISON SYSTEM

Mr. LONG of Missouri. Mr. President, on January 22, the Senate Subcommittee on National Penitentiaries held a hearing on the status of our Federal prison system. While our Federal prison officials have their problems, the fact is clear that our Federal prison system is one of the most outstanding in the world. Over the years since the establishment of the Bureau of Prisons many fine articles and speeches have been written concerning the work of the Bureau and penology in general. During the hearings the penitentiaries subcommittee agreed that the publication of a collection of these writings would contribute substantially to the efforts of our Nation to deal wisely with law violators. These writings have been collected, and I submit, on behalf of the distinguished senior Senator from Nebraska [Mr. HRUSKA] and myself, for appropriate reference, a resolution authorizing the printing of these writings as a Senate document.

There being no objection, the resolution was received, and referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed as a Senate document a collection of writings about the Federal Prison system assembled by the Subcommittee on National Penitentiaries of the Committee on the Judiciary, United States Senate; and that one thousand additional copies be printed for use of the Committee on the Judiciary.

NOTICE OF HEARING ON BILLS TO BROADEN POWERS OF FINANCIAL INSTITUTIONS

Mr. ROBERTSON. Mr. President, as chairman of the Subcommittee on Financial Institutions of the Banking and Currency Committee, I wish to give notice that the subcommittee plans to hold a public hearing in room 5302, New Senate Office Building, at 10 a.m. on Wednesday, March 4, 1964, on several bills which would broaden the investment powers of credit unions, national banks, and Federal savings and loan associations. These bills are: S. 2161 and H.R. 8459, to broaden the investment powers of, and to provide increased administrative flexibility for, Federal credit unions; S. 2259 and H.R. 8230, broadening the power of national banks to lend on the security of forest tracts; and H.R. 9609, to broaden the investment powers of Federal savings and loan associations and to authorize certain Federal funds to be placed in insured savings and loan associations.

Administration witnesses will be heard in support of these bills. Any members of the interested industries or the public who may wish to testify in connection with these bills are requested to notify Mr. Matthew Hale, Chief of Staff, Committee on Banking and Currency, Room 5300, New Senate Office Building, Washington, D.C., telephone, Capitol 4-3121, extension 3921.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. RANDOLPH:

Response by Walter N. Tobriner, president, District of Columbia Board of Commissioners, in accepting national award at the annual Brotherhood Banquet of the National Conference of Christians and Jews on February 17; and a list of former award recipients.

Discussion of advance showing of the film "One Man's Way," based on the life of Dr. Norman Vincent Peale, and starring Don Murray.

TAX CUT MAY CONVERT BOOM TO INFLATION

Mr. PROXMIRE. Mr. President, the newly released gross national product figures for 1963 prove conclusively that a boom is underway, even before the effects of the tax cut are felt.

The fourth quarter of 1963 showed an increase of nearly $11½ billion in the gross national product—the largest quarterly advance in over 2½ years. This indicates an increasingly vigorous economic expansion.

With the continuation of this expansion, we could balance our budget within a year or so. Because of the tax cut, however, we are indefinitely continuing budget deficits.

The argument has been made that this expansion is due to anticipation of the tax cut. The figures definitely disprove this argument. The items that increased the most are those least affected by the tax cut.

Look at the facts: A major increase was in automobiles, a durable purchase not affected by minor changes in after-tax income. Major increases occurred in exports, yet foreigners do not get a tax cut. State and local government purchases rose substantially, although these governments do not get tax reductions.

Thus, the danger flags are flying. Put the tax cut on top of these boom conditions and the results will be inflationary, unless there is extraordinary restraint by business, labor, and government.

WISCONSIN CONGRESSIONAL APPORTIONMENT BEST IN NATION

Mr. PROXMIRE. Mr. President, the Congressional Quarterly of February 21, 1964, has a report on congressional district disparities and variations apropos of the one-vote, one-person decision by the Supreme Court in the Georgia case.

I am proud and happy to point out that Wisconsin has the best record of any of the 50 States. The fact is that Wisconsin, under the new law that has recently been enacted reapportioning Wisconsin's congressional districts, has a maximum variation of 3.4 percent from the average. This means the smallest of Wisconsin's 10 congressional districts is only about 3½ percent less than ideal size, the largest only about 3 percent more than ideal size.

This is without question the best showing of any State. The only States that compare with Wisconsin, that is, with a variation less than 10 percent from ideal, are Rhode Island, which has only two districts, New Hampshire, which has only two districts, North Dakota with two districts, and Maine with two districts. Wisconsin has a more equal, one-vote-for-one-person representation than any of the 50 States. This is a record in which I believe both Wisconsin political parties can take pride.

Wisconsin has a Democratic Governor and a Republican legislature. Gov. John Reynolds has done an excellent job and deserves much credit for having piloted the congressional reapportionment bill through a Republican legislature. At the same time, it is obvious that the Republican majority in the legislature deserves credit for having supported a bill which provides such a close, almost precise representation of the populations of the areas of our State. The maximum difference from the ideal-sized district in Wisconsin is only 13,000. When it is considered that Wisconsin has 10 congressional districts, this is a remarkable achievement for our Governor and our legislature.

Mr. President, I ask unanimous consent that the table published in the Congressional Quarterly Weekly Report be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Congressional district disparities and variations

[Based on 1960 census figures and 88th Cong. districts]

	Current number of Representatives	State population	Average district	Maximum variation from average (percent)	Largest district	Smallest district	Disparity between largest and smallest	1964 House filing deadline
Alabama	8	3,266,740	(1)	(1)	(1)	(1)	(1)	Mar. 1
Alaska	1	266,167	(2)	(2)	(2)	(2)	(2)	May 1
Arizona	3	1,302,161	434,054	−54.3	663,510	198,236	465,274	July 10
Arkansas	4	1,786,272	446,568	+28.8	573,385	332,844	242,541	Apr. 29
California	38	15,717,204	413,611	+42.4	588,933	301,872	287,061	Mar. 20
Colorado	4	1,753,947	438,487	−55.4	653,954	195,551	458,403	July 24
Connecticut	6	2,535,234	[3] 507,047	−37.1	689,555	318,942	370,613	June or July [4]
Delaware	1	446,292	(2)	(2)	(2)	(2)	(2)	Aug. [4]
Florida	12	4,951,560	412,630	+60.3	660,345	237,235	423,110	Mar. 3
Georgia	10	3,943,116	394,312	+108.9	823,680	272,154	551,526	July 24
Hawaii	2	632,772	(5)	(5)	(5)	(4)	(5)	Sept. 3
Idaho	2	667,191	333,596	22.9	409,949	257,242	152,707	May 7
Illinois	24	10,081,158	420,048	−33.6	552,582	278,703	273,879	Jan. 27
Indiana	11	4,662,498	423,863	−64.6	697,567	290,596	406,971	Mar. 26
Iowa	7	2,757,537	393,934	+12.3	442,406	353,156	89,250	Mar. 28
Kansas	5	2,178,611	435,722	+23.9	539,592	373,583	166,009	June 20
Kentucky	7	3,038,156	434,022	+40.8	610,947	350,839	260,108	Apr. 1
Louisiana	8	3,257,022	407,128	−35.2	536,029	263,850	272,179	May 29
Maine	2	969,265	484,633	4.3	505,465	463,800	41,665	Apr. 1
Maryland	8	3,100,689	442,956	+60.5	711,045	243,570	467,475	Mar. 9
Massachusetts	12	5,148,578	429,048	−12.3	478,962	376,336	102,626	July 28
Michigan (current)	19	7,823,194	[3] 434,622	+84.8	802,994	177,431	625,563	June 16
Michigan (1964 election)	[6] 19	7,823,194	411,747	−25.7	490,310	305,952	184,358	
Minnesota	8	3,413,864	426,733	+13.2	482,872	375,475	107,397	July 14
Mississippi	5	2,178,141	435,628	+39.7	608,441	295,072	313,369	Apr. 3
Missouri	10	4,319,813	431,981	+17.3	506,854	378,499	128,355	Apr. 28
Montana	2	674,767	337,384	18.7	400,573	274,194	126,379	Apr. 23
Nebraska	3	1,411,330	470,443	−14.0	530,507	404,695	125,812	Mar. 13
Nevada	1	285,278	(2)	(2)	(2)	(2)	(2)	July 15
New Hampshire	2	606,921	303,461	9.3	331,818	275,103	56,715	July 10
New Jersey	15	6,066,782	404,452	+44.8	585,586	255,165	330,421	Mar. 12
New Mexico	2	951,023	(5)	(5)	(5)	(5)	(5)	Mar. 17
New York	41	16,782,304	409,324	+15.1	471,001	350,186	120,815	Apr. 28
North Carolina	11	4,556,155	414,196	−32.9	491,461	277,861	213,600	Mar. 20
North Dakota	2	632,446	316,223	5.4	333,290	299,156	34,134	May 21
Ohio	24	9,706,397	[3] 422,017	+72.1	726,156	236,288	489,868	Feb. 5
Oklahoma	6	2,328,284	388,047	+42.5	552,863	227,692	325,171	Feb. 28
Oregon	4	1,768,687	442,172	−40.0	522,813	265,164	257,649	Mar. 6
Pennsylvania	27	11,319,366	419,236	+31.9	553,154	303,026	250,128	Feb. 18
Rhode Island	2	859,488	429,744	7.0	459,706	399,782	59,924	June 30
South Carolina	6	2,382,594	397,099	+33.9	531,555	272,220	259,335	(7)
South Dakota	2	680,514	340,257	46.3	497,669	182,845	314,824	Apr. 18
Tennessee	9	3,567,089	396,343	+58.2	627,019	223,387	403,632	June 8
Texas	23	9,579,677	[3] 435,440	+118.5	951,527	216,371	735,156	Feb. 3
Utah	2	890,627	445,314	28.6	572,654	317,973	254,681	Mar. 31
Vermont	1	389,881	(2)	(2)	(2)	(2)	(2)	July 29
Virginia	10	3,966,949	396,695	+36.0	539,618	312,890	226,728	Apr. 15
Washington	7	2,853,214	407,602	+25.2	510,512	342,540	167,972	July 17
West Virginia	5	1,860,421	372,084	−18.6	422,046	303,098	118,948	Feb. 1
Wisconsin (current)	10	3,951,777	395,178	−40.1	530,316	236,870	293,446	July 14
Wisconsin (1964 election)	[6] 10	3,951,777	395,178	+3.4	408,677	381,830	26,847	
Wyoming	1	330,066	(2)	(2)	(2)	(2)	(2)	July 9

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[1] Currently elected at large.
[2] 1 seat only.
[3] At-large seat not included in computation of average.
[4] Dates of State party conventions where nominations are made.
[5] 2 at-large districts.
[6] Based on 1963 redistricting law.
[7] Undetermined.

ADDRESS BY POSTMASTER GENERAL JOHN A. GRONOUSKI TO COUNCIL OF SOUTHSIDE ADVANCEMENT ASSOCIATIONS, INC., MILWAUKEE, WIS.

Mr. PROXMIRE. Mr. President, on February 9, speaking before the Council of the Southside Advancement Associations, Inc., in Milwaukee, Postmaster General John Gronouski delivered a speech that was excellent in many respects. One of the most impressive and appealing parts of this speech, in my judgment, was that the Postmaster General discussed the subject of prejudice and bigotry. In view of the pending civil rights controversy, I believe this discussion by the Postmaster General is most appropriate.

Mr. President, one of the great difficulties in the country today stems from the criticism of certain ethnic groups as being more biased than others. The Postmaster General addressed himself to that subject in speaking to the Council of South Side Advancement Associations, Inc., in Milwaukee. I quote from the speech:

> I must admit to you, however, that I do get tired of the snide comments I hear and read about Americans of Polish descent. Those of us whose parents or grandparents were born in Poland are no strangers to discrimination. We have a proud history of fighting against discrimination and oppression wherever it exists.
>
> Americans of Polish origin apologize to no one when it comes to believing in the basic freedoms of America. Our young men have fought and died to preserve those freedoms. Our people have contributed greatly to the free enterprise system and the American way of life which provides freedom of opportunity for all our people.
>
> Certainly, there are bigoted people of Polish descent, just as there are bigoted people of German descent or Irish descent or any national origin.
>
> But I know that I am reflecting the entire history of the Polish people—both in the old country, and here—and that I am speaking for the vast majority of Americans of any origin when I say that we believe in measuring each man as an individual, regardless of race, creed, or color.

I ask unanimous consent that the entire address by Mr. Gronouski be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY JOHN A. GRONOUSKI, POSTMASTER GENERAL, AT THE ANNUAL BANQUET, COUNCIL OF SOUTH SIDE ADVANCEMENT ASSOCIATIONS, INC., MILWAUKEE, WIS., FEBRUARY 9, 1964

I am honored to be here tonight to speak at your annual banquet. Since I became Postmaster General last September, I have traveled to many places across the country and I have addressed many groups. But coming back to Wisconsin—and especially to this type of gathering of my friends in Milwaukee—is a special pleasure for me. I was delighted to be able to accept the invitation of your president, Adam Brzostowicz.

Soon after I accepted, a reporter wrote a story in which he attempted to ascribe all sorts of sinister motives to my visit to the south side of Milwaukee. He even went so far as to call me "a carpetbagger from Michigan," despite the fact that I was born and raised in Wisconsin and have spent most of my life in this State.

Needless to say, I have not come here tonight to do any carpetbagging, but to talk to you about some of the issues confronting our Nation and our State.

I have also come for another reason—to talk about a mutual friend of ours, your distinguished Congressman, CLEM ZABLOCKI. Before I left Wisconsin to go to Washington, I knew that Congressman ZABLOCKI was an important man in the Nation's Capital. In the last 4 months, however, I have learned just how influential he is.

CLEM is one of my closest friends and most trusted advisers in Washington. And in that respect, I am in good company. There is no need for me to tell you how close Congressman ZABLOCKI was to our late, beloved President Kennedy. And now he has become one of the top congressional advisers to President Johnson. The secret to Congressman ZABLOCKI's success is really a very simple one: While he votes his convictions and asserts his influence and leadership on the great national and international issues confronting the Congress, he never forgets about the people who sent him to Congress. One week, he will be heading an important study mission to southeast Asia and the next week he will be fighting to make sure that Milwaukee gets the finest possible hospital to care for its veterans.

Recently, when CLEM was the host at a luncheon for me at the Capitol, I had some firsthand evidence of his prestige. Not only was he able to command bipartisan attendance from our Wisconsin congressional delegation, but the Speaker of the House, JOHN MCCORMACK, and the House majority leader, CARL ALBERT, came to the luncheon out of respect for Congressman ZABLOCKI.

Although the plans are not yet definite, I have been invited by the Government of Poland to visit the homeland of my grandparents later this year. If time and circumstances permit me to make the trip, I hope I will be able to work in a visit to an outstanding example of the great accomplishments of your Congressman—the children's hospital at Cracow, which is being constructed with U.S. funds.

That children's hospital would not have come about without the great and guiding force of CLEM ZABLOCKI.

In the caliber of its representation in Congress, Wisconsin is one of the most fortunate States in the Nation. Our two U.S. Senators—BILL PROXMIRE and GAYLORD NELSON—give us full-time, dynamic representation in the Senate.

Here in the State, I have been told there is a movement afoot to sell the idea that the people of the South Side of Milwaukee are not concerned about the schools their children attend, or the public institutions for the handicapped and mentally ill, or the roads our people drive on, or the industrial climate of Wisconsin.

I have been told that this movement which is afoot is trying to sell the idea that the South Side is a one-issue area.

Well, I consider that an insult to the people of South Side Milwaukee. I consider it a slander and I know it is not true.

I know you are deeply concerned about our schools—especially our colleges and universities—about the safety of our highways, the quality of our hospitals and mental institutions, the economic health of our State and the many other important issues facing the people of Wisconsin.

This is a nonpartisan gathering here tonight and—despite the rumors—I did not come here to give a campaign speech. But I would not be true to myself if I did not use this opportunity to say that just as the South Side is not a one-issue area, my friend John Reynolds is not a one-issue Governor.

I know and you know that Governor Reynolds has been waging a great battle in Madison against heavy odds in the legislature to take care of the State of Wisconsin and its people. You may not agree with him on every issue, but I know you respect him for fighting for you and your children and for a brighter future for Wisconsin.

In a more personal vein, I am proud to be able to speak at this banquet which is held each year close to the anniversary of the birth of one of our greatest Americans, Abraham Lincoln. It is an ironic and tragic twist of history that two of our greatest Presidents—Lincoln and Kennedy—should be shot down by assassins' bullets.

There are many parallels in the lives of the two Presidents. Both were great because they led public opinion, because they were fearless and courageous. And they were great because they cared about people—the little people, the oppressed, and the afflicted.

A hundred years ago, Lincoln fought to free the slaves and preserve the Union. A hundred years later, Kennedy fought to assure equal opportunities for every citizen of our land and to preserve peace in the world.

Both Presidents died when there still was so much they could have accomplished. But both will be remembered in history for how much they did accomplish.

I was only able to serve President Kennedy for a very short time before his death, but in that period I was able to glimpse the measure of the man and to be inspired by his tremendous capacities for leadership.

Now President Johnson is building on the accomplishments of John Kennedy. No Vice President in our history was better qualified to take over the Presidency than Lyndon Johnson. His many years in the Congress gave him a broad understanding and appreciation of every area of government.

Throughout the 3 years of President Kennedy's administration, President Johnson was at his side, contributing to each major decision. He knew every phase of U.S. policy and he was able to take over the reins of Government without a moment's hesitation.

The smoothness of the transition of administrations was enormously impressive and reassuring, not only to Americans, but to people all over the world. The orderly transferral of power, in a time of sudden crisis, was a dramatic demonstration of the stability of our Government. It made clear the maturity of American political society and the strength of our democracy.

The skill, vigor, and determination with which President Johnson has begun his Presidency have won him almost unprecedented public confidence.

The President has made it clear that the overriding business of this administration is to build on President Kennedy's brilliant and tireless work for world peace. In the last 3 years, we have witnessed a solid beginning on the difficult road to an honorable, just, and sound peace.

President Johnson is working for further steps toward the control and eventual abolition of arms. At the same time, he has made it abundantly clear we will at all times maintain our guard.

At home, the President has declared unconditional war on the remaining poverty in our Nation. And last week he named President Kennedy's brother-in-law, Sargent Shriver, as his special assistant to direct that war. The President wants to wipe out the last vestiges of poverty in the richest nation in the world.

I am sure you can understand what a great thrill it is for me—a smalltown boy from Wisconsin—to sit in the Cabinet of the United States and to be the chief of the Nation's vast postal service. I have 595,000 (soon to be 590,000) employees working under me. Our work force is about as large as General Motors.

I know you can also understand how proud and humble I am to be the first American of Polish descent to be a member of any President's Cabinet. In all my actions, I will not tarnish that honor and I will try to live up to the high standards of my heritage.

I must admit to you, however, that I do get tired of the snide comments I hear and read about Americans of Polish descent. Those of us whose parents or grandparents were born in Poland are no strangers to discrimination. We have a proud history of fighting against discrimination and oppression wherever it exists.

Americans of Polish origin apologize to no one when it comes to believing in the basic freedoms of America. Our young men have fought and died to preserve those freedoms. Our people have contributed greatly to the free enterprise system and the American way of life which provides freedom of opportunity for all our people.

Certainly, there are bigoted people of Polish descent, just as there are bigoted people of German descent or Irish descent or of any national origin.

But I know that I am reflecting the entire history of the Polish people—both in the old country, and here—and that I am speaking for the vast majority of Americans of any origin when I say that we believe in measuring each man as an individual, regardless of race, creed, or color.

And I am proud to be working for a man in the White House who shares my deep conviction in this matter.

It is the American system of freedom of opportunity that allows me—an American of Polish descent—to sit in the Cabinet of President Johnson today.

Those of us who are not members of the Daughters of the American Revolution know from personal experience what it is like to be discriminated against. Even now, I get letters from certain regions of the country from mothers who are upset because their children's Polish names are ridiculed by classmates in school. And I get letters from postal workers who believe they have been discriminated against because they are Polish.

The point I am making is obvious: Anyone can be discriminated against for any reason. And I know from my own heritage that the Polish people have long battled against injustice and prejudice.

We pay homage tonight to Abraham Lincoln who fought the battle a hundred years ago, but Americans of Polish descent can also be proud of a great Polish leader, Thaddeus Kosciuszko.

Kosciuszko came to Philadelphia in 1776. As a colonel of engineers, he organized the defenses at Ticonderoga and West Point, contributed to Burgoyne's defeat at Bemis Heights, and strengthened the Saratoga fortifications. A grateful Congress gave him American citizenship, a pension with landed estates in Ohio, and the rank of brigadier general.

Kosciuszko was more than a professional soldier and engineer. He was an outstanding humanitarian. Before he returned to Europe in 1798, he drew up a will placing him in the forefront of the movement to abolish slavery.

It read: "I, Thaddeus Kosciuszko, being just on my departure from America, do hereby declare and direct that, should I make no other testamentary disposition of my property in the United States, I hereby authorize by friend Thomas Jefferson to employ the whole thereof in purchasing Negroes from among his own or any other and giving them liberty in my name."

Thank you.

ESTONIAN INDEPENDENCE DAY

Mr. PROXMIRE. Mr. President, on February 24, 1918, the Estonian people, represented in their National Council, cast off the last vestiges of Russian imperialism, and declared themselves independent. This took great courage, for the Russian army was doing everything in its power to maintain control of Estonia. But the Estonian people knew their rightful heritage. They were a distinct and advanced people, deserving national self-determination.

That day 46 years ago was the most important in Estonian history. It started a remarkable improvement economically, in agriculture and industry, and it also started an improvement in Estonia that was really astounding, in education and in many other ways, as this new, small democracy developed.

Independence started Estonia on 22 years of amazing progress under democracy. Agricultural production expanded tremendously as agrarian reform gave land to the peasants for the first time in centuries. Estonia soon was self-sufficient in food, and even more, exported great amounts of butter, potatoes, and grain. The 52,000 farms of 1919, owned by the German, state, and church monopolies, became 140,000 small family farms. As always, private farm ownership led to the greatest production of food in the nation's history. No one went hungry in Estonia before the war.

Industry grew markedly during those years of independence. Oil deposits were discovered and developed. Peat, phosphates, lumber, woodpulp and paper, building materials, and many other products were produced by Estonians for their comfort and happiness.

The economic boom was supplemented by a major explosion of cultural progress. Education was developed to the fullest. Illiteracy was reduced to about 3 percent, including many illiterate Russian refugees. Schools were constructed at an impressive rate, and nearly every school-age child in Estonia had access to education. The University of Tartu was a center of learning, with almost 3,000 students, a library of 660,000 books, and a large faculty of noted educators. Music, art, and cultural pursuits of all kinds flourished. This was quite an achievement for a small nation of little more than a million people. In short, it was quite obvious that the Estonian people were devoted to freedom. By their hard work and talents they created a new Estonia, progressive and independent, with every chance of greater improvement in the future.

But we know that this chance was destroyed by the Communists in 1940. The greed of the Soviet Union in its restless search for new peoples to conquer brought untold misery to the 6 million people in the Baltic nations. In an age when every self-respecting nation should have been trying to set an example in opposition to Nazi degeneracy, the Soviet Union chose instead to join in the merciless partition and subjection of peaceful peoples. The world has seldom seen such cynicism and hypocrisy from one nation as that evidenced by the Soviet Union in 1939 and 1940.

The Communists now think the world has forgotten Estonia. But we owe it to our fellow citizens from Estonia and to free people everywhere not to ever forget what happened to Estonia. Every year on Estonian Independence Day, whether it be the 46th or the 100th, the people of the United States will send best wishes and hopes for freedom and happiness to the Estonian people. Let us hope especially that in the near future Estonia will receive these greetings as a free nation, able to accept them as a part of its own joyous celebration.

PRESIDENTIAL TRANSITION ACT—CONFERENCE REPORT

Mr. JACKSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4638) to promote the orderly transfer of the Executive power in connection with the expiration of the term of office of a President and the inauguration of a new President. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. Walters in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of February 25, 1964, p. 3539, Congressional Record.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JACKSON. The bill would provide for an authorization to assist in meeting the costs of the incoming President-elect and Vice President-elect, and also of the outgoing President and Vice President for a period of 6 months after the latter leave office.

The bill as it passed the House provided for an authorization of $1,300,000. When it came to the Senate, we reduced the authorization to $500,000. In the conference, after considerable discussion, we, in effect, split the difference between the House figure of $1,300,000 and the Senate figure of $500,000, and agreed upon an authorizaiton of $900,000.

In addition, we reduced the amount that could be approved on voucher from 20 percent to 10 percent of the total amount to be authorized. This would relate to those matters which the President-elect decided involved costs related to what we termed classified and essential to the national security. Originally, the bill provided that the President-elect and the Vice President-elect merely needed to certify the costs as confidential. The conference language holds that they must be classified and essential to the national security. Those are the two principal amendments that were agreed upon in the conference to resolve the differences between the House bill and the Senate bill.

Mr. RUSSELL. Mr. President, I desire to have the Record show that I shall vote against the conference report. I hope I am not penurious in my approach to any program to provide for the President and Vice President of the United States. It seems to me it is utterly unrealistic and excessive to allow $900,000 to be expended between the election of the President and Vice President in November and their taking office in January.

We hear much talk these days about economy. Yet a program of this kind is presented to us, which provides a sum, beyond the salaries of the President and Vice President, for the support of those offices for a period of 6 or 8 weeks between the November election and the assumption of power about January 20.

Mr. President, when compared with the total budget, this is not a large sum of money. However, we should bear in mind that the budget is made up of thousands of items of this size or smaller items, and the sum total of them is what leads to such enormous spending.

More than that, Mr. President, proposals of this kind are somewhat of symbols as to the attitudes of Congress and the executive branch of the Government toward spending.

There are already a number of services which are available—particularly to the outgoing President. He is allowed a staff and a certain sum of money; and the incoming President receives a large number of services which are not reflected in or affected by this item—for example, Secret Service protection. He needs that, but that item appears elsewhere in the budget. There are a number of other perquisites which flow immediately to one who is elected President.

So it seems to me wholly unnecessary to provide almost $1 million to take care of these activities from November until January.

I am aware of the fact that the national committees of the two parties are pressing very vigorously for the enactment of this proposed legislation. Heretofore, such sums as have been expended have generally been contributed by the Democratic National Committee or by the Republican National Committee, and I do not think it is improper to have some allowance made for these expenditures. For that reason, when the bill was before the Democratic Policy Committee, I suggested that the amount be reduced from $1,300,000 to $500,000; and that course was followed on the floor of the Senate, and the bill as passed by the Senate called for $500,000. I think that sum would be ample to provide for these expenses over this period of time, for it amounts to more than $125,000 a month. Although the demands are great, they do not even approach those which are made upon the time and the resources and the staff of one who actually has assumed the Presidency.

I think it becomes rather ridiculous when the newspapers herald the fact that the President is going around the White House, turning out the lights, and that the post offices are being darkened at night, to save money, and that we are going to return to the homespun quality of thrift, which we knew in our boyhood days, but then to have Congress provide $900,000 of entirely new money, really for the relief of the treasury of the Republican National Committee in, perhaps, the year 1980 or the year 1985, or somewhere about then, and now for the relief of the Democratic National Committee and the other campaign committees. To me, that approaches irresponsibility; and I merely wish to have the Record show that I voted against it.

Mr. President, I do not seek to have a yea-and-nay vote taken on this question, because in my efforts to obtain some reason and some sanity in Government spending, I have found that about the best way to get run over hard is to advocate a reduction in expenses when one is serving in a Senate in which Members speak continually about economy. If a Senator really wants to get trampled under foot, let him just make a motion that expenditures of this sort be cut—such a motion in a Senate in which individual Senators rise each day and swear their allegiance to economy.

This provides too much money, and I regret it. I know the Senate conferees must have made an effort to defend the position taken by the Senate; but in my opinion the American taxpayers should not be taxed more than $500,000 to take care of the expenses of the President-elect from the time of the election until the time when he assumes that office.

The **PRESIDING OFFICER**. The question is on agreeing to the conference report.

Mr. **MILLER**. Mr. President, as a member of the conference committee, let me assure the Senator from Georgia that I was highly in favor of a $500,000 limitation. However, the Senator from Georgia knows that the House was in favor of a much larger amount; and in such a case, normally an attempt is made to strike a balance between the position taken by the House and the position taken by the Senate; and the balance was struck exactly between the amounts voted by the two Houses.

However, the Senator from Washington pointed out, in the conference, that this amount is a ceiling; it is not necessarily the amount of money that will be appropriated. This is an authorization bill; and the Appropriation Committees may not approve amounts up to the ceiling thus set. The expenditures may not come anywhere near that amount. So perhaps the Senator from Georgia and I will, later, have an opportunity together to do something about getting this amount back to the amount which we think it really should be.

Mr. **RUSSELL**. Mr. President, let me say to the distinguished and able Senator from Iowa that after a bill which relates to what are in the category of housekeeping items is passed by Congress, thereafter a Member of Congress is considered guilty of lese majesty, if not a number of other things, if he attempts to interfere with expenditures in the White House—as would also be the case if a Member of the Senate attempted to interfere with expenses in the other body of Congress.

If I had been aware that splitting the difference would be the rule which would be followed on all occasions, I would have endeavored to have the Senate vote for $100,000; and in that case, we would have been much better off, following the conference.

Mr. **MILLER**. Let me say there is in the bill an item which was of even greater concern to me, and apparently it was also of great concern to other Senators, because the House version provided that up to 20 percent of this money could be spent for confidential items. The Senate rejected that provision, and deleted that portion of the bill, and did not feel that any of this money should be spent in a confidential way—with the result that the taxpayers would not know what was going on.

This question was raised in the conference. At my suggestion, we struck out the word "confidential," and inserted in lieu thereof the phrase "classified and are essential to the national security."

It seems to me that a newly elected President of the United States can be trusted, so that if he certifies that any of these expenditures are classified and are essential to the national security, we should be willing to recognize that perhaps there are some items which are indeed essential to the national security and should not be revealed. We already do that in the case of the President of the United States; and in the case of the President-elect, the feeling of the conferees was that this would be a desirable thing, and that an appropriate safeguard was placed on it.

The House version provided for up to 20 percent of these items. It was agreed that that percentage would be cut to 10 percent; and it was our feeling that with that 10 percent reduction, plus the limitation I have mentioned, the interests of the Senate would be amply served.

As I have said, I have reservations regarding the amount. I would have preferred $500,000. However, I think we still will have an opportunity, at the time when the Appropriations Committee makes its report on this item, to reduce it; and if there are good reasons for reducing it, I am sure we shall do so. And if there are not good reasons for requesting the Appropriations Committee to vote in favor of an appropriation of $900,000, I am sure that committee will not recommend $900,000, either.

Mr. **JACKSON**. Mr. President, I wish to express my appreciation to the distinguished Senator from Iowa for his able assistance in connection with the conference.

I desire to point out that we feel that this is definitely a ceiling; and in my judgment—speaking only for myself, although I am sure I also speak for the Senator from Iowa [Mr. MILLER]—they can get along with well under the $900,000 figure.

The House took an adamant position on the $1,300,000; and the result—$900,000—was a pure compromise, nothing else.

I also wish to point out that this authorization includes the costs of the outgoing President and Vice President for a period of 6 months from January 20 of the year in which they leave office. I think it is a rather improper business for the national committees of both national parties to pay the costs of an incoming President and an incoming Vice President in connection with matters that relate directly to their responsibilities and duties as President and Vice-President-elect. I do not believe the political parties should be involved in that sort of thing.

Obviously, this program must be kept within bounds. I wish to make the record clear that we in the Congress should scrutinize very carefully the requests for funds in this regard, because there is no reason in the world why the entire job, affecting the President-elect, the Vice-President-elect, and the outgoing President and Vice President, cannot be done for a sum much less than the $900,000 figure. Therefore, I would like the record to show that it was with great reluctance that the $900,000 figure was agreed upon.

It was only in the interest of getting the proposed legislation passed that that figure turned out to be $900,000. We would expect that years hence—of course, many years—when funds are made available, they would be scrutinized very carefully; and that this job could be done for a sum very substantially less than the amount authorized.

The **PRESIDING OFFICER**. The question is on agreeing to the conference report.

The report was agreed to.

MR. AND MRS. HARLEY BREWER

The **PRESIDING OFFICER**. The Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (H.R. 2772) for the relief of Mr. and Mrs. Harley Brewer.

The Senate resumed the consideration of the bill (H.R. 2772) for the relief of Mr. and Mrs. Harley Brewer.

LEGISLATIVE PROGRAM

Mr. **MANSFIELD**. Mr. President, for the information of the Senate, I call attention to the strong possibility that the conference report on the tax bill may well be considered tomorrow afternoon.

I have discussed the question of the four treaties on the Executive Calendar with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], and there is a strong possibility that they will come up and perhaps be voted on shortly after 2 p.m. tomorrow.

The bill (S. 2136) to amend the Foreign Agents Registration Act of 1938, as amended, Calendar No. 851, may be brought up tomorrow provided it is cleared all around and that not too much in the way of debate will be required in view of the other possibilities inherent in the session on Tuesday.

Mr. **KEATING**. Mr. President, will the Senator yield?

Mr. **MANSFIELD**. I yield.

Mr. **KEATING**. Can the Senator outline for us the likelihood of the civil rights bill coming before the Senate? Will it be brought before the Senate following consideration of the bill relating to the Foreign Agents Registration Act of 1938? When I was out of the Chamber, I understand that objection was made to the consideration of the cotton and wheat bill. I wondered what the plan of the leadership was and how that plan would impinge on the civil rights bill.

Mr. **MANSFIELD**. Would the distinguished Senator from New York consider the possibility of postponing the taking up of the civil rights bill until next Monday or Tuesday so that it might be possible to get the farm bill before the Senate tomorrow or the next day?

Mr. **KEATING**. The Senator from New York has relatively little to do about it, as the Senator from Montana knows.

Mr. **MANSFIELD**. I raise the question only because if that procedure were given serious consideration, it would have to be by unanimous consent. The Senator is asking me a question. I am trying to give him the benefit of my thoughts as to what moves can possibly be made.

Mr. **KEATING**. As the Senator knows, I have not been one of the objectors to taking up the farm bill——

Mr. **MANSFIELD**. I understand.

Mr. KEATING. However, I am not in accord with that particular strategy, because I envision a long debate on the farm bill. I do not believe that it would be enacted in 2 or 3 days. It will require long debate. I would not like to see the proposed civil rights legislation deferred to that extent. Since I do not know what the present plans are in relation to the cotton and wheat bill, I wondered if the Senator felt like stating what they were and when we could expect the proposed civil rights legislation to be brought before the Senate. If he can do so, I would appreciate it, although I understand perfectly that he may not at the moment be able to respond to that inquiry.

Mr. MANSFIELD. As the Senator knows, I tried to obtain unanimous consent to take up the cotton and wheat bill tomorrow, but there was objection to my request. If the climate is right, it is possible that another attempt may be made tomorrow. I am a little disturbed that a bill of that nature, which means so much to the wheat ranchers in my part of the country and the West in general, as well as the Middle West, has encountered such difficulty up to now.

The Senator knows that time is becoming of the essence insofar as concerns taking up the civil rights bill, although once the Senate takes up that bill, I am sure there will be plenty of time to discuss it. So I am merely trying to think of various ways and means, in the shape of possibilities, as to what might possibly be done and still obtain consideration of the wheat and cotton bill. So far, I must admit in all candor that I am stymied.

Mr. KEATING. Mr. President, will the Senator yield further?

Mr. MANSFIELD. I am glad to yield.

Mr. KEATING. Perhaps I misunderstood the inquiry which the distinguished majority leader addressed to me. I would not wish to have him labor under any false impressions regarding my intentions. Did I correctly understand him to make the inquiry as to whether the Senator from New York would object, in a new legislative day, the Senate having adjourned, to a unanimous consent request to defer the second reading of the civil rights bill? I would have to object to that. I did not understand that that was the question.

Mr. MANSFIELD. The reason I asked the question of the Senator was that I know of his unfailing desire to bring the civil rights bill before the Senate as quickly as possible and make it the pending business. One of the possibilities being considered was perhaps postponing the civil rights bill for another 3, 4, or 5 days. For that reason I raised the question at that time. The reason behind the question is that there would be an attempt to get the wheat and cotton bill out of the way. It would be made the pending business and disposed of.

Mr. KEATING. I would certainly be disposed to object to deferral of the second reading of the bill if the Senate were in a new legislative day and the bill were properly before it. But that is not our present problem, of course. That may arise tomorrow or——

Mr. MANSFIELD. Would the Senator object to postponing the second reading to a date certain?

Mr. KEATING. I would be disposed to object to anything which would defer the already deferred proposed civil rights legislation any further for the purpose of letting it be supplanted by a farm bill or some other proposed legislation.

Mr. MANSFIELD. I thank the Senator. I hope I have explained the situation to him as best I can.

Mr. KEATING. I realize that. I regret that I did not get the full purport of the question earlier, or I would have been more forthright before. I did not realize what the Senator had in mind.

RACIAL PROPAGANDA

Mr. RUSSELL. Mr. President, from time to time on the floor of the Senate, I have pointed out the very glaring difference in the treatment by the news media of similar events arising in different sections of the country. I have done that with particular reference to the misnamed civil rights legislation and the wave after wave of propaganda that has been disseminated throughout the country by the great metropolitan press and by the television networks which were calculated to inflame the people of this country, who may have little knowledge of the facts, against the white people who happen to reside in the Southern States.

Time and again I have seen instances in which an incident occurring in one of the Southern States has been blown up by the press and television networks in this country and carried by the information services overseas, when similar incidents in other States outside the South have been found way back on page 11 and disposed of in very short articles, with small headlines.

There appeared in the Washington Post of yesterday an article, over on part B, under a small one-column headline, "Five Arrested in Maryland Race Affray."

This article had to do with some of the so-called nonviolent demonstrations, which have resulted in great violence. This particular incident occurred in Princess Anne, Md.

I ask unanimous consent that the entire article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Five Arrested in Maryland Race Affray

Princess Anne, Md., February 22.—Four Negroes and a white man were arrested and a State police captain was injured slightly today when a racial demonstration broke out briefly into fist-swinging violence.

About 200 Negroes, most of them students from nearby Maryland State College, huddled at the entrance to a segregated restaurant and refused to budge in defiance of police orders.

Then a white man pushed his way out of the entrance of the restaurant and a fight broke out, according to the Associated Press. He was identified by State police as Kenneth W. Ainsworth, of Bloxom, Va., and charged with disorderly conduct.

Capt. Paul Randall, commander of State police on the Eastern Shore attempted to break up the scuffle and was struck in the face.

On his orders about 15 State police, several of them with K–9 dogs, moved in and dispersed the crowd.

Police arrested three students and a 24-year-old Cambridge, Md., man. The latter was charged with resisting arrest, failure to obey an officer and assault.

The students were charged with disorderly conduct and failure to obey an officer.

Clarence Cromwell, of Cambridge; Douglas Hutchins, 21, of Donald, Md.; Edward A. Davis, 20, of Snow Hill, and Thomas Dopson, 20, of Baltimore, were those arrested.

One of those arrested was bitten by one of the dogs.

The Maryland Chapter of the NAACP promptly wired Gov. J. Millard Tawes protesting police brutality, according to the Associated Press.

Police also had to use dogs to disperse other demonstrators who had swarmed over the police car in which the suspects were placed.

The demonstrations in this lower Eastern Shore town started this afternoon when more than 100 students gathered on the main street in front of Tull's Restaurant, where a Negro student had been beaten yesterday when he and about 20 others attempted to gain admission.

The demonstrations were directed for a while by Gloria H. Richardson, a key figure in the civil rights movement in Cambridge.

Mr. RUSSELL. Mr. President, this article refers to an incident involving the action of about 200 Negro students from Maryland State College in barring the entrance to a segregated restaurant whose owner was endeavoring to do business with those he desired to do business with. The article says the Negro students refused to budge, in violation of police orders, from the restaurant entrance. When a white man undertook to get out of the restaurant, a fight broke out, and the white man was arrested. I suppose he was arrested for trying to cross a picket line, but I do not know the charge against him. In any event, the article says he was arrested. Capt. Paul Randall of the State police, tried to break up the fight and was struck in the face. The article states that on his orders, about 15 State police, several of them with K–9 dogs, moved in and dispersed the crowd. Several persons were arrested. Way down near the bottom of the article we are told that one of those arrested was bitten by one of the dogs.

One other paragraph says that the police "had to use dogs to disperse other demonstrators who had swarmed over the police car in which the suspects had been placed."

Mr. President, if this incident had happened in Alabama, Georgia, Tennessee, or South Carolina, all the network television crews would have been there, with all of their paraphernalia, taking pictures, grinding away, showing the dogs. There would have been pictures showing the dog biting the student who was blockading the door, and those pictures would have been sent to the four corners of the earth—at the expense of the American taxpayer. It has been done before when incidents of this type have happened in the South. Pictures have been shown, not only throughout this country, but throughout the four corners of the earth, in an attempt to show that the white people and the policemen of the Southern States are different from those of other areas.

If an incident of the type reported in the article had happened in the area that I described, it would not have appeared in part B of the Washington Post. It would have appeared on the front page under very large headlines charging unusual brutality, and that dogs had been used against the demonstrators; and on the editorial page there would have been the most gruesome cartoon drawn by the pen of Herblock, showing the alleged brutality wherein the dog had been released and had bitten the poor, unoffending student.

But here, in the circulation area of the Washington Post, in a State where I assume the votes of all Members of the Congress are dedicated and pledged to voting for any legislation anyone may introduce that might be called a civil rights bill and are nailed down; there is not a picture of the dog biting a demonstrator. Rather, the article states that one of those arrested was bitten and that police "had to use dogs" to drive the demonstrators away from the police car. This is another illustration of what I have inveighed against for several years. This is deliberate distortion of the news, by blowing up incidents in Southern States and by playing down those that happened elsewhere. Mr. President, that is reprehensible. It is an abuse of the freedom of the media of communication guaranteed by the Constitution.

This is only an illustration. I could stay from here until midnight to show others. When I have all my data at hand, I may do just that. I am merely showing that there has been a deliberate design to limit and play down all racial incidents outside the South. Television has been playing it down, as has the press. When an incident occurs in the South, the TV networks have all their people on the scene, taking pictures and describing incidents that are said to be brutal. But when a similar thing happens in other areas the article mildly states, "The police also had to use dogs." That is the news story. In other words, no incident could possibly arise in the South in which the police "had to use dogs," but when they arise outside the South the articles say that they "had to use dogs."

That is the fine, sweet spirit of fairness that has served as propaganda for this misnamed, misbegotten civil rights legislation that will be brought up on the floor of the Senate in the next few days.

Any well informed person would know that the news has been deliberately distorted. Incidents have been magnified and misrepresented when they occurred in the South. When such incidents have occurred outside the South, they have been minimized. That is one of the handicaps that those of us seeking to preserve constitutional government must face. It is one of the difficulties that we face in trying to preserve the rights of the legislative branch and keep it from abdicating its functions and delegating all its powers to the Attorney General of the United States.

The brainwashing of the American people has been very effective.

ESTONIAN INDEPENDENCE DAY

Mr. KEATING. Mr. President, today is Estonian Independence Day. On February 24, 1918, the brave people of Estonia took advantage of the disintegration of the Russian empire to revolt and declare their independence. For 22 years thereafter they lived in the golden age of Estonian history. They observed representative government, freedom of the press, religion, and assembly. They made enormous progress in economic and cultural development. In 1939, they were surely more different from their Russian neighbors than even in 1918.

When Nazi Germany met with the Soviet Union in 1939, they signed a secret protocol never equaled in history for perfidious hypocrisy. According to this protocol, Estonia was to become the private domain of the Communists, to do with as they would. Thus the Soviet Union, freed of fear about its most obvious enemy, proceeded to conquer Estonia, all the while assuring the world that it was only protecting Estonia from Germany. The left hand of the world knew not what the right hand was doing.

Estonia was conquered by the now familiar combination of internal sabotage aided by crushing exterior force. But the fate of conquered Estonia is even more horrible than the conquering itself. Immediately after the Red Army assured Estonian Communists and their Soviet advisers of preponderant power, they began to destroy every freedom that Estonians had known. The right to assemble was denied. People were arrested and sentenced without trial. Hundreds of thousands were wrenched from their homes and sent to Siberia, the familiar Communist form of genocide. If thousands of people died in the process, so much the better. That would aid the resettlement of Russian colonials in the seaboard and richest agricultural areas. Every form of political organization except the Communist Party was destroyed. No freedom of the press was allowed. All publications, all entertainment as well as all government became the vehicle of the Communist state.

All of this rained down on the head of helpless Estonia, which had never threatened anyone. By 1941 every sun arose on a gray, desolate scene of homes destroyed, of families divided, of hundreds of graves and abandoned houses. The Communist mind had seen no opposition to its designs, and had finally exerted its greatest evil.

We serve our principles well by pausing to commemorate the anniversary of a nation now desolate and sad under Communist tyranny. We are in effect honoring the convictions of our own forefathers who labored under tyranny, and arose to throw it off, bringing to the world the highest form of freedom ever devised. That is the future for Estonia which we desire—freedom, independence, and a return to the bountiful rewards of representative government.

ITALY'S CONTINUING PROBLEM: THE STRUGGLE AGAINST COMMUNISM

Mr. KEATING. Mr. President, at a time when the NATO alliance is troubled by so many internal problems, it was a special pleasure to welcome a recent visitor to the United States, the President of Italy. Antonio Segni's tour last month underscored the close bonds of blood and thought which unite our two countries and reminded us that Italy remains one of our strongest allies in the free world.

This Nation owes much to the sons and daughters of Italy who chose to emigrate to this land. They have enriched every field of American endeavor and have proved time and time again their patriotic dedication to this country.

Because we are such good friends of Italy, we tend to overlook the serious internal problems which beset that nation, and particularly the serious threat posed by communism. It behooves each of us who is dedicated to a free and stable Italy, working for a better life for all her people, to keep informed about what is going on there.

That is why I read with particular interest a perceptive article written by my longtime associate, Stephen May, who is now practicing law in Rochester, N.Y. Drawing on his extensive travels in Italy and his continuing study of Italian affairs, Mr. May wrote an enlightening analysis of Italy's internal stresses and strains which was published in the Rochester Democrat & Chronicle.

Inasmuch as this is a subject which should be of concern to all of us, I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW ITALY FIGHTS TO CONTAIN THE REDS

(By Stephen May)

The recent visit of President Antonio Segni reminds us again of our Nation's close ties to Italy—and of the perplexing problems our NATO ally faces at home. It is no overstatement to say that Italy's whole future may depend on the success of the bold experiment in coalition government on which it recently embarked.

This experiment involves collaboration of the Christian Democrats, the Roman Catholic Party which has dominated postwar Italian politics, with the leftwing Socialists and two moderate leftwing parties. The significance of this "opening to the left"—or appertura a sinistra—is that it may provide a stable government equal to the defense requirements of the nation and the social needs of the people.

The center-left condition was originally conceived as a means to stem the Communist tide and to modernize Italy socially, economically, fiscally, and educationally, in order to meet the demands of a spectacularly expanding economy. Both are substantial undertakings, the magnitude of which is little understood in this country.

The Communist Party in Italy—called the PCI for short—numbers 1,600,000 members and is the largest in the free world. In the national elections of April 1963 it polled nearly 8 million votes—over one-quarter of those cast—and is thus the second largest political party in the country.

The success of the PCI appears to run contrary to all the rules of international politics: Over 99 percent of the Italian people belong to the Catholic Church, the traditional bulwark against the Reds, the country is enjoying unprecedented prosperity, and the government is firmly committed to the cause of the free world.

Why, then, has atheistic communism, which supposedly thrives on poverty and opposition to NATO, been so successful in Italy? The answer lies in a combination of astute leadership, sound organization, opportunism, poverty, ignorance, and protest.

Strong man of the party is its canny general secretary, Moscow-trained Palmiro Togliatti. Tough and firm in intraparty squabbles, he can wave the clenched fist with the best of them at workers' rallies, or can appear the epitome of reasonable mildness for TV's mass audience.

Togliatti has worked hard to keep the Communists in the mainstream of Italian politics. Portraying themselves as moderates who reject Red China's belligerent tactics in favor of winning power through the orderly procedures of parliamentary elections, they have gained a large measure of domestic respectability.

Well organized at the local level, the PCI works at its job all year round, in contrast to its opponents, and has substantial funds at its disposal. Time and time again, clever Communist maneuvers to exploit local discontent have paid off handsomely at the polls.

Industrial workers, for example, have been assiduously wooed by the Reds, who play up to their dissatisfaction with their share of Italy's booming economy and who identify themselves with labor's protests over wages and working conditions. The Communists have also scored heavily with the underemployed workers of the south, such as the impoverished farm laborers of Sicily.

The unfortunate fact is that Italy's economic prosperity has spread only partially to the lower economic classes, which are naturally resentful of the new wealth acquired by so many others. Theirs is often a vote of desperation—il voto della disperazione—a rebellion against years of grinding poverty, which is easily attracted by Communist promises of the moon.

The main Red theme seems to be: "Sure, things are better, but you aren't getting your fair share. Stick with us; we'll prod the government and management and get you more."

Not surprisingly in a country with such strong religious traditions, there is little effort to instill Marxian ideology in the minds of the masses—and little indication that most party members really understand what communism stands for. To them, the PCI is a respectable political party which promises something better—and that's obviously what a lot of people want to hear.

Thus, in spite of the vigorous opposition of the church and the satisfactions which come with continuing prosperity, the Communists continue to get one vote out of four and exert great influence on all phases of Italian life. Their great fear is that they will be isolated from the main body of Italian politics, for they recognize that times are too good to seize power by force and that they must continue to rely on gaining ground at the polls.

In the immediate years after the war, the leftwing Socialists, led by Pietro Nenni, were allied with the Communists in opposition to the Christian Democrats and as champions of labor. But repelled by revelations of Stalin's crimes and the brutal suppression of the Hungarian Revolution by the Soviets, Nenni has since the mid-1950's led his party on an independent leftwing course which challenged the Communists for the allegiance of the Italian workingman.

Although 40 percent of its membership must still be considered pro-Communist, the leftwing Socialists recently found sufficient common ground to enter into the alliance with the Christian Democrats under Premier Aldo Moro. This potent coalition could split the Italian workers' movement, thus cutting the heart out of the Communist power base and isolating the comrades.

Inevitably, the seconda appertura will be sorely tried by Communist strikes and harassments and by dissident elements within the Socialist and Christian Democratic ranks pulling to the left and right, respectively. But, if it survives and thrives, it could mark a significant turning point for Italian democracy.

For the ambitious center-left program of social and economic reform and government planning could win substantial working class support and eliminate the need for the protest vote of the past which has gone to the Communists. And although the Nenni Socialists continue to adhere to neutralism, there is no indication Italy will renege on its commitments to NATO.

The appertura a sinistra may thus make possible a secure and effective coalition which will provide an attractive alternative for that discontented one-fourth of Italy's voters who now cast their lot with the Communists. In the long run, a better life for more of our Italian friends could result.

As President Segni observed in Washington, "Many ties of history, civilization and blood" unite America and Italy. An informed, patient and sympathetic American public, alert to developments in Italy, can help keep those bonds strong and enduring.

ESTONIAN INDEPENDENCE DAY

Mr. HART. Mr. President, we have in this country many groups with the avowed goal of wiping out all Communists. Unfortunately, many of these dedicated persons operate at a distinct disadvantage—they have never seen a Communist.

And, perhaps because of this lack of firsthand information, they seem to discover them in the most unlikely places—such as the White House and the Supreme Court.

Today, as I rise to comment on the 46th anniversary of the Independence of Estonia, I would like to reverse custom. Instead of once again pledging our aid and moral support to the Estonians, I would like to beg their help.

Certainly if there is a people in the world qualified to testify to the facts of life under the heel of the Red boot, it is the Estonians.

For 200 years, the country was dominated by the czar. Finally, in 1918, the Estonians managed to rid themselves of the Russians only to have them return 22 years later, bringing with them the "people's government."

The "people's government" was not accepted gratefully by the Estonians. The story of the "persuasion" used by the Communists to force this government on a people who rejected it is a story of horror—of mass murders, deportation, torture, mock elections, the whole wretched list.

Rather than go into the details, I suggest a reading of Special Report No. 3 of the Select Committee on Communist Aggression of the House of Representatives of the 83d Congress. Minds and memories will quickly be refreshed.

Estonia today, on the 46th anniversary of its independence, is living under a totalitarian tyranny.

But—many Estonians have escaped their chains and are living in the United States and other free countries.

It is to them I turn today—realizing their sorrow on what should be a joyful day—I ask them to help the world that is still free.

As witnesses to what has happened when communism captured a country, I call on the Estonians enjoying the benefits of the free world to dedicate themselves anew to helping countries still free to remain free.

I ask them to be even more forceful in telling their stories. And, I caution the world's free people to listen to those truly experienced in dealing with communism.

Their story is one we cannot afford to ignore.

FOREIGN POLICY AND MILITARY POLICY

Mr. GOLDWATER. Mr. President, on February 12, retired Lt. Gen. Arthur G. Trudeau delivered a speech which I believe all Members of the Congress should read. General Trudeau minces no words in pointing out what he and many of us feel are the wrong steps being taken in our foreign policy and our military policy, and he speaks on this subject with a knowledge gained through many years of service to the Army and his country.

I ask unanimous consent that this speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

The Road Ahead

(Remarks by Lt. Gen. Arthur G. Trudeau, U.S. Army, retired, president Gulf Research & Development Co., API Lubrication Committee, Sheraton-Cadillac Hotel, Detroit, Mich., February 12, 1964)

Mr. Chairman, distinguished guests, members of the American Petroleum Institute and the automotive industry, ladies and gentlemen, and fellow Americans it is always a pleasure to return to Detroit to meet and greet old friends and to make new ones. I have a deep appreciation for those of you associated with the automotive industry who during my military career met the challenge and provided the military during every emergency and over the years with the necessary track and wheeled vehicles.

As a member of the API central committee on research of the division of science and technology, I am proud to serve with all of you, and, in particular, with those of you who are members of the lubrication committee and are here today to help smooth (or oil) the way for the automotive industry.

No doubt you did not solve all your problems today, but I can think of no better vehicle to provide a common ground for the exchange of information and discussion of problems of mutual interest between the engineering, service, and design executives of the automobile manufacturers and the oil marketers and technologists concerned with the maintenance and lubrication of automotive equipment. However, I will not attempt to compete with the many experts in this field who are here tonight.

Your many problems are of direct concern to me as president of Gulf Research & Development Co. and as a student of world affairs. In spite of the fact that I spent 38 years in the Army, I am no stranger to the oil industry and the role that science and technology plays in this industry. I can't overaccent the future role of petroleum. The whole economy of the West can turn on what happens to the control and use of petroleum in the free world as the principal source of energy today. This has been noted for a number of years by people concerned about world strategy. We see great advances being made by Russian oil in penetrating world markets. Many of you are familiar with what is happening in Europe with the advent of pipelines and the growing tanker fleet for Russian oil to flood the free world. This is a most disruptive influence and may become even more critical before long. Matter of fact, I think from here on that the economic struggle may be far more intensive than the military struggle, assuming we maintain adequate deterrent power.

Tonight, I want to touch on some of our problems as I see them down the road ahead. I know you share the concern of many of us for our receding stature in this distraught and chaotic world. Too often I hear that time will solve our problems, but time is not on our side, unless we use it more wisely and courageously. Too often I hear that "He who fights and runs away, lives to fight another day," but this is a sad philosophy and gets more difficult and less applicable as days go on. There most certainly comes a day when that statement can no longer be true. As someone said, "When spirits are low and principles ignored, people don't give a damn if their own ox is gored."

Winston Churchill said, "If you will not fight for the right when you can easily win without bloodshed; if you will not fight when your victory will be sure and not too costly; you may come to the moment when you will have to fight with all the odds against you and only a precarious chance of survival."

"There may be even a worse case—you may have to fight when there is no hope of victory, because it is better to perish than live as slaves."

I am sure you and I believe in what that great man said, but there are many on the world scene today who apparently would rather live as slaves than stand up for what they must know to be right.

Tonight, I want to speak to you also as the president of the American Ordnance Association, and as an American citizen. America still marches in the forefront of history, though precariously at times. We stand at the opening of a new and promising era—the most powerful Nation in all the world; a nation recognized as blessed beyond measure, with the most enlightened form of government in the world. Yet, at the same time, and this has been historically true of other mighty states which have preceded us, we find ourselves challenged to defend—or better to assert—our rights at a score of vital points along a widespread defensive periphery (even in our back—and front—yard), and hesitant to stand fast for principle and right. We seem to still wallow in the doldrums of the decade following the Korean war when victory meant compromise and compromise meant appeasement or accommodation or convergence as they call it now. Despite bold words in high places, this remains the temper of our policy actions today.

Let's quit coddling the Communists. In the last 2 months they have shot down and killed three of our airmen over Germany, insulted our flag in Panama, driven our Ambassador out of Zanzibar, and bombed our Embassy in Cyprus. Despite this, we have the incongruous situation of a leading administration Senator tell us not to be overly disturbed about such explosive developments. He further asserted that American foreign policy is "on the right course," and we should press on for disarmament.

On the other side of the fence, we find the longshoremen and sailors in New York refusing to load wheat on foreign ships, especially those that have been supplying Castro and are now supposed to haul American wheat to Russia.

Which side is right? Let us examine the events of the past few years. If the Senator is right, then communism is receding and freedom should be advancing. There should be peace and stability in the free world and turmoil and trouble in Communist lands, but the very reverse of this is true. Triggered by the sale of American wheat to Russia, many of the nations of the free world are now rushing not only to recognize our self-designated opponents, but are trying to trade with them on credit.

There is a lot of talk about poverty in our land, and we all know there is some. I think we are told in the New Testament that, "The poor you have always with you." While I, too, could rejoice if the poverty of worthy people could be alleviated, I think the first kind of poverty we have to defeat is the poverty of the spirit that has turned us into a timorous and trembling nation and wounded our prestige all over the world.

When our house is under heavy siege, we had better repulse the assailants instead of taking time off to buy candy so the kids will stop crying.

Talk of liberty, and freedom, and progress, is common throughout this Republic, yet today there are many indications that too many of us fail to realize fully the tremendous threats that face us from within and abroad and how much is really at stake if we lose the present struggle and suffer the loss of our blessings that are still the best hope of freemen everywhere. My claims of danger from within have been openly stressed many times by many patriots including Mr. J. Edgar Hoover, one of our greatest Americans, but I know Mr. Hoover has left much unsaid. Read his new article in the current issue of the Harvard Review entitled "The U.S. Businessman Faces the Soviet Spy." I wish there were more public knowledge of the threat to our institutions and our youth from non-card-carrying Communists and the libertine and Fabian Socialist left.

As General MacArthur said, "There is no substitute for victory." The law of life is one of struggle. All the world knows this, but in this favored segment of the world we, as a people, seem to be forgetful. With 3 billion people unlike even in their fingerprints, the dawn of the utopia full of milk and honey is still only a dream. Struggle is a cross mankind is destined to bear as long as the world exists. It will never be made of foam rubber, nor will the psychiatrist's couch ever replace it. We don't need any more tranquilizers to help us ignore our problems, but we do need a moral adrenalin to stimulate us to solve them courageously. The erosion of the moral integrity of Western man is too prevalent to ignore. I can't get much comfort out of the ironical statement of "Don't worry about Cuba—they are still 90 miles away." Or, "We've contained them, at least." Or, "Let's accept disarmament on the best terms we can get." Can you? Of course, we haven't contained them. We've hardly restrained them. I'd say, at Guantanamo, they are containing us.

After 15 years of such containment, there is hardly a section of the free world's frontier that is not overtly or covertly being eroded or penetrated today. Only the torch left in Castro's hands could have lighted the fires in Panama and Guantanamo. Unchallengeable power and determination to stop further erosion and preserve ourselves and Western civilization is the priceless ingredient to any successful solution. Any weakening of our present relative nuclear deterrent or conventional military power in the face of this challenge could be devastating. Neither magic "black boxes" nor the Ouija board of disarmament can give the solution to this struggle. Our obvious abandonment of the Monroe Doctrine has made us the laughing stock of even African tribesmen from Cairo to Capetown and Tangiers to Zanzibar and the price of our folly remains yet to be paid.

We must be most watchful of pronouncements coming from even prominent Americans that the growth of communism is not as important as the expansion of "non-Communist revolutionary" forces in Latin America as these latter are only the Trojan horse hiding another form of Marxist socialism. Our adult population are so brainwashed we won't even stop the erosion affecting our own children in our schools and on our campuses. Now we're to be sold on "converging coexistence." Need I tell you where the point of convergence will be?

Today, change is more rapid and meaningful than in any period during the past 500 years at least. This situation is typified by not only the dramatic fading of the boundaries of empires, but by the ever-increasing rate of obsolescence of both commercial products and military weapons—and even by ventures beyond the long-standing frontier of the atmosphere.

I note, with satisfaction, that our Defense Department acknowledges now that space does have important defense implications. We should no longer delude ourselves as to the critical aspects of the space race if we are to survive. The orderly progression from our proven capabilities for manned atmospheric flight to manned space flight deserves our most careful consideration.

Technological developments and advances in the state of the art of weaponry, together with judgments based on projections of future developments in technology, have established certain discernible trends and changes in the nature of our defense posture. While opinions differ as to the wisdom of following or implementing such change in the composition of our strategic forces, the trends themselves are established and undeniable, in my opinion.

The atomic test ban treaty has encouraged a dangerous complacency and satisfaction on the part of many of our people. This tricky treaty is rife with danger for our future security. The apologies and pressures that both preceded and followed its adoption indicate that even its proponents recognized its questionable value. Halloween is with us only 1 day each year and we must beware of any trick-or-treat arrangements every day during the rest of this and every year.

It is realized that certain values have been placed on both our national and international interests in reaching the important decision to accept a restriction of high altitude nuclear testing. However, those of us who are somewhat knowledgeable cannot help but express our concern as to the impact such a decision may have upon the future security of our Nation and our ability to react in the event of a nuclear attack. We must not consider the test ban treaty as a recognition of a stalemate in the further development or production of nuclear devices for defense.

The explosion of science and technology has opened doors never dreamed of a few years ago. In the nuclear field all of us, both friend and foe, are still infants. For one thing, we have no way of determining how much we don't know. More important to our security, we don't know how much our potential enemies do know, or how long it will be before—or even if—they know more than we know today. A blind ban on high altitude nuclear testing and on the development of nuclear devices in space for deterrence and defense can be as disastrous to our Nation's security as the failure to guard our freedoms with continuing vigilance and courage along our farflung earthbound defense perimeter.

I can't accept a pseudo-scientific conclusion promulgated by some that since no defense can be completely adequate we must accept the best disarmament terms we can negotiate. Computer logic must be tempered by human judgment and experience and the premium to be put on courage, commonsense and adherence to principle was never higher than it is today.

People talk—but only talk—about our nuclear defenses against enemy missiles. What nuclear defenses? We have none. The Nike-Zeus system—imperfect though it may be—is our best hope today but it is not in production. Had the same criteria of perfection before production been applied to our other major weapons systems or space ventures over the last decade we would have nothing today—not even early warning. The growth potential of this basic system to defeat missiles and even satellites is our best hope for a nuclear defense tomorrow. Today we are the world's greatest nuclear nudist colony.

The added complacency (maybe it's only euphoria) being generated by the test ban treaty and the seeming disregard for the military importance of space or the urgency for antimissile and satellite defense seems to present the Soviet a real opportunity to achieve a transcendent advantage in these fields. Bluff and blackmail are bad enough, but this could be "the real McCoy." This may explain their asserted decrease in interest in exploring the moon as their resources are not inexhaustible. Of course, by our easing their agricultural problems they can transfer needed men to industry or armaments and we certainly opened up a Pandora's box for which we will pay plenty. Now some people want to sell them chemical plants on long-term credit so they can outpace us sooner.

A recent article ignores antisatellite defense and mentions the apparent ease with which the aggressor can always multiply the number of his missiles and decoys. The author may have knowledge I don't possess, but this is far from easy and fantastically expensive. We should know from our own experience. Of course, Russia doesn't need to do this for as long as we lack any defense, their relatively unsophisticated missiles in moderate numbers may fill their strategic requirement. We are thus graciously letting the Soviet "off the hook" in this regard by remaining naked but their tortured economy would be hard pressed to multiply and sophisticate their weapons in the manner indicated except at the expense of their own industrial base, their commercial competition with the free world or further restriction on consumer goods which would not enhance the contentment of their own people. The added deterrent against attack becomes obvious and important if our defensive capability against missiles and satellites could be moderately good, even if never absolute. Thus we may be awarding them not only a probable military advantage, but also political and economic advantages in this struggle to retain a free world.

Recently, the Soviet displayed some new antimissile missiles. If any shift from their space effort is for the purpose of concentrating their current resources on the production of such a system plus the placing of their supermegaton warheads in near-earth orbiting maneuverable satellites, we are really facing the greatest threat that has evolved to date.

All Communists have long practiced absolute deceit and treachery in their relationships with other groups or nations as we know. They even advocate it. Under the Marxist-Leninist writings, a lie is totally condoned, even praised, if it serves communism. In dealing with such people, there can be no real trust since there is no real integrity on the part of the other signatory group. Without trust a treaty becomes of questionable value. We must leave no stone unturned to maintain an adequate deterrent and build a defensive capability of suitable magnitude.

Defense needs and economic pressures are pushing industry toward the automated factory or, where this is not practicable, toward the adoption of numerically controlled machines and production lines. This is certainly one of our efforts with respect to refineries. I do not join with those who see automation as a permanent threat to jobs, unions, and prosperity, although adjustments to provide for our growing labor force must certainly be made. Rather, to me, the strict quality control and improved production which automation makes possible is the harbinger of a future more prosperous and productive than any period yet experienced in our remarkable history. If kitchen appliances were still made by hand, very few of us could afford them. I will venture the opinion, without much fear of contradiction, that electronic data computing and automation today are employing twice as many persons at four times the payroll of those who have become unemployed because of them. Our unemployed rolls could be reduced substantially today if men had to work for their compensation. Many would rather accept tax-free unemployment compensation than be listed for social security by a private employer at even larger wages.

The talents of man are best developed and employed where the dependence on his physical ability is least. This doesn't mean a world of loafers, however. From another viewpoint, the comforts and condition of any society seem to be generally in direct proportion to its utilization of all available energy sources and in inverse proportion to its dependence on human physical energy. Automation and numerical control will contribute greatly toward giving many routine tasks to machines. Even more advanced is symbolic control made possible through completely automatically programed tools. One significant step which should accompany the trend toward automation calls for the early standardization of machine tapes. It is time to act now, before the problem is made more difficult and much progress is being made.

The degree to which our industry meets the basic requirements of modernization is the yardstick that will measure the degree of effectiveness of our national program, but industry cannot do it alone. Were it not for the critical situation our Nation faces—as well as the rest of the free world—production deficiencies could be calculated simply in terms of added costs and time delays to national progress. But with the Communist threat, severe international competition, which we ourselves nourished, and the demands from underdeveloped nations that set the scene for this decade and beyond, it is our business, and our mutual concern to see that the play ends in victory and not in tragedy for ourselves and free peoples worldwide. In this respect, we all have a definite need to improve our management and administrative procedures.

Rapid expansion and cost-plus contracts have permitted the growth of waste and loose control to an unsavory degree in places. I am glad to see a tightening up on contract procedures. Furthermore, the state of the art has progressed beyond the capability of some executives to keep abreast of their own operations.

Today is a time when our country faces the gravest crisis in its history. It seems to me that unless our leaders, like you, in industry, in business, in government, in all walks of life—with the utmost seriousness and dedication—engage more positively in solving the challenging problems facing us, America and the whole free world can suffer the most dire consequence. Communism, socialism and the proponents of health, wealth, and happiness for all, fear a fully awakened America and their No. 1 effort is to lull us to sleep. Brainwashing is not confined to enemy prison camps. When the distinction between patriots and traitors grows dim in the public mind, as it seems to do today, the doctrines of Marx and the techniques of Pavlov have made their imprint. Maybe Johnny can't read but I am sure you can, and the handwriting is on the wall and in the papers. I can think of no better example of adding insult to injury than to follow the refusal to recognize God in our schools by denying American children the sight of their flag flying in front of their school. What's next? The Communist goal has been spelled out by every Red from Lenin to Khrushchev—world domination, a Red world. We are still challenged on every front.

The keys to our survival are still faith, not fear; firmness, not fuzziness; courage, not complacency; patriotism, not patronage; and sacrifice, not selfishness. The clarion call to be bold, decisive, creative, and morally strong is as clear as it was to our forefathers through the long painful decades when they stood alone and fought for liberty and progress. We, in our time, will be stronger and better when we weave back more brilliantly into our own fabric of thought and heart the epic days and deeds of our forebears and of our immortal great. As someone said 100 years ago when we pushed the frontiers of freedom to the Pacific and built this great country, "The cowards never started and the weak never arrived." I hope history will write a favorable verdict of us, but what we need are strong men throughout this Nation if we are going to arrive at the dawn of the coming century intact.

Remember, at the age of only 188 years, our country is the oldest and proudest symbol of liberty in the world. Forty years after our Revolution we had ejected the British a second time. Then President Monroe told everybody else, including the Russians, to keep out of the Western Hemisphere. They did.

Another 40 years, and our own sad conflict ended we had to tell the French to get out of Mexico. They did.

Another 40 years and we ejected the Spanish from Cuba, and told the Germans in no uncertain terms to stay out of Venezuela. They did.

Then on 20-year cycles, we fought two world wars to insure our freedom and hemispheric solidarity. We did.

Now, after another 20 years, our Cuban front yard is a playground for the "dead-end kids" and termites are in the woodwork from Passamaquoddy to Panama and Patagonia. I, for one, bow my head in sorrow at this low state of American affairs.

Let us remember, among the interesting words of Rudyard Kipling, the following, perhaps prophetic verse:

"Fenced by your careful fathers, ringed by your leaden seas,
Long did ye wake in quiet and long lie down at ease;
Given to strong delusion, wholly believing a lie,

Ye saw that the land lay fenceless, and yet
let the months go by . . .
But ye say, 'It will mar our comfort'
Ye say, "'Twill 'minish our trade.'
Do ye wait for the spattered shrapnel ere ye
learn how a gun is laid . . .
For the low, red glare to southward when
the raided cost-towns burn?
(Light ye shall have on that lesson, but little time to learn.)"

I am sure that you as members of the American Petroleum Institute and good American citizens share my concern as to the future progress and advancement of our country and its great principles for the benefit of ourselves and freemen everywhere.

It is fitting that as we celebrate the anniversary of the birth of one of our very greatest Americans, Abraham Lincoln, we appraise again our humble beginnings and our nobility of purpose if we are to gage successfully the rough course down the road ahead.

With due regard and regret for either our failures or our yet incomplete victories, we need apologize to no one for the causes we have advanced for the benefit of mankind. We are losing our pride in accomplishment and our loyalty to the ideals that made us great. The protection, the prosperity, and the progress of our country demand our fullest dedication, struggle, and efforts if we are to achieve these goals. It is our paramount problem today. This struggle will yet be won by the superior spirit, determination, and tenacity of the victor. I hope it will be our side. If not, God knows we will deserve our fate. Greater devotion to the true spirit of America and continued expansion of the phenomenal moral and industrial power of the United States of America would be among the most reassuring signs that this country and the free world, under God, will not fail. On this night, when Lincoln's memory burns bright again, let us rededicate ourselves to the United States of America, which will only remain the land of the free as long as it continues to be the home of the brave—and that means you and me.

Thank you very much.

APPRAISAL OF ACCOMPLISHMENTS OF CONGRESS

Mr. GOLDWATER. Mr. President, one of the most popular indoor sports engaged in in recent months by our radical left columnists and commentators has been the downgrading of the Congress. These people whose writings and remarks are triggered either through ignorance, or, God forbid, some sinister purpose, would have the American public believe that this Congress has been a bad Congress because it has not passed every crackpot suggestion that has reached it or reached its committees.

A better judgment of Congress accomplishments would be quality rather than quantity, but obviously these centralists want nothing to stand in the way of any leftwing idea that comes along. It is time that this Congress and the whole congressional concept be defended, and I was particulary happy to notice the remarks made by the Honorable William Jennings Bryan Dorn, of South Carolina, before the 57th annual banquet of the Alexandria, Va., Chamber of Commerce on February 1 on this subject.

I ask unanimous consent that his remarks be printed in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Open Season on Congress

(Excerpts of address of Representative William Jennings Bryan Dorn, Democrat, of South Carolina, before 57th annual banquet of Alexandria, Va., Chamber of Commerce, at Marriott Twin Bridges Motor Hotel)

Congress is being abused and vilified as never before in our history. It is "open season" on Congress. There is a sinister campaign now underway to discredit and destroy Congress as a coequal branch of the Federal Government and as a great traditional American institution. Many, oblivious to the grand design, are unwitting peddlers of distortion and half-truths about the Congress and its individual Members.

Benito Mussolini, the Fascist dictator, is reported as having referred to the American Congress as "parliamentary charlatans." Echoing Mussolini's contempt for representative government, like a Hitlerian voice from the grave, the current propagandists are blasting Congress, thus the people's ability to select their representatives. One famous journalist said the prestige of Congress "has sunk lower than a snake's belly."

This campaign is not only an attack upon Congress, but an attack on individual liberty, the private enterprise system and our representative form of government—it is a vote of no confidence in the people. It is an attack upon the Constitution of the United States and the role of the Congress under that Constitution.

Before the Constitution was even considered there was a Congress. The Continental Congress, acting for the people, created the United States as a free nation. The first article in the Constitution itself and the first words following the preamble deal with the creation of the Congress with a House and a Senate.

The Congress is today simply guilty of representing the American people as provided in the Constitution. Congress is only performing its duty, under a solemn oath taken to uphold and preserve the Constitution. The Constitution has endowed Congress with the authority to make the Nation's laws.

Congress has been criticized for staying in session too long. It is being lambasted for its seniority system. Every activity of Congress has been "raked over the coals." Both barrels have been leveled at the 1st session of the 88th Congress.

The 1st session of the 88th Congress, ending during the Christmas holidays, was a great and fruitful session of the Congress. It represented the wishes of a majority of the American people. The American people were willing and are today anxious for the Congress to remain in session as long as necessary, not only to consider good legislation but, what is more important, to prevent the passage of bad legislation. The American people want this Congress to preserve their Constitution.

The last session of this Congress exhibited a courage and stamina beyond the call of duty. It withstood all pressure, ridicule and abuse to remain in session and preserve the integrity of the Congress as a co-equal branch of the Government and to directly represent the American people.

Through calm, cool, exhaustive study and discussion by this Congress, the American people will get a vastly improved tax bill—a bill which affects every man, woman, and child in this Republic. After days and even months of deliberations and thorough consideration, I believe the Nation will get a better civil rights bill which will affect the very foundation stones of the Nation for the next 100 years. By prolonged study, the entire free world will have an improved foreign aid bill. Congress has gone over the $50 billion military expenditure with a fine-toothed comb. The very security of this country and freedom everywhere, throughout the globe, depend upon this appropriation and careful scrutiny by the Congress. Congress ushered in the age of atomic power, astronautics and space. The stock market and current economic trends emphasize the wisdom of Congress in staying in session and doing its duty. Prosperity indexes continue to spiral almost daily.

The United States has reached its exalted position as the arsenal of democracy and the heart and core of the free world under our representative form of government. We have the highest standard of living in all the history of the world. The American people enjoy more luxury, the highest wages, the best roads, the finest working conditions, equal rights for man and women largely as a result of wise legislation by the Congress over the years. We manufacture over half of the world's automobiles, television, and radio sets and, yes, a great percentage of the world's instrumentalities of science and culture. We have a great portion of the world's libraries, public schools, hospitals, colleges, churches, daily newspapers, and periodicals. The Congress played no small role in these fantastic accomplishments not only for the American people but we have shared them with the world. Congress helped create this palladium of religious freedom and material and cultural plenty by rejecting unwise legislation as well as enacting good laws.

The American people should look into their associations and the background of those who constantly attack their Congress. What is the purpose of this chorus of detractors? Whose bread do they eat? Why? What is the source of their retainers? How much and from whom?

We should resist these calculated efforts to stampede Congress into ill-conceived and hasty reforms. There are those who want to reform Congress out of existence. There are those who are trying to nibble it to death.

Lately the Members of Congress have been flooded with questionnaires from students, study groups, professors, and foundations. Polls, inquiries, and fantastic suggestions are pouring in—all implying the need of reform and suggesting that our representative government is outmoded.

Many of the more vicious attacks on Congress result from the repudiation by the Congress of selfish interests legislation and pet schemes of certain cliques and groups. Had their personal projects and programs been passed, in rubberstamp fashion, they would be praising the Congress as Hitler praised the Reichstag and Tojo the Japanese Diet. Had their idealistic brainstorms been railroaded through by the Congress, then their chorus of abuse would have been changed to a song of praise.

The Congress must not be intimidated and pressured by selfish interests. The Congress must legislate for all of the American people. We must continue to be the citizen's contact with his Federal Government. Our door must always be open to him. Public office is a trust bestowed by the people and I believe this Congress has kept that trust. We have kept a firm and critical reign over the people's bank account—the Public Treasury. We are the avenue—and sometimes the only avenue—through which the people can reach the executive agencies and departments of the Government, supported by their own tax money. As servants of the people, the Congress is the guardian of their liberty and the trustees of their Treasury.

I do not believe the American people have ever elected a more conscientious Congress than the 88th. I have been associated, over the years, with many organizations and legislative bodies, but I have never been affiliated with a more dedicated, determined, courageous and patriotic group of men and women. I have confidence in its leadership, its committee chairmen and its individual Members; and I can assure you that they will keep their sacred covenant with the American people and uphold their oath of allegiance to the Constitution of the United States.

THE RIGHT TO PRAY

Mr. ROBERTSON. Mr. President, many Members of the Congress have been deeply disturbed ever since the decision of the Supreme Court in the New York prayer case over the ultimate effect of that decision upon the morals, as well as the ethics, of future generations. While the Supreme Court has not yet gone as far as Mr. Justice Douglas indicated it would have to go to be consistent; namely, to outlaw the employment of chaplains at our military academies and for our military forces; the employment of chaplains for both branches of the Congress, the inscription of "In God We Trust" on our currency, and so forth, the Court has gone far enough in the subsequent Pennsylvania and Maryland cases to create grave doubt as to whether or not there can be voluntary prayers in the public schools or the study of any part of the Bible under the designation of comparative literature.

Several months ago, members of the Senate breakfast group requested our distinguished colleague from Wyoming, Senator SIMPSON, to make a study of the various proposals for a constitutional amendment to permit voluntary prayers in public schools and the continued official recognition of the overwhelming public viewpoint that we are a Christian nation, and at a meeting of the prayer group next Wednesday, Senator SIMPSON will report on his study of that vital problem.

In the meantime, a member of our breakfast group, Hon. David Lawrence, has published in today's issue of his splendid U.S. News & World Report an editorial entitled "The Right To Pray." Mr. President, I ask unanimous consent that that editorial may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE RIGHT TO PRAY

(By David Lawrence)

Plainly, a constitutional amendment has become absolutely necessary to clear up the confusion that has arisen as a result of decisions of the Supreme Court of the United States banning prayer in the public schools.

For the American people do not know now whether their children can lawfully be given in the classroom the very instruction in morality and righteous living which is so essential to the proper upbringing of American youth.

We may today be equivocating if we try to apply the High Court's ambiguous words in its decisions on prayer in the schools. Some interpretations would appear to permit the reading of parts of the Bible as a historical or literary study. Public school principals, in various States, have already indicated a desire to experiment with such devices. But how can we be sure whether the historical or literary does not invade the areas of religious teaching?

It is much more sensible to rely on a clearly written constitutional amendment which emphasizes the difference between voluntary and compulsory prayer in the schools or in ceremonies conducted under government auspices. The provision in the Constitution that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof," should be continued, but there should be a clear definition affirmatively stating the basic principles safeguarding the free exercise of religion.

Prayers are offered at the opening of sessions of the Senate and the House and of the Supreme Court itself. These are an official part of the proceedings. Under the Court's decisions, is it at present constitutional for any form of religious exercise to be conducted in buildings financed with Government funds?

Each individual has a right to pray. This right does not vanish when the individual participates in a governmentally supported proceeding.

The argument that has influenced the Supreme Court is that any practice of theism—to utter prayers expressing a belief in God—is in itself equivalent to "an establishment of religion," and that to let schoolchildren express a belief in God as they pray at the beginning of a schoolday is to make it a government-directed or government-sponsored undertaking which is allegedly prohibited by the Constitution.

But there is a distinct difference between volition and compulsion. The atheist has a right to abstain from participation in any prayer, whether or not God is mentioned. He has no right, however, to interpose his beliefs in a manner that forbids others to worship God as they please—"the free exercise" of their religion.

It is no answer to the problem to say that the right to pray can be adequately exercised in the home or at church services. For the value of prayer once a week in a church, where the attendance covers all ages and large numbers, is not as great as the everyday impact of prayer on the minds of children of the same age in a small classroom. Here the teacher can promptly supplement the prayer with lessons explaining morality and integrity, thus inculcating in the minds of boys and girls at an impressionable period in their lives a respect for fellow human beings, a respect for honesty as opposed to cheating, a respect for the rights of others as opposed to intolerance and selfishness.

Indeed, how can our youth be trained in those ways of living which will help to prevent juvenile delinquency and crime unless in some way reverence for the Supreme Being is instilled?

The importance of prayer in the schoolroom is primarily that it is strengthened by group psychology and that it is an everyday, rather than a once-a-week, stimulus to better living.

It is being asked: Is there a right to pray during proceedings held in any Government building? If it is constitutional for certain individuals within the Government itself to organize collectively in trade unions—for private purposes—while others refrain from joining, how can it be persuasively argued that there should be no right of individuals to choose to pray collectively in a school provided by local government? Certainly an individual may pray in silence, but the benefit of articulation by the group is then lost.

Let the new constitutional amendment make it clear that prayers can be conducted in the classroom on a voluntary basis and that those who do not wish to attend may be excused or temporarily released.

The problem has too long been neglected. Early action is as vital as the war on poverty or the war on crime. For the right of young and old to pray together voluntarily in any building or facility provided by government—Federal, State, or local—is essential to the fulfillment of the objectives stated in the preamble of the Constitution: to "promote the general welfare, and secure the blessings of liberty to ourselves and our posterity."

EDITORIAL TRIBUTES TO THE LATE PRESIDENT JOHN F. KENNEDY

Mr. BIBLE. Mr. President, on February 22 many Americans will recall to the day, the tragic death of President John F. Kennedy 3 months before on November 22. News editors in the State of Nevada have paid tribute to his memory. I ask unanimous consent that several of their representative expressions be printed at this point in the body of the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Las Vegas (Nev.) Sun]

WHERE I STAND

Forty-eight hours in history.

Three men met violent death—a President, a policeman, and an alleged assassin.

The world mourns for the President. A family and a few friends mourn for the policeman, for things happened too fast to dwell for long upon his death. The assassin's death leaves too many unanswered questions. If, in fact, he were the one who pulled the trigger, a grief-stricken world is asking why.

The brutal senselessness of it all is what is so disturbing. There seems to be a contagion to violence that peacefulness cannot match. Violence begets violence and often spreads to the meekest of men but somehow meekness and peacefulness do not have a soothing effect on the violent element of our society.

The Nation had misgivings when it was announced that the President would visit Texas, and Dallas in particular. Adlai Stevenson actually called the White House to dissuade him from the trip. The Nation was uneasy when the President visited the South recently.

It gets kind of scary when the President of the United States cannot go out among the people who elected him and feel secure with them.

President Kennedy walked to the wall in East Berlin. He mingled with immense crowds in West Berlin. He traveled in France, Ireland, and England where people take their politics seriously and was loved and unharmed but in his own beloved country, to which he contributed so much, he was shot down like an animal.

What kind of nuts are on the loose? What sort of beasts are we to tolerate and encourage in our midst?

There seems to be no unlocking of minds that are prone to the least little suggestion of violence. We may never learn what prompted the action of Lee Oswald but we do know that Jack Ruby's act was triggered by Oswald's violence after a suggestion by his sister that "someone is going to kill that man."

Of course, the sister of Ruby didn't dream that her words could possibly be the inspiration for such stupidity and wantonness on the part of her brother, but evidently it set him to brooding. But why do supposedly good, peace-loving people have such thoughts?

It's the haters who we permit in print and on the air who inspire such thoughts and deeds. It's the Dan Smoots and Westbrook Peglers and Robert Welchs who instigate the hate that leads the misfits and malcontents into acts of violence.

From the State of Texas alone more millions go out to further the poisonous doctrines of the Gerald L. K. Smiths, the Winrods, the Smoots, and all the other hatemongers than from all the other States combined. And we wonder why a man of peace, understanding, and good, a man esteemed and loved by free people throughout the world, is shot down in Texas.

A supposed minister with one of the largest churches in Los Angeles, a man who has amassed millions through hate sermons, is sponsored on the air to further inflame the gullible and weakminded by one of the largest manufacturers of dogfood—which incidentally is a tax deduction for one and tax freedom for the other.

And we shake our heads in wonderment why a man whose courage, intellectualism, and dedication would have set him down in history as one of our great Presidents is cut down without a chance to further his great contributions to the Nation and mankind.

Preaching hatred of Presidents, religion, color, and nationality should not be tax exempt. It may be protected under the free-speech clause of the Constitution, but it should carry no bonus clause from the Internal Revenue Bureau.

Take the profit out of hate and soon there will be no acts of violence by the weakminded and impressionable.

If such can be accomplished, perhaps a nation's grief and a family's desolation can find some consolation.

[From Henderson (Nev.) Home News]

A TRIBUTE TO MRS. JOHN F. KENNEDY

To MRS. JOHN F. KENNEDY:

For more than 80 long, terrible hours, you were the United States of America—not President Johnson nor anyone else. Upon your slim shoulders rested the responsibility of bringing a semblance of reason and order to this Nation. You did it well—everything you did was right. Your husband would have been very proud of you, as we all were.

You brought back to the American language words which had become almost obsolete. Words like gallant, pride, dignity, fortitude, composure, courage, good breeding, and good manners.

For a while the headlong trend toward casualness (and there is a very thin line between it and carelessness) was halted and we were given an example of what disciplining of one's emotions meant.

You showed us that there are still beautifully trained, well controlled, considerate and compassionate people left in the Nation.

Perhaps equally impressive were the actions of your children. They were delightful and lovable throughout this trying period. They, too, were perfect and brought us both joy and sorrow.

During those long hours you represented not only your country at its best, but all of the millions of widows of this Nation. Only they can really know and understand your deep sorrow and grief. You represented them well. You can carry your head high, knowing that you did all that your husband expected of you.

We sincerely hope that you will find it in your heart to continue your efforts to develop a cultural center in our Nation's Capital. You are needed. Please do not let this seed you have planted die out. We hope you will accept our heartfelt thanks for the restoration work you did at the White House.

We know you have the courage to go on with your life. You have our deepest sympathy.

MRS. GRACE W. BYRNE.

ANNIVERSARY OF ESTONIAN INDEPENDENCE

Mr. LAUSCHE. February 24 marks the day on which Estonians 46 years ago ended the rule of czarist Russian oppression and reestablished their freedom and independence which they had lost in the course of imperialist Russian expansion toward the West.

But the new rulers of Russia—the Communists—launched a violent military attack on the newly established republic, trying to subjugate its people under Moscow's yoke again.

In the ensuing war of independence, 1918 to 1920, Estonians gallantly repulsed the overwhelming Soviet forces and the war ended with a peace treaty in which the Soviet Union solemnly recognized Estonian independence.

During the following 20 years of independent life, industrious and able Estonians achieved miraculous results in economic as well as cultural fields.

It is noteworthy that the Estonian Republic was the first and at that time the only country in the world which granted full cultural autonomy to its ethnic minorities—Russians, Jews, Germans, and Swedes.

Estonia's independence was recognized by all countries of the world, and it was a full member of the then League of Nations.

Independent Estonia, as well as Finland—the people of which country are ethnically and linguistically the nearest kins to Estonians—and the two other Baltic Republics—Latvia and Lithuania—checked conclusively the Russian Communist expansion to the West. They constituted the northern flank of the prewar "cordon sanitaire."

It is highly significant to note that imperial Russia by the beginning of the 19th century had only three universities: two in the so-called Baltic provinces—Tartu University, 1632, in Estonia, and Vilnius University, 1578, in Lithuania; the third and the only Russian university had been founded in Moscow in 1755; that is, 123 years later than Tartu University in Estonia.

Quite naturally, the Estonians, being proud of and highly cherishing their cultural, economic, and political achievements, of a considerably higher standard than that possessed by the peoples of Russia proper, could not consent to being pressed into Russian provincial status, neither during the czarist regime, nor under the present Communist rule.

At the outbreak of World War II, the Communist rulers of the Soviet Union saw their chance of recapturing the pearls in the imperialist "czarist crown"—the Baltic provinces—and at once entered into a criminal conspiracy with Hitler. That conspiracy provided for annihilation of independent Baltic republics in ascribing them to the Soviet sphere of influence. Under the pretext of protecting them from Nazi Germany, the Soviet Union forced a treaty of military assistance upon Estonia, Latvia, and Lithuania, and shortly after that occupied them militarily.

Since then, Soviet occupants have committed terrible war crimes in Estonia, for which up to the present time no Communist war criminals have been brought to trial.

The constitutionally elected President of Estonia, Konstantin Pats, was arrested and deported to Russia, and up to now Soviet administration has not given any information as to his later fate.

By wholesale arrests, outright killings, and mass deportations to Siberian slave labor camps, almost 10 percent of the entire Estonian population has been eliminated.

Religious freedom has been de facto abolished: Churches are subject to flagrant destruction, and pastors and churchgoers to extreme persecution.

Russification of Estonian population, deportation of ablebodied Estonian workers to faraway Russian areas and personal terror against opponents of the Communist regime, amounts to genocide; all this together with plunder of Estonian economic resources is a form of neocolonialism of the worst kind.

It is hard to understand that while pressure is being exercised on certain Western countries for abolishment of colonialism in different parts of the world, no word is being heard in favor of applying pressure upon Soviet Union for termination of its most cruel type of colonialism in the Baltic countries.

This 46th anniversary of the Declaration of Independence of Estonian Republic should serve to remind freemen all over the world that millions of their fellow men are still living under a tyrannical regime.

The people of Estonia must not be forgotten in their fight for freedom and self-determination.

The United States are being regarded by the whole free world as their dynamic leader and a steadfast champion of liberty and justice. Therefore the United States has the moral obligation to work for the restoration of freedom and self-determination for Estonia and other captive nations.

Abandonment by the United States of the cause of Estonia and the other captive and satellite nations of Europe would be in conflict with our solemn commitment to these people and also against the security of our country.

FOREIGN STUDENT EULOGIZES PRESIDENT KENNEDY

Mr. MUSKIE. Mr. President, although it is over 3 months since the tragic events of November 22, we continue to find repeated examples of the high esteem in which President Kennedy was held by residents of foreign countries, as well as our fellow Americans. One such feeling of regard and affection was recently expressed by Wolfgang

Thuer of Salzburg, Austria, in a letter of condolences to the Lewiston, Maine, high school students and teachers.

Mr. Thuer was a foreign exchange student at the high school from September 1962 until his graduation in June 1963. During that time he served as an excellent junior ambassador of good will, setting a fine example by participating in many scholastic and athletic organizations. He was graduated with honors and awarded membership in the National Honor Society.

I ask unanimous consent that Mr. Thuer's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> *To Mr. Shapiro, the Teachers, and All My Friends at L.H.S.:*
>
> The tragic event just a few days ago struck us Europeans as much as it did you. Our reaction to that cruel crime against democracy and humanity was horror and consternation. What we felt for the victim, your great President, was sorrow and true affection, but also appreciation for the tremendous contribution he had made on our common way toward peace. Mr. Kennedy's merits and achievements have certainly been appreciated by all people throughout the world who have the same goal and the same optimistic attitude as he had, and even his enemies will admit his greatness.
>
> At the end of the year I spent in your country I was fortunate to see him personally, to hear his warm and optimistic appeal to us, and to join in the enthusiastic cheers of 2,500 youths from all parts of our world who expressed their friendship toward the American people and its President that way. I will never forget the impression of a sincere and devoted statesman Mr. Kennedy made on me.
>
> As I write these words, however, the world seems to keep on going the same every day the way it always does. People must live and work and sometimes forget the dead. Even the Americans will put Mr. Kennedy's name among many others on the innumerable pages history has written. But his attitudes, his goals deserve more than the cold silence and criticism of history books. As long as we live and as long as we remember John F. Kennedy we will make his goals ours—liberty, peace, honesty, humanity, friendship, and mutual support for all men and all time.
>
> With all those ideals in mind we may try to make our world a better place to live in, we may remember the dead, but also celebrate our feasts. Mourning and celebrating are reconcilable if we understand the reasons for both.
>
> When I am writing this you are celebrating Thanksgiving which recalls the first time your pioneers looked back on the work they had done, the achievements they had reached in the new and unknown country. Meanwhile, this country has become the most determined supporter and the strongest defender of liberty. Let us say thanks for this also. And for all your future plans and deeds. I wish you and your people the most of success and the traditional good will, especially for this coming year which may be a hard and decisive one.
>
> Sincerely yours,
>
> WOLFGANG THUER.

STATEMENT ON THE NEED FOR GREATER FREEDOM OF INFORMATION IN ADMINISTRATIVE AGENCIES

Mr. BAYH. Mr. President, as one of the cosponsors, I wish to reiterate my strong support for S. 1666, which would amend section 3 of the Administrative Procedure Act of 1946 in order to provide more freedom of information on administrative agency matters.

The purpose of this bill, which was introduced by the distinguished Senator from Missouri [Mr. LONG] and cosponsored by a number of other Senators, is to reduce the amount of secrecy in Government agencies and to permit easier access to information by all interested citizens. Except for certain kinds of matters which, because of proper reasons, may be specifically exempted, all administrative agencies would be required first, to publish in the Register substantive rules and descriptions of organization and functional methods; and second, to make available for public inspection and use its opinions, orders, rules, and records. If information or records should be improperly withheld, any complainant could bring action in the proper district court to force their production, with costs and attorney fees assessed to the agency.

S. 1663, sponsored by Senators DIRKSEN and LONG, also provides for the same amendment to section 3 of the Administrative Procedure Act. In addition, it proposes other amendments aimed at the same end of gaining greater freedom of information in administrative agencies. Particularly pertinent is section 6(f) which, with certain specified exceptions, permits depositions and discovery before administrative agencies to the same extent and in the same manner as in civil proceedings in the Federal district courts.

The changes proposed in the Administrative Procedure Act would be fully in accord with recommendations made by the Administrative Conference of the United States in its final report, dated December 15, 1962. The Administrative Conference was established by Executive order of the President for the purpose of suggesting improvements in existing administrative procedures. Six Members of Congress—Senators DIRKSEN, HART, and MUSKIE, and Representatives BENNETT, HARRIS, and ROGERS—were included in the membership of the Conference. A committee of the Conference, chaired by Rosel H. Hyde of the Federal Communications Commission, presented a proposal that would have required agencies which conduct adjudicatory proceedings to provide rules permitting parties before them, except as provided otherwise by law, "to secure fact revelation prior to hearing through discovery techniques." The final recommendation adopted by the Conference used the following terminology:

> The Conference approves the principle of discovery in adjudicatory hearings and recommends that each agency adopt rules providing for discovery to the extent and in the manner appropriate to its proceedings.

In addition to the Conference on Administrative Procedure, such other organizations as the Hoover Commission and the American Bar Association, as well as many competent lawyers and scholars, have favored legislation of this type. There appears to be widespread agreement that the rights of participants in administrative proceedings, as well as those of the general public, to have free access to agency opinions, orders, rules, records or other documents should be unhampered except for limitations to protect national security and personal privacy.

Mr. President, last October numerous highly qualified witnesses testified before the Senate Subcommittee on Administrative Practice and Procedure on these bills. The evidence presented there has convinced me of the need for increased freedom of information on agency matters. The subcommittee chairman, Senator LONG, has stated that the hearings demonstrated "beyond a shadow of a doubt the absolute necessity for a new public information statute." I would like to support fully this conclusion of my colleague from Missouri, and to emphasize the values that would accrue from congressional action in this field by referring to recent situations which have arisen in my State of Indiana.

In April 1963, the Federal Power Commission initiated an adversary proceeding against the Indiana & Michigan Electric Co. through which it alleged in essence that the company's sales at wholesale for resale of electric energy to more than 20 purchasers—municipal and rural electric—would subject such company to the rate-fixing authority of the Commission. At the same time the company was directed to show cause why it should not file with the Commission its rate schedule for such customers.

Although the company was ordered to produce extensive and voluminous documentation and was subjected to substantial prehearing discovery of its records by FPC staff members, the company's request for similar right of prehearing discovery of material in possession of the FPC vital to its case was denied by the Federal Power Commission.

The company then filed suit against the FPC in the U.S. District Court for the Northern District of Indiana, asking the court to grant the discovery previously denied by the Federal Power Commission in its proceeding.

In November 1963, Judge Jesse Ecshbach of the above-mentioned district court ruled that under Federal law he had no power to grant the company the requested discovery. However, the judge in the course of the hearing stated:

> I might say that I am shocked by the arbitrary denial of the very orderly procedure which I consider necessary to due process of law by this Commission.

In his opinion, he pointed to the "inequities presented by the Commission's rulings on matters of discovery," and stated that the examiner's ruling "has resulted in a complete and effective denial of any prehearing discovery for the plaintiff in the Commission proceedings." Furthermore, in dismissing the complaint, the judge made the following significant statement which relates so clearly to the purpose of these bills that I wish to quote four or five pertinent sentences:

> In so holding, this court is not unmindful of the fact that the record in the instant case constitutes an alarming example of how

> a private litigant before an administrative agency may be denied the opportunity to pursue the orderly procedures so vital to our traditional notions of fairplay. Contentions advanced by counsel for the Commission through the hearings in this cause afford this court no nourishment to hold as we must. Counsel for the Commission contended that the plaintiff did not specifically designate the various documents sought. It would be strange, indeed, if the plaintiff could designate the dates and authors of the various engineering reports which it has never been given an opportunity to examine. Likewise, the possibility of permitting restricted discovery on the day of trial affords the experienced trial practitioner no effective remedy at all. This is especially true where much of the data sought consists of long and detailed engineering and rate studies.

In December, less than a month after the district court decision, the Public Service Commission of Indiana served formal notice of its withdrawal from the Federal Power Commission proceedings. The three members of this State commission unanimously approved dropping out of the case because they believed that the State had not been allowed adequate opportunity to prepare a defense against the projected assumption of jurisdiction by the Federal agency. As early as May 3, 1963, the Indiana commission had requested the holding of a concurrent hearing, but this was denied by the FPC. The Indiana commission also charged that the schedule fixed for the hearings did not permit its staff sufficient time for investigation, that its requests for extension of time were denied, and especially that the less than 1 month allowed to read, analyze, and prepare a defense against the very extensive evidence presented by the FPC on November 4 was totally insufficient. Then, on December 20, 1963, the Indiana Public Service Commission, after public hearing, entered its order asserting its jurisdiction over the matter in dispute. The Indiana commission then forthwith withdrew from the Federal Power Commission proceeding. It is also significant that the public service commissions of Maryland and Wyoming withdrew from such Federal Power Commission proceedings for the same reasons.

The Honorable Edwin K. Steers, attorney general of the State of Indiana, has advised me by his letter, dated February 17, 1964, that in his opinion "these bills would greatly improve the procedures before Federal administrative agencies and achieve a closer balance between the discretionary powers of such agencies on the one hand and the rights of the parties appearing before them on the other." The Indiana attorney general cited another case in Indiana to which I direct your attention. He stated as follows:

> A more recent example of the breakdown in the administrative process appears in the case of the *Public Service Company of Indiana, Inc.* v. *Federal Power Commission et al.*, now pending in the U.S. District Court for the Southern District of Indiana in docket No. IH 64-C-10. In that case the Federal Power Commission admitted that a letter, requiring the utility to file certain rates and contracts, may have been issued to the utility without the knowledge or consent of the Federal Power Commission. Such a letter, indicating at least an indicia of authority if, in fact, unauthorized, demonstrates the extent to which the abuse of administrative process has gone.

Attorney General Steers concluded his statement with the following comment on these bills:

> I am confident that you and the Congress of the United States are most desirous of affording fair and impartial hearings before Federal administrative bodies and of protecting the constitutional rights of all parties to such proceedings. Upon this premise, and in light of the situations directed to your attention by this letter, I urge serious consideration of this matter and the passage of Senate bills No. 1663 and No. 1666.

I think the Indiana situations described above, without regard to the merits of the issues over which discovery of information was sought, clearly demonstrates that a new approach to the problem of freedom of information is essential. S. 1663 and S. 1666 would do much to provide this new approach. For this reason, they have my full support and I hope that we can enact them into law in the very near future.

SENATOR SCOTT CRITICIZES HANDLING OF 10-SENATOR LETTER ON GENOCIDE

Mr. SCOTT. Mr. President, on January 17 nine Senators joined me in a letter to President Johnson urging his support to our effort to have the United States ratify the Genocide Convention. We pointed out that although 66 other nations have ratified this important international document, the United States has failed to take such action in the 15 years since the convention was signed.

Following is the reply I received. It came from the Department of State:

> DEAR SENATOR SCOTT: I have been asked to reply to your letter of January 17 to the President.
>
> This administration shares fully the convictions which led President Truman to submit the Genocide Convention to the Senate in 1949 with the request for advice and consent to its ratification. There can be no question of this Government's dedication to the convention's purpose of outlawing the international crime of genocide.
>
> It is the intention of the administration to ratify the Genocide Convention upon receiving the advice and consent of the Senate, and we hope that the situation in the Senate will develop to a point where this can be achieved.
>
> Sincerely yours,
>
> FREDERICK G. DUTTON,
> *Assistant Secretary of State.*

Mr. President, I am very distressed at this buck passing. The Genocide Convention has languished for years in the Senate Foreign Relations Committee for lack of leadership to ratify it. Now it seems destined forever to remain in a pigeonhole.

I do not believe President Johnson ever saw our letter. If he had, I feel certain he would have provided the leadership we requested. More than likely, some White House staff assistant gave it a routine assignment to whatever Government agency was involved. It was probably given the same treatment as letters requesting the President to accept a can of salad oil or to crown a beauty queen.

But this letter, signed by 10 Senators, deals with the survival of civilization itself. It asks the President to help us put the United States on record against race murder. The beasts of this world must know that if they try another "final solution" they must face the kind of reckoning being dealt to former Nazi executioners even today.

I know that ratification of an international document is the responsibility of the Senate. But the Senate is a busy legislative body. It must give priorities to the great mass of legislation before it. Our request was that the President help give ratification of the Genocide Convention first priority. It needs the push that only he can provide to get the action that is so necessary.

I do not know what next we must do in this matter. Perhaps my colleagues on both sides of the aisle who signed this letter, and the many other Senators who stand ready to ratify the Genocide Convention, will have a suggestion on what our next move must be.

The original letter was signed also by Senators J. GLENN BEALL, Republican, of Maryland; ERNEST GRUENING, Democrat, of Alaska; WILLIAM PROXMIRE, Democrat, of Wisconsin; EUGENE J. MCCARTHY, Democrat, of Minnesota; EDWARD V. LONG, Democrat, of Missouri; JACOB K. JAVITS, Republican, of New York; MAURINE B. NEUBERGER, Democrat, of Oregon; KENNETH B. KEATING, Republican, of New York; DANIEL B. BREWSTER, Democrat, of Maryland; and DANIEL K. INOUYE, Democrat, of Hawaii.

STEEL INDUSTRY'S POSITION ON FORTHCOMING TRADE NEGOTIATIONS

Mr. SCOTT. Mr. President, the steel industry recently has been presenting to the Tariff Commission and the Trade Information Committee its views with respect to the position to be taken by the U.S. Government in the forthcoming "Kennedy round" trade discussions. Representative of the industry's viewpoint are statements by John P. Roche, president of American Iron and Steel Institute; Leslie B. Worthington, president of United States Steel Corp.; and Henry J. Wallace, administrative vice president, commercial, of United States Steel Corp.; as well as an article appearing in the February 15 issue of Business Week magazine. I ask unanimous consent that these statements and article be printed in the RECORD.

There being no objection, the statements and article were ordered to be printed in the RECORD, as follows:

STATEMENT OF JOHN P. ROCHE, PRESIDENT OF AMERICAN IRON & STEEL INSTITUTE, TO U.S. TARIFF COMMISSION AND TRADE INFORMATION COMMITTEE, WASHINGTON, D.C., FEBRUARY 1964

My name is John P. Roche, and I am president of American Iron & Steel Institute. The institute is a nonprofit trade association consisting of 87 member companies. The steel industry is truly one of America's basic industries. It employs more than 500,000 persons in about 275 companies in 300 communities in 37 States. Eighty-five of those companies make raw steel required to manufacture their finished products; the remainder are engaged in the further processing of semifinished steel produced by others. The industry spends more than $6 billion annually for the many hundreds of materials, services, and supplies it consumes. It currently generates revenues of about $15 billion a year. It is the basic material used in manufacturing industries accounting for about one-third of total manufacturing employment in the United States.

Both the labor and capital facilities used in the steel industry are highly specific to steel production; that is, neither resource can be easily or quickly absorbed in other sectors of the economy if it happens to be displaced by imported steel. More importantly perhaps, steel or steel products constitute the economic mainstay of a substantial number of local communities.

In 1963, the industry produced 109.3 million tons of ingots and steel for castings. While that was an improvement over the less than 100-million-ton annual figures of the previous 5 years, it was well below the 117-million-ton record of 1955 and was also below the levels reached in 1953, 1956, and 1957.

Steel is a vibrant and energetic industry steadily increasing its efficiency in order to improve its competitive position at home and abroad. It has its problems and is making significant headway in solving many of them. Of these, none is more important or more pressing than the decline of our share in world steel trade through the reduction of exports and the fast rise in the tonnage of foreign steel moving into this country.

This adverse development in international trade was a matter of grave concern to the steel industry in 1962 when the American Iron & Steel Institute adopted a resolution on the subject of free trade which says in part: "We believe in and subscribe to the objective of a free and growing two-way international trade for this country. No industrial nation like the United States can have any other objective in its own best economic and political interest."

The United States is no longer a net steel exporter. It was a substantial steel exporter through 1957 but in the period of 1958–62, U.S. exports of steel mill products were reduced to little more than half the volume of the 1953–57 period—or to only 6 percent of world trade compared to about 15 percent in the earlier period. Meanwhile, imports of steel products into the United States nearly tripled. They rose to 9 percent of world imports, against 4 percent in the 1953–57 period. And the U.S. foreign trade balance in steel shifted from an annual export surplus of 3 million to 4 million tons to an import surplus of equal amount in 1963.

World trade in steel mill products has been increasing and reached 44 million to 45 million tons in recent years, nearly triple the 1950 volume. But U.S. exports have stagnated at about 2 million tons, while U.S. imports have risen rapidly to a level of about 5½ million tons in 1963. The 5.5 million tons displaced 40,000 steelworkers and a payroll of more than $300 million. But this is history.

The American steel industry is determined to recapture the markets which it has lost in this country and to become a significant factor once again in the export market. But we cannot accomplish either objective without some consideration from the Government. There may have been a time when we could have won this battle without regard to the hurdles established by other governments—but not any more. Here are a few of the reasons why:

1. The increasing trend toward self-sufficiency in steel on the part of countries that formerly imported their requirements. Steel mills appear to be regarded by many as a symbol of national prestige. Even when installation of a steel mill is clearly uneconomic in the short run and quite possibly uneconomic in the long run, political considerations have often led to a decision to use scarce resources to build steel mills rather than alternative kinds of facilities. Thus, countries such as Venezuela, Peru, Argentina, Hong Kong, Taiwan, and the Republic of the Congo, which formerly constituted markets for exports, are now supplying much of their own steel needs, and in some cases are even exporting small surpluses.

2. Except for the United States, major steel exporting countries have traditionally maintained a two-price system in which home market customers are forced to subsidize export sales at dumping prices. This situation has, of course, been aggravated in recent years by the existence of substantial excess capacity in the major steel producing countries, which tends to increase the pressure for expansion of export markets.

3. The rapid trend toward parity of technology and facilities among major world steel producers, hence a narrowing in the historic American advantage in product quality and productive efficiency. Much of this has been a direct result of U.S. foreign economic and technical assistance.

4. The low absolute and relative level of U.S. tariff rates on steel products and the absence of nontariff trade barriers in the United States in contrast to their continued existence abroad.

This perhaps is an opportune time to mention briefly antidumping and national preference legislatiion.

Antidumping legislation: Article VI of the General Agreement on Tariffs and Trade condemns dumping. I believe that the negotiators should urge that all countries should provide effective means of preventing this unfair and disruptive trade practice and that no concessions should be made which would weaken this principle.

National preference legislation: The Federal Buy American Act of March 2, 1933, is a statutory enactment in full force and effect under GATT as "existing legislation." The negotiators from foreign countries may contend that the United States should agree to relax the terms of the American act. Our negotiators should realize that other countries have national preference policies, formal or informal, and therefore, should make no concessions. This subject is covered fully in exhibit D of our brief.

U.S. rates of duty on steel mill products are among the lowest of all U.S. rates on industrial goods. For example, a comparison of 1961 U.S. tariff rates on industrial goods shows that steel products carry ad valorem duty rates averaging about 6 percent. That is lower than any other major product group except inorganic chemicals, agricultural machinery, and fertilizers. Steel tariff rates are from one-half to one-third of those of other industrial imports.

Moreover, in steel trade, our tariff rates are clearly lower than those of our major competitors. They rank with the lowest averages of duties on steel products among the nations of the world.

At the same time, it is to be borne in mind that there is a significant difference in the base on which duties are assessed abroad as compared with the United States. The ad valorem duties of the principal foreign countries are imposed on a cost, insurance, and freight value, whereas in the case of the United States the duties are based on the f.o.b. value at the foreign point of shipment. A recent study by the Committee for Economic Development shows that this difference in procedure means that countries which levy on a c.i.f. basis obtain an average of 10-percent increase in their effective tariff protection compared to the United States.

On top of all this, the inherent disadvantage of the United States vis-a-vis the ECSC is being further compounded by the recent move of the high authority authorizing an increase in steel tariff rates which became effective on February 15. France has already raised its duties and the other countries are expected to follow suit in line with their traditional policy of protecting the producers of their basic commodities.

With respect to nontariff barriers, there are a number of practices in various countries which tend either to limit their imports or to expand their exports to the detriment of the U.S. competitive position in world markets. These include transactions taxes and import equalization taxes, surcharges in addition to tariff rates, import licensing, and quotas, foreign exchange controls, customs formalities and exclusive supplier agreements, and the fact that some market practices prohibited by law in the United States are often condoned in some foreign countries.

While the incidence of these barriers varies widely from country to country, the industrialized nations generally are freer of such barriers than are the developing countries. But many industialized countries do have effective devices for limiting imports. Japan from time to time has invoked standby import licenses and foreign exchange controls to curb imports. Transactions, or equalization, taxes are widely used in Western Europe. This drastically affects the competitive position of countries like the United States which depend less on such indirect taxes on sales and more on direct taxes on personal and corporate net income. Present European practice is to levy such taxes on imports, and rebate them on exports.

U.S. producers are affected significantly in three ways, by the impact of such taxes: (1) In U.S. sales to these countries; (2) in competition with their products in "third country" markets; and (3) in competition with imports from those countries in the U.S. domestic market.

In my view, rates of duty cannot be separated meaningfully from the additional barriers to trade, such as the transactions, turnover, and equalization taxes of our main European competitors. Commercially, these barriers together constitute a governmentally determined "cost of entry" which is weighted against the American steel producer.

So long as foreign producers of steel stand securely behind a barrier comprised of tariffs plus intangible—but nonetheless very real—obstacles to entry, e.g., protracted delays in processing clearances, import quotas, exchange control, etc., they have the economic wherewithal for continuing to dump in the virtually unsheltered U.S. markets. There is no question but that such protection provides a particularly powerful subsidy for dumping raids on the U.S. market.

I respectfully submit, it is readily apparent that further reductions of U.S. rates of duty on any steel products could only result in the encouragement of further expansion of foreign capacity and in more damage to the welfare of American steel producers and their employees, and to heavy longrun penalties to the American economy as a whole.

We know that the U.S. Government is principally concerned with the impact of international trade on our balance-of-payments position and unemployment in the United States. The American steel industry is equally concerned. We submit that both these factors are present equally, no matter the size of company or the current status of the profit-and-loss statements of the member companies of the industry, large and small.

The United States had an unfavorable balance of trade in steel mill products amounting to $170 million in 1963. Five years earlier we had a favorable balance of $355 million, a difference in our payments position of over half a billion dollars.

Concerning employment, steelworkers comprise an important part of the total labor force in cities like Pittsburgh, Pa., Youngstown, Ohio, and Gary, Ind., and represent the bulk of workers in such steel towns as Bethlehem, Pa., Middletown, Ohio, Fontana, Calif., and many others.

In summary, I would like to make four points:

1. The major objective of the negotiations should be to seek a large expansion of trade while avoiding undue hardships to particular industries and workers.

2. American steel producers find themselves at a great and increasing disadvantage in meeting foreign competition at home and in world markets.

3. Because of the continuing growth in the excess of steel supply over demand abroad, there is no basis for expecting early improvement in this position of U.S. producers.

4. And, finally, American producers should be given the opportunity to compete on a basis of equality. This calls for the adjustment of foreign tariffs, the removal or lowering of nontariff trade barriers, and the elimination of destructive and unfair competitive practices. If these reasonable objectives are not attainable by our negotiators, the United States should not offer steel products for tariff reductions at the GATT negotiations. This would still leave substantial inequities for which correction should continue to be sought.

We realize that the upcoming Kennedy round of negotiations will be one link in a long chain of conferences which over the years we hope, as you do, will develop what our American Iron & Steel Institute resolution previously quoted calls "a free and growing two-way international trade for this country." We are determined that steel will be a strong and substantial contributor to the growth of U.S. exports.

We pledge our assistance in developing the Government's policy on international trade. To this end, we respectfully suggest that you accept our proposal to provide a permanent corps of industry advisers to you and to any other agency of our Government, not only for these negotiations, but for the future as well.

Testimony of Leslie B. Worthington, President, United States Steel Corp., Pittsburgh, Pa., Before the Trade Information Committee, Office of the Special Representative for Trade Negotiations, Executive Office of the President, Washington, D.C., February 19, 1964

My name is Leslie B. Worthington and I am president of United States Steel Corp., 525 William Penn Place, Pittsburgh, Pa. I welcome this chance to discuss with you the opportunities and obstacles which I believe confront our Government and the steel industry in achieving further freedom of world trade.

In our company, we believe in free trade under equally fair competitive conditions. We recognize, however, that unfair and destructive trade practices, such as dumping, must be eliminated before free trade between the United States and foreign nations in steel products can be realized.

Given a competitive climate that is fair to all, we believe we can successfully meet the serious competitive problems that now face us in markets abroad and at home; but such a climate in steel mill products simply does not exist in the world today.

To keep our products competitive is our responsibility as a steel producer. But to keep a competitive climate that is fair is something that only Government can do.

Thus, the representatives of our Government at the trade negotiations should seek voluntary agreement that will eliminate unfair methods which restrict and impede competition and will, at the same time, encourage constructive practices that will promote world trade.

Only our Government is in a position to eliminate destructive trade practices in steel products; and we would think that Government would undertake to do this, not alone because in this country we believe in fair competition, but also because of the importance of the domestic industry to the economic well-being of the United States.

The importance of a vital steel industry to our Nation in wartime has been very well demonstrated on three occasions during my lifetime. The importance of the industry to our national economy in peacetime can, I believe, be demonstrated by reference to a very few representative data.

There are more than 500,000 employees of the American steel industry engaged in the production and distribution of steel mill products. Many thousands more are employed in the mining, processing, and transportation of raw materials, in the fabrication of the mill products and in related industries.

The payrolls of the American steel producers in 1963 exceeded $4 billion.

There are steel plants in some 300 different communities in this country and each of them contributes to the economic welfare of the community in which it is located.

Taxes paid by the steel companies in 1962 to local, State, and Federal governments exceeded the sum of their net profits and amounted to more than $743 million.

During the post-World War II period the American steel industry has averaged nearly $1 billion a year in capital expenditures. Such expenditures in 1964 are expected to reach $1½ billion.

Steel mill products are the raw material for a host of manufacturing industries in the United States. It has been estimated that nearly one-third of total man-hours in manufacturing are devoted to the further fabricating of steel mill products into end-use articles.

That a healthy and progressive steel industry is essential to the economy and defense of this country cannot, I believe, be seriously questioned.

No doubt our Government has a considerable stake in the well-being of the steel industry and, because that well-being is now under serious challenge—and under circumstances with which only our Government can cope—I believe the problem should be made clear at this time.

These circumstances actually arise out of the tremendous postwar, worldwide growth in steel production. Table 30 of the brief we have filed with the Committee shows that in 1930, 25 nations produced steel and, of the total production of 100 million ingot tons, the United States produced about 44 percent.

Following the end of World War II—in 1946—30 nations were producing steel and the United States produced about 54 percent of it. However, 16 years later—in 1962—55 nations were producing steel and, out of nearly 395 million tons of steel ingots poured in that year, the United States produced just under 25 percent.

It is estimated that by 1965, 71 nations will be producing steel and many of the newcomers can be expected to add to the chaos that exists in the export markets of the world.

Since the close of World War II, our Government has provided the money to build, modernize, or expand 179 different foreign steel plants. According to the Congressional Record of August 22, 1963, this money has reached the astonishing total of $1,735 million. By way of contrast, the American steel producer has been able to expand and improve his own steel mill facilities through his ability to pay his own way—and without direct help of any kind from his Government.

The view is sometimes expressed that at least some of the nations which have built or are planning steel plants could better invest in agriculture or other development that would contribute more significantly to the improvement of the living standards of their people. However this may be, the fact remains that many nations continue to be successful in raising the large sums necessary for the installation or expansion of steel plants—notwithstanding that the plants now in operation around the world, to say nothing of plants now building or in the planning stage, have the capacity to produce steel far in excess of the world's present requirements.

It is this foreign steel excess capacity and its utilization to flood world markets with dumped steel that has created the problem which I believe must be the concern of our Government.

It seems to be true that, in every foreign country which has a steel industry, the government assists in building an export trade. Such assistance would account for the practice that appears generally to be followed in foreign nations of operating steel mills so as to earn foreign exchange, to bring the export-import trade into balance and to serve other political considerations.

In the major foreign steel-producing nations, the requirements of the domestic market are generally supplied at prices which the steel producers jointly seek to stabilize—usually with the aid of their government. Since there is an excess of steel-producing capacity in these nations, the remaining production, not absorbed in the domestic market, is then dumped in the export market at whatever prices it will bring. To the extent that the foreign steel producer is able to cover his fixed charges out of his domestic sales, he is then in a position to price his export sales on his incremental costs. By marketing his excess production in this way, he is able to utilize a labor force which either the law or local practice causes him to maintain, regardless of the need for their services; and he is also able to earn foreign exchange for his government, and to serve his own financial interests in the bargain.

In many of the smaller countries, heavy capital investment in modern steelmaking equipment, lack of domestic or other economical sources of raw materials, inefficient labor and other costly operations would indicate that serious losses must be incurred on sales in export but, nevertheless, political considerations seem to dictate that this policy be followed.

These attitudes, policies, and practices on the part of foreign steelmakers and their governments, including the willingness of governments to subsidize exports, are reflected in the steel export markets of today. As the volume of export offerings has continued to increase, competition for available business has become more and more intense. Under these circumstances, prices on steel products exported to the United States and to non-steel-producing nations have been driven to levels that reflect the predatory and destructive competitive practices that are prevalent among exporters.

We in United States Steel believe that it is good business to treat all of our customers alike, both large and small. For this reason, we publish prices f.o.b. mill on our steel mill products and quote these prices to each of our customers. We reduce our prices both at the mill and at delivery points to meet lower prices quoted by our domestic competitors in competitive areas when we believe this is the sound thing to do and when such action is consistent with our practice of treating all of our customers in an even-handed fashion.

My company has on a few occasions attempted to meet the indiscriminate prices quoted in the United States by the importers of foreign steel. We found—as we lowered our price—that the price on the foreign steel was reduced correspondingly. Of course, this is the characteristic of the dumping price—that it will be lowered in whatever amount is necessary to take the business away from the domestic supplier.

Any overall effort to meet dumping prices could foreseeably end in disaster for any private company that is operating in a free competitive economy. And we have not yet found it advisable to attempt to meet on a customer-by-customer basis the dumping prices which are being quoted on imported steel in the United States. We are fully aware that the latter practice would work to the disadvantage of those of our customers who prefer to buy domestic products—even though the price is higher than the prices quoted on foreign steel—as well as those of our customers who are not in a position to buy all or even a substantial part of their requirements from importers.

My company tries to sell regularly in the home markets of other steel-producing nations where prices are stable and are not much different from our own domestic prices. However, in the non-steel-producing foreign nations of the world, it would be necessary that we meet dumping prices if we were to be successful in selling our products. To undertake to do so would, we think, favor consumers abroad to the marked disadvantage of our domestic customers.

We hope to be able to continue this even-handed basis of selling our products because we believe it is important that we contribute as much as possible to the ability of each of our customers to maintain a healthy competitive position in the markets in which he sells his products. A good many of them compete successfully in the sale abroad of their products made of steel, as well as competing with each other in their own markets in this country. The United States has a favorable export balance of trade in capital equipment and consumer durable goods manufactured from steel. One of the factors making this possible is that the manufacturers of these products in the United States are able to buy their steel from domestic steel producers at prices which compare favorably with the prices paid by their foreign competitors in other major steel producing countries.

With many nations now striving for the creation or further expansion of steelmaking facilities, our problem is becoming more and more aggravated with the flooding of export markets. This is particularly true of our own coastal markets. In these markets, steel products have been sold at constantly declining prices as cutthroat competition from an ever increasing number of steel producing nations has forced them down.

As to Russia and the other Red bloc countries, it is very likely true that they have it in their power to enter any foreign market, including the United States, on a basis that would threaten the collapse of the domestic industry.

The chaotic price competition in the world export steel trade, as reflected in the pricing of exports of steel mill products to the United States, has created a problem which can only be described as critical. We believe in free trade under equally fair competitive conditions. Such fair competitive conditions simply do not exist in the steel export markets of the world today.

History bears out the view that the suppression of unfair competitive practices in no way hinders or stifles the flow of free trade in any market—domestic or foreign—quite the contrary. If standards of fair competition could be established in world trade in steel products, they would, I believe, prove a far greater stimulus to such trade than any adjustments that are possible in the existing tariffs of the steel producing nations.

It is our recommendation, as stated in our brief that rates of duty and nontariff trade barriers should be considered jointly in relation to their overall impact on international trade in steel mill products. In this connection, both duties and nontariff trade barriers imposed by other nations on imports from the United States should be compared with the duties and nontariff trade barriers imposed by the United States on steel imports from such other nations. Adjustments should then be negotiated which will provide the opportunity to the American steel producer and to the steel producers of other nations to compete in world markets on a fair basis of equality. Furthermore, unfair and destructive trade practices, such as dumping, must be eliminated before free trade between the United States and foreign nations in steel products can be realized. If these objectives cannot be accomplished, then steel mill products should be placed on the U.S. reserve list. In addition, if other nations should increase their rates of duty or increase or impose other levies or barriers on steel imports from the United States, then the U.S. rates of duty should be increased correspondingly. Thank you.

Testimony of Henry J. Wallace, Administrative Vice President, Commercial, United States Steel Corp., Pittsburgh, Pa., Before the U.S. Tariff Commission, Washington, D.C., February 20, 1964

My name is Henry J. Wallace and I am administrative vice president, commercial, of United States Steel Corp., 525 William Penn Place, Pittsburgh, Pa.

Until January 1 of this year, I was president of National Tube Division of United States Steel. Upon the consolidation of that division with the other steel producing divisions of my company, I transferred to my present position.

During my years of service with National Tube Division, first in the sales department where on August 1, 1950, I became vice president in charge of sales, and then, starting February 1, 1960, as president of the division, I either sold or was responsible for the sale of our pipe and other tubular products in competition with foreign products. Because of my firsthand experience, I was selected by my company to appear today before your Commission.

Prior to the hearing, I handed to your secretary, Mr. Bent, several copies of my testimony to which there is attached a list of steel mill products. This list shows the TSUS numbers, the U.S. rates of duty, and the volume of imports during 1962, and the first 6 months of 1963, for each TSUS item. I understand that a copy of my testimony with the appended list of steel mill products has been placed before each of you.

If you care to refer to the list of products, you will note that the rates of duty vary considerably from product to product, between different sizes of the same product, and for carbon and alloy products. The percentage rates apply to ad valorem values, which are f.o.b. foreign port and in all cases lower than the delivered price in the United States. The volume of imports also varies greatly from product to product, and within the general product category.

You will see that the four steel mill products that have been imported in greatest volume carry very different rates of duty. They are concrete reinforcing bars, which carry an import duty of 8.5 percent ad valorem; wire rods with import duties on the two largest volume items of one-tenth of a cent and one-quarter of a cent per pound, respectively, which are the equivalent of 2.9 and 5.1 percent ad valorem; welded standard pipe, which carries a duty of three-tenths of a cent per pound, equivalent to 4.5 ad valorem; and structural shapes three inches and over with a duty to only one-tenth of a cent per pound. Total imports of these four products during 1963 are estimated at 544,000 tons of reinforcing bars, or about 17 percent of the total U.S. market; 801,000 tons of wire rods, equal to almost 40 percent of the total market; 670,000 tons of welded standard pipe, over 27 percent of the total U.S. market; and 544,000 tons of structural shapes, or about 10 percent of the total U.S. market.

Then there are the very important flat rolled products. Carbon plate imports rose from 37,000 tons in 1961 to an estimated 275,000 tons in 1963, and the majority of the items in this category carry a duty of 8 percent ad valorem. The bulk of hot rolled sheet imports also have an 8-percent rate of duty and imports rose from 53,000 tons in 1961 to an estimated 360,000 tons in 1963; most cold rolled sheet imports have an ad valorem rate of 8 percent, plus one-tenth of a cent per pound, and 1963 imports are estimated at 170,000 tons—up from 5,000 tons in 1961; galvanized sheets have a rate of one-tenth of a cent per pound, plus 8 percent ad valorem, and 1963 imports are estimated at 209,000 tons, compared with 54,000 tons in 1961. Tinplate imports have a rate of duty of eight-tenths of a cent per pound, and imports grew from 15,000 tons in 1961 to 83,000 tons in 1963. The sharp rise in imports of each of these flat rolled products, which have moderate rates of duty, are a cause of real anxiety among domestic steel producers.

By way of contrast, there are some products with low rates of duty which have not yet been exported by foreign steel producers to the United States in significant volume. Examples are sheet piling, dutiable at one-tenth of a cent per pound, with imports for 1963 estimated at 14,500 tons; railroad rails and track accessories, which carry a duty of one-twentieth of a cent and one-eighth cent per pound, respectively, with 1963 imports estimated at 10,750 tons; and railroad wheels and axles, dutiable at four-tenths and three-tenths of a cent per pound, respectively, with 1963 imports estimated at 900 tons.

The list of steel mill products also shows a number of products having moderate import duties that have not yet entered the United States in any significant quantity. And then there are some high-duty items that show inconsequential imports. Clad plates carry the highest duty rate of any of the steel mill products—24 percent ad valorem—and imports for the last 2 years were less than 500 tons. Coated strip has a 19 percent ad valorem equivalent rate and few imports.

At the other extreme, is a free list item—barbed wire—which has been imported in this country in heavy volume for a good many years. During the past few years, imports have supplied in the neighborhood of 50 percent of the total American market.

I would like to be able to measure for the Commission the probable economic effects of the modification of any of these rates of duty on the American producers of the various products. This would require more information than we are in a position to obtain about the domestic companies that manufacture and distribute the various steel mill products. However, several sound conclusions can be drawn from what we do know of the steel import situation.

First, I would like to describe briefly the trend of steel imports into this country.

As competition has increased between foreign exporters in the common garden variety of products—such as welded standard pipe, reinforcing bars, and wire rods—the foreign steel producers have moved into markets for the higher quality and more sophisticated products. This is evidenced by the extremely sharp upturn during the past 2 years in the imports of carbon steel plates, sheet and strip products, and tin mill products, and some stainless steel products, particularly from Japan. Obviously, foreign producers are not abandoning their markets for any steel product in the United States. Rather, they appear to be seeking to expand their markets in this country to include the whole range of steel mill products.

Accordingly, the question as to whether any U.S. rate of duty applicable to a steel mill product should be reduced may properly be examined in the light of the ability on the part of foreign steel producers to continue to penetrate more and more of our markets in an ever-increasing volume.

We are regarded here in the United States by other steel-producing countries as the world's major steel export market. This is so because we are consuming approximately 35 percent of all the steel that is produced outside Russia and the satellite countries and an exporter can now command whatever volume of business he wants if he is willing to sell in the United States at whatever price he is able to get. As our foreign competitors see it—whether they are in Europe, Japan, Canada, Mexico, Australia, South Africa or elsewhere—the U.S. market should absorb an increasing proportion each year of the world export market. Now, the proportion of our market which imports can be expected to preempt—unless our Government acts to establish fair competitive market conditions—can be forecast on the basis of the present trend of imports—from 3,163,000 tons in 1961 to 5.5 million tons in 1963. The potential increase in imports can also be viewed from the standpoint of the vast expansion that has, and is taking place in the world's steelmaking capacity.

In 1930 only 25 nations produced steel and output was about 100 million tons. By 1946, 30 nations were producing steel and output had increased to 124 million tons. The end of World War II signaled a vast steel expansion program throughout the world and much of this expansion was financed directly with funds furnished by the U.S. Government. The U.S. steel producers also expanded their plants at an unprecedented rate, but with their own resources and without direct governmental help. By 1962, 55 nations were producing steel and world steel production had reached 395 million ingot tons. However, the U.S. share of world production had slipped from 44 percent in 1930 to an estimated 26 percent in 1963.

It is expected that by 1965 there will be 71 different nations producing steel.

As each new nation builds steel capacity, its internal market is usually closed to further imports of such steel mill products as it produces. The purpose of building a steel mill is to supply the domestic markets and, in order to supply it at a profit, that market must be isolated from world export prices. Since the domestic market seldom can consume the total output of the new mill, the surplus production is added to the volume formerly imported in seeking new export markets. This means principally the United States. Our market is not only the largest and richest of all, but it is also without trade barriers except the import duties that have, since the Tariff Act of 1930, been greatly reduced in successive negotiations of reciprocal trade treaties and, during recent years, of the General Agreement on Tariffs and Trade.

Most foreign steel producing nations are still expanding their steelmaking facilities and most of them are already equipped to make steel in quantities far beyond their domestic requirements. A considerable part of this expansion is reported to be for planned exportation to the United States. Thus, we should expect that foreign exporters will make every effort further to increase their already huge markets in this country. As a part of this effort, their representatives at Geneva are said to be prepared to seek further concessions in rates of duty and modification or repeal of our Antidumping and Buy-American Acts.

Next, with respect to some of the conditions, causes and effects of competition between the foreign and domestic steel industries which are brought into question under section 221(c) of the Trade Expansion Act of 1962:

I should first say that the general level of domestic market prices on steel mill products is about the same in each of the major steel producing nations. The prices which our domestic customers pay for most products do not differ significantly from the prices paid by domestic consumers in Europe and Japan. Carbon steel plates are a standard commodity in most steel producing countries. Our published price at the mill on a common grade and size of plate is $6.02 per hundredweight after cash discount. The equivalent figure for England is $5.625 and for Japan $5.80. For the other principal countries, the figure includes the national excise tax and for Germany it is $6.208; for France it is $6.988 and for Canada it is $5.99.

The foreign steel producers who enter the U.S. market offer nothing that is not available in quantity from domestic steel producers. They offer no superior physical properties, no closer tolerances, no special features, no increased usefulness, and make no claims for their product except that it is manufactured to meet American specifications. Their present method of marketing steel products inside the United States is by underpricing the domestic producer in whatever amount is necessary to take the customer's order.

Such foreign steel producers do not pretend to offer to their own domestic customers prices which would reflect the same net return as they receive from sales in the United States. This is true for two reasons. First, it is unlikely that they could survive by selling their products at home at the same net return they receive from their sales in the United States. Second, their traditional method of marketing steel mill products is to maintain stable prices in their domestic markets, where almost all of them sell the bulk of their production, and then sell their surplus output, based on their incremental costs, at whatever prices they can obtain.

In considering the consequences of further reductions in steel duties, the Commission should, I believe, accept the fact that reductions in rates have in the past brought about an increased inflow of imported steel and should be expected to do so to an even greater degree in the future. In my view, steel imports are now excessive and have already caused serious damage to our economy in those respects that are prescribed in the Trade Expansion Act.

An estimate of the damaging effects on the American economy of the importation in 1963 of 5.5 million tons of steel products may be drawn from the benefits that would have derived from the production of this quantity of steel in the United States. This tonnage would have generated between three-quarters to $1 billion in steel company revenues. In addition the production of this tonnage would have provided employment equivalent to some 48,000 additional workers to produce and sell the steel. The added payrolls and benefits to these workers alone would have amounted to as much as $400 million. The added payrolls would have been spent by employees in the steel producing communities throughout the Nation and this would have a multiplying effect on the economy.

Of course, this is not the whole employment story since the steel companies would have purchased hundreds of millions of dollars in additional goods and services from their suppliers who in turn would have provided a substantial number of jobs and payrolls which would have benefited both national and local economies.

The beneficial effect on employment and the consequent benefits to local and national business would have also generated additional revenues to local, State, and Federal taxing authorities. Employees would have paid additional sales, excise, payroll and income taxes to local, State, and Federal Governments and the steel companies and their suppliers would also have paid out millions of dollars in various taxes, such as State and Federal unemployment, sales and income taxes.

The total investment in plants and equipment according to the American Iron & Steel Institute was $19.5 billion as of December 31, 1962. Additional investment in 1964 is estimated at $1½ billion. To the extent that such facilities cannot be used in steel production at the normal rate for which they were designed and built, capital investment then becomes idle and cannot otherwise be employed.

Thus, every additional ton of imported steel that is admitted into our markets through further reduction of duties means additional unemployment, further loss of productivity and availability of skilled workers, further loss to Government of tax revenues and further sterilization of capital investment in domestic steel mills.

Before closing, I want to make the final point which I believe to be of transcending importance. The foreign steel that is being sold in the United States today is without any significant exception being dumped in our markets by any reasonable definition of dumping, including that set forth in the General Agreement on Tariffs and Trade.

On the west coast, we find that prices on imported 2-inch galvanized pipe are being quoted as low as $60 under our price. On the gulf coast, imports of this product are being sold at prices as low as $58 under our price. As a result, foreign-made welded standard pipe now supplies about 70 percent of both the Texas and west coast markets, where the saturation is greatest. We are now selling this product f.o.b. mill to pipe jobbers at a price of $198 per ton and are quoting delivered prices at Houston of $211 per ton, and at Los Angeles at $206 per ton.

The prices quoted by foreign steelmakers in the United States are made after they have paid U.S. import duties, commissions to importers in the United States, and transportation costs from mill to seaboard and then across the Atlantic or the Pacific Ocean. It seems obvious that the foreign steel producers' ability to stabilize their own domestic market prices makes it possible for them to follow such pricing practices within the United States. As I view it, this is the practice of predatory pricing, a practice, I am told, that our laws are intended to suppress.

I believe there should be no reduction in U.S. rates of duty until, by governmental action, fair competitive conditions for the sale of steel products are restored not only in the United States but also in foreign markets.

I would like to offer for the record a copy of the testimony given by the president of my company before the Trade Information Committee yesterday explaining why we do not generally meet the prices of imported steel mill products in the United States.

If there are any questions, I would be glad to undertake to answer them.

LIST OF STEEL MILL PRODUCTS, RATES OF DUTY, IMPORTS 1962 AND FIRST HALF 1963

Shown below are the TSUS item numbers for steel mill products and the rates of duty applicable thereto. Set opposite each item number is the volume of imports of that product during the year 1962 and 6 months 1963, and, in the fourth column, the common name of the product as it is known to American industry and as it is described by the American Iron & Steel Institute and other specification writing and statistical groups, including agencies of the U.S. Government.

Common product name	TSUS item No.	Rate of duty	Imports (thousand net tons)	
			1962	6 months of 1963
Semifinished (ingots, blooms, billets, slabs and sheet bars):				
Carbon	608.15.00	8.5 percent ad valorem	159	57
Do	608.16.00	10.5 percent ad valorem	2	3
Stainless	608.18.20	14.5 percent ad valorem [1]	0	(2)
Other alloy	608.18.40	14.5 percent ad valorem [1]	9	9
Concrete reinforcing bars:				
Carbon	608.40.00	8.5 percent ad valorem	607	269
Do	608.41.00	12.5 percent ad valorem	(2)	(2)
Alloy	608.42.00	16.5 percent ad valorem [1]	0	0
Other bars (bars carbon, alloy and cold finished):				
Carbon	608.45.00	7 percent ad valorem	107	63
Do	608.46.00	10.5 percent ad valorem	6	5
Do	608.48.00	0.1 cent per pound plus 10.5 percent ad valorem	2	(2)
Do	608.50.00	0.625 cent per pound plus 10.5 percent ad valorem	2	2
Stainless	608.52.10 and 50.	14.5 percent ad valorem [1]	0	0
Other alloy	608.52.40 and 80.	do [1]	6	2
Hollow drill steel:				
Carbon	608.60.00	0.375 cent per pound plus 10 percent ad valorem	(2)	(2)
Do	608.61.00	10.7 percent ad valorem	1	1
Alloy	608.62.00	14.7 percent ad valorem [1]	1	1
Wire rods:				
Carbon	608.70.00	0.1 cent per pound	254	117
Do	608.71.00	0.25 cent per pound	353	234
Do	608.73.00	0.2 cent per pound	1	0
Do	608.75.00	0.375 cent per pound	12	5
Stainless	608.76.20	0.25 cent per pound plus 4 percent ad valorem [1]	8	6
Other alloy	608.76.80			
Stainless	608.78.20	0.375 cent per pound plus 4 percent ad valorem [1]		
Other alloy	608.78.80			
Plates:				
Carbon	608.84.20	8 percent ad valorem	145	104
Stainless	608.85.10	12 percent ad valorem [1]	9	5
Other alloy	608.85.30	do [1]		
Carbon	608.87.20	0.1 cent per pound plus 8 percent ad valorem	1	0
Stainless	608.88.10	0.1 cent per pound plus 12 percent ad valorem [1]	0	0
Other alloy	608.88.30	do [1]	0	0
Clad	608.90.00	24 percent ad valorem	(2)	0
Coated carbon	608.95.20	0.1 cent per pound plus 8 percent ad valorem	0	0
Coated alloy	608.96.20	0.1 cent per pound plus 12 percent ad valorem [1]	0	0
Tinplate	608.92.00	0.8 cent per pound	52	60
Terneplate	608.93.00	1 cent per pound	(2)	0
Black plate	608.81.00	10 percent ad valorem	4	(2)
Do	608.82.00	8 percent ad valorem	47	49
Sheets, not pickled and not cold rolled:				
Carbon	608.84.40	do	110	110
Stainless	608.85.40	12 percent ad valorem [1]	2	4
Other alloy	608.85.60	do.[1]	2	1
Sheets pickled or cold rolled:				
Carbon	608.87.40	0.1 cent per pound plus 8 percent ad valorem	48	52
Stainless	608.88.40	0.1 cent per pound plus 12 percent ad valorem [1]	8	6
Other alloy	608.88.60	do	(2)	(2)
Sheets, galvanized	608.95.40	0. 1 cent per pound plus 8 percent ad valorem	110	8
Sheets, other coated or plated:				
Carbon	608.95.60	do	(2)	(2)
Alloy	608.96.40	01. cent per pound plus 12 percent ad valorem [1]	(2)	(2)
Strip, hot rolled:				
Carbon	609.02.20	6 percent ad valorem	4	2
Do	609.03.20	8.5 percent ad valorem	5	2
Do	609.04.20	9.5 percent ad valorem	74	39
Strip cold rolled:				
Carbon	609.02.40	6 percent ad valorem	1	(2)
Do	609.03.40	8.5 percent ad valorem	3	1
Do	609.04.40	9.5 percent ad valorem	(2)	(2)
Strip alloy, hot or cold rolled:				
Stainless	609.06.20	10 percent ad valorem.[1]	101	0
Alloy	609.06.40	do.[1]	38	0
Stainless	609.07.20	12.5 percent ad valorem.[1]	108	0
Alloy	609.07.40	do.[1]	70	0
Stainless	609.08.20	13.5 percent ad valorem	116	79
Alloy	609.08.40	do.[1]	81	0
Strip, coated	609.17.00	19 percent ad valorem	0	0
Flat wire:				
Carbon not coated	609.20.00	6 percent ad valorem	4	2
Do	609.21.00	8.5 percent ad valorem	15	8
Do	609.22.00	10 percent ad valorem	67	34
Carbon, coated	609.25.00	0.1 cent per pound plus 6 percent ad valorem	(2)	0
Do	609.26.00	0.1 cent per pound plus 8.5 percent ad valorem	2	2
Do	609.27.00	0.1 cent per pound plus 10 percent ad valorem	(2)	0
Stainless, not coated	609.30.20	10 percent ad valorem [1]	(2)	0
Do	609.31.20	12.5 percent ad valorem [1]	(2)	0
Do	609.32.20	14 percent ad valorem [1]	(2)	(2)
Alloy, not coated	609.30.40	10 percent ad valorem [1]	(4)	(4)
Do	609.31.40	12.5 percent ad valorem [1]	(5)	(5)
Do	609.32.40	14 percent ad valorem [1]	(6)	(6)
Alloy, coated	609.35.00	0.1 cent per pound plus 10 percent ad valorem [1]	0	0
Do	609.36.00	0.1 cent per pound plus 12.5 percent ad valorem [1]	0	0
Do	609.37.00	0.1 cent per pound plus 14 percent ad valorem [1]	(2)	0

See footnotes at end of table.

Common product name	TSUS item No.	Rate of duty	Imports (thousand net tons)	
			1962	6 months of 1963
Round and shaped steel wire:				
Carbon	609.40.10	8.5 percent ad valorem	2	1
Do	609.40.20	do	(2)	(2)
Do	609.40.30	do	87	38
Do	609.40.40	do	63	34
Do	609.40.50	do		
Do	609.40.60	do		
Do	609.42.10	0.3 cent per pound	9	0
Do	609.42.20	do	6	3
Do	609.42.30	do	46	24
Do	609.42.40	do	7	5
Do	609.42.50	do	10	5
Do	609.42.60	do	51	17
Do	609.70.00	12.5 percent ad valorem	(7)	(7)
Do	609.72.00	0.1 cent per pound plus 12.5 percent ad valorem	(2)	(7)
Do	642.96.00	0.25 cent per pound	42	25
Do	642.97.00	15 percent ad valorem		
Stainless	609.45.10	12.5 percent ad valorem [1]	2	0
Stainless or alloy	609.45.30	do	1	1
Do	609.45.40			
Alloy	609.45.60	do	1	(2)
Stainless, alloy, etc	609.75.20	16.5 percent ad valorem [1]	(2)	(7)
Do	609.75.40			
Alloy, coated	609.76.00	0.1 cent per pound plus 16.5 percent ad valorem [1]	0	(7)
Barbed wire	642.02.00	Free	67	44
Galvanized wire fencing	642.35.00	0.25 cent per pound	42	25
Bale ties	642.90.00	Free	1	(2)
Do	642.91.00	19 percent ad valorem	1	0
Wire nails	646.25.00	0.5 cent per pound	1	1
Do	646.26.00	0.2 cent per pound	270	154
Structural shapes, plain, 3 inches and over:				
Carbon	609.80.20	0.1 cent per pound	363	224
Alloy	609.82.00	0.1 cent per pound plus 4 percent as valorem [1]	1	1
Bars, shapes under 3 inches, carbon	609.80.40	0.1 cent per pound	259	139
Sheet piling:				
Carbon	609.96.00	do	8	5
Alloy	609.98.00	0.1 cent per pound plus 4 percent as valorem [1]	0	0
Rail and track accessories:				
Rails, carbon	610.20.00	0.05 cent per pound	10	4
Joint bars and tie plates, carbon	610.25.00	0.125 cent per pound	(2)	(2)
Rails, alloy	620.21.00	0.05 cent per pound plus 4 percent ad valorem [1]	(2)	(2)
Joint bars and tie plates, alloy	610.26.00	0.125 cent per pound plus 4 percent ad valorem [1]	0	0
Wheels and axles:				
Axles	690.25.00	0.3 cent per pound	(2)	0
Wheels	690.30.00	0.4 cent per pound	1	1
Welding pipe and tubing:				
Carbon	610.30.00	0.875 cent per pound	(2)	(2)
Do	610.31.00	0.625 cent per pound	2	1
Do	610.32.20	0.3 cent per pound	585	300
Do	610.32.40			
Do	610.32.60			
Alloy	610.35.00	0.875 cent per pound plus 4 percent ad valorem [1]	0	0
Do	610.36.00	0.625 cent per pound plus 4 percent ad valorem [1]	0	0
Do	610.37.20	0.3 cent per pound plus 4 percent ad valorem [1]	2	(2)
Do	610.37.40			
Do	610.37.60			
Other pipe and tubing and oil country goods:				
Carbon	610.39.20	0.1 cent per pound	56	46
Do	610.39.40			
Do	610.42.20	7.5 percent ad valorem	21	23
Do	610.42.40			
Do	610.45.00	12 percent ad valorem	1	(2)
Do	610.48.00	11 percent ad valorem	(7)	(7)
Do	610.49.00	10.5 percent ad valorem	29	18
Alloy	610.40.20	0.1 cent per pound plus 4 percent ad valorem [1]	(7)	(7)
Do	610.40.40			
Do	610.43.20	11.5 percent ad valorem [1]	2	4
Do	610.43.40			
Do	610.46.00	16 percent ad valorem [1]	1	(2)
Do	610.51.20	15.5 percent ad valorem [1]	(7)	(7)
Do	610.51.40			
Do	610.51.60			
Do	610.52.20	14.5 percent ad valorem [1]	2	0
Do	610.52.40			
Do	610.52.60			

[1] Plus additional duties depending upon alloy content.
[2] Less than 500 tons.
[3] Included in "sheets, galvanized," above.
[4] Included in 609.30.20 above.
[5] Included in 609.31.20 above.
[6] Included in 609.32.20 above.
[7] Not available.

Sources: TSUS (1963, annotated). U.S. Department of Commerce, FT-110 report.

Steel's case against imports

Year	Imports		Exports		1957–63 imports as percent of U.S. apparent consumption
	Tons	Dollars	Tons	Dollars	
1957	1,155	(1)	5,348	(1)	1.5
1958	1,707	(1)	2,823	(1)	2.9
1959	4,396	516,568	1,677	363,043	6.1
1960	3,359	448,781	2,977	600,845	4.7
1961	3,163	380,447	1,990	423,087	4.7
1962	4,100	484,382	2,013	424,048	5.6
1963 (11 months)	5,054	584,891	1,950	420,658	[2] 6.9

[1] Not available.
[2] Estimate by Jones & Laughlin Steel Corp.

Source: American Iron & Steel Institute.

When Steel Seeks Help From Uncle Sam—Alarm Over Inroads of Imports Will Bring the Industry's Varsity Team To Tell Tariff Commission of Its Troubles and Hoped-for Remedies

Steel's first team goes to Washington next week for its most important confrontation with Government since the price-increase fiasco of April 1962. For 3 days, presidents of a dozen steel companies will tell the Tariff Commission and the Trade Information Committee about the industry's alarm over its worsening world trade position and the remedies it suggests.

Steel will have its say as part of the U.S. preparation for the Kennedy round of trade negotiations due to start May 4 in Geneva under the General Agreement on Tariffs and Trade. Last fall, Christian Herter, chief U.S. negotiator, invited steel—and many other industries—to provide "marketplace knowledge" to guide U.S. negotiators at the GATT bargaining sessions. The hearings before the Tariff Commission and TIC are part of the procedure used in establishing what the United States will offer—and ask for—in Geneva.

Industry shift: A month or so ago, the steel industry didn't seem to feel there was much point in taking the hearings seriously. Some felt that Herter's invitation should be ignored. Then sentiment shifted to a perfunctory filing of briefs, and next to the idea that commercial research directors or sales VIP's should testify at the hearings.

But as the industry studied its position, its reaction grew more urgent. That's why presidents or chairmen of six of the eight largest producers—plus those of at least half a dozen others—will testify for the 15 minutes each company gets. They'll make these points:

Full employment is just as much U.S. public policy as is freer trade, and right now, the two clearly conflict in the case of steel.

Foreign steel producers are violating the GATT agreement in various ways to the disadvantage of the U.S. steel industry.

Through its postwar aid programs, Washington has helped build so much new steel capacity abroad that the U.S. steel industry has lost its dominance in the world market.

Disturbing figures: To emphasize its plight, the industry can point to the way imports are steadily outpacing exports. Figures for the first 11 months of 1963 show the worst deficit, in tons, since 1959—when we first imported more steel than we exported.

In dollars, the latest statistics are even more disturbing. Imports for the 11 months were $100 million above total 1962 steel imports. And steel's 11-month dollar deficit was $104 million greater than in all 1962—$164 million against $60 million.

Strong language: In their briefs, steel companies warned bluntly that 1964's steel import deficit will worsen. From an all-time high of 6.9 percent of apparent U.S. consumption in 1963, prophesied President William J. Stephens of Jones & Laughlin Steel Corp., imports could double within 18 months. Japan, he said, will have enough galvanized sheet capacity within 2 years "to eliminate the United States from world markets." Britain and Japan, he went on, are adding capacity that will render "world trade conditions in tinplate chaotic."

United States Steel Corp. was milder in its brief. But its president, L. B. Worthington, pointed to "virtually insuperable barriers we now face" in competing not only here but in the markets of competitors and in third-country markets.

Loss in jobs: Briefs dealt bluntly with unemployment and the way imports are reducing employment levels here.

The American Iron & Steel Institute brief took the point even further: "It is estimated that the domestic steel industry would have provided $375-million in wages and salaries for an additional 50,000 workers in 1962 if it could have maintained its 1953–57 average participation in world steel trade and had experienced no further erosion of domestic markets by imports."

Looking just at exports, President Alfred S. Glossbrenner of Youngstown Sheet & Tube Co. said that between 1957 and 1962 "the loss in seamless pipe exports alone can be measured as an equivalent loss of 3,000 to 4,000 jobs in U.S. seamless pipe mills."

All the 15 U.S. seamless mills and 37 of the 38 U.S. rod mills are located in "c" or "d" labor markets—those of moderate or relatively substantial unemployment, the Youngstown and Pittsburgh briefs note.

Cost-of-entry issue: What should our trade negotiators do about this in the "Kennedy round"?

All agree that U.S. tariffs on steel mill products should not be cut. They average 5.9 percent and are the world's lowest. But some want them put on the reserve (nonnegotiable) list from the start, while others suggest this be done only if nontariff concessions can't be had.

The difference is really just in bargaining technique. The steel industry is unanimous in wanting our GATT negotiators to equalize the "cost of entry" of steel products into all steel importing nations. That involves considering all charges in imports, not merely duties. The U.S. charges duty only. Other nations impose transmission, import, turnover, sales, and stamp taxes. Moreover, they grant export subsidies of several kinds. Steelmakers feel these disparities shut them out of export markets while propping open the door for imports.

"A 100-foot quantity of standard 2-inch pipe shipped from the United States to France," says AISI President John P. Roche, "accumulates French duties, stamp taxes, and transaction taxes to the amount of $18.71. A similar shipment from France to the United States is assessed only the $1.10 duty."

Dumping problem: Steelmen are equally angry about dumping, and will say so in Washington next week. In seven steel cases last year, the Treasury Department ruled that dumping took place in five. But the Tariff Commission denied injury in any.

Steelmen note that the European Coal & Steel Community last month raised its external tariff to counter what it called dumping by the United Kingdom, Japan, and various Soviet bloc nations. They argue that the GATT agreement explicitly forbids dumping—in language close to the U.S. Anti-Dumping Act of 1921. J. & L.'s stand is this: Strengthen GATT's antidumping provision, including a rolled-steel products section in it, and impose steel import quotas until effective antidumping programs are in operation.

In a letter to Herter this week, President David McDonald of the United Steel Workers also complained about the tariff hike put through by the Coal and Steel Community. But McDonald suggested a milder way of meeting the problem. He said the United States should insist on bargaining from the old levels, refuse any concessions on steel products if the Europeans refuse to do this.

NATIONAL CONVENTION OF THE AMERICAN ASSOCIATION OF SCHOOL ADMINISTRATORS

Mr. HUMPHREY. Mr. President, last week it was my honor to appear on the same platform with the distinguished senior Senator from South Dakota [Mr. MUNDT] at the national convention of the American Association of School Administrators at Atlantic City. I ask unanimous consent to have excerpts of my remarks printed in the RECORD at this point:

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

I have been asked tonight to talk about the issues facing Congress in 1964.

This is easy enough to do in an age when America is bursting with problems and issues. But I wonder if the concentration on the year 1964 is not a mistake.

I know there are great issues facing us today—none any greater than civil rights, for example—but I think we should be looking to the future in the fast-moving world.

Therefore, I say to you that a real issue facing the American people this election year is: which political party has the vision to look ahead to the year 1974, or indeed, the year 2000, and make plans to meet the challenges this country will face then.

One of the main reasons we have so many problems today is that this country did not do enough planning in 1954. We just sort of let everything gather under the rug.

But do not misunderstand me. I am not here to criticize and harangue. I do not want to waste my time denouncing the sins of the past. I am a positive liberal. The liberalism of complaint and denunciation does not satisfy my sense of public duty nor my progressive spirit. I believe in the liberalism of advocacy and action.

We have problems, yes, but I say these problems also can mean opportunity—the opportunity to give a better life to all our people.

These are just some of the more immediate tasks we face:

We must secure civil rights for all our citizens. We must correct what has become a citizenship gap in this country—the gap between the promise and the fulfillment of our Constitution and the Emancipation Proclamation.

We must destroy poverty. President Johnson has declared an allout war on poverty in this country and we can win it. As he said in his state of the Union address, the richest nation on earth can afford to win this war. "We cannot afford to lose it."

Our economy must grow in all parts of the country. It must develop not only on the already overcrowded shores of our seacoasts and Great Lakes, but also in the great heartland between the Appalachians and the Rockies.

Automation and technology must create new jobs, not more jobless. It can be made a blessing and not a curse.

Old age must be welcomed with serenity and lived in dignity. It's disgraceful that the richest nation on earth should provide the least security for its elderly.

We must rebuild our cities, revitalize our rural areas and broaden the base of our economy.

We must provide for wholesome leisure-time activity and recreation and make it available to all.

We must conserve our natural resources. The press of population and industrialization places a new, even more urgent emphasis on conservation.

In all these challenges—in all these problems—you will notice there is one common denominator—education. We must make education, which has become a necessity for all, a reality for all. And we must make sure that education is not just an interlude of leisure for youth but is a challenge that prepares them for life during an age of scientific revolution.

Let's look at some of the biggest problems facing this country and see how education plays not only a vital role—but the key role.

Take poverty and unemployment—and here I want to recite some facts to you. Two out of three of the unemployed today do not have a high school education. Or let me put it another way. One out of 10 workers who did not finish grade school are unemployed. But only 1 out of 50 who finished college are unemployed.

All these are obvious facts. We know we must keep our young people in school longer. But let's not blame the young people for dropping out of school. Let's look a little deeper at the question and ask: Are they dropping out because what they're learning can't be related to the world they know outside the classroom.

Also, on the question of school dropouts are we recognizing the problem before the child actually leaves school? We do know that one out of three students now in the fifth grade will drop out before graduation from high school. Doesn't this tell us that the problem of the dropout begins long before the child becomes a teenager?

The question of civil rights is also closely linked to education. And I'm not just talking about the immediate problems of school desegregation or integration. We have a long way to go in this country to overcome the tragic results of segregated education and the lack of opportunity for higher education we have given the Negro.

This Congress will pass a civil rights bill, I can promise you that, and we can guarantee the constitutional rights of every American, but it will be a hollow victory unless we add to it a successful effort to provide an education to all Americans that will let them participate fully and creatively in American life.

This means an education that will reach out to the dropouts, the illiterates, the unskilled, the slum child and the bewildered child brought from a sharecropper's farm to the pressure-cooker atmosphere of the big city. To do this we must explore new ideas and new proposals in education so we can reach these children.

I'm afraid that too many educators have been content with the methods used back in Dickens' day. We must begin thinking about education as a process that lasts throughout a person's life—not just his first 18 or 20 or 22 years.

We must begin thinking about education as a process that demands greater flexibility in training opportunities—the kind of flexibility that relates education to the needs of a rapidly changing society.

I think we have to do more research in the fundamentals of education. How many different ways do children learn? How do we relate teaching techniques to these different ways? Have we done enough with the new techniques available to us in the new audio and visual aids?

I believe the Federal Government can do much to help in this field by making a bigger investment in education. The Government can underwrite some of the research and it can step up its activities as a clearinghouse for this research.

The Federal Government also can do more to provide greater opportunities in higher education. The education bills we enacted last year broke new ground for aid to colleges and the college student. But we must do more.

Last spring 400,000 high school seniors graduated in the upper half of their classes and failed to go on to college. More than half of them were in the upper 30 percent of their class. Lack of money was the major reason. There also was inadequate guidance and lack of incentive.

But in any case, I say, what a tragic waste. What an irreplaceable loss to the Nation.

I believe the Federal Government can do more to help students go to college. I think we can do this through expanded scholarship aid and through Government-guaranteed loans that will be made available to college students through their local banks just as home mortgage loans are backed now by the Federal Housing Administration.

We must not limit college education to just the children of the well-to-do and the children of the college-educated. This Nation needs all the talent it can get. But I also say something more than just a national talent pool is at stake. Democracy itself is at stake.

The development of brainpower must be the chief national product of America and from here on out education must become America's chief national industry.

ROOSEVELT DAY DINNER SPEECH

Mr. HUMPHREY. Mr. President, recently it was my privilege to address the national Roosevelt Day dinner in New York City. I ask unanimous consent to have my remarks printed in the RECORD at this point.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

LIBERALS AND THE CHALLENGE OF TOMORROW

I don't have to tell this distinguished audience that 1964 is an election year.

And I guess that means I don't have to repeat the familiar refrain that 1964 is a crucial year. To politicians, all election years are crucial. It's like that old remark that all women are beautiful. Only, as you know, some elections are more crucial than others.

I don't think it's an exaggeration, though, to say that 1964 will mark a major turning point in the history of this great Nation—a year when the great fundamental issues that have been troubling us for decades will be decided.

As a liberal—and as a Democrat—I can tell you here and now that the administration of President Johnson and the Congress will meet these issues—the issues of civil rights and the war on poverty—and carry on the work started by our late beloved President John F. Kennedy.

But as a liberal I want to point out that 1964 is also the year when we must take stock of our talents and our resources and face up to the reality of another generation of even more staggering problems at a time when we're still struggling with our old ones.

It's easy enough to point out some of the more immediate problems:

Should the richest nation in the world have one of the highest rates of unemployment?

Should the richest nation in the world have the least security for its elderly?

Should the richest nation in the world be content with some of the dirtiest cities, the most crowded streets, and the most shameful slums?

Should the richest nation in the world be satisfied with overcrowded schools?

And should the Nation that is the leader of a world that is half colored continue to deny or ignore the God-given rights of its own colored citizens?

The easy answer to all these questions is a simple "No." The richest Nation in the world should be a proud example.

But as the old saying goes—things are easier said than done.

The liberals of this country will have to face up to the fact that it's not good enough to point out what's wrong with the richest Nation in the world. And it's even worse to wring our hands and cry over and over again about mistakes of the past and denounce the same old villains.

I, for one, don't want to waste my time denouncing the sins of the past—even if they are Republican sins. I want to point the way to a better life in the future.

I am a positive liberal. The liberalism of complaint and denunciation does not satisfy my sense of public duty nor my progressive spirit. I believe in the liberalism of advocacy and action.

We need criticism—good constructive criticism. This is the oil that makes our democratic machinery function. But instead of the lopsided emphasis that's being placed now on what's wrong with our society and our institutions, I want a little more positive criticism that points toward solutions.

We need the harmony of advocacy and the joy of affirmation.

The time is at hand for this country to face the harsh facts of an age where several revolutions are going on at the same time.

This country now has a full warehouse of problem conditions that can present us with either great opportunity or profound crisis. This country is bursting with population growth. It is exploding with knowledge. It is growing in wealth and stands at the pinnacle of world power. And the movement of our people and the fast pace of social change is almost beyond belief.

All of these conditions give us an awesome responsibility. But they also give us an unmatched opportunity.

Just think of the things we must do to carry out a program that will help the people, give progress to the Nation and insure peace in the world:

We must secure civil rights for all our citizens. One hundred years ago the Negro was freed from slavery. Today he must be guaranteed the freedom of full citizenship. We must correct what has become a "citizenship gap" in this country—the gap between the promise and the fulfillment of our Constitution and the Emancipation Proclamation; the gap between the promise and the fulfillment of our great free enterprise system.

We must destroy poverty. There may always be a lower third or a lower fifth on the vertical scale of some impersonal computer—but one-third or one-fifth of our people should never live below the level of decency. People are not statistics. They are human beings.

Our economy must grow in all parts of the country. It must develop in the great heartland between the Alleghenies and the Rockies as well as on the crowded shores of our seacoasts and the Great Lakes.

Automation and technology must create new jobs, not more joblessness. It must make boomtowns, not ghost towns; build new factories, not retire idle plants.

Old age should be welcomed with serenity and lived in dignity. The ills and infirmities of old age are not a fault, not a shame. But the shame and the fault will be ours if we leave the elderly in neglect—unwanted and uncared for, living from day to day, hand to mouth, in some lonely roominghouse, dreading the day when illness will rob them of both their money and their dignity.

We must make education, which has become a necessity for all, a reality for all. And we must make sure that education is not just an interlude of leisure for youth but is a challenge that prepares them for the joy and experience of living.

We must rebuild our cities, revitalize our rural areas and broaden the base of our economy.

We must provide for wholesome leisure-time activity and recreation and make it available to all.

And now more than ever we must conserve our natural resources. The press of population and industrialization places a new, even more urgent emphasis on conservation.

We must explore the unknowns of outer space with a massive effort on our own part and in a cooperative effort with other nations.

Above all, we must preserve the peace of this world. The days when peace can be used as just another propaganda word are gone. The harsh conditions of a new age demand constructive action, not mere lip service.

We liberals have faced awesome problems before. The man whose birthday we honor tonight—Franklin Delano Roosevelt—brought this Nation out from the depths of a great depression and really saved our free enterprise and democratic system. He then turned his great talents to saving the world from the power-mad lust of Adolf Hitler and the militaristic ambitions of the Japanese warlords. He envisioned a world of freedom. He envisioned a world of law and order—a society of United Nations.

Harry S. Truman carried on the great tradition of Franklin Roosevelt and led the fight to save the free world from Communist domination.

And most recently this Nation was rescued from 8 years of inbred apathy and indifference by John F. Kennedy, a vigorous young President who revived the idealistic faith of our people, got this country moving again, and gave to humanity the hope of peace.

John F. Kennedy not only gave us the inspiration to move this country forward, he also gave us the tools, the sinew, and the strength so that now the President of the United States can talk about peace. He can negotiate for peace, and not negotiate from fear. He can negotiate from strength, not from weakness. And now we can command respect from the Soviet Union to a point where they are willing, at long last, to talk more reasonably and sensibly about the problems that exist in the world.

All these contributions from the great leaders of the past now must be consolidated and advanced by President Lyndon B. Johnson.

I can assure you here tonight that President Johnson is pledged to the programs and the principles of John F. Kennedy.

I want all of you to remember those great words in President Johnson's address to Congress shortly after the funeral of President Kennedy—"let us continue." For those three words sum up the central theme of the Johnson administration.

I can tell you that the Kennedy program will be carried out by the new administration because President Johnson was an inspirational member of the team that set forth that program. He was a part of it. He was a most important member. I know. I sat there with those men. I worked with them. And I know we will continue the Kennedy-Johnson program.

I realize that many of my liberal friends—especially in the North—have in the past expressed their doubts about President Johnson's commitment to the cause of civil rights.

I want to set those doubts to rest right know. President Johnson is in this fight to the finish. His commitment to civil rights comes from a long family background of deep respect for the dignity of the individual. It also stems from his close association with Franklin D. Roosevelt and his early familiarity with the ugly pattern of discrimination against Mexican-Americans he observed when he was a young schoolteacher in south Texas.

We have today in the White House, as if it was almost an act of—well, indeed, it was an act of fate—a man from the South who will lead this Nation into a united program of equal rights for all. What a great opportunity this is for America.

Civil rights is the great unfinished business of our time. But it is not the only critical problem we face. Equally important—indeed, it is intimately connected with the issue of civil rights—is poverty.

Twenty million Americans live in such abject poverty that they must do without the barest essentials. Another 26 million live at the ragged edge of just minimum standards. These two figures add up to one out of every four Americans.

This is a disgrace in the richest nation on the face of the earth. And I want to say now that I totally reject the logic and the moral implications of any candidate for public office who says the poor deserve their condition because they either want to be poor or are too lazy to do anything about it.

What sort of logic is this? How callous and indifferent can you get? The men, women and children living in poverty today are those who have been left in the backwash of our economic life—shunted aside, forgotten. They're the first fired and the last hired. When the economy dips their plight gets worse, and even when the economy rises they can hope for very little.

This is a condition that will grow in America unless we take positive steps now. And I warn that unless we do take steps to get at the roots of poverty in this country, we will be in for serious trouble in the years ahead. John L. Lewis was speaking the truth when he said that history warns us that "all forms of government fall when it comes up to the question of bread—bread for the family, something to eat. Bread to a man with a hungry family comes first—before his union, before his citizenship, before his church affiliation. Bread."

But we don't have to wring our hands and fear future disorders. We can win this war on poverty. A start has already been made in the President's messages to the Congress, for they have startled the comfortable in our society to an awareness that there is too much poverty in our age of plenty.

To take advantage of this start we must embark on new and expanded educational, housing and public works programs. We must have a medicare program, a Youth Conservation Corps to take our jobless boys off the streets, and a domestic Peace Corps to work in our hospitals, our mental institutions and with the children in our slums and on our Indian reservations.

Let me say a special word here about medicare, which is a soundly financed program of medical care for the aged under social security.

We are a growing nation at both ends of our age scale—more babies at the bottom and people living longer at the top. In both cases this is due to the finest medical service in the world. But this is a service that costs money and we must find a way to spread the load to help those who are no longer working.

The dignity of old age must be respected. Illness is not a crime that must be paid for by financial poverty or the shame that comes to many when they are forced to accept charity. The young have a duty to help the elderly for the young that do not respect age must soon come to hate their own destiny.

I spoke earlier about how this country is expanding with population growth and exploding with knowledge. When I was elected to the Senate in 1948 the population of the United States was 150 million. Since that time this country has added more people than the total population of Great Britain. By 1975 this country will have 225 million people.

Just think of what this will mean in terms of new problems. Economists speak about the multiplier effect when they talk about business conditions—that $10 spent tends to turn over and cause $30 or $40 in additional purchasing power. Well, let me tell you the multiplier effect in social and economic problems brought by this population growth is infinitely greater than any 4-to-1 ratio.

In addition to this population growth we've had a tremendous shift in population in this country and it shows little sign of slowing down. The big city areas are getting bigger. The smaller towns are getting smaller. The rural areas are drying up. And the heartland of America is being drained by the migration to the seacoasts.

And if you think all this is bringing staggering problems, throw in another even more complex factor—the incredible pace of automatic and technological advance that is remaking our entire industrial economy. And then add to that the multiplier effect the new tax cut will have on further industrial research and development. This surely will mean more automation, more fantastic machines, more people thrown out of work.

What are we going to do with these people? How are we going to keep an economy going where much of the production is done by machine? Machines don't buy products, you know.

One answer is that the Federal Government—working closely with the best minds in the universities, in private industry and the labor unions and in State and local governments—must channel all the energy it can into coordinated research and planning to insure that this Nation has a balanced economy.

Franklin Roosevelt was bold enough to make a reality of the dream of a Tennessee Valley Authority and he brought new hope, new life, new industries and new jobs to an entire region.

Today, we must be bold enough to deal with even greater challenges. We must find the imagination to do extensive regional planning that will broaden the economic base of all sections of the country. This is the type of grand architecture we need to give scope and purpose to the miracles of automation and technology so we can turn these wonders into a "boon and not a bane to humanity," as President Johnson said.

I think one of the first steps we must take is to create a Commission on Automation, Technology, and Employment so we can get ready for the comprehensive planning that is essential. I have introduced such legislation to carry out one of the proposals in President Johnson's state of the Union message.

We also must take bold steps to meet the challenges of the future by improving education at all levels—from the day care center for preschoolchildren to the postdoctoral studies in the great universities.

The new industries of tomorrow will require technical and scientific skills that millions of Americans do not have today. We have just made a start in Congress by providing for greater efforts in vocational education. We must go further, though, and learn more about the needs of tomorrow so we won't be teaching people skills that are obsolete.

We have made a start on manpower retraining. But here, too, we have much to learn. We also must continue the effort to keep our young people in school—to emphasize to them again and again that the real new wealth in this country is the wealth of knowledge and skill.

I'm optimistic enough to believe that we can meet these challenges here at home. But I'm also realistic enough to know that it would all be meaningless if we couldn't find a way to live without war.

Since that day in August in 1945 when the first atomic bomb was dropped on Japan the whole concept of total war has changed. Since that time we and the Russians have learned that there are no winners in an atomic war—and very few survivors.

But we in this country have also learned that we cannot withdraw from the atomic arms race with Russia or anyone else unless we have sound safeguards against any cheating.

We realize that the road to peace could well be a thousand miles long, but we are prepared to follow the advice of the old proverb and take the first step. We did that under President Kennedy and now President Johnson is taking up the task anew with his recent proposals to Chairman Khrushchev and the disarmament conference in Geneva.

Since 1961 we have made great strides toward achieving a permanent peace—thanks largely to the efforts of four great people who are no longer with us:

Dag Hammarskjold, who gave his life for the United Nations, fighting to prevent a civil war in the Congo.

Eleanor Roosevelt, whose very personality and spirit was an embodiment of the noble aspirations of all mankind.

Pope John XXIII, who had only a short time to reign as Supreme Pontiff and knew it, but who with complete serenity and confidence promulgated one of the great documents on peace of all time.

Lastly, John F. Kennedy, whose life was struck down at a time when he had set his Nation firmly down the path to peace.

Our task—indeed it is our solemn duty—is to finish the work started by these great world leaders.

Let's get on with the job.

The **PRESIDING OFFICER** (Mr. GORE in the chair). What is the will of the Senate?

Mr. **HOLLAND**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. WALTERS in the chair). Without objection, it is so ordered.

RECESS

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the Senate stand in recess until 12 o'clock noon tomorrow.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Thereupon (at 2 o'clock and 53 minutes p.m.) the Senate took a recess until tomorrow, Tuesday, February 25, 1964, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 24 (legislative day of February 10), 1964:

DIPLOMATIC AND FOREIGN SERVICE

The Foreign Service officers named in the following lists for promotion in the Foreign Service to the classes indicated, effective April 12, 1964:

The following-named Foreign Service officers for promotion from class 2 to class 1:

David M. Bane, of Pennsylvania.

Taylor G. Belcher, of the District of Columbia.

Robert F. Corrigan, of Ohio.

Leo G. Cyr, of Maine.

Joseph F. Donelan, Jr., of New York.

John H. Stutesman, Jr., of New Jersey.

Charles D. Withers, of Florida.

The following-named Foreign Service officers for promotion from class 2 to class 1 and to be also consuls general of the United States of America:

Herman H. Barger, of Connecticut.

Mrs. Katherine W. Bracken, of Florida.

Robert M. Brandin, of New York.

John Hugh Crimmins, of Maryland.

William N. Dale, of New Mexico.

Rodger P. Davies, of California.

Dwight Dickinson, of New Jersey.

Donald P. Downs, of Nevada.

Millan L. Egert, of Maine.

Richard Funkhouser, of California.

Fred L. Hadsel, of Virginia.

Norman B. Hannah, of Illinois.

Douglas Henderson, of Massachusetts.

Daniel L. Horowitz, of New Jersey.

Frederick Irving, of Rhode Island.

Marshall P. Jones, of Maryland.

Boris H. Klosson, of Maryland.

Miss Carol C. Laise, of the District of Columbia.

L. Wade Lathram, of Virginia.

Howard P. Mace, of Ohio.

Roswell D. McClelland, of Connecticut.

Thomas W. McElhiney, of Maryland.

Joseph A. Mendenhall, of Virginia.

Adrian T. Middleton, of Virginia.

Joseph Mintzes, of Pennsylvania.

George S. Newman, of New York.

David D. Newson, of California.

James L. O'Sullivan, of Connecticut.

Howard L. Parsons, of Iowa.

Richard I. Phillips, of California.

Idar Rimestad, of North Dakota.

Harry H. Schwartz, of Ohio.

Joseph John Sisco, of Maryland.

Rufus Z. Smith, of Illinois.

Earl D. Sohm, of California.

William H. Sullivan, of Rhode Island.

Miss Margaret Joy Tibbets, of Maine.

Alfred G. Vigderman, of Pennsylvania.

David Wilken, of New Jersey.

Randall S. Williams, of New York.

James M. Wilson, Jr., of the District of Columbia.

The following-named Foreign Service officers for promotion from class 3 to class 2:

Robert O. Blake, of California.

Henry C. Boudreau, of Maine.

Delmar R. Carlson, of the District of Columbia.

Frank E. Cash., Jr., of Florida.

Ernest J. Colantonio, of Massachusetts.

Charles T. Cross, of Virginia.

Nathaniel Davis, of New Jersey.

Leroy F. Day, of Maryland.

Frank J. Devine, of New York.

Enoch S. Duncan, of Texas.

David H. Ernst, of Maryland.

Robert C. F. Gordon, of California.

Robert A. Hancock, of Michigan.

Peter Hooper, Jr., of Virginia.

Alan G. James, of the District of Columbia.

Alexander C. Johnpoll, of New Mexico.

Valdemar N. L. Johnson, of Florida.

William C. Lakeland, of New York.

Bruce M. Lancaster, of Mississippi.

George T. Lister, of Texas.

Dayton S. Mak, of the District of Columbia.

Edward E. Masters, of Ohio.

Everett K. Melby, of Illinois.

Edward W. Mulcahy, of Arizona.

Joseph W. Neubert, of Washington.

Bernard Norwood, of New Jersey.

Melville E. Osborne, of Florida.

Alexander L. Peaslee, of Ohio.

LeRoy F. Percival, Jr., of Connecticut.

Lewis M. Purnell, of Delaware.

Earle J. Richey, of Kansas.

Jordan T. Rogers, of Maryland.

Ralph Scarritt, of Illinois.

David T. Schneider, of New Hampshire.

Peter J. Skoufis, of Maine.

Sidney Sober, of Arkansas.

Wells Stabler, of Connecticut.

Herbert B. Thompson, of California.

Viron P. Vaky, of Texas.

Hendrik van Oss, of New Jersey.

William H. Witt, of Maryland.

Chalmers B. Wood, of Virginia.

Charles G. Wootton, of Connecticut.

Arthur I. Wortzel, of New Jersey.

Parker D. Wyman, of Maryland.

The following-named Foreign Service officers for promotion from class 4 to class 3:

James E. Akins, of Ohio.

Miss Norah H. Alsterlund, of Illinois.

John C. Amott, of New Jersey.

Robert F. Andrew, of California.

Daniel N. Arzac, Jr., of California.

Robert E. Barbour, of Tennessee.

Richard W. Barham, of Texas.

Malcolm R. Barnebey, of Texas.

Raymond J. Barrett, of New York.

Paul M. Bergman, of New Jersey.

Charles K. Bevilacqua, of Pennsylvania.

Richard J. Bloomfield, of Connecticut.

Richard W. Boehm, of Maryland.

George F. Bogardus, of Arizona.

C. Arthur Borg, of New York.

William P. Boswell, of New Jersey.

William G. Bradford, of Illinois.

Jack B. Button, of Kansas.

William C. Canup, of Michigan.

Frank C. Carlucci, of Pennsylvania.

James L. Carson, of Oregon.

Edward R. Cheney, of New Hampshire.

Irving G. Cheslaw, of Maryland.

W. Kennedy Cromwell 3d, of Maryland.

John J. Crowley, Jr., of West Virginia.

John M. Dennis, of Pennsylvania.

Philbert Deyman, of Minnesota.

Lee F. Dinsmore, of Maryland.

Robert B. Dreessen, of Illinois.

Walter H. Drew, of Arizona.

William L. Eagleton, Jr., of Illinois.

William B. Edmondson, of Nebraska.

Mrs. Elizabeth L. Engdahl, of New Hampshire.

Miss Barbara C. Fagan, of New York.

John M. Farrior, of North Carolina.

Guy Ferri, of Pennsylvania.

Emmett B. Ford, Jr., of North Carolina.

Weikko A. Forsten, of Florida.

Ronald A. Gaiduk, of California.

John N. Gatch, Jr., of Ohio.

John L. Gawf, of Colorado.

Raymond E. González, of California.

Dale E. Good, of Ohio.

Ernest S. Guaderrama, of California.

John L. Hagan, of the District of Columbia.

Charles M. Hanson, Jr., of New York.

Harry W. Heikenen, of Minnesota.

William A. Helseth, of Florida.

Harrison M. Holland, of Washington.

Miss Margaret Hussman, of Idaho.

George R. Kaplan, of Massachusetts.

Paul Kelly, of Pennsylvania.

Andrew I. Killgore, of Maryland.

William S. Krason, of Virginia.

Paul H. Kreisberg, of New York.

John Krizay, of Pennsylvania.

Nicholas S. Lakas, of Connecticut.

John C. Leary, of Virginia.

James L. Lee, of California.

Robert F. Lent, of Maryland.

Donald A. Lewis, of New York.

Henry J. Lilienfield, of Maryland.

Harry M. Lofton, of Arizona.

Hobart N. Luppi, of Connecticut.

Edward S. McClary, of New York.

Henry Hunt McKee, of the District of Columbia.

Harry R. Melone, Jr., of New York.

Dudley W. Miller, of Colorado.

William B. Miller, of Ohio.

James D. Moffett, of Iowa.

George C. Moore, of California.

John A. Moran, III, of New Jersey.

Laurent E. Morin, of New Hampshire.

Jacob M. Myerson, of the District of Columbia.

E. Jan Nadelman, of New York.
Clifford R. Nelson, of California.
Harvey F. Nelson, Jr., of California.
Daniel O. Newberry, of North Carolina.
Herbert S. Okun, of New York.
Mathias J. Ortwein, of Pennsylvania.
William V. M. Owen, of the District of Columbia.
Miss Wilma C. Patterson, of Indiana.
Grover W. Penberthy, of Maryland.
Raymond L. Perkins, Jr., of Colorado.
Miss Françoise G. Queneau, of the District of Columbia.
James F. Relph, Jr., of California.
Woodward Romine, of Indiana.
Arthur H. Rosen, of Missouri.
William E. Schaufele, Jr., of Ohio.
Richard R. Selby, Jr., of Ohio.
Ray Sena, Jr., of New Mexico.
Robert G. Shackleton, of Ohio.
William C. Sherman, of Illinois.
Harry W. Shlaudeman, of California.
Robert P. Smith, of Texas.
Andrew Stalder, of the District of Columbia.
G. Alonzo Stanford, of Michigan.
Charles J. Stanley, of Ohio.
Francis R. Starrs, Jr., of California.
Robern A. Stein, of New Jersey.
Kenedon P. Steins, of Pennsylvania.
Charles R. Tanguy, of Maryland.
Toshio G. Tsukahira, of California.
Nicholas A. Veliotes, of California.
Harold C. Voorhees, of Connecticut.
Theodore A. Wahl, of California.
Royal J. Wald, of California.
Miss Mary L. Walker, of Georgia.
Peter C. Walker, of Maryland.
Robert Gill Walker, of Pennsylvania.
Karl F. Weygand, of Massachusetts.
Jean E. Zimmermann, of Missouri.

The following-named Foreign Service officers for promotion from class 5 to class 4:

J. Bruce Amstutz, of Massachusetts.
G. Michael Bache, of New Jersey.
Charles White Bass, of Tennessee.
John T. Bennett, of California.
David A. Betts, of New York.
Eugene H. Bird, of Oregon.
Hyman Bloom, of New Jersey.
Merritt C. Bragdon, Jr., of Nevada.
Miss Dorothy V. Broussard, of Texas.
Edward H. Brown, of Pennsylvania.
Robert A. Brown, of California.
William A. Brown, of New Hampshire.
Paul F. Canney, of Massachusetts.
Eugene E. Champagne, Jr., of Florida.
Miss Hulda Christiansen, of California.
Miss Joan M. Clark, of New York.
Miss Kathryn O. Clark, of the District of Columbia.
Ray H. Crane, of Utah.
Miss Jane A. Culpepper, of Louisiana.
Miss Dorothy J. Dugan, of New Jersey.
Fred A. Durling, of New York.
Paul S. Dwyer, of Ohio.
George Falk, of the District of Columbia.
Arthur W. Feldman, of Washington.
John R. Ferchak, of Virginia.
Robert E. Ferris, of California.
Carl E. Forkel, Jr., of Texas.
Richard Forschner, of Illinois.
Richard D. Forster, of Colorado.
Louis A. Gallo, of New York.
Robert K. German, of Texas.
Seymour S. Goodman, of Virginia.
Miss Shirley M. Green, of Missouri.
Clifford H. Gross, of Florida.
Robert P. Gwynn, of the District of Columbia.
C. Norman Hanley, of Washington.
Alfred Harding IV, of New York.
Miss Elizabeth J. Harper, of Missouri.
Tobias Hartwick, of Montana.
Erland H. Heginbotham, of California.
Brewster R. Hemenway, of New York.
George Borman High, of Illinois.
Roger P. Hipskind, of Illinois.
George R. Irminger, of Missouri.
George W. Jaeger, of Missouri.
Anthony J. Jay, of Illinois.
William R. Jochimsen, of California.
Chadwick Johnson, of Massachusetts.
James T. Johnson, of Montana.
Miss Viola Johnson, of Indiana.
Miss Betty-Jane Jones, of Wisconsin.
Thomas A. Kelly, of Pennsylvania.
P Wesley Kriebel, of Maryland.
Dennis H. Kux, of New York.
George B. Lambrakis, of New York.
Malcolm Lawrence, of the District of Columbia.
Burton Levin, of New York.
Robert A. Lewis, of Connecticut.
Jack Liebof, of New York.
Joseph A. Livornese, of Colorado.
James Gordon Lowenstein, of Connecticut.
Miss Ingeborg M. Lueders, of New York.
Jack F. Matlock, Jr., of Vermont.
John B. McGrath, of Rhode Island.
Francis J. McNeil III, of Florida.
Allen P. McNeill, Jr., of California.
Calvin E. Mehlert, of California.
Alan G. Mencher, of New York.
Thomas N. Metcalf, Jr., of Massachusetts.
Miss Colette Meyer, of California.
S. Paul Miller, Jr., of California.
James B. Moran, of Washington.
Miss Martha J. Moses, of Texas.
Miss Helen J. Mullen, of New York.
John Patrick Mulligan, of California.
Frederick E. Myers, of Ohio.
Leonardo Neher, of Illinois.
Anthony F. O'Boyle, of Pennsylvania.
Robert C. Ode, of Michigan.
Kiyonao Okami, of Maryland.
Miss Nancy Ostrander, of Indiana.
John Patrick Owens, of the District of Columbia.
Howard H. Palmatier, of Florida.
John G. Panos, of Illinois.
Edward M. Peach, of Virginia.
George W. Phillips, of Florida.
J. Stanley Phillips, of Tennessee.
William B. Pounds, Jr., of Ohio.
John M. Powell, of Illinois.
Arthur W. Purcell, of Massachusetts.
Virgil P. Randolph III, of Virginia.
Charley L. Rice, of Texas.
Miss Lillian A. Ross, of North Carolina.
Edward M. Rowell, of California.
Leo J. Ryan, of Florida.
Paul Sadler, of Tennessee.
Muneo Sakaue, of California.
John D. Scanlan, of Hawaii.
Edward W. Schaefer, of Connecticut.
Stanley H. Schaub, of Maryland.
Alfred Schelp, of Missouri.
Charles B. Selak, Jr., of Pennsylvania.
James F. Shea, of Maryland.
Spiros A. Siafacas, of Florida.
William N. Simonson, of Virginia.
Miss Alice M. Smith, of North Carolina.
Miss Violet Smith, of New Jersey.
Denman F. Stanfield, of Texas.
Anthony E. Starcevic, of California.
Birney A. Stokes, of New Jersey.
George H. Strunz, of Arizona.
Raymond J. Swanson, of California.
Robert C. Texido, of Rhode Island.
Ross P. Titus, of Illinois.
Miss Elizabeth B. Tolman, of New Hampshire.
Lewis R. Townsend, of New Jersey.
Frank G. Trinka, of New Jersey.
James M. Turner, of Tennessee.
Jacob Walkin, of New York.
Robert T. Wallace, of Florida.
Frank J. Walters, of the District of Columbia.
Miss Dorothy H. Webb, of California.
Robert E. White, of Massachusetts.
Samuel G. Wise, Jr., of Virginia.
Victor Wolf, Jr., of New York.
Albert L. Zucca, of Virginia.

The following-named Foreign Service officers for promotion from class 6 to class 5:

Gordon R. Beyer, of Maryland.
John R. Clingerman, of Michigan.
Richard H. Howarth, of Pennsylvania.

The following-named Foreign Service officers for promotion from class 6 to class 5 and to be also consuls of the United States of America:

Madison M. Adams, Jr., of Florida.
Julio Javier Arias, of the District of Columbia.
Rodney E. Armstrong, of California.
David P. Banowetz, of Louisiana.
Norman E. Barth, of Illinois.
Harry E. Bergold, Jr., of New York.
Calvin C. Berlin, of Ohio.
Maxwell K. Berry, of Kentucky.
Richard C. Blalock, of Oklahoma.
Archie M. Bolster, of Virginia.
Thomas D. Boyatt, of Ohio.
Harold A. Bratt, Jr., of Illinois.
Charles W. Bray III, of Texas.
Jere Broh-Kahn, of Ohio.
Carroll Brown, of Florida.
Frederick Z. Brown, of Pennsylvania.
John A. Bushnell, of Connecticut.
Harry A. Cahill, of Virginia.
David W. Carr, of Massachusetts.
William Clark, Jr., of California.
Raymond C. Collins, Jr., of New Jersey.
Ernst Conrath, of Wisconsin.
Goodwin Cooke, of New York.
John E. Crump, of Kansas.
Frazier Draper, of Florida.
Richard A. Dwyer, of Indiana.
William J. Dyess, of Alabama.
Joseph O. Eblan, of New Hampshire.
Richard W. Faville, Jr., of California.
Charles E. Finan, of Ohio.
Robert H. Frowick, of Connecticut.
Howard V. Funk, Jr., of New York.
Herbert Donald Gelber, of New York.
James L. Gorman, of Washington.
John M. Gregory, Jr., of Virginia.
John C. Griffith, of Connecticut.
Terrence T. Grindall, of California.
John T. Haldane, of the District of Columbia.
Kenneth O. Harris, of West Virginia.
Richard R. Hart, of Indiana.
Samuel F. Hart, of Mississippi.
Henry A. Holmes, of Kansas.
Harold E. Horan, of Texas.
Hume A. Horan, of New Jersey.
Edward Hurwitz, of New York.
Alton L. Jenkens, of West Virginia.
Peter E. Juge, of Louisiana.
Richard W. Kautsky, of Arkansas.
Frederick T. Kelley, of Massachusetts.
Miss Bernice M. Kelly, of Texas.
Edson W. Kempe, of California.
James E. Kiley, of California.
Gilbert H. Kinney, of the District of Columbia.
Donald A. Kruse, of Pennsylvania.
Larry E. Lane, of Texas.
Miss Morelle Lasky, of California.
James N. Leaken, of California.
Melvin H. Levine, of Massachusetts.
Wingate Lloyd, of Pennsylvania.
Hugh Cooke MacDougall, of New York.
Gifford D. Malone, of West Virginia.
William H. Mansfield III, of Connecticut.
Wade H. B. Matthews, of Florida.
James A. Mattson, of Minnesota.
Miss Mary E. McDonnell, of Massachusetts.
W. Douglas McLain, Jr., of Illinois.
John C. Monjo, of Connecticut.
Richard B. Moon, of Connecticut.
John T. Morgan, of Illinois.
Robert J. Morris, of Iowa.
Gottfried W. Moser, of Connecticut.
Roy C. Nelson, of Arizona.
Richard F. Nyrop, of Minnesota.
Daniel A. O'Donohue, of Michigan.
Oscar J. Olson, Jr., of Texas.
Ronald D. Palmer, of Michigan.
Michael B. Peceri, of Florida.

Thomas R. Pickering, of New Jersey.
Mrs. Ann Pomroy, of Illinois.
Miss Jane M. Potter, of Maryland.
Charles T. Prindeville, Jr., of Illinois.
Datus C. Proper, of Pennsylvania.
Donald E. Rau, of Florida.
John D. Rendahl, of Minnesota.
Kenneth N. Rogers, of Florida.
David Rowe, of Maryland.
Frank M. Schroeder, of Michigan.
Leslie Andrew Scott, of New York.
William T. Shinn, Jr., of Minnesota.
William L. Simmons, of Mississippi.
Kenneth N. Skoug, Jr., of Pennsylvania.
Clint E. Smith, of New Mexico.
Joseph L. Smith, of Indiana.
Wayne S. Smith, of California.
Roger A. Sorenson, of Utah.
Frederic N. Spotts, of Massachusetts.
Herbert D. Swett, of California.
Eugene S. Szopa, of Maine.
John J. Taylor, of Tennessee.
Nathaniel B. Thayer, of Massachusetts.
Donald C. Tice, of Kansas.
Ronald A. Webb, of California.
Kenneth D. Whitehead, of Utah.
Albert W. Whiting, of Kansas.
Marshall W. Wiley, of Illinois.
Albert N. Williams, of Michigan.
Larry C. Williamson, of California.
James P. Willis, Jr., of California.
Herbert Gilman Wing, of Pennsylvania.
Sidney L. Woollons, of California.
Brooks Wrampelmeier, of Ohio.

The following-named Foreign Service officers for promotion from class 7 to class 6:

David Anderson, of New York.
Charles E. Angevine, of Colorado.
Roy J. Apel, of California.
Alfonso Arenales, of New York.
James E. Baker, of Maryland.
Miss Margaret J. Barnhart, of Pennsylvania.
Carl A. Bastiani, of Pennsylvania.
Miss Margaret E. Beshore, of Indiana.
Harry R. Bieling, Jr., of New York.
James K. Bishop, Jr., of New York.
C. Thomas Bleha, of Michigan.
William D. Boggs, of West Virginia.
Miss Alix S. Bouldin, of California.
M. Lyall Breckon, of Oregon.
John Allen Buche, of Indiana.
Pierce K. Bullen, of Florida.
Thomas J. Carolan, Jr., of Maryland.
George F. Carr, Jr., of Texas.
Allen E. Caswell, of New York.
Glenn Richard Cella, of New York.
Timothy W. Childs, of Connecticut.
Geryld B. Christianson, of Minnesota.
William P. Clappin, of Virginia.
Hovey C. Clark, of New Jersey.
Harry L. Coburn, of New York.
Temple G. Cole, of Kentucky.
Thomas C. Colwell, of California.
James Ford Cooper, of Michigan.
Edwin G. Corr, of Oklahoma.
Trusten Frank Crigler, of Arizona.
Howard B. Crotinger, of Iowa.
John S. Davison, of Michigan.
R. Robin DeLaBarre, of the District of Columbia.
John W. DeWitt, of Pennsylvania.
Guy F. DiNocenza, of Connecticut.
Robert B. Duncan, of New Jersey.
Thomas P. H. Dunlop, of North Carolina.
Emil P. Ericksen, of California.
Otho Evans Eskin, of the District of Columbia.
Robert E. Ezelle, of California.
James R. Falzone, of Massachusetts.
Harvey Fergusson, of New Jersey.
James Ferrer, Jr., of California.
Richard H. Flanagan, of Massachusetts.
Miss Dagmar Frahme, of Ohio.
Alec L. France, of Ohio.
Albert A. Francis, of the District of Columbia.
Anthony G. Freeman, of New Jersey.
Norman H. Frisbie, of Massachusetts.
Robert E. Fritts, of Illinois.
Peter F. Frost, of Connecticut.
Gregory Gay, of Ohio.
Gerald D. Gilbertson, of Florida.
Alan A. Gise, of Indiana.
Paul John Glasoe, of Ohio.
George G. B. Griffin, of South Carolina.
Kurt F. Gross, of Virginia.
James T. Hackett, of California.
Frank J. Haendler, of Illinois.
Frederick A. Hahn, of New York.
William H. Hallman, of Texas.
Paul J. Hare, of the District of Columbia.
Miss Thurza Maureen Harris, of Kansas.
Donald F. Hart, of Massachusetts.
George W. Heatley, of California.
Martin G. Heflin, of Florida.
John P. Heimann, of Illinois.
Charles Higginson, of Massachusetts.
Sean M. Holly, of New York.
John W. Holmes, of Massachusetts.
David C. Holton, of Virginia.
Marvin W. Humphreys, of the District of Columbia.
Herbert H. E. Hymans, of California.
Don C. Jensen, of California.
George Lockwood Kelly, of the District of Columbia.
Richard N. Kilpatrick, of South Carolina.
Anthony S. Kochanek, Jr., of New Jersey.
David C. Lacey, Jr., of Ohio.
John J. LaMazza, of New York.
William E. Landfair, of Ohio.
Donald R. Lesh, of Arizona.
Jon S. Lodeesen, of Tennessee.
Matthew T. Lorimer, of New Hampshire.
George E. Lowe, of Illinois.
George Q. Lumsden, Jr., of New Jersey.
Edward A. Mainland, of California.
Louis M. Marrano, of California.
Richard R. Martin, of the District of Columbia.
Robert W. Mashek, of Iowa.
Robert S. McClellan, of New York.
William J. McDonough, of Illinois.
Howard M. McElroy, of New York.
Richard H. Melton, of Maryland.
Lionel B. Miller, of Massachusetts.
James M. Montgomery, of New Jersey.
John H. Moore, of the District of Columbia.
Gerald H. Murphy, of New York.
Edward V. Nef, of the District of Columbia.
John D. Negroponte, of New York.
William V. P. Newlin, of Pennsylvania.
Thomas J. O'Donnell, of Michigan.
Robert O'Neil, of New Jersey.
Gerald G. Oplinger, of Pennsylvania.
Robert P. Paganelli, of New York.
Ross C. Parr, of Florida.
Nuel L. Pazdral, of California.
Miss Emily Perreault, of Illinois.
Donald K. Petterson, of California.
Miss Anne Pinkney, of California.
J. Keith Powell, of Texas.
Henry Precht, of Georgia.
Frederick S. Quin, of New York.
Alexander L. Rattray, of California.
Leo J. Reddy, of Maryland.
Robert G. Richmond, of New Hampshire.
Robert Holmes Ross, of Minnesota.
George L. Rueckert, of Wisconsin.
Thomas J. Scanlon, of California.
Charles W. Schaller, of Wisconsin.
Carl W. Schmidt, of New Jersey.
Richard C. Scissors, of Missouri.
William C. Sergeant, of Florida.
Robert E. Service, of the District of Columbia.
Pierre Schostal, of New York.
Henry Sears Sizer, of New York.
John W. Stahlman, of Ohio.
Robert R. Strand, of Ohio.
Peter A. Sutherland, of Massachusetts.
Gerald M. Sutton, of California.
T. Elkin Taylor, of Georgia.
Richard W. Teare, of Ohio.
Charles H. Thomas, II, of New Hampshire.
Richard S. Thompson, of Washington.
Thomas M. Tracy, of Massachusetts.
Elwin T. Vangas, of New Hampshire.
James A. Verreos, of Missouri.
Stephen Lee Wailes, of Florida.
Charles W. Walker, of California.
John A. Warnock, of California.
Jerome V. Wattel, of New York.
E. Allan Wendt, of Illinois.
Walter G. West, of Colorado.
Keith W. Wheelock, of Maryland.
Robert T. Willner, of Connecticut.
H. L. Dufour Woolfley, of Louisiana.
Warren Zimmermann, of the District of Columbia.

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the Coast and Geodetic Survey:

To be lieutenant commanders

Charles K. Townsend
Ronald L. Newsom
Ray E. Moses

To be lieutenants

Sigmund R. Petersen
J. Rodney Lewis
C. William Hayes
Seymour R. Kotler
Darrell W. Crawford
Arthur L. Moshos
Paul A. Chernoff
Leonard E. Pickens
Frederick H. Gramling
Richard B. Fallgren
Maurice L. Geiger
Gerald R. Cichy
Michael H. Fleming

To be lieutenants (junior grade)

J. Rodney Lewis
C. William Hayes
Seymour R. Kotler
Darrell W. Crawford
Arthur L. Moshos
Paul A. Chernoff
Leonard E. Pickens
Frederick H. Gramling
Richard B. Fallgren
Maurice L. Geiger
Gerald R. Cichy
Michael H. Fleming

To be ensigns

Woodrow E. Bliss, Jr.
David L. Hough
Phillip C. Johnson
Rodger K. Woodruff

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the Coast and Geodetic Survey:

To be lieutenant commanders

Lavon L. Posey
Philip J. Taetz
James K. Richards
Robert W. Franklin
Sidney C. Miller
Ronald M. Buffington
Wesley V. Hull
Wayne L. Mobley
Charles A. Burroughs
Richard E. Alderman
Ray M. Sundean
George M. Poor

To be ensigns

Joseph M. Lushene
Carl N. Davis
Edward E. Jones
Frederick J. Kuehn, Jr.
Robert H. Leininger
John E. Dropp
Conrad E. Huss
William Y. S. Williams
Fred T. Knowles.
Lindle E. Barnett
William J. Cooke
Neal A. Horst
Joseph W. Dropp
Walter F. Forster II
Delwyn C. Webster
Joseph T. Smith
James O. Murphy
Peter M. Schidrich
Robert C. Westphall
Billy G. Morrison
David P. Van Weele
Ronald K. Brewer
Gerald R. Schimke
John D. Boon III

EXTENSIONS OF REMARKS

John Fitzgerald Kennedy

EXTENSION OF REMARKS
OF
HON. WAYNE L. HAYS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1964

Mr. HAYS. Mr. Speaker, a bright flame marks the final resting place in Arlington National Cemetery of one of freedom's most ardent and eloquent advocates. The voice once so familiar in these halls is now hushed in tragic death. While its sound no longer greets our ears, its bold and fervid enunciations will never be forgotten.

That heroic devotion to truth and justice, to equality and fraternity, we so often admired, and which is exemplified by countless acts and incidents extending through years of an active existence, is a most worthy example for all good men.

The principles which he professed and the work which he performed, professions and practice being in perfect harmony, will in all future time and in all nations render the name of John Fitzgerald Kennedy a synonym for human liberty.

His oratorical powers, general information, and keenness of wit gained for him a worldwide affection. As an advocate he was quick and powerful. Laying hold of the strong points in a cause, he presented them in a succinct and comprehensive manner. He was always an ardent friend of public improvement and universal education, a bitter opponent to human slavery and oppression.

The grand blows which he struck in his great battle for liberty and justice will long survive him and leave their impress upon all lands, strengthening the purpose of the toiling and struggling millions on earth. His successful life-battle should teach us the value and self-sustaining power of a career consecrated to the best interests of his country and his fellowmen.

In this impressive hour, while reviewing his heroic and unselfish acts, let us renew our vows of fidelity to the great principles which he so long, so ably, and so faithfully maintained. Let us here, and now, pledge our lives anew to the cause of human liberty and human progress, resolving that no obstacle nor selfish interest shall cause us to falter, so that when we too pass away the benedictions of mankind shall bless us, as they now bless him for whom we mourn, and it shall be said of us as it is now said of him: "He hath not lived in vain."

The image of John Fitzgerald Kennedy needs no monument. The imprint of his mind is upon the history of his country, and is more ineffaceable there than all the dedication we authorize in his memory. It is the Stalins who die in their beds. It is the Lincolns and the Kennedys, the humanitarians and reformers who die with their boots on. As policies are bigger than men may it be the legacy to our great Nation that much of what our late President initiated will go forward.

President Johnson Addresses Immigration Leader—Ahepa Supreme President Plumides Represents American Hellenes at Conference

EXTENSION OF REMARKS
OF
HON. JOHN BRADEMAS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1964

Mr. BRADEMAS. Mr. Speaker, under unanimous consent I insert in the RECORD an article containing the text of President Johnson's statement on immigration legislation on January 13, 1964, at the White House.

I wish to include also an article concerning the participation in this conference of John G. Plumides, supreme president of the Order of Ahepa.

Both these articles appeared in the January–February 1964 issue of the Ahepan.

The articles follow:

PRESIDENT LYNDON B. JOHNSON ADDRESSES IMMIGRATION LEADERS

President Johnson gave a rousing send-off to the Senate hearings on immigration legislation on January 13 at the White House. Several members of the Senate and House Judiciary Committees were present, including Senator JAMES O. EASTLAND, Democrat, of Mississippi, chairman of the Senate Judiciary Committee; Senator PHILIP A. HART, Democrat, of Michigan; Senator KENNETH B. KEATING, Republican, of New York; and Congressman MICHAEL A. FEIGHAN, Democrat, of Ohio, chairman of the House Subcommittee on Immigration and Nationality, on whom the President called for remarks. Also present were the Commissioner of the Immigration and Naturalization Service, Mr. Raymond F. Farrell, and Mr. Abba P. Schwartz, Administrator of the Bureau of Security and Consular Affairs, as well as a number of officials of the State and Justice Departments.

Some 50 leaders of national religious, labor, civic, and nationality organizations attended the meeting.

PRESIDENT JOHNSON'S ADDRESS

President Johnson addressed the conference as follows:

"We have met for the purpose of pointing up the fact that we have very serious problems in trying to get a fair immigration law. There is now before the Congress a bill that, I hope, can be supported by a majority of the Members of the Congress. This bill applies new tests and new standards which we believe are reasonable and fair and right.

"I refer specifically to: What is the training and qualification of the immigrant who seeks admission? What kind of a citizen would he make if he were admitted? What is his relationship to persons in the United States? And what is the time of his application? These are rules that are full of commonsense, common decency, which operate for the common good.

"That is why in my state of the Union message last Wednesday I said that I hoped, that in establishing preferences, a nation that was really built by immigrants, immigrants from all lands, that we could ask those who seek to immigrate now: What can you do for our country? But we ought to never ask 'In what country were you born?'

"President Roosevelt and President Truman and President Eisenhower and President Kennedy have all asked for a revision in the present statute. The present statute has overtones of discrimination. President Truman said that the idea behind discrimination was, to put it boldly, that English or Irish names were better and better citizens than Americans with Italian or Greek or Polish names. And such a concept is utterly unworthy of our tradition and our ideals.

"Now each of us and all of us are descended from immigrants. I hope we would ask ourselves this question: How would we feel, if we were put in the other fellow's place? Maybe by doing that and engaging in a little introspection for a time we would find it a good feeling to apply the Golden Rule and do unto others as we would have them do unto us.

"GREEK QUOTA ONLY 398

"Great Britain has a quota of 65,000. It uses less than half of that quota. Germany has a quota of 25,000, which it never fills. Italy has a quota of 5,645 but it has a current backlog of almost 300,000. Greece has a quota of only 398 but it has a current backlog of over 100,000. So I think that the immigration statutes require very special examination.

"I would hope that we would do nothing hasty and makeshift, but I hope that we would apply the tests that I have outlined and the standards that I have suggested. * * * These objective stands, I believe, would serve the national interest and I would hope that the Congress at this session would find that a majority of its Members could follow this path.

"I want to thank each of you for coming here this morning. I want to ask you to dedicate such time and effort and your talents as it may be possible to helping us reason together and achieve the standards that history will record as being fair and just and that we, ourselves, can be proud that we played a part in helping to achieve. I particularly thank the Members of the Congress who have come here this morning and who hear many conflicting viewpoints, but who I believe all were elected on a platform of doing what they believed to be right and who, I am confident, when the chips are down will see that fair and just legislation is written, that if they use it to apply to themselves they would feel they had had at least a fair shake."

AHEPA SUPREME PRESIDENT PLUMIDES REPRESENTS AMERICAN HELLENES AT IMMIGRATION CONFERENCE WITH PRESIDENT JOHNSON

WASHINGTON, D.C.—Ahepa Supreme President John G. Plumides attended a special White House Conference on Immigration on Monday, January 13, at 10:30 a.m., at the invitation of President Lyndon B. Johnson.

Mr. Plumides was invited as the only representative of all Americans of Hellenic descent to the conference which heard President Johnson express his strong views on the inequities of our present laws on immigration.

"President Johnson is very much concerned about this country's present immigration laws, and is strongly in favor of their immediate revision," President Plumides stated: "At the White House meeting, which was attended by about 40 national leaders of labor, ethnic, and social groups, he spoke at length with reference to the Greek quota."

The Ahepa supreme president explained that President Johnson stated that the Greek immigration quota is oversubscribed by some 100,000 at the present time, and that the President also compared the Greek and Italian quotas with German and British quotas. "President Johnson made it very clear that he will insist to Congress that the Greek immigration quota be increased, through revision of the law, and that there should no longer be any disparagement in such quotas between such countries as Greece, Italy, Germany, and England. The conference with the President lasted for about 35 minutes, and everyone present was greatly impressed with the President's strong feelings and sincerity on the immigration question," President Plumides concluded.

COSPONSORS

Cosponsors of the new Senate bill on immigration, as well as members of the Senate Judiciary Committee, were also present. The Ahepa supreme president reported that Senators PHILIP HART, of Michigan, and KENNETH B. KEATING, of New York, addressed the conference, speaking favorably on the bill. During the course of the meeting, President Johnson reminded his audience that former President Truman had also previously pointed out the present inequities in immigration laws as applying to Greece and Italy, in comparison with the quotas for England and Germany.

In a short personal conversation with President Plumides before the opening of the meeting, President Johnson said that he was very familiar with the Order of Ahepa, and with its work in this country, as well as in Greece, and Canada. President Plumides also spoke with Senator EDWARD M. KENNEDY, of Massachusetts, brother of the late President Kennedy, and Senator KENNEDY expressed his personal hope that the new immigration bill would be passed during the present session of Congress. The Ahepa supreme president expressed his pleasure in being invited by President Johnson to attend as the representative of Americans of Hellenic descent, and affirmed that the Order of Ahepa would continue to support and spearhead all efforts aimed at the revision of present immigration laws.

The 46th Anniversary of Estonian Independence

EXTENSION OF REMARKS

OF

HON. JAMES C. AUCHINCLOSS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1964

Mr. AUCHINCLOSS. Mr. Speaker, Estonians are an outstanding example of a people who love liberty and never are discouraged in their fight to obtain it. Forcibly brought under the control of the Russian czars in the 18th century, they suffered for about two hundred years under this autocracy and finally achieved their freedom and proclaimed their national independence on February 24, 1918.

As a result of the Russian Revolution of 1917 these sturdy and stouthearted people lived happily under their own democratic government, the Estonian Republic, until they were robbed of their freedom in 1940 when the country was annexed to the Soviet Union and they became enslaved under the godless communism ideology.

Today is the 46th anniversary of the independence they won in 1918 and every lover of justice and freedom in the world wishes them well. All are thrilled by their example of courage and fidelity to those principles which they hold so dear. May their hope never grow dim, may their courage never be shaken, and may they in God's good time achieve their heart's desire and renew their life under a republican form of government.

Anniversary of Estonian Independence

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1964

Mr. PELLY. Mr. Speaker, little is heard from Estonia now, but escapees report that Russian Communists rule the country with a heavy hand. Yet the national ideals of a free Estonia are carried on by some 100,000 Estonians who succeeded in escaping to the free world.

The Republic of Estonia was established after World War I on February 24, 1918. This was not the beginning of the Estonian State, however. This struggle for freedom began more than 700 years ago and no force could ever break the Estonian's will for national self-determination. Many wars ravaged their country and medieval fortresses bear witness to the rule by power rather than justice. In 1918–20 Estonians fought courageously against Soviet Russia and German forces and won their freedom.

The period from 1918 to 1940 saw a free people give a new look to their country. New and modern homes, hotels, public buildings, and factories were erected. There was a tremendous increase in the number of small farms equipped with up-to-date implements. Mining and refining of oil laid a solid foundation for an expanding industry and the national income doubled.

Estonia, though small in size was large in culture. Education was the primary concern and the number of students and graduates of the two universities, compared with total population, was one of the highest in Europe. It was a land of large historic churches and the contribution of the church to the culture and to the educational development of Estonia has been considerable. The intense striving for their national self-expression is reflected in their highly developed literature and creative arts.

Thus, Mr. Speaker, in the short period of 22 years, 1918 to 1940, a proud and courageous people, after 700 years of foreign occupation, made great strides.

But in 1940 Estonia was overrun again. This time it was Soviet Russia and even though the Western world still recognizes its independence her people are now forced to live under Russian Communist rule.

Again I repeat, Mr. Speaker, little is heard from Estonia now, yet the national ideals of a free Estonia are carried on by some 100,000 Estonians who succeeded in escaping to the free world.

Mr. Speaker, I join with these courageous people in commemoration of Estonian Independence Day.

Washington Report

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 24, 1964

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletter of February 22, 1964:

WASHINGTON REPORT BY CONGRESSMAN BRUCE ALGER, FIFTH DISTRICT, TEXAS, FEBRUARY 22, 1964

REDISTRICTING

"One man's vote in a congressional election is to be worth as much as another's." That is probably the most important sentence in the Supreme Court ruling on redistricting. Justice Black, writing the majority opinion, declared:

"We do not believe that the framers of the Constitution intended to permit * * * vote-diluting discrimination to be accomplished through the device of districts containing widely varied numbers of inhabitants. To say that a vote is worth more in one district than in another would not only be counter to our fundamental ideas of democratic government, it would cast aside the principle of a House of Representatives elected 'by the people,' a principle tenaciously fought for and established at the Continental Convention of 1787."

As one who believes in States rights I regret that redistricting has been thrown into the Federal courts. It is too bad our Texas State officials failed in their responsibility of meeting this problem and solving it. They have had plenty of time. Dallas County has had disproportionate representation for the past 10 years as our district experienced unprecedented growth while adjoining districts have gained barely any population growth. The people of Texas, and especially the people of Dallas, are being robbed of equitable representation because the Governor and the Democratic controlled State senate killed a house passed bill last year. This was an obvious political move and was so stated and the senate action put politics ahead of the principle that "one man's vote is worth as much as another's."

What has the failure of the Texas Legislature to act cost the people of Dallas County?

1. The latest available figures give Dallas County a population of 1,106,363.

2. These same figures show a population of 219,637 in the adjoining Fourth District.

To illustrate how such unequal representation affects the individual, consider just the appointment of young men to the military academies. A boy in the small Fourth Texas District has five times a better chance of getting an appointment than does a boy in adjoining Dallas County. This means that when the Democratic Texas Senate killed the redistricting bill last year it penalized every young man in Dallas County.

The Fifth Texas District has a greater population than 15 States and 10 of these

States are represented by 2 Representatives in the House as well as 2 Senators.

State	Population	Representatives	Senators
Maine	969, 265	2	2
New Hampshire	606, 921	2	2
Vermont	389, 881	1	2
Rhode Island	859, 488	2	2
North Dakota	632, 446	2	2
Delaware	446, 292	1	2
Montana	674, 767	2	2
Idaho	667, 191	2	2
Wyoming	330, 066	1	2
New Mexico	951, 023	2	2
Utah	890, 627	2	2
Nevada	285, 278	1	2
Alaska	226, 167	1	2
Hawaii	632, 772	2	2
Dallas County, Tex.	1, 106, 363	1	2
State of Texas	9, 579, 677		

WORKLOAD OF A CONGRESSIONAL OFFICE

There is no doubt that eventually Dallas County will get an additional Congressman. Regardless of how long it takes to eliminate the present inequity, the people of the Fifth District may be assured that they will be given the best representation it is possible for me and my staff to give them. My representation of the people of the Fifth District is always nonpolitical. I am proud of the record of service we have been able to maintain in spite of the obvious difficulties in dealing with the heaviest mail load of any congressional office.

Prompt attention is given to our casework. This consists of thousands of problems of servicemen, social security recipients, taxpayers, small businessmen, Dallas industries, any citizen who has a problem with any one of the many Federal bureaus and agencies. We receive thousands of requests for information material from students, teachers, citizens interested in learning about their Government. In addition, we answer as completely and as promptly as possible the 400 or 500 letters each day which deal with bills pending in Congress. There is only one consideration in this office—service to the people of Dallas County—service in handling their problems and inquiries, in the work on the Ways and Means Committee dealing with tax legislation, and on the floor of the House in debating measures which affect the lives of all of us.

CONGRESSIONAL ACTION NEEDED

I regret the Texas Legislature failed to do what was right in redistricting. I would rather not have the Federal Government making decisions on voting rules for the individual States. Because the States did not assume the responsibility the Federal Government did enter the picture through the Federal courts. Now that action must be taken, it should not be a court decision. Therefore, it is now up to Congress to define the rules for congressional redistricting and equitable representation.

BRUCE ALGER,
Member of Congress.

Estonian Independence Day

EXTENSION OF REMARKS
OF
HON. ROBERT TAFT, JR.
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1964

Mr. TAFT. Mr. Speaker, on the occasion of the 46th anniversary of the Declaration of Independence of the Republic of Estonia, I pause with others in the free world to recognize this day.

For almost a quarter of a century the peoples of this nation have been under Communist rule. During this time nothing has changed with regard to the denial of fundamental right of people to choose their government. The right of freedom of speech is still as foreign as the freedom of political gathering.

Today there are few ways the people of this Republic can demonstrate their attitude toward the one party political regime, but the increasing number of qualified voters who are abstaining from exercising their rights is a most noticeable one.

The existence of the people in the homeland is not an easy one but their hope for a brighter future rests in the hearts of relatives and friends in the free world. The cause of all of the captive European nations is one in which freedom loving people the world over continue to encourage. I commend all of those people who continuously dedicate their efforts that others may live in peace and freedom.

Senate and House Members, Staff Personnel, View Worthwhile Film, "One Man's Way," Based on the Life of Dr. Norman Vincent Peale—Don Murray Present

EXTENSION OF REMARKS
OF
HON. JENNINGS RANDOLPH
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Monday, February 24, 1964

Mr. RANDOLPH. Mr. President, Wednesday afternoon, February 19, it was my privilege, with Representative JOHN V. LINDSAY, of New York, to host an advance showing of the film "One Man's Way," in the auditorium of the New Senate Office Building. This outstanding motion picture is based on the life of one of America's most respected religious leaders, Dr. Norman Vincent Peale, and will premiere in Washington on February 26 at the Keiths Theater.

Invited guests on this memorable occasion were Members of the Congress, staff personnel, and employees of the various congressional committees. A considerable number gathered to share the inspiration and entertainment of this unusual picture.

Each of us is familiar with the contributions of Dr. Norman Vincent Peale to the moral and spiritual life of our Nation. Through his forceful ministry he brings new insights and attitudes to thousands, and his book, "The Power of Positive Thinking," has enjoyed a world readership.

An added treat at the screening was the personal appearance of Don Murray, the accomplished young actor who carries the role of Dr. Peale. Mr. Murray has appeared in "Bus Stop" and "Hoodlum Priest," but is perhaps best remembered by Washington audiences for his outstanding portrayal of a youthful Senator in "Advise and Consent."

Don's performance in "One Man's Way" is a heart warming one. He brings to the screen a purpose and conviction which accurately convey the dynamic personality of Dr. Peale and the full impact of his message.

Special recognition and commendation should also go to Frank Ross, producer of the picture. Mr. Ross conceived the idea for the film, secured the cooperation of Dr. Peale, and supervised production until a finished product was achieved.

I recommend "One Man's Way" to the attention of my colleagues and to other thoughtful persons. This is more than the story of a man—it is a challenge to all of us to seek a rewarding and more fruitful life in these times of tension and unrest.

Remarks by Secretary of Labor W. Willard Wirtz at Opening Session of American Bankers Association's Symposium on Employment, February 24, 1964, Washington, D.C.

EXTENSION OF REMARKS
OF
HON. JOHN BRADEMAS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, February 24, 1964

Mr. BRADEMAS. Mr. Speaker, under unanimous consent I include in the RECORD the thoughtful remarks delivered by the distinguished Secretary of Labor, W. Willard Wirtz, before the American Bankers Association assembly on February 24, 1964. The occasion for Mr. Wirtz' comments was the opening of a Symposium on Employment sponsored by the American Bankers Association and held in Washington, D.C.

The text of Secretary Wirtz' talk follows:

Thank you, Mr. Alexander. Secretary Dillon, President Kelly, and gentlemen, there has been something of a change. I suppose there are few occasions where you move from a meeting one day with the executive council of the American Federation of Labor and Congress of Industrial Organizations, and assorted unions for the maritime industry, to a meeting with the American Bankers Association. With that move in mind and thinking, too, of Mr. Alexander's reference to the dangers of the statistics with which I am about to deal, I am reminded of the observation that the law of averages is only a matter of proving that if you are standing with one foot in the refrigerator and the other foot on the stove, you are, on the average, comfortable. That is the way I feel this morning.

I count apologies the poorest and worst sort of introduction to a speech, and yet I do have a certain respect for the art of forensics, and a very great respect for this audience. I hope you will indulge my simple word of apology this moring, because as of 9:30 last night I was in Miami on a quite different mission and didn't get back here until 1 or 2 o'clock this morning. And the attempt to develop in the meantime an adequate basis for filling in this morning has left me with a feeling of apology; I simply want to express it and ask not your indulgence but your understanding of it.

We are going too fast. I think continuously these days of James Thurber's observation that man is simply moving too fast for a world that is round, and before very long there is going to be a great rear end collision, and the object that is coming up behind is man. So really all I can do this morning is talk with you a little, if I may, and tell you a little about the address I should like to have made to you if I had had more time.

You will understand that these will be random thoughts. They will be divided into three, not divisions, but rough areas of projection. I would like to talk, first, about this matter of what unemployment is, and how significant we count it to be; then I would like to talk some about the relationship of hours of work to employment and unemployment; and then, perhaps most particularly, of the relationship of employment and education, because this relationship seems to me to be so basically important.

NATURE OF PROBLEM

Now, let me say a little about an attempted evaluation of the nature of the unemployment problem, and of the significance of it. Mr. Alexander suggested that we might anticipate a certain debate here between the structuralists and the expansionists. It is very hard for me to accept that. There was a suggestion that that might end with a certain degree of "a plague on both your houses." My approach to it is quite different. I say a blessing upon both your houses.

It seems to me that it is obvious that the problem of unemployment has to be met through attention both to the necessities for expansion, and to the matters which we have identified as those of structural unemployment.

I don't propose to enter upon that argument because it seems to me that most of the argument simply drains off steam for the whistle—the steam that could be better put to the boiler.

The answer is: We have to move on both problems.

I think that the evaluation of the problem of unemployment is complicated by a semantical bad habit that we have. Whenever we can find a single word that covers a number of things, and particularly whenever we can find a single statistic that may cover a number of things, we leap from the single word and single statistic to the conclusion that we have a single problem; which isn't bad enough until we take the additional step of feeling that there must be a single answer to it, at which point our words and our thought processes have done us in quite severely.

I think of the unemployment problem as by no means one problem at all, but quite a number of them, and I would like to talk a little bit about the essential parts of the problem. I would like to speak, just briefly, about the attitude that unemployment isn't nearly so important as some people may think it is. That becomes, in one form, a doubting of statistics upon which the various reports are based. I know that there is going to be some discussion of that this morning, and I shan't go into it except to say that I think that there is no question about the validity of the statistics.

DANGEROUS APPROACH

The problem is rather about the interpretations which are placed on the statistics. There is one kind of evaluation of unemployment with respect to which I feel myself reacting perhaps emotionally, and that is the attitude which says that a little unemployment isn't bad if it is going to prevent a lot of inflation. That seems to me, at a time when we are using only 87 percent of our plant capacity, and only 94 percent of our manpower, an intolerable approach, especially in a period in which we have had stability, particularly as far as wholesale prices but also retail prices are concerned, a period of stability such as that of the last 5 years.

I reject flatly the proposition that the concern about stability can be met only by crippling our growth, by maintaining as a brake against inflation the unemployment of some 3 or 4 million people. I count that view intolerable.

To whatever extent there is a discounting, too, of the fact of unemployment on the grounds that the unemployed in this country do better than the fully employed in a good many other countries, I find no basis in reason for it. I do not believe being poor in America is any better by virtue of the fact that being poor is a lot worse in other countries. I find the only valid measure of poverty or accomplishment in terms of our own potential for making things worthwhile, and for making life worthwhile in this country. I don't count the fact that unemployment or poverty is measured differently here than it may be in other countries as in any way diminishing that fact. Let me put my point this way: We talk about people in families with incomes of less than $3,000, as being in poverty situations. I think they are, despite the fact that this is hardly enough to cover the bare essentials of life. It is said that unemployment is not too serious if everybody has a job. Well, that does not seem to me to be enough. I would naturally worry about unemployment if it meant starvation, but I worry about it equally if it is only that degree of unemployment or underemployment which permits a family to fall apart. That casuality seems to me just as bad as the first one. As far as poverty is concerned, I repeat that I do not believe it is any less severe or less to be concerned about in this country because of its comparison with the situation in other countries.

Now, I should like to say, more broadly and more generally than that, that it does seem to me that we properly evaluate and understand the unemployment situation only if we view it in terms of the relationship of the economics to the concepts by which we live, by which we guide ourselves in this country. I assume that means centrally the opportunity of the individual to exploit fully whatever potential he may have, and that we measure unemployment and employment by that measure. In fact, more generally, if there is a single thread to the thoughts I have in mind this morning, it is that we should evaluate these matters of employment and unemployment in terms of their relationship to the social and political and scientific aspects of life in this country.

COMPLEX PROBLEM

Now, as to the various unemployment problems that we face, rather than a single one, these problems are now being increasingly identified through a breakdown of the seasonally adjusted monthly figure. I should at this point be delighted if there was some basis for throwing away the seasonally adjusted decimal point monthly unemployment figure. It does nothing any more except measure the relationship of this period to the periods which come before it. It is important for that purpose but it conceals the variety of problems which we face. When we say that 5.6 percent of the people in this country are unemployed, it diminishes greatly the degree of the problems as far as the popular and public understanding of it is concerned. When we say that there are 4 to 4.5 million people unemployed in a nation of 188 million people, which is, by and large, doing very well by itself, it is very hard to arouse enough concern about it. We are at the point now where unemployment may, in my judgment, become built into our economy because we have let it become a habit, and part of the reason it has become a habit is because it is tied up in these "one" figures. When you point beyond them to some other things, then the problem begins to emerge.

First, there is the fact that over 15 million people last year were unemployed at one time or another. That is 15 million people in this country. It is not enough to reduce these people to the point of starvation to be concerned about them. It is perhaps enough that the girl in that family was the one member of her graduating class in high school who couldn't buy the right kind of dress to go to the graduation ceremonies. That is not my definition of poverty, or of unemployment, but I would like to suggest that it is the kind of measure that we ought to be taking into account.

So, in one way, to one degree or another, over 15 million people were unemployed at some time during the year last year.

And then, of course, there are figures for the various unemployment problems which show, for example, that among minority groups, unemployment is not 5 percent, but about two times that. There are figures which show that among the young who are members of the work force, the unemployment figure is not 5 percent but three times that.

Then there is another group of figures which casts some light upon the extent to to which the employment needs of this country are being met in one form or in another.

You have your pencils and I would like to run through very quickly a list of figures that show where jobs have been coming from for the last 6 years.

SOME FIGURES

In the last 6 years, between 1957 and 1963, there has been an increase in the number of wage and salary jobs in this country, leaving out the farm sector, of 4,300,000 jobs. That is in 6 years. The increase included in that number which results from Government positions, is 2 million in round figures, almost all of it at the State and local level and most of it in connection with the schools. That leaves 2,300,000 jobs.

Next there is an item of 800,000 jobs due to Federal, State, and local government procurement programs. Put it in or out as you please, and I draw no moral from it, but by one approach you would subtract from those figures those jobs which are the result of government procurement programs, and that would bring you down to 1,500,000. Then, in this last 6-year period, there has been an increase of 700,000 in jobs connected with not-for-profit institutions. That brings you down to 800,000.

And then there has been, in the increase in jobs during these past 6 years, 600,000 of them which are part-time jobs. That means that the private sector of the economy, leaving out that part of it which is working for the government and for nonprofit institutions, has produced in the last 6 years, 200,000 full-time jobs.

That is the total increase, the net increase.

Now, I don't need to even interrupt to point out that as far as I am concerned this is not a set of figures directed to a proposition that there should be more government supplying of jobs. Gentlemen, exactly the opposite. As far as I am concerned, full employment is never going to come from any set of government programs. It is going to come from the development of strength as far as the private sector of the economy is concerned. And it bothers me greatly that in the last 6 years, the total increase in the number of full-time jobs contributed by the private sector of the economy, leaving out government and nonprofit institutions, has been 200,000 jobs.

Now I am cheered by the fact that this figure is today infinitely better than it would have been a year ago, because in the last year there has been an increase of about 500,000 jobs. So what I have given you is the 1957 to 1963 comparison. 1957 to 1962 would have shown a loss. (Now I am talking about full-time jobs throughout here.)

There has been an increase of about 500,000 full-time jobs in this last year, which may mean that we are on the way up. But I want to stress the fact—as part of an analysis of the situation of unemployment today—that a principal part of our problem has been that the private economy has not been functioning at the rate which is necessary in view of the rapid increase in the size of the work force.

Were this earlier, and were the report at this point less cloudy as far as the tax program is concerned, I would, of course, point out that this is exactly the reason that we need the tax reduction program. I hope that it will help greatly as far as the elimination of this problem is concerned.

HOURS OF WORK

Now, there are a few things about some of the other details of the unemployment situation. I would like to point out a few things about the relationship of the hours problem to the problem of unemployment. I suppose it is only a measure of foolhardiness or a suggestion of perversity that I would go, 3 days ago, to talk to the AFL–CIO Executive Council about my opposition to the 35-hour workweek, and talk to you here today about my support of the proposition that there should be a larger penalty for overtime, when neither view is popular in either quarter.

But I am very much concerned about the distribution of the hours of work. I read in one of the newspapers this morning—I will identify it only by saying it is a paper I think of as having the largest gap between the validity of its editorial and its reportorial comments. There is an editorial in one of the morning papers which says that when you force an employer to cut or eliminate overtime, you are also telling the working man he can't work as much or make as much money as he is able to make.

Well, poppycock. The rest of the proposition is that when you don't supply a man with an opportunity for work, you are also telling him that he is not able or he can't work as much or make as much money as he is able to.

What we are trying to do is to find that balance between work and leisure, that relationship or that distribution of work which will provide the fullest opportunity to the fullest number of people, to do the work which they want to do.

There is pointed out in another article in one of the columns in another of the papers this morning, what has been happening to the workweek over the period of the last 50 or 60 years.

There has been a sustained but not very rapid dimunition in the number of hours in the work year for the whole of this century, at least. The workweek has been going down in length about half of one percent a year as a result of one thing or another.

Now, that is not a very good statistic, because it went down very rapidly during one period of time, or during two periods of time, and recently it has been going down less. But my point is that there has been in the experience of this century an evolution in the distribution of man's time between work and no work. That process is still going on.

I think it is an open question as to the extent to which there should be legislative affecting of the result. I think, as you know, that a legislative program by which we would reduce the workweek to 35 hours would be a mistake. I am, at the same time, very much concerned about a situation in which 15½ million people were working more than 40 hours on an overtime basis, and 4½ million were unable to find work which they were looking for. I think there is something out of joint. I would hope that it is a matter which would be worked out in the private sector of the economy. If it is not, it seems to me that it is a matter to which we must attend legislatively.

OVERTIME

President Johnson has, accordingly, made a recommendation to the Congress which is that this matter of overtime should be reviewed on an industry-by-industry basis, by tripartite committees, and that there should be an increase in the penalty rate for overtime, where it is determined in a particular industry that an increase in the overtime rate from time and a half to double time would do two things: (1) would increase employment; and (2) would not result in any excessive cost increases.

I think that proposal deserves and demands consideration. I do not think we have resolved yet this matter of the distribution of man's time between work and leisure. I don't think that we have worked out the perfect distribution of work among the people in the country. I don't think that the answer to those is going to come by any means entirely from law.

I do not think that there is the same necessity today of looking at this matter legislatively as there was in 1937 and in 1938. But I don't need to go further into details of that particular problem.

Now, finally, I should like to talk about the relationship of unemployment and education, because it seems to me that here is the most fruitful opportunity for immediate advance on the employment problem. I would like to give you a few more statistics which suggest something of the relationship of lack of education and unemployment in this country today. These statistics can be read several ways, and I will want to point that out in mentioning them.

The unemployment rate for individuals today with less than 5 years of school is 10.4 percent. Those in the work force who have less than 5 years of school are 10.4 percent unemployed.

Those with 9 to 11 years of school are 7.8 percent unemployed. Those with 13 to 15 years of school are 4 percent unemployed, and those with 16 years or more of school have an unemployment rate of 1.4 percent.

I repeat that if there was more time we could go into a number of the possible explanations of this, but this salient fact stands clear. There are others that are of a related kind.

CRISIS FOR UNSKILLED

In 1962, the educational attainment of unskilled nonfarm laborers was less than 9 years. Employment for that group over the last 10-year period has declined by 3½ percent. This is a difficult figure, and I consider it quite illuminating and, therefore, I would like to be clear about spelling it out.

If you take the unskilled nonfarm labor classification, where there is an educational attainment of less than 9 years, employment over the last 10 years has declined by 3½ percent.

On the other hand, if you take clerical and sales workers whose educational attainment in 1962 was more than 12½ years, their employment has increased by 14 percent between 1952 and 1962.

Then if you take professional and technical workers with an educational attainment of 16 years, employment for them during this 10-year period has increased by 62 percent.

These figures are perhaps only the statistical confirmation of what we know to be obvious in general, which is that the developments in the economy are such that there is a closer and closer incidence between education and employment and between lack of education and unemployment.

There is another factor in this situation, another set of statistics which I am not going to give because I have already talked longer than I intended to, or than the circumstances I know warrant.

Another set of statistics will show a very close correlation between unemployment of an individual and the unemployment and lack of education of his father; or, summarizing the point, unemployment in this country today is becoming an inherited characteristic and it is being inherited not through the physical genes, but through social genes of lack of education, slums, and so on and so forth.

I am not sure how much poverty we can eliminate as far as the adult generation is concerned. I know that if we could get poverty and unemployment out of the American bloodstream, as far as I am concerned the place to start is with the educational program.

Rather than emphasizing what can be done as far as larger employment resulting from a change in the overtime rates are concerned, I would like to suggest to you that the single largest possibility of immediate attack upon the unemployment situation would come from getting 2 million teenagers out of the work force. There are almost 3 million of them between the ages of 14 and 19, who are out of school and in the work force.

As far as I am concerned, this is the most fertile area for moving immediately on a fuller employment problem, because I do not think most of those 3 million ought to be there. I think the number ought to be cut down by about 2 million, and that those 2 million, instead of being in the work force, should be in school getting the kind of preparation they need for the employment which lies ahead.

If we could accomplish this in one way or another, it would have three effects: First, it would develop a guarantee against future unemployment by preparing these boys and girls more fully for the jobs that lie ahead; second, it would take their competition out of a work market in which they are today competing with breadwinners and so on; and third, it would make education the biggest industry in the country, which it ought to be.

EXTENDING FREE COMPULSORY EDUCATION

I should like to suggest for your consideration the proposition that there ought to be, at this point, an additional 2 years added both to our free education system, and to our requirements of compulsory education. It is not just more education of the same kind that all of these people have been getting, but 2 years more which in a good many cases would include advanced vocational education, as well as preparation for college.

Here is what we have done in this country: Over 100 years ago, about 150 years ago now, we started developing this idea of free education. We eventually came up with the idea of free education through high school. We made it, almost all, preparation for college. But that didn't matter too much because those who matriculated either went on to college or went into a work force where there was plenty of work for unskilled workers. It is not the situation today.

Then we did another thing: We provided by law in most States that boys and girls must stay in school until they are 16. Those two actions met the needs of that time, the need for education up to 16 years, and free education up through the high school level.

The needs, gentlemen, have continually changed in the last century and a half. The needs today are for people with more and, in some cases, a different kind of education from what has been supplied before, and the needs are for free education which would carry them through the additional, I think, 2 years.

The money involved here would not need to be supplied directly. In most cases I think it would be better applied probably through a scholarship or preferably a loan program of one kind or another.

I think it is against what I grew up by. People get an education and jobs in this country depending upon the income of their parents. I am ashamed by the facts I find when I look at the list of high school graduates in this country, line them all up according to the incomes of their fathers, and find that if I take those in the top 30 percent of the graduating high school class in this country, the top 30 percent measured by their fathers' income, 46 percent of those boys and girls go on to college.

If I take the bottom 30 percent measured by their parents' income, their fathers' income, 12 percent of them go on to college. It isn't fair and it is bad business.

I would like to suggest that in the long run we will approach the employment problem most effectively, the actual employment goal most effectively, if we attend to the basic problem of the relationship of education to employment.

BREAKING THE HABIT

We have it in connection with the training program, but we have it most basically in connection with the educational program, and I think there is a great deal to be done about getting unemployment out of the American bloodstream. I don't think that there is any reason for it as a habit.

I point out that the more we look at it the more we find that unemployment, poverty, and ignorance all go together. We might as well hit them at one point or another. So far as I am concerned, the best way to hit them is in connection with their educational matter.

May I say only this: Let us consider spending time not only on the problems of wheat, or strikes, or something of that kind, but rather on the attempt to find out what it is that explains the fact that at the height of the greatest success story in the history of man there are 4½ million people in this country who can't find something to do.

Spending as I do much time on this problem, it is a matter of the greatest encouragement that the American Bankers Association convenes in this symposium session for a discussion of this problem. Not we, gentlemen, but you, will answer the problem in the long run.

There is another axiom or a little piece of poetry that I think about most often in connection with endeavors of what are here called public service. It is a measure of the limitations of what we can do about it. It is, I think, Goldsmith's couplet: "How small a part of all that human hearts endure, that part which kings and laws can cure."

I would hope that the challenge of this meeting by those of us who are with the government, would be that the matter of full employment is primarily and basically a matter which must be left to the private economy, to the private community, to the strengthening of the private economy. I hope you realize that we conceive of a government function as being only that residual function which it is necessary to exercise when the rest of it doesn't work.

Thank you very much.

District of Columbia Commissioners Receive Human Relations Award at Brotherhood Dinner of the National Conference of Christians and Jews

EXTENSION OF REMARKS

OF

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, February 24, 1964

Mr. RANDOLPH. Mr. President, on February 17, 1964, the 15th brotherhood dinner of the Washington region of the National Conference of Christians and Jews was held at the Sheraton Park Hotel, with more than 1,200 persons in attendance.

This respected organization is comprised of religiously motivated people, "seeking through education and discussion to promote civic cooperation and mutual understanding among men of good will of all religious and ethnic groups without compromise of religious beliefs." In the Metropolitan Capital area this effort is carried forward with the guidance of energetic leaders and members who recognize the challenges of the 1960's and who meet the needs of a "community in change" with dynamic, imaginative programs.

Through these worthwhile projects the NCCJ is a strong partner in the cooperative venture to make this city a better habitation for all people. It assists and complements the work of other human relations agencies in Washington. Its activities provide opportunities for continuing conference and consultation among representatives of the religious and racial heritages of America. Therefore, by meeting and talking together, a workable approach to new understanding is provided.

The program was opened by dinner chairman, A. Scott Offutt. The national anthem was led by Walter F. McArdle. Rabbi Lewis A. Weintraub, president of the Washington Board of Rabbis, gave the invocation. Following dinner, Al. Philip Kane, cochairman of the Washington region of the National Conference of Christians and Jews, extended greetings and a welcome to those in attendance.

Mr. President, each year the National Conference of Christians and Jews selects persons to be honored with national awards for their efforts in the field of human relations. This year the honorees were the members of the Board of Commissioners of the District of Columbia: the Honorable Walter N. Tobriner, President of the Board; the Honorable John B. Duncan; and Brig. Gen. Charles M. Duke. Presentations were made by the Honorable Brooks Hays, national chairman of Brotherhood Week, and a recipient of the award last year. Mr. Hays' moving tribute to John F. Kennedy, also a past recipient, was a high point of the evening. I shall often remember the humor and heart-warming remarks of my former congressional colleague.

The citation presented to the District Commissioners reads as follows:

> The National Conference of Christians and Jews acclaims the Board of Commissioners of the District of Columbia—
>
> For distinguished and courageous service to the Nation's Capital, especially in the crisis year of 1963;
>
> For serious dedication to the search for solutions to the complex human relations problems of their community;
>
> For encouraging all departments of the District of Columbia to improve their human relations practices;
>
> For carrying out so skillfully the complex duties of the Board which affect the lives of all citizens of the District of Columbia; and
>
> For striving continually to enhance the image of Washington in the eyes of the Nation and the world.

On behalf of his fellow Commissioners, Board President Tobriner delivered a meaningful response. In accepting the national award Commissioner Tobriner pointed out that for any measure of accomplishment the total community must be involved in a committment to brotherhood.

The program closed with a benediction by the Most Reverend Philip Matthew Hannan.

During the evening a telegram was received from the President of the United States commending the work of the District of Columbia Commissioners. It read as follows:

> I want to add a word of appreciation to the Board of Commissioners of the District whom you are honoring this evening. Mr. Tobriner, Mr. Duncan, and General Duke have each made a generous contribution to the public life and to the government of this city. Their efforts have helped to bring this city closer to the ideals which we enshrine in the observance of Brotherhood Week.
>
> LYNDON B. JOHNSON.

Among the guests of honor were the Chief Justice of the Supreme Court of the United States, the Honorable Earl Warren, and the dean of the diplomatic corps, Dr. Guillermo Sevilla-Sacasa, Ambassador of Nicaragua.

Mr. President, I commend Leonard P. Aries, vice president of the National Conference of Christians and Jews, and Russell L. Bradley, executive director, for the effective manner in which this memorable event was planned and carried forward.

Mr. President, I ask unanimous consent that there be printed in the Appendix the message of response by Commissioner Tobriner, together with a list of former award recipients.

There being no objection, the message and list were ordered to be printed in the RECORD, as follows:

COMMISSIONER TOBRINER'S RESPONSE

For my colleagues and myself, I speak our appreciation for this honor. There is nothing that has happened to us during our terms of office as District Commissioners that has meant more than this Brotherhood Award. The award is made to the Board of Commissioners, but it is clear that it is really an award for the total efforts of the District of Columbia, its many departments and agencies that are striving to practice the concepts of brotherhood and equal opportunity.

In a broader sense, the award belongs to the entire Washington community. We have made progress in the area of human rights in the District, but the credit for this progress, in a very real and large sense, belongs to private organizations such as the national conference, to the leaders of our churches and synagogues, to the many businessmen and civic leaders who have advanced the cause of brotherhood in their own activities, and to countless individuals of good will, white and Negro, rich and poor. For any measure of accomplishment the total community must be involved in this commitment to brotherhood, and no sector of the community, certainly not government alone, can achieve much on its own. If government has made some contribution to this progress, it is only because we are operating in a favorable community climate, and because we are reflecting a strong community consensus in support of equal rights and opportunities.

And so, on behalf of the Board of Commissioners, I accept this award with pride, but I accept it with embarrassment, because all of us know well that much remains to be done.

Many of our citizens still suffer the indignities of racial and religious prejudice in their daily lives. There is still conflict and division within our community. Problems of a serious nature remain unsolved, and Washington cannot yet begin to claim to be a city of brotherhood.

In the year 1555, Bishop Latimer, while waiting to be burned at the stake in Oxford for heresy, had these words of cheer for the unfortunate citizen who was to precede him, "Play the man Master Ridley; we shall this day light such a candle, by God's grace, in England, as I trust shall never be put out."

Let us, also, dare to hope, that you and we have within the past several years here in Washington, and with God's grace, lit a candle whose light, however dim and imperceptible at this time, may so grow in strength that hatred and bigotry, prejudice and intolerance, may be banished from all the peoples of our land.

FORMER AWARD RECIPIENTS

Hon. Harry S. Truman, 1950; Hon. Oscar L. Chapman, 1951; Joseph D. Kaufman (deceased), 1952; William E. Leahy (deceased), 1953; Frank R. Jelleff (deceased), 1954; Hon. Daniel W. Bell and Mrs. Jehu L. Hunter, 1955; Hon. Dwight D. Eisenhower, 1956; E. K. Morris, 1957; Aaron Goldman, 1958; Mrs. Henry Grattan Doyle, 1959; Milton S. Kronheim, Sr., 1960; Mrs. Henry Gichner, Dr. John J. O'Connor, and Hon. John B. Duncan, 1961; Hon. John F. Kennedy (deceased), 1962; Milton W. King, Hon. Brooks Hays, the Most Reverend Patrick A. O'Boyle, D.D., 1963.

SENATE

TUESDAY, FEBRUARY 25, 1964

(Legislative day of Monday, February 10, 1964)

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O God, infinite in mercy, love, and power, we come, knowing that apart from Thee, all is vanity, that all other cisterns are empty and broken, and that in Thee alone is the fountain of life.

Facing the cares of today and the burdens of tomorrow, we are bewildered by the perplexities and confusion of the world. From the threat and fever of vexed global problems, from all thought of praise or blame of men, from discordant noises and warped conceptions which beat upon our senses, at noontide we would follow the path to the quietness of Thy presence.

Touch every privilege we enjoy with the halo of sharing, we beseech Thee; melt it into unselfishness; translate it into service. Make every personal and national blessing a transparent window in the temple of helpfulness, so that Thy spirit can shine through it in glory for human good.

In the Redeemer's blessed name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, February 24, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 9419) to provide for the regulation of the business of selling securities in the District of Columbia and for the licensing of persons engaged therein, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 9419) to provide for the regulation of the business of selling securities in the District of Columbia and for the licensing of persons engaged therein, and for other purposes, was read twice by its title and referred to the Committee on the District of Columbia.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a morning hour, with statements therein limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Rules and Administration and the Housing Subcommittee of the Committee on Banking and Currency were authorized to meet during the session of the Senate today.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Subcommittee on the District of Columbia of the Appropriations Committee be permitted to sit during the session of the Senate this afternoon.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Banking and Currency be permitted to sit during the session of the Senate this afternoon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON ACTIONS TAKEN BY CONTRACT ADJUSTMENT BOARD

A letter from the Deputy Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, on certain actions taken by the Contract Adjustment Board, during calendar year 1962; to the Committee on Aeronautical and Space Sciences.

REPORT ON TITLE I AGREEMENTS UNDER AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

A letter from the Acting Administrator, Foreign Agricultural Service, Department of Agriculture, Washington, D.C., transmitting, pursuant to law, a report on title I agreements under the Agricultural Trade Development and Assistance Act of 1954, for the month of January 1964 (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON REVIEW OF POLICIES AND PROCEDURES CONCERNING ADMISSION TO AND DISCHARGES FROM JUNIOR VILLAGE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of policies and procedures concerning admissions to and discharges from Junior Village, Department of Public Welfare, District of Columbia government, dated February 1964 (with an accompanying report); to the Committee on Appropriations.

REPORT ON WEAKNESSES IN ADMISSION AND BILLING PRACTICES, DISTRICT OF COLUMBIA GENERAL HOSPITAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on weaknesses in admission and billing practices, District of Columbia General Hospital, Department of Public Health, District of Columbia government, dated January 1964 (with an accompanying report); to the Committee on Appropriations.

REPORT ON DEPARTMENT OF THE ARMY RESEARCH AND DEVELOPMENT CONTRACTS

A letter from the Assistant Secretary of the Army, transmitting, pursuant to law, a report on Department of the Army research and development contracts, covering the 6-month period ended December 31, 1963 (with an accompanying report); to the Committee on Armed Services.

REPORT ON DEFENSE PROCUREMENT FROM SMALL AND OTHER BUSINESS FIRMS

A letter from the Assistant Secretary of Defense, Installations and Logistics, transmitting, pursuant to law, a report on Department of Defense procurement from small and other business firms, for the 6-month period ended December 31, 1963 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON TRANSACTIONS UNDER MERCHANT SHIP SALES ACT OF 1946

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the activities and transactions under the Merchant Ship Sales Act of 1946, for the quarterly period ended December 31, 1963 (with an accompanying report); to the Committee on Commerce.

REPORT OF FEDERAL POWER COMMISSION

A letter from the Chairman, Federal Power Commission, Washington, D.C., transmitting, pursuant to law, a report of that Commission, for the fiscal year ended June 30, 1963 (with an accompanying report); to the Committee on Commerce.

REPORT OF CIVIL AERONAUTICS BOARD

A letter from the Chairman, Civil Aeronautics Board, Washington, D.C., transmitting, pursuant to law, a report of that Board, for the fiscal year 1963 (with an accompanying report); to the Committee on Commerce.

AUDIT REPORT ON FINANCIAL STATEMENT OF TENNESSEE VALLEY AUTHORITY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on financial statement of Tennessee Valley Authority, fiscal year 1963 (with an accompanying report); to the Committee on Government Operations.

REPORT ON ANTHRACITE MINE WATER CONTROL AND MINE SEALING AND FILLING PROGRAM

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report on the progress and accomplishments of the anthracite mine water control and mine sealing and filling program, for the year 1962 (with an accompanying report); to the Committee on Interior and Insular Affairs.

REPORTS OF PROCEEDINGS OF JUDICIAL CONFERENCE OF THE UNITED STATES

A letter from the Director, Administrative Office of the U.S. Courts, Washington, D.C., transmitting, pursuant to law, reports of the proceedings of the Judicial Conference of the United States, 1963, together with his annual report, for the year 1963 (with accompanying reports); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution of the House of Representatives of the State of Hawaii; to the Committee on Labor and Public Welfare:

"Whereas the very strength of a democracy is that each citizen is ready and willing to help and assist his fellows; and

"Whereas there are in America today vast unmet needs for: (a) more adequate education of our youth, (b) more available and sufficient medical care for elderly citizens, and (c) more fit and livable housing for the underprivileged; and

"Whereas although the people of Hawaii through the Hawaiian homes program have undertaken to assist some of the many qualified Hawaiians who desire to live in homestead areas, State revenues are insufficient to take care of all Hawaiians who are worthy of assistance; and

"Whereas the citizens of the United States have joined together to help and assist their fellows by sponsoring, supporting and participating in socially oriented programs of their Federal Government: Now, therefore, be it

"*Resolved by the House of Representatives of the Second Legislature of the State of Hawaii, Budget Session of 1964*, That the Congress of the United States be, and it is hereby, respectfully requested to enact such legislation as is necessary to: (a) provide Federal aid for elementary and secondary education; (b) provide medical and hospital benefits to elderly persons through a social security insurance program; (c) extend and expand the federally sponsored and subsidized public housing programs; and (d) qualify the Department of Hawaiian Home Lands to participate in Federal public housing and similar federally sponsored, socially oriented programs; and be it further

"*Resolved*, That copies of this resolution be forwarded to the President of the Senate and the Speaker of the House of the U.S. Congress and to the members of Hawaii's congressional delegation."

The petition of Ohio Bell, of Chicago, Ill., praying for a redress of grievances; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WILLIAMS of New Jersey, from the Committee on Labor and Public Welfare, without amendment:

S. Res. 290. Resolution authorizing the Committee on Labor and Public Welfare to examine, investigate, and study matters relating to migratory labor; and, under the rule, referred to the Committee on Rules and Administration.

By Mr. RUSSELL, from the Committee on Armed Services, with amendments:

H.R. 9637. An act to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes (Rept. No. 876).

By Mr. PASTORE, from the Joint Committee on Atomic Energy, without amendment:

S. 2448. A bill to amend the Atomic Energy Act of 1954 (Rept. No. 877).

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States, dated February 17, 1964, that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. ROBERTSON, from the Committee on Banking and Currency:

Kenneth A. Randall, of Utah, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation, vice Jesse P. Wolcott, term expiring.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

By Mr. SYMINGTON:

Paul R. Ignatius, of Massachusetts, to be Under Secretary of the Army.

Mr. YOUNG of Ohio. Mr. President, from the Committee on Armed Services, I report favorably the nominations of 267 flag and general officers in the Army, Navy, and Air Force. I ask that these nominations be printed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations placed on the Executive Calendar are as follows:

Maj. Gen. Robert Hall McCaw, Judge Advocate General's Corps, U.S. Army, for appointment as the Judge Advocate General, U.S. Army;

Brig. Gen. Harry Jarvis Engel, Judge Advocate General's Corps, U.S. Army, for appointment as the Assistant Judge Advocate General, as major general, Judge Advocate General's Corps, in the Regular Army of the United States, and as major general, Army of the United States.

Lt. Gen. Garrison Holt Davidson, Army of the United States (major general, U.S. Army), to be placed on the retired list;

Maj. Gen. Edwin John Messinger, U.S. Army, to be assigned to a position of importance and responsibility designated by the President, to serve in the grade of lieutenant general;

George A. Weaver, Howell E. Wiggins, and Roland D. Driscoll, officers of the Naval Reserve, for temporary promotion to the grade of rear admiral;

Rear Adm. Benedict J. Semmes, Jr., U.S. Navy, for appointment as Chief of Naval Personnel, to serve in the grade of vice admiral;

Vice Adm. Herbert D. Riley, and Vice Adm. Rufus E. Rose, U.S. Navy, for appointment to the grade of vice admiral on the retired list;

Brig. Gen. William Charles Haneke, U.S. Army, and sundry other officers, for temporary appointment in the Army of the United States;

Brig. Gen. Herbert Borden Brand, and sundry other officers, for promotion as Reserve commissioned officers of the Army;

Capt. Wilfred A. Hearn, U.S. Navy, to be Judge Advocate General of the Navy, with the rank of rear admiral;

Maj. Gen. Kenneth O. Sanborn (brigadier general, Regular Air Force), U.S. Air Force, and sundry other officers, for appointment in the Regular Air Force; and

Luther C. Heinz, and sundry other officers of the Navy, for promotion in the U.S. Navy.

Mr. YOUNG of Ohio. Mr. President, in addition, I report favorably the following appointments and promotions: 790 in the Air Force in the grade of major and below; 1,662 in the Army in the grade of colonel and below; 3,822 in the Navy in the grade of commander and below; and 127 in the Marine Corps in the grade of captain and below. Since these names have already appeared in the CONGRESSIONAL RECORD, in order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations ordered to lie on the desk are as follows:

John H. Antonelli, and sundry other persons, for appointment in the Regular Air Force;

Robert G. Abarr, and sundry other officers, for promotion in the Regular Army of the United States;

Benjamin L. Aaron, and sundry other officers, for temporary promotion in the U.S. Navy; and

William H. Abel, and sundry other officers, for temporary promotion in the U.S. Navy.

EXECUTIVE REPORTS OF COMMITTEE ON FOREIGN RELATIONS

By Mr. FULBRIGHT:

Carl T. Rowan, of Minnesota, to be Director of the U.S. Information Agency;

Howard E. Haugerud, of Minnesota, to be Deputy Inspector General, Foreign Assistance;

William S. Gaud, of Connecticut, to be Deputy Administrator, Agency for International Development;

William B. Macomber, Jr., of New York, to be Assistant Administrator for the Near East and South Asia, Agency for International Development;

Fulton Freeman, of California, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Mexico;

Perry H. Culley, of California, and sundry other persons, for promotion in the diplomatic service; and

David M. Bane, of Pennsylvania, and sundry other persons, for promotion in the diplomatic service.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. METCALF (for himself and Mr. Mansfield):

S. 2542. A bill for the relief of Joseph P. Hennessey; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 2543. A bill for the relief of Betty Tin-Sang Chan Cho; and

S. 2544. A bill for the relief of Carl S. Welker; to the Committee on the Judiciary.

By Mr. BEALL:

S. 2545. A bill for the relief of Isadore Rainess; and

S. 2546. A bill for the relief of Coyle D. Bennett and Myrtle A. Bennett; to the Committee on the Judiciary.

By Mr. DODD:

S. 2547. A bill to fix certain fees payable to the Commissioner of Patents, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. Dodd when he introduced the above bill, which appear under a separate heading.)

By Mr. LONG of Louisiana:

S. 2548. A bill for the relief of Nora Chin-Bing; to the Committee on the Judiciary.

(See the remarks of Mr. Long of Louisiana when he introduced the above bill, which appear under a separate heading.)

By Mr. RANDOLPH (by request):

S. 2549. A bill to amend the Federal Employees' Compensation Act so as to permit injured employees entitled to receive medical services under such act to utilize the services of optometrists; to the Committee on Labor and Public Welfare.

By Mr. JAVITS (for himself, Mr. Allott, Mr. Bartlett, Mr. Bennett, Mr. Burdick, Mr. Byrd of West Virginia, Mr. Case, Mr. Clark, Mr. Church, Mr. Curtis, Mr. Dodd, Mr. Douglas, Mr. Eastland, Mr. Edmondson, Mr. Engle, Mr. Fong, Mr. Goldwater, Mr. Hickenlooper, Mr. Hruska, Mr. Humphrey, Mr. Inouye, Mr. Jackson, Mr. Lausche, Mr. Magnuson, Mr. Mansfield, Mr. McGee, Mr. McGovern, Mr. Metcalf, Mr. Monroney, Mr. Morse, Mr. Moss, Mr. Mundt, Mr. Nelson, Mr. Pell, Mr. Prouty, Mr. Randolph, Mr. Russell, Mr. Scott, Mr. Thurmond, Mr. Williams of New Jersey, Mr. Yarborough, and Mr. Young of North Dakota):

S.J. Res. 159. Joint resolution to establish the fourth Friday in September of every year as American Indian Day; to the Committee on the Judiciary.

(See the remarks of Mr. Javits when he introduced the above joint resolution, which appear under a separate heading.)

FEES PAYABLE TO COMMISSIONER OF PATENTS IN CERTAIN CASES

Mr. DODD. Mr. President, I introduce, for appropriate reference, a bill to revise the schedule of fees payable to the Commissioner of Patents, to apply on applications for original patents, the reissue of patents, and in other steps connected with the routine processing of patents.

The objective of this bill is to increase the revenue of the Patent Office so as to make it substantially self-supporting.

These fees have not been increased since the early 1930's, so there is ample justification for raising them to reflect more closely the economics of the 1960's.

The House approved a bill (H.R. 8190) last month, to revise the fee schedule, with the intention of bringing Patent Office revenues up to the point where about three-fourths of its operating costs will come from this source.

My bill has been endorsed by the Connecticut Bar Association, and just about every patent attorney and businessman from whom I have heard has expressed a preference for this proposal over the House bill.

There have been strong objections to one section of the House bill, and this opposition has been uniform among patent attorneys and businessmen representing both large and small enterprises.

This section would institute a new fee, called a maintenance fee, which would be charged over a period of years. The holder of a patent would have to make these payments in order to retain his rights. Should he miss a payment, his patent would lapse.

The maintenance fee is a new concept, a new technique which the Patent Office wants to use in order to obtain operating revenue.

This section of the House bill then is not at all like the other parts of H.R. 8190, which simply would raise the existing fees to a more realistic level.

To start to charge a maintenance fee would be to make a substantive change in our patent procedures, and I do not think that such an important step should be undertaken as a part of a bill of which the primary purpose is to revise the Patent Office's fee schedule.

During the House debate on H.R. 8190, as part of the defense of this new fee, it was said by one of the managers of the bill that the maintenance fee is intended also to discourage big companies from acquiring patent rights and then sitting on and suppressing them. And a second argument that was made in support of the maintenance fee innovation is that it would help the small patent applicant, by deferring some of his payments until he is sure that the patent will pay off or he has received a return from it.

But there are good arguments that can be made in opposition to these points. It could run into a considerable amount of money for a corporation to have to pay a maintenance fee on each of its patents. And I think this would be the case for smaller as well as very large corporations.

My reply to the proposition that the use of a maintenance fee would be helpful to the small applicant is along the same lines. I think it will be much less expensive to the small businessman if only the existing fees are increased, and for this reason my bill is limited to this area.

The House bill increases these routine fees, but in a number of cases not as much as I propose. For example, the House figure for the filing of an application for an original patent is $50, the present fee is $30 and my bill would set the charge at $70. Another example is for the filing of an application for a trademark, where my bill sets a fee of $60, as opposed to the House figure of $35 and the present fee of $25.

These higher charges are intended to make up for the revenue loss caused by my deletion of the maintenance fee section in the House bill.

H.R. 8190 requires the following maintenance fee: $50 the 5th year; $100 the 9th year; and $150 the 13th year. This is a total of $300 that would be charged simply to maintain a patent, whether or not it is marketable and being used.

The bill I have introduced will raise just about the same amount of revenue, slightly over $22 million a year. So the Patent Office will be substantially self-supporting once either measure is signed into law.

But my proposal will accomplish this worthwhile objective without having to rely on a controversial new technique, the use of the maintenance fee.

The Connecticut Bar Association, in addition to endorsing my bill, has requested that I introduce it as an alternative to H.R. 8190. And a New Haven patent attorney, Mr. Anthony DeLio, has done a great deal of work in research, in preparing facts and figures and in helping to work out the details of this legislation.

Both Mr. DeLio and the Connecticut bar deserve commendation for their constructive and thoughtful work in this important and complex field.

I hope the Senate will agree that the approach to raising Patent Office fees that I have introduced today is preferable to the one passed by the House, so that we can substitute this bill for H.R. 8190.

There is general agreement that patent fees should be increased, because of the lapse of time since the present rates were put into effect. Let us accomplish this then by using the tried and traditional way rather than by going into a completely new and controversial area of patent procedures in order to obtain these needed revenues.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2547) to fix certain fees payable to the Commissioner of Patents, and for other purposes, introduced by Mr. Dodd, was received, read twice by its title, and referred to the Committee on the Judiciary.

NORA CHIN-BING

Mr. LONG of Louisiana. Mr. President, I introduce, for appropriate reference, a bill for the relief of Nora Chin-Bing. Mrs. Chin-Bing wishes to file a petition for naturalization.

Mrs. Chin-Bing, whose maiden name was WU Ying, was born in China and later moved to Taiwan where she married Allan R. Chin-Bing, a U.S. citizen, in 1958. With her husband, Mrs. Chin-Bing was lawfully admitted to the United States for permanent residence on June 7, 1961. She established residence at Metairie, La. Her registration number at the Immigration and Naturalization Service of the U.S. Department of Justice is A12550657.

She remained in the United States for a period of about 3 months and she has lived in the United States for brief periods since then. However, because her husband is employed abroad—he is currently in Singapore—she has not been able to remain physically present in the United States for periods totaling at least 18 months, which, in accordance with section 319(a) of the Immigration and Nationality Act, is necessary before she may file a petition for naturalization.

The physical presence requirement for the spouse of a U.S. citizen is waived under section 319(b) of the act if the spouse is in the employment of an American firm or corporation engaged in whole or in part in the development of foreign trade and commerce of the United States, and is regularly stationed abroad in such employment. Mr. Chin-Bing works for a Canadian firm and, although 50 percent of the company is owned by American shareholders, the Immigration and Naturalization Service states that Mrs. Chin-Bing would not come under the section 319(b) waiver. Therefore, she must be physically present in the United States for a period totaling at least 18 months in order to comply with the requirements for naturalization.

Since such prolonged physical presence in the United States would impose a burdensome separation of Mrs. Chin-Bing from her husband and family, which I do not feel is warranted, and, since the Chin-Bings have exhausted all of their administrative remedies, I believe that a private bill enacted by Congress is the only relief available to them. Thus, I would hope that the Congress will promptly pass this measure and thereby afford the desired relief to Mrs. Chin-Bing.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2548) for the relief of Nora Chin-Bing introduced by Mr. Long of Louisiana, was received, read twice by its title, and referred to the Committee on the Judiciary.

NATIONAL AMERICAN INDIAN DAY

Mr. JAVITS. Mr. President, on behalf of myself and 42 other Senators, I introduce a joint resolution providing for the establishment of an annual national American Indian Day on the fourth Friday in September.

The cosponsors of the joint resolution are Senators Allott, Bartlett, Bennett, Burdick, Byrd of West Virginia, Case, Clark, Church, Curtis, Dodd, Douglas, Eastland, Edmondson, Engle, Fong, Goldwater, Hickenlooper, Hruska, Humphrey, Inouye, Jackson, Keating, Lausche, Magnuson, Mansfield, McGee, McGovern, Metcalf, Monroney, Morse, Moss, Mundt, Nelson, Pell, Prouty, Randolph, Russell, Scott, Thurmond, Williams of New Jersey, Yarborough, and Young of North Dakota.

Mr. President, I recall that I introduced a similar measure in the 87th Congress, and that it passed the Senate on August 14, 1961. The measure was then referred to the House Judiciary Committee, but no further action was taken.

This measure is intended to provide proper recognition of the important contributions to our country by the American Indian, was first suggested to me in 1960 in a letter from a 7-year-old schoolgirl, Lynn Michaelson, of Jackson Heights, N.Y., In pencil, she wrote:

> Why don't we have a day called Indian Day as a national holiday? We should have that day because we shouldn't forget the poor Indian who used to live on this land. We have Columbus Day and Washington's Birthday and even Mother's Day.

After the introduction of that joint resolution, I received from the Y-Indian guides of the YMCA petitions signed by more than 2,000 schoolchildren, from 22 States, urging enactment of the joint resolution. Many other national organizations have since expressed their support.

It has been my hope that the annual celebration of American Indian Day would assist in focusing public attention on the cultural, social, and educational growth of the American Indian, and would provide a reminder of the full respect and dignity to which the American Indian is entitled.

The contributions of the American Indian to our culture are inextricably intertwined with the fabric of our society and our national character. Their inventive accomplishments, participation with valor in the ranks of our Armed Forces, and contributions to the arts, sciences, and good government, among many others, have been noteworthy and have left an indelible imprint on this country's history. A day set aside to honor their contributions will, I believe, acknowledge publicly our historic debt to the American Indian.

New York State has always been extremely proud of its Indians, and has, along with a number of other States, proclaimed its own American Indian Day. Enactment of this joint resolution would provide deserved national recognition.

Mr. DIRKSEN. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. DIRKSEN. I am quite sure the joint resolution will be referred to the Subcommittee on Federal Charters, Holidays, and Celebrations, of which I have the honor to be chairman. I can assure the distinguished Senator from New York and all the Senators who have joined him in sponsoring the joint resolution that suitable recognition of the noble red man will receive expeditious attention.

Mr. JAVITS. Mr. President, I am very much pleased by that assurance. That is more progress than most bills or other measures generally make on the day when they are introduced. I thank the Senator from Illinois.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 159) to establish the fourth Friday in September of every year as American Indian Day, introduced by Mr. Javits (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. DIRKSEN subsequently said: Mr. President, on behalf of the distinguished Senator from New York [Mr. Javits], I ask unanimous consent that Senate Joint Resolution 159 be printed in the Record and that it also be held at the desk for cosponsors until Friday, March 6.

I believe this is the resolution that designates the fourth Friday in September as American Indian Day.

The ACTING PRESIDENT pro tempore. Without objection, the joint resolution will be printed in the Record and will be held at the desk for cosponsors until Friday, March 6.

Senate Joint Resolution 159 is as follows:

> Whereas the American Indian is the original American and has resided on this continent since time immemorial; and
>
> Whereas he has made an indelible imprint on our national character and culture, and history is replete with names and deeds of many outstanding American Indians who have contributed immeasurably to our way of life, our moral standards, and our love of nature; and
>
> Whereas Indian woods and water lore, arts, and handicraft are basic in the manuals of the Boy Scouts, Girl Scouts, Camp Fire Girls, Y-Indian Guides of Young Men's Christian Association, and the many other American patriotism-building youth groups, while outdoor enthusiasts, young, and old, all over the world, rely on Indian folkways for guidance and inspiration; and
>
> Whereas the American Indian has made such other outstanding contributions to our American economy as the cultivation of corn, cotton, tobacco, beans, squash, tomatoes, peanuts, and melons, which have today become basic American industries; and
>
> Whereas a number of States celebrate "Indian Days" in September when traditional Indian festivals are held in recognition of the contributions the American Indian has made to our national life; and

Whereas the special responsibility of the Federal Government for the American Indian makes national recognition particularly fitting; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the fourth Friday in September of every year is designated as American Indian Day, and the President of the United States is authorized and directed to issue annually a proclamation setting aside that day as a public occasion and inviting the people of the United States to observe that day with appropriate ceremonies.

EXEMPTION FROM INCOME TAXATION OF CERTAIN NONPROFIT CORPORATIONS AND ASSOCIATIONS—AMENDMENTS (AMENDMENT NO. 426)

Mr. JAVITS. Mr. President, on behalf of myself, my colleague, the junior Senator from New York [Mr. KEATING], and the Senator from Maryland [Mr. BEALL], I submit amendments, intended to be proposed by us, jointly, to the bill (H.R. 3297) to amend section 501(c) (14) of the Internal Revenue Code of 1954 to exempt from income taxation certain nonprofit corporations and associations organized to provide reserve funds for domestic building and loan associations, and for other purposes. I ask unanimous consent that a memorandum, relating to the amendments, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed and referred to the Committee on Finance; and, without objection, the memorandum will be printed in the RECORD.

The memorandum presented by Mr. JAVITS is as follows:

MEMORANDUM ON AMENDMENT TO H.R. 3297 REGARDING THE NEW YORK STATE SAVINGS AND LOAN BANK

The Savings and Loan Bank of the State of New York is a quasi-governmental instrumentality of New York. It is a nonprofit mutual institution. The bank's function is to maintain a liquidity fund to make loans to banks which are basically sound but short of liquid assets—the same function as the tax-exempt Federal home loan banks. The bank was exempt from income taxation from its inception in 1915 until 1963 when the Internal Revenue Service reversed its previous ruling on the narrow ground that the bank does not fall within the literal language of code section 501(c)(14, This section was enacted in 1951 to cover institutions such as the bank. This technical amendment corrects this apparently unintentional legislative oversight.

The Savings and Loan Bank of the State of New York was created by an act of the Legislature of the State of New York in 1914 and commenced operating in 1915 as the Land Bank of the State of New York. The original name was changed to the present one by the New York Legislature in 1932.

From its inception, the Savings and Loan Bank has been a creature of the New York State Legislature. Proposed bylaws for the bank, the general powers of the bank and the restriction on such powers as well as the composition of the bank's membership and the number and election of the bank's directors are all specifically regulated by statute. The Savings and Loan Bank, together with its capital, accumulations and other funds are exempt from State taxation under section 446, article 10–B of the New York State banking law.

The Savings and Loan Bank is organized without capital stock and membership is limited to savings and loan associations in New York. It is authorized to extend credit to, and act as a service bank for, its membership. The bank is also authorized to administer a fund for the insurance of savings accounts in savings and loan associations; however, an amendment to the New York banking laws is necessary before the Savings and Loan Bank can adopt a plan of insurance.[1]

By letter dated July 15, 1935, the Internal Revenue Service ruled that the Savings and Loan Bank of the State of New York was exempt from Federal income tax under section 101(4) of the Revenue Act of 1934 which provided exemption for domestic building and loan associations. Congress in 1951 eliminated the tax-exempt provisions for domestic building and loan associations; however, a tax-exempt status for State-chartered insurance and liquidity funds was expressly provided in what is now section 501(c) (14). This exemption was expected to cover the Savings and Loan Bank, and the Internal Revenue Service by letter dated December 1, 1952, reaffirmed the tax-exempt status of the Savings and Loan Bank.

By letter dated December 4, 1961, the Revenue Service notified the Savings and Loan Bank of the Service's intention to revoke the bank's tax-exempt status on the grounds that the Service had erred in reaffirming the tax-exempt status of the bank in 1952. It considered it had erred because the Savings and Loan Bank did not insure accounts in savings and loan associations but only provided reserve funds. By letter dated July 12, 1963, the tax-exempt status of the Savings and Loan Bank was revoked.

It is apparent that the Savings and Loan Bank of the State of New York has been the victim of an unintentional legislative oversight. The predecessor of section 501(c) (14) was added at the behest of the two mutual deposit guarantee funds in Massachusetts. No thought was given to New York. The Ohio Deposit Guarantee Fund did not qualify under the 1951 amendments and an amendment in 1960 was approved to correct this discrimination. No relief was considered for New York because it was considered that New York was already covered by the exemption. The Maryland Savings-Share Insurance Corp. is also not covered by section 501(c) (14), it having been organized after the cutoff date in the statute, and H.R. 3297 has been passed by the House of Representatives to alleviate this inequity.

The House Ways and Means Committee report on H.R. 3297 describes the functions of organizations exempt under section 501 (c) (14) as follows:

"The organizations covered by this provision are nonprofit, mutual deposit guarantee organizations without capital stock organized for the benefit of a group of mutual savings banks or for a group of building and loan associations. These guarantee organizations provide two services for their member banks. First, they provide a deposit insurance fund to aid their members in financial difficulty and in final extremities to pay off the depositors in full if a member bank is liquidated. Second, they also maintain a liquidity fund (which may or may not be a fund separate from the deposit insurance fund) to make loans to member banks which are basically sound but short of liquid assets. The deposit insurance fund is built by premium charges and the liquidity fund by deposits made with the guarantee organization. In addition, investment income is earned by the organization on both types of funds although there is little accumulation in the case of the liquidity funds since interest generally is paid on these deposits of the member banks." (H. Rept. No. 459, 88th Cong., 1st sess. (1963).)

The first of the two functions of the deposit guarantee organizations, that is the deposit insurance function, is performed under Federal laws by the tax-exempt Federal Savings and Loan Insurance Corporation. The second of these two functions—maintaining a liquidity fund—is performed under Federal laws by the tax-exempt Federal Home Loan Bank system. The State-created institutions of Massachusetts and Ohio (the only deposit guarantee organizations presently covered by the exemption), have combined these two functions in one institution.

It is not maintained that the Savings and Loan Bank of the State of New York performs the functions in New York of the FSLIC. It does not. It is submitted, however, that the Savings and Loan Bank does perform the functions in New York of the Federal home loan banks.

Section 13 of the Federal Home Loan Bank Act (12 U.S.C. 1433) exempts from State and Federal tax the Federal home loan banks. This amendment will extend this same tax treatment to a State-chartered institution which is performing the same function as the Federal home loan bank system. There is no reason to require that the Savings and Loan Bank of the State of New York perform the same functions as both the Federal home loan banks and the Federal Savings and Loan Insurance Corporation to get tax exemption when Congress has split these functions between two Federal instrumentalities and granted exemption from tax to each. Unless it is the intention of Congress to eliminate the "competition" of the Savings and Loan Bank of the State of New York, there is no justification for taxing the quasi-governmental instrumentality of the State of New York and exempting from tax the Federal home loan banks.

This amendment is limited to those institutions organized prior to July 22, 1932, the date when the Federal Home Loan Bank Act was enacted by the Congress.

AGRICULTURAL ACT OF 1964—AMENDMENTS

Mr. TOWER submitted six amendments (Nos. 427, 428, 429, 430, 431, and 432), intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which were ordered to lie on the table and to be printed.

RESTRICTION OF IMPORTS OF BEEF, VEAL, AND MUTTON—ADDITIONAL COSPONSOR OF BILL

Mr. MONRONEY. Mr. President, I ask unanimous consent that my name may be added as a cosponsor of the bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by the Senator from Montana [Mr. MANSFIELD] (for himself and other Senators) on February 20, 1964, the next time that bill is printed.

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[1] At the time this section of the New York banking law was adopted, there were about 250 savings and loan associations in New York. A limitation was added that the insurance fund could not be established for less than 100 savings and loan associations. At the present time there are only about 100 savings and loan institutions in New York (other than Federal savings and loan asociations which must obtain insurance from the Federal Savings and Loan Insurance Corporation) and some of these are presently insured with the FSLIC.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESTRICTION OF IMPORTS OF BEEF, VEAL, AND MUTTON INTO THE UNITED STATES—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of February 20, 1964, the names of Mr. BIBLE, Mr. CANNON, Mr. CARLSON, Mr. CURTIS, Mr. DOMINICK, Mr. EDMONDSON, Mr. GOLDWATER, Mr. HARTKE, Mr. HAYDEN, Mr. LONG of Missouri, Mr. MECHEM, Mr. SIMPSON, and Mr. YARBOROUGH were added as additional cosponsors of the bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by Mr. MANSFIELD (for himself and other Senators) on February 20, 1964.

INDEPENDENCE OF ESTONIA

Mr. JAVITS. Mr. President, Estonia became a free and independent Republic 46 years ago, on February 24, 1918; and Estonians all over the world outside of their native land are commemorating that event this February 24. Like the other Baltic States, Estonia enjoyed 22 precious years of self-rule before she was overwhelmed by the Soviet Union's armies. The conflict with Communist oppression over the years since then has been long and costly; but the people of Estonia continue to struggle on, in the hope of eventual liberation.

Americans of Estonian extraction and others who uphold the right of self-determination as a principle of international law are determined to keep alive the desire for freedom, in spite of the terror that holds this unhappy land in its grip. In Estonia as in other Baltic countries, the enslaved peoples know that their struggle can have only one conclusion—the ultimate liberation of their people. I join in that hope, because the United States will continue to struggle against Communist aggression until all the people of the world are again free.

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. INOUYE in the chair). Without objection, it is so ordered.

ORDER FOR HANDLING OF TREATIES ON THE EXECUTIVE CALENDAR

Mr. MANSFIELD. Mr. President, after discussion, and with the approval of the distinguished minority leader and other Senators who are concerned, I ask unanimous consent that when the treaties which are on the calendar are considered—and I understand they have been cleared on both sides—one vote be considered as four separate votes, and that before they are recorded in the RECORD, there be entered in the RECORD an explanation of each executive agreement.

Mr. JAVITS. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. The only treaty which concerns me in connection with the unanimous-consent request is the one which provides for return of Austrian assets. Will the Senator from Montana except it from his present unanimous-consent request, with the right to include it a little later in the request? I should like to consider that treaty, in that connection, to be certain.

Mr. MANSFIELD. Yes—and, of course, with the proviso that if anything untoward develops later, inasmuch as some Senators are not now in the Chamber, the request will be withdrawn.

Mr. JAVITS. Yes—and with the exception of the treaty on return of Austrian assets, but with the right to include it a little later in the request.

Mr. MANSFIELD. Yes.

Mr. DIRKSEN. I understand that each treaty will then appear in the RECORD, and the yea-and-nay vote will appear three times—and possibly four times, if the distinguished Senator from New York is satisfied in regard to the Austrian treaty; and that an adequate explanation of each treaty will also be included in the RECORD, before the yea-and-nay vote on it is set out. Is that correct?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? Without objection, it is so ordered.

U.S. AMBASSADOR TO PANAMA

Mr. MILLER. Mr. President, it has been my feeling that had the administration acted promptly in naming a new ambassador last fall, the trouble we are now having in Panama could well have been averted. It has been a source of puzzlement to me, as well as to many others, as to the reasons underlying the failure to appoint an ambassador to that vital nation.

But it is no understatement, to say the least, that I was astonished to read in the Washington Daily News of February 4 the comments by the former ambassador to Panama, Joseph S. Farland. If what Mr. Farland says in Henry J. Taylor's column is true—and thus far we have no reason to believe otherwise—then it goes far in explaining our recent foreign reversals not only in Panama but elsewhere as well.

Mr. President, these questions should be and must be resolved:

First. Why was not Mr. Farland "debriefed" upon his return from Panama? And why had Secretary of State Rusk apparently been informed that Mr. Farland had?

Second. Why were orders given that Mr. Farland was not to be invited for consultation with various agencies which should have had the benefit of his knowledge?

Third. Why was Mr. Farland ordered not to have any contacts with top CIA executives and any congressional leaders?

Fourth. Why were Mr. Farland's dispatches warning of the Castro buildup and mounting crisis in Panama ignored?

Fifth. Are there any officials in the State Department who are hampering our policies?

These are not idle questions. The security of our Nation depends upon their being answered. If they are not, then it is quite obvious that we will suffer more reverses such as have occurred in Panama and South Vietnam.

I ask unanimous consent that two articles dealing with the Farland-Panama case, one entitled "What's Going on Here?" and the other entitled "Surprise, Surprise, Surprise"—be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Daily News, Feb. 4, 1964]

SURPRISE, SURPRISE, SURPRISE

(By Henry J. Taylor)

A firsthand look at what really happened to our former Ambassador to Panama, Joseph S. Farland, should explain much about what confronts President Johnson. And why dangerous event after event abroad is a surprise, surprise, surprise to those at the top on whom our security depends.

Ambassador Farland is an ex-FBI agent, counter intelligence expert, chief-of-mission for 3½ years in Panama before returning last August and acclaimed as one of the most successful Ambassadors we've ever had in Latin America. He resigned last August and returned to private life in Morgantown, W. Va.

Secretary of State Dean Rusk told the House Foreign Affairs Committee that he was taken by surprise by events in Panama. The committee asked whether his Department had fully consulted the returned Ambassador whose reports had long bristled with information about the Castro buildup and the mounting crisis in the isthmus. "Oh, yes, Mr. Farland has been completely debriefed," Mr. Rusk testified.

Now, obviously, something or someone was wrong some place. Ambassador Farland has stated publicly that he was asked nothing, and had sat around Washington for 3 solid weeks without being consulted ("debriefed"). So I asked Mr. Farland to tell me exactly what went on. He agreed to do so.

He said Secretary Rusk in his testimony apparently relied on a subordinate who reported to him after engaging Mr. Farland in "a short, and largely irrelevant conversation," that's all. That State Department man was named Lansing Collins. "We did hardly more than pass the time of day, Mr. Collins and I," Mr. Farland told me.

That the Secretary of State himself admittedly failed to consult Mr. Farland, as CIA Director John A. McCone likewise failed even to see him, was inexplicable. How come?

"When I arrived home in August," Mr. Farland answered, "and the State Department circulated its customary notice to appropriate agencies listing returned ambassadors available for consultation, a man in the White House went to work. His name is Ralph Dungau. On whose authority he acted, I do not know. But Mr. Dungau phoned the various agencies, including the Pentagon, that I was not to be invited for consultation."

Mr. Farland then coupled this action with a previous event. "Earlier in the Panama crisis," he stated, "when I went to Washington for consultation in the late fall of 1962, Edwin Martin, the then Assistant Secretary of State for Latin American Affairs, stepped in. Mr. Martin literally ordered me to have no contact with top CIA executives and any congressional leaders. 'We here in the State Department will take care of any discussions about Panama with the CIA ourselves. Further, you are not to have discussions with Members of Congress on the Hill,' Mr. Martin directed."

Subsequently, Ambassador Farland met President Kennedy during the late President's conference with Latin American Presidents at San Salvador last March. "President Kennedy did not know about Mr. Martin's directive to me," Mr. Farland continued, "and in Mr. Martin's presence he crossed up Mr. Martin on the congressional angle while Mr. Martin remained silent. The President told me to see inquiring congressional leaders on my next trip home. I had nothing but courtesy, understanding and, so far as I know, approval from President Kennedy personally and directly."

I asked about the CIA espionage situation, including Castro penetrations in Panama. Mr. Farland described the CIA as an cut-of-hand aggregation "underzealous in knowing what was happening in Panama, overzealous in building a CIA empire in the zone." He revealed the additional stops and blocks he encountered behind the scenes in trying to bring this Agency into line.

"The station chief had exposed himself as a prominent figure in the high social world," Mr. Farland stated, "and it was easy to see that the whole thing was loose. They simply did not know what was going on. I spelled this out repeatedly to both the State Department and CIA's Washington headquarters in terms of isthmus and American security. Neither acted. It took me nearly a year to get the station chief removed—a very decisive and critical year—and then only when CIA Director McCone himself came to Panama and heard the facts direct from me in my house."

[From the Washington (D.C.) Daily News, Jan. 24, 1964]

What's Going on Here?

(By Henry J. Taylor)

Secretary of State Dean Rusk, taken by surprise about events in Panama, told the House Foreign Affairs Committee on January 15 that his Department had consulted our returned Ambassador, Joseph S. Farland. "Oh yes, Mr. Farland has been completely debriefed," he testified.

On Ambassador Farland's statement to writer Victor Riesel, this is absolutely untrue. He was asked about nothing. He sat around Washington for 3 solid weeks without even—or ever—being consulted (debriefed). Hey, Mr. Secretary.

It is vital now for President Johnson to find out who in the State Department arranged to misinform his Secretary of State.

Repeated failures to be informed, failures of subordinates to level with their boss, calculated sabotage of information such as the Farland brushoff, and repeated denials of the undeniable mistakes confront us again with the same mysteries we faced in the days of Yalta and of Alger Hiss.

Each crisis is a surprise—Soviet missiles in Cuba, Laos, the Berlin Wall, Nehru's invasion of Goa, the Dominican revolution, the Cambodian backlash, Zanzibar, Panama. Surprise, surprise, surprise. In the sacred name of the security of the United States, what's going on here?

Like Secretary Rusk, CIA Director John A. McCone also failed inexplicably to consult Mr. Farland when the Ambassador returned from Panama, although Mr. Farland's dispatches bristled with information about the Castro buildup and mounting crisis. An ex-FBI star, counterespionage expert, the chief of mission and admittedly the most successful Ambassador we've had in Latin America for many years, Mr. Farland was utterly ignored. Who in the CIA and State Department kept him away from the tops? And why was no new Ambassador to Panama appointed for 5 critical months after Mr. Farland's return home last August?

Now, one of the things Mr. Farland knew, and that I knew, too, was that the CIA in both Cuba and Panama had been infiltrated wholesale by the Soviet-trained Castro agents. This disclosure was proven by the systematic murders and tortures that greeted Cuban and Panamanian anti-Communists promptly after being recruited by the CIA.

Details? I repeat here the text of my article of February 27, 1963—11 long and decisive months ago—including the name of Castro's main agent in Panama, only to prove beyond any possible doubt that no surprise at the top of our Government is permissible.

"Castro's guerrilla fleet is moving fighters and their arms into Panama. Costa Rican Communist Julio Sunol is in Havana directing this with support in Costa Rica—on Panama's border. The chief debarkation point is La Colma (Cuba), now a Soviet-occupied port. Castro's receiving agent, protector and cover in Panama is famous Panamanian Communist Thelma King—vicious, relentless, competent.

"By air these groups operate from the Soviet air base at San Julian, 90 miles southwest of Havana, and from San Antonio de los Banos. They are headquartered in downtown Cienfuegos and the central radio tool is a very modern Russian-built station on Key Breton."

That was February 27, 1963.

Starting with the Bay of Pigs, after new teams entered the innards of the State Department and CIA, the endless pattern of surprises and failures we have would be utterly impossible unless our Government has been infiltrated at the policy level.

The British, French, West German, Italian, Dutch, and Swedish Governments have experienced such Soviet infiltration. As our American Ambassador to Switzerland, I saw this happen even there. And we are seeing the success of deep-cover Sino-Soviet agents and fellow travelers planted here.

As it did to Chancellor Adenauer and Prime Minister Macmillan, it must come as a tragic, horrible shock to President Johnson. But all legislation and other important duties fall to nothing compared with the heartbreaking, shifty, diabolic problem he confronts: the restoration of internal top-level security. Moreover, he knows the enemy's self-serving alibi of "witch hunt" will automatically blare, as always and everywhere, the moment he moves.

May all intelligent citizens and thoughtful newspapers across our country help give him the strength to reach each discoverable truth, place security above every other consideration and let the chips fall where they may. This Nation is in absolute peril—within Washington.

Appeasement in Panama: Since the Early Thirties We Have Been Giving in to a Group of Leftists and Others Who Hate the United States

(By Edward Tomlinson)

Article III of the Isthmian Canal Convention between Panama and the United States, signed on November 18, 1903, states:

"The Republic of Panama grants to the United States all the rights, power, and authority within the zone mentioned and described in article II of this agreement and within the limits of all auxiliary lands and waters mentioned and described in said article II which the United States would possess and exercise if it were the sovereign of the territory within which said lands and waters are located to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority."

The tide of anti-American propaganda in Panama has become a seething campaign to oust Uncle Sam from control of the Panama Canal.

It is being spearheaded by leftist university students, volatile nationalists, and Communists. It has the ardent support of the majority of the most prominent political leaders and the powerful merchants association of Panama City and Colon, as well as that of the leading newspapers and radio stations.

This campaign against what the extremists call "U.S. domination of Panamanian territory" started in the early thirties, when a group of intellectuals and antigringo elements set up an organization to "promote the internationalization of the canal."

The organization was called "The Panamanian Society for International Action," and its founder was the late Dr. Rivera Reyes. In 1934 Dr. Reyes declared that the original treaty, granting the United States a 40-mile-long, 10-mile-wide strip of territory (known as the zone) through which the waterway extends from the Caribbean to the Pacific, "was born of fraud, perfidy, and dishonor."

"This great waterway," the doctor said, "should be sold to an international corporation in which are represented all the nations of the world." Apparently at that time neither Dr. Reyes or any other prominent Panamanian had given any serious thought to nationalization of the "big ditch."

With the passing of Dr. Reyes, the movement for internationalization lost momentum; but demands for economic and financial concessions began to increase. In 1936 President Harmodio Arias came to Washington and got the first substantial treaty revision from the Roosevelt administration. In these negotiations little was said about political matters. President Arias seemed to be well satisfied with an increase in the annuity from $250,000 to $430,000, the ceding to the Republic of certain lands of the Caribbean coast, curtailment of commissary privileges to persons living outside of the Canal Zone, and other economic considerations.

Today Dr. Arias, through his newspapers, the Panama American and La Hora, is one of the leading spokesmen for "zone sovereignty." A year and a half ago he declared to this writer: "I will never rest until I see the flag of my country flying over both the zone and the canal."

Agitation for the "return to Panama of sovereignty over the zone" began in earnest in 1939. Following the Spanish Civil War, which ended with the fall of Madrid to the Franco forces, many of Spain's liberal intellectuals and prominent Republicans migrated to the Americas. One group made its way to Panama, and there several of its members were employed as instructors in the newly reorganized National University.

Within weeks after they assumed their duties, they became involved in isthmian politics. They helped to organize the Partido del Pueblo, one of the first Communist political parties in the Caribbean. The PDP was made up of remnants of the old Rivera Reyes movement, radical professors and students, and a considerable number of leftist labor leaders. The party as such has not been too open in its activities, but its members and camp followers have consistently flailed away at the "Imperialist Yankees" for "forcibly occupying a part of our sacred territory."

In the early days of World War II the anti-U.S. movement got a powerful assist from Nazi-Facist-leaning President Arnulfo Arias, a younger brother of Dr. Harmodio. Arnulfo, as he is popularly known in Panama, was later overthrown and exiled for the duration of the conflict. But the moment the Axis Powers asked for an armistice, all the leftists and flaming nationalists, the students and the newspapers, along with the leading politicians, launched another drive against "U.S. disregard of Panamanian sovereignty."

They insisted that the government expel U.S. forces from several wartime airfields and other military bases outside the Canal Zone; these had been leased to us during the emergency for the defense of the canal and the hemisphere. The National Congress sat in special session to condemn this "further occupation."

After we had bowed to these condemnations, vacated the wartime bases, and withdrawn all our forces into the Canal Zone, there were still more demands for treaty revisions. In 1955 President Eisenhower invited Jose Antonio Remon to Washington and agreed to increase the annuity from $430,000 to $1,930,000 a year, gave over to the Republic some $25 million worth of real estate in Panama City and Colon, agreed to build a new $27 million bridge across the canal for the Republic's special use, and granted innumerable other financial and economic benefits.

But even these favors failed to satisfy the extremists. They have continued to demand political concessions. In fact, they led the Panamanian public to believe that Washington had agreed to recognize Panamanian sovereignty over the zone and to permit the flag of the Republic to fly there. Of course, no such promises were actually made.

Then in 1956 came the Suez incident. Nasser took over the Middle Eastern waterway. Even while the crisis was at its peak, and the French and English were attempting to drive the Egyptions out of Suez territory, university students whipped up frenzied anti-U.S. demonstrations in Panama City.

In July of 1958 the student unions issued a new manifesto, which was endorsed by most of the press and political firebrands, calling for liquidation of the Panama Canal Company and a 50-50 division of the gross (not the net) annual receipts of the canal. They further demanded that residents of the Canal Zone be compelled to speak Spanish instead of English and that "Members of the U.S. Congress and citizens of the United States be prohibited from uttering uncomplimentary remarks against Panama's dignity."

In fact, from then on nationalization—not internationalization—became the chief goal of all the nationalist elements as well as that of the Reds and their dupes. Ever since then an enormous streamer bearing the slogan "The canal is ours" has flown on the university campus.

Dr. Roberto Arias, Cambridge University graduate and son of Dr. Harmodio Arias, was then his country's youthful Ambassador in London, and he made himself spokesman in Europe for the nationalization movement. Later he resigned, largely because President Ernesto de la Guardia failed to back him up.

In April of 1959 young Arias enlisted the help of followers of Cuba's Fidel Castro in an attempt to overthrow the de la Guardia administration. Meantime, members of this ill-fated expedition revealed that in addition to ousting the government, they had been scheduled to make a "token invasion" of the Canal Zone. Apparently the purpose of this move was to create an international incident or an excuse to take the dispute to the United Nations. Had this been accomplished, the Russians and the Arab States would have been able to join openly in demands for "justice to Panama."

Although this stratagem failed, the planners devised still other schemes to harass Uncle Sam. Drs. Aquilino Boyd and Ernesto Castillero, former Minister of Foreign Relations and Vice Minister of Foreign Relations respectively, announced plans to celebrate Panama's independence from Colombia on November 3, 1959, by a "march on the Canal Zone." Boyd said this would be a "peaceful demonstration," merely to show the flag in the zone.

Even if Boyd had been sincere, the Communists and extremists had other plans. When the march began, they sent their agitators and goons into the procession and turned it into a bloody riot in which at least 75 Americans—soldiers, police, and civilians—were injured. "Plants" in government telephone exchanges and radio stations passed out word that the National Guard was to remain in barracks, which it did, leaving the Canal Zone police and military forces to battle the attackers alone.

When the American forces stood their ground—against degrading insults, threats, stone throwings, and foolhardy onslaughts against tear gas bombs—the rioters, like the immature kids they were, slunk away into Panama City and vented their angry emotions on U.S. business firms and properties. But the masterminds behind the scenes had not given up. Three weeks later they led another demonstration against the Canal Zone. This time the Panamanian National Guard managed to get on the job and quell the rioters.

Meantime, the State Department had sent Under Secretary of State Livingston T. Merchant to Panama City to confer with officials of the Republic and the Canal Company regarding the difficulties. Although Mr. Merchant insisted that Panamanian authorities maintain order and protect U.S. life and property in the Republic, he indicated that Panama is the "titular sovereign" over the Canal Zone, whatever that means.

Panamanians insist that the Under Secretary agreed that their flag might be displayed in the zone. In fact, it is the opinion of a number of people high in our own Government that this concession would not impair our rights.

Mr. Merchant had hardly arrived back in Washington when the Panamanian Foreign Minister, Miguel J. Moreno, Jr., complained to the press in Panama City that he had "not yet received any word from the U.S. Government that it intends to satisfy Panama's complaints." He expressed impatience that the State Department had not taken action to have the flag hoisted.

At the moment a hot presidential campaign is on, with election scheduled to take place in early May. Meantime, no Panamanian official or politician is likely to counsel moderation, much less take a stand against anti-U.S. attacks.

Latin American diplomats in Panama City have reported to their governments that more violence and demonstrations are to be expected.

The most responsible Americans on the isthmus are agreed that the Panamanian politicians as well as the merchants will not only continue to insist upon but will take all the material concessions they can get and will encourage the Communist-Nationalist groups to keep calling for nationalization.

The strategy now is evident, and it bears unmistakable Communist earmarks. First, keep stoking the propaganda mills, keep shouting about "injustices heaped upon helpless little Panama by the powerful Yankee colossus." Eventually a lot of people will begin to believe it.

Second, it may be possible somewhere along the line to create an incident, perhaps the accidental killing of a Panamanian student by a U.S. soldier or policeman. Then a wave of righteous wrath will sweep all Latin America. As one diplomat puts it: "There will be demands in the Organization of American States, the United Nations, and throughout the Communist world for an end to unilateral domination of this world waterway."

Indeed, most Panamanians already are convinced that eventually they will be able to pressure us into sharing jurisdiction over the canal as well as the zone. We ourselves have given them good reason to believe their dream can come true. Their efforts so far have borne abundant fruit. We have yielded to pressure and have made two major revisions of the original treaty. Each time the Panamanians received more than any of them ever expected to get.

They consider our position regarding Suez as a precedent. In effect, we approved the nationalization of that waterway by Egypt.

Some of our most influential political leaders have come out for what they call "a new approach" to the canal question. Way back at the Potsdam Conference, President Harry S. Truman started the ball rolling. With "Old Joe" Stalin listening, Mr. Truman proposed that all strategic waterways be internationalized, and he has repeated the proposal.

A few weeks ago presidential hopeful Senator Hubert Humphrey took up the idea. The Minnesota Senator said, in effect, that we have two alternatives in the Panama Canal Zone. We can work out a cooperative program with the Republic of Panama, giving Panama more voice and rights in the Canal Zone. Or we can go to the United Nations and offer to internationalize the canal, providing the same is done for other international waterways.

Senator Wayne Morse, of Oregon, chairman of the Senate Foreign Relations Subcommittee on Latin America, recently hired a study group from Northwestern University, at the taxpayer's expense, to look into and recommend a plan for disposing of the Panama Canal question. The report recommends what it terms "regionalization" of the waterway; that is, giving the nations of this hemisphere some say in the affairs of the canal. The Northwestern University professors went on to say that the Council of the Organization of American States might establish an advisory canal commission, which would supervise traffic studies "including the long range problem of arranging for a second canal across Nicaragua."

The group also said that later moves might include giving the Organization of American States representation on the Board of Directors of the Canal Company and the transfer of canal stock in small blocks to the hemisphere body. "By regionalizing the canal in this way," the professors concluded, "we avoid the political dilemma of internationalizing it through a divided United Nations, or having it eventually nationalized despite ourselves by the Panamanians."

Unfortunately, too few of our own people—those in authority as well as average citizens—seem to know the main facts about the Panama Canal, its origin, and purpose. The isthmus has always been a strategic artery of transportation. It was the route the Spanish conquerors took to western South America, to the riches of Peru, Bolivia, etc., in the 16th century.

In 1856, when our own people were pioneering to California, U.S. citizens built a railroad across the isthmus and thousands of settlers traveled to the Pacific coast by that route. In 1880, a French company headed by Ferdinand de Lesseps, who previously had dug the Suez Canal, attempted to build a canal across Panama. Lack of money, the ravages of disease, and innumerable difficulties and hardships forced De Lesseps to give up.

By then (1889) we were becoming a great naval power. During the Spanish-American War we had found it a hazardous undertaking to transfer our fleet from the Atlantic to the Pacific by way of Cape Horn. Also our Pacific coast and the new Territory of Alaska were practically undefended. It became a matter of the utmost strategic urgency to find a shorter route.

In 1890, the United States bought the French rights and holdings, but found objections from Colombia, of which Panama was then an isolated northern province. On November 3, 1903, the Panamanians seceded from Colombia, and President Theodore Roosevelt recognized the newly organized Panamanian Government on November 6. Twelve days later we signed a treaty with the new Republic, which gave us the right to construct and operate the canal.

Article II of that document grants the United States "in perpetuity" complete jurisdiction over the 553 square miles that make up the zone. Article III further states that Panama grants to the United States "all the rights, power, and authority within the zone mentioned and described in article II * * * to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority."

To seal the bargain, we paid the new Government $10 million in cash and pledged ourselves to pay annually thereafter $250,000, which in 1955 was upped to $1,930,000. During Woodrow Wilson's administration we paid Colombia $25 million, as a friendly gesture and in token of damages it had sustained.

It probably is too much to expect even intelligent Panamanians to admit that what we actually got from them by treaty, and for which they received what then was a considerable sum of money, was a mere strip of sodden, disease-ridden jungle and marshland, most of it totally uninhabited.

Since 1903 we have built a canal that accommodates the ships of the whole world. Our scientists and doctors turned the swamps, as well as the two main Panamanian cities, into virtual health resorts. We have built hospitals, schools, homes, highways, stores, and shops, as modern as any in the world. We have also built all the facilities necessary to operate and defend the biggest single Government-operated industrial setup outside the United States itself.

Although we are accused of reaping billions from this project, to date U.S. taxpayers have spent more than a billion and a half dollars on its construction and maintenance; but they have received from it only a little over $965 million in tolls.

Meantime, the Panamanians who spent nothing to put it there, and who take no risks in making it function and pay its way, daily reap a windfall of benefits and profits from it.

But regardless of what happened in the past, and entirely aside from the question of whether this country has or has not been financially generous to the Government and the people of Panama, the question now arises: What is for the ultimate best interests of all concerned in the operation and maintenance of this vital waterway?

Obviously it is of the utmost importance to the other nations of this hemisphere and to the world in general, as well as to our own country and to Panama, that it be maintained in perfect condition and operated by highly trained personnel and experienced directing heads. Those in charge should also be men of unusual economic and financial ability, if they are to make wise policies for a multimillion-dollar corporation that by law has to be self-supporting.

Anybody with even a cursory knowledge of the Panamanian population knows that the little Republic does not have the means or the know-how to do either. Even if enough Panamanians were technically trained to do the job, the instability of the country would be a danger to the safety and dependability of the canal's operation. From 1949 to 1959 there have been seven different Presidents, almost one a year, not one of whom served out his term. President de la Guardia may succeed in squeezing through until next May, although he already has experienced several close calls.

The Panamanians still insist that we do not pay their people the same wages that we pay North Americans. Of course, this is not true. It may have been in the past, but not since the last treaty revisions. Since then, a Panamanian who does the same job that a North American does gets the same pay, the same promotions, the same benefits.

Since so many Panamanians engaged in agitation against the United States, and participated in violent attacks on canal properties, the question of security of the installations becomes an all-important consideration. Those responsible for any organization as vital to national and hemisphere defense as the Panama Canal would hesitate to promote or put Panamanians or any other than U.S. citizens in charge of strategic posts.

The Panama Canal is not only a vital artery of transportation but also a critical link in our own national defense. It is equally important in the defense of all the southern Republics. None of them likes to admit it, of course, but not one of the 20 countries could defend itself against an attack by modern weapons.

The United States is Latin America's sole defense in any major war. The canal is the sole means of shifting war vessels from one ocean to another quickly; it is also an indispensable supply line. Unless we control it, it would be of little use in any emergency.

Aside from the fact that nobody else put a penny into its construction, least of all the Panamanians, these were among the chief reasons for making a treaty which gave us complete jurisdiction over the zone in the first place. Divided authority and jurisdiction, which could cause disagreement and confusion at a critical moment, would give an enemy great advantage and would kill the efficiency of the operations in normal times.

The very fact that we are committed to NATO, the Rio Defense Treaty, the Western Hemisphere, and the Southeast Asia alliances, is a further reason for maintaining the political provisions of the 1903 treaty. Especially since we still are in the midst of a dangerous cold war with Communist nations.

Nor is the mere fact that Panamanian leaders have changed their minds and now want to revise the treaty, not to say, nullify it, sufficient reason to go along with them. No doubt Mexicans would like to revise the treaty that ceded California to us, so that their flag might again fly over this rich territory. France might like to have the treaty by which we acquired Louisiana and the vast western territories that went with it overhauled.

The insistence upon flying the Panamanian flag in the zone, "as a token of titular sovereignty," now the prime goal of the isthmian crusaders, is merely a ruse, a Trojan horse. Once there, it would be pointed to as an acknowledgement of total, not titular, sovereignty. It would be an excuse for the extremists to demand more tokens of Panamanian power. They could point to the flag as a supreme demonstration of U.S. deceit—"Washington admits the canal is ours but won't let us rule over it."

Even if it were logical and wise to make political concessions, or if there were no threats of a future war, this is no time even to discuss the matter. You don't make concessions when an organized mob is converging on your house.

We have become the great Western power, but we don't act the part. We are still anxious to be loved by everybody. We cringe every time some government, even a shaky one, or some extremist group criticizes or throws spitballs at us.

Nobody loves a great power. Nobody loved England when Britannia ruled the waves. But they respected her. She went straight down the road of what she thought was her duty. She lived up to her treaties and obligations and expected others to do likewise.

The U.S. Government has the same right and the same obligation to demand that Panama, the other party to the treaty of 1903, live up to its obligations, to its word, its signature. That is what the treaty was for.

Finally, it is time for the administration and the Congress to stop trying to please everybody; such efforts mean that we usually end up pleasing nobody. It would be an innovation, and the people of the United States no doubt would shout "Hosanna," if the White House and Capitol Hill would act as the responsible protectors of American rights abroad that they are supposed to be.

One thing is certain: Our rights and our obligations in the matter of the Panama Canal and its operation and protection, are at stake.

At least it is time for our leaders to speak with one voice, and not as if they were the inmates of a tower of Babel.

THE AMERICAN LEGION'S POSITION

At the 41st National Convention of the American Legion, August 25–27, 1959, the committee on foreign relations reported:

"1. We reaffirm our opposition to any proposal or effort to change, in any way, the status quo of the Panama Canal."

The convention adopted a resolution (No. 645) that called upon "our Government to promptly and vigorously use all means within our power to prevent the establishment or continuance of any Communist or Communist-controlled government within the Western Hemisphere," and urged "all American Republics to join with our Government in the elimination of this threat to the freedom of the people of the Western Hemisphere and of the world."

BEEF IMPORT AGREEMENT

Mr. MANSFIELD. Mr. President, on February 20, 1964, I addressed the Senate on the new beef import agreement and the general subject of beef imports. At the conclusion of my remarks I had intended to insert a copy of a letter my colleague [Mr. METCALF] and I addressed to the U.S. Tariff Commission on the cattle and beef import situation. Inadvertently the attachment was a letter to the U.S. Tariff Commission, but on the subject of copper imports.

Mr. President, I ask unanimous consent to have printed in the body of the Congressional Record my statement "Beef Import Agreement" and the correct attachments.

There being no objection, the statement and attachments were ordered to be printed in the Record, as follows:

Beef Import Agreement

Mr. Mansfield. Mr. President, on Monday, the Department of State and the Department of Agriculture announced a voluntary agreement with Australia and New Zealand on beef imports. These two countries provide approximately 80 percent of our imports of fresh and frozen beef and veal. The agreement, as I understand it, is subject to review after 3 years.

In brief, the agreement guarantees foreign exporters of beef to the United States approximately 11 percent of our domestic market, holding Australian and New Zealand exports to the United States at the 1962–63 average, allowing for consumption growth.

Mr. President, this is a small step—a very small one—in the right direction; but it is not enough. It provides little protection for our domestic industry at a time when prices are down. During the current calendar year, it will provide a 6-percent reduction, as compared with 1963 imports.

The idea of a voluntary negotiated agreement with these two major beef exporters is excellent—but certainly not one that guarantees foreign suppliers such a major foothold on our beef market. We cannot blame Australia and New Zealand when they can get an agreement which will permit them to continue to export to the United States at a rate comparable to those of the two highest years in history. The American cattle industry is the one that is being hurt. It would have been far more realistic if the average imports had been computed over the past 5 years, instead of the last 2 years.

In addition, I am somewhat concerned about the effect such an agreement will have on efforts to aid the domestic livestock industry, in light of the delicate state of our international trade negotiations. Frankly, I am anxious to see a much more realistic quota established, either through U.S. Tariff Commission recommendations or congressional action. It is for this reason that my colleague [Mr. Metcalf] and I have prepared, for introduction, legislation which would establish a quota system on beef imports, based on the past 5-year average.

Mr. President, I introduce this bill, on behalf of myself, my colleague, the Senator from Montana [Mr. Metcalf], the Senators from North Dakota [Mr. Young and Mr. Burdick], the Senator from South Dakota [Mr. McGovern], and the Senators from Iowa [Mr. Hickenlooper and Mr. Miller]; and I ask unanimous consent to have printed at the conclusion of my remarks the text of this proposed legislation and a letter on the same issue which my colleague, the Senator from Montana [Mr. Metcalf] and I addressed to the U.S. Tariff Commission.

Mr. President, I also ask unanimous consent to have the bill held at the desk, for additional cosponsors, until Monday, February 24.

The Acting President pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the Record, and the bill will be held at the desk, as requested by the Senator from Montana.

The bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by Mr. Mansfield (for himself and other Senators), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the Record, as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the total quantities of beef, veal, and mutton (in all forms except canned, cured and cooked meat, and live animals) originating in any country which may be entered, or withdrawn from warehouse, for consumption during any period of twelve months shall not exceed the average annual quantities of such products imported from such country during the five-year period ending on December 31, 1963: *Provided,* That beginning January 1, 1965, there may be an annual increase in the total quantities of such products which may be entered, or withdrawn from warehouse, for such purpose, corresponding to the annual rate of increase in the total United States market for such products, as estimated by the Secretary of Agriculture."

The letter presented by Mr. Mansfield is as follows:

U.S. Senate,
Washington, D.C., February 17, 1964.

Mr. Ben D. Dorfman,
Chairman, U.S. Tariff Commission,
Washington, D.C.

Dear Mr. Chairman: In response to a resolution adopted by the Senate Finance Committee, the U.S. Tariff Commission will soon begin an investigation of the impact of foreign cattle and beef imports on the domestic market. This is a matter of considerable importance to the State of Montana as one of the leading producers in the livestock industry.

The problems now plaguing the ranchers are many and complex. Each day our mail brings new and more desperate appeals for aid in stopping the present decline in cattle prices. There is an immediate need to stabilize the cattle and beef market or we fear we will be faced with a situation of momentous proportions.

This is a many sided problem, but one of the major causes is the increasing share of the domestic market that is being taken over by the importers. The trend over the past several years has been in this direction until we now find that imported beef equals more than 11 percent of U.S. production. What has been a threat has now been compounded into an unfair and difficult situation.

As the members of the Commission know, the United States is the only major beef market without quantitative restrictions and very low duties. Also, we take 51 percent of the world trade in beef. On the basis of these facts, we wish to support the industry in its request for an establishment of a quota system or tariff protection based on domestic consumption and production.

The executive branch of our Government has the authority to provide relief to the cattle industry. The need is amply demonstrated. The Nation's Government must take the initiative to prevent a very serious economic depression in one of our basic industries. The Tariff Commission can recommend the necessary relief to the President. If the Federal Government does its part, it will then be up to the industry itself to handle problems such as excessive marketing, new marketing methods, and consumer preferences.

With best personal wishes, we are,
Sincerely yours,

Mike Mansfield,
U.S. Senator.
Lee Metcalf,
U.S. Senator.

SERVICE OF REPRESENTATIVE HAROLD C. OSTERTAG

Mr. KEATING. Mr. President, yesterday our distinguished colleague in the other body, Representative Harold C. Ostertag, announced that he would not be a candidate for reelection as a Member of Congress from New York. Representative Ostertag represented the district geographically adjacent to mine when I served in the other body. He has had a distinguished career there. As a member of the Appropriations Committee, he has been in conference with many Members of this body, who must have learned from those conferences how sound and conscientious he is in the performance of his duties.

Congressman Ostertag fought for his country in World War I, enlisting in the 74th Infantry, 27th Division. He served with the 55th Pioneer Infantry in the American Expeditionary Force.

He has served as State vice commander of the American Legion. He is a member of the Veterans of Foreign Wars, the Elks, and the Attica Grange and the Wyoming County Farm Bureau.

His adult life has, in fact, been dedicated to public service in his district—the 37th District—his State and his country.

He is leaving the Congress in full vigor and in good health. I am sure he leaves with the good wishes of all of us who have served with him and who know of his outstanding service to his country.

I express the hope that he will enjoy his retirement.

Before his service in the Congress, he served for many years in the New York State Legislature, so he has had three decades of dedicated and distinguished public service. I wish him and his wife and family great happiness and the enjoyment of a long life.

Mr. JAVITS. Mr. President, will my colleague yield?

Mr. KEATING. I am happy to yield.

Mr. JAVITS. I join in wishing well to Representative Ostertag. Representative Ostertag has been an indefatigably able Member of Congress, devoted to the affairs of our State and district and to the affairs of the Nation. Incidentally, his is one of the finest minds of which I know for analyzing the real effect and basis of a piece of proposed legislation or public policy. Representative Ostertag has often prided himself upon the fact that he represents conservative views. I feel very deeply that that is the kind of skill which the Congress urgently needs, and it represents the finest contributions of a man who so characterizes himself in terms of the amalgam which is the American consensus.

I am sorry that he is leaving us. We can only be grateful to him for the enormous service that he has rendered, and pay this extremely well deserved tribute to his service. I join my colleague, his next door neighbor, in the hope and prayer that he will have a full and happy life in all the years which lie ahead of him.

I thank my colleague.

The **PRESIDING OFFICER.** Is there any further morning business?

Mr. **MANSFIELD.** Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

CIVIL RIGHTS

Mr. **STENNIS.** Mr. President, when the House-passed H.R. 7152—which masquerades under the false and misleading title of "The Civil Rights Act of 1963"—reached the Senate, it was intercepted at the door by the distinguished majority leader. His announced purpose is to bypass our established and traditional practices and ask for its consideration by the Senate without referral to the appropriate committee.

It is more in sadness than in anger, Mr. President, that I protest the manner in which the historic safeguards of the Senate are being trampled in an effort to stampede this vicious legislation to passage. This measure is unquestionably the most radical and far-reaching proposal in the field of civil rights which has ever been presented to this body. Yet we will be asked to agree that it should be considered on the floor of the Senate without the benefit of the committee action which has always been considered essential even in the case of much less important legislation. Such disregard of our longstanding rules of procedure should cause concern to even the most ardent supporters of this legislation.

This latest parliamentary gambit by the leadership is, unfortunately, typical of the zeal which has motivated supporters of this legislation to run roughshod over those who have opposed it This is not the bill originally presented to the House Judiciary Committee. It is not the bill on which hearings were held by that committee. A substitute for the original bill was drafted in secrecy by a few select and unidentified individuals. It was then abruptly presented to the Judiciary Committee of the House and was reported, according to the minority report, after having been considered for precisely 2 minutes. Even after the bill was reported, an effort was made to further bypass established procedure and to petition the bill from the Rules Committee. This maneuver failed, however, and rather brief hearings were held by the Rules Committee. The bill was then pushed through the House with all possible speed.

The manner in which the bill was bulldozed through the House committee caused the dissenting Members to make this statement in the minority report:

> This legislation is being reported to the House without the benefit of any consideration, debate, or study of the bill by any subcommittee or committee of the House and without any member of any committee or subcommittee being granted an opportunity to offer amendments to the bill. This legislation is the most radical proposal in the field of civil rights ever recommended by any committee of the House or Senate. It was drawn in secret meetings held between certain members of this committee, the Attorney General and members of his staff, and certain select persons, to the exclusion of other committee members.

Surely, no one can seriously contend that this constitutes proper legislative procedure. The members of the House Judiciary Committee who opposed this legislation clearly felt that they were arbitrarily denied the "due process" to which the supporters of the legislation give such fervent lipservice.

The sponsors of this legislation now seek to repeat this legislative injustice in the Senate. If they should succeed, we will see this monstrous bill—which perhaps will create the greatest flood of strife, turmoil, and conflict which this Nation has seen in the past 100 years—being pushed through Congress without the benefit of any consideration, debate, or study by any committee or subcommittee whatsoever, except for the brief hearings by the House Rules Committee.

I recognize, of course, that the original omnibus civil rights bill (S. 1731) was introduced in the Senate last year and that some hearings were held on the title dealing with voting rights. However, there are many important and basic differences between that bill and H.R. 7152.

Hearings were held by the Senate Commerce Committee on S. 1732 which embodied the original version of the public accommodations title of the omnibus bill. Again, however, there are a number of fundamental and basic differences between that bill and the public accommodations section of the House-passed bill.

In addition, some hearings were held in the Senate and in the House on separate FEPC bills, which differed in several important respects from the equal employment opportunity provisions of title VII of the House bill. In the Senate, at least, it appears that only proponents of FEPC were heard.

Thus, Mr. President, there have been hearings by Senate committees on only 3 of the 10 separate subject matters covered by the House bill, and these were necessarily incomplete since they were directed to bills which differed substantially from the House bill.

I say again, Mr. President, that the attempt to force us to legislate in this hasty and unseemly fashion does violence to the basic and fundamental principles of orderly parliamentary procedure. It flouts tradition and defies logic.

None will deny that this is the most drastic and far-reaching legislation in the civil rights field which this body has ever been asked to consider. It deals with the most sensitive phases of our society, customs, economy, and governmental operations. It would vest in one individual—the U.S. Attorney General—more naked and raw power over the lives, properties, and habits of the citizens of this Nation than has ever before been held by any one person.

I have said before, and now repeat, that in all of my years of studying law and legislation, I have never before witnessed such a bold and colossal grab for naked power. I am convinced that this bill, if passed, will destroy more individual rights and liberties than it could possibly protect. Under its provisions, special privileges and special consideration will become the institutionalized right of organized minorities.

This, however, is somewhat beside the point of my present discussion. My point now is that we are to be asked to pervert our traditional and time-tested processes and to consider, debate, amend, act upon, and pass this radical and drastic legislation without the benefit of the committee study and consideration which we consider essential even in the case of the most insignificant and unimportant piece of legislation.

I am trying to point out, Mr. President, that this bill should be carefully, judiciously, and thoroughly studied both from a legal standpoint and from the standpoint of its social, economic, and political ramifications. I do not believe that this has yet been done, and I am convinced that it cannot be done in debate on the floor of the Senate where partisan political considerations will assume the overriding importance which has become customary with legislation of this nature.

I apprehend—no, I am convinced—that there is no one in this body or in the entire Nation who can tell us precisely how far this legislation goes and what will be its total effect if it becomes law. The revolutionary impact of it almost defies description and definition. Its generalized terminology and open-end provisions are susceptible of the most extreme and unlimited interpretations. It is deliberately designed to give the Attorney General the broad and vast power which he seeks. In this regard, it can very easily be construed as a blank check in this field. This is one of the reasons why the bill requires precise definition and careful circumscription by a duly constituted committee before being considered on the floor.

It is not my purpose at this time, Mr. President, to discuss in detail the many vicious, punitive, and ill-conceived provisions of the House bill. However, I will comment briefly on one aspect of it for the purpose of illustrating the impropriety of considering this legislation in the manner which the leadership proposes.

As I have already pointed out, title VII—entitled "Equal Employment Opportunity"—has for its purpose the implementation and effectuation of the FEPC concept. This is the longest and most complex title in the bill. It has been greatly expanded from the original administration proposal. But it has not been fully considered, in precisely its present form, by any congressional committee.

This history of FEPC legislation is well known to all of us. FEPC legislation has been repeatedly before the Congress and, just as repeatedly, Congress, in its wisdom, has refused to authorize the sought for sweeping and dictatorial governmental control over the private industries of this Nation.

Now, however, this oft-rejected concept is to be brought before us again in a summary and peremptory manner without the careful study and analysis which should be given any measure which proposes to grant to the Government the power of life and death over almost all segments of our industry. This sweeping, flagrant, and unwise proposal to extend the power of the Federal Government to interfere with and control the Nation's private industries should not be considered under such circumstances.

Finally, Mr. President, I should like to comment on the widely held misconception that this is a weakened and watered down bill. The fact is that the measure passed by the House is far stronger and much more objectionable than the proposals originally submitted by the President last year. Its constitutionality is even more questionable, and it contains extreme and drastic proposals which the administration itself did not dare to request originally. Many of these proposals have not been the subject of any testimony or debate before any committee of the Congress.

The undisputed fact, Mr. President, is that H.R. 7152, as passed by the House, has not been considered, debated, or studied extensively by any congressional committee—Senate or House. I hope that the Members of this great body will consider seriously and earnestly both the implications of this measure and the efforts to ramrod it to a hasty passage. Between these efforts and the established and orderly traditions of the Senate there is a gulf too deep to swim and too wide to wade.

I hope that we will not be led astray by misguided zeal and enthusiasm. I hope that the memory of organized demonstrations in the streets and the false attraction of high-sounding catch-all phrases will not blind us to the perhaps fatal consequence of following the path down which some would lead us. Let us adhere to and honor the historic and time-tested traditions and procedures of this body and refer H R. 7152 to the appropriate standing committee for the study and consideration which its importance merits and demands. I shall do everything within my power to insure that this course is followed.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FALLING BEEF PRICES—ADDRESS BY SENATOR McGEE

Mr. MONRONEY. Mr. President, the senior Senator from Wyoming, had some illuminating remarks on the subject of falling beef prices and how they relate to imports from abroad which he delivered to the National Conference on Foreign Trade in Meats at St. Louis, Mo., February 13, 1964. Senator McGee spoke of protecting those tariff barriers which exist and of import quotas to give domestic livestock producers a greater degree of protection.

The Senator's remarks were made 4 days before the Department of State announced its agreement with Australia and New Zealand, the largest importers of beef into the United States. The agreement, although only a step, and not a giant one, reverses the direction of ever-increasing beef imports into this country. Oklahoma stockmen, along with all U.S. stockmen, would have been hit even worse financially had Australia and New Zealand gone forward with plans to increase shipments to us by more than 25 percent over this year. Instead, in 1964 there will be a rollback of about 6 percent from the 1963 average. In 1965 and thereafter a slight annual increase is provided.

The voluntary restraint agreed to by two of our good neighbors and good customers was noteworthy. I congratulated President Johnson on his prompt action and expressed hope that the domestic market would be strengthened and the industry stabilized by this action.

In his speech, Senator McGee also stressed the importance of getting major foreign suppliers of meat to voluntarily divert these imports to other nations, taking into consideration the fact that the people of these lands will increase their consumption of meat as their standard of living increases.

Mr. President, I ask unanimous consent that Senator McGee's address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Congress Looks at the Price of Beef

(Remarks by the Honorable Gale McGee, U.S. Senator from Wyoming, at the National Conference on Foreign Trade in Meats, St. Louis, Mo., February 13, 1964)

This speech is going to begin with a very unpolitical statement. I do not have a foolproof solution to the problem of falling beef prices. And if any of you out in the audience do, I think perhaps we had better change places, and I'll listen to you instead.

But I will say that my lack of the perfect program is not for want of trying. The State of Wyoming, which I have the honor to represent in the U.S. Senate, derives almost one-fourth of its basic gross income from agriculture, and 79 percent of this amount comes from livestock and livestock products. That cowboy is not on our car license plates merely for historical purposes.

When I began to collect my thoughts and to organize my remarks for you today, I requested the Library of Congress to run up a tally of all legislation introduced so far in the 88th Congress that pertains to beef imports and labeling. They sent me a list of some length on the bills proposed and how they were faring in the legislative mill.

In the Senate there are six bills on the subject. I am proud to be a sponsor of three of them. And in the House of Representatives there are 19. Usually the technical language of a bill is Greek to most laymen—and to many lawmakers, too—but I think that you will readily understand what we have in mind with a bill from which I will quote to you now:

"In addition to existing rates there are hereby imposed on the following articles entered, or withdrawn from warehouse, for consumption during any calendar year in excess of the annual quota for each such article * * * the rates of duty as follows:

"Cattle, weighing less than 700 pounds each, 5 cents per pound;

"Cattle, weighing 700 pounds or more each, 6 cents per pound; and

"Beef and veal, fresh, chilled, or frozen, 12 cents per pound."

That is what this bill, which I sponsor, would do. And I don't think I need make a further explanation of why we are working so hard to shepherd this bill through the legislative mill.

Later this year our trade negotiators will meet in Geneva to work out a new set of tariff agreements between this country and the other nations of the free world, especially the Common Market countries. During those meetings, commonly called the Kennedy round, our representatives and those of the other nations involved will work out the new tariff schedules for the next few years.

In the situation that confronts us in the coming negotiations, I think that the best news we could receive is no news at all. It is my contention that when our negotiators leave for Geneva their list of tariffs to consider in the give and take of negotiations should not include beef. I for one am not prepared to open up discussions on beef tariffs in such a bearish situation. Our best protection, and I have so testified before the U.S. Tariff Commission, is not to debate these tariffs at all.

A look at the situation will tell you why I am interested in protecting such tariff barriers to further beef importation that now exist. In the year 1957 imports of live cattle, beef, and veal accounted for 3.9 percent of our domestic consumption. In 1963 that figure had risen to nearly 11 percent. And from January to August of last year these imports were running 22 percent above those of the same months a year earlier.

The largest share of this beef originates in Australia and New Zealand with a recent flurry from Ireland. In recent months there has been a steady stream of American cattlemen visiting these countries to find out how these producers from "down under" can afford to raise beef, pay shipping costs halfway around the world, pay a 10 percent import tariff, and still make a profit at prices that are ruinous to domestic producers.

One answer, of course, is that this beef is all range fed. This explains why about 80 percent comes in as boneless or canned beef. But the real answer, it seems to me, is the generous incentive program established by the Australian and New Zealand Governments to encourage farmers to open up new range areas. With the methods of modern range development, these people can open up vast new grazing lands at a cost that will allow them to overcome every obstacle between here and there and still have a fat margin with which to work.

Since it would be difficult to talk the foreign producer into adopting another line of work, we must seek other means of limiting his intrusion upon our markets. On this point I favor a two-front approach. First, I have strongly urged the President, the Trade Information Committee, the Tariff Commission, the Secretaries of Commerce and Agriculture, and last but not least, the Congress to consider the establishment of an import quota for meat and meat products.

To many people, quotas and tariffs are about the same thing—a means to limit the importation of a product. But there is a significant difference which has real meaning in foreign trade circles today. The difference is that a tariff seeks to restrict imports by raising their price, while a quota limits them strictly on the basis of quantity. In the postwar era we have seen a new trend which has made many of our tariff barriers ineffective. And that is the policy of foreign governments to nullify the effect of a tariff by providing their exporters with a subsidy that is its equal. This may be expensive for them but illustrates how much they depend upon foreign trade and how valuable American dollars are to them.

These facts are well known to anyone who has studied the import trends in the postwar world. Yet, it is a very difficult job for those of us who are concerned with the problem to convince many of those directly involved in it—and that includes some of you here today—that we are speaking the truth. I sponsor a tariff bill because we need some protection right now. But we cannot cling to the tariff as the only future and salvation to our problems. This is maginot line thinking at its very worst. If we persist in this negative, defensive line, we shall awaken one day to find that the enemy has run around us, over us, and under us and has captured the markets our tariff walls were erected to protect.

The quota is the only direct means of limiting imports that does not have loopholes. It provides a definite barrier to imports beyond a certain amount and has the further benefit of letting the domestic producers know with greater certainty just what kind of competition to expect from abroad. So I am convinced that our efforts to provide the beef producers with protection at the Government level should concentrate on a quota.

The second phase of my attack on the imports problem would be to divert these imports to other nations. It is a well-known fact of human nature—at least in our Western civilizations—that when income increases, so does the consumption of meat. Therefore, as more and more of the nations of the world come to enjoy rising standards of living, especially in Europe and Japan, the market for beef expands. It will be up to our negotiators to convince these other meat-producing nations that it is in their best interest to divert shipments now going to the United States to other places. And one of the incentives toward that idea might very well be the suggestion that, if this reduction in meat shipments was not made voluntarily, it might be necessary for us to eliminate any option on their part and impose restrictions which may be more limiting than the ones they might have on a voluntary basis.

A similar battle to the one we are having right now occurred several years ago in the cotton textile industry which was in real difficulty because of imports from abroad. When it became apparent that the domestic producers were receiving a sympathetic hearing on their complaints in Washington, the foreign producers, seeing the handwriting on the wall, entered into a voluntary agreement for an import quota. It takes little business logic to see that the loss of some business is better than the loss of all of it.

I have visited the White House three times under the Kennedy administration specifically to discuss this problem and twice already under the Johnson administration. And at each visit the reception to my ideas seems just a bit warmer. And it should be obvious to all of you that our President does not need an explanation of the cattle business or why it is vital to the economy of the Nation.

It is imperative that we maintain the pressure on all concerned to get something done about cattle imports. We dare not let the pending bills languish in committees in the Congress. It may well be that on the legislative front the cattle producers have spent too much time talking to each other and not enough time trying to convince those not well acquainted with these problems. Certainly there is no lack of comment in cattle-raising circles, in the various magazines and newspapers that serve the feeder and rancher, about how imports have affected the price of beef.

In fact, I want to issue a warning here today. Anyone who thinks that if we limit imports we will have it made is very mistaken. It is an all too human tendency to grasp for an easy-sounding solution to a very complex problem. But the world is much too complicated to let you get away with it. If those who are concerned about the economic state of the cattle industry wish to see genuine and lasting results, they are going to have to maintain a steady attack on several fronts at once.

But in addition to the problem of imports, there are those related to domestic marketing practices. Just about 1 year ago, I took to the floor of the Senate to express my concern that at the Denver market the price of fat cattle had been steadily falling. In fact, in a 90-day period around the holiday season, the price had dropped $7 per hundredweight. This was very alarming to the beef producers, and it was alarming to others concerned for a different reason. And that was that, while the price to the producer dropped sharply, the price to the consumer dropped not at all.

Upon investigation, our preliminary inquiries tend to suggest that some of the chainstores in the area, which are vertically integrated, may have been playing fast and loose with the market.

You know that some of these corporations have plunged into the cattle business; some of them maintain their own feedlots. Those independents to whom I have talked said they were convinced that the chain involved here would run a large number of its own fat cattle on the market to break the price, and then at this lower price buy enough beef for their future needs. In doing so, they penalized both cattlegrowers and feeders of a fair price and likewise failed to pass along the savings to the housewife.

In order to find out what was behind these strange marketing fluctuations, I introduced a resolution into the Congress which asked the Federal Trade Commission to conduct a study of the chainstore operation to see if they are using their size to take unfair advantage of the market.

Almost immediately I was beseiged with calls from people in other parts of the food industry—bakers, canners, fruit producers, and poultry raisers—who had complaints similar to those of the beef producer. And this further strengthened my desire to get to the bottom of things, to separate the accusations from the facts, and to see just where we stand. And I am pleased to note that on January 31, in his message on agriculture, President Johnson shared some of my concern over these chainstore activities. He pointed out that one out of every two grocery dollars—money from the consumer—goes to fewer than 100 corporate, voluntary, or cooperative chains. The President urged the establishment of a bipartisan commission to study the situation and appraise the charges made against the chains.

Support from the White House is always welcome to anyone engaged in an undertaking as complicated as this one. But I would caution you that we must not allow this new proposal, which is supplemental to the one I made a year ago, to be used as an excuse to let up on the present investigation. Our beachhead is already established; it must not be abandoned.

Another factor that enters into the price of beef is, of course, the domestic production. In this modern age while there is much more to marketing than the old law of supply and demand would suggest, that law is still at the bottom of our marketing calculations. Last year—the year when the price squeeze really started—the American producers put on the domestic market 1,104 million more pounds of beef than he did the year before. And the trend for this year seems to be more of the same. Certainly our growing population is eating more beef, but it still seems that an additional billion pounds of beef will have a real effect upon the market.

We might also consider in our search for price equality the activities in competing fields. When the east coast housewife can buy chicken at 25 cents a pound, this fact will influence her decision on what type of protein her family will eat that week.

And, a little more indirectly, we must consider the quality and productivity of our rangeland, the cost of transportation, certainly the price of feed and how much of each bushel gets translated into marketable beef.

One other factor in this problem was brought very forcibly to my attention several years ago right in the Washington, D.C., area. Several housewives had been complaining about the quality of meat—fresh meat they thought—that they had been buying at the neighborhood market. The meat, in this case lamb and mutton, was of obviously inferior quality with a taste and consistency more akin to leather than meat.

Well, we did some checking and found that that meat was not what it was assumed to be. For one reason or another, the operators of that food chain had neglected to make it known that this meat had traveled halfway around the world in a frozen state before being offered to the housewife. I for one believe that, if the purchaser had known the origins of that meat, the decision to buy it might have been different. As it was, the bad reputation engendered by this unwholesome meat was shared by the domestic product as well because the housewife has no way to tell the difference. And while I may be prejudiced, I maintain that any food product shipped for long distances in a frozen or chilled state is going to loose quality along the way—if it had any to begin with. On that occasion, incidentally, a simple phone call to the Secretary of Agriculture was sufficient to clear up that particular case. But spotchecks of that type could not be enough. So after that experience, I returned to my office and drew up a bill. Its number is Senate bill 61. It says:

"No importer, processor, packer, jobber, distributor, dealer, retailer, or other person shall sell or offer for sale any fresh or frozen meats, poultry, or fish which have been imported into the United States, or any food product processed in whole or substantial part from such meats, poultry, or fish, unless such meats, poultry, fish, or products, or the containers or packages in which they are sold are marked or labeled in such manner as to clearly indicate to the purchaser that such meats, poultry, fish, or products were not produced in the United States."

But this bill is not designed just to protect the housewife against a few tough lamb chops. A recent check by the Department of Agriculture shows that at the present time up to 20 percent of the imported beef is being sold in the higher cuts, and the percentage increases all the time. Just a few years ago none of this meat was so marketed.

This meat shows up in the market showcase, in TV dinners, in the cutrate restaurants which feature a $1.29 steak, and in many other places. And I would repeat again that whatever reputation these meats earn, the meat that you produce shares.

The Agriculture Department has undertaken a study to get some additional facts and figures on this problem. I am always happy to have more information, but I would suggest that in this instance we already know enough to get on with the job of informing the public.

This labeling should also be right in line with the new drive to give the consumer a better break in the marketplace. For nothing influences a decision to buy any more than the shopper's idea about the product. And I am convinced that, if the housewife is shopping for fresh meat, she will welcome the opportunity to know which is really fresh and which is not.

And I cannot repeat too many times that this same principle—the opportunity to know and face the facts—applies to the producer as well. We must understand the nature of competition from overseas, we must know the nature of our domestic competitors, and we must know our own weaknesses if we are to make progress.

The victory will go to those who not only are willing to devote their entire energy to the battle but who know their enemy and will attack him on all fronts. This is the job you face as producers; this is the job that I face as a representative in a free government; and this is the job the Nation faces if a vital segment of our economy is to be preserved alive and free.

NATIONAL SECURITY

Mrs. SMITH. Mr. President, the Honorable Herbert C. Libby, of Waterville and Pemaquid, Maine, retired from the faculty of Colby College (Maine), has written a review of a Government-produced book called "Research Paper" which appeared in the February 5 edition of the Waterville (Maine) Morning Sentinel.

Dr. Libby is a scholar and an authority on government. I ask unanimous consent that his review be placed in the RECORD as it deserves to be read:

There being no objection, the review was ordered to be printed in the RECORD, as follows:

BOOK ON U.S. SECURITY DESERVES WIDE READING

(By Herbert C. Libby)

(EDITOR'S NOTE.—The following review was written by Dr. Herbert C. Libby of Waterville and Pemaquid, who is retired from the faculty at Colby College.)

It is somewhat surprising and regrettable that wider publicity has not been given to the Government-produced book, called a "Research Paper," and authored by a member of the "International Studio Division, Institute for Defense Analyses," whose study at the Institute extended over several years or until the "Research Paper" was given a first printing of limited edition in July 1963.

The author states that he has had the advantage of "observing U.S. security from the vantage point of the White House staff, the Executive Office of the President, and the National Security Staff." As the subject matter deals chiefly with political relations of the United States and the Soviet Union the delicate relationship between these two countries is carefully and fully covered. With this background the author undertakes to set forth a new policy for the United States to follow based upon a serious search for "common actions for the control of conflict" between the two countries that would in the long run pave the way for world peace. Prefacing the enumeration of the ways and means to be employed to bring us to an era of peace, the author expresses the belief that the present status quo of the two nations offers a suitable time for seeking out the ways and means that would achieve the hoped-for end, but he makes clear that as a nation we must be fully prepared for war if it should be forced upon us.

Stating the policy in a few words it is that of disregarding any hope of ultimate peace by a dependence upon "coexistence," for this means nothing more than that two nations move along parallel roads with no sharing of mutual benefits, and resulting in no peace at all. The new policy would endeavor to change the two independent nations into two interdependent nations, held together by common interests and common benefits, with nuclear war eventually banned.

The strikingly important section of the book has to do with the suggested ways of bringing the two great nations together, and a list of 22 suggestions are set forth and fully examined. The reader is at once challenged by such a policy, and the challenge is even more compelling when one realizes that for a year or more, and quite without sensing it, our Nation has adopted this policy.

How many people there were who strongly urged that something be done when the bearded Castro walked across the waters and became the chief hugger of Khrushchev. But nothing was done until the invasion plan at the Bay of Pigs, and this was promptly checked by the President of the United States. Castro still carries on. We no longer need to remain mystified by the unusual situation; the proposed new policy fights shy of all possible wars.

The test ban treaty which was so stoutly fought in Congress and which was finally approved by a narrow margin, can also be found listed in the new policy.

The unexpected announcement that trade with the Soviet Union, long disallowed by the United States, is mentioned specifically in the 22 suggestions. The purchase of vast quantities of wheat by the Soviet Union is to be followed by a purchase of fertilizer.

The invitation extended to Khrushchev to join us in putting a man on the moon is part of the new policy but the invitation was not appreciated.

The letters exchanged between the President and Khrushchev which will probably not be published until the usual 10-year period elapses, were to be one effective means that would lead to ultimate peace.

The most anxious inquiry about the new President is whether he is to carry out this new policy. His predecessor, the late and widely lamented President Kennedy whose dedication to his country's welfare could not be questioned, based his last two addresses at the American University and the University of Maine on the contents of the book we are here discussing.

And if study is given to the state of the Union address by President Johnson, it will be seen that he sets forth not the 22 suggestions essential to the new policy, but 10, and among them is found trade relations with any and all nations, and even a further mention of sharing in the contest of inhabiting the moon.

The question that all thinking citizens may well ask themselves is whether this new policy is the way to universal peace. The eminent author of the book here mentioned offers an exhaustive study and he believes it would.

HUMAN RIGHTS—A CHALLENGE

Mr. BEALL. Mr. President, as we approach consideration of the civil rights bill, I cannot help noting the progress which has been made internationally in the field of human rights.

On December 4, 1963, Mr. Jacob Blaustein delivered the Dag Hammarskjold memorial lecture at Columbia University. Mr. Blaustein chose as his subject "Human Rights—A Challenge to the U.N. and to Our Generation," a field to which he has contributed greatly.

Mr. President, I think it is appropriate that we read Mr. Blaustein's remarks at a time when the Senate is about to make a determination on an important piece of human rights legislation.

I ask unanimous consent that Mr. Blaustein's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

HUMAN RIGHTS—A CHALLENGE TO THE UNITED NATIONS AND TO OUR GENERATION

(Dag Hammarskjold Memorial Lecture by Jacob Blaustein at Columbia University, New York City, December 4, 1963)

PROFOUND INTEREST OF SECRETARY GENERAL DAG HAMMARSKJOLD AND PRESIDENT JOHN F. KENNEDY IN HUMAN RIGHTS

In one of my many talks with Dag Hammarskjold, which I hold in precious memory, he accepted my invitation to address the 50th anniversary dinner of the American Jewish Committee of which I was chairman. We agreed that his topic should be human rights—the field to which we are directing our thoughts this evening.

In that address—so full of wisdom and understanding—he made a basic and fundamental statement. He said "We know that the question of peace and the question of human rights are closely related. Without recognition of human rights we shall never have peace, and it is only within the framework of peace that human rights can be fully developed."

Again, with reference to the method for the broadened attainment of human rights he said: "The United Nations cannot lay down the laws for the life within any national community. These laws have to be in accordance with the will of the people as expressed in the forms indicated by their chosen constitution. But just as the United Nations can promote peace, so it can, in joint deliberations, define the goals of human rights which should be the laws of the future in each nation."

Human rights are realized—either in their plenitude or often inadequately—within the confines of the national community. Among the legacies left by our late and lamented President Kennedy was his valiant struggle for civil rights. Said he, in his last speech from the forum of the United Nations on September 21, 1963:

"The United States of America is opposed to discrimination and persecution on grounds of race and religion anywhere in the world, including our own Nation. We are working to right the wrongs of our own country.

"Our concern is the right of all men to equal protection under the law—and since human rights are indivisible, this body cannot stand aside when those rights are abused and neglected by any member state.

"Those rights are not respected when a Buddhist priest is driven from his pagoda, when a synagogue is shut down, when a Protestant church cannot open a mission, when a cardinal is forced into hiding, or when a crowded church service is bombed.

"* * * New efforts," said President Kennedy, "are needed if this Assembly's Declaration of Human Rights, now 15 years old, is to have full meaning."

Dag Hammarskjold and John F. Kennedy, those two great champions of human rights, of justice for peoples and among peoples, of freedom in a responsible society, reflected aspirations which have been gaining wider articulation and acceptance during our generation.

UNITED NATIONS CONCERN WITH HUMAN RIGHTS

In contrast to the League covenant, for example, which was silent on human rights, the United Nations Charter mentions human rights no less than seven times. Indeed, in article 1, which defines the purposes of the Organization, the promotion of human rights is placed on the same level as the maintenance of international peace and security and the development of friendly relations among nations.

The impressive place given to human rights in the charter is paralleled by the time and effort which the United Nations devotes to those questions. In the General Assembly, in the three councils, and in various commissions and committees, as well as in diplomatic conferences convened by the United Nations, human rights are a constant item of discussion and decision. Some of these organs, like the Commission on Human Rights, the Commission on the Status of Women, and the Subcommission on Prevention of Discrimination and Protection of Minorities, devote their full and undivided attention to these questions. To an increasing extent, the same thing can be said of the third committee of the General Assembly, which is becoming more and more a human rights committee.

It is not surprising that, in a world where the rights of individuals are in almost constant jeopardy, the United Nations should be so concerned with them. The United Nations responds very quickly to events; and, when in Africa, for example, whole populations are denied even the most elementary rights, it is natural that there should be repercussions in the world Organization. It would be a mistake to think, however, that it is only in these highly publicized cases that the United Nations exhibits its concern for human rights. It is no exaggeration to say that this concern is manifested almost daily at every level in the United Nations Organization, a concern which reflects what is actually happening in the world at large.

The vital reason, if not the exclusive one, for this concern which is reflected by the charter was the cynical and wholesale violation of the most sacred human rights in certain countries immediately before and during the Second World War, where the violation of human rights became part of public policy.

It serves no useful purpose to reopen the sores of history, and I will not therefore burden you with any attempt to describe again the horrors of Nazi concentration camps, the brutal murder of thousands, indeed millions, of men and women for no other reason than that they professed a religion, were of a race or held political opinions different from those of a dominant group which had taken possession of the powers of the state. Nor will I reopen again the sores caused by the other proscriptions, indignities, hardships, and insults which, to the shame of the 20th century, were imposed on their fellows by so-called civilized men in an age that we had been pleased to call enlightened.

Suffice it to say that to obtain the total defeat of those criminals was the principal reason for which the war was fought, and that the establishment of some means for preventing a repetition of these events became one of the goals of the peace settlement. We knew then, as we know today, that it is our duty to work for a system under which the rights of every man everywhere will be respected, honored, and upheld in essence and in spirit, in principle and in practice.

DUMBARTON OAKS—SAN FRANCISCO CONFERENCE

This was reflected in the Dumbarton Oaks Proposals for the Establishment of a General International Organization which were published by the Great Powers in the fall of 1944. The Dumbarton Oaks proposals said that "with a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations, the new international organization should, among other things, promote respect for human rights and fundamental freedoms."

The generality of the language used in the Dumbarton Oaks proposals failed to satisfy the expectations of an aroused public opinion which, in this country and other countries, was insisting on something far more concrete.

And so, when in May and June 1945, the representatives of the countries which had been associated in the war against the Axis met in San Francisco to draft the Charter of the United Nations, there followed one of the most interesting phenomena in the history of international relations.

Let us recall that the leaders of the principal national, nongovernmental organizations—comprising a cross section of the population of the United States from its important fields of endeavor—had been called by the State Department to serve as consultants to the U.S. delegation.

And permit me, in this connection, to make a personal reference. I shall never forget the talk my colleague, Judge Joseph M. Proskauer, and I of the American Jewish Committee—an organization deeply concerned with human rights and which several years previous had commissioned Prof. Hersch Lauterpacht of Cambridge University to write for the postwar era perhaps the first definitive treatise on an international bill of rights of man—I shall never forget the talk Judge Proskauer and I had with President Roosevelt a month before his death.

The year, as said before, was 1945—when the 51 nations were sending their representatives to San Francisco to forge the United Nations Charter. The President said to us: "Go to San Francisco as consultants. Work to get those human rights provisions into the charter so that unspeakable crimes, like those by the Nazis, will never again be countenanced by world society."

And it was those consultants, along with equally concerned representatives of the smaller countries, who were able, by bringing pressure on the great powers, to obtain a significant strengtehning of the charter in the matter of human rights.

In the long pull, in the day-to-day attention given to human rights in the last 17 years, the nongovernmental organizations (which now have consultative status at the United Nations) have often seemed less effective than in that period of intense consideration of the drafting of the charter. It is to be hoped that these nongovernmental organizations—whether American or international—will, in the future, because of their political disinterestedness, bring their full influence to bear upon members of the United Nations, members who are often motivated by purely political considerations.

The charter, as finally drafted, provided for the establishment of a Human Rights Commission, and placed certain duties in the matter of human rights on the General Assembly, and on the Trusteeship and Economic and Social Councils. On member states, too, was placed an obligation by articles 55 and 56 to take joint and separate action in cooperation with the organization for the achievement of universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion.

The task of securing acceptance of these provisions was not easy. At one point early in the conference the cause seemed lost. Let us go back to a scene in the conference room at the Fairmount Hotel in San Francisco—the headquarters for the U.S. delegation. It was the morning of May 2, 1945. The consultants to the delegation were meeting with Secretary of State Stettinius—when we were shocked to get the news that our recommendations bearing on human rights and fundamental freedoms were not to be incorporated into the charter.

As a last desperate measure, the consultants appointed a committee of five to prepare an eleventh hour plea to Secretary Stettinius and his advisor on the subject, the late Dr. Isaiah Bowman, president of Johns Hopkins University.

The statement completed, we then, with the other consultants, met again the same day with Secretary Stettinius and Dr. Bowman. Dr. Fred Nolde, director of the Commission of the Churches on International Affairs, opened forcefully with a presentation of our statement. We could feel the door come somewhat ajar. It swung wider after Judge Proskauer delivered an eloquent appeal that combined logic and deep concern; Prof. James T. Shotwell, historian and then president of the American Association for the United Nations, drew on his own vast knowledge of international affairs to consolidate our gains; Clark Eichelberger, executive director of the American Association for the United Nations, spoke very effectively; and then to remove the practical objections of the American delegation who stated that it would be impossible there in San Francisco to work out with the other delegations, and agree upon, the many provisions of a human rights declaration, your present speaker proposed that the charter merely state the general principle and provide for a Commission on Human Rights to set up the particulars. This was accepted as possible by the Secretary and Dr. Bowman.

Our proposal was taken up the next day by the American delegation as a whole, then by the big four, namely Britain, China, Russia, in addition to the United States. And finally, the "Voice of the People" as personified by these nongovernmental organizations was recognized—the human rights provisions were written into the charter—and the way prepared for setting up the Commission on Human Rights.

It will be noted that nowhere does the charter place a duty on the organization or on member states to guarantee human rights. There were some governments represented at the conference which would have gone that far; the delegations of Chile, Cuba and Panama all put forward proposals that would have had the organization not only promote but also protect or guarantee the observance of human rights. These proposals were not adopted because the great majority of the governments represented at the conference, including the United States, were not willing to give such wide powers to the world organization.

UNIVERSAL DECLARATION OF HUMAN RIGHTS

It was generally understood that one of the first tasks of the Commission on Human Rights, which by article 68 of the charter the Economic and Social Council was required to set up, would be to prepare a draft of an international bill of rights.

The Commission on Human Rights was duly established and in February 1947, began to work under the chairmanship of that great human being, the late Mrs. Eleanor Roosevelt. As expected, it gave priority to the International Bill of Rights which it decided would have three parts: A declaration, a multilateral convention and measures of implementation.

The commission worked so well that within a little over a year it had completed its draft of the declaration and part of a convention which were sent up to the General Assembly in the fall of 1948. After a long and difficult debate, the General Assembly adopted, on the night of December 10, 1948, the first step toward an International Bill of Rights under the name of the Universal Declaration of Human Rights. The Universal Declaration of Human Rights consists of 30 articles in which are defined all the traditional civil and political rights, as well as the more newly recognized and more controversial economic, social and cultural rights.

The declaration, which was adopted as a resolution of the General Assembly, was never meant to be legally binding, but to be, as its preamble says, "a common standard of achievement for all peoples and all nations." Nevertheless, in the 15 years since its adoption, it has acquired a political and moral authority which is unequaled by any other international instrument with the exception of the charter itself. It is no exaggeration to say that no international instrument has ever received the same acceptance on all levels of society.

In the United Nations itself it has an authority which is surpassed only by the charter, and it is constantly invoked not only in the General Assembly but also in the Security Council, in the Trusteeship Council, and other organs. It has found its way into various international conventions, including the Japanese Peace Treaty and the European Convention on Human Rights. Many of its provisions are reproduced, sometimes textually, in the many national constitutions that have been adopted—particularly in the so-called new countries since 1948; and it has inspired and sometimes become part of the national legislation of the many countries. It has even been cited with approval by national courts. It is, as the late Pope John XXIII said in his encyclical Pacem in Terris, "a document of the very greatest importance."

CONVENTIONS—COVENANTS

The next step toward an International Bill of Rights was to have been a multilateral convention which would be legally binding on those states which ratified it. Later it was decided—largely on the initiative of the United States—that there would be two conventions; one on political and civil rights; and the other on economic, social, and cultural rights.

The reasoning given for this division was that the two categories of rights required different modes of implementation. Governments can be expected to insure respect for political and civil rights, but the implementation of economic and social rights can only be progressive, particularly in the economically underdeveloped countries. There is something to be said for this position, but I believe that the main reason for supporting this distinction in the United States was the fear of the administration that the Senate might refuse to ratify a convention on economic, social, and cultural rights.

The Commission on Human Rights finished its work on these two conventions, which it decided to call covenants, in 1954 and sent them to the General Assembly which has been working on them ever since; nor is the end yet in sight. Nine or more years may seem like an unconscionably long time for the General Assembly to have been working on these drafts, but the work is extremely difficult and often highly controversial. Some of the articles of these covenants are as intricate as the whole texts of other conventions that have occupied the whole time of international conferences after careful diplomatic preparation. And they involve an attempt to achieve a synthesis of the ideals of 111 sovereign states reflecting very different religious, philosophical and political backgrounds, and cultural traditions from the Western, Asian, and African worlds.

It should also be noted—and this is helpful—that the debates on the covenants have provided the context for the ventilation of a number of such questions as anticolonialism and the self-determination of peoples which are directly related to basic human rights and are also highly political.

The fact remains, however, that 18 years after the San Francisco Conference, the United Nations has still to justify the hopes which, in this particular matter at least, men and women everywhere have placed in it; and it is not difficult to understand why there should be some dissatisfaction with the performance.

The main differences between the covenants and the Universal Declaration of Human Rights are (1) the covenants when adopted will have a binding force in international law not possessed by the declaration and (2) the covenants are to be supported by measures of implementation. This is indeed their chief justification.

The question of implementation is therefore most important. Indeed, this is the test of the sincerity of governments in this matter. As to the mode of implementation proposed for the Covenant on Economic, Social, and Cultural Rights, ratifying states will only be asked to report to the United Nations on the progress that they make toward the achievement of these rights. These reports would be reviewed sympathetically by the Economic and Social Council with a view to assisting the states, if necessary, toward achievement of the standards laid down in the covenant.

In the matter of civil and political rights, however, the measures of implementation that have been suggested—they have not yet been discussed by the General Assembly—are more complicated. According to the plan there would be established a factfinding and conciliation organ known as the Human Rights Committee to which states parties could complain that other states parties had violated their obligations under the covenant. The Human Rights Committee would attempt to bring about a settlement and failing this, would publish a report indicating whether in its opinion there had been a violation of the covenant. There would also be a right of recourse to the International Court of Justice.

Now the main feature of this system is that only states could complain to the Human Rights Committee, and therein lies its weakness. For experience has shown that states are unlikely to complain about the conduct of other states toward individuals, unless they have a political reason for doing so. That they would not complain against their own conduct seems pretty obvious. A similar procedure in the International Labor Organization Constitution has been invoked only three times in 43 years.

NEED OF TRANSITION FROM PROMOTION TO IMPLEMENTATION OF HUMAN RIGHTS

It is mainly for this reason that many people think that the Covenant on Civil and Political Rights should recognize a right of petition by individuals or, at the very least, by selected nongovernmental organizations. It has been suggested that these petitions might be sifted by a kind of international attorney general, who would be responsible for instituting proceedings before the Human Rights Committee. There is little reason for believing that any appreciable number of governments would be ready to vote for such a solution in the General Assembly, let alone ratify a treaty which would subject them to the possibility of being haled before an international tribunal by an individual or a nongovernmental organization. And yet the time has come when the United Nations should face the immediate problem of transition from merely promotion of human rights, to implementation of human rights.

It has been clear for the past 10 years that the U.S. Government has not been prepared to assume any such obligation. Indeed, the official position of the Government of the United States in the matter of the Covenants on Human Rights has been that it does not favor them and will not ratify them. Just over 10 years ago the late Secretary of State John Foster Dulles appeared before the Senate Committee on the Judiciary and said that the U.S. Government "did not intend to become a party to any such covenant or present it as a treaty for consideration by the Senate."

I do not agree with the position that our Government has taken in this matter, and I think that it should be changed. Indeed from statements by our late President Kennedy and by President Johnson, one is encouraged to feel that perhaps, at least as far as the executive branch of our Government is concerned, it may be in process of some transition in its position.

The policy of the past 10 years has been a complete reversal of previous policy, a retreat from the position of leadership which this country had assumed in the matter of the international protection of human rights ever since the San Francisco Conference. It is a denial of express promises made when this country took the leadership in obtaining the creation of the United Nations Commission on Human Rights for the express purpose of drafting these convenants, and a capitulation in the face of agitation by a minority which comprises some of the most reactionary elements in the country.

In this connection, it is encouraging to note that Justice Arthur J. Goldberg of the U.S. Supreme Court in a recent speech called for the United Nations members to adopt a treaty to implement the Declaration of Human Rights; and also to establish an International Court of Human Rights to implement the essential civil rights of the declaration. He said the Court and the treaty would seek to guarantee individuals speedy and public trials, legal assistance, freedom from coercion, the presumption of innocence until proven guilty and security from cruel and excessive punishments. He reminded that the idea of an International Court of Human Rights is neither new nor impractical, pointing out that the Council of Europe set up a European Court of Human Rights in 1953.

ACTION PROGRAM FOR PROMOTION OF HUMAN RIGHTS

Well, it is an ill wind indeed that blows no good. And when in 1953 the U.S. Government took the position which I have described, it recognized at the same time the need of alternative positive approaches by the United Nations in this field. So in that same year, the U.S. delegation in a meeting of the Commission on Human Rights in Geneva, proposed that the United Nations should engage in a so-called action program for the promotion of human rights.

The other nations were somewhat skeptical about this program at first and not at all prepared to accept it as an alternative to the covenants. On the understanding, however, that it would be treated not as an alternative, but as complementary to the covenants, the action program was eventually adopted. It consists of three operations. First, the reporting system wherein the

Economic and Social Council has invited all member states to report periodically on the progress that these states have achieved in the matter of human rights; second, the Commission on Human Rights has undertaken a series of global studies or surveys on human rights; and third, the General Assembly has authorized a program of advisory services in the matter.

The first feature of the program—the new reporting system—is a most interesting development. For one thing, it has anticipated one of the systems of implementation of the covenants to which I have already referred, broadening it to apply to all states whether they ratify the covenants or not. It may be objected that states are under no legal obligation to report. In such a matter, however, there is a strong moral and political sanction; and, as a matter of fact, the great majority of member states do report.

It is pretty obvious to me, however, that the success of this particular operation will depend upon whether there exists an alert and informed public opinion in the matter. Governments—all governments—particularly in free societies—are sensitive to public opinion; it is the most powerful weapon in political life. If the public insists, governments will report, and they will report accurately. What is more, public opinion can influence governments to remedy any abuses which the reports may disclose.

The real difficulty is that public opinion is often too inarticulate, too loosely formed. I must confess that I have never read a newspaper account of any public protest based on these periodic reports; and again, I wonder whether the nongovernmental organizations are sufficiently alert. It is most important they should be.

The second innovation in the action program was the initiation of a series of global studies on various human rights. The Commission on Human Rights has now undertaken a number of these studies, and even more have been conducted by its Subcommission on Prevention of Discrimination and Protection of Minorities. The studies have dealt with all aspects of human rights; such matters as discrimination in education, political rights, religious rights and practices; the rights of illegitimate children; the right of everyone to leave any country, including his own, and to return to his country; the right to be free from arbitrary arrest, detention and exile; the right of arrested persons to communicate with friends and counsel; and equality in the administration of justice.

These studies can have important repercussions. Thus, the study on discrimination in education resulted in the adoption by UNESCO of an international convention on that subject. Possibly the most important consequences of the studies is that, since they are carried on in cooperation with governments, the latter are encouraged to review their legislation and practice in the matter under review. But again, the usefulness of these studies is diminished by the fact that there apparently exists no organized public opinion, no "public watchdog," as it were, in the matter. And one recommendation I now make is that, in this country at least, a committee of independent and distinguished citizens be set up which could act as a kind of a "public watchdog" in this situation.

The third new operation introduced by the so-called action program is the advisory services in human rights. This was undoubtedly inspired by the technical assistance which the United Nations offers to economically underdeveloped countries. In the case of human rights this analogy does not always apply. An economically underdeveloped country is not necessarily backward in the matter of human rights; nor are economically advanced countries necessarily the ones in which human rights are most respected. If you need any proof of that statement, I need only revert to the example of Nazi Germany, which was very well developed economically.

In any event, the Secretary General has been authorized by the General Assembly to extend certain services to governments which request them; these services consist in the provision of experts and fellowships and the organization of seminars. The most successful part of this advisory services program seems to have been the series of human rights seminars which have been held in various countries in recent years, bringing together key persons from various countries for short periods of time and giving them an opportunity to exchange their views and experience. These seminars have been held in all parts of the world—in the Americas, in Europe, in Asia, and in Africa, where all aspects concerning the protection of human rights have been discussed—the administration of justice, remedies against the abuse of administrative action, freedom of information, the role of the police in the protection of human rights, rights of minorities, human rights in developing countries, and various aspects of the status of women. These seminars have had a considerable impact on public opinion in the areas in which they have been held, and they have also been helpful to the participants and to governments.

The advisory services program, however, is still so small in relation to the magnitude of the problem of human rights in the world that, while useful as far as it goes, it can hardly be considered as anything more than an interesting experiment. This is, it seems to me, one of the programs that, if we are really serious in this business of the international promotion of human rights, should be considerably expanded.

SOME ACHIEVEMENTS—MUCH STILL TO BE DONE

The future of human rights was left on the doorstep of the United Nations at San Francisco. What has been the response of the United Nations to that challenge? Has the response been adequate?

I will say this. The United Nations has many achievements to its credit. The universal declaration of human rights is undoubtedly one of the most important international instruments ever adopted, and it has already had a significant impact on events. The United Nations has also adopted a number of important conventions, including the genocide convention which our country should have ratified long ago. As to the two covenants on civil and political rights and economic, social, and cultural rights which we have discussed here, the future is more uncertain; but if they include an adequate system of implementations, then all the time and effort devoted to them over a period of nearly two decades will be justified—provided a significant number of countries, including the United States, ratify them. The organization is also engaged in the token program of advisory services which I have mentioned and which, if developed, could be useful.

Perhaps most important, the United Nations has provided an international forum for the ventilation of a number of great issues affecting human rights in many parts of the world, and has helped as earlier indicated to crystallize the formation of international opinion. This, in the final analysis, I would emphasize, is the strongest weapon that can be used for the promotion of human rights.

Merely to establish this inventory is, I think, to answer the question whether the response to the challenge has been adequate; for we must put at the other side of the ledger the urgent and tremendous need for action; and when the balance is struck, we must conclude that much remains to be done—indeed, that an effort is required significantly greater than any that has been made up till now.

POSITIVE PROPOSAL—UNITED NATIONS HIGH COMMISSIONER FOR HUMAN RIGHTS

With the above in mind, I offer a positive proposal. It may well be that the time has arrived to strengthen the executive powers of the United Nations in the matter of human rights. Thus, the General Assembly or the Secretary General might appoint an independent personality who would be a kind of international commissioner dealing with human rights, bearing perhaps the title of United Nations High Commissioner for Human Rights.

Such a high commissioner could, among other things, lend his good offices to governments and be available at their request to investigate situations where there have been alleged violations of human rights; he could assist underdeveloped countries in the organization of various institutions for the promotion of human rights; he could advise the Economic and Social Council on the human rights aspects of the development decade; and he could assist the Commission on Human Rights in its review of the periodic reports from governments on human rights to which I have already referred.

Creating such a position would not require a treaty. It would be in the same category, for example, as has been the appointment of the United Nations High Commissioner for Refugees. Therefore, it should also have the ready support and cooperation of those member states, like the United States and some others, which have not been willing thus far to enter into treaties.

It would seem to me that this proposal is practical and the very minimum that should be done at this time. If the human rights commitment in the United Nations Charter is to be really effective, the trend of development must be in the direction of greater capacity to deal with—initially, at least to expose and air, if not to judge—specific violations. I say this is the very minimum.

INVOLVED IS PERHAPS THE FUTURE OF THE HUMAN RACE ON THIS PLANET

Ladies and gentlemen, United Nations concern with human rights is a reflection of a deep social malaise in our own time. On what the United Nations does, on what we in our own country do, to find and apply a cure for this malaise depends perhaps the future of the human race on this planet; just as much as on the elimination of war and the control of armaments depends whether mankind will continue to inhabit it. That, in my opinion, is the challenge to our generation, to our times—the challenge to the United Nations.

THE IOU'S, NO. 10: THE PITCHMEN

Mr. METCALF. Mr. President, the investor-owned utilities—I.O.U.'s—and American Medical Association are using similar techniques to produce mail to Congress which appears to represent spontaneous feelings of voters.

George Clifford and Tom Kelly reported on this "sophisticated mail pressure" in the February 19 issue of the Washington Daily News.

Mr. President, I ask unanimous consent to insert their column, entitled "AMA Shotgun," in the body of the RECORD.

There being no objection, the column was ordered to be printed in the Record, as follows:

[The Washington Daily News, Feb. 19, 1964]

AMA Shotgun

(By George Clifford and Tom Kelly)

The American Medical Association is already trying to shoot down medicare and this time it's using one great big broadbore shotgun.

The bill is, of course, still locked up in Wilbur Mills' Ways and Means Committee in the House, and ordinarily the AMA strategy would be to concentrate heavily on the committee members.

Instead, for the last couple of weeks, the AMA-inspired letters have been coming into congressional offices all over the Hill.

The theory is that once the bill gets out of committee it will go in and out of the Rules Committee and then zip to the floor. It will move so fast that there'll be no time to propagandize the House then, it has to be done now.

Proponents of medicare find the AMA action interesting. It indicates to them the AMA shares their belief that the bill will not be bottled up in committee this year as it was the last time it was introduced.

The AMA technique, however, is an interesting example of sophisticated mail pressure. Congressmen often get hundreds of identical post cards carrying identically worded messages telling them to support this or denounce that. They can pretty much discount these.

The current AMA practice is to have everyone in a doctor's office—nurses, technicians, receptionists—sign an individually worded letter, written on nonuniform stationery. The letter then seems to represent the spontaneous feelings of a number of people who have no particular connection with each other.

The same technique has been brought to its finest development by Project Action, a lobby sponsored by the private power companies who want to knock the Rural Electrification Administration and the Tennessee Valley Authority.

Senator Lee Metcalf, of Montana, recently dug up a Project Action kit which told its clients how to make the pitch. When dealing with an inside group—one that can be trusted—each person gets a pen, a choice of various types of stationery, a sample letter, a stamped (not metered) envelope—not addressed.

They are then told by the pitchman that they have before them "the names and addresses of several of our legislative representatives. There is also a sample of a letter that has been written before about this very same problem. Please use it only as a guide to the letter you write in your own words * * * you may mail your letter yourself or we will be happy to mail it for you."

One Congressman has reported that the AMA's use of the individual letter technique has not been entirely successful.

A good many research and public clinic doctors have written their letters as instructed, but have strayed so far from the model as to suggest that maybe medicare wouldn't be so bad after all.

CANADA'S FAMILY ALLOWANCES PLAN AND THE WAR ON POVERTY

Mrs. NEUBERGER. Mr. President, in the days ahead, we can expect that Members of Congress will devote a great deal of time to consideration of proposals for attacking the pockets of poverty and unemployment in various parts of our country. We can expect to receive proposals aimed at expanding the purchasing power of families, especially those in the very low income groups.

In 1944, Canada enacted a family allowances program, which provided a monthly check for each child in the family. The February 17, 1964, issue of the Nation contained an article by Mr. Ian Sclanders, Washington editor of Maclean's magazine, which described the experiences our northern neighbors have had with this form of social welfare.

I ask consent to include the article in the Record with my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Bonus for Babies

(By Ian Sclanders)

Across the United States there have lately been signs of mounting concern over poverty in distressed areas, the high rate of school dropouts, the prevalence of unemployment, the painful impact of automation and the limping gait of the economy. Against this background of related problems, it is odd that Washington has not taken a close look at what the Family Allowances Act does for Canada.

A number of Americans have started wondering whether the concept of work should not be separated from the concept of income (the position taken by Robert Theobald in the Nation's special issue, "Abundance," May 11, 1963). And there is growing a conviction that conditions will increasingly compel governments to find ways to put money into the hands of people who are displaced by machines or who live in depressed regions. It is also becoming apparent that governments will have to discover how to keep the young in school until they gain the education today's jobs require, and how to bring about steady industrial expansion by steadily expanding consumer buying power.

One fairly effective approach to all this, to judge from Canada's experience, is for the Federal Treasury to send a monthly check to every mother, rich or poor, for each child under the age of 16.

This, or something like it, is done today by at least 30 nations. Of these, Canada, though its population is 19 million, compared with 190 million in the United States, is nearest to the United States economically and socially, as well as geographically. It is similar enough to offer a reliable glimpse of what the United States might expect were it to try family allowances.

The Canadian bonus plan had a rough launching in 1944. It was piloted through parliament by William Lyon Mackenzie King, the master strategist and resolute reformer who was Prime Minister longer than anyone else in his country's history—more than 21 of the 27 years between 1921 and 1948. There were those in King's own Liberal Party who had serious misgivings about baby bonuses, as they were soon dubbed. Conservatives fought hard against the plan and enlisted the support of Charlotte Whitton, then Canada's best known social welfare expert, now mayor of the Canadian capital, Ottawa. She predicted that a large proportion of parents would spend the checks, not on their children, but on themselves.

King's main arguments were:

1. Family allowances would mean better food, clothing, and medical and dental care for children in low-income families.

2. Income-tax deductions for dependent children had already established the principle that parents raising children were entitled to financial concessions from the state, but didn't help those whose incomes were too small to be taxed.

3. Allowances would stamp out illiteracy and encourage the young to go to high school because the checks would stop in the case of a child who stayed away from school without a satisfactory excuse.

4. They would tend to narrow the wide gap between high and low personal incomes, and between prosperous and impoverished districts. They would do this because they would be paid for by tax revenues and would cost prosperous persons and places more, and poor persons and places less, than they got back.

5. By redistributing income and keeping it circulating they would boost purchasing power and the general economic development.

Against this bright picture drawn by Mackenzie King and the majority of his Liberals, most of the Conservatives cried that the program would ruin the nation. It would break the taxpayer's back, it would undermine the initiative of the laborer who, his pockets full of baby bonuses, would be unwilling to work. The allowance would be wasted on drink, the birth rate of poorer families would zoom, an unfair burden would be imposed on wealthier Canadians and Canadian provinces. So spoke the Conservatives in 1944, but the Family Allowances Act was passed that year.

The original legislation fixed payments at $5 a month for a child under 6, $6 for ages 6 to 9, $7 for ages 10 to 12, and $8 from age 13 through age 15. The payments were reduced by $1 for the fifth child, $2 for the sixth and seventh, and $3 for the eighth and each successive child, on the theory that children in large families could use hand-me-downs. The reductions have long since been eliminated and the present payments are $6 for each child under 10 and $8 for each child from 10 up to 16.

The first batch of checks, for a total of $17,560,934, went out at the end of June 1945 to 1,237,754 families with 2,956,884 children. By March 1962 payments were going to 2,649,317 families with 6,562,287 children and running at $43,915,566 a month or $526,986,792 a year. (For a rough estimate of what U.S. figures might be, multiply Canadian figures by 10.) If there is any criticism of the baby bonuses nowadays, it is not that they are costing too much but that they are costing too little.

The allowances, from the very beginning, were such an unqualified success that the shouts of the Conservatives were stilled within weeks. I can remember having dinner in the summer of 1945 with a man who owned the general store in a New Brunswick fishing village. He grumbled bitterly about "that damn Socialist, Willy King," and said that most of his fellow villagers would breed like rabbits," so they could get "more money for rum." He was a Conservative of Conservatives, but when I saw him the next autumn, he had the grace to admit he had been wrong. "Baby bonus checks," he told me, "buy about a third of the merchandise I sell. Kiddies' clothes, shoes, baby food, milk—you wouldn't believe how sales have gone up. Kids who never saw the inside of a school before turned up when the fall term opened. These baby bonuses are gonna be the salvation of the country."

Were his neighbors breeding like rabbits? No, not that he'd noticed. (The truth is that Canada's birth rate has declined slightly since the allowances were introduced.) Was the liquor store doing more business? Now that was the big surprise, he said. He'd been talking with the liquor store manager and his trade hadn't risen appreciably. He guessed the treasury had a good idea when it made the checks out to the mothers. And he guessed maybe the checks were really being spent on what the law said they were for: the maintenance, care, training, education, and advancement of the child.

That was the story all the way across Canada, from metropolitan cities like Toronto and Montreal, to the mining camps of the north and the spray-beaten outposts of Newfoundland, and the windswept prairie hamlets huddled around line elevators and the logging settlements in the towering forests on the rainy western slopes of the Rockies. It has been the story ever since, and if family allowances have proved one thing it is that parents who steal from their children are so rare as to be hardly worth mentioning.

Canada's police, schoolteachers, school attendance officers, the Children's Aid Society, and other welfare bodies, as well as family allowance investigators, watch constantly for children who are not properly clothed and fed and whose parents can be suspected of spending the treasury checks on themselves. Of the more than 2½ million families to whom these checks went regularly in 1961, there were 375—about one in 7,000—in which there was evidence of misuse.

What have the baby bonuses done for Canada? Children, even in the remote backwoods, no longer grow up unable to read or write. With the allowances coming in, all but a tiny fraction remain in school until they are 16, and by then they have been exposed to enough education to appreciate its value, and far more than ever in the past, complete high school. After that a surprising number, among them youngsters from the very low-income groups, somehow manage to go to college. Would allowances reduce dropouts in the United States? The evidence suggests that they would.

Canada has discovered that the poorer a region is, the more the allowances accomplish. The country has chronically depressed sections where the poverty is comparable to that of the Appalachian coal mining districts. The children in those districts may not eat filet mignon, and they may have patches on their pants, but they no longer get rickets from malnutrition, and they no longer have to stay home from school because they lack shoes. Would family allowances be a blessing to distressed U.S. areas? My guess is that they would.

I wish I could report that Mackenzie King's baby bonuses had solved unemployment in Canada. Unemployment is still an enormous tragedy and worry there, as it is in the United States. Yet it can be claimed quite convincingly that but for the allowances, the situation would be worse than it is; and it can be argued the U.S. unemployment figures would improve if family allowances were adopted. In Canada it has been proved that family allowances stimulate the economy, and that the money they represent turns over fast. It has likewise been demonstrated that they cushion the impact of automation, even though it still hurts.

Today, the family allowance plan is universally accepted in Canada. All political factions endorse it and a party that condemned it would commit suicide. No legislation in Canadian history has been more popular. What would family allowances do for the United States? It would be worth a trial to find out.

OMAHA WORLD-HERALD SERIES ON MEAT IMPORTS WIDELY HAILED

Mr. HRUSKA. Mr. President, last week, in connection with my remarks on the critical situation facing the livestock and farm industries as a result of rising meat imports, there were printed in the RECORD at the request of this Senator the first two installments in a series of articles appearing in the Omaha World-Herald under the bylines of Howard Silber and Darwin Olofson.

This series has drawn widespread praise from all over America for focusing attention on this complex and urgent matter. The writers and World-Herald Chief Photographer Lawrence Robinson traveled thousands of miles and interviewed scores of people in their research. The series represents in-depth reporting at its best.

It is required reading for anyone who wishes to understand this issue.

The last of the articles has now appeared and I ask unanimous consent, Mr. President, that the final six installments be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Omaha World-Herald, Feb. 18, 1964]

THE CATTLE CRISIS—IMPORT BEEF FILLS COOLERS, CUTS CALIFORNIA MARKET COST

(By Howard Silber and Darwin Olofson)

"Certainly we have foreign beef. I don't know any market that doesn't these days."

Wallace McCarty led a World-Herald reporter and photographer to the walk-in cooler in the rear of his small food market in Imperial, Calif.

"Here it is," he said. "We always get it this way—boned, frozen, in 60-pound cartons."

The lettering on the carton spelled: "Product of New Zealand."

"We've used this for hamburger for a couple of years. In the past I bought old bulls for the hamburger. No more. This is easier. Probably leaner, too," said Mr. McCarty.

"Don't get me wrong, though," he continued. "I'd go back to our own beef, but I can't. The competition won't let me. Everybody uses this stuff—the little fellow like me, the big chains. Everybody in California. Probably a lot of other places, too. And the big packers use it.

"This foreign stuff saves me some work because it's boned. It's a convenience to me. But the big market with a high overhead has a decided advantage in cutting down labor costs. It's helping the big fellow."

Ralph Marquez is a meatcutter at the Atlantic and Pacific Tea Co. supermarket in Calexico, Calif. On his midweek day off he works part-time in the Airport Market at nearby Brawley. He said:

"Imported beef? Everybody uses it. We do—at the A & P and in Brawley, too. And I've seen it in other chains. I've talked about it with other butchers.

"It's lean and it's got good color. It makes good hamburger."

SMALL JOBBERS STARTED IN THE FIFTIES

The Orange Empire Co-op of Riverside, Calif., is a major food wholesaler. It has a huge distribution center at Riverside and branches at Fresno, Bakersfield, San Diego, and Northridge, Calif., and at Las Vegas, Nev.; Silver City, N. Mex., and El Paso, Tex.

In addition to the thousands of food markets it serves, Orange Empire lists among its customers U.S. military installations, schools and a number of institutions.

And many restaurants buy from Orange Empire. In fact, the cooperative has 38 cash-and-carry stations where operators of small eating places can pick up provisions.

Orange Empire is a giant. And it has another distinction—it is the only American jobber which belongs to the Australian Meat Board.

Bill Purcell, the cooperative's meat and frozen-food buyer, told the World-Herald Orange Empire began importing beef fairly recently, adding:

"It was on the market out here. The small jobbers got into the field in the late 1950's and they had a good thing. They were charging nearly as much as the domestic product.

"We aren't a packer and meat wasn't our line. But we got into it to save our members money. And we did—about 5 cents a pound on the average."

DOCTORED WITH TENDERIZERS

Primal cuts—steaks and roasts—are largely from New Zealand.

"These," Mr. Purcell remarked, "are bought primarily by low-grade restaurants. They doctor them with tenderizers and seasoning and turn out a fairly palatable dish.

"I've barbecued some of the steaks myself. With a liberal sprinkling of tenderizers and a good hot fire you can eat them. But they don't have the flavor of a good corn-fed American steak."

Mr. Purcell said grocers usually blend lean foreign beef with domestic plates and trimmings.

"This enables them to comply with State laws which dictate the proportion of lean meat in ground meat," he explained. "The boned beef also reduces labor costs."

"There's nothing unusual about this imported beef. The people Down Under tell us it's being used all over this country. They say there's 10 times as much on the east coast. It's become an accepted part of the business in the last few years."

Why the last few years?

The door was unlocked in 1947 when the duty on frozen, chilled and fresh beef was reduced from 6 cents to 3 cents a pound.

But the immediate effect of this change was slight. The principal reasons were a ban on imports of uncooked beef from many Latin American countries because of foot-and-mouth disease and a trade agreement which dictated that most beef and veal exported by Australia and New Zealand had to go to the United Kingdom.

IRELAND EXPORTS UP TENFOLD

The agreement was modified in October 1958, and the door burst open. Now about 82 percent of the vast quantity of beef and veal exported by Australia is shipped to the United States. And most of New Zealand's exported beef reaches markets here, too.

Beef from other foreign sources has joined the parade. Imports from Ireland have risen approximately 1,000 percent in 10 years. Mexico is shipping more beef across the border, some of excellent quality.

Low taxes and land and labor costs enable these countries to pay the 3-cent-a-pound duty and still undersell the U.S. product. And in many cases American capital, experience and breeding stock are helping to boom the cattle industry abroad.

The U.S. market is so inviting that, according to Senate testimony in the Bobby Baker case, the Haitian-American Meat & Provision Co. of Port-au-Prince last November was still paying the former secretary to the Senate majority a commission on every pound of meat it exported to the United States.

The reason given in the testimony: Mr. Baker helped the firm receive sanitary approval from the U.S. Department of Agriculture.

[From the Omaha World-Herald, Feb. 19, 1964]

THE CATTLE CRISIS—BIG-MONEY PEOPLE OF UNITED STATES BUILDING AUSSIE BEEF BOOM

(By Howard Silber and Darwin Olofson)

A case of matrimony is building the beef boom Down Under.

An Australian source in Washington told the World-Herald about it:

"In just the past 4 or 5 months the Australian Government has received at least 20 inquiries from American cattlemen or cattle interests about the possibilities of ranching in Australia.

"There seems to be a lot of interest.

"Big-money people from the United States are in Australia already—the King Ranch of Texas, the Kern County Land and Cattle Co. of California and other American giants.

"It's a marriage—a marriage of Australian land and other resources with American capital, experience and resourcefulness."

One result of the marriage has been an astronomical increase in Australian beef imports to the United States. Last September alone, nine ships left Australian ports carrying to the United States 27,301,120 pounds of beef, 403,200 pounds of mutton, 51,520 pounds of lamb and 24,640 pounds of variety meats.

The U.S. cattle market reacted predictably to this onslaught of cheap foreign beef. Domestic prices dropped, as they had been dropping for months.

And 1963—which saw Australia ship nearly half the record 1,750 million pounds of beef imported by the United States—may be just the beginning.

FIRST GEAR

"The Aussies haven't even shifted into second gear where cattle production is concerned," said C. W. McMillan, of Denver, Colo., executive vice president of the American National Cattlemen's Association, who returned recently from an extensive inspection of Australian and New Zealand beef production and study of export prospects.

"In Australia," he told a World-Herald reporter, "only about 25 percent of the potential has been achieved. They've got more than 13 million head of cattle now—for a human population of 12 million.

"And, with American investors and experienced cattlemen taking a hand, they are beginning to apply American management techniques."

Mr. McMillan said an American firm took over a cattle station (ranch) which the previous year had a death loss of between 26,000 and 27,000 head. The firm, he went on, "cut the death loss to a fraction." Then, whereas only 40 percent of the cows had calved previously, 70 percent calved under the new techniques.

The calves-to-cows ratio in the Nebraska Sand Hills is normally about 90 percent.

ENTICEMENTS

"On that particular station," he continued, "it formerly took a man a full week to check the wells—the Australian term is bores—making the rounds in a truck. Now he uses an airplane. He can visit every well in a day. Obviously, the cattle aren't dying of thirst the way they used to."

Australian land costs run as low as 11 cents a head a year, said Mr. McMillan. "In the United States a conservative minimum is $25 in land costs for every calf born."

The Aussies offer a Texas-size welcome to the American cattlemen. The reasons are obvious: Australia wants to develop the vast reaches of its outback, increase its population, and boost its economy.

An Australian source in Washington listed some of the enticements to rural development to the American cattleman:

Very rapid depreciation allowed against taxes. For example, fencing for control of dingoes, which are fierce wild dogs, and other pests, and such other improvements as earthen dams can be wholly depreciated the year they are built.

Certain farm machinery has a 5-year depreciation schedule. In addition, an extra year of depreciation can be claimed. Thus, 120 percent of the cost can be written off.

Individual States provide long-term, low-interest loans for water-supply developments, irrigation improvements and the like. Queensland will pay the entire drill costs of a well if it turns out to be dry or produces poor water.

The Commonwealth Development Bank helps farmers and cattlemen by making highly attractive loans on properties with good development prospects.

There are no restrictions on the transfer of pounds sterling to dollars. As a result, American cattlemen can get their money out.

Much of the ranching country is leasehold land, with terminating tenure. A leasehold may be for 30 years. Or it could extend 50 years or more if it is thought that a longer development period is necessary. In effect, the leasehold land is rented from the Government. This can be an advantage because it holds down the rancher's capital outlay.

And where the size of the spread is concerned "the sky's the limit," an Australian agricultural expert said. Cattle stations which cover 1,000 or 2,000 square miles "are not unusual," he declared.

BARRIER?

He told why his country is anxious to attract Americans:

"If the land is valued at 50 cents an acre the Australian rancher usually doesn't see any point in spending, say, $10 an acre on improvements.

"But along comes one of your countrymen. He looks at the land in terms of what he figures it can produce—and in view of what comparable land back home is worth. He determines it is worth spending $10 an acre or more on improvements.

"There's no mental barrier there."

The Australian discussed the 40-percent rate mentioned by the American National Cattlemen's Association executive.

"Yes," he said, "it does drop to 40 percent in the northern territory because of drought, breeding diseases, ticks, dingoes and other causes."

American cattlemen say they would probably go broke with a rate that low.

But, low as it is at times, the Australian calving rate is increasing that continent's beef production. And if the volume of beef imports from Australia continues to increase, many American cattlemen say they will go broke.

[From Omaha World-Herald, Feb. 20, 1964]

THE CATTLE CRISIS—CHOICE GRADE MEXICO BEEF NOT "TASTY" TO U.S. FEEDERS

(By Howard Silber and Darwin Olofson)

Big things are happening in the beef business south of the border.

And the Mexican accomplishments and ambitious plans are not calculated to ease the lot of the imports-plagued U.S. cattleman—unless, of course, he has financial interests in Mexico. A few do.

Andres Trevino, a tall, handsome engineer who has gone into the cattle business, squinted into the sunshine which burned through the dust at the Armando Gallego Feedlot at Pascualitos, Baja, California, Mexico.

Before him, eating hungrily, were thousands of cattle. Many were nondescript range animals, gray or tawny. There were some old steers and bulls towering above the rest. Here and there was a stately Brahman.

But Senor Trevino ignored these animals. He pointed to a distant pen.

"Come," he said to a World-Herald reporter and photographer, "let's look."

Busy at the feed bunkers in the large pen were some familiar animals—Herefords, fat and sleek heifers.

"This is more like it," said the Mexican proudly. "These will go today to a packing plant at Tijuana. In a few days the meat will be in Los Angeles markets. These animals will grade U.S. Choice."

MOST CHOICE

Unconcerned, the Herefords ate on. Joe Peffer, Brawley, Calif., feeder and cattle buyer, examined the ration. "Alfalfa, barley, cottonseed meal, cottonseed hulls, barley straw and a touch of corn," he said. "Not bad."

"We are improving all the time," said Senor Trevino. "The other day we slaughtered a load of 100 cattle. Eighty-six were Choice."

Senor Trevino manages the Mexican branch of the Imperial Cattle Co., Imperial, Calif. He told how that firm is working closely with the Banco Nacionale de Credito Agricola—the National Farm Credit Bank of Mexico—"to improve the cattle industry of my country." He went on:

"We have big feedlots and packing plants. We plan more of both. We are trying to open new markets, and the United States has tremendous possibilities for us. We already ship meat to many States."

Senor Trevino listed the locations of the major feedlots his firm had helped build or was operating:

Matamoros, Tamaulipas; Torreon and Villa Acuna, Coahuila; Jiminez, Chihuahua; Tecoman, Colima; La Concha, Jalisco; Compestela, Nayarit, and Carbo, Sonora.

Packing plants functioning under the program are at Villa Acuna and Torreon and at Manzanillo, Colima.

James Delfino, Imperial's president and an almost legendary figure in the west coast cattle business, is Senor Trevino's boss. Mr. Delfino is the man who 5 years ago converted a steamship into a floating feedlot and brought 1,700 head of Australian cattle to the United States by way of San Diego.

U.S. MONEY

"Sure," said Mr. Delfino, "we plan six more feedlots and enough packinghouses to handle the cattle—one packinghouse at Mexicali and two or three others.

"We're building the feedlots for the Mexican Government. We're helping in every way we can.

"One thought of the Mexican Government is to improve the land and get away from a cotton economy. We hope to raise every bit of feed in irrigated areas and improve the soil at the same time."

Mr. Delfino, who is almost never seen in a business suit—his usual clothes are a Stetson, shirt, Levis, and Western boots—said some $50 million in American capital, provided by "a number of U.S. banks," is helping to finance the Banco Agricola feedlot-packinghouse program and allied sheep projects.

"We—the Imperial Cattle Co.—guaranteed $9 million in loans the first year," he told the World-Herald.

Mr. Delfino discounted the potentially deleterious effects of the program on the U.S. cattle industry, commenting:

"We plan to use a great deal of this meat in Mexico. Our idea is to improve the quality of the beef for the tourist trade—which is Mexico's biggest business. These tourists are demanding better meat.

"We're going to give it to them."

What about the surplus beef?

"It will go on the world market. We've got an order from Israel for 2,000 tons of forequarters. Spain wants to buy 10,000 tons. There's a big demand."

U.S. TOP MARKET

Reminded that these are relatively small quantities and that virtually every country except the United States has a beef import quota, Mr. Delfino conceded:

"Certainly the United States is the biggest and the best market. There's no question of that. We'll sell where we can."

Senor Trevino had said earlier the carcasses of the Hereford heifers he was so proud of were to be trucked to the Modern Meat Co. plant at Norwalk, Calif., a Los Angeles suburb. He identified Modern Meat as a Delfino enterprise.

Mr. Delfino, who said his firm also has a cattle ranch in Nevada and farms near Bakersfield, Calif., had returned to the United States from Australia the day before he was interviewed by the World-Herald. He said he had arranged for shipments of live sheep to be used to improve the quality of Mexican flocks.

He commented on the cattle situation in Australia:

"It's a big thing and getting bigger. They're raising a lot of cattle and exporting a lot of beef.

"And there's another thing—Australia is beginning to develop a cattle feeding industry. I'm considering getting into the cattle business down there myself."

[From the Omaha (Nebr.) World-Herald, Feb. 21, 1964]

The Cattle Crisis—U.S. Sorghum Helps Break Our Feeders—Fed Mexican Cattle To Aid Meat Quality—Grain Shipped South Returns as Meat

(By Howard Silber and Darwin Olofson)

A long railroad bridge spans the Rio Grande to connect Laredo, Tex., and Nuevo Laredo, Mexico. The bridge is a principal shipping link between the United States and Mexico.

Several times a day long freight trains move southward on the bridge. Many of the boxcars contain grain.

A great deal of grain went south last year. The U.S. Department of Agriculture reported that 7,630,017 bushels of corn were shipped to Mexico by the Commodity Credit Corporation on a 3-years-to-pay basis. The interest rate was 4½ percent.

The corn was intended for human consumption. And the tortilla, a basic food in Mexico, has cornmeal as its principal ingredient. An investigation by the World-Herald turned up no indication that substantial quantities of corn were misapplied—fed to livestock, for example.

But from October 1962 through September 1963 a total of 6,879,000 bushels of grain sorghums rolled southward across the border. Of that amount, 388,521 bushels were exported on a credit basis—a private exporter was given 12 months' credit by the CCC at 4 percent interest. Presumably, he could extend similar credit terms to his Mexican customers.

MILO FROM UNITED STATES

Grain sorghum—milo, if you please—is not regarded as edible by humans. But milo is a good livestock feed, nearly as good as corn.

Milo maize is often seen in feedlots in Mexico—feedlots in which cattle are being fattened so that their meat will be more acceptable and will bring higher prices on the U.S. market.

Agriculture experts say Mexico produces only negligible quantities of grain sorghums and most, if not all, of the domestic product goes into chicken feed.

Thus, the principal source of milo for cattle being grainfed in Mexico is the United States. Kansas and Missouri are big shipping points.

"You bet they're using it; you can go into feedlots across the Rio Grande where they're trying to fatten cattle and you'll find milo, a lot of it," declared Bill Martin of Laredo, a buyer for the Producers Livestock Marketing Association.

"And you know full well where they're getting that milo—it's coming right from this side of the border.

"They're using U.S. milo and, with it, they're helping break our own feeders."

[From the Omaha World-Herald, Feb. 22, 1964]

The Cattle Crisis—Beef States, Nation Groggy From Punch of Livestock Losses—Work Gives Feeder Only Fears, Debts—Banker Says Imports Plummet Prices

(By Howard Silber and Darwin Olofson)

The raising of cattle for beef is the backbone and much of the heft of American agriculture.

More than half the farms of the United States have beef cattle or calves. These animals use more than 1 billion acres of land and consume more than 70 percent of the total tonnage of all harvested crops.

In 1958, the cash return to producers from cattle and calves was higher than the combined sales of all six basic field crops—wheat, corn, cotton, tobacco, rice and peanuts.

THE BEEF SCORE

Of 1,087 million pounds of beef and veal imported by the United States during the first 8 months of 1963, a total of more than 858,300,000 came from Australia, New Zealand, Ireland, and Mexico.

The January–August breakdown, carcass weights in pounds, according to the country of origin:

Australia	466, 200, 000
New Zealand	259, 400, 000
Ireland	68, 200, 000
Mexico	64, 500, 000

Only Argentina rivals the United States in the proportion of gross agricultural income derived from beef cattle.

But the beef-cattle industry is in trouble. Few cattlemen realized a profit in 1963. The 1964 outlook is no better, possibly worse. The situation poses a serious threat to the economy of the cattle industry States—which means most of the United States—and to the Nation itself.

The Omaha National Bank takes pride in the fact that it lends more money on cattle than any other U.S. financial institution. Said John M. Shonsey, vice president and expert in the field of agricultural finance:

"I blame beef imports. They have knocked down prices—at least they've been the major contributing factor."

CRITICAL

"The situation is critical for the farmer-feeder. He has lost a good part of the working capital he accumulated during the past 5 years. To restore this working capital he has had to increase the mortgage on his farm—to run up a heavy debt.

"A continued downtrend will force many feeders out of business because they will not have any operating capital or any credit.

"Because of the large numbers of cattle in the United States, continued large-volume imports will mean, for those able to stay in business, a substantially reduced standard of living. They will buy less and they will pay less in taxes."

Mr. Shonsey said merchants in small communities, truckers and others who cater to cattlemen are feeling the slump already "because of the inability or reluctance of farmers to spend money."

He said the large feeder who operates with thousands of cattle "can't go through another year with prices at the same level," and added:

"He may have to reduce his operation to the point where he becomes a farmer-feeder—down to 200 or 300 cattle—because of his reduced capital."

The rancher is only a little better off.

"But he, too, is living off his earnings and savings of past years," said Mr. Shonsey.

"The cities are going to feel the slump soon—then the entire Nation."

Mr. Shonsey's analysis is widely supported—by cattlemen, other bankers, economists. These were interviewed by the World-Herald:

Dr. Everett Peterson, University of Nebraska agricultural economist: "No one is making money on cattle. Where expenditures can be postponed, they are being postponed. And this is beginning to show up in trade. By the end of this year there will be a widespread slump if cattle prices do not improve."

A. A. Kruse, executive vice president, First State Bank, Audubon, Iowa: "They're losing money or, at best, breaking even. And you go broke breaking even. Farm mortgages have been increasing. People are buying less. This is going to be a rough year for retailers."

Darrell Jensen, Hamlin, Iowa, farmer-feeder: "I bought a new pickup in December 1962, and a bigger tractor the following month. I couldn't buy either now. I'd like to have a new grinder-mixer. The implement dealer on the highway has a dandy. It would cost $1,200 with my trade-in. I'm going to hang on to that $1,200."

Raymond Merk, Audubon, Iowa, grain elevator owner and livestock feeder: "Some of the boys are having a hard time making payments now. Even the best operators are dipping deep into their reserves. It's not good."

Charles Hunt, Atlantic, Iowa, a large feeder: "I lost money in 1963. There's no hope for a substantial recovery this year and it could very well be worse. I bought little or no equipment at the end of 1963. I didn't need the depreciation for tax purposes because of poor business. By the way, Atlantic was without a Ford dealer 4 months. We're usually a pretty prosperous city."

J. J. O'Connor, president, Walnut Grove Feed Co., Atlantic, Iowa: "The feed business is down."

Harold Larsen, Atlantic, Iowa, farm implement dealer: "We couldn't survive on the implement business, it's so poor now. We're just lucky we're near the Interstate Highway and have a good truck service business."

Gordon Johnson, Waco, Nebr., farmer-feeder: "I lost money in 1963. I don't have high hopes for this year. I'm standing still on all my purchases. I'm not going to buy anything until I begin making money again."

L. V. Peterson, agricultural representative, First National Bank, York, Nebr.: "Most feeders are losing money on every head. We're going along with them, as far as we can."

Herman Tietmeyer, York, farmer-feeder: "It's been bad, real bad. The small fellow isn't likely to make it."

L. M. Stuckey, president, Lexington (Nebr.) State Bank: "The slump is here. Our retailers are feeling it. The lumber dealers are hurting. Nobody is modernizing, improving. And you find younger farmers anxious to leave the farm and get a salaried job."

Paul Givens, Lexington, Nebr., farmer-feeder: "I'm cutting down. It's a bad situation."

Pete Graff, president, McCook (Nebr.) National Bank: "Every cattle feeder has been hurt. The results are evident; our retail business here is down."

Les Horn, partner, West Sale Barn, McCook, Nebr.: "At least 50 percent of the men around here who usually feed cattle are not feeding at all. Everybody's feeling it."

Leonard Burch, board chairman, First National Bank, Greeley, Colo., and a former president of the Intermediate Farm Credit Bank of Omaha: "Our people are being ruined. Conditions are as bad as they've been in 17 years."

Martin Domke, Greeley, Colo., large feeder, first president of the Colorado Cattle Feeders Association: "The best I can possibly hope for this year is to break even."

Francis M. Petersen, vice-president, Denver U.S. National Bank: "There are going to be a lot more failures in the livestock industry. The stock grower has exhausted his margin and is raising money on his capital assets. The feeder is worse off."

Dave Wilhelm, Rocky Ford, Colo., feeder: "I've had three losses in a row."

Tom Cooper, Fort Morgan, Colo., feeder: "I haven't made any money in 13 months. Where will it end?"

Aubrey Grauskay, Phoenix, Ariz., feeder, board chairman, Arizona Cattle Feeders Association: "The loss we're taking is a cash loss, not an anticipated or paper loss. If the direct loss—not including overhead and other factors—is $25 a head, we think it's an easy loss. That's how bad it is."

Floyd Urling, Indianola, Nebr., grain elevator owner: "Another year like 1963 and 90 percent of the small fellows around here will have to quit feeding cattle."

[From the Omaha (Nebr.) World-Herald, Feb. 23, 1964]

The Cattle Crisis—Two Difficult Routes Lead to Relief for Beef Industry

(By Howard Silber and Darwin Olofson)

What can be done about the beef imports which are ravaging the Nation's cattle industry, threatening the economy of its livestock-producing areas and undermining American agriculture?

There are two ways to a solution:

Legislation by the Congress.

Joint action by the Federal Tariff Commission and President Johnson.

Action has been started in Congress, in the wake of an aroused public opinion, which swept across much of the Nation last week. Article 1, section 8 of the U.S. Constitution gives Congress the authority to "regulate commerce with foreign nations."

Senators and Representatives from cattle States were virtually unanimous in their belief that the voluntary agreements executed with Australia and New Zealand will do little to shore up sagging cattle prices.

BIPARTISAN ACTION

Senators of such ordinary diverse political viewpoints as Majority Leader Mike Mansfield of Montana and Republican Bourke Hickenlooper of Iowa are cosponsoring a bill to roll back beef imports to the 1959–63 average.

Nebraska's Roman Hruska plans to offer an amendment to pending wheat and cotton import-restricting legislation. The Nebraskan would add beef to the bill.

Other Senators and a number of Representatives have introduced bills to protect the domestic cattle industry from price-crashing imports.

The Tariff Act provides for Presidential action.

An industry group, company, labor union, or the like—or the Senate Finance Committee, House Ways and Means Committee or President Johnson himself—can ask the Tariff Commission to determine to what extent the imports are hurting the cattle industry.

In order to impose quotas, increase the tariff or apply a combination of both, the President must have a Tariff Commission determination that the domestic industry is in trouble. He must also have a recommendation for action.

The Senate Finance Committee has asked the Commission to study the effects of beef imports. A report is due by June 30.

But this was simply a request for information, not for a finding and recommendation to the President.

THE BARRIER: INERTIA

Both routes to relief for the cattle industry are open. But they are rocky and rough.

The most treacherous barrier is inertia.

A congressional committee staff expert emphasized this strongly Saturday. He declared:

"I believe there is a hope on the part of the administration that, given a little time, this will go away—that the present storm of protest from the cattle States will die out.

"A minor, temporary increase in the price of cattle might do it. Or time itself would permit them to shove the problem under a rug.

"This should not be permitted to happen."

He pointed out that cattle States legislators on both sides of the aisle "are all riled up about the voluntary agreements with Australia and New Zealand and the need for more effective import restrictions.

"We've got to keep them that way, or we're lost," he said.

If the storm does die down, much of the cattle industry will die with it.

A tariff expert told the World-Herald there is no industry petition before the Tariff Commission for an investigation of the deleterious effects of beef imports on the cattle industry.

"Obviously, this is needed if there is to be a formal investigation. And it is needed now," he said.

There is still another possibility, a bit forlorn perhaps, in view of the administration's apparent pride in the voluntary agreements concluded with Australia and New Zealand, but still a possibility.

IT'S A POSSIBILITY

If the administration were to count noses on Capitol Hill and discover that legislation providing for beef import restrictions could be enacted, the State Department would be driven back to the negotiating table and agreements satisfactory to the cattle industry might result.

Representative W. R. Poage, of Texas, ranking Democrat on the House Agriculture Committee and chairman of the Livestock Subcommittee, has called the present voluntary agreements inadequate and has suggested a round of horsetrading.

"I think we ought to get more and can get more," he told the World-Herald.

Most others in the House and Senate are less optimistic about voluntary agreements. They believe the legislative route is the best and that the Tariff Commission should be tried, too.

Senator Mansfield introduced his bill almost immediately after the voluntary agreements were announced.

He called the State Department action "a small step—a very small one—in the right direction. But it is not enough."

Cosponsors of the Mansfield bill in addition to Senator Hickenlooper are Senators Jack Miller, Republican, of Iowa, Lee Metcalf, Democrat, of Montana, Milton Young, Republican, of North Dakota, Quentin Burdick, Democrat, of North Dakota, and George McGovern, Democrat of South Dakota.

Senator Miller called the Mansfield bill "a far better solution" to the problem of beef imports than voluntary agreements.

Senator Hruska termed the agreements a "surrender."

MUCH TOO LIBERAL

Senator Spessard Holland, Democrat, of Florida, member of the Senate Agriculture Committee and chairman of the Senate Agricultural Appropriations Subcommittee, told the World-Herald:

"It seems to me that the people in charge of making the agreement—notably the State Department—were much too liberal with our competition. It was nothing like a satisfactory reduction of the present stepped-up volume."

Representative Charles Hoeven, of Iowa, top Republican on the House Agriculture Committee, told the World-Herald the agreements were "just a gesture." He added: "The responsibility is on President Johnson. He can do something about it if he wants to."

Senator Karl Mundt, Republican, of South Dakota, member of the Agricultural Appropriations Subcommittee, told the World-Herald the agreements are worse than nothing because they tend to freeze a situation that is very, very serious. He called for import quotas.

Senator Stuart Symington, Democrat, of Missouri, called for positive steps, including continued negotiations by the State and Agriculture Departments. He suggested Tariff Commission action if the negotiations do not bear fruit. He also called for labeling of foreign meats at the point of sale to the consumer.

Representative Bob Dole, Republican, of Kansas, a member of the Agriculture Committee, told the World-Herald, "It's more important than ever" that Congress act on imports-limiting legislation.

Senator Carl Curtis, Republican, of Nebraska, demanded both a tariff increase and quotas, but pointed out this would require bipartisan action in Congress. In addition to beef, he called for limitations on imports of other livestock "and all other agricultural commodities."

IMPOSE EMBARGOES

Representative Ben Jensen, of Iowa, top Republican on the House Appropriations Committee, told the World-Herald the United States should "impose embargoes on meat imports up to a certain limit, just as every nation on earth embargoes against us."

Representative Glenn Cunningham, Representative, of Nebraska, has joined a number of House Members in urging Representative Wilbur Mills, Democrat, of Arkansas, chairman of the House Ways and Means Committee, to hold hearings on legislation to increase tariffs when imports are excessive. However, Mr. Cunningham said quotas may be "a more practical and immediate remedy."

He charged that "the administration is responsible for these imports and, because they will do nothing about it, I think legislation is the only answer to force some action."

Representative Ralph Beermann, Republican, of Nebraska, said he had hoped the voluntary agreements would provide relief, but instead the administration "sold the largest segment of agriculture down the river." He said legislation is mandatory.

Representative Dave Martin, Republican, of Nebraska, said he wants legislation to "severely limit" imports.

In Nebraska, Governor Morrison insists the President has "no authority" to impose effective restrictions against imports. He called for legislation.

Asked if President Johnson should ask for legislation, Mr. Morrison replied:

"No, the people should demand it."

THE CAUSE: IMPORTS

Fred A. Seaton, Hastings, Nebr., publisher, who was Interior Secretary in the Eisenhower administration, called for "action right now—not tomorrow or next year."

He said the voluntary agreements are "absolutely worthless. At the very best they keep the cattle industry on the ropes. At the worst they throw the industry over the ropes."

"The President has the inherent power to take care of this important problem," said Mr. Seaton. "If he needs help from Congress, he has Democratic control of both Houses."

Both the National Livestock Feeders Association and the American National Cattlemen's Association are attacking the voluntary agreements. Both organizations want import quotas.

John M. Shonsey, vice president of the Omaha National Bank and a nationally recognized authority on cattle industry financing, diagnosed the cattle industry sickness:

"The industry is in serious trouble because of beef imports.

"There have always been cycles, ups and downs, but the industry has always recovered, responding to the law of supply and demand—up to now.

"The industry could still operate under the law of supply and demand provided the Government didn't allow—and encourage—big imports of beef."

UNIVERSITY OF SOUTH DAKOTA STUDENTS EARN DISTINCTION

Mr. McGOVERN. Mr. President, I was most impressed by the stories of three outstanding students at the University of South Dakota that came to my attention in the January 1964 issue of the bulletin mailed out by the university.

Mr. Larry Pressler, currently serving as president of the University of South Dakota student body, will begin study next fall at Oxford University as one of the Nation's 32 Rhodes scholars. He has had a most remarkable career at the university, and as a 4-H leader. He is a graduate of Humboldt, S. Dak., High School.

The same issue of the university bulletin tells of the remarkable academic career of Mr. David Rumelhart, son of Mr. and Mrs. Everett Rumelhart, of Wessington Springs. This young man has not only graduated with honors at the University of South Dakota, but has been accepted for graduate study at Stanford University with one of the Nation's top-rated graduate fellowships.

The third honor student mentioned in the university bulletin is Mr. Robert C. Witt, a senior at the university, from Tyndall, S. Dak. He has been awarded the Northwestern National Bank scholarship for 1963–64. This scholarship is given annually to an outstanding senior in the school of business.

Mr. President, I ask unanimous consent that the stories of these three young men, as reported in the bulletin, Your University, be printed at this point in the RECORD.

There being no objection, the stories were ordered to be printed in the RECORD, as follows:

LARRY PRESSLER IS RHODES SCHOLAR

Larry Pressler, who will begin study next fall at Oxford University in England as one of the Nation's 32 Rhodes scholars is a young man who understands the importance of setting realistic goals and achieving them.

He has, of course, superior intellect and a fine academic record but what sets him off from many others of equal intellectual potential is an impressive record of experience and achievement in a number of extracurricular fields.

Larry, a graduate of Humboldt High School, is the first to give credit to his professors and fellow students at the University of South Dakota. He appreciates the advantages offered by a comparatively small State university.

"The course offerings are comprehensive," Larry says, "and there is abundant opportunity for the personal relations with professors and fellow students that simply is not possible in bigger schools."

"It would have been easy for a student like myself to have become lost on a bigger campus. At the same time, I am afraid that a smaller school would have severely restricted the number of experiences that have so enriched my education at the university." Larry is completing a year as student body president at the University of South Dakota.

The pattern of success in Larry's life emerged early and has continued uninterrupted. He has won a number of 4-H awards at both State and national levels, has been a successful high school and collegiate debater, has visited Egypt as a 4-H delegate to the 1961 International Agricultural Fair at Cairo and was one of the two winners of the 4-H National Citizenship Award presented in March 1963 by the late President John F. Kennedy.

While a student at the university, Larry worked as part-time student assistant in the Governmental Research Bureau. His responsibilities there made him familiar with government publications and with research problems and methods.

In the summer of 1962, Pressler worked with the Bureau's professional staff in collecting precinct voting and other records in scores of courthouses and city halls in the State and later helped process and organize the data as it was prepared for publication. He utilized his experiences to write an article on municipal records that has since been published in the South Dakota Municipalities magazine.

Later in the summer of 1962, Pressler served as student intern on the Republican State campaign staff.

"Although much of my work was routine," Larry says, "being present where things were happening, closely observing political figures and getting the atmosphere of political life were valuable experiences that I feel fortunate to have had."

This past summer, following his junior year at the university, Larry secured an internship with the U.S. Department of State in Washington. While there he devoted most of his attention to Near Eastern affairs, which has solidified his interest in seeking a career as a foreign service officer with emphasis on that strategic part of the world.

Larry also made use of his summer in Washington to see Congress in session and to deepen his awareness of the force shaping U.S. foreign and domestic policy.

Pressler has had abundant opportunity already to make practical application of his government education. In the spring of 1963 he took part in a "revolution" of independent students on campus and became the first student president in years to have successfully opposed the fraternity-sorority combination.

Pressler is the third Rhodes scholar selected from the University of South Dakota in recent years. Others were Truman Schwartz of Freeman, who just completed work for his doctorate in chemistry at Massachusetts Institute of Technology, and Paul Van Buren, Dell Rapids, who is studying law at Stanford University.

HOW ONE STUDENT WILL GET THE PH. D. DEGREE FOR $350

A college education is relatively painless financially if a student is willing. There are many "C" and "D" students who could be doing "A" work. One doesn't have to be a brain to excel in college studies. The secret is to learn study habits and value of budgeting time in the first semester of college. Those were conclusions reached by one of the Nation's most successful college seniors last spring.

Officials in government, public finance, business, agriculture, education, and other fields where problems appear at times to be unsolvable could well take a lesson or two from University of South Dakota graduate David Rumelhart, who parlayed a desire to "be somebody" into one of the most auspicious collegiate careers of all time. His out-of-pocket cost was $350, the amount he had with him when he arrived in Vermillion in the fall of 1960. He is now studying toward his doctorate in psychology at Stanford University.

WONDERFUL DILEMMA

Rumelhart was unquestionably one of the most "sought after" college graduates in the country. His only problem was, not whether he would have the opportunity to study for the doctorate, but where. Seven or eight years of collegiate study a few years ago was out of the question, except for those who came from families of "means" but, today the question the student must answer is which fellowship to accept. Rumelhart was one of several students at USD and probably some other colleges, faced with this wonderful dilemma.

"You have to work at it," commented Rumelhart, who was offered all four of the top graduate fellowships available—Woodrow Wilson, Danforth, National Defense Education Act, and National Science Foundation, plus others from individual universities. "But you don't have to be a brain," he added.

THOROUGHLY FRIGHTENED

Rumelhart was graduated second high in his class of 48 at Wessington Springs High School in 1960 and had thought that perhaps he would be a C or B student at USD where he planned to major in psychology. It was early in the first semester of the freshman year when he was "thoroughly frightened" with a D minus-minus grade on an English theme for having 13 misspelled words, that Rumelhart was awakened to the precept of establishing study habits and budgeting time. He qualified for membership in Phi Eta Sigma, freshman honor society.

FIRST SEMESTER IS MOST IMPORTANT

Anyone can do it, contends Rumelhart, "if he is willing to work." After the D minus-minus grade on the English theme, Rumelhart was "frightened" enough to keep a dictionary handy while writing subsequent themes. He emphasized that the first semester is probably the most important one in college. It is then that the pattern for later college performance is set. In another freshman class, history, he read as many as 20 outside books, which he commented was easier then than in his upper class years when he was carrying more classroom hours. Rumelhart received his B.A. degree at summer session commencement in August, a month less than 3 years after enrolling as a freshman. Most college graduates spend 4 years in school, but it was possible for Rumelhart to complete all but 6 semester hours of his requirement for a double major in three academic years and two summer sessions. The final 6 hours were completed last summer.

After the first year at USD, Rumelhart became interested in the field of mathematics and by taking an extra heavy load of 21 or 22 hours some semesters (normal load is 15 or 16 hours), he managed to work in a major in mathematics along with his psychology major. When he received the B.A. degree he had completed 31 hours of mathematics and 32 of psychology. In all three summer sessions he carried on full time research projects in psychology in addition to regular courses.

DOCTORATE WILL BE IN PSYCHOLOGY

Psychology is the field in which Rumelhart wants to take his doctoral study. He accepted a National Science Foundation graduate fellowship at Stanford University where he will work toward the doctorate in the field of building mathematical models for theory of learning. The practical application of such study would be making predictions on what might happen in learning situations.

Rumelhart is already an authority from personal experience in how to learn which is an excellent foundation for graduate work. His graduate study will lead to the Ph. D. degree which will allow him to serve on a college faculty and continue research. He wants to be a college teacher and feels that a teacher must continue to study.

A COLLEGE EDUCATION FOR $350

Rumelhart's principal financial help for his undergraduate education came from scholarships and employment in his church student center, the Wesley Foundation, where he performed janitorial duties for room rent. He was one of two students given $750 cash for the 1962–63 school year from a fund made available by an anonymous donor. The fund, administered by President I. D. Weeks makes possible two $750 awards each year in hopes that they might assist a worthy USD student in becoming "another Ernest O. Lawrence." He also received grants for summer research, had tuition scholarships and board jobs.

RELIGIOUS ACTIVITY VALUABLE

One of Rumelhart's most valuable experiences as a university student was being associated with the Wesley Foundation, Methodist student organization. He was foundation president 1 year and served on the board of directors 2 years. The foundation work was important to him, he said, in several ways, but principally as an enrichment factor making possible what educators call "education of the whole person." Through the Wesley Foundation, Rumelhart had an opportunity to learn the practical aspect of public speaking while serving on a deputation team. He had preaching assignments in the communities of Richland and Elk Point.

When Rumelhart received his USD degree in August, it was the end of one phase of his education and the beginning of another. Before matriculating at Stanford in late September he attended a Danforth fellowship conference in Michigan with other Danforth fellows from around the country. While his National Science Foundation fellowship at Stanford is his principal means of subsistence, he is also recognized as a Danforth fellow and a Woodrow Wilson fellow.

Rumelhart was 1 of 1,475 college seniors in the Nation to receive a Woodrow Wilson fellowship and 1 of 104 to receive a Danforth Foundation fellowship. Purpose of both awards is to grant assistance to students in quest of a profession of college teaching.

NO COST TO RUMELHART FOR DOCTORATE

His stipend at Stanford carries an award of $1,800 the first year, $2,000 the second, and $2,200 the third and/or fourth years for doctoral study, plus tuition and fees and travel allowance. The Danforth Foundation also promises additional financial aid if necessary and he has received encouragement from both foundations which has inspired him greatly.

Normally, a doctoral program takes 3 or 4 years of continuous study, but in true Rumelhart tradition, David wants to complete the program in two—"if they'll permit me." His 3,927 grade average (4,000 is the highest possible) as a senior at USD, and his election to the Phi Beta Kappa, national arts and sciences scholastic society, plus the convincing Rumelhart philosophy, indicate that it will come to pass.

Rumelhart's parents are Mr. and Mrs. Everett Rumelhart, of Wessington Springs. His father operates a job printing establishment. He has a younger brother, Donald, who enrolled at USD last fall. He has another brother in the fourth grade.

Any student can do it, Rumelhart says. If you want to study and take college seriously, to again quote Rumelhart, "any one can get a college education relatively painlessly financially." Rumelhart is doing it.

TYNDALL SENIOR RECEIVES LARGE BANK SCHOLARSHIP

Robert C. Witt, Tyndall senior at the University of South Dakota, has been awarded the Northwestern National Bank of Sioux Falls Scholarship of $300 for 1963–64, Dean R. F. Patterson announced today.

Witt is the first to receive the scholarship which will be made annually to an outstanding senior in the School of Business. A good academic record and the development of leadership qualities are the chief criteria in the selection.

Witt was on the Dean's honor list for both semesters of his junior year and as a freshman was elected to Pi Mu Epsilon, honorary mathematics society. He is president of the Business Student Association and has held offices in Delta Sigma Pi, professional business fraternity. He is a member of the business school investment club.

Active in all intramural sports, Witt has also served as chairman of the Intramural Sports Committee. For the past 3 years, he has served as a counselor in a university men's residence hall. After June commencement, Witt may go on to graduate school to prepare for a career as a college teacher.

In announcing the award Dean Patterson said, "Robert Witt is a fine example of a long line of outstanding seniors who have been graduated from the school of business. He richly deserves this award."

SHIPMENT OF WHEAT TO RUSSIA

Mr. YOUNG of North Dakota. Mr. President, the American wheat producer, as is so often the case, is taking a beating—this time because of the failure of Congress to act on badly needed new wheat legislation and because of the longshoremen's defiance of the Government of the United States in refusing to load wheat for export to Russia unless they can exact an unreasonable deal of their own.

Their demand that 50 percent of the wheat shipped to Russia be handled by American ships is just impossible. The American merchant marine does not have sufficient ships. The Longshoremen's Union knows this; nevertheless, it is continuing its unreasonable demands.

Mr. President, it is refreshing to read a very heart warming editorial appearing in the Fargo Forum published at Fargo, N. Dak., under date of February 23, 1964. I ask unanimous consent that it be printed in the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Fargo Forum, Feb. 23, 1964]

ADMINISTRATION, CONGRESS ARE PERMITTING DOCKWORKERS TO KICK FARMERS AROUND

North Dakota wheat farmers should be convinced by now they are the low men on the totem pole when they look at what has happened to nullify the sale of some of our surplus wheat to Russia in an effort to get the excess bushels down to manageable proportions.

Two unions of dockworkers have combined to stop any further loading of wheat in Russia-bound ships because they contend that American vessels are not getting their full share of the tonnage. If the boycott continues, Russia will probably cancel the whole deal.

As a direct result, more and more criticism is being directed at the subsidies paid when this grain was moved out of storage. The farmers got all the criticism because it looked like Russia was getting the benefit of the subsidy.

When the late President John F. Kennedy OK'd the sale of wheat to Russia last October, he specified that half of the shipments should be transported in American-flag ships. Because American shipping costs more than foreign vessels, the Government had to hike the subsidy paid on Durum wheat particularly to cover this excess shipping cost.

When the first big exporter to make a deal with Russia, Continental Grain Co. of New York, was unable to secure enough American ships to handle its commitments, it asked the Maritime Administration to waive the requirement for 50-percent American shipping.

The company had found enough American ships to handle 38 percent of its sales, and the Maritime Administration agreed that it could use foreign shipping for the difference between the 38 percent and 50 percent. This is when the maritime unions balked. Now they say no grain will move on any ship, American or foreign, until the Johnson administration promises that there will be a 50–50 split of all wheat shipments to Russia.

The Maritime Administration, a branch of the Department of Commerce, has declared that the shipping is not available, despite intensive efforts over a month or more to find the ships that would carry the wheat to Russia at the stipulated rates.

Over a month ago, it was reported that the Russian grain deal was producing a fantastic shipping situation and that the Maritime Administration was virtually forcing American shipowners who have no desire to trade with Russia to carry some of the wheat. But the American shipping interests, by being unable or unwilling to meet the conditions imposed on the Russian trade, forced the Maritime Administration to declare American shipping unavailable and brought about the present crisis under which organized labor may block big export sales by American agriculture which would help level off its surplus problems.

The unchallenged ability of the unions to block movement of wheat to Russia is truly alarming. There have been shipping strikes before, but they have had little direct effect on North Dakota.

Now the maritime unions call a boycott, and North Dakota farmers see the sale of their wheat on the world market chopped off. This is critical, because unless the United States can sell wheat in the world market, the wheat harvest will soon be cut in half, or worse.

While the U.S. Government tries to end the embarrassing boycott, Canada's Wheat Board chairman, William C. McNamara, is touring the Soviet Union loking for a sequel to Canada's $500 million grain sale to Russia last fall.

There is a widely-held viewpoint that Russia's farm shortages won't be solved for several years. There is thus growing competition between the United States and Canada to ease their respective balance-of-payments and surplus wheat problems.

Canada has given growers what amounts to carte blanche to grow as much wheat as they want.

The Wheat Board must follow up with sales contracts.

So far Canada has had little trouble in meeting its shipping schedule for the big Russian contract. In case anyone wonders who will supply Russia if the longshoremen's boycott ties up U.S. wheat, just take a look at our northern neighbor. The boycott is inexcusable.

The dockworkers have made it clear that they will load no wheat for Russia except on their own terms—half of every sale by each American export firm must go in American bottoms, or all sales will be blocked.

If the American farmer ever tried anything so drastic, he would be chastised throughout the Nation as a virtual traitor. But there is no way the farmers can act completely in unison. In this instance, they are at the mercy of the maritime unions and the Federal Government.

The unions don't care whether they load wheat or something else, because there is plenty of work for them handling other goods. But the American farmer has only one big customer for its wheat right now, and that is Russia. With the Senate getting to the point where it may not be able to pass a new wheat bill to cover the 1964 crop—before it gets into its civil rights wrangle—the only real help in sight for the wheat farmer is the possibility that the surplus on hand will be cut considerably by the Russian purchases.

If the blockade stops the sale, if there is no new wheat bill, then the existing surplus will drive the market price down to the expected support price of $1.25 per bushel.

The administration and the Congress had better wake up to the critical situation they are permitting to develop as they continue to kick the farmer around.

URBAN RENEWAL IN ST. LOUIS

Mr. LONG of Missouri. Mr. President, Hon. Raymond R. Tucker, mayor of St. Louis, spoke last night at the annual banquet of the National Housing Conference here in Washington.

Mayor Tucker is exceptionally well qualified to speak on community development. Today, as president of the U.S. Conference of Mayors, he testified before the Housing Subcommittee of the Committee on Banking and Currency.

As President Johnson pointed out in his recent trip to Missouri, St. Louis has made outstanding achievements in the field of urban renewal. St. Louisans know that much of this progress has been because of Mayor Tucker's wise and determined efforts to realize an effective community development program.

In celebrating the 200th anniversary of its founding, St. Louis is reflecting this year on its colorful and historic past. But it has looked to the future also, with modern planning to give its citizens adequate housing.

In view of its many valuable insights I ask unanimous consent to have Mayor Tucker's speech, "Thoughts on Community Development," printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THOUGHTS ON COMMUNITY DEVELOPMENT

(Address by Raymond R. Tucker, mayor of St. Louis, president, United States Conference of Mayors, annual banquet, National Housing Conference, Washington, D.C., Feb. 24, 1964)

Mr. Robbins, Mr. Keith, distinguished Members of Congress, ladies and gentlemen, there are many reasons for my pleasure at being your speaker this evening.

I am certainly flattered that I have been asked to talk about housing to a group whose members and guests constitute the vast majority of the vanguard of the fighters for good housing for over 30 years.

Whether you are public officials or private citizens interested in housing, you possess the highest degree of energy, dedication, and ability in the continuing effort to provide decent homes for all Americans. And as I consider the dedication of public officials to the cause of good housing there comes immediately to my mind the distinguished Congressman from Alabama, the Honorable ALBERT RAINS. Congressman RAINS, your fellow friends of housing devoutly wish that you would change your mind and again stand for election to the Congress. You are too valuable a friend for us to lose.

When I was asked to supply a title for my speech this evening, I said it would be "Thoughts on Community Development."

I thought I was giving myself a broad enough umbrella to cover virtually anything I might say. I suspect the technique is familiar to some of you.

I do not want to imply, however, that I am going to give a complete analysis of the whole broad field of housing and community development.

I do, however, want to share with you some comments which appear to me to be appropriate at this stage of our housing efforts.

After 15 years of urban renewal we have made progress. Indeed, we can be proud of our accomplishments, but we are far from winning the war.

We have demolished over a quarter of a million slum dwellings, but we still have many, many more to clear.

We have 150,000 new dwelling units completed or under development on urban renewal sites, but we have only begun to meet the need.

We have relocated nearly 300,000 families, individuals and businesses, but we still have not discovered how to make the process painless. Relocation techniques are constantly improving based upon past experience and we must continue to be open to all thoughtful suggestions for improvement.

Finally, we have been endlessly talking about having to make better use of older housing—we still haven't come up with the final answers as to how you can promote a good effective and economical rehabilitation conservation program which will make our older urban neighborhoods more attractive areas in which to live.

Since 1949, we have learned a great deal about the mechanics—the techniques of renewal. We know how to acquire and to clear land—we are used to dealing with private developers, and we are developing greater appreciation for the final points of architecture.

We are, in short, rather expert in the purely physical and developmental aspects of urban renewal, and we tend to be preoccupied with the physical quality of our projects above all else.

This concern is deserved because we are obligated to put back on cleared land attractive as well as utilitarian structures. The final product of redevelopment should be something we can all be proud of, something of enduring value, and something of beauty.

This concern with the physical developmental aspects has led some to believe that we are not as concerned with the human implications in the program as we should be. We have been accused of being heartless in our relocation efforts with families, cold and indifferent to the economic difficulties small business displacement has sometimes caused.

We have been accused of moving slums around, of creating new slums through our redevelopment efforts.

We have been told that our redevelopment efforts to date have been for the rich and not for the poor or for the middle income.

It has also been suggested that only minority groups live in urban renewal areas and that the choice is deliberate since they can't fight back, and the disadvantaged are easier to push around.

Much of the currency that these accusations have enjoyed has been due to our inability to communicate with our own citizens as much as anything else.

We have not always done a good job of expounding the merits of the program.

In my opinion, urban renewal is good for us—we are for it in St. Louis just as the people of some 700 other cities in the United States are for it.

One of the reasons I am for urban renewal is because over the long term the program will do more good for more people and will have greater effect on improving urban life than any other program I can think of.

In its concentrated attack on slums, urban renewal did more to expose the ugliness and squalor of the poverty stricken among us than any other program.

Urban renewal did not cause problems anywhere near so much as it exposed human problems and is continuing to expose these unhappy elements in American life.

The exposure of the deplorable housing of the urban slum made the public generally more aware of the need to provide adequate housing for the forgotten fifth of our population. And I believe this attention has been in a large part responsible for sparking some significant efforts to meet the needs of this group.

No one of us would argue that housing alone, even in the best of neighborhoods, is the total solution to the quest for the good life. But decent, healthful housing in attractive neighborhoods, with adequate schools, plays an important role in making it possible for the poor to break out of the poverty cycle.

To be sure, good housing alone can't do the job. Unquestionably, however, family life is made a good deal more attractive when one doesn't have to suffer from the physical discomforts which are commonplace in the slum.

Urban renewal has starkly exposed the shame of the slum—the indignities man must suffer if he is poor; and urban renewal was the first Government program, at any level of government, which said if you take a family out of the slum through a publicly sponsored clearance program, you must, if possible, relocate him in standard housing.

Other governmental programs which involve displacement now are beginning to recognize the obligation to make sure that adequate relocation practices are followed.

Relocation has brought home to many city officials the need to do more than just find new housing for the displaced.

All manner of social and human problems have been uncovered by the relocation process. And it is incumbent on the local public agency to see that every available resource of the community is brought to bear to help the family or individual involved meet the problem and solve it.

For many families this change to improved surroundings is sufficient for them to function at a satisfactory standard, but it does not get to the heart of the problem of the low-income families and the so-called culturally deprived individual or family.

Much more effective and intensive efforts must be made in the direction of human renewal if we are to successfully attack the fundamental problem and to carry out the spirit of the President's "war on poverty."

The basis for this position is hard facts. We know, for example, that a disproportionally large segment of our population is poorly educated—in truth many are virtually illiterate. We know that a large proportion, particularly of our low-income families, have no male head of the household.

We know that an alarming number of persons have no job skills amenable to current employment demands. As a result the income levels of these families as well as of many aged and disabled persons are far below the minimal subsistence levels.

Low rent public housing can meet the housing needs of such families but until these basic limitations are effectively dealt with the problem can only grow in magnitude and intensity. Essentially the same facts of life hold true whether we are talking about low rent housing, urban renewal sites, or other geographic areas of economic depression.

We in St. Louis in cooperation with a wide variety of public and private agencies are making a strong concerted effort to attack these problems at their roots. Our land clearance and housing authorities have on their staff persons specifically trained to serve as liaison persons between individual families and community agencies.

Public agencies at the National, State, and local level have been actively participating in this broad program. Universities have been involved on a consultant and research basis in order to give sound guidance to active programs. The city of St. Louis has created a new division of community services within its Department of Welfare in order to expedite and coordinate our concerted efforts toward the rehabilitation of individual families. And we hope to be expanding our efforts soon.

Time does not permit me to go into extensive detail about the multifaceted approach of our human redevelopment program. The significant fact, however, is that it is imperative that we keep foremost in our minds the concept that the programs we are carrying out, as much as they deal with blueprints and buildings, with budgets and balances, are still people oriented—and we cannot afford to forget it.

More than anything else, urban renewal has dramatized our inability to provide decent housing for our low-income and middle-income families.

The search for needed relocation housing—which must be available to enable renewal to continue—has exposed the two fundamental weaknesses of our housing resources: (1) our apparent inability to come up with a viable program of new housing for low- and middle-income groups; and (2) as I have already mentioned, our failure to come up with the means to carry out a continuing large-scale program of rehabilitation of our old housing.

It is time we took the initiative on both these problems. It is time we tried new methods, new approaches. It is time to make a decision to solve the problem with action and not talk.

To that end the U.S. Conference of Mayors has agreed to support this year legislation which would provide a demonstration middle-income housing program for the construction of 10,000 units.

The suggested program follows suggestions made by Dr. Wheaton and involves charging a variable interest rate which is set according to the family's income. We have talked about this approach for many years. We think it is time to actually test the feasibility of this approach.

In this same area, further liberalization of 221(d)3 is in order. Other approaches need to be explored, but we should try them. We should not be afraid to experiment, to test, to exhaust all possible approaches to solving this particular important problem.

In addition, we should tackle rehabilitation in exactly the same spirit. We should try all possible avenues.

Since 1954, after an exhaustive housing survey, the city of St. Louis has completed or is in the process of rehabilitating 14 neighborhood areas consisting of 2,200 acres designated by the city plan commission. The program is operated in areas where housing is generally better than a slum area, but showing definite signs of blight.

This unique program—without Federal assistance—complements our Federal-local urban renewal program.

Under our rehabilitation program 13,700 premises consisting of 34,400 dwelling units have been brought up to standards established by our housing ordinance, which was strengthened early last year. As a result of this code enforcement program, 56,400 housing violations have been abated through an orderly house-to-house inspection program. We estimate that the citizens of St. Louis have spent $7,200,000 of their own money to bring their properties up to standard.

We attribute much of the success of the St. Louis program to the public improvement features which, we believe, motivate the homeowner to spend money on his property. Under our program, the city spends approximately $500,000 per neighborhood on public improvements simultaneously with the code enforcement program because we recognize that public facilities, such as parks, streets, street lighting, and other neighborhood facilities, have deteriorated over the years as have our older residences. Thus far, the city has spent about $3 million in public funds to improve the neighborhood environment.

However, new techniques of financing for the property owner are needed for the fullest success of this type of program.

The conference of mayors is actively supporting legislation which would open 221 rehabilitation to the entire city where the city has an approved, workable program.

We also would like to have the local public agencies be able to do rehab without limit on all projects. We're even ready and willing to let the LPA undertake rehab work with their own work forces. We want the local agencies to have as free a rein as possible to try to make rehabilitation work.

The conference also favors having housing enforcement costs associated with urban renewal projects made eligible as part of project costs.

This would go far in bringing the manpower necessary to promote and sustain rehabilitation programs into our project areas. We believe the sustained effort which can be provided through systematic enforcement and help will go a long way toward developing a viable rehabilitation program.

These are in many respects critical times for the cities and for the urban renewal and public housing programs.

Despite our successes, we are far from having it made.

We continue to labor under heavy fire and unfortunately few of our critics can be categorized as being constructive.

We must do a better job of selling our programs—our goals and objectives. We must stop telling each other what we want to hear—about how good we are and how lofty are our aims.

We must continue the battle to eliminate blight and to halt its spread.

Recognizing that housing is not the entire answer to social welfare, we must devote new emphasis to human renewal.

However, we must fully understand that the redevelopment of our cities is a central element among the efforts to improve the level of the economy and to reduce poverty.

Indeed, properly drawn programs of urban renewal should develop balanced communities in which attention is given to commercial and industrial regeneration as well as to purely residential areas.

The balanced community approach would help create jobs for those whom we are housing. Such an approach will further recognize the interrelationship which must exist between purely physical renewal and human renewal.

Perhaps the ultimate climate of success for our community development programs will be provided as the public recognizes that properly planned urban renewal is a major weapon in the war against poverty.

THE PRESIDENT'S PHYSICAL FITNESS PROGRAM

Mr. LONG of Missouri. Mr. President, our Government recently gained the services of a famous Missourian when President Johnson named Stanley Frank Musial as special consultant to the President in the Nation's physical fitness program.

Mr. Musial's fame as a baseball player is too great to need any more description today. The more than 50 National League or major league records that he holds assure him of recognition wherever our national pastime is enjoyed. My State is justly proud that one of its best known citizens is to be a part of the President's program.

Since its beginning in 1956 this program has had notable success in calling attention to the lack of fitness among Americans and in initiating measures to remedy this lack. Programs designed to improve the physical condition of our young people are being instituted and increasingly emphasized in schools across the country. More than nine-tenths of our public secondary schools are now administering fitness tests. Physical achievement tests given in public schools in the 1962–63 school year showed a twofold increase in passing scores over similar tests a year earlier. Corresponding trends at the college level indicate that our young people engaged in higher education are also more fit than college students of a few years ago.

Government action at the State level in response to the President's program has been considerable. Thirty-two States now have fitness councils or commissions and a larger number have a director in the department of education responsible for development of school physical education programs. Special directives urging schools to improve their fitness programs have been issued by 30 Governors.

The characteristic American talent for constructive self-criticism has shown itself again as we have acted to correct a failing in ourselves.

With the appointment of its new consultant we may certainly expect the President's program to meet with renewed success. In his 22 years with the St. Louis Cardinals Stan Musial has established a reputation for the finest qualities of good sportsmanship. An outstanding athlete on the playing field, he has also been outstanding as a citizen of his State and city. Mr. Musial has been exceptionally cooperative in lending his support to worthy causes in his community. Through activities as a civic leader and especially his work with the city's youngsters he has made invaluable contributions to the St. Louis community.

The fine qualities of character that Mr. Musial has shown throughout his career should be especially valuable in his new capacity as special consultant in the President's program. Our Government is fortunate to have the services of a man of his abilities.

I am sure that I speak for all Missourians when I express my warmest congratulations to Stan Musial on his appointment as special consultant to the President on physical fitness.

SARGENT SHRIVER TO DIRECT UNCONDITIONAL WAR AGAINST POVERTY

Mr. McGEE. Mr. President, no idea has so enthusiastically caught the imagination of the American public or has so well been translated into reality as that of the Peace Corps. The success of that venture is due in large part to the efforts of its Director, R. Sargent Shriver.

Now the President has given Sargent Shriver a new job—that of organizing the unconditional war against poverty. Just what talents he will bring to that job and the parallels that can be drawn from his Peace Corps experience are set forth in an excellent story published in the Washington Post of February 22.

Mr. President, I ask unanimous consent that the article, written by Eve Edstrom, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASTE ENDS WITH HASTE—SHRIVER THRIVES AMID A CHAOS OF CREATIVITY

(By Eve Edstrom)

In six jammed offices just off Farragut Square, they say it is just like the "good old days"—not enough telephones, typewriters, desks, or secretaries but brainpower is busting out all over.

The "good old days" were just 3 years ago when R. Sargent Shriver created the Peace Corps. And now in similar elbow-to-elbow space at 806 Connecticut Avenue NW., Shriver is masterminding the Nation's crusade against poverty.

To skeptics who view President Johnson's "unconditional war against poverty" as nothing more than a catchy campaign year phrase which won't be translated into meaningful action, Shriver is quick to recall how the Peace Corps was born.

"Look up President Kennedy's San Francisco speech," he says. "The Peace Corps first was mentioned then in just a few sentences."

That happened just before Shriver's brother-in-law, the late John F. Kennedy, was elected President in November 1960. Yet a couple of months later, Shriver, operating in the same shoestring way that he is operating now, had the Peace Corps off and running.

What was berated then as the "Kiddie Corps" turned into the stunning success of the Kennedy administration, earned this Nation a global reputation for goodwill, and continues to be the darling of even the most conservative Members of Congress.

And now the pessimists are at it again. They state the war on poverty will be hardly more than a skirmish, that at best it will be a band-aid program.

But even the harshest critics admit that if one man can achieve Shriver's stated goal—a "practical, manageable, understandable" way to effectively attack poverty—that man is Shriver.

This is not because the Kennedy magic has worn off on Shriver. Shriver has a magic of his own.

"He makes you forget to go to sleep," says Maryann Orlando who, as Shriver's secretary for 16 years, has become used to a round-the-clock schedule.

"It's not just that you want to work hard for Shriver," said Eric Tolmach, the antipoverty information chief who is on loan from the Labor Department.

"He's magnetic—he attracts the best brains and then extracts the best from them."

Around the conference table, Shriver does more than pick brains. He is the one who usually asks the key question—taking thinking from one step to the next, sifting thinking from tried, true, but also tired solutions toward new approaches.

The ability of the 6-foot, 175-pound Shriver to give directions is felt every time he strides into the offices of his borrowed staff. And he does this often—seeking out staff members rather than summoning them to him.

At first blush, Shriver's antipoverty shop appears to be a Tower of Babel. But a visitor actually can see progress being welded out of seeming chaos.

For example, the clatter from the typewriter in the center of one cluttered office may be coming from Michael Harrington, author of "The Other America: Poverty in the United States," and one of Shriver's brainstormers. With briefcase on his lap, Harrington is turning out excellent prose in space which can accommodate only a typewriter table and chair.

At the same time, in the same room—and because Harrington is using the chair—Commerce's Assistant Secretary for Economic Affairs, Richard H. Holton, must stand as he dictates a detailed memorandum to a secretary borrowed from across the hall.

Shriver's top lieutenants in the anti-poverty crusade are Adam Yarmolinsky, special assistant to the Secretary of Defense; Assistant Secretary of Labor Daniel "Pat" Moynihan; Deputy Under Secretary of Agriculture James L. Sundquist, and Frank Mankiewicz, Peace Corps representative for Peru.

Shriver also ranged far from Government seeking practical ideas. One might wonder, for example, why Shriver has discussed poverty with such well-heeled citizens as Daniel Petrie of Avis Rent-a-Car or Charles B. (Tex) Thornton of the Litton Industries or C. Vergil Martin of Carson, Pirie, & Scott Co.

"They have good judgment," says Shriver.

The list of people who have huddled with Shriver is a never-ending one. Governors, mayors, leaders in the civil rights, labor, health, education, and welfare fields all have found a ready listener in Shriver.

In addition, Shriver is making the daily rounds of Cabinet and Capitol Hill officials. He is a master at personally carrying a message to Congress.

When the bill establishing the Peace Corps appeared to be foundering in 1961, Shriver used personal diplomacy to sell the idea. He canvassed Capitol Hill like a precinct worker, initiated a series of breakfasts with small groups of Congressmen, then visited their offices.

A similar sustained Shriver blitz in behalf of the antipoverty program can be expected. And Shriver, as the special Presidential assistant in charge of the poverty war, insists that he can do that full-time job without neglecting his other full-time job as Director of the Peace Corps.

He notes that the Peace Corps has "matured," that he has a number of able men on his staff, and that applications for the Peace Corps are at an alltime high.

Shriver continues to whip up interest in the Peace Corps by making numerous speeches on college campuses and continues to interview potential Peace Corps men.

"It just means that I work a full 7-day week instead of a partial one and that the workday stretches until 10 p.m. instead of 8 p.m.," he said. "You can always find an hour or two more."

Shriver can find the hours because, in the words of a longtime friend, "Sarge just doesn't need sleep."

If he does sleep, he can do so in the most unlikely places. For example, he managed to sleep in a noisy helicopter over Israel during his January trip to the Middle East where he visited Peace Corps volunteers, carried personal messages from President Johnson to heads of state and delivered a Presidential letter to Pope Paul VI in the Holy Land.

It was when Shriver returned from that trip that President Johnson gave him the double-barreled job of running the Peace Corps and fighting the poverty war.

That was Saturday, February 1. On Sunday, February 2, Shriver asked a number of brain trusters to his home near Rockville, Md. He began a series of discussions on poverty which went well past the dinner hour and have continued ever since.

Quite apart from the immediate task of drafting an antipoverty program, these discussions have been considered of value because they have churned up many ideas which have lain dormant in Government offices.

"It will be interesting to note how many new programs included in fiscal 1966 budgets will have had their genesis in these poverty discussions," one of Shriver's aids said.

During the last few weeks, Shriver also has sandwiched in a trip to New York to oversee the awards dinner of the Joseph P. Kennedy, Jr., Foundation of which he is executive director, and a trip to Missouri and Illinois to stump for the Peace Corps.

On Monday, he did cancel a trip to Chicago for the excellent reason that his fourth child and third son was born to Eunice Kennedy Shriver at Georgetown Hospital.

"I would rather be speechless in Washington than in Chicago," he wired his hosts.

Chicago was certain to understand. It was there that Shriver began to earn his reputation as a man who gets things done. From 1948 until he joined the Kennedy administration, he was assistant general manager of the Chicago Merchandise Mart—the largest commercial building in the world—was the youngest school board president of any of the major cities of the United States, and was frequently mentioned as a possible Democratic candidate for the Illinois Governorship.

And now Shriver is being mentioned as a possible 1964 vice-presidential candidate.

Shriver admits he has a tough job. While the Peace Corps was a dream which became a reality, he views the war on poverty as a "nightmare—both for the 35 million Americans who live in poverty and for those who seek the means to eradicate poverty."

But Shriver is not a fellow who likes easy tasks. That is obvious to a first-time visitor to his office. Outside his office door is the message: "Bring me only bad news. Good news weakens me."

Inside the door are these messages:

"There is no place on this club for good losers" and "Nice guys don't win ball games."

If the Shriver magic continues to work, it's possible he may be the nice guy who does win the ball game.

TRIBUTE TO THEODORE C. SORENSEN

Mr. McGEE. Mr. President, the end of this month marks what I sincerely hope will be only a temporary interruption in the public service career of one of this Nation's keenest and most productive minds. I refer to the decision of Theodore C. Sorensen to leave the White House staff in order to write a book about the late John F. Kennedy. No one can object to this decision; we can only wish Mr. Sorensen well and look with anticipation toward the publication of that book.

Mr. President, Theodore Sorensen has combined service to a man and service to a country in the highest tradition of of both. On Sunday, February 23, the Washington Post published an excellent article, written by Carroll Kilpatrick, about Theodore Sorensen and his relationship with President Kennedy. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 23, 1964]

MORE THAN A SPEECH WRITER

(By Carroll Kilpatrick)

"A great President is not the product of his staff but the master of his house," Theodore C. Sorensen wrote last year in his book "Decision-Making in the White House." In the same book, Sorensen said, however, that "a good White House staff can give a President that crucial margin of time, analysis, and judgment that makes an unmanageable problem more manageable."

In those two sentences, Sorensen said about everything that needs to be said about a President and his staff.

Outside Washington, there may be little interest in an official's staff. Here it is recognized that a staff tells not only a great deal about the man who assembled it but also how effective he may be in carrying out his tasks. It is altogether fair to judge a President by the staff he assembles.

When Ted Sorensen leaves the White House this week as Special Counsel to the President to write a book about President Kennedy, he leaves a void that will be inordinately difficult to fill.

To the public Sorensen is known primarily as a speech writer. He was far more than that, and he probably would not have been a successful speech writer if he had not also been a participant in the making and carrying out of policy as well as a man who shared the late President's intellectual interests.

Sorensen was highly effective in the White House because he had played a key role for Mr. Kennedy at almost every point in his 8-year senatorial career. Sorensen had helped put together Senator Kennedy's legislative program. He had helped him write a book, "Profiles in Courage." He had helped devise the strategy for the presidential campaign.

He was present at every crisis of the presidential years. And when they arose, whether over Mississippi or Cuba, the President always turned quickly to Sorensen for advice and counsel and to see that the machinery of government was functioning.

The two men were intellectually and emotionally very much alike. Most of the articles on Sorensen have emphasized that he was a Midwesterner, a Unitarian, a product of the University of Nebraska while John F. Kennedy was a New Englander, a Catholic, a product of Harvard and the son of a multimillionaire.

But these differences were not so important as the feature writers have tried to make out. The President and Sorensen had similar intellectual interests. Each had a love of the English language, a penchant for the apt quotation, a lean style, a sense of history, a deep love of politics and a true wit.

When Sorensen said that "a President is not the product of his staff," he unquestionably had Mr. Kennedy foremost in mind. Some persons mistakenly thought that the President was dependent upon Sorensen for writing ability, for the historical allusion or for the poetry in the Inaugural Address. Sorensen knew better, as his statement about staff made clear.

Each man made it possible for the other to function better, but neither man was dependent on the other. Each would have made his mark without the other.

Some persons thought that the President was a better editor than Sorensen. The latter has said that every speech he ever wrote for the President was really the President's own because the President gave directions for what was to be said, then edited and reedited.

Reporters covering President Kennedy knew that he wrote and rewrote until time to speak, sometimes discarding or adding major sections. Persons who sat at a head table with Mr. Kennedy at a dinner at which he was to speak often must have regarded him as a poor companion; he was too busy rewriting his speech to engage in small talk.

Sorensen always keeps Bartlett's Familiar Quotations by his desk, but the President was as able as Sorensen to find the proper quotation, usually from his own prodigious memory. In the primary campaigns of 1960, Senator Kennedy almost never had a prepared speech before him as he spoke and each speech was new in some way, as though he could not abide hearing himself make the same speech over and over again.

Those speeches were full of quotations from everyone from Bismarck to Thomas Jefferson to St. Paul. Once during the Wisconsin campaign in 1960, I asked Mrs. Kennedy how her husband managed to remember the lines he used so well from history or literature.

She replied that he seemed never to forget anything. "A few days ago I was reading the New Yorker on the plane when I came across a quotation from Bernard Shaw," she said. "I read it to Jack. I wasn't sure he was listening, but two nights later I heard him use it in a speech exactly as I had read it to him."

It has been said that Sorensen, the George Norris liberal, was responsible for Mr. Kennedy's political education. That is a great oversimplification. Here again, two first-rate minds worked on each other.

By late 1952, when Sorensen first met the young man from Massachusetts, John Kennedy had written a very good book called "Why England Slept" that differed radically from the views of his father, who was Ambassador to England during the period covered in the book; he had served three terms in the House and had just been elected to the Senate in the Eisenhower landslide year of 1952. Sorensen was then 24; Mr. Kennedy was 34.

The Senator-elect had two brief interviews with Sorensen. He told him he had been elected on a promise to help rebuild New England industry. "I want you to go to Boston, meet the business and university leaders and help me build a program," the Senator-elect said.

It was a challenge, and Sorensen gladly accepted it. He says that from the very beginning he thought he was working for an exceptional person who ought to become President.

As Mr. Kennedy saw more of the country and learned more about politics and the needs of the people, read more deeply and perhaps listened also to Sorensen, who was a libertarian at heart, he became more of a traditional liberal, though he never liked the world. But anyone with the late President's inquiring mind, willingness to experiment and eagerness for facts would have grown. Sorensen was a contributor to the process without being responsible for it.

And Sorensen grew, too. He learned from the practical politician. In a radio interview last October, Sorensen was asked if he believed that a poor politician could make a good President.

"No, I don't," Sorensen replied, "I used to think that a man who was scholarly and able and talented would make a good President even though he couldn't be elected President—that is, if we could only appoint him, it would be fine.

"I don't believe that any more. It requires in the White House a large amount of the same qualities that it requires in a presidential candidacy—that is, the ability to understand people, and their needs, and to reflect their aspirations, and to win their support behind a program.

"It requires an ability to get along with politicians in the Presidency, just as it does as a candidate, and it requires a good deal of organizational ability and physical stamina merely to survive the primaries and the convention and the campaign. So I think our best Presidents are also our best politicians."

To paraphrase Sorensen, the best staffmen for a President are the men who have shown the organizational ability and the stamina that are required of a staff assistant in a campaign. The best staffmen and the best speechwriters are the men who have shared the intellectual interests, the excitement and the disappointments of the candidate.

Sorensen did all these things. He also argued with his Chief at times, disagreed with him frankly and yet always served him loyally.

Now he is going to write the book President Kennedy wanted to write himself.

"I never planned to write it," Sorensen has said. "He often told me to make a note of this or that for our book. 'Not our book, Mr. President; your book,' I always replied."

Now it is Sorensen's book alone. No one is better prepared to write it.

SPEECH BY COMMISSIONER OF RECLAMATION, FLOYD E. DOMINY, BEFORE WYOMING STATE CONFERENCE OF AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE COMMITTEEMEN AND COUNTY OFFICE MANAGERS

Mr. McGEE. Mr. President, no one in Wyoming should have to have the importance of the Bureau of Reclamation to our State explained to him. Yet, as in so many other instances, it is all too human for us to take for granted the blessings we receive through the concerted efforts of many people and the foresight of Government and citizen working as a team.

Therefore, I was pleased to note an excellent address on the work of the Bureau of Reclamation delivered recently in Casper, Wyo., before the State Conference of Agricultural Stabilization and Conservation Service Committeemen. The speech was given by my good friend, Floyd E. Dominy, Commissioner of the Bureau of Reclamation.

Wyoming is proud that Floyd Dominy got his start in our State, and proud of his continued ties with our land and people. In his speech he spoke not only of the record of accomplishment of the Bureau, but also of those concepts of resource development and conservation of our vital heritage of land and water that have guided the Bureau's efforts to change wasteland into productive cropland.

Mr. President, I ask unanimous consent that Mr. Dominy's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY COMMISSIONER OF RECLAMATION FLOYD E. DOMINY, BEFORE WYOMING STATE CONFERENCE OF AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE COMMITTEEMEN AND COUNTY OFFICE MANAGERS, CASPER, WYO., JANUARY 30, 1964

I was delighted to accept the invitation of your executive director, Jack Asay, to speak at this meeting; it was in this State that my professional career began. During the depression years in Campbell County, I had my first lessons in the importance of resource conservation and development.

My visits to Wyoming are less frequent than I would like them to be because I have a reclamation program in 18 other States to attend to and have project development teams in several foreign countries as well.

The ASCS and the Bureau of Reclamation have much in common. We should have a close relationship and understanding of each other's purposes. Our objectives are the same to the extent that we both have the interests of farmers and economic stability and growth of the Nation at heart. Our mutual aims go even further. One of your programs is designed to bring production of wheat and feed grains into better balance with needs and reduce accumulated surplus stocks.

Whenever the Bureau of Reclamation brings irrigation water to a block of dry farmed land, the farmers can and do diversify from a one-crop operation such as wheat to nonsurplus crops such as forage, vegetables, and seed crops. Reclamation forage crops are an important complement of production in the important livestock industry.

There are numerous historical facts which make the relationship between the Bureau of Reclamation and the State of Wyoming a close one. Long before statehood, the first Wyoming Territorial Assembly in 1869 passed a law prohibiting construction of dams across any running stream which might hinder timber, log, and tie drives. It provided a penalty of $5 per day for each day a dam was allowed to remain after notification that the dam had been declared a nuisance.

Later assemblies, exercising foresight and wisdom, reversed this procedure and made it possible for the State to begin development of its water resources. In 1888, provision was made for appointment of a territorial engineer. The man appointed was Dr. Elwood Mead. On his advice, the 1888 assembly passed a law dedicating "the waters of the territory to the public for use of the people." Dr. Elwood Mead later became Commissioner of Reclamation and served with distinction in that position from 1924 until 1936. Lake Mead, the great reservoir backed up behind Hoover Dam, is named for him.

Next year Wyoming will observe its 75th birthday. It is a matter of considerable pride to me that the Bureau of Reclamation has had a vital part in the development of this State during most of these years. Bureau projects in Wyoming have provided opportunities for livelihood and investments beginning shortly after enactment of the Reclamation Act in 1902.

Our investment in plant, property and equipment located physically within the State totaled $234,635,813 during the period 1903 through 1962.

From sagebrush flats and wasteland, irrigation has transformed the pioneer Shoshone project area into lush, productive farms. Water users on the project are now producing crops on almost 77,000 acres. Since the first crop year in 1908 when the production from 1,500 acres was valued at $16,800, the water users have produced crops having a cumulative value of approximately $115 million. The contribution to farm income from the sales of livestock and livestock products enhances this total considerably.

Another pioneer development, of which we are justly proud, is the North Platte project. On this project, too, first irrigation deliveries were made in 1908. Project works currently can serve 335,000 acres, of which about 28 percent are in Wyoming. Water is delivered to about 2,650 farms which produce gross annual crop values of approximately $22½ million. House of Representatives Committee Print No. 12 (1956), which is a story of the North Platte project, states that the irrigated areas and the towns therein support 27 times as many people, and provide 40 times the income, as do adjacent dryland areas of equivalent size.

I am happy to say to the sportsmen of this area, that we have worked out arrangements for a flow of water downstream from Kortes Dam for this year, which will assure maintenance of the fishery resource. We will continue to seek some reasonable arrangement to maintain it on a permanent basis, without detriment to the primary revenue producing functions. In final analysis the project is reimbursable and this we must keep foremost in mind.

Even the much maligned Riverton project is an asset to the State and to the Nation. From 1925, when first water was made available to one farm, through 1962 the Riverton project has produced crops having a cumulative gross value of over $47 million.

In August 1962, a five-man Wyoming reclamation projects survey team was appointed to study existing and proposed reclamation developments and to make recommendations pertaining to the high altitude and short growing season farmers must contend with in Wyoming. The team consisted of exceptionally well qualified men representing the University of Wyoming, the Wyoming Natural Resource Board, the National Reclamation Association, the Agricultural Research Service, and the Upper Colorado River Commission. Two members of the team have extensive ranching and banking experience in Wyoming.

The team has done an excellent job in evaluating the problems and making specific, constructive recommendations. The comprehensive study by this team has enabled us to recommend legislation which would provide the means to a final solution to problems which have plagued the Riverton project. We are doing everything possible to restore normal operation of the project and to improve its productive capabilities.

But let's not dwell further on what has been done. Instead we must look to the future. It hardly needs to be emphasized to you that limited water supplies in the West, coupled with immense social and economic growth, compel emphasis on multiple-purpose water resource development. Under the most ideal conditions, the time required for completion of requisite feasibility studies, the perfection of a project plan and essential study by Congress is substantial.

There is now an underlying sense of urgency in water resource development which demands that we step up the tempo and shorten the span between project conception and beginning of construction. The pressures of an exploding population, and the importance of keeping our economy growing are among the considerations which make reclamation a matter of great urgency.

There are still some large-scale irrigation possibilities in this State which can be developed through a coordinated, basinwide type approach such as that in the Upper Colorado River. This approach opens the door to development of participating projects in a basin—a door which has been closed heretofore because of the limitations in water users' ability to repay the costs of the irrigation works needed.

Under the storage project, as authorized in 1956, revenues from the sale of power produced at dams, such as Flaming Gorge and Glen Canyon, will be utilized through the basin fund to assist farmers on participating projects in the repayment of irrigation construction costs. Power revenues will pay about 85 percent of the cost of participating project irrigation facilities. With this vital financial assistance, expanded development and use of Wyoming's water resources can proceed.

Construction of several participating projects is underway, including the Seedskadee and Lyman developments in this State. We hope to get the Savery-Pot Hook project authorized in this session of Congress.

Let me elaborate on the current status of the Seedskadee project. Fontenelle Dam is essentially complete, powerplant construction is going forward, but construction of the canal system has been deferred until we can obtain some definite answers from the operation of a development farm. In the Mountain States irrigation often cannot be profitably undertaken independently of a livestock economy; the two must be integrated. The traditional 160-acre single ownership acreage limitation imposed by reclamation law is a related stumbling block in some high altitude agriculture. Congress has relaxed this limitation for selected projects, yet we seek to remain within the concept of an economic-size family farm.

From the Seedskadee development farm, which we are working on now, we will determine the most adaptable water management practices, crop production, livestock handling techniques and their relationship to optimum family size farm units and efficient design of a project distribution system. Land leveling will begin as soon as the frost is out of the ground in the spring and plantings will be initiated in the spring and summer months.

The University of Wyoming will have a primary role in the operation and management of the farm from the time of seeding on through the life of the study. We look forward to utilizing the talents and experiences of the university to the maximum extent practicable.

I have repeatedly used the phrase "large scale irrigation projects" in discussing past and future development in Wyoming. Nevertheless, there is no question in my mind that many smaller projects throughout the State should be undertaken as well.

Water users' organizations in Wyoming, and in other Missouri Basin States, may be overlooking an excellent avenue for developing small irrigation projects which many other States are utilizing. As I have indicated, however, high elevation areas with short growing seasons do have difficulties in repaying total costs and generally need assistance beyond the usual allocations to nonreimbursable functions. The program should be studied, however, for possible application. In 1956, Congress established a small reclamation projects program under which certain types of organizations can obtain loans for small reclamation projects and grants for those portions of the projects that are nonreimbursable as a matter of national policy.

Grants may be made for flood control and fish and wildlife purposes where these are of general public benefit. The portion of the loan attributable to the irrigation of lands held in 160 acres or less in a single ownership is interest free.

The projects must be irrigation projects but may also serve other purposes if these are incidental to the primary development. The purposes may include domestic, industrial, or municipal water supplies and commercial power, as well as the nonreimbursable functions, provided irrigation is the principal purpose of the project.

Furthermore, the loans are available not only for new construction but also for rehabilitation and betterment of existing irrigation systems. I recommend strongly that water users acquaint themselves with the provisions of the Small Reclamation Projects Act. The program has been widely accepted and is providing excellent results in many States. Moreover, legislation has been introduced in Congress which would further improve its workability.

In talking about the remaining water resource development possibilities wherever they may be, in Wyoming or elsewhere, we should look also at what it takes to get them going. There is a tendency toward complacency, of overlooking the fact that our Nation's population will double in about 40 years. Too few people are aware of the tremendous quantities of water which are required for municipal and industrial purposes. You probably know that about 800 tons of water are required to produce 1 ton of alfalfa; 240,000 gallons of water for each 1,000 pounds of processed wool material, but do you know that 320,000 gallons of water are required to produce a ton of aluminum? Six thousand gallons to produce a ton of steel, and 11 barrels of water to produce a barrel of beer?

Regardless of the vantage point from which the situation is viewed it is obvious that we cannot meet our future needs unless a steady pace in water resource development is maintained.

In my 30 years of Federal service, I have consistently held the view that the States should do as much as they possibly can in cooperation with local and private entities and the Federal Government. The State of Wyoming is to be commended for its foresight in contracting with the Bureau of Reclamation for up to 60,000 acre-feet of storage space for municipal and industrial water in Fontenelle Reservoir. This was the first contract we negotiated with a State for the repayment of municipal and industrial water supply costs under the terms of the Water Supply Act of 1958.

You have probably heard, as I have, challenges of the prudence of agricultural use of our water supplies when the prospects for municipal and industrial needs are so great. If beneficial use of water can be made now for agricultural purposes, we should proceed at once to construct the necessary storage and conveyance works but they should be built for maximum possible use for all purposes.

Provisions which recognize preferred uses of water can be made in authorizing legislation and repayment contracts. In this fashion, the development will be there ready to go to work for whatever industry may appear. Planners of industrial installations are usually very reluctant to consider locating in a locality when they find that 3, 4, or more years will be required to develop a suitable water supply.

To a very real degree, the term "reclamation" no longer signifies simply the reclaiming of arid lands; it means reclaiming and expansion of the economy of the West and the Nation. The single ingredient which every segment of the western economy must have for growth and survival is water.

Although the frame and body of reclamation is still irrigation, of no less importance are stable municipal and industrial water supplies. These will insure the economic health of our marketplaces and provide industrial employment opportunities for our labor forces.

Collateral consideration of unquestioned value is the advantageous use of water supplies for revenue-producing hydroelectric power, for the conservation of fish and wildlife, and for the enhancement of recreation. The essentiality of water supply to the economic development of this area has been so clearly demonstrated that the two phenomena cannot be considered separately.

Where there is an adequate supply of water, the economy flourishes and the population grows. Without this resource little can be done to develop either agriculture or industry.

Here in Wyoming, where you have the headwaters of three great river systems, it seems to me doubly important that we should join in a renewed effort to put the water to work. After it leaves your borders, there is no reclaiming it. You should make maximum use of every drop.

LANDMARK LEGISLATION—THE FOOD AND AGRICULTURE ACT OF 1962

Mr. SYMINGTON. Mr. President, in a recent speech before the National Association of Soil Conservation Districts in Kansas City, Mo., Secretary of Agriculture Freeman pointed out that much has happened in resource development under the provisions of the Food and Agriculture Act of 1962 which all Americans can applaud.

With passage of this important measure, the Congress recognized that land had new values beyond the production of food and fiber. As an example, land which once lay idle, is now being converted to the production of grass and timber and to wildlife and recreation uses.

This has meant a great deal to the rural community in terms of an expanding economy—and to the urban and city family in terms of recreation opportunities.

In order to give my colleagues an opportunity to read this excellent speech, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SIGNS OF CHANGE

(Address by Secretary of Agriculture Orville L. Freeman before the National Association of Soil Conservation Districts, Kansas City, Mo., February 4, 1964)

It is a pleasure to meet with you again.

Two years ago I met with you at Philadelphia for the first time as your Secretary of Agriculture. I deeply appreciate the fine cooperation and support I have received from your organization and your president, Marion Monk, during the past 2 years.

Today we meet again as friends, as coworkers in resource development. I recognize many faces in this room. Many of you I met during our series of highly successful land and people conferences.

Since that day in Philadelphia much has happened in resource conservation that all Americans can applaud. I want to cite just a few examples, and to commend and thank this association and you personally for helping to make them possible.

In Cameron Parish, La., Curtis McCain and George Greathouse, cooperators with the Gulf Coast Soil Conservation District, opened an 80-acre farm pond converted from marshland with the assistance of the Soil Conservation Service. They are now getting extra income from what formerly was idle land. People pay a dollar a day for fishing privileges and a small fee for boat rentals. The owners operate a bait stand and refreshment stop, which add to the convenience of the fishermen and the income of the owners. The land grossed almost $30 an acre the first year. Previously it had not produced enough to pay its share of the taxes.

Near Ithaca, N.Y., James Gordon, with assistance from USDA Soil Conservation Service technicians, has opened his one-time livestock farm as an ideal spot for vacationing campers. A former half-acre stock water pond has been converted for swimming. Adjacent to this is a well equipped athletic field. He has 75 campsites for which he charges $2 the first day and $1.50 each additional day. He has built a small store in the barn to supply campers with emergency items and ice.

In Fairfax County, Va., Philip M. Mitchell has converted his 265-acre grain farm into the Bull Run Hunting Preserve. The preserve is open for pheasant hunting 6 months a year. Hunters are charged a fee of $15 which entitles them to two pheasants each. The farm is well stocked with birds. Natural vegetation and fields planted with sorghum in contour strips provide excellent bird cover.

In the State of Washington, Clayton Merry is revamping his 1,040-acre cattle ranch in Chumstick Canyon near Leavenworth to include recreational and wildlife developments ranging from pheasant and fish production to horseback riding and overnight camping.

His conservation plan provides for a bypass and two small dams that also will provide water for fishing ponds. Three ponds on two creeks running through his property will be used as reservoirs and fish ponds for public fishing for a fee. He also is licensed to operate a shooting preserve on 200 acres of his ranch, and plans bird-rearing pens, kennels for boarding hunting dogs, and a clubhouse. In addition he will board and room saddle horses, and will develop campsites and cabins for overnight camping.

In West Virginia, William D. Bailey, a cooperator in the Northern Panhandle Soil Conservation District, has converted his 135 acre dairy farm to a golf course, which opened Memorial Day in 1962.

As many as 250 golfers play the course on weekends and holidays, and from 75 to 125 on weekdays. The Baileys are also developing trails through the 40-acre woods with picnic tables and grills, and two ponds are kept stocked with fish as extra benefits to the golfers and their families.

The Bailey farm barely supported one family prior to converting to recreation. Now it supports three families.

These are but a few example of what is being done by 17,500 district cooperators who, since the passage of the Food and Agriculture Act of 1962, have established one or more income-producing recreation enterprises on their land. Of these, about 2,500 adopted recreation as a primary source of income on 750,000 acres of land. Another 17,500 cooperators have consulted with technicians of the Soil Conservation Service about the possibilities of going into income-producing recreation in some degree.

You can justifiably claim a good bit of credit for what has been done to bring a new source of income to rural America. But I also want to share that credit among some other people.

First, I think the Congress deserves recognition for enacting the legislation which has made much of this possible. Few people appreciate the significance of the Food and Agriculture Act of 1962 and what it means both to the rural community in terms of an expanding economy, and to the urban and city family in terms of recreation opportunities. It is a landmark in resource conservation legislation.

And I also want to pay tribute to some other agencies of the Department, for in this program all of them are participants.

Farmers Home Administration makes credit available to farmers and to nonprofit rural organizations for development of recreation facilities. To date, 139 farm operators and 27 nonprofit associations in 41 States have received $3½ million in loans for recreation development.

Under the pilot cropland conversion program, county ASC farmer committees (with technical assistance for Soil Conservation Service and Forest Service) entered into 5- to 10-year agreements with farmers in 128 counties in 37 States to shift 129,000 acres out of cropland. Of this 8,300 acres went into recreation use and 114,000 acres to grass.

The Department of Agriculture also shared the cost of establishing conservation practices that contribute to recreation and wildlife development through the agricultural conservation program in 1963.

There also has been a good response to the expanded watershed protection and flood prevention program which allows cost sharing on recreation developments in small watershed projects.

The Soil Conservation Service has received proposals for including recreation as a cost-sharing feature in 55 projects in 29 States. The total estimated cost of these developments is about $29 million, divided about equally between Federal and local funds. In addition, 50 watershed projects include fish and wildlife development proposals.

The advances in resource development over the past 2 years are notable because they have occurred in so short a space of time. To me, this is a most encouraging sign that we are beginning to better understand the causes of change in rural America, and to mold change to the advantage of people. I have tried to bring this point into sharper focus in the foreword to the 1963 Yearbook of Agriculture with these words:

"Signs of change are everywhere. We see them in the growth or decline of communities, the building of highways and other facilities, the moving of people to new homes and jobs, the renewal of cities and the growth of suburbs, the enlargement of some farms and the disappearance of others, questions about the place of family farms as a dynamic force in agricultural production, shifts in the uses of land, and changes in our human relationships, institutions, and aspirations of rural and urban America alike.

"All such changes are challenges to direct American energy, American dynamism, American ability, and, yes, American humanitarianism toward a greater fulfillment of the American goal.

"I believe the Federal Government must take a leading part in rural development because of its wide scope. But the work also will require investment capital and the help of commerce and industry. It will require the resources of State and local government. But it can succeed only with the initiative and leadership of local people.

"To the fulfillment of these opportunities, we commit our imagination, technical skills, and powers. Let us not seek tasks to fit our talents. Let us rather pray that our talents fit the obligations before us."

Let me say that in President Johnson we have the kind of President who can stretch his talents and our talents to this job. President Johnson is dedicated to the conservation ideals, for he is a soil and water conservationist by persuasion and by personal participation as well. His roots are deep in the soil. He is a rancher who lives on a ranch and operates two others. All his land is under a basic conservation plan. He is a cooperator with two Texas soil conservation districts.

Lyndon B. Johnson is a long-time friend of agriculture and of soil and water conservation. He proved that time and again as a Member of the House and through his many years as Senator and majority leader and Vice President. The first bill introduced in the Senate to authorize the small watershed program was S. 877.

As President he continues to be a friend of agriculture and conservation and soil conservation districts. He understands your work and believes in it. This administration will do all within our power to support soil and water conservation districts in the crucial days ahead.

The projects and programs I have described thus far emphasize only recreation. But recreation, however, is just one of the new uses that can be found for land that is producing crops which are in overabundance.

Many rural communities have discovered new economic opportunities by growing livestock and timber on land that had been producing crops already in surplus. Soil and water conservation districts have long provided leadership in this field, for shifting land to uses for which it is better suited has always been a basic part of your program. Cooperators in your nearly 3,000 districts are converting about 2.5 million acres of cropland to less intensive uses each year. This land is not being idled. Rather it is being converted to a use for which the soils are better suited—the production of grass and timber and to wildlife and recreation uses.

More than one-fourth of the cropland going permanently to grass is located in the Great Plains where the Great Plains conservation program has helped to speed up this process. To date, nearly 14,000 long-term cost-sharing contracts will convert 1 million acres to grass, or 23 percent of the cropland on these farms and ranches.

Finally, even more concentrated efforts toward land conversion and resource development will be planned in the new resource conservation and development projects, also authorized by the Food and Agriculture Act of 1962. We have received applications for assistance from local sponsors of about 20 of these proposed projects, covering about 30 million acres in 15 States.

R.C. & D. projects are a new approach to assisting rural communities. They are intended to carry out a program of land conservation and land utilization in an area where acceleration of current conservation activities, plus the use of new authorities, will provide additional income and job opportunities to its people.

Until about a month ago there were no funds available for these activities. Pending the availability of funds, I had authorized, in 1963, planning assistance for three projects—one in Indiana, one in Pennsylvania, and one in Minnesota. There are funds available for a total of 10 projects this year and next. I am today, therefore, announcing approval of planning assistance for the other seven new resource conservation and development projects, one each in the States of Georgia, Vermont, New Mexico, South Dakota, Wisconsin, and Oregon and one on land in both Washington and Idaho. I have directed the Soil Conservation Service to give planning assistance to the local sponsors of these 10 R.C. & D. projects. The details of these newly authorized projects are being made available here today.

These new projects represent a major step forward in rural areas development. Some of you will have a prominent role in these C. & D. projects. But are all of you—all 15,000 officials of the nearly 3,000 local districts—ready to participate fully, to assume a position of leadership in rural areas development? Are all of your programs and your ideas in tune with 1964?

At your Philadelphia meeting I offered each district a modernized memorandum of understanding that called for lifting your sights to broadened objectives, to modernize your work programs to fit today's and tomorrow's swiftly changing needs.

Since then about a third of the districts have updated their programs and entered into new agreements with the Department of Agriculture. This is a splendid start, and I commend those who have taken this step and the many others who are working toward it.

These revisions reflect that the job of soil conservation districts has changed greatly since the first one was organized nearly 27 years ago. The greatest changes have come in the past few years. Once you worked almost solely with the individual farmer and rancher, helping him plan and install a conservation program tailored to his land and his needs. That is still a big part of your job, and it will remain so. In the past quarter century, you have built an unchallenged reputation of leadership in soil and water conservation and agricultural land use.

Your challenge today, however, is to move boldly into community wide resource development action, providing the one element that will make rural areas development really work: local initiative and local coordination and direction. I urge you to be in the lead in RAD activities in your home community, for RAD is on the move and it will continue to gain momentum.

Rural areas development is a job you have done for years, for its base is the full development and management of the land and water resource of the community. These resources give us our wealth, the foundation on which to build an improved economy.

So I say to you that you have many real challenges today. Among them are:

1. To get and keep your district program up to date.

2. To participate in the work closely with the RAD committee in every county.

3. To help plan, develop, and sponsor resource conservation and development projects.

4. To go all the way with multipurpose watershed projects—from the idea through planning and installation and operation and management. They create employment, attract new rural industries to reliable water supplies, reduce flood losses, bring new recreational developments around reservoirs, and most important of all—new community pride emerges in improvement and progress.

5. To help in every possible way with the Department's credit and loan programs, especially those directly related to resource development.

6. To participate fully in the program development group activity of the agricultural conservation program in every county.

7. To tie to the cropland conversion program as it develops. It is directly related to your district program by departmental policy.

8. To take full advantage of today's opportunities in urban-rural planning, one of the keystones to RAD. Not all of the conservation problems are farm problems. They extend from the farm fields into the streets and alleys of the county seat. They are rural-urban problems. All are community problems, for natural resources are interlocked and they interact—each is a link in a chain.

9. To encourage greater financial participation in resource conservation by State and local governments. Non-Federal contributions to soil and water conservation districts were about $44 million—about $17 million from local government, $14 million from States, and $11 million from individuals. This is excellent, because it indicates more people are aware of conservation needs than ever before. But that record can and must be improved if we are to move ahead as fast as the needs indicate.

The dimensions of the resource job we face are staggering. Land today has new values beyond the production of food and fiber. It is looked upon as a source of community stability and economic growth, as the development base for new jobs, for recreational opportunities, for living, and working space and other benefits that relate to nonfarm as well as to farm and ranch people.

As you know, a major objective of USDA programs in the past 3 years has been to help improve farm income, to broaden the income base for farmers and ranchers, and to help them shift land that is either unsuited or unneeded for cultivation away from the production of surplus crops.

The Department's land and water conservation efforts which contribute to this are decentralized. They are controlled and managed at the local level by local people—responsible local citizens like the officers of soil and water conservation districts. These are not Federal programs. They are local programs with Federal assistance. We want them to remain that way.

The progress of the past 2 years reflects the wisdom of this approach, and the promise of the future depends on how well you and other leaders move ahead to the job at hand.

When you return home I urge that you make your voice heard, and your leadership felt. You and I know that the big job, the vital job of resource conservation and development, is on the private lands of this Nation. You and I know that this job is not moving along as fast as it should. You and I know that dollars for this purpose are not expenditures but investments. You and I know that the resource conservation and development job on private lands is linked to the welfare and prosperity of all our people and to our future as a nation.

For us to know these things is not enough. Others must know. They must be told by those who know, and understand, and believe, and care.

I will do my part, but the job is largely yours. You are the people. When the people speak, all men listen.

SENATOR BARTLETT SUPPORTS A 12-MILE LIMIT FOR OUR FISHERIES

Mr. GRUENING. Mr. President, on February 19 my able friend and colleague from Alaska [Mr. BARTLETT] discussed the urgency for legislation which would make it unlawful for foreign vessels to fish inside the territorial waters of this Nation.

His bill, S. 1988, which would put teeth into existing law, has been approved by the Senate and is now under consideration in the other body. Senator BARTLETT's testimony at the time was before the House Merchant Marine and Fisheries Committee. His discussion of the situation confronting our fishermen is thorough and thoughtful. I ask unanimous consent that the full text of his remarks be printed in the CONGRESSIONAL RECORD at the close of my remarks.

I am particularly pleased that Senator BARTLETT endorses emphatically action by the United States to extend its present 3-mile fishing limit to 12 miles.

Such an extension is required if we are to harvest our fisheries.

Let me quote directly from the informative statement made by my colleague:

> The United States stands virtually alone as a world fishing power with no jurisdiction over our fisheries beyond the 3-mile limit and with certain knowledge that these extensive coastal fisheries are the target of foreign fishing interests. We find ourselves in this position even while knowing that over 80 percent of the United States catch off our coast is taken within a 12-mile limit. I believe that pressure will continue to grow in support of action by the President to extend jurisdiction over our coastal fishery resources by establishing a 12-mile fishery zone to assure the conservation of this natural wealth. The clear international trend is to recognize the right of any foreign nation that has traditionally fished within the 12-mile zone, and we must make certain that the rights of U.S. fishermen are fully and unconditionally protected in this respect. I sincerely hope that the President can make the necessary arrangements to act and establishes a 12-mile fishery conservation zone off our coast before these resources become traditionally fished by Russia and Cuba or any other foreign nation and are thereby destroyed or lost.

I commend him for his realistic appraisal of a depressing situation which must not be allowed to continue.

On previous occasions I have discussed the defects of our present policy of maintaining a 3-mile territorial water. This policy permits the fishing vessels of other nations to make themselves at home in our waters, gorge themselves with our fish, and sometimes, ironically, to even compound their profits as they sell to U.S. consumers the very product which has been taken from our waters.

The lesson illustrated in the story of the Trojan horse, Mr. President, is repeated every day we allow an archaic policy established during the days of the supremacy of the cannonball to continue unchanged.

My bill, S. 1816, introduced June 28, 1963, would remedy the present situation by extending the territorial waters of the United States for fishing purposes to 12 miles. Today, more than ever before, the need for this action is imperative.

When the United States adopts the 12-mile limit, the provisions of Senator BARTLETT's bill subjecting foreign violators of our territorial waters for fishing to arrest, trial, and penalties would apply equally to these waters, 12 miles wide. Both measures are desirable to protect our fishermen and our fishing industry.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR E. L. (BOB) BARTLETT BEFORE THE HOUSE MERCHANT MARINE AND FISHERIES COMMITTEE ON S. 1988, FEBRUARY 19, 1964

The introduction of this bill, S. 1988, and the need for its early enactment are related directly to the recent appearance of foreign fishing fleets—primarily Russian, Japanese, and more recently Cuban—off the coast of the United States. Five years ago no large foreign fishing fleets operated off the U.S. coast, with the exception of the Bering Sea. The picture has drastically changed since then. Last year there were over 200 large, modern foreign fishing vessels off our Atlantic Coast while at the same time approximately 300 foreign vessels were in Alaska waters, including the Gulf of Alaska, operating along both coasts at times within 15 miles or less of the mainland. Not infrequently foreign fishing vessels strayed within our territorial waters. These water are reserved for the exclusive use of our own fishermen and are subject to the fishery regulations of our States.

Alaska has been the State hardest hit by these violations. During the last 8 months, 16 foreign vessels have been officially sighted by the U.S. Navy or Coast Guard in territorial waters within our 3-mile limit off Alaska. My guess is that there have been numerous unreported instances also. The latest known incident occurred on January 17 of this year, approximately 2 weeks before the four Cuban vessels were found in our territorial waters off Dry Tortugas. The recent Alaska incident involved a Soviet fishing vessel sighted within 2 miles of Attu by a Navy aircraft. Apparently there is something of interest in the area since on the 27th of November last year, the Navy reported a Soviet fishing vessel in the same area, again within 2 miles of our coast. The Navy reported at that time the trawler's actions indicated a willful violation of our territorial waters.

Now we are without defense of any kind.

Today there is no provision in the U.S. law of any kind to prevent effectively fishing in our territorial waters by foreigners. When foreign fishing vessels enter those waters they do so illegally.

But there is no penalty whatsoever—none—which they confront if they violate our national sovereignty 100 times a day by drifting back and forth across the limit of the territorial sea.

The Coast Guard may escort such vessels beyond the 3-mile limit and does when it discovers them too close to our line of coast. But in effect the Coast Guard can only say to the master of the offending ship "please go away."

In law there is no provision for the seizure or forfeiture of these vessels or their cargoes or for any penalties against the officers and crew.

The present law 46 U.S.C. 251 only in the most general and really vague terms gives to U.S. vessels exclusive privilege of fishing up to the limit of our territorial waters by providing that they shall be exclusively for "vessels employed in the coasting trade or fisheries." Actually, the fact is that existing law is so vague that one has no clear meaning of what is intended after reading it. The purpose of S. 1988 is to make it clearly unlawful for any foreign vessels to fish in the U.S. territorial waters or to take Continental Shelf fishery resources which belong to the United States. In addition to making these actions unlawful the bill provides appropriate penalties for violators and establishes the necessary enforcement machinery.

I believe the wording of the bill makes it quite clear that the legislation itself establishes no new claim of jurisdiction. The purpose of the bill is simply to provide for effective enforcement of any claims made by the United States with respect to the scope of its territorial waters and with respect to Continental Shelf fishery resources which belong to the United States. The bill does not define either the territorial waters of the United States or any fishery zone nor does the bill identify what particular fishery resources of the Continental Shelf appertain or belong to the United States. These claims have been established or in the near future will be established by international agreement or by other executive action.

The United States has recognized the 3-mile limit as the scope of its territorial waters since Thomas Jefferson took that position in 1793. If later the United States extends its jurisdiction on the high seas as numerous other nations recently have, the penalties provided in the bill would continue to apply.

There are two possible bases under which the United States may claim fishery resources of the Continental Shelf. The first possible claim is based on the Submerged Lands Act and the Outer Continental Shelf Act of 1953. This legislation extended U.S. jurisdiction over the natural resources of the seabed and subsoil of the Continental Shelf. Natural resources was defined to include marine animals. On the basis of this extension of jurisdiction the President of the United States in March of 1960 issued an executive proclamation, Proclamation No. 3339, claiming jurisdiction over a living coral reef and its associated marine life on the Continental Shelf beyond the 3-mile limit off Florida. The executive has not to my knowledge proceeded pursuant to this legislation to extend the U.S. jurisdiction over any other living resource of the shelf. The wording of the bill, however, is sufficiently broad to prohibit any foreign vessel from taking the marine resources protected by the executive proclamation and will permit a further interpretation of the Outer Continental Shelf Act and the Submerged Lands Act to include additional living resources of the Continental Shelf.

The second basis of claim over resources of the Continental Shelf rests on the Convention of the Continental Shelf signed in Geneva in 1958 as part of the United Nations

Conference on the Law of the Sea. This convention has been ratified by the United States and by 20 other nations. It must be ratified by only one additional nation before it becomes effective. Since legislation is pending in Britain and in Germany to ratify the convention, it would appear that the convention will become effective within the next few months.

On the basis of this convention the United States will gain exclusive jurisdiction over the fishery resources of the Continental Shelf as defined in the convention. Article 2(4) of the convention defines these resources as those living organisms of the sedentary species which at their harvestable stage are immobile or are unable to move except in constant physical contact with the seabed. This I understand very clearly includes oysters, clams, and crawling crabs, such as the Alaska king crab and the dungeness crab. If this bill becomes law and the convention on the Continental Shelf becomes effective, the penalty provision of the bill would apply to any violations of our claims pursuant to the convention as well as claims under the Outer Continental Shelf Lands Act.

The Continental Shelf is that submerged portion of our continent that has been overlapped by the oceans. Along the Atlantic Coast the maximum distance from the shore to the outer edge of the shelf is 250 miles and the average distance is 70 miles. In the Gulf of Mexico the maximum distance is 200 miles and the average is about 93 miles. The area off Alaska is estimated to contain 600,000 square miles, an area almost as large as Alaska itself.

S. 1988 provides that the penalties apply unless otherwise provided by an international agreement or unless a license has been issued by the Secretary of the Treasury after the certification by the Secretary of the Interior and any State affected that such permission was in the national interest. Concern has been expressed over the provision authorizing the Secretary of the Treasury to issue a license with the concurrence of the Secretary of the Interior and any State affected. Although I believe adequate protection is assured by the requirement that both State and Federal officials concur, the committee may wish to look again at the need for this exception and as to the adequacy of the protection afforded.

This legislation is similar to statutes found in other coastal nations. The closest example is the Canadian Coastal Fisheries Protection Act passed in 1953. However, in certain respects S. 1988 is not as severe as the Canadian statute. The penalties in the Canadian act carry a fine of $25,000 or imprisonment for a term of 2 years whereas S. 1988 places a limit of $10,000 fine and imprisonment for 1 year. Only a vessel and the master or other person in charge of the vessel would be subject to the penalty under S. 1988. This is in contrast to the Canadian act which under certain circumstances would impose a penalty upon any person aboard the foreign vessel.

In considering the need for this legislation most fishermen have indicated to me that they were amazed that there is no penalty or provision for the seizure of foreign fishing vessels operating in our territorial waters today. Although I, too, was amazed to learn this fact I believe it is understandable in light of the situation we faced only a few years ago. Two years ago the U.S. fishermen were accustomed to seeing Soviet fishing vessels only in the North Atlantic and in the Bering Sea. But in the summer of 1962 the situation began to change swiftly. During that summer for the first time, Soviet vessels entered the Gulf of Alaska with well over 100 vessels, some of which were engaged intentionally or otherwise in destroying our crab gear close to Kodiak. The Russian fleet continued along the southern coast of Alaska and within 30 miles of Cordova. Later that summer several foreign fishing vessels were sighted as far south as Washington State and Oregon. During that same time, the summer of 1962, a parallel advance was being made in the Atlantic. As many as 160 Soviet vessels were sighted off the Atlantic Coast. The Soviet vessels were reported off the mid-Atlantic States and several moved along the coast of the Carolinas and as far south as Florida.

In the early part of last year our consulate in Vera Cruz reported that several Soviet vessels had been operating in the Gulf of Mexico using the port of Vera Cruz for supplies.

In the summer of 1963 this effort was intensified. By May of last year there were 140 Japanese vessels operating off Alaska primarily along an area 15 to 20 miles north of the Aleutian Islands and from 20 to 60 miles south of Kodiak. In addition there were 40 Russian vessels operating in the Bering Sea and in the Gulf of Alaska.

In June of last year the Japanese fleet of approximately 140 vessels continued their operations. The number of Russian vessels increased to 60, operating primarily off Kodiak and within 40 to 60 miles of Bristol Bay.

By July of last year the Russian fleet had swelled to 230 vessels concentrating approximately 15 to 40 miles off the coast in the Gulf of Alaska. The Japanese fleet remained relatively stable at approximately 100 vessels but there was some indication of a decrease in activity.

Through August and September there were approximately 150 Russian vessels and 100 Japanese vessels operating at times within 15 to 40 miles off Kodiak and in the Gulf of Alaska.

The number of foreign fishing vessels operating off Alaska sharply decreased during the fall but by January of this year, only 1 month ago, there were again over 200 Russian vessels operating near Alaska in the Bering Sea.

I submit this month-by-month account of the situation in order to give to the committee an impression of the degree of intensity of the foreign fishing operations near our coast. I think that it should be emphasized that these vessels concentrate where fish can be taken in substantial quantities. This frequently means along the edge of our Continental Shelf which at times lies very close to our coast.

The size of this operation itself suggests that it would be anticipated that intrusions within our territorial waters would occur. This is particularly true when there are no penalties attached to such intrusions. I have prepared for the committee a list of incidents in which the 16 foreign vessels have been sighted within the territorial waters of Alaska in the past 8 months. I am personally convinced that more will occur this summer, particularly if no legislation is passed to provide any effective deterrent.

I have referred primarily to the situation off Alaska but it is well known that Russian fleets have operated frequently within 15 to 20 miles off Cape Cod on the Atlantic coast and even at times within 4 miles. It has also been confirmed that Cuba through the Swiss Embassy in Havana has recently notified the United States that we can expect an accelerated level of Cuban fishing near our Gulf coast States this summer. If the Cubans have learned to fish from the Russians (and I am convinced they have) I believe the Cubans will fish as close to shore as we permit. Sometimes they will fish closer.

I believe that it would be a misconception if one were to interpret this foreign fishing activity off the United States in isolation. Actually the trend has been to increase substantially the world fishery catch and to improve substantially and modernize fishing vessels.

One of the most obvious examples of this postwar expansion is the Russian fishing industry. The Soviet catch has increased approximately fourfold since 1946. The primary effort in this accelerated program has been to develop a Soviet high seas fishery. The importance given to foreign fishing grounds is due in part to the fact that the Soviet catch in the Baltic, Caspian and Black Seas has substantially decreased and has suffered from excessive exploitation. In 1950 only 40 percent of the Soviet catch was taken on the high seas. By 1962 this figure had reached 80 percent. This Russian accomplishment has been made possible by the construction and operation of modern trawlers and factory ships. The trawlers ranged from 2,400 tons to 3,200 tons with crews of approximately 100 men each. The largest vessels are the Soviet floating canneries and mother ships which have a crew of up to 640. These modern vessels have permitted Russia to take fish in waters throughout the world and have permitted this to be accomplished with the use of rough, high seas tactics. Russian trawlers have recently been involved in serious international incidents off Plymouth and Devon, England; Scotland; Norway; and Alaska. Criticism has been made not only of the rough tactics used but reports were also made that the Soviet trawlers caused a decrease in the resources along the coast.

Primarily as a result of this increased foreign fishing activity, numerous nations within the past 5 years have extended their jurisdiction over fishery resources beyond the traditional 3-mile limit. This has been done frequently by establishing fisheries zones similar in many respects to other contiguous zones recognized by the United States such as those for customs and immigration. At the time the question of the territorial sea was raised at the United Nations Conference in 1958 a majority of coastal nations did not exercise jurisdiction over fisheries beyond their 3-mile limit. Within the past few years the situation has drastically changed.

Well over a majority of coastal nations today exercise jurisdiction over fishery resources beyond the 3-mile limit. Many of the traditional coastal States that have stood in favor of the limited jurisdiction have swung sharply in the other direction. For example Canada made public last year its intention to exercise jurisdiction over a 12-mile fishery zone beginning in May of this year. Last month in London a European fisheries convention agreed to recommend to their governments a new convention which would give to each of the 13 coastal states the exclusive right to fish within a 6-mile zone and to impose its regulations in a further zone between 6 and 12 miles which would remain open only to fishermen who had traditionally fished the area. Those attending the Conference included the United Kingdom, Belgium, Denmark, France, Germany, Iceland, Ireland, Italy, the Netherlands, Norway, Portugal, Spain and Sweden.

The United States stands virtually alone as a world fishing power with no jurisdiction over our fisheries beyond the 3-mile limit and with certain knowledge that these extensive coastal fisheries are the target of foreign fishing interests. We find ourselves in this position even while knowing that over 80 percent of the U.S. catch off our coast is taken within a 12-mile limit. I believe that pressure will continue to grow in support of action by the President to extend jurisdiction over our coastal fishery resources by establishing a 12-mile fishery zone to assure the conservation of this natural wealth. The clear international trend is to recognize the right of any foreign nation that has traditionally fished within the 12-mile zone, and we must make certain that the rights of U.S. fishermen are fully and unconditionally protected in this respect. I sincerely hope that the President can make the necessary arrangements to act and establishes a 12-mile fishery conservation zone off our coast before these resources become traditionally fished by Russia and Cuba or any other foreign nation and are thereby destroyed or lost.

This bill is only a step in the direction of conserving our offshore fishery resources. This type of legislation was passed by other nations similarly situated years ago. This is an essential step if the United States is to begin to meet its obligation to conserve and protect our coastal fishery.

TABLE OF FOREIGN VIOLATIONS OF ALASKAN TERRITORIAL WATERS

(1) Two Soviet trawlers on June 3, 1963, sighted within 3-mile limit near Port Moller.

(2) Two Soviet fishing vessels (one mother ship and one catcher) on June 28, 1963, sighted within territorial waters off Sutwik Island.

(3) One Japanese whaler on July 3, 1963, sighted 1½ miles from Cape Edgecumbe.

(4) Three Japanese whaling vessels on July 10, 1963, sighted within territorial waters off Coronation Island.

(5) Four Soviet whale killer vessels on July 30, 1963, sighted 1½ miles west of Nakchamik Island.

(6) Two Soviet whale killers on August 30, 1963, sighted within 3-mile limit off Adak.

(7) One Soviet trawler on November 27, 1963, sighted 2 miles from Shemya Island.

(8) One Soviet fishing vessel on January 17, 1964, sighted 2 miles off Attu.

THE PRESIDENT'S WAR ON POVERTY NEEDS MORE ACCELERATED PUBLIC WORKS FUNDS

Mr. GRUENING. Mr. President, a thoughtful appraisal of the tax cut bill is found in the current, February 29, issue of the New Republic. It is authored by T.R.B., the pen name of that knowledgeable Washington correspondent, Richard L. Strout.

He points out—and this is in accord with my for sometime reiterated remarks on the floor—that the tax cut bill we have enacted will not appreciably reduce unemployment; that indeed by promoting modernizing of factories and thus automation, may actually increase unemployment.

The article urges, as I have, that what is needed are "job-rich" projects, of which he lists several categories. First, and foremost of these, I believe, is accelerated public works whose inadequate $900 million appropriation has long since been exhausted. A year ago I introduced a bill which would authorize an additional $3 billion. Subsequently the distinguished chairman of the Public Works Committee introduced a bill for $1.5 billion. Neither increase has been acted upon. Although it has been known for nearly a year that the funds for accelerated public works have run dry, over $700 million of excellent projects have been approved and are ready to go.

President Johnson's declared war on poverty—which is virtually synonymous with unemployment—an action on his part which should have the militant support of every American, could have no better sendoff than the enactment of one of the pending measures to provide funds for accelerated public works, legislation which has amply demonstrated its value and its effectiveness in putting people to work at the same time that it supplies communities with worthwhile needed projects. Indeed without such action and other similar action the President's wisely declared war on poverty will not be won.

Hearings authorized by the Chairman of the Senate Public Works Committee, Senator McNAMARA, have been held under the able chairmanship of Senator JENNINGS RANDOLPH of West Virginia. Testimony has been received from State Governors and other State officials, county and municipal officials, and citizens in private life. It forms an impressive record of the need and urgency for this legislation. I urge the President promptly to give it his unqualified support.

And I ask unanimous consent that T.R.B.'s article from the New Republic be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WAR ON POVERTY

[From the New Republic, Feb. 29, 1964]

The original Kennedy tax bill was a sweetly proportioned economists' dreamboat. It was full of reforms, i.e., it closed loopholes. (These are mostly dropped.) It proposed $4.9 billion offsets to tax cuts. (Offsets are reduced to $800 million.) It proposed a smooth, two-stage stimulus. (Congress has concentrated most of the relief into one big bounce this year.) Again, J.F.K. asked for speed. (Congress took a year and a half.)

The tax cut was exciting because for the first time we tried to abort a threatened recession before it happened; it was an economic pep pill wrapped in a deliberate deficit. This was revolutionary. The Reader's Digest-Eisenhower economic school will never be quite the same again. The world has moved. But deary me, what a price Congress has extorted.

To begin with: speed. While Congress fiddled, the British parliament, in April, darted in and out again with an equivalent tax cut that has been successful. We dragged it drearily out. One asks whether our Government is nimble enough to achieve economic balance or can it only act after the emergency has appeared?

Most serious fault is in the who-gets-what. We think this is a rich man's tax cut. We fear it won't cut unemployment much because it tries to fertilize the economic plant at the top, not the roots.

You can skip this, if you hate figures; but here is the score as we see it: In 1962 the Treasury gave corporations a preliminary $2 billion tax cut. Now it gives them $2.2 billion more, a total of $4.2 billion. This money will go into great new factories and labor-saving machines (while the saved labor goes on the dole) although some 15 percent of existing factories are idle.

More valuable for the economy, the tax bill also gives some $9 billion relief to individuals. Fine. But who gets what? From this total of about $9 billion for individuals, the poor man gets no relief. The grateful $3,000-a-year man, 2 percent; the $7,500-a-year man, 2.1 percent; the affluent $100,000-a-year man gets 8.3 percent and the rich $200,000-a-year man, 16 percent. And so on.

We figure that the well-to-do ($10,000 or over) constitute 13 percent of the population but that they get 33 percent of this cut. Maybe that's necessary. The trouble economically is that whereas the poor man spends his increase right away and thereby irrigates the economy, the wealthy man tends to invest a good chunk of his. Where does it go? Well, it goes into Wall Street, perhaps, to bid up the shares of General Motors stock; in other words into more plant and more automated machinery. It adds to the $4.2 billion for corporate investment which we already mentioned above.

The irony is that President Johnson is simultaneously launching an attack on poverty. The shadow that lies over America's economy is unemployment—poverty—call it what you will. A better distribution of this big tax cut would have got the money down where it counts, consumption rather than investment. Better still, in retrospect, we could have spent this same amount of Treasury deficit in the desperately starved public sector: job-rich public housing, for example, urban renewal, mass transportation, schools, and the like. What we see is an election year boom ahead; but one that may not last long because the tax cut stimulus is going to the wrong places and the wrong people.

HARTKE COLLEGE STUDENT AID BILL

Mr. HARTKE. Mr. President, on February 3, just before the beginning of the tax bill discussion concerning Senator RIBICOFF's amendment to give tax credit for the expenses of college students, I offered a bill dealing in broad fashion with the problems of financial aid to students in higher education.

Even though the tax bill has now gone to its final stage of consideration and the Ribicoff amendment is not a part of it, I am sure there is still a volume of mail arriving in the offices of many of the Members pleading for help or relief of some sort from the burdens of college costs. At the time of its introduction, S. 2490 was promised an early schedule of hearings by the Senator from Oregon as chairman of the Education Subcommittee. He has kept his word, and the first such hearing was held on February 20.

Mr. President, because there was not sufficient opportunity in the midst of the tax bill discussion to present fully the reasons for my offering at that time an alternative approach to the Ribicoff tax credit amendment, and because the subject of aid to students in higher education is one over which there is increasingly great concern throughout the country, in order that Members may have the benefit of a fuller exposition of the ways in which the Hartke bill will meet the rising demand, I ask unanimous consent for insertion in the RECORD of the testimony which I presented before the Subcommittee on Education concerning this bill, and also a table showing the loan plan to students.

There being no objection, the statement and table were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR VANCE HARTKE CONCERNING THE HIGHER EDUCATION STUDENT ASSISTANCE ACT OF 1965, S. 2490, INTRODUCED BY SENATOR HARTKE ON FEBRUARY 3, 1964, TO THE EDUCATION SUBCOMMITTEE OF THE SENATE LABOR AND PUBLIC WELFARE COMMITTEE, FEBRUARY 20, 1964

Mr. Chairman, I would like to begin my statement in support of S. 2490, the Higher Education Student Assistance Act of 1965 which I introduced on February 3, 1964, by quoting from President Kennedy's statement to the Congress in his message on education dated January 29, 1963. He said:

"Our present American educational system was founded on the principle that opportunity for education in this country should be available to all—not merely to those who have the ability to pay. * * * Now a veritable tidal wave of students is advancing inexorably on our institutions of higher education, where the annual costs per student are several times as high as the cost of a high school education, and where the costs must be borne in large part by the student or his parents. * * * Well over half of all parents with school age children expect them to attend college. But only one-third do so. Some 40 percent of those who enter college do not graduate, and only a small number continue into graduate and professional study. The lack of adequate aid to students plays a large part in this disturbing record."

President Kennedy went on to speak of the objective of Federal legislation in this area, saying that "it has not fulfilled its original objective of assuring that no student of ability will be denied an opportunity for higher education because of financial need."

It is that which the present bill seeks to do, to provide through four separate approaches means whereby we may fulfill the responsibility of this Nation to assure that "no student of ability will be denied an opportunity for higher education because of financial need." It will do this though expansion of the National Defense Education Act student loan program; through a new program of providing guarantees for student loans obtained through non-Government sources; through a Federal scholarship program; and through a work-study program of self-help to the student which will also be helpful to the institutions. In this, I agree with Commissioner Francis Keppel of the Office of Education, when he said to this committee last June 25, "the best way to think about this problem of financial aid at the college level is in terms of a combination of ways of going about it. No single method would seem to me to be suitable to every student."[1] As he went on to say, we need "a package approach" for solution of the student's financial problem, and he specified the elements of this bill—namely, "scholarship aid," "loans," "and finally, work," adding that "it is this combination that makes sense to me."

It is my intention today, first, to review quickly some of the salient facts about the need for increased higher education as a necessity for our national welfare; second, to point out again, as has been done before this committee on other occasions, the loss of potential national leadership sustained because of the financial difficulties faced by today's college students and their parents; and then to speak of the specific effects of this bill toward achieving that major goal of assuring "that no student of ability will be denied an opportunity for higher education because of financial need."

THE CHANGING JOB MIX

From the standpoint of the national interest, the education of our youth to their fullest potential cannot be separated from the need we have for that education. As long ago as 1960 the U.S. Department of Labor's Bureau of Labor Statistics made some startling estimates concerning the changing "job mix" which is occurring during this decade. The essential fact is that:

(1) Farm labor is decreasing absolutely by one-sixth in this decade despite the increase in population.

(2) In absolute numbers, unskilled jobs are remaining stationary.

(3) Semiskilled jobs in blue-collar work are increasing at a rate lower than the work force increase, or about 18 percent between 1960 and 1970.

(4) Skilled workers, such as craftsmen, foremen, and the like will increase by 24 percent, slightly more than the expected 20-percent gain in the work force.

(5) Proprietors, managers, and officials will increase at the same 24-percent rate.

(6) Clerical and sales forces will go up slightly faster, by 27 percent. But—and this is the most significant factor for us here—

(7) A 41-percent increase is expected in professional and technical occupations, a growth rate more than double that of the labor force as a whole.[2]

We are already seeing the effects of this change in the job mix in the shortage of qualified professional and technical people, for whom advertisements in the classified sections of newspapers in every major city are crying most strenuously while at the same time there are increasing numbers of unemployed among the unskilled and semiskilled. It is because of our great need for supporting technicals as well as professionals that this bill calls for broadening of the National Defense Education Act loan authority to non-degree-granting schools, such as technological institutes, which provide supportive personnel in these crucial areas although they are not 4-year colleges.

EDUCATION AS INVESTMENT

One writer has put the case for Federal support of higher education in its strictly economic aspects about as succinctly as it can be done when he says, "The most fundamental economic argument is simply that the intellect of the young is an essential natural resource that must be developed and used to the fullest if the Nation is to maximize satisfactions for the citizenry. In this economic sense higher education becomes a process that produces capital in the form of improved intellectual equipment for future service in the society."[3]

This concept of educational potential as a national resource is one which has been slow to develop, but one which we are increasingly accepting in this Nation as we strengthen the educational process through increased Federal support in recent years. It is time that we accepted it fully rather than tentatively, making a much increased effort to develop systematically this natural resource. As the same writer puts it, "The Federal Government must concern itself with higher education because the products of education are essential to the Nation's growth and well-being. It has to be recognized that the returns from investment in education accrue not only to the individual but also to the Nation of which he is a part. In effect, the social benefits from education exceed the private benefits—another reason why complete reliance cannot be placed on the free market allocation of resources to education."[4]

In order to secure public understanding of this undeniable fact, we need to educate our citizens away from the popular view of education as a cost and a burden to the public, since in reality it is an investment with dividends which are handsome both to the individual and to the Nation.

Dr. T. W. Schultz of the University of Chicago has calculated that for each dollar spent in all education there is a return of 17 cents each year. Certainly a 17-percent return is a rate which would find a rush of investors if it were on a private-profit basis. I will not attempt to outline the intangible economic benefits associated for the Nation with improved education, which include reduction of poverty and reduction of crime, the unpredictable but real addition to profitable ideas developed by the educated in both an economic and a social sense, and the improvement of race relations, which all evidence shows has a positive correlation with educational attainment for both races.

But I do want to refer to a 1961 study of average incomes for males aged 25 to 64, which shows increasingly high returns for added years of schooling at the level of individual income—which presumably measures to some extent also added value to society. Those who had completed the eighth grade earned $4,750 in 1961, a sum $1,267 greater than the $3,493 earned by grade school dropouts.

The high school graduate's average income in 1961 jumped another $1.352 above the eighth-grade graduate to $6,102. But the biggest gain came in the added earnings of the college graduate over the high school graduate. The college graduate's income in 1961 averaged more than 50 percent above that of the high school graduate, shooting up to $9.530. It is not a coincidence that the 20 percent who attended college hold more than 70 percent of the jobs that pay above $5,000 per year.[5]

THE STUDENT AND COLLEGE COSTS

Evidence previously presented to this committee[6] shows that college enrollment of first-time students first passed the million mark in the fall of 1961, when total enrollment was less than 4 million. It is expected that next year the total will top 5 million for the first time, and indeed is estimated at 5,257,000. But despite the dramatic increase in college attendance, there is a great loss of potential college-qualified youth to the overcrowded job market at lower levels simply because college costs have also spiraled. Let me remind you of the testimony of Dr. Keppel before you last June 25, when he pointed out that the cost of attending college in public institutions has risen from a low of $730 in 1930 to $1,480 today and a projected $2,400 in 1980, with the 1962–63 average direct cost in private institutions already reaching $2,240.

"Comparison of these average costs with the current annual median family income of $5,700," said Dr. Keppel, "indicates immediately that a college education represents an extremely large outlay for most American families. As a major item of expenditure it is second only to the purchase of a home." The burden is particularly heavy in the case of a family with several children. If there are three children each 2 years apart in age and schooling, if each enters college immediately upon concluding high school, there will be 8 years of these high costs without a break, and during two of those years the doubled cost of two in college at one time. All of us know such cases, and some of us have experienced them or can expect to shortly, as in my own case. At the figure cited for a public institution, the total becomes nearly $18,000 spread over only 8 years; at a private institution, it would be nearly $27,000. And this does not take account of the projected rise in college costs.

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[1] Education Legislation Hearings, 1963, vol. V, p. 2486.

[2] Address of Louis F. Buckley, then New York Regional Director, Bureau of Labor Statistics, before the Catholic Economic Association, St. Louis, Dec. 28, 1960.

[3] Roy E. Moor, "The Federal Government Role in Higher Education," in Economics of Higher Education, U.S. Department of Health, Education, and Welfare, 1962, p. 208.

[4] Ibid., p. 209.

[5] All figures of last 3 paragraphs drawn from "People, Jobs and Growth" by Prof. Arthur Mauch (University of Michigan) in Banking, the American Bankers' Association publication, for February 1964.

[6] Education legislation 1963, hearings. V, exhibit 11, pp. 2411–2412.

What is the effect in loss of potential talent for the well-educated leadership of the Nation? Dr. Keppel continues:

"It is no wonder, then, that each year between 100,000 and 200,000 able high school graduates who have high aptitude and interest for college fail to continue their education, many because of financial inability to do so. According to the 1962 findings of the Office of Education-financed Project Talent, 30 percent of the high school seniors in the 80 to 90 academic percentile of their class and 43 percent of those in the 70 to 80 percentile failed to enter college.

"Moreover, enrollment figures indicate that approximately 40 percent of all students who begin college withdraw before graduation. Many of these are talented but leave college because of financial hardships. Surely this is an intolerable loss to the Nation of urgently needed college-trained manpower. In the case of every American youngster with college capabilities who is denied the opportunity of starting or completing a college education we not only limit the individual opportunities which come with greater education, but we also retard our scientific advance, slow our economic growth, and deplete our reservoir of future leadership." [7]

The relationship of education to employment has been stressed many times in the past before this committee. Unemployment and all its concomitant miseries are a festering problem of the American economy. We will serve the national interest well if we can, by education, transfer some of the capable but financially unable from the potentially unemployed to the ranks of those for whom, because of full training, there is no lack of work. A recent Michigan State University study has shown that between 1952 and 1960 the rate of unemployment among those with less than a high school education increased by 13 percent. But in the same period, unemployment rates among college graduates dropped by 36 percent.

The demand, and the necessity, for college graduates is increasing. The bill before us for consideration is therefore a necessity for the fullest development of our greatest remaining "natural resource," the talents of those whose ability is great but whose financial circumstances are limited.

In the February issue of the journal of the American Bankers' Association, Banking, Prof. Arthur Mauch discusses "People, Jobs, and Growth." I would like to quote from this article, appearing as it does in a publication speaking to and for what is considered an economically conservative segment of the community. Speaking to the Nation's bankers in their own journal, he says, "If financing of education is to be adequate, the public must accept the fact that such support is an investment that brings high returns and that we can afford to make the investment—indeed that we can ill afford not to."

Professor Mauch continues, "Our gross national product is in the neighborhood of $600 billion a year. If we credited the effects of education to only 10 percent of this, instead of the 20 percent or more than studies indicate would be justified, it would not seem out of line to invest up to $60 billion. Only about $25 billion, or less than 5 percent, is being spent by educational institutions from kindergarten through university, both public and private."

I quote one further paragraph: "The most able students should have an opportunity for education beyond high school. Unfortunately academic ability of the student and financial status of the parent do not always coincide. College costs are rising. Unless loans or scholarships are provided, a valuable resource will be wasted."

In line with Dr. Keppel's concept of a "package" to which I referred earlier, the bill which I have introduced will offer a means, far better than some which have been suggested and which do depend to a considerable extent on the coincidence of student ability and parental financial status, at least with respect to the income tax. In the combination of loans with government guarantee, outright scholarships for the most able students without resources, and course-related paid work programs there is some feature available for everyone capable of maintaining acceptable college academic standards, as I shall show.

First, however, before turning to the specific provisions of the bill, I want to speak not only about the economic benefits, as I have been doing, but also about the economic needs of the students and the degree of loss the Nation suffers by their financial disabilities.

These are the young people that the package in my bill is designed to help—"every American youngster with college capabilities" now retarded in his educational effort by financial lacks. The problem is not entirely that of the lowest income segment, although that is often automatically the group to whom college opportunity is financially denied. For example, the Educational Testing Service has found that among the highest 10 percent of public high school seniors, by aptitude test, 30 percent of those graduating in 1955 did not go on to college. For these, based on high merit, the bill would make available scholarship funds, which might be supplemented with loans and/or work.

But there is a need for relief from the high costs, from the burden of college education's price tag for the middle income family as well. Here it is often possible for the first year of two of college costs to be financed by planned savings. But for the college-capable of only average grades, there are not presently, and probably will not be, scholarships; and perhaps, on the principle of an educational means test of the sort now employed by the many schools affiliated with the College Scholarship Service, there should not be. But the burden is still there. My bill will benefit particularly this group through the opportunities afforded for vastly increased commercial loans for college education which the guarantee of their repayment by the Federal Government, much as we now guarantee FHA loans for housing, will stimulate. The truly upper income group, for whom the benefits would be largest under a tax credit plan, do not have this problem in the same degree; they already have resources or borrowing power with which to meet the need.

I turn now to the provisions of the bill itself.

STUDENT LOANS

In some respects the opportunity to borrow money as an investment in his future career may be of greater value to the student than the opportunity for scholarships. There are many very capable people, future leaders who do not have or do not acquire the high degree of academic proficiency which could win them a scholarship on the basis of grades or other such merit tests. Yet they can, and should profit by the college education they may secure if finances permit. Here, as in the whole of this bill's total package, the emphasis is not a regressive backward look to the ability of the parents to earn enough to secure a tax credit, but on a progressive forward look to the ability of the student himself to earn the means to repay the loans granted to him.

Two of the four parts of this bill deal with loans. The first, the expansion of National Defense Education Act funds and the extension of new borrowing beyond June 30, 1965, requires participation in the loan by the institution, which puts up $1 out of every $10 of the amount loaned to the student. Because the loans are under the direction of the institution, there is a close scrutiny of the need and an effort to place the money where it will be the most valuable in its effect. The result is a considerable emphasis on the most severe need.

But the second loan provision, that for guarantees of commercial loans, will open the door to the middle-income family and the student who has their backing for the securing of help with less regard to severe need. In many cases, it may not make a final difference in the ability of the student to go to college but it may make a vital difference in the financial situation of the family. Essentially, too, it shifts the focus from the family to the individual, who in most cases would be the responsible borrower although the family might be the cosigner and responsible secondarily. Now all too often the only way a student can secure a commercial loan is through the security his family can provide, such as a mortgage on the family home. The two are not duplicating each other, but are complementary to each other.

NATIONAL DEFENSE EDUCATION ACT LOANS

The National Defense Education Act amendments embodied in Public Law 88–210, part B, provided for $135 million in fiscal 1965 and such sums as may be necessary in the following 3 fiscal years for students holding prior loans. It also raised the loan ceiling per institution from $250,000 to $800,000. Under it new money authorization ends June 30, 1965.

The success of the National Defense Education loan system is undoubted. One thousand four hundred and sixty-eight institutions participated in fiscal 1962, when they added nearly $7.4 million of their own funds to the almost $90 million provided by the Federal funds authorized. The cumulative total by June 30, 1962, was nearly $225 million advanced to students, with a loss of only $700. With average loans of about $470, aid had been given to 327,000 undergraduates and more than 36,000 graduate students.

According to a survey of students borrowing in fiscal 1961, 9 out of 10 were dependent on availability of a student loan to begin or continue in college. Two out of every five came from families with annual incomes below $4,000, and five out of seven from families with less than $6,000. Nearly a third were financing their expenses entirely from nonfamily sources—loans, scholarships, and part-time work; 8 out of 10 got more than half their funds in such a manner. Of further significance, 74 percent had brothers and sisters of college age or younger.[8]

These facts indicate the great extent of the need for student loans, a need which the National Defense Education Act program has never been able to satisfy. The growing demand is indicated by the fact that with a $250,000 limitation on the amount available to any one institution, 34 colleges and universities requested more than that limit in fiscal 1961. Requests over the limit rose to 102 in fiscal 1962, and to 123 institutions in the 1963–64 year. Even though the ceiling has now been lifted to $800,000, the 1963 requests included three beyond even that sum and four more in excess of $700,000. The present bill does not set any such arbitrary limitation, which tends to penalize the student attending the largest schools by making loans unavailable even though the college is willing to put up its share of the fund. The University of Minnesota, for example, as the one with the largest request asked for $1,017,000 for loans to 1,607 students at an average of $478 in 1963–64.[9]

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[7] Ibid., pp. 2353–2354.

[8] Senate Subcommittee Hearings, Education Legislation, 1963, vol. VI, p. 3285.

While the new National Defense Education Act amendments provide $135 million for fiscal 1964, the new bill would lift this to $200 million and would authorize also the amount of $250 million each for 2 years beyond that, plus the sums necessary in the following 4 years to carry students with prior loans. I do not believe we can afford to close out this program as the present law would do, but that it needs to be enlarged.

Further enlargement would be accomplished by extending loan preference not only to prospective elementary and secondary school teachers, but also to college and university teachers. It would also increase the annual loan limit for undergraduates from $1,000 to $1,500 and to $2,500 for graduate or professional students with total limitations of $7,500 for undergraduates and $10,000 for graduates.

In addition, and perhaps this is the most important change in the National Defense Education Act loan program, there is a new definition of institutional eligibility. In addition to institutions awarding a bachelor's degree, there would also be eligible junior colleges and technical schools offering at least a 2-year program requiring high school graduation for admission. These must be accredited by a nationally recognized accrediting agency on a list to be published by the Commissioner, or in some instance by an advisory committee if there is no proper agency. Here we are attempting to meet the need for technical personnel and to avoid the present discrimination against the junior college or communitiy college type of institution.

LOAN INSURANCE PROGRAM

For the moment I shall skip the undergraduate scholarship program in order to consider with you the loan insurance provisions of part C. For the most part, I am sure you are familiar with this, which appears with slight change in this version substantially as it does in S. 580, on which you have held hearings. The major change from that bill is in the doubling of the total amount authorized as insurable and in the doubling of the revolving insurance fund from $500,000 to $1 million.

While the bill would not be complete without all its parts, it is probable that for the small sum of investment needed to put such a program into effect, the results here would be the most valuable as a stimulant to what might be called the private sector of the college education economy. It would vastly expand loan funds available to students, since it would give that added measure of guarantee against loss which would release many sources of funds by those who now rightly feel that an unsecured loan to a student is too great a risk for their situation. This would, of course, include regular banking institutions, but it might conceivably make it possible for colleges and universities to invest some of their own endowment funds in the education of their students rather than in stocks and bonds.

Nowhere have I seen a better indication of the deep and urgent need for such a program than in the publication of the Credit Union National Association (CUNA), the Credit Union magazine, for May 1963. I should like to include at the end of my testimony as an exhibit two pages of tabulations which appear there stating the conditions under which education loans may be secured from some of the rapidly expanding State student loan guarantee corporations, most of them publicly financed; through United Student Aid Funds, Inc., which has headquarters in Indianapolis and guarantees bank loans in some 30 States where the plan has been endorsed by the State bankers association; the plans of a number of large banks; and those of the subsidiaries of two finance companies. One of the most arresting features of this tabulation is the calculation of the true interest rate, which appears in a separate column.

The great need for student loans is indicated by the rapid development of the State plans, of which the Massachusetts Higher Education Assistance Corp., privately financed by contributions from businesses, individuals, and charitable foundations was the first, beginning in 1956. Incidentally, by 1962 this plan had loaned about $6 million to nearly 13,000 students with default by only 56 involving a total of just over $24,000. The New Jersey Higher Education Assistance Corp. in its first 2 years guaranteed $600,000 in loans to over 1,000 students with only 1 default, which was a result of death. This is a good indication that student loans even though unsecured are actually good risks if properly handled.[10]

While interest under these plans ranges from 3 percent in Wisconsin to 6 percent in some States, the tabulation shows that student loan plans sponsored by individual large banks run to a true interest rate ranging around 11 to 12 percent. But the shocking development, one which shows the strength of the demand for commercial loans at even the most highly unfavorable rates, is the way in which the largest finance companies have moved into the field with their own incorporated high-rate plans, plans which in many cases are trusted by the borrowers and unknowingly recommended by college authorities without realization of their ownership or usurious terms. One of these is Education Funds, Inc., of Providence, R.I., a subsidiary of Household Finance Corp. As the chart shows, under its three repayment plans, with loans ranging up to $14,000, the equivalent interest rate runs to approximately 26, 36, and 55 percent.

The Credit Union magazine article has more details about the operations of one of the best known plans, operating throughout the country, the Tuition Plan, Inc., of New York, a subsidiary of C.I.T. Financial Corp. Under their 40-month repayment plan the effective interest rate is an unbelievable 60.02 percent. Here is the article's description of how this is done:

"The tuition plan will furnish a student $500 a semester for eight semesters in return for a fixed service charge of $240, paid at the rate of $106 a month for 40 months beginning a month after the first advance. Instead of being a repay-as-you-go plan, it soon evolves into a prepayment plan which indicates the parent is either paying the company to hold his money instead of vice-versa, or he is paying a huge amount of money on some very small advances.

"In effect, the parent repays $530 on a $500 advance during each of the first 2 semesters and then prepays $212 before the start of the third semester. This means the third advance is only $288 plus the $212 which has been prepaid. By the beginning of the third year, the parent is given $424 of his own money back and a $76 advance to equal the $500. Still the monthly payments of $106 continue until the parent receives no more advances but is given back his own money to pay the expenses for the final two semesters of college. The service charge as applied to this plan is comparable to a true annual interest rate of 60.02 percent."

There can be no question of the need for more favorable terms for commercial student loans, in the light of such situations as this which apparently find enough need from borrowers to make them operable. My bill would allow borrowing to be insured up to $2,000 in 1 year, with a $10,000 ceiling on the total, with the fund liable for no more than 90 percent of the unpaid balance and interest in case of default. The loan would go to the student himself, who must be a full-time attendant under the institution's rules and in good academic standing. If the borrower is a minor, endorsement may be required. Repayment may extend over a 10-year period and normally would begin 1 year after completion of schooling. Interest would be within a maximum prescribed by the commissioner, and most probably would be 6 percent, with the one-fourth of 1 percent charged for the guarantee service included. This would be paid by the loaning institution.

One difference from the provisions of S. 580 is the incorporation of a new section allowing the commissioner to issue a comprehensive insurance coverage certificate to any eligible lender, eliminating the need for a separate certificate on each individual loan.

Mr. Chairman, a provision of this kind has been talked about for several years. A bill to provide for student loan insurance was introduced into the Senate by our present President, then Senator Lyndon Johnson, as long ago as September 14, 1959, in the bill S. 2710 of the 86th Congress. President Kennedy's message to which I referred at the beginning of my remarks called for enactment of such a provision in these words: "I recommend that the Congress enact legislation to * * * authorize a supplementary new program of Federal insurance for commercial loans made by banks and other institutions to college students for educational purposes."

I made such a proposal in the 87th Congress, and renewed it in the present Congress with my separate bill, S. 1115, which was a narrower concept than the one now before us. The need is very great, the cost is very small, and the amount of benefit for the surging numbers of youth who need aid of this sort is almost incalculable. I have no doubt, however, that once in operation it may very well serve many more than the 110,000 it is estimated would be aided by it each year after its initial beginning in 1965.

UNDERGRADUATE SCHOLARSHIPS

There is no further need here to argue the desirability of college scholarships in order to benefit the Nation by assisting the academically capable but financially incapable student, whose waste of potential talent is robbing the Nation of this great "natural resource." Senator RIBICOFF, then Secretary of Health, Education, and Welfare, in 1961 stated before this committee in one paragraph the basic need for Federal scholarships. His testimony on the bill S. 1241 of that year, which proposed a scholarship program by the Government, is equally applicable today to the bill before us:

"The proposed plan of scholarships would implement the efforts already begun under the National Defense Education Act to assist the States and high schools in their programs for the early identification and motivation of talented youth through improved counseling services. It would provide for a national talent search, to be conducted on a partnership basis by the Federal Government and the States, to discover, encourage, and assist significant numbers of students of high ability who otherwise might be unable to enter college. It is designed to stimulate and supplement rather than to supplant or discourage additional scholarship assistance by the States, corporations, voluntary groups, and other private sources. Actually, the seriousness and size of the problem of erosion of talent warrants vigorous participation by all sectors, public and private, of our society in its solution.[11]

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[9] Ibid., Vol. V., p. 2397.

[10] Elmer D. West, "Financial Aid to the Undergraduate," American Council on Education, 1963; p. 41.

It is estimated that this fall 1.2 million students will enter college as freshmen. At the same time, a study of more than 300,000 applicants in the National Merit Scholarship Competition in 1958–59 showed that about 10 percent of those qualifying for college in the upper 30 percent of the group did not enter college most often for lack of finances. On this basis, 10 percent of the 1.2 million figure will be about the number left behind for financial reasons, or 120,000 students.[12]

My bill, which would provide an average $750 scholarship and a $1,000 annual maximum, does not begin to meet the need, since it would provide for only 50,000 new students each year for 4 years, while continuing those previously in the program. The cost would be $37.5 million each year, with a peak total of $150 million in the fourth year, when the program would be helping a total 200,000 students. Need would be a controlling criterion, with student selection made by State commissions on scholarships. Each State's allotment of funds, except for 2 percent of the total divided among Puerto Rico, Guam, the Canal Zone, American Samoa and the Virgin Islands, would be half on the basis of the relative number of high school graduates in the State and half on the basis of the State's population aged 14 through 17. The scholarship could be used without regard to State boundaries, at "any institution of higher education which admits him." These features are essentially the same as those specified in the administration bill of 1961, and like that bill the present measure would also award the institution attended by the scholarship holder $350 as a "cost of education allowance."

Scholarship awards have been increasing in recent years from nongovernmental sources, as we have increasingly realized their necessity. But they are still far from adequate to reach more than a part of the talented but relatively poor. If we are to make the all-out effort to abolish poverty which is being now so earnestly considered, there is no better investment than this to raise a bright slum boy to a higher level of possibilities.

How great is the need? Is it not possible that the great number of scholarships already available can do the job?

There has been manful effort by the colleges and universities themselves to offer scholarships for the needy. In the decade between 1949–50 and 1959–60, the number of higher institutions awarding scholarships increased substantially. In 1949–50, 1,198 colleges and universities out of a total of 1,808 gave $27 million in scholarships to 124,223 students. But 10 years later 1,677 out of 2,011 institutions granted more than $98 million in scholarships to 287,589 students. Almost one-third of the total, however, was concentrated in the three States of New York, Pennsylvania, and Massachusetts.[13]

The largest scholarship program financed by public rather than private funds is that of New York State, which in 1961–62 provided scholarship and fellowship aid to about 40,000 residents of the State in a total amount of $15.7 million. The principle of publicly financed scholarships is far from new here; the first provided by New York State gave $100 annually for 4 years to 128 Cornell University students. This is not so surprising as the date, which was 1868. The program was increased from 128 to 150 scholarships in 1895, and in 1913 the first 750 regents' scholarships were established. Nearly every year since 1954 there have been increases and additions made available.

New York State is not alone. California began its scholarship program with 640 awards in 1956, and in 1965 the total number of authorized scholarships will reach 5,120. Illinois, New Jersey, Rhode Island, Maryland, and Virginia also have State-supported scholarship programs of significance. But it is worthy of note that all of the States with such programs are among those with higher per capital incomes than the States with the greatest need for help to their students. Nothing less than a Federal scholarship program will reach many of those who need help most.

In addition to institutionally sponsored and State sponsored scholarships, there are those by private groups, including labor unions, business firms, civic organizations, women's clubs, churches, and others. The Educational Testing Service has estimated that in 1960–61 business firms and corporations gave 37,000 grants worth $22.5 million. The total of undergraduate scholarship assistance in 1961–62 has been estimated by the Office of Education at $150 million. The report stating this figure adds, "Although this sum represents a considerable effort to overcome the economic barriers to higher education, it is not regarded as adequate in view of recent increases in tuition charges and other college costs and the growing number of high school graduates who have the requisite ability and seek the opportunity for higher education."[14]

In view of the great need, and in order to harvest the "natural resource" of the Nation's underpriviledged brainpower, I feel that the 50,000 scholarships per year in this program is a vital part of the total package.

WORK-STUDY PROGRAM

This brings us to the final part of this comprehensive student aid bill, the work-study program. Again, this is much the same as S. 580, the administration bill which you have considered earlier, though on a larger scale. It would help more students than any other part of the program except loans, with an estimated 330,000 being assisted each year. However, the concept involves more than a make-work assistance program. The entire drive of this device is toward better programs of professional preparation for careers, since funds granted to the institutions for this use would go for academically related work, not for leaf raking, snow shovelling, or any such nonmental activity. Rather, both the institution and the student would gain from work done, for example by teaching and research assistants who will learn while they earn. Likewise, in such programs as those involving case work or public welfare trainees, public school teaching interns or teacher aids, nursing trainees, or similar courses with off-campus work requirements, payment will be allowed for such service. One difference from S. 580 is the specific inclusion of the purpose "to assist such institutions to develop and expand courses of study requiring periods of full-time on-the-job training."

It is significant that in 1959–60 more students were employed by institutions of higher education than the number receiving scholarships from the institutions. Studies at the University of Illinios in 1961 showed that 48 percent of single men and 69 percent of the married men at the school received some income from employment of one kind or another, while 36 percent of single women and 59 percent of wives were also money-earners. At Wisconsin a study of the same year revealed similar figures, 46 percent of resident men and 42 percent of resident women, with lower figures—35 and 21 percent—for those coming from outside the State.

"It is apparent," says Elmer D. West in an American Council on Education publication,[15] "that the working student is not a rarity on the college campus. Workweeks of 10 hours may not seem long, but they are, one-fourth of the normal workweek of a man employed full time. The 10 hours are, in most cases, in addition to the requirements of full-time academic work. Many, of course, work more than 10 hours, which is taken as the average." Then Mr. West adds this sentence, which points up the effect of the work-study program in this bill: "One can only speculate on the advantage of assigning this 'more than 10 hours per week' to the task of learning instead of earning." This is what the course-related work-study program would do. Other sources, incidentally, estimate that probably an average of 40 percent of all students are employed.

There is one other thing this part of the bill would achieve, as a sort of side effect or as a "fallout" result. It would remove a sizeable number of students who must work from filling stations and taxicabs and jobs as supermarket stockboys, opening up a measure of employment for possible replacement by those with no jobs at all. The type of unskilled labor at which the college student is typically employed off campus is precisely the type of work which is in shortest supply to meet the needs of those at the bottom of the employment ladder.

IN CONCLUSION

Mr. Chairman and members of the committee, I have made here a fuller and lengthier statement than I might have prepared. I have done so in order that I might try to anticipate many of your questions and to make a comprehensive case for the necessity for such a "package" of educational assistance to students at the post-high school level.

Let me reiterate. Our most precious resource lies within our youth. We once allowed our forests to be despoiled, our hillsides to be eroded, our streams to be polluted. But of the value of these resources and the need for their conservation we have become increasingly aware. Programs of the Federal Government now include appropriations for air pollution control, for development of better hybrid corn, for recreation areas, for the preservation and improvement of natural beauty areas. Isn't it time that we realized that expenditure for college education assistance is a vital investment, not an expense?

Now, this year, is the time to start. We have all, here in the Senate, felt the surge of response to another type of proposal for college aid, one which would have cost double the amount involved in this comprehensive bill. We know that the people of this Nation are ready to back such forward-looking legislation as this which is directed toward our youth themselves. We know that there is not only a demand for student aid but a very real need behind the demand. I hope and trust that in this committee, with its distinguished members and most able chairman, there will be sufficient acceptance of the need and a considered judgment that this is the appropriate answer to that need, so that this bill will be reported to the Senate and eventually enacted into law.

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[11] "Aid for Higher Education," hearings before the Subcommittee on Education, 1961; p. 60.

[12] Figures from Office of Education. CONGRESSIONAL RECORD, Feb. 4, 1964, p. 1894.

[13] "Non-Federal Undergraduate Scholarships," Office of Education memorandum in subcommittee hearings of August 1961. Aid for Higher Education, p. 67; and West Financial Aid to the Undergraduate, p. 32.

[14] "Aid for Higher Education," p. 69.

[15] "Financial Aid to the Undergraduate," 1962; p. 52.

Typical education loan plans available to parents, guardians, or sponsors of students

	Amounts which can be borrowed	Length of repayment period	Examples of the plans offered							Eligible borrowers
			Amount borrowed	Monthly payment	Total interest charges	Total insurance charges	Other charges	Total cost	Comparable interest rate [1]	
First National Bank of Allentown, Pa	Up to $10,000 for 4 years of study.	Up to 6 years	$500 a semester repaid in 6 years.	$63.60	$320.00	[2] $259.20	$15 initial investigation fee.[3]	$594.20	11.36	Parents under 60 years of age who live in the Lehigh Valley area, or who have children attending school in the area.
			$1,250 a semester repaid in 6 years.	159.00	800.00	[2] 648.00	do.[3]	1,463.00	11.12	
Wachovia Bank & Trust Co., Winston-Salem, N.C.	do	do	$500 a semester repaid in 6 years.	64.32	307.04	[4] 216.00	$15 initial investigation fee [3] plus 50 cents monthly service fee ($36) and 25 cents per $1,000 monthly administration fee ($72).	646.04	12.36	Any responsible adult with typical credit qualifications and who is acceptable to the insurance company.
			$1,250 a semester repaid in 6 years.	160.05	767.60	[4] 540.00	$15 initial investigation fee [3] plus 50 cents monthly service fee ($36) and 25 cents per $1,000 monthly administration fee ($180).	1,538.60	11.70	
Wheeling Dollar Savings & Trust Co., W. Va.	No maximum	do	$500 a semester repaid in 6 years.	63.30	320.00	[5] $201.60	$15 initial charge [3] plus 50c monthly service fee ($36).	572.60	10.94	Parents, under 60 years of age, anywhere in continental United States, except those whose children have less than 2 years of college remaining.
				64.50	320.00	[6] 288.00	do [3]	659.00	12.62	
				66.50	320.00	[7] 432.00	do [3]	803.00	15.45	
Bank of America, California	Up to $10,000 for 4 years of study.	do	$500 a semester repaid in—							Residents of California who have children attending school anywhere in the United States. Students are eligible if their income is sufficient.
			4 years	87.02	176.96	(8)	None	176.96	13.17	
			5 years	72.78.	366.80	(8)	do	366.80	11.18	
			6 years	63.36	561.92	(8)	do	561.92	10.62	
Central National Bank of Cleveland, Ohio.	do	Up to 8 years	$750 a semester repaid in 8 years.	78.84	Unknown	(9)	Unknown	[10] 1,636.56	11.06	Residents of Ohio under age 65 who have children attending school anywhere in world.
In the preceding plans, insurance on the borrower provides funds for completion of study by the student in case the borrower dies										
Lincoln Rochester Trust Co., Rochester, N.Y.	Up to $10,000 for 4 years of study.	Up to 6 years	$1,250 a semester repaid in 6 years.	$154.16	$799.52	[11] $300.00	None	$1,099.52	8.29	Parents living in the 7-county banking area, or have children attending school in the area.
Boatmen's National Bank of St. Louis, Mo.	do	do	$600 a semester repaid in—							Parents living in the Greater St. Louis area.
			4 years	104.68	Unknown	Unknown	do	224.64	13.92	
			5 years	86.75	Unknown	Unknown	do	405.00	10.26	
			6 years	74.88	Unknown	Unknown	do	591.36	9.31	
The Tuition Plan, Inc., New York, N.Y. (subsidiary of C.I.T. Financial Corp.).	No maximum	Up to 5 years	$500 a semester repaid in—							Parents under 60 years of age who have children attending schools participating in the plan.
			40 months	106.00	None	(8)	$240 service charge (6 percent of cash price)	240.00	60.02	
			60 months: (payments begin on June 1 preceding start of school year)	73.30	None	(8)	$398 service charge (9.95 percent of cash price)	398.00	23.38	
Funds for Education, Inc., Manchester, N.H.	Up to $10,000 for 4 years of study.	Up to 6 years	$500 a semester repaid in—							Families anywhere.
			4 years	89.59	Unknown	Unknown	None	300.32	22.24	
			5 years	75.59	Unknown	Unknown	do	535.40	16.44	
			6 years	66.96	Unknown	Unknown	do	821.12	15.65	
American Fletcher National Bank & Trust Co., Indianapolis, Ind.	No maximum	Up to 8 years	$500 a semester repaid in—							Parents under age 60 who reside in Indiana.
			4 years	87.28	189.44	(8)	do	189.44	14.09	
			5 years	72.88	372.80	(8)	do	372.80	11.36	
			6 years	63.28	556.16	(8)	do	556.16	10.51	
In the preceding plans, insurance on the borrower provides funds for completion of study by the student in case the borrower dies or becomes totally disabled										

Typical education loan plans available to parents, guardians, or sponsors of students—Continued

	Amounts which can be borrowed	Length of repayment period	Examples of the plans offered							Eligible borrowers
			Amount borrowed	Monthly payment	Total interest charges	Total insurance charges	Other charges	Total cost	Comparable interest rate [1]	
Education Funds, Inc., Providence, R.I. (subsidiary of Household Finance Corp.).	Up to $14,000	Up to 5 years	$500 a semester repaid in—							
			40 months	$105.06	$202.40	(8)	None	$202.40	54.80	Parents living anywhere in the United States.
			48 months	[12] 88.18	232.64	(8)	do	232.64	35.90	
			60 months	[13] 73.98	438.80	(8)	do	438.80	26.39	
In the preceding plan, insurance on the borrower provides funds for completion of study by the student in case the borrower dies or becomes totally disabled. Life insurance on the student pays off the loan balance outstanding in case the student dies										
The Philadelphia National Bank, Philadelphia, Pa.	Up to $10,200 for 4 years of study.	Up to 5 years	$525 a semester repaid in 5 years.	(14)	$420.00	(8)	None	$420.00	12	Any financially qualified adult.
			$1,275 a semester repaid in 5 years.	(15)	1,050.00	(8)	do	1,050.00	12	
In the preceding plan, insurance on the borrower pays off only the balance outstanding and does not provide funds for completion of study by the student in case the borrower dies										
Canadian Imperial Bank of Commerce, Canada.	Up to $8,000	Up to 8 years	$500 a semester repaid in 6 years.	[16] $57.46–$65.45	$370.00	(17)	None	$370.00	6	Parents with a regular income and good credit rating may borrow up to 80 percent of costs for tuition, books, room, board, and travel.
Royal Bank of Canada	Up to $500 a year if student lives at home; otherwise, $1,000 a year.	No set schedule. Students usually repay out of summer earnings; parents can reduce loan on monthly repayment plan worked out at the bank or its branch offices.				(17)	do	(19)	6	Usually parents, but students are also eligible.

[1] Because the amounts borrowed and length of repayment periods vary in many of the plans, the Credit Union Bridge Magazine engaged an authority to obtain a standard of comparison for all the plans. The standard decided upon was to consider all the costs (interest, insurance, extra fees and service charges) as interest and compute what would be comparable to a true annual interest rate. For ease of comparison, all plans except those noted were treated as if advances were made on Sept. 1 and Feb. 1, with the monthly repayments beginning on Sept. 30. In reality they do vary to some degree, depending upon when the school year begins and other factors.

[2] 90 cents per month per $1,000.

[3] This fee is paid only once and, although not a part of the monthly payments, is included in the total cost of the plan.

[4] 75 cents per month per $1,000.

[5] 70 cents per $1,000 if age 45 or less.

[6] $1 per $1,000 if age 46 to 55.

[7] $1.50 per $1,000 if age 56 to 60.

[8] Included at no extra cost.

[9] Unknown; 1st year's premium, based on amount borrowed plus length of time, is payable in advance.

[10] Includes initial insurance premium of $67.92.

[11] 50 cents per $100 per annum.

[12] Begin Aug. 1.

[13] Begin June 1.

[14] $70 plus 1 percent per month on balance outstanding.

[15] $170 plus 1 percent interest.

[16] Depending upon balance outstanding and interest due.

[17] No insurance provided.

[19] Depends upon repayment schedule.

Typical education loan plans available to students

	Amounts which can be borrowed	Repayment begins	Length of repayment	Annual interest rate	Life insurance	Other charges	Who may borrow	Additional information
National defense student loan program.	Up to $1,000 a year for 5 years.	1 year after leaving school.	Up to 10 years	3 percent once repayment begins; none until then.	Included	None	Students attending U.S. schools participating in the program.	Apply at college or university. Public school teachers receive a 10 percent reduction of the loan for each year they teach, up to a maximum of 50 percent of the total loan.
North Dakota State Department of Public Instruction.	Up to $500 a year for 4 years.	do	1 year for each school year financed.	3 percent from date of loan; payable annually.	None	do	North Dakota residents attending school in the State and who have completed their 1st semester.	Similar plans are available in other States. Check with the school or the State department of public instruction.
Wisconsin State loan fund	Up to $750 a year	do	do	1 percent while in school; then 5 percent.	do	do	Wisconsin residents attending school in the State.	
New York Higher Education Assistance Corp. (NYHEAC).	$500 to $1,500 a year, depending on grade.	Arrangements to be made 60 days after leaving school.	Up to 6 years	None in school (paid by NYHEAC); then 3 percent.	NYHEAC guarantees the loan.	do	New York residents in need of financial assistance. May attend school out of State.	NYHEAC established by New York State Legislature. Similar plans are operating in Illinois, New Jersey, Rhode Island, Virginia, and Wyoming. Corporation guarantees student's loan from financial institutions participating in the plan.
Massachusetts Higher Education Assistance Corp. (MHEAC).	$500 a year in final 3 years.	6 months after leaving school.	Up to 3 years	3½ to 5½ percent (depending on prime rate in Boston) while in school; then MHEAC sets rate.	MHEAC guarantees 80 percent of loan.	do	Massachusetts residents who have completed their freshman year and are in need of financial assistance.	MHEAC financed by contributions from businesses, individuals and charitable foundations. Maine has a similar plan. Corporation guarantees student's loan from financial institutions participating in the plan.
United Student Aid Funds, Inc. (USAF)	Up to $1,000 a year in final 3 years.	4 months after graduation.	do	No more than 6 percent from date of loan.	USAF guarantees loan.	do	Students who have completed their freshman year, are in need of financial assistance, and are residents of State in which they apply.	USAF guarantees loans made by banks in areas where plan has been endorsed by State bankers associations. 30 States have already endorsed the plan, others are considering it.
Province of Ontario	Up to $500 a year for 4 years.	1 year after leaving school.		4 percent once repayment begins; none until then.	None	do	Students in Ontario schools	Other provinces have similar plans.

SURVEY REPORT ON WALNUT RIVER BASIN, KANS.—RESOLUTION

Mr. CARLSON. Mr. President, the Corps of Engineers has submitted a comprehensive survey report on the Walnut River Basin in Kansas.

The report recommends the construction of several reservoirs on that stream for the control of floods and the supply of water for beneficial uses. It is my sincere hope that we may get early authorization of these recommendations.

I ask unanimous consent that the resolution be made a part of these remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas the Corps of Engineers, Tulsa District, Tulsa, Okla., has completed a comprehensive survey report of the Walnut River Basin in Kansas; and

Whereas their favorable report has been approved by the Southwest Division Engineer, Corps of Engineers, Dallas, Tex., and forwarded to the Board of Engineers for Rivers and Harbors, Washington, D.C., with recommendation that the survey report be approved in its entirety and authorized by Congress; and

Whereas this basinwide project is of the most vital importance to the city of Augusta, Kans., for a dependable municipal water supply, for industrial uses, for flood control, and for other needful and beneficial purposes, and recognizing that undue emphasis on, or elimination of, any portion of the inseparable projects would defeat the overall flood control benefits inherent in the recommended basin system: Therefore be it

Resolved, That the governing body of the city of Augusta, Kans., unanimously urges the approval and authorization of the recommended system of the Towanda, El Dorado, and Douglass Reservoirs, and the local flood protection works at El Dorado and Winfield, Kans., at the earliest possible date, and that copies of this resolution be forwarded to the Governor of the State of Kansas, the Kansas congressional delegation, the Kansas Water Resources Board, and other interested parties. This resolution adopted at the regular meeting of the governing body of the city of Augusta, Kans., this 17th day of February 1964.

IVAN H. RICH,
President of the Council.

DISARMAMENT NEGOTIATIONS

Mr. WILLIAMS of New Jersey. Mr. President, I would like to call the attention of the Senate to several recent editorials which make observations and suggestions concerning the disarmament negotiations presently underway in Geneva.

A significant editorial appeared in the New York Times on Saturday, February 22, which echoes the thoughts of many of us. If disarmament is to be more than a negative action, taken out of fear of destruction, specific programs must be worked out to make effective use of the money and productive capacity that will accrue to this Nation as we are able to reduce our output of weapons. The human result as well must be taken into account; because, as I am painfully aware, a State like New Jersey, which is the fourth largest defense contractor in the country, pays a terrible price in unemployment when there are defense cutbacks. This is why I support the McGovern bill, S. 2274 and the Humphrey-Hart bill, S. 2427. These bills would, if enacted, provide us with valuable data in the complex field of economic reorganization.

As significant as these approaches, however, is some planning to determine how the capacity and funds now engaged in making weapons can most effectively be channeled into the battle our President has called upon us to wage against poverty. In this connection it is significant to note that the earliest writer to advocate disarmament had a plan for the utilization of the swords he wanted destroyed—they were to be beaten into plowshares. Let us at least be as prepared with suggestions as he was.

The other editorials which I referred to deal with the current discussion over the mutual destruction of bombers. The Soviet delegate, Mr. Tsarapkin, has advocated that all bombers from all countries be destroyed. American officials immediately characterized such a proposal as "neither acceptable to nor practical." I concur in that judgment and am extremely pleased to have further indication of the firm, discerning, and knowledgeable attitude of our negotiators, who are admirably led by William Foster of the U.S. Arms Control and Disarmament Agency.

I also concur with editorials on this subject which appeared in the Washington Post and the Washington Evening Star earlier this month. Both of these papers view the Soviet proposal as unrealistic and insincere. By contract, both papers expressed support for the American suggestion for the verified destruction of obsolescent bombers on a one-for-one basis. To me, these comments and the American proposals reflect sound and reasonable judgment.

Mr. President, I ask unanimous consent to have printed in the RECORD the editorials entitled "Burn the Bombers" from the February 10 issue of the Washington Star, "Bomber Bonfire" from the February 2 issue of the Washington Post, and "Poverty and Disarmament" from the February 22 issue of the New York Times.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star, Feb. 10, 1964]

BURN THE BOMBERS?

In informal discussions with the Russians last year, American representatives suggested that the United States and the Soviet Union join in building a "bonfire" to destroy their obsolete or obsolescent bombers. The prime purpose of this, as our officials explained, would be to keep such weapons from finding their way into markets where they could be bought up by small powers. Thus there would be less chance of those powers engaging in air strikes against each other, and the cause of peace would thereby be served.

This idea now has been seconded by Semyon Tsarapkin, the Kremlin's chief representative at the Geneva Disarmament Conference. But he has enlarged upon it to an extent that almost burlesques it. What the Soviet Union wants, he says, is to light a "bonfire"—and right away—that would destroy "all bombers of all countries." The proposal could hardly be more unrealistic. It is based on the untenable premise that weapon-carrying planes of every type are already obsolete. The fact is that they are not. The United States has no intention of burning up aircraft it still can use to good effect. Neither, of course, does a country like France. And neither does Russia.

Mr. Tsarapkin's remarks must be judged accordingly. They plainly indicate that the Kremlin is not really being very serious in responding to the American idea of destroying obsolescent aircraft like our B-47's and the Soviet Badgers. Nevertheless the idea remains sound. If it were made operable, it could head off proliferation of bombers which, in their way, are as dangerous as bombs.

[From the Washington Post, Feb. 2, 1964]

BOMBER BONFIRE

The Soviet proposal to destroy bombers surely is vague enough and possibly is promising enough to merit the clarification which the American Government now seeks. In a formal session of the disarmament conference at Geneva, the Soviet delegate, Mr. Tsarapkin, spoke of an agreement to destroy obsolete bombers. Since this seemed to resemble an older American suggestion for a one-by-one joint "bonfire" of obsolete American B-47's and Soviet Badgers, the American delegate, Mr. Foster, passed a preliminary judgment in favor.

This was good. A B-47-Badger bonfire would not reduce the security of either country or alter the balance of power; nor would it rouse the sleeping-dog inspection problem. But it would serve the extremely positive purpose of preventing the bombers from falling into the hands of third countries by whom they might be used. It also would be a useful psychological display of real disarmament.

In the corridors at Geneva, however, Mr. Tsarapkin gave a less encouraging version, saying that all countries and not just the Soviet Union and the United States should throw bombers into the fire, and that all bombers and not just obsolete ones should be burned. The broad scope of this version doubtless dooms any early hope for it. France and China, who count on airplanes to carry their future nuclear bombs, would reject it, to cite but one complication. Nor can Moscow be taken seriously for an idea which would obviously be to its own strategic disadvantage; destruction of bombers would expose Moscow to the full effects of its own inferiority in strategic missiles.

Surely small steps are easier and more likely than large. The idea of burning all bombers in the world may produce a glorious imaginary conflagration for some future day. But the burning of useless Soviet and American bombers could make a welcome and warming blaze—now.

[From the New York Times, Feb. 22, 1964]

POVERTY AND DISARMAMENT

Profits, wages, and employment are all at record levels today, yet 4 million Americans are jobless and 30 million live in families whose incomes are less than $3,000 a year. At all levels of government—from the White House to city hall—programs for combating poverty are being feverishly drafted, with next November well in mind.

No undertaking could be more deserving of total national commitment than aggressive war against urban and rural slums, against undereducation, against inadequate medical care and other manifestations of encrusted social neglect. The danger is that the campaign will degenerate too quickly into empty sloganeering and thus leave in greater despair than ever those whom it is supposed to help.

The conquest of poverty will be neither swift nor cheap. For the first year President Johnson says he hopes to make nearly a billion dollars in new money available for

Federal antipoverty programs. However, the indications are that the amount actually to be spent for the 1964-65 fiscal year will not exceed one-third that amount. This is perhaps as much as can be usefully applied at the start; but vastly larger appropriations will be necessary later if the assault is to attain the massive dimensions essential to chop away the root causes of dependency.

The Nation's awareness of this need comes just as it has been found possible to make the first modest cuts in the billion-dollar-a-week military budget. What could be more appropriate than to establish now, as a matter of conscious national policy, a clear link between cutbacks in defense spending and increased investment in human welfare and community services?

Improved international understanding, plus the overkill capacity already possessed by both sides in the cold war, may in the foreseeable future permit dependable agreements for scaling down outlays for weapons. How quickly such cuts can be made with safety we do not yet know. But already the possibility that a development so beneficial to all peoples would upset the domestic economy has prompted President Johnson to appoint a special Cabinet Committee on Disarmament Planning.

By a decision now that a large part of the funds released from defense will be earmarked for schools, housing, health, and public works, the movement away from military war could be coupled with a movement forward in the war against poverty. By this example, a powerful spur would simultaneously be applied to other governments to make similar commitments for reallocation of their resources to peaceful programs. The campaign against poverty could eventually be turned into the worldwide undertaking it must be for true security and the abolition of want.

APPROACH TO ALLIANCE FOR PROGRESS

Mr. CANNON. Mr. President, a new grassroots approach to the Alliance for Progress is underway. It is an approach that makes sense.

In brief, it is a plan for an alliance of people in an area of a State with people in a Latin American country for a meaningful partnership for progress. It is a direct attempt to draw a close identification between them—private U.S. organizations on the one hand and villagers in our sister republics on the other. The encouraging thing about this approach is that our Government is not giving another handout but is acting as a catalyst to stimulate the more effective use of the private sector in our foreign aid program—a better use of our institutions and industries which are willing and able to help.

Interest in this type approach has mushroomed until there have been offers from groups throughout the United States to participate in the program and help fill the needs for these small items. Several States are already actively participating. Many States are in advanced stages of planning, while many have expressed a real interest in learning how to take part.

Heading this program is Mr. James Boren, special assistant to the U.S. Coordinator for the Alliance for Progress. Mr. Boren recently made a trip to the West in response to interest in Colorado, Idaho, and Nevada. He addressed a representative civic and business group in Las Vegas at a luncheon meeting to explain the program of grassroots help to our Latin neighbors. Mr. President, I ask unanimous consent that the article concerning the meeting, published in the Las Vegas Review-Journal for February 7, 1964, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Las Vegas Review-Journal, Feb. 7, 1964]

U.S. Aid Tells Vegans Latin Policy

A "hand in glove" self-help program for Latin American nations and communities has been instituted in 22 States of our Nation, James Brown of the State Department said here Thursday.

Boren, special assistant to Thomas Mann, newly appointed Assistant Secretary of State for Latin American Affairs and U.S. Coordinator for the Alliance for Progress, met with 40 civic and business leaders here.

In the past 4 months Boren said the idea of cities or States instituting programs in cooperation with the Alliance for Progress has developed from absolutely nothing into a growing movement."

A native of Wichita Falls, Tex., Boren was formerly Deputy Director of the Agency for International Development and traveled throughout Latin America.

In essence, Boren said, U.S. communities have formed Alliance for Progress committees to assist in a project in which the people of a Latin American nation are themselves deeply involved.

"It might be helping provide a sewing machine for an orphanage or a jackhammer for a village attempting to build a road with the pick-and-shovel method," he said.

Boren termed the "grassroots level program" one of the brighter hopes of the United States to prevent communistic influences from getting a hold on the impoverished peoples of Latin America.

"One of the most rewarding things about the program is that the people of the villages or cities in Latin America are receiving the very real impression that people of the United States care about them, that there is hope and they are not the forgotten people of the world."

He stressed that the small projects for Latin countries are not gifts, but exchanged for self-help on their part.

The Alliance for Progress was intiated by the late President Kennedy, and has been termed "absolutely vital" by President Johnson.

The United States along with other nation members of the Alliance, pledged in 1961 "to seek the common objective of all in a grand offensive against poverty, and despair in this continent."

Through the Alliance Latin nations are given loans which are repayable in cash, technical assistance in establishing institutions and programs, and other aid based on the nation's own active participation.

The program headed by Boren is, as he terms it, "an effort to buy a little more time" for the larger programs of the Alliance to bear fruit.

The **PRESIDING OFFICER.** Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER OF CONSIDERATION OF TREATIES

Mr. MANSFIELD. Mr. President, as in executive session, I ask unanimous consent that, so far as concerns the treaty for the return of Austrian assets, Executive A (86th Cong. 2d sess.), the debate be limited to 45 minutes, 30 minutes to be under the control of the distinguished Senator from New York [Mr. Javits] and 15 minutes to be under the control of the distinguished Senator from Arkansas [Mr. Fulbright], chairman of the Committee on Foreign Relations.

The **PRESIDING OFFICER.** As in executive session, without objection, it is so ordered.

Mr. MANSFIELD. It is the intention of the leadership to bring up the other three treaties at about 2 o'clock, or as soon thereafter as possible. When they have been disposed of, it is intended to have the Senate proceed to the consideration of Executive A, the treaty relating to the return of Austrian assets. When that treaty has been disposed of, it is anticipated that the Senate will be approaching the time when the conference report on the tax bill may well be available to the Senate for consideration and debate.

Mr. President, as in legislative session, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. FULBRIGHT. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

Mr. FULBRIGHT. Mr. President, what is the pending business?

The **PRESIDING OFFICER.** With respect to the treaty relating to the return of Austrian assets, a unanimous-consent agreement has been reached, providing for 45 minutes of debate, 30 minutes to be controlled by the Senator from New York [Mr. Javits] and 15 minutes to be controlled by the Senator from Arkansas [Mr. Fulbright].

Mr. FULBRIGHT. I do not refer to that treaty; I am referring to the three treaties which are to be voted on en bloc. It is my understanding, according to the previous order of the Senate, that they are to be considered first.

The **PRESIDING OFFICER.** The Senator is correct.

Mr. FULBRIGHT. They are Executive C, Executive F, and Executive S.

PREVENTION OF POLLUTION OF THE SEA BY OIL

The Senate, as in Committee of the Whole, proceeded to consider the treaty, Executive C (88th Cong., 1st sess.), on prevention of pollution of the sea by oil, which was read the second time, as follows:

AMENDMENTS

(The following are the amendments to the International Convention for the Prevention of Pollution of the Sea by Oil, 1954:)

1. The existing text of Article I of the Convention is replaced by the following:

“ARTICLE I

“(1) For the purposes of the present Convention, the following expressions shall (unless the context otherwise requires) have the meanings hereby respectively assigned to them that is to say:

“‘The Bureau’ has the meaning assigned to it by Article XXI;

“‘Discharge’ in relation to oil or to oily mixture means any discharge or escape howsoever caused;

“‘Heavy diesel oil’ means marine diesel oil, other than those distillates of which more than 50 percent by volume distills at a temperature not exceeding 340° C. when tested by A.S.T.M. Standard Method D. 86/59;

“‘Mile’ means a nautical mile of 6,080 feet or 1,852 metres;

“‘Oil’ means crude oil, fuel oil, heavy diesel oil and lubricating oil, and ‘oily’ shall be construed accordingly;

“‘Oily mixture’ means a mixture with an oil content of 100 parts or more in 1,000,000 parts of the mixture;

“‘Organization’ means the Inter-Governmental Maritime Consultative Organization;

“‘Ship’ means any sea-going vessel of any type whatsoever, including floating craft, whether self-propelled or towed by another vessel, making a sea voyage; and ‘tanker’ means a ship in which the greater part of the cargo space is constructed or adapted for the carriage of liquid cargoes in bulk and which is not, for the time being, carrying a cargo other than oil in that part of its cargo space.”

“(2) For the purposes of the present Convention, the territories of a contracting government mean the territory of the country of which it is the government and any other territory for the international relations of which it is responsible and to which the convention shall have been extended under Article XVIII.”

2. The existing text of Article II of the convention is replaced by the following:

“ARTICLE II

“(1) The present convention shall apply to ships registered in any of the territories of a Contracting Government and to unregistered ships having the nationality of a Contracting Party, except:

“(a) tankers of under 150 tons gross tonnage and other ships of under 500 tons gross tonnage, provided that each Contracting Government will take the necessary steps, so far as is reasonable and practicable, to apply the requirements of the Convention to such ships also, having regard to their size, service and the type of fuel used for their propulsion;

“(b) ships for the time being engaged in the whaling industry when actually employed on whaling operations;

“(c) ships for the time being navigating the Great Lakes of North America and their connecting and tributary waters as far east as the lower exit of St. Lambert Lock at Montreal in the Province of Quebec, Canada;

“(d) naval ships and ships for the time being used as naval auxiliaries.

“(2) Each Contracting Government undertakes to adopt appropriate measures insuring that requirements equivalent to those of the present Convention are, so far as is reasonable and practicable, applied to the ships referred to in subparagraph (d) of paragraph (1) of this Article.”

3. The existing text of Article III of the Convention is replaced by the following:

“ARTICLE III

“Subject to the provisions of Articles IV and V:

“(a) the discharge from a tanker to which the present Convention applies within any of the prohibited zones referred to in Annex A to the Convention, of oil or oily mixture shall be prohibited;

“(b) the discharge from a ship to which the present Convention applies, other than a tanker, of oil or oily mixture shall be made as far as practicable from land. As from a date three years after that on which the Convention comes into force for the relevant territory in respect of the ship in accordance with paragraph (1) of Article II, sub-paragraph (a) of this Article shall apply to a ship other than a tanker, except that the discharge of oil or of oily mixture from such a ship shall not be prohibited when the ship is proceeding to a port not provided with such facilities for ships other than tankers as are referred to in Article VIII;

“(c) the discharge from a ship of 20,000 tons gross tonnage or more, to which the present Convention applies and for which the building contract is placed on or after the date on which this provision comes into force, of oil or oily mixture shall be prohibited. However, if, in the opinion of the master, special circumstances make it neither reasonable nor practicable to retain the oil or oily mixture on board, it may be discharged outside the prohibited zones referred to in Annex A to the Convention. The reasons for such discharge shall be reported to the Contracting Government of the relevant territory in respect of the ship in accordance with paragraph (1) of Article II. Full details of such discharges shall be reported to the Organization at least every twelve months by Contracting Governments.”

4. The existing text of Article IV of the Convention is replaced by the following:

“ARTICLE IV

“Article III shall not apply to:

“(a) the discharge of oil or oily mixture from a ship for the purpose of securing the safety of a ship, preventing damage to a ship or cargo, or saving life at sea;

“(b) the escape of oil or of oily mixture resulting from damage to a ship or unavoidable leakage, if all reasonable precautions have been taken after the occurrence of the damage or discovery of the leakage for the purpose of preventing or minimizing the escape;

“(c) the discharge of residue arising from the purification or clarification of fuel oil or lubricating oil, provided that such discharge is made as far from land as is practicable.”

5. The existing text of Article V of the Convention is replaced by the following:

“ARTICLE V

“Article III shall not apply to the discharge from the bilges of a ship:

“(a) during the period of twelve months following the date on which the present Convention comes into force for the relevant territory in respect of the ship in accordance with paragraph (1) of Article II, of oily mixture;

“(b) after the expiration of such period, of oily mixture containing no oil other than lubricating oil which has drained or leaked from machinery spaces.”

6. The existing text of Article VI of the Convention is replaced by the following:

“ARTICLE VI

“(1) Any contravention of Articles III and IX shall be an offence punishable under the law of the relevant territory in respect of the ship in accordance with paragraph (1) of Article II.

“(2) The penalties which may be imposed under the law of any of the territories of a Contracting Government in respect of the unlawful discharge from a ship of oil or oily mixture outside the territorial sea of that territory shall be adequate in severity to discourage any such unlawful discharge and shall not be less than the penalties which may be imposed under the law of that territory in respect of the same infringements within the territorial sea.

“(3) Each Contracting Government shall report to the Organization the penalties actually imposed for each infringement.”

7. The existing text of Article VII of the Convention is replaced by the following:

“ARTICLE VII

“(1) As from a date twelve months after the present Convention comes into force for the relevant territory in respect of a ship in accordance with paragraph (1) of Article II, such a ship shall be required to be so fitted as to prevent, so far as reasonable and practicable, the escape of fuel oil or heavy diesel oil into bilges, unless effective means are provided to ensure that the oil in the bilges is not discharged in contravention of this Convention.

“(2) Carrying water ballast in oil fuel tanks shall be avoided if possible.”

8. The existing text of Article VIII of the Convention is replaced by the following:

“ARTICLE VIII

“(1) Each Contracting Government shall take all appropriate steps to promote the provision of facilities as follows:

“(a) according to the needs of ships using them, ports shall be provided with facilities adequate for the reception, without causing undue delay to ships, of such residues and oily mixtures as would remain for disposal from ships other than tankers if the bulk of the water had been separated from the mixture:

“(b) oil loading terminals shall be provided with facilities adequate for the reception of such residues and oily mixtures as would similarly remain for disposal by tankers;

“(c) ship repair ports shall be provided with facilities adequate for the reception of such residues and oily mixtures as would similarly remain for disposal by all ships entering for repairs.

“(2) Each Contracting Government shall determine which are the ports and oil loading terminals in its territories suitable for the purposes of sub-paragraphs (a), (b) and (c) of paragraph (1) of this Article.

“(3) As regards paragraph (1) of this Article, each Contracting Government shall report to the Organization, for transmission to the Contracting Government concerned, all cases where the facilities are alleged to be inadequate.”

9. The existing text of Article IX of the Convention is replaced by the following:

“ARTICLE IX

“(1) Of the ships to which the present Convention applies, every ship which uses oil fuel and every tanker shall be provided with an oil record book, whether as part of the ship's official log book or otherwise, in the form specified in Annex B to the Convention.

“(2) The oil record book shall be completed on each occasion, whenever any of the following operations takes place in the ship:

“(a) ballasting of and discharge of ballast from cargo tanks of tankers;

“(b) cleaning of cargo tanks of tankers;

“(c) settling in slop tanks and discharge of water from tankers;

“(d) disposal from tankers of oily residues from slop tanks or other sources;

“(e) ballasting, or cleaning during voyage, of bunker fuel tanks of ships other than tankers;

"(f) disposal from ships other than tankers of oily residues from bunker fuel tanks or other sources;

"(g) accidental or other exceptional discharges or escapes of oil from tankers or ships other than tankers.

In the event of such discharge or escape of oil or oily mixture as is referred to in sub-paragraph (c) of Article III or in Article IV, a statement shall be made in the oil record book of the circumstances of, and reason for, the discharge or escape.

"(3) Each operation described in paragraph (2) of this Article shall be fully recorded without delay in the oil record book so that all the entries in the book appropriate to that operation are completed. Each page of the book shall be signed by the officer or officers in charge of the operations concerned and, when the ship is manned, by the master of the ship. The written entries in the oil record book shall be in an official language of the relevant territory in respect of the ship in accordance with paragraph (1) of Article II, or in English or French.

"(4) Oil record books shall be kept in such a place as to be readily available for inspection at all reasonable times, and, except in the case of unmanned ships under tow, shall be kept on board the ship. They shall be preserved for a period of two years after the last entry has been made.

"(5) The competent authorities of any of the territories of a Contracting Government may inspect on board any ship to which the present Convention applies, while within a port in that territory, the oil record book required to be carried in the ship in compliance with the provisions of this Article, and may make a true copy of any entry in that book and may require the master of the ship to certify that the copy is a true copy of such entry. Any copy so made which purports to have been certified by the master of the ship as a true copy of an entry in the ship's oil record book shall be made admissible in any judicial proceedings as evidence of the facts stated in the entry. Any action by the competent authorities under this paragraph shall be taken as expeditiously as possible and the ship shall not be delayed."

10. The existing text of Article X of the Convention is replaced by the following:

"ARTICLE X

"(1) Any Contracting Government may furnish to the Government of the relevant territory in respect of the ship in accordance with paragraph (1) of Article II particulars in writing of evidence that any provision of the present Convention has been contravened in respect of that ship, wheresoever the alleged contravention may have taken place. If it is practicable to do so, the competent authorities of the former Government shall notify the master of the ship of the alleged contravention.

"(2) Upon receiving such particulars, the Government so informed shall investigate the matter, and may request the other Government to furnish further or better particulars of the alleged contravention. If the Government so informed is satisfied that sufficient evidence is available in the form required by its law to enable proceedings against the owner or master of the ship to be taken in respect of the alleged contravention, it shall cause such proceedings to be taken as soon as possible, and shall inform the other Government and the Organization of the result of such proceedings."

11. The existing text of Article XIV of the Convention is replaced by the following:

"ARTICLE XIV

"(1) The present Convention shall remain open for signature for three months from this day's date and shall thereafter remain open for acceptance.

"(2) Subject to Article XV, the Government of States Members of the United Nations or of any of the Specialized Agencies or parties to the Statute of the International Court of Justice may become parties to the present Convention by:

"(a) signature without reservation as to acceptance;

"(b) signature subject to acceptance followed by acceptance, or

"(c) acceptance.

"(3) Acceptance shall be effected by the deposit of an instrument of acceptance with the Bureau, which shall inform all Governments that have already signed or accepted the present Convention of each signature and deposit of an acceptance and of the date of such signature or deposit."

12. The existing text of Article XVI of the Convention is replaced by the following:

"ARTICLE XVI

"(1) (a) The present Convention may be amended by unanimous agreement between the Contracting Governments.

"(b) Upon request of any Contracting Government a proposed amendment shall be communicated by the Organization to all Contracting Governments for consideration and acceptance under this paragraph.

"(2) (a) An amendment to the present Convention may be proposed to the Organization at any time by any Contracting Government, and such proposal if adopted by a two-thirds majority of the Assembly of the Organization upon recommendation adopted by a two-thirds majority of the Maritime Safety Committee of the Organization shall be communicated by the Organization to all Contracting Governments for their acceptance.

"(b) Any such recommendation by the Maritime Safety Committee shall be communicated by the Organization to all Contracting Governments for their consideration at least six months before it is considered by the Assembly.

"(3) (a) A conference of Governments to consider amendments to the present Convention proposed by any Contracting Government shall at any time be convened by the Organization upon the request of one-third of the Contracting Governments.

"(b) Every amendment adopted by such conference by a two-thirds majority of Contracting Governments shall be communicated by the Organization to all Contracting Governments for their acceptance.

"(4) Any amendment communicated to Contracting Governments for their acceptance under paragraph (2) or (3) of this Article shall come into force for all Contracting Governments, except those which before it comes into force make a declaration that they do not accept the amendment, twelve months after the date on which the amendment is accepted by two-thirds of the Contracting Governments.

"(5) The Assembly, by a two-thirds majority vote, including two-thirds of the Governments represented on the Maritime Safety Committee, and subject to the concurrence of two-thirds of the Contracting Governments to the present Convention, or a conference convened under paragraph (3) of this Article by a two-thirds majority vote, may determine at the time of its adoption that the amendment is of such an important nature that any Contracting Government which makes a declaration under paragraph (4) of this Article and which does not accept the amendment within a period of twelve months after the amendment comes into force, shall, upon the expiry of this period, cease to be a party to the present Convention.

"(6) The Organization shall inform all Contracting Governments of any amendments which come into force under this Article, together with the date on which such amendments shall come into force.

"(7) Any acceptance or declaration under this Article shall be made by a notification in writing to the Organization which shall notify all Contracting Governments of the receipt of the acceptance or declaration."

13. The existing text of Article XVIII of the Convention is replaced by the following:

"ARTICLE XVIII

"(1) (a) The United Nations in cases where they are the administering authority for a territory or any Contracting Government responsible for the international relations of a territory shall as soon as possible consult with such territory in an endeavour to extend the present Convention to that territory and may at any time by notification in writing given to the Bureau declare that the Convention shall extend to such territory.

"(b) The present Convention shall from the date of the receipt of the notification or from such other date as may be specified in the notification extend to the territory named therein.

"(2) (a) The United Nations in cases where they are the administering authority for a territory or any Contracting Government which has made a declaration under paragraph (1) of this Article, at any time after the expiry of a period of five years from the date on which the present Convention has been so extended to any territory, may by a notification in writing given to the Bureau after consultation with such territory declare that the Convention shall cease to extend to any such territory named in the notification.

"(b) The present Convention shall cease to extend to any territory mentioned in such notification one year, or such longer period as may be specified therein, after the date of receipt of the notification by the Bureau.

"(3) The Bureau shall inform all the Contracting Governments of the extension of the present Convention to any territory under paragraph (1) of this Article, and of the termination of any such extension under the provisions of paragraph (2) stating in each case the date from which the Convention has been or will cease to be so extended."

14. The existing text of Annex A to the Convention is replaced by the following:

"ANNEX A—PROHIBITED ZONES

"(1) All sea areas within 50 miles from the nearest land shall be prohibited zones.

"For the purposes of this Annex, the term 'from the nearest land' means 'from the baseline from which the territorial sea of the territory in question is established in accordance with the Geneva Convention on the Territorial Sea and the Contiguous Zone, 1958'.

"(2) The following sea areas, insofar as they extend more than 50 miles from the nearest land, shall also be prohibited zones:

"(a) PACIFIC OCEAN—THE CANADIAN WESTERN ZONE.

"The Canadian Western Zone shall extend for a distance of 100 miles from the nearest land along the west coast of Canada..

"(b) NORTH ATLANTIC OCEAN, NORTH SEA AND BALTIC SEA.

"(i) The North-West Atlantic Zone

"The North-West Atlantic Zone shall comprise the sea areas within a line drawn from latitude 38°47′ north, longitude 73°43′ west to latitude 39°58′ north, longitude 68°34′ west thence to latitude 42°05′ north, longitude 64°37′ west thence along the east coast of Canada at a distance of 100 miles from the nearest land.

"(ii) The Icelandic Zone

"The Icelandic Zone shall extend for a distance of 100 miles from the nearest land along the coast of Iceland.

"(iii) The Norwegian, North Sea and Baltic Sea Zone

"The Norwegian, North Sea and Baltic Sea Zone shall extend for a distance of 100 miles from the nearest land along the coast of

Norway and shall include the whole of the North Sea and of the Baltic Sea and its Gulfs.

"(iv) *The North-East Atlantic Zone*

"The North-East Atlantic Zone shall include the sea areas within a line drawn between the following positions:

"Latitude:	"Longitude:
"62° north	"2° east,
"64° north	"00°
"64° north	"10° west,
"60° north	"14° west;
"54°30′ north	"30° west,
"53° north	"40° west;
"44°20′ north	"40° west,
"44°20′ north	"30° west;
"46° north	"20° west, thence toward Cape Finisterre at the intersection of the 50-mile limit.

"(v) *The Spanish Zone*

"The Spanish Zone shall comprise the areas of the Atlantic Ocean within a distance of 100 miles from the nearest land along the coast of Spain and shall come into operation on the date on which the present Convention shall have come into force in respect of Spain.

"(vi) *The Portuguese Zone*

"The Portuguese Zone shall comprise the area of the Atlantic Ocean within a distance of 100 miles from the nearest land along the coast of Portugal and shall come into operation on the date on which the present Convention shall have come into force in respect of Portugal.

"(C) MEDITERRANEAN AND ADRIATIC SEAS—THE MEDITERRANEAN AND ADRIATIC ZONE

"The Mediterranean and Adriatic Zone shall comprise the sea areas within a distance of 100 miles from the nearest land along the coasts of each of the territories bordering the Mediterranean and Adriatic Seas and shall come into operation in respect of each territory on the date on which the present Convention shall have come into force in respect of that territory.

"(D) BLACK SEA AND SEA OF AZOV—THE BLACK SEA AND SEA OF AZOV ZONE

"The Black Sea and Sea of Azov Zone shall comprise the sea areas within a distance of 100 miles from the nearest land along the coasts of each of the territories bordering the Black Sea and Sea of Azov and shall come into operation in respect of each territory on the date on which the present Convention shall have come into force in respect of that territory.

"Provided that the whole of the Black Sea and the Sea of Azov shall become a prohibited zone on the date on which the present Convention shall have come into force in respect of Roumanian and the Union of Soviet Socialist Republics.

"(E) RED SEA—THE SEA ZONE

"The Red Zone shall comprise the sea areas within a distance of 100 miles from the nearest land along the coasts of each of the territories bordering the Red Sea and shall come into operation in respect of each territory on the date on which the present Convention shall have come into force in respect of that territory.

"(F) PERSIAN GULF

"(i) *The Kuwait Zone*

"The Kuwait Zone shall comprise the sea area within a distance of 100 miles from the nearest land along the coast of Kuwait.

"(ii) *The Saudia Arabian Zone*

"The Saudi Arabian Zone shall comprise the sea area within a distance of 100 miles from the nearest land along the coast of Saudi Arabia and shall come into operation on the date on which the present Convention shall have come into force in respect of Saudi Arabia.

"(G) ARABIAN SEA, BAY OF BENGAL AND INDIAN OCEAN

"(i) *The Arabian Sea Zone*

"The Arabian Sea Zone shall comprise the sea areas within a line drawn between the following positions:

"Latitude	"Longitude
"23°33′ north	"68°20′ east,
"23°33′ north	"67°30′ east;
"22° north	"68° east,
"20° north	"70° east;
"18°55′ north	"72° east,
"15°40′ north	"72°42′ east;
"8°30′ north	"75°48′ east,
"7°10′ north	"76°50′ east;
"7°10′ north	"78°14′ east,
"9°06′ north	"79°32′ east,

and shall come into operation on the date on which the present Convention shall have come into force in respect of India.

"(ii) *The Bay of Bengal Coastal Zone*

"The Bay of Bengal Coastal Zone shall comprise the sea areas between the nearest land and a line drawn between the following positions:

"Latitude	"Longitude
"10°15′ north	"80°50′ east,
"14°30′ north	"81°38′ east;
"20°20′ north	"88°10′ east,
"20°20′ north	"89° east,

and shall come into operation on the date on which the present Convention shall have come into force in respect of India.

(iii) *The Malagasy Zone*

The Malagasy Zone shall comprise the sea area within a distance of 100 miles from the nearest land along the coast of Madagascar west of the meridians of Cape d'Ambre in the north and of Cape Ste. Marie in the south and within a distance of 150 miles from the nearest land along the coast of Madagascar east of these meridians, and shall come into operation when the present Convention shall have come into force in respect of Madagascar.

(H) AUSTRALIA—THE AUSTRALIAN ZONE

The Australian Zone shall comprise the sea area within a distance of 150 miles from the nearest land along the coasts of Australia, except off the north and west coasts of the Australian mainland between the point opposite Thursday Island and the point on the west coast at 20° south latitude.

"(3) (a) Any Contracting Government may propose:

"(i) the reduction of any zone off the coast of any of its territories;

"(ii) the extension of any such zone to a maximum of 100 miles from the nearest land along any such coast, by making a declaration to that effect and the reduction or extension shall come into force after the expiration of a period of six months after the declaration has been made, unless any one of the Contracting Governments shall have made a declaration not less than two months before the expiration of that period to the effect that it considers that the destruction of birds and adverse effects on fish and the marine organisms on which they feed would be likely to occur or that its interests are affected either by reason of the proximity of its coasts or by reason of its ships trading in the area, and that it does not accept the reduction or extension, as the case may be.

"(b) Any declaration under this paragraph shall be made by a notification in writing to the Organization which shall notify all Contracting Governments of the receipt of the declaration.

"(4) The Organization shall prepare a set of charts indicating the extent of the prohibited zones in force in accordance with paragraph (2) of this Annex and shall issue amendments thereto as may be necessary."

15. The following changes to be made in Annex B to the Convention:

"1. Throughout the Annex replace the words 'Identity numbers of tank(s)' by 'Identity numbers of tank(s) concerned'.

"2. In Form I(a) replace the words 'Place or position of ship' by 'Place or position of ship at time of discharge'.

"3. In Form I(d) and Form II (a) and (b) replace the words 'Place or position of ship' by 'Place or position of ship at time of disposal'.

"4. In Form I(c) add a new line 17 as follows: '17. Approximate quantities of water discharged' and re-number lines in (d) 18 to 20.

"5. Delete the words 'from ship' in the headings of Forms I(d) and II(b).

"6. In Form III replace the words 'Place or position of ship' by 'Place or position of ship at time of occurrence'."

[Certified by the Acting Secretary-General of IMCO to be a true copy of the amendments adopted by the 1962 Conference of Contracting Governments to the International Convention for the Prevention of Pollution of the Sea by Oil, 1954.]

Mr. FULBRIGHT. Mr. President, Executive C, amends a convention approved by the Senate in 1961—the International Convention for the Prevention of Pollution of the Sea by Oil. The purpose of this convention was to regulate the discharge of oil and oily wastes on the high seas by tankers and other ships, in order to control the harmful effect of these discharges on beaches and coastal areas, birds, and other wildlife, and fish and marine resources. In general, the convention provided for a 50-mile zone around the coasts of all countries into which no oil or oily wastes could be discharged. It also provided for the maintenance and inspection of oil record books on all convention ships, and specified the ships to which the convention was to apply.

The committee recommended this convention to the Senate in 1961, but it did not gloss over its shortcomings which had kept the United States from signing the convention at the time it was negotiated in 1954. In fact, the Senate gave its advice and consent to ratification, subject to one understanding, two reservations, and five recommendations—all proposed by the Department of State—to deal with these shortcomings. By the same token, the committee shared the view of the Department that by becoming a party, the United States could be more effective in its efforts toward improving the convention and eliminating oil pollution. The amendments now before the Senate are largely the result of this effort. Many of the amendments were proposed by the United States, and all of them are considered improvements over the original provisions.

Briefly stated, the amendments strengthen the existing convention, first, by the addition of new categories of ships, both large and small, which must practice antipollution measures; second, by extending the system of prohibited zones from 50 to 100 miles from shores where pollution is particularly prevalent; and third, by amending the prescribed penalties and enforcement procedures.

The committee report contains a full description of all amendments.

There are several points that I might note in passing. One is that the revised convention makes the former understanding, reservations, and recommendations unnecessary. The new provisions eliminate the language that gave rise to them before. A second one is that the convention applies only to ships on the high seas. Within U.S. territorial waters, only U.S. laws apply—in this case, the Oil Pollution Acts of 1924 and 1961. The last point I wish to stress is the complete agreement by Government agencies, industry, and conservation groups on the merits of these amendments. This was disclosed at a public hearing on February 11.

The Committee on Foreign Relations feels that as a leading proponent of more effective antipollution measures, the United States should accept these amendments promptly. I ask that the Senate now give its advice and consent to their acceptance.

MAINTENANCE OF CERTAIN LIGHTS IN THE RED SEA

The Senate, as in Committee of the Whole, proceeded to consider the treaty, Executive F (88th Cong., 1st sess.), on maintenance of certain lights in the Red Sea, which was read the second time, as follows:

International Agreement Regarding the Maintenance of Certain Lights in the Red Sea

The contracting Governments:

Considering that certain lights on the Islands of Abu Ail and Jabal at Tair in the Red Sea were constructed at the expense of the Ottoman Government and subsequently maintained on the behalf and at the expense of the said Government; and

Considering that in the course of the 1914–18 war the above-mentioned Islands were occupied by the forces of His Britannic Majesty; and

Considering that by Article 16 of the Treaty of Peace with Turkey signed at Lausanne on 24th July, 1923, Turkey renounced all her rights and titles over the above-mentioned Islands, the future of these Islands being a matter for settlement by the Parties concerned; and that no agreement on the subject of the future of the above-mentioned Islands has been come to among the Parties concerned; and

Considering that in 1930 a Convention was signed on behalf of certain interested Governments, making provision for the maintenance of the lights on the above-mentioned Islands; and that the Convention of 1930 did not come into force but the lights continued to be maintained by the Government of the United Kingdom with contributions towards the cost thereof from the Governments of Germany, Italy and the Netherlands; and

Considering that the outbreak of the 1939–45 war put an end to the arrangement just recited and that the Government of the United Kingdom has maintained the two lights and since 1945 has received contributions towards the cost thereof from the Government of the Netherlands; and

Desiring to conclude an agreement which will provide for the maintenance of the lights on the Islands of Abu Ail and Jabal at Tair in the interests of shipping and for the sharing of the cost of their maintenance in an equitable manner;

Have agreed as follows:—

ARTICLE 1

In the present Agreement:

(i) the word "tonnage" means net tonnage as ascertained in accordance with the tonnage measurement rules of the Suez Canal Authority;

(ii) the expression "vessels of" a Government means vessels registered in the metropolitan territory of that Government;

(iii) the expression "contributing Government" means a contracting Government which for the financial year in question has not relieved itself of liability to contribute by giving notice in accordance with the provisions of Article 5;

(iv) the expression "financial year" means the twelve months ending 31st March; and

(v) the expression "the lights" means lights on the Islands of Abu Ail and Jabal at Tair.

ARTICLE 2

Subject to the provisions of Article 6, the Government of the United Kingdom of Great Britain and Northern Ireland shall be the Managing Government and as such shall continue to manage and maintain the lights. The Managing Government may appoint an agent to act on its behalf at a fee agreed between the Managing Government and such agent.

ARTICLE 3

(1) The contributing Governments shall defray the expense of managing and maintaining the said lights by contributions based on the total tonnage of the vessels of each contributing Government as ascertained in accordance with paragraphs (5) and (6) of the present Article.

(2) The Managing Government shall forward to the other contracting Governments, as soon as possible after 31st March in each year, particulars of the expenditure which it has incurred in managing and maintaining the lights during the previous financial year, a statement of the contribution due from each contributing Government and an estimate of the next year's expenditure. Should this estimate exceed £30,000 the Managing Government, at the request of any contributing Government, shall call a meeting of the contributing Governments to discuss the estimate.

(3) Should it become desirable to expend on renewals, replacements, or repairs, other than normal maintenance, more than £5,000 in any one financial year, the Managing Government shall consult the other contributing Governments, by a meeting of contributing Governments should any one so request, or in writing if not so requested, before incurring such expenditure in excess of £5,000 except in case it is necessary to provide for any sudden emergency; in that event the contributing Governments shall be informed as soon as possible.

(4) Each other contributing Government shall pay to the Managing Government the amount of its contribution as soon as practicable after the receipt from the Managing Government of the statement referred to in paragraph (2) of the present Article and in any event within twelve months after the statement is received.

(5) The Managing Government shall assess the contributions on the total tonnage of the vessels of each contributing Government passing through the Suez Canal as compared with the total tonnage of all vessels of all the contributing Governments passing through the Suez Canal: the tonnage in each case being the tonnage (as ascertained from publications issued by the Suez Canal Authority) passing through the Suez Canal during the calendar year ending 31st December immediately preceding the said 31st March.

(6) Where however a contributing Government has made representations before 31st March in any year to the Managing Government that the total tonnage of its vessels passing through the Suez Canal in the previous calendar year was substantially greater than the tonnage benefiting from the lights, and produces figures to that effect, the Managing Government shall assess the contribution of that Government in respect of that calendar year on the total tonnage of its vessels benefiting from the lights (this total tonnage to be determined by agreement between the Managing Government and the contributing Government concerned) as compared with the total tonnage of all vessels of all the contributing Governments passing through the Canal, and shall re-assess the contributions of all the other contributing Governments in respect of that calendar year proportionately.

(7) Subject to any declaration made under Article 9(4), each contributing Government shall pay its first contribution under the present Agreement in respect of the expenditure incurred in whichever of the following financial years is the later, (a) the financial year in which the present Agreement comes into force in accordance with the provisions of Article 11, or (b) the financial year in which it becomes a party to the present Agreement in accordance with the provisions of Article 9.

ARTICLE 4

(1) If for any reason the contribution of a contributing Government in respect of any financial year has not been paid within the twelve months time limit referred to in Article 3(4) the defaulting Government remains responsible for the contribution outstanding and the Managing Government shall use every endeavour to obtain the monies due.

(2) If such efforts prove abortive after a lapse of 2 years the other contributing Governments shall defray the amounts in default in the proportions laid down in Article 3(1) and the rights under Article 3 (2) and (3) and under Article 7 shall be suspended with respect to the defaulting Government until outstanding payments are made and payment of contributions resumed.

ARTICLE 5

(1) Each contracting Government has the right to discontinue its contribution for any financial year upon giving written notice to the Managing Government before 1st October in the previous financial year; it shall continue to be responsible for its current contribution up to the 31st March following the date of giving such notice. Any Government giving such notice shall state the reasons therefor, and for the financial year in respect of which its contribution is thus discontinued the rights of that Government under Article 3 (2) and (3) and Article 7 of the present Agreement shall be suspended. It shall, however, remain a party to the present Agreement.

(2) The Managing Government shall inform all contracting Governments of any notice received in accordance with the provisions of the present Article.

ARTICLE 6

(1) The Government of the United Kingdom has the right to discontinue its obligation to be Managing Government by giving to the other contracting Governments written notice to this effect. Its obligation shall cease at the end of the financial year following the financial year in which notice was given.

(2) In such event, the contracting Governments shall consult among themselves with a view to appointing another Government as Managing Government or making other arrangements for the management of the lights. If no such arrangements are made before the obligation of the Government of the United Kingdom ceases in accordance with paragraph (1) of the present Article, the present Agreement shall cease to be in force.

ARTICLE 7

If any contracting Government desires that any amendment should be made in the provisions of the present Agreement, it shall communicate its proposals, together with the reasons therefor, to the Managing Government. The Managing Government shall inform all the other contracting Governments of any proposal for amendment received by it with a request that they shall, as soon as possible, inform it whether they accept the proposal. A contracting Government shall be deemed to have accepted a proposal for amendment only after a notification of acceptance has been filed with the Managing Government. If a proposal for amendment is accepted by all the contributing Governments, the Managing Government shall draw up a certificate of the amendment which has been so agreed and communicate it to all the other contracting Governments, and the amendment shall be deemed to have come into force on the date of the certificate unless a different effective date has been provided in the accepted proposal.

ARTICLE 8

Nothing in the present Agreement shall be regarded as constituting a settlement of the future of the Islands or territories referred to in Article 16 of the Treaty of Lausanne or as prejudicing the conclusion of any such settlement in the future.

ARTICLE 9

(1) Subject to the provisions of paragraph (2) of the present Article, the Government of any State invited to attend the Diplomatic Conference regarding the maintenance of certain lights in the Red Sea held in London from 11th to 13th October, 1961, namely Denmark, Federal Republic of Germany, Finland, France, Greece, Italy, Liberia, Netherlands, Norway, Pakistan, Panama, Sweden, Union of Soviet Socialist Republics, United Arab Republic, United Kingdom of Great Britain and Northern Ireland and the United States of America, may become a party to the present Agreement by

(i) signature without reservation as to acceptance; or

(ii) signature subject to acceptance, followed by acceptance; or

(iii) acceptance.

(2) The present Agreement shall be open for signature from the 20th of February to the 19th of August, 1962 and thereafter it shall remain open for acceptance.

(3) Acceptance shall be effected by the deposit of an instrument of acceptance with the Government of the United Kingdom.

(4) Any Government which deposits its instrument of acceptance after the present Agreement has come into force may declare that its acceptance shall not take effect until 1st April following the date of its signature or acceptance

(5) The Government of the United Kingdom shall inform all signatory Governments and all Governments that have accepted the present Agreement of each signature or acceptance received and the date of its receipt and of any declaration made in accordance with paragraph (4) of the present Article.

ARTICLE 10

If in any calendar year the total tonnage of the vessels of any Government other than a contracting Government passing through the Suez Canal exceeds 1 per cent. of the total tonnage of all vessels passing through the Suez Canal, the Managing Government, after obtaining the assent of all contracting Governments, shall invite that Government to become a party to the present Agreement.

ARTICLE 11

The Government of the United Kingdom shall notify all signatory Governments and all Governments which have accepted the present Agreement when the total tonnage of the vessels passing through the Suez Canal of those Governments which have taken the action required by Article 9 to become parties to the Agreement has, in the preceding calendar year, exceeded 50 per cent. of the total tonnage of all vessels which have passed through the Suez Canal in that year, and the Agreement shall enter into force on the date of such notification.

ARTICLE 12

(1) Any contracting Government may denounce the present Agreement by giving written notice to the Managing Government. A notice of intention to discontinue contributing for an indefinite period shall be deemed to be a notice of denunciation. Denunciation shall take effect at the end of the financial year following that in which notice is given and a contributing Government shall remain liable for a contribution incurred before its denunciation takes effect.

(2) The Managing Government shall inform all contracting Governments of any such notice received by it.

In witness whereof the undersigned, duly authorised thereto by their respective Governments, have signed the present Agreement.

Done in London this 20th day of February 1962, in the English and French languages of which the English text shall be authoritative, in a single copy which shall be deposited in the archives of the Government of the United Kingdom which shall transmit certified copies thereof to each Government which has signed or accepted the present Agreement.

Denmark:
B. RICHNAGEL
3rd August 1962
Federal Republic of Germany:
R. THIERFELDER
16. August 1962
Subject to acceptance.
Greece:
Italy:
P. QUARONI
14 August 1962
Subject to acceptance.
Liberia:
Netherlands:
A. BENTINCK
16. August 1962
Subject to acceptance.
Norway:
E. ULSTEIN
17 August 1962
Subject to acceptance.
Pakistan:
Panama:
Sweden:
GUNNAR HÄGGLÖF
2d of August 1962
Union of Soviet Socialist Republics:
United Arab Republic:
United Kingdom of Great Britain and Northern Ireland:
J. B. GODBER
Feb 20th 1962
United States of America:
STEPHEN C. BROWN
March 2, 1962
Captain HARRY L. MORGAN, U.S.C.G.
March 2, 1962
Subject to acceptance.
Certified a true copy:
FOREIGN OFFICE, LONDON, August 20, 1962.
R. W. MASON
Librarian and Keeper of the Papers for the Secretary of State for Foreign Affairs.

Mr. FULBRIGHT. Mr. President, Executive F., although a new agreement, is addressed to an old problem. After World War I, Turkey surrendered sovereignty over two islands in the Red Sea on which it had maintained lighthouses since before that war. Sovereignty to this date over these islands has not been established; but the British, as the World War I occupying power, undertook to tend them, with varying assistance from several Western European nations. In recent years, with the lighthouses requiring repairs and capital improvement, the United Kingdom has come to feel that this burden ought to be shared by the nations whose shipping made the greatest use of these lights. Twelve nations accepted the United Kingdom invitation to the conference, which resulted in the agreement now before the Senate. Five of these nations have completed their acceptance of the agreement.

The committee's report describes the agreement in detail. Its principal feature is a cost-sharing formula based on the tonnage of the vessels of each contributing Government transiting the Suez Canal, as compared to the total tonnage of all contributing governments transiting the canal. This, clearly, will be a variable figure, depending on the tonnages and the number of contributing governments. At its maximum, the Department of State estimates, it would come to approximately $5,800 a year.

The lighthouses in question are considered by industry and Government agencies alike to be important aids to navigation in the southern end of the Red Sea. The United States has previously participated in cost-sharing agreements of this nature. Currently, the North Atlantic Ice Patrol is being financed by 17 governments according to a similar formula.

Mr. President, on behalf of the Committee on Foreign Relations, I ask that the Senate advise and consent to the ratification of Executive F.

Mr. MANSFIELD. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. MANSFIELD. I ask unanimous consent that the vote on the three treaties, exclusive of the treaty on return of the Austrian assets, be had at 2 o'clock p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arkansas will state it.

Mr. FULBRIGHT. Have the yeas and nays been ordered?

The PRESIDING OFFICER. Not yet.

Mr. MANSFIELD. Mr. President, I assure the Senator that the yeas and nays will be asked for, and that by 2 p.m. there will be a sufficient attendance of Senators to order them.

Mr. FULBRIGHT. Very well.

PARTIAL REVISION OF RADIO REGULATIONS—GENEVA, 1959—AND ADDITIONAL PROTOCOL

The Senate, as in Committee of the Whole, proceeded to consider the treaty, Executive S (88th Cong., 1st sess.), on partial revision of the radio regulations—Geneva, 1959—and additional protocol, which was read the second time, as follows:

Final Acts of the Extraordinary Administrative Radio Conference To Allocate Frequency Bands for Space Radiocommunication Purposes

ABBREVIATIONS

The following abbreviations are used in the annexes, to indicate the nature of amendments made in the partial revision of the Radio Regulations: MOD, modification; SUP, suppression; ADD, addition; NOC, no change.

Note.—If a modification effects only the drafting of a number, without changing the substance, the following symbol is used: MOD.

PARTIAL REVISION OF THE RADIO REGULATIONS, GENEVA, 1959

Recommendation No. 36 of the Ordinary Administrative Radio Conference, Geneva, 1959, recommended that the Administrative Council of the Union should consider the convening, in the latter part of 1963, of an Extraordinary Administrative Radio Conference to allocate frequency bands for Space Radiocommunication Purposes.

The Administrative Council considered this question during its annual session, in 1962, and, at its session in 1963, adopted Resolution No. 524, which, with the prior concurrence of a majority of the Members of the Union, determined the Agenda of the Conference and decided that it should be convened in Geneva on 7th October 1963.

The Extraordinary Administrative Radio Conference accordingly convened on the appointed date, and in accordance with the provisions of Nos. 60 and 61 of the Convention, revised the relevant portions of the Radio Regulations, Geneva, 1959. Particulars of these revisions are given in the attached Annexes.

The revised provisions of the Radio Regulations, Geneva, 1959, shall form an integral part of the Radio Regulations, which are annexed to the International Telecommunication Convention. They shall come into force on the first of January, 1965, upon which date the provisions of the Radio Regulations, Geneva, 1959, which are cancelled or modified by these revisions, shall be abrogated.

The delegates signing this revision of the Radio Regulations, Geneva, 1959, hereby declare that should an administration make reservations concerning the application of one or more of the revised provisions of the Radio Regulations, Geneva, 1959, no other administration shall be obliged to observe that provision or those provisions in its relations with that particular administration.

In witness whereof the delegates of the Members and Associate Member of the Union represented at the Extraordinary Administrative Radio Conference, Geneva, 1963, have signed in the names of their respective countries this revision of the Radio Regulations, Geneva, 1959, in a single copy which will remain in the archives of the International Telecommunication Union and of which a certified copy will be delivered to each Member and Associate Members of the Union.

Members and Associate Members of the Union shall inform the Secretary-General of their approval of the revision of the Radio Regulations, Geneva, 1959, by the Extraordinary Administrative Radio Conference, Geneva, 1963. The Secretary-General will inform Members and Associate Members of the Union promptly regarding receipt of such notifications of approval.

Done at Geneva, November 8, 1963.

For the Democratic and Popular Republic of Algeria:
M. Bougara
For the Argentine Republic:
J. A. Autelli
J. J. Etulain
G. B. Russo
H. Tizeira
For the Commonwealth of Australia:
L. M. Harris
For Austria:
F. Henneberg
A. Sapik
For Belgium:
L. Ros
P. Bouchier
A. Vancoillie
For the Byclorussian Soviet Socialist Republic:
L. Podorskij
For the People's Republic of Bulgaria:
M. Velkov
For the Kingdom of Cambodia:
Y. Khamvann
For Canada:
W. A. Caton
For China:
P. Cheng
S. Chen
For the Republic of Cyprus:
A. E. Embedoklis
For the Vatican City State:
A. Stefanizzi
H. de Riedmatten
For the Republican of Colombia:
E. Arango
M. Vega O
A. Villegas A.
O. Rovira Arango
A. Tapias Rocha
F. Hoyos Arenas
For the Republican of the Congo (Leopoldville):
S. Sierakowski
For the Republic of Korea:
P. S. Chin
C. W. Pak
J. S. Choy
H. P. Sim
For Cuba:
Dr. E. Camejo-Argudin
J. A. Valladares
R. Gil
For Denmark:
G. Pedersen
B. Nielsen
P. V. Larsen
For the Group of Territories represented by the French Office of Overseas posts and telecommunications:
G. Auneveux
For Spain:
J. M. Aniel-Quiroga
J. Garrido
J. M$^{\text{A}}$ Arto
For the United States of America:
Jos. H. McConnell
For Ethiopia:
D. Beyene
For Finland:
K. Ahti
A. Sinkkonen
For France:
B. de Chalvron
Y. Place
For Ghana:
J. A. Eshun
For Greece:
A. Marangoudakis
For the Hungarian People's Republic:
L. Horváth
A. Lörinczy
R. Kerpel
For the Republic of India:
V. V. Rao
M. D. Sant
For the Republic of Indonesia:
Pratomo
S. Abdulrachman
I. Alisjahbana
For Ireland:
T. O. Dálaigh
J. Malone
For Iceland:
S. Thorkelsson
For the State of Israel:
Ing. E. Ron
G. Lev
Y. Yannay
For Italy:
F. Nicotera
For Jamaica:
G. A. Gauntlett
For Japan:
S. Fujiki
S. Namba
For the State of Kuwait:
A. A. Alsaadoon
A. Y. Khalil
A. K. Alghunaim
For Lebanon:
N. Kayata
For the Republic of Liberia:
S. H. Butler
For the Principality of Liechtenstein:
W. Klein
R. Monnat
H. A. Kieffer
For Luxembourg:
P. Bouchier
For Malaysia:
M. Seck Wah
For the Kingdom of Morocco:
L. Boutami
A. Drissi
For Mexico:
Ad referendum
J. J. Hernández
For Monaco:
C. Ch. Solamito
For Norway:
N. J. Soberg
P. Mortensen
K. Hammerstrom
For New Zealand:
J. M. Power
D. C. Rose
For Uganda:
V. G. Bennett
For Pakistan:
O. H. Mohamed
A. B. M. Taher
For the Kingdom of the Netherlands:
A. D. J. Uurbanus
J. J. Vormer
M. T. M. Fonville
For the Republic of the Philippines:
L. Carcia
For the Polish People's Republic:
K. Kozlowski
For Portugal:
M. Amaro Vieira
M. J. F. da Costa Jardim
R. Lopes C. Duarte
A. Ramalho
For the Spanish Provinces of Africa:
J. M. Pardo
J. M$^{\text{A}}$ Ruiz de Assin Musso
For the United Arab Republic:
A. B. El Siddik Eid
A. K. El Harty
H. Abdel Bari
For the Federal Republic of Germany:
H. Pressler
A. Heilmann
For the Federal People's Republic of Yugoslavia:
V. Popovic
For the Ukranian Soviet Socialist Republic:
J. Omeljanenko
For the Rumanian People's Republic:
M. Grigore
B. Ionita
A. Spataru
For the United Kingdom of Great Britain and Northern Ireland:
Charles Booth
James H. H. Merriman
I. StQ. Severin
For the South African Republic and Territory of South West Africa:
J. Z. Venter
A. Birrell
H. C. Viljoen

For Sweden:
H. STERKY
E. ESPING
For the Swiss Confederation:
W. KLEIN
R. MONNAT
H. A. KIEFFER
For Tanganyika:
R. F. WILLIAMS
For the Czechoslovak Socialist Republic:
ING. M. ZAHRADNICEK
For the Territories of the United States of America:
JOS. H. MCCONNELL
JAMES T. DEVINE
For the Overseas Territories for the international relations of which the Government of the United Kingdom of Great Britain and Northern Ireland are responsible:
D. C. MASTERS
For the Union of Soviet Socialist Republics:
A. BADALOV
For Kenya:
V. G. BENNETT

ANNEX 1—REVISION OF ARTICLE 1 OF THE RADIO REGULATIONS

Article 1 of the Radio Regulations shall be amended as follows: For Regulation Nos. 34 and 35, there shall be substituted the following Regulations:

"SECTION II. RADIO SYSTEMS, SERVICES AND STATIONS

"MOD 34—Aeronautical Station: A land station in the aeronautical mobile service. In certain instances an aeronautical station may be placed on board a ship or an earth satellite.

"MOD 35—Aircraft Station: A mobile station in the aeronautical mobile service on board an aircraft or an air-space vehicle."

Regulation Nos. 70, 71, 72 and 73 shall be repealed.

After Regulation No. 75, there shall be inserted the following Regulation:

"ADD 75A—Radio Astronomy Station: A station in the radio astronomy service."

After Regulation No. 84, there shall be inserted the following Regulations:

"ADD 84AA—Terrestrial Service: Any radio service defined in these Regulations, other than a space service or the radio astronomy service.

"ADD 84AB—Terrestrial Station: A station in a terrestrial service.

"ADD title:

"SECTION IIA. SPACE SYSTEMS, SERVICES AND STATIONS

"ADD 84AC—Space Service: A radiocommunication service between earth stations and space stations, or between space stations, or between earth stations when the signals are re-transmitted by space stations, or transmitted by reflection from objects in space, excluding reflection or scattering by the ionsphere or within the earth's atmosphere.

"ADD 84AD—Earth Station: A station in the space service located either on the earth's surface, including on board a ship, or on board an aircraft.

"ADD 84AE—Space Station: A station in the space service located on an object which is beyond, is intended to go beyond, or has been beyond, the major portion of the earth's atmosphere.

"ADD 84AF—Space System: Any group of co-operating earth and space stations, providing a given space service and which, in certain cases, may use objects in space for the reflection of the radiocommunication signals.

"ADD 84AG — Communication - Satellite Service: A space service between earth stations, when using active or passive satellites for the exchange of communications of the fixed or mobile service, or between an earth station and stations on active satellites for the exchange of communications of the mobile service, with a view to their re-transmission to or from stations in the mobile service.

"ADD 84AH — Communication - Satellite Earth Station: An earth station in the communication-satellite service.

"ADD 84AI — Communication - Satellite Space Station. A space station in the communication-satellite service, on an earth satellite.

"ADD 84AJ—Active Satellite: An earth satellite carrying a station intended to transmit or retransmit rediocommunication signals.

"ADD 84AK—Passive Satellite: An earth satellite intended to transmit radiocommunication signals by reflection.

"ADD 84AL—Satellite System: Any group of co-operating stations providing a given space service and including one or more active or passive satellites.

ADD 84AM—Space Research Service: A space service in which spacecraft or other objects in space are used for scientific or technological research purposes.

"ADD 84AN—Space Research Earth Station: An earth station in the space research service.

"ADD 84AO—Space Research Space Station: A space station in the space research service.

ADD 84AP—Broadcasting-Satellite Service: A space service in which signals transmitted or re-transmitted by space stations, or transmitted by reflection from objects in orbit around the Earth, are intended for direct reception by the general public.

"ADD 84AQ — Radionavigation - Satellite Service: A service using space stations on earth satellites for the purpose of radionavigation, including, in certain cases, transmission or re-transmission of supplementary information necessary for the operation of the radionavigation system.

"ADD 84AR — Radionavigation - Satellite Earth Station: An earth station in the radionavigation-satellite service.

"ADD 84AS — Radionavigation - Satellite Space Station: A space station in the radionavigation-satellite service, on an earth satellite.

"ADD 84AT — Meteorological - Satellite Service: A space service in which the results of meteorological observations, made by instruments on earth satellites, are transmitted to earth stations by space stations on these satellites.

"ADD 84AU—Meterological-Satellite Earth Station: An earth station in the meteorological-satellite service.

"ADD 84AV—Meterological-Satellite Space Station: A space station in the meteorological-satellite service, on an earth satellite.

"ADD 84AW—Space Telemetering: The use of telemetering for the transmission from a space station of results of measurements made in a spacecraft, including those relating to the functioning of the spacecraft.

"ADD 84AX—Maintenance Space Telemetering: Space telemetering relating exclusively to the electrical and mechanical condition of a spacecraft and its equipment together with the condition of the environment of the spacecraft.

"ADD 84AY—Space Telecommand: The use of radiocommunication for the transmission of signals to a space station to initiate, modify or terminate functions of the equipment on a space object, including the space station.

"ADD 84AZ—Space Tracking: Determination of the orbit, velocity or instantaneous position of an object in space by means of radiodetermination, excluding primary radar, for the purpose of following the movement of the object.

"ADD Title:

"SECTION IIB. SPACE ORBITS AND TYPES OF OBJECTS IN SPACE

"ADD 84BA—Deep Space: Space at distances from the Earth equal to or greater than the distance between the Earth and the Moon.

"ADD 84BB—Orbit: The path in space described by the centre of mass of a satellite or other object in space.

"ADD 84BC—Angle of Inclination of an Orbit: The acute angle between the plane containing an orbit and the plane of the earth's equator.

"ADD 84BD—Period of an Object in Space: The time elapsing between two consecutive passages of an object in space through the same point on its closed orbit.

"ADD 84BE—Altitude of the Apogee: Altitude above the surface of the Earth of the point on a closed orbit where a satellite is at its maximum distance from the centre of the Earth.

"ADD 84BF—Altitude of the Perigee: Altitude above the surface of the Earth of the point on a closed orbit where a satellite is at its minimum distance from the centre of the Earth.

"ADD 84BG—Stationary Satellite: A satellite, the circular orbit of which lies in the plane of the earth's equator and which turns about the polar axis of the Earth in the same direction and with the same period as those of the earth's rotation.

"ADD 84BH—Spacecraft: Any type of space vehicle, including an earth satellite or a deep-space probe, whether manned or unmanned."

ANNEX 2—REVISION OF ARTICLE 3 OF THE RADIO REGULATIONS

Article 3 of the Radio Regulations shall be amended as follows:

For Regulation No. 114, there shall be substituted the following:

"MOD 114, § 2: Any new assignment or any change of frequency or other basic characteristic of an existing assignment (see Appendix 1 or Appendix 1A) shall be made in such a way as to avoid causing harmful interference to services rendered by stations using frequencies assigned in accordance with the Table of Frequency Allocations in this Chapter and the other provisions of these Regulations, the characteristics of which assignments are recorded in the Master International Frequency Register."

After Regulation No. 116 there shall be inserted the following new Regulation:

"ADD 116A, § 4A: For the purpose of resolving cases of harmful interference, the radio astronomy service shall be treated as a radiocommunication service. However, protection from services in other bands shall be afforded the radio astronomy service only to the extent that such services are afforded protection from each other."

ANNEX 3—REVISION OF ARTICLE 5 OF THE RADIO REGULATIONS

Article 5 of the Radio Regulations shall be amended as follows:

In the Table of Frequency Allocations for the band 9 995–10 005 kc/s there shall be substituted the following:

"kc/s

Allocation to services		
Region 1	Region 2	Region 3
9 995—10 005 Standard frequency 204 214 215"		

"NOC 204, 214.

"MOD 215: The band 10 003–10 005 kc/s is also allocated, on a secondary basis, to the space research service."

In the Table of Frequency Allocations for the band 15 450–16 460 kc/s there shall be substituted the following:

"kc/s

Allocation to services		
Region 1	Region 2	Region 3
15 450—15 762 Fixed		
15 762—15 768 Fixed Space research 215A		
15 768—16 460 Fixed "		

"ADD 215A: In Bulgaria, Cuba, Hungary, Poland, Roumania, Czechoslovakia and the U.S.S.R., the space research service is a primary service in the bands 15 762–15 768 kc/s and 18 030–18 036 kc/s."

In the Table of Frequency Allocations for the band 18 030–20 010 kc/s there shall be substituted the following:

"kc/s

Allocation to services		
Region 1	Region 2	Region 3
18 030—18 036 Fixed Space research 215A		
18 036—19 990 Fixed		
19 990—20 010 Standard frequency 204 220 221 221A"		

"NOC 220.

"MOD 221: The band 19 990–20 010 kc/s is also allocated, on a secondary basis, to the space research service.

"ADD 221A: The frequency 20 007 kc/s may also be used, in emergency, in the search for, and rescue of, astronauts and space vehicles. Emissions must be confined in a band of ± 3 kc/s about this frequency."

In the Table of Frequency Allocations for the band 29.7–41 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
29.7—30.005 Fixed 228 229 231 232 Mobile 233		
30.005—30.010 Fixed 228 229 231 Mobile Space research Space (satellite identification) 233		
30.010—37.750 Fixed 228 229 230 231 Mobile 233		
37.75—38.25 Fixed 228 22° 231 Mobile Radio astronomy 233		
38.25—41 Fixed 228 229 230 231 Mobile 233 235 236"		

"NOC 228, 229, 230, 231, 232, 233, 236.

"SUP 234.

"MOD 235: The band 39.936–40.002 Mc/s is also allocated, on a secondary basis, to the space research service."

In the Table of Frequency Allocations for Region 2 and for the band 68–74.6 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
68-74.8	68-73 Fixed Mobile Broadcasting	68-70
	73-74.6 Radio astronomy 253A 253B	70-74.6"

"SUP 253.

"ADD 253A: In Region 2, fixed, mobile and broadcasting service operations previously authorized in the band 73–74.6 Mc/s may continue to operate on a non-interference basis to the radio astronomy service.

"ADD 253B: In Cuba, the band 73–74.6 Mc/s is also allocated to the fixed, mobile and broadcasting services."

In the Table of Frequency Allocations for the band 117.975–144 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
117975—132 Aeronautical mobile (R) 273 273A		
132—136 Aeronautical mobile (r) 273A 274 275	132-136 Fixed Mobile 273A 276 277 278 279	
136—137 Fixed Mobile Space research (telemetering and tracking) 281A	136—137 Space research (telemetering and tracking) 281A 281B	136—137 Fixed Mobile Space research (telemetering and tracking) 281A
137—138 Meteorological-satellite Space research (telemetering and tracking) 281F Space (telemetering and tracking) 275A 279A 281C 281D 281E		
138—143.6 Aeronautical Mobile (or) 275 282 283	138-143.6 Fixed Mobile Radiolocation	138—143.6 Fixed Mobile 278 279A 284"

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
143.6—143.65 Aeronautical mobile (or)· Space research (telemetering and tracking) 275 282 283	143.6—143.65 Fixed Mobile Space research (telemetering and tracking) Radiolocation	143.6—143.65 Fixed Mobile Space research (telemetering and tracking) 278 279A 284
143.65—144 Aeronautical mobile (or) 275 282 283	143.65—144 Fixed Mobile Radiolocation	143.65—144 Fixed Mobile 278 279A 284"

"NOC 273.

"ADD 273A: In the band 117–975–132 Mc/s and in the band 132–136 Mc/s where the aeronautical mobile (R) service is authorized, the use and development, for this service, of systems using space communication techniques may be authorized but limited initially to satellite relay stations of the aeronautical mobile (R) service. Such use and development shall be subject to coordination between administrations concerned and those having services operating in accordance with the Table, which may be affected.

"NOC 274.

"MOD 275: In Burundi, Ethiopia, Nigeria, Sierra Leone, Gambia, Portuguese Oversea Provinces in Region 1 south of the equator, Rhodesia and Nyasaland, Rwanda and the R. of South Africa and Territory of South West Africa, the bands 132–136 Mc/s and 138–144 Mc/s are allocated to the fixed and mobile services.

"ADD 275A: In Burundi, Nigeria, Sierra Leone, Gambia, Portuguese Oversea Provinces in Region 1 south of the equator, Rhodesia and Nyasaland, and Rwanda, the band 137–138 Mc/s is also allocated to the fixed and mobile services.

"NOC 276, 277.

"MOD 278: In New Zealand, the bands 132–136 Mc/s and 138–144 Mc/s are allocated to the aeronautical mobile (OR) service.

"MOD 279: In Australia, the band 132–136 Mc/s is allocated to the aeronautical mobile service.

"ADD 279A: In Australia, the band 137–144 Mc/s is also allocated to the broadcasting service for television.

"SUP 280.

"SUP 281.

"ADD 218A: For the use of the band 136–137 Mc/s, see Recommendation No. 7A.

"ADD 281B: In Region 2, the band 136–137 Mc/s is also allocated to the fixed and mobile services until 1 January, 1969. Thereafter, in Cuba, the band will continue to be allocated also to the fixed and mobile services.

"ADD 281C: In Algeria, Bulgaria, Hungary, Kuwait, Lebanon, Morocco, Poland, the United Arab Republic, Yugoslavia, Roumania, Czechoslovakia and the U.S.S.R., the band 137–138 Mc/s is also allocated to the aeronautical mobile (OR) service. In the remaining countries of Region 1, the band 137–138 Mc/s is also allocated to the aeronautical mobile (OR) service until 1 January, 1969.

"ADD 281D: In Norway, Switzerland and Turkey, the band 137–138 Mc/s is also allocated to the fixed service and mobile, except aeronautical mobile, service until 1 January, 1969.

"ADD 281E: In Regions 2 and 3, the band 137–138 Mc/s is also allocated to the fixed and mobile services until 1 January, 1969. Thereafter, in Cuba, Malaysia, Pakistan and the Philippines, the band 137–138 Mc/s will continue to be allocated also to the fixed and mobile services.

"ADD 281F: The band 137–138 Mc/s will be used mainly for research concerning the establishment, technical improvement, and maintenance of operational space systems.

"MOD 282: In Austria, the Netherlands and the United Kingdom, the band 138–144 Mc/s will, at some future date, be allocated to the fixed service and mobile, except aeronautical mobile, service.

"MOD 283: In Denmark, Greece, Norway, Portugal, F.R. of Germany, Sweden, Switzerland and Turkey, the band 138–144 Mc/s is also allocated to the fixed service and mobile, except aeronautical mobile (R), service.

"MOD 284: In China, the band 138–144 Mc/s is also allocated to the radiolocation service."

In the Table of Frequency Allocations for the band 144–150.05 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
144—146 Amateur 284A		
146—149.9 Fixed Mobile except aeronautical mobile (R) 274 285 285A	146—148 Amateur 289	
	148—149.9 Fixed Mobile 285A 290	
149.9—150.05 Radionavigation-satellite 285B"		

"**ADD 284A**: In the band 144–146 Mc/s, artificial satellites may be used by the amateur service.

"**MOD 285**: In Rhodesia and Nyasaland, and the R. of South Africa and Territory of South West Africa, the bands 146–149.9 Mc/s and 150.05–174 Mc/s are also allocated to the aeronautical mobile service.

"**ADD 285A**: The frequencies 148.25 Mc/s ±15 kc/s and 154.2 Mc/s ±15 kc/s may be used for space telecommand, subject to agreement among the administrations concerned and those having services operating in accordance with the Table, which may be affected.

"**ADD 285B**: Stations operating in the fixed and mobile services may continue to use this band until 1 January, 1969. This cessation date shall not apply in Austria, Bulgaria, Cuba, Hungary, Iran, Kuwait, Morocco, Pakistan, the Netherlands, Poland, the United Arab Republic, Yugoslavia and Roumania where the fixed and mobile services will continue to have equal primary status with the radionavigation-satellite service. (See Recommendation No. 8A)

"**NOC 289.**

"**MOD 290**: In New Zealand, the bands 148–149.9 Mc/s and 150.05–156 Mc/s are allocated to the aeronautical mobile (OR) service."

In the Table of Frequency Allocations for the bands 150.05–174 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
150.05—151 Fixed Mobile except aeronautical mobile (R) 274 285 286 286A	150.05—174 Fixed Mobile	150.05—170 Fixed Mobile
151—154 Fixed Mobile except aeronautical mobile (R) Meteorological aids 285 286 286A		
154—156 Fixed Mobile except aeronautical mobile (R) 285 285A		285A 287 290
156—174 Fixed Mobile except aeronautical mobile 285 287 288	285A 287	170—174 Fixed Mobile Broadcasting"

"**MOD 285.**

"**MOD 286**: In Region 1, the band 150.05–153 Mc/s is also allocated to the radio astronomy service. In making assignments to new stations of other services to which this band is allocated, administrations are urged to take all practicable steps to protect radio astronomy observations from harmful interference.

"**ADD 286A**: In the United Kingdom, the band 150.05–151 Mc/s is allocated to the radio astronomy service, and the band 151–153 Mc/s is allocated to the radio astronomy service on a primary basis and to the meteorological aids service on a secondary basis; however, in this band the provisions of No. 274 apply.

"**NOC 287.**

"**NOC 288.**

"**MOD 290.**"

In the Table of Frequency Allocations for the band 174–216 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
174-216 Broadcasting 291 292 293 294	174-216 Fixed Mobile Broadcasting 294 295 296"	

"**NOC 291, 292, 293, 295, 296.**

"**MOD 294**: The band 183-1–184-1 Mc/s is also allocated, on a secondary basis, to the space research service."

In the Table of Frequency Allocations for the band 235–328-6 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
235-267 Fixed Mobile 305 309		
267-272 Fixed Mobile Space (telemetering) 309A 309B		
272-273 Fixed Mobile Space (telemetering) 309A		
273-328.6 Fixed Mobile 310"		

"**NOC 305, 309, 310.**

"**ADD 309A**: Space stations employing frequencies in the band 267–273 Mc/s for telemetering purposes may also transmit track ing signals in the band.

"**ADD 309B**: In the band 267–272 Mc/s individual administrations may use space telemetering in their countries on a primary basis, subject to the agreement of the administrations concerned and those having services operating in accordance with the Table, which may be affected."

In the Table of Frequency Allocations for the band 335.4–401 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
335.4—399.9 Fixed Mobile		
399.9—400.05 Radionavigation-satellite 311A		
400.05—401 Meteorological aids Meteorological-satellite (maintenance telemetering) Space research (telemetering and tracking) 312A 313 314"		

"**ADD 311A**: Stations operating in the fixed and mobile services may continue to use this band until 1 January, 1969. This cessation date shall not apply in Bulgaria, Cuba, Greece, Hungary, Iran, Kuwait, Lebanon, Morocco, the United Arab Republic and Yugoslavia where the fixed and mobile services will continue to have equal status with the radionavigation-satellite service. (See Recommendation No. 8A)

"**SUP 312.**

"**ADD 312A**: In Sweden, the band 400.05–401 Mc/s is also allocated to the fixed and mobile services until 1 January, 1966.

"**MOD 313**: In Albania, Bulgaria, Greece, Hungary, Poland, the United Arab Republic, Yugoslavia, Roumania, Czechoslavakia and the U.S.S.R., the band 400.05–401 Mc/s, is also allocated to the fixed and mobile services.

"**MOD 314**: In the United Kingdom, the band 400.05–420 Mc/s is also allocated to the radiolocation service; however, between 400.05 and 410 Mc/s the allocation to the radiolocation service is on a secondary basis."

In the Table of Frequency Allocations for the band 401–406 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
401—402 Meteorological aids Space (telemetering) 315A Fixed Mobile except aeronautical mobile 314 315 315B 316		
402—406 Meteorological aids Fixed Mobile except aeronautical mobile 314 315 316 317"		

"**MOD 314.**

"**NOC 315.**

"**ADD 315A**: Space stations employing frequencies between 401–402 Mc/s for telemetering purposes may also transmit tracking signals in this band.

"**ADD 315B**: In Australia, the space (telemetering) service in the band 401–402 Mc/s is a secondary service.

"**NOC 316.**

"**MOD 317**: The band 404–410 Mc/s in Region 2 and the band 406–410 Mc/s in Regions 1 and 3 are also allocated to the radio astronomy service. An appropriate continuous band within these limits shall be designated on a national or area basis. In making assignments to stations of other services to which these bands are allocated, administrations are urged to take all practicable steps to protect radio astronomy observations from harmful interference."

In the table of frequency allocations for the band 420–470 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
420—430 Fixed Mobile except aeronautical mobile Radiolocation 318 319	420—450 Radiolocation Amateur 318 319A 323 324	
430—440 Amateur Radiolocation 318 319 320 321 322		
440—450 Fixed Mobile except aeronautical mobile Radiolocation 318 319 319A		
450—460 Fixed Mobile 318 319A		
460—470 Fixed Mobile Meteorological-satellite 318A"		

"NOC 318, 319, 320, 321, 322, 323, 324.

"ADD 318A: In Bulgaria, Cuba, Hungary, Poland, Roumania, Czechoslovakia and the U.S.S.R., the band 460–470 Mc/s may be used, on a primary basis, by the meteorological-satellite service subject to agreement among administrations concerned and those having services, or intending to introduce services, operating in accordance with the Table, which may be affected.

"ADD 319A: The band 449.75–450.25 Mc/s may be used for space telecommand, subject to agreement among the administrations concerned and those having services operating in accordance with the Table, which may be affected."

In the Table of Frequency Allocations for the bands 470–890 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
470—582	470—890 Broadcasting 332	470—585
582—606		585—610 Radionavigation 336 337
606—790 Broadcasting 326 329 330 330A 331 332		610—890 Fixed Mobile Broadcasting 332 338 339"
790—890		

"NOC 326, 329.

"MOD 330: In Region 1, except the African Broadcasting Area*, the radionavigation service may continue to operate in the band 606–610 Mc/s until the band is required for the broadcasting service.

"330.1* For the purposes of this Regulation the term 'African Broadcasting Area' means:

"(a) African countries, parts of countries, territories and groups of territories situated between the parallels 40° South and 30° North.

"(b) Islands in the Indian Ocean west of meridian 60° East, situated between the parallel 40° South and the great circle arc joining the points 45° East, 11°30′ North and 60° East, 15° North.

"(c) Islands in the Atlantic Ocean east of Line B defined in No. 131 of these Regulations, situated between the parallels 40° South and 30° North.

"ADD 330A: In the African Broadcasting Area; the band 606–614 Mc/s is allocated to the radio astronomy service.

"NOC 331.

"MOD 332: In Region 1, except the African Broadcasting Area*, the band 606–614 Mc/s, and in Region 3, the band 610–614 Mc/s may be used by the radio astronomy service. Administrations shall avoid using the band concerned for the broadcasting service as long as possible, and thereafter, as far as practicable, shall avoid the use of such effective radiated powers as will cause harmful interference to radio astronomy observations.

"In Region 2, the band 608–614 Mc/s is reserved exclusively for the radio astronomy service until the first Administrative Radio Conference after 1 January, 1974 which is competent to review this provision; however, this provision does not apply to Cuba.

"NOC 336, 337, 338, 339."

In the Table of Frequency Allocations for the band 890–1215 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
890—942 Fixed Broadcasting Radiolocation 329 331 333 339A	890—942 Fixed Radiolocation 339A 340	890—942 Fixed Mobile Broadcasting Radiolocation 339 339A
942—960 Fixed Broadcasting 329 331 333 339A	942—960 Fixed 339A	942—960 Fixed Mobile Broadcasting 338 339 339A
960—1 215 Aeronautical radionavigation 341"		

"NOC 333, 340.

"ADD 339A: Specific portions of the frequency band 900–960 Mc/s may also be used, on a secondary basis, for experimental purposes in connection with space research.

"MOD 341: The band 960–1 215 Mc/s is reserved on a world-wide basis for the use and development of airborne electronic aids to air navigation and any directly associated ground-based facilities."

In the Table of Frequency Allocations for the band 1 400–1 660 Mc/s there shall be substituted the following, the allocations in the Radio Regulations, Geneva, 1959, being retained for the band 1 429–1 525 Mc/s:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
1400—1427 Radio astronomy		
1427—1429 Fixed Mobile except aeronautical mobile Space (telecommand)		
1429—1525	1429—1435 1435—1525	1429—1525
1525—1535 Fixed 350B Space (telemetering) 350A Mobile except aeronautical mobile 350C	1525—1535 Space (telemetering) 350A Fixed Mobile 350D	1525—1535 Fixed 350B Space (telemetering) 350A Mobile 350E
1535—1540 Space (telemetering) 350A 351 352 352C		
1540—1660 Aeronautical radionavigation 351 352 352A 352B 352D"		

"ADD 350.

"ADD 350A: Space stations employing frequencies in the band 1 525–1 540 Mc/s for telemetering purposes may also transmit tracking signals in the band.

"ADD 350B: As regards the category of the fixed service, see Resolution No. 3A.

"ADD 350C: In Albania, Bulgaria, France, Hungary, Kuwait, Lebanon, Morocco, Poland, the United Arab Republic, Yugoslavia, Roumania, Czechoslovakia and the U.S.S.R., the band 1 525–1 535 Mc/s is also allocated, on a primary basis, to the mobile, except aeronautical mobile, service. As regards the category of this service, see Resolution No. 3A.

"ADD 350D: In Cuba, the band 1 525–1 535 Mc/s is also allocated, on a primary basis, to the mobile service.

"ADD 350E: In Japan, the band 1 525–1 535 Mc/s is also allocated to the mobile service, on a primary basis, until 1 January, 1969.

"MOD 351: In Italy, the band 1 535–1 600 Mc/s is also allocated to the fixed service until 1 January, 1970.

"MOD 352: In Albania, Bulgaria, Hungary, Poland, Roumania, Czechoslovakia and the U.S.S.R., the band 1 535–1 660 Mc/s is also allocated to the fixed service. As regards the category of the fixed service in the band 1 535–1 540 Mc/s, see Resolution No. 3A.

"ADD 352A: The bands 1 540–1 660 Mc/s 4 200–4 400 Mc/s, 5 000–5 250 Mc/s and 15.4–15.7 Gc/s are reserved, on a worldwide basis, for the use and development of airborne electronic aids to air navigation and any directly associated ground-based or satellite-borne facilities.

"ADD 352B: The bands 1 540–1 660 Mc/s, 5 000–5 250 Mc/s and 15.4–15.7 Gc/s are also allocated to the aeronautical mobile (R) service for the use and development of systems using space communication techniques. Such use and development is subject to agreement and co-ordination between administrations concerned and those having services operating in accordance with the Table, which may be affected.

"ADD 352C: In Morocco and Yugoslavia, the band 1 535–1 540 Mc/s is also allocated to the aeronautical radionavigation service.

"ADD: 352D: In Austria, Indonesia and the F.R. of Germany, the band 1 540–1 660 Mc/s is also allocated to the fixed service."

In the Table of Frequency Allocations for the bands 1 660–1 710 Mc/s there shall be substituted the following, the allocations in the Radio Regulations, Geneva, 1959, being retained for the band 1 670–1 690 Mc/s.

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
1 660—1 664.4 Meteorological aids Meteorological-satellite 324A 353 354 354A 354B		
1 664.4—1 668.4 Meteorological aids Meteorological-satellite 324A Radio astronomy 353 353A 354 354A 354B		
1 668.4—1 670 Meteorological aids Meteorological-satellite 324A 353 354 354A 354B		
1 670—1 690		
1 690—1 700 Meteorological aids Meteorological-satellite 324A Fixed Mobile except aeronautical mobile 353 354A	1 690—1 700 Meteorological aids Meteorological-satellite 324A 354A 354C"	

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
1 700—1 710 Fixed Space research (telemetering and tracking) Mobile	1 700—1 710 Space research (telemetering and tracking) 355A	1 700—1 710 Fixed Mobile Space research (telemetering and tracking)"

"ADD 324A: It is intended that meteorological-satellite space stations operating in this band shall transmit to selected earth stations. The location of such earth stations is subject to agreement among administrations concerned and those having services operating in accordance with the Table, which may be affected.

"NOC 353.

"ADD 353A: In view of the successful detection of two spectral lines in the region of 1 665 Mc/s and 1 667 Mc/s by astronomers, administrations are urged to give all practicable protection in the band 1 664.4–1 668.4 Mc/s for future research in radio astronomy.

"NOC 354.

"ADD 354A: In Algeria, Bulgaria, Cuba, Hungary, Kuwait, Lebanon, Morocco, Pakistan, Poland, the United Arab Republic, Yugoslavia, Roumania, Czechoslovakia and the U.S.S.R., the bands 1 660–1 670 Mc/s and 1 690–1 700 Mc/s are also allocated to the fixed service and the mobile, except aeronautical mobile, service.

"ADD 354B: In Australia, Cyprus, Spain, Ethiopia, Indonesia, Israel, New Zealand, Portugal, the Spanish Provinces in Africa, the United Kingdom, Sweden and Switzerland, the band 1 660–1 670 Mc/s is also allocated, on a secondary basis, to the fixed service, and the mobile, except aeronautical mobile, service.

"ADD 354C: In Australia, Indonesia and New Zealand, the band 1 690–1 700 Mc/s is also allocated, on a secondary basis, to the fixed service and the mobile, except aeronautical mobile, service.

"SUP 355.

"ADD 355A: In Cuba, the band 1 700–1 710 Mc/s is also allocated to the fixed and mobile services."

In the Table of Frequency Allocations for the bands 1 710–2 290 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
1 710—1 770 Fixed Mobile 356	1 710—1 770 Fixed Mobile	
1 770—1 790 Fixed Meteorological-satellite 356AA Mobile 356	1 770—1 790 Fixed Mobile Meteorological-satellite 356AA	
1 790—2 290 Fixed Mobile 356 356A	1 790—2 290 Fixed Mobile 356A"	

"NOC 356.

"ADD 356AA: In Bulgaria, Cuba, Hungary, Poland, Roumania, Czechoslovakia and the U.S.S.R., the meteorological-satellite service, in the band 1 770–1 790 Mc/s, shall be on a primary basis, subject to co-ordination with the administrations concerned and those having services operating in accordance with the Table, which may be affected by the siting of earth stations.

ADD 356A: The band 2 110–2 120 Mc/s may be used for telecommand in conjunction with spacecraft engaged in deep space research, subject to agreement between the administrations concerned and those having services operating in accordance with the Table, which may be affected."

In the Table of Frequency Allocations for the band 2 290–2 300 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
2 290—2 300 Fixed Space research 356C (telemeteringand tracking in deep space) Mobile	2 290—2 300 Space research (telemetering and tracking space) 356B	2 290—2 300 Fixed Mobile Space research (telemetering and tracking in deep space)"

"ADD 356B: In Cuba, the band 2 290–2 300 Mc/s is also allocated to the fixed mobile services.

"ADD 356C: In Austria, the space research service in the band 2 290–2 300 Mc/s is a secondary service."

In the Table of Frequency Allocations for the band 2 550–2 700 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
2 550—2 690 Fixed Mobile 362 363 364		
2 690—2 700 Radio astronomy 363 364A 364B 365"		

"NOC 362.

"MOD 363: In the F.R. of Germany, the band 2 550–2 690 Mc/s is allocated to the fixed service; and the band 2 690–2 700 Mc/s is also allocated to the fixed service.

"MOD 364: In Region 1, tropospheric scatter systems may operate in the band 2 550–2 690 Mc/s under agreements concluded between administrations concerned and those having services operating in accordance with the Table, which may be affected.

"ADD 364A: In Algeria, Bulgaria, Cuba, Hungary, India, Israel, Kuwait, Lebanon, Morocco, Pakistan, the Philippines, Poland, the United Arab Republic, Yugoslavia, Roumania, Czechoslovakia and the U.S.S.R., the band 2 690–2 700 Mc/s is also allocated to the fixed and mobile services.

"ADD 364B: In Algeria, Bulgaria, Hungary, Poland, the United Arab Republic, Yugoslavia, Roumania, Czechoslovakia and the U.S.S.R., tropospheric scatter systems may operate in the band 2 690–2 700 Mc/s under agreements concluded between administrations concerned and those having services operating in accordance with the Table, which may be affected.

"MOD 365: In making assignments to stations in the fixed and mobile services, administrations are urged to take all practicable steps to protect radio astronomy observations from harmful interference."

In the Table of Frequency Allocations for the bands 3 300–4 200 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
3 300—3 400 Radiolocation 370 371	3 300—3 400 Radiolocation Amateur 376	
3 400—3 600 Fixed Mobile Communication-satellite 374A (satellite-to-earth) Radiolocation 372 373 374 375	3 400—3 500 Radiolocation Communication-satellite 374A (satellite-to-earth) Amateur 376	
3 600—4 200 Fixed Communication satellite 374A (satellite-to-earth) Mobile 374	3 500—3 700 Fixed Mobile Radiolocation Communication-satellite 374A (satellite-to-earth)	3 500—3 700 Radiolocation Communication-satellite 374A (satellite-to-earth) Fixed Mobile 377 378
	3 700—4 200 Fixed Mobile Communication-satellite 374A (satellite-to-earth) 379"	

"NOC 370, 371, 372, 374, 375, 376, 377, 378.

"MOD 373: In Denmark, Norway, Sweden and Switzerland, the fixed, mobile, radiolocation and communication-satellite services operate on a basis of equality in the band 3 400-3 600 Mc/s.

"ADD 374A: This band may also be used for the transmission of tracking and telemetering signals associated with communication-satellite space stations operating in the same band.

"MOD 379: In Australia, the band 3 700-3 770 Mc/s is allocated to the radiolocation and communication-satellite services.

"SUP 380."

In the Table of Frequency Allocations for the bands 4 200-5 000 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
4 200–4 400 Aeronautical radionavigation 352A 381 382 383		
4 400–4 700 Fixed Mobile Communication-satellite 392A (earth-to-satellite)		
4 700–4 900 Fixed Mobile 354 365		
4 990–5 900 Fixed Mobile Radio astronomy 365	4 990–5 000 Radio astronomy 383A	4 990–5 000 Fixed Mobile Radio astronomy 365"

"MOD 365.

"NOC 381.

"NOC 382.

"NOC 383.

"ADD 383A: In Cuba, the band 4990–5000 Mc/s is also allocated to the fixed and mobile services, and the provisions of No. 365 apply.

"ADD 392A: This band may also be used for the transmission of telecommand signals associated with communication-satellite earth stations operating in the same band."

In the Table of Frequency Allocations for the bands 5000–5350 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
5 000—5 250 Aeronautical radionavigation 352A 352B		
5 250—5 255 Radiolocation Space research 384		
5 255—5 350 Radiolocation 384 384A"		

"MOD 384: In Albania, Austria, Bulgaria, Hungary, Poland, Roumania, Switzerland, Czechoslovakia and the U.S.S.R., the band 5 250–5 350 Mc/s is also allocated to the radionavigation service.

"ADD 384A: In Sweden, the band 5 255–5 350 Mc/s is also allocated to the radionavigation service."

In the Table of Frequency Allocations for the bands 5 650–6 425 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
5650—5670 Radiolocation Amateur 388 389		
5670—5725 Radiolocation Amateur Space research (deep space) 388 389 389A		
5725—5850 Radiolocation Communication-satellite 392A (earth-to-satellite) Amateur 354 388 390 391	5725—5850 Radiolocation Amateur 389 391	
5850—5925 Fixed Mobile Communication-satellite 392A (earth-to-satellite) 391	5850—5925 Radiolocation Amateur 391	5850—5925 Fixed Mobile Communication-satellite 392A (earth-to-satellite) Radiolocation 391
5925—6425 Fixed Mobile Communication-satellite 392A (earth-to-satellite)"		

"NOC 354, 388, 389, 391.

"ADD 389A: In Bulgaria, Cuba, Hungary, Poland, Roumania, Czechoslovakia and the U.S.S.R., the space research service is a primary service in the band 5 670–5 725 Mc/s.

"MOD 390: In Albania, Bulgaria, Hungary, Poland, Roumania, Czechoslavakia and the U.S.S.R., the band 5 800–5 850 Mc/s is allocated to the fixed, mobile and communication-satellite services.

"SUP 392."

In the Table of Frequency Allocations for the band 6 425–7 750 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
6 425—7 250 Fixed Mobile 392F 393 393A		
7 250—7 300 Communication-satellite (Satellite-to-earth) 374A 392C 392D 392G		
7 300—7 750 Fixed Mobile Communication-satellite 374A 392D (satellite-to-earth) 392F."		

"ADD 392C: Stations of the fixed and mobile services, previously authorized in the bands 7 250–7 300 Mc/s and 7 975–8 025 Mc/s, may continue to operate until 1 January, 1969. This provision does not apply to the countries listed in 392G and 392H.

"ADD 392D: As an exception, passive communication-satellite systems also may be accommodated in the band 7 250–7 750 Mc/s, subject to:

"(a) agreement between administrations concerned and those whose services, operating in accordance with the Table, may be affected;

"(b) the co-ordination procedure laid down in Articles 9 and 9A.

"Such systems shall not cause any more interference at active earth station receivers than would be caused by fixed or mobile services. Power-flux density limitations at the earth's surface after reflection from the passive communication-satellites shall not exceed those prescribed in these Regulations for active communication-satellite systems.

"The maximum effective power radiated in any direction in the horizontal plane by earth stations of passive satellite systems shall not exceed +55 dbW, not taking the site shielding factor into account. If the distance between a transmitting station of a passive system and the territory of another administration exceeds 400 km, this limitation may be increased in that direction by 2 db for each 100 km in excess of 400 km up to a maximum of 65 dbW.

"ADD 392F: In the bands 7 200–7 250 Mc/s and 7 300–7 750 Mc/s, the meteorological-satellite service may use a band up to 100 Mc/s in width on a primary basis. These bands may also be used for the transmission of tracking and telemetering signals associated with meteorological-satellite space stations operating in the same band.

"ADD 392G: In Algeria, Austria, Bulgaria, Cyprus, Cuba, Ethiopa, Finland, Hungary, Japan, Kuwait, Lebanon, Liberia, Malaysia, Morocco, the Philippines, Poland, the United Arab Republic, Yugoslavia, Roumania, Sweden, Switzerland, Czechoslovakia and the U.S.S.R., the band 7 250–7 300 Mc/s is also allocated to the fixed and mobile services.

"MOD 393: In Italy, the band 6 450–6 575 Mc/s is also allocated to the radiolocation service.

"ADD 393A: The band 7 120–7 130 Mc/s may be used for telecommand in association with space services, subject to agreement between the administrations concerned and those having services operating in accordance with the Table, which may be affected."

In the Table of Frequency Allocations for the band 7 750–8 500 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
7750—7900 Fixed Mobile		
7900—7975 Fixed Mobile Communication-satellite 392A (earth-to-satellite)		
7975—8025 Communication-satellite (earth-to-satellite) 392A 392C 392H		
8025—8400 Fixed Mobile Communication-satellite 392A (earth-to-satellite) 394 394B		
8400—8500 Fixed Mobile Space research 394A 394D	8400—8500 Space research 394C	8400-8500 Fixed Mobile Space research 394A 394D"

"ADD 392H: In Algeria, Bulgaria, Cuba, Ethiopia, Finland, Hungary, Japan, Kuwait, Lebanon, Morocco, Poland, the United Arab Republic, Yugoslavia, Roumania, Sweden, Switzerland, Czechoslovakia and the U.S.S.R., the band 7 975–8 025 Mc/s is also allocated to the fixed and mobile services.

"MOD 394: In Australia and the United Kingdom, the band 8 250–8 400 Mc/s is allocated to the radiolocation and communication-satellite services.

"ADD 394A: In Australia and the United Kingdom, the band 8 400–8 500 Mc/s is allocated to the radiolocation and space research services.

"ADD 394B: In Israel, the band 8 025–8 400 Mc/s is allocated, on a primary basis, to the fixed and mobile services and, on a secondary basis, to the communication-satellite service.

"ADD 394C: In Cuba, the band 8 400–8 500 Mc/s is also allocated to the fixed and mobile services.

"ADD 394D: In Austria, Belgium, France, Israel, Luxembourg and Malaysia, the allocation to the space research service in the band 8 400–8 500 Mc/s is on a secondary basis."

In the Table of Frequency Allocations for the bands 9 800–10 500 Mc/s there shall be substituted the following:

"Mc/s

Allocation to services		
Region 1	Region 2	Region 3
9 800—10 000 Radiolocation Fixed 400 401 401A		
10 000—10 500 Radiolocation Amateur 401A 402 403"		

"NOC 400, 401, 402, 403.

"ADD 401A: The band 9 975–10 025 Mc/s may be used by weather radar on meteorological satellites."

In the Table of Frequency Allocations for the bands 10.55–10.7 Gc/s there shall be substituted the following:

"Gc/s

Allocation to services		
Region 1	Region 2	Region 3
10.55—10.68 Fixed Mobile Radiolocation		
10.68—10.7 Radio astronomy 405A 405B"		

"SUP 405.

"ADD 405A: In Australia and the United Kingdom, the band 10.68–10.7 Gc/s is also allocated on a secondary basis, to the radiolocation service.

"ADD 405B: In Algeria, Bulgaria, Cuba, Hungary, Japan, Kuwait, Lebanon, Pakistan, Poland, the United Arab Republic, Yugoslavia, Roumania, Czechoslovakia, and the U.S.S.R., the band 10.68–10.7 Gc/s is also allocated to the fixed and mobile services."

In the Table of Frequency Allocations for the bands 14–15.7 Gc/s there shall be substituted the following:

"Gc/s

Allocation to services		
Region 1	Region 2	Region 3
14—14. 3 Radionavigation 407		
14. 3—14. 4 Radionavigation-satellite		
14. 4—15. 25 Fixed Mobile		
15. 25—15. 35 Space research 409A 409B		
15. 35—15. 4 Radio astronomy 409C		
15. 4—15. 7 Aeronautical radionavigation 352A 352B 407"		

"MOD 407: In Albania, Bulgaria, Hungary, Poland, Roumania, Czechoslovakia and the U.S.S.R., the bands 13.25–13.5 Gc/s, 14.175–14.3 Gc/s, 15.4–17.7 Gc/s, 21–22 Gc/s, 23–24.25 Gc/s and 33.4–36 Gc/s are also allocated to the fixed and mobile services.

"ADD 409A: In Algeria, Bulgaria, Cuba, Hungary, Kuwait, Lebanon, Morocca, Pakistan, Poland, the United Arab Republic, Yugoslavia, Roumania, Czechoslovakia and the U.S.S.R., the band 15.25–15.35 Gc/s is also allocated to the fixed and mobile services.

"ADD 409B: In Austria, Belgium, Japan, the Netherlands, Portugal, the F.R. of Germany, the United Kingdom and Switzerland, the band 15.25–15.35 Gc/s is also allocated, on a secondary basis, to the fixed and mobile services.

"ADD 409C: In Algeria, Bulgaria, Cuba, Hungary, Kuwait, Lebanon, Morocca, Pakistan, Poland, the United Arab Republic, Yugoslavia, Roumania, Czechoslovakia and the

U.S.S.R., the band 15.35–15.4 Gc/s is also allocated to the fixed and mobile services."

In the Table of Frequency Allocations for the bands 17.7–21 Gc/s there shall be substituted the following:

"Gc/s

Allocation to services		
Region 1	Region 2	Region 3
17.7—19.3	Fixed Mobile	
19.3—19.4	Radio astronomy 409D	
19.4—21	Fixed Mobile"	

"ADD 409D: In Bulgaria, Cuba, Hungary, Kuwait, Lebanon, Poland, the United Arab Republic, Roumania, Czechoslovakia and the U.S.S.R., the band 19.3–19.4 Gc/s is also allocated to the fixed and mobile services."

In the Table of Frequency Allocations for the bands 25.25–40 Gc/s there shall be substituted the following:

"Gc/s

Allocation to services		
Region 1	Region 2	Region 3
25.25—31	Fixed Mobile	
31—31.3	Fixed Mobile Space research 412H	
31.3—31.5	Radio astronomy 412A	
31.5—31.8 Space research Fixed Mobile	31.5—31.8 Space research 405C	31.5—31.8 Space research Fixed Mobile
31.8—32.3	Radionavigation Space research 412B	
32.3—33	Radionavigation"	

"Gc/s

Allocation to services		
Region 1	Region 2	Region 3
33—33.4 Radio astronomy Radio-navigation	33—33.4 Radionavigation 412F	
33.4—34.2	Radiolocation 407 408 412 412G	
34.2—35.2	Radiolocation Space research 407 408 412 412C 412D	
35.2—36	Radiolocation 407 408 412	
36—40	Fixed Mobile 412E"	

"ADD 405C: In Cuba, the band 31.5–31.8 Gc/s is also allocated, on a secondary basis, to the fixed and mobile services.

"MOD 407.

"NOC 408, 412.

"ADD 412A: In Bulgaria, Cuba, Hungary, Poland, the United Arab Republic, Roumania, Czechoslovakia and the U.S.S.R., the band 31.3–31.5 Gc/s is also allocated to the fixed and mobile services.

"ADD 412B: In Bulgaria, Cuba, Hungary, Poland, Yugoslavia, Roumania, Czechoslovakia and the U.S.S.R., the space research service is a primary service in the band 31.8–32.3 Gc/s.

"ADD 412C: In Bulgaria, Cuba, Hungary, Poland, Roumania, Czechoslovakia and the U.S.S.R., the space research service is a primary service in the band 34.2–35.2 Gc/s.

"ADD 412D: The band 34.4–34.5 Gc/s may be used by weather radar devices on meteorological-satellites for the detection of cloud.

"ADD 412E: In Bulgaria, Cuba, Hungary, Poland, Yugoslavia, Roumania, Czechoslovakia and the U.S.S.R., the band 36.5–37.5 Gc/s is also allocated to the radio astronomy service.

"ADD 412F: In Cuba and India, the band 33–33.4 Gc/s is also allocated to the radio astronomy service.

"ADD 412G: In Bulgaria, Cuba, Hungary, Poland, Yugoslavia, Roumania, Czechoslovakia and the U.S.S.R., the band 33.4–34 Gc/s is also allocated to the radio astronomy service.

"ADD 412H: In Bulgaria, Cuba, Hungary, Poland, Roumania, Czechoslovakia and the U.S.S.R., the space research service is a primary service in the band 31–31.3 Gc/s."

ANNEX 4—REVISION OF ARTICLE 7 OF THE RADIO REGULATIONS

Article 7 of the Radio Regulations shall be amended as follows:

After Section VI, there shall be inserted the following new sections VII, VIII and IX:

"ADD: 'Section VII. Terrestrial Services sharing Frequency Bands with Space Services between 1 Gc/s and 10 Gc/s.

"Choice of sites and frequencies

"ADD 470A—§ 18: Sites and frequencies for terrestrial stations, operating in frequency bands shared with equal rights between terrestrial and space services, shall be selected having regard to the relevant recommendations of the C.C.I.R. with respect to geographical separation from earth stations.

"Power limits

"ADD 470B—§ 19(1): The maximum effective radiated power of the transmitter and associated antenna, of a station in the fixed or mobile service, shall not exceed +55 dbW.

"ADD 470C (2): The power delivered by a transmitter to the antenna of a station in the fixed or mobile service shall not exceed +13 dbW.

"ADD 470D (3): The limits given in 470B and 470C apply in the following frequency bands allocated to reception by space stations in the communication-satellite service, where these are shared with equal rights with the fixed or mobile service: 5800–5850 Mc/s (for the countries mentioned in 390); 5850–5925 Mc/s (Regions 1 and 3); 5925–6425 Mc/s; 7900–8100 Mc/s."

"ADD: 'Section VIII. Space Services sharing Frequency Bands with Terrestrial Services between 1 Gc/s and 10 Gc/s.

"Choice of Sites and Frequencies

"ADD 470E—§ 20: Sites and frequencies for earth stations, operating in frequency bands shared with equal rights between terrestrial and space services, shall be selected having regard to the relevant recommendations of the C.C.I.R. with respect to geographical separation from terrestrial stations.

"Power Limits

"ADD 470F—§ 21 (1): Earth Stations in the Communication-Satellite Service

"ADD 470G (2): The mean effective radiated power transmitted by an earth station in any direction in the horizontal plane[1] shall not exceed +55 dbW in any 4 kc/s band, except that it may be increased subject to the provisions of 470H or 470I. However, in no case shall it exceed a value of +65 dbW in any 4 kc/s band.

"ADD 470H (3): In any direction where the distance from an earth station to the boundary of the territory of another administration exceeds 400 km, the limit of +55 dbW in any 4 kc/s band may be increased in that direction by 2 db for each 100 km in excess of 400 km.

"ADD 470I (4): The limit of +55 dbW in any 4 kc/s band may be exceeded by agreement between the administrations concerned or affected.

"ADD 470J (5): The limits in 470G apply in the following frequency bands allocated to transmissions by earth stations in the communication-satellite service, where these are shared with equal rights with the fixed or mobile service: 4400–4700 Mc/s 5800–5850 Mc/s (for the countries mentioned in 390),

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[1] For the purpose of this Regulation, the effective radiated power transmitted in the horizontal plane shall be taken to mean the effective radiated power actually transmitted towards the horizon, reduced by the site-shielding factor that may be applicable. The value of this site-shielding factor shall be determined as indicated in Section 5 of the Annex to Recommendation No. 1A.

5850–5925 Mc/s (Regions 1 and 3), 5925–6425 Mc/s, 7900–8400 Mc/s.

"Minimum angle of elevation

"ADD 470K—§ 22 (1): Earth Stations in the Communications-Satellite Service.

"ADD 470L (2): Earth station antennas shall not be employed for transmission at elevation angles less than 3 degrees, measured from the horizontal plane to the central axis of the main lobe, except when agreed to by the administrations concerned or affected.

"ADD 470M (3): The limit given in 470L applies in the following frequency bands allocated to transmission by earth stations in the communication-satellite service, where these are shared with equal rights with the fixed or mobile service: 4400–4700 Mc/s, 5800–5850 Mc/s (for the countries mentioned in 390), 5850–5925 Mc/s (Regions 1 and 3), 5925–6425 Mc/s, 7250–7750 Mc/s, 7900–8400 Mc/s.

"Power flux density limits

"ADD 470N—§ 23 (1): Communication-Satellite Space Stations.

"ADD 470O (a): The total power flux density at the earth's surface, produced by an emission from a communication-satellite space station, or reflected from a passive communication satellite, where wide-deviation frequency (or phase) modulation is used, shall in no case exceed -130 dbW/m^2 for all angles of arrival. In addition, such signals shall if necessary be continuously modulated by a suitable waveform, so that the power flux density shall in no case exceed -149 dbW/m^2 in any 4 kc/s band for all angles of arrival.

"ADD 470P (b): The power flux density at the earth's surface, produced by an emission from a communication-satellite space station, or reflected from a passive communication satellite, where modulation other than wide-deviation frequency (or phase) modulation is used, shall in no case exceed -152 dbW/m^2 in any 4 kc/s band for all angles of arrival.

"ADD 470Q (c): The limits given in 470O and 470P apply in the following frequency bands allocated to transmission by space stations in the communication-satellite service, where these are shared with equal rights with the fixed or mobile services:

3400–4200 Mc/s
7250–7750 Mc/s

"ADD 470R (2): Meteorological-Satellite Space Stations.[1]

"ADD 470S (a): The power flux density at the earth's surface, produced by an emission from a meteorolgical-satellite space station, where wide-deviation frequency (or phase) modulation is used, shall in no case exceed -130 dbW/m^2 for all angles of arrival. In addition, such signals shall if necessary be continuously modulated by a suitable waveform, so that the power flux density shall in no case exceed -149 dbW/m^2 in any 4 kc/s band for all angles of arrival.

"ADD 470T (b): The power flux density at the earth's surface, produced by an emission from a meteorological-satellite space station, where modulation other than wide-deviation frequency (or phase) modulation is used, shall in no case exceed -152 dbW/m^2 in any 4 kc/s band for all angles of arrival.

"ADD 470U (c): The limits given in 470S and 470T apply in the following frequency bands allocated to transmissions by space stations in the meteorological-satellite service, shared with equal rights with the fixed or mobile service: 1660–1670 Mc/s, 1690–1700 Mc/s, 7200–7250 Mc/s, 7300–7750 Mc/s.

"The limits given in 470S and 470T also apply in the band 1770–1790 Mc/s although the meteorological-satellite service is a secondary service in this band.

"ADD:

"SECTION IX. SPACE SERVICES

"Cessation of Emissions

"ADD 470V—§ 24: Space stations shall be made capable of ceasing radio emissions by the use of appropriate devices[1] that will ensure definite cessation of emissions."

ANNEX 5—REVISION OF ARTICLE 9 OF THE RADIO REGULATIONS

Article 9 of the Radio Regulations shall be amended as follows: The title of the Article, the title of Section 1 and numbers 486, 487, and 491 shall be substituted by the following:

MOD: "Notification and Recording in the Master International Frequency Register of Frequency Assignments to Stations in Terrestrial Services."[0]

MOD: "Section I. Notification of Frequency Assignments and Co-ordination Procedure to be Applied in appropriate Cases."

MOD 486: "§ 1. (1) Any frequency assignment[1,2] to a fixed, land, broadcasting[3], radionavigation land, radiolocation land or standard frequency station, or to a ground-based station in the meteorological aids service, shall be notified to the International Frequency Registration Board,

"(a) if the use of the frequency concerned is capable of causing harmful interference to any service of another administration[4]; or

"(b) if the frequency is to be used for international radio communication; or

"(c) if it is desired to obtain international recognition of the use of the frequency."[4]

MOD 487: "(2) Similar notice shall be given for any frequency to be used for the reception of mobile stations by a particular land station in each case where one or more of the conditions specified in No. 486 are applicable."

MOD 491: "§ 3(1) Whenever practicable each notice should reach the Board before the date on which the assignment is brought into use. It must reach the Board not earlier than ninety days before the date on which it is to be brought into use, but in any case not later than thirty days after the date it is actually brought into use. However, for a frequency assignment to a station in the fixed or mobile service mentioned in No. 492A, the notice must reach the Board not earlier than 2 years before the date on which the assignment is to be brought into use.

After Regulation No. 492, there shall be inserted the following new Regulations:

ADD 492A: "§ 3A(1) Before an administration notifies to the Board, or brings into use any frequency assignment to a station in the fixed or mobile service, whether for transmitting or receiving, in a particular band allocated with equal rights to the space service and the fixed or mobile service in the frequency spectrum between one and ten Gc/s, it shall effect coordination of the assignment with any other administration which has previously effected co-ordination under the provisions of No. 639AD, for the establishment of an earth station, if the proposed station in the fixed or mobile service is to be located within the co-ordination distance[1] of the earth station, and the necessary bandwidths of emission of the station concerned in the space service on the one hand, and of the station concerned in the fixed or mobile service on the other, are separated by less than six Mc/s. For this purpose it shall send to any other such administration a copy of a diagram drawn to an appropriate scale indicating the location of the station in the fixed or mobile service and all other pertinent details of the proposed frequency assignment, and the approximate date on which it is planned to begin operations."

ADD 492B: "(2) An administration with which co-ordination is sought under No. 492A shall acknowledge receipt of the co-ordination data within thirty days and shall promptly examine the matter to establish:

"(a) in the case of a frequency assignment to be used for transmitting by the station in the fixed or mobile service, whether the use would cause harmful interference to the service rendered by its earth stations operating in accordance with the Convention and these Regulations, or to be so operated within the next two years, with the provision that in this latter case co-ordination specified in No. 639AD has been effected or the co-ordination procedure has already begun;

"(b) in the case of a frequency assignment to be used for reception by the station in the fixed or mobile service, whether harmful interference would be caused to reception at the station in the fixed or mobile service by the service rendered by its earth stations operating in accordance with the Convention and these Regulations, or to be so operated within the next two years, with the provision that in this latter case co-ordination specified in No. 639AD has been effected or the co-ordination procedure has already begun;

and shall, within a further period of thirty days either notify the administration requesting co-ordination of its agreement to the proposals or, if this is not possible, indicate the reasons therefore and make such suggestions as it may be able to offer with a view to a satisfactory solution of the problem."

ADD 492C: "(3) No co-ordination under No. 492A is required when an administration proposes:

"(a) to bring into use a station in the fixed or mobile service which is not located, in relation to an earth station, within the co-ordination distance defined in No. 492A.1; or

"(b) to change characteristics of an existing assignment in such a way as not to increase the probability of harmful interference to the earth stations of other administrations."

ADD 492D: "(4) An administration seeking co-ordination may request the Board to endeavour to effect co-ordination, in those cases where:

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[1] In view of the absence of any C.C.I.R. Recommendations relative to sharing between the meteorolgical-satellite service and other services, power flux density levels applicable to communication-satellite space stations are extended to meteorological-satellite space stations.

[1] Battery life, timing devices, ground command, etc.

ADD: [0] For the notification and recording in the Master International Frequency Register of frequency assignments to stations in the space and radio astronomy services, see Article 9A.

ADD 486.4: [4] The attention of administrations is specifically drawn to the application of the provisions of Nos. 486(a) and 486(c) in those cases where they make a frequency assignment to a station in the fixed or mobile service, located within co-ordination distance of an earth station (see No. 492A), in a band which these services share with equal rights with the space service, in the frequency spectrum between 1 and 10 Gc/s.

[1] ADD 492A.1: For the purposes of this Article the expression "co-ordination distance" means the distance from an earth station calculated along the lines of the procedures shown in Recommendation No. 1A within which there is a possibility of the use of a given transmitting frequency at this earth station causing harmful interference to stations in the fixed or mobile service in the frequency spectrum between one and ten Gc/s, sharing the same frequency band, or, as the case may be, of the use of a given frequency for reception at this earth station receiving harmful interference caused by such stations in the fixed or mobile service.

"(a) an administration with which co-ordination is sought under No. 492A fails to reply within a period of ninety days;

"(b) there is a disagreement between the administration seeking co-ordination and an administration with which co-ordination is sought as to the probability of harmful interference; or

"(c) co-ordination between administrations is not possible for any other reason.

"In so doing, it shall furnish the Board with the necessary information to enable it to effect such co-ordination."

ADD 492E: "(5) Either the administration seeking co-ordination or an administration with which co-ordination is sought, or the Board, may request additional information which they may require to assess the probability of harmful interference to the services concerned."

ADD 492F: "(6) Where the Board receives a request under No. 492D(a), or where the Board receives no reply within 90 days to its request for co-ordination in the case foreseen in No. 492D(c), it shall immediately send a telegram to the administration with which co-ordination is sought. If no reply has been received from that administration within a period of 60 days from the date of despatch of the telegram, it shall be deemed that the administration with which co-ordination was sought shall have undertaken that no complaint will be made in respect of any harmful interference which may be caused by the station in the fixed or mobile service to the services rendered by its earth station.

ADD 492G: "(7) Where necessary, as part of the procedure under No. 492D, the Board shall assess the probability of harmful interference. In any case, the Board shall inform the administrations concerned of the results obtained."

For Regulations Nos. 493 and 494, there shall be substituted the following Regulations:

MOD 493: "§ 3B (1) Whatever the means of communication, including telegraph, by which a notice is transmitted to the Board, it shall be considered complete if it contains at least those appropriate basic characteristics specified in Appendix 1."

MOD 494: "(2) Complete notices shall be considered by the Board in the order of their receipt."

The following new title is added after No. 499:

ADD 499A: "Sub-Section IIA. Procedure to be followed in the case where the provisions of No. 492A are not applicable."

For Regulation No. 535, there shall be substituted the following Regulation:

MOD 535: "§ 17 In applying the provisions of the whole of this Sub-Section, any resubmitted notice which is received by the Board more than one hundred and eighty days after the date of its return by the Board shall be considered as a new notice."

After Regulation No. 570, there shall be inserted the following new Regulations:

ADD 570AA: "Sub-Section IIB. Procedure to be followed in the case where the provisions of No. 492A are applicable."

ADD 570AB: "§ 23A The Board shall examine each notice;

ADD 570AC: "(a) with respect to its conformity with the Convention, the Table of Frequency Allocations and the other provisions of the Radio Regulations (with the exception of those relating to the co-ordination procedure and the probability of harmful interference);"

ADD 570AD: "(b) with respect to its conformity with the provisions of No. 492A relating to the co-ordination of the use of the frequency assignment with the other administrations concerned;"

ADD 570AE: "(c) where appropriate, with respect to the probability of harmful interference to the service rendered by an earth receiving station for which a frequency assignment already recorded in the Master Register is in conformity with the provisions of No. 639AS, and if the corresponding frequency assignment to the space transmitting station has not, in fact, caused harmful interference to any frequency assignment in conformity with No. 501 or 570AC, as appropriate, previously recorded in the Master Register."

ADD 570AF § 23B: "Depending upon the findings of the Board subsequent to the examination prescribed in Nos. 570AC, 570AD and 570AE, further action shall be as follows:"

ADD 570AG: "§ 23C(1) Finding unfavourable with respect to No. 570AC."

ADD 570AH: "(2) Where the notice includes a specific reference to the fact that the station will be operated in accordance with the provisions of No. 115, the assignment shall be recorded in the Master Register. The date of receipt by the Board of the notice shall be entered in Column 2d."

ADD 570AI: "(3) Where the notice does not include a specific reference to the fact that the station will be operated in accordance with the provisions of No. 115, it shall be returned immediately by airmail to the notifying administration with the reasons of the Board for this finding and with such suggestions as the Board may be able to offer with a view to the satisfactory solution of the problem."

ADD 570AJ: "(4) If the notifying administration resubmits the notice unchanged, it shall be treated in accordance with the provisions of No. 570AI."

ADD 570AK: "(5) If it is resubmitted with a specific reference to the fact that the station will be operated in accordance with the provisions of No. 115, the assignment shall be recorded in the Master Register. The date of receipt by the Board of the resubmitted notice shall be entered in Column 2d."

ADD 570AL "(6) If the notifying administration resubmits the notice with modifications which, after re-examination, result in a favourable finding by the Board with respect to No. 570AC, the notice shall be treated under the provisions of Nos. 570AM to 570AZ. However, in any subsequent recording of the assignment, the date of receipt by the Board of the resubmitted notice shall be entered in Column 2d."

ADD 570AM: "§ 23D(1) Finding favourable with respect to No. 570AC."

ADD 570AN: "(2) Where the Board finds that the co-ordination procedure mentioned in No. 570AD has been successfully completed with all administrations whose earth stations may be affected, the assignment shall be recorded in the Master Register. The date of receipt by the Board of the notice shall be entered in Column 2d."

ADD 570AO: "(3) Where the Board finds that the co-ordination procedure mentioned in No. 570AD has not been applied, and the notifying administration requests the Board to effect the required co-ordination, the Board shall take the appropriate action necessary and shall inform the administrations concerned of the results obtained. If the Board's efforts are successful, the notice shall be treated in accordance with No. 570AN. If the Board's efforts are unsuccessful, the notice shall be examined by the Board with respect to the provisions of No. 570AE."

ADD 570AP: "(4) Where the Board finds that the co-ordination procedure mentioned in No. 570AD has not been applied, and the notifying administration does not request the Board to effect the required co-ordination, the notice shall be returned immediately by airmail to the notifying administration with the reasons of the Board for this action and with such suggestions as the Board may be able to offer with a view to the satisfactory solution of the problem."

ADD 570AQ: "(5) Where the notifying administration resubmits the notice and the Board finds that the co-ordination procedure mentioned in No. 570AD has been successfully completed with all administrations whose earth stations may be affected, the assignment shall be recorded in the Master Register. The date of receipt by the Board of the original notice shall be entered in Column 2d. The date of receipt by the Board of the resubmitted notice shall be entered in the Remarks Column."

ADD 570AR: "(6) Where the notifying administration resubmits the notice with a request that the Board effect the required co-ordination, it shall be treated in accordance with the provisions of No. 570AO. However, in any subsequent recording of the assignment, the date of receipt by the Board of the resubmitted notice shall be entered in the Remarks Column."

ADD 570AS: "(7) Where the notifying administration resubmits the notice and states it has been unsuccessful in effecting the co-ordination, it shall be examined by the Board with respect to the provisions of No. 570AE. However, in any subsequent recording of the assignment, the date of receipt by the Board of the resubmitted notice shall be entered in the Remarks Column."

ADD 570AT: § 23E(1) Finding favourable with respect to Nos. 570AC and 570AE."

ADD 570AU: "(2) The assignment shall be recorded in the Master Register. The date of receipt by the Board of the notice shall be entered in Column 2d."

ADD 570AV: "§ 23F(1) Finding favourable with respect to No. 570AC but unfavourable with respect to No. 570AE."

ADD 570AW: "(2) The notice shall be returned immediately by airmail to the notifying administration with the reasons of the Board for this finding and with such suggestions as the Board may be able to offer with a view to the satisfactory solution of the problem."

ADD 570AX: "(3) Should the notifying administration resubmit the notice with modifications which result, after re-examination, in a favourable finding by the Board with respect to No. 570AE, the assignment shall be recorded in the Master Register. The date of receipt by the Board of the original notice shall be entered in Column 2d. The date of receipt by the Board of the re-submitted notice shall be indicated in the Remarks Column."

ADD 570AY: "(4) Should the notifying administration re-submit the notice, either unchanged, or with modifications which decrease the probability of harmful interference, but not sufficiently to permit the provisions of No. 570AX to be applied, and should that administration insist upon reconsideration of the notice, but should the Board's finding remain unchanged, the assignment shall be recorded in the Master Register. However, this entry shall be made only if the notifying administration informs the Board that the assignment has been in use for at least one hundred and twenty days without any complaint of harmful interference having been received. The date of receipt by the Board of the original notice shall be entered in Column 2d. The date of receipt by the Board of the advice that no complaint of harmful interference has been received shall be indicated in the Remarks Column."

ADD 570AZ: "(5) The period of one hundred and twenty days mentioned in No. 570AY shall count from the date when the assignment to the station in the fixed or mobile service which received an unfavourable finding is brought into use, if the assignment to the earth station is then in use; otherwise, from the date when the assignment to the earth station is brought into use.

"But if the assignment to the earth station has not been brought into use by the notified date, the period of one hundred and twenty days shall be counted from this date. Allowance may be made for the additional period mentioned in No. 570BG."

ADD 570BA: "§ 23G(1) Change in the Basic Characteristics of Assignments already recorded in the Master Register."

ADD 570BB: "(2) A notice of a change in the basic characteristics of an assignment already recorded, as specified in Appendix 1 (except those entered in Columns 3 and 4a of the Master Register), shall be examined by the Board according to Nos. 570AC and 570AD and, where appropriate, No. 570AE, and the provisions of Nos. 570AG to 570AZ inclusive applied. Where the change should be recorded, the assignment shall be amended according to the notice."

ADD 570BC: "(3) However, in the case of a change in the basic characteristics of an assignment which is in conformity with No. 570AC, should the Board reach a favourable finding with respect to No. 570AD, and, where its provisions are applicable, with respect to No. 570AE, or find that the change does not increase the probability of harmful interference to assignments already recorded, the amended assignment shall retain the original date in Column 2d. In addition, the date of receipt by the Board of the notice relating to the change shall be entered in the Remarks Column."

ADD 570BD: "§ 23H In applying the provisions of the whole of this Sub-Section, any resubmitted notice which is received by the Board more than two years after the date of its return by the Board, shall be considered as a new notice."

ADD 570BE: "§ 231(1) Recording of Frequency Assignments notified before being brought into use."

ADD 570BF: "(2) If a frequency assignment notified in advance of bringing into use has received a favourable finding by the Board with respect to Nos. 570AC and 570AD and, where appropriate, with respect to No. 570AE, it shall be entered provisionally in the Master Register with a special symbol in the Remarks Column indicating the provisional nature of that entry."

ADD 570BG: "(3) If, within the period of thirty days after the projected date of bringing into use, the Board receives confirmation from the notifying administration of the date of putting into use, the special symbol shall be deleted from the Remarks Column. In the case where the Board, in the light of a request from the notifying administration received before the end of the thirty-day period, finds that exceptional circumstances warrant an extension of this period, the extension shall in no case exceed one hundred and fifty days."

ADD 570BH: "(4) In the circumstances described in No. 570AY, and as long as an assignment which received an unfavorable finding cannot be resubmitted as a consequence of the provisions of No. 570AZ, the notifying administration may ask the Board to enter the assignment provisionally in the Master Register, in which event a special symbol to denote the provisional nature of the entry shall be entered in the Remarks Column. The Board shall delete this symbol when it receives from the notifying administration, at the end of the period specified in No. 570AY, the information relating to the absence of complaint of harmful interference."

ADD 570BI: "(5) If the Board does not receive this confirmation within the period referred to in No. 570BG or at the end of the period referred to in No. 570BH, as appropriate, the entry concerned shall be cancelled."

For Regulation No. 572, there shall be substituted the following Regulation:

MOD 572: "§ 24. The procedure for recording dates in the appropriate part of Column 2 of the Master Register which shall be applied according to the frequency bands and services concerned is described in the following Nos. 573 to 604 for frequency assignments referred to in Sub-Section IIA."

After Regulation No. 611, there shall be inserted the following new Regulation:

ADD 611A: "(6) If harmful interference to the reception of any station whose assignment is in accordance with No. 639AS is actually caused by the use of a frequency assignment which is not in conformity with No. 501 or 570AC, the station using the latter frequency assignment must, upon receipt of advice thereof, immediately eliminate this harmful interference."

For Regulations Nos. 613 and 615, there shall be substituted the following Regulations:

MOD 613: "(2) The Board, in the light of all the data at its disposal, shall review the matter, taking into account No. 501 or 570AC and No. 502, 503, 570AD or 570AE, as appropriate, and shall render an appropriate finding, informing the notifying administration prior either to the promulgation of its finding or to any recording action."

MOD 615: "§ 38 (1) After actual use for a reasonable period of an assignment which has been entered in the Master Register on the insistence of the notifying administration, following an unfavourable finding with respect to No. 502, 503 or 570AE, as appropriate, this administration may request the Board to review the finding. Thereupon the Board shall review the matter, first having consulted the administrations concerned."

ANNEX 6—ADDITION OF A NEW ARTICLE (ARTICLE 9A) TO THE RADIO REGULATIONS

The following new Article 9A shall be added to the Radio Regulations after Article 9:

"ARTICLE 9A—NOTIFICATION AND RECORDING IN THE MASTER INTERNATIONAL FREQUENCY REGISTER OF FREQUENCY ASSIGNMENTS TO STATIONS IN THE SPACE AND RADIO ASTRONOMY SERVICES

"Section I. Notification of frequency assignments and co-ordination procedure to be applied in appropriate cases

ADD 639AA: "§ 1 (1) Any frequency assignment[1] to an earth or space station shall be notified to the International Frequency Registration Board:

"(a) if the use of the frequency concerned is capable of causing harmful interference to any service of another administration; or

"(b) if the frequency is to be used for international radio communication; or

"(c) if it is desired to obtain international recognition of the use of the frequency.

ADD 639AB: "(2) Similar notice shall be given for any frequency to be used for the reception of transmissions from earth or space stations by a particular space or earth station in each case where one or more of the conditions specified in No. 639AA are applicable."

ADD 639AC: "(3) Similiar notice may be given for any frequency or frequency band to be used for reception by a particular radio astronomy station, if it is desired that such data should be included in the Master Register."

ADD 639AD: "§ 2 (1) Before an administration notifies to the Board or brings into use any frequency assignment to an earth station, whether for transmitting or receiving, in a particular band allocated with equal rights to the space service and the fixed or the mobile service in the frequency spectrum between one and ten Gc/s, it shall effect co-ordination of the assignment with any other administration whose territory lies wholly or partly within co-ordination distance,[1] but only in respect of the fixed or the mobile service. For this purpose it shall send to any other administration a copy of a diagram drawn to an appropriate scale indicating the location of the earth station and showing the co-ordination distance from the earth station, for the cases of transmission and reception by the earth station, as a function of azimuth and the data on which it is based, including all pertinent details of the proposed frequency assignment, as listed in Appendix 1A, and an indication of the approximate date on which it is planned to begin operations."

ADD 639AE: "(2) An administration with which co-ordination is sought under No. 639AD shall acknowledge receipt of the co-ordination data within thirty days and shall promptly examine the matter to establish:

"(a) in the case of a frequency assignment to be used for transmitting by the earth station, whether the use would cause harmful interference to the service rendered by its stations in the fixed or the mobile service operating in accordance with the Convention and these Regulations, or to be so operated within the next two years;

"(b) in the case of a frequency assignment to be used for reception by the earth station, whether harmful interference would be caused to reception at the earth station by the service rendered by its stations in the fixed or the mobile service operating in accordance with the Convention and these Regulations, or to be so operated within the next two years;

and shall, within a further period of thirty days, notify the administration requesting co-ordination of its agreement. If the administration with which co-ordination is sought does not agree it shall, within the same period, send to the administration seeking co-ordination a copy of a diagram drawn to an appropriate scale showing the location of its stations in the fixed or the mobile service which are within the co-ordination distance of the earth transmitting or receiving station, as appropriate, together with all other relevant basic characteristics, and make such suggestions as it may be able to offer with a view to a satisfactory solution of the problem. A copy of these data shall be sent to the Board, as notification within the period specified for such a case in No. 491."

ADD 639AF: "(3) No co-ordination under No. 639AD is required when an administration proposes:

"(a) to bring into use an earth station which is located in relation to the territory of an other country, outside the co-ordination distance defined in 639AD.1;

"(b) to change the characteristics of an existing assignment in such a way as not to increase the probability of harmful interference to the stations in the fixed or the mobile service of other administrations;

"(c)" to bring into use an earth station in the band 4 400–4 700 Mc/s or the band 8 100–8 400 Mc/s; or

"(d) to operate an earth station located on board a ship or aircraft; however, in such

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ADD 639 AA.1: [1] "The expression frequency assignment, wherever it appears in this Article, shall be understood to refer either to a new frequency assignment or to a change in an assignment already recorded in the Master International Frequency Register (hereinafter called Master Register)."

ADD 639AD.1: [1] "For the purposes of this Article the expression 'co-ordination distance' means the distance from an earth station calculated along the lines of the procedures shown in Recommendation No. 1A within which there is a possibility of the use of a given transmitting frequency at this earth station causing harmful interference to stations in the fixed or the mobile service in the frequency spectrum between one and ten Gc/s, sharing the same frequency band, or, as the case may be, of the use of a given frequency for reception at this earth station receiving harmful interference caused by such stations in the fixed or the mobile service."

a case the operation of this station in a band referred to in No. 639AD, if the ship or aircraft is within the co-ordination distance with respect to the boundaries of another country, shall be subject to prior agreement between the administrations concerned, in order to avoid harmful interference to the established fixed and mobile services of that country."

ADD 639AG: "(4) An administration seeking co-ordination may request the Board to endeavour to effect co-ordination in those cases where:

"(a) an administration with which co-ordination is sought under No. 639AD fails to reply within a period of ninety days;

"(b) there is a disagreement between the administration seeking co-ordination and an administration with which co-ordination is sought as to the probability of harmful interference; or

"(c) co-ordination between administrations is not possible for any other reason.

"In so doing, it shall furnish the Board with the necessary information to enable it to effect such co-ordination."

ADD 639AH: "(5) Either the administration seeking co-ordination or an administration with which co-ordination is sought, or the Board, may request additional information which they may require to assess the probability of harmful interference to the services concerned."

ADD 639 AI: "(6) Where the Board receives a request under No. 639AG a), or where the Board receives no reply within ninety days to its request for co-ordination in the case foreseen in No. 639AG c), it shall immediately send a telegram to the administration with which co-ordination is sought. If no reply has been received from that administration within a period of sixty days from the date of despatch of the telegram, it shall be deemed that the administration with which co-ordination was sought shall have undertaken that no complaint will be made in respect of any harmful interference which may be caused by the earth station to the services rendered by its stations in the fixed or the mobile service."

ADD 639AJ: "(7) Where necessary, as part of the procedure under No. 639AG, the Board shall assess the probability of harmful interference. In any case, the Board shall inform the administrations concerned of the results obtained."

ADD 639AK: "§ 3 For any notification under No. 639AA, 639AB, or 639AC, an individual notice for each frequency assignment shall be drawn up as prescribed in Appendix 1A, which specifies in Sections B, C, D, E or F the basic characteristics to be furnished, according to the case. It is recommended that the notifying administration should also supply the additional data called for in Section A of that Appendix, together with such further data as it may consider appropriate."

ADD 639AL: "§ 4 (1) For a frequency assignment to an earth or space station, each notice must reach the Board not earlier than two years before the date on which the assignment is to be brought into use. It must reach the Board in any case not later than one hundred and eighty days before this date, except in the case of assignments in the space research service in bands allocated exclusively to this service or in shared bands in which this service is the sole primary service. In the case of such an assignment in the space research service the notice should, whenever practicable, reach the Board before the date on which the assignment is brought into use, but in any case must reach the Board not later than thirty days after the date it is actually brought into use."

ADD 639AM: "(2) Any frequency assignment to an earth or space station, the notice of which reaches the Board after the applicable period specified in No. 639AL, shall, where it is to be recorded, bear a remark in the Master Register to indicate that it is not in conformity with No. 639AL."

"Section II. Procedure for the Examination of Notices and the Recording of Frequency Assignments in the Master Register."

ADD 639AN: "§ 5 Any notice which does not contain at least those characteristics specified in Appendix 1A (Sections B, C, D, E, or F, as appropriate) shall be returned by the Board immediately, by airmail, to the notifying administration with the reasons therefor."

ADD 639AO: "§ 6 Upon receipt of a complete notice, the Board shall include the particulars thereof, with the date of receipt, in the weekly circular referred to in No. 497, which shall contain the particulars of all such notices received since the publication of the previous circular."

ADD 639AP: "§ 7 The circular shall constitute the acknowledgement to the notifying administration of the receipt of a complete notice."

ADD 639AQ: "§ 8 Complete notices shall be considered by the Board in the order of their receipt. The Board shall not postpone the formulation of a finding unless it lacks sufficient data to render a decision in connection therewith; moreover, the Board shall not act upon any notice which has a technical bearing on an earlier notice still under consideration by the Board, until it has reached a finding with respect to such earlier notice."

ADD 639AR: "§ 9 The Board shall examine each notice:"

ADD 639AS: "(a) with respect to its conformity with the Convention, the Table of Frequency Allocations and the other provisions of the Radio Regulations (with the exception of those relating to the co-ordination procedure and the probability of harmful interference);"

ADD 639AT: "(b) where appropriate, with respect to its conformity with the provisions of No. 639AD relating to the co-ordination of the use of the frequency assignment with the other administrations concerned;"

ADD 639AU: "(c) where appropriate, with respect to the probability of harmful interference to the service rendered by a station in the fixed or the mobile service for which a frequency assignment already recorded in the Master Register is in conformity with the provisions of No. 501 or 570AC, as appropriate, if this frequency assignment has not, in fact, caused harmful interference to any frequency assignment in conformity with No. 639AS previously recorded in the Master Register."

ADD 639AV: "§ 10 Depending upon the findings of the Board subsequent to the examination prescribed in Nos. 639AS, 639AT and 639AU further action shall be as follows:"

ADD 639AW: "§ 11(1) Finding favourable with respect to No. 639AS in cases where the provisions of No. 639AT are not applicable."

ADD 639AX: "(2) The assignment shall be recorded in the Master Register. The date of receipt by the Board of the notice shall be entered in Column 2d."

ADD 639AY: "§ 12(1) Finding unfavourable with respect to No. 639AS."

ADD 639AZ: "(2) Where the notice includes a specific reference to the fact that the station will be operated in accordance with the provisions of No. 115, the assignment shall be recorded in the Master Register. The date of receipt by the Board of the notice shall be entered in Column 2d."

ADD 639BA: "(3) Where the notice does not include a specific reference to the fact that the station will be operated in accordance with the provisions of No. 115, it shall be returned immediately by airmail to the notifying administration with the reasons of the Board for this finding and with such suggestions as the Board may be able to offer with a view to the satisfactory solution of the problem."

ADD 639BB: "(4) If the notifying administration resubmits the notice unchanged, it shall be treated in accordance with the provisions of No. 639BA. If it is resubmitted with a specific reference to the fact that the station will be operated in accordance with the provisions of No. 115, or with modifications which, after re-examination, result in a favourable finding by the Board with respect to No. 639AS, and the provisions of No. 639AT are not applicable, the assignment shall be recorded in the Master Register. The date of receipt by the Board of the resubmitted notice shall be entered in Column 2d."

ADD 639BC: "§ 13 (1) Finding favourable with respect to No. 639AS in cases where the provisions of No. 639AT are applicable."

ADD 639BD: "(2) Where the Board finds that the co-ordination procedure mentioned in No. 639AT has been successfully completed with all administrations whose fixed or mobile services may be affected, the assignment shall be recorded in the Master Register. The date of receipt by the Board of the notice shall be entered in Column 2d."

ADD 639BE: "(3) Where the Board finds that the co-ordination procedure mentioned in No. 639AT has not been applied, and the notifying administration requests the Board to effect the required co-ordination, the Board shall take the appropriate action necessary and shall inform the administrations concerned of the results obtained. If the Board's efforts are successful, the notice shall be treated in accordance with No. 639BD. If the Board's efforts are unsuccessful, the notice shall be examined by the Board with respect to the provisions of No. 639AU."

ADD 639BF: "(4) Where the Board finds that the co-ordination procedure mentioned in No. 639AT has not been applied, and the notifying administration does not request the Board to effect the required co-ordination, the notice shall be returned immediately by airmail to the notifying administration with the reasons of the Board for this action and with such suggestions as the Board may be able to offer with a view to the satisfactory solution of the problem."

ADD 639BG: "(5) Where the notifying administration resubmits the notice and the Board finds that the co-ordination procedure mentioned in No. 639AT has been successfully completed with all administrations whose fixed or mobile services may be affected, the assignment shall be recorded in the Master Register. The date of receipt by the Board of the original notice shall be entered in Column 2d. The date of receipt by the Board of the resubmitted notice shall be entered in the Remarks Column."

ADD 639BH: "(6) Where the notifying administration resubmits the notice with a request that the Board effect the required co-ordination, it shall be treated in accordance with the provisions of No. 639BE. However, in any subsequent recording of the assignment, the date of receipt by the Board of the resubmitted notice shall be entered in the Remarks Column."

ADD 639BI: "(7) Where the notifying administration resubmits the notice and states it has been unsuccessful in effecting the co-ordination, it shall be examined by the Board with respect to the provisions of No. 639AU. However, in any subsequent recording of the assignment, the date of receipt by the Board of the resubmitted notice shall be entered in the Remarks Column."

ADD 639BJ "§ 14 (1) Finding favourable with respect to Nos. 639AS and 639AU."

ADD 639BK: "(2) The assignment shall be recorded in the Master Register. The date of receipt by the Board of the notice shall be entered in Column 2d."

ADD 639BL "§ 15 (1) Finding favourable with respect to No. 639AS but unfavourable with respect to No. 639AU."

ADD 639BM: "(2) The notice shall be returned immediately by airmail to the notifying administration with the reasons of the Board for this finding and with such suggestions as the Board may be able to offer with a view to the satisfactory solution of the problem."

ADD 639BN: "(3) Should the notifying administration resubmit the notice with modifications which result, after re-examination, in a favourable finding by the Board with respect to No. 639AU, the assignment shall be recorded in the Master Register. The date of receipt by the Board of the original notice shall be entered in Column 2d. The date of receipt by the Board of the resubmitted notice shall be indicated in the Remarks Column."

ADD 639BO: "(4) Should the notifying administration resubmit the notice either unchanged, or with modifications which decrease the probability of harmful interference, but not sufficiently to permit the provisions of No. 639BN to be applied, and should that administration insist upon reconsideration of the notice, but should the Board's finding remain unchanged, the assignment shall be recorded in the Master Register. However, this entry shall be made only if the notifying adminstration informs the Board that the assignment has been in use for at least one hundred and twenty days without any complaint of harmful interference having been received. The date of receipt by the Board of the original notice shall be entered in Column 2d. The date of receipt by the Board of the advice that no complaint of harmful interference has been received shall be indicated in the Remarks Column."

ADD 639BP: "(5) The period of one hundred and twenty days mentioned in No. 639BO shall count from:

"The date when the assignment to the earth station which received an unfavourable finding is brought into use, if the assignment to the station in the fixed or the mobile service is then in use;

"Otherwise, from the date when the assignment to the station in the fixed or the mobile service is brought into use.

"But if the assignment to the station in the fixed or mobile service has not been brought into use by the notified date, the period of one hundred and twenty days shall be counted from this date. Allowance may be made for the additional period mentioned in No. 639BY."

ADD 639BQ: "§ 16(1) Notices relating to radio astronomy stations."

ADD 639BR: "(2) A notice relating to a radio astronomy station shall not be examined by the Board with respect to No. 639AT or 639AU. Whatever the finding, the assignment shall be recorded in the Master Register with a date in Column 2c. The date of receipt by the Board of the notice shall be recorded in the Remarks Column."

ADD 639BS: "§ 17(1) Change in the basic characteristics of assignments already recorded in the Master Register."

ADD 639BT: "(2) A notice of a change in the basic characteristics of an assignment already recorded, as specified in Appendix 1A (except the call sign, the name of the station or the name of the locality in which it is situated) shall be examined by the Board according to No. 639AS, and, where appropriate, No. 639AT or 639AU, and the provisions of No. 639AW to 639BR inclusive applied. Where the change should be recorded, the assignment shall be amended according to the notice."

ADD 639BU: "(3) However, in the case of a change in the characteristics of an assignment which is in conformity with No. 639AS, should the Board reach a favourable finding with respect to No. 639AT or 639AU, where these provisions apply, or find that the change does not increase the probability of harmful interference to assignments already recorded, the amended assignment shall retain the original date in Column 2d. The date of receipt by the Board of the notice relating to the change shall be entered in the Remarks Column."

ADD 639BV: "§ 18 In applying the provisions of the whole of this Section, any resubmitted notice which is received by the Board more than two years after the date of its return by the Board, shall be considered as a new notice."

ADD 639BW: "§ 19(1) Recording of Frequency Assignments notified before being brought into use."

ADD 639BX: "(2) If a frequency assignment notified in advance of bringing into use has received a favourable finding by the Board with respect to No. 639AS and, where appropriate, No. 639AT or 639AU, it shall be entered provisionally in the Master Register with a special symbol in the Remarks Column indicating the provisional nature of that entry."

ADD 639BY: "(3) If, within the period of thirty days after the projected date of bringing into use, the Board receives confirmation from the notifying administration of the date of putting into use, the special symbol shall be deleted from the Remarks Column. In the case where the Board, in the light of a request from the notifying administration received before the end of the thirty-day period, finds that exceptional circumstances warrant an extension of this period, the extension shall in no case exceed one hundred and fifty days."

ADD 639BZ: "(4) In the circumstances described in No. 639BO, and as long as an assignment which received an unfavorable finding cannot be resubmitted as a consequence of the provisions of No. 639BP, the notifying administration may ask the Board to enter the assignment provisionally in the Master Register, in which event a special symbol to denote the provisional nature of the entry shall be entered in the Remarks Column. The Board shall delete this symbol when it receives from the notifying administration, at the end of the period specified in No. 639BO, the information relating to the absence of complaint of harmful interference."

ADD 639CA: "(5) If the Board does not receive this confirmation within the period referred to in No. 639BY or at the end of the period referred to in No. 639BZ, as appropriate, the entry concerned shall be cancelled.

"Section III. Recording of findings in the Master Register"

ADD 639CB: "§ 20 In any case where a frequency assignment is recorded in the Master Register, the finding reached by the Board shall be indicated by a symbol in Column 13a. In addition, a remark indicating the reasons for any finding shall be inserted in the Remarks Column."

"Section IV. Categories of frequency assignments"

ADD 639CC: "§ 21 (1) The date in Column 2c shall be the date of putting into use notified by the administration concerned. It is given for information only."

ADD 639CD: "(2) If harmful interference to the reception of any station whose assignment is in accordance with No. 501, 570AC or 639AS as appropriate, is actually caused by the use of a frequency assignment which is not in conformity with No. 639AS, the station using the latter frequency assignment must, upon receipt of advice thereof, immediately eliminate this harmful interference.

"Section V. Reviews of findings"

ADD 639CE: "§ 22 (1) The review of a finding by the Board may be undertaken:

"At the request of the notifying administration.

"At the request of any other administration interested in the question, but only on the grounds of actual harmful interference.

"On the initiative of the Board itself when it considers this is justified."

ADD 639CF: "(2) The Board, in the light of all the data at its disposal, shall review the matter, taking into account No. 639AS and No. 639AT or 639AU, where these latter provisions apply, and shall render an appropriate finding, informing the notifying administration prior either to the promulgation of its findings or to any recording action."

ADD 639CG: "§ 23 (1) After actual use for a reasonable period of an assignment which has been entered in the Master Register on the insistence of the notifying administration, following an unfavourable finding with respect to No. 639AU, this administration may request the Board to review the finding. Thereupon the Board shall review the matter, having first consulted the administrations concerned."

ADD 639CH: "(2) If the finding of the Board is then favourable, it shall enter in the Master Register the changes that are required so that the entry shall appear in the future as if the original finding had been favourable."

ADD 639CI: "(3) If the finding with regard to the probability of harmful interference remains unfavourable, no change shall be made in the original entry.

"Section VI. Modification, cancellation and review of entries in the Master Register"

ADD 639CJ: "§ 24 In case of permanent discontinuance of the use of any recorded frequency assignment, the notifying administration shall inform the Board within ninety days of such discontinuance, whereupon the entry shall be removed from the Master Register."

ADD 639CK: "§ 25 Whenever it appears to the Board from the information available that a recorded assignment has not been brought into regular operation in accordance with the notified basic characteristics, or is not being used in accordance with those basic characteristics, the Board shall consult the notifying administration and, subject to its agreement, shall either cancel or suitably modify the entry."

ADD 639CL: "§ 26 If, in connection with an enquiry by the Board under No. 639CK, the notifying administration has failed to supply the Board within ninety days with the necessary or pertinent information, the Board shall make suitable entries in the Remarks Column of the Master Register to indicate the situation.

"Section VII. Studies and recommendations"

ADD 639CM: "§ 27 (1) If it is requested by any administration, and if the circumstances appear to warrant, the Board, using such means at its disposal as are appropriate in the circumstances, shall conduct a study of cases of alleged contravention or non-observance of these Regulations, or of harmful interference."

ADD 639CN: "(2) The Board shall thereupon prepare and forward to the administration concerned a report containing its finding and recommendations for the solution of the problem."

ADD 639CO: "§ 28 In a case where, as a result of a study, the Board submits to one or more administrations suggestions or recommendations for the solution of a problem, and where no answer has been received from one or more of these administrations within a period of ninety days, the Board shall consider that the suggestions or recommendations concerned are unacceptable to the administrations which did not answer. If it was the requesting administration which failed to answer within this period, the Board shall close the study.

"Section VIII. Miscellaneous provisions"

ADD 639CP: "§ 29 The technical standards of the Board shall be based upon the relevant provisions of these Regulations and the Appendices thereto, the decisions of Administrative Conferences of the Union as appropriate, and the Recommendations of the C.C.I.R."

ADD 639CQ: "§ 30 The Board shall promulgate to administrations its findings and reasons therefor, together with all changes made to the Master Register, through the weekly circular referred to in No. 497."

ADD 639CR: "§ 31 In case a Member or Associate Member of the Union avails itself of the provisions of Article 27 of the Convention, the Board shall, upon request, make its records available for such proceedings as are prescribed in the Convention for the settlement of international disputes."

ANNEX 7—REVISION OF ARTICLE 14 OF THE RADIO REGULATIONS

Article 14 of the Radio Regulations shall be amended as follows: For Regulation No. 695 there shall be substituted the following Regulation:

MOD 695: "§ 3. In order to avoid interference:

"locations of transmitting stations and, where the nature of the service permits, locations of receiving stations shall be selected with particular care;

"radiation in and reception from unnecessary directions shall be minimized, where the nature of the service permits, by taking the maximum practical advantage of the properties of directional antennae;

"the choice and use of transmitters and receivers shall be in accordance with the provisions of Article 12;

"space stations shall be fitted with appropriate devices to quickly terminate their radio emissions whenever required to do so under the provisions of these Regulations."

ANNEX 8—REVISION OF ARTICLE 15 OF THE RADIO REGULATIONS

Article 15 of the Radio Regulations shall be amended as follows: After Regulation No. 711, there shall be inserted the following new Regulations:

ADD 711A: "§ 8A. When the service rendered by an earth station suffers interference, the administration having jurisdiction of the receiving station experiencing the interference may also approach directly the administration having jurisdiction over the interfering station."

ADD 711B: "§ 8B. When cases of harmful interference occur as a result of emissions from space stations, the administrations concerned shall, upon request from the administration having jurisdiction over the station experiencing the interference, furnish current ephemeral data necessary to allow calculation of the positions of the space station."

ANNEX 9—REVISION OF ARTICLE 19 OF THE RADIO REGULATIONS

Article 19 of the Radio Regulations shall be amended as follows: For Regulation No. 735.1 there shall be substituted the following Regulation:

MOD 735.1: "1. In the present state of the technique, it is recognized nevertheless that the transmission of identifying signals for certain radio systems (e.g. radio-determination, radio relay systems and space systems) is not always possible."

After Regulation No. 737, there shall be inserted the following new Regulation:

ADD 737A: "§ 2A. In the event that the transmission of identification signals by a space station is not possible, that station shall be identified by specifying the angle of inclination of the orbit, the period of the object in space and the altitudes of apogee and perigee of the space station in kilometres. In the case of a space station on board a stationary satellite, the mean geographical longitude of the projection of the satellite's position on the surface of the Earth shall be specified." (See appendix 1A.)

After Regulation No. 773, there shall be inserted the following new Regulation:

ADD: "Stations in the Space Service."

ADD 773A "§ 21A. When call signs for stations in the space service are employed, it is recommended that they consist of two letters followed by two or three digits (other than digits 0 and 1 in cases where they immediately follow a letter)." (See also No. 737A.)

ANNEX 10—REVISION OF ARTICLE 20 OF THE RADIO REGULATIONS

Article 20 of the Radio Regulations shall be amended as follows: For Regulation No. 808, there shall be substituted the following Regulation:

MOD 808: "(VII) List VII. Alphabetical List of Call Signs Assigned from the International Series to Stations Included in Lists I to VI and VIIIA."

After Regulation No. 811, there shall be inserted the following new Regulation:

ADD 811A: "(VIIIA) List VIIIA. List of Stations in the Space Service and in the Radio Astronomy Service.

"This list shall contain particulars of earth and space stations and of radio astronomy stations. In this list, each class of station shall occupy a special section."

For Regulation No. 815, there be substituted the following Regulation:

MOD 815: "§ 2. (1) The Secretary-General shall publish the amendments to be made in the documents listed in Nos. 790 to 814 inclusive. Once a month administrations shall inform him, in the form shown for the lists themselves in Appendix 9, of the additions, modifications or deletions to be made in Lists IV, V and VI using for this purpose the appropriate symbols shown in Appendix 10. Furthermore, in order to make the necessary additions, modifications and deletions to Lists I, II, III and VIIIA, he shall use the data provided by the International Frequency Registration Board, obtained from the information received in application of the provisions of Articles 9, 9A and 10. He shall make the requisite amendments to List VII by using the data he has received for Lists to VI and VIIIA."

After Regulation No. 829, there shall be inserted the following new Regulation:

ADD 829A: "§ 10A. The List of Stations in the Space Service and in the Radio Astronomy Service (List VIIIA) shall be republished at intervals to be determined by the Secretary-General. Recapitulative supplements shall be published every six months."

For Regulation No. 831, there shall be substituted the following Regulation:

MOD 831: "§ 12. (1) The forms in which the Lists I to VI inclusive, Lists VIII and VIIIA and the Radiocommunication Statistics are to be prepared are given in Appendix 9. Information concerning the use of these documents shall be given in the Prefaces thereto. Each entry shall include the appropriate symbol, as shown in Appendix 10, to designate the category of station concerned. Additional symbols, where necessary, may be selected by the Secretary-General, any such new symbols being notified by the Secretary-General to administrations."

ANNEX 11—REVISION OF APPENDIX 1 OF THE RADIO REGULATIONS

Appendix 1 of the Radio Regulations shall be amended as follows:

NOC: "Section A. Basic Characteristics to be Furnished for Notification under No. 486 of the Regulations."

MOD, Column 5a: Locality(ies) or area(s) with which communication is established.

"This is not a basic characteristic for land, radionavigation land, radiolocation land or standard frequency stations, or for ground-based stations in the meteorological aids service."

MOD, Column 5b: Length of circuit (km):

"This is a basic characteristic only for land, radionavigation land, radiolocation land and standard frequency stations."

MOD: Supplementary information: reference frequency or frequencies, if any, and any co-ordination required by No. 492A.

NOC: Section B. Basic Characteristics to be Furnished for Notification under No. 487 of the Regulations.

MOD, Column 4b: Country in which the receiving land station is located.

MOD, Column 4c: Longitude and latitude of the site of the receiving land station.

MOD, Column 5a: Name of the receiving land station.

MOD, Column 5b: Maximum distance in km between mobile stations and the receiving land station.

MOD, Column 6: Class of mobile stations and nature of service.

MOD, Column 7: Class of emission of mobile stations and necessary bandwidth.

MOD, Column 8: Highest power used by the mobile stations.

MOD, Column 10: Maximum hours of operation of the mobile stations (G.M.T.)

ADD, Supplementary information: any co-ordination required by No. 492A.

Section C. Title not modified.

ADD, Supplementary information: any co-ordination required by No. 492A.

Section E. II. Title not modified.

MOD, Column 4b (reception): The country in which the receiving land station is located.

MOD, Column 4c (reception): The geographical co-ordinates (in degrees and minutes) of the site of the receiving land station.

MOD, Column 5a, para. 3: For land, radionavigation land, radiolocation land and standard frequency stations, and ground-based stations in the meteorological aids service, it is not necessary to indicate any information in this column.

MOD, Column 5a, para. 5: For reception in the circumstances described in No. 487, the name of the locality by which the receiving land station is known or in which it is situated should be indicated.

MOD, Column 5b, para. 2: For reception in the circumstances described in No. 487, the maximum distance between the mobile stations and the receiving land station should be indicated.

MOD, Column 5b, para. 3: This information is not a basic characteristic except in the case of paragraph 2 above, and in the case of land, radionavigation land, radiolocation land and standard frequency stations. In these latter cases, the distances shown shall represent the service ranges.

MOD, Column 6, para. 2: When the frequency assignment is used for reception in the circumstances described in No. 487, the class of station and nature of service applicable to the mobile stations should be indicated.

MOD, Column 7, para. 2: When the frequency assignment is used for reception in the circumstances described in No. 487, the particulars to be indicated are those applicable to the mobile stations.

MOD, Column 8, para. 5: When the frequency assignment is used for reception in the circumstances described in No. 487, the power of the mobile stations should be indicated. If not all of the stations use the some power, the highest power should be indicated.

MOD, Column 10, para. 1: When the frequency assignment is used for reception in the circumstances described in No. 487 the maximum hours of operation are those relating to the mobile stations.

Supplementary information. Title not modified.

MOD, para. 5: Only the information specified in paragraph 3 above is a basic characteristic; it is recommended, however, that the information under paragraphs 1 and 2 above be supplied. However, in the case of stations in the fixed or mobile service referred to in No. 492A, the name of any administration with which co-ordination of the use of the frequency has been sought and the name of any administration which such co-ordination has been effected are basic characteristics.

ANNEX 12—ADDITION OF A NEW APPENDIX TO THE RADIO REGULATIONS

The following new Appendix 1A shall be added to the Radio Regulations following Appendix 1:

APPENDIX 1A—NOTICES RELATING TO STATIONS IN THE SPACE AND RADIO ASTRONOMY SERVICES

(See Article 9 A.)

Section A. General instructions

1. A separate notice in a form convenient to the notifying administration shall be sent to the International Frequency Registration Board for notifying:

each new frequency assignment,

any change in the characteristics of a frequency assignment recorded in the Master International Frequency Register (hereinafter called the Master Register),

any total deletion of a frequency assignment recorded in the Master Register.

2. When submitting notices under No. 639AA for earth and space transmitting assignments and under No. 639AB for space and earth receiving assignments, separate notices shall be submitted to the Board. In the case of a passive satellite system, only earth transmitting and receiving assignments shall be notified.

3. In the case of a satellite system employing multiple space stations with the same general characteristics:

for stationary satellites, a separate notice shall be submitted for each space station; and

for non-stationary satellites, one notice covering all the space stations may be submitted.

4. The following information should be shown on the notice:

(a) the serial number of the notice and the date on which the notice is sent to the Board;

(b) the name of the notifying administration;

(c) sufficient data to identify the particular satellite system in which the earth or space station will operate;

(d) whether the notice reflects (1) the first use of a frequency by a station, (2) the first use of an additional frequency by a station, (3) a change in the characteristics of a frequency assignment recorded in the Master Register (indicate whether the change is a replacement, addition or deletion of existing characteristics), or (4) a deletion of an assignment in all of its notified characteristics;

(e) any other information which the administration considers to be relevant, e.g., any special channelling arrangements or methods of modulation, the degree of terrain shielding throughout all azimuthal angles for the earth stations, an indication that the assignment concerned would be operating in accordance with No. 115, information concerning the use of the notified frequency if such use is restricted, or, in the case of notices pertaining to space stations, if the transmissions of the station are to be permanently switched off after a certain period.

Section B. Basic characteristics to be furnished in notices relating to frequencies used by earth stations for transmitting

Item 1. Assigned frequency: Indicate the assigned frequency as defined in Article 1, in kc/s up to 30 000 kc/s inclusive, and in Mc/s above 30 000 kc/s.

Item 2. Date of putting into use:

(a) In the case of a new assignment, indicate the date (actual or foreseen, as appropriate) of putting the frequency assignment into use.

(b) Whenever the assignment is changed in any of its basic characteristics, as shown in this Section (except in the case of a change in Items 3 or 4a), the date to be given shall be that of the latest change (actual or foreseen, as appropriate).

Item 3. Call sign (Identification): Indicate the call sign or other identification used in accordance with Article 19.

Item 4. Identity and location of the earth station:

(a) Indicate the name by which the station is known or the name of the locality in which it is situated.

(b) Indicate the country in which the station is located. Symbols from the Preface to the International Frequency List should be used.

(c) Indicate the geographical coordinates (in degrees and minutes) of the transmitter site.

Item 5. Station(s) with which communication is to be established:

Identify the associated receiving space station(s) by reference to the notification thereof or in any other appropriate manner, or, in the case of a passive satellite, the identity of the satellite and the location of the receiving earth station(s).

Item 6. Class of station and nature of service: Indicate the class of station and nature of service performed, using the symbols shown in Appendix 10.

Item 7. Class of emission, necessary bandwidth and description of transmission:

(a) Indicate the class of emission, necessary bandwidth and description of transmission, in accordance with Article 2 and Appendix 5.

(b) In any case where there are one or more reference frequencies in a particular emission, indicate such frequencies.

Item 8. Power (kW): The power supplied to the antenna shall be notified as follows, according to the class of emission:

Mean power (Pm) for amplitude modulated emissions using unkeyed full carrier, and for all frequency modulated emissions (see No. 96);

Peak envelope power (Pp) for all classes of emission other than those referred to above. (See No. 95.)

Item 9. Transmitting antenna characteristics:

(a) Indicate in degrees from the horizontal plane the planned minimum operating angle of elevation of the antenna.

(b) Indicate in degrees, clockwise from True North, the planned range of azimuthal angles.

(c) Indicate the beamwidth, in degrees, between the half power points (describe in detail if not symmetrical).

(d) Indicate the isotropic gain (db) of the antenna in the direction of maximum radiation (see No. 100).

(e) Indicate the maximum isotropic gain (db) of the antenna in the horizontal plane with the antenna at any angle of elevation above the minimum angle of elevation (see No. 100).

(f) Indicate the height (metres) of the antenna above mean sea level.

Item 10. Maximum hours of operation: Indicate in G.M.T. the maximum hours of operation on the frequency shown in Item 1.

Item 11. Co-ordination: Indicate the name of any administration with which co-ordination has been effected for the use of this frequency, and, if appropriate, the name of any administration with which co-ordination has been sought but not effected.

Item 12. Operating Administration or Company: Indicate the identity of the operating administration or company and the postal and telegraphic addresses of the administration to which communication should be sent on urgent matters regarding interference, quality of emissions and questions referring to the technical operation of stations (see Article 15).

Section C. Basic characteristics to be furnished in notices relating to frequencies to be received by earth stations

Item 1. Assigned frequency: Indicate the assigned frequency of the emission to be received, as defined in Article 1, in kc/s up to 30 000 kc/s inclusive, and in Mc/s above 30 000 kc/s.

Item 2. Date of putting into use:

(a) In the case of a new assignment indicate the date (actual or foreseen, as appropriate) when reception of the assigned frequency begins.

(b) Whenever the assignment is changed in any of its basic characteristics, as shown in this Section (except in the case of a change in Item 3a), the date to be given shall be that of the latest change (actual or foreseen, as appropriate).

Item 3. Identity and location of the receiving earth station:

(a) Indicate the name by which the receiving earth station is known or the name of the locality in which it is situated.

(b) Indicate the country in which the receiving earth station is located. Symbols from the Preface to the International Frequency List should be used.

(c) Indicate the geographical coordinates (in degree and minutes) of the receiver site.

Item 4. Associated transmitting station(s): Identify the associated transmitting space station(s) by reference to the notification thereof or in any other appropriate manner, or, in the case of a passive satellite, the identity of the satellite(s) and the associated transmitting earth station(s).

Item 5. Class of station and nature of service: Indicate the class of station and nature of service performed using the symbols shown in Appendix 10.

Item 6. Class of emission, necessary bandwidth and description of the transmission to be received:

(a) Indicate the class of emission, necessary bandwidth and description of the transmission to be received, in accordance with Article 2 and Appendix 5. Indicate also the overall receiver bandwidth at which the receiver response is 6 db below maximum.

(b) In any case where there are one or more reference frequencies in a particular received emission, indicate such frequencies.

Item 7. Earth station receiving antenna characteristics:

(a) Indicate in degrees from the horizontal plane the planned minimum operating angle of elevation of the antenna.

(b) Indicate in degrees, clockwise from True North, the planned range of azimuthal angles.

(c) Indicate the beamwidth, in degrees, between the half power points (describe in detail if not symmetrical).

(d) Indicate the isotropic gain (db) of the antenna in the direction of the main lobe (see No. 100).

(e) Indicate the maximum isotropic gain (db) of the antenna in the horizontal plane with the antenna at any angle of elevation above the minimum angle of elevation (see No. 100).

(f) Indicate the height (metres) of the antenna above mean sea level.

Item 8. Maximum hours of reception: Indicate in G.M.T. the maximum hours of reception of the frequency shown in Item 1.

Item 9. Co-ordination: Indicate the name of any administration with which co-ordination has been effected for the use of the frequency, and, if appropriate, the name of any administration with which co-ordination has been sought but not effected.

Item 10. Noise temperature: Indicate the over-all receiving system operating noise temperature (°K) under "quiet sky" conditions at the planned minimum operating angle of elevation of the antenna.

Item 11. Operating Administration or Company: Indicate the identity of the operating administration or company and the postal and telegraphic addresses of the administration to which communication should be sent on urgent matters regarding interference and questions referring to the technical operation of stations (see Article 15).

Section D. Basic characteristics to be furnished in notices relating to frequencies used by space stations for transmitting

Item 1. Assigned frequency: Indicate the assigned frequency as defined in Article 1, in kc/s up to 30 000 kc/s inclusive, and in Mc/s above 30 000 kc/s.

Item 2. Date of putting into use:

(a) In the case of a new assignment, indicate the date (actual or foreseen, as appropriate) of putting the frequency assignment into use.

(b) Whenever the assignment is changed in any of its basic characteristics, as shown in this Section (except in the case of a change in Item 3 or 4), the date to be given shall be that of the latest change (actual or foreseen, as appropriate).

Item 3. Call sign (Identification): Indicate the call sign or other identification used in accordance with Article 19.

Item 4. Identity of the space station(s): Indicate the identity of the space station(s).

Item 5. Area of coverage: Indicate the area of intended coverage or the name of the locality and country in which the associated receiving station(s) is located.

Item 6. Orbital information: Indicate, where applicable, the angle of inclination of the orbit, the period of the object in space and the altitudes of apogee and perigee of the space station(s) in kilometres. In the case of a space station aboard a stationary satellite, indicate the mean geographical longitude of the projection of the satellite's position on the surface of the Earth.

Item 7. Class of station and nature of service: Indicate the class of station and nature of service performed, using the symbols in Appendix 10.

Item 8. Class of emission, necessary bandwidth and description of transmission:

(a) Indicate the class of emission, necessary bandwidth and description of transmission, in accordance with Article 2 and Appendix 5.

(b) In any case where there are one or more reference frequencies in a particular emission, indicate such frequencies.

Item 9. Power (Watts): The power supplied to the antenna shall be notified as follows, according to the class of emission:

Mean power (Pm) for amplitude modulated emissions using unkeyed full carrier, and for all frequency modulated emissions (see No. 96).

Peak envelope power (Pp) for all classes of emission other than those referred to above (see No. 95).

Item 10. Transmitting antenna characteristics:

(a) Indicate the beamwidth, in degrees, between the half power points (describe in detail if not symmetrical).

(b) Indicate the isotropic gain (db) of the antenna in the direction of maximum radiation (see No. 100).

(c) For a stationary satellite employing directional antennas, indicate the point on the Earth's surface towards which the antenna is directed and the accuracy of maintaining this direction.

Item 11. Maximum hours of operation: Indicate in G.M.T. the maximum hours of operation on the frequency shown in Item 1.

Item 12. Number of space stations: In the case of non-stationary satellites, indicate the number of space stations covered by the notice.

Item 13. Operating Administration or Company: Indicate the identity of the operating administration or company and the postal and telegraphic addresses of the administration to which communication should be sent on urgent matters regarding interference, quality of emissions and questions referring to the technical operation of stations (see Article 15).

Section E. Basic characteristics to be furnished in notices relating to frequencies to be received by space stations

Item 1. Assigned frequency: Indicate the assigned frequency of the emission to be received, as defined in Article 1, in kc/s up to 30 000 kc/s inclusive, and in Mc/s above 30 000 kc/s.

Item 2. Date of putting into use:

(a) In the case of a new assignment indicate the date (actual or foreseen, as appropriate) when reception of the assigned frequency begins.

(b) Whenever the assignment is changed in any of its basic characteristics, as shown in this Section (except in the case of a change in Item 3), the date to be given shall be that of the latest change (actual or foreseen, as appropriate).

Item 3. Identity of the receiving space stations(s): Indicate the identity of the receiving space station(s).

Item 4. Orbital information: Indicate, where applicable, the angle of inclination of the orbit, the period of the object in space and the altitudes of apogee and perigee of the space station(s) in kilometres. In the case of a space station on board a stationary satellite indicate the mean geographical longitude of the projection of the satellite's position on the surface of the Earth.

Item 5. Associated transmitting earth station(s): Identify the associated transmitting earth station(s) by reference to the notification thereof or in any other appropriate manner.

Item 6. Class of station and nature of service: Indicate the class of station and nature of service performed, using the symbols shown in Appendix 10.

Item 7. Class of emission, necessary bandwidth and description of the transmission(s) to be received:

(a) Indicate the class of emission, necessary bandwidth and description of the transmission(s) to be received, in accordance with Article 2 and Appendix 5. Indicate also the over-all receiver bandwidth at which the receiver response is 6 db below maximum. In the case of a communication-satellite space station, designed to receive as a composite signal two or more emissions in contiguous channels and transmitted from one or more earth stations, the descriptions should state the number of such emissions, the spacing between their assigned frequencies and the total bandwidth collectively encompassed by them.

(b) In any case where there are one or more reference frequencies in a particular received emission, indicate such frequencies.

Item 8. Space station receiving antenna characteristics:

(a) Indicate the beamwidth in degrees, between the half power points (describe in detail if not symmetrical).

(b) Indicate the isotropic gain (db) of the antenna in the direction of the main lobe (see No. 100).

(c) For a stationary satellite employing directional antennas, indicate the point on the Earth's surface towards which the antenna is directed and the accuracy of maintaining this direction.

Item 9. Maximum hours of reception: Indicate in G.M.T. the maximum hours of reception of the frequency shown in Item 1.

Item 10. Number of space stations: In the case of non-stationary satellites, indicate the number of space stations covered by the notice.

Item 11. Noise temperature: Indicate the over-all receiving system operating noise temperature (°K).

Item 12. Operating Administration or Company: Indicate the identity of the operating administration or company and the postal and telegraphic addresses of the administration to which communication should be sent on urgent matters regarding interference and questions referring to the technical operation of stations (see Article 15).

Section F. Basic characteristics to be furnished in notices relating to frequencies by radio astronomy stations

Item 1. Observed frequency: Indicate the centre of the frequency band observer, in kc/s up to 30 000 kc/s inclusive, and in Mc/s above 30 000 kc/s.

Item 2. Date of putting into use;

(a) Indicate the date (actual or foreseen, as appropriate) when reception of the frequency band begins.

(b) Whenever there is a change in any of the basic characteristics, as shown in this Section (except in the case of a change in Item 3b), the date to be given shall be that of the latest change (actual or foreseen, as appropriate).

Item 3. Name and location of the station:

(a) Indicate the letters "RA".

(b) Indicate the name by which the station is known or the name of the locality in which it is situated or both.

(c) Indicate the country in which the station is located. Symbols from the Preface to the International Frequency List should be used.

(d) Indicate the geographical co-ordinates (in degrees and minutes) of the station site.

Item 4. Bandwidth: Indicate the width of the frequency band observed by the station.

Item 5. Antenna characteristics: Indicate the antenna type and dimensions, effective area and angular coverage in azimuth and elevation.

Item 6. Maximum hours of reception: Indicate in G.M.T. the maximum hours of reception of the frequency band shown in Item 1.

Item 7. Noise temperature: Indicate the over-all receiving system noise temperature (°K).

Item 8. Class of observations: Indicate the class of observations to be taken on the frequency band shown in Item 1. Class A observations are those in which the sensitivity of the equipment is not a primary factor. Class B observations are those of such a nature that they can be made only with advanced low-noise receivers using the best techniques.

Item 9. Operating Administration or Company: Indicate the identity of the operating administration or company and the postal and telegraphic addresses of the administration to which communication should be sent on urgent matters regarding interference and questions referring to the technical operation of stations (see Article 15).

ANNEX 13—REVISION OF APPENDIX 9 TO THE RADIO REGULATIONS

Appendix 9 to the Radio Regulations shall be modified as follows: After List VIII, there shall be inserted the following new List:

"LIST VIII A.—LIST OF STATIONS IN THE SPACE SERVICE AND IN THE RADIO ASTRONOMY SERVICE [1]

"*1. Communication-satellite earth stations*

"Names of the countries notifying the stations in alphabetical order of country symbols

"Names of stations in alphabetical order

			Transmission						Reception								Remarks
			Telecommand where appropriate			Communications			Telemetering		Tracking		Communications				
"Name by which the station is known or the name of the locality in which it is situated	Geographical coordinates (in degrees and minutes) of the transmitter site	Call sign (identification)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth, and description of transmission	Power (kw)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth, and description of transmission	Power (kw)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth, and description of transmission	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth, and description of transmission	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth, and description of transmission	Identity of the station(s) with which communication is to be established	Operating administration or company	1. Special channelling arrangements for: (a) telegraphy (b) telephony (c) other types of communication, as appropriate 2. Special methods of modulation
(1)	(2)	(3)	(4a)	(4b)	(4c)	(5a)	(5b)	(5c)	(6a)	(6b)	(7a)	(7b)	(8a)	(8b)	(9)	(10)	(11)"

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[1] For the cases where these data must be supplied, see Nos. 639AA, 639AB, and 639AC.

"*2. Communication-satellite space stations*

"Names of the countries notifying the stations in alphabetical order of country symbols
"Names of stations by alphabetical and/or numerical order of designation of station

		Transmission									Reception						Remarks
		Telemetering			Tracking			Communications			Telecommand where appropriate		Communications				
"Identity of the station	Call sign (identification)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Power (watts)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Power (watts)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Power (watts)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Area of coverage or name of the locality and country in which the associated receiving station(s) is located	Operating administration or company	1. Orbital information: (a) Angle of inclination of the orbit. (b) Period of the object in space. (c) Altitude of apogee (km). (d) Altitude of perigee (km). (e) In the case of a stationary satellite, the mean geographical longitude of the projection of the satellite's position on the surface of the Earth. 2. Special channelling arrangements for— (a) Telegraphy. (b) Telephony. (c) Other types of communication, as appropriate. 3. Special methods of modulation.
(1)	(2)	(3a)	(3b)	(3c)	(4a)	(4b)	(4c)	(5a)	(5b)	(5c)	(6a)	(6b)	(7a)	(7b)	(8)	(9)	(10)"

"*3. Meteorological-satellite earth stations*

"Names of the countries notifying the stations in alphabetical order of country symbols
"Names of stations in alphabetical order

			Transmission			Reception								Remarks
			Telecommand where appropriate			Telemetering		Tracking		Reception of meteorological information				
"Name by which the station is known or the name of the locality in which it is situated	Geographical coordinates (in degrees and minutes) of the transmitter site	Call sign (identification)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Power (kw)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Identity of the station(s) with which communication is to be established	Operating administration or company	Special methods of modulation
(1)	(2)	(3)	(4a)	(4b)	(4c)	(5a)	(5b)	(6a)	(6b)	(7a)	(7b)	(8)	(9)	(10)"

"4. *Meteorological-satellite space station*

"Names of the countries notifying the stations in alphabetical order of country symbols
"Names of stations by alphabetical and/or numerical order of designation of station

"Identity of the station	Call sign (identification)	Transmission									Reception		Area of coverage or the name of the locality and country in which the associated receiving station(s) is located	Operating administration or company	Remarks
		Telemetering			Tracking			Transmission of meteorological information			Telecommand where appropriate				
		Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Power (watts)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Power (watts)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Power (watts)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission			1. Orbital information: (a) Angle of inclination of the orbit. (b) Period of the object in space. (c) Altitude of apogee (km). (d) Altitude of perigee (km). (e) In the case of a stationary satellite, the mean geographical longitude of the projection of the satellite's position on the surface of the Earth. 2. Special channeling arrangements for: (a) Telegraphy. (b) Telephony. (c) Other types of communication, as appropriate. 3. Special methods of modulation.
(1)	(2)	(3a)	(3b)	(3c)	(4a)	(4b)	(4c)	(5a)	(5b)	(5c)	(6a)	(6b)	(7)	(8)	(9)"

"5. *Radionavigation-satellite earth stations*

"Names of the countries notifying the stations in alphabetical order of country symbols
"Names of stations in alphabetical order

"Name by which the station is known or the name of the locality in which it is situated	Geographical coordinates (in degrees and minutes) of the transmitter site	Call site (identification)	Transmission			Reception						Identity of the station(s) with which communication is to be established	Operating administration or company	Remarks
			Telecommand where appropriate			Telemetering		Tracking		Supplementary information necessary for the operation of the radionavigational system				
			Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Power (kw.)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission			Special methods of modulation.
(1)	(2)	(3)	(4a)	(4b)	(4c)	(5a)	(5b)	(6a)	(6b)	(7a)	(7b)	(8)	(9)	(10)"

"6. *Radionavigation-satellite space stations*

"Names of the countries notifying the stations in alphabetical order of country symbols
"Names of stations by alphabetical and/or numerical order of designation of stations

'Identity of the station	Call sign (identification)	Transmission									Reception		Area of coverage or the name of the locality and country in which the associated receiving station(s) is located	Operating administration or company	Remarks
		Telemetering			Tracking			Transmission of navigation information			Telecommand where appropriate				
		Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth, and description of transmission	Power (watts)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth, and description of transmission	Power (watts)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth, and description of transmission	Power (watts)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth, and description of transmission			1. Orbital information: (a) Angle of inclination of the orbit. (b) Period of the object in space. (c) Altitude of apogee (km). (d) Altitude of perigee (km). (e) In the case of a stationary satellite, the mean geographical longitude of the projection of the satellite's position on the surface of the earth. 2. Special channelling arrangements for: (a) Telegraphy. (b) Telephony. (c) Other types of communication, as appropriate. 3. Special methods of modulation.
(1)	(2)	(3a)	(3b)	(3c)	(4a)	(4b)	(4c)	(5a)	(5b)	(5c)	(6a)	(6b)	(7)	(8)	(9)"

"7. *Space research earth stations*

"Names of the countries notifying the stations in alphabetical order of country symbols

"Names of stations in alphabetical order

"Name by which the station is known or the name of the locality in which it is situated	Geographical coordinates (in degrees and minutes) of the transmitter site	Call sign (identification)	Transmission			Reception						Identity of the station(s) with which communication is to be established	Operating administration or company	Remarks
			Telecommand where appropriate			Telemetering		Tracking		Reception of research information				Any special characteristics of the station and scope of research
			Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Power (kw)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission			
(1)	(2)	(3)	(4a)	(4b)	(4c)	(5a)	(5b)	(6a)	(6b)	(7a)	(7b)	(8)	(9)	(10)"

"8. *Space research space stations*

"Names of the countries notifying the stations in alphabetical order of country symbols
"Names of stations by alphabetical and/or numerical order of designation of station

"Identity of the station	Call sign (identification)	Transmission									Reception—Telecommand where appropriate		Area of coverage or the name of the locality and country in which the associated receiving station(s) is located	Operating administration or company	Remarks
		Telemetering			Tracking			Transmission of information							1. In the case of an earth satellite, orbital information: (a) Angle of inclination of the orbit. (b) Period of the object in space. (c) Altitude of apogee (km). (d) Altitude of perigee (km). (e) In the case of a stationary satellite, the mean geographical longitude of the projection of the satellite's position on the surface of the earth. 2. In the case of a space probe general indication of its trajectory. 3. Special methods of modulation.
		Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Power (watts)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Power (watts)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission	Power (watts)	Frequency (Mc/s or Gc/s)	Class of emission, necessary bandwidth and description of transmission			
(1)	(2)	(3a)	(3b)	(3c)	(4a)	(4b)	(4c)	(5a)	(5b)	(5c)	(6a)	(6b)	(7)	(8)	(9)"

"9. *Radio astronomy stations*

"Names of the countries notifying the stations in alphabetical order of country symbols
"Names of stations in alphabetical order

"Name by which the station is known or the name of the locality in which it is situated	Geographical coordinates (in degrees and minutes) of the station	Centre of the frequency band observed (Mc/s or Gc/s)	Width of the frequency band observed	Antenna characteristics	Maximum hours of reception (G.M.T.)	Noise temperature (°K)	Class of observation	Operating administration or company	Remarks
									Any special additional characteristics of the station including: (1) Altitude in metres above sea level. (2) Main particulars of antenna. (3) Scope of observations.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)"

ANNEX 14—REVISION OF APPENDIX 10

In Appendix 10 of the Radio Regulations there shall be inserted in alphabetical order the following additional symbols:

EC: Communication-satellite space station.

ED: Space telecommand space station.

EH: Space research space station.

EK: Space tracking space station.

EM: Meterological-satellite space station.

EN: Radionavigation-satellite space station.

ER: Space telemetering space station.

RA: Radio astronomy station.

TC: Communication-satellite earth station.

TD: Space telecommand earth station.

TH: Space research earth station.

TK: Space tracking earth station.

TM: Meteorological-satellite earth station.

TN: Radionavigation-satellite earth station.

TR: Space telemetering earth station.

ADDITIONAL PROTOCOL

At the time of signing the Acts of the Extraordinary Administrative Radio Conference, Geneva, 1963, the undersigned delegates take note of the fact that the following reservations have been submitted by certain signatories:

ARGENTINE REPUBLIC

The Argentine Delegation states that its country does not recognize any frequency assignments that may be made directly or indirectly on behalf of any other Power or Powers for any type of service, in any portion of the spectrum, for the Malvians Islands, the South Georgian Islands or the South Sandwich Islands, over which territories the Argentine Republic exercises sovereign rights. The non-mention of other territories must not be taken to imply renunciation of the Argentine Republic's sovereignty over them. In any event, the Argentine Republic reserves the right to use as its own any radio frequencies that may be assigned under the above-mentioned conditions.

CUBA

In signing the Final Acts of the Extraordinary Administrative Conference on Space Radiocommunication, Geneva, 1963, on behalf of the Republic of Cuba, the Delegation of Cuba makes the following statement:

Considering

(a) That a world-wide plan for the space radiocommunications service has not been established;

(b) That principles guaranteeing equitable participation by all countries in the space radiocommunication service have not been adopted;

(c) That some of the clauses contained in the procedure for frequency notification and co-ordination do not satisfy the interests of Cuba;

(d) That changes have been made in the Table of Frequency Allocations which might impair the normal operation of Cuban radiocommunications;

Cuba herewith formally reserves its complete freedom of action and the right to reject those provisions of the Extraordinary Administrative Conference on Space Radiocommunication, Geneva, 1963, which would be prejudicial to the interests of Cuba.

UNITED STATES OF AMERICA AND TERRITORIES OF THE UNITED STATES OF AMERICA

The Delegations of the United States of America and the Territories of the United States of America, in signing the Final Acts of the Extraordinary Administrative Radio Conference, Geneva, 1963, declare that:

1. There has heretofore always existed between all countries of Region 2 very close co-operation and agreement in the application of the Table of Frequency Allocations contained in the Radio Regulations of the Union;

2. This co-operation has in large measure been necessary since most countries in Region 2 are either in close geographical proximity to one another or are separated by relatively short distances over water, such over-water separation affording substantially less protection from harmful interference than does the same separation over land;

3. By virtue of the co-operation referred to in 1. above, it has not in the past been necessary for any country of Region 2 to request the insertion of any footnotes in the Table of Frequency Allocations which constitute an exception, insofar as a particular country is concerned, to the international allocation of a particular frequency band or bands;

4. The Delegation of Cuba to the present Conference has decided to disassociate its country from the decisions of all other delegations from Region 2 with respect to certain provisions of the Table of Frequency Allocations as modified by this Conference;

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

The delegation of the United Kingdom of Great Britain and Northern Ireland declares that it does not accept the statement of the Argentine delegation contained in its declaration insofar as this statement disputes the sovereignty of Her Majesty's Government in the United Kingdom over the Falkland Islands and the Falkland Islands dependencies and it wishes formally to reserve the rights of Her Majesty's Government on this question. The Falkland Islands and the Falkland Islands dependencies are and remain an integral part of the territories together making up the member hitherto known as Colonies, Protectorates, Oversea Territories, and Territories under Mandate or Trusteeship of the United Kingdom of Great Britain and Northern Ireland on behalf of which the United Kingdom of Great Britain and Northern Ireland acceded to the International Telecommunication Convention (Buenos Aires, 1952) on November 16, 1953, and which is described in the International Telecommunication Convention (Geneva, 1959) as oversea territories for the international relations of which the Government of the United Kingdom of Great Britain and Northern Ireland are responsible.

The statement of the Argentine delegate that "nonmention of other territories must not be taken to imply renunciation of the Argentine Republic's sovereignty over them" is noted. Insofar as this may be intended to refer to the British Antarctic territory, Her Majesty's Government in the United Kingdom of Great Britain and Northern Ireland have no doubt as to their sovereignty over the British Antarctic territory, and wish to bring to the attention of the Argentine Government article IV of the Antarctic Treaty to which both the Argentine Government and the United Kingdom Government are parties.

(The signatures which follow the additional protocol are the same as those reproduced on pages 03–24 of this volume.)

In effect, Malaysia is Malaya as it was before September 16, 1963, but with the addition of new territories. This principle was publicly stated in a broadcast by the Malaysian Permanent Secretary of External Affairs on September 16. There is thus complete legal continuity as a single entity between Malaya and Malaysia.

It is clear therefore that Malaya and Malaysia are one and the same state. It may be recalled that recently Malaysia was elected to the U.N. Security Council—to alternate with Czechoslovakia—without the identity of Malaysia being called into question.

MEXICO

While signing the Final Acts of the Extraordinary Administrative Radio Conference, Geneva, 1963, the Delegation of Mexico announces that its Administration intends to comply with the provisions resulting from the revised Radio Regulations. Nevertheless, the Delegation states that the Government of Mexico reserves the right to take any steps it may deem necessary to safeguard its interest in cases where any Member or Associate Member of the Union fails to comply with the provisions of the said Regulations or where a reservation made by another country has a harmful effect on the telecommunication services of Mexico.

PAKISTAN

While the Delegation of Pakistan is fully conscious of the desirability of early implementation of the decisions of the Extraordinary Administrative Radio Conference, Geneva, 1963, with a view to expediting the development and establishment of Space Radiocommunications on a worldwide basis, it cannot overlook the fact that the Space Radiocommunication techniques are still in a state of development and experimentation. The provisions regarding sharing criteria and the interference potentialities between Space Radiocommunications and Terrestrial systems are not based on practical experience between operational Space and Terrestrial systems and these problems are still under the study of the C.C.I.R., whose present Recommendations are provisional. No sharing criteria has been laid down for the sharing of the bands below 1 Gc/s. Pakistan being a new and developing country in two parts, whose internal communications are also dependent on Radio, the ability of Pakistan to follow in these circumstances, the new and amended provisions of the Radio Regulations agreed by this Conference will depend upon the freedom from any interference, which can be caused by the space services.

The Delegation of Pakistan therefore, reserves for its country the right to take, in the last resort, necessary measures for the fulfillment of its telecommunication need. In so doing, Pakistan will however, endeavour to avoid harmful interference to the Radio services of other administrations.

THE DEMOCRATIC AND POPULAR REPUBLIC OF ALGERIA, KUWAIT, THE UNITED ARAB REPUBLIC

Considering

That the effective implementation of the United Nations Resolution on the International Co-operation on the peaceful uses of outer space (Resolution No. 1721 (XVI)) must eventually be based on the establishment by Members and Associate Members of the Union, of worldwide plans concerning all categories of space service which will provide for the equitable participation of all countries of the world in such service in the spirit of the above-mentioned Resolution;

Considering

1. That no such worldwide plan reflecting the needs of all countries of the world for space services has yet been established;

2. That, the frequency bands allocated for communication-satellite services, as contained in article 5 of the revised radio regulations, are based on entirely empirical derivations and do not in any way correspond to the actual requirements of all countries;

3. (a) That, the frequency sharing between communication-satellite services, and terrestrial services as allocated in the frequency tables were based on provisional criteria, as provided by the C.C.I.R.;

(b) That, the same provisional sharing criteria for communication-satellite services, were applied to other services, where no sharing criteria were available, thus protection of terrestrial services from harmful interference is doubtful;

(c) That, the procedure of calculation of coordination distances is provisional, and, in no way provides assurance of interference-free operation of satellite communications;

4. That, the technical progress in all the development of the various categories of space services is not sufficiently advanced;

5. That, the economic considerations involved in the establishment and operation of such services, could not, so far, be assessed, thus placing small countries at a great disadvantage;

6. That, the said cost, the legal and other conditions that shall govern the use of such a system are not yet evident for consideration.

The above-mentioned countries reserve the right:

(a) To take all the necessary measures to protect their existing as well as planned services without placing any limitations whatsoever on the equipment in use or to be used in the future in all frequency bands;

(b) To adopt all measures necessary to protect their rights concerning frequency registration priority after the implementation of the revised Radio Regulations.

However, the above-mentioned countries do contribute towards the advance of the new space telecommunication technique that was started by the pioneering countries and accept the frequency bands allocated for the safety of lives, space research and world-wide meteorological services.

DENMARK, NORWAY, SWEDEN, AND SWITZERLAND

In signing the Final Acts of the Extraordinary Administrative Radio Conference, Geneva, 1963, the Delegations of the above-mentioned countries declare that, as Radiolocation Service on land, on board ships and in the air has been established, is being introduced or is planned in the frequency bands 3 400–3 600 Mc/s and 5 725–5 850 Mc/s in conformity with the Table of Frequency Allocations of the Radio Regulations, Geneva, 1959, the Administrations of the above-mentioned countries find difficulty in affording general protection to the Communication-Satellite Service in other countries, the Communication-Satellite Service having been authorized in these bands according to the new Radio Regulations, Geneva, 1963. However, the Administrations of the above-mentioned countries are willing to take all practicable steps in order to coordinate the two services after agreements with Administrations concerned.

ADDENDUM TO THE ADDITIONAL PROTOCOL

ARGENTINE REPUBLIC

The Argentine delegation declares that its country reserves the right to take all necessary steps to protect its radio services in cases where any member or associate member of the Union fails to comply with the provisions of the radio regulations as revised by the present Conference or where the reservations made by such members have a harmful effect on the telecommunication services of the Argentine Republic:

CANADA

The Canadian delegation wishes to record its concern at the appearance of footnotes in region 2 concerning the use of frequencies for space purposes. The question of such footnotes breaks the long-established pattern to which all countries in this region have adhered, sometimes by sacrifices on their parts as, for example, we have seen to be the case at this Conference.

Canada would view with grave concern any radio operations in region 2 which would detract from the efficient and agreed use of the radio spectrum.

The Republic of Cuba, we note, formally reserves its complete freedom of action to reject those provisions of the final acts of the Extraordinary Administrative Radio Conference which she may feel are prejudicial to the interests of Cuba. Because all countries of region 2 have hitherto displayed a continued desire to cooperate, we hope that this reservation by Cuba does not imply an intention not to cooperate fully with other members of the region in the rational use of the spectrum.

In these circumstances, Canada has no choice but to associate itself with the protocol submitted by the United States of America and territories of the United States of America, insofar as it concerns these footnotes subscribed to by Cuba which may be found now or in the future to be objectionable to Canada. It is understood, of course, that the same reservations apply to the final protocol submitted by the Republic of Cuba.

REPUBLIC OF COLOMBIA

The Republic of Colombia reserves the right to take all necessary steps to safeguard its services operating in conformity with the provisions of the radio regulations in all cases where such services are affected by those of other countries operating in contravention of the said regulations and, in particular, of the table of frequency allocations.

The Republic of Colombia will also take similar steps in cases where the rights recognized by the convention are affected as a result of the application of the radio regulations.

5. In light of the foregoing, the Delegations of the Territories of the United States of America, and the United States of America cannot accept on behalf of the Government of the United States of America any obligation to observe the exceptions claimed by Cuba in those footnotes to the Table of Frequency Allocations which were adopted by the present Conference and which specifically name Cuba.

REPUBLIC OF INDONESIA

In the opinion of the Delegation of the Republic of Indonesia to the Extraordinary Administrative Radio Conference to allocate frequency bands for Space Radiocommunications, a country must first accede to the International Telecommunication Convention before it has the right to participate in the International Telecommunication Union Conference. The Indonesian delegation refers to the representation of Malaysia in which case the Indonesian Delegation could not have any other opinion than that it should be considered as a new country which is assumed to comprise the Member country Malaya (Federation of) and the Associate-Member Singapore-British North Borneo, and to which Article 18 of the Convention applies. As up to the Plenary Session of this Conference on 6 November, 1963, a notification by the Secretary-General concerning the accession of the above-mentioned new country has not been received by the Indonesian Administration, the Delegation of the Republic of Indonesia would like to reserve the right of its Government not to recognize the representation of Malaysia in the Extraordinary Administrative Radio Conference to allocate frequency bands for Space Radiocommunications, as such recognition would be in contradiction with the said Article 18 of the Convention.

MALAYSIA

The Delegation of Malaysia declares that it does not accept the statement of the Indonesian Delegation contained in its declaration regarding Malaysia. The original Constitution of the Federation of Malaya, which made provisions for amendments, was amended by an Act of the Malayan Parliament before Malaysia Day on 16th September, 1963. This Act took account of the incorporation of Singapore, Sarawak and Sabah (N. Borneo) with the former Federation of Malaya and brought about a change of name to Malaysia. This Agreement has been possible following an Agreement between Her Majesty's Government in the United Kingdom and the Government of the Federation of Malaya, and by giving the Royal Assent to the Act, Her Majesty relinquished sovereignty in Singapore, Sarawak and Sabah.

Mr. FULBRIGHT. Mr. President, the Partial Revision of the Radio Regulations and Additional Protocol were signed by delegates of the United States and other countries at the conclusion of the Extraordinary Administrative Radio Conference on Space Communication, which was held in Geneva from October 7 to November 8, 1963.

The purpose of the Partial Revision of the Radio Regulations is to revise certain provisions of the 1959 Geneva Radio Regulations which were approved by the Senate in 1961. It has as its essential objective the allocation of frequency bands for space radiocommunication and radioastronomy. More specifically, it deals with the allocation of frequencies in the radio spectrum for satellite communications, space research, navigational satellites, meteorological satellites, telecommand, telemetry, tracking of space vehicles, and amateur radio operators.

The committee has been assured that interested parties were given adequate opportunity to participate in formulating the U.S. position on the Partial Revision of the Radio Regulations. The Partial Revision has great significance for the United States and the entire world, and I hope the Senate will without delay give its advice and consent to ratification.

I should add that an error occurred in the printing of the Final Acts of the Geneva Radio Conference. The error appears on page 51 of Executive S, the message from the President transmitting the Partial Revision of the Radio Regulations and Additional Protocol. The band "4700–4900" should be corrected to read "4700–4990". Mr. President, I ask unanimous consent that this correction be made.

The PRESIDING OFFICER. Without objection, the correction will be made.

Mr. FULBRIGHT. Mr. President, I understand that, by unanimous consent, the vote will be taken at 2 p.m. today.

The PRESIDING OFFICER. That is correct.

Mr. FULBRIGHT. I yield the floor.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER (Mr. WALTERS in the chair). Without objection, it is so ordered.

RECESS UNTIL 1:55 O'CLOCK P.M. TODAY

Mr. LONG of Louisiana. Mr. President, I now move that the Senate stand in recess until 5 minutes of 2.

The motion was agreed to; and (at 1 o'clock and 32 minutes p.m.) the Senate took a recess until 1 o'clock and 55 minutes p.m. the same day.

At 1 o'clock and 55 minutes p.m., the Senate reassembled, and was called to order by the Presiding Officer (Mr. WALTERS in the chair).

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, on the question of agreeing to the resolutions of ratification of the three treaties, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. If there is no objection, the three treaties, Executive S, F, and C, will be considered as having passed through their various parliamentary stages, up to and including the point of submission of the resolutions of ratification, which, without objection, will be printed in the RECORD, without being read.

PREVENTION OF POLLUTION OF THE SEA BY OIL

The resolution of ratification is as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to acceptance of amendments of the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, which were adopted by a conference of contracting governments convened at London on April 11, 1962. (Executive C., Eighty-eighth Congress, first session.)

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from North Carolina [Mr. ERVIN], the Senator from Michigan [Mr. HART], the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Utah [Mr. MOSS], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I further announce that, if present and voting, the Senator from Utah [Mr. MOSS] and the Senator from Oregon [Mr. MORSE] would vote "yea."

Mr. DIRKSEN. I announce that the Senator from California [Mr. KUCHEL] and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent, and if present and voting, they would each vote "yea."

The yeas and nays resulted—yeas 88, nays 0, as follows:

[No. 40 Ex.]

YEAS—88

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Cooper
Cotton
Curtis
Dirksen
Dodd
Dominick
Douglas
Eastland
Edmondson
Ellender
Engle
Fong
Fulbright
Goldwater
Gore
Gruening
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kennedy
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
Mechem
Metcalf
Miller
Monroney
Morton
Mundt
Muskie
Nelson
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Robertson
Russell
Scott
Simpson
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—0

NOT VOTING—12

Anderson
Church
Clark
Ervin
Hart
Kuchel
McNamara
Morse
Moss
Neuberger
Saltonstall
Smathers

The PRESIDING OFFICER (Mr. MCGOVERN in the chair). Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to.

MAINTENANCE OF CERTAIN LIGHTS IN THE RED SEA

The resolution of ratification is as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to acceptance of the International Agreement Regarding the Maintenance of Certain Lights in the Red Sea, which was open for signature from February 20, 1962, to August 19, 1962, and during that period was signed on behalf of the United States of America and seven other countries. (Executive F., 88th Cong., 1st sess.)

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from North Carolina [Mr. ERVIN], the Senator from Michigan [Mr. HART], the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Utah [Mr. MOSS], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I further announce that, if present and voting, the Senator from Utah [Mr. MOSS] and the Senator from Oregon [Mr. MORSE] would vote "yea."

Mr. DIRKSEN. I announce that the Senator from California [Mr. KUCHEL] and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent and, if present and voting, they would each vote "yea."

The yeas and nays resulted—yeas 88, nays 0, as follows:

[No. 41 Ex.]

YEAS—88

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Cooper
Cotton
Curtis
Dirksen
Dodd
Dominick
Douglas
Eastland
Edmondson
Ellender
Engle
Fong
Fulbright
Goldwater
Gore
Gruening
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kennedy
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
Mechem
Metcalf
Miller
Monroney
Morton
Mundt
Muskie
Nelson
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Robertson
Russell
Scott
Simpson
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—0

NOT VOTING—12

Anderson
Church
Clark
Ervin
Hart
Kuchel
McNamara
Morse
Moss
Neuberger
Saltonstall
Smathers

The PRESIDING OFFICER. Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to.

PARTIAL REVISION OF RADIO REGULATIONS (GENEVA, 1959) AND ADDITIONAL PROTOCOL

The resolution of ratification is as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Partial Revision of the Radio Regulations, Geneva, 1959, with annexes, and the Additional Protocol signed at Geneva on November 8, 1963, by delegates of the United States of America and other countries represented at the Extraordinary Administrative Radio Conference held at Geneva, October 7 through November 8, 1963. (Executive S, 88th Congress, first session.)

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from North Carolina [Mr. ERVIN], the Senator from Michigan [Mr. HART], the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Utah [Mr. MOSS], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I further announce that, if present and voting, the Senator from Utah [Mr. MOSS] and the Senator from Oregon [Mr. MORSE] would vote "yea."

Mr. DIRKSEN. I announce that the Senator from California [Mr. KUCHEL] and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent and, if present and voting, they would each vote "yea."

The yeas and nays resulted—yeas 88, nays 0, as follows:

[No. 42 Ex.]

YEAS—88

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Cooper
Cotton
Curtis
Dirksen
Dodd
Dominick
Douglas
Eastland
Edmondson
Ellender
Engle
Fong
Fulbright
Goldwater
Gore
Gruening
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kennedy
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
Mechem
Metcalf
Miller
Monroney
Morton
Mundt
Muskie
Nelson
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Robertson
Russell
Scott
Simpson
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—0

NOT VOTING—12

Anderson
Church
Clark
Ervin
Hart
Kuchel
McNamara
Morse
Moss
Neuberger
Saltonstall
Smathers

The PRESIDING OFFICER. Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. Do I correctly understand that each treaty will be recorded separately in the CONGRESSIONAL RECORD with an explanatory note, and that the yea-and-nay vote will be subsequently set out in connection with each of the three treaties?

The PRESIDING OFFICER. The Senator is correct.

Mr. DIRKSEN. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. What will be the next order of business before the Senate? I assume the Senate is still in executive session.

The PRESIDING OFFICER. The next order of business is consideration of the Austrian Treaty.

Mr. DIRKSEN. Mr. President, how much time has been allotted to that subject?

The PRESIDING OFFICER. There will be 45 minutes of debate on the treaty.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to address a question to the majority leader with respect to the remainder of the day and particularly the schedule for tomorrow, so that there will be a clear understanding as to when the Senate will convene. What disposition will be made of the conference report on the tax bill and such other matters as are likely to engage the attention of the Senate?

Mr. MANSFIELD. Mr. President, I will endeavor, to the best of my knowledge, to answer the questions raised by the distinguished minority leader. There will be a 45-minute limitation of debate on the consideration of the Austrian treaty, the time to be divided between the distinguished Senator from New York [Mr. JAVITS] and the chairman of the Committee on Foreign Relations, the distinguished Senator from Arkansas [Mr. FULBRIGHT].

It is anticipated that shortly thereafter the Senate will receive from the House the conference report on the tax bill. When that report comes to the Senate, it will be taken up immediately by the distinguished Senator from Louisiana [Mr. LONG]. It is anticipated that a number of Senators will wish to make their views known, both pro and con, on this most important conference report.

The suggestion has been made that the vote on the conference report be postponed until 12:15 p.m. or 12:30 p.m. tomorrow. I am willing that that arrangement be entered into under the following provisos:

First, that unanimous consent will be given for a yea-and-nay vote—I am sure that is what is desired—on the conference report at 12:15 tomorrow.

Second, that following the vote on the conference report, the second reading of the civil rights bill be in order, and that all rights, privileges, prerogatives, and whatnot, on all sides be protected. It was my original intention to try to see if it would not be possible to reach a vote on the conference report tonight, then to adjourn, and then, without anything else intervening, go into the next legislative day, which would automatically in time bring about a second reading of the civil rights bill. But if the distinguished Senator from Illinois [Mr. DIRKSEN] and the Senate are agreeable, I shall, on the basis of the specifications which I feel obliged to make, ask unanimous consent that at 12:15 p.m. tomorrow, the Senate have a yea-and-nay vote on the conference report on the tax bill, and that immediately following that vote, the Senate move, as in the ordinary procedure, to a second reading of the civil rights bill, with the absolute assurance that the rights of all parties will be preserved, safeguarded, and maintained, and that all proceedings having to do with the second reading be proceeded with until disposed of.

Mr. DIRKSEN. Mr. President, I should like to ask the majority leader a question at that point.

Mr. President, if the distinguished majority leader will yield, is it his proposal that the Senate adjourn tonight?

Mr. MANSFIELD. At the moment, and on the basis of this understanding, yes.

Mr. DIRKSEN. What has the majority leader in mind as to the hour of convening tomorrow?

Mr. MANSFIELD. Twelve o'clock.

Mr. DIRKSEN. I would think, since it would be only a hiatus of 15 minutes, 12:30 rather than 12:15 would be a slightly more suitable hour for the Senate to proceed to vote on the tax bill conference report.

Mr. MANSFIELD. That would be agreeable to me, but as the minority leader knows, I have been subjected to not infrequent attacks with the charge that I have been delaying civil rights legislation. As the minority leader well knows, we are in a position where, once bills have been reported, referred, or otherwise brought to the attention of the Senate, insofar as we can bring those bills before the Senate, in as expeditious a manner and in as reasonable a manner as it is possible to do so, it has been done.

Mr. DIRKSEN. I will put my sheltering arm around the distinguished majority leader. I have been called Fabius, after the distinguished Roman general. So I will give him comfort and consolation.

Mr. President, a further inquiry. My understanding is that there will automatically be a second reading of the civil rights bill now pending at the President's desk. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. DIRKSEN. With respect to the second reading, that may be a matter of some controversy, because under rule XIV the majority leader is in a position to ask that further proceedings with respect to the civil rights bill be suspended, in which event it would go to the Senate Calendar. Is that correct?

The PRESIDING OFFICER. That is correct, subject to any point of order that might be made.

Mr. RUSSELL. Yes.

Mr. DIRKSEN. A point of order could be made under the provisions of the Legislative Reorganization Act, in which event that point of order probably would have to be submitted to the Senate for its disposition, instead of being decided by the Chair. Is that correct?

The PRESIDING OFFICER. The Chair would have that alternative.

Mr. DIRKSEN. I understand; except it is subject to appeal from the ruling of the Chair.

The PRESIDING OFFICER. That is correct.

Mr. DIRKSEN. I should say that, in the normal course of things, such an appeal would be made.

The PRESIDING OFFICER. Is the Senator from Montana proposing a unanimous-consent request?

Mr. MANSFIELD. Yes.

Mr. RUSSELL. Mr. President, reserving the right to object, I should like to be advised as to whether there has been any order entered for the Senate, when it concludes its deliberations this afternoon, to stand adjourned until tomorrow.

The PRESIDING OFFICER. There has not been.

Mr. RUSSELL. In that event, I would have to object to the Senator's request, because it would bring up the second reading and proceedings thereon in the middle of a legislative day, whereas the Senate has to adjourn before a matter would ordinarily be handled that way. If the Senator will preface his request with the request that when the Senate concludes its deliberations today it stand adjourned until 12 o'clock tomorrow, I believe a part of that objection will be eliminated. Then I would have no objection to the vote at 12:30 or 12:15. It seems to me it would be a good rule of commonsense to say that immediately after the ascertainment that a quorum is present, the Senate ought to proceed to vote. It would take about 10 or 15 or 20 minutes to develop a "live" quorum. That would give every Senator an opportunity to be present.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. DIRKSEN. My understanding is that when there is an appointed hour, there is a quorum call.

Mr. RUSSELL. My suggestion is that at 12 o'clock there be a quorum call, and that after the ascertainment of a quorum, the Senate will proceed to vote on the conference report on the tax bill.

I would have no objection then to a unanimous-consent request that the misnamed civil rights bill be laid before the Senate by the Chair for the second reading, because after the Senate adjourned that would be done as a matter of course under the rules. It would be laid before the Senate for a second reading and any other proceeding that might be had. That provision should be in the unanimous-consent request.

With those slight modifications—I always try to be practical and agreeable—I would have no objection to the unanimous-consent request.

There are one or two other matters which Senators might consider. I realize that some of our colleagues are thirsting for the blood of those of us who place a different construction on the constitutionality of the so-called civil rights measure, but it might be well to bear in mind that today the Senate Committee on Armed Services reported the authorization bill for procurement of military hardware to equip men in uniform in all branches of the service, as well as the research and development program.

No appropriation bill can be enacted until that authorization is passed. I have worked diligently on that bill, against the interests of my opposition to the so-called civil rights bill, because of my interest in my country, particularly in the area of national defense. I have tried to bring that bill before the Senate 3 days after it passed the other body.

In my judgment, that bill should be passed by the Senate before it proceeds to consider what is called, by those who are most euphemistic, civil rights legislation.

There is also pending some agricultural legislation that is of vital concern to certain parts of the country. I realize that that measure, too, is controversial. It could be taken up. I have no idea how long consideration of that bill would require. Unless a counterfilibuster of some kind were started, I should not think the military procurement bill would consume more than a couple of hours.

I do not believe there are more than one or two matters in controversy, and they are not of great and overriding importance.

I do not know how far the Senator from Montana intends to go, but having some responsibility for the military bill, and being conscious of the fact that it is against my interest so far as my opposition to the so-called civil rights bill is concerned, I think the Senate should take action on that bill, so as not to handicap the Appropriations Committee in the other body from proceeding with the all-important bill which carries more than one-half of the total expenditures of Government.

Mr. MANSFIELD. Mr. President, I appreciate what the distinguished Senator from Georgia has just said. So far as the word "adjournment" is concerned, I assure the Senator that there was an oversight on my part, because I had contemplated that.

In view of the fact that Senators now have a pretty good understanding of the situation, and with the proviso that the rights of Senators will be maintained and that the regular procedure will be followed, I ask unanimous consent that when the Senate adjourns tonight, it adjourn to meet at 12 o'clock noon tomorrow, and that at 12:30 there be a vote on the conference report on the tax bill, after the quorum call, and that upon the disposition and announcement of that vote, the procedure to be followed which would have been followed had this situation not intervened, and had the Senate adjourned tonight. Do I make myself clear?

Mr. JAVITS. Mr. President, will the Senator from Montana yield for a parliamentary inquiry?

Mr. MANSFIELD. I yield.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. The Chair was asked about the question of an appeal from a ruling of the Chair on a point of order as to the use of rule XIV, and the possibility that the Chair would leave the question to the Senate.

Will the Chair enlighten the Senate as to the question of debate in each instance? Can Senators debate incidents to leaving the question to the Senate within the control of the Chair, or is it subject to the rules of the Senate?

The PRESIDING OFFICER. There is no limit on debate on a question that is submitted to the Senate by the Chair for its own decision.

Mr. JAVITS. On an appeal from a ruling of the Chair, what is the rule?

The PRESIDING OFFICER. The same procedure would apply on an appeal from a ruling of the Chair.

Mr. JAVITS. In both cases debate would be limited only by the rules of the Senate?

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. I thank the Chair.

Mr. RUSSELL. Mr. President, reserving the right to object, I can understand the concern with the anticipated legislative situation on the so-called civil rights bill; but I hope, in this time of great pressure, that Senators will not lose completely their sense of perspective. I hope Senators will look into the parliamentary question that would be involved, as to whether one Member of the Senate, be he leader or be he the most junior Senator, has the right by a single objection to bypass the committees of the Senate and bring a bill to the calendar. That is the issue that will be before the Senate from a parliamentary standpoint tomorrow.

Today I had occasion to review some of the debate that took place in 1957, and I noted with a great deal of interest and pleasure that both the late lamented, then Senator, John Fitzgerald Kennedy, then a Senator from the State of Massachusetts, and the present President of the United States, the then Senator from Texas, Lyndon B. Johnson, voted in the minority, that a single Senator did not have the inherent right to take a bill away from a committee of the Congress.

I was proud to note those who voted that way in a 39-to-45 vote. Among them was the Senator from Oregon [Mr. Morse], who was advocating the most stringent legislation in this field long before many of the newcomers to the so-called civil rights side had made themselves known. He stated that he could not stultify himself by voting that one Senator could deny the prerogatives of committees, as specifically outlined under rule XXV.

I do not wish to debate the question today, but I hope Senators will look into it, no matter how casual it may be. This is a matter that has to do with the precedents and procedures of the Senate. I do not deny the right of any Senator to an opportunity to vote on this misnamed civil rights bill, but if we vote to bypass the committee system we shall be repeating a dangerous precedent that reversed the precedents to the contrary on a matter that did not arouse emotion and excite political fear in Members of the Senate.

On that issue, the Senate voted 60 to 15 that 1 Senator did not have such a right to bypass the committees of the Senate and bring a bill to the calendar.

The Senator from Arkansas [Mr. Fulbright] will remember that occasion. It had to do with oleomargarine bill in 1948. The same question was involved, and it was only when this so-called civil rights legislation came up that a majority of the Senate voted that one Senator, by demanding that the measure go over, could have a right to upset the committee procedures of the Senate.

I hope Senators will not consider this a dilatory action on my part. It is not a part of a filibuster. I am seeking only to remind the Senate of its responsibilities and of the desirability of not throwing its rules out the window when a certain type of legislation comes along. We should apply the same rule whether we are enthusiastically in favor of a piece of legislation or whether we are against it.

I ask Senators to look into the question, to study it, and to consider the precedents prior to 1957. Any procedure is more desirable than the roughshod, run-over-them-if-you-can, the-end-justifies-the-means ruling, that one Senator, by objecting, can bypass committees.

Mr. LAUSCHE and Mr. MUNDT addressed the Chair.

Mr. RUSSELL. I yield to the Senator from Ohio [Mr. Lausche].

Mr. LAUSCHE. What was the difference between the vote in 1957 and the one in 1960?

Mr. RUSSELL. The identical question was presented to the Senate, in connection with a bill that was called a civil rights bill. It passed the House in 1957 and came over to the Senate; and the Senate made the ruling that one objection bypassed the committees.

In 1960 the so-called civil rights bill was first brought up for debate as an amendment to the famous Stella school bill.

I now yield to the Senator from South Dakota [Mr. Mundt].

Mr. MUNDT. I wonder if the Senator would be willing to ask unanimous consent to have printed in the Record the two yea-and-nay votes to which he alluded, in 1957 and 1960, so that Senators may have them available to study?

Mr. RUSSELL. I shall be glad to do so. However, the issue was different in 1960. The Senator referred to two yea-and-nay votes. Does he mean in 1948 and 1957?

Mr. MUNDT. The two yea-and-nay votes to which the Senator has referred.

Mr. RUSSELL. One was on the innocuous issue of oleomargarine in 1948.

Mr. FULBRIGHT. It was not an innocuous issue.

Mr. RUSSELL. I mean, a relatively innocuous issue, on oleomargarine.

Mr. MUNDT. It is not an innocuous issue to the dairy industry.

Mr. RUSSEL. The vote was 56 to 15, as I remember, that one Senator could not bypass committees. When the question arose in 1957, and the identical issue came up in connection with the civil rights bill, the Senate reversed itself and by a small margin—I believe it was 45 to 39, because it happened to be a civil rights bill—held that one Senator, on objection, could knock down and bypass the whole committee system on which all of our legislation depends.

Mr. President, I ask unanimous consent to have printed in the Record excerpts from Senate Procedure which set forth the practices and precedents of the Senate as to this procedure. I also ask unanimous consent that the two yea-and-nay votes referred to, with some explanation on each, be printed in the Record.

There being no objection, the two yea-and-nay votes were ordered to be printed in the Record, as follows:

Under the present rule and practice, the Presiding Officer makes the reference of bills to committees, both those introduced in the Senate and House bills messaged to the Senate. An appeal may be taken from the decision of the Chair in making the reference, at the time it is made.

A Senate bill upon its introduction or a House bill which has been messaged to the Senate, upon objection to further proceedings on it after the second reading under rule XIV, paragraph 4, may be placed on the calendar instead of being referred.

In 1948, under a decision of the Senate, after a House bill had been messaged to the Senate and objection had been made to its further consideration at that time, a question of reference of the bill was raised, under section 137 of the Legislative Reorganization Act of 1946, which momentarily stayed any action of placing the bill on the calendar. A point of order was then made regarding the priority of rights under rule XIV, paragraph 4, as compared to section 137 of the Legislative Reorganization Act.

Under rule XX, the Chair then submitted the following question to the Senate for decision: "Is the point of order of the Senator * * * well taken?" The point of order was not sustained and the Chair under section 137 of the Legislative Reorganization Act of 1946 made the reference, from which an appeal was in order.

In 1957, under a like situation, an objection, under paragraph 4 of rule XIV, having been made to further proceedings on a House bill which had been read twice without being referred, the Senate reversed its decision of 1948, and decided that rule XXV, which provided, among other things for mandatory references of bills, as amended by the Legislative Reorganization Act of 1946, did not supersede and annul said paragraph 4 of rule XIV.

The President pro tempore thereupon made the following statement:

"The Chair wishes to make a general statement of the parliamentary situation so that all Senators may be fully advised of the procedure which is contemplated. There is an unfortunate conflict in construction between rule XIV of the Senate and section 137 of the Reorganization Act. At the moment it is needless to go into the details of this conflict, but it turns finally, apparently, upon the pure question as to who is first recognized by the Chair to assert his rights under these two conflicting rules.

"The situation has never heretofore arisen. Therefore, we are making an entirely new precedent—a point which can be of very serious moment to the conduct of the business of the Senate. Therefore, the Chair proposes that the Senate shall settle the matter for itself.

"In order to accomplish this result, the following procedure is necessary. The Chair will first recognize the Senator from Nebraska [Mr. Wherry] to raise the question, which he is entitled to raise under section 137 of the Reorganization Act, which requires the Chair, without debate, to make a reference of the pending bill to the committee which in his judgment has appropriate jurisdiction. When that motion has been made by the Senator from Nebraska, and recognized, the Chair will recognize the Senator from Arkansas [Mr. Fulbright] to raise a point of order regarding the priority of his rights under rule XIV of the Senate. When the Senator from Arkansas has made his point of order, the Chair, under rule XX of the Senate, will submit to the Senate itself, for decision, the question whether the Senator from Arkansas is entitled to priority under rule XIV, or whether the Senator from Nebraska is entitled to priority under section 137 of the Reorganization Act. This procedure has been discussed with all concerned, and seems to be the fairest way to resolve an exceedingly difficult and perplexing parliamentary impasse."

Mr. Wherry, under the provisions of section 137 of the Legislative Reorganization Act of 1946, raised a question as to the jurisdiction of the standing committee of the Senate to which the bill should be referred.

Mr. Fulbright raised a question of order; viz, that under paragraph 4 of rule XIV, after the second reading of the bill, if objection is made to further proceedings thereon, the bill should be placed on the calendar.

The President pro tempore, under paragraph 2 of rule XX, submitted to the Senate the question of order raised by Mr. Fulbright.

On the question, Is the point of order made by Mr. Fulbright well taken?

After debate, it was determined in the negative: Yeas, 15; nays, 56.

On motion by Mr. Maybank, the yeas and nays being desired by one-fifth of the Senators present, Senators who voted in the affirmative are: Connally, Fulbright, Green, Hatch, Johnston of South Carolina, Kilgore, Lucas, McClellan, Maybank, Moore, Murray, O'Daniel, O'Mahoney, Thomas of Oklahoma, and Tydings.

Senators who voted in the negative are: Aiken, Baldwin, Ball, Brewster, Brooks, Buck, Butler, Byrd, Cain, Capper, Chavez, Cooper, Cordon, Donnell, Downey, Eastland, Ecton, Ferguson, Gurney, Hayden, Hickenlooper, Hoey, Ives, Johnson of Colorado, Kem, Knowland, Langer, Lodge, McCarthy, McFarland, McGrath, McKellar, McMahon, Magnuson, Malone, Martin, Millikin, Morse, Myers, Reed, Robertson of Virginia, Robertson of Wyoming, Russell, Saltonstall, Smith, Stennis, Thomas of Utah, Thye, Tobey, Vandenberg, Watkins, Wherry, Wiley, Williams, Wilson, and Young.

So the Senate decided that the point of order was not well taken.

The President pro tempore, in the following statement, referred the bill to the Committee on Agriculture and Forestry:

"The Chair confronts the parliamentary duty of referring this bill to the appropriate committee under the rules. There is a strong argument to be made in favor of reference either to the Committee on Finance or to the Committee on Agriculture and Forestry. Under such circumstances, the Chair wishes to afford the Senate an opportunity, so far as possible, to decide the reference for itself. This could have been done, under the old rules, by direct submission. But the Reorganization Act provides that a question of jurisdiction 'shall be decided by the Presiding Officer of the Senate, without debate in favor of that committee which has jurisdiction over the subject matter which predominates in the proposed legislation.' But 'such decision shall be subject to appeal.'

"Confronting this injunction of law, the Chair will proceed to make an initial reference in open session, without presuming, of course, to pass upon the merits of the legislation in any aspect whatever. But the Chair specifically invites an appeal without prejudice if the Senate desires a different parliamentary disposition of the measure.

"The Chair's decision is moved by the following considerations:

"Reference of the bill to the Finance Committee may be strongly urged on the basis of its oversimplified title, 'An act to repeal the tax on oleomargarine,' because the first duty assigned to the Finance Committee under the Reorganization Act is jurisdiction over revenue measures generally. On the other hand, it can, in the opinion of the Chair, be even more persuasively contended that revenue is only incidental in the purposes of this bill; and that 'the subject matter which predominates'—that being the controlling phrase in the Reorganization Act—is the agricultural economy, which clearly lies within the jurisdiction of the Committee on Agriculture and Forestry.

"House hearings on the bill disclose a statement by Under Secretary of the Treasury Wiggins that 'revenue considerations are not involved.' This is particularly significant since the Supreme Court itself has said in *Millard* v. *Roberts* (202 U.S. 429) that revenue bills are those that levy taxes in the strict sense of the word, and are not bills for other purposes, which may incidentally create revenue.'

"Again reference of the bill to the Finance Committee may be strongly urged on the basis of the fact that two previous Senate bills, S. 985 and S. 1907, for this same purpose have been referred in the Senate, during the present Congress, to the Finance Committee although no action has even been taken on them in that committee. This was done on the basis of their titles in usual routine at the legislative desk when no occasion arose to examine the full text of the bills to determine the subject matter which predominates.

"On the other hand, it can, in the opinion of the Chair, be even more persuasively contended that the most recent full exploration of this subject matter in the Senate was made in connection with S. 1744 in the 78th Congress which was referred to the Committee on Agriculture and Forestry which held hearings that have been used in these current debates.

"On this point, it is significant to note that when this same legislation originally came to the Senate on June 7, 1886, precisely the same sort of controversy which sti reigns today was settled by a Senate vo of 22 to 21 in favor of reference to the Committee on Agriculture.

"It is further significant to note that though the House Ways and Means Committee is particularly tender of its revenue prerogatives, the present bill was handled in the House by the Committee on Agriculture.

"In the Senate there is a mixed record of reference over the years in respect to various types of oleo legislation. As a result, the precedents are far from clear. But it seems clear to the Chair, after a faithful examination of the entire subject, that the pending bill is not a revenue measure in the appropriate sense of that phrase as defined in the Reorganization Act; but that the subject matter which predominates—the controlling phrase in the Reorganization Act—lies preponderantly within the jurisdiction of the Committee on Agriculture and Forestry.

"The Chair rules that the House bill H.R. 2245 is referred to the Committee on Agriculture and Forestry. The Chair invites an appeal, if the Senate disagrees, so that the will of the Senate may control."

[Vote No. 57]

SUBJECT

H.R. 6127, to protect the civil rights of persons within the jurisdiction of the United States. Vote on Russell point of order to Knowland objection to further proceeding after second reading of the bill under Senate rule XIV, paragraph 4.

SYNOPSIS

The Vice President laid before the Senate H.R. 6127 for a second reading. Immediately after the House-passed bill was so read Senator Knowland, who had obtained recognition, objected to any further proceeding thereon, pursuant to that part of paragraph 4, rule XIV, which provides that every bill and joint resolution introduced on leave and every bill and joint resolution of the House which shall have received a first and second reading without being referred to a committee, shall, if objection be made to further proceeding thereon, be placed on the calendar. [The Vice President had earlier ruled that Senator Knowland's objection was not a debatable motion, since such reading of the bill did not involve action on it.]

Senator Russell then made the point of order that rule XXV, as amended by the Legislative Reorganization Act of 1946, requires reference of all bills to committee and that rule XXV supersedes and amends the provision of rule XIV on which Senator Knowland relied.

In support of the point of order, it was asserted that prior to the 1946 act rule XXV did not contain language in conflict with rule XIV. But the Legislative Reorganization Act of 1946 provided a new rule XXV, which described by subject matter the jurisdiction of each committee and contained language not in the old rule, as follows: "* * * to which committee shall be referred all proposed legislation, messages, memorials, petitions, etc." Moreover, there was the 1948 precedent concerning a bill to repeal the tax on oleomargarine. In that case when Senator Fulbright raised a point of order that under rule XIV he was entitled to ask after a second reading of the bill that it go to the calendar, the issue was submitted to the Senate and by vote of 56 to 15 the Senate decided adversely to Senator Fulbright. In the case of a bill involving the tidelands controversy, which the Senate had before it immediately prior to the oleo bill, Senator Downey took advantage of rule XIV and succeeded in having the bill go to the calendar. It was claimed this was no precedent since no point of order had been made, whereas in the case of the oleo bill an intervening motion dealing with the Reorganization Act had been made. To give effect to the Knowland objection would be to do violence to the committee system under which the Senate operates and permit bypassing of committees. The procedure, if used regularly, would leave matters in the hands of a single Senator and hamstring the Senate leadership thereby bringing about legislative chaos.

ACTION

The point of order was overruled.

The result was announced—yeas 39, nays 45, as follows:

YEAS—39

Anderson,[1] Bible,[1] Byrd,[1] Eastland,[1] Ellender,[1] Ervin,[1] Frear,[1] Fulbright,[1] Goldwater, Gore,[1] Hayden,[1] Hill,[1] Holland,[1] Johnston, Tex.,[1] Johnston, S.C.,[1] Kefauver,[1] Kennedy,[1] Kerr,[1] Lausche,[1] Long,[1] Magnuson,[1] Malone, Mansfield,[1] McClellan,[1] Morse,[1] Mundt, Murray,[1] O'Mahoney,[1] Robertson,[1] Russell,[1] Scott,[1] Smathers,[1] Sparkman,[1] Stennis,[1] Talmadge,[1] Thurmond,[1] Williams, Yarborough,[1] and Young.

NAYS 45

Aiken, Allott, Barrett, Beall, Bennett, Bricker, Bush, Butler, Carlson, Carroll,[1] Case, N.J., Case, S. Dak., Church,[1] Clark,[1] Cooper, Cotton, Curtis, Dirksen, Douglas,[1] Dworshak, Hennings,[1] Hickenlooper, Hruska, Humphrey,[1] Ives, Jackson,[1] Javits, Jenner, Knowland, Kuchel, Martin, Pa., McNamara,[1] Morton, Neuberger,[1] Pastore,[1] Potter, Purtell, Revercomb, Saltonstall, Schoeppel, Smith, Maine, Symington,[1] Thye, Watkins, and Wiley.

NOT VOTING—11

Bridges, Capehart, Chavez,[1] Flanders, Green,[1] Langer, Martin, Iowa, Monroney,[1] Neely,[1] Payne, and Smith, N.J.

		Republicans (46)	Democrats (49)
Analysis of vote:			
Yeas	39	5	34
Nays	45	34	11
Not voting	11	7	4
Vacancy	1		

Mr. MANSFIELD. Mr. President, may I inquire of the Chair if I may have a ruling on the unanimous-consent request?

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. This means, then, that the Senate will convene at noon tomorrow, to vote at 12:30, and at the conclusion of the voting on the conference report on the tax bill, immediately proceed to a second reading, as in the ordinary procedure, following a layover of one legislative day?

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. All rights are thus protected; and the regular procedure will be followed.

The PRESIDING OFFICER. The Senator is correct.

The unanimous-consent agreement was subsequently reduced to writing, as follows:

Unanimous-Consent Agreement

Ordered, That at the conclusion of its business today, the Senate adjourns until 12 o'clock noon tomorrow, Wednesday, February 26; that prior to the hour of 12:30 p.m. on said day there be a quorum call; That at said hour of 12:30 p.m. the Senate proceed to vote on the question of agreeing to the conference report on H.R. 8363, the Revenue Act of 1964; That immediately following such vote, the Presiding Officer lay before the Senate H.R. 7152, the Civil Rights Bill, which shall be read the second time; That any further proceedings which may then arise in connection with or incident to the said bill continue until disposed of and be had in accordance with the rules of the Senate; and that the rights of all Senators with respect thereto be preserved and maintained. (February 25, 1964)

Mr. DIRKSEN. Mr. President, a further parliamentary inquiry

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. Is the Senate still in executive session?

The PRESIDING OFFICER. The Senate is still in executive session.

Mr. DIRKSEN. So the next order of business will be consideration of the Austrian treaty?

The PRESIDING OFFICER. The Senator is correct.

EXECUTIVE SESSION

The Senate resumed the consideration of executive business.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the nominations on the Executive Calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the nominations will be stated.

FOREIGN ASSISTANCE

The legislative clerk read the nomination of Howard E. Haugerud, of Minnesota, to be Deputy Inspector General, Foreign Assistance.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. INFORMATION AGENCY

The legislative clerk read the nomination of Carl T. Rowan, of Minnesota, to be Director of the U.S. Information Agency.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. JAVITS. On this nomination I would like to add that the U.S. Information Agency performs one of the most vital jobs in our Government, and it is crucial that it be headed by an outstanding American. From what I know of him Ambassador Carl T. Rowan will be a worthy successor to the distinguished New Yorker, Edward R. Murrow, and I am delighted that Ambassador Rowan's nomination has now been confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Fulton Freeman, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I am delighted that the nomination of Mr. Fulton Freeman, as our new Ambassador to Mexico, was included in this list of nominations.

Mr. Freeman has rendered outstanding service as our Ambassador to Colombia, and he will do as outstanding a job as our Ambassador to the Republic of Mexico. It is the appointment of a good man to a good neighbor. The appointment will be mutually beneficial to both countries.

AGENCY FOR INTERNATIONAL DEVELOPMENT

The legislative clerk read the nomination of William B. Macomber, Jr., to be Assistant Administrator for the Near East and south Asia, Agency for International Development.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. JAVITS. Mr. President, I state in connection with this nomination that Mr. Macomber is an admirable public servant, who serves this country with great distinction. I visited him in Jordan when he served there as our Ambassador. He comported himself with extraordinary skill and ability. I wish to make my endorsement of Mr. Macomber a matter of public record.

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[1] Democrats.

Mr. KEATING. Mr. President, I was delighted to appear before the committee on behalf of William Macomber, a long-time personal friend and distinguished Rochesterian. Mr. Macomber has spent more than 10 years in Government service, serving with equal distinction in Republican and Democratic administrations. He has worked closely with our own distinguished colleague, Senator JOHN SHERMAN COOPER, with Under Secretary of State Herbert Hoover, Jr., and with Secretary of State John Foster Dulles. He also served for 4 years as Assistant Secretary of State for congressional relations.

For the past 2½ years, "Butts" Macomber has served most ably as Ambassador to the Kingdom of Jordan. Whether he deserves all the credit or not, I do not know, but it does seem to me that there have been fewer riots, assassination attempts, and other types of subversion and violence in Jordan recently than there had been in the past.

Ambassador Macomber is moving into a new and extremely challenging role. As Assistant Administrator for the Near East and South Asia in the Agency for International Development, Ambassador Macomber will be responsible for the foreign aid program in a large and important part of the world. There have been a number of criticisms of our AID policies in this area. The most significant objection undoubtedly is the recurring charge that American aid to Egypt's President Nasser is indirectly subsidizing Nasser's military aggression in Yemen and his continued arms buildup against Israel. I am confident that Mr. Macomber will face this problem honestly and forcefully, and that he will bring to it the determination, imagination, and ability that have distinguished his Government career to date.

Mr. President, there is undoubtedly need for reevaluation and change in foreign aid policies in a number of areas. I congratulate Ambassador Macomber on his willingness to take up this difficult and thankless responsibility. I strongly commended him to all the members of the committee as an exceptionally able, well-qualified candidate for the position as Assistant Administrator of AID.

Mr. GRUENING. Mr. President, I wish to endorse unqualifiedly the nomination of Mr. Macomber. I have seen him in action as U.S. Ambassador to Jordan, where he performed with great ability, great enlightenment, and great vigor. This is an excellent appointment. My only regret is that Mr. Macomber has not been given an additional position as chief of mission, for which he is fully qualified. I am confident that he will serve admirably in his new post.

AGENCY FOR INTERNATIONAL DEVELOPMENT

The legislative clerk read the nomination of William S. Gaud, of Connecticut, to be Deputy Administrator, Agency for International Development.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the diplomatic and Foreign Service.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations in the diplomatic and Foreign Service be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered en bloc; and, without objection, they were confirmed.

Mr. President, I ask unanimous consent that the President be immediately notified of the nominations confirmed today; as well as of the ratification of the three treaties.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

AGREEMENT BETWEEN UNITED STATES OF AMERICA AND THE REPUBLIC OF AUSTRIA REGARDING THE RETURN OF AUSTRIAN PROPERTY, RIGHTS, AND INTERESTS (EX. A, 86TH CONG., 2D SESS.)

The Senate, as in the Committee of the Whole, proceeded to consider the agreement (Ex. A, 86th Cong., 2d sess.), an agreement between the United States of America and the Republic of Austria, regarding the return of Austrian property, rights, and interests, signed at Vienna on May 15, 1955, which was read the second time, as follows:

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF AUSTRIA REGARDING THE RETURN OF AUSTRIAN PROPERTY, RIGHTS AND INTERESTS

The United States of America and the Republic of Austria, in accordance with the provisions of paragraph 1 of Article 27 (Austrian Property in the Territory of the Allied and Associated Powers) of the State Treaty for the Re-establishment of an Independent and Democratic Austria, which was signed at Vienna on May 15, 1955, have agreed as follows:

ARTICLE I

1. The property listed in the schedule to this agreement constitutes a complete list of property, rights and interests as they now exist in the United States, and of the proceeds arising out of the liquidation, disposal or realization of such property, rights and interests, determined to be Austrian within the meaning of paragraph 1 of Article 27 of the Austrian State Treaty and which have not yet been returned.

2. The United States agrees to return, through such officer or agency as may be designated by the President of the United States, such property, rights, interests and proceeds to the claimants listed in the schedule, or to their successors in interest by inheritance, devise, bequest or operation of law, within six months of the effective date of this agreement, subject to the provisions of Article V hereof and to the requirements regarding fees of agents, attorneys, or representatives contained in Section 20 of the Appendix to Title 50 of the United States Code, as set forth in the Annex hereto.

ARTICLE II

The Government of Austria declares that no claimant to property listed on the attached schedule was convicted of war crimes personally and by name by a court of competent jurisdiction.

ARTICLE III

The Government of Austria agrees that upon the return of the property listed on the attached schedule the United States shall be deemed to have complied in full with the provisions of paragraph 1 of Article 27 of the aforementioned State Treaty, provided, however, that should additional property, rights and interests, or the proceeds thereof, be determined by the Governments of the United States and Austria within 1 year from the effective date of the agreement to be Austrian and not claimed by persons who were convicted of war crimes personally and by name by a court of competent jurisdiction, the Government of the United States will return such property within 6 months of such final determination, subject to the provisions of Article V hereof and to the requirements regarding fees of agents, attorneys, or representatives contained in Section 20 of the Appendix to Title 50 of the United States Code, as set forth in the Annex hereto.

ARTICLE IV

Nothing in this agreement shall be deemed to affect any rights which any person not listed in the attached schedule may have under United States law.

ARTICLE V

The return of property, rights and interests by the United States under this agreement shall be subject to deductions for accrued taxes, expenses of administration, creditor claims and other like charges and shall be made as far as possible subject to the rights, obligations and procedures with respect to returns contained in Section 32(a) (4), (b), (c), (d), (e), and (f), Section 34, and Section 36 of the Appendix to Title 50 of the United States Code, as set forth in the Annex to this agreement.

ARTICLE VI

The Government of Austria agrees to save harmless the Government of the United States from any responsibility and liability for acts performed by or on behalf of the United States in fulfillment of the provisions of this agreement.

ARTICLE VII

This agreement shall be ratified and the instruments of ratification shall be exchanged at Vienna as soon as possible. The agreement shall come into force upon exchange of ratifications.

In witness whereof, the undersigned representatives duly authorized thereto by their respective governments have signed this Agreement.

Done at Washington, in duplicate, in the English and German languages, both texts being equally authentic, this thirtieth day of January, 1959.

For the United States of America:
JOHN FOSTER DULLES.
For the Republic of Austria:
WILFRIED PLATZER.

Mr. FULBRIGHT. I understand that the Senate is now proceeding under a limited time agreement.

The PRESIDING OFFICER. The Senator is correct.

Mr. FULBRIGHT. I yield myself 5 minutes of the 15 minutes that I have under my control.

I shall take only a few minutes to discuss the treaty. Then, if there are any questions, I shall be glad to answer them.

Mr. President, the Austrian Assets Agreement was signed at Washington on January 30, 1959, and submitted to the Senate on January 14, 1960.

The purpose of the agreement is to provide for the return of certain Austrian property located in the United States which was vested during World War II by the Alien Property Custodian under the provisions of the Trading With the Enemy Act. The property, rights, and interests covered by this treaty amount to approximately $450,000 and, according to the provisions of the agreement, would be returned to the Government of Austria for distribution to the individual claimants.

I should like to explain the procedure. As I understand, the checks will be made out to the claimants, but will be sent to the Government of Austria, which will act merely as a conduit in turning the checks over to the claimants. The assets will not be turned over to the Austrian Government as cash. The Austrian Government will act merely as the agent.

With very few exceptions, the bulk of the returns consist of cash assets; the rest involve interests in patents and estates.

The basis for this agreement is contained in the Austrian State Treaty which was approved by the Senate on June 17, 1955. Under the terms of article 27 of that treaty, the United States made a commitment to return Austrian property located in this country and stated that it was "prepared to conclude agreements with the Austrian Government for this purpose." This agreement will enable the United States to fulfill that obligation.

Mr. President, this agreement has the approval of the Department of Justice which had original jurisdiction over the claims involved, and it prohibits the return of any property to war criminals. In addition, it is important to bear in mind that Austria has carried out its obligations under articles 25 and 26 of the 1955 state treaty by restoring the property, rights, and interests of American nationals, as well as by paying the claims of Austrian nationals who were persecuted by the Nazis because of their religion or racial origin. I hope, therefore, that the Senate will give its advice and consent to this agreement.

The report, which I believe is quite adequate, is on the desk of each Senator. If there are any questions about the treaty, I shall be glad to answer them.

Mr. JAVITS. Mr. President, I yield myself 10 minutes.

I oppose the ratification of the treaty as contrary to the interest of the United States within the language of the Trading With the Enemy Act. I believe it is contrary to the interest of the United States by the admission of the Department of Justice itself, whose witness, as shown at page 9 of the testimony on claims given at the hearings, stated:

> And 52 were dismissed on the grounds that the applicants were either Nazi Party members or applicants for party membership.

At that point in the testimony the Justice Department was referring to the 89 claims which are the subject of the proposed treaty.

I should like to read that statement again, so that Senators may understand what is at stake. The Justice Department states that of the 89 claims to be paid under this treaty 52 were dismissed by the Justice Department under existing law on the grounds that the applicants were either Nazi Party members or applicants for party membership.

Mr. President, there is available a complete administrative remedy for the return of any of these funds, including this $450,000, provided by law, section 32 of the Trading With the Enemy Act. Under that act a very large number of claims have been satisfied, and some millions of dollars have been returned, including the two largest Austrian claims, which came to over $5 million. These were the subject of a contested proceeding, as it was charged, in order to prevent that money from being returned—at least the claim was made—that the return would violate the national interest provision of the law, in that the recipients had been members of the Nazi Party. The hearers of the facts decided that there were exculpating circumstances which did not bring the matter within the direct definition of the act, and ordered the claims to be paid. The claims were paid.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. FULBRIGHT. The Senator is referring to the two largest cases. They were the principal reason why the committee held up the approval of the treaty when it was first presented, in 1960.

The largest claim was that of Countess Marianne Thun-Hohenstein. We have had evidence that this woman's husband obtained a card for her in the Nazi Party solely to protect her from either murder or torture by the Nazis, since she was half Jewish. This is an example of the complications we encounter in these cases. The Department of State was satisfied that she did not have her heart engaged in being a Nazi, but under the confused and dangerous conditions that existed in Austria at that time, and in the Sudentenland and other areas, people did do this for survival.

While it is true that, according to the record, she was nominally a member of the Nazi Party, she was not really a member; her husband had resorted to this device in order to protect her.

With regard to the other people, those who were members were very minor members. I wanted to make that clear, because the treaty itself prohibits the return of assets to any war criminal or anyone who is convicted of war crimes in any court of competent jurisdiction.

Mr. JAVITS. With all due respect and credit to the Senator from Arkansas [Mr. FULBRIGHT], I do not wish my statement to be confused by the statement just made, for I am not contesting the findings which were made in the two cases involving the largest amount of money. I stated that myself, and I would be perfectly willing to see the other 52 cases—to which I have just referred—handled in precisely the same way, that is, by a consideration of the findings of fact, which might or might not result in the money going back to the claimants.

What I object to is that this treaty avoids exactly that process because it would give back the money to the 52 claimants, even though they had been involved in Nazi Party activities in their own country, either voluntarily or involuntarily and to whatever extent. Notwithstanding, that only if they were charged and convicted of war crimes, would their claims be invalidated. Other than that, they are supposed to get their money back, and that is precisely what I object to. I say there is an adequate administrative remedy by which anyone entitled, in the national interest of the United States, to have his claim paid, can and will be paid.

I strongly object to the idea that we should be undercutting the national interest of the United States, bobtailing its proceedings provided by law, and out of hand paying these claims to such number of these 52 claimants as could not demonstrate their eligibility to the amount of their claims under existing law.

This is not a matter which has gone unchallenged. Actually, there is testimony which is printed as part of the committee's report, specifically on page 11 of the report, speaking of the case of a particular man named Sakrausky. It reads:

> In this case there is a difference of opinion between the Departments of Justice and State.

This concerns whether this particular claimant according to the testimony was or was not a minor member of the Nazi Party. I hope that issue is very clearly placed before the Senate. There is no question that that provision of law would permit a return of his money to any claimant who demonstrated that he was not a member of the Nazi Party or not an applicant for membership in the Nazi Party. Many millions of dollars have been returned pursuant to the law; in fact, a preponderance of the amounts which are involved in this treaty.

What I object to is that the law is being bypassed; it is being undercut; and out of hand, these claims are being paid without a determination of whether or not they ought to be paid to recipients in the interest of the United States.

The provision of law to which I have referred is contained in subsection 5, section 32(a), of title 50, appendix, of the United States Code. It is a provision of the Trading With the Enemy Act. Subsection 5, with respect to returns of this character, provides:

> That such return is in the interest of the United States.

That must be found before there can be such a return administratively. It is very clear—I do not believe there is any argument about it—that no such finding has been made in these cases, except as the United States has made this treaty with the Austrian Government, under which returns will be made out of hand.

Why did the United States do this? The explanation is very clear in the committee report. The United States did it, it is said, because the Austrian Government, which is now friendly to us, has importuned the United States for a disposition of these cases and for a return of the money, because, says the report, the basic agreement undertaken with the Austrian Government—the so-called Austrian State Treaty of 1955, which settled the relationships between this country and Austria, notwithstanding the fact that we were at war with Austria in World War II—provides, according to the Department of State, that this return should be made; but, according to the Department of Justice, the provisions of the Trading With the Enemy Act, to which I have referred, with relation to the national interest, have been consistently construed to mean that there shall be no return when we are dealing with one who was a member of the Nazi Party or was an applicant for membership in the Nazi Party. Paragraph 1 of article 27 of the 1955 Austrian State Treaty states:

> The Allied and Associated Powers declare their intention to return Austrian property, rights, and interests as they now exist in their territories or the proceeds arising out of the liquidation, disposal, or realization of such property, rights, or interests, subject to accrued taxes, expenses of administration, creditor claims, and other like charges, where such property, rights, or interests have been liquidated, disposed of, or otherwise realized. The Allied and Associated Powers will be prepared to conclude agreements with the Austrian Government for this purpose.

Mr. FULBRIGHT. Mr. President, will the Senator from New York yield?

Mr. JAVITS. Not yet; let me complete my thought.

This section of that 1955 agreement provides specifically that it applies only:

> With respect to these rights or interests as they now exist.

It is a fact that at the time that treaty was signed with the Austrian Government in 1955, our statute books already contained the very provisions of the Trading With the Enemy Act to which I have referred, including the provision that no return shall be made unless "such return is in the interest of the United States." The precise provision to which I refer in this act was last amended in 1954. As a matter of fact, the provision was on the books long before then, so the definition of a return of property rights, and interests "as they now exist" in the 1955 treaty, encompasses, in my judgment, as a matter of international law, the provisions of law which had been long applied by the United States. So in rejecting this treaty, we would be violating no responsibility or obligation undertaken to the Government of Austria in the 1955 treaty.

Does the Senator from Arkansas desire me to yield now?

Mr. FULBRIGHT. I think one point ought to be made clear. The Senator from New York stated that we were at war with Austria. I believe it is generally understood that during the war Austria was treated as occupied territory; that we were not in the position of being in a state of war with Austria. We were at war only with Germany, the occupying power.

Mr. JAVITS. I think that is true technically.

Mr. FULBRIGHT. It is true.

Mr. JAVITS. I will come to that point; I intended to argue that question.

I have noticed with much interest that the report, at the bottom of page 4, states:

> This agreement is concerned with the return of property rights, and interests of nationals of Austria, a friendly foreign country and a victim of enemy aggression.

The enemy is not defined; but it is a fact that Austria was certainly in no such position as was Poland or Czechoslovakia, or any one of the other countries overrun by the Nazis, and whose governments were eliminated. On the contrary, we all know that the Anschluss was invited by the then-existing government of Austria; that Hitler was hailed, when he entered the streets of Vienna, as the great deliverer who was going to unite the German people, so that they could conquer the earth. Austria's position has been misrepresented, whatever may be our friendship with Austria now. After all, we now have a real friendship with West Germany, too. By the time Hitler declared war on the world, there was no Austria; he had completely chewed it up.

When we were at war with Germany, we were at war with Austria, as well, in terms of its territory and people.

So when the Department of Justice construed the Trading With the Enemy Act as ruling out and disqualifying all members of the Nazi Party or applicants for membership in the Nazi Party, it properly included those who were nationals of Austria.

That is why we are here, and that is why this treaty is before the Senate.

Mr. KEATING. Mr. President, will my colleague yield to me?

Mr. JAVITS. I yield.

Mr. KEATING. Furthermore, the Department of Justice has agreed that it is not in the national interest to return property to former Nazis, and has so stated in an exchange of correspondence which I understand it had with Representative LINDLEY BECKWORTH in November 1945. So am I correct when I say that the only way by which this property could be returned to former Nazis would be not in accordance with the laws of the United States, but by a treaty; and the treaty is an effort to get around the law—interpreted by the Department of Justice—to the effect that it is not in the national interest to return property to former Nazis?

Mr. JAVITS. My colleague is eminently correct, because in the 52 cases to which I have referred, administrative relief would have been accorded just as was done in the two cases of the properties of Oskar Teuber and Marianne Thun-Hohenstein, because of proof that they were not actually Nazis or because of some other extenuating circumstances.

The fact that these other 52 cases are submitted to us by means of a treaty practically amounts to a finding that these persons could not get the money in any other way, because obviously their cases did not come within the provisions of the Trading With the Enemy Act.

Mr. KEATING. I suggest that it might be well to renegotiate this treaty, so that the funds could be used perhaps for Austrian educational exchanges, to prevent nazism in the future, and that that would be a much more constructive use of this relatively small amount of money, rather than to return it to those who formerly were avowed Nazis—with the result that, under those circumstances, such a return would be contrary to the laws of the United States, which can be gotten around only by means of a treaty.

The PRESIDING OFFICER. The time the Senator from New York has yielded to himself has expired.

Mr. JAVITS. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 more minutes.

Mr. JAVITS. Mr. President, I thoroughly agree with my colleague. I also point out that if the money remained in the Treasury, it might ultimately be available for claimants who later became U.S. nationals, but who were only residents of the United States, not citizens of the United States, at the time of the taking of the property in one of those countries. The Department has assured us that if alien property funds are left after payment of contemporaneous U.S. citizen claims, these are the uses to which they would be put.

So, whether the property be used for educational purposes, as my colleague has suggested, or for the purpose of doing a degree of justice to those who became U.S. nationals at a later date than the law now permits for claims, this money would be very well used—and much better used than if it were returned to persons who, as shown by the very fact of the existence of this treaty itself, were found to be members of the Nazi Party or applicants for membership in the Nazi Party.

Mr. JOHNSTON. Mr. President, will the Senator from New York [Mr. JAVITS] yield briefly to me? I should like to ask a question of his colleague [Mr. KEATING].

Mr. JAVITS. Mr. President, if I may do so, I yield 1 minute for the purpose of such colloquy.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Has any effort been made to take up this matter with the Senate committee which has jurisdiction of legislation in this field?

Mr. KEATING. Not to my knowledge.

My position is that if action of this sort is to be taken at all, the matter should be handled by means of legislation, not as a treaty—for the treaty method amounts to coming through the back door in an attempt to get around a law now on the statute books; and that law has been construed by the Department of Justice as preventing the turning over of such funds to former Nazis.

Mr. JOHNSTON. Congress has passed laws turning over such property, provided the persons affected were not Nazis; is not that true?

Mr. KEATING. Yes.

Mr. JOHNSTON. The Senator from New York and I are members of that subcommittee, and I have been its chairman for about 12 years.

Mr. KEATING. That is correct.

Mr. JOHNSTON. So I cannot understand why these efforts are made to proceed through the back door.

Mr. KEATING. I agree with the Senator from South Carolina. This is a matter which should be handled through legislation, not by means of a device conceived in the State Department—in other words, by means of a treaty, by which it is proposed to do something that is not allowed by existing laws, and also is not allowed under the interpretation the Department of Justice has made of those laws.

Mr. JOHNSTON. I agree.

Mr. FULBRIGHT. Mr. President, will the Senator from New York yield to me?

Mr. JAVITS. I yield.

Mr. FULBRIGHT. I wish to point out that this treaty was negotiated under a previous administration, and that it was signed on January 30, 1959. We are not trying to "come in through the back door" or to fool anyone. The treaty was not negotiated under a Democratic administration.

Mr. KEATING. Mr. President, will my colleague yield to me?

Mr. JAVITS. I shall yield in a moment.

Mr. FULBRIGHT. Furthermore, the representative of the Department of Justice clearly proved this in the course of his testimony. The purpose of the treaty is to clear up a small amount of claims; the largest one is $50,000.

Mr. Tyler, a career officer of the State Department, testified as follows:

> I would like to say if I may, just very briefly, that the great majority of these claims are of small amounts and are claimed by people who are elderly, in poor circumstances, and who are really in penury. They are not big claims and——

So we are not trying to come in the back door or trying to fool anyone. If such an effort was made, it should be laid at the door of the last Republican administration. I do not see how that has anything to do with the treaty, or with the nature of its submission to the Senate. This matter was not handled by means of proposed legislation, because the administration did not choose to amend the Trading With the Enemy Act, which affects many other matters, but wanted to enter into an agreement to dispose of this particular group of claims of elderly persons.

Mr. KEATING. Mr. President, will my colleague yield further to me?

Mr. JAVITS. I yield 2 minutes to my colleague.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. KEATING. Mr. President, in reply to the remarks of the Senator from Arkansas, I point out that nothing was said by the Senator from New York about "Democrat" or "Republican"; the Senator from New York did not use either of those words. That comment is something the Senator from Arkansas has injected into this debate. The same things happened under past administrations and under the present administration.

This is not a political attack; but it is an attack upon the approach used by the Department of State. But when there is on the statute books a law which states that this money cannot be turned over, and when the Attorney General tells us that it cannot be turned over, then in some quarters it is decided that the best way to proceed, in order to please someone in a foreign country, is to try to have the Senate ratify a treaty to this effect. That is what I am objecting to. The Senator from Arkansas is the only one who is considering this matter on a political basis.

This has happened time and again. I have discussed this question during previous administrations, and also during the present administration. I resent the action of the Department of State in trying to figure out some way to help nationals of foreign countries contrary to the laws of our country.

This matter should have been referred to the committee headed by the distinguished Senator from South Carolina [Mr. JOHNSTON] in the first instance, if there was a desire to achieve the result now called for. If that were done, and if the committee turned down the proposal, perhaps it could be submitted to the Senate in the form of a treaty.

But under the circumstances, the treaty is premature; and, in my judgment this subject should not now be before the Senate in the form of a treaty.

Mr. JAVITS. Mr. President, how much time remains under my control?

The PRESIDING OFFICER. Eleven minutes.

Mr. JAVITS. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 3 minutes.

Mr. JAVITS. Mr. President, I think my credentials are as good as those of any other Senator in respect to not attempting to take or to invoke partisan advantage in connection with foreign policy matters of the United States. It really did not occur to me that the date of the negotiation of this treaty was during the Eisenhower administration.

I would never have referred to that point. But so long as it has been referred to, I should like to state that the treaty was laid aside from 1960 until today, and now it is brought up. I cannot assume for a moment that the State Department in this administration is supporting it in defiance of the wishes of the President.

I point out also that the Department of Justice has always had reservations about this treaty. Indeed, referring to page 9 of the committee report, the chairman, while questioning a witness, said—

> Before you do, my understanding is that the Department of Justice had reservations about the treaty before, and now supports it. Is that correct?
>
> Mr. DOUGLAS. That is correct.
>
> The CHAIRMAN. All right.

Mr. President, I do not think that it is proper for us to enter into a partisan hassle on the question. I do not choose to do so. I will let the question remain where it is at this point. I do not find fault with anyone on partisan grounds. But the Nazi holocaust and terror was one of the most awful events that ever assailed mankind, in the modern world or in the ancient world. It was one of the worst and most bestial occurrences that men have ever known in recorded experience. The treaty is symptomatic of the fact that we forget that tragedy all too soon.

When the measure terminating the state of war with Germany was brought before the House of Representatives, as I recall, the vote was some 376 to 1. The one vote was mine. As I recollect it, I voted "present." I then explained it by saying that I acted as I did at that time because I hoped we would not forget.

Mr. President, I have the deep feeling now that if the Senate should reject this treaty for the reasons which have been argued here today—and certainly the factual reasons are completely unchallenged—it would be saying to the world, "We will not forget."

The standard which would be established by this treaty—that to be denied the return of their money the recipients would have had to be war criminals—is completely exploded by the fact that even now trials of war criminals are still going on in Germany—20 years after the event. There may be other war criminals still undiscovered. I believe one can say with assurance that there still are. That is no standard to maintain.

The United States as a matter of considered policy has provided with respect to the return of funds of this kind that such return must be in the interest of the United States. That has been defined and construed, and the law has been applied to mean that funds will not be returned to Nazi Party members or those who applied for Nazi Party membership.

Nonetheless, in the treaty before the Senate that is precisely what would be done, in the face of that finding of fact.

Mr. President, to me such action seems intolerable. In this case, in which such a deep question of morality and principle is involved, whether the claims are small or large, the claimants should be denied the amount of their claims where the grounds are the prohibitions which are stated in the law.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. I yield myself 2 additional minutes.

Finally, the only argument which could move a person like myself to support such a treaty is the argument that we have made an agreement with another country. True, that country was certainly not our friend in other days, but it is our friend now. We have made an agreement with that country and must keep it. That is why I also argued the matter as a question of international law. I argued the question as to whether the 1955 treaty imposed such a commitment on the United States. Very clearly it did not. It did not because at the time we entered into the Austrian State Treaty in 1955, the very provision which I invoke now was already upon our statute books.

And the agreement with the Austrian State contemplated exactly such a situation, for it provided—and again I refer to the terms of the agreement—only for agreements to "return Austrian property, rights, and interests as they now exist."

And those property rights and interests as they then existed, on June 17, 1955, provided precisely against the return of these very moneys to these very claimants, because they fell within the prohibition of American law with respect to such return. Therefore they have no rights at all and no such rights existed on June 17, 1955.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself 1 additional minute.

Thus the only rights that would exist would be conferred now by this particular treaty. That is why I am against it. I shall vote against it. I hope the Senate will reject it. I believe it will be a very salutary lesson on the proposition that we do not forget that, whatever may be our friendships—and they are very great with Austria and with Germany—we shall never forget, and, so long as we can help it, I shall try to see to it that the world never forgets, the crimes that Hitler and the Nazis, to which the German people were unhappily and unfortunately a party, perpetrated upon all mankind.

Mr. FULBRIGHT. Mr. President, in view of the arguments that have been made, I do not know that there is much further to be said. However, I wish to point out that the treaty was submitted to the chairman of the Subcommittee on the Trading With the Enemy Act of the Committee on the Judiciary, which has jurisdiction over questions of the type now before the Senate. I have in my hand a copy of the letter dated April 5, 1960, which I received from the chairman of that subcommittee, Senator Olin B. Johnston, in which he said:

> I had a technical objection to the transferring of title to property vested in the United States in any manner other than by act of Congress. My objection ran more to the manner of the transfer than to the substance of the vital question involved. Since the title to the assets is in question and remains unsettled, I withdraw any objection I may have had to the ratification of the pending agreement.

We submitted the treaty to that subcommittee for comment, not on the basis that we acknowledge the procedure as proper, but because it deals with a question within the substantive jurisdiction of that subcommittee.

I do not know that there is much more to be said. The Senator from New York is entitled to his views about the role that Austria played in the last war. I felt then, and I feel now, that Austria was a victim of aggression, just as Poland and her other neighbors were. The fact that Austria was not so completely destroyed physically as Warsaw, is not particularly significant in light of the nature of the subjection by force and by fraud—particularly by fraud—on the part of the Nazis over the former Government of Austria.

In any case, Austria is now a friendly country. The agreement that we made with Austria in 1955 to return property to Austria was without any reservations. It did not provide that property would be returned only to those who had been acquitted of any complicity, either actual or by form, with the Nazi movement. The treaty did not mention that subject.

The argument was made that these provisions are coming in the back door, deceiving the American people. To me that argument had some overtones of a political nature. I regret that the Senator from New York has taken offense at my statement, but I thought it was an unnecessarily harsh way to describe the proposed method of dealing with a rather difficult question. The testimony before the committee is quite clear. The lawyers for the Department of Justice, who specifically approved the treaty, feel that the restrictions within the Trading With the Enemy Act are very narrow.

The State Department feels that the proposal is in the national interest. It would carry out in good faith our prior commitment in 1955.

I believe on all counts the proposed treaty is a proper way to settle a troublesome matter that has been bothering our relations with a friendly government now for a number of years.

I pointed out that it was signed in 1959. Here it is, nearly 5 years later, and we have not approved it. I hope the Senate will do so now.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. JAVITS. Mr. President, will the Senator yield so that I may ask for the yeas and nays, while enough Senators are present?

Mr. JOHNSTON. I yield.

Mr. JAVITS. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. FULBRIGHT. Mr. President, does the Senator from New York wish to proceed?

Mr. JAVITS. I thought the Senator from South Carolina wished to speak.

Mr. JOHNSTON. Mr. President, if Senators will note——

Mr. JAVITS. Mr. President, I yield 2 minutes to the Senator from South Carolina.

Mr. JOHNSTON. I wish to note that in the letter I wrote I said I thought the matter should be handled in a legislative way. That is my position now. We tried to pass an act that would care for those who were not connected in any way with the Nazis.

We did not not want any bill passed at that time that would benefit any Nazis. I do not want it to happen now. Property was being turned back for several years, but at no time did I, or the committee, or the subcommittee, advocate the turning over to Nazis of any property in the United States that was taken under the Trading With the Enemy Act. That is the whole question involved.

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

I am grateful for the support of the Senator from New York and the Senator from South Carolina, who have pointed out other aspects of this question based on their experience in the Judiciary Committee which bears on the desirability that the Senate not approve this treaty.

I have one further point to submit, and that is the question of our relationship to Austria. Laying aside the question of whether Austria can be put in the same category as Poland, Czechoslovakia, or any other country overrun by the Nazis, I submit it is a different situation historically. The people who are to be penalized for losing their homeland are members of the Nazi Party or those who applied for membership—in short, not all Austrians, but those who lent themselves to Hitler's swallowing them up and making of them a tool in his effort to swallow up all mankind. In regard to these persons I think there can be no argument that it would not be against the national interest of the United States. It is a matter of deep moral feeling with me. So, no matter what may be the amount, we should not pay those claims, especially when the law forbids payment of such claims.

I hope, therefore, that the Senate will reject this agreement.

I am prepared to yield back my time.

Mr. FULBRIGHT. I yield back my time.

The PRESIDING OFFICER. Without objection, the agreement will be considered as having passed through its various parliamentary stages up to the point of the consideration of the resolution of ratification, which the clerk will now read.

The legislative clerk read as follows:

> *Resolved (two-thirds of the Senators present concurring therein)*, That the Senate advise and consent to the ratification of an agreement between the United States of America and the Republic of Austria regarding the return of Austrian property, rights, and interests, signed at Washington on January 30, 1959. (Executive A, 86th Congress, second session.)

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification of Executive A, 86th Congress, 2d session?

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. Anderson], the Senator from Virginia [Mr. Byrd], the Senator from Idaho [Mr. Church], the Senator from Michigan [Mr. Hart], the Senator from North Carolina [Mr. Jordan], the Senator from Michigan [Mr. McNamara], the Senator from Oregon [Mr. Morse], and the Senator from Utah [Mr. Moss] are absent on official business.

I further announce that, if present and voting, the Senator from Utah [Mr. Moss] would vote "yea."

Mr. DIRKSEN. I announce that the Senator from California [Mr. Kuchel] and the Senator from Massachusetts [Mr. Saltonstall] are necessarily absent.

If present and voting, the Senator from California [Mr. Kuchel] would vote "nay."

The yeas and nays resulted—yeas 66, nays 24, as follows:

[No. 43 Ex.]

YEAS—66

Aiken
Bartlett
Bayh
Bennett
Bible
Boggs

Byrd, W. Va.
Cannon
Carlson
Clark
Cooper
Cotton
Curtis
Dirksen
Eastland
Edmondson
Ellender
Engle
Ervin
Fong
Fulbright
Hartke
Hayden
Hickenlooper
Hill
Holland
Humphrey
Inouye
Jackson
Kennedy
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
Miller
Monroney
Morton
Mundt
Muskie
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Robertson
Russell
Simpson
Smathers
Smith
Sparkman
Stennis
Symington
Thurmond
Tower
Walters
Williams, Del.
Yarborough
Young, N. Dak.

NAYS—24

Allott
Beall
Brewster
Burdick
Case
Dodd
Dominick
Douglas
Goldwater
Gore
Gruening
Hruska
Javits
Johnston
Jordan, Idaho
Keating
Mechem
Metcalf
Nelson
Ribicoff
Scott
Talmadge
Williams, N.J.
Young, Ohio

NOT VOTING—10

Anderson
Byrd, Va.
Church
Hart
Jordan, N.C.
Kuchel
McNamara
Morse
Moss
Saltonstall

The PRESIDING OFFICER. Two-thirds of the Senators present having voted in the affirmative, the resolution of ratification is agreed to.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the resolution of ratification.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. FULBRIGHT. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

A.T. & T. SEEKS MONOPOLY IN INTERNATIONAL COMMUNICATIONS

Mr. LONG of Louisiana. Mr. President, the one feature which has made the American free enterprise system more effective than other systems has been the competitive nature of the system. This Nation, being by far the largest of our capitalistic nations, might well have seen opportunity for emergent competitors snuffed out by the growth of giant monopolies.

The American dream of a system in which every person could rise to the top as a leader of both the political and economic systems has been kept alive by our antitrust laws which prevent a few large concentrations of wealth from destroying the ability of others to compete.

During recent years there has been considerable suggestion in some of our so-called conservative newspapers to the effect that our antitrust laws are out of date and that this Nation should no longer resist the trend toward ever greater concentration of economic power in the hands of an ever smaller number of ever more mighty individuals and corporations. Sometimes this Senator has wondered at the motivation of such editorial writers and such newspaper publishers. He has wondered, for example, to what extent the editorial policies have been influenced by their larger advertising accounts.

Nevertheless, in spite of the poor performances of both Democratic and Republican administrations during the past 10 years in the field of antitrust enforcement, this Nation still pays lipservice to—and I am confident that the great majority of our people subscribe to—both the letter and the spirit of our antitrust laws, commencing with the Sherman Act of 1890.

It is unfortunate that our entire governmental system seems to have a blind spot when it comes to the one powerful commercial enterprise which seems to have grown so great and strong that a fair question arises whether Government is sufficiently powerful to regulate this monopoly at all. I refer, of course, to the system of corporations owned, for the most part, and controlled entirely, by the American Telephone & Telegraph Co. The various subsidiaries of that corporation are as follows:

New England Telephone & Telegraph Co.

New York Telephone Co.

New Jersey Bell Telephone Co.

Bell Telephone Co. of Pennsylvania.

Diamond State Telephone Co.

Chesapeake & Potomac Telephone Co.

Chesapeake & Potomac Telephone Co. of Maryland.

Chesapeake & Potomac Telephone Co. of Virginia.

Chesapeake & Potomac Telephone Co. of West Virginia.

Southern Bell Telephone & Telegraph Co.

Ohio Bell Telephone Co.

Michigan Bell Telephone Co.

Indiana Bell Telephone Co., Inc.

Wisconsin Telephone Co.

Illinois Bell Telephone Co.

Northwestern Bell Telephone Co.

Southwestern Bell Telephone Co.

Mountain States Telephone & Telegraph Co.

Pacific Telephone & Telegraph Co.

Bell Telephone Laboratories.

Western Electric Co., Inc.

195 Broadway Corp.

Southern New England Telephone.

Cincinnati & Suburban Bell Telephone Co.

Bell Telephone Co. of Canada.

This giant corporation has a present book value of approximately $30 billion. Latest figures on net income of this corporation place it at more than $1.5 billion—in 1963. The assets of this corporation are greater than General Motors and Standard Oil of New Jersey combined. The income of this corporation exceeds the combined income of the governments of 30 American States. The income of this corporation is more than half that of the Government of the United Kingdom. The extent to which the influence of this corporation reaches in the business, political, and even social fields, is almost beyond description. Almost every chamber of commerce has a group of executives of this corporation or its subsidiaries among its more active members and at least one or more of them on its board. Practically every civic group has executives of this corporation or its subsidiaries among its more active members. If one were seeking to employ a member of one of the outstanding law firms to represent him in a suit against this corporation, the odds are substantial that whichever firm he approached would be among those retained by A.T. & T.

During the course of the debate over the space satellite bill, I emphasized that, in a number of respects, the Federal Communications Commission has never achieved, and, in some respects, has not even attempted to achieve, those first essentials necessary to the effective rate regulation of the American Telephone & Telegraph Co. in its interstate activities. In its international activities, there appeared to be little indication that the FCC had made so much as a feeble effort at the time of the satellite fight to regulate the oversea rates of A.T. & T. A study of the whole problem fairly raises the question whether government has the power and is itself sufficiently above the influence that can be brought to bear by so powerful a commercial giant to regulate this monopoly in the public interest.

Because the company's power is so tremendous and the influence of the monopoly so great, there seem to be some who prefer to pretend that the problem does not exist. Undoubtedly, this latter approach is easier than the painful task that confronts a conscientious Government servant when he undertakes to do his duty as the antitrust laws would suggest. A number of illustrations could be given to show that it is certainly safer for one in Government to duck or ignore his responsibility along this line.

I would hope that the appointment last year of Mr. E. William Henry as Chairman of the Federal Communications Commission and of Judge Lee Loevinger, who has made a fine record in the field of antitrust enforcement, as a member of that Commission, will represent an improvement in the FCC, a facelifting in the attitude of the FCC toward the monopoly problem. It is my hope that these men will help to lead the way toward the proper regulation and the correction of the monopoly problem that exists in the communications field.

In 1913, before A.T. & T. was nearly so powerful a force or tremendous as it is today, the Department of Justice required the company to divest itself of its Western Union stock. This made way for the separate development of competitive voice and nonvoice communications industries.

In the field left to it—that of voice communications—A.T. & T. became the world's largest protected monopoly. This corporation now has 100-percent monopoly of international voice communications originating in this country and it has 85 percent of all telephone business within the United States. Notwithstanding the 1913 action by the Department of Justice, A.T. & T. has succeeded in taking over much of the profitable part of the record communications field through the use of leased circuit teleprinters and data transmission service.

Now, Mr. President, the American Telephone & Telegraph Co. has recently filed an application with the Federal Communications Commission seeking permission to transmit both voice and record—written—communications. Since this giant corporation already has a 100-percent monopoly in international voice communications, a near monopoly in domestic voice communications, and a dominant position in domestic record communications, this application raises some serious and fundamental issues.

If this application is granted, the American Telephone & Telegraph Co., with its incredible resources and advantages, will undermine and eventually destroy the viability of the international telegraph companies—International Telegraph & Telephone Co., Radio Corporation of America, and Western Union International. It will create a monopoly in international communications, and it will do irreparable harm to the national interest. Thus, one private company will have a stranglehold on the international as well as the domestic communications of this country. To permit the tremendous A.T. & T. corporation to expand its operation to include international record transmission would be like placing a garfish in a goldfish bowl: In a short while all that remains is one fat garfish.

The issue is not just a problem between A.T. & T., I.T. & T., R.C.A., and a few others. Communications are the very lifeblood of modern society, and there are very few, if any, questions that can arise at this time which are more important than this one.

Let us look for a moment at the present structure of the U.S. international communications industry.

In voice communications A.T. & T. became the world's largest protected monopoly. It has a 100-percent monopoly in international voice communication, and has 85 percent of the telephone business within the United States. Furthermore, in the record communications field, A.T. & T. has taken over much of the profitable part of that business through the use of leased circuit teleprinters and data transmission services. Western Union has been left with the transmission of general telegrams, the least profitable of many possible telegraphic services.

In the field of international record communications, however, competition has developed while the needs of the public are being served efficiently. Companies like International Telegraph & Telephone, Radio Corp. of America, and Western Union International are making important technical contributions in nonvoice transmission.

A.T. & T. SEEKS TO EXTEND MONOPOLY TO NEW FIELD

With the completion of its new transatlantic cable—TAT–3—A.T. & T. now wants to provide both voice and record transmission services for commercial clients. It is important to note that in a few years the most important part of international communications will be data transmission, computer, facsimile and other forms of record communications rather than the voice variety. The attempt to insert itself into this new field constitutes one further step by this huge company, using its complete monopoly over international voice communications and its 85 percent control over domestic voice transmission, to force out the much smaller record communications companies, which compete among themselves. A.T. & T. can do this quite easily by merely failing to make available the channels required by the record carriers and controlled by A.T. & T. or—and this is more important—by the use of the tied-in domestic customer-gathering facilities from their huge domestic telephone service.

Now, Mr. President, this action by A.T. & T. is the culmination of other actions with the same objective in mind. In its application to provide TAT–1 cable facilities in 1953, A.T. & T. sought successfully to use and interconnect with radio. In order to secure permission to do this, A.T. & T. stated in a letter to the FCC dated November 21, 1963:

> The American Telephone & Telegraph Co. has no thought of entering the field of international telegraph communications.

In 1959, however, the FCC authorized A.T. & T. to furnish the Defense Department both voice and nonvoice communications via the transatlantic cable solely on the basis of defense needs. At the same time, the FCC emphasized that the record communications companies should be given the same opportunity, and were authorized to provide the same service. The FCC accepted in good faith an assurance by A.T. & T. that it would not seek entry into the international commerical telegraphic field and that its only desire was to meet a defense need.

Having absorbed that field, the intrusion by A.T. & T. into the commercial field is another attempt by this huge corporation to secure for itself the most profitable parts of the record communications business and leave the remaining bare bones to competitors, who eventually would be squeezed out of the business. I earnestly hope that the Federal Communications Commission will pay more attention to competitive matters than it has in the past and will include competition in its definition of the public interest, convenience, and necessity. If A.T. & T. were permitted to transmit record data, and other nonvoice services by its submarine cable, A.T. & T. would soon eliminate other competitors because of its overwhelming dominance of the telephone system in the United States, and its ability to interconnect its domestic phone system with its oversea customers. The telegraph communication companies do not have this advantage. It is my impression, nevertheless, that the telegraph carriers are ready and able to transmit both voice and nonvoice messages fully as efficiently and cheaply as A.T. & T. proposed to do.

DEPENDENCE OF OTHER CARRIERS ON A.T. & T.

An underlying fact that should never be forgotten is that all the international telegraph companies are dependent on A.T. & T. to lease them channels in its transatlantic cables. These have been leased by A.T. & T. on condition that they should not be used for voice communications.

Here is an example where A.T. & T. has been using its tremendous power to keep other companies out of the international telephone business while at the same time invading the territory of these other companies.

Mr. President, this is clearly unfair. RCA, I.T. & T., Western Union International and any other carrier should be allowed to compete with the giant A.T. & T. in any way whatsoever, and it is hoped that the Federal Communications Commission at the earliest possible opportunity will provide that all international telegraphic companies will be able to send voice messages overseas.

RCA, I.T. & T., Western Union International, and other international record carriers have already indicated that they are willing to buy outright a number of channels in the new TAT–3 cable and are prepared to pay their proportionate part of capital and maintenance costs. Using its great power, A.T. & T. has suspended negotiations on this matter in an attempt to discourage the international record carriers from opposing A.T. & T.'s action in entering their field. See I.T. & T.'s petition to FCC in file II P–C–4714–M–1.

CONSTRUCTION OF CABLE BY OTHER CARRIERS

To avoid being excluded or discriminated against by A.T. & T., the present owner of the transatlantic cables, the competing companies have asked FCC for permission to construct a new transatlantic cable TAT–4. If this is granted, dependence on the arbitrary behavior of A.T. & T. would be reduced.

The fundamental, underlying problem, however, is that posed by the great power of the American Telephone & Telegraph monopoly. We cannot avoid this issue much longer.

Congress faced a similar problem in 1954. As a condition for the merger of Western Union and Postal Telegraph Co., Congress decreed that this combination would be too powerful in record communications and that Western Union must divest itself of its international activities.

The difference is that A.T. & T. is vastly more powerful, more monopolistic, than Western Union ever was or ever hoped to be. According to the implied expression of Congress, all domestic telegraph services would fall within the province of the telegraph company. Western Union fully expected that in fulfilling the congressional mandate, A.T. & T. would sell its TWX and telegraph market to Western Union. This sale, however, was never consummated. Today, as a consequence, A.T. & T. accounts for about 50 percent of public record business.

We have, then, the following situation:

For making Western Union the chosen instrument in domestic record services, it had to spin off its oversea business—yet it never acquired the status of sole supplier of domestic record services.

A.T. & T., on the other hand, is not only dominant in the domestic nonvoice market, but is the sole supplier of oversea voice communications.

It is patently unfair to have demanded divestiture by Western Union of its international activities and not of the American Telephone & Telegraph Co. This unjust, double standard should now be remedied, and I hope that this problem is now being considered.

CONCLUSIONS AND RECOMMENDATIONS

The heart of the matter lies in the threat to destroy the little competition there is and the creation of a supermonopoly controlling all forms of communications. To prevent this from happening, I make the following recommendations:

First. A.T. & T. should definitely be kept out of oversea record communications.

Second. Competition should be stimulated among the international communications carriers by making voice communications available to all record carriers. RCA, I.T. & T., and Western Union International would thus be able to carry alternate voice and nonvoice communications. It is my understanding that modern technology has obliterated the differences between these two types of communication.

Steps should be taken to require the divestment by A.T. & T. of its international operations. The new international company resulting from this divestiture should then be allowed by the FCC to carry both voice and nonvoice, thus adding a fourth competitor to the other companies in international communications. In time, perhaps, these competitors may wish to challenge the dominant position of A.T. & T. in the domestic field. This development should certainly be encouraged.

Third. In addition to this, the communications satellite corporation could, and, in my opinion, should become a fifth competitor in the international communications field. Of course, I regret to say that the communications satellite bill, which I opposed, actually placed controlling stock in the communications satellite within the grasp of existing carriers. At that time, this Senator opposed the Comsat bill for a somewhat different reason from that of a majority of those that opposed it. It was my feeling that our objective should be to bring about maximum competition among private carriers in accordance with President Kennedy's declaration rather than to move through Government ownership.

If we in Government, both in the Congress and in the executive department, have the courage and the intellectual honesty to recognize this monopoly problem for what it is, we shall pass on to our successors an America greater in wealth, size, and population and also greater in commercial freedom and economic opportunities. The destiny of our system depends upon our capacity to measure up to such challenges as this.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4638) to promote the orderly transfer of the executive power in connection with the expiration of the term of office of a President and the inauguration of a new President.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8363) to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER (Mr. McGovern in the chair). The Chair, in behalf of the President pro tempore, announces the following appointments:

To the U.S. Delegation to the 18-Nation Conference of Arms Control and Disarmament Agency, Geneva, Switzerland: Senators Clark, Pell, Hickenlooper, and Carlson.

To the Board of Visitors to the Merchant Marine Academy: Senator Nelson.

THE CIVIL DEFENSE PROGRAM

Mr. INOUYE. Mr. President, the Washington Post is an old and respected newspaper—a newspaper of great influence in the Nation's Capital and with a correspondingly great responsibility to its readers. I count myself as a longtime reader and admirer of the Washington Post. For that reason I was a little surprised to read its recent editorial, "Civil Offense."

This editorial dealt in a rather casual manner with a very serious and important subject—the protection of the people of the United States from the effects of a nuclear attack.

As you know, I was near Pearl Harbor on December 7, 1941, and I saw the effects of the Japanese attack on that outpost of our country. By today's standards, that attack was very light, but to the people who experienced it, it was a tragedy of great proportion. Today, all of this country is as exposed to attack as was Pearl Harbor that tragic Sunday morning; and the effect of the weapons that could be brought to bear on every section of this country would be infinitely greater and the destruction indescribable. My personal experience has led me to take a strong interest in the means of protecting the citizens, not alone of Hawaii, but of all the 50 States. As a Member of the Senate, I believe that it is my responsibility to do everything in my power to insure that the common defense provides every possible ounce of protection to the people of this country.

The editorial writer of the Washington Post was apparently unaware that Mr. Robert McNamara, our very able Secretary of Defense, has described the fallout shelter program as "an integral and essential part of our overall defense posture" and added that "the very austere civil defense program recommended by the President should be given priority over procurement and deployment of any major additions to the active defense." The writer seems to have missed the statement by Gen. Earle G. Wheeler, Chief of Staff of the U.S. Army, who declared that "civil defense is clearly a major element of total U.S. security effort."

General LeMay, commander in chief of the Strategic Air Command, General Gerhart, commander in chief of the North American Air Defense, and numerous others of our most responsible military men have emphasized that the fallout shelter program is essential to our national defense.

In its editorial, the Post implied that the Department of Defense was guilty of bad faith in proposing the fallout shelter program by saying:

> If the Defense Department actually considered fallout shelters worth their exorbitant cost, it would not have made them a matter of voluntary and therefore arbitrary cooperation on the part of the citizenry.

Now I cannot believe that Mr. McNamara, the Secretary of Defense, Mr. Steuart Pittman, the Assistant Secretary of Defense for Civil Defense, the Joint Chiefs of Staff, and the other military leaders who have participated in the development and who have supported the fallout shelter program are guilty of misleading the President, the Congress and the citizens of this country. Neither do I believe that the House Armed Services Committee, under the able leadership of Chairman Vinson, was misled when, after devoting some 2 months to a hearing on the fallout shelter development program and after listening to over 100 witnesses, it voted overwhelmingly to report the authorization bill favorably. Neither do I believe that the Members of the other House were in error when they voted by a margin of almost 3 to 1 to approve the fallout shelter program.

More recently, the National Academy of Science assembled a group of approximately 60 distinguished scientists and engineers drawn from universities, private industry, and governmental organizations to examine the local effects of enemy attacks on the United States and the problems of civil defense, now and in the future. I will not go into the details of the "Harbor Study" as a summary of the views of the study group can be obtained from the National Academy of Science. It is sufficient to say, however, that it is their conclusion that the present program was based on sound considerations and would provide a necessary base for any increase in effort to improve our defense and our ability to recover from a major attack.

If, as the Washington Post declares, the Defense Department does not believe that fallout shelters are worth their so-called "exorbitant cost," who is responsible for similarly misleading the Government of Soviet Russia and of those two sober and serious-minded countries, Switzerland, and Sweden, to name but a few, that are also providing their citizens with the practical protection of fallout shelters.

To revert for a moment to the editor's phrase, "exorbitant cost," I should like to again refer to Secretary McNamara's testimony before the House Armed Services Committee in January 1964 in which he said:

> Fallout shelters could contribute much more, dollar for dollar, to the saving of lives in the event of a nuclear attack upon the United States than any further increases in either the Strategic Retaliatory or Continental Air and Missile Defense Forces.

I would like to add one more remark with reference to this editorial which describes fallout shelters as "costly illusions," and says that they are "much better suited for mushroom growing since they tend to be dark and uninhabitable by human beings." Perhaps the writer of the editorial will accept the testimony of his own eyes. If he will take the time to visit the new Rockinghorse School in nearby Rockville, he will see a fine example of fallout shelters that are neither dark nor uninhabitable. As a matter of fact they are used as classrooms every day by the children of that community, perhaps even by the children of some of the employees of the Washington Post.

Before closing, I ask unanimous consent to include as part of my statement, an excellent interpretative report from the Washington Evening Star of February 6, 1964, by Richard Fryklund, entitled "Lives Versus Defense Cash." That title sets forth the heart of the problem with admirable simplicity—are we willing to spend a relatively small amount of civil defense dollars to save the lives of millions of our fellow citizens?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIVES VERSUS DEFENSE CASH

(By Richard Fryklund)

Around election time President Johnson will face a defense decision which could, remotely, save or lose scores of millions of American lives and that most certainly would, if he says yes, jump his military budget by $3 billion a year.

No one can say today how the hard cash will stack up against the theoretical lives. Pentagon officials say the decision looks like a tossup now.

If the President says yes, the Defense Department will start to buy a group of weapons and protective measures called the continental defense package.

In the package are an antimissile missile, a new interceptor aircraft, fallout shelters, and improvements to the command and control network.

The exact cost of the package is difficult to calculate in advance, but it could run $20 to $30 billion. The improvements would be made gradually, but the cost in the coming 5 years, according to the Pentagon, would average $3 billion annually.

Mr. Johnson and Secretary of Defense McNamara are making a great effort today to keep defense spending from rising—and they are just barely succeeding. The continental defense package would ruin that effort.

THE QUESTION OF LIVES

But the package just might save half the American population.

The number of dead that could result from a nuclear war with Russia cannot be calculated exactly, but every study of every conceivable war situation indicates that millions would die—anywhere from a few million in a small, clean war to 150 million in a wild, city-slaughtering contest.

The United States invests $7 billion a year now in an effort to hold down the casualty lists. About $5 billion is for strategic weapons, which would have the basic assignment of destroying long-range weapons which the enemy could otherwise shoot at Americans.

About $2 billion is spent directly on continental defense—intercepter planes, antibomber missiles, civil defense and warning, communications and control nets.

STEPPED-UP THREAT

All the continental defenses except shelters were designed to save lives during an attack by relatively slow (subsonic) bombers. The Russians now, however, are building ICBM's and may be acquiring a supersonic bomber. The number of lives potentially saved per dollar spent on continental defense is diminishing steadily.

Obviously continental defenses should be revamped so that they can handle the new threats.

This is what the proposed package would do.

The anti-ICBM, called the Nike-X, is designed to intercept and destroy enemy missiles. The new interceptor would handle supersonic bombers. The control network would be designed to survive the missile attack and permit American leaders to direct the defense. The shelters would protect people from fallout.

The package poses some questions, however.

CHANCES OF WAR

First, how likely is the war? No country can afford to buy everything its armies would ever remotely need, so arms are parceled to meet crises and wars that reasonably could happen.

No one in the Pentagon today believes that a general nuclear war is likely. Mr. McNamara says the United States and Russia are entering an era of mutual deterence in which each side scares the other into avoiding nuclear wars at almost all costs.

But at the same time there are no guarantees against accidents, miscalculations, and stupidities.

Most officials say, then, that a general nuclear war is almost—but not quite—impossible.

WOULD THEY DO THE JOB?

The second question is, Will these new weapons work? Particularly, will the Nike-X do its job?

The Nike-X missiles and their complex radars are being tested now. Officials say Mr. Johnson will know this fall how good they are.

If they add up either to a great success or a failure, his decision on the package will be easier. Tests so far show, however, that Nike-X probably will be useful in some kinds of possible wars but not others.

It certainly will be able to destroy a simple force of attacking missiles, but it probably will be of marginal value only against a sophisticated raid (decoys, jamming, and evasion) or a massive attack.

The proposed new interceptor plane most likely will be effective—provided the Russians really are building a new, fast bomber.

The command and control will probably work.

Shelters, according to all Pentagon calculations, will be the most effective lifesaving device of all. Even without other new weapons, shelters will save many millions of lives at a relatively low cost. But without shelters, Mr. McNamara is convinced, the other continental defense weapons would make little significant difference in lives saved.

COULD IT BE OVERCOME?

A third question is, How easy will it be for the Russians to overcome the new defenses?

The best estimate now is that if American goals are modest—that is, to save only one-half of the American people in time of an all-out attack, it would cost the Russians as much to overcome the defenses as it would for the United States to set them up.

Russia would have to overwhelm the protected cities and also destroy small towns in order to kill half the Americans.

Russia probably cannot afford to buy a force that could do this; therefore they probably would not overcome the defenses; therefore the "modest" American program becomes more attractive.

If the American goal is more ambitious—that is, to save 70 to 80 percent of the population—Russia could probably nullify much of the American effort for one-third of the American investment. Russia could hit only the largest cities with a sophisticated attack and kill more than 20 to 30 percent of the Americans.

Is it worthwhile in the nuclear age to make a great and expensive effort to save lives that the enemy can destroy with a small effort? This is the sort of question that turns Presidents' hair gray.

A VALUABLE BOOK ON POVERTY

Mr. HUMPHREY. Mr. President, I want to call to the attention of the Senate the publication of "The Wasted Americans" by Edgar May. This is a very timely book, coming out at a time when President Johnson has declared an all-out war on poverty.

This book is written by a young newspaperman who won a Pulitzer Prize in 1961 for articles on welfare problems in the city of Buffalo. Mr. May brings to his work a wealth of experience because in gathering material for those articles, he worked as a caseworker and is familiar with the special problems poverty presents in our large cities.

Mr. May makes a very good point that the welfare departments in the United States "have become the funnel of failure, a failure which belongs both to the individuals concerned and to the communities in which they are located."

He wisely points out that unless there is a national attack on poverty coordinating all of the best efforts of Federal, State, and local governments, we can expect little more than rising welfare costs and a greater intensification of the social problems we find in our cities.

Mr. May's book is one that I recommend to all Members of the Senate and I also would like to call to the attention of the Senate a review of Mr. May's book which appeared in the Minneapolis Sunday Tribune. This review was written by a district judge, Luther W. Youngdahl, a former Governor of my home State of Minnesota. Mr. President, I ask unanimous consent that Judge Youngdahl's review be printed at this point in the RECORD.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Sunday Tribune, Feb. 9, 1964]

"THE WASTED AMERICANS": POVERTY IN SLUMS CALLED SHOCKING

(Reviewed by Judge Luther W. Youngdahl)

With our national leaders calling for a massive attack on poverty, "The Wasted Americans" is being published at an opportune time.

I feel sure it will be a shocking thing, in this land of abundance, for the average citizen to learn about the extent of poverty in a city slum.

We who reside in the Nation's Capital have just been furnished with statistics which indicate that almost 1 in 10 of the 173,695 families in Washington, D.C., live in abject poverty and must do without the bare necessities of life. Another 32,277 families live on incomes ranging from $2,000 to $3,999 annually.

Although, in certain aspects, Washington presents a special problem of its own, May's book proves that these conditions exist generally in the large cities of our country.

"The welfare departments in the United States," he says, "have become the funnel of failure, a failure which belongs both to the individuals concerned and to the communities in which they are located.

"The names on the relief rolls," he points out, "include the unskilled whose job opportunities are shrinking daily; they include the deskilled whose jobs have been absorbed and those who never have been motivated sufficiently to look for a job where tenure is measured in more than days and weeks.

"They, their children and their women are the flesh and blood behind today's potpourri of domestic problem phases. They are the people behind studies about school dropouts, automation, illegitimacy, race prejudice, illiteracy, and many others."

In a pointed challenge to the numerous welfare agencies he says, "It is high time that the heads of a variety of agencies, including housing, health, unemployment and education, be welded into an effective team under the highest State and city leadership."

Local school officials, he says, must provide teachers and facilities that will permit, welfare departments to organize classes for relief recipients who fail even basic tests of literacy and homemaking. They must become full partners, says the author, in correcting earlier educational deficiencies.

The author, a 1961 Pulitzer Prize winner, maintains that the Nation can expect little more than high relief bills so long as Negro housing and income remain at the low watermark of the statistical chart. The high cost of relief, he says, reflects the high cost of prejudice.

A faulty educational system, inadequate housing and racial bias are just some of the factors that add to the numbers of wasted Americans, May says.

In a readable and dramatic way he pictures a teenager with a minimum of education telling how he feels after months of failure to get a job; a mother faced with the dilemma of bringing an illegitimate child into an already overcrowded family; a lonely old woman filling her empty days with pointless, trivial activity—"anything not to think."

This is a book every American interested in the cause of perpetuating our freedom should read. It is imperative, as this book points out, that we massively attack poverty in our Nation. But, as we do this—and, more importantly, seek to change the whole social environment in which poverty breeds—we must simultaneously concentrate our efforts upon education of the young, manpower retraining, technological change, family life, regional economies, and race relations.

THE REVOLUTION OF 1963

Mr. HUMPHREY. Mr. President, recently John M. Pratt, counsel to the Commission on Race and Religion, National Council of the Churches of Christ in the United States, addressed the Alumni Ministers' Conference at Union Theological Seminary in New York City.

Mr. Pratt discussed the involvement of the commission and the National Council in the revolution of 1963, the revolution for equal rights which is sweeping this land. Mr. Pratt can speak with impressive authority on these matters because he has been personally involved in the most difficult areas of struggle of this revolution. I believe every Senator would find this address to be an impressive, courageous, and moving document of how men and women were willing to fight and die to preserve freedom in America. Therefore, I ask unanimous consent that the address by John M. Pratt, "The Revolution of 1963," be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE REVOLUTION OF 1963

(An address by John M. Pratt, counsel to the Commission on Religion and Race, National Council of Churches, to the 13th Annual Alumni Ministers' Conference, Union Theological Seminary, New York City, January 7, 1964)

It has been called the revolution of 1963. It had been smoldering longer than most of us knew or cared to realize, but it was 1963 that witnessed the full force of the conflagration. When Martin Luther King, Jr., strode from the steps of the 16th Street Baptist Church last April 12 into the waiting arms of "Bull" Conners and the Birmingham Police Department, the Negroes' struggle became at last the Nation's concern. We read first of the fire hoses, then the dogs, then the high-powered rifles, then the dynamite which followed in the wake of that walk. We saw the 60 arrests on that April 12 grow to an estimated 50,000 by year's end. We heard the plea of the few that day become the clarion call of 18 million American Negroes before the year was over—"freedom, freedom, freedom—now."

For many Americans the events of the year broke as a thunderstorm and they asked, "Why 1963?" Why should a people who have been characterized by patience and long suffering for over 200 years suddenly rise from the Negro quarters of the southern cities and the ghettos of the North and take to the streets and the jails in ever-growing numbers?

The roots of the revolution are as old as America itself. The 250 recorded slave revolts in the early years of our Nation's existence witnessed to the Negro's demand to be treated as a person. Frederick Douglass' passionate pleas for Negro citizenship spurred on the abolitionists, and the passage of the 13th, 14th, and 15th amendments brought the Negro a step nearer his goal. There was formal freedom at last, but not freedom in fact. At the turn of the century, in the writings of William E. B. DuBois, who called upon his people to educate their leadership, and Booker T. Washington, who cried out for vocational education for the Negro masses, was an insistence that the Negro claim the rights and privileges due him as an American.

But if these early leaders and events sowed the seeds for the revolution of 1963, it was the Supreme Court of the United States, in the historic decision of *Brown* v. *Board of Education* in 1954, which opened the way for the full flowering of the revolt. For Brown did more than open schools—it removed from the books of constitutional law the inferior status of the American Negro—a status made explicitly unconstitutional by the 13th amendment but nevertheless given constitutional sanction by the "separate but equal" doctrine of *Plessy* v. *Ferguson* in 1896.

Following the Court's decision in *Brown* v. *Board of Education*, the revolt began to take shape. Its nonviolent character was born in 1955 when Rosa Parks quietly but determinedly refused to give up her seat on a bus in Montgomery, and the "Montgomery walk" began. The executive branch of the Federal Government was drawn into the growing struggle when Federal troops were called to Little Rock in 1957. And a new generation of Negroes—the students—made their parents' battle their own and gave it new force and vitality when they began the sit-in movement in Greensboro, N.C., in 1960.

Yet all this was still a prelude to 1963. All that had gone before came to a climax, and much that was new was added. The frustrations of 10 years of futile negotiations trying to implement the *Brown* decision on a voluntary basis, the new militancy of such old organizations as NAACP and CORE, the specter of automation and the prospect of permanent unemployment in America, the sight of the new freedoms won and enjoyed by their African ancestors, the vivid presentation of the Negro's plight by a brilliant new generation of Negro authors, and the impatience of youth, these, perhaps, are some of the old factors which coalesced to make 1963 the year. And the new that was added? First, and perhaps foremost, was the fact that the white press suddenly started giving the story of the Negro the coverage it deserved. And then in midsummer the church, which had spoken so piously and correctly for so long, took to the field. Dr. Eugene Carson Blake's arrest in Baltimore on July 4 was not the first, nor the last, arrest of a prominent clergyman engaged in an act of civil disobedience last year, but it was the most symbolic, for it told the world that some white Christians were ready at last to join the Negro in the streets—and jails—of America. And the 20,000 to 40,000 white Christians who stood with their Negro brethren before the Lincoln Memorial on that historic day last August eloquently reaffirmed his pledge. Lastly, the moral force of the Office of the President of the United States was committed to the battle. Eisenhower had sent troops but remained silent. John F. Kennedy broke that silence—calling for justice for the Negro and demanding legislation which would begin to bring about that justice—until his voice was stilled. The press, the church, the Presidency, these were added to the struggle.

And so, out of it all—the old and the new—came, perhaps the strangest revolution in man's history. Strange because the revolutionaries of 1963 wanted "in" and not "out" of the American society. They were seeking not to haul down the banner of democracy but to raise it in cities and towns and States where it had been struck down and trampled underfoot by steel-helmeted police and publicly condoned mobs. Strange because its advocates preached and to a remarkable degree practiced nonviolence. It was the established order which resorted to mob action and terrorist tactics. And strange because, as it grew in intensity, the revolution attracted the support of most of the bastions of the society it was trying to change: particularly the church and the National Government. But even the business and legal communities showed signs of joining the struggle on the side of the "outs."

Because of the vividness—and the tragic quality—of all that has happened during the past year, it is hard for us to appraise objectively the revolution we are going through; yet it is important that we try to look beyond the bitter headlines and go deeper than the myopic slickness of Time magazine and ask how has the revolution fared?

In terms of the alleviation of the problems which confront the American Negro both in North and South, precious little progress has been made. A few more white schools have been opened—mostly by virtue of a court order and always on a token basis only. Not one Negro today attends a public school with a white person in Mississippi. Not one of Mississippi's 85 Negro high schools is an accredited high school. In nine Deep South States only 5,621 Negroes out of 2,419,000 enrolled Negro students were in desegregated schools—9 years after *Brown* v. *Board of Education*, which meant that only 1 Negro child in 500 has a chance to receive a decent education. Two-thirds of the 6,197 school districts in the 17 Southern and border States plus the District of Columbia were still segregated as of last August 31.

A few more Negroes were allowed to register and vote in 1963, but not many, and then often only after extensive litigation. The U.S. Civil Rights Commission has examined voting statistics in 100 hard-core southern counties and, in their September 1, 1963, report, indicated the percentage of eligible voting age Negroes who had been allowed to register to vote. The figures speak for themselves: 13 Alabama counties, 12 percent of the Negroes are registered; 5 Florida counties, 3½ percent; 15 Georgia counties, 14 percent: 15 Louisiana counties, 7 percent; 7 North Carolina counties, 15½ percent; 5 South Carolina counties, 7½ percent. But, as might be expected, Mississippi leads the field in these statistics, too. In 38 Mississippi counties 172,866 whites are registered—that's 69 percent of all whites of voting age—while 2,267 or 1.1 percent of potential Negro voters are registered. Six of these 38 Mississippi counties haven't a single Negro voter; 12 others have less than 10. Despite the institution of 55 voting rights suits by the Department of Justice between 1957 and August 1963, today 92 percent of the 668,000 voting age Negroes in these 100 hard-core counties of the South still cannot cast a ballot.

In 1963 a few more Negroes received just treatment in the courts and prisons of America—but not many. In September I stood in a courtroom in Savannah and heard the leader of the Chatham County movement sentenced to jail for contempt of court for daring to say publicly what every white man in the courtroom knew and many were saying privately—that the judge's conduct of his court constituted a mockery of justice. This judge had just made 19 youths who had already spent over a month in jail—not for the conviction of any crime but because they could not post peace bonds—choose between staying in jail indefinitely or going free by signing a statement which he had written in which they were to admit that demonstrations were harmful to the community.

A few weeks earlier I had stood at the gates to the death house of the Mississippi State Prison awaiting the release of 13 young freedom fighters who had spent over 50 days in jail. They had been arrested when they went to a deputy sheriff to ask for protection after the church in which they were holding a voter registration meeting had been tear gassed. They were sent from the county prison farm to the death house of the State penitentiary when they refused to work on the chain gangs because their lives had been threatened by white prisoners. In the death house they were stripped naked; by night they were forced to sleep on steel bunks without mattresses—bunks made icy cold because the guards turned on the blowers—and they were kept in "hot boxes" by day. When they tried to sing or pray or talk aloud in their cells, they were spread-eagled on the bars and forced to hang all day. This is the quality of southern justice and the conditions of southern jails. I might add, parenthetically, that after we had left the prison I recall vividly feeling myself breathe easier when we reached the main highway, and then marveled at the courage of these youngsters. Because the first word that any of them said was, "Man—now we can sing again." And they did. They sang "Oh, Freedom," "We Shall Overcome," and other freedom songs most of the way home.

In 1963 a few more Negroes were given jobs in industries previously closed to Negroes or in positions never before filled by Negroes, but not many. A few more Negroes found homes in previously all-white apartments or previously all-white neighborhoods or communities, but again not many.

And so I say let us not be Pollyannish in viewing this revolution. In terms of its concrete results, it has accomplished little.

Yet few would say that the revolution has failed or been in vain. For if little was changed, much was revealed, and it is the revelations of 1963 which will find their place in our history.

For the events of 1963 revealed to our country—and, often to our shame, to the whole world—not only the desperation of the Negro's plight, not only the bigotry of whites both North and South, not only the deep-rooted capacity for violence inherent in the American character, though all these we saw in ourselves as we had never seen them before. But what was essentially revealed to us as a people, I think, was the fragile nature of our democracy We take our democracy for granted—we think of it as an accomplished fact. Particularly in recent years, as we have scurried about the world trying to save nations and continents from what we firmly believe to be an obnoxious form of government, have we come to assume, not only the permanence but also, perhaps, the perfectness of our political system.

But, democracy as a political institution in this country is neither perfect nor perfected. This we learned last year. The year 1963 shook the foundations of our political existence. It reminded us that democracy in America is still a historic experiment which has yet to prove its true worth. It showed that the ultimate issue facing America is not whether the Negro can vote here or eat there or go to school where he wants; the real issue is whether democracy can survive in a society where one-tenth of the citizenry are estranged—by reason of color alone—from the remainder of the populace. Writing before the Civil War, Alexis de Tocqueville warned America that the greatest danger she faced was the destruction of individual liberty through the tyranny of the majority. Last year showed us the almost total tyrannization of the Negro by the southern white. But it showed more than that: In the North, up until recently, our cultural pluralism has enabled us to avoid this danger by preventing the creation of a single majority. We learned in the past 12 months, however, that for all our pluralism we, too, were participating in a white majority that was ghettoizing, brutalizing, and depersonalizing the Negro. Lincoln saw our democracy threatened because a nation was trying to exist half slave and half free. In our day democracy is threatened because, while we are all free, nine-tenths of us are more equal than the last tenth. The trouble with—and the glory of—democracy is that ultimately it is an all-or-nothing proposition. And as Dr. Robert W. Spike said recently in Mexico City, "You cannot keep one-tenth of a people segregated in a mass society which depends for its existence upon consensus and mobility without destroying the society."

It is not, then, the rights of the Negro or the future of the South, it is democracy which hangs in the balance. If the Negro is not given his full rights of citizenship in fact as well as in form, America will go on, but democracy here will cease to exist. And its demise will come in our lifetime, indeed, in this generation.

Along with the threat to democracy there was a second revelation during the past 12 months that ought to concern this assemblage almost as much.

In 1963, gentlemen, there was revealed to us in tones of brilliant clarity, the inability of the Christian church to implant its message in the hearts of its members. The message we all know: "Ye have heard it said * * * but I say unto you. If any man would come after me * * *. Do unto others * * *. Love thy neighbor. If ye have done it to the least of these * * *."

On October 17 I stood across the street from the Capitol Street Methodist Church in Jackson, Miss. Inside, the minister was reciting these words as his call to worship: "Ask, and it will be given you; seek and you will find; knock and it will be opened to you. Come unto me, all you who travail and are heavy laden, and I will give you rest." As he spoke these words to his congregation, outside, on the steps of that church, the ushers were beckoning for the Jackson police to arrest and cart away two Christian ministers, one white and one Negro, who had come to that church to pray. Each today faces the possibility of a $1,000 fine and a year in jail. But the failure to give life to the Gospel knows no geographical bounds in this country of ours. The mob of 1,500 neighbors who welcomed Mr. and Mrs. Horace Baker to their new home in Foxcroft, Pa., last summer with rocks, insults and epithets could not possibly have been composed entirely of atheists. The good people of Omaha, Nebr., who refused to sell or rent a home to a Negro Air Force captain, Michael King, attached to Strategic Air Command, and forced him to live in the Negro quarter well beyond the 30-minute alert radius which SAC requires of its officers, must go to some church. Further illustrations abound, but the point needs no laboring.

I say to you that the civil rights struggle is a crucible for the church of Christ in this land. Like the children of Israel brought out of the desert, the American people have dwelt in a land of milk and honey. Indeed I think it not unfair to say that we white Christians may be the heirs of Israel—the chosen ones of a new Israel. So much so are we, perhaps, that we ought to start rereading the words of the prophets, Amos, Isaiah, and Jeremiah. You will recall that the Lord ordered Jeremiah to bury a waistcloth on the banks of the Euphrates. Later he dug it up and found it in tatters. And then the word of the Lord came to him: "Thus says the Lord: Even so will I spoil the pride of Judah and the great pride of Jerusalem. This evil people, who refuse to hear my words, who stubbornly follow their own heart and have gone after other gods to serve them and worship them, shall be like this waistcloth, which is good for nothing. For as the waistcloth clings to the loins of a man, so I made the whole house of Israel and the whole house of Judah cling to me, says the Lord, that they might be for me a people, a name, a praise, and a glory, but they would not listen."

There is no question in my mind but that the future of the Christian church in the United States is dependent upon its ability to meet and solve the racial crisis in our land. If prejudice is the eighth deadly sin, as some have suggested, original and inherent in man, then this fact must be proclaimed in every church whatever the cost until its practice becomes an object for discussion in the confessional alone and not the source of witty jokes at cocktail parties as is all too often the case now. If prejudice is a product of environment, and true tolerance teachable, as others suggest, then the church must develop new textbooks, new curriculums, new sermons, new organizations, and whatever else is needed to bring home the message of brotherhood. The cost to the church, I'm told, will be great but, after all, not half so great as the fulfillment of Jeremiah's prophecy. If the church fails, we white Christians may learn someday that as the new Israelites we inherited more from our forefathers than we bargained for. And, in one of history's better ironies, we may also discover that our Negro brethren turned out to be the true remnant. If the church fails, it will continue as the church, but it will cease to be Christian.

The revolution of 1963, born out of the desperation of our Negro citizens whose dream of equality has been too long beyond their grasp, has revealed to us a serious threat to democracy and an equally serious threat to Christianity. The American Negro is the revolutionary, yet he has entered the revolution, in large measure, to save the very institutions that are threatened, to save them by giving them their intended character. The outcome of the battle he began, I suggest, is no longer in his hands. It is our struggle now, as it should have been from the beginning.

In the time remaining I want to examine briefly some of the implications which the civil rights battle of the past 12 months has had on the churches and to suggest two or three questions for your discussions during the next 3 days.

First, it appears to me that the racial struggle has revealed glowing weaknesses in the structure of the American Protestant Church. While I am no expert in this field, I have discovered during my work with the National Council of Churches that some of our denominations are virtually impotent in the face of the problem. Most found it incredibly difficult to raise and release funds for use in meeting the emergency. In most denominations the work of the church is so compartmentalized that it will take them years to respond fully and effectively to the events of the past year. Trying to get a Christian education department, a home missions department, a publicity department, and a radio and TV department to launch an immediate unified attack on prejudice is, for example, the surest way I know to commit yourself to a lifetime's work. Some denominations, of course, face greater difficulties than others in this field. One of the largest Protestant denominations has a built-in segregated system that will have to be altered before its moral suasion can be felt or taken seriously. Other denominations which cherish the independence of the individual congregation have discovered all too often that their ministers are the slaves of their congregations' prejudices and as such have lost their power to preach the full gospel. Before the moral force of the church's voice can be heard, it may have to restructure its anatomy. The church's preachers must be freer, her institutions more flexible, and her finances more readily available to meet the ever changing nature of the struggle she faces.

Secondly, I would suggest the need for a reexamination of the traditional doctrine of the separation of church and state. In their statement found on the cover of your program, the Catholic bishops have pointed out that, "social justice has become merely a political matter." Because it is obviously also a moral matter, the churches have an absolute right to be heard on the question. Unfortunately, however, the Protestant churches' reluctance to exercise political power has meant that the church utters pronouncements but does little more. Yet the past 12 months have made it perfectly clear that the church can no longer abdicate its responsibility toward the democratic processes. More than its voice must be heard in Congress—its power must be felt. A new view of stewardship—both on the part of the church itself and of its laymen—seems called for, and the wall between church and state needs restructuring in the light of modern political realities.

Thirdly, I would suggest that you give some thought to the need for an ecumenical movement between the black and the white Protestant denominations in America. It may be that I just haven't been listening, but all the merger talks I hear about are between such denominations as the Protestant Episcopalians and the Polish National Catholics or the Presbyterians and the Reformed Church of America. It seems to me that if we are taking our own statements on race seriously, at least one of the white denominations ought to be talking to the A.M.E. Zions or the C.M.E. Church.

Finally, I raise for your consideration the largest Pandora's box of them all—the need for a serious reappraisal of our theology and our ethics. If I was correct earlier in suggesting that we as Christians had failed to put across the essential message of the Gospel, then we have got to ask why. Was it only the inefficiencies of our structure? Was it only our reticence to enter the political arena? Or have our theology and our ethics failed us? Have we failed to take into account something in the nature of man that we ought to have accounted for? Have we played down in our theology a part of Christ's message that we ought to have made more central? Has our revulsion from the excesses of liberal theology led us to lose part of the activist character of Christ's teachings? Is it the message of our ethics or the methods of conveying them that betrayed us?

I raise those questions—and admit the lack of answers to any of them—in hopes that one or two of them might serve as aids or jumping off points to what could be—and I hope will be—an eventful—perhaps even historic—ministers' conference.

HARRISON A. WILLIAMS, JR., EXPERIENCED GENERAL IN THE WAR AGAINST POVERTY

Mr. HUMPHREY. Mr. President, the junior Senator from New Jersey [Mr. WILLIAMS] has been a frontline general in the war against poverty for most of his career in the Senate. His war began when he became chairman of the Subcommittee on Migratory Labor. Since that time Senator WILLIAMS has fought hard and successfully to alleviate the poverty and deprivation that exists among a major segment of our Nation's poverty-stricken citizens—the 2 million or more migratory farm citizens.

Senator WILLIAMS, through his work with the migrants, has gained unmatched experience in meeting some of the basic problems of poverty, such as inadequate health, education, housing, and employment opportunities. The legislative program that he has developed is designed not only to improve the present living and working conditions of migrants, but also to achieve a long run solution to their predicament. I am confident, moreover, that when the President's poverty program comes before Congress, Senator WILLIAMS' experience in working for our impoverished citizens will be invaluable.

The Migrant Health Act—Public Law 87-692—operates today in 21 States, and is bringing badly needed medical services to our migratory farm families. As principal sponsor of the program, Senator WILLIAMS can be proud of the fact that it is the first legislative program developed to assist our migrants since the raw thirties which Steinbeck described so dramatically in the "Grapes of Wrath."

Early last session, Senator WILLIAMS brought six other migratory labor bills successfully through the Senate: S. 521, education; S. 522, day care; S. 523, child labor; S 524, crew leader registration; S. 525, National Advisory Council; and S. 526, sanitation facilities. Today, these six bills await action in the House of Representatives. Their enactment would constitute an initial victory in President Johnson's war against poverty.

As principal sponsor of the National Service Corps (S. 1321), which passed the Senate last session and awaits House action, as well as his work on the Committee on Aging to protect our senior citizens from exploitation, Senator WILLIAMS has been directly concerned with other groups of people living in poverty, such as Indians, the aging, our youth, and the mentally and physically handicapped.

In short, the efforts of Senator WILLIAMS in behalf of America's impoverished citizens is impressive and I commend him for his achievements.

A few weeks ago, Mr. President, the junior Senator from New Jersey gave a major address at the Biennial Convention of the National Young Democrats in Nevada. This address brings into sharp focus the landmarks in the history of the Democratic Party's efforts to eliminate the economic waste and the hardships and injustices of poverty.

This is a vigorous and incisive speech, Mr. President, and I ask unanimous consent that it be included in the RECORD at this point.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR HARRISON A. WILLIAMS, JR., DEMOCRAT, OF NEW JERSEY, TO THE BIENNIAL CONVENTION OF THE NATIONAL YOUNG DEMOCRATS, FRIDAY, JANUARY 31, 1964

At every turning point the people have chosen the Democratic Party.

In the great crises of our time it is the Democratic Party that has come forward in word and deed.

After the shattering of nations that was World War I, Wilson gave us the League of Nations and declared: "Sometimes people call me an idealist. Well, that is the way I know I am an American."

With Wilson dead, the Nation faltered under Harding, Coolidge, and Hoover. Coolidge's famous remark that, "The business of America is business," best summed up the complacency, the indifference, and the isolationism that led the Nation into depression and war.

And in the gray decade of the depression, it was Franklin Delano Roosevelt who riveted hope back into the Nation's soul. "I pledge you, I pledge myself, to a New Deal for the American people," he told us in 1932—and we believed him.

Five years later, when he saw one-third of the Nation still in want, he said: "The test of our progress is not whether we add more to the abundance of those who have much. It is whether we provide enough for those who have too little."

Although he delivered us into the postwar world, F.D.R. did not live to see this theme become part of our international policy.

But Harry Truman echoed it when he announced our famed point 4 program. Very simply, he said: "More than half of the people of the world are living in conditions approaching misery."

With the 1950's came an interlude. In those days which seem so far away GOP may well have stood for grand old paralysis. Three times the Nation slipped back into the old boom-bust cycle.

Then the Democratic Party produced John Fitzgerald Kennedy.

"These are entirely new times, and they require new solutions," he said in his campaign.

Now all of us have our memories, for in his numbered days he produced many solutions, and America moved ahead again.

Today, another great Democrat, who began his career under Roosevelt carries on the great tradition. President Johnson has shown his determination to complete the unfinished business of the New Deal by declaring all-out war on poverty.

In America today there are 30 million refugees from the American way of life. There are 30 million American poor living at the bottom of our society without opportunity or hope. For them life and liberty is a hollow mockery, the pursuit of happiness an empty promise.

In Appalachia, their pride is destroyed as they live on surplus handouts.

In our fields, they harvest the food they can't afford to buy.

On Indian reservations, the first Americans live their barren lives on Government run slums.

In our proud cities, they fill the rat-infested ghettoes of tenements. Across the Nation, they look for work and can't get it; they seek education and are denied it; they look for a decent place to live and can't pay the rent. The American dream for them is a mirage in the wasteland of poverty.

The cost of merely keeping these citizens alive is staggering. We spend $4 billion a year on outright relief payments—as much as we spend for our space program.

In our biggest, richest, and most enlightened city—New York—its welfare commissioner says 1 million of its 8 million citizens are well acquainted with rats, roaches, and relief.

These people have been called the "invisible poor." Actually they are very visible to anybody who bothers to look, but until the 20th century we have never had the means to solve the problem. Our poor have been treated like industrial waste, spewed out and forgotten. But now we have the resources to invite them back into American society through the front door.

Having prospered in unparalleled fashion since World War II, we are now able to complete the social edifice that got started when Franklin Delano Roosevelt broke ground for the New Deal.

The Nation has never faced a crisis like the thirties. Banks failed, life savings were wiped out overnight, millions went hungry, and even the lowest paid job was more than many could hope for.

Then we took strong and positive action. Under the leadership of Franklin Roosevelt the people pulled themselves up from the wreckage of economic destruction to stage an economic and social revolution unmatched anywhere in the world. The New Deal brought strong labor unions. The New Deal brought strength to the workingman through minimum wage, labor relation laws, social security; its fiscal policy saved the Nation's banking system from oblivion; it put American industry on its feet and on the way to recovery.

Yet too many were left stranded on the jagged rocks of poverty.

Today we have the resources, many times over, to obliterate tenements and tuberculosis, hunger and hardship, slums and soup-kitchens. Migrant workers need not roam the Nation like immigrants in a foreign land. Tenement-spawned children need not drop out of school in the 10th grade to shine shoes and become the unemployables of this technological era.

President Kennedy made splendid use of our resources. His right hand used to chop the air vigorously as he convinced the Congress to move on vocational rehabilitation, area redevelopment, urban renewal, and an assault on unemployment.

These policies continue today under the leadership of President Johnson. He has succeeded in dramatizing the situation as never before by his declaration of war against poverty.

The roots of this declaration go deep. They tap one of the basic moral tenets on which this Nation is built. It is deeply ingrained in us to care—and to share.

But there are also practical considerations behind an all-out battle against want.

When one starts computing on the slide rule of misfortune, one discovers that the interest society is paying on its debt to the forgotten is astronomical. The 32 billion Federal dollars spent on welfare in the last decade would have put a man on the moon.

But beyond the direct cost of welfare—some 4 percent of the Federal budget—there are other costs to be considered. There are the local and State taxes to support welfare programs, there are falling property values, decaying towns, and crowded hospitals; there are restless young men and women, angry young men and women who feel that society has cheated them. And many assume that the only way to make it is to cheat right back again.

They are the tragic human beings behind the newspaper headlines which feature words like "delinquency," "dope," and "crime wave."

And while it is often assumed that poverty is a problem of the big cities, in fact the 30 million poor are divided almost equally between the city and the country. It strikes most cruelly at the young and old. One-third of the present poor are children. One-third of all poor families are headed by persons over 65.

Yes, I think we must say it. In our new found affluence we have been just a little too concerned about the trimmings—the patios, the extra car, the ski trips—and not concerned enough about the basic fixin's.

As chairman of the Subcommittee on Migratory Labor, I have seen firsthand the life of the migrant farmworker, a large segment of America's poor.

I have seen families crowded into filthy one-room shacks, men and women working 12-hour days in the fields in hundred degree temperatures to earn $6. This is the bitter and barren life of the migrant whose youngsters have only a battered old car for a playground. A new generation of the poor is growing along with the crops.

For the migrant child, education is the key which will unlock the door to his modern debtor's prison. But education will be useless unless it can be given in a decent environment. What good is a schoolbook to a child if he must return home to a dirty, overcrowded and badly lit shack; if his parents earn so little money, that he is forced to quit and go to work?

To help the migrant become a fullfledged American citizen we have had to develop a package of legislation which deals with almost every aspect of life. Our legislation brings them within the Federal minimum wage law, the labor relations act, and provides further protection against harmful child labor. Education, day-care facilities, and better housing are covered, also.

The legislation we have developed for migrants demonstrates that practical programs can be developed to eradicate poverty.

We can pass laws and we will pass laws. And the "yes" votes on the floor of the Congress will enhance America.

And they will do more. Every step forward here will brighten our image overseas.

Let's remember that the U.S. image abroad was probably at it's height during our depression, when F.D.R. won the respect and love of the world for his fight against economic injustice in his own backyard.

I doubt if any of you can remember those days. But the continual knock on the kitchen door of our home in Plainfield, N.J., beat an indelible tattoo on my mind. "Ma'am, could you spare a sandwich?"—the jobless, desperate visitors used to ask.

Today our wealth should make such an inquiry unthinkable. In fact, it dictates that any American President must show his concern, not only by trying to help those at home—but the unfortunate everywhere.

A once-and-for-all job in the United States might actually convince the world that it can be done, and actually stimulate countries in far worse circumstances than us, to greater self-help efforts.

There are other international pluses that will flow from our war on poverty. We may find ourselves in a far more advantageous position at the disarmaments negotiations in Geneva.

An across-the-board attack on need—accompanied as it has been by cutbacks in our defense spending—is proof positive of our desire for peaceful solutions and amicable relations.

And from our point of view, I doubt whether the present reduction in East-West tension would have developed unless we had seen—and been convinced—that the Soviet Government was seriously shifting some of its resources to remedy economic defects in its own system.

Now coming back to our own country, there is one other all-important area that will benefit from the effort to stitch shut our pockets of poverty.

It can help mend the civil rights tear in the fabric of our Nation.

In fact, civil rights and the drive for economic progress can hardly be separated.

Unless our Nation can offer equal opportunity to all—and wipe out barriers to good jobs and a decent education—our commitments on civil rights will come to naught.

Clearly then, the war on poverty is far larger than a do-gooder crusade. I hope I won't be upsetting anybody in NASA when I say the challenge of the sixties is not space—but subsistence: an adequate level of subsistence for every American.

What does this challenge mean to the young Democrats?

My own feeling is that it offers you an immense opportunity for leadership.

The Peace Corps and the response to the yet-to-be-born National Service Corps have demonstrated that there is a huge reservoir of energy, idealism, and creative capacity in our young people.

We need more and more young leaders to help tap this vital force.

Your leadership can be the link with the great silent, but anxious-to-serve body of American youth. At this moment, the press of the Nation is focused on you. In the commitments you make in our war against poverty—you can assume a vanguard role.

Your program will be broadcast across the land to inspire others.

I have no doubt that in this room there are many of you already engaged in all kinds of community projects. I have seen your counterparts in my own State, in college, church, and civic groups, going to the "other side" of town—wrestling with one tiny portion of the poverty problem and helping to solve it.

You people and these people refute the image some critics have tried to tack on our young people—the image of twisting hipsters.

Providing better educational opportunities is the goal of many youth groups—like the fellows at Princeton who go into Trenton and tutor the underprivileged high school students from "the wrong side of the tracks," or the young men and women at the State teachers colleges, who try to revive the school interest of dropouts. There are also church youths who visit mental institutions to try and give comfort to those whose minds have been broken by the strain.

We even have a CCC-type program going in New Jersey, just initiated by Governor Hughes, to open new vistas for the underprivilege of Newark.

There is an important point to be made about these programs.

None of them require Federal support. They are grassroots inspired and grassroots supported. And I think this is a point we cannot stress too much in talking to the public about the Nation's welfare needs.

All of this sugests one thought to me:

Why shouldn't every Young Democrats Club have a poverty committee. Its goal would be first to survey the community in which it functions and then to decide when and where it will plunge into the campaign against deprivation.

You might even invite the Young Republicans to join you in a friendly competition—there's plenty of work for everybody. Let's see who can get out into the community first and begin.

I think maybe the young Republicans are just a little bit disenchanted with standard bearers who've inherited department stores and who go about chastising the needy and telling them they're to blame for their own misery.

What I am really asking you to do, is to turn loose the energy and zeal which brought you here, let it blaze a new path of hope for the hopeless in your towns and cities.

Taking such action here and now—making such plans—manning poverty committees—would be a demonstration in action of what America is all about—a demonstration that would reverberate throughout our land, and bring countless new recruits into our war against poverty.

Let us ask every American to join the march. Let us dedicate ourselves to excellence. Let us make the American dream a reality for all.

REVENUE ACT OF 1964—CONFERENCE REPORT

Mr. LONG of Louisiana. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8363) to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. LONG of Louisiana. Mr. President, it was on last January 30, less than a month ago when the Senate first began consideration of the bill which we bring back from conference today for what I hope will be its final consideration by this body.

Legislation of this type is necessarily technical and complex. I believe that its consideration by the Senate; then action on it by the conferees—ironing out the differences between the House and the Senate—and finally action on the conference report by both Houses of Congress, all in less than 1 month is an accomplishment and one which should not pass unnoted.

It has been possible to complete this action on the Revenue Act of 1964 with such dispatch because of the careful consideration this bill has been given, both by the other body and by the Senate Finance Committee before it came to the floor of the Senate. I would like to note especially the constructive attitude taken with respect to this bill by our chairman, the distinguished senior Senator from Virginia. Although he has indicated quite clearly that he is not in sympathy with this legislation, he has nevertheless handled the legislation, both in the hearings on it before the Finance Committee and in the committee's executive sessions on the bill, in a most constructive manner. At all times he has taken the attitude that the different points of view should have a full opportunity for expression, but at the same time he has always pressed for action on the bill even after these views were expressed. I have only true admiration for the constructive manner in which he has handled this bill.

I have already said to the press, and would like to say again, here, that in my opinion this has been a most satisfactory conference. I believe that the bill that we bring to the Senate from conference is better than either the House or Senate versions of the bill. I believe that conferees had selected the best from each and rejected the bad of each. I do not mean by this that in all respects the conference agreement is as I personally would have it. I have seldom seen the time when that would be true of a conference agreement, especially in a bill as large and as complex as this one. Nevertheless, I feel that the action of the conferees was constructive, and that we bring to you even a better bill than the one we took to conference.

This legislation is, I believe, a historic landmark. It not only provides the largest tax reduction in our history, but it has been generally recognized in the debate on this bill that this is a tax reduction which in the long run—both through increasing consumer purchasing power and through stimulating investment—can be expected to raise the level of economic growth in this country, thereby increasing the Government's revenues above the level they would otherwise achieve.

Probably more important, however, this bill, although it certainly will not eliminate unemployment, can nevertheless be expected to aid substantially in reducing unemployment and also increase the likelihood of other more specific measures becoming effective.

This improvement in employment brought about by this bill arises from its double effect—both making funds available for increased consumer expenditures and also through improving the likelihood of a more profitable return on investment. These factors are necessary if we are to achieve a higher rate of growth for our economy as a whole.

Perhaps the most unique aspect of the bill is that it reinforces our private enterprise system. By reducing the level of individual and corporate taxation we are giving the free enterprise segment of our society an opportunity to take up the slack which many of us believe has arisen in our economy because our tax system has in large part up to this time still been geared for a wartime, rather than a peacetime, economy. By this action we are giving the private enterprise sector of our economy the opportunity to provide the growth we need in the years ahead to improve our competitive situation abroad, to offset at least in part the increasing unemployment that we face, and to provide for a better and more prosperous America for all of us.

I do not, of course, believe that this bill will accomplish this result alone but I do believe that it is an important step in this direction.

Much has been said as to tax reforms which are not in this bill; tax reforms which were proposed by the administration or tax reforms which individual Members of this body have urged upon all of us. This bill does not accomplish all of the tax reform that is needed in our revenue system.

However, I think it is easy to underemphasize the importance of the tax reform which is included in this bill. I believe that in terms of substantive reform of our tax laws, the changes made in the Revenue Act of 1962 and in this Revenue Act of 1964, taken together, clearly represent the most substantial reform of our tax laws at least since 1942, if not for a much longer period of time. Undoubtedly there is much yet to do and we will certainly be faced with tax reform issues for many years to come. Nevertheless, this bill will also go down as a landmark in the reform in our tax laws and its importance in this respect has been greatly misunderstood.

I would like to review now the revenue implications of the actions taken by your conferees. The calendar year 1965 liability which, for the most part, represents the full year liability—would under the bill as passed by the Senate have resulted in an $11.9 billion reduction as contrasted to a reduction of $11.2 billion under the House version of the bill. The bill that we bring back from conference is expected to result in a revenue loss in the calendar year 1965 of slightly less than $11.5 billion, or more specifically, $11.48 billion. Thus, the action taken by the conferees reduces the revenue loss in the calendar year 1965 by $375 million. In the long run, this saving is expected to be $405 million.

In terms of fiscal year receipts this bill, before any stimulative effect, is expected to result in a revenue reduction in the fiscal year 1964 of $1.6 billion, which is the same as the version which passed the Senate. However, in the fiscal year 1965 the conference agreement is expected to result in a revenue reduction from present law of $8.5 billion, or $425 million less than the version which passed the Senate. This is without regard to the stimulative effect which the Treasury Department assures us this bill will have and which they have estimated in the fiscal year 1964 to be $200 million and in fiscal year 1965 to be about $4 billion. In other words, the Treasury Department anticipates that this bill in these 2 fiscal years will have an impact on the budget of only $1.4 billion in the fiscal year 1964 and $4.5 billion in the fiscal year 1965.

Mr. GORE. Mr. President, the Senate is not in order. There are at least a half dozen attachés of the Senate talking in front of the desk. One Senator is trying to speak against six attachés.

The PRESIDING OFFICER. The Senate will be in order.

Mr. GORE. When the Chair does not enforce the rules of the Senate, it is a losing game.

The PRESIDING OFFICER. The Senate will be in order.

Mr. LONG of Louisiana. I thank the Senator.

Let me turn now to the specific conference action on the amendments as agreed to by the Senate. The great bulk of the Senate amendments were agreed to by the conferees. Of course, many of these were in the nature of technical, perfecting amendments, but in addition I think it is clear that even in terms of substantive amendments the bulk of those made by the Senate were approved by the conference action. For the most part, I will not refer to these amendments which have been approved by the conference action but rather to the amendments where either some compromise was reached or the Senate amendments were deleted.

Probably the most important Senate amendment, and one on which I am happy to report we were able to retain the essential feature of the Senate action is that dealing with capital gains and losses. This is the amendment on which the Finance Committee action was specifically confirmed by a vote on the Senate floor of 56 to 25.

The House conferees agreed to the Senate action which deleted from the House bill the special 40-percent inclusion factor for capital gains where the asset has been held 2 years or more and the special alternative rate of 21 percent for these gains. As a result, capital gains, where the assets have been held 6 months or more, will all continue to be subject to the 50-percent inclusion factor required by present law and will continue to be subject to the alternative tax rate of 25 percent. It will be recalled that in the debate on this subject, both I and several other Senators pointed out that the present capital gains rates accounted for the fact that the effective rates applicable to many persons with very large incomes are close to 25 percent. It will also be recalled that I presented the Senate with information showing that the tax benefits from the capital gains tax reductions would go largely to those with the very highest incomes and would have the effect of bringing down the effective rates of tax on many of these persons below 20 percent. We presented this same material to the House conferees and they recognized the merit of our position and agreed to the deletion of the provision.

The Senate conferees did, however, agree to retain one feature of the House bill relating to capital gains and losses; namely, the unlimited carryover of capital losses. This is a matter which was not given much attention in the Senate at the time the basic capital gains provision was discussed. Under present law a capital loss is first offset against capital gains, and then to the extent of any remaining loss, it may be offset against ordinary income up to $1,000. Any loss still remaining may be carried forward and that same procedure repeated in each of the next 5 years. The House provision, which the conferees have accepted, provides for the indefinite extension of this capital loss carryover rather than limiting it to the 5-year period.

The House provision retains, however, the limitation of $1,000 as the maximum amount which may be offset against ordinary income in any 1 year. This provision has been urged by the House on the grounds that it encourages risk taking and in that manner will encourage the growth of new industries.

Another Senate floor amendment which was considered at length in the conference is that relating to the exclusion for income earned abroad. The House conferees felt that this had not been a subject matter of the hearings on the House side, or before the Senate Finance Committee, and for that reason they were most reluctant to make any modifications in this provision. Moreover, the House conferees pointed out that this matter had been specifically dealt with in the 1962 legislation and that it was as a result of that legislation that the present maximum amounts were placed on the exclusion applicable in the case of bona fide residents of foreign countries. For these reasons we found it difficult to obtain any compromise in this area from the House conferees.

We have been able, however, to bring back to the Senate some reduction in the exclusion for income earned abroad in the case of bona fide residents of foreign countries who are there for more than 3 years. Under present law these persons receive an exclusion of $35,000. Under the conference action this has been reduced to $25,000 effective for the calendar year 1965. There was a strong feeling on the part of the House conferees that if we wish to stimulate exports and sales of American products abroad it was important to have Americans in key business positions abroad and that the exclusion provided in the existing law was an important factor in this regard.

I am glad to report that we were successful in prevailing upon the House conferees to accept the Ribicoff retirement income credit provision which provides a supplementary credit where the wife either is not eligible for a retirement credit under existing law or is eligible for only a reduced credit. Although some modification was made by the conferees in this regard, the agreement worked out accomplishes all that I believe the Senator from Connecticut desired. The modifications, in fact, meet some problems I think we would have had if we had kept the original provision.

Let me now turn to the group term life insurance provision. Senators will recall that under the Senate version this insurance would have been taxed in the case of protection provided by, or through, an employer in excess of $70,000. The House version on the other hand would have taxed insurance protection above $30,000. This was compromised by the House and your conferees at $50,000.

In providing for the inclusion of group term insurance to the extent specified in the taxpayer's income, the conferees wanted to make it clear that this insurance does not include death benefits in so-called travel insurance or accident and health policies where such policies do not provide general death benefits. In addition, the conferees are instructing the Treasury Department to study the table of premiums at attained ages contained in the House and Senate committee reports on the bill to see whether this table should not be replaced by a table which reflects the most recent mortality experience and which may possibly make some allowance for expense factors.

In the case of the sick pay exclusion, or wage continuation payment, your conferees retained most of the McCarthy amendment which was adopted here on the Senate floor. Under the House bill the exclusion for sick pay was limited to those cases where the individual was absent from work for 30 days or more and was available only with respect to up to $100 received after the 30-day absence from work. The McCarthy amendment would also make the sick pay exclusion available in certain cases during the first 30 days. Under the amendment the sick pay exclusion would be available in this period where the wage continuation payment is not more than 75 percent of regular average weekly pay of the individual. The conferees accepted this provision but modified it to provide that within the first 30 days the sick pay exclusion will be available for only the first $75 of income. In addition, it was made clear that it would be available only after a 7-day waiting period unless the individual is hospitalized, not only in the case of illnesses but in the case of accidents as well.

Another amendment on which a compromise was reached between the different House and Senate versions is that dealing with the deductibility of State and local taxes. The House bill would have provided that State taxes are to be deductible only in the case of income, property, and general sales taxes. The Senate, in addition, would have allowed deductions for gasoline taxes and auto tag and driver's license taxes. I believe the senior Senator from Virginia, the chairman of our committee, felt especially strongly on the issue of the deductibility of gasoline taxes. This matter was compromised by continuing the deduction of gasoline taxes but denying the deduction for auto tag and driver's license taxes. This preserves, therefore, $220 million of deductions for individuals in the case of these taxes, which under the House version would not have been available.

Another important provision represents an amendment made by the Senator from Tennessee [Mr. GORE] in the Senate Finance Committee to the unlimited charitable contribution deduction. Under this deduction an unlimited charitable contribution deduction is available for those who in 8 of the last 10 years have given 90 percent of their income to charity or paid it in Federal income taxes. The Gore amendment would have denied the unlimited charitable contribution deduction with respect to gifts to private foundations. The Finance Committee felt that in the case of these private foundations the donors frequently were not actually parting with the funds, and frequently that the funds were not, for an extended period of time at least, finding their way into actual charitable uses. Because of this we made the unlimited charitable contribution unavailable unless the organization was one of several specified organizations such as churches, schools or hospitals or alternatively under your committee's action unless the organization was one "which normally receives a substantial part of its support * * * from a governmental unit or from direct or indirect contributions from the general public."

Since the adoption of this provision by the Senate, cases have been called to the attention of many members of the Senate and House where contributions to private foundations which arise from unlimited charitable contributions do find their way, in a relatively short period of time, into actual charitable uses. The Senate version did not take into account, for example, the fact that some private foundations are themselves directly carrying on charitable functions, as distinct from making gifts to other charitable organizations carrying on these charitable functions. In addition, our version of the bill did not take into account the fact that in the case of many of the private foundations the organization either, through activities it carried on itself or through donations it makes to other organizations, is making the contributions available for actual charitable use in a short period of time.

Because of the factors I have referred to, the conferees, although accepting the Senate amendment, modified it to provide for the continued availability of the unlimited charitable contributions deduction in the case of contributions to churches, schools, hospitals and other public-type organizations; and also in the case of two specific types of private foundations. The first of these private foundations which under the conference agreement will still qualify for contributions by someone claiming the unlimited charitable contribution deduction has been referred to as an operating charity. The type of organization I am referring to here is one which devotes substantially more than half of its assets directly to the active conduct of the exempt charitable activities. It also is one which must devote substantially all of its income to such a purpose. By active conduct, we mean that the organization must itself carry on the activity and not merely be a conduit for transferring the contributions to another organization.

In developing this provision it was recognized organizations such as the Williamsburg development actually still retain a title to the property which they purchased but nevertheless use these assets for the purpose for which the organization was exempt. Moreover, this provision was not intended as a year-by-year test but rather looks to a period of time to determine whether an organization is devoting its assets and income in the manner indicated. Somewhat more leeway is allowed in the case of assets than in the case of income to make allowance for the fact that some of these organizations must necessarily accumulate some of their contributions to build up an endowment fund to enable them to carry on their exempt activities from the income of this fund.

The second exception for the private foundations relates to one which during a 3-year period beginning after the contribution is received expends or uses half of the contributions received from those claiming an unlimited charitable contribution deduction for one of the following four purposes:

First. The active conduce of activities representing its exempt functional purpose—that is, direct operations rather than making grants to other charitable organizations.

Second. Assets directly devoted to such purpose.

Third. Contributions to organizations for which a 30-percent charitable contribution deduction may be claimed under present law or to the type of operating private foundations I have just described.

Fourth. Any combination of these uses.

In determining whether an organization has used 50 percent or more of its contributions for this purpose it is not intended that there be any tracing of the specific contributions. Instead it is assumed that the first amount to be spent, for the activities to which I have referred, is the income of the organization for the year in which the contribution is received and in each of the years up to the end of the year in which the contribution is considered to have been used for this specific purpose. The next amount considered as being spent for this purpose are the contributions from those claiming the unlimited charitable contribution deduction.

It is, of course, recognized that in some cases it may be desirable for the organization to retain all of these contributions, and perhaps the income of the organization as well, for a period of more than 3 years. This may arise, for example, where another organization, such as a school, is being asked to match a grant provided by one of these foundations, or perhaps where a survey is required before it is possible to determine the best way in which the funds should be expended. The conferees gave recognition to these needs for retaining the contributions and income beyond the 3-year period by granting to the Secretary of the Treasury permission to allow the retention of the contributions and income for longer periods of time where the organization shows good cause for such a retention. It is not intended that the mere accumulation of the funds to earn income, and in that manner to increase the size of the corpus, would represent a good cause. Where this grant of authority for accumulation beyond the end of the 3-year period is given, the income of the subsequent years must also be expended or used for one of the four purposes I have previously outlined, as well as the income of the year of the contribution and three succeeding years.

It is intended that the donor of the contribution—the individual who is claiming the unlimited charitable contribution—claim the deduction on what might be considered a probationary basis before the organization satisfies all of these conditions. He may claim the deduction tentatively on his return, and then if the organization complies with the law subsequently, the deduction becomes validated by this action. Should the organization not comply with these requirements, the individual's return would have to be revised to disallow the specified amount with respect to the unlimited charitable contribution deduction.

The conferees agreed to the Senate amendment providing a 10-year carry-forward in the case of expropriation losses, but desired to make it clear in this case that the amount of any loss taken into account in determining a foreign expropriation loss is no higher than the taxpayer's adjusted basis for the property in question since the foreign expropriation loss must arise from a loss described in section 165 of the code or a bad debt described in section 166; in both of these cases the deduction allowed is limited to the adjusted basis of the property in question for purposes of the sale or other disposition of the property.

The House conferees resisted the Neuberger amendment, which would expand the area of application of the child care deduction in present law. The Senate conferees were able, however, to obtain an important concession from the House conferees in this respect, although not attaining the full Senate amendment. The Senate amendment would have made this child care deduction available in the case of working wives, and husbands with incapacitated wives, where the joint income of the two amounts to $7,000 or less, as contrasted to the income level of $4,500 or less under existing law. Under the conference agreement the income level will be raised from the $4,500 of present law to $6,000. In addition, under the conference agreement the maximum child care deduction where there are two or more dependents involved is to be $900. Under the Senate version the maximum deduction would have been $1,000 where three or more dependents are involved.

The Senate bill would have provided a deduction of up to $50 a year in the case of single persons, or up to $100 a year in the case of married couples, filing joint returns for political contributions to a candidate or a political committee. The House conferees were unwilling to accept this amendment largely because it was felt that this was a departure from prior practice in this respect, and that a change of this major significance should not be made without a full opportunity for hearings in both the House and the Senate.

For the remaining Senate amendments which were either modified substantially or deleted from the conference bill I would like to summarize the action taken by the conferees:

First. The Senate bill provided that a "face amount certificate company" was not to be disallowed a deduction on interest paid with respect to face amount certificates under section 265(2) of the code to the extent that the tax exempt obligations acquired do not represent more than 25 percent of the average of the company's total assets. The conferees reduced this percentage to 15 percent. In providing this treatment, it is not intended that interest on the face amounts certificates be denied because of investments in excess of the specified 15-percent level, if the taxpayer establishes that indebtedness was not "incurred or continued to purchase or carry" these excess obligations. Nor is it intended that any inference with respect to years before the effective date of this provision be drawn from the enactment of this provision.

Second. The Senate conferees accepted the House effective date of August 6, 1963, for the bank loan provision which denies an interest deduction in certain cases in the case of indebtedness incurred to buy life insurance under a plan contemplating the systematic borrowing of part or all of the cash value of the policy. The effective date under the Senate version of the bill was December 31, 1963.

Third. The Senate bill repealed the rule, adopted in 1962, which disallowed a portion of travel expenses for certain business trips which are combined with a vacation. The conferees agreed to this amendment insofar as domestic travel is concerned, but retained present law with respect to the foreign portion of business-vacation trips abroad.

Fourth. The House conferees, with slight modification, agreed to the Senate amendments relating to the stock option provision. However, exception was taken to a statement in the report on this bill of the Senate Committee on Finance to the effect that the use of a general term such as "key employees" is not a sufficient description of those eligible to receive options. The conferees, after having considered the matter, have concluded that the use of the term "key employees" should be considered a sufficient description of the class of employees among whom a board of directors, or other executive committee, of a corporation may select those to whom stock options may be granted. In addition, the bill provides that a qualified stock option plan must be approved by stockholders within a 12-month period before or after its adoption and must provide the aggregate number of shares which may be issued under options and the employees—or class of employees—eligible to receive these options. It is intended that the remaining requirements relating to the terms of options granted under the new provisions may be met in such options. Inconsistencies between the plan and the option should, of course, be removed, but a modification by the board of directors—or other executive committee of the corporation—under a power—express or implied—of the board, or committee, to modify the plan to conform to the requirements of law, will be sufficient. Granting period for the qualified stock options under these circumstances will not be affected by such modifications.

Fifth. The Senate bill contained an amendment which extended installment sales treatment—under which income is reported as the installments are received—to all revolving credit sales of personal property and to time payment charges associated with revolving credit sales. The conferees agreed to a modification of this provision which provides that installment sales are to include revolving credit type plans—and this term is defined—except that the term for this purpose is not to include any accounts which are used by the purchaser primarily as ordinary charge accounts. Regulations issued by the Treasury Department on this subject provide to some extent that revolving credit type plans are to be treated as installment sales. However, these regulations deny installment treatment to the portion of such sales coming under what is known as the "small sale" rule. This provides that if the aggregate sales charged during a billing month to an account under a revolving credit plan do not exceed the required monthly payment, then none of the sales during this billing month are considered to be sales on the installment plan. This amendment eliminates this rule. Instead, if the purchaser uses his account primarily as an ordinary charge account, such an account will not qualify for treatment under the installment method of accounting. One method of determining whether a purchaser is using his account primarily as an ordinary charge account which the Service ought to consider for this purpose to see if it is appropriate would be to determine whether the customer's aggregate revolving credit purchases during the year of the retailer, for all billing periods in which the account is completely liquidated by the first payment in a subsequent billing period, are more than one-half of his total revolving credit purchases for that year. In such a case, the customer would be considered to have used his account primarily as an ordinary charge account. This determination could, of course, be made by the taxpayer on the basis of a sample of accounts, rather than on the basis of a complete audit of all accounts.

Sixth. The House accepted the Senate amendment which provides that the year a taxpayer contests a tax or other liability he is, nevertheless, to be permitted a deduction for the item in the year for which he makes a payment, if this is earlier than the year in which the contest is settled. It is the understanding of the conferees that the new provisions relating to the timing of deductions, in certain cases where asserted liabilities are contested, do not affect the taxable year in which the taxpayer may deduct items of a nature which are properly accruable in a year before the year of payment.

Seventh. The House version of the bill contained a provision making an interest deduction available for carrying charges separately stated which represent purchases of services. The interest deduction in this case, as in the case of tangible personal property purchases under present law, may not exceed the carrying charge or, if lower, interest computed at 6 percent on the declining balance. The Senate had deleted this provision. The conferees, instead of extending this provision to carrying charges arising from purchases of services generally, extended it to installment payments for educational services, such as those for tuition, fees, and lodging.

Eighth. The House conferees agreed to a series of relatively minor amendments made by the Senate in the personal holding company provision. One modification in the provision, however, was not agreed to by the House conferees, and on this point the Senate conferees accepted the House provision. Senators will recall that certain favorable liquidation treatment is made available under the bill to a corporation which, had the new rules been applied "would have been" a personal holding company in one of 2 prior years. Under the Senate version of the bill, these 2 prior years had to be years ending before December 31, 1963. Therefore, for a calendar year corporation they had to be the years 1961 or 1962. The House version of the bill provides that these 2 years are to be the 2 most recent years ending before the date of enactment of this bill. Since this bill cannot be signed until the end of February or early in March, this means that in the case of a calendar year corporation the 2 years which would be taken into account in the House version of the bill are 1962 and 1963. In addition, the House version of the bill would also include a fiscal year ending on January 31, 1964. The Senate conferees accepted the House version of this date.

Ninth. The House bill provided for an increase in basis where an individual died holding stock of a foreign personal holding company. The increase in the basis of the stock in this case is the estate tax paid which is attributable to unrealized appreciation in the value of this stock. This aspect of the House bill, although deleted by the Senate, has been restored by the conferees. However, further provisions relating to liquidations of these foreign personal holding companies, together with the provision for an increase in basis where a decedent has held property distributed in such a liquidation, have been deleted.

Tenth. The Senate bill would have provided that any excess foreign tax credit which arises from mineral extraction, because of the percentage depletion allowance under U.S. law, may not be used to offset U.S. tax on income not related to mineral extraction or processing transportation or marketing of primary mineral products. The House conferees refused to accept this provision.

Eleventh. The Senate bill adds a provision which provides special treatment for old employees who are reimbursed for selling expenses and also for reductions in sales price attributable to the fact that they had to sell in a hurry. Under the amendment where these employees sell their old home because their employer moves them to a new location, these selling costs and reductions in sales price, to the extent reimbursed, are treated as proceeds from the sale of the house rather than ordinary income.

As a result, they would not be treated as ordinary income but would, to the extent subject to tax, result in a capital gain. The House conferees refused to accept this provision. They told us that the allowance of the deduction for moving expenses, for transportation of household goods, and so forth, already provided under the House bill for new employees, and employees who were not reimbursed, was adopted in order to place such individuals on the same basis as those who are reimbursed under present law. It was contended that now to permit these amounts relating to the sale of houses to be treated as sales proceeds, rather than compensation, would be giving another benefit to old employees who are reimbursed for which there would be no comparable benefit for others who are less fortunate in that they are not reimbursed, or are new employees. In view of these views, the conferees agreed to delete this provision from the bill.

Twelfth. Although the Senate made no change in the House amendment to section 1551 of the code, I should like to make a statement with respect to the amendment of this section relating to the disallowance of surtax exemptions. Under existing law, if a corporation transfers property other than money directly to a corporation which it controls and the transferee corporation was created for the purpose of acquiring this property, or was not actively engaged in business at the time of this acquisition, the Secretary of the Treasury or his delegate may disallow the $25,000 surtax exemption or the $100,000 accumulative earnings credit, unless the transferee corporation establishes by the clear preponderance of the evidence that the securing of the exemption or credit was not a major purpose for the transfer.

Thus, present law applies only to direct transfers of property other than money. The bill amends the section to include indirect transfers of property other than money. Cases have been presented to the conferees where a newly organized subsidiary—created by expanding, rather than merely changing the location of the business—in the ordinary course of its business purchases merchandise from a centralized warehouse maintained by the parent corporation. In such a case it is not intended that any surtax exemption or accumulated earnings credit be disallowed under the amendment where a major purpose of the separate incorporation was not the securing of an additional surtax exemption.

Thirteenth. Present law, in certain cases, provides head-of-household treatment; namely, a tax rate which is approximately halfway between that applicable to single people and the split-income rates applicable to married couples. This treatment is available where a taxpayer maintains in his houshold his children, or other relatives, who are his dependents or maintains a household—which may be apart from his—for his parents if they are his dependents. The Senate amendment would have modified this to provide head-of-household treatment not only for fathers and mothers who live outside the taxpayer's own home but also children and other relatives who are dependents. The head-of-household treatment is available so long as the taxpayer maintains a home for any of these persons whether or not it is his own home. The conferees decided to delete this modification of head-of-household status, in order to have the opportunity to study various possible modifications more carefully than would be possible in this bill.

Fourteenth. The House conferees accepted the Senate amendment which permits a deduction for losses occasioned by the seizure by Cuba of personal residences and other personal property. The Senate amendment treats these losses as losses arising from a casualty. This amendment was clearly intended to apply in the years 1959 and 1960 when most, if not all, of these expropriations in Cuba took place. However, through inadvertence when this amendment was offered, no provision was made for an effective date for the amendment, and as a result the amendment has only prospective application. To overcome this effective date problem it is expected that subsequently legislation will be presented to the Congress to make this provision effective for the taxable years ending after December 31, 1958. At that time, it will also be possible to consider more precisely the scope such a provision should have.

Mr. GORE. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. GORE. In the case of a taxpayer who owned a large home in Cuba, how, under present circumstances, would the fair market value of such property be determined?

Mr. LONG of Louisiana. Ordinarily, the taxpayer under this provision would get a deduction for what he paid for the house.

Mr. GORE. He may have purchased the house 10 or 30 years ago.

Mr. LONG of Louisiana. That means he would be limited to the price he paid 30 years ago. That is the rule on expropriated property, it is limited to what he actually invested at the time unless this is less than its fair market value.

Mr. GORE. But the property might be worth only a fractional sum of what he paid originally—or what it was imagined to be worth 30 years ago and what may be a fair price now.

Mr. LONG of Louisiana. The Senator may be correct, but he is asking me what the law is. My understanding of what the law will be in this case is that a person whose personal property has been expropriated gets whatever figure is lower—what he paid for it or what the fair market value is.

The lower of the two figures is the one which the person is able to claim.

Mr. GORE. What I am asking the Senator, really, is with respect to the workability of the provision. Obviously, there is no point in the Senator's and my arguing the advisability of this special provision. There is a real question, however, as to how a fair market value can now be determined in Cuba.

Mr. LONG of Louisiana. The burden is on the taxpayer to establish it. The problem is not an entirely new problem. We had to deal with it in foreign claims legislation in years gone by. Thus far, there has been very little contention made that we have not been able to arrive at a fair market value of the property taken, even though in some respects, I am sure, the responsible agency of Government, whether it was the tax collector in one case, or the Foreign Claims Commission, in the other, had to do the best it could with the information available to it.

Mr. GORE. Would the Senator have any estimate of the number of private residences involved in the amendment, and their approximate tax consequence?

Mr. LONG of Louisiana. The amendment in question is prospective. That was not the intention. However, that is how it stands at the moment. So far as I know, there are none now, because the Castro government has seized everything in Cuba, and that was done in previous years. Therefore, we shall have to have a second look at the subject when legislation is passed to implement what we thought we had done.

As the Senator knows, the amendment was originally offered by the Senator from Delaware. Of course he had in mind including those who lost their homes in 1959 and 1960. By inadvertence, he failed to place an effective date in the amendment, with the result that the legislation will have to be amended to give relief to a person whose home has been taken.

I do not know how much would be involved or how many homes would be involved. The person who made the claim would have to be a resident of the country or a U.S. citizen.

Mr. GORE. He does not have to be a resident of the country. If he is a citizen of this country, even though he be a bona fide resident abroad, he would still be entitled to the benefit.

Mr. LONG of Louisiana. I believe I said that. I believe I said he would have to be a resident of this country or a U.S. citizen.

Fifteenth. The Senate took to conference an amendment which would have provided that insurance proceeds received as a result of the destruction or damage to crops may be reported for income tax purposes in the year following the year of destruction or damage if the taxpayer satisfied the Secretary of the Treasury that the income from the crop would not under normal circumstances have been reported until the later year. This amendment was not agreed to by the conferees. The House conferees felt since this bill already contains a general averaging provision that if this resulted in real hardship the general averaging provision would be likely to give relief in cases of this type. It was also suggested that it would be particularly unfortunate to, on the one hand, adopt the general averaging provision in order to do away with special averaging devices, and then in the very same legislation add a new special averaging device.

Sixteenth. The Senate took to conference two amendments offered by the Senator from Alabama [Mr. SPARKMAN] relating to disabled persons. The first amendment provides a deduction of up to $600 for transportation expenses of going to and from work for a taxpayer who is disabled to such an extent that he cannot use public transportation facilities. The second amendment provides an extra $600 exemption for a disabled taxpayer or a disabled spouse. For this purpose a disabled individual is one who is under a permanent physical or mental disability which can be expected to render the individual involved unable to engage in any substantial beneficial activity. These amendments were not acceptable to the House conferees. It was pointed out that we had held no hearings on these amendments and that if aid for disabled individuals were to be provided it was not clear that these would represent the most desirable forms of aid to provide. It was pointed out, for example, that the extra $600 exemption for disabled taxpayers would be unlikely to do them much good unless they had investment income, since the disability must be sufficient to render them unable to engage in any substantial activity. In view of these considerations, your conferees were unable to retain these amendments in the bill as agreed to by the conferees.

Seventeenth. The Senate took to conference an amendment which would permit the Secretary of the Treasury to grant a claim for refund of taxes paid for gasoline used on farms where the claim is filed after the period specified by law—namely, June 30 to September 30—if the claimant can establish to the satisfaction of the Secretary good cause for failure to file a timely claim. The House conferees were unwilling to take this amendment in this bill since this deals with an excise tax question and they believed that excise tax issues should await later consideration. This, of course, also is generally the policy we followed here on the Senate floor, although we did not adhere to that policy in this case since this did not involve a rate reduction.

Eighteenth. The Senate took to conference a provision allowing a double investment credit for facilities or equipment purchased or acquired to control water or air pollution. This double investment credit means that such equipment or facilities would receive a 14-percent investment credit, instead of the usual 7-percent credit. The House conferees would not agree to this amendment. They questioned whether there had been adequate consideration of this provision and also expressed doubt as to the desirability of providing tax benefits for the acquisition of specific types of equipment or facilities regardless of how desirable the facilities or equipment might be.

Mr. CARLSON. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. BREWSTER in the chair). Does the Senator from Louisiana yield to the Senator from Kansas?

Mr. LONG of Louisiana. I yield.

Mr. CARLSON. As has well been stated by the Senator from Louisiana, who handled the bill in the Senate, in the committee there was no disposition to be opposed to the amendment in regard to the expenses of transportation of the disabled, as such; but in the committee we felt—and the Treasury felt the same way—that we should look into this matter; I do not think I am betraying a confidence when I make this statement. So I hope that some day Congress will legislate in this field.

Mr. LONG of Louisiana. I thank the Senator very much.

Mr. SPARKMAN. Mr. President, will the Senator yield at this point?

Mr. LONG of Louisiana. I yield to the Senator from Alabama.

Mr. SPARKMAN. I would like to ask a question on the amendment that is brought forth in the report an page 55, amendment No. 201. That is the amendment that would have allowed additional personal exemptions for disabled persons who incurred expense because of the necessity of having to afford unusual transportation.

This amendment was taken to conference. I realized at that time, and I so stated frankly on the Senate floor, that I did not have the Treasury's estimate as to what the cost would be. However, I was aware, when the figure was submitted to the conferees, that it appeared to be too large for absorption, particularly in view of the fact that neither the House committee nor the Senate committee had made a study of this provision. That was the reason why it was dropped; was it not?

I know the custom of the Treasury as well as I know the custom of any other Government agency in regard to making estimates. The estimates are made usually on the assumption that every disabled person who was working and who came under this category would claim the exemption up to the full amount of $600, which of course greatly inflates the cost.

I cannot quarrel with the conferees, since they had not had an opportunity to go into this study carefully, but I ask of the Senator from Louisiana, representing the Finance Committee, that it continue to give consideration to this subject. I believe it is a good provision. We already have special provisions for certain classes. I believe that this class is highly deserving; and I hope that the subject will be studied and that a careful estimate will be made as to what the loss of revenue would be. I hope the Senator is in a position to assure us that this provision will not be dropped, but that it will receive attention from the Finance Committee.

Mr. SPARKMAN and Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Louisiana yield?

Mr. LONG of Louisiana. Mr. President, I am sure the Senator from South Carolina has the same interest in this matter, and I would like to yield to him before I yield to the Senator from Alabama, because the Senator from South Carolina was a coauthor.

Mr. JOHNSTON. I was a coauthor of the amendment. In this particular instance, I was interested in the feature with respect to the taxpayer who is totally and permanently disabled. Instead of having an exemption of $600, he should have an exemption of twice that amount, or $1,200. That is the main part of the amendment in which I was interested. As the Senator from Louisiana knows, a taxpayer who is blind or a taxpayer who is 65 years of age or over receives an extra exemption of $600. I could not understand why this proposal was stricken out. We voted twice—first on the amendment which the Senator from Alabama was discussing, and then on the amendment I am discussing.

I hope that something will be done in the near future for the taxpayer who is totally and permanently disabled. I think it will be found that most of them have little income, and a large majority have no income and pay very little income tax.

Mr. LONG of Louisiana. I thank the Senator. As the Senator from Alabama and the Senator from South Carolina know, I have much sympathy with what they are seeking to accomplish. The House conferees made much of the fact that the Senate had had no opportunity to study the proposal and conduct hearings on it. The chairman of the House conferees made the point that his committee proposes, when possible, to conduct hearings in the general field of disability and undertake to provide relief for the more meritorious cases. Whether the totally and permanently disabled persons would constitute the most meritorious type of case, the House conferees are not willing to commit themselves.

I am in sympathy with the amendment. I hope that at the appropriate time, in the not too distant future, hearings may be held on this subject, and that the general field of disability will be considered, to learn what additional relief might be accorded. The House conferees made no commitment as to when the House committee would consider this subject; but I am satisfied, from my understanding of the disposition of Members of the House, that there is a firm determination to consider this problem eventually. When that will be, I do not know.

The Senator from Alabama and the Senator from South Carolina have many times initiated action on important measures dealing with small business, veterans, low-cost housing, and other activities of that sort, both in the general legislative field and in the tax area. I welcome their efforts in this field, because I am sure they will be productive, eventually, of relief along the lines they are suggesting.

Mr. SPARKMAN. I appreciate the manner in which the Senator from Louisiana has handled the matter. I believe that the Committee on Finance will, at the first opportunity, give most serious consideration to this provision.

Mr. LONG of Louisiana. I thank the Senator from Alabama. I appreciate the support which he gave to the bill. I am sorry we were not able to bring his amendment, or at least some portion of it, back from conference. I am satisfied that if he will persevere in this area, as I am sure he will, his efforts will not be in vain.

Mr. BEALL. Mr. President, will the Senator from Louisiana yield briefly, in connection with an amendment which is not included in the report?

Mr. LONG of Louisiana. I yield.

Mr. BEALL. Mr. President, before we take final action on the Conference Report, I should like to bring to the attention of the Senate and of the Floor Manager a matter relating to the administration of our tax laws. Over a period of years, I have received numerous complaints from taxpayers regarding inconsistency in the handling of income tax returns. Many of my constituents have written that returns which have been audited and accepted over a period of years are subsequently rejected, although no substantial change has occurred.

Recently, my attention was directed to a case involving depreciation rates. Let me illustrate by citing the experience of one Maryland corporation. The corporation's returns for the years 1952–53 and 1954 were examined; and in the report, dated January 20, 1956, no change was made in rates of depreciation. Thus, the rates applied by the corporation were accepted. Subsequently, the returns of the same company for the years 1960 and 1961 were examined; and in the examiner's report, dated May 24, 1963, the rates of depreciation were changed on the apartment buildings from 4 percent to 2 percent, or from 25 years to 50 years; and the rates on equipment were changed from 6⅔ percent to 4 percent, or from 15 years to 25 years. This was in spite of the fact that the original rate had been approved for all years prior to 1960.

This depreciation case, it seems to me, reflects procedures contrary to our intention in the enactment of the tax laws. Mr. President, I believe that a taxpayer should have some assurance that the rulings of the Internal Revenue Service will be binding and applicable to future returns.

The enforcement of our tax laws is expensive to both the Government and individual taxpayers. I hope the Internal Revenue Service will look into this matter and will adopt procedures by which taxpayers can be sure of some finality in decisions rendered affecting individual tax returns.

Does the Senator from Louisiana wish to comment on that point?

Mr. LONG of Louisiana. Mr. President, I do not believe this matter was in conference.

I have great sympathy with the statement of the Senator from Maryland in connection with this matter, and I hope very much that perhaps at a future time we may find some way by means of which we can legislatively require more definiteness and more consistency in the rulings of the Internal Revenue Service. I have not been able to find a way in which to correct that situation, but I invite the help of the Senator from Maryland in that field. Businessmen are entitled to know where they stand.

Mr. BEALL. I feel that the rulings and decisions should be consistent.

Mr. LONG of Louisiana. I agree with the Senator. I hope he will give us his best advice as to ways in which we can meet that situation in the future. I, myself, have received similar complaints.

Mr. BEALL. I thank the Senator from Louisiana.

Mr. LONG of Louisiana. I thank the Senator from Maryland.

Mr. RANDOLPH. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. RANDOLPH. The Senate conferees receded on an amendment which was adopted by the Senate and had to do with water pollution or air pollution, in the sense that facilities or equipment to control water or air pollution would have qualified for a credit against income tax twice the amount determined under the section of the code relating to investment in certain depreciable property.

The Senator from Louisiana will recall that a yea-and-nay vote was not taken on this Senate amendment; but the acceptance of the amendment by the Senate, together with the fact that it was sponsored by approximately 25 Senators, indicated that the matter was considered to be of very great importance.

Frankly, I feel that the conference report should have included the provisions set forth in amendment No. 203, as adopted by the Senate.

Let me ask: What was the discussion on this amendment in the conference committee, and what was the reasoning of the committee concerning this amendment?

Mr. LONG of Louisiana. Mr. President, the position of the House conferees was that this is a very large subject, and undoubtedly will be dealt with in the field of legislation, both in connection with authorization bills and appropriation bills, and perhaps tax bills. But the view of the conferees was that this matter had not been studied by either the Senate committee or the House committee; and the House conferees felt that the matter should be studied in greater detail and in connection with other measures which undoubtedly will be enacted by Congress in order to seek to provide some correction of the pollution situation which exists in the country.

I agree with the Senator from West Virginia that Congress should act in this field.

Mr. RANDOLPH. Then I understand that I can be assured—as other Senators who also are interested in this subject would wish to be assured—that the conferees do consider this to be an important problem.

Our Special Subcommittee on Air and Water Pollution of the Committee on Public Works has been finding the existence of conditions which, in some instances, are tragic.

Last week we investigated a situation in which we found that in one county in one State there were 30,000 less head of livestock than there had been just 6 or 7 years ago; and it was said this condition is due to certain industrial acids polluting the air.

We do not allege or imply that the industries concerned are not trying to correct this situation. In fact, many of them are spending millions and millions of dollars to do so. However, the problem and its implications are very complex and very important. I understand that the conferees feel that this whole pollution problem is a matter of concern for the Congress to approach again in the very near future. Is that correct?

Mr. LONG of Louisiana. So far as I know, this is the first time this matter was presented to those who serve on the House Ways and Means Committee. So far as I know, they were not satisfied that this is the best approach to the matter. But the Senator from West Virginia himself is well aware of the fact that even those who initiate a proposal sometimes see it eventually become law with the name of some other sponsor placed on the law as the chief sponsor, and perhaps with a Member of the House as the sponsor, because revenue measures must originate in the House.

As I have said, although the House conferees did accept the great majority of the Senate's proposals, yet in view of the fact that our committee had not had an opportunity to conduct hearings on this subject and the House committee had not conducted hearings on it, the House conferees were not willing to accept this amendment.

But I have no doubt that we shall make headway in this field, and that this approach will be considered again, and that sooner or later the House will either send us a measure dealing directly with this field or will accept a tax approach in line with the one the Senator from West Virginia has joined in sponsoring.

Mr. RANDOLPH. I thank the Senator from Louisiana for the explanation he has given.

It is gratifying that this matter was discussed in the conference. This problem must be met. Ample tax credit should be accorded industries which are attempting to accomplish pollution abatement by making huge capital investments in facilities and equipment which do not add value to goods produced, and the costs of which must be absorbed in production expenses.

Mr. LONG of Louisiana. I thank the Senator from West Virginia; and I join in his expression of hope that this effort will lead to constructive action on a private-enterprise basis. So far as I know, this is the first time an amendment dealing with pollution control has been before the Finance Committee.

Mr. CARLSON. Mr. President, I do not wish to detain the Senate. However, in view of the unanimous-consent agreement that was reached earlier today, this is the only opportunity a Senator has to express his views on the conference report on the tax bill, inasmuch as a vote will be taken almost immediately after the session convenes tomorrow.

As a member of the conference committee I signed the conference report. We are all indebted to the distinguished Senator from Louisiana [Mr. LONG] for the fine way in which he handled the bill on the floor of the Senate and also in the way in which he assisted in writing the report of the committee.

I shall vote for the conference report because I believe taxes, both personal and corporate, are too high.

I question very seriously whether the bill as it now stands will make a lasting and strong impact on unemployment. To cut taxes at a time of heavy budgetary deficits and an increasing rate of spending may temporarily produce favorable results in the economy, but it seems to me in the long run it will prove self-defeating.

I fully realize there is a difference of opinion as to whether an effective tax reduction should aim to strengthen consumer purchasing power or whether our tax laws should be so written as to provide additional incentive for investment in industrial plant expansion.

When we look at what has happened since 1956—when the rise in unemployment started and which is still plaguing us—we find that the lag was not in personal consumption—it was not in personal income and it was not in labor income, which has continued to increase. During that period corporate profits actually declined, as did expenditures for new plant and equipment if converted into constant dollars.

I am fearful that the substantial tax reduction we are giving consumers—which I favor—will not greatly expand our industrial growth.

The second reason why I believe we may not receive beneficial results from this tax reduction is the ever-increasing rise in the Consumer Price Index. Last year the Consumer Price Index rose 1.7 percent. The increase was somewhat greater than in 1961 and 1962, though about equal to the advances registered in the 2 preceding years.

Some economists have stated that a 2 percent rise in price spread throughout the economy would wipe out all the increased demand that the tax cut is designed to create. We cannot ignore the threat of inflation. If inflation worked out evenly, there would be a proportionate income tax and capital levy on rich and poor alike. It never works out evenly, but falls on those least able to protect themselves.

I do not want to appear as a prophet, but neither do I want to vote for this conference report without stating that in my opinion, it will not greatly reduce unemployment. It will bring about increased costs to the consumer and thereby greatly reduce the benefits of the proposed cut.

If this tax cut fails to greatly reduce our unemployment, next year we will be confronted with demands for expenditures of billions of dollars for public works, which will result in further fiscal irresponsibility.

As I stated in the beginning, I am voting for this conference report because I believe both personal and corporate taxes are too high, but I have no illusions of the effect on our Nation's economy.

Mr. McCLELLAN. Mr. President, during the debate on the tax reduction bill, I offered an amendment which would have related a tax cut to a limit on Federal spending. Although the amendment failed of passage, I remain convinced that the problem of Federal expenditures and budget deficits is one of the most serious domestic problems confronting the United States today. In the February 18 issue of the Wall Street Journal, the lead editorial discussed this problem and suggested that Congress set a dollars and cents limit on what can actually be spent in a fiscal year. The editorial also pointed out the necessity for relating spending legislation to taxing legislation. I ask unanimous consent that this editorial be inserted in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HAVING IT BOTH WAYS

Federal budget projections are by nature highly conjectural: No one can claim to know whether President Johnson will succeed in holding spending to the slightly less than $98 billion he estimates for the next fiscal year. But even with grim determination on his part, congressional procedures are so sloppy that anything can happen to the fiscal guesswork.

Congress is much criticized these days for alleged lethargy; actually, the speed with which it is now acting on taxes and civil rights shows the charges are largely misdirected. In the way it handles the people's books, however, criticism is justified; Congress is woefully delinquent.

As a new study by the Tax Foundation, called "Controlling Federal Expenditures," observes, the present system permits the lawmaker to have it both ways. He can be in favor of economy in theory and still vote for particular spending authorizations "without having to face, in a clear-cut fashion, the overall fiscal consequences of the total of all of these actions."

Now if the men on Capitol Hill are determined to spend like crazy no matter what, then it is fairly idle to talk about improving the procedures. In fact, the situation isn't all that bad. Even in the chaotic circumstances that prevail Congress carved a respectable sum out of the appropriations requested for the current fiscal period. Setting up a better system could certainly be expected to aid that effort.

Unfortunately, as it is now, reducing requested appropriations is not the equivalent of controling expenditures. In part the trouble is that many appropriations cover not only the fiscal year in question but run into later years as well. This is more or less unavoidable, because some items—a weapons system, for example—take more than a year to develop.

That necessity should not leave Congress powerless to control spending. A simple and perfectly feasible corrective would be for Congress to set a dollars-and-cents limit on what can actually be spent in a fiscal year. Such a change, in turn, would require Congress to review the budget as a whole; to determine, among other questions, what is the cost impact of defense in relation to welfare spending.

What other changes could be made for better money handling?

The legislators could and should put an end to so-called backdoor financing, the procedure which lets Government agencies spend public funds without benefit of the appropriations committees. You might suppose this improvement would appeal to the members of Congress, who are ordinarily jealous of their prerogatives.

And despite that understandable attitude, Congress should finally consider giving the President the privilege of item veto. Through that device he could strike out particular parts of an appropriations bill, instead of having to veto the whole measure if he objects to any portion of it. The item veto could make an important contribution to the so far unsuccessful war against the pork barrel.

Not least, Congress should relate its spending legislation to its taxing legislation. The relationship seems so elementary that it is little short of incredible to find the lawmakers exercising each function as though it were in a vacuum.

These are by no means all the possibilities that have been suggested, but they indicate how much more Congress needs to do to inaugurate a rational accounting system. Like much else in Government, the present system, or lack of one, just grew haphazardly through the years, without anyone really trying to pull the whole thing together.

When the Federal Establishment was spending only a few millions a year—except for one Civil War year, 1917 saw the first budget over a billion—the fiscal sloppiness did not matter so much. In an era of $100 billion budgets, it matters a great deal.

The lawmakers may enjoy being in favor of economy in theory and extravagance in practice. But it is grossly unfair to the citizens who have to foot the bill for wasteful bookkeeping.

Mr. McCLELLAN. Mr. President, while I have been gratified at the President's efforts to achieve economy in Government, I have serious reservations about the fiscal year 1965 budget which was submitted recently. Mr. Lloyd Morey, former State auditor of Illinois and professor of accounting at the University of Illinois, analyzed the 1965 Federal budget in the February 16 issue of the Chicago Tribune. I share some of many of Mr. Morey's apprehensions, and I feel that the Members of this body would profit from a reading of Mr. Morey's analysis of the budget. I ask unanimous consent that his article be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE 1965 FEDERAL BUDGET

POMPANO BEACH, FLA., February 11.—The American people have just been presented with a financial program for their Federal Government for the fiscal year 1965, beginning next July 1. The words "frugality," "austerity," "economy," and "realistic" have been used frequently in describing it. It is said to represent a heavy cut in spending. Do the facts justify these claims?

Appropriations are requested for expenditures totaling $97.9 billion. This is commended as being $900 million less than requested for fiscal 1964. But to date Congress has appropriated only $92.4 billion for this year. Hence, the new budget is $5.5 billion greater than current spending authority. The President says he estimates the expenditures for this year to be $98.4 billion. But if this is the case, the added sum must come from balances carried over from previous years, unless Congress makes additions.

Actual expenditures in fiscal 1963 were only $92.6 billion. The requested budget is $5.3

billion more than it took to run the Government the last completed full year. True, there are several areas where reductions are indicated. But in several of those, including defense, the request is for more than was actually required in 1963 or appropriated to date for 1964. These reductions are largely offset by increases elsewhere; for example, space operations, public works, education, welfare, and, of course, interest, because debt will increase.

Actually, the drastic cutting of the budget is mainly in the requests of agencies, and not in current costs. The total is only a little less than the current scale of spending, and more than currently appropriated. The public is asked to believe that a substantial reduction has been made because the final budget is less than the earlier forecast of $100 billion.

Revenue is estimated at $93 billion. This is $6.6 billion more than in the last completed fiscal year 1963 and $4.6 billion more than now estimated for 1964. It faces a $11 billion tax cut for calendar 1964. The original budget for 1963 estimated revenue at $93 billion, although actual revenue was only $86.4 billion. To expect $93 billion in 1965 seems highly optimistic.

Again there is an expected deficit in the midst of unprecedented national income, consumer spending, savings, and general prosperity. A balanced budget is not accomplished. Its chances are decreased by a tax cut when people generally are able to pay and when the Government needs the money, all in the uncertain hope of increased prosperity.

The deficit is praised because it is less—$1.4 billion under 1963 and $5.1 billion under what the President says he expects to spend in fiscal 1964. But it is only $900 million less than the deficit in the 1964 budget as it now stands. If the current estimates or revenues are no better than those in 1963, the 1965 deficit may be much greater than the present, or as now anticipated for 1965.

The budget is, indeed, a small step in the right direction. If it works out. But the revenue estimate is extremely shaky, and expenditures are rarely as low as estimated. Hence, we are likely to wind up worse off than we are now. In any event, there is another big deficit, more debt, and the likely prospect of more inflation and higher living costs. The most desirable goals—a balanced budget and debt reduction—are again postponed to the distant future.

There is little here to justify the claims of economy and fiscal progress. There is a great deal to provoke disappointment and anxiety. There is every reason to call for continued effort by individual taxpayers and citizens' organizations to insist to Members of Congress on further curtailment of Government costs, and to cease protesting when cuts are proposed which affect their communities and activities.

LLOYD MOREY.

Mr. McCLELLAN. Mr. President, the February 17 issue of the Arkansas Democrat contained an editorial dealing with the issue of taxes and spending. The editorial raises some timely questions. I ask unanimous consent that it be inserted in the RECORD, at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WILL LASTING ECOOMY JUSTIFY TAX CUT?

Near now to the tax-blistered citizen is the ointment of a $11 billion cut in Federal income taxes on individuals and corporations. The bill, OK'd by both Houses, has gone to a conference committee for ironing out differences in the two measures.

When that's done, the two Houses must pass the committee's work. This should cause no great delay—unless the conference bill should foul up in a Senate wrangle in the civil rights bill, which the House has passed. A Senate filibuster against the rights bill, perhaps for weeks, seems virtually sure.

However, parliamentary tactics may hold up the rights bill in the Senate—which is 90 percent a wrongs bill—till the tax-cut measure is passed.

President Johnson gave the tax cut its winning stride in the Senate with his economy budget and his promise of further savings. It will take some lively doing on his part to make economy stick.

He'll have to watch the Federal bureaucracy like a Scotch terrier studying a rathole. And he has a throng of foreign and domestic problems to distract his attention.

Add to that his own grist of proposals for larger spending. Add also the demands of pressure groups and the bias for spending of many Congressmen. It all stamps a tall question mark on continued economy, which must go with a tax cut if it isn't to be more fuel for inflation.

Mr. McCLELLAN. Finally, Mr. President, in the February 21 issue of the Arkansas Democrat is an article by Karr Shannon entitled "Tax Cut, Deficit Spending Will Down Dollar's Value." I ask that excerpts from that article be inserted in the RECORD at this point as a part of my remarks.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

TAX CUT, DEFICIT SPENDING WILL DOWN DOLLAR'S VALUE

(By Karr Shannon)

Congress has passed the Kennedy-Johnson tax cut proposal, while permitting deficit spending to continue. This means the buying power of the dollar will continue downward. James Daniel predicts in the Reader's Digest, February issue, that the dollar value will dwindle at the rate of 1½ percent per year from here on out. He says the increase in cost of living will wipe out the tax cut savings of many people.

President Johnson's * * * budget provides for spending $97.9 billion in the fiscal year beginning next July 1, but the same budget indicates that the President will ask for an additional $4.2 billion in supplemental appropriations. Deficit spending will run to $5 billion or more.

His budget message to Congress was as full of optimism as a seed catalog. He discoursed at length on "economy and progress" and his "war on poverty." He glorified his vast welfare programs along with rosy predictions of an economy braced with an $11 billion tax cut. But in this avalanche of figures and outpouring of contradictions, he gave no estimate as to when he expects to balance the budget.

He offered no plan for reducing the national debt by 1 red copper, but estimated that the debt would increase to $317 billion in the next fiscal year. This means that, despite the tax cut, deficit spending and borrowing will go on and on, speeding our destination down the road to ruin.

It is reliably reported from Washington that interest on the national debt next year will reach the staggering figure of $11.1 billion. That is, we'll be paying an average of $1,267,080 per day for interest—nothing on the principal. This runs to $21,119 per minute. It's horrifying.

* * * * *

Mr. McCLELLAN. Mr. President, I voted against the tax bill, not because I do not think taxes are too high. I do. But I think spending is higher than taxes, and we ought to start to reduce spending, first. Let us reduce expenditures to the level of taxes, and then cut both.

Mr. GORE. Mr. President, the Senate approaches the final procedure of enactment of an unfair, an unsound, and an unwise tax bill. If it could be successfully argued that such a bill would solve so much as one of the pressing problems of our society, then perhaps one could in good conscience consider supporting it. The bill will not solve one single pressing problem of the American people. True, it will provide tax reduction for many, but only a very small reduction for the very many, and a very large reduction for the very few.

Much has been said in the last 2 days about how take-home pay will be increased soon by the enactment of the bill. Let those who dwell upon this contemplate that for the average working man or woman, the increase in take-home pay will be only 4, 5, or 6 percent—a small percentage increase, of small amounts. But for those with high taxable income, the increase in take-home pay will run to as high as 100 percent—indeed, to as high as 134 percent, a high percentage increase of large amounts. It appears to me that this is most unfair.

Mr. President, I wish to advert to the pressing problems of our society. What are those problems? Is it for greater productive capacity for automobiles, or for better education? Is it for more skyscrapers, or for more hospitals? Is it for increasing after-tax income, doubling after-tax income for those in the high income brackets, or the provision of jobs for those who are without jobs and without income?

The bill makes no contribution to education, no contribution to hospitalization. It makes only a doubtful contribution, if any at all, to the alleviation of unemployment. It makes no contribution to slum clearance, to the elimination of stream pollution, to mass transportation, to the completion of our highway system.

What will the bill do? It will increase the deficit. Its enactment will require the Government to sell bonds, thus increasing the public debt in order to give tax reductions, and this, Mr. President, at a time when this country is enjoying the highest prosperity in its history. Statistics have just been released for the last quarter of 1963. They show that the gross national product leaped upward by more than $11 billion. Yet we proceed to enact a bill to insure against recession in 1964.

There are times when it may be advisable to have deficit financing. There have been times when I have urged it. I am not one who thinks we should balance the budget on every and all occasions. Conversely, however, I am not one of those who thinks we should never have a balanced budget.

What will the bill do? Instead of solving any of our pressing social problems, this measure provides for a permanent reduction in governmental revenue, a permanent reduction in the percentage of the gross national product which will go into Government revenue. It will, therefore, permanently impair the capacity of the Government to provide solutions.

Of course, I know it is said that if we reduce taxes, governmental revenue will increase. Mr. President, with the growth the country now is enjoying, governmental revenue may very well increase after the enactment of this measure, but not as a result of it. Governmental revenue would increase far more without the enactment of this measure. Indeed, the statistics for the last quarter of 1963 indicate that we may be in a period of expansion in which, without the enactment of this measure, the budget could be balanced in the next fiscal year—and even more, we could also have a surplus, to be applied either to retirement of the debt or to alleviation of the specific problems to which I have referred.

But, Mr. President, this battle has been lost, although I did the very best I could to convince the Senate of the error of this bill.

We come now to the final act—the question of agreeing to the conference report. I shall vote against acceptance of the conference report. I could not in good conscience vote for adoption of the report, which, I repeat, is unfair, unjust, undemocratic, unwise, and unsound.

Even so, Mr. President, I wish to say a word of commendation of the Senate conferees. I think they acted as agents of the Senate, and did so conscientiously and dutifully. I know the Senate conferees vigorously supported positions taken by the Senate on which they had previously, as individual Senators, taken an opposite position. That is true of the distinguished senior Senator from Virginia [Mr. BYRD], the chairman of the committee; and it is also true of the distinguished junior Senator from Louisiana [Mr. LONG], who managed the bill on the floor of the Senate. Indeed, I believe it to be true of every one of the Senate conferees, in one case or another. This is an improvement, Mr. President, over the action of some Senate conferees on some bills in previous years; and I am glad to see it.

Although I am keenly disappointed that this measure is to be enacted into law, I take some small consolation from the fact that the conference report contains, in modified form, three amendments which I offered either in the committee or on the floor of the Senate; and also contains a fourth Senate amendment which I was instrumental in having adopted, and on which a separate vote was taken by the Senate; and also contains a fifth amendment—that on stock options—which I am constrained to believe may have flowed in part from a 3-year fight I have waged on this provision of tax preference.

Let me refer to the three amendments in this measure which I offered.

I refer first to the amendment limiting the so-called unlimited charitable deduction for contributions to private foundations. The Senate conferees undertook to persuade the House conferees to accept the amendment as it had been approved by the Senate Finance Committee and adopted by the Senate itself. Our conferees found it necessary to compromise. I do not think the compromise version goes as far as it should. Indeed, I did not think even my amendment went as far as it should. But the compromise is a significant first step in the surveillance by the Treasury Department of private foundations and trusts; it is a significant first step in what I hope will be the ultimate correction of this provision of gross tax abuse.

Mr. President, I suggest that if it be sound—as both the Senate conferees and the House conferees now recommend to us—to hold that a private foundation which serves either the personal interest of a taxpayer or the interest of his descendants is not eligible for an unlimited charitable contribution deduction, why should such a foundation be eligible for the 30-percent ceiling on the deduction for so-called charitable contributions? Is it charity, Mr. President, when a rich taxpayer receives a tax deduction for a contribution to a foundation from which either he or his children or his grandfather receives large benefits, and sometimes almost the entire benefit? So, Mr. President, I am suggesting that we have made a good first step; and we need to make many more.

I am also pleased to note that after a discussion of this subject, which I raised in executive session of the Senate Finance Committee, the Senate Finance Committee unanimously adopted a resolution directing the initiation of a thorough going study, by the Treasury Department and by the committee of foundations.

Building upon that first step, and benefiting by the studies which are to ensue, perhaps there is hope that we can move yet more beneficially in this field.

A second amendment which I offered in the committee is now in the conference report, though again in modified form. I refer to the limitation upon the benefits from employer contribution to group term life insurance which can be tax free to the employee. I shall not dwell on that point at length. Suffice it to say that under present law, there is no limit. The Treasury told us of instances in which officers of corporations were beneficiaries of insurance policies running as high as $900,000, the benefit being tax free to them.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. LONG of Louisiana. I am sure the Senator would like to have the limit below $50,000, but the Senator recalls that at one time in the committee he himself offered the $50,000 figure as a compromise between the Senate and the House.

Mr. GORE. I thank the Senator. That is true. I thought the $50,000 limit was too high. But I thought some limit was better than no limit. My amendment placing a $50,000 ceiling on the policies was at one time adopted in the committee. The following day the amount was raised to $70,000. The conference has brought back the figure of $50.000.

The provision is a new form of compensation which, by the enactment of the conference report, will be recognized in law. That compensation will be tax free to the extent of the premiums on policies with a limitation of $50,000. The Treasury recommended a ceiling of $5,000. So Senators can measure the result achieved in that regard.

The third amendment which I offered that appears in the conference report in modified form relates to the preferential tax treatment of income earned in foreign countries. That provision has been the subject of another long fight.

In 1962 about 50 percent of the goals which I had sought were enacted into law. The provision in the pending bill is but a small improvement upon those. The pending conference report deals only with tax exemption of personal income earned abroad. The bill enacted in 1962 dealt with corporate taxes on income earned abroad as well as personal income earned abroad.

I should like to compliment the conferees particularly upon securing adoption of the Senate position on capital gains. That feature of the report represents no improvement on present law. It represents no tax reform. Many types of income are now considered as capital income which in my view should be considered ordinary income. In my view the capital gains rate in present law is too low. But the House of Representatives had made a drastic reduction in the already preferential treatment of capital gains income. That was the worst single provision in the bill as it came to the Senate.

The junior Senator from Louisiana [Mr. LONG] earlier referred to the fact that we had a separate yea-and-nay vote on the amendment earlier this year. That was a move which I sought, and we struck out the House provision by a vote of more than 2 to 1.

At this point I believe it should be stated that less than half of the conferees representing the Senate had voted in favor of the Senate position on the floor of the Senate and in the committee.

But, Mr. President, to the credit of the Senate conferees, they were agents of the Senate and the position of the Senate, and unanimously supported the Senate position. That I appreciate. It was an important victory for the Senate. However, as I have said, the provision will merely hold what we have in present law, though not quite. We should have been going in the other direction, removing from preferential capital gains treatment many categories of income which are not true capital gains at all, but more realistically ordinary income.

I have already alluded to the provision in the bill relating to restricted stock options. Though it is not as much as I had sought, nor as much as I shall continue to seek, in my opinion it will go a long way toward curbing the abuse of that provision of the tax law. The restricted stock option for key employees of corporations is compensation as truly as is the salary or the bonus. Therefore, to set that particular form of compensation apart for specialized and preferential tax treatment is an unfair provision of the law.

Mr. President, on tomorrow the final vote will be had, and the bill will then go to the President to be signed into law. Before the vote is taken, let it be noted that the gross national product is now, according to statistics just released, growing rapidly. We are at a peak of prosperity. Lest the advocates of the bill claim that further growth, which is now clearly indicated with or without the bill, will flow from enactment of the bill, I want the record to show the rate of growth which we are now enjoying. But let the record show also that, while this rate of growth is being achieved, we have the paradox of much unemployment—prosperity and poverty together—unemployment and record production, want and wealth side by side.

It may well be that enactment of the pending bill will provide further stimulation of productive capacity. But I close by asking if that is a pressing need. Where is there a shortage of productive capacity?

Enactment of this bill perhaps is characteristic of our time, when material values rather than cultural and moral values are a measure of life.

Perhaps some day we will have a reassessment of our values and realize that the long-term challenge to this Nation is not in materialism, but in the quality of education, in the measure of human kindness to our fellow man, in the equality of freedom and opportunity, in the degree to which we wage war on poverty, injustice, ignorance, projudice, and discrimination.

This bill can be no part of a war on poverty. Passage of the bill strips from the Government the ammunition with which to wage a successful war on poverty.

Just yesterday the Secretary of Labor was urging that children be kept in school 2 more years, and yet the exemption for the parents of those children remains at only $600. We are told of vast needs in Appalachia, of hordes of youth without skills or vocational education, of pressing need for community facilities, housing and jobs, yet we proceed pell mell to cut drastically governmental revenue.

Yes, I regret that the bill is to become law, but one must know when he is defeated, when the last shot is fired, with respect to a pending bill. But the war on injustice, the war on social injustice, on poverty, on disease, on ignorance, on sickness, on lack of opportunity, on lack of employment will go on. We will feel the need, however, of the ammunition which we by this bill give away.

Mr. DIRKSEN. Mr. President, first of all I compliment the distinguished Senator from Virginia [Mr. BYRD]. I recall the discussion and rumors that floated around for a long time to the effect that the Senate Committee on Finance was going to be dilatory and not expedite action on the tax bill. I think it was quickly discovered, when that committee was seen in session day after day, and in the markup sessions day after day, that there was expedition; and the bill was brought to the floor of the Senate very quickly—particularly when we measure it against the fact that the bill languished in the House committee and the House for 7½ months.

So I compliment the chairman of the committee on the fine service he rendered. I also compliment the distinguished Senator from Louisiana [Mr. LONG], who managed the bill on the floor and sat in the conference.

As I recall, there were 100 subcommittee amendments. That does not include technical amendments. I believe the House receded on 70 of those. There were 13 on which the Senate receded. There were 17 that were compromised, but I think the compromises were largely in the direction of the Senate's position on the bill. That is a notable piece of work in a conference on a bill so long and so involved.

The distinguished Senator from Virginia, the distinguished Senator from Louisiana, and all the other conferees deserve a real pat on the back.

There were 129 witnesses before the committee. 250 statements were filed with the committee. Many witnesses emphasized and labored the point that the bill would work wonders so far as concerns unemployment. I am afraid that they were speculating and using generalized figures that would not stand up under analysis.

Perhaps the most provocative witness before the committee was Dr. Roger Freeman, of the Hoover Institution on War, Revolution, and Peace at Stanford University. If one goes to the trouble of analyzing the figures, he can see the real problem that confronts us at the present time.

Mr. LONG of Louisiana. Mr. President, will the Senator yield at that point?

Mr. DIRKSEN. I yield.

Mr. LONG of Louisiana. I thank the Senator for his kind words about the Senator from Virginia and also the Senator from Louisiana. The committee had an opportunity to consider more carefully the amendments that were before it in committee than did the Senate with respect to amendments that were offered on the floor. I believe, if the Senator will analyze the results of the conference, based on the action of the Senate committee, he will find that about 95 percent of the amendments which the Senate thought were meritorious were agreed to by the conferees.

Mr. DIRKSEN. Which makes the work of the committee even more commendable; for which the Senator deserves an extra pat on the back.

There were some phenomena about the jobless presented to the committee which I think deserve amplification on the Senate floor.

First, it was established from official sources that, as of September 1963, of all the hours worked in industry, 7.4 percent were on an overtime basis. That means that if straight time was at the rate of $2 an hour for an employee, an employer was paying $3 an hour for overtime—about 7.5 percent of all the time worked in industry.

One might say that there are more workers than there is work; but the fact is that there is more work than there are workers. I believe the figures submitted to the committee indicated that if we could find enough competence and skill, we could absorb all the unemployed and still have 2 percent of industrial employees working on an overtime basis.

It is a rather singular circumstance that 5 percent of all workers are holding two jobs—commonly referred to as "moonlighting"—while over 5 percent are jobless.

How is that accounted for? There is only one way to account for it. There is not enough skill and competence available to meet the needs of industry; therefore, a production manager is willing to pay $3 an hour for an overtime employee rather than $2 an hour straight time, because he knows he will get commensurate production.

That brings us to grips with the real problem—to find more competence and more skill. When we break these generalized figures down, as was done before the committee, we discover that of all those living in households, and heads of households, unemployment was not 5.6 percent but 2.6 percent—and that figure is sustained by figures from the Department of Labor.

If we look at the age factor, in the age bracket from 35 to 44, the jobless rate amounted to only 2.1 percent. But dropping down to a lower age bracket, from 20 to 24, what was the increase? By 2.1 percent? No. It was 7.2 percent; more than 3 times as much.

The same thing obtains among women as among men when it comes to both the age factor and the stability factor.

If it is calculated on a basis of white and nonwhite, I believe the figures will indicate that among the white jobless it was 3.5 percent and among the nonwhite 8.5 percent, which is 2½ times as much.

If we consider teenagers, from 16 to 19, the jobless rate among boys was 14.7 percent; among girls it was 15.8 percent. What was it in Great Britain in that same age group? One percent.

Why was it 1 percent instead of 14 or 15 percent? Because they have a well-guided apprentice training program under which apprentices receive a small stipend in the form of pocket money until such time as they finish their apprentice training and are qualified for jobs in industry.

So what does it all mean? Tax reduction is likely to affect the employment problem somewhat, but on the basis of the figures submitted, I have grave doubt—and so did those who testified as experts—that we should be able to "sponge up" the jobless on the basis of this tax bill.

What we need is vocational training and an apprentice training program for youngsters. We need stability among the younger groups, and then, perhaps, we can start making an inroad on the 5.6 percent jobless who have been with us now for nearly 18 months. We have made virtually no progess in that field.

This requires a new approach. To me, it was an astounding fact—and something of a confession—that almost on the heels of the tax bill, the President sent a message with respect to paying or compelling double time for overtime work after a determination by a tripartite government-industry-management committee to evaluate the jobs in a given industry.

That is something of a confession. We are trying to use the power of the Federal Government to beat industrial producers over the head and say, "You will take this man whether or not you wish to do so, or otherwise you will pay double time for any overtime worked by those who have a record for production." That is, indeed, a confession.

It is about time to break down the generalized jobless figures so that we know where we are going if we ever wish to solve the unemployment problem.

Mr. President, I wish to ask the distinguished Senator from Louisiana a question, for the sake of clarification.

To clarify the point in section 422(b), suppose the board of directors of a corporation has recommended to its stockholders an increase in the number of shares available under an employees' stock option plan, or had reserved additional shares for the plan, subject, of course to a proper authorization of such increase—would this action constitute adoption and approval for the purposes of the 10-year period mentioned in section 422(b)?

Mr. LONG of Louisiana. In my judgment, the answer is yes. The tax effect should be no different, whatever the method we decided to adopt to achieve the objective sought by the section—namely, to obtain shareholder approval at least once every 10 years, and also to approve or disapprove management action on an employees' stock option plan.

Mr. DIRKSEN. I thank the Senator from Louisiana for his clarification.

Mr. LONG of Louisiana. Mr. President, I agree with the senior Senator from Tennessee [Mr. GORE] far more often than debate on the tax bill might indicate. Insofar as the record might reflect the contrary, it would perhaps be so, because for the most part the committee agreed with us also. Therefore, there was no dispute about an agreement existing in general.

The Senator from Tennessee has been an extremely valuable member of the committee. He set himself the painful task of undertaking to ferret out and eliminate what he believed to be loopholes and special favoritism with regard to certain taxpayers. This is not a pleasant task to undertake, as I have had occasion to learn.

I am frank to say that often we find that those who should really understand the situation do not appreciate it, but it is something that should be done.

In many respects, the Senator from Tennessee has rendered a great service to the Senate. He was among the first Members of this body, many years ago, to raise the question of justice and fairness in the treatment accorded to insurance companies as compared to others, which resulted in a major change in the law on insurance.

The Senator from Tennessee also pointed up the problem involved in taxation of foreign income which properly was subject to taxation by this country, which again resulted in major changes in our law which exist today.

As the Senator has indicated, there are provisions in the bill which are being changed because of the fight made by the Senator, and many which were included in the bill as the result of the efforts of the Senator from Tennessee. I refer to the stock option proposal. Although it does not include everything that the Senator wanted, that provision is being tightened up in five respects. I refer also to the provision with respect to unlimited charitable contributions. Undoubtedly this will result in a further examination of this subject, and will lead to further legislation in the field of charitable contributions.

The distinguished Senator from Virginia, chairman of the Committee on Finance, has asked—and the committee is following up on his request—that the Treasury Department make a study of this subject and report to the committee.

Mr. GORE. I very deeply and genuinely and with the greatest appreciation thank the Senator for his generous remarks. When the going is very rough and the knocks are very hard, and defeat is bitter to taste, one tends to become discouraged. However, so long as one accomplishes a few things, as he travels through the Senate, I suppose he can take some heart and consolation. I particularly take heart and consolation and pride in the esteem and generosity of my distinguished friend, the able and distinguished Senator from Louisiana.

Mr. LONG of Louisiana. The Senator from Tennessee can take much pride in a large number of reforms in the tax laws. He did not achieve everything that he would have taken pride in accomplishing, but the Senator has taken a position which perhaps few people understand; and that is, in respect to his insisting that those who pay far too little in taxes should pay more. In a number of respects he has succeeded in eliminating loopholes in the law which have existed for some time and, in some respects, he has perhaps prevented our creating additional loopholes that would have resulted had he not been so diligent. He has been a very effective and valued member of the committee. I regard him as one of the most valued members of the committee with whom I have had an opportunity to serve during my 12 years of service in the Senate.

Of course I believe the bill to be a far better bill, both as a reform measure and as a measure of social and economic justice, than does my friend from Tennessee. I believe that it is one of the best and most constructive pieces of legislation, particularly in the revenue field, that has been passed in a great number of years. In my judgment, if I may be pardoned for saying so, as the one who handled the bill on the floor of the Senate, the new tax law will prove to be one of the best revenue measures, as well as the most significant revenue measure, which has been passed by Congress in the 15 years that I have been a Member of the Senate.

Like other Senators, and like the majority of the committee, I was very much concerned about the possibility that the bill might provide altogether too much relief to persons in the upper income brackets. I have before me a tabulation of the reductions that would be available to persons in the various income brackets. I ask unanimous consent that the final column of this table, showing the total rate and structural changes, which relate to the income groups which appear in the first column, be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Revenue bill of 1964, H.R. 8363—Distribution by adjusted gross income class of the full year effect of rate and structural changes affecting individuals [1]

AS APPROVED BY THE CONFERENCE (FEB. 19, 1964)

Adjusted gross income class	Total rate and structural changes	
	In millions of dollars	Change as a percent of present tax
0 to $3,000	−565	−39.0
$3,000 to $5,000	−1,085	−26.9
$5,000 to $10,000	−3,775	−20.6
$10,000 to $20,000	−2,160	−17.0
$20,000 to $50,000	−1,045	−15.5
$50,000 and over	−550	−13.2
Total	−9,180	−19.4

[1] Excludes effect of capital gains provisions and repeal of the requirement to reduce basis by amount of investment credit.

Mr. LONG of Louisiana. Mr. President, the table shows that, percentagewise, by far the greatest percentage tax reduction falls in the lower income brackets, and that the smallest percentage falls in the upper income brackets. By far the bulk of the tax reduction falls in the middle income brackets. That is where it should fall. It is that group which pays the major share of the taxes to this Government so far as income taxes are concerned.

It seemed to me that the real issue, whether the bill was to be a bill to benefit the rank and file taxpayers on an equitable basis, or whether it would be unduly favorable to those in the upper income brackets, depended on whether the Senate prevailed in its capital gains treatment provision. I have in my hand a table showing the manner in which tax reduction would be accorded had the bill been enacted as proposed by the House, compared with the way it would have worked under the Senate language, particularly so far as the long term impact of the bill was concerned.

The Senator from Tennessee had a chart, which he used on the floor repeatedly, showing that while rates were generally regarded as being almost confiscatory in the half-million-dollar-and-above bracket, those who used the capital gains treatment and other devices—charitable contributions being one of the major items—were successful in reducing their effective tax rate to a far lower rate than the public imagines.

I have a Treasury study which shows that, under the provisions in the House bill, those who had a small percentage of capital gains were paying 47.6 percent, if they were making $700,000, and that those people would reduce their effective tax rate to 40 percent under the House action. On the other hand, it shows that with the same incomes but with a high percentage of their income in capital gains have effective tax rates of 20.1 percent, and that those people would have reduced their liability to 18.1 percent under the House action.

The same disparity was shown with regard to those making more than $2 million. Those who had a low percentage of income in capital gains were paying an effective tax of 56.7 percent. Under the House bill that would have been reduced to 46 percent.

Those making $2 million, with a high percentage of capital gains, who are presently paying 20.9 percent in taxes, would have had their tax rate reduced to 18.5 percent under the House action.

Action of the Senate, in pursuance of the Treasury's recommendation, caused those who had a low percentage of capital gains, and therefore had been paying at a high rate of taxation, to achieve a larger tax reduction than was accorded those with a high percentage of capital gains.

Therefore, those who are entitled to a major tax reduction, because they were actually paying confiscatory tax rates, receive a major tax reduction. Those who were not entitled to any tax reduction, because they were not paying taxes of as much as half of their income, tend in some cases to receive an actual increase in taxes. That is the way it should be.

A table which I have before me demonstrates what I have been trying to explain in general terms.

Mr. President, I ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Changes in effective tax rates from present law, under House bill, and under Senate bill, for high income taxpayers with low, average, and high proportions of capital gains

Adjusted gross income	Percent of realized income			Tax reduction as percent of present law tax	
	Tax under present law	Tax under House bill	Tax under Senate bill	House bill	Senate bill
$120,000:					
Low capital gain	39.6	34.8	34.9	12.2	12.1
Middle capital gain	32.0	28.1	29.1	12.1	8.9
High capital gain	27.6	24.2	25.9	12.2	6.3
$170,000:					
Low capital gain	42.2	37.0	37.2	12.4	11.9
Middle capital gain	31.6	27.8	29.2	11.8	7.5
High capital gain	25.4	22.4	24.5	11.9	3.6
$300,000:					
Low capital gain	48.2	41.3	41.6	14.0	13.5
Middle capital gain	30.5	27.1	28.9	11.2	5.4
High capital gain	22.4	19.6	22.3	12.5	.4
$700,000:					
Low capital gain	47.6	39.9	40.6	16.3	14.8
Middle capital gain	26.3	23.1	25.4	12.3	3.5
High capital gain	20.1	18.1	21.1	10.4	−4.5
$2,000,000:					
Low capital gain	56.7	46.0	46.4	19.0	18.2
Middle capital gain	30.2	25.7	28.0	14.9	7.3
High capital gain	20.9	18.5	21.3	12.6	−1.9

Office of the Secretary of the Treasury, Office of Tax Analysis, Jan. 14, 1964.

NOTE.—Realized income is the adjusted gross income increased by the 50 percent of capital gains excluded in computing adjusted gross income. For each income the ratio of deductions to adjusted gross income and of dividends to (adjusted gross income less capital gain) is equal to the corresponding ratio for the corresponding class in 1960 statistics of income. The low gain level is a point at which 25 percent of taxpayers in the class have lower gains; at the high gain level 25 percent have higher gains; the middle level is the average ratio of gain to other income. It was also assumed that, at these high brackets, 90 percent of realized long-term gains are class A.

Mr. MILLER. Mr. President, the adoption of the conference report on the administration's tax bill is assured. I shall vote against it.

It will be a stab in the back of the poverty sector of our country, over which this administration professes to be so much concerned.

Millions of citizens do not have enough income to pay income tax. They will receive no tax reduction under the bill. But they will feel the sting of the reduced purchasing power of their social security pensions, their savings, and their insurance as a result of the inflation which will follow.

Under the bill there will be multibillion dollar deficits for fiscal years 1964 and 1965. Without the bill, we could reasonably have expected Federal revenue and Federal spending to balance out during these years. This would have meant a stable dollar and no inflation.

The proponents of the bill say that we will have deficits without the bill; so we might as well have bigger deficits with it. They deny that the bill will result in inflation, but they merely close their eyes to reality. They do not like to face the fact that during the last 3 years this administration has run our country $20 billion deeper into debt; that we have had inflation of $21 billion; that the retail cost of living index has gone up from 214.6 to 222.3; and that the purchasing power of the dollar has fallen from 46.6 cents, based on a 1939 dollar worth 100 cents, to 44.9 cents.

The cost of living index will continue to go up, and the purchasing power of our money will continue to go down, as a result of the multibillion deficits this tax bill will help to produce.

Escalation clauses in labor-management contracts will automatically result in wage increases. Other workers will be forced to demand higher wages in order to get more dollars, because all of their dollars will be worth less. Congress wil be called upon to increase social security pensions. Construction costs of schools and hospitals will go up. Property taxes will be increased. Conveniently enough, most of these events will take place after the election this fall.

But when these things happen, let the people know that this administration and its controlled, rubberstamp Congress are responsible.

The idea that we can spend more money and cut taxes at the same time is just the old "something for nothing" gimmick in a new package. The people cannot get something for nothing, even on the New Frontier.

Mr. President, the distinguished Senator from Louisiana brillantly handled a most difficult, complex tax bill. As a tax lawyer by profession, I can recognize difficult legislation when I see it. The pending tax bill is one of the most complex pieces of proposed legislation to come before the Senate since I became a Member of this body. The Senator from Louisiana had an extremely difficult assignment in handling the bill. There were occasions when I disagreed with him; there were occasions when I supported him. Regardless of whether I disagreed with him on some points or agreed with him on others, he is to be commended for his fine work in handling an extremely difficult piece of proposed legislation.

I regret very much that apparently we are in deep disagreement in some areas of economic philosophy. I feel strongly that the bulk of the benefits under the tax bill will not accrue to the lower income areas. I have already stated that those in the poverty sector, those not having enough income to pay an income tax, will be out in the cold and will be stuck with inflation. Millions of people in the lower and middle income areas will get little, if any, benefit from the tax bill. Even taking into account the extra dollars they will get from the tax cut, the purchasing power of those dollars will be diminished as the result of inflation. Let me illustrate what I mean.

On page 181 of the report of the Committee on Finance on the pending bill is a table showing the impact of the tax cut on various brackets of income. In the case of an adjusted gross income of $3,000, there would be no tax under present law and there would, of course, be no tax under the bill. Nevertheless, with the decline in purchasing power, in only 1 year, of 1½ percent, which is the record we are now operating under, and which will be the same, if not worse, in the years following, that taxpayer will suffer a loss of $45. Thus that person will automatically be $45 worse off in purchasing power under the continued inflation which the tax cut bill will produce.

The taxpayer in the $4,000 adjusted gross income bracket would have a tax saving of $40 under the bill, but the inflation in one year would eat up $60 in purchasing power. So that individual would be on the loss side.

The taxpayer in the $5,000 bracket would receive a $80 tax cut, but $75 would go out the window on a 1½-percent decline in the purchasing power of that person's money.

Some persons of course, will always benefit in an inflationary situation. Under this tax bill, some persons will have more dollars and more purchasing power as a result of the tax cut than they will suffer in loss of purchasing power as a result of inflation.

For example, a person in the $50,000 income bracket would receive a tax cut of $2,037. A 1½-percent diminution in the purchasing power of $50,000 would amount to $750, so that person would get $2,037 on the plus side, but only $750 on the minus side.

In the $100,000 bracket, a taxpayer under this bill would receive $4,295 in additional purchasing power, but would suffer a loss of only $1,500 in purchasing power as a result of a 1½-percent diminution in the value of all their dollars.

So persons in the high tax bracket will come out pretty well, but I do not think it is fair to calculate a tax bill on that basis. I have already said that millions of people in the poverty sector are the ones least able to afford an inflation tax.

Mr. President, I am using the figures of the President's Council of Economic Advisers, showing the record of the last 3 years. Judging by the past climate, we can expect another $7 billion deficit, possibly more, during the next fiscal year. It will be more than that for the current fiscal year, and that means a 1½-percent decline in purchasing power, the purchasing power of the people's hard-earned money.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. MILLER. I am happy to yield to the Senator from Louisiana.

Mr. LONG of Louisiana. The point that the Senator from Iowa had in mind with regard to an anticipated 1½-percent inflationary reduction in purchasing power would assume that those persons do not make increased earnings. I am sure the Senator is aware of the belief that this $11 billion tax reduction will create more consumer spending and will also provide an incentive to business to expand, modernize, and improve. The result will be that the $11 billion tax reduction will be spent more than once. It will be spent over and over again, and this will generate much additional employment and production.

If that is the result and that is our hope—and I am sure the Senator from Iowa realizes that this is the economic argument in favor of the enactment of this measure—that those with incomes of $3,000 will be able to find better jobs, with the result that their incomes will increase to perhaps $5,000 or $6,000, in which event they will become taxpayers.

Of course the principal benefit of that development would be, not the tax saving they might make, but the better jobs we hope they would have as a result of having private enterprise do this job—which some contend private enterprise can do much better than the Government could do.

The Senator from Iowa did not, I believe, hear the argument made by the Senator from Tennessee [Mr [illegible] which was that we shou[illegible] GORE], Federal Govern[illegible] be increasing as to put [illegible]ment expenditures, so Govern[illegible] these people to work in Government projects. But the argument in favor of the enactment of this measure is that it will lead to an expansion of the economy and a resulting opportunity for private enterprise to provide increased production and increased employment.

Incidentally, in years gone by that theory was heard more from the Republican side of the aisle than from the Democratic side.

If we accept this theory in connection with the pending measure—and also on the ground of increasing consumption—then we should do so on the basis of helping those who now have low incomes to find better jobs which will give them increased incomes, and also on the basis of helping those now unemployed to find jobs.

We have no illusion that this measure will solve the entire problem; but we believe it will help solve it.

Mr. MILLER. Mr. President, the Senator from Louisiana has expressed very well the economic basis on which this tax measure is premised. I regret that I cannot agree. But since that expression has been made, I believe I should respond.

First of all, with respect to the Senator's point that the Republican side of the aisle has been the one chiefly favoring this type of approach, I say we certainly do, and I certainly do; and we go along with the Senator from Louisiana at least to some extent on the multiplier theory in connection with the proposed tax cut and the taking of this approach, provided one thing happens—although it never will happen under this measure, and this is one of the differences between the two parties—and that is that there be a stable dollar. Economists who have appeared before the Joint Economic Committee admit, when they are pinned down, that a tax cut must be premised on a stable dollar, if the tax cut is to be meaningful. In fact, one day I asked the Secretary of Commerce, "If we have a tax cut, and if someone who has been making $5.000 a year ends up making $5,200, as a result of the tax cut, but still has a purchasing power of only $5,000, because all his dollars are worth less, as a result of the failure to have a stable dollar, what about that situation?"

He replied, "Of course then you are on dead center."

This is the problem. If we would have a stable dollar, I suppose this measure would have been passed unanimously by the Senate. But we are not going to have a stable dollar if we continue to have multibillion-dollar deficits.

I recognize the application of the multiplier theory. The statistics for the last number of years show that the taxpayers spend about 90 or 92 cents of every dollar of their income after taxes, and that we can expect them to continue to do so, and that after this [illegible] measure goes into effect, we [illegible] can expect that 92 cents of eve[illegible]ery dollar of tax savings will be [illegible] spent, and that, in turn, that will produce a profit for someone, and he will spend 92 cents of every dollar of his profits; and the economists tell us that, in terms of the final effect, from every $1 of tax cut we can expect perhaps $2 or $3 or possibly $4 of increased gross national product.

Of course there is disagreement over whether there should be a $11 billion tax cut, because some say that if a $11 billion tax cut will produce $33 billion of increased gross national product, which the Senator from Louisiana and other proponents suggest will happen under the provisions of this measure, then why not have a $22 billion tax cut, and thus have $66 billion of increased gross national product?

I recognize that the multiplier theory has some validity; but it has no validity unless there is a stable dollar; and the fact is that we do not have, and will not have, a stable dollar; and I am laying my reputation on the line on that score.

As a matter of fact, Dr. Heller, after quite a bit of "tooth pulling," admitted that probably next year we shall have inflation to the extent of from $5 to $7 billion. When there is inflation in that amount in the United States, that amounts to a 1½-percent decline in the purchasing power of the dollar, or that is about the same as having—at least, in Iowa, for example—a hidden sales tax of about 2½ percent on the backs of the people who pay for the multibillion-dollar deficit spending operations of the Federal Government.

I do not have the figures for Louisiana; but as I recall the figures for Minnesota—and I see on the floor the distinguished senior Senator from Minnesota, the majority whip [Mr. HUMPHREY]—they are that $7 billion of annual inflation amounts to a hidden sales tax of approximately 3 percent on the backs of the people of Minnesota.

This is what undercuts the beneficial effects of an income-tax cut when there is not a stable dollar.

I hope and pray that I am wrong, for all of us want the people to have prosperity and to have more purchasing power, so they can buy more of the better things of life.

But as sure as I am here today, within the next year we shall be presented with a request to increase social security pensions—why? Because we shall be told the poor pensioners cannot make ends meet, because all their dollars are worth less and their pensions have been decreasing in value every year; and it is clear that the value of their pensions will continue to fall as a result of the continuing multibillion dollar deficits, and they will continue that way as long as we insist on following the Pied Piper and his sophisticated school of economics.

As I have said, it is impossible to get something for nothing; and that includes spending in the mult[illegible] [illegible]lion dollar deficit area. Th[illegible] [illegible] entire effect probably will [illegible] not be felt too much until after the election this fall; but 3 years from now—just as when I first came to the Senate—it will be very clear that it is impossible to consider the effect of such measures without also considering their inflationary effect. I took that position when I first came to the Senate, 3 years ago; and I have taken that position ever since. I take it today; and I shall continue to do so. This is what is happening to the people of the United States; and I hope they wake up before it is too late.

Mr. LONG of Louisiana. Mr. President. I have before me a recent issue of the Economic Indicators; and it shows the prices in the last several years and the prices during the past year.

On wholesale prices, the index for 1958 was 100.4; and as of February 11, 1964, the index was 100.5. So for those 6 years we find an increase of one-tenth of 1 percent in the wholesale prices of all commodities—which speaks extremely well for the situation during the Eisenhower administration, the Kennedy administration, and thus far in the Johnson administration.

It is true that the showing is not that favorable when we consider retail prices. For retail prices, the economic indicators show 100.7 for 1958, as against 107.6 for December 1963—or an increase of about 1 percent a year, on the average. On the other hand, that increase is accounted for in part by the change in the quality of goods consumers buy. In other words, the consumers continue to receive better products, more attractive packaging, with the result that a considerable amount of the increase in the price index is not real. On the whole, the showing during the last 6 years—and I believe it speaks well for the administrations of two Democratic Presidents and a Republican President—relative to prices, particularly at the wholesale level, reveals them to have been remarkably stable. I now yield to the Senator from Iowa.

Mr. MILLER. First, we are all interested in the fact that the wholesale price index has remained relatively stable in the past 5 years. That is exceedingly interesting. But 99 out of 100 American people buy at retail rather than wholesale. Retail prices are far more important. That is what counts. I am quite sure that if an escalation clause in one of the auto workers' contracts in Detroit is before the union and the management for consideration, and the union suggests that a wage increase under the escalation clause is in order, and management comes along and states, "But the wholesale price index has been stable," the point will not make much of an impression on the union leaders. They will say, "We are interested not in wholesale prices; we are interested in retail prices."

It may be that management will come back to the union leaders and say, "Oh, do not worry so much about the retail price index because you people are buying better quality things."

That statement will not deter the union people. They will say, "we are [illegible] by the retail price index. What going [illegible] ted in is the fact that the we are interes[illegible] our hard-earned purchasing power of [illegible] is that money is going down. The resu[illegible] the escalation clause requires you to increase our wages. If you do not, we will go on strike."

It is that simple. I recognize that people are getting better quality things. We certainly hope that the trend will continue. But what we are interested in is the purchasing power of our dollar. The purchasing power of the dollar is going down. For the past 2 or 3 years it has been going down 1½ percent a year.

The wholesale price index is fine. I hope that wholesale prices remain stable, for it may help to prevent the retail price index from going up more than it is going up. But what we are concerned about, I believe, is the stability of the dollar. Without a stable dollar—and I am talking about the purchasing power of the dollar—a tax cut will be only an empty gesture so far as the great bulk of the people of our country are concerned. After the tax measure is signed, their condition will be worse than it was before.

Mr. LONG of Louisiana. Mr. President, I know of no period in the history of America—certainly no time in the modern history of America—when during a similar period retail prices have remained more nearly steady than they have for the past 6 years, except in a depression or a recession. I know the Senator would not wish to pay the price of a great number of people being out of work and the hardship that comes to Americans going through a depression or a deep recession. I invite the Senator to show me any similar period of prosperous times in which the Nation has had as steady a price level as we now have. I know of none.

Mr. MILLER. Mr. President, what I am interested in is current history, not ancient history. The Senator has said that the retail price index has not been going up too greatly, that the movement upward has not been too bad, that the decline of 1½ percent per year in the purchasing power of our dollar is not too bad. That does not make it right.

I suggest to the Senator that a year from now—perhaps even during the present session—we shall be requested to increase social security pensions because the pensioners cannot make ends meet.

The situation is bad. I should like to cite an example. Back in 1940, a social security pensioner with a $3,000-a-year earning base would have retired with a pension of $499. The 1939 dollar would be considered worth 100 cents. The pension of the social security pensioner was worth $499 in purchasing power.

Down through the years Congress has increased social security pensions, so that the same individual today would be receiving $640 more than he would have received in 1940. But that does not mean that he would have $640 of additional purchasing power. As a result of the inflation, he will have $16 more purchasing power than he had before. The decline will be evident in another month or so when the value of the dollar is next published.

I wish to invite the attention of my friend from Louisiana to the publication "Economic Indicators." If he will look at page 2 and observe the gross national product figures on that page, he will find pro[illegible] One column shows the two columns. [illegible] increase, and the gross national produc[illegible] national other column shows the gross [illegible] product increase in 1963 dollars. If the Senator will add up the increases, let us say, from 1960 to 1963 in the one column, he will come up to about $100 billion. That shows an increase from $500 billion to $600 billion in gross national product in 3 years. But if the Senator will add up the figures in the other column, in terms of a stable dollar, he will find that the figure is about $21 billion less. So instead of having a $100 billion increase in gross national product, we have had only about a $79 billion increased gross national product in terms of real dollars. That is about one-fifth of our gross national product. Inflation, when it is that bad, is really meaningful, and we should be concerned about it. The unfortunate part of it is that if we would merely practice some fiscal integrity and come out with somewhere near a reasonably balanced budget, we would have a stable dollar, and these hardships would not overcome us.

Mr. LONG of Louisiana. Mr. President, the figures before me show that retail prices moved from 94.7 in 1956 to 98.0 in 1957. That was under President Eisenhower, and times were prosperous. That was more inflation than we have had during the 3 years of the Johnson and Kennedy administrations. Yet, notwithstanding a 3⅓ percent inflation during that year, people were working. They were prosperous. People were happy. President Eisenhower received such an enormous vote that even the State of Louisiana voted for him. In fact, it caused me to lose face with my daughter. I had predicted that President Eisenhower would be elected but that he would not carry Louisiana.

If we can maintain our country as prosperous as we hope for it to be, I do not believe the people will be upset about inflation of 1 percent a year in retail prices, particularly when wholesale prices are stable. I have sometimes doubted whether it is possible to maintain the country as prosperous as the country should be without some small amount of increase in retail prices—approximately 1 percent a year.

Anyone who is in any part responsible for economic planning would have great difficulty in maintaining all items so stable that there would not be retail price rises of about 1 percent. If he held a tight rein, he might get the country into a recession on the downward side.

On the whole, I would judge that if we are able to maintain the kind of stability that we have seen for the past 6 years—and I will include 3 good Republican years and 3 good Democratic years—I do not believe the people will be upset. If we are able to have the kind of full employment that everyone hopes for in our great country—and the tax measure will contribute to it—my belief is that the people of the country will bless us, even if it is not possible to reduce taxes for those who do not pay any taxes whatever.

Mr. MILLER. Mr. President, this is where we differ in our economic philosophy. The Senator from Louisiana says that if we have full employment or prosperity, it makes no difference if we have 1-percent inflation, or a decline in the purchasing power of the [illegible]le's money.

peop[illegible] believe in this doctrine. I

I do not [illegible] we must have a de- do not believe that [illegible] power of our cline in the purchasing po[illegible] do not people's money by 1 percent. I do [illegible] believe we must sneak around and, through the hidden sales tax of inflation, deprive our older people, who are depending on Congress to maintain the full integrity of their money, of their purchasing power, in order to provide decent job opportunities. I do not know who is responsible for this idea. It certainly has not proved out.

We must put things in perspective. I recognize that when General Eisenhower was President we had the greatest peacetime deficit in the history of our country. I have carefully refrained from calling these deficits Johnson deficits or Kennedy deficits, because when we get down to the nub of the matter, it is not the President or the executive branch of the Government that does the appropriating. It is the Congress which does it.

My friend from Louisiana, who has been a Member of the Senate for a good many years, knows that the Democrats were in control of the Senate and the House of Representatives during the period he referred to a few moments ago, just as they are in control of the Congress today. It is bad enough when Congress is in control at a time of economic philosophy that inflation is the way to prosperity, but it makes it much tougher when both the legislative and executive branches are in the control of those people.

I recognize that there are two economic schools of thought. One is the sophisticated economic school to which I have just referred; the other is the classic school, which I favor. I hope the sophisticated economic school of thought works, but it has not been working very well. We still have a deeply serious unemployment; and a part of the reason is that we do not have a stable dollar. Of course, it would have been worse if the dollar had gone down even more in value. That does not mean it has not gone down badly enough.

As I have said, an inflation of $7 billion is equivalent to a 2½ percent sales tax on the backs of the people of my State. If the legislature of my State proposed to pass a bill providing for an increase in our State sales tax by 2½ percent for the purpose of helping finance the deficit spending programs of the Federal Government, the people would throw out of office about every one of them. It is high time some of us started pointing out what is happening to them, instead of trying to tease them. That is all I am trying to do. If people are given the facts, and then they say, "This is for us," that is it. If public opinion wants to support the sophisticated school of thought, it is the privilege of our people to do so. But it behooves those of us who believe differently to do our utmost to let the people know what the facts are before they make the choice.

LIFTING OF UNION BOYCOTT AGAINST WHEAT SHIPMENTS TO SOVIET UNION

Mr. HUMPHREY. Mr. President, the Nation received some very good news this afternoon. It already has been reported by our fine news services. I read one dispatch:

> The White House announced today that a union boycott against wheat shipments to the Soviet Union has been lifted and deliveries will resume.
>
> President Johnson received word of the solution from AFL–CIO President George Meany.
>
> Johnson hailed the union action "as a responsible move on the part of American labor."
>
> Johnson exchanged telegrams with Meany on the situation last night and again today.
>
> The President also had spoken by telephone with Meany, who is in Miami Beach, on Sunday night and again this morning.

This is a dispatch of United Press International. There is another from the Associated Press. They tell us that the difficulties which had arisen over the shipment of wheat to the Soviet Union now have been reconciled.

I compliment the president of the AFL–CIO, Mr. George Meany, upon his responsible, effective role in bringing about this agreement. I also compliment the officers of the unions involved.

As I said yesterday, I realize that the unions had some legitimate complaints. I also recognize that no private group can write the foreign policy of this country, and I have so stated. Nor did the AFL–CIO want to write the foreign policy of this country. It was seeking to get a better understanding of the arrangements pertaining to the use of the American merchant marine in the shipment of wheat purchased in the United States from American firms by the Soviet Union.

The late President Kennedy, in his announcement relating to the sale of American wheat to the Soviet Union, specified that 50 percent of the wheat would be shipped in American bottoms when such ships were available.

Following this announcement, agencies of the Government, including the Department of Commerce, its Maritime Administration, the Department of Labor, and the Department of Agriculture, met with representatives of industry and labor to discuss the schedule of shipping, shipping rates, and the availability of ships.

Some misunderstandings grew out of these discussions and conferences. In the meantime, rather substantial contracts were signed by some companies. As a result of these misunderstandings and as a result of the failure clearly to delineate cargo preference arrangements in specific details, the International Longshoremen's Association and the Maritime Union took exception to some of the arrangements and said they would refuse to load the ships that were to carry the wheat.

I mentioned this on the floor of the Senate before. I now rise for the purpose of thanking the labor unions affected for their willingness to come to grips with the problems and find solutions, for the cooperative attitude of their members, and for the action of the AFL–CIO, as expressed by the statement released today by Mr. Meany and President Johnson.

As I indicated yesterday, President Johnson has been working tirelessly in an effort to bring about this solution. The President of the United States used his persuasive powers and eloquence to remedy a difficult situation. Thank goodness we have such a persuasive and effective President. The President exchanged telegrams as well as telephone calls with President Meany of the AFL–CIO.

The telegram from President Johnson to Mr. Meany, dated February 24, 1964, reads as follows:

> You know from our conversation that the questions which have been raised by the International Longshoremen's Association and the Maritime Union, as reflected in the public statement of February 20, 1964, have my personal attention.
>
> I understand that a satisfactory basis has been established for resolving these issues to the extent that certain aspects of this problem continue to present difficulties, I suggest and urge that further meetings be held for the purpose of resolving these problems and that these be arranged under circumstances that permit free reason to prevail. The country will respect, and properly, only policies and procedures which are established in this way. I trust I will have your concurrence and cooperation in this position.
>
> Sincerely,
>
> LYNDON B. JOHNSON.

Mr. President, the head of the AFL–CIO, Mr. George Meany, did sit down and reason with his associates and colleagues in the labor movement. He did sit down and reason with Mr. Reynolds, of the Department of Labor, as well as with Secretary of Labor Wirtz. They followed the admonition that President Johnson so often called into play when he was majority leader in the Senate, and now uses as President, the counsel that comes from the Prophet Isaiah: "Come now, and let us reason together."

By this determination to reason together, by the willingness of Mr. Meany to work these matters out with his associates in the labor movement and the responsible officials of our Government, a satisfactory agreement has been reached.

Mr. Meany replied to the President today, February 25. His telegram reads as follows:

> In response to your telegram, may I say that under the plan for future meetings worked out with Secretary Wirtz, in an effort to resolve the questions raised by the ILA and the maritime unions, I have met with the head officers of the three unions affected and have urged them, in keeping with the program outlined by Secretary Wirtz, to resume work on the cargoes in question.
>
> In response, they have agreed to my request and in so doing it is my feeling they have acted in the best interest of the Nation as well as the best interest of their own membership.
>
> It is my view that this controversy has served to focus attention on certain serious problems adversely affecting the welfare of American seamen. I am confident that the program and procedures that have been worked out to resolve this dispute will be instrumental in helping to solve these problems.
>
> Sincerely,
>
> GEORGE MEANY.

What Mr. Meany particularly refers to is the necessity for the Nation to have a much more just, a much fairer, and much more active maritime policy. We need a merchant marine, and we must make whatever arrangements are necessary to sustain that merchant marine. The unions involved in this matter primarily are concerned with the future of the American merchant marine and the welfare of its merchant seamen. They have every reason to be concerned lest our merchant marine may, slowly but

1964, the index was 100.5. So for those 6 years we find an increase of one-tenth of 1 percent in the wholesale prices of all commodities—which speaks extremely well for the situation during the Eisenhower administration, the Kennedy administration, and thus far in the Johnson administration.

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Mr. MILLER. First, we are all interested in the fact that the wholesale price index has remained relatively stable in the past 5 years. That is exceedingly interesting. But 99 out of 100 American people buy at retail rather than wholesale. Retail prices are far more important. That is what counts. I am quite sure that if an escalation clause in one of the auto workers' contracts in Detroit is before the union and the management for consideration, and the union suggests that a wage increase under the escalation clause is in order, and management comes along and states, "But the wholesale price index has been stable," the point will not make much of an impression on the union leaders. They will say, "We are interested not in wholesale prices; we are interested in retail prices."

It may be that management will come back to the union leaders and say, "Oh, do not worry so much about the retail price index because you people are buying better quality things."

That statement will not deter the union people. They will say, "we are [illegible] by the retail price index. What going [illegible]ted in is the fact that the we are interes[illegible] our hard-earned purchasing power of [illegible] is that money is going down. The resu[illegible] the escalation clause requires you to increase our wages. If you do not, we will go on strike."

It is that simple. I recognize that people are getting better quality things. We certainly hope that the trend will continue. But what we are interested in is the purchasing power of our dollar. The purchasing power of the dollar is going down. For the past 2 or 3 years it has been going down 1½ percent a year.

The wholesale price index is fine. I hope that wholesale prices remain stable, for it may help to prevent the retail price index from going up more than it is going up. But what we are concerned about, I believe, is the stability of the dollar. Without a stable dollar—and I am talking about the purchasing power of the dollar—a tax cut will be only an empty gesture so far as the great bulk of the people of our country are concerned. After the tax measure is signed, their condition will be worse than it was before.

Mr. LONG of Louisiana. Mr. President, I know of no period in the history of America—certainly no time in the modern history of America—when during a similar period retail prices have remained more nearly steady than they have for the past 6 years, except in a depression or a recession. I know the Senator would not wish to pay the price of a great number of people being out of work and the hardship that comes to Americans going through a depression or a deep recession. I invite the Senator to show me any similar period of prosperous times in which the Nation has had as steady a price level as we now have. I know of none.

Mr. MILLER. Mr. President, what I am interested in is current history, not ancient history. The Senator has said that the retail price index has not been going up too greatly, that the movement upward has not been too bad, that the decline of 1½ percent per year in the purchasing power of our dollar is not too bad. That does not make it right.

I suggest to the Senator that a year from now—perhaps even during the present session—we shall be requested to increase social security pensions because the pensioners cannot make ends meet.

The situation is bad. I should like to cite an example. Back in 1940, a social security pensioner with a $3,000-a-year earning base would have retired with a pension of $499. The 1939 dollar would be considered worth 100 cents. The pension of the social security pensioner was worth $499 in purchasing power.

Down through the years Congress has increased social security pensions, so that the same individual today would be receiving $640 more than he would have received in 1940. But that does not mean that he would have $640 of additional purchasing power. As a result of the inflation, he will have $16 more purchasing power than he had before. The decline will be evident in another month or so when the value of the dollar is next published.

I wish to invite the attention of my friend from Louisiana to the publication "Economic Indicators." If he will look at page 2 and observe the gross national [illegible]duct figures on that page, he will find pro[illegible] One column shows the two columns. [illegible] increase, and the gross national produc[illegible] national other column shows the gross [illegible] product increase in 1963 dollars. If the Senator will add up the increases, let us say, from 1960 to 1963 in the one column, he will come up to about $100 billion. That shows an increase from $500 billion to $600 billion in gross national product in 3 years. But if the Senator will add up the figures in the other column, in terms of a stable dollar, he will find that the figure is about $21 billion less. So instead of having a $100 billion increase in gross national product, we have had only about a $79 billion increased gross national product in terms of real dollars. That is about one-fifth of our gross national product. Inflation, when it is that bad, is really meaningful, and we should be concerned about it. The unfortunate part of it is that if we would merely practice some fiscal integrity and come out with somewhere near a reasonably balanced budget, we would have a stable dollar, and these hardships would not overcome us.

Mr. LONG of Louisiana. Mr. President, the figures before me show that retail prices moved from 94.7 in 1956 to 98.0 in 1957. That was under President Eisenhower, and times were prosperous. That was more inflation than we have had during the 3 years of the Johnson and Kennedy administrations. Yet, notwithstanding a 3⅓ percent inflation during that year, people were working. They were prosperous. People were happy. President Eisenhower received such an enormous vote that even the State of Louisiana voted for him. In fact, it caused me to lose face with my daughter. I had predicted that President Eisenhower would be elected but that he would not carry Louisiana.

If we can maintain our country as prosperous as we hope for it to be, I do not believe the people will be upset about inflation of 1 percent a year in retail prices, particularly when wholesale prices are stable. I have sometimes doubted whether it is possible to maintain the country as prosperous as the country should be without some small amount of increase in retail prices—approximately 1 percent a year.

Anyone who is in any part responsible for economic planning would have great difficulty in maintaining all items so stable that there would not be retail price rises of about 1 percent. If he held a tight rein, he might get the country into a recession on the downward side.

On the whole, I would judge that if we are able to maintain the kind of stability that we have seen for the past 6 years—and I will include 3 good Republican years and 3 good Democratic years—I do not believe the people will be upset. If we are able to have the kind of full employment that everyone hopes for in our great country—and the tax measure will contribute to it—my belief is that the people of the country will bless us, even if it is not possible to reduce taxes for those who do not pay any taxes whatever.

Mr. MILLER. Mr. President, this is where we differ in our economic philosophy. The Senator from Louisiana says that if we have full employment or prosperity, it makes no difference if we have 1-percent inflation, or a decline in the purchasing power of the [illegible]le's money.

peop[illegible] believe in this doctrine. I I do not [illegible] we must have a de- do not believe tha[illegible] power of our cline in the purchasing [illegible] do not people's money by 1 percent. I [illegible] believe we must sneak around and, through the hidden sales tax of inflation, deprive our older people, who are depending on Congress to maintain the full integrity of their money, of their purchasing power, in order to provide decent job opportunities. I do not know who is responsible for this idea. It certainly has not proved out.

We must put things in perspective. I recognize that when General Eisenhower was President we had the greatest peacetime deficit in the history of our country. I have carefully refrained from calling these deficits Johnson deficits or Kennedy deficits, because when we get down to the nub of the matter, it is not the President or the executive branch of the Government that does the appropriating. It is the Congress which does it.

My friend from Louisiana, who has been a Member of the Senate for a good many years, knows that the Democrats were in control of the Senate and the House of Representatives during the period he referred to a few moments ago, just as they are in control of the Congress today. It is bad enough when Congress is in control at a time of economic philosophy that inflation is the way to prosperity, but it makes it much tougher when both the legislative and executive branches are in the control of those people.

I recognize that there are two economic schools of thought. One is the sophisticated economic school to which I have just referred; the other is the classic school, which I favor. I hope the sophisticated economic school of thought works, but it has not been working very well. We still have a deeply serious unemployment; and a part of the reason is that we do not have a stable dollar. Of course, it would have been worse if the dollar had gone down even more in value. That does not mean it has not gone down badly enough.

As I have said, an inflation of $7 billion is equivalent to a 2½ percent sales tax on the backs of the people of my State. If the legislature of my State proposed to pass a bill providing for an increase in our State sales tax by 2½ percent for the purpose of helping finance the deficit spending programs of the Federal Government, the people would throw out of office about every one of them. It is high time some of us started pointing out what is happening to them, instead of trying to tease them. That is all I am trying to do. If people are given the facts, and then they say, "This is for us," that is it. If public opinion wants to support the sophisticated school of thought, it is the privilege of our people to do so. But it behooves those of us who believe differently to do our utmost to let the people know what the facts are before they make the choice.

LIFTING OF UNION BOYCOTT AGAINST WHEAT SHIPMENTS TO SOVIET UNION

Mr. HUMPHREY. Mr. President, the Nation received some very good news this afternoon. It already has been reported by our fine news services. I read one dispatch:

> The White House announced today that a union boycott against wheat shipments to the Soviet Union has been lifted and deliveries will resume.
>
> President Johnson received word of the solution from AFL-CIO President George Meany.
>
> Johnson hailed the union action "as a responsible move on the part of American labor."
>
> Johnson exchanged telegrams with Meany on the situation last night and again today.
>
> The President also had spoken by telephone with Meany, who is in Miami Beach, on Sunday night and again this morning.

This is a dispatch of United Press International. There is another from the Associated Press. They tell us that the difficulties which had arisen over the shipment of wheat to the Soviet Union now have been reconciled.

I compliment the president of the AFL-CIO, Mr. George Meany, upon his responsible, effective role in bringing about this agreement. I also compliment the officers of the unions involved.

As I said yesterday, I realize that the unions had some legitimate complaints. I also recognize that no private group can write the foreign policy of this country, and I have so stated. Nor did the AFL-CIO want to write the foreign policy of this country. It was seeking to get a better understanding of the arrangements pertaining to the use of the American merchant marine in the shipment of wheat purchased in the United States from American firms by the Soviet Union.

The late President Kennedy, in his announcement relating to the sale of American wheat to the Soviet Union, specified that 50 percent of the wheat would be shipped in American bottoms when such ships were available.

Following this announcement, agencies of the Government, including the Department of Commerce, its Maritime Administration, the Department of Labor, and the Department of Agriculture, met with representatives of industry and labor to discuss the schedule of shipping, shipping rates, and the availability of ships.

Some misunderstandings grew out of these discussions and conferences. In the meantime, rather substantial contracts were signed by some companies. As a result of these misunderstandings and as a result of the failure clearly to delineate cargo preference arrangements in specific details, the International Longshoremen's Association and the Maritime Union took exception to some of the arrangements and said they would refuse to load the ships that were to carry the wheat.

I mentioned this on the floor of the Senate before. I now rise for the purpose of thanking the labor unions affected for their willingness to come to grips with the problems and find solutions, for the cooperative attitude of their members, and for the action of the AFL-CIO, as expressed by the statement released today by Mr. Meany and President Johnson.

As I indicated yesterday, President Johnson has been working tirelessly in an effort to bring about this solution. The President of the United States used his persuasive powers and eloquence to remedy a difficult situation. Thank goodness we have such a persuasive and effective President. The President exchanged telegrams as well as telephone calls with President Meany of the AFL-CIO.

The telegram from President Johnson to Mr. Meany, dated February 24, 1964, reads as follows:

> You know from our conversation that the questions which have been raised by the International Longshoremen's Association and the Maritime Union, as reflected in the public statement of February 20, 1964, have my personal attention.
>
> I understand that a satisfactory basis has been established for resolving these issues to the extent that certain aspects of this problem continue to present difficulties, I suggest and urge that further meetings be held for the purpose of resolving these problems and that these be arranged under circumstances that permit free reason to prevail. The country will respect, and properly, only policies and procedures which are established in this way. I trust I will have your concurrence and cooperation in this position.
>
> Sincerely,
>
> LYNDON B. JOHNSON.

Mr. President, the head of the AFL-CIO, Mr. George Meany, did sit down and reason with his associates and colleagues in the labor movement. He did sit down and reason with Mr. Reynolds, of the Department of Labor, as well as with Secretary of Labor Wirtz. They followed the admonition that President Johnson so often called into play when he was majority leader in the Senate, and now uses as President, the counsel that comes from the Prophet Isaiah: "Come now, and let us reason together."

By this determination to reason together, by the willingness of Mr. Meany to work these matters out with his associates in the labor movement and the responsible officials of our Government, a satisfactory agreement has been reached.

Mr. Meany replied to the President today, February 25. His telegram reads as follows:

> In response to your telegram, may I say that under the plan for future meetings worked out with Secretary Wirtz, in an effort to resolve the questions raised by the ILA and the maritime unions, I have met with the head officers of the three unions affected and have urged them, in keeping with the program outlined by Secretary Wirtz, to resume work on the cargoes in question.
>
> In response, they have agreed to my request and in so doing it is my feeling they have acted in the best interest of the Nation as well as the best interest of their own membership.
>
> It is my view that this controversy has served to focus attention on certain serious problems adversely affecting the welfare of American seamen. I am confident that the program and procedures that have been worked out to resolve this dispute will be instrumental in helping to solve these problems.
>
> Sincerely,
>
> GEORGE MEANY.

What Mr. Meany particularly refers to is the necessity for the Nation to have a much more just, a much fairer, and much more active maritime policy. We need a merchant marine, and we must make whatever arrangements are necessary to sustain that merchant marine. The unions involved in this matter primarily are concerned with the future of the American merchant marine and the welfare of its merchant seamen. They have every reason to be concerned lest our merchant marine may, slowly but surely, be peeled away and weakened because of failure to properly care for it, to use it, and to modernize it.

One of the reasons for this particular dispute relating to the shipment of wheat to the Soviet Union is not merely the difficulty that arose over shipping wheat in American cargo ships to Russia but, more importantly, the whole question of maritime policy, the whole basic issue of the future of our American merchant marine and the welfare of American merchant seamen.

The Soviet wheat sale and the 50-50 arrangement to use American cargo ships merely was the catalyst that precipitated the consideration of a much more basic issue—that of the future of the merchant marine and the welfare of American merchant seamen.

I compliment organized labor in this instance. It did what was right. It did what was required of it—namely, to protect the national interest.

The dispute that has been so widely reported in the columns of the press, and over radio and television, now has been settled. The ships will be loaded. The longshoremen and the maritime unions are fulfilling their responsibilities under the contracts entered into by private American firms. The Government of the United States is reviewing its policy, and procedures are being set up to more properly handle disputes such as the one we have just considered.

I salute Mr. George Meany and his associates. I also thank the unions that have come to an agreement with the Government of the United States. I also commend the Secretary of Labor, Mr. Wirtz, and his assistant, Mr. Reynolds, and, above all, I thank the President of the United States for his willingness to inject himself into this situation and to use his great abiilties to bring about an equitable solution. He has used the power and prestige of the office of the Presidency to see to it that on the one hand justice was done to our own people in the unions and, on the other hand, that the policy adopted by this country was effectuated by offering contracts for the shipment of American wheat to the Soviet Union for cash or for gold, under terms that are desirable to the American people.

The sale of this wheat will reduce our surpluses, thereby strengthening the domestic price of wheat to producers in the United States. It will reduce the cost to the American taxpayer of maintaining the surpluses—namely storage and handling costs. The sale of this wheat will provide much needed gold to aid us in our balance-of-payments problem.

The sale of this wheat will open new markets for American farmers who need foreign markets.

The sale of this wheat will benefit the American merchant marine.

It is in our national interest. Today we have won a singular victory for reason, justice, and fair play.

I yield to the Senator from South Dakota [Mr. McGovern].

Mr. McGOVERN. Mr. President, I shall not detain the Senate, but I wish to associate myself with the remarks of the Senator from Minnesota. I believe he has brought the Senate the best news it has heard on the floor in a long time, and I am sure it will be so received all over the country.

Yesterday I said on the floor of the Senate, during discussion of the proposed wheat bill, that I believed it was highly unfortunate that a private group of citizens—in this case, a group of labor leaders—should deliberately take over the foreign policy of the United States. I do not retract that statement. However, tonight I am happy to be able to sound a more hopeful note, a note of commendation that the councils of reason have prevailed and that our labor leadership has put the national interest above personal interest on the question of wheat shipments.

As the Senator from Minnesota has said, this is clearly in the interest of our country. It certainly is in the interest of the wheat producers, who are hard pressed to find profitable markets for the commodities they produce in such abundance.

I should like to add one further note to what the Senator from Minnesota has said. I know there are some citizens who are somewhat unhappy over the possibility of American wheat assisting the Communist cause.

I believe this represents a great victory for the free world. This is a wonderful opportunity for us to dramatize, not only to the people of the Soviet Union, but also to people all over the world, many of whom are uncommitted, that we, under our system of free agriculture, have once again demonstrated the superiority of that system.

I suppose that in most areas of production the Soviet Union has come pretty close to approaching us. They were able to put a missile on the line which is as good as anything we can devise. They have developed bombers that are comparable to the ones that we are able to put in the sky. They have done all kinds of remarkable things in the field of science. They have done pretty well in most fields, on a par with us. However, in this most important area, food production, about which more people are concerned than with anything else, they have fallen short of what we have been able to achieve with our system of family-type farm production.

Therefore, with the conclusion of this wheat transaction, and the ironing out of certain difficulties which have thus far blocked the transfer of American wheat to countries behind the Iron Curtain, we have scored a really dramatic victory in our contest with Iron Curtain countries. This is a point which everyone ought to keep in mind in evaluating the pluses and minuses of the wheat transaction.

I join the Senator from Minnesota in commending the labor leadership, and in commending our President and the Secretary of Labor for their efforts in ironing out these difficulties.

There is one thing which the Senator did not say when he was commending the President for his persuasiveness. He did not tell us that the Senator from Minnesota himself has also been on the telephone and that he has also been talking to people in an effort to iron out the difficulties. Such action led to a successful conclusion of the shipments of wheat.

I believe he deserves a sizable portion of the credit, in the first instance, for making the wheat transaction possible and, secondly, for lending his strong voice and his own persuasiveness to ironing out the remaining obstacles in the way of shipment of wheat to the Soviet Union.

I ask the Senator from Minnesota if he can enlighten us a little more on the arrangements which have been made by our Government with reference to this whole transaction.

Mr. HUMPHREY. I thank the Senator from South Dakota for his kind references to me. They were more than generous. I deeply appreciate what he had to say.

The settlement that was reached, as both of us have indicated, was in the typical American tradition of negotiation, conference, and working things out through reason and understanding. This surely is to be noted, because the Government did not move in and take over. No force was used. It was a matter of consultation, negotiation, reasoning, and adjustment among responsible and thoughtful men.

Mr. McGOVERN. Have new arrangements been made?

Mr. HUMPHREY. Yes. First, of course, President Johnson wishes to make sure that the commitments of the late President Kennedy with reference to the sales are kept. One of these commitments is that at least 50 percent of the shipments are to go in American bottoms, under the American flag, whenever such ships are available. Availability is included. However, availability was not intended to be used as an escape hatch for any contractor or for any company seeking to sell wheat to the Soviet Union. Availability means just that. If U.S. ships are available, they are to be used for up to 50 percent of all the tonnage. It is on this point that there was some honest disagreement, because certain waivers were obtained from the Maritime Administration of the Department of Commerce by some companies. The Maritime Unions felt that these waivers were excessive, and thereby violated the commitment in the statement made by the late President Kennedy at the time the public policy was announced with regard to the sale of American wheat to the Soviet Union.

It is around this point and this controversial issue that all the discussions revolved. I am happy to say that the meetings referred to in the exchange of telegrams will lead to discussions of questions which have been raised by the unions.

As I have indicated by reading the telegrams between President Johnson and Mr. Meany, President of the AFL-CIO, certain meetings are to take place in the future to discuss questions and issues raised by the unions in this present dispute.

The President has made quite clear his determination that every effort shall be made to carry out the commitment given by the late President Kennedy that 50 percent of the wheat would be carried in American ships.

In an effort to avoid any misunderstanding or difficulty, President Johnson has given orders that there be no waivers whatever on any licenses granted in the future on shipments to the Soviet Union under the proposals of last October.

The Government now has indicated it will discuss both with labor and the shipping industry questions which have been raised about the use of American shipping in trade with other Communist countries.

The President is asking interested agencies to insure that a procedure is established whereby any waivers which are granted in connection with the Cargo Preference Act or other 50-50 shipping arrangements will be subject to review upon complaint, and remedied if the complaint is sustained. Provision will be made for participation in this procedure in an advisory capacity by industry and union representatives.

If waivers are granted based on the doctrine of availability, whether or not a ship physically is available, and if complaint is made by the unions on that waiver, a procedure now is established for reviewing the complaint and for remedying the situation if the complaint is sustained. This procedure will involve an advisory body, including both labor and management representatives from the shipping industry. It is a very salutory provision.

Finally, our Government will establish a tripartite advisory body, which will include labor and management representatives from the shipping industry, along with Government, to consider all matters relating to the administration of Government programs affecting the industry, and to advise the departments and agencies of the Government regarding such matters.

This last provision goes to the central problem; namely, the future of the American merchant marine. It is time Congress and the executive branch gave more consideration to this problem.

Mr. McGOVERN. I thank the Senator for this helpful information. He has reminded us again of the close relationship between American industry and the welfare of American agriculture—in this case, the shipping industry and the American farmer.

As the Senator knows, one of the ways in which that alliance operates is through the food-for-peace program, under the provision that 50 percent of all of the commodities that move out under Public Law 480 must move in American ships. My memory is that every day of the year an average of three 10,000-ton ships leave American ports with grain and other commodities under the food-for-peace program.

We shall be considering the extension of Public Law 480 during this calendar year.

I know the Senator shares my hope that Congress will extend that act and continue the program that has been so much in the interest not only of our farmers, but of our entire economy and of our position in the world, as well.

I thank the Senator from Minnesota for yielding.

Mr. HUMPHREY. I thank the Senator from South Dakota for his participation in this discussion. He knows I am a strong advocate of the extension and expansion of the Food for Peace program. I compliment the Senator from South Dakota for his outstanding leadership in making this program a truly effective and meaningful part of our foreign policy.

ADJOURNMENT

Mr. HUMPHREY. Mr. President, the schedule for tomorrow's activities and business in the Senate has been announced by the majority leader. With that understanding, I move that the Senate adjourn, under the previous order, until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 52 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Wednesday, February 26, 1964, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 25 (legislative day of February 10), 1964:

FEDERAL DEPOSIT INSURANCE CORPORATION

Kenneth A. Randall, of Utah, to be a member of the board of directors of the Federal Deposit Insurance Corporation for a term of 6 years, vice Jesse P. Wolcott, term expiring.

IN THE AIR FORCE

I nominate Maj. Gen. Joseph R. Holzapple, 1897A, Regular Air Force, to be assigned to positions of importance and responsibility designated by the President in the grade of lieutenant general, under the provisions of section 8066, title 10 of the United States Code.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of colonel:

Stevenson, Howard F.
Roush, Martin B.
Saussy, George S.
Johnson, William G.
Mitchell, William P.
Conley, Robert F.
Bolish, Robert J.
Wilkinson, Frank R., Jr.
Lyford, Truman K.
Carpenter, James B., Jr.
Bruder, Joseph A.
Whipple, Warren E.
Norris, Glenn E.
Lanigan, John P.
McShane, Bernard
Horn, Charles H.
Gilson, Leslie A.
Reusser, Kenneth L.
Smith, Paul M.
Keith, Bruce E.
Short, James C.
Ourand, William R., Jr.
Wallace, Harold
Munday, Jack R.
Thomas, Frank C.
Hise, Henry W.
Rouse, Jules M.
Tillmann, Alfred A.
Hearn, Alexander M.
Johnson, Dan H.
Risher, Clarence T., Jr.
Voorhees, Edward H.
Severance, Dave E.
Nelson, Harold E.
Hunt, Sanford B., Jr.
Haberlie, Douglas E.
Clark, Albert L.
Richardson, Judson C., Jr.
Blackburn, George P., Jr.
Simmons, Edwin H.
Bridges, David W.
Carrington, George W., Jr.
Jeschke, Richard H., Jr.
McNeil, John P.
Scherr, Robert A.
Williams, Grover C., Jr.
Cibik, Steve J.
Treadwell, James P.
Thompson, Roy H.
Casey, Dennis P.
Rathbun, Robert L.
Windsor, John J.
Fairbanks, Willis L.
Steinkraus, Robert F.
Ellis, George W.
Haynes, Fred E., Jr.
Bates, William L., Jr.
Carney, Robert B., Jr.
McClanahan, James F.
Silverthorn, Merwin H., Jr.
Dick, William L.
Gall, Walter
Gilhuly, Fred J.
Zastrow, Herbert E. L.
Randall, Thomas L.
McMaster, Robert G.
Poggemeyer, Herman, Jr.
Twisdale, Robert H.
Laing, Robert B.
Bowman, John W.
Chip, William C.
Donahoe, Joseph F., Jr.

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel:

Robinson, Harry G., Jr.
Volkert, Marvin D.
Cail, Ralph D.
Beat, Nolan J.
Watson, Warren C.
Busick, Clarence J.
Lee, Harry
Fulton, Floyd K., Jr.
Nahow, Theodore
Schmid, Clarence H.
Vaught, Francis W.
Kirk, Walter C.
Evans, Harold W., Jr.
Mobley, Warren L.
Sinclair, Robert B.
Doty, Duane J.
Murphy, John J.
Nichols, Robert L.
Dunbar, Michael J.
O'Donnell, Andrew W.
Burnett, Loren E.
Mann, Clyde R.
Coffeen, Albert E.
Nelson, William L.
Hershey, Gilbert R.
Donahue, William F., Jr.
Pommerenk, Albert C.
Fisher, Sidney
Slenning, Bradford N.
Soper, James B.
Stamps, Clyde H.
Skotnicki, Anthony J.
Michaux, Alexander L., Jr.
Gore, Willis L.
Wagenhoffer, Martin T.
Doering, John H., Jr.
Domina, Walter E.
Bailey, Edward A.
Bain, Herbert J.
Bell, Van D., Jr.
Franzman, Freddie L.
Lauck, John H.
Landrigan, James M.
Raphael, Milton L.
Kurth, Harold R., Jr.
Camporini, Edward E.
Allen, Robert B.
Rogal, Edward R.
Priddy, James R.
Alexander, Leland G.
Thomas, Alfred I.
Herndon, Wilber N.
Sullivan, Arthur J.
Adair, Harold F.
Wilkerson, Herbert L.
Crispen, Richard W.
Taylor, William W.
Defenbaugh, Neil F.
Broome, Norris C.
Campbell, Frederick H.
House, Arthur E., Jr.
MacDonald, James A., Jr.
Culver, Ralph K.
Oliver, Verne L.
Storm, William W., III
Wood, Frederick S.
Brunnenmeyer, Sherwood A.
Meyers, Bruce F.
Goggin, William F.
Fisher, Joseph R.
Gibson, Gerald W.
Holben, Donald E.
Piehl, Robert H.
Moody, Clarence G., Jr.
Preston, Herbert, Jr.
Clement, David A.
Kirstein, Lee A.
Dyroff, William F.
Freeman, Thomas R.
Draper, William H.
Wilcox, Edward A.
Vance, Robert N.
Van Meter, Jo M.
Sims, John B.
Leader, Samuel F.
Davis, Merle C.
Powell, J. B.
McKean, Edgar A.
Vroegindewey, Robert J.
Grimes, Doyle
Youngs, Clifford A.
McGuire, James L.
Rodenberger, Wesley H.
Jannell, Manning T.
Bronleewe, Loren K.
Johnson, Irving R.
Freitas, Joseph L., Jr.
Ottmer, Walter E.
Gill, John R.
Temple, Jack W.
Dekeyser, Charles F.
Stout, Marvin R.
Alberts, Howard K.
Deeds, William E.
Pultorak, Joseph
Wilson, Robert R.
Rollins, John J.
Boll, Joseph L.
Scheffer, Cornelius
Moise, Frank V., Jr.
Seaman, Milford V.
Roe, Murray O.
Goode, Charles L.
Hirt, Paul L.
Fitzmaurice, Charles W.
Moody, Richard E.
Sparkman, Thomas B.
Patton, Walter B.
Goldston, Eugene V.
Filippo, John J.
Ramseur, Franklin F., Jr.
Chamberlin, George E., Jr.
Hanson, Harry B.
Ecklund, Arthur W.
Fiegener, Kenneth G.
Corley, Ruel H., Jr.
Trager, Earl A., Jr.
Roley, William H.
Ashton, Clark
Losse, Robert N.
Stribling, Joe B.
Ludden, Charles H.
Flynn, John P., Jr.
Johnson, Danny W.
McGee, James M.
Street, Lewis C., III
Boyle, Patrick D.
Latta, Arthur W., Jr.
Lynch, Duane G.
Furimsky, Steve, Jr.
Bowen, Ermel D.
Murray, Edward D.
Silverthorn, Russell L.
Slack, Arthur B., Jr.
Lucas, Burton L., Jr.
Sherwood, James M.
Cosgrove, William P.

The following-named officers of the Marine Corps for permanent appointment to the grade of major:

Grimes, George H.
Clark, C. P., Jr.
Haden, Frederick M.
Baity, Richard B.
Ferguson, Gilbert W.
Markus, Howard M.
Alexander, Richard D.
Talbott, Richard B.
Gaughf, Orvis O., Jr.
Phillips, George R.
Webster, Charles A.
McConnell, Daniel F.
Levert, Harris J., Jr.
Lamb, George R.
Burger, Donald J.
Ohanesian, Victor
Keith, William C., Jr.
Alsop, William F., Jr.
Cunningham, Ralph L., Jr.
Grubaugh, William R.
Foley, Kenneth S.
Beyerle, Garland T.
Stevens, Marvin H.
Mathis, Jerry F.
Deering, Claude E., Jr.
Cross, William E., Jr.
Hart, Elwin B.
Stine, Harold E.
Mehargue, David G.
Bronars, Edward J.
Marsh, James W.
Cowing, Harry O., Jr.
Tubley, George F.
Bendell, Lee R.
Rosenfeld, Charles A.
Petersen, Arthur R.
Pross, Vincent J., Jr.
Greenwood, John E.
Vest, Wendell N.
Hare, Andrew E.
Twomey, David M.
Di Nardo, James J. Jr.
Palmer, Thomas A.
Brennan, Robert B.
Morgan, Ira L., Jr.
McMillan, Alexander P.
Svenson, Otto I., Jr.
Green, Fredric A.
Sargent, George T., Jr.
Gruenler, Robert E.
Herman, Stanley A.
Randall, Harry B., III
Ryan, Raymond M.
Hall, Lawrence A.
Megarr, Edward J.
McClintock, Bain
Good, Robert N.
Miller, Donald C.
Buchanan, Richard K.
Ridderhof, David M.
Talbert, Aubrey W. Jr.
DeWitt, Birchard B.
Chapman, Winston D.
Swigart, Oral R., Jr.
Woeller, Frederick M.
Jones, Richard E.
Savage, Cornelius F., Jr.
Trevino, Rodolfo L.
Zlogar, Albert J.
Nastasi, Joseph
Buss, Kenneth M.
Wadzita, Cyril
Dorsey, Joshua W., III.
Lesser, William
McMahon, Paul G.
Brown, Robert G.
Wold, Henry E.
Keller, Don L.
Hytrek, David J.
Corson, William R.
Robinson, Kenneth L., Jr.
Oliver, Robert W.
Burckell, Thomas J.
Foxworth, Eugene D., Jr.
Rigby, Edward J.
Wood, James W.
Stanton, Donald C.
Smith, Erin D.
Aichele, James R.
Dorsa, Lawrence R.
Fleming, William B.
Johnson, Warren R.
McLernan, Joseph V.
Harter, Robert H.
Cizek, Gregory J.
Horn, William K.
Abbott, Charles W.
Gambardella, Joseph J. N.
Bulger, Thomas E.
McCurdy, William B.
Watson, Edward R.
Smith, Richard J.
Roth, Earl F., Jr.
Preis, Reagan L.
Collier, Charles W.
Wyatt, Richard B.
Staley, Newell, D., Jr.
Herrin, William M., Jr.
Gibney, Jesse L., Jr.
Monti, Anthony A.
Wehrle, Robert E.
Carter, Johnny L.
Rapp, John A.
Zielinski, Edward L.
Pyles, Howard E.
Livingston, Charles R.
Blass, Lytton F.
Roberts, Henry G.
Varley, William J.
Bailey, Jack F.
Grow, Hubert C.
Anderson, Eugene D.
Wade, Douglas E.
Sadeski, Adolph G.
McKeon, Donald N.
Reilly, Martin B.
Koontz, Grover C.
Gestson, Johan S.
Erwin, Jack
Hertling, Eugene F., Jr.
Webb, John N.
Rockey, William K.
Redfield, Heman J., III
Anthony, Arthur W., Jr.
Campbell, Richard E.
Treado, Marshall J.
Presson, Robert E.
March, Robert B.
Cooper, Charles G.
Lindsley, Robert A.
Colvin, Harold C.
McEnaney, James R.
Hunter, David J.
McCrary, Norman B.
Martin, Henry V.
Laine, Elliott R., Jr.
Manley, Thomas F.
Leder, Frederick D.
Stewart, Alexander M.
Carter, David I.
Whitesell, Robert D.
Davis, John K.
Muir, William B.
Tatem, Lloyd E.
Moss, Roddey B.
White, William V. H.
Barrett, Howard L., Jr.
Montgomery, Robert R.
Hunter, Robert E., Jr.
Kennedy, Hugh T.
Goodiel, Carlton D., Jr.
Vincent, Hal W.
Beattie, George E.
Buckley, Clement C., Jr.
Abraham, James W.
Todd, James A.
Burnett, Richard H.
Kelley, Paul X.
Mulford, Ross L.
Houck, George W.
Chen, Byron T.
Armstrong, Peter F. C.
Buynak, John E.
Cushing, Francis C., Jr.
Galyon, William J.
Whitfield, Charles K.
Tatum, William M., Jr.
Mickelson, Richard D.
Laseter, James W.
Sadowski, Joseph L.
Walker, Robert A.
Parcell, William K.
Fontaine, Winston F.
Laney, Joseph M., Jr.
Craig, Raymond W.
Lundquist, Carl R.
Warren, Goodell P.
Bjorklund, Darrel E.
Westling, David Y.
Rutty, Edward J.
Cooney, Robert W.
Driscoll, Edward J., Jr.
Crosswait, Philip M.
Severson, Ronald I.
Overgaard, Wilford E.
Cumming, George D.
Howard, Robert E., Jr.
Martz, James G., III
Miller, Robert E.
Shutt, George H., Jr.
Macho, Dean C.
Rhykerd, Clarke A.
Cameron, Raymond A.
Hiett, Charles O.
Smoke, Frank R.
McCool, William G.
Percival, Richard E.
McNutt, Russell W.
Shadrick, Ural W.
Bench, Arnold E.
Cowie, Franklin G., Jr.
Bonin, Louis A.
Darbyshire, Leslie L.
Doud, Francis E.
Jacks, Edgar K.
Sewell, Charles A.
Buschmann, Conrad P.
Linman, L. G.
Trout, James A.
Guell, Edward M.
Manning, Paul A.
Thurston, Francis H.
Brady, Eugene R.
Meyers, James F., Jr.
Chamberlain, Clement C., Jr.
Bonney, Richard A.
Ruvo, Victor A.
Roessle, Palmer A.
Bartleson, Thomas P., Jr.
Baker, Freddie J.
Bannan, James M.
Serrin, Dalvin
Stiver, Donald R.
Rice, Donald L.
Dunnagan, Cecil G.
Delaney, Francis L.
Howell, Preston E.
Erway, Douglas E.
Niesen, Paul W.
Wallace, Ralph D.
Howard, Dwight E.
McCarthy, Frank D.
Conard, Jack W.
Wilson, Daniel M.
O'Mara, James R.
Duncan, Jimmie W.
Strope, John H.
Doss, James G., Jr.
Penico, Edward F.
Seaton, Baxter W.
Finne, David D., Jr.
Helms, Keith H.
Adams, William C.
Cunha, Ulysses F.
Coffey, Samuel R.
Lamoureux, Wesley D.
Fleetwood, Walter W.
Persons, Harry D.
Bittick, William C., Jr.
Sedora, Stephen
Thomas, Waldron E.
Gardner, William E.
Clegg, Francis X.
Buskirk, William K.
Wilson, James W.
Blakeslee, Rollin Q.
Ruos, George V., Jr.
Ingalls, Jack F., III
Roberson, Clinton
Spence, Charles E., Jr.
Seitz, Frederick H.
Marron, Joseph J.
Unkle, John W.
Henderson, Paul F., Jr.
Sharpe, Whitlock N.
Donaldson, Joseph R.
Forde, John E., Jr.
Bacher, Louis J.
Fennessy, Mark P.
Alexander, Maurice H.
Caslin, William E.
McGee, James H.
Hansford, John R.
Kieswetter, Gerard M.
Armstrong, Marshall B.
Highhouse, Laverne D.
Ohlgren, Arthur S.
Koehler, Robert F.
Wallach, Albert W.
Reitz, Charles M.
Bedwell, Everett D.
Tremmel, Robert M.
Damon, Robert K.
Williams, Tom W.
Newton, George L.
Molesky, Richard V.
Wolff, Warren F.
Spiesel, William J.
Kiracofe, Walter E.
Wilder, Gary
Dinse, William J.
Smith, Herbert O.
Bartlett, George L.
O'Leary, Raymond J.
Kent, William D.
Nelson, Albert O.
Livingston, Gordon M. B.
Watson, John E.
King, Edwin C.
Snyder, Elmer N.
Albert, Alan D., Jr.
Burhans, Robert N.
Kerr, Charles R.
Miller, William R., Jr.
Norton, Robert J.
Mitchell, Donald L.
Ziegler, Arnold G.
Wilson, Paul E.
Kutz, Richard E.
Bourne, Frank L., Jr.
Englisch, Henry
Morris, Harry L., Jr.
Holthus, Elmer H.
Rourke, Rodger E.
Whisman, Ermil L.
Pearce, Garry M., Jr.
Austin, Conway L.
Brown, Arthur M.
Simonis, Robert L.
Frey, Hubert I.
Weston, Walter A.
Mead, Howard R., Jr.
Adrian, Billy M.
Lowdermilk, Theodore, Jr.
Vielhauer, William C.
Etheridge, Marion, M., Jr.
Schoen, Joseph F., Jr.
Fuchs, Leonard E.
Fogarty, Herbert L.
Branen, Wade E.
Griffis, Joseph K., Jr.
McDaniel, Roland L.
Evans, Jack W.
Turner, James S. G.
Figard, Charles R.
Robinson, Richard L.
Hodges, Thomas A.
Barnard, Roger H.
Clelland, William M.
Toner, Edward R.
Schulze, Richard C.
Hilderbrand, Donald H.
Stoetzer, William H.
Jaeck, William C.
Butler, William O.
Grabowski, Edward Z.
Slawter, Louis Z., Jr.
Chadwick, Robert J.
Carr, John B., Jr.
Little, Charles G.
Fimian, Charles
Twohey, Richard B.
Everett, James, Jr.
Simanikas, William C.
Smith, Thomas C.
Glowicki, Walter F.
Moore, Karl E.
Daniels, William S.
Kephart, William R.
Burnette, Lowell R., Jr.
Parchen, John W.
Jones, Richard K.
Shatzer, Dale E.
Metz, John G.
Sudhoff, Richard I.
DeAtley, Hillmer F.
Unterkofler, John J.
Donabedian, Haig
Francis, David D.
Grube, Frederick E.
Cobb, John H., Jr.
Fitzgerald, Garret J.
Conlin, Henry J.
Palmer, Robert E. B.
Stinemetz, Broman C.
Frazier, Kenyon J.
Howland, Robert W.
Larson, LaVern W.
Christian, Robert L., Jr.
Murphy, Rowland M.
Thousand, William H.
Schueler, Robert
Parker, Eric B.
Kruck, Frederick H.
Woods, John L.
Donahue, John J.
Johnson, Richard P.
Reece, Lee C.
Crosby, Hiram B., III
Thuesen, Ralph
Frazier, Philip N.
McClure, Val R.
Newton, Donald E.
Chaney, Robert P.
Olmstead, Stephen G.
Coffman, John L.
Hughes, Robert C. V.
Marsh, Richard C.
Hagedorn, Elvyn E.
Kelly, Thomas R.
Jolley, Malcolm S.
Lawler, Gerarrd E.
Standley, Billy R.
Deal, Carroll T.
Wickwire, Peter A.
Clayborne, John W.
Davis, Dale N.
Holmberg, William C.
Utley, Edward H.
Blaz, Vincente T.
Pape, Richard A.
Rowe, Ben C.
Nicholas, Charles E.
Cannon, Frank S.
Thomas, Gerald C., Jr.
Hutchison, William E.
Jones, Chester T.
Jones, David E., Jr.
Riddle, Robert G.
Dausman, Jack E.
Duncan, William B.
Heim, William P.
Goodson, Joseph P.
Wood, Leonard E.
Parker, Landon W.
Connolly, James P., II
Sellers, Donald L.
Balderston, Francis G.
Bumpas, Hugh R., Jr.
Matthews, Drew I.
Collin, John R.
Taber, Richard B.
Roberts, Charles D., Jr.
Boicey, Charles G.
Trainor, Bernard E.
Stockton, Richard C.
Meeker, Robert R., Jr.
Sylvester, Vernon L.
Maxwell, Edward K.
Lynch, Maurice B.
Buergey, William L.
Abrams, Lewis H.
Bradley, John R.
Hartman, Richard S.
Ingrando, Raymond B.
Smith, Richard W.
Tonnacliff, Charles W.
McKinney, Harold E.
Hohmann, William F.
Megna, Phillip E.
Chaplin, Duncan D., III
McElheny, Charles L.
Casey, Charles R.
Clark, Stuart T.
Bailey, James D.
Mogensen, Paul C.
Mallard, Frederick F.
Stranahan, Jerome W.
Morley, Dean H.
Maloney, William R.
Siegmund, Paul L.
Beeler, William R.
Hazard, Gilbert C.
McMath, James B.
Shrader, Paul A.
Smith, Joseph T.
Schramel, Raymond F.
Love, John R.
Hart, Herbert M.
Lawrence, William A.
Young, Donald P.
Culkin, Thomas J.
Moore, Marc A.
Grace, John J.
MacLean, Fred D., Jr.
Reddy, John J. P.
Dooley, Phillip J.
Harris, Robert E.
Mille, Robert J.
Searles, Robert M.
Fields, Thomas C.
Fuller, Robert A.
Barker, David B.
Mattimoe, Thomas E.
Haebel, Robert E.
Morgan, Pat
Carpenter, Harry U.
Cottrell, Harold E.
Woodham, Tullis J., Jr.
Williamson, Charles T.
Cawthron, John C., Jr.
Webster, Charles B.

Thomaidis, Speros D.
Navorska, Donald R.
Read, Brooke F., Jr.
McQuinn, Donald E.
Loferski, Stanley J.
Murray, Frank J.
Proudfoot, Ronald M.
Reiniche, Harvey T.
Landers, James H.
Yundt, Gary L.
Hawes, Richard E., Jr.
Eidson, Robert E.
Edwards, Thomas C.
Morrow, Samuel M.
Davis, Thomas G.
Vanairsdale, James B.
Maysilles, David J.
Drummond, Milton D., Jr.
Howard, Eugene R., Jr.
Atkinson, Harry E.
Fortin, Victor G.
Wray, Richard E., III
Bates, William G.
Kitterman, Warren P.
Stewart, Roderick M.
Baylor, John D.
Chene, Jerry P.
Bowie, Frederick R.
Westenberger, Paul H.
Rice, William R.
Gorski, William P.
Hollen, Kent D.
Van Den Berg, Oliver W., Jr.
Rowley, Jack D.
Silverthorn, Eugene A.
Anderton, Richard L.
Farmer, Martin E.
Qualls, Thomas F.
Rice, William H.
Hayes, David B.
Black, James L., Jr.
Stanaro, Chester J.
Kelly, Walter H., Jr.
Desselle, Albert M.
Rosecrans, Robert D.
Gifford, Cedric C.
Dinegar, Wilbur W.
Pearson, Paul E.
Hogan, Clarence E.
Gentry, George H., Jr.

The following-named officers of the Marine Corps for permanent appointment to the grade of captain:

Webb, Donald E.
Robinson, Charles D.
Pratt, George E.
Nelson, Herbert E.
Pafford, Billy E.
Plant, Robert
Daniels, Charles E., Jr.
Yanochik, Walter N.
Hull, Robert R.
Schofield, Harold
Evans, George G., Jr.
Manzione, John A., Jr.
Habgood, Charles R.
Coogan, Richard J.
Weiss, Robert J.
Stauch, Victor D., Jr.
Bainbridge, Robert L.
Piantadosi, Louis J.
Day, Charles J.
Wilson, Paul A., Jr.
Holmes, Lyell H.
Miller, Henry G., Jr.
Gash, William J.
Nalle, Thomas A., Jr.
French, Russell W.
Sprott, David N.
Reap, Thomas S.
Sells, Jimmy D.
Nelbach, Arthur A., Jr.
Nieland, Paul F.
Graham, Frank E.
Curry, Kenneth D., Jr.
Cassidy, Gerald W.
Sanders, Albert L.
Whitley, Billy L.
Koch, John R.
Holstead, George N.
Emery, Gordon P.
Baughman, Robert C.
Elliott, Philip L.
Simerly, Calvin F.
Hutchinson, Franklin G., Jr.
Sardo, Americo A.
Moore, Richard G.
Williams, Charles P.
Courson, Eugene S.
Kettering, Alvah J.
Emberton, Bruce W.
Bond, Royce L.
Cope, John F.
Kuhn, Harold F.
Light, William H., Jr.
Purcilly, Joseph C., Jr.
Weiland, Gerald A.
Radabaugh, Harold V.
Breslauer, Charles K.
Brewer, Clyde W., Jr.
Verdon, Donald J.
Ryhanych, George W.
Dupont, James A.
Johnson, Robert A.
Etnyre, William R.
Huckle, Richard A.
Pishock, Stephen J.
Daugherty, Ben D.
Anderson, Morris S.
Portner, Jack
Hartmeier, William J.
Thomas, Donald J.
Colburn, George W.
Turner, David C.
Hepp, Gerald J.
Nichols, Bobby J.
Taylor, Jack R.
Magaldi, Joseph M.
Hasler, Frederick R.
Loehe, Robert E.
Zimmerman, Karl A., II
McNelis, James F.
Woeckener, Robert J.
Pentecost, Thomas J.
Willkomm, James W.
Oliver, John P.
Dale, Denver T., III
Gregorcyk, Joe L.
McDonald, Charles J., Jr.
Parker, Charles E.
Shubert, James D.
Reid, Robert J.
Lafser, Raymond C.
Bair, Harry H.
Jamison, Russell E.
Wood, Richard F.
Nulty, William H.
Cady, Michael P.
Morrow, Gene S.
Humphrey, Donald L.
Kelly, Edwin F.
McCarty, Howard J.
Rogers, George F., Jr.
Kennedy, Raymond G.
Doub, Jay A.
Malone, Gordon E.
Louder, Joseph J.
Kueker, William R.
Stevens, Jerome E.
Overcash, Bobbie G.
Heister, Theodore A.
Boone, William
Johnson, Richard J.
Bustamante, Miguel E., Jr.
Dodds, William E.
Waters, Robert T.
Anderson, Donald C.
Black, Carl E. R.
Macfarlan, Cornelius W.
Petroff, Richard
Leavitt, James E. C., Jr.
Cardwell, Ronald E.
Andrew, Thomas C., Jr.
Bailey, George N., Jr.
Jones, Homer P.
Ondrako, Stephen, Jr.
Robson, Jon R.
Scarborough, Kenneth L.
Moore, Robert H.
Berry, Fred H., Jr.
Brubaker, Ralph E.
Gahagan, James S.
Throgmorton, James R.
Samaras, Peter N.
Schilhab, Eugene E.
Monteau, Hubert A.
Jupp, Walter A.
Birzer, Edward A.
Tye, Charles
Mills, Harry L.
Symm, Bernace M.
Crittenden, Jerry J. S.
Nichols, John T.
Brandenhorst, John D.
Manrod, Frank M.
Isbell, Will D.
McMahon, George F., Jr.
Holcomb, Charles E.
Guttormson, Darold L.
Anderson, James E.
Bieger, Donald C.
Chapman, Ralph L.
Cole, Jack L.
Cassidy, Brendan J.
Brown, Earl E.
Page, James E.
Ramsey, Lonnie E.
Johnston, Carl B.
Harrell, James T., III
Roberts, John W.
Pitman, Charles H.
Boemerman, George F.
Hintz, Gary W.
Bergman, Arthur A.
Henry, Charles A.
Phifer, David W.
Beers, Thomas G.
Green, James R.
Webb, Bruce D.
Stewart, Arthur L., Jr.
Horn, Denis R.
Barry, John A.
Kraxberger, Billy D.
Coleman, George F.
Sheehan, James F.
Gaboury, Laurence R.
Gonzalez, John C.
Bloomer, William A.
Foreman, Clarence D.
Cox, James M.
Cranford, James O.
Eggers, Robert F.
Steffey, Richard G.
Leach, George H.
King, Robert D.
Foley, William M.
Abel, Gerald G.
Shunkey, William P., Jr.
Mack, Jack A.
Crampton, Ervin J.
Browne, Desmond F.
Young, David L.
Cooper, James L.
Wieler, Eric H.
Macha, Benjamin E.
Vanous, Fredric J.
Whitman, Fred T.
Arman, Phillip T.
Weir, Robert K.
Valentini, Mario S.
Lockie, John E.
Crawford, John D.
Widener, William W.
Scolforo, Leo J., Jr.
Edwards, Myrddyn E.
Van Hemert, Willem
Solazzo, Vito M.
Liedel, Arthur J.
Bollard, George J.
Fahrni, Leonard W.
Scott, Roger F., Jr.
Barnard, William R.
Rust, Barry P.
Oaks, Charles W.
White, Francis V., Jr.
Roberts, Stanton H., Jr.
Bailey, Richard A.
Greene, Wallace M., III
Newton, Haril W.
Carr, Richard W.
Way, John D.
Townsend, David C.
Doran, Edwin J.
Noble, Joe B.
Clauretie, David M.
Hawthorne, Richard W.
Slack, Paul D.
Kerr, Hugh T.
Smith, Rodgers T.
Bradley, Robert L.
Jacks, Glenn G.
Lapham, Thomas J.
Knuebel, Kenneth P.
Robertson, Richard S.
Kaufman, Larry A.
Christy, Howard A.
Masters, James E.
Pauley, Donald C.
Carll, Randall C.
Biel, Richard K.
Odom, David L.
Frucci, Allen L.
Jones, George E.
Mason, Robert B.
Clark, Arthur B.
Hyatt, Richard C.
Peterson, George E.
Clarkson, Edward J.
Morris, McLendon G.
Martino, Frank W.
Murray, John D.
Caldwell, Robert C.
Avera, B. Lewis, Jr.
Caputo, Joseph J.
Mason, Donald G.
Miller, Donald R.
Perryman, James M., Jr.
Sparks, Donald R.
Burton, John J.
Marks, Roy M.
Ridgely, Reginald H., III
Cooper, Wade H.
Clute, Morrel G.
Onslow, Robert C.
Votaw, Edward F.
Trehy, Jerome P.
Read, William T.
Eller, Franklin P., Jr.
Obuhanych, David E.
Edson, Herbert R.
Ross, Richard D.
Kelly, Francis J.
Berwald, Herbert T., Jr.
Cuthbert, Edward W.
Knotts, Joseph B.
Bennett, David R.
Grissom, Esta D.
Von Harten, William R.
Perron, Edward R.
Ball, William R.
Weaver, Calvin G.
Tolleson, Frederic L.
Curnutt, John R.
McGarvey, James M.
Eldred, Loran C.
Fischer, Robert L.
Gary, John H., III
Owlett, Fred
MacNulty, William K., Jr.
Terhorst, Bernard R.
McAfee, Carlos K.
Pifel, Bruce A.
Chmelik, James J.
Cisewski, Richard J.
Milone, Donald E.
Gannon, Dominick R.
Camper, Richard M.
Tashjian, Robert C.
Bickel, Donald C.
Shea, William S.
Hallden, Richard C.
Albert, Karl V.
Schulken, James E.
Arney, Harold E., Jr.
Hayes, Charles H.
Blanchard, Ronald E.
Esterline, Charles S.
Forehand, Lorraine L., Jr.
Wiedemann, Robert J.
Poland, James A.
Coffin, John C.
McFarland, Thomas G., Jr.
Acey, John B.
Beery, Richard L.
Morra, John A.
Colassard, Barry S.
Sudduth, Donald E.
Arnold, William P.
Brooks, William J.
Gray, John T.
Stuckey, Robert D.
Goins, Robert F.
Valentine, Harry C., Jr.
Cowart, James G., Jr.
Locke, Frederick A.
Sime, Colben K., Jr.
Tyler, John T.
Vail, Alfred L.
Adkins, Mars M.
Freeman, Bobby H.
McManaway, James L.
Janis, Robert V.
Fisher, Wilfred S.
Geraghty, Gerald W., Jr.
Celli, John G.
Fisher, Albert T.
Monahan, John P.
Shelton, Jerry L.
Marks, James W.
Taylor, Charles H., Jr.
Seeley, Devon C.
Helms, Samuel H.
Adams, John A.
Lowrey, Bill G.
Sheridan, John J.
Miller, Robert C.
Adamczuk, Russell W.
Weiler, Frank V.
OBymachow, Joseph P.
Holben, David S.
Wheeler, Thomas M.
Graeff, Edward W.
Gaffney, Jack A.
Winberg, James M.
Grimes, Billy M.
Rogers, John A., II
Capwell, George L., Jr.
Nussel, Arthur H.
Lary, Ralph L., Jr.
Kahler, Billy J.
Cleveland, Robert E.
Oldham, John S.
McInroe, Jimmy B.
Armstrong, Stephen A.
Shockley, Gordon E.
Morris, John B.
Reeves, Michael P.
Dane, Donald W.
Lottman, William J.
Davis, William C.
Miller, James A.
Shaver, Glenn J., Jr.
Blackburn, George M.
Gagen, John A.
Tinsley, Dale L.
McCarthy, Donald J.
Llewellyn, Perry T.
Jahn, James D.
Smyth, George W., Jr.
Nelson, Marvin R.
Ruthven, Colin J.
Cathcart, Donald E.
Ausley, Wilbur H.
Lockwood, Robert H.
Adams, Richard J.
Anderson, Ira C.
Watson, Jac D.
Thompson, Jerry R.
James, Gerald D.
Lively, Charles M.
Brown, Richard H.
Eddy, John L.
Spaulding, Dorsey L.
Lee, Peter B.
Correll, William R., Jr.
Wallace, Lorin C., Jr.
Rule, Julius M., III
Caylor, David A.
Burns, Mervyn J.
Jacobsen, Donald E.
Miller, Ralph D.
Yates, Charles E.
Ellis, Gerald L.
Kirby, Donald E.
Pitt, Albert
Caldas, John J., Jr.
Tunget, Everett L.
Silva, Lionel V.
Ficere, William G., Jr.
McCarty, James A.
Murch, David H.
Wilson, Dwayne E. T.
Loe, Gerald E.
Strand, Gordon D.
Ramsey, David A.
Freeman, Robert A.
Hatch, William W.
Heiser, Karl, R.
Houle, Fredrick J., Jr.
Bjork, Wayne V.
Ludlow, James L.
Broad, Robert O., Jr.
Walsh, Robert L.
Hatch, Donald J.
Smith, Norman H.
Allen, Francis R.
Ragsdale, James E., Jr.
Schuyler, John A.
Kennedy, Thomas J., Jr.
Kent, William L.
Kennedy, Clifford A.
Earls, Kenneth W.
Conway, Thomas F.
Carr, Donald S.
Bailey, David B.
Difiore, Harold J.
Poronto, Earle G.
Pritchett, Louis C.
Kitchens, Kenneth E.
Cloutier, Paul N.
Taylor, Charles W.
Voigt, Wilson A.
Kazmierczak, Robert B.
Kachauskas, Carl W.
Rhodes, James L.
Adams, Richard O.
Wessel, William C., Jr.
Fountain, Marcus T., Jr.
Seay, Donald R.
Robinson, Lucien C.
McCoart, James J., Jr.
Lougheed, Thomas P.
Marquette, Eugene O., III
Lee, Howard V.
Hanly, Alfred S.
Fullerton, Edward R.
Harding, William W., Jr.

Vreeland, Norman H.
Price, William G.
Parker, John B.
Sfreddo, Robert L.
Busch, Peter M.
Combs, Loyal D.
Byram, Joseph C., Jr.
Tharp, John J.
Douglas, Richard T.
Lutes, Morris, W.
Johns, David D.
Page, Dorsie D., Jr.
Fennel, Harris J.
Driscoll, Bruce W.
Johnson, Robert C.
Monroe, Jack P., Jr.
Huston, Ralph S.
Owen, Ronald L.
Hunt, Harry A., Jr.
Finn, Robert C.
Memmer, George V.
Schumacher, James A.
Mullen, Frank C., Jr.
Walker, Edwin H., IV
Hampton, Charles T.
Schoon, John E.
Williams, Donald E.
McManus, William J.
Keenan, John M.
Preble, Lee A.
Coykendall, John M.
Donovan, John B., Jr.
Clark, George
Finlon, Arthur P.
Cameron, Dougal A., III
Throm, Robert B.
Edwards, Fred, L., Jr.
McKenna, William E., Jr.
Nice, Lloyd B.
Taylor, George H., III
Trader, Everett P., Jr.
Crudup, Dempsey B.
Kropp, Ronald G.
Slider, William P.
Corbett, Roy G.
Reed, Ralph L.
Johnson, Lester E.
James, Perry L.
Hunt, Theodore E.
McGrady, Garnett
Cody, Joseph F., Jr.
Hicks, Jimmie A.
Park, Ralph K.
Kropinack, Robert C.
Skelton, Richard J.
Larimer, Neil M., II
Jasper, Norman J., Jr.
Gonzales, Cyril E.
Splean, Roger A.
Whelan, Vincent M.
Johnson, Gunnar A.
Sinclair, Duan K., Jr.
White, Craig A.
Blair, Lynde D.
Turner, Terry
Shortt, Harry R.
McKellar, Charles W. F.
Glaser, Ronald R.
Reilly, James K.
Schultz, Jack T.
Eskam, John A.
Taylor, Richard B.
Martin, Delbert M.
Spooner, Richard T.
Reese, John A., Jr.
Zeterberg, David P.
Soesbe, Keith E.
Hatfield, Charles D.
Carroll, John E., Jr.
Vogel, Peter J.
Cruz, Frank, Jr.
Sullivan, Michael P.
Bode, Donald H.
Hornsby, Malcolm T., Jr.
Erickson, Bernon R.
Edens, Allen R.
Carroll, Edward P.
Russell, Eugene B.
Noll, Richard A.
Abraham, Louis R.

The following-named officers of the Marine Corps for temporary appointment to the grade of first lieutenant, subject to qualification therefor as provided by law:

Ackerman, Carl P.
Adams, Carl I.
Ahern, John R.
Amey, David G.
Anderson, Andrew G.
Anderson, John M.
Anderson, Michael W.
Archer, James B.
Arthur, David A.
Atkinson, Dennis M.
Averill, Clair E., Jr.
Backus, Larry A.
Bacon, Charles L.
Bakke, Allan P.
Bannan, Richard C.
Barclay, Boyd L.
Barker, Richard T.
Barth, Peter L.
Beery, James R.
Bell, Donald R., Jr.
Bement, George E.
Benjamin, Benjamin E.
Bentley, Jerome H., III
Berg, Allan E.
Berryman, Gordon C., III
Bertelson, Floyd E.
Bettle, George R.
Bevins, Lance V.
Bevis, Abraham
Biddle, Ronald J.
Bing, Noel C.
Bishop, Max D.
Bittner, Donald F.
Black, Robert A., Jr.
Boone, Latham, III
Boss, Michael O.
Bovan, John W.
Boyd, Thornton
Braly, Clinton E.
Breede, Walter J., III
Brennan, Patrick S.
Bride, Roger S.
Brinker, Jack R.
Brinson, Lloyd G., Jr.
Brown, David W.
Brown, Frederick G.
Brown, Gary E.
Brown, Paul B.
Bruce, Curtis B.
Browning, Robert A.
Brumbaugh, Clay A.
Bryan, Frederick T., Jr.
Burns, Arthur E., III
Burns, Thomas V.
Burnstell, Ronald G.
Burrows, Bruce
Camp, Richard G.
Carlson, Gary E.
Carpenter, Peter D.
Chadwick, Leon G., III
Carson, Jimmy M.
Champion, Robert C., Jr.
Chance, Edward W.
Cheff, Stanley W., Jr.
Christoph, William H.
Clancy, Joseph B.
Clausen, Charles D.
Clay, William C., III
Clingman, David W.
Cochran, Michael E.
Coffel, Richard V.
Coffman, Richard W.
Cole, William E., II
Conatser, Bernis B., Jr.
Conway, John J.
Cormier, Ronald C.
Costello, Walter J.
Cox, William F.
Crafton, Wayne N.
Crosby, Albert B.
Craig, Richard J.
Cuny, Charles D.
Cullen, Thomas B.
Criche, Richard H.
Darling, Marshall B.
Davidson, William D.
Davis, James A.
Davis, James F.
Davis, Leroy G.
Dawson, Patrick E.
Dearman, Lester R.
De Groft, Herbert W.
De Holl, John D.
Devitt, Thomas P.
Dickson, William P.
Diedrich, William M.
Dinius, Ernest L.
Dohrman, John W.
Dolan, John T.
Dougherty, John J.
Downey, David A.
Downey, Lawrence L.
Doyle, Robert A.
Dozier, Walter B.
Dugas, Clay J., II
Dwyer, Edward J., Jr.
Dwyer, Joseph M.
Eaton, Leonard M.
Egloff, James F.
Eiland, Earl W.
Eitel, Jack O.
Ek, Paul R.
Ellingson, John H.
Ellis, James F.
Elsworth, Richard W.
Ely, John N.
Enright, Patric S.
Fagan, Brian J.
Fagan, James W.
Faulkenberry, Paul I.
Favor, Joseph M.
Ferguson, Roger G.
Field, James D.
Fischbach, John T.
Fisher, James A.
Fleming, Victor K., Jr.
Frank, Douglas R.
Frindt, Richard A.
Fullerton, Richard F.
Gardner, Joel R.
Garner, Barry L.
Garrett, James D.
Goetz, Robert H.
Getlin, Michael P.
Goodwin, Paul B.
Grant, Donald A.
Grabowski, Bernard
Green, Robert W.
Green, William R.
Gregory, Tommy D.
Griggs, Alfred L.
Groebner, Steven J.
Hagerman, Edwin A. J.
Hall, Hurston
Hamilton, George C.
Hanley, Joseph J.
Hanson, James H.
Hardaker, William T., Jr.
Harkness, Christian L.
Harper, Michael H., Jr.
Harrison, John C.
Heintz, Ronald A.
Henning, Stuart L.
Herd, James R.
Herkal, Walter H., Jr.
Hess, Jerome L.
Hildreth, Kent R.
Hillgaertner, William W.
Hinkle, Thomas F.
Hitzelberger, Daniel A.
Hoekstra, James V.
Holland, Alwin G., Jr.
Holland, George F., III
Holmes, Hal, Jr.
Hornbacher, Keith D.
House, John A., II
Howard, Thomas M.
Howard, Otis E., III
Huebsch, Norbert A., Jr.
Hudiburg, Walter F., Jr.
Huesman, Ronald H.
Hughes, Robert A.
Hulit, Richard C.
Hultman, Bruce A.
Hunt, Gerald
Jacoway, Bronson C., Jr.
Jenkins, James T.
Jaros, James J.
Johnson, Ward S.
Johnston, Harold C., Jr.
Jones, Jack L.
Jones, Patrick S.
Jones, Richard C., Jr.
Jordan, Charles G.
Jungmann, Norman G.
Junkins, Kenneth E.
Kalt, Gerard T.
Kapsch, Richard J.
Keenan, Thomas P., Jr.
Keeley, Elton J.
Kelly, John A.
Kenyon, Richard B.
Keskey, Theodore J.
Kiser, John W., Jr.
Klabough, Francis T.
Kleiboeker, Larry G.
Kline, Alfred S.
Kolbe, Edward A.
Konopka, Anthony F.
Konrath, William E.
Krolak, Leonard R.
Lake, Harry E., Jr.
Lambert, Gary K.
Lamphier, Timothy A.
Langley, Howard F., Jr.
Leatham, Robert O.
Leonard, William E.
LeSieur, James G., III
Libbey, Jacob E.
Lingenfelter, Wayne M.
Linsert, Henry, Jr.
Little, David R.
Little, Ernest K.
Lloyd, James F., Jr.
Loch, Charles J., Jr.
Loeber, William G., III
Longo, Joseph S., Jr.
Luhrsen, David A.
Lundeman, Alf
Lyle, Charles A.
Lyon, Alfred E.
Mackin, Harry T.
Madeo, Robert A.
Madson, Gerald G.
Maisel, John M.
Makowka, Philip S.
Marra, Michael A.
Marshall, William S., III
Mathews, Lyle D.
Matthews, Ronald R.
McCarron, Edward D., Jr.
McCloy, Harry M., Jr.
McFarlane, Richard S.
McGowan, Thomas A.
McKenna, Bruce S.
Medlin, Laurence R.
Merrick, Burton J.
Meyers, Tulmon V.
Metcalf, Donald W.
Mills, Wallace L.
Miles, Perry W., III
Milsap, Ray F.
Miner, Terry L.
Miske, George J.
Mitchell, Jay A.
Mitchell, Patrick G.
Monroe, Anthony A.
Moore, Brady L.
Morey, Richard L.
Morra, Joseph G.
Morris, David A.
Morrison, Robert S.
Moser, Richard E.
Mulherin, Charles H., Jr.
Mullane, Joseph F., Jr.
Munger, Christopher D.
Murphy, John P.
Myatt, James M.
Nay, David R.
Neist, Terrence P.
Newton, John L.
Nichols, James W.
Nisewaner, Ken W.
Northcutt, William R.
Nykreim, Theodore P., Jr.
O'Connor, Donald J.
Oetting, Robert L.
Ogle, Daniel J.
Okrina, Loren J.
Optekar, Peter S.
Osborne, Ronald G.
Otlowski, Raymond J.
Palmerlee, Thomas M.
Pardini, Albert J.
Parker, Alson H., III
Paull, Jerome T.
Perzinskas, Henry L.
Peterson, James C.
Peterson, Michael B.
Phillips, William R.
Pierpont, Charles C., III
Pinckney, John M.
Pitaro, Nicholas R.
Pittroff, Lyle F.
Plachy, Ronald J.
Platt, John F.
Pleier, Joseph R.
Porchey, David V.
Porter, Robert D.
Praeger, Dirck K.
Preston, Charles P., Jr.
Price, Ernest E., III
Rabert, Daryl L.
Rafferty, Thomas F.
Ramsey, Kenneth R.
Randolph, John D.
Rank, John A., III
Raschke, Jay A.
Raske, Walter O. A.
Reynolds, Donald J.
Richmond, James M.
Ries, Edward G., Jr.
Ritzenthaler, James M.
Roberts, Howard S., Jr.
Roney, John A.
Roederer, John S.
Roniger, Joseph J., Jr.
Rosenberg, Donald L.
Rummans, Larry M.
Ryan, James P., Jr.
Saltarelli, Donald J.
Schmidt, George T.
Schmidt, William E.
Schumacher, Ludwig J.
Sciepko, Ronald S.
Sconyers, David J.
Shore, David R.
Shugart, Edward R., III
Simpleman, Louis L.
Smith, Alfred T.
Smith, Gordon F.
Smith, William E.
Smith, William F.
Snee, Thomas J.
Sowa, Gerald R.
Sortino, Don F.
Sortino, Ronald D. R.
Spadafora, Charles A.
Sramek, James B.
Stalcup, Charles H.
Staley, Roger F.
Strong, Frank D.
Stummer, John R.
Sullivan, John A.
Swinburn, Charles
Swinburne, Herbert H., Jr.
Sympson, Kenneth P.
Takabayashi, Glenn
Taylor, James L.
Terrill, William B.
Telfer, Gary L.
Tester, Bruce A.
Thomas, Blake K.
Tkac, Joseph G., Jr.
Tomlin, Richard D.
Townsend, Patrick L.
Tozour, Douglas O.
Treschuk, Timothy M.
Urland, Robert S.
Valdov, Juri
Vanderham, Thomas L.
Van Ryzin, Peter J.
Varanini, Emilio E., III
Walker, John S.
Ward, John W.
Warner, John H.
Warshaw, Joel M.
Wawrzyniak, Daniel J.
Weatherly, Davis C., Jr.
Weathers, Dudley M.
Webb, Allen B.
Weibel, Jerry R.
Weinbrenner, George J.
Weinhart, John R.
Weides, John D.
Wellman, Donald A.
Werth, Duncan S., III
Whitaker, Alexander W.
Whitehouse, Richard A.
Whitworth, Wyatt C., Jr.
Williams, Claude N.
Williams, John K.
Williams, Peter D.
Williams, Thomas E., Jr.
Wilson, Willis C.
Winkelbauer, Michael N.
Windisch, John W.
Wise, Thomas J., Jr.
Witt, Siegfried R.
Woggon, John A.
Wydo, Michael W.
Zealley, Harold E.
Zobenica, Ronald M.
Clark, Robert F.
Hinson, Amos B., III
Hunter, James B., III
Kohler, Edward A.
Lowe, James M., II
Severin, Bernard K.

The following-named officers of the Marine Corps for permanent appointment to the grade of first lieutenant, subject to qualification therefor as provided by law:

Athy, Wilma G.
Botwright, Jeanne A.
Canal, Jo Ann
Howard, Mary S. L.
Jones, Vera M.
McMillan, Saundra
Reals, Gail M.
Silvey, Wanda R.
Waugh, Gail A.
White, Jacqueline J.

Willoughby, Paula M.
Houston, Arthur L., Jr.
Mediavilla, Antonio
Giddings, Joseph A.
Pinnick, James H.
Caynak, John P.
Gofas, Constantine
Russell, William E.
Rudeen, Paul E., Jr.
Young, Hoyt W.
Isbell, Charles M.
Ayer, Willard F.
Brady, Frank D.
Briggs, James H.
Cahaskie, Charles S.
Connell, James J.
Crusing, John R.
Depreker, Peter L.
East, James T.
Eckert, James D.
Fallon, John J., Jr.
Griffin, James P.
Guenther, John J.
Havel, John H.
Hoffman, George F.
Johnston, Donald W.
Kennedy, Thomas J.
Lakin, William P.
Lippmann, Robert E.
Livezey, James W.
Mann, Frank, Jr.
McClellan, William O., Jr.
McVay, Kenneth A.
Mears, Charles J., Jr.
Meece, Donald O.
Nelms, Ralph
Oss, Merton J.
Roberson, Willie G.
Schlotzhauer, William P.
Sherzer, Russell R.
Smyth, James P.
Still, Leo J., Jr.
Truax, Thomas M.
Wagor, Jaris L.
Ariola, Carl R.
Benner, William D.
Branum, Marx H.
Chapman, Paul W.
Clapp, Robert G.
Cobb, Charles W., Jr.
Curtis, Charles B.
Dadisman, Donald W.
Davenport, Paul G.
DeWalt, Donald H.
Diehl, Richard F.
Eddy, Dale D.
Evans, Frank W.
Ellis, Richmond K., Jr.
Fisher, Thomas V.
Foreman, Ronald D.
Greenough, Robert K.
Hall, William A.
Zappone, Francis L., Jr.
Harrington, Myron C., Jr.
Harrington, Phillip L.
Hayner, Claire L.
Hemingway, Thomas E.
Heuring, Francis E.
Hippner, Richard C.
Horn, Carl J.
Hurley, William F.
James, Orville E., Jr.
Kirk, Glen R.
Knibbs, James R.
Lambert, Clark S.
Lawseth, Raymond M.
Lehrack, Otto J., III
Lyman, Thomas T., Jr.
Marcani, Paul S.
McDonald, Harland E.
Miller, W. Scott
Morgan, Harmon S., Jr.
Moore, Raymond R.
Morris, Philip R.
Nargele, Dominik G.
Phaneuf, Joseph R.
Rider, Kenneth L.
Roller, Robert F., Jr.
Rook, Ronald C.
Ryan, John A., Jr.
Salisbury, Robert E.
Shirley, Troy T.
Stroup, William C.
Walsingham, Carl B., Jr.
Wilson, Ronald N.
Adams, Gene A., Jr.
Allegretti, Joseph J.
Allen, Bryan K.
Anderst, James L.
Ariss, David W.
Atchley, Robert C.
Baker, Larry L.
Balthis, Joseph R.
Banks, Henry D.
Barber, Frederic C.
Barbour, George F.
Barraclough, Harold T.
Barré, Ole
Barrett, Thomas V.
Barrier, Robert C.
Bartel, Roger A.
Bean, Edwin, Jr.
Beinner, David M.
Bendrick, Frank A.
Benson, Dean E.
Bernath, Donald L.
Bledsoe, Carl R.
Brady, Philip O.
Brickley, John P.
Brooks, Robert C.
Brophy, Richard T.
Brousseau, Andre R., III.
Bruner, Robert T.
Burns, Ralph D., Jr.
Butler, John A., III.
Butsko, Frank
Byrne, Peter E.
Cadwalader, George
Calta, Ronald F.
Campbell, William R., Jr.
Canaday, Michael C.
Care, James D.
Carlson, Keith E.
Cassidy, James A., Jr.
Cavin, Robert C.
Chapman, Jack A.
Chowen, Wesley J.
Cloud, David F.
Coates, Sterling K.
Cody, Ernest L., Jr.
Coleman, Bobby L.
Coleman, Roland W.
Connell, Terence P.
Conrad, John E., Jr.
Costa, Richard L.
Coulter, Wayne F.
Crowley, Jerome J., Jr.
Cusick, Thomas L.
Daigle, Paul N.
Daley, Roderic S., Jr.
Damon, Dennis E.
Dastugue, Marcel F., III
Daughtridge, Albert S., Jr.
Davenport, Wayne A.
Davis, Arthur G., Jr.
Davis, Charles E.
Dean, Dale D.
Decker, Richard A.
De Forest, Roy E.
Delaney, Richard A.
Derry, James O.
Dietz, Harry L.
Divelbiss, Charles F.
Dobies, Ronald S.
Downs, Michael P.
Doyle, James R.
Duke, Leiland M., Jr.
Dukes, John E.
Dunn, Bernard
Dunning, Clifford R.
Durrant, Stephen C.
Egger, Walter J.
Eustis, Peter
Evans, Donald L.
Everage, John M.
Fidelle, Thomas P., Jr.
Fish, William D.
Fisher, Robert J., Jr.
Fitts, William W., Jr.
Flaherty, Richard A.
Flint, Jon T.
Follett, John F.
Fosnocht, Bruce A.
Fox, Kim E.
French, James H.
Gacusana, Jose M.
Galazio, Joseph A.
Gallagher, Dennis O.
Gardner, Dayne G.
Gardner, Jackie R.
Gatchel, Theodore L.
Gibbons, Terrence A.
Gleason, Theodore A.
Goldhill, Edward C., Jr.
Golemon, Ronald K.
Gonyea, Darrel E.
Goodman, William S.
Gorski, Allan A.
Greeley, Brendan M., Jr.
Greenwood, William R.
Gresham, James W.
Grubb, Edgar H.
Gruhler, Jean A., Jr.
Grunwaldt, James G.
Guthrie, Clifton W.
Hadley, William C.
Hall, Richard V.
Halvorsen, John P.
Hamlon, John S., Jr.
Hampton, Glen L.
Hardiman, David W.
Harris, Andrew D.
Harris, Ernest A., Jr.
Hart, James A.
Hart, William R.
Hassler, John R.
Hathcock, Frank W.
Heigel, Roger C.
Heikkila, Frank L.
Heller, Kim F.
Henderson, David G.
Hendricks, Gordon E., Jr.
Hernandez, Enrique
Hess, John D.
Hines, Ralph E.
Holder, Kenneth M.
Holifield, Claude M., Jr.
Holmes, Larie W.
Hook, Sanders H. B.
Hooper, Richard W.
Hopper, Robert A.
Huckelbery, Charles T.
Hughes, Edward J., Jr.
Huml, Gerald F.
Hunter, William C.
Hyde, Wilton H., Jr.
Irvine, Edmund J., Jr.
James, Jack J.
Jennings, Fernandez, Jr.
Jennings, Harry E., Jr.
Johnson, Gene F.
Johnson, Gerald W.
Johnson, Kenneth D.
Johnson, Philip L.
Johnson, Richard F.
Jones, Newell M.
Jones, Thomas E.
Joyner, Alfred R.
Kaff, Robert N.
Kane, Thomas F.
Kenworthy, David M.
Keough, Francis T.
Kievit, Richard J.
Kilbane, Robert H.
Klages, William B.
Kleiboeker, Ronald W.
Koellner, Carl A.
Kolakowski, Henry, Jr.
Krueger, Bruce E.
Kummeth, Eugene P.
Lasley, Rex W.
Laster, James M.
Lawrence, George D., Jr.
Lawson, Walter J.
Lea, James O.
Lecornu, John
Lenzini, Martin J.
Lewis, Frederick E.
Lincoln, Neil R.
Long, Edward D.
Long, Melvin H.
Lucas, Albert F., Jr.
Lunde, Dennis E.
MacMullan, Hugh A., III
Madison, Gerald M.
Maiden, Joseph C., Jr.
Makowski, Stanley S., Jr.
Maloney, Terrence B.
Marchand, David M.
Maresco, Richard E.
Marshall, Joseph W. III
Marshall, Willard D.
Mattiace, John M.
Mauldin, Joe A.
Mayhan, Lynn B.
Mayian, Stephen M.
McAdams, William R.
McCarthy, Anthony J.
McCarthy, John W.
McCaughan, Frederick A.
McCreedy, Edwin J.
McDonald, Lawrence J.
McDonough, James G.
McFadden, Andrew G., Jr.
McGehe, John D.
McGill, George M.
McGowan, James D., Jr.
McGuire, Carol R.
McHenry, James P.
McIndoe, Robert A.
McKeown, Thomas K.
McKnight, James M.
McMillan, Bruce F.
McMurtrie, Earl L.
McNease, Colin A. P.
Meadows, Charles L.
Miecznikowski, Robert S.
Mitchell, Robert W., Jr.
Monette, Roland E.
Morgan, James E.
Morris, John C., Jr.
Mullen, Michael J.
Murphy, Thomas F.
Myers, Donald J.
Nance, Herbert T., Jr.
Nargi, Robert A.
Needham, James S.
Neely, Ives W., Jr.
Nelson, Lyle K.
Newman, Robert J.
Nolen, Roy L., III.
Norman, Jay R.
O'Connell, John M.
O'Connor, John R.
O'Connor, Martin H., Jr.
Ogle, Larry R.
Okeefe, Edward S., Jr.
Oleata, Edward A.
O'Neill, Robert R.
Owen, James T., Jr.
Pace, Ray T.
Pacello, Francis D.
Palumbo, Fred J.
Parker, Gary W.
Paterson, Robert J.
Peet, Alva E., Jr.
Pe.ott, Robert O.
Peterson, Joel N.
Pettis, Ronald E.
Phelps, Fred A.
Pierpan, Herbert E.
Pope, John C.
Porterfield, Charles W.
Prichard, John L.
Puckett, John R.
Raab, Robert L.
Rakow, William M., Jr.
Ray, Revedy C., III
Raymond, John W.
Regal, John E.
Rentto, Robert L.
Robb, Charles S., II
Roberson, Clifford E.
Robinson, Dayton L., Jr.
Robison, John W.
Rogers, Milton B.
Rose, John M.
Rose, Robert M.
Rothwell, Richard B.
Rountree, Neal T.
Rowe, Peter J.
Ryan, Justin M.
Saunders, James A., Jr.
Sayer, Donald L.
Schue, Ronald R.
Schultz, Virgil L.
Schulzke, Delbert L.
Seitz, Karl J., Jr.
Severson, Glen L.
Seymour, Jack T.
Shapiro, Bruce L.
Sharp, William C.
Sheahan, John J.
Shelton, Charles H.
Sherretz, Lundie L.
Shirley, Jerry C.
Shrivalle, Wade B., Jr.
Sims, Samuel R.
Slack, Willard E.
Sloan, Todd M.
Smith, Charles R., Jr.
Smith, Frank W.
Smith, Paul J., Jr.
Smith, Richard P.
Snow, Claude K.
Snow, Denman T., II
Snyder, William F.
Sobieski, Alexander J., Jr.
Soderstrom, Frank R.
Speicher, John A.
Stone, Alan C.
Stone, David T.
Straumanis, Eric R.
Stroud, Luther P., Jr.
Sullivan, Thomas C.
Swart, Arnold R.
Sykes, Waverly E., Jr.
Taylor, Charles C.
Taylor, Kenneth T.
Terrell, Thomas C.
Thomas, Francis A.
Thomas, Sidney E.
Thompson, Orville M.
Thompson, Raymond S., III
Thoreson, Bruce D.
Trumpfheller, Robert R.
Trice, William H., Jr.
Tripp, William E., Jr.
Trowbridge, Larry W.
Tuckwiller, Frank W.
Urban, Luke J.
Vanderberg, Paul A.
VanOrden, George M.
Varn, Robert M.
Vazquez, Amilcar
Vertrees, Robert L.
Wagner, Benny D.
Walker, John F., III
Walter, Sam T., Jr.
Warman, David A.
Warren, William R.
Washburn, Dean L.
Weaver, Robert F., Jr.
Webber, Frederick L.
Weede, Richard D.
Wehrung, Malcolm W.
Weller, Donald M., Jr.
West, William H., Jr.
White, Thomas A.
White, William H.
Whitesel, Robert N.
Whitley, Walter H.
Whittelsey, Arnold G.
Wiele, Frederick J.
Williams, Daniel B.
Williams, Dempsey H., III
Williams, John A.
Wills, Duane A.
Wilson, Willis A., Jr.
Windham, Benjamin T., Jr.
Winer, Peter D.
Winn, Paul C.
Witzgall, Wilton K.
Wold, Thomas H.
Yarbrough, George E.
Zimmerman, Ralph A.
Zittel, David R.
Norred, Caldwell V., III
Pearce, Frank G.
Dove, Thomas R.
Gordon, Charles R.
Russell, Leo K.
Sinclair, Cloyce E.
Harris, Robert E.
Brahms, David M.
Brodeur, Gerald P.
Fritz, David H.
Garten, Ronald C.
Howell, Jefferson D., Jr.
Johnson, Alford B.
Negron, William P.
Price, Donald L.
Risler, Eugene S., III
Anderson, Robert R.
Becker, James H.
Bellows, Bruce A.
Berthusen, Norman T.
Blanks, Charlton H.
Bricker, Peter W.
Burke, John G.
Carr, John D.
Carroll, Ronald J.
Collins, Emmett B., II
Conoley, Robert O.
Coyle, Edward L.
Craney, Dennis W.
De Bona, Andrew D.
Dees, Wilton F.
Depretoro, Thomas W.
Dickinson, Ralph A.
Dow, Charles W.
Driscoll, Steven J.
Edmunds, Richard L.
Evans, Thomas J., Jr.
Flowers, Walter E.
Fowles, Robert G.
Franzwa, Robert E.
Frey, Charles D.
Glad, Andrew D.
Green, Larry S.
Guinn, Richard L.
Guinn, Robert L.
Haring, Joseph A.
Harman, Milton L.
Heidbreder, Robert E.
Hicks, Gerard R.
Horn, Thomas R.
Hunter, James B., III
Johnson, Robert E.
Johnston, Robert B.
Jones, Lloyd C.
Kenny, James P.
Kerney, James L.
Larson, George H.
Linkonis, Bertram L.
Lytch, William D., Jr.
Mannila, Richard R.
Marks, David E.
Martin, James E.

Matthews, Frederick R., Jr.
McAlpin, Gary T.
McDonough, Edward J.
McGee, James L.
Miller, David F.
Mitchell, Neil F.
Moody, Joe D.
Mooney, William B.
Moore, Alfred H.
Morgan, Jerry L.
Mullen, John J., Jr.
Nelson, Arnold R.
Neyman, James L.
Poss, Willard B.
Raoul-Duval, Michael
Read, John J.
Reese, Thomas D., Jr.
Rich, Michael E.
Rintye, Edward D.
Roberton, James C.
Scott, Denver D.
Shepherd, James A.
Skierkowski, Walter H.
Springer, David A.
Stewart, Richard L.
Tait, Glenn S.
Trudeau, James L.
Tuttle, Ronald B.
Uyeda, Theodore Y.
Van Horne, Charles W.
Weingarten, Julian A.
Westendick, William A.
Wheeler, Carl B.
Whitfield, George A.
Yarnell, James H.
Allen, James S.
Brown, John M., Jr.
Dickey, Clarence D.
Knight, John B.
Kruse, Philip R.
Mills, Harry R.
Moffett, James H.
Nunn, Albert N.
Palatini, Anthony
Suber, Eddie J., Jr.

The following named for permanent appointment to the grade of second lieutenant for limited duty in the Marine Corps, subject to the qualifications therefor as provided by law:

Anthes, Fred W.
Ashe, Thomas D.
Bartlett, Robert O.
Beaver, Dale S.
Bode, Wichard H., Jr.
Bowden, Holland C.
Campbell, Wallace E. A.
Carter, Kenneth L.
Chavez, Lonnie S.
Church, Jorel B.
Clark, James A.
Curran, James E., Jr.
Demeo, Angelo C.
Duncan, Dorris A.
Faught, Robert J.
Franz, Howard A.
Girvin, Bobby G.
Golden, John J.
Gray, Edwin T.
Holbrook, Vernon J.
Incociati, Raymond F.
Joyce, Robert W.
Jones, Robert E.
Land, Carlton E.
Manco, Edward J.
McCurry, Kenneth D.
Merry, Bion E.
Mitchell, Robert L.
Mockenhaupt, Robert J.
Noe, Robert E.
Olson, Robert V.
Perry, Leon E.
Pitts, Thomas E.
Rickmon, James E.
Roberts, Morris R.
Robinson, Jean O.
Rodgers, John H.
Scaplehorn, William E., Jr.
Scott, Gerald E.
Simmons, Clyde M.
Smith, Clarence D.
Starzynski, Paul M.
Tanksley, Lawrence E.
Vangrol, Daniel P., III
Wieden, Clifford, Jr.
Yaeger, Richard A.

The following named (Naval Reserve Officer Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Reed-Hill, Robert E.
Welker, Daniel L.

The following named (platoon leaders class) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Armstrong, James H.
Beard, Norman W., Jr.
Benson, Stanley L.
Bledsoe, Vadney C.
Chapman, Leonard F., III
Clark, Edward T., III
Cochran, Moncrieff M., III
Dematteo, Douglas A.
Dyke, Walter.
Ebbecke, Vincent R.
Ernest, John F., Jr.
Gavin, James F.
Hodder, Mark L.
Huddleston, Gene K.
Jaye, Donald B.
Johnson, Donald P.
Lindholm, Hans W.
Manning, Gary L.
Mitchell, James E.
Miller, Michael R.
O'Buch, Warren J.
Pierce, Robert C.
Regan, Richard J.
Roe, Frederick S.
Rowe, John H.
Runstad, Harold J., Jr.
Sargent, George L., Jr.
Schmitt, James H.
Tucker, Gilbert A., Jr.
Ward, Joel D.
Weeks, Larry L.
Wilkins, James R.
Griffing, Darryl R.
Jaroch, Roger M.
Richards, Robert J.
Walke, Alfred J.
Schade, Dewey D.
Korte, James M.
Vetter, Lawrence C., Jr.
Peters, William J.
Baroch, Jerome P., Jr.
Vandam, Albert R.
Polyascko, Gerald J.
Reed, Don T.
Rick, Ronald A.
Dugan, James A.
Erickson, John R.
Shara, Robert L.
L'Heureux, Robert D., Jr.
Kenyon, William O.
Goldstein, Mark K.
Swallows, Jack E.
Corbett, David C.
Longan, Laird C.
Kennedy, Dennis M.
Fratarcangelo, Paul A.

The following named for permanent appointment to commissioned warrant officer (CWO-2) in the Marine Corps, subject to the qualifications therefor as provided by law:

Johnson, Albert D.
Stevens, Glenn B.
Womack, Carl G.
Merrell, Edward L., Jr.
Turner, Roland L.
Newton, Orbin D.
Cusimano, Joseph.
Cervin, Michael V.
Rose, William W.
Schultze, Edward W.
Steiner, Clifford D.
Dowell, Sidney C.
Young, Fred F., Jr.
Holman, Ottie P., Jr.
Campbell, Henry C.
Schwab, Charles F.
Lark, Scott E.
Dierickx, Phil A.
Hallet, James G., Jr.
Corriveau, Orval J.
McLaughlin, Melvin W.
McCue, Merrill W.
Pawlik, Mitchell W.
Baumwart, Eldon L.
Morrisey, Robert B.
Lane, Keary L.
Hershey, Rodger E.
Dixon, John C.
Voss, Bethel A.
Nichols, Bobby J.
Magaldi, Joseph M., Jr.
Kueker, William R.
Stevens, Jerome E.
Kent, Donald E.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 25, 1964 (legislative day of February 10, 1964):

U.S. Information Agency

Carl T. Rowan, of Minnesota, to be Director of the U.S. Information Agency, vice Edward R. Murrow, resigned.

Agency for International Development

William S. Gaud, of Connecticut, to be Deputy Administrator, Agency for International Development, vice Frank M Coffin.

William B. Macomber, Jr., of New York, to be Assistant Administrator for the Near East and South Asia, Agency for International Development, vice William S. Gaud.

Department of State

Fulton Freeman, of California, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico.

Howard E. Haugerud, of Minnesota, to be Deputy Inspector General, Foreign Assistance.

Diplomatic and Foreign Service

The nominations beginning David M. Bane for promotion from class 2 to class 1, and ending Warren Zimmerman for promotion from class 7 to class 6, which nominations were received by the Senate and appeared in the Congressional Record on February 24, (legislative day of February 10), 1964.

The nominations beginning Perry H. Culley to be also a consul general and ending Marvin Weissman to be a secretary, which nominations were received by the Senate and appeared in the Congressional Record on February 20 (legislative day of February 10), 1964.

HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1964

The House met at 12 o'clock noon.

Rabbi Bernard Weinberger, Young Israel Synagogue of Brooklyn, Brooklyn, N.Y., offered the following prayer:

Avinu Shebashomayim. Our Father in heaven, joined here in the home of the legislative tribunal of our great Nation, the House of Representatives of the United States of America, we proclaim Thy sovereignty and dominion over all that is created and we reaffirm our fervent desire to abide by Thy will.

We pray Thee, O merciful Father, that in Thy infinite goodness Thou wilt bestow upon these dedicated leaders of Thy divine grace so that they may be strengthened to face the challenge of world leadership. Give them the courage and wisdom to pursue with ever-increasing vigor the principles of our great democracy. Give them the fortitude needed to persevere in the unrelenting pursuit of freedom, and human dignity. May our present leaders be enabled to emulate the consecration and dedication of Lincoln and Washington whose commemoration we have just concluded. Shower them with Thy coveted gift of an understanding heart and a soul attuned to the need of those less fortunate.

As we stand on the threshold of the festival of Lots which we will usher in tomorrow, we beseech Thee Almighty God that Thou mayest as in days of old, convert these days of fear to tranquillity, darkness to light, hate to love, anxiety to serenity, and sorrow to joy. Hasten the day when all the inhabitants of the earth will recognize Thy glory and Thy will be done; and when in unison we will all labor for the sanctification of Thy name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4638) entitled "An act to promote the orderly transfer of the executive power in connection with the expiration of the term of office of a President and the inauguration of a new President."

The message also announced that the President pro tempore, pursuant to section 1, Public Law 87–759, had appointed Mr. Walters to be a member of the Battle of New Orleans Sesquicentennial Celebration Commission.

The message also announced that the President pro tempore, pursuant to section 1, Public Law 86–420, had appointed Mr. Ellender, Mr. Johnston of South Carolina, Mr. Gore, Mr. Gruening, Mr. Kuchel, Mr. Tower, Mr. Mechem, and Mr. Simpson to be members of the U.S. group of the Mexico-United States Interparliamentary Group.

The message also announced that the President pro tempore, pursuant to title 14, United States Code, section 194, had appointed Mr. Walters to be a member of the Board of Visitors to the U.S. Coast Guard Academy.

The message also announced that the President pro tempore, pursuant to title 10, United States Code, section 4355(a), had appointed Mr. Bible, Mr. Holland, and Mr. Keating to be members of the Board of Visitors to the U.S. Military Academy.

TAX REDUCTION NOW A REALITY

Mr. ROUSH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. ROUSH. Mr. Speaker, it is quite apparent today that the biggest tax reduction ever considered by the Congress will soon become fact.

I think it is appropriate now to reflect for a brief moment on the reasons which have prompted this legislation and the effects we feel certain it will achieve.

It has been readily recognized the existing tax structure has become an anchor on our economy. It has been holding back growth which would have substantially improved our financial condition.

A reduction in our Federal income tax can be expected to immediately add to funds available for consumption and investment. It can be expected to increase the incentives for investment. Estimates within the past few days indicate an additional $800 million per month will enter the economic bloodstream of our Nation through the reductions we can anticipate to take effect within the next few days.

Not only can we expect this to be translated into greater tax revenue than we have recorded in the past on the Federal level but there is every indication increases will be recorded on the State and local government levels.

The increases in consumption, income, and investment are expected to add another $25 million to gross income and sales tax revenues and another $4 million in license tax revenues in Indiana.

Our local governments in Indiana rely almost entirely upon the property tax for revenue. The economic expansion which will result from the Federal tax reduction will have a significant effect on this local property tax base. We can expect new business and residential construction as well as increased investment in other types of taxable property. This eventual increase is estimated at $35 million.

And I think it is most significant that this tax reduction bill places the initiative for greater economic growth in the private sector of our economy rather than attempting to achieve this through greater Government spending.

LIVESTOCK INDUSTRY NEEDS HELP

Mr. HARDING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. HARDING. Mr. Speaker, last week the Department of Agriculture and the Department of State announced a voluntary agreement with countries exporting beef into the United States. The agreement will allow these foreign exporters to retain about 11 percent of the domestic market for beef.

I was very disappointed, along with most of the Representatives and Senators from livestock States, with the failure of our State Department and Department of Agriculture to reach an agreement more favorable to the domestic livestock industry. When we agreed for them to go to bat for us, we were most hopeful they would hit a home run in behalf of American livestock producers. Instead, at the very best, they only achieved a dribbling infield single.

The agreement, which bases the voluntary quotas of those countries exporting beef into the United States on the average of their 1962–63 exports, is simply unrealistic.

In the case of beef imports from Australia alone, we have seen the amount rise from less than 18 million pounds in 1958 to 517 million pounds in 1963.

These imports are having a depressing effect on our domestic meat market and I feel that much stronger action is needed to reduce them. For that reason, Mr. Speaker, I am introducing my bill today which would base the import quotas on beef, veal, lamb, and mutton on the 5-year period prior to December 31, 1963.

I believe that this legislation is vitally needed if we are to give our domestic livestock industries the help which they need to stay on their feet and continue to produce the finest meat in the world for the benefit of the American housewife. We cannot be pennywise and dollar foolish in helping the livestock industry.

CONSTITUTIONAL AMENDMENT TO PERMIT PRAYER AND BIBLE READING IN PUBLIC SCHOOLS

Mr. BECKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, during the past several weeks Members of the House have been introducing more and more resolutions to amend the Constitution to permit prayer and Bible reading in our public schools. I know why this is happening and so do they. It is because the people at home are making their voices heard, saying that they do want a constitutional amendment passed. The people want them to sign the discharge petition, and not more resolutions.

I am sure that if Members will sign my discharge petition No. 3, at the desk, we can bring this subject before the House. There are 146 signatures on the petition now.

I feel certain that every Member will agree that after 20 months with no hearing on this subject we ought to proceed by the discharge petition route. We must do that. Otherwise it will be too late in this session to bring the subject before the House and the other body, if we wait for a hearing before the Judiciary Committee.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Manned Space Flight of the Committee on Science and Astronautics may be permitted to sit during general debate today.

The **SPEAKER.** Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Housing of the Committee on Banking and Currency may be permitted to sit during general debate today and the balance of the week.

The **SPEAKER.** Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

OFFICIAL PICTURES OF THE HOUSE IN SESSION

The **SPEAKER.** The Chair desires to announce that the official picture authorized by House Resolution 552 will be made immediately after the vote on the conference report on the tax bill this afternoon. The Chair desires to advise and alert the Members so that they will be here.

INTERNATIONAL DEVELOPMENT ASSOCIATION ACT

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 632 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9022) to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the substitute amendment recommended by the Committee on Banking and Currency now in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

That after the passage of H.R. 9022, it shall then be in order to call from the Speaker's table and consider in the House the bill (S. 2214) to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 41]

Ashley
Ashmore
Broomfield
Brown, Ohio
Burleson
Celler
Chelf
Davis, Tenn.
Diggs
Dingell
Dowdy
Forrester
Halleck
Kelly
Mailliard
Martin, Calif.
Murray
O'Brien, Ill.
Powell
Rhodes, Ariz.
Roberts, Ala.
Roosevelt
Senner
Whalley
Wilson, Charles, H.
Wright

The SPEAKER. Four hundred and six Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

INTERNATIONAL DEVELOPMENT ASSOCIATION ACT

The SPEAKER. The gentleman from New York [Mr. DELANEY] is recognized for 1 hour.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentlewoman from New York [Mrs. ST. GEORGE] and I yield myself such time as I may consume.

Mr. Speaker, House Resolution 632 provides for consideration of H.R. 9022, a bill to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association. The resolution provides an open rule with 2 hours of general debate, making it in order to consider the substitute amendment recommended by the Committee on Banking and Currency now in the bill and making it in order, after passage of H.R. 9022, to call from the Speaker's table and consider the bill S. 2214.

H.R. 9022 authorizes the U.S. Governor of the International Development Association to vote in favor of a resolution now pending before the Association to increase its convertible currency resources through additional subscriptions by 17 economically advanced countries in a total sum of $750 million. The resolution provides that each country's subscription is to be available in three equal installments during fiscal years 1966, 1967, and 1968.

The bill authorizes the appropriation, without fiscal year limitation, of the sum of $312 million for the U.S. share in the increase in the resources of the Association.

Mr. Speaker, I urge the adoption of House Resolution 632.

Mrs. ST. GEORGE. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I know of no opposition to the rule on H.R. 9022, but there are some things I would like to point out in this bill. I would say that it calls for more of the same. In other words, it represents an increase in the amount of the contribution of the United States.

Mr. Speaker, it is true that there is an increase in the contribution of each of the other 17 countries included in the International Development Bank.

Now, Mr. Speaker, out of these 17 nations, of which we are one, our share is going to be 41.60 percent.

Mr. Speaker, these other nations are not poverty stricken. The United Kingdom is a very rich country today. Business is booming. They have cut their unemployment from 4 percent down to 2 percent at the present time. Indeed, I would venture to say that of these 17 nations the United States of America has probably the largest percentage of unemployment of any of these nations at the present time. Japan is doing well. Their share is 5.50 percent. Germany, which, of course, is considered a modern miracle as far as business and prosperity is concerned, has a share of 9.68 percent. Second to the United States and this is certainly way down from 41.60 percent—we have the United Kingdom with 12.88 percent.

Now, Mr. Speaker, some of us are beginning to say "How long is this going to continue?" True, the International Development Association Act is serving a useful purpose. True, money has got to be given, and it is well that these other countries contribute with us. But could it not be possible to up their share a little and take ours down a little?

Another thing, Mr. Speaker, is this: This bill comes as we all know from the great Committee on Banking and Currency. It seems to some of us that this matter should have been under the jurisdiction of the of the Committee on Foreign Affairs. We have so much proliferation in all of these bills. This is distinctly, it seems, a matter for the Committee on Foreign Affairs to consider along with the foreign aid bill. But, of course, it looks much better to have foreign aid all on one side and to have another bill that comes out of another committee, which makes it look as though it is something totally different, on the other side.

Mr. Speaker, I certainly have the greatest admiration for the great Committee on Banking and Currency. But I am reasonably sure that that great committee has enough to do without taking on some other liabilities and some other work which could well be given to some other committee better fitted for it.

Mr. PASSMAN. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Is it not true that most, if not all, of the other contributing nations are recipients of our foreign aid?

Mrs. ST. GEORGE. That is absolutely correct. The gentleman makes a good point.

Mr. PASSMAN. And I believe that some of the nations get back as much as, say, nine times the amount they put into IDA. I am referring particularly to Pakistan.

Mrs. ST. GEORGE. I believe that is so.

Mr. PASSMAN. If the gentlewoman will yield further, let me note that India also is one of the principal recipients—in fact, the major recipient of funds from IDA. India gets back, say, 7½ times the amount of its contribution.

Mrs. ST. GEORGE. There is no question about it. I thank the gentleman. That represents one more reason why I think this should be in the general province of the Committee on Foreign Affairs.

Mr. PASSMAN. If the gentlewoman will yield further, I want to state that, in all probability an amendment will be offered today to cut the sum of the U.S. contribution back to the amount of our pledges in previous years. The other participating nations might possibly then increase their contributions.

Mrs. ST. GEORGE. I am happy to hear that such an amendment will be offered.

Mr. HARVEY of Michigan. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I am glad to yield to the gentleman from Michigan.

Mr. HARVEY of Michigan. I would submit to the gentlewoman that I serve on the Committee on Banking and Currency, which committee has reported this bill out. With reference to the 17 countries that are participating, I think in all fairness it should be made known to the Members of the House that as far as I know they are not receiving foreign aid. Those countries are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, Luxembourg, the Netherlands, Norway, South Africa, Sweden, the United Kingdom. They may be receiving some form of other aid. I certainly respect the gentleman from Louisiana for whom I have the greatest and highest regard, but some of them are receiving military aid but certainly are not receiving economic aid. I would say further that Pakistan is not included here or any other countries of that nature.

Mr. PASSMAN. I should like to say to the gentleman that many of those countries are receiving our aid. It may be called military assistance, but nevertheless it is grant aid.

Mr. AVERY. May I inquire of the gentleman from Louisiana, so the RECORD will be clear: It is my recollection that the Derwinski amendment that established a 2-percent minimum interest rate under the AID program was modified in conference. Just what was the final conference agreement on the interest rate under the AID program?

Mr. PASSMAN. It is my understanding that all of the so-called development loans are to carry an interest rate of 2 percent. But there is no interest rate on the IDA transactions, merely a service charge of three quarters of 1 percent a year.

Mr. AVERY. The gentleman has made the point I wanted to make abundantly clear. I understood there is no interest rate on the funds contained in this bill. There is only a service charge of three-fourths of 1 percent, so-called, which does not even defray the organization's cost, to say nothing of the cost of money to the Treasury which makes it available to the AID.

Mr. GROSS. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I yield to the gentleman from Iowa.

Mr. GROSS. I want to commend the gentlewoman for the statement she has made with respect to this bill, and would like to observe that I was surprised to hear the gentleman from Michigan try to justify this kind of an outpouring of the taxpayers' money on the basis that we are giving certain foreign nations military aid, but not economic aid. If we are giving them military assistance we are giving them economic aid. If some foreign country would take over even part of the spending for military purposes in this country it would certainly be aiding the economy of this country.

I would like to call the attention of the Members to the report accompanying this bill. It is amazing that the committee practically apologizes for bringing up this bill by saying that other nations ought to be doing more and we ought to be doing less than other nations. It is the same old story all over again of mañana. We will put up the money today and hope that tomorrow or some time in the distant future these nations will pick up the share of the burden they ought to be carrying today.

Mrs. ST. GEORGE. May I say to the gentleman, one thing ought to be clear in our minds, and this has nothing to do with the price of eggs: But what we should remember is that we shall have no control over this money after it is appropriated.

Mr. DELANEY. Mr. Speaker, I have no further requests for time. I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRESIDENTIAL TRANSITION ACT

Mr. FASCELL. Mr. Speaker, I call up the conference report on the bill (H.R. 4638) to promote the orderly transfer of the Executive power in connection with the expiration of the term of office of a President and the inauguration of a new President, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. GROSS. Reserving the right to object, Mr. Speaker, I assume the gentleman from Florida intends to take some time to explain what transpired in conference?

Mr. FASCELL. I intend to.

Mr. GROSS. And to refresh our memories as to what this bill contains?

Mr. FASCELL. I intend to do that.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of the right to object.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1148)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4638) to promote the orderly transfer of the Executive power in connection with the expiration of the term of office of a President and the inauguration of a new President, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: Strike out the matter proposed to be stricken out by the Senate amendment and insert the following: "Not more than 10 per centum of the total expenditures under this Act for any President-elect or Vice-President-elect may be made upon the basis of a certificate by him or the assistant designated by him pursuant to this section that such expenditures are classified and are essential to the national security, and that they accord with the provisions of subsections (a), (b), and (d) of this section."; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "$900,000"; and the Senate agree to the same.

WM. L. DAWSON,
JACK BROOKS,
DANTE B. FASCELL,
JOHN B. ANDERSON,
FRANK HORTON,
Managers on the Part of the House.
HENRY M. JACKSON,
CLAIBORNE PELL,
ABE RIBICOFF,
J. K. JAVITS,
JACK MILLER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4638) to promote the orderly transfer of the Executive power in connection with the expiration of the term of office of a President and the inauguration of a new President, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: This amendment strikes out a sentence in the House bill that provides that not more than 20 per centum of the total expenditures under the Act for any President-elect or Vice-President-elect may be made on the basis of a certificate by him or his assistant that such expenditures are confidential and are in accordance with subsections (a), (b), and (d) of section 3 of the Act. The House recedes with an amendment restoring the stricken sentence but reducing the percentage from 20 per centum to 10 per centum and striking the requirement that these expenditures be confidential and substituting therefor the more stringent requirement that these expenditures be classified and essential to national security.

Amendment No. 2: This amendment reduces the amount authorized to be appropriated annually from $1,300,000 provided in the House bill to $500,000. The House recedes with an amendment fixing the authorization at $900,000.

Amendment No. 3: This amendment provides that the authorization for appropriations be on the basis of each Presidential transition and makes each such appropriation available for expenditure during the fiscal year in which the transition occurs and the next succeeding fiscal year. The House recedes.

WM. L. DAWSON,
JACK BROOKS,
DANTE B. FASCELL,
JOHN B. ANDERSON,
FRANK HORTON,
Managers on the Part of the House.

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, the statement of the managers on the part of the House is completely explanatory of what transpired in the conference. The conference report was unanimous, as was the bill when it came out of the committee and was adopted by the House by an overwhelming vote. The conference report has already been acted upon by the other body.

As you will recall, this bill formalizes by authorizing the funding procedures for the orderly transition of executive power so that certain services will be available to the incoming President between the time of his election and inauguration.

When the bill passed the House we had an authorization limitation of $1,300,000. When the bill was acted on in the other body they had an authorization limitation of $500,000. In the conference we agreed on $900,000 as a reasonable amount, with the expectation that if expenditures went higher than that amount, as we had anticipated in the authorization of the House bill, we could by way of supplemental request take care of the needed additional appropriation.

As the bill passed the House, it had a provision which provided that not more than 20 percent of the total expenditures under the act may be made on the basis of a certificate by the President that such expenditures are confidential and are in accordance with subsections (a), (b), and (d) of section 3 of the act.

There was no such provision in the Senate measure. In conference we agreed on a 10-percent limitation and also changed the language so that it required more than confidentiality in order to permit the exception by Presidential certificate. As agreed to in conference the 10-percent allowance now requires certification by the President that such expenditures are classified and are essential to the national security. This was felt to be a tightening of the language which was desirable and so it was agreed upon in conference.

The other amendment is purely a technical amendment suggested by the Bureau of the Budget and the General Accounting Office and was agreed to without any controversy. It makes the funds available beyond the fiscal year. Since there is a 6-month limitation for services to the outgoing President and the inauguration taking effect on January 20, authorization would have to extend beyond the fiscal year.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman.

Mr. GROSS. Let me ask the gentleman why, if you say you may rely on a supplemental appropriation for spending above $900 000—why did you not agree to a figure of $500,000 for this 2½-month transition period?

Mr. FASCELL. Because we wanted to sustain the position of the House as nearly as possible, which was $1,300,000 and that is why we decided not to go to the $500,000 figure. Furthermore, evidence we had before us was that $500 000 would not be sufficient. We wanted to fix a practical and reasonable authorization limitation upon which the appropriations should be based. All I said was that, obviously, if it was not enough a supplemental request could be made.

Mr. GROSS. You slid down the pole by $400,000 and the Senate climbed the pole to the tune of $400.000. I suppose that this is the way things will operate around here from now until eternity regardless of the justification for it. The Senate must have justified $500 000 when it approved its bill—at least I would hope it did. The House and Senate now add almost another half million dollars. I just do not understand why.

Mr. FASCELL. I must simply say to the gentleman that the House in its wisdom agreed on $1 300,000 and the conferees on the part of the House thought we did fairly well in trying to sustain the position of the House in reducing it only to $900 000. Of course, I am not a Member of the other body and so I cannot account for any of their actions.

Mr. GROSS. And I do not know that anyone else can, but that is somewhat beside the point.

Mr. FASCELL. I understand the gentleman's point.

Mr. GROSS. Is there anything connected with a President or a Vice President—but let us take a President—that is not considered to be the interest of national security if someone wants to so interpret it, and does this bill mean that the President of the United States can spend this $900,000 without any accounting to the Congress?

Mr. FASCELL. No, sir, it does not.

Mr. GROSS. Will the gentleman break it down for me? I could not follow the gentleman precisely. Perhaps I am not observant enough.

Mr. FASCELL. No; the gentleman is very observant as usual. The authorization, of course, will have to be funded by appropriations and will be very thoroughly accounted for, as to whatever the request is.

Mr. GROSS. And that $900,000 will be turned over?

Mr. FASCELL. No, sir; that is the authorization limitation.

Mr. GROSS. Well, let us say that Congress appropriates $900,000. It is turned over to a President-elect. How much of that money does he account for in his spending?

Mr. FASCELL. All of it.

Mr. GROSS. To whom does he account? To whom does he make the accounting?

Mr. FASCELL. He accounts for it in the regular way that he now accounts for the expenditure of funds appropriated to the President.

Mr. GROSS. So that nothing is withheld on the understanding that it is for national security or for any other reason?

Mr. FASCELL. The bill provides that he may, on his certificate that such expenditures are classified and are essential to the national security spend up to 10 percent of the funds expended under the act.

Mr. GROSS. I see. The remainder of it is to be subject to an accounting?

Mr. FASCELL. The gentleman is correct.

Mr. GROSS. By the General Accounting Office, or whom?

Mr. FASCELL. By the normal processes which now exist, whatever they are.

Mr. GROSS. Is the $900,000 to cover both the President-elect and Vice-President-elect?

Mr. FASCELL. Yes.

Mr. GROSS. Would this cover the cost of the jet planes and the Cadillacs to be assigned to them during the interim period?

Mr. FASCELL. If such were assigned to them, I would assume they would be covered in the budget request.

Mr. GROSS. That will not be in addition thereto?

Mr. FASCELL. Whatever the services are, itemized in the bill, are authorized and which would be covered by the appropriation. Since the authorization fixes those services, one could not go beyond that.

Mr. GROSS. Would the gentleman say that this would relieve the Republican and Democratic National Committees of any further necessity of providing funds for a President-elect and a Vice-President-elect?

Mr. FASCELL. We would hope that this is the idea. We felt it was beneath the dignity of a President-elect of the United States to seek and request funds so that he could do the necessary things to properly move himself into the office of President.

We felt also, on a bipartisan basis, that it was not proper for the national political parties to do this. Therefore, in answer to the gentleman's question, it is the hope that neither of the national committees will have to expend any funds with respect to the orderly transition of a President-elect into the Office of President.

Mr. GROSS. Would the gentleman believe that this would bring about a diminution in the $1,000-, $500-, and $100-a-plate dinners which are being staged, I believe largely by the Democrats? I am not sure of that. Would the gentleman believe this would bring about a diminution in that situation?

Mr. FASCELL. The gentleman is an incurable optimist. I have always highly regarded him for that reason.

Mr. Speaker, I wish to yield some time to my distinguished colleague on the minority side, the gentleman from Illinois [Mr. ANDERSON]. I yield to the gentleman 5 minutes or such time as he may require.

Mr. ANDERSON. Mr. Speaker, I thank the gentleman from Florida for yielding.

As one Member on this side of the aisle who looks forward to the necessity for passage of this legislation come November 3, 1964, I urge the Members on this side of the aisle to support this proposal.

The bill passed the House in July of last year by an overwhelming margin, 343 to 29.

This proposal resulted from recommendations of a bipartisan commission in 1962. Recommendation No. 8 of the Presidential Commission on Campaign Costs was to the effect that it would certainly be preferable to have the expenses of transition borne by the Federal Government rather than to have the political parties raise the moneys, with all of the dangers which I believe are inherent in that kind of situation.

The hearings were held before the subcommittee of which I am a member, along with the gentleman from New York [Mr. HORTON]. Both the chairman of the Republican National Committee and the chairman of the Democratic National Committee had representatives present to testify in favor of the legislation.

The gentleman from Michigan [Mr. STAEBLER] was one of the members of the Commission. I believe a former Republican Member of the House was also a member of the Commission which recommended this legislation.

The amendments have been quite adequately described by the gentleman from Florida. I believe they make it a better bill.

One amendment in particular tightens up the requirement as to expenditures which are confidential. Under the measure those have to relate to matters which are classified and which relate to national security. I believe the amendment tightens up this feature of the bill which caused some concern to some of the Members of the House when we discussed it last July.

I believe it is a good bill. I earnestly hope it will have the unanimous support of the Members on this side of the aisle as well as the Members on the other side of the aisle.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman anticipate that in the near future there will be a candidate for the Presidency who is something less than a multimillionaire?

Mr. ANDERSON. Well, yes. I would sincerely hope that the contenders for that office would not for all time to come be limited to men of great fortunes.

Mr. GROSS. I would hope so, too, but I wonder. I wonder whether a man of moderate means is going to get near the Presidency in the years to come. Those we have had recently were wealthy, or who became wealthy in or near the office of President.

Mr. ANDERSON. Hope springs eternal. I am sometimes a little bit discouraged, just as the gentleman from Iowa is, but hopefully that situation can be changed, too.

Mr. FASCELL. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. HALL. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER** pro tempore (Mr. BOGGS). Evidently a quorum is not present.

Mr. MILLS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 42]

Alger
Ashley
Bolling
Broomfie'd
Brown, Ohio
Burleson
Chelf
Clausen, Don H.
Cramer
Davis, Tenn.
Diggs
Dingell
Dowdy
Forrester
Harsha
Hosmer
Kelly
McIntire
Mailliard
Martin, Calif.
Murray
O'Brien, Ill.
Pillion
Poage
Powell
Rhodes, Ariz.
Roberts, Ala.
Roberts, Tex.
Senner
Sibal
Sisk
Smith, Calif.
Thompson, N.J.
Tollefson
Whalley
Wilson, Charles H.

The **SPEAKER** pro tempore (Mr. BOGGS). On this rollcall, 389 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REVENUE ACT OF 1964

Mr. MILLS. Mr. Speaker, I call up the conference report on the bill (H.R. 8363) to amend the Internal Revenue Code of 1954 to reduce individual and corporate taxes, to make certain structural changes with respect to the income tax, and for other purposes, and ask unanimous consent for the statement of the Managers on the part of the House to be read in lieu of the report.

The Clerk read the title of the bill.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1149)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8363) to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 53, 56, 129, 132, 135, 142, 143, 144, 146, 164, 165, 195, 199, 200, 201, 202, and 203.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 21, 22, 23, 24, 25, 28, 29, 30, 33, 34, 35, 37, 38, 39, 40, 41, 44, 45, 48, 49, 51, 52, 63, 64, 65, 66, 67, 68, 69, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 102, 103, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 130, 131, 133, 134, 136, 137, 138, 139, 140, 148, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 169, 170, 171, 172, 173, 174, 175, 176, 180, 181, 182, 183, 184, 186, 187, 188, 189, 190, 191, 192, 204, 205, 206, 207, and 208, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 202. RETIREMENT INCOME CREDIT OF CERTAIN MARRIED INDIVIDUALS.

"(a) DETERMINATION OF RETIREMENT INCOME.—Section 37 (relating to retirement income) is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

" '(i) SPECIAL RULES FOR CERTAIN MARRIED COUPLES.—

" '(1) ELECTION.—A husband and wife who make a joint return for the taxable year and both of whom have attained the age of 65 before the close of the taxable year may elect (at such time and in such manner as the Secretary or his delegate by regulations prescribes) to determine the amount of the credit allowed by subsection (a) by applying the provisions of paragraph (2).

" '(2) SPECIAL RULES.—If an election is made under paragraph (1) for the taxable year, for purposes of subsection (a)—

" '(A) if either spouse is an individual who has received earned income within the meaning of subsection (b), the other spouse shall be considered to be an individual who has received earned income within the meaning of such subsection; and

" '(B) subsection (d) shall be considered as providing that the amount of the combined retirement income of both spouses shall not exceed $2,286, less the sum of the amounts specified in paragraphs (1), and (2) of subsection (d) for each spouse.'

"(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 1963."

And the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(1) the cost of $50,000 of such insurance, and"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

Page 7, in the last line of the matter following line 3, of the Senate engrossed amendments, strike out "222" and insert: "221"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

Page 7, line 6, of the Senate engrossed amendments, strike out "222" and insert: "221"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "period, if such amounts are at a rate which exceeds 75 percent of the regular weekly rate of wages of the employee (as determined under regulations prescribed by the Secretary or his delegate). If amounts attributable to the first 30 calendar days in such period are at a rate which does not exceed 75 percent of the regular weekly rate of wages of the employee, the first sentence of this subsection (1) shall not apply to the extent that such amounts exceed a weekly rate of $75, and (2) shall not apply to amounts attributable to the first 7 calendar days in such period unless the employee is hospitalized on account of personal injuries or sickness for at least one day during such period." "

And the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(5) State and local taxes on the sale of gasoline, diesel fuel, and other motor fuels."

And the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with amendments as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) UNLIMITED CHARITABLE CONTRIBUTION DEDUCTION.—Section 170 (relating to charitable, etc., contributions and gifts) is amended by inserting after subsection (f) (added by subsection (e) of this section) the following new subsection:

" '(g) APPLICATION OF UNLIMITED CHARITABLE CONTRIBUTION DEDUCTION.—

" '(1) ALLOWANCE OF DEDUCTION FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1963.—If the taxable year begins after December 31, 1963—

" '(A) subsection (b)(1)(C) shall apply only if the taxpayer so elects (at such time and in such manner as the Secretary or his delegate by regulations prescribes); and

" '(B) for purposes of subsection (b)(1)(C), the amount of the charitable contributions for the taxable year (and for all prior taxable years beginning after December 31, 1963) shall be determined without the application of subsection (b)(5) and solely by reference to charitable contributions described in paragraph (2).

If the taxpayer elects to have subsection (b)(1)(C) apply for the taxable year, then for such taxable year subsection (a) shall apply only with respect to charitable contributions described in paragraph (2), and no amount of charitable contributions made in the taxable year or any prior taxable year may be treated under subsection (b)(5) as having been made in the taxable year or in any succeeding taxable year.

" '(2) QUALIFIED CONTRIBUTIONS.—The charitable contributions referred to in paragraph (1) are—

" '(A) any charitable contribution described in subsection (b)(1)(A);

" '(B) any charitable contribution, not described in subsection (b)(1)(A), to an organization described in subsection (c)(2) substantially more than half of the assets of which is devoted directly to, and substantially all of the income of which is expended directly for, the active conduct of the activities constituting the purpose or function for which it is organized and operated;

"'(C) any charitable contribution, not described in subsection (b)(1)(A), to an organization described in subsection (c)(2) which meets the requirements of paragraph (3) with respect to such charitable contribution; and

"'(D) any charitable contribution payment of which is made on or before the date of the enactment of the Revenue Act of 1964.

"'(3) Organizations expending at least 50 percent of donor's contributions.—An organization shall be an organization referred to in paragraph (2)(C), with respect to any charitable contribution, only if—

"'(A) not later than the close of the third year after the organization's taxable year in which the contribution is received (or before such later time as the Secretary or his delegate may allow upon good cause shown by such organization), such organization expends an amount equal to at least 50 percent of such contribution for—

"'(i) the active conduct of the activities constituting the purpose or function for which it is organized and operated,

"'(ii) assets which are directly devoted to such active conduct,

"'(iii) contributions to organizations which are described in subsection (b)(1)(A) or in paragraph (2)(B) of this subsection, or

"'(iv) any combination of the foregoing; and

"'(B) for the period beginning with the taxable year in which such contribution is received and ending with the taxable year in which subparagraph (A) is satisfied with respect to such contribution, such organization expends all of its net income (determined without regard to capital gains and losses) for the purposes described in clauses (i), (ii), (iii), and (iv) of subparagraph (A).

If the taxpayer so elects (at such time and in such manner as the Secretary or his delegate by regulations prescribes) with respect to contributions made by him to any organization, then, in applying subparagraph (B) with respect to contributions made by him to such organization during his taxable year for which such election is made and during all his subsequent taxable years, amounts expended by the organization after the close of any of its taxable years and on or before the 15th day of the third month following the close of such taxable year shall be treated as expended during such taxable year.

"'(4) Disqualifying transactions.—An organization shall be an organization referred to in subparagraph (B) or (C) of paragraph (2) only if at no time during the period consisting of the organization's taxable year in which the contribution is received, its 3 preceding taxable years, and its 3 succeeding taxable years, such organization—

"'(A) lends any part of its income or corpus to,

"'(B) pays compensation (other than reasonable compensation for personal services actually rendered) to,

"'(C) makes any of its services available on a preferential basis to,

"'(D) purchases more than a minimal amount of securities or other property from, or

"'(E) sells more than a minimal amount of securities or other property to,

the donor of such contribution, any member of his family (as defined in section 267(c)(4)), any employee of the donor, any officer or employee of a corporation in which he owns (directly or indirectly) 50 percent or more in value of the outstanding stock, or any partner or employee of a partnership in which he owns (directly or indirectly) 50 percent or more of the capital interest or profits interest. This paragraph shall not apply to transactions occurring on or before the date of the enactment of the Revenue Act of 1964.'"

Page 62, line 3, of the House engrossed bill, strike out "(g) and (h)," and insert "(h) and (i),".

And the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows:

Page 14, line 8, of the Senate engrossed amendments, strike out the period and insert: ", except that such amendments shall not apply to any transfer of a future interest made before July 1, 1964, where—

"(A) the sole intervening interest or right is a nontransferable life interest reserved by the donor, or

"(B) in the case of a joint gift by husband and wife, the sole intervening interest or right is a nontransferable life interest reserved by the donors which expires not later than the death of whichever of such donors dies later.

For purposes of the exception contained in the preceding sentence, a right to make a transfer of the reserved life interest to the donee of the future interest shall not be treated as making a life interest transferable.

And the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows:

Page 16, lines 1 and 2, of the Senate engrossed amendments, strike out "may be prescribed by the Secretary or his delegate" and insert "the Secretary or his delegate by regulations prescribes"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(B) the $600 limit of subparagraph (A) shall be increased (to an amount not above $900) by the amount of expenses incurred by the taxpayer for any period during which the taxpayer had 2 or more dependents."

And the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows:

Page 19, line 21, of the Senate engrossed amendments, strike out "$7,000" and insert "$6,000"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with amendments as follows:

Strike out the matter proposed to be stricken out and omit the matter proposed to be inserted by the Senate amendment.

Page 68, line 8, of the House engrossed bill, strike out "219" and insert "218".

Page 71 of the House engrossed bill, in the matter following line 14, strike out "'Sec. 219. Cross references.'" and insert: "Sec. 218. Cross references."; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows:

Page 22, line 18, of the Senate engrossed amendments, strike out "215" and insert "214"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "215"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with amendments as follows:

Page 31, line 18, of the Senate engrossed amendments, strike out "217" and insert "216".

Page 32, line 1, of the Senate engrossed amendments, beginning with "which" strike out all through "80a–2))" in line 5 and insert "which is a face-amount certificate company registered under the Investment Company Act of 1940 (15 U.S.C. 80a–1 and following) and which is subject to the banking laws of the State in which such institution is incorporated, interest on face-amount certificates (as defined in section 2(a)(15) of such Act)".

Page 32, line 13, of the Senate engrossed amendments, strike out "25 percent" and insert "15 percent"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Sec. 217. Limitation of Travel Allocation Requirement to Foreign Travel.

"(a) Limitation of Application of Section 274(c).—Section 274(c) (relating to traveling) is amended to read as follows:

"'(c) Certain Foreign Travel.—

"'(1) In general.—In the case of any individual who travels outside the United States away from home in pursuit of a trade or business or in pursuit of an activity described in section 212, no deduction shall be allowed under section 162 or section 212 for that portion of the expenses of such travel otherwise allowable under such section which, under regulations prescribed by the Secretary or his delegate, is not allocable to such trade or business or to such activity.

"'(2) Exception.—Paragraph (1) shall not apply to the expenses of any travel outside the United States away from home if—

"'(A) such travel does not exceed one week, or

"'(B) the portion of the time of travel outside the United States away from home which is not attributable to the pursuit of the taxpayer's trade or business or an activity described in section 212 is less than 25 percent of the total time on such travel.

"'(3) Domestic travel excluded.—For purposes of this subsection, travel outside the United States does not include any travel from one point in the United States to another point in the United States.'

"(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to taxable years ending after December 31, 1962, but only in respect of periods after such date."

And the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment as follows:

Page 33, line 6, of the Senate engrossed amendments, strike out "219" and insert "218"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows:

Page 35, line 2, of the Senate engrossed amendments, strike out "220" and insert "219"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with amendments as follows:

Page 37, line 2, of the Senate engrossed amendments, strike out "221" and insert "220".

Page 44 of the Senate engrossed amendments, after line 22, insert:

"If for the period (or part thereof) referred to in clauses (ii) and (iii) such corporation has no gross income, the provisions of clauses (ii) and (iii) shall be treated as satisfied if it is reasonable to anticipate that, with respect to the first taxable year thereafter for which such corporation has gross income, the provisions of such clauses will be satisfied."

And the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "221"; and the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(6) APPLICATION OF SUBSECTION (b)(5) WHERE OPTIONS ARE FOR STOCK OF SAME CLASS IN SAME CORPORATION.—The requirement of subsection (b)(5) shall be considered to have been met in the case of any option (referred to in this paragraph as 'new option') granted to an individual if—

"(A) the new option and all outstanding options referred to in subsection (b)(5) are to purchase stock of the same class in the same corporation, and

"(B) the new option by its terms is not exercisable while there is outstanding (within the meaning of paragraph (2)) any qualified stock option (or restricted stock option) which was granted, before the granting of the new option, to such individual to purchase stock in such corporation at a price (determined as of the date of grant of the new option) higher than the option price of the new option."

And the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 222. SALES AT RETAIL UNDER REVOLVING CREDIT PLANS.

"(a) TREATMENT UNDER INSTALLMENT METHOD.—Section 453 (relating to installment method of accounting) is amended by adding at the end thereof the following new subsection:

"'(e) REVOLVING CREDIT TYPE PLANS.—For purposes of subsection (a), the term "installment plan" includes a revolving credit type plan which provides that the purchaser of personal property at retail may pay for such property in a series of periodic payments of an agreed portion of the amounts due the seller under the plan, except that such term does not include any such plan with respect to a purchaser who uses his account primarily as an ordinary charge account.'

"(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply in respect of sales made during taxable years beginning after December 31, 1963."

And the Senate agree to the same.

Amendment numbered 97: That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with amendments as follows:

Page 57, line 14, of the Senate engrossed amendments, strike out "224" and insert "223".

Page 57, line 14, of the Senate engrossed amendments, strike out "AND CREDITS".

Page 57, line 17, of the Senate engrossed amendments, strike out "OR CREDIT".

Page 58, line 4, of the Senate engrossed amendments, strike out "or credit".

Page 58, line 6, of the Senate engrossed amendments, strike out "or credit".

Page 58, line 7, of the Senate engrossed amendments, after the period and before the quotation marks insert: "This subsection shall not apply in respect of the deduction for income, war profits, and excess profits taxes imposed by the authority of any foreign country or possession of the United States".

Page 58, line 11, of the Senate engrossed amendments strike out "sentence" and insert "sentences".

Page 58, line 19, of the Senate engrossed amendments, strike out "or credit".

Page 58, line 22, of the Senate engrossed amendments, strike out "or credit".

Page 58, line 23, of the Senate engrossed amendments, after the period and before the quotation marks insert: "The preceding sentences shall not apply in respect of the deduction for income, war profits, and excess profits taxes imposed by the authority of any foreign country or possession of the United States".

Page 60, line 4, of the Senate engrossed amendments, strike out "or credit".

Page 61, line 3, of the Senate engrossed amendments, strike out "or credit".

Page 61, line 12, of the Senate engrossed amendments, strike out "or credit".

And the Senate agree to the same.

Amendment numbered 98: That the House recede from its disagreement to the amendment of the Senate numbered 98, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "224"; and the Senate agree to the same.

Amendment numbered 99: That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment and in lieu thereof insert the following:

"(c) CERTAIN CARRYING CHARGES.—Section 163(b)(1) (relating to installment purchases where interest charge is not separately stated) is amended—

"(1) by striking out 'personal property is purchased' and inserting in lieu thereof 'personal property or educational services are purchased'; and

"(2) by adding at the end thereof the following new sentence: 'For purposes of this paragraph, the term "educational services" means any service (including lodging) which is purchased from an educational institution (as defined in section 151(e)(4)) and which is provided for a student of such institution.'"

And the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to payments made after December 31, 1963, on account of sales or exchanges of property occurring after June 30, 1963, other than any sale or exchange made pursuant to a binding written contract (including an irrevocable written option) entered into before July 1, 1963. The amendments made by subsection (c) shall apply to payments made during taxable years beginning after December 31, 1963."

And the Senate agree to the same.

Amendment numbered 101: That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "225"; and the Senate agree to the same.

Amendment numbered 104: That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment, as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "obligations,"; and the Senate agree to the same.

Amendment numbered 105: That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(iii) rendering services or making facilities available in connection with activities described in clauses (i) and (ii) carried on by the corporation rendering services or making facilities available, or

"(iv) rendering services or making facilities available to another corporation which is engaged in the lending or finance business (within the meaning of this paragraph), if such services or facilities are related to the lending or finance business (within such meaning) of such other corporation and such other corporation and the corporation rendering services or making facilities available are members of the same affiliated group (as defined in section 1504)."

And the Senate agree to the same.

Amendment numbered 106: That the House recede from its disagreement to the amendment of the Senate numbered 106, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "unless the loans, notes, or installment obligations are evidenced or secured by contracts of conditional sale, chattel mortgages, or chattel lease agreements, arising out of the sale of goods or services in the course of the borrower's or transferor's trade or business, or"; and the Senate agree to the same.

Amendment numbered 141: That the House recede from its disagreement to the amendment of the Senate numbered 141, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment and in lieu thereof insert:

"(j) INCREASE IN BASIS WITH RESPECT TO CERTAIN FOREIGN PERSONAL HOLDING COMPANY STOCK OR SECURITIES.—

"(1) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by redesignating section 1022 as section 1023 and by inserting after section 1021 the following new section:

"'SEC. 1022. INCREASE IN BASIS WITH RESPECT TO CERTAIN FOREIGN PERSONAL HOLDING COMPANY STOCK OR SECURITIES.

"'(a) GENERAL RULE.—The basis (determined under section 1014(b)(5), relating to basis of stock or securities in a foreign personal holding company) of a share of stock or a security, acquired from a decedent dying after December 31, 1963, of a corporation which was a foreign personal holding company for its most recent taxable year ending before the date of the decedent's death shall be increased by its proportionate share of any Federal estate tax attributable to the net appreciation in value of all of such shares and securities determined as provided in this section.

" '(b) Proportionate Share.—For purposes of subsection (a), the proportionate share of a share of stock or of a security is that amount which bears the same ratio to the aggregate increase determined under subsection (c)(2) as the appreciation in value of such share or security bears to the aggregate appreciation in value of all such shares and securities having appreciation in value.

" '(c) Special Rules and Definitions.—For purposes of this section—

" '(1) Federal estate tax.—The term "Federal estate tax" means only the tax imposed by section 2001 or 2101, reduced by any credit allowable with respect to a tax on prior transfers by section 2013 or 2102.

" '(2) Federal estate tax attributable to net appreciation in value.—The Federal estate tax attributable to the net appreciation in value of all shares of stock and securities to which subsection (a) applies is that amount which bears the same ratio to the Federal estate tax as the net appreciation in value of all of such shares and securities bears to the value of the gross estate as determined under chapter 11 (including section 2032, relating to alternate valuation).

" '(3) Net appreciation.—The net appreciation in value of all shares and securities to which subsection (a) applies is the amount by which the fair market value of all such shares and securities exceeds the adjusted basis of such property in the hands of the decedent.

" '(4) Fair market value.—For purposes of this section, the term "fair market value" means fair market value determined under chapter 11 (including section 2032, relating to alternate valuation).

" '(d) Limitations.—This section shall not apply to any foreign personal holding company referred to in section 342(a)(2).'

"(2) Amendment of section 1016(a).—Section 1016(a) (relating to adjustments to basis) is amended by striking out the period at the end thereof and by inserting in lieu thereof a semicolon and by adding at the end thereof the following new paragraph:

" '(21) to the extent provided in section 1022, relating to increase in basis for certain foreign personal holding company stock or securities.'

"(3) Clerical amendment.—The table of sections for part II of subchapter O of chapter 1 is amended by striking out

"Sec. 1022. Cross references."

and inserting in lieu thereof the following:

"Sec. 1022. Increase in basis with respect to certain foreign personal holding company stock or securities.

"Sec. 1023. Cross references."

And the Senate agree to the same.

Amendment numbered 145: That the House recede from its disagreement to the amendment of the Senate numbered 145, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment and in lieu thereof insert:

"(4) The amendments made by subsection (j) shall apply in respect of decedents dying after December 31, 1963."

And the Senate agree to the same.

Amendment numbered 147: That the House recede from its disagreement to the amendment of the Senate numbered 147, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "226"; and the Senate agree to the same.

Amendment numbered 149: That the House recede from its disagreement to the amendment of the Senate numbered 149, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "227"; and the Senate agree to the same.

Amendment numbered 162: That the House recede from its disagreement to the amendment of the Senate numbered 162, and agree to the same with an amendment as follows:

Page 68, line 22, of the Senate engrossed amendments, strike out "229" and insert "228"; and the Senate agree to the same.

Amendment numbered 163: That the House recede from its disagreement to the amendment of the Senate numbered 163, and agree to the same with an amendment as follows:

Page 70, line 22, of the Senate engrossed amendments, strike out "230" and insert "229"; and the Senate agree to the same.

Amendment numbered 166: That the House recede from its disagreement to the amendment of the Senate numbered 166, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment and and in lieu thereof insert the following:

"Sec. 230. Capital Loss Carryovers for Taxpayers Other Than Corporations.

"(a) In General.—Section 1212 (relating to capital loss carryover) is amended—

"(1) by striking out 'If for any taxable year the taxpayer' and inserting in lieu thereof:

" '(a) Corporations.—If for any taxable year a corporation'; and

"(2) by adding at the end thereof the following new subsection:

" '(b) Other Taxpayers.—

" '(1) In general.—If a taxpayer other than a corporation has a net capital loss for any taxable year beginning after December 31, 1963—

" '(A) the excess of the net short-term capital loss over the net long-term capital gain for such year shall be a short-term capital loss in the succeeding taxable year, and

" '(B) the excess of the net long-term capital loss over the net short-term capital gain for such year shall be a long-term capital loss in the succeeding taxable year.

For purposes of this paragraph, in determining such excesses an amount equal to the excess of the sum allowed for the taxable year under section 1211(b) over the gains from sales or exchanges of capital assets (determined without regard to this sentence) shall be treated as a short-term capital gain in such year.

" '(2) Transitional rule.—In the case of a taxpayer other than a corporation, there shall be treated as a short-term capital loss in the first taxable year beginning after December 31, 1963, any amount which is treated as a short-term capital loss in such year under this subchapter as in effect immediately before the enactment of the Revenue Act of 1964.'

"(b) Technical Amendments.—

"(1) Section 1222(9) (relating to net capital gain) is amended to read as follows:

" '(9) Net capital gain.—In the case of a corporation, the term "net capital gain" means the excess of the gains from sales or exchanges of capital assets over the losses from such sales or exchanges.'

"(2) The second sentence of section 1222(10) (relating to net capital loss) is amended by striking out 'For the purpose' and inserting in lieu thereof 'In the case of a corporation, for the purpose'.

"(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1963."

And the Senate agree to the same.

Amendment numbered 167: That the House recede from its disagreement to the amendment of the Senate numbered 167, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "231"; and the Senate agree to the same.

Amendment numbered 168: That the House recede from its disagreement to the amendment of the Senate numbered 168, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "232"; and the Senate agree to the same.

Amendment numbered 177: That the House recede from its disagreement to the amendment of the Senate numbered 177, and agree to the same with an amendment as follows:

Page 81, line 11, of the Senate engrossed amendments, strike out "235" and insert "233"; and the Senate agree to the same.

Amendment numbered 178: That the House recede from its disagreement to the amendment of the Senate numbered 178, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "234"; and the Senate agree to the same.

Amendment numbered 179: That the House recede from its disagreement to the amendment of the Senate numbered 179, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "235"; and the Senate agree to the same.

Amendment numbered 185: That the House recede from its disagreement to the amendment of the Senate numbered 185, and agree to the same with an amendment, as follows:

Strike out the matter proposed to be stricken out and insert the matter proposed to be inserted by the Senate amendment and on page 268 of the House engrossed bill strike out lines 20, 21, and 22, and insert:

"(C) Adopted child.—For purposes of this section, a legally adopted child of an individual shall be treated as a child of such individual by blood."

And the Senate agree to the same.

Amendment numbered 193: That the House recede from its disagreement to the amendment of the Senate numbered 193, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Sec. 236. Validity of Tax Liens Against Purchasers of Motor Vehicles.

"(a) Purchasers Without Actual Notice or Knowledge of Lien.—Section 6323 (relating to validity of liens for Federal taxes) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

" '(d) Exception in Case of Motor Vehicles.—

" '(1) Exception.—Even though notice of a lien provided in section 6321 has been filed in the manner prescribed in subsection (a) of this section, the lien shall not be valid with respect to a motor vehicle, as defined in paragraph (2) of this subsection, as against any purchaser of such motor vehicle for an adequate and full consideration in money or money's worth if—

"'(A) at the time of the purchase the purchaser is without notice or knowledge of the existence of such lien, and

"'(B) before the purchaser obtains such notice or knowledge, he has acquired possession of such motor vehicle and has not thereafter relinquished possession of such motor vehicle to the seller or his agent.

"'(2) DEFINITION OF MOTOR VEHICLE.—As used in this subsection, the term "motor vehicle" means a self-propelled vehicle which is registered for highway use under the laws of any State or foreign country.'

"(b) LIENS FOR ESTATE AND GIFT TAXES.—Section 6324 (relating to special lien for estate and gift taxes is amended by adding at the end thereof the following new subsection:

"'(d) EXCEPTION IN CASE OF MOTOR VEHICLES.—The lien imposed by subsection (a) or (b) shall not be valid with respect to a motor vehicle, as defined in section 6323 (d)(2), as against any purchaser of such motor vehicle for an adequate and full consideration in money or money's worth if—

"'(1) at the time of the purchase the purchaser is without notice or knowledge of the existence of such lien, and

"'(2) before the purchaser obtains such notice or knowledge, he has acquired possession of such motor vehicle and has not thereafter relinquished possession of such motor vehicle to the seller or his agent.'

"(c) CLERICAL AMENDMENTS.—

"(1) Section 6323(a) is amended by striking out 'subsection (c)' and inserting in lieu thereof 'subsections (c) and (d)'.

"(2) Section 6324 is amended by inserting after 'subsection (c) (relating to transfers of securities)' in subsections (a) and (b) the following: 'and subsection (d) (relating to purchases of motor vehicles)'.

"(d) EFFECTIVE DATES.—The amendments made by this section shall apply only with respect to purchases made after the date of the enactment of this Act."

And the Senate agree to the same.

Amendment numbered 194: That the House recede from its disagreement to the amendment of the Senate numbered 194, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 237. EXCLUSION OF EARNED INCOME OF CERTAIN UNITED STATES CITIZENS WHO ARE RESIDENTS OF FOREIGN COUNTRIES.

"(a) REDUCTION OF LIMITATION.—Subparagraph (B) of section 911(c)(1) (relating to limitations on amount of exclusion) is amended by striking out '$35,000' and inserting in lieu thereof '$25,000'.

"(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1964."

And the Senate agree to the same.

Amendment numbered 196: That the House recede from its disagreement to the amendment of the Senate numbered 196, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 238. LOSSES ARISING FROM CONFISCATION OF PROPERTY BY CUBA.

"Section 165 (relating to losses) is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

"'(i) CERTAIN PROPERTY CONFISCATED BY CUBA.—For purposes of this chapter, any loss of tangible property, if such loss arises from expropriation, intervention, seizure, or similar taking by the government of Cuba, any political subdivision thereof, or any agency or instrumentality of the foregoing, shall be treated as a loss from a casualty within the meaning of subsection (c)(3).'"

And the Senate agree to the same.

Amendment numbered 197: That the House recede from its disagreement to the amendment of the Senate numbered 197, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 239. CREDIT OR REFUND OF SELF-EMPLOYMENT TAX.

"Section 6511 (relating to limitations on credit or refund) is amended by adding at the end of subsection (d) the following new paragraph:

"'(5) SPECIAL PERIOD OF LIMITATION WITH RESPECT TO SELF-EMPLOYMENT TAX IN CERTAIN CASES.—If the claim for credit or refund relates to an overpayment of the tax imposed by chapter 2 (relating to the tax on self-employment income) attributable to an agreement, or modification of an agreement, made pursuant to section 218 of the Social Security Act (relating to coverage of State and local employees), and if the allowance of a credit or refund of such overpayment is otherwise prevented by the operation of any law or rule of law other than section 7122 (relating to compromises), such credit or refund may be allowed or made if claim therefor is filed on or before the later of the following dates: (A) the last day of the second year after the calendar year in which such agreement (or modification) is agreed to by the State and the Secretary of Health, Education, and Welfare, or (B) December 31, 1965.'"

And the Senate agree to the same.

Amendment numbered 198: That the House recede from its disagreement to the amendment of the Senate numbered 198, and agree to the same with amendments as follows:

Page 92, line 2, of the Senate engrossed amendments, strike out "243" and insert "240".

Page 93, line 3, of the Senate engrossed amendments, after "1939" insert "attributable to such interest, including any extensions thereof,"; and the Senate agree to the same.

WILBUR D. MILLS,
CECIL R. KING,
THOMAS J. O'BRIEN,
HALE BOGGS,
JOHN W. BYRNES,
VICTOR A. KNOX,
Managers on the Part of the House.

HARRY FLOOD BYRD,
RUSSELL B. LONG,
GEORGE A. SMATHERS,
CLINTON P. ANDERSON,
JOHN J. WILLIAMS,
FRANK CARLSON,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8363) to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The following Senate amendments made technical, clerical, clarifying, or conforming changes: 2, 3, 5, 6, 7, 9, 14, 15, 19, 22, 24, 27, 28, 33, 34, 38, 39, 40, 44, 45, 48, 49, 50, 51, 52, 55, 62, 63, 65, 68, 69, 72, 73, 75, 77, 78, 79, 80, 89, 90, 92, 93, 94, 98, 101, 103, 104, 110, 112, 113, 115, 118, 120, 121, 122, 123, 125, 126, 127, 128, 130, 134, 135, 136, 138, 140, 142, 143, 144, 145, 146, 147, 148, 149, 150, 152, 154, 155, 156, 157, 158, 159, 160, 161, 167, 168, 169, 170, 172, 173, 174, 175, 176, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, and 192. With respect to these amendments (1) the House either recedes or recedes with amendments which are technical, clerical, clarifying, or conforming in nature; or (2) the Senate recedes in order to conform to other action agreed upon by the committee of conference.

DECLARATION BY CONGRESS

Amendment No. 1: Section 1 of the bill as passed by the House provided that it is the sense of Congress that the tax reduction provided by the bill, through stimulation of the economy, will, after a brief transitional period, raise (rather than lower) revenues and that such revenue increases should first be used to eliminate the deficits in the administrative budgets and then to reduce the public debt. Such section also provided that, to further the objective of obtaining balanced budgets in the near future, Congress by this action recognizes the importance of taking all reasonable means to restrain Government spending and urges the President to declare his accord with this objective. Senate amendment No. 1 strikes out this section of the bill.

The Senate recedes.

REDUCTION OF TAX RATES—RETIREMENT INCOME CREDIT

Amendment No. 4: Section 37(a) of the code provides the general rule that the credit against tax for retirement income shall be determined by multiplying the retirement income (as defined in and limited by sec. 37) by the rate provided in section 1 of the code (relating to tax imposed on individuals) for the first $2,000 of taxable income. The bill, as passed by the House, provided that the credit shall be equal to 15 percent of such retirement income. Senate amendment No. 4 retains the change made by the bill as passed by the House except that in the case of a taxable year beginning in 1964 the amendment provides that the credit shall be equal to 17 percent of such retirement income.

The House recedes.

RETIREMENT INCOME CREDIT IN CASE OF CERTAIN JOINT RETURNS

Amendment No. 8: Section 37 of the code provides a credit against tax for retirement income. To be eligible for the credit, an individual must have received earned income in excess of $600 in each of 10 calendar years before the taxable year and (except in the case of pensions and annuities under a public retirement system) must have attained the age of 65 before the close of the taxable year. Under section 37(d) of the code the amount of retirement income taken into account in the case of any individual may not exceed $1,524 less (1) amounts received in the taxable year as pensions and annuities (including social security and railroad retirement benefits) which are excluded from gross income, and (2) if the individual has not attained the age of 72, adjustments for earned income received in the taxable year.

Senate amendment No. 8 adds a new subsection (i) to section 37 of the code. The new subsection provides an increase in the $1,524 amount in the case of certain joint returns where both the husband and wife have attained age 65 before the close of the taxable year. If both spouses meet the 10-year earned income requirement and if in the case of either spouse the sum of the retirement income and of the amounts described in paragraphs (1) and (2) of section 37(d) of the code which reduce the $1,524 amount is less than $762, then the $1,524 amount is to be increased with respect to the other spouse by an amount equal to the excess of $762 over such sum. If either spouse does not meet the 10-year earned income requirement, the $1,524 amount is to be increased with respect to the other spouse by an amount equal to the excess of $762 over the amounts described in paragraphs (1) and (2) of section 37(d) of the code received by his spouse.

The House recedes with an amendment. Under the conference agreement, a husband and wife who make a joint return for the taxable year and both of whom have attained the age of 65 before the close of the taxable year, may elect to determine the amount of the credit allowed by section 37(a) of the code by applying the special rules of the new section 37(i)(2). These special rules provide that (1) if either spouse meets the 10-year earned income requirement the other spouse shall be considered as also meeting that requirement, and (2) section 37(d) (relating to limitation on retirement income) shall be considered as providing that the amount of the combined retirement income of both spouses is not to exceed $2,286 less the sum of the amounts for each spouse specified in paragraphs (1) and (2) of section 37(d) (that is, amounts received in the taxable year as pensions and annuities which are excluded from gross income, and amounts representing adjustments for certain earned income received during the taxable year). Under the conference agreement, this new provision will apply to taxable years beginning after December 31, 1963.

EFFECTIVE DATE FOR REPEAL OF REQUIREMENT THAT BASIS OF SECTION 38 PROPERTY BE REDUCED BY 7 PERCENT

Amendments Nos. 10, 11, 12, 13, 16, 17, and 18: Section 48(g) of the code requires the basis of any section 38 property (that is, property with respect to which an investment credit is allowable) to be reduced by an amount equal to 7 percent of the qualified investment with respect to such property. The bill as passed by the House repealed section 48(g) of the code, provided special rules to increase the basis of property placed in service before July 1, 1963 (the effective date of the repeal), and made conforming changes in the code. The repeal and conforming changes apply (1) in the case of property placed in service after June 30, 1963, with respect to taxable years ending after such date, and (2) in the case of property placed in service before July 1, 1963, with respect to taxable years beginning after June 30, 1963.

Senate amendments Nos. 10, 11, 12, 13, 16, 17, and 18 change the "June 30, 1963" and "July 1, 1963" dates to "December 31, 1963" and "January 1, 1964", respectively, for purposes of both the effective date provisions and the special rules relating to property placed in service before the effective date.

The House recedes.

GROUP-TERM LIFE INSURANCE PURCHASED FOR EMPLOYEES

Amendment No. 20: The bill as passed by the House added a new section 79 to the code. In general, the new section 79 requires an employee to include in gross income for the taxable year an amount equal to the cost of group-term life insurance on his life under policies carried by his employers, but only to the extent that such cost exceeds the sum of (1) the cost of so much of such insurance as does not exceed $30,000 of such protection, and (2) the amount (if any) paid by the employee toward the purchase of the insurance.

Senate amendment No. 20 in effect increases the $30,000 amount referred to above to $70,000.

The House recedes with an amendment. Under the conference agreement the new section 79 of the code requires an employee to include in gross income for the taxable year an amount equal to the cost of group-term life insurance on his life under policies carried by his employers, but only to the extent that such cost exceeds the sum of (1) the cost of $50,000 of such insurance, and (2) the amount (if any) paid by the employee toward the purchase of such insurance. In providing for the inclusion, to the extent specified, in a taxpayer's income of certain amounts representing the cost of group-term life insurance, it is not intended that such insurance include the death benefits in so-called travel insurance or accident and health policies where such policies do not provide general death benefits.

Amendment No. 21: Under the bill as passed by the House the cost of group-term life insurance on the life of an employee provided during any period was to be determined on the basis of uniform premiums (computed on the basis of 5-year age brackets); except that, at the election of the employer with respect to any employee, the cost was to be determined on the basis of the actual average premium cost under the policy for the ages included within the age bracket which would be applicable to the employee but for the election.

Senate amendment No. 21 deletes the election (policy cost method) so that the cost is to be determined in all cases under the uniform premium method.

The House recedes. It is the understanding of the conferees that the Treasury Department will study the table of premiums at attained ages contained in the committee reports on the bill to see whether this table should not be replaced by a table which reflects the most recent mortality experience and which may possibly make some allowances for expense factors.

Amendment No. 23: The bill as passed by the House added a new section 218 to the code to provide a deduction in the case of certain employees where group-term life insurance in excess of $30,000 is provided under policies carried by his employers. The deduction in the case of any employee was to be an amount equal to the excess (if any) of (1) the amount paid by the employee toward the purchase of such insurance in excess of $30,000, over (2) the cost of such insurance in excess of $30,000 (such cost to be determined in a specified manner).

Senate amendment No. 23 strikes out this provision.

The House recedes.

Amendments Nos. 25 and 26: Under the bill as passed by the House, the cost of group-term life insurance included in the income of the employee under the new section 79 was not excluded from income tax withholding. Under Senate amendment No. 25, no part of the cost of group-term life insurance is to be subject to income tax withholding. Senate amendment No. 26 adds a new section 6052 to the code (1) to require the employer to file an information return setting forth the cost of such insurance, to the extent such cost is includible in the gross income of the employee, and (2) to furnish a statement to the employee showing the cost shown on the return. This amendment also makes conforming changes in section 6678 of the code, relating to penalty for failure to furnish statements.

The House recedes with a clerical amendment.

Amendment No. 29: The new section 79(b) of the code provides exceptions to the general rule of section 79(a) which requires an employee to include in gross income a portion of the cost of certain group-term life insurance. Under section 79(b)(2)(B), the general rule is not to apply to the cost of any portion of the group-term life insurance on the life of an employee provided during part or all of the taxable year of the employee under which a person described in section 170(c) of the code (relating to definition of charitable contributions) is the sole beneficiary. The effect of Senate amendment No. 29 is to treat the insurance contract as satisfying this condition for the period beginning January 1, 1964, and ending April 30, 1964, in the case of a taxable year beginning before May 1, 1964, if the condition is satisfied for the portion after April 30, 1964, of the employee's first taxable year ending after such date.

The House recedes.

INCLUSION IN GROSS INCOME OF REIMBURSED MEDICAL EXPENSES TO THE EXTENT THAT THE REIMBURSEMENT EXCEEDS THE EXPENSES

Amendment No. 30: Section 204 of the bill as passed by the House added a new section 80 to the code. The new section 80 required that amounts received through accident or health insurance for medical expenses be included in gross income to the extent the aggregate of such amounts received for any personal injury or sickness exceeds the aggregate amount of the medical expenses incurred by the taxpayer for such injury or sickness.

Senate amendment No. 30 strikes out this section of the bill.

The House recedes.

AMOUNTS RECEIVED UNDER WAGE CONTINUATION PLANS

Amendment No. 31: Section 105(d) of the code (relating to wage continuation plans) provides (subject to a $100 weekly rate limitation) that gross income does not include amounts received as accident or health insurance if such amounts constitute wages or payments in lieu of wages for a period during which the employee is absent from work on account of personal injury or sickness. Under existing law, in the case of a period during which the employee is absent from work on account of sickness, the exclusion from gross income does not apply to amounts (sick pay) attributable to the first 7 calendar days in such period unless the employee is hospitalized on account of sickness for at least 1 day during such period.

Under the bill as passed by the House, the exclusion from gross income was not to apply to amounts (sick pay) attributable to the first 30 calendar days in any period of absence from work on account of personal injury or sickness. Senate amendment No. 31 has the same effect as the bill as passed by the House where the amounts (sick pay) received exceed 75 percent of the regular weekly rate of wages of the employee. Under the Senate amendment, if the amounts (sick pay) received are less than 75 percent of the regular weekly rate of wages of the employee, the exclusion from gross income is not to apply to amounts attributable to the first 7 calendar days in the period of absence from work unless the employee is hospitalized on account of sickness for at least 1 day during such period.

The House recedes with an amendment which provides that if the amounts (sick pay) received are at a rate not exceeding 75 percent of the employee's regular weekly rate of wages, the exclusion from gross income is to apply to amounts attributable to the first 30 calendar days of the period of absence to the extent of a weekly rate of $75, but is not to apply to amounts attributable to the first 7 calendar days in such period unless the employee is hospitalized on account of personal injuries or sickness for at least 1 day during such period.

DENIAL OF DEDUCTIONS FOR CERTAIN STATE, LOCAL, AND FOREIGN TAXES

Amendment No. 32: Section 207 of the bill as passed by the House amended section 164 of the code (relating to deduction of taxes) to provide for the allowance of a deduction for those State, local, and foreign taxes listed in the bill. Senate amendment No. 32 adds to the list:

(1) State and local taxes on the sale of gasoline, diesel fuel, and other motor fuels; and

(2) State and local taxes on the registration or licensing of highway motor vehicles and on licenses for the operation of highway motor vehicles.

The House recedes with an amendment. Under the conference action, State and local taxes on the sale of gasoline, diesel fuel, and other motor fuels will remain deductible. However, State and local taxes on the registration or licensing of highway motor vehicles and on licenses for the operation of highway motor vehicles will no longer be deductible (unless paid or accrued in carrying on a trade or business or an activity described in sec. 212 of the code).

Amendment No. 35: In amending section 164 of the code, the bill as passed by the House eliminated the deduction permitted by existing section 164(b)(5)(B) of the code for certain taxes assessed against local benefits levied by special taxing districts described in such section. The effect of Senate amendment No. 35 is to continue the allowance of the deduction for such taxes if the special taxing district was in existence on December 31, 1963, and the taxes are levied for the purpose of retiring indebtedness existing on such date.

The House recedes.

CHARITABLE, ETC., CONTRIBUTIONS AND GIFTS

Amendment No. 36: Under existing section 170(b)(1)(C) of the code, an individual is allowed an unlimited charitable contribution deduction if in the taxable year, and in 8 of the 10 preceding taxable years, the charitable contributions and the income taxes paid by the taxpayer during such year exceed 90 percent of his taxable income computed without deduction for charitable contributions, personal exemptions, and net operating loss carrybacks. Under existing law, the unlimited charitable contribution deduction is computed by reference to charitable contributions to those organizations to which the general 20-percent limitation applies, whether or not those organizations are ones to which the additional 10-percent limitation also applies.

This amendment redesignates subparagraph (D) of section 170(b)(1) of the code as subparagraph (E) and inserts a new subparagraph (D) which provides, in effect, that if the taxable year begins after December 31, 1963—

(1) Section 170(b)(1)(C) shall apply only at the election of the taxpayer; and

(2) in determining whether the 90-percent requirement is satisfied in the taxable year and in 8 of the 10 preceding taxable years, the amount of the charitable contributions for the taxable year (and for all prior taxable years beginning after December 31, 1963), is to be determined without the application of section 170(b)(5) of the code (carryover of certain excess contributions by individuals, added by Senate amendment No. 37) and solely by reference to charitable contributions described in section 170(b)(1)(A) of the code, as amended by section 209(a) of the bill (i.e., contributions to those organizations to which the additional 10-percent limitation applies).

If the taxpayer elects to have section 170(b)(1)(C) apply for the taxable year, then for such taxable year the deduction under section 170(a) of the code applies only with respect to charitable contributions to those organizations to which the additional 10-percent limitation applies. In addition, no amount of charitable contributions made in the taxable year or any prior taxable year may be treated under the new section 170(b)(5) as having been made in the taxable year or in any succeeding taxable year.

The House recedes with amendments. Under the conference agreement, section 170 of the code is amended by inserting after subsection (f) (added by subsec. (e) of sec. 209 of the bill) a new subsection (g).

Paragraph (1) of such new subsection (g) provides that if the taxable year begins after December 31, 1963—

(A) section 170(b)(1)(C) shall apply only at the election of the taxpayer; and

(B) in determining whether the 90-percent requirement is satisfied in the taxable year and in 8 of the 10 preceding taxable years, the amount of the charitable contributions for the taxable year (and for all prior taxable years beginning after December 31, 1963), is to be determined without the application of section 170(b)(5) of the code (carryover of certain excess contributions by individuals, added by Senate amendment No. 37) and solely by reference to the charitable contributions which are described in paragraph (2) of new subsection (g).

If the taxpayer elects to have section 170(b)(1)(C) apply for the taxable year, then for such taxable year, the deduction under section 170(a) of the code applies only with respect to charitable contributions which are described in paragraph (2) of new subsection (g). In addition, no amount of charitable contributions made in the taxable year or any prior taxable year may be treated under section 170(b)(5) as having been made in the taxable year or in any succeeding taxable year.

Under the conference agreement, the charitable contributions, which are referred to in paragraph (1) and described in paragraph (2) of new subsection (g), which qualify for application of the unlimited charitable contribution deduction are—

(A) any charitable contribution described in section 170(b)(1)(A) of the code;

(B) any charitable contribution, not described in section 170(b)(1)(A) of the code, to an organization described in section 170(c)(2) of the code (certain organizations organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes or for the prevention of cruelty to children or animals) substantially more than half of the assets of which is devoted directly to, and substantially all of the income of which is expended directly for, the active conduct of the activities constituting the purpose or function for which it is organized and operated (as distinguished from making contributions to other organizations organized and operated for such purpose or function);

(C) any charitable contribution, not described in section 170(b)(1)(A) of the code, to an organization described in section 170(c)(2) of the code which meets the requirements of new subsection (g)(3) with respect to such charitable contribution; and

(D) any charitable contribution taken into account under existing section 170(b)(1)(C) of the code payment of which is made on or before the date of the enactment of the bill.

Under the conference agreement, a contribution to an organization which is referred to in new subsection (g)(2)(C) qualifies only if such organization meets the two requirements described in new subsection (g)(3) with respect to such contribution. The first of such requirements is that—

(A) not later than the close of the third year after the organization's taxable year in which the contribution is received (or before such later time as the Secretary of the Treasury or his delegate may allow upon good cause shown by such organization), such organization expends an amount equal to at least 50 percent of such contribution for—

(i) the active conduct of the activities constituting the purpose or function for which it is organized and operated (as distinguished from making contributions to other organizations organized and operated for such purpose or function),

(ii) assets which are directly devoted to such active conduct,

(iii) contributions to organizations which are described in section 170(b)(1)(A) of the code or in paragraph (2)(B) of the new subsection (g), or

(iv) any combination of the foregoing.

If an amount expended as provided in subparagraph (A) is used to qualify any contribution under this 50-percent test, to the extent so used such amount may not be used as an expenditure for purposes of qualifying another contribution under subparagraph (A), whether such other contribution was made by the same donor or by another donor.

The second of such requirements with respect to such contribution is that—

(B) for the period beginning with the beginning of the taxable year in which such contribution is received and ending with the close of the taxable year in which the 50-percent test is satisfied with respect to such contribution, such organization expends all of its net income (determined without regard to capital gains and losses) for the purposes described in clauses (i), (ii), (iii), and (iv) of paragraph (3)(A).

If the organization has shown, to the satisfaction of the Secretary of the Treasury or his delegate, that good cause exists for extending the period during which the organization must expend an amount equal to 50 percent of the contribution in question, and the Secretary or his delegate allows such an extension, the requirement that the organization must expend all of its net income applies with respect to the organization's net income for the period beginning with the beginning of the taxable year in which such contribution is received and ending with the close of the taxable year in which it expends an amount equal to 50 percent of such contribution. Thus, for example, if the Secretary of the Treasury or his delegate extends the time within which an organization may expend an amount equal to at least 50 percent of a contribution until the close of the fifth taxable year after the organization's taxable year in which the contribution is received and the 50-percent test is satisfied during such fifth year, the requirement of subparagraph (B) is satisfied only if the net income for the 6-year period is expended as required by subparagraph (B). On the other hand, if the 50-percent test is satisfied during the taxable year in which the contribution is received, the requirement of subparagraph (B) is satisfied if the net income for such taxable year is expended as required by subparagraph (B).

Under the conference agreement, subsection (g)(3) also provides the taxpayer with an election (to be exercised in accordance with regulations prescribed by the Secretary of the Treasury or his delegate) with respect to contributions made by him to an organization referred to in subsection (g)(2)(C). If the taxpayer so elects with respect to contributions made by him to such an organization, then, in applying the expenditure of income requirement with respect to contributions made by him to such organization during his taxable year for which such election is made and during all his subsequent taxable years, amounts expended by the organization after the close of any of its taxable years and on or before the 15th day of the third month following the close of such taxable year shall be treated as expended during such taxable year.

Under the conference agreement, for the contribution to qualify under section 170(b)(1)(C) of the code an additional requirement, as described in new subsection (g)(4) (disqualifying transactions), must be met by an organization referred to in new subsection (g)(2) (B) or (C). An organization shall be an organization referred to in new subsection (g)(2) (B) or (C) only if at no time during the period consisting of the organization's taxable year in which the contribution is received, its 3 preceding taxable years, and its 3 succeeding taxable years, such organization—

(A) lends any part of its income or corpus to;

(B) pays compensation (other than reasonable compensation for personal services actually rendered) to;

(C) makes any of its services available on a preferential basis to;

(D) purchases more than a minimal amount of securities or other property from; or

(E) sells more than a minimal amount of securities or other property to,

the donor of such contribution, any member of his family (as defined in sec. 267(c)(4) of the code), any employee of the donor, any officer or employee of a corporation in which he owns (directly or indirectly) 50 percent or more in value of the outstanding stock, or any partner or employee of a partnership in which he owns (directly or indirectly) 50 percent or more of the capital interest or profits interest. An exception to this provision makes it inapplicable to transactions which occurred on or before the date of the enactment of the bill.

Amendment No. 37: This amendment adds a new paragraph (5) to section 170(b) of the code to provide a 5-year carryover of certain charitable contributions made by individuals in taxable years beginning after December 31, 1963, where the amount of the contributions exceeds 30 percent of the taxpayer's adjusted gross income (computed without regard to net operating loss carrybacks). Under the amendment, the amount carried from a taxable year (and the amount thereof treated as paid in a succeeding taxable year) is determined solely by reference to charitable contributions to those organizations to which the additional 10-percent limitation applies.

The House recedes.

Amendment No. 41: The bill as passed by the House added a new subsection (f) to section 170 of the code to provide, in general, that payment of a charitable contribution which consists of a future interest in tangible personal property shall be treated as made only when all intervening interests in (and rights to the actual possession or enjoyment of) the property have expired or are held by persons other than the taxpayer (or certain related parties). The bill as passed by the House excepted from this rule any charitable contribution where the sole intervening interest or right is a nontransferable life interest reserved by the donor (or donors in the case of a joint gift by husband and wife). Senate amendment No. 41 strikes out this exception.

The House recedes on this amendment, but under the conference action on Senate amendment No. 42, the exception in the bill as passed by the House is restored with respect to transfers of future interests before July 1, 1964.

Amendment No. 42: Senate amendment No. 42 relates to the effective dates for the amendments made by the bill to section 170 of the code. In the case of individuals, the effective dates are the same as provided by the bill as passed by the House.

Under the bill as passed by the House, the amendments providing a 5-year carryover of charitable contributions made by corporations applied with respect to contributions which are paid (or treated as paid under sec. 170(a)(2) of the code) in taxable years beginning after December 31, 1963. Under Senate amendment No. 42, the amendments are to apply to taxable years beginning after December 31, 1963, with respect to contributions which are paid (or treated as paid under sec. 170(a)(2) of the code) in taxable years beginning after December 31, 1961.

The House recedes with an amendment (see discussion of Senate amendment No. 41).

LOSSES ARISING FROM EXPROPRIATION OF PROPERTY BY GOVERNMENTS OF FOREIGN COUNTRIES

Amendment No. 43: In general, the effect of this amendment is to permit a taxpayer to elect (for any taxable year ending after December 31, 1958) a 10-year carryover under section 172 of the code (relating to net operating loss deduction) of the portion of the net operating loss for such year attributable to a foreign expropriation loss for such year in lieu of the existing 3-year carryback and 5-year carryover. The 10-year carryover is not to apply unless the foreign expropriation loss equals or exceeds 50 percent of the net operating loss. The term "foreign expropriation loss" is defined to mean, for any taxable year, the sum of the losses sustained by reason of the expropriation, intervention, seizure, or similar taking of property by the government of any foreign country, any political subdivision thereof, or any agency or instrumentality of the foregoing. For this purpose, a debt which becomes worthless is to be treated as a loss to the extent of any deduction allowed under section 166(a) of the code.

The amount of any loss taken into account in determining a foreign expropriation loss may not exceed the taxpayer's adjusted basis for the property or bad debt in question since the foreign expropriation loss must arise from a loss described in section 165 of the code or a bad debt described in section 166; in both of these cases the deduction allowed may not exceed the adjusted basis for purposes of the sale or other disposition of the property.

If a taxpayer makes the election for a taxable year ending before January 1, 1964, special rules are provided (with respect to any year affected by the election) to extend to the close of December 31, 1965, the time for making or changing any choice or election under sections 901 through 905 of the code (relating to foreign tax credit) and to extend to the close of December 31, 1968, the time for assessing deficiencies and filing claims for refund or credit of overpayments.

The House recedes with a technical amendment.

CARE OF DEPENDENTS

Amendment No. 46: The bill as passed by both the House and the Senate amends section 214 of the code (relating to deduction for expenses for care of certain dependents). Under the bill as passed by the House, section 214(b)(1) limited the deduction under section 214(a) for any taxable year to $600, except that the $600 limit was to be increased (to an amount not above $900) by the amount of expenses incurred by the taxpayer for any period during which the taxpayer had two or more dependents (within the meaning of amended sec. 214(d)(1) of the code). In the case of a woman who is married, the increase in the limitation applied only for a period during which her husband is incapable of self-support because mentally or physically defective.

The effect of Senate amendment No. 46 is to retain the $900 amount for a period during which the taxpayer had two dependents, to increase the $900 amount to $1,000 for a period during which the taxpayer had three or more dependents, and to omit the provision which would limit the application of these new amounts in the case of married women.

The House recedes with an amendment which retains the $900 amount for a period during which the taxpayer had two or more dependents and omits the provision which would limit the application of this new amount in the case of married women.

Amendment No. 47: Under the bill as passed by the House, section 214(b) further provided, in the case of a woman who is married and in the case of a husband whose wife is incapacitated, that the deduction otherwise allowable under section 214(a)—

(1) would not be allowed unless the couple files a joint return; and

(2) would be reduced dollar for dollar to the extent that the couple's combined adjusted gross income exceeds $4,500.

These conditions did not apply in certain specified situations. The effect of the Senate amendment No. 47 is to retain these conditions and exceptions, except that the Senate amendment substitutes $7,000 for the $4,500 amount.

The House recedes with an amendment which provides that this amount will be $6,000.

DEDUCTION FOR POLITICAL CONTRIBUTIONS

Amendment No. 53: This amendment adds a new section 218 to the code. Section 218 (a) provides that in the case of an individual, there shall be allowed as a deduction any political contribution payment of which is made by the taxpayer within the taxable year. Section 218(b) limits the deduction to $50 for any taxable year, except that in the case of a joint return of a husband and wife the limit is $100.

The Senate recedes.

ONE HUNDRED-PERCENT DIVIDENDS-RECEIVED DEDUCTION FOR MEMBERS OF ELECTING AFFILIATED GROUPS

Amendment No. 54: This amendment adds a new section to the bill which amends section 243 of the code (relating to the deduction for certain dividends received by corporations) to provide a 100-percent deduction in the case of "qualifying dividends", and makes conforming technical amendments.

As amended, section 243(b)(1) defines the term "qualifying dividends" to mean dividends received by a corporation which (at the close of the day the dividends are received) is a member of the same affiliated group of corporations (as defined in sec. 243 (b)(5)) as the corporation distributing the dividends, if (1) such affiliated group has made an election under section 243(b)(2) which is effective for the taxable years of its members which include such day; and (2) the dividends are distributed out of earnings and profits of a taxable year of the distributing corporation ending after December 31, 1963, with respect to which two requirements are satisfied. First, the distributing corporation and the recipient corporation must have been members of such affiliated group on each day of such taxable year. Second, an election under section 1562 (relating to election of multiple surtax exemptions) must not be effective for such taxable year.

Section 243(b)(2) prescribes rules for the making of an election and the taxable years to which it applies. Under section 243(b) (3), if an election by an affiliated group is effective with respect to a taxable year of the common parent corporation, then under regulations prescribed by the Secretary of the Treasury or his delegate—

(1) no member of such affiliated group may consent to an election under section 1562 for such taxable year;

(2) the members of such group will be treated as one taxpayer for purposes of making the elections under section 901(a) (relating to allowance of foreign tax credit) and section 904(b)(1) (relating to election of overall limitation); and

(3) the members of such affiliated group will be limited to (i) one $100,000 minimum accumulated earnings credit under section 535(c) (2) or (3); (ii) one $100,000 limitation for exploration expenditures under section 615 (a) and (b); (iii) one $400,000 limitation for exploration expenditures under

section 615(c)(1); (iv) one $25,000 limitation on small business deductions of life insurance companies under sections 804(a)(4) and 809(d)(10); and (v) one $100,000 exemption for purposes of estimated tax filing requirements under section 6016 and the addition to tax under section 6655 for failure to pay estimated tax.

Section 243(b)(4) provides for the termination of an election under section 243(b)(2) either by the filing by the group of a termination of the election or by the filing of a statement by a new member of the group that it does not consent to the election.

Section 243(b)(5) provides that the term "affiliated group" has the meaning assigned to it by section 1504(a) of the code except that for purposes of the 100-percent dividends received deduction insurance companies subject to taxation under section 802 or 821 of the code are not to be excluded by section 1504(b)(2) from a group and are not to be considered under section 1504(c) as a separate group. Section 243(b)(6) provides special rules for insurance companies.

The amendments providing for the 100-percent dividends received deduction are to apply with respect to dividends received in taxable years ending after December 31, 1963.

The House recedes with a clerical amendment.

INTEREST ON LOANS INCURRED TO PURCHASE CERTAIN INSURANCE AND ANNUITY CONTRACTS

Amendment No. 56: The bill as passed by the House amended section 264 of the code to provide that, under certain circumstances, no deduction is allowed for interest on loans incurred or continued to purchase or carry certain life insurance, endowment, or annuity contracts. This new provision was to apply only in respect of contracts purchased after August 6, 1963. Under the Senate amendment No. 56 this new provision applies only in respect of contracts purchased after December 31, 1963.

The Senate recedes.

INTEREST ON INDEBTEDNESS INCURRED OR CONTINUED TO PURCHASE OR CARRY TAX-EXEMPT BONDS

Amendment No. 57: Section 265(2) of the code provides that no deduction shall be allowed for interest on indebtedness incurred or continued to purchase or carry obligations (other than certain obligations of the United States) the interest on which is wholly exempt from income tax. Under Senate amendment No. 57, a new sentence is added to section 265(2) to provide that, in applying the preceding sentence to a financial institution (other than a bank) which is subject to the banking laws of the State in which such institution is incorporated, interest—

(1) on face-amount certificates (as defined in sec. 2(a)(15) of the Investment Company Act of 1940 (15 U.S.C. 80a–2)) issued by the institution; and

(2) on amounts received by such institution to be applied toward the purchase of such face-amount certificates to be issued by the institution—

is not to be considered as interest on indebtedness incurred or continued to purchase or carry obligations the interest on which is wholly exempt from income tax to the extent that the average amount of such obligations held by such institution during the taxable year (as determined under regulations prescribed by the Secretary of the Treasury or his delegate) does not exceed 25 percent of the average of the total assets of the institution during the taxable year (as so determined). The new provision is to apply with respect to taxable years ending after the date of the enactment of the bill.

The House recedes with amendments. Under the conference agreement, the new sentence added to section 265(2) of the code by the Senate amendment is to apply only with respect to interest on face-amount certificates, and on amounts received toward the purchase of such certificates, issued by a face-amount certificate company (registered under the Investment Company Act of 1940), and the percentage contained in the new sentence is reduced to 15 percent. In providing that the financial institutions specified in this provision are not to be denied interest deductions under section 265(2) of the code to the extent that the average amount invested by such an institution in tax-free obligations does not exceed 15 percent of the average of its total assets, it is not intended to imply that an interest deduction is to be denied because of investments in excess of the specified 15-percent level if the taxpayer establishes that indebtedness was not "incurred or continued to purchase or carry" these excess obligations. Nor is it intended that any inference with respect to years before the effective date of this provision be drawn from the enactment of this provision.

ALLOCATION OF CERTAIN TRAVELING EXPENSES

Amendment No. 58: Section 274(c) of the code provides that in the case of any individual who is traveling away from home in pursuit of a trade or business or in pursuit of an activity described in section 212, no deduction shall be allowed under section 162 or section 212 for that portion of the expenses of such travel otherwise allowable under such section which, under regulations prescribed by the Secretary of the Treasury or his delegate, is not allocable to such trade or business or to such activity. Such provision, however, does not apply to the expenses of any travel away from home which does not exceed 1 week or where the portion of the time away from home which is not attributable to the pursuit of the taxpayer's trade or business or to an activity specified in section 212 is less than 25 percent of the total time away from home on such travel. Senate amendment No. 58 strikes out subsection (c) of section 274 of the code, effective with respect to taxable years ending after December 31, 1962, but only in respect of periods after such date.

The House recedes with an amendment which, in effect, retains section 274(c) of the code but limits its application to foreign travel. Under the conference agreement, section 274(c) will only apply to an individual's travel outside the United States away from home. Travel from one point in the United States to another point in the United States is not to be considered travel outside the United States, even though it may constitute a portion of the trip in which the taxpayer travels to a point outside the United States. Section 274(c), as amended, will not apply to the expenses of any travel outside the United States away from home, if such travel does not exceed 1 week, or if the portion of the time of travel outside the United States away from home which is not attributable to the pursuit of the taxpayer's trade or business or an activity described in section 212 is less than 25 percent of the total time on such travel. Section 274(c), as amended, will apply with respect to taxable years ending after December 31, 1962, but only in respect of periods after such date.

ACQUISITION OF STOCK IN EXCHANGE FOR STOCK OF CORPORATION WHICH IS IN CONTROL OF ACQUIRING CORPORATION

Amendment No. 59: Under existing section 368(a)(1)(B) of the code, the acquisition by one corporation, in exchange solely for all or a part of its voting stock, of stock of another corporation qualifies as a "reorganization" if, immediately after the acquisition, the acquiring corporation has control of such other corporation (whether or not such acquiring corporation had control immediately before the acquisition). Under Senate amendment No. 59, section 368(a)(1)(B) is amended to permit an acquiring corporation to exchange either its voting stock or the voting stock of a corporation which is in control of the acquiring corporation for the stock of another corporation. The amendment also makes technical and conforming changes. The amendments apply with respect to transactions after December 31, 1963, in taxable years ending after such date.

The House recedes with a clerical amendment.

RETROACTIVE QUALIFICATION OF CERTAIN UNION-NEGOTIATED MULTIEMPLOYER PENSION PLANS

Amendment No. 60: Section 401 of the code relates to qualified pension, profit-sharing, and stock bonus plans. Senate amendment No. 60 inserts a new subsection (i) in section 401.

The new subsection (i) applies to a trust forming part of a pension plan which has been determined by the Secretary of the Treasury or his delegate to constitute a qualified trust under section 401(a), and to be exempt from taxation under section 501(a), for a period beginning after contributions were first made to or for such trust. The new subsection (i) provides that where such a trust meets certain conditions, then it shall be considered as having constituted a qualified trust under section 401(a), and as having been exempt from taxation under section 501(a), for the period beginning on the date on which contributions were first made to or for such trust and ending on the date such trust first constituted (without regard to the new subsection) a qualified trust.

The conditions referred to in the preceding paragraph require that it be shown to the satisfaction of the Secretary of the Treasury or his delegate that: (1) Such trust was created pursuant to a collective bargaining agreement between employee representatives and two or more employers who are not related (determined under regulations prescribed by the Secretary of the Treasury or his delegate); (2) any disbursements made prior to the period for which the trust was determined to be qualified (without regard to the new subsection) substantially comply with the terms of the trust (and plan) as so qualified; and (3) prior to the period for which the trust was determined to be qualified (without regard to the new subsection) contributions were not used in a manner which would jeopardize the interests of the beneficiaries.

The new subsection (i) is to apply with respect to taxable years beginning after December 31, 1953, and ending after August 16, 1954, but only with respect to contributions made after December 31, 1954.

The House recedes with a clerical amendment.

QUALIFIED PENSION, ETC., PLAN COVERAGE FOR EMPLOYEES OF CERTAIN SUBSIDIARY EMPLOYERS

Amendment No. 61: This amendment adds a new section to the bill, relating to qualified pension, etc., plan coverage for employees of certain subsidiary employers.

Employees of foreign subsidiaries covered by social security agreements

Subsection (a) of the new section adds a new section 406 to part I of subchapter D of chapter 1 of the code.

(a) Treatment as employees of domestic corporation: The new section 406(a) sets forth the rules relating to the treatment of certain employees of foreign subsidiaries who are covered under a social security agreement described in section 3121(l) of the code, entered into at the request of the domestic corporation, as employees of such domestic corporation. The new section 406(a) only applies in the case of a plan established and maintained by a domestic corporation which is a pension, profit-sharing, or stock bonus plan described in section 401(a) of the code, an annuity plan described in section 403(a) of the code, or a bond purchase plan described in section 405(a) of the code. The new section 406(a) provides that in the case of such a plan an individual who is a citizen of the United States and who is also an employee of a foreign subsidiary (as defined in sec. 3121 (l)(8) of the code) of the domestic corporation shall be treated as an employee of such domestic corporation if certain requirements are satisfied.

The first of the requirements of the new section 406(a) is that the domestic corporation has entered into an agreement described in section 3121(l) of the code, relating to agreements entered into by domestic corporations with respect to foreign subsidiaries, and such agreement covers the foreign subsidiary of the domestic corporation in which the individual is employed.

The second requirement is that the qualified plan of the domestic employer must expressly provide coverage for the U.S. citizen employees of all foreign subsidiaries which are covered under the agreement described in section 3121(l) of the code which has been entered into by the domestic corporation.

The third requirement for qualification of an individual as an employee is that contributions under a funded plan of deferred compensation (whether or not such plan is a qualified plan) are not provided by any other person with respect to the remuneration paid to such individual by the foreign subsidiary.

(b) Special rules for application of section 401(a): The new section 406(b) provides certain special rules for the application of section 401(a) of the code in the case of a plan which covers an individual who is treated as an employee of a domestic corporation under the new section 406(a).

Paragraph (1) of such section 406(b) provides certain rules regarding the application of section 401(a) (3)(B) and (4) of the code in the case of a plan which covers such an individual. Paragraph (1)(A) of section 406(b) provides that if such an individual is an officer, shareholder, or person whose principal duties consist in supervising the work of other employees of a foreign subsidiary of such domestic corporation, he shall be treated as having such capacity with respect to the domestic corporation. Paragraph (1)(B) of section 406(b) provides that the determination of whether an individual who is treated as an employee under the new section 406(a) is a highly compensated employee for purposes of section 401(a) (3)(B) and (4) of the code is made by treating such individual's total compensation (as computed in accordance with the provisions of par. (2) of sec. 406(b)) as compensation paid by the domestic corporation and by determining such individual's status as a highly compensated employee with regard to such domestic corporation.

Paragraph (2) of the new section 406(b) sets forth the rules regarding determination of the compensation of an individual who is treated as an employee of a domestic corporation under section 406(a) of the code. Such rules are applicable whenever the compensation of such an individual is to be determined for the purpose of determining whether the plan satisfies the requirements for qualification set forth in section 401(a). Paragraph (2)(A) of section 406(b) provides that, for the purpose of applying section 401 (a)(5) with respect to such an individual, his total compensation is the remuneration paid to him by the foreign subsidiary which would constitute his total compensation if his services had been performed for the domestic corporation treated as his employer. In addition, such paragraph (2)(A) provides that the portion of the individual's total compensation which constitutes his basic or regular rate of compensation shall be determined under regulations prescribed by the Secretary of the Treasury or his delegate.

Paragraph (2)(B) of section 406(b) provides that an individual who is treated as an employee under section 406(a) shall be treated as having paid the amount paid by such domestic corporation which is equivalent to the tax imposed by section 3101 of the code (relating to the tax imposed on employees) with respect to such individual.

(c) Termination of status as deemed employee not to be treated as separation from service for purposes of capital gains provisions: Existing sections 402(a)(2) and 403(a) (2) of the code provide capital gains treatment for certain distributions after an employee's separation from service. The new section 406(c) provides that for purposes of applying section 402(a)(2) and section 403(a)(2) of the code with respect to an individual who is treated as an employee of a domestic corporation under section 406(a), such individual shall not be treated as separated from the service solely by reason of the fact that—

(1) the agreement entered into by such domestic corporation under section 3121(l) which covers the employment of such individual is terminated under the provisions of such section;

(2) such individual becomes an employee of a foreign subsidiary (as defined in sec. 3121(l)(8)) with respect to which an agreement described in section 3121(l) does not apply;

(3) such individual ceases to be an employee within the meaning of section 406(a) and becomes an employee of another corporation controlled by the domestic corporation; or

(4) the provision of the plan described in section 406(a)(2) is terminated.

(d) Deductibility of contributions: The new section 406(d) relates to the deductibility of contributions made on behalf of an individual who is treated as an employee of a domestic corporation by reason of the provisions of section 406(a).

Paragraph (1) of the new section 406(d) provides that, for purposes of applying sections 404 and 405(c) with respect to contributions made to a qualified plan on behalf of an individual who is treated as an employee of a domestic corporation under section 406(a), no domestic corporation is allowed a deduction.

Paragraph (2) of the new section 406(d) provides that the amount which would be deductible under section 404 or 405(c) by the domestic corporation if the individual who is an employee within the meaning of section 406(a) were its own employee is to be allowed as a deduction to the foreign subsidiary.

Paragraph (3) of the new section 406(d) provides that for the purpose of computing the amount deductible under section 404 or 405(c) any reference to compensation shall be considered to be a reference to the total compensation of such individual determined with the application of the rules set forth in the new section 406(b)(2).

The new section 406(d) also provides that any amount deductible by a foreign subsidiary under this section shall be deductible for its taxable year with or within which the taxable year of the domestic corporation ends.

(e) Treatment as employee under related provisions: The new section 406(e) provides that an individual who is treated as an employee of a domestic corporation under the new section 406(a) is also to be treated as an employee of the domestic corporation with respect to certain related provisions dealing with the tax treatment of employees under the qualified plan.

Employees of domestic subsidiaries engaged in business outside the United States

Subsection (b) of the new section added by the Senate amendment adds a new section 407 to part I of subchapter D of chapter 1 of the code.

(a) Treatment as employees of domestic parent corporation: The new section 407(a) sets forth the requirements which must be satisfied for a U.S. citizen who is employed by a domestic subsidiary engaged in business outside the United States to be treated as an employee of the domestic parent corporation.

Paragraph (1) of section 407(a) provides that for purposes of applying part I of subchapter D of chapter 1 of the code, with respect to a qualified plan described in either section 401(a), 403(a), or 405(a), of a domestic parent corporation, an individual who is a citizen of the United States and an employee of a domestic subsidiary (as defined in par. (2) of sec. 407(a)) of a domestic parent corporation shall be treated as an employee of the domestic parent corporation if two requirements are satisfied. The first of these requirements is that the plan of the domestic parent corporation must expressly provide coverage for U.S.-citizen employees of every domestic subsidiary (as defined in par. (2) of sec. 407(a)). The second requirement is that contributions must not be provided for the employee by any other person under a funded plan of deferred compensation (whether or not such plan is a qualified plan).

Paragraph (2) of the new section 407(a) provides certain definitions for purposes of section 407. Paragraph (2)(A) of section 407(a) defines the term "domestic subsidiary" for purposes of section 407. Such paragraph (2)(A) sets forth three requirements which must be satisfied in order for a domestic corporation to be classified as a "domestic subsidiary." First, the domestic parent corporation must own 80 percent or more of the outstanding voting stock of the subsidiary corporation. Second, 95 percent or more of the subsidiary corporation's gross income for the 3-year period immediately preceding the close of the taxable year of such subsidiary which ends on or before the close of the taxable year of the domestic parent corporation (or for such part of such period during which the corporation was in existence) must be derived from sources without the United States. The third requirement is that 90 percent or more of the subsidiary corporation's gross income for such period (or such part) must be derived from the active conduct of a trade or business.

Paragraph (2)(B) of section 407(a) defines the term "domestic parent corporation" for purposes of section 407. A domestic parent corporation for purposes of such section is the domestic corporation which owns 80 percent or more of the outstanding voting stock of a domestic subsidiary (as defined in par. (2)(A)).

(b) Special rules for application of section 401(a): The new section 407(b) provides special rules for the application of section 401(a). The rules are substantially the same as those prescribed in the new section 406 (b)(1) and (2)(A), except that the provisions of section 407(b) relate to individuals who are employees within the meaning of section 407(a).

(c) Termination of status as deemed employee not to be treated as separation from service for purposes of capital gains provisions: The new section 407(c) relates to certain occasions when the termination of the status as an employee within the meaning of section 407 shall not be treated as separation from service for purposes of sections 402(a)(2) and 403(a)(2) of the code. The new section 407(c) provides that an individual who is an employee of a domestic subsidiary but who is treated as an employee of a domestic parent corporation under the new section 407(a) shall not be considered as separated from the service of the domestic parent corporation solely by reason of the fact that—

(1) the domestic subsidiary ceases, for any taxable year, to be a subsidiary within the meaning of section 407(a)(2)(A);

(2) such individual ceases to be an employee of a domestic subsidiary corporation and becomes an employee of another corporation controlled by the domestic parent corporation; or

(3) the plan no longer contains the provision described in section 407(a) (1) (A).

(d) Deductibility of contributions: The new section 407(d) provides rules relating to the deductibility of contributions made on behalf of an individual who is an employee within the meaning of section 407(a). These rules are substantially the same as the rules in the new section 406(d), except that the provisions of section 407 relate to contributions on behalf of employees of domestic subsidiaries.

(e) Treatment as employee under related provisions: The substantive provisions of the new section 407(e) are the same as the new section 406(e), except that the provisions of section 407 relate to the tax treatment of employees of domestic subsidiaries.

Technical amendments

Subsection (c) of the new section added to the bill makes a conforming change in a table of sections and amends section 3121 (a) (5) of the code (relating to definition of wages) and section 209(e) of the Social Security Act (relating to definition of wages) to conform these definitions to the Internal Revenue Code of 1954, as amended by the Self-Employed Individuals Tax Retirement Act of 1962.

Effective date

Subsection (d) of the new section added to the bill provides that the new sections 406 and 407 added to the code shall apply with respect to taxable years ending after December 31, 1963. The technical amendments relating to the definitions of wages are to apply to remuneration paid after December 31, 1962.

The House recedes with a clerical amendment and a technical amendment.

EMPLOYEE STOCK OPTIONS AND PURCHASE PLANS

Amendments Nos. 64, 66, 67, 71, 74, 76, 81, 82, 83, 84, 85, 86, 87, and 88: The bill as passed both by the House and the Senate revises part II of subchapter D of chapter 1 of the code (relating to certain stock options). Under the bill as passed by the House, the revised part II was to apply to taxable years ending after June 11, 1963, and the determination as to whether an option is a qualified stock option, a restricted stock option, or an option granted under an employee stock purchase plan was (in general) to be based in part on whether the option was granted after June 11, 1963, or before June 12, 1963. These amendments change the June 11, 1963, and June 12, 1963, dates to December 31, 1963, and January 1, 1964, respectively.

The House recedes on these amendments.

Amendment No. 95: This amendment adds a special rule for determining whether options granted during the calendar year 1964 are (or may be changed during such year to become) qualified stock options. In the case of such an option, the requirements of paragraphs (1) and (2) of section 422(b) of the code (as added by the bill) are not to apply, and paragraph (1) of section 425(h) of the code is not to apply to any change in the terms of the option made before January 1, 1965, to permit such option to qualify under paragraphs (3), (4), and (5) of section 422(b). Paragraphs (1) and (2) of section 422(b) require a qualified stock option (1) to be granted pursuant to a plan which is approved by the stockholders and which includes the aggregate number of shares which may be issued under options, and the employees (or class of employees) eligible to receive options; and (2) to be granted within 10 years from the date the plan is adopted, or the date approved by the stockholders, whichever is earlier. Paragraph (1) of section 425(h) provides that, for purposes of part II of subchapter D of chapter 1, if the terms of any option to purchase stock are modified, extended, or renewed, such modification, extension, or renewal is to be considered as the granting of a new option.

The House recedes.

Amendment No. 70: Under the bill as passed both by the House and Senate, section 422(b) (5) of the code provides (in general) that an option may not be a qualified stock option unless such option by its terms is not exercisable while there is outstanding a prior qualified (or restricted) stock option issued to the individual to purchase stock in the employer corporation (or certain other corporations). Under this Senate amendment, section 422(b) (5) is not to apply if (1) the new option and all outstanding qualified (or restricted) stock options referred to in section 422(b) (5) are to purchase stock of the same class in the same corporation, and (2) the price payable under each such outstanding option (as of the date of the grant of the new option) is not more than the option price of the new option.

The House recedes with a technical amendment.

Amendment No. 91: Under the bill as passed both by the House and the Senate, section 425(h) (3) of the code defines the term "modification" to mean (subject to certain exceptions) any change in the terms of the option which gives the employee additional benefits under the option. Under this amendment, in the case of an option not immediately exercisable in full, the term "modification" is not to include a change in the terms of the option to accelerate the time at which the option may be exercised.

The House recedes.

The attention of the conferees was called to a statement in the report on this bill of the Senate Committee on Finance to the effect that the use of a general term such as "key employees" is not a sufficient description of those eligible to receive options. The conferees, after having considered the matter, have concluded that the use of the term "key employees" should be considered a sufficient description of the class of employees from among whom a board of directors or any other executive committee of a corporation may select those to whom stock options may be granted.

The bill provides that a qualified stock option plan must be approved by stockholders within a 12-month period before or after its adoption and must provide the aggregate number of shares which may be issued under options and the employees (or class of employees) eligible to receive such options. It is intended that the remaining requirements relating to the terms of options granted under the new provisions may be met in such options. Inconsistencies between the plan and the options should, of course, be removed but a modification by the board of directors (or other executive committee of the corporation), under a power, expressed or implied, of the board (or committee) to modify the plan to conform with the requirements of law, will be sufficient. The granting period for qualified stock options under these circumstances will not be affected by such modifications.

INSTALLMENT SALES BY DEALERS IN PERSONAL PROPERTY

Amendment No. 96: This amendment adds a new section to the bill amending section 453(a) of the code (relating to reporting of income by dealers in personal property from sales on the installment plan). Under the amendment the existing provisions of section 453(a) are continued in the new paragraph (1) and new paragraphs (2) and (3) are added.

The new paragraph (2) provides that for purposes of paragraph (1), the term "installment plan" includes any plan which provides for the payment by the purchaser for the personal property sold to him in a series of periodic installments of an agreed part or installment of the debt due the seller.

The new paragraph (3) provides that for purposes of paragraph (1), the term "total contract price" includes all charges relative to the sale of the personal property, including the time price differential which represents the amount paid or payable for the privilege of purchasing the personal property to be paid for by the purchaser in installments over a period of time.

The amendment to section 453(a) is to apply to taxable years beginning after December 31, 1963.

The House recedes with an amendment. Under the conference agreement, a new subsection (e) is added to section 453. New section 453(e) provides that, for purposes of section 453(a) of the code (which in effect allows a dealer in personal property to return on the installment basis income from sales of personal property on the installment plan), the term "installment plan" includes a revolving credit type plan which provides that the purchaser of personal property at retail may pay for such property in a series of periodic payments of an agreed portion of the amounts due the dealer under the plan, except that such term does not include any such plan with respect to a purchaser who uses his account primarily as an ordinary charge account. The new section 453 (e) is to apply in respect of sales made during taxable years beginning after December 31, 1963.

TIMING OF DEDUCTIONS AND CREDITS IN CERTAIN CASES WHERE ASSERTED LIABILITIES ARE CONTESTED

Amendment No. 97: This amendment adds a new section to the bill, relating to the timing of deductions and credits in certain cases where asserted liabilities are contested.

(a) Taxable year of deduction or credit: Subsection (a) of the new section amends section 461 of the 1954 code (relating to general rule for taxable year of deduction) and section 43 of the 1939 code (relating to period for which deductions and credits taken) to provide that if—

(1) the taxpayer contests an asserted liability;

(2) the taxpayer transfers money or other property to provide for the satisfaction of the asserted liability;

(3) the contest with respect to the asserted liability exists after the time of the transfer; and

(4) but for the fact that the asserted liability is contested, a deduction or credit would be allowed for the taxable year of the transfer (or for an earlier taxable year);

then the deduction or credit shall be allowed for the taxable year of the transfer.

(b) Effective dates: Subsection (b) of the new section provides that except as provided by subsections (c) and (d) of the new section, the amendment to the 1954 code is to apply to taxable years to which the 1954 code applies and the amendment to the 1939 code is to apply to taxable years to which the 1939 code applies.

(c) Election as to transfers in taxable years beginning before January 1, 1964: Paragraph (1) of subsection (c) of the new section added to the bill provides that the amendments made to section 461 of the 1954 code and section 43 of the 1939 code by subsection (a) shall not apply to any transfer of money or other property described in subsection (a) made in a taxable year beginning before January 1, 1964, if the taxpayer elects, in the manner provided by regulations prescribed by the Secretary of the Treasury or his delegate, to have such paragraph (1) apply. Such an election (1) must be made within 1 year after the date of enactment of the bill, (2) may not be revoked after the expiration of such 1-year period, and (3) shall apply to all transfers of money or other property described in subsection (a) made in a taxable year beginning before January 1, 1964 (other than transfers described in par. (2) of subsec. (c)). In the case of any transfer to which paragraph (1) applies, the deduction or credit shall be allowed only for the taxable year in which the contest with respect to such transfer is settled.

Paragraph (2) of subsection (c) provides that paragraph (1) of subsection (c) shall not apply to any transfer if the assessment of any deficiency which would result from the application of the election in respect of such transfer is, on the date of the election under such paragraph (1), prevented by the operation of any law or rule of law.

Paragraph (3) of subsection (c) provides that if the taxpayer makes an election under paragraph (1) of subsection (c), and if, on the date of such election, the assessment of any deficiency which results from the application of the election in respect of any transfer is not prevented by the operation of any law or rule of law, the period within which assessment of such deficiency may be made shall not expire earlier than 2 years after the date of enactment of the bill.

(d) Certain other transfers in taxable years beginning before January 1, 1964: Subsection (d) of the new section added to the bill provides that the amendments made to section 461 of the 1954 code and section 43 of the 1939 code by paragraphs (1) and (2), respectively, of subsection (a) shall not apply to any transfer of money or other property described in subsection (a) made in a taxable year beginning before January 1, 1964, if (1) no deduction or credit has been allowed in respect of such transfer for any taxable year before the taxable year in which the contest with respect to such transfer is settled, and (2) refund or credit of any overpayment which would result from the application of such amendments to such transfer is prevented by the operation of any law or rule of law. In the case of any transfer to which subsection (d) applies, the deduction or credit shall be allowed for the taxable year in which the contest with respect to such transfer is settled.

The House recedes with amendments. Under the conference agreement, the amendments to section 461 of the 1954 code (relating to general rule for taxable year of deduction) and section 43 of the 1939 code (relating to period for which deductions and credits taken) do not apply in respect of any credit against tax, and do not apply in respect of the deduction for income, war profits, and excess profits taxes imposed by the authority of any foreign country or possession of the United States.

It is the understanding of the conferees that the new provisions relating to the timing of deductions in certain cases where asserted liabilities are contested do not affect the taxable year in which the taxpayer may deduct items of a nature which are properly accruable in a year before the year of payment.

INTEREST ON CERTAIN DEFERRED PAYMENTS

Amendment No. 99: Subsection (c) of section 215 of the bill as passed by the House amended section 163(b) of the code to provide that if personal services are purchased under a contract providing for installment payments of part or all of the purchase price and if the contract provides for carrying charges but the portion thereof which constitutes interest cannot be ascertained, then the payments under the contract are treated, for purposes of the interest deduction, as if they included interest equal to 6 percent of the average unpaid balance. Senate amendment No. 99 strikes this provision from the bill.

The House recedes with an amendment. Under the conference agreement, this provision is restored to the bill but is made applicable only with respect to educational services. For this purpose, the term "educational services" is defined as meaning any service (including lodging) which is purchased from an educational institution (as defined in section 151(e)(4) of the code) and which is provided for a student of such institution.

Amendment No. 100: Under the bill as passed by the House the new provisions relating to the treatment of interest on certain deferred payments (subsection (a) of this section of the bill) were to apply to payments made after December 31, 1963, on account of sales or exchanges of property occurring after June 30, 1963. Senate amendment No. 100 provides, in addition, that the new provisions will not apply to a sale or exchange made pursuant to a binding written contract (including an irrevocable written option) entered into before July 1, 1963.

The House recedes with an amendment providing that the amendments made to section 163(b)(1) of the code with respect to certain payments for educational services are to apply to payments made during taxable years beginning after December 31, 1963.

PERSONAL HOLDING COMPANIES

Amendments Nos. 102, 105, 106, and 107: Excluded lending and finance companies: Under the bill as passed by the House, a lending or finance company was excluded from the definition of a personal holding company if it met four requirements: (1) At least 60 percent of its ordinary gross income must be derived directly from the active and regular conduct of a lending or finance business; (2) its personal holding company income (computed without regard to income qualifying under the 60-percent test; computed by including as personal holding company income the entire amount of the gross income from rents, royalties, produced film rents, and compensation for the use of corporate property by shareholders; and computed without regard to certain income from domestic subsidiaries described in sec. 542(d)(3) of the code), plus the interest described in section 543(b)(2)(C) of the code, must not exceed 20 percent of the ordinary gross income; (3) business deductions directly allocable to the active and regular conduct of its lending or finance business must equal or exceed the sum of 15 percent of its ordinary gross income up to $500,000 plus 5 percent of its ordinary gross income between $500,000 and $1 million; and (4) loans to substantial shareholders must not exceed $5,000 in principal amount. Senate amendment No. 102 deletes the provision that interest described in section 543(b)(2)(C) be included with the corporation's personal holding company income in applying the 20-percent-of-ordinary-gross-income test of section 542(c)(6)(B) which is described in clause (2) of the preceding sentence.

The House recedes on Senate amendment No. 102.

Under the bill as passed by the House, section 542(d)(1)(A) of the code defined a lending or finance business, generally, as a business of making loans, or purchasing or discounting accounts receivable, notes, or installment obligations. Senate amendment No. 105 amends the definition of a lending or finance business in section 542(d)(1) to include therein the business of rendering services or making facilities available to another member of the same affiliated group (as defined in sec. 1504) which is also in the lending or finance business. The House recedes with an amendment to Senate amendment No. 105. Under the conference agreement, the definition of a lending or finance business in section 542(d)(1) includes (1) rendering services or making facilities available in connection with the activities of making loans, or purchasing or discounting accounts receivable, notes, or installment obligations where such activities are carried on by the corporation rendering the services or making the facilities available, and (2) rendering services or making facilities available to another corporation which is a member of the same affiliated group and is engaged in the lending or finance business, if such services or facilities are related to the lending or finance business of such other corporation.

Under the bill as passed by the House, section 542(d)(1)(B)(i) provided that the term "lending or finance business" does not include the business of making loans, or purchasing or discounting notes or installment obligations, if the remaining maturity exceeds 60 months. Senate amendment No. 106 excepts from this exclusion loans, notes, and installment obligations evidenced or secured by contracts of conditional sale, chattel mortgages, or lease agreements, arising out of the sale of goods or services in the course of the transferor's or borrower's trade or business. The House recedes with a clarifying amendment.

Under the bill as passed by the House, section 542(d)(3) of the code provided that the lawful income received by a lending company which is in the small loan business (consumer finance business) from domestic subsidiary corporations which are themselves excepted from the definition of a personal holding company under section 542(c)(6) is not included for purposes of the 20-percent-of-ordinary-gross-income test of section 542(c)(6)(B). Senate amendment No. 107 changes this provision in two respects. First, the corporation receiving such income may be any lending or finance company which meets the 60-percent requirement of section 542(c)(6)(A). It does not have to meet the requirement of being in the small loan (consumer finance) business. Second, the payor corporation may be any member of the same affiliated group (as defined in sec. 1504 of the code) as the corporation receiving such income. Thus, the corporation receiving such income is not required to be the parent corporation of the payor corporation. However, the payor corporation must still meet the requirements of section 542(c)(6). The House recedes.

Amendments Nos. 108, 109, and 111:

Personal holding company income: Subsection (d) of this section of the bill amends section 543(a) of the code (relating to personal holding company income). It also amends section 543(b) to provide definitions of the new terms "ordinary gross income," "adjusted ordinary gross income," "adjusted income from rents," and "adjusted income from mineral, oil and gas royalties." Subsections (a) and (b) of section 543 are the same under the bill as passed by the House and under the Senate amendments except for changes in section 543(a)(2) (relating to rents), section 543(b)(2)(A) (relating to required adjustments in the amount of gross income from rents includible in adjusted ordinary gross income), and section 543(b)(4) (defining "adjusted income from mineral, oil, and gas royalties").

Rents: Senate amendment No. 108 modifies the 10-percent test in section 543(a)(2)(B) in the bill as passed by the House to provide that adjusted income from rents which meets the 50-percent requirement of section 543(a)(2)(A) shall not be treated as personal holding company income if the sum of the consent dividends (determined under sec. 565) and the dividends paid or considered as paid (determine under secs. 562 and 563) during the taxable year by the corporation to its shareholders equals or exceeds the amount, if any, by which the corporation's personal holding company income for the taxable year (computed without regard to such rents and compensation for the use of the corporation's property by its shareholders, and computed by treating copyright royalties and adjusted income from mineral, oil, and gas royalties as personal holding company income) exceeds 10 percent of the ordinary gross income as defined in section 543(b)(1). The effect of this modification in the 10-percent test applicable to rents is that this test shall be deemed to be met if the shareholders are required to include in their income as dividends an amount which is at least equal to the corporation's other personal holding company income which is in excess of 10 percent of total ordinary gross income. The House recedes.

Adjustment to rents included in adjusted ordinary gross income: The bill as passed by the House defines, in paragraph (2) of section 543(b) of the code, the term "adjusted ordinary gross income" as the ordinary gross income adjusted as provided in subparagraphs (A), (B), and (C) of such paragraph. Senate amendment No. 109 amends subparagraph (A)(i) of section 543(b)(2) to provide that the gross income from rents derived from leases of tangible personal property which is not customarily retained by any one lessee for a period of more than 3 years shall not be reduced by allowable deductions for exhaustion, wear, and tear, obsolescence, and amortization of such property. The House recedes.

Adjusted income from mineral, oil, and gas royalties: Senate amendment No. 111 amends section 543(b)(4) of the code to specifically include production payments and overriding royalties as mineral, oil, and gas royalties for purposes of classification as personal holding company income under section 543(a). The House recedes.

Amendments Nos. 114, 116, 117, 119, 124, 129, and 131:

One-month liquidations: The bill as passed by the House added a new subsection (g) to section 333 of the code to provide a special rule for 1-month liquidations of certain corporations. Senate amendment No. 114 amends paragraph (1) of section 333(g) to provide that it shall be applicable to corporate liquidations occurring before January 1, 1967 (instead of January 1, 1966, as in the bill as passed by the House). Senate amendments Nos. 116 and 117 provide that the capital gain treatment under section 333(g)(1)(B) shall not apply to certain earnings and profits to which the corporation succeeds after December 31, 1963 (instead of August 1, 1963). Senate amendments Nos. 119 and 124 amend paragraph (2) of section 333(g) to provide that it shall be applicable to liquidations occurring after December 31, 1966 (instead of December 31, 1965), of corporations which owe qualified indebtedness (as defined in sec. 545(c)) on January 1, 1964 (instead of on August 1, 1963). The House recedes.

Senate amendment No. 129 amends paragraph (3) of section 333(g), which describes the corporations to which paragraphs (1) and (2) of section 333(g) may apply, to provide that such a corporation is one which was not a personal holding company under section 542 of existing law for at least 1 of its 2 most recent taxable years ending before December 31, 1963 (instead of the date of the enactment of the bill) but which would have been a personal holding company under section 542 for such taxable year if the law applicable for the first taxable year beginning after December 31, 1963, had been applicable to such preceding taxable year. The Senate recedes.

Senate amendment No. 131 adds a new paragraph (4) to section 333(g) providing that if an election is made under section 333 by a qualified electing shareholder (as defined in sec. 333(c)) of a corporation and the shareholder states in such election that it is made on the assumption that the corporation is a corporation referred to in paragraph (3) of section 333(g), the election under section 333 shall have no force or effect if it is determined that the corporation is not a corporation referred to in section 333(g)(3). The House recedes.

Amendments Nos. 132, 133, 137, and 139:

Deduction for amortization of indebtedness: The bill as passed by the House added a new subsection (c) to section 545 of the code which provides that, under certain circumstances, there shall be allowed as a deduction (in computing undistributed personal holding company income) amounts used, or amounts irrevocably set aside, to pay or retire qualified indebtedness. Senate amendment No. 133 amends proposed section 545(c)(3) to provide that the term "qualified indebtedness" includes outstanding indebtedness incurred by the taxpayer before January 1, 1964 (instead of before August 1, 1963, as in the bill as passed by the House). The House recedes.

Senate amendments Nos. 137 and 139 amend proposed paragraphs (5) and (6) of section 545(c) to provide that allowable deductions for depletion shall be taken into account to reduce the deduction allowed by section 545(c) and to reduce the qualified indebtedness under certain circumstances. The House recedes.

Senate amendment No. 132 amends proposed paragraph (2)(A) of section 545(c), which describes a category of corporations to which paragraph (1) of section 545(c) may apply, to provide that such a corporation is one which was not a personal holding company under section 542 of existing law for at least one of its two most recent taxable years ending before December 31, 1963 (instead of the date of the enactment of the bill, as in the bill as passed by the House) but which would have been a personal holding company under section 542 for such taxable year if the law applicable for the first taxable year beginning after December 31, 1963, had been applicable to such preceding taxable year. The Senate recedes.

Amendment No. 141:

Increase in basis with respect to certain foreign personal holding company stock or securities: Subsection (j) of section 216 of the bill as passed by the House amended the code to provide for an increase in basis with respect to certain foreign personal holding company holdings. Such subsection (j) also contained provisions relating to the liquidation of certain foreign personal holding companies. Senate amendment No. 141 strikes out this subsection.

Under the conference agreement, the provisions of subsection (j) relating to an increase in basis with respect to certain foreign personal holding company holdings are restored to the bill (with modifications) and the provisions relating to liquidation of foreign personal holding companies are omitted. Paragraph (1) of subsection (j) redesignates section 1022 of the code as section 1023 and inserts a new section 1022 (relating to increase in basis with respect to certain foreign personal holding company stock or securities).

Section 1014(b)(5) of the code provides that the basis of a share of stock or of a security in a foreign personal holding company, in the hands of a person acquiring it from a decedent by bequest, devise, or inheritance, or acquired by the decedent's estate from the decedent, is the lower of the fair market value of such share or security at the date of the decedent's death or the basis in the hands of the decedent. The new section 1022(a) provides that the basis determined under section 1014(b)(5) of a share of stock or a security, acquired from a decedent dying after December 31, 1963, of a corporation which was a foreign personal holding company for its most recent taxable year ending before the date of the decedent's death is to be increased by such share's or security's proportionate share of any Federal estate tax attributable to the net appreciation in value of all of such shares and securities.

The new section 1022(b) provides that a share's or security's proportionate share of the tax referred to in section 1022(a) is an amount which bears the same ratio to the amount of tax determined under section 1022(c)(2) as the appreciation in value of the share or security bears to the aggregate appreciation in value of all such shares and securities having appreciation in value.

The new section 1022(c) provides special rules and definitions to be used in determining the increase in basis provided in section 1022(a).

Paragraph (1) of section 1022(c) defines the term "Federal estate tax" to mean the tax imposed by section 2001 or 2101 of the code, reduced by any credit allowable with respect to a tax on prior transfers by section 2013 or 2102 of the code.

Paragraph (2) of section 1022(c) provides that the Federal estate tax attributable to the net appreciation in value of all shares of stock and securities to which section 1022 (a) applies is the amount which bears the same ratio to the Federal estate tax as the net appreciation in value of all of such shares and securities bears to the value of the gross estate as determined under chapter 11 of the code. If, for estate tax purposes, alternate valuation is elected under section 2032 of the code, the value of the gross estate is to be determined under the provisions of such section.

Paragraph (3) of section 1022(c) provides that the net appreciation in value of all shares and securities to which section 1022(a) applies is the amount by which the fair market value of all shares and securities exceeds the adjusted basis of such property in the hands of the decedent.

Paragraph (4) of section 1022(c) defines "fair market value," for purposes of section 1022, to mean such value determined under chapter 11 of the code. If, for estate tax purposes, alternate valuation is elected under section 2032 of the code, fair market value is to be determined as of the appropriate date provided in such section.

The new section 1022(d) provides that section 1022 is not to apply to any stock or securities of a foreign personal holding company referred to in section 342(a)(2) of the code (relating to foreign corporations which were foreign personal holding companies in 1937).

Paragraph (2) of the new subsection (j) of the bill adds a new paragraph (21) to section 1016(a) of the code providing, in effect, that an increase in basis under section 1022 of the code is to be taken into account in determining the adjusted basis of property to which such provisions apply. Paragraph (3) of the new subsection (j) makes a clerical amendment to the table of sections to part II of subchapter O of chapter 1 of the code.

TREATMENT OF CERTAIN IRON ORE ROYALTIES

Amendments Nos. 151 and 153: The bill as passed by the House amended sections 631(c), 1231(b)(2), and 272 of the code to grant, in the case of certain disposals of iron ore with a retained economic interest, the same treatment which is now available in the case of certain disposals of coal with a retained economic interest. Under such treatment, the gain or loss attributable to such disposals of iron ore is treated as gain or loss from the sale of property used in the trade or business (as defined in sec. 1231(b) of the code).

Under the Senate amendments, this treatment of these disposals of iron ore with a retained economic interest provided by the bill as passed by the House is retained with two exceptions. First, the treatment is to be available only in the case of iron ore mined in the United States. Second, the treatment is not to apply to disposals of iron ore to certain related persons. One of these is where the disposal is to a person whose relationship to the party disposing of the iron ore is such that a loss would be disallowed under section 267 of the code (relating to losses, etc., with respect to transactions between related taxpayers) or section 707(b) (relating to certain sales or exchanges of property with respect to controlled partnerships). The other of these is where the disposal is to a person owned or controlled directly or indirectly by the same interests which own or control the person disposing of the iron ore.

The House recedes.

INSURANCE COMPANIES

Amendment No. 162:

(a) Certain mutualization distributions made in 1962: Subsection (a) of the section added to the bill by this amendment amends section 809(d)(11) of the code (relating to certain mutualization distributions) to allow, as a deduction in the computation of gain from operations, distributions made in 1962, in acquisition of stock, pursuant to a plan of mutualization adopted by a stock life insurance company before January 1, 1958. Existing law permits a deduction for such mutualization distributions made in 1958, 1959, 1960, or 1961.

(b) Accrual of bond discount: Subsection (b) of the section added to the bill by Senate amendment No. 162 relates to the accrual of bond discount by insurance companies subject to tax under part I or II of subchapter L of chapter 1 of the code (relating to life insurance companies and certain mutual insurance companies).

Paragraph (1) of this subsection (b) amends section 818(b) of the code (relating to amortization of premium and accrual of discount) to add a new paragraph at the end thereof. The new section 818(b)(3) provides that for taxable years beginning after December 31, 1962, no accrual of discount shall be required under section 818(b)(1) on any bond (as defined in sec. 171(d) of the code) except in the case of discount which is interest to which section 103 of the code applies or is original issue discount (as defined in sec. 1232(b) of the code). The new section 818(b)(3) also provides that for purposes of section 805(b)(3)(A) of the code, the current earnings rate for any taxable year beginning before January 1, 1963, is to be determined as if the first sentence of the new section 818(b)(3) applied to such taxable year.

Paragraph (2) of subsection (b) of the section added to the bill by Senate amendment No. 162 amends section 822(d)(2) of the code (relating to the amortization of premium and accrual of discount in the case of mutual insurance companies other than life and other than certain fire, flood, and marine insurance companies) by adding a new sentence. This sentence provides that for taxable years beginning after December 31, 1962, no accrual of discount shall be required under section 822(d)(2) of the code on any bond (as defined in sec. 171(d) of the code).

(c) Contributions to qualified pension, etc., plans: Subsection (c) of the section added to the bill by Senate amendment No. 162 amends section 832(c)(10) of the code (relating to deductions allowed in computing taxable income of certain insurance companies) to make it clear that in computing the taxable income of insurance companies subject to the tax imposed by section 831 of the code, there shall be allowed the deduction provided in part I of subchapter D of chapter 1 of the code (sec. 401 and following, relating to pension, profit-sharing, stock bonus plans, etc.). Under subsection (d) of this section of the bill, this clarification is to apply to taxable years beginning after December 31, 1953, and ending after August 16, 1954.

The House recedes on Senate amendment No. 162 with a clerical amendment.

REGULATED INVESTMENT COMPANIES

Amendment No. 163:

(a) Time for mailing certain notices to shareholders: Subsection (a) of the section added to the bill by this amendment amends several provisions of part I of subchapter M of chapter 1 of the code (relating to regulated investment companies) to increase from 30 days to 45 days after the close of the regulated investment company's taxable year the time within which such company must mail certain notices to its shareholders. The sections of the code which are amended are sections 852(b)(3)(C), 852(b)(3)(D)(i), 853(c), 854(b)(2), and 855(c). The amendments are to apply to taxable years of regulated investment companies ending on or after the date of the enactment of the bill.

(b) Certain redemptions by unit investment trusts: Subsection (b) of the section added to the bill by Senate amendment No. 163 amends section 852 of the code (relating to taxation of regulated investment companies and their shareholders) to add at the end thereof a new subsection (d). Under section 852(b) of existing law, a regulated investment company is allowed a deduction for dividends paid (as defined in sec. 561), other than capital gains dividends, in determining its investment company taxable income, and is allowed a deduction for dividends paid (as defined in sec. 561), determined with reference to capital gains dividends only, in computing that part of the excess of its net long-term capital gain over net short-term capital loss on which it must pay a capital gains tax. Section 562(c) of the code (relating to preferential dividends) provides that the amount of any distribution shall not be considered as a dividend unless such distribution is pro rata, with no preference to any share of stock as compared with other shares of the same class, and with no preference to one class of stock as compared with another class except to the extent that the former is entitled to such preference.

The new section 852(d) added to the code by this amendment provides that in the case of a unit investment trust—

(1) which is registered under the Investment Company Act of 1940 and issues periodic payment plan certificates (as defined in such act); and

(2) substantially all of the assets of which consist of securities issued by a management company (as defined in such act);

section 562(c) of the code (relating to preferential dividends) shall not apply to a distribution by such trust to a holder of an interest in such trust in redemption of part or all of such interest, with respect to the net capital gain of such trust attributable to such redemption. The effect of this change is that, where the requirements of the new section 852(d) are met, the distribution is considered to be a distribution by the trust which qualifies for the deduction for dividends paid with respect to capital gains dividends under section 852(b)(3)(A) of the code. This change is to apply to taxable years of regulated investment companies ending after December 31, 1963.

The House recedes on Senate amendment No. 163 with a clerical amendment.

FOREIGN TAX CREDIT WITH RESPECT TO CERTAIN FOREIGN MINERAL INCOME

Amendment No. 164: This amendment inserts a new subsection (d) in section 901 of the code (relating to credit for foreign taxes). Paragraph (1) of the new subsection (d) provides that in certain cases the amount of foreign taxes described in section 901 (relating to amount of foreign tax allowed as a credit) which are paid or accrued during the taxable year with respect to mineral income to any foreign country (if the per-country limitation applies), or to all foreign countries (if the overall limitation applies), is to be reduced for purposes of computing the foreign tax credit.

The Senate recedes.

AMOUNTS RECEIVED FROM EMPLOYER ON SALE OF RESIDENCE OF EMPLOYEE IN CONNECTION WITH TRANSFER TO NEW PLACE OF WORK

Amendment No. 165: This amendment adds a new section 1003 to part I of subchapter O of chapter 1 of the code (relating to determination of amount of and recognition of gain or loss). Subsection (a) of the new section 1003 provides that if property used by the taxpayer as his principal residence is sold by the taxpayer or his spouse pursuant to a sales contract entered into within the forced sale period for such property, and if the taxpayer's employer, not later than 1 year after the date such sales contract was entered into, pays part or all of the sale differential on such property, then for purposes of chapter 1 of the code the amount so paid is to be treated by the taxpayer or his spouse as an additional amount realized on the sale of such property to the extent that it does not exceed the lesser of (1) the sale differential, or (2) 15 percent of the gross sales price of such property.

Subsection (b) of the new section 1003 places certain limitations on the application of such section. Subsection (c) contains definitions and special rules for the application of the new section.

The new section 1003 is to apply to amounts paid with respect to sales contracts entered into after December 31, 1963, in taxable years ending after such date.

The Senate recedes.

CAPITAL GAINS AND LOSSES

Amendment No. 166: Section 219(a) of the bill as passed by the House amended the code to provide, in the case of taxpayers other than corporations, for the splitting of the long-term capital gain or loss category into two categories: (1) Class B capital gain or loss (in general, gain or loss from the sale or exchange of a capital asset held for more than 6 months but not more than 2 years); and (2) class A capital gain or loss (in general, gain or loss from the sale or exchange of a capital asset held for more than 2 years). Under the bill as passed by the House the deduction under section 1202 of the code for an excess of net long-term capital gain over net short-term capital loss was increased, in the case of adjusted class A capital gain (as defined in the bill), from 50 percent to 60 percent. It also provided that the alternative maximum capital gain tax provided by section 1201(b) of the code for taxpayers other than corporations was to be decreased, in the case of adjusted class A capital gain, from 25 percent to 21 percent.

Under existing section 1212 of the code, if a taxpayer has a net capital loss for a taxable year, the amount thereof is a short-term capital loss in each of the 5 succeeding taxable years, to the extent that such amount exceeds the total of any net capital gains of any taxable years intervening between the taxable year in which the net capital loss arose and such succeeding taxable year. Section 219(b) of the House bill in effect provided, in the case of a taxpayer other than a corporation, for an unlimited carryover of a net short-term, net class B, or net class A capital loss.

Senate amendment No. 166 strikes out this section of the bill as passed by the House.

Under the conference agreement, the House recedes with an amendment which adds a new subsection (b) to section 1212 of the code and makes technical changes in the definitions contained in paragraphs (9) and (10) of section 1222 of the code (relating to terms relating to capital gains and losses). Under paragraph (1) of the new subsection (b), in the case of a taxpayer other than a corporation, the excess of the net short-term capital loss over the net long-term capital gain for a taxable year, and the excess of the net long-term capital loss over the net short-term capital gain for such year are to be treated, respectively, as a short-term and a long-term capital loss in the succeeding taxable year. In determining a net short-term capital gain or loss of a taxable year, for purposes of computing a capital loss carryover to the succeeding taxable year, an amount equal to the excess of the capital losses allowable as a deduction for the taxable year by virtue of section 1211(b) of the code (relating to limitation on capital losses) over the capital gains for such year is treated as a short-term capital gain occurring in such year. The effect of the latter rule is to reduce first the amount of a net short-term capital loss which may be carried over to a succeeding taxable year by the amount of capital losses which were allowed against ordinary income in the loss year and then to reduce the amount of a net long-term capital loss which may be carried over to the succeeding taxable year by any balance of the capital losses allowed against ordinary income in the loss year.

Paragraph (2) of new subsection (b) contains a transitional rule. The transitional rule provides, in effect, that, in the case of a taxpayer other than a corporation, any capital loss carryover which, under subchapter P of chapter 1 of the code as in effect immediately before the enactment of the bill is treated as a short-term capital loss in the first taxable year of a taxpayer beginning after December 31, 1963, is to be treated as a short-term capital loss in such year irrespective of the fact that such carryover may be composed in whole or in part of losses which were long-term capital losses in the year in which sustained.

Under the conference agreement, the amendments of sections 1212 and 1222 of the code are to apply to taxable years beginning after December 31, 1963.

ELECTION OF STANDARD DEDUCTION BY CERTAIN INDIVIDUALS WHO ELECT TO AVERAGE INCOME

Amendment No. 171: This amendment amends section 144 of the code (relating to election of standard deduction) to allow an individual who chooses the benefits of income averaging and whose adjusted gross income for the computation year is less than $5,000 to elect the standard deduction.

The House recedes.

SMALL BUSINESS CORPORATIONS

Amendment No. 177: This amendment amends section 1371 of the code (defining "small business corporation" for purposes of subch. S of ch. 1 of the code, relating to election as to taxable status) by adding at the end thereof a new subsection (d) and amends section 1375 of the code (relating to special rules applicable to distributions of electing small business corporations) by adding at the end thereof a new subsection (e).

Under existing section 1371(a) of the code the definition of a "small business corporation" does not include any corporation which is a member of an affiliated group (as defined in sec. 1504 of the code). The new subsection (d) added to section 1371 of the code by Senate amendment No. 177 provides that, for purposes of section 1371(a), a corporation is not to be considered a member of an affiliated group at any time during the taxable year by reason of ownership of stock in another corporation if such other corporation has not begun business at any time on or after the date of its incorporation and before the close of such taxable year and if such other corporation does not have taxable income for the period included within such taxable year. The new subsection (d) is to apply to taxable years of corporations beginning after December 31, 1962.

The new subsection (e) added to section 1375 provides that under specified circumstances a distribution of money made by a corporation on or before the 15th day of the 3d month following a taxable year for which such corporation is an electing small business corporation shall be treated for purposes of chapter 1 of the code as made on the last day of such taxable year. The new subsection (e) is to apply to taxable years beginning after December 31, 1957.

The House recedes with a clerical amendment.

VALIDITY OF TAX LIENS AGAINST PURCHASERS OF MOTOR VEHICLES

Amendment No. 193: Section 6323(a) of the code provides that the lien for taxes provided by section 6321 of the code is not to be valid as against any mortgagee, pledgee, purchaser, or judgment creditor until notice thereof has been filed by the Secretary of the Treasury or his delegate in the appropriate office specified in section 6323(a). Senate amendment No. 193 amends section 6323(c) of the code which contains a special rule as to the validity of tax liens in the case of securities to make that special rule applicable also with respect to motor vehicles. Under the Senate amendment, even though notice of lien has been filed in the manner prescribed in section 6323(a) of the code, the lien is not to be valid with respect to a motor vehicle as against any mortgagee, pledgee, or purchaser of such motor vehicle, for an adequate and full consideration in money or money's worth, if at the time of such mortgage, pledge, or purchase such mortgagee, pledgee, or purchaser is without notice or knowledge of the existence of such lien.

Senate amendment No. 193 also amends section 6324 of the code (relating to special liens for estate and gift taxes) to grant, in the case of the mortgage, pledge, or purchase of a motor vehicle, the same treatment which is now available in the case of the mortgage, pledge, or purchase of a security after a lien for estate or gift tax has arisen. Under the amendment, even though a special lien for estate or gift tax has arisen, such lien will not be valid with respect to any mortgagee, pledgee, or purchaser of a motor vehicle, for an adequate and full consideration in money or money's worth, if at the time of such mortgage, pledge, or purchase, such mortgagee, pledgee, or purchaser was without notice or knowledge of the existence of such lien.

Under the amendment, these changes to sections 6323 and 6324 of the code apply to mortgages, pledges, and purchases made after the date of the enactment of the bill.

The House recedes with an amendment. Section 6323 (relating to validity of tax liens against mortgagees, pledgees, purchasers, and judgment creditors) is amended by redesignating subsection (d) as subsection (e) and by inserting a new subsection (d) which provides that even though notice of lien imposed by section 6321 has been properly filed, the lien shall not be valid with respect to a motor vehicle as against a purchaser thereof for an adequate and full consideration in money or money's worth if (1) at the time of the purchase, the purchaser is without notice or knowledge of the existence of such lien, and (2) before the purchaser obtains such notice or knowledge, he has acquired possession of such motor vehicle and has not thereafter relinquished possession of such motor vehicle to the seller or his agent.

Section 6324 (relating to special liens for estate and gift taxes) is amended by adding a new subsection (d) which provides in effect that a lien for estate or gift taxes will be invalid as against a purchaser of a motor vehicle (as defined in sec. 6323(d)(2) for an adequate and full consideration in money or money's worth if (1) at the time of the purchase, such purchaser is without notice or knowledge of such lien, and (2) before the purchaser obtains such notice or knowledge, he has acquired possession of such motor vehicle and has not thereafter relinquished possession of such motor vehicle to the seller or his agent.

Where a motor vehicle is purchased under the circumstances specified in the new section 6323(d) or 6324(d) of the code, the tax lien will abate with respect to the motor vehicle in question and will not be valid against any subsequent purchaser (or other successor in interest) of the vehicle.

The amendments to sections 6323 and 6324 of the code apply to purchases made after the date of the enactment of the bill.

EXCLUSION OF EARNED INCOME OF CERTAIN U.S. CITIZENS WHO ARE RESIDENTS OF FOREIGN COUNTRIES

Amendment No. 194: This amendment adds a new section to the bill amending section 911(c)(1) of the code (relating to limitations on amount of exclusion of earned income from sources without the United States). Existing section 911(c)(1) provides in effect that the amount excluded from the gross income of an individual under section 911(a) for any taxable year shall not exceed an amount which shall be computed on a daily basis at an annual rate of—

(A) except as provided in subparagraph (B), $20,000 in the case of an individual who qualifies under section 911(a); or

(B) $35,000 in the case of an individual who qualifies under section 911(a)(1) (relating to bona fide resident of foreign country), but only with respect to that portion of the taxable year occurring after such individual has been a bona fide resident of a foreign country or countries for an uninterrupted period of 3 consecutive years.

Senate amendment No. 194 amends section 911(c)(1)(A) to substitute "$4,000" for the $20,000 amount contained therein, and it amends section 911(c)(1)(B) to substitute "$6,000" for the $35,000 amount contained therein. Under the amendment these changes are applicable only with respect to taxable years beginning after December 31, 1963.

The House recedes with an amendment. Under the conference agreement, the limitation contained in subparagraph (B) of section 911(c)(1) of the code (relating to limitations on amount of exclusion of earned income from sources without the United States) is reduced from $35,000 to $25,000, effective for taxable years beginning after December 31, 1964.

DEFINITION OF HEAD OF HOUSEHOLD

Amendment No. 195: Section 1(b)(2) of the code defines a head of a household to be an individual who is not married at the close of his taxable year, is not a surviving spouse, and maintains a household which constitutes for the taxable year the principal place of abode of a dependent for whom the taxpayer is entitled to a deduction for the taxable year under section 151 of the code or (if not married at the close of the taxpayer's taxable year) a child, stepchild, or descendant. Except in the case of a father or mother, the household must be maintained as the home of the taxpayer. The effect of Senate amendment No. 195 is to remove the requirement that the household be maintained as the home of the taxpayer and to provide that a taxpayer may qualify as a head of household with respect to a child, stepchild, or descendant only if he is a dependent for whom the taxpayer is entitled to a deduction for the taxable year.

The Senate recedes.

LOSSES ARISING FROM CONFISCATION OF PROPERTY BY CUBA

Amendment No. 196: Section 165(c)(3) of the code provides that, in the case of an individual, the deduction for losses provided by section 165(a) shall, except for losses incurred in a trade or business or in a transaction entered into for profit, be limited to losses of property arising from fire, storm, shipwreck, or other casualty, or from theft. Section 172(d)(4) of the code provides for purposes of the net operating loss that, in the case of a taxpayer other than a corporation, the deductions not attributable to a taxpayer's trade or business shall be allowed only to the extent of the gross income not derived from such trade or business. This limitation does not apply to a deduction allowable under section 165(c)(3) of the code.

Senate amendment No. 196 adds a new subsection (i) to section 165 of the code which provides that, for purposes of section 165 (c)(3), losses of property which arise from expropriation, intervention in, or confiscation by Cuba shall be deemed to be losses from "other casualty."

The House recedes with an amendment which limits the application of the new section 165(i) to losses of tangible property and which makes technical and conforming changes.

CREDIT OR REFUND OF SELF-EMPLOYMENT TAX

Amendment No. 197: This amendment adds a new provision to the code to permit credit or refund of self-employment tax if, by reason of an agreement made pursuant to section 218 of the Social Security Act, the self-employment income of an individual (for a year with respect to which the period of limitation for filing claim for credit or refund has expired) is different from what it would be but for the agreement.

The House recedes with an amendment. Under the conference agreement, a new paragraph (5) is added to 6511(d) of the code. The new paragraph (5) applies both to agreements and modifications of agreements under section 218 of the Social Security Act. The new paragraph (5) also provides that if the allowance of a credit or refund of an overpayment attributable to such an agreement or modification is otherwise prevented by the operation of any law or rule of law other than section 7122 of the code (relating to compromises) such credit or refund may be allowed or made if claim therefor is filed on or before whichever of the following is the later: (A) the last day of the second year after the calendar year in which such agreement or modification is agreed to by the State and the Secretary of Health, Education, and Welfare, or (B) December 31, 1965.

EXTENSION OF TIME FOR PAYMENT OF ESTATE TAX ON VALUE OF REVERSIONARY OR REMAINDER INTEREST IN PROPERTY

Amendment No. 198: Section 6163(a) of the 1954 code provides that if the value of a reversionary or remainder interest in property is included in the value of the gross estate for purposes of the estate tax, then the payment of the part of the estate tax attributable to the interest may (at the election of the executor) be postponed until 6 months after the termination of the precedent interest or interests in the property. A similar rule applies under the 1939 code. Under section 6163(b) of the 1954 code (or sec. 925 of the 1939 code), if the Secretary of the Treasury or his delegate finds that the payment of the tax at the expiration of the period of postponement would result in undue hardship to the estate, he may extend the time for payment for a reasonable period not in excess of 2 years from such period of postponement. Under Senate amendment No. 198, he would be permitted to extend the time for payment for a reasonable period or periods not in excess of 3 years from the expiration of such period of postponement.

The House recedes with clerical amendments.

CROP INSURANCE PROCEEDS

Amendment No. 199: This amendment adds a new subsection (c) to section 451 of the code (relating to general rule for taxable year of including items in gross income). Under the new subsection, in the case of insurance proceeds received as a result of destruction or damage to crops, a taxpayer reporting on the cash basis of accounting may elect to include such proceeds in income for the year following the year of destruction or damage provided he establishes to the satisfaction of the Secretary of the Treasury or his delegate that, under his practice, income from such crops would not have been reported in the year in which raised.

The Senate recedes.

TRANSPORTATION OF DISABLED INDIVIDUALS TO AND FROM WORK

Amendment No. 200: This amendment adds a new section 219 to the code. Section 219(a) provides that in the case of a disabled individual there shall be allowed as a deduction expenses paid during the taxable year for transportation to and from work to the extent that such expenses do not exceed $600. Section 219(b) defines the term "disabled individual" and contains rules as to the submission of proof and certification of disability.

The Senate recedes.

ADDITIONAL PERSONAL EXEMPTIONS FOR DISABILITY

Amendment No. 201: This amendment adds a new subsection (f) to section 151 of the code (relating to allowance of deductions for personal exemptions). The new subsection (f) provides an additional exemption of $600 for the taxpayer if he is a disabled individual (as defined in new subsec. (f)(3)) and an additional exemption of $600 for the spouse if the spouse is a disabled individual (as so defined) and if the taxpayer is entitled to an exemption under section 151(b) of the code for such spouse.

The Senate recedes.

TIME FOR FILING CLAIM FOR REFUND OF TAXES PAID FOR GASOLINE USED ON FARMS

Amendment No. 202: The second sentence of section 6420(b) of the code provides that no claim shall be allowed under section 6420 of the code (relating to payments to ultimate purchaser of amounts equivalent to tax on gasoline used on a farm for farming purposes) with respect to any 1-year period (ending on June 30) unless filed on or before September 30 of the year in which such 1-year period ends. The effect of Senate amendment No. 202 is to permit the Secretary of the Treasury or his delegate to allow a claim filed after September 30 if the claimant had good cause for failing to file on or before such date.

The Senate recedes.

FACILITIES TO CONTROL WATER OR AIR POLLUTION

Amendment No. 203: Section 46(a) of the code provides, in general, that the credit against income tax allowed by section 38 (relating to investment in certain depreciable property) shall be equal to 7 percent of the qualified investment (as defined in sec. 46(c)). Under section 46(c)(1), the qualified investment with respect to any taxable year is the aggregate of the applicable percentage of the basis of each new section 38 property (or of the cost of each used sec. 38 property) placed in service by the taxpayer during the taxable year. The applicable percentage (33⅓, 66⅔, or 100 percent) is determined by reference to the useful life of the property. Senate amendment No. 203 adds a new paragraph (5) to section 46(c). Under the new paragraph, in the case of section 38 property which consists of facilities or equipment to control water or air pollution, the amount of the qualified investment shall be twice the amount determined under section 46(c)(1).

The Senate recedes.

INCOME TAX COLLECTED AT SOURCE

Amendments Nos. 204, 205, 206, 207, and 208: Section 302 of the bill as passed by the House provided a 15-percent withholding rate for wages paid during calendar year 1964 and a 14-percent withholding rate for wages paid after December 31, 1964. The bill as passed by the House also provided that the withholding rate on certain payments to nonresident aliens was to be 15 percent in the case of such payments made during calendar year 1964 and 14 percent in the case of such payments made after December 31, 1964.

Under the Senate amendments the withholding rate for wages and for the payments to nonresident aliens described in the preceding paragraph is 14 percent, effective with respect to wages paid (and such payments made) after the 7th day after the date on which the bill is enacted.

The House recedes.

W. D. MILLS,
CECIL R. KING,
THOS. J. O'BRIEN,
HALE BOGGS,
JOHN W. BYRNES,
VICTOR A. KNOX,
Managers on the Part of the House.

Mr. MILLS (interrupting the reading). Mr. Speaker, in view of the length of the statement, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, it was 13 months ago yesterday, on January 24, 1963, that the late President Kennedy sent to the Congress his tax message. We are now reaching the final stages of legislative consideration of that tax message.

Before going into a discussion of the conference report itself, I wish to take this opportunity once again to state the implications of this legislation, which will be known as the Revenue Act of 1964, for the fiscal policy of the United States.

As we said last September, in our humble judgment this legislation meets the requirements of fiscal responsibility. It is a part of an overall program to conduct the affairs of the Federal Government in such a way that a balanced budget can be achieved in an economy which is growing rapidly, providing adequate employment and investment opportunities, making full use of its capital and human resources, and giving the fullest possible play to the initiative and venturesomeness of the private sector of the economy.

This bill has been referred to as a historic piece of legislation. It is that, Mr. Speaker, not merely because it provides the largest tax reduction in our history but also because of the fact that it is explicitly aimed at achieving the objectives which have just been enumerated.

We cannot and should not, of course, expect miracles from this bill. It will not eliminate overnight all poverty in the United States and make depressed areas only an ugly memory. It will not immediately reduce unemployment below 4 percent and guarantee profitable operations for every single business conducted throughout the country. It will not for all time eliminate business cycles, nor will it overcome immediately all the economic dislocations occurring in this dynamic and technically progressive country. It will not provide an instant cure for our balance-of-payments deficits.

Mr. Speaker, this legislation will, however, contribute to and make possible a very substantial increase in the level of total economic activity in the country and thus increase the gross national product, and in turn it will contribute to fuller use of our growing labor force and stock of capital in the United States, determined not by Government decision but by private decisions. It will specifically increase the overall profitability of business and enhance the financial capacity and incentives of business for investment. It will increase the attractiveness of investment in the United States compared to investment abroad, and in this way materially reduce the net outflow of private long-term capital from the United States, which is, as we know, one of the major sources of our balance-of-payments problem.

This tax bill will greatly increase the prospects for success and reduce the costs of public and private programs for reducing poverty, eliminating depressed areas, and facilitating adjustments by labor and business to the dynamics of our economy.

All of us know, of course, that this is not the final word in the field of tax policies. This bill should be followed in the course of time by other bills aimed at the objective which this bill has in mind. Mr. Speaker, that objective can be accomplished if we will bear in mind that all that is required in return for doing so is the executive departments and the Congress and the American people working together to bring about very close and tight rein on the spending levels of Government.

I would take it, Mr. Speaker, that the American people in accepting this action by the Congress are hoping that we can make it one of the Nation's habits to believe in economy in operation of Government in order that the tax road avenue may not be discontinued or misused in the future. We must be careful as we proceed after the enactment of this legislation, for even a 1-year detour from our determination to hold a tight rein on Federal expenditures can get us off this track and make impossible further adjustments in the years ahead with the tax burdens that are borne by the American taxpayer.

Mr. Speaker, I feel that it is equally important in time, if circumstances will permit, for the Congress to take a look into the field of excise taxes, as Congress has in this legislation taken a look into the field of income taxes and brought about adjustments. There are those on the outside, Mr. Speaker, who will argue—and with a great deal of justification—that we can do as much through adjustments of excises in helping individual initiative and venturesomeness as we can do by adjusting rates of income taxes.

I hope, Mr. Speaker, that we shall keep in mind the pledge that we made as we vote for this conference report and as we voted for the bill last September, that is, keep in mind the pledge that we made to exercise all the possible restraint that we can on the spending side of Government so as to make these further cutbacks in tax policy possible.

Mr. HALLECK. Mr. Speaker, will the gentleman yield to me?

Mr. MILLS. I will be glad to yield to the gentleman from Indiana.

Mr. HALLECK. Of course, the step about to be taken today is a very considerable one. Will the gentleman agree with me if this conference report is adopted—and it is my opinion that it will be adopted—that it ought to mean for all of us who have some idea of fiscal responsibility, who do not want to see inflation take away whatever value there is in this tax cut, that we really have to tighten up our belts and vote against additional appropriations and vote to hold them down; and, what is more than that, vote against the additional built-in expenditures that are involved in so many of the programs that are proposed which call for more Federal spending?

Mr. MILLS. My friend from Indiana knows I have stated on many occasions the importance of holding the line on spending. I mean by that we not permit spending to rise, as revenues will rise following the enactment of this legislation, so that those increases in revenue will catch up with expenditures and make possible a balanced budget. If we do that, and if we hold this line—and I differ with my friend in this respect although I have not heard him comment and if I am misstating his thinking I will yield again—I think we have begun to hold that line. In the Congress I believe we have done this and I believe we have done this in the budget which has been submitted. This is an indication of a determination in other places that the Congress will hold this line.

The SPEAKER pro tempore. The time of the gentleman from Arkansas has expired.

Mr. MILLS. I yield myself 5 additional minutes.

Mr. HALLECK. Mr. Speaker, will the gentleman yield further?

Mr. MILLS. I yield to the gentleman from Indiana.

Mr. HALLECK. May I say to the gentleman from Arkansas that in my opinion the Congress of the United States, here in the House of Representatives particularly, did a very fine job in cutting down on appropriations last year. However, we have an additional road coming along. I am quite sure that there is still a lot of work to be done if we are to hold down spending in the coming year and avoid increased spending in subsequent years. That is what I believe to be our purpose here if we are to make this tax reduction bill meaningful.

Mr. MILLS. The gentleman is eminently correct, that we must be aware of what we are doing this year as well as in future years when we set the pattern of spending.

Mrs. GRIFFITHS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I am delighted to yield to the gentlewoman from Michigan.

Mrs. GRIFFITHS. I would like to ask the gentleman from Arkansas if in his opinion the intangibles property tax remains under this section deductible?

Mr. MILLS. The gentlewoman is referring to the tax imposed on intangible personal property in the State of Michigan?

Mrs. GRIFFITHS. Yes.

Mr. MILLS. The answer is "Yes"; those taxes would still be deductible for income tax purposes since they are either business expenses or expenses incurred in the present or possible future production of income.

Mrs. GRIFFITHS. Mr. Speaker, I ask unanimous consent to insert into the RECORD at this point an answer of Mr. Stanley S. Surrey, Assistant Secretary of the Treasury, on this subject.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

The letter referred to follows:

TREASURY DEPARTMENT,
Washington, D.C., December 6, 1963.

Hon. MARTHA W. GRIFFITHS,
House of Representatives,
Washington, D.C.

DEAR MRS. GRIFFITHS: Your letter to Secretary Dillon, dated November 7, has been referred to this office for reply.

Your letter encloses a copy of a letter from Mr. Henry T. Bodman, president of the National Bank of Detroit, which questions the continued deductible status of the Michigan intangibles tax under H.R. 8363, the Revenue Act of 1963.

A close examination of section 207 of H.R. 8363 indicates clearly that your opinion is correct; the Michigan intangibles tax would continue to be deductible. As Mr. Bodman notes in his letter, section 164(a) of the Internal Revenue Code of 1954 (as it would be amended by section 207 of H.R. 8363) provides, in the last sentence, for the deduction of State and local taxes which are paid or accrued during the taxable year in carrying on any activity described in section 212 (relating to expenses for production of income).

So far as here material, the activities described in section 212 are the production or collection of income and the management, conservation, or maintenance of property held for the production of income. The regulations promulgated under section 212 make clear that the section is interpreted broadly to cover, in general, expenses attributable to all property except property held for the production of tax-exempt income or as a hobby. Thus, regulations section 1.212–1(b) provides:

"The term 'income' for the purpose of section 212 includes not merely income of the taxable year but also income which the taxpayer has realized in a prior taxable year or may realize in subsequent taxable years; and is not confined to recurring income but applies as well to gains from the disposition of property. For example, if defaulted bonds, the interest from which if received would be includible in income, are purchased with the expectation of realizing capital gains on their resale, even though no current yield thereon is anticipated, ordinary and necessary expenses thereafter paid or incurred in connection with such bonds are deductible. Similarly, ordinary and necessary expenses paid or incurred in the management, conservation, or maintenance of a building devoted to rental purposes are deductible notwithstanding that there is actually no income therefrom in the taxable year, and regardless of the manner in which or the purpose for which the property in question was acquired. Expenses paid or incurred in managing, conserving, or maintaining property held for investment may be deductible under section 212 even though the property is not currently productive and there is no likelihood that the property will be sold at a profit or will otherwise be productive of income and even though the property is held merely to minimize a loss with respect thereto."

Thus, in the usual case, the Michigan intangible tax would be deductible under the last sentence of amended section 164(a) of the code without any consideration of whether it would also be deductible under paragraph 2 or 3 of amended section 164(a).

However, in the case of State or local obligations, the interest on which is wholly excluded from income under section 102 of the code, the last sentence of section 164(a) would not apply. The Michigan intangible tax would nevertheless be deductible in such cases as a personal property tax specified in amended section 164(a)(2) of the code. Section 164(b)(1) of the code would define the term "personal property tax" as an ad valorem tax which is imposed on an annual basis in respect of personal property. There is no doubt that the Michigan intangible tax is imposed on an annual basis in respect of personal property. It is true that the Michigan intangible tax is imposed "on the privilege of ownership" (Mich. Comp. Stat. sec. 205.132). Nevertheless it is imposed "in respect of personal property" within the meaning of section 164(b)(1) of the code. This is made clear in the technical explanation of H.R. 8363 contained in the report of the Committee on Ways and Means of the House of Representatives (H. Rept. 749, 88th Cong., 1st sess., p. A42):

"A tax may be considered to be imposed in respect of personal property even if in form it is imposed on the exercise of a privilege. For example, an annual ad valorem tax qualifies as a personal property tax although it is denominated a registration fee imposed for the privilege of registering motor vehicles or of using them on the highways."

There remains then only the question whether the Michigan intangibles tax, as it applies to municipal bonds, is an ad valorem tax. The term "ad valorem," as used in amended section 164(b)(1) of the code, is explained, at page A42 of House Report No. 749, meaning "substantially in proportion to the value of the personal property." The Michigan intangibles tax as it applies to municipal bonds is an ad valorem tax within this meaning. The tax is imposed, in the case of income-producing intangibles, at the rate of 3½ percent of the income but in no event less than one-tenth of 1 percent of the face or par value of each item, and, in the case of non-income-producing intangibles, at the rate of one-tenth of 1 percent of said face or par value. In the case of municipal bonds or obligations, the measure of the tax (3½ percent of income or one-tenth of 1 percent of face value) is sufficiently related to the value of the property to be substantially in proportion to such value for purposes of section 164.

Thus, the Michigan intangibles tax, both as it applies to municipal bonds and as it applies to other property, will continue to be a deductible tax under H.R. 8363 and no amendment, such as suggested by Mr. Bodman, is necessary.

Sincerely yours,

STANLEY S. SURREY,
Assistant Secretary.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Ohio.

Mr. VANIK. I would like to inquire of the distinguished chairman of the Committee on Ways and Means in connection with the new section relating to losses arising from expropriation of property by governments of foreign countries. Will you kindly advise me whether such losses will be measured from the loss to the taxpayer of the property expropriated or shall such losses relate to the alleged value of the property at the time of expropriation including such things as the appreciated value of mineral rights, loss of profit, and future profits?

Mr. MILLS. The gentleman from Ohio is referring to the 10-year carryforward on these losses?

Mr. VANIK. Yes.

Mr. MILLS. The 10-year carryforward can be elected by a taxpayer in lieu of the present arrangement in law which provides for a 3-year carryback or a 5-year carryforward of operating losses generally. Under section 165 of the code which relates to property losses and section 166 of the code which relates to debt losses, it is quite clear that all the taxpayer gets in the way of losses resulting from expropriation of his business property is his adjusted basis in those properties; that is, what he paid for the properties, plus the improvements that he may have made to those properties, less depreciation—not what he may feel the property is worth, not even what it may be considered to be worth by those fixing a fair market value on the property. It is only his adjusted cost that he gets back.

I will say further to the gentleman that it merely substitutes for the existing rule a different carryover period.

Mr. VANIK. Mr. Speaker, the prime purpose of my question was to insure that the so-called Long amendment which would provide a 10-year tax carryforward with no carryback for corporations which have suffered expropriation losses would be limited in its effect to the actual "out of pocket" loss of such corporations.

In the report of the Senate Finance Committee dated January 28, 1964, it was pointed out that the purpose of this section is to provide assistance to those corporations which suffered expropriation under Castro. The committee report further says that the revenue loss to the Treasury would be approximately $5 million in 1965, but it is expected to decline appreciably after 1970.

The primary beneficiaries of this amendment would be companies like the North American Sugar Co., formerly known as the Cuban American Co., which could write off the expropriation credit against operating profits in this country. Other companies which would benefit are companies such as the American & Foreign Power Co. which suffered expropriation by the municipal government of Toberia in Buenos Aires Province. The American Foreign Power Co. and the International Telephone & Telegraph Co. also suffered expropriation losses in the State of Rio Grande do Sul in Brazil. These losses were relatively small and some compensation has been promised to offset expropriation.

Completely overlooked in the discussions before the Senate Finance Committee and the Senate itself are the losses of the Brazilian subsidiary corporation of the Hanna Corp., known as Companhia Mineracoa Novo Limense, which acquired the former St. John Del Re Mines in Brazil. In a statement in the Washington Post on September 19, 1963, an official of the Companhia Mineracoa Novo Limense stated that the "area of the Hanna concessions in Brazil contained 4.6 billion tons of iron ore, plus bauxite and dolomite and that the total mineral reserves were worth some $200 billion."

In view of the statement of the gentleman from Arkansas, the distinguished chairman of the Ways and Means Committee [Mr. MILLS], that the legislation has been amended to insure that expropriation carryforward credits are limited to the actual cost of expropriated investments less depreciation, the amendment is more acceptable. If a taxpayer were permitted to deduct his own estimated appreciated value of the expropriation, the "sky would be the limit." Such a tax loophole would be reprehensible.

Mr. KNOX. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I would be glad to yield to the gentleman from Michigan.

Mr. KNOX. I should like to propound a question with reference to the Michigan intangible tax law and go into it in a greater degree. It is my understanding that regardless of who pays the intangible tax imposed by Michigan law, it would be a deductible item as far as a banking institution is concerned that assumes the responsibility.

Mr. MILLS. Whoever pays the tax.

Mr. KNOX. If the gentleman will yield further, whoever assumes the responsibility for the payment of the tax could use it as a cost of doing business and it would be a deductible item?

Mr. MILLS. Whoever paid the tax under the Michigan law would be entitled to a deduction. There is a statement in the report filed by the Senate accompanying the bill bearing on the deductibility of these taxes which I am sure the gentleman from Michigan has read. That makes it quite clear.

Mr. Speaker, I would like to turn now to the conference action on the Revenue Act of 1964 and outline for you the principal modifications which we have made in reconciling the differences between the House and the other body as to the bill.

First, however, I would like to make a few general comments about the bill as it came out of conference. I believe that this has been a very satisfactory conference. I believe that this has been a conference about which it can fairly be said that the bill which came out of the conference is better than either the House or Senate versions of the bill. In my opinion, the conferees generally have taken the better of both versions of the bill.

REVENUE EFFECT

Now let us look at the revenue implications of the bill. I am attaching at the end of my statement tables comparing in some detail the differences between the House, Senate, and conference versions of the bill. At this point, however, I would like only to compare the overall revenue magnitude of the bill as it emerges from conference with the House version of the bill. For this purpose, I shall concentrate on the calendar year 1965 tax liability since this is generally viewed as the year most nearly reflecting the full impact of the bill. These figures do not, however, take into account the stimulative or "feedback" effect of the bill.

In the calendar year 1965, when the bill generally is fully effective, the conference version is expected to result in a revenue reduction of about $11.5 billion; $9.1 billion of this is a reduction for individuals and $2.4 billion a reduction for corporations. As passed by the House, this bill would have resulted in a reduction in liabilities in the calendar year 1965 of $11.1 billion, of which $8.8 billion would have gone to individuals and $2.3 billion to corporations.

Put another way, this bill, as agreed to by the conferees, will result in an additional reduction of approximately $300 million over and above the House version of the bill. Practically all of this $300 million of additional reduction goes to individuals.

In the fiscal year 1964, before account is taken of its stimulative effect, the bill as agreed to by the conferees is expected to result in a revenue loss of $1.6 billion. After the "feedback" effect in that year the loss is expected to be reduced to $1.4 billion. The figures in the fiscal year 1965 are expected to be $8.5 billion before the "feedback" effect and $4.5 billion after this effect. This, of course, illustrates the fact that the stimulative effect of this bill is expected to have its major impact in the fiscal year 1965 and subsequent years.

RATE REDUCTIONS

An important factor in accounting for the atmosphere in the conference was the fact that the major features of the House and Senate versions of the bill were the same. Thus, the other body retained the individual income tax rate reductions exactly as provided by the House—including splitting the first bracket into four new brackets and providing a range in rates for 1965 and subsequent years from 14 to 70 percent. The other body also retained the minimum standard deduction provided for individuals in the lower income brackets in the same form as it was passed by the House.

The only change in the rates made by the other body was to provide that the withholding tax rate of 14 percent, which the House bill would have provided for 1965 and subsequent years, would also be effective for 1964, commencing with the 8th day after the date of enactment of the bill. The House version of the bill would have provided a 15-percent withholding rate for 1964 and a 14-percent rate for 1965 and subsequent years. It was thought at the time of the House consideration that the 15-percent rate provided by the House bill would become effective as of January 1, 1964. However, the 18-percent withholding rate of present law has in fact continued in effect up to this time and presumably will continue until sometime early in March. Since the reductions for 1964 are effective January 1, 1964, to offset this high withholding rate in the first part of 1964, the 14-percent rate is needed for the remainder of the year. Therefore, your conferees agreed to the 14-percent withholding rate included in the Senate bill.

The other body also agreed to the corporate rate reduction provided by the House bill, which goes from 52 to 48 percent in 1965 and subsequent years. The Senate also retained the House provision which made an especially large decrease—from 30 percent down to 22 percent—in the corporate rate applicable to small business. In addition, the other body retained the acceleration in the payment of corporate taxes provided in the House bill.

DIVIDEND CREDIT

Still another major provision of the House bill which was retained by the other body was the reduction of the dividend credit to 2 percent in 1964 and its repeal for 1965 and subsequent years. Along with this the other body retained the larger dividend exclusion provided by the House.

DECLARATION OF POLICY

I am also glad to be able to report that, although the other body had stricken the declaration by Congress which we made in section 1 of the bill, your conferees were able to persuade the conferees of the other body to restore this provision. While this declaration of Congress has no specific statutory effect, nevertheless I believe that as an indication of congressional policy it has already become an important guidepost in our fiscal policy. This declaration recognizes that the tax reduction provided by this act will have an important stimulative effect on the economy, thereby raising revenues. It also directs that these additional revenues are to be used to decrease deficits and eventually to reduce the public debt. This declaration of Congress further provides that it is congressional policy to take all reasonable means of restraining public spending and urges the President to declare his accord with this objective.

As you will recall, this declaration was an important consideration in the House, and I believe it has been an important factor in accounting for the decrease in Government spending reflected in the 1965 fiscal year budget recently presented to us by the President.

The retention of this statement of policy makes it clear that Congress is providing this tax reduction because through its stimulative effect on investment and the increase it will bring about in consumer spending, it will eventually lead to higher levels of economic activity and thereby increase, rather than decrease, revenues. Also, it is important because it expresses the congressional concern with expenditures levels and recognizes the need to restrain these levels, to the full extent consistent with the needs of the country.

Let me turn now to the provisions which your conferees accepted which differ from those appearing in the bill.

CAPITAL GAINS

One of the changes, Mr. Speaker, has to do with the elimination by the Senate of the provision passed by the House setting up a new system of capital gains treatment. You will recall that the House bill continued the 50-percent inclusion with a maximum of 25-percent rate on capital gains, which is in the existing law, but added to that for assets which had been held for a period longer than 2 years a 40-percent inclusion with a 21-percent maximum rate.

Mr. Speaker, this was, I must admit, a very complicated provision of law. The Senate voted on the floor of the Senate, the vote I think was 56 to 25, to eliminate this provision and it was agreed to by the House conferees. We were told that the Senate Finance Committee would be perfectly willing to reconsider the matter at some future date if we could develop some plan that seemed to be equitable to that committee and also eliminate some of the complexities in the bill as it passed the House.

CAPITAL LOSS CARRYOVER

However, we did retain an important feature of the House bill in the area of capital gain and loss taxation. I am referring to the carryover of capital losses. Present law provides that capital losses, after having been offset against capital gains, can then be offset against ordinary income in the case of individuals to the extent of $1,000. Any capital losses still remaining may be carried over to the next year, offset against capital gains in that year, and then to the extent of $1,000 may be offset against ordinary income in that year. This procedure may be repeated for up to 5 years after the year in which the loss is incurred. The House bill would have provided for the indefinite carryforward of these capital losses in this manner, instead of limiting the carryforward to 5 years.

We believed that an indefinite loss carryforward for these losses encourages risk taking, which is so fundamental to the expansion of our economy. The Senate struck this provision from the bill but the House conferees have prevailed upon the Senate conferees to restore this House provision. I believe that this is an important provision and that its restoration will be an important factor in encouraging risk taking and in stimulating the economy generally.

RETIREMENT INCOME CREDIT

A second important conference change is in the area of the retirement income credit. Generally, the retirement income credit is coordinated with social security payments. Under present law, social security payments are not subject to income tax. The retirement income credit attempts to give a comparable exclusion from tax for those not receiving social security—or receiving reduced amounts of social security—to the extent of any other retirement income the individuals may have. However, under social security where a husband has the appropriate number of quarters of coverage but the wife does not, not only is a social security payment made to the husband, but also a supplementary payment, of one-half the size of the husband's payment, is made with respect to the wife when she reaches retirement age. The retirement income credit, on the other hand, contains no similar supplementary allowance with respect to a wife where she does not have prior 10 years' earning experience. A provision added by the other body to this bill provides a retirement income credit of one-half the size of that going to the husband in such a case where the wife does not have any earnings experience or receives only a small retirement income credit. Your conferees found themselves in accord with this objective and have therefore agreed to this provision in the Senate version of the bill, but with important amendments so that this works fairly without regard to whether only the husband, or only the wife, happens to have the retirement income. In conference, we also found a way of incorporating this supplementary retirement income credit into the tax form without, we believe, seriously complicating the tax schedule.

GROUP TERM LIFE INSURANCE

Both the House and Senate versions of the bill provide for the inclusion in an individual's tax base of the cost of certain amounts of group term insurance provided an employee through arrangements established by his employer, to the extent that the employee does not himself pay for this insurance. The House version of the bill would have taxed the cost of group term insurance received by an individual to the extent the insurance protection exceeded $30,000. The other body would have taxed the cost of this insurance to the individual where the protection was for more than $70,000. The conferees have split the difference and set the level above which the cost of the insurance will be taxed at protection above $50,000.

WAGE CONTINUATION PAYMENTS—SICK PAY

A fourth important modification relates to sick pay, or wage continuation payments. Under the House bill the exclusion for sick pay was limited to those cases where the individual was absent from work for 30 days or more and was available only with respect to up to $100 a week received after the 30-day absence from work. The Senate would also provide a sick pay exclusion in certain cases during the first 30 days. The other body makes the sick pay exclusion available where the sick payment is not more than 75 percent of the regular average weekly pay of the individual. Your conferees have accepted this provision but have modified it to provide that within this first 30 days the sick pay exclusion will only be available for up to the first $75 of income. In addition, it will be available only after a 7-day waiting period, unless the individual is hospitalized, not only in the case of illnesses but in the case of accidents as well.

DEDUCTIBILITY OF STATE GASOLINE TAXES

A fifth important change is in the area of the deductibility of State taxes. The House provided that State taxes were to be deductible only in the case of income, property, and general sales taxes. This would have resulted in a revenue gain of some $520 million. The other body would also have allowed deductions for gasoline taxes and automobile tag and driver's license taxes. This would have reduced the revenue gain to $190 million, a loss from the House version of $330 million.

This matter has been compromised by permitting gasoline taxes, as the Senate desired, to continue to be deductible but providing that automobile tag and driver's license taxes no longer will be deductible. This will result in a saving over the Senate version of the bill of $110 million, or an overall revenue gain from present tax law of $300 million.

UNLIMITED CHARITABLE CONTRIBUTION DEDUCTION

A sixth important area of change is the provision in present law relating to the unlimited charitable contribution deduction. This is available to those who in 8 out of the last 10 years have given 90 percent of their income to charity or paid it in Federal income taxes. The administration had initially recommended that this unlimited charitable contribution deduction be eliminated entirely, but the House had not done so.

The other body, however, felt that the unlimited charitable contribution deduction should not be available with respect to gifts to private foundations. They were concerned because in the case of these private foundations the individuals frequently were not completely parting with the funds and also because the contributions to these foundations frequently do not immediately find their way into actual charitable operations. Because of this the Senate made the unlimited charitable contributions unavailable unless the organization is one of several specified organizations such as churches, schools, or hospitals or alternatively is an organization "which normally receives a substantial part of its support—from a governmental unit—or from direct or indirect contributions from the general public."

While the House conferees recognized the merit in the Senate position, nevertheless they feared that the Senate version was much too restrictive. It did not, for example, take into account the fact that many private foundations are themselves directly carrying on charitable functions—not just making gifts to other organizations—and that in these cases the funds are finding their way into actual charitable use almost immediately. In addition, the Senate version did not take into account the fact that in the case of many other private foundations the organization, either through activities it carries on itself, or through donations it makes to other organizations, is using the contributions for actual charitable purposes in a relatively short period of time.

Because of the factors I have sketched for you, the House conferees accepted the Senate amendments but with modifications. In addition to continuing the availability of the unlimited charitable contributions deduction in the case of contributions to churches, schools, hospitals, and other public-type organizations, the conference agreement further provides that the deduction is to be available in the case of two additional types of organizations which might be classed as private foundations.

The first of these private foundations which, under the agreement reached by the conferees, will still qualify for contributions by someone claiming an unlimited charitable contribution deduction I shall, for lack of a better term, refer to as an "operating" charity. The type of organization I am referring to here is one which devotes substantially more than half of its assets directly to the active conduct of the exempt charitable activities. It must also devote substantially all of its income to such a purpose. By the use of the term "active conduct," we mean that the organization must itself carry on the activity and not merely be a conduit for transferring the contributions to another organization which carries on the charitable activity. This, of course, does not mean that the organization has to completely part with ownership of the funds in question, since it may use the contributions to purchase assets which it uses to carry on its charitable, educational, or similar function. For example, in developing this provision it was recognized that organizations such as Williamsburg Colonial, Inc., while still retaining title to the property purchased, nevertheless use these properties for the purpose for which the organization is exempt. This is not intended as a year-by-year test, but rather looks to a period of time to determine whether an organization is devoting its assets and income in the manner indicated. Somewhat more leeway was allowed in the case of assets held than in the case of income to make allowance for the fact that some of these organizations must necessarily accumulate part of their contributions to build up an endowment fund which will enable them to carry on their exempt activities.

The second exception relates to a private foundation which during a 3-year period, beginning after the contribution is received, expends or uses at least half of the contributions received from those claiming an unlimited charitable contribution deduction for one of the following four purposes:

First. The active conduct of activities representing its exempt function or purposes—that is, direct operations rather than making grants to other charitable organizations;

Second. The purchase of assets directly devoted to such purpose;

Third. The making of contributions to organizations for which a 30-percent charitable contribution may be claimed under present law, or to the type of operating private foundations that I have just described; or

Fourth. Any combination of these uses.

In determining whether an organization has used 50 percent or more of its contributions for this purpose it is not intended that there be any tracing of the specific contribution. Instead, it is assumed that the first amount spent for any of the activities to which I have referred, is from the income of the organization for the year in which the contribution is received and in each of the years up to the end of the year in which the contribution is used for the specified purpose. Then, the next amounts considered as being spent are the contributions representing the amounts contributed by those claiming the unlimited charitable contributions.

It is, of course, recognized that in some cases it may be desirable for the organization to retain all of these contributions, and perhaps the income of the organization as well, for a period of more than 3 years. This may arise, for example, where some organization, such as a school, is being asked to match a grant provided by one of these foundations, or where a survey is required before it is possible to determine the best way in which the funds should be spent. The conferees gave recognition to these needs for retaining the contributions and income beyond the 3-year period by granting to the Secretary of the Treasury permission to allow the retention of the contributions and income for longer periods of time where the organization shows good cause for such a retention. It is not intended that the mere accumulation of the funds to earn income, and in that manner increase the size of the corpus would represent a good cause. Where this grant of authority for accumulation beyond the end of the 3-year period is given, the income of the subsequent years must also be expended or used for one of the four purposes I have previously outlined, as well as the income in the year of the contribution and 3 succeeding years.

These changes will mean that the donor of the contribution—the individual who is claiming the unlimited charitable contribution deduction—will have to claim the deduction on a tentative basis pending the organization satisfying all of these conditions. He may claim the deduction tentatively on his return and then if the organization complies with the law subsequently, the deduction becomes validated by this action. Should the organization not comply with these requirements, the individual's return would have to be revised to disallow the specified amount with respect to the unlimited charitable contribution deduction.

SURTAX EXEMPTIONS FOR CORPORATIONS

I would also like to make a statement with respect to an amendment to section 1551 of the code, relating to the disallowance of surtax exemptions. Under existing law, if a corporation transfers property other than money directly to a corporation which it controls and the transferee corporation was created for the purpose of acquiring this property or was not actively engaged in business at the time of this acquisition the Secretary of the Treasury or his delegate may disallow the $25,000 surtax exemption or the $100,000 accumulative earnings credit unless the transferee corporation establishes by the clear preponderance of the evidence that the securing of the exemption or credit was not a major purpose for the transfer. Thus, present law applies only to direct transfers of property other than money. This section is amended to include indirect transfers of property other than money. Cases have been presented to the conferees where a newly organized subsidiary—created by expanding, rather than merely changing the location of the business—in the ordinary course of its business purchases merchandise from a centralized warehouse maintained by the parent corporation. In such a case it is not intended that any surtax exemption or accumulated earnings credit be disallowed under the amendment where a major purpose of the separate incorporation was not the securing of an additional surtax exemption.

CUBAN SEIZURE OF PERSONAL PROPERTY

Another amendment added by the Senate permits a deduction for losses occasioned by the seizure by Cuba of personal residences and other personal property, by treating these losses as losses arising from a casualty. This amendment was clearly intended to apply in the years 1959 and 1960, when most, if not all, of these expropriations in Cuba took place. However, through inadvertence when this amendment was offered, no provision was made for an effective date for the amendment, and as a result the amendment has only prospective application. To overcome this effective date problem, it is expected that subsequently legislation would be presented to the Congress to make this provision effective for the taxable years ending after December 31, 1958, and to consider the proper scope of such an amendment.

I have touched briefly on what I consider to be the major differences between the House version of the bill and the modifications agreed to by the conferees. With respect to the rest of the modifications, however, I would like to insert in the RECORD at this point a list of the more important modifications remaining which I have not discussed with you. This will be followed with a summary of the bill as agreed to by the conferees.

OTHER CONFERENCE AGREEMENTS

The major Senate amendments and modifications agreed to by the conferees which I have not already discussed are as follows:

First. The conferees deleted the provision of the House bill relating to the inclusion in gross income of reimbursement of medical expenses in excess of these expenses. This provision was thought unnecessary in view of the fact that the insurance commissioners in various States are presently attempting to obtain State legislation to give assurance that there will not be reimbursement in these cases in excess of the actual expenses.

Second. The House conferees agreed to a provision in the Senate version of the bill which provides for a 5-year carryover of certain charitable contributions made by individuals. In general, for purposes of measuring the amount of the carryover the taxpayer is allowed to take into account only the contributions made to organizations which qualify for the 30-percent limitation.

Third. The House conferees agreed to a Senate amendment which deletes the provision which limited the denial of the deduction for charitable contributions in the form of future interests in tangible personal property to cases other than where the life interest was retained for the life or lives of the contributor or contributors.

Fourth. The effective date of the 5-year carryover of charitable contributions, which the House bill provided for corporations, was modified by the Senate so that contributions made in the taxable years beginning after December 31, 1961, will qualify for the carryover. The House conferees agreed to this change.

Fifth. The House conferees agreed to a Senate amendment providing a 10-year carryforward of expropriation losses in certain cases, rather than a 3-year carryback and a 5-year carryforward. The expropriation loss must be one incurred in a business and is to be available for losses incurred in years ending after December 31, 1958. The amount of any foreign expropriation loss in this case may not exceed the taxpayer's adjusted basis for the property in question, since the loss must arise either from a loss described in section 165 of the code or a bad debt described in section 166. In both of these sections the deduction allowed is limited to the adjusted basis of the property in question for purposes of the sale or other disposition of the property.

Sixth. The Senate modified the House provision relating to the child care deduction to provide that the maximum amount which may be taken as a deduction in such a case may amount to $1,000 where there are three or more children and also make the child-care provision available in the case of working wives and husbands with incapacitated wives, where the joint income of the two amounts to $7,000 or less, as contrasted to the $4,500 or less under existing law. The conferees rejected the first two of these amendments with the result that the maximum amount which may be deducted for child care expenses will be $600 where there is one dependent and $900 where there are two or more dependents. In the case of the income limitation the conferees raised the $4,500 limit of present law to $6,000.

Seventh. The House conferees accepted a Senate amendment which provides that affiliated groups of domestic corporations, where there is an 80-percent common ownership and the corporations are eligible to file a consolidated return but do not do so, may take a 100-percent reduction for intercorporate dividends received from another member of the group if the group agrees to be treated as a single entity for certain purposes such as the $25,000 surtax exemption and the $100,000 floor on the acceleration of corporate tax payments. In addition, life insurance companies and mutual casualty insurance companies which may not file consolidated returns with other companies—except companies of the same type—under this amendment are eligible for the 100-percent dividend deduction.

Eighth. A Senate amendment would have deleted the rule adopted in the 1962 legislation which disallowed a portion of travel expenses for certain business trips which are combined with vacation. The House conferees agreed to this amendment insofar as domestic travel is concerned, but retained present law with respect to the foreign portion of business-vacation trips abroad.

Ninth. The House conferees accepted a Senate amendment which provides tax-free status for "stock-for-stock" reorganizations where the corporation in question acquires the stock in exchange for the voting stock of its parent corporation.

Tenth. The House conferees accepted a Senate amendment which provides retroactive qualification of multiemployer pension plans created under collective bargaining agreements with employee representatives. For this retroactive qualification to be granted the pension plans subsequently must be qualified and in the retroactive period the organization must have met certain requirements, including a provision that contributions in that period must not have been used in a manner which would jeopardize the interest of the covered employees.

Eleventh. The House conferees, with minor modifications, accepted a Senate amendment which permits U.S. corporations to extend coverage under their qualified pension, profit-sharing, and so forth, plans to U.S. citizens employed by foreign subsidiaries or domestic subsidiaries operating outside of the United States. Generally, this treatment will not be available in the case of the foreign subsidiaries unless their employees are also covered for social security purposes.

Twelfth. The Senate made four relatively minor changes in the House-passed stock option provision which with technical modifications have been agreed to by your conferees. First, the new rules provided by the provision are to apply to options granted after December 31, 1963, rather than after June 11, 1963. Second, where an option is issued after December 31, 1963, and before January 1, 1965, which does not meet the terms of a "qualified" option, a Senate amendment agreed to by the House conferees permits the modification of this option, to meet the new terms provided in the bill at any time before January 1, 1965, without this modification being considered as giving rise to a new stock option requiring a new option price. Third, the Senate provided an exception to the general rule that an option must not be exercisable while there is outstanding any qualified or restricted stock option which was granted to the employee at an earlier time. The Senate amendment, which has been accepted by the House conferees with modification, provides that where the option price of the new option is at least as high as the price of the outstanding previously issued options, the "reset" rule is not to apply. This has been modified so that those previously issued options need not have been exercised in such a case if their price was lower than that of the new option. Fourth, the Senate provided that an option which under its terms of grant is not immediately exercisable in full may be accelerated so that it may be exercisable either to a greater extent, or in full, without this being considered a "modification" requiring a new option price. This was agreed to by your conferees.

Thirteenth. The Senate adopted an amendment which extends installment sales treatment—under which income is reported as the installments are received—to all revolving credit sales of personal property and to time payment charges associated with revolving credit sales. Your conferees have agreed to a modification of this provision which provides that installment sales are to include revolving credit-type plans—and this term is defined—except that the term for this purpose is not to include any accounts which are used by the purchaser primarily as ordinary charge accounts. Regulations issued by the Treasury Department on this subject provide to some extent that revolving credit-type plans are to be treated as installment sales. However, these regulations deny installment treatment to the portion of such sales coming under what is known as the small sale rule. This provides that if the aggregate sales charged during a billing month to an account under a revolving credit plan do not exceed the required monthly payment, then none of the sales during this billing month are considered to be sales on the installment plan. This amendment eliminates this rule. Instead, if the purchaser uses his account primarily as an ordinary charge account, such an account involved will not qualify for treatment under the installment method of accounting. One method of determining whether a purchaser is using his account primarily as an ordinary charge account which the Service ought to consider for this purpose to see if it is appropriate would be to determine whether the customer's aggregate revolving credit purchases during the year of the retailer for all billing periods in which the account is completely liquidated by the first payment in a subsequent billing period are more than one-half of his total revolving credit purchases for that year. In such a case the customer would be considered to have used his account primarily as an ordinary charge account. This determination could of course be made by the taxpayer on the basis of a sample of accounts, rather than on the basis of a complete audit of all accounts.

Fourteenth. The House conferees accepted a Senate amendment which provides that where a taxpayer contests a tax or other liability he is nevertheless to be permitted a deduction for the item in the year in which he makes a payment, if this is earlier than the year in which the contest is settled.

Fifteenth. The House version of the bill contained a provision making an interest deduction available for carrying charges separately stated which represent purchases of services. The interest deduction in this case, as in the case of tangible personal property purchases, may not exceed the carrying charge or, if lower, interest computed at 6 percent on the declining balance. The conferees instead of extending this provision to carrying charges arising from purchases of services generally, extended it to installment payments for educational services, such as those for tuition, fees, and lodging.

Sixteenth. The Senate made a number of relatively minor amendments to the House-passed personal holding company provision. Those with respect to lending or finance companies your conferees accepted with minor modification. They also made two amendments relating to the treatment of rent for personal holding company purposes. For rent not to be classified as personal holding company income, under the House bill not more than 10 percent of the ordinary gross income of the company—excluding the rental income—could be personal holding company income. Under a Senate amendment, agreed to by your conferees, this 10-percent test may be met where the company distributes to the shareholders any of this personal holding company income—other than rent—in excess of the 10-percent requirement. In addition to dividends paid out, distributions, for this purpose, include dividends paid in the next year to a limited extent and also consent dividends. In addition to the 10-percent test I have referred to, rental income not to be classified as personal holding company income must equal at least 50 percent of the adjusted gross income of the company. In applying this test, income is determined by reducing income for depreciation, amortization, personal property taxes, interest, and rent paid with respect to the rental property. A Senate amendment agreed to by your conferees provides that tangible personal property which is not customarily rented to any one lessee for any more than 3 years is not to be reduced by depreciation and amortization for this purpose. The House bill also provided in case of companies which would newly become personal holding companies that they could liquidate under certain specified rules at any time before January 1, 1966. The Senate advanced this date to January 1, 1967, and your conferees agreed to this amendment. Also, the House bill provided that indebtedness already existing on August 1, 1963, could be paid off and the payments would reduce income otherwise treated as personal holding company income subject to this tax at the corporate level. This date was also advanced to January 1, 1964, by the Senate and your conferees agreed to the change. A further modification with respect to the liquidation provision that I have referred to relates to the specific years which may be taken into account for determining whether a corporation, had the new rules been applied, "would have been" a personal holding company in one of two prior years. The two prior years under the conference agreement are to be the two years most recently ending before the date of enactment of this bill, which was the original House provision.

Seventeenth. The House bill provided for an increase in basis where an individual died holding stock of a foreign personal holding company. The increase in the basis of the stock in this case is the estate tax paid which is attributable to unrealized appreciation in the value of this stock. This aspect of the House bill, although deleted by the Senate, has been restored by the conferees, but further provisions relating to liquidations of these foreign personal holding companies, together with the provision for an increase in basis where a decedent has held property distributed in such a liquidation, have been deleted.

Eighteenth. The House made capital gains treatment available in the case of iron ore royalties. The Senate continued this provision but restricted this capital gains treatment to iron ore mined in the United States and also denied capital gains treatment to iron ore royalties received from certain related parties. Your conferees agreed to these Senate amendments.

Nineteenth. The Senate added three provisions relating to insurance companies, all of which have been agreed to by your conferees. These amendments first, permit a deduction in 1962 for liquidating payments made to shareholders by stock life insurance companies which "mutualize"; second, treat market discount on bonds owned by life insurance companies and by small mutual fire and casualty insurance companies as capital gains when the bonds are sold or redeemed; and third, correct a clerical error in present law.

Twentieth. Your conferees agreed to two Senate amendments relating to regulated investment companies. They are to be given 45 days after the close of their taxable year, rather than 30 days, to notify their shareholders as to the treatment of certain income received from the company. In addition, distributions by a unit investment trust, liquidating an individual's interest in the trust, are not to be considered as giving rise to capital gains tax with respect to the interests of other investors still in the trust.

Twenty-first. Your conferees agreed to two amendments relating to subchapter S corporations, the income of which is treated essentially like partnership income. The modifications in existing law provide: first, that a corporate member of an affiliated group may elect subchapter S treatment if the only other members of the group are inactive, subsidiary, corporations; and second, that certain distributions of money made after the close of the taxable year may be treated as made during the year, in order to prevent the double inclusion of this income in the tax base of a shareholder.

Twenty-second. The Senate provided that a purchaser, mortgagee, or pledgee of a motor vehicle would not be subject to a Federal tax lien against the motor vehicle even though notice has been publicly filed unless the purchaser, mortgagee, or pledgee had actual knowledge of the existence of the lien. Your conferees agreed to this amendment with modifications deleting the references to mortgagees and pledgees and applying this rule only in the case of purchasers who actually have possession of the motor vehicle in question.

Twenty-third. The Senate adopted an amendment which would reduce the exclusion for U.S. citizens abroad from the present $20,000 level to $4,000 in the case of those who are present in a foreign country for 17 out of 18 months or who are bona fide residents of a foreign country for not more than 3 years. In addition, the Senate amendment would have reduced from $35,000 to $6,000 the exclusion for those who are bona fide residents of a foreign country for more than 3 years. The conference agreement restores the first of these two categories to the present law level of $20,000. The second category, which presently provides for a $35,000 exclusion, is reduced to $25,000 beginning in 1965.

Twenty-fourth. Your conferees agreed to a Senate amendment which permits persons who paid self-employment tax and who are later covered for the same period by a retroactive social security agreement entered into by a State, to obtain a refund of the self-employment tax.

Twenty-fifth. Your conferees agreed to a Senate amendment which provides 3 years—rather than 2—after a precedent interest terminates for the payment of an estate tax with respect to a reversionary or remainder interest if earlier payment results in undue hardship.

CONCLUSION

We can vote for this conference report if we voted for the House-passed bill. Those of you who did not vote for the bill when it was considered last September can now vote for the conference report itself, not because it appears to be a better tax bill in many respects than was worked out in the House, or due to the fact that additional time was available for improvements and technical changes, but because some things have changed since we passed this bill in the House last September. At that time we were talking about what the budget for 1965 ought to be; we were talking in terms of what it should be when filed by the President in January 1964. We now have that budget before us. It provides for a rate of spending less than the rate of spending suggested as being appropriate for 1965 when this bill was being considered by the House.

Certainly we are in a better position today to support this conference report than we would have been had that action not been taken by the present President of the United States. I commend him for the leadership he has shown in the preparation of his budget and the efforts that he has made to hold down the spending. It gives me a great deal of confidence about the future, even if we pass this tax reduction. It is a pattern that we are now adopting and that I think we here will want to follow. It is a pattern that I feel certain the executive departments can and will follow in the future. I therefore urge you, Mr. Speaker, that we adopt the conference report as brought to the House by the managers on the part of the House.

BRIEF SUMMARY OF H.R. 8363 AS AGREED TO IN CONFERENCE

At this point I would like to insert in the RECORD a brief summary of the bill as agreed to by the conferees:

Section 1, declaration by Congress: It is the sense of Congress that the tax reduction provided by this bill, through stimulation of the economy, after a brief transitional period will raise—rather than lower—revenues and that these revenues should first be used to eliminate deficits and then the public debt. Congress also recognizes the importance of taking all reasonable means to restrain Government spending and urges the President to do the same.

Section 2: The title of the bill is the Revenue Act of 1964.

Section 111, individual rates: This reduces the rates of tax for individuals from a range of 20 to 91 percent to a range of 16 to 77 percent for 1964 and to a range of 14 to 70 percent for 1965 and subsequent years. This also splits the first bracket into four segments of $500 each, taxed at 14, 15, 16, and 17 percent, respectively.

Section 112, minimum standard deduction: This provides that, if higher than the 10-percent standard deduction, the "minimum standard deduction" is to be $200 plus $100 for each exemption (amounting to $300 for a taxpayer). Thus, the exemption and minimum standard deduction for a single person will be $900; for a married couple, $1,600; and, for a married couple with two children, $3,000.

Section 113, related amendments: This conforms to the tax rate applicable to the retirement income credit with the new rate schedules. Thus, it makes the rate applicable to the retirement income 17 percent for 1964 and 15 percent for subsequent years—instead of 20 percent. This also conforms the floor on the tax on nonresident aliens with the new rate schedule by raising from $15,400 to $19,000 in 1964 and $21,200 in 1965 and subsequent years the income level to which the regular, rather than the flat 30-percent rate, may be applicable.

Section 114: This is a cross-reference.

Section 121, corporate rates: This reduces the overall corporate tax rate from the present 52 percent to 50 percent in 1964 and 48 percent in subsequent years. It also reduces the rate applicable to the first $25,000 of corporate income, from the present 30 percent, to 22 percent for 1964 and subsequent years.

Section 122, acceleration of corporate tax: This section provides for a speedup in the payment of corporate taxes. It applies only to tax liability in excess of $100,000. At present, 50 percent of tax liability over $100,000 is payable in two installments in September and December—for a calendar year corporation—in the current year of liability. This accelerates the other two payments now made after the end of the year with respect to this liability over $100,000 so that by 1970 these two 25-percent payments also will be made in the current year of liability in April and June—for a calendar year corporation. This speed-up is provided on a gradual basis. Thus, 1 percent of this liability in April and June will be reported for 1964, 4 percent for 1965, 9 percent for 1966, 14 percent for 1967, 19 percent for 1968, 22 percent for 1969, and the full 25 percent for 1970.

Section 123, related amendments: This conforms other provisions in the Internal Revenue Code to the changes made with respect to corporate rates in section 121. The conforming amendments relate to the tax on mutual insurance companies—other than life—and receipts of minimum distributions for domestic corporations from their foreign subsidiaries.

Section 131, effective date: This provides that the corporate and individual rate changes are to be effective generally for taxable years beginning after December 31, 1963.

Section 132, fiscal year taxpayers: This provides that the individual and corporate rate changes for fiscal year taxpayers are to apply to that portion of their years ending after December 31, 1963.

Section 201, dividend credit and exclusion: The 4-percent dividends received credit available to individuals is reduced to 2 percent for 1964 and repealed for subsequent years. The $50 dividend exclusion is increased to $100 for 1964 and subsequent years. In practical effect, this increase is from $100 to $200 for married couples.

Section 202, retirement income credit: This provides that a couple, both over 65, making a joint return may, at their election, have a total retirement income credit of $2,286 applicable to the retirement income of either or both if either spouse meets the 10-year earned income requirement. The $2,286 amount is required to be reduced by amounts received as tax-exempt pensions and annuities and by amounts representing adjustments for earned income. These are the reductions applying to the $1,524 ceiling under present law.

Section 203, investment credit: In the case of the investment credit, the provision requiring a downward adjustment in the basis of property eligible for depreciation, to the extent of the 7-percent investment credit, is repealed. Also Federal regulatory commissions are prohibited from requiring the "flowthrough" of any of the benefits of the investment credit to the customers of the regulated industries in the case of property eligible for the full 7-percent credit—mainly the transportation industries such as railroads, airlines, and pipelines. In the case of public utilities eligible only for the 3-percent credit—principally telephone and electric companies—the regulatory commissions are not to require the "flowthrough" of the benefits of the investment credit in any period of time shorter than the usual life of the asset involved. Other changes make the investment credit available in the case of elevators and escalators and increase the base on which the credit of the lessee is to be computed where dealers lease property eligible for the credit.

Section 204, group-term insurance. The employee exclusion for premiums on group-term insurance furnished through the employer is limited to premiums paid on the first $50,000 of coverage, and information reporting requirements are provided for those employees receiving more than $50,000 of such insurance.

Section 205, sick pay exclusion: Sick pay received after the taxpayer has been absent from work more than 30 days is to be excluded from income up to $100 a week. Within the 30-day period if the sick pay is 75 percent or less of the regular weekly rate, then up to $75 a week may be excluded after an absence of 7 calendar days on account of injuries or illness, and from the first day without any waiting period, if the taxpayer is hospitalized at least 1 day in the first 7.

Section 206, sale of residence: An exclusion from taxable income is provided for any capital gain attributable to the first $20,000 of the sale price of a personal residence in the case of an individual age 65 or over who owned the house for 8 years and occupied it for 5 of them.

Section 207, State and local taxes: A deduction is denied in computing income subject to Federal tax for State and local taxes other than property taxes, income taxes, general sales taxes, and gasoline taxes. The principal taxes for which this denies a deduction are alcoholic beverage taxes, cigarette taxes, auto registration fees and licenses, and selective excise taxes.

Section 208, casualty losses: The deduction for personal casualty and theft losses is limited to the amount in excess of $100 per loss, in a manner somewhat similar to the treatment of "$100 deductible" insurance.

Section 209, charitable contributions: The following changes are made in the charitable contribution deduction:

First. The additional 10-percent maximum deduction—above the 20 percent generally available—is made available generally for contributions to publicly supported organizations other than private foundations—presently it is available chiefly for churches, schools, and hospitals.

Second. The unlimited charitable contribution deduction is restricted to contributions to publicly supported organizations and to a privately supported organization if (i) the organization is an operating charity or (ii) expends 50 percent of the contribution within 3 years after the year it was received—as well as all its net income during the period; in addition for a contribution to a privately supported organization to be deductible under this provision, the person making the contribution must not engage in certain prohibited transactions with such organization.

Third. A 5-year carryover of charitable contributions—in excess of the amount currently deductible—is provided for individuals with respect to contributions to publicly supported organizations.

Fourth. The 2-year carryover of charitable contribution deductions for corporations is extended to 5 years—this is available for contributions made in 1962 and 1963 as well as subsequent years.

Fifth. Charitable contribution deductions for gifts of future interest made after June 30, 1964, in tangible personal property are denied until the gifts are completed.

Section 210, expropriation losses: Businesses which have sustained substantial "foreign expropriation losses" after 1958 are permitted to carry such losses forward and apply them against income for a 10-year period. This is in place of the regular 3-year carryback and 5-year carryforward for net operating losses.

Section 211, medicines and drugs: The 1-percent limitation, or floor, on medicines and drugs, which must be taken into account in determining deductible medical expenses, is made inapplicable where the taxpayer or his wife is over 65 and also with respect to expenses for dependent parents over 65. This conforms the treatment with respect to the 1-percent limitation with that provided in the case of the 3-percent limitation for medical expenses generally.

Section 212, child care: The child care deduction is revised, first, to make it available in the case of a husband whose wife is incapacitated or institutionalized; second, to make it available with respect to care for childen up to age 13—instead of 12; third, the maximum deduction allowable where there are two or more children is increased from $600 to $900; and, fourth, the present limitation on family income in the case of a working wife eligible for this deduction is raised from $4,500 to $6,000 and is also made applicable in respect of husbands with incapacitated wives.

Section 213, moving expenses: A deduction is allowed for certain moving expenses—transportation of household goods, transportation of the persons involved, and meals and lodging of the persons while in transit—for employees who are not reimbursed for these expenses and also for new employees. An exclusion of these items is already available in the case of old employees who are reimbursed.

Section 214, 100-percent dividend deduction: Affiliated groups of corporations, where there is an 80-percent common ownership, which are eligible to file a consolidated return but do not do so, are permitted to take a 100-percent deduction for intercorporate dividends received from other members of the group if the group agrees to be treated as a single entity for certain purposes, such as the $25,000 surtax exemption.

Section 215, bank loan insurance: An interest deduction is denied for amounts borrowed under a systematic plan to pay premiums on life insurance under policies purchased after August 6, 1963. The deduction is denied only if part or all of four of the first seven annual premiums are borrowed, the interest exceeds $100 a year, the amounts borrowed were not unforeseen emergencies, or the amounts borrowed were not incurred in connection with a business.

Section 216, face-amount certificate companies: Financial institutions subject to State banking laws and issuing face-amount certificates are not to be denied a deduction for interest paid on these certificates under section 265(2) of the code—relating to interest indebtedness to carry tax-exempt obligations—to the extent the tax-exempt obligations do not constitute more than 15 percent of the average of the institutions' total assets.

Section 217, travel expenses: The rule adopted in 1962 which disallows a portion of travel expenses for certain business trips combined with a vacation is modified to apply only in the case of travel outside the United States.

Section 218, reorganizations: Tax-free status is provided for a stock-for-stock reorganization where the corporation acquiring the stock exchanges the voting stock of its parent corporation for the stock of the corporation being acquired.

Section 219, multiemployer pension plans: Provision is made for the retroactive qualification of a pension plan under a multiemployer agreement with unions where the pension plan subsequently becomes qualified.

Section 220, pension coverage of employees abroad: U.S. corporations are to be permitted to extend coverage under their qualified pension, profit-sharing, et cetera, plans to U.S. citizens employed by foreign subsidiaries or by domestic subsidiaries operating outside the United States. Generally, this treatment will not be available in the case of foreign subsidiaries unless their employees are also covered for social security purposes.

Section 221, stock options: The present tax treatment of employee stock options is further restricted, the principal additional restrictions being, first, the stock when acquired must be held for 3 years or more; second, the options must not be for a period of more than 5 years; third, the option price must at least equal the market price of the stock when the option is granted; fourth, stockholders' approval of the options must be obtained; and, fifth, the extent to which new options may be exercised when old options are outstanding is restricted.

Separate tax treatment is provided for employee stock purchase plans which are available to all employees on a nondiscriminatory basis under rules which are substantially the same as under present law.

Section 222, revolving credit: Installment sales treatment, under which the income is reported as the installment is received, is extended to revolving credit sales but not with respect to accounts used as ordinary charge accounts.

Section 223, contested items: Where a taxpayer contests a tax or other liability, he is, nevertheless, to be permitted a deduction for the item in the year in which he makes the payment if this is earlier than the year in which the contest is settled.

Section 224, unstated interest: Where property is sold on an installment basis and either no, or very little, interest is charged on the installments, an appropriate amount of each installment is to be treated as if it were an interest payment. This section also provides that the interest element in certain installment payments for educational services—including lodging—may be treated as deductible interest.

Section 225, personal holding companies: The percentage of passive income which may result in a company being classified as a personal holding company is reduced from 80 to 60 percent and amendments are made so that the personal holding company tax cannot be avoided by using rental income or oil or gas or mineral royalties—or working interests—to shelter substantial amounts of investment income, such as dividends and interest, from the personal holding company tax. Other restrictive amendments are also made. In addition, relief is provided for those companies which are not now personal holding companies, but would be under the new definitions. They are permitted favorable liquidation treatment in certain cases and also permitted a deduction in computing the personal holding company income for paying off existing debts. The section also provides that the basis of foreign personal holding company stock transmitted at death is to be increased by the Federal estate tax attributable to appreciation in such stock.

Section 226, aggregations of property: For the future, oil and gas leases and acquisitions may no longer be aggregated into "operating units" in determining what constitutes a property for purposes of computing the 50-percent net income limitation in the case of the percentage depletion deduction.

Section 227, iron ore royalties: Capital gains treatment is extended to iron ore royalties where the iron ore is mined in the United States and the persons acquiring the ore are not related to the persons owning the property.

Section 228, insurance companies: Three changes are made with respect to the income tax of insurance companies: First, the present rule providing for the deduction of certain distributions in 1958 through 1961 to shareholders pursuant to "mutualizations" of stock life insurance companies are extended to cover distributions in 1962; second, the requirement of present law that life insurance companies, and small mutual casualty insurance companies taxed on investment income only, are to ratably accrue market discount on purchased bonds as ordinary income is removed with the result that this will be treated as capital gains; and, third, a change is made to assure the deductibility of qualified pension plan contributions of stock casualty insurance companies.

Section 229, mutual funds: Regulated investment companies—that is, mutual funds meeting certain requirements—are to be given 45 days after the close of their taxable year rather than 30 days to give notices to their shareholders as to the treatment by the shareholders of income received from the companies. In addition, a provision is added to the effect that distributions by a unit investment trust liquidating an individual's interests in the trust are not to be considered as giving rise to capital gains tax with respect to interests of other investors still in the trust.

Section 230, capital loss carryovers: Individuals will have an unlimited carryover of capital losses instead of a 5-year carryover of present law, but these losses must retain their character as short-term or long-term losses—rather than necessarily being treated as short-term losses in the year to which they are carried.

Section 231, gains on real estate: In the case of real estate sold in the future, any depreciation deduction, to the extent the deductions exceed the depreciation which would have been allowable under the straight line method—but only to the extent of any gain—are to be treated as giving rise to ordinary income. However, in the case of property held more than 20 months, the amount treated as ordinary income is to be reduced by 1 percent for each month of holding over 20, with the result that these amounts are taxed as capital gains, rather than as ordinary income, in the case of real property held more than 10 years.

Section 232, averaging: In place of the various specialized averaging provisions available under present law, what in effect amounts to averaging of income over a 5-year period is to be available for the income in the current year which exceeds the average of the income of the 4 prior years by more than one-third but only if the excess over this 1⅓ amounts to more than $3,000.

Section 233, subchapter S corporations: In the case of subchapter S corporations, the income of which is treated essentially like partnership income, it is provided that certain distributions of money after the close of a taxable year may be treated as made during the year, in order to prevent the double inclusion of this income in the tax base of a shareholder; and that a corporation member of an affiliated group may elect subchapter S treatment if the only other members of the group are inactive subsidiary corporations.

Section 234, consolidated returns: The 2-percent penalty tax which presently must be paid by corporations for the privilege of filing consolidated returns is repealed.

Section 235, multiple surtax exemptions: For corporations where there is common control to the extent of 80 percent or more, the corporations involved may, as under present law, file a consolidated return, or may claim one $25,000 surtax exemption for the group, or alternatively may continue to each claim their own surtax exemption if a special tax of 6 percent is paid upon the first $25,000 of the income of each of these corporations. In addition, under present law, corporations may not transfer directly all or part of their property—other than money—to another corporation if the other corporation was created for the purpose of acquiring the property and was not actively engaged in business at the time of the acquisition and still have each of these corporations eligible for its own surtax exemption. This treatment is extended to cover cases where the same result is obtained indirectly as well as directly and also where the result is obtained where five or fewer individuals who control a corporation transfer property directly or indirectly to a transferee corporation.

Section 236, tax liens: A purchaser—but not a mortgagee or pledgee—of a motor vehicle who acquires possession will not be subject to a Federal tax lien against the motor vehicle, notice of which has been publicly filed unless he has actual knowledge of the existence of the lien.

Section 237, earned income of U.S. citizens abroad: In the case of U.S. citizens who are present in a foreign country for 17 out of 18 consecutive months, or who are bona fide residents of a foreign country for not more than 3 years, the limitation on the exclusion from gross income is continued at $20,000; but in the case of a U.S. citizen who is a bona fide resident of a foreign country for more than 3 years the exclusion is to be $25,000 after 1964—instead of $35,000.

Section 238, Cuban seizures of nonbusiness property: This provision permits a deduction for losses occasioned by the seizure, by Cuba, of personal residences—and other tangible nonbusiness property—by treating such losses as losses arising from a casualty.

Section 239, refund of self-employment tax: This permits persons who paid self-employment tax and who are later covered for the same period by a retroactive social security agreement entered into by a State to obtain a refund of the self-employment tax. Employees may already obtain a refund of the social security taxes paid by them in this situation.

Section 240, estate tax on reversionary or remainder interest: This provides 3 years (rather than 2) after a precedent interest terminates for the payment of estate tax with respect to reversionary or remainder interests if earlier payment results in undue hardship.

Section 301, optional tax tables: Optional tax tables are provided for those with adjusted gross income of less than $5,000 for the year 1964 and for 1965 and for subsequent years. These tables reflect the rate reductions for individuals referred to in section 111 above.

Section 302, withholding: Provision is made for a withholding rate of 14 percent in lieu of the 18 percent applicable under present law. This is to apply to payments made after the seventh day following the date of enactment of this bill. Withholding rate tables to reflect this 14-percent withholding rate are also provided.

The following tables indicate the principal revenue effects of the bill as agreed to by the conferees:

TABLE 1.—*Revenue bill of 1964, H.R. 8363—Estimated decrease (−) and increase (+) in tax liability* [1] *of provisions of bill*

AS APPROVED BY THE CONFERENCE (FEB. 19, 1964)

[In millions of dollars]

	Calendar year 1964 liability			Calendar year 1965 liability			Longrun liability		
	Individual	Corporation	Total	Individual	Corporation	Total	Individual	Corporation	Total
A. 1963-64 tax program:									
Rate changes (basic rates)	−6,310	−1,320	−7,630	−9,470	−2,190	−11,660	−9,470	−2,190	−11,660
Structural changes:									
(a) Revenue raising:									
1. Group term insurance	+5		+5	+5		+5	+5		+5
2. Bank loan insurance	+5		+5	+5		+5	+10		+10
3. Sick pay exclusion	+65		+65	+65		+65	+65		+65
4. Deduction of personal taxes	+300		+300	+300		+300	+300		+300
5. Casualty loss deduction	+50		+50	+50		+50	+50		+50
6. Aggregation of mineral properties		+40	+40		+40	+40		+40	+40
7. Personal holding companies	+15		+15	+15		+15	+15		+15
8. Repeal of dividend credit and increase in exclusion	+120		+120	+300		+300	+300		+300
9. Multiple corporation penalty tax		+35	+35		+35	+35		+35	+35
10. Exclusion of foreign earned income				(2)		(2)	(2)		(2)
Total, revenue raising	+560	+75	+635	+740	+75	+815	+745	+75	+820
(b) Revenue reducing:									
11. Medical expense deduction	−10		−10	−10		−10	−10		−10
12. Child care allowance	−15		−15	−15		−15	−15		−15
13. Moving expenses	−60		−60	−60		−60	−60		−60
14. Income averaging	−40		−40	−40		−40	−40		−40
15. Minimum standard deduction	−320		−320	−320		−320	−320		−320
16. Repeal of 2-percent tax on consolidated returns [3]		−55	−55		−55	−55		−55	−55
17. Installment sales treatment		[4] −100	−100		−5	−5		−5	−5
18. Expropriation loss carryover		(2)	(2)		−5	−5		−5	−5
19. Retirement income credit	−10		−10	−10		−10	−10		−10
Total, revenue reducing	−455	−155	−610	−455	−65	−520	−455	−65	−520
Total, structural changes	+105	−80	+25	+285	+10	+295	+290	+10	+300
Total, rate and structural changes, 1963-64, tax program	−6,205	−1,400	−7,605	−9,185	−2,180	−11,365	−9,180	−2,180	−11,360
Capital gains revisions (including induced effects):									
1. Unlocking of capital gains from general rate reduction	+130		+130	+130		+130	+50		+50
2. Sale or exchange of real estate		(2)	(2)		+5	+5		+15	+15
3. Carryover of losses	−30		−30	−30		−30	−30		−30
4. Sales of residences by taxpayers aged 65 or over	−10		−10	−10		−10	−10		−10
5. Capital gains treatment of iron ore royalties		−5	−5		−5	−5		−5	−5
Total, capital gains revisions	+90	−5	+85	+90		+90	+10	+10	+20
Total, 1963-64 tax program	−6,115	−1,405	−7,520	−9,095	−2,180	−11.275	−9,170	−2,170	−11,340
B. Revision of 1962 legislation:									
1. Repeal of requirement to reduce basis by investment credit	−20	−140	[5] −160	−25	−170	[5] −195	−25	−170	[5] −195
2. Allow investment credit for elevators and escalators		−10	−10		−10	−10		−10	−10
3. Elimination of allocation of travel expenses	(2)		(2)	(2)		(2)	(2)		(2)
Total, revision of 1962 legislation	−20	−150	[6] −170	−25	−180	[6] −205	−25	−180	[6] −205
C. Total, revenue bill of 1964	−6,135	−1,555	[6] −7,690	−9,120	−2,360	[6] −11,480	−9,195	−2,350	[6] −11,545

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[1] At levels of income estimated for the calendar year 1963 without feedback.

[2] Less than $2,500,000.

[3] Including 100-percent intercorporate dividend deduction for certain affiliated groups.

[4] Includes relatively small amount attributable to individuals.

[5] Treasury Department estimate; estimate of staff of Joint Committee on Internal Revenue Taxation is $245,000,000 for 1964, $305,000,000 for 1965, and $435,000,000 for the long run (1968).

[6] Treasury Department estimate; estimate of staff of Joint Committee on Internal Revenue Taxation is higher, because of the investment credit basis provisions, by $85,000,000 for 1964, by $110,000,000 for 1965, and by $240,000,000 for the long run (1968).

TABLE 2.—*Revenue bill of 1964, H.R. 8363—Estimated decrease (−) and increase (+) in fiscal year receipts*[1] *of provisions of bill*

AS APPROVED BY THE CONFERENCE (FEB. 19, 1964)

[In millions of dollars]

	Fiscal year 1964 receipts			Fiscal year 1965 receipts		
	Individual	Corporation	Total	Individual	Corporation	Total
A. 1963–64 tax program:						
Rate changes:						
Basic rates	−1,900		−1,900	−8,060	−1,320	−9,380
Acceleration of corporation tax payments		+260	+260		+900	+900
Total, rate changes	−1,900	+260	−1,640	−8,060	−420	−8,480
Structural changes:						
(a) Revenue raising:						
1. Group term insurance				+5		+5
2. Bank loan insurance				+5		+5
3. Sick pay exclusion				+65		+65
4. Deduction of personal taxes				+300		+300
5. Casualty loss deduction				+50		+50
6. Aggregation of mineral properties					+40	+40
7. Personal holding companies				+15		+15
8. Repeal of dividend credit and increase in exclusion				+120		+120
9. Multiple corporation penalty tax					+35	+35
10. Exclusion of foreign earned income						
Total, revenue raising				+500	+75	+635
(b) Revenue reducing:						
11. Medical expense deduction				−10		−10
12. Child care allowance				−15		−15
13. Moving expenses				−60		−60
14. Income averaging				−40		−40
15. Minimum standard deduction				−320		−320
16. Repeal of 2-percent tax on consolidated returns[2]					−55	−55
17. Installment sales treatment					[3] −100	−100
18. Expropriation loss carryover					(4)	(4)
19. Retirement income credit				−10		−10
Total, revenue reducing				−455	−155	−610
Total, structural changes				+105	−80	+25
Total, rate and structural changes, 1963–64 tax program	−1,900	+260	−1,640	−7,955	−500	−8,455
Capital gains revisions (including induced effects):						
1. Unlocking of capital gains from general rate reduction				+130		+130
2. Sale or exchange of real estate					(4)	(4)
3. Carryover of losses				−30		−30
4. Sales of residences by taxpayers aged 65 or over				−10		−10
5. Capital gains treatment of iron ore royalties					−5	−5
Total, capital gains revisions				+90	−5	+85
Total, 1963–64 tax program	−1,900	+260	−1,640	−7,865	−505	−8,370
B. Revision of 1962 legislation:						
1. Repeal of requirement to reduce basis by investment credit				−20	−140	[5] −160
2. Allow investment credit for elevators and escalators		−5	−5		−10	−10
3. Elimination of allocation of travel expenses	(4)		(4)	(4)		(4)
Total, revision of 1962 legislation	(4)	−5	−5	−20	−150	[6] −170
C. Total, revenue bill of 1964	−1,900	+255	−1,645	−7,885	−655	[6] −8,540

[1] At levels of income estimated for the calendar year 1963 without feedback. Assumes effective date for withholding change of Mar. 8, 1964.

[2] Including 100-percent intercorporate dividend deduction for certain affiliated groups.

[3] Includes relatively small amount attributable to individuals.

[4] Less than $2,500,000.

[5] Treasury Department estimate; estimate of staff of Joint Committee on Internal Revenue Taxation is $245,000,000.

[6] Treasury Department estimate; estimate of staff of Joint Committee on Internal Revenue Taxation is higher by $85,000,000 because of the investment credit basis provision.

TABLE 3.—*Revenue bill of 1964, H.R. 8363—Estimated decrease (−) and increase (+) in tax liability*[1] *of provisions of bill as passed by the House of Representatives, as passed by the Senate, and as approved by the conference, calendar years 1964 and 1965 and long run*

[In millions of dollars]

	Calendar year 1964 liability			Calendar year 1965 liability			Longrun liability		
	As passed by the House of Representatives	As passed by the Senate	As approved by the conference	As passed by the House of Representatives	As passed by the Senate	As approved by the conference	As passed by the House of Representatives	As passed by the Senate	As approved by the conference
A. 1963–64 tax program:									
Rate changes (basic rates):									
Individual	−6,310	−6,310	−6,310	−9,470	−9,470	−9,470	−9,470	−9,470	−9,470
Corporation	−1,320	−1,320	−1,320	−2,190	−2,190	−2,190	−2,190	−2,190	−2,190
Total, rate changes	−7,630	−7,630	−7,630	−11,660	−11,660	−11,660	−11,660	−11,660	−11,660
Structural changes:									
(a) Revenue raising:									
1. Group term insurance	+5	(2)	+5	+5	(2)	+5	+5	(2)	+5
2. Bank loan insurance	+5	+5	+5	+5	+5	+5	+10	+10	+10
3. Sick pay exclusion	+110	+55	+65	+110	+55	+65	+110	+55	+65
4. Deduction of personal taxes	+520	+190	+300	+520	+190	+300	+520	+190	+300
5. Casualty loss deduction	+50	+50	+50	+50	+50	+50	+50	+50	+50
6. Aggregation of mineral properties	+40	+40	+40	+40	+40	+40	+40	+40	+40
7. Personal holding companies	+15	+15	+15	+15	+15	+15	+15	+15	+15
8. Repeal of dividend credit and increase in exclusion	+120	+120	+120	+300	+300	+300	+300	+300	+300
9. Multiple corporation penalty tax	+35	+35	+35	+35	+35	+35	+35	+35	+35
10. Exclusion of foreign earned income		+10			+10	(2)		+10	(2)
Total, revenue raising	+900	+520	+635	+1,080	+700	+815	+1,085	+705	+820

See footnotes at end of table.

TABLE 3.—*Revenue bill of 1964, H.R. 8363—Estimated decrease (−) and increase (+) in tax liability*[1] *of provisions of bill as passed by the House of Representatives, as passed by the Senate, and as approved by the conference, calendar years 1964 and 1965 and long run*—Continued

[In millions of dollars]

	Calendar year 1964 liability			Calendar year 1965 liability			Longrun liability		
	As passed by the House of Representatives	As passed by the Senate	As approved by the conference	As passed by the House of Representatives	As passed by the Senate	As approved by the conference	As passed by the House of Representatives	As passed by the Senate	As approved by the conference
A. 1963–64 tax program—Continued									
Structural changes—Continued									
(b) Revenue reducing:									
11. Medical expense deduction	−10	−10	−10	−10	−10	−10	−10	−10	−10
12. Child care allowance	−5	−20	−15	−5	−20	−15	−5	−20	−15
13. Moving expenses	−60	−105	−60	−60	−105	−60	−60	−105	−60
14. Income averaging	−40	−40	−40	−40	−40	−40	−40	−40	−40
15. Minimum standard deduction	−320	−320	−320	−320	−320	−320	−320	−320	−320
16. Repeal of 2-percent tax on consolidated returns	−50	[3] −55	[3] −55	−50	[3] −55	[3] −55	−50	[3] −55	[3] −55
17. Political contributions		−25			−5			−15	
18. Installment sales treatment		−140	−100		−10	−5		−10	−5
19. Expropriation loss carryover		(2)	(2)		−5	−5		−5	−5
20. Retirement income credit		−10	−10		−10	−10		−10	−10
21. Extension of head-of-household status		−20			−20			−20	
22. Extra exemption and transportation expense for disabled		−185			−185			−185	
23. Double investment credit for facilities to control pollution		−25			−30			−50	
Total, revenue reducing	−485	−955	−610	−485	−815	−520	−485	−845	−520
Total, structural changes	+415	−435	+25	+595	−115	+295	+600	−140	+300
Total, rate and structural changes 1963–64 tax program	−7,215	−8,065	−7,605	−11,065	−11,775	−11,365	−11,060	−11,800	−11,360
Capital gains revision (including induced effects):									
1. Unlocking of capital gains from general rate reduction	+130	+130	+130	+130	+130	+130	+50	+50	+50
2. 50–40 percent inclusion, additional holding period, and 21-percent maximum rate	[4] +130			[4] −10			−230		
3. Carryover of losses	−30		−30	−30		−30	−30		−30
4. Sale or exchange of real estate	(2)	(2)	(2)	+5	+5	+5	+15	+15	+15
5. Sales of residences by taxpayers aged 65 or over	−10	−10	−10	−10	−10	−10	−10	−10	−10
6. Capital gains treatment of iron ore royalties	−5	−5	−5	−5	−5	−5	−5	−5	−5
Total, capital gains revisions	+215	+115	+85	+80	+120	+90	−210	+50	+20
Total, 1963–64 tax program	−7,000	−7,950	−7,520	−10,985	−11,655	−11,275	−11,270	−11,750	−11,340
B. Revision of 1962 legislation:									
1. Repeal of requirement to reduce basis by investment credit [5]	−160	−160	−160	−195	−195	−195	−195	−195	−195
2. Allow investment credit for elevators and escalators	−10	−10	−10	−10	−10	−10	−10	−10	−10
3. Elimination of allocation of travel expenses		−5	(2)		−5	(2)		−5	(2)
Total, revision of 1962 legislation [6]	−170	−175	−170	−205	−210	−205	−205	−210	−205
C. Total, revenue bill of 1964: [6]									
Individual	−5,720	−6,505	−6,135	−8,845	−9,470	−9,120	−9,140	−9,555	−9,195
Corporation	−1,450	−1,620	−1,555	−2,345	−2,395	−2,360	−2,335	−2,405	−2,350
Total	−7,170	−8,125	−7,690	−11,190	−11,865	−11,480	−11,475	−11,960	−11,545

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[1] At levels of income estimated for calendar year 1963 without feedback.

[2] Less than $2,500,000.

[3] Includes 100-percent intercorporate dividend deduction for certain affiliated groups.

[4] Revised; estimates in Ways and Means Committee report combining this item with "unlocking" were $340,000,000 in 1964 and $210,000,000 in 1965.

[5] Treasury Department estimates revised from estimates of $145,000,000 for 1964 and $185,000,000 for 1965 in Ways and Means Committee report; estimates of staff of Joint Committee on Internal Revenue Taxation are $245,000,000 for 1964, $305,000,000 for 1965, and $435,000,000 for the long run (1968).

[6] Treasury Department estimates; estimates of staff of Joint Committee on Internal Revenue Taxation are higher, because of the investment credit basis provision, by $85,000,000 for 1964, by $110,000,000 for 1965, and by $240,000,000 for the long run (1968).

TABLE 4.—*Revenue bill of 1964, H.R. 8363—Estimated decrease (−) and increase (+) in fiscal year receipts*[1] *of provisions of bill as passed by the House of Representatives, as passed by the Senate, and as approved by the conference, fiscal years 1964 and 1965*

[In millions of dollars]

	Fiscal year 1964 receipts			Fiscal year 1965 receipts		
	As passed by the House of Representatives	As passed by the Senate	As approved by the conference	As passed by the House of Representatives	As passed by the Senate	As approved by the conference
A. 1963–64 tax program:						
Rate changes:						
Individual (basic rates)	−2,430	[2] −1,900	[2] −1,900	−7,530	[2] −8,060	[2] −8,060
Corporation (basic rates)				−1,320	−1,320	−1,320
Corporation (acceleration of tax payments)	+260	+260	+260	+900	+900	+900
Total, corporation	+260	+260	+260	−420	−420	−420
Total, rate changes	−2,170	−1,640	−1,640	−7,950	−8,480	−8,480
Structural changes:						
(a) Revenue raising:						
1. Group term insurance				+5	(3)	+5
2. Bank loan insurance				+5	+5	+5
3. Sick pay exclusion				+110	+55	+65
4. Deduction of personal taxes				+520	+190	+300
5. Casualty loss deduction				+50	+50	+50
6. Aggregation of mineral properties				+40	+40	+40
7. Personal holding companies				+15	+15	+15
8. Repeal of dividend credit and increase in exclusion				+120	+120	+120
9. Mutliple corporation penalty tax				+35	+35	+35
10. Exclusion of foreign earned income					+10	(3)
Total, revenue raising				+900	+520	+635

See footnotes at end of table.

TABLE 4.—*Revenue bill of 1964, H.R. 8363—Estimated decrease (−) and increase (+) in fiscal year receipts*[1] *of provisions of bill as passed by the House of Representatives, as passed by the Senate, and as approved by the conference, fiscal years 1964 and 1965*—Continued

[In millions of dollars]

	Fiscal year 1964 receipts			Fiscal year 1965 receipts		
	As passed by the House of Representatives	As passed by the Senate	As approved by the conference	As passed by the House of Representatives	As passed by the Senate	As approved by the conference
A. 1963–64 tax program—Continued						
Structural changes—Continued						
(b) Revenue reducing:						
11. Medical expense deduction				−10	−10	−10
12. Child care allowance				−5	−20	−15
13. Moving expenses				−60	−105	−60
14. Income averaging				−40	−40	−40
15. Minimum standard deduction				−320	−320	−320
16. Repeal of 2-percent tax on consolidated returns				−50	[4] −55	[4] −55
17. Political contributions					−25	
18. Installment sales treatment					−140	−100
19. Expropriation loss carryover					(3)	(3)
20. Retirement income credit					−10	−10
21. Extension of head-of-household status					−20	
22. Extra exemption and transportation expense for disabled					−185	
23. Double investment credit for facilities to control pollution					−25	
Total, revenue reducing				−485	−955	−610
Total, structural changes				+415	−435	+25
Total, rate and structural changes 1963–64 tax program	−2,170	−1,640	−1,640	−7,535	−8,915	−8,455
Capital gains revision (including induced effects):						
1. Unlocking of capital gains from general rate reduction				+130	+130	+130
2. 50–40-percent inclusion, additional holding period, and 21-percent maximum rate				[5]+130		
3. Carryover of losses				−30		−30
4. Sale or exchange of real estate				(3)	(3)	(3)
5. Sales of residences by taxpayers aged 65 or over				−10	−10	−10
6. Capital gains treatment of iron ore royalties				−5	−5	−5
Total, capital gains revisions				+215	+115	+85
Total, 1963–64 tax program	−2,170	−1,640	−1,640	−7,320	−8,800	−8,370
B. Revision of 1962 legislation:						
1. Repeal of requirement to reduce basis by investment credit	−15			[6]−160	[6]−160	[6]−160
2. Allow investment credit for elevators and escalators	−5	−5	−5	−10	−10	−10
3. Elimination of allocation of travel expenses		(3)	(3)		−5	(3)
Total, revision of 1962 legislation	−20	−5	−5	[7]−170	[7]−175	[7]−170
C. Total, revenue bill of 1964:						
Individual	−2,430	−1,900	−1,900	−6,940	−8,255	−7,885
Corporation	+240	+255	+255	−550	−720	−655
Total	−2,190	−1,645	−1,645	[7]−7,490	[7]−8,975	[7]−8,540

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[1] At levels of income estimated for calendar year 1963 without feedback.

[2] Assumes effective date for withholding change of Mar. 8, 1964.

[3] Less than $2,500,000.

[4] Includes 100-percent intercorporate dividend deduction for certain affiliated groups.

[5] Revised; estimate in Ways and Means Committee report, combining this item with "unlocking" was $340,000,000.

[6] Treasury Department estimate revised from estimate of $145,000,000 in Ways and Means Committee report; estimate of staff of Joint Committee on Internal Revenue Taxation is $245,000,000.

[7] Treasury Department estimate; estimate of staff of Joint Committee on Internal Revenue Taxation is higher by $85,000,000 because of the investment credit basis provision.

TABLE 5.—*Action by conference on H.R. 8363 resulting in significant change in tax liability over House bill and Senate bill, calendar years 1964–65 and long run*

[In millions of dollars]

Action by conference	Change in tax liability					
	From House bill			From Senate bill		
	1964	1965	Long run	1964	1965	Long run
1. Elimination of deduction for political contributions				+25	+5	[1] +15
2. Revision of deduction for child care expenses	−10	−10	−10	+5	+5	+5
3. Limitation of allocation of expenses of travel to foreign travel	(2)	(2)	(2)	(3)	(3)	(3)
4. 100 percent intercorporate dividend deduction for certain affiliated groups	−5	−5	−5			
5. Retention of deduction of State and local tax on motor fuels	−220	−220	−220	+110	+110	+110
6. Elimination of allowance to reimbursed employee, as part of sales price, of selling costs and loss on forced sale of house				+45	+45	+45
7. Elimination of 40 percent inclusion, additional holding period, and 21 percent maximum rate with respect to capital gains	[4]−130	[4] +10	[4] +230			
8. Allowance of indefinite carryover of capital gains				−30	−30	−30
9. Modification of allowance of installment sales treatment for revolving credit plans	−100	−5	−5	+40	+5	+5
10. Permitting election of 10-year carryforward without carryback for expropriation losses	(2)	−5	[5] −5			
11. Establishment of $50,000 as the maximum group-term life insurance not subject to tax	(2)	(2)	(2)	(3)	(3)	(3)
12. Liberalization of retirement income credit on certain joint returns	−10	−10	−10			
13. Modification of restriction on sick pay exclusion	−45	−45	−45	+10	+10	+10
14. Modification of exclusion of foreign earned income		(3)	(3)	−10	−10	−10
15. Elimination of extension of head-of-household status				+20	+20	+20
16. Elimination of extra exemption and transportation expenses for disabled				+185	+185	+185
17. Elimination of double investment credit for facilities to control pollution				+25	+30	+50
Total	−520	−290	−70	+425	+375	+405

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[1] $25,000,000 for presidential election year; 50 percent of that amount for congressional election year and 25 percent for off year; average about $15,000,000 per year.

[2] Minus—less than $2,500,000.

[3] Plus—less than $2,500,000.

[4] These differences are based on revised estimates of effect of House action.

[5] Negligible by 1970.

TABLE 6.—*Action by conference on H.R. 8363 resulting in significant change in tax receipts over House bill and Senate bill, fiscal years 1964 and 1965*

[In millions of dollars]

Action by conference	Change in tax receipts			
	From House bill		From Senate bill	
	Fiscal year 1964	Fiscal year 1965	Fiscal year 1964	Fiscal year 1965
1. Elimination of deduction for political contributions				+25
2. Revision of deduction for child care expenses		−10		+5
3. Limitation of allocation of expenses of travel to foreign travel	(1)	(1)	(2)	(2)
4. 100 percent intercorporate dividend deduction for certain affiliated groups		−5		
5. Retention of deduction of State and local tax on motor fuels		−220		+110
6. Elimination of allowance to reimbursed employee, as part of sales price, of selling costs and loss on forced sale of house				+45
7. Elimination of 40 percent inclusion, additional holding period, and 21 percent maximum rate with respect to capital gains		[3] −130		
8. Allowance of indefinite carryover of capital losses				−30
9. Modification of allowance of installment sales treatment for revolving credit plans		−100		+40
10. Permitting election of 10-year carryforward without carryback for expropriation losses		(1)		
11. Establishment of $50,000 as the maximum group-term insurance not subject to tax		(1)		(2)
12. Liberalization of retirement income credit on joint certain returns		−10		
13. Modification of restriction on sick-pay exclusion		−45		+10
14. Modification of exclusion of foreign-earned income				−10
15. Elimination of extension of head-of-household status				+20
16. Elimination of extra exemption and transportation expenses for disabled				+185
17. Elimination of double investment credit for facilities to control pollution				+25
18. Postponed termination of 18-percent withholding rate and advanced initiation of 14-percent rate	[4] +530	[4] −530		
19. Postponement of repeal of basis adjustment under the investment credit	+15			
Total	+545	−1,050	(2)	+425

[1] Minus—Less than $2,500,000.

[2] Plus—Less than $2,500,000.

[3] This difference is based on revised estimate of effect of House action.

[4] Assumes effective date for withholding change of Mar. 8, 1964.

TABLE 7.—*Revenue bill of 1964, H.R. 8363—Distribution by adjusted gross income class of the full year effect of rate and structural changes affecting individuals* [1]

AS APPROVED BY THE CONFERENCE (FEB. 19, 1964)

Adjusted gross income class (thousands of dollars)	Rate change	Structural changes													Total rate and structural changes
		Group term and other insurance	Sick-pay exclusion	Limitation of deductions	Casualty loss deduction	Personal holding companies	Dividend credit and exclusion	Medical care deduction (aged)	Child care allowance	Moving expenses	Income averaging	Minimum standard deduction	Retirement income credit	Total structural changes	
	In million of dollars														
0 to 3	−400	(2)	(2)	5	(2)	(2)	(2)	(2)	(2)	(2)		−170	(2)	−165	−565
3 to 5	−1,020	(2)	15	30	5	(2)	10	(2)	−10	−15		−100	(2)	−65	−1,085
5 to 10	−3,905	(2)	30	130	25	(2)	30	(2)	−5	−25	(2)	−50	−5	+130	−3,775
10 to 20	−2,285	(2)	15	75	15	(2)	50	(2)	(2)	−15	−10		−5	+125	−2,160
20 to 50	−1,150	5	5	35	5	(2)	85	−5	(2)	−5	−20		(2)	+105	−1,045
50 and over	−710	10	(2)	25	(2)	15	125	−5	(2)	(2)	−10		(2)	+160	−550
Total	−9,470	15	65	300	50	15	300	−10	−15	−60	−40	−320	−10	+290	−9,180
	Change as a percent of present tax														
0 to 3	−27.6	(2)	(2)	0.3	(2)	(2)	(2)	(2)	(2)	(2)		−11.7	(2)	−11.4	−39.0
3 to 5	−25.3	(2)	0.4	.7	0.1	(2)	0.2	(2)	0.2	−0.4		−2.5	(2)	−1.6	−26.9
5 to 10	−21.3	(2)	.2	.7	.1	(2)	.2	(2)	(2)	−.1	(2)	−.3	(2)	+.7	−20.6
10 to 20	−18.0	(2)	.1	.6	.1	(2)	.4	(2)	(2)	−.1	−0.1		(2)	+1.0	−17.0
20 to 50	−17.0	0.1	.1	.5	.1	(2)	1.3	−0.1	(2)	−.1	−.3		(2)	+1.6	−15.5
50 and over	−17.0	.2	(2)	.6	(2)	0.4	3.0	−.1	(2)	(2)	−.2		(2)	+3.8	−13.2
Total	−20.0	(2)	.1	.6	.1	(2)	.6	(2)	(2)	−.1	−.1	−.7	(2)	+.6	−19.4

[1] Excludes effect of capital gains provisions and repeal of the requirement to reduce basis by amount of investment credit.

[2] Less than $2,500,000 or 0.05 percent.

TABLE 8.—*Individual income tax liability under present law and under H.R. 8363*

SINGLE PERSON WITH STANDARD DEDUCTION, CALENDAR YEAR 1965

Adjusted gross income [1]	Under present law	Under H.R. 8363		
		Amount of tax	Tax reduction	
			Amount	Percentage
$1,000	$62	$16	$46	74
$1,500	152	87	65	43
$2,000	242	163	79	33
$3,000	427	333	94	22
$4,000	625	504	121	19
$5,000	818	671	147	18
$6,000	1,048	866	182	17
$7,500	1,405	1,168	237	17
$10,000	2,096	1,742	354	17
$12,500	2,982	2,478	504	17
$15,000	4,002	3,334	668	17
$17,500	5,153	4,291	862	17
$20,000	6,412	5,350	1,062	17

[1] Wages and salaries.

TABLE 9.—*Individual income tax liability under present law and under H.R. 8363*

MARRIED COUPLE WITH NO DEPENDENTS, WITH STANDARD DEDUCTION, CALENDAR YEAR 1965

Adjusted gross income [1]	Under present law	Under H.R. 8363		
		Amount of tax	Tax reduction	
			Amount	Percentage
$1,000	0	0	0	0
$1,500	$32	0	$32	100
$2,000	122	$58	64	52
$3,000	305	204	101	33
$4,000	485	358	127	26
$5,000	660	501	159	24
$6,000	844	658	186	22
$7,500	1,141	915	226	20
$10,000	1,636	1,342	294	18
$12,500	2,278	1,886	392	17
$15,000	2,960	2,460	500	17
$17,500	3,710	3,085	625	17
$20,000	4,532	3,764	768	17

[1] Wages and salaries.

TABLE 10.—*Individual income tax liability under present law and under H.R. 8363*

MARRIED COUPLE WITH 2 DEPENDENTS, WITH STANDARD DEDUCTION, CALENDER YEAR 1965

Adjusted gross income [1]	Under present law	Under H.R. 8363		
		Amount of tax	Tax reduction	
			Amount	Percentage
$1,000	0	0		
$1,500	0	0		
$2,000	0	0		
$3,000	$65	$4	$61	94
$4,000	245	144	101	41
$5,000	420	290	130	31
$6,000	600	450	150	25
$7,500	877	687	190	22
$10,000	1,372	1,114	258	19
$12,500	1,966	1,622	344	17
$15,000	2,616	2,172	444	17
$17,500	3,350	2,785	565	17
$20,000	4,124	3,428	696	17

[1] Wages and salaries.

TABLE 11.—*Individual income tax liability under present law and under H.R. 8363*

MARRIED COUPLE WITH NO DEPENDENTS, WITH TYPICAL AVERAGE ITEMIZED DEDUCTIONS, CALENDAR YEAR 1965

Adjusted gross income[1]	Under present law	Under H.R. 8363		
		Amount of tax	Tax reduction	
			Amount	Percentage
$5,000	$540	$407	$133	25
$6,000	696	538	158	23
$7,500	976	785	191	20
$10,000	1,460	1,204	256	18
$12,500	1,972	1,644	328	17
$15,000	2,525	2,111	414	16
$17,500	3,133	2,622	511	16
$20,000	3,770	3,158	612	16
$25,000	5,229	4,368	861	16
$30,000	6,886	5,773	1,113	16
$40,000	10,775	9,031	1,744	16
$50,000	15,248	12,843	2,405	16
$75,000	25,696	21,825	3,871	15
$100,000	37,548	31,897	5,651	15

[1] Wages and salaries.

TABLE 12.—*Individual income tax liability under present law and under H.R. 8363*

MARRIED COUPLE WITH 2 DEPENDENTS, WITH TYPICAL AVERAGE ITEMIZED DEDUCTIONS, CALENDAR YEAR 1965

Adjusted gross income[1]	Under present law	Under H.R. 8363		
		Amount of tax	Tax reduction	
			Amount	Percentage
$5,000	$300	$220	$80	27
$6,000	456	340	116	25
$7,500	720	564	156	22
$10,000	1,196	976	220	18
$12,500	1,664	1,380	284	17
$15,000	2,213	1,847	366	17
$17,500	2,772	2,322	450	16
$20,000	3,410	2,858	552	16
$25,000	4,821	4,032	789	16
$30,000	6,420	5,377	1,043	16
$40,000	10,188	8,537	1,651	16
$50,000	14,576	12,267	2,309	16
$75,000	24,952	21,189	3,763	15
$100,000	36,720	31,201	5,[illegible]19	15

[1] Wages and salaries.

Mr. JONES of Missouri. Mr. Speaker, will the gentleman yield for a couple of brief questions?

Mr. MILLS. I yield.

Mr. JONES of Missouri. I take it from the statement of the managers that the Senate receded on amendment No. 1, declaring the sense of the Congress, but I should like to ask what in the opinion of the chairman would be his interpretation of a brief transitional period before we would raise revenues under this bill.

Mr. MILLS. I would anticipate that after fiscal year 1965, because there will be in that fiscal year a net reduction in revenues, taking into consideration the increase that we expect in the economy, of about $4.5 billion under the conference report—I would think that by fiscal year 1966 we would be well back to where we are now with these higher rates of taxation.

Mr. JONES of Missouri. One other brief question: Does the gentleman see anywhere in the foreseeable future that we will be able to reduce the public debt?

Mr. MILLS. Yes. We are not going to do it, apparently, on the basis of the present rates of tax. We have not done a very good job of it since World War II. I think there is a possibility of a balanced budget within a reasonable period of time, as suggested here in the preamble. Any time we have a balanced budget, that means that we have some excess of revenues over spending that can go no place except into the discharge of some of the previously created indebtedness.

Mr. JONES of Missouri. Then, with my confidence in the gentleman from Arkansas, I intend to support this conference report, relying on his statement.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Wisconsin.

Mr. LAIRD. The gentleman from Arkansas mentions the fact that the budget figure for 1965 was in the motion to recommit that was made in the House when the bill was under consideration.

Mr. MILLS. I was referring to the spending budget.

Mr. LAIRD. Will the gentleman admit that the spending budget in 1964 was at least $600 million more than the amount which his committee promised in November would be the figure for fiscal year 1964?

Mr. MILLS. No, we were talking about the cash rate of spending, as I recall, when the Secretary of the Treasury gave us certain figures. I will check with him, but I had understood he was talking about the actual cash spending by the Government.

Mr. LAIRD. That is what the other refers to, the actual cash spending. They are comparable figures.

Mr. MILLS. It was not over $100 million as he used the figures, but this rate of spending, as the gentleman knows, in the budget, $97.9 billion, those are the figures I am referring to.

Mr. LAIRD. As to fiscal 1965.

Mr. MILLS. That is right.

Mr. LAIRD. But in the fiscal 1964 figures there has been an increase by $650 million, according to their own estimate, and according to the estimate of others, over $1 billion.

Mr. MILLS. There has been that increase in 1964.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. I understand that the Internal Revenue Service or the Treasury Department has caused to be printed thousands upon thousands, running into untold thousands of dollars of printing expense, of revised tax guides.

Mr. MILLS. The Internal Revenue Service did, at the direction of the conferees, reprint tables incorporating the 14-percent withholding rate.

Mr. GROSS. What are you going to do if this bill does not pass?

Mr. MILLS. We are all optimistic.

Mr. GROSS. Who is going to explain the expenditure of thousands and thousands of dollars if the bill does not pass, and I hope it does not.

Mr. MILLS. The conferees on the part of the House and Senate felt that both branches would take the conference report. We certainly hope that they will, and we feel that they will.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain tables and charts.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, I yield 10 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS. Mr. Speaker, I did not sign the conference report and it is my recommendation that the House not accept it. This is a poorer measure than that which passed the House.

Let me start on an affirmative note, however, and state that I do agree with the gentleman from Arkansas, the chairman of the committee [Mr. MILLS], that in many respects, in the technical aspects of the amendments, this is a better bill than that which passed the House. A lot of improvements were made.

My basic objection goes back to the economic premise upon which this tax bill was first presented to the House and on the basis of which it passed the House and then went over to the Senate and then came back from conference.

In reference to the economic premise, this is a much inferior bill to that which passed the House. The economic premise, of course, was to stimulate the economy. Those of us who have opposed this bill at this time were not opposing it on the basis of opposition to the need for tax reform. In fact, we argued with those who are now supporting tax reform that they were Johnny-come-latelies; but that this has to be done in the context of and with expenditure reform. The counterargument, I might say, to this theory of stimulating the economy without expenditure reform is that it will basically damage the economy through inflation and through further increases in unemployment and in an aggravation of our very serious international situation with regard to balance of payments.

To restate the bare bones of this argument—

First. Our economy is vigorous—not tired and lethargic.

The administration's theory is predicated on the fact that the economy is tired and lethargic and needs a stimulus, that it needs a shot in the arm, if you will notice their figure of speech.

Our point is that our economy is growing so fast that it has growing pains and that the tax structure is impeding this economic growth.

Using this figure of speech, it needs bigger shoes and larger clothing and fresh air and exercise—and not shots in the arm.

Now as to the second part of this syllogism—

Problems in the field of debt management are as dangerous and as restrictive on economic growth as the problems that we all recognize exist in the tax field.

Voting for a tax cut without real expenditure reform simply transfers the tax problems over into debt management problems.

This is the situation as it exists. So the dispute, as it develops here on the floor of the House and even before it came to the floor of the House, was over the question of expenditure reform. Fortunately, the theorists behind the administration proposal had no spokesman on the floor of the House during the conduct of debate.

The only spokesmen who spoke for the tax bill did so on the grounds that they were bringing about expenditure reform.

Members will recall the Mills preamble to the tax bill, as it passed the House, which said it was the sense of Congress that there would be expenditure reform. Gentlemen and ladies of the House, that preamble has been dropped in the conference report.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman.

Mr. MILLS. I remind my friend that the other body receded on the amendment and the preamble is in the conference report.

Mr. CURTIS. Oh, you left it in?

Mr. MILLS. Yes.

Mr. CURTIS. I thought it had been knocked out. Let us be sure on that.

Mr. MILLS. Look at the conference report.

Mr. CURTIS. Very well.

Mr. MILLS. On the first page it shows that the Senate receded on amendment No. 1.

Mr. CURTIS. I stand corrected. I thought the preamble had been dropped. It might just as well have been dropped.

I might add that, in the debate over the preamble, there was a question of whether good intentions would conform to actuality.

Now I wish to talk to my Republican friends primarily. The Republican proposal in lieu of the preamble had two parts to it. First, that the expenditure level for the fiscal year 1964 be kept at $97 billion; and, second, that the expenditure level for fiscal year 1965 be kept at $98 billion.

Some of my Republican friends have a feeling that because the Johnson administration has come in with its 1965 expenditure level predicated at $97.9 billion—note how they just got under the $98 billion—therefore, the preamble, as in the Democratic proposal and in the bill, and the Republican motion to recommit have been fulfilled; but the point is that the most realistic of all figures, of course, are the figures on expenditure levels for the current fiscal year.

The Kennedy administration in November was down to $97.8 billion for fiscal year 1964. Under the Budget and Accounting Act, the administration is required to give a new January estimate for this figure. The Johnson administration estimate increased it by $600 million, to $98.4 billion. This was done at the same time that headlines were being created, talking about turning off the lights at the White House and cutting back on Cadillacs. In other words, there has not been a conformity to the preamble which the chairman put into the bill or to the Republican motion to recommit.

So far as the realistic figures contained in the $97.9 billion estimate for fiscal year 1965 and the rest of the Johnson budget are concerned—and I am talking now to my Republican friends—the Bow committee, riding herd on these expenditures, met only yesterday and came forth with a very good analysis of this budget. To use a short word, they called it "phony" so far as holding to these expenditure levels is concerned.

This has nothing to do with parties. The issue before us is, regardless of these party positions, what are the facts so far as the economy of this country is concerned? Will we stimulate the economy to a point that we will have a boom which will then lead to a bust?

I suggest that the record and the budget itself and the figures reveal that the preamble is not being lived up to any more than was the expenditure level for 1964 reduced. Indeed, that expenditures were actually increased.

Furthermore, I wish to say that the President's Economic Report points out the real facts. The President's Economic Report, filed only a month ago, says that Federal expenditures will increase $2.5 billion from calendar year 1963 through calendar year 1964. There is the truth of the matter.

Furthermore this budget—this is the administration's statement—will give the greatest stimulus to our economy of any Federal budget ever presented. In other words, expenditures are not cut. This is the truth of the matter: The conference report before us now accelerates the heating up effect of the tax bill by accepting the Senate version of accelerating the new withholding so that the major impact of this tax bill is forced right into calendar 1964 and will cover a 12- to 18-month period instead of the House version which would have spread this tax cut over a period of 24 to 30 months. Therefore, we are making this economic picture worse and moving forward into a boom and bust posture.

I want to make two additional major points. We are adopting a new fiscal theory in accepting this conference report, on deficit financing. We are abandoning the old theory of deficit financing even before it has established its merit. The old theory was we balanced out the deficits we created in economic declines through the surpluses during period of economic upsurge. Today, in 1964, no one denies we are in a period of economic upturn, at the top. This is the very time when we should be recouping and paying off on the Federal debt, according to that old theory. The new theory is to balance the budget in periods of full employment, whatever that means.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. MILLS. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. CURTIS. The gentleman is being very helpful, but I am the only one speaking against the bill. I will try to finish in 2 minutes.

The new theory that this bill is predicated on is we balance the budget in periods of full employment, whatever that might mean. According to the administration, they think it might mean 1967. According to the eminent economist Dr. Arthur Burns, it means probably 1972. But it is certainly a brand new theory and completely abandons the Puritan ethic. Secondly, I think we ought to judge our present decision by the immediate past. The gross national product estimates of the President's Council of Economic Advisers for fiscal 1963 were based on a tax cut in 1963. Indeed the Council said if we did not have a tax cut in 1963, we might face a recession. So the Congress in its wisdom did not give a tax cut in 1963. What was the result? We exceeded the growth estimates of the Council of Economic Advisers measured in gross national product in what this economy of ours did, without this kind of false stimulus, without this damaging kind of a stimulus of a tax cut without expenditure reform in a period of cylical upswing. Yet here we are with more reasons than in 1963 not to pass this in fiscal 1964, accepting a conference report which aggravates and heats up the economy even more than did the bill that passed the House.

Finally, as to a technical matter but a very serious one, there are contained in this bill a number of Senate amendments that are completely ungermane to the bill that passed the House. I have tried to point out time and again over a period of many years, under the Constitution, revenue measures must originate in the House. The Senate's authority is only to amend. If that power of amendment is to have any meaning at all, there must be some ruling on germaneness. Regrettably the House has not held the line on this and we did not in this case. We have had matters put into this conference report on amendments of the Senate which the House Ways and Means Committee had no opportunity of going over or studying them let alone the House having the opportunity to consider them. I would regard these Senate proposals as unconstitutional. I hope the time will come when the House will make a determined fight to preserve this basic feature of the Constitution which is based on such sound reasoning.

Mr. MILLS. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. KNOX].

Mr. KNOX. Mr. Speaker, as a member of the conference committee on the part of the House I rise in support of the conference report. I do so because I feel strongly that the bill now as agreed to between the House and Senate conferees is a better bill and a much more justifiable bill than was the legislation which we had before us at the time the House first considered this measure. This is true, plus the fact that as I recall the motion to recommit did call for a limitation on expenditures for fiscal year 1965 in the amount of about $98 billion.

Mr. Speaker, the President's budget as submitted to the Congress does call for the expenditure of approximately $98 billion, as we had previously hoped to write into the motion to recommit.

Mr. Speaker, it is my hope that the President is sincere in the budget which he has sent to the Congress. I agree with our chairman of the Committee on Ways and Means, the gentleman from Arkansas [Mr. MILLS], that it is up to the Congress to bring about fiscal responsibility as far as spending is concerned. It is my hope that the conference report will be adopted and that this will become an actuality. It is my further hope that Congress will at least do its best to control spending, within the anticipated budget which the President has sent to the Congress.

Mr. Speaker, some 5 months ago this House considered H.R. 8363. At that time I opposed the bill; first, because I felt a number of the substantive changes in our tax laws it called for were unwise, but primarily because I felt it was economically and fiscally unjustifiable. Today as a member of the conference I rise in support of this legislation, and urge you to adopt it. There are a number of reasons for this apparent change in my position, but they largely involve changes made in the bill itself, coupled with changes in the fiscal climate in which we are now considering it.

I should like to deal first with the substantive provisions of the bill. Naturally it is far from perfect, either in my eyes, or those of anyone else I am sure. As tax reform it leaves much to be desired. Unfortunately, it still complicates rather than simplifies our already overly complex tax structure. Yet it is certainly a vast improvement over the bill that left this House last September. Although I would have preferred to see it contain some reduction in capital gains rates, perhaps it is best they were left pretty much alone by the Senate in light of the highly confusing nature of the capital gains structural changes envisioned by the House bill. I am particularly encouraged by the Senate action and that of the conference in regard to the deductibility of State gasoline taxes. There was no justification for their removal in the House bill except perhaps as a revenue raising measure, and in that respect they struck off in the wrong direction. We have long recognized the validity and equitability of deducting State taxes of this general type, and it is best that this should continue. There are other areas in the final bill with which I do not agree, but this bill as it now stands is probably the best we can hope for. There is one area in which I still have considerable reservation, however, and that is the area of withholding on wages and salaries. The cut adopted by the Senate and accepted in conference from 18 to 14 percent is far too great a cut at this time. To begin with, it may well mislead a great many taxpayers into believing they are getting a much greater tax cut than is actually the case. This will result, of course, from the sudden jump in take-home pay that will occur in mid or late March for millions of hourly and salaried employees. It may also mean that a great many persons who previously have counted on refunds or at least breaking even come tax return time will find next year that they owe substantial amounts to the Treasury due to underwithholding this year. Many commentators have also pointed out that this drastic slash in the withholding rate could well result in an overly inflationary boost to the economy now followed by depressing effects next spring when millions have to tighten their belts to cover tax balances due. I feel that a 15-percent rate at minimum would have been far more realistic and far less misleading.

At the same time, I feel the justification for tax cuts is on a much sounder fiscal basis than last fall. You will recall that at the time we were considering the bill in September, a Republican amendment was offered which would have made any tax cuts conditional on the rate of expenditures being held at $97 billion for fiscal year 1964 and $98 billion for fiscal 1965. This amendment was defeated, and a declaration of intent inserted in the bill expressing the sense of Congress that Federal spending should be restrained. At the time the bill was before the House there was no assurance that such restraint would be forthcoming or even seriously contemplated. Within the past few weeks, however, we have received a number of messages from President Johnson and have witnessed what appears to be an economy drive in the Federal Government. Although I still have my doubts as to the validity of many of the fiscal year 1965 budget figures, I am willing to take President Johnson at his word, so far as promised restraint in Federal spending is concerned. At the same time, there has been increasing evidence here in Congress that perhaps we are ready to get serious about economy and approach sensibility in fiscal matters. In effect, the fiscal background against which we seek to justify these tax cuts has improved considerably since last fall, enough so that I feel I can support the adoption of the conference report at this time. Nonetheless, we here in this House must realize that it is incumbent on us to follow through on the promises of forthcoming fiscal sanity. In the months to come as appropriation bills reach this floor, we must consider each in the light of the extent to which they are in accord with this pledge we are making. It is my fervent hope that all this economy talk was not simply for the purpose of "greasing the skids" for the tax bill, but instead will serve as a spur to positive action on our part to insure that this tax cut does not become meaningless in a wave of inflationary pressures.

In conclusion, Mr. Speaker, may I say that while I have considerable reservation about the bill itself and the fiscal course we have been taking, I nonetheless feel that internally H.R. 8363 is much sounder than before and the fiscal situation has improved enough and holds sufficient promise of future improvement to justify passage at this time.

In light of the fact the passage has been so long promised there might well be serious repercussions in our economy should final action be further delayed. For these reasons, I urge your support for acceptance of the conference report on H.R. 8363.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. KNOX. I yield to the gentleman from Illinois.

Mr. MICHEL. The speaker preceding the gentleman from Michigan, the gentleman from Missouri [Mr. CURTIS] addressed himself to debt management. If Members vote for this tax bill and if there is a resulting loss in revenue, would we not in fact have to vote for an increase in the national debt limit?

Mr. KNOX. I think that is a forgone conclusion at this time and it has been for some time in the past that there will have to be an increase in the national debt limit in order to bring about solvency insofar as the Treasury is concerned in meeting its obligations.

Mr. MILLS. Mr. Speaker, I yield 10 minutes to the distinguished gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. BROYHILL], a new and distinguished member of the Committee on Ways and Means.

Mr. BROYHILL of Virginia. Mr. Speaker, I thank the gentleman.

Mr. Speaker, my colleagues recently honored me with the high privilege of serving on the Committee on Ways and Means. I welcome this opportunity to serve and pledge my dedicated efforts in fulfilling my responsibilities in this assignment to the people of the United States and to my constituents in the 10th District of Virginia.

The tax bill, H.R. 8363, that is about to be passed by the Congress is designed to release almost $12 billion into our economy. The tax rates that have been imposed on our citizens are voracious and oppressive, and that relief is needed is beyond question.

Mr. Speaker, notwithstanding the passage of this legislation to lighten our taxload, I have several doubts as to possible effects that could come in the future.

We have been given assurances that fiscal restraints in Federal spending to eliminate budget deficits will accompany this tax reduction. I wonder whether we are prepared to exercise the disciplines of frugality that are essential to justifying a tax cut of this magnitude. I pray that this will be the case, for if it is not, the taxpayers of this country can be the victims of a cruel delusion. I, for one, pledge continuing efforts to exercise the necessary restraints on expansion of Government spending.

There is another aspect of this tax bill which bothers me. The bill provides that for the calendar year 1964 the lowest tax rate is to be 16 percent. The bill further provides that the rate on withholding on salaries and wages is to be 14 percent effective almost immediately. This spread in the minimum tax liability and the rate at which tax is withheld can have severe effects that could be troublesome. This percentage spread can have great effect on the flow and fluctuations of Federal revenue and, therefore, on the rate of deficit over the next 2 years. The temporary reductions in Federal revenues from the lowered withholding rate will put money into the hands of taxpayers quickly. However, in 1965 the true impact of this disparity will also hit the taxpayers. The excess money which has become available through a lowered withholding rate will become available immediately. On April 15, 1965, many taxpayers will find, however, that they owe money on their tax returns or that the tax refund that had been anticipated has either vanished or been substantially reduced. In all fairness and candor this point should be brought to the attention of taxpayers now so that they can plan accordingly.

The effect of these factors contributing to highly fluctuating revenue rates could cause serious imbalances in the immediate future. Fortune magazine of February 1964 aptly summarized this problem by stating that:

> Thus, the United States might conquer its Everest of full employment this side of election day, only to plunge into trouble on the other side of it.

Let us hope this prediction does not come true, but the warning should be heeded.

I have not served on the Ways and Means Committee long enough to have become indoctrinated in all the intricate works of our tax laws or the other problems that come before this distinguished committee.

During my short tenure on this committee I have found that the complexity of the tax laws is staggering. The tax bill upon which action is now being completed is an illustration in point. In addition to the modifications of the rate structure, we find a tax bill of some 400 pages, with volumes and volumes of technical explanation. These so-called structural reforms seem to add a maze of new provisions that only the most sophisticated fully comprehend. I agree with those of my colleagues who advocate that good tax legislation should simplify, not further confuse and complicate. I trust we will conscientiously continue to advocate tax legislation which is both remedial and simplified.

The scope of tax legislation in these days and times is such that it can be the root of our economic survival which can nourish our economy or wither it into trouble and inflation.

Mr. Speaker, I urge that we all pledge to a continuing program of fiscal discipline so as to justify this tax reduction and avoid the dangers of inflation in the future. If there are pitfalls ahead, let us be prepared to accept the consequences and seek to eliminate any such consequences quickly and effectively. I consider it an obligation on my part to bring to the attention of the House not only this word of caution but those facts I find in the future which may be at variance with the promises that have been made by those who urged this tax reduction upon us. I trust that the future will not show that this tax cut is a political exercise in economic gamesmanship.

Mr. BECKER. Mr. Speaker, will the gentleman yield for the purpose of answering one brief question?

Mr. BYRNES of Wisconsin. I yield to the gentleman from New York.

Mr. BECKER. Is it not a fact that the situation now is very little changed from that which existed at the time we passed this measure initially, and that is this: That this tax cut must be financed by borrowed money in order to have a reduction in taxes?

Mr. BYRNES of Wisconsin. I would say that the situation has changed. I shall go into that in my remarks. I would say that the situation has changed between now and last September when we voted on the tax bill. There is no question but that this tax cut will entail some borrowing. When you reduce taxes by $11 billion for a period you will have to make up the difference through borrowing. But there is a normal growth in revenues of $4 to $5 billion annually. If you control spending, the revenues will be brought into balance.

Mr. BECKER. That is right. I thank the gentleman for yielding.

Mr. BYRNES of Wisconsin. There is no question about it.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the chairman of the committee.

Mr. MILLS. I wish my friend the gentleman from Wisconsin [Mr. BYRNES] would point out to my friend the gentleman from New York [Mr. BECKER] that really we have no certainty that we will not be borrowing money in the next fiscal year if we defeat this tax bill. We do not know what the situation will be. We could have to borrow money then.

Mr. BYRNES of Wisconsin. I think it can be said with certainty that whether or not we pass this bill, if the rate of spending continues as projected, we are going to have to come back here before June with legislation increasing the borrowing authority of the President.

Mr. Speaker, I rise in support of this conference report. I think the report itself represents a reasonable adjustment of the differences between the bill as it passed the House and the bill as it passed the Senate. In fact, I would say some of the Senate provisions which were accepted in the conference improved the bill.

I would like for a few brief moments to address myself more to the bill itself which has had a hard and long journey, and I think it is a good thing it did have a long and hard journey because it is an immeasurable improvement from the original proposal that was sent to the committee by the executive branch. Certainly, part of the delay is attributable to many complex so-called "reforms" advanced by the Treasury. You cannot write 300 pages of complex legislation overnight. In fact, you can never be reasonably sure of the effect of such legislation—unless and until those affected around the country are given an opportunity to see what you are doing and to make their views known. But this was not the real cause for delay. When this bill was first sent up to us, the Congress and the people had no stomach for tax reduction in the face of steadily increasing Federal expenditures. We have witnessed a change in thinking on the part of the administration—and the Congress—with respect to spending.

I have always been in favor of tax reduction. It has been my longstanding position that excessive tax burden and steeply progressive rates should be reduced.

I expressed my approval generally of the bill as it came from the committee and was debated in the House last September. I pointed out at that time some items in the bill with which I differed; but as a general proposition I was ready to concede that the bill was acceptable as tax legislation. But, I fought for an honest tax cut, which would be accompanied by a sincere effort to control runaway Federal spending. I opposed the idea that tax reduction and increased Federal spending could be coupled together, without bringing fiscal disaster.

I would like to restate my position today, not only as it relates to this bill, but as it relates to the fiscal policies which will be adopted by the Congress and the Government. Even after this bill becomes law our tax rates will be too high, the rate progressivity will be too steep, and the code will be needlessly complex. This bill does not reduce the steepness of the rate schedules. It does not make the code less complicated. In fact, it makes it more complicated. The Commissioner of Internal Revenue Service just the other day pointed out that the new forms that will be necessary under this bill will be more complicated than the forms we are filing this year.

When this bill was before the House last September I conditioned my support on obtaining a commitment both from ourselves and from the President to hold the line on spending. I said then, and I repeat now, that if we pass this bill without restraints on spending we will be creating a time bomb for inflation. I said then, and I repeat, this reduction will be meaningful, safe, and permanent, only if we put restraints on spending. The gentleman from Missouri [Mr. CURTIS] in opposing this bill has issued a note of warning and caution. All of us who are in support of the bill should bear in mind we are flirting with real danger if we pass this bill, then forget about the need to maintain restraints on spending.

But let me differentiate briefly between the fiscal situation that existed last September and the situation that exists today. At that time the Congress had only started work on the appropriation requests for fiscal 1964.

The President at that time was asking for some $108 million of new obligational authority. We did not know what part of that amount would be granted by the Congress. The administration was projecting an expenditure budget for 1965 of $102 billion, an increase of $4 billion over that proposed for 1964. We were being told by the President's advisers that spending could not, and should not be reduced; that to reduce spending would nullify the benefits of the tax cut.

At that time, as spokesman for the Republican members of the Ways and Means Committee, I proposed that the tax reduction should be conditioned on a further reduction in 1964 expenditures and a level for expenditures for 1965 of not in excess of $98 billion. A majority of the House of Representatives refused to concur in that proposal, and I therefore voted against the passage of the bill.

But my efforts were not wholly in vain. What has transpired since last September justifies a favorable vote on the conference report today. First, to the credit of the Congress, and to the credit of the Appropriations Committee, the Congress cut back on the President's appropriation requests by over $6 billion. That is a considerable improvement in our fiscal situation over what we faced last September.

We were told last September that expenditures for fiscal 1965 would be between $102 and $103 billion. Less than 4 months later, the President has submitted a budget calling for fiscal 1965 expenditures of $97.9 billion, thus vindicating our position last September. We were ridiculed at that time, if you recall, for suggesting that we could operate the Government in fiscal 1965 under a ceiling of $98 billion.

I am not saying that we can just sit back and assume that this $97.9 billion will hold up as the ceiling of expenditures for fiscal 1965. But let me point this out: Under the Budget and Accounting Act, the President is required, whenever he makes any change in the projected budget of $97.9 billion, not only to justify the increase but to account for its omission from the original budget. I would hope that the President himself will stand by his own budget estimate figure. If not, I would hope that this Congress and the Appropriations Committee in considering supplemental requests will hold the President to the $97.9 billion.

I recognize that this new request for new obligational authority contained in the budget leaves much to be desired.

On the other hand, the request for new obligational authority for fiscal 1965 is $4 billion below the amount requested for fiscal 1964. If the Congress does its job as well as it did last year, we can expect a substantial reduction in this request. Again, I would hope and pray, and my position is based on the fact that our Appropriations Committee in this Congress will be as diligent in 1964 in cutting appropriations and cutting back on requests as we were in 1963 in considering the fiscal 1964 budget.

I am willing, Mr. Speaker, in this vote to make two assumptions: First, that the President will stand by his self-imposed ceiling on expenditures of $97.9 billion, and I am willing to assume that the Congress can and will make substantial cuts in the requests for new obligational authority.

Second, I am basing my position on faith that the President, the Congress and our people, both business and labor, will exercise restraint. I trust that that faith will not be misplaced.

But let me conclude with this caution. In the face of a tax cut of $11.5 billion, on top of a deficit of some $10 billion for fiscal 1964, our risk is great. A minimal dose of inflation will offset billions in tax reduction. Our action today will be a cruel hoax on our retired citizens living on fixed incomes, on those who are buying life insurance, or Government bonds—including those of our States and municipalities. We rob all of these through inflation.

Our action today can bring about devastating inflation if we fail to use commonsense in our monetary policy—if business and labor fail to exercise an inflexible control over prices and wages, and if the Congress and the President do not live up to their pledges of economy in Government.

If we pass this bill and then forget about the need to hold the line on spending, we will be inviting disaster. In voting for this bill, I hope each and every one of us binds himself to that provision that still remains in the bill as section 1—to a firm commitment against unnecessary spending.

The passage of this bill and its approval by the President in my book must be considered as a commitment by both the Congress and the President to apply rigid discipline in appropriations and in expenditures. At this time, Mr. Speaker, I certainly pledge my full and wholehearted support to every effort to hold the line.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mr. STRATTON. Will the gentleman tell us whether he supported our move on the floor last Thursday to cut $92 million in unnecessary spending out of the defense authorization bill?

Mr. BYRNES of Wisconsin. I voted for $92 million because in matters of national security I am guided by the committee.

Mr. STRATTON. It was not asked for by the President and it was opposed by the Secretary of Defense as being unnecessary.

Mr. BECKER. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mr. BECKER. I might say to the gentleman that he is expressing a great deal of faith as to what is going to happen. I, as one Member of this House, have faith in the action that we had taken in the past and what we could do now before this came up in matters of spending and giving the people a legitimate tax cut and not do it on the basis of having to go out and borrow money and increasing the debt ceiling and the debt cost. Insofar as that is concerned, I appreciate the gentleman's remarks.

The SPEAKER. The time of the gentleman has expired.

Mr. WYMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. WYMAN. Mr. Speaker, Congress has no business voting to reduce taxes at a time such as the present when our Government is continuing to operate at a deficit. The costs of running the U.S. Government exceed Federal revenues by many thousands of millions of dollars a year and the present administration has shown no truthful intention to stop this march toward national bankruptcy. For Congress now to reduce taxes without at the same time reducing Government expenditures by a substantially equivalent sum is like trying to have our cake and eat it too. It cannot work, despite the learned rationalizations of economic theorists.

To reduce taxes when times are relatively good as they are presently, at a time when the Dow Jones averages have exceeded 800, when compelling reason exists to reduce Government spending instead of reducing its revenues in the teeth of existing inflationary trends, is to pour gasoline on a burning fire. We may have a briefly hotter flame, but after it has burned lower, the placing of Government fiscal policies on a businesslike basis will be rendered much more difficult.

One would think this to be so elemental that the Members of this body would not yield to the political pressures now being brought to bear in support of this move toward conflagration. A vote against this conference report is a vote for sound money. It is a vote to keep some semblance of national fiscal integrity. It is a vote not to steal from Americans who have accumulated savings or who hold fixed dollar credits that will be eaten away by the rash of inflation bound to follow the enactment of this bill.

I voted against the tax reduction bill when it was before us last year. It has not been essentially altered in conference. Instead of increasing tax revenues it will lower them. More than this it will substantially increase the national debt. What this tax reduction really does is to borrow money and have us go further into debt to pay taxes. It will only aggravate and worsen our acute fiscal deficit, not help to solve it. No sound business can long remain sound if it borrows money to meet current operating expenses.

This legislation, while paying lipservice to the stimulation of our economy, is actually a political maneuver to obtain votes to reelect the present administration that this fall will claim it reduced individual taxes and increased take-home pay in an election year. Upon any careful thought, however, the immediate beneficiaries of this tax reduction are bound to discover that while they appear to gain in the short run, they lose more in the long run. This loss is measurable in the decline of the purchasing power of their dollars as well as in the less tangible, yet inevitable, loss of self-respect of a people that know he who dances must pay the fiddler; that understand deep down that it is their obligation to their children to pay their own bills and not to charge more monstrous debt to the next generation.

The fiscal direction of the American economy with this bill is toward financial disaster, not toward an improved economy. The immediate effect will be sharply increased perils of inflation. This, the stock market already has to a certain extent anticipated. In the long run, if we persist in spending more than we take in there looms the inescapable and larger peril of devaluation of our dollar. Beyond this lies the real prospect of a major depression for there is little in this proposal to assure any true regeneration of productive capacity. It is

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merely an injection of a temporary stimulant to keep us going through November at a binge level. It will thereafter leave us with a national economic hangover and with greater problems for every man, woman, and child in this country.

This tax bill will not create more income from a reduction in revenues. This is a literal impossibility. In the future it will be infinitely more difficult to impose new taxes than it is now to individually summon the necessary intestinal fortitude to reject this legislation that means more and more debt for each American family.

The reduction of personal tax liability averages nearly 20 percent, but the principal impact is in the very lowest income brackets where it reaches a rate of nearly 30 percent. This does not create working capital. Most people will not use this money to achieve means with which to make more money. Rather, they will use it principally to help reduce the already fearfully excessive private debt with which they are burdened and which is attaining dangerous levels in America.

The Federal Government should be an example of fiscal responsibility to our people. It should not play politics with the solvency of the country. The risk of insolvency, of eventual national bankruptcy or a moratorium on national obligations should be sufficient cause to reject this bill. A greater cause is that an $11 billion reduction in Government revenues assures fiscal weakness. It enervates America's capability to sustain the cost of any prolonged need for extraordinary expenditures to defend the United States should a national emergency again confront us.

This tax reduction without reducing spending is fiscal irresponsibility of the highest order. Regardless of its political attractiveness or its undeniable short-range political appeal, we in the Congress owe it to the American people to reject proposals for tax reduction that are not matched by a reduction in Federal spending. Just as the claim that the present tax reduction is a boon is a myth, so is the contention that sharply reducing our national income can increase it. We should pay our bills as we go.

Henry Hazlitt has pointed out some of the basic facts in a column published yesterday entitled "Phony Tax Cut." I commend its thoughtful reading by all concerned citizens, who, I firmly believe, will deplore and eventually reject this politically inspired tax reduction that means for most citizens less value in dollars saved, less assurance of real dollars to be earned, less certainty of continued job protection, less value in old age pension and welfare checks and a greater risk that the entire national economy may disintegrate in a major recession and eventual depression from which the America that we now know and love may never be able to rise again.

PHONY TAX CUT

(By Henry Hazlitt)

By a vote of 77 to 21 the Senate has passed substantially the same tax cut bill as that passed by the House in September. So the country is certain to have a new tax law, bad in almost every respect.

A tax cut of $11 billion, accompanied by a sufficient slash in spending to insure a balanced budget, would have been a genuine stimulus to long-run economic growth. But the present tax cut is a fraud on its face. It is enacted in a fiscal year when the Treasury already expects a deficit of $10 billion, and looks forward to another deficit in the next year of $5 billion. So we are borrowing to cut taxes.

The tax cut may turn out to be deceptive in a double sense. It is called a tax cut of more than $11 billion. Yet in the face of this, the Treasury blandly estimates that tax revenues will be $4.6 billion greater in fiscal 1965, when the cut is fully effective, than in 1964, and $6.6 billion greater than in fiscal 1963.

The theory is that the tax cut itself will make us so prosperous that even the revenues will increase. This would no doubt have been possible if the confiscatory and unproductive tax rates above 50 percent in the higher brackets had been cut down to that level. But the slash is mainly in the lower tax brackets. It reduces the aggregate tax liability by an average of 19 percent. It reduces the tax liability of persons in the lowest bracket by 38 percent.

IMPLAUSIBLE ESTIMATE

It would take an average increase in taxable incomes of more than 20 percent to realize the Treasury's estimate of higher income tax revenues. That is just not plausible. If it were achieved in dollar terms through inflation, Government spending would increase correspondingly. The 1965 deficit may be nearer to $10 billion than to $5 billion.

There would have been some compensation if the tax cut had been accompanied by real tax reform—if the burdens on production had been lightened; if the punitive income tax rates above 50 percent had been abolished; if the one-sided capital gains tax and the double taxation of corporate dividends had been mitigated. Instead, by reducing the already lower rates much more percentagewise than the higher rates, the scale of graduation has been made even steeper. Even the mere token dividend credit of 4 percent (far lower than that of Canada or Great Britain) has been abolished. Though corporation tax rates have been reduced, the reduction is offset by advanced collections.

SOAK THE RICH

Thus a shortsighted soak-the-rich and penalize-the-productive philosophy has prevailed, even though it will stunt our economic growth, and slow down the increase in capital accumulation and investment upon which a nation must depend for all improvement in economic conditions, for any increase in real wages, and for any permanent success in a war against poverty.

Insofar as there is any theory behind the tax cut except how to win the coming election, it is an extreme and discredited Keynesianism. It is the theory that the way to increase prosperity and employment is to increase "consumer spending." If you cut taxes, so the theory goes, consumers will have more to spend, and business, selling more, will provide more jobs. What this overlooks is that our unemployment is the result of excessive wage rates and labor costs in some lines as compared with productivity. So if wage demands go up as much as prices, the unemployment will remain.

When Government expenditures are higher than revenues, the difference must somehow be paid for. If the deficit is met by selling bonds to savers, the Government will absorb the investment funds that would normally be used by business. What the advocates of the tax cut are really depending on, therefore, is that the difference will be paid for by newly printed paper money. This will further raise prices, lower the purchasing power of the taxpayers' remaining money, reduce world confidence in the dollar, and increase the balance-of-payments crisis about which the administration professes to be so concerned.

GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks in the RECORD at this point on the conference report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of California. Mr. Speaker, the tax reduction bill under consideration today has my support. It will help our economy grow and create more jobs.

It was under a vastly different set of circumstances that I opposed the tax reduction bill passed by the House last September. At that time, we were being told of the prospect of a 1965 administrative budget well in excess of $100 billion, there were no firm assurances that any attempts were being made to hold down Federal spending or to achieve a balanced budget, and efforts to make tax reduction contingent upon official expenditure estimates of $97 billion for 1964 and $98 billion for 1965 were rejected.

Now the President has come forth with a proposed budget of $97.9 billion for 1965. This represents to me a proper step in the direction of expenditure control and toward balancing the budget. I am supporting the tax bill today on the basis that this new expenditure policy has been presented to us in good faith and in the thought that the President deserves a chance to prove his intentions by not asking for new programs in this session that would substantially increase spending.

Mr. LIBONATI. Mr. Speaker, the tax cut plan formulated at the suggestion and exhortation of our deceased President John Kennedy and pressured into enactment by President Johnson as a simple and direct way of stimulating the economy and increasing the potential of employment for the 5½ million unemployed by putting more funds at the disposal of the millions of consumer spenders thus giving the purchasing public who keep the dollars circulating from merchant to banker for deposit to manufacturer—loans for production of goods—to merchants' sales shelves, et cetera, to the consumer public and so the cycle continues for a prosperous business economy.

Thus the Government will collect more income and excise taxes to meet the expenses of Government estimated in 1964 as $5 billion although the late President Kennedy's proposals in January 1963 have been changed in some instances—by reducing some rates less than he had suggested and "watered down" the raising of revenues as suggested in the reform measure. Still the administration predicts that by 1967 the tax cuts will help balance the Federal budget—yielding higher revenues in public spending at lower rates.

Presidents Kennedy and Johnson used every method of approach to stir up public support behind this legislation. The political pressures were primarily alleged to have been used in measurable quality in the Senate. The lightning flash by President Johnson in presenting a 1965 budget at one-half the estimated deficit of the 1964 budget placed the conservatives on the defensive, and won their approval and confidence that the President's pledge would be carried out to reduce Federal expenditures. The House principle thus was substantiated by Presidential action in exerting a restraint in Federal spending. The signal changes were:

First. The taxation of capital gains in the House version of the bill was deleted by the Senate. The House version would have cost the Treasury $230 million income annually.

Second. The stringent House provision for allowing exclusion of sick pay from capital income was slightly changed and liberalized by the Senate and agreed to by the conferees.

Third. Deleted Senate provision of allowing tax deductions for political contributions up to $50 per individual and $100 for a married couple filing a joint return.

Fourth. Estimated Senate provision to extend benefits of the head of a household to other persons who are not now qualified.

Fifth. Also removed Senate provision for tax subsidies to companies that install air and water pollution equipment.

Sixth. Struck out provision—Senate—allowing disabled persons costs of commuting to work. Also giving $600 to those too disabled to work.

Seventh. Sustained deductibility of State and local gasoline taxes. Disallowed deduction on drivers' licenses, taxes on autos, alcoholic beverages, tobacco, and selective excise taxes.

Eighth. Also adopted Senate's liberal provisions for deductibility of child care cost by working wives.

Ninth. Adopted the House provision extending from 5 years to an indefinite period the time during which taxpayers may carry forward their capital losses.

Tenth. The various structural reforms adopted both to close loopholes in the law and also liberalize other areas where hardships result.

Eleventh. The open loophole plugged was the elimination of the 4-percent dividend tax credit while doubling the dividend exclusion to $100 for an individual and $200 for a married couple filing a joint return.

Twelfth. An important hardship alleviation corrected will permit low-income individuals to take standard deduction above the 10-percent maximum. The provision will remove about 1½ million persons from the tax roll.

Thirteenth. Also companies will be allowed to claim depreciation deductions for the full cost of new equipment even though 7 percent of the cost is subsidized by the Government.

Fourteenth. The rules were tightened for computing oil and gas depletion allowances. Tax benefits were also restricted for corporation executives who receive stock options.

Fifteenth. The wage earner on the average will receive a 19- to 20-percent tax cut under the bill. The withholding tax will be reduced from 18 to 14 percent bringing an increase of $800 million a month in take-home pay.

These cuts are being relied upon that effect individuals and corporations to stimulate the economy by consumer spending and business investment creating jobs and preventing a recession—without inflation, which the Congress must guard against by holding down the future appropriations in the Federal spending program.

Individual tax rates will be reduced from the present range of 20 to 91 percent to a lower range of 16 to 77 percent on 1964 income and 14 to 70 percent on 1965 income.

These rates will not affect tax returns now being filed on the 1963 income.

Thus the rates for an individual average taxpayer for 1965 will be 20 percent reduction. Although structural reforms will raise more revenues than are lost, the effect at most will be 1 or 19 percent remaining as a tax reduction.

Corporation rates are reduced from 52 to 50 percent in 1964 income and 48 percent in 1965. A sharper reduction is set for those corporations earning less than $25,000 per year.

The bulk of the reduction will result in 1964 as follows: Considering tax reductions and structural changes a tax reduction amounts to $11,480 million, with the greatest amount in 1964.

Individuals amount estimate $9,120 million of the reduction and corporations $2,360 million.

Although the House version of the bill provided for more revenue raising thus costing the Treasury about $11.2 billion and the Senate bill as passed—amended—$11.9 billion.

The bill, at least at present predictions, is considered the answer to relieving the problems of unemployment in the future—1967—and create more or maintain physically the prosperity of the present economy in excess of $600 billion. It is expected that this bill will in effect add some $30 billion to our economy in 1964–65—and thus in a statistical projection insure a balance of our economy.

Mr. GARY. Mr. Speaker, the Internal Revenue Service has come under attack recently on the grounds that its electronic data processing operation is ineffective. It appears to me that these critics—including some of our better newspapers—are engaged in the old numbers game; one that any number can play so long as you know how to manipulate a statistic to suit your purposes.

The data processing system is being installed by the Internal Revenue Service, of course, to place on electronic tape, for ready access, the complete income record of every taxpayer. Through this system the IRS can, among other things, cross-check a taxpayer's return against the information it has received from the financial community regarding his income.

I am well aware of the paperwork burden imposed on private business by the Government. But it must be remembered that the new, broad requirement for the reporting of dividends and interest by the financial community was the result of a law enacted by the Congress in recognition of a serious underreporting problem for such income.

The underlying purpose of this program is to make sure that each of our citizens pays his fair share of taxes under the law. This is certainly a worthy objective and it does not appear to me that the IRS should come under fire because of the sacrifices that must be made to carry out the program. As chairman of the Appropriations Subcommittee that acts on the Internal Revenue Service budget, I have had an opportunity to explore the data processing system and I am satisfied with the role it is playing in promoting an equitable revenue program.

The recent criticism of the data processing system has been based on the fact that only one taxpayer has been charged with tax fraud to date as a result of detection by the machines. While this is true insofar as it goes, it is also true that 23,000 additional cases of duplicate refunds were found during the 1963 processing of individual returns in the IRS' Atlanta region. These cases are now being investigated by the service.

The Congress tightened the longstanding reporting rules on dividends and interest in lieu of establishing tax withholding at the source as recommended by the administration and to which the financial community was largely opposed. Admittedly, these new requirements constitute an expense for the payer institutions, but the cost is a tax deductible business expense. The obligation of the business entity to assist the Government in the tax collection process is, of course, well established, as, for example, in the witholding of income and employment taxes of employees, and in collection of excise taxes.

The Internal Revenue Service has just begun the third year of its program to convert the processing of Federal tax returns to a system employing the most modern electronic equipment. A national identity file, listing all taxpayers, has been set up on electronic tape, against which returns can be computer checked for some more common types of filing discrepancies. This file, for the first time in 1964, will have nationwide application.

This year, also, the business tax returns for about half the country will be handled by the data processing method. And, in seven of our Southeastern States, both individual and business returns are being handled in the computer-oriented system. Individual and business returns for the remainder of the country will be added by stages during the next 3 years.

The benefits of this modern method of maintaining and checking taxpayer accounts already are becoming apparent, however. Internal Revenue reports increased revenues of $3.6 million resulted from actual, machine-originated verification operations in its Atlanta administrative region where the system was fully operational this year. A large number of other delinquency leads are being investigated in this and other areas.

Furthermore—and I think this is most interesting—some $3.9 million in added revenue has been volunteered countrywide during the past 2 years by citizens

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correcting past returns and filing delinquent returns in recognition of the improved compliance capabilities of the automatic data processing system.

These very early results speak well for the efficacy of this new approach.

I would like to emphasize the fact that the master file system is not a system for introducing automatic data processing into the Revenue Service. Between 1955 and 1960, the use of electronic computers was gradually introduced in returns processing with the establishment of area service centers. In 1961, they started integrating their already automated returns processing with preparation for the master file system. During the period 1955 to 1961, there were savings of nearly 8,000 man-years in returns processed by the use of electronic computers. The additional manpower required by the service in recent years results from the very substantial growth in population and the economy.

Our subcommittee has followed development of the Internal Revenue Service data processing system with particular attention since its inception. Commissioner Caplin and his aids have kept us fully informed of developments and have consulted with the subcommittee members regularly and solicited our counsel. When changes seemed indicated by circumstances, they were made. The subcommittee members have personally visited and inspected the various installations.

I believe this program offers very great advantages to the Government and to the taxpayers of the country who will have added assurance that each citizen pays his fair share. I regard it as one of the most important improvements in tax administration in a generation, and I take pride in the fact that a Virginian, Commissioner of Internal Revenue Mortimer M. Caplin, is playing the major role in the installation of the system.

Mr. BRAY. Mr. Speaker, despite my strong desire to see tax relief for the Nation's taxpayers, I must oppose this conference report because the promised spending reforms are nowhere to be seen.

When one lifts the veil of publicity about how much this administration is economizing, one sees the much-heralded economies will not take place. To the contrary, the greatest mass of new spending proposals in history have been given White House sanction.

To support this inflation-bearing tax bill would be to vote to rob the Nation's pensioners and low-income families who can least afford another round of higher prices.

Until real spending cuts are made and the budget balanced, tax reduction does not make sense.

The most expensive item in our Federal budget, outside of defense, is the interest on the national debt, running now to more than $10 billion per year. It is folly to add even more to that debt and that interest burden to give an illusory tax cut.

I realize the voter appeal in a tax cut, but I do not believe that I was elected to Congress to assist in the liquidation of our high American standard of living.

Mr. LENNON. Mr. Speaker, last September during the consideration of H.R. 8363, the Revenue Act, an expenditure control amendment, offered to assure that the administrative budget for 1965 would not exceed $98 billion, failed to pass. Favoring a tax cut with responsible curbs on spending, I could not in honesty with this conviction support the bill.

Now that President Johnson has submitted a budget for 1965 of less than $98 billion, I shall support the conference report on the tax bill.

I think it is necessary and responsible for our Government to seek a balance of income and expenditure. My efforts in the direction of sound fiscal policy will continue.

Mr. BETTS. Mr. Speaker, when the tax bill was before the House last September 25, I made my position clear. I was opposed to reducing taxes at a time when there was no inclination on the part of the Executive to control Federal expenditures. In absence of such control, I was convinced that continued Government deficits would bring about ruinous inflation—the cruelest tax of all.

I still have grave misgivings. Nevertheless, I will vote for the conference report.

There has unquestionably been a change in the attitude of the administration and the Democratic majority in the Congress with respect to spending. The tax bill does not today represent a victory for deficit spending. On the contrary, the bill will receive the overwhelming support of this House because of a belief by most of us that fiscal sanity will prevail. I hope and pray that we are right in that belief.

I also hope that the protestations of economy on the part of the administration will survive passage of this bill. I have doubts, but nevertheless feel obligated to support the bill at this time.

The administration has been talking about tax reduction since the summer of 1962. The bill has been under consideration in the Congress for more than a year. The benefits which are expected to flow from tax reduction have been grossly oversold. After all of this propaganda, a failure to enact this bill would work greater harm to the economy than I see in its enactment.

The next task before the administration and the Congress is to exercise that fiscal discipline which will make secure the benefits of these lower taxes. In enacting a tax cut of $11.5 billion, on top of a deficit of some $10 billion for fiscal 1964, we are embarking on a program which still involves great risk of inflation. Any real savings resulting from the tax cut will be quickly dissipated through inflation if business and labor fail to exercise control over prices and wages, and if the Congress and the President fail to live up to their pledges of economy in Government. This is a difficult task facing us.

During the past year, most of us have been subjected to unprecedented lobbying by a segment of the business community supporting tax reduction. The same group professes an equal interest in reducing Federal expenditures. I hope that they will demonstrate their sincerity by exerting the same effort against expenditures which they have exerted in favor of tax reduction. This will prove to me, at least, that they deserve to be regarded as responsible members of the business community.

Mr. SCHWENGEL. Mr. Speaker, when the tax bill was before the House last September we were told by those supporting the bill that we did not have to worry about inflation. Since then, however, President Johnson and Dr. Heller both have warned about the inflationary forces that could be unloosed should there be wage and price boosts during the next year. Mr. Speaker, a little over 4 years ago I took the floor of the House to talk about the dangers of inflation, I did so again last fall, and I do so again today.

INFLATION: WE CANNOT AFFORD TO IGNORE IT

Inflation has long been one of our most troublesome domestic problems. This evil persists and continues to haunt us. Thankfully since 1958 the Consumer Price Index, more commonly known as the cost of living index, has advanced at a slower pace than in the two preceding decades.

From 1939 to the present we have seen a continuing decrease in the purchasing power of the dollar. By the end of 1963 the value of the dollar had declined to the point where it will purchase less than 45 cents of the 1939 dollar. Thus the average cost of consumer items has increased by more than 122 percent since 1939. The cost of food has increased by more than 163 percent during this period.

Not only has the cost of consumer items increased by tremendous rates but so has the cost of many other commodities and services; thus the Government must pay greater sums to obtain an equal amount of equipment, weapons, et cetera. Naturally this in turn leads to the necessity for greater Government revenues. Throughout the war and postwar period, the American public has been burdened with heavy taxes. These heavy taxes and the diminishing value of the dollar have produced a situation where an individual with a wife and two children who earned $3,000 in 1939 would have to earn $7,319 in 1962 to have the same purchasing power or on the same basis, the equivalent of $5,000 income in 1939 would have required $12,594 in 1962.

There are many disastrous effects of inflation. Besides increasing the cost of living, it discourages savings and purchase of fixed return securities, it encourages speculation and investment in more speculative securities, it diminishes the value of insurance policies, annuities, and worst of all, it adversely affects the already inadequate income of the 18 million pensioners.

The most unfortunate aspect about inflation is that it strikes hardest those who can least afford it—retired and other persons on fixed incomes. The 1960 census disclosed that the lowest one-fifth of American families received only 5 percent—one-twentieth—of the total income. The aged, head of family 65 years of age or over, made up 31 percent of this group. Also prevalent in this lower fifth income group were families living on pensions, welfare payments, and working mothers with young children and no male head of household. These families had incomes of less than $2,800 each. Any change in the cost of living has a very serious and sometimes tragic effect on these people as their income must go almost if not entirely to everyday items of necessity. Also, these families' income are generally fixed. Inflation thus heaps cruel and unfair taxes on many persons who have spent active lives working and saving so as to provide for their later years. Unfortunately, what were adequate amounts have been reduced through inflation to inadequate amounts and these conscientious individuals must suffer for a crime not of their making.

There are some worries that the country may be on the verge of another inflationary spiral or at least an acceleration of the upward movement. The proposed tax cut of $11 billion probably will increase consumption expenditures by much more than this amount. Not only will the amount of funds released through the tax cut be considered but also it must be expected that amount of outstanding credit will increase. Business inventories have been increasing in expectation of the tax cut.

Wholesale prices have remained rather steady since 1958; however, recently there have been increases for many commodities. The Consumer Price Index which has steadily increased over the years attained new heights during December 1963 when it reached an index level of 107.6. Thus it would require $10.76 now to purchase the same items that could have been bought for $10 in the 1957–59 base period.

Last year the administration urged a tax cut so as to increase the rate of growth of the economy. With a tax cut the administration estimated that the gross national product—GNP—would reach $578 billion; however, without a tax cut the gross national product surpassed the original estimate by $7 billion and amounted to $585 billion for the year.

The administration urges that the full reduction of the individual income tax cut be made effective immediately rather than part in 1964 and remainder in 1965 as originally planned, so as to release this money for consumer spending. Business inventories undoubtedly will continue to increase in anticipation of expanded sales. There has been a marked increase in the Consumer Price Index for the past year and recently some wholesale prices have increased. Unfortunately, these undesirable symptoms, could lead to accelerating the rate of increase in costs. Any wage on price hikes would increase the rate of inflation.

The economic security of the United States and the well-being of its people demand that inflation be contained. Prudence will require that care be maintained so that our increased goods and services are not offset by increased prices.

Mr. FINO. Mr. Speaker, I voted in support of this tax cut because our American taxpayers urgently need relief from the heavy burdens of taxation.

I voted for this bill because it would put into the pockets of our individual taxpayers added dollars which could be spent for consumer products.

I voted for this measure because it would add to the coffers of our American corporations more money which could be used for expansion and reinvestment purposes which in turn would create more jobs for the unemployed.

The $11.4 billion provided in this bill for corporate and individual taxes is to give our economy the added lift it requires.

This tax cut is not to be considered as an invitation to any of the 50 States to increase State and/or local taxes and thereby take away the benefits we are providing the people under this bill.

I hope and trust that all of the 50 States—more particularly my own State of New York—will allow our taxpayers to keep the tax cuts and spend it for their own benefit and use.

Any attempt by any of these States to increase their own State and/or local taxes and thereby remove the tax relief we are providing our people under this measure will certainly defeat the very purpose of this legislation.

If I had any suspicion that my own State of New York would increase taxes and take away what we are doing here today, I would not support this bill.

I want it clearly understood that this is tax relief for the people and not a license for any State to take it away from them by increasing State and/or local taxes.

Mr. SMITH of Iowa. Mr. Speaker, I was one of the few who voted against this tax bill when it was passed by the House last year. Two years ago, I voted for a tax reduction bill and supported revision of depreciation rules that pinpointed tax reduction to investments in jobmaking assets. I support tax reform, tax simplification, and tax reduction as and when necessary to stimulate the economy; however, the conditions under which the bill was passed last year indicated that almost all of the tax reduction would be offset by either an increase in debt or reduction in needed goods and services.

Since this bill passed last year, several significant changes have taken place. The last Congress ended the night before Christmas after reducing the 1964 budget by a total of $6.8 billion. President Johnson has submitted a new budget that calls for a lower spending ceiling than had been expected and without eliminating those programs that are essential to progress in this country and an expansion of the economy. It has been determined that the buildup in military inventory can level off, and a reduction of several billion dollars in spending has resulted from this change. Some of these cuts, such as closing obsolete military bases, will reduce annual outlays for years to come and do not merely represent a delay in expenditures. The gross national product has taken a leap forward that will increase tax receipts under the new proposed rates beyond those expected last year.

The sum of the changes add up to so much increase in revenues and reduction in spending that it appears the tax cut can now be made without the severe inflationary pressures and debt management problems that would have resulted under the conditions of last year. This is especially true in view of the reserve capacity to produce additional goods and services at current prices.

I consider this an experiment in reducing taxes in lieu of some job providing programs, but not in lieu of essential programs still recommended within the framework of the new reduced budget. The bill does not contain nearly as much tax reform as is needed and is woefully short on the tax simplification provisions that are badly needed; however, we must either vote yes or no on the package before us and I do believe that the changed circumstances now result in the favorable arguments outweighing the unfavorable arguments. I am, therefore, going to vote for this bill today.

Mr. QUIE. Mr. Speaker, there are many parts of the tax-cut bill which I would write differently if it were left up to me. Even with the objections, however, I intend to vote in favor of the conference committee report.

When the tax-cut bill was first passed in the House, I joined with many of my colleagues in opposing this measure. But now, the conditions which we set for the tax cut have been met. The major condition is a Federal budget for the fiscal year 1965 below $98 billion.

Linking of a tax cut with lower Federal expenditures is a time-tested and prudent procedure, long advocated by sound economists. This is shown by the many tax cuts which Republicans have sponsored over the years. I believe that lower Federal spending will make this tax cut meaningful and I hope that the economy of our Nation will actually be stimulated by it.

However, I cannot stress too strongly that Congress now has the duty and responsibility of keeping a sharp and watchful eye on appropriations measures. We should all remember that President Johnson's proposals for spending in the 1965 fiscal year, although below $98 billion, according to the budget, are still higher than the amount Congress actually appropriated for the current fiscal year.

If Federal spending is not held in line, an inflationary spiral could be set off that would send the cost of living soaring. If this occurred, the meaning of this tax cut would be erased and the economy could actually suffer.

Therefore, it is obvious that we must take not only the actual budget into consideration, but also any possible supplemental appropriations or measures which would grant new obligational authority which may come before us.

We must give this tax cut a chance to work favorably in the economy. This can be done only by keeping a sharp rein on spending.

Mr. TAFT. Mr. Speaker, I am opposing the conference report on the tax bill today for numerous reasons, some of which relate to the details of the changes proposed in the structure of the law of which I disapprove.

But far more objectionable than these changes in detail, is the entire theory upon which this proposal is based. In a

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time of almost unparalleled prosperity, and when we are already operating $10 billion in the red, we are taking a step to stimulate incipient inflation into full-blown inflation. The cost of living is daily showing signs of increasing its upward trend and thus recapturing quietly and cruelly from those who can least afford it, any benefit of the tax cut. And let me remind that inflation does not mean prosperity. It is more likely in the long run to mean the opposite since it cuts into consumer purchasing power.

A few of us, at least, must continue to ask whether, if this is the time for a tax cut, what time will not be right for one? If our economy continues to prosper, perhaps we may get away with this additional swig on the bottle. But let us ask what course we would follow if our economy should fail to react as has been suggested, and we lose confidence and slip into recession. If the optimistic estimates of increased revenue then fail to materialize, what nostrum will then be prescribed? If we face a $20 billion deficit, will it be more of the same, or will we then retreat and reimpose rates and levies even higher than at present. Like a sound military plan, a sound economic plan must take into account all of the enemy possibilities and capabilities.

With our economy expanding, with a leveling off of Federal spending possible without hurting our position at home or abroad, today we have a God-given opportunity to put this country back into the black. We would then be in a position to react with all weapons available to any economic dangers that may threaten. By the adoption of this measure we shall lose that flexibility and leave ourselves chained to a position from which we cannot escape, even if the perils of inflation and of recession threaten. Many, many Americans in their wisdom have sensed this, and in spite of the immediate attraction of reduced taxes, have called for an end to our deficits and for reduced spending before a tax cut. But the siren song has carried away this administration and this Congress. The road we choose with this bill is one from which there may well be no outlet. We can only hope that its enactment, which seems a foregone matter, will be followed by the strictest economy, not merely in pennies saved by bulb snatching and depot closing where the squawk will be loud, but in many billions. Unfortunately, the administration's spending proposals show no such intent. We can only warn that any other course is fraught with danger can be dramatized by asking the unanswered question of the tax debate—"If we have a tax cut now but we have a deficit of $20 billion in fiscal 1965 or fiscal 1966, what then should be our tax policy?"

Mr. CHAMBERLAIN. Mr. Speaker, as we approach a decision on agreeing to the conference report with respect to the Revenue Act of 1964, I would like to include in the RECORD a brief statement regarding my position relating to this measure.

Last September when the House was first considering the tax reduction bill the chief question raised in debate on both sides of the aisle was whether the House of Representatives, the constitutionally appointed custodian of the Treasury, would accept the administration's novel fiscal theory of planned unbalanced budgets and would vote to approve a tax cut to be financed by borrowed money. In principle the House rejected that theory and called upon the administration to reduce, not increase, the public debt and to balance the budget as soon as possible. This declaration of congressional intent, however, it was readily admitted, was more a pious hope than an effective means of expenditure control. And for that reason, without any real safeguards to insure fiscal responsibility, I voted against the tax bill at that time.

Today, while much has happened since last September, this same question remains the fundamental issue at stake with respect to the tax bill. Just how pious was the hope that the administration would change its ways is demonstrated by the fact that the other body just last month deleted the declaration of congressional intent calling for expenditure control and it was only through the insistence of the House managers in conference that it remains in the final bill. It is highly problematical that it will exercise much influence upon the administration.

In January, of course, President Johnson told us that fiscal 1965 would see spending kept at 1964 levels and the budget deficit would be cut in half. But it became immediately apparent that this was to be accomplished in large measure by letting the 1964 budget help pay for the 1965 spending; and we have seen spending in the final quarters of 1964 increased by some $600 million with the budget deficit increased by another $2 or $3 billion. Thus, I am not convinced that there has been a basic change in the administration's policy of deficit spending. In fact, the 1965 budget, as we all know, calls for yet another increase in the Federal debt ceiling, the seventh in 4 years and this during a time free from economic depressions or recessions. This is not to deny that the administration has not recently sought to make certain spending cuts and I will always applaud any President who seeks to eliminate waste and inefficiency. However, the administration has yet to attack the greatest single example of waste in the annual budget, the $10 billion that we have to spend to pay the yearly interest on the debt.

I adhere to the fiscal theory that I believe the great majority of the American public hold which says that if we are to have a tax cut we should be willing to accept the responsibility for paying for it ourselves through a reduction in Federal expenditures. We should not tax our children and ourselves in later years to pay for this perhaps only temporary relief. We should not adopt a policy that obligates the earnings of future generations without their consent and one that in one hand gives a tax break while the other hand borrows it right back, for to do so is both fiscally and morally wrong.

Beyond this, Mr. Speaker, I have yet another reason for opposing this legislation. We are told this bill will reduce Federal taxes by some $11½ billion. The basic premise underlying this reduction is to provide a stimulus for our economy and ultimately to produce even greater revenues. But, I cannot in good conscience support legislation that reduces taxes by $11½ billion and fails to give any consideration whatsoever to a reduction of the discriminatory excise tax on automobiles that we have been extending year after year for the past 12 years.

To me, this whole thing does not ring true—we profess to be concerned about stimulating the economy but we cannot give one red cent of an $11 billion reduction to the largest single segment of that economy. Is it consistent for us to continue a tax that discriminates against an industry that employs one person out of every seven, that accounts for one retail dollar out of every five spent, and that involves one business out of every six in our country?

So, Mr. Speaker, until this House indicates some concern for correcting this gross tax inequity, as well as many other excise tax inequities, I cannot lend my voice in support of action such as we are taking today.

While I realize the taxpayers of this country desperately need relief from our stifling tax system, for the two basic reasons I have recited, I cannot support the conference report.

Mr. LATTA. Mr. Speaker, I plan to support the conference report on H.R. 8363, the Revenue Act of 1964, even though I am not completely satisfied with all of the provisions of the bill. However, I believe that taxes are too high and that they should be reduced. I am disappointed that the conference report did not assume the difficult task of tax reform and confined itself primarily to tax reduction. I am also disappointed that only negligible reductions were made in the middle-income group and that such sizable reductions were made in the higher brackets.

Mr. Speaker, I did not support H.R. 8363 when it was first before the House for the reason that the House failed to adopt a Republican motion to recommit with instructions to hold expenditures for fiscal 1964 to $97 billion and to hold expenditures to $98 billion in fiscal 1965. Since this bill was before the House, the Congress succeeded in cutting more than $6 billion from the budget for fiscal 1964. The present administration has submitted a budget for fiscal 1965 calling for expenditures of $97.9 billion. Since the administration budget calls for expenditures of $0.1 billion less than the $98 billion proposed in our motion to recommit, I expect to support the conference report and to vote against every request by the administration to exceed its own $97.9 billion budget.

Mr. DONOHUE. Mr. Speaker, I most earnestly hope this House will overwhelmingly approve the conference report just presented to us on the Tax Revenue Act of 1964, H.R. 8363.

As the distinguished chairman of our Ways and Means Committee has indicated, the approval of this report may well be the most historically significant legislative action of modern times.

In summary, the basic objectives embodied in this tax revenue report are to encourage the long-term, economic growth of the Nation, to restrain the tendencies of dangerously increasing unemployment, to restrict the historically recurrent forces of recession, to contribute to the balancing of our international payments and eventually to eliminate the disruptive pattern of chronic budgetary deficits.

Certainly these are admittedly aims in the national interest and it is just as certain that the provisions of this report project a reasonable prospect of achieving these aims.

There is no doubt, as the economic history of our own and other countries reveal, that tax reduction does tend to spur the economy, stimulate capital investment, and relieve unemployment.

From the basic human standpoint, the major beneficiary of this measure will be the family of the currently unemployed person who is returned to gainful work. On this score alone, the bill is meritorious and worthy of your favorable consideration. Of course, this is not the perfect tax reduction and reform measure that most of us would like and, undoubtedly, it may, in its operation, reveal that some things not in the bill should have been added and some things in the bill should have been taken out. But, this is the story of all human legislative efforts and appropriate corrective amendments may be adopted as time goes on. Even though there are changes and additions which a great many of us would like to see today, we must ask ourselves if, for one or two personal convictions, we are justified in withholding approval of a measure that promises so many overall benefits to the majority of the people and businesses of this country? I think our conscientious answer must be that we should approve the bill, now, and more especially when we have in the language of the bill itself, as well as in the statement of the President a pledge to determinedly pursue substantial reductions in all governmental expenditures from here on. The efficacy of this tax bill and the economic stability of the Nation will rest upon the fulfillment of the President's pledge and the congressional promise in the measure to prudently restrict Government spending. I personally believe the President and the Congress will cooperate to fully redeem such a pledge. On this particular phase of the matter, we might do well to remember that, after all, the executive department cannot spend more than the Congress gives to it.

Let us further remember that our own taxpayers, through the Congress, have been truly generous, for many years, to the people of other nations all over the world. Let us then seize this opportunity to demonstrate concern for our own too long and too heavily burdened citizens and businesses. For our present and future welfare, let us approve this measure of tax reduction, now, while we continue to perseveringly work, in accord with changing economic circumstances, for a more just and equitable tax structure and system for all segments of our American society.

Mr. PHILBIN. Mr. Speaker, first, I must heartily commend and thank the very able, distinguished gentleman from Arkansas, whom we all greatly esteem, and his very fine, able committee for their outstanding work on this bill.

From my standpoint, the bill, as it is here presented to us, is by no means a complete or perfect legislative measure. I would much prefer to see an overall overhaul and revision of the entire tax system, monumental as such a job would be, because it is necessary to banish archaic forms, palpable inequities and injustices, and to adapt our taxing mechanisms and procedures to our modern business, economic, and social systems.

I should prefer to see a much broader and deeper approach to specific tax reductions and exemptions for ordinary people, although I fully realize the serious problems and difficulties involved.

I should have liked more consideration in the bill for substantial incentives for initiative and enterprise—the great nourishing dynamic forces of our powerful economy—but well understand the limitations on the committee and the House at this time of high budgets, in inaugurating such measures, even though they must be taken very soon to preserve our great, productive system and the high living standards of the American people.

This bill is a long step in the right direction, a move toward a more equitable tax system and a definite, needed spur to the economy.

As the chairman well says, it is a better bill than that passed by the House and a better bill than that passed by the other body. Though it has shortcomings and does not always deal justly with certain classes of taxpayers, nevertheless, its benefits are real, substantial, immediate, and projected, and should bring many of the favorable results we expect, for individuals, business people, and the economy.

For a long while, I have been urging tax overhaul and tax reduction to stabilize, encourage, and promote business and stimulate employment and prosperity and eliminate glaring injustices and discriminations against the rank and file of the people, that have been causing hardship and lowering the living standards of millions of Americans.

This free, private enterprise system can survive many things, as it has demonstrated. But it cannot survive excessive, oppressive, confiscatory taxes which destroy incentive, paralyze initiative, and dry up the lifegiving springs of free enterprise itself.

At the outset of the Kennedy administration, I urged our late, cherished, beloved friend, our great President Kennedy, to initiate a general tax relief and tax revision measure that would accomplish the ends I had in mind.

It seemed to me at that time that while many of the economic indicators pointed to continued favorable business, it was quite evident from the pockets of unemployment and pools of depressed areas in certain parts of the Nation that there was a strong need for the kind of stimulus tax reduction would provide.

In addition, I have been strongly persuaded over a period of time that we were becoming a tax-ridden nation.

The Federal budget has risen to new and very high levels. In the past 10 years, the Federal debt has gone up 13 percent and the debt of States and cities has increased 448 percent. This has caused an upward pressure on taxes across the board and everyone is feeling the pinch of heavier tax levies.

I was delighted when President Kennedy strongly recommended a tax bill that would provide some relief and some measure of revision and we are, therefore, voting today on the bill which has developed from his recommendations and from the laborious efforts of our great House Ways and Means Committee and the Senate Finance Committee.

In a very real sense, this is the fulfillment of President Kennedy's recommendations and fond wish.

I am glad that we are going to have a tax bill and welcome the opportunity to vote for this conference report, even though I would personally prefer a somewhat different kind of bill. I regard this bill as a step forward toward the greater goal of a totally revised tax system—a system that would more equitably apportion the tax burdens on those best fitted to bear them and with fairness and justice to all groups in our society.

Mr. ALGER. Mr. Speaker, the tax bill affects every taxpayer, directly or indirectly. Taxpayers are affected directly by the rate and structure changes. Taxpayers and nontaxpayers, that is, everyone, are affected indirectly by inflation, the watering of the value of our money caused by the deficit financing which most surely will result from this tax cut.

The compromise of the conference report does not improve the House tax bill, nor does it move in the direction of solving the five announced objectives: First, increase economic growth; second, relieve unemployment; third, free-up investment capital; fourth, increase consumer purchasing power; and, fifth, simplify the tax law. The law is vastly complicated by this bill, and the first four objectives are defeated by the results of the deficit financing which is forced by this tax cut.

Further, I join with the gentleman from Missouri in his views as expressed in opposition to this conference report.

For my part I shall continue to strive for expenditure control, a balanced budget, and the surplus which alone can make possible a wholesome tax cut, one which we have earned. For my part, I would hesitate to approve a tax cut without some payment against the Federal debt at the same time.

The present course of deficit financing, increasing Federal expenditure, lack of expenditure control is to me, the course of fiscal suicide for private enterprise, for capitalism, and our leadership in world affairs.

Mr. OSMERS. Mr. Speaker, the tax reduction bill conference report will have my reluctant support.

The pending bill is a step in the right direction, but it fails to provide long overdue relief for many who need and should have it. Many reforms are also sadly missing.

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Unless the many promises of economy are kept, inflation is likely to dissipate many of the bill's benefits.

Homeowners, working mothers, commuters, parents of college students, stockholders, and others with special tax problems have been almost completely ignored in this bill.

The bill fails to provide for the commuter who is faced with increasing costs of getting to and from work, for parents who are trying to give their children a college education, and for the homeowner who is usually overburdened by State and local taxation. Nor does the pending bill provide tax relief for working mothers who sorely need it.

We also continue to penalize those who create jobs by investing in American business.

Mr. Speaker, it was my hope that some of the provisions of bills introduced by me in the past might have been included. For example, it seems that we should grant at least a $900 exemption a year for tuition expenses for parents with children in college.

An increase in the dependent allowance for working mothers from the present maximum of $600 to 50 percent of her adjusted gross income, but not to exceed $2,500, seems in order.

A sensible annual deduction for depreciation on a home and an exemption of up to $500 for actual commuting costs would give relief to a hard-pressed cross section of our population.

It was a great mistake for the Senate to eliminate the modest cut of $260 million in our high capital gains taxes, which we had in the House bill.

The decrease in tax credit on corporation dividends from the existing 4 percent to 2 percent in 1964 and elimination thereafter was most unwise.

The dividend tax credit should be increased, not decreased if it is to be changed. The pending bill's provisions in this respect actually increase the heavy burden on the free enterprise system.

If we really mean to reform our tax structure, why should we continue wartime excise taxes on jewelry, furs, cosmetics, luggage, motor vehicles, appliances, electric light bulbs and tubes, photographic equipment, pens, and mechanical pencils?

These excise taxes were designed mainly to curtail production during World War II and not to raise revenue. They unfairly punish certain businesses and consumers without materially adding to our total tax revenue.

Why should we continue to tax admissions to concerts, operas, theaters, motion pictures, and cabaret checks?

Why should we not also repeal taxes on necessary communications and transportation?

Mr. Speaker, it is my hope that the Committee on Ways and Means will meet soon and face up to this unfinished business.

Another tax area that needs early attention is discrimination by States in levying income taxes on nonresidents.

We should also consider greater exemptions for actual medical and drug expenses and for those with blind and handicapped dependents as well as for some portion of life and hospitalization insurance premiums. At least a small amount of the interest received by a taxpayer on a savings account should also be tax deductible.

A step in the right direction has been made. Let us get on with the job of giving relief to businesses and individuals who have been unfairly treated taxwise for too long a time.

Mr. PATMAN. Mr. Speaker, I have received a number of comments about my statement of February 17 on the President's program for war on poverty.

I had indicated that "under our graduated income tax system, which I think is a fine system, one of the greatest systems of taxation any nation on earth has ever devised"—money that is spent in the low-income groups and the poverty stricken would increase.

Some readers interpreted that statement to mean that I was endorsing the present tax program in its entirety—a statement that I hasten to correct. The principle of a graduated income tax is what I was talking about. In concept, there is nothing finer. There are features of our existing income tax system, however, which could be made more democratic. For one thing, there are too many loopholes that permit the very wealthy to escape taxation whereas the poor man has to pay up every dime. This has been brought out in my foundation studies which revealed some shocking instances of tax avoidance by very wealthy people who have access to the cleverest legal assistance.

Also, the tax reduction in this conference report gives upper-income groups more relief than the poor, who need it most.

OFFICIAL PICTURE OF HOUSE OF REPRESENTATIVES

The SPEAKER. The Chair desires to call to the attention of the Members that the official picture authorized by House Resolution 552 will be taken immediately after the vote on the pending conference report.

Mr. MILLS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

Mr. MILLS. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 326, nays 83, not voting 23, as follows:

[Roll No. 43]

YEAS—326

Abele
Adair
Addabbo
Albert
Andrews, N. Dak.
Arends
Ashley
Ashmore
Aspinall
Auchincloss
Avery
Ayres
Barrett
Barry
Bass
Bates
Battin
Beckworth
Bell
Bennett, Fla.
Bennett, Mich.
Betts
Blatnik
Boggs
Boland
Bolling
Bolton, Frances P.
Bolton, Oliver P.
Bonner
Bow
Brademas
Brooks
Brotzman
Brown, Calif.
Broyhill, N.C.
Broyhill, Va.
Buckley
Burke
Burkhalter
Burton, Calif.
Burton, Utah
Byrne, Pa.
Byrnes, Wis.
Cahill
Cameron
Cannon
Carey
Casey
Celler
Chenoweth
Clark
Clausen, Don H.
Cleveland
Cohelan
Collier
Conte
Cooley
Corbett
Corman
Cramer
Curtin
Daddario
Daniels
Davis, Ga.
Dawson
Delaney
Dent
Denton
Derounian
Diggs
Donohue
Dorn
Downing
Dulski
Duncan
Dwyer
Edmondson
Edwards
Elliott
Ellsworth
Everett
Evins
Fallon
Farbstein
Fascell
Feighan
Finnegan
Fino
Flood
Flynt
Fogarty
Foreman
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Garmatz
Giaimo
Gibbons
Gilbert
Gill
Glenn
Gonzalez
Goodell
Grabowski
Grant
Gray
Green, Oreg.
Griffiths
Grover
Gurney
Hagan, Ga.
Hagen, Calif.
Halleck
Halpern
Hanna
Hansen
Harding
Hardy
Harris
Harrison
Harsha
Harvey, Ind.
Hawkins
Hays
Healey
Hébert
Hechler
Hemphill
Henderson
Herlong
Holifield
Holland
Horan
Horton
Hosmer
Huddleston
Hull
Ichord
Jarman
Jennings
Joelson
Johnson, Calif.
Johnson, Pa.
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Karsten
Karth
Kastenmeier
Kee
Keogh
Kilgore
King, Calif.
King, N.Y.
Kirwan
Kluczynski
Knox
Kornegay
Kunkel
Kyl
Landrum
Langen
Lankford
Latta
Leggett
Lennon
Lesinski
Libonati
Lindsay
Long, La.
Long, Md.
McCulloch
McDade
McDowell
McFall
McIntire
McMillan
Macdonald
MacGregor
Madden
Martin, Mass.
Mathias
Matsunaga
Matthews
Meader
Miller, Calif.
Miller, N.Y.
Milliken
Mills
Minish
Monagan
Montoya
Moore
Moorhead
Morgan
Morris
Morrison
Morse
Morton
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Nix
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen Mont.
Olson, Minn.
O'Neill
Osmers
Ostertag
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pillion
Pirnie
Poff
Pool
Powell
Price
Pucinski
Purcell
Quie
Rains
Randall
Reid, N.Y.
Reuss
Rhodes, Pa.
Rich
Rielhman
Rivers, Alaska
Rivers, S.C.
Roberts, Tex.
Robison
Rodino
Rogers Colo.
Rogers, Fla.
Rogers, Tex.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ryan, Mich.
Ryan, N.Y.
St. George
St Germain
St. Onge
Saylor
Schenck
Schneebeli
Schweiker
Scott
Secrest
Shipley
Short
Shriver
Sibal
Sickles
Siler
Sisk
Slack
Smith, Calif.
Smith, Iowa
Snyder
Springer
Staebler
Stafford
Staggers
Steed
Stephens
Stinson
Stratton
Stubblefield
Sullivan
Talcott
Taylor
Thomas
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Toll
Tollefson
Trimble
Tupper
Tuten
Udall
Ullman
Van Deerlin
Vanik
Van Pelt
Vinson
Waggonner
Wallhauser
Watson
Watts
Weaver
Weltner
Westland
White
Whitener
Wickersham
Widnall
Williams
Willis
Wilson, Ind.
Wydler
Young
Zablocki

NAYS—83

Abbitt
Abernethy
Alger
Anderson
Andrews, Ala.
Ashbrook
Baldwin
Baring
Becker
Beermann
Belcher
Berry
Bray
Brock
Bromwell
Bruce
Cederberg
Chamberlain
Clancy
Clawson, Del
Colmer
Cunningham
Curtis
Dague
Derwinski
Devine
Dole
Findley
Fisher
Ford
Gary
Gathings
Goodling
Griffin
Gross
Gubser

Haley
Hall
Harvey, Mich.
Hoeven
Hoffman
Hutchinson
Jensen
Johansen
Keith
Kilburn
Laird
Lipscomb
Lloyd
McClory
McLoskey
Mahon
Marsh
Martin, Nebr.
May
Michel
Minshall
Norblad
Passman
Pilcher
Quillen
Reid, Ill.
Reifel
Roudebush
Rumsfeld
Schadeberg
Schwengel
Selden
Sikes
Skubitz
Smith, Va.
Taft
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Tuck
Utt
Wharton
Whitten
Wilson Bob
Winstead
Wyman
Younger

NOT VOTING—23

Broomfield
Brown, Ohio
Burleson
Chelf
Davis, Tenn.
Dingell
Dowdy
Forrester
Gallagher
Kelly
Mailliard
Martin, Calif.
Murray
O'Brien, Ill.
Poage
Rhodes, Ariz.
Roberts, Ala.
Roosevelt
Senner
Sheppard
Whalley
Wilson, Charles H.
Wright

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Burleson with Mr. Mailliard.
Mr. Roberts of Alabama with Mr. Rhodes of Arizona.
Mr. Roosevelt with Mr. Brown of Ohio.
Mr. Dowdy with Mr. Broomfield.
Mr. Chelf with Mr. Whalley.
Mrs. Kelly with Mr. Martin of California.
Mr. Senner with Mr. O'Brien of Illinois.
Mr. Dingell with Mr. Davis of Tennessee.
Mr. Gallagher with Mr. Sheppard.
Mr. Wright with Mr. Forrester.
Mr. Charles H. Wilson with Mr. Murray.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

OFFICIAL PICTURE OF THE HOUSE OF REPRESENTATIVES

The SPEAKER. The official picture that the Chair referred to heretofore will now be taken.

(The official picture of the House of Representatives was taken.)

The SPEAKER. The Chair desires to announce that the taking of the official picture has been concluded.

Mr. SCHWENGEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker and colleagues, first of all I want to thank the leadership and all of you for the fine cooperation we have had in again making this a historic day. According to the resolution passed which made this possible, the U.S. Capitol Historical Society agrees to make pictures available to all the news services and to anyone having a legitimate claim to the picture and, of course, most importantly, to the Members of the House. We have made arrangements for the pictures to be distributed in the Doorkeeper's office. First of all, we will take care today of the press, after the pictures have been approved by the leadership. By Monday of next week we will have a fine collection and a variety of pictures from which you can make your own selections, if you wish to have one for your own personal use and as many as you want that you might want to give to your friends or to the press in your own districts.

We will have some candid photos and we will have some photos from different angles since, as you notice, we have cameras positioned in different areas of the House.

Again I want to thank the leadership in particular and all of you and ask you to read the statement that I have on the U.S. Capitol Historical Society and the National Geographic Society telling about the people who helped to make this possible, which will appear in the CONGRESSIONAL RECORD tomorrow.

I thank you very much.

Mr. Speaker, the U.S. Capitol Historical Society is an educational organization incorporated under the laws of the District of Columbia. Its membership is open to everyone in the United States who wishes to help the society foster an informed understanding of the inspiration and promise of American history.

The society was founded by a group of devoted, dedicated Americans, in and out of the Congress, who believe that the thrill they derive from the story of the United States can best be communicated, and the greatest sense of drama and conviction conveyed, if the Capitol edifice itself were made the focus of the society's program.

Within the walls of this building a free people has expressed its collective will in terms of legislation that has shaken the world. Here we have advanced man's march toward individual dignity and material well-being.

The society hopes to spread the story of this extraordinary building among all Americans, and indeed among people everywhere using every means of communication we can make available to the society.

The society's purpose, as stated in its constitution, is:

> To encourage in the most comprehensive and enlightened manner an understanding by the people of the founding, growth and significance of the Capitol of the United States of America as the tangible symbol of their representative form of government; to undertake research into the history of the Congress and the Capitol and to promote the discussion, publication and dissemination of the results of such studies; to foster and increase an informed patriotism * * * (by) the study of this living memorial to the founders of this nation and the continuing thread of principles as exemplified by their successors.

Mr. Speaker, the society's first major project was the publication of a book entitled "We, the People." Judging from the reception this book has received, in comparison, with other publications of its kind, we can say that it has been phenomenal, fantastic, and to the officers and trustees of the society rewarding.

We have already sold over 150,000 of the 250,000 copies printed and put on sale to the public on December 9, 1963. The officers, the Boards of Trustees, the Committee on Publications and the Board of Consultants are extremely pleased and greatly encouraged with the reception and success it has enjoyed so far.

The officers, Boards of Trustees, Committee on Publications, and the Board of Consultants are made up of the following people:

Congressman FRED SCHWENGEL, president.

Vice presidents: Hon. Marguerite Stitt Church; Carl Haverlin, president, Broadcast Music, Inc.; Senator Hubert H. Humphrey; Allan Nevins; Melvin M. Payne, executive vice president and secretary, National Geographic Society.

Victor M. Birely, chairman Birely &. Co., treasurer.

Mrs. Lillian R. Kessel, recording secretary.

Mildred F. Crocker, Sylvia Salato.

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Committee on publication: Melvin M. Payne, Chairman; Hon. Marguerite Stitt Church, Richard H. Howland, Senator Hubert H. Humphrey, David C. Mearns.

Board of Consultants: Ralph E. Becker, Lawrence Beckerman, Josephine Cobb, William A. Coblenz, John Crane, Stephen Feeley, Mrs. Lillian R. Kessel, Austin H. Kiplinger, Mrs. Katharine McCook Knox, H. Newlin Megill, Benjamin M. McKelway, Mrs. Eugene Meyer, Earl Schenck Miers, Ralph Newman, Carl Sandburg, Col. Randle Bond Truett.

Speaking for the officers and boards of trustees, including Senator CARL HAYDEN who is chairman of the honorary board of trustees, I want to say thank you to the many important and wonderful people who have helped to make the publication "We, the People" possible.

First of all, to the political leaders on both sides of the aisle in both Houses without whose permission, encouragement, and help the story we believe we effectively, attractively, and adequately told in the 144 pages of our new book would not be available now.

In particular I want to mention, first of all, Senator HUBERT HUMPHREY whose interest in the society's program from the very inception and who gave unstintingly of his time and his encouragement throughout the period that we were initiating and bringing our first publication into being.

A special salute and thank you must go to Lyndon Johnson, who was then Vice President; to Senator Mike Mansfield and to Senator Everett Dirksen who, when they saw and understood the objectives of the society, did so much in so many ways to help clear the seemingly impossible hurdles in the other House.

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Bouquets should also go to Senator KUCHEL and many others in the Senate on both sides of the aisle.

Senator EVERETT JORDAN went far beyond the call of duty when he allowed us to appear before the Rules Committee and present our story, the basis of which was used to present a report to the Senate and a resolution that made possible lifting the rules in the Senate so a historic picture could be taken of the U.S. Senate in session.

There were many employees on the Senate side who were very cooperative and helpful and a very special word of appreciation should be expressed to Joe Duke, the Sergeant at Arms, who opened many doors, who encouraged us and who made his office and time available to us whenever we needed it.

On the House side, we were pleased beyond measure to have the encouragement and support of the Speaker of the House whose keen feeling for things worthwhile was repeatedly demonstrated and who helped us so effectively to bring about a consideration of the resolution and the rule that makes his historic day possible.

On the Republican side, of course, I want to pay special tribute to my own leader, CHARLES HALLECK, who saw the virtue and objective of the society's activities and who also gave unstintingly and unselfishly.

The counsel, help, and advise of CARL ALBERT, the Democrat leader, and LES ARENDS, a Republican leader, was a most encouraging factor.

There were many others who had a great interest in the society from the beginning and who were so very helpful including Congressmen ROBERT G. STEPHENS, JR.; CHARLES McC. MATHIAS, Jr.; and DURWARD G. HALL, whose interest in the society and its objectives was very evident from the beginning of the society.

A special note should be made of the cooperation and help we received from the Parliamentarian's office and Mr. Lew Deschler in particular. The Clerk, Ralph Roberts, whose office was very helpful and to "Fishbait" Miller whose counsel, advice, and cooperation was always made available to us.

Special attention for recognition and appreciation should go to George Stewart, the Architect of the Capitol and his office, including Mario E. Campioli, Norma Greene, and Lillian R. Kessel, without whose help and guiding hand, direction, and suggestions we could not have gotten so many of the fine photographs which we have in our files and have published in the book.

There are many others but time does not permit me to single out individually all who helped. But, to all of my colleagues who have been so helpful, encouraging, and interested, I want, for the society and for myself, to express deep appreciation.

Mr. Speaker, when the publications committee launched out on their program to publish "We, the People" we knew that this would be a financial undertaking far beyond the meager financial means of our society. Therefore, we looked to foundations for money to underwrite the cost of publication so we could make it available to the public at a price the average citizen could pay for the book.

We actually made contacts with foundations and received encouraging reports but we found that getting foundation money would take some time and therefore delay publication of the book.

Fortunately for us, however, the National Geographic Society early became interested and finally became very excited about the public service aspect of our objectives and of our purpose.

Based upon their experience with the White House book, and because of their great sense of public responsibility and their great desire to help us get across in a very effective and attractive manner the story of the Capitol, they, almost without any financial security, agreed to underwrite the initial cost of publishing this book and to give the society enough in the way of free services to make it possible for us to publish the book at the price that we desired. That is $1 for the paperback and $2.50 for the hardback edition.

I am happy to report to the Members of the House and the people of the United States that the National Geographic Society, its officers, and the vast amount of talent they made available to the U.S. Capitol Historical Society went far beyond the call of duty. For this I am thankful. For this the board of trustees and the membership of the society join me in expressing their unbounded gratitude and for this the American people should be and I am sure will be eternally grateful.

Mr. Speaker, the U.S. Capitol Historical Society presents the book "We, the People" as a service to history and the American heritage. In its pages is compressed the story of the majestic edifice that is our Capitol—how it came about, how it grew, and why it stands as a symbol in stone of the success of our Republic.

William Wirt Henry, descendant of Patrick Henry, reminded us in 1893 at the 100th anniversary of the laying of the cornerstone of the Capitol, that—

> For more than a century we have demonstrated, as no other people have ever done before, our capacity for self-government. Our Federal system has been tested in peace and in war, and by violent forces from without and within, yet every fiber has stood the strain, and its perfect adaptation to our needs under all circumstances has been demonstrated.

Since then the evidence of the tough sinews that make a people great has accumulated manifold. We have found to be true what a former Member of Congress, Rufus Choate, once said:

> We have built no national temples but the Capitol. We consult no common oracle but the Constitution.

It is on the level of the dignity of these utterances that this book was conceived as a public service by the U.S. Capitol Historical Society. It is brought to publication in accordance with the society's aims as an educational organization to foster through the story of the Capitol an understanding of the richness and inspiration of American history.

The book was a labor of love and of pride. Infinite pains were taken to make it an accurate and graphic portrait of a structure within whose walls—through contention and through compromise, sometimes brilliantly and sometimes not so brilliantly, by pronouncement and by painful progress—a government truly "of the people" has evolved.

Those who labored in this work hope it will stand out as a contribution to the advancement of American ideals, and that it will serve to strengthen faith in the American experience. This book, like the Capitol itself, is for people everywhere who cherish freedom. Here is evidence of the struggles that have been made—and the struggles and sacrifices that must yet be made—to keep the goal of equality of opportunity, of justice, and of freedom alive for all in the world.

Mr. Speaker, the introduction to the book was written by Allan Nevins, one of the ablest and most productive historians America has ever had. He has entitled his introduction "A Place of Resounding Deeds." Because what he said is so appropriate and so necessary for all of us to read and think on, I am asking unanimous consent to have his introduction placed in the RECORD at this point.

> "It is natural enough to suppose that the center and heart of America is the Capitol," wrote Hawthorne on a Washington visit in 1862, "and certainly, in its outward aspect, the world has not many statelier or more beautiful edifices."
>
> The novelist saw the building almost complete, for the next year Crawford's "Freedom" was lifted atop the dome. He could not then assert what all would say now, that the Capitol is the best loved and most revered building in America. But he was right in stating that its combination of dignity, harmony, and utility made it a fit embodiment of the highest traits of the Republic. Thornton's classic design, stamped with the approval of Washington and Jefferson, so happily expressed the majesty of our democracy that most of the State capitols reared since have echoed its lines. This, we may say, is the spirit of America in stone.
>
> Doubtless everyone, gazing at the dome completed amid the rigors of Civil War, or entering the rotunda where Lincoln, Garfield, McKinley, and the Unknowns lay in state, thinks first of the august penumbra of history which envelops the structure.
>
> On its steps nearly all the Presidents since Jackson have been inaugurated. This is where Lafayette was welcomed as symbol of one epochal alliance, and Winston Churchill as partner in another. In the old House wing, now Statuary Hall, every visitor must feel moved at the spot where John Quincy Adams sank under his mortal stroke in 1846. Who can enter the President's room without reflecting, "Here it was that Lincoln indomitably defied his Senate leaders by refusing to sign the radical Wade-Davis bill upon Reconstruction."
>
> Some rooms are heavy with history. In the Old Senate Chamber, occupied from Buchanan's day by the Supreme Court, Webster replied to Hayne. The treaty closing the Mexican War was ratified. Clay and Calhoun battled over the compromise of 1850. And great court decisions from the legal-tender cases under Grant to the NIRA case under Roosevelt in 1935 were handed down.
>
> Many of the transactions witnessed by Capitol walls still lift the hearts of men. Here Adams battled for the right of petition, and when one opponent offered a resolution for his censure as a traitor, he demanded that

the clerk read the first paragraph of the Declaration of Independence as his sufficient answer. Here, as the House was trying Sam Houston for assaulting a fellow Member, Drayton of South Carolina declared that if freedom of discussion were ever restrained, the pillars of the Constitution would fall.

Here, in the middle of one war, Tom Corwin had the courage to proclaim that if he were a Mexican, he would welcome American invaders with bloody hands to hospitable graves; and just before our entry in another, Robert M. La Follette, Sr., halted the armed-ship bill amid a hurricane of denunciation. Here, when Andrew Johnson was placed on trial, a little knot of determined men vindicated the demands of justice and the authority of the Presidency.

We can boast that the Capitol has heard eloquence equaling that of Parliament; that it has written into law such immortal charters of idealism as the 14th amendment; and that in its foreign aid bills it has enacted the most generous measures known to history. But our proudest boast is that no capitol in the world has done more to safeguard free democratic debate, the privileges of minorities, and the fundamental civil liberties of man.

We would do an injustice to the spirit of the Capitol, however, if we emphasized merely the great men and dramatic events associated with it. The value of democratic government lies mainly in the place it gives to ordinary aspiring men and women. Since 1800 the Capitol has been the scene of grim, hard work by many thousands of conscientious legislators and their aids who have thought little of public fame, but much of the honest accomplishment of their tasks. We too often treat these servants, toiling early and late, as a matter of course.

If the stars were visible only once in a thousand years, wrote Emerson, we should await the spectacle with breathless interest; but our legislators, like the stars, are visible all the time, and hence are little noted unless of special magnitude. The Capitol is history; it is the major symbol of the Nation, full of minor symbols; but above all it is a mighty engine, tended and kept throbbing by the indefatigable efforts of a select assemblage which represents far more of our national strengths than our national weaknesses.

Mr. Speaker, L'Enfant laid out a city of magnificent distances. Its Capitol was built with magnificent intentions.

The deeper we penetrate into its recesses the more positively we are pervaded by its nobleness, and the more conscious we become of its magnitude and its magnificence—to every American citizen it is the majesty of his land.

The Goddess of Liberty, representing all as it does, gazing down from her proud eminence, bestows no right upon the lofty which she does not extend equally to the lowliest of her sons.

Within the wall of the Capitol every State in the Union holds its memories and garners its hopes. Every hall and corridor, every arch and alcove, every painting and marble is eloquent with the history of its past and the prophecy of its future.

This, our Capitol, is a majestic symbol that is most grand of the majesty of this, our land.

Mr. Speaker, the book, "We, the People," was produced by the National Geographic Society in cooperation with the U.S. Capitol Historical Society as a public service.

Its appeal is to the intelligence, better nature and to a high type of patriotism. All of this is better because we had the following people from the National Geographic Society assigned to the Capitol Historical Society:

Donald J. Crump, assistant, design and production; Geraldine Linder, Margaret C. Shaw, photographic research; Margery G. Dunn, Mary Ann Harrell, Patricia G. Rosenborg, editorial research; Johanna G. Farren, Tamsin Griffeth, geographic research; Sabine D. Fitch, index.

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To two very special people who have gone far beyond the call of duty in helping out with details and taking care of so many matters which helped us move along so fast and avoid many difficulties, arrange for meetings, keep records, and write letters—Mildred Crocker and Sylvia Salato, we say thank you. Also, to all of my office staff, Charles Freburg, Hazel McDowell, Sandra Daily, and Allan Schimmel, who have been so patient and helpful, we express our appreciation.

Then, most of all, to the National Geographic Society for their magnificent and meaningful encouragement with money, with wise counsel and who, with their dedicated, excellent talent, made this a labor of love and went far beyond the call of duty to serve the Capitol Historical Society and the country in a very meaningful and special way, we pay great tribute.

The very select group from the National Geographic Society who deserve special attention and for whom I shall never be able to speak as eloquently as I would like and to whom I and the Capitol Historical Society already owe an everlasting gratitude include, Melville Bell Grosvenor, president and editor; Melvin M. Payne, executive vice president and secretary; Lonnelle Aikman, the principal author of "We, the People"; Jules Billard, editorial director for our book; Robert Breeden, design and production director for this publication; James R. Whitney, director of printing and engraving for the book on the Capitol; and George F. Mobley, the chief photographer.

Mr. Speaker, time will not permit nor are words adequate to express sufficiently our appreciation for the marvelous contribution made by this wonderful team of leaders from the National Geographic Society.

However, I do want to pay a very brief though inadequate tribute to them from all of us.

First, George Mobley, the photographer. He is the most friendly person in the world. He has earned for himself a great reputation with the National Geographic Society through the experience he has had with us in the preparation of our book. In the brief time of 2 years that he has been with the Geographic he has made remarkable photographs that have appeared now in the four editions of the White House book which now number some 1,100,000 copies. George started work exclusively for the U.S. Capitol Historical Society in May of last year and produced a book filled with several unique and many exclusive pictures. His ingenious rope trolley across the rotunda resulted in the extraordinary view on pages 78–79 looking down into the depths of the rotunda. He has received world renown for his wonderful color picture of the Senate in session, the first official portrait of that body ever made.

So, George, we extend a special salute and thank you to you and the very able staff which has worked with you on this.

James R. Whitney is a member of the National Geographic Society's printing and production staff. He served as director of printing and engraving for our book. He is a specialist in the field of offset printing, and guided the White House book through its four editions, working incessantly to maintain top quality control which resulted in the superb printing in the White House book, and now in our book, "We, the People."

Hats off to Mr. Whitney and thank you, Jim.

The only lady on the first team was Lonnelle Aikman. She is a member of the National Geographic Society's senior editorial staff.

In the past she has written an article on the White House which was published in the January 1961 National Geographic magazine, and an article on the Nation's Capitol which also appeared in the National Geographic, called "United States Capitol, Citadel of Democracy." It appeared in the August 1952 issue. She also authored the Geographic's story on the American flag, published in July 1959.

Her ability to get so much history in so few words is something all will appreciate as they read the story in this book. Her thoroughness, her sense of history and her ability to capture the spirit and display the significant historic facts throughout the book is magnificent.

So, to Lonnelle, congratulations for a great job well done and we thank you from the very bottom of our hearts.

Jules Billard, a senior editor on the National Geographic Society staff was in charge of editorial production on the Capitol book. He has been with the Geographic Society for 5 years. One of his major accomplishments there was the writing of the text and directing the editorial production of the "National Geographic Atlas of the World."

Jules, from time to time, added his touch of brilliance and written eloquence to the legends for the 175 different pictures in the book. Just looking at the pictures and reading the legends gives one an understanding and a feel of American history that is better and more genuine than can be gotten from any other collection of pictures anywhere else.

To Jules, and to those who worked with him as editorial director, we pay great tribute and express our deepest appreciation.

Robert Breeden, the director of design and production for our book, has been a highly qualified member of the National Geographic Society staff as assistant illustrations editor for 8 years. He came to us with much experience, with great talent and great patience. He was in charge of the layout and design for the White House book. In his work at the Geographic he has been associated with a number of historical articles on

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the Civil War, Lincoln, the White House, and recently, the U.S. Capitol.

Bob was my principal daily contact at the Geographic and sometimes more often than that. He was my idea man, my solver of problems and there were many.

How fortunate we were to have his experience, his sound judgment, his determination to meet deadlines under extreme and sometimes almost impossible pressures.

To Robert and his marvelous associates we express our deepest appreciation and assure him of our eternal gratitude for a job not well done but marvelously done.

Then, how will the Capitol Historical Society ever be able to repay Melvin Payne for the magnificent contribution he has made? The answer to that question is he cannot be repaid nor will he ever be.

As executive vice president and secretary of the National Geographic Society he has made marvelous contributions and he has achieved great goals for the Geographic and their programs to serve the public interest. Those who know him so well will agree with me when I say that as you know him more you respect him more. No man has ever served a company with a greater sense of devotion and dedication and no one could have been so encouraging to us, the U.S. Capitol Historical Society, in the attainment of our goals to date.

His wise counsel and help is often sought and gladly given to this community and to our Nation. Fortunate we are to have such men in our midst. We certainly were wise in electing him vice president of our society. No person has given us more help and encouragement. He has been and is my strong right arm in the development of our program. His judgment, his experience, and his capacity to get a job done assures the success of our objectives as we launch out on an ambitious program of publications on the most interesting building in the world—our Capitol.

Mr. Speaker, one of the most, if not the most, important single person to the U.S. Capitol Historical Society is Dr. Melville Bell Grosvenor, president and editor of the National Geographic Society.

It was his decision and his judgment that made it possible for us to have all of the wonderful talent and help of which I have spoken. I want the world to note and forever remember this. I want, especially, those who read the book to know that without his judgments, his decisions, and his encouragement to give us the assistance of all of the facilities they have, this book would not have been a reality and of the quality at such a low price.

His record of achievement in and with the Geographic is an unmatched record and unfortunately too much unknown. I hope sometime someone will have the good judgment to write a book about him so the world may know better and appreciate more of his fine contributions to the grandest diary that the world has—the National Geographic magazine.

He has a conviction which people need to know and that is that he feels it is his business and the business of all of us to seek to make other men wiser and better so we can find or make opportunity to do so.

Thankful are we that he had the good judgment to have the National Geographic Society take us under their wing and help us to soar to heights far beyond anything we could imagine at the inception of our project.

With him and his wise counsel, we are helping everybody, and especially boys and girls, to catch something of the spirit that burned in the hearts of those wonderful people we call our forefathers. This can have only one good result and a most desirable one and that is to make better citizens of us all and more adequate citizens out of the young men and women who visit this Capitol and buy one of our books, "We, The People."

Mr. Grosvenor, we—the people of America—salute you. We thank you and your organization.

THE NATIONAL GEOGRAPHIC SOCIETY, ITS WORK AND HISTORY

Mr. Speaker, the National Geographic Society for three-quarters of a century has had the wondrous task of gathering and diffusing geographic knowledge.

The society shares its growing store of geographic fact with countless millions through its world-famous National Geographic magazine, 24 million color maps a year, its globes, atlases, books, monographs, lectures, bulletins for schools, and its information service for press, television, and radio.

To the young in heart of every age there is magic in the name National Geographic. The very words conjure up images of distant places, of explorers and scientists, sparkling seas and dazzling mountain peaks, strange plants, animals, people, and customs.

Not surprisingly, many of the society's 3,900,000 members throughout the world regard the organization as a personal friend. A boy of 8 wrote this letter:

> Some other boys and I were thinking about going to Africa to explore. We haven't got veary much money in the bank, so we would like veary much if the National Geographic would like to send us. I was thinking of going when we are 21 year's old that would be 13 year's from now thank you veary much.

An elderly lady came into the society's headquarters in Washington, D.C., to thank the National Geographic for accepting her as a member. "But," she said in all seriousness, "I am afraid that at my age I shall not be able to go off on all those expeditions."

Since 1888, when the society was formed, it has supported more than 200 major expeditions and scientific projects.

For exploration is the essence of geography. Geography is not static, and the study of it merely begins with the configurations and dimensions of the earth's features. This conception is rightly embodied in today's dictionary definition of geography:

> The science of the earth and its life; especially the description of land, sea, air, and the distribution of plant and animal life, including man and his industries, with reference to the mutual relations of these diverse elements.

DIARY OF OUR TIME

Because of the vision, plans, and understanding of the need for an accurate record for posterity, Dr. Melville Bell Grosvenor, the president and editor of the society and Executive Vice President Melvin M. Payne, have become the chief diarists of the world. Members of the Geographic staff and contributors journey about the world to observe, study, and amass a word and picture that not only becomes an accurate diary but a very attractive one.

Countries, cities, and States which were the subject of comprehensive National Geographic articles in 1963 include Arizona, Athens, Antarctica, Australia, Burma, Copenhagen, India, Ladakh, Malaysia, Ontario, Sikkim, Sweden, and Venezuela. New atlas maps showed these regions—Antarctica, Scandinavia, South-West Africa, central Canada, Australia, the Nile countries, and the Holy Land.

During 1963 the National Geographic magazine featured firsthand accounts of many extraordinary scientific adventures with which the society was associated: notably, the highly successful first American Mount Everest expedition, among whose summit climbers was the National Geographic's own Barry Bishop; Edwin A. Link's extraordinary man-in-sea experiments to enable divers to live and work on the floor of ocean depths of 1,000 feet or possibly more, for days, weeks, even months; British anthropologist Dr. Louis S. B. Leakey's discovery in Kenya of a new 14-million-year-old fossil link in the ancestry of man; first observation by jet aircraft of a solar eclipse.

The National Geographic magazine's articles are distinguished by lavish illustrations in color, a tradition maintained for more than half a century.

In November 1910, National Geographic printed its first series of color photographs. This series also happened to be the largest collection of photographs ever published in a single issue of any magazine. The changeover from black-and-white photography to abundant natural-color illustration transformed the publication into a kind of magazine never before known, and set the pace for its numerous photographic achievements both in the laboratory and in the field.

WORLD ATLAS PUBLISHED

In its work of diffusing geographic knowledge, the society uses various media to tell the story of unfamiliar places and people.

Each year the society's cartographers design and produce at least 7 new maps which are sent as free magazine supplements to member-families, 3,900,000 strong at the beginning of 1964. The large staff of mapmakers began charting the entire world afresh in 1957 to create a new, much-needed, economical "Atlas of the World," published as a single volume in 1963.

Among the society's major contributions to education are the Geographic school bulletins illustrated in full color. Timely, lively, and concise, these "magazines in miniature" are edited for classroom use and home study. During the school year, some 190,000 are sent each week to educators, librarians, and students at a token subscription rate far below production costs.

Whenever an earthquake or other event brings any place on earth prominently into the news, the National Geographic News Service promptly supplies background information. The unusual service was founded in World War I at the request of news editors. Regularly, the news service sends 6 informative features each week to more than 2,000 newspapers, television, and radio stations at their request but without charge.

The National Geographic Book Service prepares color-illustrated books ranging broadly over man's spectrum of interests—from Indians to insects; mammals to mapmaking; from birds, fishes, and flowers to flags of the world; from U.S. national parks and historic shrines to everyday life in ancient times. Because the initial expense is largely borne by the magazine, from which much basic material and many illustrations are taken, the volumes can be published for members at prices below their intrinsic value.

One Geographic book, "Stalking Birds With Color Camera," proved so popular when it was issued in 1951 that the limited printing was soon exhausted and the book became a treasured collector's item. "America's Wonderlands, the National Parks" enjoyed similar success. Shortly after it was published in 1959, the unprecedented demand for it quickly depleted two huge printings of 300,000 copies. There is a continuing demand for "Wonderlands" and a companion volume, "America's Historylands," published in April 1962.

Not the least of the society's public services is answering miscellaneous inquiries. Letters come from all over the world and cover every imaginable subject. A sampling of recent mail reveals, typically, questions about ancient Babylon, the comparative salinity of the Great Salt Lake and the Dead Sea, the quetzal bird of Guatemala and, incongruously, the ingredients of cheese fondue.

ONE GROTTO, PLEASE

Some questions are baffling. A soldier at Fort Riley, Kans., asked:

> Would you be kind enough to send me the address of the closest grotto to this camp? I am now stationed in the Middle West for the first time and don't know where to start.

From a youngster in New Mexico came this poignant appeal:

> I am in the 6th grade and would like to have a National Geographic Society. Would you please send me one? Thank you.

Doubtless the child wanted a sample copy of the magazine. But the society's staff members are often asked, in all sincerity:

> What is the National Geographic Society? How can I become a member?

The society's bylaws state:

> Members shall be persons interested in the increase and diffusion of geographic knowledge.

And most of the society's 3,900,000 members were elected through nomination by another member.

The society's membership committee meets regularly, however, for the specific purpose of making membership possible for applicants who wish to join but who do not know a member. Subscriptions, without membership, are available to libraries, schools, corporations, and various institutions.

The society itself is chartered in Washington, D.C., in accordance with the laws of the United States, as a nonprofit scientific and educational institution.

FOUNDED IN 1888

When founded in Washington in 1888, it was a small, local body. Now members live in such farflung places as the Republic of the Congo, the northwest territories of Canada, Uruguay, Andorra, the Soviet Union, Macao, Fiji, and Afghanistan. The magazine enters such notable households as Buckingham Palace. Nearly 90 percent of the members renew their membership each year, which is something of a phenomenon in the magazine field.

What are the rewards of membership? Members have the satisfaction of participating in and jointly owning a worldwide cooperative organization devoted solely to education and scientific research.

Quite obviously, most of the society's members will never have the opportunity to visit Washington and inspect their property there, including a monumental new 10-story headquarters building.

Yet a surprising number take from afar a strongly personal interest in its activities. Editorial-minded members can be piercingly explicit:

> As you know, there is no such thing as "tin roof" and many years ago you promised me you would watch that error.

The modest dues of the members—$6.50 in the United States and its outlying areas, $7 for Canada, and $8 elsewhere—are stretched a long way. They pay for the monthly issues of the National Geographic magazine, with its maps and other supplements. Dues support the society's numerous scientific expeditions, researches, and educational services; provide for new facilities when required; and enable the society to accumulate reserve funds. As a result of careful investments over the years, those savings constitute a financial cushion that has helped keep membership dues to a minimum at a time of sharply rising costs.

Staff members take pride in the words of Alexander Graham Bell, the inventor of the telephone and the society's second president. Dr. Bell said, "We never had to take off our hats to any multimillionaire for having endowed the society with a million dollars; we have done it ourselves."

NEW BUILDING DEDICATED

The society's staff of 1,400 handles the organization's worldwide activities from a complex of buildings in Washington. The newest is a gleaming white marble structure that rises 10 stories from a parklike setting on 17th Street NW., only a few blocks from the White House. The new building, designed by Edward Durell Stone, not only provides office space for 600 employees; it houses an exciting new museum of science and discovery. President Lyndon B. Johnson dedicated the new headquarters on January 18, 1964.

Editorial and administrative offices formerly were nearby in two adjacent buildings on 16th Street NW.: a large colonnaded structure built in 1913 and Hubbard Memorial Hall, a handsome red-roofed edifice that was a gift in 1903 from the families of Dr. Bell and Gardiner Greene Hubbard, who was the society's first president. Both buildings still are used by the society, along with a four-story office in Northeast Washington where clerical workers handle the vast records and correspondence relating to the society's 3,900,000 member-families.

The society owes its existence to a small group of Washington citizens. In the 1880's, the Federal Government began to employ scientists, many of whom met regularly at Washington's Cosmos Club for refreshment of mind and body. It was a time of intense mental stimulation, an incubation period for great advances in science and discovery. Such diverse tools as a practical internal-combustion car, the diesel engine, the power-driven aircraft, the kinetoscope, X-rays, and radium were just around the corner. The Cosmos Club regulars and their public-spirited friends felt it was time to wipe the dust from geography books.

MEMORABLE YEAR

Living in Washington at the time was Mr. Hubbard, a Boston lawyer and philanthropist who had helped organize the first telephone company for his son-in-law, Dr. Bell. Largely through Mr. Hubbard's enterprise, the National Geographic Society was formed in January 1888. He was elected president. In October 1888, the first National Geographic magazine appeared. It was a slim, highly technical brochure, gloomily bound in a terra cotta cover. The publication cost 50 cents.

Certain of the charter members, who numbered 165, were determined to keep the magazine technical. Their tastes ran to "The Classification of Geographic Form by Genesis" and similar discourses.

Mr. Hubbard and Dr. Bell did not see eye to eye with them. The two gentlemen, one a financial genius, the other a scientific genius, shared a common aspiration: To promote geographic research and diffuse that knowledge so that every man, woman, and child might learn more about the wondrous world in which we live.

When Dr. Bell became the society's second president in 1898, he devoted much of his prodigious intellect and energy to making the National Geographic a livelier journal. As a start he needed an editor.

YOUNG TEACHER ACCEPTS JOB

Dr. Bell had in mind two young Amherst graduates who had attended a house party at his summer home, Beinn Bhreagh, in Nova Scotia. They were

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Gilbert and Edwin Grosvenor, the twin sons of a friend, the educator Dr. Edwin A. Grosvenor.

Impartially, Dr. Bell mentioned both youths in writing their father about the editing position he had in mind. Edwin elected to follow the legal profession. But Gilbert, a school teacher, leaped at the chance. Perhaps his decision was colored by an interest in Dr. Bell's pretty daughter, Elsie May Bell. At any rate, the 23-year-old youth reported to work in Washington on April 1, 1899, and married Elsie in October of the following year.

Gilbert Grosvenor often said that Elsie May Bell gave her "magic touch" to the society when she consented to marry him. She designed the National Geographic flag, with its stripes of green, brown, and blue representing sea, earth, and sky. She traveled with him to the farthest corners of the earth; read many hundreds of manuscripts and helped edit tens of thousands of photographs; she contributed notable articles of her own.

The springtime of the National Geographic was a period of frugality and youthful enterprise. Funds were so limited that every dollar had to be distended like a balloon. It was necessary for Gilbert Grosvenor to do everything himself. At first he was obliged even to hand-address the magazine wrappers and carry each mailing to the post office on his back. Not surprisingly his first purchase was a $20 addressing machine.

Unhappily he was caught in a distressing tug-of-war among executive officers over the magazine's format and method of circulation. Not all of those influential in the society's councils believed geography could or should be popularized, and some executive officers thought that the magazine's future depended upon newsstand sales and subscriptions.

CONCEPT OF EDITORSHIP

Gilbert Grosvenor did not agree. During those trying days, he candidly expressed his concept in a letter to the eminent authoress Ida M. Tarbell:

> A combination of membership and magazine will be a stronger attraction than a mere subscription to a magazine. Where many persons will not subscribe for the magazine alone, they will become members because they get two things, the distinction of membership in a well-known society and also a good monthly journal. Neither the magazine nor the society can stand alone, for each helps the other.

With Dr. Bell's support, Gilbert Grosvenor won in the end. The magazine was to be continued on a membership rather than a subscription basis.

From the onset the editor was determined to transform the magazine from one of cold geographic fact, expressed in hieroglyphic terms which no layman could understand, into a vehicle for conveying the living, breathing truth about the world to members. He was convinced that the magazine should use pictures—realistic ones alive with human interest. Good illustrations were scarce, so he bought a camera and learned photography.

When opportunity knocked, Gilbert Grosvenor was ready to try a daring innovation in magazine publishing:

> I came to the office one December morning in 1904 deeply discouraged. The printer was urgently demanding copy for 11 pages for the January issue. There is no tyranny so absolute as a printer's deadline, but I simply did not have a good manuscript available.
>
> A large and rather bulky envelope lay on my desk. Still brooding about the unfilled pages, I opened the package listlessly—then with mounting excitement at the enclosures that tumbled out.
>
> Before me lay some 50 beautiful photographs of the mysterious city of Lhasa in Tibet, taken by a Russian explorer. I decided to use them to fill the pages.
>
> When I went home, I told my wife that I expected to be fired for publishing 11 solid pages of scenic pictures—particularly since the plates had been paid for from our own slender resources. But my anxiety was soon dispelled when members of the Society stopped me on the street to tell me how much they had enjoyed the first photographs of romantic Lhasa.

LA GORCE JOINS STAFF

A few days later the young editor was elected to the board of managers, the precursor of the present board of trustees. He was appointed a member of the executive and finance committees.

In the autumn of 1905 another happy event occurred. Memberships were pouring in so fast that Gilbert Grosvenor faced bushels of unanswered letters. He needed an assistant urgently. One morning a personable young man walked in and presented his card—John Oliver La Gorce. Yes, he would like the job.

It was a fortunate encounter. For more than half a century Gilbert Grosvenor directed the destinies of the National Geographic with John Oliver La Gorce as his right hand. When Dr. Grosvenor retired in 1954 and became chairman of the board of trustees, Dr. La Gorce succeeded him as president and editor. In 1957 Dr. La Gorce chose to join his longtime colleague in retirement from direct editorial duties, and accepted the vice-chairmanship of the trustees. Prior to his death in 1959, Dr. La Gorce continued to take part in the society's policies and programs. Meanwhile he had been succeeded as president and editor by Melville Bell Grosvenor.

LEADERS IN MANY FIELDS

Direction of the society's affairs is vested in the board of trustees. Its members number 24, and they are elected for life. In the event of a vacancy, a successor is chosen by a majority vote. The trustees elect the president and editor, as well as other principal officers of the society.

National Geographic has been unusually fortunate in securing as trustees national leaders in the fields of science, education, law, business, finance, government, the armed services, and aviation. As a rule the trustees have uncommon demands upon their time, yet they come to the society's headquarters about once a month to see that the house is in order and to deal with new business. They act as a budget bureau, a promotions board, a general services administration, an appropriations committee, and an advisory commission—all rolled into one. The society's committee for research and exploration may recommend a series of grants amounting to some $250,000 to the National Park Service for scientific study of ruins in Mesa Verde National Park, Colo., but it is the trustees who review the merits of each project and give the green light.

The trustees bestow National Geographic awards such as the Hubbard Medal, its highest honor for exploration and discovery, and the Gold Medal for achievement. Recent medalists include members of the American Mount Everest expedition; Astronaut John Glenn, first American to orbit the earth; and Capt. Jacques-Yves Cousteau, the French undersea pioneer and leader of the National Geographic-Calypso expeditions.

BOARD OF TRUSTEES

The board of trustees, as of January 1, 1964, included: Dr. Gilbert Grosvenor, chairman; Thomas W. McKnew, vice chairman; Leonard Carmichael, secretary of the Smithsonian Institution from 1952 to 1964; Rear Adm. L. O. Colbert, U.S. Coast and Geodetic Survey, retired; and Hugh L. Dryden, Deputy Administrator of the National Aeronautics and Space Administration.

Also, Robert V. Fleming, advisory chairman of the board of Riggs National Bank; Crawford H. Greenewalt, president of E. I. du Pont de Nemours & Co.; Melville Bell Grosvenor; Vice Adm. Emory S. Land, U.S. Navy, retired, and former president of the Air Transport Association; Gen. Curtis E. LeMay, Chief of Staff, U.S. Air Force; H. Randolph Maddox, vice president of the American Telephone & Telegraph Co., retired; and Benjamin M. McKelway, editorial chairman, the Washington Star.

Also, Walter K. Myers, physician; Melvin M. Payne, executive vice president and secretary of the National Geographic Society; Laurance S. Rockefeller, chairman of the board, Rockefeller Brothers, Inc., and president of Jackson Hole Preserve; Juan T. Trippe, president of Pan American World Airways; Frederick G. Vosburgh, associate editor of the National Geographic magazine; James H. Wakelin, Jr., Assistant Secretary of the Navy for Research and Development; Chief Justice Earl Warren; Alexander Wetmore, research associate, Smithsonian Institution; Lloyd B. Wilson, honorary chairman of the board, Chesapeake & Potomac Telephone Co.; and Conrad L. Wirth, director of the National Park Service—1951–64—U.S. Interior Department.

When Melville Bell Grosvenor became president and editor of the society in January 1957, he had devoted more than three decades to its activities. In his youth, despite a compelling interest in geography and photography, he planned to make his career in the Navy. But after graduating from the Naval Academy in 1923, he decided that his true vocation lay with a camera and a typewriter, not a sextant.

On joining the National Geographic staff, he served apprenticeships in various departments, writing news and school bulletins, making and selecting photographs for publication, writing and editing picture legends, contributing and editing articles for the magazine, and handling the society's annual winter course of film-lectures for Washington area members. One of his early assignments was to go aloft in a blimp and obtain the first successful natural-color photographs ever made from the air.

MAGAZINE GETS NEW LOOK

Under Dr. Grosvenor's leadership, many changes have taken place at National Geographic. One obvious difference is in the familiar, gold-bordered cover. It is now regularly embellished with a color photograph.

Behind the scenes, technological improvements have been occurring. The magazine was printed in Washington for more than 60 years. But a shift in printers was occasioned in 1960 by the growth in the magazine's circulation and the availability in Chicago of modern, high-speed presses that assured printing and color reproduction of faultless quality.

Engineers and executives of the R. R. Donnelley & Sons Co. helped the society plan new presses. The Cottrell Co. in Westerly, R.I., custom-built the precision machines.

"When moving day arrived," Dr. Grosvenor said, "the editors braced themselves for a new kind of Geographic expedition. During the next 8 months, the magazine was printed in two different plants, one in Washington and one in Chicago. Parts of the same article were often printed 600 miles apart.

> To bind the issues, we shipped 138 truck-trailer loads of pages between the District of Columbia and Illinois. Yet we made every deadline, and members noted an improvement in quality.

The society had always insisted upon the best available coated paper for the magazine; now it began using newly developed paper and ink that were even better.

To give its members push-button service, the society also acquired a Univac III computer for the purpose, among other things, of making possible temporary changes of address on a day's notice.

HISTORIC FIRSTS IN PHOTOGRAPHY

Some of the society's many pioneering achievements in photography—in the laboratory and in the field—are these:

First. First to make and publish natural-color photographs of Arctic life; first magazine aerial photographs of the North Pole and South Pole.

Second. First photographs taken in the stratosphere.

Third. First successful natural-color photographs undersea.

Fourth. First natural-color photographs from the air.

Fifth. First natural-color photographs made underground.

Sixth. First published photographs of the major planets and the moon as seen through the 200-inch Hale telescope.

Seventh. First color photographs of big game and the first comprehensive series of color photographs of insects. The first action-stopping color photographs of numerous bird species.

Year in and year out the society makes large grants for research and exploration. Among the first, when the society was young and small, was $1,000 toward the cost of Adm. Robert Peary's assault on the North Pole. The expeditions and research projects, more than 200 all told, have pushed back the frontiers of earth, sea, and sky.

The studies have reached nearly 2 million years back in time to a prehistoric lake in east Africa where a manlike being chipped stone tools; they have reached a billion light-years into space.

Ambitious 1963 enterprises included the first American assault on Mount Everest; discovery of the traces of a thousand-year-old Viking settlement on Newfoundland; exploration of uncharted, cloudy, frozen wilds of Peru's Cordillera Vilcabamba; and the extraordinary Leakey excavations in east Africa that have yielded fossils of both 1,750,000-old Zinjanthropus and 14 million-year-old Kenyapithecus, whose skull fragments suggest a step in the ancestry of man. Inventor-explorer Edwin A. Link and Captain Jacques-Yves Cousteau continue their undersea work with the support of the society.

With society sponsorship, Dr. Earl C. Slipher, of Lowell Observatory, Arizona, began in 1962 to compile a "Photographic Study of the Brighter Planets," which has been dubbed a "road map for astronauts."

Earlier, under the joint auspices of the society and the California Institute of Technology, Palomar Observatory made a photographic survey of the heavens which expanded the known universe at least 25 times. The 7-year job provided astronomers with a guide to new worlds in space for perhaps a century to come.

Over the years, the National Geographic Society has made many grants and worked closely with the National Park Service to help save the Nation's priceless wilderness domains. It has contributed in various ways: the first expedition to explore Carlsbad Caverns, New Mexico; discovery of Alaska's Valley of Ten Thousand Smokes; donation to the American people of a large tract in Giant Forest, Sequoia National Park, Calif., and a study of the danger to coastal redwoods; the recent gift of Russell Cave, Ala., a cavern in which stone agers lived 9,000 years ago; unearthing of the ancient Indian city-state, Pueblo Bonito, in New Mexico.

The spectacular expeditions make headlines. But other long-range researches go on, unceasingly, like the familiar ticking of a clock. For example, the University of Miami Marine Laboratory made an important 10-year study of pelagic, or seagoing, fish with the society's help.

The National Geographic also makes small grants for such diverse projects as the compilation of a bibliography of Arctic writings and the publication of purely technical reports on expeditions.

TO ENDS OF EARTH

In addition to sponsoring elaborate scientific expeditions, the National Geographic sends its editors, writers, and photographers literally to the ends of the earth—the poles—in quest of geographic knowledge.

Camera in hand, Dr. Gilbert Grosvenor journeyed hundreds of thousands of miles by ship, train, caravan, airliner, bush plane, and car, on muleback, and afoot to gather material for articles. He and Dr. Thomas W. McKnew have flown over the North Pole. Dr. Melville Bell Grosvenor travels extensively. Dr. Payne was in Nepal during the Everest venture.

It would be impossible to estimate the myriad miles clocked by Associate Editor Frederick G. Vosburgh and such assistant editors and senior staff members as Franc Shor, W. Robert Moore, Luis Marden, B. Anthony Stewart, Robert L. Conly, Allan C. Fisher, Jr., John Scofield, and Mason Sutherland. In 1963 staff members flew a total of perhaps a million miles, a figure which does not reflect their local travels within countries.

For sheer derring-do Luis Marden takes staff honors. He is by nature an adventuresome fellow, and he finds nothing odd about pursuing a 30-pound fish about a submerged reef, aqua lung on his back and underwater camera in his hand. Assigned to Pitcairn Island, Mr. Marden not only developed a first-rate article and color motion picture about the lives of descendants of the *Bounty* mutineers; he discovered the remains of the *Bounty* on the coral-encrusted floor of Bounty Bay.

For sheer stamina Barry C. Bishop bows to none of his colleagues. A veteran of the 1960–61 Hillary expedition which wintered in the shadow of Mount Everest, Bishop climbed it as a member of the 1963 American Mount Everest expedition.

From writer-photographer Thomas J. Abercrombie came this memorable note:

> In the spirit of other pioneering efforts carried on by the society, I have the pleasure of carrying the society flag to 90° South latitude as the first press correspondent to set foot on the (South) Pole.

QUEEN PHOTOGRAPHS EDITOR

Not long ago Senior Assistant Editor Franc Shor visited Greece on assignment. He was received by King Paul and Queen Frederika at their summer palace outside Athens. As the interview ended, the royal couple posed for pictures. Then Mr. Shor started to pack his camera gear.

> Just a moment—

Said Queen Frederika with a smile.

> It's my turn now. You two shake hands while I take your picture.

King Paul took Mr. Shor's hand in a firm grip. Greece's lovely queen focused the camera carefully and took three exposures.

> If the magazine uses one—

She said—

> I want a credit line like all photographers get. And beneath the picture write: "A

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member of the National Geographic Society welcomes the society's representative to Greece."

INTERNATIONAL DEVELOPMENT ASSOCIATION ACT

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9022) to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 9022, with Mr. FLYNT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rules the gentleman from Texas [Mr. PATMAN] will be recognized for 1 hour, and the gentleman from New York [Mr. KILBURN] will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, before yielding to Mr. REUSS, chairman of the Subcommittee on International Finance, I wish to speak briefly on the merits of this bill.

Undeniably, Mr. Chairman, the IDA is one of the best of our foreign programs. For every $4 that the United States puts in, 16 other countries combine to contribute $6. Moreover, we get the benefit of the enormous professional resources of the World Bank, which administers the IDA program.

It has been the objective of our diplomats for several years to encourage the participation of the other rich nations of the world in the desperately needed program of economic assistance to the poorer nations. This is a burden that we cannot shoulder alone. It may make very little difference to the passengers in a wagon whether the wagon is being pulled by 1 horse or 17. The passengers may go a little faster, but that is all they notice. To the horse, however, it makes a lot of difference.

Now, this bill passed the Subcommittee on International Finance by a unanimous vote. It passed the Committee on Banking and Currency by a unanimous vote. It has the full and enthusiastic support of the administration.

Every other country has promised its contribution. They are waiting for the United States alone to pledge its share. At our behest, the deadline was postponed once back in December. Now we are rapidly approaching a second deadline. That is why it is imperative to act immediately on this bill.

The bill would authorize the United States and the other 16 countries who make up the Association to increase their authorization for new loans to underdeveloped countries. The fact is that the present authorization is all committed and there is a big job to be done. The Russians are not troubled by lack of money in moving into the new countries. They are always there waiting their chance. Fortunately this program represents one of the instances where the wealthier noncommunistic countries have gotten together to help the newer nations develop in a free way rather than under Communist domination. I hope that you will all keep this firmly in mind in considering this very vital legislation today.

Mr. Chairman, I now yield 10 minutes to the gentleman from Wisconsin [Mr. REUSS], chairman of the Banking and Currency Committee's Subcommittee on International Finance.

Mr. REUSS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD and include portions of the committee report and extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Chairman, the bill, H.R. 9022, would amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association. Specifically, it authorizes the United States to subscribe $312 million, payable in three equal annual installments, to the new capital of the IDA. These sums would not be appropriated until fiscal 1966, 1967, and 1968, respectively. The total new capital of the IDA is projected at $750 million, of which the American share represents 41.6 percent.

The bill would authorize the U.S. Governor of IDA to vote in favor of a resolution now pending before the Association to increase its resources. The additional resources would be provided entirely by the 17 economically developed members of IDA, and would be paid in entirely in convertible currencies. The bill authorizes the appropriation of the American share of this new capital, $312 million. It also makes technical changes in the existing IDA legislation to permit the United States to issue non-interest-bearing notes to IDA when the new subscription falls due; this would be done in three equal annual installments.

In the course of the study of the bill by the House Committee on Banking and Currency, we have obtained the agreement of the Secretary of the Treasury that, as the U.S. Governor of IDA, he will follow three policy recommendations of the committee. They are, first, that the U.S. share of the contributions to capital be further reduced in any future subscription; second, that the World Bank, which is the parent body of IDA, make its future net income available to IDA to the greatest extent possible; and third, that for the purpose of relieving the present American imbalance of payments, the World Bank in the future to the greatest extent possible, borrow new funds in economically advanced countries other than the United States and lend convertible currencies other than the dollar. Secretary of the Treasury Dillon's letter of February 17, 1964, setting forth the Treasury's position on these three policy recommendations, follows:

FEBRUARY 17, 1964.

The Honorable WRIGHT PATMAN,
Chairman, Banking and Currency Committee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, December 31, 1963, was the original date for action by the members of the International Development Association (IDA) on the resolution entitled, "Additions to Resources," which is pending before the Board of Governors of IDA and is referred to in H.R. 9022. At the request of the U.S. Executive Director of IDA, this date was postponed until March 1, 1964, in order to allow time for action by the U.S. Congress.

I feel that it is most important for us to be in a position to act by the March 1 date, and would therefore hope that the Congress could take early final action authorizing U.S. participation in the proposed additions to IDA's resources. I recognize that this may require acceptance by the House of the version of the bill as passed by the Senate (S. 2214).

As you are aware, S. 2214 has certain technical differences from H.R. 9022. In addition, your committee, in reporting out H.R. 9022 (Rept. No. 1093) amended it by adding a new section 3, which states that:

"SEC. 3. It is the intention of the Congress that the United States Governor of the International Bank for Reconstruction and Development, in carrying out his duties and responsibilities in connection with international financial institutions, shall take into account the following considerations:

"(1) The proportionate share of the United States in any further increase in the resources of the International Development Association should be reduced from the proportionate share represented by the payment on behalf of the United States authorized by the amendment made by this act.

"(2) To the maximum extent consistent with the proper attainment of the Bank's objectives, the Bank should make its future net income available to its affiliates.

"(3) In view of the importance of reduction in the United States balance-of-payments deficit, the Bank should, to the maximum extent feasible, borrow new funds in economically advanced countries other than the United States and lend convertible currencies other than the dollar."

Prior to House debate, I would like to assure you that the policies outlined in section 3, which is the only substantive difference between H.R. 9022 and S. 2214, are completely acceptable to the administration, and that we will fully take into account the considerations which are set forth in that section—irrespective of whether the House or the Senate version is finally enacted.

With best wishes,

Sincerely,

DOUGLAS DILLON.

IDA'S ADVANTAGE TO THE UNITED STATES

By far the greatest advantage accruing to the United States from participation in the International Development Association is the fact that IDA is a truly international, multilateral organization. The collective nature of the enterprise works to our benefit in three ways.

First. We get the benefit of the financial participation of the other rich nations of the world. This is a benefit that cannot even be calculated. It is something that we have been working for for years and years, and it represents a gigantic step forward. Think of it. It costs us a dollar to give a dollar to a needy and deserving country under AID. To give the same dollar through IDA costs us less than 42 cents.

Second. The staffs of IDA and the World Bank are identical. This means that the program gets the benefit of the vast experience and technical training of the World Bank staff at a minimal cost. This reduces the overhead cost of the program enormously.

Third. The political and diplomatic pressures that come to bear upon such decisions as to whom to allocate aid, and for how much, and on what terms, are taken off our back and put on the back of an international bank.

Our share of the new subscription has been reduced to 41.6 percent from our share of the original capital, which was 43.32 percent. In the meantime, Great Britain's share has also gone down a few points. The additional burden is being borne by the Common Market countries, whose total share is up from 20.53 percent to 26.43 percent, by other European countries, who will be contributing more in the future, and by other developed nations, which are paying in a total of 14.23 percent this time, compared to 13.75 percent last time.

At this point I would like to insert in the RECORD a table showing the amounts and percentages of the first and second subscriptions borne by each country and each group of countries in IDA:

Amount and percent share of initial subscription and of proposed new subscription to the International Development Association, by country and group of countries

[Dollars in millions]

Country or group	Initial subscription		Proposed new subscription	
	Amount	Percent share	Amount	Percent share
Total	$739.36	100.00	$750.00	100.00
United States	320.29	43.32	312.00	41.60
United Kingdom	131.14	17.74	96.60	12.88
Common Market Six	151.82	20.53	198.22	26.43
Belgium			16.50	2.20
France	52.96	7.16	61.87	8.25
Germany	52.96	7.16	72.60	9.68
Italy	18.16	2.46	30.00	4.00
Luxembourg			.75	.10
Netherlands	27.74	3.75	16.50	2.20
Other European	34.42	4.66	36.44	4.86
Austria	5.04	.68	5.04	.67
Denmark	8.74	1.18	7.50	1.00
Finland	3.83	.52	2.30	.31
Norway	6.72	.91	6.60	.88
Sweden	10.09	1.36	15.00	2.00
Other	101.64	13.75	106.74	14.23
Australia	20.18	2.73	19.80	2.64
Canada	37.83	5.12	41.70	5.56
Japan	33.59	4.54	41.25	5.50
South Africa	10.09	1.36	3.90	.53

But despite the large and growing participation of other industrialized nations, the program still places a heavy burden upon the United States. It is very much to be hoped that in the future a larger share of the growing resources of the Common Market countries will be allocated to such international foreign aid operations. In addition, the growing surplus of the World Bank, and the close, indeed inseparable relationship between that body and its subsidiary IDA, suggests that here might be another source of capital for underdeveloped nations that are unable to meet the terms of conventional, hard loans.

NEED FOR IDA FINANCING

The provision of economic assistance to developing countries was the major objective underlying the establishment of the International Development Association in 1960. It owes its origin largely to congressional initiative. The need of such countries for social overhead capital to build roads, power installations, communications networks, and other preconditions of economic growth, is tremendous. But the ability of these countries to pay for such assistance is very limited. They have much too little foreign exchange. Poverty is a vicious circle whether here or abroad, and a poor man cannot borrow money at a bank if he cannot pay the interest. And so it was recognized that some source of soft loans was urgently necessary. Between 1955 and 1961, the foreign-owned public debt of the developing nations more than doubled in size, without a corresponding growth of their foreign exchange earnings. Countries like India simply could not afford to borrow more money on competitive terms.

And so it was that the IDA was formed. Fifteen industrialized nations pledged $763 million to a capital pool, out of which money would be lent to underdeveloped countries for a term of 50 years, without interest, and with a service charge of only three-fourths of 1 percent. Repayment would be in convertible currencies, but there would be a 10-year grace period on each loan.

But now the original resources of the Association are nearly exhausted, having been committed on 47 credits to 20 countries. Well before fiscal 1966, when the first installment of the proposed new subscription falls due, it is expected that there will be no more left from the initial capital. It is not and has not been contemplated that IDA would go to the private capital market for funds, since there is no incentive for nongovernmental investors to invest in non-interest-bearing loans.

The resolution, for which this bill would permit the U.S. Governor to vote, has already received the favorable votes of the Governors in IDA of all of the other 16 economically developed countries. But the terms of the resolution call for ratification by at least 12 of these member countries, contributing at least $600 million, before March 1, 1964, before any pledge can become effective. Since our share is over $300 million, obviously the increase in IDA's resources will not occur without our vote. The original deadline has already been extended once at the request of the United States.

The benefits and advantages of the continued IDA program are obvious. The need for it is great. I hope the bill will be passed.

I include portions of report No. 1093 of the House Committee on Banking and Currency:

INTERNATIONAL DEVELOPMENT ASSOCIATION ACT

PURPOSE OF THE BILL

H.R. 9022 authorizes the U.S. Governor of the International Development Association to vote in favor of a resolution now pending before the Association to increase its convertible currency resources through additional subscriptions by 17 economically advanced countries in a total sum of $750 million. The resolution provides that each country's subscription is to be available in three equal installments during fiscal years 1966, 1967, and 1968.

The bill authorizes the appropriation, without fiscal year limitation, of the sum of $312 million for the U.S. share in the increase in the resources of the Association.

The bill also makes a technical change in the existing legislation in order to permit the United States to issue non-interest-bearing notes to the Association, as each installment of the increased subscription falls due.

The bill also sets forth, as the intention of Congress, three policy recommendations to the U.S. Governor of the International Bank for Reconstruction and Development, who is ex officio U.S. Governor of the Association and of the International Finance Corporation. These recommendations are (a) that the U.S. share in any future increase in resources of the Association be reduced; (b) that the International Bank should make its future net income available to its affiliates, the Association, and the International Finance Corporation, to the maximum extent consistent with the attainment of the Bank's objectives; and (c) that to assist in the reduction of the U.S. balance-of-payments deficit, the Bank should obtain funds in economically advanced countries other than the United States and lend convertible currencies other than the dollar to the maximum extent feasible. The term "net income" as used in section 3(2) of the bill is intended to mean net income after the payment of all expenses, provision for reserves, and all other proper charges.

BACKGROUND OF THE BILL

The International Development Association Act of 1960 (Public Law 86–565, approved June 30, 1960; 74 Stat. 293) authorized the United States to make an initial subscription to the Association of $320,290,000, as the U.S. share of total subscriptions of all member countries of $1 billion. The subscriptions of the economically advanced countries (designated in schedule A of the articles of agreement as "pt. I" countries) of $763,070,000 were entirely in convertible currencies. The subscriptions of potential borrower countries ("pt. II" countries) of $236,930,000 were 10 percent in convertible currencies and the remainder in their own currencies. Under the terms of the articles of agreement, initial subscriptions were payable over a 5-year period, with the final installment due in November 1964. As of November 8, 1963, actual initial subscriptions totaled $984.4 million, of which $766.9 million were in convertible currencies and $217.5 million in restricted local currencies.

The Association was established in 1960 in order to provide a source of development capital for countries which could not qualify for loans from the private capital market or meet the more stringent standards for loans from the International Bank for Reconstruction and Development or the U.S. Export-Import Bank. It was designed to supplement the U.S. Development Loan Fund and welcomed in this country as a way for assuring the more active participation of other economically advanced countries in

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financing the development of poorer countries. The Association's loans are made for a term of 50 years, with no interest charge but with a service charge of three-quarters of 1 percent per annum. Repayment of principal is in convertible currencies, but no repayment is required during the first 10 years on any loan.

In making the initial subscription, Congress recognized in 1960 that additional subscriptions might be necessary to replenish the resources of the Association. It was recognized that the Association could not, like the International Bank, obtain additional funds by issuing its own securities in the private capital market. For example, the committee report of June 8, 1960, on the Association (H. Rept. 1766, 86th Cong., 2d sess.) stated:

"The articles (of agreement) provide for a periodic review by the Association of the adequacy of its resources and for the authorization if, when, and to the extent deemed desirable, of general increases in subscriptions. While the Association has the power to borrow, it is not contemplated that there will be any issue of securities in the private market" (p. 5).

As of November 30, 1963, the Association had committed $554 million, on 42 credits in 18 countries, out of its total lendable resources in convertible currencies of slightly more than $750 million. Even at the current modest annual rate of lending of about $150 million per year (which is lower than the anticipated lending rate), the $200 million balance of lendable funds will be exhausted by the fiscal year 1966, when the first installment of the additional funds now requested is to become available.

There is now pending before the Association a resolution for an increase in subscriptions of $750 million in convertible currencies, to be paid in entirely by 17 part I countries, and to be available in 3 annual installments beginning in fiscal 1966. Part II countries are not being asked to take part in the proposed increase in resources. The share of the United States in the proposed increase is $312 million 41.6 percent of the total for all part I countries compared with a 43-percent share in 1960. The following schedule shows the amounts and percentage shares of each of the countries which are to share in the new resources:

Country	Amount of proposed contribution (millions)	Percent of total
Australia	$19.80	2.64
Austria	5.04	.67
Belgium	16.50	2.20
Canada	41.70	5.56
Denmark	7.50	1.00
Finland	2.298	.31
France	61.872	8.25
Germany	72.60	9.68
Italy	30.00	4.00
Japan	41.25	5.50
Luxembourg	.75	.10
Netherlands	16.50	2.20
Norway	6.60	.88
South Africa	3.99	.53
Sweden	15.00	2.00
United Kingdom	96.00	12.88
United States	312.00	41.60
Total	750.00	100.00

The resolution provides that at least 12 out of the 17 countries, with proposed contributions totaling $600 million or more out of the aggregate $750 million, must agree by March 1, 1964, to make their contributions in the amounts set forth above before any country's commitment becomes effective. Unless the United States casts its votes in favor of the proposal, the approvals of all the countries which have already acted favorably on the proposal will be ineffective.

NEED FOR THE BILL

The need for capital resources provided by the Association is greater today than it was in 1960 when the Association was founded. Since 1960 many new nations have been added to the ranks of those needing development capital. Moreover, the ability of developing countries to incur conventional debt service burdens has steadily diminished. Between 1955 and 1961, the external debt of developing countries more than doubled, without a comparable increase in their foreign exchange earnings. Their greatly diminished capacity to carry added debt servicing burdens makes it imprudent for them to incur more debt on conventional terms. Yet curtailing their development programs would have serious political and social consequences, not only for the countries concerned but for the free world generally. It is very much in the interest of the United States and the other advanced industrial countries to rescue the developing countries from this dilemma.

The stake of this country in expanding the resources of the Association is particularly significant:

1. By contributing to the multilateral capital fund of the Association, the United States can be assured of $1.40 in contributions from other countries for every $1 which we make available for economic development.

2. The political and economic stability of the free world, which has been our constant goal, is furthered by making it possible for developing countries to borrow from an international lending institution with the assurance that narrow national interests are not reflected in loan decisions.

3. The balance-of-payments effect on the United States of IDA loan disbursements, now relatively unfavorable, can be expected to improve. In the 3-year period ending September 1963, only about 23 percent of all identifiable procurement under these disbursements was in the United States. However, over a longer period, the percentage share of purchases under Association credits in the United States should more nearly approximate the 33-percent share of purchases under International Bank loans in this country during fiscal 1963. If the latter ratio is achieved on Association loans, about 80 percent of the proposed U.S. subscription would be returned to us in the form of increased exports as compared with about 65 percent under our unilateral aid program at present.

SPECIAL REPORT OF THE NATIONAL ADVISORY COUNCIL

The National Advisory Council on International Monetary and Financial Problems, established under the Bretton Woods Agreements Act of 1945 (22 U.S.C. 286b), as the U.S. policy body coordinating our international aid efforts, is composed of the Secretary of the Treasury, as Chairman, and of the Secretaries of State and Commerce, the Chairman of the Federal Reserve System Board of Governors, and the Chairman of the Export-Import Bank. The special report of the National Advisory Council on the need for additional capital resources for the association, which furnished a large part of the documentation in support of H.R. 9022, would have been more helpful had certain additional information been provided:

1. The names of the members of the Council concurring in the report are not given. The names of those dissenting, if any, and their reasons for dissent, were also not given.

2. The report makes no analysis of the balance-of-payments effects of the proposed increase in resources for the United States. Such an analysis appears fundamental to a consideration of increasing the U.S. payments at a time when there is pressing need to reduce the U.S. balance-of-payments deficit. The committee notes that U.S. participation in the International Bank results in a higher return in the form of increased U.S. exports than our own aid program, and that our subscription to the Association may also in the future be similarly favorable.

3. There is no discussion of the respective future roles in economic development of the International Bank, the Association, and the International Finance Corporation. The committee believes such a discussion extremely relevant to considering the expansion of Association resources, since the need for the type of loans made by the Association is increasing and the ability of developing countries to assume servicing burdens for conventional loans (of the type made by the International Bank) is rapidly coming to a limit. Moreover, while the Association requires additional capital resources, the International Bank has a growing reserve of funds available for lending. As shown in the table below, net earnings credited to a supplemental reserve, over and above a statutory special reserve required by the Bretton Woods Agreements Act of 1 percent per annum charged as commission on all loans, now total in excess of $550 million. Since annual net earnings appear to be rising and the present rate of net earnings are in excess of $82 million per year, it is disappointing to see no discussion by the National Advisory Council of the possibility of shifting some or all of such earnings to the Association or its sister affiliate of the International Bank, the International Finance Corporation. Such a transfer would appear to be quite feasible since these earnings belong to the International Bank as such, rather than to its individual member countries.

Annual amounts of net earnings credited to IBRD supplemental reserve, 1950–63

[In millions of U.S. dollars]

Year:	Amount
1950	[1] 27.3
1951	15.2
1952	15.9
1953	18.5
1954	20.3
1955	24.7
1956	28.6
1957	35.9
1958	42.1
1959	46.5
1960	59.5
1961	63.2
1962	70.3
1963	82.7
Total	[2] 550.7

[1] From accumulated net income of IBRD in previous years.

[2] Differs from balance sheet total of $558.1 million for supplemental reserve by net amount charged or credited on account of exchange rate changes and other transactions.

Source: Submitted by U.S. Treasury.

4. The present borrowing and lending policies of the International Bank are also of concern to the committee since these policies can affect adversely the U.S. balance of payments even in a period of lessening need for loans of the type made by the International Bank and increasing need for loans of the type furnished by the Association.

The committee notes that while no new borrowing in the United States by the International Bank took place in fiscal year 1963, as it had in some previous fiscal years, portfolio sales to Americans investors have continued to add to capital outflow. When private American investors participate in new International Bank loans or take over portions of outstanding loans, the effect on the balance of payments is no less adverse than direct borrowing by the International Bank in our capital market.

The committee also views with concern the increase in the proportion of loan disbursements which are made in U.S. dollars rather than in other currencies. Loans made in U.S. dollars do not increase our balance-of-payments deficit, since they transfer dollars from one foreign holder, the International Bank, to another. However, they do not yield the advantage of loans made in other currencies. When borrowers receive their loans in other currencies, and wish to make purchases in the United States, they would exchange such currencies for dollars through ordinary banking channels, thus reducing U.S. dollars in the hands of foreign private or governmental holders. The table below shows that whereas between 1958 and 1961 there was a steady decline in the proportion of loan disbursements in U.S. dollars, the trend has reversed sharply so that there has been a sharp rise in this ratio in the 2 years; for the first 9 months of 1963 more than 75 percent of all loan disbursements were made in U.S. dollars.

Loan disbursements in all currencies by International Bank and loan disbursements in U.S. dollars, 1958–63

[Dollars in millions]

	Loan disbursements in all currencies	Loan disbursements in U.S. dollars	
		Amount	Percent of total
1958	540.8	332.6	61.5
1959	503.4	241.0	47.9
1960	510.2	211.1	41.4
1961	459.2	146.3	31.9
1962	575.6	410.4	71.3
1963 (9 months)	421.1	318.9	75.7
Total	3,010.3	1,660.3	55.2

Source: International Monetary Fund, International Monetary Statistics, December 1963, p. 13.

5. While the report sets out the respective shares of the United States and the other advanced industrial countries in the proposed increase in capital for the Association, it expresses no judgment on the adequacy of the proposed contributions of the other countries. The committee takes note of the fact, for example, that the European Common Market countries having balance-of-payments surpluses and monetary reserves in excess of those of the United States will together contribute about $182 million, 24 percent of the proposed increase in resources, while the United States is contributing $312 million, more than 41 percent of the total.

CONCLUSION

The committee concurs in the recommendation of the National Advisory Council that the Association is rendering a highly valuable service to the cause of economic development among the poorer countries of the free world. It believes that the interests of this country would be well served by an additional contribution to the capital resources of the Association.

However, the committee believes that changes in the free world's capacities to assist in development as well as increases in capital needs of the developing countries require that the U.S. representatives to the International Bank and its affiliates, the Association and the International Finance Corporation, be mindful of the following: The greatly increased ability of industrial countries, other than the United States, to contribute more generously to economic development; the need to channel the maximum volume of capital funds away from conventional loans to loans of a type better suited to the requirements of developing countries; and the importance of avoiding excessive burdens on the U.S. balance of payments.

Accordingly, the committee reports H.R. 9022 favorably, with the addition of three policy recommendations for the U.S. Governor of the International Bank, in his capacity as such, and in his ex officio capacity as U.S. Governor of the Association and the International Finance Corporation:

1. In any future increase in the resources of the Association, the U.S. share should be reduced.

2. The International Bank should make its future net income available to the Bank's affiliates, the Association, and the International Finance Corporation.

3. To assist in the reduction of the U.S. balance-of-payments deficit, the Bank should obtain funds in economically advanced countries other than the United States, whether through bond sales or portfolio sales, and lend currencies other than the dollar to the maximum extent feasible.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Indiana.

Mr. ADAIR. In connection with what the gentleman from Wisconsin is saying, is it not true, however, that many of the safeguards which the Congress has tried to write into the foreign aid bill do not exist with respect to IDA money?

Mr. REUSS. Certainly some of the safeguards do not exist. I would not agree that many do not exist because we have very astute, hardheaded representatives on the World Bank and the IDA. Our Secretary of the Treasury, Douglas Dillon, for example, is our U.S. representative, and he is assisted by men like Assistant Treasury Secretary John Bullitt. These people, working in association with other banker-minded people from the 17 wealthier nations of the free world, have been able to impose a very high degree of commonsense, down-to-earth safeguarding factors. They are not always the same as in our law. For example, we in our congressional development loan program—our unilateral American program—have said that our loans during the first 10 years bear a service charge of three-fourths of 1 percent and thereafter a charge of 2 percent. The IDA formula continues at three-fourths of 1 percent. In part this is due to the considered judgment of all of the 17 country representatives that the balance-of-payments situation of these developing countries is so precarious that they are simply not able to bear that fuller interest burden.

Mr. ADAIR. Is it not true that through the medium of an IDA loan; for example, the Bokaro steel mill in India can be constructed in spite of action taken by the Congress in connection with the foreign aid bill?

Mr. REUSS. It is, of course, technically possible that it can be constructed. But may I, in answer to the gentleman from Indiana, suggest this: The main emphasis of IDA has not been on industrial factories like the proposed Bokaro steel mill, but has rather been on preconditions of economic growth such as roads, harbors, dams, and hydroelectric plants. Therefore, while I cannot promise the gentleman that Bokaro will not be the subject of a future IDA loan, I do think it is unlikely, because there are more primary and necessary objects. I also would think, to be quite candid with the gentleman, that our representative on IDA would point out to his 16 colleagues from the giving countries the attitude of the U.S. Congress on Bokaro, and suggest that, because of that attitude, it might be better for IDA, if it were interested in such a project or proposition, to divert its interest to something more fundamental.

Mr. STINSON. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Washington.

Mr. STINSON. This money is going to be loaned by the bank to the governments of underdeveloped countries. Is there any safeguard that will prevent these governments in underdeveloped countries from expropriating private industry within that country with the funds they obtain from IDA?

Mr. REUSS. In almost all cases the IDA loans are made to countries which also receive U.S. bilateral foreign aid. Therefore, the safeguard against expropriation in our own program would cover that.

Mr. STINSON. If the gentleman will yield further, there is no safeguard to prevent expropriation.

Mr. KILBURN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I voted against the last foreign aid bill as a protest against the continued imposition on the American taxpayer of the burden of carrying worldwide foreign aid on a unilateral basis. Other free world countries must join us in such an endeavor.

I support this bill, H.R. 9022, which authorizes increased participation of the United States in expanding resources of the International Development Association. I do so for two reasons: First, other nations—16 of them—will also participate with us in providing additional funds in convertible currencies for the International Development Association and second, the association makes its assistance available on a loan rather than on a grant basis. In effect this is a multilateral aid program on a loan basis and that is the way it should be from this point on.

The International Development Association came into existence in September 1960. It is an affiliate of the World Bank and its operations are managed by the capable and experienced personnel of the World Bank. It assists the financing of carefully selected development projects in the less developed member countries. Projects approved include highway, harbor, irrigation, water supply, and power development as well as assistance to private enterprise through credits made available to governmental development banks. As of November 30, 1963, credits approved by the Association of $554 million were for projects in which the borrowers in addition will provide $1.2 billion of their own funds to finance the projects.

In the initial financing of the International Development Association, the United States provided 43 percent of the approximately three-quarter billion dollars of foreign exchange resources made

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available. This bill authorizes the provision of another three-quarter billion dollars of foreign exchange resources for the Association. The U.S. portion of this increase amounts to $312 million or approximately 41 percent of the additional foreign exchange resources to be provided. Therefore, for each $1 provided by the United States, 16 other countries are providing $1.40 of usable foreign exchange resources. It is the start of a multilateral aid program that deserves our support.

Mr. McCLORY. Mr. Chairman, will the gentleman yield for a question?

Mr. KILBURN. I yield.

Mr. McCLORY. As I understand the situation, the International Development Association participates in making loans in a way quite similar to that in which the World Bank makes loans, except that the World Bank charges an interest rate of 5½ percent for a short term of years, whereas this institution will grant credits or loan money without interest for periods up to 50 years. I know that in the debate in the other body on this same bill there was strong opposition to this legislation because it was represented that the World Bank already has facilities to make loans of this type but at a rate of interest consistent with the value of the money being loaned. This measure would allow the loaning of money without interest, subject only to the payment of a service charge of three-fourths of 1 percent per year on the amounts outstanding.

Is it not a fact that the World Bank has assets and reserves sufficient to carry on this program and that it would be far better for us to participate through the World Bank than through the International Development Association?

Mr. KILBURN. The answer to that is simply this: The World Bank makes tough loans and this outfit does not. This is to develop the countries. It takes a long time and we are trying to develop them, but we have other countries helping us. We are not doing it alone.

Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. HALPERN].

Mr. HALPERN. Mr. Chairman, the Subcommittee on International Finance held hearings on the bill before us on December 3 and 16; expert testimony was heard. and additional documentation attached to the record. The bill was reported by the subcommittee without dissent.

The International Development Association was officially established in 1960 to meet the great and growing need among the underdeveloped countries of the free world to secure loans on a long-term, flexible basis. This need is evermore pressing today. It is estimated that between 1955 and 1961, the external debt of the developing nations has more than doubled, and at the same time their capacity to incur further debt on conventional terms has weakened due to insufficient foreign exchange earnings.

It would be a dangerous alternative if these countries were made to curtail their development programs because of serious shortages in available capital resources.

The pending legislation would authorize the appropriation of $312 million as the U.S. contribution toward a $750 million increase in the resources of the International Development Association. Under the Association Act of 1960, we made an initial subscription of $320,290,000 as the U.S. share. The new authorization which we seek represents 41.6 percent of the total increase, compared to the 43 percent U.S. share of the original subscription.

Seventeen economically mature nations of the free world will be participating with us.

Mr. Chairman, I am in full agreement with other members who have rightfully insisted that the United States should no longer be carrying practically the full burden of development assistance. We have watched free and independent states recoup from the ghastly destruction of the last world war. Their resurgence as industrial powers made possible through the generosity and good will of the American people. It is only fair that they now share the responsibility of helping the poorer areas of the globe to progress toward political and economic stability.

And this is an essential objective of IDA. This bill reinforces the principle of multilateral aid. It represents a great step forward in sound investment and effective economic development.

Mr. Chairman, as of November 30, 1963, IDA has extended $554 million on 42 credits in 18 countries. This was committed from a total available amount of $750 million. It has been reliably estimated that unless further outlays are authorized, the Association may be required to halt future obligations some time this spring. Yearly undertakings have been approaching the expected figure of $250 million.

Last September 13, the Secretary of the Treasury wrote that new authorization by the Congress is needed to assure that IDA maintains adequate lendable resources.

Thus, there is urgency in our deliberations. IDA is extending credits for a period of 50 years with no interest save a modest service charge. Repayment begins only after a 10-year moratorium; 1 percent of the principal is repaid for 10 years thereafter, and then 3 percent for the remaining 30 years. These simple figures indicate how beneficial the program is to the developing States, which are increasingly caught in the squeeze of insufficient foreign earnings, higher debt, and domestic growth needs.

Mr. MONAGAN. Mr. Chairman, will the gentleman yield?

Mr. HALPERN. I yield to the gentleman from Connecticut.

Mr. MONAGAN. I would like to ask a question for information concerning the use of the net earnings. The report seems to indicate that there have been net earnings over the years from 1950 through 1963 in the sum of $550 million.

Mr. HALPERN. Yes.

Mr. MONAGAN. And it also says that it is disappointing to see no discussion of the possibility of shifting some or all of such earnings to the Association.

Does that mean that these earnings are not in a revolving fund and that they are not usable for relending? This amount is almost the amount that is being requested for new authorization. In fact, it is over that amount.

Mr. HALPERN. Mr. Chairman, I would like to yield to the gentleman from Wisconsin [Mr. REUSS], the chairman of the subcommittee, who is thoroughly familiar with this matter to answer that question.

Mr. REUSS. I thank the gentleman from New York for yielding.

The gentleman from Connecticut [Mr. MONAGAN] has, I am glad to see, read the committee report which did raise the question of the surplus earnings of the World Bank. They do indeed go into a revolving fund. So far they have been used by the World Bank for additional loans. However, the committee made the point that the lending problems of the world in the decade to come are going to be different from what they have been since World War II and that no longer is there going to be the need for loans to the relatively more developed countries because, after all, they have completed their work of reconstruction and are able to get a very large part of their capital needs from the commercial banking community.

Therefore, we went on to make the firm policy recommendation that our American representatives in the World Bank take whatever steps are necessary to see that future income from the World Bank on its so-called hard loans be made available to the IDA for its soft loans for the obvious purpose of seeing that the capital of the free world is channeled and marshaled where it does the most good. Also, this was done for the equal purpose of seeing that we in the United States did not let them use more of the soft loans security than they needed to.

Mr. MONAGAN. If the gentleman from New York will yield further, it is possible then in a sense to transfer money between one fund and another without any further authorization?

Mr. REUSS. If the gentleman from New York will yield; yes, it is. That is permitted under the Bretton Woods Charter. I should add this point, however: The World Bank, as the gentleman from Connecticut well knows, raises a large part of its capital nowadays by selling bonds in the various capital markets of the developed world. For that reason it would be improper, although I think not illegal, to dip into past surpluses of the World Bank, because these past surpluses are a sort of cushion which private bondholders relied on when they bought World Bank bonds. However, for the future there is no reason why the $60, $70, or $80 million, annual income of the World Bank cannot in whole or very large part be channeled into the IDA, so that the whole free world can know that it is marshaling its resources where they will do the most good.

Mr. MONAGAN. It would depend on the amount retained and, of course, the amount that is re-lent. That is why I was asking the question, because these amounts which appear in the table total $550 million. But as I understand the situation the gentleman says at least a substantial portion of that has been reused?

Mr. REUSS. If the gentleman from New York will yield further, it has been reused and it is also considered a cushion for the bonds. It would be improper, at this time at least, to consider taking that out of the World Bank and putting it into the IDA. But as to the $60 or $70 or $80 million net income that comes in every year to the World Bank through those hard loans, this in our opinion is eminently eligible to be transferred to IDA. We have secured an agreement with the Secretary of the Treasury that he will try to do this.

Mr. KILBURN. Mr. Chairman, will the gentleman yield?

Mr. HALPERN. I yield to the gentleman from New York.

Mr. KILBURN. I would very respectfully suggest that the other side yield to their side when they have an argument going on and not use up all of my time.

Mr. REUSS. If the gentleman will yield further, I think that is a fair request. If we have impinged unduly upon the time of the gentleman from New York [Mr. Halpern] I shall be delighted to yield him some of our time.

Mr. HALPERN. I thank the gentlemen for their helpful colloquy.

Mr. Chairman, section 3 greatly improves the measure, for it serves to underline, so there can be no mistake, the basic purpose which we seek in granting additional funds. The intent of the Congress is firmly set forth. The committee recommends that the U.S. share of any future contributions be still further reduced. The parent International Bank for Reconstruction and Development should make its net income available to its affiliates, the Association and the International Finance Corporation.

Moreover, the World Bank is urged to obtain funds in economically advanced nations other than the United States, and lend currencies other than the dollar to the maximum extent, to help in reducing our balance-of-payment deficit.

I also wish to point out the committee's opinion that the existing unfavorable effect of IDA loan commitments upon our payments situation is likely to improve. It is our hope that approximately 80 percent of our full contribution to the Association will be returned through an increase in exports.

Mr. Chairman, this bill is in our national interest. It avoids the many pitfalls of unilateral action. It is a genuine effort, without strings, to foster concerted international participation. I insist that we are, indeed, getting the cooperation of the more advanced nations.

I trust that this worthy legislation will receive overwhelming endorsement today.

Mr. REUSS. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. Passman].

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Forty-two Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 44]

Auchincloss
Bass
Broomfield
Brown, Ohio
Burleson
Celler
Chelf
Daddario
Davis, Tenn.
Diggs
Dingell
Dowdy
Elliott
Ellsworth
Forrester
Halleck
Hanna
Harsha
Hébert
Holifield
Hosmer
Jones, Ala.
Kee
Kelly
McMillan
Mailliard
Martin, Calif.
Michel
Miller, N.Y.
Milliken
Morton
Murray
O'Brien, Ill.
O'Hara, Mich.
Poage
Powell
Rhodes, Ariz.
Roberts, Ala.
Roosevelt
Senner
Sheppard
Sisk
Teague, Tex.
Udall
Whalley
Wilson, Charles, H.
Wright

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Flynt, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 9022, and finding itself without a quorum, he had directed the roll to be called, when 373 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. PASSMAN. Mr. Chairman, I want to preface my remarks today by stating that I have the greatest respect for the able and distinguished chairman of the Committee on Banking and Currency, as well as all of the other members of that committee. However, I cannot agree that the bill now before the House is in the best interest of our country.

I want to say that of the other 16 nations which are contributing to this fund, 13 of them now are dipping directly and heavily into the U.S. bilateral foreign aid program. Furthermore, the 90 nations that are members of this Association have already received $100 billion of the American taxpayers' wealth. I also want to state that Communist nations can and no doubt will receive aid out of appropriations that will be made pursuant to this authorization bill.

In dealing with this bill, it needs to be kept in mind that although 90 nations are members of the International Development Association—and each one of these nations is an eligible borrower—the contribution made to IDA by the United States amounts to more than 43 percent of the Association's hard-currency funds and about 35 percent of the total capital account.

The $312 million additional contribution to the International Development Association that would be authorized by this bill would make it almost mandatory upon the 1965–66 and 1967 sessions of Congress to appropriate that amount to IDA—one of the several international organizations to which we contribute funds for foreign aid—and this money not only would lose its identity as grant assistance from our country, but also there would be a corresponding loss of control over disbursement of the funds and the manner in which they will be used. While we contribute almost half of the hard-currency capital to IDA, we only have about a fourth of the total voting power in the Association.

This bill, Mr. Chairman, would have the effect of undoing a substantial portion of the controls over U.S. foreign aid which were enacted last year by the Congress. For example:

First. It would counteract the decision of the Congress to deny aid to foreign countries which expropriate American property or annul American contracts.

Second. It would thwart the decision of Congress to deny aid to socialized projects in foreign countries where there is unnecessary competition with the free-enterprise system.

Third. It would weaken congressional action to bring about sounder business practices under AID.

Fourth. It would reverse the decision of Congress not to subsidize Latin American governments until they make certain internal reforms.

In brief, once this aid is given to IDA all these restrictions, as well as others which we place upon foreign assistance given directly to other countries by the United States, would be nullified. We would have absolutely no control over the expenditure of the money.

Mr. Chairman, if the Congress authorizes and then subsequently appropriates this money it will be gone from our taxpayers forever and ever; never will a dime of it be returned to the U.S. Treasury—that is, if a dime of it should ever be paid back to the International Development Association. The maximum terms imposed by IDA for lending this money that we would have to borrow to give away would be for a period of 50 years, with no interest charges whatsoever and only a three-quarter of 1 percent annual service charge. The recipient country would have a 10-year grace period before any repayment is made; then, for the next 10 years it would be supposed to pay 1 percent a year on the principal sum, and then 3 percent a year for the following 30 years.

I repeat, this is just another way to dish out foreign aid and dissipate the wealth of America. If we approve this bill, we are going to have to borrow the money before we can give it away. And there is no indication that we will ever be able to pay back what we borrow, because for the past 30 years we have overspent our revenues by approximately $9½ billion annually.

Why is it, Mr. Chairman, that out of 17 of the wealthier nations of the world—the so-called part I members of IDA—debt-ridden Uncle Sam must put up approximately 41 percent of the additional resources to be provided, with the other 16 nations contributing only 59 percent of the total amount?

In answer to that question, let me say that there are a number of obvious reasons. To cite one of them now, I shall quote from a statement by Mr. Joseph W. Barr, assistant for congressional relations to the Secretary of the Treasury, made before the Committee on Banking and Currency. It follows:

> It was the customary reluctance of some of our partners in Europe to pick up a substantially increased share of the load.

And, at this point, I think it would be well for me to add that some of the countries which are the major recipients of U.S. aid on a direct basis are also the biggest recipients of aid from the International Development Association. A couple of examples are India and Pakistan. India, which had received about $5 billion in U.S. assistance—$4,718 million through last June 30—had also received $300 million from IDA through last October 31. India has only contributed $40,350,000 to IDA so she has received approximately 7½ times as much as she has contributed. Pakistan, which had received $2,227 million of U.S. assistance through June 1963, has also received $91,500,000 from IDA through October of 1963. Pakistan has only contributed $10,090,000 to IDA so she has received approximately nine times as much as she has contributed.

A comparable situation exists with respect to many of the other nations which are involved in this matter. Among other things, they use a part of that money—our bilateral aid—as much as is needed, at least indirectly, to make their contributions to IDA. So what is happening, really, is that the United States is footing the bill for their membership in IDA almost 100 percent.

Mr. Chairman, I want to offer another answer as to why we are being called upon to channel more and more of our aid through international organizations. I quote from page 5 of the report accompanying this bill:

> Narrow national interests are not reflected in loan decisions.

Another reason for this effort, Mr. Chairman, is that the Congress, last year, increased to 2 percent the interest rate that we were to charge on our disguised grants through AID, which the executive branch insists on referring to as loans. But, and I repeat for emphasis, under the International Development Association transactions there is no interest payment at all, but merely a three-fourths of 1 percent annual service charge.

Mr. Chairman, bureaucrat after bureaucrat appearing before the Appropriations Subcommittee which I have the honor and privilege to serve as chairman states that our foreign aid should be shifted to international organizations. They say that our aid given in this manner would be more palatable, more acceptable, to the recipient nations. I have already quoted to you from the committee report in this respect, that "narrow national interests are not reflected in loan decisions."

I stand here today disillusioned and somewhat frustrated because the international giveaway artists seem to be winning the fight to hide the amount of money requested for foreign aid from the people and, yes, from the Congress. The record appears to me to be abundantly clear that we have let the bureaucrats maneuver us into a position of rubberstamping many of their so-called negotiated agreements. And, many of those people who are doing the negotiating are bringing Uncle Sam out on the little end of the horn.

I say to my colleagues that if the bill under consideration is approved we are again rubberstamping a bureaucratic negotiated agreement and requiring Congress to appropriate an additional $312 million for foreign aid, assistance through an international organization over which we will have no control, in fiscal years 1966, 1967, and 1968.

Mr. Chairman, in view of the foregoing facts concerning this authorization bill, it is my intention to either offer a motion to strike the enacting clause or a motion to recommit the bill to the Committee on Banking and Currency. I hope the committee will support my position, keeping in mind, among numerous other pertinent factors, that our public debt, borrowed money and statutory obligations, is already far in excess of $1 trillion—will not permit the bureaucrats to channel more and more of our foreign aid through international organizations, as they are now attempting to do.

Mr. STINSON. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. STINSON. I have now obtained this very scarce House Document 156. I notice on page 20 a list of countries that would be eligible for loans under this plan. Among those countries is Yugoslavia which, I believe, is normally considered to be a Communist country. Also listed is Ghana where a mob recently tore down the American flag. Also listed is British Guiana which is recognized as having a Communist for its Prime Minister. It appears to me that if we approve this particular piece of legislation we are going to be authorizing loans to Communist countries and we are going to have to borrow money to do so.

Mr. PASSMAN. The record speaks for itself.

Mr. Chairman, in approving today the conference report on the bill to reduce taxes, it was again agreed that it will be necessary for us to hold the line against increased spending. In order to accomplish that goal, we must watch these authorization bills carefully.

Mr. KILBURN. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HARVEY].

Mr. HARVEY of Michigan. Mr. Chairman, I think that H.R. 9022 has many advantages when compared to the program of foreign aid that our country has conducted in recent years. I want to make clear at the outset that I have not been a supporter of the foreign aid program for many reasons. However, I think that this bill eliminates many of the objections to the present program.

In September 1943, the late Senator from the State of Michigan, Arthur Vandenberg, who later distinguished himself as a leader in promoting a bipartisan foreign policy, made a speech on the subject of America's responsibility in world affairs. Senator Vandenberg assured readers around the world who read his remarks that:

> The average American is perfectly willing and anxious to accept his responsibilities in the peace to come.

The Senator went on to say that he thought the average American—

> would do his full part in a foreshortened world which denies isolation to any of us whether we like it or not.

But the average American wants to see America stay America, the Senator continued, and—

> he does not want us and our resources to be overpromised to the post World War as some of our "do-gooders" constantly conspire.

To my colleagues on both sides of the aisle who have opposed the foreign aid bill in recent years, I say to you that I share your views. I believe that it has been poorly managed, overextended, and has and is failing to accomplish the purpose for which it was intended. I think that the late Senator Vandenberg was prophetic in his remarks when he spoke of the limits upon the average American's generosity and willingness to assume responsibility. But he was equally prophetic when he warned that "isolation was denied to any of us whether we like it or not."

This bill we have before us today recognizes our responsibility in the international field and does so in a reasonable and sensible manner. H.R. 9022 would authorize the U.S. Governor of the International Development Association (IDA) to cast our vote in favor of the Association's increasing its assets in the total sum of $750 million, representing the subscription of 16 other countries as well as ours, and in which our share would be $312 million.

Mr. Chairman, the IDA is an affiliate of the World Bank and was formed in recognition of the fact that there are many areas of the world badly in need of capital for development. The International Bank for Reconstruction and Development—World Bank—was formed in 1945 and in its early days made reconstruction loans to Europe and Japan, among others. In recent years, most of its activities have been in the underdeveloped areas of the world and, for the most part, confined to the development of electric power and transportation. IBRD usually carries an interest rate of 5¾ percent and a 20-year maturity. The record of repayment has been outstanding and there have been no defaults on these loans. It was soon learned, however, that there was a limit in terms of repayment which these developing countries could pay. For example, between the years 1951 and 1961, a group of 34 countries, representing approximately 70 percent of the population of the underdeveloped countries, more than doubled their external debt in conventional loans. In the same period, however, their export earnings rose only by 15 percent. It was clearly apparent, therefore, that these nations were simply unable to service hard loans such as the IBRD was making.

This was recognized in 1960, and it was for this reason that the IDA was formed. Although repayment to IDA is in dollars or in other hard currencies, the terms of the loans are "soft" terms, and deliberately so. The loans carry a maturity of 50 years, which includes a 10-year grace period. No interest is charged but a three-quarters of 1 percent service charge is made on all amounts outstanding.

Mr. Chairman, the only alternative for these countries is to slow down or even reverse the forward motion of development which has characterized their programs in recent years and which, of course, could result in dangerous and political social consequences.

I believe that a multilateral aid program, such as H.R. 9022 offers through the IDA, has many advantages as compared to the unilateral program of aid that we have pursued during the last 16 years:

First. One of the real tangible advantages, of course, is that it is a multilateral program. This means that for every dollar we invest in the program, the 16 other subscribed nations contribute $1.40. I think this is desirable and call to your attention that during the last 16 years, while we have tried to do it all by ourselves with no help from the other countries, we have spent more than $100 billion. In order to do this, we have not only postponed the payment of our own staggering World War II debt, but we have borrowed approximately another $50 billion more, so that our national debt today is nearly $310 billion. Now, I think it is time these other countries should bear a share of the load, and I think we should welcome them with open arms.

Second. Another very tangible advantage, of course, is that the IDA program consists entirely of loans and has no grants.

Third. An additional reason is that these 16 other nations serve as a restraining force on those in our country to whom the late Senator Vandenberg referred, those who would "overpromise us to the world." Let me say to you in this regard that this program started out substantially higher than the present overall increase in assets of $750 million. A year and a half ago, when as a committee member I first heard of a suggested increase in funds for the IDA, the figure talked about was $2 billion. Do you know why it is less? It was the last question in the hearings that I asked Mr. Bullitt of the Treasury Department. His answer was that the amount was less because of the attitude of the other 16 nations.

Fourth. There are also, however, a couple of less tangible reasons, but sometimes very persuasive, for believing this to be a better program. You have heard, no doubt, of the adage that "People tend to follow their money." I believe this to be true, and it is one of the factors that in the past has made the World Bank operation so successful. Japan, for example, is very familiar with all of Asia, a great deal of which the Japanese military occupied during World War II. Even though the country of Japan contributes only 5½ percent to IDA, she has enough of a proprietary interest to make certain that any loan in Asia is successfully placed and will have a good likelihood of being repaid by the borrowers. I do not think that the same can be said for our own unilateral aid program. We could not possibly be that close to all the countries to whom we are furnishing aid.

Fifth. Finally, I am convinced that an organization of many nations, such as the IDA, can say things to the government of a borrowing country that we, as a nation, would not dare say. These other 16 nations are not quite so generous with their money, and they want to be certain that a borrower has the management skill and ability to repay. We tend to take more of a "big brother" attitude and are always extremely reluctant to withhold aid unless conditions are met.

Mr. Chairman, for all of these reasons I think that this is a good program. Needless to say, it represents in cost only a small fraction of our annual foreign aid program. I support it wholeheartedly and urge that the administration consider it in lieu of the costly program that we have continued for the last 16 years. It is time for a change and a multilateral program such as this has a good deal to offer.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. HARVEY of Michigan. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Does the gentleman from Michigan know of any provision in this bill or in any other legislation dealing with the International Development Association that provides for as much as one dime of the money to come back to the U.S. Treasury?

Mr. HARVEY of Michigan. Well, permit me to say that I believe all of it would come back to the U.S. Treasury when and if this organization were liquidated.

Mr. KILBURN. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Chairman, when we think of foreign aid we are likely to think of it as one bill, the foreign aid bill. However, foreign aid in fact is many things. It is the foreign aid bill. It is this legislation which we have here before us. It is the Peace Corps. It is Public Law 480, and other additions could be made to the list. So, foreign aid in its broadest sense is many things. Therefore, what we are talking about today is an aspect of foreign aid.

Mr. Chairman, I say to the members of the Committee that this proposal today is the least controlled aspect of foreign aid about which I know. It is the most wide open, it is the one that has the fewest restrictions written into it.

Mr. Chairman, as has been pointed out on this floor earlier today, it would be possible in my opinion for these funds to be used to build the Bokaro steel mill in India, which project this House turned its back upon when we debated that suggestion.

Mr. Chairman, we have here no prohibition against expropriation of American, or indeed, any other private industries. There are no such things written into this legislation. There is no restriction against giving aid to countries that threaten the other recipients of our aid.

Mr. Chairman, these are just some of the matters which have been written into the legislation which we call the foreign aid bill—the prohibitions and protections—they are not contained in the bill under consideration. This is indeed the "soft-loan window" of the World Bank. The World Bank, at this time, has over $800 million in its reserve fund.

Figures have been used here today to show it has about $550 million, which is true, but in another fund—I am speaking in round figures, now—there is another $250 million. So in the overall picture there is in the World Bank over $800 million. If this is such a good idea why does not the World Bank use some of its surplus for this purpose?

Mr. Chairman, I would like to ask the Chairman of the Committee if it is not true at this time, that countries have been recipients of loans at this rate of three-fourths of 1 percent service charge and have taken that money and are now lending it out at much higher rates of interest, thereby benefiting from that higher rate of interest?

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Wisconsin.

Mr. REUSS. It is perfectly true, of course, that IDA receipients of aid on occasions relend usually to their own people in their own local subdivisions and when they do so they charge the going interest rate. As the gentleman from Indiana well knows, in many of these developing countries, the going interest rate is a high one, but unless the gentleman is advocating a subsidy arrangement in those countries, the individuals getting the loans should pay a higher interest rate. The gentleman should bear in mind that the fundamental problem with the developing countries is not that they do not have adequate funds of their own currency, and adequate domestic credit, but they lack an ability to meet their international payments. It is this payment-inbalance which is the reason for IDA in the first place; therefore, it is entirely proper that the IDA interest rate to its lending beneficiaries be a very nominal one. It would be most inappropriate to insist that the countries then make a giveaway to a borrower.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. REUSS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. ADAIR. Mr. Chairman, in response to the gentleman from Wisconsin, may I say that we certainly have a balance of payments problem in this country. It distresses me when I see these countries relending this money, which is costing them three-fourths of 1 percent. at rates which I am told run from 6 to 12 to 15 percent interest, and they themselves benefit from the lending of that money.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Undoubtedly we do not desire to overlook one important fact. Let us take India, for example. We have given to India in excess of $5 billion, and I am talking about dollars, you understand.

Mr. ADAIR. The gentleman is talking about hard currency?

Mr. PASSMAN. I am talking about hard currency, the American taxpayers money. They have received $5 billion and during that same period of time they have dipped further into the International Development Association for an additional $300 million. How can you talk about needing the $300 million for balance-of-payments purposes when during that same time they have had $5 billion? They know we are putting up the 100 percent of IDA, make no mistake about that. It is the recipient nations who are making the contributions, directly or indirectly, out of what we have given to them.

Mr. ADAIR. The gentleman is correct. Let me conclude by saying that what we are doing by the terms of this bill is a sort of international foreign aid. We still put up the money, but we completely lose control of it.

Mr. Chairman, I recommend that this bill be defeated.

Mr. KILBURN. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Chairman, as bad as is the foreign giveaway program, this is worse, because it is a deception, strictly and thoroughly a deception, in that those who sponsor it say it is a loan program. A 50-year loan that carries not a dime of interest throughout the life of the loan and calls for only a 1-percent payment on the principal during the first 20 years means that it has no validity as a loan. It is another giveaway. I hope the gentleman from Texas will not leave the floor at this point. If I may have his attention, I note something interesting in that this bill was introduced by the chairman, the gentleman from Texas [Mr. Patman], by request. Is it possible that the gentleman does not particularly care to acknowledge parentage of this illegitimate child? What is the story?

Mr. PATMAN. I think we must not consider this an illegitimate child. The gentleman knows bills come up to the chairman of the committee that the chairman of the committee is not well informed on. It is his duty, I believe, to offer them for consideration. Oftentimes we do it by request.

Mr. GROSS. So the gentleman is proud of the bill?

Mr. PATMAN. I am proud of the bill.

Mr. GROSS. I was in hopes the gentleman from New York [Mr. Multer], also a member of the committee, would be on the floor this afternoon for the debate because I understand he is also in the banking business. I wanted to ask him a question or two, but the gentleman from Texas probably can answer my questions. How many loans are made by banks in Texas on the basis of 50 years with no interest during the life of the loan, and only a three-fourths of 1 percent carrying charge? How many loans of this kind are made in Texas?

Mr. PATMAN. I do not think the interest rate is a paramount consideration here. I think it is a question of aid. It is a question of looking into the future.

Mr. GROSS. But there is an annual multibillion-dollar program to take care of foreign aid.

Mr. PATMAN. This is an unusual one. This is doing what the gentleman has advocated over the years, to get other countries to join in with us.

Mr. GROSS. Can the gentleman tell me how many loans are made by the bankers of Texas on the basis of 50 years with no interest on the money at all?

Mr. PATMAN. This is not looked on as a commercial loan deal at all.

Mr. GROSS. It is, in fact, a giveaway because everyone knows the money will never be repaid.

Mr. PATMAN. It is a question of aid.

Mr. GROSS. Why pile this on top of a multibillion-dollar foreign giveaway program that is enacted every year?

Mr. PATMAN. We think this is a better way to do it. The gentleman from Louisiana has advocated getting others to come in with us. Finally, we have got other countries to come in with us.

Mr. GROSS. Why should we put up nearly 50 percent of the money to entice other countries? As a matter of cold fact, American taxpayers are putting up the money through the foreign aid and other handout programs that brings the foreign parasites in.

Mr. PATMAN. Let me answer that. We have been putting up 100 percent. Under this bill——

Mr. GROSS. American taxpayers are actually putting up 100 percent under this deal.

Mr. PATMAN. No.

Mr. GROSS. Oh, yes, they are; because you are piling foreign giveaway money, in one form or another, into the same countries that are allegedly contributing to this fantastic setup.

Mr. PATMAN. But under this we are getting other nations to come in with us.

Mr. GROSS. Sure they are coming in. They are using our money to do just that.

Mr. PATMAN. We are paying 40 percent and they are paying 60 percent.

Mr. GROSS. We are paying it all, because the United States is giving them the money to invest in this incredible deal.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Make no mistake about it, as to the 16 nations who are supposed to contribute to IDA, the United States has a bilateral grant-aid program presently going into 13 of them.

As an example, I repeat that we have given $2,227 million in bilateral aid to Pakistan. Pakistan has contributed $10,500,000 to IDA, but has drawn out $90 million, which is about nine times as much as it has contributed. This is a degree of gullibility which I think the taxpayers of this country will not continue to tolerate.

Mr. GROSS. It is gullibility not so much on the part of the taxpayers as it is gullibility on the part of the Congress in enacting this kind of legislation.

I note the gentleman from Wisconsin [Mr. Reuss] is on his feet. I should like to ask him this question: How many banks in Wisconsin make loans on this basis?

We will be glad, I am sure, in the State of Iowa, to put 5 percent into a so-called loan fund, if you will put up the other 95 percent. We will be glad to borrow money from you in Wisconsin and from your banks; we will gladly give you 5 percent if you will give us the other 95 percent on a 50-year loan without a dime of interest.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Surely, I yield to the gentleman.

Mr. REUSS. The loans under IDA are governmental loans, and the gentleman being from where the West begins is well aware that these are long-term loans.

Mr. GROSS. Mr. Chairman, I decline to yield further. The gentleman is talking on my time. Just tell me how many banks in Wisconsin operate on this basis.

Mr. REUSS. The same number of banks that make foreign loans—zero—it is irrelevant in both cases.

Mr. GROSS. It is far from irrelevant. You are asking the taxpayers of Iowa and Wisconsin to put up money for unsecured, 50-year, non-interest-bearing loans that will never be repaid.

Mr. REUSS. We are asking the taxpayers of Wisconsin and Iowa to get some help from people of other countries for a change.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. PASSMAN. In my opinion this bill should be sent back to committee.

Mr. GROSS. I would like to say that I heartily agree with the gentleman. Yes, the bill ought to be recommitted—period. This ought to be the end of it now—here and now.

A few days ago we exceeded the budget in the matter of the military authorization bill by some $90 million or $93 million and we upped the budget for the Coast Guard by some $21.5 million for a total in excess of $100 million. Here is an excellent place to take care of these defense needs by chopping out this $312 million altogether and leaving ourselves some elbow room, as I said the other day, to take care of some of the needs of this country. By the way, a new Department of Poverty is being organized. How do you propose to finance that except on borrowed money unless you stop such idiotic programs as this? How are you going to do it without exceeding the budget? Here is the best place I know of to save $312 million.

Now, I would like to ask some member of the committee if they can tell me how many loans—these so-called loans—have been denied. Do you have a record of denial or refusal of loans? What is the requirement for making these alleged loans? Will somebody please tell me?

Mr. KILBURN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. Barry].

Mr. BARRY. Mr. Chairman, I regret exceedingly that I do not know very much about this bill. I say that because I am positive that this bill is positioned in the wrong place. It should have been referred to the Committee on Foreign Affairs. If it had been, I believe I would know more about it.

Under the House Rules and Manual, paragraph 7 on page 336, it spells out the duties of the Committee on Foreign Affairs. Subparagraph (d) says "foreign loans."

The Committee on Banking and Currency is a distinguished committee, but a reading down through every paragraph relating to its jurisdiction discloses no such thing as any reference to foreign loans at all.

On page 328 of the House Rules and Manual, rule XI, it is provided:

> All proposed legislation, messages, petitions, memorials, and other matters relating to the subject listed under the standing committees named below shall be referred to such committees, respectively:

And then in the fine print it is stated:

> The rule is mandatory on the Speaker in referring public bills and on Members in referring private bills and petitions under rule XXII, but when the House itself refers a bill it may send it to any committee without regard to the rules of jurisdiction.

I suppose that somewhere along the line the bill was referred. I understand from the Parliamentarian that this bill was referred by the Speaker and not by the House of Representatives, and was sent to the Committee on Banking and Currency by the Speaker.

I say that if the Legislation Reorganization Act of 1946 is to have any meaning, then this bill should by right be before the Committee on Foreign Affairs, and then perhaps we would not find ourselves in such a quagmire as I believe we find ourselves in today.

I say quagmire because I believe we should look into the history of this proposal and examine it, which has not been done so far during the course of the discussion this afternoon.

When the bill initially came before the House Mr. Spence was the chairman of the committee. I quote from the CONGRESSIONAL RECORD, volume 106, part 11, page 14773:

> I know many of you do not believe in foreign aid, but you who are opposed to foreign aid—and it is an accepted policy now—you who are opposed to foreign aid ought to vote for this bill. This bill does by cooperative effort, by multilateral approach, what we have been carrying on alone heretofore.

Mr. WIDNALL, in the same debate, said:

> Actually, it is the first opportunity we have had as a Nation to participate in something where we have the minority interest.

Mr. Judd stated:

> I may add that our choice is not between putting these funds into IDA and not giving them. It is between giving them in cooperation with others who will share the burden, and giving them alone. It is just good sense for us to give less aid alone and give more aid in cooperation with others.

Speaker MCCORMACK said:

> I can remember talking with the late John Foster Dulles on one occasion when he advocated legislation of this kind.
>
> * * * * *
>
> We need leadership for the restoration of the strength and firmness and courage of John Foster Dulles. This legislation, I remember well in a talk with him, was one upon which he laid great emphasis. Certainly some of us on the Democratic side in supporting it are justified in expecting support from others on the Republican side, and certainly those who oppose mutual security legislation and appropriations ought to support this type of legislation because it is consistent with their views.

At that time the bill passed by a vote of 249 to 158.

In the Committee on Foreign Affairs I have been a proponent of multilateral aid. Indeed, in the last bill the House voted upon, one of my amendments, asking that other nations contribute more in the field of economic aid, was adopted by this body, and though it did not appear in the original bill it survived the Senate-House conference and became law.

Now, the gentleman from Indiana [Mr. ADAIR] said that the World Bank had $800 million of surplus funds. He did not see any reason why this money could not be used by the IDA. The difference is that the World Bank is supported by bonds, bonds which are privately sold all over the world. These bondholders are entitled to the protection of the surplus that bank builds up. That bank by its charter makes hard loans. Therefore, it would be unwise and unwarranted and possibly illegal for the World Bank so to do.

The gentleman from Iowa [Mr. GROSS] states that we are giving these countries the money to put up their share. This is just not so, because the 16 countries that are putting up most of the money, are not even recipients of our foreign aid at all.

So, Mr. Chairman, I now yield to the gentleman from Pennsylvania [Mr. MOORHEAD].

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BARRY. I strongly urge the passage of this bill, but I will offer a substitute amendment to the amendment of the gentleman from Louisiana [Mr. PASSMAN].

Mr. REUSS. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Chairman, members who wish to stress our economic aid over our military aid should vote for IDA. IDA has been successful as an economic program. It is not a military program.

In my opinion, IDA meets our criteria of the national interest in a most satisfactory way and offers a successful partnership with foreign aid. For every dollar the United States puts up, the recipient countries receive $2.40 in the aggregate.

In addition, the administration of IDA which is handled through the World Bank staff, is being done at a very low figure. Less than $2,500,000 has been the sole charge for operation over 4 years by the entire staff servicing IDA. By comparison, we have spent more than $50 million a year in administrative expenses for the AID program.

Criticism has been leveled at the fact that no interest is charged. In our own foreign aid program Congress last year required a minimum charge of three-quarters of 1 percent in the form of a service charge for the first 10 years on most loans, and provides for no repayment of the principal up to the first 10 years. Thus, for the first 10 years, the IDA and AID programs are similar.

After that, our own program, the AID program, exacts a 2-percent interest charge instead of a service charge of three-quarters of 1 percent, and provides for the repayment of principal over an unlimited period. In the IDA program, the period is 50 years. I really see nothing much different in these terms, particularly when you add on the high cost of administering our aid, as I have mentioned.

In fact, because of the almost nonexistent expenditures for operations of IDA, I would venture to say that the service charge will be capable of being added to the resources of IDA.

Let us turn to the balance-of-payments position which is least endangered by such a program. All the evidence that has been given in the House and Senate hearings shows that the United States will do approximately the same amount of business each year on the IDA loans as is represented by the amount we contribute. The argument that IDA seriously affects our gold position is hardly valid when we compare $104 million a year to be disbursed by IDA, with the $4 or $5 billion by foreign aid, the $3 billion in tourism or the $3 billion in military expenses abroad.

The Secretary of the Treasury and the Chairman of the Federal Reserve Board are certainly not worried about IDA's causing an adverse gold position. The report of the National Advisory Council on International Monetary and Financial Problems makes the following statement:

> The council strongly recommends that the Congress take the necessary steps to permit IDA's operations to go forward without interruption, by authorizing U.S. participation to the extent of $104 million per year for 3 years, beginning in fiscal year 1966, in an expansion of IDA's resources.

That should put to rest the fears of some that these distinguished members of our financial establishment have any doubts about the wisdom of making the additional contribution to IDA.

Next, I would point out the relationship of the IDA to the World Bank and its significance to our national interest. The World Bank, which formerly had 70 members, now has 101 members. It includes all the free world industrial nations, and also the neutral developing nations, most of which are emerging from colonial status.

The World Bank offers nothing but hard loans, because it must borrow money at market rates and pay it back in hard currency on market terms.

The need is evident for the underdeveloped countries. As pointed out in the committee report, between 1955 and 1961, the external debt of developing countries more than doubled, without a comparable increase in their foreign exchange earnings. In response, the World Bank was willing to open a soft-loan window providing the applicants would be subject to the same judgment used for the World Bank loans. In this way, we have the World Bank staff, the most competent and experienced men in the whole field, at our beck and call, on a minimum-charge basis, without having to keep them occupied full time, without having to build up an empire within IDA.

The standards of the World Bank in approving loans is very strict and probably accounts for the frugal way in which commitments have been made. That is why there is still money left in the fund and that is why they are asking for more money months ahead of the actual time needed. Why we should or would complain about this, I do not know. If my son came to me and said that he would have certain expenses at school in several months, I would be glad of the notification because then I could plan my budget accordingly. The organization of the Bank is such that they can fairly much predict the control and disbursement of funds. What they must allow for is the legislative process of many nations to approve these funds and for this reason they are starting early. I think it is commendable.

The question or expropriation came up several times in the hearings and I would like to deal with that while I am talking about IDA in relation to the World Bank. The World Bank and our representatives have made it clear through their statements and through their actions that such moves will not be tolerated. Let me read some of these statements so that there will be no doubt as to our position.

Page 10, January 8, 1964. House Banking and Currency hearings:

> Mr. KILBURN. Does this outfit have anything to do with some of these countries taking over American companies and assets? Does that affect your judgment on making loans to countries?
>
> Mr. BULLITT. The policies of the World Bank management for many years have been very stringent in this respect, and if a country has been guilty of bad international behavior, the management has taken that into account when that country has requested loans from the World Bank, and has usually not proceeded unless some satisfactory arrangement was made.

Page 24, November 15, 1963. Senate Foreign Relations hearings, in answer to a statement by Senator HICKENLOOPER:

> Secretary DILLON. And certainly with this proposed action in the Argentine, I think this will have a similar result. It would be very damaging, I would think, to these countries' own interests in the long run, because they certainly will not get the development capital they need if they act in this fashion.

Page 26. Ibidem:

> Secretary DILLON. I know, but my own view, and I think it has always been the administration view, is that any country which, for its own national reasons, deemed that it had to expropriate property should be required to make prompt and immediate compensation in full, which is what the provisions are of the Hickenlooper amendment.

Page 36. Ibidem. In answer to Senator HICKENLOOPER of bypassing foreign aid restrictions:

> Secretary DILLON. That certainly would not be our policy, and it would be contrary to the policies of the institutions themselves designed in their own charters as international institutions who look at each country on the basis of what it does and what it can accomplish, what it needs for development.
>
> If some country should act in such a way that they were deprived of U.S. bilateral aid, for one of these agencies to try and give increased amounts to that country would mean decreasing the amounts available for other countries which are in equal need, being more favorable to private industry and development. I would think that would be entirely contrary to the basic charters and tenets of any of these institutions.

Finally, I would like to touch on the matter of talent from other countries. It is certainly erroneous to think that we have all the talent or truth in the world. The competence of the personnel on the International Monetary Fund and the World Bank have convinced me that nations, working in concert, can accomplish a great deal more than pulling against each other. Unfortunately, it is true that the present situation reflects much more the latter attitude. We are living in a time of nationalism, of unilateral and neocolonial policies, when it is most difficult to convince other nations of the need for cooperation. That is why the International Development Association stands as a beaconlight, the harbinger of a brighter world to come, because it has accomplished so much against the greatest of odds. Now is not the time to snuff the light out or we may not live to curse the darkness.

Mr. Chairman, first I would like to commend the gentleman from Michigan [Mr. HARVEY], who has made a speech which I think entitles him to be considered a worthy follower of the late Senator Vandenberg, to whom he referred in his speech. I particularly mention this because this legislation is bipartisan. It was conceived in a Democratic Congress. It was sponsored by a Republican administration, and it passed the House in the 86th Congress by a bipartisan vote of 249 to 158.

At that time IDA was a new and untried idea, but the legislation carried by a substantial bipartisan vote. Now after 3½ years in which we have had an opportunity to examine the operations of the IDA and have had additional hearings before the Committee on Banking and Currency, what are the results? After hearings before the subcommittee chaired by the distinguished and able gentleman from Wisconsin [Mr. REUSS], this legislation was reported to the full committee unanimously, without a dissenting vote. After a day of hearings in which the full committee had a chance to review the operations of the IDA the full committee reported this legislation to the House by a unanimous vote.

Mr. Chairman, every Member of this body should support this legislation for additional funds for IDA. Members who wish to reduce foreign aid expenditures should vote for it and then concentrate their efforts on reducing expenditures of the Development Loan Fund and other foreign aid programs where we put up 100 percent of the money.

Members who are concerned about our deficit in international payments should support IDA where other nations will contribute and concentrate on cutting the programs where we are going it alone. Members who are concerned about waste in the foreign aid program should be for IDA because IDA has been managed by an organization, the World Bank, which has an enviable reputation throughout the world for doing things in a businesslike manner. As a matter of fact, I do not believe any mention has been made in any debate or in any speech or in any report of any case of mismanagement in IDA or the World Bank.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD. I will be glad to yield to the gentleman.

Mr. McCLORY. Is the gentleman familiar with the debate in the other body on this subject? If he is, he will recall there was some questioning there with regard to the $813 million reserve in the World Bank, and no explanation as to what would be done with the funds in the World Bank at the present time. I would suggest that those reserves should be employed before additional funds are authorized as in this bill (H.R. 9022). Are you familiar with that?

Mr. MOORHEAD. I am familiar with that, and our committee is familiar with that, and in our report we made a recommendation that the World Bank give consideration to this.

As the gentleman from Wisconsin [Mr. REUSS] pointed out, there is serious question about whether there may be a legal obligation to existing bondholders which would prohibit the use of existing surpluses but might permit the use of future surpluses. But this is not a question of mismanagement. The money has not been squandered. It is there.

Mr. McCLORY. Would the gentleman yield further?

Mr. MOORHEAD. I would be glad to yield further to the gentleman.

Mr. McCLORY. In the committee report, reference is made to the report of the National Advisory Council. However, it was pointed out that there seems to be some dissension on the part of the members of the Council. The Council's report omits the objections of the dissenters and why they were objecting to the recommendations which are embodied in the bill being presented to us today.

Is the gentleman familiar with that or does the gentleman know who the objecting Council members were or what their reason was for dissenting?

Mr. MOORHEAD. We discussed this with the U.S. representative. It was his belief that the United States through its delegate should make recommendations along the lines about which the gentleman is talking.

Mr. REUSS. Mr. Chairman, I ask unanimous consent that the gentleman from Hawaii [Mr. MATSUNAGA] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MATSUNAGA. Mr. Chairman, I rise to speak in support of H.R. 9022, to authorize the United States to participate in the replenishment of the resources of the International Development Association—the IDA. Although not a member of the Banking and Currency Committee, I am convinced that the interest of the United States is well served by the IDA, and, I should add, that this applies with equal force to the interests of my own State of Hawaii.

Our contribution to the IDA is an investment in the future—not merely in the future of the developing countries of Asia, Latin America and others who depend on the kind of financing that the IDA provides, but an investment in the future growth of world trade and of international prosperity.

The people of the State of Hawaii can speak with some knowledge on the importance of trade, particularly from their long experience in trading with the countries of Asia and the Far East. They know that economic advance and development in the nations of the world that have stood still economically for far too long is required if trade among all free nations is to grow and flourish.

There is a tremendous potential for our national output in the markets across the seas that are still to be developed. But this potential will remain largely untapped unless we help those free nations determined to help themselves to move ahead in economic development which is basic to raising the living standards of their people—numbering hundreds of millions of people in the independent countries of Asia alone.

The IDA is playing an important role in this advancement through its provision of credits to finance well conceived projects in terms needed by the developing countries. And it is important to remember that the IDA does this from funds contributed not by the United States alone, but also by the other economically advanced countries of the free world: every dollar put up by the United States is matched by $1.40 from other countries.

The IDA is not only a sound investment in the future; it also provides us with a sound way of sharing with the other industrial nations of the free world the cost of this investment.

In a relatively short span of time since it was established in 1960, this affiliate of the World Bank has become a tested and trusted institution. It has proven its worth to the United States—and to all the other free nations of the world that together contribute a substantial majority of its resources.

The arrangement under which the IDA carries out its activities is as economical as it is effective. The IDA has the same officers and staff as the World Bank. Duplication of effort with the World Bank is thus avoided, and full coordination is assured. The World Bank management's high reputation for imaginative yet sound administration is well known, and the administration of the IDA program has been entirely satisfactory.

The IDA lends for most of the same purposes as the World Bank, and in making its loans applies the same high standards as the World Bank. Only the terms of its loans differ.

The countries IDA is helping need some source of capital that take into account their mounting debt-servicing burden. It is not sound financing to provide needed capital on terms they cannot meet and that could invite default. Nor is it sound to deny this capital and suppress economic growth in so large a part of the world, a growth which is both desirable and necessary in the kind of world in which we live today. Provision for lending on very liberal terms is an absolute requirement, and IDA is meeting this requirement. It combines high-technical standards for lending with low-credit charges for the developing country. I should reemphasize, however, that all the advanced free countries share in the cost of making these needed terms possible through the IDA.

IDA has helped finance better roads and communications, irrigation, and other agricultural improvement. It has helped in building water supplies, ports, power facilities, and other basic facilities. These basic facilities so necessary for an economy as a whole are vital also if private enterprise is to develop and flourish in these countries. IDA has directly assisted, through credits to development banks and in industrial park projects, the strengthening of private enterprise activities, and these are the ones that result most directly in forging the links of international business in which we can share.

The IDA today stands out as an increasingly important institution. A large part of its initial hard currency resources of about three-fourths of a billion dollars has now been committed to high-priority projects in its less-developed member countries, and the remaining balance will be committed in the near future. For IDA to continue to operate smoothly and effectively, a replenishment of its resources is necessary.

In conclusion, Mr. Chairman, I believe that the interests of the United States would be well served by an additional contribution to the capital resources of IDA. International cooperation in providing aid to developing countries is important now to lay the groundwork for real growth in world trade and consequently in our own economic growth in the future. And IDA is the one device available to us through which we can get the other industrial countries to put up substantial amounts for lending to needy nations on the relatively easy payment terms that are required.

Mr. KILBURN. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. STINSON].

Mr. STINSON. Mr. Chairman, I take this time to ask a question. I would like to address this question to the gentleman from Wisconsin [Mr. REUSS] who, I believe, has admitted that a country which has borrowed funds under this program has possibly loaned them out to private enterprise units in those particular countries; is that correct?

Mr. REUSS. If the gentleman will yield; yes, that has happened on occasion. Of course, it is the function of IDA to help and support private enterprise. This seems to me to be a legitimate use of its funds.

Mr. STINSON. And, are they paid interest on those loans? Do they get the money for nothing?

Mr. REUSS. No. When they borrow the money they have to pay something like the going rate of interest.

Mr. STINSON. So they make a profit off this money that they get without interest. Is there anything in this bill which would prevent these countries that receive these noninterest loans from the program from giving it out in foreign aid to other countries? I understand that Yugoslavia is eligible to receive funds under IDA and that Yugoslavia has in times past given out their own foreign aid and have received tremendous credit and ovation for the benevolence of the Communist dictatorship.

Is there anything that would prevent this from happening in this piece of legislation?

Mr. REUSS. Let me say first that Yugoslavia, it is true, is one of 101 members of the IDA. It happens to be one or perhaps one of two Communist-inclined countries. However, I would make the point that Yugoslavia has not gotten one nickel from the International Development Association.

Mr. ASHBROOK. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] may extend his remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MORSE. Mr. Chairman, I rise in support of H.R. 9022. The cost to the United States, $312 million over a 3-year period, of an increased authorization for the International Development Association will reap tremendous rewards in terms of strengthened facilities in the developing nations of the world. In addition, it carries out one of the main goals of our foreign aid effort—that of encouraging multilateral sharing of the aid burden.

Some 17 nations will participate in the proposed new authorization. Thus for each $1 of American funds, an additional $1.40 will be contributed by other participating countries. In addition the new subscriptions will bring about a reduction in the total share of the United States in the activities of the Association.

IDA, which was created in 1960 to enable countries to obtain development capital for important economic infrastructure projects, responded to the difficulties a number of nations were having in meeting the stringent requirements for World Bank or private capital loans. Administered by the World Bank staff with a view toward feasibility and economy, the Association has lent almost $600 million to 18 countries in a 3 year period.

The level of expenditure is modest, but the approach sound. The multilateral character of the Association not only encourages the increased participation of other free nations in the strengthening of the developing countries, but frees individual projects from political overtones.

The policy recommendations of the Banking and Currency Committee will further strengthen the operations of the fund. The proposal that U.S. participation be proportionately reduced in any future authorization increases and the suggestion that loans be made in currencies other than the dollar to the greatest extent possible are in line with recommendations made by the Foreign Affairs Committee and by the House in considering our total foreign aid effort in the past. I urge support of this legislation as a constructive step in the direction of viable economies in the developing nations and an important sharing of the foreign aid burden among the nations of the free world.

In my view, IDA has produced commendable results thus far; the requested increase is a reasonable one and deserves our support.

Mr. LENNON. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. PATMAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. BROOKS) having assumed the chair, Mr. FLYNT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill, H.R. 9022, to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association, had come to no resolution thereon.

RESIGNATION AS A MEMBER OF A STANDING COMMITTEE

The SPEAKER pro tempore laid before the House the following communication:

FEBRUARY 25, 1964.

DEAR MR. SPEAKER: I hereby respectfully submit my resignation as a member of the Standing Committee on Interior and Insular Affairs.

Sincerely,

RAY ROBERTS,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

ELECTION OF MEMBERS TO STANDING COMMITTEES

Mr. MILLS. Mr. Speaker, I offer a privileged resolution, and ask for its immediate consideration.

The Clerk read the resolution (H. Res. 640), as follows:

Resolved, That the following-named Members be, and they are hereby, elected members of the following standing committees of the House of Representatives:

Committee on House Administration: JOHN BRADEMAS, Indiana; JOHN W. DAVIS, Georgia.

Committee on Interior and Insular Affairs: PHILLIP BURTON, California.

Committee on Interstate and Foreign Commerce: J. J. PICKLE, Texas.

Committee on Public Works: RALPH J. RIVERS, Alaska; RAY ROBERTS, Texas.

The resolution was agreed to.

A motion to reconsider was laid on the table.

QUOTA SYSTEM FOR IMPORTS OF BEEF, VEAL, AND MUTTON

Mr. OLSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. OLSEN. Mr. Speaker, today I have introduced a bill which would establish a quota system on imports of beef, veal, and mutton, based on a past 5-year average.

Mr. Speaker, I am anxious to see a more realistic quota established than the recent agreement between the United States and the countries of Australia and New Zealand.

I was optimistic that a voluntary agreement would be entered into between our country and Australia and New Zealand on a more realistic basis. However, on Monday the 17th day of February, the Department of State and the Department of Agriculture announced that a voluntary agreement with Australia and New Zealand on beef imports would only restrict the imports into this country from those countries to the average of 1962–63—and would allow for consumption growth.

These two countries have been providing approximately 80 percent of our imports of fresh and frozen beef and veal. The agreement would guarantee foreign exporters of beef to the United States approximately 11 percent of our domestic market and hold Australia-New Zealand exports to the United States at the 1962–63 average.

I think this is a step in the right direction, but it is a very small step and it is not enough. Such an agreement provides very little protection for our domestic industry at a time when prices are down and when our inventories of cattle in the United States are high.

During the current calendar year, this agreement will only provide for a 6-percent reduction as compared with 1963 imports. There is, of course, a promise of a 3.6-percent increase in consumption; and, therefore, there is held a promise to our people that the market in America will increase for domestic producers approximately 9.6 percent for 1964. But that is not sufficient to rescue our cattle industry from grievous injury by reason of the foreign suppliers.

Heretofore, I thought the idea of a voluntary negotiated agreement with these two major beef exporters was a good idea—but certainly not one that guarantees foreign suppliers such a large foothold on our beef market.

A far more realistic restriction on the exports of Australia and New Zealand and on other exporters to this country would be the average imports that have been computed over the past 5 years—instead of the last 2 years which have been the highest in the history of our country.

I am sure that the U.S. Tariff Commission will disclose by its studies this spring that the imports from these two major foreign exporters, Australia and New Zealand, have had a depressing effect upon the prices of beef in the United States and that these imports have been more rapidly occupying a greater and greater share of our domestic market.

I strongly urge my colleagues to review this beef and meat products imports situation, and I recommend my bill as a better step in the right direction to protect the domestic beef and meat producing industries.

HIGHER EDUCATION AND PUBLIC SERVICE AWARDS BY GEORGE WASHINGTON UNIVERSITY

Mr. HECHLER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an address.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER. Mr. Speaker, one of the great institutions of higher learning in the United States named after George Washington, and located in the city of Washington, is the George Washington University.

Its president, Dr. Thomas Henry Carroll, and the members of the faculty, are rendering dedicated service as citizens, and particularly in the field of higher learning.

On Saturday night last, February 22, 1964, the 143d convocation of this outstanding university took place.

On the occasion of this convocation, first, the George Washington University conferred the honorary degree, doctor of commercial science, upon Charles Bates Thornton, an outstanding industrialist; chairman of the board, and chief executive officer of Litton Industries, Inc.; second, an honorary degree of doctor of public service upon Laurance Spelman Rockefeller, one of the outstanding conservationists of our Nation's history; third, an honorary degree, doctor of public service, upon our distinguished speaker, Hon. JOHN W. MCCORMACK of Massachusetts, who delivered the commencement address.

In my remarks, I include the commencement address delivered by our distinguished Speaker, together with the citations in connection with the degrees conferred upon Mr. Thornton, Mr. Rockefeller and Speaker McCormack.

COMMENCEMENT ADDRESS BY HON. JOHN W. MCCORMACK OF MASSACHUSETTS

President Carroll, Most Rev. Patrick A. O'Boyle, D.D., archbishop of Washington, reverend clergy, my distinguished colleagues of both branches of the Congress, Dean Latimer, Chairman Allison, and the other trustees, members of the faculty, my distinguished corecipients, Laurance Spelman Rockefeller and Charles Bates Thornton, and graduates of the class of 1964, I am honored by the distinction you have conferred upon me, and particularly so by its sponsorship. It is also a great pleasure for me to be a recipient of this honorary degree at a time when Mr. Rockefeller and Mr. Thornton are also being honored. I congratulate them.

During my 35 years in Washington, I have watched this university grow ever greater, not merely in size, but in the breadth of its knowledge, the depth of its researchers, the talents of its faculty and its graduates. It would be impossible to think of our Capital without this university and the great teaching mission which it and its fellow institutions exist to serve, particularly in Washington. This is a teaching mission not restricted to undergraduates. One of the most significant things this university has accomplished is its program of graduate and adult education—as a result of which this city and our country are much the richer.

In many ways the occasion and the degree itself are significant. Today is the birthday of our first President, the Father of our Country, a man known in history for his devotion to public service and his readiness to postpone or defer his personal life and his own inclinations to serve his country and his fellow citizens. From that point of view he has been an inspiration for almost 2 centuries. His career may be taken as an example of the kind of life this new academic degree symbolizes.

We are assembled in this city which bears George Washington's name, a city which is not only the Capital of the richest and most powerful nation the world has ever known but is, in addition, the nucleus of the forces of freedom under law, of human progress, and of enlightenment for mankind.

And finally, we are here at a convocation of this university bearing the same name, the George Washington University, an institution which may look forward to a time when it might unofficially fill the roll of a national university.

Thus the day, the city, and the occasion are all closely associated with the name and memory of George Washington and thus with the men who first exemplified in our new Nation the kind of public service which this academic degree represents.

This is indeed a most fitting combination of circumstances. I am sure that all who are present join with me in the wish that, for many years to come, future recipients of this degree in public service will look back to our first President as a symbol of the kind of skill and devotion which George Washington so well exemplified in public life and in public service, in time of peace, and in time of war. This academic degree may be new in years, but the tradition itself is old. The decision by this university to establish a degree to symbolize this tradition is an indication of the university's decision that the tradition is an excellent one, and deserves to continue. This is an act of wisdom on the part of the university, for the need for devoted public service and for academic encouragement and assistance in perpetuating and improving such service, grows more urgent with each passing year.

In George Washington's day, public service and higher education were remote from each other. In his day the sphere of higher education and the sphere of public service did not intersect and rarely even approached each other. This was still the situation, for all practical purposes, when I first came to Washington more than 35 years ago.

In fact, at that latter date, in 1928, our Nation contained a number of different spheres of activities in which our fellow citizens pursued different goals with different procedures quite separate from each other, with little mutual understanding of their differences and with little effort at coordination of activities between the various spheres. The goals and methods of the academic world in 1928 were remote from the goals and methods of political life. In a similar fashion, the goals and methods of the business world, or of life in the defense forces of our country, were separate, one from the other, and had little influence upon one another. And often, it must be confessed, they had little understanding or appreciation of their different functions. To be sure, in 1928, as in Washington's day, every man admitted the need for all of the spheres I have mentioned, but, as a practical matter of daily life, the average man in that day, only a single generation ago, lived in his own sphere and had little contact or understanding of the activities of his fellows in other spheres. At that time, and with considerable truth, men in the defense forces said bitterly that they were ignored and neglected in the long periods of peace and then expected to produce instant miracles at the first appearance of threat to America's security. At that time, many people outside the academic world thought that university professors were rather impractical dreamers who lived in ivory towers remote from reality. In fact, at that time the word "academic" had connotations of rather remote impracticality. In a similar fashion, in 1928, men who were not actually engaged in politics, tended to regard their fellow citizens whose lives were spent in public service as rather questionable persons, engaged in mysterious conferences in smoke-filled rooms for rather nebulous goals.

At that time, the word "politician" had, to nonpoliticians, rather derogatory connotations parallel with those which the word "academic" had to nonacademicians. This alienation of the various spheres of activity which were all so essential to our national life was equally evident in regard to business and even with regard to religion. There was little contact of the business world with public service or government and what did exist was often regarded by businessmen as objectionable. There was even less contact between business and academic life. Even the more technical aspects of industry had little contact with the university scientists so that scientists in industry and scientists in universities had little interchange contact with one another and even less with the few scientists in Government.

Even religion, which might be expected to have contact with other spheres, was relatively isolated in 1928, much more so than it had been in Washington's day.

All this has changed greatly in the past 36 years. The different spheres of American life, including business, Government, higher education, defense, and others have come together and, to a considerable extent have interpenetrated each other. The causes of this process of merging and integration are clear to all of us. The advance of technology, especially the speeding up of communications and transportation along with the rapid growth of the forces of mass production and of mass annihilation, have forced different groups and different ways of life to impinge upon each other with increasing frequency and increasing power. Over the same period, a series of acute crises, including the great world depression, the Second World War, the rise of the Soviet threat to the way of life of all of us, and challenges arising from nuclear weapons, from space research, and from the advance of electronics have forced the different spheres of American life to give up much of their earlier isolation and to join together in a common effort to defend the values of our western Judaeo-Christian culture or civilization and our American way of life.

The last 20 or 30 years have been more changeful, more challenging than any century of world history and the task of keeping up with the times has become an arduous one. Yet to keep up with the change around us, for Americans, is not enough. For it is the faith of our democracy that, with divine help, man can change and order his society actively, positively, drastically. That is what an education is for.

On the whole I regard this development with optimism. We should all be parts of a great whole. Our Judaeo-Christian tradition and our American tradition both emphasize community and fellowship. No one who believes in God and certainly no American can ignore the problems and the difficulties of his fellow men. Our heritage requires of us that we be ready to help one another, and this surely cannot be done unless we know and understand our various goals and methods of procedure.

As we have come together from the various spheres of our different lives, we are called upon as never before to exercise those ancient virtues of love, sympathy, understanding, compassion, cooperation, and humility, and courage. Moreover, we must continue to recognize that the goals and methods of procedure are not the same within the various spheres. Certainly the methods and goals of defense are not the same as those of business. And equally, the methods and goals of higher education are not the same as those of Government and public service. But now as never before, we can see that each is legitimate in its own sphere, each is dependent upon the others, and that all spheres are necessary for progress and peace and the worthy final end which we all seek.

Certainly we have come a long way since this process first began to accelerate with the onslaught of the great depression 30-odd years ago. The antagonisms and alienations which set government off from business, which saw management and labor divided; which left academic life remote from the defense forces, and which divided so much of our people up into isolated compartments has now passed. Nowhere is this process more evident than in the growing understanding and cooperation between government and university life.

Franklin Delano Roosevelt and the New Deal brought with them a cool wind of change. When President Roosevelt sought to alleviate the ravages of the great depression by calling upon academic people, his efforts met with derision in many quarters, and the expression "braintrust" called forth jeers as well as cheers. Both verbal reactions have now largely passed and the cooperation of universities and government is accepted by both sides. Moreover, it is advantageous to both sides, and to our whole society.

This was clearly shown in the Second World War which was successful for us because of the ability to combine the efforts of government, higher education, business, the defense forces, spiritual outlook, and other parts of our society.

Our victories have been evidence of the strength of the cooperative approach as contrasted with the authoritarian approach. Such strength is our main safeguard against the Communist efforts to subvert the world today as the Nazis attempted to do 20-odd years ago. The success of our efforts against both reflects our belief that the unity of diversity is more effective than the unity of uniformity. And in this combination of diverse spheres working toward a common good no cooperation will be more fruitful or more necessary in the future than the understanding cooperation of higher education and of government. This is clearly evident in the field of space technology and the cumulative advances of science.

In 1958, I took the chairmanship of the Select Committee on Astronautics and Space Exploration—what has now become the Committee on Science and Astronautics. At that time, the first sputniks had already gone up. The expert testimony which came before the committee was almost unanimous in its sense of alarm and concern at whether the United States would ever be able to orbit heavy payloads into space quickly enough to overcome the Soviet lead.

Now, barely 6 years later, the huge thrust vehicles which we have built, including the first test of the Saturn booster, a veritable monster of 1,500,000 pounds thrust show the success of the cooperation of academic training and governmental direction which began less than a generation ago.

In the struggle of life, politics is much closer to the forward lines of fire than are our great universities. Accordingly, politics must place more emphasis on short-run aims while education can concentrate more freely on intermediate or longrun goals. Politics must reflect and harmonize more readily the pressures of diverse interests. That is the result, if not one of the purposes of politics.

Bills must be studied and screened. The voices of the Members and the public must be heard. For merely to railroad legislation through committees and the Congress defeats the very purpose for which Congress was designed: that of a national representative assembly for considering, debating, and the making of laws. The smooth functioning of Congress is at the very heart of our check-and-balance system of government. And as John Quincy Adams, President and longtime Congressman put it, "Without the balance of powers there can be no good government among mankind in any state." The academic world is not hampered by this need to reflect and reconcile diverse interests.

Educational institutions are freer to deal with general principles and may be able to take more time to reach its more general conclusions. Above all, perhaps, politics has not the time nor organization to recruit and train for public service, something which universities are well equipped to do.

In these various ways, and in others which must go unstated at this time, public service and higher education can and must complement each other's actions and roles in our society. In this effort, which is so essential to our continued survival, there must be continual mutual understanding of each other's diverse roles and methods, as there must be in the relations of both to the other spheres of American life.

The spirit of George Washington and his contemporaries is still with us. Our country has always been blessed by God with devoted and capable leaders. In our earliest days, when our strength and wealth were so limited and our problems so great, Washington and Jefferson and others appeared to lead our people. Two generations later, when our country was torn in two by a fratricidal war, Abraham Lincoln appeared from the mass of the people as a leader to reunite the Nation.

No country need despair as long as God in his infinite goodness continues to provide the Nation with leaders possessed with the zeal for dedicated public service. They have not only fostered a strong national defense but they have never lost sight of the fact that a strong religious life is necessary for the preservation of our way of life.

I look back on America's past with pride. I look forward to America's future with great confidence to weather any difficulty that may come our way.

Our country continues to advance in all fields and in our advancement we bring to the world the great virtues of American society. For "in my father's house there are many mansions." A doctorate degree in public service is an indication of part of this truth which is central to our whole outlook and way of life.

To the members of the graduating class of this great university, with the truth, the knowledge, and the wisdom you have obtained, you are well prepared to take the journey of life. The future confronting you will be most interesting and at times, trying. Your university has equipped you to be leaders—to be strong, confident, to be out in front—leaders, not mere followers.

The need for leaders and warriors in the future years will be great.

As I broadly view the future, the intent of world domination through atheistic communism will continue through some decades. Assuming the advancement of education and the building up of an industrial nation, having in mind the inherent desire for freedom, brings some changes in future years in the Soviet Union, Red China will be an aggressive force for some decades. The science revolution will also bring problems and challenges outside of the so-called cold war itself. We must avenue these future changes with their intense economic impact upon national economy of nations and lives of individuals to serve—otherwise through frustration they could conquer and bring about some form of dictatorship.

We must have dedicated persons in all walks of life possessing qualities of leadership, and more, vision and courage, to meet the challenges of both war and peace—cooperating with each other with understanding minds to coordinate thought, policy, and action for the national interests of our country and for a future world of peace—where peoples of different countries can freely choose their own form of government in accordance with their culture.

And with the truth, knowledge, and wisdom you have gained while students of George Washington University, I have every confidence that you and other Americans will give the leadership of progress, of victory, and of peace.

CHARLES BATES THORNTON

CITATION ACCOMPANYING AWARD OF HONORARY DEGREE, DOCTOR OF COMMERCIAL SCIENCE

Business and industry provide the major economic sinews for our dynamic society. To keep these sinews healthy and strong is an imperative of our day. Effective performance requires leaders of vision and integrity who work for the public welfare. We now honor such a leader.

From his native Texas, where he received his basic education, he came to study at the George Washington University. We take justifiable pride in his subsequent accomplishments.

It was in the Nation's Capital that he began a career which, in variety and achievement, reads like the proverbial American success story. He has given outstanding service both as a civilian and an officer in the U.S. Army Air Forces during World War II; as special consultant to the U.S. Air Force and to the Department of State; as imaginative director of planning of the Ford Motor Company; and as vice president and assistant general manager of the Hughes Aircraft Co., where he made significant contributions to the development of electronics. He is now chairman of the board and chief executive officer of Litton Industries, Inc., one of the great industrial complexes of modern time, whose record of rapid growth and exceptional accomplishment stands as a living symbol of its leader.

In addition to his corporate directorships in banking and in a variety of industries, he has served as a board member of institutions of higher learning and of civic groups, including the Southern California Symphony and the American Cancer Society. In each of these responsible positions he has displayed that excellence of analytical judgment and human warmth and understanding which characterize executive leadership of the highest order.

In recognition of his distinguished service to our government, to higher education, and to responsible and effective private enterprise, and by virtue of the authority vested in me by the board of trustees, I confer on Charles Bates Thornton the degree of doctor of commercial science, honoris causa, with all of the rights, duties and privileges thereunto pertaining. I welcome him into the fellowship of the George Washington University.

THOMAS H. CARROLL,
President.

FEBRUARY THE 22, 1964.

LAURANCE SPELMAN ROCKEFELLER

CITATION ACCOMPANYING AWARD OF HONORARY DEGREE, DOCTOR OF PUBLIC SERVICE

If the great scenic wealth of America is not to be destroyed, if our posterity is to enjoy the riches of natural beauty that our forebears discovered and described with awe and wonder, if America the beautiful is so to remain, much of the credit must go to the man we now honor. He has devoted his energy, ability, and means to help preserve American forests, streams, and shores. Loyally and modestly he pays tribute to his father's "example and inspiration through the years."

Chairman of the New York State Council of Parks, trustee and president of the American Conservation Association, director of Resources for the Future, trustee of the Conservation Foundation, the New York Zoological Society, the National Geographic Society, and the American Committee, International Wildlife Protection—he is an active officer in no less than 14 organizations which have as their objectives the care and preservation of outdoor scenic and recreation resources.

One of his principal and continuing interests has been the work of Jackson Hole Preserve, Inc., which he has led since 1940. It was through this organization, which has supported outdoor recreation activities in many parts of our country, that he gave the more than 5,000 acres on the island of St. John which sparked the creation of the Virgin Islands National Park.

He was the natural choice for Chairman of the national Outdoor Recreation Resources Review Commission when that body was established in 1958. The bipartisan group, composed of eight Members of the Congress and seven citizens, carried out an extensive study of the Nation's outdoor recreation needs for the next 40 years. When published in 1962, the Commission report was well characterized as "action minded" and "people oriented." It has already influenced local, State, and Federal legislation and stands as a major landmark in our country's history of conservation.

In recognition of his determination that persons of all age groups may have the opportunity to benefit from frequent association with nature, for his fruitful efforts in the struggle to preserve the outdoors he loves so deeply, and for the dynamic leadership he has given the conservation movement, and by virtue of the authority vested in me by the board of trustees, I confer upon Laurance S. Rockefeller the degree of doctor of public service, with all the rights, privileges, and duties thereunto pertaining. I welcome him into the fellowship of the George Washington University.

THOMAS H. CARROLL,
President.

FEBRUARY 22, 1964.

JOHN WILLIAM MCCORMACK

CITATION ACCOMPANYING AWARD OF HONORARY DEGREE, DOCTOR OF PUBLIC SERVICE

In a republic the quality of government depends upon the quality of its elected representatives and their leaders. This ancient truth is a cornerstone of our own Federal Government. The quality of leadership is affected by the person's ability, education, experience, and character. All these are possessed in generous measure by the man whom we now honor.

Native of Boston and educated in its public schools, he rose from modest family circumstances. At an early age he dedicated himself to the service of his fellow citizens. As a junior member of the bar, he served in the Massachusetts Constitutional Convention of 1917–18. He first entered the national political scene as Representative to the 70th Congress on March 4, 1927, after he had gained experience in the Massachusetts House of Representatives from 1920–22 and in the senate of the Commonwealth from 1923–26, during which time he became his party's leader.

Now in his 19th consecutive term as a Member of the Congress, he has served with seven Speakers and seven Presidents. Typical of his imaginative and vigorous leadership was his pioneering activity as chairman of the select committee which produced the vital legislation under which our Nation's space program was created. The support given him by colleagues of his own political party and the universal respect in which he is held by Members of the Congress regardless of party affiliation attest to his personal integrity, his friendly spirit, his broad legislative experience, his reputation for fairness as a presiding officer, and his reasonableness as a party leader.

His election as the 52d Speaker of the House of Representatives came as a climax to his fruitful legislative career. In this position he joined a select group of only 45 Americans who have attained that distinction.

He is a loyal and productive member of many fraternal societies. That he is a recognized lay leader of the Roman Catholic Church is evidenced by numerous religious honors bestowed upon him. First among these is the papal honor of Knight of Malta, first class. His broad interest in humanitarian matters is reflected particularly in the support he has consistently given for improved hospital facilities and service.

For his distinguished services to the people of this country as legislator, House majority leader, and Speaker of the House of Representatives, and for his qualities of mind and spirit that have made him an outstanding American of these fateful times, and by virtue of the authority vested in me by the board of trustees, I confer upon JOHN WILLIAM McCORMACK, humanitarian, Christian lay leader, and statesman, the degree of doctor of public service with all the rights, duties, and privileges thereunto pertaining. I welcome him into the fellowship of the George Washington University.

THOMAS H. CARROLL,
President.

FEBRUARY THE 22, 1964.

PHILIPPINE GOLDEN HEART AWARD GIVEN TO PEACE CORPS DIRECTOR SHRIVER

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, last evening the Honorable Robert Sargent Shriver, Jr., Director of the Peace Corps and special assistant to the President of the United States, was presented the Golden Heart Presidential Award of the Republic of the Philippines.

Attending the ceremonies in the Philippine Embassy were many distinguished and honored guests, including Supreme Court Chief Justice Warren, several Associate Justices, members of the President's Cabinet, Members of Congress, members of the Diplomatic Corps, representatives of the State Department and the President's staff, United States and foreign press, and returned Peace Corps volunteers.

As Ambassador of the Philippines, the Honorable Amelito R. Mutuc, presented the award. It was a proud moment, not only for Mr. Shriver and his family, but for all Americans and friends of the Peace Corps.

Mr. Speaker, the remarks of the Ambassador clearly demonstrate the high reputation and deserved respect which the Peace Corps, under Mr. Shriver's able leadership, has earned in the few short years it has been in existence.

For that reason, I am including Mr. Mutuc's statement at this point, together with the citation accompanying the Golden Heart Award to Mr. Shriver which was read by Deputy Chief of Mission Dr. Jose F. Imperial. I earnestly urge the attention of my colleagues to these expressions of friendship from our Philippine allies.

REMARKS OF THE HONORABLE AMELITO R. MUTUC, AMBASSADOR OF THE PHILIPPINES TO THE UNITED STATES, AT THE CEREMONY ON THE PRESENTATION OF THE GOLDEN HEART PRESIDENTIAL AWARD TO THE HONORABLE ROBERT SARGENT SHRIVER, JR., DIRECTOR OF THE PEACE CORPS AND SPECIAL ASSISTANT TO THE PRESIDENT OF THE UNITED STATES, FEBRUARY 24, 1964

I consider it a most pleasant task and a distinct privilege to be able to honor on behalf of my country and my beloved President, President Macapagal, one of America's eminent citizens.

This ceremony, being my last official public function as Ambassador to this great country, is both meaningful and memorable to me because my first official actuation immediately after I took my oath as Ambassador was to receive Director Robert Sargent Shriver, Jr., in Manila and escort him on his observation tour of the workings of the Peace Corps in the small villages and rural areas scattered throughout the Philippine Archipelago where the volunteers lived and worked with our people.

The occasion gains added importance and significance because in effect, it is a humble testimonial not only to Mr. Shriver and the Peace Corps which he heads, and its members, but above all to that illustrious, distinguished and great world leader, your late beloved President John Fitzgerald Kennedy, who in his campaign for the Presidency conceived the idea of the Peace Corps and in his memorable inaugural address issued a challenge to his countrymen when he eloquently said: "And so, my fellow Americans: ask not what your country can do for you—ask what you can do for your country."

To afford an opportunity for idealistic and dedicated Americans, mostly to the youth among them, President Kennedy launched the Peace Corps and appointed the man we honor today to give substance and meaning to the principle of world brotherhood which he expounded in his campaign—an organization intended to ease the tensions and lessen the turmoils of the age we live in, to assist the needy, to uplift the poor and afford them a chance for a better life, and to widen the horizons of understanding and good will among peoples everywhere on a person-to-person level.

With the dynamism, energetic drive, zeal and dedication of Mr. Sargent Shriver and the splendid performance of his Peace Corps volunteers all over the world, the Peace Corps idea and concept struck a responsive chord in the hearts of the leaders and citizens of the countries of the free world. An International Peace Corps Secretariat was set up in Washington and representatives from interested countries have met twice in conference, once in Puerto Rico and lately at The Hague to afford the citizens of the world a chance to give life and meaning to President Kennedy's challenge to them when he again eloquently said: "My fellow citizens of the world: Ask not what America will do for you, but what together we can do for the freedom of man."

The testimonials, both from Government and private citizens which the Peace Corps volunteers have earned wherever they worked; the enormous amount of fraternal relations and the cordial regard engendered by them from the peoples of the developing nations in Asia, Africa, and Latin America testify to the basic truths that concern begets understanding; assistance begets self-help; and love begets love.

The true measure of the Peace Corps lies in having given life and significance to these truths. That it has functioned the way it has, and still does, is attributable to the man who heads it, and whom we honor tonight—a rare man indeed—knowledgeable, skilled, tireless, and truly and always serving above self.

These are qualities that have characterized his work, both as a public servant and as a private citizen. And as we all know, he is now Special Assistant to President Johnson, in charge of those activities that would lessen the disquieting claws of hunger and poverty in American depressed areas. That he will succeed in this new and heavy endeavor, if we were to judge him by his stewardship of the Peace Corps, is a foregone conclusion.

To Mr. Shriver and to the dedicated people working with him in the Peace Corps, then go the sincere, profound and everlasting gratitude of the Filipino people and their leader, President Diosdado Macapagal.

Permit me then, ladies and gentlemen, to bestow the Philippine Golden Heart Presidential Award, an award designed to recognize those who have truly opened their hearts to the needy and stretched forth their hands to the poor, upon Robert Sargent Shriver, Jr.

REPUBLIC OF THE PHILIPPINES, OFFICE OF THE PRESIDENT

To all whom these presents may come, greetings:

Pursuant to the authority vested in me by law, "The Golden Heart Presidential Award" is hereby conferred upon the Honorable Sargent Shriver, Jr.—Citation.

In recognition of the meritorious and distinguished services rendered by Mr. Robert Sargent Shriver, Jr., as Director of the Peace Corps of the United States in the social and educational upliftment of our people in the rural areas;

Considering his leadership and administration of the Peace Corps, an organization conceived and given impetus by the late President John Fitzgerald Kennedy and which has imbued the rest of the world with a deep awareness of America's profound concern for the problems and future of underdeveloped and developing nations;

Considering his dedication to and untiring efforts for the Peace Corps, which gives life and meaning to the words that the United States "hath opened her heart to the needy and stretched forth her hands to the poor," a quality nowhere more true and moving than in the Philippines where four young Peace Corps volunteers have died in the service of their country; and

Considering Mr. Shriver's eloquent manifestation, personal and official, of his friendship for the Filipino people, his understanding of their problems and aspirations, and his abiding interest in fostering the effectiveness of Philippine-American collaboration in social and educational endeavors and in continuing the cordiality of Philippine-American relations;

I, Diosdado Macapagal, President of the Philippines, confer upon Mr. Robert Sargent Shriver, Jr., pursuant to the provisions of Executive Order No. 40-A dated June 21, 1954, the Golden Heart Presidential Award (second class) this 24th day of February, in the year of our Lord nineteen hundred and sixty-four.

DIOSDADO MACAPAGAL,
President of the Republic of the Philippines.

By the President:

CALIXTO ZALDIVAR,
Assistant Executive Secretary.

THE NEGRO'S PROBLEM IS THE WHITE'S

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CURTIS. Mr. Speaker, Eli Ginzberg, professor of economics at Columbia and director of the university's conservation of human resources project, is in my judgment one of the most knowledgeable and clear-thinking persons in our society today. I have long admired the work he has been doing in the field of manpower utilization or as I believe he prefers to call it, "conservation of human resource."

This is not to say that I agree with Dr. Ginzberg's observations and conclusions at all times. Indeed I do not. However, I have yet to find him speaking or writing in a manner which did not move the dialog forward.

I was recently attracted by an article he wrote, published in the New York Times magazine of February 9, 1964, entitled "The Negro's Problem Is the White's," which I am going to insert in the RECORD at the end of my remarks.

In typical fashion Dr. Ginzberg speaks directly and candidly to the problem. He moves the dialog in this important area forward considerably more than the entire congressional debate of 10 days on the recent civil rights bill.

I shall point up some areas of agreement and disagreement I have which hopefully will move the debate forward.

First, as a Republican, I must take exception to Dr. Ginzberg's statement:

> Even today, the administration is finding it difficult to persuade Republicans from States where there are few Negroes to agree to the passage of a broad civil rights bill.

This to be sure is the administration's propaganda line but the facts hardly bear it out. In January 1963, some 6 months before the administration began to move on a civil rights bill, the House Republican members of the Judiciary Committee with the approval and support of the Republican House leadership—almost all of them from States "where there are few Negroes"—introduced comprehensive civil rights legislation and continued to push for it until it finally passed the House over a year later. The administration never had to persuade Republicans—the administration had only one problem, how to hold together its seemingly impossible coalition of political power between the northern city machine Democrats and the southern Democrats which calls itself a political party. To be or not to be. If it moved a civil rights bill forward how would it get reelected in the South? If it did not move a civil rights bill forward, how would it get reelected in the big cities?

The Republican record has again been made. Just as on every occasion in the past when civil rights legislation comes up for vote, over 80 percent of the Republicans voted affirmatively. The percentage would have been higher if it had not been for the narrow partisan tactics employed by the big city machine Democrats who were directing the administration strategy. Proper and sound congressional procedures were violated which should be a matter of serious concern to all groups dedicated to preserving civil rights. The ends do not justify the means.

Incidentally, I was active in this matter beginning in October 1962 on through to the final passage of the bill. I qualify as a Republican with few Negro voters. I have a 3-percent Negro population in my district. Not only did the administration make no efforts to "persuade" me to support the legislation but it did indirectly just as much as it dared do without being caught redhanded to persuade me and other Republicans to vote contrary to our basic beliefs so that the Republican Party would not continue to look so good on the record.

Second, I wish to emphasize a point Dr. Ginzberg makes which has not had much attention:

> At the height of the Korean war unemployment among Negroes was approximately 4 percent—considerably below the level in the work force as a whole in recent years. Today the level of Negro unemployment is 11 to 12 percent or even higher.

This datum reflects the absorption in the urban areas of those, both white and colored, who were leaving the farm.

It is important to realize that the Negro problem today is part of an age-old problem that has little to do with race or color. It has to do with the basic economics involved in any society which is industrializing. An industrializing society has marked migrations of sizable populations from rural living to urban living. The more rapid this movement the more aggravated the problems of social and economic adjustment become. The increased incidence of crime among former rural people now living under urban conditions has long been observed. The closer people live with each other, of course, the more their daily actions affect each other. The more contact the more opportunity there is for friction, for more breaches of the codes both social and legal which govern the relationships of people living close to each other. Indeed, the codes of urban living are not only different from the codes of rural living, but perforce they are more comprehensive and complicated and hence lend themselves to more violations.

Part of the problem of adjustment comes from shifting from an economy which has much of barter about it to an economy which is almost entirely a money economy. Where the money economy cuts off in urban areas a State-organized welfare economy takes over in place of an informal community welfare economy.

Part of the problem of adjustment comes from the traditionally lower, as well as different, educational standards and standards of skills in the rural communities from those of the urban communities.

We must not identify these economic and social adjustment problems as racial problems if we are to solve them. The predominance of the Negro in the group shifting from rural to urban living beginning with World War II and continuing up to the present time has tended to confuse the problem. So, too, hasty analysis has led some to identify civil rights problems as racial problems. Again it is the confusion arising from the predominance of the Negro in issues involving civil rights that lies at the root of this obfuscation.

It must be constantly borne in mind that in the past decade—and the decade immediately ahead of us seems to be following the pattern—automation, or rapid technological change, has accelerated its pace and so aggravated the social and economic problems stemming from this massive migration.

Third. Dr. Ginzberg puts these problems into a positive context:

> In Chicago, for instance, 30 percent of the Negro families have a higher income than 50 percent of white families. In the West, the nonwhite income distribution is almost the exact counterpart of income distribution among the white population of the South.

We badly need to accentuate the positive and to avoid the incessant accentuating the negative. Most Negro families have moved forward. This massive migration is by no means a study in failure and despair. Quite the contrary, if we used averages we would find that the great majority of the Negro citizen has moved forward and is continuing to move forward at a more rapid pace than the rest of the society. The argument is not over progress, but the rate of progress. Part of the rapid progress stems from the fact that the Negro's starting point was relatively low—as is the starting point of any rural group moving to the city or of any group moving from an alien society abroad to start anew in a different society.

In context it must be said that never in the history of mankind nor anywhere in the world today has a minority group, being part of an economic movement, moved forward so fast; nor has a majority group ever acted so affirmatively to permit minority groups to move forward as in the United States of America throughout its history and particularly in the past two decades. There may be some in their zeal to move faster who would deny this but I believe honest reflection will demonstrate this to be true. The fact that it is true should not slow further progress. Indeed, by studying the areas of success and emulating them in areas where we still see failure we might move forward a great deal faster. Certainly we will move with greater certainty of retaining the gains than by doing what we seem to be now doing, concentrating our attention on the areas of failure in order to spur us to more rapid action. I think the way to correct failure is to emulate success and the way to promote failure is to pick over failure unduly.

Fourth. Dr. Ginzberg falls a second time for the propaganda line promoted by the group responsible for what he calls the new federalism from Roosevelt to Johnson, the neofederalists. The article states:

> We have—on the books—a congressional commitment to full employment passed in 1946 with the strong support of both parties, but it has never been fully implemented. (The Employment Act of 1946.)

The Employment Act of 1946 did not commit the Congress to "full" employment but rather to "maximum" employment and around this seeming semantic difference a major political debate took place. The neofederalists who had supported the concept of "full" employment lost out to those who supported the concept "maximum" employment and yet, though forthrightly and fairly defeated, they have never ceased to act as if they had obtained the majority vote for their theories. Dr. Ginzberg's syllogism is predicated upon the erroneous assumption that they had been victorious.

The concept of maximum employment is predicated upon the economic political theory that the private sector essentially creates real jobs and provides sustainable economic growth. All that Government, essentially its parasite, can do is to service certain specified needs of the private sector; and to act in an ancillary way to help maintain the proper economic climate so that the private sector can create the maximum number of jobs attainable with a proper regard for the other equally important social values, not the least of which is individual freedom.

The "full" employment concept, if it had been adopted by the Congress, would have been just as Dr. Ginzberg states: "a commitment by the Congress" for the Federal Government to, in effect, insure "full" employment. It is an idea adopted by many governments abroad, to their economic disadvantage and the defeat of the stated objective. In one sense the debate over "full" or "maximum" employment involves the distinction between a socialist state and one based upon the private enterprise system. Or, as I like to put it, the distinction between a society which realizes and one which does not, that in order to preserve human freedom it must maintain balances of human power. A society must maintain a balance and a separation between political and economic powers as well as between church and state, between military and civilian, between the executive, legislative, and judicial functions of governmental power itself, and between the three tiers of governmental power, Federal, State and local. For if the Government officials take over the economic power of a society—communism—or the economic oligarchs take over the political power—fascism and nazism—we have what we call totalitarian states, the merging of these two great powers, governmental and economic, in the hands of the same group of people. This theory of consolidating instead of separating governmental and economic powers Congress, in my judgment, wisely rejected. It is time the neofederalists became intellectually honest on this point and openly admitted that they have not yet been able to persuade our people to this course of action.

My primary criticism of the neofederalists is their seeming blindness to the need for the separation and balancing of powers within a society as a sina qua non to preserve human freedom. In economics, freedom is the basis of innovation from whence stems all economic growth. In broad social and religious terms, freedom is one of the primary aims of a society.

Finally, I take exception to Dr. Ginzberg's statement:

> It would be understandable if their despair reached the point of total alienation.

I would say it would be understandable only if we continue to accentuate the negative and ignore the positive. If we will start accentuating the positive a bit we will eliminate the negative which gives rise to despair. Certainly by accentuating the positive of what is right about America rather than what is wrong we can come up with some pretty bright ideas of how we can improve ourselves even more.

To put the racial problems as they still exist in our society in context is not to ignore them or be complacent about them but rather to solve them.

THE NEGRO'S PROBLEM IS THE WHITE'S

(By Eli Ginzberg)

The Negro problem does not involve the Negro alone; it is a problem facing the whole country. For 350 years, white America has stood the Negro off. Why it did so, and with what consequences, are lessons we should study carefully.

During World War II, I found that many senior members of the military—intelligent men with whom I had daily dealings—seemed to have different views of the Negro from mine. In searching for an explanation, I realized many of these officers were from the South. They had grown up during the early years of the century, and their image of the Negro was still a reflection of the one they acquired in youth. I, on the other hand, came from a Northern State. All of us, therefore, northerners as well as southerners, are prisoners of time and perspective. Even the effective leaders of today's Negro protest movement sometimes act as if history began yesterday. The real challenge is to broaden and deepen our perspective beyond the limits of our own individual experience.

The first conclusion to be derived from history is that our democracy, by conception and commitment, was a white democracy only. The Negro was excluded from the Declaration of Independence and from the Constitution. The great abolitionist, William Lloyd Garrison, was right when he said that, from this point of view, the Constitution was "a pact with the Devil." The Negro was counted out. Much of the intractable difficulty American democracy has experienced with respect to the Negro citizen, therefore, comes from having to restructure its basic institutions to make room for him. Gunnar Myrdal, the distinguished Swedish economist and author of the first comprehensive study of the Negro, "An American Dilemma," was wrong, in my opinion, when he said that there has been a conflict between our convictions and our actions. He complimented us, because he misunderstood the problem. We never had a commitment, as a nation, to the Negro.

The Constitution—the basic law of the land—dealt with the Negro in three ways: First, it stipulated that Congress could put an end to the slave trade but not before 1808; second, it authorized the Federal Government to return runaway slaves to their owners; and, third, it provided that a slave would be counted as three-fifths of a man in determining the basis of representation in the House of Representatives—hardly the type of legislation to justify Myrdal's belief that we had a democratic commitment to the Negro. A further piece of evidence is that no President of the United States from George Washington to William Howard Taft had any answer to the problem presented by Negroes in white America except to suggest, in one way or another, that they leave the country.

The second historical fact is that although the Negro has mostly lived in the South, the North, and the West have also been, and remain, generally hostile to him. Even today, the administration is finding it difficult to persuade Republicans from States where there are few Negroes to agree to the passage of a broad civil rights bill.

The South has never had the determining voice. The destiny of the Negro in America has always been shaped primarily by the attitudes and actions of white citizens in the North and West, who were not interested in the Negro and made no commitments to him. As early as the drafting of the Constitution, and many times thereafter, the North said to the South: "We will not interfere in your relationships with the Negro if you will not interfere with some of our basic economic policies."

The third conclusion from history is that such gains as Negroes have been able to make usually came when whites did not have to pay for them—or when they wanted something from the Negro or from each other. Negro slaves had a chance to win their freedom during the Revolutionary War when the British offered to free all those who would fight for them. George Washington, who had at first refused to take Negroes into the Army then permitted them to enlist. Later, when North and South engaged in fratricidal war, Lincoln himself said that he would settle the war gladly even if he could not free a single Negro. He believed his primary responsibility as Chief Executive was to settle the war; emancipation was merely a military expedient.

It is only since 1940, when the North needed and wanted Negro labor in pursuit of the defense effort and of economic growth, that the Negro has begun to make significant gains. When the country finally needed Negro manpower, Negroes were able to advance as citizens.

The New Deal was established because President Roosevelt was concerned about the problems of the handicapped third of the population—the people who were badly fed, badly housed and had no work. Under his leadership, we were able to establish Federal programs that incidentally embraced the Negro. Not all of them provided him with significant benefits, however.

Those measures that required the cooperation of the States and local areas—such as the agricultural programs—were of limited advantage to the Negro. But where Federal power was exercised in programs like social security, unemployment insurance and public works, the Negro enjoyed the benefits equally.

History thus points to two conclusions: that animosity, indifference and neglect have characterized the attitude of the white population toward the Negro in both the North and the South; and that most of the Negro's progress to date has been made through the economic self-interest of the white community rather than through its active encouragement.

How, then, do we stand now—and what are the prospects? Despite the fact that Negroes are more urbanized today than the white population (roughly 75 percent live in urban communities), the rural South remains the center of poverty, unemployment, underemployment, undereducation and racialism in its most aggravated forms.

One and a half million Negroes left the South in the 1950's but despite that tremendous migration, there will have to be another one soon. There is no future for all the whites and Negroes who still remain on southern farms. Dr. C. E. Bishop of North Carolina State College of Agriculture and Engineering has estimated that of the million and a half young people between the ages of 10 and 20 still employed on the land in the South, only 150,000 will be needed by the end of the decade. President Kennedy made much the same calculation in his manpower report. He stated that only about 1 in 10 of the young people now growing up in the farm areas of the United States—and an even smaller percentage in the South—had a chance of making a living in agriculture.

These poorly educated, poorly trained whites and Negroes naturally gravitate toward the large cities. But urban areas that used to be so hospitable to new arrivals and offered a place for anyone with a strong back, are no longer conglomerations of first-generation immigrants, they have become third- and fourth-generation middle-class communities. The yawning gap between these farm migrants and the cities' residents makes for an entirely new source of social tension.

Even those Negroes who have started up the income and occupational scale—who escaped to the cities in the 1940's and did well in the wartime and postwar booms—are in trouble. They are heavily concentrated in those sectors of the economy that are most affected by automation and technological change—on Detroit assembly lines, in Chicago meat-packing plants and the steel mills of Pittsburgh. These are the industries where semiskilled laborers are being squeezed out—and Negroes loom very large in their ranks.

At the height of the Korean war, unemployment among Negroes was approximately 4 percent—considerably below the level in the work force as a whole in recent years. Today, the level of Negro unemployment is 11 to 12 percent or even higher.

Another element in the problem is that the Negro birthrate is now considerably above the white birthrate—for many reasons, including improvements in health and consequent reductions in sterility. This comes at a time when the number of young people available for work is already increasing phenomenally and both white and Negro youngsters are having more and more difficulty finding jobs.

Despite this gloomy picture, however, there is one encouraging piece of evidence. In both North and South, a growing minority of Negroes have managed to climb up the economic and occupational ladder. In Chicago, for instance, 30 percent of the Negro families have a higher income than 50 percent of the white families. In the West, the nonwhite income distribution is almost the exact counterpart of income distribution among the white populations of the South.

This suggests that our complicated, diffuse, and widely differentiated society offers many options, many ways to go around obstacles, that permit members of disadvantaged minorities to escape from the slough.

Nevertheless, the general drift of the economy and the rapid increase in the labor force do present a formidable problem for an underprivileged group. One crucial index makes this clear: In the last 10 years approximately 800,000 new jobs have been created annually; but even without reducing the present level of unemployment, which is much too high, we need half as many again each year just to absorb the tremendous increase in the number of youngsters coming of working age.

And despite a growing national income, there is nothing on the horizon at the moment to inspire much confidence in our ability to achieve this aim. President Johnson recently emphasized the rapid gains that the economy had made during the past 2½ years: $100 million more in gross national product and 2.5 million more jobs. But put these figures together, and they show that it took $40 billion of additional gross national product to create 1 million additional jobs.

What bearing do these economic and manpower trends have on the strategy and tactics of the civil rights movement? So far, the great contribution of the protest movement has been to underscore, first for the Negro and then for the white community, that the Negro must become a full partner in an America that historically had no place for him and no commitment to receive him. The protest movement has said plainly that all Negroes must have all of the rights, civil and political, that were conferred by three constitutional amendments after the Civil War but which were never adequately enforced.

But no minority can bring about this desired end by itself. Power in a democracy rests with the majority. Against a backdrop of white animosity or lack of interest, the only answer is to find potential allies for the Negroes among the poor, the ill educated, the unemployed, and the menially employed (together, a considerable part of the white community), as well as the Spanish-speaking community and some other minority groups.

Allies, however, come at a price. In the perspective of our democratic tradition, it appears that if a minority's program is to gain the support of others, it must somehow serve their needs as well as its own.

It becomes important, therefore, to determine what white America is willing to do for white Americans—and thus incidentally for the Negro.

Approached in this light, the history of the new federalism from Roosevelt to Johnson seems to indicate that if acceptable programs can be found for improvements in education, health and welfare, and for urban renewal, all those in need of special Government help in these areas will have a chance to get it.

Education alone is too slow an answer to the Negroes' problem. It is necessary to move along on the educational front, but the real emergency is in the employment situation. We have—on the books—a congressional commitment to full employment passed in 1946 with the strong support of both parties, but it has never been fully implemented.

To revive the Employment Act of 1946 would be a major attack on racialism, and there is a good possibility of its political success because there are even more white youngsters who need a chance to work than Negro youngsters. If this were done, we would then have shortrun job and longrun educational programs supporting each other. A balance must be found among multiple programs—those which Negroes should attempt to accomplish largely on their own (such as protest and civil); objectives, like improved welfare and rehabilitation programs which they must work toward in alliance with others, and full employment, which is a challenge to all groups in our society.

In the absence of such a program, however, it would be understandable if large parts of the Negro community chose to give up the struggle, as the Black Muslims have suggested, and withdraw, either physically or spiritually, from America. It would be understandable if their despair reached the point of total alienation.

But I believe that the trials, suffering and victories of Negro men, women, and children over the last 350 years have not been in vain. It has taken the Nation much too long to admit the Negro to full citizenship, but we are at last on the threshold of establishing a biracial society based on freedom and equality for all. It is late but it is also early, for no other nation has every attempted this.

MEAT IMPORT AGREEMENT STILL LEAVES DOOR OPEN

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LANGEN. Mr. Speaker, the Department of Agriculture's announcement of new trade agreements on meat with Australia and New Zealand means but one thing, that our Government has now guaranteed foreign exporters of meat a disproportionate share of the U.S. market. The Department's statement tells us that Australia and New Zealand have agreed to limit meat exports to the United States. But actually the agreement merely confirms the unwise practices of the past few years with a promise by the United States to maintain these price-depressing high levels of foreign meat flowing into this country.

I note that the agreement covers meat in all forms other than canned, cured, and cooked meat and live animals. This still leaves the door wide open. By failing to include processed meats we may be promoting the food processing industries in those countries. This situation requires careful watching.

I am puzzled over the part of the agreement that gives Australia and New Zealand an annual increase of 3.7 percent to correspond with what the Agriculture Department calls the expected rate of increase in the total U.S. market for these meats. The Australian note to the United States calls it a "fair and reasonable share in the growth of the U.S. market." Fair to whom? Certainly not to our domestic producers, who are already suffering decreased income from this glut on their market. What it really means is that if the U.S. producers do a good job of selling their product, a part of that effort will go to foreign countries.

We saw this happen in the domestic sugar industry. Now we see it happen with beef imports. The next step may be dairy products such as cream and cheese. It is a sad testimony when U.S. policy guarantees foreign interests a share of our increased domestic consumption. It is a dangerous precedent that could extend to other industries as well as agriculture.

I note that the February 17, 1964, edition of Foreign Agriculture from the Department of Agriculture's Foreign Agricultural Service stated that the U.S. share of world beef imports increased from one-fourth in 1960 to over one-half in 1962, with a still larger share in 1963. It means we are importing well over one-half of the beef offered for export by the rest of the world, and that we intend to keep right on doing it. It is interesting to note, from that same report, that this enormous increase of beef imports was encouraged by the increase in import restrictions in other countries, while the United States remained the only major market without any quantitative restrictions and with a nominal fixed import duty. This new agreement to guarantee Australia and New Zealand a market in 1964 equal to the levels of 1962 and 1963, plus increases each succeeding year, represents a gross injustice to the U.S. producers of meat.

CIVIL RIGHTS BILL

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. MEADER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MEADER. Mr. Speaker, on February 13, 1964, I discussed the recently adopted civil rights legislation and included three editorials in my remarks. See CONGRESSIONAL RECORD pp. 2854–2857.

Mr. Speaker, I have just returned from a week in my congressional district and have discussed this important legislation both in meetings and in individual discussions with my constituents. I have also received a number of communications from constituents and citizens who reside outside my congressional district, commending me for my stand on civil rights legislation.

If I were to make any general comment as a result of conferring with people back home, it would be that many American citizens think of civil rights only as a moral issue and were not aware of the contents of the legislation and the extent to which it expanded the scope of Federal activities and, for its enforcement, employed the harsh weapon of proceeding through the injunctive processes of the Federal courts in which citizens would be deprived of the protection of the Bill of Rights.

In general, when citizens have learned the true contents of the civil rights bill, they have been opposed to the loss of liberty it entails.

Mr. Speaker, the Jackson, Mich., Citizen Patriot, in my congressional district, has been an outstanding newspaper and has for many years maintained a very strong and forthright editorial policy. Under date of February 17, 1964, the Jackson, Mich., Citizen Patriot ran an editorial on the civil rights legislation entitled "Mr. Meader and Mr. Lesinski Stand Up To Be Counted." I incorporate the text of this editorial at this point in my remarks:

MR. MEADER AND MR. LESINSKI STAND UP TO BE COUNTED

Representative GEORGE MEADER, whose district now includes Jackson County, is taking a beating over his vote against the civil rights bill as it passed in the House.

(Mr. MEADER, incidentally, will not be Jackson County's representative in the next Congress. Under the reapportionment bill passed by the Michigan Legislature, this county moves into the district now represented by CHARLES CHAMBERLAIN of Lansing. But that is another story.)

And, so the political scuttlebutt goes, GEORGE MEADER may have a hard time getting back to Congress.

Which would be a shame.

They are saying that Mr. MEADER cut his political throat by voting against the civil rights bill on final passage.

He did so on the grounds that the bill gave too much power to the Federal Government.

Mr. MEADER has company in the form of Representative JOHN LESINSKI of the 16th Michigan District. He (Mr. LESINSKI) also voted against the bill on the grounds that it would give too much power to the Attorney General. Mr. MEADER is a Republican, Mr. LESINSKI is a Democrat. Mr. LESINSKI officially has been condemned by the Democratic organization in his district for being what generally might be called a "traitor to the cause."

Mr. MEADER is being hit from all sides. His hometown newspaper, the Ann Arbor News, noted editorially that: "Unfortunately one of the "no" votes was cast by Representative GEORGE MEADER."

The civil rights groups are picketing him all over the place and uttering devastating statements about a Michigan Congressman who would dare to vote against the bill.

John LESINSKI is being tarred with the same brush.

Because we have known GEORGE MEADER and his record on such matters as civil rights ever since too-anxious Jackson County Republicans swamped the primary and handed the job to Washtenaw County on a silver platter, we shall dwell on his case. We presume that everything said about GEORGE MEADER, the Republican, will apply to JOHN LESINSKI, the Democrat.

Mr. MEADER is not a Georgie-come-lately to this civil rights fight.

He need make no apologies for the record he has compiled over the years. Neither does Mr. LESINSKI.

Moreover, Mr. MEADER is something of an expert on such subjects as racial tensions around the world, "emerging nations" and the impact of what happens at home on peoples abroad. He has been around the world a few times and is sincerely interested in the subject of how to improve the lot of peoples who haven't had the breaks.

But Mr. MEADER is a lawyer, as well as a lawmaker. His concern over the concentration of power in the Federal Government, and the possible abuse of the principles upon which the American Republic are based, is deep and sincere.

Apparently Mr. LESINSKI is of the same mind.

There is prevalent in America today a sort of hysteria over civil rights.

The climate is such that anyone who dares whisper a word against the general thesis of civil rights also is against home, motherhood, virtue, the Ten Commandments and freedom for the slaves.

But someone has to have serious second thoughts; has to ask if what we are doing today under pressure of political expediency may result, tomorrow, in the loss of the very freedoms for which the Founding Fathers died in 1776, the doughboys of 1918 died in France and the GIs of World War II shed blood all around the world.

There are elements in the law which must be preserved. And there must be men who will stand up and be counted on the side of the law.

It's not easy. And nowhere in American literature can you find that fact brought out more clearly than in a great book, "Profiles in Courage," authored by the late John F. Kennedy, the President of the United States who was cut down by an assassin's bullet last November 22.

Mr. Kennedy's book is filled with illustrations of the courage of men who chose to stand against the pressures of the times. The easy way out was to vote with the crowd.

It takes guts (an inelegant word, but very descriptive) to put the processes of the Republic above the deep emotions which are stirred when certain people kick other people around. (This was the point Mr. Kennedy repeatedly made in his book.)

It takes a cool head to invite the calculated risk involved in going against the tide; to tell the red hots to go you know where and vote for or against a bill which sustains the concept that this is a government of laws, rather than men—or against the hysteria created by minorities and an emotional issue.

Someone has to guard the ramparts of the Republic—the finest form of government ever created on this earth. Someone has to refuse to panic when the pressure groups hit them where it hurts most.

Mr. MEADER and Mr. LESINSKI have done so. More power to them.

And we doubt that, when the chips are down and the votes are counted come next November, that either of these Michigan Congressmen will have to worry too much.

The people, we suspect, are not nearly so panicked by the civil rights issue as some of the more vocal members of the human race would have you believe.

Deep down, folks admire sober thought and the careful weighing of issues.

They like men who don't swing with every straw in the wind.

ZANZIBAR

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, we have so little opportunity and, I fear, so little inclination to speak well of our Foreign Service officers, that I take particular pleasure in giving the House brief sketches of two of our young men presently serving in Zanzibar.

Frank Charles Carlucci, currently Chargé d'Affaires in Zanzibar, is pictured in the New York Times of February 24 as follows:

[From the New York Times, Feb. 24, 1964]

FRANK CHARLES CARLUCCI, 3D

If Frank Charles Carlucci, 3d, the new U.S. Chargé d'Affaires in Zanzibar, finds things a bit difficult in his new post, it will be no new experience. Trouble was his steady diet for 2 years in the Congo, and he met it in a manner to do credit to the class of 1952 at Princeton University, where he received his bachelor of arts degree.

Mr. Carlucci hardly fits the popular image of a diplomat. A blue-eyed man of 33 with a crewcut, he looks as if he would be more at home coaching a high school baseball team than representing this Nation in delicate diplomatic dealings in Africa.

But his youth and athletic energy have been assets in posts where courage and physical agility have sometimes counted as much as statesmanship.

From 1960 to 1962 he was first a vice consul and then second secretary and political officer of the U.S. Embassy at Leopoldville in the Congo. In this period, he was stabbed and beaten by an angry African mob, challenged at bayonet point by Congolese soldiers and threatened with arrest by the breakaway leftist regime of Antoine Gizenga, in Stanleyville.

WON HIS POINT

On that occasion he marched into the office of the provincial president of the Gizenga regime, Jean Foster Manzikala, to demand assurances for the safety of the 50 American citizens still living in territory it controlled. His audacity so surprised the Gizenga forces that they gave the sought-for assurances and did not molest him personally.

Mr. Carlucci was regarded as the "outsider" of the U.S. Embassy in the Congo, making monthly trips into hostile territory to bring back firsthand reports of day-by-day happenings.

"Keeping informed is merely a process of getting to know the Congolese personally," he once told an interviewer. "You've got to get out and shake their hands and talk to them."

Mr. Carlucci, born on October 18, 1930, is a native of Bear Creek, Pa. After his graduation from Princeton, he served overseas for 2 years as a Navy officer. He entered the Foreign Service in July 1956, and was assigned in 1957 to Johannesburg, South Africa. He was vice consul there for a year.

His associates in the State Department describe him as "young, bright, and energetic." In 1962 the Department gave him its highest award for foreign service, the Superior Service Award.

His wife is proud of his diplomatic accomplishments, but wishes they didn't take him to Africa so often.

Now let me give you a picture of the third secretary.

When the American Chargé Frederick Picard was expelled from Zanzibar on January 17, his assistant third secretary Donald K. Petterson—pronounced Peterson—was the only remaining American. The situation at the time was so charged with emotion that Mr. Petterson was not ordered to remain there. The choice was left to him, since he was the only person who could make an on-the-spot assessment of all factors involved. He chose to stay, notifying the Department telegraphically by the terse expression, "I am staying."

Since January 17 Petterson has been the sole American on Zanzibar. During this period he has been relaxed, cheerful, quietly assured, and busy. In carrying out his responsibilities, he has been in direct contact with the President and Foreign Minister on a number of occasions. One of Petterson's first actions was to inform the Foreign Minister that he wanted to make an immediate inspection of American property on the island. When the Foreign Minister could not promise him a security escort right away, Petterson told him that he would go without an escort. This caused the Foreign Minister to reverse himself and furnish a guard.

Petterson has shown abundant courage, commendable ingenuity, and in spite of his comparative youth and inexperience—this is only his second assignment in the Foreign Service—has performed in an outstanding manner under very difficult conditions. In every sense he has placed the interests of his country above his own personal interests.

An interesting footnote is that Petterson received the fifth highest grade in a difficult written and oral Swahili examination which he took in Zanzibar in December. He was the only American among the 100-odd persons taking the examination. Only 14 passed. Petterson studied Swahili at the Foreign Service Institute before going to Zanzibar and continued his study of the language following his arrival.

I hope you feel as proud as I do of these two young members of our all too often maligned Foreign Service.

ZANZIBAR

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, yesterday one of our most esteemed colleagues, the distinguished gentlewoman from New York [Mrs. ST. GEORGE] read us a short news release about the tragic happenings in Zanzibar immediately after the overthrow of the then acting government. Unfortunately, what she read was largely, perhaps entirely, true. However, there is so much more to that beautiful island than that, so much more to its history of which this body should be made aware, so much more to its present situation.

Our first treaty with Zanzibar was one of friendship, commerce, and navigation, and was in 1833. But centuries before that the island of Zanzibar (and little Pemba nearby) was settled by Arabs, along with many other areas on the Persian gulf. In 1500 the Portuguese had many settlements on both the east and west coasts of the great Continent of Africa. In 1730 the Arabs took over again. A broad study of Africa shows Zanzibar to have been one of the largest centers of the slave trade, very possibly the basis of the African hatred of the Arabs.

The United States was the first of the present Western countries to establish a consulate in 1837. This continued uninterruptedly until 1915.

In October 1960 the United States and United Kingdom, with the consent of the Sultan of Zanzibar, signed an agreement permitting the United States to establish a Mercury tracking station on Zanzibar. When the agreement expired on July 1, 1963, the Zanzibaris agreed verbally to our retaining the station but suggested that any formal renewal of the agreement be delayed until after Zanzibar attained its independence.

The United States reopened its consulate in 1961. The American Consul and his staff kept in close touch with leaders of all political parties, including the present President Abeid Karume, who was leader of the Afro-Shirazi Party.

Zanzibar became independent on December 10, 1963. Governor Hoff of Vermont and Assistant Secretary G. Mennen Williams headed the U.S. delegation to the independence ceremonies.

BACKGROUND OF UNITED KINGDOM-ZANZIBAR RELATIONS

In 1890 the Sultan formally placed his dominions under the protection of the United Kingdom, but the Sultan's sovereignty was always explicitly recognized. Since 1890 Zanzibar has been a British "protectorate."

On independence day, December 10, 1963, Zanzibar became an independent state within the British Commonwealth of Nations. The government was a coalition between the Arab-dominated Zanzibar Nationalist Party—12 members—and the Zanzibar and Pemba Peoples' Party—6 members—which had broken apart from the large African-oriented Afro-Shirazi Party. The opposition Afro-Shirazi Party received 54 percent of the total popular vote, but largely because of gerrymandering returned only 13 members to the National Assembly.

COUP IN ZANZIBAR JANUARY 12, 1964

January 1964 found the situation in Zanzibar basically unstable. African antagonism toward the entrenched Arab minority was deep-rooted. While the coup was essentially an African drive to seize control from the Arabs, there is no doubt that the African nationalists were assisted in the planning and execution of the coup by pro-Communist forces.

During and subsequent to the coup no physical violence was directed against Americans, British, or Europeans generally. The Arabs, however, suffered heavily. With the exception of some minor looting of houses which Americans rented from the Arabs, American property, including the Mercury tracking station and the Embassy, has not been harmed. The Zanzibar Government assigned guards a few days after the revolt to protect American property.

NEW REGIME

Although there are pro-Communists in the new government, they are outnumbered by the genuine African nationalists. President Karume, leader of the Afro-Shirazis, is strictly an African nationalist who enjoys great support from the masses. He and several other Cabinet members have visited the United States. A number of them were educated in Britain.

Several government leaders have voiced their desire to remain in the Commonwealth. The British and other Commonwealth countries have indicated their willingness for Zanzibar to continue its association with the Commonwealth.

Kenya, Uganda, and Ethiopia, relatively moderate African states, were the first three countries to recognize Zanzibar. This was followed by a rush of Communist nations to get on the bandwagon early—U.S.S.R., Communist China, Cuba, Bulgaria, Czechoslovakia, Poland, East Germany, North Korea, North Vietnam, and Yugoslavia. The Chinese quickly established an Embassy and sent in several representatives. Other countries which subsequently recognized Zanzibar are Tanganyika, Ghana, United Arab Republic, Israel, Malaysia, India, and, on February 24, the United Kingdom, United States, Canada, Australia, New Zealand, and Pakistan.

There are approximately 275 British nationals in Zanzibar, of whom roughly 150 are employees of the Zanzibar Government. None of these individuals was asked to leave by the new regime, and in fact all stayed on.

Mr. Picard, our chargé, was expelled as the result of an unfortunate misunderstanding. Mr. Petterson, a third secretary, remained and was well treated and received by Zanzibar officials—indeed he did an outstanding job.

The new Government permitted the United States to keep the generators at the Mercury station in operation and to maintain the station on a standby basis. The American station chief was permitted to return to Zanzibar to inspect the station. He found it in good shape. At no time has the Government told us that we must abandon the station. On the other hand, though it is apparent that its value to the free world has been recognized and protection given, it has not been agreed that we could retain it.

On several occasions President Karume, Foreign Minister Babu and others said that they were most anxious to have the United States and United Kingdom recognition.

The British had been consulting various Commonwealth countries and we had been consulting African and other countries for several days at the time the representatives of our two countries were given 24 hours to leave Zanzibar because we had not yet recognized them.

At the time of expulsion President Karume made it clear that the pressures which had been building up among people against retention of the United States and United Kingdom diplomats without recognition were now too strong to resist. President Karume said that the Zanzibar Government regretted having to take this action and would welcome their return following recognition. The Zanzibar Government showed no hostility toward the remaining Britons and in fact reiterated its desire to have all of them remain. Karume also gave assurances that the United Kingdom High Commissioner's Building and all American property would be safeguarded. At the same time, he insisted that he was not able to withdraw his expulsion order.

When the United States recognized Zanzibar on February 24, Karume and his Cabinet received Frank Carlucci, the new U.S. representative, very warmly, and expressed again their desire to have friendly relations with the United States and all nations. "Today is a very happy day for Zanzibar," Karume said. In a note to President Johnson, Karume made it clear that Zanzibar was aware of its responsibilities and obligations and asserted that they "unhesitatingly accept them—and solemnly undertake to fulfill them."

As noted above, the Communist world moved rapidly to recognize the new regime. They had begun to offer capital, personnel, and training to the Zanzibaris, and were particularly intent to penetrate the security and communications field. In addition, the Communists were seeking, with some success, to stiffen their supporters in the Government against the more moderate nationalist forces with money, propaganda, and other displays of support.

Under these conditions it was questionable how long the African nationalists who were contending with Communist-oriented people for the supremacy of the country could survive. It was the belief of ourselves and the British that we should go in and help the nationalists resist the Communists rather than retreat and leave them to take over the country and simultaneously establish a base for subversive activities on the important east African mainland.

In this they have failed, and Zanzibar looks forward hopefully to friendly relations with the other Commonwealth nations and the free world.

Mr. Speaker, I am including with my remarks a Szulc story from the New York Times which gives further details:

UNITED STATES AND BRITAIN JOIN TO RECOGNIZE ZANZIBAR REGIME: SIX IN COMMONWEALTH ALSO ACT IN MOVE TO DISCOURAGE A TREND TOWARD LEFT

(By Tad Szulc)

WASHINGTON, February 23.—The United States recognized the revolutionary government of Zanzibar today in a joint move with Britain and six other countries in the British Commonwealth.

The recognition, agreed upon during consultations last week, was designed to restore the Western presence on the island and thus help to discourage a trend toward Communist alinement there.

Both the United States and Britain were concerned about pro-Communist influences in the revolution that brought the new regime to power January 12. However, the current judgment is that Zanzibar, a member of the Commonwealth herself, is settling down to a policy of neutralism.

The other nations granting recognition are Australia, Canada, New Zealand, India, Malaysia, and Pakistan.

TWO DIPLOMATS SENT

In announcing recognition, the State Department said that two U.S. diplomats had flown to Zanzibar from Dar es Salaam, capital of Tanganyika, to take charge of the Embassy.

Zanzibar lies 24 miles off the coast of Tanganyika in the Indian Ocean.

The two diplomats are Frank Carlucci, a specialist in African affairs, who was named chargé d'affaires, and Donald K. Petterson.

Mr. Petterson, the third secretary of the U.S. Embassy in Zanzibar, was asked to leave last Wednesday. Since shortly after the revolution, he had been the only U.S. official there.

Actually, the joint recognition by the Western powers had been virtually decided when the Zanzibar regime, apparently irritated at not having been granted recognition, asked for the departure of Mr. Petterson and the British High Commissioner. A high commissioner is the equivalent of an ambassador in Commonwealth countries.

JOHNSON AND HOME AGREED

It was understood that the decision on recognition had been taken in principle when President Johnson conferred with the British Prime Minister, Sir Alec Douglas-Home, in Washington 10 days ago.

The U.S. Ambassador to Tanganyika, William C. Leonhart, and Mr. Carlucci flew to Zanzibar last Thursday for a 3-hour meeting with President Abeid Amani Karume and his Cabinet to discuss the final details of recognition.

At that time, the State Department said, President Karume made known his government's desire for friendly relations with the United States.

Officials said that during the meeting President Karume explained to Ambassador Leonhart and Mr. Carlucci that his government had to ask Mr. Petterson's departure pending actual recognition. This was accepted and Mr. Petterson flew to Dar es Salaam.

The State Department subsequently emphasized that it did not consider Mr. Petterson's departure an expulsion of Zanzibar, and that it would not interfere in the recognition preparations that were well advanced at that point.

The prerecognition consultations conducted by Britain and the United States included a number of African governments in addition to the Commonwealth nations.

Immediately after the January coup d'etat, Zanzibar, which had gained independence from Britain a month earlier, was recognized by the Soviet Union, Communist China, Cuba, and a number of African countries.

Much of the concern in the West over the political orientation of the revolutionary regime stemmed from the involvement of pro-Communists in the coup.

Among them were Vice President Abdullah Kassim Hanga, who once lived in the Soviet Union; Foreign Minister Abdul Rahman Mohammed, who twice visited Communist China, and John Okella, the revolution's military chief, who had been trained in Cuba with about 25 followers.

President Karume's reported announcement last month that Zanzibar was being made into a "peoples' republic" deepened the concern over the possibility that the island might become a Communist foothold in Africa.

Zanzibar had traditionally been a point of penetration into East Africa. Arab traders had used the island in the 18th century and later as a steppingstone to the mainland.

However, an observation of political developments in Zanzibar, conducted mainly by Britain, convinced London and Washington that President Karume was an influence for moderation.

Officials here noted that when President Karume told Ambassador Leonhart last week of his desire for friendly relations with the United States, no dissent was voiced by Mr. Hanga, Mr. Rahman Mohammed or Mr. Okella, all of whom attended the meeting.

The present judgment is that the January revolt was essentially a movement by the African majority against the Arab minority that ruled the country during the brief period of the sultanate during independence. But officials do not discount the possibility that pro-Communist elements had hoped to take advantage of this situation.

While it is not believed that Mr. Okella, a self-appointed "field marshal," has any personal political following in Zanzibar, officials were interested in Ambassador Leonhart's report that his colleagues stood up when he arrived at the meeting. He was the one who was greeted in this way.

The United States is hopeful now that recognition has been granted, the United States tracking station on the island will go back into operation.

FURTHER INFRINGEMENT OF PRIVATE ENTERPRISE

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. HARSHA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HARSHA. Mr. Speaker, tomorrow this House will consider H.R. 8316, a bill designed to prevent the Federal Communications Commission from enforcing a recent rule by that organization relating to the length or frequency of broadcast commercials.

Mr. Speaker, it never was the intention of Congress to grant the FCC the authority to adopt rules or to prescribe standards with respect to the length or frequency of commercials. Because the Commission has interpreted the Communications Act of 1934 as granting it that authority it is now necessary to adopt legislation prohibiting the Federal Communications Commission from enforcing these rules.

Any such standards, regulations or rules would not only, in all probability, be such an infringement on private enterprise that it would put many stations out of business, it would also place an enormous policing duty upon the Commission which could have more adverse results than benefits. Such action by the Federal Communications Commission would undermine the desire of the broadcast industry for self regulation and would lead to eventual complete control of another private enterprise industry.

Mr. Speaker, the National Association of Broadcasters already has a voluntary code limiting commercial time, but it is not nationwide. It recognizes that what is possible and acceptable in a large city like New York could be not only unfeasible—but practically ruinous—to small town broadcasters.

Radio-TV stations have learned over the years that if they want to keep their listening audience, they just cannot overcommercialize. There is a commercial saturation point which they dare not pass. But they also know that if they do not take full advantage of the few prime broadcasting hours, they might as well go out of business. The broadcast audience seems to recognize this fact, and rather than have no local station to listen to, they accept the use of commercials in this way.

Why should this choice be suddenly taken away from them? Why should the Federal Government extend its authority into what has been previously a self-regulated industry?

One answer to these questions was voiced recently by Leroy Collins, president of the National Association of Broadcasters and an ex-Governor of Florida. Collins warned that control of commercials could—and I quote:

> Open the back door to Federal program controls by the Government.

Obviously, Governor Collins would not make such a statement lightly. He believes that a very grave danger does exist in what the Government is trying to do and feels strongly that freedom of the airways may well be at stake.

Although radio and television listeners and viewers will recognize that the use of broadcast commercials may be abused at times—just as newspapers and magazines may at times be overloaded with advertising—I do not believe the answer to the problem lies in greater Federal control. It is difficult—if not impossible—to conceive of a system of Federal regulation of commercials which would not interfere dangerously with the inherent necessity of broadcasters to control their own enterprises. Correction must be on a voluntary basis at the local level.

If the Federal Government is able to get away with its control of radio-television, what will be next? One leading newspaper put the question this way: "Are newspapers next?" If the American people are told how much advertising they can see and hear, is it not logical to tell them how much advertising and what kind they can read?

This must not be allowed to happen—because getting control of the radio-television industry would be just the first step. The final could be Federal control of all the forms of communication. When this happens we are no longer a free nation.

Mr. Speaker, it is for these reasons that I strongly support H.R. 8316 and recommend it to my colleagues.

ADDRESS DELIVERED BY HIS EXCELLENCY BARON SCHEYVEN, AMBASSADOR OF BELGIUM TO THE UNITED STATES

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MCCORMACK] may extend his remarks at this point in the RECORD and include an address.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McCORMACK. Mr. Speaker, in my remarks, I am pleased to include a most interesting and informative address delivered by His Excellency Baron Scheyven, Ambassador of Belgium to the United States, on Belgians' Contribution to American Civilization, at Suffolk University, Boston, Mass., on Tuesday, February 18, 1964.

BELGIANS' CONTRIBUTION TO AMERICAN CIVILIZATION

The motives that inspired my countrymen to come to America in the past are no different from those which impelled millions of Europeans to abandon their native land for these shores. They were either the spirit of adventure, the lust for land or gold, the search for freedom or the urge of religious beliefs. Each of these incentives has brought Belgians to America. Although it would be impossible to state with a certain degree of accuracy, in which proportions these four categories are represented, it is however quite certain that the Belgian immigrants to America did not and do not belong to that part of European humanity that Emma Lazarus so eloquently described as "your tired, your poor, your huddled masses * * * the wretched refuse of your teeming shore, the homeless, tempest-tossed * * *." They were as a rule not members of a suffering proletariat but rather, representatives of the lower middle classes.

Another preliminary observation to be made is that America never exerted on the imagination of Belgians the fascination it had for people who lived in extreme and dramatic poverty or under insufferable political tyranny. It is therefore not amazing that, in the ethnic mosaic of this country, the contribution of Belgium is a modest one, in fact one of the very smallest. It is improbable, although exact statistical material is not available, that more than 200,000 Belgians immigrated to the United States since 1820.

The influx of Belgians into this country has essentially been spontaneous. The first ones to arrive were eight families of Walloon origin, brought over to Manhattan by the West Indies Co., of Holland. It has been scientifically established that those eight Walloon households were the very first permanent inhabitants of what is now New York. They were Protestants and had immigrated to Holland on account of their faith. They founded New York and, though soon engulfed by Dutch settlers, they continued listening to sermons in their own native tongue, French, for quite a number of years. May I add that the Walloon church services, founded by these settlers, still exist in New York. At the Battery, the tip of Manhattan Island, a monument was erected by the Province of Hainaut to testify to their presence there. Once they had been assimilated, Belgian interest in America waned and it was not until 1830 that a constant current of immigration to these shores developed. The statistical material in this field is either lacking or inconclusive but so much is certain: Belgians began to arrive in America from 1830 on and their numbers increased year by year, the highest figures per year being 7,000. What attracted them here was free land because they nearly all were sons of large Flemish families for whom the possession of land was the symbol of well-being and the first steppingstone to prosperity. They found free land in Illinois, in Michigan, in Wisconsin. They also found an atmosphere of economic and social liberalism to which they were not accustomed but which they welcomed with enthusiasm. In the mid-19th century, they fled for a few number of years the terrifying poverty of Flanders, that, although a proverbial land of plenty, had suffered from the potato blight that had also pushed millions of Irishmen to America. When in 1924 the United States established the quota system, it appeared that only 1,350 Belgians a year could immigrate. It is remarkable that many times after the Second World War this quota was not even filled.

There was a period, however, at the beginning of this century, when efforts were made by individual cities and States in this country to attract my countrymen to America. On the other hand, Belgian authorities, confronted with the problems created by rapid and rather ruthless industrialization of the country, tried to organize emigration to this country. Envoys of Southern States traveled to Belgian to recruit workers for the cotton mills; Belgian officials organized the departure of settlers to the Middle West. It is regrettable to say that these official American and Belgian initiatives failed completely while the current of immigration organized by priests or by shipping lines generally met with success.

At present, the larger Belgian settlements in America are to be found in Detroit, Chicago, Moline, South Bend (Ind.), Mishawaka (Wis.), and in New England, but in fact there are Belgians everywhere in the United States. If they do not vividly stand out, the reason is that they blend in so well with the kaleidoscope of races that compose America and that they adapt themselves to the American way of life with the greatest of ease.

The figures I mentioned are, I confess, negligible and it takes some audacity on my part to claim your attention for a group so minute. If I surmount that feeling of modesty, if I request your attention for Belgians' contributions to American civilization, it is on account of the fact that, in this country's past as in its present, my countrymen have played a role far out of proportion to their numbers and have succeeded in making their mark on America as it is now.

I am quite sure that the speakers who preceded me on this rostrum and those who will follow me, have all pointed out with pride or will do so, the fact that the United States is the result of the technical, economic, and spiritual efforts of scores of foreign nations. Critical of America, as they may be at times, all Europeans take pride in America, for here they find their most ambitious dreams translated into reality: A nation composed of the elements of 40 nations and made into a whole that works harmoniously, that prospers and that influences the world's destiny. To have contributed to this political and human miracle entitles a nation to a certain pride.

Let me first point to the fact that my countrymen have been the most outstanding publicity agents for America there ever were. Forty years before the Pilgrims landed on Plymouth Rock, a Belgian engraver and publisher, Theodore De Bry, of Liège, published the very first pictures revealing the American scene and aborigines of Virginia and Florida; in London, he brought to light the pictorial description Jacques Le Moyne had made of the Huguenot settlement in Florida, that dates from 1562, and that by John White, who represented the Virginia Colony in 1585. It is remarkable how De Bry in his foreword to the second book judges the native population of these parts:

"Although these savages have no knowledge of the true God and His holy word, and are without learning, yet they surprise us in many things. Their way of eating is far more wise and moderate than ours, and they show the greatest ingenuity in making, without the aid of any metal tool, such fine and delicate articles as can hardly be believed."

This utterance indeed does not show much of a colonialist's spirit. It is through De Bry's publications and the very accurate engravings he made of John White's and Jacques Le Moyne's watercolors, that Virginia and Florida became centers of attraction in the Western World.

Publicitywise, to use a repulsive but practical neologism, Father Louis Hennepin, a Franciscan from the small Belgian town of Ath, who lived from 1640 to approximately 1701, did even a better job. He was the first to reveal to the world how one of America's main tourist attractions looked: in one of his books on America, he published an engraving showing the grandeur of Niagara Falls for the first time. Although his second book, "Nouvelle Découverte d'un Très Grand Pays Situé dans l'Amérique"—he means Florida—must be taken with more than a grain of salt; some say even with an entire bushel—there is no doubt that he discovered and faithfully described a considerable part of the Mississippi, that he was the first white man to reach the site of Minneapolis, a city that has recognized his merits by erecting a statue in his honor and by giving his name to a county.

His prose is somewhat of the pure Madison Avenue type:

"I have discovered new countries, which may be justly called the delights of the New World. They are larger than Europe, watered with an infinite number of fine rivers, the course of one of which is over 800 leagues long, stocked with all sorts of harmless beasts and other things necessary for the convenience of life and blessed with so mild a temperature of the air, that nothing is wanted there to lay the foundation of one of the greatest empires in the world."

If Hennepin has not discovered the mouth of the Mississippi, as he claimed, it may be said that at least he advertised America in a fantastic way, for in a short time his books went through 60 editions in different languages.

The knowledge of the Northwest and the Rockies has also been considerably increased by another Belgian priest, Father De Smet, a Jesuit missionary who lived 40 years in the Midwest and Far West and who was a prodigious and indefatigable writer.

Between 1821 and 1870, Father De Smet never traveled less than a few thousand miles each year through largely unknown country. The conditions in which he traveled were appalling; he described them as follows in one of his letters in which he told how he finally made peace with Sitting Bull:

"I was in the mountains 2 years without tasting bread, salt, coffee, tea, or sugar. I was for years without a bed, without a roof. I have been without a shirt on my back for 6 months and spent whole days and nights without a morsel of anything to eat, not even a drop of water to quench my parching thirst."

His merits in the pacification of the West are historically recognized. He pacified the Indians of upper Missouri; in 1868, it was alone through his influence that the Sioux were induced to meet the commissioners of the American Government and to enter into a treaty of peace. His statute stands in St. Louis.

We may well conclude that Belgians have made a valuable contribution to the knowledge of the geographical aspects of large sectors of America and that a man of iron character and considerable diplomatic endowment like Father De Smet had his share in opening the West to civilization.

To what extent have my countrymen influenced American culture? Have they brought their beliefs, their habits, their feasts, their cuisine to this land? As far as their religious convictions are concerned, it may be safely said that they were in the absolute majority of the Catholic faith and that they strengthened Catholic influence wherever they settled—mainly in Illinois, Michigan, Wisconsin, and in parts of New England. Their influence in this realm let itself be felt through literally thousands of clerics of different orders who founded parishes, organized monasteries and convents practically all over the States. If catholicism is one of the components of the American heritage, it certainly is indebted to my countrymen, clerics and laymen alike.

Are there typical Belgian habits that have been transplanted in America? The number of Belgian colonies in this country do not hide their appreciation of good beer, but, although my compatriots in the homeland are the champion beer drinkers in the world, the consumption of that brew can scarcely be claimed to be a unique distinction. The adjective "Belgian" in conjunction with a noun is not very common in American parlance. However, let us take note of Belgian bricks, which are not bricks but quarry stones, Belgian hares, rather weighty animals whose meat is highly appreciated by Belgians, Belgian horses, whose usefulness is constantly being diminished by mechanical devices, Belgian linen, which is known everywhere as well as Belgian endives, which have found their way to the American kitchen and dinner table.

If we cannot claim to have profoundly influenced the ideas of America, we can nevertheless point to the fact that our countrymen who migrated to this country never had any trouble integrating themselves in the democratic system and habits of this land because democracy was their old-age heritage.

Our influence in the artistic field, however, made itself felt in a marvelous way, for not only did our people migrate, but the products of our immortal painters came over in great numbers as well. There is no museum, great or small throughout the States, that does not show, with genuine and justifiable pride, a number of paintings by Flemish primitives or by painters of the school of Rubens, Van Dyck, Jordaens and others, and it would be worthwhile to make a study of the impact of our famous surrealist painters René Magrittes and Paul Delvaux on American art. This is not so much besides the point as it may seem because there was a time, slightly half a century ago, when the criterion of noble painting in this country, was a resemblance to the art of Rubens. You will excuse me, I hope, for referring entirely out of context to the triumphant impact made on American jukebox music by that charming Dominican nun, Soeur Sourire, whose songs have enchanted millions of listeners.

In the field of science, the traces of Belgian influence are much more visible; they are even evident. We may mention the fact that Detroit's transportation system originated with Karel Vandepoele, the inventor of the first trolleycar, and who inspired Thomas Edison in the invention of electric light.

There is no need, I think, to dwell at length on the great technical achievements of Louis Baekeland, from a village near Ghent, the undisputed father of the plastics industry and the inventor of bakelite. He was, like Socrates, "a midwife of ideas," because, 37 years after his original invention, his basic principle had given rise to about 2,000 combinations.

It will forever be a reason for Belgian gratitude that America permitted one of Belgium's greatest scientists to unfold his talents to the full. I refer to the brilliant achievements of George Sarton, another native of Ghent, who for 40 years devoted himself to the history of science at Harvard University and whose publications in that field fill several shelves in any scientific library. With "An Introduction to the History of Science," Sarton became the historian of science here. Originally, he was a linguist versed in ancient languages, but his interest directed him to the study of science in antiquity. Therefore, he absorbed the knowledge of mathematics, geometry, medicine, astronomy and many other disciplines in order to master his favorite subject. This unique combination of the linguist and the scientist unequivocally qualified him for what he became: The historian of science. There was seldom a more universal man in the world of science. His contribution was not made to America alone; it was worldwide, but let us never forget that it was this country which put at his disposal the leisure and the material means to accomplish his exceptional destiny.

In fact, Sarton loved your country and let me quote from one of his later books "The New Humanism" the following:

"Humanities are inseparable from human creations, whether these be philosophic, scientific, technical, or artistic and literary. They exist in everything to which men have imparted their virtues or vices, their joys or sufferings. There are blood and tears in geometry as well as in art, blood and tears but also innumerable joys, the purest that men can experience themselves or share with others."

In recent years, we may point to the important contribution made in the field of missiles by Antwerp-born Karel Bossart, who is considered the father of the Atlas Intercontinental Ballistic Missile.

Let me mention the name of Capt. Gaston De Groote highly skilled seaman, who was selected in 1960 to command the NS *Savannah* which is—as all of you well know—the world's first nuclear-powered cargo-passenger ship.

I could not refrain from also mentioning the name of Edgar Sengier, former managing director of the Union Minière du Haut-Katanga, who died a few months ago.

With remarkable foresight, Sengier shipped to New York, shortly before the German invasion of Belgium, the uranium ore which was in Belgium at that time. Later on, Sengier gave orders for all the uranium ore at hand at the Union Minière mines in the Congo to be sent to New York, and this represented about 1,000 metric tons.

In his fascinating book "Men and Decisions," Adm. Lewis L. Strauss, former chairman of the Atomic Energy Commission, narrates how on the very day that Japan surrendered, General Groves who was in charge of the atomic weapons project, took Sengier to the White House and introduced him to President Truman as the man "without whose assistance the Manhattan project would not have been possible."

Last but not least, I want to mention the name of Mr. Albert Navez, honorary consul of Belgium in Boston, who was hailed, a few years ago, as the best science teacher in the United States? Why? Because, in a competition in which 25,000 American high school boys took part, the first two prize winners were Albert Navez' pupils.

It would be rather amazing if such a small community as that of the Belgians, would have made its influence felt in the realm of American politics. There are indeed a few political figures on the municipal and State level who played a role, especially in the Middle West, but it was only in the pre-Civil War years that one of my countrymen took an active part in that phase of American politics which concerned the problems dividing the States. I refer to the scientist Houzeau de Lehaie, from Mons, who lived in this country for 19 years and who at one time was so deeply engaged in politics that he nearly paid for his passionate interest in the affairs of the Union with his life. He was opposed to slavery, before the War Between the States, and took part in the organization of the so-called underground railway that helped Southern slaves escape to the North. In Philadelphia, he published a newspaper that defended the rights of Negro slaves and he was also active in New Orleans. The role he played during the Civil War has not yet been carefully studied but it is certain that his life was endangered several times on account of his liberal and humanitarian ideas. Let us hope that history will some day do him justice.

Please allow me, before closing my remarks, to summarize as follows the thoughts I tried to convey to you: I would utterly lack in modesty if I pretended that America's shape and contents have been definitely influenced by the activities of my countrymen. I hope though that I have not been boastful and that the relative pride that I have shown was commensurate to the merits of those men and women who have come from Belgium to this New World in the hope of making it a better world, an enterprise in which, with the help of others, they have succeeded.

LIMIT IMPORT OF BEEF, VEAL, AND MUTTON

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the gentleman from New Mexico [Mr. MONTOYA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MONTOYA. Mr. Speaker, I have today introduced for the consideration of my colleagues a bill which would establish a just and forward-looking quota system on imports of beef, veal, and mutton.

Unlike the recent voluntary agreements between the United States and the countries of Australia and New Zealand, this bill will limit beef imports to the average established during the 5-year period ending December 1963.

Unlike those agreements, this measure does not select as a base the years in which beef imports were highest but rather proposes a more realistic base formed over a representative period of time.

I have found the recent agreements to be both disappointing and insufficient to correct the inequities of a harmful situation which has existed for too long a period of time, progressively growing worse.

The beef cattle industry has been and, in spite of the recent agreements, is faced with a critical situation and their problem, in turn, translates into an economic dilemma for the State of New Mexico as well as other States. All New Mexicans are well aware that the cattle industry is of substantial importance to our State economy. For example, beef cattle sales are responsible for about 50 percent of our total agricultural cash receipts. Those receipts amount to about $114 million per annum. Such receipts account for the fact that agriculture ranks second, in terms of dollar sales, among our basic State industries—First, mineral resources; third, manufacturing.

It is, naturally, of major concern to us when so large a market becomes economically depressed. Sharp price drops of $3 to $4 per hundredweight, alive, are clear indication that there is something basically amiss. Figured in prices of 1960, when 553,145,000 pounds of cattle, alive, were marketed in New Mexico, a loss of $4 per hundredweight equals an overall loss to the State of $22,125,800. So, during a price slump, the livestock producer suffers a direct loss, the business community and, indeed, the entire State suffers indirect but quite substantial revenue losses.

It is my carefully considered conclusion, the conclusion of many of my colleagues and the conclusion of the Department of Agriculture, that a very basic cause for our depressed market is the rise in imports as a percentage of our domestic production of beef, veal, mutton, beef cattle and calves, which in 1962 was 10.6 percent as compared with 3.9 percent in 1957. That is an increase of almost 7 percent in only 5 years. Relating imports to consumption, we find similarly that they currently represent almost 11 percent of our total consumption; this is compared with less than 4 percent in 1958—here an increase in excess of 7 percent in less than 3 years.

When imports for the first 8 months of 1963 equal 122 percent of those of the same period of last year, when in 1962 choice slaughter steers at Chicago average $27.67 per hundredweight and fell in May of 1963 to $22.61 and when in November 1962 choice steers at Chicago sell for $30.13 per hundredweight, but by May of 1963 have fallen to $22.61 per hundredweight, there is then no logical reason to further allow excessive foreign imports. Mr. Speaker, great alarm has set in, rectifying action is long overdue.

The fault for this situation does not rest with the American cattlemen, either singularly or collectively; our livestock producers are not inefficient. The fact is that farm income has remained relatively stable since the 1940's, while simultaneously farm production expenses have increased about four times as rapidly as income. Considerably lower production expenses is one reason that Australia, New Zealand, and Argentina are able to export to the United States about 80 percent of the beef which we import annually. Moreover, relative to other Western nations, a far smaller proportion of American agricultural output enjoys the benefits of nontariff import controls. For instance, France accrues benefits of 74 percent; West Germany, 93 percent; Italy, 63 percent; Australia, 41 percent; New Zealand, 100 percent; and the United Kingdom comes closest to our humble level with 37 percent outdoing us by 11 percent.

So, while our Nation's import and quota controls have been steeply falling, those of other Nations have risen or remained stationary.

As we speak of becoming more efficient and interdependent under the Trade Expansion Act for world commerce, we swiftly realize that in the area of beef trade the United States is unwittingly furthering every other Nation's beef stability but her own. In international trade, as it relates to cattle, we owe no futher concessions, but rather are justly due preferred treatment to compensate for the extensive losses already incurred at the cattle market.

Mr. Speaker, I am deeply concerned over the unfair treatment which cattlemen have been receiving in the area of foreign trade.

Now we have an opportunity to right the wrong. We have an opportunity and an obligation to afford our livestock producers with proper protection from foreign imports and cut-rate prices.

I strongly urge that the virtually unlimited importation of beef be halted. It is truly vital that realistic guidelines be established to afford proper income protection to the world's best cattle producer, the American cattleman. This bill will establish just such realistic guidelines. I urge prompt consideration and passage of this measure.

HARRY W. KALICH

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BUCKLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BUCKLEY. Mr. Speaker, I am indeed happy to join with my colleagues in a tribute to my good friend the chief tally clerk of the House of Representatives, Harry W. Kalich. I have known him during his entire length of service as an employee of the House of Representatives. He has been a dedicated and invaluable public servant. His professional competency is of the highest and as a man he is one of the finest.

I wish good luck and Godspeed to Harry and his charming wife in the well-earned retirement that will soon be his.

WILLIAM LEWIS HERNDON: HEROIC DEATH ADDED GLORY TO NAVAL TRADITIONS

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FLOOD. Mr. Speaker, as a member of the Board of Visitors of the U.S. Naval Academy long interested in American naval history, I have often toured the great institution where our young officers are trained for careers in the Navy. An essential element in their education is living in the presence of great traditions, which are perpetuated by means of effective memorializations.

On the Academy grounds, there are monuments to heroic dead; in the buildings, there are paintings of battle scenes, portraits of naval leaders, and busts of some of our most illustrious officers and statesmen. The chapel, a structure of cathedral proportions, is the mausoleum of John Paul Jones. The major academic buildings themselves, first designated as halls in 1915 by Superintendent William F. Fullam, are vital memorials. Among them is Maury Hall, named in honor of Matthew Fontaine Maury, 1806–73. All of these are the trophies of honor and glory.

Most conspicuous among the monuments on this historic site is that known as the Herndon Monument. Located in front of the chapel, this 20-foot marble obelisk commands the attention of many thousands who annually visit the Naval Academy, especially those who attend divine services. Thus, it is natural that the Herndon Monument has become more closely associated with Naval Academy traditions than any other memorial within the academic limits.

A nameplate mounted on the monument reads:

> Commander William Lewis Herndon, 1813–1857, naval officer, explorer, merchant captain: In command of the *Central America*, homebound with California goldseekers, Captain Herndon lost his life in a gallant effort to save ship and lives, during a cyclone off Hatteras, September 12, 1857.
>
> "Forgetful of self, in his death he added a new glory to the annals of the sea."—MAURY.

Because this terse inscription merely gives a glimpse into the story that it commemorates, it is necessary to know something about the history of both Maury and Herndon to understand its real significance.

Maury was appointed midshipman as of February 1, 1825, when he was 19; Herndon, on November 1, 1828, at the age of 15.

Maury's career spanned 36 years, 1825–61. In its course, he proved himself a man of universal talents. As the author of the first book on nautical science by an American naval officer, founder of oceanography, father of world meteorology, pathfinder of the seas, locator of the first trans-Atlantic cable, planner of Amazonian, Antarctic, and Mississippian explorations, the first Superintendent of the Naval Observatory, the first Hydrographer of the Navy, percusor of the Weather Bureau, champion for establishment of the Naval Academy, advocate of naval reform and reorganization, and author of the "Physical Geography of the Sea," he won great fame as both naval officer and scientist.

Herndon's service covered 29 years, 1828–57, and was outstanding and distinguished. After the usual period of preparation at that time in the history of our Navy, Herndon was commissioned lieutenant on February 25, 1841. After Maury was appointed in 1842 as officer in charge of the Depot of Charts and Instruments of the Navy Department, he arranged for Herndon to be assigned to the depot. Thus, Herndon worked closely with Maury during the organizational period of the Naval Observatory and Hydrographic Office for 3 crucial years when Maury was making the original researches on ocean currents and winds that revolutionized navigation.

After the outbreak of the Mexican War, Herndon became actively engaged in its naval operations and, during 1847–48, commanded the U.S.S. *Iris* of the Home Squadron assigned to the Gulf of Mexico. Later, he was attached to the U.S.S. *Vandalia* of the Pacific Squadron at Valparaiso, Chile.

When the time arrived for Maury to arrange for the exploration of the Amazon Valley, Herndon was conveniently located for assignment to lead the expedition and, on October 30, 1850, was ordered to undertake that most formidable task. Past Midshipman Larder Gibbon, "a prudent intelligent officer," was assigned to assist Herndon.

Starting on their journey from Lima, Peru, on May 21, 1851, the two explorers by June 2 had ascended the Andes beyond the Continental Divide to Lake Morococha. On that day, Herndon, conscious of the magnitude and importance of his task, recorded his feelings:

> Though not yet 60 miles from the sea, we had crossed the great divide which separates the waters of the Atlantic from those of the Pacific. The last steps of our mules had made a striking change in our geographical relations; so suddenly and so quickly had we been cut off from all connection with the Pacific, and placed upon waters that rippled and sparkled joyously as they danced by our feet to join the glad waves of the ocean that wash the shores of our own dear land. They whispered to me of home, and my heart went along with them.
>
> I thought of Maury, with his researches concerning the currents of the sea; and recollecting the close physical connection pointed out by him as existing between these—the waters of the Amazon and those of our own majestic Mississippi—I musingly dropped a bit of green moss, plucked from the hillside, upon the bosom of the placid lake of Morococha, and as it floated along I followed it in imagination, down through the luxurious climes, the beautiful skies, and enchanting scenery of the tropics, to the mouth of the great river; thence across the Caribbean Sea, through the Yucatan Pass, into the Gulf of Mexico; thence along the Gulf Stream; and so out upon the ocean, off the shores of the Land of Flowers.

Realizing that for the first time he was in the field of operations for exploration of the Amazon, Herndon described the scene:

> Before us lay this immense field, dressed in robes of everlasting summer, and embracing an area of thousands upon thousands of square miles on which the footfall of civilized man had never been heard. Behind us towered, in forbidding grandeur, the crests and peaked summits of the Andes, clad in the garb of eternal winter. The contrast was striking, and the field inviting. But who were the laborers? Gibbon and I. We were all. The rest were not even gleaners. But it was well the expedition had been planned and arranged at home with admirable judgment and consummate sagacity; for, had it been on a grand scale, commensurate with its importance, or even larger than it was, it would have broken down with its own weight.

Herndon did not take this important assignment lightly but with a deep sense of responsibility and humility as shown by his own words written on that memorable day in his life: "questions which I could not answer, and reflections which I could not keep back, crowded upon me. Oppressed with their weight, and the magnitude of the task before me, I turned slowly and sadly away, secretly lamenting my own want of ability, and sincerely regretting that the duty before me had not been assigned to abler and better hands." See William Lewis Herndon, "Exploration of the Amazon," part I—Senate Executive Document No. 36, 32d Congress, 2d session, pages 62–63.

To enable more extensive explorations and more comprehensive observations the two explorers separated on July 1, 1851, at Tarma, Peru, Herndon going northward via the Huallaga Valley to the main stream of the Amazon and Gibbon southward via La Paz, Bolivia, thence by the Rio Paracti and the Madeira River to the Amazon.

The story of Herndon's experiences was published in 1853 as part I of a two-volume set on the "Exploration of the Amazon"—Senate Executive Document No. 36, 32d Congress, 2d session—that of Gibbon in 1854 as part II.

Arousing the greatest interest, Herndon's volume, of which 10,000 copies were printed, was read by 21-year-old Mark Twain while going down the Mississippi. He later described his reading of Herndon's book as having been one of the "major turning points" in the life of that great author. Some have ascribed the inspiration for Mark Twain's "Life on the Mississippi" to the reading of Herndon's report on the Amazon. Moreover, it is indeed noteworthy that Herndon's 1853 report was republished in 1952, almost a century later by McGraw-Hill and thus should long remain as an inspiration for those who love adventure.

Because of increased travel between the east and west coasts of the United States caused by the discovery of gold in California in 1848, a line of mail steamers operated between the Isthmus of Panama and New York. Under then existing law, such vessels were commanded by naval officers. In September 1857, Commander Herndon was the master of U.S. mail steamer *Central America.*

When the homeward passengers embarked on the *Central America* at Aspinwall, Colombia—now Christobal, C.Z.—they were happy to find an officer of Herndon's capacity and fame in command and looked forward to a safe and pleasant voyage, with a stop by Havana.

Overtaken by a hurricane off Cape Hatteras, the *Central America* sprang a leak. Despite determined efforts to prevent sinking, she foundered on September 12, 1857. Commander Herndon went down with his ship under circumstances that were heroic and dramatic, adding new glory to the annals of the sea. Herndon's survivors were a beloved wife, Frances Elizabeth—Hansbrough—Herndon, and a daughter, Ellen Lewis Herndon, who became the wife of Chester A. Arthur, President of the United States.

Mr. Speaker, it is indeed fortunate for later generations of Americans that the distinguished brother-in-law of Herndon, Matthew Fontaine Maury, who knew him well and was fond of him, was in a position to assemble reliable facts about the disaster. In a moving letter on October 19, 1957, to Secretary of the Navy Isaac Toncey, Maury eloquently described the heroic death of Herndon.

The story of Herndon's supreme act of sacrifice to save his ship and the lives of others, as related by Maury, is truly magnificent and nobly classical. It will always remain an inspiration for those who wish to understand the perils of the sea and to know the great traditions of our gallant Navy in the way of the ultimate in devotion to duty.

Aroused by Herndon's supreme example of self-sacrifice and courage, his fellow naval officers of all ranks joined in subscribing for a monument to Herndon. Erected on June 16, 1860, in the vicinity of the Naval Academy chapel, it has become a spot of veneration for all who know the story of Herndon. No wonder that it has become traditional at the Naval Academy for former plebes, on becoming youngsters following June graduation exercises, to compete for the honor of being the first to place his cap on top of the monument. No wonder the tradition has developed that the one who succeeds in this effort will be the first in his class to be made an admiral.

Mr. Speaker, it is a singular historical coincidence that during the year in which the Herndon Monument was erected—1860—William Whiting, 1825–78, who was then master of the Winchester College Choristers School in England, after coming through a terrible storm in the Mediterranean, wrote the celebrated hymn which has long been generally adopted as the hymn of our Navy, "Eternal Father! Strong to Save."

Featured every Sunday during chapel services by vital midshipmens' choirs and played on the exterior chapel chimes after benediction, many of the departing worshippers pass close by the Herndon monument without realizing the inspirations of the beautiful hymn and the Herndon monument.

Because the emotions aroused by the heroically tragic end of Herndon are so well epitomized by the hymn, I quote its first verse:

> Eternal Father! Strong to save,
> Whose arm hath bound the restless wave,
> Who bid'st the mighty ocean deep
> Its own appointed limits keep:
> O hear us when we cry to thee,
> For those in peril on the sea.

The eloquent and moving eulogy of William Lewis Herndon, by Mathew Fontaine Maury was published in 1888 by his daughter, Diana Fontaine Maury Corbin, in chapter X of her book, "A Life of Matthew Fontaine Maury." In order that this stirring letter may be more widely known to the Nation at large and beyond, I include it in my remarks to the end that it shall become what Maury wished: a tribute to Herndon's memory, material for history, an heirloom in the Navy, and a legacy to our country:

U.S. NATIONAL OBSERVATORY,
Washington, D.C., Oct. 19, 1857.

Hon. ISAAC TOUCEY,
Secretary of the Navy,
Washington, D.C.

SIR: On the 12th day of September last, at sea, the U.S. mail steamship, *Central America*, with the California mails, many of the passengers and crew, and a large amount of treasure on board, foundered in a gale of wind.

The law requires the vessels of this line to be commanded by officers of the Navy, and Commander William Lewis Herndon had this one. He went down with his ship, leaving a glowing example of devotion to duty, Christian conduct, and true heroism.

All hopes of his having been picked up by some passing vessel have vanished. The survivors of the wreck have made their statements of the gale, the sinking of the ship, and their rescue. These have gone the rounds of the newspaper press, and we are probably possessed of all the particulars concerning that awful catastrophe that the public will ever know.

The Department has already been informed officially of this wreck and disaster—how nobly Herndon stood to his post and gloriously perished—how the women and children were all saved, and how he did all that man could do, or officer should, to save his ship and crew also. But the particulars have been given to the Department only in the perishable form of the newspaper records.

As a tribute to his memory, as material for history, as an heirloom in the Navy, and a legacy to his country, I desire to place on record in the Department this simple writing as a memorial of him.

We were intimates; I have known him from his boyhood; he was my kinsman and my wife's brother. The ties of consanguinity, as well as our professional avocations, brought us frequently and much together; we were close friends.

Under these circumstances, I ask your leave to file a report of that gale and his loss. I am to embody in it a simple narrative of incident derived from statements which the survivors from the wreck have made either publicly, through the prints of the day, or privately to his family and friends. These incidents, in the silent influence of the lessons they teach, constitute an inheritance of rare value to his countrymen; they are the heirlooms of which I spoke, and will, I am persuaded, be productive of much good to the service. The *Central America*, at the time of her loss, was bound from Aspinwall, via Havana to New York. She had on board, as nearly as has been ascertained, about 2 millions in gold, and 474 passengers, besides a crew, all told, of 101 souls—total, 575.

She touched at Havana on the 7th of September last, and put to sea again at 9 o'clock on the morning of the 8th. The ship was apparently in good order, the time seemed propitious, and all hands were in fine health and spirits, for the prospect of a safe and speedy passage home was very cheering. The breeze was from the trade winds quarter at N.E.; but at midnight on the 9th it freshened to a gale, which continued to increase till the forenoon of Friday, September 11, when it blew with great violence from N.N.E.

Up to this time the ship behaved admirably; nothing had occurred worthy of note, or in any way calculated to excite suspicions of her prowess, until the forenoon of that day, when it was discovered that she had sprung a leak. The sea was running high; the ship was very much heeled over on her starboard side, and labored heavily; the leak was so large, that by 1 p.m. the water had risen high enough to extinguish the fires on one side, and stop the engine.

Baling gangs were set to work—the passengers cheerfully assisting—and all hands were sent over on the windward side to trim ship. Being relieved, in a measure, she righted, and the fires were relighted; but there was a very heavy sea on, and, in spite of pumps and baling gangs with their buckets, whips, and barrels, the water gained upon them, until it reached the furnaces and extinguished the fires again, never to be rekindled. This was Friday.

The ship was now at the mercy of the waves, and was wallowing in the trough of the sea like a log. She was a side-wheel steamer, with not a little top hamper, and therefore an ugly thing to manage in such a situation. The storm-spencer had been blown away, and the foreyard was cut down during the night. Attempts were made to get the ship before the wind, but no canvas was stout enough to stand the raging of the storm. After the headsails had been blown away, the captain ordered the clews of the foresail to be lashed down to the deck, thinking to hoist the yard up only a little way, show canvas, and get her off; but by the time the yard was well clear of the bulwarks, the sail was taken right out of the bolt ropes, so great was the force of the wind, and such the fury of the gale.

The foremast was then cut away; the foreyard was converted into a drag and got overboard; bits of canvas also were spread in the rigging aft, hoping by these expedients, as a last resort, to bring the ship head to wind; but all to no purpose—she refused to come.

Crew and passengers worked manfully, pumping and bailing all Friday afternoon and night, and when day dawned upon them, the violence of the storm was still increasing.

All that energy, professional skill, and seamanship could do to weather the storm and save the ship had been done. The tempest was still raging, resources were exhausted, the working parties were fagged out, and the captain foresaw that his ship must go down.

Still there was some cause for hope: he might save life, even if he lost ship, mails, and treasure. He was in a frequented part of the ocean, and a passing vessel might come to the rescue of crew and passengers if they could manage to keep the ship afloat till the gale abated. He encouraged them with this hope, and asked for a rally. They responded with cheers. The lady passengers also offered to help, and the men went to work with a will, whipping up water by the barrelful to the steady measure of the sailors' working song.

The flag was hoisted union down, that every vessel as she hove in sight might know they were in distress and wanted help.

Under this rally of crew and passengers they gained on the water for a little while, but they were worn out with the trial of the last night and day; they had not the strength to keep it under.

Finally, about noon of Saturday the 12th, the gale began to abate and the sky to brighten. A vessel hove in sight, saw the signal of distress, ran down to the steamer, was hailed, answered, and was asked for help; she could give none, and kept on her course.

At about 2 p.m. the brig *Marine*, Captain Burt, of Boston, bound from the West Indies to New York, heard minute guns and saw the steamer's signals of distress. She ran down to the sinking ship and, though very much crippled herself by the gale, promised to lay by. She passed under the steamer's stern, spoke, rounded to, and kept her word.

The steamer's boats were ordered to be lowered; the *Marine* had none that could live in such a sea.

Now came another trying time: the boat scenes of the steamer *Arctic* had made a deep impression upon Herndon's mind; they now crowded into remembrance. Who of his crew should be selected to man the boats? Would they desert him when the got off from the ship in the boats? There were some who, he knew, would not.

It was not an occasion when the word might be passed for volunteers, for it was the post of safety, not of danger, but nevertheless of great trust, that was to be filled. The captain wanted trusty men. The crew of such a vessel is not very permanent as to its personnel; therefore, he felt at a loss, for there was still a man wanting for Black, the boatswain's boat. A sailor, perceiving the captain's dilemma, stepped up and modestly offered to go.

He had not, it may be supposed, been long in the ship, for Herndon evidently did not know him well, and replied, in his mild and gentle way, "I wonder if I can trust you?"

The sailor instinctively understood this call for a shibboleth, and simply said: "I have hands that are hard to row, and a heart that is soft to feel." That was enough. He went, and was true; not a boat deserted that ship.

All the women and children were first sent to the brig, and everyone arrived there in safety. Each boat made two loads to the brig, carrying in all 100 persons.

By this time night was setting in. The brig had drifted to leeward, several miles away from the steamer, and was so crippled that she could not beat up to her again.

Black's (the boatswain) boat alone returned the second time. Her gallant crew had been buffeting with the storm for 2 days and nights without rest, and with little or no food. The boat itself had been badly stove while alongside with the last load of passengers. She was so much knocked to pieces as to be really unserviceable, nor could she have held another person. Still those brave seamen, inspired by the conduct and true to the trust reposed in them by their captain, did not hesitate to leave the brig again, and pull back through the dark for miles, across an angry sea, that they might join him in his sinking ship, and take their chances with the rest.

Let us not call this rash, idle, or vain; it was conduct the most loyal, noble, and true. The names of this brave crew have not been given; otherwise I would suggest the propriety of making some formal acknowledgment of the high appreciation in which such devotion to duty and such conduct are held by the Department.

During the lowering of the boats and the embarkation of the women and children, there was as much discipline preserved among the crew of that ship, and as much order observed among her passengers, as was ever witnessed on board the best regulated man-of-war.

The law requires every commander in the Navy to show in himself a good example of virtue and patriotism; and never was example more nobly set forth or beautifully followed. Captain Herndon, by those noble traits which have so endeared his memory to the hearts of his countrymen, had won the respect and admiration of the crew and passengers of that ship in such a degree as to acquire an influence over them that was marvelous in its effects. The women felt its force. Calm and resolute themselves, they encouraged and cheered the men at the pumps and in the gangways; and finally, to Herndon's last appeal for one more effort, they rose superior to their sex, and proposed to go on the deck themselves, and, with fair hands and feeble arms, do man's work in battling with the tempest.

There were many touching incidents of the most heroic personal devotion to duty, and to him, during that terrific storm. Even after the ship had gone down and the men were left in the water, clinging to whatever they could lay hands on, offices of knightly courtesy were passed among them.

As one of the last boats was about to leave the ship, her commander gave his watch to a passenger with the request that it might be delivered to his wife. He wished to charge him with a message for her also, but his utterance was choked. "Tell her——." Unable to proceed, he bent down his head and buried his face in his hands for a moment as if in prayer, for he was a devout man and a Christian.

In that moment, brief as it was, he endured the great agony; but it was over now. His crowning thoughts no doubt had been of friends and home—a beloved wife and lovely daughter[1] dependent upon him alone for support. God and his country would care for them now. He had resolved to go down with his ship.

Calm and collected, he rose up from that short but mighty struggle with renewed vigor, and went with encouraging looks about the duties of the ship as before. He ordered the hurricane deck to be cut away and rafts to be made. The life preservers were also brought up and distributed to all who would wear them. Night was setting in, and he directed Frazer, the second officer, to take charge of the arm chest and send up a rocket every half hour.

Van Rennselaer, his first officer, was also by him. Herndon has spoken of him to me in terms of esteem and admiration, and Van Rennselaer proved himself worthy of the last of these commendations.

Side by side they stood at their post, and perished together with their harness on.

After the boat which bore Mr. Payne—to whom Herndon had entrusted his watch—had shoved off, the captain went to his stateroom and put on his uniform. The gold band around his cap was concealed by the oil-silk covering which he usually wore over it. He took the covering off, and threw it on the floor; then, walking out, he took his stand on the wheelhouse, holding on to the iron railing with his left hand. A rocket was set off, the ship fetched her last lurch, and as she went down he uncovered.

A cry arose from the sea, but not from his lips. The waves had closed about him, and the curtain of night was drawn over one of the most sublime moral spectacles that the sea ever saw.

Just before the steamer went down, a rowboat was heard approaching. Herndon hailed her; it was the boatswain's boat, rowed by "hard hands and gentle hearts," returning from on board the brig to report her disabled condition. If she came alongside she would be engulfed with the sinking ship. Herndon ordered her to keep off. She did so, and was saved. This, so far as I have been able to learn, was his last order. Forgetful of self, mindful of others, his life was beautiful to the last, and in his death he has added a new glory to the annals of the sea.

Forty-nine of the passengers and crew were picked up, floating on the water that night and the next morning, by the Norwegian bark *Ellen*, and brought safely into Norfolk. On the ninth day after the wreck, the English brig *Mary* picked up three others, who had drifted about 450 miles with the Gulf Stream. Total saved, 152.

It does not appear certain that Captain Herndon was seen or heard after the ship went down, by any of those who survived the wreck. Mr. Childs, one of the passengers, thinks he conversed with him in the water only a little while before he himself was picked up; but Herndon was small of stature, of delicate frame and constitution, and by no means in robust health. He was already suffering from the incessant labour and exposure of the last two days and that long Friday night. His fatigue must have been great, and when the waves closed over his ship he was in all probability too much exhausted to struggle.

Everything that could be done by the best sea-captain to save his ship was done to save this one. Brave hearts and strong arms were on board. There was no lack of skill or of courage. Order and discipline were preserved to the last; and she went down under conduct that fills the heart with unutterable admiration.

Herndon was in the forty-fourth year of his age. He was born in Fredericksburg, Va. He was the son of the late Dabney Herndon of that place, and was the fifth of seven children—five sons and two daughters, of whom Mrs. Maury is the elder. Lewis Herndon was left early an orphan, and entered the navy at the age of fifteen. Affectionate in disposition, soft and gentle in his manners, he won the love and esteem of his associates, and became a favourite throughout the service. None knew him better or loved him more than,

Respectfully,

M. F. MAURY,
Lieutenant, U.S. Navy.

TARIFFS AND TRADE NEGOTIATIONS

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. ROONEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROONEY of Pennsylvania. Mr. Speaker, since tariff regulations are the controlling factor in the growth of imports and exports and they logically hold the key to the lifeline of our industrial economy, it is incumbent upon the Members of this House to maintain an active, continuing interest in trade negotiations.

Because I know the deep interest of my distinguished colleagues in such negotiations, I was tremendously impressed by recent testimony presented by Mr. Stewart S. Cort, president of the Bethlehem Steel Co., before the Trade Information Committee, Office of the Special Representative for Trade Negotiations on February 7. As head of the Nation's second largest producer of steel, Mr. Cort speaks with rare authority and an excellent knowledge of the effects of tariff fluctuations. He has also been among the most forceful opponents of the critically serious dumping practices which are now being carried on by foreign producers of steel and cement to the acute detriment of domestic industry and workers.

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[1] This daughter became the wife of Chester A. Arthur, subsequently President of the United States.

World competition in the manufacture of steel and steel products is increasing with each passing day. Like my fellow Members of this House, I am concerned about protecting the best interests of American workers and American business. I believe Mr. Cort's brief deserves our closest attention and I am certain that it lends effective and powerful support to my position.

Therefore, under unanimous consent to extend my remarks in the RECORD, I include extraneous matter at this point:

STATEMENT OF MR. CORT, PRESIDENT OF BETHLEHEM STEEL CO., BEFORE THE TRADE INFORMATION COMMITTEE, OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS, FEBRUARY 7, 1964

This brief is being submitted by Stewart S. Cort, president, and a member of the board of directors of Bethlehem Steel Co., the principal operating subsidiary company of Bethlehem Steel Corp. Bethlehem Steel Co., the second largest producer of steel products in the United States, is vitally interested in the trade negotiations as such negotiations can materially affect steel products.

Bethlehem is interested in all of the steel products indicated by U.S. Tariff Schedule item numbers on the cover page. This brief covers heavy structural shapes in particular (sections 3-6) and also includes some observations on the present and prospective world competitive situation with respect to steel products in general (section 7). The statements on structural shapes portray the American industry situation as Bethlehem (a major producer of structural shapes) sees it. It is understood that other steel producers have prepared briefs and statements concerning other steel products. American Iron and Steel Institute has also prepared a brief to which we direct your attention.

1. ORGANIZATION AND PRODUCTION INFORMATION

Precise nature of interest in trade negotiations: Most steel mill products are included among the commodities subject to reduction in rates of duty in the forthcoming round of negotiations under General Agreement on Tariffs and Trade. Negotiators should be fully aware of the world competitive situation in steel mill products and the difficulties faced by American steel producers in increasing their share of world steel exports and in limiting the impact of rising steel imports on America's employment and balance-of-payments position.

In the face of severe competition caused in large part by the substantial excess of world steel capacity relative to consumption, the American steel industry suffers from competitive handicaps, including, importantly, identifiable Government-determined inequities which make our competitive position in international trade much more difficult.

These inequities involve the total impact of tariff rates and nontariff trade barriers (particularly transaction taxes) on the "costs of entry" of American producers into many foreign markets compared to the "costs of entry" of our principal competitors into the American market. Bethlehem is concerned about these inequities with respect to all of the steel products listed on the cover page, and will use heavy structural shapes (TSUS 609.80) as an example. Other companies, it is understood, are providing similar information on other steel products.

The American inequities with respect to "costs of entry," which will be discussed in more detail under sections 3, 4 and 5, are illustrated in the following table, which compares the "costs of entry" (defined as total charges above c.i.f. prices) represented by Government-determined tariff rates and transaction taxes for the United States and our principal competitors in the sale of heavy structural shapes:

Comparative cost of entry for heavy structural shapes

Country of origin	Country of destination	Dollars per net ton	Percent of exporter's base price
All	United States	2.00	2
United States	France	46.30 (51.73)	41 (45)
Do	Italy	24.51	21
Do	Germany	19.33 (25.56)	17 (22)
Do	Belgium	16.02 (22.03)	14 (19)
Do	Canada	33.25	29
Do	Japan	21.91	19
Do	United Kingdom	13.84	12

NOTE.—Rates in parentheses assume tariffs at Italian level in effect in European Coal and Steel Community as recommended by the high authority Jan. 15, 1964.

The "costs of entry" of foreign producers in American markets run from one-seventh to one twenty-sixth of those of American producers in foreign markets. The massive overhang of capacity has increased the efforts of the principal world producers to penetrate each other's steel markets. The costs of entry inequities make this penetration of the American market easier and American efforts to penetrate foreign markets more difficult.

Organization and production: The Bethlehem companies produced 16,109,000 net tons of ingots and castings in 1963, which is up from the 14,677,000 tons produced in 1962, but is much less than the record 19,123,000 tons of ingots and castings produced in 1957. During the year 1963, Bethelehem shipped almost 11 million net tons of steel products.

The Bethlehem companies are among the largest employers in the United States. In 1963 the monthly average number of employees was 117,489, which is considerably below the postwar high of 164,859 reached in 1957 and less than half the wartime peak of 260,481 reached in 1944. Total revenues of Bethlehem exceeded $2 billion in 1963.

The Bethlehem companies are engaged principally in the manufacture and sale of steel mill products; the fabrication, sales and erection of steel for buildings, bridges and other structures and the construction and repair of ships. In addition to these primary functions the Bethlehem companies are engaged in the mining and quarrying of coal, iron ore and limestone, and the transportation of such materials and steel products. For this purpose, we operate either owned or chartered vessels and we own and operate short-line railroads in the vicinity of certain of our plants and mines.

The Bethlehem producing and fabricating facilities are located throughout the United States. The largest steel plant in the free world is owned and operated by Bethlehem at Sparrows Point, Md. Other steel plants include those at Lackawanna, N.Y.; Bethlehem, Johnstown, and Steelton, Pa.; Los Angeles and South San Francisco, Calif.; and Seattle, Wash. We have just recently commenced construction of a planned major integrated steel mill at Burns Harbor, Ind. In addition, we operate shipbuilding and ship repair yards at East Boston, Mass.; Hoboken, N.J.; Sparrows Point and Baltimore, Md.; Beaumont, Tex.; and San Francisco and San Pedro, Calif. Bethlehem also maintains district sales offices in the major cities throughout the United States and is engaged in nationwide distribution of steel products.

2. INDUSTRY INFORMATION

Specific information on the American steel industry as a whole, has been filed by American Iron and Steel Institute on behalf of all of the members. However, in section 3 some information has been inserted on the characteristics of domestic steel production of heavy structural shapes.

3. FOREIGN TRADE INFORMATION

Heavy structural shapes (TSUS 609.80) are defined as those rolled flanged sections, having at least one dimension of their cross section 3 inches or greater. Thus for beams, channels, T's or Z's, if the depth dimension is 3 inches or greater, the sections are in the structural shapes classification. If the dimensions described above are under 3 inches, the section falls within the bar and light shapes classification.

The 1962 U.S. heavy structural shapes shipments were 4,366,768 net tons, 6.2 percent of total U.S. shipments of all steel products, providing employment for an estimated 30,000 highly trained American steel workers. These shapes are used primarily in construction, that is, for fabrication of bridges and buildings. Other large users include builders of railroad rolling stock, ships and heavy machinery.

Exhibit 1 indicates the U.S. foreign trade situation with respect to heavy structural shapes during the past 10 years. In the years 1954–58 the United States was a net exporter of structural shapes, exports averaging 6.5 percent of net industry shipments. Exports have declined since then and in 1963 are less than 3 percent of domestic shipments.

Since 1958, we have been a net importer. The adverse balance was especially severe in 1959, the year of the long steel strike. The increasing imbalance since 1960 and 1961 is readily apparent. In the years 1954–58 imports averaged under 4 percent of apparent consumption, whereas in 1963 heavy structural shapes imports will exceed exports by nearly 400,000 net tons, over 100,000 net tons more than in the strike year of 1959, and will represent 10 percent of apparent consumption.

Exhibit 2 compares U.S. exports and imports with estimates of the total free world trade in structural shapes. You will note how U.S. exports increased with world exports through 1957. Since then, free world exports have not regained the 1957 level of 1.6 million net tons, averaging somewhat over 1.4 million net tons in the years 1958–63. On the other hand, U.S. exports have decreased to less than one-third and imports increased to more than double the 1957 U.S. volume.

Exhibits 3 and 4 illustrate the distribution by region of destination of U.S. exports. Until 1961 Canada received about 80 percent of U.S. exports, Latin America 10 percent and the remainder was distributed to Europe, Africa, and Asia. In the years 1961–63, the Canadian proportion has declined to 60 percent, while the proportion going to the other regions has increased to 40 percent.

Analysis of U.S. exports indicates that the decline in the U.S. export volume can be traced to a large extent to Canada's ability to satisfy a greater proportion of its own needs. Exhibit 5 illustrates the declining relative importance of imports in total Canadian consumption, including domestic production and imports into the Canadian market. In 1962 and 1963 Canadian mills were able to supply approximately 70 and 75 percent of consumption requirements, compared with about 35 percent in 1957. The United

States has recently had a 60-percent share of the declining volume of Canadian imports, but the pressure has increased in recent years from other major producers in the world market.

The volume of our shipments to Canada has declined from 1957 to 1963 by more than three-quarters—from 350,648 tons to 82,000 tons. The volume of shipments to other regions has been somewhat better maintained for several reasons. Other countries have not yet become as self-sufficient as Canada; U.S. firms with overseas contracts often buy some materials from domestic sources; and the tied loan policy of the U.S. Government, which accounted for 12 percent of total shapes exports during the first half of 1963. Accordingly, other countries account for a somewhat larger proportion, 40 percent of the smaller, total export volume.

Exhibits 3 and 6 show the source of steel imports into the United States. In the period from 1954–61 the European Coal and Steel Community share fell gradually from nearly 100 percent to 90 percent of total U.S. imports. Recently the United Kingdom and Japan have emerged as major competitors of the E.C.S.C. in the U.S. market. During the years 1961–63 the Community's share fell further from 90 to about 70 percent, while the United Kingdom's share increased to 15 percent and the Japanese share to 10 percent. Although there was a reduction in the Community's percentage, the volume of shipments exported to the United States increased from about 250,000 to 400,000 net tons. The large gains in percentage share by the Japanese and the United Kingdom are even more impressive when expressed in tons. Japanese and United Kingdom exports of structural shapes to the United States have increased from 10,496 and 43,040 tons in 1962 to 50,000 and 76,000 tons in 1963, respectively.

Another way of looking at the world trade situation with respect to structural shapes can be observed from exhibit 7, which shows the relative proportions of the principal steel exporters in the total free world trade of structural shapes. The U.S. share of this total has fallen from 28 percent in 1957 to 10 percent in 1962 and 9 percent in 1963. In contrast, U.S. imports, which accounted for only 13 percent of free world trade of structural shapes in 1957, now account for one-third of the total. During the years 1954–63, the Community countries accounted for 50 to 60 percent of total free world exports of structural shapes.

During recent years as the total free world trade volume in structural shapes has stabilized, so have the exports of the Community. However, the Community's dependency on the American market has increased—with the 1963 export volume nearly equalling strike-affected 1959. The shares of the United Kingdom and Japan in the free world trade volume have increased markedly in recent years, as the U.S. share has fallen.

This change in the U.S. world position in heavy structural shapes is attributable to a number of characteristics of foreign competition, such as improved delivery and service, price, technology (including design and quality) and "costs of entry," as previously defined. The changing competitive position of U.S. producers in the sale of structural shapes is discussed under four headings:

(i) The greatly changed capacity-demand situation with respect to structural shapes in major producing countries.

(ii) The growing importance of the discriminatory pricing practices followed by the major foreign steel exporters of structural shapes.

(iii) The rapid worldwide trend toward parity of technology and facilities among the major world steel producers, and

(iv) The low, absolute, and relative costs of entry in the American market due to the low level of U.S. tariff rates and the absence of nontariff trade barriers in contrast to the situation in other countries.

The changed world capacity-demand situation. Exhibit 8 shows the relationship among production, apparent consumption and capacity to produce of the major free world producers of structural shapes. We know of no American firms with plants producing structural shapes in these foreign countries. The following facts should be noted:

(a) The overall free world level of apparent consumption of structural shapes has not changed significantly in recent years. Present levels are still below the high level achieved in 1957. Depressed levels of investment activity, substitute materials, and design changes in construction in all countries have affected the consumption of structural shapes in recent years.

(b) The overall free world net export volume has also tended to stabilize, at about 5 to 6 percent of apparent consumption.

(c) At the same time that this relative stagnation has occurred both in domestic apparent consumption in these producing countries and in their net exports, their productive capacity has continued to increase. Exhibit 8 indicates the extent to which the capacity available in 1957—then in excess of 15 million tons and sufficient to supply 1957 needs—has continued to increase, as indicated by the bar on the right of the exhibit, by at least 7 million tons. On this basis the average capacity operating rate of structural mills in these countries today is probably in the order of 60 to 70 percent of capacity.

In appendix A of this brief is included a detailed report of the major structural shapes capacity additions installed by various countries in the free world since 1957. The effect of these installations can best be understood by analyzing the relationship between supply and demand in the various countries now producing structural shapes. Exhibit 9 indicates production, exports, imports, and apparent consumption for the principal exporters of structural shapes in 1962. The significant facts included in the appendix will now be discussed.

Canada: The supply-demand situation in Canada changed completely with the installation of a universal beam mill by Algoma Steel Corp. in 1961. Formerly, Canada was a large importer. As indicated in exhibit 5 this mill, with a capacity of 375,000 net tons of shapes, has permitted Canada to supply more than twice as much of its own needs in 1962 as it did in 1957. In addition 3 percent of its 1962 production of shapes was exported.

Japan: In recent years the Japanese steel industry has undertaken an extensive facilities expansion program, with planned capacity considerably in excess of domestic requirements. This program is now starting to affect the world market for heavy structural shapes. Since 1959, when a third modernization program for new mills was announced, approximately 1.6 million net tons of new structural shapes capacity has been added. Other capacity has been planned. Meanwhile, apparent consumption, which rose steadily to 2 million net tons in 1961, fell sharply to 1.7 million net tons in 1962. The Japanese, with insufficient outlets at home for heavy structural shapes capacity, have turned with characteristic intensity to the world market. Exports in 1963 are estimated to have been in excess of 165,000 net tons compared to 77,000 net tons in 1962.

The large increase in Japanese shipments of shapes to the United States, shown in exhibits 3 and 6, and the change in the Japanese export to production ratio from 2 percent in 1961 and 4 percent in 1962 to 9 percent in 1963 illustrate the extent to which Japanese exports are exerting increasing pressure on the world market for structural shapes.

United Kingdom: The United Kingdom since 1957 has added more than 2 million net tons of additional capacity, as part of a program to increase its heavy structural shapes capacity to 3.36 million net tons for 1965. In addition there will be 620,000 net tons of capacity available from plants that may be uneconomic. This capacity compares with an apparent domestic consumption of 1.6 million net tons in 1962, and a high of about 2.2 million net tons in 1957. Because of this situation, United Kingdom producers have turned to the world market, but due to the world supply-demand situation have found that market difficult to penetrate, except in the United States, where their exports have increased, as they have been accepted as a prime foreign source for quality materials. Between 1961 and 1962 exports to the United States increased 124 percent and between 1962 and 1963 nearly doubled again.

European Coal and Steel Community: Structural shapes capacity in the Community has continued to expand since 1957, with most of the expansion taking place in France. During this period domestic consumption in the Community expanded 725,000 net tons, substantially less than the 1.2 million net tons new tonnage capacity added. Although these capacity additions were originally justified by growth prospects for domestic demand, stagnation in domestic consumption and the current world oversupply situation suggest that these capacity additions are in excess of what is justified by requirements.

Other free world producers: New structural shapes capacity additions in the rest of the world have probably more than kept pace with demand. Identification of only some of the new capacity additions indicates that more than 800,000 net tons annually were made available from 1957–63. Although no total consumption figures are readily available for these countries, it is safe to say that this new capacity will eliminate a substantial proportion of the export market now being served by the large exporting countries.

Communist bloc countries: A large proportion of the new productive capacity in the Communist bloc countries has been built for the production of heavy structural shapes in order to carry on the substantial expansion programs involving both plant and equipment in these countries. As the rate of expansion tapers off, a threat exists that unutilized structural shapes capacity may be used not only to further their political aims, by disrupting free world trade patterns in structural shapes, but also for foreign exchange purposes.

(d) It is hard to believe that the consumption and export volume from these countries will change significantly in the next few years, except possibly exports to the United States. Accordingly, in the face of a capacity increase approaching 7 million net tons, an excess of capacity relative to demand for structural shapes seems assured for some time to come in the world market.

This overhang of capacity has prompted producers in many countries to penetrate the large structural shapes markets—such as that in the United States—employing aggressive commercial policies, including low price offers.

Discriminatory pricing practices with respect to structural shapes: A second factor affecting the changed U.S. international position with respect to structural shapes has been the discriminatory pricing practices of many foreign producers as they penetrate the world markets. These practices involve charging a lower price in the world market than is charged in the home market, thereby discriminating against home market customers and forcing them in effect to subsidize low-priced exports.

Exhibit 10 illustrates these discriminatory pricing practices by comparing posted domestic and reported export prices for the

European Coal and Steel Community from 1955 to 1963 for angles and joists. The exhibit indicates how foreign export prices increase above domestic prices, when demand is strong (e.g., 1955–57), and fall well below, when the supply situation is easier (e.g., 1962–63). At the present time reported Community export prices for angles and joists are at least 15 to 20 percent below the posted domestic prices for these producers.

Exhibit 11 compares current domestic and export prices for structural shapes in various countries. Export prices are lower than domestic prices in almost every country except the United States, where published port prices in such instances are higher than domestic f.o.b. mill prices and apparently reflect some shipping charges. Posted domestic prices in other countries (often excluding some tax burden) are somewhat below U.S. domestic prices. If foreign export prices were held at posted domestic prices, U.S. producers would not be at as serious a disadvantage in the world market, especially if the "cost of entry" inequalities were removed. But with published foreign export prices below published domestic market prices, U.S. producers are obviously not competitive in the world market for structural shapes.

Exhibit 12 is a delivered price comparison, which takes into account base price, transportation, insurance, import duty, and taxes. It indicates the margin of difference that exists between delivered prices of U.S. structural (wide-flange) shapes in foreign markets and delivered prices of foreign structural (wide-flange) shapes in the American market. The principal reasons for the foreign price advantage are:

(a) The difference between U.S. and foreign domestic prices (part of which is taxes);

(b) The difference between foreign export and domestic prices; and

(c) The difference in Government-determined "costs of entry" between U.S. and foreign producers.

These reasons highlight the nature of the difficulty faced by American producers of structural shapes in becoming competitive, for the answer to part of the problem lies within our sphere of influence, while another part is affected by the actions of others, including the Government.

The worldwide trend toward technological parity: In its "World Competition in Steel,"[1] American Iron & Steel Institute on page 19 indicated the differences in hourly employment costs between the United States and its principal competitors and stated that these differences could not nearly be offset by productive efficiency. As a matter of fact, there is occurring in the world steel industry today a rapid trend to parity of technology and facilities among the major producers which has reduced the traditional American advantage in quality of products and productive efficiency.

Bethlehem recently conducted a survey of American mill equipment manufacturers to determine how facilities in the United States compare with those in Europe and Japan. A number of the replies are included in appendix B. The following quotations from several letters obtained in this survey substantiate this trend to parity:

"Among the prominent oversea installations in the free world, an appreciable amount of the equipment could be considered superior to ours, and generally it is equal to or not far deficient from our average.

"The answer is rather obvious in regard to how this came about because in most cases these two areas have totally rebuilt from the ground up since World War II by replacing nearly all of their facilities with new equipment, incorporating the latest worldwide design innovations.

"Much of the modernization in this country has had the problem of trying to adopt new facilities to be used in conjunction with existing equipment and, in many instances, this involves a compromise of design capability. In other words, the foreign mills have generally had the advantage of incorporating overall planning in their layouts due to fewer limiting factors." (George Baillie, Jr., division manager, E. W. Bliss Co.)

Fuji Iron & Steel Co., Hirohata works:

"Very modern combination wide flange and structural mill.

"This, in our opinion, is the very latest design of mill for rolling wide flange beams and structural sections." (Clark H. Johnson, vice president, sales, United Engineering & Foundry Co.)

"It should be noted that most all of the above plants are of the most modern design, including strip handling, finishing, etc. Speed of operation is as high, or higher, as all other plants in the world.

"It is extremely noteworthy that over 75 percent of the facilities in Europe and Japan are of modern design and with speed of operation as high or higher than similar facilities in the United States. Since 1950 only 25 percent of the U.S. facilities have been modernized." (Douglas O. Yoder, president, the Yoder Co.)

The American steel producers have not been complacent about their competitive disadvantage arising from the employment cost differentials and the growing trend to technological parity. Although the American steel industry spent on average about $1 billion per year on plant and equipment in the years 1946–63, the industry has now embarked upon one of the largest capital expenditure programs in history to support intensified marketing efforts at home and abroad. This program in 1964 is expected by American Iron & Steel Institute to reach $1.5 billion. These expenditures are not intended to increase capacity, but to improve our efficiency and competitive position.

However, the American steel industry alone through its capital expenditures cannot overcome all of the causes for domestic price disadvantage indicated on page 12. Improved antidumping laws—to eliminate the disadvantage caused by the difference between foreign export and domestic prices—and equal costs of entry—to eliminate the disadvantage from the difference in costs of entry between U.S. and foreign producers—are obviously important and subject to Government determination.

4 & 5. FOREIGN TARIFF AND NONTARIFF BARRIER INFORMATION

Insofar as steel mill products are concerned, Bethlehem believes that tariff rates and nontariff barriers must be considered together The tariff rates applicable to structural shapes in the United States and in the countries which are our principal competitors are indicated in exhibit 13. Insofar as steel mill products are concerned, the principal nontariff trade barriers are the transaction taxes. Exhibit 14, adapted from American Iron & Steel Institute's "World Competition in Steel," indicates the percentage of transactions and other taxes in the principal competing countries applicable to structural shapes and how the level of these taxes varies widely from country-to-country.

Exhibit 13 indicates that the U.S. tariff rate on structural shapes (TSUS 609.80), a specific duty of $2 per net ton, equivalent to approximately 2 percent ad valorem, was substantially less than half of those of our major competitors prior to the Community's tariff rate decision in January 1934 and will be about one-fifth of Community rates established at the Italian level.

As indicated by American Iron and Steel Institute, the differential which is indicated between the rates in the United States and other countries is, in fact, understated, since the ad valorem tariffs of the other countries are based on a c.i.f. (cost, insurance, and freight) basis rather than on the f.o.b. value, as it is in the United States. In a tariff study just completed by the Committee for Economic Development,[2] it is brought out that this difference in procedure means that countries which levy on a c.i.f. basis obtain a 10 percent increase in the effective tariff protection as compared with the United States.

Exhibit 14 indicates that in addition to a tariff duty of 9 percent American structural shapes imports into the Community must pay an additional tax ranging from 6 to 25 percent. There is no such tax in the United Kingdom at the present time, but studies there and in the Community countries suggest that in the future there may well be a movement in Europe toward some harmonization of transaction taxes at or near the French level.

On this basis exports of structural shapes from the United States into the Community in the future may be expected to pay a tariff duty of 9 percent and a transactions tax in the order of 15 to 25 percent, depending on the harmonization, both totaling 25 to 35 percent, compared to a tariff duty equivalent to approximately 2 percent ad valorem in the United States.

With respect to structural shapes, the comparative costs of entry into foreign markets for American producers are indicated in exhibit 12 to range from $14 to $52 or 7 to 26 times as great as the costs of entry into the U.S. market. These government-determined costs of entry place American producers at a serious disadvantage compared to our major competitors in world competition both in the matter of interpenetration of each other's markets and also in third-country markets.

It may be argued that this difference in costs of entry is not a measure of the American disadvantage, since European producers must also pay transaction taxes on sales within domestic markets, as part of their internal tax liability. The fact of the matter is that American prices, indicated in exhibit 12, include all business taxes imposed on American producers, whereas the European prices in the same exhibit do not include all such taxes. The American producer suffers a disadvantage when the European transactions tax is added to the American price at port of entry, since he is subjected to double taxation in comparison to the foreign producer who pays only his appropriate share of the national tax liability on domestic sales and does not even bear that burden on sales in foreign markets, including the United States. Therefore, it is absolutely essential to combine tariff rates and transaction taxes in comparing the world competitive position of American and foreign producers.

The differences in the costs of entry are so great that, until such time as there exists an approximate equality in costs of entry, it is impossible—under the intense competitive condition which exists in the world structural shapes market today—to give any estimate of the sales potential in foreign markets, by product and by country, which would be available to American structural shapes producers should foreign tariff duty reductions take place.

There is no shortage of structural shapes productive capacity in the United States to meet any sales opportunities and to increase domestic employment. As a matter of fact, there is enough American structural shapes capacity available to supply almost the entire free world trade in structural shapes providing American producers were in a position to compete on the same basis as their foreign competitors.

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[1] Refer to brief submitted by American Iron & Steel Institute.

[2] Comparative tariffs and trade, Supplementary Paper No. 14, vol. 1.

6. U.S. TARIFF AND NONTARIFF INFORMATION

While the specific product which we have studied in this brief has been structural shapes, which bear a relatively low rate of duty into this country, we believe the principle of the costs of entry concept is applicable to all of the steel mill products shown on the title page of this brief. In the case of certain other steel mill products bearing somewhat higher rates of duty than structural shapes (and in a few cases equaling the community rates at the Italian level), the negotiators should not consider this situation to represent equality of opportunity and a basis for equal linear reduction. It is essential that the total costs of entry receive consideration on all steel mill products, regardless of relative levels of tariffs.

In the face of the substantial inequities in costs of entry on structural shapes, the United States, insofar as steel products are concerned, should not offer for reduction any U.S. steel tariff rates until such time as the foreign and U.S. costs of entry, including tariff duties and transaction taxes, are adjusted to achieve a level of parity. Preferably this adjustment should take the form of a reduction of foreign costs of entry to American levels. However, if foreign tariff rates and transactions taxes cannot be so equalized through reduction in foreign duties and taxes, consideration should be given to some other form of compensation for American steel producers in order to eliminate the present inequities. Either to leave the inequities as they now stand or to widen the relative inequities by linear tariff reductions (without affecting the tax situation) is quite unfair to American steel producers. If the inequities attributable to costs of entry cannot be eliminated in the negotiations, the unfair position of American steel producers should be compensated for by some other means within our Government's powers.

7. THE IMPACT OF WORLD COMPETITION ON THE AMERICAN STEEL INDUSTRY

The following observations on the present and prospective world competitive situation with respect to steel products in general are offered for consideration.

Among the problems facing the American steel industry none is more serious than the impact of foreign competition. We estimate imports into the United States in 1963 amounted to 5.5 million net tons, 35 percent in excess of 1962 levels and equivalent to about 7 percent of domestic consumption. Insofar as we can tell nearly every major world producer and many minor ones are planning to increase their penetration in the American market in 1964 and future years.

U.S. exports in 1963 on the other hand were at a level of about 2 million net tons (over half of this dependent upon AID financing), resulting in a net import balance on the order of 3.5 million net tons. This contrasts with substantial net export balances, averaging nearly 3 million net tons per year, from 1947 to 1958. In the period 1959–62, however, there was also a net import balance—but of a lower order of magnitude than in 1963, averaging 1.5 million net tons per year.

Clearly a change has taken place in the international trade position of the American steel industry, which should be understood by the American negotiators, as they approach the bargaining on tariff and nontariff trade barriers in 1964. This change is not attributable to any lack of interest of American producers in the world export market or any complacency about the rising volume of steel imports. It is attributable to basic changes in the world steel industry.

During the postwar period world steel production increased from 209 million net tons in 1950 to 395 million net tons in 1962. At the same time the volume of world steel trade increased from 17.5 million net product tons in 1950 to 45 million net tons in 1962. While this overall growth in the world steel industry was taking place, the following basis changes in the industry structure were occurring, which have markedly changed the world competitive situation:

(i) While world steelmaking capacity in recent years has continued to expand vigorously in response to various stimuli, the postwar rate of growth of demand has slackened—especially in 1962 and 1963—in most of the non-Communist industrialized countries.

(ii) The slowdown in the growth of domestic consumption in the major steel-producing countries has been due in large part to depressed investment activity, which affects heavy steel-consuming industries, the use of substitute materials, and changes in design in steel products and products made from steel. And in many of the developing countries the inadequacy of the inflow of foreign exchange has tended to limit somewhat the rise of steel consumption and import requirements.

(iii) In traditional steel importing regions increases in steelmaking capacity have been motivated by their desire to become increasingly self-sufficient. Much of this new steel capacity has been based on a combination of artifically cheap capital—often provided by the United States—and political rather than economic motivation. As a result steel imports have decreased relatively and, in recent years, absolutely. Some of these traditional importers have even become exporters.

(iv) The result has been surplus capacity in most of the major steel-producing regions and many of the developing regions and increasing availability for export.

(v) Since 1959 the growth of world export trade has more or less stabilized in the 44 to 45 million net ton range (including intra-Community trade). Within this stable trade volume, however, there has occurred a shift in the relative proportions between the traditional steel exporting and importing countries.

(vi) Previously, the traditional major producers (the European Coal and Steel Community, the United Kingdom, and the United States) supplied the preponderant proportion (e.g., 75 percent of total world trade and normally imported only small tonnages to "balance" their own requirements. Now exports from Japan, the Soviet Union, and the smaller exporters amount to about one-half of total world trade.

(vii) With imports by the traditional importing countries declining, exports from both major producers and minor exporters into the major steel-producing countries have been increasing. Between 1953 and 1963 they more than tripled, while total trade increased twofold.

(viii) This interpenetration of major producers' markets has resulted in substantial increases in imports into the United States and the European Coal and Steel Community. Accordingly, the United States has become a net importer. And imports into the European Coal and Steel Community were over 4 million tons in 1963, more than 40 percent in excess of 1962 levels.

(ix) The interpenetration has been promoted by capacity availability and low import prices on the world market, resulting from the operation of discriminatory pricing practices under which reported export prices differ markedly from the posted domestic prices of many of the major producers.

(x) The interpenetration displaces rather than supplements products which are plentifully available from domestic sources. It is not based on greater technical efficiency, risk-taking, industriousness, or superior natural resources. Nor is it based on better quality or service, or any lack of desire on the part of consumers to prefer domestic suppliers.

These conditions of general excess capacity relative to demand, severe pressure on prices and market interpenetration are likely to continue for the next several years and probably beyond. The reasons for these assumptions are developed below in somewhat more detail, because they explained the continuing and serious nature of the competitive problem faced by American steel producers due to discriminatory pricing practices and the inequities attributable to the difference in costs of entry.

The present and prospective excess of capacity relative to demand in the major steel-producing countries: The principal countries exporting to the United States, which supply 90 percent of U.S. imports, are the European Coal and Steel Community, Japan, the United Kingdom, and Canada. As indicated by American Iron and Steel Institute in its "World Competition in Steel," in the early years of the 1950's these countries operated their capacities at high rates of utilization and experienced rapidly growing domestic and export demand. During recent years, steel capacity generally expanded at a greater rate than internal consumption, the growth rate of which slackened somewhat as the backlog of demand built up during the decade of the 1940's and 1950's was worked off. The result has been that much more steel is available for exports and, of course, to provide for increased internal consumption in the future. Even though exports were increased and balancing imports reduced to a considerable extent in each region in the years 1958–62, as compared to 1953–57, a growing margin of available capacity—beyond export and domestic consumption requirements—has been created.

There is little likelihood that in the foreseeable future there will be any relief from the existing capacity-demand imbalance in these and other countries. American Iron and Steel Institute, for its 1963 Foreign Trade Trends publication, recently undertook a study of projected 1965 capacity, production, exports, imports, and consumption in 14 regions abroad. The results of this study are indicated in exhibit 6 of "World Competition in Steel."

This study indicated that there was an imbalance between capacity, production and export plans on the one hand and projection of consumption and imports on the other hand. It concluded that it is unlikely that annual steel production abroad in the mid-1960's will utilize more than about 80 percent of foreign steelmaking capacity. Thus, there is no basis for expectation of early improvement in the international steel-demand imbalance. Consequently, the pressure of idle steelmaking capacity is likely to be felt in the world steel markets throughout the 1960's.

The high authority of the E.C.S.C. has suggested the same conclusion in another way by pointing out that, if world steel consumption increases at a rate of 5 percent per year, the average rate of growth from 1953–62, it would take until nearly 1970 to utilize the estimated 1965 capacity of 600 million net tons, even if no new capacity were added (which is unlikely).

Discriminatory pricing practices: For a long time, whenever domestic and export demand eased, it has been the practice of the traditional exporting countries to offer prices on the world market which often differ markedly from prices quoted on the home market. As stated by the British Iron and Steel Federation.

"Steel is such a heavily capitalized industry that makers have always sought to maintain the volume of output in order to spread the heavy burden of inescapable overheads.

"In these circumstances, there is a natural tendency for producers—most of whom are primarily concerned with supplying their home markets—to offer abroad marginal quantities of low-priced material at times of weak home demand in an effort to attempt to keep their outputs up and so their costs and home prices down.

"In such instances, there is no necessary relation between the offer price and overseas production costs since any sale may be judged worthwhile in a purely short-term sense as long as the price covers the cost of fuel, raw material, and marginal labor and makes some contribution—however small—to inescapable overheads." [3]

Market interpenetration: The present world steel situation is somewhat unique in two ways. In the first place, the capacity-demand gap is not temporary or short-term in nature and could last as long as a decade or even more. And in the second place, as a result, the major exporters—utilizing low and discriminatory pricing practices—have turned on a systematic basis to the markets of the principal world producers to find outlets for their surplus capacity. This development has been described as follows:

"What has been new about the recent situation, however, at least as far as postwar experience is concerned, has been the extent to which the surpluses of capacity available for export have not only affected the traditional importing areas but have also spilled over onto the home market of the major steel producers." [3]

These low import prices are substantially below the domestic prices of American producers. They have proved attractive to some American consumers and played a significant role in the growth of U.S. imports. Similarly in the case of many of the European Coal and Steel Community countries, when price offers have been made to their domestic consumers at the low world price levels, they also have become attracted, as witnessed by the substantial increase in Community imports in recent years and especially in 1963.

There is no economic advantage served by this market interpenetration at marginal, incremental, or discriminatory prices, since they do not necessarily represent lower cost, stable foreign sources of supply. For example, in the Community, where such pricing practices are followed, the effect has been sobering with respect to sales revenues, profit margins, and investment plans.

American producers have several alternatives in their reaction to interpenetration based on discriminatory prices. They can meet these prices in domestic markets. They can try to obtain relief through recourse to antidumping legislation or other means. But they cannot ignore them. In this respect, as a steel producer, Bethlehem subscribes to the following observations:

"Outside observers are sometimes inclined to suggest that the proper response to low-priced imports is simply to cut the home trade price correspondingly. These suggestions, however, fail to appreciate the simple arithmetic of the problem.

"The low-priced import offers almost always apply to only a marginal part of the outputs of the foreign sellers. But if home producers were to make such offers, they would probably have to do so over the major part of their outputs; and for them to accept for extensive sales the price which it may pay foreign suppliers to accept for marginal tonnages would be to destroy the financial basis for their future development.

"It is probably fair to say that community opinion now regards the third country alinement provisions of the E.C.S.C. Treaty less as providing a desirable element of flexibility than as a trapdoor into a bottomless pit" (op. cit., p. 24).

Our national antidumping legislation has afforded little effective protection against this market interpenetration based on discriminatory pricing practices. In the case of wire rods, dumping in the United States of America of steel products at prices below those existing in the home markets was proved. However, findings of injury were not determined by the Tariff Commission due to the continuing presence in the market of large exporters like the Japanese, against whom no findings of dumping could be proved under current interpretations applied by the U.S. Treasury.

The future import threat and its potential effect on the American steel industry and national economy: Bad as the situation was in 1963, it shows every promise of growing worse. We understand that Canada is planning a 25-percent expansion of its productive capacity—and would probably like to supply a minimum of 500,000 net tons to the United States from this increased capacity. Producers in Latin America, Australia and South Africa have every expectation of shipping some of the product of their growing capacity into the U.S. market. The Japanese, who now supply 2 million net tons to the U.S. market, continue to expand capacity, with the intention of exporting 20 to 25 percent of their production, a third or more of it to the United States. Japanese exports to the United States of 3 to 4 million net tons in the 1965–70 period are quite possible based on the facilities and export plans of the Japanese.

Certain eastern European producers eye the U.S. market and see no reason why they cannot each obtain 2 percent or more of the available tonnage. The British steel industry is encouraged to carve more deeply into the U.S. market (Steel and Coal, Sept. 6, 1963). And the Community, already furnishing over 2 million net tons to the U.S. market, is trying to increase its share. A little arithmetic suggests that the level of imports may in the near future well take 10 to 15 percent of the U.S. market.

The future import threat will have serious effects on the American steel industry and the national economy.

In the first place, massive increases in imports will limit steel industry sales revenues, production, employment, and wages. Each ton of steel imported means 15 fewer American steelworker man-hours. Since 1 million net tons is equivalent to 7,500 employees, a doubling of import volume would mean over 41,000 fewer American steelworkers. In view of the serious effort of the American steel industry to be competitive, such large increases in imports in a basic industry pose a serious public issue, as follows:

(i) Industry investment seeks to improve efficiency, one measure of which is fewer man-hours per unit of output.

(ii) Total employment can only increase if output rises at a rate more than sufficient to offset the gain in efficiency.

(iii) Therefore, if imports increase at a rate which syphons off industry growth, total employment in this basic industry will decrease.

Further, the steel man-hours displaced by imports represents a greater economic loss to the country than would be the case for many other industries; steel labor is in general highly skilled (average wages $3.31 per hour compared to $2.50 per hour in manufacturing as a whole) and these skills are not easily transferable to other industries.

In the second place capital facilities used in the steel industry are long lived and expensive—current investment in excess of $14 billion. If displaced by imports, these long-lived and expensive facilities cease to have real economic value; the resulting loss to both the industry and the country is correspondingly higher than in industries whose capital facilities are less long lived or more adaptable for other uses. Because there is considerable foreign excess capacity in steel, foreign suppliers can quickly and cheaply expand output to take advantage of any reduction in U.S. tariffs on steel. The import flow resulting from a reduction in tariffs is thus likely to be relatively larger for steel than for other products where excess capacity is not so prominent.

And in the third place, massive increases in imports will affect our balance of payments. Each ton of steel imported has been averaging $125 per net ton in value. Since 1 million net tons is equivalent to $125 million, a doubling of import volume would mean—other things equal—an increase in our balance-of-payments deficit of nearly $700 million.

8. CONCLUSION

In view of—

(i) The worldwide capacity-demand imbalance,

(ii) The discriminatory pricing practices in effect in the world steel markets,

(iii) The growing technological parity,

(iv) The consequent difficulty faced by American producers in offsetting the substantial differences in hourly employment costs occasioned by the higher standards of living of American steelworkers,

(v) The inequitable Government-determined costs of entry, and

(vi) The future import threat and its potential effect on the American steel industry and national economy,

Bethlehem asks that the negotiators avoid steps which might further weaken the precarious competitive position of the American steel industry.

Specifically, Bethlehem recommends that our negotiators urge all countries to agree on effective measures to ban the dumping condemned by GATT and take steps to reduce significantly the difference in "costs of entry" between American steel producers in foreign markets and foreign steel producers in American markets. As has been stated earlier, American steel producers have embarked on a massive capital expenditures program to improve their position with respect to competitive factors within their control. But unless at the same time international dumping of steel is effectively stopped and costs of entry made approximately equal, the American steel industry faces an impossible task in improving its deteriorating position in the world steel market.

Previous negotiations, affecting tariffs alone, have resulted in substantial inequalities of opportunity for American steel producers. The steel industry must continue to request elimination of these inequities through reduction of foreign barriers, or, if this is unsuccessful, some compensatory adjustment applicable to imports into this country or exports from this country.

Some of the factors discussed in this brief are basically economic and not negotiable, while others are governmentally determined or sponsored and are negotiable. It is our sincere belief that the improvement of the position of the American steel industry in world trade lies in mutual efforts between Government and industry in which our part is through investment and research to improve products and efficiency, and the Government's part is to obtain reduction in or compensation for inequities (including costs of entry and dumping) in foreign trade.

HARRY W. KALICH

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

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[3] "World Steel Market," Steel Review, July 1963.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LIBONATI. Mr. Speaker, there are gentlemen on the floor—who enjoy a reputation of being heroes in the minds of the people of the Republic—who respect and appreciate the many services, advice, and cooperation extended to them by the working personnel of specialists functioning at the dais of the House. The resulting loyal friendships reflect the deep appreciation and perfect confidence existing between themselves and these honored officials of the House. Their immeasurable value to the functioning of the Congress entitles each one to be regarded as holding a sort of an honorary membership in the House of Representatives.

Mr. Speaker, today we learned that Harry W. Kalich is retiring from his duties as tally clerk, and it is to him that we pay homage and praise for his work among us.

In the many long years of his experience in the House, he has witnessed the making of the history of our times. He has seen the humorous as well as the pathetic incidents on the floor that bestir the spirit and recollection of the past years. His daily presence on the floor gave him an uncanny insight into judging the qualities and abilities of the Members in carrying out their responsibilities. He made himself serviceable to each. He has enjoyed a wealth of experience and still kept his faith in human beings.

His happy smile of welcome will be missed. His serious demeanor added dignity to the Chamber when the occasion demanded it. He was a credit to himself and the House of Representatives.

It is unfortunate that we must lose the services of this courtly and gentle friend. But, we do not begrudge him the right to retire after such a long and faithful service. May he and his darling wife, Ann May, enjoy their respite from the arduous duties of his stewardship. May God grant them His blessing for their every wish and happiness for years to come.

WILLIAM WINES

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LIBONATI. Mr. Speaker, the purple haze that dims the eye and dulls the brain of man descended upon our Illinois genius of the law, William Wines, this sad Friday past—February 21—and thus afflicted, without reason, he destroyed himself. Without the advice of a friend and with a heavy hand he determined his exodus to a new life—a new chance—a new experience.

He proved himself in the field of law at an early age pleading causes before the justice of the peace courts. In later life as an advocate, he became skillful in proceedings before the supreme courts at the State and Federal level in both civil and criminal matters in behalf of the State. His preparation of his causes was so resplendent with authoritative research in not only the established precedents in ruling cases in point, but also the development of the holdings through the history of the question presented to the early court. Reciting rulings under the Nisi Prius courts of England, the French Napoleonic Code and Roman Justinian Statutes. And so he became an authority not to be questioned—but he also had another unusual rare characteristic that reflected his true sense of honesty and fairness—he would be the first one to admit in open court that his cause was lost. His abilities were universally recognized by the legal lights of the Nation, either of the bench or bar. His conscientious efforts laboriously expended for perfect results, and at the great costs of much mental and nervous energy, marked him as a brilliant and respected adversary.

It was natural that he developed an aristocratic attitude toward the legal precepts of his profession, and at times in his pleas lost patience with those adversaries who represented vested interests, both private and public—then he became almost savage in his sarcastic attacks upon the legal presentments of the opposition. He could not resist the temptation of placing the selfish, hypocritic, and ignorant contentions of his adversaries in their true light.

He was cool and collected in dealing with any personal attacks ignoring the same and confining his remarks to the issues at hand. The judges respected him for his composure in times of stress and excitement—he knew how to relieve the court of unpleasant pressures either public or in court decorum.

Somehow in this life we know not whether the great storehouse of knowledge—the brain of man—holds true to God's purpose of our very existence. It seems that the soul of man exemplified by a "blue burning flame" burning in a thin line, really sparks the mortal existence of a human being; yet somehow, somewhere, something happens—a naked idea, a question of life's purpose, an incident or experience bordering on morose forebodings—then this "thin lined blue flame" becomes "purple in hue"—the reason becomes distorted, he is stunned into an opaqueness of thought and a will to die emerges and so he seeks to escape the realities of life, thus, sealing every rational avenue of thought against the loves of those living; and serving out one's stewardship on earth. We ask, is this the will of the Almighty—whose will be done?

And so it was with this great soul of a man—the mental infirmities that grew upon him in this troublesome age, especially upon one who lives in truth, and so with a "willess" will he chose to meet the future life—to live again in the forgiveness of God's will to the honest and just; yet became despondent of the cruelties upon humankind in this vicious cold and unforgiving life of selfishness and disorder in our dismal world.

Hope shall not die where mercy must prevail. God alone must know and bless a life of truth even though the sword is drawn or the shot is spent.

The following articles appeared in the Chicago American and the Daily News:

[From the Chicago (Ill.) American]

ATTORNEY GENERAL CLARK TOP AID, WINES, KILLS HIMSELF

William C. Wines, 54, a top aid to Illinois Attorney General William G. Clark, shot himself fatally Friday in a ninth floor office in the State of Illinois Building, 160 North La Salle Street.

He was rushed to Henrotin Hospital where last rites were given the veteran assistant attorney general in the hospital's emergency room.

Wines, who had been head of the appeals division since joining the attorney general's office in 1941, had been working "night and day" on the State's reapportionment problem, according to fellow employees.

VERY HARD WORKER

Edward Hanrahan, first assistant attorney general, said Wines had a reputation for being a "very hard worker," and repeatedly had been urged to slow down.

Clark said Wines complained 2 days ago about not feeling well. Other employees said the lawyer had appeared to be despondent recently.

Wines lived at 3530 Pine Grove Avenue, with his wife, Fredda. They had no children.

SUPREME COURT CASES

He handled both civil and criminal cases and often appeared before the United States Supreme Court in behalf of the State.

He was reported to have argued more cases before the Illinois Supreme Court than any other lawyer. His associates described his legal work as "brilliant."

Widely known and respected as an attorney, he had remained in the attorney general's office through the administrations of former Governors Green, Stevenson, Stratton and Kerner.

Wines' secretary, Miss Griffin, told police that her boss carried a brown package when he arrived for work, about 15 minutes before he shot himself. Police said the package apparently contained the .38 caliber revolver Wines used to fire a bullet into his left temple.

Wines shot himself in the office of Assistant Attorney General Ray S. Sarnow, which adjoins his. Sarnow was not in the office.

As a youngster, Wines was known as "the boy wonder of Sangamon County" and practiced law, wearing short pants, before a justice of the peace while he was still in grammar school.

He was admitted to the bar in 1932 after attending the Northwestern and De Paul University law schools.

[From the Chicago Daily News]

WINES SERVICES IN SPRINGFIELD

Private services for William C. Wines, of 3530 Pine Grove Avenue, assistant Illinois attoney general since 1941 in charge of the appeals division, will be held Monday in Springfield. He shot and fatally wounded himself Friday, February 21, 1964, in a ninth-floor office in the State of Illinois Building, 160 North La Salle Street. Associates, who described him as a "legal genius," said he had complained recently of not feeling well. He represented the State in many major cases before the Illinois and U.S. Supreme Courts. Attorney General William G. Clark said Wines' death is a great loss to the people of Illinois. Wines was born in Springfield and as a boy appeared in cases before justices of the peace, where a law degree was not required. He attended DePaul University and the University of Illinois and was graduated from Northwestern University Law School. He was admitted to the bar in 1932. Surviving are his widow, Fredda, and a sister. There will be visitation from 3 to 9 p.m. Sunday in the chapel at 25 East Erie Street.

INTEREST RATES ON LOANS MADE TO RURAL ELECTRIFICATION ADMINISTRATION

The SPEAKER pro tempore (Mr. Brooks). Under previous order of the House, the gentleman from New York [Mr. King] is recognized for 15 minutes.

Mr. KING of New York. Mr. Speaker, the Rural Electrification Administration has been severely criticized by the press and by Members of Congress for use of 2-percent interest loans to rural cooperatives, beyond the original relief program of providing the farmer with electricity. Cooperatives have invested in their own powerplants, instead of buying electricity from established private and public utilities, as was originally intended in the REA program. Because of the big investment in generation facilities which are not economically carrying rural loads alone, the co-ops have sought out and financed potential customers for their excess electricity. We have all been made aware of the extent to which REA loans at 2 percent have been diverted from their primary purpose in the drive for large consumers. Loans with REA money, for example, have gone to the Chestnut Hill Resort in Indiana and the Blue Knob Development Corp. in Pennsylvania to finance snowmaking equipment.

Many Americans view this growing dimension in REA financing with alarm. The agency that was created to bring electricity to the farmers, to extend powerlines to rural markets, has accomplished its purpose admirably and has brought immeasurable benefits to the agricultural scene. After 27 years of investment in rural electrification, made with loans of 2 percent, 99 percent of the job has been completed. If any more Department of Agriculture money is used at a rate of 2 percent for investment in generation and development programs, REA will begin to encroach upon either the domain of the private sector of the power industry or the proclaimed development programs of the other established agencies of the Federal Government, such as the Area Redevelopment Administration and the Farmers Home Administration.

Mr. Speaker, today I want to talk about my bill, H.R. 7069, which would maintain the interest rate on any loan made by the Treasury to the Department of Agriculture for carrying out REA programs, at a level not less than the average rate of interest being paid by the United States for its obligations, plus one-fifth of 1 percent for administrative expenses and estimated losses.

Now that the principal job of the Rural Electrification Administration has been accomplished, the time has come for Congress to consider what will become of the REA. We are all aware that Government agencies prefer to expand and become indispensable to the American people, rather than retire gracefully from the Budget rolls. As long as we, the Congress, allow the REA to use Federal funds at a 2-percent interest rate, we cannot expect anything but an expansionist program from a federally oriented agency.

I am not going to call REA a tool for socialized power enthusiasts, as do so many of its critics, who consider REA financing as a means to establish a larger sphere in the electric power industry and to compete with private utilities and businesses. It is easy to see that beyond any faith in public ownership, REA administrators are interested in preserving their influence, and the only way to do that, of course, is to perpetuate their agency. Self-preservation is a well-known bureaucratic affliction. No personal criticism toward REA administrators is meant, however, by these last remarks.

Mr. Speaker, the idea of setting up a congressional review of REA loans above a certain amount, as a means of controlling REA policies, does not appeal to those of us who are able to see how pork-barrel politics could influence each decision. An agency such as REA is set up under the executive branch of our Government to be as far away from political sway as possible. The Senate advises and consents to the appointment of competent administrators, after thorough screening into conflict of interests; and by definition, our civil servants are nonpolitical. It is right, then, to allow the Rural Electrification Administration and every other agency to function, without specific referral to Congress for every move, since our own regional preferences might get in the way of an impartial decision, not to mention a speedy one.

A straightforward way, therefore, to control the expansion of the Rural Electrification Administration, whose great work has been essentially completed, is through support of H.R. 7069. In confining this agency to its specified purpose, as the higher interest rate would tend to do, we can then consider expanding the other agencies for their specified jobs. Duplication in government is expensive. If the ARA finds a program necessary, certainly we should allow it to finance the project completely by itself rather than encourage the REA to prostitute its purposes because it has easy and available low-interest money. Why should we make funds available for generation construction when such investment has been made by private and public power units; and adequate electricity is for sale to the cooperatives already? Why should the REA, subsidized to bring light to the farmer, be affluent enough to advertise cheap power, luring industry away from the private, competitive, and taxpaying sector of our economy?

Mr. Speaker, in 1954 the second Hoover Commission reported that the time had arrived for the reorganization of the REA into a self-supporting institution which could secure its own finance from private sources in a manner similar to other agencies. Now almost 10 years after this recommendation was made, we in Congress have come to our senses. A simple way for the Rural Electrification Administration to be contained is through support of H.R. 7069, which would put financing on an actuarially sound basis and would eliminate taxpayer subsidy of an agency whose only possible future is in invasion of the private economy.

THE 175TH BIRTHDAY OF THE U.S. CUSTOMS SERVICE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Florida [Mr. Herlong] is recognized for 15 minutes.

Mr. HERLONG. Mr. Speaker, on Saturday evening, February 22, a banquet honoring the 175th birthday of the U.S. customs service was held in Washington at the Sheraton-Park Hotel. A highlight of this important occasion was a ceremony during which the just-issued commemorative postal card was presented in recognition of this significant anniversary of the Customs Service.

It has long been my belief that the American people are well served by the work of this Bureau and I am especially pleased to note that the commemorative postal card is in recognition both of the 175th anniversary of the establishment of this organization and in recognition also of those customs employees who lost their lives in enforcing its laws. The distinguished gentleman from New York [Mr. Rooney] deserves the appreciation of his colleagues for his introduction of the bill which provided for the well-deserved issuance of this postal tribute.

I share with President Lyndon Johnson his high regard for the dedicated service performed over the years by the personnel of the Bureau of Customs. His proclamation of December 30, 1963, included a statement which I heartily endorse. President Johnson called for appropriate activities in recognition of this anniversary which would "serve as an occasion to commemorate the contribution of Customs to the health and welfare of every citizen, to the national well-being, and to the development of a sound economy capable of leading the free world and assisting the emerging nations."

While it is my purpose today to salute the Customs Service for the outstanding way in which it has performed its functions over a century and three-quarters, I should also like to take this opportunity to direct our attention to the fact that the maintenance of its responsible, protective procedures needs to be buttressed in the days ahead. I know that many of my colleagues are as concerned as I am with the fact that this Bureau, which has done such a remarkable job in collecting a major portion of the revenues of the Federal Government, needs additional personnel of competence if it is to effectively administrate the increased functions which it now performs. It is my conviction, that on a dollar-for-dollar basis, the U.S. Government receives more value from the relatively modest budget of the U.S. Customs Service than it does from virtually any other agency of the Government.

Because I know that our distinguished Speaker, the gentleman from Massachusetts [Mr. McCormack], shares my concern about the increase in smuggling of narcotics, watches, and diamonds, as well as other problems which the Customs Service has been facing, and because a statement which he made to this body when he was Majority Leader 10 years ago is still meaningful and appropriate today, I should like to quote pertinent excerpts from it, as follows:

> Does the customs service of today differ from the customs of yesterday? In many particulars, yes; basically, no. The functions assigned to it—of supervision and inspection and protecting the revenue—remain the same, but the way in which these functions are administered is very different from that of yesteryear. There has been a substantial curtailment, and in some cases abandonment, of responsible protective procedures. I refer, in particular, to those measures which guard our ports against smuggling.
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> It invites speculation to note that the customs service has been reducing its staff at a time when full-scale attempts to flood the country with narcotics are in progress. The origin of these drugs is said to be Communist Asia and the plan to use them to demoralize the youth of the United States is obviously Communist inspired. The customs service is the barrier past which this tide of dope must pass. As such, it is one of the most sensitive agencies in our Government, and should be the last department to feel the effects of an economy program. All changes in the methods of enforcement and supervision have been made by administrative regulation, presumably to meet budget reductions.
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> It is hard to fathom why it has not been more generally understood that the core of the entire problem is the complete breakdown of supervision and enforcement at the customs level. Customs officers are charged with the prevention of smuggling of all descriptions, including dope, obscene material, subversive literature, and are the first line of defense against the smuggling of atomic weapons which, admittedly, may be concealed in hand luggage of travelers. This aspect of smuggling has moved the Congress to provide rewards for information leading to the apprehension of individuals attempting to smuggle atomic weapons into the country. If the officers who are charged with intercepting these smuggling attempts are rendered impotent by administrative regulations which make this function a token action only, the odds on the side of the smuggler or subversive are thereby greatly increased and the intent of Congress completely nullified.
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> Packages arriving by mail are passed with only the briefest screening, and 95 percent of them receive no examination. Upon the arrival of vessels and aircraft only a spot-check examination is made of passengers' luggage. The physical searching of vessels and aircraft and other carriers has been lessened. The once vigorous routine of customs inspection is no longer vigorous or routine.
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> The implications in this situation should be a matter for deep concern. It has been said that appropriation difficulties make changes necessary and that budget directives determine whether a job is to be done in a particular manner, or even done at all. It is said, too, that customs budget requests are in competition with the many others presented by other departments and must, therefore, expect to share in across-the-board cuts which are imposed in order to effect economies in the overall budget presented to the Congress.
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> Rather than upset this budget-imposed ceiling figure, Customs must administer its program with a reduced staff irrespective of whether it means relaxation of controls and opening the doors of the ports of entry to smugglers.
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> This matter should be investigated and if Congress or the Budget Bureau has erred the mistake should be corrected at once. The problem is so serious that an appropriate committee or subcommittee of the House should investigate why our controls have been curtailed and abandoned and why responsible protective procedures are not reinstated in connection with the smuggling of narcotics. I believe the narcotics problem is second only in importance to the Communist problem. The menace is real and the present danger should no longer be ignored. * * * If our inspection forces are too small, if Congress is at fault in not providing sufficient funds, if our enforcement agencies need strengthening, if the Budget Bureau is imposing economies which are threatening to wreck our barriers against smugglers, then such an investigation should reveal the reason and provide the remedy. Unless the dangers and horrors of narcotics addiction is lessened we cannot for long maintain the economic and military and moral strength to fight the greatest of all evils—communism.

These notable and meaningful words which our distinguished Speaker presented to the House of Representatives when he was Majority Leader 10 years ago were echoed, I understand, at the commemorative banquet honoring the U.S. Bureau of Customs last Saturday evening by one of those who addressed the nearly 1,000 people in attendance. Mr. Walter J. Mercer, president of the National Customs Brokers and Forwarders Association of America, Inc., stressed that the sage observations of the gentleman from Massachusetts [Mr. McCormack] are as timely today as they were when they were delivered in August of 1954. Mr. Mercer emphasized the continuing need to permit the Bureau of Customs to have adequate personnel to fulfill its functions and I was pleased to learn that Secretary of the Treasury Douglas Dillon intimated that something might be done to correct the ills which Mr. Mercer mentioned. Because of their pertinence, I should like to quote the following portions of Mr. Mercer's remarks:

> For many years it was the chief source of revenue in the Government. A high level of revenue still continues, and last year the receipts for duties and taxes exceeded $1,800 million against a budget of approximately $66 million.
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> The purpose of Customs has not changed, but the method of operating is almost unrecognizable with the past. As long as 10 years ago the numerous defects in the system became apparent. For verification of this I recommend that interested parties read Congressman McCormack's—now Speaker of the House—report in the Congressional Record of August 20, 1954, in which he refers in part to the calculated risk theory in connection with the supervision of the activities of carriers, importers, travelers and others, to an extent never contemplated by Congress when it passed the Tariff Act. He mentions the fact that shipments arriving by mail and parcel post are passed with only the briefest screening, and that 95 percent of them never receive any examination whatsoever. He further states that the physical searching of vessels and aircraft has been lessened, and that the once vigorous routine of customs inspection is no longer vigorous or routine.
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> This happened 10 years ago, and since then the situation has become progressively worse. What is the cause of all this? Frankly, there is only one reason, and that is the lack of additional trained personnel. The present total personnel is about the same as it was 10 years ago, and less than it was 20 years ago, while the workload has gone up 400 percent.
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> The Bureau administrates the customs work of numerous Government agencies, such as the Department of Commerce, the Department of Agriculture, the Department of State, the Federal Trade Commission, and others. It enforces the Neutrality Act, the Wool Labeling Act, the Textile Act, the Fur Act, and many others. In fact, due to the additional work, they are actually operating with a skeleton force.
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> The men in Customs are, for the most part, dedicated to the Service, honest, intelligent, and loyal. However, there are signs of a break in morale, which must be avoided. The ingenuity of the Commissioner and his staff is taxed to the utmost in endeavoring to keep abreast of what appears to be a losing cause, and some definite, tangible relief must be forthcoming in the near future.
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> I feel that with an adequate force the revenues would be substantially increased, but, more important, that the smuggling of narcotics, watch movements because of the high duty rate, and other commodities would be kept at a minimum.
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> I do not know who is to blame for the present situation, but feel that the Bureau itself, the Treasury Department and Congress should all share in the responsibility. My organization has brought to the attention of the Honorable J. Vaughan Gary, chairman of the Appropriations Subcommittee, a more detailed account of the present situation, and I have offered to appear before his committee. * * * I sincerely hope that some relief is forthcoming in the not too distant future.

These straightforward comments of the president of the National Customs Brokers and Forwarders Association, Mr. Walter J. Mercer, merit our attention and deserve supporting action. I have quoted from his remarks, as well as from the memorable ones of the gentleman from Massachusetts [Mr. McCormack], because I believe that they represent the feelings of many interested persons who respect and, at the same time, wish to perpetuate the dedicated service that the U.S. Bureau of Customs has given to the people of this country over the past 175 years.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Charles H. Wilson, (at the request of Mr. Albert), for today, and the balance of the week, on account of official business.

Mr. Brown of Ohio (at the request of Mr. Halleck), commencing February 17, 1964, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Herlong, for 15 minutes, today; and to revise and extend his remarks.

Mr. Wilson of Indiana, for 15 minutes, on Thursday, February 27; Monday, March 2; Tuesday, March 3; and Wednesday, March 4.

Mr. CURTIS (at the request of Mr. ASHBROOK), for 1 hour, on February 26.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ROONEY of New York in two instances and to include extraneous matter.

(The following Members (at the request of Mr. ASHBROOK) and to include extraneous matter:)

Mr. BARRY.

Mr. JENSEN.

Mr. BRAY.

(The following Members (at the request of Mr. MOSS) and to include extraneous matter:)

Mr. FISHER in two instances.

Mr. SLACK.

Mr. CELLER.

ADJOURNMENT

Mr. PATMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 26 minutes p.m.) the House adjourned until tomorrow, Wednesday, February 26, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1739. A letter from the Comptroller General of the United States, transmitting audit of financial statements of the Tennessee Valley Authority for fiscal year ending June 30, 1963, pursuant to Government Corporation Control Act (31 U.S.C. 841) (H. Doc. No. 234); to the Committee on Government Operations and ordered to be printed.

1740. A letter from the Acting Administrator, Foreign Agricultural Service, U.S. Department of Agriculture, transmitting report of title I, Public Law 480 agreements signed during January 1964, pursuant to Public Law 85–128; also copies of the agreement with the Republic of Guinea reported in letter dated December 26, 1963; to the Committee on Agriculture.

1741. A letter from the Office of the Assistant Secretary, Department of the Army, transmitting report on the Department of the Army research and development contracts pursuant to section 4 of Public Law 557, 82d Congress; to the Committee on Armed Services.

1742. A letter from the Comptroller General of the United States, transmitting report on review of policies and procedures concerning admissions to and discharges from Junior Village in the District of Columbia; to the Committee on Government Operations.

1743. A letter from the Comptroller General of the United States, transmitting a report on weaknesses in admissions and billing practices of the District of Columbia General Hospital; to the Committee on Government Operations.

1744. A letter from the Comptroller General of the United States, transmitting report on excessive interest expense included in the price negotiated for petroleum storage under contract ASP–21801 with New England Tank Industries of New Hampshire, Inc., by the Department of Defense, pursuant to 31 U.S.C. 53, 31 U.S.C. 67, and 10 U.S.C. 2313(b); to the Committee on Government Operations.

1745. A letter from the Secretary of the Interior, transmitting the annual report on the progress and accomplishments of the anthracite mine water control and mine sealing and filling program established by the act of July 15, 1955, as amended by the act of October 15, 1962, Public Law 87–818; to the Committee on Interior and Insular Affairs.

1746. A letter from the Chairman, Federal Power Commission, transmitting the annual report of the Federal Power Commission for the fiscal year July 1, 1962, to June 30, 1963; to the Committee on Interstate and Foreign Commerce.

1747. A letter from the Director, Administrative Office of the U.S. Courts, transmitting the annual report of the Director of the Administrative Office of the U.S. Courts pursuant to section 604(a)(4) of title 28 of the United States Code; to the Committee on the Judiciary.

1748. A letter from the Deputy Administrator, National Aeronautics and Space Administration, transmitting report for calendar year 1962 of National Aeronautics and Space Administration showing utilization of section 4 of the act of August 28, 1958 (72 Stat. 972, 50 U.S.C. 1435); to the Committee on Science and Astronautics.

1749. A letter from the Chairman, U.S. Tariff Commission, transmitting the 47th Annual Report of the U.S. Tariff Commission pursuant to the provisions of section 332 of the Tariff Act of 1930; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 1150. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. HOLIFIELD: Joint Committee on Atomic Energy. H.R. 9711. A bill to amend the Atomic Energy Act of 1954; without amendment (Rept. No. 1151). Referred to the House Calendar.

Mr. WILLIS: Committee on the Judiciary. H.R. 10051. A bill to amend Public Law 86–272, as amended, with respect to the reporting date; without amendment (Rept. No. 1152). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. OLSEN of Montana:

H.R. 10082. A bill to restrict the imports of beef, veal, and mutton into the United States; to the Committee on Ways and Means.

By Mr. JOHNSON of California:

H.R. 10083. A bill to restrict the imports of beef, veal, and mutton into the United States; to the Committee on Ways and Means.

By Mr. HARDING:

H.R. 10084. A bill to restrict the imports of beef, veal, and mutton into the United States; to the Committee on Ways and Means.

By Mr. MARTIN of Nebraska:

H.R. 10085. A bill to restrict the imports of certain meats into the United States during a 3-year period; to the Committee on Ways and Means.

By Mr. BARING:

H.R. 10086. A bill to amend the Fair Labor Standards Act of 1938 to increase to 50 percent of the minimum under section 6 of the minimum wage applicable to physically handicapped workers employed in sheltered workshops and to provide for periodic increases beginning January 1, 1965, and for other purposes; to the Committee on Education and Labor.

By Mr. CEDERBERG:

H.R. 10087. A bill to authorize the Secretary of the Interior to make payments to reestablish the purchasing power of American fishermen suffering temporary economic dislocation; to the Committee on Merchant Marine and Fisheries.

By Mr. FOGARTY:

H.R. 10088. A bill to provide assistance in the development of new or improved programs to help older persons through grants to the States for community planning and services and for training, through research, development, or training project grants, and to establish within the Department of Health, Education, and Welfare an operating agency to be designated as the "Administration on Aging"; to the Committee on Education and Labor.

By Mr. McCLORY:

H.R. 10089. A bill to provide that the National Bureau of Standards shall conduct a program of investigation, research, and survey to determine the practicability of the adoption by the United States of the metric system of weights and measures; to the Committee on Science and Astronautics.

By Mr. WICKERSHAM:

H.R. 10090. A bill to insure to military personnel certain basic constitutional rights by prohibiting command influence on courts-martial cases and in certain nonjudicial proceedings, and for other purposes; to the Committee on Armed Services.

H.R. 10091. A bill to further insure due process in the administration of military justice in the Department of the Navy by establishing a Judge Advocate General's Corps in such Department; to the Committee on Armed Services.

By Mr. GUBSER:

H.R. 10092. A bill to amend the Tariff Act of 1930 to provide that bagpipes and parts thereof shall be admitted free of duty; to the Committee on Ways and Means.

By Mr. O'NEILL:

H.R. 10093. A bill to amend section 201 of the Immigration and Nationality Act, so as to provide that all quota numbers not used in any year shall be made available to immigrants in oversubscribed areas in the following year, and for other purposes; to the Committee on the Judiciary.

H.R. 10094. A bill to admit 50,000 immigrants, natives and citizens of Italy; to the Committee on the Judiciary.

By Mr. MONTOYA:

H.R. 10095. A bill to restrict imports of beef, veal, and mutton into the United States; to the Committee on the Ways and Means.

By Mr. ANDREWS of North Dakota:

H.R. 10096. A bill to amend the Watershed Protection and Flood Prevention Act so as to eliminate the exclusion of structures having in excess of 5,000 acre-feet of flood water detention capacity; to the Committee on Agriculture.

By Mr. FISHER:

H.R. 10097. A bill to restrict imports of beef, veal, lamb and mutton into the United States; to the Committee on Ways and Means.

By Mr. GUBSER:

H.R. 10098. A bill to amend title 10, United States Code, to provide medical care for certain members of the Armed Forces who are entitled to retired or retainer pay, or equivalent pay, and who served on active duty for at least 90 days during time of war or conflict, and their dependents; to the Committee on Armed Services.

By Mr. JENSEN:

H.R. 10099. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. RIVERS of Alaska:

H.R. 10100. A bill to modify the project for Bradley Lake, Cook Inlet, Alaska; to the Committee on Public Works.

By Mr. ROUDEBUSH:

H.R. 10101. A bill to amend title 38 of the United States Code to extend certain benefits to certain veterans suffering deafness of both ears; to the Committee on Veterans' Affairs.

By Mr. VANIK:

H.R. 10102. A bill to amend Public Law 874, 81st Congress; to the Committee on Education and Labor

By Mr. ROBISON:

H.J. Res. 933. Joint resolution to establish a permanent Commission on Presidential Disability, and for other purposes; to the Committee on the Judiciary.

By Mr. KYL:

H.J. Res. 934. Joint resolution to provide for the rehabilitation of the commercial and residential areas of the District of Columbia by means of zoning incentives without resort to the Federal urban renewal program which has destroyed thousands of small businessmen and has utterly failed to rehouse the slum dweller despite the expenditure of more than $100 million in the Nation's Capital, and the planned expenditure of many more millions of dollars in Federal taxes; to the Committee on the District of Columbia.

H.J. Res. 935. Joint resolution to provide for the rehabilitation of the commercial and residential areas of the District of Columbia by means of tax incentives without resort to the Federal urban renewal program which has destroyed thousands of small businessmen and has utterly failed to rehouse the slum dweller despite the expenditure of more than $100 million in the Nation's Capital, and the planned expenditure of many more millions of dollars in Federal taxes; to the Committee on the District of Columbia.

By Mr. GILBERT:

H. Con. Res. 272. Concurrent resolution expressing the sense of Congress with respect to the persecution by the Soviet Union of persons because of their religion; to the Committee on Foreign Affairs.

By Mr. UDALL:

H. Con. Res. 273. Concurrent resolution to place temporarily in the rotunda of the Capitol a statue of Father Eusebio Francisco Kino, and to hold ceremonies on such occasion; to the Committee on House Administration.

H. Con. Res. 274. Concurrent resolution accepting the statue of Father Eusebio Francisco Kino, of Arizona, presented by the State of Arizona, to be placed in Statuary Hall; to the Committee on House Administration.

H. Con. Res. 275. Concurrent resolution providing for printing of proceedings in connection with the unveiling of the Father Eusebio Francisco Kino of Arizona statue; to the Committee on House Administration.

By Mr. ELLIOTT:

H. Res. 638. Resolution authorizing the printing of additional copies of the hearings entitled "Federal Research and Development Programs"; to the Committee on House Administration.

By Mr. NELSEN:

H. Res. 639. Resolution to investigate solicitations of certain contributions from Government employees for charitable purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of Hawaii memorializing the President and the Congress of the United States, relative to Federal participation in socially oriented programs, which was referred to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions, were introduced and severally referred as follows:

By Mr. FASCELL:

H.R. 10103. A bill for the relief of Rudolph Ambra; to the Committee on the Judiciary.

By Mr. FINNEGAN:

H.R. 10104. A bill for the relief of Mr. Vincenzo Mangiameli; to the Committee on the Judiciary.

By Mr. JOELSON:

H.R. 10105. A bill for the relief of Rev. Joseph LoGatto; to the Committee on the Judiciary.

By Mr. KYL:

H.R. 10106. A bill for the relief of Karen Ann Moore (Francoise Slezak); to the Committee on the Judiciary.

By Mr. LEGGETT:

H.R. 10107. A bill for the relief of Mohinder Singh Ghah; to the Committee on the Judiciary.

By Mr. LIBONATI:

H.R. 10108. A bill for the relief of Mrs. Maria Papakyriakos (nee Markopoulos); to the Committee on the Judiciary.

By Mr. MILLIKEN:

H.R. 10109. A bill for the relief of Esen Ortac; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 10110. A bill for the relief of Gaetano Gandolfo, Gaetana Gandolfo, Salvatore Gandolfo, and Rino Gandolfo; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 10111. A bill for the relief of Giuseppe Maniace and Esopia Maniace (nee Pruiti) and their children, Sarafina Maniace, Rosaria Maniace, and Benedetta Maniace; to the Committee on the Judiciary.

By Mr. SIBAL:

H.R. 10112. A bill for the relief of Peter Carson; to the Committee on the Judiciary.

By Mr. WATTS:

H.R. 10113. A bill for the relief of Teresa Oon; to the Committee on the Judiciary.

H.R. 10114. A bill for the relief of Mayumi Ogiwara; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

719. The SPEAKER presented a petition of Ohio Bell, Chicago, Ill., petitioning consideration of his resolution with reference to restoration of rights lost as a result of previous condition of servitude; which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

A Bill To Restrict by 50 Percent Imports of Meats of Every Description

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 25, 1964

Mr. JENSEN. Mr. Speaker, I have today introduced a bill which restricts imports of meat and meat products into the United States. The bill reads as follows:

H.R. 10099

A bill to restrict imports of meat and meat products into the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the total quantity of meat and meat products originating in any country which may be entered, or withdrawn from warehouse, for consumption, during any twelve-month import period, shall not (except as provided in section 3) exceed 50 per centum of the average annual quantity of meat and meat products imported from such country during the five-year period ending on December 31, 1963.

SEC. 2. As used in this Act—

(1) the term "meat and meat products" includes (A) beef, veal, lamb, mutton, pork, poultry, and any other meat to which part 2 of schedule 1 of the Tariff Schedules of the United States applies, whether or not prepared or preserved and whether canned, cured, dressed, or in any other form, (B) live animals imported to provide meat of any kind for human consumption, and (C) any food product which contains meat, of any kind or in any form, and which is intended for human consumption; and

(2) the term "twelve-month import period" means the twelve-month period beginning on the date of the enactment of this Act or any subsequent twelve-month period beginning on an anniversary of such date.

SEC. 3. If, during any twelve-month import period (after the first such period), the total United States market for meat and meat products (as estimated by the Secretary of Agriculture) exceeds the total average annual United States market for meat and meat products during the five-year period ending on December 31, 1963, the maximum quantity of meat and meat products which could otherwise be imported into the United States from any country during such period within the limitation imposed by the first section of this Act shall be increased to an amount bearing the same ratio to such quantity as such market during the twelve-month import period bears to such total average annual market during such five-year period.

SEC. 4. Each quantity referred to in the first section of this Act shall be expressed in terms of dollar value, or in terms of such other units (as prescribed by the Secretary of Agriculture) as will permit its magnitude to be measured, or equated or compared with other quantities in determining whether and to what extent the limitation imposed by such section is applicable, without regard to the kinds of meat and meat products or the proportions of the various kinds of meat and meat products which are included in such quantity. In the case of a product which contains but is not composed exclusively of meat, there shall be taken into account, in determining the magnitude of the quantity involved, only so much of such product, or only so much of the value

> of such product, as constitutes or is attributable to the meat contained therein.
>
> SEC. 5. The Secretary of Agriculture, under regulations prescribed by him jointly with the Secretary of the Treasury, shall make such determinations and establish such procedures as may be necessary or appropriate to carry out this Act.

You will note, Mr. Speaker and my colleagues, that my bill restricts by 50 percent the average annual quantities of all meats of all kinds and in all forms of packaging and of all live meat animals imported into the United States from all foreign countries during the past 5-year period ending on December 31, 1963.

Mr. Speaker, our cattle feeders especially are suffering a most desperate cost price squeeze and have for the past year or more. Primarily due to the large beef imports of every description many stockmen have already been driven to the wall, and unless a bill such as mine is very soon made law, thousands upon thousands of our stockmen will be driven into bankruptcy, and also our entire national economy will suffer.

I sincerely hope that every Member of the House and Senate will give full consideration and support to my bill and effectively work for its early passage.

Representative Steed Suggests "A Different Look at the Home Rule Question"

EXTENSION OF REMARKS
OF

HON. JOHN M. SLACK, JR.

OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 25, 1964

Mr. SLACK. Mr. Speaker, proposals for varying degrees of home rule for the District of Columbia have been the subject of discussion in the House on many occasions during the past several years, and the issue is one which holds a continuing interest for many Members. Since the amount and kind of home rule to be authorized has never been stabilized by agreement among several contending elements, and the subject is open to discussion, I am pleased to offer for consideration a provocative appraisal from the gentleman from Oklahoma, Representative TOM STEED, my distinguished colleague on the Appropriations Committee, as published in the February issue of Washington magazine:

> Do the residents of the District of Columbia really want the same right to vote and self-government that all other citizens enjoy?
>
> Or, is the current pressure for home rule really a movement inspired by selfish interest groups who use the voteless status argument as a smokescreen?
>
> The answers to these questions must be determined before any effective understanding or proper decision can be made on today's governmental problem in this unparalleled political subdivision of the United States, officially created as the District of Columbia and commonly recognized as the city of Washington.
>
> The Founding Fathers created the District as a home for the Federal Government, apart and away from the powers and influences of the several States. A Federal City meeting these needs and requirements and a city of Washington governed by its citizens can be created. To do this, a curtailment of that area which includes only the Federal City would have to be approved, with the remainder of what is now part of the District being returned to the State of Maryland.
>
> Full voting rights for the residents of the District as it now stands would not place these residents on an equal footing with other American voters. It would give them superrights. It would leave the imbalance of voting privilege as badly out of balance as is presently the case.
>
> Cutting the Federal City down to that area known as Capitol Hill, with some additional area covering the major part of the Federal building complex which includes the White House, would accomplish all restorations of citizenship rights that can be legally and fairly espoused.
>
> This reduction of the Federal City to an area in which all property is owned by the Federal Government, and in which no private citizens can reside, would simplify the matter of governing and regulating the Federal City as an independent home for the President, the Congress, and the Supreme Court, and would leave the remainder free to grow and develop in the same manner as is now possible and available to all other metropolitan areas in the United States.
>
> Under no system of government can the needs of the metropolitan area be met so long as the imaginary line of the District boundary continues to serve as an unbridgeable barrier to a comprehensive area government.
>
> The District and its immediate environs are so bound together economically that this political wall will forever act as a crippling barrier until it is removed.
>
> Under the existing situation there can never be proper planning and administration of such community needs as fire protection, police, transportation, education, and all the other major necessities for a large municipal entity.
>
> The District of Columbia government, under the present system and under all others attempted in the past, is by necessity a combination of a municipality, a county, and a State. None of the checks and balances which exist throughout the States can be enjoyed in the District.
>
> In a politically chosen system of government, the same bosses and forces that would control the city hall, would control the county and State levels. That is not so in the States, even in those having the largest metropolitan areas. Not to have these balances and restraints would automatically lead to chaos, controversy, mismanagement, and all the other ills that a political action can generate.
>
> Until about 70 years ago, the District had home rule. Several varieties were attempted. The record shows that all were failures. The same factors that caused the failure of home rule in the earlier days of District history still exist and will as surely bring about failure of any home rule plan that can be adopted now as it did to all those attempted in those earlier years. Any student of the history of the District would have to come to this conclusion.
>
> Removing of the District line would enable the city of Washington to be incorporated under Maryland law with its boundaries expanding to whatever extent its governmental needs required. It would truly become a self-governed municipality, with its citizens having the same rights and privileges of all other Americans.
>
> The remaining Federal City, having no problem of private land ownership or residence to bother with, would present no problems of government or administration. The courts and the Congress would remain away and apart from the control of any State or local governing force. The "man on the white horse" could not bar the doors and invoke dictatorship as has been feared, and which fear caused the Founding Fathers to create the District in the first place.
>
> These are commonsense and realistic factors, which history already teaches us should be considered. Whether they ever are adopted will depend upon the proper answer to the first two questions raised at the beginning of this statement.
>
> If equality with all the remainder of the United States is not the objective, the other arguments and reasons for home rule are not worthy of the risks involved to adopt them. Adoption of home rule on the watered down and diluted basis now pending would at best merely be swapping present ills for a new set of ills.

Beef Import Agreement

EXTENSION OF REMARKS
OF

HON. O. C. FISHER

OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, February 25, 1964

Mr. FISHER. Mr. Speaker, while the agreement with Australia and New Zealand on beef and mutton imports was a step in the right direction, I must register my disappointment that it did not include lamb and also that it was not based upon a 5-year average of such imports.

Australia and New Zealand account for approximately 80 percent of our imports of beef and veal. Right now approximately 11 percent of our domestic meat market is filled by foreign imports. The 1962–63 average, which formed the basis for the voluntary agreement, witnessed by far the highest imports of beef and mutton into this country in history. For that reason, it would seem that a 5-year average, rather than the 2-year peak period, would have been more fair and realistic.

Mr. Speaker, I reiterate that I was disappointed because the agreement did not include lamb. I call attention to the fact that lamb imports have increased over 1,000 percent since 1957. Our sheep population is now the lowest since 1867. This decrease is due to lack of profit in the industry. From this it is clear that excessive imports of this product can be very harmful.

New York City is one of the three areas of this country that the domestic lamb industry must depend on for over 70 percent of its lamb sales. New York City is also the port through which the bulk of our lamb imports arrive. A few too many lambs there breaks the wholesale market and since New York is the sensitive price-setting point, the live lamb market frequently follows the lower New York market and breaks all over the Nation. It follows that a drop of even ½-cent per pound in our live lamb market as a result of the influx of imports is equivalent to a 5-cent per pound drop in wool prices.

The average farm price of U.S. lambs in 1963 was only $18.20 per hundredweight compared to the beef cattle price of $19.80.

Mr. Speaker, if lamb and mutton imports cannot be held at the average of the last 5 years, then I feel the industry would approve holding imports of lamb even at present increased levels in order to remove the present uncertainty as to volume coming in, resulting in further liquidation in an already depressed industry.

Mr. Speaker, I have today introduced a bill to effectuate the objective which I have described. A copy of the bill follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the total quantities of beef, veal, lamb and mutton (in all forms except canned, cured, and cooked meat) originating in any country which may be entered, or withdrawn from warehouse, for consumption during any period of twelve months shall not exceed the average annual quantities of such products imported from such country during the five-year period ending on December 31, 1963: *Provided*, That beginning January 1, 1965, there may be an annual increase in the total quantities of such products which may be entered, or withdrawn from warehouse, for such purpose, corresponding to the annual rate of increase in the total United States market for such products, as estimated by the Secretary of Agriculture.

Hearings Set on Congressional Districts

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1964

Mr. CELLER. Mr. Speaker, I have announced today hearings on March 18 on legislative proposals including my own bill, H.R. 2836, to solve the problem of the formation of congressional districts.

The hearings will also present the opportunity to all interested Members of the Congress to present their views on the problem with which they have been confronted since the recent decision of the Supreme Court involving congressional districts.

The decision in the case of Wesberry against Sanders has justified the position which I have taken on the problem of Federal standards for congressional districts and the enforcement of these standards since I first introduced legislation in the 82d Congress. During my long tenure in Congress, I have analyzed and studied that problem and have long believed that it was not an acute but a chronic one and now the recent decision has convinced not only the Members of the House of Representatives but the public at large that this is such a problem for all. We can no longer postpone a solution. Immediate action is necessary.

My bill, H.R. 2836, provides that every State with more than one Representative must divide its territory into districts. Each State legislature, under my proposal, would draw the lines for each congressional district along Federal standards which would be required to be composed of contiguous territory, reasonably compact as to form and contain a population not more than nor less than 15 percent of the population for the average congressional district in the State. Under my proposal, a Federal district court would be given the jurisdiction to review the action of each State legislature to review a State's redistricting act and also to expedite such litigation.

As introduced by me, the bill would not become effective until after the Nineteenth Decennial Census, but in view of the recent decision of the Supreme Court, I believe that date should be made effective at an earlier date, perhaps in time for the election of the 90th Congress. I believe, in the light of the language of the Supreme Court in its recent decision, that congressional districts should be composed of populations as nearly equal as practicable. The enactment of my proposal, providing for a 15-percent deviation above or below a State average, would be of assistance both to State legislatures and also to courts in deciding whether or not congressional districts meet constitutional requirements.

Under the dissenting opinion in the recent case, a shadow of doubt has been cast upon 398 of the 435 congressional seats. The representation of 37 States in the House should not be left in doubt. My figure of a 15-percent deviation, which is also one that has received the support of many political scientists, is considered an equitable standard for fair congressional districting. Moreover, by permitting the States rather than the courts to draw the lines, I believe a better local understanding of geographic and other local interests can be blended into a fair congressional district.

There can be no question about constitutional power of Congress to enact my proposal in this area. Indeed, the decision of the Supreme Court clearly indicated this. Nor can there be any doubt that a legislative solution is far better than a judicial one in a field which is primarily legislative in nature and responsibility. Congressional approval of my bill will put an end once and for all to the case-by-case rulings as to whether or not the actions of State legislatures were fair or unfair. My bill clearly recognizes that the States should have the opportunity to meet their responsibilities of drawing the lines for equitable congressional districts. The guidelines will be supplied by the enactment of my bill. The responsibility will be one for the States to meet those standards.

U.S. Customs Service 175th Anniversary

EXTENSION OF REMARKS

OF

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1964

Mr. ROONEY of New York. Mr. Speaker, on Saturday evening last here at the Sheraton-Park Hotel I had the great privilege and high honor of attending a splendid banquet marking the 175th anniversary of the U.S. customs service, one of the historically great and dependable arms of our Government. The distinguished Secretary of the Treasury, the Honorable Douglas Dillon, made a highly interesting and pertinent address on this occasion and it is my pleasure, under the permission heretofore granted me by unanimous consent of the House, to include with these remarks his speech on this important and interesting occasion.

The speech follows:

Remarks of the Honorable Douglas Dillon, Secretary of the Treasury, at a Dinner Marking the 175th Anniversary of the U.S. Customs Service, Sheraton-Park Hotel, Washington, D.C., Saturday, February 22, 1964

Mr. McIntyre, Members of Congress, Commissioner Nichols, ladies, and gentlemen, it is a privilege to be among the guests at this gathering, which marks not only the birthday of the Father of our Country but also the 175th anniversary of the U.S. customs service. Legislation enacted by the 88th Congress calls on the American people to "observe this anniversary with appropriate ceremonies and activities," and President Johnson has proclaimed 1964 "U.S. Customs Year."

The customs service has for one and three-quarter centuries stood guard at our gates, and, as Franklin Roosevelt observed, "its history embodies the history of both our domestic growth and our foreign relations."

If you customs officials think life is complicated today, just imagine what it must have been like 180 years ago; the States of New York, New Jersey, and Connecticut placed heavy imposts on such things as chickens, eggs, and feed. Connecticut wood was measured; cabbages and turnips were appraised. Duty had to be paid on virtually everything shipped between the States.

It wasn't until 1789 that this chaotic state of affairs was corrected, when the new Constitution gave the Federal Government the muscle it needed to, "lay and collect taxes, duties, imposts, and excises [adding that] all duties, imposts, and excises shall be uniform throughout the United States."

In the early days, customs receipts provided the bulk of our Nation's revenues. Two million dollars of the total of 2½ million collected in the year 1789 came from customs duties. That $2 million compares with customs collections last year of almost $1¾ billion. It is impressive to note in passing that despite the continued increase in collections, the actual cost of collecting a dollar of customs revenues has dropped over the past 17 years by an astonishing 29 percent. I think this simple statistic is eloquent tribute to the efficiency, dedication, and energy of the men and women in the customs service, a service which has some very distinguished alumni:

Many of you will recall that Nathaniel Hawthorne was once a measurer in the Boston Customhouse, at an annual salary of $1,500. He later became surveyor of customs, and it is said that during his tour of duty he came upon old records that inspired him to write his famous novel, "The Scarlet Letter." The service in those days evidently didn't have anything approaching the thorough training programs it has today. At one point Hawthorne wrote his friend Longfellow that he didn't believe he would have any difficulty fulfilling his duties "since, I don't know what they are."

Herman Melville, author of "Moby Dick." was an inspector in the New York Customhouse for 20 years, where he was paid the sum of $4 a day. The same rate of pay was earned by the famous poet, Edward Arlington Robinson, who worked as a special agent at the port of New York.

I wonder how many of the 9,000 men and women currently in the service are at work on manuscripts that will one day become literary classics, or at least dramatic television or movie scripts?

Certainly you have the material at hand. Take the work of the customs agency service, for example—the enforcement arm of the Bureau that wages an around-the-clock campaign against smuggling. Nowadays, plainclothes, special agents can and do make use of the very latest investigatory and surveillance aids.

At John F. Kennedy Airport in New York, for instance, closed circuit television cameras permit behind-the-scenes agents to observe passengers' movements on a TV screen. Anyone attempting to edge a small parcel along the floor with his foot, or attempting to pass a package to a bystander is readily detected.

But even with this kind of equipment, inspectors have to develop what amounts to a sixth sense to spot the incoming traveler who may be attempting to smuggle something into the country. Not long ago, this sixth sense led an alert inspector to order a thorough search of a man and wife and their 3-month-old infant who were returning from a trip to Mexico. The search eventually uncovered a quantity of marijuana—neatly concealed in the baby's diaper.

Diapers are by no means the only hiding places used by would-be smugglers which must be ferreted out by our well-trained inspectors. Smugglers have utilized hatbands, coat linings, automobile panels, hollowed-out heels—and even a piece of salami. One hapless traveler made the mistake of attempting to secrete a $475 gold pin in a piece of salami, evidently unaware of the restrictions placed on the imports of processed meats. The salami was confiscated as a matter of routine, its gold filling quickly detected.

Narcotics smuggling alone represents a major task for our customs inspectors. Seizures and arrests of narcotics and other smugglers are constantly being made along the borders of the United States. In fiscal 1963 there were in all 6,855 seizures made, valued at over $24 million.

Too few Americans are fully aware of the dangers involved in this regular work of customs inspectors. Since 1900, 42 customs officers have been killed in the line of duty by violators of customs laws or by accident while on duty, 49 others have been seriously wounded or injured by violators, and 68 have been seriously injured on duty. In this same period, some 95 smugglers are known to have been killed in gun battles with customs enforcement officers.

Inside, in the customs laboratories, and out front—where it meets the traveling public—the customs service has been steadily at work improving and streamlining its service. Introduction of oral baggage declaration at all airports in the United States has greatly speeded customs formalities. At Kennedy Airport in New York, the average time it now takes for travelers is 4 minutes per person—a record hard to match anywhere in the world, especially in view of the fact that an average of 4,000 persons arrive there daily.

Impressive, too, is the fact that despite a greatly increased volume of business since the war, the number of customs employees is now somewhat less than it was 25 years ago. There were about 10,000 in the customs service in 1939, and there are about 9,000 in the service now, efficiently handling such increases in business as these:

(1) U.S. imports in 1939 were valued at $2.1 billion. In 1963 they reached $16.5 billion—an eightfold increase.

(2) Customs collections in 1939 totaled $350.4 million. In 1963 they came to almost $1¾ billion—a fivefold increase.

(3) Consumption entries filed in 1939 were 514,000. In 1963 they were 1,528,000—a threefold increase. And all of this, remember, with 10 percent fewer personnel.

In the face of this ever growing workload, your determination to continue seeking ways to improve your service to the traveling public, and to the international business community, is to be commended. After 175 years, you're not resting on your oars. Your efforts have been instrumental in furthering the administration's policy of encouraging foreign travel to the United States by speeding up customs procedures, by encouraging facelifting of facilities at our various ports and, above all, by greeting visitors to our shores with courteous, efficient personnel—our dockside dispensers of good will.

It is a source of real satisfaction to those of us in the Treasury Department to salute Customs employees on their 175th birthday To Assistant Secretary Reed, to Commissioner Nichols, and to all of you, I say for all of us in the Department—congratulations on a job well done.

Needed Tax Reduction With Certain Undesirable Features

EXTENSION OF REMARKS
OF

HON. ROBERT R. BARRY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1964

Mr. BARRY. Mr. Speaker, Members of the House are today faced with an option to vote to accept or reject in its entirety the tax bill H.R. 8363, which will provide over $11.5 billion in Federal tax relief when it is fully effective. Faced with an alternative of all or nothing, I must reluctantly accept certain undesirable features so that all Americans will be able to benefit immediately from other parts of the bill that have been worked out successfully with bipartisan support.

The bill as a whole recognizes the necessity of removing tax impediments to the development of a strong economy. For example, although the individual income tax rates are still steeply progressive, relief has been given in all marginal tax brackets. The heavy shackels that the high and progressive rates have had on private entrepreneurship and risk taking have taken a serious toll in recent years on our economic growth and employment record. Both political parties have recognized this dampening force of the high tax rates and united in presenting to the American public a tax program that will at least mitigate some of these retarding influences.

We must not allow ourselves to regard H.R. 8363 as a panacea for all economic ills. The budgetary balance problem still looms heavily over us. We must, therefore, never lose sight of the urgent need for Federal expenditure reduction. It is important that the administration and Congress make an all-out effort to cut our expenditure level and return us to a balanced budget program. Unless we accomplish this, we will see the benefits of our tax program dwindled away by inflation and costly debt financing.

The tax program, which is in its final stage of congressional action, has as its direct objective a revitalization of our national economy. The tax rate reductions are designed to create additional personal consumption and business investment. We have seen published tabulations on what it means to various income level taxpayers. There seems to be supportable evidence that the lower income individuals, who today spend virtually all of their income, will spend most of their additional disposable income provided by the rate reductions. But I would like to point out a few facts about the cuts in the middle and higher income brackets.

As I mentioned earlier, the rates are still quite progressive and high. If we can maintain a strict control over Government expenditure policy, we will then be able to reduce these rates that bear so heavily on the investment sector of our economy—and thus add one further component of strength to our economy.

A more immediate concern of mine about the tax bill is that certain features will result in a smaller net reduction in the rates of the middle and higher income groups than would appear from the tax rate schedule.

Perhaps the most regrettable feature of the tax bill from that standpoint is the repeal of the current tax treatment of dividend income. While the overall objective of the tax bill is to encourage a higher level of economic activity, the repeal of the tax credit removes an incentive to invest in equity capital, which is a vital source of a healthy business expansion program.

In 1954 the dividend exclusion and credit were written into the Internal Revenue Code to encourage greater equity ownership of our industrial facilities and to increase the availability of investment funds. These provisions have worked well. It is only regrettable that they were not raised above their modest levels so as to stimulate investment even more effectively. Thus, it seems utterly illogical to encourage investment on the one hand by cutting tax rates at a cost of billions of dollars and then to repeal an important incentive feature which involved only a modest loss of revenues to the Government. If we take into account the economic stimulus fostered by the existing provisions, I would not be surprised if the additional economic activity resulting from them largely offsets any revenue loss from the provisions.

The continuation of the tax credit is wholly justifiable merely for the sake of reducing double taxation alone. Income that is distributed as dividends is subject first to the corporate income tax, and then to the individual income tax in the hand of the stockholder. No other type of income, including salaries and wages, is twice taxed. Yet, although we purport to recognize equity as a fundamental requirement of a good tax system, we single out dividend income for double taxation.

If we honestly face up to the inequity of double taxation, and the attendant problems connected with it, we would feel impelled to expand the relief to the stockholders rather than take away their small 4 percent benefit.

Although politically appealing, the arguments supporting the repeal of the dividend tax credit were weak economic justifications. One such argument was that the credit is more beneficial to the higher income groups and thus is bad. This argument does not recognize the fact that these middle and higher income groups are the potential investors upon whom the greatest dependence for equity capital is placed. Furthermore, if these groups are hindered from maintaining a high level of investment, employment and production will suffer a sore setback. Why penalize the group of Americans upon whom so much depends?

Another objectionable feature of the bill is the requirement that some employees, under certain circumstances, must pay tax on employer contributions to a group term life insurance program set up for the employees.

Under present law no tax liability results to employees covered under such a program. Under the bill, however, an employee must pay a tax on the employer's cost applicable to that part of a policy whose value exceeds a certain limit. This is certainly not compatible with our usual tax policy toward fringe benefits set up for the welfare of employees.

This action will have a definite tendency to discourage these programs. It may result in the setting of limits in the amount for which any employee may be covered. It may very well have the overall effect of reducing proportionately the amount of coverage for the lower income groups—so that everyone will lose. This type of discouragement of beneficial employee programs has no proper place in the tax bill. It is unfortunate that we must either accept the provision or vote against the entire bill.

Taxation of this imputed income will mean very little revenuewise to the Federal Government. The additional cost of complying with the new regulations, as well as the additional cost of administering the provision, may very well exceed the additional estimated revenues to the Government. This provision is one further example of Federal encroachment in a socially desirable program of the free enterprise system. Even worse, it may be the beginning of serious inroads by the Government into the whole area of fringe benefits designed to help the financial status of employees.

Another ill-conceived so-called reform measure in the bill deals with restricting the tax treatment of stock options. The present tax treatment was designed to foster better corporate management by encouraging ownership in the business by its manager. Yet the bill will interfere with a tax incentive program that has been operating quite successfully.

The bill, for example, requires that the option must be exercised within 5 years—as compared to 10 years under present law—in order to be accorded favorable tax treatment. This is shortsightedness. Five years will often be too short a time in which enough improvement can be made in a company's position that the additional efforts of the executive will be reflected in the market value of the stock. This would be particularly true if the option is granted during the peak of a business cycle.

Reducing the time during which the option may be exercised may have several undesirable results. The employee may strive to improve the company's position in too short a period of time. This may result in a far less stable improvement than would be accomplished over a longer run. Moreover, if the employee has no assurance of benefiting from the plan because the time limitation is too short, the incentive feature would be lost. Thus, a quick unstable growth in business and loss of the incentive feature of the stock option would strip the program of the qualities that are intended to be beneficial to the economy.

In conclusion, I would like to say that I shall support the passage of H.R. 8363. It provides the American public a long-overdue tax relief. If I had the choice, I would vote for tax reduction, but would oppose certain so-called tax reform features which will have adverse economic effects. This bill will result in a revenue loss of $11.5 billion in 1965. With this in view, we must strive to economize and cut Federal expenditures wherever we can. Only in this way can we expect to see a balanced Federal budget in the not too distant future.

Preserving Freedom as a Way of Life

EXTENSION OF REMARKS

OF

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1964

Mr. BRAY. Mr. Speaker, on January 29 of this year my colleague and our distinguished minority leader, the gentleman from Indiana, the Honorable CHARLES A. HALLECK, addressed the presidents' conference of the Independent Grocers Alliance in Chicago.

This organization represents more than 5,000 independently owned food stores, all in the category of small business.

His discussion of some of the problems we face as a nation bearing the lion's share of the burden of preserving freedom as a way of life deserve the most thoughtful consideration on the part of every Member.

The address follows:

ADDRESS BY CHARLES A. HALLECK, REPUBLICAN, OF INDIANA, MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES

I'm glad, for several reasons, that I could come out here today and be with you.

First, it's good to see an old friend I have known for many years, George Florey, who was helpful to me during my earlier years in Congress when we were both considerably younger.

When he asked me to come out here I juggled my schedule as best I could to take part in your program.

I must admit I'm operating on a tight schedule, just as you are. I've got to get on out to Lincoln, Nebr., this afternoon, and I hope I make it. Otherwise some good people are going to be embarrassed, I suppose, because they advertised me as speaker at a $100 a plate dinner.

Not that they're paying a hundred bucks to hear me, you understand—and not that the food will be worth a hundred dollars a plate, either.

But I am part of a package deal. I follow the dessert course.

Out there I'll make a no-doubt-about-it Republican speech.

This one is going to be what I call a nonpartisan Republican speech. But I won't intentionally offend anyone if I can help it.

The second reason I'm glad I could be with you is to pay my respects in person to a man who has demonstrated—beyond any doubt—his faith in our system of competitive enterprise—your president, Don Grimes.

In my book he is a great American who, as his father did before him, has made, and is making, a major contribution to the healthy growth and development of our Nation's basic economic strength—small business.

I'm happy, too, that I could come out and meet with the kind of people for whom I have had a great affinity since my earliest days in the Congress of the United States.

Because let me say, without any apologies, that I am not one of those in Government who has an allergy for business—or for a businessman who happens to be successful.

I don't want to suggest that because I first went to bat for small business a long time ago that I am anti big business.

We all recognize, I am certain, that you can't win wars, or do a lot of other things in this modern world in competition with other nations—especially the dictator nations—without the productive capacity of big industries.

You can't make steel—or missiles—in a blacksmith shop.

You can't mass produce automobiles in a neighborhood garage.

But by the same token, it will be a sad day for America if the time ever comes when small business as we know it today is gone from the scene.

It will be a sad day if the time ever comes when a man with an idea, with a spirit of independence, with a desire to serve people in his own way, and to the extent of his own capacities, can't work for himself.

Because there is really no greater incentive for progress than that a man reap the reward of his initiative, his diligence, and his willingness to put faith in himself on the line.

So I salute the officers and members of IGA for what you have done and are doing for the cause of independent small business.

You are meeting a challenge in the highest traditions of our great system and may you continue to grow and prosper in the years ahead.

But I didn't come out here just to confirm what you already know—that your success is America's success.

Rather I want to talk to you briefly about some of the problems we all face as citizens of a great nation that today—more than any other nation—carries the burden of preserving liberty in a world half slave and half free.

I think we can all agree, without any arguments and without any partisan feeling, that we're not going to preserve freedom anywhere else unless we hold fast to freedom here at home.

And we all know that the rights we enjoy today are guaranteed by the most remarkable document ever conceived by the mind of man—the Constitution of the United States.

We all know it—and have known it since we were kids in school.

But do we appreciate it?

Do we appreciate why this system has endured to become the oldest continuous political system on the face of the earth?

Or do we just take it for granted that we will go on and on, come what may?

Well, let's look that one over.

Ours is a government of checks and balances, a system designed to prevent any concentration of power that could lead to one-man rule.

The word I want to concentrate on today is "balance," because the more I see of our total operation as a society of free people, the more I am convinced that the maintenance of balance in all our activity is the key to survival as a free people.

Nature itself depends on balance.

The greatest abundance of crops results from a balance of sun, rain, nourishment, and human effort.

We read about well-balanced athletic teams, balance of trade, supply and demand, balance of power, and, may I add—budgets—in your business and in mine.

Having this in mind, I'd like to explore a few major areas where we may fairly ask how far down the road we have gone toward upsetting the system of built-in balances designed by our forefathers with one thought in mind—to preserve a maximum of individual freedom by holding the power of government to a minimum.

We have been living in an age of what is called a "cold war"—a struggle between slave states and free to determine which shall be the ultimate victor in the contest for the mind of man.

It is a struggle which will decide whether a society of men governs itself from the bottom up—as does ours—or from the top down—as does the Kremlin.

We all hope it will never have to be decided in the holocaust of war, but we can't be certain.

Anyone old enough to understand what he reads in the paper knows there are trouble spots all over the world: Vietnam, Cuba, Panama, the Congo—none of which we can ignore.

Suffice it to say that because of the dangers posed to our own security we are forced to keep our guard up.

This, then, involves the maintenance of a vast arsenal of military hardware, together with millions of men and women in uniform.

The burden of this Military Establishment represents more than half our total Federal budget.

And this is a price tag we must pay—like it or not—to protect ourselves and the free world from threat of disaster.

But the nagging question all of us must face—and particularly those of us charged with providing for the defense of our country is this:

At what point do we feel assurance that we have provided adequately for that security?

What is enough and what is too much?

The domestic needs of an expanding nation are pressing in upon us.

We could use more schools, more hospitals, more roads, more skilled personnel—more of almost any civilian resources you might care to mention.

Our State and local communities are becoming more and more desperate in their search for ways to finance their own traditional areas of service.

But the Federal Government's massive demand for income has shriveled the sources of tax dollars at the grassroots level.

I well recall a remark by former President Dwight Eisenhower when he was still General of the Armies.

General Eisenhower understood the real secret of America's strength, and this country had no leader more dedicated to our free enterprise system.

"The military," he said on this occasion, "is but the cutting edge of the great productive machine that is America."

I have never heard it put any better.

And the question that keeps a lot of us awake nights is just how far can we go in spending our wealth to create weapons of war without creating a burden that could wreck us without a shot ever having been fired in anger?

Where is the balance between the size of the cutting edge and the power of the machine behind it?

There are those who say we ought to embark on full mobilization and go for broke, regardless of the horrible consequences to humanity.

There are others, probably just as sincere, who crusade for complete disarmament on the theory that our potential enemies will follow suit.

Well, I happen to think that both extremes are unrealistic, to say the least, and that as long as the cold war persists—with brushfires breaking out here and there—we've got to be ready for any eventuality.

You know, Khrushchev boasted he would bury us, but he said he didn't mean through war.

I'd hate to think he could bury us by bluffing this country into bankruptcy.

Another major area involving the need for balance lies in the relationship of various units of government.

I'm afraid that here we are getting badly out of kilter, with a very real danger that the imbalance is going to get worse before it gets better, unless people like you make your voices heard in no uncertain terms.

Let me talk a bit, first, about the relationship between the three major branches of our Federal Government, with emphasis on the executive and legislative branches.

I say this because bringing the judicial branch into this discussion would require more time than I've got today.

In any event, we start with the well-known fact that ours is a tripartite system, three independent branches—and I know you like the word "independent" as much as I do.

As a Member of the Congress I am a part of a larger organization—as you are. At the same time, my first obligation is to satisfy my constituents, just as your success depends on how well you serve the customers of your area.

Believe me, the folks I represent know what they want from me just as much as your folks know what they expect you to deliver.

And the one thing none of us had better forget is that if we let them down we're dead.

That's what keeps us on our toes—and that's as it should be.

I've been around long enough to know that anyone in business goes home at night once in a while wondering whether the battle is worth it.

Well, let me assure you: I take my lumps, too.

But the fact that we are all still in business would indicate, it seems to me, that as far as most folks are concerned, we are doing all right.

Which leads me to the observation that maybe all this criticism of the Congress ought to be considered for what it's worth: the loud protests of a noisy minority of social pleaders—a lot of them, by the way, who are paid to protest.

Let me tell you a story.

It seems there was a young fellow down in Arkansas who lived on a farm that had some swampland on it.

One day he read an ad in a magazine by a company offering a dollar apiece for bullfrog skins.

The youngster wrote to the company telling them he could furnish a thousand frogskins or more if they could use them.

The company wired back: "Will take all you can send."

A week later the boy wrote the company, "Am sending you 1 dozen frogskins under separate cover. The noise sure fooled me."

Forgive me if I dwell just a few more minutes on this business of Congress. It happens to be my favorite subject.

I'm not thin-skinned as far as criticism is concerned. If I were I couldn't have survived nearly 30 years in Washington.

And I'm not going to applaud the length of the last session, because there really wasn't any excuse for keeping us there that long.

I could say I'd vote to adjourn a Democrat Congress anytime because no good can come of it.

And I could say there's nothing wrong with Congress a good election wouldn't cure.

But I won't say either one of those things—for the record—because you might accuse me of being partisan.

But I do repeat: we were kept in session too long.

Especially when the issue that kept us on the job right up to the day before Christmas was whether or not we would play Santa Claus to Khrushchev and give him a credit card for American wheat.

I'm not against selling surplus wheat to Russia if they pay cash on the barrelhead for it. And by cash I mean dollars or gold—not rubles.

This would help our balance-of-payments situation—and there's that old word "balance" again.

But I have a conviction, as have the rest of the people on my side in the House of Representatives—almost to a man—that if you make the Soviet Union spend money for what they buy from us, to that extent you reduce their capacity to spend money creating mischief around the world.

By the same token, if we extend them credit to supply their needs, we simply add to that capacity.

This is what our side believed, and this is what we fought for right down to the wire. We were finally overwhelmed by sheer force of numbers, because when the opposition turns out in force we're in the minority by a 3 to 2 ratio.

One of the arguments put forward against banning use of the Export-Import Bank to guarantee credit to the Russians was that the Congress would thereby usurp a power in the conduct of foreign affairs reserved for the President.

But it has gotten to the point where a major area of our foreign relations involves the appropriating of public money for the various military and economic programs of assistance to other nations.

Certainly, in this regard, it is the responsibility of the Congress to take a long hard look at this whole matter of how much we can help others without beginning to hurt ourselves.

This we have been doing, having in mind the necessity of balancing out our defense needs at home with offshore bases abroad.

All of which reminds me of the dear old lady who sent a note to the Bureau of Internal Revenue saying, "I do hope you will give my money to some nice country."

Which about sums up the attitude of a lot of Americans. We want to help our friends as best we can—as long as they are willing to help us and to help themselves. But we don't want to give aid and comfort to a potential enemy.

So I do want to speak up for Congress as an institution.

And it occurs to me that business and Congress have one thing at least in common: we're both whipping boys—and usually from the same sources.

One of the criticisms leveled at Congress is that it didn't pass enough legislation last year.

Well, for my money, folks, we deserve more credit for what we refused to do, than for what we did do.

And I think most Americans go along with that. Especially taxpayers. In fact anyone who has the least concern for the ever-increasing cost of Government will grade Congress on the plus side for the fact that it didn't pass a lot of new spending programs.

The second biggest single item in our budget today represents interest on the national debt—and we had to raise that limit twice last year.

By coincidence, this figure just happens to be the same as the amount of the proposed tax cut the whole country is waiting for—$11 billion.

Think about that for a minute.

Incidentally, the country is going to get that tax cut, in my opinion, because enough of us down there insisted there be a cutback in spending to make a tax reduction meaningful.

We got that job done.

I'm not going to mention all the bad things people say about Congress. I'd wind up with an inferiority complex.

But we all know there are those who contend we ought to act—willy-nilly—on every proposal sent to us by the administration.

All I can say to that is, God save the Republic.

Last year, for instance, we had something between 400 and 500 proposals to consider—depending on whose figures you take.

More than 100 involved spending money—guess whose.

Some 70 more involved slapping more controls on guess who.

Look, my friends, just let me say this: Congress couldn't have given all those programs the study they needed in 5 years, let alone 1.

I've been asked whether some of the proposals made and rejected last year will fare any better this year.

My answer is "No."

The tax bill and the civil rights bill were not rejected last year. They are both highly complicated measures which deserved, and are receiving, thoughtful consideration.

In my opinion there will be affirmative action on both in the near future.

Congress, in the future as it has in the past, will measure up to its responsibilities to the people.

We have demonstrated that in times of crisis we can move swiftly on matters obviously in the national interest.

But the Congress has always been cautious not to be stampeded into ill-considered action for which there is no demonstrated need or widespread public demand.

There is nothing new about crit'cism of Congress. It's been going on almost since this country got underway as a Republic.

And I'm sure it will continue.

But I happen to think that the Congress, as our Founding Fathers intended, is the voice of the people—and that what Congress does or doesn't do pretty well reflects the hopes and aspirations of the majority of our citizens.

Of course the institution of Congress isn't perfect. Neither are its Members. Neither is business or businessmen.

As a matter of fact, there are a few things about humanity in general that don't measure up to the standards set for us a long, long time ago.

So we keep trying.

And as far as I'm concerned we keep what we've got until somebody convinces me he's got something better to offer—and I haven't heard about it yet.

Balance in government under our system also involves the relationship of the Federal operation with State and local units of government.

The separation of powers was the subject of great debate among the framers of our Constitution.

No one argues that the conduct of war and foreign relations is not the responsibility of the Federal Government.

So are such things as the regulation and promotion of orderly interstate commerce; the protection of basic human rights, such as property, freedom of speech, assembly, and trial by jury.

I don't want to oversimplify. We all realize that life today is more complex than it was even a couple of decades ago.

But a lot of rights and responsibilities were deliberately left with the people because the men who drafted the Constitution knew about tyranny.

What we must ask ourselves in all seriousness today is this: How far have we drifted from the concept of decisionmaking by the people back home on matters that have traditionally involved local determination?

Are we on the right track, my friends, in assuming that a man at a desk in Washington can have a better understanding of the needs of your home community than your mayor, your township trustee, or your county commissioner?

And will that man at the desk in Washington be as accountable to you and your neighbors as the local official you can hire or fire, by your vote as a free citizen?

I think the answer is obvious.

And so we come to the most important area of balance of all—the relationship between government and the individual.

It is the sum total of what I have been talking about.

How far have we come and how far do we go in this business of government—especially the Federal Government, far removed, moving in on the lives of its citizens?

To what extent does Washington take upon itself problems ranging from planned parenthood to aid programs for more parking places?

How far do we go in providing the essentials of existence until the citizen becomes an absolute ward of government—a ward who sends all of his income—if he has any—to the Department of Internal Revenue and then just votes for a living? If he has a vote.

I don't want to believe this could ever happen in America—neither do you.

But you know and I know—every person who will be honest with himself knows—that we have gone a long way down that road.

Today some 50 million Americans get Government checks of one kind or another.

Today your Government exercises more direct control over the lives of people than ever before and the end is not in sight.

I hope, for the good of this great country of ours, and for the future of your sons and daughters that somehow we can stem this tide before we reach the point of no return.

Let me close with a story that goes back to the days when our Republic was being born.

The Continental Congress was meeting in Philadelphia, hammering out, word by word, the deathless prose of our great Constitution.

As the deliberations neared their climax a crowd gathered on the lawn in front of Independence Hall.

The meeting finally broke up and wise old Benjamin Franklin came out and down the steps.

A woman rushed up to him and asked, "Dr. Franklin, what have you given us, a monarchy or a republic?"

Whereupon Franklin said this:

"Madam, we have given you a republic—if you can keep it."

He didn't say if "we" can keep it—he said "you."

This, then, is the challenge we all face: To do our part—to contribute what we can—toward preserving this wonderful way of life which has made us the greatest nation on the face of the earth.

Measure up to your own individual responsibilities as free citizens and I have no doubt we will win through.

HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

I Thessalonians 5: 21: *Prove all things; hold fast that which is good.*

Almighty God, by whose divine providence we are surrounded and by whose power we are sustained in this moment of prayer, may we be inspired by those thoughts that will be the progenitors of noble achievements.

Grant that in thought, word, and deed we may bear witness to our kinship with the Master who came to do Thy will and through all the changing scenes of life, with its joys and sorrows, its trials and tribulations, may we also learn to make Thy wiser will our own.

Give us the wisdom and insight, the courage and sincerity to apply those principles that will enable us to solve the complex and difficult problems which disturb our social order and undermine the moral stamina of our civilization.

In the great adventure of life may we be girded with the cardinal virtues and humanities and, as the messengers and ambassadors of generosity and good will, may we daily cultivate a finer degree of sympathy and service in our endeavor to transform a world that still has in it so much of the brutal and barbarous.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

SUBCOMMITTEE ON SPACE SCIENCES AND APPLICATIONS, HOUSE COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. KARTH. Mr. Speaker, on behalf of the gentleman from California [Mr. MILLER], I ask unanimous consent that the Subcommittee on Space Sciences and Applications be allowed to sit tomorrow afternoon and Friday afternoon while the House is engaged in general debate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RIGGING OF BIDS IN NAVY DEPARTMENT, BUREAU OF WEAPONS PROCUREMENT

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter including tables.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, the Navy currently has underway two purchases of electronics equipment that are supposed to be competitive buys. The truth is that they are both rigged to go to one company.

This same company is today making this equipment under terms of past sole source contracts. This company's president is a onetime associate of the very Navy engineer who is writing the terms under which this equipment will be purchased. And this engineer, Mr. Speaker, presently handles over $3 million worth of business for this same firm in the Navy Department Bureau of Weapons.

You might think it unbelievable that Navy Department officials would allow this to go on. The fact is they have known it for months because I called it to their attention.

Today, after months of study into the background of Navy purchases from this firm, I am going to name names, dates, amounts, and equipments to demonstrate how one firm can set the stage to get business in wholesale lots from one small area of the Navy Department.

First, let us deal with the two current procurements—where the waste still has not taken place. Unless someone in the Navy steps in and takes a hand, these two procurements will prove how one Government worker can produce a climate suitable for one manufacturer only and detrimental to all other bidders simply by restricting the time for delivery of certain complex electronic equipments.

The first buy is for a radio direction finder that is technically nomenclatured AN/ALD-2. Bidding closes March 17, 1964—St. Patrick's Day—at the Aviation Supply Office, Philadelphia, Pa. The previous manufacturer of this equipment is Babcock Electronic Corp., Costa Mesa, Calif.

Under terms of this purchase, first delivery is required in June 1964. With bidding closing March 17, 1964, we can expect a contract award by mid-April, based on past experience. Thus, less than 60 days is allowed a manufacturer to produce this equipment, have it tested and passed and readied for delivery to the Navy.

Mr. Speaker, my sources in both the Navy and the electronics industry say it is not possible for any company other than the current producer to meet this time schedule.

Thus, unless someone in the Navy steps in and changes this artificially tight time schedule, there will be, in reality, little or no competitive bidding, and the taxpayer's pocket will be picked while industry is hoodwinked again.

The second purchase is now being processed by the Navy Purchasing Office here in Washington. It is also competitive in nature. It is for what is called the AN/SRW-4, a complex rack of electronic gear used to control the flight of pilotless drone aircraft. It, too, has been made sole source and without competition in the past by Babcock Electronics, Costa Mesa, Calif., for about $25,000 each.

The Navy specifies in its invitation that new units of the AN/SRW-4 must be delivered for testing before production runs are started. This test model must be delivered 90 days after the award of a contract. The IFB also contains what is called liquidated damages—which the contractor must pay for every day the delivery schedule slips.

Here again, Mr. Speaker, electronics industry technicians—and Navy technicians—tell me the only firm that can do this work is the present sole source producer, Babcock Electronics.

Now, let us go one layer deeper. Let us see who is represented here by the word "Navy." As my colleague from Louisiana once said, "Let's get the bodies up here."

Mr. Speaker, the Navy engineer in charge of both these procurements is a man named Harry A. McConaghy, who lives at 5447 Chevy Chase Parkway NW., Washington. He is attached to the Bureau of Naval Weapons.

What Mr. McConaghy has done in both these cases is as simple as it is devastating. He has practically guaranteed to eliminate all competition, since no industrial marketing manager who values his skin is going to quote a competitive price against such bob-tailed delivery schedules with damages staring him in the face for every day he is late.

Now, to understand the way that Government business is often transacted, it is necessary to know the backgrounds of the people involved. To accomplish this, I have asked the General Accounting Office to supply me with background materials on all the companies and principals involved.

To state the situation very briefly, it turns out that the President of Babcock Electronics is a former Navy employee who worked at one time with Mr. McConaghy. It also turns out that Mr. McConaghy is at present handling over $3 million of Navy business for Babcock, all of it negotiated or sole source—noncompetitive.

I want to state here and now and for the record—I have no quarrel with Babcock Electronics. The company is in business to make money for its stockholders. It must play the Defense purchasing game by the rules laid down by the people in positions of power.

It is the system of awarding contracts and the civil servants who put themselves in positions of question that must be looked into constantly by this Congress.

Mr. Speaker, the president of Babcock Electronics is Moody Besancon. Understandably, he spends much of his time in Washington and much of this time is in the company of Mr. McConaghy. This, too, is understandable since much of Babcock's Navy business flows from this source.

Mr. Besancon is, as I have said, an ex-Navy employee. He left his GS-12 job, then paying about $7,570 per year, to accept outside employment which soon resulted in his accepting the presidency of Babcock Electronics.

To refresh the memory of Members, let me remind them that Mr. McConaghy, the Navy engineer, also has technical cogniznace over the radio set—the AN/DRW-29 about which I spoke on the floor of the House last August—CONGRESSIONAL RECORD, volume 109, part 11, page 15096. This is the case in which the Navy fought to restrict the bidding to Babcock and where earlier sole source prices for the radio were $1,500. When competition was forced for the radio, the price fell to $702.98 each.

During that same period, Mr. Speaker, I had the General Accounting Office ascertain the exact number of contracts Babcock had acquired through Mr. McConaghy's office and what percentage of his total workload these contracts represented.

In addition, I asked about Mr. Besancon, since I was informed by people in the Navy that he was an ex-engineer who had worked in the Navy with Mr. McConaghy some years ago.

For the record, I would like to insert the Comptroller General's report, File No. B-151274, which relates to this matter:

SEPTEMBER 20, 1963.

DEAR MR. WILSON: Reference is made to your letter of July 23, 1963, wherein information was requested pertaining to Harry McConaghy, a Bureau of Naval Weapons engineer, and to Babcock Electronics of Costa Mesa, Calif. The data presented below are in the same order as the information requested in your letter.

1. A schedule of current contracts and related data under the cognizance of Harry McConaghy, obtained from the Bureau of Naval Weapons, is attached. The schedule shows that as of July 31, 1963, Mr. McConaghy had project cognizance over 12 contracts totaling $10,435,333, on which deliveries had not been completed. Six of these contracts totaling $3,179,730 were with Babcock Electronics.

2. Our review of recent Standard & Poor's Corp. reports showed that the president of Babcock Electronics is Mr. Moody Besancon. We obtained from the Bureau of Naval Weapons the service record card of Mr. Moody Besancon and determined that he was employed by the Department of the Navy for 3 months and was separated from the Navy payroll on June 1, 1956. During his employment, he was classified as electronic engineer (radio), grade GS-12, at $7,570 per annum and assigned to the Systems Section of the Guided Missiles Guidance Branch, Bureau of Aeronautics. We were furnished a job description for work performed in this section by the Bureau of Naval Weapons. This section had the responsibility for the development, testing, and procurement of complete guidance systems and for the integration of components developed by other sections and agencies into guidance systems for all missiles under the cognizance of the Bureau of Aeronautics and for the evaluation of such systems.

3. The Bureau of Naval Weapons informed us that the latest information available as of May 31, 1963, indicates that the Babcock Electronics' total business backlog is approximately $8 million. Of this amount, we estimate that approximately $2.5 million, or about 30 percent, represents the backlog of prime contracts with the Bureau of Naval Weapons.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General
of the United States.

Contracts on which deliveries have not been completed on equipments or services under project cognizance of RMWC-53 (Mr. H. A. McConaghy) as of July 31, 1963

Item	Contractor	Contract No.	Date	Equipment	Quantity	Unit price	Total price
1	Babcock Electronics, 1640 Monrovia Ave., Costa Mesa, Calif.	NOw 63-0381	June 25, 1963	AN/SRW-4 (all versions including DASH) course of instruction for training in checkout equipment for functional checkout.	Group of 5		$76,867.00
2	do	NOw 63-0311	May 17, 1963	SRW-4A components (target control system)[1]	Group of 50	$42,619.00	2,130,953.00
3	do	NOw 63-0656	Apr. 19, 1963	DRW-29 (radio receiver)	Group of 300	1,186.00	358,020.00
4	do	NOw 62-1105	Sept. 5, 1962	Reproducible drawings auto-positive for AN/SRW-4 systems.	20 sets	3,843.35	[2] 76,867.00
5	do	NOw 62-0619	Mar. 9, 1962	DRW-29 (radio receiver) including spare parts and support equipment.	Group of 240	1,293.80	[2] 454,449.76
6	do	NOw 61-0894	June 21, 1961	Study program for new carrier frequency assignment for radio-controlled command guidance.			[2] 82,573.30
	Total, current contracts with Babcock Electronics.						3,179,730.06
7	Gyrodyne Co. of America, Inc., Flowerfield St., St. James, Long Island, N.Y.	NOw 63-0306	May 9, 1963	SRW-4A components (target control system)[1]	Group of 50	17,630.00	881,500.00
8	ARF Products, Inc., Box 57, Raton, N. Mex.	N600(19)60039 (NPO Wash.).	Mar. 13, 1963	USQ-11A miss distance measurement system.	Group of 90	805.00	72,900.00
9	do	N600(19)58315 (NPO Wash.).	Apr. 6, 1962	do	Group of 350	754.14	263,949.00
10	Northrop Corp., 8000 Woodley Ave., Van Nuys, Calif.	NOw 61-0553	June 29, 1961	KD2R-5 targets, drawings, spares, etc.	Basic, 300 Am. #3, 400	4,347.00 3,465.00	4,380,324.00
11	Reeves Instrument Corp., Garden City, Long Island, N.Y.	NOw 61-0755-f	June 21, 1961	To obtain adequate "out of sight" target aircraft control equipment for fleet training requirements (ANMSQ-51).	15 units and 12 man-months.		1,432,132.00
12	Electronic Assistance Corp., 20 Bridge Ave., Red Bank, N.J.	N600(19)56444 (NPO Wash.).	Feb. 15, 1961	ARW-56, 55, 59 (radio receiver set)	ARW-56 (12) ARW-55 (154) ARW-59 (154)	2,066.00 845.00 380.00	224,798.00
	Total, all contracts						10,435,333.06

[1] These 2 equipments are installed as 1 package.

[2] Payments made on these contracts as of May 31, 1963, amounted to $530,104.

The Assistant Secretary of the Navy for installations and Logistics, Mr. Kenneth E. BeLieu, has been cognizant of this matter at least since August 5, 1963, when he answered my letter to him on the subject.

Mr. BeLieu's answers to my questions deal with this very subject. It is interesting to note that, while supposedly intimately acquainted with this matter and with procurement details, Mr. BeLieu still closes his eyes to 60- and 90-day delivery schedules to be imposed on industry at the whim of an engineer for the benefit of one company.

I ask unanimous consent to insert Mr. BeLieu's letter and enclosures at this point:

AUGUST 5, 1963.

MY DEAR MR. CONGRESSMAN: This is in reply to your letter of July 23, 1963, to the Secretary of the Navy, in which you request some personal background on Mr. Harry A. McConaghy and a statement of the nomenclature of electronic equipment under his cognizance.

The requested data are furnished as enclosures (1) and (2).

Sincerely yours,

KENNETH E. BELIEU.

PERSONAL DATA ON MR. HARRY A. MCCONAGHY

Mr. Harry A. McConaghy was born in Camden, N.J., on March 6, 1910. He attended Temple University, Philadelphia, Pa., between 1935 and 1936. Since then he has attended numerous technical schools and has taken courses in radio and electrical engineering.

Mr. McConaghy has over 24 years of Government service which has been gained primarily in Pennsylvania and Washington, D.C. He came to the Electronics Production Resources Agency, in Washington, D.C., in 1951 from the Naval Air Development Center, Johnsville, Pa. After a short period of employment in private industry in 1953, he returned to the Navy with the Bureau of Aeronautics which merged with the Bureau of Ordnance in 1959 to form the Bureau of Naval Weapons, where he is currently employed as an electronic engineer.

In 1958 Mr. McConaghy was given a Superior Achievement Award for coordinating two major fire control systems programs, and in 1962 he received a Superior Accomplishment Award for efforts in preparation of the handbook, "Configuration Data, Target Control System AN/SRW-4."

He lives at 5447 Chevy Chase Parkway NW., Washington, D.C., with his wife and daughter.

EQUIPMENT UNDER COGNIZANCE OF THE TARGET CONTROL SECTION, INSTRUMENTATION AND TARGET BRANCH, MISSILE WEAPON CONTROL DIVISION OF THE BUREAU OF NAVAL WEAPONS

The section which Mr. McConaghy heads has the following equipments under its technical cognizance:

DESIGNATION AND WORD TITLE

AN/SRW-4 series; target control system.
AN/ARW-55 series; receiver set, radio.
AN/ARW-56 series; receiver set, radio.
AN/ARW-59 series; receiver set, radio.
AN/ARW-66 series; receiver set, radio.
AN/ARW-78 series; receiver set, radio.
AN/ARW-79 series; receiver set, radio.
AN/DSA-2-3 series; formation control equipment.
AN/URS-1 series; tracking station, target aircraft.
AN/MSQ-51 series; mobile out-of-sight target control van.
AN/DRW-29 series; receiving set, radio.
AN/FRW-2 series; transmitter set, radio.
AN/FRW-3 series; transmitter set, radio.
AN/USQ-11 series; miss distance measurements system.
AN/USQ-11A; miss distance measurements system.
AN/ART-5 series; miss distance measurements transponder.

In addition, the section is responsible for technical development in C-band control equipment and target reflectivity augmentation systems.

Mr. Speaker, it is my strong conviction that manufacturers dealing with the Government should get equitable treatment. They are entitled to that and no more, but they are not getting it in the procurement of the AN/ALD-2 and the AN/SRW-4.

As long as the superiors of civil servants at the implementation level stand aside and allow the wheeling and dealing to go on below them, we are going to see tax dollars wasted in wholesale quantities. And, just as certainly, honest manufacturers who can do a job for the Government at less cost are going to be shut out in the cold with the door slammed in their faces time after time.

Someone must speak for them and it is the duty of the Congress to see that their interests are protected. Such protection will flow from enactment of my bill to establish a joint, bipartisan, blue-ribbon watchdog committee to maintain a constant, searching surveillance over defense contract procedures.

Until this bill is enacted, it is up to a Member of Congress to do his duty as he sees fit and to continue to ferret out such specific cases of waste—past, present, and future—and stop as much as he can.

In that regard, I have recently made personal inquiry of Rear Adm. W. T. Hines, USN, Deputy Chief of the Bureau of Naval Weapons, under correspondence dated 17 February and 22 February 1964. These letters deal with the two procurements I have spoken of here today. They are included at this point in my remarks, and his answers will be furnished for the RECORD when they arrive.

FEBRUARY 17, 1964.

Re AN/SRW-4( ) Control.

DEAR ADMIRAL HINES: Your personal attention is invited to the fact that the Navy Purchasing Office in Washington is processing a BuWeps requirement for the AN/SRW-4( ) Target Control Systems under an invitation for bid bearing the number 600-604-64. This equipment has been under previous sole-source contracts with Babcock Radio, the last of which was recorded here under NOw-63-0311. Will you please furnish me a copy of that contract (No. 0311) as soon as possible?

Admiral Hines, will you please make it your personal business to examine the Babcock record of contracts from the Bureau of Naval Weapons prior to and subsequent to the time the current president of this firm left the employ of the Bureau of Weapons.

Would you also examine the number of contracts awarded to Babcock and notice how the huge preponderance of those contracts come under the same engineering cognizance of a single Navy employee.

With all this background information in front of you, Admiral Hines, you will have the same information that has been in front of me for many weeks, and with those facts in your mind, will you please examine Invitation 600–604–64.

Notice that this Invitation contains liquidated damage provisions against the delivery schedule which requires preproduction units of each equipment plus test equipment within 90 days after date of contract.

Admiral Hines, I ask you only one question. Does the Bureau of Naval Weapons really require preproduction units within 90 days after date of the contract, or is this requirement a simple manifestation of "good will" of a single BuWeps employee who earnestly desires to protect Babcock Radio from all competition? Your reply will be of considerable interest.

Very truly yours,

EARL WILSON,
Member of Congress.

FEBRUARY 22, 1964.

Re Babcock Electronics Corp.

DEAR ADMIRAL HINES: The long arm of Navy BuWeps influence extends silently and effectively from Washington to the Aviation Supply Depot in Philadelphia, and I am not in the least surprised. It is, however, time that some positive action was taken to correct a situation in your Bureau that is vicious if it is not criminal.

I have written you previously on a similar subject, and today, I invite your attention to ASO Negotiation 383–709016/64 scheduled for closing 17 March 1964 covering components of the AN/ALD–2 Direction Finder (previously sole source to Babcock Electronics Corp., Costa Mesa, California, under the benign auspices of BuWeps). Delivery requirements under this negotiation (demanded by your Bureau) began in June 1964. Even if your people in ASO acted with lightning speed, the "successful" contractor under this procurement will have something less than 60 days to deliver fairly complex electronic equipment. This arbitrary requirement, of course, is another block thrown in by a single BuWeps engineer to discourage competition from "Babcock's equipment."

Will you please do what you can to arrange for a realistic delivery schedule under 64–709016, and in the meantime, I will see what else I can do to get a little more light on this subject.

Very truly yours,

EARL WILSON,
Member of Congress.

Mr. Speaker, it is my hope that the Navy will see the error of its ways in these two procurements, even as other branches of the service have likewise made changes I suggested. If the changes are made, we can look forward to two more open and competitive procurements.

The Government should get its equipment at less cost and on time, industry will get a break and the taxpayers will get a bit more relief.

This is the course of action open to the Navy. Of course, it can also adopt a "close ranks against the enemy on Capitol Hill" policy again, but I hardly think this will be in its own best interest.

Mr. Speaker, I hope the other Members of the House await the Navy's decision in this case eagerly, as I will.

REGULATION OF BROADCAST COMMERCIALS

Mr. McLOSKEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McLOSKEY. Mr. Speaker, today we debate H.R. 8316, a bill designed to prevent the Federal Communications Commission from enforcing a rule determining the length or frequency of broadcast commercials.

Each year we have seen a gradual erosion and whittling away at the free enterprise system by Government via rules and regulations. Because of the rules set up by the Federal Communications Commission we once more see a powerful Federal bureaucracy interpreting a congressional action in direct contradiction to what was originally intended by the Congress.

While it is true that occasionally broadcast commercials may be abused at times, I do not believe the answer to the problem lies in greater Federal control. It would seem to me correction of this problem could best be solved on a voluntary basis at the local level. It is my understanding the National Association of Broadcasters already has a voluntary code limiting commercial time.

While what might be acceptable in determining standards for broadcast companies located in large metropolitan areas these same standards as applied to our smalltown broadcasters could well prove ruinous.

I personally feel the industry itself has made gainful strides in attempting to eliminate over-commercialization. I likewise know that in order for stations to remain in business it is necessary that they apply commercials in order to pay the cost of presenting programs to their listening audience.

Failure to pass this bill could well create undue and unlimited powers in the hands of the Federal Communications Commission and ultimately give them virtual control over the entire radio and television industry. If this power is granted an agency what would prevent the Government from next moving into the area of the control of newspaper advertising?

If this should ever happen it would give the Federal Government actual control over our entire communications system. Surely Members of this body do not wish to see this happen because of the foreseeable power which would be placed in the hands of a very few persons and these persons would be responsible only to a President who happened to appoint them to the Commission.

I feel it high time that a halt be called to what appears to be another step toward an all-powerful central socialized government. It is for this reason I support H.R. 8316 and trust the majority of the Members of this body will do likewise.

UNDERDOGS CAN WIN

Mr. GUBSER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GUBSER. Mr. Speaker, on yesterday, February 25, two historic events took place.

The first official photograph of the House of Representatives in session was taken, with the bright and shining faces of the majority posing frontally to the cameras and the posteriors of the minority facing the camera.

Another significant event took place, last night, and the cameras once again flashed, as Cassius Clay was crowned the new heavyweight champion of the world. You heard his words, "I am the king. Ain't I pretty? Ain't Liston ugly?" And it was the face of the winner which faced the cameras.

I assure you that any implication that these two events are similar, is purely intentional.

Last night Cassius Clay entered the ring as a 7-to-1 underdog. Underdogs can win.

Perhaps the underdogs who enter the political lists in November will also win. Then I say to you, the majority, having set the precedent that the winner is king and is entitled to show his pretty face, while the loser must show his back side—having set the precedent in this very Hall, which only a few weeks ago fervently rang with pleas for the rights of minorities—that we will have a photographic Jim Crow section, I suggest that perhaps next year, before the photograph of the 89th Congress is taken, you, the majority, may be in the cloakrooms frantically primping to make sure that your back sides look as good as your front sides.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. GUBSER. I will be glad to yield to the majority leader.

Mr. ALBERT. Does the gentleman know who the president of the Capitol Historical Society is and what his political affiliation is?

Mr. GUBSER. I would say the president of the Capitol Historical Society perhaps "flubbed the dub" yesterday.

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, I would like to say to the gentleman from California that there is one thing wrong with his analogy. Most of the sportswriters this morning say that fight last night was fixed. The one this fall will not be.

CALL OF THE HOUSE

Mr. HALEY. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Mr. **ALBERT**. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 45]

Andrews, N. Dak.
Bass
Broomfield
Brown, Ohio
Burleson
Burton, Calif.
Byrnes, Wis.
Celler
Cooley
Davis, Tenn.
Dowdy
Fallon
Gary
Grabowski
Halleck
Hemphill
Hoffman
Jones, Ala.
Kee
Kelly
Long, Md.
Martin, Calif.
Martin, Nebr.
Murray
O'Brien, Ill.
Poage
Powell
Rains
Rhodes, Ariz.
Roberts, Ala.
Roosevelt
Senner
Wallhauser
Wilson, Charles H.

The **SPEAKER**. On this rollcall, 397 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE LISTON-CLAY AFFAIR

Mr. **FEIGHAN**. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER**. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. **FEIGHAN**. Mr. Speaker, the late Senator Estes Kefauver, of Tennessee, predicted some years ago that unless authority was provided for a Federal czar of boxing the sport would decline and fall into such disrepute that popular demand would outlaw the sport. Because of his concern he introduced a bill in the Senate to accomplish that purpose. Senator Kefauver asked me to introduce his bill in the House. I decided to wait until the Senate had acted on the Kefauver bill before introducing a similar bill in the House.

After the affair of last evening, I am convinced beyond any doubt that Congress should without delay look into all the dark corners and recesses of this multimillion-dollar interstate professional sport. I did not see the affair on television, but I did hear an account of it by radio. That was sufficient to convince me that professional boxing is in urgent need of an official and public fumigation.

I am not one who believes the Federal Government should attempt to regulate the proper concerns of the States and local government. However, I am convinced that when any enterprise involved in interstate business or promotion falls under a dark cloud of suspicion, in which the public is deceived and the gullible cheated, the Congress has a duty to turn the spotlight of open inquiry upon it and to effect such legislation as is necessary to prevent or punish fraud and racketeering.

Professional boxing has had more than enough time to clean itself up from within.

State boxing authorities have proven the task is beyond their competence, because of the interstate character of the sport if for no other reason.

The Federal Government receives substantial tax revenues from this sport and thereby has a corresponding duty to see to it that the public interest is adequately protected.

The Liston-Clay affair has brought the long suffering crisis in professional boxing to a head. It is time Congress moved in to protect the public interest.

BOLTON CITES DANGER OF U.S.-BUILT AIRCRAFT BEING SHOT DOWN BY RAF OVER NORTH BORNEO; SAYS UNITED STATES AIDED SUKARNO IN "CRUSH MALAYSIA" DRIVE

Mr. **OLIVER P. BOLTON**. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER**. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. **OLIVER P. BOLTON**. Mr. Speaker, today's dispatches from Kuala Lumpur, capital of the pro-Western Malaysian Government indicate that RAF Javelin jet fighters have been rushed to the island of Borneo in an effort to ward off President Sukarno's blatant attempts to airdrop weapons and supplies to Indonesian guerrilla invader forces fighting in North Borneo. Malaysia, which is protected by a defense treaty with Great Britain, has officially placed the airspace over its Borneo States of Sabah and Sarawak off limits to unauthorized planes and warned that violators would be shot down.

If any planes are shot down, they will probably be the Lockheed C-130's. In fact, because these 10 late-model aircraft make up the lion's share of Sukarno's troop transport strength, it is doubtful that the current phase of the "crush Malaysia" campaign could have been successful without them. Although the Soviet Union has supplied Sukarno with over $1 billion in planes, ships, missiles, and arms, this $30 million straight commercial deal with the United States looms as an ever more serious blunder.

These late developments have created a situation where the United States might have to commit its military strength against Sukarno in order to honor its treaty commitments with Australia and New Zealand. Ironically, such might occur as a direct result of this shortsighted sale of military aircraft.

As yet, I have received no firm assurance from the administration that these aircraft are not being kept in combat readiness through continued spare parts sales and by U.S. aircraft maintenance personnel.

TO AMEND PUBLIC LAW 86-272, AS AMENDED, WITH RESPECT TO THE REPORTING DATE

Mr. **WILLIS**. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 10051) to amend Public Law 86-272, as amended, with respect to the reporting date.

The Clerk read the title of the bill.

The **SPEAKER**. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 of Public Law 86-272 (73 Stat. 556), as amended, is amended to read as follows:

"SEC. 202. The committees shall report to their respective Houses the results of such studies, together with their proposals for legislation, on or before June 30, 1965."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. **SMITH** of Virginia. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Mr. **ALBERT**. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 46]

Adair
Andrews, N. Dak.
Bass
Broomfield
Brown, Calif.
Brown, Ohio
Buckley
Burleson
Byrnes, Wis.
Cooley
Davis, Tenn.
Diggs
Dowdy
Elliott
Ellsworth
Fallon
Gallagher
Gary
Grabowski
Hagen, Calif.
Harvey, Ind.
Hébert
Hemphill
Hoffman
Holland
Jones, Ala.
Kee
Keith
Kelly
Laird
Long, Md.
McIntire
Martin, Calif.
Morse
O'Brien, Ill.
Poage
Powell
Rains
Reifel
Rhodes, Ariz.
Roberts, Ala.
Roosevelt
Senner
Short
Sibal
Teague, Calif.
Wallhauser
Whalley
Wilson, Charles H.
Wright
Wyman

The **SPEAKER**. On this rollcall, 374 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8363) entitled "An act to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes."

The message also announced that the President pro tempore had appointed Mr. CLARK, Mr. PELL, Mr. HICKENLOOPER, and Mr. CARLSON to be members of the U.S. delegation to the 18-Nation Conference of Arms Control and Disarmament Agency, Geneva, Switzerland.

The message further announced that the President pro tempore, pursuant to title 46, United States Code, section 1126c, had appointed Mr. Nelson to be a member of the Board of Visitors to the U.S. Merchant Marine Academy.

SUBCOMMITTEE ON DEFENSE RESEARCH AND TECHNOLOGY

Mr. HECHLER. Mr. Speaker, I ask unanimous consent that the Subcommittee on Defense Research and Technology of the House Committee on Science and Astronautics be allowed to sit during general debate in the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

INTERNATIONAL DEVELOPMENT ASSOCIATION ACT

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 9022) to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 9022, with Mr. Flynt in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from Texas [Mr. Patman] had 25 minutes remaining. The gentleman from New York [Mr. Kilburn] had 7 minutes remaining.

Does the gentleman from Texas desire to be recognized?

Mr. PATMAN. Not at this time, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from New York.

Mr. KILBURN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. McClory].

Mr. McCLORY. Mr. Chairman, I have asked for this time in order that I might point out some things in this legislation which appear from the bill itself and the committee report as well as the discussions carried on in the other body appearing in the Congressional Record dated January 20, and I refer primarily to page 660 of the Congressional Record of that date.

First of all, I should like to point out that the committee certainly has its apprehensions with regard to this bill both with regard to the body of the bill itself and the committee report.

Directing your attention first of all to section 3 of the bill and the three significant paragraphs in there, first of all the committee itself points out there that it is the intention of the Congress that any future increases in U.S. funds contributed to IDA should be reduced by the amounts which are provided in this bill.

Further, there is another very important provision that it is the intention of Congress that reserve funds from the World Bank, which now amount to $813 million, should be made available to its affiliates, which include the International Development Association. In other words, it suggests that the funds in the World Bank, on which we now charge conventional interest and which are conventional type loans, should be made available to this institution, which as we know lends the money interest free.

The bill provides further that because of our deficit in the balance of payments, the World Bank should take into consideration getting additional funds from other countries. This is another expression of apprehension which the committee set forth in the bill itself.

Then in the committee report there are several significant observations. This bill, as we know, came to the committee because there was a letter from the Secretary of the Treasury and a special report of the National Advisory Council recommending this legislation. The report of the Committee on Banking and Currency suggests that the National Advisory Council did not disclose all of the facts that they should have disclosed. The committee itself says they are particularly disturbed by the statement of the Council requesting these additional funds, and they state further that it would have been more helpful if certain additional information had been provided. I say it should have been provided.

Also the committee report calls attention to the fact that the names of the members of this Advisory Council who dissent from the Council's recommendations are not disclosed, so that the committee did not know and the Congress does not know whether this is a unanimous report or not. I suspect and they suspect that it is not a unanimous report, and that possibly one or more members have their disagreements with this kind of a program.

The other thing I want to point out is this, that of all the funds which have been loaned by the International Development Association during the last fiscal year, $300 million were loaned to India. Of this amount, $178 million was authorized for reloan. This money is loaned by the IDA interest free, yet the Government of India reloans the money at interest rates of from 4 to 12 percent. This is a very high percentage of the money they borrowed.

It seems to me that all or a substantial part of the $313 million in the reserve funds of the World Bank, which have not been designated for any use by the Congress, could be made available and should be made available to make conventional loans to these countries that are now receiving funds from IDA "interest free" and then reloaning the same funds at substantial interest rates. So it seems to me this is not good legislation. It is a measure with respect to which there are serious doubts and apprehensions on the part of the committee itself as is evidenced by the committee report and by the language of the bill. Certainly, there should be apprehensions on the part of the Congress with regard to committing this Nation to this large expenditure. I might say further that by providing this money and computing the interest we will have to pay on the the money which we will have to borrow in order to provide these funds, the total committed by this bill will amount to $1.9 billion—$1.9 billion. That is the total to which we commit ourselves if this legislation is passed is $600 and some million plus $1,200 and some million interest which must be paid by this Government on these funds which we have to borrow to loan interest free.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KILBURN. Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. Stinson].

Mr. STINSON. Mr. Chairman, I yield to the gentleman from Louisana [Mr. Passman].

Mr. PASSMAN. Mr. Chairman, I could not under any conditions vote for this bill. I am convinced this is bad legislation. We know that the nations which are the recipients of funds from IDA are double dipping, getting substantial aid directly from us and also coming in to get additional money from this fund. We know, too, that Communist nations are members of IDA and that they may petition for and obtain these so-called loans.

Mr. Chairman, I hope this bill is defeated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KILBURN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I voted against the foreign aid bill. Here is a chance to get 16 other countries to put money into the kitty to help underprivileged countries. This program was started by President Eisenhower. It is a good program because under this program we have other countries helping us instead of going it alone. If anyone feels they do not want to help any country under any conditions, then they should vote against the bill. But if you are ever going to get rid of foreign aid, this is the way to do it and you should vote for this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PATMAN. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. Reuss].

Mr. REUSS. Mr. Chairman, I take this time for the purpose of pointing out that all the members of the National Advisory Council specifically endorse this legislation. We had to query them to make sure of it, but we were assured they are for this.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I am delighted to yield to the gentleman from Louisiana.

Mr. PASSMAN. This is foreign aid; is it not?

Mr. REUSS. This is a very advantageous form of foreign aid because the aiding entity will be repaid in hard currency—gold—dollars—other hard currencies, and not in "funny" money or local currencies.

Mr. PASSMAN. It is unlikely that much of this money will ever be repaid. These transactions are not actually loans. They are grants in disguise.

The gentleman also knows that in general the recipients of this "package" are getting, say, from three to five times as much from our foreign aid spigots as other countries.

Mr. REUSS. Will the gentleman permit me to answer?

Mr. PASSMAN. If the gentleman will yield further, may I ask: Is it not true that the part II members of IDA pay only 10 percent of their contributions in hard currency, and the other 90 percent in local currency?

Mr. REUSS. To answer the gentleman's two questions, this is to be a loan, not a grant or a gift, and repayment is required in full in hard currency to the lending agency.

Mr. PASSMAN. If it is ever repaid at all.

Mr. REUSS. Second, the so-called class II countries, the poorer countries, the recipient countries—as opposed to the well-to-do, giving countries—it is true, put into the fund only 10 percent in hard currencies. That is because they are poor, and do not have sufficient hard currencies.

Mr. PASSMAN. We should not forget that the countries putting in the money are also the recipients of our foreign-aid generosity on a direct bilateral basis.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the majority leader [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, first I desire to commend the Committee on Banking and Currency for the outstanding job it has done in bringing this matter to the House. This is, of course, a matter of some urgency. We are hopeful that the bill will be passed and sent on to the President's desk as soon as possible.

I believe it is important to remind ourselves in connection with this legislation that it was commenced in 1960. It had the support of President Eisenhower; it has been recommended by both President Kennedy and by President Johnson.

When the bill was originally before the House it had strong bipartisan support, receiving more than a majority of votes of Members on both sides of the aisle.

It seems to me that if we should depart from the recommendations of the committee we would be going back to what we have been trying to get away from for a long time. We have tried for years to get other nations to shoulder their share of the foreign aid burden. We have tried to shift from grants to loans over the years. H.R. 9022 will help to accomplish these purposes.

Our share of the new subscription, as the committee pointed out, has been reduced to 41.6 percent from the 43.32 percent which we paid on the original capital. Thus, each dollar of IDA aid costs the United States less than 42 cents.

In addition, the staff of IDA is identical with the experienced and hard-headed staff of the World Bank. The unmatched record of the World Bank, which has never had a single defaulted loan in 18 years, should lay to rest any unreasonable fears about this program.

The International Development Association is a great step forward in foreign aid. Through it, and programs like it, the other advanced nations take part in helping less fortunate countries. We should encourage the growth and development of such international agencies because we can no longer afford to bear the burden alone. The present authorization of the program is committed. There still remains a tremendous job to be done. That is why an additional authorization is necessary at the present time. The Communist nations are competing with the free world countries for ascendency in the underdeveloped nations. They do not seem to be troubled by a shortage of funds. It would be unwise, it seems to me, if we were to permit narrow, false economy to keep us out of this program or to permit it to expire.

I urge the passage of the bill.

Mr. PATMAN. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. REUSS].

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Illinois.

Mr. McCLORY. If I stated that the National Advisory Council had a disagreement among its members I intended to call attention to the fact that in the report there is apparently disagreement among the Directors. The Board of Directors consists of the Secretary of the Treasury, as chairman, and the Secretary of State, the Secretary of Commerce, and the Chairman of the Board of Governors of the Federal Reserve System and the Chairman of the Export-Import Bank. I would gather from the committee report that there is some disagreement or some dissension on the part of that board. I ask if it is not the Chairman of the Federal Reserve System Board of Governors or the Chairman of the Export-Import Bank who is not a dissenter or both of them.

Mr. REUSS. I can give the gentleman the answer to that. In fact, I gave it before, but I am glad to reiterate. The National Advisory Council, the international monetary and financial board set up pursuant to statute, is indeed composed of the five officials that the gentleman from Illinois just mentioned. We, however, ascertained that each one of those people, including the Chairman of the Board of Governors of the Federal Reserve System, was 100 percent in favor of this legislation. That did not initially appear. We ascertained it was true, and I reiterate that that is the fact.

Mr. McCLORY. Did you ascertain that after the committee report was prepared?

Mr. REUSS. No. Before the committee report was prepared, but after the initial committee hearings.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. SMITH of Virginia. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-seven Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 47]

Andrews, N. Dak.
Ashley
Bass
Bray
Broomfield
Brown, Calif.
Brown, Ohio
Buckley
Burleson
Byrnes, Wis.
Celler
Cooley
Davis, Tenn.
Diggs
Dowdy
Elliott
Ellsworth
Fallon
Grabowski
Hagen, Calif.
Hanna
Hardy
Harsha
Hoffman
Jensen
Jones, Ala.
Kee
Kelly
McClory
McIntire
McMillan
Mailliard
Martin, Calif.
Meader
O'Brien, Ill.
Osmers
Poage
Powell
Rains
Rhodes, Ariz.
Rivers, S.C.
Roberts, Ala.
Roosevelt
Senner
Sibal
Smith, Calif.
Teague, Tex.
Tupper
Wallhauser
Whalley
Willis
Wilson, Charles, H.
Wright

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FLYNT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, H.R. 9022, and finding itself without a quorum, he had directed the roll to be called, when 383 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. LIBONATI. Mr. Chairman, this bill authorizes an appropriation—without fiscal year limitation—the sum of $312 million, the share owed by the United States. This authorization—that the U.S. Governor of the International Development Association vote for the resolution now pending before the association to increase its convertible currency resources through additional subscriptions by 17 economically advanced countries in the total sum of $750 million. The resolution providing that each nation's subscription be available in three equal installments during fiscal years of 1966, 1967, and 1968.

The United States may issue non-interest-bearing notes to the association as each installment of the subscription becomes due.

The association was established—1960—to provide a source of development capital for countries which could not qualify for loans from the private capital markets or meet the tight standards for loans from the International Bank for Reconstruction and Development of the U.S. Export-Import Bank. The association was a supplement to the U.S. development loan fund and was meant to stimulate the participation of other economically strong nations to become more active in participating to advance the economical development of the poorer countries.

These loans are extended for 50 years at no interest charge but there is a service charge of three-fourths of 1 percent per annum. Repayment of the principal is in convertible currencies—no repayment required during first 10 years on any loan.

The Association, unlike the International Bank, cannot obtain additional funds by issuing its own securities in the private capital market.

Therefore, the need for capital resources by the association is self-evident because of the increase in new nations that are not only underdeveloped, but some entirely devoid of any capital for development purposes.

The United States, by supporting this program and expanding the resources of the association, would result in added contributions of $1.40 from other nations for every dollar that we make available. The strength of the nations of the free world is enhanced by the development of these underdeveloped nations enabling each to establish its credit through a developing economy instead of a stagnant one that would stifle the ambitions and destroy the confidence of its people in their government and create unrest and revolt resulting in troubled sore spots throughout the globe.

The establishment of confidence through increased operations of the association will be reflected in the enjoyment of a greater export trade with those nations that are the recipients of the loans—thus broadening their national interest in freedoms enjoyed through the benefits of loan decisions.

The association since November 30, 1963, has committed $554 million on 42 credits in 18 countries. Its lendable resources in convertible currencies are better than $750 million. Even at the current modest annual rate of lending about $150 million per year—which is lower than the anticipated lending rate—the $200 million balance of lendable funds will be exhausted by 1966. Thus the resolution now pending before the association for an increase in subscriptions of $750 million in convertible currencies to be paid in entirely by 17 part I countries and to be available in 3 annual installments beginning in fiscal year 1966.

Part II countries are not being asked to contribute. The share of the United States is $312 million, 41.6 percent of the total sum of $750 million. In 1960 at the formation of the association, United States contributed 43 percent of the subscription—$320,290,000—as against all members contributing $1 billion. The resolution also provides that at least 12 out of 17 countries with proposed contributions totaling $600 million or more out of the $750 million must agree by March 1, 1964, to perfect their contributions before any country's commitment—as herein provided by their present pledges—becomes effective, unless the United States casts its vote in favor of the proposal, otherwise the approvals of all the countries which have already acted favorably on the proposal will be ineffective. These moneys placed at the disposal of the association will mean purchases projected from the United States of about 80 percent of the U.S. subscription in the form of increased exports. The present unilateral aid program compares to about only 65 percent.

The Committee on Banking and Currency should be complimented in recommending this legislation for favorable passage.

Any action that we take to alleviate the economical problems of a new undeveloped or underdeveloped nation contributes to our recognition by all the nations of the world that we have not abandoned our policy to aid freedom loving nations of this world to persevere to maintain the decent standards of living under which its proud citizens can enjoy those opportunities that contribute to the continued confidence and security of its form of government. This bill is an important step to securing those ends and gives impetus and ambition to the needy populations of nations recently formed to seek their place of importance among the free countries of the world.

Mr. RYAN of New York. Mr. Chairman, the International Development Association is an international agency affiliated with the World Bank, but distinct and separate from it. Its articles of agreement were approved on January 26, 1960, by the Executive Directors of the World Bank for submission to the member governments of the Bank. The IDA entered into force in September 1960 upon the articles being signed by those governments whose subscriptions comprised not less than 65 percent of the total initial subscription amounting to $1 billion. This total subscription comprised contributions from 17 economically advanced countries totaling $763 million in convertible currencies, with the rest subscribed by lesser developed countries with restricted local currencies.

U.S. membership in the IDA was authorized by Congress on June 30, 1960, and $320,290,000 was appropriated as our share or 43 percent of the share of the 17 countries with convertible currencies.

The primary purpose of this new international lending fund was to supplement the lending activities of the World Bank, but on terms less restrictive than those extended by the Bank, for periods up to 50 years, at no interest except for a service change of three-quarters of 1 percent per annum. In addition, repayment could be made in any convertible currency, and during the first 10 years of the loan no repayment would be required.

As one of the prime movers in the establishment of this new agency to lend money to underdeveloped areas, the United States hoped that other economically viable nations would step in and share with the United States the burden of raising funds for backward nations. Our percentage was disproportionately large, but we hoped that gradually other nations would accept a larger share in a fund that would be internationally administered.

It is noteworthy that out of a total of $750 million in convertible currencies the IDA has by November 30, 1963, committed $554 million on 42 credits to 18 underdeveloped countries. At an annual rate of around $150 million the fund will be exhausted by early 1965.

This early exhaustion of convertible currencies has caused the Directors of the World Bank to ask for an increased subscription of $750 million in convertible currencies from the same 17 economically viable countries.

The proposed bill H.R. 9022 authorizes our contribution of $312 million out of this new total or 41.60 percent—slightly less than our initial percentage quota in 1960.

Since 1960 some 45 new nations have arrived on the world scene. Few of them are economically independent. Former metropolitan powers, like France and England, are giving aid to their previous colonies, but often these loans are tied to very specific projects and terms of repayment. Some countries cannot meet the terms of the World Bank or the Export-Import Bank, not to say the terms of private lending agencies. The only way the newer and underdeveloped countries can secure funds to build up a secure infrastructure for their people is to obtain grants or loans.

It is my feeling that the more we can involve the economically advanced countries in international organizations for helping the less advanced areas, the less will be their total reliance on us. Certainly our share is still large, but at least other nations are accepting an increasing share. Here 16 other nations will now help us in giving aid on the firm criteria of need.

Mr. Chairman, during the last 20 years the World Bank officials have shown a great sense of responsibility in disbursing money to applicants for loans. I am sure that they will exercise the same responsibility in disbursing these long-term IDA loans. Loans will not be granted unless exhaustive studies have been made as to needs and end-use justifications for such loans. I, therefore, support H.R. 9022 whereby this House authorizes the total appropriation of $312 million for the additional subscription to the IDA.

Mr. LINDSAY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LINDSAY. Mr. Chairman, I strongly support the IDA. I recall when President Eisenhower submitted to the Congress the proposal that the United States subscribe to the Association in order to provide, with other countries, a source of development capital for newly emerging nations. I recall that I spoke on the floor at that time in support of IDA. To me it represented the proper direction that economic assistance should take: it was multilateral in base, that is, a wide span of countries, including the receiving countries, were required to contribute; and, second, it represented a shift to loans instead of direct grants-in-aid.

The Eisenhower administration conceived of IDA as a sound way to meet the problem of providing development loans for countries which could not qualify for private capital loans or for International Bank for Reconstruction and Development loans.

It is now proposed, by this bill, to increase the Association's convertible currency resources through additional subscriptions for 17 countries in a sum total of $750 million. The U.S. share will be decreased from 43 to 41.6 percent. Unless the United States casts its vote in favor of the proposal, the approvals of all the countries which have already acted favorably on the proposal will be ineffective.

The stake of this country in expanding the resources of the Association is particularly significant:

First. By contributing to the multilateral capital fund of the Association, the United States can be assured of $1.40

in contributions from other countries for every $1 which we make available for economic development.

Second. The political and economic stability of the free world, which has been our constant goal, is furthered by making it possible for developing countries to borrow from an international lending institution with the assurance that narrow national interests are not reflected in loan decisions.

Third. The balance-of-payments effect on the United States of IDA loan disbursements, now relatively unfavorable, can be expected to improve. In the 3-year period ending September 1963, only about 23 percent of all identifiable procurement under these disbursements was in the United States. However, over a longer period, the percentage share of purchases under Association credits in the United States should more nearly approximate the 33-percent share of purchases under International Bank loans in this country during fiscal 1963. If the latter ratio is achieved on Association loans, about 80 percent of the proposed U.S. subscription would be returned to us in the form of increased exports as compared with about 65 percent under our unilateral aid program at present.

The CHAIRMAN. All time for general debate has expired.

Under the provisions of House Resolution 632, it is in order to consider the substitute amendment recommended by the Committee on Banking and Currency and now printed in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill.

Pursuant to the rule, the Clerk will now read the committee substitute amendment printed in the reported bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of subsection (b) of section 7 of the International Development Association Act (22 U.S.C. 284e(b)) is amended by striking out ", after paying the requisite part of the subscription of the United States in the Association required to be made under the articles,".

Mr. REUSS (during the reading of the committee substitute amendment). Mr. Chairman, I ask unanimous consent that the further reading of the committee substitute amendment be dispensed with and that it be open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. GROSS. Mr. Chairman, reserving the right to object; does this mean, since this is being considered as an original bill, that with the reading of each designated section in the bill, it would be in order to strike the requisite number of words in order to gain recognition; or will the entire bill be read before it will be in order to move to strike the requisite number of words?

The CHAIRMAN. If there is no objection to the unanimous-consent request of the gentleman from Wisconsin, the entire bill will be considered as having been read and will be open for amendment at any point, at which time it will be in order to seek recognition under the 5-minute rule for the purpose of offering a substantive amendment or for the purpose of offering a pro forma amendment.

Mr. GROSS. Mr. Chairman, then it would be in order to offer a pro forma amendment to strike the requisite number of words after the reading of each section of the bill; is that correct, if the unanimous-consent request is not granted?

The CHAIRMAN. If the bill is read by section, it will be in order to move to strike out the requisite number of words as the sections are read.

Mr. GROSS. Therefore, Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk read as follows:

(b) The last sentence of such subsection is amended by striking out "of the subscription of the United States".

AMENDMENT OFFERED BY MR. REUSS

Mr. REUSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Reuss: Strike out all after the enacting clause and insert in lieu thereof the following: "That section 7 of the International Development Association Act (22 U.S.C. 284e) is amended by redesignating subsections (b) and (c) as subsections (c) and (d) and by adding a new subsection (b) as follows:

" '(b) The United States Governor is hereby authorized (1) to vote for an increase in the resources of the Association and (2) to agree on behalf of the United States to contribute to the Association the sum of $312 million, both as recommended by the Executive Directors, in a report dated September 9, 1963, to the Board of Governors of the Association. There is hereby authorized to be appropriated, without fiscal year limitation, $312 million to provide the United States share of the increase in the resources of the Association.'

"Sec. 2. Redesignated subsection (c) of section 7 of the International Development Association Act is amended by striking from the first sentence the words ', after paying the requisite part of the subscription of the United States in the Association required to be made under the articles,' and by striking from the third sentence the words 'of the subscription of the United States'."

Mr. REUSS. Mr. Chairman, I rise in support of the amendment which has just been read. I wish to explain it briefly.

This is a technical amendment. All it would do, in practical effect, is to take out of the committee amendment, which is in the printed version of H.R. 9022, now before us, the section 3, which sets forth the intention of Congress with respect to the U.S. Governor of the International Bank for Reconstruction and Development. That would leave the fundamental clause of the bill, which sets up a $312 million contribution to the expanded IDA fund.

The amendment I have offered is in the exact terms of the bill as passed by the other body, and it is identical with the bill as sent up by the administration.

The reason for offering this amendment is that the Secretary of the Treasury, Mr. Dillon, in a letter of February 17, 1964, to the chairman of the House Committee on Banking and Currency [Mr. Patman], has indicated his complete agreement with the policy recommendations made by the Committee on Banking and Currency in section 3 of the committee amendment to H.R. 9022. For that reason, and because of the great desirability of having this legislation on the President's desk prior to March 1, 1964, so that we may meet the requested timetable, the amendment is offered.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I am glad to yield to the gentleman from Virginia.

Mr. SMITH of Virginia. It is still quite unclear to me exactly what is being done. Are you going back to the bill you struck out, or only disagreeing to a part of the bill you struck out? How can we know exactly what is involved? Can we find out from this piece of paper?

Mr. REUSS. The gentleman from Virginia can find out from what I have just said, but I shall be delighted to say it again.

The amendment which I have offered would substitute for the committee amendment to the bill, H.R. 9022, which committee amendment appears beginning on page 2, line 21, and goes to the end of H.R. 9022.

Mr. SMITH of Virginia. You are striking that out?

Mr. REUSS. We are striking all of that out so that the official legislation for this body will be what the Clerk just read, and in order that the gentleman may know what the language of that substitute is, it is almost precisely the language contained in section 2 of the committee amendment, H.R. 9022, which is contained on page 3 of the H.R. 9022, from lines 3 to 22, inclusive.

Mr. SMITH of Virginia. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. HARVEY of Michigan. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the minority has no objection to this amendment, because the Senate bill is essentially the same in dollar amount in all language right up to the last page of this particular bill, and in all respects with the exception of certain language that was insisted upon by one member of the committee that it be put into this. He has now since had it explained to him that these points are agreed upon by the Treasury and the World Bank. We are mindful both in the minority and the majority that this bill does, as the majority leader said earlier this afternoon, have a deadline upon it. In other words, the deadline is March 1 if it is to be passed. We are also mindful that this bill has already been submitted to the other 16 nations, I might say, who are listed on page 4 of the report, who have themselves approved of this particular bill, and therefore on the question of saving time we have no objection to the adoption of the bill and the substitution of this amendment.

Mr. PEPPER. Mr. Chairman, I rise in behalf of the amendment.

Mr. Chairman, I wish to attest to one very important accomplishment of the Inter-American Development Bank in the field of encouraging thrift and homeownership through the establishment and development of savings and loan associations in Latin America through a loan program. In the latter part of January, I had the privilege of attending a savings and loan conference in Santiago, Chile, sponsored by the Inter-American Development Bank and the National League for Insured Savings of the United States. There were 5 countries represented from Latin America at that conference and some 40 or 50 representatives of savings and loan associations of the United States. In Chile the U.S. Government under the Eisenhower administration diverted $5 million of the earthquake grant of $120 million for seed capital for a savings and loan system which we encouraged and aided Chile to set up. In addition to that, through the Inter-American Development Bank, further to assist Chile in developing her savings and loan system, we made loans of $10 million, making a total of $15 million altogether, $10 million of it in loans, and safe loans, advanced by the Government of the United States.

Mr. KILBURN. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from New York.

Mr. KILBURN. I am a little confused. What has that to do with the bill?

Mr. PEPPER. This bill provides for assistance to developing countries through a loan program. I am giving an example of how a loan program in Latin America has done much to advance that area.

Mr. KILBURN. Neither of them has anything to do with this bill.

Mr. PEPPER. What I wanted to say, Mr. Chairman, is that $15 million in assistance by the Government of the United States—$10 million of it in loans—to Chile enabled Chile to set up a savings and loan system. Now Chile has 22 savings and loan associations—80,000 savers—$25 million in savings, and has built 10,000 homes through these associations. I merely wanted to attest to a field in which the Inter-American Development Bank, through a lending program through its housing division, under Mr. Stanly Baruch, is greatly helping private enterprise and democracy in Latin America.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Louisiana.

Mr. PASSMAN. The gentleman understands, of course, that there are 16 other spigots of foreign aid, and under one or the other of them they could have gotten the same type of assistance.

Mr. PEPPER. However that may be, $10 million of this assistance is a loan, I will say to my able friend, and is regarded as a safe loan. I do not know of any way that the United States, by making a $10 million safe loan, could have encouraged that much thrift on the part of the local people and gotten that many homes built for the local people through private enterprise.

Mr. PASSMAN. Who regards it as a safe loan?

Mr. PEPPER. Those who have handled the making of these loans. They have been to Chile and have seen the type of homes on which loans are being made and are confident that the loans made by the local associations will be repaid by the homeowners and the loans of the bank will be repaid through the Central Home Loan Banking System of Chile, headed by the able president of that central bank, the Honorable Eduardo Gomiens.

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield further, the reference is not to a so-called loan through the International Development Association?

Mr. PEPPER. No. These loans were made by the Inter-American Development Bank.

Mr. BOW. Mr. Chairman, I rise in opposition to the amendment.

Mr. BOW. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Chairman, on yesterday we adopted a conference report on the tax bill. The distinguished chairman of the Committee on Ways and Means made some statements with which I thoroughly agree; that if we are not going to threaten this country with inflation, if we are not going to debase our currency, we are going to have to have some economy in this Government of ours.

This is our first opportunity to exercise some of that economy. This is our first opportunity to take an action which will retrench and make a tax cut meaningful.

In the budget this year there is an item of $61 million for this Bank. But if you read that budget carefully you will see that it says it is the fifth and final payment. If this bill passes it will not be the fifth and final payment, but we will establish, not a payment in the next fiscal year of $61 million, but we will have in the budget next year over $104 million.

So, if we are going to reduce Government spending, if we are going to try to bring the budget into balance, I assure you that we cannot do it by increasing budget items by $40 million a year.

It has been said here that this is a fine bill. And the gentleman from Michigan, for whom I have the highest regard, yesterday went back to a very distinguished Senator from his State, Arthur Vandenberg, and what he had done on foreign aid. Well, that is $100 billion ago. The situation in the world when Vandenberg did those things was entirely different than it is today. One hundred billion dollars of the American taxpayers rehabilitated some of the nations who were involved and when they tell us that this is a great bill because of the fact that other nations are participating, let us look at the list of the other nations that are participating and to what extent they are participating. We are participating to 41 percent. The nearest to us is the United Kingdom at 12.88 percent.

Mr. Chairman, let us look at some of those nations that our $100 billion brought back to their economic solvency and who are in a better financial condition today than we are insofar as their deficit and economy is concerned. Let us consider France for example. We are paying 41.60 percent. They are paying 8.25 percent. Germany is paying 9.68 percent. Why of course, Mr. Chairman, these other countries are coming in and are participating in this fund. It has been said that we have got to do this because the other countries are coming in and that this is a good deal to have them do so. However, we are paying 41 percent of the bill.

Mr. Chairman, how about this question of whether we are getting away from foreign aid or not, that we should pass this, because this eliminates it from foreign aid. I say to the members of the committee very frankly that if we are able to rid ourselves of foreign aid perhaps the members of the committee will find me voting for legislation of this kind. However, let us rid ourselves of foreign aid first.

Mr. Chairman, what is in the budget this year that we can consider to be foreign aid? Let us look at the entire picture. Foreign aid as contained in the budget this year is in the amount of $3.4 billion. The Peace Corps has submitted a request for $115 million.

There has been a request of $1 billion for the Public Law 480 program. Then we have the Ryukyu Islands in the amount of $14 million; refugees and migration in the amount of $8.2 million, and the Inter-American Bank is in the budget for $205 million.

Mr. Chairman, are we getting away from foreign aid? I should say we are not.

Each one of these agencies has requested an increase over the amount which Congress appropriated to them last year. If we are going down the road that the distinguished gentleman from Arkansas [Mr. MILLS] talked about yesterday, of cutting down expenses, we will have to go down that road today.

Mr. Chairman, permit me to point out one other thing. In looking over some of these loans and in talking about whether we take care of our neighbors and whether or not we have done the right thing by the people, I was looking over here in this material and I see that in Honduras, in Costa Rica, and the other nations loans have been made by this organization for the purpose of building roads. May I suggest to the members of the committee that in the construction of the Inter-American Highway, there has been used the sum of $156 million of the taxpayers' money of the United States to build that highway. Now we are providing this money to loan those countries part of their obligation to build a highway which they were supposed to furnish themselves, in the amount of $156 million. Now they are back in here for more money this year.

Do not tell me that we have not been looking after our neighbors and taking from the wealth of this country—and then we plan to wage a war on poverty in this country.

Mr. Chairman, if we are really going to fight that war with an adequate offense we had better start saving some of this money now. There is no reason at all for the preservation of our Nation or for our security or for our economy why this bill should be on the President's desk day after tomorrow or 2 months from now, or any time.

Mr. Chairman, the funds are here and this Bank has operated without this additional amount in the past. Now, however, we are beginning to make loans on which we forgive the interest during the first 10 years of the loan and then make loans for a period of 50 years on which a very small rate of interest is paid.

Mr. Chairman, I say to the Members of the Committee that this bill should be defeated. There is no reason at all for it for the economy of our country or for the economy of other nations. If you meant what you said yesterday on your vote in the conference report that you are committed to economy, to trying to save American taxpayer dollars in order to save this Nation from inflation, this is your one opportunity to do it. I would hope that the Members who voted in this manner yesterday would keep their word to the American people and see to it that we cut expenditures of this kind.

Mr. PASSMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes and to revise and extend my remarks.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Let me state, Mr. Chairman, that our total foreign aid, including the interest we are paying on the money we borrow to give away, is now costing the American taxpayers in excess of $10 billion annually. There are 90 members of that International Development Association, including some Communist countries and they, too, are eligible to receive these so-called loans. Yugoslavia, for instance, is eligible for this money, and presently that country is negotiating with Cuba for loans at 6 or 6.5 percent interest. There are 16 spigots by which these countries can, and do, draw off our resources, our wealth, through foreign aid. This fund is a supplement to the other aid. This is a way for the spenders to do some of the things that the Congress said last year would no longer be permitted through our foreign aid program. But if the aid is channeled through an international organization, it is beyond control of the Congress and largely hidden from the American people.

Repeating what I had to say yesterday, we have given to India some $5 billion of the wealth of the American taxpayers through our bilateral foreign aid. India has also dipped into IDA's funds for an additional $300 million. In order to be able to do that, however, they have to make a contribution to IDA. So they contribute $40 million, while drawing out $300 million, which is 7.5 times as much as they put in.

We had given to Pakistan $2,227 million in bilateral aid through last October. Pakistan has made a contribution of some $10 million to IDA, while withdrawing about $90 million, which is nine times amount they put in.

Mr. Chairman, we should face up to our responsibility.

The distinguished majority leader, much to my surprise, and I think I am quoting him correctly, said this is an "emergency" measure. Let us see how much of an emergency it is.

For fiscal 1965 we will appropriate $61,656,000 as the final payment on our prior commitments to IDA. The bill that you are considering today is not applicable to fiscal 1965. The first installment will not be made until 1966, the second installment in 1967, the third installment in 1968. As I view it, this matter is an emergency only to the extent of slipping it through before Mr. and Mrs. America are aware of what is happening.

Mr. Chairman, we have put up 43 percent of IDA's hard-currency capital in the past and the other 89 member nations have put up, combined, only 57 percent. Under this bill the United States will put up 41.6 percent of the total convertible currency and the others will put up the remainder. And, it should be kept in mind that of the other 16 part 1 members of IDA, 13 of those countries are recipients of our bilateral foreign aid. They get in aid from us several times as much as their contributions to this fund.

I plead with my colleagues to send this bill back to the committee.

Mr. PATMAN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, some question of jurisdiction has arisen here. I think the gentleman from Pennsylvania [Mr. Morgan], the chairman of the Committee on Foreign Affairs, knows more about this than any other Member of the House, and I yield at this time to the gentleman from Pennsylvania.

Mr. MORGAN. Mr. Chairman, I noticed that during the debate yesterday and today, the question of committee jurisdiction of this bill has been mentioned several times.

The IDA message that was sent to the Congress by President Eisenhower arrived on February 17, 1960.

The Speaker of the House, Speaker Rayburn, referred that message to the Committee on Foreign Affairs. The Speaker was contacted by the chairman of the Committee on Banking and Currency, Mr. Spence, and at a conference in the Speaker's rooms, I agreed to refer it back to the Committee on Banking and Currency.

On March 9 I took the floor and asked unanimous consent that the message be rereferred to the Committee on Banking and Currency. I will now read from the Congressional Record of that date:

> Mr. Morgan. Mr. Speaker, I ask unanimous consent that the message of the President, House Document No. 345, which was referred to the Committee on Foreign Affairs on February 18, be rereferred to the Committee on Banking and Currency.
>
> The Speaker. Is there objection to the request of the gentleman from Pennsylvania?
>
> There was no objection.

So the jurisdiction does belong to the Committee on Banking and Currency.

Mr. Chairman, I yield back the balance of my time.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was interested in the remarks of the distinguished majority leader, the gentleman from Oklahoma [Mr. Albert], when he said that this bill carried some emergency feature. I have not been able to find out why there is an emergency connected with it because I note that bill was introduced on November 4, 1963, and then January 8, 1964.

Now if memory serves me correctly, we were still in session last year on the Monday before New Year's Day. If there was an emergency in connection with this legislation, then where has this bill been resting since November 4, 1963? The gentleman from Wisconsin can answer on his own time because I do not think he can give me a logical explanation as to where this bill has been if any part of it is to meet an emergency.

The gentleman from Oklahoma [Mr. Albert], also talks about the World Bank never having defaulted on a loan. As the gentleman from Louisiana [Mr. Passman], has stated time and again on the House floor, foreign governments are not going to default on these so-called loans as long as the free spenders in Congress continue to pump billions of dollars into their hands through the foreign handout program which makes it possible for them to pay at least something on their debts.

For instance, here is a news item off the wire today from the capital of Brazil:

> U.S. Ambassador Lincoln Gordon said last night the United States will reply soon to President Goulart's bid for refinancing of Brazil's foreign debt.

So we will probably respond to Brazil as we did last year—commit $283½ millon and give them $83 million or around $83 million immediately to do—what? To meet their short-term obligations to the Soviet Union and other Communist-bloc nations that were due and payable. Suppose they had been forced to pay out of their own funds? Would they have defaulted on previous borrowings from the United States?

Now what is this legislation that we have before us? As I said yesterday; it is the worst kind of deception to call it a loan program.

For the first 10 years there is a grace period. There is absolutely no payment on the principal of the loan in the first 10 years. There is a three-quarters of 1 percent carrying charge for 10 years—that is all.

For the second 10 years, there is a 1 percent payment on the principal—if the foreign government elects to make any payment at all. There is no interest paid on the principal, only a three-quarters of 1 percent carrying charge.

For the last 30 years of a loan—under this stinkeroo—during the last 30 years there is a 3 percent payment on the principal. There is still no interest paid. There is a three-quarters of 1 percent carrying charge.

Now I ask the gentleman from Virginia [Mr. SMITH], the distinguished chairman of the Committee on Rules, who has an interest, as I understand it, in a bank or two over in Virginia: Are you making loans of that kind? Could you stay in business in Virginia and make loans—50-year loans—with not one stinking penny of interest on the loans, and with a virtual grace period for 20 years? Would you think you could make loans on that basis and stay in business?

Mr. SMITH of Virginia. I am always grateful when the gentleman from Iowa refers to me. I believe his question answers itself. No sensible banker would make those kinds of loans.

If we gave this bill the kind of consideration to which it is entitled, it would not get any votes in the House, if Members meant what they said yesterday, that they were not going to indulge in any further extravagance.

Mr. GROSS. That is correct. How does the gentleman from Virginia think the Members of the House who vote for this deal can go back home and explain this to their taxpayers and voters? How can they explain taking $312 million of their money to hand out to a bunch of foreign leeches on this basis and claim they have made loans?

Mr. SMITH of Virginia. Mr. Chairman, I do not know. So far as I am concerned, I have so much explaining to do myself, when I go home, I do not attempt to speak for anybody else.

Mr. GROSS. It could never be explained in Iowa, but I suppose it can be explained in Texas and Oklahoma; I do not know. Perhaps the banks in Texas, as I said yesterday, make loans on this basis. If they do, I am heading for Texas. I want some of this "easy money."

The gentleman from New York [Mr. KILBURN] said this afternoon he could justify this incredible program because, he said, foreigners are putting in some of the funds.

What are we doing? Using the dollars we give them in various ways. So we put up nearly 50 percent and they use our dollars to put up their share. American taxpayers pay, as usual, coming and going.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was granted permission to proceed for 3 additional minutes.)

Mr. GROSS. Let us say that each of us puts up 50 cents. If a loan is made for $1,000 on the terms and conditions set forth, each would put up $500.

This money is never going to be repaid and anyone who believes it will be can stand and be counted.

Anyway, let us say that I put up 50 cents on the dollar, and some foreigner puts up 50 cents on the dollar. The foreigner gets all the money because I am not going to be repaid. What a wonderful bargain this is for me. On a $1,000 so-called loan, the foreigner has $500 of my money that I will never see again.

How can anyone keep a straight face and try to sell this to the people of this country on the basis of $312 million?

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to my friend from Louisiana.

Mr. PASSMAN. This is not a loan. We know it is not a loan.

Does the gentleman know of any provision anywhere in the bill which would provide for a single dime of the money ever to return to the U.S. Treasury, if it should be paid?

Mr. GROSS. No; I do not. There is not a single provision in the bill to that effect.

If I were a depositor in a bank that operated on that basis, I would get my money out fast. Bobby Baker seems to be able to get away with borrowing $125,000 without posting collateral, and if I had a deposit in that bank, I would get it out, if that is the way the affairs of the bank are being conducted.

If a bank loaned money on the basis that this bill provides, as a depositor I would get my money out right now, and if I were a stockholder in a bank loaning money on this basis, I would sell my stock without a wasted second for I would know the bank could not keep its doors open and make loans running for a half century with no interest paid.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. PASSMAN. Is it not true that this type of foreign aid loses its identity because it is mixed up with other aid we give to other nations? We do not have the right of examination, or the right to turn down or to approve projects.

Does the gentleman understand it in that way?

Mr. GROSS. Yes.

Mr. PASSMAN. Is it not also true that there will not be any request for any funds for fiscal years 1966, 1967, and 1968; that it will be incumbent upon subsequent Congresses to approve what we do here today, if we pass the bill?

Mr. GROSS. That is correct. It is the old blank-check operation.

Mr. KILBURN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. KILBURN. I should like to ask the gentleman what kind of loans we make in the foreign aid program. We do not make any.

Mr. GROSS. In the foreign aid program?

Mr. KILBURN. We do not make any, do we?

Mr. PASSMAN. Let me answer that.

Mr. KILBURN. And we do not have any other countries joining with us, do we?

Mr. GROSS. I do not know that there is any so-called loan program in the foreign aid program. Congress gives it away. Congress and the administration does not even bother to go through this rigmarole and hypocrisy.

Mr. PASSMAN. The gentleman is absolutely correct. It is not a loan, but the people who justify the money say it is a better loan than the IDA in that it is made for 40 years and they pay seven-eighths of 1 percent interest, but it is still not a loan.

Mr. GROSS. Mr. Chairman, I urge the House to defeat this monstrosity. It is simply piling another $312 million on top of the billions that are spent annually on the foreign handout program. This is worse, if that is possible, because the citizens and taxpayers of this country will be led to believe that some time in the distant future they will get some of this money back.

How anyone could vote yesterday for the tax reduction bill and today vote for this spending bill is beyond comprehension.

The $11 billion tax cut will have to be financed out of borrowed money and if this authorization of $312 million is approved that money will also have to be borrowed. And the taxpayers will have to cough up to pay about 4 percent interest on both borrowings. Unlike the foreigners, there is no place Americans can borrow interest-free money for 50 years.

Mr. BOGGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. DERWINSKI. Mr. Chairman, reserving the right to object, I assume the gentleman is asking for the additional time so that he may answer any questions that might be forthcoming.

Mr. BOGGS. That is correct.

Mr. DERWINSKI. I withdraw the reservation.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana? The Chair hears none, and the gentleman is recognized for 10 minutes.

Mr. BOGGS. Mr. Chairman, I think the distinguished gentleman from New York [Mr. KILBURN] in just a short observation a few moments ago, very aptly described the issue before the House. He said two things which I think must be borne in mind in considering this legislation. No. 1, he said this was a loan program and not an aid program based on grants. It is a loan program so designed and it was so instituted, and it is properly before the committee which has jurisdiction over that function.

Now, No. 2, he said it does something that we have sought to achieve for a long time, namely, it brings into this whole area of economic aid and responsibility of world leadership the other strong nations on this earth. This, too, is something we have been seeking to do, those of us who recognize the responsibility of the strongest and greatest nation on earth, for some time.

There was one other thing he could have said, but by the very fact that he supports the program it is implied, and that is this is a bipartisan program. As a matter of fact, this loan program was instituted, if I remember correctly, in 1960 under the administration of President Eisenhower. President Eisenhower sent a message to Congress recommending this program, and after hearings and after due debate in this body, the House acted, and a majority of both parties supported this program. As a matter of fact, the vote was 249 to 158, with 164 Democrats voting for it and 96 voting against and 85 Republicans, a very clear majority, voting for and 62 against.

I have profound respect for those who take a different point of view, and I realize that in the kind of society in which we live there are many people who would prefer that we did not have the world responsibility which we do have. I think many of them would like to go back to something they think about as the normal times of the past. This is a pleasant thought, but at best it is only a wish. We are the responsible leader of the free world, as every President of the United States—every President of the United States—since the conclusion of World War II has recognized.

Many of my friends here on the Republican side of the aisle—and it is strange to refer to you as on the left here, but from this point of view you are although I would not make such a bold statement, but many of my friends back in 1951, when we had a great national debate on some of these very issues had a slogan. I remember the slogan of that campaign, or one of the slogans, went something like "Trade not aid." That went all over the United States. But after the distinguished General of our Armies, General Eisenhower, was elected President, he found that substantially, the foreign policies both political and economic enunciated by his predecessor, President Truman, were sound and in most matters he carried them out. He did, of course, institute certain amendments, and this program is one that he instituted. The very basis for the program was that we would help these countries help themselves. This is a sound doctrine. This is what we believe in as free enterprise, so that, after President Eisenhower had been in office for 7 years, he recommended this program.

He was succeeded by President Kennedy. President Kennedy after his advisers took a look at this program, recommended it, too. We acted upon that recommendation. Now under the administration of President Johnson who has been in office for only a day or two over 3 months, it comes before the House and he recommends the program.

I am not saying for one moment that the House of Representatives should not play a major role, a large role, in conducting the foreign policy of the United States. I glory in the fact that in recent years the House has had a much larger voice in the foreign affairs of the United States than it ever had previously. This role is spread over the gamut of the committees of the House. I have profound respect for my colleague from my own State of Louisiana; but the notion that the foreign economic policy of the United States should be limited to one subcommittee of one committee of the Congress just is not correct. I happen to serve as the chairman of the Joint Committee on Foreign Economic Policy of the Joint Economic Committee of the Congress and we deal with a whole variety of subjects ranging from foreign aid to foreign economic policy, from foreign trade recommendations and tariff policies to the European Common Market and the balance of payments.

Now, my Committee on Ways and Means has broad jurisdiction in this whole area. Two years ago we passed one of the most far-reaching foreign trade bills in the history of the United States. That bill has broad implications. It affects the foreign political policy of the United States as well as the foreign economic policy of the United States. So we have here a bill properly from the Committee on Banking and Currency which has jurisdiction of the subject and which in its wisdom, with the support of its distinguished chairman and the distinguished ranking minority member, and with the support of every President of the United States since the inception of the program has convinced me there must be soundness and merit in the program.

Mr. Chairman, with respect to the merits, let us look at the bill for a moment. Of course, some of the same people who oppose the foreign aid program oppose this program. I have heard two arguments advanced over the years about why foreign aid is not any good. This is aside from many other considerations on which we could dwell at considerable length.

I might say by way of interjection that I do not buy this argument about our country being weak, about our being bankrupt. Why, my goodness, has there ever been a country like the United States of America of today? A gross national product of over $600 billion; corporate and personal income at a record never before achieved in the history of this Nation or the history of any other nation on the face of this earth.

Granted, we have problems. I am the first one to recognize that we have problems. We have problems at home. We have problems arising from automation, from displaced persons, from lack of education and skills. We have problems arising because of racial tensions, problems in particular regions of our country which have been emphasized in the war-on-poverty program and other aspects which will later be brought before this body. Nevertheless, Mr. Chairman, the notion that we are a weak, decadent nation, unable to assume our world responsibilities, I reject totally and completely. I do not believe it and you do not either.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that the gentleman from Louisiana may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. BOGGS. Would the gentleman make that request for 4 additional minutes? I would like to complete one phase of my statement.

Mr. DERWINSKI. Mr. Chairman, reserving the right to object, I am assuming now that the gentleman will yield to Members on this side.

Mr. Chairman, I withdraw my reservation.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS. Mr. Chairman, the only other point I want to make is this: I think it is vital that we subscribe to a program that brings in these other nations, England, France, Germany, and Japan. Ultimately, as every Member of this body knows, who studies this program in this era in which we live, all these nations are going to have to participate in these programs. The notion that suddenly the world is going to disappear and we will shirk our responsibilities to our neighbors elsewhere, I do not believe and I do not think we will see it happen as long as we have peace on earth.

Mr. PASSMAN. Now, Mr. Chairman, will the gentleman yield?

Mr. BOGGS. Yes, I yield to the gentleman from Louisiana.

Mr. PASSMAN. I quote:

> IDA is completely free from any conditions or restrictions contained in the (regular) foreign aid program. On the one hand, we created conditions supposedly in the interest of the United States in the administering of foreign aid, and on the other hand, we are giving a free rein to IDA.

Should we provide this additional money through IDA so that the spenders may do things which we say specifically cannot be done with American money through our bilateral foreign-aid program?

Mr. BOGGS. Is the gentleman making a speech or propounding an inquiry?

Mr. PASSMAN. The gentleman may interpret my remarks in the manner that he wishes.

Mr. BOGGS. I say to the gentleman I find no quarrel about that. I think this is a loan program, quite different from the foreign aid program. We created a board of directors comparable to the board of directors of a corporation. We are, in effect, stockholders in that corporation. It is made up of other countries beside us. There is a very great and substantial difference between this program and the program that the gentleman from Louisiana [Mr. PASSMAN] hews in his subcommittee.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Iowa.

Mr. GROSS. How did the gentleman vote on the foreign aid program when President Eisenhower was in office?

Mr. BOGGS. I voted for it. I have never voted against it although I have voted to reduce it and to perfect it.

Mr. GROSS. Never voted against it?

Mr. BOGGS. No; and I see no reason to vote against the loan program before us now—it is a better program than foreign aid.

Now, let me direct a question to this gentleman: How did you vote for it when President Eisenhower was in office?

Mr. GROSS. I have been here a short 16 years, and I would not be caught dead voting for a foreign giveaway program.

Mr. BOGGS. I think the gentleman is correct.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Illinois.

Mr. DERWINSKI. I commend the majority whip for his eloquence, but I would ask him to direct his remarks to one question that was earlier propounded by the gentleman from Iowa when he quoted the repayment schedules and some of the so-called carrying charges under this act and then called it a giveaway rather than a loan program.

Would the gentleman mind explaining to the members of the committee how this differs from a loan program or how it is justified as a loan program? All the members of the committee would appreciate such an explanation.

Mr. BOGGS. If the gentleman is trying to say that this program is one that could be administered under the same terms as that used by the Chase National Bank, then I would agree with the gentleman.

But the gentleman knows this is not that kind of program. This is a program designed to move into areas where ordinary commercial credit cannot operate. So that the terms are naturally different. We have done this domestically in a great many programs, as the gentleman knows. It is a matter of considerable controversy in Congress, I may say. But to call a program which requires loans and repayments the equivalent of a giveaway program is to deny the facts.

Mr. ADAIR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, reference has been made here this afternoon to the fact that this bill ought to be considered by the Committee on Foreign Affairs. I hope to make that possible. No member of the Committee on Banking and Currency has expressed opposition to this legislation. I am in opposition to it and, if recognized, it is my intention to offer a motion to recommit this legislation to the Committee on Foreign Affairs, where it may receive further study.

I invite the attention of the Members of the House to the fact that in the other body it was considered by the Committee on Foreign Relations. Certainly here it ought to be considered by the Committee on Foreign Affairs.

The chairman of the Committee on Foreign Affairs has said that 4 years ago at his request jurisdiction over this bill was relinquished by our committee. That is true. But the fact that this House was in error 4 years ago is no reason why we should compound that error by continuing it today. It is hoped you will have an opportunity to correct this longstanding mistake.

Let me quickly point out to you some of the deficiencies in this bill. We have through the years tried to write certain safeguards into the foreign aid bill. For example, we have written in safeguards against expropriation of private businesses without proper compensation, we have written in restrictions against aid to countries which were fighting, or in opposition to countries to which we were giving aid. These are only examples of safeguards which do not appear in this bill which is in itself truly foreign aid legislation.

I would say to my colleagues that this is foreign aid in its loosest, least controlled form. If we pass this bill today and give the authority sought by it, we are relinquishing control over this $300 million.

Let me remind the Members of something that was said here yesterday. Last year we debated and voted against giving aid money for building a steel mill in India. Under the terms of this bill it was admitted on this floor yesterday that a steel mill could be built there. This again is only illustrative of what we find in the bill.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Texas.

Mr. PATMAN. Since the gentleman brought up the question of jurisdiction, the Committee on Foreign Affairs does not have anything to do with the World Bank, Bretton Woods, and so forth. This is connnected with the World Bank. The World Bank will administer this program. The World Bank is not loosely administered, as evidenced by the fact they do not have one single loan of default over its long existence. So instead of it being on the loose side, or liberal side, it is more on the reactionary side. The World Bank will administer this program. What authority does the gentleman have to refer a bill like this to a committee that has nothing to do with the World Bank, has nothing to do with these lending programs?

Mr. ADAIR. I will agree with the gentleman that the World Bank is a well-run institution, and that it is well and soundly run is illustrated by the fact that they now have reserves of over $800 million. The same Board of Directors that operates the World Bank operates IDA, but do they use that $800 million? Of course they do not. They want to keep those reserves, they do not ask to use a dollar of it. They say, "We will keep our $800 million and you give us more money to use."

I would say to the gentleman that this is clearly a matter of foreign policy. IDA is a soft-loan window, if you will, of the World Bank. Aid is a matter of policy, hence this bill ought by all means to be considered by the Committee on Foreign Affairs.

Let me hurry on and indicate other deficiencies in this legislation. As has been pointed out, this International Development Association made many loans at a service charge of three-fourths of 1 percent, but I must remind Members that that money once loaned can be and is being reloaned by some of the recipient countries at rates of interest of 5, 10, or even higher percentages. This is money that we borrow and on which we pay the going rate of interest, which we loan for three-fourths of 1 percent. The recipient nations then make a handsome profit by reloaning our taxpayers' money which we have borrowed and put into this fund.

Reference has also been made to the fact that these are loans and that they may be repaid. I would challenge any Member on this floor to point out to me in existing legislation a provision which would require this money to be repaid to our Treasury. True, it will be repaid to IDA, but in existing law I find no provision short of the liquidation of this agency, which perforce would have to be down the road at least 50 years, under which arrangement this money could be repaid to us. So it is well and good to speak about the matter of repaying loans, but you are talking about repaying the loans to IDA, you are not talking about repaying the loans for the benefit of the American taxpayer.

Mr. RUMSFELD. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Illinois.

Mr. RUMSFELD. The gentleman says he will offer a motion to recommit.

Mr. ADAIR. If opportunity offers.

Mr. RUMSFELD. The proponents say there is a great rush for this legislation. Will the gentleman, from his long experience in foreign aid, tell the House whether or not there is any possibility that some nations will refuse to accept this U.S. aid if this so-called deadline is not met?

Mr. ADAIR. Of course there is no rush. There is money in the fund now. There is plenty of time to give this consideration. Here, Mr. Chairman, we have an illustration of the most careless use of the taxpayers' money. I hope that the Members of this House when and if opportunity is offered will vote to send this bill to the Committee on Foreign Affairs, where it can be reconsidered.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Is it not true that under the proposed legislation the first request for an appropriation would be applicable to fiscal 1966?

Mr. ADAIR. The gentleman is correct; and then for the 2 years thereafter.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the Speaker.

Mr. McCORMACK. There has been some question raised in connection with the reference of this bill to the Committee on Banking and Currency. I know that any question that is raised in that respect does not either directly or indirectly criticise or attack the judgment of the gentleman who is now addressing the House and who as Speaker of the House referred this bill to the Committee on Banking and Currency.

Mr. ADAIR. That is true and I want the record to be very clear on that point.

Mr. McCORMACK. Under the rules of the House, and under the present situation, I want it clearly understood that the bill was properly referred to the Committee on Banking and Currency. In 1960 when President Eisenhower recommended this legislation and we, Democrats, supported it overwhelmingly, and it was good legislation, a message came up to the Congress. Then, of course, the message was referred to the Committee on Foreign Affairs. Then, as oftentimes occurs, when a bill is examined by the committee to which it has been referred, there turns out to be some variance and difference between the message of the President and the bill itself. Discussions were had at that time and the distinguished chairman of the Committee on Foreign Affairs asked unanimous consent that the bill be rereferred to the Committee on Banking and Currency which was done. Of course, later, amendments to that bill were properly referred to the Committee on Banking and Currency. So I think the House should clearly understand, first, that there is no criticism as to the reference of the bill to the Committee on Banking and Currency; and, secondly, that the bill was properly referred to the Committee on Banking and Currency.

Mr. ADAIR. Mr. Chairman, I would want to say to the distinguished Speaker of the House, the gentleman from Massachusetts, that he has entirely properly stated the matter. I intended no inference of improper action by either our Speaker or members of the Committee on Banking and Currency. I am merely trying to say that today we have had the benefit of 4 years of experience and 4 years of operation of this basic law.

In my opinion we have made a mistake and I am urging the House to rectify it now.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman.

Mr. PASSMAN. Mr. Chairman, I want it understood that at no time during my discussion, either yesterday or today, have I intended to cast any reflection of discredit—far from it—on any of the able members of the Committee on Banking and Currency. It is my understanding, however, that the distinguished chairman of the committee brought his bill in "by request." And, at a subsequent period the committee accepted the bill of the other body. It would appear that the other body had already been told that our bureaucrats had gone out and negotiated an obligation in the amount of $312 million before the distinguished gentleman from Texas, and for that matter before any Member of this House knew anything about it.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman.

Mr. PATMAN. The matter of the bill being submitted by request is not important. The question is that the bill was considered by the subcommittee and was unanimously reported to the full committee. It was thoroughly considered then by all 33 members of the House Committee on Banking and Currency and was again unanimously reported. As the distinguished Speaker of the House, the gentleman from Massachusetts, has stated, the bill properly belongs to our Committee on Banking and Currency. I doubt that the Committee on Foreign Affairs would claim to know too much about the World Bank and about credit facilities such as are involved in the pending legislation. Therefore, I think the gentleman from Indiana is overstepping himself just a little bit when the gentleman asks that this bill be referred to a committee which the Speaker of the House and other chairmen of committees having to do with this type of legislation say belongs to the Committee on Banking and Currency.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman.

Mr. KYL. In further clarification of this matter, I would appreciate it if the gentleman would state what committee considered this legislation in the other body.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KYL. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. ADAIR. In the other body this legislation was considered by the Committee on Foreign Relations.

Mr. KYL. If this authorization does pass the House, which appropriation subcommittee in the House will consider the appropriation to implement this bill?

Mr. ADAIR. I would assume it would be the subcommittee chaired by the gentleman from Louisiana [Mr. Passman].

Mr. KYL. And that deals with what area of endeavor?

Mr. ADAIR. It deals among other things with foreign aid.

Mr. KYL. I thank the gentleman.

Mr. ADAIR. Mr. Chairman, I urge that the bill be recommitted.

Mr. ALGER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ALGER. Mr. Chairman, I want to commend the gentleman from Indiana [Mr. Adair] for his views in opposition to this bill, particularly his belief that this International Development Association is in the foreign aid area. I agree that the jurisdiction should be the Foreign Affairs Committee and not the Banking and Currency Committee.

I want to associate myself with one gentleman's views, also refer to the view of the gentleman from Iowa [Mr. Gross], the gentleman from Louisiana [Mr. Passman], and the gentleman from Ohio [Mr. Bow].

Mr. MULTER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I do not know that I can diffuse or eliminate much of the confusion which has attended the debate. I shall try.

There is not any doubt about the fact that all legislation relating to the World Bank and to international banking which has come to the Congress in the past 20 years or more has gone to the Banking and Currency Committee of the House, regardless of which committees may have considered those matters in the other body. Bretton Woods, the World Bank, the International Finance Corporation, and International Development Association have all come to the Banking and Currency Committee, and the Banking and Currency Committee has handled them and done a good job.

Mr. KILBURN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. KILBURN. Mr. Chairman, to clear up the situation, a member of the committee will offer a straight motion to recommit to the Committee on Banking and Currency.

Mr. MULTER. If the motion to recommit should prevail the bill will be sent back to the Committee on Banking and Currency, and the House would get little more study of the subject than it has had up to now, because the committee has unanimously said, and will say again, if it must, "We have studied this question, and recommend that this bill do pass."

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. The gentleman said that the committee has studied the bill.

Is it not correct that a bill was introduced on November 4, 1963, as H.R. 9022, and an amendment was offered, and the bill was reported with an amendment?

If I correctly understood the gentleman from Wisconsin [Mr. Reuss], he would strike out most of the amendment and substitute other wording. Can the gentleman tell me whether the new wording was considered by the committee; and if it was, why it was not reported, rather than the bill now before the House?

Mr. MULTER. As I understand the pending motion, it is a committee amendment which has been approved by the committee. This is no different from what is done by every other committee. After the committee has finished studying the question, the bill is put in a form in which the committee would like to have it passed. There is a committee amendment to strike out all the language in the original bill and to insert the new language, in order to make easy reading, so that everybody can understand it.

Mr. JONES of Missouri. I can understand that, but I understand that now it is sought to strike out the committee amendment, by the offering of an amendment on the floor.

I ask the gentleman from Wisconsin whether that is correct.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Wisconsin.

Mr. REUSS. I can readily answer the gentleman from Missouri.

There is a substitute to the committee amendment which is now before this Committee of the Whole House. That substitute is in its language identical with the bill as originally introduced by the committee chairman, the gentleman from Texas [Mr. PATMAN], and identical also with the bill which was adopted in the other body.

The purpose of that I explained earlier, when the gentleman was not here.

Mr. JONES of Missouri. I was on the the floor.

Mr. REUSS. The purpose of that was to expedite consideration. Since H.R. 9022 was put in the form the gentleman from Missouri has in his hand, the Secretary of the Treasury, Mr. Dillon, notified the committee in writing—this has been placed in the RECORD—that our representative on the World Bank will respect and adhere to the policy recommendations which were made in the additional language in H.R. 9022. Therefore, that language becomes moot and no longer necessary. Because of the importance of adopting this legislation prior to March 1, so that we can prevent the other countries from getting off the hook, and can have them bear some of the foreign aid burden the American taxpayers have to bear, this is the reason for the substitute to the committee amendment.

Mr. MULTER. Let me continue for a moment. I will yield later, and if I do not have the time, I will ask for additional time so I can answer additional questions.

Let us get this straight. This is not a lending program by the United States, but it is the program of a world or international banking institution. IDA is managed by the World Bank. It is set up separately so that it can make the so-called soft loans, with the same board of directors and the same managerial officials who run the World Bank running this division of the World Bank. What we are trying to do here now is not to circumvent the Committee on Appropriations or the Committee on Foreign Affairs. If anything, the debate on that score today would indicate that the Committee on Appropriations in charge of foreign aid may be falling down on its job.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MULTER. Mr. Chairman, I ask unanimous consent to continue for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. SISK. Mr. Chairman, reserving the right to object, and I shall not object to the extension of the time of the gentleman from New York, I want to serve notice I shall object to any further requests for extensions of time.

Mr. Chairman, I withdraw my reservation in this instance.

The CHAIRMAN. Is there objection to the request of the gentleman from New York? The Chair hears none, and the gentleman from New York is recognized for an additional 5 minutes.

Mr. MULTER. Let me make this point clear. If IDA is making any loans to any of these countries that are getting money from the foreign aid program as appropriated by the Congress on recommendation of the gentleman from Louisiana's [Mr. PASSMAN] subcommittee and the full Committee on Appropriations, then let that committee, when the appropriation comes before them involving those countries, cut them back accordingly. If you do not want to give them any more money and you want to restrict them, then that is the place to do it. Do it where we are dealing solely with U.S. funds.

However, the purpose of this bill is to increase the capital of this international institution. We are only contributing some 41 percent of the funds, with 59 percent of it coming from the rest of the free world to carry on this international loan program. If you want to find out how to do a good banking job with little or no cost, listen to how your Committee on Banking and Currency authorized this to be done and how IDA is getting along with capital at no cost. This $312 million that will be authorized by this bill will be paid in three installments of $104 million each year beginning with fiscal year 1966. The Committee on Appropriations will not be called upon to appropriate any part of that first $104 million until that fiscal year. In 1967 and in 1968 they will be asked for an additional $104 million. In the meantime, in order to make this capital available to this international banking institution, when called upon to make the subscription, the U.S. Secretary of the Treasury will deliver to IDA our Government's non-interest-bearing note for the $104 million making up the capital to that extent in IDA. No part of that will be paid out of the U.S. Treasury, even though appropriated, until the note is called. Then it will be paid and paid without interest.

Mr. GROSS. Mr. Chairman, now will the gentleman yield?

Mr. MULTER. Yes. I yield to the gentleman from Iowa.

Mr. GROSS. As I understand it—and I was looking for the gentleman yesterday and I so stated on the House floor—as I understand it, the gentleman is engaged in the banking business—the commercial banking business.

Mr. MULTER. I have some affiliations with it. I am not engaged in it, but I do represent some bankers and I do know considerable about banking, both domestic and international commercial banking.

Mr. GROSS. Yes. Do you have soft loan windows in your banks and make 50-year loans with no interest on the loans for 50 years? Do you have this kind of an arrangement?

Mr. MULTER. No, but I have participated in the activities of some free loan societies that make soft loans on character only without a penny of interest. They do make any number of such loans without interest to people who have no financial responsibility except their promise to pay. This is the same kind of program on the international scene. To help those undeveloped and underdeveloped countries to get on their feet, we give them the technical know-how and we hold out a helping hand and say we will lend you this money. Pay it back after you have created the industry out of which to pay. Is there anything wrong about that?

Mr. GROSS. That is what you are doing with this program. Is that correct?

Mr. MULTER. That is correct.

Mr. GROSS. Only in this case you are using the taxpayers' money to do it.

Mr. MULTER. No. We are using taxpayers' credit. We are using the taxpayers' credit.

Mr. GROSS. You are using their money.

Mr. MULTER. I think the overwhelming majority of the American people are willing to help out and to hold out a helping hand not only to the poor fellow at home but also to the poor fellow abroad to help him get on his feet so he can earn enough to attain a decent standard of living.

Mr. GROSS. Mr. Chairman, will the gentleman give me the name of some of these associations with which he is connected, that are putting out this free money, this easy money? I would be glad to do a little business with them.

Mr. MULTER. I think the gentleman qualifies. There is the Hebrew Free Loan Society, 108 Second Avenue, New York City, who will be glad to make him a loan.

Mr. GROSS. Does this spill over into Puerto Rico or anywhere down in the Caribbean?

Mr. MULTER. Puerto Rico, as I understand, and as I am sure the gentleman understands, is American territory. Puerto Ricans are Americans. They come under the same laws as everybody else in this country.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman.

Mr. PASSMAN. Mr. Chairman, let me state, for whatever it is worth, that foreign aid has been so scattered that now we have 37 different Federal departments and agencies distributing foreign aid. It is indeed a disturbing situation.

I hope the gentleman will vote to recommit this bill.

Mr. MULTER. The gentleman confuses the issue.

Mr. PASSMAN. The issue is already confused.

Mr. BOW. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. Bow moves that the Committee do now rise and report the bill to the House with the recommendation that the enacting clause be stricken out.

Mr. BOW. Mr. Chairman, I shall not again debate this question. I expressed my views on it earlier. But it seems to me that we are in such utter confusion

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that I have introduced this motion with all sincerity; I think the Committee should now rise. We have now before us a motion to recommit to go back to the Committee on Foreign Affairs, a motion to recommit to go back to the Committee on Banking and Currency, and we have a question raised on the floor about what is in the amendments, what is in the bill, and what is not in the bill.

We have heard all kinds of debate today on why the bill should not pass. It seems to me we could save some time of the Members and do the responsible thing if we voted for the motion to rise at this time and let the bill go back for further study.

If you want an economy vote, here is the chance for it. I hope you will support this motion to rise, because then we will be able to dispose of the matter.

Mr. STINSON. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman.

Mr. STINSON. The gentleman is an expert on the budget. Can he tell me whether there is any money in the budget that has been submitted to the Congress for this program?

Mr. BOW. Yes; there is in this year's budget $61 million which is supposed to be the final payment of our contribution to this bank. If this bill passes, that will be increased by $43 million next year, and for the next 3 years. In fact, what you are doing is not working for economy, but you are beginning to build up the budgets in the future. This is what we are going to have.

Mr. KILBURN. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman.

Mr. KILBURN. I am glad the gentleman spoke about economy because I am with him there. But he is going to have plenty of chances to vote for economy. If the gentleman could see the billions of dollars involved in the various bills in our committee now he will know that he will have a lot of time and a lot of chances to vote against bills for new programs that involve billions of dollars.

Mr. BOW. And, God willing, and I am here, I assure the gentleman that I will be voting against them. May I say this: There have been a number of people who have spoken on this who said that President Eisenhower started this program. If you will look at the RECORD carefully you will find that I did not like it any better under President Eisenhower than I do today, and that I voted against it then. I thought it was wasteful then, I think it is wasteful now, and to a much greater degree.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman.

Mr. CURTIS. Mr. Chairman, in response to the gentleman from New York [Mr. KILBURN] for whom I have the highest regard——

Mr. BOW. We all do.

Mr. CURTIS. I think we would be wise to stop these other measures which we are all aware of that are before his committee by voting this down now, and maybe then we will be able to keep those down.

Mr. BOW. I hope the gentleman intends to vote for the motion that the Committee do now rise, not to vote that motion down.

Mr. CURTIS. I mean to vote this measure down and to vote that the Committee do now rise.

Mr. DERWINSKI. If the gentleman from Ohio will permit me to remind the Members of the Committee, under the terms of the bill now pending before us which the gentleman would send back to the committee, the loans are made for a period of 50 years with no interest charge and with only three-quarters of 1 percent carrying charge. This leads me to ask what I consider to be the logical question: Will the area redevelopment bills, the housing legislation, and all the other things coming from the Committee on Banking and Currency contain the same liberal rates or will our citizens be required to pay, in proportion, substantially higher rates on anything which the Committee on Banking and Currency chooses to give them?

Mr. BOW. I thank the gentleman.

Mr. Chairman, I hope my motion will be sustained.

Mr. REUSS. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, I shall be very brief. I hope this body will vote down the preferential motion.

The Committee on Banking and Currency has given the bill full consideration and by a unanimous vote on both sides has reported it out.

I note that the author of the preferential motion, the gentleman from Ohio [Mr. BOW], uses the word "economy." The fact is, if we now vote down the bill by voting up the preferential motion, we will in effect be throwing away $438 million which has been pledged by various countries of the free world, all 17 of them, and in that manner will be kissing it goodbye forever.

If ever there was false economy, it would lie in voting for this preferential motion.

Mr. Chairman, I hope the preferential motion will be voted down.

Mr. HARVEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I am glad to yield to the gentleman from Michigan.

Mr. HARVEY of Michigan. Mr. Chairman, I rise in opposition to the preferential motion.

I want to say this to my colleagues, particularly on this side of the aisle, and also to my colleagues on the other side of the aisle.

It is very easy today to be against anything that is international or that smacks of internationalism whatsoever. I know as you know that we have problems all around the globe, that we have problems in Cyprus, Zanzibar, Panama, and wherever one can point a finger on the globe. However, believe me, gentlemen, the answer is not to retreat into a shell and do nothing about them whatsoever.

This bill that is pending before us today is one of the best means for carrying out the policies of the free world on which I have had the pleasure to work. Also, with whom are we working out this policy? Our friends and our allies with whom we have fought shoulder to shoulder in the last World War, and the war before that as well. All of these other 16 nations are participating with us in this program.

Mr. Chairman, this program has a good many advantages over the other programs. It is multilateral. I have heard it said in foreign aid bill after foreign aid bill, which I voted against, mind you, "We want these other countries to help us." Well, now they will help us. What more do you want? We have 16 nations here, all pledging, which pledges have gone through and have been approved by their respective parliaments who have said, "We want to contribute to this program."

Mr. Chairman, I say let us not shut the door and say we do not want this money.

Mr. Chairman, I get a little sick and tired of hearing the gentleman from Louisiana [Mr. PASSMAN], a member of the Committee on Appropriations, coming in here and telling us that this program should come under the foreign aid program. I have gone through this bit from time to time on the foreign aid program. I have voted against it three times, and I do not intend to vote for it in the future. However, I am going to support this bill which, with the help of these other countries, will be of great benefit to the free world.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Ohio [Mr. BOW].

The question was taken; and on a division (demanded by Mr. BOW) there were—ayes 94, noes 94.

The CHAIRMAN. The Chair votes no.

Mr. BOW. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. REUSS and Mr. BOW.

The Committee again divided; and the tellers reported that there were—ayes 120, noes 128.

So the motion was rejected.

Mr. McCLORY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time because I want to make some comments along the line of the remarks I made on the floor earlier today.

The amendment which is now offered in the form of the Senate bill (S. 2214) omits three paragraphs from the House bill (H.R. 9022) which was recommended to the House by the committee. I think these are three very significant paragraphs. They express the intention of the Congress.

I understand from the gentleman from Wisconsin that he has a letter from the U.S. Governor of the IDA which sets forth that they will follow these recommendations and that they will adhere to what the committee recommended as the intention of the Congress.

Here is what I want to point out there. The intention of the Congress, of course, is better expressed in the bill than it is in some letter which the committee has received in the first place.

In the second place, there are three significant things set forth in section 3 of the bill which will be dropped if this amendment is adopted.

The first part of section 3 provides that the proportionate share of the United States in any further increase in the resources of the International Development Association should be reduced from the proportionate share represented by the payment on behalf of the United States authorized by the amendment made by this act.

Here is something else that is, indeed, significant and which the House should certainly take into consideration in connection with this bill. That is this. It is recommended that the net income of the World Bank in the future should be made available to IDA. Now what does that mean? There are $813 million today in the special reserve fund. As was brought out in the debate in the other body, no determination has been made as to what use shall be made of these reserve funds. In the expression of the intention of Congress and, apparently, in a letter which the committee now has, it appears that the intention of the Congress is that the $813 million and the future net income from the World Bank will be employed to make these soft loans by IDA. I certainly think that is something the Congress should think about and know about in connection with acting on this legislation. Certainly, these are soft loans. They are to be given without interest. When they talk about this being a loan program, indeed, it is a loan program—it is a loan program from the taxpayers of the United States to finance this entire program. The money will have to be paid back with interest to the taxpayers. As was also brought out in the other body, $312 million which is authorized here will have to be repaid with interest and that brings the total U.S. contribution to the International Development Association to something over $600 million which with interest over 50 years computed at 4 percent will amount to over $1,200 million in interest. So that with the program we are acting on here today the total cost will ultimately be close to $2 billion. I think that is something the Congress should know about as they vote on this measure. I certainly oppose the amendment which is proposed by the committee.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Iowa.

Mr. GROSS. I think it is significant to note that the gentleman from Texas [Mr. Patman], chairman of the Committee on Banking and Currency as of now, voted against this program in 1960.

Mr. McCLORY. There is another point I want to make and it is this. If we pass this bill in this form and authorize the U.S. Government to vote in favor of a resolution in the IDA and anybody who says this can be opened up later before the Committee on Appropriations is just kidding himself because passage of this bill will commit this Nation to the resolution which requires a contribution of an additional $312 million.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman.

Mr. PASSMAN. That is quite a charge against our distinguished chairman of the Committee on Banking and Currency. Will the gentleman yield to him so that we may find if there is anything to it?

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman. I am sorry I did not get the significance of the charge.

Mr. PATMAN. The charge has been made that I voted against the program in 1960. I do not really recall—and it makes no difference. I have studied the program since that time and I think it is a wonderful program and I think it is a much better program, and I endorse it 100 percent.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JONES of Missouri. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I expect to vote to recommit the bill. I expect to vote against the pending amendment.

Inasmuch as I voted against the preferential motion and did not vote to kill the bill in the way that was offered, perhaps my position will be rather difficult to understand; but that is not unusual.

One of the ranking members of the committee, the gentleman from New York [Mr. Multer], said, I believe, that this is not a lending program. I agree it is not a lending program, but it is a gift program. There is no question about that, because the money will never be returned to the United States.

I said before, in an inquiry made of the gentleman from New York, that I could not understand the committee's action with respect to the bill. The bill was introduced. The committee considered it. The committee adopted an amendment, which is included in the bill in italics. Then here on the floor we are asked to strike out the committee amendment, which the committee agreed to, and an effort is made to include another amendment, which apparently the committee has not discussed.

I ask the gentleman from Wisconsin whether that is true.

Mr. REUSS. I thank the gentleman for yielding.

No, that is not true. The committee has discussed this fully. As stated by the gentleman from the minority side [Mr. Harvey of Michigan], Members are agreed that in the light of the letter of Secretary Dillon, which is published in the Record at page 3590, the substitute for the committee amendment should be adopted. That substitute is the measure now before the House.

I hope that the gentleman from Missouri, for whom I have deep respect, will go along with the committee and vote for that substitute, as he walked through the aisle quite recently against the preferential motion.

Mr. JONES of Missouri. Mr. Chairman, I do not know if the committee did not agree to this on January 8, or if they agreed to one thing then and another later. They have now changed their minds, apparently.

If we recommit the bill, perhaps they will bring back a better bill. I should like to have the bill recommitted to the committee, and let the committee make a report. The report we have does not mention one thing about the amendment which is, in effect, the bill we are to vote upon.

I should like to mention another point covered in the report. When the International Development Association was started in 1960 our contribution was $320,290,000 out of a total of the $1 billion subscription. That was about 32 percent of the total put into the fund. That conformed to the formula which I have tried to follow. I have stated time and time again in the House that I felt any time the United States put more than one-third into any program we should go on, all the way, and exercise full control over that program.

This is a deviation from the original purpose of the act when it was started, by putting in 41 percent.

I believe Members are being unduly influenced by the do-gooders in Government who are trying to increase the amount and to give away the substance of this country.

For the first time this past year I voted against the foreign aid program, because I was finally convinced I could not bring about the improvements that were needed. I was reluctant to do it, but I voted against it. I will continue to do that unless it is brought into line and some commonsense is used.

We are not doing that now. We would not do that under this bill.

I, for one, want to see the bill recommitted to the committee. Let the committee discuss it some more, and bring down the amount, and protect the interests of the United States.

I believe I understand why this amount was put in the bill at $312 million. It is because some bureaucrat downtown said, "Well, now, we have agreed to do this." Well, let us let the people downtown know they are not disbursing the funds of the U.S. Government. That is a responsibility of this Congress. I want them to understand that. I do not want them to bring these programs down here that are cut and dried and agreed to and then put the heat on the Members of this House to try to vote them and then try to tell me I am not a good Democrat when I do not support those things. I am for the fiscal responsibility of this country. I want Congress to rise to its duty, and I will support the motion to send this bill back to the committee where it belongs.

Mr. REUSS. Mr. Chairman, I ask unanimous consent that the gentleman from Missouri [Mr. Jones] be allowed to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. SISK. Mr. Chairman, I object.

Mr. CURTIS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this is like so many measures and programs. When they are first put on the books they look good and there is a lot of merit to them, apparently, but after we have gone a little bit, then come in requests for the enlargement. The issue right now is over the enlargement of this IDA program, and it behooves us to look over the 5-year record. I say this because I voted for this measure back in 1960. However, let me point out a matter that is not very clear in the committee report. This statement is found on page 3 of the report. It says, "This program was designed to supplement the U.S. Development Loan Fund." Let me read the statement of the gentleman from New York [Mr. Multer] in debate on June 28, 1960:

> It means that if we put $320 million into this program over a 5-year period and thus eliminate the Development Loan Fund which up to the present time has cost us I think about $1.4 billion, I think IDA will have done a very good job.

Of course, this did not happen, and that is one of the things we can look to. The other thing is this, and this goes into the field of debt. When we create debt, whether it is a private individual or a corporation or whether it is a municipality, a county, a State, or the Federal Government, the purpose of creating debt—and there can be a good purpose for it—usually is to create wealth and to increase income. A good banker knows that makes one basis for a good loan. So we look to see what has happened to the proceeds realized from these IDA loans and other foreign loans; how the money has been spent for which the debt has been created. Note the committee's report on page 4 says:

> Moreover, the ability of developing countries to incur conventional debt service burdens has steadily diminished.

Over this period of time we apparently have not been creating wealth with the expenditure of these funds.

> Between 1955 and 1961, the external debt of developing countries more than doubled, without a comparable increase in their foreign exchange earnings.

So this money was not spent fruitfully to further their earnings, either. Let us see what has happened in many instances on these expenditures. They have been made to create status symbols—steel mills that were not necessary and were not economically sound, jet air bases, and other symbols. The point is that the committee, particularly this fine Committee on Banking and Currency, which is supposed to go into this business of what loans have been made, evidently feels that the results of this prove rather than having created the wealth it is supposed to create, they have not done this or increased the income of these people.

The reason I am against expanding the program at this time is so that we may get further information through the committee on how the loan money has been spent. I would much prefer a loan program, a real loan program, even a soft loan program than a grant program. But, indeed, as we look at IDA in 5 years we find a limited committee hearing on this subject and limited information in the committee report on the question of whether we should go ahead to expand it. We need to know how well have we spent the money that has been lent, or rather how well the countries have spent it. We find from the record and from the report that just the reverse of what we hoped has happened. If this be the case then we are not doing these countries any favor by lending them money that puts them further in the hole and more certain of their never getting out. It has not put them on a viable economic base.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman.

Mr. GROSS. Mr. Chairman, I want to compliment the gentleman for pointing out at least this one item in the report. Not once but several times in the report does the committee point out how foreign governments are dragging their feet, that they are not carrying their share of the loans, that this program is not accomplishing the results that were originally promised. Yet we find the chairman of the committee, the gentleman from Texas [Mr. Patman], in the face of this kind of a report changing from a vote in 1960 against the program to support of it now. I do not understand it.

Mr. CURTIS. I am not necessarily against this program. I think before we expand it, and double it as the proposal is, we should pay heed to the point made by the gentleman from Ohio [Mr. Bow], that we must exercise economy in these matters and be certain that the money is well spent.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. Curtis] has expired.

Mr. GRIFFIN. Mr. Chairman, I ask unanimous consent that the gentleman from Missouri have 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. SISK. Mr. Chairman, I object.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. SMITH of Virginia. Mr. Chairman, reserving the right to object, yesterday we dealt with a very large tax bill that reduced the revenues of this country by $11 billion a year. Behind that we are dealing with an authorization bill that is going to increase our expenditures by $312 million. I think this is a matter to which we should give some time, we should debate it and consider it. I have been sitting here all day hoping to get 10 minutes on this bill. Now an objection has come from this side that no one be permitted to speak for more than 5 minutes. I ask that we be not cut off with 5 minutes. Let us remember, please, that this involves $312 million of your taxpayers' money.

Therefore, Mr. Chairman, I object.

Mr. PATMAN. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close at 3 minutes after 4.

The question was taken; and on a division (demanded by Mr. Patman) there were—ayes 76, noes 126.

So the motion was rejected.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike the requisite number of words.

Mr. GROSS. Mr. Chairman, I ask unanimous consent that the gentleman from Virginia may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. SISK. Mr. Chairman, I have to play no favorites. I will have to object to the request.

The CHAIRMAN. Objection is heard.

The gentleman from Virginia [Mr. Smith] is recognized for 5 minutes.

Mr. SMITH of Virginia. Mr. Chairman, on yesterday we voted on the tax bill. I voted against the tax bill last summer, notwithstanding all of the pious statements that were made about what we were going to do in the way of reducing expenditures, because I had rather see deeds than words. I did not think I was going to see any deeds and I have not seen any deeds, and I do not expect to see any deeds.

Now, today what you are doing is to vote $312 million more for what? Foreign aid. We have just been through, in the last couple of months, a big fight over how much we should appropriate for foreign aid. Do not fool yourselves. This is foreign aid pure and simple. That is all it is. We cut that program down considerably. Every Member of the Committee can see and knows what the play is here. We get this $312 million in here to make up for some of what we cut off last year in foreign aid.

Mr. Chairman, we are just walking down the road and up again. Let us exercise some commonsense about this thing. Let us cut off this facet of foreign aid.

Mr. Chairman, I wonder if the Members of the Committee know what this bill contains. It contains provision for authorization of $312 million, without interest, for 50 years. When you figure up what the interest on that will be for the next 50 years, you have over a $1 billion program that you are voting away here this afternoon in one day and some are now trying to close debate on it so others cannot be heard.

Now, Mr. Chairman, what is the difference between this and foreign aid? The only difference is that when you vote your own foreign aid and when you administer it with your own people, then you know at least in part what they are doing and you have some control over it. However, when you vote for this bill, you vote to give this money to an organization that is going to spend that money the way they want to spend it and not the way you want them to spend it. Therefore, what you do here is to change the control over the program from the Congress to 15 or 16 foreign nations.

Now, I am sure the members of the committee remember the situation which we had here a few months ago when one of these agencies—I do not remember which one it was—was spending its

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money to help Cuba to build up a Communist state on our border and we protested. They said:

> We will take your money out of the pocket that has Cuba in it and we will help Cuba destroy you with the money of someone else.

I am sure the Members of the Committee remember that. We had a big incident about it.

Mr. Chairman, I do not think it is going to do much good for anyone to talk about this thing. However, I do think that this is a real test, this is the acid test, and the first one since we have reduced taxes to the extent of $11 billion a year.

I want this to go on record. I want people to stand up and vote on the record as to whether the day after they cut off the revenues of this Government some $12 billion they are going to vote an additional $312 million to give away, money of the taxpayers who are so deeply burdened already.

Let us vote on that. Let us see what we are going to do about it. Do you mean this or not? There were many, many pious speeches yesterday by people who were voting for this tax cut, that they are going to cut expenses, we were not going to appropriate money like we have been doing. Yet within the hour, before the tears had dried, you have this giveaway before you, a bill asking you to give away $312 million.

When are you going to wake up, or are the people going to have to wake you up?

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. McCORMACK. Mr. Chairman, this debate has been carried along on a very high level. No Member has asked for an extension of time that has not seemed reasonable. I will ask the gentleman from California to look at me with that smile of his while I ask unanimous consent that the time of the gentleman from Virginia be extended for 5 additional minutes.

Mr. SMITH of Virginia. Mr. Chairman, if I wanted 5 minutes more I have a motion in my pocket.

Mr. McCORMACK. I am sure the gentleman from Virginia would not deny me the pleasure of submitting the unanimous-consent request.

Mr. SMITH of Virginia. I am not going to use the time. I appreciate the offer very much, but I have finished my remarks.

Mr. GRIFFIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Missouri [Mr. CURTIS] made the point that the gentleman from New York [Mr. MULTER] argued for this bill in 1960 on the basis that it would take the place of the Development Loan Fund. However, the Development Loan Fund has been considered as part of the foreign aid legislative package which is handled under the jurisdiction of the Committee on Foreign Affairs. Since the gentleman from New York is, and was, a member of the Committee on Banking and Currency, unfortunately, he could not speak with authority as to what the Committee on Foreign Affairs might or might not do with the Development Loan Fund.

I believe this bill should be recommitted, not to the Committee on Banking and Currency, but to the Committee on Foreign Affairs. I say that, not because the Committee on Banking and Currency does not have jurisdiction, because it does. We are very fortunate, as far as the House is concerned, that the bill has been studied from the standpoint of the Committee on Banking and Currency, because this is banking legislation. However, as the gentleman from Virginia [Mr. SMITH] has said, this legislation is also a part of the foreign aid program; it is an integral part of our foreign policy, and it should be considered in the total context of our foreign aid program.

I can agree with my very close friend, the able and distinguished gentleman from Michigan [Mr. HARVEY], who made a plea for this bill, arguing that this is the direction in which the foreign aid program should go. It is a loan program, it does bring in other countries and provides a vehicle for them to assume some responsibility for assisting the underdeveloped countries. But if this program is to be considered by the Foreign Affairs Committee as the stepchild of another committee, that situation bothers me very much. Having had the benefit of the study and thinking of the Committee on Banking and Currency, I feel strongly that the House should now refer the bill to the Committee on Foreign Affairs for consideration as part of our total foreign assistance effort.

The gentleman from Indiana [Mr. ADAIR] is ready to offer a motion to refer the bill to the Committee on Foreign Affairs; however, because of the parliamentary situation, I understand that a straight motion to recommit the bill to the Committee on Banking and Currency will be offered. If the bill is recommitted on that basis, I hope it will then be considered by the Committee on Foreign Affairs.

From time to time, bills are presented in the House which should be considered by two of the standing committees. Some of these bills, incidentally, are in the field of labor management relations. Rather than to jealously guard committee jurisdiction and insist that a bill be considered by only one committee, we in the House would be better off in many instances if we were to recognize more readily that some bills fall within the jurisdiction of two committees and should be considered by both committees for the benefit of all.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. I yield to the gentleman from New York.

Mr. MULTER. I tried to make the point earlier, and I make the point again. The Committee on Foreign Affairs and the Committee on Appropriations have complete jurisdiction to cut back and recommend to the House what they want on the unilateral foreign aid funds. This is not that program. This does not interfere with that program. If those two committees see fit to cut back on the program they have the right to do it. I was in favor of IDA in 1960 and every word I said then still goes. Congress has complete control through the Committee on Foreign Affairs of any appropriation under the unilateral program.

Mr. GRIFFIN. I know the distinguished gentleman meant every word he said in 1960, and that he was hopeful that this program would take the place of the Development Loan Fund. However, this IDA program comes from the Committee on Banking and Currency. It would be better if this legislation were considered by the Committee on Foreign Affairs as well as the Committee on Banking and Currency. If that were to occur, it would be all to the good as far as the House of Representatives is concerned.

Mr. ASHBROOK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as I have been listening to this debate there is one point about which I am not clear. I think it is partly because of the conflicting statements made by the proponents and the opponents here. I should like to know, if anyone can give me an answer to this question; are any recipients of our foreign aid also members of this international organization? The impression was given yesterday that the members of IDA were at the same time receiving foreign aid assistance from the U.S. Government. I should like to have the answer to this question before I vote on this bill. I think they said different things yesterday.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, in fiscal 1964 you have funds for 101 separate nations for foreign aid. You have 90 members of the International Development Association. Under this package, 17 nations, including the United States, will make a contribution to the present fund. That is the fund that has been under consideration. Thirteen of the 16 nations that are contributing will in fiscal 1964 receive foreign aid from the United States, grant aid, if you please. Three of those nations are classified; they are in Europe, and I am not going to tell you their names, but I can assure the gentleman that the 90 nations who are the recipients of IDA loans have been the recipients of in excess of $90 billion of our foreign aid. Thirteen nations of the 16 which will make contributions have been the recipients of over $40 billion of U.S. aid. I say, and I challenge anyone to successfully contradict these figures, that in all probability an analysis of the fund we are now speaking about, IDA, will show that the good old American taxpayer will in reality put up over 90 percent of it.

If you will defeat this bill, I promise this House that I will place in the RECORD the amount of aid we have given to the 90 nations that made petition for a contribution. It is not a loan. I shall also put in the RECORD a current list of the amount of aid we have given to the 16 nations that are making a contribution, and another statement on the number of foreign nations that are contributing—they say they are contributing, but we put up the money. I think I can say that 90 percent of the contribution is indirectly if not directly coming out of the pockets of the American taxpayer. I do not believe the gentleman who has the floor would vote for this bill if he would take the time to go into it as have some of us sitting on this committee that must bring out the money bill if this House authorizes this.

Mr. **REUSS**. Mr. Chairman, will the gentleman yield?

Mr. **ASHBROOK**. I yield to the gentleman from Wisconsin.

Mr. **REUSS**. There are 101 member nations of IDA, of whom 17 are the well-to-do, hard-currency nations, leaving 84 nations eligible for assistance, of which about 80 so far in 4 years have received assistance. Those 80 nations are nations which also by and large have in the past received development assistance from the United States.

I would hope the gentleman from Ohio could look favorably upon the bill. Because to the extent that we can get the 16 other wealthy nations of the world to help us bear our burden just to that extent we lift the burden that otherwise would lie exclusively on the United States to do our part in seeing that the developing nations have a chance to develop in an atmosphere of freedom and to choose our side in facing the problems that we face in the world today.

Mr. **ASHBROOK**. Will the gentleman answer one further question? Of the 17 well-to-do nations to which the gentleman referred, none of them at the present time are recipients of our foreign aid; is that correct?

Mr. **REUSS**. That is correct.

The **CHAIRMAN**. The time of the gentleman from Ohio has expired.

Mr. **PASSMAN**. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 additional minute to get a correct answer. That was an erroneous answer.

Mr. **SISK**. Mr. Chairman, I object.

The **CHAIRMAN**. Objection is heard.

Mr. **PASSMAN**. Mr. Chairman, I move to strike out the last word.

I want to say to the gentleman that 13 of the other 16 nations that are making a so-called special contribution to IDA are presently recipients of our bilateral grant aid.

Mr **REUSS**. Mr. Chairman, will the gentleman yield?

Mr. **PASSMAN**. I yield to the gentleman.

Mr. **REUSS**. Certainly, the gentleman knows what he is talking about and it is true, as the gentleman says, that a number of those 17 rich nations——

Mr. **PASSMAN**. My statement was that 13 of these nations receive aid directly from the United States.

Mr. **REUSS**. And if the gentleman says 13, I will accept that figure because, as he said, these are security figures—13 nations then of the rich 17 now, so the gentleman says, get our assistance. Every penny of that assistance is military assistance; not economic assistance. I point out the reason those 13 nations get that military assistance is because the gentleman from Louisiana, chairman of the appropriations subcommittee, brings it in here, and if he would instead exercise some economy on that and cut it down and cut down enough, I will vote with you.

Mr. **PASSMAN**. The gentleman has not, as I recall, been supporting the cuts that have been made of approximately an average of $1 billion a year over the past 9 years.

Mr. **REUSS**. Mr. Chairman, will the gentleman yield?

Mr. **PASSMAN**. I am sorry, but not at this time.

Mr. **GROSS**. Mr. Chairman, will the gentleman yield?

Mr. **PASSMAN**. I yield to the gentleman.

Mr. **GROSS**. Of course, I think it ought to be stated again—what is the difference between military assistance and economic assistance?

Mr. **PASSMAN**. If we pick up their military expenses that action leaves to those countries their money to do with as they see fit.

Mr. **GROSS**. Apropos of the remarks of the gentleman from Virginia [Mr. SMITH], is it not true with respect to this $312 million that the Government is going to have to borrow to take care of the tax reduction?

Mr. **PASSMAN**. Of course, we would have to borrow the $312 million, and not one dime of this money will be returned to the U.S. Treasury. There are no provisions for it.

Mr. **MULTER**. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am sorry the gentleman from Louisiana did not yield to me. I would like to call his attention to the fact that the only Communist nation among the nations that are a part of IDA is Yugoslavia and Yugoslavia has gotten no money from IDA.

I should like to ask the gentleman a question—and I yield to him to answer the question—is it not a fact that the Appropriations Committee can, with all the facts and figures before it, to the extent that any one of these nations is getting any money from IDA, cut out the appropriations for that country, as a part of the foreign aid appropriation bill? Can the Appropriations Committee not do that?

Mr. **PASSMAN**. Mr. Chairman, will the gentleman yield?

Mr. **MULTER**. I yield to the gentleman from Louisiana.

Mr. **PASSMAN**. I assure the gentleman that I will follow his recommendations and I will endeavor to reduce all foreign aid for the 100 nations who could be the recipients of funds from IDA. I will bring the bill out, to see if the gentleman will support it.

Mr. **MULTER**. I hope the gentleman is not quibbling.

Mr. **PASSMAN**. I must have missed the point.

Mr. **MULTER**. Let us not talk about all the nations which could borrow. Let us talk about the nations which are borrowing.

To the extent that your committee wishes, it can recommend to the Congress that we give no aid to the extent that any one of these countries is getting money from IDA. I will follow the gentleman on that.

Mr. **PASSMAN**. Will the gentleman yield, so that I may answer his question?

Mr. **MULTER**. Let us not include all the countries that may borrow. Let us talk about those countries which are borrowing.

Mr. **PASSMAN**. Then these bureaucrats—the international one-worlders—say, "I am sorry, but we made this commitment before they became wealthy, and now we have to go through with it."

Mr. **MULTER**. I say to the gentleman, if you do not like what the bureaucrats did, why not recommend that the country get nothing?

Mr. **PASSMAN**. I will try to follow the gentleman's recommendation. I am trying to defeat the bureaucrats this afternoon. I wish the gentleman would join me as enthusiastically now as he promises to join me when I propose to cut out aid to 13 countries.

Mr. **MULTER**. I believe the Congress agrees that this program should bring in other free countries of the world to help us do the job we were doing alone. To the extent that we do this work internationally we should not do it unilaterally. To the extent there are overlapping funds, I assure the gentleman that Congress will follow him in cutting out the overlapping.

Mr. **PASSMAN**. I shall do my best.

I wish to say again that instead of contributing 41.6 percent, in all probability we are contributing 90 percent. We are doing it indirectly, so that the Members of this body cannot find it.

Mr. **McCLORY**. Mr. Chairman, will the gentleman yield?

Mr. **MULTER**. If I have time remaining, I yield to the gentleman.

Mr. **McCLORY**. I thank the gentleman for yielding.

What this discussion emphasizes is that the Congress loses control over the amount authorized by this proposed legislation, whereas the foreign aid program, which provides for appropriations the Congress reviews every year, provides an opportunity for Congress to act intelligently on what is going on in the other nations. This legislation involves money which will be gone, and we will have no other opportunity to consider it.

Mr. **MULTER**. The answer is that you cannot have your cake and eat it, too. You cannot have an international banking organization to which we make a capital contribution and then have the Congress try to operate that institution. We have a voting power in the World Bank and in IDA that is equivalent to a veto power. We should not ask for any more than that.

Mr. **McCORMACK**. Mr. Chairman, I ask the indulgence of the Members of the House, so that I may take the chair and sign the tax bill. The President wishes to sign it at 6 o'clock tonight. Then we can go back into the Committee of the Whole.

If I have your indulgence, I ask the Chairman to make a motion that the Committee rise, with the understanding that we will go back to the Committee of the Whole House on the State of the Union.

Mr. **PATMAN**. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

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Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Flynt, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 9022) to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association, had come to no resolution thereon.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 8363. An act to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes.

INTERNATIONAL DEVELOPMENT ASSOCIATION ACT

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9022) to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 9022.

The Clerk read the title of the bill.

Mr. PATMAN. Mr. Chairman, I wonder if we can agree on a time limitation. We do not want to cut anybody off, but I will just ask unanimous consent that debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. PELLY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. PELLY. Is there any amendment which is now before the committee?

Mr. PATMAN. There is just one amendment. That is all.

Mr. PELLY. Then, this would close all debate on this measure if we agree to that unanimous-consent request?

The CHAIRMAN. This would conclude all debate on the pending amendment.

Mr. PATMAN. And all amendments thereto.

The CHAIRMAN. And all amendments thereto.

Mr. BECKER. Mr. Chairman, a further parliamentary inquiry. Is not this amendment we have now practically a substitute for the House bill?

The CHAIRMAN. It is, but the Chair cannot answer that, because the Chair cannot anticipate the action the Committee will take.

Mr. BECKER. May I further get the question answered? If all amendments and amendments to this amendment finish at a certain time, it would seem to me that would end the debate on this bill, because it is a substitute.

The CHAIRMAN. No. The Chair will state to the gentleman from New York that would be entirely dependent on the action the Committee takes on the amendment offered by the gentleman from Wisconsin [Mr. Reuss].

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that the debate close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair observes standing at the time the unanimous-consent request was agreed to the following Members: The gentleman from Illinois [Mr. McClory], the gentleman from Wisconsin [Mr. Reuss], the gentleman from Washington [Mr. Pelly], the gentleman from Illinois [Mr. O'Hara], and the gentleman from Texas [Mr. Patman].

The Chair recognizes the gentleman from Illinois [Mr. McClory].

Mr. McCLORY. Mr. Chairman, the reason why I wanted to discuss this in the time allotted is because I think this amendment offered by the gentleman from Wisconsin [Mr. Reuss] indicates the real confusion that exists at this moment in the House with respect to the legislation we are about to vote upon. The committee recommended three very significant paragraphs in connection with section 3. These paragraphs are being omitted by this amendment. In paragraph 2 of section 3 the intention of the Congress is expressed with respect to certain future actions of the IDA. I am not sure that the intention of the Congress as expressed in those words is consistent with what the Congress wants to do. I question that the Congress wants to admonish the World Bank to make available to the IDA the $813 million which it has in special reserves or the future income of the World Bank to be loaned out again without interest and then reloaned by the recipient nations at whatever interest rates they choose. I think this is something which should be reviewed further and I think it is a real reason why this legislation should not be passed at this time in this form.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Illinois [Mr. O'Hara].

Mr. O'HARA of Illinois. Mr. Chairman, I would not attempt to match my wits with all the brilliant debate I have heard on the floor in 1 minute.

I yield back the remainder of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. Pelly].

Mr. PELLY. Mr. Chairman, let me recall to members of the committee that 2 years ago—I think it was 2 years ago—this House frowned on 50-year soft loans to foreign nations without control of Congress. That was when the executive branch sent up a foreign aid request seeking a provision so that development loans could be financed from public debt receipts through Treasury borrowing without the annual appropriation procedure. I think more than $1 billion of such backdoor borrowing authority was requested for foreign loans under the development loan program.

The Congress at that time firmly rejected that authority. It clearly indicated its desire to retain control over whom and under what terms such loans would be made.

Mr. Chairman, the soft loans program under this International Development Association, as provided in this bill, would be free of congressional control. Passage of this bill, H.R. 9022, would grant authority for loans for 50 years with no interest to the same nations that receive our foreign aid.

In other words it appears to me this bill would violate the previous stand taken by the Congress. Where our foreign aid program restricts or prevents our aid going to countries like Cuba or those nations that aid Cuba. In other words countries that are Communist or which are soft on communism.

So, Mr. Chairman, I wish to state for the record my opposition to this legislation.

Especially so, I might add, since the passage of the tax bill and the all-out attempt which is supposed to be made to hold the line on spending. Because this bill would exceed the President's budget request by something like $40 million.

Therefore, I shall vote to recommit the bill to the House Committee on Banking and Currency so further consideration and study can be given it.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. Reuss].

Mr. REUSS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Chairman, we have listened to an interesting general debate on this bill. We come back to the simple question: What is this bill all about? This bill simply insures that by making available dollars for developing countries in the amount of $312 million over the 3-year period 1966, 1967, 1968, we insure that 16 other well-off nations bear a greater part of the burden, and contribute a total of $438 million, for a total of $750 million.

I should have thought that this IDA bill was not only good human relations for the United States and for the rest of the world, but sound business as well. I can think of no better way to help out U.S. taxpayers than to get other well-to-do countries of the free world to chip in on foreign aid.

So I am surprised to find opposition to the bill. I have heard the arguments of the bill's opponents, and I shall try to answer them.

The first argument seems to be that the sums IDA advances to developing countries are not loans, but somehow gifts. The terms of IDA loans require that they be repaid by the borrower in gold, dollars, or other hard currencies—not in "funny" money or local currency. They thus differ from loans that can be repaid in local currency. Others may make such loans, but not the hardheaded, prudent, banker-minded IDA.

The financial interest of the United States in IDA is like that of a stockholder in a corporation. When IDA's mission is accomplished, the contributions of its contributors such as the United States will, under article 7 of IDA's articles, be returned.

The second major argument made against IDA is that some of the other 16 contributing nations of IDA—the well-to-do countries of Europe, this country, Canada, Japan, and Australia—are now receiving foreign aid from the United States. The truth of the matter is that none of these 16 are receiving a penny of economic aid from the United States. Some of them continue to receive military aid. I, myself, have grave doubts about the wisdom of continuing to give military aid to our wealthy free world partners, and I hope that the House Appropriations Committee will consider cutting this item down or out. But in any case what does that have to do with IDA? We should welcome this opportunity to get Germany and Italy and Japan and Canada and Great Britain and the rest of the wealthy countries to chip in on the foreign aid burden toward developing areas. To prevent them from helping us bear this burden because we do not like the military aid some of them are getting from us is like cutting off our nose to spite our face. Let us cut out the aid to the rich countries. But in the name of commonsense, let us not prevent the rich countries from joining us in giving aid to the poor countries.

The 17-nation negotiation has resulted in a total pool of $750 million, of which $312 million is to be contributed by the United States. The other nations have ratified the increase in funds. If the United States now refuses to validate the favorable arrangement made by our negotiators, the arrangement will fall through. The other wealthy countries will be told that they can duck out on their inchoate obligation, because the United States has done so. I hope that the House will vote the bill up.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from Wisconsin [Mr. Reuss] in the nature of a substitute for the committee amendment.

The question was taken; and on a division (demanded by Mr. Reuss), there were—ayes 101, noes 123.

Mr. **PATMAN**. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Reuss and Mr. McClory.

The Committee again divided, and the tellers reported that there were—ayes 126, and noes 141.

So the amendment was rejected.

The Clerk read as follows:

Sec. 2. The International Development Association Act (22 U.S.C. 284-284g) is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF ADDITIONAL RESOURCES

"Sec. 10. (a) The United States Governor is authorized to vote in favor of the resolution entitled 'Additions to Resources' (Annex A of the report dated September 9, 1963, of the Executive Directors to the Board of Governors of the Association, set forth at pages 11 and 12 of House Document Numbered 156, Eighty-eighth Congress) pending before the Board of Governors of the Association. Upon the adoption of such resolution, the United States Governor is authorized to agree on behalf of the United States to pay to the Association the sum of $312,000,000 in accordance with and subject to the terms and conditions of such resolution.

"(b) There is hereby authorized to be appropriated, without fiscal year limitation, for the United States share of the increase in the resources of the Association, the sum of $312,000,000."

Sec. 3. It is the intention of the Congress that the United States Governor of the International Bank for Reconstruction and Development, in carrying out his duties and responsibilities in connection with international financial institutions, shall take into account the following considerations:

(1) The proportionate share of the United States in any further increase in the resources of the International Development Association should be reduced from the proportionate share represented by the payment on behalf of the United States authorized by the amendment made by this Act.

(2) To the maximum extent consistent with the proper attainment of the Bank's objectives, the Bank should make its future net income available to its affiliates.

(3) In view of the importance of reduction in the United States balance-of-payments deficit, the Bank should, to the maximum extent feasible, borrow new funds in economically advanced countries other than the United States and lend convertible currencies other than the dollar.

The **CHAIRMAN**. The question is on the committee amendment.

The committee amendment was agreed to.

The **CHAIRMAN**. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Flynt, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 9022) to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association, pursuant to House Resolution 632, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The **SPEAKER**. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The **SPEAKER**. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. **TALCOTT**. Mr. Speaker, I offer a motion to recommit.

The **SPEAKER**. Is the gentleman opposed to the bill?

Mr. **TALCOTT**. I am, Mr. Speaker.

The **SPEAKER**. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Talcott moves to recommit the bill, H.R. 9022, to the Committee on Banking and Currency.

The **SPEAKER**. Without objection, the previous question is ordered.

There was no objection.

The **SPEAKER**. The question is on the motion to recommit.

Mr. **STINSON**. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 208, nays 189, not voting 35, as follows:

[Roll No. 48]

YEAS—208

Abbitt
Abele
Abernethy
Adair
Alger
Anderson
Andrews, Ala.
Arends
Ashbrook
Ashmore
Auchincloss
Avery
Ayres
Baldwin
Baring
Barry
Bates
Battin
Becker
Beermann
Belcher
Bell
Bennett, Fla.
Bennett, Mich.
Berry
Betts
Bolton,
 Frances P.
Bonner
Bow
Bray
Bromwell
Brotzman
Broyhill, N.C.
Broyhill, Va.
Bruce
Burton, Utah
Cannon
Casey
Cederberg
Chamberlain
Chelf
Chenoweth
Clancy
Clausen,
 Don H.
Clawson, Del
Cleveland
Collier
Colmer
Corbett
Cramer
Cunningham
Curtin
Curtis
Dague
Derounian
Derwinski
Devine
Dole
Dorn
Downing
Evins
Findley
Fino
Fisher
Foreman
Forrester
Fountain
Fulton, Pa.
Fuqua
Gary
Gathings
Glenn
Goodell
Goodling
Grant
Griffin
Gross
Grover
Gubser
Gurney
Hagan, Ga.
Haley
Hall
Halleck
Hardy
Harrison
Harsha
Harvey, Ind.
Hébert
Henderson
Herlong
Hoeven
Horan
Hosmer
Huddleston
Hull
Hutchinson
Ichord
Jarman
Jennings
Jensen
Johansen
Johnson, Pa.
Jonas
Jones, Mo.
Kilgore
King, N.Y.
Knox
Kornegay
Kyl
Laird
Landrum
Langen
Latta
Lennon
Lesinski
Lipscomb
McClory
McCulloch
McIntire
McLoskey
McMillan
Marsh
Martin, Mass.
Martin, Nebr.
May
Meader
Michel
Miller, N.Y.
Milliken
Minshall
Montoya
Moore
Morris
Morton
Mosher
Murray
Natcher
Nelsen
Norblad
O'Konski
Ostertag
Passman
Pelly
Pickle
Pilcher
Pillion
Pirnie
Poff
Pool
Quillen
Randall
Reid, Ill.
Reifel
Rich
Riehlman
Rivers, S.C.
Robison
Rogers, Fla.
Rogers, Tex.
Roudebush
Rumsfeld
St. George
Saylor
Schadeberg
Schenck
Schneebeli
Schweiker
Schwengel
Scott
Secrest
Selden
Shipley
Short
Shriver
Sikes
Siler
Skubitz
Slack
Smith, Calif.
Smith, Va.
Snyder
Springer
Staggers
Stinson
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Tollefson
Tuck
Tuten
Utt
Van Pelt
Waggonner

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Watson
Weaver
Westland
Wharton
Whitener
Whitten
Williams
Wilson, Bob
Winstead
Wydler
Wyman
Younger

NAYS—189

Addabbo
Albert
Ashley
Aspinall
Barrett
Beckworth
Blatnik
Boggs
Boland
Bolling
Bolton, Oliver P.
Brademas
Brock
Brooks
Burke
Burkhalter
Burton, Calif.
Byrne, Pa.
Cahill
Cameron
Carey
Celler
Clark
Cohelan
Conte
Corman
Daddario
Daniels
Davis, Ga.
Dawson
Delaney
Dent
Denton
Diggs
Dingell
Donohue
Dulski
Duncan
Dwyer
Edmondson
Edwards
Everett
Farbstein
Fascell
Feighan
Finnegan
Flood
Flynt
Fogarty
Ford
Fraser
Frelinghuysen
Friedel
Fulton, Tenn.
Gallagher
Garmatz
Giaimo
Gibbons
Gilbert
Gill
Gonzalez
Gray
Green, Oreg.
Griffiths
Halpern
Hanna
Hansen
Harding
Harris
Harvey, Mich.
Hawkins
Hays
Healey
Hechler
Hemphill
Holifield
Holland
Horton
Joelson
Johnson, Calif.
Johnson, Wis.
Jones, Ala.
Karsten
Karth
Kastenmeier
Keith
Keogh
Kilburn
King, Calif.
Kirwan
Kluczynski
Kunkel
Lankford
Leggett
Libonati
Lindsay
Lloyd
Long, La.
Long, Md.
McDade
McDowell
Macdonald
MacGregor
Madden
Mahon
Mailliard
Mathias
Matsunaga
Matthews
Miller, Calif.
Mills
Minish
Monagan
Moorhead
Morgan
Morrison
Morse
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
Olson, Minn.
O'Neill
Osmers
Patman
Patten
Pepper
Perkins
Philbin
Pike
Powell
Price
Pucinski
Purcell
Quie
Reid, N.Y.
Reuss
Rhodes, Pa.
Rivers, Alaska
Roberts, Tex.
Rodino
Rogers, Colo.
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ryan, Mich.
Ryan, N.Y.
St Germain
St. Onge
Sheppard
Sibal
Sickles
Sisk
Smith, Iowa
Staebler
Stafford
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taft
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Toll
Trimble
Tupper
Udall
Ullman
Van Deerlin
Vanik
Vinson
Watts
Weltner
White
Wickersham
Widnall
Young
Zablocki

NOT VOTING—35

Andrews, N. Dak.
Bass
Broomfield
Brown, Calif.
Brown, Ohio
Buckley
Burleson
Byrnes, Wis.
Cooley
Davis, Tenn.
Dowdy
Elliott
Ellsworth
Fallon
Grabowski
Hagen, Calif.
Hoffman
Kee
Kelly
McFall
Martin, Calif.
O'Brien, Ill.
Poage
Rains
Rhodes, Ariz.
Roberts, Ala.
Roosevelt
Senner
Thomas
Wallhauser
Whalley
Willis
Wilson, Charles H.
Wright
Wilson, Ind.

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hoffman for, with Mr. Broomfield against.

Mr. Rhodes of Arizona for, with Mr. Ellsworth against.

Mr. Andrews of North Dakota for, with Mr. Wallhauser against.

Mr. Brown of Ohio for, with Mr. McFall against.

Until further notice:

Mr. Burleson with Mr. Whalley.

Mr. Rains with Mr. Martin of California.

Mr. Thomas with Mr. Wilson of Indiana.

Mr. Fallon with Mr. Hagen of California.

Mr. Roberts of Alabama with Mrs. Kee.

Mr. Grabowski with Mrs. Kelly.

Mr. Willis with Mr. Davis of Tennessee.

Mr. Charles H. Wilson with Mr. O'Brien of Illinois.

Mr. Wright with Mr. Buckley.

Mr. Brown of California with Mr. Cooley.

Mr. Elliott with Mr. Dowdy.

Mr. LEGGETT changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the bill just recommitted and to include germane extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PRAYERS IN PUBLIC SCHOOLS

Mr. BECKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, on May 8, 1963, in a colloquy with the gentleman from New York [Mr. CELLER] on the question of holding hearings on prayer resolutions, I asked the gentleman when he was going to hold the hearings and the end of his remark was: "Very shortly there will be an announcement."

That was May 8, 1963. I wonder what the good gentleman means by "very shortly," since 10 months have passed.

I am inserting in the RECORD a copy of a letter recently received from the chairman, in answer to a letter I sent to him last week, posing a specific question. I now understand that hearings will be held some time in the future, but they will be held by the full committee and not by a subcommittee.

I can assure all of those who wish to bring this matter before the House that if they want to get action at this session—as can be seen from the information I am putting in the RECORD today—that can only be done if they will sign discharge petition 3. I hope those who have been holding off signing, waiting for hearings, will realize this, and will sign the petition in good faith.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, D.C., February 25, 1964.

Hon. FRANK J. BECKER,
House of Representatives,
Washington, D.C.

DEAR COLLEAGUE: I have before me your letter of February 20, 1964, relative to your House Joint Resolution 693, and other similar resolutions. In answer to your questions, please be advised—

1. The staff study has been completed.

2. The study is being sent this day for page proof, which page proof shall be distributed to members of the full committee.

3. Hearings will be held on these resolutions and will be held before the full committee.

4. The date as yet has not been set. I am awaiting the distribution of the staff study.

I trust this is the information you seek.

Sincerely yours,

EMANUEL CELLER,
Chairman.

[From the CONGRESSIONAL RECORD, May 8, 1963]

DESIGNATING THE WEEK OF MAY 20–26, 1963, AS NATIONAL ACTORS' EQUITY WEEK

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 39, designating the week of May 20–26, 1963, as National Actors' Equity Week, with amendments.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. GROSS. Mr. Speaker, reserving the right to object, is this going to cost the overburdened taxpayers of the United States any money?

Mr. CELLER. It will not.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

Mr. BECKER. Mr. Speaker, further reserving the right to object, and I shall not object, but I would like to ask my good colleague, the gentleman from New York [Mr. CELLER], who brings out a resolution here to designate a week National Actors' Equity Week, how soon the gentleman is going to hold hearings on my resolution for a constitutional amendment to permit prayer in the public schools and all public places. I think this is of great importance to the people of this Nation. Many people are waiting for hearings on this so that we may bring it before the House. I ask this question of my colleague now.

Mr. CELLER. This is a matter of weighty importance and is occupying the attention not only of myself as chairman but of other members of the Committee on the Judiciary. Very shortly there will be an announcement.

Mr. BECKER. I sincerely hope so; and I thank the gentleman. Mr. Speaker, I withdraw my reservation of objection.

WE ARE BITING THE HAND THAT FEEDS US

Mr. KYL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. KYL. Mr. Speaker, the executive department's attitude in regard to imports of meat products is cynical. It is absurd. It is destructive.

The problem has been largely ignored by our Federal departments and agencies. All hopes are pinned on a so-called voluntary self-restraint agreement. The exporting nations promise to hold their shipments to ruinous 1962–63 levels—with certain "growth factors" permitting a regulated increase above those levels. This voluntary agreement is a travesty. Nothing prevents transshipment of meats. Please note that some of these exporting nations have no statutes which can control individual exporters, and it is doubtful that our Government will actually hold the foreign countries to their agreement.

Now, we know that there are numerous factors involved in the current livestock price problem. Our own cattle numbers are up. This situation in turn is caused by drought, by Agriculture Department dumping of feed grains at depressed prices, and by dislocations of the industry.

Low prices to farmers have not been sufficiently reflected in retail prices to stimulate increased consumption.

The Agriculture Department minimizes the import factor—in spite of the fact that we are now a net importer of meat—in spite of the fact that more than 10 percent of the beef on American tables is imported—in spite of the fact that our imports of lamb will exceed our domestic production unless immediate steps are taken. One nation alone, in 5 years, increased its sales in this country from 18 million pounds to over 500 million pounds.

We do not even label these imports to show their origin. Australian and Argentine beef have been distributed in food stamp operations because administrators cannot distinguish what meat is domestic. Foreign beef is served in our school lunch program.

If our domestic producers cut their production, under present trade policy, the void could be and probably would be filled by imports. It is not fair or logical to ask our domestic producers to cut production without effecting cuts in imports.

The administration's cropland conversion proposal spells further trouble for our livestock industry—for millions of conservation reserve acres would be transferred to grassland which would be grazed. This would more than offset any reasonable reduction in present production. The Government at the same time continues harassment of ranchers holding grazing permits.

The Secretary of Commerce says farmers are "whiners." The Secretary of Agriculture says he will block any legislative remedies. The State Department which dominates all in pursuit of elusive diplomatic goals, apparently prefers foreign smiles to domestic solvency.

Meanwhile, back at the ranch, the President seems completely oblivious. Are the supply managers deliberately creating this tragic circumstance to force acceptance of complete Government controls over all agriculture? Will our livestock industry be starved into submission?

Mr. Speaker, we are biting the hand that feeds us.

VIETNAM COVERUP, L.B.J. STYLE

Mr. DEROUNIAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DEROUNIAN. Mr. Speaker, the Johnson administration, like its predecessor, has deliberately failed to tell the truth to the American people. Apparently the great wheeler and dealer in the White House today is most confused.

The February 17 issue of Barron's pulls no punches in telling us of our serious plight under President Johnson's continuing policy of appeasement:

THE WRONG WAR—IN 1964 COMMUNISM, NOT POVERTY, IS THE ENEMY

While we ordinarily shun predictions, market or otherwise, here is one forecast that we're happy to share with our readers: Lyndon Johnson's political stock is past its peak. One reason for our confidence on this score, of course, is the latest findings of the pollsters: The President's popularity has risen so high that it has nowhere to go but down. During the past fortnight, moreover, several ominous-looking moves have shown up on the charts. Despite heated denials, the White House stands revealed as the source of derogatory—and supposedly confidential—information aimed at discrediting a witness in the Bobby Baker affair. Again, in some ill-advised remarks to field officers of the Internal Revenue Service, L.B.J. last week publicly branded "the bellyachers and the alarmists * * * people who like to criticize * * * as much of a problem as some of our other enemies." Finally, although Americans in uniform have lately been shot at, wounded, and killed on three continents, the Commander in Chief has declared war on poverty and continues to prate of disarmament and peace.

"Peace, peace; when there is no peace"—particularly not in southeast Asia, which, to judge by the President's dispirited pep talk to the Revenue men, is much on his mind. Even the ebullient Mr. Johnson had a hard time making a hopeful case. "We don't have Laos (to worry about, presumably). * * * In Vietnam they have a new government, the second in recent months (a delicate reference to the murder of Ngo Dinh Diem and his brother). * * * We are not pulling out of southeast Asia because we are not willing to yield that part of the world to the envelopment of communism. We are providing assistance to save people who want to save themselves."

The lackluster oratory may or may not have inspired the tax collectors. However, in view of the disquieting course of events, it can scarcely have heartened this country's faltering Asian allies or struck terror into the swelling ranks of its foes. Notwithstanding the official stiff upper lip, the Western cause—in both Laos and South Vietnam—is going badly. Far from furthering the war effort, as the State Department and others professed to believe at the time, the bloody overthrow of the Diem government last November has put it in jeopardy. Before long, indeed, Washington may face the ugly choice of either escalating its military commitments or pulling out. Which it will choose, no man can say. Either way, however, one of the most disgraceful chapters in American history is drawing to a sorry close.

The fiasco began, appropriately, with the arrival in Saigon of that luckless politician, Henry Cabot Lodge, as new Ambassador. Scarcely had he unpacked when the envoy at the behest of his superiors in the State Department, notably Roger Hilsman and Averell Harriman, began working to overthrow the Diem government. According to Marguerite Higgins, Pulitzer Prize-winning journalist, the American Ambassador late in August "asked the CIA to poll the Vietnamese generals and see when and if they were ready to translate revolt talk into action." Two months later, after Washington had curtailed economic aid to Saigon and revealed plans to phase out its military support, the generals were ready. In a coup remarkable for treachery, they attacked the presidential palace, seized Diem and his brother Ngo Dinh Nhu, and butchered them. After a brief and unsuccessful rule, the military junta, in turn, was deposed 2 weeks ago by Maj. Gen. Nguyen Khanh, a would-be strong man.

Amidst the upsurge of disorder throughout the world, the significance of what is happening in South Vietnam is easily lost. Yet for the 15,000 U.S. troops on the scene—and perhaps for countless others—it could become a matter of life and death. Hence, while time remains, its lessons should be pondered. To begin with, the episode tends to discredit the judgment of some of the Nation's leading opinionmakers. Press, radio, and television deplored the repressive tactics of the Diem government and circulated gruesome pictures of monks in the throes of self-immolation. "We too protest," blared a full-page advertisement, signed by a dozen luminaries of the Protestant and Jewish clergy (who have been strangely silent although more monks have recently burned themselves to death). The sound and fury never made sense—even at the time, qualified observers like the former Ambassador to Saigon, Frederick E. Nolting, were trying hard to set the record straight. "I myself—I say this after almost 2½ years—have never seen any evidence of religious persecution," stated Ambassador Nolting. Since then a report by the United Nations Fact-Finding Mission to South Vietnam (which the U.N. Secretary General blandly sought to suppress) too late has reaffirmed that truth.

Press and clergy may perhaps be forgiven their mistakes. But who on earth will absolve the high American officials who set in motion so immoral and disastrous a train of events? Toward the end of advancing the war against communism—which presumably justified the means—Washington connived at the downfall of allies and wound up with blood on its hands. Instead of an advance, moreover, its plotting has led to persistent retreat. Even before the deaths of Diem and Nhu, the unrest stirred up by the American Embassy had become a palpable hindrance to effective military action. Since then the Vietcong has steadily gained ground. "I must report that the Communists have made considerable progress since the coup," said Defense Secretary McNamara late last month. Maj. Gen. Nguyen Khanh, who threw out the military junta 2 days later because of their leanings toward neutralism, evidently agreed.

Whether the major general will prove an effective commander remains to be seen. Like the victor of any palace revolution, he must always be on guard against new treachery; he can never devote all of his energies to the conduct of the war. Thus far the auguries are grim. Whereas the enemy once fought as guerrillas, he has lately attacked in battalion strength. Meanwhile, in Saigon enemy agents have launched a series of bombings against American personnel. Since the 1st of January, 100 Americans have been killed or wounded, more than the total number of U.S. casualties in all of 1961 and 1962. Last month the Secretary of Defense somberly told the Nation: "The survival of an independent government in South Vietnam is so important to the security of all southeast Asia and to the free world that I can conceive of no alternative other than to take all necessary measures within our capability to prevent a Communist victory." Sooner or later, the United States may be called upon to make his words good.

What Washington's response would be to such an emergency, we would not care to predict. We do know that there is something terribly wrong with an administration which is doing its best, despite compelling arguments to the contrary, to cling to business as usual. Either the United States is at war with communism or it is not. Either American soldiers are fighting and dying for some purpose or they are merely victims of a ghastly charade. The much-touted war on poverty may make good copy and grand political oratory; however, it bears scant relevance to the life-and-death issues which confront the Nation more insistently day by day. In 1964 it's simply the wrong war.

AMENDMENTS TO FEDERAL AIRPORT ACT

Mr. HARRIS submitted a conference report and statement on the bill (S. 1153) to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes.

RESOLUTION IN MEMORY OF OUR LATE, BELOVED PRESIDENT, JOHN F. KENNEDY, ADOPTED BY THE CITY COUNCIL OF THE CITY OF ONEONTA, N.Y.

Mr. STRATTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include a resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, under leave to extend my remarks I include an eloquent and moving resolution in tribute to our late, beloved, martyred President, John F. Kennedy, adopted last December by the City Council of the City of Oneonta, N.Y., in my congressional district.

The resolution follows:

The following resolution was offered by Alderman Kreger, who moved for its adoption, seconded by Alderman Jeffery:

"Whereas John Fitzgerald Kennedy, the 35th President of the United States of America, has met his untimely death on November 22, 1963, at the hand of a cruel and cowardly assassin; and

"Whereas his dedication to the cause of peace and the elevation of human dignity will always be remembered by this grieving nation and the world; and

"Whereas he was a man whose private and public life was above reproach; who was sincere and equitable, honest and honorable; who was a stranger to bigotry and prejudice, and a friend of all, regardless of race, color, or creed; and

"Whereas we dedicate this meeting in memory of our martyred President, John Fitzgerald Kennedy: Now, therefore, be it

"*Resolved*, That this council, when it adjourns tonight, do so in the name and on behalf of the city of Oneonta, and its citizens, with deep and sincere regret and in respect to the memory of John Fitzgerald Kennedy, the late President of the United States of America; and be it further

"*Resolved*, That the clerk of the city of Oneonta forward a copy of this resolution to Mrs. Jacqueline Kennedy, the widow of John Fitzgerald Kennedy, and, also, that a copy be forwarded to Hon. Samuel S. Stratton, Congressman of the 35th District of the State of New York, with a request that this resolution be made a part of the Congressional Record; and that the clerk of the city of Oneonta spread this resolution upon the minutes of this council."

Voting ayes: Alderman Coddington, Alderman Feeney, Alderman Lettis, Alderman Matthews, Alderman Jeffrey, and Alderman Kreger.

Noes: none.

Absent: none.

Resolution duly adopted.

DEFIANCE BY SPAIN OF U.S. EFFORTS TO CUT OFF TRADE WITH CASTRO'S CUBA

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, the Washington Post, in a recent editorial entitled "Pains With Spain," points up the defiance by Spain of U.S. efforts to cut off trade with Castro's Cuba.

Apparently Spain feels, because of our interest in securing bases in that country, we will not or should not cut off foreign aid if they continue to trade with Castro. The fact that Cuba was once a Spanish colony is hardly an excuse for aid to a Communist who stands before the world as an aggressor in Latin America. Much of the hemisphere was once a Spanish colony—including Venezuela, which has been the target of a Castro plot. Spain, by aiding Castro, is aiding in the overthrow of the government of one former colony in behalf of another. This situation could indeed get complicated.

The point, of course, is that there is no excuse for aid to Castro from Spain. And there is no connection between foreign aid, which is a gift, and the military bases in Spain, for which we pay rent, and which in turn directly support part of the Spanish economy.

I ask that the Post editorial be printed at this point in the Record.

[From the Washington Post, Feb. 24, 1964]

Pains With Spain

Spanish defiance of this country's advice on Cuban trade is making the State Department look a trifle ridiculous. But Generalissimo Franco's flirtations with Castro make the Caudillo's apologists here look even more ridiculous. How often have we heard that Franco is the West's stanchest anti-Communist, the man who saved Spain from going Red?

The truth about the Generalissimo is that he has long been one of the supreme opportunists of world diplomacy. When it suited his purpose, he worked with Nazi Germany and Fascist Italy—but during the war, he remained neutral, to the vast annoyance of both Axis Powers. After the war, he switched again and began working with democratic states. In all, he extracted some $2 billion in aid from the United States and in return permitted this country to construct some bases in Spain, but strictly on Spanish terms—no American flag flies on these installations.

Spain is no longer reliant on American aid, and Generalissimo Franco is only too well aware of the value of the Polaris base at Rota. His chief problem today is not relations with Washington, but relations with the new Europe and especially with President de Gaulle. So the shrewd Spanish leader is now reorienting Madrid's policy—defiance of American wishes is a form of international sport that will not displease the French.

Of course, the Spanish are not putting it that way. They talk instead about the deep historic ties between Spain and Cuba, and at the same time warn that any U.S. retaliation would be a violation of the agreement allowing American forces in Spain.

The Caudillo, as usual, is winning his point. The State Department, after some prodding from the Pentagon, is backing down on its threat to halt aid to Spain. Work is continuing on the Rota base, which is due to open this week. And so Spain will have American aid and Cuban trade, too. Franco's tactics recall a British journalist's description of Mussolini—that he was a knight in shining blackmail.

DR. PHILIP ROSS

Mr. LINDSAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LINDSAY. Mr. Speaker, I am introducing legislation today in support of an idea which, literally, was born in the very heart of nature, and which I believe has great merit.

Early last fall, while crabbing on Fenwick Island on the Atlantic coast, Congressman Stanley Tupper found himself with a companion—Dr. Philip Ross. The two men got to talking, and my colleague from Maine discovered that Dr. Ross and he had a common goal—a desire to find out more about the state of our country's natural resources.

A proposal for our Government to conduct a continuing survey along these lines grew out of that discussion. My colleague, Mr. Tupper, just recently introduced a bill to have the Department of the Interior carry this out. I am in enthusiastic support of the idea.

Dr. Ross, who is chief of research grants section at the National Institute of Dental Research in Bethesda, Md., noted in a paper supporting the proposal that the United States lags far behind other countries in the study of vegetation. The Soviet Union, for example, has set up two institutes to handle their plant classification and mapping program.

In this busy time of building cities and roads, we may tend to overlook the value and the beauty of the delicate plant, and we may forget that it is one of our Nation's basic natural resources.

Yet consider what some areas of the country have suffered because of our ignorant, impatient ravishings of this resource. Great areas of forestation have been cut away and the bare land left to blow away or slide into our rivers. I must point out here that care is being taken now, in most cases, to prevent this development, or to recover loss already incurred. Great strips of once-forested mountains have been laid clean to the rock in our Appalachian ranges by mining operations. Once there was beauty and a prospering, rich economy in that area. Now poverty and desolation, ruin and heartbreak, are its bounty.

Our intensive use of poisons in the war against insects, and our pollution of the air with auto exhaust and factory smoke have already brought the first tragic signs of a silent spring in some towns. "Silent Spring," the title of Rachel Carson's now-famous book, warning us about the danger of pesticides and pollution, is such an appropriate name for the doom our plants may face.

On the other hand, note what has happened when we have applied our understanding of nature in a rational manner—irrigation has made the desert produce, fertilizer and careful use of the soil have made our crops abundant, and tree selection and replanting have kept the forest industry from sinking into oblivion.

It is a far wiser man who treats his environment with respect, rather than as his servant.

But often, we have ravaged and ruined—and inevitably, our economy has been punished for this destruction. And often, I suspect, our behavior toward our natural resources has stemmed from ignorance of how easily the balance of nature is upset, and how the damage can be prevented.

This proposed botanical survey is something entirely new, as far as I can see, and its potential value would seem to me to be worth the effort the project would require.

Under this proposal, the Department of the Interior would be authorized to:

First. Survey and map the existing plantlife in this country,

Second. Investigate in detail the plants, soils, and environments of natural and disturbed plant communities,

Third. Publish basic research data, maps, monographs, charts and professional papers,

Fourth. Initiate taxonomic and floristic studies, and help to coordinate such studies in various colleges and universites,

Fifth. Coordinate botanical research projects of the Federal Government in order to avoid duplication of effort and conflict of interests,

Sixth. Provide botanical services to Federal agencies requiring them.

I might note that the Department of the Interior is showing a good deal of favorable interest in this proposal, and is currently studying the ideas embodied in it. A report on the Department's conclusions should not be long in coming.

This proposal would result in an intensive survey and evaluation of our natural resources. The results could be of great assistance in the formulation of policies for efficient land, water, and pesticide use. In my own State of New York, for example, a continuous search is carried on for ways to combat the water shortage New York City is facing. We need this kind of information.

And in another area, Rachel Carson's book created a stir over the danger of pesticides. Some authorities supported her strong conclusions, others disputed them. In her first chapter, the author painted a gloomy picture of a town where there was "a strange stillness." The birds had died, the farmers were unable to raise their animals, the roadsides were "lined with browned and withered vegetation," the streams were lifeless—"all the fish had died."

The author admitted that no town has been struck this hard. "Yet every one of these disasters has actually happened somewhere," she commented. She asserted that our extensive use of chemical sprays and powders against insects is having a boomerang effect—we may kill the insects, but the side effects of the poisons—on plants, soil, and water—come back to us.

Let us find out just how much danger pesticides pose. I would not like to have to say 50 years from now, as I surveyed the ruin, that I did not know it was coming. One of the specific aims of this survey would be to find what effect pesticides do have on our plants, soil and water. Do they alter the balance of our environment? Do they pollute our streams and kill our fish? Do they stunt, and deform and kill our vegetation? Do they have an effect on our health? Let us find out.

At this time, the United States has no coordinated program for research in this and other areas concerning vegetation.

As Dr. Ross has pointed out, research is also lacking on plants as indicators of geologic formations, and especially, in the field of water resources. I did not know, for instance, that a botanist can analyze a plant and from it, find information on the depth of water table and the mineral content where it grew. One might even find oil deposits through the plant-analyzing method. Very little research is being carried on in this interesting area.

Data from this survey could be provided the Public Health Service, the Geological Survey, the National Park Service and other Government agencies.

I urge my fellow Congressman to consider this proposal very carefully. And I also would recommend two books for my colleagues: "Silent Spring," by Rachel Carson, and "The Quiet Crisis," by Secretary Udall.

I believe in this idea. Admittedly, it is new, and it must be explained and sold. But it should not be hard to sell because it is part of a magnificent idea—conservation of the wealth and beauty of nature. Our natural resources are priceless, and they cannot endure without our care—for man has the capacity to destroy as well as to invent and utilize.

Mr. Speaker, I am happy to join Congressman TUPPER in supporting this legislation, and I hope it finds the enthusiastic support of my colleagues. I am inserting a copy of this bill in the RECORD.

LEGISLATIVE PROGRAM FOR BALANCE OF THE WEEK

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, H.R. 8316, lack of authority of FCC to make rules relating to the length or frequency of broadcast commercials, which was programed for today, will be called up tomorrow.

Also it is expected that on tomorrow, H.R. 5838, amending the Organic Act of the National Bureau of Standards, will be called up.

UNIVERSITY OF DENVER

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, it is with personal as well as State pride that I bring to the attention of my colleagues the observance this year of the 100th anniversary of an institution of higher learning which institution has not only played a major role in the development of the Rocky Mountain West but also has shared its resources with the Nation and world through its 45,000 alumni as well as hundreds of thousands who have been its guests on numerous occasions both formal and informal. I refer to the University of Denver among whose alumni are the Honorable BYRON ROGERS and myself.

The university was founded as Colorado Seminary on March 5, 1864, under a territorial charter signed by the second Governor of Colorado Territory, Dr. John Evans, at a time when he and others of the 28 solid men who were the institution's first trustees had more confidence in the future of Colorado Territory than did most of the 28,000 citizens then within its borders.

Since that time, the University of Denver has become the popular name by which the degree-granting functions of Colorado Seminary are most widely known. It is, in reality, the pioneer institution of higher learning in a circle extending nearly 500 miles from Denver, embracing what is now one of the areas of greatest future potential and growth within our entire national borders.

The university has educated a substantial portion of the sons and daughters of the State which first nurtured her, as well as thousands from both neighboring and distant areas, and more than 50 foreign lands, in the liberal arts and professional studies, bringing credit and lasting repute to not only her own campus but also to the entire State and Nation.

The University of Denver has ever sought to share its rich academic resources with the community, the State, region, and the world through significant research, wide publication, and truly international programing. It is currently engaged in a year-long centennial observance that is not only celebrational but emphatically enlightening in exploring the present state of man's existence, knowledge and purpose through scholarly inquiry into the theme, "The Responsible Individual and a Free Society in an Expanding Universe." Scholars of international fame, including many from outside our Nation's borders, are participating in this significant scholarly exploration, and discussions on the centennial theme are producing profound new thoughts and energies across the Nation through the media of alumni meetings, public discussions, and extensive popular and scholarly publication.

The Ford Foundation's selection of the University of Denver in 1960 as one of six universities in the Nation to share its special program in education focused attention on Denver as the site of a nationally recognized institution of higher learning. The foundation chose the university for a grant of $5 million provided the university raise $10 million—exclusive of Government grants and Ford Foundation funds—by June 1963.

In announcing its choice of the universities to benefit from its special program in education—Stanford, Johns Hopkins, Notre Dame, Vanderbilt, Brown, and Denver—the foundation said:

> Each of the universities has made notable progress under its present leadership. All are devoted to, indeed one might say preoccupied with, academic excellence, and all are making every effort to reach new levels of excellence. Every one is important in its own region, and all aspire to greater importance in the national and international scene.

The University of Denver's devotion to, and preoccupation with, academic excellence were summarized thus by Chancellor Chester M. Alter in his convocation address in 1960:

> Our major goal, simply stated, is to develop in this great area of the Rocky Mountains and High Plains one of the Nation's outstanding universities.

The university successfully concluded the drive—largest in Colorado—in June 15, 1963.

The contributions that the University of Denver has made to the city of Denver and State of Colorado are primarily in the realm of outstanding human resources. Its alumni include thousands of leaders in business, industry, the professions, government, and civil affairs. For example, among the university's alumni are more than half of the teachers in the Denver public school system, nearly one-third of the accountants in Colorado, more than one-third of the lawyers in Colorado, and many of the graduate engineers associated with business and industrial firms in and around Denver.

The intellectual and cultural life of Colorado is enriched year after year by the contributions of its University of Denver. In addition to its academic programs, the university sponsors or promotes many activities to broaden the areas of interest of residents of the Denver area. A few examples of these activities:

The University's Social Science Foundation brings many experts on world affairs to Denver for scholarly discussions and public exchanges of information.

Prominent political leaders frequently present their views in open meetings at the university.

Visiting professors and students from abroad, in appearances before Denver civic groups as well as on the university campus, bring a broad knowledge of international affairs to our State.

Faculty members lend their professional talents to countless civic and charitable undertakings—in tax studies, zoning, and city planning questions, campaigns for welfare groups, et cetera, and serve as consultants and advisers to many individual business firms and share with the community their specialized training and knowledge in a variety of other enterprises.

University officials serve as hosts to, and guest speakers for, Denver convention of many regional, national, and international organizations and learned societies.

The university owns the Central City Opera House and works closely with the Central City Opera Association, which brings famous operatic and dramatic productions to Colorado every summer.

The University of Denver plays an important part in attracting new business and industry to Denver. Industries of all types favor locations in which there are adequate schools at all educational levels. The University of Denver, a private institution that does not add to the tax burden of local industry, offers many opportunities in higher education for industry personnel and their families.

In addition to the regular academic programs for full-time students in the university's five colleges—Arts and Sciences, Business Administration, Engineering, Graduate and Law—the university offers evening classes to the general public. The evening class schedule during a typical academic term includes 160 courses offered by 30 departments. Among them are 25 community service—noncredit—courses in art, basic communication, economics, modern languages, psychology, secretarial science, statistics, theater, and other subjects.

The university supplies hundreds of well-educated, trained personnel to local firms every year. Of the 1,200 to 1,500 students graduated by the university annually, many remain in the Denver area in business and professional capacities. The widespread demand for University of Denver graduates is indicated in the fact that more than 300 local and national firms use the university's placement bureau to recruit personnel.

The Denver Research Institute, established in 1947 as a unit of the University of Denver, plays a key role in maintaining Denver's stature as a center for vital research in science and industrial economics.

The institute undertakes research projects under contract to hundreds of business firms, industries, associations, government agencies, and other organizations. It has completed more than 500 contracts totaling $18 million since 1947. Contracts underway in 1963 alone total a record $5 million.

Among DRI's clients are scores of area firms, some of which rely wholly on DRI's facilities for their research work; others augment their own research departments by calling upon DRI for special projects.

The National Aeronautics and Space Administration has cited the University of Denver as one of the Nation's leading universities in the field of aerospace research.

Besides providing substantial services under contract to Denver area commerce and industry, DRI brings to the community many prominent scientists and experts in various research areas. DRI also acts as host to many scientific meetings which draw delegates from all over the world.

Expenditures of the University of Denver, its faculty, staff and students make a substantial impact on the economy of the metropolitan area. The university has a budget of approximately $10.5 million annually for operating expenses. In addition, the university has spent from $1 to $3 million annually for building projects in recent years. The budget includes nearly $8 million annually for salaries paid to the university's 1,250 employees, ranking the university among the top 10 employers in the Denver area, exclusive of Federal, State and municipal government agencies.

The more than 3,100 out-of-town students at the university are conservatively estimated to bring with them approximately $3 million to spend every year in the Denver area, exclusive of tuition and other expenses related directly to their education. Students who reside in Denver but who might attend college elsewhere if the University of Denver did not exist spend well over a half-million dollars annually in the area.

The total economic impact approximates $16 million annually, on the basis of very conservative estimates, and the figure will increase considerably as the university grows in the next few years.

An independent gift-supported institution, the university receives no tax support. Throughout its history the university has relied on the generosity of the citizens of the State for most of its financial support. Residents of the area, in turn, have looked to the university for leadership in higher education, for intellectual excellence and for cultural enrichment.

The university is proud of the community and State support it has received and proud, too, of its tradition of service to the people of Colorado.

I urge my colleagues of the House to join with me in publicly saluting the University of Denver in this, its centennial year, and in the expression of our thanks for its many contributions to the Nation and the world during the past century, and encouragement in the ongoing tasks of higher education that it will pursue in succeeding centuries.

COL. LUCIEN BECKNER—A NOTABLE KENTUCKIAN

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. SNYDER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SNYDER. Mr. Speaker, my home city of Louisville, as well as the entire State of Kentucky, sustained a great and irreparable loss in the death, in that city, on August 28, 1963, of Col. Lucien Beckner, aged 90.

UNIVERSITY OF MICHIGAN LIBRARIES

Colonel Beckner was a native of historic Clark County, in the State's widely famed bluegrass section; but for many years next preceding his death, he was a resident of Louisville, where he served until his death as director of the natural history museum of the public library. His father, Judge William Morgan Beckner, once served in this body as the representative from the district of which Clark County was a part.

A man of liberal education, including studies of scientific character, Colonel Beckner was possessed of great versatility and practical experience. He attended the old Louisville Military Academy, Center College, University of Kentucky, Transylvania College, and University of Pennsylvania. He was a civil engineer, lawyer, geologist, historian, author in general, naturalist, newspaper editor and publisher, railroad builder in Kentucky and Ecuador, antiquarian; and distinguished himself in all the fields of his endeavor. Moreover he was devoted to civic betterment, and was one of the first citizens of his State and community. He was past president of the Kentucky Academy of Science, and was a fellow of the American Association for the Advancement of Science, and a member of the Filson Club—an outstanding historical society of Kentucky, of which he had been a long and effective member. Also, he was a Knight Templar and Shriner. He had also served on the staffs, as colonel, of a Kentucky Governor and a Tennessee Governor.

In addition, he had served as a colonel of the Ecuadorian Government, and as that country's representative to the Pan American Exposition at Buffalo in 1901, he supervised the construction of the Ecuadorian structure of the enterprise.

He left as immediate survivors, two widowed daughters and several grandchildren and great grandchildren.

All in all, Colonel Beckner was widely known, esteemed and beloved. In example, in achievement, in the capacity for friendship and sturdiness of character and worthwhile achievement, he left to posterity, a splendid legacy.

Upon his death the Courier-Journal and Louisville Times, and the whole press in Kentucky paid fine tribute to his life and accomplishments. The Filson Club paid especial honor to him.

One of Colonel Beckner's longtime friends, Hon. Maurice H. Thatcher, a five-term predecessor of mine from Louisville, yet living and active in works of public welfare, and respected and highly regarded by the House and Senate, wrote a eulogy of his deceased friend, in a just and apt tribute, in sonnet form; and under leave accorded me, I now include it as a part of my remarks.

LUCIEN BECKNER

(By Maurice H. Thatcher)

Thru many years we knew him as a friend,
And as a man of character; by all
He was esteemed. His was a happy blend
Of birth and worth; his virtues would recall
That which was best in his forebears, and which
Himself augmented much: and thus he stood
Erect before the world, supremely rich
In strengths to serve his need and public good.
With science as a guide, and skillfulness,
And judgments wise, and ceaseless energy—
In sundry fields he labored with success,
And wrote his name aloft—for all to see.
Always he lived with open heart and mind—
For one, his like, Time long must search to find.

RUSSIAN AIRLIFT TO CYPRUS

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. SNYDER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SNYDER. Mr. Speaker, if the Soviets can keep talks going in the United Nations while they institute one of their sub rosa airlifts into Cyprus—that island and, with it, the eastern Mediterranean will be lost to the free world. Under unanimous consent I introduce into the RECORD a UPI report about this published in the Washington Daily News of February 24. I would also like to include articles from the New York Herald Tribune of February 26 and the New York Post of February 21.

What is being done to forestall this danger?

[From the Washington (D.C.) Daily News, Feb. 24, 1964]

DICKER FOR AIR RIGHTS IN CYPRUS: RUSSIANS MOVE IN ON CRISIS

NICOSIA, CYPRUS, February 24.—The Russians moved directly into the Cyprus crisis today with the opening of negotiations on an air link between Moscow and Nicosia.

The Foreign Ministry insisted the talks were routine and unrelated to the island's civil strife, but they coincided with Turkish charges that President Makarios is seeking Soviet intervention.

TICKLISH

Direct talks of any kind between Cyprus and the Kremlin run counter to United States and British efforts to avoid Soviet involvement in a ticklish situation affecting the eastern flank of NATO defenses.

Archbishop Makarios' government refused to comment on efforts to settle the crisis at the United Nations in New York, but Nicosia newspapers which generally reflect the Government's views said the negotiations were falling apart.

There were persistent fears that collapse of the peace talks would set off new major violence between Greek and Turkish Cypriots in their dispute over constitutional rights. This could provoke war between partners.

(In Ankara yesterday Turkish Foreign Minister Feridun Cemal Erkin said "the initial fights between Greek and Turkish Cypriots last December were prearranged genocide of Turkish Cypriots, an attempt to force them to accept Greek wishes.

("Makarios is trying to achieve this aim by obtaining intervention by the Soviet Union and other Communist countries," Erkin said.)

RAF BASES

A three-man Russian delegation is trying to win landing rights on Cyprus for the Soviet airline Aeroflot. Sources close to the Foreign Ministry said test flights might begin within 2 weeks, bringing Soviet planes over the secret British Royal Air Force bases on this Mediterranean island.

At present the British European Airways, Mideast Airlines, the Greek Olympic Airlines, and the Israeli El Al and United Arab Airlines operate out of Cyprus, a former British colony.

The Russian move to set up a direct air link came at a time when Soviet popularity in Cyprus was high because of Moscow's support for the Greek Cypriot stand at the United Nations.

U.N. VETO

Informed sources here said the Soviet Union probably will veto any U.N. Security Council plan for Cyprus unless it meets the demands of the Makarios government.

The Council is expected to receive a report from U.N. Secretary General Thant tomorrow on his intensive negotiations with the various parties involved in the crisis.

President Makarios insists any settlement must include U.N. protection against outside aggression, which he fears from Turkey. He also wants any peace force under authority of the Security Council.

These conditions in effect would abrogate the 1960 treaties which gave the Turkish minority on Cyprus veto power in the Greek-dominated government, and made Britain, Turkey, and Greece guarantors of the island's sovereignty and security.

[From the New York Herald Tribune, Feb. 26, 1964]

Secretary General U Thant tried but failed, as he confessed yesterday, to resolve the Cypriot issue. It is not that his formula for a mixed peace force was unreasonable. It was only too reasonable. And that is why President Makarios rejected it.

The Secretary General and President Makarios have been working at cross purposes. Mr. Thant has been intent on producing an international force which would keep the peace and prevent the Greeks and Turks from killing each other. Archbishop Makarios is not simply interested in preserving the peace.

He is confident that the Greeks, outnumbering the Turks four to one, can win the war on the island if they could only be protected from intervention by the armed forces of the Turkish Republic. And that is what he wants the U.N. Security Council to do for him—neutralize the Turks outside while he deals with the Turks inside Cyprus.

To help him neutralize both the Turks and the British, who are now carrying the burden of preserving the peace on the island almost singlehanded, President Makarios is flirting with the Soviet Union and discussing an air link to Moscow. The British already have warned him against the current importation of arms which are going to Greek irregulars on the island. The source of these imports was not disclosed. An air link to Moscow would permit the Russians to step up the flow of arms.

During the negotiations at the U.N. President Makarios disclosed that one of his primary aims is to annul the 1960 treaty whereby Britain, Greece, and Turkey have the ultimate responsibility for upholding the constitution and maintaining the peace on the island. Rejection of Mr. Thant's formula makes it all the more necessary to uphold the treaty rights of Britain and the two other countries. The treaty—and Britain's presence on the island—has become increasingly important not only to preserve the peace but to protect the island from falling under Soviet influence.

Britain, looking for others to share the burden, allowed the situation to slip out of its hands and drift into the halls of the United Nations.

[From the New York (N.Y.) Post, Feb. 21, 1964]

TOWARD A CYPRUS SETTLEMENT

U.S. Ambassador Adlai E. Stevenson's appraisal of the urgencies in the Cyprus crisis should commend itself to all reasonable men.

The Security Council's first order of business, Mr. Stevenson declared, should be to stop the bloodshed between Greek and Turkish Cypriots. This requires a U.N. peacekeeping force. It also requires a U.N. mediator capable of reestablishing communications.

Archbishop Makarios has previously held a different view of U.N. priorities. He has sought a Security Council resolution that will set aside Turkey's right under the 1960 treaty to send in troops to protect the Turkish Cypriot minority. Since the threat of Turkish intervention is the major restraint upon the Greek majority, Makarios, in effect is asking the Council to place the Turkish Cypriots at his mercy.

The Council will not play this game.

It is regrettable that Russia's advocacy of the Makarios position has encouraged him to persist in his unrealistic effort.

The longer the moment of truth is delayed, the longer will the danger of larger explosion remain.

When Makarios realizes that a peacekeeping force will not and should not be set up in a way that would supersede rights guaranteed under the 1960 treaty, the Security Council and Secretary General U Thant will be able to get down to business.

That business is to restore peace on the island, enforce the cease-fire and encourage negotiations. There are at least some intimations as this is written that we are headed in that direction.

EXPERIMENT IN INTERNATIONAL LIVING

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, on February 13, I addressed the House concerning some of the important work which is being done by the Experiment in International Living in Putney, Vt. My friend Gordon Boyce, the president of the organization, informs me that he has received many favorable comments concerning my remarks. Accordingly, we have made arrangements to send copies to a group of people whose interest in the experiment has been one of its sustaining forces. A voluntary organization such as the experiment must depend, in the final analysis, on people who are well acquainted with its work, who believe in it, and who will support it.

THE OVERTIME HOAX

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, double pay for overtime as embodied in H.R. 9802 and advocated by this administration would impose a hardship on many companies. It would result in higher costs to the American public without a compensating increase in employment as intended by the bill. While the tripartite committees established by the Secretary of Labor would make individual decisions on the particular industries to be affected by the double overtime rate, it is likely that all industries would be forced to pay either directly or indirectly the higher operating costs resulting from enactment of the bill. I have received a considerable amount of mail protesting double pay penalties for overtime which emphasizes the great concern this proposal is creating in my State.

I would like to commend to my colleagues' attention an editorial, "The Overtime Hoax," from the Wall Street Journal, February 6, 1964, which well capsules some of the strong arguments against this proposal:

[From the Wall Street Journal, Feb. 6, 1964]

THE OVERTIME HOAX

Almost everything is wrong, we fear, with the administration's proposals on overtime pay—in principle and practice.

The theory is that if employers were forced to pay double time instead of time and a half for overtime, they would choose to hire more workers. Accordingly the President has just asked Congress to empower the Secretary of Labor to set up committees to determine the "appropriate" work periods in different industries; double time would have to be paid for all hours beyond the recommended work period.

As Secretary Wirtz sees it, if all overtime could be eliminated, more than 900,000 more workers would be needed, which would make a sizable dent in unemployment. If overtime could be reduced instead of eliminated, there would still be substantially more jobs. But that agreeable assumption is, to put it mildly, an oversimplification.

First, any such theory must assume that the right kind of extra workers would be available when needed, whereas in fact a great many of today's jobless are lacking in some of the very skills most in demand. A company cited in a recent report in this newspaper illustrates the difficulty:

The company has been trying hard to find skilled workers so it could cut out overtime. Yet it can't find the people to fill the jobs it has open, even though communities within easy commuting are classed as areas of substantial unemployment.

That's only one aspect of the problem. In other cases, machinery is fully manned and there is no place to put extra workers; the only way to get more production is to work longer hours. The proposed overtime penalty would simply be a heavy addition to costs without any employment gain.

In still other cases, overtime is sporadic; to hire more workers to replace overtime means they would have to be laid off frequently. The auto industry, for one, doesn't like its employment to fluctuate any more than necessary in the nature of its somewhat uneven schedules. All the same, the United Auto Workers Union is expected to push hard this year for contract provisions requiring more hiring in place of some overtime, thus aggravating the fluctuations.

By no means all employers, contrary to the Government's apparent belief, resort to overtime because it may be relatively less costly than hiring new workers, with all the expensive fringe benefits, but some do. In such instances, they might go on paying overtime even at the higher rate. Or they might cut out overtime by cutting production or slowing deliveries; in other words, choosing inefficiency.

It could be worse than that. As one executive puts it, the administration proposal "could cause layoffs in some cases because paying excessively high overtime rates might make a manufacturing operation uneconomical." That is indeed an odd way to go about increasing employment.

As for the principle of the thing—well, it certainly introduces a new element of compulsion to have Government-appointed committees snooping around and decreeing what are "appropriate" work periods. What with contractual featherbedding and numerous restrictive statutes, one would think managerial prerogatives are already sufficiently infringed.

And be it noted that this is an intrusion on the workingman as well. Many employees understandably like the fatter paychecks overtime brings and will not take kindly to forgoing them. By what theory of freedom does the Government presume to tell a man he can't work as much as he wants and make as much as an employer is willing to pay?

All this, perhaps, might carry less weight if the upshot actually would be the creation of a large number of new jobs. But the evidence is that it would not, that it would chiefly bring about heavier costs, higher prices and further impediments to the sound economic growth on which the creation of real jobs must depend.

That being so, we find it difficult to have a high regard for a proposal that would penalize employer, employee, consumer and at the same time amount to a hoax on the unemployed.

THE AGREEMENTS TO CONTINUE HIGH LEVEL MEAT IMPORTS

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. NELSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. NELSEN. Mr. Speaker, the Departments of Agriculture and State in their recent announcement of new voluntary trade agreements on meat imports with Australia and New Zealand labored long and loud and came up with a mouse. The announced agreements represent their futile efforts to help solve the meat import problem. What their efforts amount to is a promise confirming the continued high level of price-depressing red meat imports from these two countries in the years to come.

On February 21, President Shuman of the American Farm Bureau Federation addressed a letter to Secretary of Agriculture Freeman commenting on the announced beef import agreements. I ask that Mr. Shuman's letter be printed in the RECORD at this point in my remarks.

AMERICAN FARM BUREAU FEDERATION,
Washington, D.C., February 21, 1964.

HON. ORVILLE L. FREEMAN,
Secretary, Department of Agriculture,
Washington, D.C.

DEAR MR. FREEMAN: Your telegram announcing the agreements which have been entered into with the Governments of Australia and New Zealand with respect to the importation of meat, concludes with the sentence, "Livestock producers will benefit materially and immediately."

I couldn't disagree with you more. Government supply management on an international scale is no better than the domestic variety which has been rejected by both the Congress and American farmers.

As you know, we opposed from the outset proposals to deal with the meat import problem through the negotiation of a so-called commodity arrangement. We have had enough experience with international commodity agreements to know that they are worse than worthless in promoting and protecting the interests of farmers and ranchers.

Instead of being worthy of commendation, these particular agreements amount to a betrayal of American agriculture. The effect is to give foreign competitors assurance that they will be able to increase sales in the U.S. market in the future in return for a relatively small, temporary cutback. This must come as a shocking disappointment to most of those associated with this abortive effort.

Cattle feeders particularly have suffered from a sharp decline in prices. Your Department has estimated the 1963 decline in choice steer prices at $3.70 per hundredweight with "about 50 cents" of it attributable to increased meat imports and "about $3.20" due to "the effect of the increased meat supply" produced domestically. This may or may not be an accurate appraisal.

What has not been made clear is that the major cause of the decline in fed cattle prices has been the dumping of CCC owned stocks of feed grains in 1961 and 1962. This action artificially depressed feed grain prices and set in motion the buildup in cattle and hog numbers. Official USDA statistics reveal that corn consumption by cattle on feed in 1963 was 32.9 percent greater than in 1960. Cattlemen are now reaping the heartbreaking results of this mistaken policy, which apparently was inaugurated in a desperate attempt to make the so-called emergency feed grain program look like a success instead of the dismal failure it has been.

As bad as the recently concluded meat agreements are in and of themselves, there is another most important and far-reaching aspect that deserves attention. Our negotiators at the upcoming trade negotiation sessions have a difficult enough job to perform in insisting on realistic reductions in trade restrictions, including nontariff restrictions, against U.S. exports. The precedent established by our Government having agreed to a meaningless commodity arrangement in the case of meat imports provides an additional burden to bear. This action has the effect of cutting the ground out from under the U.S. representatives at the forthcoming trade negotiations and constitutes a grave disservice to all farmers and ranchers in the United States.

Sincerely yours,

CHARLES B. SHUMAN,
President.

ANNOUNCEMENT TO MEMBERS OF THE HOUSE CONCERNING REPRINTING OF STATEMENTS MADE ON THE 46TH ANNIVERSARY OF UKRAINE'S INDEPENDENCE

Mr. **PEPPER**. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] may extend his remarks at this point in the RECORD.

The **SPEAKER**. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. **FLOOD**. Mr. Speaker, I would like to announce that reprints will be made of statements of Members of the House of Representatives on the occasion of the 46th anniversary of the independence of Ukraine. The reprinting has been requested by the Ukrainian Congress Committee of America, Inc., 302 West 13th Street, New York 14, N.Y.

If there are any Members who do not wish to have their statements reprinted, they should so advise the CONGRESSIONAL RECORD clerk, Mr. Raymond F. Noyes, room H–112, the Capitol Building.

Otherwise, statements and remarks made in connection with this year's Ukrainian Independence Day will be reproduced in pamphlet form.

NEW YORK STATE DEMOCRATIC CONGRESSIONAL DELEGATION UNANIMOUSLY CONDEMNS SOVIET PERSECUTION OF JEWS

Mr. **PEPPER**. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. **MULTER**. Mr. Speaker, at a meeting of the New York Democratic congressional delegation on February 19, 1964, a resolution was unanimously adopted condemning Soviet persecution of Jews and urging the Committee on Foreign Affairs to schedule hearings on House Concurrent Resolution 232. This resolution—sponsored by our distinguished colleague, the gentleman from New York, the Honorable JOHN J. ROONEY—expresses the sense of the House in condemnation of the terrorism experienced by Russian Jews at the instigation of the Soviet Government.

I commend the resolution adopted by the New York delegation to the attention of our colleagues and urge the Foreign Affairs Committee to report it immediately to the House for adoption.

The resolution follows:

RESOLUTION ADOPTED BY THE NEW YORK STATE DEMOCRATIC CONGRESSIONAL DELEGATION, MEETING FEBRUARY 19, 1964

Whereas the people of the United States and the members of this delegation are deeply shocked by the many acts of terrorism and persecution committed against Jews residing in the Soviet Union; and

Whereas such acts of terrorism and persecution have resulted unjustly in the confiscation of property and in the deprivation of the rights and privileges possessed by other citizens of the Soviet Union; and

Whereas the Government of the United States has on other occasions intervened and interceded in behalf of persecuted minorities in other countries; and

Whereas there is now pending before the House Committee on Foreign Affairs a resolution, House Concurrent Resolution 232, sponsored by our distinguished colleague, the Honorable JOHN J. ROONEY, which expresses the sense of the Congress in condemnation of such terrorism and persecution: Now, therefore, be it

Resolved, That the New York State Democratic congressional delegation pledges its complete support of that resolution and urges the Committee on Foreign Affairs of the House of Representatives to schedule hearings on House Concurrent Resolution 232 at once and to report it to the House with a recommendation that it pass; and be it further

Resolved, That a copy of this resolution be sent to the Honorable THOMAS E. MORGAN, chairman of the House Committee on Foreign Affairs.

BROADENING THE SCOPE OF PROSPERITY

The **SPEAKER**. Under previous order of the House, the gentleman from Missouri [Mr. CURTIS] is recognized for 60 minutes.

Mr. **CURTIS**. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter, and I further ask that those who will participate in this colloquy also be permitted to revise and extend their remarks and include extraneous matter.

The **SPEAKER**. Without objection, it is so ordered.

There was no objection.

Mr. **CURTIS**. Mr. Speaker, I have taken this time to discuss one of the major problems we are facing in our society, that of poverty.

In the President's Economic Report of January 1956—that being President Eisenhower's—chapter III is devoted to the title, "Broadening the Scope of Prosperity." In this very excellent chapter, the attention of the Nation and the Congress was directed to the problems of that segment of our population which has not moved forward as well economically as has the other segments.

President Johnson in his message to Congress has called attention to these same areas. He has called it a "war on poverty." Of course, we welcome all efforts by all people in moving forward in our society to meet these problems. However, to treat it in this fashion, as if it were something new or something that our society has not been directing its attention to—as I would put it, since the foundation of this country—I think is to get it out of context.

I have always felt that this society that was formed on the American continent, particurly the founding of this great Republic, had as one of its major functions—that is, its essential functions—a war on poverty.

The other matter of context which is most important to keep in mind is the fact that our lowest income group, and we might illustrate it by the itinerate farmworker, is much higher incomewise and from the viewpoint of the standard of living than the overwhelming majority of people throughout the world, that our neighboring countries south of the border have thousands of their citizens on waiting lists 2 to 3 years long to get into this element of poverty, as it were, in the United States. It is simply a matter of getting this in context so that we realize that in order to move forward in this area we must have a clear picture of where we are and how much further we might go.

One other point. I had a rare experience in my political career back in 1958, when the AFL–CIO planned what they caled a "march of the jobless" on Washington. Indeed they came to Washington, not marching, I might say, but riding in pretty much luxury. They held a big rally down in the Armory just to the east of us here. I was asked by our Republican leadership to be the Republican spokesman to address this group. Beside me on the platform was the then majority leader of the Senate, Lyndon B. Johnson, who is now our President.

Mr. Johnson's concluding remarks were along these lines. He said:

> As soon as I leave here, I am going back to the Senate and introduce a resolution to create a commission to go around the country and go into these areas of unemployment so we can do something about it.

My response, when it came my turn to address the group, was that I thought, perhaps, the idea of creating a commission was pretty good, but I would suggest that that commission go into the areas of success as a method of finding out what we might do in those areas where we did not have success. In other words, accentuate the positive in order to eliminate the negative, instead of accentuating the negative and mulling over that. I do believe that in meeting these problems, whether in the field of unemployment or race relations, the best way is to go to the areas of success where we have solved these problems—and we have in many instances—because there we might find the solutions by looking to areas where we have moved forward.

So this matter of getting this question of poverty into context, I believe, is the way to move forward in solving these "pockets of poverty," or whatever we might call them, where you have groups of people who still have not moved forward as fast as the rest of our society in attaining the highest standard of living any nation has ever experienced in history, or that any nation in the world today experiences.

The six members of the Joint Economic Committee have prepared their minority and supplemental views on President Johnson's economic report. We have a particular chapter devoted to this subject of the conquest of poverty and I am going to insert this document in the RECORD in conjunction with my remarks here.

I have issued a press release in behalf of myself and my colleagues, Congressmen AYRES, BROTZMAN, CLEVELAND, FRELINGHUYSEN, GOODELL, GRIFFIN, HALL, HARVEY of Michigan, LAIRD, ALBERT, QUIE, TAFT, and WIDNALL where we point up this discussion that we are going to have today on this subject.

I want to lay the groundwork a little further before I yield to some of my colleagues to discuss this matter.

The opinion of the six members of the Republicans, on the Joint Economic Committee, as expressed in this statement, is not one of those where we are completely unanimous on all the details. I, myself, have questions about some of the recommendations that are contained in this report of our own. But the purpose that is served is to call attention to possible ways that we might move forward.

The Joint Economic Committee is not a legislative committee, and I think it is wise that it is not. All it can do is to make studies—and they are more in the general area of economics—and recommendations which hopefully the legislative committees who have the responsibility of going in depth into these programs to see whether or not the particular recommendations might be advisable.

As to the objectives, I think we do agree on what we are seeking. Where we use the Federal sector—the governmental mechanism—where we use the State and local sectors and where we use the private sector of our economy is a matter of judgment and not a matter of difference in fundamental principles.

My own predilection—I believe this is true of all Republicans—is to rely basically on the private sector of our economy and only to go to government in the areas in which, for various reasons, the private sector cannot move forward. When we do move to the governmental sector, we first move to the local level. Only when the local level of the government cannot solve the problem do we move to the State level. Only when the State and local governments cannot solve the problem do we move to the Federal level.

But we cannot exclude in our recommendations the possibility of the Federal Government assisting in these areas.

Essentially, the statement of the Republicans on the Joint Economic Committee puts this problem in context with regard to what is poverty. We must define it first, because we shall not get anywhere unless we know of what we are talking. If a family with an income of $3,000 or less is to be the definition of "poverty," then indeed that is a very high standard of living, as I have pointed out, for the overwhelming majority of the people around the world.

With these introductory remarks, I shall be pleased to yield to my colleagues.

Mr. HALL. Mr. Speaker, will the gentleman from Missouri yield to me?

Mr. CURTIS. I yield to the gentleman from Missouri [Mr. HALL].

Mr. HALL. Mr. Speaker, I certainly appreciate the gentleman yielding to me. I compliment my colleague from Missouri on the statement he has made and I submit to the House that all we can do is to predict what those who control the platform from which they speak, and have a national audience, can and will do on such dire things as missile gaps, the war against poverty, or anything else.

My colleague, the senior delegate of the Republicans from the great State of Missouri, is constantly working in this particular vineyard, not only to predict what the opposition will do but also to maintain responsibly progressive and constructive ideas toward the real, basic solution of the problems which face the Nation. He has published a book entitled "87,000,000 Jobs," which most of us have read, which has much to do with retraining and rehabilitation, and in fact, gives the answer to the oftheard complaint and cry of automation.

I compliment my colleague for what he is doing and for taking this time in order that we may predict the real answer to the war on poverty, and thereby take the political hoax out of the springboard from which the administration takes off on this particular political prattle and propaganda, which we now hear so often.

This reminds me of the "missile gap" which we heard in 1960 as the campaign began to "rev up" speed. By the end of that campaign some of us wanted to go into our homes out in the Ozarks, pull the window blinds, lock the doors, maintain all the security we could, and cook up a pot of beans; because one of the cries was that half the people were going to bed hungry and that all they had to eat were peanuts and beans and this was not a good diet.

Like the gentleman who has outlined the minority report of the members of the Joint Economic Committee—the committee on which he has served so ably and for so long, in addition to serving as second ranking minority member of the Committee on Ways and Means—I am not for everything in that minority report, but I have a few words to say.

Mr. Speaker, like so many problems that face our Nation today, eradicating poverty is an economic dilemma which political demagoguery may exploit, but can never solve with legislation.

The fact is, that there is no magic political formula for erasing poverty any more than there is a magic political formula for wiping out disease. Reducing poverty into the smallest possible dimensions, as desirable as we all agree that may be, requires increasing our productivity to the point where it can serve the needs of all our people. Too often solutions proposed by bureaucrats and neo-Socialists, have the end result of reducing initiative, penalizing ambition, and eventually restricting our productive ability.

The greatest role that Government can play today is to create the climate for free enterprise to grow and expand.

Too many Federal programs designed to raise incomes have had the effect primarily of raising the per capita income in Washington, D.C., without having much effect elsewhere. As these programs expand, a smaller and smaller percentage of our entire population ends up paying a larger and larger percentage of the salaries of those on the Federal payroll. The administration itself said recently that the number of persons employed on the public payroll and in nonprofit endeavors has climbed something like 8 times as fast in recent years as employees in the private sector of the economy. By some warped reasoning, the administration looks upon this as proof that the public sector must provide the bulk of the jobs in the future. What they fail to realize is that the brunt of paying for the public sector jobs continues to fall on the private citizen and taxpayer. If his numbers remain constant, while the burden increases, eventually there will come the straw that will break the camel's back.

The way to cure poverty is not through inflation, share the wealth schemes, and socialism; but by maintaining and protecting our system of private property, risk incentive, free trade, free markets, and free enterprise. It was largely because we adopted this system more fully than any other country, that we became the most productive and hence the richest and most powerful Nation on the face of the globe. Now, the question is, do we have the will to keep it? The law of supply and demand is still operative

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and in effect. The way to combat the remaining pockets of poverty is to keep this system, to reduce Government intervention in those areas where it interferes with the basic mechanism, to allow freedom of choice, to reduce Government spending, and punitive taxation—in brief, to increase the incentives, the initiative, effort, risk taking, saving, sweat and investment that increase employment, productivity and real wages, as well as new jobs.

"Only the productive can be strong, and only the strong can be free." There is need for free competitive enterprise and the open marketplace with: First, freedom of choice; second, preservation of property rights; third, establishment incentive; and, fourth, lack of third party interference where not absolutely required.

We must dedicate ourselves not to minority groups, self-interest, and personal pressure; but to ultimate and total freedom guaranteed by participating, avoiding inertia, and apathy with complacency.

We must fear regimentation and dictatorship, including minority control like sin; as it leads to deterioration of morals, lack of recognizing obligation and responsibility—without which no state based on a representative form of government in a republic can long survive.

"Economic freedom is the basis for all freedom." We must maintain courage and hope. The effort is worth it. The cure is to collectively organize and to individually participate and inform.

I request permission to revise and extend my remarks and to include the following article, "How To Cure Poverty," by Henry Hazlitt in the January 27 issue of Newsweek magazine.

The **SPEAKER** pro tempore (Mr. LIBONATI). Is there objection to the request of the gentleman from Missouri?

There was no objection.

The article referred to is as follows:

How To Cure Poverty

(By Henry Hazlitt)

President Johnson has declared an all-out war on human poverty. It is a laudable aim. It has, in fact, been the aim of rulers, statesmen, economists, reformers, religious leaders—of every man of good will—from time immemorial. It is an aim shared by all free enterprise economists since the time of Adam Smith and by all Socialists and Communists since the time of Karl Marx. The problem does not concern the end but the means. What is the best way to abolish poverty?

Unfortunately the means of Mr. Johnson recommends are dubious. He proposes more and bigger Government-spending programs—"to build more homes and more schools and more libraries and more hospitals than any single session of Congress in the history of our Republic," and to "budget the most Federal support in history for education, for health, for retraining the unemployed, and for helping the economically and the physically handicapped."

NOT BY INFLATION

Whether it is possible to do all this and still cut the total of Federal spending may be reserved for later consideration. But even on the face of his own budget projections this program will involve a combined deficit in the current and next fiscal year of $15 billion. This gap will probably be financed by inflation—i.e., by printing more money, by lowering the purchasing power of the dollar, and so raising prices. This cannot help the poor. Regardless of the immediate result, the longrun result of inflation must be to distort the structure of production, and hence to slow down the rate of balanced economic growth. This cannot help the poor. For the Government to borrow $15 billion now to reduce taxes $11 billion means that taxes must later be raised to a still higher level to pay off the new debt. This must discourage production and employment, and cannot help the poor.

The economic proposal by Mr. Johnson that would do most harm of all would be to impose a still higher legal penalty for overtime even than the present stiff penalty rate of 50 percent. This could only raise costs of production, lift prices, reduce sales and output, and hence reduce employment. It could not help the poor.

Mr. Johnson proposes to give Federal funds to "the chronically distressed areas of Appalachia," to expand area redevelopment, to distribute more food to the needy through a broader stamp program. All these are merely new forms of the age-old proposal to take from the rich and give to the poor, to take from the more productive to give to the less productive. What the reformers who back such proposals forget is that you cannot redistribute the fruits of production without drastically reducing production itself.

For this redistribution reduces incentives at both ends of the economic scale. As the productive have more of their income taxed away from them, they have less incentive to exert themselves to earn it. As the poor get increased handouts and subsidies, they too have less incentive to improve their condition through their own efforts. The problem of curing poverty is difficult and two-sided. It is to mitigate the penalties of misfortune and failure without undermining the incentive to effort and success.

RESTORE INCENTIVES

The way to cure poverty is not through inflation, share-the-wealth schemes, and socialism, but by precisely the opposite policies—by the adoption of a system of private property, freer trade, free markets, and free enterprise. It was largely because we adopted this system more fully than any other country that we became the most productive and hence the richest nation on the face of the globe. Through this system more has been done to wipe out poverty in the last two centuries than in all previous history.

The way to combat the remaining pockets of poverty is to keep this system; to reduce Government intervention instead of increasing it; to reduce Government spending and punitive taxation—in brief, to increase the incentives to the initiative, effort, risk taking, saving, and investment that increase employment, productivity, and real wages.

Mr. **CURTIS**. Mr. Speaker, I want to thank the gentleman from Missouri [Mr. HALL] for his fine contribution.

I yield to the gentleman from New Hampshire [Mr. CLEVELAND].

Mr. **CLEVELAND**. Mr. Speaker, I thank the gentleman from Missouri for yielding.

First of all, I want to congratulate the gentleman from Missouri for arranging this colloquy. I think it is one which is badly needed. Like many of us here, I do not concur with all of the views in the Joint Economic Committee minority. They are to be complimented, however, on starting along the road toward shedding some real light on the so-called poverty problem.

In this connection I was shocked when I read in the New York Times of January 10, 1964, an article on poverty. This was an article typical of many that all of us have read that have been generated by the tremendous publicity given this battle by the President's overly publicized declaration of a war on poverty. To give my colleagues some perspective on the type of problem we have on our hands, when the drums start beating and the bugle calls play and we all march out to fight poverty, it is interesting to note in this article in the New York Times a very important factual situation went completely over the head of the writer, Paul Montgomery. He describes in beautiful English and fine prose poverty on the Lower East Side. He describes a family living on but $1 a day. The picture he paints is indeed one designed, as well it should be, to quicken the emotions of any thoughtful American, myself included. You can imagine, as I read this article about this family down on the Lower East Side of New York how shocked and surprised I was to find that this gentleman, about whom the article was written, was entitled to unemployment compensation but was not drawing it for reasons passed over completely by Mr. Montgomery. He said that Mr. Perez would like to collect unemployment insurance, but does not do so because his former employer told him not to apply. He said, "I don't want the boss to be angry with me and not give me the job back sometime."

Here we have the crusading New York Times completely missing an important point. As a country lawyer I consider this distressing situation the result of fraud and collusion between an employer and an employee. Here is a situation etched as one typifying poverty on the Lower East Side. The fact of the matter, however, is that there is a social program that is in existence designed to combat this very type of poverty, poverty through unemployment, caused through no fault of the employee.

The New York Times, instead of commenting on this fraudulent collusion that is contributing to the poverty, goes over this point completely; that is, they missed the point completely. It is this type of reporting that makes the battle against poverty so difficult. I believe there are countless people in this country who are not even aware of some of the social programs that are in existence and what they are meant to do and how.

Mr. Speaker, I ask unanimous consent to insert this article at this point in the RECORD.

The **SPEAKER**. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

(The matter referred to follows:)

POVERTY ON THE LOWER EAST SIDE: SIX LIVE "HEAVY LIFE" ON $1 A DAY

(By Paul Montgomery)

As the rain splashed in the grimly courtyard outside his apartment yesterday afternoon, Marcello Perez searched for the words that could describe his poverty.

"It's heavy, this life, you know?" he said.

Mr. Perez is 47 years old. For the last 2 months he has been feeding and clothing himself, his wife, and their four young children on $1 a day. In all of 1963, he had

$537 to spend on the essentials of life exclusive of rent, gas, and electricity.

Mr. Perez is one of the 30 million Americans who live in families with yearly incomes of $2,000. Conservative estimates put the number of poverty-stricken New Yorkers at 815,000.

Both President Johnson and Mayor Wagner have declared their intention of mounting full offensives against poverty.

Mr. Perez agrees with the President and the mayor. If he were mayor he would make poverty his prime concern, he said.

"You have money, I have money, we can make something," he observed yesterday. "But this way is no good. They should let us live."

RENT-FREE APARTMENT

Mr. Perez lives with his 42-year-old wife and four children ranging in age from 7 to 11 in five small rooms on Rivington Street. He gets the apartment rent free for acting as janitor of the seven-story building.

He also gets free gas and electricity and $30 a month for his services. Until November, he supplemented his income by working as a trucker's helper for a company that manufactures clothing. During good weeks he got 10 hours of work at $1.25 an hour; during bad weeks he got no work at all. He was laid off 2 months ago.

Mr. Perez would like to collect unemployment insurance, but does not because his former employer told him not to apply. "I don't want the boss to be angry with me and not give me the job back sometime," he explained.

Mr. Perez receives no help from the welfare department. He considered applying a few years ago but got impatient with the details and decided against signing the paper. He wants to make some money and buy a nice home in Puerto Rico and he figures he cannot make much money if he gets on welfare.

SURROUNDINGS CLEAN

His wife, a plump, jolly woman, keeps their apartment neat and clean. Mr. Perez painted it himself—white with blue trim.

The living room, about 10 feet square, contains the only furniture Mr. Perez has bought—blue couch and two orange chairs. He bought them 7 years ago from the heirs of a tenant who died. They are covered with clear plastic to protect the upholstery. "The plastic cost $1.10 a yard," Mr. Perez said. "Every week I bought a yard until it was finished."

The three bedrooms are barely big enough to contain their double beds. A metal filing cabinet in one room serves as a chest of drawers. The room shared by the boys—Henry, 8, and Angelo, 7—has no window. They receive compensation, however, by having the only bed with sheets on it.

The girls—Estella, 11, and Betty, 9—have three changes of clothing between them. The one that is not in use that day is hung neatly on the doorknob of their room. Mr. Perez owns two pairs of pants but one pair is at the cleaners and he has no money to retrieve it.

BATHROOM A "CLOSET"

The kitchen—containing a sink, gas stove, refrigerator and a bare cupboard—is the largest room. The bathroom, off the kitchen, is the size of a large closet and has a bathtub and a toilet.

Mr. Perez thinks the apartment has certain advantages. There is always heat and hot water. The rats come only at night.

For breakfast yesterday the family had bread and milk. For supper there was rice and beans. The children get free lunch at school and Mr. and Mrs. Perez skip the midday meal. "We wait for night," Mr. Perez said.

The total outlay for the day's food was 50 cents for two quarts of milk, 15 cents for a loaf of bread, 25 cents for two pounds of rice and 10 cents for a half-pound of beans.

The last article of clothing Mr. Perez can remember buying was a pair of shoes for Henry "about a year ago." The family has gotten most of its clothing from a Catholic church nearby.

The family gets free medical care from the clinic at Bellevue. The three youngest Perez children were born there, the eldest in Puerto Rico.

For entertainment there is an old television set, given to Mr. Perez by his brother-in-law, that sometimes works, and a radio. There is no money for newspapers or books.

"If I see a paper on the street I pick it up and read it," Mr. Perez said. Movies are out of the question. Once a year the family goes to Coney Island.

Last spring the nearby House of Hospitality of the Catholic Worker movement, having nowhere else to turn, asked Mrs. Perez if she could put up a destitute old woman for a night.

The woman, who had psychopathic tendencies, had been ejected from city and charitable institutions. Mrs. Perez readily agreed, and housed and fed the woman for 3 months.

Mr. CURTIS. I thank the gentleman from New Hampshire.

Mr. CLEVELAND. Mr. Speaker, I want to say one other thing in this connection. There is an article on this drive on poverty in the U.S. News & World Report for January 20, at page 36, which lists some of the many programs designed to fight poverty. I would like to ask the gentleman from Missouri if he or his committee have considered this in connection with the battle on poverty. I notice, in looking over the list of Government programs against poverty already in existence that some of them do not seem to have any correlation between the need of the recipient of the program and the program's purpose. We see, for example, veterans' disability payments and we know that some veterans receive payments on account of disability, although they may be quite wealthy.

The gentleman knows that one of the chief objections that many of us have to the King-Anderson approach to medical care for the aged is that there is no need factor in adjudging the recipient's benefits. What I would like to know is if the Government program presently in existence and those that are planned as of now by this administration consider the need factor as a vital part of the program.

Mr. CURTIS. Mr. Speaker, I think the gentleman is making a very good point. The answer is that largely that is not the case. That has been the difficulty. Take the farm program, in which we have one of the greatest concentrations of what might be defined as poverty in this country. The farm program largely benefits the more well-to-do farmers. It is not directed toward the lower income farmer or person who has been displaced from farming as a livelihood. I believe as we go across the board we will find that to be true in other programs. I would say that that is true with reference to medicare or the problem of older people for medical assistance. However, 85 percent of our older people are adequately handling the problem at the present time. We only have a problem with the other 15 percent.

I do not mean to suggest by this that we should accentuate the negative or undermine or radically change the program that has proved so beneficial to the overwhelming majority of our older people and indeed has given to our society the highest standard of medical care ever. But it suggests that by looking into the areas of success we may determine how these 85 percent have been able to do this. By studying that approach it would suggest to us how we may handle and then help those who might be in the 15-percent bracket.

The Kerr-Mills Act directs its attention to those in need. However, here we have found a hue and cry around the country when we try to direct the program to the people who need it. Then they say we are imposing this degrading needs test.

Mr. CLEVELAND. If the gentleman will yield, "pauper's oath," is not that the word they use?

Mr. CURTIS. They say "pauper's oath," but the people who use it misunderstand this issue. The Kerr-Mills Act permits the States to liberalize what means test they already have in the old-age assistance program. What that test says, in effect, is of course you do not have to have people go on relief in order to get help if they are hit with a major medical bill. You could tell them to go ahead and bring in the bill and continue living in their home on their little pension. They do not have to go on relief. Yet the opposite approach has been used.

The gentleman is making a very good point. However, I would add one other thing: This so-called war on poverty carries with it an attractive slogan. The gentleman has already noticed I am sure the sloganeering which is employed. In the budget for this fiscal year is the sum of $250 million. That is to carry on a war on poverty in a Nation with over a $600 billion gross national product.

Mr. CLEVELAND. If the gentleman will pardon a further interruption, is not the gentleman becoming confused? Does not the gentleman think that this $250 million is requested in order to finance the publication of the war on poverty? There is a big difference.

Mr. CURTIS. I believe the gentleman is right. I am not confused about it, but I think it is intended to confuse people.

I was going to continue and say what is going to happen is this: They will take these programs already on the books and bring them up and try to expand them so that they will, in turn, represent this so-called war on poverty. However, the gentleman has rightly pointed out, and I have illustrated with the agricultural program, that those programs are not directed toward the people who we might say are in the lower income groups, nor possibly should they be. However, if we are going to accentuate the positive as I have tried to point out, we will have to follow another course.

Mr. CLEVELAND. I thank my colleague for yielding, and I would like to make this one additional point. I made the same point in connection with the civil rights bill. One of the problems in this country is that too many people in the country are under the impression

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that all you have to do with any complex problem is simply go to the Congress and get the Congress to pass a law. As I said at the time of the civil rights debate and I think this is a proper time to repeat that statement. This represents a dangerous illusion which is fostered by the demagogs and pleaders of special interests. It is aided and abetted by wishful thinking and laziness of mind and spirit.

Mr. CURTIS. I thank the gentleman.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the distinguished gentleman from New Jersey, the ranking member on the Education and Labor Committee.

Mr. FRELINGHUYSEN. I thank the gentleman.

Mr. Speaker, I would like to begin by commending the gentleman for calling our attention to an admittedly serious problem. This question of poverty is one that has been plaguing us for decades, since the foundation of the Republic, as the gentleman has put it.

I believe we can fall into the danger of sloganizing or developing a so-called crusade against poverty which may not accomplish very much or which may push in the wrong direction.

I would like to say to the gentleman that on the Committee on Education and Labor we have been concerned about the adequacy of the education of our young people and, what if anything, can be done at the Federal level to improve this situation. In that respect I believe both Republicans and Democrats on the committee can take some pride in the significant legislation which has been recently put on the books. I refer specifically to the Manpower Development and Training Act which has been extended and improved somewhat, which seems to me to be a step in the right direction of training people for jobs for which they may not be qualified without more education than they have previously had.

Another landmark in the legislative area is the Vocational Education Act passed only a short time ago. It is my feeling that the modernization of this program is as significant a way of helping young people equip themselves for today's world as we can find. We have in that program a variety of ways of updating the facilities which people need to improve their qualifications for jobs.

In this respect I would like also to express some hesitation about rushing in on too many new programs before we have proven the value of the ones we already have. It seems to me to a certain extent we should marshal our present resources and the evaluation of those resources and the testing of the programs that we have.

In this connection I would like to express some reservations, without going beyond that, to a proposal in this Joint Economic Committee views of the minority with respect to residential schools for certain disadvantaged children. I am not sure whether the gentleman is in a position to discuss exactly what is intended by this program, but if it does mean that the Federal Government should accept a definite responsibility for a transfer out of a slum environment, as an example, of a number of children, and putting them at public expense in special residential schools in order to give them the proper atmosphere to accept and get the meaning of the motivation that is needed, I would suggest perhaps we should not move in that direction until we have seen the value of pilot programs that have been set up in the vocational field. Such programs may be desirable. It may eventually be true that the Federal responsibility to the District of Columbia would suggest the advisability of such a program, but I would not want to see the Federal Government launch into a new program without us having the opportunity to observe the tested value of the ones we already have.

Mr. CURTIS. I thank the gentleman for his remarks, particularly on the situation and suggestion he has mentioned. This is not disclosing anything. This was not a suggestion of mine. It was a suggestion of one of our six members. It was suggested we take this approach on the joint economic report and our minority report. We are not a legislative committee. We are more one that studies and passes on ideas. There have been many occasions where I have gone along and agreed to a report with a beneficial suggestion, or a suggestion which might prove to be beneficial, merely to get it opened up and discussed. This is an example of an item that would be referred to your committee and the Republicans on it. I do not mean to limit it to the Republicans. I am merely suggesting a technique. I myself, not having dug in depth into the problems of education, as the gentleman and the members of his committee have, would say look at this and dig into this with your judgment, your experience, and your knowledge. It may be this is not the way to proceed, but in following through, it might give you a new angle on something, or a new way of meeting this problem.

I think the gentleman would agree we have a real problem, particularly with the children. That is what we are trying to do in this report. There is not very much we can do, perhaps, for the adults who are in poverty in this low-income group. Our studies reveal however that there is a survival group that seems to be in that class. If we somehow remove the children from this cycle, then we can move forward. It was to this that we sought to direct to the attention of your committee, I might say to the gentleman from New Jersey. I am glad to get the critical aspects and other things in here. We are trying to turn the dial on.

Mr. FRELINGHUYSEN. I think all of us on the legislative committee can be thankful and appreciative of the gentleman's provocative suggestion. Perhaps we need more such ideas so that we can develop a constructive program. At the same time, I think we need to look twice at particular suggestions.

As another point that I might refer to is the suggestion that schools be upgraded in poverty neighborhoods. This problem that children receive adequate education in slum areas is a critical one.

I would think it might be a difficult job for the Federal Government to make funds available to put props under schools in such areas, and props under teachers, too, without doing violation to our traditional methods both of financing and operating our Nation's schools. In other words, what is Washington that it can decide that Detroit or New York City does not have the funds or the interest to build adequate schools for its children in certain areas, so we are going to provide the means to give those children better facilities than they have? I am not saying that some kind of partnership could not be worked out, but I would be very unhappy to see a bypassing of the local authorities in their efforts to provide public schools and increase the means of providing the money for the States if the individual localities do not have the proper resources.

Mr. CURTIS. The gentleman is using wise language, and that is why I pay much attention to his wisdom in this area. The author of these suggestions is the very distinguished Senator from New York, Senator JAVITS, who served on this committee. I felt that they were ideas that would stimulate discussion. I, myself, had similar reservations. But I again say I think the function we serve on the Joint Economic Committee is that of a stimulant. I do not exclude these kinds of ideas, although I do not happen to feel that the Federal Government is the mechanism to use. There are occasions where, I should expect, the use of the Federal Government is the only way we can see to move forward.

Let me say one other thing about the context of the Joint Economic Committee report, touching as we do all aspects: welfare, as well as labor, jobs, health, the great migration that is going on from the rural to the urban areas, and the overall economic climate. What we are trying to do in our committee is to bring all of this in context so that you in your committee, dealing in depth in specific things in education and labor, possibly could refer back to where we have it in context with these other economic problems that bear on the same problem. That, I think, is the function we seek to serve.

Let me quote something I found to be particularly good from the Senator from New York, Senator JAVITS. He says that we must not confuse or hide or sweep unemployment under the "welfare" rug. He says our people need to have jobs rather than welfare workers and social workers. Indeed, this is a strong and key point. We are trying, if these people have not adequate jobs, to give them meaningful jobs rather than moving on to this problem of poverty, to whatever extent it may exist, on a welfare or indeed a governmental approach.

Mr. FRELINGHUYSEN. In conclusion, and I should like to commend the gentleman again, my thought is that in searching around for ways in which we can improve the lot of those who are less fortunate than others, we may rely too much on legislative solutions. If those legislative solutions are all from the Federal level, it seems to me we may complicate some of these situations rather than solve them.

Mr. CURTIS. The gentleman in some degree embarrasses me because I could not agree more on that point. There is the difficulty in which we find ourselves. Being in Government ourselves as elected officials, we tend to think, and it is almost a bias of thinking, that where you solve something, if we are going to do something, it is the Government that must do it. It requires considerable discipline on our part to realize that it is not the Government, and that frequently and usually it is not the Government, that can best solve these things and, in fact, the Government can hurt. The Government must preserve the climate so that the private sector can move forward. The Government is the servant of people, I like to say, and not even the partner. The tendency is today to talk of Government as being the partner of business or of the people. I do not think it is the partner, it is the servant of the people.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman.

Mr. QUIE. I would like to commend the gentleman from Missouri on the great work he and other members of the Joint Economic Committee have done here. Before I make my comments on this so-called war on poverty, I, too, want to mention the education aspects because the portion of responsibility assumed by the Federal Government is of grave concern, as we all know. I want to point out particularly, the Federal Government is responsible in the District of Columbia and if it wants to show any example of what can be done in a community, it can do it here, without stepping on the local government's toes as would be done in the 50 States.

The area of work in residential schools to find out whether that system or approach can be used can be done right here in the District of Columbia where the Congressmen themselves can see it happen. In the same way, there are plenty of poverty-stricken people right here where we can use that kind of approach.

But I do want to commend the gentleman for the statement he has made.

Mr. QUIE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. QUIE. Mr. Speaker, I confess that I was surprised to recently hear that we are about to conduct a war on poverty, as if it were something new, for if the United States of America has ever ceased its battle against poverty it must have been a very recent occurrence. Most of us are here today because our ancestors saw in this land an opportunity to rise above poverty.

If the battle against need and want has lulled recently, let us quickly renew it. If it is a continuing struggle to create the fullest possible opportunity for all our people, let us continue it.

It seems that we are all agreed that there is too much unemployment and too much want in our Nation. It has been caused by specific events and has not occurred because of a lack of wealth. This is illustrated by our rising gross national product.

The question is: How do we correct this situation? How do we fight poverty?

It seems that there are two schools of thought. One is negative, one is positive.

The negative viewpoint sees scattered pockets of poverty as caused by deep-rooted ills in our society. The positive views the problem as the growing pains of a great nation, emersed in change but moving vigorously forward.

Adoption of the negative view implies the need of sweeping change in the fundamental system with which we have met past challenges. The positive view advocates the ever-improving utilization of our system to fill greater needs and challenges.

The negative view would solve the problem by reversing the concept of free enterprise. The positive view would defend, expand, and encourage private ownership, private initiative, and private decision, hailing these components of free enterprise as the most successful weapons against poverty.

A century or less ago, many of our grandfathers came to this land because they saw the promise of opportunity. The Government offered them free land but it was no giveaway. It demanded that the pioneer go into a new and untamed region with few conveniences except those which he could create by his own skill and ingenuity. He was to spend 5 years on his 160 "free" acres, earning them by his own work and effort. Those 5 years were filled with struggle, hardship, and risk. But they were also filled with promise, hope, and tangible reward.

Because of this opportunity offered by the Government, thousands of people felt the incentive to rise above the poverty of their native lands. Grasping the opportunity, they earned the rewards themselves, by their own initiative, knowledge, skill, and perseverance.

Today, the Government ought to open up new opportunities for people on the frontiers of skill and knowledge, allowing them, on this intangible frontier, to exercise initiative, knowledge, skill, and perseverance in the search for their rewards. Instead, it is proposed that we wage war on poverty by giving the grandchildren of hardy pioneers food stamps, readily redeemable at the corner grocery store.

Some propose to offer them the opportunity of standing on the street corners of their communities, watching urban renewal, area redevelopment, Government-built homes, schools, libraries, and hospitals rise around them, but not a part of their immediate work, knowledge, hopes, and dreams. All are to be presented by the beneficence of a paternalistic government.

Yet the success of free enterprise is all around us. It is the system which has made the United States in the short span of 200 years the most abundantly wealthy nation in the world. Free enterprise has created the wealth which makes latter-day government paternalism possible, though not necessarily desirable.

Meanwhile, the failure of super-states is obvious in our present world.

It will be the decision of this Congress, Mr. Speaker, to take us down the negative path or the positive road. We can place reliance on Government to solve the problems of poverty in a reversal of our traditional free enterprise philosophy which has made us strong, or we can place major reliance on the private sector of our economy to continue to create our unprecedented abundance.

The changes which are causing pockets of poverty today are not due to deep-rooted ills in our society, but by the speed of our progress. We are in the midst of a technological revolution, not unlike the industrial revolution of a little more than a century ago. Both revolutions were created by the dynamic, explosive power of free enterprise, initiative, capital, and investment.

To penalize the areas of society which have made these technological advances possible is to overturn our formula of success. It is taking back the entire society, down to some median level between the presently successful and the currently poverty struck. It is a negative redistribution of wealth which whittles at the source of the wealth.

We have no shortage of jobs and no shortage of potential labor. We have no shortage of products and no shortage of need.

Our shortage is a lack of knowledge and skills and full utilization of our potential. Some people have been left in the backwash of progress and it is this which has caused unemployment and poverty.

The real solution of the poverty problem is in finding a way to bring these people up to the level to which the society has generally progressed, rather than to drag the society backward to meet the people who have been left behind.

We must prepare those who are unprepared to take their places in the technological age. Second, we must prepare a place for them within the technological society.

To prepare people we need more and better training and retraining programs, such as the Manpower Development and Retraining Act and acceptable vocational training legislation. We have learned by experience that the best way to utilize these programs is to leave the major responsibility and decisions at the local level and the State level. The Federal Government's role should be to act in partnership with them, helping, when asked, to accomplish what State and local governments cannot do alone.

This is within our traditional role and within a proper role, for it is making opportunity available to people—not dulling their incentives by offering rewards the people have not directly participated in gaining.

We must recognize and accept the fact that poverty and the means of solving poverty cannot be generalized. Each

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problem and each solution is as varied as the individual involved. The State and local governments can do a better job simply because they are closer to the individual problems.

We can also encourage people through fellowships and student loans which for the most part return their cost. Long-term loans for the construction of facilities might also be in order, for when people know they must repay, their interest is sharpened and their efficiency and ingenuity focused, as were those of our pioneer grandfathers as they spent 5 years of their lives in return for the benefits of owning a homestead.

Massive Federal spending programs which promise no return in potential creation of goods and services through human effort must also be avoided on tangible, material grounds, if we are to create a place for our better trained people within the technological society. For if such programs of fantastic cost are to be the goal of our war on poverty, we are defeating this second condition of a successful poverty war, which is the continued expansion of the private sector of our economy.

In order to assure this expansion, we must maintain a sound dollar while placing more purchasing power in the hands of consumer and investor.

Now that the tax cut bill has passed, we must keep our spending within the Federal budget of less than $98 billion. Congress must carefully watch and study any additional requests for supplemental appropriations or obligational authority. We must keep in mind that Congress last year reduced appropriations on most parts of the budget below the original requests.

Only by living within the limits of the budget and by exercising careful expenditure control can we make the tax cut meaningful and thereby stimulate the private sector of the economy.

If one tax cut, coupled with checked Federal spending, will be of benefit to the economy, it would be logical to assume that further tax cuts, under the same conditions, could do even more to build the economy and thus defeat poverty.

The man most responsible for the current tax cut takes this view, as explained in the following Associated Press dispatch which appeared in the February 24 Washington Evening Star:

> ### More Tax Cuts Possible Later, Mills Asserts
>
> The Congressman most responsible for the $11.5 billion tax cut now nearing final approval said yesterday additional tax reductions are possible "in the not-too-distant future."
>
> Chairman Mills, of Arkansas, of the House Ways and Means Committee, conditioned the changes on rigid control of Government spending. Even a 1-year lapse in what he called the effort "to limit the growth of Federal expenditures" would make it extremely difficult to move toward further tax relief, Mr. Mills said.
>
> Mr. Mills, who will be asking the House to take its final action on the tax measure Tuesday, hailed the bill in a statement as "a historic piece of legislation, not merely because it provides the largest tax reduction in our history."
>
> ### SEES MORE PROFITS, MORE JOBS
>
> He said the bill "meets the requirements of fiscal responsibility" and is explicitly aimed at achieving a balanced budget in a growing economy, providing opportunities for employment and investment and "giving the fullest possible play to the initiative and venturesomeness of the private sector of the economy."
>
> Mr. Mills insisted the bill will "make possible a very substantial increase in the level of total economic activity * * * at the initiative of private consumers and business." The further result, he said, will be more profits, more jobs, and increased attraction for investment in the United States.
>
> "All of us know, of course, that this is not the ultimate tax bill. There's a lot left to be done in the field of tax policy. Many of us would like to see more * * * broadening of the tax base by eliminating those differential provisions which have outlived any usefulness they might once have had," Mr. Mills said.
>
> ### CAREFULLY BALANCED
>
> "This bill does carry forward the principle of tax reform. Its benefits, moreover, are carefully balanced. * * *
>
> "We will have a Federal income tax much more in tune with our times. But times change. * * *
>
> "Indeed, preserving the gains for the economy and for Federal finances which we can confidently expect from this bill may both permit and require additional tax reductions in the not too distant future."

Mr. Speaker, note that the gentleman from Arkansas [Mr. Mills] conditions this statement with the need for "rigid control on Government spending." In fact, he feel this is so important that even a 1-year lapse in the effort to "limit the growth of Federal expenditure" would make it extremely difficult to move toward further tax relief. Therefore, if we were to embark now on Federal spending programs of fantastic cost in our war against poverty, our economy could be seriously harmed. This would enlarge the possibility of true poverty, caused by want of material production and consumer purchasing power.

The concept of tax relief linked to lower Federal spending is healthy, for it puts money back in the hands of the people, who are encouraged to show initiative and effort to stimulate the economy. This provides a broader taxable base to provide public moneys for improved public services.

But as we free money to stimulate the economy, we must also be careful that people are left free to make their own decisions—to exercise their initiative.

This is surely not done in the first major bill introduced in the new package of proposals labeled the "war on poverty."

I refer to the bill which would require higher overtime pay, in an effort to force employers to hire workers from the ranks of the unemployed.

This is doubtful logic, which could whittle at the roots of the basis of jobs.

There are 4.2 million unemployed persons in the United States and we have agreed that the figure is too high.

But there are also many job opportunities available today. But these job opportunities cannot be filled by those in the unemployed column because they are mostly jobs requiring specialized skills. Most of the unemployed lack skills or possess skills made obsolete by our advancing technology. The latter is true in Appalachia, one of the Nation's worst poverty pockets, and in other regions such as the Minnesota Iron Range.

Many businessmen say they would increase automation rather than pay higher overtime or hire additional workers. This would compound the current problem.

Much overtime is done during "peak" seasons, when it would be difficult to find the skilled help necessary, thus working a hardship on business.

Many smaller businesses would be severely harmed by having to pay increased overtime or hire additional workers, or by being forced to automate. Costs would be just too high. What would be their future?

Many smaller businessmen in my State indicate to me that they fear they would be driven out of business by this bill. With them would go the jobs of their present employees. This is no way to combat unemployment and poverty. It is from smaller businesses that we should expect expansion and growth necessary to progress economically. We ought to encourage them to do so, rather than to penalize them because of the unemployment problem, which they did not create.

Thus, we can see that we must not only stimulate the economy by freeing money, but also by leaving the businessmen—who help create job opportunities—free to make their own management decisions.

So let us move forward in our historic war against poverty, opening up new opportunities by means of encouraging and aiding the free enterprise system which has made our country productive, rich, and strong.

Let us avoid programs of massive Government spending designed to redistribute wealth to meet immediate need without solving the basic causes of poverty. It is obvious that such programs are destructive both to the initiative of people and the economic potential of the Nation.

As Henry Hazlitt, in the January 27, 1964, issue of Newsweek said:

> For this redistribution reduces incentives at both ends of the economic scale. As the productive have more of their income taxed away from them, they have less incentive to exert themselves to earn it. As the poor get increased handouts and subsidies, they too have less incentive to improve their condition through their own effort. The problem of curing poverty is difficult and two sided. It is to mitigate the penalties of misfortune and failure without undermining the incentives to effort and success.
>
> The way to cure poverty is not through inflation, "share-the-wealth" schemes and socialism, but by precisely the opposite policies—by the adoption of a system of private property, freer trade, free markets, and free enterprise. It was largely because we adopted this system more fully than any other country that we became the most productive and hence the richest Nation on the face of the globe. Through this system more has been done to wipe out poverty in the last two centuries than in all previous history.
>
> The way to combat the remaining pockets of poverty is to keep this system; to reduce Government intervention instead of increasing it; to reduce Government spending and

punitive taxation—in brief, to increase the incentives to the initiative, effort, risk taking, saving, and investment that increase employment, productivity, and real wages.

Mr. Speaker, I yield to the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Speaker, I want also to add my commendation to the gentleman from Missouri for taking this time to expound on this particular subject which is so critical at this time. I had some role in the manpower retraining legislation in offering the substitute that was enacted in the House. I was ranking Republican on the Vocational Education Subcommittee of the House. I think, as was mentioned by the gentleman from New Jersey and the gentleman from Minnesota, our Committee on Education and Labor has been involved in this fight against poverty for some time. I think it should also be noted our country has been more successful in the general war against poverty than any other country in the world, and as we recognize that fact we should not take action which will undermine the very strength that has permitted us to most successfully battle this enemy—poverty.

I think there is a very critical problem involved in any program that relies entirely upon government, or relies overly much upon government, in finding a solution to such a complicated problem. This is not one problem. Poverty is a multiplicity of problems and we must focus our attention upon these problems. We need a great deal more information about the causes of poverty and the ways in which the causes of poverty can be overcome and prevented and thus solve the problem of poverty. We need a great deal more information, for instance, about what the structure of our unemployment is. I am sure the gentleman from Missouri will agree with me because one of his favorite phrases when we were working so hard together in developing the substitute manpower retraining bill was "We need a dictionary of skills—the skills that are needed in our economy for which we go crying and begging, and for which we cannot find applicants with the necessary qualifications to fill them." That is one small example.

Another factor, I think, must be kept in mind as we discuss this whole problem of poverty and that is the perspective of how fast we have been moving and how well we have been doing.

I recall during the 1960 campaign of then Senator Kennedy when I was following in the truth squad with some of our other colleagues, one of his favorite themes, which he stated several times, was that 15 percent of our people in this country live in substandard housing.

This was a shocking statistic. He meant it to be. It was a true statement under the definition that he was using of substandard housing. What he forgot to say, of course, was that 8 years before—in 1952 when President Eisenhower took office—the figure was not 15 percent living in substandard housing but 32 percent living in substandard housing.

That was a rather remarkable record, over a period of 8 years of progress.

As we propose various approaches to the problem of helping the underprivileged in this country, we must always keep in perspective the tremendous progress we have made and the reason for that progress—reliance, basically, on free initiative and free responsibility in this country.

Certainly the gentleman from Missouri, who is now in the well of the House, is one of the most articulate and effective spokesmen for this whole approach of free enterprise and going to the Government last for a solution when other solutions can be found.

Mr. CURTIS. I thank the gentleman. I am reminded by his remarks of another statement then Senator Kennedy made when he was running for the office of President. He said that "we must double the amount we are spending on education in the next decade." My response was: Why does he ask us to slow down? We almost tripled it in the previous decade.

Indeed, it is important, in solving these problems, to establish our guideposts so that we will know what progress we have been making. We should not be complacent, but we need the information to guide us as to what future progress might be.

Mr. GOODELL. I agree completely with the gentleman. We should not be complacent. We should keep a perspective as to the progress we have made.

The main reason for keeping a perspective is that this helps us to know the reasons why we have done better than any other country in the world. It helps keep us conscious of the necessity for not destroying the basic strength of our system as we attack the new problems.

The gentleman cited another example—I believe it is an excellent one—then Senator Kennedy used. There are a great many other examples of this type of thing.

In the education field, I believe in one of his messages, he said we must construct an average of 60 000 classrooms a year. At the time we were constructing, through local and State enterprise and initiative, 72 000 classrooms a year. That was our rate of construction. So the great progress of the decade of the sixties involved a slowing down to construction of 60,000 classrooms a year. That did not make sense.

Mr. CURTIS. I thank the gentleman. Our theme song should be to "Accentuate the Positive, Eliminate the Negative, Don't Mess With Mr. In-Between."

Mr. HARVEY of Michigan. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Michigan.

Mr. HARVEY of Michigan. I thank the gentleman. I compliment him on the work he has been doing.

If the gentleman will permit, I should like to make a few brief comments, particularly with respect to the administration program as it appears to me, in the programs presented before the Banking and Currency Committee, to be inconsistent with the war on poverty now being asked.

First I say to the gentleman that I have read with a great deal of interest the economic report of the U.S. President for the year 1956–1957, and I note that the President recommended an area redevelopment program to help in truly depressed areas, with the help to be confined to truly depressed areas. I invite the gentleman's attention to the fact that under the depressed areas program passed in 1961, and under the program of additional authorization for that same work which was defeated last year in the House by a very narrow vote, more than one-third of all the counties in the United States are now in the category of depressed counties.

So that more than one-third of the United States is receiving help under this program. I think it would be very obvious to the gentleman, and to all Members of the House, that this in effect dilutes the help to the truly poverty-stricken people and the people in the truly depressed areas who need that help.

I pointed out to the House that as of last June 12, when the second bill was debated and defeated at that time in Michigan, out of $5.7 million that had been spent in our State of Michigan, 92 percent of it had gone into loans for new motels alone. In addition to that, considerable loans had been made for bowling alleys, restaurants, and so forth. However, I call your attention to this because I was somewhat astounded to get a notice the other day, again from the Area Redevelopment Administration, telling me this time of a most recent $1 million loan for a new motel on the island of Pago Pago to attract tourists to that island. It seems to me this program is inconsistent with helping the truly poverty-stricken people of America.

Before our Housing Subcommittee, I would submit to the gentleman, we had a vast new housing bill which is going to cost American citizens, according to my best estimates, more than $6 billion if this program goes through. It is such a complicated program that I would not begin to get into it at this time other than to point out a few very salient features. They had 10 of them, for example, devoted entirely to planning for all of suburban America. It is not directed at the poverty stricken but really is helping the upper and middle classes. I submit that to the gentleman. The section pertaining to the Federal National Mortgage Association, or Fannie Mae as we call it, would lift the ceiling on mortgages that can be purchased from $20,000, as the ceiling is now, and just remove the ceiling completely. I submit to the gentleman, what it really does is direct money that would otherwise go into low-income housing, into upper- and middle-class housing.

Finally, I would submit to the gentleman, before the Subcommittee on Domestic Finance of that same committee there are several bills under consideration, all of which have the same intent and the same purpose. That intent is to make the Federal Reserve Board, as it has existed in the United States of America and as it exists now—celebrating its 50th anniversary—totally subservient to the administration.

I have heard since I have been in Congress many objections to the "tight money policies," as they are described, of the Federal Reserve Board with the high interest policies of that Federal Reserve Board. I would submit again to the gentleman that the alternative to tight money is loose money or inflation. I would make as clear as possible to all Members of the House that in my judgment the history of the world very clearly shows that as the monetary policy of any country becomes directed toward political objectives, the end result has always been inflation. Inflation, we know, is the robber of the poor; it is the robber of the elderly; it is the robber of the less fortunate. By permitting a program of inflation to take place, the administration would be undoing anything it could possibly do in the way of a war on poverty. If they are truly concerned about that, so it seems to me, the administration should truly be concerned about these bills which go right to the heart of the monetary policy in America and how it is formulated.

Mr. Speaker, I would conclude my remarks by simply reading this one paragraph from the 1956 report, which in my judgment expresses my own feelings very well as to how we can best face a war on poverty. I quote from that report as follows:

> The causes of low income are many. Special measures—both private and governmental—are needed to cope with some of them, such as protracted illness, and they are considered later. But the basic cause of low incomes has always been low productivity, irregular employment, or both. By pursuing policies that foster a high level of employment, extensive investment in new and more efficient tools of production, the improvement of general education, and the extension of research and development, the Government makes the largest contribution of which it is capable to the lifting of low incomes.

I submit to the gentleman that is pretty good basic policy, Mr. Speaker. In other words, let our free enterprise system work.

Mr. CURTIS. I want to thank the gentleman for his great contribution and for the fine work he has done in this area on the Committee on Banking and Currency. I would like to point this one thing up. You know how it is in Labor and Education with regard to the same subject, just as it is on Banking and Currency, and as it is on the Agriculture Committee and the Committee on Interstate and Foreign Commerce and as I myself know it on the Committee on Ways and Means where we have the big social security legislation. So what we are seeking to do in the Joint Economic Committee is to bring all of these various detailed pieces of work that are being done in various committees to bear on this one subject.

I yield to the gentleman from Ohio [Mr. TAFT].

Mr. TAFT. Mr. Speaker, I thank the gentleman from Missouri. I would like to associate myself with the remarks he has made and the other Members have made in this colloquy on the floor today. I think it is most timely to be talking about this problem when it has been brought up in this campaign year.

I think the American people may well forget that most Americans have considered, from the very beginning of our country, that one of our objectives has been, indeed, a war on poverty and that we have made real progress in that war, pursuing the traditional concepts that have been mentioned here today.

Mr. Speaker, I shall elaborate my remarks in the RECORD.

Mr. Speaker, President Johnson, in his state of the Union message, asked that Congress and all Americans join with him in a declaration of unconditional war on poverty in America. I assure you that we in the Congress will be most willing and happy to do so. Most Americans have considered that from the beginning of our country we have been engaged in a war on poverty. Our success, through the vitality of our private enterprise system, has led us to the highest standard of living in the world. A most crucial question is whether policies being followed by Government today are strengthening or weakening that private enterprise system. We shall not and must not abandon even the least fortunate and poorest American. We must have, and we have provided, a minimum floor of health and welfare below which we will not knowingly permit any of our citizens to fall. Our continually increasing welfare expenses and our education and housing programs are testimony to this. But it remains true, as it has from the beginning, that the best hope of eliminating poverty from this country is for all of us to continue to rise together, keeping open unlimited horizons for each individual. This has provided our motivation in the past, and it can continue to do so in the future.

Considered against this background the continued deficit spending policies of the administration, the moves toward higher costs at home but lower tariff barriers and more foreign competition, the possibilities of increased production costs through double overtime provisions, and other punitive and regulatory steps toward business all threaten to weaken, rather than to strengthen, our competitive position in the world. They attack the soundness and vitality of private business and private initiative.

The President's program to aid poverty includes several stopgap measures which may provide temporary relief, but some of them are questionable from the point of view of any real attack on the causes of poverty. One weekly news magazine has called it a "bandaid" program.

For instance, the area redevelopment program has yet to prove itself as anything other than a political tool or means of shifting unemployment from one area to another. Its scope is very limited.

The Youth Employment Act, which the administration is keeping in the Rules Committee because it fears the fate that might await it on the House floor, is a makework, leafraking type of approach which will not direct emphasis on training for jobs of today or the future. While the National Service Corps proposal may have some merit in areas of Federal responsibility, it is doubtful whether it would be wise to duplicate and complicate efforts already being made at private, local, and State levels. Double overtime provisions and, in some cases, extension of the minimum wage laws may cost jobs rather than create them, and increased public works proposals are often wasteful and helpful only to a construction industry, which means an extremely high cost in dollars per job produced. Rather than such an approach, increased vocational education and training for skilled and semiskilled jobs, which are now going begging, offer far more promise; and the Manpower Development and Training Act amendments and the Vocational Education Act passed by this Congress, with Republican support, are a step in the right direction. More effective depreciation provisions in our tax laws could grant special depreciation benefits for plant investment in economically distressed areas. Such proposals, one introduced by myself, are not being moved and should be considered without delay.

Finally, we must recognize that sound fiscal and monetary policies will always be the foundations upon which our wealth and growth must be built. While all Americans would certainly favor a tax cut and while we all agree the present high rates are regressive, a major tax reduction out of borrowed funds may severely damage the confidence of the private sector of our economy. If such damage is done, it will have a far broader effect than can possibly be counterbalanced by the planned increases in Federal spending.

These are a few of the realities which we must be aware of in any war against poverty. They are often ignored today in favor of temporarily attractive but less basic remedies.

Mr. Speaker, I ask leave to revise and extend my remarks.

Mr. CURTIS. Mr. Speaker, I thank the gentleman from Ohio for his contribution. At this time I ask unanimous consent that all Members have permission to extend their remarks in the RECORD on this subject.

The **SPEAKER** pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BROTZMAN. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Colorado.

Mr. BROTZMAN. Mr. Speaker, I would like to congratulate the gentleman for obtaining this special order.

Mr. Speaker, it is a great pleasure for me to join my colleagues today in this attempt to shed some light on what has become a fuzzy subject.

During the 1960 presidential campaign it was claimed by the Democratic candidate that 17 million Americans went to bed hungry every night. Then in 1962 it was claimed that 30 million Americans were living "on the outskirts of poverty." The latest figure we have to guide us is President Johnson's assertion that one out of every five Americans is living under substandard conditions. What this means is that the figure has jumped from 17 million to around 40 million in just 3 years of Democratic rule. Are we to assume that 23 million Americans have joined the breadline of poverty under this administration?

I think the politicians are playing footloose and fancy free with statistics in this election year. We are currently spending in the neighborhood of $30 billion a year on programs aimed directly at reducing poverty in America. I do not argue the fact that we must war on poverty. However, it is my contention that we have been engaged in this war for many, many years, and we are going to really win only when we turn from the pork barrel of public spending to the initiative of free enterprise.

Through the free enterprise system we have created the greatest economic system in the world. But to listen to the administration propaganda one would think we were in the throes of a major depression. Indeed, Congressman Passman reported yesterday that immigrants in his district are getting "CARE packages" from relatives in the Old Country who have heard of our plight. These misconceptions and campaign balderdash must cease. In this connection I ask permission to include in the Record at this point remarks by Raymond Moley pointing out that the so-called new war on poverty is merely a collection of warmed over New Deal failures.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Perspective: Nobody Is for Poverty

(By Raymond Moley)

You are practicing the first lesson in politics when you wrap yourself in the comfortable robe of a proposition with which no one can disagree. You reach the second grade when you have learned to express that timeless truth in very simple language—perhaps in one rich word or, at the most, two. These were political lessons which Lyndon B. Johnson learned early in life. Hence, his selection of the simple expression "poverty," meaning abolish or remedy it, as the battle cry of 1964. And if, as in his case, you are the first and only candidate in the field, and the party which will oppose you is condemned to silence for 4 weeks, you have a wonderful start.

Whoever now comes along trying to get your job away from you will have to spend a lot of time proving that he really does not want anyone to be poor. In fact, Nelson Rockefeller is trying so hard that at the rate he is spending his substance he may be poor himself by July.

But Mr. Johnson has had to contend with a situation which has required far more political sophistication than the crude copybook lessons stated above. He inherited this office, and with that inheritance he has had to assume certain liabilities. There was an accumulation of promises, proposals to Congress which were gathering dust these many months, and also a lot of operating projects which needed enlargement or new money to survive. Some of these have been knocking about for 3 years.

OLD STUFF, NEW LABEL

To give these a new look, he neatly enclosed them in a package called antipoverty. For a while nobody knew for sure what was in the package. But in the state of the Union message the shopworn contents were brought out and enumerated: distressed-areas relief; area redevelopment; the revival of Roosevelt's Civilian Conservation Corps; a National Service Corps modeled after the Peace Corps; modernization of unemployment insurance, which probably means more Federal control of State systems; aid to teachers; more libraries, hospitals, and nursing homes; the battered old medicare plan; expanded minimum-wage coverage; more housing; urban transportation, and tax reduction which gives something to everybody.

The great advantage of giving these old remnants a bright, shiny new life under the collective expression of relieving poverty is obvious. It is like the surprise of a tureen of turkey soup several days after Christmas. It is the same turkey but with spices and boiling, the soup has a new savor and glamor. "Another sun risen at midnoon."

MAGIC WORDS

It is obvious that Lyndon Johnson learned more from the methods of the two Roosevelts who preceded him than from his immediate predecessor. They were the great exponents of stating objectives in single words so simply that nobody could misunderstand or disagree. T.R. charmed the great West with conservation and the industrialist East with righteousness. F.D.R. won everyone with security. Johnson is simplicity itself. Mr. Kennedy confused people with too many specifics.

There have been other illustrious exponents of simplicity. William Jennings Bryan for a while in 1896 won tremendous attention and stunned his opposition by the simple assertion that people were poor because they didn't have enough money. And money could be dug out of the hills and coined.

The real difficulty in dealing with poverty from the Federal level is that there is no definition. Statistics are absurdly inadequate. Some say that a quarter of us are poor; others, a third, and still others, two-fifths. Some place the minimum income at $2,000; others, $2,500; others, $3,000. But poverty cannot be measured in national statistics. Poverty involves individual cases. And in helping individuals the Federal shotgun cannot suffice.

Help from the Federal Government must be applied by the States and communities. And in allocating funds for this, there must be far more care than has been shown in the past. "To scatter plenty o'er a smiling land" is good poetry but bad statesmanship.

Mr. CURTIS. I thank the gentleman from Colorado and all the gentlemen who have participated.

Mr. LAIRD. Mr. Speaker, the so-called war on poverty proposed by this administration is quite obviously a transparent attempt to give a new look to the warmed-over policies of the 1930's. Makework, stopgap measures have proved their worthlessness in over 30 years of experience.

What the Federal Government can do to alleviate poverty can never be more than a small share of what must be done at the local, State and neighborhood level. We in the minority have always recognized that our economic system must place reliance on the private rather than the public sector in order to create the vast majority of job opportunities.

Mr. Speaker, poverty is a difficult word to define. It is impossible to define it objectively in terms of money income. The administration would have us believe that a family lives in poverty if it has a cash income of $3,000 or less. Yet, the most casual observer of the American scene knows that large percentages of those families with such low incomes have other assets such as paid-up homes, substantial savings accounts, and what we call income in kind which is found predominantly in rural areas.

What the administration ignores or fails to understand is that many of our welfare programs, such as unemployment insurance, social security and the rest, help the poor least of all. A new approach, not a new name to an old, ineffective approach is what is needed. Policies directed not at all families but at the poor families would provide a realistic beginning to the problem of poverty in America.

Most important, Mr. Speaker, is the need for a return to fiscal policies that do not dissipate the earnings of those on fixed incomes. In other words, balanced and sustained economic growth without inflation is the best framework within which to establish a successful war on poverty in America.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to insert in the Record, an article entitled "Joint Economic Committee Republicans Propose Program To Speed the Conquest of Poverty," as well as an article from the Morgan Guaranty Survey of February 1964, entitled "Poverty—Down But Not Yet Out."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The matter referred to follows:

The War on Poverty

(A statement by the Republican members of the Joint Economic Committee)

(House members: Representative Thomas B. Curtis, of Missouri; Representative Clarence Kilburn, of New York; and Representative William Widnall, of New Jersey.)

(Senate members: Senator Jacob K. Javits, of New York; Senator Jack Miller, of Iowa; and Senator Len B. Jordan, of Idaho.)

No one can travel through our Nation's major urban centers, its small towns, or its rural areas without becoming acutely and painfully aware that too many of our citizens of all races, creeds, and colors, live outside the mainstream of American society. Many of these individuals have an inadequate opportunity to develop their full potential as human beings and citizens. The greatest domestic challenge before the Nation is to accentuate and extend the vast successes of our system in order to realize the promise of the free and open society for all our people. We shall continue to support the assault on poverty as a major step toward this goal.

A war on poverty will not be won by slogans; nor by shopworn programs dressed up in new packaging; nor by the defeatist relief concept of the thirties; nor by the cynical use of poverty for partisan political ends; nor by overstating the problem and thereby inexcusably lowering America's prestige in the eyes of the world.

The war on poverty will cruelly deceive the poor and their children unless it is new in concept and embraces programs which hit at the root causes of poverty rather than its symptoms. Programs designed to relieve symptoms may produce quick and apparent results. But if our limited physical and intellectual resources are devoted primarily to attacking symptoms, rather than root causes, the war on poverty will turn into a hopelessly inadequate salvage operation that will be judged as having done "too little, too late."

Our approach to the problem, which will be outlined in more detail in the recommendations section of this statement, emphasizes programs to prevent the rise of more poverty and to help the existing poor break out of the vicious cycle of poverty in which they find themselves.

There are two preconditions to the success of specific and selective antipoverty measures. One is balanced and sustained economic growth without inflation. The other requirement is vigorous civil rights enforcement to guarantee equal job and educational opportunities for our minorities.

It is also important not to sweep the unemployed under the welfare rug. The unemployed person wants a job, not a case worker.

The administration has ignored the seriousness of the continued increase in the cost of living and the steady erosion of the purchasing power of our people—especially of those living on social security, pensions, and insurance. Millions of our citizens will not receive a tax reduction from the multibillion dollar tax bill because they do not have enought income to pay an income tax. But they will suffer from the inflation that will accompany the administration's fiscal policies. There is no more certain way of worsening poverty in America than by permitting a continuation and acceleration of the postwar inflation.

Aside from the general comments above, we believe that specific antipoverty actions should include, but not necessarily be limited to: (a) developing each program—including those concerned with regional development to insure that the benefits will accrue directly to families and individuals living in poverty; (b) providing solutions to the problems of low-income families growing out of programs, such as urban renewal and public housing which were originally designed to assist them; (c) improving rehabilitation programs for the physically handicapped; (d) lifting children out of a poverty environment by federally assisted programs, including residence schools for certain disadvantaged children; (e) increasing the numbers of professionally trained public and private welfare and social workers; (f) upgrading schools in poverty-impacted neighborhoods; and (g) conducting research on the relationship between population control and the reduction of poverty.

We also wish to call attention to the initiative and imagination of President Eisenhower and his Council of Economic Advisers in coming to grips with the problem of poverty in America. In 1956, the President's Economic Report, particularly chapter 3, discussed "the extension of prosperity to the less flourishing sectors of the economy" in detail, with particular emphasis on the pockets of chronic unemployment, low-income families in rural areas, vocational rehabilitation, and the need for a more general program of insurance against catastrophic illness. President Eisenhower's 1956 report is a valuable tool for understanding the causes and cures of poverty in America. The late President Kennedy also called attention to these problems.

Before proceeding to discuss our own policy proposals, we wish to examine the standards by which poverty is measured and the progress that has been made in reducing poverty in the past decade.

HOW MANY ARE POOR?

All estimates of the extent of poverty of the kind presented in the 1964 Economic Report of the President have a systematic upward bias which paints conditions worse than they are. For example, in most cases a family with insufficient income for a year or less will not be reduced to poverty. Usually a family is not poor in the accepted sense if in the first year of its existence as a family it earns a small income on an annual basis; families are formed in December as well as in January. An independent businessman is not poor just because he earns practically no net income during a year or two while he is establishing his business. A graduate student and his family are not poor within the meaning relevant to the present context. A family with a fluctuating income—high in one year, low in another—is not poor in each year in which its income is low. And some of the well-to-do may live on their accumulated wealth rather than on income for a number of years, while retired persons may live comfortably on the savings they have set aside for just that purpose.

A given money income provides for widely differing levels of living. The administration says that a family lives in poverty if it has a cash income of under $3,000. But families differ substantially in size, age, and living costs. Regional living costs vary substantially and may be twice as great in dollar terms in a northern city as on a southern farm.

The administration's definition of poverty also excludes a family's assets. A family with 600 shares of IBM stock would have had an income of $3,000 in 1963, but the shares were worth more than $300,000. In 1962, the Survey of Consumer Finances found that over half of the aged with incomes below $3,000 had liquid assets of $1,000 or more and that 18 percent had liquid assets of $5,000 or more. Moreover, income in kind is excluded, although this is important for many families, particularly in rural areas.

The Office of Business Economics of the U.S. Department of Commerce confirms the generally accepted and sensible view that noncash income, such as the net-rent or owner-occupied dwellings and home-produced food and fuel, should be included in a family's total income. By this more reasonable definition, 13.6 percent of the U.S. families—not 20 percent—had incomes under $3,000 in 1961. Although not yet available, the figures for 1962 and 1963 will almost certainly be lower. Another measure of poverty is provided by a census study showing that one in eight—rather than one in five—Americans is poor, based upon ability to qualify for assistance under the welfare laws of the State where they live.

In the February issue of the Morgan Guaranty Survey, it is pointed out that fault can be found with the selection by the Council of Economic Advisers, for yardstick purposes, of the Census Bureau's household survey data. For the most part these are based on memory rather than records. They also are characterized by a substantial under-reporting of income.

When the sample data for 1962 are blown up to full population size, they yield a money income of $352 billion, or $53 billion less than that calculated by the Department of Commerce on the basis of consolidated income tax returns. The Commerce Department's estimate is $68 billion higher (roughly equivalent to total personal income in the United Kingdom) if total nonmoney income also is included.

A study by the University of Michigan Survey Research Center found that 40 percent of those families with incomes of less than $3,000 in 1960 owned cars. About 45 percent of the families in the $2,000 to $3,000 income range owned their own homes in 1962, as did 42 percent in the $1,000 to $2,000 income bracket, and 35 percent in the less than $1,000 bracket. Of those homeowners with incomes between $2,000 and $3,000, 66 percent had no mortgage on their homes. The Economic Report notes parenthetically that about 40 percent of all poor families have some equity in a house.

Herman P. Miller, a special assistant in the U.S. Census Bureau pointed out recently that "when we probe a little deeper" into living conditions in the severely depressed areas of Harlan County, Ky., it is found that 88 percent of the homes have washing machines, 67 percent have a television, 45 percent have a telephone and 59 percent have a car.

No objective definition of poverty exists. The definition varies from place to place and time to time. In America as our standard of living rises, so does our idea of what is substandard. Although too many Americans remain poor, most of them are better off than the poor of earlier years and far better off than the poor in other countries around the world.

HOW FAR HAVE WE COME?

As we look ahead to the task before us, we should be aware of how far America has come in conquering poverty. Since 1947, the proportion of all families with low incomes (in constant 1962 prices) has declined from 32 to 20 percent in 1962. The principal reason for this progress has been rapid economic growth. Also contributing to reducing poverty has been the development of social security, private pension and deferred profit-sharing plans, unemployment compensation, hospitalization and other forms of insurance. Favorable developments have been offset to some degree by population trends, principally the faster than average increase in the population over 65 and increasing desire of the aged to maintain separate households.

The total public and private effort to reduce poverty and human suffering has resulted in an increase of 78 percent in constant (fiscal 1963) dollar per capita annual expenditures for health, education, and welfare from 1953 to 1963. During the same 10-year period, the share of the total output of the U.S. economy devoted to health, education, social insurance, and welfare has risen from nearly 12 percent of the gross national product to nearly 18 percent. This is a particularly impressive performance in the light of other heavy drafts on the economy for defense, space exploration, new highways, urban renewal and higher consumption.

The percentage of persons in paid employment covered or eligible for coverage under the old-age survivors and disability insurance program has risen from 80 to 90 percent from 1952 to 1962. At the end of 1962, 78 percent of the population over 65 were eligible and 71 percent were receiving benefits under the program. Total monthly OASDI benefits rose from $205 million in December 1952 to nearly $1.2 billion in December 1962.

Private pensions increased more than threefold from $600 million to $2.2 billion during the period, and they are certain to grow considerably in the years ahead. Private pensioners and their wives now total about 15 percent of the aged population. These private pensions largely supplement benefits of all public programs under which 80 percent of all aged persons in mid-1962 were getting a regular income. About 84 percent of all poor families were covered by social security or other governmental pensions in 1959.

Vendor medical payments under public assistance increased nearly sevenfold from $154 million to $1 billion during the 1953–63 period. Annual cash benefits under private employee benefit plans tripled from $1.5 to $4.5 billion. Medical benefits under private insurance quadrupled from $1.8 to $7 billion annually, with about three-fourths of private medical insurance being provided through private employee benefit plans.

Private philanthropy for institutional care, family counseling, recreation and day-care services, and emergency relief rose to $1.3 billion in 1963 from $785 million 10 years earlier. All private charitable contributions now exceed $8.5 billion per year.

During the 1953–63 period, expenditures on medical research increased from $88 million annually to $938 million, while expenditures for maternal and child health and for crippled children's services rose sharply, as did expenditures for vocational rehabilitation programs.

A NEW APPROACH IS URGED

To point out the vast amount that has been done to reduce poverty is not to say that the job is finished. It is ironic that many of our welfare programs, such as unemployment insurance, help the poor least of all. Even social security is not primarily for the very poor. The breadwinner of a retired couple would have to earn an income considerably above the administration's

$3,000 poverty line most of his life in order to get the maximum social security payment.

The farm situation also is illustrative. Under this administration's policies, there has been an increase in the cost-price squeeze of farmers and a decline in the farm sector's share in the national net income. In turn, millions of small farmers, tenant farmers, and farmworkers and their families have been thrust into the poverty sector.

Similarly slum clearance programs primarily have benefited the middle third of the Nation while many of those made homeless by these programs often have been pressed into other slum areas or areas about to become slums.

Greater concentration and attention must be devoted to solving problems of our low-income citizens caused by programs which originally were designed to assist them. House Republicans have already taken the initiative in the area of housing by introducing a comprehensive housing bill directed to perfecting urban renewal and public housing projects on behalf of low-income citizens.

The fact that the poor are out of the direct reach of many Federal welfare-type programs means that a wholly new approach is needed. One of the most difficult problems in finding new approaches is that they should help to cure poverty and mitigate its penalties without undermining incentives to effort and success.

One fact is clear. In the American system, the Federal Government's role in the war on poverty will be far less than that which will be played at the State, local, and neighborhood level, particularly by business, organized labor, and nonprofit enterprises.

The primary reason for local and selective approaches is that persons living in poverty are not a homogeneous group. Nearly all have one or more handicapping characteristics but differ in others. The racial minority family, the family with a female head, or with a head over 65 years of age, the family with no earner or with a head not in the labor force—these are particularly susceptible to poverty, although granted that many of these families are in average or better than average circumstances. One unifying characteristic, aside from prolonged illness or physical handicaps, is the coincidence of poverty and little education.

One area of decisive importance for Federal Government action is civil rights. Poverty arising from the denial of adequate job and educational opportunities to members of minority groups is a blight on the Nation, the removal of which can be greatly hastened by vigorous Federal leadership.

The policies which the administration has thus far proposed to combat poverty are inadequate to the task. Not a single policy is directed specifically at poor families. Instead, they are directed at all families. In some cases, such as improving regional economies, it is likely that as much as 80 percent of the benefits would accrue to nonpoor families. Each policy recommended by the administration to deal with poverty should be examined to see what share of the benefits will accrue to families with cash and noncash incomes under $3,000.

Effective work in attacking poverty is being done by welfare agencies, both private and public, at the local level. Much of this work is assisted by Federal funds. We must not permit Federal programs to draw off from the local level trained personnel that are in tragically short supply. Local welfare workers already are underpaid and overworked. They are on the frontlines of the war on poverty. That war will not be won soon, but progress requires that the ranks of professionally trained welfare and social workers be increased and the quality of training improved. We recommend that immediate attention be given to developing a combined Federal-State-local matching grant program to work toward these objectives.

It is only realistic to recognize that in some cases it will be difficult to lift adults out of a poverty status. Rehabilitation can do much for the physically handicapped, and such programs should be broadened and improved. However, lack of basic education, inadequate motivation, health or mental deficiencies, handicapping habits, such as alcoholism, as well as other factors often will militate against a successful effort.

This tragic condition points to the special importance which should be attached to helping the children of the poor. It is they who have the best chance of escaping poverty. A child lifted out of poverty breaks the vicious cycle by which poverty can be passed on to the next generation.

For some children the best hope of lifting them out of poverty is to remove them from a poverty environment which may dull or deaden motivation, incentives, and learning. Often this environment is in the slum centers of our major cities.

We recommend that consideration be given to setting up a pilot program on a Federal-State matching grant basis which would work toward this objective. Carefully selected underprivileged children would live and study at public expense at special residence schools operated by States outside of the slum area. Admission should be strictly voluntary. The program should be developed and operated in such a manner as to draw on the knowledge and experience of private educational, charitable, business and labor groups to the maximum extent possible.

The cost of such a program would be small compared to the $4.3 billion in payments to public assistance recipients in 1963. To this figure, which is about 15 percent of the Nation's total public and private education bill, should be added the other staggering social costs of poverty. Such a program—if successful—would richly reward us all in terms of children equipped to build a future for themselves and to make a constructive contribution to society.

Why is it that schools in poverty neighborhoods so often deteriorate? Shouldn't schools for disadvantaged children be among the best? Who needs good schools more than the children of the poor? A clean, attractive, well-equipped and well-staffed school in a deteriorating neighborhood could serve as an example and an inspiration for many of our disadvantaged children. We urge that public and private educational groups direct their attention to upgrading the quality of schools in poverty neighborhoods. The Federal Government now provides special financial assistance to schools in so-called federally impacted areas. We urge that a similar approach be considered for poverty impacted neighborhoods.

No discussion of poverty would be complete without a comment on the impact of population control on the reduction of poverty both at home and abroad. A relationship exists between the population explosion and the conditions existing in many of the underdeveloped nations. Education and research hold out real hope for solutions to this problem.

In this connection, we call attention to the fact that in our own country nearly 4 million persons now receive relief under the aid to dependent children program—a rise of 78 percent since 1955. A tragically increasing number of these are unwed mothers whose children frequently go on the relief rolls once they reach the required age. This is only one manifestation of the population control problem, but its increasing incidence in the United States calls for action.

CONCLUSION

The most underdeveloped resource in America is the poor. Recognizing this, America has been conducting a war on poverty since its foundation. More progress in reducing poverty has been made within the framework of the peoples' capitalism of the United States than anywhere else in the world.

The challenge which still remains is twofold: (1) To provide the poor with job opportunities in an environment of balanced and sustained economic growth without inflation; and (2) to raise the productivity of the poor who already have jobs. Meeting this challenge will realize the promise of our free and open society for all citizens.

[From the Morgan Guaranty Survey, February 1964]

POVERTY—DOWN BUT NOT YET OUT

Addressing the National Convention of the Democratic Party in 1952, the late Speaker of the House, Sam Rayburn, sought to evoke the spirit of the great depression. He asked his listeners to conjure up images of a room bare of furniture, a sheriff at the door with a foreclosure notice, an icebox that held nothing for an evening snack but a scrap of bacon rind set aside for the next day's fishing.

Such stark pictures, contrasting with the prevalent prosperity, no doubt were meant in the partisan context to suggest that what had been might be again. Even Mr. Rayburn's poignant phrasing and earnest delivery, however, couldn't quite make the message come through. By 1952 widespread poverty was already too far in the Nation's past to be useful in a presidential election campaign.

The fact that poverty has for some time been a less than promising political issue in the United States is the most reassuring thing about President Johnson's recent declaration of a war against economic hardship. It offers a measure of hope that the Nation can give the problem of privation the kind of sober attention it needs, with a minimum of partisan opportunism and a maximum of rational analysis.

ANOMALY AMID THE AFFLUENCE

The problem is real, despite the grounds that exist for quarrel with the administration's oversimple statistics of want. Millions of Americans do live in circumstances that are difficult to reconcile with the remarkable degree of well-being enjoyed by a vast majority of the population. It is the anomaly of this fact, in a Nation that likes to think it has taken the dismalness out of economic science and dares to challenge old ideas about the inevitability of scarcity, that demands new efforts to find causes and cures.

Finding the poverty itself requires some looking, as is emphasized by Mr. Michael Harrington in his book, "The Other America," which appears to have had a highly influential impact in administration circles. Poverty in this country is increasingly "off the beaten track." Much of it has come to be concentrated geographically, either in depressed rural areas or in city slums, and is thus removed from "the living, emotional experience of millions upon millions of middle-class Americans."

For many in America, poverty today is something glimpsed fleetingly from the windows of a communter train or perhaps viewed on television in a Sunday afternoon documentary. Even as "poor America" has grown smaller (the relative incidence of very low incomes has greatly diminished over the decades), it has become harder to see from behind the walls of surrounding affluence.

FORCING THE FIGURES

The administration's highly charged rhetoric on the subject is obviously intended to overcome this essential invisibility of the problem. Likewise the shock-value statistics that have been adduced. Whether as many as one-fifth of all Americans actually live in circumstances of poverty, as President Johnson has stated, is something that no one can prove or disprove with certainty.

The administration arrived at this estimate of the forgotten fifth by using sample data collected each year by the Census Bureau from approximately 25,000 households. Working with figures for 1962, administration economists simply designated as "poor" all families with annual money income of less than $3,000 and all unattached individuals with annual money income of less than $1,500. Many faults can be found with this procedure, ranging from the failure to take account of nonmoney income (a critical deficiency especially in the case of the rural population) to the selection for yardstick purposes of the Census Bureau's household survey data, which are based for the most part on memory rather than on records and which are regularly characterized by a substantial underreporting of income.

When the sample data for 1962 are blown up to full population size, they yield a money income total of $352 billion. By contrast, 1962 money income for roughly the same population, as calculated by the Department of Commerce largely on the basis of consolidated income tax returns, was $53 billion higher. Commerce's estimate of total income for the year (including nonmoney income) was $68 billion higher. This $68 billion differential, incidentally—some considerable part of which was lodged toward the bottom of the income scale—is approximately equivalent to total personal income in the United Kingdom.

Income by itself, of course, is inevitably a deficient guide to the extent of hardship. Information on such things as savings, geographical location, the size and age composition of families, and availability of medical services through clinics, is also part of the picture. The difficulty of objectively fixing any poverty line was aptly stated some years ago by Dr. Dorothy Brady, one of the country's leading scholars of income analysis. When faced directly with the problem of determining such a line for a given time and place, wrote Dr. Brady, "the theorist will deny the possibility of a unique answer and the propagandist will settle for any one of many solutions if the result suits his purposes."

The poverty thesis does not stand or fall, however, on questions of statistical accuracy. Whether the number of Americans barely making it, or not making it at all, is 35 million, as the administration estimates, or 24 million, as would be indicated, for instance, by welfare assistance tests, is not the focal issue. Either figure would represent a serious area of failure in the Nation's economic performance as well as a human problem of large proportions. As the Council of Economic Advisers has noted, "we pay twice for poverty: once in the production lost in wasted human potential, again in the resources diverted to coping with poverty's social byproducts. Humanity compels our action, but it is sound economics as well."

THE PATTERN OF POVERTY

More important than the statistical efforts to estimate the aggregate total of the Nation's impoverished is the identification of those characteristics that are most frequently associated with very low incomes. The search for cures must take such facts as its point of departure.

For this it makes no real difference whether the poverty line is drawn at, say, $2,000 or $3,000 annual income per family, or whether the focus is simply on the lowest fifth of income distribution. In all cases, analysis shows that families with certain well-defined characteristics are the ones most likely to be found in low-income classifications. In general, nonwhite families, fatherless families, farm families, and families headed either by persons over 65 years of age or by persons with less than a grade school education show an especially high incidence of low income. When these characteristics overlap and are combined with residence in a depressed geographic area such as Appalachia, the chances of avoiding low-income status appear to be slim.

Care needs to be taken, however, not to shade the picture too pessimistically. The number of families moving up from low income despite one or more handicapping characteristics has been increasing, largely as a result of general economic growth. The proportion of nonwhite families with low incomes, for example, has declined appreciably in the postwar years (from 67 percent in 1947 to 44 percent in 1962, if $3,000 in money income in 1962 prices is used as the cutoff). A pattern of significant decline in low-income incidence shows up, also, for most other types of families, regardless of how they are classified by characteristics. One conspicuous exception occurs in the case of families headed by women, who may have to depend on welfare support, because they must stay at home and care for small children.

STRATEGY AND TACTICS

Past progress and an expectation of continued progress in the reduction of poverty do not argue against the desirability of trying to speed the process. Whether the approach devised by President Johnson and his advisers is the best one cannot be judged until its particulars are unfolded in some detail. There will be strong temptations to gather under the battle flag of a war on poverty many proposals, old and new, that would not stand on their own. Another danger is that of too much concentration on relieving the effects of poverty and not enough on searching out and attacking its causes, of which too little still is known despite the sociologists' impressive array of profiles and quintiles. A predominantly rich society may too easily conclude that it can afford to settle with poverty by making generous appropriations from time to time to assuage the symptoms.

To a large extent, this attitude has pervaded the American approach up until now. Welfare costs, rising through good times and bad, have been borne with generally ungrudging willingness. Crackdowns like the Newburgh experiment have produced public revulsion. In faithfully doing something about the hand-to-mouth emergencies of poverty, however, the affluent society has in effect swept the basic problem under the rug. Getting it out into the light should be the first business of the President's war.

The new focus on poverty compels the probing of some tender spots—for example, the extent to which relief measures may create an incentive for some to stay in what has been called the culture of poverty. Certainly the existence of hardship is not entirely the fault of the system; in some cases the blame must rest with the individual. How to discourage economic malingering, without harassing innocent victims of circumstance, is a problem that can never be perfectly solved but probably could be attacked more diligently and imaginatively than it has been.

The overdue heed now being given to economic privation also brings the Nation up against the reality of limited budgetary resources. To accommodate an attack on poverty without violating President Johnson's announced policies on Federal spending will require some resetting of priorities. This need not present Congress with any great dilemmas. There should be little objection, for instance, if the new concern over poverty should cause the United States to trim its grandiose plans in space in order to help disadvantaged Americans down here on earth.

Mr. ALGER. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Texas.

Mr. ALGER. Mr. Speaker, I want to commend the gentleman from Missouri [Mr. CURTIS] for his stressing today in his speech and by his actions in the past the fact that we must study the lessons of success, not just the so-called poverty-stricken areas.

Also, I appreciate his determined and continued effort to move the debate forward by seeking constructive solutions through private enterprise, the private sector, in our society. This is known as capitalism, the economic system that flourishes through the individual freedom of human beings. Capitalism, private enterprise, is the hope in the future for all people even as it is the measure of our success at the present.

Finally, the gentleman represents the concern that we all feel in not being complacent. Those who turn not to government but to individual initiative and private enterprise are trying to solve the problems in the only practicable and possible way.

Mr. CURTIS. Mr. Speaker, I want to thank the gentleman from Texas and to say that it brings to mind a remark that I made to one of our distinguished Republicans, in connection with health care for the aged. He said, "TOM, you cannot beat something with nothing." My reply was this: Since when is the health care in our society nothing? It is the greatest system that has ever been devised anywhere and it has brought health care to more people and a higher standard for them than anywhere else. We must begin thinking in terms, particularly in the Congress, that it is the private sector in Government that is the servant of the people. Its main function is to create the climate so that our private citizens acting under freedom can look forward to an even higher standard of living for all of us.

THE MARITIME INDUSTRY AND ITS RATE STRUCTURE

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the House, the gentleman from Washington [Mr. TOLLEFSON] is recognized for 15 minutes.

Mr. TOLLEFSON. Mr. Speaker, many of us have been disturbed by news stories and editorials appearing in recent months which give an inaccurate account and comment about maritime industry, especially in connection with its rate structure. A typical example was the stories and editorials alleging that U.S. steel products could not compete in the open market in Europe because ocean freight rates on steel products shipped from the United States were higher than the rates on steel products shipped to the United States. The truth of the matter is that ocean rates have nothing whatsoever to do with the inability of U.S. steel products to compete in the European markets. Even if we shipped our steel products free to Europe, we could not compete. The price of our steel items is just too high. That is the testimony of U.S. steel exporters themselves.

Commenting on the Maritime Commission inquiry into ocean freight rates generally, one reliable publication, the Journal of Commerce, stated that:

> The week-old Government probe into ocean rates for shipping steel is proving to

> be a dud in uncovering support for congressional charges that tariff differentials favor foreign suppliers and damage American export trade.

The newspaper also termed the alleged "unequal ocean rates a mirage."

Recent hearings of the Congressional Joint Economic Committee have very clearly established the constructive role of ocean-shipping conferences in setting freight rates that encourage our export expansion program and contribute to our balance of payments. Unfortunately, erroneous impressions persist, as a result of charges based on false assumptions which were made at earlier hearings of that committee. I believe the facts brought out in later testimony so conclusively refute these views that I should like to summarize them for my colleagues and for readers of the RECORD.

Witnesses before the committee in October charged that conferences have discriminated against American exporters in their rate-setting practices. These allegations are not borne out by the facts.

On November 19–20, representatives of the Committee of American Steamship Lines and the American Steamship Traffic Executives Committee appeared before the Congressional Joint Economic Committee. Testimony they offered showed that there is no ocean rate discrimination against American exporters.

In fact, the great majority of so-called rate disparities favor our exporters. It was clearly brought out that the outbound rates on cargo—cargo that actually moves in our foreign trade—are lower than corresponding inbound rates. The record shows no substantiated support whatever for statements that ocean freight rates have caused difficulty in enabling exporters overseas to land their goods at competitive prices.

It is deplorable that these false allegations continue to be made. They have resulted in hasty action by the Maritime Commission in attempting to regulate disparities that do not, in fact, exist. The Maritime Commission has precipitously ordered major conferences to "reduce" phantom rate disparities—largely on 45 commodities that do not now move as exports and would be priced out of most export markets even if freight rates for the United States were zero. This was clearly stated by the Commission's own witnesses from the steel industry in testimony before the Commission.

This ill-advised harassment, in turn, has alienated maritime and other national interests of friendly countries represented in the conferences. It has also needlessly and dangerously undermined confidence of shippers and exporters who fear that unsound regulatory meddling may upset rate structures favorable to their interests—rate structures that have been built carefully over the years through the cooperative efforts of conference lines and the shippers themselves.

This undermining of confidence could harmfully affect their export planning and possibly the success of the national drive for exports. It is time, therefore, for all concerned to face the facts that the American steamship lines laid out fully and clearly in testimony before the Joint Economic Committee.

In the first place, the American lines surveyed the principal U.S. export commodities to every major trading area of the world to establish whether or not the level of export rates was higher or lower than the import rates. In all, they compared rates of 395 commodities in 13 European, South American, and Japanese conferences. Bear in mind that these represent the major export products from this country.

The findings were that 76 percent of such commodities had outbound rates lower or the same as inbound rates. Only 24 percent of the commodities showed lower inbound rates. A generally lower level of outbound rates is particularly remarkable because there is greater volume of exports than imports. This results in greater demand for shipping space outbound and subsequent pressures for higher export rates. The facts show that the conferences have thus overcome economic pressures to meet the requirements of American shippers.

Another measure of the conferences' contribution to our exports is their record of performance in responding to the exporters' needs for lower rates to help them to move their cargoes into foreign markets. The conferences in 1962 received 2,630 requests for lower rates. They granted 70 percent of these requests, a very large proportion indeed when it is correctly recognized that not every request is justified on economic grounds. Shippers sometimes ask for reduced rates in the hope that they may become competitive in foreign markets, but at the steamship lines' expense, without themselves contributing by shaving their own profits—or simply to improve their profit margins at the expense of the steamship lines on cargo already moving.

The conferences do not contend that all rates are exactly what they should be or are always related to every other rate. They invite shipper requests for adjustments and wherever possible they grant them, because their business is the movement of cargoes. Commonsense says they will never make a profit on a cargo that does not move because a rate is too high. The conferences are working day in and day out to adjust rates to shipping requirements so that steamship lines can move more cargoes.

Examples of rates that mistakenly appear to discriminate against American exporters were cited in October before the Congressional Joint Economic Committee. But these were clearly refuted by the testimony of a witness of the American Steamship Traffic Executives Committee. I refer to a detailed analysis of statements made to the Joint Economic Committee by Mr. Arthur B. Dodge, Jr., vice president, Dodge Cork Co., Lancaster, Pa.; Mr. Robert R. Clark, manager, administration of FMC International; and Mr. Thomas A. Arnholz, president of Chemoleum Corp.

The ASTEC analysis pointed out:

> The Dodge Cork Co. is regularly called upon by representatives of the United States Lines Co. and on four visits this year no mention was ever made of any requirement for an adjustment in freight rates. Mr. Dodge has admitted that he has made no request to any steamship line or to the conference for any adjustment in rate.
>
> Mr. Clark states in a letter to ASTEC that he had no problems whatsoever in connection with the freight rates—that he was merely studying freight rates and "that in fact his presentation had no specific problem, case, conference, line or product in mind."
>
> Mr. Arnholz' presentation was the comparison of abnormally low rates from Europe during rate wars with continuing stable rates from the United States. In fact the fertilizer rate today is $11 per long ton FIO from the United States and $16 up from Europe. In addition, the record shows that U.S. exports to Colombia vary not with the level of ocean freight rates but with the availability of foreign exchange. Furthermore, U.S. exports to Colombia have increased steadily from 1958.

The conferences are on record as being ready and willing to meet with any interested shipper to negotiate a mutually acceptable rate, so long as that rate covers out-of-pocket costs of handling the commodity involved and makes a fair contribution to the fixed charge of operating the service.

Another fact that has received short shrift to date is that steamship companies can make a profit only by carrying cargo—not by discouraging its movement. For decades, the practice of conferences has been to make rates that will stimulate the movement of cargo—for it is only when cargo has economic opportunity to move that the steamship lines can carry it. This is as true of foreign lines as it is of American lines. These steamship lines are in business to make money, they go where the traffic is, and ever since World War II, the world's greatest traffic area has been to and from the United States, the world's greatest exporting nation.

Industry witnesses at the Joint Economic Committee hearings also testified that the time-honored conference system offers many advantages. It was devised nearly a hundred years ago as a means of providing some type of regulation in international trade. No single government could provide it, nor can it provide it today. All public transportation, sea, land, and air, is by nature a quasi-public utility, and in order to prevent chaos in our domestic transport industries, we provide Government regulation. Steamship conferences, under Government supervision provides the regulation for international shipping. The alternative is fierce, unbridled competition where there are no rules and where the American exporter would suffer more than any other. The conference assures the shipper of adequate, frequent service at reasonable rates. It charges the same rates to large and small shippers and guarantees the rate for future periods. The conference gives the shipper opportunity to negotiate a rate with full confidence that his competitor will not gain an unfair advantage. It enables the shipper to plan future business, knowing that the service will be there when he wants it and at a fixed rate.

The conferences have been investigated five times in the last 50 years by our

Government. Imperfections have been recognized but every investigation has concluded that the conferences are the best system yet devised to harmonize divergent international interests and maintain order where otherwise the natural state of affairs would be chaos. Yet there are those who advocate that U.S. shipping lines should withdraw from the conferences. If we should follow that advice, the results to the U.S. merchant marine would be disastrous. I shall comment about that at a later date.

EVERY EFFORT NECESSARY TO REDUCE UNNECESSARY GOVERNMENT SPENDING

The **SPEAKER** pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. Bow] is recognized for 30 minutes.

Mr. **BOW**. Mr. Speaker, yesterday we voted to cut taxes. Today we should begin to cut spending.

Unless we exert every effort to reduce unnecesary Government spending, the taxpayers of this Nation will realize no benefit from the tax cut. Instead, a new round of inflation will erase the extra dollars they receive in their pay checks by adding extra dollars to every necessity they must buy.

I was impressed by the statement of the distinguished chairman of the Ways and Means Committee on Monday. Let me quote his words:

> In enacting this revenue bill, as I emphasized last September, we are choosing tax reduction as the road toward a larger, more prosperous economy and we are rejecting the road of expenditure increases. We do not intend to try to go along both roads at the same time. If we fail to limit the growth of Federal expenditures, we will be leaving the tax reduction road. Even a 1-year detour may make it extremely difficult to get back on it.
>
> A major and impressive beginning has been made on bringing the expenditures of the Federal Government under the tight control needed to justify this tax reduction and those who should look forward to in the future. All of us will have to cooperate in extending these economies, in making them the fiscal habit of this Nation. We must not fail to do so if we are to keep the tax reduction revenue open.

The gentleman from Arkansas has pointed the way to a sound fiscal policy for the 88th Congress, and I can assure you that the minority members of the Appropriations Committee applaud his foresight and will exert every effort to hold spending in line.

Our studies of the new budget reveal many instances of what we call "budget juggling" and I would like to give you five examples today, illustrating how careful we must be in considering the appropriations requests for the balance of this fiscal year and fiscal year 1965.

Five Examples of Budget Juggling

1. The budget asks for a supplemental appropriation of $160 million for 1964 for public assistance grants to States. It also shows an expenditure decrease of $167 million for 1965 from "a change in scheduling of payments," this artificially reducing the 1965 budget and making it appear lower than 1964. The reduction was apparently made too late to appear in the budget appendix.

Why not make the change in scheduling of payments now, in 1964, instead of waiting for next year? A supplemental appropriation for 1964 wouldn't then be needed at all. But of course this would result in showing that the true cost of the program in 1965 was higher by $160 million than the budget shows.

2. The realized losses of the Commodity Credit Corporation last year, which under Public Law 87-155 would be reimbursed by a 1965 appropriation, amounted to $2.655 billion. But, instead of this amount, the budget asks for only $1.724 billion. The "saving" of $931 million is made by a proposal to cancel interest due to the Treasury and "proposed farm legislation" which is not described and, if the past is a guide, is highly unlikely to produce any savings. What a way to "save" a billion dollars.

3. The budget proposes that "backdoor" spending of $1.4 billion for urban renewal be authorized as a supplemental for 1964 to provide funds for 1965 and 1966. This "saves" appropriations of $700 million in 1965 and the same amount in 1966.

The Congress should see to it that this appropriation, if made in part or at all, is made in the right years, so that fictional "savings" like this are not permitted to make the budget appear lower than it is.

4. A saving of $49 million is shown in the agriculture budget by proposing that the Congress charge fees to producers for Federal meat, poultry and grain inspection. Such charges would be passed on to the consumer in higher prices. Similar proposals have repeatedly been rejected in the past in the executive branch and in the Congress. This "saving" will not be realized.

5. The budget shows a "saving" of $230 million in agriculture, based on "proposed legislation for new programs for cotton and dairy products." The details of this new plan are not stated. It is doubtful that the Congress will vote any legislation which takes this amount away from American farmers or produces any reduction in current price support costs. This "saving" will evaporate.

COAST GUARD—AUTHORIZATION FOR VESSELS, AIRCRAFT, AND CONSTRUCTION

Mr. **GONZALEZ**. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file a conference report to accompany H.R. 9640, to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Davis of Tennessee, Mr. Johnson of California, and Mr. Olsen of Montana (at the request of Mr. Albert), for today, after 5 o'clock through February 27, on account of official business.

Mr. Ellsworth (at the request of Mr. Arends), for today, on account of official business.

Mr. Mathias (at the request of Mr. Arends), for March 2 through March 12, on account of official business.

Mr. Don H. Clausen (at the request of Mr. Arends), for the balance of the week, on account of official business.

Mr. Robison (at the request of Mr. Arends), for the balance of the week, on account of official business.

Mr. Cooley (at the request of Mr. Albert), on account of official business.

Mr. Brown of California (at the request of Mr. Albert), for today and tomorrow, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Tollefson, for 15 minutes, today, and to revise and extend his remarks.

Mr. Bow, for 15 minutes, today, and to revise and extend his remarks.

Mr. Halpern (at the request of Mr. Hall), for 15 minutes on Thursday, February 27, to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

(The following Members (at the request of Mr. Hall) and to include extraneous matter:)

Mr. Barry.

Mr. Saylor.

Mr. Halpern.

Mr. Jensen.

Mr. Fulton of Pennsylvania.

(The following Member (at the request of Mr. Pepper) and to include extraneous matter:)

Mr. St. Onge in two instances.

ENROLLED BILL SIGNED

Mr. **BURLESON**, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4638. An act to promote the orderly tranfser of the Executive power in connection with the expiration of the term of office of a President and the inauguration of a new President.

ADJOURNMENT

Mr. **GONZALEZ**. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 11 minutes p.m.) the House adjourned until tomorrow, Thursday, February 27, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1750. A letter from the Deputy Secretary of Defense, transmitting a draft of a proposed bill entitled "A bill to further amend the Federal Civil Defense Act of 1950, as amended, to extend the expiration date of certain authorities thereunder, and for other purposes"; to the Committee on Armed Services.

1751. A letter from the Secretary of the Air Force, transmitting copies of the Air Force report entitled "Semiannual Research and Development Procurement Action Report," covering the period July 1 through December 31, 1963, pursuant to section 2357, title 10, United States Code; to the Committee on Armed Services.

1752. A letter from the Comptroller General of the United States, transmitting a report on the plans for purchase of leased automatic data processing components in use at military installations, Department of Defense; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HARRIS: Committee of conference. S. 1153. An act to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes (Rept. No. 1154). Ordered to be printed.

Mr. BONNER: Committee of conference. H.R. 9640. A bill to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard (Rept. No. 1155). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BARING: Committee on Interior and Insular Affairs. H.R. 5514. A bill to direct the Secretary of the Interior to sell certain public lands in the State of Arizona; with amendment (Rept. No. 1153). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H.R. 10115. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. CHENOWETH:

H.R. 10116. A bill to restrict imports of beef, veal, and mutton into the United States; to the Committee on Ways and Means.

By Mr. DENT:

H.R. 10117. A bill relating to the status of volunteer fire companies for purposes of liability for Federal income taxes and for certain Federal excise taxes; to the Committee on Ways and Means.

By Mr. HALPERN:

H.R. 10118. A bill to provide for compulsory licensing of prescription drug patents; to the Committee on the Judiciary.

By Mr. MARTIN of Nebraska:

H.R. 10119. A bill to restrict imports of certain meats into the United States during a 3-year period; to the Committee on Ways and Means.

By Mr. MONAGAN:

H.R. 10120. A bill to provide for the establishment of a National Council on the Arts and a National Arts Foundation to assist in the growth and development of the arts in the United States; to the Committee on Education and Labor.

By Mr. BRAY:

H.R. 10121. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. KYL:

H.R. 10122. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. LAIRD:

H.R. 10123. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. McLOSKEY:

H.R. 10124. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 10125. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. ROUDEBUSH:

H.R. 10126. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. SCHADEBERG:

H.R. 10127. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. VAN PELT:

H.R. 10128. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. WEAVER:

H.R. 10129. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. BEERMANN:

H.R. 10130. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. BERRY:

H.R. 10131. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. DON H. CLAUSEN:

H.R. 10132. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. HALL:

H.R. 10133. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. HARRISON:

H.R. 10134. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 10135. A bill to amend the Communications Act of 1934 in order to assure fairness in editorializing by radio and television station licenses in support of or in opposition to candidates for public office by making the equal opportunities provisions of section 315 applicable thereto, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. GREEN:

H.R. 10136. A bill to fix the number of, and provide for changes in, Federal home loan bank districts; to the Committee on Banking and Currency.

By Mr. MULTER:

H.R. 10137. A bill to provide that tips received by an employee in the course of his employment shall be included as part of his wages for old-age, survivors, and disability insurance purposes and for purposes of income tax withholding; to the Committee on Ways and Means.

By Mr. RHODES of Pennsylvania:

H.R. 10138. A bill to provide for humane treatment of vertebrate animals used in experiments and tests by recipients of grants from the United States and by agencies and instrumentalities of the U.S. Government and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 10139. A bill to amend the Internal Revenue Code to provide for the manufacture, use, and disposition of beer concentrate; to the Committee on Ways and Means.

By Mr. LINDSAY:

H.R. 10140. A bill to create a U.S. Botanical Survey; to the Committee on Interior and Insular Affairs.

By Mr. PIRNIE:

H.J. Res. 936. Joint resolution proposing an amendment to the Constitution of the United States pertaining to the offering of prayers in public schools and other public places in the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT:

H.R. 10141. A bill for the relief of Murad and Ferial Kazanjian; to the Committee on the Judiciary.

By Mr. BRADEMAS:

H.R. 10142. A bill for the relief of George Pagonis; to the Committee on the Judiciary.

H.R. 10143. A bill for the relief of Evangelia Kangli; to the Committee on the Judiciary.

By Mr. CAHILL:

H.R. 10144. A bill for the relief of Noreen Mavis Philomena Kingham; to the Committee on the Judiciary.

By Mr. CAREY:

H.R. 10145. A bill for the relief of Mrs. Lois Agatha Morrison (nee Daley); to the Committee on the Judiciary.

By Mr. COHELAN:

H.R. 10146. A bill for the relief of Timon Taylor; to the Committe on the Judiciary.

By Mr. FARBSTEIN:

H.R. 10147. A bill for the relief of Marel Krogoll; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 10148. A bill for the relief of Angelo Morreale; to the Committee on the Judiciary.

By Mr. HALL:

H.R. 10149. A bill for the relief of Irene Jakubowska; to the Committee on the Judiciary.

By Mr. HEALEY:

H.R. 10150. A bill for the relief of Viviane Rubin; to the Committee on the Judiciary.

By Mr. KEOGH:

H.R. 10151. A bill for the relief of Mr. Leonardo Tusa; to the Committee on the Judiciary.

By Mr. LIBONATI:

H.R. 10152. A bill to provide for the remuneration of artistic services rendered by Trygve A. Rovelstad in the creation of certain designs for the "American Roll of Honor," a memorial book, now reposing in the American Memorial Chapel of St. Paul's Cathedral, London, England; to the Committee on the Judiciary.

By Mr. NORBLAD:

H.R. 10153. A bill for the relief of Kyung Ja (Chai) Kim; to the Committee on the Judiciary.

By Mr. OSMERS:

H.R. 10154. A bill for the relief of Ernest Buillet; to the Committee on the Judiciary.

H.R. 10155. A bill for the relief of Thomas Francis O'Dwyer and his wife, Elizabeth O'Dwyer; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

720. By Mr. HERLONG: Petition of Mrs. Allen Bunte and others concerning the return of the Bible to our schools; to the Committee on the Judiciary.

721. By the SPEAKER: Petition of Henry Stoner, Avon Park, Fla., petitioning consideration of his resolution with reference to Congress requiring that future editions of the Congressional Directory print maps of urban congressional districts in detail; to the Committee on House Administration.

722. Also, petition of Henry Stoner, Avon Park, Fla., petitioning consideration of his resolution with reference to asking the House to change its rules to permit certain broadcasts and telecasts from the floor of the U.S. House of Representatives, other than joint sessions; to the Committee on Rules.

723. Also, petition of Henry Stoner, Avon Park, Fla., petitioning consideration of his resolution with reference to listings in the CONGRESSIONAL RECORD of pairs and pair voting which do not show the side those are being paired voted on; to the Committee on Rules.

SENATE

WEDNESDAY, FEBRUARY 26, 1964

The Senate met at 12 o'clock meridian, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, in whose love and wisdom lies all our hope, we thank Thee for all life's loveliness that cannot be shaken or shattered by the world's divisive hates or by the contentions that rend the earth, which could be so fair.

We are grateful for friendships which sanctify, for music which gives wings to our jaded spirits, for truth which breaks the shackles of the mind, and for shining human character, unsullied and unafraid, through which there floods sufficient of Thy light for us in the dark to rise by.

Immersed in this realm of facts and figures, daily facing demanding duties which seem to leave so little time for cultivating the graces of the spirit, we pause now to acknowledge that we cannot live by bread alone or in the flesh alone, and that the highest part of us must have an escape into altitudes measured not by days or clocks or calendars. Make real to us the kingdom within whose radiant realities are its faith, its ideals, its visions of beauty, and its aspirations that lay hold of God and goodness.

We ask it in the name of the One who is the fairest among ten thousand and the One altogether lovely. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, February 25, 1964, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Elbert G. Mathews, of California, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Federal Republic of Nigeria, which was referred to the Committee on Foreign Relations.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H.R. 4638) to promote the orderly transfer of the Executive power in connection with the expiration of the term of office of a President and the inauguration of a new President, and it was signed by the Acting President pro tempore.

REVENUE ACT OF 1964—TAX REDUCTION

Mr. SMATHERS. Mr. President, the tax bill is, in my opinion, the most significant tax legislation Congress has considered since the income tax was first enacted 51 years ago, in 1913. The bill provides for the greatest tax reduction in our history.

It is significant to note that although the Senate made 100 substantive amendments in the House version of the bill, there was no disagreement whatsoever between the two Houses as to the size of the tax rate reduction or its distribution.

The House and the Senate were in complete agreement on this most important segment of the tax bill. Both versions grant a reduction in tax liability estimated at $11.7 billion in the calendar year 1965—$9.5 billion of this rate reduction goes to individuals, and $2.2 billion to corporations. The calendar year 1964 reductions due to rate changes are $6.3 billion for individuals and $1.3 billion for corporations.

The House and Senate were also in agreement on the acceleration of corporation tax payments. This speedup of corporation tax payments, while not affecting corporate tax liability, is estimated to result in an increase of $260 million of tax receipts to the Treasury in the fiscal year 1964. In the fiscal year 1965 this provision is estimated to provide a $900 million offset to the $1.3 billion reduction in Treasury tax receipts from corporations, due to rate reduction.

The Senate withholding date and rate were adopted by the conferees, because of the necessity to gear to the date of enactment the changes in withholding. Thus, the withholding rate is 14 percent, instead of 15 percent; and the new rate becomes effective for remuneration paid after the seventh day following the signing of the bill by the President.

When the structural changes and changes in capital gains and losses are taken into account, along with the reduction in tax rates, the total net tax reduction in 1965 amounts to $11.5 billion, as agreed to by the conferees. The House version total was $11.2 billion, and the Senate version total was $11.9 billion. As agreed to by the conferees, $9.1 billion of the net reduction will go to individuals, and $2.4 billion to corporations.

The bill as agreed to by the conferees, in short, recognizes that the forces of consumer demand and investment stimulus are mutually reinforcing, and that their interaction will provide our economy with a strength that neither would offer alone.

This is a fair bill in terms of the distribution of individual tax reductions among the various income groups.

Eighty-five percent of American taxpayers earn $10,000 or less. These people, who now carry 50 percent of the tax load, will receive 60 percent of the benefits under the bill.

Taxpayers in the bottom income group—those earning $3,000 or less—will get three times the percentage tax reduction of those in the top of the income group, earning $50,000 up.

However, the benefits of this tax cut will not be limited to the direct and immediate dollar benefits that will go to taxpayers as a result of the cut itself. As consumer purchasing power is increased, it will provide a vital and immediate stimulus to our economy.

A higher level of economic activity will benefit those who are working, by increasing the opportunities for advancement. Even more important, the bill will benefit the 4 million Americans who now are jobless—because only with a higher level of production and demand can we expect our economy to generate the millions of additional jobs that will be needed each year in the years ahead.

A major goal of the entire tax program is the provision of more jobs. At present, an estimated 1 million jobs annually are lost, due to automation. A million more will be required each year, to meet the needs of new workers entering the labor market.

It is impossible to predict with accuracy exactly how many jobs will be produced as a result of the tax cut; but it has been estimated that when the reductions are fully effective, up to 3 million additional new jobs will be available each year. These are new jobs—jobs that do not exist today, jobs that could not be created under today's reluctant economic atmosphere. These are jobs that are vital to our Nation's youth, to our Nation's older people, and to our Nation's workers, consumers, and families.

The tax program will help fight the war on poverty. It will help partly because as more jobs are provided, there will be a greater chance that those now jobless can find work. It is a measure which will benefit all taxpayers.

Mr. President, the bill will breathe new life into our private economy.

The bill will give our economy new weapons and new responsibilities to help it move with maximum momentum far closer to its enormous gross national product potential.

The bill will contribute much to the solution of our most pressing economic problems—unemployment and persistent deficits in our budget and in our international balance-of-payments account.

The bill offers the promise of restoring a balanced budget by 1967 or 1968. It would accomplish this largely through expansion of the private sector of our economy, as the restraining shackles of high tax rates are loosened. In this respect, the bill expresses a vote of confidence in the American free enterprise system.

American business supports the tax cut. The American people are overwhelmingly in support of a tax cut immediately. A recent Louis Harris survey indicated that the public favors an immediate tax reduction by an overwhelming majority—better than 2 to 1.

If our free enterprise system is to maintain this country as the first among nations both militarily and economically, let us get on with the job of assuring that our economy makes a maximum contribution to that effort. Let us free our private economy from the restraining tax burdens which now hold it back. This bill will do it.

The bill as agreed to by the conferees is in the best national interest. Yesterday, it received the overwhelming approval of the House of Representatives. Today, it merits—and I am sure it will receive—the overwhelming approval of the Senate of the United States.

I urge approval of the conference report.

Mr. President, it has been my privilege to have participated as a Senate conferee in several conferences on various phases of legislation; but never before have I sat in a conference in which it seemed to me that each of the House conferees and each of the Senate conferees was so highly motivated by, and responsible to, his duties, in trying to adjust the differences between the House and the Senate versions. I congratulate both the House conferees and the Senate conferees.

I also congratulate the junior Senator from Louisiana [Mr. Long], who not only guided the bill through the Finance Committee, but also led it during the Senate debate and quarterbacked its passage by the Senate, and also did a magnificent job in the conference in adjusting the differences between the House and the Senate versions. To him goes a great deal of credit. Not only has he demonstrated great capacity in this field; in addition, he fully entered into the problems involved, and did so with a thoroughness which is to be greatly admired. He completely accepted his responsibilities and duties, and rendered an outstanding service in every respect.

Mr. President, I have a number of newspaper editorials which refer to the outstanding service the Senator from Louisiana performed in connection with the tax bill. I ask unanimous consent that the editorials be printed in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Philadelphia (Pa.) Inquirer, Feb. 16, 1964]

A Legislative Artist at Work: How Senator Long Engineered the Tax Bill to Victory

(By Jerome S. Cahill)

Washington.—When the $11.6 billion tax reduction bill goes to the White House soon to be signed into law, Senator Russell B. Long, Democrat, of Louisiana, will have special reason for satisfaction.

As floor manager of the bill, the chunky Louisianian with the rapier wit steered the measure virtually unscathed through the Senate, past a host of amendments which could have brought hopes for the tax reduction crashing.

More than 150 proposed changes were fought off during the bill's hectic 7 days on the Senate floor. Observers, awed by Long's defensive skill in protecting the measure, likened him to Andy Robustelli of the New York Giants.

Interviewed last week as Senate-House conferees initiated talks designed to iron out differences and bring the measure back to both Houses for final passage in the next few days, the Senator said he looked back upon his experience as might a novice fisherman.

CAUGHT A WHALE

Noting that his first attempt at the floor managership of a major piece of revenue legislation involved the biggest tax reduction in the country's history, he said:

"I got my baptism with a whopper—like a kid who has gone fishing for the first time and caught a whale," he said.

Landing his whale required 7 legislative working days for Long, from January 31 when the Senate took up the bill, until February 7 when the measure finally passed by a vote of 77 to 21. Years of experience went into those 7 days, however.

"I think the best training I had," the Senator said with a grin, "was my experience in being 'on the attack,' of trying to amend somebody else's revenue and foreign aid bills in years gone by."

Long found himself trying to forecast his adversaries' tactics—and then trying to outmaneuver them with a combination of procedural expertise, persuasion, tact, and humor.

ONE MAJOR DEFEAT

Only on one major issue was he unsuccessful, the 47-to-41 vote on February 3 that approved Senator Albert Gore's, Democrat, of Tennessee, amendment to curtail tax benefits enjoyed by Americans living abroad.

The defeat came early in debate, and Long frankly admits, "it scared me to lose on the first day like that."

He explained that psychology is important on the floor of the Senate. Adversaries have been known to exploit the success of an initial amendment into a roller coaster ride of changes that have radically altered the pending bill.

Three close votes the following day went Long's way, however. A college tuition tax plan by Senator Abraham A. Ribicoff, Democrat, of Connecticut, was defeated 48 to 45, and a companion proposal by Senator Winston L. Prouty, Republican, of Vermont, to help working students, died in a 47-to-47 deadlock.

Then a compromise by Senator Everett M. Dirksen, Republican, of Illinois, to place a $300 ceiling on the 4-percent credit on dividend income was rejected 47 to 44, and on the following day, another Dirksen proposal, to repeal excise taxes on jewelry, luggage, and toilet preparations, went down 48 to 25.

On each of these votes, Long did his best to make sure that as many Senators as possible were on the floor to hear both sides in the debate. He said that, contrary to popular belief, Senators often haven't made up their minds by the time a bill reaches the floor and can be swayed by a persuasive argument.

A DUAL PURPOSE

"I don't care how much lobbying has gone on," he said. "I think a majority will go to the side that carries the debate."

Helping to smooth the way was Long's tactful acknowledgment of the problems faced by his colleagues.

On a number of occasions, he accepted minor amendments, promising to "take them to conference." The unspoken understanding was the amendments would be dropped if the House conferees objected.

And on the final day of debate, half a dozen amendments were withdrawn after Long, speaking for the Finance Committee, promised to give the proposals further consideration and study in a more appropriate forum.

Such courtesies serve a dual purpose. They enable a Senator to show his constituents that a pet bill, while rejected, made some progress. And they encourage the Senator, in return, to vote the administration's line, even though it may be unpopular.

"This is something you almost have to do," said Long. "When, in some instances, a Senator has gone the political limit for you, you give him a break when you can."

On several occasions, Long unlimbered his fabled sense of humor in defense of the tax bill. The biggest laughs came when he went to work on an amendment proposed by Senator John L. McClellan, Democrat, of Arkansas.

Long and other administration speakers stressed the same theme in the debate—that however attractive each amendment might be, nothing should be permitted to threaten the ultimate prospects of the tax bill itself.

The tuition tax credit plan, for example, was difficult for many Senators to vote against. Long got the votes he needed by pinpointing the high cost ($1.3 billion ultimately), and by arguing that an alternate plan of tuition loans could accomplish the same goal at less than half the price.

In beating back Dirksen's proposal to repeal retail excise taxes, Long argued against opening a Pandora's box that could cost the U.S. Treasury $5 to $10 billion. He noted that a congressional review of the excise tax question would be held later in the year.

The debate turned out well for his side, but the lineup of administration supporters remained fluid on a number of close votes.

"That's one of the things that made it difficult," said Long. "I never knew who I would have with me. On one vote, a Senator would be with me, and on the next he would be on the other side."

The amendment provided that individual and corporate tax rate reductions embodied in the bill would be rescinded if Federal expenditures exceeded $100 billion a year in coming fiscal years.

Well now, said Long, the amendment would in effect require the Senate Finance Committee to tell the Appropriations Committee not to spend so much money. But the Appropriations Committee is composed of experts in their own field.

Was he, under the amendment, supposed to tell Carl Hayden, Democrat, of Arizona, committee chairman, or Richard B. Russell, Democrat, of Georgia, how to conduct their affairs? Long waxed incredulous.

"I go to him for advice rather than he coming to me," he said of Russell, to laughter.

The Senator ticked off such other committee seniors as Allen J. Ellender Democrat, of Louisiana, and Lister Hill, Democrat of Alabama, also Senate veterans.

"Read down the list," he commanded.

Then, as other Senators grinned in anticipation, Long did so, a note of triumph in his voice. "Next we have the distinguished Senator from Arkansas [Mr. McClellan]."

There was more laughter.

Long has the Chamber in convulsions as he explained that his only advice to McClellan could be "let your conscience be your guide," and as he spelled out the possible implications of the amendment—a tax increase instead of a reduction.

"How do Senators like that as a disappointment?" he asked.

"The taxpayer would be holding his sack out, waiting for a tax cut. What do Senators think he would get? A tax increase."

Long's logic prevailed. The McClellan amendment was rejected, 61 to 34.

The Louisianian regards humor as a powerful weapon in floor debate, but one that is potentially dangerous.

"Sometimes it's easier to destroy an amendment with humor than serious argument," he said. "If something can be made to look ridiculous, it won't pass."

INSULTS AVOIDED

On the other hand, humor can make enemies, and Long was careful, during the tax bill debate, to avoid jibes that might have been interpreted by a contending Senator as a personal insult. On at least one occasion, he refrained from joking about an amendment because he knew it would hold its author up to serious ridicule.

Senator Harry F. Byrd, Democrat of Virginia, chairman of the Finance Committee, did not support the tax bill and for that reason Long, as second-ranking Democrat on the panel, drew the assignment.

However, Long credits the chairman with important contributions toward the bill's safe passage, specifically, Byrd's vote against the Ribicoff and Prouty amendments, and against the Dirksen excise repealer. Each of those proposals were defeated by three votes or less.

"And Senator Byrd is always good for more votes than just Harry Byrd's," Long said. He said the Virginia Senator's vote probably influenced a couple or three other Senators to vote in the same way.

In the final hours of debate on the tax bill, Minority Leader Dirksen sent a letter to the floor from his hospital bed, where he was under treatment for a stomach ulcer. He complained that pressure from the White House—he called it "that new White House telephonic half nelson known as the Texas twist"—was responsible for defeating some of the amendments.

In reply, Long said that while White House aids Larry O'Brien and Mike Manatos helped "where they could" with head counts, "I don't know of a single instance where President Johnson called a Senator direct on this bill."

UNSUNG HERO

The Senator said that if anyone should be characterized the unsung hero of the bill's passage through the Senate, that person should be Henry H. Fowler, Under Secretary of the Treasury.

Throughout the debate, Fowler was available at the Capitol or on the telephone to answer questions and to lend his persuasiveness to the administration's position, Long pointed out.

The Senator also credited staff members of the congressional taxation committees who provided him with material with which to answer queries that came up during the floor debate.

After the bill finally passed, Mr. Johnson delayed his flight to Texas to extend personal congratulations to Long.

And on the Senate floor, Senator William Proxmire, Democrat, of Wisconsin, summed up the feeling of Senators who went up against Long with amendments—and lost.

"The Senator from Louisiana not only made this monstrous tax bill appear good enough to win the votes of an overwhelming majority of Senators," Proxmire said. "He made those of us who fought it to the bitter end and suffered defeat grudgingly enjoy seeing an obvious legislative artist in action."

[From the Philadelphia (Pa.) Inquirer, Feb. 16, 1964]

MAN IN THE NEWS

Russell Billiu Long was barely 4 days over the constitutional minimum age of 30 for the U.S. Senate when he was first elected, in 1948, to fill a vacancy in that body where his father, Huey Pierce Long, the "Kingfish," had served so flamboyantly until his assassination in September 1935.

Now a mature 45, he still represents the populist ideals that made his father the undisputed political boss of Louisiana. He also resembles his father in his ability to keep the Senate convulsed in laughter but it is doubtful whether anyone ever conferred upon the elder Long the accolade earned by the son for his management of the tax reduction bill now awaiting the President's signature: "a legislative artist."

It was an honor won by a diligent apprenticeship in politics. By his own account, Russell Long's approach to legislation in general is that "what is good for Louisiana is good for the country." On most economic issues he takes the liberal side but defends his State's interests such as oil and gas, sugar, rice, cotton and dairying.

On medicare, which is about to come before Congress again, he has favored "reasonable" measures to help the aged. But, he once said flatly, "I don't think the Federal Government ought to be taxing us to pay medical bills for people who are perfectly well able to pay for it themselves."

In civil rights, Long has argued against "forced integration" or efforts to "regulate prejudice" and has protested the use of Federal power to force the enrollment of Negro students in previously white universities.

As the son of a man who made filibuster history in the Senate in the 1930's, Russell Long has called the Senate's power of unlimited debate "One of our most precious heritages." In his maiden speech in the Senate in 1949, he hailed it as a weapon that protected minorities from "some oppressive group grinding them to dust."

That, too, is an issue of immediate importance, since the Senate is about to consider the civil rights bill recently passed by House.

It's only fair to point out that Long has used the same weapon in behalf of so-called liberal causes. Most recently, he joined filibusterers in 1962, to oppose a bill which authorized the creation of a privately held communications satellite corporation.

Long entered Louisiana State University the year his father was shot to death, in deference to the older man's wishes. (He had wanted to attend Princeton.) As an undergraduate he was not an outstanding student but he stood third in his law school class.

During wartime service in the Navy he rose from seaman apprentice to lieutenant and won four battle stars while commanding landing craft in the invasions of north Africa, Sicily, Anzio and southern France.

He entered State politics in 1948 to help his uncle, Earl Long, win the governorship. Later the same year he was elected to the Senate to fill an unexpired term and has served there continuously since.

He acquired wide legislative experience on these committees: Armed Service, Foreign Relations, Interior and Insular Affairs, Banking and Currency, Post Office and Civil Service, Rules and Administration, and Government Operations. Upon the death of the late Senator Robert S. Kerr, Democrat, of Oklahoma, he became second-ranking Democrat on the Finance Committee, which handles such matters as taxes, welfare programs, social security and tariffs.

In foreign policy, Long has voted against foreign aid bills for a number of years on the grounds that the program is wasteful and that money often goes to the wrong countries.

His wife is the former Katherine Mae Hattic; they have two daughters, Rita Katherine and Pamela Rust.

Writers frequently comment on Russell Long's strong physical resemblance to his father and on the similarity of their voices and mannerisms.

One of his objectives has long been to get his father "a fair hearing."

"He had many human faults," he once admitted, "but everything he did was intended to help the common people and the poor."

[From the Washington (D.C.) Post, Feb. 21, 1964]

THE CONFERENCE'S TAX BILL

Senator Russell B. Long, who effectively guided the tax bill through the Senate, accurately characterized the work of the House-Senate conferees when he said that, "I think the committee saved the best of both Houses and left out the worst of both Houses."

No difficulty was anticipated in obtaining the assent of the House Members to the immediate reduction of the withholding tax rates from 18 to 14 percent. That was the most important difference between the two bills, and it has happily been resolved by adopting the version which the administration had urged upon the Senate.

Many of the reforms which the administration proposed were rejected or severely attentuated by the tax writing committees, and yet it would not be fair to say that the conference bill is devoid of efforts to eliminate the glaring inequities.

The 4-percent tax credit on dividends, ostensibly enacted to reduce double taxation, will be repealed after this year. Minimum standard deductions are increased to eliminate an unconscionable burden on those in the lowest income class: a married couple with two children earning $3,000 will pay no income tax. The rules governing stock options have been tightened. And while the mineral depletion allowance loopholes will remain open, a technical change governing the definition of operating units in the gas and oil industries will raise an additional $40 million.

But the most significant victory was achieved in beating back a capital gains provision which would have made the tax system far more inequitable than it now is. The Senate refused to adopt the complex provisions of the House bill which would have reduced the maximum rates on long-term capital gains from 25 to 21 percent while failing to tax the unrealized gains on bequeathed assets. Once again the conferees upheld the administration by rejecting the capital-gains tax reduction, giving ground on the relatively minor issue of a more liberal rule for the carrying forward of capital losses against future tax liabilities.

Counsels of perfection should not be invoked in appraising legislation which is fashioned in the jungle of conflicting interest groups. With a clearer administration strategy from the outset, Congress might have completed its work in less than 14 months or it might have been persuaded to write a more equitable bill. But these shortcomings are overshadowed by the largest tax reduction in modern history, one that is sufficient to provide a powerful stimulus to the growth of income and employment.

Mr. MANSFIELD. Mr. President, I commend the distinguished junior Senator from Florida [Mr. SMATHERS] for his statement, and join in his commendations of the distinguished junior Senator from Louisiana [Mr. LONG], who rendered an outstanding and truly magnificent service in handling the tax bill on the floor of the Senate. Much credit likewise goes to his able lieutenants, the Senator from Florida [Mr. SMATHERS] and the Senator from New Mexico [Mr. ANDERSON].

In addition, credit should go to Senators who were opposed to the bill, because they cooperated, even though they were not in favor of the bill, and they gave the leadership every bit of assistance they could, despite the views they personally held.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Housing Subcommittee of the Committee on Banking and Currency was authorized to meet during the session of the Senate today.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a brief morning hour until 12:20, at which time I should like to suggest the absence of a quorum—as agreed to under the unanimous-consent agreement of yesterday.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

ESTONIAN INDEPENDENCE

Mr. KUCHEL. Mr. President, on Monday, the 24th day of February, the Estonian Republic would have celebrated the 46th anniversary of its independence.

Regrettably, we have to say "would have celebrated," because today the Estonian people are held in rigid political bondage by the Soviet Union, and are not permitted to remember the brief 22-year period, from 1918 to 1940, when they enjoyed political and social freedom.

The Estonians fought hard for their brief moment of liberty and justice. Long after the last official shots of the First World War were fired, on November 11, 1918, Estonian freedom fighters battled a Red army which was trying to further Russia's domination of the small Baltic states. At one point it appeared that the Communist hordes would sweep down the Baltic shore and would spread their Bolshevik ideology deep into the heart of Western Europe. Thanks to the bravery of Baltic nations such as Estonia, however, the Red army was stopped at the perimeter of the Soviet Union, and this disaster was avoided for over two decades. We who are dedicated to the preservation of freedom owe this small, but brave, people a debt of gratitude for being one of the first groups in human history to risk their lives and their possessions and their honor to stop Soviet imperialism.

It is all too easy for Americans to forget the sacrifices which the Estonian people made for the cause of freedom. It is all too easy to ignore the present-day sufferings of this determined and individualistic people locked silently in their chains behind the Iron Curtain. That is why on the anniversary of Estonian independence, I urge all Americans to pay well-earned homage to a nation that long has been in the forefront of the fight against communism.

FEEL FREE: THE CENTER FOR THE STUDY OF DEMOCRATIC INSTITUTIONS

Mr. KUCHEL. Mr. President, recently John Bainbridge, whom the New Yorker magazine describes as one of its footloose correspondents, visited the Center for the Study of Democratic Institutions which is located in one of the beautiful mission towns of my State and indeed the world, Santa Barbara. The center's president, Robert Maynard Hutchins is known to all thinking Americans. For decades he has challenged the thinking of our generation and his incisive comments will challenge the generations yet to come. Although some Americans would prefer to remember Robert M. Hutchins for his views on the conflict which occurs on the football field it is, of course, more appropriate that we recognize him for his views on the conflict of ideas and values which occurs between men.

Under Hutchins' guidance the Center for the Study of Democratic Institutions has chartered a difficult assignment for itself as it seeks to examine "the major institutions of the 20th century in the light of their impact on the possibilities for the continued existence of democracy." Before Aristotle and since Aristotle, men have grappled mentally and physically as they have attempted to construct governmental and nongovernmental institutions responsive to the needs of the society in which they live.

The center has held and published lengthy discussions and monographs ranging from the arms race and automation through the impact of the modern corporation and religion on our society to the role of the labor union as a vehicle to advance the workers' interest. There are no easy answers to any of these great questions, as those who are residents at the center and the small group of distinguished visiting scholars who come each year would be the first to agree.

In general, most of the participants seem optimistic about the future for democracy, but it is an optimism tempered with a deep understanding of man as he evolved through recorded history and of the complexities and challenges which he and his values face in an ever-diminishing world and in an increasingly urbanized society. I commend this fascinating article by John Bainbridge to my colleagues and all of our fellow citizens who, if they are to remain free, must understand what freedom means in all phases of our society and the societies which exist on the earth about us. I ask unanimous consent that the text of an article entitled "Feel Free" by John Bainbridge be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR FOOTLOOSE CORRESPONDENTS FEEL FREE

SANTA BARBARA.—One of the livelier ornaments of this restful community overlooking the Pacific, graced almost to a fault by nature and populated almost to the limit by well-heeled senior citizens, is the Center for the Study of Democratic Institutions, a novel enterprise that is attempting, according to a public pronouncement of its president, Robert Maynard Hutchins, "to do something that is not being done by any university, corporation, church group, Government agency, or any other organization in our society"; namely, to examine "the major institutions of the 20th century in the light of their impact on the possibilities for the continued existence of democracy." To peruse its unique and not unambitious object, the center, which was established in 1959 by the Fund for the Republic (which was itself established in 1952 by the Ford Foundation), has assembled a staff of about a dozen and a half scholarly men of diverse academic backgrounds, who get together five mornings a week in a mansion atop Eucalyptus Hill to discuss and ponder what are usually spoken of around the premises simply as the basic issues. The staff thinkers are often joined in their deliberations by itinerant scholars, businessmen, politicians, labor leaders, diplomats, and other intellectually inclined visiting firemen, one of whom has observed that "Eucalyptus Hill is to the bull session what La Scala is to the opera." The fruits of much of the collective cerebration on the hill have been preserved by the center in 120 pamphlets and other publications, some 4½ million copies of which have been distributed, largely free of charge.

Though Santa Barbara in the past few years has welcomed the establishment of several dozen other organizations staffed by thinkers—most of them interested in noncontroversial matters like electronics, and all of them known to the natives as "think-tanks"—the reception intially given the center was for the most part frosty. Since then, it has gradually won a good deal of acceptance in the community, and it now enjoys the support of many influential citizens, including that of Thomas M. Storke, the vigorous, 86-year-old editor and publisher of the Santa Barbara News-Press. "This is a conservative community and a lot of our stuffed shirts don't want Bob Hutchins and his crowd to set up shop here," Mr. Storke, a native son who is obliged to bear the sobriquet of "Mr. Santa Barbara," told a visitor not long ago. "But most men of position in the community who were skeptical or against the center I now see at its public meetings from time to time. On the whole, I would say that the center is a tremendous asset to Santa Barbara." This endorsement is not, however, subscribed to by all the retired businessmen, retired admirals, and other residents of the community, which has an ideological climate that the John Birch Society has found salubrious—or, for that matter, by certain sections of the public in other parts of the country. The reason for the lingering animosity, the people at the center feel, springs from a lack of understanding of what they're up to. "One of the real hazards we face here," Harry Ashmore, the Pulitzer Prize-winning former editor of the Arkansas Gazette who is now a director of the center, remarked recently in a letter to a friend, "is that the hit-and-run visitor seems likely to go away with the impression that we are running some sort of egghead monastery. Another is that it also seems possible to reach the reverse conclusion—that we are an assembly of syndicalists plotting to overthrow the established order. Actually, the center is just trying to figure out, in a general way, what the hell is going on." A few weeks ago, while visiting California, I decided to pay a call at the center to see if I could discover, in a general way, how the resident thinkers conduct their extraordinary quest.

To reach the center, which is situated in a suburb of Santa Barbara called Montecito, one turns east off the coastal highway, leaving behind the splendid view of the chain of offshore islands that form a natural breakwater, the beautiful yacht harbor, and the well-kept polo field, and drives over uncluttered roads that wind past handsome residences and gardens spread over the gently rising terrain. The entrance to the center, near the crest of Eucalyptus Hill, is marked by small bronze plaques affixed to gateposts in a vine-covered stone wall, and from this point a tree-shaded drive leads upward for a quarter of a mile or so to an oblong parking area with space for 50 or 60 cars. At the far end of the parking area stands a one-story neoclassic building of white stucco with wide, gracefully curving steps leading to the front door, which opens into a large, rectangular entrance hall with a white marble floor and a high orange ceiling. The room contains a sofa upholstered in the same color as the ceiling, a switchboard, a pair of desks, and a couple of tables covered with some of the center's publications. It was shortly after 9 in the morning when I arrived, and though the switchboard operator was putting through calls and secretaries were busy at the two desks, the sounds of their work seemed muffled. In the stillness, I was very much aware of the clatter made by my leather heels on the marble floor as I walked across the room to ask one of the secretaries for Frank Kelly, a vice president of the center, whose duties include handling its public relations, and with whom I had made an appointment. Kelly, a former newspaperman, Nieman fellow, and speechwriter for President Truman, sent word that he would be out directly. While waiting, I made my way as quietly as possible to the nearer table displaying the center's literature and glanced through some pamphlets, all very well got up and bearing such provocative titles as "Politics and Ethics," "The Power of Reason," "The Eichmann Trial and the Rule of Law," "Opinion Polls," "Permanent Peace," "U.S. Foreign Policy and the Soviet Union," "The City," and "Bureaucracy and the Forests." I was thumbing through one titled "Civilization, Industrial Society, and Love" when Kelly, who is spectacled, bald, rather rotund, and affable, arrived and issued a very cordial welcome. I remarked on the pleasant layout.

"Hutchins has a theory that people can think better in beautiful surroundings," Kelly said, smiling. "The Greeks seemed to prove that." The original owner of the estate, I learned, was an American shirt manufacturer named Frederick Forrest Peabody, who, along with Jay Gould, Andrew Carnegie, and a number of other easterners of means, established residence in Santa Barbara shortly after the turn of the century. Peabody bought the property, which consists of 41½ acres, for $150 an acre. In 1920, he divorced his wife and married an attractive woman of Irish descent named Kathleen Burke, who, after his death, was married to an artist named Girard Van Barkaloo Hale. The Hales died within a month of each other in 1958, and Solana, as they had named their Santa Barbara place, was soon put up for sale. "We had been making our headquarters in New York, but we wanted to move," Kelly said. "Hutchins had become fascinated by the west coast when he was living in Pasadena as one of the directors of the Ford Foundation. Furthermore, several people in California who were friendly to the center wanted us to move out this way, and had put up $95,000 in pledges to underwrite the purchase of this property. We bought it in July 1959, for $250,000. What with fees of one kind and another, the cost of remodeling, new furniture and fixtures, and so forth, the total came to $294,000, which made our net cost just about $200,000."

Kelly took a roundabout route back to his office in order to give me a look at the building, which is shaped like a hollow square. In the center is a colonnaded courtyard surrounded by marble walks and planted with a large California oak, several palm trees, and many unusual plants. "This side of the building hasn't changed much since we moved in," Kelly said, leading the way along the south wing. "This was a series of suites consisting of bedrooms, dressing rooms, and baths. The master suite, in the front of the building, is now Hutchins' office. A few months after we moved in, we had a fire that completely destroyed the north wing. The loss was covered by insurance, so we were able to rebuild that side into a series of modern offices, with rooms for secretaries and other conventional facilities." The rear wing of the building, which was Mr. Peabody's library and reception room, is now mostly taken up by the center's dining room and main conference hall, and Kelly led me through it to show me a terrace and, beyond that, an enormous swimming pool covered with wire netting, now nearly obscured by vines. "The pool had no filter system, and it would have been too expensive to maintain anyway, so we never even filled it," he said. "As you see, we're not living in quite the sumptuous splendor that some people seem to think." Kelly and several of the people whom I subsequently met at the center are touchy about reports that they are living high on the hog, and never lose an opportunity to put in a word for what they consider the center's fiscal prudence.

On returning to the courtyard, Kelly and I encountered Mr. Ashmore, a well-set-up, hearty man, who said that he was on his way back to his office. "There's a man coming in to see me on Britannica business, and I'm late," he said. "I'm in what used to be the guesthouse, which is right next to what used to be the tennis court. We remodeled the guesthouse into nine offices and turned the tennis court into our parking lot."

Ashmore went on his way, and I asked Kelly if the Encyclopædia Britannica had any stake in the center. Kelly said that the center has a contract to assist in planning revisions of the publication, but that the Britannica has no direct connection with the center's program; although some members of the center's staff have been engaged full or part time on Britannica matters, most of the work is done by special consultants brought in for varying periods. The existence of the contract, he said, means that Hutchins and Ashmore wear two hats around the center—Hutchins as president of the center and chairman of the board of editors of the Britannica, and Ashmore as a director of the center and the director of special editorial projects for the Britannica.

Our tour of the center wound up at Kelly's office. During the walk, I had seen several secretaries at work but, except for Ashmore, only one resident thinker. He was a rather young-looking man, wearing glasses, gray slacks, and a blue blazer, who was leaning against a pillar in the courtyard and looking up at the cloudless sky. Kelly identified him as a philosopher named Richard Lichtman, who is working for the center during a year's leave from his teaching post at the University of Kansas City. "He's in charge of a 2-day philosophy seminar that we started yesterday and will finish today," Kelly said. "We'll get together at 11, as usual, and you can meet him and the others then. Most of them are working behind closed doors now." The usual complement of 18 staff members, he said, receives guidance on its projects from a group of consultants, consisting at present of Supreme Court Justice William O. Douglas; Reinhold Niebuhr, the Protestant theologian; John Courtney Murray, S.J., the Catholic theologian; Clark Kerr, president of the University of California at Berkeley; Eric F. Goldman, professor of history at Princeton; and Eugene Burdick, professor of political science at the University of California at Berkeley. Though the center doesn't make public the salaries it pays, the permanent staff members are reportedly paid according to the scale prevailing at their home universities, but instead of 3 months' summer vacation, they get 3 or 4 weeks off sometime during the year. The center is open for thinking 5 days a week the year round.

While Kelly was talking, Hutchins strolled in, introduced himself to me, and said to Kelly, "There's a crazy biologist coming in who wants to see me. Will you look out for him?" Kelly said he would. "It's funny," Hutchins went on, "but it seems that anybody who ever worked at the University of Chicago or anybody I ever met anywhere else drops in here when he's out this way. In New York, we operated on the 55th floor of the Lincoln Building. It was terrible—people crashing in all the time. So we said we'd better get the hell out of there. We came out here because we thought it was close enough and yet remote enough.

"Well, we've found out that it's close enough. Last year, some 300 people came through here. They not only came through, they participated in our discussions. This poses a problem. Take tomorrow, for example. The British Deputy Minister of Education is in this country, and he let it be known that he wanted to come to the center. We can't say that we don't want to see him. The fact is that we do want to see him. But we ought to go on with this philosophical discussion that we started yesterday, and continue with it until we're sure that we've cleaned it up. Now we've got to interrupt it. This sort of thing creates a certain irregularity in our proceedings that I find a little distressing. Ideally, we should take a subject and stay with it until we know what we want to do with it. But the jets have made that almost impossible."

At 64, Hutchins, who was dean of the Yale Law School at 29 and president of the University of Chicago at 30, is a strikingly handsome man. His hair is silver-gray, his chiseled features are lightly tanned, and his figure is trim. Casually but neatly turned out in gray slacks, a blue-gray sports jacket with silver buttons, a white shirt, a blue-and-white polka-dotted bow tie, and blue suede shoes with black rubber soles, he radiated the air of assurance that has been his hallmark down through the years, during which he has been progressively described as "the enfant terrible of U.S. education," "a middle-aged boy wonder," and "an urbane academician who has served his country for more than 40 years as a sort of intellectual resource." He said that he had to get back to his office to make a long-distance phone call, but invited Kelly and me to accompany him, and we did.

After Hutchins had completed the call, I asked him about the origin of the center. "It goes back to the early days of the Ford Foundation, of which I was associate director," he said, taking a pipe and a tobacco pouch from his pocket. "Paul Hoffman, the president, and I thought at that stage that we were incompetent to spend so much money ourselves. We said, 'Let's organize independent but related corporations, so that we'll get additional staff and additional people on our board who are especially interested in the various fields in which the foundation is to operate, and let's give them a lot of money and tell them to go away and spend it in accordance with their best judgment—just keep in touch with us.' So we set up the Fund for the Advancement of Education, Intercultural Publications, Inc., the Fund for Adult Education, Resources for the Future, Inc., and the Fund for the Republic. The instructions to the Fund for the Republic were to support efforts to maintain civil liberties and civil rights—notably freedom of speech, thought, and expression—in the United States." For this purpose, the fund was given $15 million, and Hutchins, having resigned from the Ford Foundation, eventually became its president.

Since I had read a few weeks earlier that the fund was running out of cash, I asked Hutchins what he'd done with all that money. "The first $7½ million were spent on all the things we could think of to help maintain civil liberties and civil rights during the McCarthy era," he said. "These ranged from rewarding a town in Iowa for making it possible for a Negro Air Force captain to find a place to live to giving about $2 million to various organizations concerned with race relations operating in the South—such as the Southern Regional Council. They received money from us for the sole purpose of organizing groups to keep the discussion going in an effort to achieve a peaceful evolution in the South. That was our largest single undertaking. Our largest single appropriation, per contra, was our grant of $500,000 to Clinton Rossiter to do the definitive study of communism in the United States. We thought we would get rid of that issue by discussing it in historical and scholarly terms instead of in sloganeering terms, and if we could settle the question of what the role of the Communist Party had actually been in the United States, a great many apprehensions, and consequently a great deal of disorder and confusion, would be removed. Thirteen volumes of this study have been written so far, and nine have been published. The complete work is planned to run to 15 volumes.

"We also put $300,000 into the Commission on the Rights and Liberties of the American Indian, because we felt that any civil-rights organization that ignored the Indian would be derelict in its duty. What we tried to do during those years was to spot the issue and then spot the way of dealing with it. It didn't take much intelligence to do this. For example, we spotted the blacklisting issue and published John Cogley's book, whose findings have now been confirmed by the John Henry Faulk trial, although at the time just about everybody said the book was an absolute lie. The Cogley book, a comprehensive, scholarly two-volume work titled 'Report on Blacklisting,' was published in 1956, and presented proof that blacklisting was standard operating procedure in the entertainment industry during the McCarthy period.

"We were involved in many other things, such as censorship, immigration, the loyalty program, and segregated housing in the North," Hutchins said. "We thought that assistance to or recognition of people who stood up during the McCarthy period was highly desirable, and so we gave several small rewards—to the Quakers, for example, who insisted that one of their librarians was competent, even though she had taken the fifth amendment. And so it went. Anybody, I think, would have selected the same problems if he had been in our position and had had our commitment. They were the obvious, but surface, problems of the era. We did all these things at the same time, and in a very short period, with the result that we spent a great deal of money all at once."

I asked Hutchins if he felt that the money had been well spent.

"If I had it to do all over again," he replied, "I would never spend all that time and all that money and all that effort on this type of ad hoc operation. Now, if you want to get pretentious about it, you can look back and say, 'Well, in the perspective of history that was a good thing to do.' We did something to maintain the respectability of dissent and independence during the McCarthy period. More conventional organizations now give support to positions that were once taken only by the Fund. At the time, nobody else was really doing anything in a concerted, deliberate way to counteract McCarthy's influence or to bring about a peaceful evolution in the South. We did, and perhaps we made some contribution to whatever improvements there were. It's hard to say. You never know. I think it was probably a necessary phase we had to go through in order to come to the conclusions we finally reached. Whether we did any good in the process I don't know."

Hutchins said that probably the most important conclusion that he and the other directors of the Fund for the Republic had reached was that the principles of democracy, which the fund was supposed to defend and advance, were vastly misunderstood, and, consequently, that defending these principles—no matter how vigorously—was not necessarily the most effective way of advancing them. The officers of the fund thereupon began discussions that led to the founding of the center and to the adoption of the so-called basic issues program, which, according to one of the center's publications that I had read, "is aimed at restoring the understanding and the vitality of democratic principles by reexamining them in the light of the drastically new political, economic, social, and technological conditions of the second half of the 20th century." I asked Hutchins whether that was the best available statement of the center's purpose.

"We have a double purpose," he replied. "One we don't say very much about, because it perhaps isn't of any great public interest. What we're trying to do—as a matter of fact, what I've been trying to do all my life—is to see whether it is possible to establish an intellectual community. 'Intellectual' is a little pompous in this connection, but I don't know any other word for it. I tried this at the Yale Law School, and I tried it at the University of Chicago, and we are trying it here. From my point of view, this is a far more important objective than trying to clarify the great issues of our time. Actually, what we are trying to do is to discern and clarify these issues in such a way as to answer the other question—my private question: 'Is an intellectual community still possible?' "

"On the basis of the experience at the center so far, do you think the results are encouraging?" I asked.

"Encouraging but inconclusive," Hutchins replied. "I think that all the tendencies of the academic world are against it. I think those tendencies are accelerating and gathering force. This is, of course, one reason that I've been interested in the Britannica project. It's another approach to the same question.

"In Germany, Backhaus and Herter independently arrived at the notion that an encyclopedia can no longer be a mere reference work—that it has to offer some assistance to its readers in comprehending the world. When they reach such a conclusion independently of us, and we reach the same conclusion independently of them, it would seem that there may be something stirring, you know. Perhaps specialization, compartmentalization, incommunicability have gone so far that the reaction is setting in. If it hadn't been for these manifestations in Germany, I should have said that the whole tendency of the academic world—and the whole tendency of the whole world, as far as I can see—is against the development, maintenance, and success of intellectual communities."

I asked Hutchins whether he felt that the commercial aspect of the Britannica project exerted any restrictive influence on the development of the intellectual community he is trying to foster.

"We're too far removed from sales, too far removed from promotion," he said. "The Britannica people don't interfere with us. They don't tell us what they expect us to do, and they don't even indulge in very serious criticism of what we're about. They have nothing to say about the way we spend the money we get from them, they have nothing to say about whom we appoint, they have nothing to say about what subjects we study. So it's just as though we were a university under contract to the government or to a commercial company to supply x by way of research. But a contract that guarantees complete freedom."

"We've been called the first world university in the history of man," Kelly remarked.

Hutchins winced slightly. "Whatever we are, we're unique," he said. "We're unlike the Institute for Advanced Study at Princeton. We're unlike the Center for Advanced Study in Behavioral Sciences at Stanford. We're unlike the American Assembly at Columbia University, which is Mr. Eisenhower's contribution to adult education. So about the only way to understand this place is to come and see it. As I said, plenty of people do. In addition, we get applications all the time. People write and say, 'I have a year off. I'd like to come to Santa Barbara and write a book.' We don't encourage that. If they're not interested in cooperation, and just want to work on their own stuff, then they ought not to come here. Unless they're willing to come in and work with the group as a group, unless they're equally interested in what comes up under philosophy today and under communications next week—the whole range of our interests—then this place is not for them."

"What are the obligations of the people who do come and join the staff?" I asked.

"Nobody's required to do anything," Hutchins said.

"Don't staff members have to attend the daily meetings?"

"No," Hutchins said. "They all come, but they don't have to. And they don't have to participate when they do come. It's my view that the word 'leadership' is offensive to the development of an intellectual community—that the group moves along by a process of discussion and consensus, and not by a system of compulsion or requirement. We haven't any titles here, or any bureaucracy, and we try to have no administration. When it looked as though we were going to settle down and have a fine administrative organization, we burned the half of the building that held our records and files."

"The spirit of this place is summed up in those two words over the fireplace," Kelly said, directing my attention to an old-fashioned, gold-framed sampler bearing the embroidered admonition "Feel Free." "That was a gift to Mr. Hutchins from the mother-in-law of the center's other vice president, W. H. Ferry. There are plenty of times, though, when we don't feel so free, such as when we look at our 'in' baskets and see the mountain of material we have to read. Mr. Hutchins circulates an enormous amount of material. Mr. Ferry circulates everything from "War/Peace Report" to "Bird Banding." Do you know how we spend our weekends? We read."

"A man on our staff is expected to give evidence that he's working, but he's not required to," Hutchins explained. "The evidence is usually the writing of a paper and its presentation for discussion at one of our daily meetings. This paper will be discussed anywhere from 1 day to 3 weeks. After that, the author usually goes away and rewrites it. Then he may bring it up for discussion again. At the end of an undetermined period of time and an undetermined amount of rewriting, discussion, and revision, the paper will be either published or thrown away. The mortality rate of first drafts is about a hundred percent. I should think that about half the rewritten and revised papers are finally published. Those that aren't are usually withheld because the men who wrote them didn't think they were worth publishing. The success of our publishing program has been totally unexpected. We never thought we'd be in the business at all. As it happened, the first two papers that were presented to supply the basis for discussion were so good that we said, 'Why don't we publish these?' [They were "Economic Power and the Free Society," by A. A. Berle, Jr., which discusses the corporation, its origin, its evolution, and its present-day relation to the individual and society, and "Unions and Union Leaders of Their Own Choosing," by Clark Kerr, which discusses the trade union, its impact on the workers' freedom, and the problem of democracy within unions.] So we published them, and the response was simply enormous. I mean in terms of what we had expected. So we said, "Well, this seems to meet some kind of—what do they call it now?—felt need. Why don't we keep it up?' Now everybody on our mailing list is there by request. It's a pretty influential list. It must show something. We know one thing. We know that there are hundreds of people teaching in this country who have nothing to teach with—who think that the textbooks and other material they're using are out of date or stupid or dull. They welcome our material. For example, we got a request from Amherst for 400 copies of one of our publications, to be used in a course there. Also, there are apparently large numbers of individuals who are concerned about the state of the world and think that the center is the only place where they can get a disinterested analysis, in a fairly small compass and in fairly simple language, of what is going on."

"We get between 75,000 and 100,000 letters a year," Kelly said. "We spend close to $300,000 a year on our publication program alone. We've had amazing attention from the press on these pamphlets. The first ones we put out made front-page banner headlines in the Chicago Daily News, the Detroit Free Press, and a number of other papers. Imagine—pamphlets issued by an educational institution making headlines. In addition, our publications are very often the subject of editorials in newspapers across the country, and quite a good deal of what we've published has been incorporated into textbooks."

"One of the most entertaining developments has been the sale of our tapes," Hutchins said. "The discussions in our daily meetings are recorded, and a while ago we sent a notice around saying that we'd let people have copies of our tapes for $5 each. We had a thousand orders in a month, and they're still coming in. It's extraordinary, though I'm not sure what it means. It may show that people in this country have stopped reading entirely."

The introduction of this somewhat dampening note led me to remark that the center has a reputation for being short on optimism about the future of democratic institutions and to ask Hutchins whether he felt that this reputation was deserved.

"If you were to take a poll here on what we thought of the present possibilities of making democracy work, in either the advanced or the developing countries, I think you'd get very serious differences of opinion," he replied.

"However," Kelly said, "the center is dedicated to the idea that it's possible to make democracy work, no matter how complicated the situation gets. Fundamentally, it's an optimistic ideal, even though a lot of people around here are pessimists. Harry Ashmore is a modified optimist, and I'm a congenital optimist. Mr. Hutchins is an optimist, I think."

"Yeah, I'm an optimist," Hutchins said. "On the general theory that that's the only way you can live."

"I'd say that Mr. Ferry is a man of great gloom," Mr. Kelly went on. "Hallock Hoffman—he's secretary of the center—takes a rather gloomy view of things, doesn't he? Who are the other gloomy boys?"

"Well, I really don't think that's the way to define it," Hutchins said. "I think it has a good deal to do with the fields we are in. For example, in my field—in law and education, the two things I have been most concerned about—I don't see much hope for immediate improvement. Jurisprudence seems to me to be at a dead end, and education is being turned into a system of accommodation. I think that Paul Jacobs, who's our man on labor, is of the opinion that the labor movement is gone and that something else has taken its place, which might be called the labor business, and he feels that none of the traditional means—especially the contract and collective bargaining—are going to enable the labor business to cope with the problems that the working people are going to have to confront. Mr. Ferry's field has been the corporation, and I don't see how you can look at the corporation and be very cheerful. You can think of a lot of things that might be done, but how do you get them done? How do you get anything done in education? Or in law? I would say that the Supreme Court has painted itself into a whole series of corners, so that it will take either a constitutional convention or a major retreat from many positions to make the Supreme Court's interpretation of the Bill of Rights intelligible, or the first amendment, or the fourth or the fifth." Turning to Kelly, Hutchins continued, "I don't see how you can be terribly optimistic. You've been spending most of your time on the media of mass communication. I haven't heard a new syllable or a new idea in mass communication since 1947."

"But there's a lot going on in the communications field," Kelly said, "and there's a lot more——."

"Does it cheer you up?" Hutchins interrupted.

"Yeah," Kelly said.

"When you see all those westerns, it makes you feel good?"

"No, but there are many more good paperbound books. Sales are rising. The cheap paperbound books are leveling off. There are a lot of signs that some kind of a communications revolution is going on, which is very encouraging."

"That's great," Hutchins said.

"We've even got him on television," Kelly said to me. "The NBC station in Los Angeles has given Mr. Hutchins a series of 26 half hours to use entirely as he wishes. No strings attached. It's his own program—sort of 'Hutchins on the World,' or maybe 'Hutchins Versus the World.' A few years ago, I don't think they would have done this. I think there's a change going on."

"The reason for this particular change is that NBC thinks I'm old enough now to be respectable," Hutchins said. "It's like the fortuneteller who told a man who came to see her, 'If you live long enough, you'll be famous.' He asked, 'What for?' And she replied, 'Old age.' "

"I'm basically an optimist because the Fund for the Republic has survived for 10 years," Kelly said. "Five years ago, Bob, you were doubtful about its survival. I knew it would survive."

"You can't spend your whole life in education without being an optimist," Hutchins said. "If you weren't, you'd commit suicide. The whole principle of education is that by doing such and such you can make things or people or the future better. If you didn't have that expectation, you wouldn't stay in the business."

"I think the very fact that an organization like the fund, which is dedicated to criticizing, perhaps not too effectively but at least fearlessly, all the institutions of society, is permitted to exist, and is now thriving and gets a hundred thousand letters a year—I think that's a sign there's some life," Kelly said.

"That's the most un-American statement I ever heard," Hutchins said. "The reason it's un-American is that the whole principle of American government—the central, fundamental, traditional principle of American society—is that we must engage in criticism."

Hutchins glanced at his watch, announced that it was almost 11 and time for the daily staff meeting, and started out of his office. Kelly and I followed him as he strolled into the courtyard, where he stopped by a small bronze bell (a gift from the staff on his 61st birthday) and, grasping a leather dog leash attached to the clapper, produced a few vigorous clangs. Responding to this call to action, members of the staff, along with a pair of visiting philosophers—Prof. John E. Smith, of Yale, and Prof. Philip Merlan, of Scripps College—emerged from doors opening onto the courtyard and joined Hutchins in an informal procession into the conference room. The philosophers wore business suits, and so did Sir Robert Watson-Watt, a white-haired, twinkly-eyed British technologist who is known as the father of radar and who has been a consultant on science and technology at the center since 1960; most of the other staff members were dressed in sports jackets and slacks. As the group entered the conference room, most of the regulars stopped at a table, near the door, that held a coffee urn, cups, and saucers, and helped themselves.

The conference room was light and cheerful—44 feet long and about half as wide, with a large fireplace in the center of one wall and, in the opposite wall, an expanse of floor-to-ceiling French doors that provided a magnificent view of the Santa Ynez Mountains on one side and of the ocean on the other. Brown carpet covered part of the floor, and an abstract oil by Howard Warshaw, which was untitled but was presumably of a man talking, hung over the fireplace. In the center of the room, several tables covered with green felt were arranged to form a hollow rectangle, and around it were a couple of dozen comfortable wooden chairs with leather backs and seats. A white scratch pad, a yellow pencil with an eraser, and a microphone were in front of each chair. There was no prescribed order for seating, although the person who is reading a paper or conducting the meeting customarily sits at the center of the head table. Richard Lichtman, the young philosopher from Kansas City, sat there on this occasion; Hutchins was on his right, and on his left was Ashmore, who presides when Hutchins is absent.

After everybody settled down, Hutchins suggested that Lichtman begin by briefly summarizing the previous day's meeting, which Lichtman did, at length. He then called upon the two visiting professors, each of whom spoke for about 25 minutes; between them, they ranged over a variety of matters—depth psychology, the relationship between science and philosophy, and the discontinuous nature of space, among other things—while the members of the staff appeared to pay close attention and from time to time jotted something on their scratch pads. When Professor Merlan, who was the second speaker, came to the end of his discourse, he sighed and said, "Well, I suppose that's what I wanted to say." This tentative note also characterized the discussion that followed. "Perhaps" seemed to be the favorite word of the participants, who were inclined to introduce their remarks with such undogmatic expressions as "One of the things I think I have on my mind," and "I would like to say briefly what I tried to say earlier," and "I'm not saying, one way or another, whether it would work or whether it is right," and "I think the basic difficulty, if there is a difficulty * * *."

Earnest and thoughtful though the discussion was, it did not seem to be making monumental strides toward clarifying the great issues of our time. One of the reasons for the pale texture of the proceedings was explained in a note passed to me by Harry Ashmore. "If you haven't been told," it read, "this is a session devoted, for the Britannica's purposes, to academic philosophy. I'm afraid you may go away with the impression that the center's program is also devoted to such abstractions as the cleavage between existentialists and linguistic analysts. I'm sure Hutchins made it clear that the center is not removed from the real world. Horny-handed types are not unknown on Eucalyptus Hill."

At 12:35, Hutchins, who had participated scarcely at all in the discussion, pushed back his chair and rose, signaling the end of the session. He then opened the doors into the adjoining dining room, where, on a small table near the door to the terrace, stood a bottle of ready-mixed martinis, a bottle of vermouth, a bucket of ice, and some old-fashioned glasses. Hutchins did not take a drink, but about half of the others helped themselves and then drifted out onto the terrace. "The company doesn't provide either food or drinks for the staff," Hallock Hoffman informed me as I stopped at the bar on the way outdoors. "We pay a dollar apiece for lunch, and from time to time we all put money in the liquor kitty."

Professor Smith, Litchtman, and John Wilkinson, a staff member who specializes in the philosophy of mathematics, walked over to the far side of the terrace, where they took shelter from the sun under a large tree as they continued a lively conversation they had started in the conference room.

"You philosophers are always in the shade," Ashmore called over to them.

"Perpetuating the gulf in modern culture, you might say," Professor Smith called back.

After drinks, the staff and the guests returned to the dining room, where they served themselves on paper plates to a picnic-type lunch of tomato juice, a roast-beef sandwich, salad, and a piece of cake, which they ate while sitting in small groups around the conference table. Hutchins had passed up the spread and was lunching instead on a package of chocolate-covered graham crackers and a cup of coffee when I sat down next him. Referring to the morning session, he said that it was fairly representative of the center's discussion method, though the subject matter was perhaps rather special. "We are not concerned with speculative problems beyond the necessity of considering them in order to understand practical problems," he continued. "We would not, for example, consider a metaphysical question or a theological question unless we were forced to in order to consider what ought to be done about church and State, or whether there is anything in the natural law that has any bearing on jurisprudence today.

"We are concerned with practical problems—though not with immediate practical problems—in the sense that practical problems raise the question: What is to be done? We are not concerned with what is truth, except to the degree that it sheds light on the same question. We are therefore in a position about halfway between the world of affairs and the ivory tower."

Operating from this position, Hutchins said, the center has tackled an impressive array of practical problems, ranging from population control, the arms race, and the impact of automation and computers on the democratic way of life to union featherbedding, the influence of the modern corporation, and religion in American society. One of the center's current projects is a comprehensive study of the American character. "Its object," he explained, "is to clarify the interaction between American institutions and traditional American standards and values, in order to determine whether these standards and values are collapsing, as people often allege, and, if they are to suggest what might be done about it." Besides providing for the daily exploration of hard problems by its staff, the center holds periodic weekend symposiums, attended by private citizens who are invited to explore with members of the staff some of the broader issues on the contemporary scene. At a recent weekend gathering, for instance, 24 United Nations delegates and about a hundred and fifty other guests, including some doctors and housewives, engaged in a spirited, freewheeling 6-hour discussion of the question "Is Democracy Possible?" For the past 3 years, the center has also provided adult education courses in both Santa Barbara and Los Angeles, and, in addition, it has held seminars in Greece and Israel, at the request of the governments of those countries. And at present it is considering invitations to conduct seminars in several Latin American countries, in Japan, and in other parts of the world. "With our limited resources, I am inclined to go very slowly on foreign operations at present," Hutchins said. "Whenever anybody asks Mr. Justice Douglas, who is cochairman of our board—Elmo Roper is the other cochairman—what ought to be done anywhere in the world, he says, 'establish a center for the study of democratic institutions there.' "

I said that the staff members I had met had all seemed almost as enthusiastic about the center as Justice Douglas, though none had appeared quite as ecstatic about his situation as Sir Robert Watson-Watt, who described it as "an almost idyllic existence."

"He doesn't have to raise money," Hutchins said. "I do. I began raising money when I became secretary of Yale University on January 1, 1923. I abandoned university administration in 1951, precisely because I did not want to raise money any more. And here I am, spending my reclining or declining years just where I began. This is what is known as coming full circle, which is generally regarded as highly undesirable." He paused to nibble on a cracker. "We are trying to raise $20 million to keep the center in business," he continued. "In order to operate as we are at present, we need to spend about $1 million a year. We figure that the funds we have on hand will keep us going until October 1965. After that, if we're not successful in the refinancing operation, we'll go out of business."

Kelly, who had come in from the terrace and sat down on the other side of Hutchins, said that the money-raising campaign was going well. "So far, we've obtained about $1½ million in cash or pledges," he said. "The interesting thing is that during the past 2 years we've received through the mail gifts ranging from $1 to $1,000 from about 6,000 persons in 1,800 communities across the country. We're very encouraged by this. We believe it indicates a widespread conviction that the center is helping people to understand the fundamental problems facing democracy in this revolutionary age."

By this time Hutchins had finished his lunch and filled and lighted his pipe. If he was worried about the future of the center, he didn't show it. He looked, in fact, as relaxed and confident as any man might who has had considerable success in figuring out, in a general way, what the hell is going on.

—John Bainbridge.

Mr. CURTIS obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield without losing his right to the floor?

Mr. CURTIS. I am delighted to yield to the majority leader.

AMENDMENT OF ATOMIC ENERGY ACT OF 1954

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 853, S. 2448.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The Chief Clerk. A bill (S. 2448) to amend the Atomic Energy Act of 1954.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. PASTORE. Mr. President, the title of the bill before the Senate is "A bill to amend the Atomic Energy Act of 1954." The amendment has to do with hearings under section 202 of that act. As the law is now written, those hearings must be held as a matter of law within the first 90 days of each session of the Congress.

The bill would make these hearings discretionary and permissive.

The bill has been checked with the ranking Republican member of our Joint Committee, and it is satisfactory to him.

Mr. President, S. 2448, amends the Atomic Energy Act of 1954 in order to make the holding of annual hearings on the development, growth, and state of the atomic energy industry discretionary rather than mandatory.

As a result of legislation enacted last year, the entire budget of the Atomic Energy Commission, covering both operating and construction funds must be authorized by the Congress in advance of appropriations. This year the Joint Committee on Atomic Energy, for the first time, is considering the budget for the full spectrum of atomic energy activities in great detail. This is in contrast with our prior limited authority to review only appropriations for the purposes of construction and capital acquisitions.

Our hearings this year have been lengthy and comprehensive. For the past 5 weeks we have received testimony from witnesses representing the Atomic Energy Commission and other Government agencies on each activity in the atomic energy program. Our objective has been to report this bill at the earliest possible date in order to provide for the timely consideration of the AEC authorization and appropriation bills.

In the days ahead, we will also receive testimony from interested representatives of the public and industrial groups, as appropriate. In effect, these hearings will accomplish many of the same purposes as the annual hearings on the development, growth, and state of the atomic energy industry without unnecessary duplication.

This amendment is not intended to foreclose or limit in any way the opportunity of interested persons to be heard on subjects affecting the atomic energy program. It will merely provide necessary flexibility to adjust the schedule of the committee in accordance with the requirements of congressional business.

This amendment has the support of both majority and minority members of the Joint Committee.

Mr. President, I urge the prompt enactment of this bill.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The ACTING PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall the bill pass?

The bill (S. 2443) was passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of section 202 of the Atomic Energy Act of 1954 is hereby amended to read as follows: "During the first ninety days of each session of the Congress, the Joint Committee may conduct hearings in either open or executive session for the purpose of receiving information concerning the development, growth, and state of the atomic energy industry."

REVENUE ACT OF 1964—CONFERENCE REPORT

Mr. CURTIS. Mr. President, the Senate is about to consider the conference report on the tax measure. While I cannot support the tax bill on the ground that we are increasing the national debt by reducing taxes, I believe that every Senator has an obligation to make the bill as good as possible. It is my opinion that if we are to reduce revenues by $11 billion, the retail excise taxes should be abolished. Those are a harassment to merchants, whether they be druggists, jewelers, department store owners and operators, or others.

I especially wish to express regret that the provision adopted by the Senate in reference to political contributions did not prevail in conference. The Senate version of the bill provided that a political contribution up to $50 per person or $100 per couple would be treated as a deduction for purposes of individual income tax computation. That would have been a great step toward better government. It would have encouraged political giving to candidates and parties and to political causes on a very broad base. It would have lessened the dependence in political campaigns upon pressure groups, individuals with considerable sums of money, and those individuals who might have some particular ulterior and selfish motives involved.

If we were to examine a list of organizations, a contribution to which would permit a tax deduction, we would find that it would cover a broad scope. They include various organizations for kind treatment to animals and various types of educational and philanthropic causes. No doubt all or most of them are very worthy.

But there are few causes more worthy than the cause of good government. Individual citizens should be encouraged to work in the party of their choice. They should be encouraged to contribute to it. The modest amount involved would have prevented dependence for political financing upon groups that should not be turned to for such assistance.

The ACTING PRESIDENT pro tempore. The time of the Senator from Nebraska has expired.

JOINT ECONOMIC COMMITTEE—WAR ON POVERTY

Mr. JAVITS. Mr. President, the Republican members of the Joint Economic Committee have issued what I consider to be an extraordinary report in connection with its comments on the war on poverty as alluded to in the President's Economic Report. It is recommended that a new program be developed in that war. In my judgment, it should be really effective, and not merely a label for all the old things that have been done in the past which I believe is all that the administration has so far advanced. For example, one of the things suggested in this Republican statement is to lift children out of a poverty environment by federally assisted programs, including residence schools for certain disadvantaged children. That is a really productive, bright initiative. As I have always contended in our party for initiatives, I take great pride in having been a party to the report. I ask unanimous consent that its details may be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE WAR ON POVERTY

(A Statement by the Republican members of the Joint Economic Committee—House, Representative THOMAS B. CURTIS, of Missouri; Representative CLARENCE KILBURN, of New York; Representative WILLIAM WIDNALL, of New Jersey; Senate, Senator JACOB K. JAVITS, of New York; Senator JACK MILLER, of Iowa, and Senator LEN B. JORDAN, of Idaho)

No one can travel through our Nation's major urban centers, its small towns, or its rural areas without becoming acutely and painfully aware that too many of our citizens, of all races, creeds, and colors, live outside the mainstream of American society. Many of these individuals have an inadequate opportunity to develop their full potential as human beings and citizens. The greatest domestic challenge before the Nation is to accentuate and extend the vast successes of our system in order to realize the promise of the free and open society for all our people. We shall continue to support the assault on poverty as a major step toward this goal.

A war on poverty will not be won by slogans; nor by shopworn programs dressed up in new packaging; nor by the defeatist concept of the 1930's; nor by the cynical use of poverty for partisan political ends; nor by overstating the problem and thereby inexcusably lowering America's prestige in the eyes of the world.

The war on poverty will cruelly deceive the poor and their children unless it is new in concept and embraces programs which hit at the root causes of poverty rather than its symptoms. Programs designed to relieve symptoms may produce quick and apparent results. But if our limited physical and intellectual resources are devoted primarily to attacking symptoms, rather than root causes, the war on poverty will turn into a hopelessly inadequate salvage operation that will be judged as having done "too little, too late."

Our approach to the problem, which will be outlined in more detail in the recommendations section of this statement, emphasizes programs to prevent the rise of more poverty and to help the existing poor break out of the vicious cycle of poverty in which they find themselves.

There are two preconditions to the success of specific and selective antipoverty measures. One is balanced and sustained economic growth without inflation. The other requirement is vigorous civil rights enforcement to guarantee equal job and educational opportunities for our minorities.

It is also important not to sweep the unemployed under the welfare rug. The unemployed person wants a job, not a caseworker.

The administration has ignored the seriousness of the continued increase in the cost of living and the steady erosion of the purchasing power of our people—especially of those living on social security, pensions and insurance. Millions of our citizens will not receive a tax reduction from the multibillion-dollar tax bill because they do not have enough income to pay an income tax. But they will suffer from the inflation that will accompany the administration's fiscal policies. There is no more certain way of worsening poverty in America than by permitting a continuation and acceleration of the postwar inflation.

Aside from the general comments above, we believe that specific antipoverty actions should include, but not necessarily be limited to: (a) Developing each program—including those concerned with regional development—to insure that the benefits will accrue directly to families and individuals living in poverty; (b) providing solutions to the problems of low-income families growing out of programs, such as urban renewal and public housing, which were originally designed to assist them; (c) improving rehabilitation programs for the physically handicapped; (d) lifting children out of a poverty environment by federally assisted programs, including residence schools for certain disadvantaged children; (e) increasing the numbers of professionally trained public and private welfare and social workers; (f) upgrading schools in poverty-impacted neighborhoods; and (g) conducting research on the relationship between population control and the reduction of poverty.

We also wish to call attention to the initiative and imagination of President Eisenhower and his Council of Economic Advisers in coming to grips with the problem of poverty in America. In 1956, the President's Economic Report, particularly chapter 3, discussed "the extension of prosperity to the less flourishing sectors of the economy" in detail, with particular emphasis on the pockets of chronic unemployment, low-income families in rural areas, vocational rehabilitation and the need for a more general program of insurance against catastrophic illness. President Eisenhower's 1956 report is a valuable tool for understanding the causes and cures of poverty in America. The late President Kennedy also called attention to these problems.

Before proceeding to discuss our own policy proposals, we wish to examine the standards by which poverty is measured and the progress that has been made in reducing poverty in the past decade.

HOW MANY ARE POOR?

All estimates of the extent of poverty of the kind presented in the 1964 Economic Report of the President have a systematic upward bias which paints conditions worse than they are. For example, in most cases a family with insufficient income for a year or less will not be reduced to poverty. Usually a family is not "poor" in the accepted sense if in the first year of its existence as a family it earns a small income on an annual basis; families are formed in December as well as in January. An independent businessman is not "poor" just because he earns practically no net income during a year or two while he is establishing his business. A graduate student and his family are not "poor" within the meaning relevant to the present context. A family with a fluctuating income—high in 1 year, low in another—is not "poor" in each year in which its income is low. And some of the well to do may live on their accumulated wealth rather than on income for a number of years, while retired persons may live comfortably on the savings they have set aside for just that purpose.

A given money income provides for widely differing levels of living. The administration says that a family lives in poverty if it has a cash income of under $3,000. But families differ substantially in size, age, and living costs. Regonal living costs vary substantially and may be twice as great in dollar terms in a northern city as on a southern farm.

The administration's definition of poverty also excludes a family's assets. A family with 600 shares of IBM stock would have had an income of $3,000 in 1963, but the shares were worth more than $300,000. In 1962, the survey of consumer finances found that over half of the aged with incomes below $3,000 had liquid assets of $1,000 or more and that 18 percent had liquid assets of $5,000 or more. Moreover, income in kind is excluded, although this is important for many families, particularly in rural areas.

The Office of Business Economics of the U.S. Department of Commerce confirms the generally accepted and sensible view that noncash income, such as the net-rent or owner-occupied dwellings and home-produced food and fuel, should be included in a family's total income. By this more reasonable definition, 13.6 percent of the U.S. families—not 20 percent—had incomes under $3,000 in 1961. Although not yet available, the figures for 1962 and 1963 will almost certainly be lower. Another measure of poverty is provided by a census study showing that one in eight—rather than one in five—Americans is poor, based upon ability to qualify for assistance under the welfare laws of the State where they live.

In the February issue of the Morgan Guaranty Survey, it is pointed out that fault can be found with the selection by the Council of Economic Advisers, for yardstick purposes, of the Census Bureau's household survey data. For the most part these are based on memory rather than records. They also are characterized by a substantial under-reporting of income.

When the sample data for 1962 are blown up to full population size, they yield a money income of $352 billion, or $53 billion less than that calculated by the Department of Commerce on the basis of consolidated income tax returns. The Commerce Department's estimate is $68 billion higher (roughly equivalent to total personal income in the United Kingdom) if total nonmoney income also is included.

A study by the University of Michigan Survey Research Center found that 40 percent of those families with incomes of less than $3,000 in 1960 owned cars. About 45 percent of the families in the $2,000 to $3,000 income range owned their own homes in 1962, as did 42 percent in the $1,000 to $2,000 income bracket and 35 percent in the less than $1,000 bracket. Of those homeowners with incomes between $2,000 and $3,000, 66 percent had no mortgage on their homes. The Economic Report notes parenthetically that about 40 percent of all poor families have some equity in a house.

Herman P. Miller, a special assistant in the U.S. Census Bureau, pointed out recently that "when we probe a little deeper" into living conditions in the severely depressed areas of Harlan County, Ky., it is found that 88 percent of the homes have washing machines, 67 percent have a television, 45 percent have a telephone, and 59 percent have a car.

No objective definition of poverty exists. The definition varies from place to place and time to time. In America, as our standard of living rises, so does our idea of what is substandard. Although too many Americans remain poor, most of them are better off than the poor of earlier years and far better off than the poor in other countries around the world.

HOW FAR HAVE WE COME?

As we look ahead to that task before us, we should be aware of how far America has come in conquering poverty. Since 1947, the proportion of all families with low incomes (in constant 1962 prices) has declined from 32 percent to 20 percent in 1962. The principal reason for this progress has been rapid economic growth. Also contributing to reducing poverty has been the development of social security, private pension and deferred profitsharing plans, unemployment compensation, hospitalization and other forms of insurance. Favorable developments have been offset to some degree by population trends, principally the faster-than-average increase in the population over 65 and increasing desire of the aged to maintain separate households.

The total public and private effort to reduce poverty and human suffering has resulted in an increase of 78 percent in constant (fiscal 1963) dollar per capita annual expenditures for health, education, and welfare from 1953 to 1963. During the same 10-year period, the share of the total output of the U.S. economy devoted to health, education, social insurance, and welfare has risen from nearly 12 percent of the gross national product to nearly 18 percent. This is a particularly impressive performance in the light of other heavy drafts on the economy for defense, space exploration, new highways, urban renewal, and higher consumption.

The percentage of persons in paid employment covered or eligible for coverage under the old age survivors and disability insurance program has risen from 80 to 90 percent from 1952 to 1962. At the end of 1962, 78 percent of the population over 65 were eligible and 71 percent were receiving benefits under the program. Total monthly OASDI benefits rose from $205 million in December 1952 to nearly $1.2 billion in December 1962.

Private pensions increased more than threefold from $600 million to $2.2 billion during the period years and they are certain to grow considerably in the years ahead. Private pensioners and their wives now total about 15 percent of the aged population. These private pensions largely supplement benefits of all public programs under which 80 percent of all aged persons in mid-1962 were getting a regular income. About 84 percent of all poor families were covered by social security or other governmental pensions in 1959

Vendor medical payments under public assistance increased nearly sevenfold from $154 million to $1 billion during the 1953–63 period. Annual cash benefits under private employee benefit plans tripled from $1.5 billion to $4.5 billion. Medical benefits under private insurance quadrupled from $1.8 billion to $7 billion annually, with about three-fourths of private medical insurance being provided through private employee benefit plans.

Private philanthropy for institutional care, family counseling, recreation, and day-care services, and emergency relief rose to $1.3 billion in 1963 from $785 million 10 years earlier. All private charitable contributions now exceed $8.5 billion per year.

During the 1953–63 period, expenditures on medical research increased from $88 million annually to $938 million, while expenditures for maternal and child health and for crippled children's services rose sharply, as did expenditures for vocational rehabilitation programs.

A NEW APPROACH IS URGED

To point out the vast amount that has been done to reduce poverty is not to say that the job is finished. It is ironic that many of our welfare programs, such as unemployment insurance, help the poor least of all. Even social security is not primarily for the very poor. The breadwinner of a retired couple would have to earn an income considerably above the administration's $3,000 poverty line most of his life in order to get the maximum social security payment.

The farm situation also is illustrative. Under this administration's policies, there has been an increase in the cost-price squeeze of farmers and a decline in the farm sector's share in the national net income. In turn, millions of small farmers, tenant farmers, and farmworkers and their families have been thrust into the poverty sector.

Similarly slum clearance programs primarily have benefited the middle third of the Nation while many of those made homeless by these programs often have been pressed into other slum areas or areas about to become slums.

Greater concentration and attention must be devoted to solving problems of our low-income citizens caused by programs which originally were designed to assist them. House Republicans have already taken the initiative in the area of housing by introducing a comprehensive housing bill directed to perfecting urban renewal and public housing projects on behalf of low-income citizens.

The fact that the poor are out of the direct reeach of many Federal welfare-type programs means that a wholly new approach is needed. One of the most difficult problems in finding new approaches is that they should help to cure poverty and mitigate its penalties without undermining incentives to effort and success.

One fact is clear. In the American system, the Federal Government's role in the war on poverty will be far less than that which will be played at the State, local, and neighborhood level, particularly by business, organized labor, and nonprofit enterprises.

The primary reason for local and selective approaches is that persons living in poverty are not a homogeneous group. Nearly all have one or more handicapping characteristics but differ in others. The racial minority family, the family with a female head or with a head over 65 years of age, the family with no earner or with a head not in the labor force—these are particularly susceptible to poverty, although granted that many of these families are in average or better than average circumstances. One unifying characteristic, aside from prolonged illness or physical handicaps, is the coincidence of poverty and little education.

One area of decisive importance for Federal Government action is civil rights. Poverty arising from the denial of adequate job and educational opportunities to members of minority groups is a blight on the Nation, the removal of which can be greatly hastened by vigorous Federal leadership.

The policies which the administration has thus far proposed to combat poverty are inadequate to the task. Not a single policy is directed specifically at poor families. Instead, they are directed at all families. In some cases, such as improving regional economies, it is likely that as much as 80 percent of the benefits would accrue to nonpoor families. Each policy recommended by the administration to deal with poverty should be examined to see what share of the benefits will accrue to families with cash and noncash incomes under $3,000.

Effective work in attacking poverty is being done by welfare agencies, both private and public, at the local level. Much of this work is assisted by Federal funds. We must not permit Federal programs to draw off from the local level trained personnel that are in tragically short supply. Local welfare workers already are underpaid and overworked. They are on the front lines of the war on poverty. That war will not be won soon, but progress requires that the ranks of professionally trained welfare and social workers be increased and the quality of training improved. We recommend that immediate attention be given to developing a combined Federal-State-local matching grant program to work towards these objectives.

It is only realistic to recognize that in some cases it will be difficult to lift adults out of a poverty status. Rehabilitation can do much for the physically handicapped, and such programs should be broadened and improved. However, lack of basic education, inadequate motivation, health or mental deficiencies, handicapping habits, such as alcoholism, as well as other factors often will militate against a successful effort.

This tragic condition points to the special importance which should be attached to helping the children of the poor. It is they who have the best chance of escaping poverty. A child lifted out of poverty breaks the vicious cycle by which poverty can be passed on to the next generation.

For some children the best hope of lifting them out of poverty is to remove them from a poverty environment which may dull or deaden motivation, incentives, and learning. Often this environment is in the slum centers of our major cities.

We recommend that consideration be given to setting up a pilot program on a Federal-State matching grant basis which would work toward this objective. Carefully selected underprivileged children would live and study at public expense at special residence schools operated by States outside of the slum area. Admission should be strictly voluntary. The program should be developed and operated in such a manner as to draw on the knowledge and experience of private educational, charitable, business and labor groups to the maximum extent possible.

The cost of such a program would be small compared to the $4.3 billion in payments to public assistance recipients in 1963. To this figure, which is about 15 percent of the Nation's total public and private education bill, should be added the other staggering social costs of poverty. Such a program—if successful—would richly reward us all in terms of children equipped to build a future for themselves and to make a constructive contribution to society.

Why is it that schools in poverty neighborhoods so often deteriorate? Shouldn't schools for disadvantaged children be among the best? Who needs good schools more than the children of the poor? A clean, attractive, well-equipped and well-staffed school in a deteriorating neighborhood could serve as an example and an inspiration for many of our disadvantaged children. We urge that public and private educational groups direct their attention to upgrading the quality of schools in poverty neighborhoods. The Federal Government now provides special financial assistance to schools in so-called federally impacted areas. In any case, something should be done for "poverty impacted" neighborhoods.

No discussion of poverty would be complete without a comment on the impact of population control on the reduction of poverty both at home and abroad. A relationship exists between the population explosion and the conditions existing in many of the underdeveloped nations. Education and research hold out real hope for solutions to this problem.

In this connection, we call attention to the fact that in our own country nearly 4 million persons now receive relief under the aid to dependent children program—a rise of 78 percent since 1955. A tragically increasing number of these are unwed mothers whose children frequently go on the relief rolls once they reach the required age. This is only one manifestation of the population control problem, but its increasing incidence in the United States calls for action.

CONCLUSION

The most underdeveloped resource in America is the poor. Recognizing this, America has been conducting a war on poverty since its foundation. More progress in reducing poverty has been made within the framework of the peoples' capitalism of the United States than anywhere else in the world.

The challenge which still remains is two fold—(1) to provide the poor with job opportunities in an environment of balanced and sustained economic growth without inflation and (2) to raise the productivity of the poor who already have jobs. Meeting this challenge will realize the promise of our free and open society for all citizens.

CIVIL RIGHTS

Mr. KEATING. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. KEATING. Am I correct in my understanding that immediately after the vote on the conference report on the tax bill, the next business will be laying before the Senate the civil rights bill, H.R. 7152?

The ACTING PRESIDENT pro tempore. The Senator from New York is correct; under the unanimous-consent agreement previously entered into.

Mr. KEATING. Mr. President, a further parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. KEATING. When that is done, must the proceedings attendant thereupon be completed before other business is taken up?

The ACTING PRESIDENT pro tempore. The order provides that the proceedings on that subject be disposed of before the Senate proceeds to any further business.

Mr. KEATING. If those proceedings should continue beyond the hour of 2 o'clock, would that preclude a motion by any Senator to proceed to the consideration of any other business?

The ACTING PRESIDENT. It would preclude such a motion. The unanimous-consent agreement has in effect suspended the rule which requires the unfinished business to be laid before the Senate at the hour of 2 o'clock.

Mr. KEATING. So the result of that procedure is that the proceedings relating to the civil rights bill will be terminated before any other action is taken. Am I correct?

The ACTING PRESIDENT pro tempore. The Senator is correct, regardless of whether the hour of 2 o'clock arrives before or after the termination of the proceedings.

Mr. KEATING. Following the proceedings under the civil rights bill, if a motion to bring up a bill other than the civil rights bill for consideration by the Senate were made, would that motion be subject to amendment in the nature of a substitute?

The ACTING PRESIDENT pro tempore. If brought up afterward, such a motion would not be subject to amendment.

Mr. KEATING. Would a motion to table be in order?

The ACTING PRESIDENT pro tempore. As always, a motion to table would be in order.

Mr. KEATING. Is the rule in that respect the same whether or not such a motion to bring up a bill is made before 2 o'clock or after 2 o'clock?

Perhaps I should be more specific. If the proceedings on the civil rights bill terminate before 2 o'clock, and a motion is made to proceed to the consideration of the farm bill, or if that motion is made after 2 o'clock, it would make no difference so far as the motion being open to amendment is concerned. Am I correct?

The ACTING PRESIDENT pro tempore. The Senator is correct. So far as a motion to amend is concerned, it would be the same. A motion to amend would not be in order before or after 2 o'clock.

Mr. KEATING. But a motion to table would be in order either before or after 2 o'clock?

The ACTING PRESIDENT pro tempore. Yes.

STUDY OF MIGRATORY LABOR

Mr. MANSFIELD. Mr. President, I ask unanimous consent, despite the agreement made, that a resolution which was reported today from the Committee on Rules and Administration be immediately considered, because of unusual circumstances.

The ACTING PRESIDENT pro tempore. The resolution will be read.

The legislative clerk read the resolution (S. Res. 290), as follows:

Resolved, That the Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to migratory labor including, but not limited to, such problems as (a) the wages of migratory workers, their working conditions, transportation facilities, housing, health, and educational opportunities for migrants and their children, (b) the nature of and the relationships between the programs of the Federal Government and the programs of State and local governments and the activities of private organizations dealing with the problems of migratory workers, and (c) the degree of additional Federal action necessary in this area.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1964, to January 31, 1965, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,600 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1965.

SEC. 4. Expenses of the committee under this resolution, which shall not exceed $75,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. KUCHEL. Mr. President, reserving the right to object—and I do not object—I wish to say for the record that the minority members of the Rules Committee have interposed no objection to the resolution, but, on the contrary, believe it should be speedily adopted.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the resolution was considered and agreed to.

EDUCATION IN THE FUTURE OF OUR COUNTRY—ADDRESS BY HENRY FORD II

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to insert in the RECORD a very fine speech made last January 15 by Henry Ford II, chairman of the board of the Ford Motor Co. I wish to call the attention of my colleagues especially to Mr. Ford's views about the importance of education to the future of our country. Coming from a man with his business background, I think it is all the more impressive that he recognizes there is no solution to some of our most difficult problems without greater emphasis upon education than we have shown in the past.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY HENRY FORD II, CHAIRMAN OF THE BOARD, FORD MOTOR CO., BEFORE THE SOCIETY OF AUTOMOTIVE ENGINEERS IN DETROIT, MICH., JANUARY 15, 1954

January is a time for assessment, a time to look back to see where we have been in the past 12 months, and to look ahead to see where the next 12 months will take us. This evening, I plan to look ahead, not to see where the future may take us, but to consider what directions we want the future to take.

This is a year, like other years, in which America will arrive at a series of crossroads in the long journey in search of our national destiny. There have been many such crossings in our history. At each, we have made a choice—some for the better, some for the worse. But whatever course we chose, we managed, in the long run, to come out ahead. From weakness, we drew strength. From confusion, we brought about order. From doubt, we forged new confidence.

We Americans have made a habit of success—so much so that we take success for granted and look upon adversity as only a spur to later, greater triumphs.

At the beginning of this new year, our mood of confident optimism is especially strong. Our Nation has come through a great tragedy and emerged with a new President whose competence and leadership are widely acknowledged. Our economy bids fair to resume the pace of long-run growth that has been interrupted in the past few years. The Russian bear has grown a bit tamer, and the prospect for continued peace a bit brighter. It is a good time for Americans, a time that gives us reason for confidence in ourselves and our future.

A generation ago, we were told that the only thing we had to fear was fear itself. Today our danger is the opposite. The only thing we have to fear is that confidence will become overconfidence. It is easy, when things are going well, to assume that all we need do is what we have traditionally done. It is tempting, when the road we are on is so pleasing, to ignore the choices that confront us at each crossing. It is natural, when times are good, to let both our problems and our opportunities slide beyond our grasp.

To be honest with ourselves, there is still much to be done in this country of ours. There are problems—serious ones—to which we must address ourselves before they become even more serious. There are opportunities—great ones—which we must begin to grasp while they are still within our reach. Neither our problems nor our opportunities will yield, unless we cultivate the ability and the courage to question the way things are and to set out boldly on new and unfamiliar roads.

Consider, for example, the current state of American industrial technology—and here I mean not only the way we make things, but the things we make. For generations, our technology has been the most advanced and progressive in the world. It is the basis of our standard of living, of our national security, of our position in the community of nations. We have grown accustomed to thinking of ourselves as the unchallenged masters of the machine age.

Fifteen years ago, such self-confidence was fully justified. The rest of the world came here to learn how to make things better and cheaper and faster. More recently in industry after industry, we have seen new processes developed abroad and then adoptd here. We have seen foreign products challenging our own, even in our domestic market, not only because the foreign products are cheaper but also because they are often better and more advanced.

Signs such as these suggest that we should be asking ourselves some important questions. Do we still have more to teach the world than it has to teach us? Are American contributions to technological advance proportionate to the size and resources of American industry? Has our rapidly growing investment in search and development paid off as it should have in new products and processes for the civilian economy?

While I'm at it, here is another question. Has automotive technology advanced as rapidly in the past as it might have and as it should in the future? The 1964 automobile is a remarkable machine. Compared to the cars we were making even 5 years ago, it's a more efficient, better performing, more reliable, more durable, more comfortable, and safer vehicle. Today's cars are a tribute to the ingenuity of the engineering profession in refining and developing and improving on the established principles of automotive design.

On the other hand, when you think of the enormous progress of science over the last two generations, it's astonishing to realize that there is very little about the basic principles of today's automobiles that would seem strange and unfamiliar to the pioneers of our industry.

I raise these questions not to cry wolf, nor to find fault, but to suggest that we in the United States have a problem, or, if you will, an opportunity—an opportunity to break away from technological traditions and to find really new and better ways of making really new and better products for the markets of the world. The slow and patient work of refining and improving on existing technology will always be important. But what we need even more than the refinement of old ideas is the ability to develop new ideas and put them to work.

Increasing the flow of practical, new ideas in American industrial technology is, itself, a task that will require fresh approaches, not only in industrial management, but also in our universities, in government, and in the engineering profession.

We must look to our universities to conduct basic research and to train scientists and research engineers in fields which underline industrial technology as well as in fields which may have more glamour and prestige. Science cannot be bound by practical considerations—but neither can it neglect the needs of society.

Transportation engineering is a case in point. Although transportation accounts for roughly 20 percent of our gross national product, relatively little attention is now given to those branches of science and engineering research that are most closely related to transportation technology. In view of the economic and social importance of fast, efficient transportation, we might well expect much more activity than there now is in these fields.

We must look to industrial management to provide facilities and policies that will stimulate adventurous technological exploration. The development of new technology is a complex process involving the translation of scientific discovery into practical applications—practical not only in an engineering sense, but also in an economic sense.

It is a difficult process because it requires the blending qualities which are natural enemies—of visions and dreams on the one hand, and of hard commonsense on the other. One of the greatest challenges facing industrial management today is to learn how to create an environment for research which is at the same time free enough to encourage dreams, and disciplined enough to lead to practical results.

To meet this challenge, industry needs a very special breed of engineer. We need engineers who can keep the spark of creative talent glowing while still accepting the discipline imposed by practical considerations. And we need engineers who combine in themselves the varied skills needed to harness science to practical ends.

The engineer stands in the middle of the research and development team. On the one side, he must understand the scientist whose discoveries he draws upon. And, on the other side, he must understand the economist, the cost analyst, and the market researcher who define the economic limits of practicality.

The more the engineer knows of all these disciplines, the better he will do his job and the faster our technology will advance. If all we want is to refine old ideas, then we can make good use of the engineer who is merely a specialist. But if we want big new ideas, then we need engineers who are at home in science and in management as well as in their engineering specialities.

People like this will always be scarce. Our job in industry is to make sure that when we do find them, we use and reward their very special talents appropriately. This is the only way in which we can hope to attract more of them in the future.

No matter what we may do, however, industrial research is always a gamble. If we are content to search for small improvements in old ways of doing things, then the cost may be small and the odds favorable. But if we seek for radical departures from established products and processes, then the cost is high and the odds are long.

The only reason why investors are ever willing to put down the money it takes to achieve a genuine technological breakthrough is the possibility of a return on their investment commensurate with the great risks involved. This is where Government policy may be the determining factor. For two decades, our economy has been operating under high wartime tax rates which greatly reduce the possibility of earning a return on investment big enough to justify really big risks. This, I am convinced, is one of the major reasons why American industry has not been more venturesome in its pursuit of technological progress. The smaller the payout when a long shot wins, the less backing the long shots will have.

The tax reduction bill now before Congress is a first step toward restoring the incentive to invest in technological long shots, in the search for new ideas rather than the refinement of old ones. It is a step that should have been taken years ago, and one that should be followed by longer steps in the same direction in the years ahead.

Let me turn now to some of the other serious problems and great opportunities that confront us in 1964.

Industrial technology exists to serve people, to enable them to work more effectively and more productively and thereby to increase their real income. If, as I think, we are not taking full advantage of the opportunities for technological progress, then we are wasting the work of our people and limiting their ability to earn better and richer lives for themselves and their families.

There are other ways in which our Nation wastes work and limits the standard of living, and one of the worst of them is unemployment.

The fact that we are steadily providing more jobs for our growing labor force is small comfort to those who have no job, for nothing is more demoralizing to the individual than to find that no one wants his work.

Unemployment is dangerous, not only to those it hits directly, but to all of us. It breeds resentment and frustration and fear. It poisons our industrial relations and our politics and strains the fabric of our society. It makes us all poorer, for those who are not working must be supported by those who are.

Unemployment is a serious problem mainly for specific groups of Americans rather than for our labor force as a whole. Among white husbands with families to support, unemployment is close to the irreducible minimum. For them, it is mainly a brief interval between jobs—a normal result of the amount of job changing essential in a healthy and growing economy.

Among other groups—teenagers, Negroes, the unskilled and the undereducated—unemployment is very much higher. For many in these groups, it is a constant threat and when it strikes it often lasts for weeks and months and sometimes, even for years.

The heavy concentration of unemployment among particular groups of Americans suggests that we are really dealing with two different kinds of problems. Beyond the general problem of providing enough jobs for all the people who want to work, we face the specific problems of fitting the people who need work into the jobs that become available.

There are many today who argue that we are not providing enough jobs because we have too much technological progress, too much automation, too rapid displacement of men by machines. There are those who say we will never again have enough work to keep all of our labor force fully and productively employed; indeed, that we will have less and less work for more and more people.

From this point of view, the remedy for unemployment is to make work, to halt the progress of technology, to freeze people in their present jobs whether they are doing useful work or not, to create new jobs artificially by restricting the output of those who are already employed.

This is the most dangerous kind of nonsense. It is nonsense because it is based on the false assumption that technological progress is abolishing the need for work. The rate of unemployment has been too high throughout the past 6 years but, in spite of the rapid growth of our labor force, it has not been increasing. This can only mean that we are creating new jobs substantially faster than we are eliminating old ones. We are not creating new jobs fast enough to close the gap between the level of unemployment we have had in recent years and the level we should have. But neither are we faced with a technological cataclysm that leaves us with more and more of our labor force unemployed.

Any effort to cope with unemployment by making work is dangerous because it can only intensify the problem it seeks to solve. To make work by restricting and limiting progress is to embark on a policy of deliberately cultivating industrial stagnation and inefficiency. In a competitive world, there is no way to protect the markets of stagnant and inefficient enterprises, and without markets there are no jobs.

If we have not had enough jobs in our economy during the past 6 years, the reason is not that we have had too much technological progress, but too little. We get new jobs when technology gives us new products and new industries. We get new jobs when technology expands the market for existing products by showing us how to make them better or more cheaply. Thus, we come back again to the need for new ideas, new processes, and new products in American industry.

The automobile industry today provides an excellent example of the relation between technological progress and high employment. Our industry now has very close to total employment, with only a handful of employees on layoff. Ford Motor Co. employment for the last 2 years has been substantially higher than at any time since 1957. Unemployment in Detroit and in Michigan is at its lowest level in years.

These, of course, are the results of booming automobile sales. And the sales, in turn, are in large part the result of technological gains that have made it possible for us to offer our customers substantially better cars at virtually the same prices we were charging 6 years ago. If we can step up our rate of technological advance, we can add still more to our sales and our employment by offering our customers even better value for their money.

Providing a larger total number of jobs is only one of the things we need to do to solve the unemployment problem. Unemployment is too high, not only because we do not have enough jobs, but also because many of the unemployed are poorly qualified by skill and education to fill the jobs that are available.

In an advanced industrial nation, education is the key to employment opportunity, especially for young people who, because they are young, have had no chance to acquire skill through experience. Our country sends more of its young people through high school, college, and graduate school than any other country. But, compared to many other industrial nations, we also have many more of our young people beginning adult life with very little education—far less than they need to find a secure and productive place in our space age economy.

The fact that some 40 percent of our young people fail to complete high school is a serious and well-known problem. But what is far more serious and far less well known is that one youngster out of eight never even gets beyond the eighth grade. As recently as 1959 the Census Bureau counted 145,000 young adult Americans who had never even learned to read or write.

These are the unemployed of the future. Even when they are working, most of them will be employed in the least skilled, least productive, least secure, and lowest paying jobs our economy has to offer. Lack of education contributes even more to the ranks of the underemployed and the lowest paid than it does to the ranks of the unemployed. In 1961, for example, families headed by persons who had not completed elementary school had an average income of little over $3,000, while families headed by high school graduates had an average income of more than $6,000—almost twice as high.

Lack of education will be an even greater handicap in the future than it is today. As our technology advances, and as prevailing minimum wage scales go up, the relative number of unskilled jobs will go down, and the undereducated will face increasing difficulty in making their way.

But the solution to this problem is not to keep the educational and skill requirements of work down to the educational level of our population. The solution is to raise the educational level of our people so that they are capable of handling work that demands less of their muscles and more of their minds. The problem is not just to put the unemployed to work, but to equip both the unemployed and the underemployed for better, more productive jobs—jobs that will permit them to contribute to and to share more fully in the affluence of our society.

The problem of undereducation is not the fault of the schools alone, nor can it be solved by the schools alone. The young people who are receiving the least education today are, for the most part, children of parents who themselves have had little education. Many of them are Negroes or members of other minority groups. Most of them come from poor homes and poor neighborhoods in our big cities and our depressed rural area.

Low income and lack of education tend to feed upon each other and to perpetuate themselves. Breaking this circle will require changes in family attitudes toward education, in our Government policies and in our employment practices as well as in our schools. Among other things, it will require full equality of employment opportunity, regardless of race or color or national origin. Above all, it will require that we find new and better ways of awakening in young people the desire to stay in school and to profit from it.

Although the schools are only one element in the solution, their role is a crucial one. Today, it is clear that the schools in our poorest communities and neighborhoods are not able to do their jobs as well as they must. Part of the reason is that many of the schools that have the biggest educational problems also have most limited educational resources. The result is that youngsters who get the least stimulation and encouragement from their homes and families and friends often get the least from their schools, when they need the most.

The time has come for a fresh approach to these problems. Somehow, we must find ways to improve the performance of the schools that serve our least fortunate young people, and to pay the cost of giving these youngsters a better opportunity to improve upon the circumstances in which they were born and raised.

I do not know precisely what this will involve. Certainly, it will require better teachers, more and better guidance and counseling, and, frequently, more and better classrooms, books, and school equipment. Certainly, it will require new programs and new approaches to provide the motivation essential for more and better learning. All of this will cost money.

Money alone will not solve the problem, but neither will it be solved without more money. Spending money to help people to help themselves is a far better investment than spending money to relieve the distress of those who are unable to help themselves.

The promise of the American dream is a genuinely equal opportunity to earn a better life. This is essentially what I have been talking about tonight. Technological progress is an important part of that dream, for the advance of technology is the record of man's growing ability to use his God-given intelligence to lighten his labor and to satisfy his needs and his desires.

Technological progress is an important part of the American dream in still another sense. It is the wellspring of the economic growth we need to provide jobs for all those in our increasing population who want to work and to expand the resources available for education and other essential services.

Technological progress, in short, is the key to the opportunity to earn a better life. To fulfill the promise of American life, we need, in addition, to make that opportunity an equal one. It will not be equal, and we will not be true to our dream, as long as we fail to teach so many of our young people what they need to know to take their place in our advancing technology.

Over the years, as social and economic inequality has diminished in America, we have turned away from political extremism. As more and more Americans share a material stake in the society's well-being, we are becoming a more conservative people—in the best sense of that word. If we can resolve the remaining hard-core problems in our social and economic life—and it's well within our power to do so—we shall have gone a long way toward protecting our free institutions against the danger of political and economic radicalism.

The social and economic problems of our society today—the problem of unemployment, the problem of poverty, the problem of equal opportunity to share in the riches of American life, the problem of faster economic growth, the problem of effective education for life in the space age—all of these are interrelated.

What helps solve one, helps solve all.

The aggregate power and wealth of the society must be employed not to control or dictate the course of the economy or the lives of individual human beings. It must be employed in the cause of freedom. It must be so used as to free men from their enforced dependence on the support of the society. It must be used, not in any attempt to control the Nation's productive resources to achieve predetermined goals, but to liberate further the latent energy and creativity of our people.

Where the remaining deep and vital problems of the Nation require action by the Federal Government, I believe that we, as businessmen, should support such action, so long as we are convinced that the principles underlying it, and the probable effects, as well, are liberating, conducive to freedom, and, ultimately, to less direct governmental intervention in social and economic life.

But I do not say: Sit back and let Washington do it.

I say that industry, labor, education—all the dynamic forces in the society—must contribute their full shares to the solution of these problems.

And, gentlemen, for, us, that means starting to do a better and more imaginative job in our own shops, so that we may sustain and increase the vitality of a great and creative industry—an industry that carries on its shoulders so great a share of America's resources, and of its hopes for a more abundant life for all its people.

The ACTING PRESIDENT pro tempore. The Senator from Montana has suggested the absence of a quorum——

Mr. MANSFIELD. Mr. President, I withhold my request for a moment.

PERSONAL STATEMENT BY SENATOR LAUSCHE ON TAX BILL

Mr. LAUSCHE. Mr. President, I contemplate voting against the conference report on the tax bill. The gamble involved is entirely too grave. The advantages to be gained by the passage of the bill are inconsequential when compared with the calamitous danger that will happen to the country in the event expectations do not become reality.

The ACTING PRESIDENT pro tempore. The Senator from Montana [Mr. MANSFIELD] has suggested the absence of a quorum. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REVENUE ACT OF 1964—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8363) to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Montana will state it.

Mr. MANSFIELD. On the basis of the agreement entered into yesterday, the question now is on agreeing to the conference report?

The ACTING PRESIDENT pro tempore. The Senator is correct. The question is on agreeing to the conference report, but the yeas and nays have not yet been ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report. On this question the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. NEUBERGER (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from Utah [Mr. MOSS]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I therefore withdraw my vote.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Michigan [Mr. HART], and the Senator from Utah [Mr. MOSS] are absent on official business.

I further announce that, if present and voting, the Senator from Michigan [Mr. HART] would vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Nebraska [Mr. HRUSKA] are necessarily absent.

On this vote, the Senator from New Hampshire [Mr. COTTON] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from New Hampshire would vote "yea" and the Senator from Arizona would vote "nay."

If present and voting, the Senator from Nebraska [Mr. HRUSKA] would vote "nay."

The result was announced—yeas 74, nays 19, as follows:

[No. 44 Leg.]

YEAS—74

Allott
Bartlett
Bayh
Beall
Bible
Boggs
Brewster
Burdick
Byrd, W. Va.
Cannon
Carlson
Case
Church
Clark
Cooper
Dirksen
Dodd
Dominick
Douglas
Eastland
Edmondson
Engle
Fong
Fulbright
Gruening
Hartke
Hayden
Hill
Holland
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kennedy
Kuchel
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McGee
McGovern
McIntyre
McNamara
Metcalf
Monroney
Morse
Morton
Mundt
Muskie
Nelson
Pastore
Pearson
Pell
Prouty
Randolph
Ribicoff
Robertson
Saltonstall
Scott
Smathers
Smith
Sparkman
Symington
Talmadge
Walters
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—19

Aiken
Bennett
Byrd, Va.
Curtis
Ellender
Ervin
Gore
Hickenlooper
Lausche
McClellan
Mechem
Miller
Proxmire
Russell
Simpson
Stennis
Thurmond
Tower
Williams, Del.

NOT VOTING—7

Anderson
Cotton
Goldwater
Hart
Hruska
Moss
Neuberger

So the conference report was agreed to.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. LONG of Louisiana. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CIVIL RIGHTS ACT OF 1964

The ACTING PRESIDENT pro tempore. The Chair now lays before the Senate H.R. 7152, which the clerk will read the second time.

The legislative clerk read as follows:

> H.R. 7152, an act to enforce the constitutional right to vote, to confer jurisdiction upon the district courts of the United States to provide injunctive relief against discrimination in public accommodations, to authorize the Attorney General to institute suits to protect constitutional rights in public facilities and public education, to extend the Commission on Civil Rights, to prevent discrimination in federally assisted programs, to establish a Commission on Equal Employment Opportunity, and for other purposes.

Mr. MANSFIELD. Mr. President, I object to any further proceedings on H.R.

7152 at the present time. I make that objection pursuant to rule XIV, subsection 4, of the rules of the Senate. I ask that the bill be placed on the calendar in accordance with that rule.

Mr. RUSSELL. Mr. President, I desire to make a point of order with respect to the request which has just been made by the Senator from Montana.

The point of order is predicated upon the fact that rule XIV is ambiguous. Even if it ever were intended to be used in the fashion requested by the Senator from Montana, the rule has been repealed and nullified by the adoption of the Reorganization Act of 1946, which embodied in the rules rule XXV with reference to the jurisdiction of committees and the procedure to be used in handling bills that come to the Senate from the other body, as well as those that are introduced in the Senate.

I am well aware of the political voltage that permeates every aspect of the matter that is before us. Every responsible American citizen is in favor of civil rights. I know that I am in favor of civil rights. I would like to see more civil rights, larger civil rights, and better civil rights. Any bill that bears a label this attractive is very enticing to Members of Congress, particularly when it has the support of so many of the vocal and importunate minority groups in this country.

But, Mr. President, the mere fact that it bears this label does not entitle it to any different treatment from that accorded any other bill.

I am delighted to see in the Chamber this morning the senior Senator from Oregon [Mr. MORSE]. I do not believe that he and I have ever agreed with respect to the merits of legislation in this area. But one of the finest speeches that has ever been made on orderly procedure, and the importance of orderly procedure in the Senate, was made by the senior Senator from Oregon, when he rose above the muck and mire of political combat and addressed himself to the importance of the protection of the committee system in the Senate.

I cannot refrain from expressing my great surprise and astonishment that the leadership of this body, above all others, should take this position, and undertake to get the Senate to approve the precedent of 1957, which holds that any one Senator, at his pleasure, at any time, can prevent any bill coming from the House, or any bill which is introduced in the Senate, from being referred to a committee by this body.

I cannot conceive of any precedent that is more calculated to completely hamstring the leadership of this body, than to permit one Senator to stand at his desk and object, when bills are introduced, or when bills come from the other body, to following the rules of procedure on which the whole parliamentary system is based, by saying that a bill cannot be referred to committee. In other words, I, one Senator, can stand at my desk and say it cannot be referred, but that it must go to the calendar.

The Senator from Montana would be the first to say that the mere fact that he is the majority leader in this body does not give him any greater prerogatives than those possessed by the most recent novitiate who takes his oath of office, to say that he has the right to bypass the committee system, that he has the right to say that a committee shall not consider proposed legislation, and that that is a right which is inherent and vested in every Member of this body.

The tragedy of it is that this kind of procedure is absolutely unnecessary. Nothing on earth prevents any Senator who has the votes, particularly a Senator who occupies the position that the Senator from Montana occupies, from making a motion that the bill be referred to committee and reported back to the Senate at a time certain. That at least would preserve the form of our committee system, or at least, would avoid setting a precedent of this kind, which strikes down, strikes out, the very heart of our legislative process—that is, the committee system.

I am well aware of the argument that has been made that hearings of one kind or another have been held on this subject from time to time, in various committees, here and there. That is not persuasive with me. If we ever adopt such a precedent, what rules have we by which to measure whether the hearings that have been held in three or four committees on different portions of the bill are adequate to enable the Senate to reach an intelligent conclusion when all the provisions are combined or when new provisions have been added on which there have been no hearings? We have no rules, we have no standard, we have no right under our rules except to say: "We have the votes, and this is the way we shall handle this particular proposal."

Before I invite the attention of the Senate to rule XXV, I should like to say in passing that I have studied rule XIV. In my judgment it was never intended that rule XIV should be utilized to destroy the committee system and to abolish the use of committees for the study of proposed legislation.

Rule XIV is ambiguous. It is capable of the construction that has been placed upon it by the Senator from Montana, and there might be some justification for adhering to it if it had not been repealed and annulled by rule XXV, which is based on the so-called Legislative Reorganization Act.

I do not know why rule XIV was adopted in that ambiguous and vague form. I discussed it with our able Parliamentarian—who has been serving the Senate since the memory of no Member of this body runneth to the contrary, who is familiar with all of its customs, and who is steeped in parliamentary knowledge. He advised me that prior to the adoption of rule XXV, which made the rules for the referral of bills to committee clear and specific, introduction of bills provoked continual controversy as to which committee should have jurisdiction. The entire morning hour was sometimes absorbed with discussion of committee jurisdiction of particular measures.

Therefore, the rules were changed so that particular controversy could be avoided and the question of referral could be brought to a head without consuming the entire morning hour.

Mr. President, if the English language means anything, the Reorganization Act provides beyond peradventure for the reference to committee of every bill that is introduced in this body, or every bill that comes to the Senate from the House of Representatives, unless the Members of this body, by unanimous consent, avoid that procedure. Unanimous consent is the only way under rule XXV, which stems from the Reorganization Act, that committee reference of a bill can be avoided.

On the contrary, it has now proposed to return to a situation in which one Senator, instead of obtaining unanimous consent to avoid committee reference, seeks to place on rule XIV the interpretation that one Senator can defeat the will of all the other Members of the Senate, and confound the ordinary parliamentary procedures of the Senate by objecting to the referral of a bill to a committee.

Rule XXV which appears on page 26 of the Senate Manual, establishes the standing committees and specifically prescribes their jurisdiction. That rule was one of the most beneficial results of the Reorganization Act. I say this in the presence of the distinguished Senator from Oklahoma [Mr. MONRONEY] who was one of the prime movers of the Reorganization Act. It was my privilege to serve on that committee; but I am always glad to attribute the primary credit to the late Senator from Wisconsin, Mr. La Follette, and the senior Senator from Oklahoma [Mr. MONRONEY]. One of the great benefits that flowed from that committee was a clear definition of the work of each of the standing committees. That had never been done before. The Senate had a Committee on the Judiciary, but there was always controversy as to how far its authority went. There was a Committee on Agriculture, but there was always some conflict concerning its jurisdiction. Prior to the Reorganization Act there were two or three committees that had to do with the armed services, and there was almost constant controversy as to the proper jurisdiction over proposed legislation dealing with that subject.

But rule XXV, which states the name of each committee and establishes the number of members to be appointed to it, does not say "maybe," "perhaps," or "in case someone does not invoke rule XIV"; it provides, in every instance, to which committee proposed legislation, messages, petitions, memorials, and other matters relating to the described subject shall be referred.

The bill now under discussion falls clearly, in the main, within the jurisdiction of the Committee on the Judiciary, as set forth in item 12, subtitle (L), which deals with civil liberties. The title of the bill certainly would bring it within that jurisdiction, even if the bill itself would not justfy that classification.

I am aware that the statement has been made that the chairman of the Committee on the Judiciary is opposed to legislation of this type. That is not a secret. He is opposed to it and would, of course, do everything he could to defeat it. But that is no reason for breaching the rules of the Senate, because the rules of the Senate provide the means to avoid dilatory tactics within a committee, if Senators wish to use them. A committee is not a master of the Senate; a committee is a servant of the Senate. The Senate can refer a bill to a committee and set a time limit as to when it shall be reported. Or if, after a bill has been referred in the Senate, a committee delays it unduly, a motion can be made to discharge the committee. I realize that it is said that that cannot be done in practice. But it can be done. I have seen it done a number of times in my experience in the Senate; there have been even more occasions in which bills have been referred with a time limit as to when they should be reported.

I realize, too, that the proposed legislation now under discussion is considered to be different from any other. I am aware of some of the pressures that are behind the proposed legislation. I know how irritated some Members of this body become, when legislation of this kind comes up, because they cannot vote on it immediately. They want to take any shortcut of any kind, anywhere, that can be shown to them.

But, Mr. President, our responsibility as Senators is not limited to preserving the Senate procedure with respect to proposed legislation which we oppose; we have an equal responsibility to see to it that the procedures of the Senate in connection with proposed legislation which we approve also are protected. Every Senator has a real interest in preserving orderly procedures in this body.

I point out that not only does the Legislative Reorganization Act specifically outline the committee jurisdiction with the mandatory word "shall" in connection with referral—and I do not know of any one word in the English language which could be more all inclusive in requiring committee reference of a bill—but the committee report, which often is carefully considered in connection with determination of the congressional intent, clearly shows that it was the intent of the Joint Committee on Reorganization of Congress that all proposed legislation be referred to committee.

Mr. President, I would like to read from Senate Report No. 1400, 79th Congress, 2d session, on Senate bill 2177, the number of the Legislative Reorganization Act of 1946, which refers to changes in the rule. The committee report said:

> Inasmuch as this title, as indicated, makes changes in the rules of the two Houses, it is provided in this section that these provisions are enacted as an exercise of the rulemaking power of the Senate and of the House of Representatives, respectively—

In other words, it refers right back to the Constitution—

> or of the House to which they specifically apply; and such rules small supersede other rules—

Note this language by the committee, in its report—

> to the extent that they are inconsistent therewith.

That is the report of the committee. Its clear language shows that that rule supersedes the nebulous and vague language of rule XIV which the majority leader has undertaken to invoke; and this committee report states specifically that in the event of any confusion or conflict, that bill, or rule XXV, shall supersede rule XIV, to which the majority leader has referred. The report stated further:

> It is provided further that these provisions are enacted with full recognition of the constitutional right of either House to change such rules, so far as relating to the procedures of such House, at any time, in the same manner and to the same extent as in the case of any other rule of such House.

The language of the report was approved by the joint committee. The committee was most diligent. As I recall, the distinguished Senator from Illinois [Mr. DIRKSEN], then a Member of the House of Representatives, was at that time a member of the joint committee.

Mr. DIRKSEN. Yes.

Mr. RUSSELL. It was approved by the whole committee, and it was approved by both the House and the Senate. If the English language means anything, the language in rule XXV supersedes any language in rule XIV which might be in conflict with it.

I do not wish to labor this question; but I point out that in 1948, this identical question was submitted to the Senate. It did not come up at that time in an atmosphere such as that which pervades this Chamber now when we are dealing with what is called a civil rights bill. The question arose then with respect to a bill—sponsored by the Senator from Arkansas [Mr. FULBRIGHT]—which had to do with repealing some prohibition on the use of oleomargarine—a prohibition which our friends from the dairy States had put through Congress several years previously.

When that bill came over from the House—just as this bill did—and when it was read the second time, the Senator from Arkansas [Mr. FULBRIGHT] rose and said, "Under rule XIV, I demand that this bill now go to the calendar"—exactly as the majority leader said in the case of this proposed so-called civil rights bill.

If Senators will refer to the CONGRESSIONAL RECORD of the Senate for May 4, 1948, they will find a very interesting discussion on this subject. One of the great lawyers with whom I have served in this body was the late Senator Millikin, of Colorado. With a few words he absolutely demolished any idea that the bill should go to the calendar. He said:

> Mr. President, I would object, because I think the Reorganization Act has already rendered that part of rule XIV inoperative, for the simple reason that the Reorganization Act says that all bills shall be referred to this, that, or the other committee, according to its jurisdiction. That provision conflicts with placing the bill on the calendar without referral; and, by the express language of the Reorganization Act, anything that conflicts with it shall be governed by its terms.

I could read further, at length.

At that time, the distinguished Senator from Massachusetts [Mr. SALTONSTALL] took the position that it was absolutely vital that the bill be referred to committee, and that to do otherwise would be in violation of the legislative process. The upshot of that matter was that it was submitted to the Senate for its decision by the President pro tempore—who, I may say in passing, was one of the fairest men ever to preside over the Senate, the late Senator Arthur Vandenberg, of Michigan. We did not then have a Vice President, for the situation then was the same as the one in which we find ourselves today.

The issue in 1948 did not relate to a so-called civil rights bill; there was not on every editorial page, every day, editorials and cartoons dealing with it.

Groups were not buttonholing Senators and pushing for this, that, or the other. Instead, Senators were then in a position to view objectively the legislative situation and only 15 Senators voted to sustain the position of the Senator from Arkansas, which was identical with the position taken today by the majority leader. The other 56 Members of the Senate who voted agreed that not only sound legislative procedure but also the express terms of the Reorganization Act itself made it mandatory that the bill be referred to committee, even if that were done under instructions which only let it go in one door and out the other. The Senate in 1948 did not set any such precedent as the one we are asked to follow today by following the erroneous ruling of the Senate in 1957—although that ruling was not decided by nearly so lopsided a vote. I refer to the ruling that in special instances the Senate's committees and the Senate committee hearings could be bypassed.

During the course of the debate in 1957, I was amazed to hear able Senators rise and say, "Ordinarily, I do not think rule XIV should be used. I think it would be a bad practice to bypass the committee; but in this case I think rule XIV should be applied." I submit that is the strangest argument of which one could conceive; it says, in short, that the end justifies the means, and that, therefore, Senators should not vote to follow the law, but, instead, should vote to proceed contrary to the law on the theory that the situation in this case entitles that course of action. Mr. President, if such a course would not amount to following lynch law, rather than regular parliamentary law as written into the rules of the Senate, I would like any Member of this body to show me the difference or the distinction.

It is like a man, particularly in the old days, saying, "Ordinarily we ought to send for a judge and have a trial. But in this case we will go ahead and string him up. We will not wait on the judge."

That is exactly the position we will be in if the Senate votes to repeal the Reorganization Act by indirection, without any resolution being before the Senate, but doing so because it is thought that the cause is popular and there are sufficient votes to do so. That is the kind of .thing that is toppling governments all over the world. That is the kind of thing that will destroy law, order, and established governments. That is the philosophy that because we have the power, we will do it even though we do not have the right to do it under the law.

Mr. ERVIN. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield.

Mr. ERVIN. I should like to ask the distinguished Senator from Georgia if a great Frenchman, Alexis de Tocqueville, did not write a book on the American system of government, and if in that book he did not say that if the American system of government was ever destroyed, it would be destroyed by the excesses of the majority in the exercise of its powers.

Mr. RUSSELL. Yes. I believe that statement has been made a number of times, and in a number of different ways. It is a truism that everyone recognizes. On the present case we are asked to depart from our established rules and order. It is said that we can get away with doing this in the present case because it is for a noble cause. Every dictator who has risen to power has done this, claiming that he was acting in the interest of the majority of the people, and that he would do better for them than they could do themselves under the established law that he wished to take over in his own hands. That is nothing new. From the earliest days of history—from the very dawn of history—we have illustration after illustration of this.

Mr. ERVIN. Mr. President, will the Senator yield for another question?

Mr. RUSSELL. I am glad to yield.

Mr. ERVIN. I should like to ask the Senator from Georgia if it is not a fact that the particular bill which we are now discussing was not even reduced to writing in its present form until about the last part of October of last year; and if it was not reduced to writing and reported by the House Committee on the Judiciary after all hearings before the Subcommittee of the Judiciary Committee of the House on other bills had ended.

Mr. RUSSELL. Mr. President, I had not intended to be drawn into a discussion of the procedures that were followed with respect to the manner in which this bill was formulated. Undoubtedly the Senator is correct. I stated earlier that I thought the bill cried out for hearings, because we have had piecemeal hearings between this committee and that committee on parts of it, and on other parts there has been no hearing at all, except such as may have occurred before the House Rules Committee, which is not a legislative committee. I did not intend to enter into a discussion of the merits of the bill.

I am sustained by a proper regard for orderly procedure and for the rules of the Senate. I take the position that it matters not what the content of a bill may be; there is no justification for bypassing the committees of the Senate. The committee is the proper place to determine the merit or the weight to be given a measure. If a committee fails to perform its function properly and timely, the Senate, as the creator of the committee, can reach into the committee and bring the bill back and place it on the calendar. Or the Senate has the authority to refer a measure to a committee with a specified time limitation, thus forcing the bill back to the Senate and then upon the calendar when the time specified has expired.

Mr. ERVIN. Mr. President, will the Senator yield further?

Mr. RUSSELL. I yield.

Mr. ERVIN. I wonder if the Senator would answer a question relating to procedural matters.

Mr. RUSSELL. Yes.

Mr. ERVIN. I should like to ask the Senator if the Senate rules do not permit the Senate to discharge a committee from consideration of a bill by a mere majority vote.

Mr. RUSSELL. I am sorry. Will the Senator repeat his question?

Mr. ERVIN. My question is as follows. Under the Senate rules, cannot the Senate by a bare majority vote discharge any committee of the Senate from the further consideration of a bill, and recall the bill before the Senate for action by the Senate?

Mr. RUSSELL. Indeed, the Senate may. The Senate may instruct the committee by a bare majority vote when the bill is referred. That is wholly consonant with my statement that the committee is a creature of the Senate. The Senate is master of all of its committees. Of course, a majority vote can bring the bill back, or limitations can be imposed as to the time that the committee may consider it in the first instance.

Mr. ERVIN. Mr. President, will the Senator yield for another question along that line?

Mr. RUSSELL. I yield.

Mr. ERVIN. Does it not necessarily follow that the only thing that could be done by letting the bill go to the committee would be to afford an opportunity to members of the committee and the American people to find out what the bill is about and what is in it?

Mr. RUSSELL. Of course, one of the reasons for having committees is to enable the Congress, as one of the supposedly equal and coordinate branches of the Government, to measure up to its constitutional responsibility and afford the American people an opportunity to be heard, and to preserve the right of petition.

The committees of the Congress are the instruments to receive the petitions of the people and the views of the people on legislative subjects. Of course, if the committees are bypassed the right of petition is denied. The people have a right to be heard in these halls. Action of this type that undertakes to bypass the committee system smacks of shortcuts and a gag rule. It not only is a gag of committees of the Senate, but of the people who have the right to be heard.

I am aware of the fact that the Senate will be told at great length that hearings, have been held dating back to 1922 in relation to various pieces of proposed legislation in this area, bearing similar titles. But I point out that we have considered tax bills since the earliest days of the Republic; and the mere fact that we have had hearings on tax bills one year does not avoid the necessity of having hearings the next year. This is particularly true in the present case, when we are considering proposed legislation—a collection of all the suggestions that have ever been made and brought together—that is so momentous that some of us think it would destroy the division of powers and the system of checks and balances upon which our system of government rests. We would like an opportunity to have this brought out in committee hearings in this body.

In the other body, the Rules Committee held some hearings on this bill and the minority finally got a chance to come in and make its protest. But in this body it is proposed that we shall be denied that right, even for 5 minutes or for 3 minutes or under whatever limitations were imposed in the other body—and at times those limitations are quite drastic.

Mr. President, no Senator would deny that the committees are the very foundation stones on which we build our legislation. It has not always been so. In the very earliest days of the Senate, when only two or three bills were being introduced at one session, the whole Senate would consider bills in Committee of the Whole, very much as is done now in the other body when bills have been reported by committees. Then special committees were created to consider this bill or that bill. A special committee consisting of three or four or five Senators would be appointed to consider a specific piece of proposed legislation. Out of that practice evolved our committee system.

The committee procedure is the only firm reliance that we have for obtaining information from an official Senate source in dealing with proposed legislation of this kind. It is proposed now to go into consideration of a bill that some of us think is so momentous in its effect as almost to change our form of government, without a single line of recommendation from any committee, and without any hearings from the committee on the bill in its entirety.

I am aware of the fact that there have been hearings and a report from the Committee on Commerce of the Senate on the so-called public accommodations section of the bill. But there have been no conclusive hearings or report on what I regard as the most important section of the bill, and that is the cutoff authority that would permit any designated bureaucrat at his discretion to repeal any act of Congress as to an area of the country or, indeed, as to the whole country, if in his opinion some one person had been guilty of discriminatory action.

That is, as I have said before, worse than guilt by association. A number of Members of Congress once made reputations by making accusations of guilt by association. This is a case of guilt by location and geography. It is unlimited in its effect. Any number of acts of Congress could be repealed with repect to a particular State or section, or, for that matter, the entire Nation. The Land Grant College Act is just one example. Such a delegation of powers has never been proposed before—and this is done without substantial hearings, or any hearings. However, I am doing the very thing that I did not intend to do at this time—go into the merits of the bill.

I make this statement merely to show that some of us hold very strong and sincere feelings about this proposed legislation. Some Senators may say the political interests of those of us from my section of the country are such that we must take a position against this bill. I can say to them that is no longer true, at least it is not true in all sections of the South. There has been such a complete brainwashing on this matter that there are substantial groups—I know in my own State, and I assume in others—that would take a position that would be very favorable to some aspects of the proposed legislation.

I would not fear to submit the whole bill to the American people in a plebiscite, if it could be fully explained to them. The way it has been dressed up, the way the terrible decrees involved have been covered up by the cushion of soft words and pious phrases, the way the lynch rope of local authority has been made to appear as a pretty little bow tied in the back, the people have been deceived.

Without regard to the merits of the bill, without regard to the attitude of a single Senator on it, I submit that the Senate ought not to adhere to the ruling that was made by a very small majority in 1957. We should return to the precedent of the ruling of the Senate that was made in a calmer hour in 1948, by a vote of 56 to 15.

Let us go back to the express language of the Legislative Reorganization Act and the word "shall."

I take the position that if there had been no vote in 1957, if there had been no vote in 1948, if there were no Reorganization Act, it would be a calamity for the Senate to depart from its committee system.

If there were no rules, no laws, if we operated under nothing more than commonsense and reason, we ought to depend on the committee system of this body to handle legislation and report it to us with reports that analyze the proposals.

I appeal to each Member of this body. In the language of the eloquent majority leader the other day, I ask Senators to search their souls and look into their own minds before they vote, and decide for themselves. Let them ask themselves this question: "How would I vote on bypassing a committee if it were an ordinary piece of legislation? How would I vote on bypassing a committee if I were opposed to a certain piece of legislation? Would I want to be able to exercise my right as a Senator to be heard before a committee?"

If Members of this body will consult their consciences as to how they would act if the issue did not involve a so-called civil rights bill, how would they vote? They know in their own hearts that they would vote to follow the rules of the Senate and send the bill to committee.

I ask in this case only that Senators not resort to the law of the jungle and, merely because they have the strength, say, "We will devour you now, without any regard to the law and rules of the Senate."

The Reorganization Act requires that this bill shall go to committee. How long the bill would remain before the committee would be a question for the Senate to determine. Or if, in the opinion of Senators it remained in the committee too long, a motion could be made to discharge the committee.

I say that not only the law, but good legislative procedure, demands that proposed legislation shall go to committees. I do not know any instance that I can cite in which the Senate should depart from the law and the rules of the Senate with regard to reference to committees.

The ACTING PRESIDENT pro tempore. The Chair is prepared to rule. The Senator from Georgia [Mr. RUSSELL] has made a point of order——

Mr. MORSE. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. MORSE. Is it the Chair's view that Senators cannot state their views on the point of order which has been raised until the Chair rules, and that if we wish to discuss those views we must discuss them under an appeal from the ruling of the Chair?

The ACTING PRESIDENT pro tempore. The Parliamentarian informs the Chair that the point of order is not debatable. The Chair, for his own purposes, has listened attentively to the discussion of the point of order by the Senator from Georgia. However, after the Chair rules, an appeal can be made from the decision of the Chair, which is debatable.

Mr. MORSE. The Chair is completely right.

Mr. JAVITS. Mr. President, a further parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. JAVITS. The Chair may, however, if he wishes, hear arguments to sustain rule XIV.

The ACTING PRESIDENT pro tempore. The Chair is prepared to rule.

Mr. JAVITS. In other words, the Chair does not care to hear further arguments at this time?

The ACTING PRESIDENT pro tempore. The Senator will have an opportunity to make further arguments, by way of appeal from the ruling of the Chair.

RULING OF THE CHAIR

The Senator from Georgia [Mr. RUSSELL] has made a point of order that paragraph 4 of rule XIV, requiring a bill that has been read the second time and has not been referred to a committee to be placed on the calendar, has been superseded by the provision of the Legislative Reorganization Act of 1946, which provides for mandatory references of bills to committees.

The present occupant of the chair has studied the precedents cited by the Senator from Georgia.

This question has been before the Senate on several occasions, and in 1957, after a full discussion of the parliamentary situation, the Senate, by a yea-and-nay vote, decided that the point of order of the Senator from Georgia was not well taken.

In line with that precedent, the Chair is impelled to overrule the point of order, which decision, under the rule, is subject, of course, to an appeal, without prejudice, which is debatable.

Mr. RUSSELL rose.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. RUSSELL. Mr. President, I respectfully appeal from the decision of the Chair.

The ACTING PRESIDENT pro tempore. The Chair will state the question, and then the Senator from Georgia will be recognized.

The question is, Shall the decision of the Chair stand as the judgment of the Senate?

The Senator from Georgia.

Mr. RUSSELL. The Chair, of course, has the right to rule on this question. He has familiarized himself with the precedents. Yet he referred only to the 1957 precedent, and not to the 1948 precedent; but I am aware that the Chair did not have to refer to precedents.

However, I point out that this situation is rather unusual. Heretofore, when questions of this kind have arisen, other Presiding Officers—who were not so confident that they had every known answer under their immediate control—have submitted this question to the Senate for determination. They have let the Senate make the ruling. The Senate had made a ruling prior to the 1957 ruling on which the Chair relies.

I am aware of the reason why that is done. It was done because Senators were not willing to let the Senate enter into a debate on the question without having the power to lay on the table the pending appeal. This was not necessary, because I did not know of anyone who desired to discuss the matter at great length; but I trust now that it will be done because the Chair has resorted to this very unusual procedure.

Of course, I have great respect for the Chair, both as a Senator and as a parliamentarian, and for the occupant of the Presiding Officer's position. Heretofore, in every instance in which such questions have arisen under rule XIV, the Presiding Officer has submitted them to the Senate for determination.

Mr. President, I now suggest the absence of a quorum.

Mr. JOHNSTON. Mr. President, will the Senator from Georgia defer the suggestion of the absence of a quorum for a moment, so that I may ask a question of the Presiding Officer?

Mr. RUSSELL. I shall be glad to defer to the Senator from South Carolina provided that in so doing I do not lose my right to the floor.

Mr. JOHNSTON. I wish to ask a question of the Chair.

If a motion is made to put the bill on the calendar, will a motion be in order for the bill to go to committee, say, for 10 days or 2 weeks?

The ACTING PRESIDENT pro tempore. The ruling of the Chair has been appealed from, and under the ruling, if it is sustained, the bill will automatically go on the calendar. It has already been ruled on.

Mr. JOHNSTON. I know that is true in this case, but I am asking the question so that Senators will know what to do in the future. I wish to know whether a substitute motion could be made, that it be referred to the committee, say, for 10 days or 2 weeks.

The ACTING PRESIDENT pro tempore. As the Chair understands the application of rule XIV, when objection is made to sending the bill to committee on second reading of the bill, it automatically goes to the calendar without any motion, and no such motion would then be in order. Such motion as the Senator from South Carolina suggests would not be necessary. If there were no objection such as the Senator from Montana has made under rule XIV, the bill would automatically be placed on the calendar under the provisions of rule XXV, as the Senator from Georgia has suggested. There has been a second reading of the bill. Objection has been made. The Chair has now ruled that when such objection is made, the bill goes automatically to the calendar.

Mr. JOHNSTON. I realize that that can be done. The only thing we can do is to appeal from the ruling of the Chair at this particular time.

The ACTING PRESIDENT pro tempore. The Senator is correct; and the distinguished Senator from Georgia [Mr. Russell] has already done that.

Mr. JOHNSTON. But does not this place the majority leader in a position in which he makes a motion, and without——

The ACTING PRESIDENT pro tempore. The majority leader objected to——

Mr. JOHNSTON. So the effect is a gag rule, with one vote?

The ACTING PRESIDENT pro tempore. The Senator from Georgia pointed that out, and it has been argued. The majority leader or any other Senator could make a similar objection, and under the ruling that has been presented the bill automatically would go to the calendar.

Mr. JOHNSTON. I am glad to have the Chair explain it. I wish every Senator to know that that is the position in which we, the Senate, will be placed in the future. One Senator can make a motion of that kind; and no motion can be made to the contrary, and no substitute can be offered.

The ACTING PRESIDENT pro tempore. Does the Senator from Georgia desire to renew his——

Mr. MANSFIELD. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I am always glad to cooperate with the majority leader. I will yield to him, but I must insist on my right to——

The ACTING PRESIDENT pro tempore. The Senator from Georgia has the floor. He has suggested the absence of a quorum——

Mr. RUSSELL. I said that I would be glad to defer it, provided my right to the floor was not affected. I do not wish to get caught in this "Montana complex" and lose my right to the floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia yields to the Senator from Montana, with the understanding that he does not lose his right to the floor.

Mr. MANSFIELD. Mr. President, I should like to make a few remarks on a number of questions.

First, I was interested in the power which the distinguished Senator from South Carolina attributes to the majority leader. It is news to me. Any Senator has the same right which I exercised. The majority leader has no more, no less. He does have the courtesy of prior recognition and that is all.

So far as concerns a ruling made by my colleague in the chair, the Senator from Montana [Mr. Metcalf] served on the Bench of the Supreme Court of the State of Montana. He went through law school at Montana University, and was graduated with honors. He served in the legislature of the State of Montana. He has served with distinction in the armed services of our country, and also as a Senator. I believe that he is one of the fairest minded men to be found anywhere.

I consulted the Parliamentarian before this question came up, because as a part of my responsibilities I have to do some spade work ahead of time. This is a part of the memoranda which was prepared for me:

> Heretofore, in such cases, the Presiding Officer has submitted the point of order for the decision of the Senate on a direct vote, which is debatable, although if he so desires, he could rule on it himself, which decision would be subject to an appeal. If submitted to the Senate, a motion to lay the point of order on the table would be in order and not debatable.

I point out that my distinguished colleague the Senator from Montana [Mr. Metcalf], now the Acting President pro tempore of the Senate, in this instance has indicated that while he did not go as far back as the 1948 decision having to do with oleomargarine, he did go back to the 1957 decision having to do with the question of civil rights.

Statements have been made about some of us being in difficulty because a "popular cause" is involved. I am not sure that it is. I do not know. Questions have been raised about "votes" influencing some Senators. So far as I am concerned, I am not being influenced by "votes," because the "votes" do not exist.

The question of political profit has been raised. I do not believe any Member of this body, North, South, East or West, can expect any political profit from this question. But the question is before the Senate. The issue demands action. The time is now. And whether we like it or not, we must face this issue in our own way, and reach a decision based upon our best judgment. For too many years the Supreme Court has been making the decisions of the Congress because we have tended to avoid and evade the issue.

I say to my colleagues that the time for avoidance and evasion is past.

Mr. JAVITS. Mr. President, will the Senator from Georgia permit the Senator from Montana to yield to me?

Mr. RUSSELL. Mr. President, I have no desire to decline to yield to any Senator——

Mr. JAVITS. Will the Senator yield me 30 seconds?

Mr. RUSSELL. I would be glad to yield to the Senator from New York and to the majority leader, but I do not want to do something that would jeopardize my right to the floor.

Mr. JAVITS. Mr. President, will the Senator from Georgia yield to me very briefly?

Mr. RUSSELL. I yield, with the understanding that I do not lose my right to the floor.

Mr. JAVITS. Mr. President, first I should like to say to the majority leader that I have rarely heard a more eloquent statement than the one he has made, and that the one word that befits my response in responding to him is the word "amen."

I should like to ask this question of the Senator from Georgia, before he suggests the absence of a quorum, so that those of us who wish to be heard on his point of order may know precisely what his point of order is.

Do I correctly understand his exact point to be that the Legislative Reorganization Act of 1946, in the mandate that bills and resolutions shall be referred to a committee, is inconsistent with rule XIV of the Senate; and that, therefore, the ruling of the chair is in error?

Mr. RUSSELL. The Senator is eminently correct. That is my primary point. I say that the language "shall be referred to committee" supersedes the language which provides that the bill shall go to the calendar.

Mr. JAVITS. I disagree with the Senator on that point; and I shall speak on it later.

Mr. RUSSELL. The committee report shows what the committee thought at the time the report was submitted.

Mr. JAVITS. I thank the Senator.

Mr. THURMOND. Mr. President, will the Senator yield to me briefly?

Mr. RUSSELL. I yield to the Senator from South Carolina with the understanding that I do not lose my right to the floor.

Mr. THURMOND. Mr. President, I merely wish to commend the majority leader for his frankness in saying that the Supreme Court has handed down decisions because Congress has failed to act. I am amazed that the majority leader should make that statement. However, how true it is. Because Congress has failed to act, the Supreme Court has taken upon itself the duty to legislate. Thus it has become the third legislative body of Government. I am glad that the majority leader has now admitted it.

Mr. MANSFIELD. Mr. President, will the Senator from Georgia yield to me briefly? I wish to reply to the Senator from South Carolina.

Mr. RUSSELL. I am glad to yield, with the understanding that my right to the floor is protected by the Chair.

The ACTING PRESIDENT pro tempore. That is the understanding of the Chair. The Senator yields to the Senator from Montana with the understanding that he does not lose his right to the floor.

Mr. MANSFIELD. I say to my distinguished friend from South Carolina that I made no such admission. I have not accused and do not accuse the Supreme Court or any court of being the third legislative branch of our Government. I have tried to indicate that issues have gone through the courts—and many of them finally ended in the Supreme Court—which we should have faced in Congress, regardless of our personal views, whether we like them or not, because at some time, some how, in some way those issues will have to be faced and decided.

Mr. THURMOND. Mr. President, will the Senator yield to me briefly so that I may answer the Senator from Montana?

Mr. RUSSELL. I yield briefly to the Senator from South Carolina.

Mr. THURMOND. The record will speak for itself. If I heard correctly, I understood the majority leader to say that the Supreme Court had handed down decisions because Congress had not acted. Did I misunderstand the majority leader?

Mr. MANSFIELD. The Senator did not; but through the judicial process and not the legislative process, which rests in Congress.

Mr. THURMOND. Was not the implication to the effect that we in Congress should act because, since we have not acted, the Supreme Court has been forced to act? On my own accord I made the statement that the Supreme Court has become the third legislative body. I repeat it, I believe it, and I believe the American people believe it.

Mr. MANSFIELD. On the basis of the latest explanation, the Senator himself is correct in his own interpretation.

Mr. MORSE. Mr. President, will the Senator yield to me briefly?

Mr. RUSSELL. I ask unanimous consent that I may yield to the Senator from Oregon without my losing my right to the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MORSE. Mr. President, I have not changed my opinion in regard to what I think is the best procedure for the Senate to follow in relation to committees. I have not changed that view since 1957. From the standpoint of the interpretation of the rules and differences of opinion which exist in the Senate with regard to the rules, I share the point of view of the Senator from Georgia as to rule XXV. But I do not share the point of view that, because the Senate made a mistake in 1957, we should go on making the same mistake every time we consider a civil rights bill. Bad precedents do not make good law. I believe when we have an opportunity to get rid of them, they should be eliminated.

A great public policy question is before the Senate. In that connection, we owe a great responsibility to the American people to see to it that we make a historic record in the consideration of this issue, so that Americans 100 years from now will be proud of this Senate as a Senate that saw to it that complete fairness was afforded to all points of view in the consideration of the issue which led to the final decision made by Congress.

I shall be very brief at this point. I shall speak at greater length later. I merely wish the RECORD to show at this time how the senior Senator from Oregon stands on this issue.

We would make a great mistake if we put this bill directly on the calendar and proceeded to turn the Senate into a Committee of the Whole and debated this issue. Let us remember that as a Committee of the Whole we cannot call witnesses; we must be our own witnesses. We cannot build a record on the floor of the Senate on this bill which the American people and American history are entitled to have made. We have great obligations to American history in this debate.

The bill ought to go to committee—and that is the same position I took in 1957 and in 1960—with instructions that the committee consider it for such period of time as we decide is a fair and reasonable time. I am perfectly willing to lead with the suggestion that it go to committee for 2 weeks, to give the Judiciary Committee an opportunity to bring in authorities and experts, who ought to be asked to make a record for the committee as witnesses, and for the Senate through the committee.

I would have the Senate keep in mind the fact that in my judgment we are moving into a parliamentary situation in which in the not too distant future there will prevail on the floor of the Senate what is known as the parliamentary tactic of the filibuster. The possibilities are rather good that that may take place.

The filibuster will not be broken in the Senate. The filibuster will be broken by American public opinion.

I yield to no man in this body in support of a civil rights bill that gives full and complete rights to the Negroes of this country under the 14th amendment, because the 14th amendment, when all is said and done, is the heart of the great debate that is about to take place in the Senate.

The time has come when Congress must implement the 14th amendment and must implement any other part of the Constitution that needs to be implemented, in order to give the Negroes of this country the same constitutional rights that every white citizen enjoys. That is my position. My only reservations about the House-passed civil rights bill are that it may not be strong enough in protecting the constitutional rights of colored Americans.

I am well aware that because I do not go along with putting this measure directly on the calendar, questions may be raised as to my position on civil rights. But I believe that the best way to enlist public support for this kind of legislation is for us to take orderly steps, one by one, to make certain that we make a historic record that will not raise a reasonable doubt in the mind of any fair-minded person as to whether or not a proper due-process course was taken from the beginning to the end of this debate. So I say to my civil rights adherents and colleagues and coworkers that as civil righters we shall make a mistake if we do not send the bill to committee for 2 weeks and make a committee record as a historic document to which we can point as a basis for evidence on point after point that will be raised in the hearings.

As a lawyer, I believe that we need that kind of record on which to stand when we come to the moment of ultimate decision. Then we can point to that record. There are quite a few people, of national repute, recognized authorities in not only the fields of constitutional law, but in other fields that are encompassed in the bill, who ought to be heard in the Senate committee hearings, so that we can make a record that can be brought to the Senate and on which we can stand as we present our views on legislation in behalf of a fair and sound civil rights bill.

So my plea to the leadership is that I wish they would think about the situation again. Two weeks is not long. When one thinks of the long, hard road that has been traveled in bringing civil rights legislation to the point where it now is, 2 weeks is not unreasonable. It is a rather fair period, although I am not fixed to that particular period, if it can be shown that it should be longer or shorter; but we ought to send the bill to committee in order to obtain a committee record, and then stand on that committee record as the foundation of our debate. Therefore I shall vote to overrule the decision of the Chair.

Mr. JAVITS. Mr. President, will the Senator yield for a short reply?

Mr. RUSSELL. No, I shall not. I think I have been reasonably gracious in yielding, and I do not expect to hold the floor much longer.

Mr. President, the senior Senator from Oregon and I are poles apart in our interpretation of the 14th amendment. But in this body there has never been a greater scholar in the following of Senate procedure most calculated to give life to the Senate as a legislative body than the Senator from Oregon.

I wish to say a few words with regard to the statements made by the majority leader. He did not say that the Supreme Court had legislated, but he did indicate that if the Senate did not take some action, the Supreme Court would. I hope the Senate has not so far lost its self-respect that it would legislate under any such excuse and theory as that.

The Supreme Court does not need any excuses to get far afield, in my judgment. In a Pennsylvania case, the Supreme Court declared that the State could not have laws to punish those who were guilty of subversion, and who were trying to overthrow the Federal Government and the State government. That decision was rendered despite the very apparent fact that the Congress did not intend to deny jurisdiction to the State courts to enforce State laws but intended the Smith Act to complement State laws. If we are afraid of what the Supreme Court may do, we shall have to abolish the Constitution and pass every fantasy that has ever fleeted its way through the mind of man.

The Nelson case arose from a legislative act of the State of Pennsylvania which punished Communists and subversives who came into Pennsylvania and undertook to overthrow the laws of that State and the United States. The Supreme Court, relying on the so-called Smith Act, held that the Federal law preempted that field, even though authors and principal advocates of the Smith Act made it quite clear that it was not intended to repeal or interfere with any law of any State.

If Congress ever starts to legislate on the threat of what a majority of the present Supreme Court might do, we shall not be involved only with civil rights; we shall end in the middle of the Atlantic Ocean, so far as the present Supreme Court is concerned. I hope Senators will not be persuaded by that argument.

It is true that the Supreme Court in some instances—perhaps in several instances—has invaded what seemed to me to be the legislative field. But I will not debate that question now. The Supreme Court plays enough havoc with our institutions just by its decisions on acts passed by the Congress such as the Smith Act.

I did not intend to provoke the senior Senator from Montana [Mr. MANSFIELD] into a fiery defense of his colleague [Mr. METCALF]. I attacked neither him nor his colleague. I expressed my surprise at the ruling by the Presiding Officer; when similar matters have arisen, other Presiding Officers have expressed their opinion on the question and then submitted it to the Senate for decision. They said, in effect, "This is my opinion; now let the Senate express its judgment. In the last analysis, it will have to determine the rules of this body."

I must express my amazement that the Senator from Montana [Mr. METCALF] followed the ruling and reasoning of Vice President Nixon in 1957 instead of that of President pro tempore Vandenberg in 1948. I have not cast any aspersions whatever on the Senator's legal ability, on his valor in war, or on his ability as a Member of the Senate.

I shall not draw any comparisons, but when the question was before the Senate in 1957, John F. Kennedy, the late lamented President of the United States, was a Member of this body. He was a college graduate. He had been in the war. He was a man of ability. The American people thought he was a man of integrity; they elected him President of the United States. He took a position directly contrary to that taken by the present occupant of the chair. He voted that the Senate rules did not permit one Senator to prevent committee reference. His vote stands in the CONGRESSIONAL RECORD as a monument to his sense of justice and his fairness. He was for civil rights. But he was a fair and courageous man. By his vote he said, "It is not right to strike down the committee system merely for the sake of expediency."

Another Senator who said he was for civil rights but who voted against bypassing the committee is the present President of the United States. He also served his country during the war. He also is a man of some prominence in his community. When this question came up in the Senate, he voted against Vice President Nixon, whose ruling has been upheld by the present occupant of the chair. He voted that it was wrong to bypass the committees of the Senate and destroy the committee structure of the Senate by this kind of erosion.

Whatever may have been his purpose or motivation, I did not attack the present Presiding Officer. I am surprised that it should be thought that I did.

I still believe that in questions involving the rules of the Senate, it is fairer to submit them to the Senate for decision than it is to submit them to a ruling by the Presiding Officer. In the last analysis, this is a matter that the Senate must decide in its own conscience.

In his remarks, the distinguished majority leader talked about votes. Mr. President, I have not said anything today with regard to that so far as I recall, other than to mention that in the area from whence I come opinion is not altogether one-sided. I did not refer to the prospect of any Senator gaining any great number of votes from this bill. I do not believe any Senator will gain any political credit from this situation. The Republican Member of the House placed a rather large price tag on their support of this proposed legislation. Some of them must have been rather appalled at the prospect contained in the bill of the Government taking over the functions of hiring practices in private businesses and so forth. At any rate, Members of the House decided to support this drastic measure.

Mr. President, we are not here dealing with political credit, and in my argument today I did not raise the question of votes. I undertook to appeal to the conscience of the Senate.

I am well aware that we are all human beings, that the Senate is an institution composed of human beings, and that no human institution has ever achieved perfection. I know of nothing in human history—and for about 50 years I have tried to read it—that indicates that human institutions ever will achieve perfection.

Nevertheless, Mr. President, I have great faith in the Senate, and I believe the great majority of the Members of the Senate are persons of integrity, character, and ability, and that they will reach their decisions accordingly. I only ask them again to submit to their minds and their consciences this question: If this bill were one to which they were opposed, would they vote for application of the archaic rule which enables 1 Senator to defeat the rights of the other 99 Senators—and that 1 Senator would not necessarily be the majority leader—and thus deny the application of the rules of the Senate? If Senators will submit that question to their minds and their consciences, and if they arrive at their answer on that basis, I shall be content. I appeal to all Senators carefully to consult their consciences and their best judgment, and to reach their decision accordingly.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

[No. 45 Leg.]

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Church
Clark
Cooper
Curtis
Dirksen
Dodd
Dominick
Douglas
Eastland
Edmondson
Ellender
Engle
Ervin
Fong
Fulbright
Gore
Gruening
Hartke
Hayden
Hickenlooper
Hill
Holland
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kennedy
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Mechem
Metcalf
Miller
Monroney
Morse
Morton
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Robertson
Russell
Saltonstall
Scott
Simpson
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

The PRESIDING OFFICER. A quorum is present.

Mr. JAVITS. Mr. President, I should like to address myself to the appeal from the ruling of the chair taken by the Senator from Georgia [Mr. RUSSELL]. I hope very much that the Senator from Oregon [Mr. MORSE] will come into the Chamber before very long. I hope perhaps the attachés will advise him, because I should like to address myself also to the plea that he addressed to his fellow Senators who are deeply interested in the civil rights struggle—and I believe I qualify in that regard—that it would be in their best interest to allow the bill to be referred to a committee.

Mr. President, the debate is historic. It starts now, no matter what intervenes. And I have little doubt that, whatever may be the views of any of us, there will be an intervening bill here and there. The debate will go on for weeks. One thing must be said immediately, for in my judgment it characterizes the nature of the debate in a way in which it was not characterized in 1957 and in 1960. That is, we have had such evidences of the danger to public order and tranquility in respect to the civil rights struggle that I do not see how we can now debate the whole issue except in the light of our duty to do justice under the Constitution, to uphold the morality of the country, and also to maintain public order and tranquility, which is equally at stake in respect to this great debate.

In addition, as our problems in the world become greater—and they are becoming greater—the premium upon a country well knit together, integrated with faith and justice, without major causes for public dissatisfaction and disgruntlement, becomes all the more commanding. For all those reasons—and for the basic economic reason that if we can bring the American Negro to his proper status in American society, the result will be a great economic gain, variously estimated at $17 to $30 billion a year in sheer economic terms.

For all these reasons the debate is historic. The decision which the Senate will make upon this appeal is historic. Every element of the controversy assumes vital national characteristics.

The thing that puzzles me about the presentation of the Senator from Oregon, who asks those of us who are interested in civil rights to send the bill to a committee, is as follows: If the ruling of the Chair were to be overturned, the bill would automatically be referred to a committee and it would promptly rest there forever. That is where it would be buried.

This is the history of the Senate's experience with civil rights bills sent to the Judiciary Committee.

On the other hand, as I read the rules, if the Senate sustains the Chair and the bill goes to the calendar, the Senate will have the control over whether or not it will send the bill to committee, and for how long. Unless the vote is to sustain the Chair, Senators may be denied the very control which is pleaded for. So if the Senate wants control of the bill, if it wants the power to decide when it will call it up or when it will send it to committee, if it wants the power to determine how long the committee shall keep the bill or when it will report it, it should sustain the Chair. Otherwise the Senate may be relegated to the discharge procedure under its rules, which is difficult because there is involved the question of discharging a committee without consent of the chairman, which is practically never done. I have tried it. My colleagues have tried it with civil rights bills that have slumbered in the Judiciary Committee for a year or 2 years, until the Senate adjourned. Therefore, with all this involved, such a course would be inappropriate.

So, as far as we can see now, if we wish to have full control of the legislation, the thing the Senate should do is sustain the Chair, to make sure the bill stays on the calendar. If it goes to committee automatically because the Chair is overruled, the fat will be in the fire, and there will be involved the time honored custom of having the Judiciary Committee sit on the bill; and the recourse would be to discharge the committee, which is practically never done, as Senators well know.

The next question is the legal question to which I now address myself. Is the Senator from Georgia correct in his contention that there is an inconsistency between the Legislative Reorganization Act of 1946, and the rule which predates it, rule XIV, which is now being invoked?

There is a very well established rule of legal interpretation on the question of inconsistency between two statutes. Insofar as the Senate is concerned, its rules are, for it, tantamount to a statute, just as much in force and effect as the Legislative Reorganization Act itself.

That whole body of law is summed up in the concept of the word "inconsistent." Is it inconsistent? The courts have stated many times—and there is really no need for a citation, because it is such hornbook law—that the courts will make every effort to reconcile two different laws and to do all that humanly can be done to keep them consistent, rather than make them inconsistent and therefore strike one of them down. That is a very common rule——

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HOLLAND. The Senator would be correct if he were comparing two statutes and there were some inconsistency, but it seems to me he is not in that situation here, because he is in the position of destroying the effect of a statute passed after the rule was adopted, and it is my understanding that a statute has a much stronger standing than a rule.

I ask the distinguished Senator to give us his views on that question.

Mr. JAVITS. In the first place, my view is that the rules of the Senate are, for the Senate, a statute having the same force and effect in the Senate as a public law has for the entire Nation. In the second place, the language in the Legislative Reorganization Act itself is adequate, because it in so many words states what is the prevailing law of statutory interpretation—that is, that it will preserve what is in the rules and what is in the Reorganization Act unless they are inconsistent. That is the wording of the law. So whether or not we equate the rules and the Legislative Reorganization Act as of the same power, the same impressive effect, is in this case not material. Therefore, we do not have to divide or agree on it. The standard contained in the law itself is the same as the standard would be if nothing were said and there were two public laws which were inconsistent.

In this case, also, and very importantly—as the Senator from Kentucky [Mr. COOPER] has reminded me—the Constitution gives the Senate power to adopt its own rules, and therefore the supreme law of the land is involved in the status of the rules.

As I have said, it is unnecessary to debate that question, because the statute itself, the Legislative Reorganization Act, uses the word "inconsistent."

So I questioned the Senator from Georgia, and he agreed, as to whether the fundamental issue is, "Are these two rules inconsistent?"

They are not inconsistent, and for this reason: The Legislative Reorganization Act provides that bills on certain subjects "shall be referred" to certain committees. Rule XIV provides that they shall be referred unless two things happen. One thing is that it involves a bill which comes from the House of Representatives. The other is that objection is made by a Senator immediately after the second reading. So the language of the statute and of the rule, taking both together, provides that a bill shall be referred to the appropriate committee unless it is a bill which comes from the House of Representatives and upon second reading is objected to by any Senator, in which case it goes on the calendar.

It seems to me this is a completely consistent legislative scheme. There is no negation. We can logically and intellectually read both provisions together.

Therefore, the word "inconsistent," which is the qualification of the Reorganization Act of 1946, is fully answered by the fact that both these provisions are consistent. No effort has ever been made to push rule XIV beyond that point.

So much for the legal argument.

It is my judgment that the Chair is absolutely correct, as I have just stated—that it is entirely consistent, rather than inconsistent, to have a mandatory requirement for reference to a committee unless objection is heard and a provision that certain kinds of bills shall go to certain committees.

All kinds of things happen without measures going to committee, according to the rules. Conference committee reports are considered without going to committee. As a matter of fact, they have priority. If there is no objection, resolutions may be considered on presentation, or if there is objection, may lie over a day, and then go to the calendar. So there is no universal, unequivocal rule that everything goes to committee. Of course, it does not. So this exception from the general rule that bills and resolutions shall go to committee is entirely consistent with the general rule.

Now, it is said that we are bypassing the rules of the Senate. I took those words down as the distinguished Senator from Georgia uttered them. It seems to me that we are complying with the rules of the Senate. It is those who would argue that the words of rule XIV have no effect who are seeking to bypass the rules of the Senate by invoking some other act. After all, rule XIV provides exactly and precisely what has been done here this afternoon; namely, that the bill that comes over from the House of Representatives, when objected to, shall go on the calendar. It is those who are seeking to construe the meaning of the Legislative Reorganization Act as it affects rule XIV, who are bypassing it, not we. We are obeying the letter of the rule. It is high time that we did. I hope very much that we shall continue to do so in the course of the debate.

For too long our friends who are deeply entrenched opponents of civil rights have used the rules to the full—in order to do what? To frustrate the Senate from voting. Is that high morality or constitutionality? I should say not.

In some respects they are entirely within their rights. If we could not muster a two-thirds vote under rule XXII to close debate, they would have every right to debate until the cows came home or until the bill was watered down to their satisfaction.

I state affirmatively, and upon my conviction, that the civil rights acts of 1957 and 1960 were not bills which a majority of the country would have enacted into law. They were much less than that. They were much less than that because they were cut down by an effective filibuster against them, or the threat of one. When we talk about using the rule, we will use the rule, and we will use the rule exactly as it is written. Our opponents have done so consistently through the whole history of civil rights legislation, so why not we—at long last?

We are told that we are saying—and again I quote from the distinguished Senator from Georgia [Mr. RUSSELL], "Because we have the strength, we will devour you." Let us compare that with the absolute power of a minority of Senators, notwithstanding the majority rule built into the Constitution, over what goes into a civil rights bill, because of the filibuster and the inability to muster a two-thirds vote to break it.

With all due respect, I do not feel that these arguments deserve to be equated by us in terms of overruling the Chair.

We are told that a Senator has too much power under rule XIV. Mr. President, a Senator can object to consideration of a bill on the call of the calendar, as the distinguished Senator from Oregon [Mr. MORSE] has done many times in enforcing the so-called Morse formula on valuation. The bill is passed over until the Senate has the time to debate the bill.

One Senator can object to dispensing with the reading of the Journal, and it can be amended in such a way as to require many days of debate; and no other Senator can do anything about it.

One Senator has spoken on the floor of the Senate for 27 hours. That is a rather big power, and its exercise requires a rather strong Senator.

One Senator, by objecting and then standing on his feet in the Chamber during an entire session from one end of the day to the other and objecting to every unanimous-consent request made by any Senator for any reason, can tie the Senate up in knots so that it cannot function, and is completely paralyzed.

That is a great deal of power for one Senator.

So there is nothing so terrible or special about one Senator's objection under rule XIV, to send a bill to the calendar.

May I give one other example of the power of a single Senator. I believe the distinguished Senator from South Carolina [Mr. THURMOND] caused the Senate to go into secret session, to close the doors, to clear the galleries, to consider a matter which in his deepest conscience he believed should be considered in secret session. That is a great deal of power, too.

So one Senator possesses a great deal of power. That is no argument against rule XIV.

Finally, after the bill is placed on the calendar, as I hope will be done, shall we leave it there? This is the only way in which we may have control over the measure coming from the House of Representatives, in terms of whether it will or will not be interred by the Judiciary Committee, or how soon it shall be reported after we decide to send it there for a short time. Otherwise it will stay there.

The next question is, Shall we exercise that discretion and send it to a committee? The answer is decisively "No." We did exactly that in 1960. In deference to the arguments made at that time, we sent the bill to a committee, I believe for 5 days. And after 5 days, 2 of them spent in hearings, what happened? The only thing of substance that happened was the passing of 5 days.

I do not believe we can engage in these face-saving devices at such a serious time as the present over the issue of civil rights on the theory that we are preserving a committee system.

I hold in my hand all the volumes of the hearings already held before Senate committees on the civil rights bill in this Congress. This is a rather impressive body of information. Can anyone conceive of any question as thoroughly considered as this being considered again within the 2 weeks in committee that the Senator from Oregon has suggested? Of course not. I shall read the titles.

The first title is "Civil Rights, the President's Program, 1963—Hearing of the Committee on the Judiciary."

Mr. MORSE. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. MORSE. Are those hearings on the bill that the majority leader wishes to place on the calendar?

Mr. JAVITS. Those hearings are on the basic subject of the bill.

Mr. MORSE. Not on this bill?

Mr. JAVITS. Not upon the exact terms of this bill.

Mr. MORSE. I thank the Senator.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. AIKEN. I notice that the Senator from New York has before him a substantial armful of printed records of hearings. I hold in my hand the hearings on the textile subsidy bill and the wheat legislation. It seems to me that, judging from the volume of the hearings, the civil rights bill is in a much better state of preparation to come to the floor and be acted upon than the manufacturer's export tax or the textile subsidy bill covered by little, skimpy hearings. I never noticed the great volume of testimony which had been given on the civil rights legislation before, and I am glad that it is so well prepared for action by the Senate.

Mr. JAVITS. The hearings on the President's civil rights program sent up in 1963 bear directly in every germane way upon the provisions which are now incorporated in the bill. The hearings held before the Senate Judiciary Committee in July, August, and September of 1963 are entitled, "Civil Rights, the President's Program, 1963." The record is 483 pages long.

The next hearings, on fair employment practices legislation, were held before the Committee on Labor and Public Welfare, of which I have the honor to be a member. That record is 578 pages long. The hearings were held in July and August of last year.

The next one is entitled, "Civil Rights, Public Accommodations," hearings held throughout the month of July—almost daily—of 1963, by the Senate Committee on Commerce. That record is 1,524 pages long.

Incidentally, two of the bills were reported to the Senate. The bill on equal opportunity in employment, and the bill on public accommodations, had already been reported by the Senate committees before the House bill came over. They are now on the calendar and have not been acted upon.

Mr. KEATING. Has the Senator included the hearings on the bill before the Judiciary Committee in 1963?

Mr. JAVITS. I have; that was the first volume.

Mr. KEATING. In all fairness it should be said that at that time the only witness called was the Attorney General. He was questioned by one member of the committee for nine sessions. Other Senators had no opportunity to question the Attorney General. How many pages are covered by that record?

Mr. JAVITS. That particular hearing, I believe, took 483 pages.

Mr. KEATING. That is illustrative of what would take place if further hearings were held by the Judiciary Committee or one of its subcommittees. The precedent set by the interrogation of the Attorney General by one of our distinguished legal colleagues is indicative of what we have come to learn happens when the committee on which I have the honor to serve is confronted with civil rights legislation. That is one reason why I fully support the position of my colleague from New York.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. JAVITS. I shall be glad to yield in a moment. I should like to finish this one thought. In addition, for Members who are seeking enlightenment of committee deliberations, there are three volumes of hearings on this very measure before the Judiciary Committee of the other body, constituting 2,649 pages. The hearings were held throughout May, June, July, and August of 1963. Therefore, it seems to me that when we talk about a brief reference of the bill to committee, we are talking about a shadow without substance, and the grave danger of a real offense to the people of America who, as the majority leader has said so justly, expect us at long last to act on this matter, which is not only critically important to the Constitution, but also critically important to the public order and tranquility.

I now yield to the Senator from South Carolina

Mr. JOHNSTON. The Senator from New York [Mr. KEATING] has said that what happened was indicative of a long session by the Judiciary Committee. I believe it was indicative of something else. It shows that a great many questions can be asked about this bill, and that we can find out a great deal about it. If Senators will read the RECORD, they will find that the Attorney General brought out certain facts. I remember one illustration that was brought out. It took a whole day for the senior Senator from North Carolina [Mr. ERVIN] to question the Attorney General about the laws that are on the statute books. He went through all the laws, read them and interpreted them, and he asked the Attorney General which one of all the laws the Attorney General had used in any way to protect the rights of minority groups. The Attorney General said "None."

He said that no one had been indicted, and no one had been convicted under those laws.

The Senator will also recall that at that time the senior Senator from North Carolina [Mr. ERVIN] told a story about a boy and girl who were sitting on the banks of a river in the bright moonlight. The flowers were blooming and giving off their fragrance. It was early in the evening and it was just the proper setting for a little loving. Finally he spoke up and said, "What would you like to be?"

She said, "I would like to be right here forever, breathing the fragrance of the flowers, with the moon shining on us, sitting here by the side of the stream."

Then she turned to him and said, "What would you like to be?"

He said, "You know, I would like to be an octopus."

She said, "An octopus? Why would you like to be that ugly thing?"

"Oh," he said, "an octopus has many arms. With all those arms, I could embrace you with all of them."

She said, "You are not using the arms you have."

The senior Senator from North Carolina said to the Attorney General, "That is just like you. You are not using all the arms that you have at the present time."

I believe that is true with regard to some of the laws that are on the statute books which are not being used, but for political purposes it has been decided to put some more laws on the statute books.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KEATING. I am afraid my distinguished friend from South Carolina misunderstood the point I was making. I was in no way attacking the thoroughness of the questioning by the distinguished Senator from North Carolina. I was not in any way attacking the fact that there are many persons who might be questioned. My distinguished friend from North Carolina proved it, if there ever had been any doubt that many persons might be questioned. I am sure that he could ask as many more, even without being repetitious in any way. His ability and agility are well recognized. The distinguished Senator from South Carolina, I am sure, has misunderstood the point I was making, which was that if we ever send the bill to the committee, it will be extrathoroughly reviewed again. That is what I am seeking to avoid.

Mr. JOHNSTON. I believe the Senator from New York knows that it could be sent to committee for a definite number of days or for a certain limited time. Then, if it were not reported, the Senate could call for it to be returned to it at any time it wished.

Mr. KEATING. Our experience shows that that is a complete nullity. The only result was to delay the proceedings a few days. I see nothing to be gained by it, and much to be lost.

Mr. JAVITS. I thank the Senator for his helpful intercession. I should like to summarize my arguments, if I may.

First, the procedure undertaken this afternoon, which the Chair has sustained, follows the Senate rules to the letter. It follows exactly upon rule XIV. Therefore, Senators who would ask the Chair to rule that that is not applicable and that it is obviated by something else, are seeking to change the construction. We are pleading for literal construction.

It is the tradition of our courts, in the interpretation of law, that where there are two sections, an effort should be made to reconcile them. In the Legislative Reorganization Act the word "inconsistent" recognizes the fact that these two sections are completely reconcilable. The act sought to amend only those rules of the Senate which are inconsistent with it, and it is clear that rule XIV is not inconsistent with it.

Some of the bills which come to the Senate after having passed the House of Representatives can go directly to the calendar, if there is objection to further proceedings on second reading. This is entirely consistent with the general rule that bills and resolutions shall be referred to the appropriate committee, except where another rule provides something else for certain bills. So my point is that as this carves out a part of the law, it does not affect the whole; that, therefore, the two sections are completely consistent.

Finally, there is no undue power residing in any one Senator. I have specified the numberless powers that Senators have, including the power to bring about the closing of the doors for a secret session of the Senate, or to tie the Senate in knots for days.

Mr. President, the precedent is very clear. We had exactly this situation in 1960. We sent the bill to the Judiciary Committee for almost a week. It was absolutely meaningless in terms of enlightening the Senate. It came back as a routine matter, and we had spent the time in vain. We cannot afford to do that now.

Also, extensive hearings have been held, both in the other body and in the Senate, on the basic subject of the bill.

Finally, it seems to me to be an absolutely conclusive argument, quite apart from the weight and importance of what we are doing, that we should be entitled to use the rules just as the deeply convinced opponents not only plan to use the rules in the future, but as they have used them already in order to cut down and emasculate civil rights legislation both in 1957 and 1960.

The final and conclusive argument is that unless Senators vote to sustain the Chair, they may well lose control over the bill, except by the discharge procedure, which is extremely cumbersome and almost impossible to accomplish. The bill would have to be referred to the Committee on the Judiciary, where it would be buried; whereas if the Chair is sustained, the bill will be on the calendar, within the reach of and subject to the mandate of the normal procedure of the Senate as to whether it will be called up and debated, when an effort is made to call it up on motion, rather than to have it referred to committee.

In short, placing the bill on the calendar is the only way by which the very things which we are implored to recognize could be recognized. I submit that to act in the other way would be a fruitless exercise because of what we know, in history, to have occurred to bills when they were referred under such circumstances, and after extensive hearings had already been held.

For all these reasons, I believe the Senate should vote to override the appeal and to sustain the ruling of the Chair. This will be the first historic call to the Senate's duty in the civil rights field. It is high time. It is not 1 minute too soon. Indeed, it may already be too late.

I yield the floor.

Mr. MORSE. Mr. President, the record is clear that not often do the senior Senator from Oregon and his very close friend, the senior Senator from New York [Mr. JAVITS], disagree in the Senate either on civil rights legislation or on any other legislation. So it pains me and grieves me to find myself in such complete disagreement with the Senator from New York as to the procedure that ought to be followed by the Senate in starting the historic consideration of a civil rights bill which I hope will finally pass and will, for the first time in the United States, truly make the Negroes of this country first-class citizens.

Once again, as in 1957 and 1960, I dissociate myself from the argument that the end justifies the means. This parliamentary tactic on the floor of the Senate this afternoon boils down to an end-that-justifies-the-means argument. To resort to that sort of parliamentary tactic will do great harm to the objective of all of us who believe that the colored citizens ought to be given in this session of Congress their constitutional rights, as enjoyed by white people, and be made, for the first time in our history, first-class citizens. We will suffer in our cause with American public opinion, which will be the final judge of this issue.

It will be American public opinion that will break the oncoming filibuster in this body, if, as, and when it develops. I believe it will develop. Would that it did not. But in case it does, in my judgment, the filibuster will be broken by American public opinion. It will be broken when every pair of eyes in this country—190 million of them, more or less—are focused on the floor of this Senate, and the voting conduct of Members of this body becomes a matter of public knowledge from coast to coast. I say respectfully that when Senators take the position that they are not going to vote for cloture to break a filibuster, they will hear from home.

It is my opinion that the overwhelming majority of the people believe there should be full debate on the civil rights bill on its merits. But when that full debate is over, there should be a vote on it, and a tactic should not be used to seek to prevent a vote from ever occurring.

I believe that once a filibuster starts and the other business of the Senate comes to a dead halt, and we devote 24 hours of the day and night for as many weeks as it may take the public to make up its mind that the filibuster ought to end, that will be the course of action that will break the filibuster. When the attention of the American people is called day in and day out, 24 hours of the day and night, to the great issue being debated on the floor of the Senate, I have no doubt about what they will say to the Senators from their respective States.

I am willing to allow that public opinion to react. That is when we shall break the filibuster, and not until then.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. MORSE. I am delighted to yield.

Mr. GRUENING. I intend to support the civil rights legislation. Action to accord our colored citizens the full measure of equality enjoyed by white citizens is long overdue.

On the other hand, I find myself in complete sympathy with the position expressed by the senior Senator from Oregon, that there is no reason to bypass the regular procedure, and that if the bill could be referred to committee with a reasonable time limit, an order to hold hearings on the bill and report it by a specific date, we would be in a better position to appraise the bill when it comes to the floor; we would be in a better position before the American people; we would not be violating established Senate procedure and I believe it would strengthen the cause of civil rights in which I firmly believe and shall vote for.

I ask the senior Senator from Oregon [Mr. MORSE] whether it is a fact, as stated by the distinguished Senator from New York [Mr. JAVITS], that if the point of order is overruled, the bill will automatically be referred to committee, with no time limit?

Mr. MORSE. I was coming to that; I wanted to finish this argument first, and then take up that point.

Mr. GRUENING. That is an important matter.

Mr. MORSE. It is. In my opinion, the Senator from New York is dead wrong, and I will show before I am through why I think he is wrong in his parliamentary position. If the Senator will permit me to finish this other train of thought—I have almost finished it—I shall be glad to answer the Senator's question.

Mr. GRUENING. I thank the Senator.

Mr. MORSE. Mr. President, in my judgment, what is really being started this afternoon by the liberals is a parliamentary battle over rules, which we do not have to engage in at all. We should hold fast to the objective we are seeking in regard to the implementation of the 14th amendment and the other sections of the Constitution that are being denied to the Negroes of this country. It is not necessary to engage in a parliamentary battle with the opponents of civil rights, because that is diversionary; it is distracting. It has nothing to do with the merits of the issue in which we are involved. I believe that some Senators are falling into the pit which the anti-civil-righters have dug for them. We should hold the anti-civil-righters to a discussion of the merits of the civil rights legislation; and procedure is important in holding them to the merits of civil rights legislation.

So, Mr. President, Senators should not adopt an "end justifies the means" procedure or a procedure of expediency—which, in my judgment, is a kind description of what the majority leader has proposed this afternoon, and, by the way, is quite inconsistent, as I shall show before I conclude, with the position of the majority leader in 1957, on this very issue. In 1957 the now majority leader, the Senator from Montana [Mr. MANSFIELD], was with us, not against us, on this procedural fight; and, as the Senator from Georgia has pointed out, the late beloved President of the United States, when he was Senator Kennedy from Massachusetts, in 1957, was also with us, as was the then Senator from Texas, Lyndon Johnson.

Mr. President, expediency is not a criterion of liberalism. To the contrary, I hold to the point of view that expediency is irreconcilable with liberalism. In my judgment, a liberal has an obligation to hold to the merits, and cannot justify adoption of the use of the test "the end justifies the means." I do not think that can ever be justified by a liberal, any more, Mr. President, than I think adoption of an expediency course of action, as is being proposed here, can be justified.

Now I turn to the position of the Senator from New York in regard to what will happen to this bill if the ruling of the Chair is not sustained by the Senate. The Senator from New York said that would mean the bill would go to the Judiciary Committee, and that it would then be under the full control of the Judiciary Committee, and that at that point there would be nothing the Senate could do about it.

Mr. President, let us correct that statement immediately: If the ruling of the Chair is overruled by the Senate—and I hope it will be—then this bill will be in exactly the same position that it was in at the very beginning of the session this afternoon, when the Senator from Montana sought to have the bill placed on the calendar without being referred to a committee. That will be the parliamentary position of the bill at that point; and it will be in order to move that the bill be sent to the Judiciary Committee, under whatever instructions the Senate may wish to give the committee. That is the parliamentary situation; and the Senator from New York is dead wrong in his statement about parliamentary law and procedure, when he makes the plea that the Senate vote to sustain the ruling of the Chair because, so he said, if the ruling of the Chair is not sustained by the Senate, the bill will automatically go to the Judiciary Committee, and will be beyond the control of the Senate. Mr. President, that simply is not so.

I wish to repeat what the situation will be: If Senators want to have committee hearings held on this bill, they should vote in favor of overruling the ruling of the Chair; and the moment the ruling of the Chair is overruled by the Senate, it will be in order to move that the bill be referred to committee, under whatever instructions the Senate may wish to place upon it.

Earlier this afternoon, I suggested what I would do—although I have not had a chance to confer with very many Senators about it, and I am perfectly willing to modify it. But as of now, if I made the motion, I would move that the bill be sent to the Judiciary Committee, for hearings for 2 weeks.

I wish to say to my liberal friends in this body—with whom I am of one mind as regards the merits of the bill—that in my judgment, it is very important that there be committee hearings, because of the legal problems which will arise after the bill is passed.

I repeat, Mr. President, the legal argument I have made in years gone by. It never has been successfully challenged, because time and time again the courts have laid down the point I have made; namely, a committee record by the body which passes the bill is of great importance to the courts, in connection with future litigation, because the courts frequently refer to the committee reports, in order to determine the legislative intent and in order to determine the facts.

However, Mr. President, what is being proposed here is that the Senate pass a piece of proposed legislation which every Member of the Senate knows will be the subject of great amounts of litigation for years to come, until the law is finally interpreted and applied by the courts of the country in litigated cases. So we shall be shortchanging the courts of the Nation if we do not build a committee-hearing record which can be used by the courts as a frame of reference.

Mr. President, we cannot justify following that course of action, if we really mean to be of maximum help to the Negroes of this country, in giving assurance that they will be allowed to enjoy the full constitutional rights which are enjoyed by the white people of the United States. After all, if this proposed legislation is enacted, it will not automatically follow that the Negroes will enjoy the rights sought to be encompassed in the proposed legislation; there still will be case after case in which the law will be challenged, and litigation after litigation will reach the courts. So I want the courts of the country to be given the very best possible record which the Senate can give them, on which to enable them to render their decisions.

Therefore, Mr. President, for a moment I wish to refer briefly—I shall not read all of it, but I wish to place some of it in the RECORD, for I think it important that this be stated publicly today—to the statement I placed in the RECORD of the Senate on February 17, 1960. It is to be found in the CONGRESSIONAL RECORD, volume 106, part 3, page 2765. At that time, in arguing that basic procedural point, I said:

> Mr. MORSE. Mr. President, I believe all Members of the Senate are well informed with respect to the motion I am about to make * * *
>
> Mr. President, I move that the pending bill, H.R. 6127, the Civil Rights Act of 1957, be referred to the Committee on the Judiciary with instructions to report the same back to the Senate within 7 days either with or without amendment, as the committee, in its judgment, may determine.

I went on to say:

> Mr. President, the first argument I wish to make in support of my motion is that the motion is well established in the precedents of the Senate. It is not an uncommon motion to have the Senate refer a bill to a committee with instructions.
>
> The second point I wish to make, Mr. President, is that we are dealing with a subject

> matter which is highly controversial. The pending bill is highly complicated. It is a bill which unquestionably, when passed in whatever form it is passed, will find its way into the courtrooms of America.
>
> ### REQUIREMENTS OF LEGISLATIVE HISTORY
>
> As a lawyer, I wish to stress that point. I repeat it, Mr. President. We are dealing with a complex and complicated piece of legislation which is bound to find its way into the courtrooms of America in, I think, a considerable number of cases. We owe it to the judicial branch of the Government, in my opinion, to make, in the Senate, a record on the bill in the form of a legislative history on which the courts of America can rely.
>
> I wish to raise a point of law and to point out to the Senate that there is no one on the floor of the Senate who, under the canons of legislative construction, is in an official position to make an official legislative history of the bill. There is no official spokesman of the Committee on the Judiciary who can discuss the bill on the basis of a report by that committee.

Mr. President, I digress briefly, to stress to the Senate that if Senators think the debate which will be had on the floor of the Senate by placing the bill on the calendar and not sending it to committee will make a legislative history of the bill, they could not be more dead wrong as a matter of law, because then there would be no basis, under the court decisions, for making the legislative history here on the floor of the Senate, without having the bill first referred to the committee and having the committee submit its report on the bill.

For that reason I was aghast in 1957. I was then able to convince my dear friend the Senator from Montana [Mr. MANSFIELD] that I was correct; apparently I am unable to convince him today, although I never give up hope. In 1957 we stressed the point—and I stress it again today—that the courts need the guidance of legislative history. I said:

> It is of the utmost importance, as a legal matter, that we give to the courts of America the service I believe they are entitled to receive from the Senate with regard to this highly complicated piece of proposed legislation, by having submitted to the Senate an official committee report on the bill, in regard to which report a representative of the Committee on the Judiciary can speak on the bill, as to its legislative history through the committee and on the floor of the Senate.
>
> I respectfully say that the Senator from California (Mr. Knowland) cannot make that official legislative history of the bill, because he is not a member of the Committee on the Judiciary. I respectfully say that the Senator from Illinois [Mr. DOUGLAS] cannot make that official legislative history of the bill, because he is not a member of the Judiciary Committee.
>
> We owe it to the courts, which will be called upon to decide the contested cases under whatever form of bill we pass in the Senate, to give them an official legislative history of the bill, and that requires a committee report and a member of the Committee on the Judiciary, in an official position, to speak on that official report.

Let us not make that mistake today. Let us not weaken our chances of passing a civil rights bill that will stand all the tests of the courts in subsequent years after passage. Take the time that is necessary now. After all, 2 weeks is not an excessive period of time or, for that matter 3 weeks, for a committee to call on the experts, the constitutional authorities, the recognized authorities in all the other fields involved in the civil rights bill as it has come from the House, to make an official committee record that can be used not only by Senators in the debate, but by the courts of America. It can be used also by the final judge of all we do—the people of the United States.

I say to my liberal friends in the Senate that they are proposing a course of action today that would greatly weaken the cause with public opinion. There are many wonderful people in this country who are for civil rights in the abstract, but when its application comes close to them, some doubts creep into their minds. They wonder if we are not moving too fast, overlooking the fact that there is no longer any room for gradualism on the issue.

For 100 years the argument of gradualism has prevailed, and today the Negro, so far as his constitutional rights are concerned, has no more constitutional rights than he had immediately following the Emancipation Proclamation, for there has been no passage of proposed legislation to implement the 14th and 15th amendments to the Constitution, so basic to a guarantee of constitutional rights to the Negroes.

If we let the point of view prevail across the land that the Senate was not fair, that the Senate was not willing to give the proponents and the opponents an opportunity to make an official record, many doubts will be created, and we shall start changing people from being ardent supporters of our position on civil rights to doubting Thomases. A mistake is never made when we lean over backward in the administration of American law in seeing to it that a maximum opportunity is given to those who question the course of action that is being recommended.

The opponents of civil rights are entitled to a committee hearing. But it is extremely important that the proponents of civil rights take advantage of a committee hearing and that an official committee hearing record be made. That cannot be done on the floor of the Senate. A constitutional authority cannot be called in on the floor of the Senate to testify for the CONGRESSIONAL RECORD.

Mr. GRUENING. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield.

Mr. GRUENING. I find myself in complete agreement with the point of view presented by the Senator from Oregon. I wonder if he is willing to put a question to the majority leader as to whether, in either event, if the point of order is sustained or defeated, he would be willing that the bill be referred to committee for a limited period—say 2 weeks? I believe that is what should be done.

Mr. MORSE. No; I shall not cross-examine the majority leader. Any time he wishes to do so, he may speak for himself.

Mr. GRUENING. Mr. President, will the Senator yield for another question?

Mr. MORSE. I yield.

Mr. GRUENING. I raise the question because I should like to ask the question myself in order that before the vote Senators may make an intelligent appraisal of what is likely to happen.

Mr. MORSE. I do not wish the majority leader to say a word right now. I should like to have him listen. I would not even want to yield to him to answer the Senator's question. I am sure that in due course of time we shall reach that point. I wish first to make the record, because I believe in the objectivity and openmindedness of the Senator from Montana. I should like to make the record and then let him, as a juror, so to speak, pass his judgment upon it and see if he will not agree with the points I am making as to what I believe wisdom dictates ought to be the way we should handle the bill procedurally.

I believe the proponents and the opponents of civil rights are entitled to have an official committee record made. The American people are entitled to it. I do not believe that Senators should adopt the short-cut procedure that is being proposed this afternoon. I do not think we ought to adopt a procedure of expediency. I do not believe we ought to adopt an "end-justifies-the-means" attitude. I do not believe we ought to adopt the recommendation of the Senator from New York [Mr. JAVITS], if I correctly interpreted him, just because some of the anti-civil-righters have thrown the rules at us in the past.

The time has come for us to throw the rules at them—assuming, of course, that his interpretation of rule XIV is correct—and I believe he is dead wrong even in that interpretation. I do not think the fight ought to be waged by throwing the rules at each other across the floor from desk to desk. We ought to present to one another the arguments on the merits of the civil rights bill, after we have had the information and material supplied us in a committee hearing by recognized authorities and experts. I believe that is the approach that we ought to make. I developed that at some length in my speech on February 16, 1960.

PROCEDURAL ISSUE IN 1960

Mr. President, I ask unanimous consent that I be permitted to have printed at this point in the RECORD certain excerpts from that speech.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

> Mr. MORSE. Mr. President, I wish to make a very brief statement before I make a unanimous-consent request. I voted in favor of the motion to postpone further consideration of the bill until Febraury 23. I voted for the motion because it is completely consistent with my procedural record in the Senate, and is dictated by my convictions in regard to what I think orderly procedure in the Senate ought to be.
>
> It will be recalled that in 1957 the civil rights bill came over to the floor of the Senate from the House. The Senator from Oregon then took the position that that House civil rights bill should be referred to the Senate Judiciary Committee for consideration, and he made a motion at that time that the bill be referred to the Senate Judiciary Committee with instructions to report a bill. I think the time limit fixed finally was 7 days.
>
> I took the position then that we should not undercut and undermine committee

procedure in the Senate, because I think committee procedure is of very great importance to our legislative process. At the very least we ought to try to get the benefit of a committee report and committee action on any bill that comes to the floor of the Senate for consideration. We ought to have from a committee a report of the official hearings the committee may have held, in which qualified expert witnesses testified before the committee in regard to the problems involved in the bill.

That procedure is particularly important in the field of civil rights, where there are involved so many questions of constitutional law. Many legal issues are bound to arise, once we get through passing a civil rights bill. As I said yesterday, we can be sure every paragraph of any civil rights bill we pass is going to be litigated in the courts. I think we ought to have submitted to the courts the strongest possible record that has been made, legislativewise, in the Congress of the United States. The cases are replete in support of the position I took in 1957, and which I again take this year, that we have a stronger legislative record when we can turn over to the courts committee reports and committee hearings in reference to a bill when there is sought, by the courts, the legislative intent with regard to any law that is called into litigation.

So, because I feel the course of action I fought for in 1957 on the civil rights bill which was before us for consideration at that time, on which I was defeated, and for which course of action I fought again this time, and was defeated again, was the most orderly procedure to follow. I voted in favor of the motion to postpone.

I well know that now, as in 1957, I shall be subjected to a lot of criticism and misunderstanding on the part of very sincere and wonderfully intentioned people who believe that the ends justify the means in civil rights legislation, and that the only thing that counts happens to be the ends; that we must get civil rights legislation, and we do not have to pay very much attention to the procedural means by which we get that legislation.

I can understand how people will hold that point of view, but it is not mine. I will never adopt that point of view in the Senate, because it is important for us to follow orderly procedure in this body. I do not yield to any Member of the Senate in my dedication to civil rights, and I am in favor of the adoption of the strongest possible civil rights bill we can pass in this session of Congress. It will be found that the Senator from Oregon will be challenged in the Senate time and time again, in the days and weeks ahead, as we consider civil rights legislation, for going much further than I surmise a majority in the Senate will try to go in seeking to get effective civil rights legislation.

I believe that we must pass legislation which will put into effect the Supreme Court's historic decisions in respect to the school systems of this country, and that we ought to pass legislation which will guarantee putting into effect the meaning of the 14th and 15th amendments, which assure Negroes in this country the right to vote.

It will be recalled that in the debate in 1957 I pointed out that in my judgment the bill would not result in adding a single Negro voter to the voting rolls of this country. It is interesting to note that the Civil Rights Commission report, filed with the Congress only a few days before adjournment last year, in effect said the same thing.

We have to pass a civil rights bill which will really give some teeth to any provision which involves an attempt to give the Negroes of this country voting privileges.

Mr. President, I think it is a great mistake for those of us working so sincerely together on the substantive features of civil rights to find ourselves the least bit quarreling over the procedures to be followed. I want my colleagues to know I am deeply concerned over the preservation of orderly procedures in the Senate. I have taken my stand on procedure, and I shall be proud to stand on the record I have made in that respect.

We have the question. Where do we go from here? It seems to the senior Senator from Oregon that apparently the only choice he has is the bill now pending before the Senate. The only choice he has is to work now on proposed civil rights legislation within the Senate, with the Senate acting as a Committee of the Whole. That is what we have done, in effect, by the action we have taken on the yea and nay vote, since we have turned the Senate of the United States into a judiciary committee, in effect. We have turned the whole Senate of the United States into a judiciary committee of the whole on the floor of the Senate in which we shall have to work. I do not know how many weeks we shall have to labor, but I am perfectly willing to work as many weeks as we have to work as a Committee of the Whole, to pass a civil rights bill without the benefit of hearings held by the committee, and without the benefit of the legislative record which I think we ought to have, through the application of committee procedures in the Senate. We can do a job. We must do a job. It will not be as good a job, I submit, as it would be if we followed the course of action of having the committees of the Senate make their reports to us.

Mr. President, I have been advised, and I think reliably, that the Committee on Rules and Administration of the Senate has been contemplating making a report to us in the not too distant future on a civil rights bill pending before that committee.

I have been told by members of the Committee on the Judiciary that they believe the chances are pretty good that in the not too distant future they will be able to get from the Committee on the Judiciary, of their own volition, a civil rights bill. I know there are sincere men in the Senate who doubt that and who say, "The Committee on the Judiciary is not going to report a bill, because there will be delaying and dilatory tactics resorted to, parliamentarywise, in the Committee on the Judiciary." I cannot speak with authority on that subject, because I am not a member of the committee, but I want the Record to show there are those on the Committee on the Judiciary who do not share that point of view, and who believe they are making substantial progress in the Committee on the Judiciary toward reporting some civil rights proposal.

Mr. President, before I can accept with any enthusiasm the idea of turning the Senate into a Committee of the Whole, to handle proposed civil rights legislation, I think we ought to at least exhaust the rules of procedure available to us in the rulebook, to get before us a civil rights bill from a committee. I spoke about this matter this morning, and I shall not repeat myself other than to summarize the position I took this morning.

This morning I offered two discharge resolutions. As the Record will show, I asked a series of parliamentary inquiries of the Presiding Officer of the Senate, who, assisted by the Parliamentarian, put into the Record the answers to those parliamentary questions.

Briefly, Mr. President, under the rules, I cannot bring up, except by unanimous consent, my resolutions, which propose, respectively, that the Committee on the Judiciary and the Committee on Rules and Administration, be discharged from further consideration of a civil rights bill as of February 25, unless in the meantime they submit to the Senate their reports on such a bill either favorably or unfavorably.

Mr. President, before I filed those two discharge resolutions I conferred with appropriate members of the staffs of those two committees, to ascertain which bill in each of the two committees, the Committee on the Judiciary and the Committee on Rules and Administration, could be said to encompass the broadest scope of proposed civil rights legislation and in regard to which the committee itself had taken the greatest amount of action.

I found, Mr. President, that in the Judiciary Committee a bill had been reported from a subcommittee to the full committee. I found in the Committee on Rules and Administration that the committee was in the process of giving very careful consideration to one of the bills, which I cited in my resolution, and that there was the expectation and anticipation that the bill might very well be reported from the Committee on Rules and Administration within the next few days. I also found a similar situation in the Committee on the Judiciary.

Mr. President, we can wait in the interest of orderly procedure. We can proceed to debate the proposal which is now in front of us, and discuss a bill which is not germane at all to civil rights. We can discuss the bill in terms of proposals for civil rights amendments to be offered to it, in the hope that perhaps some time during the course of the debate on that bill the Committee on Rules and Administration or the Committee on the Judiciary may report a civil rights bill from the committee.

How would Senators like to be members of either the Committee on Rules and Administration or the Committee on the Judiciary under that kind of a parliamentary treatment on the floor of the Senate? How would Senators feel, as members of the Committee on the Judiciary or the Committee on Rules and Administration, to be considering proposed civil rights legislation in the committee and to find the Senate of the United States—this happens to be my description and my view as to what I think our conduct amounts to—riding roughshod over the committee by bringing to the Senate proposed civil rights legislation which is pending before the committee and which the committee members are supposed to be considering in good faith in carrying out their duties as members of either the Committee on Rules and Administration or the Committee on the Judiciary?

Perhaps it would not bother other Senators. Perhaps I simply happen to be individualistic in this matter, also, but, Mr. President, I would not like it. I would not feel that I was getting the fairest of treatment from my parent body if I were seeking to serve my parent body as an agent of either the Committee on Rules and Administration or the Committee on the Judiciary and my parent body said, "Well, go ahead, but we are not going to wait for you. We are going to bring the matter up in the Senate and attach it to a bill which does not have even a scintilla of germaneness to civil rights."

I do not think that is the proper way to treat the Committee on Rules and Administration or the Committee on the Judiciary.

One may say, Mr. President, What does the Senator from Oregon propose? Is the proposal of the Senator from Oregon any more kindly? I think it is, because my proposal is within the rules. We have a rule in the rule book which provides for the discharge of a committee. We can propose to discharge a committee as of a day certain. We can instruct the committee, as the agent of the Senate, to follow a certain procedural course of action between the time of the instruction and the day certain provided for in the resolution. That is orderly procedure. That is one of the checks of our checks and balances system, which we have written into our whole legislative process in this form of government of ours. That is a check we have upon a Senate committee, if we think a Senate committee is not proceeding as rapidly as it should proceed in considering proposed legislation as to which we want to take action in the Senate.

Mr. President, this is a check which has been used a good many times in the history of the Senate. I am not proposing a procedure for which there is no precedent. It is orderly. It is proper.

Considering the membership of the committees, we strengthen the hand of members of the Committee on Rules and Administration and the Judiciary Committee, if the hypothesis be true that dilatory tactics might be indulged in by any member of either one of those committees to prevent them from moving as expeditiously and quickly as they otherwise might move. It is one of the purposes of the check to be of procedural help to members of the committee who wish to bring an official report before the parent body. We help them when we move to discharge the committee as of a day certain, with instructions to report favorably or unfavorably.

So I am not taking an action disciplinary of a committee. I am not proposing to discipline the Committee on Rules and Administration or the Judiciary Committee. It is true, as I said earlier in the day, that ever since last September the Committee on Rules and Administration and the Committee on the Judiciary have been on notice that we hoped to bring up civil rights legislation on February 15. I say, not at all in criticism of either committee, but as a statement of fact, that the Rules Committee and the Judiciary Committee have not been taken by surprise by the proposal that we proceed to the consideration of civil rights legislation. They had notice that that was the desire of the Senate, as of February 15.

I wish we had a civil rights bill before us. I do not believe I know enough about the internal parliamentary plays within the Committee on Rules and Administration or the Judiciary Committee to make any statements on the floor of the Senate as to what the parliamentary situation may be within either of those committees. However, I am satisfied that members of those committees who are friendly to civil rights legislation would be greatly strengthened by a resolution to discharge those committees as of February 25, with instructions to report bills to the Senate.

I believe that the chances are very great that the adoption of either of my discharge resolutions, or both, would result in our getting a civil rights bill to the floor of the Senate by February 25. We could then approach the subject directly, in my judgment, by way of frontal attack, by the most orderly procedure under the rules which could be followed by the Senate. We owe it to the rules of the Senate and to the legislative process of the Senate to adopt that kind of orderly procedure.

Therefore I now ask unanimous consent to be allowed to bring up, out of order, my resolution, Senate Resolution 273, which is the resolution which seeks to discharge the Judiciary Committee, as of February 25, from further consideration of a particular civil rights bill, the one with respect to which the committee has proceeded the furthest, the one on which hearings have been held, the one with respect to which there are voluminous printed hearings, and the one which seems to be in the best form to report to the Senate.

If I succeed in that unanimous consent, or if I do not, I shall try to bring up the second resolution in order to make the record clear. If I can obtain the floor I shall ask unanimous consent to proceed, out of order, with the consideration of Senate Resolution 274, which seeks to discharge the Committee on Rules and Administration from the further consideration of a particular civil rights bill which, I am advised, is furthest along in the Committee on Rules and Administration. I believe it is almost ready for final discussion and vote in the committee.

This being February 16, I think the senior Senator from Oregon has been exceedingly fair and reasonable in fixing the date of February 25. That is fair dealing with the two committees.

Let me say to my civil rights friends—and, good naturedly and respectfully, to my southern friends—that such a course would take from our southern friends one of the strongest arguments they might be able to make. I can hear their arguments: "We were forced into this debate without the advantage of a committee report, without opportunity for the committee to have a reasonable time within which to file a report and take committee action."

I am for taking that argument away from my southern friends, because I know that, on the merits, our position in favor of civil rights legislation is so unanswerable, and so right as a matter of social justice, that I do not propose to give the opposition to civil rights legislation even the kind of procedural argument it would like to use further to confuse the issue which confronts the American people.

I close by saying that once again I offer to the Senate an orderly procedure for handling civil rights legislation on the floor of the Senate, one which would leave no room for doubt that we had made the maximum use of our committee procedure in the Senate. That committee procedure is of vital importance to sound legislative processes in the Senate.

Mr. MORSE. Mr. President, I now turn to what the CONGRESSIONAL RECORD shows in connection with the debate that occurred in this body on June 20, 1957. Volume 103, part 7 of the CONGRESSIONAL RECORD was referred to at some length by the Senator from Georgia [Mr. RUSSELL] today, and I think ably and accurately.

PROCEDURAL ISSUE IN 1957

In the speech of June 20, 1957, when I was arguing against bypassing committees, I developed the point of view that witnesses should be recognized as having rights before Senate committees. The right to petition the Government of the United States is really a right that is ordinarily manifested in its implementation by the Senate through committee procedures.

If the Senate sustains the position taken by the majority leader, it will deny the right of petition to those who want an opportunity to present their points of view, on both sides of this issue, to the Senate Judiciary Committee. That would not put the Senate in a very good light in American public opinion.

When I think of the time that elapsed in the previous session of Congress, and the time that has already elapsed in this session of Congress, during which very little has been done in the Senate, I cannot become convinced that we cannot afford 2 or 3 weeks' time for making an official record on the pending civil rights bill.

That statement causes me to comment upon the exhibit that the Senator from New York [Mr. JAVITS] held up to the Senate this afternoon—several volumes of past hearings on other civil rights bills. If I ever listened to an argument of irrelevancy, that was it. What do past hearings on any civil rights subject matter have to do with the clear responsibility of the Senate in 1964 to conduct official hearings on the subject that we are to be called to vote upon? We are not voting on the civil rights bill of 1962 or 1960 or 1957. Those bills have no relevant bearing on the bill that is before us, and the hearings on those bills have no relevant, official bearing on the bill that is before us.

May I say to the former attorney general of New York, the distinguished Senator from New York [Mr. JAVITS], that the Supreme Court of the United States cannot turn to the hearings of 1963 and use those hearings as a basis for determining congressional intent or the meaning of the bill in 1964. The Senator knows that. He forgot it. I repeat to the Senator from New York, and the other Members of this body who are arguing that way, that there is no record.

I am glad to see that the Senator from New York [Mr. JAVITS] has just returned to the Chamber. There is no official Senate record on the 1964 bill that has come over to the Senate from the House. The Senator from New York can hold up all the volumes of hearings that were held by the Senate committee on previous civil rights bills. They have no relevancy to this bill. They cannot be used by a single court to determine congressional intent or legislative intent regarding the meaning of this bill. The Senator from New York knows that. He forgot it. What we need to do is make a record on this bill on which the Congress can stand. We need to do it for all the reasons I have set out.

Mr. President, it is interesting that in 1957 a colloquy occurred on the floor of the Senate between the senior Senator from Oregon and the senior Senator from Montana [Mr. MANSFIELD]. On June 20 I said in that debate:

> I would welcome such an addition to rule XIV. If we are to keep rule XIV, I think we certainly should protect the procedure by providing for such procedure as the Senator has outlined.
>
> Mr. COOPER. The point I make is whether or not, in the Senator's view, such a procedure is impossible.
>
> Mr. MORSE. I believe that under the rule as worded at present, it is not provided for. There are not very many things that the Senate cannot do about changing its procedure and rules, by majority vote. I would not wish to decide the question until I conferred with the Parliamentarian.
>
> Mr. MANSFIELD. Mr. President, will the Senator yield?
>
> Mr. MORSE. I yield.
>
> Mr. MANSFIELD. I was reminded by the colloquy between the senior Senator from Colorado and the senior Senator from Oregon of the proposal sent down under a previous Democratic administration, to draft striking railroad workers into the Armed Forces of the United States. I happened to be in the House of Representatives at that time. I do not recall offhand whether or not that question was referred to a committee in the House. I am quite certain, however, that if it was, the meeting was a matter of minutes only, and that there were no witnesses and no hearings to speak of; also that so far as voting on the measure over there was concerned, we did not even have the bill before us.
>
> Unfortunately the House passed that measure, and it came to the Senate. At that time

the distinguished Senator from Oregon was a Member of this body, as was the late distinguished Senator from Ohio, Senator Robert A. Taft. If I remember correctly, in the Senate an attempt was made to bypass the committee—

And it certainly was—

but thanks to objections raised by Senator Taft and, I believe, the Senator from Oregon, after some debate on this floor, the bill was referred to a committee, and the measure died in committee. Is that correct?

Mr. MORSE. The great Senator Taft of Ohio, as I recall, was the first man to speak out against that invasion of what many of us thought were very precious individual rights. We were convinced that a misuse of the draft was involved. I joined the Senator from Ohio, Mr. Taft, in his opposition to the proposal to draft strikers. That was when I made my unfortunate reference to the President of the United States, for which I later apologized.

I know what the history of that strike was. In fact, the surrender terms in that strike were written in my office, dictated by me at 8 or 9 o'clock one morning, and delivered to the White House by 10:30 the same morning. So I knew something of the history of that matter.

If the Senator from Montana will check the CONGRESSIONAL RECORD, he will find, I believe, that the Senator from Ohio protested the course of action which was proposed in the handling of the legislation that was proposed after the President recommended to the joint session of Congress that the railroad strikers be drafted.

Mr. MANSFIELD. Was the attempt made at that time to bypass the committee, and to bring a bill from the House directly to the floor of the Senate?

Mr. MORSE. I would have to check the RECORD. My recollection is that there was an attempt to take immediate Senate action without referral to a Senate committee, but I wish to check the RECORD.

I subsequently did. That was exactly what was attempted.

The question is easy of determination. I shall check the RECORD, and see to it that a statement is placed in the RECORD with regard to it.

Mr. KENNEDY—

The Senator from Massachusetts at that time, and later our beloved President of the United States—

Mr. President, will the Senator yield?

Mr. MORSE. I yield.

HIGHLY QUESTIONABLE LEGISLATIVE COURSE

Mr. KENNEDY. Even leaving out of consideration the Reorganization Act, does it not seem to the Senator, from reading rule XIV, particularly subparagraph 4, that it is intended to prevent precipitate action after the first and second reading, and that the whole intention of the four subsections is to provide for delay, and to provide that there shall not be action by a majority or a minority of Senators against the will of one Senator without Senate procedures being followed.

It seems to me there is no doubt that what was intended by subparagraph 4 of rule XIV was that if one Member objected, the bill should go to the calendar and lie over for a day.

Later in my speech I shall stress the point that was made by the then Senator Kennedy and many other Senators of the history of the running debate on this subject.

The Senator from Massachusetts was completely right—what they were trying to do was protect a Senator from having a minority or a majority run over his rights, by providing a rule that would require the bill to lie over a day.

Getting back to Senator Kennedy's argument:

It could not have been intended that one Senator should be able to prevent a bill from going to a committee. Rather, the intention was to protect Senators, both individually and collectively, against action being taken on the three readings at one time without an intervening period.

If that is the legal interpretation of the section—it certainly is mine—I also stress the customs of the Senate, which the Senator from Oregon discussed. I think it would be disastrous for the Senate—conservatives and liberals alike—if we were to give credence to an interpretation of the rules which would permit one Senator to prevent important bills, whether they originated in the House or in the Senate, from being referred to the respective committees.

It seems to me that we are faced with making a choice between fighting out the question in connection with a discharge petition, if the Judiciary Committee does not act, and possibly having to enforce cloture three or four times, depending upon the decisions of the Parliamentarian and the Presiding Officer.

Mr. MORSE. I agree with the Senator.

Mr. KENNEDY. It seems to me we are faced with the choice of going through three or four clotures or doing it twice under the alternative procedure. So, in order to save ourselves from going through one extra cloture petition and procedure—and possibly two, although, as the Senator says, we can do it easily if we have the votes—it is proposed to embark on a legislative course which is highly questionable. I cannot see any justification in connection with the proposed legislation, however important it may be, for giving up one of our maximum protections in order to save ourselves from the mechanics of an extra cloture proceeding or two.

Mr. President, I hold to the same views today that Senator Kennedy expressed on June 20, 1957.

I ask unanimous consent that certain other excerpts from the proceedings on that day be printed in the RECORD, including the rollcall on the point of order by the Senator from Georgia [Mr. RUSSELL] and the rollcall of July 16, 1957, on my motion to refer the 1957 civil rights bill to committee with instructions.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

Mr. MANSFIELD. I announce that the Senator from New Mexico, Mr. Chavez, the Senator from Rhode Island, Mr. Green, and the Senator from West Virginia, Mr. Neeley, are absent on official business.

I further announce that the Senator from Oklahoma [Mr. MONRONEY] is absent because of illness.

On this vote the Senator from Indiana, Mr. Capehart, is paired with the Senator from Oklahoma [Mr. MONRONEY].

If present and voting, the Senator from Indiana would vote "nay" and the Senator from Oklahoma would vote "yea."

If present and voting, the Senator from Rhode Island, Mr. Green, and the Senator from West Virginia, Mr. Neeley, would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire, Mr. Bridges, the Senator from Maine, Mr. Payne, and the Senator from North Dakota, Mr. Langer, are absent because of illness.

If present and voting, the Senator from Maine, Mr. Payne, and the Senator from North Dakota, Mr. Langer, would each vote "nay."

The Senator from Indiana, Mr. Capehart, is absent by leave of the Senate and is paired with the Senator from Oklahoma [Mr. MONRONEY]. If present, and voting, the Senator from Indiana, Mr. Capehart, would vote "nay" and the Senator from Oklahoma [Mr. MONRONEY] would vote "yea."

The Senator from New Jersey, Mr. Smith, is necessarily absent, and, if present and voting, he would vote "nay."

The Senator from Iowa, Mr. Martin, and the Senator from Vermont, Mr. Flanders, are detained on official business. If present and voting, the Senator from Iowa, Mr. Martin, would vote "nay."

The result was announced—yeas 39, nays 45, as follows :

Yeas, 39: Anderson, Bible, Byrd, Eastland, Ellender, Ervin, Frear, Fulbright, Goldwater, Gore, Hayden, Hill, Holland, Johnson of Texas, Johnston of South Carolina, Kefauver, Kennedy, Kerr, Lausche, Long, Magnuson, Malone, Mansfield, McClellan, Morse, Mundt, Murray, O'Mahoney, Robertson, Russell, Scott, Smathers, Sparkman, Stennis, Talmadge, Thurmond, Williams, Yarborough, Young.

Nays, 45: Aiken, Allott, Barrett, Beall, Bennett, Bricker, Bush, Butler, Carlson, Carroll, Case of New Jersey, Case of South Dakota, Church, Clark, Cooper, Cotton, Curtis, Dirksen, Douglas, Dworshak, Hennings, Hickenlooper, Hruska, Humphrey, Ives, Jackson, Javits, Jenner, Knowland, Kuchel, Martin of Pennsylvania, McNamara, Morton, Neuberger, Pastore, Potter, Purtell, Revercomb, Saltonstall, Schoeppel, Smith of Maine, Symington, Thye, Watkins, Wiley.

Not voting, 11: Bridges, Capehart, Chavez, Flanders, Green, Langer, Martin of Iowa, Monroney, Neely, Payne, Smith of New Jersey.

So Mr. RUSSELL's point of order was overruled.

"The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Oregon [Mr. MORSE] to refer the bill to the Committee on the Judiciary with instructions. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

"The legislative clerk called the roll.

"Mr. MANSFIELD. I announce that the Senator from Pennsylvania [Mr. CLARK] is absent by leave of the Senate because of a death in his family.

"The Senator from Missouri, Mr. Hennings, is absent by leave of the Senate because of illness.

"On this vote, if present and voting, the Senator from Pennsylvania [Mr. CLARK] and the Senator from Missouri, Mr. Hennings, would each vote 'nay.'

"Mr. DIRKSEN. I announce that the Senator from New Hampshire, Mr. Bridges; the Senator from Maine, Mr. Payne; and the Senator from Kansas, Mr. Schoeppel, are absent because of illness.

"The Senator from North Dakota [Mr. YOUNG] is detained on official business.

"If present and voting, the Senator from Maine, Mr. Payne, and the Senator from Kansas, Mr. Schoeppel, would each vote 'nay.'

"The result was announced—yeas 35, nays 54, as follows:

"Yeas, 35: Bible, Byrd, Curtis, Eastland, Ellender, Ervin, Frear, Fulbright, Gore, Hayden, Hill, Holland, Johnson of Texas, Johnston of South Carolina, Kefauver, Kerr, Long, Malone, Mansfield, McClellan, Monroney, Morse, Mundt, Murray, O'Mahoney, Robertson, Russell, Scott, Smathers, Sparkman, Stennis, Talmadge, Thurmond, Williams, Yarborough.

"Nays, 54: Aiken, Allott, Anderson, Barrett, Beall, Bennett, Bricker, Bush, Butler, Capehart, Carlson, Carroll, Case of New Jersey, Case of South Dakota, Chavez, Church, Cooper, Cotton, Dirksen, Douglas, Dworshak, Flanders, Goldwater, Green, Hickenlooper, Hruska, Humphrey, Ives, Jackson, Javits, Jenner, Kennedy, Knowland, Kuchel, Langer, Lausche, Magnuson, Martin of Iowa, Martin of Pennsylvania, McNamara, Morton, Neely, Neuberger, Pastore, Potter, Purtell, Revercomb, Saltonstall, Smith of Maine, Smith of New Jersey, Symington, Thye, Watkins, Wiley.

"Not voting, 6: Bridges, Clark, Hennings, Payne, Schoeppel, Young.

"So Mr. MORSE's motion was rejected.

"Mr. DIRKSEN. Mr. President, I move that the Senate reconsider the vote by which the motion of the Senator from Oregon was rejected.

"Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

"The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California.

"The motion to lay on the table was agreed to."

PROCEDURAL ISSUE IN 1964

Mr. MORSE. Mr. President, I close with this final argument in the form of a recapitulation.

We are about to start writing one of the most important chapters of American history in the past century. We are about to start writing in the Senate a chapter of American history that will be an instrument of reference for American courts, American historians, American students, and Americans generally, for decades to come.

We have some obligation of scholarship with regard to the writing of that history. A scholar knows how important it is to get the facts right. A scholar knows how important it is, when writing history, to turn to unquestionable and undeniable historical facts.

We have a great obligation, as political scholars in the Senate, to make a history, the facts of which will stand up against all attack. We have an obligation to make a record of fact. We cannot do it in debate on the floor of the Senate, until we first have the factual basis on which to base our arguments about a particular bill that may be before us.

It was even argued by the distinguished Senator from New York—if I understood him correctly—that apparently the hearings in the House of Representatives would have some effect in determining Senate intent. That, too, is completely erroneous. We must write a history of our own intent that can be used by courts. That is why, in my judgment, we must have on a subject as important as this, a committee record.

So, from that standpoint, I urge that the decision of the Chair be overruled.

There is a second important argument. We need to follow orderly procedure. We need to lean over backward to follow orderly procedure, so that no doubt can be raised in American public opinion as to whether the Senate was fair, or as to whether the Senate was objective, so that no question can be raised to justify charging the Senate with expediency, or with adopting sharp parliamentary tactics in the course of debate.

This is the time for the advocates of civil rights to be exceedingly generous to the opposition in connection with the procedure that will be followed in handling this dispute. This is no time for civil rights proponents to seek to take parliamentary advantage of our opponents. Such tactics frequently have a way of boomeranging; those who use such tactics sometimes prove themselves to be not so smart as they thought they were when they adopt the tactics of expediency rather than the tactics of sound principles.

The great committee system that the Senate has developed has served America well for many decades. The greatest parliamentary body in the world—the Congress—has served the legislative interests of the American people.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MORSE. I am glad to yield to the Senator from Ohio, provided that in doing so I do not yield my right to the floor.

Mr. LAUSCHE. Mr. President, I wish to commend the Senator from Oregon for the argument he is making in asking that the bill be referred to a committee for consideration, for the creation of legislative history. I believe no harm will result to anyone by reason of referring the measure to committee. There is no reason why we cannot follow the normal procedure of the Senate with respect to the bill and still take action upon it within a reasonable time.

But, to have one Senator block committee consideration of the measure, to me seems contrary to reason and contrary to the fully accepted procedure that has rather uniformly been followed by the Senate.

During the 7 years that I have been a Member of this body, I have constantly heard the argument about the need to send bills to committee for consideration. I do not believe an exception should be made on this vital bill.

Mr. President, I shall not be present when the vote is taken. I am quite certain that I shall have a live pair. I would vote to overrule the ruling of the Chair, because I do not believe that the ruling is sound.

To conclude, I commend especially the Senator from Oregon, because I know he believes that there is need for a civil rights bill; but while he believes that, he does not believe that we should throw overboard all the rules of the Senate and all propriety of approach solely to hurry this measure through.

A bill can be passed. It will be passed within a reasonable time, fully granting all senatorial rights as established in the past, which have so frequently been argued for on the floor of the Senate.

I thank the Senator from Oregon for yielding to me.

Mr. MORSE. I thank the Senator from Ohio very much for his support. Not only is he an able and distinguished lawyer, but he has a distinguished record as a judge in the State of Ohio.

I believe he is particularly well qualified to pass judgment on the legal argument I make as to the importance of a Senate committee report for subsequent use in litigation on civil rights. I appreciate very much his support on this subject. I am about to close, and I want to make my final argument concerning the legislative policy that I believe will confront the leadership in the handling of the bill.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. MORSE. I plead with the leadership to consider these questions of policy overnight. I plead that they consider them, so that they will avoid making the serious mistake which I believe they are about to make if they do not change their course in regard to getting the civil rights bill through the Senate.

I now yield to the Senator from Georgia [Mr. TALMADGE]. I shall return to my points later.

Mr. TALMADGE. Mr. President, I compliment the able senior Senator from Oregon on the argument he has made and the position he has taken. It is absolutely unthinkable to me that we would permit any 1 of the 100 Members of the Senate to object at an appropriate time to prohibit any bill introduced in the Senate or passed by the other body from being sent to the appropriate committee for hearings and discussion and examination.

The Senator from Oregon is an able lawyer, and has taught law. He knows that on the Senate floor, there is no opportunity to examine witnesses. There is no opportunity to hold hearings. There is no opportunity to cross-examine witnesses. We would be legislating absolutely in a vacuum and in the dark. To take this approach with a bill of this magnitude is absolutely unthinkable to the Senator from Georgia.

I compliment the Senator from Oregon. If the Senate should make this grave error, it would rise to haunt the Senate for many years in the history of our country.

Mr. MORSE. I thank the Senator from Georgia very much. As he knows, I have great respect for his legal ability. I believe we are discussing some elementary principles of the law of legislation that is taught in every law school where a course in legislation is taught. The decisions are longer than both my arms in regard to what the courts have already held over the decades as to the importance and relevancy of a committee report in determining the intent of the legislative body that passed a particular law.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. STENNIS. I commend the Senator from Oregon for the very fine presentation he has made of a sound principle of the Senate and the Senate's operations and responsibilities.

Recently the Senator from Mississippi has been looking at the rollcall when this question was debated on the floor of the Senate in 1948. I know the Senator's position now is what it was then, regardless of how he may vote on the merits of the bill. I invite attention to the names of certain Senators who were then in the Senate, and who carried a great part of the load of the work in the Senate and who voted with the Senator from Oregon in favor of carrying out the rules of the Senate. There was the late Senator from Kansas, Mr. Capper. I am sure the Senator remembers him quite well. Also at that time the Senator from Iowa [Mr. HICKENLOOPER], voted against letting the bill go to the Calendar.

The Senator from California, Mr. Knowland, who later became floor leader for the majority, and later the minority, also voted with the Senator from Oregon. Then there was the Senator from Colorado, Mr. Johnson. The Senator will recall him. Also the Senator from Pennsylvania, Mr. Martin, now retired. Then there was the late Senator from Colorado, Mr. Millikin. They all voted with the Senator from Oregon.

Mr. MORSE. As the Senator from Georgia has said, he was one of the great lawyers of the Senate of our time.

Mr. STENNIS. He was indeed a great character and a great Member of the Senate. There was also the Senator from Massachusetts [Mr. SALTONSTALL]; also the President pro tempore at that time, the Senator from Michigan, Senator Vandenberg. No one ever graced the chair with more responsibility as President pro tempore than he did. There was also the Senator from Nebraska, Mr. Wherry, now deceased. He was later floor leader of the Senate on the Republican side.

In 1957, the present majority leader, the Senator from Montana [Mr. MANSFIELD] voted in the same way, in favor of having the bill go to committee.

I commend the Senator from Oregon. I disagree with him on the substance of the bill, but that is not the question before us.

Mr. MORSE. Mr. President, I appreciate what the Senator from Mississippi has said. He is a distinguished former jurist of the State of Mississippi, and he is recognized by all Senators as one of the able lawyers in the Senate. I appreciate his support on this issue.

Now, if I may have the attention of my majority leader and my whip, for not more than 3 or 4 minutes, not for any purpose of doing anything but offer a plea to the court, so to speak, I should like to proceed with my argument.

I do not believe the defendant ought to be executed. I believe the defendant ought to have his day in court, so to speak. I am pleading that he be brought before the lower tribunal first. I want him to go to committee.

That is stretching the analogy a little, but it carries out the thought I have in mind.

Apparently those who are proposing to put the bill directly on the calendar think it is good legislative strategy toward getting it through the Senate. I could not disagree more. I believe they are going to hurt their chances of getting the bill through the Senate. If they finally get it through the Senate they will pay too dear a price for it so far as the adoption of that tactic is concerned. Let me give two or three reasons why I think so.

We would make a mistake, in my judgment, by stepping into the pitfall of "divide." This is a divisive tactic. Those of us who are in favor of the bill need all the unanimity we can muster, and we ought to be going down that road, marching toward freedom for the Negroes, arm in arm, not divided, as I think this proposal would divide us.

That does not mean that I will not rally around the substance. However, all that those of us who share my point of view are asking is that the bill be sent to committee with instructions.

It is a point I made back at the time of the railroad case. It is a point I made in 1948. It is a point I made in 1957. It is a point I made in 1960. I am satisfied that in each of those cases, had we done so, the results would have been much better.

I believe that if Senators will look at the history of those incidents they will find that a mistake was made in bypassing the committee.

I wish to mention the next point of legislative strategy which I believe confronts the leadership. I believe the time will come when they will have to get votes for cloture. They ought to think of that now. If they follow this tactic, there will be Senators who will say, "I do not want to give you cloture." They will be looking for excuses for not giving cloture. I do not want to give them any excuses that they can make sound plausible back in their States.

I said earlier that I believe the filibuster will be broken by the people in the States of Senators who now say they will not give up cloture.

I say, "Wait until the people of their States speak on this matter." I do not want to give them a plausible argument whereby they can go back home and tell their people, "The reason I voted against cloture was that some steamrolling tactics were used on me. I could not even have the bill go to committee for the making of the official record."

We should not give those who are hesitant about voting for cloture any exits, any escape hatches, any alibis, any rationalizations, whereby they can make plausible noises back in their home States about not voting for cloture. I hope to see cloture invoked on the issue after an adequate opportunity has been afforded the opponents of civil rights to have a full and fair debate on the subject.

A legislative strategy problem confronts the Senate. I say most respectfully that I know the feelings of the leadership. But I think the leadership is making a colossal blunder by adopting a parliamentary strategy that bypasses the committee. Furthermore, the leadership will also play into the hands of that group of American public opinion that I spoke about earlier this afternoon—and there are millions of them—who in the abstract favor civil rights, but who, when it comes to practicing them in their local communities, develop some remarkable reservations. They use the argument of gradualism, saying that progress in the civil rights field is being speeded too fast; that more time ought to be taken; that only a part of the bill should be adopted; that the public accommodations section ought to be eliminated; or that this, that, or the other provision should be eliminated; and that only a third of the bill should be adopted. They are not even half-a-loaf people. I call them the advocates of crumbs. They want only a crumby civil rights bill. They do not want a true civil rights bill, one which will give Negroes their constitutional rights.

So I say to my leadership: You are playing into the hands of those millions in this country if you give them the excuse that, after all, you are using steamroller tactics; you are using rather slick procedural practices; you are taking advantage of a highly legalistic interpretation of a rule that many Senators think is an erroneous interpretation anyway.

Finally, I say to my leadership: Overrule the decision. Or, if you can, get consent to withdraw the proposal to put the bill on the calendar and let us then consider a motion to refer the bill to committee with instructions. Let us see if we cannot get ourselves into a parliamentary position so that if the leadership does not want to withdraw its objection, it will make it possible for the Senator from Georgia to withdraw his point of order, and obtain consent to set aside the appeal, without a ruling on it. The only way to get the Senate into a position so that it can refer the bill to committee with instructions is to overrule the Chair. If the vote to overrule the Chair is favorable, the bill will not automatically be referred to commitee. At that point, a Senator can move that the bill be referred to committee under certain instructions. That is the parliamentary position in which I should like to have the Senate placed. I hope the Senate will vote to overrule the Chair, and I pledge to the Senate that if it does so, and if I am able to obtain the floor first, I will move to refer the bill to the Committee on the Judiciary with instructions that I hope we who are fighting for civil rights can all agree upon—instructions that will be fair to the opponents and fair to the proponents, and that will guarantee to the American people an official record that the courts of the country are entitled to have us make for use in the litigation that will follow for the next several years.

Mr. JAVITS. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. JAVITS. It is proper that I should clarify the legal situation which relates to these motions, as I may have, myself, quite unwittingly misled the Senate in respect of my statement. I think I am absolutely correct, in terms of what is written in the rules, in saying that the only way in which the bill can be referred to committee for a stated time is when a motion is made to take up the bill after it has been placed on the calendar. But the Parliamentarian has informed me, as he informed the Senator from Oregon, that in his view, and based upon the precedents he is using, such a motion will lie upon a motion to refer, the automatic reference of the bill having once been stopped. I understand that to be clearly so.

I therefore clear the record to that effect, because I do not wish to give any view, right or wrong, to mislead any Senator. I still feel strongly that the Senate is exercising its own best judgment in exact accord with the rules of control over this measure by putting it where it wants it to be.

The senior Senator from Oregon has the right to argue that he believes the hearings are not germane. I believe they are. He is absolutely within his rights to claim that a good purpose would be served. I do not think so. I think it would be a waste of time. Those are substantive arguments. But I wanted to make it clear that we are in agreement as to the procedural situation, not necessarily according to the rules, but according to the way the Parliamentarian interprets them.

To illustrate how strange and inconsistent this situation is, I am told one cannot move to amend a motion to take up, although the same rule would apply that it seems to me would apply to the motion to refer, not because of the wording of the rule, but because of preference, according to the Parliamentarian. Be that as it may, the Parliamentarian runs the show, unless we wish to overrule him, but I wish to show that is the Parliamentarian's construction, exactly as he has given it.

Mr. MORSE. The Senator from New York [Mr. JAVITS] and I have argued on the floor of the Senate this afternoon, not only as two friends, but as two lawyers on the opposite side of a case. I am very pleased that the Senator has clarified his position, because when he reads the RECORD he will find that his original statement justified my pointing out that the effect of overruling the Chair would not be the effect that the Senator announced earlier this afternoon.

I am greatly indebted to him for clarifying the record, because I always like to find myself in agreement, and not disagreement, with the Senator from New York.

As to the last point he made, if we can overrule the Chair we will be in a position, as the Senator now agrees, to refer the bill to committee. We should get ourselves in that position, in my judgment, for all the reasons I have set forth in this speech.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. JAVITS. I reiterate, so that my position will be clear, that I do not think that is the wise or prudent thing to do. However, we do not differ on the law; we differ on the substance.

Mr. MORSE. I yield the floor.

Mr. ERVIN. Mr. President, I commend the distinguished senior Senator from Oregon for the position he has taken. I have heard him state on the floor of the Senate that no rule of substantive law is of any more value than the procedure by which the rule can be invoked. As a lawyer, I know that a more truthful statement than that has never been made.

I wish to make a few observations in support of the appeal of the distinguished Senator from Georgia from the ruling of the Chair.

We are confronted by a rather peculiar situation. Some Senators brag about their great devotion to the cause of civil rights, yet they are seeking here to deny to a substantial part of the Senate its civil right to a fair consideration of the bill.

This particular bill is something of an afterthought. In a moment of political panic last summer, the administration sent a civil rights bill to the Senate and the House of Representatives. That bill was considered by the Senate Judiciary Committee. The junior Senator from New York [Mr. KEATING] alluded a while ago to the fact that I asked the Attorney General a number of questions about that bill. Actually, I interrogated the Attorney General about that bill for a total of about 15 hours. I cannot say what effect my interrogation of the Attorney General had, but I noticed that after it ended, the administration turned its back on that bill, and abandoned it, and has forsaken it to this moment. I pointed out there that the bill, which originally was sent here——

Mr. EASTLAND. Mr. President, will the Senator from North Carolina yield for a question?

Mr. ERVIN. I yield.

Mr. EASTLAND. Have any committee hearings been held on the current bill which has come here from the House of Representatives?

Mr. ERVIN. No; there has been no committee hearing, in the real sense of that term, on the bill which the majority leader has asked to have placed on the calendar, instead of referred to the committee. Although I may be mistaken about the date, it is my recollection that this bill came into existence for the first time about November 20, 1963, when it was suddenly sprung upon the members of the House Judiciary Committee, after its subcommittee had completed all of its hearings on the administration's bill and after its members, too, had repudiated the administration's bill, and had drawn up a bill of their own—another bill. So this bill has never been considered by any congressional committee having direct jurisdiction of bills of this character. The only hearings held on this bill were held by the House Rules Committee. As a consequence, the only people among the 190 million Americans to be vitally affected by the bill, who were permitted to say anything about it, were Members of the House of Representatives appearing in limited hearings conducted by the House Rules Committee in formulating a rule.

Mr. EASTLAND. Mr. President, will the Senator from North Carolina yield further at this point?

Mr. ERVIN. I yield.

Mr. EASTLAND. Is it not true that the House Rules Commitee is not a legislative committee?

Mr. ERVIN. That is correct.

Mr. EASTLAND. Therefore, is it not correct to state that no hearings have been held on this bill by a legislative committee?

Mr. ERVIN. That is correct. As the Senator from Mississippi well knows, during the progress of the hearings on the original administration bill before the Senate Judiciary Committee, when only a few of the hundreds of defects in that bill were called to the attention of the administration, the administration came in with amendments by means of which it wished to patch up its original bill. Is that not correct?

Mr. EASTLAND. Of course it is correct.

I wish to ask the Senator from North Carolina another question.

Mr. ERVIN. I yield.

Mr. EASTLAND. The distinguished Senator from North Carolina is chairman of the Constitutional Rights Subcommittee, which would conduct hearings on the bill if it were referred to the Judiciary Committee. Would not the Senator from North Carolina proceed promptly with those hearings?

Mr. ERVIN. Yes, with great dispatch.

Mr. EASTLAND. And would he not then report to the Judiciary Committee the findings of that subcommittee?

Mr. ERVIN. That is true; and the Senator from Mississippi knows, as I know, that the charge which has been made—namely, that the Judiciary Committee would bottle up the bill, if it were referred to that committee—is a charge totally without substance or foundation.

As a matter of fact, as the distinguished Senator from Georgia [Mr. RUSSELL] and the distinguished Senator from Oregon [Mr. MORSE] have pointed out, the Senate by a majority vote could take the bill away from the committee at any time and recall it to the floor of the Senate, for consideration by the Senate as a whole.

The truth of the matter is that those who are most zealous in seeking Senate passage of this bill do not want it referred to the Judiciary Committee, because they know that the members of the Judiciary Committee and also distinguished American lawyers who have asked to be heard by the Judiciary Committee on this bill would point out the defects of the bill, and then the American people would find out what is in the bill; and if the American people ever find out what is in this bill, it never will be passed by the Senate.

Mr. EASTLAND. That is an amazing statement. Does the distinguished Senator from North Carolina tell me that there is fear by the proponents of the bill that the American people will find out what is in this bill?

Mr. ERVIN. Absolutely. As a matter of fact, as the Senator from Mississippi knows, two civil rights bills have been before the Senate Judiciary Committee and have been considered by it in partial hearings. One of them was the original administration bill which was introduced at the request of the administration. The Senator from Mississippi knows that the other bill was introduced with the sponsorship of approximately 31 Senators, who asserted the validity of the provisions of their bill on the State license theory.

Mr. EASTLAND. But that bill was entirely separate from this one, was it not?

Mr. ERVIN. Yes, they were two separate bills having no connection with the present bill which came over from the House. We held hearings on those other two bills; and as a result of those hearings, or, rather, subsequent to those hearings, the administration abandoned and forsook and ran away from its bill; and the 31 Senators who joined in the introduction of the other bill have never since that time uttered a single word in its favor. The proponents of the present bill do not want it referred to the committee because they know the committee will point out that this bill is the most monstrous blueprint for governmental tyranny ever presented to the American Congress since George Washington first took the oath of office as President of the United States, in 1789.

Mr. EASTLAND. Mr. President, will the Senator from North Carolina yield to me?

The PRESIDING OFFICER (Mr. KENNEDY in the chair). Does the Senator from North Carolina yield further to the Senator from Mississippi?

Mr. ERVIN. I yield.

Mr. EASTLAND. Has Congress ever enacted a piece of proposed legislation which was not considered by a legislative committee—except this one?

Mr. ERVIN. Never, as far as I know.

Mr. EASTLAND. As the very basis of the deliberations of the Senate, should not the bill be studied by a duly constituted Senate committee, and should not that committee take testimony on the bill and then make its recommendations regarding the bill?

Mr. ERVIN. Yes; and, as the Senator from Mississippi knows, the Judiciary Committee has received requests from some of the most distinguished lawyers of the United States residing above the Mason-Dixon line, who have requested the privilege of appearing before the committee and pointing out how unconstitutional and how unwise the provisions of this particular bill are.

Mr. EASTLAND. Well, the Senator from North Carolina knows, does he not, that the bill would destroy the Constitution of the United States?

Mr. ERVIN. Yes, this bill is incompatible with the system of government created by the U.S. Constitution.

A great Justice of the Supreme Court of the United States, Justice Brandeis, said, on one occasion, that the States are the only breakwater against the ever-pounding surf which threatens to submerge the individual and destroy the only society in which personality can exist.

Under the provisions of this bill, the power to control all relationships between men of different races in the United States would be transferred from the States and the local communities and from the people themselves to a newly created totalitarian Federal Government, operating here on the banks of the Potomac River.

Mr. EASTLAND. Would not that amount to legislative lynching? Here is a bill which would transfer vast powers, as the distinguished Senator from North Carolina has outlined; yet it is proposed that the bill be considered by the Senate without having the benefit of committee hearings and without having the benefit of study by a legislative committee of either branch of Congress.

Mr. ERVIN. That is correct.

In addition to the effect the bill would have in centralizing governmental powers allotted by the Constitution to the States and the local communities and the people themselves, the bill would rob the 190 million American people of some of their basic economic, legal, personal, and property rights.

Mr. EASTLAND. Would not they be the ones who would be legislatively lynched if this bill were handled in the way some Senators have proposed?

Mr. ERVIN. That is correct; and they are the ones who are entitled to be heard. However, the only excuse given for the attempt to bypass the committee is that, in some way, so it is said, the 4 southerners among the 15 members of the Senate Judiciary Committee would bottle up the bill.

Mr. EASTLAND. How could 4 southerners among a membership of 15 Senators on the committee bottle up a bill?

Mr. ERVIN. They could not do so. I think it would be fine if they could do that, because then they would save the Government of this country, as it was created by the Constitution, and they would save the economic, the legal, the personal, and the property rights of the 190 million Americans. It is a pity that they cannot do so.

Mr. EASTLAND. Is it not very peculiar that the proponents of the bill do not want it studied by a legislative committee?

Mr. ERVIN. No, it is not peculiar. If I favored a bill like this one, I would not want anyone to find out what is in it. This is true, because if they did, they would not support it.

This bill was passed through the House by a species of misrepresentations concerning the law—misrepresentations which would have added glory to one of the old-time horsetraders who did not mind engaging in false pretenses in connection with horse trades. In a moment, I shall discuss that point further.

But to go back to the charge concerning Southern Senators, let me point out that there are only 22 southerners in the U.S. Senate, when not even one of them "secedes from the Confederacy"; and of course it is very seldom that there is not a seceder or two. At the best, there are only 22 Southerners among the 100 Members of the Senate. Nevertheless, it is said that the 22 can thwart the will of the rest of the 100 Members of the Senate.

I have told this story before on the floor of the Senate. I repeat it now because it explains the situation much better than I can explain it in a lengthy speech.

We all recall the cartoons concerning "Maggie and Jiggs." In one of the cartoons, Maggie and Jiggs were in Madrid, Spain. Jiggs found out that there was a self-protective society of husbands there known as the Gazook Society. Each member took a blood oath that whenever a brother Gazook got into any difficulty with his wife and gave the call of distress—"Gazook"—the other members would come to his rescue. Jiggs joined the Gazooks.

On one occasion Maggie was walking along the street in Madrid with Jiggs. They fell out about something, and Maggie started belaboring him. Jiggs, remembering his blood brothers, hollered, "Gazooks." A thousand of his brethen came to his rescue. Maggie took her umbrella and laid them all out. The last scene in the cartoon showed Jiggs in a hospital all bandaged up. He philosophized thusly: "The idea behind this Gazook Society is pretty good, but the trouble is, it doesn't have enough members."

That is the trouble with Southern Senators. There are not enough of them. If there were enough of them, there would be no possibility that this bill, which constitutes a rape upon the Constitution, would pass in this body. Unfortunately, we are like the Gazook Society. We do not have enough members to give constitutional government in America the protection which it must have if it is to endure.

A while ago I stated that the passage of the bill through the House of Representatives reminds me of the way they used to trade horses in North Carolina. It was an unwritten law that a horse trader could make any kind of false pretense about his nag that he desired. People expected it. Therefore, the man he was trying to trade with could guard himself against such pretenses.

I have read the brief which was prepared by the Department of Justice for those in the House who supported the civil rights bill now before the Senate. This brief indicates that we ought to read a little law into the CONGRESSIONAL RECORD. Perhaps the lawyers in the Department of Justice read the CONGRESSIONAL RECORD. They apparently do not read the law books.

I wish to call the attention of Senators to this brief. It shows that we need hearings on the bill. We need hearings on the bill to expose such statements as those contained in the Government brief which I hold in my hand.

When this brief came into my hands, I opened it at random, and read the first three pages relating to the public accommodations provisions of the bill—title II. I found on these three pages four false statements concerning the constitutional and legal principles applicable to this title. I wish to read these statements to the Senate with the observation that this brief was evidently written to beguile Representatives into believing title II to be constitutional. It was furnished to House Members in the House who advocated the bill ostensibly, to give them some legal ammunition. I read from the first page of the part designated "The Constitutionality of the Public Accomodations Provisions of Title II." I shall start at the bottom of page 1:

> As to the places or establishments covered by section 202, title II is an exercise of the power of the Congress to enact appropriate legislation to enforce the 14th amendment.

That section starts out with a recitation which is in virtually the same words as the Civil Rights Act of 1875:

> SECTION 1. That all persons within the jurisdiction of the United States shall be entitled to the full and equal enjoyment of the accommodations, advantages, facilities, and privileges of inns, public conveyances on land or water, theaters, and other places of public amusement, subject only to the conditions and limitations established by law and applicable alike to citizens of every race and color, regardless of any previous condition of servitude.

Most of the first subdivision of section 202 of title II was lifted out of the Civil

Rights Act of 1875. The brief of the Department of Justice states that section 202 of title II represents an exercise of the power of Congress to enact appropriate legislation to enforce the 14th amendment. That is exactly opposite what the Supreme Court of the United States held in the civil rights cases of 1883, which interpreted the Civil Rights Act of 1875 and adjudged it unconstitutional.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. EASTLAND. Does not that decision read like a present-day Supreme Court decision?

Mr. ERVIN. No.

Mr. EASTLAND. Most of them are rape of the law.

Mr. ERVIN. The Supreme Court pointed out in the civil rights cases of 1883, that section 1 of the 14th amendment merely prohibits State action abridging the privileges and immunities of citizens of the United States, or depriving any person of life, liberty, or property without due process of law, or denying any person the equal protection of the laws. The Court pointed out that the 14th amendment applies to States only; that it authorizes Congress to legislate only with respect to State action; that it does not authorize Congress to legislate in respect to the action of individuals.

Mr. EASTLAND. That act has been declared unconstitutional.

Mr. ERVIN. Yes; that act was declared unconstitutional.

Mr. EASTLAND. And the Department of Justice was using the provisions of law that had been declared unconstitutional to sustain the present bill.

Mr. ERVIN. The first subdivision of section 202 of title II of the bill uses the verbiage of the Civil Rights Act of 1875, which was declared unconstitutional under the 14th amendment in the Civil Rights Cases of 1883. As the court clearly held in that case the 14th amendment gives Congress the right to regulate State actions in three enumerated particulars only, and does not give it the power to regulate the action of individuals in any particular whatsoever.

So, to use the language of those old horse traders, that is one false pretense about the Constitution that the brief makes.

I ask Senators to listen to the next one. It is stated—

> The provisions of title II may also derive support from the power of the Congress to enact appropriate legislation to enforce the 13th amendment.

In every case the Supreme Court has handed down a decision on this point, it has held that this statement is not true.

The Supreme Court of the United States expressly held in *United States* v. *Harris*, 106 U.S., page 629, that the 13th amendment merely outlaws slavery and involuntary servitude and that Congress has no power under the 13th amendment to enact legislation of the character set out in title II of this bill.

The same holding was made in the civil rights cases of 1883, where the Court emphatically held that the Congress had no power under the 13th amendment to enact the Civil Rights Act of 1875, which was virtually identical with public accommodations provisions now before us. Its holding on this point is epitomized in headnote 8, which declares that the 13th amendment relates only to slavery and involuntary servitude, which it abolishes, and that the denial of equal accommodations in inns, public conveyances, and places of public amusement imposes no badge of slavery or involuntary servitude upon any person.

Those are two statements in this brief in which the Department of Justice asserts that the Constitution means exactly opposite what the Supreme Court declares it means.

I might add that as late as May of this past year, when the Supreme Court of the United States handed down its decisions in the so-called sit-in cases, the Supreme Court held, in an opinion by Chief Justice Warren, that the 14th amendment related only to the action of States, and did not relate to the actions of individuals. That is stated in plain words in Peterson against The City of Greenville, one of the sit-in cases.

I submit that no ethical standard accepted by intellectually honest lawyers can justify these false assertions made in this brief prepared by the Department of Justice to aid and abet the passage of this bill.

I want to call attention to another statement in this remarkable brief. Its writer cannot plead total ignorance in mitigation of his false assertions. He certainly knew something about the civil rights cases of 1883 because he made reference to them. He said:

> In the view of the Supreme Court, sections 1 and 2 of the Civil Rights Act of 1875 had been tied by Congress exclusively to section 5 of the 14th amendment.

When Congress passes an act, it does not tie the provisions of the act to any particular provision of the Constitution. It passes the act, and the Court then looks to the entire Constitution to determine the act's constitutionality. If it finds anything in the Constitution which sustains the act as within the legislative power of Congress, the Court upholds the validity of the act. If it fails to find anything in the Constitution to sustain the exercise of the power by Congress, the Court adjudges the act invalid. One must, therefore, infer that the writer of the brief undertook to mislead the Members of the House of Representatives as to the holding of the civil rights cases of 1883 by inserting in it the incorrect statement that the Civil Rights Act of 1875 had been tied by Congress exclusively to section 5 of the 14th amendment.

The civil rights cases of 1883 show that in passing on the validity of the act the Supreme Court considered the interstate commerce clause, the 13th amendment, and the 14th amendment and adjudged that none of these constitutional provisions gave Congress the power to enact the act, which, as I have stated, was virtually identical with title II of the pending bill.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. RUSSELL. There seems to be a certain antipathy toward old laws. I would not be surprised if someone moved to strike down the Ten Commandments one of these days because of this feeling for laws that are "fresh off the griddle," and right out of the Supreme Court Chamber. But as late as 1957 or 1958, the circuit court of appeals for this circuit held, in the Howard Johnson case in Alexandria, that neither the commerce clause nor the 14th amendment could be used to sustain the equal accommodations claim.

Mr. ERVIN. The Senator is correct. That was the ruling in the Howard Johnson case which arose in Alexandria, Va., just across the river from Washington. As the Senator from Georgia has so well stated, the U.S. court of appeals makes it clear that a public accommodations law cannot be based on the 14th amendment or the commerce clause.

Mr. RUSSELL. In effect, they followed the decision in the so-called civil rights cases of 1883.

Mr. ERVIN. What grieves me is that the civil rights advocates have so little confidence in the intellectual integrity and the judicial stability of the Supreme Court. When we call their attention to these decisions, they say, "Why, the Court will overrule those."

I was tempted to say, and did say, that they reminded me of the old lawyer who did not do much studying of lawbooks, but who had the reputation of being rather adroit in his practice of law. This old lawyer was invited by a law school to address one of its classes. He said to the class:

> It is most important that you shall have confidence in your case. Therefore, my advice to you is never to study the law applicable to your case before you try it. If you do, you may find that the law is against you, and you will lose confidence in your case.

Mr. RUSSELL. He evidently thought as several members of the present Supreme Court do—they follow their own predilections and look at the law after they complete their findings.

Mr. ERVIN. To complete my story, someone asked him:

> What are you going to do if someone on the other side studies the law applicable to the case and shows the court it is against you?

He replied:

> That's easy. All you have to do is say to the Court that is a bad law and ought to be overruled.

I refuse to have such little confidence in the intellectual integrity of the Supreme Court as the proponents of the civil rights bill evidently have. The 14th amendment says in express words that it applies only to State action which deprives a person of life, liberty, or property without due process of law, or denies to a person the equal protection of the laws, or abridges the privileges or immunities of citizens of the United States. The Supreme Court of the United States cannot possibly uphold the public accommodations provisions of the bill under the 14th amendment without murdering the king's, the queen's, and everybody else's English, because the 14th amendment cannot possibly be interpreted that way. An intellectually honest Court, like an intellectually honest man, cannot say that the word "State" refers to an individual.

I would say the same thing about upholding this provision under the interstate commerce clause. The clause gives Congress power to regulate interstate commerce, and interstate commerce is the movement of persons, property, or communications from one State to another. This bill does not attempt to regulate interstate commerce. It undertakes to regulate the use of private property wholly within the borders of a State and the rendition of personal services wholly within the borders of a State. The proponents of the bill have a peculiar idea. They say that Congress has the power to regulate under the interstate commerce clause the activities of any person as long as he uses anything which has ever moved in interstate commerce. Under their theory, a man who wears a pair of breeches which have ever moved in interstate commerce is subject to congressional regulation until he takes his breeches off. Then Congress loses its regulatory power. Certainly the Constitution is not such an absurd document as that.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. RUSSELL. I do not like to continually interrupt the Senator. I want to say, however, that while I have had many complaints against those that have pressed for this mislabeled civil rights bill, I must confess that such a suspicion of the Supreme Court is not one of those things that have given rise to my complaints against them.

Mr. ERVIN. I reiterate the fact that in the first three pages of this brief read by me at random I found four false statements concerning constitutional and legal matters.

Let me read the fourth:

> The Court held the statute (i.e., the Civil Rights Act of 1875) unconstitutional under that amendment (i.e., the 14th amendment), and refused to consider whether it would be constitutional in some of its applications under the power to regulate interstate commerce.

This statement is wholly without foundation.

I have invited the attention of the Senate to the fact that the Supreme Court considered the Civil Rights Act of 1875 in the light of the 13th and 14th amendments, and held in express terms that neither of these amendments gave Congress the power to pass the acts, and that in consequence the act was unconstitutional.

The civil rights cases of 1883 make it crystal clear in two separate passages that the Supreme Court held that the interstate commerce clause did not authorize Congress to adopt the Civil Rights Act of 1875.

The first passage appears on page 10 of the opinion. The interstate commerce clause was written by the Constitutional Convention of 1787. It was a part of the Constitution when George Washington took his oath of office as President in 1789.

This is what the Court said on page 10 of the opinion:

> Has Congress the constitutional power to make such a law? Of course, no one will contend that the power to pass it was contained in the Constitution before the adoption of the last three amendments.

The court was referring to the 13th, 14th, and 15th amendments.

Since the interstate commerce clause was a part of the original Constitution and antedated the 13th, 14th, and 15th amendments, this statement constituted a holding that the Congress did not have the power under the interstate commerce clause to enact a public accommodations law of the character of that set out in the act of 1875 or this bill.

The second passage relating to the interstate commerce clause appears on page 19 of the opinion. It reads as follows:

> We have also discussed the validity of the law in reference to cases arising in the States only; and not in reference to cases arising in the territories or the District of Columbia which are subject to the plenary legislation of Congress in every branch of municipal regulation. Whether the law would be a valid one as applied to the territories and the District is not a question for consideration in the cases before us: they all being cases arising within the limits of States.

In other words, the Court said that these cases all arose within the limits of States, and for that reason the act of 1875 was invalid.

The Court further said:

> And whether Congress, in the exercise of its power to regulate commerce amongst the several States, might or might not pass a law regulating rights in public conveyances passing from one State to another, is also a question which is not now before us, as the sections in question are not conceived in any such view.

Consequently, the Court clearly said that these cases related to what occurred within the limits of States and for that reason Congress had no power to pass a public accommodations law applicable to them.

These are only a few of the observations made by this brief, which was evidently prepared to deceive Members of the House into believing that the public accommodations provision is constitutional under the 13th amendment, the 14th amendment, and the interstate commerce clause, notwithstanding that the very decision referred to by the brief held that it is not constitutional under any of those provisions.

This bill should be considered by the Senate Judiciary Committee. Under the bill, the power to deal with all matters in relation to the question of race would be transferred from the States and the people to Washington. The right of the people who invest their money in business or in industry, to decide whom they wish to hire, whom they wish to promote, whom they wish to discharge, or whom they wish to lay off in times of depression, and what the relative rates of compensation to their different employees should be, would be transferred from them to the Federal Government. Indeed, that Government would even assume the power under this bill to determine the rooms in which employees are to labor, and the rooms in which public school children are to sit.

There is one provision in the bill which is most iniquitous. It would convert all agencies and departments of the Federal Government dealing with any Federal program involving the expenditure of Federal money into legislative bodies, with authority to pass such laws as they see fit and to prescribe such punishments as they see fit for the violation of such laws. This provision would authorize such agencies and departments to take untold billions of dollars of Federal moneys and use them to bribe or browbeat States, political subdivisions of States, charitable organizations, business, industry and individuals, to conform to whatever notion an administrator of an agency or department might entertain in reference to racial matters.

This bill constitutes the most drastic assault on constitutional government ever proposed in the history of our Nation. It is more drastic, even, than were the Reconstruction Acts, because the bill is broader. It would rob every American of basic economic, legal, personal and property rights. It would confer upon the Attorney General of the United States and upon the Equal Employment Opportunity Commission, which it would create, vast discretionary power to bring suits, or to refrain from bringing suits, according to their whims and caprices, without any law to guide them or control their actions.

It would do violence to the basic principles upon which the American governmental system rests; namely, that we should have a government of laws and not a government of men, a government in which the laws should control men rather than a government in which men should control laws. The powers which the bill would vest in the Attorney General are incompatible with the principle embodied in our legal system; namely, that all laws should apply alike to all men in like circumstances.

Mr. TALMADGE. Mr. President, will the Senator from North Carolina yield?

Mr. ERVIN. I am glad to yield.

Mr. TALMADGE. I congratulate the distinguished Senator from North Carolina on the logic, the eloquence, and the sound legal foundation of his argument. He has made an unanswerable argument, in my opinion, from a constitutional standpoint.

I should like to inquire of the Senator if it is not correct that under certain conditions in the public accommodations laws, a barber, a beautician, a massage parlor, or any similar operator would be required to perform labor and personal service for any individual not of his own selection?

Mr. ERVIN. Under the public accommodations provision of the bill, the Federal Government would undertake to tell a barber having a barber shop in a hotel whom he should shave. It would undertake to tell a beautician having a beauty parlor in a hotel what women the beautician should attempt to beautify. It would undertake to tell a shoeshine boy having a shoeshine parlor in a hotel whose shoes he should shine.

With the Federal Government devoting its attention to the affairs of shoeshine boys, beauty parlor operators, and barbers, having establishments in hotels anywhere in the country, it will have little time to spend strengthening and rehabilitating the NATO Alliance, or keeping Castro from lording it over Latin America, or asserting our rights in the Panama Canal dispute. It seems to me that the Federal Government should devote its attention to something more important than telling shoeshine boys whose shoes they should shine.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. ERVIN. I am glad to yield to the Senator from Georgia.

Mr. TALMADGE. Does the Senator know of any provision in the Constitution which authorizes the Federal Government to compel a shoeshine boy to shine my shoes, whether he wants to or not?

Mr. ERVIN. I do not know of any such provision. But I do know that the 13th amendment prohibits involuntary servitude, and makes that kind of law invalid.

Mr. TALMADGE. I thank the Senator. I agree with him completely.

Mr. ERVIN. I should like to make one more observation in closing my remarks. The contest between those who advocate civil rights bills of this character and those of us who oppose such civil rights bills is a fundamental conflict between people who value different things. Those who advocate the passage of civil rights bills of this character say they want legislation to give all men equality coerced by law. Those of us who oppose such bills say that the supreme value of civilization is the right of the individual to be free from governmental tyranny.

It is not possible to have both equality coerced by law, and freedom of the individual from governmental tyranny. It is necessary to make a choice between these two things. We cannot have both. They are incompatible. When I must make a choice between equality coerced by law and freedom of the individual, I take my stand on the side of freedom of the individual.

This country became great because it gave freedom to the individual. It allowed him to conduct his affairs in his own way, and to operate his own business free from governmental tyranny. I choose the freedom of the individual, which made our country great, rather than equality coerced by law. I shall not vote to make all Americans mere puppets upon the string of tyranny.

I do not know what the proponents of the bill mean by equality. Every citizen of the United States of every race now stands equal before the law. There are on the Federal statute books sufficient laws to secure to every individual every right that he possesses under the Constitution and the laws of the United States.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. TALMADGE. Does not this philosophy coincide completely with the philosophy of the Soviet Union, which has more civil rights than any other nation on the face of the earth, and compels its people to be equal, whether they like it or not, according to the Communist doctrine?

Mr. ERVIN. The Senator is absolutely correct. The Russian Government regulates the citizens' thoughts and actions. That is what is being done in the District of Columbia now under a regulation adopted by the Commissioners in the field of housing.

Mr. TALMADGE. And under those regulations they have lost their liberties.

Mr. ERVIN. Yes; everyone, including those for whose benefit the regulations were adopted. The proponents of this bill are not asking for legal equality, because everyone now has legal equality. I cannot believe that they are foolish enough to think that any race can legislate its way to social or economic equality in a free society. When a country attempts to legislate that, it destroys the freedom of society. That is what the bill undertakes to do. I hope the Senate, out of regard for civil rights for everyone, will give Members of the Senate and the American people the civil right to be heard on this bill before the Judiciary Committee.

Mr. RUSSELL. Mr. President, I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, will the Senator withhold that suggestion?

Mr. RUSSELL. I withhold it temporarily.

Mr. MANSFIELD. Does the Senator have any idea as to how much longer the speeches will continue?

Mr. RUSSELL. No; I have no detailed information in that regard. The Senator from New York [Mr. KEATING] may wish to say a few words on the subject.

Mr. MANSFIELD. It is my intention to move to table the appeal of the distinguished Senator from Georgia. I believe there should be a reasonable amount of debate on the subject. I realize it is a difficult procedure to undertake, but I believe it ought to be stated ahead of time what the intention is. I am sure there are some Members of the Senate who are not too surprised. The reason I am asking how many more Senators expect to speak is to determine whether it would be possible to arrive at a consensus of when the Members of the Senate may expect a motion to table to be made.

Mr. RUSSELL. I am not in a position to answer the Senator's question. I do not know how the Senator can arrive at a consensus. I assume that when the Senator and his colleague departed from the precedents and obtained their ruling, instead of submitting the question to the Senate for decision, as has been the customary practice, they implied that a motion to table would be made at a reasonably early date. The majority leader knows that a motion to table is the most severe form of gag rule. It has the effect of instantaneously precluding all discussion of any question before the Senate. I do not see how it can be said that it is anything other than an indication that in the consideration of the bill the majority leader intends to resort to every means at his command to prevent us from getting our views before the Senate and the country.

I do not like a motion to table, though I have voted for a few. It is the most severe form of gag rule known under the Senate rules. I am not in a position to tell the Senator how many Senators will speak, or to give him any guidance as to the making of his motion.

Mr. MANSFIELD. If there were any possibility of arriving at a unanimous-consent agreement to give the Senate an opportunity to vote the appeal up or down within a reasonable time, I would be most happy to consider such an idea.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. MORSE. As a Senator who is urging that the ruling of the Chair be overruled, I hope a definite time can be set for a vote tomorrow. There should be a vote on the ruling of the Chair, not a vote on the motion to table. I hope the Chair can be overruled, so that we can then be in a position where we can move that the bill be sent to committee for consideration for a reasonable time certain, to be reported back to the Senate.

Mr. MANSFIELD. If there were to be a yea-and-nay vote on the appeal of the Senator from Georgia, I would prefer that it come this evening, for a number of reasons which, at least to my way of thinking, are quite valid.

I wonder if it would be possible to obtain a unanimous-consent agreement to have the Senate vote on the appeal of the Senator from Georgia at 5:30 this afternoon.

Mr. KEATING. Reserving the right to object—and I shall not object—I need about 3 or 4 minutes to express my views. I assume there will be time to obtain recognition.

Mr. MANSFIELD. That I cannot guarantee.

Mr. KEATING. I shall not object. I would like to bring this matter to a head.

Mr. RUSSELL. I believe this is a matter of sufficient consequence not to be called up under a 35-minute limitation of debate. This is a very important matter. I have already sent my records back to my office, but if I had them here I would like to read the remarks of the President pro tempore, Arthur Vandenberg, when he submitted this matter to the Senate and when he, along with the majority of the Senate, voted to uphold the provisions of the Reorganization Act which provide for the submission of all bills to committee. He said at that time that this was one of the most momentous decisions that the Senate would be called upon to make, and that it would be one of the guidelines for the Senate in determining whether the committees could be bypassed at the will of one Member of the Senate.

He said it more eloquently than I can. The late Senator Vandenberg was an eloquent man.

Nevertheless, this question is not of such little consequence that we should dispose of it in a matter of 35 minutes. I object.

Mr. MANSFIELD. I understand the position taken by the distinguished Senator from Georgia. There should be a reasonable amount of debate. I made the proposal for the purpose of testing the situation. In view of the circumstance that it may well not be possible to arrive at a unanimous-consent agreement for a yea-and-nay vote on the appeal of the distinguished Senator from Georgia, the Senator from Montana is prepared to offer a motion to table at an appropriate time.

Mr. RUSSELL. Mr. President, I renew the suggestion that I withheld at the suggestion of the Senator from Montana. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. Mr. President, it is my intention to move, shortly, to table the appeal of the distinguished Senator from Georgia [Mr. RUSSELL]. I do so reluctantly, and I am sure Senators realize that there are times when decisions which are arrived at are extremely difficult to explain and very difficult to comprehend.

It has been stated this afternoon by certain Senators that in 1957 the Senator from Montana voted—as did the Senator from Oregon [Mr. MORSE], the Senator from Georgia [Mr. RUSSELL], and other Senators—to refer a civil rights bill to the Judiciary Committee. That is a statement of fact. All I can say in extenuation is that consistency is not always a jewel, that times change, and that were I not the leader, perhaps I might still feel the same way—although I rather doubt it at the moment. But these things must be faced, and the Senate should be put on notice that this tabling motion will be made as soon as the minority leader, the distinguished Senator from Illinois [Mr. DIRKSEN], completes his speech, or at least shortly thereafter.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MORSE. Does the majority leader intend to ask for a yea-and-nay vote when he makes the motion to lay on the table? I think it is important to have a yea-and-nay vote.

Mr. MANSFIELD. Absolutely.

Mr. RUSSELL. Mr. President, there should be a yea-and-nay vote not only on the proposal to bypass the committee, but also on the question of stopping the debate in the Senate merely because it is growing a little late in the afternoon.

Mr. MANSFIELD. Mr. President, I assure Senators that there will be a yea-and-nay vote. I believe there should be such a vote. As to what the outcome of that rollcall vote will be, I must say in all honesty that I am not at all sure.

Mr. RUSSELL. I hope the Senator is in error.

Mr. MANSFIELD. I thank the Senator from Illinois for yielding.

Mr. DIRKSEN. Mr. President, sometimes one finds himself in an awkward position, and there are occasions when the history books rise up to hit one in the face. But that is nothing new in my life. Yet I think I can offer, during this debate, something to sustain the position I shall take—namely, in favor of overruling the ruling made by the Chair: I was a member of the Congressional Joint Committee on Reorganization of Congress, in 1946. I served on that joint committee when the late Senator Maloney was its first chairman, and I also served on the joint committee when the late Senator LaFollette succeeded him. I remember the problems we encountered in streamlining the committees of the House and the Senate and assigning given responsibilities to them. I think the distinguished Senator from Georgia [Mr. RUSSELL] is absolutely correct, because we did say that certain things shall—and I emphasize the word "shall"—be referred to the committees which we believed had proper jurisdiction, and that if that rule conflicted with any other rule, the other rule would have to give way, in the face of the provisions of the Legislative Reorganization Act which were applicable to the case.

We have heard a good deal about what happened on June 20, 1957. The entire story has not quite been told. Senator Knowland was the leader on this side. He did intercept the bill when it came to the door, and then kept it on the desk; and then came a situation identical to the one with which we are confronted at the present time. If Senators will examine that yea-and-nay vote, they will find that I was among those who voted to keep the bill here and to have action taken on it, notwithstanding the fact that the late former beloved President of the United States—Mr. Kennedy—was willing to have it sent to the committee, and so indicated by his vote, notwithstanding the fact that the present President of the United States—Mr. Johnson—also was willing to have that done, and notwithstanding the fact that other distinguished Senators then voted accordingly.

Mr. RUSSELL. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. RUSSELL. I may say that if the Senator has changed his mind, he is in very distinguished company, because on that occasion the majority leader voted against the proposition of bypassing the committees, and voted against the proposition that only one Senator had a right to have the bill placed on the calendar.

Mr. DIRKSEN. Yes; but I wanted to point out—it has not been alluded to, all afternoon—that there were 13 full days of hearings on the civil rights bill in the Senate Judiciary Committee. The committee began its sessions early, and worked late. I have here a list of the days: The hearings began on February 14, and lasted until March 5. Fourteen civil rights bills were pending before that committee, and it heard witness after witness, both witnesses for and witnesses against.

But now, in contradistinction to that, we have had one witness before the Judiciary Committee, since the President's message and the package bills came to the Senate, and that witness was the Attorney General of the United States. He appeared nine different times, and I tried to do him the honor—and I did him the honor—of being present at every hearing which he attended. We held those hearings, and we explored the bill at very considerable length.

Mr. JAVITS. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. JAVITS. I would not dream of interrupting the Senator from Illinois, except I think that as these facts are being cataloged, one other fact should also be cataloged. It is true that the public accommodations section which is contained in this bill, in the same sense, although not precisely, as it is set forth in this section, was then included; that is to say, the subject, as then included, was carefully considered over a long period of time by the Commerce Committee; and I know, of my personal knowledge, that the same is true of the fair employment practices section, which was considered by my own committee, and we wrote a report on it. So is it not a fact that, first, there was a hearing before the Judiciary Committee; and, because of the views of the Senator from North Carolina [Mr. ERVIN], that hearing lasted a very long time, but with only one witness—although the Government's case was fully presented; and we respect him for that; second, that the public accommodations section, which is one of the critical sections of this bill, was heard at length, in the same sense, by the Commerce Committee; and that the fair employment practices section was heard at length by the Public Welfare Committee.

So we are not faced with quite as limited hearings as might otherwise be supposed.

Mr. DIRKSEN. I am delighted that the Senator from New York has raised that point, because next I wish to point out that this bill includes a title called title VII, and that title was not in the bill when it came to the Senate. The late President of the United States, Mr. Kennedy, after my fourth session with him at the White House, gave me assurances that there would be no fair-employment-practice title in the bill; and he kept his word, and no such title was sent to the Senate. That title was written in in the House of Representatives. Oddly enough, one of the first things the House did, in a somewhat frivolous fashion, was to write in not only race, religion, and national origin, but also the word "sex." Strangely enough, last year we passed the equal-pay-for-equal-work bill, relating to women; and that is administered by the Fair Labor Standards Division in the Department of Labor. But pay for sex can be a discrimination within the meaning of title VII, and it will be administered by the Commission which is to be set up under the provisions of this bill.

Who will tell me how it will be possible to reconcile all this? It gives me a very considerable amount of trouble.

In the equal pay bill, we included exemptions for executives, administratives, and professionals; but there is no such exemption in title VII of this bill.

Here is another point: If the Senate passes the bill and includes in it title VII, as it now stands, it will be necessary to deal with the commissions of 28 States which have some sort of civil rights group or antidiscrimination group or body; but at the same time, 22 States will be cast outside the pale, right off, and will be put in a kind of illegal category; and then there could be the fantastic spectacle of procedure by the Attorney General in instituting an action against an employer in the State of Illinois, at the same time that the Illinois State Commission was proceeding against him, either for the same thing or for a different thing. Who would prevail? Who would have preemption? That has never been discussed; we have never heard anything about it. The distinguished Senator from Oregon made what I thought was the important point this afternoon; namely, that if there is to be a meaningful, purposeful, durable civil rights bill—and I want one, and I am going to vote for one, somehow or other—we must hear from witnesses who know something about this matter, in order to clarify all the peculiar things which have gotten into this bill.

In title VII there is a provision to the effect that they can deal with a State agency if it is an effective power. Who shall say when a State agency is an effective power in this field? That might be true in my State, but it might not be true in another State. But a Federal commission would determine the meaning of those words.

And other words are included, including the statement that the power is to be "effectively exercised." Who would determine that? It would be determined by a commission here in Washington, D.C.

So I can see no end of conflict and no end of difficulty, before we get through.

Those are only some of the things about which I should like to have a little information; but title VII was not in the bill which went to the Senate Judiciary Committee; and I hate to see my committee bypassed.

I should like to have a look at this, because no doubt in the course of time its application will be changed from 100 employees in a labor union to 75 employees, and then to 50 employees, and then to 25 employees; and finally every employer in the United States will ultimately be affected.

Mr. President, in the name of good conscience, with that kind of challenge before the Senate, are we going to vote to run headlong into this matter and then, at a later time, lament our mistakes?

The bill contains other provisions about which I should like to know something:

In title I there is a provision which places in the hands of a defendant the right, on his own request, to ask for a three-man court. Mr. President, what kind of impact, finally, upon the judicial system of the country would there be if we suddenly went that far?

Title IV contains a prohibition that racial imbalance in schools cannot be corrected. Yesterday 120,000 pupils stayed home from the schools in the city of Chicago. We begin to wonder about the hate, the passion, and the intensity of feeling. There is one sentence that is not spelled out. Does that apply to Federal courts? What do we do about State courts? Should we not amplify that provision so that it will not rise up to hit us in the face at some future time? The House was content to put in one short sentence to deal with it, and that is as far as it went.

In title VI, which refers to assistance programs, there is a provision that the continuance of assistance shall be determined by some group in Washington. I should like to ask Senators the following question: Suppose there is assistance under a contract that has been going on for 5 years, and then the question of race discrimination comes up and it is decided to discontinue such assistance. Then what about the sanctity of a contract that a citizen has made with his government? I would like to know. I am absolutely up in the air, because it has not been spelled out in the House bill and we have not had opportunity to have any testimony whatsoever except from the Attorney General of the United States. There are other exemptions in the House bill. But, if we are to avoid litigation and the congestion of our courts in interpretation, confusion, and misinterpretation, can we afford to take a chance on rushing the bill through?

This is the second month in the year. Time is not quite that precious that we could not send the bill to the Committee on the Judiciary for 10 days. As a member of the committee, I shall throw everything overboard to be on hand. But I should like to ask a few questions. I should like to have a few witnesses before the committee to tell me about some of the provisions in title 7. There has been a great deal of testimony on title 2. I shall have a substitute for title 2 when the time comes. I do not quarrel about that. But I do quarrel about all the things that were written in, either on the floor of the House, or that never appeared in any text that was submitted to our committee.

So we are asked to take the measure on blind faith. That is too dangerous a challenge to undertake on that kind of basis.

I know I am something of a target on this whole question. The head of the Committee on Racial Equality has already indicated on television and radio that I shall be the target of demonstrations of one kind or another. The newspapers have been full of it. I do not care. After all, my first duty and responsibility is to this country, now and in the future. The amazing thing is that in title 7 of the bill the words "public interest" are used, and what the public interest is is not spelled out. How can we legislate intelligently on a basis of that kind?

So I cannot do otherwise than to vote to overrule the action and the determination by the Chair, in the hope that for a period of 10 days, let us say, the bill can be in the committee. I shall go along with the proposal to limit the time and have the Senate mandate the Judiciary Committee to send the bill back by a given date, either with or without recommendations, and from that point on we can let the Senate work its will and suddenly, or as rapidly as possible, develop what we think is a sensible approach to the civil rights problem.

After all, the acting majority leader stated on the ticker last night that the farm bill would be before the Senate until action on it was completed. Many amendments will be offered. There is a sheaf of amendments on the desks of Senators now. I shall be glad to grant the right to the Committee on the Judiciary to meet during sessions of the Senate if a farm bill is being considered by the Senate, and I shall work as early and as late as necessary, so long as we will not be impeached by the statement, "You have gone to the country with a bill that has not actually been before you except to hear the Government's case from the lips of the Attorney General." No other witness appeared before the committee.

So it is made to appear that we are in an embarrassing position because of June 20, 1957. I am recorded on the yea-and-nay vote taken at that time as having undertaken to do exactly what the majority leader wants to do today. But behind that measure was the fact that 13 full days of hearings had been devoted to the measure. Many witnesses had been heard. There was opportunity to be heard on every provision of the bill before it finally came up for an impression of the will of the Senate.

Mr. HUMPHREY. Mr. President, will the Senator yield at that point?

Mr. DIRKSEN. I yield.

Mr. HUMPHREY. Is the Senator willing to tell us whether the 13 days of hearings were on the Senate bill or the House bill that was subsequently intercepted at the door and placed on the calendar, as the leader is requesting be done now?

Mr. DIRKSEN. I checked with the clerk this afternoon. The hearings were on every one of the 14 bills that were pending before the Committee on the Judiciary.

Mr. HUMPHREY. Were they House or Senate bills?

Mr. DIRKSEN. I do not know whether any of them were House bills. But that would not make any difference. What does the rule provide? That they shall be referred to the committee having jurisdiction under the appropriate rule; and the bill has not been referred.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. DIRKSEN. I yield.

Mr. HUMPHREY. I am not at all critical of any Senator who may change his position with reference to what happened in 1957 or what he might do in 1964. I do not believe that consistency on these questions is necessarily a sign of intelligence, prudent judgment, or even wisdom. We make our decisions as they arise. The only point that the Senator from Minnesota seeks to make—and I think I am right—is that in the instance of the 1957 action, the bill that was intercepted at the door was a House bill. It was different from bills that were pending in the Senate Committee on the Judiciary. The bills in the Senate Committee on the Judiciary, upon which hearings had been held, were Senate bills. The House resolution that was intercepted and placed on the calendar after second reading was handled under exactly the same procedure that we are asking to be followed today. No Senate bill was reported from the Judiciary Committee to be a substitute for the House bill. It was the House bill that was intercepted.

There were 11 days of hearings on the bill S. 1731 and the bill S. 1750 in the Judiciary Committee in 1963—legislation that had very much the same general features as the bill that came over from the House to the Senate about 2 weeks ago.

Mr. DIRKSEN. Mr. President, I respectfully point out to my friend that the aggregate of the provisions in the 14 bills not only encompassed everything in the House package, but infinitely more, so we had our day in court. All I ask is to let us have "a day in court" for the Senate, particularly on a title that was not in the bill that came to the Senate, and on which there has not been so much as a jot or tittle of testimony before the appropriate committee. That is the Judiciary Committee.

We can mandate the committee to report the bill to the Senate in 5 days, 1 day, 2 days, or 10 days.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. HUMPHREY. I am not arguing that point. There is much validity to the point that has been made by several Senators this afternoon as to the directions and instructions that can be given to a committee. The Senator from Minnesota is stating only what occurred in 1957. I am not in any way being critical of how Senators voted then, or how they will vote now. In 1957, a House bill was intercepted. Senate bills were to be found in the Judiciary Committee. Those bills were not reported to the Senate. In 1963, and in this year of 1964, a bill that has come from the House is a House bill, and it is before the Senate today for the purpose of being placed on the calendar. The bills that are in the Senate committees are Senate bills, with the exception of two that have been reported to the Senate. There have been more hearings on fair employment practices this past year than at any other time in the history of the Senate, and a bill is on the calendar. There have been hearings on public accommodations before a duly constituted committee of the Senate—the Committee on Commerce. Those are two vital features of the House bill—not in exact detail. Seldom are House bills and Senate bills alike. If they were alike, there would be no need to have reference to committees.

But all of the substance, the total aggregate, of the civil rights bills has been testified to, heard, and examined by the appropriate committee of the Senate. The Judiciary Committee did not report the bill. This is one of the reasons why the majority leader is following the procedure he is following. Had the committee reported the bill, he would not be following it. But there are two separate titles, the public accommodations, and the fair employment titles. So while I remember vividly the discussions with the late and beloved President relating to fair employment practices, and while it is a fact that the President did not send such a bill in his overall civil rights package, that bill was introduced in the Senate, it was introduced in the House, it was passed in the House, and was put on the calendar. There has been no lack of hearings. There has been a lack of action.

Mr. DIRKSEN. Mr. President, the Senator begs the question. The Judiciary Committee did not hear any such testimony. I do not recollect that we considered the fair employment provision when I was on the Labor and Public Welfare Committee. I was not on that committee long. I forfeited my place to a newly elected Senator. But we are entitled to hear some testimony as to what the difficulties may be and the litigation we may be saving up for people in all sections.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. HUMPHREY. I remember that in the 81st, the 82d, the 83d Congress, and others, a fair employment practices bill was a part of the comprehensive civil rights program, or bills that were introduced, which went to the Committee on Labor and Public Welfare. This is where the jurisdiction rests. The public accommodations feature went to the Commerce Committee, because it has jurisdiction of that particular type of legislation. The Judiciary Committee does not have complete jurisdiction over all matters called civil rights. It has jurisdiction over certain civil rights matters. The Senator may try to make a good case, but there has been testimony.

Mr. DIRKSEN. Mr. President, I am not disposed to hold the floor any longer. I know that certain Members of the Senate wish to witness the signing of the tax bill, if they can get there. I am ready to yield the floor. I have told my story. I have tried to show a difference in factual information that was not raised, to show that the shoe is a little bit on the other foot, and that I can justify fully, for myself, a vote to overrule and override the finding of the Chair.

Mr. KEATING. Mr. President——

Mr. MANSFIELD. Mr. President, in 3 minutes I intend to make my motion to table. If I may, I should like to give those 3 minutes to the Senator from New York [Mr. KEATING]. I have not that right, but I ask to do it.

Mr. RUSSELL. Mr. President, in view of the fact that other Senators wish to speak, I insist that the Senator lose the floor if he yields 3 minutes.

The **PRESIDING OFFICER.** The Senator from New York [Mr. KEATING].

Mr. KEATING. Mr. President, I shall be very brief and not detain the Senate. I find myself, unfortunately, in complete disagreement with the distinguished minority leader. I see nothing to be gained by sending the bill to the Judiciary Committee. There were 9 days of hearings, with no result except to hear one witness, with one Senator spending all the time questioning that witness. I would expect a repetition of such procedure if the matter were again returned to that committee.

There have been hearings on this issue in the Senate, and in the other body, running out of our ears. There is nothing to be gained except further delay by referring it to committee.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KEATING. I have only 3 minutes.

Mr. JAVITS. I wish to correct a statement. I would like the minority leader to know—and I disagree with the Senator's views on this issue, as he knows—that the Labor and Public Welfare Committee considered the House bill. We compared it with our own version. When we reported the bill, we reported it in light of the House version of the FEPC bill.

Mr. KEATING. Like the Senator from Minnesota, I would be the last one to criticize any Senator who has changed his viewpoint. I might well change my own viewpoint. Many times I have done so. But the point of order made by the Senator from Georgia was overruled in 1957 by a vote of 45 to 39. There is a more recent precedent, which is not as strong, and which did not get to a vote, but the same problem was raised in the year 1962 on the war claims bill, which came from the other body. When it reached the Senate, in order to avoid its reference to the Judiciary Committee, I objected to further proceedings in connection with the bill. A point of order was raised by the distinguished Senator from South Carolina. It was placed on the calendar, and was called up on motion, from the calendar.

In other words, the distinguished Senator from South Carolina, I assume, felt the precedent was so well established that he would not press his point of order. The point of order was not pressed. In due course, on motion of the majority leader, the war claims bill was taken up from the calendar without ever having gone to the Judiciary Committee. That took place in 1962. So we have a more recent precedent, admittedly one which was not litigated, one might say, but a precedent which occurred in the year 1962.

Very briefly on the merits, the position of the Senator from Georgia is that rule XXV is inconsistent with and supersedes rule XIV in that it directs that legislation be submitted to committees. But rule XIV, as we have pointed out, creates a clear exception to this directive. It is true that under well-recognized principles of construction, if there is a clear inconsistency between two rules, the later one prevails. These two rules, however, can be read together and are consistent. There is no language in rule XXV which would repeal or alter the meaning of rule

XIV. In the absence of any such language, certainly rule XXV can be interpreted, and in my judgment should be interpreted as meaning that proposed legislation should be referred to committee except if rule XIV has been invoked. Rule XXV was part of the Legislative Reorganization Act and was very carefully drafted. It was thoughtfully considered, and was the subject of extensive hearings. The committee which conducted those hearings had an accomplished staff working with them. They were experienced in dealing with the rules of the Senate. It is inconceivable that they intended to abrogate rule XIV by the adoption of rule XXV.

Let us be perfectly frank. If the bill is referred to the Judiciary Committee without limitation, it will die. If it is referred with limitation, it will further delay consideration of much needed legislation. I hope very much, therefore, the ruling of the Chair will be sustained.

Mr. GORE. Mr. President, in my view, the ruling of the Chair is neither in the interest of the cause of civil rights nor commensurate with sound parliamentary procedure. As one who voted for the civil rights bills of 1957 and 1960, and who voted to overrule an unsound ruling by the Chair similar to the ruling on which an appeal is now pending, I shall vote to overrule the present holding.

In my view, under the circumstances that prevail, that it is in the interest of a sound civil rights bill and in the interest of orderly procedure that the bill be referred with instructions to the Senate Judiciary Committee. Unless some Senator with more seniority makes such a motion, I am prepared to make such a motion, if the ruling of the Chair is rejected.

Mr. President, I respectfully suggest that referral to the committee is the orderly procedure. I would not vote to send this bill to the mortuary. I would prefer to vote to refer the bill to a committee for its consideration for a reasonable time—under the circumstances I suppose a brief time—to be reported back by a date certain with such recommendations as the committee may wish to make.

Mr. MONRONEY. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. MONRONEY. I wish to join the distinguished Senator from Tennessee in his feelings on this question.

I believe that to sidestep established procedures, if not the rules of the Senate, would be a bad way to start upon a bill that is bound to raise dissension, bad feelings, and disagreements within the Senate. I feel it would be far better to follow the normal procedures and give the Judiciary Committee a week, or perhaps even slightly longer, to fulfill its function on the House bill, to magnify it by the publicity that would be given to its activities, a better understanding of all the many facets and titles to the bill, and leave the Senate with a feeling that it has gone the full course with respect to the traditions that have obtained for so long in the Senate.

Unfortunately, I feel the rules are at variance and it is not clear exactly what the strict thrust of the rules might mean; therefore, I believe that a vote in favor of a motion to table at this time, with the feeling of assurance that either the distinguished senior Senator from Tennessee or the distinguished senior Senator from Oregon or other Senators would immediately offer a motion to commit the bill, to refer the bill to the Judiciary Committee with instructions to report on a day certain, would fulfill the best desires of Senators who would like to start this long debate with the feeling that the Senate has acted in fairness to both sides.

Mr. GORE. I thank the Senator from Oklahoma. I would much prefer, in the event such a motion becomes in order, that the leadership would make such a motion. I only stated that I would do so in the event other Senators failed to do so, in order to make my position perfectly clear.

I believe it would be little short of tragic if this issue, which is the most emotion-laden issue the Congress has dealt with for 100 years, and which was the cause, in part, of a Civil War 100 years ago, should come before this body without the text of the bill having been the subject of hearings by any committee. In the House the text was introduced after the House Judiciary Committee had concluded its hearings, with no testimony received on the language in the bill. Should the present ruling stand, there will be no Senate hearings and there will be no Senate committee report.

It seems to me that it is in the interest of the cause of a genuine, sound civil rights program, and fully in the interest of orderly procedure that this bill be referred to the Judiciary Committee.

Mr. MANSFIELD. Mr. President, shortly, among other things, I intend to move to table the motion of the distinguished Senator from Georgia [Mr. RUSSELL]. Before doing so, I believe I should reiterate what I have said previously, that while this procedure is not orderly procedure under the rules, it is a procedure which is based on precedent. It is a procedure which we can carry out under the rules, and the rules give a Senator the privilege to act in this manner. It is a precedent which, in my opinion, has not been unduly abused. I do not have to bring to the attention of Members of this body the realities of the situation affecting civil rights, because there have been hearings before three committees, there have been 8 or 9 days of hearings before the Judiciary Committee, and if my memory serves me correctly, one witness was present, and by and large that one witness was questioned by one member.

I listened with interest to what the distinguished Senator from Tennessee had to say, and I also listened with interest to what other Senators, such as the distinguished senior Senator from Oklahoma [Mr. MONRONEY], had to say, and what the distinguished Senator from Oregon [Mr. MORSE] had to say. Depending on the outcome of this vote, it is my intention to give serious consideration—very serious consideration—to the worthwhile suggestions which have been made by those three Senators mentioned—and other Senators as well.

But at this moment, the Senate is faced with a choice between upholding a ruling made by the Presiding Officer and a motion to overrule that ruling by the Senator from Georgia [Mr. RUSSELL], a motion perfectly within his rights to make.

So, I appeal now to the membership in their good judgment, on the basis of their discretion, to join the leadership in voting to table the appeal of the Senator from Georgia.

Mr. President, I move to table the appeal.

Mr. HOLLAND. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

Mr. GRUENING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Alaska will state it.

Mr. GRUENING. Is it permissible to ask the majority leader a question at this point?

The PRESIDING OFFICER. No debate is in order at this time.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. Will the Chair acquaint the Senate with the fact that a nay vote will overrule the Chair, and a yea vote on the motion to table will sustain the Chair?

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Chair is advised that the statement of the Senator from Illinois is a correct statement of the situation.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Georgia will state it.

Mr. RUSSELL. Mr. President, I ask the Chair if, in effect, a nay vote is a vote against bypassing the committee, and a yea vote is, in effect, a vote to bypass the committee?

Mr. MANSFIELD. Mr. President, is that a parliamentary inquiry?

Mr. RUSSELL. Certainly it is a parliamentary inquiry. I submitted it as a parliamentary inquiry.

Mr. McCARTHY. Therefore it is.

The PRESIDING OFFICER. A nay vote will leave the matter in the same situation as it is now.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. Do I understand that a yea vote is a vote for civil rights and a nay vote is a vote against civil rights?

Mr. HUMPHREY. Mr. President, I demand the regular order.

The PRESIDING OFFICER. The clerk will report——

Mr. AIKEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Vermont will state it.

Mr. AIKEN. If the motion of the Senator from Montana does not carry, that does not necessarily settle the issue; it permits debate to continue?

Mr. GRUENING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Vermont is correct, the bill will be before the Senate.

Mr. AIKEN. If there is no vote, it means that there might be a vote taken tomorrow morning or after debate?

The PRESIDING OFFICER. The Chair cannot pass upon that question at this time.

Mr. GRUENING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRUENING. If the motion to table succeeds, does that preclude a motion to refer it to committee with instructions?

The PRESIDING OFFICER. If the appeal is tabled, the bill will be placed on the calendar.

Mr. GRUENING. It can be referred to committee?

The PRESIDING OFFICER. The Chair is advised that it cannot be referred.

Mr. RUSSELL. Did the Chair rule that if the motion to table prevails, a motion to refer the bill with instructions would be in order?

The PRESIDING OFFICER. Will the Senator repeat his inquiry?

Mr. RUSSELL. I asked the Chair if the Chair had ruled that if the motion to table prevails, a motion to commit the bill with instructions would be in order. I should like to have a ruling on that point.

The PRESIDING OFFICER. If the appeal is tabled, the bill will go to the calendar.

Mr. RUSSELL. In other words, if the appeal is tabled, the bill will go to the calendar, and a motion to commit with instructions will not be in order. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLOTT (when his name was called). On this vote I have a pair with the senior Senator from Ohio [Mr. Lausche]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. Anderson], the Senator from Ohio [Mr. Lausche], the Senator from Utah [Mr. Moss], and the Senator from Indiana [Mr. Hartke] are absent on official business.

I further announce that, if present and voting, the Senator from New Mexico [Mr. Anderson] would vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. Cotton], the Senator from Arizona [Mr. Goldwater], and the Senator from New Mexico [Mr. Mechem] are necessarily absent.

The Senator from Kentucky [Mr. Morton] is detained on official business.

If present and voting, the Senator from Arizona [Mr. Goldwater] and the Senator from New Mexico [Mr. Mechem] would each vote "nay."

The result was announced—yeas 54, nays 37, as follows:

[No. 46 Leg.]

YEAS—54

Aiken
Bayh
Beall
Boggs
Brewster
Burdick
Carlson
Case
Church
Clark
Cooper
Curtis
Dodd
Dominick
Douglas
Edmondson
Engle
Fong
Hart
Hruska
Humphrey
Inouye
Jackson
Javits
Keating
Kennedy
Kuchel
Long, Mo.
Magnuson
Mansfield
McCarthy
McGee
McGovern
McIntyre
McNamara
Metcalf
Miller
Muskie
Nelson
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Saltonstall
Scott
Smith
Symington
Williams, N.J.
Williams, Del.
Young, Ohio

NAYS—37

Bartlett
Bennett
Bible
Byrd, Va.
Byrd, W. Va.
Cannon
Dirksen
Eastland
Ellender
Ervin
Fulbright
Gore
Gruening
Hayden
Hickenlooper
Hill
Holland
Johnston
Jordan, N.C.
Jordan, Idaho
Long, La.
McClellan
Monroney
Morse
Mundt
Robertson
Russell
Simpson
Smathers
Sparkman
Stennis
Talmadge
Thurmond
Tower
Walters
Yarborough
Young, N. Dak.

NOT VOTING—9

Allott
Anderson
Cotton
Goldwater
Hartke
Lausche
Mechem
Morton
Moss

So Mr. Mansfield's motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill will be placed on the calendar.

The Senator from Montana.

Mr. MANSFIELD. Mr. President, may I have the attention of the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MANSFIELD. I send to the desk a unanimous-consent request and ask that it be considered immediately, but before action starts, I would like to say a few words, if need be.

The PRESIDING OFFICER. The clerk will state it.

The legislative clerk read as follows:

> I ask unanimous consent that House bill 7152 be referred to the Judiciary Committee with instructions to report back, without recommendation or amendment, to the Senate not later than noon, Wednesday, March 4.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I shall object to this request. First, I will not consent to it tonight because I believe it is much too precipitate on the heels of this vote. I believe that Senators should absorb what has happened and determine what should be our proper course of action. Therefore, I object.

Mr. MANSFIELD. Mr. President, I am indeed sorry. It was because of the legitimate arguments advanced by such Senators as the senior Senator from Oregon [Mr. Morse], the senior Senator from Tennessee [Mr. Gore], the senior Senator from Oklahoma [Mr. Monroney], and other Senators, that I thought this would be one procedure by means of which hearings could be held and witnesses called. That could be done at this time, especially in view of the fact that it is the intention of the leadership to take up the military procurement bill, and after that the cotton-wheat bill. That would mean that there would be time at our disposal for work on the floor of the Senate. The Judiciary Committee could call witnesses, and at least some of the procedures which have been objected to, legitimately, could be given consideration.

Mr. JAVITS. Mr. President, will the Senator further yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I think the Senator from Montana knows why I have objected. If this were a complete package, and Senators knew when action on the military procurement authorization bill and the farm bill would be concluded, bills which the Senator from Montana says he proposes to bring up, and if Senators knew that on March 4, when the report would be due in the Senate, with whatever provisions were in it, debate on the motion to take up the civil rights bill would start, one would understand the situation.

But as I understand the situation, a unanimous-consent request was made to refer the civil rights bill to committee. If that request were granted, the military procurement authorization bill and the farm bill would come up for debate, and we do not know how long that debate would take. It might take until March 4 or March 14.

Under those circumstances, while I am most sympathetic to what the Senator from Montana has in mind, with respect to satisfying an appreciable number of Senators—on this subject, I respectfully suggest that the matter be deferred overnight.

Mr. MANSFIELD. Mr. President, objection has been heard.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Is the civil rights bill, with respect to which the Senate has just voted on the motion to table the appeal, now on the Senate Calendar?

The PRESIDING OFFICER. It is on the calendar.

Mr. JAVITS. I thank the Chair.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. MORSE. Is it true that when the civil rights bill is called up by the majority leader for debate in the Senate, it will then be in order to move to refer the bill to the Committee on the Judiciary with instructions?

The PRESIDING OFFICER. Such a motion would be in order.

Mr. MORSE. I shall make the motion at that time

Mr. MANSFIELD. I yield.

Mr. GRUENING. I heartily commend the majority leader for the unanimous-consent request he has made. I am sorry it was not agreed to. That is perfectly proper Senate procedure. It will strengthen the civil rights cause, and it will not violate long-established principles.

Mr. MANSFIELD. Mr. President, I appreciate those remarks. Let me add the name of the distinguished Senator from Alaska [Mr. GRUENING], who, with the other three mentioned, advocated such a course.

MILITARY PROCUREMENT AUTHORIZATION—1965

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 852, H.R. 9637.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 9637) to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluations, for the Armed Forces and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana that the Senate proceed to the consideration of House bill 9637, the military procurement authorization bill. [Putting the question.]

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 9637) to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluations, for the Armed Forces, and for other purposes, which had been reported from the Committee on Armed Services, with amendments, on page 2, line 17, after the word "Army", to strike out "$1,335,000,000" and insert "$1,355,090,000"; in line 19, to strike out "$1,329,500,000" and insert "$1,407,470,000"; in line 20, after the words "Air Force", to strike out "$3,140,000,000" and insert "$3,160,850,000, of which amount $52,000,000 is available only for development of advanced manned strategic aircraft"; and in line 23, after the word "agencies", to strike out "$497,000,000" and insert "$503,430,000".

A TIME TO SCRUTINIZE MILITARY SPENDING

Mr. NELSON. Mr. President, the U.S. Senate has just approved the final conference report on the largest tax reduction in American history. We Senators have just voted to reduce our Federal tax revenues by $11 billion.

The Senate and the House—and the American public—have spent much of the past year debating this step. Every aspect of it has been thoroughly scrutinized in free and open debate, both inside and outside the Congress.

During this long debate, one point has been made over and over: If we are to make this massive reduction in Federal tax revenues, we must at the same time take a long and careful look at Federal spending, so that we know and the American public knows that we are acting as responsible officials.

I find it ironic, therefore, that at this moment—hard on the heels of this massive tax cut—we are asked to approve a $17 billion military authorization bill, the biggest authorization bill in American history, with almost no consideration and no real debate by the U.S. Senate.

Apparently the Senate is going to rush this bill through. Our duty as Members of the Senate requires that we ask some questions about the speed with which we are disposing of this bill.

Why are we expected to pass this bill in 2 or 3 hours—before the committee hearings on the bill have even been printed; before any Senator, not on the Senate Armed Services Committee, has had an opportunity to study the testimony on the bill; within 24 hours after we had an opportunity at all to know even what the Senate Armed Services Committee recommended; before any of us have had an opportunity to compare the committee's recommendations with the proposals of the administration and witnesses before the committee?

I cannot help but ask why we move with such speed and without debate on this bill when we would not do this with any other major bill in the Congress.

I am sure that we will be told that procurement of planes and ships and missiles for the Armed Forces is an extremely complicated, technical subject, and that Senators must be willing to accept the recommendations of experts. Some people take the position that no one Senator can possibly hope to study this whole complex field in detail, so we must rely on the good judgment of the Senate Armed Services Committee.

I do not accept this position. If this were sound, why does it not apply on other matters?

We do not follow this procedure on foreign aid. We do not simply take the word of the President, or the Agency for International Development, or even the Senate Foreign Relations Committee and its distinguished chairman. We spend weeks debating the foreign aid bill, and we cut it by a billion dollars or more.

We did not follow this procedure on the tax reduction bill, nor on the civil rights bill, nor on bills to ease the plight of our farmers or to protect our priceless natural resources.

I am questioning what is apparently an established tradition—perhaps a national attitude—which holds that a bill to spend billions of dollars for the machinery of war must be rushed through the House and the Senate in a matter of hours, while a treaty to advance the cause of peace, or a program to help the underdeveloped nations of the world, or a bill to guarantee the rights of all our citizens, or a bill to advance the interests of the poor, must be scrutinized and debated and amended and thrashed over for weeks and perhaps months.

Today, we are considering a bill which authorizes procurement of 53 new ships for the Nation. We are considering a bill which authorizes the procurement of over 2,700 aircraft. We are considering a bill which authorizes the procurement of more than 35,000 missiles.

Can anyone who has not read the testimony and not participated in the hearings of the Armed Services Committee honestly say that he believes it necessary to authorize procurement of 53 ships, 2,700 aircraft, and 35,000 missiles. Are we increasing American security? Or are we simply adding too our overkill possibilities? I do not know how to answer this question.

Today we have more than 1,300 strategic bombers. There are more than 600 B-47's. There are 630 B-52's and 80 B-58's. These bombers all have the strategic capacity of reaching into the heart of the Soviet Union. Today we have 554 intercontinental ballistic missiles in place and ready to go. They are divided as follows: We have 126 Atlas missiles, 54 Titan I missiles, 54 Titan II missiles, and 320 Minuteman missiles.

Within a couple of months there will be another 130 Minutemen in place. By 1965 we will have 1,184 ICBM's made up of Atlas, Titan, and Minuteman. And all of the Minuteman missiles are in hardened sites and are safe from any kind of attack except a direct hit. They are also dispersed not only throughout the country but also widely dispersed in the individual locations.

This is greater power than any nation has ever had in history. This is power that has been increased at rapid strides in the last few years. Indeed, during the last 3-year period, from the end of fiscal year 1961 through the end of fiscal year 1964, the number of weapons in the alert force will have been increased about 250 percent and the megatonnage of these weapons will have increased almost 300 percent.

As Secretary McNamara has repeatedly stated:

> There is no question but that today our strategic retaliatory forces are fully capable of destroying the Soviet target system, even after absorbing an initial surprise attack.

When I consider the tremendous size of our defense forces today, and I consider the request for the largest authorization ever presented to this body, I frankly do not know how to vote. I find myself relying solely on the judgment of the President, the Secretary of Defense, and the distinguished chairman of the Armed Services Committee; I respect that judgment, but I cannot say of my own knowledge that we must make this great new investment in additional weapons.

We simply have not had time to consider the matter. We are asked to vote on faith.

Although this is the largest authorization bill the Senate has ever considered, in certain aspects it represents a decrease in our spending. Today's bill combines authorization for procurement of aircraft, missiles, and naval vessels plus research, development, test, and evaluation for the Armed Forces and other purposes. In the first part of the bill, the part dealing only with procurement, we have a reduction of spending from last year's figure. However, because we have added research, development, and testing authorization to this legislation, the total is larger.

In recommending this budget, I am sure both the President and Secretary of Defense have done their jobs well. They have scrutinized the Defense budget carefully. I have no doubt they have done an excellent and exemplary job. The President and Secretary of Defense have already cut more than a billion dollars of unneeded spending from this budget. As the President has said, this has been done "by insisting on a dollar's worth for a dollar spent."

Now the law calls upon us, in the Congress to do our job with equal distinction. Have we as Senators actually done our job? Are we now considering and insisting that we get a dollar's worth for a dollar spent? Can we claim to have done this if we consider this legislation before we are given printed hearings, before the hearings are even declassified and only a few hours after the Committee has reported?

Only a few days ago, on Saturday, February 22, the Board of Directors of the U.S. Chamber of Commerce outlined five steps to cut the defense budget by at least $700 million. They urged reductions in a number of areas to save this large sum from the spending that goes into our $50 billion defense budget.

Can we say to the Chamber of Commerce that we have carefully considered the legislation we now have before us? Can we honestly say that we have looked through this budget to find ways to save the money they say should be saved? Can we honestly say to them that we know of no way to cut $700 million from the budget as they propose?

The Council of State Chambers of Commerce also urged that at least a billion dollars be cut from the defense budget. Can any Senator who has not studied this bill honestly say to the State Chambers of Commerce that we do not believe their billion-dollar cut can be made?

The other day, during the discussion of the wheat and cotton bill, the distinguished Senator from New York [Mr. KEATING] stated:

> I have no doubts that plenty of time will be occupied in the discussion of the civil rights bill.

He went on to say that perhaps the military authorization bill could be put off until after the civil rights bill was discussed. He did not urge this firmly but he suggested it might be a possibility. His main point, I believe, was that we do have time to study this legislation if we want it.

If there is no urgent need to pass this legislation today rather than tomorrow or next week, there is time to study, there is no need for the haste that is certain to make waste.

I am afraid, however, that those of us who wish more time and more study will have no way to fulfill our wishes. There seems little likelihood that the Senate will agree today to consider this bill at a later date after there has been time for study.

I do hope that we will give careful scrutiny to one particular aspect of the bill—the $52 million authorized above the President's budget for new studies, as yet ill defined, for the new manned bomber.

I question whether there is need for this additional authorization. Although I have not had time to carefully review all of the recommendations of the President and the Secretary of Defense, I have had time to make sure that this particular proposal does not have the President's support nor does it have the support of the Secretary of Defense.

Indeed we are asked to provide $52 million—a million dollars a week for the coming year—to go into the project definitions stage for a new manned bomber. We are asked to provide funds to do studies which might commit us to a project involving billions of dollars. We are asked to do this even though as yet the Air Force does not know precisely what kind of airplane this money will be used to study.

I want to make it absolutely clear that the issue is not whether or not we should be building a new manned bomber. This question has nothing to do with the overall question of whether you are for or against a manned bomber. We are simply talking about the proper approach to budgeting and to spending millions and eventually billions of dollars.

The $52 million item we are talking about is not in the President's budget and is not in the Secretary of Defense's budget because the Air Force could not answer the questions that the Secretary of Defense asked. The Air Force could not give a reasonable answer to the precise points raised by the Secretary of Defense when he asked them why additional funds should be included in this budget for a $52 million study of the bomber.

I want to point out that the President's budget does contain $5 million for initial study so that the Air Force can find out which way it wants to go with this bomber. The Secretary of Defense has said in effect, "Here are $5 million to begin the initial phase studies for a new manned bomber." This amendment would not cut out the $5 million. It would not stop studies on the manned bomber. It would only say that until you can tell us how far you are going, we are not going to give you $52 million, $1 million a week, to spend on this project.

I believe the Senate should side with the President and the Secretary of Defense on this issue. I believe they should say to the Air Force that they have no business coming before us asking for additional funds in this way until they can answer the specific questions raised by the Secretary of Defense and prove to him that they need this money to go on with their project. Surely they ought to prove specifically that they need $52 million rather than $5 million to continue the present studies on the manned bomber.

When the House considered this matter, it also had before it additional views by four members of the Armed Services Committee on this point. Congressmen STRATTON, COHELAN, PIKE, and NEDZI noted that three stages are always involved in the development of any new aircraft—the conceptual stage, the definition stage, and the acquisition stage. The new manned bomber is still in the first of these three stages. The manned bomber concept is pending before the Secretary of the Air Force who advised the House Armed Services Committee that he still had some unanswered questions about the concept. The Air Force testified that the concept was expected to be forwarded some time next month to the Secretary of Defense.

Even if the Defense Department approves the concept—which is by no means certain—the definition stage would then follow, to work out specific details of the new aircraft—what it is to do and how it is to do it. In testimony before the House Armed Services Committee, General LeMay, himself, stated that it would take a year or more, once the concept had been approved, for the definition stage to be completed.

In other words, at this stage the Air Force does not yet know exactly what it wants in a manned bomber. The $5 million which the Air Force initially requested, and which the Secretary approved, is intended to provide answers to just these questions. Frankly, it is not at all clear just what the $52 million is to be spent for. And there is nothing in the House or Senate committee reports or in the House testimony to answer this question. Indeed, General LeMay has testified:

> That the formal papers have not yet gone on down because he (that is the Secretary of Defense) has asked additional questions—of how we intend to use these bombers, what the operational concept is going to be and how many of them are going to be needed.

Mr. President, in recommending that we delete the $52 million item, I think it is important to remember that many times in the past we have been told of cases in which large programs have been started and then canceled after the expenditure of hundreds of millions of dollars of Government funds. Most often the main reason for these losses of funds is that we have not really looked before we leaped. We have authorized the expenditures of large quantities of money before we knew specifically where we were going.

Only last week, the Comptroller General of the United States reported to Congress on what he called a Report on Development Procurement and Deployment of an Unsatisfactory Missile System. This is a report that is available to all of you and I think many have already been given an unclassified summary of the findings of this report. The basic point is that the U.S. Army spent about $300 million for the development and production of a missile system which has not yet met required performance and characteristics and does not improve the Army's capability.

The finding of the Comptroller General is quite simple:

> The waste of funds were caused by fundamental deficiencies in the Army's management of the program, namely the lack of effective methods for gathering and considering available and essential information, for relating such information to program objectives, and for assuring that program decisions further these objectives by specifying minimum results to be obtained.

In short, the Comptroller General said that the Army simply had not studied the program enough before it got going.

Other programs which have been canceled after the expenditure of hundreds of millions of dollars of Government funds include the Navajo missile, the Mariner seaplane, Skybolt, the B-70, Dyna-Soar, the SD-5 drone, and in the purely electronic field, the Big Dish. Many more could be cited but the total amount of money expended on these seven particular programs was approximately $3 billion.

The basic point is always the same. We move too quickly to authorize huge expenditures before we have completed studies.

I would repeat that in cutting this $52 million authorization item we have not touched the $5 million that is already in the budget for studies of the manned bomber. All we are saying is that the Air Force must first prove the need and use the $5 million in this budget to show us that there is a reason to go forward with further study.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The **ACTING PRESIDENT** pro tempore laid before the Senate the following letters, which were referred as indicated:

Report of Guarantees Authorized by Export-Import Bank of Washington

A letter from the Secretary, Export-Import Bank of Washington, Washington, D.C., reporting, pursuant to law, on certain guarantees authorized by that Bank; to the Committee on Appropriations.

Extension of Certain Expiration Dates Under Federal Civil Defense Act of 1950

A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to further amend the Federal Civil Defense Act of 1950, as amended, to extend the expiration date of certain authorities thereunder, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

Report on Military Construction Contracts Awarded on Other Than a Competitive Bid Basis

A letter from the Assistant Secretary of the Navy, Installations and Logistics, transmitting, pursuant to law, a report on military construction contracts awarded on other than a competitive bid basis to the lowest responsible bidder, for the 6-month period ended December 31, 1963 (with an accompanying report); to the Committee on Armed Services.

Report on Research and Development Procurement Action

A letter from the Secretary of the Air Force, transmitting, pursuant to law, a report on research and development procurement action, for the 6-month period ended December 31, 1963 (with an accompanying report); to the Committee on Armed Services.

Report on Plans for Purchase of Leased Automatic Data Processing Components in Use at Military Installations

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on plans for purchase of leased automatic data processing components in use at military installations, Department of Defense, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Excessive Interest Expense Included in Price Negotiated for Petroleum Storage Under Contract With New England Tank Industries of New Hampshire, Inc.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on excessive interest expense included in price negotiated for petroleum storage under contract ASP-21801 with New England Tank Industries of New Hampshire, Inc., Department of Defense, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Certain Personal and Real Property Received and Disposed of by State Surplus Property Agencies

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report covering personal property received by State surplus property agencies for distribution to public health and educational institutions and civil defense organizations, and real property disposed of to public health and educational institutions, for the calendar quarter ended December 31, 1963 (with an accompanying report); to the Committee on Government Operations.

PETITIONS AND MEMORIALS

Petitions, and so forth, were laid before the Senate, or presented, and referred as indicated:

By the **ACTING PRESIDENT** pro tempore:

A joint resolution of the Legislature of the State of Alaska; to the Committee on Public Works:

"House Joint Resolution 34

"Joint resolution relating to the construction, reconstruction, and improvement of the Alaska Highway, including a connection to Haines

"Whereas S. 2417, a bill to authorize the appropriation of funds for the construction, reconstruction, and improvement of the Alaska Highway, including a connection to Haines, has been introduced in the U.S. Senate; and

"Whereas H.R. 9667, a companion measure, has been introduced in the U.S. House of Representatives; and

"Whereas this legislation in providing authority for an appropriation for the purposes stated contains the procedures necessary for negotiations of agreements with the Government of Canada to share the cost of the improvements on a 50-50 basis, furnishing of the right-of-way by Canada, prohibits tolls, prohibits any fee, tax, or other charge on vehicles or persons of the United States that does not apply to Canadians, grants reciprocal recognition of vehicle registration and drivers' licenses and year around maintenance by the Government of Canada; and

"Whereas the improvement of the Alaska Highway, with a connection to Haines, is of vital importance to the national defense of the United States and Canada, to the commercial and industrial development of Alaska and northwestern Canada; and to the flow of interstate commerce between Alaska and the contiguous United States: Be it

"*Resolved*, That the Congress is respectfully urged to take favorable action this year on S. 2417 or H.R. 9667 in order that this long needed highway improvement may be initiated at the earliest practicable date; and be it further

"*Resolved*, That copies of this resolution be sent to the Honorable Lyndon B. Johnson, President of the United States; the Honorable Carl Hayden, president pro tempore, U.S. Senate; the Honorable John W. McCormack, Speaker, U.S. House of Representatives; chairmen of the House and Senate Public Works Committees; Alaska congressional delegation; the Honorable Luther C. Hodges, Secretary, U.S. Department of Commerce; and the Honorable Dean Rusk, Secretary, U.S. Department of State.

"Passed by the house February 5, 1964.

"Bruce Kendall,
"*Speaker of the House.*

"Attest:

"Patricia R. Slack,
"*Chief Clerk of the House.*

"Passed by the senate February 13, 1964.

"Frank Peratrovich,
"*President of the Senate.*

"Attest:

"Evelyn K. Stevens,
"*Secretary of the Senate.*

"Approved by the Governor February 17, 1964.

"William A. Egan,
"*Governor of Alaska.*"

A letter in the nature of a petition, signed by Sheldon Bycoff, president, Boston University Student Congress, Boston, Mass., announcing the support of that congress of the principles of the civil rights movement; to the Committee on the Judiciary.

RESOLUTION OF LONG ISLAND FEDERATION OF WOMEN'S CLUBS, INC.

Mr. **JAVITS**. Mr. President, I ask unanimous consent to have printed in the Record a resolution reaffirmed on January 17, 1964, by a convention of the Long Island Federation of Women's Clubs, Inc., relating to the Panama Canal.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution on Panama Canal by Long Island Federation of Women's Clubs, Inc.

Whereas widespread propaganda of Communist origin has been, and still is, aimed at the internationalization of the Panama Canal and the wresting of its ownership and control from the United States of America; and

Whereas radical elements in the Republic of Panama are carrying on active and highly provocative propaganda on behalf of fantastic demands for (a) further, and impossible annuity and other benefits, and (b) the impairment and practical destruction of the absolute and exclusive sovereignty, in perpetuity, of the United States of America over constitutionally acquired territory of the Canal Zone, and over the Panama Canal, constructed at the expense of the American taxpayer and maintained and operated by the United States of America on terms of equality for all nations as required by treaty; and

Whereas these agitations have as their purpose, the liquidation or fatal weakening of such sovereignty, altogether indispensable for the maintenance, operation and protection of the canal, and this without the slightest suggestion of reimbursement to the United States of America for its vast investment in the canal enterprise: Therefore be it

Resolved by the Long Island Federation of Women's Clubs, Inc., in convention assembled this 15th day of January 1960, That the recurring crises in relations between our Government and that of the Republic of Panama should receive immediately the most serious attention of our executive as well as our legislative bodies; and be it further

Resolved, That we urge both Houses of the Congress of the United States to proclaim by joint resolution the constitutional sovereignty of the United States over the Canal Zone, and to declare that the policy of the United States shall be not to surrender in any way, nor to compromise U.S. jurisdiction over and control of the Canal Zone and U.S. ownership, control, management, maintenance, operation, and protection of the Panama Canal in accordance with existing treaty provisions; and be it further

Resolved, That copies of this resolution be sent to President Dwight D. Eisenhower, Secretary of the Senate, and House of Representatives.

Submitted by:

Anne V. Schmidt,
Chairman of Legislative Chapter, the Women's Club of Forest Hills, Inc.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, without amendment:

S. Res. 290. Resolution authorizing the Committee on Labor and Public Welfare to examine, investigate, and study matters relating to migratory labor (Rept. No. 878).

By Mr. SIMPSON, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 8171. An act to authorize the Secretary of the Interior to acquire lands, including farm units and improvements thereon, in the third division, Riverton reclamation project, Wyoming, and to continue to deliver water for 3 years to lands of said division, and for other purposes (Rept. No. 879).

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

S. 944. A bill to provide for the presentation by the United States to the people of Mexico of a monument commemorating the independence of Mexico, and for other purposes (Rept. No. 880).

AUTHORIZATION OF EXPENDITURES BY COMMITTEE ON APPROPRIATIONS FROM CONTINGENT FUND OF THE SENATE

Mr. HAYDEN, from the Committee on Appropriations, reported an original resolution (S. Res. 301) authorizing expenditures by the Committee on Appropriations from the contingent fund of the Senate, which, under the rule, was referred to the Committee on Rules and Administration as follows:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-eighth Congress, $30,000, in addition to the amounts, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946, S. Res. 128, agreed to May 9, 1963, and S. Res. 225, agreed to November 15, 1963.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. DOUGLAS, from the Committee on Finance:

William Rummel, of Illinois, to be Comptroller of Customs with headquarters at Chicago, Ill.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RIBICOFF:

S. 2550. A bill to provide for technical assistance and research relating to the control of health hazards and the prevention of accidental deaths and injuries associated with underwater diving; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Ribicoff when he introduced the above bill, which appear under a separate heading.)

By Mr. ALLOTT:

S. 2551. A bill for the relief of Lt. Col. William T. Schuster, U.S. Air Force, retired; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2552. A bill to exempt oceanographic research vessels from the application of certain vessel inspection laws, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. Magnuson when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 2553. A bill to amend part II of the Interstate Commerce Act, as amended, so as to authorize exemption from the provisions of such part, of services and transportation of such nature, character, or quantity as not substantially to affect or impair uniform motor carrier regulation;

S. 2554. A bill to amend the Interstate Commerce Act to enable the Interstate Commerce Commission to utilize its employees more effectively and to improve administrative efficiency;

S. 2555. A bill to amend section 1(22) of the Interstate Commerce Act so as to include within the exemption provided therein, the acquisition and operation of spur, industrial, team, switching or side tracks, located or to be located solely within one State, and for other purposes;

S. 2556. A bill to amend section 5(1) of the Interstate Commerce Act to eliminate the requirement for approval of pooling arrangements between motor common carriers of household goods, and for other purposes;

S. 2557. A bill relating to the use of Interstate Commerce Commission records and testimony of Commission personnel in regard to accidents involving motor carriers and railroads; and

S. 2558. A bill to amend section 20a(12) of the Interstate Commerce Act to eliminate the necessity for prior approval of the Commission for a person to hold the position of officer or director of more than one carrier when such carriers are in a single integrated system of carriers lawfully operated under common contol, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. Magnuson when he introduced the above bills, which appear under a separate heading.)

By Mr. MORSE:

S. 2559. A bill to prohibit the recruiting of strikebreakers in the District of Columbia; to the Committee on Labor and Public Welfare.

By Mr. LONG of Missouri (for himself, Mr. Bayh, Mr. Carlson, Mr. Dirksen, Mr. Holland, Mr. McCarthy, Mr. Pearson, Mr. Scott, Mr. Symington, and Mr. Tower):

S. 2560. A bill to amend the antitrust laws to provide that the refusal of nonprofit blood banks and of hospitals and physicians to obtain blood and blood plasma from other blood banks shall not be deemed to be acts in restraint of trade, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. Long of Missouri when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE:

S. 2561. A bill to amend the definition of "company" contained in section 2(b) of the Bank Holding Company Act of 1956, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. Morse relating to the above bill, which appear under a separate heading.)

By Mr. MORSE (for himself and Mrs. Neuberger):

S. 2562. A bill to fix the number of, and provide for changes in, Federal home loan bank districts; to the Committee on Banking and Currency.

By Mr. CARLSON:

S. 2563. A bill to provide for the commemoration of certain historical events in the State of Kansas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McGEE (for himself and Mr. Simpson):

S. 2564. A bill to provide for reimbursement to the State of Wyoming for improvements made on certain lands in Sweetwater County, Wyo., if and when such lands revert to the United States; to the Committee on Interior and Insular Affairs.

RESOLUTION

AUTHORIZATION OF EXPENDITURES BY COMMITTEE ON APPROPRIATIONS FROM CONTINGENT FUND OF THE SENATE

Mr. HAYDEN, from the Committee on Appropriations, reported an original resolution (S. Res. 301) authorizing expenditures by the Committee on Appropriations from the contingent fund of the Senate, which, under the rule, was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when reported by Mr. Hayden, which appears under the heading "Reports of Committees.")

TECHNICAL ASSISTANCE AND RESEARCH RELATING TO HEALTH HAZARDS ASSOCIATED WITH UNDERWATER DIVING

Mr. RIBICOFF. Mr. President, I introduce, for appropriate reference, a bill to provide for technical assistance and research relating to the control of health hazards and the prevention of accidental deaths and injuries associated with underwater diving.

Many Americans who thrive on the excitement of underwater exploration unknowingly face grave danger. The air a scuba diver breathes, in many instances, is contaminated. The tank of life strapped to his back may be, instead, a device of death.

Much remains to be done in investigating and defining the accident problem associated with contaminated air supplies. It is a matter which demands the attention of Federal and State health officials. An estimated 1 million persons engage in scuba diving in this country, either for recreation or professionally. They must be protected. The bill I am introducing today will enable us to take a big step toward this goal.

A report I received last fall dramatically illustrates the potential threat to life. It came from Jackson Jenks, director of the Naval and Maritime Museum in Newport, R.I., after prediving inspection revealed certain air supplies were contaminated. He said:

> The amount of carbon monoxide found in our divers' tanks while searching for the remains of historical shipwrecks off Cape Cod would have killed our men in less than 1 hour.

Fortunately, Mr. Jenks' discovery averted tragedy. But this is not always the case. In New Jersey, for instance, six diving deaths have been attributed to contaminated air.

Usually contamination occurs when the diver's air tanks are filled. Often, this operation takes place in a service station, where exhaust fumes abound. Deadly carbon monoxide seeps into the tank, poisoning its contents.

The amount of carbon monoxide which can cause irreversible damage is minute—in the neighborhood of 20 to 50 parts in 1 million parts of air. Under these circumstances, it is easy to realize why the life of a diver who spends several hours under water would be jeopardized.

Often, an oil-lubricated compressor is used to fill the tanks. If the compression equipment becomes hot enough, partial combustion of the oily lubricant can occur. These vapors, too, can slip unnoticed into the diver's air supply and imperil his life. They can cause a lethal form of pneumonia.

Last June, a group of New Jersey divers reported an incident in which seasoned civilian divers became dizzy under water while two Navy divers who submerged at the same time experienced no difficulties. Six stations offering compressed air for sale to civilians were checked. The air being dispensed at all six was found to contain dangerous quantities of carbon monoxide and carbon dioxide.

The State health department instigated a series of inspections of compressed air sales outlets. As a result, at least eight of those operating under unsafe conditions have gone out of business. The State has since moved to adopt a set of purity standards for scuba diving air.

In 1961, the Compressed Gas Association emphasized the need for standards to protect scuba divers from bad air. A committee on the American Standards Association has been examining the problem for 3 years. As yet, there are no nationally accepted standards for diving-air purity other than those used by the U.S. Navy.

Some organizations have adopted the Navy standards. The Scripps Institute of Oceanography, the Los Angeles County Recreation Department, the New England Naval Museum, and the California Department of Health are a few. But there still is a crucial need for expanded standardization to insure safe diving conditions.

The danger inherent in an unregulated situation makes it imperative that recognized standards be enforced, probably through State licensing of air sales centers. The failure to do so reduces standards, no matter how acceptable, to impotence.

The bill I am introducing today would place State agencies in position to correct existing deficiencies with Federal assistance. The program would be carried out by the Surgeon General of the Public Health Service, under the direction of the Secretary of Health, Education, and Welfare.

It follows the pattern already establish by the Public Health Service in dealing with such other dangers as traffic and industrial accidents. The Service's approach is to help local and State agencies do what has to be done through standard-setting and research. Under the program I am proposing, corrective action would be instigated and carried forward at the local level. The Federal Government merely lends a helping hand to get local action started.

The bill authorizes the Surgeon General to promote acceptance of air purity standards. These standards should cover not only the content of air placed in scuba diving tanks but also the conditions under which it is compressed.

If the American Standards Association develops standards which insure adequate protection, the Surgeon General is authorized to recommend their adoption and enforcement by State health departments. If adequate standards have not been developed by the association by January 1, 1965, the Surgeon General is directed to formulate standards on his own initiative and promote their adoption by the States.

The bill authorizes establishment within the Public Health Service of a national clearinghouse for technical information on scuba diving techniques. This agency would provide assistance to communities in conducting underwater safety programs. It would be charged with stimulating development of new methods for treating underwater accident victims. It would disseminate all useful information on diving safety to interested public and private organizations.

The Surgeon General also is authorized to explore the possibility of establishing treatment facilities for diving accident victims in community hospitals. This effort is to be coordinated with existing Federal hospital construction aid programs.

Scuba diving has become a popular sport and its following is increasing at a rapid rate. It also has been adapted for other important use. Police scuba divers search for drowning victims and submerged stolen cars. Construction divers work on pier and tunnel projects. Marine biologists and underwater explorers probe the mysteries of the deep while wearing scuba diving gear. California even has game wardens who detect illegal fishing through underwater diving.

Their link to life is a tank of air. We must make certain that its contents are uncontaminated. By using all available resources, we must provide adequate protection for those seeking enjoyment and knowledge beneath the water's surface.

I ask unanimous consent to have printed a copy of the bill at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2550) to provide for technical assistance and research relating to the control of health hazards and the prevention of accidental deaths and injuries associated with underwater diving, introduced by Mr. RIBICOFF, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress takes cognizance of the hazards to health and dangers to life resulting from the use of contaminated air in self-contained underwater breathing apparatus (hereinafter referred to as "scuba" tanks), from air embolisms, from caisson disease, and from drownings associated with suba diving, and hereby establishes a policy and program of providing technical assistance and supporting research designed to protect the public in its rapidly growing participation in underwater diving for sport, marine and historical research, oceanographic study, and other purposes. To this end, the Surgeon General of the Public Health Service (under the direction of the Secretary of Health, Education, and Welfare) shall exercise the authority vested in him by this Act to establish and conduct specific activities in the field of accident prevention to reduce the hazards of underwater diving and to improve emergency treatment services and facilities.

SEC. 2. In order to carry out the purposes of this Act, the Surgeon General is authorized to perform the functions and activities described in the succeeding provisions of this section.

(a) STANDARDS FOR AIR PURITY—The Surgeon General shall provide technical assistance and disseminate information concerning requirements for air quality in scuba tanks to State health departments and other public, voluntary, and private agencies concerned with the problem, and shall cooperate with other appropriate authorities in the development of national standards for the purity of such air for civilian use. He shall consider any such standards proposed by the American Standards Association prior to January 1, 1965, and will recommend adoption and enforcement of these standards by State health departments if he finds that their application would afford adequate protection to the public. If no such standards have been developed through committees of the American Standards Association by January 1, 1965, the Surgeon General will develop recommended standards for the purity of air sold for scuba tanks, and will recommend adoption and enforcement of these standards by the several States.

(b) TECHNICAL ASSISTANCE.—The Surgeon General is authorized to establish within the framework of existing accident prevention activities of the Public Health Service a national clearinghouse for technical information to assist State health departments and other public, voluntary, and private organizations in preventing injuries and deaths from scuba diving and improving emergency treatment for victims of underwater accidents. This facility shall—

(1) provide assistance to States and communities in establishing and conducting ef-

fective programs to prevent accidental injuries and deaths associated with underwater diving, and to reduce the severity of such injuries when these occur;

(2) stimulate the development of new or improved methods for preventing underwater injuries and deaths and for providing emergency medical services and treatment to individuals injured in underwater accidents; and to this end, the clearinghouse will support, directly and indirectly, appropriate research activities; and

(3) collect useful information relating to underwater accidents, preventive measures, treatment techniques, accident trends, and health and safety aspects of equipment, and disseminate such information in the interests of public health and safety.

(c) EMERGENCY TREATMENT FACILITIES.—The Surgeon General shall explore the feasibility of promoting the installation in community hospitals of equipment or facilities for treatment of diseases requiring recompression, such as hypobaric surgeries or decompression chambers, and shall coordinate this effort with existing programs for Federal aid for hospital construction. The Surgeon General also shall disseminate appropriate medical information to encourage the most effective possible use of these chambers for such emergency treatment.

SEC. 3. Nothing contained in this Act shall limit the authority of any other Department or agency of the United States in conducting or supporting research related to underwater diving, or in conducting activities involving underwater diving.

SEC. 4. To enable the Surgeon General to carry out the purposes of this Act, there is hereby authorized to be appropriated to the Public Health Service for the fiscal year beginning July 1, 1965, and for each succeeding fiscal year, such sums as may be necessary.

EXEMPTION OF OCEANOGRAPHIC RESEARCH VESSELS FROM APPLICATION OF CERTAIN VESSEL INSPECTION LAWS

Mr. MAGNUSON. Mr. President, I am introducing, for appropriate reference, a bill which would exempt oceanographic research vessels from certain laws relating to inspection and manning. Universities and similar nonprofit institutions contend that existing requirements seriously handicap them in training marine scientists at sea and in offshore research.

The bill has been prepared after consultation with the Coast Guard, and after extensive discussions between members of the Research Vessel Operators Council, representing oceanographic institutions operating oceangoing vessels, and the Commerce Committee staff.

The University of Washington, which has not only a famous department of oceanography but a special marine laboratory known as the applied physics laboratory, is active in this council. The chairman of the council is Dr. Jonathan Leiby, of the Woods Hole Oceanographic Institution, of Woods Hole, Mass.

In justification for this proposed legislation, the council prepared a detailed statement from which I shall undertake to quote only the following excerpts:

> Until a few years ago the majority of oceanographic research vessels in the United States were small in size and few in number. However, as a result of the increased national interest in the marine sciences and the requirements of more sophisticated oceanographic programs, the increase in both the size and number of vessels involved has accelerated rapidly.
>
> Ships of this fleet are operated in a number of different ways and there is wide variation in their status with respect to the applicable Government regulations. At the present time research vessels, other than those operated as public vessels, are inspected and certificated by the Coast Guard under regulations established for merchant cargo and passenger vessels.
>
> Where these rules are not compatible with the specialized nature of research vessel operations, special instructions have been issued to the cognizant inspection officers and special interpretations are made.
>
> The fact that research vessels are considered within the scope of merchant vessels results in a situation which is complicated and confusing. It has become increasingly apparent that research vessels are often forced to operate by exception to existing regulations rather than in conformance with them.
>
> The mission of a research vessel is neither military nor commercial, but is a special service which requires separate rules and regulations if the vessel is to be the effective instrument demanded by the substantial national investment in the marine sciences.

Mr. President, I wish to emphasize that this bill is not intended to alter safety regulations. In brief, it provides that oceanographic research vessels shall no longer be considered as passenger vessels and that scientific personnel will no longer be considered seamen, which, of course, they are not, although on many ships they are presently listed as seamen to conform to regulations.

It is my hope that the committee will be able to hold hearings on this bill during the present session of Congress.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2552) to exempt oceanographic research vessels from the application of certain vessel inspection laws, and for other purposes, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Commerce.

PROPOSED LEGISLATION TO AMEND THE INTERSTATE COMMERCE ACT

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, six bills to amend the Interstate Commerce Act. These proposals are requested by the Chairman of the Interstate Commerce Commission. I ask unanimous consent to have printed in the RECORD a letter from the Chairman of the Commission requesting the legislation, together with the legislative recommendations and justifications accompanying each bill.

The ACTING PRESIDENT pro tempore. The bills will be received and appropriately referred; and, without objection, the letter, recommendations, and justifications will be printed in the RECORD.

The bills, introduced by Mr. MAGNUSON, by request, were received, read twice by their titles, and referred to the Committee on Commerce, and the letter, recommendations, and justifications, accompanying the bills are as follows:

The letter presented by Mr. MAGNUSON is as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., February 18, 1964.

Hon. CARL HAYDEN,
President pro tempore,
U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: Enclosed, in duplicate sets, are drafts of proposed bills (together with statements of justification therefor) which would give effect to Legislative Recommendations Nos. 1 through 6 in the Commission's current (77th) annual report to the Congress.

We would very much appreciate your assistance in having these bills introduced.

Sincerely yours,

ABE MCGREGOR GOFF,
Chairman.

S. 2553. A bill to amend part II of the Interstate Commerce Act, as amended, so as to authorize exemption from the provisions of such part, of services and transportation of such nature, character, or quantity as not substantially to affect or impair uniform motor carrier regulation.

The recommendation and justification accompanying the above bill are as follows:

RECOMMENDATION NO. 1

This proposed bill would give effect to Legislative Recommendation No. 1 of the Interstate Commerce Commission as set forth in its 77th Annual Report as follows:

"We recommend that part II be amended so as to authorize the Commission to exempt from the requirements of that part, or any provision thereof, such service and transportation as may be determined by the Commission in appropriate rulemaking proceedings to be of such nature, character, or quantity as not substantially to affect or impair uniform regulation of motor carriers engaged in interstate or foreign commerce in effectuating the national transportation policy."

JUSTIFICATION

At present, the for-hire motor transportation of passengers and property in interstate or foreign commerce is, with a number of exceptions specified in the statute, subject to full economic regulation under part II of the Interstate Commerce Act. The current statutory exemptions vary in purpose, scope, and applicability, but plainly do not embrace all transportation functions which seem worthy of regulatory exemption. As a consequence, the Commission regularly is called upon to apply and enforce the requirements of part II with respect to certain motor carrier operations and activities which contribute but slightly to the national transportation system and which cannot be said to be of significance in the overall design of regulation contemplated by the act. For example, the interstate motor movement of such commodities as homing pigeons or trash and garbage would appear to be of such nature, character, or quantity as not substantially to affect or impair uniform regulation, and exemption of such transportation from regulation would in no way hinder the effectuation of the national transportation policy or affect materially the welfare of regulated transportation. Likewise, the exclusion from interstate regulation of local mass-transit motorbus operations conducted within precisely defined territorial limits, would in certain circumstances appear to have little or no effect upon uniform regulation of that segment of the for-hire industry.

While individual and specific legislative recommendations could be submitted from time to time with respect to each commodity or transportation service found by the Commission to be susceptible of statutory exemption, enactment of the proposed general exempting power is believed to be in the best interests of all concerned. Not only would such authority relieve the Commission and the affected carriers of what seems to be an undue regulatory burden, but also would tend to free the Congress of much of the legislative workload that would be encountered by a piecemeal approach. As an example, such authority probably would have eliminated the need for the recently enacted Public Law 88-208 (H.R. 2906) partially exempting from regulation the emergency transportation of accidentally wrecked or disabled motor vehicles. Additionally, the recommended authority would result in increased flexibility, since any exemption created thereunder would be subject to continuous administrative review and to repeal or modification upon a finding of changed circumstances.

The approach taken in the draft bill does not represent a marked departure from previous legislative techniques.

Comparable exempting authority is conferred upon the Commission by section 204 (a)(4a) of the act with respect to motor carriers lawfully engaged in operation solely within a single State, and the Civil Aeronautics Board is empowered by 49 U.S.C. 1386 to establish similar exemption from air carrier economic regulation.

Finally, to safeguard against possible abuse of the powers and privileges to be conferred upon the Commission, the draft bill imposes important limitations and conditions upon the exercise of the authority to exempt. Thus, an order of exemption may be issued or revoked only after all interested persons have been accorded a reasonable opportunity to be heard and only upon definitive Commission findings, based upon a thorough analysis of the nature, character, and quantity of the involved transportation, as to the effect which such action may have upon uniform Commission regulation of motor carrier transportation in effectuating the national transportation policy. These findings will, of course, be subject to appropriate judicial review, while still other safeguards in the bill would, upon revocation of an exemption, restore affected carriers to the status quo enjoyed by them prior to the creation of the exemption.

A primary goal of the proposed measure is to relieve both this Commission and the affected carriers of the burdens of regulation in those situations in which continued economic regulation is neither necessary nor desirable. So long as the limitations and safeguards are retained, we believe that the proposed measure would benefit the public as well as affected individuals and carriers.

S. 2554. A bill to amend the Interstate Commerce Act to enable the Interstate Commerce Commission to utilize its employees more effectively and to improve administrative efficiency.

The recommendation and justification accompanying the above bill are as follows:

RECOMMENDATION NO. 2

This proposed bill would give effect to Legislative Recommendation No. 2 of the Interstate Commerce Commission as set forth in its 77th Annual Report as follows:

"We recommend that section 17(2) be amended so as to authorize the Commission to delegate to qualified individual employees, including transportation economists and specialists, those matters which have not involved the taking of testimony at a public hearing or the submission of evidence by opposing parties in the form of affidavits."

JUSTIFICATION

In addition to a voluminous number of formal cases, the Commission's responsibilities under the act extend to numerous matters of relatively routine and specialized nature. For example, matters relating to extensions of time for filing annual, periodical, or special reports; rejection of tariff publications for failure to give lawful notice or failure to comply with the Commission's regulations; and orders assigning cases for hearing, extending dates for the filing of pleadings and postponing compliance dates. Except with respect to assignments to a division or an individual commissioner, under the present provisions of section 17(2), the Commission may delegate such functions only to three-man boards, and the only employees eligible to serve on these boards are "examiners, directors or assistant directors of bureaus, chiefs of sections, and attorneys."

When applied to matters of the type described above, we believe that the mandatory requirements of section 17(2) are unnecessary and unduly limit our authority in what essentially is an administrative area.

The proposed bill has been narrowly drawn so as to affect only the processing of matters which have not involved the taking of testimony at a public hearing or the submission of evidence by opposing parties in the form of affidavits.[1] In this limited area the draft bill (1) would authorize the Commission to refer such matters to eligible individual employees, and (2) would expand the list of "eligible" employees to include assistant chiefs of sections, chiefs and assistant chiefs of branches, accountants, transportation economists and specialists, and other qualified persons designated by the Commission.

In our judgment, enactment of the proposed legislation would enable us to utilize key employees more effectively and would contribute significantly to improved overall administrative efficiency. In this respect, a preliminary estimate indicates that as many as 22,000 matters of a routine or specialized nature could be handled each year by qualified Commission employees.

APPENDIX—LIST OF COMMISSION WORK, BUSINESS AND FUNCTIONS WHICH COULD BE DELEGATED TO INDIVIDUAL EMPLOYEES

BUREAU OF ACCOUNTS

1. Authority to permit the use of prescribed accounts which by provisions of their own texts require special authority.
2. Authority to permit departures from general rules prescribing uniform systems of accounts.
3. Authority to prescribe by order, rates of depreciation to be used by individual carriers by railroad, water, and pipeline.
4. Authority to issue special authorizations permitted by the prescribed regulations governing the destruction of records of carriers.
5. Annual valuation of pipelines.
6. Approval of protective service contracts.

It is apparent that matters arising under these items (about 125 a year) are of a highly technical nature; and in this circumstance, we believe that the professional judgment of the bureau director or qualified members of his staff could be relied upon for their disposition.

BUREAU OF MOTOR CARRIERS

Authority for BMC district supervisors to approve one-time shipment motor carrier temporary authorities, in bona fide emergencies, in the field.

In about 1,000 cases annually, authorization is given for one-time shipments in severe emergencies; e.g., replacement parts for a transformer which has interrupted electrical power in a community; a bridge span portion to repair a bridge closed to traffic until repaired.

BUREAU OF OPERATING RIGHTS

1. Areas where orders now are entered in the name of a single Commissioner or division 1, such as orders assigning cases for hearing, orders extending dates for the filing of pleadings, orders postponing compliance dates, effective dates, and orders authorizing the changing of name of a carrier, etc.
2. Noncontested motor, water, and freight forwarder application cases of the type now handled by Operating Rights Board No. 1.

Item No. 1 would relieve Commissioners of the possibility of dealing personally with up to 10,000 items a year. Item No. 2 appears desirable since actions of Board No. 1, about 181 a year, are seldom questioned by the filing of petitions for reconsideration, and it is believed that the nature of the cases is such that delegations to an individual would be just as effective.

BUREAU OF TRAFFIC

Approval of special permission applications, now handled by the special permission board, consisting of three members.

There are about 11,000 of these items coming before the special permission board each year. If this work is delegated to individuals, it probably would be divided among as many as three persons because of the volume. However, rather than have two or three board members look at each request for special permission (e.g., each board member now reviews about 8,000 a year), each of three individual delegates would look at one-third of the total number or about 4,000.

BUREAU OF TRANSPORT ECONOMICS AND STATISTICS

1. Matters relating to annual, periodical or special reports of carriers, lessors, brokers, freight forwarders, and other persons under parts I, II, III, and IV, presently assigned to division 2. For example, approval of changes in the reporting forms and other requirements which often are made to conform them to corresponding changes in the Commission's accounting rules governing the respective types of carriers.
2. Extensions of time for filing annual, periodical, or special reports; exemption of individual carriers and others from reporting requirements, access to waybills or photostat copies thereof; and public inspection of monthly accident reports, now assigned to the vice chairman. These items are routine in nature. For example, the extention of filing dates is essentially an administrative matter, as is the granting of access to waybills or to accident reports. These delegations would relieve division 2 of the necessity of passing upon some 25 report matters each year, and the vice chairman of acting on 200 applications per year in matters currently assigned to him.

S. 2555. A bill to amend section 1(22) of the Interstate Commerce Act so as to include within the exemption provided therein, the acquisition and operation of spur, industrial, team, switching, or side tracks, located or to be located solely within one State, and for other purposes.

The recommendation and justification accompanying the above bill are as follows:

RECOMMENDATION NO. 3

This proposed bill would give effect to Legislative Recommendation No. 3 of the Interstate Commerce Commission as set forth in its 77th Annual Report as follows:

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[1] Matters of a type included in this category, together with brief comments pertaining thereto, are listed in an attached appendix.

"We recommend that section 1(22) be amended so as to include within the exemption from the Commission's jurisdiction contained in that section, the acquisition and operation of spur, industrial, team, switching, or side tracks, located or to be located solely within one State."

Justification

Section 1(22) of the Interstate Commerce Act, among other things, exempts from the Commission's jurisdiction, the construction or abandonment of spur, industrial, team, switching, or side tracks located wholly within one State. The proposed measure would extend this exemption to include the acquisition and operation of the described trackage.

Applications seeking Commission approval of the acquisition and operation of spur, industrial, team, etc., tracks located wholly within one State are nearly always granted. They are few in number and usually are filed for the purpose of rendering necessary service to a particular industry or industries. The type of trackage involved generally is located in terminal or station areas, and is short in length and of relatively little monetary value. Under these circumstances, we believe that the processing and consideration of such applications unnecessarily adds to the workload of the Commission, and requires the expenditure of time and money by carriers and the Commission which could be devoted to other purposes.

While the draft bill would effectuate a limited amendment of section 1(22), additional amendments to this section might well be appropriate at this time. As a practical matter the essential characteristics of spur, industrial, team, switching or side tracks are the same whether they are located wholly within one State or in two or more States. Accordingly, consideration might be given to broadening the exemption to embrace the considered segments of track without regard to the number of States in which they are located. The number of transactions relating to such trackage is negligible and, in our judgment, the public interest would not be adversely affected if they were accomplished without Commission approval.

In addition, we observe that the last sentence of section 1(18) specifically excludes from the Commission's jurisdiction, both under that paragraph and under section 5, transactions between two or more railroads for the joint ownership or joint use of spur, industrial, team, switching or side tracks. However, in section 5(2)(a)(ii) authority is conferred over such acquisition and operation without mention of the limitation on our jurisdiction under section 1(18). Also, it should be noted (1) that the exclusion in section 1(18) applies regardless of whether the involved trackage is located in one or more States, (2) that the section 1(22) exemption does not embrace terminals incidental to spur, industrial, team, etc., tracks, and (3) that section 1(22) refers to trackage of "street, suburban, or interurban electric railways," while section 5(2)(a)(ii) does not.

We believe it most desirable that the language of these three sections be as comparable as possible. In order to achieve this end, and at the same time incorporate the amendments to section 1(22) contained in our draft bill, the following changes are suggested:

(1) Amend section 1(22) to read as follows:

"The authority of the Commission conferred by paragraphs (18) to (21), both inclusive, shall not extend to the construction, acquisition, operation, abandonment, joint ownership, or joint use of spur, industrial, team, switching, or side tracks, and terminals incidental thereto, or of street, suburban, or interurban electric railways, which are not operated as a part or parts of a general railroad system of transportation."

(2) Amend section 5(2)(a)(ii) by adding the following proviso at the end thereof:

"*Provided, however,* That such approval shall not be required for the acquisition of trackage rights over, or joint ownership in, or joint use of, spur, industrial, team, switching, or side tracks, and terminals incidental thereto, or of street, suburban, or interurban electric railways, which are not operated as a part or parts of a general railroad system of transportation."

S. 2556. A bill to amend section 5(1) of the Interstate Commerce Act to eliminate the requirement for approval of pooling arrangements between motor common carriers of household goods, and for other purposes.

The recommendation and justification accompanying the above bill are as follows:

Recommendation No. 4

This proposed bill would give effect to Legislative Recommendation No. 4 of the Interstate Commerce Commission as set forth in its 77th Annual Report as follows:

"We recommend that section 5(1) be amended so as to exempt contracts, agreements, or combinations affecting the transportation of household goods to which any common carrier by motor vehicle may be a party with other such carrier or carriers for the pooling or division of traffic, service, or earnings."

Justification

Cooperative practices of household goods carriers were described by the Commission in "Practices of Property Brokers," 53 M.C.C. 633, 636–637, as follows:

"The transportation of small shipments at reasonable rates and the relatively high ratio of empty to loaded mileage are persistent economic problems with which the industry has always been faced and which it has had to overcome. This has required constant efforts within the industry for cooperative handling of shipments. Extremes in light and heavy traffic of individual carriers are frequent and are met by arrangements whereby inactive vans and trained personnel are diverted to those carriers who are experiencing above-normal demands for service. The carriers are unable to predict in advance the amount of equipment and personnel they will need to meet demands for service. They are especially confronted with the problem of maintaining employment for personnel who have to be trained for several years before being assigned to vehicles which operate for extended periods away from their home terminals. The drivers' character and their skill in handling valuable and fragile shipments are said to be more important than their ability to drive and, since the number of qualified drivers is limited, the carriers are interested in keeping them in gainful employment.

"The practice of diverting small shipments from one carrier to other carriers has long been an inherent part of, and essential to, the economy and efficiency of the Nation's household goods moving service. In many instances, economy and expeditious handling require the services of two carriers, although but seldom is joint carriage physically performed by both carriers over the highway. The services of one of the carriers may consist only of the use of its established terminal for the preparation of shipping documents, packing, and the performance of other services necessary to prepare the shipment for loading onto the line-haul vehicle. Whether or not two carriers are used is determined by the size of the shipment and the desired time of movement, and the relating of these factors to economy of operation by the booking carrier. For instance, a small shipment may be diverted, under a joint agency tariff, to a carrier satisfactory to the booking carrier which at the moment is in a position to provide immediate transportation and the use of which will save the shipper the cost of storage or the weight penalty assessed for so-called expeditious handling and obviate the operation by the booking carrier of empty return mileage. The compensation or commissions received in such cases by the booking carrier from the line-haul carrier are described as a division of the revenue based upon the performance by it of the terminal portion of the "joint carriage." Most shippers have but infrequent need for the services of a household-goods carrier and are unversed in how the carriers operate and the laws and regulations governing them. Accordingly, when a shipper requires service, he usually consults and obtains the service of a local carrier with which he is acquainted and to which he will look for redress in case the shipment is not handled satisfactorily, the local booking carrier accepting with the line-haul carrier joint responsibility under the bill of lading for the safe delivery of the shipment."

The described practices provide the public with a more expeditious and economical service than would otherwise be possible, and the carriers are enabled to utilize their equipment more fully, maintain a more reasonable level of rates, hold down empty mileage, and otherwise bring stability to their operations. In short, the requirements for approval under the pooling provisions of section 5(1) of being "in the interest of better service to the public or of economy in the operation" would seem to have been met generally by present cooperative practices among groups of household goods carriers.

The pooling provisions of the act require a hearing and approval by the Commission before agreements may lawfully be entered into. Strict enforcement of this provision as to household goods carriers has not been practicable. Combinations whereby they divert, surrender, or exchange shipments, allocate or control solicitation, use service facilities and instrumentalities or employees cooperatively, and divide proceeds of diverted traffic, are so flexible that before agreements can be filed and approved, many are terminated or changed and new arrangements entered into involving new or different participating carriers. At one time the Commission instituted a proceeding intended to prescribe general rules governing such arrangements under section 5(1), but, after further study, it was deemed impractical to prescribe general rules which would be workable and enforceable.

Under arrangements with noncarriers, and compliance with the leasing rules of the Commission, carriers may obtain most or all of the advantages of pooling arrangements with carriers, without the disadvantages incident to filing applications for approval under section 5(1). The proposed exemption would place carriers on an equal basis with noncarriers in making arrangements with other carriers essential to their economical and efficient operations.

S. 2557. A bill relating to the use of Interstate Commerce Commission records and testimony of Commission personnel in regard to accidents involving motor carriers and railroads.

The recommendation and justification accompanying the above bill are as follows:

Recommendation No. 5

This proposed bill would give effect to Legislative Recommendation No. 5 of the

Interstate Commerce Commission as set forth in its 77th Annual Report as follows:

"We recommend that section 220(f) of the Interstate Commerce Act, section 8 of the Locomotive Inspection Act, and section 4 of the Accident Reports Act be amended so as to (a) incorporate in the Locomotive Inspection Act a prohibition against use in a damage suit of any report sent by a carrier under that act; (b) prohibit the introduction in evidence in any damage suit of the report submitted to the Commission by its accident investigators; (c) prohibit expert opinion testimony by the Commission's accident investigators in damage suits; and (d) restrict factual testimony by the Commission's accident investigators to cases where factual evidence is not reasonably available from other sources."

JUSTIFICATION

This Commission faces the same problems as those outlined by the Civil Aeronautics Board (CONGRESSIONAL RECORD, vol. 109, pt. 4, pp. 4491–4492) in regard to efforts of litigants to compel Commission employees who have investigated an accident to testify in damage suits. In this respect, therefore, our draft bill follows the same lines as proposed in companion bills (S. 1136 and H.R. 5200) introduced during the first session of the 87th Congress at the request of the CAB. In addition, our proposed measure would resolve a related problem which arises from differences in the wording of similar sections in acts we administer, and involves efforts of litigants to compel the production of accident reports submitted by Commission investigators and, in the case of rail accidents, the reports submitted by the carriers as well.

Section 25(f) of the Interstate Commerce Act, 49 U.S.C. section 26(f); sections 1 to 3 of the Accident Reports Act, 45 U.S.C. sections 38 to 40; and section 8 of the Locomotive Inspection Act, 45 U.S.C. section 32, require rail carriers subject to Commission regulation to report to the Commission all accidents in which such carriers may be involved, and charge the Commission with the duty of investigating and making reports concerning such accidents. Under authority of section 204(a) of the act, 49 U.S.C. section 304(a), motor carriers are required by regulation to report accidents of a certain severity, and investigations and reports on many of these are made. The Commission's investigation is performed in large measure by investigators employed by the Commission's Bureau of Motor Carriers and Bureau of Safety and Service. Written reports are prepared by these investigators as to all accidents investigated by them, which embody their factual observations and conclusions. These reports are submitted to the Commission and form the basis for the Commission's accident reports.

Section 220(f) of the Interstate Commerce Act, section 4 of the Accident Reports Act, and section 8 of the Locomotive Inspection Act prohibit the introduction in evidence or the use for any purpose in damage suits of the Commission's report of investigation. The first two acts mentioned also prohibit such use of the report of carriers. The congressional purpose in excluding such reports clearly is to protect the integrity of the Commission's accident investigation function and to facilitate the securing of full and complete accident reports from the carriers involved. The statutes as now worded, however, do not literally cover the report which the investigator submits to the Commission nor do they cover expert opinion evidence given by way of live testimony by the Commission investigator. Also, the Locomotive Inspection Act does not literally cover the report submitted by the carriers.

Efforts of litigants to subpena the report of Commission investigators, and to compel such investigators to give expert testimony in damage suits, have uniformly been resisted by the Commission on the ground that the purpose and policy of the cited statues require that such information not be disclosed in damage suits. For the most part, our resistance has been successful, but we have been handicapped by the absence of a clear statutory provision governing the situation. The number of such subpenas could be expected to decline sharply upon the enactment of a clear-cut statutory provision, with a resultant saving in the time which the Commission and its staff must devote to such matters.

The bill proposed by the CAB is based upon the principles enunciated by the court in *Universal Airlines* v. *Eastern Air Lines*, 188 F. 2d 993, and the Commission concurs in those principles and the procedure therein suggested. Under such procedures, no private litigant will be denied factual testimony essential to establishing his case. At the same time, requests for testimony of accident investigators would be kept to a minimum and the integrity of the Commission's investigation function would be protected. Moreover, advance requests for permission to take an investigator's deposition or for his appearance in court will permit a more efficient scheduling of duties within the Commission with resulting savings in time, effort, and expense.

S. 2558. A bill to amend section 20a(12) of the Interstate Commerce Act to eliminate the necessity for prior approval of the Commission for a person to hold the position of officer or director of more than one carrier when such carriers are in a single integrated system of carriers lawfully operated under common control, and for other purposes.

The recommendation and justification accompanying the above bill are as follows:

RECOMMENDATION NO. 6

This proposed bill would give effect to Legislative Recommendation No. 6 of the Interstate Commerce Commission as set forth in its 77th Annual Report, as follows:

"We recommend that section 20a(12) be amended so as (a) to eliminate the necessity for prior approval of the Commission for a person to hold the position of officer or director of more than one carrier when such carriers are in a single integrated system of carriers lawfully operated under common control, and (b) to make it clear that the prohibition against the holding by 'any person' of the position of officer or director of more than one carrier applies to the holding of such positions by different members, officers, employees, or directors, of the same firm, copartnership, corporation, association, or joint stock association, or to the representation of a person on the board of directors of more than one carrier through an agent or nominee."

JUSTIFICATION

The first sentence of section 20a(12) requires persons desiring to serve as an officer or director of more than one carrier to file an application and obtain approval from the Commission even though the carriers involved are affiliated members of the same system of carriers. Where railroads are under lawful common control, they form essentially a single system. *Louisville & J.B.R. Co. Merger*, 295 I.C.C. 11. In this circumstance, the holding of intrasystem interlocking officer positions and directorships is a natural aid to coordination of operations, and the Commission has long approved such applications as a matter of course. Nevertheless, the filing and processing of formal applications for such authority entail considerable time and expense both for the applicant and the Commission which could be saved without adversely affecting the public interest.

A total of 642 interlocking directorship applications were filed during the period covered by the Commission's 74th, 75th, and 76th Annual Reports to Congress (1960 through 1962). Since less than 2 percent of these applications involved positions in unaffiliated carriers, the time and money consumed in filing and processing approximately 98 percent of these applications could have been saved if the section were revised as recommended. Moreover, a considerable reduction in recordkeeping expenses would have been realized.

Regulation of the holding of officer positions and directorships in two or more unaffiliated carriers under section 20a(12) should, of course, be continued in order, among other things, to prevent the acquisition of control by one carrier over another, or the control or management of two carriers in a common interest without prior approval of the Commission under section 5 of the act. However, we believe that section 20a(12) should be strengthened by making it also apply when an officer, director, or partner of a noncarrier (for example, a holding company or brokerage firm) also holds a position as an officer or director of a carrier and another officer, director, or partner of the same noncarrier holds a similar position with another, and unaffiliated, carrier.

There is, in our opinion, little difference between (a) two directors or partners in a noncarrier separately holding positions with two different carriers, and (b) an individual holding such positions. The possibilities of achieving common control of the carriers and the undesirable practices which section 20a(12) was designed to prevent, are practically the same in both situations. The use of different officers of noncarrier holding companies and brokerage firms to control the affairs of two or more unaffiliated carriers can thus circumvent the present section and defeat its purpose.

EXEMPTION OF COMMUNITY BLOOD BANKS FROM ANTITRUST LAWS

Mr. LONG of Missouri. Mr. President, last fall a group of distinguished Russian doctors visited St. Louis. They were specialists in blood disorders, and, among other things, they were being given tours of American blood banks.

A reporter for the St. Louis Globe Democrat quoted one of the doctors as saying that the Russian blood banking system is "better organized" than the American system of private blood collecting agencies.

This could be put down as just a bit of Soviet "bragging."

Unfortunately, this is not the case. In April of 1962, the New York Times editorially described the situation in New York City as "an appalling picture of shortages, confusion, and near anarchy."

In all candor, Mr. President, I must say that I am not surprised.

My interest in the problem of blood banking has been increased by the critical situation which exists in Kansas City, Mo., which I shall describe in a moment.

In order to better educate myself with respect to blood bank problems, I asked the National Institutes of Health if they could supply me with a listing and description of the various blood banking organizations throughout the country. They sent me an inch-thick publication by the American Association of Blood Banks which contained much helpful factual information on more than 6,000 separate organizations which collect, store, and dispense blood and blood products.

These 6,000 organizations range from huge ones, such as the Red Cross, to minuscule ones that deal with very small quantities of blood. The vast majority range between the two extremes.

These 6,000 organizations range from those organized wholly for profit to those which are wholly nonprofit. Again, there are many banks which fall between the two extremes.

These 6,000 organizations range from those having the highest medical standards to those with very low standards. Control of these standards by NIH is very sketchy.

The result of the American system of organization—or, more accurately, lack of organization—of blood banking is, as the New York Times says, utter chaos.

Every year there are untold numbers of cases of infections through inadequate medical controls over blood banks.

Every year, there are a sizable number of needless deaths due to the low medical standards in many blood banks.

Rare types of blood are frequently difficult to get and often unattainable in a particular community.

Blood is often extremely expensive and too often of low quality.

Much blood is wasted by nonuse, as whole blood can be stored for only 21 days.

The major effort to replace the existing chaos with some degree of order and efficiency has come from a number of communitywide or metropolitanwide nonprofit blood banks.

A recent example of such community effort has taken place in New York City. I ask unanimous consent to place at this point in the Record excerpts from a brochure describing the Community Blood Council of Greater New York and its metropolitanwide organization.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

THE NEW YORK BLOOD CENTER: PROGRESS AND PROMISE

DEVELOPMENT COMMITTEE

Lindsley F. Kimball, chairman; Mrs. Alfred R. Bachrach, Mrs. Alvan L. Barach, Mrs. George M. Billings, Gordon S. Braislin, Robert E. Blum, Howard S. Bunn, Gen. Lucius D. Clay, J. Douglas Colman, George Champion, Mrs. Alfred de Liagre, Jr., the Honorable Thomas E. Dewey, J. Richardson Dilworth, G. S. Eyssell, Harland C. Forbes, the Honorable James Felt, Albert H. Gordon, John W. Hanes, Ralph Hayes, Barklie McKee Henry, John E. Heyke, Jr., Roger Hull, George C. Johnson, Devereux C. Josephs, Philip Liebmann, James A. Linen, Mrs. John L. Loeb, William A. Lydgate, Clarence J. Myers, Laurence S. Rockefeller, Andrew S. Roscoe, T. J. Ross, Rudolph J. Schaefer, Whitney North Seymour, Sr., Mrs. Henry Steeger, Sr., Jack I. Straus, the Honorable Lewis L. Strauss, Frank A. Vanderlip, Jr., Edmund F. Wagner, Thomas J. Watson, Jr., Mrs. Frank L. Weil, Kenneth J. Whalen, Rawson L. Wood.

RESEARCH COMMITTEE

Aaron Kellner, M.D., chairman; Fred H. Allen, Jr., M.D., Leslie C. Dunn, M.D., Elvin Kabat, M.D., Edwin D. Kilbourne, M.D., Richard Rosenfield, M.D., Scott N. Swisher, M.D., James Tullis, M.D.

ADVISORY COMMITTEE OF DIRECTORS OF HOSPITAL BLOOD BANKS

Leon Sussman, M.D., chairman; Aaron Alter, M.D., Vladimir Altmann, M.D., Siegfried Baruch, M.D., Margaret Bevans, M.D., Ancel Blaustein, M.D., Philip Cabaud, M.D., Amos Cahan, M.D., Eugene Cahan, M.D., I. Diamond, M.D., Nathanael Fedde, M.D., L. M. Fox, M.D., Rudolph Garret, M.D., Irene Garrow, M.D., Jacob Geiger, M.D., Victor Ginsberg, M.D., Thomas J. Hartnett, M.D., Herbert I. Horowitz, M.D., Julian Hymen, M.D., Vitali Kogan, M.D., William Kuhns, M.D., Parviz Lalerzari, M.D., Stanley Lee, M.D., Allyn Ley, M.D., Tsi Gziou Li, M.D., Klaus Mayer, M.D., Samuel Melamed, M.D., Louis Millman, M.D., Thomas Morrione, M.D., Leopold Reiner, M.D., Richard Rosenfield, M.D., Robert Rosenthal, M.D., Antonio Rottino, M.D., Irving Rudolph, M.D., Richard Sabbia, M.D., Andrea Saccone, M.D., Arthur Sawitsky, M.D., Julian Schorr, M.D., John Scudder, M.D., Cyril Solomon, M.D., F. D. Speer, M.D., Antanas Starkus, M.D., Frederick Traub, M.D., Salvador Trinidad, M.D., Lester J. Unger, M.D., Peter Vogel, M.D., Alexander Wiener, M.D., Myron Wright, M.D.

For many years our city has faced serious problems with respect to the supply and distribution of blood for lifesaving transfusions.

The situation has been recognized by all the leading community health organizations as dangerously unsatisfactory and was described editorially by the New York Times in April of 1962 as "an appalling picture of shortages, confusion and near anarchy."

That New York, with its great array of medical centers and other health agencies, should find itself confronted with a threat to the well-being of its 8 million residents was the fault of no one group or body. Rather, it was the very magnitude of the task which had brought about a scatter-shot approach and consequent confusion. The result, however, was that:

The collection, processing, and distribution of blood were dispersed among more than 150 separate agencies.

No central records existed of how much blood was available on a given day, and where it was.

Postponement of surgical operations was a frequent occurrence in hospitals in the city.

In some cases there was no alternative but to accept the risks of using blood which did not completely match that of patients.

Because of the perishability of whole blood, there was a waste running between 10,000 and 30,000 pints annually.

Due to differences in resources and practices of different institutions, charges for blood ranged from $14 to $60 for the first unit.

A substantial proportion of the blood used in the city had to be obtained elsewhere, often from distant points.

There was undue dependence on professional donors who, motivated entirely by financial consideration, were much less likely than voluntary donors to give honest answers to questions about their medical histories.

In short, the chaotic conditions surrounding the collection and distribution of blood in New York meant that there was no certainty that the right type and proper amount would be available when needed to save a human life.

Today the problem is not completely solved, but the way of solution is at hand. It is the New York Blood Center.

The center exists and is operating. This booklet is intended to tell about its present facilities and about what it means for the future.

A number of leading citizens and organizations, deeply disturbed by the conditions that then existed, met in January 1956 to consider what might be done. As a first step, they asked the New York Academy of Medicine to assemble and assess all the relevant facts. The academy's report, published after 2 years of study, confirmed the gravity of the situation. It stated: "Without foresight the present haphazard and unplanned growth of blood-handling programs will continue in the future, and the disorganization which now handicaps the procurement, distribution and utilization of whole blood in New York City will still exist."

By way of solution, the academy report proposed that:

"All of the blood-handling agencies in New York City which requested the present survey and participated in it organize on a permanent basis a community body concerned with blood;" and that—"the community blood organization set up and operate a community blood center."

In accord with these recommendations, delegates from the initiating organizations, joined now by others also seeking a solution to the problem, formed the Community Blood Council of Greater New York as a nonprofit corporation. That was in 1959. Member organizations of the council now include:

American Red Cross, New York regional blood program, Associated Hospital Service of New York, Association of Private Hospitals, Blood Banks Association of New York State, Blood Transfusion Association, Catholic Charities of the Diocese of Brooklyn, Catholic Charities of the Archdiocese of New York, Community Council of Greater New York, Coordinating Council, First District Branch, Medical Society of the State of New York, Department of Health, city of New York, Department of Hospitals, city of New York, Federation of Jewish Philanthropies of New York, Federation of Protestant Welfare Agencies, Greater New York Hospital Association, New York Academy of Medicine, New York Central Labor Council, United Hospital Fund.

Named as president of the Community Blood Council was Dr. August H. Groeschel, a graduate of Holy Cross in 1927 and of the Columbia University College of Physicians and Surgeons in 1931. In addition to his position with the council, Dr. Groeschel is associate director for professional services at New York Hospital, and assistant professor of public health at Cornell University Medical College. He is chairman of the Committee on Blood of the Health Resources Advisory Committee in the Office of Emergency Planning, and is also chairman of the Blood Program Committee of the Greater New York Hospital Association.

The council began at once to consult all interested groups in the city and to study community blood banks in other cities, notably those in Milwaukee and Seattle which have been outstandingly successful. It also empowered a development committee to seek adequate financing for, and proceed with the development of a center.

Unqualified endorsement has been accorded the project by the city's medical and hospital groups from the outset. In September 1962, for example, the Coordinating Council of the First District Branch of the Medical Society of the State of New York wrote that it had "unanimously voted to approve in principle establishment by the Community Blood Council of a center to provide blood for the needs of the people of the city of New York."

In the early part of 1963, the Greater New York Hospital Association passed a resolution:

"Whereas the health of the people of the city of New York is being endangered by the absence of a voluntary community blood center; and whereas the Community Blood Council of Greater New York, Inc., has prepared the way for the establishment of a community blood center in 1963; and

"Whereas the hospitals of New York have a clear responsibility to support those measures which will improve patient care: Now, therefore, be it

"*Resolved*, That the board of governors of the Greater New York Hospital Association wholeheartedly endorses and enthusiastically supports the program to establish the New York Blood Center."

The New York City commissioner of health, Dr. George James, wrote, "The Department of Health of the City of New York has already endorsed the plans of the Community Blood Council of Greater New York for the establishment of a blood center. This is best suited to meet the needs of our city and to improve standards and procedures of blood procurement and administration."

The commissioner of the city's department of hospitals, Dr. Ray E. Trussell, said in a letter: "The department of hospitals views favorably the project * * * to establish a community blood center and concurs in the opinion that such a plan offers the best answer to the needs of our city, both qualitative and quantitative."

The Medical Society of the County of New York, in a communication signed by its president, Dr. Milton Helpern, stated that it "strongly supports the creation of this important new medical facility for New York." Similar expressions came from Dr. Kurt Rosenberg, president of the Medical Society of the County of Queens; Dr. Leo S. Drexler, president of the Medical Society of the County of Kings, and Dr. Walter Einhorn, president of Bronx County Medical Society.

Dr. Howard Reid Craig, director of the New York Academy of Medicine, wrote that the academy "will do everything in its power to get this project going on a solid and permanent basis * * * I want to emphasize the urgent need for the community blood center and express the very real hope that funds can be secured to get it on the road."

* * * * *

The center's relation to the American Red Cross is marked with a special character inasmuch as the regional blood program of the Red Cross has been the major collector of voluntarily donated blood in New York. This agency currently supplies approximately one-fourth the blood transfused in the city, but, as the use of blood in medicine has enlarged, the proportion has tended to decline as a percentage of total need.

The new Red Cross Building, lately completed in the city, will enable that organization to increase substantially the effectiveness of its New York programs, and care has been taken to avoid duplication of facilities as between that building and the New York Blood Center building, which is furnished, for example, with acid-proof plumbing, piped compressed-air system, and similar appurtenances of modern, full-scale research quarters.

Some months ago the New York Blood Center and the Red Cross jointly declared that the New York regional blood program of the American Red Cross involves commitment to supplement the supply of blood in municipal voluntary and proprietary hospitals, while the center is a new medical facility which, with its research, teaching and clinical facilities, will accept total responsibility for the supply of blood in the hospitals of New York. And in November 1963 Gen. Lucius D. Clay, chairman of a liaison committee of the Red Cross and the center, said:

"The blood center will operate under the direction of the Community Blood Council of which the Red Cross is a member. It will have full responsibility for the supply of blood to the hospitals and for the maintenance of a complete inventory control of every pint. It will undertake research on a broad multidisciplinary front and, in association with our medical schools, it will furnish for the first time in this city teaching and clinical consulting services. In short, it will be a new medical facility. These things the Red Cross could not undertake to do."

What is the promise of the New York Blood Center for the future? When in full operation, it will be able to provide not only blood and its derivatives but also professional and technical services of highest quality.

It will conduct continuing programs to motivate voluntary blood giving by the public. In addition to its central facilities, the center will maintain depots strategically located in the metropolitan area for donor convenience. Employee groups, churches, and civic, service and fraternal organizations will be encouraged to arrange for visits by mobile units to collect blood donations.

Hospitals will receive from the center an advance blood supply based on their known needs. In emergencies, mobile units will speed blood to a hospital within minutes. In short, the center will assure the supply of blood in New York 24 hours every day.

Through electronic data processing the center will maintain a running inventory of every pint of blood available, wherever it may be in the five boroughs. A master file of donors, and a special index of donors of rare types of blood, will also be kept.

The economies of centralized equipment, personnel, and processing will help keep down the cost of blood to patients. Blood for the indigent will be the shared responsibility of the center and the community.

With the center's program at its full planned level, hospitals in the city will no longer be under any necessity to draw or process blood, and their blood banks will be able to concentrate wholly on the cross-matching and other steps involved in actual transfusion. Needless to say, the hospitals welcome the assumption by a central agency of the tasks of obtaining donors and of drawing, processing, and inventorying blood.

At present the only available method of preserving whole blood beyond 21 days involves freezing and storage at temperatures ranging to 320° below zero Fahrenheit. The process of sustained storage at such low temperatures requires expert personnel and elaborate equipment. The center will eventually store several thousand units in frozen state, providing an invaluable stockpile of rare bloods, as well as of the more usual types, against periods of extraordinary demand.

The center has under consideration a proposal by several prominent hematologists that it also establish a special laboratory to perform unusually complex procedures which individual hospitals or even large medical centers find impractical to do themselves. And, as this is written, the feasibility of moving the New York City Department of Health's Rh Laboratory to the blood center building is being discussed.

Of utmost importance in the blood center project are its research laboratories. These will bring together independent investigators to pursue, each in his own way, problems related directly or indirectly to blood transfusion. It is expected that the principal investigators will be drawn from such specialties as genetics, immunology, virology, immuno-chemistry, biophysics, physiology, and clinical medicine.

While there are other laboratories doing research on various aspects of blood transfusion, they are, in the main, staffed with one or two scientists carrying other responsibilities besides research. Without in any way underestimating the important work done in these laboratories, it can be fairly said that there is no research institution anywhere in the United States today comparable to the blood center.

The research laboratories will have close academic ties with the university medical centers in the city. The very location of the center on the east side, in proximity to the Memorial Sloan-Kettering Cancer Center, the Rockefeller Institute, and the New York Hospital-Cornell Medical Center, is advantageous in this respect.

The laboratories will be a center for training personnel for the field of blood banking, where there is a dearth of skilled talent today. The specialty has not been attracting the young people necessary to maintain and expand its ranks because there has been no institution offering the possibility of broad experience in research as well as training in the clinical, administrative, and technical aspects of blood banking. The blood center, with its diversity of talent and range of problems under investigation, should attract more young men and women to the field.

The many research projects will be in the hands of 10 to 15 senior investigators, each with his professional associates, fellows, and students working independently on clinical or biological problems related to the field of blood transfusion. Research programs will range from those to improve the state of the art to others that are broadly fundamental. Briefly summarized, they include studies of long-term preservation of blood and other tissues; new methods of isolating and purifying plasma proteins; the identification of the hepatitis virus and preventing its transmission; blood coagulation; and problems in human genetics. New techniques and procedures in blood bank operations will include use of the autoanalyzer, which by automating repetitive laboratory procedures improves the degree of accuracy and eliminates clerical errors; and an IBM pilot project designed to maintain a central inventory, to program the blood needs for the entire community, and to expedite getting rare blood quickly. The laboratories of the New York Blood Center will afford unique opportunities for investigative work under the aegis of internationally recognized experts, and the center will serve as a clearinghouse for the ideas, problems, and discoveries of scientists throughout the world whose work hitherto has been largely isolated.

Mr. LONG of Missouri. Mr. President, as I said previously, my interest in this subject has been heightened by the situation in Kansas City, an early example of communitywide nonprofit blood banking. Until the mid-1950's, the situation in Kansas City was similar to that in New York. There were a multitude of separate blood banking facilities, some large, some small, some for profit, some nonprofit. Each hospital in the area had its own separate blood banking facility. These varied widely in size and in services.

Beginning in about 1955, a number of Kansas City's leading doctors and a number of other civic-minded citizens began organizing a communitywide nonprofit blood banking system. There was merged into this system almost all of the separate blood banking facilities in the Kansas City area including those of all of the hospitals in the area. The area's pathologists joined in the effort. In time, the system became known as the Kansas City Community Blood Bank. It had the most modern equipment and a most distinguished medical staff. Its medical standards were as high as those of any blood banking organization in the country. It was truly a model of communitywide nonprofit blood banking. The people of Kansas City took great pride in this system, and it gave promise of setting an example for establishing similar organizations throughout the country.

Yet, today, this community blood bank in Kansas City is in the process of being torn apart. And it is being torn apart by, of all things, a Federal agency which, ostensibly, is trying to preserve competition in our free enterprise system of economy. It is being torn apart by the Federal Trade Commission.

The case has dragged on for years. The legal fees to defend the suit have been immense. The end is not in sight yet.

You may ask, Mr. President, what has community blood banking in Kansas City got to do with American free enterprise, and why is the Federal Trade Commission trying to throttle this civic enterprise.

The answer is not simple, but the FTC action against the Kansas City Community Blood Bank arose out of complaints made by two small commercial blood banks which remained in Kansas City after the organization of the community blood bank. In its complaint, the FTC charges that the participating doctors and hospitals of the community system are "conspiring" to drive the private blood banks out of business. The FTC is charging that this "conspiracy" is a violation of the antitrust laws. I ask unanimous consent to place at this point in the RECORD an article from the Kansas City Star of October 27, 1963, giving a brief description of the situation in Kansas City.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Kansas City Star, Oct. 27, 1963]

SENATOR LONG HITS BLOOD HEARING: MISSOURIAN TERMS ACTION ON COMMUNITY UNIT HERE "OUTRAGEOUS": THREATENS FTC CURB: REPRESENTATIVE WILLIAM RANDALL ALSO INTRODUCES BILL TO LIMIT AGENCY

(By Jack Williams)

WASHINGTON.—Senator EDWARD LONG of Missouri yesterday angrily castigated the Federal Trade Commission for its legal fight with the Community Blood Bank of the Kansas City Area, Inc. He termed the case brought by the Federal agency "silly" and "outrageous."

He said he would write the FTC urging that the case be dismissed and introduce a bill to exempt nonprofit community blood banks from FTC jurisdiction.

CAN MAKE MISTAKES

"Few people will deny that bureaucrats, Federal, State, and local, only too frequently do silly things," the Senator said in a statement given to the Star. "Occasionally they do outrageous things.

"I believe that such is the case with the action brought by the Commission against the Kansas City Community Blood Bank."

LONG said it was estimated the case so far had cost the Government a quarter of a million dollars.

"To this point the community blood bank's legal defense has cost more than $100,000 and the end is not in sight," he continued. "It has cost the individual and hospital defendants an untold amount of time, worry, and anguish. It has deprived Kansas Citians of many needed services.

"For what? To keep two small commercial blood banks in business."

HURDLES IN SUIT

The statement continued, "The lengthy legal action brought by the FTC against the community blood bank and a number of our leading citizens is for illegally conspiring to put two small commercial blood banks out of business. Basically, FTC must win all of the following legal points before it can win a victory in the case:

"That the FTC has jurisdiction over nonprofit community entities, such as the community bank.

"That blood is an item of 'commerce' in the legal sense.

"That an actual conspiracy took place."

Senator LONG added that as the case was in litigation it would be improper for him to discuss the merit of those legal questions.

The outcome of the Kansas City case is important to at least 100 other cities which have established nonprofit community banks, the Senator added. He said 80 percent of the blood used nationally for transfusions was handled by some sort of nonprofit organization. He will seek cosponsors for his bills among Senators who have such banks in their States.

"The philosophy behind the community blood banks is to provide all blood needed by the entire community, when it is needed, at the lowest cost and of the highest quality," the statement continued. "Translated into actuality, as in Kansas City, his philosophy results in a system with a multitude of advantages over a hodgepodge of separate and 'for profit' systems. The advantages of the community systems include:

"Better quality of blood.

"Better use of equipment and personnel.

"Better overall administration.

"Better professional supervision by specialist physicians.

"Better standards of acceptable quality of blood placed in the bank and dispersed by the bank.

"Better research and training facilities.

"Better monitoring of blood in participating hospitals."

The Senator raised questions as to the sources and quality of blood by some commercial blood banks.

Representative WILLIAM RANDALL of Independence introduced a bill in the House in September which would remove community nonprofit blood banks from FTC jurisdiction.

Senator LONG's criticism of the FTC extended beyond the blood bank case at Kansas City. It is not expected a decision by the examiner will be reached before next May. He said the agency had received considerable publicity "because of the strange array of businesses which it has singled out for prosecution for alleged noncompetitive activities." He listed actions against a bubble gum maker, kosher hot dog processors, and retreaders of golf balls.

Mr. LONG of Missouri. Mr. President, as this article points out, I seriously question, first, if the Federal Trade Commission has jurisdiction over nonprofit blood banks, or second, if blood is an article of commerce as that term is used in the antitrust laws.

However, the point I wish to emphasize, Mr. President, is that the FTC should not have jurisdiction over community blood banks, and blood should not be considered an article of commerce for purposes of the antitrust laws. We should have a specific statute on the books to this effect, because, if the FTC wins its argument on the question of jurisdiction, and if it wins its argument on the question of blood being an article of commerce, and if it finds a conspiracy on the part of the Kansas City community blood bank, then the whole effort to replace confusion with order in the field of blood banking will go straight down the drain.

Community blood banks cannot survive and flourish if the FTC can force them to "hold an umbrella" over any merchant of blood for profit who wishes to operate in their area.

There is no question about the fact that the FTC's case against Kansas City is a test case. If the FTC wins this case, the nonprofit facilities and systems in a large number of communities across the country will be put in grave danger of being crippled or put out of business. I have a partial list of such nonprofit facilities and I ask that it be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

NONPROFIT FACILITIES LISTED AS MEMBERS OF THE AMERICAN ASSOCIATION OF BLOOD BANKS

Aurora Area Blood Bank, Aurora, Ill.

Bay County Blood Bank, Inc., Panama City, Fla.

Beaumont Blood Center, Inc., Beaumont, Tex.

Becker County Blood Bank, St. Mary's Hospital, Detroit Lakes, Minn.

Belle Bonfils Memorial Blood Bank, Denver, Colo.

Bender Blood Bank, Albany, N.Y.

Bergen Community Blood Bank, Paramus, N.J.

Blood Bank of Hawaii, Honolulu, Hawaii.

Blood Bank of San Bernardino-Riverside Counties, San Bernardino, Calif.[1]

Blood Bank of the Alameda-Contra Costa Medical Association, Oakland, Calif.[1]

Blood Center of Mount Sinai Medical Research Foundation, Chicago, Ill.

Blood Transfusion Association, New York, N.Y.

Boulder Blood Bank, Boulder, Colo.

Broome County Blood Center, Binghamton, N.Y.[1]

Carter Blood Center, Forth Worth, Tex.[1]

Central Blood Bank, Inc., South Bend, Ind.

Central Blood Bank of Pittsburgh, Falk Clinic, Pittsburgh, Pa.[1]

Central California Blood Bank, Fresno, Calif.[1]

Central Florida Blood Bank, Inc., Orlando, Fla.[1]

Cerro Gordo County Medical Society Blood Bank, Mason City, Iowa.[1]

City of Kingston Laboratory Blood Bank, Kingston, N.Y.[1]

Community Blood Bank, Norton, Va.

Community Blood Bank, Inc., St. Petersburg, Fla.[1]

Community Blood Center, Inc., Appleton, Wis.

Delta Blood Bank, Stockton, Calif.

Des Moines County Medical Society Blood Bank, Inc., Burlington, Iowa.[1]

Dubuque Blood Bank Association, Dubuque, Iowa.[1]

Elks Blood Bank, Danville, Ill.

Escambia Blood Bank, Inc., Pensacola, Fla.[1]

Essex County Blood Bank, Inc., East Orange, N.J.[1]

Hamilton Blood Bank, Inc., Hamilton, Ohio.

Hospital Blood Service, Inc., Detroit, Mich.

Houchin Community Blood Bank, Bakersfield, Calif.[1]

Inter-County Blood Banks, Inc., Jamaica, N.Y.[1]

Irwin Memorial Blood Bank of San Francisco Medical Society, San Francisco, Calif.[1]

J. K. and Susie L. Wadley Research Institute & Blood Bank, Dallas, Tex.[1]

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[1] Blood banks similar in operation to the Community Blood Bank of the Kansas City Area, Inc.

Jacksonville Blood Bank, Inc., Jacksonville, Fla.

Jacob Blumberg Memorial Blood Bank of Lake County Medical Society, Inc., Waukegan, Ill.

John Elliott Blood Bank of Dade County, Miami, Fla.[1]

John Henry Thomas Memorial Blood Bank, Alachua General Hospital, Gainesville, Fla.[1]

Kenosha County Blood Bank, Inc., Kenosha, Wis.[1]

King County Central Blood Bank, Inc., Seattle, Wash.[1]

Lane Memorial Blood Bank, Eugene, Oreg.[1]

Leon County Blood Bank, Inc., Tallahassee, Fla.[1]

Lewiston Clarkston Blood Bank, Inc., St. Joseph's Hospital, Lewiston, Idaho.[1]

Lorain County Blood Bank, Elyria Memorial Hospital, Elyria, Ohio.[1]

Lower West Coast Blood Bank, Memorial Hospital, Sarasota, Fla.[1]

Manatee County Blood Bank, Inc., Bradenton, Fla.[1]

Marathon County Blood Bank, Inc., Wausau, Wis.

Marion County Blood Bank, Munroe Memorial Hospital, Ocala, Fla.[1]

Michael Reese Research Foundation Blood Center, Chicago, Ill.

Milwaukee Blood Center, Inc., Milwaukee, Wis.[1]

Minneapolis War Memorial Blood Bank, Minneapolis, Minn.[1]

Northern & Northeastern Michigan Blood Bank, Bay City, Mich.

Northern California Community Blood Bank, Eureka, Calif.[1]

Northern Illinois Blood Bank, Inc., Rockford, Ill.[1]

Oklahoma City Community Blood Bank, Inc., Oklahoma City, Okla.

Palm Beach Blood Bank, Inc., West Palm Beach, Fla.

Peninsula Memorial Blood Bank, Burlingame, Calif.[1]

Polk County Blood Center, Inc., Lakeland, Fla.[1]

Potter County Memorial Blood Center, Amarillo, Tex.

Putnam County Blood Bank, Palatka, Fla.

Sacramento Medical Foundation Blood Bank, Sacramento, Calif.[1]

St. John's County Blood Bank, Inc., St. Augustine, Fla.[1]

San Diego Blood Bank, San Diego, Calif.

Scott County Medical Society Blood Bank, Inc., Davenport, Iowa.[1]

Shreveport Emergency Blood Bank, Inc., Shreveport, La.

Skagit County Blood Bank, Skagit Valley Clinical Laboratory, Inc., Mount Vernon, Wash.[1]

Snohomish County Blood Bank Association, Inc., Santa Rosa, Calif.[1]

Southeast Iowa Blood Bank, Ottumwa, Iowa.

Southern Michigan Blood Center, Inc., Detroit, Mich.

Southwest Blood Banks, Inc., Scottsdale, Ariz.

Southwest Florida Blood Bank, Inc., Tampa General Hospital, Tampa, Fla.[1]

Spokane and Inland Empire Blood Bank, Spokane, Wash.[1]

Superior-Douglas County Community Blood Bank, Superior, Wis.

Tacoma-Pierce County Blood Bank, Inc., Tacoma, Wash.[1]

Topeka Blood Bank, Inc., Topeka, Kans.

Tri-Counties Blood Bank, Inc., Santa Barbara, Calif.[1]

University of Cincinnati Blood Transfusion Service, Cincinnati General Hospital, Cincinnati, Ohio.[1]

Upper Pinellas County Blood Bank, Inc., Clearwater, Fla.[1]

Virginia Blood Bank, Inc., Richmond, Va.

W. E. Stewart Blood Bank, Inc., Tyler, Tex.

Mr. LONG of Missouri. Mr. President, I wrote to the directors of the blood banks in some of these communities, asking for their comments on a proposed bill to exempt certain blood banking facilities from the operation of the antitrust laws. I would like permission to place a few of the more pertinent replies in the Record at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DRS. KOENIG, BARTA & LANDRUM,
Fort Smith, Ark., December 19, 1963.

Hon. EDWARD V. LONG,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR LONG: Your letter of November 29, addressed to the executive director of the Southwest Blood Bank of Arkansas, has been transmitted to me for reply. I am the medical director of the bank in Fort Smith, Ark. I am thoroughly familiar with the FTC hearings in Kansas City. One of the respondents, Dr. Victor Buhler, is a personal friend of mine. I am in complete sympathy with your bill which has been introduced into the Senate, for if the decision of the Federal Trade Commission should happen to be against the present respondents it would classify blood as a commodity which can be bought and sold on the marketplace and the medical control which must be exercised in the selection of blood for donation to patients would be jeopardized.

The only suggestion which I might make regarding your bill is the addition in lines 4 and 5, as follows: "under any law of the United States for any hospital, nonprofit blood bank or physician to refuse." I feel that this would further clarify the bill because there are many blood banks in the United States which are operated as components of the pathology service in hospital laboratories.

I would like to offer you my congratulations for introducing this bill. I am sending copies of my letter to you to the Representatives and Senators from Arkansas. I hope that they will support it when it comes to a vote.

Sincerely yours,
A. S. KOENIG, M.D.

LITTLE ROCK, ARK.,
December 4, 1963.

Hon. EDWARD V. LONG,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am in receipt of your letter of November 29, 1963. I have no constructive comment on your bill concerning the removal of community blood banks from under FTC control except to heartily endorse it. Being intimately connected with a blood bank in Arkansas, I certainly feel that the cause of nonprofit community blood banks would be greatly enhanced by removing them from any influence of the FTC.

Sincerely,
HOWARD SCHWANDER, M.D.

AFFILIATED PATHOLOGISTS,
Phoenix, Ariz., December 30, 1963.

Hon. EDWARD V. LONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR LONG: Thank you very much for your communication of November 29, 1963, concerning your bill to amend the antitrust laws in relation to community blood banks. I think this is very commendable and I will be glad to do anything I can to help you in securing passage of this legislation.

As you know, this is a very complicated problem and one which is oftentimes filled with emotion, even to the detriment of clear thinking concerning the problem. There have been a number of things in this particular case, which I have been at a loss to understand; in particular, just where does the physician in prescribing for the care of his patient transcend the antitrust laws in the designation of a specific therapy or a specific product? This is an important and complicated problem not only in the field of blood banking.

I would like to recommend to you the person whom I feel could best discuss with you the various sociological and economic aspects of the blood banking. He is Mr. W. Quinn Jordan, the administrative director of Southwest Blood Banks. Mr. Jordan has been in blood banking since 1947 and has extensive knowledge of this field. He is able to discuss in a factual and knowledgeable manner the various types of blood banking activity with the advantages and disadvantages of each in the very dispassionate manner, and I am sure that Mr. Jordan would be glad to furnish any information which you might feel would be helpful to you in this matter.

Thank you for sending this material to me. With best wishes for a Happy New Year, I am,

Sincerely yours,
JAMES D. BARGER, M.D.

SOUTHWEST BLOOD BANKS,
Scottsdale, Ariz., December 30, 1963.

Senator EDWARD V. LONG,
Senate Office Building,
Washington, D.C.

DEAR SENATOR LONG: I wish to thank you for your thoughtfulness in writing to me, recently, concerning the community blood bank case in Kansas City, for the expression of your views and position in the matter, and for the copies of your release to the press and the bill which you are introducing in the Senate.

It is my belief, shared by many, that the community blood bank idea and establishment is a most essential part of the total pattern of blood banking in the United States. We who share this belief base it on a justifiable pride in the advances and accomplishments which can be attributed to nonprofit, community blood banks. We are surprised by, and confess to some fright as a result of, opposition to the nonprofit, community blood banking establishment which recurrently stems from Government and quasi-Government circles.

It is a source of considerable reassurance to know that you, and other Members of the Congress, have been available to represent and support the position of the nonprofit community blood bank in the United States. Again, my sincere appreciation of your letter.

Sincerely yours,
C. C. SHULLENBERGER, M.D.,
Medical Director.

HOUCHIN COMMUNITY BLOOD BANK,
Bakersfield, Calif., December 19, 1963.

Hon. EDWARD V. LONG,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR LONG: We certainly thank you for your letter of November 29, 1963, and an opportunity to review your proposed legislation regarding position of nonprofit blood banks.

We are in accord with the intent of your legislation. It is our feeling that dispensing of blood should not be a commercial venture but should be regarded as a sacred trust; and we feel that the highest possible standards should be maintained at all times. We feel that this can best be accomplished through the type of freedom provided for in your bill.

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[1] Blood banks similar in operation to the Community Blood Bank of the Kansas City Area, Inc.

We, of course, uphold the principles of free enterprise and realize that in the blood banking field that this could present a grave danger to patients as well as donors. Also, feel that physicians of the local area are best able to determine the reliability of the product for their patients.

Any time in the future that we can be of assistance to you, please feel free to call upon us.

Sincerely,
LEVIN N. OSELL, M.D.,
Medical Director.

BLOOD BANK OF THE ALAMEDA-CONTRA COSTA MEDICAL ASSOCIATION,
Oakland, Calif., January 3, 1964.
Hon. EDWARD V. LONG,
Committee on the Judiciary,
U.S. Senate,
Washington, D.C.

DEAR MR. LONG: Mr. Charles Smiley has referred to me your letter of November 29 concerning your bill exempting nonprofit blood banks from Federal Trade Commission jurisdiction. All of us who understand the problems of bringing blood to patients welcomed your letter and your proposed legislation with enthusiasm.

The complexity of the problems of providing blood to patients makes it difficult to explain that in the instance of community blood banks, a monopoly brings to the public benefits which they could not otherwise enjoy. Our own nonprofit bank is motivated by one consideration: constant availability of sufficient blood of appropriate types to meet the needs of the people in our two counties, at the lowest possible cost.

We have served our population (now 1,250,000) for 18 years, and no one has ever been asked if he could afford to pay for blood prior to his receiving it. If the patient needs it, blood is provided with no questions asked, and we have never been without the proper types of blood in proper quantities. We have been able to render special services in blood research, produced special blood preparations, made special procurement of blood through clearing house arrangements, and have handled and assisted in community problems pertinent to provision of blood. These are not profitmaking activities.

I mention this because it might be helpful to you to contrast this kind of function and motivation with that of the commercial blood bank which must be motivated by, and whose functions must be limited by, the necessity of making a profit. Because of the peculiar nature of the entire blood bank function, the ability of a blood bank to do more than survive while performing the simplest of functions comes only through volume. If volume in any community is divided, the cost to the patient must increase, and the variety of blood services available to him must decrease.

I am sure that all of us are convinced that the reason for enactment of antitrust legislation was the provision to the general public of the benefits of unfettered free enterprise and of equitable competition. The specific problems of blood banks, however, could not have been anticipated by those who sponsored such legislation, and the problems of today's operating blood bank are not easily understood by functionaries of the Federal Trade Commission who may feel that they are bound by literal interpretation of antitrust legislation.

In behalf of our blood bank, our blood bank committee, and of our governing council which has operated this bank in the community interest and on a nonprofit basis for almost two decades, I wish to assure you that we are in enthusiastic approval of your bill and are gratified by your subtle understanding of the problems of blood banking. If there is any way in which we can be of assistance in commending your bill for passage by the U.S. Congress, we hope you will let us know.

Cordially,
PAUL H. CRONENWETT, M.D.,
President.

BLOOD BANK OF SAN BERNARDINO-RIVERSIDE COUNTIES,
San Bernardino, Calif., December 5, 1963.
Senator EDWARD B. LONG,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR LONG: Your letter was an extremely pleasant surprise. I already knew of the bill that you had introduced in the 88th Congress and was most pleased to find that someone was speaking for the benefit of the community blood banks and the people they serve.

The entire unfortunate incident with the Federal Trade Commission in Kansas City has been most alarming in the threat that it poses to the people of the United States who to such a large extent rely on community blood banks for blood transfusions, not only when emergencies strike, as well as in the day-to-day needs of surgery, obstetrics, and medical practice.

You certainly know that the State of California has long since by statute recognized the fact that blood for transfusion is not a product but that the process of blood for transfusion is a medical service. In this State, whole blood is not subject to sales tax nor to the so-called implied warranty that a product would be. Certainly the blood donor who gives his blood to help save the life of a fellow man, does not like to think that he is merely dispensing a product which can be bartered under the regulation of the Federal Trade Commission.

The entire medical profession, I am sure, backs your bill since we all regard the various aspects of medical practice and treatment certainly not a product to be regulated by a trade commission. The board of directors of my blood bank made up of medical and nonmedical leaders of the two counties have unanimously voiced the strongest support for your bill. In addition, I intend this coming weekend to introduce legislation before the California Society of Pathologists which is having its annual meeting requesting that a formal indorsement by that organization be forwarded to you as soon as possible.

Yours truly,
WAYNE SCOTT, M.D.

SAN DIEGO BLOOD BANK,
San Diego, Calif., December 16, 1963.
Senator EDWARD V. LONG,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR LONG: Thank you very much for your letter of November 29, with the enclosed copy of your proposed bill to relieve physicians of community blood banks of the possibility of prosecution under the antitrust laws, which might be incurred as a result of their attempts to secure suitable blood and blood products for the patients that they serve.

All of us in the field of blood banking have been very concerned over the actions of the FTC in Kansas City. Success in the prosecution by the FTC could well make a shambles of the present blood banking system and be a severe setback to everyone who is trying to upgrade the standards of practice in blood banking. We all feel that the important principal is that a blood transfusion is essentially a medical act, and that human blood cannot be considered to be a product, in the ordinary sense of the word.

Your proposed bill should certainly be a great help in clearing the air. One possible suggestion would be to try and define as accurately as possible the word "nonprofit" in this connection, because as I am sure you know, it can sometimes be difficult to decide when this would apply, and the way the bill is now worded it might also imply that the physician should be acting on a nonprofit basis. I am not sure that there is any good reason for limiting relief to "nonprofit" banks.

I appreciate your sending me this material, and would be happy to help in any way that I can to secure enactment of this type of legislation.

Sincerely yours,
PHILLIPS L. GAUSEWITZ, M.D.,
Pathologist, Medical Director.

SANTA BARBARA, CALIF., *December 19, 1963.*
Hon. EDWARD V. LONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR LONG: Thank you for your letter of November 29, 1963, regarding your bill concerning the Federal Trade Commission and Community Blood Banks. It is my very strong feeling that antitrust laws should not apply to nonprofit community blood banks. I feel that blood is not a commercial product but a living tissue. Any effort to make it otherwise would seriously jeopardize our efforts to maintain high standards of procurement and distribution.

You have the full support of myself and the board of directors of the Tri-Counties Blood Bank of Santa Barbara, Calif.

Very truly yours,
JOHN P. BLANCHARD, M.D.

R. PHILIP HADDOCK,
ATTORNEY AT LAW,
Lakeland, Fla., January 13, 1964.
In re Senate blood bank bill.
Hon. EDWARD V. LONG,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR LONG: Thank you for your letter of November 29 which was just recently delivered to me.

I appreciate very much your efforts in behalf of blood banking and am in favor of your bill. I do not know what has been the disposition of it but hope that it has already or will pass both Houses.

I have been active in blood banking for a number of years and am seriously concerned with the fact that those of us in blood banking must police our own house in order to prevent the federalization of blood banking as was done with national monetary banking many years ago due to the difficulties in the privately operated banking system of the country at that time.

The Florida Association of Blood Banks, at its last convention, was deeply concerned with this matter and your efforts to keep the Government out of the blood bank organization are greatly appreciated by myself personally and by the entire staff of the blood center I represent.

Sincerely,
R. PHILIP HADDOCK,
President, Polk County Blood Center.

BLOOD BANK OF HAWAII,
Honolulu, Hawaii, December 14, 1963.
Hon. EDWARD V. LONG,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR LONG: Thank you for your letter and enclosures of November 29, 1963, regarding the Kansas City Community Blood Bank and your proposed bill exempting nonprofit community blood banks from jurisdiction of the Federal Trade Commission.

We wholeheartedly agree that there is necessity for the enactment of such legislation.

We feel that the FTC should not have jurisdiction over such nonprofit organizations as community blood banks. Such control will menace every community blood bank throughout the country as well as the American Red Cross blood program which is a community type of operation. The threat of future actions such as the Kansas City case by FTC, in our opinion, would definitely deter the future organization and development of community blood banks. Community minded citizens, who are the heart of such organizations, would be most reluctant to volunteer their services in such efforts.

It is hard to conceive how FTC could consider human blood to be an article of commerce such as drugs, Coca-Cola, or any other manufactured product. Whole blood is a tissue manufactured in the human body and to the present has never been produced artificially. If human blood were to be considered an article of commerce, how could a physician or blood bank be expected to guarantee the suitability and purity of such a product? It is a scientific fact that no reliable tests exist which will show that occasionally certain viruses are present in human blood, one of the most dangerous being the virus of hepatitis.

In regard to the article in the Kansas City Star, October 27, 1963, we agree that the action by FTC in Kansas City is outrageous. The $100,000 in legal fees paid by the defendants will ultimately come out of the pockets of the recipients of blood transfusions furnished by the defendants. The Government's cost of a quarter million dollars will come from the taxpayers' pockets who can ill afford such unnecessary waste of funds.

In closing we agree with the purpose of your proposed bill. We are sending copies of this letter to our two Senators from Hawaii and all members of the Committee on the Judiciary of the U.S. Senate, urging their support.

Very truly yours,

F. J. PINKERTON, M.D.

MICHAEL REESE RESEARCH FOUNDATION,
Chicago, Ill., December 5, 1963.
Hon. EDWARD V. LONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR LONG: I have your letter of November 29, 1963, concerning the action of the FTC concerning blood banking in Kansas City. I am in enthusiastic agreement with the position you have taken in this matter. In a free society, Kansas City physicians and hospitals should be privileged to obtain needed blood and plasma as they see fit.

Sincerely yours,

ALBERT M. WOLF, M.D.,
Medical Director.

NORTHERN ILLINOIS BLOOD BANK, INC.,
Rockford, Ill., December 2, 1963.
Hon. EDWARD V. LONG,
U.S. Senate, Washington, D.C.

DEAR SIR: I was very flattered and also pleased to receive your communication of November 29, concerning the Federal Trade Commission action against the Community Blood Bank of Kansas City. As you may know, I was one of the witnesses for the Federal Trade Commission having been called by Mr. Scanlan of the Kansas City office and later on returned as a witness for the defense. You may be interested to know that as of this date, I have not been reimbursed for the time I spent in Kansas City by the Federal Trade Commission. You will find in articles in the Kansas City newspapers, my comments in relation to this investigation and I can only say that I agree wholeheartedly with the purpose of the bill as you outline it in the enclosed copy and also the bill as submitted in the House.

The only comment I might have is that the Senate bill seems to leave out the possibility of hospitals refusing to accept blood from a blood bank and I would think that this would also be a necessary part of the bill.

I would like to state that if the Federal Trade Commission ruling goes against the hospitals, the physicians, and the Community Blood Bank of Kansas City, it would seem that blood then becomes a product which must be taxed as is any other product and which then also could be insured for as can many other products as well as services. If this becomes the case, it would then seem to me that the voluntary system of blood donation in the United States would rapidly fail and the supply of blood would be very much short of the necessary requirements. Indeed, if the Federal Trade Commission ruling is against those of us who believe in the American system of voluntary donation, I would state that the rise of commercial blood banks, and this means a bank for profit, would be tremendous. There is already some movement on foot among some of the commerical blood banks to increase their number and the territories which they cover with blood, believing that the Federal Trade Commission action will be in their favor.

In my estimation, blood is in the same category as the cornea of the eye or any other part of the human body which can be grafted to another individual in order to prolong or save life. I would therefore urge that the Federal Trade Commission action be fought consistently and hard so that a ruling against the voluntary community blood banks will not be forthcoming.

Again, may I say I sincerely appreciate your contacting me concerning this matter.

Very truly yours,

PAUL A. VAN PERNIS, M.D.,
Medical Director.

SCOTT COUNTY MEDICAL SOCIETY
BLOOD BANK, INC.,
Davenport, Iowa, December 27, 1963.
Senator EDWARD V. LONG,
Senate Office Building,
Washington, D.C.

DEAR SENATOR LONG: I am writing with reference to your letter of November 29, 1963, regarding a bill to curb unreasonable action of the Federal Trade Commission, with particular reference to nonprofit blood banks.

I am heartily in favor of the stand which you are taking in this matter, and wish to commend you and urge that you carry this through to its logical conclusion, if at all possible.

Nonprofit community blood banks scattered throughout these United States are a vital part of the backbone of our national blood banking system. They are, practically without exception, under qualified medical direction motivated only by a desire to serve the community through provision of highest quality blood at the lowest cost.

The growing trend to centralize blood banking services under competent nonprofit medical direction is a refreshing reversal of the otherwise constantly spiraling costs in hospital services. I predict that only by such centralizing, cooperative methods will be able to provide, at a reasonable cost, all of the benefits which could accrue from the technological development in the field of clinical laboratory medicine.

As a former chairman, for many years, of the Membership Committee of the American Association of Blood Banks, I have had the opportunity to be informed regarding the matters which I have presented above. You have my sincere approval and endorsement in regard to the bill which you propose to protect the nonprofit blood banks from the unreasonable assault of the FTC.

Sincerely,

W. S. PHETEPLACE, M.D.,
Medical Director.

THE MINNEAPOLIS
WAR MEMORIAL BLOOD BANK,
Minneapolis, Minn. December 10, 1963.
Hon. EDWARD V. LONG,
U.S. Senator from Missouri,
U.S. Senate,
Washington, D.C.

DEAR SENATOR LONG: I appreciate receiving your letter of November 29, 1963, in which you request my comments on the bill that you are introducing which will exempt nonprofit community blood banks from the jurisdiction of the antitrust laws.

The board of the Minneapolis War Memorial Blood Bank has already gone on record as favoring the companion bill H.R. 8426, 88th Congress, introduced by Representative RANDALL, of Missouri, on September 12, 1963. A copy of the letter sent from the Board to the Honorable CLARK MACGREGOR, Representative, Third District of Minnesota, U.S. House of Representatives, as well as to the whole Minnesota congressional delegation, the Hennepin County Medical Society, the American Association of Blood Banks, Dr. T. H. Seldon, and Dr. Millard B. Bethel, is enclosed.

I agree with the sentiments expressed in this letter, and my only criticism being the wording of the third sentence in the second paragraph of the letter in which blood is referred to as a lifesaving "commodity." In my opinion blood is not a commodity that can be manufactured such as drugs or instruments, or nuts or bolts. Reduced to its simplest terms, blood banking is a service in which blood is taken from the bloodstream of one person (the donor), processed, stored, and made available to introduce into the bloodstream of another person (the patient or recipient).

I wish you and your colleagues every success in the passing of this very much worthwhile bill. Kindest of good wishes.

Sincerely,

G. ALBIN MATSON,
Technical Director.

WASHOE MEDICAL CENTER,
Reno, Nev., January 7, 1964.
Hon. EDWARD V. LONG FROM MISSOURI,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: Thank you for your letter regarding the Federal Trade Commission and the nonprofit community blood bank of Kansas City. I certainly appreciate reading your letter and copy of the bill that you intend to introduce, and the only suggestion I can make is to commend you highly on this type of action.

Your article in the Kansas City Star is excellent and I have no suggestions or comments except to praise your thinking and the article highly.

Sincerely,

V. A. SALVADORINI, M.D.,
Pathologist.

ESSEX COUNTY BLOOD BANK,
East Orange, N.J.,
December 10, 1963.
Senator EDWARD V. LONG,
U.S. Senate, Washington, D.C.

DEAR SENATOR LONG: I appreciate your direct communication to me concerning the Senate bill pertaining to restraint of trade in blood-banking activities.

Actually, I have a copy of the bill as it was introduced into the House some months ago. At that time, I referred the matter to the New Jersey Society of Pathologists for a formal acknowledgment and reply. Unfortunately, I am afraid that none was forthcoming since, as I recall, the matter was further referred at the national level to the College of American Pathologists and the American Society of Clinical Pathologists which were holding their annual meeting shortly thereafter.

In my own limited capacity to interpret the ramifications of both the legal terminology and what is clearly the intent, I fully agree with the concept of the bill. As I am sure you know, if matters can be clarified at a level short of complete legislation, it seems more satisfactory to do so. Sooner or later, the legislation will be subject to varieties of misinterpretations and further expansion for which it was not originally designed. Then, of course, once the bill is introduced as it pertains to blood banks, I would feel that other interested parties might like to see themselves also protected by similar legislation, etc.

No doubt, these are better known to you than myself. I do support the bill wholeheartedly and feel that other members at high levels of blood-banking activities in the State of New Jersey would agree with my feelings in the matter.

I hope it does not seem trite for me to extend my commendations to you for your vital interest in what most probably represents a very small part of your total interests.

Sincerely yours,
Herbert L. Goodman, M.D.,
Medical Director.

Bergen Community Blood Bank,
Paramus, N.J., December 12, 1963.

Senator **Edward V. Long,**
U.S. Senate,
Committee on the Judiciary,
Washington, D.C.

Dear Senator Long: I have read your letter several times and some questions enter my mind. I am in accordance with you that there was much time and money wasted in the Kansas City case. I have a complete file of the newspaper articles and other items which kept me posted. In fact, I was to have been a witness—but at the last minute I was notified not to come.

I really think that a law—or laws—should be made in an attempt to protect the blood banks that spend thankless hours getting blood to save lives and everyone expects it to be there when needed but offers no help to see that conscientious blood banks are able to operate as they see fit. It has to be decided what is meant by a community blood bank. Should it be nonprofit? Should it have only volunteer donors (not paid)? Should it be owned and operated by the community? By a board of trustees from the general public? Should it be tax free?

These are just a few of the questions that arise in my mind. When one says a community bank—nonprofit—just what is meant? Can we hide behind that name and is the entire operation nonprofit? I have nothing against paying donors. In 10 years we have never paid cash to a donor, but we still are not against it if the donors go through the same rigid examination that the volunteer donors go through. We can also look at this in a different way: any blood bank of any type serves a certain community by supplying the much-needed blood, which would make every blood bank a community type. We try to keep the quality of blood the highest possible, and I am sure that the biggest percentage of blood banks will adhere to regulations. As you know, the National Institutes of Health grants Federal licenses to blood banks they inspect. This is good only as long as the local blood banks cooperate. We find blood banks with this Government license still being closed down because of infraction of rules. The State of New Jersey has had this experience and they have gone ahead and enacted a State law for control of blood banks which will keep a closer watch on them. This should be done in all States.

I am very much in favor of the proposal in your bill and will support it, but what worries me is the definition of a community blood bank.

If I can be of any help, please call upon me at any time and I will do all I can to see that blood banks are kept on the top level of ethics and serve the public as they are supposed to do on a nonprofit basis.

Sincerely,
William E. Upton, Jr.,
Executive Director.

Inter-County Blood Banks, Inc.,
Jamaica, N.Y., December 6, 1963.

Hon. **Edward V. Long,**
U.S. Senator, U.S. Senate,
Committee on the Judiciary,
Washington, D.C.

Dear Senator Long: Thank you for your letter of November 29, 1963, on the subject of blood banks. I have followed rather closely the proceedings brought by the Federal Trade Commission against the nonprofit Community Blood Bank of Kansas City.

This blood bank of ours was established in 1942 just after Pearl Harbor as a nonprofit community blood bank and over the years we have been confronted by these same problems by privately operated blood banks (properly called skid row blood banks).

As we supply the blood for 35 hospitals on Long Island, neither the hospitals nor this blood bank will accept blood from these private banks.

When, may it be asked, has the doctor forfeited the right to prescribe what his patient shall receive? In the case of these private blood banks there is ample evidence that they do not even know the correct name of the donor, and as they are paid a small fee, which very often is spent on narcotics or alcohol, they do not tell the truth on examination before donation.

I am enclosing some literature on this subject and have much more of a similar nature. We receive a telephone call occasionally from doctors asking if they may have some of our blood for a case that they will be operating on in a few days. When we explain to them that we do not supply their hospital (in this instance the hospital buys its blood from these so-called skid row banks) the doctor will state this is for a member of my family.

Skid row blood is all right for his regular patients, but when it comes home he wants it from the community bank. How about that?

I could go on for hours. Let me congratulate you; you are doing a service for mankind.

Most sincerely,
Edward J. Madden,
Executive Director.

Blood Transfusion Association,
New York, N.Y., December 5, 1963.

Hon. **Edward V. Long,**
U.S. Senate,
Washington, D.C.

Dear Senator: Your letter of November 29 interested me greatly, and I was happy to learn of the introduction of your bill and of your great efforts on behalf of the Kansas City Community Blood Bank. Having been associated with a nonprofit community blood bank—the Blood Transfusion Association—for many years and with the Community Blood Council of Greater New York since its inception, I feel very strongly that the threat of supervision by FTC or any other agency not concerned with the enforcement of proper scientific and health standards should be met promptly and effectively.

It has been stated frequently that "there shall be no profit in blood," and since the only source of blood for transfusion to humans is the human body, and since only blood and not dollars can be transfused, there is nothing commercial about this, as about any other therapeutic measure. The California Legislature placed on its statute book a law which defines the administration of blood as a service and not a sale, and the New York court of appeals has decided similarly. The commercial blood banks operate on a for-profit basis, frequently resort to advertising and maintenance of a sales force. As a matter of fact they have recently formed their own organization. They cannot call themselves, in the true sense of the word, community blood banks, and they undoubtedly should come under control by FTC.

It would be well, I feel, if the status of blood as a noncommercial therapeutic agent be clearly defined. Finally, I do not see any restraint of trade on part of community blood banks, nor on part of a hospital or physician when choosing a nonprofit community blood bank as their supplier of blood.

I hope you will be successful in the enactment of your bill.

Very truly yours,
Jacob Geiger, M.D.,
Executive Director.

University of Cincinnati,
College of Medicine,
December 5, 1963.

Senator **Edward V. Long,**
Committee on the Judiciary,
U.S. Senate, Washington, D.C.

Dear Senator Long: I have been director of the University of Cincinnati Blood Transfusion Service since it began in 1938 and we have a nonprofit blood bank which corresponds to the one in Kansas City, serving the metropolitan area of Cincinnati.

We are heartily in accord with your views in regard to the situation that exists in Kansas City. Concerning the FTC action against the community blood bank, it is important to recognize that they may be unwittingly destroying a vital health service and that this could be repeated in many cities with untold damage to the health of the communities.

I believe you are to be commended for your clear insight into the problem and hope that you are successful in the passage of the bill which you have introduced.

Sincerely,
Paul I. Hoxworth, M.D.,
Professor of Surgery, Director, University of Cincinnati, Blood Transfusion Service.

Central Blood Bank of Pittsburgh,
University of Pittsburgh Health Center,
Pittsburgh, Pa., December 31, 1963.

Senator **Edward V. Long,**
Committee on the Judiciary,
U.S. Senate,
Washington, D.C.

Dear Mr. Long: I would like to thank you very much for your recent letter concerning community blood banks and also the copy of your suggested bill, "To provide that the refusal of nonprofit blood banks and of physicians to obtain blood and blood plasma from other blood banks shall not be deemed to be acts in restraint of trade under the laws of the United States."

We at Central Blood Bank are following with great interest the Federal Trade Commission's action against the Community Blood Bank of Kansas City. There is no question that the FTC decision will have an effect upon blood banking in the United States. I'm always pleased when I receive information that the public or legislature is interested in blood banking problems as they are varied and complex.

Thank you again for your letter and the information concerning your proposed bill.

Sincerely,

NED G. MAXWELL, M.D.,
Medical Director.

CARTER BLOOD CENTER,
Fort Worth, Tex., December 10, 1963.

Hon. EDWARD V. LONG,
The U.S. Senate
Washington, D.C.

MY DEAR SENATOR LONG: From the outset let me congratulate you for accepting the gauntlet upon behalf of an institution which has the respect of blood bankers, immunologists, and physicians throughout the Nation.

From afar I can emphasize that individuals responsible in our area for the continued operation of scientific centers which provide blood have been justifiably concerned over the FTC action against the Kansas City community blood bank. It is incongruous to us that such a well-managed institution controlled by dedicated, scientific workers could be so effectively traumatized for trying to solve what many of us know to be a tenacious and unyielding problem; namely, procurement and maintenance of a supply of blood components of superior quality for low-cost distribution in an atmosphere of spiraling costs. The community nonprofit center concept is based upon the idea that only by mass production of blood by a single experienced centralized staff can this ideal be approached.

It seems particularly germane to proffer the question: Is this action of the FTC merely an outgrowth of local blood bank politics, or is this action to signal a more generalized harassment of similar community units throughout the country? In my opinion, a policy of outright purchase of donors inevitably leads to the acquisition of a donor population comprised in large part of undesirable elements of society. Whereas the use of the voluntary replacement system results preferentially in a donor population comprised of ordinary members of society imbued with the concept of the sacrificial implication of blood donation. What could be more sound philosophically than the idea that blood donation is a gift for a loved one or friend? Let us increase the prestige of the donor rather than demean him, and thus encourage donation for the correct reason.

Concerning whether blood is an article of commerce, I would like to comment that blood is a liquid tissue living and as viable as other transplants, skin, kidney, liver, heart, blood vessel, and bone. It seems pertinent to conclude that partially trained salesmen technician accountants, no matter how well motivated, should not be allowed to set the philosophic tone of our blood transfusion services.

I contend that all phases of blood procurement, processing, crossmatching, and administration is and should continue to be the practice of medicine. Just because the experience of the past has revealed that the numbers trained in this field were few is no reason to protect an outmoded and potentially dangerous situation, especially since these small or large commercial blood banks have needed only to find a physician who would be willing for remuneration to lend his name as a facade. In the past and present the extent of this abdication has been considerable.

One of the developments of the Carter system here in Fort Worth using the normal citizenry as donors has been the relegation of the cases of homologous serum hepatitis to an insignificant number when compared to averages in other communities. I suspect that if one could calculate the cost of hospitalization and appreciate the morbidity of the individuals who develop hepatitis following transfusion that one would be more impressed by the incidence (0.5–2 percent).

Suffice to say that a few physicians in conjunction with the unique Amon Carter Foundation had recognized the many dilemmas surrounding the blood transfusion services and thus undertook on a daring scale a solution; namely, a community blood center manned by specialists whose aims are so cogently expressed by you in the newspaper article. The center here has the additional responsibility of crossmatching blood for the major hospitals near it and thus ultimately is an integral part of each hospital laboratory.

We of the community systems, therefore, appreciation any protection you may provide for a concept which, in our opinion, offers the best solution to a multifaceted difficult medical problem.

In conclusion, since a unit of whole blood weighs approximately 1 pound, one might allegorically consider the despicable action of Shakespeare's Shylock in the "Merchant of Venice," and I quote:

"This bond is forfeit;
And lawfully by it this that you may claim
A pound of flesh."

Sincerely,

CARTER BLOOD CENTER,
E. RICHARD HALDEN, Jr., M.D.,
Medical Director.

STEWART BLOOD BANK,
Tyler, Tex., December 5, 1963.

Senator EDWARD V. LONG,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR LONG: Thank you for your letter with enclosures to our medical director on November 29, 1963. We are vitally interested in your bill pertaining to blood banks and have requested support from Texas representatives in the U.S. Senate.

You are to be commended for your concern in a matter of great importance.

Sincerely yours,

STEWART BLOOD BANK,
GRADY FAULK, Jr.,
Administrator.

SKAGIT COUNTY BLOOD BANK,
Mount Vernon, Wash.,
December 31, 1963.

Hon. EDWARD V. LONG,
U.S. Senate,
Washington, D.C.

DEAR MR. LONG: Thank you for your letter of November 29, 1963, regarding your stand concerning the principle of community blood banking in general, and the nonprofit Community Blood Bank of Kansas City in particular.

I have discussed this matter with the trustees of Skagit County Blood Bank and we are prepared to support your program.

Please feel free to communicate further with us on this subject.

Sincerely yours,

SKAGIT COUNTY BLOOD BANK,
A. A. LEMPERT, M.D.,
Director.

MILWAUKEE BLOOD CENTER, INC.,
Milwaukee, Wis., December 5, 1963.

Hon. EDWARD V. LONG,
The U.S. Senate,
Committee on the Judiciary,
Senate Office Building,
Washington, D.C.

DEAR SENATOR LONG: Thank you for your letter of November 29 and the copy of the bill which you are introducing concerning restraint of trade and blood banks. It was not strange for me to receive a letter from a Missouri Senator on the subject of blood banks. I testified as a witness for the Community Blood Bank of Kansas City in the FTC hearings and was acquainted with the strong and logical stand which you have taken concerning the unreasonable and costly action which has cost the taxpayer so much money.

I can offer no suggestions relating to the bill. The problem is very clearly and concisely stated. We are pleased to have your interest and support and wish you every success.

Sincerely,

T. J. GREENWALT, M.D.,
Medical Director.

Mr. LONG of Missouri. Mr. President, when the basic antitrust laws were enacted, there were no equivalents of blood banks. If there had been such organizations in existence in those early days, I do not believe that the Congress would have evidenced a desire to include them within the operation of those laws.

Equally, today, I do not believe it is the sense of the Congress that such valuable, communitywide, nonprofit blood banks should be subject to FTC harassment under the antitrust laws. In view of the FTC's dogged determination to push the Kansas City case to an eventual conclusion, notwithstanding the civic result of such action, I think we have no alternative except a statutory amendment to the antitrust laws giving a specific exemption to those community organizations. I am sending to the desk a bill for this purpose and ask that it be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2560

A bill to amend the antitrust laws to provide that the refusal of nonprofit blood banks and of hospitals and physicians to obtain blood and blood plasma from other blood banks shall not be deemed to be acts in restraint of trade, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall not be deemed to be an Act in restraint of trade under any law of the United States for any nonprofit blood bank, nonprofit reservoir of other human tissue or organs, any hospital or any physician to refuse, or to join together with others in refusing, to obtain from or to accept delivery of blood, blood plasma, other tissue or organs from any other such blood bank or reservoir.

Mr. LONG of Missouri. Mr. President, I am honored to have as cosponsors on this bill, Senators BAYH, CARLSON, DIRKSEN, HOLLAND, MCCARTHY, PEARSON, SCOTT, SYMINGTON, and TOWER.

You will note that the bill refers not only to blood banks but additionally to to banks for other tissues and organs of the body. Although banking of other tissues and organs is in its infancy, there are many indications that these repositories will become quite common in the future. I believe that the Congress should encourage their organization on a community nonprofit basis, rather than on a private commercial basis. The addition of repositories of organs and tissues—other than blood—was made at the suggestion of a number of distinguished doctors and I believe it is a worthy addition to the original draft of the bill.

I ask that this bill be held at the desk for a week, so that other Senators who might be interested in cosponsorship will have an opportunity to study it.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Missouri.

The bill (S. 2560) to amend the antitrust laws to provide that the refusal of nonprofit blood banks and of hospitals and physicians to obtain blood and blood plasma from other blood banks shall not be deemed to be acts in restraint of trade, and for other purposes, introduced by Mr. LONG of Missouri (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. PEARSON. Mr. President, I am privileged today to join the distinguished junior Senator from Missouri [Mr. LONG] in cosponsoring this bill to amend the antitrust laws as they might apply to nonprofit blood banks.

Blood is a priceless commodity which cannot be considered a product similar to bartered merchandise. Blood should be procurable from whatever bank, depository, or reservoir a physician or hospital chooses to use. Transactions in blood are for humanitarian purposes and the manner by which it is acquired must be left to the discretion of the physicians or hospitals who daily are engaged in the use of human blood, human tissues, and organs, and who must of necessity prescribe its full use with full confidence in its source.

Although the original investigation was prompted by Federal Trade Commission charges of restraint of trade in a major metropolitan area, there are similarly operated blood banks in towns and communities throughout the Nation as well as in my own State of Kansas.

This bill has notable merit and deserves the careful attention and support of all Senators because of its vital importance to the continuance of a free choice of blood supply for those who daily fight the battle between life and death with human blood.

AGRICULTURAL ACT OF 1964—AMENDMENTS

Mr. SIMPSON submitted an amendment (No. 433) intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which was ordered to lie on the table and to be printed.

QUOTAS ON BEEF IMPORTS—AMENDMENT (AMENDMENT NO. 434)

Mr. HRUSKA. Mr. President, I send to the desk an amendment to H.R. 6196, the cotton-wheat bill. This amendment will help to stabilize livestock prices by placing quantitative limits on the amounts of beef, veal, mutton, and lamb permitted to be imported. I am pleased that several Senators have already joined as cosponsors.

Mr. President, the emergency faced by the American cattle industry is such that we cannot afford to delay action any longer. Cattle prices have slumped disastrously. During the past 15 months prices of fed steers at both Omaha and Chicago have dropped nearly 30 percent. They are almost back down to 1946 OPA levels.

Rapidly increasing imports of boneless beef have contributed heavily to this price break. Boneless beef imports from Australia alone have increased 32,000 percent during the past 10 years. Last year beef imports in all forms amounted to the equivalent of 1,859 million pounds on a carcass weight basis, equal to about 11 percent of our own production. Prior to 1957, imported beef generally amounted to only about 2 percent of our production; this shows the rapidity of the increase in imports.

The agreements recently negotiated with Australia and New Zealand, fixing beef imports at the average of the all-time record years of 1962–63, are completely unsatisfactory to the stockmen. Instead of helping them to solve their problem, these agreements would simply perpetuate that problem.

My amendment would impose import quotas on fresh, chilled, and frozen beef, veal, mutton, and lamb at the level of average annual imports during the period 1958–62, with a growth rate equal to our population growth. The amendment would also authorize, but not require, the use of import quotas if necessary on other types of these meats—such as canned beef—and on the live animals.

If adopted, my amendment will provide for imports in 1964 of approximately 543.2 million pounds of fresh, chilled, and frozen beef and veal, and approximately 52.8 million pounds of mutton and lamb.

By contrast, the recent executive agreements with Australia and New Zealand would permit beef and veal imports to continue this year at the extremely high 1962–63 average. A direct comparison is difficult, since under the administration approach many foreign countries may never be limited in their meat shipments at all. However, if the pattern of the Australia and New Zealand agreements were applied uniformly, the total imports in 1964 from all sources would be approximately 923.4 million pounds of fresh, chilled, and frozen beef and veal, plus uncertain quantities of mutton and lamb.

I ask unanimous consent that my amendment be printed in the RECORD at the conclusion of my remarks; and further that it lie on the desk until Thursday to permit other Members of the Senate to add their names as cosponsors.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be printed in the RECORD, and lie on the desk, as requested by the Senator from Nebraska.

The amendment (No. 434) is as follows:

On page 32, after line 13 add the following new title:

"TITLE III—IMPORT QUOTAS ON CERTAIN LIVESTOCK AND LIVESTOCK PRODUCTS

"SEC. 301. (a) The total quantities of fresh, chilled, or frozen beef, veal, mutton, and lamb which may be entered, or withdrawn from warehouse, for consumption during any period of 12 months shall not exceed the average annual quantities of such products imported into the United States during the 5-year period ending on December 31, 1962: *Provided*, That for the year beginning January 1, 1965, and for any year thereafter, the President by proclamation may provide for an increase in such quota by a percentage not greater that the percentage increase in estimated population of the United States over the estimated population for 1964.

"(b) The annual quota for the unexpired portion of the calendar year in which this title becomes effective shall be a quantity equal to such average annual quantity reduced by an amount equal to one-twelfth thereof for each calendar month or part thereof that has expired in such year prior to the effective date of this title.

"SEC. 302. Whenever the President determines that the imposition of import quotas on cattle or sheep, or on any products thereof other than those referred to in section 301, is necessary in order to maintain reasonable prices on cattle or sheep, or on beef, veal, mutton or lamb products, he is authorized to issue a proclamation prescribing the total quantities of such cattle, sheep, or products which may be entered, or withdrawn from warehouse for consumption during the period or periods specified in such proclamation, and the total quantities so entered or withdrawn during such period or periods shall not exceed the quantities so prescribed.

"SEC. 303. The President is authorized to allocate any quota imposed by or pursuant to this Act among exporting countries on the basis of the amounts supplied by such countries during a previous representative period or periods, or upon such other basis as he may deem to be fair and reasonable.

"SEC. 304. This title shall take effect as soon as practicable on a date to be specified by the President in a notice to the Secretary of the Treasury following such negotiations as may be necessary to effect a modification or termination of any international obligation of the United States with which the amendment might conflict, but in any event not later than sixty days after the date of enactment of this Act."

APPROPRIATIONS FOR DEFENSE PROCUREMENT (AMENDMENT NO. 435)

FIFTY-TWO MILLION-DOLLAR REDUCTION IN BOMBER EXPENDITURES

Mr. McGOVERN. Mr. President, the bill now before us would authorize the expenditure of $17 billion. It represents almost a fifth of the entire budget for the next fiscal year. This is probably the largest single authorization bill ever to come before Congress.

I think it is unfortunate that we are being asked to appraise this enormous authorization without an opportunity to study the committee report or the testimony developed in the hearings.

Senators have protested that even 3 or 4 days after the filing of the report on the wheat and cotton bill, they have not had enough time to read the report and to analyze the legislation intelligently. Yet, the report on the Defense appropriation bill now before us was available only a few hours ago. I have not been able to read the report, much less analyze it. Moreover, the budgetary implications of the Defense authorization bill are enormous compared to the implications of the farm measure.

The farm bill, if it passes, will save the Nation's farmers hundreds of millions of dollars and result in smaller burdens for the taxpayer than if we permit our agriculture to run wild.

The military procurement bill, on the other hand, will cost the taxpayers $17 billion—more than double the size of our entire Federal budget during any one of the years of the New Deal period, 1933–40.

While there is an urgent need to pass the farm bill now, since spring planting will begin in a very few days, no such urgency exists for passage of the military authorization bill. We could pass that bill next month or the month after without endangering the security of the Nation.

I appreciate the parliamentary situation that dictated the consideration of this bill today. It is anticipated that the debate on the civil rights bill will be prolonged indefinitely. But I do think we are following an unwise course when we are asked to evaluate this enormous defense bill before we have studied the report and the evidence on which it is based.

Personally, I have great respect for the distinguished chairman of the Armed Services Committee. I think the Nation is fortunate to have so able a man in charge of this vital committee. And he is backstopped by some of the ablest committee members of the Senate.

Yet, I am concerned about voting $17 billion for a program that I have not had a chance to study. Along with the two Senators from Wisconsin, I am going to offer an amendment to reduce one item in the bill to the level requested by the administration. But I seriously question other aspects of the bill that I need more time to evaluate. Time has not permitted me to develop these further thoughts about the bill. But I want to express my strong hope that when the Defense appropriation bill is ready, that we will be given ample time to study it before we are asked to vote. A quick perusal of this bill leads me to believe that we ought to cut it in other respects and I may want to offer some amendments when the appropriation bill is before us.

The amendment I am offering would reduce by $52 million the funds included for the development of a new "follow-on" bomber. This amendment would reduce the bomber funds to the $5 million level requested by the President and the Secretary of Defense. Four members of the House Armed Service Committee, which held long and extensive hearings on this procurement bill, filed a minority report protesting the inclusion of the added $52 million in the bill. There was no provision in the President's budget for these funds and Secretary McNamara indicated that the Defense Department did not want the money.

The Air Force itself did not request the funds of the Department of Defense, which is the usual procedure followed in preparing budget requests. Indeed, it appears that the first mention of these funds came when General LeMay appeared before the House Armed Services Committee and suggested that they would be useful. Evidently, very little evidence was provided to support General LeMay's request, and it appears that the House committee granted the funds virtually on faith.

I do not know the considerations that led the Senate committee to accept the judgment of the House committee on this matter rather than the judgment of the Secretary of Defense and the President.

In the minority report, the four dissenting members of the House Armed Services Committee had the following comment to make on the extra $52 million:

> Frankly, it is not at all clear to us just what the $52 million is to be spent for, and there is nothing in either the committee report or the testimony to answer this question. Presumably the money is to be used to develop and acquire long leadtime items in avionics and engines. But we find it hard to see how funds could be wisely or economically spent on supporting equipment for an aircraft whose full configuration and mission had not yet been clearly defined.

The dissenting House members went on to point out that the $52 million is just the beginning of a program which will cost close to $5 billion before it is completed. They say in their report:

> We must be especially careful to guard ourselves against the temptation of building new aircraft just for the sake of building, and before we know how a particular system will be used and precisely how it will be integrated with the ballistic missile force on which we are now concentrating so much of our effort and substance.

Can anyone explain how this new bomber would be used and precisely why it is being developed? Unless we know the answer to this question, I do not think we ought to spend $52 million more than the substantial $5 million already provided for research.

Let us remember what hasty consideration in the development of new aircraft systems has cost heavily in the past.

The F–7U aircraft, which cost $417.2 million was abandoned by the Navy in 1958 after 304 planes had been built. The reason given was structural and performance failures.

The T–2V aircraft, which cost $139 million, was abandoned after 149 planes were built, because the planes were found unsuitable for the intended purpose.

The recent cancellations of the Dyna-Soar project and the Typhon program after expenditures of hundreds of millions of dollars illustrate the dangers of hasty embarkation on ill-conceived projects.

The P–6M aircraft, and the F–8U aircraft were canceled after they had gone into production. How much was lost on these projects is still classified information.

The APS–44A radar system was found to be unreliable after 263 units were built, at a cost of $51.6 million.

The B–70 airplane, which has been called by many names, has already cost this country over $1½ billion. This plane has not yet flown and may never get off the ground. Only two models are being built, and the Air Force has already announced that the plane will never be a part of the Air Force weapons system because there is no mission for it.

As recently as February 14 of this year, the Comptroller General of the United States reported that an Army missile which cost $300 million to develop and produce has proved useless.

The total of the amount wasted on the few projects I have mentioned probably exceeds $5 billion. Such a sum could build the schools and roads we need, retrain the unemployed and satisfy our hospital needs.

The Comptroller General, in his report on one of the canceled and wasteful projects I have named, blamed the unwise development of the plane on the "general Navy equipment procurement policy, whereby an end item is placed in production without sufficient assurance of success, and that thereafter, because of urgency aspects, the Navy feels that there is no alternative but to continue production even though serious shortcomings in the equipment are apparent."

In criticizing the recent missile fiasco, the Comptroller General stated:

> The unsatisfactory characteristics of the weapon were known at the points in time when the Army ordered successively increasing quantities of equipment and missiles.

Mr. President, the Senate of the United States is responsible for the careful consideration of vast and expensive procurement programs for our military forces to avoid a repetition of wasteful mistakes. I commend the Secretary of Defense—Mr. McNamara—for his great efforts toward more economy in defense. The Senator from Georgia and his committee are also to be commended. But their efforts do not release the Senate as a whole from giving careful consideration to this important bill.

The bill before us authorizes over 2,700 aircraft, about 35,000 missiles, and 53 new ships for the Navy. Do we understand the need for these weapons? Are we convinced that they are carefully planned and well conceived? Unless we can answer these questions in the affirmative, we are voting in the dark.

The opposition to part of this enormous authorization of funds from the Secretary of Defense, the President, and some members of the House Armed Services Committee, is cause for concern.

I offer for myself and the two Senators from Wisconsin [Mr. NELSON and Mr. PROXMIRE] an amendment to the defense procurement bill to reduce by $52 million the funds authorized for the manned bomber program.

In offering this amendment, I want to make it clear that I am not suggesting that such a bomber should not be built. I simply do not know whether one should be built. I believe we ought to consider more carefully the judgment of the administration and the Secretary of Defense before we decide to reverse them by voting funds they do not want.

There are other provisions in this bill that I question. Some of them have been questioned by members of the Armed Services Committee. Because of the pressure of time and my own desire not to delay consideration of the farm bill and the civil rights bill, I will not press these other issues until the appropriations bill is before us.

Let me mention briefly, however, a few of the items in the present authorization bill that concern me.

First. There are hard questions to be asked about the TFX plane, for which we are now proposing to spend billions of dollars. The authorization bill contains an item of $171 million for procurement of a new Navy attack plane known as VAL. This is the beginning of a program that will eventually cost $2 billion.

The Navy says that it needs this plane because the TFX is an interceptor, rather than an attack plane, and this will leave the Navy without an attack plane.

The Air Force, on the other hand, regards the TFX as an attack plane.

I think we ought to straighten out what kind of plane the TFX is, and whether it needs to be built at all. If it is to be built, we ought to make sure that it is not duplicating other planes in existence, and that no new planes are funded that would duplicate the TFX.

Second. $42 million is included in the House authorization bill for the development of an improved manned interceptor. This was to be for the Air Force, which does not consider the TFX to be an interceptor. No request for these funds was made by the Defense Department, and they were wisely deleted by the Senate committee. Nevertheless, there will be a conference on this provision, and I would like to point out what is at stake.

You will recall that the TFX controversy of the past year, centered around the question of whether the Air Force and the Navy could use the same plane. The Department of Defense finally approved the TFX, which was supposed to satisfy the needs of both services and be useful as a relatively long-range bomber.

Now we find the Navy asking for new funds for an attack plane, while the Air Force asks for new funds for an interceptor. These were the functions that were supposed to be combined in the TFX. If we are going to build separate planes anyway, then we certainly ought not to be spending vast sums on the TFX.

Third. The bill contains additional funds amounting to several million dollars for the RB–70, otherwise known as the B–70, which has already cost over $1½ billion. General LeMay testified that this plane will not be used as a weapons system because it has no mission. Nevertheless, last year, $363 million was spent on the program and this year the bill authorizes another $75 million. We ought to decide once and for all if we need this plane. If not, there is no justification for spending one single penny in addition to the vast sums already wasted on this project.

Fourth. During debate on the House floor, Congressman GUBSER, a member of the Armed Services Committee, protested the inclusion in the bill of $12½ million which is going to England for the development of a vertical takeoff plane that the Congressman described as a "proven flop."

Mr. President, I hope that we will not today vote increased funds above the President's budget and the request of the Defense Department for the development of a new manned bomber.

I, for one, would like to know much more about this project, particularly about the objections of the Secretary of Defense, before I support this sizable expenditure. I hope that other Senators will feel the same way about it.

I want to point out once again that $5 million is already included in the defense budget for research on a manned bomber. It seems to me quite premature to vote an additional $52 billion this year for what is essentially an unplanned project.

I urge the acceptance of this modest amendment.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

LET'S KNOCK OUT UNCERTAIN BOMBERS

Mr. PROXMIRE. Mr. President, we have submitted an amendment to the bill, H.R. 9637, which will eliminate the $52 million set aside for the so-called follow-on bomber. I think it is clear from the facts provided by the Department of Defense that the funds for this aircraft are simply not needed.

Before commenting specifically on this aircraft, consider the history of the B–70 or RS–70 bomber. In 1962 an authorization of some $490 million was provided for the B–70. The expenditure of these funds was strongly resisted by the Department of Defense on the grounds that it was an inefficient use of taxpayer money.

By last year the evidence of the wisdom of the Defense Department was becoming apparent. By March of 1963 the production schedule for the RS–70 was already 4 months behind time and the first prototype had not yet flown, even though some $1.3 billion had been spent on the project. Today, 1 year later, the maiden flight of the first RS–70 prototype is still not expected for several months. Moreover, the Air Force itself has now indicated that it sees no point in deploying the RS–70 weapons system.

The Air Force has now begun to emphasize other new generation aircraft. I want to make it clear, Mr. President, that I am not opposed to this aircraft in principle. The major point of my amendment is simply that the expenditure of substantial sums beyond those requested by the Defense Department cannot be justified at this particular stage of development of the aircraft. Why should we cram an additional $52 million down the throats of the Defense Department when the Department clearly indicates that it does not want these funds and does not know how effectively to make use of them. The Defense Department and we here in Congress need to know much more about the type of aircraft we want before we allocate additional funds to the Department.

In the development of any new aircraft there are at least three stages: conception, definition, and acquisition. The followon bomber, for example, F.O.B., is still in the first of these stages. The concept itself is still pending before the Secretary of the Air Force, who has indicated that a number of unanswered questions still remain concerning the aircraft. Assuming these questions are answered satisfactorily, the entire subject must then be reviewed by the Secretary of Defense on behalf of the Defense Department.

Assuming that such Defense Department approval is granted, next would come the definition stage: working out the specific details of the new aircraft, namely, what it is to do and how it is to do it. Gen. Curtis LeMay has testified that it will take a year to a year and a half just for this definitional stage itself.

In other words, at the present time, we do not even have a clearcut idea of what we want in this bomber. The $5 million amount in the bill is to provide these answers. Yet the bill also provides, as reported by the Committee, an additional $52 million for this bomber. Frankly, I do not think anyone has any ideas as to how this $52 million is to be spent. Moreover, it seems obvious that the funds cannot be correctly or efficiently spent at this time, because we do not even know the nature of the bomber itself.

One of the primary sources of waste in the Department of Defense has been with expenditures for weapons systems which have not yet been clearly defined. There are many examples: the Dyna-Soar program, the Typhon program, and the RS–70 program are all cases in point.

I ask unanimous consent to have printed in the RECORD at this point a statement entitled "Cancelled Programs."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CANCELED PROGRAMS

There have been many recent cases of large programs being started and later cancelled after the expenditure of hundreds of millions of Government funds. These programs include following examples: the Navaho missile, the Mariner seaplane, Skybolt, the B–70, Dyna-Soar, SD–5 Drone, and in the purely electronic field, Big Dish. Many more could be cited. Although residual benefits were salvaged, great efforts must be made to minimize the occurrence of such wasteful, upsetting, and in some cases, nationally embarrassing events. These cancellations are brought about by some combination (usually all) of three factors: (1) misjudgment of the technical difficulties with inevitable schedule slips plus cost overruns; (2) the lack of an initially clearly established mission and failure to classify it quickly; and (3) the availability of alternative better ways of doing the same job. The total amount of money expended on these seven particular programs was approximately $3 billion.

Big Dish was initiated as means of receiving electronic signals bounced off the moon. The U.S. technical community was never convinced that (a) it was possible to construct such a big dish as accurately as was necessary and (b) that the moon was as good a reflector as was needed for a large class of signals. Both contingencies proved adverse, costs escalated to factors of 10 greater than original expectations, which resulted in cancellation.

Dyna-Soar grew out of a scheme originated by the German rocket scientists in World War II to bomb the United States from Europe by means of a winged gliding rocket airplane. The Air Force program was initiated with the objective of providing an orbital bomber despite great skepticism on the part of all review agencies. As the technical problems multiplied and the proposed mission was seen more clearly to be valueless, a retreat was performed into a research-type project with somewhat vague objectives. Costs and complexities continued to escalate despite this downward adjustment of goals. In the end, better ways were found to accomplish all worthwhile objectives.

Skybolt started as a "Polaris of the air," to extend the life of the B-52. Specific tasks which it could perform better than existing missiles never materialized. The SD-5 Drone had a longer range as a reconnaissance vehicle than the Army could use; its use as a bombardment vehicles never became attractive. In the case of the Mariner, the utility of a cargo seaplane was never validated. The Navaho was started on the supposition that ballistic missiles could not be made to work (although it was more complicated itself), the B-70 on the basis that ICBM's are inherently inaccurate (which they are not).

In summary, large systems which are started without a clear demonstration of engineering feasibility, future value, and assurance that they will fill a real deficiency have a very high likelihood of late, expensive, painful cancellation.

Mr. PROXMIRE. Mr. President, it may well be appropriate, as the Air Force suggests, to have a mixed strategic force of missiles and manned aircraft in the early 1970's. But neither we nor the Air Force know what the appropriate nature of this mix is. We should not make any commitment at this time to long-range strategic bombers of the B-36 or B-52 type, any more than we should make any long-run commitment to the battleship. The changes that are continually occurring in our defense mix are evidenced by the Air Force switch from the B-70 to the RS-70 concept.

Moreover, it is important to emphasize that simply a decision by the Congress to provide more money will not reduce by 1 minute the necessary lead time in the production of this aircraft. Certain steps must be taken before production can begin.

Our manned bombers already represent an investment of $18 billion and by the end of 1964 we will have spent an extra $1.6 billion for strengthening them structurally. Another $306 million has been included in the fiscal 1965 budget for this purpose.

I think it must be made perfectly clear, Mr. President, that we are not here talking about a program which will simply cost $52 million. It is estimated that the total cost for this plane alone will be close to $5 billion. This underscores the fact that we must know whether we are going to get our money's worth before we begin to commit these funds.

Mr. President, I have on a number of occasions praised Secretary McNamara for his achievements in saving money in the Defense Department. It should be, I think, recognized that most of these savings have been due to the Secretary's courage in opposing expenditures in which the Congress has expressed explicit interest. I feel that this aircraft is a typical example of where potential further economies are possible.

The development of a major weapon system ordinarily proceeds in the following steps: First, studies to define the need and concept of employment sufficiently to establish the desirability of proceeding and to define performance characteristics and requirements in sufficient detail to permit; second, program definition in which industry makes proposals for hardware to meet those requirements leading to; third, development of actual hardware and, if this development is satisfactory; fourth, procurement of operational quantities.

The testimony before the House Armed Services Committee makes rather obvious the prematurity of the add-on. The Air Force testified that its studies had not been completed and that no specific proposal has been forwarded to the Secretary of Defense:

General LEMAY. The Secretary of Defense has known what we have been doing in this field.

Mr. BECKER. Knows what you want?

General LEMAY. For the past 18 months; yes, sir; but it is correct that the formal papers have not yet gone on down because he has asked additional questions of how we intend to use these bombers, what the operational concept is going to be, and how many of them are going to be needed. These are very difficult questions to answer at this particular time when we are talking about [deleted].

Mr. BECKER. But in the meantime you want to progress to get some of them into operation?

General LEMAY. That is correct.

(NOTE.—Hearings on Military Posture and H.R. 9637 before House Armed Services Committee, p. 7479.)

The actual Air Force testimony contains only conceptual description of the type of aircraft to be proposed to the Secretary and evidence of strong feeling that, for not clearly defined reasons, the United States should have for the indefinite future manned strategic aircraft for delivery of nuclear weapons in addition to tactical fighter bombers like the TFX which can carry both nuclear and conventional ordnance and are larger than World War II bombers.

Most importantly, the testimony by the Air Force is lacking in such information as exactly how the proposed bomber would be employed, the degree to which it could survive an enemy attack, the degree to which it could penetrate enemy defenses, and its relationship to other weapons systems including both missiles and tactical aircraft. The $5 million funding provided in the budget as submitted by the President was intended to finance studies of such questions as these. Until they are answered there is not an adequate basis upon which to proceed with program definition, particularly where the development proposed would, according to the House committee report, include development of critical components and subsystems even though the precise configuration and role of the aircraft on which these components would be placed are as yet unknown.

In short, the anomalous position has been taken of reducing funds for well-defined programs on the one hand while increasing funds for a poorly defined program on the other.

Mr. President, in summary, I think certain points are perfectly clear.

First. The Department of Defense itself does not feel that these funds are necessary at the present time.

Second. It is clear from the past record that the major areas of waste in the Defense Department have been where Congress has insisted upon particular programs that the Department is not prepared to undertake.

Third. The authorization would provide $12 million to design a follow-on bomber if necessary. The bill provides $5 million for this purpose.

Fourth. Additional funds should be appropriated only if the $5 million study shows the follow-on bomber to be necessary.

Fifth. We are not here simply discussing $52 million, but rather a total expenditure of nearly $5 billion.

RESTRICTION OF IMPORTS OF BEEF, VEAL, AND MUTTON INTO THE UNITED STATES—ADDITIONAL COSPONSOR OF BILL

Mr. McGEE. Mr. President, I ask unanimous consent that at the next printing of the bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by the majority leader, the senior Senator from Montana [Mr. MANSFIELD], my name be added as a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE OF HEARING ON H.R. 7235

Mr. JOHNSTON. Mr. President, as chairman of the Committee on Post Office and Civil Service, I wish to announce that a public hearing on H.R. 7235 will be held on Friday, February 28, 1964, in room 6202, New Senate Office Building, at 10:30 a.m.

H.R. 7235 amends sections 671 and 672 of title 28, United States Code, relating to the Clerk and the Marshal of the Supreme Court.

The hearing will be held before the full committee.

Anyone wishing to testify may arrange to do so by calling Capitol 4-3121, extension 5451.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H.R. 8363) to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes, and it was signed by the President pro tempore.

TRIBUTE TO JAMES HASWELL

Mr. McNAMARA. Mr. President, on March 1, of this year, James Haswell, the veteran Washington correspondent for the Detroit Free Press will retire.

Jim Haswell has been a working newspaperman for the past 45 years, and Washington correspondent for the Detroit Free Press since 1945.

I have known him for many years—before either of us came to Washington—and I have always respected his integrity, his judgment, and his accuracy.

Jim Haswell, who was born in Chicago, began his newspaper career on the old St. Louis Times in 1919, and later worked on the St. Louis Globe-Democrat.

He first went to the Detroit Free Press in 1922, then spent 5 years in the East, working for the NEA and the Baltimore Post, as a writer. He rejoined the Detroit Free Press in 1927, and has remained with that newspaper since.

As a report for the Free Press, he covered the great depression of the 1930's; the auto industry sitdown strikes, and many other interesting and important events.

He spent a brief period of time as an editorial writer in the 1930's but returned to reporting—at the Detroit City Hall, at the State capital in Lansing, and finally, in 1945, to the Nation's Capital.

I know the other Members of the Michigan congressional delegation—who have come to know and respect Jim Haswell—join me in wishing him and his wife, Joyce, a long and enjoyable retirement.

CIVIL RIGHTS: A NATIONAL PROBLEM

Mr. PEARSON. Mr. President, there appeared on Saturday, February 22, an editorial in the Wichita Eagle entitled "The Civil Rights Battle." This editorial recognizes that the civil rights struggle is a national rather than a sectional problem and firmly states that some further action by Congress is essential.

Yet the central theme of this editorial is an expression of the apprehension of the broad powers granted by the legislation to the Attorney General and the Justice Department. Here is a calm and reasonable treatment of a most controversial problem and deserves the attention of the Senate.

Mr. President, I ask unanimous consent that the editorial aforementioned be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Civil Rights Battle

Battlelines have been drawn on the civil rights bill which soon will go before the Senate. The White House has no intention of compromising terms of the House-approved measure, says Senator Humphrey, the assistant Democratic leader. "We intend to fight this bill with all the vigor at our command," replies Senator Russell, spokesman for southern opponents.

What the fight involves is the most sweeping and comprehensive civil rights legislation in history. It covers 11 titles affecting public education, voting rights, equal employment opportunities and the use of public accommodations. Unprecedented police and prosecution powers are granted the Attorney General and the Justice Department.

School boycotts in New York and Cleveland and demonstrations in Chicago and St. Louis provide ample evidence that civil rights is a national, and no longer a southern problem, and some further action by Congress is essential.

Discrimination cannot be condoned solely on the basis of color or creed in voting privileges, schooling, use of public facilities or job opportunities. There are serious constitutional questions, however, as to whether anyone, regardless of color, can compel a person to provide them accommodations if he has private rooms for rent.

We do not like the police state-type powers this legislation gives the Federal Government. We do not like the compulsory aspects of the public accommodations provisions as they affect private property owners. They smack too much of violating our free civil rights in the name of regimented civil rights.

Tremendous progress has been made in recent years in eliminating racial discrimination. Much more needs to be done and can be done in an orderly, progressive way, especially if the emotional aspects of the problem are kept under control.

Some form of civil rights legislation will be passed. Moderate forces will see to that, but they also should modify the vast police powers now proposed. The prohibition era proved that laws which violate the private rights of people are impossible to enforce adequately. A pocket of discrimination would be more difficult to detect than a truckload of bootleg booze and it would require an army of Federal agents and attorneys to enforce the legislation approved by the House.

Changes in attitudes toward discrimination that deprives any citizen of his constitutional rights will be accomplished more effectively by working on the heart and the mind than by legislation that is more punitive than fair in spirit.

WHY DOES KHRUSHCHEV NEED WHEAT?

Mr. MUNDT. Mr. President, vital repercussions continue to expand as a result of this country's sale of wheat to the Soviet Union. The American Legion magazine for March 1964 contains an excellent editorial and an important discussion of a report on the subject by Dr. Bela Fabian. These articles are worthy of careful attention by all those who would be fully informed. I ask unanimous consent to have printed in the Record at this point in my remarks the editorial, "The Wheat Deal Mystery," and the article, "Why Does Khrushchev Need Wheat?"

There being no objection, the editorial and article were ordered to be printed in the Record, as follows:

The Wheat Deal Mystery

With all due respect to the late President Kennedy and to President Johnson, we think it can safely be said that the American people do not grasp what policy of the United States lies behind the wheat sales to the Soviet Union.

That is not the same as saying that we know beyond all argument that it is bad policy. We think it is bad policy. But what we are saying is that it is incomprehensible policy. It defies interpretation. Whatever is the real reason for it has not been frankly revealed. It has remained standing when the ground fell out from under it.

Up until December 9, it was represented in this country that the wheat was of no crucial importance to Russia, so that it was essentially a pretty good trade deal. Dr. Bela Fabian, whose article "Why Does Khrushchev Need Wheat?" appears on page 15, has told our national leadership that Russia needed the wheat to help crush the peasants, to support Khrushchev if not the Communist bureaucracy itself. Several Senators took Dr. Fabian's word to the highest sources. But the general reaction to Dr. Fabian's protests in the executive branch of the Government was that Dr. Fabian's information or interpretation wasn't reliable, or significant.

At this point, believing what you are told, you would say that the wheat deal was looked on as a good trade deal, a chance to get some needed foreign gold, to work up some mutual and profitable relations with Khrushchev that were not significant politically or militarily.

But on December 9 and 10, Khrushchev and the Central Committee of the Soviet Communist Party made a confession tallying in every respect with the substance of Dr. Fabian's reports. There is danger of starvation in Russia due to farm failures. Peasant sabotage stands as an obstacle to the last remedy proposed by the Communists.

Our policy did not change. We sold the first million tons of wheat. But no longer was it just a good deal, without political importance. It props up Khrushchev and the Communist bureaucracy in conflict with the plain people of the Soviet Union.

Is it the policy of the United States to prop up Khrushchev at home, or to hold up the Communist bureaucracy against the aspirations of its oppressed people?

Nobody has said that that is our policy. If that is our policy, it does not strike us as being one that is so trivial that anybody simply forgot to tell us. We are left to imaginings when all that is imaginable is the worst.

There's altogether too much imagining with respect to the wheat deal. We think Americans would like to know exactly what its true bearing on U.S. policy is—in terms not cloaked in secrecy or in explanations that vanish in the face of new information.

Why Does Khrushchev Need Wheat?

(By Dr. Bela Fabian)

For 3 years Dr. Bela Fabian, a Hungarian expatriate, has been trying to convince official U.S. leadership that rebellion in the Soviet Union is bringing on a crisis which threatens not only Khrushchev's personal leadership, but the whole Communist bureaucracy.

Dr. Fabian's plea is that the Soviet internal crisis is extreme, and should be recognized by us as an historic upheaval, lest we pass by a great moment in history with responses that are temporizing, expedient, superficial, and self-defeating.

Dr. Fabian knows Russia from one end to the other. As a captured Hungarian officer in World War I he was exiled to Siberia by the czarist regime; escaped; was in Petrograd (now Leningrad) in 1918. He returned to his native Hungary; wrote books about Soviet barbarity; was imprisoned during the brief regime of Bela Kun in Hungary; was a judge in Budapest; was sent to the Auschwitz concentration camp by Hitler; escaped to Patton's 3d Army in 1945. He came to the United States in 1948.

Now over 70, he maintains pipelines to voluminous information on what is really going on behind the Iron Curtain. The reports he has amassed since 1960 on rebellion in the Soviet Union are too large to publish here. They cover Khrushchev's troubles with writers, industry, politics, youth—but most especially food and farming. Dr. Fabian wrote his first book on Soviet farm problems in his native language more than a generation ago.

When the Soviet wheat deal was first proposed last fall, Dr. Fabian sought audiences to convince U.S. leadership that this was no ordinary trade proposal, but that the Soviet Union was seeking a miraculous cure from its enemies in its last illness.

The wheat is needed, he warned; needed to cancel out sabotage of the food supply at home and in the satellites; needed to keep Khrushchev in power; needed to avert a famine brought on by a sitdown strike of the peasants now coming to a head after nearly half a century; needed as an instrument to suppress and conquer the peasantry.

In a letter to a key U.S. Senator last September, Dr. Fabian wrote:

"The Soviet Union's need for purchasing wheat in Australia, Canada, and now the United States did not come as a surprise. In the Soviet orbit there is an agricultural revolution that threatens the existence of the Communist regime. Khrushchev blames the weather, and shortages of fertilizer, and irrigation canals for crop failures. He will not admit the real cause for his failure: the sabotage of farm workers.

"The peasants of the Soviet orbit are convinced that sabotage is the only way of regaining their land, which the regime took from them by force, and may be the only way to regain their lost freedom too.

"During the long years of Communist oppression, the peasants and agrarian workers have mastered all the tricks of sabotage. By dragging out the time of harvesting and leaving the wheat on the ground, grain will spill out in dry weather, and will rot if soaked by rain. Frost will destroy corn and sugarbeets left in the field or in the ground.

"The peasants know that this is the only way to lick the Soviet regime and, eventually, get rid of it. A cartoon in the New York World Telegram on October 27 hit the nail on the head with its caption, 'When the whole world is Communist, where will we get the wheat?'

"Khrushchev has sent hundreds of thousands of tractors and combines to virgin land, where the same fate befalls them as the millions of tractors and other farm machines that are being supplied to collective and state farms throughout the country. Within a few weeks, a large number of these machines break down as sabotaging peasants and deportees ruin or neglect them on purpose. The rusty broken-down tractor, covered with snow, left outside in the fields, has become the symbol of Soviet agriculture."

Dr. Fabian's September warning was not taken too seriously. The notion that famine threatened Khrushchev was generally rejected. Even some of the most dependable and unsympathetic (to Khrushchev) sources in the United States did not believe that a Soviet food crisis was behind its wheat dealings.

As late as its November 1963 issue, the usually reliable publication of the All-American Conference To Combat Communism, Freedom's Facts, analyzed reports in the U.S. Communist publication, the Worker, to mean that:

"The U.S.S.R. doesn't really need wheat from the United States. True, harvests in the Ukraine and other non-Russian nations in the U.S.S.R. have fallen short of expectations this year. Yet there is no evidence of actual food shortage in the Soviet Union. Exciting U.S. interest in trading with the Communist bloc and meeting Moscow's own grain export commitments, not the feeding of starving Russians, are the main reasons for Moscow's offer to buy U.S. wheat."

But Khrushchev, on December 9, 1963, could not conceal the actual food crisis any longer. In a 4½-hour speech before the Central Committee of the Soviet Communist Party, he lashed out at "reactionary enemies abroad" who were trying to exploit the Soviet Union's "food difficulties." The Soviet Union would buy huge quantities of fertilizer abroad, and at the same time start building up its own fertilizer industry, he announced, while admitting that the 1963 wheat crop was a failure. He admitted, too, that he had to buy wheat this year to keep Russians from starving. If he "had been like Stalin and Molotov" he said, he could "have let people starve."

Stripped of its shifting of the blame for the *n*th time to foreign villains and a "fertilizer shortage," the speech was a naked admission of what had heretofore been concealed in the foreign wheat dealings—a famine-scale breakdown of Soviet farming.

This problem is as old as the Soviet Union itself. The one class of people who have shown an undying spark of rebellion against the Communist regime have been the tillers of the soil.

Lenin set the Communist policy that the farmers are but slaves to feed the cities. They never accepted it.

Stalin drenched the soil with the blood of rebellious peasants and filled it with their bones in his effort to kill the spark of rebellion. When Khrushchev came to power, the Soviet Union was still not producing food comparable to what it had produced under the czar. Fortunately for him, Rumania and Hungary had been seized in World War II, and under the Soviet occupation they were made the breadbasket of the U.S.S.R. Khrushchev had long had a dream, opposed by Stalin after some sad experience, to convert huge, empty Kazakhstan into an Asiatic grain bowl, independent of, and remote from, Europe. Once in the driver's seat, he started to carry it out in 1954. He had barely started on his plan when its success became doubly urgent. The Communist system in the captive nations reduced their food production and, with the Hungarian revolution in 1956, the sabotage of the peasants swept out of the Ukraine across the Hungarian plain on a new scale.

Now the experiment in Kazakhstan is crumbling in failure after 10 years of deep commitment to it, says Dr. Fabian. The repercussions of failure are shaking the country and the foundations of the party, so that after nearly 50 years, the sullen resistance of the peasants is coming to a crisis in the 1960's.

Here is an account of that failure, based on and liberally quoting from Dr. Fabian's report.

Ten years ago Khrushchev staked his reputation on his novel and visionary plan for Kazakhstan. He would build a new breadbasket inside the Soviet Union in that vast area, which stretches from the Caspian to Mongolia, underlying Siberia. Here he would import people from other areas and build a huge Soviet farm system without any peasants. The workers would live in towns, go to work on the land on wages as the factory worker goes to work in the city, be deprived of the garden plots with which peasants feed themselves, and never develop the attachment to the land that was thought to be the seed of the rebelliousness of the peasant class.

"On August 17, 1954," writes Dr. Fabian, "the newspapers of the Soviet orbit started a campaign calling on the people to build up a new country in Kazakhstan, a land rich with coal and iron and other mineral deposits, which was also portrayed as a virgin land waiting cultivation. Here's how the Latvian Communist newspaper Cina explained Kazakhstan after the first Latvian contingent had been shipped there:

" 'In these areas, where virgin and fallow soil is turned into cultivated fields, there live patriotic people who, far from their native places, perform an important task assigned by the party and the Soviet Government. After the building up of a farm, some will probably proceed further to fill new, important tasks assigned by the party and the Soviet Government and will possibly return to their native homes, but many will stay here and develop roots on the reclaimed land.' "

Where is this place to which people from European Russia and the captive nations have been sent in numbers exceeding 6 million to date?

The name Kazakhstan is sometimes applied to the entire Kazakh Soviet Republic, which is far too big to be treated as one place, and too hopeless as a whole for any man's dream that it might become a rich seat of empire.

With an area of 1,063,242 square miles it is a single chunk of land that is 603 square miles larger than California, Oregon, Washington, Arizona, New Mexico, Nevada, Utah, Idaho, Montana, and South Dakota combined. Put Texas in it twice, and it would barely fall short of holding Alaska too. The original thin population of this largely nomad area were Kazakhs, a Turkic people largely of Mongolian descent. They died like flies and fled to China under Stalin's collectivization of agriculture, which saw their cattle decline by 73 percent, their sheep and goats by 87 percent and their horses by 83 percent. There were nearly 4 million Kazakhs in the Soviet Union in 1926. Now they are down to 2½ million, while almost 7 million outsiders have been moved in to Kazakhstan.

Most of Kazakhstan is on a par with some of the worst land in our West.

Huge areas of the western (European) end are old sea bottom; with salt plains dotted with salt lakes; with rivers, frozen from November to March, that sink into the earth.

The central part has a few important river systems and is higher. It also has its deserts, its vanishing rivers, and the vast Hungry Steppe, a plateau whose surface is cracked clay.

The eastern part, bordering on China and Mongolia, is high, often rugged land, sweeping down from the back slope of the Himalayas. Many of its rivers, though frozen for much of the year, are suitable for power stations and irrigation, though only the Irtysh is suitable for navigation. Along the north of this rough Asiatic highland is a narrow belt of rich earth, about 7 percent of the area, that is fit for large-scale farming. This east and northeast corner of the huge Kazakh Republic, including several smaller provinces, is the Kazakhstan of Khrushchev's hope. This richest chunk of the huge Kazakh Republic, for both industry and agriculture, abuts on the borders of China. The people shipped there find themselves in the desolate, lonely, high interior heart of Asia, 2,000 and more miles from their homes with a vast wasteland in between.

Says Dr. Fabian:

"Khrushchev has tried to open up 91 million acres of the virgin lands of Kazakhstan and the adjoining territories of Siberia, hoping to create a new agricultural terrain.

"Mr. Khrushchev has a special personal interest in transforming Kazakhstan into a showcase of farm production and efficiency. In Stalin's lifetime, Khrushchev had tried to carry out his pet project of replacing the collective farms and their foot-dragging peasants with the agricultural cities, known as 'agrogorods.' This, he claimed, would end the sabotage, making farmers just like all other workers. The last vestige of peasant independence would be abolished.

"In Kazakhstan, where they were no peasants on the soil, but only the dwindling nomads, Khrushchev could make his dream come true. He would create a newer and more obedient kind of farm population by importing people with no roots in the land.

"But Khrushchev's early experiments along these lines had failed. Moreover, they had been opposed by Stalin and other members of the Communist Presidium, in whose ranks bitter disputes had raged over this question.

"While Khrushchev called Kazakhstan the Soviet Union's grain-bowl, his opponents called it its dust-bowl.

"In 1955 the crop failed in Kazakhstan through drought. Then a disastrously bad harvest in 1957 brought about the greatest political crisis of the post-Stalin epoch. It presented an opportunity to Khrushchev's enemies to attack him. Molotov, Kaganovich, Malenkov, Shepilov, and Bulganin fought sharp verbal battles with him on this subject.

"Their main objections were not only the unsuitability of most of the area for large-scale farming, but that the deportations of millions of Europeans to Kazakhstan were nurturing the revolutionary mood in the whole country. The risks were too great, the results too few to justify the risks, as the effort in Kazakhstan did not substantially alleviate the Soviet food situation. Furthermore they objected to the siphoning off of a considerable number of Soviet youth, while the rest of the Soviet Union suffers from manpower shortage.

"Khrushchev replied that even if in a 5-year period Kazakhstan had two bad harvests, two medium, and one excellent--farming there could still be considered as profitable.

"His opponents kept saying that Stalin had been far more flexible in this matter. At the time of the great food crisis in the 1930's he had experimented in cultivating the Kazakhstan fields, but after the first harvest was a failure he gave up this project."

To populate Kazakhstan, Khrushchev had indeed helped raise the spirit of rebellion in the land. Says Dr. Fabian:

"The Komsomols—members of the Communist Youth League—have been the hope of the Soviet Communists. There are 19 million Young Communists, one of the strongest pillars of the Soviet system. In years past, the Young Communists went to Siberia, where they built new cities, such as the one named after them—Komsomolsk. Then they were idealists hoping to build a new and better world. Today they no longer believe in the better world, which has failed to materialize. For 10 years there have been mass deportations of Young Communists to Kazakhstan. Those who have returned tend to be bitter, quarrelsome, with the courage to contradict their indoctrinators, to dispute with them and even boo them, which the earlier Young Communists would not have thought of doing, or dared do had it occurred to them.

"Those who return from a bitter life in Kazakhstan see a new sort of youth 'back home,' the sons of the high ranking party functionaries, army officers, dead war heroes and other prominent people. They live in comfortable houses or apartments, looked after by servants, eat good food and enjoy the pleasures of life. They are called 'styliagi'—meaning stylish one or style chasers, because they love to wear flashy clothes in Western style, adore foreign automobiles and jazz.

"Not all Young Communists who go to Kazakhstan return to see such things, nor do the 'volunteers' or deportees from the captive nations. Those from the Soviet Union, Bulgaria, and Rumania since 1954 have signed 3- to 5-year contracts, but the Soviet Government tries hard to keep them there for good.

"Of 10,000 Bulgarians sent there in 1957, only 2,500 have returned in the 3 years since their contracts expired in 1960.

"A book published by the Soviet-Latvian Publishing Office in Latvia emphasizes that: 'People do not go to the virgin lands in order to return home to father and mother after a few years. No. People go there to stay for good, to spend all their life there.'

"After the Hungarian revolution was put down, the Communist Party was plagued with young citizens who were too curious to know all about what had been done in Hungary by their peace-loving government. In 1957, out of 8,000 students of Leningrad University, 4,200 of the more curious and questioning were sent to Kazakhstan. In December 1956, Khrushchev gave a speech in which he said that he had heard that there were students in Moscow University who were not satisfied with a regime that provides them with a free education and living expenses.

"After his speech, 200 students were arrested and sent to Kazakhstan, and in the Communist Youth Leagues the conscription of 'volunteers' to Kazakhstan among the students was started, so as to prove their patriotism and loyalty toward the party. After the American Exposition in Moscow, those young Muscovites who had shown the greatest courtesies to and interest in the Americans and the American way were volunteered to Kazakhstan. Girls who fraternized with foreign youths at Soviet International Youth Festivals were shipped to Kazakhstan with their heads shaved.

"Under Stalin in the old days, deportations were carried out furtively; people were dragged out of their homes by night. Khrushchev's deportation trains roll out in broad daylight and are given a farewell with orations and a band. This form of deportation, introduced by Khrushchev, is called 'volunteers for Kazakhstan.'

"By this he kills two birds with one stone—manpower to work the mines and cultivate the virgin lands, and riddance of unruly elements from educational institutions and factories."

But the enormous dilemma which the Soviet leader has been making for himself was already evident beyond all concealment by 1959. By a double standard of thought, he treated Kazakhstan as a place to produce Russia's food without rebellious peasants, yet he also considered it a place of exile, and crowded it with rebellious intellectuals; a strange class to whom to trust Russia's food supply, for intellectuals have produced more rebellions than all the peasants ever born.

"Decreases in production and an increase in strikes and sabotage forced Khrushchev to defend himself in a speech before the Central Committee of the Communist Party in December 1959. He made his confession in the form of an accusation to the officials responsible on the spot in Kazakhstan.

"Said he, 'As of November 1 there remained nearly 4 million acres of unmown and uncollected grain crops in Kazakhstan.' He complained that '18,000 of your tractors did not take part in the spring sowing campaign, because they had not been overhauled. When it was necessary to prepare for the harvesting campaign, they were only finished sowing in Kazakhstan. You did not repair 18,000 tractors, and they did not go into service. According to data of the U.S.S.R. Ministry of Agriculture, 32,000 combines, 21,000 pickups and 11,000 reapers did not take part in harvesting * * * in Kazakhstan. It is quite natural that harvesting dragged out and some of the bread grain was buried under snow.'

"Later he complained, and attempted to 'explain,' with this, 'Yet we are forced to direct into harvesting, students, people attending trade schools, employees who do not possess the necessary skills. For this reason, the productivity of their work is very low.' What he now complained of had been the very center of his original scheme—farming without the troublesome farmers."

Not a word of the confession hinted at any rebelliousness on the part of the "happy volunteers in the virgin lands." But the speech was delivered only 2 months after a violent revolt in the Karaganda district, one of the richest and biggest slave labor encampments in the Kazakh Republic. It was a revolt led by the hope of the Soviet Union—"volunteers" of the Young Communist League (Komsomols). Notes Dr. Fabian:

"The revolt that broke out in Temir-Tau, in the Karaganda district, on October 4–5, 1959, because of insufficient food, bad housing conditions and lack of sanitation, was the work of the Komsomols. Repatriated Bulgarian, German, Greek, and Spanish prisoners have reported that most of the discontented young Communists were originally from Byelorussia and the Ukraine.

"The uprising began, say these eyewitnesses, on Saturday evening, October 3, 1959, when a group of about 50 young Communists—protesting against poor food—suddenly set fire to the communal dining hall in Temir-Tau.

"Picking up reinforcements on the way, they marched to Vostok, a newer section of the city, where they raided the marketplace and confiscated food.

"By this time the rebels numbered at least 1,500. Setting up barricades in the streets, they routed a small force of police by hurling stones at them. The next day, Sunday, October 4, the youthful rebels ambushed three truckloads of troops being rushed to Temir-Tau from Karaganda, the huge forced-labor city about 45 miles to the southeast. The young Communists seized their weapons and prepared further to defend themselves.

"During the night, several troop-carrying planes were flown into Temir-Tau from army camps in Balkhash, 230 miles south; Alma-Ata, 520 miles south, and Akmolinsk, 175 miles northeast. In addition, about 2,500 volunteer police, members of the home guard, were impressed into service.

"But the Komsomols refused to surrender. They fought—and died—on the barricades.

"On the third day, October 5, the uprising was finally crushed when additional detachments of Soviet troops arrived and surrounded the rebel forces. The casualties, according to eyewitnesses, numbered at least 100 killed and 1,000 wounded."

The personal dilemma to Khrushchev caused by strikes, rebellions, and slowdowns in Kazakhstan has been enormous. He had solved the resistance of Malenkov, Shepilov, Molotov, Kaganovich, and Bulganin in 1957, and of Zhukov in 1958, by forcing them out of the inner circle, only to find their prophecies coming back to haunt him.

Writes Dr. Fabian: "Only two of the six constituted a real danger to him, Malenkov and Zhukov. Both of them completely vanished from the scene. Malenkov was supposed to have been sent to direct a power station in Ust-Kamenovsk, near the Mongolian border of Kazakhstan, but never arrived and was not heard of since. No one knows the whereabouts of Zhukov, whom Khrushchev said had been 'given a new assignment.'

"The lesser four had no followers, so it meant little to Khrushchev whether they lived or not, so long as they were removed from public life. Mikoyan, answering a question about Molotov at a press conference in Washington, said at the time that he would be named Ambassador to the Netherlands in the near future. He never was.

"It should not be overlooked in the West today that this enormous upheaval in Soviet internal ruling circles sprang chiefly from the perpetual food dilemma caused by rebellious peasants everywhere, and from criticism of Khrushchev's adventure in seeking a food solution in Kazakhstan." What has made it far worse for him is that there had been, since 1953, a spirit of revolt and questioning in nonagricultural circles in the Soviet Union and the satellites which Khrushchev welded to the food problem by shipping the rebels in large numbers into the heart of his food-experiment area. Reports Dr. Fabian:

"The chain reaction of the East German revolts in 1953 was first seen inside the Soviet Union in the slave labor camps. A string of revolts broke out, with uprisings in Vorkuta, Norilsk, Dzezkazgan, Karabash, Tayshet, Reshoty, Kingir, Karaganda, Sherubay Nura, Balkhash and Sakhalin. In 1955 there were revolts in Vorkuta, Solinkamsk and Potma. In the Krasnoyarsk region there was a revolt in April 1956. A revolt in Revdal was staged by Hungarian prisoners of

World War II, whom the Soviets refused to send home. These are the only revolts up to that time of which we have knowledge. According to returned prisoners, many of whom took part, the number of victims of these revolts exceeded 50,000.

"The revolt in Tiflis on March 7, 1956—which preceded the Hungarian revolution—saw several thousand students and workers march through the streets of Tiflis clamoring for freedom. After the demonstration the crowd dispersed without violence or attack by the police or troops. But the next day the rebels barricaded themselves and were attacked by tanks. Seven hundred died. The rest, together with the wounded, were loaded on trains and trucks and taken to Kazakhstan. All along the way, when they passed through stations, the wounded screamed and showed their bandaged limbs.

"Today, 40 percent of the deportees and volunteers to Kazakhstan, who number more than 6 million, are estimated to be Russians who, as we have seen, include those who are most curious about public affairs. Most of the rest are Byelorussians, Ukrainians, Latvians, Lithuanians, Estonians, Germans, Hungarians, Bulgarians, and a few Rumanians. They also include a large number of Jews from European Russia. Factories and universities which were required to send a certain number of persons to Kazakhstan preferred to send Jews to get rid of them. A synagogue was built there in Karaganda where none had been before—though it was later closed. During the journey, many Jews availed themselves of the opportunity to lose their passports marked 'Evrei' (Jew).

"Yet another source of often mutinous citizens of eastern Kazakhstan are Russians who were lured back from China and Manchuria in a gigantic propaganda drive. These are descendants of Russians who fled the Bolshevik revolution between 1918 and 1920 who, unable to go to Europe or America, settled in Manchuria and China. When the Communists took over China their situation became worse. Many of them were imprisoned in concentration camps. They hoped that Kazakhstan might be better than that. They suffer intensely under the living conditions in Kazakhstan and are often in the forefront of those who lead rebellions and uprisings, and who quietly sabotage the farm operations. However, it is the Young Communists who are the most impatient and most frustrated. Not even in Hungary has the Communist Party received as many torn up membership cards as in Kazakhstan. The Young Communists there are high spirited and dare to say what is on their minds. The regime is unsuccessful in silencing them.

"When volunteers arrive in Kazakhstan they are in for an unpleasant surprise. No living quarters are provided for them, not even building material. Medical care and hygiene is of the most primitive kind. They feel cheated, as at the time they were recruited they were not only promised higher wages but were shown photographs of attractive two-room cottages, complete with bath and kitchen, which in itself was an attraction compared to the crowded living quarters of Soviet towns.

"The volunteers would like to take the first train home, but they cannot do so without being prosecuted. They receive 3 months' pay in advance, which is usually gone before they get to Kazakhstan, and which now has them in bondage. They receive a one-way ticket, and are told that, having accepted pay, if they escape they will be prosecuted for embezzlement, while it is written in their workbooks that they have volunteered to go to Kazakhstan and would be deported back anyway.

"'While in the winter the frosts here are worse than in the Arctic Circle, in summer it is like living on the Equator, except that the wind is always blowing, whipping up whirlpools of dust and soot,' wrote N. N. Krasnow, Jr., about Kazakhstan in his book 'The Hidden Russia.'

"I know this out of my own experience. In summer months, you can cook an egg in 5 minutes by sticking it in the sand. In some parts of Kazakhstan during this period the temperature may drop from 130° in daytime to 40° at night.

"At first, the volunteers live in tents. Later they build themselves mud huts or dugouts—a slight improvement over the dung houses of the nomads whom they are replacing.

"At the beginning, one of the strongest factors contributing to the revolutionary mood was the shortage of women. As soon as the local food situation had improved in 1954 and the young men had enough bread, kasha and meat to keep them from being perpetually hungry, they started to long for women. The recruiting organizations then started to persuade female students and factory girls to go to Kazakhstan—at first by gentle means, then by threats. This drive spread to the collective farms and villages of the U.S.S.R. forsaken by young men who had gone to town to find better jobs while the girls stayed home.

"They were told that in Kazakhstan there were hundreds of thousands of eligible young men—they would have a chance to get married and lead a happy life. They were persuaded to sign up for a year, and if they didn't like it they could return."

Khrushchev's first drive in 1955 raised 25,000 girls for Kazakhstan. Recently 100,000 were persuaded or forced to go. A large proportion of those brought back from Manchuria and China were women.

The significance of Kazakhstan with respect to the food supply of the Soviet Union is not simply that the rebellious people there are sitting on their hands as much as they can. The sabotage of farming is nationwide. The Soviet system has failed, throughout its 46 years, to manage farming successfully or to enlist the support of the farm people anywhere. Eastern Kazakhstan is too small a part of the Soviet agricultural area to be able to starve the bureaucracy into collapse by itself. But Kazakhstan was the last answer Khrushchev could think of, short of importing food wholesale, to offset his food difficulties everywhere. To make the effort there he risked his position at the head of the government, involved himself in a show of strength with his top-ranking colleagues and purged them. Meanwhile, throughout the Soviet Union, he brought more repressive power to bear on farm units. He centralized power over the collective farms by reducing their number from 300,000 to 87,000, ousted the farmers' own unit presidents and replaced them with reliable city Communists. Each show of force simply added to the stubbornness of the farmers, and brought forth such a show of criticism from Soviet writers that Khrushchev withdrew the freedom he had once given them, arresting some, ceasing to publish the works of others, and threatening them all.

After a short time, the city Communists, sent to run the farms, also turned to theft along with the collective farmworkers and turned in false statistics. Khrushchev responded in 1960 by placing farms of 60,000 to 70,000 acres in Kazakhstan under military leadership. Army men became the chairmen of such farm collectives. Reports Dr. Fabian:

"That same year, when part of the Soviet military was demobilized, he had the demobilized battalions, officers, and men alike, shipped to Kazakhstan, where they were to maintain order and be ready in case of internal revolt. The demobilization, which was sold to the world as a peace token, actually turned part of the army into an internal rural police force.

"When the troops arrived, no housing had been prepared for them. They had to provide for building material and the construction of living quarters themselves. It turned out that in the state farm company stores there was neither food nor consumer goods for them. The officers, who had previously enjoyed certain privileges, were so embittered that they too began undermining, rather than strengthening, discipline."

Today, every movement of Khrushchev has been in the direction of more force and repression. The significance of Kazakhstan is that it is the "last straw." As it has provided only a new seat of agricultural mutiny and sabotage worse than any of the others, it has exhausted Khrushchev's last conceivable answer to the problem of providing an expanding food economy at home, produced by willing farmers under the Communist system. At the same time it has heightened the rebellious spirit everywhere in the Soviet Union, as Molotov, Bulganin, Kaganovich, Shepilov, etc., had warned.

Khrushchev, in his speeches delivered on September 28 and October 9, 1963, reiterated his old theory of abolishing the collective farms altogether and transforming them into untenanted state farms adjacent to agricultural cities where the farmers are day-laboring apartment dwellers, without homes on the soil or household farming plots. If he make up his mind to forge ahead, Dr. Fabian predicts that he must anticipate open revolt.

Khrushchev's fertilizer speech of last December 9 was an old excuse, warmed over. He cannot admit before the world that it is the rebellion of his people that is at the core of his troubles. "Plenty of fertilizer has been delivered to the farms in the past, and is a pet object of peasant sabotage," writes Dr. Fabian. "They have stored it openly in the rain to leach out, and they have applied it in overdoses to burn out crop lands."

The following day, December 10, it was left to G. I. Voronov, Premier of the Russian Republic, to raise the ominous subject of disciplining the peasants with more "education." It would be necessary to teach the peasants how to use fertilizer, said Voronov, for Khrushchev's fertilizer program would be wasted if it was not properly used "as a result of ignorance or prejudice on the part of the peasants." Skirting any confession of sabotage, he mentioned problems of transporting chemicals from factories to fields. He told the central committee that 15 to 20 percent of the present fertilizer output and sometimes more is being lost in transportation and storage.

There is every indication that foreign wheat purchases will be used to see the regime through a new attempt to discipline the peasants, in a final death struggle between the Red regime and its people. When the December party meeting closed, it scheduled a new plenum within 2 months, instead of the usual six, with the food problem to be the chief one on the agenda.

The U.S. Congress cooled noticeably toward the wheat deals after the December meeting in Moscow. It finally gave the President permission to endorse private sales of wheat to the Soviet Union (which means guaranteeing sellers that they'll get their money), but washed its hands of responsibility by stipulating that President Johnson could guarantee the sales if in his judgment it was in the best interests of the United States. Very shortly thereafter, the first sale was consummated, a private dealer negotiating sale of 1 million tons of wheat to the Soviet Union at U.S. support prices, Moscow paying a lower price and the United States providing the difference. It was reported to be the biggest single sale of wheat ever made.

ANTI-SEMITISM IN THE SOVIET UNION

Mr. KEATING. Mr. President, as new information continues to reach the United States confirming official Soviet acts of persecution and discrimination against members of the Jewish religion, it becomes increasingly important for U.S. citizens to express their deepening concern over the situation. Word has been received that the prosecution in the long and secret trial of a number of Moscow residents has called for the death penalty for the 11 Jews charged with economic crimes. For the 12 non-Jews charged with the same offense the prosecution asked only prison terms of 15 years.

It is ironic to note that the crime of which these 23 are accused is operating a knitting mill secretly in the workshop of a neurological institute near Moscow. For their initiative and efforts to increase the gross national product of the Soviet Union, the 11 Jews, considered ringleaders, face the death sentence. The trial, originally expected to be a "show" trial with great publicity and public impact, was for unknown reasons carried out entirely in camera. Perhaps even the Communists realized that a public trial on such an issue would be viewed as a terrible farce in other parts of the world. Certainly, there is a startling contrast between Soviet propaganda efforts to prevent capital punishment of a handful of convicted spies and espionage agents in the United States and Soviet Government demands for a death penalty for operating a knitting mill.

In July 1961, the Soviet Union took a great step backwards in reintroducing the death sentence for so-called economic crimes. Of the 190 persons so far believed to have been tried since that time, well over half are estimated as Jewish.

In view of the continuing Soviet campaign of anti-Semitism, I asked the Department of State for a full report on the subject urging U.S. action to prevent such excesses. The report I have just received from the Department of State, although in some respects satisfactory and straightforward in its admission of anti-Semitic activities in the Soviet Union, still leaves a major issue unresolved. The State Department concedes that the Jewish community whether regarded as a religious sect or a nationality, suffers serious hardship. Nevertheless, the State Department maintains "There is no evidence that the authorities intend to incite the public to acts of anti-Jewish violence. Rather, they seem to be using popular anti-Semitic sentiments for their own purpose."

While reviewing the problem in some detail, the Department of State again concludes that action by the U.S. Government through diplomatic channels would not be useful, or in the best interests of Soviet Jews. Instead, the Department of State emphasizes the value of private appeals from Jewish and other religious organizations to make known the continuing concern held throughout the world about the Soviet action against religious minorities within the Soviet Union.

Although I am encouraged that the Department of State has given further thought and attention to this problem, I am, at the same time, disturbed by the Department's reluctance to put the full and appropriate measure of blame upon the intensive activities and campaign of the Soviet Government itself. The fact that "official Soviet spokesmen consistently deny the existence of any anti-Semitic bias in Soviet policy" is no reason for the citizens of the United States to accept without protest this continuing Soviet prejudice and injustice.

I ask unanimous consent to include following my remarks in the RECORD the text of the memorandum prepared by the Department of State on the subject of the "Situation of Jews in the Soviet Union."

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

SITUATION OF JEWS IN THE SOVIET UNION

The long-term antireligious campaign in the Soviet Union has grown in intensity over the past several years and all religions, including the Jewish religion, are being subjected to increasing restrictions, forms of interference, and negative social pressures. These pressures are brought to bear against various minority groups in the Soviet Union and in the case of the Jewish people prevent the normal maintenance and development of their religious, social, and cultural life.

Soviet publications carry many articles attacking religious observances, ridiculing believers, and even accusing them of antigovernment activities. Similar attacks are featured on Soviet radio and television and in public lectures. They are supplemented by atheist propaganda in the schools, where children are taught from the earliest grades that adherence to a religious faith is immoral and evidence of weakness or even depravity.

The antireligious campaign which began with the establishment of the Soviet Government in 1918, although varying in intensity at times, continues unabated. Religious sects not affiliated with the major churches have recently been the particular focus of attack. Lengthy reports and articles in the Soviet press describe the court trials in which members of such groups have been tried and sentenced for allegedly corrupting Soviet youth by teaching them religious practices.

The Soviet Government has denounced the excesses and "crimes" of the Stalin era, but at no time has there been any increased tolerance of religion in domestic policy. Furthermore, in the past year or two there have been growing indications of an active, anti-Semitic bias which have made the Soviet Jews apprehensive for their future. Official Soviet spokesmen nevertheless, consistently deny the existence of any anti-Semitic bias in Soviet policies.

While the amount of pressure on the Jewish community varies from time to time, official and unofficial reports are in agreement that anti-Semitic prejudices persist among the people of many areas of the Soviet Union. Some of these prejudices can be traced back to the czarist era of Russian history. While all observers agree that Soviet Jews are being place under increasing restrictions with regard to religious worship, the U.S. Government has no information indicating that Soviet Jews fear physical persecution of the type of magnitude which was directed against them during czarist times or during the immediate postwar period under Stalin.

There is no doubt that Soviet press reports and commentary concerning some of the economic trials have been written in such a way as to emphasize the Jewish identity of some of the defendants, an emphasis which would not escape the attention of Soviet Jews or of those elements of the Soviet citizenry which retain strong anti-Semitic prejudices. In the recent past, Soviet press coverage of economic crimes has indicated that Jews are being sentenced, often to death, in disproportionately large numbers. At the same time, other population elements, including non-Jewish Communist Party members and public officials, have figured as defendants in trials for economic crimes and have received the extreme penalty. The best speculation as to official motives in publicizing these economic crimes is that the Soviet Government wishes to frighten potential economic "criminals" by the harsh deterrent penalties while deflecting adverse public reactions to the harshness of these sentences by playing upon the anti-Semitic sentiment that exists in the population. There is no evidence that the authorities intend to incite the public to acts of anti-Jewish violence. Rather, they seem to be using popular anti-Semitic sentiments for their own purpose.

Judaism is one of the 11 recognized religious sects in the U.S.S.R. and fares better than nonrecognized groups, especially those such as Jehovah's Witnesses which espouse pacifism. However, Soviet Jews have not been permitted any sort of national or provincial organization secular or religious, such as other nationality groups and the recognized religious sects have had. Each synagogue struggles along on its own. The number of synagogues is being quietly reduced. Press treatment of synagogues, and of references to Jewish identity generally has almost always placed them in an unfavorable context. Worship is circumscribed not only by the paucity of synagogues and rabbinical training, but by restrictions affecting traditional foods and customs.

Jews are treated as a nationality, regardless of religious practice, and the nationality listed in their identity documents is that of "Jew." Their distinctive language activities and community institutions have now been reduced almost to zero, unlike those of other national groups. Any more than the present minimal level of Yiddish-language activities is discouraged. The territorial Jewish "homeland" projected in Birobijan is an admitted failure. There is strong pressure toward assimilation, and a marked assimilation in practice; yet the compulsory nationality label remains.

Jews are well represented in the artistic and scientific professions, and are relatively numerous in the middle levels of the economic hierarchy. But they have lost the strong position at top levels of the party that was held after the revolution, and are virtually excluded from sensitive areas of the bureaucracy and the army. Their relative position in the professions is certain to fall as more non-Jews become qualified with the spread of education. Jews probably have a higher average income than other groups, but it is something of a disadvantage for individuals of given career potential to be Jewish.

The existence of Israel renders Soviet Jews vulnerable to official attack on grounds of divided loyalty; emigration is forbidden. They are also suspect for having ties with Western Jewry, and contacts with foreigners are discouraged.

While the Department of State has no basis on which to assess authenticity of charges made against either Jewish or any other defendants in these trials, the publicity given such trials would surely buttress already existing anti-Semitic prejudices through the association of identifiably Jewish persons with alleged criminal violations.

There recently has been a decline in such publicity, although the number of Jewish names among those reported as sentenced remains disproportionately high.

Regarding possible remedial action on behalf of Soviet Jews by the U.S. Government through diplomatic channels, the Department continues to believe that formal U.S. Government representations to the Soviet Government would not be in the best interest of Soviet Jews. These representations could in fact antagonize the Soviet Government to the detriment of Soviet Jews. In the past, the Soviet Government has often accused Soviet Jews of susceptibility to subversive foreign influences and of being agents of foreign states, most particularly of the United States and Israel. It hardly would be to the interest of Soviet Jews for the United States to take actions which would seem to lend credence to this charge. Formal actions by the U.S. Government or its official representatives could have this unfortunate result and also lose in effectiveness because of the tendency in many areas to dismiss U.S. moves involving the Soviet Union as motivated primarily by cold war considerations.

Where feasible, the U.S. Government can and does support moves designed to bring about an improvement in the lot of Soviet Jewry, reduce the negative pressures on their religious life, and restore their opportunities to enjoy their rich cultural heritage. The situation of the Jews and other minorities in the Soviet Union is a subject of continuing concern to the U.S. Government. Within the inherent limitations mentioned above, the Department will continue to work for an improvement in the life of the Jewish people of the Soviet Union.

Appeals by private organizations and individuals to the Soviet authorities are believed most likely to bring about a change in Soviet policy affecting Soviet Jews. Such appeals might heighten the Soviet Government's sensitivity on this subject and encourage a decrease in its mistreatment of these unfortunate people.

Since the fate of Soviet Jewry is of concern to the world community, serious thought might be given to a united appeal of private organizations representing worldwide Jewry and, if possible, other religious groups.

FEDERAL PUBLIC HOUSING AND URBAN RENEWAL PROGRAMS

Mr. BAYH. Mr. President, in recent months there has been an increasing attack on the use of Federal funds for public housing and urban renewal purposes. The U.S. Chamber of Commerce, for example, has advocated that local chambers should oppose communities accepting such aid. An editorial which appeared last Sunday in the South Bend Tribune pointed out the ineffectiveness of this type of approach. Because this editorial raises a question which is worthy of serious consideration, I wish to call it to the attention of my colleagues and ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Barking Up Wrong Tree

The U.S. Chamber of Commerce contends that the Federal public housing and urban renewal programs have the effect of taking from the poor to subsidize the rich. Accordingly, it has urged local chamber of commerce units to go on record in support of local responsibility for public housing and renewal projects.

Whatever may be said of the virtue of self-reliance, it is hard to subscribe to the theory that local communities should turn their backs on Federal assistance when it is available.

The only result of a refusal by South Bend, for instance, to accept Federal assistance for a local project would be to make more money available to cities which reject the chamber of commerce local-responsibility concept.

If the chamber of commerce really wants an end to federally assisted public housing, urban renewal and perhaps other things, it ought to concentrate its efforts on Congress. It is doubtful that it will get to first base advising local communities to reject Federal aid as long as Congress goes on making funds available.

Call it taking from the poor to help the rich or whatever you please, this is the way it is.

Those who would have South Bend renounce Federal assistance for worthy public works, including public housing if the need is clearly demonstrated, aren't facing up to realities. For the truth is that as long as the Federal funds are made available they will be spent somewhere in the United States. As Federal taxpayers, the people of South Bend surely are entitled to a fair share in the allotments.

Would anyone suggest today that the people of his community should reject Federal road construction help when it is available? The principle is the same.

A COMMITMENT TO DEMOCRACY

Mr. CURTIS. Mr. President, the Congress is under attack from many quarters. There are those who clamor for so-called reforms and changes in the organization and operation of the legislative branch of the National Government.

As a member of the Rules Committee, I have had ample opportunity to review and study many of these suggestions. Some have merit; most do not.

One of the most thoughtful discussions of this problem is contained in an address by my colleague, Senator Hruska, to a University of Nebraska Convocation in Lincoln on February 13. I ask unanimous consent, Mr. President, that excerpts from Senator Hruska's well-reasoned remarks be printed in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

A Commitment to Democracy

(Excerpts from the remarks of Senator Roman L. Hruska, University of Nebraska, February 13, 1964)

One can turn in any direction these days and see government on trial. I do not limit myself to democratic forms of government, although that is what concerns us most. Man seems to be losing his struggle to live in a stable society, protected in his personal rights and free to further his individual interests, as mobs take matters in their own hands.

Perhaps too much was expected too soon of the newly formed nations carved out of the great colonial empires of the 19th century. The reports from across Africa and southeast Asia would dishearten the incorrigible optimist as government after government topples or teeters on the brink of anarchy. The tide of rising expectations, as Governor Stevenson described the times, is ebbing.

More disappointing, perhaps, is the pattern unfolding in our own hemisphere, where nations endowed with strong constitutions are endangered by philosophies alien to their soil. We have taken a special interest in these nations, flattered that they found our system of government most to their liking. Although our cultures stem from different sources, our relations have been particularly close as, indeed, we have sought to form an Alliance for Progress.

These countermovements are not the exclusive concern of professional diplomats. The tremors of parliamentary crises reach out and affect the stability and progress of all governments, and involve the security and prosperity of mankind. We need only to recall the bold headlines in our daily newspapers to realize how deeply our Nation is drawn into international affairs and how dangerous can be such developments.

A trainer plane strays into East Germany and three American lives are lost. An American flag is hoisted over a public high school in Panama and four American soldiers are dead. American teachers are expelled from Ghana and American families are evacuated from Cyprus. Meanwhile American casualties continue to mount in Vietnam.

As was written by Thomas Paine in our own Revolutionary period, these are the times that try men's souls. Government as an institution is on trial and established procedures for assuring law and order are under terrific stress. It is difficult enough to witness such events transpiring in other lands and to wonder what is their meaning. To be the victim of such transgressions ourselves magnifies the problem.

We have this aspect, as just one, to consider. Whether other nations are committed to, and capable of, protecting their sovereignty and system of government, we are. Whether other nations care and show concern for the liberty and security of each individual citizens, we do.

In the face of those American lives that were lost and the safe conduct that is jeopardized, we are hard put to listen to voices urging restraint and reason. If our system of self-government is being so tried by such forces, we stand ready to defend. Confronted by flagrant acts of aggression, we are sorely tempted to wield that big stick which is poised to knock out any force threatening our freedom. It is natural and understandable to wonder why we should be the fall guy for the fiascos of other nations and why, all the while, we are called upon to risk our lives and expend our treasure in their behalf.

To pursue this point further, perhaps the answer is found in part in the alternatives we face. It is a truism to observe that the world is constantly shrinking. Where before natural boundaries and an inevitable lapse of time insulated us from the repercussions of holocaust abroad, they no longer can today. Missiles move in minutes, messages in seconds. What now happens abroad has a virtually instantaneous effect at home. The heritage of two world wars, a Korean conflict, and a Cuban crisis in the living generations perhaps has brought a shattering of confidence in government and a consequent unleashing of forces that may bring down civilization itself.

If this is a true appraisal, there was never a greater urgency to recommit ourselves to the rule of law. Current events the world over portray the tragic consequences of government paralyzed by civil disorder. Human aspirations as basic as the desire for enough to eat and for a decent place in which to live are trampled underfoot. Individual dignity is forfeited to the fortunes of war. Certainly, most of all, the opportunity to devise institutions and procedures to secure the blessings of liberty vanishes as the people sink into a state of subservience.

For those whose full-time occupation is centered on our system of self-government, as is mine, this commitment to the rule of law is not doctrinaire. I do not propose that our method is the millennium. We know well enough that any system cannot be transplanted to all political environments. Regardless of the particular form adopted, however, what is essential is that the roots of responsible government take hold. We cannot escape history. A government of laws based on a recognition of the principles of social justice and of the interdependence of rights and responsibilities is indispensable to the maintenance of ordered liberty.

Yet there is a growing doubt sensed and shared in the world today over the obsolescence of such ideas. From the pressures placed upon mankind, it would seem that the world is impatient for 1984. A pattern of endless repetition indicates that the progress of too many nations may be secured through the force of a strong man or group of men, who seize power by violence and exercise control through force of arms. Disagreement with their methods brings swift reprisal. The rest is familiar knowledge.

Challenged by such fierce but false doctrines, let us renew our commitment to democracy. Let us never lose sight of the fact that man was meant to be free. Let us rather practice and proclaim on these shores and across the seven seas our belief in the dignity of the individual and the propriety of free institutions.

In our struggle to preserve freedom, which I perceive will not end in my lifetime nor in yours, there is still time to ask ourselves how well we are abiding in the concept of ordered liberty among our fellow citizens and ourselves. Fundamentally, does this not call for an exercise of self-restraint, utilizing to the full extent the traditional procedures of the courtroom and the deliberative procedures of the Congress. The rights of free speech and to petition one's elected representatives are the great weapons of liberty, but the manner in which they are used may spell the difference between democracy and mobocracy.

At the crossroads where our Nation now stands, we may ask what price is paid for an impatience with progress that downgrades the legal procedures by which sure progress is won. Should we not hear the bells toll when our court system is under attack, when bias or prejudice is imputed and when disparaging remarks are made about decisions instead of pursuing an appeal in one form or another. Isolated incidents of this kind would not be disturbing or even worth mentioning, but a repeated pattern which captures popular fancy and leads to reckless efforts to curb the courts can jeopardize freedom.

Closer to home, attacks on the Congress are as old as the institution itself. Placed in perspective, most of them can be accepted as an occupational hazard. I can assure you they never go unheeded, however often they come, if only to find a grain of good sense that might apply.

However, a virulent strain has recently developed which challenges the function of the Congress and denies its rightful role. Its precedents and procedures become causes for alarm and despair as if by definition nothing efficient and expeditious can possibly be done in such an institution, measuring its success by those criteria alone.

There is a danger in such a frame of mind. The Congress is peculiarly—and, in a growing nation, increasingly—the instrument of the people. Here is where they have direct access to their Goverment to make it move or, at least, respond. Here is where they can press their petitions and seek appropriate relief. None in Congress is so busy he has no time to see those he represents. None is so sheltered or secure that he cannot be bothered. Through the ballot box the power is kept close to home and the elected representatives do not stray far or for very long.

It would be foolhardy to profess that the Congress has no imperfections or could not benefit from any reforms. Obviously it has and just as obviously it can again. But not all proposals which sail under the flag of reform serve that cause. Indeed, many would destroy or diminish legislative power. The Congress today is undergoing one of its severest sieges There is an articulate school which believes that the Congress meddles in too many things. It follows, by that logic, that congressional power should be cut down or, preferably, transferred.

To be sure, the campaign has no intention of immobilizing the Congress. Moreover, their arguments have a veneer of respectability. Government has grown large and the needs of the people are diverse. Their problems are unpredictable and frequently urgent. Legislative action takes the longer view. To get a bill enacted requires time and runs many hazards. The steps are well known. As one whose business it is to steer legislation over the course, I will testify that it is not easy. Those who are frustrated by that thought fail to see the good reason for that course. Bills tested by crosscurrents of public exposure and flood rebate season in the process, and only those which demonstrate public value survive. Realizing the general applicability of its actions, what better gage is there?

To downgrade the legislative process because of its deliberative character endangers our system of self-government. Again, the alternatives make this clear. One proposal currently advanced is that the Congress turn over its lawmaking duties to the Chief Executive and exercise a veto power if there is disagreement with his decisions. Another proposal calls for the Congress to relinquish its independent role and ratify those well considered recommendations which are regularly sent to Capitol Hill.

Under either method how long would it be before the rule of law would become a thing of the past? Following a century and a half of colonial experience, a system of government was devised which in theory and practice has assured the people that it will be they who determine the destiny of their Republic.

The changing times have not made that concept obsolete. The Constitution is as viable today as when it was formally ratified. With no pretense of being a perfect instrument to govern the affairs of men, it has assured a more perfect union. Measured against the great movements of our history, the machinery has rarely failed. Due in large part to the remarkable foresight and ingenuity of those who drafted the document, "strong men"—whether an individual or a group, whether through economic or political sanctions—have never gained control and manipulated the forces of government.

To honor our commitment to democracy, we must fix firmly in our minds the first principles through which our Government performs and hold them inviolate. Against the countervailing pressures of 190 million people, we must perceive and preserve the logic of those fundamental doctrines of separation of power, of distribution of power among the several strata, and of reservation of undelegated power in the people.

Asked what the Constitutional Convention had chosen for a new form of government for the several States, Benjamin Franklin replied, "A republic if you can keep it. I do not minimize the dangers that face it in these troubled days. Nor do I despair for its survival. But it will take a citizenry sensitive to the delicate mechanism of democracy, which has demonstrated its stability to withstand the most turbulent times but which is, nevertheless, capable of destruction. With the vested interest we, the people, have in its preservation, it is now time to renew our commitment."

BLUNDERS IN DEALING WITH RUSSIA

Mr. THURMOND. Mr. President, I have been very much impressed with an Associated Press news article which attempts to summarize the highlights in what appears to be a most interesting new book by Mr. Robert Murphy who held key State Department positions under three Presidents. The book is entitled "Diplomat Among Warriors" and is being published by Doubleday & Co. in New York City.

I particularly commend this book to all Members of the Congress and especially the Senate, where we are charged with certain responsibilities in the field of foreign relations, and also to every member of the State Department and all others in the executive branch who in any way affect the formulation of U.S. foreign policy.

In reading this article, Mr. President, I find myself in complete agreement with many points Mr. Murphy has made, particularly his observation that "there are those in places of influence who have convinced themselves that a cooperative understanding with Moscow and even with Peiping can be arranged." This, Mr. President, is the primary consideration on which our foreign policy decisions turn, as was pointed up yesterday in a speech by Secretary of State Dean Rusk, where he put special emphasis on the possibility that the Communist leaders and their countries may evolve into peaceful Socialists. I ask unanimous consent, Mr. President, that this AP article from the February 21, 1964, issue of the Greenville News, of Greenville, S.C., be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Ex-Diplomat Says U.S. Made Costly Blunders in Dealing With Russia

Washington.—Robert Murphy, a top diplomat under three Presidents, says the United States has made a costly series of blunders in dealing with the Soviet Union.

In a book to be published Friday he suggests the United States should develop a sterner policy line.

Recalling that, in its early days, America preferred fighting pirates rather than bribing them, Murphy describes such a policy as preferable to the recent easy procedure of our Government in buying off Cubans and Russians.

He also says that, in the case of Cuba's Fidel Castro, "most Americans are dismayed at the willingness of U.S. Government to barter with and pay ransom to a hostile, sawdust dictator."

The United States last year ransomed hundreds of survivors of the abortive Cuban invasion of 1961.

Murphy's book, "Diplomat Among Warriers," running through 458 pages in 40 years of history, constitutes one of the most sweeping collections of criticisms of U.S. policy in World War II, the Korean war, and the East-West cold war so far made public by a man who was in on most of the secret plans and many of the top policy decisions of those fateful events.

POLICY QUESTION

The criticisms pose a major policy question for the future, because most of them are derived from Murphy's conviction that on too many occasions the United States has not been prominent in calling a Communist bluff. Nor does he feel that this country has been determined enough in insisting on its own interests, or ready enough to risk a showdown even at the cost of war.

Murphy suggests that the United States is periodically misled by Soviet drives for peaceful coexistence. He described that as a moldy Lenin doctrine employed by the Kremlin to obscure its aggressive threats and pressures in various parts of the world.

"Even today," Murphy says, "there are those in places of influence who have convinced themselves that a cooperative understanding with Moscow and even with Peiping can be arranged."

Murphy served as top U.S. diplomat in occupied Germany after World War II following up his work as chief diplomatic adviser to Gen. Dwight D. Eisenhower when he was Supreme Allied Commander in Europe during the war.

Subsequently Murphy was Ambassador to Belgium and to Japan. He became Deputy Under Secretary of State in 1953, Second Under Secretary in 1959, shortly before retirement. As Under Secretary he was, during those 6 years, the foremost professional diplomat in the State Department.

His book takes its title from the fact that much of his career was spent in close association with U.S. military officers. The book is being published by Doubleday & Co., Inc., of New York.

CALLED BLUNDERS

Among actions which Murphy brands as blunders or mistakes, he mentions President Eisenhower's decision in May 1960 to take personal responsibility for the U–2 reconnaissance plane flights over the Soviet Union. One of the planes had been shot down on May 1 and the pilot taken prisoner.

Murphy says Eisenhower's action gave Premier Khrushchev a pretext for taking offense, for canceling the big four summit conference and for calling off a scheduled Eisenhower tour of the Soviet Union.

The former diplomat considers the loss of the Eisenhower tour a blow to U.S. aims at that time for making a great impact on the Russian people.

Murphy is sharply critical of the failure of the United States and Britain to get comprehensive written agreements with the Soviet Union covering their rights to access across East Germany to Berlin. He also argues that when the Soviets blockaded Berlin in 1948, the United States made a major error in not challenging the Soviet action with force.

The Berlin blockade, Murphy writes, provided one occasion "in my long career where I feel I should have resigned in public protest against Washington's policy." He brands the Berlin airlift, by which the U.S. Air Force kept the blockaded city alive, as a deceptive victory and said the U.S. failure to call the Soviet bluff led eventually to the Communist North Korean attack on South Korea in 1950, about a year after the Berlin blockade was broken.

"I still deeply regret," Murphy writes, "that I was associated with an action which caused Soviet leaders to downgrade U.S. determination and capability and led, I believe, to the subsequent Communist provocation in Korea."

As Murphy sees the history of the cold war, the U.S. attitude started with President Franklin D. Roosevelt's grand design which called for United States-Soviet cooperation through the United Nations to preserve world stability and peace after World War II.

COMPARISON OF U.S. CONSTITUTION AND UNITED NATIONS CHARTER

Mr. THURMOND. Mr. President, I am pleased to call to the attention of my colleagues a prize-winning essay written by Miss Margaret Merrill, who I am informed is a former South Carolinian, now residing at 3 Ringbit Road, Rolling Hills, Calif. The essay is entitled "A Comparison of the U.S. Constitution and the United Nations Charter," and presents some very interesting points which concern me and should be of concern to all Americans who are more interested in opportunity than Government handouts. I call particular attention to the next to the last paragraph in the essay which reads as follows:

> In summary, it has been shown that the U.S. Constitution has a much longer philosophical and legal history. It is much more clearly and concisely written. The Constitution governs our Nation whereas the charter is the code for the U.N. organization. The philosophy of the Constitution and that of the charter are almost diametrically opposed—the former expressing the belief that the sole purpose of government is protection of individual rights; the latter that the Government must care for every phase of the people's lives as they are not capable of doing it for themselves.

This, Mr. President, is one of the best assessments I have read on the basic principles set forth in our Constitution as compared with the socialist-type philosophy which is permeated in the United Nations Charter.

I, therefore, ask unanimous consent that this essay be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

A COMPARISON OF THE U.S. CONSTITUTION AND THE UNITED NATIONS CHARTER

(By Margaret Merrill)

Two of the most fateful documents in the lives of all the peoples of the world today are the U.S. Constitution and the United Nations Charter. Because of their effect on the lives of everyone, it is important that we have an understanding of them. I shall compare first the background of the Constitution with that of the Charter; and secondly, the documents themselves.

I. BACKGROUNDS

The U.N. Charter has approximately 4 years of written precedent, although indirectly the concept of a world governing body is traceable to the League of Nations and the late 19th century philosophy. Francis A. Thomas, of the American Association for the United Nations, said that the Atlantic Charter, promulgated August 14, 1941, was the first direct link in the chain that formed the United Nations.

Using the analogy of two chains, the first important link for the constitutional chain is the Magna Carta, set forth June 15, 1215. Four other important links in the constitutional and charteral chains are respectively: The Declaration of Independence, July 4, 1776, and the Declaration by United Nations, January 1, 1942; the Continental Congresses and the Moscow and Teheran Conferences; the meeting held at Annapolis in 1786 and the Dumbarton Oaks Conference in 1944; and finally, the Constitutional Convention in 1787 and the San Francisco Conference in 1945. Thus two chains were forged. To what do they bind us? History alone will give us the answer, but, because we are the ones who, of necessity, will mold her, it is important that we understand the documents and the philosophy of which each is, both the expression and result.

The Magna Carta, drawn up by the English barons in protest to the highhanded actions of King John, was the first written expression of feudal law. But the main purpose of the Magna Carta is that of limiting the power of the government in order to guarantee individual rights and to prevent tyranny. The 39th article contains the writ of habeas corpus and trial by jury, the most effectual securities against oppression which the wisdom of man has devised, and the principle that justice is the debt of every government which cannot be paid without rendering law cheap, prompt, and equal.

The concepts expressed in the Atlantic Charter are traceable to Woodrow Wilson's Fourteen Points but even more they are the result of the general philosophy of the late 19th century. Unlike the feudal policy of limiting governmental authority "new liberalism" sought to broaden and strengthen it—only governments are capable of providing the necessary political, social, and economic security and stability. The Atlantic Charter, an agreement between two governments, guarantees mankind the freedom from many things such as hunger, unemployment, etc., but, unlike Magna Carta, it makes no provision for, or even mention of, the freedom to such things as property, life, or choice.

Thus, even in the beginning, one finds not only a time difference in the testing and trying of ideas for their validity in man's relationship with one another—but also a definite philosophical difference.

The Declaration by United Nations and the Declaration of Independence contain, in a sense, the philosophical foundations of the Charter and of the Constitution. The former is a reconfirmation of the Atlantic Charter's principles and philosophy. These governments, in essence, state that the "new liberal" philosophy of a paternalistic government is the best means of solving all problems and maintaining peace. This is, obviously, to be attained by intergovernmental cooperation. The Declaration of Independence, like the Magna Carta, is a document protesting the actions of an arbitrary and tyrannical government. Perhaps the biggest difference is that the Declaration of Independence deals with spiritual, eternal, and moral values. It clearly states that God is supreme and man, His creature, must obey His laws. The Declaration by United Nations is concerned with material, temporal, and social issues and expresses the concept that man is the ultimate authority.

Following the same philosophy as the Declaration of Independence, the Continental Congresses were composed of individuals who risked their lives, fortunes, and sacred honor to secure for their fellow men the right to life, liberty, and property, and to restrict the size and power of government. The Moscow and Teheran Conferences were attended by governmental representatives who, risking nothing by their attendance, declared their intention of establishing as soon as possible an international organiztion to maintain peace and security.

The Annapolis meeting and the Dumbarton Oaks Conference, the fourth links in the chain continued in the same ideas.

The Continental Congress and the San Francisco Conference were composed of the same caliber of men and ideas as their respective backgrounds. The men who wrote the U.N. Charter represented governments, not their friends and neighbors, as did the Constitutional Convention delegates. The chief architects of the Charter itself later turned out to be the representative of our most formidable enemy and an American later convicted of perjury, Molotov and Alger Hiss, respectively. The entire Charter expresses the late 19th century philosophy that man, being irrational, must be cared for and guided by those few select individuals who are rational.

The philosophy expressed in the Constitution is almost diametrically opposed to that expressed in the Charter. The philosophy of the Constitution is based upon the belief that man has the ability to reason and care for himself; that the only reason for government is to protect man's God-given rights and hence the less government the better.

Thus, it is seen that historically and philosophically there is a vast difference between the Constitution and the Charter. In fact, they would seem to be direct opposites.

II. THE DOCUMENTS THEMSELVES

It is interesting to note that the U.N. Charter was written in 8 weeks and is twice as long as the Constitution, which took 4½ months. Coupled with this is the fact that the Charter is technically very poor. It is not well organized and there are instances of bad grammar, the most blatant of which is paragraph 2, chapter 4, article 12. In studying the U.N. Charter one receives the impression that the entire document was thrown together in great haste. The style is very rambling and vagueness in meaning is quite evident. For example, one can read chapter XIII—the trusteeship council—two or three times without being able to decide who would have the final authority in any given situation.

Internal organization of the Charter itself is practically nonexistent as a look at the topical order of the chapters will show. Actually, the Charter more resembles the rules of a club than the laws which govern a nation. Here any real comparison breaks down, for the Constitution is the statement of the laws which govern our Nation while the Charter is the code by which the U.N. organization is run, and there is a vast difference between a nation and an organization.

The U.S. Constitution is almost terse in its grammatical structure and word usage. Each section is expressed as clearly and concisely as possible. For example article II, section 3 says: "He (the President) shall from time to time, give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expendient."

The clear and logical order and expression of the subjects dealt with by the Constitution give evidence of much thought and consideration.

The U.S. Constitution established a republican form of government which had clearly defined powers and definite limits. Its sole purpose is the protection of the rights and freedoms bought with the blood of the Revolution. Structurally, the Government was divided into the legislative, executive, and judicial branches, each having its own specific functions. At the same time, they were so interlocked as to provide effective checks on the power of each other, thus creating a balanced situation in which the rights and freedoms of the individual would not be endangered. The establishment and balancing of these three branches and their respective powers is the major concern of the Constitution and almost everything else is left to the States or to individual responsibility. Designed to do for the individual only what he cannot do for himself without causing chaos, our constitutional Government's only field of action is protection.

The U.N. Charter does not establish any particularly recognizable form of government but rather creates the ruling and subsidiary action bodies of an organization. At first glance, the power seems to be divided between the General Assembly, Security Council, and Secretariat, which might be roughly compared with the House, Senate, and Executive respectively. There is no system of checks and balances to curb the power growth of any one organ. In actuality, the real power is held by the Security Council, which exerts a controlling influence in nearly every part of the entire organization. This body has the final say in any matter under its immediate consideration, and can, if it chooses, step in to arbitrate any situation which it feels could become a risk to international peace and security. As aids, the charter establishes a police force for the Security Council and also gives it the power to take any action—political, economic, or military—thought necessary for the peaceful solution of a situation.

Besides its political activities, the U.N. has many other interests which extend into every phase of human life. Affiliated organs such as UNESCO, UNICEF, WHO, ILO, and the World Court are examples. This activity is a result of the 19th century philosophy which considered the individual as merely a human machine to be manipulated by the rational elite. The charter does not guarantee the individual certain rights as does the Constitution, but merely informs him that the U.N. will seek to make all men economically and socially equal and will insure international peace and security. The right to private property, considered so important by the Constitution, is not mentioned by the charter. Actually, the majority of U.N. members consider private property detrimental to the common good since it permits some to attain more than others, thus violating the 19th century concept of equality.

In summary, it has been shown that the U.S. Constitution has a much longer philosophical and legal history. It is much more clearly and concisely written. The Constitution governs our Nation whereas the charter is the code for the U.N. Organization. The philosophy of the Constitution and that of the charter are almost diametrically opposed—the former expressing the belief that the sole purpose of government is protection of individual rights; the latter that the government must care for every phase of the people's lives as they are not capable of doing it for themselves.

In conclusion, one can see that neither of these two basic philosophies can very well tolerate the existence of the other. Since the individual must live under one or the other in the future, it would seem important for him to examine his beliefs and principles, choose accordingly, and then support his choice.

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PROJECT PRAYER

Mr. THURMOND. Mr. President, I recently had the opportunity to help launch Project Prayer, a grassroots organization designed to mold and crystallize public opinion in favor of an amendment to the U.S. Constitution, to reverse the recent U.S. Supreme Court decisions against prayer and Bible reading in our schools, and to bring a halt to other secularist successes which have been spawned by these Court decisions.

One of the interesting aspects of the Project Prayer movement is the tremendous support being given to this cause by so many movie personalities in Hollywood. One of these is Miss Rhonda Fleming, who serves as national cochairman of Project Prayer. Miss Fleming is not only one of Hollywood's talented actresses, but she is also a lady of outstanding character and intellect.

I have had called to my attention an article from a California publication which points up the dedication of Miss Fleming to the Project Prayer movement, and is also contains the names of others in Hollywood who are likewise devoting much of their efforts in behalf of Project Prayer. This group includes Lew Ayres, Mary Pickford, Gloria Swanson, Pat Boone, Walter Brennan, Dale Evans, Rhonda Fleming, Glenn Ford, Johnny Grant, Coleen Gray, Connie Hines, Victor Jory, Raymond Massey, Terry Moore, Ronald Reagan, Ginger Rogers, Roy Rogers, Jane Russell, Danny Thomas, and John Wayne.

I ask unanimous consent, Mr. President, that this article from the February 12, 1964, issue of Citizen-News, together with my newsletter of February 24, 1964, entitled "Project Prayer," be printed in the RECORD following these remarks.

There being no objection, the article and newsletter were ordered to be printed in the RECORD, as follows:

[From the Citizen-News, Feb. 12, 1964]

RHONDA FLEMING TO BECOME PRODUCER

(By Hazel Flynn)

Rhonda Fleming, flaming-haired beautiful Rhonda, who is so regular that you instantly say to yourself when you meet her, "she's different." Rhonda is becoming a producer.

She already has her own company, Rockwood Enterprises, and she has acquired 15-percent ownership of Bahama Cinema Films Ltd., which operates the only existing studio facilities on the island of Freeport. * * * Bahama Cinema provides excellent camera, sound, lighting, and other equipment and an airplane for transportation to and from Miami.

Through this company Rhonda will make a musical on Huntington Hartford's lavish new Paradise Island resort. Hartford has given permission to shoot the picture, which will be in color, on Paradise Island.

Rhonda, of course, has done countless other interesting things during her career after being discovered at Hollywood High. She won a "Gateway to Hollywood" contest and then was nominated for the academy for her first film, "Spellbound," with Gregory Peck and Ingrid Bergman.

Thereafter, Rhonda made about 30 successful films but never crashed that coveted academy. Recently she decided to return to singing which she has been unable to do much of during her picturemaking. She made a coast-to-coast tour of night clubs and concert halls, and this tour was climaxed when she sang in the Hollywood Bowl—a Gershwin program.

She has done even more remarkable things than these. She has turned down roles in films she believes are salacious, and has become national cochairman of Project Prayer. That's the movement to get Congress to pass an amendment to the Constitution introduced by Congressman FRANK BECKER, of New York, which will once again permit volunteer nondenominational prayers in public schools and other public places. There is an important provision in the amendment which states "nothing in this bill shall constitute an establishment of religion."

The Becker bill is backed already by 143 Congressmen and 50 Senators, it requires 218 to get it out of committee. After it passes another fight will begin, for it must be ratified by 38 States.

Rhonda told me all about her prayer and other activities recently when we lunched at the Hollywood Derby. As we talked dozens of necks craned and heads turned our way. One timid tourist finally summoned enough courage to ask for her autograph, which she gladly gave.

"A huge group of stars are working for Project Prayer," she said enthusiastically. "There's to be a big rally and show here in Los Angeles at the Sports Arena February 23, starting at 7:30 p.m. The purpose is to tell people how they can help Project Prayer. We already have over 1 million members but we're going to need 15 million or more.

"We must hurry. Do you know why? The American Civil Liberties Union has sent a letter demanding that all chaplains be removed from the Armed Services of the United States. If they aren't removed at once the ACLU will bring suit to force this.

"Imagine poor young boys and men being wounded or even dying in Vietnam, Korea, and other foreign countries and being denied the services of a chaplain. How can we Americans allow ourselves to be thus shoved around by an atheistic minority?"

"I'll never know," I said. "And what I can't understand is why so many fine Americans consent to be part of it."

"We are going to do something." Rhonda's chin set determinedly, "about Project Prayer. I've never made a film which everyone can't see, I'm thankful to say, and I'm not going to start now. When they show me those scripts I just say 'No.'

"Of course, I'm fortunate. I'm financially able to turn them down. Some actresses aren't and have to do nude scenes, etc. I was delighted to see that Dana Andrews, president of the Screen Actors Guild, is trying to do something about that.

"The fact that I'm independent is all due to my business manager, Thom Budde here" (she pointed to the gentleman on her left). "He also manages Joan Fontaine. He has really done wonders for me in just a few years."

Budde and I shook hands. He's a bright-eyed alert chap whose name sounds Scotch but who hails from our own Middle West.

"Rhonda has great courage," he commented. "Believe me, it takes courage to turn down a film which pays $100,000."

"I'm really thrilled about the Paradise Island musical," she continued. "They say Hartford's resort is simply heavenly. It should make a terrific background."

"Rhonda owns citrus groves in the Indian River section of Florida," Budde confided, "interests in high rise office buildings on Wilshire Boulevard, Los Angeles, a 2,000-acre ranch near Perth, Australia, which is farmed, and a sizable interest in Valley Music Theater to be located on Ventura Boulevard, in the West Valley. Other investors are Bob Hope, Art Linkletter, and Ed Pauley.

"She doesn't go in much for stocks but she does own some blue chips and good bonds. She also owns a house in Bel-Air and a lot of land in the La Quinta area of Palm Springs which she's had for 10 years."

"All sorts of things are looming," Rhonda divulged, her eyes sparkling. "I just finished 'Instant Love' with Rosanno Brazzi, a story about a coffee plantation in Brazil. We shot in São Paulo.

"What next? There's a possibility that I may do 'The Sound of Music' for 20th Century-Fox * * * and I've been offered 'Baker Street' the musical version of the life of Sherlock Holmes on Broadway.

"I also plan to start my own travel agency and take people on personally conducted tours of the Orient and elsewhere.

"But my most pressing problem is Project Prayer. Sam Canvar heads it. His address is 1717 North Vine, Hollywood.

"Roy Rogers and Dale Evans belong as do the Shipsteds, Randy Stewart, Danny Thomas, John Wayne, Lou Ayres, Pat Boone, Nancy Davis, Johnny Grant, Colleen Gray, Victor Jory, Bryan Keith, Terry Moore, Ronald Reagan, and hundreds of others, directors, writers, and stars.

"Ezra Stone will direct the big show in the Sports Arena February 23. Hope you'll be sure to be there."

How can you say "No" to a wonderful person like Rhonda, who has made such tremendous enthusiasm for doing good.

All this and a fine actress and singer too. Isn't she amazing?

Project Prayer

(Newsletter by Hon. Strom Thurmond, February 24, 1964)

Prospects are becoming increasingly bright that either the House or the Senate, or both, will come to grips this year with the question of whether the U.S. Supreme Court decisions against prayers in the schools will be permitted to stand without change. There is a tremendous groundswell of grassroots opinion against the Court rulings and the increasing tide of secularism which these rulings have spawned, and there are a number of receptive ears on Capitol Hill.

Since the Court decisions against prayers in 1962 and 1963, the small minority which would take God out of our national life has stepped up the campaign to secularize America. Under attack now are the pledge of allegiance, the national motto, the national anthem, the use of chaplains in the armed services, and even the tax exempt status of churches and religious organizations. Already ruled out in some places are the singing of "America" because of its reference to God in the fourth stanza, the singing of Christmas carols and the display of Christmas trees in some New England classrooms, and the recitation of this simple grace by schoolchildren "God is great. God is good. Let us thank Him for our food."

These moves to make our Nation "neutral toward God," as decreed by the Supreme Court, are already being blunted in part by the grassroots reaction against turning America into a godless nation. Letters, telegrams, and petitions have been pouring into Washington from all areas of the country requesting that the Congress act to stop the secularist drive and reverse the Court decisions.

The most effective action the Congress can take to stop the secularist successes is to approve and submit to the States a proposed amendment to the Constitution. However, this is a difficult course to pursue because to legally amend the Constitution requires an affirmative vote in both Houses of the Congress by a two-thirds majority and then ratification by three-fourths of the States. Such action is necessary, however, in view of the present attitude of the Court, which even vetoes the idea of placing the national motto, "In God We Trust," in the Court chamber as is displayed in each House of the Congress. Unfortunately, the present Court presents to the secularists and socialists the easy way to amend the Constitution. This is the same device which the NAACP employed after Justice Felix Frankfurter suggested that instead of trying to go through the Congress or the people that the NAACP lawyers execute an end run around the constitutional processes and win their way through a Court interpretation of the Constitution.

Pending in both the Senate and House Judiciary Committee are many resolutions proposing amendments to the Constitution to reverse the court decisions against prayers. In essence, these proposed amendments provide that nonsectarian prayers in schools, where those not desiring to pray are excused from doing so, do not constitute an attempt to establish religion in violation of the first amendment to the Constitution. Some of these resolutions also state that "nothing in this Constitution shall be deemed to prohibit making reference to belief in, reliance upon, or invoking the aid of God or a Supreme Being in any governmental or public document, proceeding, activity, ceremony, school, institution, or place, or upon coinage, currency, or obligation of the United States."

Recently I had an opportunity to participate in launching a nationwide movement to marshal and mold public sentiment for winning approval of such a proposed amendment to the Constitution. The name of the movement is Project Prayer with headquarters at 1717 North Vine Street, Hollywood, Calif. Serving on the board of directors of this organization are a number of prominent Americans including these movie personalities: Walter Brennan, John Wayne, Ronald Reagan, Roy and Dale Rogers, and Rhonda Fleming. A disabled war hero, Sam Canvar, is executive director of Project Prayer.

A recent Gallup poll showed that more than 70 percent of Americans questioned endorsed the idea of prayers in our schools. If this is correct—and if anything it is probably a low figure—there is sufficient public opinion to get the Congress to act to stop this drive to make our Nation neutral toward God. This opinion, however, must be crystallized and expressed to the Congress with an overwhelming show of strength if Project Prayer is going to be successful in the Congress this year.

CONSTITUTIONAL RIGHTS

Mr. FONG. Mr. President, today I received as a member of the Committee on the Judiciary a letter from Mr. Sidney Zagri, legislative counsel for the International Brotherhood of Teamsters, requesting that its contents be brought to the attention of Congress.

While I have no personal knowledge of the matter, the letter raises questions of the possibility of the infringement of the constitutional rights of a defendant.

I have transmitted the original copy of this letter to Senator Sam J. Ervin, Jr., chairman of the Subcommittee on Constitutional Rights, of which I am a member, for such action as may be deemed appropriate.

Since matters of constitutional rights are a concern to every Member of Congress, I ask that the text of a copy of the letter be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America,
Detroit, Mich., February 26, 1964.

Hon. Hiram L. Fong,
Member, Judiciary Committee,
U.S. Senate,
Washington, D.C.

Dear Senator Fong: I am writing you this letter because of your long and distinguished record and interest in defending the civil liberties of the individual against unconstitutional encroachments by the State. Certain events which have occurred in the prosecution by the Government of James R. Hoffa and codefendants in the current trial in the Federal court, Chattanooga, Tenn., raise serious questions as to the administration of justice in the United States. The Department of Justice has a responsibility to observe the constitutional rights of the defendants and as an arm of the court is obliged to protect the defendants' rights to a fair trial under the due process clause of the fifth amendment and the fair trial guarantees of the sixth amendment of the Constitution.

The defendant has alleged violations of these rights and offered evidence in support of such allegations which have been uncontroverted by the Department of Justice.

Further the Government admits that—

1. It has conducted constant and unremitting surveillance of the defendants, their counsel, and witnesses since the opening date of the trial until February 8, 1964, when defendants' motions and offer of proof were presented to the court;

2. The Government admits it employed an informer, who used his position of confidence and trust with the defendant Hoffa to spy on his activities in the defense of a prior criminal prosecution;

3. It deliberately avoided taking contemporaneous statements of witnesses and subsequently prepared summaries of narrations of the original statements, which had the effect of circumventing the Jencks Act.

SURVEILLANCE BY FEDERAL AGENTS OF THE DEFENDANTS, THEIR COUNSEL, AND WITNESSES

It has been alleged and evidence offered to prove that Hoffa and his codefendants, their attorneys, and witnesses have been under almost continuous and repeated surveillance from the time that this trial commenced until February 8, 1964. The Government not only does not controvert these allegations but admits to the surveillance charges.

Such activities by Federal agents included surveillance of the hotel where the defendants and their lawyers were staying; of communications by shortwave radio of the whereabouts and movements of defendants and their counsel; of the following of such movements in automobiles, and of the invading by a U.S. marshal of the defendants' headquarters while defendants were in trial.

Positive proof of these allegations is attached hereto in the form of a transcript of radio communications, carried on by electronic equipment, of a vast network of conversations of individuals. These conversations are identified, as that of "U.S. Government agents and that their conversations were coded in great part," and decoded by one Bernard B. Spindel, an electronic technician specializing in detection of listening and/or monitoring devices and other means of such surveillance as wiretapping, shadowing, and eavesdropping. His affidavit is attached herewith.

The motion charging surveillance by FBI agents, Walter Sheridan, and the U.S. marshal is supported by photographs of FBI agents sitting in automobiles near the courthouse and the hotels, speaking into a microphone, transcript of which indicates reports of the movements of Hoffa, his lawyers, and witnesses; photographs of FBI agents following the defendant and his attorneys; of the U.S. marshal being caught in the defendant's hotel tampering with the defendant's defense materials including briefs and records in files; viewing of the defendant's movements through the use of binoculars from the windows of rooms in a building adjacent to defense headquarters.

Surveillance has affected intimidating witnesses who might come forward with evidence for the defense.

Further, that one of the purposes for the requirement of a public trial is that there is a reasonably good possibility that persons unknown to parties or their counsel by having knowledge of the facts in issue may be drawn to the trial. (*Tanksley* v. *U.S.*, 145 F. (2d) 58; and *U.S.* v. *Konli*, 172 F(2d) 919.)

What persons having knowledge of facts that might be helpful to this defendant would come forward and give information to the accused under the circumstances described above?

He would know, from the publicity given the surveillance of this case that if he contacted the accused or the accused's counsel, he would be immediately under the surveillance of the Government's agents with the likelihood of inquisitorial interrogations by employees of the U.S. Government, who are under the direction of the Attorney General of the United States, who has publicly in both written and oral statements stated his hostility toward the defendant Hoffa. The controlling vice in this situation is the tendency that such surveillance has to silence a person who would otherwise speak.

DEPRIVATION OF DEFENDANT'S RIGHT TO COUNSEL

The right of an accused to assistance of counsel means effective assistance of counsel which includes aid of counsel in "untrammeled and unimpaired" consultation investigation and preparation for the trial. (*Krull* v. *U.S.*, 240 F. (2d) 122.)

The defendants have been deprived of the aid of counsel in investigating the facts; the right to unimpeded communication with his counsel; and the assistance that would come to the defendant had his attorney not been prevented by the surveillance of the FBI of his freedom of action in interviewing witnesses. Attached hereto is affidavit of Harry Berke, defense counsel, who states in part:

"Now I have proof that during this trial I have been under surveillance by agents of the Federal Bureau of Investigation.

"That such surveillance has impeded me in my representation of the accused, that consultations with other counselors, witnesses and the defendant have had to be conducted in an atmosphere of apprehension and fear that our meetings were being watched and that our activities were under scrutiny. This activity on the part of such persons caused me to postpone several conferences previously scheduled with my client."

Here we have a situation where witnesses and defense counsel are being subjected to extraneous influences to which no party in a court proceeding should be subjected. No American citizen should be subjected to a trial in the judicial branch when the executive branch is actively impeding every constitutional right that the defendant has.

EMPLOYMENT OF AN INFORMER BY THE GOVERNMENT IN THE PREVIOUS CRIMINAL PROSECUTION RAISES SERIOUS QUESTIONS OF ENTRAPMENT AND INTERFERENCE WITH LAWYER-CLIENT PRIVILEGE

Evidence has also been introduced in said case of an informer employed by the Government, who used his position of confidence and trust with a defendant, to spy on his activities in the defense of a prior criminal prosecution, who sat in and attended confences between the defendant and his attorneys with the express purpose of reporting the results of his spying to agents of the United States, and which informer almost daily during said criminal prosecution reported and conveyed information to agents of the Federal Government; and that to the dismay of defense counsel, almost daily the Government anticipated defense moves, to the point where the Government attorney, when questioned about how he anticipated defense moves, replied that he was "psychic."

CIRCUMVENTION OF THE INTENT AND REQUIREMENTS OF SECTION 3500, TITLE 18, UNITED STATES CODE—THE JENCKS ACT

It is further noted that in recent criminal prosecutions, suspicions have been raised that representatives of the Government have purposely sought to evade the application of the so-called Jencks statute, by taking statements from witnesses, thereafter destroying said statements after later preparing summaries of narrations of the original statements, and subsequently at a trial representing to the court that there were no such statements obtained and that the narrations which they later prepared are not required by them to be submitted to the defense in accordance with the prescriptions of the statute. Another favorite way of working the requirements of section 3500, title 18, United States Code, is by allegedly taking "cryptic notes" of witnesses' statements, which notes are not available for production to the defendants under the Jencks Act. Obviously the intention of the Jencks Act is to supply the defendant with statements made by a witness to the Government, for the purpose of cross-examination.

The foregoing practices of agents of the Federal Government are, it is submitted, an improper circumvention of the basic and substantial rights of a defendant in a criminal cause, and a violation of the constitutional rights of a defendant to be fairly tried, to have the effective assistance of counsel, and his rights to due process of law and the equal protection of the law.

I respectfully request that you bring these facts to the attention of the Congress and particularly the members of the Judiciary Committee, so that an observer of the Judiciary Committee may sit in on the trial and report back to the committee, with the possible objective of pursuing a full-scale investigation of the gestapo tactics of the Department of Justice employed in this case.

Cordinally yours,

SIDNEY ZAGRI,
Legislative Counsel, IBT.

THE TRUTH-IN-LENDING BILL

Mr. DOUGLAS. Mr. President, I ask unanimous consent that an excellent editorial from the Edwardsville (Ill.) Intelligencer endorsing the truth-in-lending bill be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE TRUTH-IN-LENDING BILL

Whether the so-called truth-in-lending bill proposed in Congress by Senator PAUL DOUGLAS, Democrat, of Illinois, is considered good or bad depends upon who the person is.

If he is a businessman, particularly one who sells at credit or makes his living by lending money, he would probably oppose it. The bill, as discussed by Senator DOUGLAS at a public hearing last Saturday in East St. Louis, would require certain regulations of persons who deal in credit with the public or lend money and have a service charge or collect interest.

Most businesses which sell at credit or lend money have a fixed service charge or interest rate. In many cases this rate is charged for each month during the tenure of the loan or credit contract.

Senator DOUGLAS points out that a person is not actually paying the charge specified over a year's period, but is paying 12 times that rate, since he pays it for each month.

The bill proposed would require businesses dealing in credit to specify the total service charge over a year's period. Chief opposition at the East St. Louis public hearing came from those having revolving credit plans. They contended that the bill would have them lie to their customers by saying that the service charge would be 12 times the rate specified. They were apparently referring to the fact that under the revolving credit system a customer usually pays a fixed rate each month based on the balance due. Since the balance could decrease each month, the service charge amount would also decrease. However, by the same system, the balance due could be higher from month to month and thus the service charge greater.

Naturally, the businesses affected would be expected to oppose the bill since it would place some restrictions upon their credit charge and interest arrangements. The bill would require them to specify the total annual service charge or interest rate the customer would have to pay.

However, Senator DOUGLAS has received testimony from some persons of their paying exorbitant service charges or interest rates—which turned out to be much greater than they thought they were to pay. This is what the Illinois Senator points to in particular, in contending that such credit operations are dishonest and the need for such a bill as he proposes.

The argument against the measure by the revolving credit businesses does not seem to stand up since there would appear to be no need to specify that the annual charges would be 12 times a certain amount each month, if the balance would be less and thus, the charge less. If this is not provided for in the bill proposed, it should be added. But also, as noted, the annual charge could be more where the balance due went up because of extra purchases under the plan.

The main interest to be considered in determining the value of the proposed bill is who needs the most protection in such credit arrangements. In most cases it is the customer, which is whom Senator DOUGLAS apparently had in mind in proposing the bill. In most cases, the businessman knows what he is charging and will look out for his interest. But the customer (who is still the little man) is not always so sure, since he is not as expert on finances.

Most businessmen are honest, but some apparently are not above being just a little "shady" or, at least not telling a customer something which might prevent a sale or a deal. Which is the reason for bills such as Senator DOUGLAS proposes. It is reason enough, too, why the bill, or one providing similar protection of the public, should be passed by Congress.

CIVIL RIGHTS

Mr. DOUGLAS. Mr. President, I become more encouraged every day that the Senate of the United States will pass a strong and effective civil rights bill this year. The basis of this optimism is the growing support for the rights of man, regardless of race, color, religion, or national origin which is showing itself the length and breadth of our great Nation.

As an example of this concern for human dignity for all Americans, I was visited yesterday by Mrs. Jacob N. Mervis, her son, Jeff Mervis, Mrs. Gloria Shapiro, and Mrs. Sydney G. Crawford, all from Barrington, Ill. This is an area in Illinois which some have said would not normally show great concern with this issue. They brought with them petitions signed by over 5,000 citizens in and around Barrington. A copy of the petition follows:

> We, the undersigned, wishing to convert the sorrow of our Nation into a constructive memorial to the martyred President of the United States, John Fitzgerald Kennedy; and
>
> Believing that there can be no better way to demonstrate our dedication to the principles for which he stood and on which our country was founded than to reaffirm these principles in the most positive way we know,
>
> Now, therefore, urge you to create a living memorial to our late President by promptly passing the civil rights bill now before the Congress.

I want to compliment these fine Americans for their courage and hard work.

LATEX HARD CASH FOR WORLD UNDERSTANDING

Mr. PROXMIRE. Mr. President, it is unusual to find a successful company in business that has dedicated itself to paying hard cash to promote, through advertising, free world unity in our Communist-threatened world. This is a patriotic effort uniquely free from self-interest.

For a quarter of a century the International Latex Corp. and its founder Mr. A. N. Spanel, have presented as a public service an endless stream of constructive editorial-advertisements in defense of the free-world with special emphasis on unity and the variety of means for its rational attainment.

One of these editorial presentations appeared in the Washington Post February 17, 1964 captioned "Sentiment and Politics," authored by the renowned French diplomat, Hon. André Francois-Poncet giving unstinted praise to the generous American people. This illuminating article is prefaced by Mr. Spanel's introduction in which he makes a vital plea for the unity now needed if our way of life is to prevail. The article merits broad readership in the Western world.

I therefore ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[Published by International Latex Corp. in leading newspapers, including the Washington Post, Feb. 17, 1964]

The published French article we are reprinting here brings to mind what we recently had occasion to write in these columns, "Never in the histories of France and the United States have members of their respective Governments heaped such abuse on innocent and bewildered masses of people. Traditional friendships and sacred bonds were desecrated with ugly name-calling, with gross sloganeering, unseemly newspaper diplomacy, quixotic political maneuvering; willfulness and suspicion—these corrosive ingredients of disunity.

"Doesn't Mr. Khrushchev have reason to gloat over our divisiveness? Has he not demonstrated his mounting contempt for our Alliance this fateful year? It will be recorded for future generations that while our world was in peril we bickered; we thereby encouraged the common enemy to harry and bully us at Berlin, and conspire freely in the Middle East, in Latin America, in Africa, in Asia.

"A European statesman proclaimed a century ago: 'We have no perpetual allies and we have no perpetual enemies, our interests are perpetual.' It made cynical Realpolitik for the simpler time. But in today's complex world, threatened by total annihilation, it has become a self-defeating fallacy, because the overriding interests of all free nations are now indivisible. If the common danger be denied, why the bankrupting nuclear build-up? Since it is real, our divisiveness is deadly folly.

"Indeed, we draw closer to the war we are so anxious to avoid by giving Moscow and Peking cause to underrate our strength which is precisely what our disunity continues to do."

It is therefore revealing and heartening to read on page 1 in Le Figaro, a leading newspaper in Paris, a praiseworthy article that pays splendid tribute to the United States and the American people. It is authored by the eminent Frenchman, The Honorable M. André François-Poncet, whose fame as a diplomat, historian and scholar, is worldwide.

There is yet hope for the nations of the free world when enlightened people themselves reach out beyond the dividing walls of their governments to courageously affirm their traditional friendship and kinship.

A. N. SPANEL,
Chairman, International Latex Corp.

[Reprinted from Le Figaro, Jan. 24, 1964]

SENTIMENT AND POLITICS

(By André François-Poncet, member of the Academie Française)

Some readers object to what they feel is my excessive indulgence toward the United States. According to them, I am altogether too eager to follow America in every circumstance, accept its leadership and systematically support its ideas and hegemony. And they think that by doing so I am humiliating France and undermining her independence; they say also, that I am reducing my country to the unworthy status of a satellite.

I confess, in turn, my amazement to discover that there are Frenchmen—too many Frenchmen—who seem to have lost the concept of the enormous debt of gratitude which the free world owes the people of the United States.

After all, twice in our lifetime were England, Belgium and France involved in wars with Germany. Twice did America marshal her troops to cross the ocean in order to come to their aid, though in no way obligated to do so. Twice was her cooperation crucial to us. The first time it was America's occupation of a part of our front that permitted Marshal Foch to dispose the forces by which he achieved victory. The second time, it was America's armies which, united with those of England and the small French contingent, landed on our territory, broke the Atlantic wall, forced the invader to unconditional surrender and freed Europe and Germany itself from Hitler's yoke so that it is fair to say that we owe America the freedoms we enjoy this very day.

Do we realize how much determination and sacrifice, breadth of imagination, untold effort, conviction and boldness it required for American leaders who were traditionally attached to the Monroe Doctrine, to throw themselves into the struggle; and also what courage, discipline and faith it took for American boys from every State, from Wisconsin, Missouri or Oregon, after dangerous crossings, crammed for days in dark ships, to daringly attack and rout an enemy they did not know, on a continent that was equally unfamiliar to them?

I am aware of the (recently expressed) view that in each case. American help arrived 2 years too late. What wicked words! On the contrary, it was a remarkable thing that 2 years were sufficient for a people almost entirely unprepared for it, to create a mighty military organization that determined the victorious outcome of the bitterest of battles.

But the virtues of the United States are not limited to this alone. The conception and execution of the Marshall Plan—whereby, with the Second World War scarcely over, America offered great sums to the warring nations, to friends and former enemies alike, in order to help them rise from their ruins—give ample testimony to a generosity unprecedented in history; and we in France were happy to take advantage of it.

Whatever the United States may have done or may yet do, our sense of loyalty makes it impossible to lose the memory and the recognition of what America did yesterday, for Europe and for us. To bear all of this in mind is a task of honor.

This does not mean that we have a moral obligation to yield to every American whim or wish, or to behave like a docile satellite and to grant her the right to dictate to us or to Europe and the world.

Yet we must remember that when in 1958 a war with Soviet Russia seemed imminent and a treaty between the United States and the threatened nations was signed to cope with that possibility, it was at the express request of these nations that an American general was given supreme command of the coalition.

Moreover, is it fair to assume that America aspires for domination, for hegemony? It would be fairer to think that since they are by far the most powerful and best equipped nation in the world, and aware of the services rendered and may still be called upon to render, America regards herself invested with the supreme responsibility both toward the world and toward world peace; and that this very responsibility gives her the privilege of leadership if not of command.

America wants this to be understood. She acts upon her convictions, often awkwardly, so that despite her good deeds she makes herself unpopular.

It may be regarded by some as a mistake, for example, that she seeks to settle East-West relations in private conversations with Khrushchev. But have we ourselves not settled our relations with West Germany in a very private manner also?

Even so, it is compelling on America's friends to take issue in case of abuse, to point out her errors and to persuade her to correct her attitude. This is the task of diplomacy. But, we must avoid hurting her, or give the impression that we are reluctant to treat her as an ally; or that we are motivated by hostility toward her. It will be argued that this is a matter of sentiment and that sentiment and politics are two distinctly different things; and that true politics are realistic, and that Realpolitik does not concern itself with feelings.

Speaking for myself, I am entirely of the opposite opinion: politics which are not supported by sentiment lack strength and are therefore short-lived. Moreover, the adepts of Realpolitik, generally speaking, have not had much to rejoice over. Historically they have made themselves feared, not loved. And when they fell upon evil times, they found themselves alone.

In common with the United States we have an emotional asset, a capital of friendship, a sacred trust bequeathed to us by history. It would be a grave error to permit this legacy to be lost.

REDBOOK'S RIGHT TO WIN UNDERSTANDING OF FAMILY FARMING

Mr. **PROXMIRE**. Mr. President, the current issue of Redbook tells the seldom related story of the American farmer's plight. Redbook tells the story of Ervin Stadelman and his wife, Jeanne, of South Wayne, Wis., and of the tough struggle this hardworking, efficient farm family has surviving. As Redbook says, the Stadelmans are the cream of American farmers. They produce more and earn more than the great majority of farmers, but their plight is hard indeed.

Mr. President, I commend Redbook as one of the rare magazines printing the tough, hard truth about the farmers' very serious difficulties. The first step toward solving a problem is understanding it. Redbook's article, "Where Can We Go?—What Can We Do?" by Bernard Asbell helps achieve that understanding.

I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHERE CAN WE GO?—WHAT CAN WE DO?

(By Bernard Asbell)

The great myth about the American farmer that we enjoy perpetuating, no matter how much it costs, is the myth that he is still an independent man. Almost everybody keeps saying it, including the farmer, and almost everybody seems to believe it, except the farmer.

"I have the feeling I'm being pushed around by somebody bigger than me, but I don't know who he is," a young farmer told me recently. He was puzzled and tense. Across the room his wife, listening, watching, seemed to be gaging the depth of her husband's strain. Four young children eyed me curiously.

The man, 33-year-old Ervin Stadelman, of South Wayne, Wis., is the kind of farmer who is widely regarded as a national symbol of independence. He has no boss to order him about; no customers to please. He runs what is known as a family farm. He and his wife, Jeanne, milk cows for a living. He feeds his cows corn, oats, and hay that he cultivates himself on 225 acres he rents from his father. Every day a tank truck from the city drives up to his milkhouse and takes every drop; no dickering; no questions asked. Every month the postman brings a check from the milk company in Chicago.

"These farm magazines keep telling me how independent I am. The family farm, they say, is the backbone of America. If the family farm goes down, everything goes down. Yet what am I? I try to be a professional, but to my milk company I'm a statistic. I'm Patron No. 327. When the truck comes to take my milk I don't even know how much I'm selling it for. A month later I find out. It says on the check how much my milk was worth. I can't tell the milk company I want a little more money. They're told the price every month by the Federal milk marketing order. But the Government doesn't set the price either. They just do the arithmetic according to some formula that hardly anybody understands. I could make more profit if I lowered my costs, investing in bigger, better machines. But the credit companies say I have to pay off a new machine in 3 years, even if the machine will last 15. Those big payments kill a small farmer. I don't know who's to blame. I just know if you put them all together—the milk companies, the Department of Agriculture, the marketing orders, the credit companies, even the retired farmers who run the big farm organizations that never seem to get us anywhere—they're all pushing me around. They tell me what to do, how much I collect, who to pay, how fast to pay it. They all have more to say about running my farm than I do."

Stadelman collected about $14,000 last year for his milk. According to the economics of a family farm, that figure should put him on high ground. Yet his wife told me, "When the milk check comes each month and we finish making the credit payments, I'm lucky if I have a hundred dollars for groceries and things for the house."

Erv and Jeanne Stadelman's personal finances should properly remain their private affair, but they have become, in a sense, everybody's business. The Government is spending more than $6 billion a year—$125 in taxes for every American family—to protect the so-called independence of the family farmer. Congressmen who vote these billions point out that every year a million people are being swept by hard times from the farm to the city. And anyone driving through the farm regions of almost any State will see barns and homes empty and abandoned, their cultivated rows of earth blended with those of bigger farms that are getting still bigger. Anyone walking through the slums of the great industrial cities, around the employment offices, the charity centers, the bars, the hospitals, will hear the musically turned syllables of country talk. The hopelessly poor of the cities do indeed come chiefly from the country, from the farms.

But here we encounter a strange case of popular confusion that must be straightened out if we are to see the problem of farmers as it really is. Whenever most of us hear of small "independent" farmers being driven from the farm, we think of families like the Stadelmans. Severe as Erv Stadelman's struggle is, however, he is not the man being run into town. Nor is he even a "small" farmer, as farmers go. Farms like Stadelman's, selling products at more than $10,000 a year, comprise the cream of family farms, the top 20 percent. It is the only group of farms, in fact, that is growing in number. From 1949 to 1959 their number almost doubled, leaping from 334,000 to 648,000.

Most of the rural refugees behind the statistics that are used so deceptively by the farm lobbyists in no way resemble Erv Stadelman. They are long-impoverished mountaineers from the rocky, unyielding soil of the southern Appalachians and the Ozarks, defenders of a 19th-century culture for whom an improbable life has recently turned into an impossible one. And an even larger number are penniless, unlettered Negroes from the Deep South, ousted by new machines from the only work they, their parents or their slave grandparents were ever taught to do—picking cotton by hand.

No Congressman rises to bewail the loss of their "independence." They have no big farm organization to lobby for them. They count for nothing except in the statistics, and even there they are mistaken for someone else. As soon as their vast numbers are misused to scare up money for helping others, they are swept under the national rug. Nobody pries into their personal finances, as reporters constantly do with middle-class farmers; for who cares about a farmer so small that he's not big enough in the Government's eyes even to qualify as a small farmer?

A few weeks ago I visited a Mississippi sharecropper counted by the census as a family farmer—a thin, elderly Negro with balding head and patient, benign eyes. By the hundreds of thousands his counterparts are invading Chicago, St. Louis, Memphis, Detroit, New York, Washington, but he is too old to think of going.

"The landowner, he gives me 12, 15 acres to farm," the sharecropper said, describing the system that is driving his neighbors away. "That's all the cotton two people, me and my wife, can handle by hand."

They had five children, he told me, but one by one they all died. He and his wife are allowed to take a little corner of the land to grow some vegetables for themselves, feed a few chickens, to get through the winter. It used to be they could raise hogs to eat but "the man" won't let them do that any more. He wants the land for cotton.

"After we pick the cotton the man takes it to town and later tells us how much he allows us out of the price he got. He might say he got 35 cents a pound and allow us 20 cents. We plant it, grow it, watch it, chop it, bale it, and then he tells us how much he'll allow us.

"We might say to him, I heard on the radio that cotton was getting 50 cents today. He says, 'Maybe you hear that but your cotton wasn't up to grade.' Sometime he say, "Sure, but I got to pay for my time riding round here taking care of things. Everybody round here knows the big plantations got new machines to plant and pick cotton. There's hardly no people working on those places any more. If we give the man too much trouble, he can just put in one of those machines. So we got to come cheaper than the machine do if we want to stay, I guess.

"No, we got no piece of paper we sign with him. In our kind of sharecropping nobody has a piece of paper. It's whatever the man says, that's what we got to do."

This sharecropper and his wife do better than some people. They average $500 to $700 a year.

"Lots of people only take out two, three, four hundred," he says. "The man knows we don't get enough to live on, so in the winter he lends us some. That way he keeps us from ever leaving. We can't leave if we owe him money."

About 350,000 families—more than a million people—are still farming for earnings that average less than $9 a week and earning an average of only $10 a week in extra jobs off the farm. Those are earnings for one entire family. What keeps them on the farm is not the myth of independence, or a desire to pass on a legacy of the land to their children, or any myth at all. They are lashed to the land by the realities of ignorance. They have no other place to go, nothing else they know how to do.

What can be done to save the 15 million rural Americans from hopeless poverty or to help the independent farmer who has lost his independence? And what does the so-called farm problem have to do—quite literally—with the price of beans?

The story of Erv and Jeanne Stadelman may help us to understand how American farms got into the plight they are in. The Stadelmans met 11 years ago at the University of Wisconsin, got married, and left school to take over the farm where Erv had grown up. As his Swiss-born father had done, Erv concentrated on raising pigs, which were bringing 25 cents a pound, a good price. He had hardly begun, however, when the price began to slip. Before long, hogs were bringing only 18 cents. Jeanne remembers the day Erv herded 10 tons of squalling porkers to market. That night she figured the cost of renting the land, paying a hired man and feeding the animals, compared the cost against the check Erv had brought home and was dismayed to discover they had fattened all those fine porkers for nothing. They had ended up emptyhanded.

That was right after the Korean war. Countries ravaged during World War II had returned to tilling their lands. The farm radio programs, the farm papers, were spreading a strange new word—surplus. American farmers were doing too well at their task. They were producing too much food, more than Americans were eating or exporting. Prices were caving in. The only way a farmer could protect himself was to cut his costs, make his farm more efficient, make his land produce still more. In a desperate attempt to climb out of an airless pit of abundance, the farmer seemed to have no choice but to dig deeper into it.

For the past 15 years America's farmers have felt like the sorcerer's apprentice who had learned how to command a magic broomstick to carry in water but didn't know how to tell it to stop. In 1948 the Federal Government began buying up wheat, rice, cotton, tobacco, and dairy products just to get them out of the marketplace, trying to protect a "fair" price for farmers. In a year a billion dollars in taxes were spent for food and fibers that nobody in the market was ready to buy.

To slow down production the Government began "renting" millions of acres of farmland, paying farmers a fee for not planting them. But the magic broomstick wouldn't stop carrying water. Farmers poured bigger quantities of better fertilizers into less land, and the food flowed in ever-increasing abundance.

Did a billion dollars seem like a lot of surplus in 1948? By 1962 farmers were piling up five times that surplus on less land. Taxpayers were now putting out a billion dollars a year just to store the accumulated food that wouldn't stop coming and that nobody would buy.

When Erv and Jeanne Stadelman realized that they were going broke raising porkers, Erv decided to get rid of them and turn to building a herd of cows. For one thing, the work was pleasanter. But more important than that, the Government was buying surpluses of dairy products, so milk prices were steadier.

By acquiring a herd of cows, Stadelman seemed to aggravate the dairy-surplus problem. Really, of course, the Government had done this by rewarding him, in the form of protected prices, for adding to the surplus. The overabundance grew even worse when Erv, a conscientious man, determined to be the most efficient dairyman he could. By careful breeding he raised his annual output from 7,000 pounds of milk per cow to 11,000 pounds. His herd grew from a few to 40 fine animals.

Erv and Jeanne aimed not only at efficiency but at making life a little easier. They felt both were equally important to survival.

"I don't want Jeanne to be my hired man," Erv says with suppressed anger. "Go into a hospital and see how many farmers' wives have miscarriages and back troubles. Look at their arms. They're as muscular and tough and hairy as their husbands'. They get that way from carrying cans of milk, baling the hay, all the things a hired man does. She's a pretty girl, and I want her to stay the way she is."

Erv did not plan to ruin himself either. All his life he had seen farmers with small tractors trundle across their fields all day, then turn on headlights and labor through the night. That was the mark of a good farmer.

"I know one good farmer near here," Erv told me, "who goes to a chiropractor twice a week for back trouble. His father died at an early age and this fellow says he'll be proud to leave this world the same way, working hard. Almost any night you can see him out there, headlights on, riding his little old-fashioned tractor, plowing. If those are the things a good farmer has to do, maybe I want to be a bad farmer."

To the shock of his father and tradition-bound neighbors, Erv invested 5,000 borrowed dollars in a modern tractor. When Jeanne was in her third pregnancy Erv borrowed more to build a brick milking parlor. Through glasslike pipelines it pumped milk from automatic milking devices to a great stainless-steel tub, called a bulk cooler. No more lifting of milk cans. The sanitary cooler, which Jeanne scrubs down twice each day, qualified the Stadelmans for a grade A milk certificate, which meant a higher price. Payments for the improvements were a severe burden, but they could see better days perhaps 3 years ahead.

Then last summer came a disastrous drought. Corn grew in short, scrawny stalks; the hay and oat harvests were thin.

"Some farmers," Jeanne told me, "fed their cattle less and watched the animals get bony. But Erv couldn't bring himself to do that. He wants his cows sleek, sassy, and fat. If we went out and bought someone else's corn for cash, there'd be no profit in our milk. That's how close our costs are figured. There was only one thing Erv could do. After working for years to build up his herd to 40 good cows, he sold off 15 of them so the rest would have enough to eat. We don't know how many years it will take us to recover from that blow."

I asked Erv Stadelman a question I had asked farmers across the country: With all these frustrations, why stay on the farm? Why not quit, do something with less headache and heartache? His reply was the answer I had expected to hear from everyone, but heard hardly at all.

"I like to see things start fresh," he told me after a moment of searching thought. "When I walk around the farm I like to think of what's under the ground more than what's above it, of what can be done, all the things that haven't begun to grow yet. Something that hits me is walking across a pasture and seeing a little heifer about to be born. Its face is starting to poke out of its mother. You give it a little pull, help it along, and wipe its nose off. It's a new beginning, a starting all over again."

He paused and turned his thoughts in a new direction.

"I see running this farm as a fight to keep from losing," he said, "but I'm not too worried about losing for the reasons you think. If I lose, it won't be because I couldn't hang on but because I got fed up."

Erv Stadelman's answer was one I rarely heard among the farmers I spoke to. He was staying on the farm not because he had to but because he really wanted to.

In Akron, Colo., a wheat farmer's son and daughter, both working their way through college, told me about the severity of last year's drought and how a hailstorm the year before had all but destroyed their father's crop. They didn't know how long he could hang on to his 160 acres. Did the boy plan to take over the farm someday? No, he was going into law. Then why did the father struggle so hard to hold his land? Wouldn't he be better off somewhere else? The girl looked at me, puzzled, almost frightened. "But where will he go?" she asked. "If he leaves the farm, what else can he do?"

That was the answer I heard almost everywhere when I asked, "Why stay on the farm?" I heard it from farmers, heads of their organizations, government officeholders:

"If a farmer is forced off the land, where will he go, what will he do?"

The least-trapped farmer today is a man like Erv Stadelman, who has been to college. He probably could, if he chose to, find a job in the city. The farmers in deepest trouble are those prepared only to water their rows of earth by the sweat of their brows, cultivate with muscle instead of machine. They are trapped not by the land, or by surpluses, or by low prices, even though all these are causing severe stress. Like unemployed coal miners, they are trapped by their lack of education. They are untrained to work anywhere but on old-fashioned farms that the country no longer needs.

"But if the Government stops propping up their prices," a Wisconsin agricultural agent asked me, "are the cities ready to absorb all these people who never held city jobs? Are all these people to go on relief?"

That question, posed constantly by farm authorities, vibrates with ironies. When it's asked, one pictures a vast prairie of once-proud farmers, each riding a tractor, each sadly surveying his 160 or 200 or 240 acres of wheat or corn, each worth tens of thousands of dollars in investment, each a pillar of family independence, but now being taken away like a prisoner. The image plucks the heartstrings of rural Congressmen; coffers crack open and billions pour out. So the farmers do go on relief without ever leaving the farm. Everybody gets some of the money—the well-set middle-class farmer, the not-so-well-set "marginal" farmer, and even lots of millionaire farmers. Everybody gets something except the farmer who inspires the outpouring, the poverty-stricken man who is really behind most of the statistics.

At a meeting of representatives of indigent farmers gathered from all over the South I heard an unimaginative Department of Agriculture official begin his talk by using a stock attention-getter. "The United States," he said, "is the only major power in the world that is beset with the problem of too much food instead of too little."

The sharecroppers nodded respectfully, moaning for emphasis, "Mmmm-mmmh," "Uh-hunh," as they might in the presence of a preacher uttering a profound, though obvious, truth. But after his speech the people took up a more pressing matter. They wanted to know how their towns, their counties, their States, anybody, could get hold of some of those surplus foods—cereals, beans, eggs, powdered milk. Children on their neighboring farms literally were going hungry. The Federal Government was willing to give the food to the needy, but the law requires that a local government transport and distribute it. Many Southern communities, enthusiastic spokesmen for the principle of local initiative, have not taken the trouble. Since the outbreak of civil rights demonstrations, conditions have worsened. Many local governments have implied clearly to Negroes that old-fashioned docility is the price of packages of surplus food.

In Mississippi County, Ark., a rich cotton territory, new harvesting machines have brought such poverty that 27,000 people—40 percent of the county's population—are eligible to receive Federal surplus food. Playing machine against man, plantation owners and local officials have driven wages as low as 30 cents an hour. Surplus food has been a handy tool in keeping wages low. The district's Congressman, E. C. GATHINGS, a member of the House Agriculture Committee, appreciatively related how local officials removed 17,000 people from the food lists "and said to them, 'Until such time as you get out there to help us harvest our crops, you cannot receive these foods.'" Similarly, in nearby St. Francis County 14,000 were dropped from food rolls, and the Arkansas Gazette headlined: "County Judge Slashes Surplus-Food List To Provide Local Labor for Cotton Harvest."

Thus one surplus—food—is used as a club for forcing people to harvest another surplus—cotton. Farmworkers are cheated; yet the Government buys; the consumer in town and country is taxed twice—in real taxes, and artificially supported prices; the cotton-growing "family farmer" profits so nicely he plants another crop of surplus; the broomstick keeps carrying in buckets and buckets of water; and the sorcerer's apprentice just stands there, speechless and helpless.

Everyone knows what to do with the surpluses, yet no one knows. Obviously the bins would soon empty if we could feed the hungry people of the world, propagate livestock in the far corners of all the continents and fatten them. Yet as soon as we propose sending the food away, by sale or gift, a faraway statesman cries out that we will destroy the frail farm economy of this country or a local statesman warns that we are endangering the entire American economy. So the bins stay full and the storage costs spill over.

But the subject here is not surpluses or prices or acreage or production efficiency. The subject is farm families. People, individuals. What are they to do?

Again the Stadelmans illuminate the problem. Before the drought forced Ery to sell off a third of his herd, he and his wife had been paying a tuition fee to send their two school-age children to a public school in another county. Their own local school is housed in 1 room where 14 pupils, first to eighth graders, meet together and compete for the attention of a single teacher. There are hundreds of schools like this in Wisconsin, thousands throughout the farm regions of America. The teacher is required to have completed only 2 years in a county-run teachers college. She is responsible to a school board of three who usually have not been educated beyond 12th grade.

Instinctively Jeanne Stadelman struck at the heart of the farmer's problem when she squeezed her family's budget to send her children to the superior school in the neighboring county. She properly saw that a child once crippled educationally becomes enslaved by the land, by the hopeless economics of obsolete farms.

But when the drought struck and the cattle were sold, the Stadelmans were forced to bring their children back to the one-room school. They could no longer afford the tuition in the other school. Their plight points up a cruel paradox. For just to the extent that the Stadelman's fortunes were failing, to that extent the education of their children became crucial. For as long as we cannot solve the farm problem, the only solution to the farmer's problem is to prepare if not him, at least his children, to be free to choose a productive life off the farm.

Too many farm experts try to save the farmer's child by manipulating commodities and dollars. Almost none seek the child's salvation in cultivating a new, better, more enriched crop of people. The experts juggle prices, shuffle acreage, load corncribs to overflowing and ask compassionately, "If we don't keep these poor people on the farm, what else can they do?" But they present few ideas for equipping people, through education, to make a choice of doing something else.

At the cost of merely storing the present surpluses for a single year—a billion dollars—surely every one-room school in the country could be replaced by modern consolidated schools. With such a sum the salary of every country schoolteacher could be raised sufficiently to attract the best of those available.

The real farm problem is not the surplus of goods but a surplus of people. The statistics that should alarm us most are not of highly capitalized farmers harvesting too much food, but of empty-pocket farmers who for years have had too little to eat. And where we find the poorest farmers, we find the poorest schools.

Near the Ozarks, a center of empty-pocket poor farmers and poorest of poor schools, I visited James Doarn, regional director of the Department of Health, Education, and Welfare. "Instead of working so hard to keep 'em down on the farm," he said, "maybe we ought to accept the inevitable and shift our emphasis to giving kids a fair chance to compete under new conditions in new places. When kids from poor farm communities arrive in the cities with lower educational and economic standards, they're stuck. They're unable to compete for jobs. They're socially out of place in a strange world. What's there to save them from being first on the unemployment rolls, first on the aid-to-dependent-children rolls, first in jail, and maybe first in the mental hospitals?"

The Ozarks are educationally ahead of some areas of the South that do not even have laws making school attendance compulsory. Yet in two Missouri Ozark counties, of 80 grammar schools, 70 are one-room schools. One Ozark school was spending $291 a year to educate each child; another, $269; still another, $242. In contrast, about $700 is spent on each child in the suburbs of St. Louis, only 100 miles away.

Some defend one-room schools with the same magical word that hallows the family farmer: independence. While teacher is busy the children learn independence, helping others and helping themselves. And the kids do learn to read, write, and figure, don't they?

The answer, of course, is, "Yes, they do." But not as well. A Wisconsin superintendent of schools reluctantly admitted to me that children graduating from a one-room school average a year and a half lower in standard-achievement tests than children from larger schools. Yet their IQ's are about equal. This finding was even more solidly established in a statewide survey by Burton W. Kreitlow, a farm education specialist of the University of Wisconsin.

I asked the superintendent why he doesn't show this fact to farmers who vote to retain small country schools. "It's not what they want to hear," he said uncomfortably. "Remember that many of these people did not grow up in an educational tradition. They survived by hard work, not book-learning. If someone like me says the country school isn't good enough, the farmer just grumbles, 'Well, you can't prove it.' I want to say, 'We can.' But the farmer has already turned around and walked away."

Bad schools have a tendency to get worse. A young father in the Ozarks, concerned for the education of his two children, explained to me, "With the young people around here gone, looking for work elsewhere, fewer kids get born, so State aid to schools keeps going down. A couple of years ago our school had to drop music and industrial arts. Before that we lost our science teacher. The State law requires the teaching of science, so our kids had to take it by correspondence course."

Such schools will continue to get worse—and the real farm problem, a surplus of uneducated people, will intensify—unless Congress permits Federal aid to equalize the opportunities of all children to go to a good school. Yet Federal aid to schools is most consistently opposed by Congressmen from the South and from prosperous farm areas, who eagerly vote billions for price supports that offer no ultimate solution to the farmer's problem. Rural Congressmen are also the most active in blocking bills to train the needy for skilled jobs, even though a great proportion of these needy are farmers driven from the land, desperate to restore self-reliance and self-respect. Congress has yet to vote a billion dollars a year for retraining the unemployed, although it spends $6 billion a year to keep prices high.

To know the future of today's farm family, one must ask what will happen to the 1.5 million boys between the ages of 10 and 19 who today are growing up on farms. Only 150,000—1 in 10—are expected to take over their fathers' land. Where are the others to go? What will they do?

The great, hopeful, surprisingly obvious but widely ignored fact is that their country sorely needs them—if they become educated, if their schoolteachers spur them to want to go to college. Great companies serving the modern farmer—makers of animal feeds, chemical fertilizers, farm machines—are pleading for trained workers and professionals. In city and country alike, the list of unfilled jobs for the skilled seems to grow at least as fast as the rolls of the unskilled unemployed. Cultivation of educated men and women seems to be a farm program that cannot produce a surplus.

A first-class education for all farm children and job training for any surplus farmer who needs it will establish a new kind of independence: the independence of men who are free to choose, who will never become trapped into having to ask, "Where can we go? What can we do?"

AUTHORIZATION FOR SUBCOMMITTEE ON PATENTS, TRADEMARKS, AND COPYRIGHTS TO MEET DURING SENATE SESSION TOMORROW

On request of Mr. MCCLELLAN, and by unanimous consent, the Patents, Trademarks, and Copyrights Subcommittee of the Committee on the Judiciary was authorized to meet during the Senate session tomorrow afternoon.

ORDER FOR RECESS UNTIL TOMORROW, AT NOON

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its session tonight, it take a recess until 12 o'clock noon, tomorrow.

The PRESIDING OFFICER (Mr. BREWSTER in the chair). Is there objection? Without objection, it is so ordered.

LEAVE OF ABSENCE

Mr. HOLLAND. Mr. President, I ask unanimous consent that I may be excused from attendance on the sessions of the Senate for the rest of this week.

The PRESIDING OFFICER. Without objection, it is so ordered.

RIVERTON RECLAMATION PROJECT, WYOMING

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 8171, which I understand has been reported unanimously from the Committee on Interior and Insular Affairs, and which I understand has a time limitation which makes it necessary to have the bill called up at this time.

Mr. KUCHEL. Mr. President, reserving the right to object—although I shall not object—will the Senator from Montana tell us whether any more votes are contemplated this evening?

Mr. MANSFIELD. I do not think so.

Mr. KUCHEL. I thank the Senator from Montana.

Mr. MORSE. What is the number of the bill?

Mr. MANSFIELD. It is House bill 8171.

Mr. MORSE. What is the calendar number? It is not on the calendar, is it?

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill (H.R. 8171) to authorize the Secretary of the Interior to acquire lands, including farm units and improvements thereon, in the third division, Riverton reclamation project, Wyoming, and to continue to deliver water for 3 years to lands of said division, and for other purposes.

FEDERAL AIRPORT ACT—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, while the Senate is considering the Riverton project bill, I yield to the Senator from Oklahoma.

Mr. MONRONEY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1153) to amend the Federal Airport Act to extend the time for making grants thereunder and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The Chief Clerk read the report.

(For conference report, see House proceedings of Mar. 4, 1964, pp. 4274–4276, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MONRONEY. Mr. President——

Mr. JAVITS. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. JAVITS. Will the Senator from Oklahoma in presenting his remarks tell us what happened to the so-called Williams amendment?

Mr. MONRONEY. I thank the Senator from New York for his continuing interest in the matter of segregation in federally aided airports. That amendment, which would have been incorporated in the legislation, was eliminated by the conferees; and I shall refer to that in the course of my brief remarks on the conference report.

Mr. JAVITS. I thank the Senator from Oklahoma.

Mr. MONRONEY. Mr. President, the measure before us, which was agreed to by the committee of conference is, with three relatively minor exceptions and certain technical and conforming amendments, identical in substance to the bill originally passed by the Senate

The report was agreed to unanimously by the members of the conference committee represented by the Senator from Kentucky [Mr. MORTON], for his side—and he had the proxies of all the other Republican members—and by the representatives on the Democratic side who had the proxies of all of our members.

The first exception relates to an amendment by the House to incorporate in the act a provision authorizing grants for advance planning and engineering for airport development in an amount not exceeding 66⅔ percent of the total estimated cost of such planning or engineering. Existing law permits up to 50 percent Federal contribution for such costs, provided a grant agreement for a specific project is actually entered into. Thus the planning costs are presently reimbursable up to 50 percent but only after the project is undertaken. Under the House amendment, such grants would not be contingent upon a project's actually being undertaken. The Federal Aviation Agency expressed strong support for this amendment. In a letter to the Senate Commerce Committee, dated February 4, 1964, Administrator Halaby stated:

> It is our hope and expectation that authorizing grants for the preparation of airport layout plans will improve the Federal airport program in several ways.
>
> First, it will permit communities to enter into airport development with better information as to the kind of airport they will ultimately have and a good initial estimate of the undertaking. Secondly, providing advance assistance to construction plans will lessen the delay between allocation of funds and issuance of a grant agreement and enable both the Agency and the sponsor to determine more accurately the actual funding requirements. Third, it will provide the Agency with the data required to improve the programing and utilization of funds and the accuracy of long-range forecasts of airport development costs.

The committee of conference did, however, reduce the Federal share from 66⅔ to 50 percent, feeling that the latter amount would be sufficient to accomplish the objective of the amendment and would be consistent with the 50-percent formula now applicable, with very limited exception, with respect to all other cost-sharing projects authorized under the act. This new authority is granted with the view in mind that the Agency will employ it solely for the purpose of achieving greater efficiency and economy in the administration of the program, and not as a means of substituting Federal for local initiative in airport development.

The second exception, which relates in part to the first, involves a House amendment which would require the Administrator, in approving a project or planning proposal, to determine that the project or proposal is "not inconsistent" with existing area development plans of public agencies. The committee of conference agreed to the amendment with a minor amendment substituting for the language "not inconsistent" the words "reasonably consistent." It was the intent of the conferees in adopting this language to make clear that while local development plans should be taken into consideration they should not be used as an instrument for delaying or frustrating worthy airport projects. The initiative for assuring planning harmony continues to be the responsibility of the local community and this amendment is in no way intended to shift the responsibility to the FAA or burden the Agency with matters extraneous to sound airport development and construction. In explaining the desirability of this amendment, Administrator Halaby in the letter of February 4, stated:

> Given the noise problem which often attends airport development and the not infrequent failure of local agencies to fully coordinate plans for local public works development, we continue to believe that the amendment requiring consistency among plans for development of a locality establishes a wise Federal policy. It would not be our intention to use this provision to foster local planning harmony at the expense of airport development. There may be instances, however, in which proceeding with airport development in a way inconsistent with other known plans will simply invite future difficulties. In those cases, the Agency should insist upon a reconciliation of local views before going forward with a grant.

The third exception relates to a House floor amendment which would make Guam eligible to participate in the discretionary fund under the same terms and conditions now applicable with respect to the several States, Puerto Rico, and the Virgin Islands. The Department of the Interior expressed the view that the territory of Guam is on the same footing as the Virgin Islands, and should be equally entitled to participate in the airport program. Guam is presently faced with a serious problem of major airport construction, occasioned in large part by typhoon damage suffered last year. It is my understanding, however, that funds for airport construction in Guam have been included in this year's budget in an amount approximating three-quarters of a million dollars. Consequently, it does not appear that Guam will actually have need to participate in the discretionary fund in the foreseeable future. It does, however, seem fair that Guam should be given the same authority to participate in the program as the Virgin Islands. In any event, inclusion of Guam does not in any respect increase the total amount of funding authorized under the bill and expenditures authorized under the discretionary fund will continue to be made on the basis of priority of need.

An amendment was adopted by the House to limit the applicability of Executive orders and the authority of the Administrator to issue rules, regulations, and orders in policy areas not specifically permitted in the act or other statutes. The conferees agreed to delete this amendment. The language was somewhat vague, ambiguous, and subject to a variety of interpretations. While Senate conferees expressed the view that the amendment would not in any way substantively alter the present administration of the airport program, it did raise practical problems which could needlessly hinder administrative efficiency. Opponents of various rules, regulations, and decisions rendered or promulgated pursuant to the act could use such an amendment as a vehicle for unmeritorious administrative and court challenges. While the Senate conferees are convinced that challenges predicated on such an amendment would not prevail ultimately, they could cause delay and frustration to no useful end.

Thus the Senate was able to secure the deletion of the amendment which would have cast some shadow on the rights of the Federal Aviation Agency to insist upon desegregation in all federally aided airports.

To summarize briefly, the bill, as agreed to by the committee of conference would—

First. Extend the Federal aid to airport program an additional 3 years, expiring June 30, 1967, at the existing $75 million annual level of authorization.

Second. Continue to limit Federal participation to items directly related to safety—such items as public parking lots, restaurants, and passenger terminal facilities, et cetera, are ineligible.

Third. Continue a special fund of $7 million a year for the development of general aviation airports, the essential purpose of which is to relieve congestion at high density airports.

Fourth. Funds allocated to any State under the area-population formula which are not obligated within 2 fiscal years would continue to revert to the discretionary fund.

Fifth. As a condition precedent to the receipt of Federal aid, airport authorities would continue to be required to make provision for the installation of certain specified landing aids—such as in-runway lighting, runway distance markers, and high intensity runway lighting—determined by the Federal Aviation Agency as necessary for the safe and efficient use of the airport. The Federal share of the cost for the installation of such specified aids may not exceed 75 percent.

Sixth. A special fund of $1,500,000 for Hawaii, Puerto Rico, and the Virgin Islands, because of their insular status and unique reliance upon air transportation, is left unchanged. Under this fund amounts made available to Hawaii, Puerto Rico, and the Virgin Islands are respectively $600,000, $600,000, and $300,000.

Seventh. With the exception of the special set-aside allocations, 75 percent—or $49,875,000—of the remaining annual authorization would continue to be allocated to the States on the basis of their area and population and 25 percent—or $16,625,000—is placed in a special discretionary fund to be used in any State at the discretion of the Administrator.

Eighth. As in the past, the Administrator would continue to be required to prepare a national airport plan specifying projects considered necessary to insure a system of public airports adequate to meet the needs of the various segments of aviation.

Ninth. Adds a new provision requiring as a condition precedent to any grant that the Administrator must satisfy himself that reasonable effort, including enactment of zoning laws, has been made to restrict use of land adjacent to airports so as to make it compatible with the operation of the airport.

Tenth. Eliminates references in the act to airports according to classification by size in order to conform the law to existing administrative practice.

Eleventh. Adds a provision authorizing grants for advance planning and engineering for airport development, the Federal share of which cannot exceed 50 percent.

Twelfth. Adds a provision to make Guam eligible to participate in the discretionary fund.

Thirteenth. Adds a provision to require the Administrator, prior to project or planning proposal approval, to determine that the project or proposal is reasonably consistent with existing plans of public agencies for development of the area.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to the distinguished Senator from West Virginia, who is one of the great aviation experts in the Senate.

Mr. RANDOLPH. I am grateful for the explanation of the senior Senator from Oklahoma of the conference report on the Federal Aid to Airports Act, as amended. I wish to express my personal and official appreciation for the reasoned manner in which the conferees have acted. There is a growing importance attached to the very carefully programed Federal aid to airports in the United States. With the increasing need for adequate facilities, it is imperative that we continue the effort over a period of 3 years so that adequate planning may be carried forward and projects initiated and expanded.

I wish to congratulate the diligent chairman of the Subcommittee on Aviation of the Committee on Commerce and the able chairman of the Commerce Committee on their recognition of the problem and on the knowledgeable manner in which they have performed a service to the Senate, to the Congress, and to the country.

Mr. MONRONEY. I thank my distinguished friend for his comments and for the support that he has always given to this vital program.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

RIVERTON PROJECT, WYOMING

The Senate resumed the consideration of the bill (H.R. 8171) to authorize the Secretary of the Interior to acquire lands, including farm units and improvements thereon, in the third division, Riverton reclamation project, Wyoming, and to continue to deliver water for 3 years to lands of said division, and for other purposes.

Mr. HUMPHREY. Mr. President, I wish to yield to the Senator from Wyoming.

Mr. PROXMIRE. Mr. President, will the Senator yield to me so that I may clarify the parliamentary situation?

Mr. HUMPHREY. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, was the bill brought before the Senate by motion? It is not on the calendar.

The PRESIDING OFFICER. The bill was reported to the Senate today.

Mr. PROXMIRE. It is my understanding that unanimous consent is required to consider a bill that is not on the calendar.

The PRESIDING OFFICER. The Chair informs the Senator that the bill was brought before the Senate under a unanimous-consent request made by the Senator from Montana [Mr. MANSFIELD].

Mr. PROXMIRE. The Senator from Wisconsin was under the distinct impression that the Senator from Montana did not ask unanimous consent, but that he made a motion to proceed to the consideration of the bill. Was the Senator from Wisconsin misinformed?

Mr. HUMPHREY. I believe the Senator was misinformed. I believe that the bill was brought up under a unanimous-consent request, and then temporarily set aside for a conference report, which has priority. Now the Senate is back on the bill.

Mr. PROXMIRE. I think the bill may be acceptable but I believe the Senate should proceed in accordance with the rules. The bill is not on the calendar. No report is available. Only this minute I received the House report on the bill.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. The Senator has a point. The Senators from Wyoming are up against a time deadline. Other proposed legislation will come before the Senate which may well have precluded the consideration of this measure. It was cleared on both sides. It came from the committee with a unanimous vote. The Senate is now considering the House bill.

I know that the Senator from Wisconsin will give his usual careful consideration to the proposed legislation because of its vital need at the present time. The bill provides only authorization, not appropriation.

Mr. PROXMIRE. I shall be happy to listen to the debate.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. HUMPHREY. I yield to the senior Senator from Wyoming.

Mr. McGEE. Mr. President, the senior Senator from Wyoming has no debate that he is prepared to indulge in, but he will be happy to answer the questions that any Senator may wish to ask.

Mr. PROXMIRE. Will the Senator explain why it is necessary for the Senate to consider the bill tonight rather than to wait until tomorrow?

Mr. McGEE. The reason that we are asking the Senate to consider the bill at all is that it would authorize water for a project known as the Riverton reclamation project in Wyoming. We were afraid that the bill would be squeezed out before water could flow in the ditches on the Riverton project in Wyoming and that the water presently received would be shut off. We would like to have the authorization extended. It would continue intact the present action which was outlined when the measure was considered by the Senate committee.

The request was made as a matter of convenience in order to get the bill through and accepted by the Senate so that we could get the assurance of water on the way. The people in the project are now holding up their spring planting plans until the authorization can be approved.

Mr. PROXMIRE. Is it not true that if the regular procedure were followed, the bill would be placed on the calendar tomorrow morning, and it could be brought before the Senate by motion and passed as all other bills are?

Mr. HUMPHREY. The Senator is eminently correct. I assure the Senator that had there been any doubt or controversy over the bill, the unanimous-consent request would never have been made. The two Senators from Wyoming spoke to their respective leaders on the majority and minority sides and, of course, pleaded their case with reference to the urgency of the measure. Earlier today there was a feeling that this particular subject might be caught up in the controversy over civil rights, and perhaps ultimately in the proposed agriculture legislation. Time was important. The whole program at Riverton might have been negated. When I was asked about it, I felt that now would be a proper time to bring it before the Senate. I hope that the Senate can go ahead and complete action on the measure. If we had to do so, we could put it over until tomorrow, but circumstances would not be much different tomorrow from what they are tonight.

Mr. PROXMIRE. There are two points I wish to make. First, I think it is certainly sensible to have a report on this bill.

Mr. HUMPHREY. There is a report. It is the House report.

Mr. PROXMIRE. But not a Senate report.

Mr. HUMPHREY. The bill is identical. We are saving on printing.

Mr. PROXMIRE. I appreciate that.

Mr. HUMPHREY. It is an economy measure.

Mr. PROXMIRE. The Interior and Insular Affairs Committee had deliberations and filed a report, and the report would be available if we could have time enough to have it printed. I am not going to hold up the consideration of the bill, but I note that on page 3 of the House report it provides for an expenditure of $2 million. While $2 million is nothing like the bill we are about to discuss, which provides for $16 billion for procurement, it still is a great deal of money. I am wondering why we cannot wait until the report is available and see what the merits of the bill are.

Mr. HUMPHREY. The Senator makes a valid point. I am sure that if the Senator has in his possession—which I am sure he has, since he quoted from it—the House report, he will have the answers. It is a report on an identical bill.

Mr. McGEE. Mr. President, if the Senator will permit me, while the House report shows a figure of $2 million, I point out that all these matters have already been authorized. This merely triggers putting water on the land. The enactment of the legislation does not require authority for appropriation of additional funds.

Mr. PROXMIRE. Will this deal with land that is now arid?

Mr. McGEE. No; this will result in irrigation of land that has been irrigated for the past 15 years.

Mr. PROXMIRE. It would continue such irrigation?

Mr. McGEE. Yes. The legislation runs out. There was no permanent legislation. This legislation is in the nature of an emergency.

Mr. SIMPSON. Mr. President, if the Senator will yield, no additional acreage is provided for. It has been in existence. We have had emergency measures each year. The Committee on Interior was tired of that procedure. We promised to get this bill through in order to guarantee water to the settlers of the third division.

Mr. PROXMIRE. I thank the two Senators from Wyoming, both of whom I esteem. I am certain that everything they say is correct. I thought it was necessary to observe procedures. Otherwise Senators would have no protection against the passage of bad legislation. This bill is not on the calendar, and there is no report on it that we can consider. I commend Senators on their persuasive explanation of the bill.

Mr. McGEE. I thank the Senator. The only apprehension we had was with regard to the well-being of the farmers on the third division, where the question of getting water at all was holding back not only loan procedures, but the decision as to how much of a crop they would have, and whether they were going to have any. We thought we should not take a chance of having too much delay. That was the basis for the request.

Mr. SIMPSON. Mr. President, I join my colleague in thanking the Senator from Wisconsin for his fairness today, which is usually displayed by him, and to say that the bill is a good and laudable undertaking.

Mr. McGEE. Mr. President, I ask that the Senate proceed with the bill.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be offered the question is on the third reading of the bill.

The bill (H.R. 8171) was ordered to a third reading, read the third time, and passed.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. McGEE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BEEF IMPORT LEGISLATION

Mr. PEARSON. Mr. President, on February 6, I discussed on the Senate floor the problems confronting the cattle industry in the United States.

In as objective a way as possible, I tried to find those factors which have played a major role in the catastrophic decline in cattle prices in the last year.

Any careful observer is compelled to conclude that the level of beef imports is an important factor in the supply of beef, and consequently a major factor in the price which domestic producers can secure for their product.

In submitting my analysis, I offered several steps which I thought should be taken to help relieve the pressure on this industry and to stabilize the price situation, both immediately and over the long run. These steps were suggested because I was forced to conclude, as a result of my studies, that while the import level is a major factor in the price situation, it is not the only factor, and steps to modify its influence should be accomplished by other actions.

In that statement, I also urged that we proceed to deal with the problem in terms of higher tariffs or import quotas with great caution. I am not now convinced that the imposition of quotas, as proposed in this legislation, is the best way to deal with the problem. However, I suggested that the administration should embark immediately on extensive negotiations with the major export countries—namely, Australia and New Zealand—to try to develop a better understanding of our domestic livestock situation and to substantially reduce their exports destined for the United States.

Last week, the administration announced a rollback in beef imports which was obviously negotiated by the State Department with little concern for the domestic industry. It amounted to no more than a token concession to the livestock industry in that the agreement included an escalator clause which will, in fact, permit the exporting nations to return to their present level of sales to the United States within a matter of 2 years. I said then, and I say again, that this is another example of the administration's propensity to manipulate figures to try to placate a segment of the American public without any real effort to solve the problem. It further indicates the dominance of the State Department in determining domestic agriculture policy to the detriment of American agriculture.

While I would still prefer to see this matter handled through negotiation without the rigidity that comes with legislative quotas, I see no alternative in view of the manner in which the matter has been handled to date, and consequently join in the sponsorship of this legislation to fix quotas on beef imports at the average of the 5-year period preceding December 31, 1962.

ORDER OF BUSINESS

Mr. HUMPHREY. Mr. President, what is the pending business?

The PRESIDING OFFICER. H.R. 9637, authorizing appropriations for procurement of aircraft, missiles, and naval vessels.

THE CIVIL RIGHTS BILL—SENATE RULES AND PRECEDENTS

Mr. HUMPHREY. Mr. President, I want to take a few moments to state for the Record my reasons for joining with the majority leader in his effort today to place on the calendar the so-called civil rights bill, H.R. 7152. I listened with great interest to the argument made by several Senators in opposition to this procedure. I would be less than candid or honest if I did not say that there was some validity to those arguments. But I am convinced that the decision which was ultimately arrived at; namely, to sustain the ruling of the Chair on the point of order made by the Senator from Georgia [Mr. Russell], was sound and proper.

I rise only for the purpose of stating that the motion to table by the majority leader, which I supported, is justified under the rules of the Senate. There was a great deal of discussion today concerning rule XXV and rule XIV. Every Member of this body is supposed to acquaint himself with the rules and, insofar as possible, with the precedents relating to those rules—in other words, the historical use and application of the rules.

In the application of the rules, rule XIV is as much a part of the body of rules governing the procedures of the Senate as any other rule—no more, no less. It is a valid rule. It was not repealed by rule XXV. The procedure that is authorized under rule XIV, section 4, which procedure was used today by the majority leader, may be unusual or it may be used in extraordinary circumstances. But it is legitimate. Moreover, it is a procedure which has been used many times in the past. It has a history of its own. Rule XIV is a part of the governing procedure of the Senate. It is not, as was referred to today, "lynch law." It is a part of the body of law and rules which govern the Senate. Rule XIV is every bit as valid as rule XXII.

I happen to be strongly opposed to rule XXII as it is presently written. I believe it needs drastic modification. I believe rule XXII prevents the Senate from acting. I find in article I of the Constitution a mandate to the Congress to act.

It says in that article that a majority shall constitute a quorum for the purpose of doing business. The Constitution directs this body to do business. It does not direct it to paralysis or inaction. It directs it to action. But, having said that, rule XXII is a part of the rules of the Senate and it will be used. It has been used. The fact is, it has frequently become the assassin of many items of legislation. The truth is that rule XXII has permitted the Senate to become the graveyard of civil rights legislation on all too many occasions. To me, rule XXII is obnoxious. I believe that rule XXII is unconstitutional. I believe it should be repealed. But, Mr. President, it is a part of the rules of the Senate, and my individual point of view does not prevail. Even when I have joined with other Senators in an effort to repeal rule XXII, or to drastically modify it, we have not succeeded. I have argued against rule XXII as to its undesirability, as to the manner in which it brings the Senate into disrespect. I have argued against it on the basis of its constitutionality, but as I said a moment ago, it is with us. Certain Senators who objected to the use of rule XIV today, because they did not like it, are the ones who support rule XXII because they do like it.

I believe I know why that peculiar set of circumstances prevails, because rule XIV makes it possible, if we have a majority vote, for the Senate to get a civil rights bill on the calendar and thereby to place it in a position to be acted upon.

Experience with the Judiciary Committee since I have been a Member of the Senate, concerning civil rights legislation, is not an encouraging one. It is possible to send the bill to the Judiciary Committee with instructions to report back on a certain day. This was the argument of several Senators today—the Senator from Oregon [Mr. Morse], the Senator from Tennessee [Mr. Gore], the Senator from Alaska [Mr. Gruening], and other Senators. I respect that argument. But, Mr. President, to talk about using the normal committee procedure—and I repeat the word "normal"—if we wish civil rights legislation, it is like trying to talk about having a Sunday picnic in the center of the sun. Everyone will be consumed—it will mean sudden death.

There is no possibility of getting civil rights legislation out of the Judiciary Committee. If there were any such possibility, why have civil rights bills languished in that committee since June of 1963?

Eleven days of hearings were held on the civil rights proposals presented to the Judiciary Committee in the form of Senate bills 1731 and 1750. Those hearings started on July 16 and concluded on September 11, 1963, and related to the President's civil rights program.

Mr. President, I ask unanimous consent that a description of those bills, as in the title, may be printed in the Record.

There being no objection, the bill descriptions were ordered to be printed in the Record, as follows:

S. 1731. Mr. Mansfield and others; June 19, 1963 (Judiciary):

Civil Rights Act, title I: Protects the right to vote in Federal elections by: (1) requiring the uniform application of standards and procedures in determining the qualification of individuals under State law to vote; (2) prohibiting the denial of the right of any individual to vote on account of an error in registration or other voting procedure when such error is not material; and (3) outlawing the use of literacy tests as a qualification for voting unless such test is in writing and a copy of the test and answers given is furnished upon request.

Provides that if literacy becomes a relevant fact in certain proceedings brought by the Attorney General to secure voting rights, it shall be presumed that a person has sufficient intelligence to vote in Federal elections who has not been adjudged incompetent and who has completed the 6th grade. Allows, under certain conditions, a person of the same race as other persons alleged to have been discriminated against to apply for and obtain a court order declaring himself qualified to vote, provided he proves he is qualified to vote under State law and that he has been denied the right to register or has been found not qualified to vote. Authorizes the court to appoint temporary voting referees to receive such applications, take evidence, and generally exercise the powers of masters under Federal law.

Title II: Prohibits discrimination in places of public accommodations. Allows a person aggrieved or the Attorney General, in certain cases, to bring a civil action to secure preventive relief from certain prohibited acts involving the denial or interference with the right to nondiscrimination.

Title III: Gives the Commissioner of Education increased powers to facilitate desegregation in public schools. Authorizes the Commissioner to: (1) render technical assistance in the preparation and implementation of desegregation plans; (2) provide aid for special training at an institution of higher education of teachers and other school personnel who handle educational problems occasioned by desegregation; (3) made grants (or loans, if school funds have been withheld by State or local governmental action) to school boards to provide inservice training of teachers and other personnel, and to employ specialists in problems of desegregation or racial imbalance. Authorizes the Attorney General, in certain cases, to bring a civil action to enforce desegregation.

Title IV: Establishes a Community Relations Service to aid in the resolution of disputes relating to discriminatory practices. Provides for a Director appointed by the President.

Title V: Makes certain changes in the rules of procedure of hearings before the Commission on Civil Rights. Increases the compensation of Commission members and broadens the duties of the Commission. Extends the Commission for 4 additional years, until 1967.

Title VI: Prohibits discrimination in federally assisted programs by providing that financial assistance shall not be required to be furnished in circumstances under which individuals participating in or benefiting from the program are discriminated against.

Title VII: Authorizes the President to establish a Commission on Equal Employment

Opportunity to prevent discrimination against employees or applicants for employment by Government contractors and in Government.

S. 1750. Mr. MANSFIELD and others; June 19, 1963 (Judiciary):

Civil Rights Act, title I: Protects the right to vote in Federal elections by: (1) requiring the uniform application of standards and procedures in determining the qualification of individuals under State law to vote; (2) prohibiting the denial of the right of any individual to vote on account of an error in registration or other voting procedure when such error is not material; and (3) outlawing the use of literacy tests as a qualification for voting unless such test is in writing and a copy of the test and answers given is furnished upon request.

Provides that if literacy becomes a relevant fact in certain proceedings brought by the Attorney General to secure voting rights, it shall be presumed that a person has sufficient intelligence to vote in Federal elections who has not been adjudged incompetent and who has completed the 6th grade. Allows, under certain conditions, a person of the same race as other persons alleged to have been discriminated against to apply for and obtain a court order declaring himself qualified to vote, provided he proves he is qualified to vote under State law and that he has been denied the right to register or has been found not qualified to vote. Authorizes the court to appoint temporary voting referees to receive such applications, take evidence, and generally exercise the powers of masters under Federal law.

Title II: Gives the Commissioner of Education increased powers to facilitate desegregation in public schools. Authorizes the Commissioner to: (1) render technical assistance in the preparation and implementation of desegregation plans; (2) provide aid for special training at an institution of higher education of teachers and other school personnel who handle educational problems occasioned by desegregation; (3) make grants (or loans, if school funds have been withheld by State or local governmental action) to school boards to provide inservice training of teachers and other personnel, and to employ specialists in problems of desegregation or racial imbalance. Authorizes the Attorney General, in certain cases, to bring a civil action to enforce desegregation.

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Title V: Prohibits discrimination in federally assisted programs by providing that financial assistance shall not be required to be furnished in circumstances under which individuals participating in or benefiting from the program are discriminated against.

Title VI: Authorizes the President to establish a Commission on Equal Employment Opportunity to prevent discrimination against employees or applicants for employment by Government contractors and in Government.

Mr. HUMPHREY. Mr. President, hearings were held on those bills, and it was my privilege to be a cosponsor on one and the main sponsor on another. Those hearings are printed, and they run to 483 pages. Hearings were held on the bill called the equal employment opportunities bill. Several bills were introduced—S. 773, S. 1210, S. 1211, and S. 1937. I was the author of one of those bills and the cosponsor of others. Those hearings run to 578 pages. Many days were consumed in taking testimony. Hearings were held on S. 1732, a bill to eliminate discrimination in public accommodations affecting interstate commerce by the Senate Committee on Commerce, which is the proper committee, the committee that had the jurisdiction, just as the equal employment opportunity bills were assigned to the Committee on Labor and Public Welfare—the proper committee, and the committee that had the jurisdiction.

The public accommodations hearings are in 3 volumes, and they run to 1,575 pages.

Those are the civil rights hearings in the Senate. The Commerce Committee reported a bill, the public accommodations bill. It is on the calendar. It is known and listed on the calendar as Senate bill 1732, Calendar No. 848. The Committee on Labor and Public Welfare reported the equal employment opportunity bill, Calendar No. 844, listed as Senate bill 1937. Those are the basic features of the President's civil rights program as reported to the Senate, because those committees acted. Bills were introduced at the same time as bills that were referred to the Judiciary Committee, and the Judiciary Committee did not act. What its reasons were, I do not know, and if I did know, I would not spread them on the RECORD. The fact is that it did not act.

The House of Representatives acted on a bill, and that bill was known as the President's civil rights program. H.R. 7152 was amended in committee, and it was amended on the floor of the House. The hearings on that particular item of legislation include three large volumes which run to 2,649 pages. But the House and all its committees took positive action on this legislation. There have been plenty of hearings on civil rights legislation. I know that the point is well made that we ought to go through the committee procedure. I submit that civil rights legislation has been in committee. The problem is that the committee did not report it.

Two committees did report civil rights bills of a limited nature, dealing with public accommodations and with so-called fair employment practices.

The public accommodations and fair employment practices bill are included in the so-called House bill to which I have referred. The Senate had other items of legislative proposals dealing with civil rights in the Judiciary Committee, but nothing happened.

This is why rule XIV was used for the House bill. It was felt by the leadership that we ought to have a civil rights bill in a position where we could act, where we could amend it, if need be, on the floor of the Senate; where we could substitute, if need be, the Senate proposal on public accommodations, if we saw fit to do so; where we could substitute the Senate fair employment practice provision, or amend the bill, if we desired to do so or saw fit to do so, and if a majority felt it should be done.

I agree that it would be much more orderly to go through the committee and bring the bill to the floor of the Senate in the usual manner, with the bill being first considered in committee, and then placed on the calendar and later called up, without undue difficulty.

Mr. President, let us not deceive ourselves. The fact is that this is the most controversial legislation that could come before us. It will be difficult enough to pass the bill. It will be even difficult to get the bill before the Senate. It has been difficult to get it on the calendar. However, we shall prevail. It may require a long time, but we shall prevail.

Rule XIV was used today because it was designed for extraordinary circumstances. It was designed for difficult situations, and it has served its purpose.

Rule XXV is a thoroughly legitimate rule, and I believe it to be a desirable rule. I would prefer to see all these items go to committee.

I repeat that civil rights legislation did go to committee. The problem was that it did not come out of committee. That has been the history on civil rights legislation.

I discussed this subject at length in 1957, and I call to the attention of my colleagues in the Senate my discussion of the subject of rule XIV and its application at that time to civil rights legislation, when the then minority leader, Senator Knowland, acted as the majority leader, Senator MANSFIELD, acted today. I note that my discussion starts at page 9789 of the CONGRESSIONAL RECORD, volume 103, part 7, and continues to page 9790.

At that time the distinguished Senator from Illinois [Mr. DOUGLAS], on June 19, discussed the Civil Rights Act of 1957 and the application of rule XIV, and whether rule XXV in effect supersedes rule XIV, and requires reference of all bills, whether originating in the Senate itself, or coming from the House of Representatives, to committee.

The remarks of the Senator from Illinois begin at page 9624 of the CONGRESSIONAL RECORD, volume 103, part 7, and run through page 9626.

In that splendid documentation by the Senator from Illinois is found the refutation of the claim that rule XXV supersedes rule XIV. There is no validity to that argument. In that remarkable address on June 19, 1957, the Senator from Illinois placed in the RECORD a letter from Mr. George B. Galloway, senior specialist, American Government, of the Legislative Reference Service of the Library of Congress. He was the staff director of the Joint Committee on the Reorganization of Congress, otherwise known as the LaFollette-Monroney Committee, and was in charge of the research, and the staff assistant in the preparation and enactment of the LaFollette-Monroney Act.

In that interpretation, Mr. Galloway makes it crystal clear that rule XXV was never intended to supersede rule XIV.

I ask unanimous consent that the letter to which I have referred, written by Mr. Galloway, may be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

> THE LIBRARY OF CONGRESS,
> LEGISLATIVE REFERENCE SERVICE,
> *June 19, 1957.*
>
> Senator PAUL H. DOUGLAS,
> *Senate Office Building,*
> *Washington, D.C.*
>
> DEAR SENATOR DOUGLAS: This is in reply to your request of today for an interpretation of the meaning of the phrase "shall be referred" as it appears in rule XXV of the standing rules of the Senate, as amended by section 102 of the Legislative Reorganization Act of 1946.
>
> One of the major objectives of that act was to reorganize the committee structure of Congress and to clarify the jurisdictions of the reformed committees which were undefined theretofore in the Senate rules except in isolated instances.
>
> To this end, the jurisdiction of each of the reorganized committees was defined in the 1946 act in terms of the legislative subjects that they were to handle, respectively. In so doing, the phrase "shall be referred" was used in each case for the guidance of the Presiding Officer in determining the reference of bills to committees so that overlapping and duplication would be eliminated and so as to avoid jurisdictional disputes between them (see S. Rept. No. 1400, 79th Cong., 2d sess., p. 2–3, 10–11).
>
> I invite the particular attention of the Senate to the following paragraph:
>
> "Speaking as the former staff director of the La Follette-Monroney committee, there was nothing in the recorded legislative history of the Legislative Reorganization Act of 1946 to suggest that the phrase 'shall be referred' in section 102 had any significance or implications beyond an attempt to develop a more efficient division of labor and distribution of the legislative workload among the reorganized committees of the Senate and the House of Representatives."
>
> Sincerely yours,
> GEORGE B. GALLOWAY,
> *Senior Specialist,*
> *American Government.*

Mr. HUMPHREY. Mr. President, on that day Senator Douglas said:

> Mr. President, I believe the facts as stated in Mr. Galloway's letter are correct and that although Senators may argue about rule XXV they will be unable to provide a single bit of evidence in the recorded legislative record of that act to show that rule XXV was in any way intended to supersede or repeal rule XIV.

Mr. President, rule XIV has a long history in the Senate. It was one of the first rules adopted in the first session of the Senate, taken from Jefferson's manual.

Section 4 has been with us since January 16, 1877. It is not as if it has had no history or tradition or precedent. Rule XIV was used on such important legislation as the tidelands oil legislation, without any argument about it between disputing Senators.

For example, the Senator from Illinois makes note of the fact in his remarks on June 19, 1957:

> Reference has been made to the fact that this was done in 1948 on motion of Senator Downey, of California, who had the House-passed offshore oil bill placed on the calendar, although no Senate bill had been reported. It is true that this was done, but that is not the only illustration. In the brief time in which I have had to go over this matter, I found at least one other case, and it is a case of relatively recent occurrence.
>
> It is a case which came up on August 1, 1953, and will be found in the calendar of August 1, 1953, on page 21. It was H.R. 4305, an act to authorize additional appropriations of $82½ million for the lower San Joaquin River project. That was a bill which had been passed by the House the day before. There was no corresponding Senate bill on the calendar.
>
> Yet, according to the Congressional Record, volume 99, part 8, page 10746, that bill, H.R. 4305, it is announced, had been read twice by its title and placed on the calendar.

Those are only two precedents. The oleomargarine case has often been mentioned. I believe the record ought to be set straight on that matter. That is the principal reason why I sought recognition by the Chair this evening. The oleomargarine case of 1948 has been described as a precedent, to demonstrate that rule XXV superseded rule XIV. There is not a scintilla of evidence which shows that to be the case. What Senator Vandenberg said in his ruling and what he said in reference to this whole discussion is shown in the Record of June 19, 1957, in that remarkable dissertation on the whole subject matter by the Senator from Illinois [Mr. Douglas].

What Senator Vandenberg said on May 4, 1948, page 5219 of the Congressional Record of that date, is as follows:

> It is needless to go into the details of this conflict, but it turns finally, apparently, upon the pure question as to who is first recognized by the Chair to assert his rights under these two conflicting rules.

The Senator from Nebraska, Mr. Wherry, the Senator from Arkansas [Mr. Fulbright], both sought the attention of the Chair. The Senator from Nebraska was recognized by the President pro tempore, the late Senator Arthur Vandenberg.

The Senator from Arkansas sought to invoke rule XIV after Senator Wherry had sought to invoke rule XXV to compel the bill to be referred to committee. It was on the subject of who was recognized first—the priority—that Senator Vandenberg made his ruling, in which the Senate concurred. The late distinguished Senator Vandenberg said, in reference to this:

> There is no collision whatever between the precedent of yesterday and the precedent of today. It is the view of the Chair that the question of precedents in a case of this character depends entirely on who raises the point first. Since the question of jurisdiction has been raised first, it is the view of the Chair that the question of jurisdiction takes priority.

The question of whether rule XXV superseded rule XIV was never a point at issue.

I shall not take the time of the Senate to discuss this situation at length. I refer to it now for the sake of future history and future action on the part of the Senate, in case the question is ever raised again, reference can be made to the Congressional Record, volume 103, part 7, page 9789.

So where is the precedent? Thus far, the precedents that can be cited are found in the offshore oil debate, which supports the use of rule XIV and the position of the majority leader today, and the San Joaquin River project appropriation authorization of 1953, in which rule XIV was used to place a House-passed bill immediately on the Senate Calendar without reference to a Senate committee. That action supported rule XIV, the position of the majority leader, and the ruling in 1957, in which an advisory opinion was given by the Presiding Officer, which the Senate was called upon to decide, and the Senate supported the application of rule XIV, as it did again today. So the precedent is quite clear.

The Senator from Georgia [Mr. Russell] said today that each Senator should ask himself how he would vote if this were an ordinary piece of proposed legislation. But the civil rights bill before the Senate is not ordinary. Civil rights bills have never been ordinary bills. I have been a Member of the Senate for 15 years. If anyone thinks that civil rights legislation is ordinary business or ordinary legislation, he has missed every session of the Senate and has missed reading about it. Civil rights is the most difficult of all legislation. The only reason why we have had to use extraordinary procedures is the difficulty and controversial nature of civil rights legislation.

In 1957, the Senate used rule XIV. In 1960, the majority leader, who is now the President of the United States, learned that he could not use normal committee procedure. Indeed, he could not. He had to have the bill referred to committee with instructions to report back. That was not normal procedure or not the normal use of rule XXV. When the bill was reported back, as I recall, only three witnesses had been called, and there was but one line in the report; namely, that "The committee reports back to the Senate the bill without recommendation." There was no attempt to compile full testimony on this legislation. No large number of witnesses were called before the committee. The Senate merely satisfied a kind of ritual; namely, that rule XXV was invoked; but, at the same time, it was adulterated; it was debauched.

Rule XXV was used, but the committee was told, in effect, "You will not have any time to consider the bill, because you are to report it back in a few days." So the committee received the bill, sat on it for a little while, called in a few witnesses at the hearing, and reported the bill back without even so much as a report as to the nature of the bill. Some procedures may have been satisfied, but true committee action was not satisfied.

Finally, I would say that if this were ordinary legislation, the Senate could use ordinary procedure. But every single legislative body has procedures designed for extraordinary situations. Rule XIV is one of them. It has not been abused. It has been in the book as long as or longer than any other rule of the Senate. It has been in the rule book much longer than rule XXV. It has been a part of the Senate Rules since the first Senate held its first meeting. Section 4 has been with us since 1877, and there has been no abuse of that section.

There has been no promiscuous use of rule XIV to bypass the committee. But the rule was adopted so that we will have some way to enable the Senate to get down to business and not have legislation lost and buried in committees.

It was said today that the Senate could always discharge a committee if it held legislation too long. I agree, but that is very extraordinary procedure, too. It is not normal. It was said that the Senate can limit the time a committee may take to consider a bill. That is true. By instructions, that can be done. But that is not customary or usual. It is extraordinary, just as rule XIV is.

I believe that the case is sound for the use of rule XIV. I wish we did not have to use it. I am candid, I am frank with Senators. I would hope we could proceed to consider the bill under ordinary procedure and rather promptly.

Tomorrow we are to consider a bill that provides approximately $16 billion of authorization for military procurement, for the protection of the very life of our Nation. There will be no big argument about it. We shall have a short debate and that will be it. When we consider Selective Service legislation affecting the lives of millions of young men, there is no great argument about it. It is called up under normal procedure. It is debated and passed. But when we consider implementing the constitutional guarantees for our fellow citizens, that becomes a major battle in the Senate. The Senator from Minnesota was not confused about what was taking place. I want to be careful in the choice of my words. I understand the concern which people have about due process of law and procedure. I respect that.

Mr. President, if I thought that rule XIV was not a part of the procedure of the rules of the Senate, I would have nothing to do with it. But it is a part of the procedure of the Senate, just as much as the right of a Senator to object under the so-called unanimous-consent request is a part of the procedure of the Senate. Sometimes I do not like to have a Senator object, but he has a right to do so; and the rules are there.

If they are there, they are there to be used.

We have been told time and time again concerning rule XXII that the Senate put that rule there and it is there to be used. I remind those same Senators that rule XIV is there, too, and it has been there longer than rule XXII. It has been there about 150 years longer than rule XXII, and it is there to be used if needed, and it is to be used carefully, it is to be used conservatively, it is to be used. Any rule of the Senate can immobilize this body if it is overused. The majority leader has told us that repeatedly.

The Senate requires the respect of each Senator for the other. It requires good manners. It requires consideration. It requires cooperation, if we are to make this body a truly representative assembly.

I am of the opinion that those who objected more strenuously to rule XIV did so because it was a way to slow down action on civil rights. They have every right to oppose civil rights legislation. That is their privilege. I know that each Senator has a right to hold his convictions and to state those convictions and to vote them. He has an obligation to fight for what he believes in in this body, and to work for it, but I have that same obligation, too. And I have been around here long enough to know that the only way civil rights legislation can really be gotten before this body is through extraordinary, but legal means. Now, one of the extraordinary means is rule XIV. It is legitimate, it is valid. Another is to report the bill to committee with instructions to report back on a day certain. That is legal and extraordinary, but it is unusual, because out of every 1,000 bills introduced in this body, less than 1 percent—one-tenth of 1 percent ever goes to a committee under instructions.

Such instructions are most unusual.

So today, when the Senate voted to sustain the ruling of the Chair, I think the Senate established a sound precedent. I am of the opinion that most of the titles, sections, and paragraphs and lines of the bill have already been discussed at length. It might not hurt to have the committee consider them longer, but I must frankly say that I see little to be gained at this point by such a procedure.

The majority leader stated that now is the time to act. Certainly there is a time in the affairs of a nation when action must be taken; and we can no longer evade or avoid our responsibility as members of the legislative branch, or count on having the members of the executive branch exercise responsibility for protecting the constitutional rights of the American people. Instead, we, as members of the legislative branch, have our obligations, too; and we should fulfill them.

Mr. MORSE. Mr. President, because the Record will show my presence in the Chamber tonight, during the speech of the Senator from Minnesota [Mr. Humphrey], I could not remain silent without risking that my silence might be interpreted as indicating agreement with what he said. He is my leader in the civil rights fight; he will be the floor leader; and I shall always try to help my leader. Tonight, I shall try to help him by setting forth my good faith disagreement with him when I think he is wrong. I agree with some of the things he said; but I disagree with most of the things he said. Therefore, at this time I shall take a few minutes to try to set the record straight, insofar as I am concerned.

Mr. HUMPHREY. Mr. President, at this point will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. I wish to have the Record manifestly clear: I did not presume for a moment that the courteous and patient presence of the Senator from Oregon in the Chamber during my remarks indicated any substantial agreement by him with some of the statements of fact I made and some of the other statements I made for the Record.

Mr. MORSE. I am sure the Senator from Minnesota did not make that assumption; but I wish to be sure that those who read the Congressional Record do not misunderstand.

Mr. HUMPHREY. But I wish the Senator from Oregon would not challenge my remarks at this time, for I am sure that in the days to come, the Record will show our very substantial agreement.

Mr. MORSE. Nevertheless, Mr. President, I feel that I should make this statement.

I am not arguing about the legality of rule XIV; I am only arguing about the wisdom of its use. It is an optional rule, and there was no need for the majority leader to use it today.

As the majority whip [Mr. Humphrey] has pointed out, the majority leader had a right to use rule XIV; but he did not need to use it, because the parliamentary situation was such that, following the second reading of the civil rights bill, the majority leader could have moved that the bill be referred to the Judiciary Committee, with instructions—which is what we wanted him to do.

Let it also be recognized that at the time when the leadership decided to use rule XIV, the leadership did not at that time intend to have the bill referred to the Judiciary Committee, under instructions. Instead, that was a development which came later, during the afternoon. I am pleased it did develop; and I am pleased that the majority leader, after hearing the arguments which were made in opposition to placing the bill on the calendar without first sending it to the Judiciary Committee, modified his position. We cannot interpret his suggestion at the close of the debate this afternoon on the civil rights matter in any light other than an expression of a judgment that probably it would be better to have the bill referred to the Judiciary Committee, under instructions, which was what we wanted done in the first place. If that had been done in the first place, a great deal of time would have been saved; and other things would have been saved, too. For instance, we would have saved or avoided a division in our ranks; and we would have avoided the making of a record which, in my opinion, was unfortunate.

So I wish to make perfectly clear my reply on this point to the Senator from Minnesota: Although the majority leadership had a right to use rule XIV, they should not have used it, as a matter of good parliamentary policy, if we are to have a united front here on the part of the civil rights bill proponents and if we are to move this bill along, and not give the opponents the kind of advantage which I think the invoking of rule XIV has done. That cannot be erased from the Congressional Record; it will be there, for all time.

It also should be pointed out that although the Senator from Minnesota can pile as high as he might desire the past hearings and reports on other civil rights bills, the fact is that every report to which he referred in his speech tonight is completely immaterial, inconsequential, and irrelevant to the bill the Senate is going to take up; and no court would even bother to turn the first page of a single one of those reports in reaching a determination of the congressional intent or the meaning of the bill on which the Senate is going to act. Those reports have absolutely nothing to do with the bill which the majority leader succeeded in having placed on the calendar today, under rule XIV; and in the legal argument I made this afternoon—and I challenge any Senator who is a lawyer to reply to it—I stated clearly that the fact is that the courts have to refer to the report of the Senate committee which has jurisdiction over the subject matter of the bill, in order to determinne the legislative intent; but there is not such a report on this bill, and there will not be one until after this bill is sent to the Judiciary Committee for hearings.

I believe that those of us who are fighting so hard for the enactment of civil rights legislation have, as I said earlier today, the historic duty and trust of making a record that cannot be challenged in the future. That is why we owe it to the courts and to the Senate and to the American people to have a committee hearing record on this bill. That is why today—as I have done in years past, when the same issue has been up—I urged the Senate not to bypass the committee, because there is no need to bypass it.

Mr. President, the major remarks of the Senator from Minnesota [Mr. HUMPHREY] simply had no bearing on these two vital points, which those of us in opposition to placing the bill on the calendar, under rule XIV, made this afternoon. There is no answer to those two arguments.

If the leadership wished to follow the policy it did follow, certainly it had that parliamentary right; but those of us who think that is not the proper way to have the Senate pass civil rights legislation also have the trust and the duty to point out our objections to that procedure; and that is what we did.

I am sorry the Senator from New York [Mr. JAVITS] did not see fit to agree to the request the majority leader made for unanimous consent, because by that proposal the majority leader—and he was very frank and objective and honest, as he always is—pointed out, after the action taken by the Senate in placing the bill on the calendar, that in view of the debate which was had this afternoon—and he was very gracious about that debate—it was his opinion that probably it would be best to refer the bill to the Judiciary Committee, for hearings, under instructions to report it by March 4.

I do not know whether that is time enough. Earlier today I suggested that the bill ought to go into hearings for 2 weeks. I do not think 2 weeks is too long. There is plenty of work to do in the Senate during those 2 weeks. I would like to see that bill go to the Judiciary Committee for the making of an official hearing record, and for study by the members of that committee. Do not forget who is on the Judiciary Committee. I have reason to believe that a substantial majority of the Judiciary Committee will support the civil rights bill. Such action would place those Senators, as official members of that committee, in a position to help write legislative history on the bill that they take under consideration, whether it is in a special concurring opinion that they file, a dissenting opinion that they file, or their participation in a majority report of the committee. But what I want to obtain somehow is an official committee record that can be used in the future when we come to any question of litigation in which it may be important to determine what the congressional intent was.

I wish to make those points because the speech of the Senator from Minnesota really does not touch upon them. They are the relevant issues. For the most part the discussion of his speech I consider to be highly irrelevant to the problem that was before the Senate this afternoon.

THE FLORIDA EAST COAST RAILWAY

Mr. MORSE. Mr. President, I turn now to the subject of the Florida East Coast Railway. Some days ago I called attention to certain grave and persistent abuses of power by the Alfred I. du Pont estate of Jacksonville, Fla. I said I would offer a bill to bring this vast Du Pont estate economic empire under the Bank Holding Company Act—thereby splitting up its power and curbing its capacity for mischief.

Mr. President, some have said this is a State issue, involving only the State of Florida. Unfortunately, that is not so. The Du Pont estate's dominant figure—Mr. Edward Ball—has so abused his power in a railroad dispute as to threaten our whole national railway labor policy. His policies are threatening the stability of our space and missile projects in the Cape Kennedy area. Moreover, though Mr. Ball's economic empire—the Du Pont estate empire—centers in Florida, its interests extend widely into other States.

Yes, this is a national issue. It is a matter of growing national concern. Fortunately, the answer lies right here in our hands. It is not a punitive answer. It is not a new or untried or radical answer. All it involves is ending a special exception in the Bank Holding Company Act of 1956—putting the Du Pont estate empire of banks, railroads, industries and real estate under this act with the other bank holding companies, where it has belonged from the first.

After a few words about the Bank Holding Company Act, I shall briefly describe this Florida Du Pont estate and some of its abuses of power. I shall indicate how the Du Pont estate was exempted from the act—a truly extraordinary tale—and then explain my bill, which is designed to put these people under the Bank Holding Company Act and keep them there.

Mr. President, the Bank Holding Company Act of 1956 is essentially an addition to our antitrust arsenal. It aims to prevent the abuses of economic power by giant combinations of banks and other industries. It is a notable and salutary law. Its passage took years of effort, and I believe we owe this law more to the work of the distinguished Senator from Virginia [Mr. ROBERTSON] than to any other one man.

In presenting his bill to the Senate back in April 1956, the Senator from Virginia said:

> Nothing is more fundamental in the Banking Act of 1933 than the principle that banks should be restricted to banking activities and not engage in other types of business. Since 1933 both State and National banks have been so limited, but this limitation has been evaded by the bank holding company device.
>
> The pending bill not only would divorce the bank holding companies from their industrial empires, but also would put any future expansion under the control of the Federal Reserve Board.

Mr. President, that sums up very accurately the aim and accomplishment of the Bank Holding Company Act. However, the law as enacted contained some exemptions and exceptions. It covers most important bank holding companies, but some were excluded. I protested that at the time, Mr. President. I specifically protested, among others, the exclusion of the Du Pont estate in Florida. The RECORD will bear me out. I warned that with these exceptions and exemptions we were "running away from the problem." Some of my colleagues joined in my protests. But the counsel of others prevailed. Let us take what we can get, they said. Let us not hold out for an ideal bill. So the bank holding company bill as passed contained these exemptions and exceptions—and now the chickens are coming home to roost, Mr. President. One of these excepted bank holding companies has been abusing its power in a tyrannnical and shocking way.

Mr. President, the Alfred I. du Point estate of Jacksonville, Fla., is a trust created under the will of the late Alfred I. du Pont, who died in 1935. The Du Pont estate is wholly separate from the well-known Du Pont Co. of Delaware.

The Du Pont estate owns majority stock control of 31 banks with assets of $700 million. This banking group, known as the Florida National group, is the largest banking combine in the State of Florida. Some years ago it advertised itself as "the largest banking organization south of Philadelphia and east of the Mississippi."

Clearly the Du Pont estate is a major bank holding company. But unlike the bank holding companies registered under the act, the Du Pont estate also runs a vast interlocking empire of industries, railroads, and real estate.

The Du Pont estate owns nearly all the stock of St. Joe Paper Co., a large interstate manufacturing company. St. Joe Paper not only has a big paper mill in western Florida but also operates substantial factories in Baltimore, Birmingham, Chicago, Cincinnati, Dallas, Hackensack, Hartford City, Houston, Memphis, Pittsburgh, Portsmouth, Rochester, and Chicopee.

St. Joe Paper Co. also owns 1.1 million acres of land in northwest Florida and southwest Georgia. As to this land, let me quote from a brochure issued last spring by the Du Pont estate. This says, and I quote:

> In distance, the Florida lands run 170 miles from east to west and 40 miles from north to south.

Mr. President, when I speak of an empire, it is the literal truth. This is an empire. One hundred seventy miles from east to west, and 40 miles from north to south. But that is not all the real estate controlled by this Du Pont empire. It owns some of the choicest property in downtown Miami. Its railroads have major landholdings. Through the trust departments of its banks, the Du Pont estate controls other large blocks of real estate. Let me quote here what the Du Pont estate itself, in its brochure, says about these trust departments:

> Seven of the banks in the (Florida National) group have trust departments, and one of them, the trust department at Jacksonville, with assets of well over a billion dollars, is possibly the largest in the State.

Yes, Mr. President, here is a vast empire not only of banking, and of manufacturing, but of real estate. But that is not all. St. Joe Paper Co. also owns a small railroad and a small telephone company. It owns a majority of the bonds and stock of a class I railroad, the Florida East Coast. That railroad, running from Jacksonville down to Miami and beyond, is the one that has been on strike for the past 13 months.

But even that is not all, Mr. President. The Florida Du Pont estate also owns 764,280 shares of Du Pont Co. stock. It owns 444,618 shares of General Motors stock. Those two blocks of stock alone, at recent market prices, are worth nearly $235 million.

Mr. President, this whole great Du Pont estate empire is run by one man, Mr. Edward Ball. He is dominant trustee of the Du Pont estate itself. He is coordinator of the Florida National banking group. He is president of St. Joe Paper Co. He is chairman of the board of the Florida East Coast Railway.

Mr. President, it all heads up in Mr. Ed Ball. All the power of this great empire, of this specially exempted bank holding company, heads up in Ed Ball—who wields his power in an ever more arbitrary, tyrannical, and abusive way.

The gravest and most urgent abuse of power by Mr. Ball lies in his utter defiance of our national railway labor policy. I have spoken on this before, Mr. President. I shall touch on it only briefly here, though it is of the utmost importance.

Industrial peace on our railroads depends on respect from both sides for the voluntary procedures of the Railway Labor Act. This respect is vital to the Nation, Mr. President. We know that all too well. We remember what happened last summer. The voluntary procedures broke down in part. We had to pass a special railroad arbitration law. We do not want that to happen again. But Mr. Ball, down in Florida, threatens to torpedo our whole national policy in this area.

The strike on the Florida East Coast Railway began 13 months ago because Mr. Ball refused to grant his employees the same 10-percent pay increase given by all the other railroads, following the recommendations of a Presidential Emergency Board.

Since then, Mr. Ball has refused to make any settlement offer whatever. He has rejected the recommendations of a second Presidential Emergency Board appointed to consider his special case. He has repulsed all efforts to mediate. He has rejected all pleas to arbitrate, the most recent being only last week. In every case, the unions have accepted. Trying to deal with Mr. Ball, as the Assistant Secretary of Labor, James Reynolds, sadly reported after his latest attempt last week is "a lesson in utter futility."

I should like to quote here very briefly from a special report on the Florida East Coast dispute, published in last Sunday's Washington Star:

> The consequences of this strike—

The Star's report points out—

> extend far beyond this one railroad and the unions involved. What is happening here affects national defense and the space effort. It also affects the bargaining and work patterns for the entire railroad industry.

* * * * *

> This is a power struggle, naked and violent, reminiscent of the 19th century. Now, as then, a vast economic empire is arrayed against the power of organized labor—and, indeed, of the U.S. Government itself.

That is what the Washington Star's reporter concluded, after an on-the-spot study of this railroad dispute. And his conclusion is nothing less than the truth. This is a power struggle of wide implications and great danger—a struggle by a vast economic empire not only against its union employees but against the Railway Labor Act, against the policy we here enacted, against the policy of the U.S. Government.

Mr. Ed Ball thinks he is bigger than his Government. And why does he think so? Not because he is chairman of one railroad. Mr. Ball's railroad is not one of the bigger ones; that one railroad could give nobody any delusions of grandeur. No, Mr. President, Mr. Ball thinks he is bigger than his Government because we let him keep together his whole vast economic power base, his whole immense empire of banks, industries, real estate, and railroads. We told the other bank holding companies, "No, you must get rid of your outside industries. We are afraid of what you may do with them. You may abuse your power." But we told Mr. Ball and his Du Pont estate: "Yes, you may keep all your outside industries, you may keep all your vast power, we'll make a special exception for you." Mr. President, now we see the result—and we should correct our mistake.

But this is not all, Mr. President. This is by no means the only way Mr. Ball abuses the power of his vast interlocking empire. Let me read here the first paragraphs from a series of articles on Mr. Ball published by the Miami News, March 11 to 14, 1962:

> You can't drive from the 36th Street Expressway without a long detour for a reason that can be summed up in two words: "Ed Ball."
>
> Construction of the downtown portion of the North-South Expressway was delayed, and a fortune in engineers' work went down the drain, after Ed Ball objected to one of its features.
>
> Ed Ball won't permit the city of Miami to use revenue from the Orange Bowl to replace the inadequate stadium lights.

These are some of the ways, according to the Miami News, in which Mr. Ball has abused the power of his vast real estate holdings. As Mr. William T. Mayo, a member of the Florida State Road Board, told the Miami News reporter:

> He plays a game of checkers with the whole State for a board.

Ed Ball plays checkers with the whole State for a board—and now he is trying the same game with the U.S. Government.

But this is not all, Mr. President. Mr. Ball's railroad, the Florida East Coast, refused to pay its assessed property taxes for 1962 in every city and county where it operates. Instead, it offered checks for small fractional amounts, claiming the assessed taxes were too high. Now this railroad has begun the same procedure on its 1963 taxes.

What an extraordinary procedure that is, Mr. President. Mr. Ball does not want to pay his assessed taxes, so he just refuses. But Mr. Ball's hatred of paying his share of taxes apparently dates back many years. According to an article on Florida politics, published in the St. Petersburg Times of February 16, 1964, and I quote:

> From the middle of the 1930's depression until 1950, and possibly a little after, the dominant force in Florida politics unquestionably was Edward Ball.
>
> Ball worked through the legislature because what he wanted was repeal of the State tax on real estate and the passage of a State sales tax. This could be done only by the legislature.
>
> It took a while, but Ball accomplished his objective—a consumer based tax system. This takes the burden of supporting the State government off real estate and puts it on people.

That was the report in the St. Petersburg Times, a responsible newspaper. The report was less than 2 weeks ago—another example of the Du Pont estate's vast power, shifting the tax burden of a whole State off real estate and onto people.

But this is not all, Mr. President. For many months, mayors of cities served by Mr. Ball's Florida East Coast Railway have been protesting against lack of safety protections at the FEC's grade crossings. An official survey in Miami, early last October, showed warning bells, gates, and other devices were not functioning. And, Mr. President, do you know what the first reaction from Mr. Ball's railroad was? They simply removed the safety gates at three busy Miami crossings.

This seems almost incredible, Mr. President, but it is true. I have here a clipping from the Miami Herald of last October 9. The story is headlined:

> Three Crossing Gates Removed From Miami by the FEC.

A picture shows one of the crossings, with the caption:

> An Armless Safety Signal at FEC Crossing and North West Fifth Street—One of Three Missing Gates at Busy Miami Intersections.

Instead of fixing the crossing gates, Mr. Ball had his people remove them.

They simply took away these protective crossing gates.

That is a classic illustration of a lack of social conscience, if I ever saw one, and, of course, that is what we are dealing with—a tyrannical individual who, by his conduct, shows a lack of social conscience.

I am not surprised that the Miami Herald, in an editorial last December 20, described much of the right-of-way of Mr. Ball's railroad as "a shooting gallery for hapless motorists."

Mr. President, I could cite other examples of abuse of power by Mr. Ball. But it must be clear already that we are not dealing here with an ordinary man. Mr. Ball is a tyrant. I can find no other word for him. He seems to place himself above the law. And he is the man to whom we gave free reign by exempting the Du Pont estate's vast empire of banks, railroads, industries, and real estate from the Bank Holding Company Act.

How did that exemption come about? Largely, no doubt, because we did not know at the time of any such abuse of power by the Florida Du Pont estate as I have been describing. Most of these abuses had not yet occurred, back in 1956. But, Mr. President, there was another reason given at the time for exempting the Du Pont estate. This is the most extraordinary part of the whole story.

During the Banking and Currency Committee's hearings on this bill, back in 1955 and 1956, Senators were under the impression that the Du Pont estate is primarily a charitable organization—that most of its money goes to help crippled children. Our colleagues were misled, Mr. President. Someone had misled them. I do not know who misled members of the Senate's committee that way. I could not give you his name. But someone did it. The Du Pont estate is by no means a charitable enterprise.

In actual fact, Mr. President, ever since the late Mr. du Pont's death in 1935, nearly all the Du Pont estate's income has gone each year to his widow, Mrs. Jessie Ball du Pont, the sister of Mr. Edward Ball. Yes, Mr. President, the money goes to Mr. Ball's sister. Last year, Mrs. Jessie Ball du Pont's annuities from the estate totaled $8,591,889.28, as I reported to the Senate last week.

Mr. President, I do not begrudge Mrs. du Pont her large income. I have been told she is a fine lady, that she has given substantial sums to charity. In fact, she regularly assigns about 12 percent of her annuities to a foundation for crippled children. That left her last year with $7,584,862.57.

But, Mr. President, this lady's generosity does not alter the fact that our colleagues were misled while they were considering the bank holding company bill. Seven and a half million dollars a year to Mrs. Jessie Ball du Pont is not charity.

It is also true, and I want to make this very clear, that when Mrs. du Pont dies, and on the death or settlement of other small annuitants, all the Du Pont estate's income will then go to a charitable foundation. It will then become a charitable enterprise.

But, Mr. President, the power will stay in the same hands. Mr. Edward Ball will still use and abuse the great power given him by this huge empire that we exempted from the Bank Holding Company Act. That is what should concern us now. It is the power that counts, not who gets the money. Mr. Ball himself does not draw a penny from the Du Pont estate. Not a penny, Mr. President. He has his own fortune. But he runs the whole empire. He uses and abuses the vast power given him by this unique combine of banks, industries, railroads, and real estate—plus over $200 million of stock in two giant corporations.

Mr. President, my bill will cut down this power that has been so badly abused. That is all it aims to do. It will simply put the Du Pont estate under the Bank Holding Company Act and keep it there, like other bank holding companies.

What will this mean for the Du Pont estate? It will mean that it must, like other bank holding companies, either give up its banking empire or give up its outside, nonbanking empire. It will have to be either fish or fowl. It will no longer continue to be both.

If the Du Pont estate chose to keep its great chain of 31 banks, it would then have to sell control of St. Joe Paper Co., thereby disposing also of its controlling interest in the Florida East Coast Railway and other enterprises.

If the Du Pont estate kept its banks, it could also invest widely in other enterprises. It could hold stock in any other company, so long as the holding did not exceed 5 percent of that company's voting stock and 5 percent of the Du Pont estate's own assets. That is the limitation we put on other bank holding companies. My bill would simply apply the same limitation to the Florida Du Pont empire.

There is no reason to believe this would shrink the Du Pont estate's income. Mrs. du Pont now, and the charities in the future, should get just as much money. But the power would be cut down. The abuse of power would be cut down. That is all my bill would do.

Some accounts of my proposal have said it calls for nationalizing the Florida East Coast Railway. Mr. President, those accounts are utterly mistaken. As I have very plainly explained, my bill means only that Mr. Ball might feel obliged to sell the controlling interest in the Du Pont estate's paper company and the railroad. I am sure he will have no trouble finding buyers.

Mr. President, my bill is drawn in general terms, after careful study. I willingly admit, however, that to the best of my knowledge the only bank holding company to be affected by it is the Florida Du Pont estate. As I mentioned earlier, there are some other exceptions and exemptions in the Bank Holding Company Act. I have not tried to cover them. I should like to do so, but that might involve us in great delays. The abuses of power by the Du Pont estate, through its dominant trustee, Mr. Ball, are so grave, so urgent, and so dangerous that we dare not delay. That is why I have drawn up this bill as it is.

Mr. President, we are dealing here with some very clear and glaring abuses of concentrated economic power. Nearly two centuries ago, when the Founding Fathers drew up our Constitution and its Bill of Rights, they took great care to avoid the dangers of concentrated political power. They gave us a constitutional system of divided and limited powers. How well they chose, Mr. President. How wise they were.

As in the political sphere, so, too, in the economic sphere. The same principles hold true. Power corrupts, and absolute power corrupts absolutely. To avoid tyranny, divide the power. That is the principle of many of our economic laws. It is the principle of the Bank Holding Company Act. The same principle applies to Mr. Ed Ball and his grave abuses of power. The remedy is to divide up the power—not in a punitive way, not injuring any innocent persons, but simply by putting this Du Pont group under the Bank Holding Company Act where they belong.

Let us not delay, Mr. President. I, for one, do not want to see Mr. Ed Ball win his cold war against the people of Florida and the U.S. Government.

I ask unanimous consent that the text of the bill and a short explanatory statement be printed in the RECORD following my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and explanatory statement will be printed in the RECORD.

The bill (S. 2561) to amend the definition of "company" contained in section 2(b) of the Bank Holding Company Act of 1956, and for other purposes, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2(b) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(b)) is amended to read as follows:

"(b) 'Company' means any corporation, business trust, testamentary trust which at the end of the most recent calendar year controls bank assets of $100,000,000 or more, association, or similar organization, but shall not include (1) any corporation the majority of the shares of which are owned by the United States or by any State, or (2) any corporation or community chest, fund, or foundation, organized and operated exclusively for religious purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, or (3) any corporation or community chest, fund, or foundation which at the end of the most recent calendar year does not control bank assets of $100,000,000 or more and which is organized and operated exclusively for charitable or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, or (4) any partnership."

(b) The sixth sentence of section 18(c) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1828(c)), is amended by inserting after "(including any tendency toward monopoly)" the following: "and its possible inconsistency with the purposes and objectives of the Bank Holding Company Act of 1956 should the transaction result in the removal of any company from the purview of that Act".

The explanatory statement presented by Mr. MORSE is as follows:

ANALYSIS OF MORSE BILL TO AMEND BANK HOLDING COMPANY ACT AND FEDERAL DEPOSIT INSURANCE ACT

The Bank Holding Company Act of 1956 (12 U.S.C. 1841) is essentially antitrust legislation. It aims to prevent abuses of economic power by financial-industrial combinations. It provides (1) that all bank holding companies must register with the Federal Reserve Board, (2) that the bank holding companies must divest themselves of control over all nonbanking enterprises, and (3) that a bank holding company may not acquire control over more banks without the approval of the Federal Reserve Board.

Under "definitions," the act states:

"SEC. 2(a). 'Bank holding company' means any company (1) which directly or indirectly owns, controls, or holds with power to vote, 25 per centum or more of the voting shares of each of two or more banks.

"(b) 'Company' means any corporation, business trust, association, or similar organization, but shall not include (1) any corporation the majority of the shares of which are owned by the United States or by any State, or (2) any corporation or community chest, fund, or foundation, organized and operated exclusively for religious, charitable, or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, or (3) any partnership."

The proposed amendment to the Bank Holding Company Act would, first, insert after the words "business trust" in the first line of section 2(b) the phrase "testamentary trust which at the end of the most recent calendar year controls banking assets of $100 million or more"; and, second, delete the words "charitable, or educational" from subsection (2), delete the present subsection (3), and substitute new subsections (3) and (4) as follows: "or (3) any corporation, community chest, fund, or foundation which—at the end of the most recent calendar year—does not control banking assets of $100 million or more and which is organized and operated exclusively for charitable or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, or (4) any partnership."

The first of these changes would include the Alfred I. du Pont estate within the scope of the act, as the Du Pont estate is at present organized. It is believed that no other testamentary trust at present controls banking assets of $100 million or more and also controls two or more banks. In a discussion of the Du Pont estate's exemption during Senate hearings on the bank holding company bill (July 1955, pp. 72–74 of the printed hearings), Federal Reserve Board Governor J. L. Robertson said the Du Pont estate was the only such large situation he knew of, adding that there are probably many smaller cases "where the father owns the bank and has other investments and he wants to preserve that for his family or his son and he puts that in an estate." The proposed amendment would not affect these smaller cases.

The other proposed change in the act would keep the Du Pont estate under the Bank Holding Company Act when, in the course of time, its income is devoted wholly to charitable purposes. At present the Du Pont estate's income is paid to annuitants, primarily to the late Mr. du Pont's 79-year-old widow, Mrs. Jessie Ball du Pont. After Mrs. du Pont dies, and on the death or settlement of the other small annuitants, all the estate's income will go to Nemours Foundation, a charitable foundation controlled by the Du Pont estate's trustees. However, control over the Du Pont estate's many enterprises will remain in the hands of the estate's trustees.

It is believed that at present no inter vivos charitable or educational trust or foundation controls banking assets of $100 million or more and also controls two or more banks. A subcommittee of the House Small Business Committee has been engaged in a study of tax-exempt foundations and charitable trusts. A report of this subcommittee's chairman, Hon WRIGHT PATMAN, dated December 31, 1962, contains a listing (in schedules 2 and 3) of all corporations in which the Nation's 534 principal tax-exempt foundations individually owned 10 percent or more of the corporation's stock. Examination of this listing shows that only one foundation owned 10 percent or more of the stock of two or more banks. This foundation is Houston Endowment, Inc., of Houston, Tex. It is listed as owning 51.5 percent of the common stock of Airline State Bank (valued at $421,285), 11.6 percent of the common stock of Belfort State Bank (valued at $70,000), 28.1 percent of the common stock of Reagan State Bank (valued at $491,800), and 23.4 percent of the common stock of the National Bank of Commerce of Houston (valued at $18,939,900). However, since the Bank Holding Company Act defines "control" as meaning ownership of 25 percent or more of the voting stock, Houston Endowment's holdings in the Belfort State Bank and the National Bank of Commerce would not be counted—and on this basis it appears that it controls less than $100 million of banking assets.

The proposed amendment would not affect the present complete exclusion of religious organizations from the Bank Holding Company Act provisions.

Second, it is proposed to amend that portion of the Federal Deposit Insurance Act (12 U.S.C. 1828) which is commonly known as the Bank Merger Act of 1960. This is based on the following considerations: At present, where the banking laws permit, a bank holding company can merge all the separate banks it controls into one large bank, turning the formerly separate banks into branches of the dominant bank, and thereby escape from the provisions of the Bank Holding Company Act, since that act covers only holding companies that control two or more banks.

For many years, Florida law has prohibited branch banking. Recent news reports indicate the next Florida Legislature may change the law to allow branch banking. According to the business editor of the Miami Herald, in an article published January 1, 1964, "there is growing sentiment in the State's banking industry for branch banking * * * as the new year opened, even some strong opponents of branching were conceding that it is bound to come." Similarly, according to an Associated Press report from Tampa, published in newspapers of December 31, 1963, "a Florida monthly magazine devoted to business interests predicted Monday the 1965 legislature would adopt a form of branch banking to keep up with the State's booming population. The magazine, the Florida Trend, based its prediction on a recent survey on banking by the University of Florida."

The amendment here proposed would in no way affect the right of any State to decide whether to allow or prohibit branch banking. Instead it would merely instruct the Federal banking authorities to weigh, among other factors that they consider in deciding on bank merger proposals, whether a particular merger proposal might be inconsistent with the aims of the Bank Holding Company Act by removing a bank holding company from coverage under that act.

At present, the fifth sentence of subsection (c) of section 2(18) of the Federal Deposit Insurance Act spells out a number of factors that the appropriate Federal banking agency shall consider in deciding whether to grant or withhold consent for a proposed bank merger. The sixth sentence of the same subsection reads as follows:

"In the case of a merger, consolidation, acquisition of assets, or assumption of liabilities, the appropriate agency shall also take into consideration the effect of the transaction on competition (including any tendency toward monopoly), and shall not approve the transaction unless, after considering all of such factors, it finds the transaction to be in the public interest."

The proposed amendment would insert in the above sentence, after the word "monopoly," the following phrase: "and its possible inconsistency with the purposes and objectives of the Bank Holding Company Act of 1956, as amended, should the transaction result in removal of any company from the purview of that Act.".

Mr. MORSE. Mr. President, I also ask unanimous consent that an article published in the Washington Sunday Star of February 23, 1964, entitled "Power Struggle: The Story of a Rail Dispute," and an article published in the St. Petersburg, Fla., Times of February 16, 1964, entitled "Pork Chop Gang: A Coalition for Control," and an article published in the Miami, Fla., Herald of October 10, 1963, entitled "Three Crossing Gates Removed From Miami by the FEC," may be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, Feb. 23, 1964]

POWER STRUGGLE: THE STORY OF A RAIL DISPUTE

(By Haynes Johnson)

JACKSONVILLE, FLA., February 22.—With its red flags of caution snapping in the breeze, the hi-rail car hurtled off down the track and quickly accelerated to 85 miles an hour.

"This particular car, they can blow it up by crossing the wires," said George Reaves, 36, the driver. "What they been doing is taping two wires across the tracks and they put spikes on the tracks. We've had 'em blow out all four tires. We were in front of that train they blew the other night."

Seated beside him on the front seat was R. D. Brunson, Jr., 32, until 2 months ago a deputy in the Duval County constable's office.

"They've thrown rotten eggs and rocks at us," Mr. Brunson said. He reached down to the back seat and lifted up a loaded police riot gun. "If any s.o.b. shoots at me I can take care of him. We try to be courteous but you never know who's out there to hurt you. We're not out here to hurt anybody, but we're not out here to get hurt, either."

Three miles back was train No. 97 of the Florida East Coast Railway carrying 100 cars of freight—new automobiles and trucks, oil and gas, heavy and light machinery. It was the beginning of the regular 360-mile afternoon run from Jacksonville to Miami.

As is normal these days on this railroad, the hi-rail car—an automobile equipped with railroad wheels as well as regular car wheels—was scouting for danger ahead, watching for wires, locked switches, slashed cables, or strange movements in the thick vegetation alongside the tracks.

The Florida east coast system is locked in the midst of the longest and most violent railroad strike in recent history. The consequences extend far beyond this one railroad and the unions involved.

What is happening here affects national defense and the space effort. It also affects the bargaining and work patterns for the entire railroad industry. But the dispute even goes beyond this: basic union concepts are being challenged. That is why the outcome is being closely watched by labor and management throughout the country.

This is a power struggle, naked and violent, reminiscent of the 19th century. Now, as then, a vast economic empire is arrayed against the power of organized labor—and, indeed, of the U.S. Government itself.

The strike began 13 months ago tomorrow. In that time the railroad says it has been subjected to 216 acts of vandalism or sabotage. Numerous attempts to settle the strike, ranging from a Presidential board of inquiry, a Presidential emergency board, and efforts by the Federal Mediation Service, have been made. All have failed.

In the last 2 weeks a series of events focused new attention on the bitter struggle.

Picketing at Cape Kennedy shut down all space construction work there after the National Space Agency opened a Government-owned railroad spur to the Florida East Coast. The picketing was stopped by a temporary restraining order.

When work resumed at the Cape, a series of dynamitings and attempted dynamitings of FEC trains occurred. The latest incident was just a week ago when two blasts tore into the underside of a freight train at New Smyrna Beach and ignited a tank car carrying 37,000 gallons of butane gas. It was the second dynamiting of a train in 5 days.

Labor Secretary Wirtz, in a plea to both sides, said the public is being forced to pay an intolerable and insufferable price from this economic warfare.

Despite such statements and despite renewed efforts since then to settle the strike, the end appears as distant as ever.

At the center of the dispute is one man, Edward Ball, 75-year-old chairman of the Florida East Coast Railway.

"This fight is for the survival of the free enterprise system and for the rights of the American citizens," Mr. Ball said in an interview today.

Among the kinder things that are said about "Ed" Ball by union members are that he is a dictator and a tyrant.

FIGHTING DYNASTY, UNIONS CONTEND

"He's out to break the unions, and if he does he'll be the biggest man in the Southeastern railroad system," said Jack Hadley, chairman of the master strike team of the unions.

The unions contend that they are confronted by an economic dynasty of which Mr. Ball is the emperor. They point out that the railroad is only a small part of the overall holdings of the Alfred I. du Pont estate of Jacksonville. As one of the trustees of that estate, Mr. Ball is also its principal administrator. He is a brother-in-law of the late Mr. du Pont.

Among the holdings of the Du Pont estate are the Florida national group of 31 banks, with assets of $700 million; nearly all the capital stock of the St. Joe Paper Co., a firm with factories in 13 large cities around the country; more than a million acres of land in Florida, a railroad and telegraph company—and majority ownership of the Florida East Coast Railway.

The Du Pont estate also owns approximately $228 million worth of Du Pont and General Motors common stock.

To the unions, this is the power that is out to break them. To the railroad, such a recitation is a spurious issue; only the railroad is involved, it says.

What began as primarily a wage issue has mushroomed more than a year later, into something much more complex.

BATTLE STARTED 3 YEARS AGO

The dispute originated in 1961 when 11 "nonoperating" unions served identical demands on virtually all Class I railroads throughout the country, calling for wage increases of 25 cents an hour and 6 months' advance notice before layoffs or abolishing of jobs.

The railroads countered with a proposal calling for wage reductions of 20 percent and 24 hours' advance notice on jobs. Collective bargaining and mediation failed to resolve the issues. A Presidential emergency board then held hearings and recommended a raise of 10.28 cents an hour.

Every Class I railroad in the country, some 190 in all, accepted the terms of the national agreement—all but the Florida East Coast.

The Florida line, which had been taken over by its present management on January 1, 1961, had been in receivership from 1931 to 1960. It took the position that it was unable to afford a wage increase when it was losing money. The company insisted on its right to bargain alone.

Despite its refusal to accept the national pattern, the Florida carrier did make 10 offers to the unions. The last one would have provided for a 5-percent raise in three steps during 1962 and 1963. If the unions had accepted that, the company argues, the wages eventually would have exceeded the national pattern.

The unions held firm.

On January 23, 1963, the strike by 1,300 nonoperating union personnel began. Some 700 others honored the picket line.

COMPANY RESTARTS OPERATIONS

Few expected what happened next. The company fought back.

With supervisory personnel running the line, FTC trains began operating again on February 3, 1963. Then the railroad began advertising for workers and recruiting started. Students who had dropped out of college, high school graduates, factory employees, service station attendants—all were hired, trained, and soon at work operating the trains.

Today, 850 employees are doing the job that had been the responsibility of nearly 2,100 before.

The latest figures available from the company, for the week ending February 8, 1964, show that the line's weekly freight carloadings are over the level of 1962.

"We didn't know how much featherbedding there was until we found out how much we could do without," said W. L. Thornton, the vice president and chief operating officer. "To begin with the unions didn't think we could operate without them. After they got into this thing it turned out to be a Pandora's box. In many ways we've got a better group today. Generally speaking, many of these new employees put the old ones in the shade.

"These boys run and hustle all the time. They haven't been educated not to work."

SERVICE QUESTIONED

Such comments only further infuriate the strikers. The union maintains that the railroad is a "master of deceit"; that its record of hauling freight has been accomplished by the farming out of maintenance work to independent contractors; that the line's entire 572-mile system has fallen into dangerous disrepair and constitutes a threat to public safety; and that many of the so-called acts of vandalism are in reality the result of poorly trained personnel who are not operating their equipment properly.

"I don't feel he (Mr. Ball) is giving the service," said William F. Howard, one of the strike leaders. "I don't believe he can serve the public the way he did before the strike. Eight hundred men can't do what 2,100 did. You just can't maintain those tracks with that few men.

"They might cut down on the number of workers they have, but they can't maintain 572 miles of tracks and bridges with what they've got. I know there is a lot of work being farmed out."

Mr. Howard was sitting in the union strike headquarters where the walls are plastered with newspaper clippings about the strike. On one side was an ad offering $100,000 in rewards for information about the dynamitings; on another a sign read: "Don't be a litterbug. Don't scatter scabs on the street."

As he talked the bitterness came out. "These scabs are openly displaying weapons," he said. "Just go down there and you'll see. They're got police dogs and floodlights and spys."

The union leaders emphatically deny that their men are responsible for violence. They contend that "someone" else is doing it—and even hint that the railroad itself has an interest in making the strikers look bad.

WILL HOLD OUT, UNION SAY

"I don't know what the future holds," Mr. Howard said, "but we're going to hold out. I don't think we've asked for a thing he can't pay. We don't swallow this inability to pay he keeps talking about."

To the chief union negotiator, G. E. Leighty, chairman of the Railway Labor Executives Association, one of the larger issues at stake is, as he put it on television this week:

"We don't propose to have a little railroad like the Florida East Coast set the pattern for the entire industry."

To Ed Ball, short, soft spoken whose arched white eyebrows give him a slightly quizzical appearance, the strike is becoming something in the nature of a crusade for free enterprise.

"I've had a number of my friends who have talked at some length to me about this, and they're all of the same idea," he said today in his office on the eighth floor of the Florida National Bank Building. He mentioned the mail he has been receiving, and said: "The railroad didn't call any strike. The unions called it. So who is trying to wreck whom?"

He believes, he said, that the "labor organizations have become tremendously wealthy and with the tax-free income it is no wonder that they can dominate many Members of the Congress as well as other officials of the Government."

ADMINISTRATION FEELS PRESSURE

To the Johnson administration, pressure is building for drastic action. Assistant Secretary of Labor James Reynolds this week said that Mr. Ball's type of thinking has no place in this century. Both he and Labor Secretary Wirtz have pointed out sharply that the railroad has refused to submit the case to arbitration as well as refusing to accept the findings of two Presidential commissions.

To make the situation even more tense, many men on strike believe they may never get their jobs back regardless of the eventual outcome. Both Mr. Ball and Mr. Thornton of the railroad made it clear that the company intends to stick by its present employees. Inevitably, that means at the expense of the strikers.

"I certainly expect to stand by these men," Mr. Ball said. "They have operated the railroad and I believe today the FEC has the most efficient operating crew in the United States."

Asked whether he would rehire the strikers, he paused and then said: "Believe I will pass that one."

A Presidential emergency board created last November by the late President Kennedy recommended 2 months ago that the railway rehire its striking employees to fill all nonoperating jobs, "including those now held by new employees since the strike on the basis of seniority."

When asked about further possible Government action, Mr. Ball replied:

"How can I have any more pressure? Kennedy bore down on us, and I anticipate that Johnson will. So I don't see how they can put any more pressure on us than they already have applied."

In the meantime, the hi-rail cars still roll down the tracks day and night, leading the freight trains along a route torn by trouble and strife.

[From the St. Peterburg (Fla.) Times, Feb. 16, 1964]

PORK CHOP GANG: A COALITION FOR CONTROL

(By Martin Waldron)

TALLAHASSEE.—In Washington (and London), it is called "The Establishment."

In Alabama, it is the "Big Mules."

In Texas, it is the "White Tie Team." In Louisiana, "The Long Dynasty." In Florida, it is the "Pork Chop Gang."

But no matter what it's called or how colorful the name, the purpose of each of these groups is roughly the same:

Control of the government.

By and large, this is done through keeping a working control of the legislative body.

But sometimes control of the executive offices also is necessary. It is always helpful.

The real force in Florida government is now and has been for 10 years, the "Pork Chop Gang"—the Florida establishment. It has held a complete lock on legislation.

For the first few years of its life, the gang was run by a coalition of William A. Shands, of Gainesville; W. Turner Davis, of Madison; Charley E. Johns, of Starke; and Dewey M. Johnson of Quincy.

They all were senate presidents at one time or another, but only Johns and Johnson still are in the senate.

Shands, who has interests in rock mines and billboards, banks and so on, is now an elder statesman of the "Pork Chop Gang." He comes back to lobby during sessions, probably because he likes to be around the legislature when it is meeting.

The gang never would pass any laws which would harm him financially.

Davis, the "old gray fox" of the gang, was defeated in 1962 when he grew lazy about keeping his fences mended at home.

In the senate, Davis was the brains of the gang, using his position as chairman of the senate rules committee to decide what would and what would not pass.

Johns has a failing which precludes him ever being the head of the gang. He gives way to sentiment. All his life, Johns has been an easy touch for people in trouble, and keeping control of government requires a steadfastness of purpose.

Dewey Johnson, of Quincy, had all the equipment needed to head up the legislative phase of the establishment. He is smart. He understands government. He is dedicated to the conservative viewpoint.

But in 1960, he got cancer of the larynx and surgeons had to remove his voice box to save his life.

These four men ran the "Pork Chop Gang" in its early days, when it was a legislative organization, and before it expanded to become statewide in scope.

The "Pork Chop Gang" was organized to fight reapportionment. But it has grown far beyond that now.

In 1964 political campaigns, the gang may feel it is more important than ever to have some control or at least a friend in the executive department. For the Governor elected in 1964 will be the man who will have to deal with expected reapportionment edicts from the courts.

Although the "Pork Chop Gang" was born in the reapportionment battles of the early 1950's, it had its roots back further than that.

From the middle of the 1930's depression until 1950, and possibly a little after, the dominant force in Florida politics unquestionably was Edward Ball, of Tallahassee and Jacksonville.

As head of the Alfred I. duPont interests in Florida, Ball ran companies worth $150 to $200 million. One of these companies virtually owned half a dozen counties in the State. Ball's influence still is tremendous, but has been on the wane.

After taxes, the Du Pont estate in 1935 was worth about $35 million. Today it is worth roughly 10 times that. In addition to its big $100 million St. Joe Paper Co., the estate has controlling interest in the Florida National Bank Group which in 1963 had assets of more than $713 million and deposits totaling $619 million. Ball also has taken over control of the Florida East Coast Railroad for the Du Pont estate.

For a 15-year period from 1935 to 1950, Ball was virtually a one-man establishment.

He was the forerunner of the present day "Pork Chop Gang."

Ball worked through the legislature because what he wanted was repeal of the State tax on real estate and the passage of a State sales tax.

This could be done only by the legislature.

It took a while, but Ball accomplished his objective—a consumer-based tax system. This takes the burden of supporting the State government off real estate and puts it on people.

Beginning in 1935, the Du Pont forces pushed for the sales tax with its introduction by G. Pierce Wood, of Liberty County, an employee of the Du Ponts.

It failed by five votes that year, and was not passed until 1949 when Fuller Warren, backed in the Governor's race by Ball, was installed. Warren called the legislature back into special session that summer and the sales tax was passed.

And that was the year Ball began to lose some of his power in government. He had no immediate goals and turned his attention elsewhere

In his 15 years as a one-man establishment, Ball tried to stay behind the scenes in political campaigns because he made a good campaign issue for the man who didn't get his support.

Sometimes, candidates did not know if Ball was with them or not.

[From the Miami Herald, Oct. 9, 1963]

THREE CROSSING GATES REMOVED FROM MIAMI BY THE FEC

(By Dick Knight)

Safety devices at three busy Florida East Coast Railway crossings have been removed, an FEC official confirmed Tuesday.

But Ben McGahey, FEC vice president, said he "didn't know why" gates and metal supports had been taken down from crossings at Northwest 29th Street, Northwest Fifth Street, and Northwest First Street.

"They may have been taken down to prevent vandalism. I just don't know why," McGahey said.

Surveys conducted a week ago by the city's engineering department and by Jackson G. Flowers, a former Dade safety director, showed warning bells, gates, and other devices were not functioning.

At last week's city commission meeting, FEC spokesmen assured the city the railroad would cooperate in restoring the safety equipment.

"It is inconceivable to me that these devices would have been removed after the FEC had indicated a most cooperative attitude in response to the city's concern over defective equipment," Mayor Robert King High said.

Mr. MORSE. Mr. President, I yield the floor.

Mr. PROXMIRE. Mr. President, as a member of the Banking and Currency Committee I have been highly interested by the remarks of the Senator from Oregon concerning the Du Pont estate trust in Florida and its exemption from the Bank Holding Company Act.

Here, on its face, we appear to have some glaring abuses of power by an extraordinary interlocking combine of banks, industries, railroads, and land holdings. I shall not attempt to deal with the labor aspects of this situation, which have been covered very fully by my friend from Oregon. I recognize that this is an important and very current matter in terms of possible abuse of economic power by Mr. Edward Ball, who runs both the Florida East Coast Railway and the Florida Du Pont estate.

But, Mr. President, I find Mr. Ball's situation and policies in regard to payment of taxes raise some important questions. Many of us here are concerned about tax favoritism. Here I should make it plain that this Florida Du Pont estate is a wholly separate enterprise from the well-known Du Pont Co. of Delaware. What do we see in this Florida Du Pont estate trust?

I understand that this Du Pont trust drew an income of over $9 million last year from its great empire of banks, railroads, industries, and real estate, and it paid not a penny of Federal income tax on that money.

No doubt this nonpayment of taxes has been approved by the Internal Revenue Service. No doubt it is considered to fall under the provisions for testamentary trusts.

But, Mr. President, this Du Pont estate in Florida acts very much like a family holding company. It is run by a handful of relatives of the late Mr. Alfred du Pont. It has perpetuity. Its trustees—and especially its dominant trustee, Mr. Edward Ball—are very active in managing the Du Pont estate's various large enterprises.

If this Du Pont estate were treated for tax purposes as a family holding company, I believe it would be subject to the regular corporate income tax. The U.S. Treasury would be richer by several million dollars each year. Instead, this organization pays no Federal income tax at all. I suggest the Internal Revenue Service might give this matter some further study.

I note that last week's Saturday Evening Post, dated February 22, carried an article about this railroad strike down in Florida. This article had the following comments about Mr. Edward Ball's attitude toward taxes, and I quote:

> Ed Ball does not like taxation. He speaks scathingly of the Bureau of Internal Revenue, once tried to purchase sovereignty of the French-owned Pacific island of Bora Bora to set up a tax haven all his own.

Mr. President, this tax-shy gentleman did not purchase the South Sea island of Bora Bora. It seems to me he did not need to. The Du Pont estate pays no Federal income tax at all.

Turning to local taxes, I find the Du Pont estate's railroad has been refusing to pay its assessed property taxes in all the cities and counties where it operates. The railroad claims the assessments are too high—and has offered in payment only small fractional sums.

I should like to read a few lines from an editorial in the Miami Herald of last December 20, commenting on this point:

> Refusing to pay the more than $55,000 levied on its property (in Miami), the FEC (railway) has come back with a payment of just over $20,000. Since Government operations are keyed to expectable revenues (locally only, that is) the rest of us have to pick up the tab that the FEC has autocratically laid down—twice.
>
> Miami and its neighbors have shown great forbearance with a railroad which seems to live by the ancient ukase. I am the law.
>
> It performs the services it wishes, although it enjoys an exclusive franchise to operate in certain areas. It accepts what tax bills it pleases and shrugs its shoulders at the others.
>
> When is the public-be-damned railroad, which abuses the principles of private enterprise, going to be taught that the days of the railroad baronies are long gone?

That is the question raised, Mr. President, by the Miami Herald, a prominent and responsible newspaper in the territory served by the Du Pont trust's railroad.

I should like to quote also from the Saturday Evening Post article I mentioned earlier about the "empire" over which Mr. Ball presides. "As a trustee of the mammoth Alfred I. du Pont estate," this article reports, Mr. Ball controls:

> The Florida East Coast, plus a smaller railroad in the Florida panhandle called the Appalachicola Northern.
>
> The St. Joe Paper Co. (1.1 million acres of timberland in Florida alone).
>
> Miami real estate worth $19 million.
>
> Seven hundred sixty four thousand two hundred and eighty shares of Du Pont and 444,618 shares of General Motors common stock—worth approximately $218 million.
>
> The Florida National, group of 31 banks with 1963 assets of $676 million.

That is the Saturday Evening Post listing, and it corresponds with the listing given us by the Senator from Oregon.

Is there any reason whatever, in logic or justice, why this large bank holding company should be exempted from the Bank Holding Company Act? Virtually all bank holding companies in the United States are regulated by this act. The Du Pont trust is not. This trust is not a charitable enterprise, as some Senators were led to believe at the time our committee was considering the bank holding company bill back in 1955 and 1956.

I agree most wholeheartedly with my colleague from Oregon that this DuPont trust's exemption from the Bank Holding Company Act has become an urgent matter. Like other bank holding companies, the Du Pont trust should be required to divest itself of control over nonbanking companies—thereby greatly cutting down its potential for abuse of power.

Considering the abuses of power already revealed—and there may be more that are not yet revealed—I can see no excuse whatever for allowing the Florida Du Pont estate, with its 31 banks, to continue enjoying its special privileged position. This deserves the very early attention of the Banking and Currency Committee.

I ask unanimous consent that the editorial I have referred to, from the Miami Herald of December 20, 1963, be printed in the Record at the end of my remarks; also a fact sheet relating to that subject.

There being no objection, the editorial and fact sheet were ordered to be printed in the Record, as follows:

Pay-as-You-Please Taxes?

"If the tax levied on your property for 196— is not to your liking, please remit to the collector any amount you choose."

No tax law anywhere reads like this. But this is what the Florida East Coast Railway reads into the tax laws of the city of Miami. Refusing to pay the more than $55,000 levied on its property, the FEC has come back with a payment of just over $20,000.

Since government operations are keyed to expectable revenues (locally only, that is) the rest of us have to pick up the tab that the FEC autocratically has laid down—twice.

As though that were not enough, the railroad persists in the neglect of crossing signals and other safety precautions. Much of the right-of-way is a shooting gallery for hapless motorists.

Really, when is enough enough?

Miami and its neighbors have shown great forbearance with a railroad which seems to live by the ancient ukase, "I am the law."

It performs the services it wishes, although it enjoys an exclusive franchise to operate in certain areas.

It accepts what tax bills it pleases and shrugs its shoulders at the others.

The spineless regulatory agencies of the State of Florida will not clamp down on an organization which is inherently powerful financially and which wields in several guises a tremendous political clout.

When is the public-be-damned railroad, which abuses the principle of private enterprise, going to be taught that the days of the railroad baronies are long gone?

Why the Bank Holding Company Act Should Be Changed Now To Cover the Du Pont Estate

1. A vast financial empire known as the Alfred I du Pont estate of Jacksonville, Fla., controls the Florida East Coast Railway, the St. Joe Paper Co. and the "Florida National" group of 31 banks, with assets of $700 million.

The Du Pont estate is a perpetual testamentary trust created by the late Alfred I. du Pont, a member of the well-known Delaware family, who died in 1935. The Du Pont estate and its various enterprises are run essentially by one man, the estate's dominant trustee, Mr. Edward Ball.

2. Since January 23, 1963, the Florida East Coast Railway's "nonoperating" employees have been on strike. These employees have not had a wage increase since 1960. They are seeking the same 10.28-cent hourly pay raise gained by the employees of all other class I railroads in June 1962, following the recommendations of a Presidential Emergency Board.

3. Over the past year, the National Mediation Board, the Florida delegation in Congress, the Secretary of Labor, and the late President Kennedy have all suggested that, failing a negotiated settlement, the strike issues be submitted to voluntary arbitration. The unions agreed. FEC Board Chairman Edward Ball refused.

4. A special inquiry board appointed by President Kennedy reported last October 10 that "this labor dispute is currently and potentially detrimental to our Nation's defense and space efforts." This board also urged a negotiated or arbitrated settlement. The unions agreed to arbitrate. Mr. Ball refused.

The special inquiry board further recommended an embargo on use of the FEC for Government shipments into the Cape Kennedy area until the strike is settled.

5. A special Presidential Emergency Board last December 23 recommended that the FEC strike be settled for the 10.28-cent increase (though without retroactivity) plus certain conditions for return to work of the employees. The unions agreed. Mr. Ball refused.

6. Our Nation's traditional voluntary system for settling rail labor disputes under the Railway Labor Act—already in shaky condition—is gravely endangered by this continued defiance from one man, Mr. Edward Ball. Mr. Ball has also abused his vast power in various other ways involving highways and taxes.

7. Control of the FEC Railway by the Du Pont estate and Mr. Ball depends on a specially worded definition of "company" in the Bank Holding Company Act of 1956. This definition exempts the Du Pont estate from the act, although the estate does in fact act as a bank holding company.

8. The Bank Holding Company Act requires bank holding companies to divest themselves of control over all nonbanking companies to prevent abuses of economic power. In view of the policies followed by the Du Pont estate's dominant trustee, the Du Pont estate should be immediately brought under this act and kept there.

9. The attached amendments would achieve this goal by (1) changing the definition of "company" in the act, (2) limiting the charitable exemption in the act (since the Du Pont estate in course of time will become a charitable organization), and (3) amending the Federal Deposit Insurance Act to provide for proper consideration by Federal banking authorities in case a bank holding company undertakes certain bank mergers.

A bill to amend section 2 of the Bank Holding Company Act (12 U.S.C. 1841) and section 2(18) of the Federal Deposit Insurance Act (12 U.S.C. 1828)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 2(b) of the Bank Holding Company Act be amended by inserting after the words "business trust," in the first sentence thereof, the following: "perpetual testamentary trust which controls banking assets of $100 million or more,"; and by deleting from the same sentence the words "charitable, or educational"; and by deleting all words in the same sentence after "legislation," and completing the sentence as follows: "or (3) any corporation or community chest, fund, or foundation which does not control banking assets of $100 million or more and which is organized and operated exclusively for charitable or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, or (4) any partnership."

SEC. 2. Section 2(18) of the Federal Deposit Insurance Act, is amended by inserting in the sixth sentence of subsection (c) thereof after the words "(including any tendency toward monopoly)", the following: "and its possible inconsistency with the purposes and objectives of the Bank Holding

Company Act of 1956, as amended, should the transaction result in removal of any company from the purview of that Act,".

Mrs. **NEUBERGER.** Mr. President, I am impressed by the seriousness of the issues raised today by my colleague from Oregon in regard to the Florida Du Pont estate and its exemption from the Bank Holding Company Act.

I would not attempt to judge the rights or wrongs of the matter at this time, but I do believe my colleague has made a strong case that this is a matter deserving our early consideration.

As a member of the Banking and Currency Committee, I hope our committee can give the Senator's bill its early attention.

Mr. **DOUGLAS.** Mr. President, I have been interested for a long time in the issue raised by the able Senator from Oregon [Mr. Morse] about the exemption of the Alfred I. du Pont estate from coverage under the Bank Holding Company Act.

When the bank holding company bill came before us for hearings in the Banking and Currency Committee back in 1955, I raised this very same question of why the Du Pont estate down in Florida was not covered in the bill.

The committee was then assured that this Du Pont estate was primarily devoted to charity, that most of its income went for charitable purposes. The Senator from Oregon spoke of Senators on the committee being misled. Indeed as the facts now indicate we were given a wrong impression.

Last June the facts about who gets the Du Pont estate's income were brought to my attention. I then suggested—and the Record (June 28, 1963) will bear me out—that this question of the Du Pont estate's exemption from the Bank Holding Company Act might well be reopened.

The further facts brought to light by the Senator from Oregon lend fresh urgency to this matter. Now we are able to see just how huge and farflung this Du Pont estate empire of finance, industry, real estate, and railroads has become. Most important, we see the abuses indulged in by this great agglomeration of economic power. These are abuses we did not know about back in 1955 and 1956, because they had not then occurred.

The Senator from Oregon has already dramatized this strange situation in which the highway program of a whole State apparently proceeds only as one particular private citizen wishes it to proceed.

The Senator from Oregon has already pointed out that a major railroad apparently is in the extraordinary position of paying none of its property taxes for the past 2 years—again, evidently, at the whim of this same private citizen.

And finally we see this gigantic combine thwarting the efforts of the Government to make our voluntary system of handling labor disputes in the railroad industry work as it should.

Mr. President, unchecked concentration of economic power lends itself to abuse. That is one of the great lessons of economic history. I have spent much of my life preaching that lesson. Congress has spent a great deal of time considering legislation to check the concentration of economic power, to prevent the abuses which arise out of undue economic power.

That was the purpose of the Bank Holding Company Act. But the Du Pont group down in Florida was left out. Now we see what has happened. The lesson has proved to be true once again. Unchecked power lends itself to abuse.

Mr. President, this matter raised by the Senator from Oregon deserves prompt consideration by our committee. I hope the Banking and Currency Committee will hold very early hearings on the Senator's proposal.

The Florida Du Pont estate, with its 31 banks, belonged under the Bank Holding Company Act from the start. By all means then let us now put this colossal empire under the Bank Holding Company Act.

In all fairness, I should point out that the Du Pont exemption is not the only glaring loophole in the Bank Holding Company Act. At least one other major holding company was exempted from the requirements of this act, that is the Financial General Corp. In the past Chairman Martin of the Federal Reserve Board has taken strong exception to the particular exemption. I hope that we may now count on the strong support of the Federal Reserve Board to close up both of these loopholes in the Bank Holding Company Act.

I know it will be difficult. We will face powerful and determined opposition. But let us, at least begin.

Mr. President, I ask unanimous consent that two articles, one from the Miami Herald and another from the Miami News relating to this matter be inserted in the Record at this point.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Miami Herald, Feb. 23, 1964]

Drive Anywhere in Florida—You'll Spot Du Pont Holding

(By James Russell)

You can hardly drive 50 miles in Florida in any direction without encountering some facet of the Du Pont estate.

It may be a bank. It may be timberland. It may be a railroad train. Or it may be a citrus grower or small manufacturer or retail store owner who has kept his business going with money borrowed from the estate.

If you were asked to point to one single entity as the largest economic force in Florida, it would almost invariably be the Du Pont estate.

Created in the late 1920's and early 1930's by the late Alfred I. du Pont, the maverick of the famous Du Ponts of Delaware, the estate embraces a complex of banks, real estate, railroads, timber, and paper production facilities with a value of well over a billion dollars.

The Du Pont estate's significance in Florida cannot be accurately measured in dollars.

It is Florida's largest landowner, with well over a million acres under its control.

It is Florida's largest banker, with 31 banks and $700 million in assets under its wing.

It is Florida's largest taxpayer.

And, as any State official can tell you, it is Florida's most powerful economic-political force, strong enough to elect Governors and Senators and influential enough to achieve or block all sorts of State public works projects.

The most astonishing thing about the Du Pont colossus is that one man rules it, directs it, and determines how and where its power will be wielded.

It is doubtful that even the late Alfred du Pont, who saw the potential of Florida 40 years ago, could have anticipated the growth and influence that his brother-in-law, Ed Ball, would accomplish with the Du Pont millions.

Du Pont was a rich, rich man when he moved to Florida early in 1927 with his wife, Jessie Ball du Pont, who is still living and who got an income of more than $7 million from the estate last year.

"We have all the money necessary for any reasonable effort to help Florida grow and prosper," Du Pont said on his arrival in Florida in 1927. "Our business undertakings should be sound, but our primary object should not be the making of money. Through helpful works, let us build up good in this State and make it a better place in which to live..

"In my last years I would much rather have the people of Florida say that I helped them and their State than to double the money I now have."

Actually, the Du Pont fortune did both those things. It helped finance Florida's growth, and easily doubled his money.

When Du Pont died in 1935. there were seven banks in his Florida National group. Today, there are 31 and they spread from the Panhandle to the Keys.

There were 300,000 acres of timberland in Northwest Florida under his ownership. Today, there are more than a million acres comprising virtually all the timberlands in 10 counties and a substantial amount in four others plus some in Georgia and Alabama.

The estate's St. Joe Paper Co., founded a year after Du Pont's death, has more than tripled in size since it went into production in the late 1930's and now has additional plants in a dozen States plus an affiliate in Ireland.

St. Joe Paper, which largely created and fostered the city of Port St. Joe in northwest Florida, also has a railroad and a telephone company as part of its holdings. Apalachicola Northern Railroad Co., a 99-mile road largely serving the paper company, and the St. Joe Telephone & Telegraph Co., which grew from a firm with a dozen phones to one with 7,000 customers, are subsidiaries.

Ed Ball brought the Du Pont estate's most controversial property, the Florida East Coast Railway Co., into the fold in the 1940's, when it was in receivership as a result of the great Florida bust. Defaulted FEC bonds were selling for as little as 6 cents on the dollar. Ball bought and bought until he had a pile of bonds with a face value of $23 million—easily enough for control.

But it took 20 more years of court fighting to give Ball and the Du Pont estate the right to get it out of receivership and run the railroad.

Two years after Ball got his hands on the FEC's operations, he was involved in another fight—this time with the rail unions. More recently, the U.S. Government has become a Ball adversary while trying to force a settlement of the current 13-month-old strike.

Small though it is, with its 570 miles of track, the FEC is a $90 million company. It controls large amounts of real estate on and around its routes and its present and potential freight business is enormous, particularly in the booming Cape Kennedy moonport area.

The Du Pont estate has other valuable properties, including the 17-story Du Pont Building in downtown Miami, a 10-story building in downtown Jacksonville and one of the most valuable pieces of real estate in South Florida—the Dupont Plaza property on Biscayne Bay.

Even without its network of banks, railroads, real estate and industry the estate would be rich by any standards.

It owns 764,000 shares of stock in E. I. du Pont de Nemours & Co. and 445,000 shares of General Motors. At present market values, they are worth $230 million. Last year, the shares paid dividends of more than $7.5 million.

Since Alfred du Pont died, the Florida holdings he acquired at bargain prices during the depression era have grown and grown in dollar value and in economic power.

Most of the fruits of this effort now go to Du Pont's widow, although Du Pont's will specified that ultimately—presumably after his wife's death—all the profits of the estate shall go to two charities. One, in existence since 1940, is a clinic for crippled children in Wilmington, Del. The second, not yet established, would provide aid to needy old people.

The charitable aspects of the estate helped keep it from falling under the Federal Bank Holding Company Act of 1956, a law that prevents bank groups from owning nonbanking enterprises.

It is this act that Senator WAYNE MORSE of Oregon is now seeking to have amended to wrest control of the Florida East Coast Railroad from Ed Ball.

"Nearly all of the estate's large income has gone every year to Mr. du Pont's widow, Mrs. Jessie Ball du Pont," MORSE told the Senate earlier this month. "In 1963, the estate paid annuities to Mrs. du Pont of $7,510,775, of which she assigned about 12 percent to a charitable foundation for crippled children.

"Twelve percent falls far short of meeting the rationalization that * * * the Du Pont estate ought to be excluded from the Bank Holding Company Act because the estate's income went primarily for charitable purposes. The evidence shows that it did not."

If MORSE succeeds in getting through a measure removing the Du Pont estate's exemption, the vast industrial and financial empire that Alfred du Pont created and Ed Ball nourished may be split down the middle.

[From the Miami News, Feb. 23, 1963]

STRIKE SOILS IMAGE OF ED BALL

(By Fred Andersen)

It took the worst strike in Florida's history to turn the trick, but the public image of one of Florida's most powerful men is starting to crumble.

That man is 75-year-old Ed Ball, banker, railroad owner, guardian of the Du Pont interests in Florida and the terror of Florida politics for decades.

Last week Ball was being hit from all sides by top Government officials as a feudal anachronism—a man who has been unable to keep pace with the times and refuses to take any steps to end the Florida East Coast Railway strike that is 13 months old today.

Ten years ago this would have been heresy. In the fifties Ball was at the height of his political power. No one crossed him and politicians clung to him, hoping for a kind word.

The kind word was all that was needed. Politicians privately laughed over the fact Ball himself didn't come up with any money, but the kind word opened the door to bankers and substantial money interests in every area of the State. That's what Ball meant to Florida.

Today, the men running for Governor get a scared look on their faces when asked how much Ball support they have. Not that they don't want the money—they're just scared of being branded with the Ball label.

Assistant Labor Secretary James J. Reynolds last week accused Ball of "a petulant insistence that has no place in this century."

Ball went to Daytona Beach in response to a virtual command from Labor Secretary Willard Wirtz to talk with Reynolds and George Leighty, chief union negotiator, about an end to the violent strike.

Ball stayed just 15 minutes. As he has many times before, he stalked out of the meeting because Reynolds refused to allow a court reporter.

At about the same time one of the most powerful men in the U.S. Senate, Oregon's WAYNE MORSE, was teeing off on Ball.

MORSE traced the long history of the Du Pont trust, accused Ball's representatives of misleading the Senate into thinking the trust was a charity and prepared to introduce a bill which would strip the Florida tycoon of either his 31 banks or his railroad.

From his mansion in Tallahassee or his office high in the Barnett Bank Building in Jacksonville, the onetime terror of Florida still pulls the strings for the largest banking empire south of Philadelphia—the sprawling St. Joe Paper Co. and its holdings, worth more than $150 million, and the strike-torn Florida East Coast Railway.

Trim, dapper, erect at 75, Ball is a product of late 19th century Virginia. He had to quit school when he was 13.

When the family moved to California, Ed Ball tried his hand at many things.

He clerked in a hardware store, prospected, ran a grocery and sold cash registers, furniture, automobiles and law books.

With a fortune in his pocket long before he was 40, Ed Ball went back to Delaware to work for the man who had known him all his life, Alfred I. du Pont. His first job was turning real estate into cash.

At about the same time the final link was forged between Du Pont and Ball when the financier married Ball's sister, Jessie.

The family came to Florida just before the depression, and Ball began to build his empire.

The man who does most of the talking for Ball today is W. L. Thornton, executive vice president and chief operating officer of the FEC.

No one knows if he is the heir apparent to the FEC but Thornton appears to speak freely. He is a native of Winston-Salem and at 35 has outstripped most men his age.

Mr. McINTYRE. Mr. President, the Senator from Oregon [Mr. MORSE] has had long experience in issues involving railway labor and finance. I believe that he has raised important issues about the Du Pont estate and the Florida East Coast Railway. I hope that these issues will receive prompt consideration from the Banking and Currency Committee. As a member of that committee I welcome this opportunity to say that its record in affording prompt consideration to controversial matters has been very good indeed. I am confident that the question of coverage of the Du Pont estate by the Bank Holding Company Act will be settled with all the speed the urgency of the situation requires.

Mr. WILLIAMS of New Jersey. Mr. President, I think the senior Senator from Oregon is to be commended for calling attention to the Du Pont estate in Florida and its relationship to the Florida East Coast Railway.

The situation in regard to the Florida East Coast Railway strike is an extremely tense one, and the implications of this 13-month-long dispute are clearly of great importance to the Nation as a whole.

It is my understanding that the Du Pont estate controls some 31 banks as well as the Florida East Coast Railroad, and with this wealth at its command the management of the railroad has rejected the recommendations of Presidential Emergency Boards and has also refused to arbitrate this strike.

In my judgment, Mr. President, there is a real question whether the economic power of the Du Pont estate is being abused in this rail dispute by virtue of its exemption from the Bank Holding Act of 1956.

I know the distinguished chairman of the Banking and Currency Committee led the Bank Holding Company Act to passage in the Senate. I hope the committee will give prompt attention to this legislation proposed by the senior Senator from Oregon. I think the legislation deserves a full and fair hearing on its merits, for I truly think this is a matter of national importance.

CIVIL RIGHTS—COMMITTEE MEETINGS DURING SENATE SESSIONS

Mr. CLARK. Mr. President, it is now 7:48 p.m. In the press galleries I note five weary reporters hoping that I shall not take too long so that they can get home, hopefully to their wives and a late dinner. In the almost empty galleries I see a total of perhaps 25 earnest followers of the view that the Senate is the greatest deliberative body in the world, that perhaps from behind the desks or elsewhere will spring a score of Senators to help maintain, even at this late hour, the sacred traditions of Webster, Clay, and Calhoun.

In the Chair sits the greatest martyr of them all, the junior Senator from Maryland [Mr. BREWSTER] who, under the rules of the Senate, because he is a relatively junior Senator, is required to sit here and listen to me.

I paraphrase an old poem known to many Americans of the past generation—and this will be a paraphrase—there are no other Senators in the Chamber, so I say to the distinguished Senator from Maryland, who is now the Presiding Officer, that he and I are not unlike those historic characters:

> The boy stood on the burning deck,
> Whence all but him had fled.

It is a burning deck. The Senate is burning. The institution to which we belong is in a smoldering fire. Unless we do something about it in the immediate foreseeable future, this great institution, which I love, and which I know the junior Senator from Maryland loves, may well go the way of the ship which sank under the feet of the boy who stood on its deck.

Mr. President, as was evident this afternoon, we are about to engage in one of the silliest enterprises that 100 mature men have ever permitted themselves to engage in. It is called a filibuster. It is an exercise in defiance of democracy, in defiance of majority rule. Yet the traditions are so strong that we are unable to break the pattern and find some way of bringing a bill strongly desired by the overwhelming majority of the American people to a reasonably prompt vote.

But it is not that which I protest this evening for what are said to be the immortal pages of the CONGRESSIONAL RECORD, which is about the only place where they will ever be enshrined in history. I rise for another but quite important purpose. It is to plead with the majority leadership publicly, as I pleaded with it privately last year, and to plead with the minority leadership, before it is too late, to bring to the floor of the Senate and to have passed, as I am confident they could have it passed if they were united, a procedure which will permit all standing committees of the Senate to sit while the Senate is in session and the civil rights bill is before us.

The civil rights filibuster, which has started in a mild sort of way this afternoon, and will gradually grow in intensity, until it usurps the entire time of the Senate, starting some time next week, for the indefinite future, should not and must not be permitted to bring the legislative business of the Nation to a grinding halt.

Everyone knows that perhaps the most important business of the Senate is conducted in committee. Unless I miss my guess, and unless the leadership takes the action which I strongly recommend, the committees will not be permitted to meet while the civil rights filibuster is going on.

Yet the President of the United States has sent to us, with the recommendation that we pass them in this session, urgently needed programs in housing, in urban renewal, in education, in foreign affairs, including the foreign aid bill, in combating poverty, and in other areas, not to be blocked, if we have good sense, by the civil rights filibuster.

I may say, perhaps parenthetically, that there are at least nine Senators on the Committee on Rules and Administration who would like to be rid of the Bobby Baker hearings. Yet under the Senate's present procedure, although not under its rules—by reason of a ruling which the Parliamentarian made some years ago which I believe to be totally erroneous—a single Senator can prevent any committee from meeting while the Senate is in session by refusing unanimous consent.

I will not go into the highly technical reasons for the ruling. I have done so before on the floor. I say again I think the ruling was wrong. The valiant efforts which I have made to change it through normal procedures have been quite unavailing. My pleas have fallen on deaf ears.

Yet over the years there has been one specially favored committee which alone has received permission at the beginning of each session of Congress in recent years prior to the present one to sit by unanimous consent during the entire session of the Senate; not merely for 1 day at a time, but for the entire session, by leave obtained at the beginning of the session, during the time that the Senate is in session.

That specially privileged committee is the Senate Committee on Appropriations. I have objected privately and publicly to this invidious discrimination against other standing committees of the Senate.

It is now the 26th day of February. To the understandable irritation of many members of the Appropriations Committee, they have not obtained the unanimous consent, which has become traditional and customary, because I have objected.

I have objected because I do not think we should have first-class Senate committees and second-class Senate committees, regardless of the status and stature of the Appropriations Committee, both of which I agree are great.

There is no adequate basis and logic for creating this specially favored class of more than one-quarter of the entire Senate. The alleged reason for refusing to permit committees to sit while the Senate is in session is that Senators should be present to hear the debate. Every Senator knows that that argument is arrant nonsense. Where are they now? Where were they during earlier sessions of the Senate this year and last year?

Senators do not come to listen to debate except, perhaps, for a few minutes, when a sharp clash of argument before a vote gives some indication of the issues involved.

Therefore, it cannot be said that refusing to permit committees to sit will bring Senators to the floor to listen to the debate. This is not true. Every one of the 100 Senators knows it.

The reason advanced for permitting the Appropriations Committee, more than one-quarter of the Senate, to sit while the Senate is in session and thus make it impossible for them to attend the debate on the floor is that they have an office downstairs whereas the other committees with the exception of the Foreign Relations Committee which also has an office downstairs and which is not given this permission—and I inquire as to whether the work of the Foreign Relations Committee is not as important, if not more important, as the Appropriations Committee—sit in the two Senate office buildings.

The excuse is given that the members of the Appropriations Committee can get promptly to the floor for a vote, and, therefore, it is all right for that committee to sit while the Senate is in session.

I am a member of the Committee on Banking and Currency, which has its committee hearing room on the fifth floor of the New Senate Office Building, about as far from this Chamber as it is possible to get. Yet I know of no occasion when a member of the Banking and Currency Committee was unable to get to the floor for a vote when the bell rang. We are always here. We always get here.

So I say that this alleged reason is arrant nonsense, and should not, and I hope will not, be further urged as a reason for creating a special class of Senators, consisting of those who sit on one committee.

I may point out for the record that many of the senior members of the Appropriations Committee will be leading the filibuster against the civil rights bill, and would like nothing more than to get permission to sit while the Senate is in session, mark up the appropriation bills, bring them to the floor, and go home, with the program of the President undisposed of because the legislative committees were not permitted to meet during the civil rights filibuster. After that filibuster is over—whenever that may be—there will be no time before the Republican National Convention meets, on July 13 of this year, to pass upon the recommendations of the President and the legislative desires of Members of the Senate who do not serve on the Appropriations Committee.

When I asked earlier this year that the same privilege be extended to the standing committees of the Senate, the Members of the Senate Appropriations Committee voted overwhelmingly against my proposal. Through some parliamentary procedures, which I had hoped would be successful, we were able to bring to a vote on its merits an amendment I proposed to a change in the rule sponsored by Senator CHURCH, which would have permitted committees to meet at any time the Senate was in session, on motion which would be privileged and nondebatable if a majority of Senators desired to grant them the permission they requested.

That measure was defeated by the close vote of 43 to 36. The fight was led by the majority whip, the Senator from Minnesota [Mr. HUMPHREY]. He was ably seconded by one of the authors of the La Follette-Monroney Reorganization Act, the Senator from Oklahoma [Mr. MONRONEY], who first sponsored the provision that committees should not be allowed to sit except by special leave while the Senate was in session, but who now admits that that was an unwise provision, and therefore sponsored that relatively minor change in the rule.

The vote by members of the Appropriations Committee against my amendment—which I have said was defeated by a vote of 43 to 36—was 7 in favor, 13 against, and 7 not voting, of whom 4 were paired against the amendment. In other words, if even half of the members of the Appropriations Committee had been willing to extend to the legislative committees of this body the same courtesy they seek for themselves, the amendment would have been adopted, and the legislative program of the President would have received a fair hearing during the course of the civil rights filibuster.

I again pay my tribute to my dear friends on the Appropriations Committee. They have been kind and generous to me, but I suggest that the invidious position in which they place themselves is that they are saying in effect to the legislative committees of the Senate: "It is all right for us to have the privilege of sitting during Senate sessions, but you may not have that right."

I would be less than candid if I did not note that Senators RUSSELL, ELLENDER, HILL, and MCCLELLAN, who will be leading the civil rights filibuster, voted to sustain the position I have just stated, and that Senators ROBERTSON, HOLLAND, and STENNIS, who did not vote, were paired against the proposal. So again I call the attention of the Senate and of the country to the close analogy between the members of the Senate establishment and the members of the Appropriations Committee, who will be the leaders in the filibuster, and who are unwilling to permit Senators serving on other committees to meet in order to advance the legislative program of the President.

I am constrained by loyalty to my party, to its platform, and to its candidates for President and Vice President in the last election, John Fitzgerald Kennedy and Lyndon B. Johnson, who is now the President, to support the platform of my party. Therefore, I object to the invidous discrimination which results in an inability to act on the part of a majority of the Members of the Senate, who would like to see the program of the President at least brought to a vote on its merits, but who were then and are now denied this privilege by other Senators.

Accordingly, I call upon the Senate leadership, on both sides of the aisle, to put an end to this discrimination within our household and to seek, before the civil rights filibuster gets strongly under way, permission for all standing committees of the Senate to meet and to conduct their business during Senate sessions while the civil rights filibuster is taking place on the floor of the Senate. The first way to do this would be to ask unanimous consent that all committees may meet during that filibuster. Then let us see what Senator or Senators wish to deny to a majority of the Members of this body the right to proceed with the public business while the filibuster is under way.

If one or more Senators should refuse unanimous consent, I would hope that a motion would be filed and brought up—and it could be brought up in the morning hour—to grant this permission. We would then see if our friends would filibuster such a motion. If they did filibuster it, I would recommend that a cloture petition be filed, and filed promptly. Let us then take a vote to see whether two-thirds of the Members of this body are willing to permit a small minority of the Senate to allow the business of the United States to come to a grinding halt, while an undemocratic and, to my way of thinking, essentially un-American legislative exercise known to history as the filibuster is permitted to prevent the country from proceeding with its urgent business.

RECESS

Mr. CLARK. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 56 minutes p.m.) the Senate took a recess, in accordance with the previous order, until tomorrow, Thursday, February 27, 1964, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate February 26, 1964:

To Be Foreign Service Officer

I nominate Elbert G. Mathews, of California, a Foreign Service Officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Nigeria.

EXTENSIONS OF REMARKS

National Children's Dental Health Week, February 2–8, 1964

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 26, 1964

Mr. SAYLOR. Mr. Speaker, on February 2 through 8 of this year, the country once again observed National Children's Dental Health Week. This was the 16th consecutive year for such an observance. As did his three predecessors in their time, President Johnson issued a message saluting the event and from reports already received it is clear that a great many related activities took place all over the Nation, not the least of them, I am happy to say, in my own State of Pennsylvania.

There are two facts most worthy of note concerning dental disease. First, that it is perhaps mankind's most widespread affliction. Almost no one is immune to it or free from its effects. Nine out of 10 people suffer from some form of dental disease and 85 million man-hours of work are lost annually because of it. And yet, the second fact worth noting is that few diseases can be more readily controlled by the exercise of a little care and diligence.

As in the past, the American Dental Association and its local societies carried out this year a massive educational effort. The 7th district and 10th district dental societies of Pennsylvania, to which the dentists in my district belong, were again an important part of this national effort. During the 7 days of the observance, schoolchildren everywhere undertook special projects, saw films and heard talks designed to increase their understanding of dentistry and dental health.

For many years, the dental profession has thus wisely concentrated much of its educational efforts on young people. If in his youth a person can learn the value of good dental health and develop the habits of a proper diet, regular brushing after meals and periodic visits to the family dentist, then he can be confident of enjoying sound dental health throughout his life. The intimate relationship between it and good general health makes this a goal well worth striving for.

The dental profession has made remarkable strides in recent years in discovering and applying new methods for the treatment and prevention of dental disease. They are today on the threshold of even greater discoveries, possibly even a vaccine against tooth decay. But the family dentist still needs the active cooperation of each of us if the present appalling rate of dental disease is to be reduced. While the events of National Children's Dental Health Week are still fresh in our minds, it is appropriate that all of us, especially the parents of young children, resolve to give him that cooperation more consistently in the future than we perhaps have in the past.

Pulp and Paper Industry Continues To Grow

EXTENSION OF REMARKS
OF
HON. W. J. BRYAN DORN
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 26, 1964

Mr. DORN. Mr. Speaker, the Nation's paper industry is a $15 billion a year industry. This industry operated more than 5,000 plants in the United States last year, paying 600,000 employees a total of $4 billion in wages. Per capita consumption was a record 455 pounds, about twice that of England, and several times that of Western European countries.

Mr. Speaker, in the Southeast, the No. 1 crop being grown on our farms today is pine trees. Tree farming throughout the Nation is expanding, and is captivating the imagination of our farmers. A growing paper industry not only creates additional jobs on the farm, but also an expanding market for hardwood and pine trees grown on the farm.

I salute and congratulate the pulp and paper industry.

Tax Reduction Now a Reality

EXTENSION OF REMARKS
OF
HON. WILLIAM L. ST. ONGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 26, 1964

Mr. ST. ONGE. Mr. Speaker, the tax reduction is now a reality and Congress deserves much credit for it. Under leave to extend my remarks, I wish to insert into the Record the text of a brief statement regarding the tax-reduction bill which I issued soon after it cleared both houses of Congress.

The statement is as follows:

> I am very pleased to learn that the $11.5 billion tax reduction bill, the largest tax cut in the Nation's history, has finally been passed by Congress.
>
> This legislation will provide a much needed tax cut on both individual income and corporate income to benefit all taxpayers. The

tax reduction will be translated into an immediate decrease for the average citizen in the amount of money to be withheld from his weekly paycheck. This mean that the purchasing power of all will be increased.

The tax cut voted by Congress will add greater strength to the Nation's economy and will help to increase production and reduce unemployment.

Throughout my campaign for Congress 2 years ago, I vigorously advocated a tax cut for the people. My theory at the time was that a tax cut would stimulate the U.S. economy to the extent that it would increase the output of goods and services by many billions of dollars and that this would, in turn, expand the economy and provide more tax revenue to make up the loss to the Government. This is now about to become a reality.

I feel proud that my pledge to the people of eastern Connecticut has been upheld and that my views on the need for a cut in taxes have been reaffirmed by Congress.

Many Members of the House Have Today Introduced Identical Bills To Materially Reduce Meat Imports

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1964

Mr. JENSEN. Mr. Speaker, on yesterday I introduced a bill which, if made law, will materially reduce imports on all meats of every description, including livestock, by 50 percent. At least 12 of my colleagues of the House will or have today introduced identical bills to my bill, H.R. 10099, and I invite all my colleagues on both sides of the political aisle to do likewise.

The provisions contained in H.R. 10099 are as follows:

H.R. 10099

A bill to restrict imports of meat and meat products into the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the total quantity of meat and meat products originating in any country which may be entered, or withdrawn from warehouse, for consumption, during any twelve-month import period, shall not (except as provided in section 3) exceed 50 per centum of the average annual quantity of meat and meat products imported from such country during the five-year period ending on December 31, 1963.

SEC. 2. As used in this Act—

(1) the term "meat and meat products" includes (A) beef, veal, lamb, mutton, pork, poultry, and any other meat to which part 2 of schedule 1 of the Tariff Schedules of the United States applies, whether or not prepared or preserved and whether canned, cured, dressed, or in any other form, (B) live animals imported to provide meat of any kind for human consumption, and (C) any food product which contains meat, of any kind or in any form, and which is intended for human consumption; and

(2) the term "twelve-month import period" means the twelve-month period beginning on the date of the enactment of this Act or any subsequent twelve-month period beginning on an anniversary of such date.

SEC. 3. If, during any twelve-month import period (after the first such period), the total United States market for meat and meat products (as estimated by the Secretary of Agriculture) exceeds the total average annual United States market for meat and meat products during the five-year period ending on December 31, 1963, the maximum quantity of meat and meat products which could otherwise be imported into the United States from any country during such period within the limitation imposed by the first section of this Act shall be increased to an amount bearing the same ratio to such quality as such market during the twelve-month import period bears to such total average annual market during such five-year period.

SEC. 4. Each quantity referred to in the first section of this Act shall be expressed in terms of dollar value, or in terms of such other units (as prescribed by the Secretary of Agriculture) as will permit its magnitude to be measured, or equated or compared with other quantities in determining whether and to what extent the limitation imposed by such section is applicable, without regard to the kinds of meat and meat products or the proportion of the various kinds of meat and meat products which are included in such quantity. In the case of a product which contains but is not composed exclusively of meat, there shall be taken into account, in determining the magnitude of the quantity involved, only so much of such product, or only so much of the value of such product, as constitutes or is attributable to the meat contained therein.

SEC. 5. The Secretary of Agriculture, under regulations prescribed by him jointly with the Secretary of the Treasury, shall make such determinations and establish such procedures as may be necessary or appropriate to carry out this Act.

The 46th Anniversary of the Declaration of Lithuanian Independence

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1964

Mr. DONOHUE. Mr. Speaker, on the evening of February 14, last, a radio hour, sponsored by the Worcester, Mass., area Lithuanian-American parishes and organizations, commemorating the 46th anniversary of the declaration of Lithuanian independence, was held and the program was broadcast over radio station WNEB.

It was my privilege, together with Anthony J. Miller, Esq., a prominent Lithuanian attorney of Worcester, to speak to the listening radio audience on this eventful occasion and I have been asked to include, at this point, the addresses delivered by Mr. Miller and myself and they follow:

RADIO BROADCAST OF ANTHONY J. MILLER, ESQ., ON LITHUANIAN INDEPENDENCE OVER RADIO STATION WNEB, FEBRUARY 14, 1964

As an American citizen of Lithuanian decent, I am very proud and privileged to take part, with our good Congressman and friend, the Honorable HAROLD D. DONOHUE, in this ceremony commemorating the 46th anniversary of the declaration of Lithuanian independence.

On February 16, 1918, the Lithuanian National Council at Vilnius declared Lithuania a free and independent republic and created a provisional government to hold national elections for the first time in centuries. This day marked a great rebirth of the Lithuanian nation. Many years of suppression had not dimmed their love of freedom. This should be remembered by the entire world. Let us not underestimate the power of freedom to stir the minds and inflame the courage of suppressed peoples. There can be no doubt in anyone's mind that Lithuania is a suppressed nation. Lithuania was conquered against its will by overwhelming brutal force and is held by force under international communism.

Within months after the declaration of Lithuanian independence, Bolshevik troops were massed on the border awaiting German withdrawal.

After the German withdrawal, the Russian troops invaded Lithuania and occupied the capital, Vilnius. But the new provisional government of Lithuania, which was created by the Lithuanian National Council, withdrew to the city of Kaunas, where it organized a national army, which soundly defeated the overwhelming Red forces. This event proved beyond a doubt the ability of the Lithuanian people to fight for their homeland and to organize a popular government, respected by the people.

In 1920, the Soviet Government renounced forever, sovereignty over Lithuania. Later, Lithuania was recognized as a free and independent Republic by all major powers, and Lithuania became a member of the League of Nations, where it was respected, and where it exercised significant leadership. Surely the Lithuanian people would not surrender this position of world importance to become a vassal republic of the Soviet Union.

Within Lithuania, in the years from 1920 to 1940, immense social and economic improvements were made. The land reform programs, begun under the new national government, gave farms to thousands of families. The introduction of new techniques and materials meant everyone ate better, and there was still enough food left for exporting. Lithuanian industrial establishments increased from 2,474 in 1920 to over 16,000 by 1939. Transportation was vastly improved. Social legislation brought health, education, and welfare benefits within reach of the needy in Lithuania, and the Lithuanian Government continued to function democratically and always had the support of the people. Why, then, would Lithuania voluntarily choose to surrender these immense fruits of a free democratic government for exploitation, suppression, destruction, exportation to Siberia, and murder? The truth is, of course, it did not.

The Soviet Union forced Lithuania to capitulate to the entry of numerous thousands of troops into Lithuania, despite every attempt at cooperation which Lithuania made. Once the massive Russian Army was in Lithuania, no resistance was allowed, free elections were never again permitted, and Lithuania became a victim to be exploited for the benefit of Russia; a pattern which has since become sadly familiar in many other countries.

Let it be known that the Lithuanian people do not willingly submit to the terrible living conditions, destruction, deportations, killings, and innumerable cruelties inflicted on them by the Communists. And certainly, there is no peace in the hearts of the Lithuanian people throughout the world. They remember their independence day which gave them a brief, but nevertheless precious few years of freedom and self-democratic government. How sad that they cannot themselves openly celebrate their independence. Our words here are no substitute for the Lithuanians' own freedom. But it is our duty as freedom-loving American citizens of Lithuanian descent to remember that Lithuanian Independence Day in 1918, proclaimed at Vilnius, encouraged the people of our native land and all freedom-loving people to keep alive the spark of freedom, with the faith, hope and certainty that in the nearest future, God will see fit to restore Lithuania as a free and independent republic among the nations of the world. Let us then pray that this may come to pass in the near future, and may God grant that that day may be soon.

RADIO BROADCAST OF CONGRESSMAN HAROLD D. DONOHUE ON LITHUANIAN INDEPENDENCE OVER RADIO STATION WNEB, FEBRUARY 14, 1964

As your Representative in the U.S. Congress, it is an honor and privilege to join with you in these exercises commemorating the 46th anniversary of the declaration of Lithuanian independence.

This program has become a tradition with all Lithuanians, because it is held to annually recall that great day of February 16, 1918, which marked the end of well over a century of persecution under a hostile, foreign rule. Lithuania, on that day, had earned its stature as an independent, democratic republic. There was cause for rejoicing and the future was faced with confidence. The people of Lithuania were happy and prosperous in their own sovereignty.

However, in this year of 1964, our observance of your independence day is, regrettably, clouded with sorrow. The bright star of Lithuania's freedom has been darkened by the violent storms of tyranny. We reflect with sadness upon the advancing tragedy of sacrifice to ruthless imperialism that has enveloped Lithuania; she has ceased to be an independent nation.

The principle of political independence enunciated in the declaration by the United Nations and the Atlantic Charter is a hollow mockery in the present suppression of the Lithuanian people.

Lithuania is undergoing a shameless conquest; she has become the victim of as bold and cynical a diplomatic campaign as any big state has ever waged against a gallant, honorable, but weaker neighbor.

Although we mourn over her present plight, there is no cause for despair. Repeatedly, through her history, Lithuania has proved that her people can eventually overcome the temporary triumphs of oppressors. The Christian faith, which, in 1399, defeated the Tartar invasion and saved all Europe from barbarism, is still with her today. It gives her the spiritual vigor to outlive any dictatorship. From my own knowledge and experience with my fellow Americans of Lithuanian descent, I know that deep in the heart of every Lithuanian is that passion for liberty and freedom which never dies. There is no power that can forever enslave a people who are determined to be free.

All over the world, Lithuanians are gathering, at this time, to renew their vows to work for the independence of their homeland. Here, in the United States, I earnestly believe that most Americans are becoming increasingly more concerned about the fate of Lithuania and the other Baltic States, which stand in accusing testimony to our failure to live and act according to the principles for which our people have fought and died in two World Wars.

I consider it the solemn duty of every officer of our National Government to reveal the truth of the extinguishment of self-government, that is being forced upon the smaller nations, like Lithuania, by the Russian Government policy of expansion through fraud, intimidation, and coercion.

World War II was fought with the clear understanding and pledged purpose that common victory should bring restoration of self-government and territorial integrity to the oppressed nations of the world.

We cannot conceive of the recent war being won until that pledge has been carried out. The major world powers, including the United States, are unwitting parties to the disgraceful betrayal of the smaller nations while they continue to allow peaceful, freedom-loving peoples to be cruelly dominated by the Soviet rule of imperialistic terrorism—which defies every decent concept of self-determination and democracy.

The case of Lithuania, and the other small nations, is a challenge to the moral conscience of this Nation and the United Nations to establish the great, basic principles of freedom and liberty for all peoples. In simple justice, our Government must insist that the Lithuanian people be permitted their inalienable right to govern their internal existence as they themselves see fit.

You and I must rededicate ourselves today to the persevering revelation and presentation—to the world—of the facts and truth about Lithuania so that the United Nations shall be called upon to meet the full moral and humanitarian responsibility of restoring the independence of Lithuania.

In this cause you will have the complete support of freedom-loving people throughout the world; they will join in your efforts and prayers that your homeland may be restored as a free and independent republic among the other nations of the world.

God grant that this day may be in the immediate future.

Appropriations for Soil Conservation

EXTENSION OF REMARKS

OF

HON. WILLIAM L. ST. ONGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1964

Mr. ST. ONGE. Mr. Speaker, under leave to extend my remarks, I am pleased to insert into the RECORD the text of a statement I am submitting to the House Committee on Appropriations in regard to the budget request for soil conservation, particularly watershed protection, for the coming fiscal year:

STATEMENT BY REPRESENTATIVE WILLIAM L. ST. ONGE, SECOND DISTRICT, CONNECTICUT, SUBCOMMITTEE ON AGRICULTURAL APPROPRIATIONS, HOUSE COMMITTEE ON APPROPRIATIONS

Mr. Chairman and members of the subcommittee, I appreciate this opportunity to present a brief statement to this distinguished committee concerning the appropriations for the Soil Conservation Service for the 1965 fiscal year.

In the budget submitted by the President to Congress in January of this year, a sum of $204,042,000 is requested for the Soil Conservation Service programs and activities for the coming year. This is nearly $2 million more than for the current fiscal year. There are five specific services listed, each one of inestimable value to the country, particularly the rural areas. These services are: conservation operations, watershed protection, flood prevention, Great Plains conservation program, and resource conservation and development.

All of these programs and services are highly important. They include soil surveys for conservation purposes, river basin surveys for watershed protection, planning and starting pilot projects for conservation of resources which are designed to enhance the level of economic activity, flood prevention projects and the like. These programs and projects are very helpful in soil-building and soil and water-conserving practices. Our farmers could not undertake such programs on their own because of their limited resources.

In Connecticut, the rapidly changing land use has created additional needs for these technical soil conservation services. Until recent years, the demands for technical assistance through local soil conservation districts originated on commercial farms. In the last few years there have been many requests to the State Department of Agriculture and natural resources from local planning and zoning groups, conservation commissions, service clubs, and other public organizations seeking assistance in planning land use developments.

Of particular interest is the watershed protection program for Connecticut. Our very able State commissioner of agriculture, the Honorable Joseph N. Gill, recently informed me that six watershed projects have been approved for operations in the State of Connecticut. Of these two are in my congressional district: Furnace Brook-Middle River, in Stafford, and the Spaulding Pond Brook, in Norwich. Incidentally, the Spaulding Pond Brook was involved in a disastrous flash flood just about a year ago, on March 6, 1963, which caused six deaths and the destruction of several millions of dollars of property. The cost for the construction work on these six Connecticut projects for this year is estimated at about $3 million.

In the President's budget message, a sum of $65,848,000 is requested under new obligational authority for watershed protection for all such projects in the country. This is an increase of $2,309,000 over the previous year. Commissioner Gill, however, pointed out in a letter to me that these funds are not sufficient to provide the technical assistance now being requested of the Soil Conservation Service and that additional funds are needed for that purpose.

Furthermore, the budget request for watershed planning funds is about $1 million less. A reduction in these funds would seriously delay the watershed planning program in Connecticut, where there are six unserviced applications at the present time. In this instance, too, two of the unserviced applications are from my district: the Moosup River in Windham County and the Oxoboxo River in New London County. These programs are extremely important to us.

Mr. Chairman and members of the committee, I cannot emphasize too strongly what this watershed protection means for Connecticut. I urge you to provide adequate appropriations for these programs. Reducing such funds or providing insufficient funds does not constitute economy but a loss of valuable resources and protection of property and land. We must do everything possible to preserve and protect our resources for the welfare of our Nation, now and in the future.

What's Good About Foreign Aid?

EXTENSION OF REMARKS

OF

HON. ROBERT R. BARRY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1964

Mr. BARRY. Mr. Speaker, every day in the press we find much attention given to those who break the legal and moral laws of our society. Although they are in the minority, as compared to millions of law-abiding citizens, they, the "dobaders," are sensationalized. Because we live in the midst of many people whom we consider good and honorable, we do not jump to the conclusion that all people are bad, because a few have done wrong.

With our AID program, it is different. The American people are detached from the vast activities of AID. Normally, their only knowledge of our foreign assistance program is obtained from the press, and, because all too often the press sensationalizes shortcomings in our oversea efforts and either minimizes or overlooks outstanding accomplishments, many of our people get the idea that our entire foreign aid program is a waste.

As a member of the Foreign Affairs Committee, I, of course, come across instance after instance of where our AID dollars and people are doing a tremendous job, and I feel this knowledge should be shared with the American people and their Representatives in Congress, who have doubts as to the overall value of our foreign assistance activities. This is the first of several weekly installments I intend to insert in the RECORD under the title of "What's Good About Foreign Aid" for the benefit of those who are interested in knowing more about our AID program. I trust these articles will help to demonstrate that whereas our AID program, as an essential part of free world mutual security, does need improvement; it is certainly not the worthless endeavor that many believe it to be.

ACHACACHI WATER SYSTEM IN BOLIVA

Bolivia. Capital: La Paz. Area: 424,160 square miles. Population (estimated 1962): 3,549,000. Density per square mile (1962): 8.5. Geography: Landlocked, mountainous, high altitude. Economy: Mining (tin, lead, silver); agriculture: Cereals, livestock, a little industry. Gross domestic product (1961): $387.3 million. Average income under $100 per year.

In considering American foreign aid, we tend to think that we alone do all and that the receiving country does nothing, but often the coordination between their developing programs and ours is nothing short of amazing. Among the most primitive countries in Latin America, Bolivia has mobilized with our help its limited financial and technical resources. Their interaction with ours is well illustrated in the recent water system project completed last summer on the Bolivian Altiplano in a large, out-of-the-way town of 6,000 with the improbable name of Achacachi.

An American missionary there had long dreamed of replacing the traditional method of hauling water from a nearby river with a sanitary potable water system. He interested AID officials and the local people in his idea. Once in motion, it seemed as if everyone pitched in to help. While AID paid for the project, which amounted to only a little American equipment and piping already on hand, the Bolivian Army provided some engineers and the skilled labor under the civic action program which seeks to tap the resources of the military for economic development. The inhabitants, after they realized that the operation was in earnest and that they would greatly benefit, enthusiastically leaped in to provide the backbone of the labor force. Sometimes as many as 1,000 adults and children were out digging at one time. An American technician and Peace Corps volunteers in Bolivia on health program assignments assisted the townspeople.

But the project does not stop here. AID water-supply technicians will periodically inspect the water system and Peace Corps men have already begun their followup work which will not only include health training, but also the encouragement of the townspeople to lay piping in all of the town and to build some public latrines.

Thus, different American and Bolivian programs combined to help the townspeople build their much-needed water system. Both immediate and long-range rewards will result from this effort. Already, the radical leftist campesino leader there has been replaced with a more moderate man. In the long run, the improved health and morale of the townspeople and the new skills they learned building the pipe system, will reap greater rewards—and all because of a little American piping and Bolivian labor.

George and Alice Wallace: Great Benefactors

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1964

Mr. PHILBIN. Mr. Speaker, I learned with much gratification, but with little surprise, of the magnificent gift of $500,000 to the city of Fitchburg, Mass., in my district, for its excellent library, by my esteemed friend, Mr. George R. Wallace, chairman of the board of the Fitchburg Paper Co., and outstanding citizen in that great city and the Nation.

Mr. Wallace is nationally known, prominent and honored in the business world for the great success he has achieved as one of our great, progressive captains of industry. The scientists tell us that the huge icebergs of our northern oceans are one-fifth above water and four-fifths under water. In a similar sense, Mr. Wallace's outstanding achievements are only partially disclosed to our view or knowledge, and for the most part those which relate to charity, benevolence and philanthropy are obscured behind the veil of humility and passion for anonymity in such matters that surrounds this beloved, distinguished gentleman.

This great and generous gift, which has been fulfilled, will most likely be translated into the principal motivating factor in a fine new library for Fitchburg. It is another of very many evidences of the gleaming spirit of civic interest, generosity and community devotion that has characterized George Wallace throughout his busy, constructive lifetime, and that also motivated his distinguished father, whom he succeeded, and his family.

No good cause has been big enough to be overlooked by this great public benefactor, and none too small to receive the attention of his generous heart.

While I know that he strongly disapproves of mention of his various, widespread, unstinted generosities, which in a lifetime represent a large fortune, his friends will not let him escape due credit for the many truly great things he has done in the field of public benefaction, nor ever cease to recall and acclaim his many contributions to community, State, and Nation.

A man like George Wallace could never possibly be adequately appreciated for his noble deeds because many of them are, as I have mentioned, undisclosed and unknown. It would never be possible even to encompass the full spectrum of his generosity—which has truly known no bounds—religious, charitable, educational, public and individual.

I think it should be observed that this kind of man represents the very best that we have in this country, or in the wide world, for that matter, a laudable example of our economic life and our national product, a man who very ably concerns himself, not only with private interests, but with compassionate and warming devotion to promoting the greatest good for the greatest number, with a host of activities for the alleviation, advancement, and betterment of his fellow man.

In this particular instance, it is the Fitchburg library that will benefit from his most generous gift. In others, it has been a hospital or a heart fund, or health benefits, or scholarships, aid for crippled children, the indigent and handicapped, or a legion of similar worthy human causes designed to help the ordinary man as well as the community.

So long as America can develop men like George Wallace, men of culture, men of gentlemanly qualities, men of high intelligence and great ability, men of fierce, competitive drive and warm, humanitarian purpose dedicated to the good things in our society, if the people will be inspired and guided by his generous example, we shall not need to have real concern about the future of the Nation, notwithstanding the trials, tribulations, and sacrifices that may be required to protect, retain, and perfect our free institutions as effective instruments of human progress.

I thank George Wallace for his grand generosity to the great, exemplary, Fitchburg library, which is so generally and deeply appreciated by the officials and people of the city.

No doubt the one who appreciates the gift the most, and who, I think, really had much to do with sparking the gift if the truth were known and is codonor, is his gracious, charming wife, and brilliant, devoted helpmate, Mrs. Alice Wallace, whose capable, energetic, tenacious leadership and work for extended library services in the community and Nation, has been momentous, successful, and indeed one of the primary reasons for the broad, new programs which have been recently adopted at local, State, and national levels. Her contributions will always be gratefully recalled.

Of utmost significance, is the recent library services and construction bill which passed the Congress. The advanced ideas in this bill were, in the first instance, largely the product of Mrs. Wallace's fertile mind, and her leadership was the key to much of the success that has been achieved in this very important vital phase of public education, so essential to the efficient dissemination of knowledge and enlightenment in our day and in the future.

I simply cannot find the words to praise these two great Americans adequately, and I know they would not want laudation in any event. But I know what they have done, what they have so unselfishly given, will invoke the deepest, sincerest gratitude of all the people concerned, of every race, class, and creed, and that the benefits they have thus conferred will be immeasurably vast and enduring in lifting vital levels in the Nation.

I am proud to have such inspiring, dedicated Americans in my district, proud and grateful that they are warm friends, and I want to commend, compliment, and thank them from the bottom of my heart for what they have done, for what they are doing, and for what I know they propose to do in the future in so many areas of public benefaction.

May the good Lord keep, guide, and preserve them for many years to come to work in the fruitful vineyards of American democracy, bringing encouragement, uplift, generous assistance, and inspiration to so many of our fellow citizens—to all of us.

Their example of personal warmth and devoted, unbounded generosity to the cause of our people of the rank and file, will long continue to animate and fortify us in our determined struggle to protect and preserve and strengthen our great country in all its wide ramifications of the public good, and to advance the great ideals we cherish as Americans for enduring peace, for humane improvement, justice, freedom, prosperity, and happiness for all God's children.

Lithuanian Freedom

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1964

Mr. DONOHUE. Mr. Speaker, on February 23, 1964, a mass meeting of Americans of Lithuanian descent, sponsored by the Lithuanian parishes of St. Casimir's Church and Our Lady of Vilna Church, together with 31 Lithuanian organizations was held at the Lithuanian Naturalization and Social Club Auditorium in Worcester, Mass., to commemorate the 46th anniversary of the Declaration of Lithuanian Independence.

At this meeting a resolution, in substance pledging Lithuanian-Americans present to persevere in the pursuit of liberty for native Lithuanians, was unanimously approved, and it was my particular honor and privilege to address the assembly.

At this point I would like to include the newspaper account of the meeting that appeared in the February 24, 1964, issue of the Worcester, Mass., Telegram, together with the resolution adopted, and I have also been requested to introduce the address I gave.

The insertions follow:

[From the Worcester (Mass.) Telegram, Feb. 24, 1964]

LITHUANIANS NOTE DATE OF FREEDOM

U.S. Representative HAROLD D. DONOHUE told Worcester area Lithuanian-Americans last night that when the Soviet Union seizes a free nation as it seized Lithuania in 1940, "something of our own freedom is chipped away."

Representative DONOHUE spoke at a Lithuanian Independence Day celebration sponsored by 31 Lithuanian-American organizations at the Lithuanian Naturalization Social Club last night. He reviewed the 22 years of the Lithuanian Republic and condemned the Soviet Union for having "snuffed out the pure and shining light of freedom."

Other speakers included Holy Cross Prof. V. Andrius Mantautas, Richard J. Sarapas, and Anthony J. Miller.

Taps was sounded in honor of the late President Kennedy and for Lithuanian heroes and martyrs.

The program included choral singing by boys and girls of the Saturday Lithuanian classes of St. Casimirs and Our Lady of Vilna Churches and by the Lithuanian Art Lovers Circle under the direction of John Beinoris. Miss Jurate Garsys recited Lithuanian poetry. Folk dancing was performed by Lithuanian Boy and Girl Scouts.

Anthony M. Seskevich and Pranas Stanelis were cochairmen. Rev. John J. Bakanas and Rt. Rev. Msgr. Constantine A. Vasys were honorary cochairmen.

SPEECH OF CONGRESSMAN HAROLD D. DONOHUE ON LITHUANIAN INDEPENDENCE, LITHUANIAN CLUB, WORCESTER, MASS., FEBRUARY 23, 1964

As a friend and neighbor, as well as your Representative in the U.S. Congress, I feel honored and privileged to again join you in these annual ceremonies commemorating the birth of the Republic of Lithuania on February 16, 1918. That memorable day marked the end of over a hundred years of suffering by the Lithuanian people under a hostile foreign rule.

For the next 22 years, until June 15, 1940, Lithuania was a free and self-governing country. On this occasion, I think it most fitting that we remind ourselves and the world of some of the accomplishments of the Lithuanian people in this comparatively short period.

During these 22 years, the number of primary schools was increased from 677 to 2,696. Over 100 high and secondary schools were constructed and more than 4,000 advanced students were enrolled in the University of Kaunas.

Every city in Lithuania of more than 5,000 inhabitants supported opera seasons and gave all who wished a chance to hear the world's greatest operas and artists. Throughout the country there were special schools for music, art and the ballet. Industry and commerce reached heights never before attained in a country of such small population, which at the time was 3 million. Practically everyone with any ambition owned his own home or his own farm.

In brief summary, this is the remarkable record of the people and the Government of Lithuania in the 22 years of their freedom and independence. This is the period that we recall with pride and joy.

However, that glorious record was suddenly and cruelly terminated on June 15, 1940, when the Soviet Union violated all of its treaty commitments with Lithuania and the Communist Red army moved in to dominate the country and its people.

Sad though the memory of those fateful days may be, we do well to pause in the midst of our busy and peaceful lives to mark those days of infamy when the light of freedom was so brutally extinguished in this great nation.

There are many reasons why we, as free men and women, must not allow the fate of this country and its citizens to sink into the ocean of historic oblivion.

First of all, they are our brothers. The acts of brutality to them are the acts of brutality to us, their brothers in the human race. When they are deprived of freedom and denied their basic human rights, something of our own freedom is chipped away, and therefore must not escape the condemnation of free men.

It was not because of provocation; it was not because of the threat of force; it was not because of hostile social activity that caused the Soviet troops to move in. It was simply the action of the totalitarian bully who entered the sacred precincts of this country and snuffed out the pure and shining light of freedom which stood out in such bold contrast to their own government which suppresses the freedom of opinion and controls its people by secret police, terrorism, deportations and forced labor camps.

The Soviet leaders have even moved to crush and eliminate religion itself by the suppression of clerical education, the harassment of individual priests and the embarrassment and persecution of bishops. But notwithstanding this calculated oppression, it has not eliminated in the hearts of the Lithuanian people their devotion to God and His church, and their fidelity to religion burns more brightly than ever in their breasts.

In these difficult and dangerous circumstances, our hearts must be filled with admiration and affection for these brave people who will not submit to the yoke of the conqueror.

Let us then, on this anniversary, pledge to our brothers across the sea that their sufferings will not be in vain and their persecution forgotten.

That is why we must keep the case of Lithuania and other small nations before the bar of international public opinion. We must resist every effort to have it sidetracked and we must seize every practical opportunity to bring freedom back to their suffering people.

With firmness, therefore, with devotion to their cause, with confidence in the ultimate triumph of right and justice, let us on this anniversary pledge that our efforts shall not lessen until Lithuania shall once again be numbered among the free nations of the world.

Whereas the liberty of Lithuania, Latvia, and Estonia was forcibly violated and suppressed by Soviet Russia in June 1940 notwithstanding solemn treaties and agreements of nonagression; and

Whereas the Lithuanian, Latvian, and Estonian people are strongly opposed to foreign domination and are determined to restore their freedom and sovereignty which they had rightly and deservedly enjoyed for many centuries in the past; and

Whereas the U.S. Government on July 23, 1940, condemned such aggression and refused to recognize Soviet occupation of Lithuania, Latvia, and Estonia, and

Whereas the Soviet Russia through her representatives in the United Nations and at other international forums has been posing as the protector of all subjugated peoples, especially former colonies in Africa and Asia: Now, therefore, be it

Resolved, That we, Americans of Lithuanian origin or descent, reaffirm our adherence to American democratic principles of government and pledge our support to our President and our Congress to achieve lasting peace, freedom, and justice in the world; and be it further

Resolved, That the Government of the United States take appropriate steps through the United Nations and other channels to stop the Soviet Russia's policy of colonialism in Eastern Europe and to force Soviet to conduct free elections in Lithuania, Latvia, and Estonia under the United Nations supervision; and be it further

Resolved, That the Government of the United States approve or indorse no agreements which would in any manner accede to the outgrowth of any past, present, or future Soviet aggressive action; and be it finally

Resolved, That copies of these resolutions be forwarded to the President of the United States, to the Secretary of State, to the U.S. representative to the United Nations, to the U.S. Senators of Massachusetts, to the Representative of the Fourth Congressional District of Massachusetts and the press.

Praurs Stanely,
Committee Chairman.
Violeta Matulevieuite,
Secretary.

Congressman Flood Offers His Views on the Panama Canal Crisis

EXTENSION OF REMARKS
OF

HON. JAMES G. FULTON

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 26, 1964

Mr. FULTON of Pennsylvania. Mr. Speaker, I wish to bring to the attention of the American people an excellent article that appeared in the February 24, 1964, issue of the Wilkes-Barre Record that sets out the views of one of our highly respected Pennsylvania Members, Congressman Dan Flood of the 11th Pennsylvania Congressional District.

Congressman Dan Flood is to be congratulated in calling the Panama issue so forcibly to the attention of the American people. He has done a magnificent job of pointing out the basic issues and problems, and I highly recommend this article to all Americans.

When history of this hemisphere is written, Dan Flood will certainly be remembered for his foresighted approach and willingness to state the facts regardless of partisanship or administration.

The article follows:

Workable Treaty: Congressman Flood Offers His Views on Panama Canal Issue

Editor of the Record:

Your recent editorial, "Question on the Canal," presents issues that are both timely and fundamental. I heartily agree with you that our people have a right to know the facts. Because of that I shall write at greater length than would otherwise be appropriate.

The January 9, 1964, Red-led and directed Panamanian assault on the Canal Zone sparked a tidal wave of discussion by many of our citizens, including writers and other publicists, who are not well informed as to canal matters, either as to the history of the Panama Canal or the simplest facts about interoceanic commerce.

NINE POINTS

Lest the ensuing enthusiasm and hysteria about a second canal divert due attention from the problem of the Panama Canal, I shall summarize some facts:

1. The steady growth, since 1914, in the volume of traffic and tolls of the Panama Canal completely establishes the necessity for an adequate Isthmian canal.

2. The Panama Canal is a fine canal now, but it is approaching saturation and obsolescence.

3. We know it will work, how to maintain and operate it, and how to provide for its major increase of capacity, and operational efficiency without the negotiation of a new canal treaty with Panama, which are paramount considerations.

4. We have a workable treaty for the Panama Canal granting the indispensables of undiluted U.S. sovereignty and jurisdiction over the Canal Zone and canal.

5. We have had to defend that sovereignty and jurisdiction by the use of force—an action absolutely necessary to protect the lives of our citizens in the Canal Zone and to save the canal itself from sabotage and destruction.

6. We have experienced the abrogation by treaty amendments and nullification by Executive actions of vital aspects of the 1903 treaty by policies and practices in direct opposition to the 1923 position of Secretary of State Hughes, who considered any surrenders by any administration, any Secretary of State or any President, as unthinkable.

7. We have no treaty for a canal at another location except with Nicaragua, and such site would also require treaties with both Costa Rica and Salvador, and possibly, Honduras.

8. We would have to be prepared to defend a canal in any location from "lawlessness and disorder" (Hay-Pauncefote treaty) as was done at Panama in January; and it must be obvious that if we do not stand firmly at Panama we will not stand elsewhere.

9. For new treaties we would have to consider the questions of indemnity and annuity payments to the nations involved for the grant of the necessary sovereignty and jurisdiction over the affected area, for the purchase of property from individual owners in the right-of-way, and for provisions of defense installations, the total cost of which would be large.

COMMISSION PROPOSED

From the above it must be obvious that the solution of the problem of formulating a wisely reasoned interoceanic canal policy should not be allowed to be confused through emotional attachments or by the special interests of canal promoters but must be based upon merits of the various proposals.

For such task, our Government imperatively needs an independent, broadly based Interoceanic Canals Commission composed of the ablest men that can be mustered to make the necessary studies, reports and recommendations.

To this end, Representatives Bow, Hosmer, Clark W. Thompson and myself, all of whom have studied the canal subject, introduced bills to create the needed commission. Until such an independent commission is created and put to work, the canal situation will remain chaotic.

I trust that you will apply your editorial pen to the task that now faces our Nation and lead in a national campaign of sorely needed enlightenment. I shall look forward to future editorials.

At an early date, I plan to make another major address on canal matters, and trust that you will help pass the word to the Nation.

Daniel J. Flood,
Member of Congress.

Washington, D.C.

Connecticut Dairy Farmers Oppose Merger of Milk Orders

EXTENSION OF REMARKS
OF

HON. WILLIAM L. ST. ONGE

OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 26, 1964

Mr. ST. ONGE. Mr. Speaker, the dairy farmers in my congressional district are alarmed over a proposed merger of the southeastern New England Federal milk order with the Boston Federal milk order. Many of them have written me in opposition to this merger for a variety of reasons, such as a loss in income from milk by approximately 15 to 25 cents per hundredweight, an increase in the cost of transportation, and other reasons.

I am informed that most of the dairy farmers of Connecticut feel that the present system is working well and that the southeastern milk order is operating smoothly in conjunction with the other New England orders in handling both bulk and packaged milk. If a merger should take place, it may seriously hurt many of these farmers and it is doubtful whether they could survive such a blow.

In an effort to be helpful to our dairy farmers, I contacted the U.S. Department of Agriculture to express my opposition to the proposed merger. I am now in receipt of a reply from Secretary of Agriculture Orville L. Freeman, which I am inserting into the Record. Although a decision has not yet been reached, the Secretary states in his letter that "in reaching an appropriate decision full consideration will be given to all facets of the merger issue."

I also insert into the Record a copy of a letter addressed to Senator Thomas J. Dodd of Connecticut by Commissioner Joseph N. Gill of the Connecticut State Department of Agriculture and Natural Resources. Commissioner Gill's letter deals with the same subject and contains valuable information in the matter. Please note his observation at the conclusion of his letter that "every responsible dairy farm organization is strongly opposed" to the proposed merger.

Included are also several of the many letters I received from dairy farmers of the area voicing their opposition. I am pleased to insert all this material into the Record and to bring it to the attention of my colleagues:

Department of Agriculture,
Washington, D.C., February 24, 1964.

Hon. William L. St. Onge,
House of Representatives,
Washington, D.C.

Dear Mr. St. Onge: This is in reference to your inquiry concerning proposals to revise the southeastern New England Federal milk order, including proposals to merge this order with other New England Federal milk orders.

A joint public hearing was held January and February of last year in New England with respect to proposed amendments to the southeastern New England, Connecticut, Greater Boston, Springfield, and Worcester Federal milk orders. The consolidation under one regulation of the southeastern

New England order with certain or all of these other orders was an important issue on which evidence was taken. A substantial amount of evidence was presented at the hearing both in support of and in opposition to such merger.

The Department is now reviewing the record of this hearing, which was quite lengthy, and the briefs were voluminous. It involved a number of issues which, if adopted, would have a substantial impact on all of the New England milk orders.

In the formulation of its recommended decision on the proposals considered, the Department is required by statute to base its recommendations solely on the evidence obtained at the hearing. You may be assured that in reaching an appropriate decision full consideration will be given to all facets of the merger issue. A recommended decision on this matter will be issued as expeditiously as possible and all interested parties will have opportunity to file any exceptions they may have as to its findings and conclusions.

We appreciate your interest in the milk producers serving the southeastern New England market. Please let us know if we can service you in any other way.

Sincerely yours,

Orville L. Freeman,
Secretary.

State of Connecticut, Department of Agriculture and Natural Resources,
Hartford, Conn., February 20, 1964.

Hon. Thomas J. Dodd,
U.S. Senator, Senate Office Building, Washington, D.C.

Dear Tom: Any help that you may be able to give the eastern Connecticut dairymen in opposing the merger of the southeastern New England milk marketing order with the Boston order will, I know, be greatly appreciated. The State dairy cooperatives, including the Connecticut Milk Producers' Association; the Modern Milk Marketing Association; the Torrington Cooperative; the Connecticut Farm Bureau, and all the dairy farm groups, are firmly opposed to this merger.

The following information may be of assistance to you in this matter:

1. Connecticut producers in the southeastern order produced 126 million pounds of milk in 1963. It is estimated that the merging of the southeastern order with the Boston order (because that order has a much lower proportionate use of its producer milk as fluid milk, which is the highest priced milk in comparison with milk used for cream, ice cream, and manufactured products) would mean an annual loss in net cash farm income to Connecticut producers of approximately 15 to 25 cents per hundredweight, which would be equivalent to $189,000 to $315,000;

2. Technical changes in the Boston order based on the cost of transporting the producer milk, and differentials (or premiums) because of the producer's proximity to his market could mean an additional 15 to 25 cents deduction per hundredweight from the price the producer would obtain;

3. The southeastern order has and is working satisfactorily with its regulatory requirements already so well integrated with the other New England orders that there is no restriction in the movement of bulk or packaged milk to or from any other market;

4. Connecticut producers in the southeastern order have gone to considerable expense in planning their production of milk to meet the specific requirements inherent in the southeastern market as well as promoting the sale of fluid milk products in their market;

5. The southeastern order would never have been voted in by the producers, if there had been any intimation that they would lose their order in 5 years, and be merged with the Boston order, regardless of their objections to the merger; and

6. The southeastern order is ninth in size among the 82 Federal orders now in existence. No federally regulated market has been merged in the past where producers were not agreeable to the merger.

In closing, Tom, I can only repeat that every responsible dairy farm organization is strongly opposed to the possibility of the southeastern order being merged with the Boston order.

I am sure that your efforts will be gratefully appreciated by every dairyman in Connecticut as well as by my own department. If I can be of any further assistance, please let me know.

With kind personal regards, I am,

Sincerely yours,

Joseph N. Gill,
Commissioner.

Tolland County Farm Bureau, Inc.,
Sommersville, Conn., February 19, 1964.

Representative William St. Onge,
House Office Building,
Washington, D.C.

Dear Mr. St. Onge: The Tolland County Farm Bureau, Inc., wishes to go on record as being opposed to the proposed merger of the southeast milk order and the Boston Federal order.

The southeast order has been working well and is well integrated with the other four New England orders. The proposed merger with the Boston Federal order would result in considerable loss of income to the Connecticut producers in the southeast order.

We urge you to contact Secretary of Agriculture O. Freeman, Under Secretary of Agriculture G. Mehren and Chief of Dairy Division H. Forrest of the U.S. Department of Agriculture and to indicate to them the opposition of the southeast producers to this proposed merger.

Sincerely yours,

Ida K. Holcomb, *Secretary*
Mrs. Rockwell Holcomb.

Woodstock, Conn.,
February 22, 1964.

Hon. William St. Onge,
House of Representatives,
Washington, D.C.

Dear Sir: I am against the proposed merger of the southeast Federal milk order with the Boston Federal milk order. The former is the ninth largest in the country and the dairy farmers in it are doing a good job of producing to market needs.

The farmers voted for this order 5 years ago, but would never have done so had they known it would be merged with any other order. The price of milk to producers has already been cut several times and this proposed merger would further reduce prices by 15 to 25 cents, which would mean about a $315,000 net cash farm income loss for the area. There is in addition a location differential price reduction of from 15 to 25 cents under consideration. These reductions are not in line with President Johnson's campaign to help the low income groups in this land: milk prices are far below the rest of our rising economy.

As a producing dairy farmer in the southeast Federal milk order I urge you to use your influence against this merger. Please contact Secretary of Agriculture Freeman, Under Secretary of Agriculture George Mehren, and also Chief of the Dairy Division H. Forrest and express our strong opposition to this merger without delay, as a decision is expected to be made by March 1.

Thank you for your attention to this legislation.

Yours truly,

Mrs. Richard M. Week.

Spy Rock Farm,
Jewett City, Conn., February 12, 1964.

Representative Wm. L. St. Onge,
Washington, D.C.

Dear Representative St. Onge: I am writing to you regarding a matter which disturbs me very much, as well as hundreds of other dairy farmers in eastern Connecticut, who are shipping milk to the Providence market.

An attempt has been made to merge the southeastern marketing order with the Boston order, and if this should happen it would be very detrimental to the welfare of dairy farmers in eastern Connecticut. It would mean a substantial financial loss to us, and being in an already critical dairy price squeeze, this would force even more farmers out of business. Hearings regarding this matter have been held throughout New England, and it is up to the Marketing Branch of the Department of Agriculture to decide as to the final disposition.

I attended a meeting recently at the extension service building at Norwich, where Prof. Stewart Johnson of the University of Connecticut, as well as the manager of the local dairymen's association of Providence Bill Newman, spoke and we were given to understand that the southeastern market has just about a 50-percent chance of not being swallowed up by the Boston market. I understand that Senator Pastore, of Rhode Island, is trying his best to prevent this merger, since many of his constituents would incur a substantial reduction of income. If a merger should take place, we would rather merge with the Connecticut order where prices run approximately the same as in the southeastern area.

I would appreciate very much your looking into this matter soon, and would be thankful for your support in our endeavor, as a decision is about to be forthcoming on this issue. I am also sending a similar letter to Senator Thomas J. Dodd, asking him for his support in our behalf.

Very truly yours,

Herbert Kallman.

Plainfield, Conn., *February 18, 1964.*

Representative St. Onge:

This letter concerns the proposed merger of the southeast order and the Boston Federal order milk markets.

We the undersigned are opposed to this merger for several reasons. We in the southeast order would receive a lower price per hundredweight for our milk and have higher transportation rates. We have paid for promoting market sales and are producing quality milk according to market needs. If others want an order like ours, let them work together and get it but not by taking a slice out of our pie to put in theirs.

In conclusion we strongly urge you to state our opposition to this merger to the U.S. Department of Agriculture. Thank you.

Sincerely,

Alton C. Exley,
William S. Exley,
Mr. and Mrs. **Maurice Desjardins.**

Sterling, Conn., *February 25, 1964.*

Representative William St. Onge,
House Office Building,
Washington, D.C.

Dear Representative St. Onge: We are opposed to the merger of the southeast order with the Boston Federal order. If this should take place we would lose between 15 and 25 cents per hundredweight of milk. Also transportation would be increased on location differential.

The southeast order is working well and is well integrated with the other four New England orders in handling both bulk and packaged milk.

We feel the southeast order can much better represent us and solve our problems than would the Boston Federal order. If we had known 5 years ago that the market order would be merged we never would have voted for that order.

We operate a family self-employed farm and have just built a new 60-cow stanchion barn. If we have to take a decrease in milk payments, with the increased expenses for farm machinery plus insurances and taxes and payments for the new barn we would not be able to survive. We have always been on the farm and have no other trade.

Please contact Secretary of Agriculture O. Freeman, Under Secretary of Agriculture George Mehren, and Chief of Dairy Division H. Forrest, of the U.S. Department of Agriculture, indicating to them our opposition to this merger.

Very truly yours,

Robert P. Jordan.

Pomfret Center, Conn.,
February 17, 1964.

Hon. William St. Onge,
House Office Building,
Washington, D.C.

Dear Mr. St. Onge: I am writing you in regard to the proposed merger of the Boston Federal milk order with the southeast order, of which I am a member.

I want you to know I strongly oppose this merger, as it will further lower the price of milk, and we are having a hard enough time at the present price of milk.

Very truly yours,

William Chvirko.

Strout Realty,
Hebron, Conn., February 17, 1964.

Representative William St. Onge,
House Office Building,
Washington, D.C.

Dear Sir: We the undersigned strongly plead with you not to vote for the merger. It would mean disaster for the dairy farmer.

We struggle enough as it is.

Sincerely yours,

Hugo and Edith Lederer.

Senator Keating Receives Humanitarian Award From Jamaica Post, JWV, and Calls for Bold Near East Policy

EXTENSION OF REMARKS

OF

HON. SEYMOUR HALPERN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1964

Mr. HALPERN. Mr. Speaker, a truly significant event occurred in my district on January 26 of this year. I refer to the occasion when a great Senator from the State of New York—Kenneth Keating—made a historic address on the crucial situation in the Middle East, and was presented with the annual Humanitarian Award of the Gould-Hirsch Jamaica Post No. 90, Jewish War Veterans of the United States, as "an outstanding American who, in a lifetime of public service, has fought for all minorities and supported Israel in her struggle to persevere and grow as a nation."

However, Mr. Speaker, for me the occasion is memorable in still another respect, for it also marked the installation of Dr. Karl Applbaum as commander of this active and outstanding JWV post. Dr. Applbaum is an outstanding religious, community, and veteran leader. He is a Reserve Army chaplain, who served in World War II. A noted rabbi and lawyer, he is active in the Reserve Officers Association of the United States as well as in countless religious, civic, professional, fraternal, and veterans causes.

As one who came to pay tribute to both Senator Keating and Dr. Applbaum on that Sunday evening, January 26, I could not help but recall another historic occasion—the 15th anniversary of the State of Israel—when Dr. Karl Applbaum delivered the invocation in the House and his brother, Rabbi Sidney Applbaum, delivered the invocation in the U.S. Senate. I do not know of any other time in the history of our country when two brothers delivered the invocations in both Houses of the Congress and at such a significant time, too—the celebration of Israel's anniversary.

Mr. Speaker, I should mention another feature of the evening—the presentation of special citations of merit to 12 members of the post for their "dedication to the service of the community." Among those who received this coveted tribute was Henry Albert, who rose from the ranks in the post to become an outstanding national commander of the JWV. Another recipient was Past County JWV Comdr. Jack Cottin, who did a magnificent job as chairman of the night's ceremonies. The others to whom the award was presented were: John Basile and Katherine Bitses, owners of the Bellaire Castle where the event was held, two Americans of Greek extraction who have done so much to help the JWV in their fight for a better America. Morris Gimpelson, also a past county commander, now director of the Queens office of the State motor vehicle department; Max Almosino, past commander of the post; Morris Baum, a past county commander; Allan Ehrlich, a former county commander now dutifully serving as quartermaster of his post; Leonard Gleichenhaus, a former senior vice commander of his post; Bert Ordan, past post commander, now adjutant; Max Rosenfeld, another former county commander, and beloved 85-year-old Sam Semler, a hero of the Spanish-American War who is still very active in post affairs. Three women were also honored with these awards of merit. They are Clara Gimpelson, past county president of the auxiliary; Elsa Baum, member of the second husband and wife team of the post, who is coeditor with her husband of the post newspaper; and Rosetta Rawson, president of the auxiliary.

The high point of the evening, Mr. Speaker, following the presentation of the Humanitarian Award, was Senator Keating's stirring speech. In it, he stressed the dangers to peace that exist in the Near East and the shortsightedness of our State Department in not recognizing the dangers of the situation. He outlined a three-point program to prevent Nasser's expansionist plans from "setting the Middle East ablaze."

In introducing Senator Keating, Dr. Applbaum called him a shining example of what is good, what is true, and what is valuable in the American way of life. It is significant, too, Mr. Speaker, that Dr. Applbaum, a prominent figure in the Democratic Party, said in speaking of a distinguished Republican Senator from the State of New York:

> There are times when one's appraisal of another shall not be influenced by partisanship. This is particularly true in the case of a man of Senator Keating's stature in the good fight for freedom and human dignity.

Mr. Speaker, the importance of Senator Keating's remarks on the Middle East situation need no elaboration by me. They are cogent, astute, and offer a guideline for a policy which our State Department and the administration cannot afford to ignore. So that all Members of the Senate and House of Representatives can become fully cognizant with the proposals offered by this great Senator, I, under unanimous consent, insert the full text of his talk at this JWV installation in the Record:

> Dr. Karl Applbaum, officers and members of the Jamaica Post of the Jewish War Veterans of the United States, on this occasion of the receipt of the Jamaica Post's annual humanitarian award, I find it difficult to express how proud—how deeply moved I am. The words "Thank you" seem so inadequate, but of course, I do thank you from the bottom of my heart.
>
> This is an experience I shall always cherish—always remember. To be given a humanitarian award is to me the highest possible honor. It is as if I had been weighed in the balance of human good will and been found to be spiritually sound. I am deeply honored by this visible expression of your trust in me. I shall do my best—I promise you—to continue to deserve it.
>
> At the outset, I would like to mention something that I know you are all interested in—my bill to grant a national charter to the Jewish War Veterans which passed the Senate late last year. I wish I could give you some really definite news. All I can say is, that it is still pending in the House.
>
> That phrase "pending in the House"—I know how frustrating it is. But nevertheless, it is an important and necessary side of our form of government. Anything you as citizens can do with your own Representatives in the House to help expedite this bill will certainly be appreciated.
>
> Our get-together tonight is a reunion of ex-soldiers. And you know when ex-soldiers get together what they talk about—women.
>
> I wonder if you've heard the story of the two young ladies, one English and one French, who visited America for the first time. As their ship entered New York Harbor and they saw the magnificent skyline of Manhattan, the English girl said, "I never saw anything as magnificent as those buildings. They must be taller than the pyramids. They must have thousands and thousands of rooms in them."
>
> "Yes," agreed the French girl, "and hundreds of thousands of great big, wonderful American men."
>
> Well, there are still hundreds of thousands of great big, wonderful American men scattered all over the world fighting the cold war that is no longer so cold. Every day, it seems to me, a new crisis arises. In the last few days there has been the Panama crisis, the Zanzibar crisis, the Tanganyika crisis. But none of these, in my opinion, hold the potential danger of the recent summit conference of the Moslem rulers.
>
> I believe we are moving into a time of real crisis in the Middle East. I am particularly disturbed by the fact that our Government does not appear to be sufficiently alerted to the dangers posed by that meeting. As so often in the past, there seems to be a feeling that America's commitment to a free and

secure Israel can be shrugged off by reliance on procastination and platitudes.

Nasser of Egypt, as I see it, is determined to revive the sweeping empire of Saladin. He wants this new conglomeration of states to stretch from Turkey around the Mediterranean to the Straits of Gibraltar. He hasn't actually come out and said so, of course. But I have no doubt, in the Egyptian archives, there is a blueprint of infiltration and conquest with deadlines worked out and strategy detailed.

Nasser's whole attitude points to this. He has imported foreign rocket experts and is building up Egypt's missile capability. He has acquired, from the Soviet Union, ships capable of firing ship-to-shore missiles. He is developing rocket power.

This threat to our friends in Israel is continually being brushed off—brushed under the foreign policy rug would perhaps be a better way of expressing it.

While we continue to drift, the menace of a hot war in the Middle East grows apace. It is time we adopted a firm policy. Only a firm policy—only some forthright statements of intent—will cool down the rising tempers of the Middle East. For instance, we have not yet come out and stated—not in so many words—that we consider the water of the Jordan River essential to Israel's continuing growth. I know that we side with Israel on this question and will resist any attempt to sabotage this magnificent effort.

But, without a firm statement from us, that one question alone, could set the Middle East ablaze.

I do believe—that if the tragedy should occur—we would go to Israel's assistance. But now is the time to act. Now is the time to prevent it. Now is the time to make crystal clear what our position is.

It is high time for our Government to pull the fuse out of the Middle East powder keg. It is the task of all of us to do what we can to stimulate our Government officials to view the plight of Israel with at least the same alarm that they view Indonesia or the Berlin wall. Actually, in my opinion, the danger of war in the Middle East is greater and more immediate than our Government officials realize.

Perhaps Attorney General Kennedy might stop off there on his way home. It would at least show Nasser how deeply we are concerned. It would certainly give him pause.

It seems to me, in our Middle Eastern foreign policy there exists what I call the interpretation gap. I mean the gap between what our policy actually is and how other nations interpret it to be.

In other words, we do so much hemming and hawing, other nations just don't believe we mean what we say. When we do act, they are taken completely by surprise and behave as though we were to blame for confusing the issue.

This saying one thing and meaning another reminds me of a story going the Washington rounds.

A young and attractive schoolteacher decided to get married rather hurriedly. There was some question as to whether she could get away for a honeymoon until a girl friend came to her rescue and offered to act as substitute for the couple of weeks the bride and groom were away.

On the newly married couple's return, a welcome-home party was given them. At this party someone started to introduce the husband to the girl who had acted as substitute. "Oh," he interrupted, "I know Miss Jones very well. She substituted for my wife on our honeymoon."

That story is a more apt illustration of our Middle East policy than appears on the surface. We do not intend to deceive. I do not think that we are deliberately saying one thing and meaning another. We just don't seem to be able to say what we really mean—to convince other nations that, under certain given circumstances, we do mean business.

I am sure that our diplomats are the most truthful, the most straightforward in the world. But for some reason a lot of foreign nations don't count on what they say. Which reminds me of the middle-aged husband who called his youngish wife to say that he wouldn't be home till late. "Can I count on that?" she asked him.

The people of Israel as well as the Arabs may be confused by our attitude. On the one hand, they know that America has traditionally been a friend and supporter of Israel.

They know how much American Jews have done and are still doing to build Israel. I think in their hearts they are convinced that America will not let them down. But they can't understand why America won't come right out and say so. Surrounded, as they are, by enemies on every hand they are naturally fearful of our 11th-hour diplomacy.

As a result of the uncertainty and doubt about U.S. intentions, Israel has had to build up its own military resources against possible aggression. I don't think I'd be far wrong in saying probable aggression.

The threat of encirclement is very real to Israel. The Israelis are understandably nervous and apprehensive. The slightest Arab action could trigger Israeli reaction—could result in open war. This is a very unhealthy state of affairs. And, as I see it, the remedy is obvious. We must not wait until the bombers are assembled, the missiles focused with warheads set, before we make our position clear—100 percent clear. We must act while the initiative is still in our hands.

Therefore I believe three steps should be taken without delay:

1. A direct and forthright statement should be made by the President that America is determined to maintain Israeli independence—and block any threat to that nation's independence.

2. The U.S. Government should join with England and France in a tripartite guarantee of Israel.

3. The President—just as the Pope has done—should consider paying Israel a state visit.

A visit by the President would do two things. It would be a symbol to the Israelis, of our country's interest and concern. It would be a hands-off warning to the Moslem nations. It would be a convincing gesture, to say the least of it. So far, we have obviously not been convincing enough to Nasser and his bully-boys that we do—in the last resort—mean business.

I have long contended that we should go one step further where Nasser is concerned and cut off his foreign aid, until he stops spending huge sums on military supplies and equipment.

Nasser—according to the best information available to me—spends some $428 million annually on his armed forces. It would be a very pointed gesture to him and one he would certainly understand, if we cut his foreign aid until this investment in armaments was channeled into projects of much more importance to the Egyptian people and less danger to world peace.

We know that Israel, by her very existence, is a showcase to less fortunate peoples of what a free government can achieve. We know that Israel has shown itself to be a laboratory of progress—an island of dynamic achievement to the countries around her.

It is my firm conviction that Israel will stand—will remain a firm rock in the surrounding turbulence—will be a proud bastion of free government against which Nasser and his ilk will crash in vain.

Let Nasser dream his nightmarish dreams. Israel achieves, Israel builds, Israel reclaims. The Middle East is a better place, a more civilized place, because Israel gained free and independent nationhood.

Finally, let me thank you again from the bottom of my heart for your generosity to me in making this award which I shall always cherish.

SENATE

THURSDAY, FEBRUARY 27, 1964

(Legislative day of Wednesday, February 26, 1964)

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou God of all nations and of all races, who has made of one blood all men to dwell on the face of the earth, send out Thy light and Thy truth; let them lead us, let them bring us to Thy holy hill.

Cleanse Thy servants who here serve the public welfare from secret faults which may mar their public service knowing that we cannot call mankind to put aside the weapons of carnage if our own lives are blighted by impurity and are arsenals of hatred and of a selfish passion to rule. Make us all, we beseech Thee, vividly conscious of some freedoms which we may not exercise—the freedom to be self-indulgent; the freedom to satisfy our selfish greed, and leave others in need; the freedom to be soft, cynical, and self-centered; the freedom to criticize others, without accepting change in ourselves.

May Thy kingdom of love and righteousness come within us, that we may contribute worthily to mankind's abiding peace.

We ask it in the Name which is above every name. Amen.

THE JOURNAL

On request by Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, February 26, 1964, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 10051) to amend Public Law 86-272, as amended, with respect to the reporting date, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 10051) to amend Public Law 86-272, as amended, with respect to the reporting date, was read twice by its title and referred to the Committee on Finance.

TRANSACTION OF ROUTINE BUSINESS

On request by Mr. MANSFIELD, and by unanimous consent, it was ordered that there be a morning hour, with statements therein limited to 3 minutes.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON EXPORT CONTROL

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on export control, covering the fourth quarter of 1963 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON RECONSTRUCTION FINANCE CORPORATION LIQUIDATION FUND

A letter from the Acting Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a report on the progress of the liquidation activities of Reconstruction Finance Corporation, as of December 31, 1963 (with an accompanying report); to the Committee on Banking and Currency.

AMENDMENT OF COMMUNICATIONS ACT OF 1934, TO GIVE THE FEDERAL COMMUNICATIONS COMMISSION CERTAIN ADDITIONAL AUTHORITY

A letter from the Chairman, Federal Communications Commission, Washington, D.C., transmitting a draft of proposed legislation to amend the Communications Act of 1934, as amended, to give the Federal Communications Commission certain additional regulatory authority over communications common carriers (with accompanying papers); to the Committee on Commerce.

REPORT OF U.S. TARIFF COMMISSION

A letter from the Chairman, U.S. Tariff Commission, Washington, D.C., transmitting, pursuant to law, a report of that Commission, for the fiscal year ended June 30, 1963 (with an accompanying report); to the Committee on Finance.

AMENDMENT OF TITLE 39, UNITED STATES CODE, TO PROVIDE A REDUCED RATE FOR AIR PARCEL POST HANDLED BY MILITARY POST OFFICES

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend title 39, United States Code, to provide a reduced rate for air parcel post handled by military post offices (with an accompanying paper); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Alaska; to the Committee on Commerce:

"HOUSE JOINT RESOLUTION 33 OF THE STATE OF ALASKA URGING CONGRESS TO APPROVE THE 1965 COAST GUARD CONSTRUCTION PROGRAM IN ALASKA

"Be it resolved by the Legislature of the State of Alaska:

"Whereas the President of the United States has asked the Congress for a Coast Guard facilities construction program during fiscal 1965 in the amount of $1,858,000; and

"Whereas the proposed construction program includes family housing units and support facilities at Annette Island; maintenance facilities at Ketchikan; and the replacement of the runway at the Coast Guard loran station on Sitkinak Island; and

"Whereas these facilities are needed for the effective continuation of the Coast Guard's important mission in Alaska: Be it

"*Resolved*, That the Congress is requested to give early and favorable consideration to the President's request for the Coast Guard construction program in Alaska during fiscal 1965; and be it further

"*Resolved*, That copies of this resolution be sent to the Honorable Lyndon B. Johnson, President of the United States; the Honorable Carl Hayden, President pro tempore of the Senate; the Honorable John W McCormack, Speaker of the House of Representatives; the Honorable Clarence Cannon, chairman of the House Appropriations Committee; the Honorable Wilbur D. Mills, chairman of the House Ways and Means Committee; the Honorable Harry F. Byrd, chairman of the Senate Finance Committee; and the members of the Alaska delegation in Congress.

"Passed by the house February 8, 1964.

"BRUCE KENDALL,
"*Speaker of the House.*

"Attest:

"PATRICIA R. SLACK,
"*Chief Clerk of the House.*

"Passed by the senate February 17, 1964.

"FRANK PERATROVICH,
"*President of the Senate.*

"Attest:

"EMILY K. STEVENSON,
"*Secretary of the Senate.*
"WILLIAM A. EGAN,
"*Governor of Alaska.*"

The petition of Jisho Ikehara, speaker of the Municipal Assembly, of Misato-son, Okinawa, Ryukyu Islands, relating to the settlement of claims arising before the signing of the Japanese peace treaty; to the Committee on Armed Services.

A petition signed by Kotaro Yamashiro, mayor, and Koshin Yoza, chairman, Council of Mandatories To Acquire Compensation for Damages Prior to Peace Treaty, both of the municipality of Urasoe-son, Japan, relating to the solution of the problem of pretreaty claims; to the Committee on Armed Services.

The memorial of C. S. Shinn, of Spray, N.C., relating to the recently enacted tax reduction bill; to the Committee on Finance.

A resolution adopted by the City Council of the City of Elizabeth, N.J., favoring the issuance of a tercentenary stamp commemorating the city of Elizabeth as the first capital of the State of New Jersey; to the Committee on Post Office and Civil Service.

The memorial of Amalie Koehler, of Mobile, Ala., remonstrating against the enactment of the civil rights bill; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

S. 2455. A bill to amend further the Peace Corps Act (75 Stat. 612), as amended (Rept. No. 881).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1237. A bill for the relief of Kaloyan D. Kaloyanoff (Rept. No. 882);

S. 1525. A bill for the relief of Mrs. Kayo Fujimoto Howard (Rept. No. 883);

S. 1597. A bill for the relief of Juliano Barboza Amado and Manuel Socorro Barboza Amado (Rept. No. 884);

S. 1978. A bill for the relief of Lillian P. Johnson (Rept. No. 885);

S. 1985. A bill for the relief of Giuseppe Cacciani (Rept. No. 886);

S. 1986. A bill for the relief of Hattie Lu (Rept. No. 887);

H.R. 1174. An act for the relief of Elfriede Unterholzer Sharble (Rept. No. 892);

H.R. 1182. An act for the relief of Willy Sapuschnin (Rept. No. 893);

H.R. 1295. An act for the relief of Edith and Joseph Sharon (Rept. No. 894);

H.R. 1355. An act for the relief of Stanislawa Quellette (Rept. No. 895);

H.R. 1384. An act for the relief of Areti Siozos Paidas (Rept. No. 896);

H.R. 1455. An act for the relief of Ewald Johan Consen (Rept. No. 897);

H.R. 1520. An act for the relief of Jozefa Trzcinska Biskup and Ivanka Stalcer Vlahovic (Rept. No. 898);

H.R. 1521. An act for the relief of Lovorko Lucic (Rept. No. 899);

H.R. 1723. An act for the relief of Agnese Brienza (Rept. No. 900);

H.R. 1761. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of R. Gordon Finney, Jr. (Rept. No. 901);

H.R. 1886. An act for the relief of Valeriano T. Ebreo (Rept. No. 902);

H.R. 4085. An act for the relief of Tibor Horcsik (Rept. No. 903);

H.R. 4284. An act for the relief of Chrysanthos Kyriakou (Rept. No. 904);

H.R. 4682. An act for the relief of Mr. and Mrs. Fred T. Winfield (Rept. No. 905);

H.R. 4972. An act for the relief of Robert E. McKee General Contractor, Inc., and Kaufman & Broad Building Co., a joint venture (Rept. No. 906);

H.R. 5144. An act for the relief of Doyle A. Ballou (Rept. No. 907);

H.R. 5617. An act for the relief of Elizabeth Renee Louise Gabrielle Huffer (Rept. No. 908);

H.R. 5728. An act for the relief of the county of Cuyahoga, Ohio (Rept. No. 909);

H.R. 5982. An act for the relief of Pasquale Fiorica (Rept. No. 910);

H.R. 6092. An act for the relief of Alexander Haytko (Rept. No. 911);

H.R. 6313. An act for the relief of Stanislaw Kuryj (Rept. No. 912);

H.R. 6320. An act for the relief of Walter L. Mathews and others (Rept. No. 913);

H.R. 6477. An act for the relief of Capt. Otis R. Bowles (Rept. No. 914);

H.R. 6591. An act for the relief of Constantine Theothoropoulos (Rept. No. 915);

H.R. 6748. An act for the relief of the J. D. Wallace & Co., Inc. (Rept. No. 916);

H.R. 7347. An act for the relief of Teresa Elliopoulos and Anastasia Elliopoulas (Rept. No. 917);

H.R. 7491. An act for the relief of William L. Berryman (Rept. No. 919);

H.R. 7821. An act for the relief of Wladyslawa Pytlak Jarosz (Rept. No. 919);

H.R. 8085. An act for the relief of Roy W. Ficken (Rept. No. 920);

H.R. 8322. An act for the relief of John George Kostantoyannis (Rept. No. 921); and

H.R. 8507. An act for the relief of certain medical and dental officers of the Air Force (Rept. No. 922).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 473. A bill for the relief of Miss Wladyslawa Kowalczyk (Rept. No. 888);

S. 1966. A bill for the relief of Glenda Williams (Rept. No. 889); and

S. 1982. A bill for the relief of Francesco Mira and his wife, Maria Mira (Rept. No. 890).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 1684. A bill for the relief of Fotini Dimantopoulou (Rept. No. 891);

H.R. 4361. An act for the relief of the estate of Paul F. Ridge (Rept. No. 923); and

H.R. 7533. An act for the relief of Demetrios Dousopoulos (Rept. No. 924).

By Mr. ERVIN, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 935. A bill to protect the constitutional rights of certain individuals who are mentally ill, to provide for their care, treatment, and hospitalization, and for other purposes (Rept. No. 925).

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL STOCKPILE INVENTORIES

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal stockpile inventories as of December 1963. I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL STOCKPILE INVENTORIES, DECEMBER 1963

INTRODUCTION

This is the 49th in a series of monthly reports on Federal stockpile inventories. It is for the month of December 1963.

The report is compiled from official data on quantities and cost value of commodities in these stockpiles submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures by the Departments of Agriculture, Defense, Health, Education, and Welfare, and Interior, and the General Services Administration.

The cost value of materials in inventories covered in this report, as of December 1, 1963, totaled $14,273,987,427, and as of December 31, 1963, they total $14,048,440,926, a net decrease of $225,546,501 during the month.

Detailed tables in this report show each commodity, by the major categories summarized above, in terms of quantity and cost value as of the beginning and end of the month. Net change figures reflect acquisitions, disposals, and accounting and other adjustments during the month.

The cost value figures represent generally the original acquisition cost of the commodities delivered to permanent storage locations, together with certain packaging, processing, upgrading, et cetera, costs as carried in agency inventory accounts. Quantities are stated in the designated stockpile unit of measure.

Appendix A to this report, beginning on page 19, includes program descriptions and statutory citations pertinent to each stockpile inventory within the major categories.

The stockpile inventories covered by the report are tabulated in detail as follows:

Table 1: Strategic and critical materials inventories (all grades), December 1963 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month).

Table 2: Agricultural commodities inventories, December 1963 (showing by commodity net changes during the month in terms of cost value and quantity).

Table 3: Civil defense supplies and equipment inventories, December 1963 (showing by item net changes during the month in terms of cost value and quantity).

Table 4: Machine tools inventories, December 1963 (showing by item net changes during the month in terms of cost value and quantity).

Table 5: Helium inventories, December 1963 (showing by item net changes during the month in terms of cost value and quantity).

New stockpile objectives

The Office of Emergency Planning is in the process of establishing new objectives for strategic and critical materials. Table 1 of this report reflects the new objectives for 12 materials.

Appendix B, beginning on page 21, contains excerpts from the Office of Emergency Planning statement setting forth the new policy with respect to objectives for strategic and critical materials.

Different units of measure make it impossible to summarize the quantities of commodities and materials which are shown in tables 1, 2, 3, 4, and 5, but the cost value figures are summarized by major category, as follows:

Summary of cost value of stockpile inventories by major category

Major category	Beginning of month, Dec. 1, 1963	End of month, Dec. 31, 1963	Net change during month
Strategic and critical materials:			
National stockpile [1]	$5, 763, 170, 100	$5, 756, 516, 100	−$6, 654, 000
Defense Production Act	1, 488, 322, 400	1, 483, 573, 500	−4, 748, 900
Supplemental—barter	1, 352, 246, 150	1, 354, 337, 813	+2, 091, 663
Total, strategic and critical materials [1]	8, 603, 738, 650	8, 594, 427, 413	−9, 311, 237
Agricultural commodities:			
Price support inventory	5, 232, 158, 605	5, 015, 511, 529	−216, 647, 076
Inventory transferred from national stockpile [1]	122, 882, 203	119, 652, 003	−3, 230, 200
Total, agricultural commodities [1]	5, 355, 040, 808	5, 135, 163, 532	−219, 877, 276
Civil defense supplies and equipment:			
Civil defense stockpile, Department of Defense	11, 876, 594	11, 827, 662	−48, 932
Civil defense medical stockpile, Department of Health, Education, and Welfare	193, 203, 090	193, 580, 149	+377, 059
Total, civil defense supplies and equipment	205, 079, 684	205, 407, 811	+328, 127
Machine tools:			
Defense Production Act	2, 208, 600	2, 208, 600	
National Industrial Reserve Act	90, 017, 100	90, 146, 100	+129, 000
Total, machine tools	92, 225, 700	92, 354, 700	+129, 000
Helium	17, 902, 585	21, 087, 470	+3, 184, 885
Total, all inventories	14, 273, 987, 427	14, 048, 440, 926	−225, 546, 501

[1] Cotton inventory valued at $128,409,100 withdrawn from the national stockpile and transferred to Commodity Credit Corporation for disposal, pursuant to Public Law 87-548, during August 1962.

TABLE 1.—*Strategic and critical materials inventories (all grades), December 1963 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month)*

Commodity	Cost value			Quantity					
	Beginning of month, Dec. 1, 1963	End of month, Dec. 31, 1963	Net change during month	Unit of measure	Beginning of month, Dec. 1, 1963	End of month, Dec. 31, 1963	Net change during month	Maximum objective [1]	Excess over maximum objective
Aluminum, metal:									
National stockpile	$487, 680, 600	$487, 680, 600		Short ton	1, 128, 989	1, 128, 989			
Defense Production Act	431, 610, 600	429, 553, 900	−$2, 056, 700	do	855, 733	851, 816	−3, 917		
Total	919, 219, 200	917, 234, 500	−2, 056, 700	do	1, 984, 722	1, 980, 805	−3, 917	[2] 450, 000	1, 530, 805
Aluminum oxide, abrasive grain:									
Supplemental—barter	15, 292, 604	15, 468, 418	+175, 814	Short dry ton	49, 476	50, 363	+887	(3)	50, 363
Aluminum oxide, fused, crude:									
National stockpile	21, 735, 100	21, 735, 100		do	200, 093	200, 093			
Supplemental—barter	22, 747, 400	22, 747, 400		do	178, 266	178, 266			
Total	44, 482, 500	44, 482, 500		do	378, 359	378, 359		200, 000	178, 359
Antimony:									
National stockpile	20, 488, 000	20, 488, 000		Short ton	30, 301	30, 301			
Supplemental—barter	12, 804, 548	12, 840, 548	+36, 000	do	21, 876	21, 876			
Total	33, 292, 548	33, 328, 548	+36, 000	do	52, 177	52, 177		70, 000	(4)
Asbestos, amosite:									
National stockpile	2, 637, 600	2, 637, 600		do	11, 705	11, 705			
Supplemental—barter	7, 093, 768	7, 150, 747	+56, 979	do	28, 600	28, 825	+225		
Total	9, 731, 368	9, 788, 347	+56, 979	do	40, 305	40, 530	+225	45, 000	(4)

See footnotes at end of table.

TABLE 1.—*Strategic and critical materials inventories (all grades), December 1963 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month)*—Continued

Commodity	Cost value			Quantity					
	Beginning of month, Aug. 1, 1963	End of month, Aug. 31, 1963	Net change during month	Unit of measure	Beginning of month, Aug. 1, 1963	End of month, Aug. 31, 1963	Net change during month	Maximum objective [1]	Excess over maximum objective
Asbestos, chrysotile:									
National stockpile	$3,356,200	$3,356,200		Short dry ton	6,224	6,224			
Defense Production Act	2,102,600	2,102,600		do	2,348	2,348			
Supplemental—barter	4,129,931	4,226,905	+$96,974	do	6,045	6,245	+200		
Total	9,588,731	9,685,705	+96,974	do	14,617	14,817	+200	11,000	3,817
Asbestos, crocidolite:									
National stockpile	702,100	702,100		Short ton	1,567	1,567			
Supplemental—barter	7,253,695	7,364,306	+110,611	do	27,438	27,965	+527		
Total	7,955,795	8,066,406	+110,611	do	29,005	29,532	+527	(3)	29,532
Bauxite, metal grade, Jamaica type:									
National stockpile	13,925,000	13,925,000		Long dry ton	879,740	879,740			
Defense Production Act	18,168,000	18,168,000		do	1,370,077	1,370,077			
Supplemental—barter	89,403,300	89,399,100	−4,200	do	5,780,590	5,780,590			
Total	121,496,300	121,492,100	−4,200	do	8,030,407	8,030,407		2,600,000	5,430,407
Bauxite, metal grade, Surinam type:									
National stockpile	78,552,500	78,552,500		Long dry ton	4,962,706	4,962,706			
Supplemental—barter	45,280,400	45,280,400		do	2,927,260	2,927,260			
Total	123,832,900	123,832,900		do	7,889,966	7,889,966		6,400,000	1,489,966
Bauxite, refractory grade:									
National stockpile	11,347,800	11,347,800		Long calcined ton.	299,279	299,279		137,000	162,279
Beryl:									
National stockpile	9,768,400	9,768,400		Short ton	23,230	23,230			
Defense Production Act	1,425,800	1,425,800		do	2,543	2,543			
Supplemental—barter	22,739,500	22,739,500		do	11,321	11,321			
Total	33,933,700	33,933,700		do	37,094	37,094		23,100	13,994
Beryllium metal:									
Supplemental—barter	17,167,862	18,096,167	+928,305	do	145	150	+5	(3)	150
Bismuth:									
National stockpile	2,674,300	2,674,300		Pound	1,342,402	1,342,402			
Defense Production Act	52,400	52,400		do	22,901	22,901			
Supplemental—barter	5,540,200	5,540,200		do	2,506,493	2,506,493			
Total	8,266,900	8,266,900		do	3,871,796	3,871,796		3,000,000	871,796
Cadmium:									
National stockpile	16,520,300	16,268,200	−252,100	do	8,415,266	8,286,843	−128,423		
Supplemental—barter	12,327,600	12,327,600		do	7,448,989	7,448,989			
Total	28,847,900	28,595,800	−252,100	do	15,864,255	15,735,832	−128,423	6,500,000	9,235,832
Castor Oil:									
National stockpile	50,100,100	49,963,300	−136,800	do	196,490.152	195,940,649	−549,503	[21] 22,000,000	173,940,649
Celestite:									
National stockpile	1,412,300	1,412,300		Short dry ton	28,816	28,816			
Supplemental—barter	246,218	356,089	+109,871	do	5,964	9,015	+3,051		
Total	1,658,518	1,768,389	+109,871	do	34,780	37,831	+3,051	22,000	15,831
Chromite, chemical grade:									
National stockpile	12,288,000	12,288,000		do	559,452	559,452			
Supplemental—barter	21,880,400	21,879,400	−1,000	do	699,647	699,647			
Total	34,168,400	34,167,400	−1,000	do	1,259,099	1,259,099		475,000	784,099
Chromite, metallurgical grade:									
National stockpile	264,565,500	264,565,500		do	3,795,292	3,795,292			
Defense Production Act	35,879,900	35,879,900		do	985,646	985,646			
Supplemental—barter	224,198,100	224,197,600	−500	do	1,543,110	1,543,110			
Total	524,643,500	524,643,000	−500	do	6,324,048	6,324,048		[2] 2,970,000	3,354,048
Chromite, refractory grade:									
National stockpile	25,149,300	25,149,300		do	1,047,159	1,047,159			
Supplemental—barter	5,039,000	5,039,000		do	179,775	179,775			
Total	30,188,300	30,188,300		do	1,226,934	1,226,934		1,300,000	(4)
Cobalt:									
National stockpile	169,205,200	169,205,200		Pound	76,664,297	76,661,152	−3,145		
Defense Production Act	52,075,300	52,075,300		do	25,194,122	25,194,122			
Supplemental—barter	2,169,000	2,169,000		do	1,077,018	1,077,018			
Total	223,449,500	223,449,500		do	102,935,437	102,932,292	−3,145	19,000,000	83,932,292
Coconut oil:									
National stockpile	7,863,600	7,289,700	−573,900	do	51,882,918	48,096,398	−3,786,520	(3)	48,096,398
Colemanite:									
Supplemental—barter	2,636,400	2,636,400		Long dry ton	67,636	67,636		(3)	67,636
Columbium:									
National stockpile	23,919,200	23,919,200		Pound	7,507,959	7,507,959			
Defense Production Act	50,238,900	50,238,900		do	8,222,684	8,222,684			
Supplemental—barter	799,100	799,100		do	388,877	388,877			
Total	74,957,200	74,957,200		do	16,119,520	16,119,520		1,900,000	14,219,520

See footnotes at end of table.

TABLE 1.—*Strategic and critical materials inventories (all grades), December 1963 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month)*—Continued

Commodity	Cost value			Quantity					
	Beginning of month, Aug. 1, 1963	End of month, Aug. 31, 1963	Net change during month	Unit of measure	Beginning of month, Aug. 1, 1963	End of month, Aug. 31, 1963	Net change during month	Maximum objective [1]	Excess over maximum objective
Copper:									
National stockpile	$523, 016, 900	$523, 114, 200	+$97, 300	Short ton	1, 008, 266	1, 008, 255	−11		
Defense Production Act	57, 552. 000	57, 141, 900	−410, 100	do	102, 834	102, 183	−651		
Supplemental—barter	8, 255, 300	8, 255, 300		do	12, 382	12, 382			
Total	588, 824, 200	588, 511, 400	−312, 800	do	1, 123, 482	1, 122, 820	−662	[2] 775, 000	347, 820
Cordage fibers, abaca:									
National stockpile	37, 035, 300	37, 035, 300		Pound	146, 935, 286	146, 935, 286		150, 000, 000	(4)
Cordage fibers. sisal:									
National stockpile	41, 870, 900	41, 870, 900		do	309, 424, 359	309, 598, 347	+173, 988	320, 000, 000	(4)
Corundum:									
National stockpile	393, 100	393, 100		Short ton	2, 008	2, 008		2, 000	8
Cryolite:									
Defense Production Act	6, 890, 200	6, 648, 100	−242, 100	do	24, 952	24, 075	−877	(3)	24, 075
Diamond dies:									
National stockpile	497, 400	506, 100	+8, 700	Piece	16, 696	16, 949	+253	25, 000	(4)
Diamond, industrial, crushing bort:									
National stockpile	61, 609, 500	61, 609, 500		Carat	31, 113, 411	31, 113. 411			
Supplemental—barter	15, 800, 500	15, 800, 500		do	5, 550, 579	5, 550, 579			
Total	77, 410. 000	77, 410, 000		do	36, 663, 990	36, 663, 990		30, 000, 000	6, 663, 990
Diamond, industrial, stones:									
National stockpile	100, 501, 500	100, 501, 500		do	9, 315, 183	9, 315, 183			
Supplemental—barter	186, 324, 500	186, 341, 500	+17, 000	do	15, 425, 827	15, 425, 827			
Total	286, 826, 000	286, 843, 000	+17, 000	do	24, 741, 010	24, 741, 010		18, 000, 000	6, 741, 010
Diamond tools:									
National stockpile	1, 015, 400	1, 015, 400		Piece	64, 178	64, 178		(3)	64, 178
Feathers and down:									
National stockpile	36, 701, 500	36, 701, 500		Pound	8, 859, 352	8, 859, 352		[2] 3, 000, 000	5, 859, 352
Fluorspar, acid grade:									
National stockpile	26, 167, 500	26, 167, 500		Short dry ton	463, 049	463, 049			
Defense Production Act	1, 394, 400	1, 394, 400		do	19, 700	19, 700			
Supplemental—barter	33, 530, 700	33, 530, 700		do	673, 232	673, 232			
Total	61, 092, 600	61, 092, 600		do	1, 155, 981	1, 155, 981		280, 000	875, 981
Fluorspar, metallurgical grade:									
National stockpile	17, 332, 400	17, 332, 400		do	369, 443	369, 443			
Supplemental-barter	1, 508, 100	1, 508, 100		do	42, 800	42, 800			
Total	18, 840, 500	18, 840, 500		do	412, 243	412, 243		375, 000	37, 243
Graphite, natural, Ceylon, amorphous lump:									
National stockpile	937, 900	937, 900		do	4, 455	4, 455			
Supplemental—barter	341, 200	341, 200		do	1, 428	1, 428			
Total	1, 279, 100	1, 279, 100		do	5, 883	5, 883		3, 600	2, 283
Graphite, natural, Madagascar, crystalline:									
National stockpile	7, 039, 900	7, 007, 500	−32, 400	do	34, 154	33, 996	−158,		
Supplemental—barter	236, 600	232, 000	−4, 600	do	1, 907	1, 907			
Total	7, 276, 500	7, 239, 500	−37, 000	do	36, 061	35, 903	−158	17, 200	18, 703
Graphite, natural, other, crystalline:									
National stockpile	1, 896, 300	1, 896, 300		do	5, 487	5, 487		2, 100	3, 387
Hyoscine:									
National stockpile	30, 600	30, 600		Ounce	2, 100	2, 100		2, 100	(4)
Iodine:									
National stockpile	4, 082, 000	4, 082, 000		Pound	2, 977, 648	2, 977, 648			
Supplemental—barter	1, 066, 000	1, 066, 000		do	994, 920	994, 920			
Total	5, 148, 000	5, 148, 000		do	3, 972, 568	3, 972, 568		4, 300, 000	(4)
Iridium:									
National stockpile	2, 525, 800	2, 525, 800		Troy ounce	13, 937	13, 937		4, 000	9, 937
Jewel bearings:									
National stockpile	4, 129, 600	4, 137, 600	+8, 000	Piece	51, 626, 565	51, 727, 565	+101, 000	57, 500, 000	(4)
Kyanite-mullite:									
National stockpile	781, 700	781, 700		Short dry ton	9, 042	9, 042		4, 800	4, 242
Lead:									
National stockpile	319, 298, 100	319, 298, 100		Short ton	1, 050, 370	1, 050, 370			
Defense Production Act	1, 233, 900	980, 700	−253, 200	do	3, 225	2, 563	−662		
Supplemental—barter	78, 398, 600	78, 398, 600		do	327, 998	327, 998			
Total	398, 930, 600	398, 677, 400	−253, 200	do	1, 381, 593	1, 380, 931	−662	[3] 0	1, 380, 931
Magnesium:									
National stockpile	128, 925, 700	128, 602, 100	−323, 600	do	177, 591	177, 146	−445	107, 000	70, 146

See footnotes at end of table.

TABLE 1.—*Strategic and critical materials inventories (all grades), December 1963 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month)*—Continued

Commodity	Cost value			Quantity					
	Beginning of month, Aug. 1, 1963	End of month, Aug. 31, 1963	Net change during month	Unit of measure	Beginning of month, Aug. 1, 1963	End of month, Aug. 31, 1963	Net change during month	Maximum objective [1]	Excess over maximum objective
Manganese, battery grade, natural ore:									
National stockpile	$21,025,500	$21,025,500		Short ton	144,485	144,485			
Supplemental—barter	13,621,900	13,621,900		do	137,700	137,671	−29		
Total	34,647,400	34,647,400		do	282,185	282,156	−29	50,000	232,156
Manganese, battery grade, synthetic dioxide:									
National stockpile	3,095,500	3,095,500		Short dry ton	21,272	21,272			
Defense Production Act	2,524,700	2,524,700		do	3,779	3,779			
Total	5,620,200	5,620,200		do	25,051	25,051		20,000	5,051
Manganese, chemical grade, type A:									
National stockpile	2,133,300	2,133,300		do	29,307	29,307			
Supplemental—barter	7,922,100	7,922,100		do	117,607	117,607			
Total	10,055,400	10,055,400		do	146,914	146,914		30,000	116,914
Manganese, chemical grade, type B:									
National stockpile	132,600	132,600		Short dry ton	1,822	1,822			
Supplemental—barter	6,669,800	6,669,800		do	99,016	99,016			
Total	6,802,400	6,802,400		do	100,838	100,838		53,000	47,838
Manganese, metallurgical grade:									
National stockpile	248,240,300	248,240,300		do	5,851,264	5,851,264			
Defense Production Act:	176,474,800	176,474,800		do	3,056,691	3,056,691			
Supplemental—barter	241,487,614	241,585,132	+$97,518	do	3,669,213	3,670,580	+1,357		
Total	666,202,714	666,300,232	+97,518	do	12,577,168	12,578,535	+1,357	6,800,000	5,778,535
Mercury:									
National stockpile	20,039,500	20,039,500		Flask	129,525	129,525			
Supplemental—barter	3,446,200	3,446,200		do	16,000	16,000			
Total	23,485,700	23,485,700		do	145,525	145,525		[2] 200,000	([4])
Mica, muscovite block:									
National stockpile	27,602,200	27,602,200		Pound	11,617,756	11,617,756			
Defense Production Act	40,746,400	40,746,400		do	6,446,722	6,446,722			
Supplemental—barter	5,444,103	5,586,842	+142,739	do	1,631,821	1,667,281	+35,460		
Total	73,792,703	73,935,442	+142,739	do	19,696,299	19,731,759	+35,460	8,300,000	11,431,759
Mica, muscovite film:									
National stockpile	9,058,100	9,058,100		do	1,724,327	1,724,327			
Defense Production Act	633,300	633,300		do	102,681	102,681			
Supplemental—barter	1,074,408	1,101,623	+27,215	do	109,789	112,760	+2,971		
				do					
Total	10,765,808	10,793,023	+27,215	do	1,936,797	1,939,768	+2,971	1,300,000	639,768
Mica, muscovite splittings:									
National stockpile	40,598,300	40,598,300		do	40,159,938	40,159,938			
Supplemental—barter	6,225,800	6,225,800		do	4,826,257	4,826,257			
Total	46,824,100	46,824,100		do	44,986,195	44,986,195		21,200,000	23,786,195
Mica, phlogopite block:									
National stockpile	303,600	303,600		do	223,239	223,239		17,000	206,239
Mica, phlogopite splittings:									
National stockpile	2,580,500	2,580,500		do	3,079,063	3,069,062	−1		
Supplemental—barter	2,400,100	2,400,100		do	1,986,906	1,986,903	−3		
Total	4,980,600	4,980,600		do	5,065,969	5,065,965	−4	1,700,000	3,365,965
Molybdenum:									
National stockpile	83,679,000	83,679,000		do	79,043,336	479,043,336		59,000,000	20,043,336
Nickel:									
National stockpile	181,960,400	181,952,400	−8,000	Short ton	167,109	167,097	−12		
Defense Production Act	101,070,500	101,070,500		do	52,767	52,767			
Total	283,030,900	283,022,900	−8,000	do	219,876	219,864	−12	[3] 50,000	169,864
Opium:									
National stockpile	13,661,700	13,661,700		Pound	195,757	195,757		[3] 141,280	54,477
Palladium:									
National stockpile	2,079,000	2,079,000		Troy ounce	89,811	89,811			
Defense Production Act	177,300		−177,300	do	7,884		−7,884		
Supplemental—barter	12,170,200	12,170,200		do	648,124	648,124			
Total	14,426,500	14,249,200	−177,300	do	745,819	737,935	−7,884	340,000	397,935
Palm oil:									
National stockpile	3,714,000	3,714,900	+900	Pound	20,631,337	20,641,287	+9,950	([3])	20,641,287
Platinum:									
National stockpile	56,879,900	56,879,900		Troy ounce	716,343	716,343			
Supplemental—barter	4,024,500	4,024,500		do	49,999	49,999			
Total	60,904,400	60,904,400		do	766,342	766,342		165,000	601,342
Pyrethrum:									
National stockpile	415,100	415,100		Pound	67,065	67,065		66,000	1,065
Quartz crystals:									
National stockpile	68,560,900	68,547,200	−13,700	do	5,558,138	5,557,024	−1,114		
Supplemental—barter	3,519,200	3,519,200		do	232,352	232,352			
Total	72,080,100	72,066,400	−13,700	do	5,790,490	5,789,376	−1,114	650,000	5,139,376

See footnotes at end of table.

TABLE 1.—*Strategic and critical materials inventories (all grades), December 1963 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month)*—Continued

Commodity	Cost value			Quantity					
	Beginning of month, Aug. 1, 1963	End of month, Aug. 31, 1963	Net change during month	Unit of measure	Beginning of month, Aug. 1, 1963	End of month, Aug. 31, 1963	Net change during month	Maximum objective [1]	Excess over maximum objective
Quinidine:									
National stockpile	$1,889,900	$1,889,900		Ounce	1,638,428	1,638,428		1,600,000	38,428
Quinine:									
National stockpile	3,622,600	3,464,500	−$158,100	do	5,727,732	5,477,732	−250,000	(3)	5,477,732
Rare earths:									
National stockpile	7,134,900	7,134,900		Short dry ton	10,042	10,042			
Supplemental—barter	5,813,809	5,818,009	+4,200	do	6,163	6,163			
Total	12,948,709	12,952,909	+4,200	do	16,205	16,205		5,700	10,505
Rare earths residue:									
Defense Production Act	657,800	657,800		Pound	6,085,311	6,085,311		(3)	6,085,311
Rhodium:									
National stockpile	78,200	78,200		Troy ounce	618	618		(3)	618
Rubber:									
National stockpile	743,870,200	739,611,300	−4,258,900	Long ton	962,343	956,465	−5,878	750,000	206,465
Ruthenium:									
Supplemental—barter	559,500	559,500		Troy ounce	15,001	15,001		(3)	15,001
Rutile:									
National stockpile	2,070,100	2,070,100		Short dry ton	18,599	18,599			
Defense Production Act	2,725,100	2,725,100		do	17,410	17,410			
Supplemental—barter	1,061,300	1,061,300		do	11,632	11,632			
Total	5,856,500	5,856,500		do	47,641	47,641		65,000	(4)
Rutile chlorinator charge:									
Defense Production Act				do	1,859		−1,859	(3)	
Saphire and ruby:									
National stockpile	190,000	190,000		Carat	16,187,500	16,187,500		18,000,000	(4)
Selenium:									
National stockpile	757,100	757,100		Pound	97,100	97,100			
Supplemental—barter	1,070,500	1,362,137	+291,637	do	156,518	232,268	+75,750		
Total	1,827,600	2,119,237	+291,637	do	253,618	329,368	+75,750	400,000	(4)
Shellac:									
National stockpile	8,503,600	8,483,400	−20,200	do	16,961,735	16,921,514	−40,221	7,400,000	9,521,514
Silicon carbide, crude:									
National stockpile	11,394,500	11,394,500		Short ton	64,697	64,697			
Supplemental—barter	26,803,600	26,803,600		do	131,805	131,805			
Total	38,198,100	38,198,100		do	196,502	196,502		100,000	96,502
Silk noils and waste:									
National stockpile	1,375,800	1,343,500	−32,300	Pound	1,071,302	1,050,751	−20,551	970,000	80,751
Silk, raw:									
National stockpile	486,600	486,600		do	113,515	113,515		120,000	(4)
Sperm oil:									
National stockpile	4,775,400	4,775,400		do	23,442,158	23,442,158		[2] 23,400,000	42,158
Talc, steatite block and lump:									
National stockpile	496,800	496,800		Short ton	1,274	1,274		300	974
Talc, steatite ground:									
National stockpile	231,200	231,200		do	3,901	3,901		(3)	3,901
Tantalum:									
National stockpile	10,992,700	10,992,700		Pound	3,445,169	3,445,338	+169		
Defense Production Act	9,734,400	9,734,400		do	1,531,067	1,530,567	+500		
Supplemental—barter	21,100	21,100		do	8,036	8,036			
Total	20,748,200	20,748,200		do	4,984,272	4,983,941	−331	2,420,000	2,563,941
Thorium:									
Defense Production Act	42,000	42,000		do	848,354	848,354			
Supplemental—barter	17,958,390	17,965,490	+7,100	do	8,620,525	8,620,525			
Total	18,000,390	18,007,490	+7,100	do	9,468,879	9,468,879		(3)	9,468,879
Tin:									
National stockpile	803,077,000	802,158,100	−918,900	Long ton	330,275	329,851	−424		
Supplemental—barter	16,404,000	16,404,000		do	7,505	7,505			
Total	819,481,000	818,562,100	−918,900	do	337,780	337,356	−424	[2] 200,000	137,356
Titanium:									
Defense Production Act	176,098,200	176,098,200		Short ton	22,371	22,371			
Supplemental—barter	32,097,700	32,097,700		do	9,021	9,021			
Total	208,195,900	208,195,900		do	31,392	31,392		(3)	31,392
Tungsten:									
National stockpile	369,127,300	369,128,200	+900	Pound	120,071,339	120,071,339			
Defense Production Act	318,813,900	317,204,400	−1,609,500	do	78,186,563	77,787,101	−399,462		
Supplemental—barter	18,651,400	18,651,400		do	5,774,827	5,774,827			
Total	706,592,600	704,984,000	−1,608,600	do	204,032,729	203,633,267	−399,462	50,000,000	153,633,267

See footnotes at end of table.

TABLE 1.—*Strategic and critical materials inventories (all grades), December 1963 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month)*—Continued

Commodity	Cost value			Quantity					
	Beginning of month, Aug. 1, 1963	End of month, Aug. 31, 1963	Net change during month	Unit of measure	Beginning of month, Aug. 1, 1963	End of month, Aug. 31, 1963	Net change during month	Maximum objective [1]	Excess over maximum objective
Vanadium:									
National stockpile	$31,567,900	$31,567,900		Pound	15,730,893	15,730,893		2,000,000	13,730,893
Vegetable tannin extract, chestnut:									
National stockpile	11,932,800	11,904,900	−$27,900	Long ton	42,770	42,670	−100	30,000	12,670
Vegetable tannin extract, quebracho:									
National stockpile	49,144,900	49,132,600	−12,300	do	198,628	198,578	−50	180,000	18,578
Vegetable tannin extract, wattle:									
National stockpile	9,826,900	9,826,900		do	38,962	38,962		39,000	(4)
Zinc:									
National stockpile	364,345,400	364,345,900	+500	Short ton	1,256,845	1,256,845			
Supplemental—barter	79,588,400	79,588,400		do	323,896	323,896			
Total	443,933,800	443,934,300	+500	do	1,580,741	1,580,741		[2] 0	1,580,741
Zirconium ore, baddeleyite:									
National stockpile	710,600	710,600		Short dry ton	16,533	16,533		(3)	16,533
Zirconium ore, zircon:									
National stockpile	128,200	127,000	−1,200	do	2,172	2,152	−20	(3)	2,152
Total:									
National stockpile	5,763,170,100	5,756,516,100	−6,654,000						
Defense production Act	1,488,322,400	1,483,573,500	−4,748,900						
Supplemental—barter	1,352,246,150	1,354,337,813	+2,091,663						
Total, strategic and critical materials	8,603,738,650	8,594,427,413	−9,311,237						

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[1] Maximum objectives for strategic and critical materials are determined pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h). The Office of Emergency Planning is currently in the process of revising stockpile objectives. (See app. B, p. 3648.)

[2] New objective. (See app. B, p. 3648.)

[3] No present objective.

[4] Not in excess of maximum objective.

Source: Compiled from reports submitted by the General Services Administration and the Department of Agriculture.

TABLE 2.—*Agricultural commodities inventories, December 1963 (showing by commodity net changes during the month in terms of cost value and quantity)*

Commodity	Cost value			Quantity			
	Beginning of month, Dec. 1, 1963	End of month, Dec. 31, 1963	Net change during month	Unit of measure	Beginning of month, Dec. 1, 1963	End of month, Dec. 31, 1963	Net change during month
Price-support inventory:							
Basic commodities:							
Corn	$1,059,482,017	$1,046,095,750	−$13,386,267	Bushel	860,860,009	849,055,749	−11,804,260
Cotton, extra-long staple	9,812,704	9,811,931	−773	Bale	37,071	37,068	−3
Cotton, upland	1,077,832,107	977,862,467	−99,969,640	do	6,521,117	5,918,389	−602,728
Peanuts, farmers' stock		10,289	+10,289	Pound		87,969	+87,969
Peanuts, shelled	9,590,914	9,446,989	−143,925	do	56,182,206	55,664,161	−518,045
Rice, milled	80,975	74,390	−6,585	Hundredweight	7,600	6,803	−797
Rice, rough	8,773,102	8,140,448	−632,654	do	1,647,523	1,530,472	117,051
Wheat	2,015,704,960	1,970,622,675	−45,082,285	Bushel	1,005,061,053	982,272,898	−22,788,155
Bulgur	810,829	468,805	−342,024	Pound	15,349,909	8,658,636	−6,691,273
Total, basic commodities	4,182,087,608	4,022,533,744	−159,553,864				
Designated nonbasic commodities:							
Barley	37,836,002	36,468,919	−1,367,083	Bushel	42,849,252	41,132,953	−1,716,299
Grain sorghum	660,547,705	649,312,619	−11,235,086	do	597,103,573	585,453,864	−11,649,709
Milk and butterfat:							
Butter	135,419,870	120,322,998	−15,096,872	Pound	233,325,582	207,358,702	−25,966,880
Butter oil	77,415,239	64,757,536	−12,657,703	do	98,661,482	83,005,994	−15,655,488
Cheese	19,884,525	15,350,021	−4,534,504	do	52,495,510	40,470,167	−12,025,343
Ghee	1,075,268	439,396	−635,872	do	1,342,100	559,345	−782,755
Milk, dried	89,892,299	81,458,466	−8,433,833	do	611,151,414	553,899,423	−57,251,991
Oats	11,337,644	11,285,919	−51,725	Bushel	18,861,290	18,787,079	−74,211
Rye	1,031,681	891,044	−140,637	do	1,002,290	869,007	133,283
Total, designated nonbasic commodities	1,034,440,233	980,286,918	−54,153,315				
Other nonbasic commodities:							
Beans, dry, edible	2,434,686	1,382,841	−1,051,845	Hundredweight	318,304	182,218	−136,086
Cottonseed oil, refined	753,092	463,362	−289,730	Pound	4,383,743	2,697,219	−1,686,524
Flaxseed	10,653,881	9,492,881	−1,161,000	Bushel	3,615,106	3,227,869	−387,237
Soybeans	839,623	627,459	−212,164	do	375,947	282,804	−93,143
Vegetable oil products	949,482	724,324	−225,158	Pound	5,946,833	4,540,864	−1,405,969
Total, other nonbasic commodities	15,630,764	12,690,867	−2,939,897				
Total, price support, inventory	5,232,158,605	5,015,511,529	−216,647,076				
Inventory transferred from national stockpile: [1]							
Cotton, Egyptian	99,253,678	96,073,775	−3,179,903	Bale	117,485	113,721	−3,764
Cotton, American-Egyptian	23,628,525	23,578,228	−50,297	do	46,978	46,878	−100
Total, inventory transferred from national stockpile	122,882,203	119,652,003	−3,230,200	do	164,463	160,599	−3,864
Total, agricultural commodities	5,355,040,808	5,135,163,532	−219,877,276				

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[1] Transferred from General Services Administration pursuant to Public Law 85-96 and Public Law 87-548. (See app. A, p. 3647.)

Source: Compiled from reports submitted by the Department of Agriculture.

Table 3.—*Civil defense supplies and equipment inventories, December 1963 (showing by item net changes during the month in terms of cost value and quantity)*

Item	Cost value			Quantity			
	Beginning of month, Dec. 1, 1963	End of month, Dec. 31, 1963	Net change during month	Unit of measure	Beginning of month, Dec. 1, 1963	End of month, Dec. 31, 1963	Net change during month
Civil defense stockpile, Department of Defense:							
Engineering equipment (engine generators, pumps, chlorinators, purifiers, pipe, and fittings)	$10, 075, 564	$10, 078, 518	+$2, 954	10 mile units	45	45	
Chemical and biological equipment	1, 801, 030	1, 749, 144	−51, 886	(1)			
Total	11, 876, 594	11, 827, 662	−48, 932				
Civil defense medical stockpile, Department of Health, Education, and Welfare:							
Medical bulk stocks, and associated items at civil defense mobilization warehouses	138, 681, 711	139, 038, 262	+356, 551	(1)			
Medical bulk stock at manufacturer locations	5, 820, 053	5, 820, 053		(1)			
Civil defense emergency hospitals	37, 350, 438	37, 370, 946	+20, 508	Each	1, 930	1, 930	
Replenishment units (functional assemblies other than hospitals)	426, 472	426, 472		(1)			
Supply additions (for civil defense emergency hospitals)	10, 924, 416	10, 924, 416		(1)			
Total	193, 203, 090	193, 580, 149	+377, 059				
Total, civil defense supplies and equipment	205, 079, 684	205, 407, 811	+328, 127				

[1] Composite group of many different items.

Source: Compiled from reports submitted by the Department of Defense and the Department of Health, Education, and Welfare.

Table 4.—*Machine tools inventories, December 1963 (showing by item net changes during the month in terms of cost value and quantity)*

Item	Cost value			Quantity			
	Beginning of month, Dec. 1, 1963	End of month, Dec. 31, 1963	Net change during month	Unit of measure	Beginning of month, Dec. 1, 1963	End of month, Dec. 31, 1963	Net change during month
Defense Production Act:							
In storage	$21, 400	$21, 400		Tool	7	7	
On lease	2, 144, 300	2, 144, 300		do	103	103	
On loan	42, 900	42, 900		do	7	7	
Total	2, 208, 600	2, 208, 600		do	117	117	
National Industrial Reserve Act:							
In storage	78, 124, 600	78, 114, 700	−$9, 900	do	6, 949	6, 949	
On lease	27, 500	27, 500		do	1	1	
On loan to other agencies	2, 689, 500	2, 718, 200	+28, 700	do	301	303	+2
On loan to school programs	9, 175, 500	9, 285, 700	+110, 200	do	2, 170	2, 192	+22
Total	90, 017, 100	90, 146, 100	+129, 000	do	9, 421	9, 445	+24
Total, machine tools	92, 225, 700	92, 354, 700	+129, 000	do	9, 538	9, 562	+24

Source: Compiled from reports submitted by the General Services Administration.

Table 5.—*Helium inventories, December 1963 (showing by item net changes during the month in terms of cost value and quantity)*

Item	Cost value			Quantity			
	Beginning of month, Dec. 1, 1963	End of month, Dec. 31, 1963	Net change during month	Unit of measure	Beginning of month, Dec. 1, 1963	End of month, Dec. 31, 1963	Net change during month
Helium:							
Stored aboveground	$245, 963	$273, 087	+$27, 124	Cubic foot	21, 100, 000	24, 200, 000	+3, 100, 000
Stored underground	17, 656, 622	20, 814, 383	+3, 157, 761	do	1, 819, 100, 000	2, 110, 200, 000	+291, 100, 000
Total, helium	17, 902, 585	21, 087, 470	+3, 184, 885	do	1, 840, 200, 000	2, 134, 400, 000	+294, 200, 000

Source: Compiled from reports submitted by the Department of the Interior.

APPENDIX A

PROGRAM DESCRIPTIONS AND STATUTORY CITATIONS

STRATEGIC AND CRITICAL MATERIALS

National stockpile

The Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h) provides for the establishment and maintenance of a national stockpile of strategic and critical materials. The General Services Administration is responsible for making purchases of strategic and critical materials and providing for their storage, security, and maintenance. These functions are performed in accordance with directives issued by the Director of the Office of Emergency Planning. The act also provides for the transfer from other Government agencies of strategic and critical materials which are excess to the needs of such other agencies and are required to meet the stockpile objectives established by OEP. In addition, the General Services Administration is responsible for disposing of those strategic and critical materials which OEP determines to be no longer needed for stockpile purposes.

General policies for strategic and critical materials stockpiling are contained in DMO V–7, issued by the Director of the Office of Emergency Planning and published in the Federal Register of December 19, 1959 (24 F.R. 10309). Portions of this order relate also to Defense Production Act inventories.

Defense Production Act

Under section 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2093) and Executive Order 10480, as amended, the General Services Administration is authorized to make purchases of or commitments to purchase metals, minerals, and other materials, for Government use or resale, in order to expand productive capacity and supply, and also to store the materials acquired as a result of such purchases or commitments. Such functions are carried out in accordance with programs certified by the Director of the Office of Emergency Planning.

Supplemental—barter

As a result of a delegation of authority from OEP (32A C.F.R., ch. I, DMO V–4) the General Services Administration is responsible for the maintenance and storage of materials placed in the supplemental stockpile. Section 206 of the Agricultural Act of

1956 (7 U.S.C. 1856) provides that strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural products, unless acquired for the national stockpile or for other purposes, shall be transferred to the supplemental stockpile established by section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1704(b)). In addition to the materials which have been or may be so acquired, the materials obtained under the programs established pursuant to the Domestic Tungsten, Asbestos, Fluorspar, and Columbium-Tantalum Production and Purchase Act of 1956 (50 U.S.C. App. 2191–2195), which terminated December 31, 1958, have been transferred to the supplemental stockpile, as authorized by the provisions of said Production and Purchase Act.

AGRICULTURAL COMMODITIES

The price-support program

Price-support operations are carried cut under the charter powers (15 U.S.C. 714) of the Commodity Credit Corporation, Department of Agriculture, in conformity with the Agricultural Act of 1949 (7 U.S.C. 1421), the Agricultural Act of 1954 (7 U.S.C. 1741), which includes at National Wool Act of 1954, the Agricultural Act of 1956 (7 U.S.C. 1442), the Agricultural Act of 1958; and with respect to certain types of tobacco, in conformity with the act of July 28, 1945, as amended (7 U.S.C. 1312). Under the Agricultural Act of 1949, price support is mandatory for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco—and specific nonbasic commodities; namely, tung nuts, honey, milk, butterfat, and the products of milk and butterfat. Under the Agricultural Act of 1958, as producers of corn voted in favor of the new price-support program for corn authorized by that act, price support is mandatory for barley, oats, rye, and grain sorghums. Price support for wool and mohair is mandatory under the National Wool Act of 1954, through the marketing year ending March 31, 1966. Price support for other nonbasic agricultural commodities is discretionary except that, whenever the price of either cottonseed or soybeans is supported, the price of the other must be supported at such level as the Secretary determines will cause them to compete on equal terms on the market. This program may also include operations to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities for the purpose of stabilizing prices at levels not in excess of permissible price-support levels.

Price support is made available through loans, purchase agreements, purchases, and other operations, and, in the case of wool and mohair, through incentive payments based on marketings. The producers' commodities serve as collateral for price-support loans. With limited exceptions, price-support loans are nonrecourse and the Corporation looks only to the pledged or mortgaged collateral for satisfaction of the loan. Purchase agreements generally are available during the same period that loans are available. By signing a purchase agreement, a producer receives an option to sell to the Corporation any quantity of the commodity which he may elect within the maximum specified in the agreement.

The major effect on budgetary expenditures is represented by the disbursements for price-support loans. The largest part of the commodity acquisitions under the program result from the forfeiting of commodities pledged as loan collateral for which the expenditures occurred at the time of making the loan, rather than at the time of acquiring the commodities.

Dispositions of commodities acquired by the Corporation in its price-support operations are made in compliance with sections 202, 407, and 416 of the Agricultural Act of 1949, and other applicable legislation, particularly the Agricultural Trade, Development, and Assistance Act of 1954 (7 U.S.C. 1691), title I of the Agricultural Act of 1954, title II of the Agricultural Act of 1956, the Agricultural Act of 1958, the act of August 19, 1958, in the case of cornmeal and wheat flour, and the act of September 21, 1959, with regard to sales of livestock feed in emergency areas.

Inventory transferred from national stockpile

This inventory, all cotton, was transferred to Commodity Credit Corporation at no cost from the national stockpile pursuant to Public Law 85–96 and Public Law 87–548. The proceeds from sales, less costs incurred by CCC, are covered into the Treasury as miscellaneous receipts; therefore, such proceeds and costs are not recorded in the operating accounts. The cost value as shown for this cotton has been computed on the basis of average per bale cost of each type of cotton when purchased by CCC for the national stockpile.

CIVIL DEFENSE SUPPLIES AND EQUIPMENT

Civil defense stockpile

The Department of Defense conducts this stockpiling program pursuant to section 201 (h) of Public Law 920, 81st Congress, as amended. The program is designed to provide some of the most essential materials to minimize the effects upon the civilian population which would be caused by an attack upon the United States. Supplies and equipment normally unavailable, or lacking in quantity needed to cope with such conditions, are stockpiled at strategic locations in a nationwide warehouse system consisting of general storage facilities.

Civil defense medical stockpile

The Department of Health, Education, and Welfare conducts the stockpiling program for medical supplies and equipment pursuant to section 201(h) of Public Law 920, 81st Congress, as delegated by the President following the intent of Reorganization Plan No. 1, of 1958. The Department of Health, Education, and Welfare plans and directs the procurement, storage, maintenance, inspection, survey, distribution, and utilization of essential supplies and equipment for emergency health services. The medical stockpile includes a program designed to preposition assembled emergency hospitals and other medical supplies and equipment in communities throughout the Nation.

MACHINE TOOLS

Defense Production Act

Under section 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2093) and Executive Order 10480, as amended, the General Services Administration has acquired machine tools in furtherance of expansion of productive capacity, in accordance with programs certified by the Director of the Office of Emergency Planning.

National industrial equipment reserve

Under general policies established and directives issued by the Secretary of Defense, the General Services Administration is responsible for care, maintenance, utilization, transfer, leasing, lending to nonprofit schools, disposal, transportation, repair, restoration, and renovation of national industrial reserve equipment transferred to GSA under the National Industrial Reserve Act of 1948 (50 U.S.C. 451–462).

HELIUM

The helium conservation program is conducted by the Department of the Interior pursuant to the Helium Act, approved September 13, 1960 (Public Law 86–777; 74 Stat. 918; 50 U.S.C. 167) and subsequent appropriations acts which have established fiscal limitations and provided borrowing authority for the program. Among other things, the Helium Act authorizes the Secretary of the Interior to produce helium in Government plants, to acquire helium from private plants, to sell helium to meet current demands, and to store for future use helium that is so produced or acquired in excess of that required to meet current demands. Sales of helium by the Secretary of the Interior shall be at prices established by him which shall be adequate to liquidate the costs of the program within 25 years, except that this period may be extended by the Secretary for not more than 10 years for funds borrowed for purposes other than the acquisition and construction of helium plants and facilities.

This report covers helium that is produced in Government plants and acquired from private plants. Helium in excess of current demands is stored in the Cliffside gasfield near Amarillo, Tex. The unit of measure is cubic foot at 14.7 pounds per square inch absolute pressure and 70° F.

APPENDIX B

NEW STOCKPILE OBJECTIVES

The Office of Emergency Planning is in the process of establishing new objectives for strategic and critical materials. Table 1 of this report reflects the new objectives for 12 materials: aluminum, castor oil, chromite (metallurgical grade), copper, feathers and down, lead, mercury, nickel, opium, sperm oil, tin, and zinc.

The following excerpts from OEP statements dated July 11 and 19, 1963, set forth the new policy with respect to objectives for strategic and critical materials:

"The Office of Emergency Planning is now conducting supply-requirements studies for all stockple materials which will reflect current military, industrial, and other essential needs in the event of a conventional war emergency. On the basis of recently completed supply-requirements studies for the foregoing materials, the new stockpile objectives were established with the advice and assistance of the Interdepartmental Materials Advisory Committee, a group chaired by the Office of Emergency Planning and composed of representatives of the Departments of State, Defense, the Interior, Agriculture, Commerce, and Labor, and the General Services Administration, the Agency for International Development, and the National Aeronautics and Space Administration. Representatives of the Bureau of the Budget, the Atomic Energy Commission, and the Small Business Administration participate as observers.

"These new objectives reflect a new policy to establish a single objective for each stockpile material. They have been determined on the basis of criteria heretofore used in establishing maximum objectives, and reflect the approximate calculated emergency deficits for the materials for conventional war and do not have any arbitary adjustments for possible increased requirements for other types of emergency.

"Heretofore, there was a 'basic objective' and a 'maximum objective' for each material. The basic objectives assumed some continued reliance on foreign sources of supply in an emergency. The former maximum objectives completely discounted foreign sources of supply beyond North America and comparable accessible areas.

"Previously, maximum objectives could not be less than 6 months' normal usage of the material by industry in the United States in periods of active demand. The 6-month rule has been eliminated in establishing the new calculated conventional war objectives.

"The Office of Emergency Planning also announced that the present Defense Mobilization Order V–7, dealing with general policies for strategic and critical materials stockpiling, was now being revised to reflect these new policies. When finally prepared and approved, the new order will be published in the Federal Register.

"New conventional war objectives for the remaining stockpile materials are being developed as rapidly as new supply-requirements data become available. They will be released as they are approved.

"The Office of Emergency Planning is also making studies to determine stockpile needs to meet the requirements of general nuclear war and reconstruction. Stockpile objectives for nuclear war have not previously been developed. Some commodity objectives may be higher and others may be lower than the objectives established for conventional war.

"After the nuclear war supply-requirements studies are completed, stockpile objectives will be based upon calculated deficits for either conventional war or nuclear war, whichever need is larger.

"The Office of Emergency Planning stressed that any long-range disposal programs undertaken prior to the development of objectives based on nuclear war assumptions would provide against disposing of quantities which might be needed to meet essential requirements in the event of nuclear attack. While the disposal of surplus materials can produce many problems which have not heretofore arisen, every effort will be made to see that the interests of producers, processors, and consumers, and the international interests of the United States are carefully considered, both in the development and carrying out of disposal programs. Before decisions are made regarding the adoption of a long-range disposal program for a particular item in the stockpile, there will be appropriate consultations with industry in order to obtain the advice of interested parties."

Statement by Senator Byrd of Virginia

The cost value of Federal stockpile inventories as of December 31, 1963, totaled $14,048,440,926. This was a net decrease of $225,546,501 as compared with the December 1 total of $14,273,987,427.

Net changes during the month are summarized by major category as follows:

Major category	Cost value, December 1963	
	Net change during month	Total, end of month
Strategic and critical materials	−$9, 311, 237	$8, 594, 427, 413
Agricultural commodities	−219, 877, 276	5, 135, 163, 532
Civil defense supplies and equipment	+328, 127	205, 407, 811
Machine tools	+129, 000	92, 354, 700
Helium	+3, 184, 885	21, 087, 470
Total	−225, 546, 501	14, 048, 440, 926

These figures are from the December 1963 report on Federal stockpile inventories compiled from official agency data by the Joint Committee on Reduction of Nonessential Federal Expenditures, showing detail with respect to quantity and cost value of each commodity in the inventories covered.

STRATEGIC AND CRITICAL MATERIALS

So-called strategic and critical materials are stored by the Government in (1) the national stockpile, (2) the Defense Production Act inventory and (3) the supplemental-barter stockpile.

Overall, there are now 93 materials stockpiled in the strategic and critical inventories. Maximum objectives—in terms of volume—are presently fixed for 76 of these 93 materials. Of the 76 materials having maximum objectives, 61 were stockpiled in excess of their objectives as of December 31, 1963.

Increases in cost value were reported in 18 of the materials stockpiled in all strategic and critical inventories, decreases were reported in 24 materials, and 51 materials remained unchanged during December.

National stockpile

The cost value of materials in the national stockpile as of December 31, 1963, totaled $5,756,516,100. This was a net decrease of $6,654,000 during the month. The largest decreases were $4,258,900 in rubber and $918,900 in tin.

Defense Production Act inventory

The cost value of materials in the Defense Production Act inventory as of December 31, 1963, totaled $1,483,573,500. This was a net decrease of $4,748,900. The larger decreases were in aluminum and tungsten.

Supplemental-barter

The cost value of materials in the supplemental-barter stockpile as of December 31, 1963 totaled $1,354,337,813. This was a net increase of $2,091,663. The largest increases were in beryllium metal and selenium.

OTHER STOCKPILE INVENTORIES

Among the other categories of stockpiled materials covered by the report, the largest is $5.1 billion in agricultural commodities. Major decreases in agricultural commodities during December were reported for cotton, wheat, and milk and butterfat.

Inventories of civil defense supplies and equipment showed increases in medical stocks; the machine tools inventories showed a net increase; and the helium inventories showed an increase during December.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELLENDER:

S. 2565. A bill to amend further the Farm Credit Act of 1933, as amended, to provide that part of the patronage refunds paid by a bank for cooperatives shall be in money instead of class C stock after the bank becomes subject to Federal income tax, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. TOWER:

S. 2566. A bill to authorize a new form of low-rent housing utilizing private accommodations, to provide more adequate compensation for persons whose property is taken under certain federally assisted programs; to provide improvements in the urban renewal program with emphasis on rehabilitation, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. Tower when he introduced the above bill, which appear under a separate heading.)

By Mr. INOUYE:

S. 2567. A bill for the relief of Mrs. Julia B. Briones; to the Committee on the Judiciary.

By Mr. NELSON:

S. 2568. A bill for the relief of Henri L Fraise; to the Committee on the Judiciary.

By Mr. RIBICOFF:

S. 2569. A bill for the relief of Luciano N Catale; to the Committee on the Judiciary.

By Mr. BREWSTER:

S. 2570. A bill to bring the Government Printing Office within the purview of the act of September 26, 1961, relating to allotment and assignment of pay and other matters; to the Committee on Post Office and Civil Service.

By Mr. GRUENING (for himself and Mr. Bartlett):

S. 2571. A bill to amend the act of June 19, 1935 (49 Stat. 388), as amended, relating to the Tlingit and Haida Indians of Alaska; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Gruening relating to the above bill, which appear under a separate heading.)

By Mr. MORSE:

S. 2572. A bill to extend the provisions of the Automobile Dealers Day in Court Act to manufacturers of and dealers in tractors, farm equipment, and farm implements, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. Morse when he introduced the above bill, which appear under a separate heading.)

By Mr. MUSKIE (for himself and Mrs. Smith):

S. 2573. A bill to authorize the International Passamaquoddy tidal power project, including hydroelectric power development of the Upper St. John River, and for other purposes; to the Committee on Public Works.

(See the remarks of Mr. Muskie when he introduced the above bill, which appear under a separate heading.)

By Mr. EDMONDSON:

S.J. Res. 160. Joint resolution proposing an amendment to the Constitution of the United States to provide that nothing in the Constitution shall ever be construed to prohibit the recognition of Almighty God; to the Committee on the Judiciary.

(See the remarks of Mr. Edmondson when he introduced the above joint resolution, which appear under a separate heading.)

NEW FORM OF LOW-RENT HOUSING TO UTILIZE PRIVATE ACCOMMODATIONS

Mr. TOWER. Mr. President, I introduce, for appropriate reference, a bill which I believe will provide some constructive alternatives to the administration's low-rent housing and urban renewal programs.

My bill will:

First, authorize a new form of low-rent housing utilizing private accommodations; second, provide more adequate compensation for persons whose property is taken under certain federally assisted programs; and third, provide improvements in the urban renewal program, with emphasis on rehabilitation.

I feel there are certain aspects of my bill which, after consideration, can be improved upon. I am hopeful that this proposed legislation will afford an opportunity for more constructive criticism of the administration's housing legislation in these fields.

I introduce the bill now, because it will provide an opportunity to obtain some reaction to it, in addition to the opportunity provided by the hearings which our Housing Subcommittee of the Banking and Currency Committee is conducting on the present housing bill.

Mr. President, the bill I am introducing is largely the work of the able and distinguished gentleman from New Jersey, Representative Widnall. The bill is, in effect, his bill.

I ask unanimous consent that an analysis of the bill be printed at this point in the Record.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the analysis will be printed in the Record.

The bill (S. 2566) to authorize a new form of low-rent housing utilizing private accommodations, to provide more adequate compensation for persons whose property is taken under certain federally assisted programs, to provide improvements in the urban renewal program with emphasis on rehabilitation, and for other purposes, introduced by Mr. TOWER, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The analysis presented by Mr. TOWER is as follows:

ANALYSIS OF THE HOUSING AND NEIGHBORHOOD REHABILITATION ACT OF 1964 BY SENATOR TOWER

TITLE I. LOW-RENT HOUSING IN PRIVATE ACCOMMODATIONS

Sections 101–102: Provide annual contributions to provide direct assistant to supplement rents paid by low-income families. Units would be existing housing leased by local authority but operated and managed by private owners. Rent assistance is provided for 30,000 units.

TITLE II. COMPENSATION OF CONDEMNEES

Sections 201–202, declaration of policy: Enunciates declaration of policy of just compensation with the aim of compensating owners of land and their tenants as fully as possible for losses suffered by reason of federally assisted condemnation under any housing or urban renewal statute.

Section 203, assurance of compensation: Extends assistance to tenant by assuring him of supplementary payment over and above compensation to owner.

Section 204, compensation: Establishes formula for compensation of tenant equal to actual value of interest or to the net diminution in actual value of the interest taken or damaged. Actual value will be determined by replacement cost of interest. Owners and tenants will be allowed reasonable attorneys' fees incurred in securing such compensation.

Section 205, payments before eviction: When condemning authority has knowledge that property is to be taken or damaged, authority must make advance payment of 90 percent of estimated amount of compensation not later than 15 days after notice of taking parcel or adjoining parcel.

Section 206, actual value: Defines actual value of fee property as the greatest amount a prospective purchaser would have offered for the interest had it been offered for sale on the date of taking.

Actual value of a tenant's interest in a leasehold is the greatest amount that would be offered to purchase the tenant's interest by a prospective assignee willing to assume the obligations of the lease.

Section 207, replacement cost: Defines replacement cost to include moving expenses, costs of advertising and special promotions incidental to reopening a business, and attorney's fees, commissions, and other costs incidental to acquiring new property.

Section 208, taking and damage defined: Defines "damage" as the consequences of the exercise of eminent domain or zoning resulting in a net diminuation of the actual value of the parcel, and if the parcel is adjacent to a parcel taken in the course of a redevelopment program.

Sections 209–210: Technical provisions.

Section 211, application: Makes title effective only for contract executed after enactment, and for public housing and urban renewal for which there has been submitted a plan after enactment.

TITLE III. URBAN RENEWAL

Section 301(a) prohibits assistance for demolition and removal of buildings if objectives of renewal could be achieved by rehabilitation.

(b) Rehabilitation loans: Provides rehabilitation loan program to owners and tenants in an urban renewal area; residences or businesses, owner or tenant must establish that they are unable to obtain rehabilitation financing from private lenders or other Federal agencies on reasonable terms. Terms: 15 years or three-fourths of remaining economic life, whichever is less: 3-percent interest; up to cost of rehabilitation or $10,000 in case of residential property, or $50,000 in case of business property, whichever is less.

The section establishes $100 million revolving fund with additional $100 million to be made available after July 1, 1964 and July 1, 1965, a total of $300 million.

Section 302, relocation of displacees from urban renewal areas: Requires relocation program for business concerns, in addition to individuals, displaced by urban renewal. Provides for strict enforcement of relocation program, without regard to race, etc., of displacees, with suspension of further advances or payments as penalty for noncompliance.

Provides that relocation payments be made at time condemnation proceedings are commenced.

Section 303, local responsibilities under urban renewal program:

(a) Adds as an element of a workable program: "a statement of anticipated zoning changes in the community which would serve to assist displaced business concerns in making arrangements for their relocation."

(b) Requires administration in evaluating workable program to determine "that the locality has adequately identified the goals to be achieved with respect to each element of the workable program and has committed itself to the improvements (with respect to each such element) that will be made during the ensuing year."

(c) Provides for suspension of financial assistance if annual review of workable program finds that locality has not fulfilled its commitments.

(d) Authorizes HHFA assistance to communities in developing self-help programs for community improvements including rehabilitation projects which require no financial assistance as well as self-liquidating redevelopment projects.

(e) As a condition for approval or renewal of a workable program, requires community to initiate and carry out a study of the property assessment system to determine (1) effect of workable program and urban renewal project on property values; and (2) extent to which real estate taxation can be used as incentive to improve properties and a means of financing local urban renewal activities.

(f) Requires community referendum and majority approval before a local public agency can enter into any contract for loan or capital grants.

(g) Declares congressional policy that localities desiring to undertake urban renewal should be encouraged to obtain necessary financing from State and local sources, public and private. Also, gives priority to applicants for urban renewal assistance which permits increases in tax revenues resulting from redevelopment to be pledged for the pavment of principal and interest charges on obligations issued for financing project, or which is otherwise found to have taken all possible steps to obtain State or local financing.

Section 304, nonresidential renewal: Terminates grants for nonresidential and nonpublic renewal; substitutes 10-year loans at going Federal rate plus one-half of 1 percent, up to two-thirds of net project cost. Loans will bear no interest for any period prior to the date on which the land involved is sold or otherwise disposed of by the local public agency for redevelopment.

Section 305(a) requires, insofar as practicable, competitive bidding on real estate acquired for a project.

(b) Preference to local developers.

Section 306, local grants-in-aid: Requires that grant-in-aid credit for streets within urban renewal area consider the ratio that traffic to and from the area bears to the total traffic with no credit being allowed for any portion of a street outside of the area.

(b) Denies grant-in-aid credit to any public body which has received any grant or subsidy from the Federal Government with respect to any demolition, removal, improvement or facility, to the extent of such subsidy or grant, with the exception of Federal contributions to the District of Columbia.

Section 307, definition of local public agency: Redefines local public agency to include "any public body exercising all of its functions relating to a project as agent for a local government or State."

TITLE IV—MISCELLANEOUS

Section 401, local approval of low-rent housing sites: Requires local governing body approval of sites for public housing before entering into any contract, including a preliminary loan contract.

Section 402, expenses in connection with private organizations: Prohibits use of any Federal funds for urban renewal or public housing to be used for (1) dues or fees in connection with membership in a private housing or urban renewal or related organization; (2) travel or subsistence in connection with attendance at meetings or conferences of such organizations except where individual is a scheduled speaker or has formal official duties at such meetings or conferences.

Section 403, FNMA purchase of conventional loans: Authorizes FNMA to purchase conventional mortgages of a quality generally acceptable to private institutional mortgage investors.

AMENDMENT OF THE TLINGIT-HAIDA JURISDICTIONAL CLAIMS ACT

Mr. GRUENING. Mr. President, I have sent to the desk a bill, which is cosponsored by my colleague, the senior Senator from Alaska [Mr. BARTLETT], to clarify provisions of an act passed in 1935 authorizing the Court of Claims to hear and determine claims of the Tlingit-Haida Indians of Alaska for loss of property rights in southeastern Alaska as a result of actions of the United States. The property involved includes almost the entire area of southeastern Alaska—over 20 million acres of land covering an area approximately 350 miles long and 120 miles wide.

Subsequent to passage of the Claims Act, the Court of Claims decided to divide the proceedings into two parts—one in which the claims to the property would be adjudicated and one in which the amount of recovery, if any, and other issues would be determined.

On October 7, 1959, the Court of Claims issued its decision in the first part of the proceeding in which it was found that, under terms of the 1935 act, the Tlingit and Haida Indians of southeastern Alaska were entitled to compensation by the Federal Government for the land they claimed. Meanwhile, proceedings for the determination of the amount of the recovery have continued, and it now seems a judgment as to this will be forthcoming shortly.

As will be realized from a statement of the large acreage involved in this claim the administration of funds received as a recovery is a matter of very great importance. The area includes the entire Tongass National Forest, covering over 16 million acres; the entire Glacier Bay National Monument, embracing 2,297,598 acres; and the entire Annette Island

Indian Reservation of 86,740 acres. The amount of the recovery is yet to be determined. However, there is reason to expect it will be a substantial sum of money.

Thus, the matter of the administration of these funds is important to Congress and to the Federal Government.

It is of even greater importance to the Tlingit and Haida Indians of Alaska, who will be the beneficiaries of the fund created by this judgment.

The amendment Senator BARTLETT and I have introduced to the original act is designed to improve the provisions relating to distribution of the funds received and determination of beneficiaries. It will prescribe the organization of a Central Council of the Tlingit and Haida Indians, in accordance with rules approved by the Secretary of the Interior, to have responsibility for planning the use of funds received when the recovery judgment is made. Under this provision the central council will have statutory definition as a body elected in accordance with provisions of law.

The amendment further provides that the funds recovered will be expended for purposes authorized by the central council and approved by the Secretary of the Interior.

The existing law will be changed by this bill to allow per capita payments from the judgment fund—a means of distribution that was prohibited by 1935 law.

This is legislation that has been recommended for enactment by the organization now known as the Central Council of the Tlingit and Haida Indians, which exists as a result of actions taken by the Indians voluntarily, but not in accordance with any prescribed procedures for election or membership. It is the feeling of this group that the organization should be more clearly defined and its status clarified by statute.

The need for clarifying the 1935 legislation has become apparent as it has been tested in the proceedings now coming to a close in the Court of Claims. Now that the award of a large sum of money to the Tlingit and Haida Indians is imminent the potential beneficiaries have recognized it is of great importance to amend the law passed in 1935 to insure equitable distribution of moneys received. Thus, this bill will cure a defect of the original law which failed to provide a workable plan for administration of sums recovered as a result of its passage.

Since the jurisdictional act was passed in 1935 many changes have taken place among the Tlingit and Haida Indians who will be its beneficiaries. Many of these people have moved away from the Indian villages of southeastern Alaska and now live in the larger communities of Juneau, Ketchikan, Petersburg, Wrangell, and in other parts of the United States Also, the way of life of many of the group has changed markedly in the generation that has passed since the original law was contemplated. Indians of southeastern Alaska may now be found practicing law, medicine, engineering, and other learned professions. They are found in the business world throughout southeastern Alaska and in other localities far from their native communities. They have served—with distinction—in the territorial and State legislatures and do so now. The president of our State senate, Frank Peratrovich, is a Tlingit Indian. Thus, there is a different economic and social aspect of this matter than was contemplated in the time which nearly all Alaskan natives were found in communities wholly of their own blood engaged in the traditional occupations of hunting, fishing, and trapping.

Thus, to meet the needs of a new generation, and to prepare, as wisely as possible, for the administration of a large sum of money, Senator BARTLETT and I hope early and favorable action will be taken upon this bill.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2571) to amend the act of June 19, 1935 (49 Stat. 388), as amended, relating to the Tlingit and Haida Indians of Alaska, introduced by Mr. GRUENING (for himself and Mr. BARTLETT), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

Mr. BARTLETT. Mr. President, my colleague has stated very well the need for this legislation we introduce today in behalf of the Tlingit-Haida people of Alaska.

The Tlingit-Haida Jurisdictional Act, passed almost 30 years ago was well conceived for the most part but it was premised on the Tlingit-Haidi people's continuing to live in the then-existing Indian communities and following their traditional means of livelihood of hunting and fishing.

Mr. President, this has all now changed. There are Tlingit-Haidas living in many of the predominantly non-Indian communities of Alaska as well as in other States. For example, there are considerable numbers in Seattle and San Francisco. As a result, the mode of distribution of judgment money and the language specifying who is eligible to participate in the judgment no longer makes any sense.

Furthermore, no provision was made in the original act for establishment of an official representative body to make the necessary decisions as to how the judgment funds should be used and distributed. This I feel is one of the most urgent reasons for the bill my colleague and I propose to the Senate today.

A decision by the Court of Claims that the Tlingit-Haida Indians should be compensated for lands taken by the United States in southeastern Alaska has already been reached and I understand a determination of the size of the judgment will be forthcoming soon. The need for enactment of our proposal is, therefore, immediate and pressing.

Once the tribal governing body contemplated by the legislation is established, plans already in the making can be implemented which I am hopeful will bring, in one area, some of the same results anticipated by the President in his countrywide war on poverty.

My colleague and I are most anxious that there be hearings and action by the committee to which the bill is referred at the earliest possible date.

EXTENSION OF PROVISIONS OF AUTOMOBILE DEALERS DAY IN COURT ACT

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill to extend the provisions of the Automobile Dealers Day in Court Act to manufacturers of and dealers in tractors, farm equipment, and farm implements, and for other purposes.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point in my remarks, and that the bill remain at the desk until the end of the session on Monday next, for cosponsors.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD and held at the desk, as requested by the Senator from Oregon.

The bill (S. 2572) to extend the provisions of the Automobile Dealers Day in Court Act to manufacturers of and dealers in tractors, farm equipment, and farm implements, and for other purposes, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (a) and (c) of section 1 of the Act entitled "An Act to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers", approved August 8, 1956 (70 Stat. 1125; 15 U.S.C. 1221), are amended by striking out the words "passenger cars, trucks, or station wagons", wherever those words appear in those subsections, and inserting in lieu thereof the words "passenger cars, trucks, station wagons, tractors, farm equipment, or farm implements, and parts therefor".

SEC. 2. Section 2 of the Act is amended by—

(1) inserting therein, immediately after the section number "Sec. 2.", the subsection designation "(a)";

(2) inserting at the end of the text of subsection (a) of such section, as redesignated by paragraph (1), the following new sentence: "In any such suit arising from any such failure which occurs on or after the effective date of this sentence, the plaintiff shall be entitled to recover treble the amount of the damages sustained by him by reason of such failure and the cost of suit."; and

(3) inserting at the end thereof the following new subsections:

"(b) No cause of action under the provisions of this Act shall be barred or otherwise impaired by any release given before or after the date of enactment of this subsection, or by any voluntary resignation of an automobile dealer of his franchise, whether made before or after the date of enactment of this subsection, if upon the trial of such action it is determined that such release or resignation was exacted from the automobile dealer under circumstances constituting economic coercion or duress, or by threats of coercion, retaliation or intimidation, or if any such release or resignation was obtained from the automobile dealer for an inadequate monetary or other consideration. A cancellation of a franchise, or a resignation of a franchise based in whole or in part upon a threat of cancellation, shall be deemed to constitute a coerced resignation for the purposes of this subsection.

"(c) Any person, firm, corporation or association shall be entitled to sue for and have injunctive relief in any court of the United States having jurisdiction over the parties against threatened loss or damage by a violation of the provisions of this chapter when and under the same conditions and principles as injunctive relief against threatened conduct that will cause loss or damage is granted by courts of equity under the rules governing such proceedings, and upon the execution of a proper bond against damages for an injunction improvidently granted, which bond shall not in any event be for an amount which would exceed the automobile manufacturer's probable recovery for general damages on a cause of action against the automobile dealer for a breach of the franchise by the automobile dealer's continuance in business in the sale of the automobile manufacturer's products after a valid cancellation or termination of such franchise."

SEC. 3. Section 4 of that Act is amended by inserting therein, immediately after the section number thereof, the following new sentence: "This Act is hereby declared to be one of the antitrust laws of the United States, and all remedies for the violation of the provisions of such antitrust laws are hereby extended and made applicable to acts and omissions which constitute a cause of action for suit instituted under this Act."

AUTHORIZATION FOR INTERNATIONAL PASSAMAQUODDY TIDAL POWER PROJECT

Mr. MUSKIE. Mr. President, I introduce on behalf of myself, my senior colleague [Mrs. SMITH], a bill to authorize the construction of the Passamaquoddy-St. John hydroelectric project, subject to appropriate agreements between the United States and Canada. This proposed legislation carries us one step closer to the realization of a dream to harness the tides of Passamaquoddy and Cobscook Bays in Maine and New Brunswick and to develop the resources of the upper St. John River, to the advantage of Maine, New England, and the Maritime Provinces of Canada.

The bill, which would authorize construction of the necessary civil works and powerplants by the Corps of Engineers, construction of high voltage transmission lines by the Department of the Interior, and marketing of the power developed by the project by the Secretary of the Interior, opens the way to the development of 1 million kilowatts of peaking energy, 250 thousand kilowatts of firm energy, and 1 billion kilowatt-hours of dependable offpeak energy annually for our northeast region at prices one-fourth lower than average rates in our area.

Mr. President, this bill is important to our region and to the Nation. It has the backing of members of both parties, in and out of Maine. It is backed by sound and imaginative engineering studies; it is a feasible economic project.

As President Kennedy said, when he endorsed the project, July 16, 1963:

> Any proposed natural resource development must, of course, meet the national interest test. It must strengthen the economy of the whole Nation and enable America to better compete in the marketplaces of the world. The Passamaquoddy-St. John project now meets the national interest test. Each day, over a million kilowatts of power surge in and out of the Passamaquoddy Bay. Man needs only to exercise his engineering ingenuity to convert the ocean's surge into a national asset.

We hope we can bring this legislation to hearings this session, so that the advantages of this project can be considered by the Congress. We also hope that our Government and that of Canada will negotiate an agreement on an equitable sharing of the benefits from this combined project. When such an agreement is reached we will be in a position to give final authorization to Quoddy-St. John, and a potential asset can be transformed into a national benefit.

I want to take this opportunity to express my appreciation to Secretary of Interior Udall, the members of his Department, to the Corps of Engineers, and to the Department of State for the technical advice they have given us on this legislation. Since President Kennedy referred the 1961 International Joint Commission Report on the proposed Passamaquoddy project to Secretary Udall, we have enjoyed the closest cooperation and assistance as we have worked to make our dream a reality. The combination of technical skill, imagination, vision, and enthusiasm we have encountered has given us great courage in the pursuit of this goal of new opportunities for our region, and for the Nation.

Mr. President, I ask that the bill lie at the desk for 24 hours to permit other Senators to become cosponsors.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Maine.

The bill (S. 2573) to authorize the international Passamaquoddy tidal power project, including hydroelectric power development of the upper St. John River, and for other purposes, introduced by Mr. MUSKIE (for himself and Mrs. SMITH), was received, read twice by its title, and referred to the Committee on Public Works.

PROPOSED AMENDMENT OF CONSTITUTION RELATING TO RECOGNITION OF ALMIGHTY GOD

Mr. EDMONDSON. Mr. President, I introduce, for appropriate reference, a joint resolution providing for an amendment to the Constitution of the United States. I do this out of a sincere concern over recent trends which have developed in our country denying public recognition of the existence of a Supreme Being.

Many thousands of Oklahomans share this concern. As their representative to the U.S. Senate, I feel a responsibility to request that the Congress consider this problem and take whatever action is needed to restore the traditional foundations of religion to our public institutions.

Nothing in my joint resolution is intended to change our Nation's policy against the establishment of a state-controlled church or to modify the principles of separation of church and state as our founders intended them.

I introduce this joint resolution in the hope that Congress will act to reaffirm our Nation's longstanding belief in a Divine Being.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 160) proposing an amendment to the Constitution of the United States to provide that nothing in the Constitution shall ever be construed to prohibit the recognition of Almighty God, introduced by Mr. EDMONDSON, was received, read twice by its title, and referred to the Committee on the Judiciary.

AGRICULTURAL ACT OF 1964—AMENDMENTS (AMENDMENT NO. 436)

Mr. AIKEN submitted amendments, intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. DIRKSEN submitted an amendment (No. 437), intended to be proposed by him, to House bill 6196, supra, which was ordered to lie on the table and to be printed.

AUTHORIZATION FOR COMMITTEE ON APPROPRIATIONS TO REPORT APPROPRIATION BILLS, ETC.

Mr. HAYDEN. Mr. President, I ask unanimous consent that during adjournments or recesses of the Senate during the 2d session of the 88th Congress, the Committee on Appropriations be, and it is hereby, authorized to report appropriation bills, including joint resolutions, with accompanying notices of motions to suspend paragraph 4 of rule XVI for the purpose of offering certain amendments to such bills or joint resolutions, which proposed amendments shall be printed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PROPOSED AMENDMENT OF RULE VII—ADDITIONAL COSPONSORS OF RESOLUTION

Mr. CHURCH. Mr. President, at its next printing, I ask unanimous consent that the names of Senators BURDICK, Moss, PROXMIRE, and HUMPHREY be added as cosponsors of the resolution (S. Res. 297) to amend rule VII to permit morning business statements or comments for 3 minutes, which I submitted, on behalf of myself and other Senators, on February 10, 1964.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PERSECUTION OF JEWS IN RUSSIA

Mr. JAVITS. Mr. President, the reports broadcast here this morning from Moscow that nine Russian Jews have been sentenced to death for so-called economic crimes and that their alleged ringleader had been secretly tried and executed 2 weeks ago are enough to send a shudder of horror throughout the civilized world.

This time there can be little doubt whatever that Jews were deliberately singled out. The official newspaper Izvestia made a point, in its report at the opening of the trial, of stating defiantly that the leading defendants were Jews. Other Soviet newspapers have, as an outgrowth of the economic arrests and trials, also openly expressed hostility to the Jewish people and have used hateful caricatures and malicious language to describe Jews.

This kind of anti-Jewish agitation by government-controlled newspapers in a country where anti-Semitism is as deeply rooted as it is in the U.S.S.R. could well be the forerunner of even more widespread oppression and persecution, unless the world appeals and protests loudly enough, often enough, and long enough to make the Kremlin call a halt to this inhuman persecution.

Soviet Jews underwent intense suffering during World War II and under Stalin's rule. Over the past 3 years, Soviet press coverage of so-called economic crimes has revealed that Jews are being jailed and condemned in exceptionally large numbers and with unusual ferocity. Between July 1, 1961, and July 1, 1963, 140 persons have been executed for economic offenses, and about half of these unfortunate victims have been Jews. This is an extraordinarily high percentage, in view of the fact that Jews number only 1.1 percent of the total Soviet population.

Soviet persecution of Jews is also taking the form of religious and cultural repression, the peremptory closing of synagogues and Jewish cemeteries, and the banning of many ritual practices, including the baking of matzoh, or unleavened bread, for the Passover. No prayer books are printed, and all cultural activity is repressed. From 1948 to 1963, only six books in Yiddish have been published: all Yiddish theaters have been closed; and there are no Jewish schools and no Jewish organizations. There is intense pressure on the Jewish community of some 3 million souls, which is isolated from other Jewish communities in other countries. No emigration is permitted, not even to join families in Israel or other countries. Soviet Jews are restricted by quotas and are singled out in official documents, such as identification cards with a large J stamped on them. They are regarded as a nationality, but are accorded none of the privileges that nationalities enjoy in the Soviet Union.

The current emphasis on Jews in the prosecution of so-called economic crimes is unmistakable, and the anti-Jewish overtones in official publications is giving strength to traditional and existing antisemitism. Soviet Jews are being made the scapegoats for the Kremlin's economic blunders, and their position is becoming increasingly dangerous. Our protests and those of all organizations and fairminded people throughout the world must continue to be heard loudly and clearly in Moscow. Chairman Khrushchev and his associates must be told time and again that the world condemns such persecution for economic crimes as a throwback to the days of barbarism, and that it will not stand by idly while a people are being destroyed.

I ask that a newspaper article and an editorial in this connection be printed in the RECORD.

There being no objection, the article and the editorial were ordered to be printed in the RECORD, as follows:

Soviet Said to Doom Nine in Big Fraud Ring

(By Theodore Shabad)

MOSCOW, February 26.—Nine persons have been sentenced to death as members of a Moscow fraud ring involving Soviet officials, according to reliable sources.

Four others have been given 15-year jail terms and about 10 others lesser prison sentences after a 2-month trial of 23 persons, all of whom were found guilty of having participated in a private-enterprise ring. Eighteen of the accused are understood to be Jews.

It was not known how many of the nine sentenced to death were Jews and whether they included the ringleader, identified as Shakerman, who received a separate death sentence earlier this month. The only other members of the ring who have been identified in the press are Roifman and Galperin, both Jewish names.

The ring was said to have netted 3 million rubles ($3.3 million) by using mental patients to produce knitted goods, which were then sold through illegal retail outlets in marketplaces and railway stations.

The illegal shops and vast supplies of raw materials were obtained by bribing Soviet officials.

In an appeal to Premier Khrushchev, made public February 17, a group of distinguished Western citizens, including six Nobel Prize winners, expressed concern that about half of those executed in the Soviet Union for economic crimes in the last 3 years were Jews.

Soviet authorities have steadfastly denied that the nationality of the accused in crimes of embezzlement, bribery, theft of state property and so forth had any bearing on the cases.

Last October Izvestia, the Government newspaper demanded a major show trial of the Shakerman ring as a deterrent against economic crimes which have shown no indication of declining despite the imposition of the death sentence since 1961.

Izvestia identified some of the Jewish accused by name and added.

"We mention the Jewish surnames * * * because we pay no heed to malicious slander that is being stirred up in the Western press from time to time. It is not Jews, Russians, Tartars or Ukrainians who will stand trial—criminals will stand trial.

TRIAL CLOSED TO PUBLIC

Plans for a show trial were shelved, presumably because of the involvement of bribetaking Soviet officials. When the trial opened without publicity late December, the public and Western newsmen were not admitted.

Outsiders were understood to have been barred from the courtroom because the bribetakers were to be identified during testimony.

RAILROAD OFFICIALS INVOLVED

The officials are known to include two former masters of the Kursk Railroad Station, one of the busiest railroad stations of the Soviet capital.

They were given 7-year prison terms last September for having accepted 1,300 rubles ($1,443) and other gifts from the Shakerman ring. In return build two market stalls to retail its illegally manufactured wares on the main square in front of the station and a third in the main waiting room.

The Western expression of concern over Jewish involvement in the economic crimes was contained in the appeal urging better treatment of the Soviet Union's 2½ million Jews. The appeal dated December 2, was made public by Bertrand Russell, the British philosopher, after no reply had been received from Mr. Khrushchev.

The signer's told the Soviet Premier they hoped Soviet Jews would "be permitted full cultural lives, religious freedom and rights of a national group, in practice as well as in law."

The Nobel Prize winners who joined the appeal were Dr. Max Born of West Germany, Francois Mauriac of France, Lord Boyd Orr of Britain, Prof. Louis C. Pauling of the United States and Dr. Albert Schweitzer.

Russian Economic Crimes

LONDON (JTA).—The death penalty for 11 Jews who faced a long secret trial in Moscow on charges of "economic crimes" was requested by the prosecution at the conclusion of the trial, according to reports reaching here from Moscow. Another Jew involved in this trial, listed as Shakerman, had already been sentenced to death earlier in the week as the "ring leader" of the group.

For each of the 12 non-Jews involved in the trial the prosecution asked prison terms of 15 years. The sentences for the 23 are expected to be issued within a few days, the Moscow reports indicated. The trial, originally expected to be a "show trial," lasted several weeks and was held in camera.

Izvestia, official organ of the Soviet Government, revealed that the accused were arrested following a denunciation to the police by a relative of Shakerman, whom the newspaper described as a "former doctor." The arrests were made last October, according to the newspaper, which claimed that the ringleaders of the group were Jewish, naming them as Shakerman, Roifman, Galperin, and Braslavsky. Izvestia had charged that the defendants were part of a ring which operated a subrosa knitting mill in the workshop of a neurological institute in a Moscow suburb. The group allegedly acquired 58 knitting machines and 460 tons of raw wool from illegal sources and the goods allegedly were sold at market and train stations with the compliance of agents of a government unit who allegedly had been bribed.

In calling for a "show trial," Izvestia said it was citing the fact that some of the defendants were Jews "because we do not pay attention to malicious slanders aroused in the Western press from time to time. They are tried as criminals—not as Jews, Russians, Tartars or Ukrainians."

Since July 1961, when death sentences were reintroduced in the Soviet Union for economic crimes, it is estimated that around 190 persons have been tried, convicted and executed on such charges. Of these, at least 95 were reported to have had obviously Jewish names and 11 others were thought to be Jewish.

From Rostov it was reported that a Jew was arrested for allegedly possessing various souvenir articles that had purportedly come from Israel. The report of his arrest appeared in the local Soviet newspaper "Vetchernaya Rostov."

Mr. TOWER. Mr. President, I commend the Senator from New York for his protest against the anti-Semitism which is occurring and has occurred for so long in the Soviet Union. This matter should come to the attention of all of us, and I am glad the Senator from New York has again brought it to our attention.

THE INIQUITOUS CIVIL RIGHTS BILL

Mr. STENNIS. Mr. President, the so-called civil rights bill, which has already passed the House, is vicious and unconstitutional. The dangers of this bill should be recognized by people in every region and section of this great Nation of ours.

The Jackson Daily News, of Jackson, Miss., on Saturday, February 8, 1964, published an editorial entitled "The Iniquitous Civil Rights Bill," which I should like to share with other Members of the Senate. Therefore, I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Jackson (Miss.) Daily News, Feb. 8, 1964]

The Iniquitous Civil Rights Bill

To discuss the so-called civil rights bill and be forced to use the words "civil rights" is in itself a victory for totalitarians in our midst. For the legislation being advanced in Congress under this label constitutes a denial of cherished rights, including even the right of freedom of speech, states Thurman Sensing, executive vice president of the Southern States Industrial Council.

U.S. Representative Howard Smith of Virginia, chairman of the House Rules Committee, is one leader who clearly understands the nature of this legislation. In a recent comment on television, he pointed out that outspoken opposition to forced association, after enactment of such legislation, could result in federally ordered detention.

Perhaps too much attention has been devoted to the narrow integration aspects of the civil rights law—the power to police restaurant owners and shopkeepers. The evils of this legislation extend to far more sensitive areas than to who shall occupy a chair at a restaurant counter.

To understand the totalitarian nature and aims of the civil rights bill it is best to go to the arguments of the extremists who support it. One of these supporters is Arthur Waskow of the Peace Research Institute, who is on record as seeking an international police force and American disarmament, Mr. Sensing points out.

Writing in the New York Review of Books, Mr. Waskow hails the civil rights bill for being tough. He says that it is even tougher than Attorney General Robert Kennedy wanted it to be, gleefully citing the fact that it includes a provision for the Attorney General "to obtain injunctions against State and local police" and to remove so-called civil rights defendants from State courts. Mr. Waskow points out that these provisions "would encourage the Negro movement to develop sit-ins and other nonviolent techniques."

Another way of putting this is that the provisions of the civil rights bill would encourage revolution in the streets of America.

In addition, as Mr. Waskow happily points out, the police authority of communities and States would be subject to Federal supervision, and State courts would be denied jurisdiction in any case where the Central Government so pleased. This is absolutism, to use the classic word, or what moderns know as totalitarian government. It is government such as Hitler and Stalin wanted government to be, adds Mr. Sensing.

Mr. Waskow openly discusses the possible effects of civil rights legislation, saying at one point that "a large Federal police force would have to be organized to enforce these laws with a firm hand."

The whole outlook of the extreme civil rights attitude is alien to American traditions. Consider the viewpoint of Jack Greenberg, counsel for the NAACP's legal defense and education fund, who is pushing for the civil rights bill before Congress.

Writing in the Columbia Law Review, with coauthor A. R. Shalit, Mr. Greenberg praised establishment of "a supranational authority to guarantee fundamental rights taking precedence over national law." He says that this kind of action has the potential of infusing in the United States "a new, perhaps invigorating strain of authority." In short, they want the civil rights cause to be an opening wedge for the subordination of American law to the decisions of an international agency.

From these comments by Messrs. Waskow, Greenberg, and Shalit, it is possible to see the grand object that the so-called civil rights movement has in pushing legislation in Congress. Behind this movement is the desire to level the constitutional structure of the United States, which is built around States rights and State authority, and, in process, to cloak agitators and street revolutionaries with immunity from local regulation or State jurisdiction in any way.

If the civil rights bill is enacted by Congress, much more will be lost than the right of a storeowner or motel operator to choose his customers or citizens to select their associates. What would be scrapped with passage of a civil rights bill would be the local and State authority that prevents totalitarianism by dividing power.

At the same time, the most radical elements in America, who want U.S. sovereignty diluted, would gain a legal shield behind which they would be free to undermine the Republic, is the sound warning by the astute observer, Mr. Sensing.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Bayh in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

IOU NO. 11

Mr. METCALF. Mr. President, I refer to the investor-owned utilities as IOU's for two reasons. One is obvious. A second reason is that the IOU's are indeed indebted to an American public which they have misled and overcharged. Exorbitant profit of electric power companies increases as their regulation decreases.

Today I wish to discuss the Virginia Electric & Power Co. situation, to which I made previous reference, on February 20, in IOU No. 8.

There are other States, including my own, where the ratepayer is being overcharged more than he is in Virginia. But the Vepco story illustrates the seemingly helpless situation of citizens in States where the regulatory commission is not active in their behalf. Perhaps the "case history" approach will help ratepayers organize into electric consumer groups, assist legislators in their oversight of utilities, and encourage regulators to be more mindful of consumer interests.

The February 22 issue of the Norfolk Virginian-Pilot carried an article by Staff Writer Raymond L. Bancroft which was based on his interview with the chairman of Virginia's State Corporation Commission. I shall insert this article in the Record at the conclusion of my remarks. At this point, however, I would like to read the first four paragraphs of this article:

Norfolk.—The chairman of the State Corporation Commission said Friday a Montana Senator had no business criticizing the SCC for its regulation of electric rates in Virginia.

"I wouldn't stir up anything now," SCC Chairman Ralph T. Catterall told the Virginian-Pilot in a telephone interview from Richmond.

"Vepco (Virginia Electric & Power Co.) is trying to borrow some money in Wall Street," Catterall added.

He said unfavorable publicity at this time might cause the interest rate on the loan to go up and this might have to be "passed on to the consumer."

Mr. President, the commission chairman's wish that nothing be stirred up, because of the effect publicity might have on the market, reminded me of a similar statement, which the junior Senator from Alaska [Mr. Gruening] will remember. An editorial in Electrical World read, in part, as follows:

What is most to be feared from Washington this session is the threatened investigation of electric light and power companies, and particularly holding companies, by a senatorial committee headed by Senator Walsh, of Montana. Not necessarily because of any shortcomings of the electric light and power industry as a whole, for it has an admirable record, but because of the detrimental effect of the publicity on the security market.

Mr. President, that editorial, which Senator Gruening included in his book, "The Public Pays," was printed in 1927. Then, as now, electric company profits were exorbitant. Then, as now, the hope was expressed that the Senate of the United States would not investigate the companies. In 1927 it was a spokesman for the IOU's who hoped nothing would be done. But in 1964 that hope is expressed by a chairman of a commission which is charged with regulating utilities.

The suggestion was made, by the Virginia commission chairman, that unfavorable publicity might result in increased interest rates, and thus higher utility bills. Consumers were, in effect, advised to be quiet, if they knew what was good for them.

Mr. President, the public has the right to know answers to some obvious questions. In my February 20 speech, I noted that during the 1953 Vepco rate increase hearing, the Virginia State Corporation Commission had accepted the company's statement that it would save only a modest amount of money by switching from monthly to bimonthly billing. The Commission thus overruled Arlington County, which had protested the rate increase and asserted that anticipated expenses by the company should be reduced because of savings to be anticipated from bimonthly billing. I noted that, in 1960, the chairman of the Board of Vepco was quoted, by the Wall Street Journal, as saying that bimonthly billing had saved the company $2 million the previous year.

I have since learned that the company subsequently has saved even more than $2 million a year. A June 20, 1962, letter to shareowners, from Vepco, includes this statement by the company president:

> Of particular significance is the fact that we pioneered and have one of the most extensive bimonthly meter reading and billing programs in the country, which results in annual savings of about $2½ million.

Yet a Virginia ratepayer was told this year, in a letter from the State Corporation Commission, that:

> We do not have any specific information concerning the amount of money saved by the Virginia Electric & Power Co. by the use of bimonthly billing.

Mr. President, consumers and regulators alike, in Virginia and in other States, have been too quiet, too long. Utility costs, including taxes, have been cut. Much of these savings has not been passed on to the consumers. A leading business publication, Forbes magazine, had this to say in its January 1, 1962, issue:

> The utilities are not like other industries. With more capacity than they need, utility men have been able to use their newer, more efficient capacity for base loads. The peak loads they can handle with older, less efficient equipment, or, better still, with cheaper power purchased from neighboring utilities. As a result, they have been able to make impressive reductions in costs, an achievement reflected in part in the steady contraction of the industry's operating ratio (i.e., operating expenses as a percent of revenues) between 1955 and 1960 from 46.9 to 44.8 percent.
>
> Utility profits have gotten a boost, too, from a bookkeeping situation: the so-called flowthrough accounting. Under flowthrough, tax savings resulting from rapid depreciation flow through to profits. This despite the fact that one day the industry may have to pay the taxes deferred and the rate commissions may have to grant compensatory rate increases. In 1961, under pressure from their State rate commissions, Pacific Gas & Electric Co., Philadelphia Electric Co., and Virginia Electric & Power Co. have converted to the new accounting method, often with spectacular impact on earnings.

And so, Mr. President, Vepco consumers who should have benefited from flowthrough, but did not, are warned not to rock the boat, to keep quiet, otherwise their rates might be increased. They receive letters from the State regulatory agency assuring them that "any reduction in expenses made by a regulated public service corporation benefits the ratepayer." But how are consumers to receive these benefits, in Virginia or in any other State, unless the regulatory body acts in their behalf? And how will the State regulatory body act if it does not even know how much money the utility, which it is supposed to regulate, is saving by techniques such as bimonthly billing, the matter to which I referred in my February 20 speech?

Mr. President, a number of Virginia ratepayers wrote me their reaction to my February 20 speech.

A minister in the Tidewater section of Virginia said:

> Many like myself have been aware of the terrible burden of excessive rates but are powerless to act.

An editor said:

> All too long the people of Virginia had to suffer excessive utility charges without relief.

A military officer wrote:

> I was delighted when I read in the newspaper your comments on the Virginia Electric & Power Co. and do hope that this will not stop without some type of action being taken.

Similar sentiments were expressed in the other letters I received.

Mr. President, I would emphasize that I have chosen to discuss a particular company only because, in this way, the consumers can better understand the defects in the regulatory procedure. According to the February 21 issue of the Value Line, an investment survey published by Arnold Bernhard & Co. of New York, the composite price gain for Vepco during the past 3 months was a spectacular 14 percent. A few other companies scored even greater gains. A survey of overcharges was conducted last year by the National Rural Electric Cooperative Association, using data and accounting procedures of the Federal Power Commission, and covering the 5-year period from 1956 to 1960. According to this survey Vepco overcharged—over and above a 6-percent rate of return—its customers a total of $83,619,000 during the 5 years. But at least one of 38 electric utilities initially surveyed by NRECA obtained an even greater benefit. Some other companies received an even larger rate of return than Vepco—the dominant IOU in my State, the Montana Power Co.—enjoys the most exorbitant profit of any major electric company.

It is my intention to provide other case histories, similar to the Vepco story, in subsequent remarks.

Mr. President, I ask unanimous consent to insert in the Record, immediately following these remarks, the full text of the Virginian-Pilot article to which I referred, an excerpt from the record made in 1953 before the Virginia State Corporation Commission prior to its granting a rate increase to Vepco and the November 6, 1963, memorandum to the Arlington County Public Utilities Commission, from the commission's executive assistant.

There being no objection, the article, excerpt, and memorandum were ordered to be printed in the Record, as follows:

[From the Virginian-Pilot, Feb. 22, 1964]

SCC Chief Defends Regulation of Vepco

(By Raymond L. Bancroft)

Norfolk.—The chairman of the State Corporation Commission said Friday a Montana Senator had no business criticizing the SCC for its regulation of electric rates in Virginia.

"I wouldn't stir up anything now," SCC Chairman Ralph T. Catterall told the Virginian-Pilot in a telephone interview from Richmond.

"Vepco (Virginia Electric & Power Co.) is trying to borrow some money in Wall Street," Catterall added.

He said unfavorable publicity at this time might cause the interest rate on the loan to go up and this might have to be passed on to the consumer.

Senator Lee Metcalf, Democrat, of Montana, claimed Thursday in a Senate speech that the SCC had let Vepco enjoy excessive earnings in recent years without major customer rate reductions.

Vepco headquarters in Richmond had no comment on Metcalf's speech, but a spokesman added: "We're studying it."

The power company spokesman confirmed Vepco's intent to sell 850,000 shares of common stock in May to finance its $95 million 1964 construction program approved by company directors Friday afternoon.

The board also declared a 26-cent-a-share common stock dividend for its 1963 fourth quarter activities. The dividend matched the previous quarterly payment.

Catterall took issue with Senator Metcalf's statements that Vepco's profits were excessive.

"It depends on how you figure those profits," he said. "No two companies are similar. We look at their earnings every year."

Asked if he had the latest Vepco profit totals, Catterall said he couldn't remember those figures.

But the SCC chairman referred to a section of the commission's annual report to the Governor which related how electric rates have been cut in recent years.

The SCC report stated: "In spite of the continuing rise in prices and wages, few utilities have increased their rates. Electric rates have been reduced by more than $4 million a year. The bulk of that reduction comes from the two largest companies: Vepco, $3 million and Appalachian, $600,000.

"When the commission approved the purchased gas adjustment in the rate schedules of gas distribution companies, fears were expressed that the adjustments would not benefit consumers. During the present biennium (1962–64) the adjustments have resulted in refunds through reduced rates aggregating nearly $5 million. Telephone rates have been reduced by $1 million a year."

(Vepco provides gas to customers in Norfolk and Newport News.)

Vepco officials said the 1962 rate reduction applied to some industrial and some residential customers.

But Senator Metcalf said in his speech that the residential user of electricity who can't take advantage of the new promotion rates only would realize a maximum annual savings of 60 cents.

Metcalf said the last major adjustment of Vepco rates was an increase in 1955.

Norfolk's city council unsuccessfully fought that increase along with other Virginia cities. Mayor Roy B. Martin, Jr., recalled February 11 the council's frequent efforts to prevent utility rate increase when a group of housewives complained about high utility rates.

Periodically, the utility companies' rate structure has become the subject of political debate. In 1961, for instance, unsuccessful house of delegates Candidate Gordon Dillon produced figures showing electricity and telephone rates were higher in Norfolk compared with other cities.

Councilman Sam T. Barfield proposed a study of the rates as a result of Dillon's charges and a survey was prepared for the city by Martin Toscan Bennett Associates of Washington. Metcalf included this survey in the Senate record.

The Bennett report said there appeared to be little hope of attaining reduced rates from either the telephone or electric utility because in 1961 "the regulatory climate of the Commonwealth of Virginia would thwart any attempt to obtain a rate reduction."

The survey said the rates charged by the Chesapeake & Potomac Telephone Co. of Virginia "are not low."

"More important," the report continued, "the company's earnings, in our opinion, are excessive." It also claimed Vepco rates generally are higher than other cities surveyed.

Telephone rates for long-distance calls made within Virginia were cut in 1962 as a result of Federal Communications Commission action with the American Telephone & Telegraph Co., the C. & P.'s parent company.

Catterall said Friday the telephone reduction came after the "SCC ganged up on the FCC and A.T. & T." with other State regulatory agencies.

(Source: Official record, Supreme Court of Appeals of Virginia Board of Supervisors, *Arlington County* v. *Virginia Electric & Power Company*, 1954, pp. 280–281.)

. (All answers by Mr. Donald C. Barnes, Vepco board chairman.)

Question (by Mr. Maximilian George Baron, attorney for Arlington County). Mr. Barnes, you made a statement that the purchasers of this stock that was sold under this prospectus that has just been offered have made an extensive investigation and that they concluded that this commission would increase the rate?

Answer. I think they figured it was a reasonable probability more than a reasonable probability, of getting the increase.

Question. In other words, they had made up their minds for this commission and have represented that to the public?

Answer. I didn't say that, and I don't think that is true.

Question. That is what I wanted to find out, whether that is your statement.

Answer. It is not my statement and they did not represent it to the public.

(Page 572, further redirect examination.)

Question (by Mr. T. Justin Moore, general counsel of Vepco). As I understand, they (stock purchasers) believed there was relief going to be granted?

Answer. They did.

Question (by Commissioner Ralph T. Catterall). You do not have any evidence of that whatever, it is pure speculation?

Answer. Well, I have talked with the people that came down here and made the study.

Question. From Fenner and Beane?

Answer. Yes.

NOVEMBER 6, 1963.

Memorandum to: Public Utilities Commission.

From: Charles E. Hammond, executive assistant.

Subject: SCC Vepco calculations.

On Wednesday, October 23, 1963, the executive assistant traveled to Richmond to call on James H. Brown, chief accountant to the State Corporation Commission.

After brief discussion, Mr. Brown presented a photocopy of a handwritten document bearing the title, "Virginia Electric & Power Co., Rate of Return—1962, Electric Department, Per Hammond and Per Staff." The document has been duplicated and is attached hereto (exhibit A). In it, the State commission staff develops a rate of return for the calendar year 1962 of 6.36 percent. As expected, the differences between the SCC study and the data submitted to the SCC in the letter from the county board lie principally in the treatment of several tax items. A discussion of the differences is also attached to this memorandum (exhibit B).

In addition to discussion of the differences between the two reports, there was discussion of the State Corporation Commission's attitude and actions on several ratemaking matters. It was learned that the commission has not actually had any formal cases wherein consideration has been given to the treatment of liberalized depreciation, guideline lives, and rules or investment tax credit for ratemaking purposes, nor has the commission ruled on possible modification of the rate base for purposes of taking into account these items or possible treatment of the reserve for deferred taxes for accelerated amortization. The SCC and its staff underscored the fact that electric rates were adjusted on December 1, 1962, in an annual amount expected to be about $2,800,000 or $1,344,000 on a net basis. The SCC staff has made no interim analyses since the yearend study referred to, nor does it expect to make such until after yearend 1963. In order to suggest the probable results of any interim study by the SCC staff (if such were to be made), we have prepared exhibit C, using the SCC basis, but covering system data, for the 12 month periods ending November 30, 1962, December 31, 1962, and September 30, 1963.

(NOTE.—Vepco system data usually result in very slightly higher rates of return than electric only.)

The comparative study shows rates of return of 6.42, 6.39, and 6.13 percent, for the periods in question. If one were to adjust the SCC electric return for 1962 by the net of $1,344,000 refererd to above the rate of return for 1962 would have been 6.17 percent.

The treatment given by the SCC staff to the aforementioned tax items is apparently geared to the fact that the tax savings which were beginning to accrue to the company just prior to the 1953 rate case were considered by the commission at that time to be merely deferred taxes which the company would ultimately have to pay, and accordingly they (the tax savings) were included as operating expenses in that rate case, and no adjustment in the rate base was made. In order to illustrate the impact of the deferred tax items we have prepared exhibits D and E. In comparing the rate of return (SCC basis) for 1962, but using the adjusted rate base, it is noted that the rate of return becomes 6.88 against 6.39 percent, while for the 12 months ended September 30, 1963, the rate of return is 6.53 against 6.13 percent.

Of particular interest in connection with the tax items is the treatment given by the company in its reports to stockholders. While footnotes in the reports give indication of the amounts of tax savings due to guideline lives and liberalized depreciation, there is no operating expense or balance sheet treatment as in the case of accelerated amortization and investment tax credit. Amounts of tax savings due to accelerated amortization are charged to "provision for deferred or future income taxes due to accelerated amortization" and are credited to a liability account bearing the legend, "Accumulated amount invested in the business equivalent to reduction in Federal income taxes resulting from accelerated amortization." In the case of investment tax credit, the amount of the tax saving is charged below the line as a "Special charge equal to full amount of investment tax credit deducted from Federal income taxes," while the credit entry is to "Deferred credits: Investment tax credit." In the case of liberalized depreciation (double declining balance) and in the case of guideline lives the tax saving comes down to unrestricted net income.

The SCC staff summary, therefore, gives no recognition to the tax savings on the expense side, nor does it give recognition to the fact that the company's investment in facilities is less (as shown in exhibits D and E) by the cumulative amount of the deferred taxes.

CHARLES E. HAMMOND.

EXHIBIT A

Virginia Electric & Power Co.—Rate of return, 1962, electric department (per Hammond and per staff)

	Per Arlington Public Utilities Commission, Hammond	Per staff
	Thousands	
Electric plant	$815,054	$816,494,513
Miscellaneous plant	1,441	
Less depreciation reserve	124,297	124,296,664
Net plant	692,198	692,197,869
Common utility plant—Net	5,992	5,989,090
Less contributions in aid of construction	0	1,268,235
Net utility plant	698,190	696,918,724
Allowance for working capital:		
Cash	7,210	7,301,762
Materials and supplies	11,546	11,596,011
Total working capital	18,756	18,897,773
Rate base end of period	716,946	715,816,497
Operating revenues	170,937	170,937,562
Operating expenses	65,716	65,715,858
Depreciation	19,871	19,870,968
Taxes, other than Federal income	13,876	13,875,773
Federal income taxes:		
Income tax currently payable	22,931	22,931,122
Deferred:		
Liberalized depreciation	0	2,130,000
Guideline lives and rules	0	627,000
Investment tax credit	0	1,893,000
Accelerated amortization—Net	1,687	1,687,073
Total operating revenue deductions	124,081	128,730,794
Net operating income	46,856	42,206,768
Add interest during construction	3,310	3,309,762
Deduct charitable donations (estimated)	150	0
Adjusted net operating income	50,016	45,516,530
Rate of return (percent)	6.99	6.36

NOTE.—Arlington Public Utilities Commission, Hammond, in thousands; staff in hundreds.
Source: SCC accounting division Oct. 23, 1963.

EXHIBIT B

VIRGINIA ELECTRIC & POWER CO. RATE OF RETURN, 1962, ELECTRIC DEPARTMENT

SCC STAFF AND ARLINGTON PUC STUDY COMPARED

Rate base

SCC staff	$715,816,497
Arlington PUC (in thousands)	716,946

The principal difference is in the exclusion by SCC staff of contributions in aid of construction ($1,268,235). Other minor differences account for the net difference of $1,150,000. The Arlington figures used as a benchmark the 1953 rate case in which contributions in aid of construction were not excluded. In any rate case, however, the exclusion would be advocated.

Operating revenues, operating expenses

Federal income taxes currently payable, no differences.

Federal income taxes deferred—Liberalized depreciation

SCC	$2,130,000
Arlington PUC	0

The amount included by SCC was not included as a tax by the company in its annual report to stockholders. The amount represents a normalization of Federal income tax to the extent that less taxes are actually paid in a given year due to the fact that for tax purposes the company uses the double declining balance method of computing depreciation, while in its accounts straight-line depreciation is used, based on the life expectancy of the facilities. The amount shown by SCC is the amount of taxes saved by using this method, which the SCC has included as expense for the purpose of its study. This subject was not treated in the 1953 rate case. Rapid amortization was treated in 1953 in the same manner as the SCC used in the recent study. In 1953, and subsequently, the company accumulated the amounts saved in a reserve account. There is presently $36,215,000 in the reserve account (eligible and used for such corporate purposes as expanding plant). If the plant built from these funds were to earn a 6 percent return, the annual earnings from this capital (not advanced by the stockholders) would be $2,172,900. SCC's treatment apparently does not involve consideration of these sums as reserves.

Federal income tax deferred—Guideline lives and rules

SCC	$627,000
Arlington PUC	0

The amount included by SCC was not included as a tax by the company in its annual report to stockholders. It represents the 1962 tax saving achieved by the company through the use of "guideline lives and rules." The SCC treatment would allow, as expense, a greater amount for taxes than was actually paid.

Federal income taxes deferred—Investment tax credit

SCC	$1,893,000
Arlington PUC	0

The company, in filing its 1962 Federal income tax return, was allowed to deduct this amount from the total tax due. Its tax liability, therefore, was this much less. The credit is related to the increased investment made by the company computed at 3 percent in the case of facilities with life expectancies in excess of 8 years and 2 percent and 1 percent in the case of shorter life expectancies. Regulatory treatment has not been determined for most jurisdictions as yet, although FCC appears to have decided that the full amount of the investment tax credit should be brought down to net income. The apparent fact is however, that the U.S. Government has invested the full amount of the credit in the company. The only requirement of the Government is that no depreciation be charged for the facilities so acquired.

EXHIBIT C

Virginia Electric & Power Co.—Rate of return based on SCC accounting division methods, 12-month periods ending Nov. 30, 1962, Dec. 31, 1962, Sept. 30, 1963

[In thousands]

	Nov. 30, 1962	Dec. 31, 1962	Sept. 30, 1963
Electric, gas and miscellaneous plant	$855,640	$860,136	$917,265
Reserves, depreciation	129,579	130,817	144,031
Subtotal	726,061	729,319	773,234
Less contributions in aid of construction	1,314	1,321	1,415
Net utility plant	724,747	727,998	771,819
Cash working capital, 40 days	8,130	8,228	8,760
Materials and supplies	11,996	12,209	12,306
Rate base, end of period	744,873	748,435	792,885
Operating revenues	184,950	186,082	194,974
Operating expenses	62,856	63,569	66,607
Maintenance	11,317	11,391	11,331
Depreciation	20,523	20,652	22,047
Federal income tax, current	24,900	24,490	25,964
Deferred:			
Liberalized depreciation	[1] 1,932	2,209	[4] 2,962
Guideline lives	[2] 723	789	[4] 727
Investment tax credit	[3] 1,793	1,955	[4] 2,143
Accelerated amortization, net	1,863	1,687	451
Other taxes	14,743	14,876	16,134
Total operating expenses	140,550	141,627	148,366
Net operating revenues	44,400	44,455	46,608
Add interest charged to construction	3,397	3,347	2,048
Adjusted net operating income	47,797	47,802	48,656
Rate of return (percent)	6.42	6.39	6.13

[1] For 1961, $\frac{1}{12}\times$1,200,000; for 1962, $\frac{11}{12}\times$\$2,209,000.

[2] For 1962, $\frac{11}{12}\times$\$789,000.

[3] For 1962, $\frac{11}{12}\times$\$1,955,000.

[4] Based on $\frac{9}{12}$ 1963 total and $\frac{3}{12}$ 1962 total.

NOTE.—The purpose of this summary is to reflect trend of rate of earnings since Dec. 1, 1962 rate adjustment.

Source: Arlington Public Utilities Commission, Nov. 5, 1963.

EXHIBIT D

Vepco rate of return, adjusted, using SCC method for results of operations and adjusting rate base for plant provided by tax reserves

[12-month period ended Dec. 31, 1962, in thousands]

System rate base Dec. 31, 1962, SCC basis	$748,435
Adjustments:	
Reserve, future taxes—Amortization [1]	36,215
Investment tax credit [2]	1,955
Reserve—Liberalized depreciation [3]	4,129
Reserve—Guideline lives [4]	789
Total	43,088
Adjusted rate base	705,347
Net operating income, adjusted (SCC basis) (from exhibit C., col. 2)	47,802
Adjusted rate of return (percent)	6.88

[1] Per balance sheet Dec. 31, 1962.

[2] Per balance sheet Dec. 31, 1962.

[3] 1960, $720,000; 1961, $1,200,000; 1962, $2,209,000.

[4] 1962, $789,000.

EXHIBIT E

Vepco rate of return, adjusted, using SCC methods for results of operations and adjusting rate base for plant provided by tax reserves

[12-month period ended Sept. 30, 1963, in thousands]

System rate base, Sept. 30, 1963, SCC basis	$792,885
Adjustments:	
Reserve, future taxes—Amortization [1]	36,495
Investment tax credit [2]	3,691
Reserve—Liberalized depreciation [3]	5,862
Reserve—Guideline lives [4]	1,391
	47,439
Adjusted rate base	745,446
Net operating income, adjusted (SCC basis) (from exhibit C, col. 3)	48,656
Adjusted rate of return (percent)	6.53

[1] Per balance sheet, Sept. 30, 1963.

[2] Per balance sheet, Sept. 30, 1963.

[3] 1960, $720,000; 1961, $1,200,000; 1962, $2,209,000; 1963, (9 months), $1,733,000.

[4] 1962, $789,000; 1963 (9 months), $592,000.

LARD TRADE WITH CUBA

Mr. KEATING. Mr. President, it is with shock and incredulity that American citizens learned that negotiations are underway for the direct sale of a large shipment of U.S. lard to Communist Cuba.

Mr. President, such an action would be directly contrary to the whole direction of U.S. policy toward Cuba. A large agricultural sale to Castro would completely undermine whatever position the United States sought to establish in preventing increased West European trade with Castro.

Mr. President, when the wheat sale to the Soviet Union was licensed—and a license was required in that case because wheat was a subsidized product—it was specifically provided that none of the wheat could go to Cuba. To turn around and sell lard directly to Cuba would make a parody of our whole policy effort directed at an economic boycott of Cuba.

Mr. President, I am aware of the fact that under present regulations as drawn up by the Department of Commerce there is no requirement for licensing of edible fats and oils for sale overseas, except to such nations as Communist China, North Korea and North Vietnam which have traditionally been dealt with in a different manner. However, Mr. President, there is very clearly authority in the broad terms of the Export Control Act of 1949 to require licensing or any other kind of regulation where necessary "to further the foreign policy of the United States and to aid in fulfilling its international responsibilities."

In the case of Communist China, North Korea and North Vietnam an export license is required for all trade whatsoever, and none is permitted except under unusual circumstances, for example to foreign embassies within Red China.

Mr. President, it is my view Communist Cuba should be under the same kind of trade restrictions as Red China. In other words, all shipments should require a validated license.

The fact of the matter is that a large agriculture sale to Cuba has a significant impact upon the foreign policy and international interests of the United States. Longshoremen unions were criticized in many quarters for refusing to load shipments of wheat to the Soviet Union because it was said that this refusal constituted private intervention in foreign policy. There can be no question that a large and direct sale to Communist Cuba is just as much an intervention in foreign policy. We can certainly imagine what the British will say about this.

Mr. President, it seems at times that the right hand of our Government has no notion whatsoever what the left hand is doing, or a more conscientious effort would have been made to bring U.S. trade with Cuba under adequate control. Ironically, President Betancourt of Venezuela has several times warned that his country is considering a boycott of shipments from nations which engage in trade with Cuba. Venezuela has felt the direct attack of Cuban-trained terrorists, and is determined to take firm action. What a farce it would be if the Venezuelan Government had to impose sanctions against the United States as well as West European countries for trade with Cuba.

We must not permit our own businessmen to lead the way in overcoming Government policy. And our Government officials must manifest more awareness over private activities that will have an immediate and detrimental effect on foreign policy. How, indeed, can we cut off foreign aid to our allies for their trade with Cuba when our own merchants are doing exactly the same thing?

Mr. President, the Department of Commerce under the Export Control Act has full authority to lay down regulations regarding exports to any country in the world. Immediately, action should be taken to place Cuba in the same category as Communist China, North Korea and North Vietnam. Every shipment of any kind to Cuba should require a validated export license so that our Government can maintain full control over a vital area of foreign policy.

THE U.S. BALANCE-OF-PAYMENTS DEFICIT CONTINUES

Mr. JAVITS. Mr. President, on a number of occasions I have called to the attention of the Senate the situation concerning our balance of payments with the world. I should now like to speak again briefly about this issue which is one of the most critical indices of our financial and monetary situation and our credit standing, and one of those which has caused the greatest worry to our authorities in the Treasury and to the President of the United States—and quite justly, as there are tremendous calls upon us far exceeding our gold stock by the other central banks in the world which are dependent upon the credit of the United States.

Despite the numerous steps taken by the administration thus far to deal with the continued deficit in our balance of payments, the overall success has been rather small. Our gold stock declined by another $461 million in 1963, so that at the end of that year it amounted to $15,596 million, the lowest level in our postwar history. The U.S. balance-of-payments deficit for 1963 remained at $3,020 million, below the $3,573 million deficit of 1962, but only slightly under $3,043 million in 1961, despite the Administration's claim that the series of measures it has put into effect is bringing this critical problem under control.

I am more convinced today than ever before that the United States must take leadership in world monetary reform, if we are to find a fundamental solution to this problem.

As I stated in my remarks here last September, the U.S. balance-of-payments deficit cannot be solved unless we seek a basic solution. Such a basic solution clearly involves the modernization of the international monetary system. While the United States must clearly exert itself to do all it can to bring its financial house in order, the U.S. balance-of-payments deficit cannot be isolated from the system of which it is but a part, even if a major part.

The outcome of the current study of the international monetary system by the 10-nation OECD "Paris Club" and by the IMF is therefore of crucial significance. Their failure to draw meaningful lessons from recent developments and to recommend the modernization of the system would, in my view, have serious consequences not only for the United States but the Western World as a whole, each member of which greatly depends for its continued growth on the stimulative effects of this system.

What is the administration doing to cope with this problem? It is continuing the export expansion program, the tourist promotion program, and the effort to reduce Federal expenditures abroad—particularly military expenditures—and tying U.S. economic assistance to U.S. exports, initiated under the Eisenhower administration. The Federal Reserve increased the rediscount rate from 3 to 3½ percent to stem short-term capital outflows and the much-vaunted "interest equalization tax" was introduced to reduce long-term capital outflows.

In addition, the Treasury devised a number of highly imaginative ad hoc measures, for example, to sell convertible medium-term Treasury bonds abroad denominated in foreign currencies; to arrange a $500 million standby credit for the United States from the IMF, to arrange for advance repayment of debt owed by foreign countries to the United States; to set up currency swap arrangements with several European central banks to defend the U.S. dollar and other key currencies against speculative raids, and so on.

I do not believe we can depend on gimmicks to resolve our own balance-of-payments problem while hopefully awaiting a modification of the system to meet our own long-term needs. I consider the interest equalization tax such a gimmick. The only thing that has made it work to date is the uncertainty surrounding its enactment by Congress. There is little doubt in my mind—and I am not alone in this by any means—that once the tax is passed—and I hope that it will be defeated—the outflow of long-term U.S. capital will once more resume. In this connection, a statement made by Secretary Dillon in response to my question on the subject during the January 28 hearings of the Joint Economic Commitee will be of interest:

> Senator JAVITS. Do you feel that the almost total cessation of foreign long-term lending was attributable to the expected rate of the tax, or was attributable to the uncertainty as to whether there would or would not be a tax? In short, are we to anticipate that if there is a tax passed, this will result in practical cessation of long-term capital lending in this market?
>
> Secretary DILLON. No; I would not think so at all. I think that the effect of the tax has been magnified considerably by the uncertainty. This was something that when the proposal was put forward, that we had not anticipated, because we had not foreseen the situation that has arisen—that the en-

actment would take so long. But I think that undoubtedly, particularly in the case of Canadian borrowing, where they have been uncertain whether there would be an exemption or would not, the uncertainty has had a great effect.

And I also think in the case of European and Japanese borrowers, they still may have some hopes that the bill will not take effect. So I think that there will be some borrowing once the bill is passed.

The United States must put into effect measures, the effectiveness of which are without doubt, if we are to convince the world of the sincerity of our oft-stated claim that we are doing all we can to find a solution to our balance-of-payment deficit problem.

In the field of long-term capital outflows, I recommend the establishment of a capital issues committee, to regulate this outflow on the basis of guidelines laid down by the Treasury and the Federal Reserve System. That would be much wiser in terms of American leadership and would be more reassuring to the world, than the ill-conceived interest equalization tax proposed by this administration. Previous experience has shown that a capital issues committee would be more effective.

In addition, I am in favor of the enactment of a tax incentive to stimulate our exports. While our favorable trade balance rose to $4.9 billion in 1963 from $4.3 billion in 1962, due to increased exports and decreased imports, they are rather temporary and cannot be counted upon to close the gap between our external payments and receipts without further stimulation. A significant proportion of the expansion in our exports in 1963 was accounted for by an increase in agricultural products that benefited from poor harvests in Western Europe and the Soviet Union, and an improvement in the competitive position of U.S. manufacturers resulting from an increase in prices in Western Europe.

Finally, I wish to stress the urgent need for modernization of the international monetary system, and call upon the United States to bring about and call for an international monetary conference for the purpose of having a far more rational monetary and credit system in the world than exists today, and one that would address itself to the problem of the rigidity of the existing adjustment process as well as to the problem of the adequacy of international reserves over the long term.

I ask unanimous consent to have printed in the RECORD an editorial from the February 19 issue of the New York Times calling for the creation of a capital issues committee and the enactment of a tax incentive for exports, an editorial from the February 13 issue of the Wall Street Journal calling for the defeat of the proposed interest equalization tax, a rather full exposition of the case against this tax made by the chairman of the Foreign Investment Committee of the Investment Bankers Association of America, and a former director of the IBRD and the IFC, Mr. Andrew N. Overby, on December 4, 1963, and finally, a New York Times article entitled "International Liquidity."

There being no objection, the material referred to was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 19, 1964]

HALTING THE DOLLAR DRAIN

The marked improvement that the United States managed to achieve in its balance of payments over the last 6 months of 1963 is welcome, but rejoicing is decidedly premature. Washington has recorded temporary successes before, only to suffer a renewed backsliding. This could happen again.

Special factors were largely responsible for reducing the outflow of gold and dollars to an annual rate of $1.6 billion in the second half of 1963. There was a big jump in exports, particularly of agricultural products that benefited from the poor harvests in Western Europe and the Soviet Union. At the same time there has been a sharp decline in foreign sales of bonds and stocks since President Kennedy proposed placing a tax on purchases of foreign securities by Americans.

The continued effectiveness of these developments cannot be counted on in 1964. On the trade side, the surplus may dwindle even if agricultural exports are maintained. This is because the upsurge in business activity generated by tax cuts will mean increased demand for imports.

On the investment side, the outflow of capital could resume once the proposed interest equalization tax is passed. The drain will come from borrowers willing to pay higher prices for capital and from the opening up of loopholes that inevitably accompany a new tax.

Permanent progress in improving the balance of payments should not be left to chance. Rather, it requires the fashioning of specific weapons to meet specific payment problems. While trying to get our allies to pay a larger share of the burden of common defensive arrangements, Washington would do well to consider tax incentives for exports. And a capital issues committee would be a far better instrument for dealing with the drain of capital than the proposed tax.

The best time to take action to halt the drain is when the dollar is under least suspicion. Instead of hoping that the temporary improvement lasts, the administration could take advantage of its present opportunity to make sure that it does.

[From the Wall Street Journal, Feb. 13, 1964]

A CAPITAL OFFENSE

If there ever was a case of killing, or anyway maiming, a golden goose, it is the proposed tax on American purchases of foreign securities. Though Congress has been slow to act on the measure, the threat of its retroactivity to last summer has all but stopped such purchases.

The purported aim of the "interest equalization" tax is to improve the U.S. balance of payments, which has been heavily in deficit these many years, by discouraging capital outflows from America. And sure enough, the deficit has lessened for the time being, partly because of the threat of the tax.

All the same, the thinking behind this plan is remarkably myopic. It seems to assume that American private investment abroad is a simple matter of dispatching dollars and saying goodby to them forever.

In fact, from 1958 through 1962 income from all private foreign investments nearly offset the aggregate net outflow for new investment, and in 1962 exceeded it. In the future this income, unless the Government succeeds in reducing it, could well be a strong support of our balance-of-payments position.

Nor is that all. As Andrew N. Overby, the distinguished banker and former Treasury official, noted in a talk a while back, trade follows credit. "With the dollars which they obtain from U.S. purchases of their securities, countries such as Canada and Japan buy our goods and services. In many cases, the connection is direct and the proceeds of foreign issues are specifically used for purchases of U.S. goods and services and provide jobs for Americans."

The U.S. trade surplus has long been the great bulwark of the balance of payments; without it, that is, the deficit would be much more fearsome to behold. Action having the effect of undermining trade is not likely to be beneficial for the future balance of payments, let alone the American domestic economy.

In short, the tax attacks the wrong targets; in its short-sighted zeal to cut capital outflows, the Government would threaten the private foreign investment and trade which could strengthen the American position. At the same time the Government does little of any significance to clear up its untidy domestic fiscal and monetary affairs or to reduce the heavy balance-of-payments drain represented by its own enormous expenditures abroad.

Hardly less disturbing are some further implications of the proposed tax. As Mr. Overby says—and these columns have tried to say—it amounts to a new protective tariff on the importation of foreign securities. Hence it is "a new barrier to the free international movement of capital, and is a retreat from our long-standing policy of freedom for capital movements."

Whether it presages stronger controls to come, no one can say; it presumably could, if the Government persists in its failure to eliminate the deficit and in its determination to make a whipping boy of foreign investment. In any event, it reflects a bias against the principles of free international enterprise this country has so long preached to the world. As such, it is for foreigners an unsettling development in terms of more than dollars.

Those principles, it may be added, are sound not because the United States preaches them but because they make for a flourishing international economy from which all participants benefit. One of the chief drawbacks to the various forms of restrictionism, protectionism or economic isolationism is simply that they are self-defeating.

That certainly seems to be the case here. The so-called tax would not be the most egregious economic error the Government ever committed, but it would still be a mistake from the point of view of the long-term balance of payments as well as foreign confidence in this country.

For these reasons, we think Congress should kill the proposal instead of encouraging those who constantly try to throttle private initiative's golden production and promise.

REMARKS OF ANDREW N. OVERBY, CHAIRMAN OF THE FOREIGN INVESTMENT COMMITTEE, IN PRESENTING THE REPORT OF THE COMMITTEE TO THE 52D ANNUAL CONVENTION OF THE INVESTMENT BANKERS ASSOCIATION OF AMERICA, HOLLYWOOD, FLA., DECEMBER 4, 1963

President Ames, ladies and gentlemen, although the work of the Foreign Investment Committee during 1963 has included other matters—as can be seen from the committee report which is available on the tables outside this room—I believe my few remarks this morning should focus on the matter which has primarily concerned us this year—namely, the proposed Interest Equalization Tax Act of 1963.

This is my farewell I.B.A. appearance. It is ironic that the very morning I make a brief report to you is also the morning that the House Ways and Means Committee reportedly is making its final decision on the proposed interest equalization tax. I do not know whether they will make that decision today. They were supposed to have made it yesterday, but apparently a little debate broke out. I hope, Mr. Ames, that you and I may have contributed somewhat to inspiring that debate.

My remarks this morning regarding the I.B.A.'s opposition to the proposed Interest Equalization Tax Act of 1963 concern a matter in which all of us should be interested. It isn't a narrow question; it is a broad question; it is a question involving the financial leadership of the United States in the free world.

As an American who believes in the strength and freedom of our economy, and who worked for years to get rid of restrictions in other countries but also in trying to make sure we did not get them in our own country, I have to say that it is not with particular pride or pleasure that I stand before you this morning—for I do not relish the possible—perhaps probable—legislative prospect of our being something other than a first-class country in financial leadership.

President Ames and I, in letters to every Senator and Congressman, have recently stated that the enactment of the proposed legislation would be contrary to our national interest, and a serious abdication of financial leadership by the United States.

As most of you know, the proposed legislation would—generally—impose what is called a tax of up to 15 percent on purchases by Americans from foreigners of the securities of 22 developed nations and of companies therein. Its purpose is to reduce longer term capital outflows from the United States.

At the moment it has paralyzed them. And let me say in this connection that the improvement in our balance of payments in the third quarter resulting in part from the threat of the proposed tax is misleading. The uncertainty engendered by the threat of the enactment of a retroactive tax has, in effect, to date, imposed not merely a limitation but an actual embargo on the sale of new foreign securities in the U.S. capital market.

The third quarter figures on the balance of payments were dramatic in their change. They should not be taken as a representative set of figures. I could assert that the short-term capital outflows showed a much bigger reduction than the reduction in the longer term capital outflows, but I don't think we should take the third quarter figures as being indicative of what the situation may prove to be.

In the few moments I shall take of your time this morning I want to indicate briefly the substance of the opposition that Mr. Ames and I have expressed, on behalf of the IBA, in our appearance before the Ways and Means Committee in August, and in our recent letters to every Member of Congress.

First, we think the proposed tax will adversely affect the U.S. balance of payments in the long run.

Private foreign investment we have described as an asset-creating expenditure. It is—as its name indicates—an investment; it is not an expenditure such as those for tourism, foreign aid, or for U.S. military expenditures abroad.

Foreign investment improves the international asset position of the United States. Since 1950, despite the fact that we began recording deficits in our overall balance of payments that year, total U.S. assets and investments abroad have increased from $32 billion to $80 billion, while foreign assets and investments in the United States have increased from $18 billion to $47 billion. Thus, in the period since 1950 although we have been recording deficits, the overall net international asset position of the United States has improved from $14 billion to $33 billion.

I repeat that in this period the net international assets position of the United States has improved from $14 billion to $33 billion.

Future receipts from foreign investment in the form of interest, dividends and return of capital benefit the balance of payments in future years. The extent to which income from previous investments serves to offset current net capital outflows is indicated by the fact that in the 5 years from 1958 through 1962 income from all private foreign investments amounted to over $15 billion and nearly offset the aggregate net outflow for new investment of something over $16 billion. In the year 1962 alone, income from foreign investment exceeded the outflow.

The proposal which is embodied in the proposed legislation, to slow the outflow of investment dollars from the United States, and thereby also to slow the future investment income to the United States from overseas, has been characterized by one financial editor in Europe as being "a little bit like trying to economize by quitting your job. After all, you do save the money you used to spend getting to work."

The highly regarded Monthly Economic Letter of the First National City Bank of New York recently had this to say:

"It is penny wise and pound foolish to blame the balance-of-payments deficit on private investments overseas. Unlike soft loans and grants under Government programs, private investments support the balance of payments for years into the future.

"Oversea investment is our natural, national destiny. Suppression of private investment is suppression of private enterprise. The ideological war can be won only by encouragements to private enterprise everywhere so that the full strength of free institutions can be mustered and unequivocally demonstrated."

Another point which Mr. Ames and I have made and which we think is important is that trade follows credit. With the dollars which they obtain from U.S. purchases of their securities, countries such as Canada and Japan buy our goods and services. In many cases, the connection is direct and the proceeds of foreign issues are specifically used for purchases of U.S. goods and services and provide jobs for Americans. Moreover, as I have said, over the years, the U.S. balance-of-payments benefits from the repayment of principal and interest.

Considering the proposed exemptions under the act, including a proposed exemption for new issues of Canadian securities, which was added rather precipitately over the weekend after the tax was announced, and which is not yet clearly defined, it appears to us that the proposed tax would, at best, contribute to a slight temporary reduction in our balance-of-payments deficit but at the cost of reducing the accumulation of long-term assets, and at other costs which we believe are far too high to pay.

Second, and most importantly: The proposed act is not addressed to the fundamental causes of the balance-of-payments deficit.

Government grants and capital outflows in 1962 amounted to $4.3 billion. (This figure includes other items as well as straight foreign aid.) Moreover, oversea military expenditures of the United States amounted to a further $3 billion gross in 1962.

There is little hope of correcting our balance-of-payments deficit unless the balance-of-payments leakage that is involved in these Government expenditures is reduced, and reduced substantially.

The subject of U.S. military expenditures abroad has been a debated issue for years. Some of us have for long contended that our allies should carry a larger and fairer share of this burden, and that we could reduce our troops abroad without any sacrifice in the symbol that we give to the world, or in free world strength. Support for this point of view has recently been expressed by a gentleman who has had a little experience in this: General Eisenhower.

We must also improve our cost position in relation to our competitors abroad, and enhance the attractiveness of investment in the United States by reduction in personal and corporate income taxes and by other appropriate measures—such as wage and price restraint and appropriate interest rates.

It is interesting to note—and again I do not take the third quarter balance-of-payments figures as conclusive—that following the increase in the discount rate in July from 3 to 3½ percent, and the change that was made in Regulation Q, there has been a rather sharp reversal, a sharp change in short-term capital outflows. The results appear to speak for the measures which were adopted.

Third, the proposed tax, in our judgment, is more appropriately described not as a tax at all, but as a new protective tariff to limit the importation of foreign securities. This so-called tax represents a new barrier to the free international movement of capital, and is a retreat from our longstanding policy of freedom for capital movements—a policy, I might add, which has been advocated and followed by Democratic and Republican administrations alike for many years. It is a policy which we have advocated to the rest of the world, and which I am happy to say the rest of the world has taken to heart. They have been dismantling their restrictions. I find it discouraging that we, the leader, may be resorting to them.

Fourth, the U.S. capital market, and foreign economies which are dependent upon it, may be seriously damaged. The United States has been the only free capital market in which the amounts and terms on which an issuer can sell securities are limited only by the marketplace. We feel this is a valuable national asset which should not be dissipated without convincing reasons of national interest.

Fifth, the proposed tax may create, and, indeed, has created, fears of further restrictions. Part of the responsibility of being the leading financial power of the world, of having the key currency of the world, is to keep our currency strong and free from restrictions on its use. We must not, through one device or another, impair the value of the dollar as the key currency of the world nor create fears that further restrictions may be imposed.

Sixth, the proposed tax is discriminatory. It may be said that this is a parochial point of view of investment bankers. The proposed tax is, nevertheless, discriminatory. It selects only one aspect of private expenditure abroad; namely, private portfolio investment, to be restricted by the proposed tax or tariff, and leaves unaffected our other private expenditures abroad such as those for tourism (a $2½ billion item gross), direct foreign investment, and commercial bank loans. I shall not belabor the latter point.

Lastly, it is clear that the proposed tax would be administratively complex. Compliance and enforcement procedures will prove burdensome. I do not want to suggest that there will be evasions, but certainly reporting and compliance requirements will be very difficult.

For the reasons which I have indicated the IBA believes that the restriction of private portfolio investment through the proposed Interest Equalization Tax Act is neither an effective nor desirable means of improving the U.S. balance-of-payments position and should not be enacted. (It may be, however, that when you leave this room you will find that it has been passed by the Ways and Means Committee.)

Any probable short-term beneficial effects would fall far short, in our judgment, of justifying the adverse consequences. It would be most injurious to the U.S. international capital market, which we think is a national asset that should be fostered rather than injured. It would impose a hardship upon our friends abroad that over the long run would be detrimental to us, as well.

We sometimes lose sight of the fact that our long-term balance-of-payments position and outlook is strong. It would be better, in our judgment, to deal with our present problem by improving our international competitive position, by encouraging increased foreign investment in the United States, by reducing our non-asset-creating expenditures abroad, and even by temporary drawings on the International Monetary Fund, or the use of our reserves, rather than to endanger the free flow of funds, or our position as the world's banker and trustee of the key currency of the world. Once confidence in us and in the freedom of our capital market is impaired, it will be difficult to rebuild it.

In conclusion, I should like to quote from a recent speech made by Allan Sproul. This quotation was not part of the IBA testimony because he had not made the speech at the time. As you know, Allan Sproul was for many years President of the Federal Reserve Bank of New York, and is widely recognized as a financial leader. I quote Mr. Sproul partly to show that we are by no means alone in our opposition to this tax. A parade of opposition witnesses appeared at the House Ways and Means Committee hearing and there have been other speakers since who have expressed their opposition. Mr. Sproul recently had this to say about the proposed interest equalization tax:

"This is a form of tinkering with a problem which should be attacked in the total context of capital incentives in the United States and in foreign countries. It should not be attacked by a control which attempts to raise the rate of interest in one of the interconnected compartments of the long-term market. We need to provide more profitable opportunities at home for the investment of funds which have been flowing abroad. We need to promote domestic conditions which will lead to a revival of direct and portfolio investment by foreigners in this country. We need to raise the profit floor in the United States so as to bring out the increased domestic investment in plant and equipment which alone will employ our resources more fully. We need to avoid experimenting with direct controls, whatever they may be called, which in times of strain may be interpreted as a forerunner of stronger controls of capital outflow, or even of all dealings in foreign exchange, which in turn would heighten the danger of anticipatory withdrawals of foreign funds from our markets. In short, in dealing with private capital outflows, we should use those general powers of fiscal and monetary policy which maximize our total freedoms by minimizing direct interference with individual private transactions."

Thank you very much, and goodby.

[From the New York Times, Jan. 10, 1964]

INTERNATIONAL LIQUIDITY—UNITED STATES AND ALLIES ARE SEEKING TO AVOID A BREAKDOWN IN MONETARY MECHANISM

(By M. J. Rossant)

The central bankers and finance ministers of the non-Communist world are trying to determine whether there is enough liquidity in the present international monetary mechanism to keep it running smoothly.

Because the original blueprint for the mechanism was first set up in the waning days of World War II, breakdowns have been avoided. But there have been some near-misses. So the United States and its allies are reexamining the system, focusing attention on the thorny subject of international liquidity—the amount of gold, foreign exchange and credit available to meet external obligations.

The liquidity needed to fuel economic growth and expanding trade has been largely furnished by the United States. As a result of its deficits in its financial transactions with the rest of the world, Washington has been pumping out gold and dollars that have added to the amount of international liquidity.

But while the outflow continued in 1963, the nations of the Western World are looking to the day when the United States is no longer providing the wherewithal needed for the expansion in liquidity.

Last year saw the beginning of concerted moves to begin an overhaul of the existing machinery. This year, at the International Monetary Fund meeting in Tokyo, the results are likely to be unveiled.

While secrecy still shrouds the negotiations, the objective is clear. It is to prevent shrinkage and, if possible, bring about an increase in international liquidity. At the least, then, the air is to Sanforize the present system.

The reason for the concern over liquidity is that the nations of the non-Communist world want to be sure they can meet any external financial stress or strain without damaging their domestic economies.

Most authorities agree that there is no shortage of overall liquidity now. But there is a maldistribution of financial resources, with many developing nations suffering from a severe shortage of liquidity while many industrialized nations, especially in Western Europe, are experiencing an embarrassment of riches.

Countries lacking an ample cushion of liquid reserves to meet their foreign bills could be forced to take deflationary measures. And those with excess liquidity, like France, have been faced by inflationary symptoms.

Thus, the examination now going on is aimed at preventing a shrinkage in liquidity while ironing out some of the kinks in its distribution.

TWO GROUPS STUDY PROBLEM

Two separate groups are engaged in studying liquidity. One is being conducted by the 10 leading industrialized nations who are members of the Organization for Economic Cooperation and Development. The other is being carried out by the International Monetary Fund. Both are attempting to insure that the non-Communist world will possess sufficient liquidity to withstand short-term crises and provide additional liquidity to sustain economic growth and promote an expansion in trade.

The present system survived the shock of President Kennedy's assassination—as it did the Cuban crisis—with scarcely a tremor in the world's money markets. So it is far from antiquated.

Yet doubts remain about the future, particularly when the deficit in the U.S. balance of payments is no longer supplying dollars and gold to the rest of the world.

Improvements in the existing machinery have been taking place all along, but there is now a widespread belief that it needs substantial reform and reinforcement to cope with the prospective change in the American position.

There are disputes, however, about how much reform is required. Some plump for radical and revolutionary designs that would automatically guarantee increasing liquidity. Others think that the kind of evolutionary process that has already improved the machinery will suffice for the future.

SUSPICIONS VOICED

This is not the only area of contention. The countries enjoying surpluses are suspicious that nations in deficit, particularly the United States, do not seek an increase in the supply of liquidity simply to avoid taking the domestic steps needed to get its accounts in order with the rest of the world.

Robert V. Roosa, Under Secretary of the Treasury for Monetary Affairs, the head of the American team studying and negotiating liquidity reform, sought recently to allay fears that Washington was seeking to escape resort to the monetary and fiscal discipline required to correct its deficit.

In emphasizing that the United States was making the necessary adjustments, Mr. Roosa suggested that reform should be evolutionary in nature, hinting that any reform should be relatively modest.

Mr. Roosa's position confirmed that there was scant prospect of any revolutionary changes this year. For in setting up the OECD study, the 10 nations ruled out any change in the dollar price of gold, which will preserve a key ingredient of the present machinery.

At the same time, the negotiators turned their backs on the creation of a supranational central bank with credit-creating powers of its own. Instead, they remain convinced that gold, the key currencies—the dollar and the pound sterling—and the special arrangements that have been devised to mobilize the credit resources of other countries, must be counted on as the main sources of any expansion in liquidity.

SOVEREIGNTY AN ISSUE

There is a general reluctance to yield national sovereignty over money and credit to an international organization staffed by anonymous international civil servants. And though most nations are willing to see a further expansion in the resources and the flexibility of the International Monetary Fund, they prefer that strings be attached.

Before they get down to the fundamental job of deciding what changes will be made, the negotiators are bound to argue over the relationship between international liquidity and the expansion of world trade.

Over the last decade, liquidity had increased at little better than 2 percent a year. Trade has expanded at an annual rate of better than 8 percent, which makes clear that liquidity does not have to grow at the same pace to insure a continued rise in trade.

In fact, there is no certainty that a shrinkage will occur or, if it does, that it will impede the expansion in trade. The French and Dutch have actually voiced concern about excessive liquidity. And a recent study by the economic research department of the Chase Manhattan Bank observed that a decline in world liquidity over periods need not lead to difficulty.

Other groups take a different view. The British Treasury acknowledges that there is no fixed ratio between the level of trade and the need for reserves, but it argues that more liquidity will be needed in the future and it sees no present means of insuring that it will be forthcoming.

The major change likely this year is a shift from bilateral arrangements worked out between the United States and Germany, France, Britain, and other countries, to multilateral devices. This shift has already begun, but it is destined to take on additional momentum as a result of the present studies. And if it does provide added power and resources to the IMF, an international central bank may gradually take shape.

The immediate outlook, however, is for strengthening and enlargement of measures now in the blueprint stage or already in use.

The nations of the non-Communist world may be able to agree on some form of longer term financing of deficits than now prevails. They may also work out a plan to coordinate interest rates on foreign deposits, which would help to prevent swings in currency movements that cause disruptive extreme internal dislocations.

Consideration will be given to plans for a new world currency such as that proposed by Edward M. Bernstein. He has suggested the creation of a reserve unit composed of the currency of the major industrialized nations that would be deposited and distributed by the International Monetary Fund.

But the negotiators are much more likely to settle for expansion of the fund's regular facilities as a first step, accompanied by an enlargement and liberalization of the currency pool now available to the major nations.

Those involved in the negotiations evidently prefer to take one step at a time.

The most impressive test of the machinery's performance has been its ability to cope with crises. This is the strongest argument for the evolutionary reform of the system. There is no real danger of a serious liquidity shortage as long as the nations of the non-Communist world are prepared to provide additional fuel whenever there is a risk of the machinery's running down.

PRESENTATION TO MEXICO BY THE UNITED STATES OF A STATUE OF LINCOLN

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 855, Senate bill 944, a bill introduced by the Senator from California [Mr. KUCHEL], for himself and other Senators.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 944) to provide for the presentation by the United States to the people of Mexico of a monument commemorating the independence of Mexico, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. KUCHEL. Mr. President, the proposed legislation would authorize the people and the Government of the United States to present to our friends, the people and the Government of Mexico, a statue of the Great Emancipator, Abraham Lincoln. The city of Washington has abundant beauty in part by reason of the imposing figures in bronze and stone, gifts from other countries to our city of Washington. By this bill, we would make a gift to our neighbor. There is no more beautiful capital city anywhere than Mexico City and there, a likeness of Lincoln would be enshrined. There is no more important friendship for our country than that with the people of Mexico.

Over the past several years our relations with Mexico have improved and strengthened. It was not many weeks ago that the U.S. Senate approved the treaty relating to the Chamizal, to right a grievous wrong which persisted for a century. Some day soon, I fondly hope the problem of the Colorado River will be honorably settled.

Just last week, the President of the United States and the President of Mexico met together in the State from which I come, not only to receive from a great State institution there, the University of California at Los Angeles, appropriate honorary degrees, but to meet together and to discuss mutual problems between our two Nations. Truly, these two great republics are strengthening the bonds between them.

The proposed legislation has been approved by the Department of State. It came from the Foreign Relations Committee unanimously and with enthusiasm. I am sure I speak for all of my colleagues who were coauthors of the bill—indeed, for all the Members of the Senate—when I urge that the Senate now approve the measure.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. MANSFIELD. I think the RECORD should be corrected. It is my understanding that the President of the United States, Lyndon B. Johnson, the President of the United Mexican States, Adolfo Lopez Mateos, and the distinguished Senator from California [Mr. KUCHEL]—all three—met in California on that occasion. But I believe this is a propitious moment to take the bill up. It is on the eve of a visit to be paid to the Congress next week by our colleagues from the Mexican House of Deputies and Senate. The Senator from California has been most enthusiastic about this project, and I join him in urging that the bill be given a unanimous approval of the Senate.

Mr. KUCHEL. I thank my able friend. I was privileged to serve under his leadership a year ago when we from the Senate and the House of Representatives journeyed to Mexico to participate in an exceptionally constructive and most enjoyable interparliamentary conference, which will be repeated, as the able majority leader has suggested, here in Washington next week.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield to the Senator from New York.

Mr. JAVITS. I, too, should like to join in the expectation that the Senate will approve the bill, and I congratulate the Senator from California [Mr. KUCHEL] for his initiative and for his sponsorship of and for offering the bill, and the majority leader for bringing it up.

I was very much interested in hearing my friend from California speak of the urgent need for friendship, at a time when our friendship in Latin America hangs in the balance, and when there has been a renaissance of friendship between the United States and Mexico. I think it is one of the really bright events in the history of the Americas, in the effort to promote friendship, at a time when all the Americas, in the main, are on the roll of the free states. It is necessary that we increase the role of friendship which is so essential and which is symbolized by the friendship between the Mexican people and the American people.

I could not agree more with the majority leader about the timing of this event with the visit from the members of the Mexican Congress.

Mr. KUCHEL. I thank my friend. I remind my colleagues that the senior Senator from New York had the rather unique experience of speaking in the Senate of the Republic of Mexico, both in English and Spanish.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 944) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of State is authorized and requested to procure a statue of Lincoln to commemorate appropriately the independence of Mexico, and present the same, on behalf of the people of the United States, to the people of Mexico. Such monument shall be prepared only after the design, plans, and specifications therefor have been submitted to and approved by the Commission of Fine Arts.

SEC. 2. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, including payment of the cost of such statue, the design and construction of a suitable pedestal therefor, transportation, including insurance, erection of the statue in Mexico, and traveling expenses of persons delegated by the Secretary of State to present such statue, on behalf of the people of the United States, to the people of Mexico.

Mr. KUCHEL. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on table was agreed to.

MILITARY PROCUREMENT

Mr. YOUNG of Ohio. Mr. President, I am supporting the legislative proposals for authorizing appropriations during the fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation for the Armed Forces.

LET US REEXAMINE OUR SELECTIVE SERVICE SYSTEM—DO WE NOW NEED A PEACETIME DRAFT?

Mr. President, the peacetime draft may soon be a thing of the past. It should be. As now functioning, it is discriminatory and unfair to parents and youngsters. The facts are our armed forces manpower needs are diminishing as missiles and other modern weaponry are emphasized and reliability increased. Our needs should soon be met by voluntary enlistments. Few of our allies have any peacetime draft and none of them draft men for as long as 2 years. West Germany, on the very front line of danger were the Soviet Union to attack only takes men for 18 months.

In 1952, our Armed Forces totaled over 3½ million. Today they are above 2½ million—a reduction of almost one-third. Draft demands have leveled off and are expected to average only about 8,000 men per month in the foreseeable future. This at the same time our celebrated "war babies," born during or immediately following World War II, reach military age. The number of those reaching draft age beginning July 1 this year will skyrocket to 1.8 million. In view of this, there seems little justifiable reason for continuing the practice of disrupting the lives of millions of our youth and drafting unwilling young men into service.

We have already written many special exemptions into the selective service law such as exempting married men and college students. This removes uncertainties from some lives but not from all. We should keep in mind few employers will hire young men until their military obligations have been completed. It is impossible to know when, or if, a young man will be drafted. I feel strongly that our future military needs can and should be met by well-trained volunteers interested in serving in our Armed Forces. I was recently a member of the subcommittee of the Committee on Armed Services which studied salaries and allowances in our Armed Forces and then drafted a bill which increased the salaries of military personnel.

We drafted a bill which we unanimously recommended to the full committee and which later was enacted into law. This increased the salaries of all the officers and men of our Armed Forces.

This pay raise, making salaries more comparable to nonmilitary pay, increases the attractiveness of an armed services career.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. YOUNG of Ohio. Mr. President, I ask unanimous consent that I may proceed for 1 additional minute.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 1 additional minute.

Mr. YOUNG of Ohio. Further steps in this direction will be taken, I am sure. For example, it has always distressed me, as a former private and later as an officer in our Armed Forces in time of war, to hear of enlisted men being compelled to do menial chores for officers. I remember doing that in a grudging manner when I was a private in the Army. Times have changed since I served as a private. Today, most officers treat enlisted men in our Army, Navy, Air Force, Marines, and Coast Guard with respect and friendship. The small minority who do not should not be tolerated. They should be weeded out.

We should reappraise the entire situation and reexamine our Selective Service System. We can in the future induce men to voluntarily enter the air, naval, and military services for their Nation rather than induct them and force them to do so.

I look forward to the end of the peacetime draft in the near future.

AMERICAN FOREIGN POLICY

Mr. GOLDWATER. Mr. President, the growing concern over American foreign policy is a matter of record. There are, of course, highly vexatious problems in the world today and not all of them are to be, or will be, solved easily.

Nevertheless in the last 3 months there has occurred a series of mishaps around the world that has made it clear we are at a policy standstill. This dilemma was the subject of thoughtful discussion by Senator Everett McKinley Dirksen, Republican leader of the Senate, and Representative Charles A. Halleck, Republican leader of the House of Representatives, at a press conference today where they spoke for the joint Senate-House Republican leadership.

I ask unanimous consent to have the statements printed in the Record at this point.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Statement by Senator Dirksen

One of the responsibilities of the party out of power in the United States is to lend its support to bipartisan foreign policy wherever mutual accord makes this possible. We, the members of the joint Senate-House Republican leadership, have repeatedly subscribed to this doctrine since the Democratic administration took office January 20, 1961.

However, on several occasions during the last 3 years we have been compelled to assert our mystification as to what policy we were being asked to support, indeed whether there was any policy at all. Since Mr. Johnson assumed the Presidency in November, the mystery has deepened. In those 3 months, the United States has suffered one setback after another around the world without any coherent policy emerging to right them. We have been drifting on the high seas of uncertainty and confusion.

Is President Johnson continuing the late Mr. Kennedy's highly questionable policy of coexistence with the Communist world? If so, how can the United States persuade other free-world nations not to trade with Cuba or to extend long-term credits to the Communist bloc countries, a pair of bleak problems which now confront us?

If the policy of coexistence is still in force, where is the evidence of coexistence on the part of the Communist nations when they promote subversion, violence, and anti-American campaigns in Latin America, Africa, and southeast Asia? Have the Kennedy-Johnson administrations paved only a one-way street with good intentions?

And what is happening to American prestige when one little nation after another—with smaller populations than most of our larger cities—kicks us in the shins and gets away with it? If our foreign policy cannot cope with problems of these dimensions, what happens when greater issues must be met?

We think the time is here for a reassessment of American foreign policy. Surely we Republicans cannot be expected to support an enigma. We respectfully suggest to President Johnson that Radio Moscow was right on June 12, 1963, when it applauded our Government's shift to a policy of "coexistence" as a "renunciation of the policy of strength" that marked the Eisenhower years. We stand ready to support a "policy of strength" and the sooner this nation returns to it the better.

Statement by Representative Halleck

Perplexity over American foreign policy is not limited to members of the joint Senate-House Republican leadership, but it also exists among the governments of our allies. The examples that contribute to the confusion are numerous.

One month the administration says that the war in South Vietnam—crucial to all southeast Asia—can be successfully concluded by the end of 1965. A couple of months later Secretary of Defense McNamara tells us we are withdrawing from South Vietnam by the end of 1965 regardless of the outcome.

One day President Johnson says that if there is a proposal to neutralize both North and South Vietnam the United States will consider it sympathetically. A few days later our Ambassador to South Vietnam, Henry Cabot Lodge, says neutralization would be regarded as turning South Vietnam over to the Communists.

One month the White House is promoting the sale of surplus American wheat to the Soviet Union. A couple of months later it is protesting the sale of British-made buses to Communist Cuba, to which the British manufacturer replies: "If America has a surplus of wheat, we have a surplus of buses."

One day Secretary of State Rusk is saying over the Voice of America radio that American consumers may boycott goods produced by nations trading with Cuba; a couple of days later the State Department officially announces the U.S. Government does not favor such boycotts.

One day American newspapers picture the White House as resolute in its determination not to renegotiate our Canal Zone rights in Panama; a few days later the same newspapers report the White House is seriously considering admission of the renegotiation question.

We Republicans do not recite these examples of vacillation in American foreign policy with any satisfaction. We recite them with dismay. We think corrective steps are urgent and our goal is to encourage them. President Johnson says we are "beloved" around the world. We certainly hope so, but it is equally important to be respected. In the coldblooded arena of foreign affairs, love is not enough.

TRIBUTE TO BASIL O'CONNOR

Mr. JOHNSTON. Mr. President, I would like to bring to the attention of the Senate an article appearing in the January 31 issue of Medical World News, entitled "Basil O'Connor—One Man's War Against Disease."

This is a vivid and inspiring story of our Nation's victory over polio, the dread disease of our age that has taken so many thousands of lives and crippled so many more thousands of children. The article pays tribute to all those in our lifetime who fought this battle including the late Franklin D. Roosevelt who initiated the March of Dimes war by the people against polio. The article concentrates on the part Basil O'Connor, longtime confidant and law partner of President Franklin D. Roosevelt, played in the creation and success of the National Polio Foundation. Mr. O'Connor has been president of the March of Dimes, now known as the National Foundation, since its inception in 1938. His 28 years of service deserve the praise which this article gives.

Mr. President, I ask unanimous consent to have the article printed in the Record together with my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Basil O'Connor: One Man's War Against Disease—Guiding Force of the Victory Over Polio, the Former Law Partner of F.D.R. Continues His "Assault on Man's Oldest Afflictions"

Saturday, January 4, 1964 ended the first week in U.S. history in which not a single new case of poliomyelitis was reported. This was hardly chance: Since 1955, the year Salk vaccine was first used nationally, polio morbidity has steadily declined. The 1951–54 average was some 40,000 cases annually; in 1963, fewer than 500 cases were reported, a 98-percent decline.

By common consent of scientists, physicians, and laymen, one man can largely be credited as the guiding force behind this unequivocal victory. He is Basil O'Connor, a bantamweight Massachusetts Irishman "one generation removed from servitude," whose combustion point remains perilously close to room temperature despite his 72 years. O'Connor is president of the National Foundation. It is his restless energy that has kept him for 30 years at the forefront of the drive against polio and in major roles in other health campaigns.

A self-described "barefoot Wall Street lawyer," O'Connor was once Franklin D. Roosevelt's law partner. And he received his commission as commander in chief in the war against polio when Roosevelt handed him a check in a White House ceremony three decades ago. The check was for more than $1 million, the net proceeds of the first nationwide Birthday Ball for the President, held on January 30, 1934. Presenting it to O'Connor, F.D.R. turned to onlookers and said, with his jauntiest grin:

"Now I'm going to appoint you all a committee of the whole to watch Doc O'Connor."

Greatly enlarged, the "committee" has been keeping an eye on Doc O'Connor ever since. The U.S. public has watched with awe as he collected and spent some 7 billion dimes in the past 30 years, a half-billion dollars of it for the polio war alone.

"There's an art in raising money," he says bluntly, scorning false modesty. "There's an art in spending it, too."

PLANS WAR ON POLIO

For the first 3 years, the antipolio money-raising campaign centered around the President's birthday, while the spending was almost wholly for the rehabilitation of a decrepit spa at Warm Springs, Ga., which Roosevelt had handed over to O'Connor and a board of trustees. O'Connor was not much interested, he recalls, but loyalty to F.D.R. kept him at the job.

For O'Connor, a gain in wisdom is usually directly proportional to the accumulation of experience. He soon saw that the defeat of polio was a far more formidable task than anyone had supposed. Although suspected of being a virus, the enemy had not yet been identified. There were no prisoners to be studied, and no routes of invasion were known. Help for polio's casualties was crude and ineffective, though with all the publicity the demand for medical aid mounted rapidly.

Meanwhile, receipts of subsequent fund campaigns dropped sharply from the original $1 million total. Yet O'Connor knew perfectly well that far larger sums would have to be raised for medical care, rehabilitation, and the research that would show the way to prevention.

"I could see we were headed for a lot hotter water than Warm Springs unless we got going with something much bigger," he recalls.

What he had in mind is defined by Gerard Piel, publisher of Scientific American, as "O'Connor's unique social invention: a permanently self-sustaining source of funds for the support of research—the voluntary health organization." When it was launched in 1938, the National Foundation for Infantile Paralysis, Inc., was the prototype of such agencies. Since then, health organizations have proliferated, many of them in the National Foundation's image, and some with O'Connor's encouragement and advice.

As he envisioned it, the new organization had to be able to generate large numbers of relatively small contributions to the cause. It had to have undisputed control over its funds. And it needed a mechanism for determining intelligently how those funds should be spent. His social invention was artfully designed to meet these exacting requirements.

From the outset, O'Connor created the National Foundation partly in the likenesses of a political party, a corporation, and an army. Its national office is an army headquarters with O'Connor in undisputed command.

His adjutant general today is Joseph F. Nee, a veteran of 18 years of National Foundation battles. Nee succeeded Melvin A. Glasser, a money-wise sociologist who now heads the social security services of the United Auto Workers Union.

Under O'Connor and Nee, there functions a well-oiled machine designed to fight the foundation's two-front war: for the money and against the disease. Like an army it has its general staff, and psychological warfare, intelligence, and supply services. Seven headquarters generals command the seven regions into which the foundation has divided the Nation. Under them are State directors who supervise the fieldwork. Finally, there are 3,100 chapters and their battle-seasoned troops, the volunteers who march forth each January for the assault on the private American purse. So willing have Americans been to open that purse and so effective have been O'Connor's legions that, in the peak year of 1954, the foundation collected $67 million.

The image of O'Connor as a brusque martinet commanding a fundraising juggernaut is part of the myths surrounding the man. Like all legends, it has some basis in truth. Very much a realist, O'Connor laid down a few inviolable principles for the National Foundation from the start. They were not always calculated to endear him to the public or to his associates. He stipulated that:

Headquarters, not the chapters, would decide how much money would be returned to the chapters for local medical care for polio victims.

Headquarters, never the chapters, would plan and allocate disbursements for research.

Grants for research or clinical purposes would always be made on the advice of scientific and medical advisory committees.

Ultimate power to approve disbursements of funds for any purpose, including scientific ones, would reside in the foundation's board of trustees, composed exclusively of laymen.

Commenting on this last rule, O'Connor says: "Nobody respects scientists more than I do. I work with them all the time, though I'm not a scientist myself. Maybe that's why I know for sure that intelligent laymen can always broaden a scientist's outlook. The researcher's word is law in the laboratory, but sometimes you have to point out to him what's happening right outside the lab window, not to mention the rest of the world."

VACCINE WAS BELIEVED IMPOSSIBLE

O'Connor means what he says. Inside the scientist's domain, he is an attentive and intelligent listener and commentator. Speaking of the prewar beginnings of the foundation, one of his close advisers confirms this.

"This first thing Basil did was to query all the men of our advisory committee as to what we thought we ought to find out. We knew next to nothing about polio then, you must remember. We suspected a virus, but we all believed it was absolutely impossible to make a vaccine—well, almost all of us. O'Connor was absolutely determined even then that a way would be found. And when he gets his teeth into an idea, there's no shaking him loose."

From these discussions, O'Connor concluded that the foundation should dig far, wide, and deep in its search for the buried treasure of a polio preventative. His advisers agreed with him.

"O'Connor practically created virology," says Dr. Edward L. Tatum of the Rockefeller Institute, who now heads the foundation's scientific advisory committee. "He did it by not concentrating research grants narrowly on polio, but by encouraging the most basic studies of all viruses."

O'Connor's chief adviser in virus research was the late Dr. Thomas M. Rivers, also of the Rockefeller Institute. "Dr. Rivers broke the way for O'Connor with the medical profession," says his adjutant, ex-football coach Nee. "He'd do a little blocking here and there, and then O'Connor would run with the ball. Man, they were one tough pair of backs."

On Dr. Rivers' advice, O'Connor set up fellowships to train new men in virology, among them a promising young Michigan physician named Jonas Salk. With Dr. Rivers, he also placed foundation money in the hands of a considerable number of future Nobel laureates, many of them working in areas seemingly remote from polio. One example was Dr. Linus Pauling's research on the protein molecule. Another grantee was Harvard's Dr. John F. Enders, whose almost parenthetical discovery of how to grow poliovirus in non-nerve tissue won him and his colleagues a Nobel Prize in 1954. Other grants aimed at identifying all three strains of polio. And finally, there came the big push to make and prove out both a killed-virus vaccine (Salk's) and a live-virus vaccine (Dr. Albert Sabin's) as specific preventatives.

Concurrently, the foundation spent millions on medical care, rehabilitation, and the training of thousands of paramedical personnel in the techniques of physical therapy for paralytic-polio patients. Today, foundation funds supply such care for some 20,000 victims who, as O'Connor says, "got born too soon." He declares the National Foundation will never abandon them.

Now that the rout of polio is virtually complete, it has seemed to some that the victory may prove the very undoing of the National Foundation. Indeed, a few authorities openly favored closing down as the only honorable course for the organization, once triumph was proclaimed. Nothing could have been better calculated to get O'Connor into a fighting Irishman's stance.

Actually, he was well ahead of his critics. Several years before the Salk vaccine work was completed, O'Connor marshaled his expert forces to begin a study of what new course, if any, the foundation should set. Foundation trustee George Gallup and a group from Columbia University's Bureau of Applied Social Research studied the situation minutely.

FOUNDATION CARRIES ON

Strong support for continuation came from Dr. Frank L. Horsfall Jr., president of the Sloan-Kettering Institute, and from MWN's editor, Dr. Morris Fishbein. Both these men shared O'Connor's conviction that so effective a social instrument for "applying the benefits of science to the interests of humanity" should not be dismantled.

Many people disagreed, including a substantial number of erstwhile contributors. From its $67-million peak, National Foundation income has steadily declined. Last year's contributions totaled a "mere" $21 million. This sum was given to support the foundation's expanded program of research, treatment, and professional training in the fields of birth defects and arthritis, and for the partial support of the new Salk Institute for Biological Studies located at La Jolla, Calif.

The Salk institute is clearly O'Connor's pet project. He describes it as "a focal point of man's greatest endeavor to learn about himself and to improve his condition on this earth."

Dr. Salk is both director and a research fellow of the institute. Its board of trustees is headed by Dr. Warren Weaver, dean of American natural scientists. In essence, Dr. Weaver says, the aim is to bring together under one roof scientists interested not only in one branch of science, or exclusively in science itself, but in the whole range of the humanities, the creative arts, and the creative side of man's life. Resident fellows are to be stimulated by contact with visiting nonresident fellows.

Such a concept is understandably dear to O'Connor's heart. He has been called a kind of human catalyst who has already set off a good many reactions. Some of these generated dazzling light, others blistering heat. Like a chemical catalyst, O'Connor always seems to come out relatively untouched in a human way.

"Sometimes I feel sorry for O'Connor," one of his associates says. "He mingles with the great and near great on equal terms. He must have a huge list of acquaintances, but inevitably his job permits him few close friendships."

This scientist is one of the few who have penetrated O'Connor's disguise as a tough Irish autocrat whose childlike vanity is protective coloration for the highly sensitive inner man. The real O'Connor is much more like the embattled "diminishing citizen" whose cause he pleaded at the 50th reunion of his Dartmouth class of 1912. He feels beset on every hand by what he calls today's "climate of enormity."

"Only at the point where biography intersects history," he told his classmates, "can individuals achieve that dignity and meaning which is the mainstay of a free society."

SEARCH FOR UNIVERSAL IMMUNITY

To Basil O'Connor, that point has been his role as lay leader of one of the most spectacular offensives ever mounted against a human ailment. Today, he carries on against birth defects and arthritis but really for life. Polio was a disease that plagued rich countries with good sanitation, and that fact taught him that "the survivors of bad sanitation have acquired immunity to many diseases. High mortality is one way you get that kind of broad immunity. There ought to be a better way to redeem our children from men's ancient afflictions and deficiencies."

To the support of the search for that universal immunity O'Connor obviously intends to give the rest of a life devoted to leading privately supported public health programs, a lifework for which he has never been paid a penny. He is the first to assert that he has received other rewards, far more dearly prized. To him, the need to help his fellow man, to participate in what Dr. Salk has called "an assault on the unreasonableness of life," has become as urgent as hunger.

A cynic recently called O'Connor "a man without a disease." Not so, replies an admirer. O'Connor is hopelessly infected with life, and he trusts the infection will continue to be both virulent and contagious.

A WOMAN WRITER TAKES A CRITICAL LOOK AT AMERICA

Mr. TALMADGE. Mr. President, one of the most outstanding reporters in the country is Mrs. May Craig, Washington correspondent for the Portland, Maine, newspapers. She is especially well known for her excellent writing and as a persistent panelist on the television program, "Meet the Press."

In the March 2 issue of U.S. News & World Report, there was reprinted an excellent article by May Craig, which I earnestly recommend to the Senate. Mrs. Craig, like so many of us, seems to be greatly concerned about the future of the United States because of policies both at home and abroad which leave a great deal to be desired.

I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Woman Writer Takes a Critical Look at America

(By May Craig)

Unless there is a change, deep down, in the American people, a genuine crusade against self-indulgence, immorality public and private, then we are witnesses to the decline and fall of the American Republic.

Death on the highways, a pack a day, cheating from top to bottom in our society, get rich quick, break-up of the family, faltering in foreign policy, reckless debt—these have destroyed nations before us. Why should we think we can take that path and change history?

Look around you, and everywhere you see lack of principle and steadfastness in the right and brave. The disgraceful cover on the recent issue of a publication with a nationwide circulation and its palliating story of sexual immorality adds adult consent to the looseness of our youth, already far down the road of delinquency, shiftlessness, derogation of virginity in our girls who will be the mothers of tomorrow.

There is no financial morality in our Government—"Charge it," is the accepted practice.

Round the world they think they can take our money with one hand and slap us in the face with the other. We talk of our "leadership," but we are apparently incapable of giving leadership.

One listens with dismay to the campaigning for the presidency that is going on. Oh, for a crusader to call us back to dignity and strength and austerity.

What was that last word? "Austerity"—plain living and high thinking, putting our money into the real things of life, not mink-handled saucepans and three cars in every garage; public servants who are not Bobby Bakers. Schools for the young, care for the elderly, strength so that none will dare attack us, a worthy succession to those men with feet wrapped in bloody bandages at Valley Forge to give us liberty. How have we used the liberty they bought for us so dearly?

Because it is unpleasant to think of unpleasant things, we say the Soviet Union may be changing its determination to "bury us." Red China is bad, of course, but maybe not Khrushchev. Halfheartedly we send American men to die in jungles, where we do not have the guts to go in to win or to stay out.

We sell wheat to Russia to save her from a demonstration that communism cannot produce enough food for its own people. If we do this to get rid of surplus wheat, which we have already subsidized and which we will subsidize again to give it to the Communists cheaper, we might try discouraging the production of surplus wheat and remember the old-fashioned private enterprise where one grows for the market, not the Government storage bins.

We faltered in Cuba and now she is the homeland of subversion of all Latin America and Africa. Where will we find a strong man to lead us? Would we vote for one if he campaigned, crying in the wilderness that we come and be saved, from ourselves? We could have saved Cuba for freedom, and saved ourselves and the rest of Latin America from this nest of communism, but we did not. Around the world they do not believe what we say; they look at what we do.

The United Nations was founded in this country. Now it is a messy combination of polyglot nations, old and new, grabbing for our money and ignoring our halfhearted arguments.

The idea of letting in a small nation of fewer than a half million people, utterly inexperienced in governing itself, unproved as a stable, honest state—letting them in within a few days of their establishment. We might at least insist on a period of probation.

The United Nations itself should be forced into financial honesty by the United States refusing to keep on paying the bills while many get a free ride while outvoting us. The idea of letting in Red China in the face of the charter which says, "peace-loving nations." True, we are against letting Red China in, but all we do is get out our handkerchiefs and weep into them while the majority in the U.N. does as it pleases.

We waste untold sums on useless defense, and fail to keep ourselves truly strong in all fields, to be able to fight small as well as missile wars.

We sign test ban treaties with known enemies, known defaulters on treaties, that we will not test as we may need to. Why should we put our defense in such an agreement? If our defense experts—not businessman McNamara [Secretary of Defense]—say we need to test, then let us test without asking permission of friend or foe.

We fiddle-faddle in southeast Asia, and may be ignominiously pushed out. Maybe we should never have gone in there—let the Reds take it—but there is one thing for sure: If we go in anywhere, we should go in to win.

We are losing the respect of the world, and respect is more necessary to a nation, as to a person, than affection. We get little affection from the people we have helped over the years—and we are losing respect.

Nobody respects a fumbler, a weak man, a wobbler, in policy or deeds.

First, every one of us has to clean out weakness and selfishness and immortality of all types. Then choose leaders who with strength and principle and intelligence will lead us to where we can have self-respect and respect of others.

Would we elect such a man if he campaigned on such a platform?

RACIAL DEMONSTRATIONS ON THE EASTERN SHORE OF MARYLAND

Mr. BREWSTER. Mr. President, the past few days has seen a renewal of street demonstrations in Cambridge, Md., and the first sparks of violence in the small college town of Princess Anne. The renewal of demonstrations on the eastern shore of my State is extremely disappointing to me.

I had been very hopeful that the problems of racial discrimination could be worked out entirely at the local level. The city of Salisbury, surrounded by this racial violence, has worked hard to meet the requirements of social change. Its citizens have been fittingly rewarded by the presence of peace, good will, and economic prosperity.

The need for the civil rights bill now before Congress is clearly evident in Maryland. The violence that has occurred in the past days took place in areas exempted from the State public accommodations law. There have been no serious incidents and no racial disturbances in any part of Maryland where the equal accommodations law exists.

All Americans must be conscious of their responsibility to live together in harmony and in peace. The civil rights bill will, I believe, make a very significant contribution to community relations in many parts of our land. I am giving it my vigorous support in the hope that it will be helpful in the resolution of problems on Maryland's eastern shore.

In the meantime, every effort must be made to negotiate differences in an atmosphere of calm. We need new approaches—positive and constructive thinking, combined with positive and constructive action. The alternative to this attempt at a new direction for the attitudes, ideas, and forces contending is unimaginable.

Mr. President, I ask unanimous consent that an editorial expressing these sentiments, from the February 25 edition of the Baltimore Sun, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PRINCESS ANNE

Handsome old dwellings and the looming sycamore trees are one part of Princess Anne. The modern buildings of the Negro college on the other side of a muddy creek are another part of Princess Anne. The two parts have not had much in common. Princess Anne is a town with a State college which has nevertheless managed not to become a college town. Over the years the students have been discouraged from patronizing local commercial establishments, particularly eating places, and have looked to nearby Salisbury as their off-campus commercial center, especially since Salisbury proved so responsive to the requirements of social change.

The racial status quo in Princess Anne was not likely to remain forever. Bitterness on the campus part of town has been evident for several years. In the wake of the Cambridge stalemate, in fact, some of the white leaders of Princess Anne organized a citizens group to work out a more viable race relationship in the town. Supposedly the eating places were opened to Negro patrons. But as it turns out, the town had moved only part way, and part way was not enough.

Abruptly the issue of racial desegregation in Princess Anne has moved into the streets, in a direct confrontation between Negro impatience and set white minds. The streets are a poor place to settle delicate issues. What is desperately needed is understanding: The understanding among Princess Anne's white citizens that the Negro students are asking for no more than what Negro citizens throughout the United States have asked for and, in most instances, have received; the understanding among the Negro demonstrators that there is good will in the white community which is worth nurturing, even if it means seemingly endless hours at the conference table.

When tempers flare and irresponsible persons are given an opening for violent retaliation, all is lost. Nobody in Princess Anne, of either race, should want another Cambridge. The State police and, if necessary, the National Guard can keep the peace by turning Princess Anne into an armed camp, but neither side should want that, when in an atmosphere of mutual desire for reconciliation reasonable men can, if they will, reach reasonable solutions of differences.

POEM IN TRIBUTE TO THE LATE PRESIDENT KENNEDY

Mr. EDMONDSON. Mr. President, many poems and other tributes have been written about the late President Kennedy since his assassination on November 22, 1963.

One which I felt was very moving was written by David Randolph Milsten of Tulsa, Okla., and printed in the Tulsa World.

Mr. President, I ask unanimous consent that Mr. Milsten's poem, "John Fitzgerald Kennedy," be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

JOHN FITZGERALD KENNEDY

(By David Randolph Milsten)

It is hard to conceive the enormity
  Of the events which have taken place,
The full impact of our Nation's loss
  Was reflected in every face.

The assassin's deed was swiftly done,
  Dastardly malicious, brutal and quick
It left us stunned in icy shock
  And turned our stomachs sick.

Man could not tell to others
  The supplications to be said
Yet, propelled by broken hearts
  They whispered, "Our President is dead."

Through the miracle of television
  In the homes of our treasured land
They came to know the beloved Chief
  And extended him their hand.

He championed the cause of civil rights
  And vigor sparked his eyes
Now closed to the mortal world
  As in death's repose he lies.

Prime Ministers, Kings and Princes
  Joined with thousands to appear
And bestow the honors due him
  As they mournfully passed his bier.

The world will know and long remember
  That peace was his constant goal,
Surely for such an illustrious son
  There is an immortal role.

If prayer can be the passport
  To the presence of Almighty's grace
The whole universe has joined to
  See him safely to his place.

Dear God, his soul is yours forever
  He has come to you without despair
And we pray that what he sought
  Will be waiting for him there.

DEATH SENTENCE FOR KNITTING

Mr. KEATING. Mr. President, it is a barbaric manifestation of Communist economic and moral values that as many as nine persons have been sentenced to death for participation in private enterprise. What these unfortunate persons are guilty of appears to be an effort to engage mental patients in the production of knitted goods which were then sold in a number of places including railroad waiting rooms in Moscow.

Mr. President, it is hard for the inhabitants of any civilized nation to understand why knitting should be a crime or the sale of knitted goods would involve the death sentence. Undoubtedly, harsh Soviet action against those who engage in any form of private economic activity is a deliberate attempt to encourage anti-Semitism in the Soviet Union. It is no coincidence that these defendants, as well as a number of others who received shorter sentences, are known to be Jewish, and the Soviet press has gone out of its way to emphasize this fact in any cases where Jewish defendants are involved.

Mr. President, the whole free world should express its dismay at the harsh sentences handed down in this manner. The Soviet Union seems to be reverting to the blackest days of medieval feudalism when capital punishment for stealing a loaf of bread was not uncommon and when persecution of Jewish merchants was commonplace. Such harshness from a Soviet court of justice certainly suggests that communism is not the way of the future, but instead the way of a dark and terrible past which other free nations of the world must deplore.

SHORTAGE OF SCIENTISTS AND ENGINEERS

Mr. FULBRIGHT. Mr. President, in recent years, especially since the space race began, we have heard time and time again about the serious shortage of scientists and engineers in this country. Last week an article appeared in the Wall Street Journal which indicates that perhaps we have been laboring under a false impression all this time and that the shortage was strictly artificial. According to this article, we may even have a surplus of engineers—at least in defense and space industries.

From 60 to 70 percent of the Nation's engineers are directly or indirectly involved in defense and space work, according to a statement in the article attributed to Mr. Carl Frey, executive secretary of the Engineering Manpower Commission. Apparently, it has been common practice in these industries to "stockpile" engineers, since as a rule the companies operated under cost-plus-fixed-fee contracts. This practice was—and is—used to prove the technical competence of the company to defense officials in order to obtain additional contracts. All this waste of talent was ultimately paid for by the taxpayer. There is little wonder why we are having such difficulty in competing for world markets when consumer-type industries are deprived of needed engineering and scientific personnel by such practices.

Fortunately this type of activity is being eliminated through increased reliance on incentive contracts which encourage defense and space industries to cut costs. Although progress is being made, there is still a long way to go. For example, I am advised that during the 1963 fiscal year, 77 percent of NASA's direct contract awards of $25,000 and over—totaling $1,618 million—were made on a cost-plus-fixed-fee basis. The picture is improving and it is high time that corrective action was taken.

According to the Wall Street Journal article, the current slump in demand for engineers results primarily from uncertainty about future spending on defense and space programs. Although the defense budget for the next fiscal year calls for a reduction of only $1.3 billion, the space budget is $200 million above last year's appropriation. If this minute shift in defense spending is sufficient to bring about a severe curtailment in the demand for engineers and other skilled technicians, it makes one wonder what will happen to this important segment of our economy when there is more than a token cutback in defense outlays.

I ask unanimous consent to have the article printed in the body of the RECORD at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

Uneasy Engineers—Many Seek To Acquire New Skills as Demand Softens, Layoffs Mount—Defense Cutbacks Big Factor; Firms Curb Stockpiling of Engineers To Cut Costs—Rush Back to the Classroom

(By Alfred L. Malabre, Jr.)

Carl Ferrar recently returned to the classroom for retraining.

No displaced coal miner, 26-year-old Mr. Ferrar has a master's degree in electrical engineering. But he nevertheless feels he needs more education to keep a firm hold on his research job at Raytheon Co. So he's now on leave from the electronics company, seeking a doctorate in aeronautical engineering at the University of Connecticut's Storrs campus.

"I've seen several of my colleagues at Raytheon laid off recently," Mr. Ferrar says. His job there is plasma research, a relatively new science not related to the familiar blood component. It involves finding ways to get energy from superhot gases, and Mr. Ferrar says an understanding of aeronautical as well as electrical engineering has become necessary in this work.

His efforts to safeguard his employment is no alarmist precaution, evidence from many quarters indicates.

DECLINING DEMAND

Demand for engineers and other highly skilled technicians stands at only 65 percent of the 1961 average, reports Deutsch & Shea, Inc., a New York-based technical manpower consultant. The 65-percent figure is the lowest on record since Deutsch & Shea's monthly demand index was started in mid-1960; the index is based on the volume of help-wanted advertising in technical journals and newspapers across the land.

Engineering salaries also suggest a slackening of demand. Since 1960, studies indicate, salaries for beginning engineers have risen less than 4 percent annually, on average, far below the average yearly increase of about 8 percent in the mid-1950's.

"There's no question that the market for engineers has softened considerably," says Carl Frey, executive secretary of the Engineering Manpower Commission, a nonprofit arm of the Engineers Joint Council aimed at promoting more effective use of engineers. "The man who hasn't kept up with the latest developments is in trouble."

Mr. Frey ticks off a list of emerging engineering technologies that includes not only Mr. Ferrar's plasma, but also such esoteric fields as lasers, masers and bioengineering, to mention only a few.

IMPACT OF DEFENSE CUTBACKS

Defense spending cutbacks are a major factor in the demand slowdown. President Johnson's recent budget message calls for a $1.3 billion cut in defense expenditures next fiscal year. And, although the message indicates a slight rise in space spending, a McGraw-Hill Publishing Co. survey issued this month finds that industry's space outlays will sink 12 percent this year, a sharper decline than in any other of the 23 business categories polled.

"From 60 to 70 percent of the Nation's approximately 900,000 engineers are tied directly or indirectly to defense and space work," estimates Mr. Frey.

Defense spending, of course, could suddenly spurt if the cold war heats up. In the meantime, however, here's what's happening to engineers in several defense-oriented companies:

Sperry Rand Corp.'s Sperry Gyroscope division recently furloughed 100 engineers, the first such layoff in the division's 54-year history. Tied almost entirely to Government business, Sperry Gyroscope sliced its total employment to 6,000 from 32,000 right after World War II, but dismissed no engineers.

Republic Aviation Corp. has released 240 engineers, most of them aeronautical, just since January 1. Republic builds the F-105 fighter-bomber, which is being phased out by the Air Force.

Radio Corp. of America's defense electronics division has furloughed some 500 engineers in the past year at its Camden and Moorestown, N.J., facilities. By retraining many of them for other engineering jobs, however, the company has managed to relocate all but 135 of the original 500.

PROBLEM AT BOEING

Boeing Co. won't discuss engineering layoffs publicly, but privately its personnel department is urgently writing other corporations trying to find jobs for those dismissed. Sources close to Boeing estimate 1,500 engineers have been trimmed at its Seattle facilities since August; jobs have been found at other Boeing plants for only about 350 of the 1,500. Chief cause of the slash: Cancellation of the Dyna-Soar space glider program.

American Bosch Arma Corp.'s Arma division in the past year has cut engineering employment at its plant near Garden City, N.Y., by 804, leaving only 616 engineers on the job. Many of those laid off performed guidance work on missiles that the Government no longer wants in large supply.

Some extremely seasoned and respected engineers were swept from the employment ranks in the Arma reduction. "I'm 54 years old, with 30 years' experience," says Edward Keonjian, among the most senior of those released. "I never would have believed I'd be out hunting for a job." Mr. Keonjian, whose long list of credentials includes authorship of a leading book on electronics, has been more fortunate than many of his former Arma colleagues, however; he recently landed a new job at Grumman Aircraft Engineering Corp., whose force of engineers, contrary to the trend in many companies, is rising.

"It's just plain nonsense to talk about a shortage of engineers," says Mr. Keonjian, clearly worried by his recent brush with unemployment.

Increasing Government use of "incentive type" contracts is compounding the impact of defense cutbacks, some observers say.

Under such contracts, companies bid competitively for Government jobs much as they would in private industry. If the company winning the contract does the job at less expense than originally estimated, it receives a bonus; conversely, if costs go above the original estimate, penalties are applied.

Previously, the Government relied largely on cost-plus-fixed-fee contracts, under which it would pay the cost of the job, plus a predetermined extra fee. Such contracts encourage a "complacent attitude toward cost reduction," says an official of Martin-Marietta Corp.

NINETY PERCENT BY 1966?

By 1966 about 90 percent of all defense procurement will be on an incentive basis, estimates Frank Coss, a Deutsch & Shea vice president. And, he notes, "the effectiveness of incentive contracts is also being studied by NASA," the National Aeronautics and Space Administration.

Use of incentive contracts, among other things, will prompt more firms to trim "stockpile" engineers from their staffs, Mr. Coss predicts. By such stockpiling, companies employ more engineers than they really need, keeping the extras busy on drafting and other chores than can be done by less highly trained technicians.

"The old cost-plus-fixed-fee arrangement encouraged companies to prove their capabilities by the number of engineers and scientists they kept on their staffs, in the hope of being assigned contracts," says Mr. Frey, of the Engineering Manpower Commission. A Sperry Gyroscope spokesman adds, "The swing to incentive-type contracting definitely affects stockpiling of engineers."

Despite recent tightening up, however, stockpiling is by no means yet a thing of the past.

DRAFTSMEN TO SALESMEN

A recent study by the National Committee on Employment of Youth, a nonprofit employment research group in New York, estimates only about half of the country's engineers actually are employed "in engineering work; the rest are acting in many capacities, from draftsmen to salesmen."

Despite its big cutback, American Bosch's Arma division still has "many engineers performing lower-grade technicians' work," an official says. "We must try to preserve as much of our capabilities as possible, in case things suddenly turn around."

On top of the Government squeeze, the demands of fast-changing technologies are spurring many engineers, such as Raytheon's Mr. Ferrar, to return to school. Result 14 percent more engineering doctorates were awarded in 1963 than the year before and the master's count rose by 8 percent; bachelor awards fell about 4 percent, perhaps reflecting undergraduate awareness that the demand for engineers has been softening.

Noting the whirlwind technological pace, Arthur B. Brownell, University of Connecticut dean of engineering, says, "An engineering student of 10 or 15 years ago coming back to college now would hardly know what's going on."

Even ancient engineering disciplines now demand space-age knowhow. Example: The recently named head of the department of naval architecture and marine engineering at the Massachusetts Institute of Technology is, of all things, an aeronautical engineer.

"There was a time when it was a relatively simple matter to study about ships," says an MIT administrator. "Now you get into jet propulsion, nuclear reactors and all sorts of amazing things."

SOME PAY OWN WAY

Many engineers are paying their own way back to the campus. Carl Ferrar's presence at college, for instance, is voluntary; with the help of a NASA grant, he will pay the education bill himself and his Raytheon salary has been suspended.

Still other retrainees are returning at full salary to the campus on "work study" assignments, financed by their companies.

International Business Machines Corp., heavily dependent on engineers, maintains a massive, rapidly expanding work-study program. Some 1,200 IBM engineers and scientists currently attend universities across the country, from Stanford in California to Syracuse in New York State, taking courses leading to a master's degree. The employees study 40 technologies, ranging from electrical engineering to physics. As recently as 7 years ago, only 334 IBM personnel participated and only 18 technologies were studied.

IBM's rapidly mounting education bill suggests the attention the company is paying to upgrading its employees. The bill has soared 180 percent since 1958, more than twice the gain in IBM's gross domestic income in the same period.

University administrators report a rush of engineers back to the classroom. "We have 560 engineering students, sent to us by various companies, taking evening courses leading to a master's degree; that's over 25 percent more than we had last year," says Mr. Bronwell at the University of Connecticut. "The companies are paying all or part of the expense in each instance; most employers now clearly recognize the need for continuing the education of their technical personnel."

At MIT's Cambridge, Mass., campus, ground will be broken later this year for a $5 million advanced engineering center, to be paid for through an Alfred P. Sloan Foundation grant. The center will provide "continuing education for seasoned engineers," says Harold S. Mickley, named to direct the program. Mr. Mickley hopes the center will be in "full operation by 1966; about 300 engineers will move through the program in a year, and their tuition presumably will be paid by their firms."

Many companies are setting up retraining programs at plant locations. At a luncheon next week, for example, E. Donald Gittens, an American Bosch vice president, will hand "diplomas" to 100 Arma division engineers, the first graduates of a new 17-week "technical education program" conducted at the division's facilities. Two hundred more of the division's remaining engineers will participate in the second session of the program, which will commence shortly. Subjects reviewed range from "advanced transistor circuit design" to "digital computer systems."

TARIFF NEGOTIATIONS

Mr. SCOTT. Mr. President, the steel industry recently has been presenting its views with respect to the forthcoming Kennedy round tariff negotiations. Representative of the industry's viewpoint is an oral statement delivered before the U.S. Tariff Commission by W. E. Mullestein, vice president and general manager of Lukens Steel Co., Coatesville, Pa. I ask unanimous consent that the text of his statement be inserted in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY W. E. MULLESTEIN, VICE PRESIDENT AND GENERAL MANAGER OF LUKENS STEEL CO., COATESVILLE, PA., BEFORE THE U.S. TARIFF COMMISSION, FEBRUARY 19, 1964

My name is W. E. Mullestein, and I am vice president and general manager of Lukens Steel Co., Coatesville, Pa. I am generally familiar with the production and commercial aspects of the steel plate industry.

First, let me say a word about the company I represent. Lukens is the Nation's fourth largest plate producer with annual sales of about $100 million. Its plate capacity is estimated as 7 percent of the total plate capacity of the industry and about one-half of 1 percent of the ingot capacity of the industry as a whole. Thus, while by some standards it may be termed a medium-sized enterprise, it is relatively small in relation to the total industry. In contrast to other companies comprising the steel industry, Lukens concentrates on steel plate as a specialty producer, with particular emphasis upon high grade carbon, alloy, armor, and clad steels. We also fabricate various plate shapes and heads for the durable goods market. Our production is geared to these products and the facilities are not convertible to any other product line without investment prohibitive to our means.

Our working force consists of 4,600 employees. Thirty-three percent of these are highly skilled, 41 percent semi-skilled, and only 26 percent have limited skills which can be readily acquired. They are entrusted with the manufacture of plates which are individually worth as much as $10,000 on a day-in-and-day-out basis, and consequently their acquired skills are so specialized that they cannot be readily utilized in other industries.

I have outlined these facts in order to demonstrate the serious consequences of any erosion of our markets. We are not concerned with any legitimate competition, as we have been in business since 1810 and have survived many critical periods. We are genuinely concerned with being put in the position of being hamstrung while being assaulted from all sides by others possessing insurmountable advantages and supported by their governments. This is exactly the situation that is shaping up in the import and export market for steel plates today.

Lukens has spent over $50 million in the last 8 years in order to remain competitive. We are now conducting engineering, market, and cost studies to determine how we may best continue to invest in the future, but the fact of the matter is that this would be futile if our foreign competitors are permitted to steal our business by the use of dumping practices and with the subsidization of their respective governments. If they are permitted to continue, the end result can only be loss to investors, waste of valuable facilities important for national defense, and unemployment for steelworkers, most of them homeowners located in what is already a substantial labor surplus area.

Now let me turn to the plate segment of the steel industry. Steelplate is a product which is not familiar to most people and is not generally used in consumer goods. It can be from three-sixteenths of an inch to 25 inches thick, 8 to 200 inches wide, and from 5 to over 60 feet long. One plate can weigh as much as 100,000 pounds. Its principal use is the building of plants and equipment for the petroleum, chemical, electrical, machinery, shipbuilding, transportation, and construction industries. It is a critical product in national defense, being used in submarines, nuclear reactors, and heavy defense needs.

Historically, the demand for plate does not necessarily fluctuate with the rise and fall of the overall use of steel. During the period from 1952 to 1957, U.S. plate production averaged about 9 million tons a year with a peak of over 11 million tons in 1957. Since that time the average has dropped to about 7 million tons. This reduction is attributable to the change in demand from durable to consumer goods, a shift in military procurement from conventional armaments to missiles and electronics, economies achieved by research and development of high strength steels resulting in weight savings, and, last but not least, the reduction of exports and the increase in the importation of foreign steel. On the other hand, estimated capacity has risen from about 8 to 11½ million tons. This overcapacity condition is expected to be aggravated since the forecast of U.S. plate production projects a reduction to 6¾ million tons in 1970.

Thus in a static market where there is already substantial domestic overcapacity the effect of reduced exports and increasing imports becomes extremely critical. A ton increase in imported plate does not answer an increased demand for that product, but actually results in a ton decrease for the domestic producers. If our position in the domestic market has deteriorated, the situation in the world market is worse. In 1952, U.S. plate production accounted for about one-half of the total free world plate tonnage whereas in 1961 (the latest figure available) our participation had dropped to a little over a quarter and by 1970 it is estimated to be about one-fifth. Thus it is apparent that a loss in the domestic market cannot be offset by making inroads in the world market. On the contrary, the U.S. producer is losing in both. The loss in exports would even have been greater were it not for the fact that almost one-half of our steel plate exports in the first 9 months of 1963 represented AID shipments which in effect amounted to a captive market.

I believe I have said enough to demonstrate the seriousness of the situation as it applies not only to Lukens but the U.S. steel plate industry generally. It is, therefore, now appropriate to explore the causes. The home market price is logically the first place to look. The principal sources of imports of plates are Japan, the Common Market, and Mexico, but the tables of our written statement indicate that the home market prices of these countries are about the same as those of the U.S. producers.

While the differences in the cost of transportation and the tariff rates have not been significant, it should be noted that recently most countries with lower tariffs on steel plate just last week raised their rates to the Italian level which is higher than the U.S. level. Furthermore, the United States computes its tariff on an f.o.b. rather than a c.i.f. basis in contrast to our principal foreign competitors.

The real answer, however, lies in nontariff trade barriers, subsidization by government, and dumping. All of these subjects have been thoroughly discussed and analyzed by others who have already appeared here and are illustrated in the written statement filed with this Commission. I should, however, like to call attention to the fact that the cost of entry into the United States of a ton of carbon steel plate is only $7.31 as compared to three times this much in Japan and as high as six times this much in France. I should also like to point out that not only do our foreign competitors have this advantage as a protection against imports, but they are also subsidized by their governments in the export market by such devices as tax rebates. Needless to say, the U.S. producer does not expect such favored treatment, but we do believe that we should be given protection against others who do receive it. The tables of the written statement show effect of such policies, in conjunction with the ability to practice dumping, and the comparison between home market prices and export prices is striking.

Furthermore, the importation of foreign steel causes a net loss in tax revenue accruing to our governmental authorities. Our brief shows that over $5 million in taxes were lost in 1962 as a result of the 150,000 tons of plate which foreign producers shipped into the United States. Thus, the net loss in tax revenue for each ton of imported steel plate amount to $33.

Over the past 2 years, Japan, Mexico, and the E.C.S.C. have together accounted for more than three-fourths of the steel plate imported into the United States. It is interesting to note that the country with the highest tariff, Japan, is also the one that in the past few years has shipped the largest amount of plate into the United States. The second largest importer to the United States is Mexico, a country which has not been referred to extensively by others. You will note on page 24 of our statement that Mexico in the last 5 years has increased its export of plates to the United States from nothing to over 50,000 tons in the first 10 months of 1963, whereas our exports have decreased from 2,000 tons to about 600 tons over the same period of time. The Mexican imports represent about 10 percent of the steel plate market in the southwest area of our country. Mexico is now the fastest growing participant in the U.S. plate market.

Mexico and Japan have been the two largest recipients of U.S. financial assistance in their steel industry, eight Japanese steel companies have received $276 million and nine Mexican companies over $90 million. The U.S. producer with private capital is now ironically faced with serious injury as a result of the predatory practices of those foreign producers financed out of the U.S. producers' taxes.

A look at the written statement will show that Mexico sells steel to the United States at a base price of more than $31 a ton lower than the price in Mexico. At the same time, however, this problem of cost of entry, referred to above in connection with other foreign countries, does not even apply to Mexico. There is no cost of entry into Mexico because there is no entry except by license, and this is given only if the steel cannot be produced in Mexico. In effect, imports are prohibited.

I have tried briefly to sketch the serious consequences for the U.S. steelplate industry which will result if the present foreign practices are not prohibited or equalized. I have tried to point out what these practices are and how they unfairly penalize the U.S. steelplate producer. On behalf of Lukens and other U.S. steelplate producers, I should now like to urge your earnest consideration that:

1. U.S. steel tariffs be placed on the reserve list.
2. Effective action be taken to prevent dumping of steelplates in the United States.
3. The cost of entry of steelplates into the United States and other countries be equalized.
4. Failing the above, U.S. tariffs on plates be adjusted upward to accomplish a comparable result.
5. If tariffs cannot be adjusted sufficiently to be effective, a system of plate quotas be adopted as a temporary measure until the U.S. producer is granted the opportunity to compete on an equal footing with the foreign producer.

Gentlemen, we believe that your aggressive and successful efforts for such remedial action will go far to remove existing inequitable conditions and enable U.S. steelplate producers to compete with producers in other nations whose economy has not as yet reached our standards, whose governments subsidize their industries, whose depreciation rates are designed to attract capital, and whose corporations are allowed to enter into international monopolies.

Thank you for your attention.

FLORIDA EAST COAST RAILWAY

Mr. HART. Mr. President, I hope the issue raised yesterday by the Senator from Oregon when he introduced S. 2561 receives early attention by the Committee on Banking and Currency of the Senate. It seems an urgent and important matter.

As my friend from Oregon remarked last evening, the Florida Du Pont estate appears to be an extraordinary combination of banks, industries, railroads and real estate. The Miami Herald of last Sunday described this Du Pont estate as "Florida's most powerful economic-political force," valued at well over a billion dollars—and all in the hands of one man.

One would expect combinations of this sort to be subject to our antitrust laws. As my colleagues know, I have a particular interest in the antitrust field. It is an area of great concern to me.

It surprises one that this great Du Pont estate, with its 31 banks, was exempted from the Bank Holding Company Act. As the Senator said, that act is essentially an antitrust measure, designed to prevent unfair competitive practices and the growth of monopolistic tendencies in the banking industry.

Certainly the Du Pont estate's exemption from the Bank Holding Company Act—based on the record put before us by the Senator from Oregon—deserves early attention. I hope the committee will be able to consider this bill at an early date.

VICIOUS ANTI-SEMITISM OF THE RUSSIAN GOVERNMENT

Mr. WILLIAMS of New Jersey. Mr. President, the New York Times for February 27 contained a shocking report that an official agency of the Soviet Government was publishing a vicious and slanderous tract attacking members of the Jewish faith.

A book entitled "Judaism Without Embellishment" is being distributed under the imprint of the Ukrainian Academy of Sciences. It is an absolute perversion and distortion of fact under the guise of "science." The Jews were viciously persecuted under the czars. It is a tragic fact of history that the present totalitarian regime in Russia has inherited and continued the anti-Semitic policies of its predecessor. The shocking fact is that this book is not the work of some demented crackpot, but an official effort of an alleged academy of science. The cruelest lie in this tract is the charge that Zionist leaders aided the Nazis. This is brazen and outrageous rewriting of history.

Religion is and will be the greatest threat to totalitarian rule. The strength men draw from their faith in God will always make them strive for freedom. The Russians have worked relentlessly to destroy religious faith. They have not been successful and never will be.

I hope that outraged world opinion will force the Russians, who pass themselves off as the protectors of minorities, to stop continuing the ideology of the Nazis they say they so despise.

I ask unanimous consent to insert the two articles in the RECORD on the subject.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVIET SAID TO DOOM NINE IN BIG FRAUD RING

(By Theodore Shabad)

MOSCOW, February 26.—Nine persons have been sentenced to death as members of a Moscow fraud ring involving Soviet officials, according to reliable sources.

Four others have been given 15-year jail terms and about 10 others, lesser prison sentences after a 2-month trial of 23 persons, all of whom were found guilty of having participated in a private enterprise ring. Eighteen of the accused are understood to be Jews.

It was not known how many of the nine sentenced to death were Jews and whether they included the ring leader, identified as Shakerman, who received a separate death sentence earlier this month. The only other members of the ring who have been identified in the press are Roifman and Galperin, both Jewish names.

The ring was said to have netted three million rubles ($3.3 million) by using mental patients to produce knitted goods, which were then sold through illegal retail outlets in the marketplaces and railway stations.

The illegal shops and vast supplies of raw materials were obtained by bribing Soviet officials.

In an appeal to Premier Khrushchev, made public February 17, a group of distinguished Western citizens, including six Nobel Prize winners, expressed concern that about half of those executed in the Soviet Union for economic crimes in the last 3 years were Jews.

Soviet authorities have steadfastly denied that the nationality of the accused in crimes of embezzlement, bribery, theft of state property and so forth had any bearing on the cases.

Last October, Izvestia, the Government newspaper, demanded a major show trial of the Shakerman ring as a deterrent against economic crimes which have shown no indication of declining despite the imposition of the death sentence since 1961.

Izvestia identified some of the Jewish accused by name and added:

"We mention the Jewish surnames * * * because we pay no heed to malicious slander that is being stirred up in the Western press from time to time. It is not Jews, Russians, Tartars or Ukrainians who will stand trial—criminals will stand trial."

TRIAL CLOSED TO PUBLIC

Plans for a show trial were shelved, presumably because of the involvement of bribetaking Soviet officials. When the trial opened without publicity late December, the public and Western newsmen were not admitted.

Outsiders were understood to have been barred from the courtroom because the bribetakers were to be identified during testimony.

RAILROAD OFFICIALS INVOLVED

The officials are known to include two former masters of the Kursk railroad station, one of the busiest railroad stations of the Soviet capital.

They were given 7-year prison terms last September for having accepted 1,300 rubles ($1,443) and other gifts from the Shakerman ring.

The Western expression of concern over Jewish involvement in the economic crimes was contained in the appeal urging better treatment of the Soviet Union's 2½ million Jews. The appeal, dated December 2, was made public by Bertrand Russell, the British philosopher, after no reply had been received from Mr. Khrushchev.

The signers told the Soviet Premier they hoped Soviet Jews would "be permitted full cultural lives, religious freedom, and rights of a national group, in practice as well as in law."

The Nobel Prize winners who joined the appeal were Dr. Max Born of West Germany, Francois Mauriac of France, Lord Boyd Orr of Britain, Prof. Linus C. Pauling of the United States, and Dr. Albert Schweitzer.

KEATING DISTURBED

Senator KENNETH B. KEATING said today that he was disturbed by State Department reluctance to blame the Russian Government for anti-Semitism within the Soviet Union.

"The fact that 'official Soviet spokesman consistently deny the existence of any anti-Semitic bias in Soviet policy' is no reason for the citizens of the United States to accept without protest this continuing Soviet prejudice and injustice," the New York Republican said on the floor.

He made public a report from the State Department, prepared at his request, on anti-Semitism in the Soviet Union. In it the Department concluded that official protests would not be "in the best interests of Soviet Jews."

"There is no evidence," the report stated, "that the authorities intend to incite the public to acts of anti-Jewish violence. Rather, they seem to be using popular anti-Semitic sentiments for their own purpose."

SOVIET BOOK ATTACKS JEWS

(By Irving Spiegel)

The American Jewish Committee reported yesterday that an official body of the Soviet Government had published a book utilizing Nazi-like caricatures to attack Jews and Judaism. The committee displayed a copy of the book.

Details of the 190-page volume, in the Ukrainian language and entitled "Judaism Without Embellishment," were outlined by

Morris B. Abram, president of the committee, at a news conference at the organization's headquarters at the Institute of Human Relations, 165 East 56th Street.

The book bears the imprint of the Ukrainian Academy of Sciences. The author is M. K. Kichko, described as a professor of philosophy. The book was printed in Kiev in 1963.

Mr. Abram, a U.S. member of the United Nations Subcommission on the Prevention of Discrimination and Protection of Minorities, denounced the book as a "hodgepodge of misinformation, distortion, malicious gossip, and insulting references to Jews and Judaism."

CARICATURE ON COVER

The book's cover bears a caricature of a Jew clad in a prayer shawl, leading a congregation in prayer and holding money in his hand.

Other captions over caricatures say: "All sorts of swindlers and cheats find refuge in the synagogues," "The swindlers in religious articles sometimes wage battles among themselves over the divisions of the spoils," and "During the years of Hitlerite occupation the Zionist leaders served the Fascists."

Ridicule is leveled in the book against the Talmud, one of the most revered books of Judaism. The Talmud is a compendium of religious and ethical laws that provide a code to daily living and behavior.

Mr. Abram said that about 12,000 copies of the book were in circulation in the Soviet Union.

He added that he would protest the book to Boris S. Ivanov, a Soviet member of the United Nations Subcommission on Minorities.

REPRESENTATIVE RALPH J. RIVERS DISSECTS THE CIVIL SERVICE COMMISSION'S ILL-ADVISED ATTEMPT

Mr. GRUENING. Mr. President, a very foolish attempt is being made by the U.S. Civil Service Commission to upset the long-established patterns of the cost-of-living allowance paid to classified Federal employees in the outlying areas of the United States where unique conditions have properly called for appropriate employment practices. The Commission has sponsored legislation which would seek to substitute in-grade promotions for the present well-established generally satisfactory if not wholly adequate system. Naturally the people of Alaska, Hawaii, Puerto Rico, and the Virgin Islands who would be gravely and adversely affected are up in arms. The economy of these areas would also suffer seriously at a time when the President is waging an all-out war on poverty, and has successfully sponsored tax-cut legislation designed to bolster our economy.

An excellent statement opposing the proposed legislation as far as Alaska is concerned but applicable to the other areas that would be affected if this ill-considered proposed legislation were enacted, was made this morning by Alaska's able Representative, the Honorable RALPH J. RIVERS, before the House Post Office and Civil Service Committee subcommittee considering the legislation proposed in H.R. 7401.

I ask unanimous consent that Representative RIVERS' remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT OF RALPH J. RIVERS, U.S. REPRESENTATIVE FROM ALASKA, BEFORE THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE OF THE HOUSE OF REPRESENTATIVES, IN OPPOSITION TO H.R. 7401, ON FEBRUARY 27, 1964

Mr. Chairman, I appreciate this opportunity to be heard in opposition to H.R. 7401, which would terminate the cost-of-living allowance paid to classified Federal employees in Alaska, Hawaii, Puerto Rico, and the Virgin Islands, and amend the so-called Federal Salary Reform Act of 1962 in such a way as to stretch the pay system set forth in that act to make it fit the unusual situation in Alaska, and the situations in the referenced offshore areas.

Before criticizing this bill, I wish to make it clear that it is my impression that the distinguished chairman of the Committee on Post Office and Civil Service introduced it upon request (although such words were not included on the face of the bill), and that in doing so he lent his name to a bill drafted by the U.S. Civil Service Commission, sponsored by the Civil Service Commission, and promoted by the Civil Service Commission. I base this statement upon the executive request addressed to Hon. JOHN W. MCCORMACK, Speaker of the House of Representatives, under date of May 14 and signed by John W. Macy, Jr., Chairman of said Commission.

Involved in H.R. 7401 is a fundamental dispute. In pressing for the legislation, the Civil Service Commission contends that it is acting under a mandate from the Congress contained in the Federal Salary Reform Act of 1962. I have read this act with care, recognize its applicability to the 48 contiguous States, note that section 502 sets up a criterion of comparability with private enterprise salary rates for the same levels of work upon the basis of national averages, but I fail to find any mandate telling the Civil Service Commission to seek legislation to abolish the cost-of-living allowance in areas where the rates of pay found by determining nationwide averages are inadequate, and, therefore, invalid.

This is highlighted by the fact that upward adjustments authorized in section 504 of the Salary Reform Act of 1962 are limited to the seventh salary rate prescribed by law for classification grades or levels, which fits the economic situation and salary requirements of the older 48 States but is inadequate to encompass the economic situation and Federal salary requirements in Alaska. This is consistent with the fact that a 25-percent cost-of-living allowance has been in effect in Alaska for many years, and ostensibly when the Congress enacted the 1962 act, it intended to keep the cost-of-living allowance in Alaska and the other cost-of-living allowance areas.

This point becomes clearer when you look at the rates of starting pay and maximums within grades up to and including the seventh level presently in effect. The rate at the seventh level is not high enough to encompass present base rates in Alaska plus 25 percent as the equivalent of the cost-of-living allowance, even without considering the increased tax factor. This is tacitly admitted in H.R. 7401, on page 2, section 3(1), lines 19 to 22, which read as follows:

"*Provided*, That in no case, except in Alaska, shall any minimum salary rate so established exceed the seventh salary rate prescribed by law for the grade or level."

Additionally, you will find in section 4 of the bill, lines 6 through 13, on page 3, that admittedly the maximum salary of $20,000 set by the Salary Reform Act of 1962 is considered inadequate for several top grades in Alaska.

This demonstrates to me that in passing the 1962 act, the Congress intended that the base rates to be established thereunder would apply to Alaska without changing the cost-of-living allowance.

Mr. Chairman and members of the committee, let us now look into the original reason for establishing the cost-of-living allowance in 1949 and the part it has played in the maintenance of a good civil service establishment in Alaska.

Postal employees and other Federal civil servants in Alaska couldn't make ends meet on the regular base pay rates in effect in the 48 States. The cost of living in Alaska, which was as high as 50 percent over the national average, impelled the establishment of a cost-of-living allowance. Such allowance, also found to be warranted in other noncontiguous areas of Hawaii, Puerto Rico, and the Virgin Islands, was, therefore, established by section 207 of the Independent Offices Appropriation Act of 1949 with a maximum of 25 percent above the regular base rates. This allowance did not entirely cover the excessive difference between the cost of living in Alaska and the 48 contiguous States, but was a great palliative in removing hardship and in solving the Federal Government's recruitment problem. This 25-percent cost-of-living allowance, combined with exempting same from the Federal income tax, established an equitable situation in Alaska. Permit me to say that in the ensuing years the situation hasn't changed. The latest Bureau of Labor statistics report on the cost of living—using Washington, D.C., as the base—shows as follows: Anchorage, 143.2; Fairbanks, 146.5; Juneau, 132.8. Included in establishing those figures are the following items: market basket, clothing, housing, transportation, recreation, medical care, household services, and household furnishings. Not included in the figure are such items as the high total cost of the large total amount of fuel needed to heat a house during the long Alaska winters, and the cost of heavy winter clothing for all members of the family in addition to the usual wardrobe requirements.

Let us now consider the fact that even if the base pay of Alaska's classified Federal employees were to be raised by an amount equal to the cost-of-living allowance, such base pay raise, as distinguished from the cost-of-living allowance, would be subject, at the top, to the Federal income tax. This alone, generally speaking, would result in 20 percent to 30 percent of such increase in base pay being withheld for taxes and in an equivalent reduction of take-home pay. I might add that in my conversation with Civil Service Commission representatives, I find no disposition to assure that the increase in base pay will equal amounts now attributable to the cost-of-living allowance, much less overcome the added Federal income tax. Thus, under this bill the Federal employees in Alaska are bound to suffer a reduction in total compensation if this bill is passed.

This brings me to a fundamental provision in the Salary Reform Act of 1962 entitled "Saving Provision," to wit: Section 1006, which reads as follows:

"Notwithstanding any provision of this act, no rate of basic, gross, or total annual compensation or salary shall be reduced by reason of the enactment of this act."

This, in effect, guarantees the classified Federal workers in Alaska that they shall not be penalized, as the Civil Service Commission urges should be done, by the passage of this bill. The Civil Service Commission wishes to mitigate such a penalty by providing in section 3 of H.R. 7401, an amendment to the Salary Reform Act of 1962 which would exclude Alaska from the salary adjustment limitation of the seventh salary rate. Obviously this proposal will not suffice to fulfill the promise of the language of the "saving provision" above quoted, and I challenge the witnesses for the Civil Service Commission to demonstrate how they propose to live up to that promise by virtue of this proposed amendment, and to warrant to this committee that the Federal employees in Alaska will be fully protected against any loss of take-home pay.

I think I have demonstrated the unique human and Federal problem existing in regard to the maintenance of a civil service establishment in Alaska. What I am saying is that the Congress, in its wisdom, solved the referenced problem in Alaska and the other noncontiguous areas under our flag, by establishing the cost-of-living allowance in 1949, and demonstrably did not, in the Salary Reform Act of 1962, give the Civil Service Commission a mandate to seek legislation to distort the matter by trying to fit—and I coin a word—an "unfittable" element into the formula governing the contiguous 48 States.

There are several other inconsistencies contained in H.R. 7401 which I would like to call to the attention of this committee. For example, the general authority for the Civil Service Commission to upgrade salaries on a job by job basis, to coincide with the rates of pay used by private enterprise in Alaska upon a regional basis, is a departure from the general requirement of using national averages, and leads in the direction of setting up another wage board system in Alaska. Then there are also the complications which would be incident to paying higher salaries in Alaska for given grades than in the rest of the country. Withholding for retirement on the higher wage base, for example, would be inconsistent with the lower wage paid to the employee upon his reassignment to the contiguous States. Other complications, administrative involvements and troubles would result from passage of this bill. Therefore, I urge that we keep the cost-of-living allowance and its application and familiar pattern and its equitable results for the benefit of all concerned.

There are 13,507 classified civil servants in Alaska at this time. Most of them have become permanent residents of Alaska by making the usual commitments of their incomes along the lines of keeping up with contracts for the purchase of homes, the furnishing, and maintenance of same, various kinds and degrees of insurance coverage, local property taxes, provisions for sending children to college, automobile expense, and all the items that go into the cost of living in the high-cost State of Alaska. These people of whom I am now speaking, in making their commitments and thereby establishing their respective standards of living, have definitely depended upon what they considered to be the reliability of their employer "Uncle Sam," in terms of, at least, keeping up the existing level of their take-home pay. They need every bit of what they are getting as base pay plus the Federal tax free cost-of-living allowance. Thus, they look at this bill—as do I—with a critical eye and the perception that the repeal of the cost-of-living allowance as provided for in this bill would surely undermine and cut down on their take-home pay. Understandably, this would cause hardship and bitter feelings and ruination of the morale of these classified civil service workers in Alaska. This in turn would erode the present satisfactory Federal Establishment in Alaska by increasing turnover. It would also increase the cost of training replacements, and multiply the costly procedure of transporting 2-year turnaround employees and their families into and out of Alaska. In my opinion, the passage of this bill could not save the Government any money, but would, on the contrary, result in deterioration of the service, added costs and the compounding of administrative complications.

Let me now mention the Federal civil service workers stationed in Alaska on temporary tours of duty. Presently, when they arrive in Alaska with their established grade, they simply commence receiving the cost-of-living allowance and continue to undergo withholding for retirement purposes consistent with the level of their base pay. Then when they return to the lower 48 States, the cost-of-living allowance is dropped, without effect upon retirement plans, and other factors. Under the new system which would be used pursuant to this bill, the nonresident Federal employees of whom I speak would receive ingrade elevations and upward adjustments of base pay, upon which retirement withholding would be based, and upon leaving Alaska to fulfill assignments elsewhere, downgrading and reduction of base pay would ensue. This would in turn becloud the retirement situations involved and lead to other complications.

Let us now think of the very important concern of the Federal Government in regard to situations where the Government finds itself at a disadvantage in competing with private industry in the recruitment of qualified people with the desired talents and skills and other endowments.

Basically, the Congress in its wisdom removed this disadvantage in Alaska by authorizing the cost-of-living allowance, which has enabled the executive branch to adequately staff its agencies in Alaska and which system has proved to be satisfactory to the Federal civil service workers in Alaska. This system has also been easy to administer in consonance with the basic grade and salary specifications prevailing within the contiguous 48 States. As to this problem of Federal Government recruitment handicaps which underlies the situation in Alaska, the solution has been achieved. We already have it. The cost-of-living allowance is the answer to the unique situation in Alaska. When you have a winning combination to meet a particular situation, why change it? Especially when the winning combination coincides with fair play and satisfaction to all concerned.

I now offer for inclusion in the record of this hearing many letters and telegrams which I have received from Federal employees throughout Alaska—all in opposition to H.R. 7401. Other letters from Alaska have been sent directly to the committee for inclusion in the record. In summary, these communications make three main points:

1. The cost of living in Alaska is so high that many of the Federal civil service workers now residing there would be forced to move elsewhere if their take-home pay were to be reduced.

2. It is impossible to discover salary rates as to jobs in private industry in Alaska comparable to many job classifications in the Federal civil service because private industry in Alaska is largely made up of small businesses and no labor market exists in private industry for such services.

3. The augmentation of civil service salaries by virtue of the cost-of-living allowance has had an important effect upon the economy of the State of Alaska, as well as being beneficial to the employees themselves. Thus no change should be made without exhaustive consideration of all factors. Such consideration should include hearings in the principal cities of Alaska, to give the thousands of Federal employees most concerned a chance to be heard before this issue, which is of such vital concern to them and to Alaska, is resolved. If, after these hearings are completed, this committee still wants to pursue this matter any further, it may consider that I join with my constituents in requesting that it hold hearings in the principal cities of Alaska. If it turns out that this bill is rejected upon the case as presented here, so much the better.

Thank you, Mr. Chairman and other distinguished members of this committee, for your courteous attention and consideration.

TRUTH IN LENDING

Mr. DOUGLAS. Mr. President, approximately 3 weeks ago the chairman of the Senate Banking and Currency Committee, the junior Senator from Virginia, placed in the Record a series of 83 legal questions that the junior Senator from Wyoming had raised during the recent hearings by the Production and Stabilization Subcommittee of the Senate Banking and Currency Committee on S. 750, the truth-in-lending bill.

I am delighted to say that, as I had suggested, the chairman forwarded these questions to the Board of Governors of the Federal Reserve System and the Federal Trade Commission so that these agencies, both of which have had extensive experience in administering similar types of legislation, might provide the Banking and Currency Committee with competent legal advice on these 83 questions. The committee has received replies from both of these agencies, which responded in full to the 83 questions asked. In my opinion the answers provided by the Federal Reserve Board and the Federal Trade Commission clearly dispel any genuine doubts about the purposes of the truth-in-lending bill and, indeed, the meaning of specific language included in S. 750.

I am delighted that we have cleared away this legal underbrush and that we can now get back to considering the fundamental issue in the committee, and that is whether or not the consumer is entitled to full and accurate information on finance charges and interest rates whenever he borrows money or buys on the installment plan.

Mr. President, I ask unanimous consent that the questions that the junior Senator from Wyoming has raised and the answers from the Federal Reserve Board and the Federal Trade Commission be included in the Record at this point.

There being no objection, the questions and answers were ordered to be printed in the Record, as follows:

Questions on S. 750

1. Let me direct your attention to the third clause of the definition of "credit" in section 3(2), which reads: "* * * any contract to sell, or sale, or contract of sale of property or services, either for present or future delivery, under which part or all of the price is payable subsequent to the making of such sale or contract. * * *" Would this language cover a contract to purchase goods for cash on delivery if the goods aren't delivered until subsequent to making the contract?

2. The definition of "credit" would apply then to an agreement to buy a car, for example, where the car was not picked up and paid for until the following week, would it not?

3. And this is true even though the full price of the car is paid by the purchaser, is it not?

4. The definition of "credit" also applies to services. What if I make an agreement with my next door neighbor's son, whereby

he will mow my lawn each Saturday afternoon and I will pay him 50 cents each time he completes the job. Would this be included in the definition of credit also?

5. Transactions such as those I have just outlined, where payment and performance occur at the same time, are normally thought of as cash transactions and not credit transactions, are they not?

6. Why, then, are these transactions included in the bill's definition of credit?

7. Look a little further down in the definition, where you will see the phrase, "* * * any contract or arrangement for the hire, bailment, or leasing of property * * *." Is a lease of property a credit transaction?

8. Are not the charges commonly incident to a lease, rental payments?

9. A finance charge is defined as a charge incident to the extension of credit. Since credit is defined to include the leasing of property, this means charges incident to a leasing of property. Are rental payments finance charges within the meaning of the bill?

10. How can a lessor fulfill the requirements of section 4 with respect to such charges?

11. There isn't any cash or delivered price for the property, is there?

12. Is there anything to which an interest charge can thus be computed?

13. Do you think the bill intends to reach such a transaction by the definitions of "credit" and "finance charge"?

14. But the definitions would seem to, wouldn't they?

15. Anyone reading the definitions and then section 4 would be puzzled as to just what he had to do, wouldn't he?

16. Wouldn't he be worried that if he guessed wrong he would be subject to the penalties of section 7?

17. Wouldn't the problem be the same if a company rented cars for $50 a week, payable at the end of the period?

18. Wouldn't the definitions of "credit" and "finance charge" similarly cover the hire of taxicabs rented for an hour, or of a horse for half an hour?

19. Doesn't the fact that those definitions would cover such transactions prove that there is something wrong with the definitions?

20. What kinds of leases, if any, was the definition of credit intended to reach? Can you think of any?

21. What kind of contracts of hire? What kind of bailments?

22. Don't you think the language of the statute should be limited to those transactions which it is intended to reach, and not to all leases, contracts for hire, and bailments?

23. Now let's take the next phrase, "any option, demand * * * or other claim against, or for the delivery of, property or money." Suppose that for $100 one person sells another an option to buy a house. Wouldn't that come within the statutory definition of credit?

24. If it does, should the definition of credit apply to it?

25. What kind of option, if any, could or should the bill apply to?

26. Now how about the word "demand." What kind of a demand is it for which a charge is made?

27. If the word is tied in with the subsequent phrases "against, or for the delivery of, property or money," what kind of transactions would it apply to?

28. And if there are some demands to which the definition of credit could apply, certainly every demand for property or money for which a charge is made shouldn't come within the definition of credit, should it?

29. Isn't the same true about the words "other claims against, or for the delivery of, property or money"?

30. What kinds of claims are intended to come within a definition of credit like this, if any?

31. Would there be many others which couldn't fit under it?

32. What about the words "lien" or "pledge"? Is every lien or pledge for which a charge is made a credit transaction?

33. Should all such liens or pledges be included in the definition or credit?

34. If not all, which ones should?

35. Shouldn't the definitions make this clear?

36. What about a rental-purchase contract?

37. Should all such contracts be subject to this definition of credit?

38. If there are any such transactions which are intended to be covered, shouldn't the definitions be tied down to them?

39. Doesn't the above make it clear that this broad classification, including leases, bailments, options, pledges, liens, demands and claims in the definition of "credit" goes much too far, and indeed makes no sense, and that the whole definition should be thought out more carefully?

40. Refer to the beginning of section 3(2), which starts with the phrase "any loan." To take the simplest transaction, if a bank lends you $1,000 at a specified percent of interest, is there any reason why all the other items in section 4(a) should be specified?

41. Refer to the word "mortgage." This applies, of course, to real estate mortgages as well as chattel mortgages, does it not?

42. Don't mortgagees usually know the rate of interest they are paying?

43. Is it really desired that all fees such as lawyers' fees, fees for credit investigations, title searches, title insurance, be included within the interest rate?

44. Is that the way it is done now?

45. Aren't the buyers or mortgagees adequately informed now when they are told the interest rate and the dollar amount of these charges?

46. Isn't it more accurate to say that the mortgage is at a 6 percent rate plus $200 for fees which are paid once at the beginning, than to lump them all together and say that the rate is 6-plus percent?

47. What is meant by "deed of trust"?

48. Is every deed of trust a credit transaction, using that term in its normal sense and not with the enormously inflated meaning given it in this bill?

49. Even if there is a charge for a deed of trust, would it necessarily be a finance charge?

50. What is meant by "advance"?

51. In section 4(a)(4) the bill says that charges must be itemized "which are not incident to the extension of credit." This contrasts with section 3(3) which includes fees and service charges, among other things, as among the charges incurred as incident to the extension of credit. Can anyone tell clearly what charges are or are not "incident" to the extension of credit?

52. Would a fee for a title search or credit investigation be incident?

53. How about a lawyer's fee in connection with the sale of property or for recording a mortgage?

54(a). How about title insurance?

(b) Or the fee for collision insurance on a car sold on an installment basis, or theft insurance for jewelry bought on time?

(c) Or the fee for fire insurance on leased or mortgaged property?

(d) Or the cost of life insurance on the borrower for the duration of a loan?

55. Is it clear whether any of the above charges are or should be included in the finance charge?

56. Don't you agree that if these insurance charges are finance charges they must be included in the numerator in computing the percentage rate required by section 4(a)(7)?

57. And if they are so included, would this not increase the percentage figure?

58. Don't you agree that people normally carry insurance on such items, even if they buy them outright for cash?

59. And where the merchandise is sold on time, such insurance operates to protect the buyer as well as the seller, doesn't it? It will cover the buyer's obligation to the seller, and also protect the buyer himself as he gradually pays that obligation off.

60. In view of this, isn't it unfair to the seller to require him to state insurance charges in such a way that they appear to increase the interest rate being paid by the buyer?

61. Doesn't this analysis suggest that the phrase "incident to the extension of credit" is too broad? It either includes (1) all such insurance, which is unreasonable, or (2) only some such insurance, in which case no one can tell which is included and which is not.

62. Wouldn't it seem that money actually expended for various cost items incurred at the time of the transaction should be included in computing the total cost of the purchase, or the total amount to be financed, rather than in computing the amount of interest and the annual interest rate to be earned in the future, as seems to be required under the bill?

63. Section 4(a) requires delivery of a written statement to the debtor "prior to the consummation of the transaction." Take, as an example, a typical sale of merchandise, where the store delivers to the customer a few days later. Is the transaction consummated when the buyer signs the contract to purchase, or when the goods are actually delivered?

64. The bill does not make this at all clear, does it?

65. Look at section 5(a), page 6, lines 9 through 12, which states that the Board shall prescribe rules and regulations requiring that the information specified in section 4 "be set forth with sufficient prominence to insure that it will not be overlooked by the person to whom credit is extended." How can this be insured? Some persons will overlook this information no matter what the Board prescribes, wouldn't you say? And what about a blind person?

66. Sections 4(b)(1) and (2) require "a clear statement in writing" setting forth the simple annual interest rate. What is meant by "clear"—big, legible print, or a statement of the percentage which can be understood?

67. Does this mean a statement written in English?

68. Several witnesses who testified before this committee about being duped into making purchases have been unable to speak English. If the buyer can't speak or write English, will a statement written in English convey any information to him?

69. Does the requirement that the written statement be "clear" mean that in such cases the seller must furnish the buyer a statement in his native tongue?

70. Section 6(2) provides that State laws shall not be affected except to the extent that they are directly inconsistent "with the provisions of this act." Does the reference to provisions of the act include the rules and regulations promulgated by an administrative agency?

71. The penalty provisions refer to violations of this act "or any regulation issued thereunder." Does the absence of any express reference to regulations in section 6(a) give rise to the argument that the section doesn't apply to regulations, and that State laws inconsistent with regulations under the act are not to be regarded as inconsistent with the act and are not superseded?

72. Section 6(a) provides that State laws are not superseded "except to the extent that such laws are directly inconsistent with the provisions of this act." Would that exclude

a State law making it illegal to disclose any of the items required by the Federal law, if there was such a State law?

73. If the State law required additional information, would that be all right?

74. Suppose the State law required approximately the same information, stated or computed somewhat differently. Would it be "inconsistent" if the information were given both ways, so as to satisfy both the State and Federal requirements?

75. Couldn't this be confusing, if the rate of interest was to be computed in two different ways? If so, would it be inconsistent?

76. If the creditor put in both rates, would that violate the Federal requirement of "a clear statement?"

77. If the creditor merely followed the Federal form, might not he be in violation of the State law?

78. Section 7(a) exempts the seller from any civil penalties "if the percentage disclosed to such person pursuant to this act was in fact greater than the percentage required by [section 4] * * * to be disclosed." Does this mean that a seller or lender who wants to be sure he is avoiding civil penalties may adopt a procedure whereby the percentage rate is intentionally overstated?

79. There is no such exemption in the criminal penalty provision, section 7(c), is there?

80. Would such a person be "willfully" violating the act by knowingly overstating the interest rate, and hence subjecting himself to the criminal sanctions of section 7(c)?

81. Section 3(5) defines the term persons as including the United States and any other government or subdivision or agency thereof. Would it thus cover loans by the Federal Government or State governments?

82. Section 7(d), however, says that no penalties shall apply to those agencies. Does this mean no civil penalties or no criminal penalties or no penalties at all?

83. Must the debtor pay the agency the undisclosed finance charge?

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, D.C., February 17, 1964.

Hon. A. WILLIS ROBERTSON,
Chairman, Committee on Banking and Currency, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This refers to your letter of February 6, 1964, which enclosed a list of questions relating to S. 750, Senator DOUGLAS' bill, "To assist in the promotion of economic stabilization by requiring the disclosure of finance charges in connection with extensions of credit."

Because of the rather technical and detailed nature of most of the 83 questions on the list, it was submitted to the Board's staff for study. In response to your letter, there is enclosed a memorandum which the staff has prepared commenting on the various questions. It is hoped that the memorandum will be useful in connection with further considerations of the bill.

In this connection, the Board would like to point out again that it is in full accord with the purpose of requiring creditors to disclose their finance charges. There is no doubt that the more information borrowers and credit purchasers have about the prices they are paying for credit, the more efficiently they can choose among the alternatives available to them. The Board expressed the same view in its report of February 20, 1963, to you on S. 750 and also in its reports on similar bills introduced in 1960 and 1961.

However, as these reports have stated, the Board believes that administration of such legislation would not constitute an appropriate activity for the Federal Reserve System. The regulation of trade disclosure practices would be foreign to the Board's present responsibilities. As noted in its report to you of February 20, 1963, the Presidential message of May 15, 1962, concerning consumer protection stated that: "Inasmuch as the specific credit practices which such a bill would be designed to correct are closely related to and often combined with other types of misleading trade practices which the Federal Trade Commission is already regulating, I recommend that enforcement of the new authority be assigned to the Commission."

Accordingly, as stated in its earlier reports, the Board endorses the objective of requiring creditors to disclose their finance charges, but believes that it would be inappropriate for the Board to administer such a bill.

Sincerely yours,
WM. MCC. MARTIN, Jr.

COMMENTS OF THE STAFF OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM ON QUESTIONS CONCERNING S. 750 SUBMITTED WITH CHAIRMAN ROBERTSON'S LETTER OF FEBRUARY 6, 1964

COMMENTS CONCERNING QUESTIONS 1 THROUGH 39

These questions involve principally the definition of "credit" in section 3(2) of the bill, and, in effect, suggest—as does question 22 specifically—that the definition "should be limited to those transactions which it is intended to reach."

Where the apparent intent of the legislation, as in the case of S. 750, is to prescribe rules for a broad area of activity, involving innumerable technical problems and wide variations in types of transactions and practices, it may well prove more feasible and workable for Congress to establish comprehensive definitions or standards and leave to an administering agency the function of filling in the details as may be necessary or appropriate in effectuating the congressional purpose and design in the light of experience and developments. A more limited approach might fail adequately to provide in the legislation for categories of transactions or practices not specifically anticipated at the time of the legislation, but which clearly should be subject to it.

An example of the broader approach involves the definition of "credit" in section 602(d)(2) of the Defense Production Act of 1950 (64 Stat. 814) after which the definition of "credit" in S. 750 seems to be patterned. The definition in the 1950 act, of course, applied to a control of the use of credit in a selected area.

On the other hand, while S. 750 is limited to the disclosure of the cost of credit, it is intended to apply to credit transactions in a much broader area. Narrowing the definition in S. 750 might be undesirable, particularly in the light of the great variety of the means for effectuating credit transactions and the tendency for changes in practices among grantors of credit. In any event, however, the bill clearly would not apply to cash transactions.

It may be observed also that the application of the definition of "credit" in S. 750 is dependent on other relevant provisions of the bill. Thus, the requirements of the bill apply to credit extended by a creditor. The latter term is defined in section 3(4) of S. 750 to mean "any person engaged in the business of extending credit * * * who requires, as an incident to the extension of credit, the payment of a finance charge." The term "finance charge" is defined in section 3(3) of the bill which, at various places, including sections 4 and 5(a), places broad regulatory authority in the agency designated to administer the bill, including authority to prescribe "classifications and differentiations * * * adjustments and exceptions as * * * are necessary or proper to effectuate the purposes of this act or to prevent circumvention or evasion, or to facilitate the enforcement of this act, or any rule or regulation issued thereunder."

The foregoing provisions of the bill, it is believed, answer many of the questions 1 through 39 either specifically or indicate that a specific answer would depend on rules or regulations prescribed under the bill. In addition, specific answers, in some instances, might be misleading since the correct conclusion would necessarily depend upon all of the facts and circumstances of the particular transaction.

COMMENTS CONCERNING QUESTION 40

This question seems to ask whether, if a bank makes a "loan" at a given rate of interest, there is any reason why "all the other items" in section 4(a) of S. 750 should be set forth in the statement required to be given to the borrower, meaning, apparently, the items covered under subparagraphs (1) through (7).

As indicated in the opening sentence of section 4(a), such items would have to be set forth "to the extent applicable" to the transaction "and in accordance with rules and regulations prescribed" by the administering agency. It may be noted that items (1) through (3) relate to regulated transactions where the credit is to finance the acquisition of "property or services." With respect to item (4), the answer would depend on the facts. As to items (5) through (7), the information would seem necessary in any regulated transaction.

COMMENTS CONCERNING QUESTION 41

As suggested by the question, the word "mortgage" in the definition of "credit" in section 3(2) of S. 750 would cover both real estate mortgages and chattel mortgages.

COMMENTS CONCERNING QUESTION 42

Whether the mortgagors usually know the "rate of interest" they are paying might depend on whether the mortgage involved is a chattel mortgage or a real estate mortgage. It is believed to be a usual practice for real estate mortgage papers to specify the "rate of interest" applicable to the mortgage loan. In the case of chattel mortgages, this may not be the case. In the case of real estate loans, there may be some question in various situations as to whether the "rate of interest" specified in the mortgage papers might fail to reflect certain costs of the credit included, for example, in the closing costs.

COMMENTS CONCERNING QUESTION 43

This question concerns the fees that should be included within the "interest rate" apparently in the case of a real estate mortgage transaction.

This question would seem to be discussed quite fully by the letter of June 19, 1962, to Senator DOUGLAS from the General Counsel of the Housing and Home Finance Agency, set forth at pages 189 and 190 of the hearings in May 1962 on S. 1740 before the Subcommittee on Production and Stabilization of the Senate Committee on Banking and Currency ("Truth in Lending—1962").

COMMENTS CONCERNING QUESTION 44

Whether the practice today is to include certain fees within the "interest rate" applicable to real estate mortgage transactions would depend both on the particular fees in question and the practice followed in the particular locality. As stated in the letter referred to in the comments concerning question 43, the matter would be one for continuing study so that the regulations to be issued under S. 750 could reflect changes, from time to time, in terminology and practices.

COMMENTS CONCERNING QUESTION 45

This question seems to suggest that buyers and mortgagors are now adequately informed of various charges incident to the extension of credit "when they are told the interest rate and the dollar amount of" various charges related to the transaction. An answer to the question would necessarily depend on the practices followed by the lenders involved; and the practices of various lenders are not the same. In some cases the questions would require a negative answer.

COMMENTS CONCERNING QUESTION 46

The answer to this question involves a matter of policy. The purpose of S. 750 is to establish uniform standards on the basis of which meaningful comparisons of the cost of credit may be made, and the bill has adopted a specific design, rather than some other approach, by which that purpose may be attained. Where competing lenders, for example, follow the different practices suggested in the question, borrowers would find it difficult to make meaningful comparisons.

COMMENTS CONCERNING QUESTIONS 47 THROUGH 49

A deed of trust can be used for various purposes. In some States an instrument known as a deed of trust is used in the financing of real estate purchase transactions which, in other areas, would be covered by a mortgage. In such cases the trustees under the deed of trust holds the property until the fulfillment of a condition, which is the payment in full of the loan by which acquisition of the property was financed. The deed of trust thus secures payment to the lender of the amount of his loan. It would seem relevant in this connection to refer again to the definition of "credit" in section 602(d)(2) of the Defense Production Act (64 Stat. 813) which covers, among other things, "any loan, mortgage, deed of trust."

COMMENTS CONCERNING QUESTION 50

This question asks what is meant by "advance." The reference apparently is to that word as used in the definition of "credit" in section 3(2) of S. 750. In the context of the bill, the word includes a credit transaction in which funds are transferred by one person for the use of another on the condition that they will later be repaid to the former. It may be noted that the definition of "credit" in section 602(d)(2) of the Defense Production Act (64 Stat. 814) includes "advance." The word is used to describe a credit transaction in other provisions of law such as, for example, section 13 of the Federal Reserve Act (12 U.S.C. 347) relating, among other things, to "advances" by Federal Reserve banks to member banks, and section 6(a) of the Bank Holding Company Act (12 U.S.C. 1845) concerning "advances" by banks on certain security.

COMMENTS CONCERNING QUESTIONS 51 THROUGH 62

These questions all seem to relate to the provision in section 4(a)(4) of S. 750 which requires any creditor "to furnish to each person to whom credit is extended, prior to consummation of the transaction, a clear statement in writing, setting forth, to the extent applicable, and in accordance with rules and regulations prescribed by" the administering agency, among other things, "the charges, individually itemized, which are paid or to be paid by such person in connection with the transaction but which are not incident to the extension of credit." Sections 3(3) and 4(a)(6) are companion provisions concerning charges "incident to" the extension of credit. The questions are concerned, in the main, with what might or might not be regarded as incident to an extension of credit.

This matter is gone into at some length at pages 189 and 190 of the May 1962 hearings cited in the comments on question 43. It is also discussed in the memorandum in the appendix to the hearings in July 1961 on S. 1740 before the Subcommittee on Production and stabilization of the Senate Committee on Banking and Currency "Truth in Lending," page 1309. As there pointed out, precedent in this connection has been established not only in the Uniform Small Loan Act but also in connection with the administration and supervision of Federal credit unions. Whether a charge is or is not incident to the making of a loan is a question that must be answered by Federal credit unions in connection with their loans under section 7(5) of the Federal Credit Union Act of 1934 (12 U.S.C. 1757). In any event, specific answers would depend in part on the regulations that the administering agency would issue under sections 4(a) and 5(a) of S. 750.

In connection with question 62, it may be noted that the policy of the bill, in effect, is to emphasize the cost of credit to the borrower. Where the emphasis should lie on this matter is, of course, for the decision of the Congress.

COMMENTS CONCERNING QUESTIONS 63 AND 64

These questions concern the requirement of section 4(a) of S. 750 that the creditor shall furnish to each person to whom credit is extended a clear statement in writing setting forth certain detailed information "prior to the consumption of the transaction."

The questions suggest that the bill does not make it at all clear when the transaction is consummated. It would seem that the transaction, for the purpose of the bill, would be consummated when the buyer or borrower became legally committed or obligated to pay for goods or services or repay a loan, for example. Just when this occurs would be a question to be determined by the rules applicable under the laws of the appropriate State. It may be of interest that section 197.2(a) of the Federal Trade Commission's regulation relating to the sale and financing of motor vehicles contains a similar requirement (16 CFR 197).

COMMENTS CONCERNING QUESTIONS 65 THROUGH 69

These questions relate to section 4(b) (1) and (2) and section 5(a) of S. 750. The first of these sections requires, in connection with a revolving or open-end credit plan, that the creditor, in accordance with the rules and regulations prescribed by the administering agency, furnish the customer, (1) prior to agreeing to extend such credit, "a clear statement in writing" setting forth the charge for the credit, and (2) at the end of each monthly period following the extension of credit, "a credit statement in writing" setting forth the outstanding balance of the account.

The second of the sections referred to above requires the administering agency, by rule or regulation, to require that certain information "be set forth with sufficient prominence to insure that it will not be overlooked by the person to whom credit is extended."

The questions ask how this can be "insured," for example, in the case of a blind person, and what would be "clear" to a borrower, for example, who could neither read nor write in the English language. This involves practical problems that are no doubt frequently faced under laws and regulations by many of the same classes of creditors who would be subject to S. 750. An example is the regulation of the Federal Trade Commission regarding the disclosure of certain information relating to instalment sales of automobiles (16 C.F.R. 197). Similar problems no doubt arise under such statutes as the 1958 Act of Congress requiring the disclosure of certain information concerning new automobiles, including prices (15 U.S.C. 1231, et seq.). Another example is the Wool Products Labeling Act (15 U.S.C. 68, et seq.). Thus, S. 750 presents no novel questions in this regard.

COMMENTS CONCERNING QUESTIONS 70 AND 71

These questions seem to refer principally to section 6(a) of S. 750, which provides that it "shall not be construed to annul, or to exempt any creditor from complying with, the laws of any State relating to the disclosure of information in connection with credit transactions, except to the extent that such laws are directly inconsistent with the provisions of this act."

Under the holding of the court in *United States* v. *Mersky*, 361 U.S. 431 (1960), it can be argued that the language "the provisions of this act" would include the regulations issued thereunder by the administering agency. However, it might be preferable to amend the language "the provisions of this act" so as to include specifically the rules and regulations issued by the administering agency pursuant to the act. The penalty provisions in section 7 of the bill specifically refer not only to violations of the act and provisions of the act, but also to the regulations issued thereunder. Thus, a technical amendment to section 6(a), as just suggested, conforming that section in this respect to section 7 might seem desirable as a precautionary matter.

COMMENTS CONCERNING QUESTION 72

It seems clear, under section 6(a) of S. 750, that the bill would supersede a State law making it illegal to disclose any of the items required in a given case by S. 750 to be disclosed. The question, of course, would always be whether, as a legal matter, the State law was "directly inconsistent" with S. 750.

COMMENTS CONCERNING QUESTION 73

The fact that a State law required the disclosure of information in addition to that required to be disclosed by S. 750 would, of itself, seem to be unobjectionable under the bill.

COMMENTS CONCERNING QUESTIONS 74 THROUGH 77

The answers to the specific questions necessarily would depend on the facts and circumstances, including any applicable regulations of the administering Federal agency, and particularly its regulations under section 6(b) of the bill. Where the State law was more severe than the provisions of S. 750 by requiring the disclosure of more complete information, for example, a creditor might be in violation of the State law if he chose merely to follow the less severe provisions of S. 750.

COMMENTS CONCERNING QUESTIONS 78 THROUGH 80

These questions, which rest on a very literal reading of the bill, suggest that it might be desirable that the standards for civil penalties in section 7(a) and the standard for criminal liability in section 7(c) be reexamined in order to remove any possiblity of unintended hardship or undue severity. However, since the exemption from civil penalties for overstating percentages would exempt any creditor who erred on the high side to protect himself, he would seem clearly to be exempt also in such a case from criminal prosecution, because he would not be "willfully" violating the act.

COMMENTS CONCERNING QUESTIONS 81 AND 82

Like the definition of "person" in section 702(a) of the Defense Production Act of 1950 (64 Stat. 815), the definition of that term in section 3(5) of S. 750 includes "the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of" the foregoing. Thus, as was true in certain situations under the 1950 act, it would also be the case under S. 750 that the Federal Government, for example, would be a person for the purposes of the definition of "creditor" in the bill, and, therefore, depending on the circumstances, might be subject to the requirements of the bill in extending credit.

However, a civil or criminal penalty could not be enforced against the Federal Government because, under section 7(d) of S. 750, no punishment or penalty provided in the bill could be imposed against "the United

States, or any agency thereof * * *." Here again, the bill follows the principle of the Defense Production Act which, in section 702(a), specified that no punishment provided for violations of the act would apply against "the United States or any agency thereof."

COMMENTS CONCERNING QUESTION 83

Section 7(b) contains a provision that "nothing in this act or any regulation thereunder shall affect the validity or enforceability of any contract or transaction." Thus, it appears that a debtor would not be relieved of his obligation to the creditor simply because the creditor, in the case of a regulated transaction, failed to disclose the cost of the credit as required by the bill. Section 7(d) draws no distinction between whether the creditor is a private business or governmental agency.

FEBRUARY 17, 1964.

FEDERAL TRADE COMMISSION,
Washington, D.C., February 18, 1964.
Hon. A. WILLIS ROBERTSON,
Chairman, Committee on Banking and Currency, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On February 6, 1964, you submitted to this Commission a series of 83 questions concerning S. 750, 88th Congress, 1st session, a bill to assist in the promotion of economic stabilization by requiring the disclosure of financial charges with extensions of credit, with a request that our answer be supplied by February 18, 1964.

Before specific referral is made to the 83 questions posed, it is believed that some attention should be given to the general purpose of this proposed legislation and the procedure provided within the act for insuring the effective and efficient attainment of this purpose.

Section 2 of S. 750 provides that: "The Congress finds and declares that economic stabilization is threatened by the untimely use of credit for the acquisition of property and services. The untimely use of credit results frequently from a lack of awareness of the cost thereof to the user. It is the purpose of this Act to assure a full disclosure of such costs with a view to preventing the uniformed [sic] use of credit to the detriment of the national economy."

When introducing S. 750, Senator DOUGLAS stated: "The truth-in-lending bill is both a simple and effective measure. It requires that all lenders and credit sellers fully disclose to the consumer the costs of using credit in an accurate and uniform manner.

"Anyone engaged in the business of extending credit at the retail level would have to fully disclose in writing the costs of credit to the borrower before the credit transaction is signed."

In short, the purpose of this bill is to require that any creditor, as defined in the bill, furnish to each person to whom credit is to be extended, a clear written statement prior to the consummation of the transaction. This statement must apprise the prospective debtor of exactly how much more than, and what percentage of, the cash price of the property or services to be purchased will be the amount added as a result of any credit that is to be extended. Furthermore, it is required that such an amount be itemized in order that the prospective purchaser can ascertain exactly what he will be paying for.

It is believed that the draftsman of this legislation, recognizing the impossibility of specifically providing for every presently known and future means of extending credit, envisioned that the Board empowered to issue rules and regulations pursuant to section 5 of this act, would develop an expertise that would allow it to provide for adjustments and exceptions necessary or proper to effectuate the purposes of the act, prevent evasion of the act and facilitate its enforcement.

If the Federal Trade Commission, as suggested by President Kennedy, were to be the agency given the authority of prescribing such rules and regulations as may be necessary to carry out the provisions of the act, the Commission would be operating within a procedural area in which it has had considerable experience.

The Commission now exercises jurisdiction over acts authorizing it to issue substantive rules and regulations. The granting of such authority to the Commission by Congress has been expressly included in several laws. Among these special acts are the Wool Products Labeling Act of 1939, followed by the Fur Products Labeling Act of 1951, the Flammable Fabrics Act of 1953, and our latest, the Textile Fiber Products Identification Act of 1958. Under all of these labeling acts, the Commission has been authorized to, and has, issued rules and regulations, which, when adopted in accordance with the provisions of the respective acts, have the binding force and effect of law.

Before any rules or regulations are promulgated under these acts, the Commission notifies all interested parties of the nature of the proposed rules and regulations and invites comments from them. Other Government experts are also consulted in order that the benefit of their views can be obtained. Should Congress, in the proposed bill, authorize the Commission to prescribe rules and regulations provided therein, the same procedures will be followed before their adoption.

In addition to administering these fairly narrow statutes, the Commission has, of course, had much experience in giving specific definition to the broad provisions of section 5 of the Federal Trade Commission Act which, as amended, forbids "Unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce * * *." It is thought that the administration of legislation containing broad provisions and rulemaking powers such as are contained in S. 750 would similarly require the utilization of expertise in relating the provisions of such a bill in the light of its purpose to specific economic practices which may evolve.

Thus, in responding to the questions attached to your letter of February 6, 1964, the Commission feels that its answers, as set out below, are necessarily subject to qualifications that might be indicated as a result of further information that might come to its attention during the course of the procedures set out above.

In requiring that all lenders and credit sellers fully disclose to the consumer the costs of using credit, section 3 of S. 750 contains certain definitions indicating exactly what types of transactions are deemed to be of such a nature as to fall within the purview of the act.

First, there must be a transaction involving "credit" as defined in section 3(2). Second, a "finance charge" as defined in section 3(3) must be imposed in this transaction involving "credit" as defined in section 3 (2). Third, only a "creditor" as defined in section 3(4) is required to make the disclosure required under this act.

It must be understood that "credit" as used in this bill is a term of art which encompasses many legal forms which can be employed in entirely cash transactions. However, each of these transactions has the potentiality for use in credit in the ordinary sense of that word. In order to determine whether any transaction which involves credit within the meaning of section 3(2) falls within the scope of the bill, it is necessary to inquire whether a "finance charge" is imposed, i.e., whether the borrower or credit purchaser is required to pay any amount which would not be incurred in a cash transaction.

Thus, based on a consideration of section 3 as a whole, it is believed that your questions 1 through 39 can be examined as a single entity. As you will recall, questions 1 through 39 contain a series of examples of typical financial transactions. As each example is set out, it is questioned as to whether such a transaction is a "credit" transaction, under the definition provided in section 3(2) of the act. Then, based on the assumption that said transactions are "credit" transactions within the meaning of section 3 in its entirety, it is further questioned as to whether these transactions are meant to fall within the scope of this act. For it is apparent that if this bill is construed to subject the exemplified transactions to the disclosure requirements and enforcement procedures set out in sections 4 and 7, respectively, serious difficulties will arise.

In construing section 3 in its entirety, the serious difficulties demonstrated in questions 1 through 39 become obviated as the hypothetical transactions do not fall within the coverage of this act. The reason for this is that none of the exemplified transactions involved a creditor as "creditor" is defined in section 3(4) of the act and only a "creditor" as defined under section 3(4) of the act is required to make a disclosure as set forth in section 4 of the act or is subject to a penalty as set forth in section 7 of the act.

To clarify and exemplify the theory set out above let us examine the specific transactions detailed in questions 1 through 39. Question 1 involves "a contract to purchase goods for cash on delivery if the goods aren't delivered until subsequent to making the contract." In this situation, although the transaction is a credit transaction within the meaning of section 3(2) in that payment is not required until subsequent to the making of the contract, no finance charge is required as an incident to the extension of credit. Without a finance charge there can be no creditor as defined in section 3(4) and without a creditor as defined in section 3(4) no duties of disclosure arise under this act.

The same reasoning applies to an agreement to buy a car where the car was not picked up and paid for until a week after the agreement (questions 2 and 3); an agreement with a neighbor's son wherein it is agreed that he undertakes to mow a lawn every Saturday and you agree to pay him 50 cents each time he completes the job (questions 4, 5, 6); a lease of property (questions 7 to 16), et cetera.

The fact that the examples set forth in questions 1 through 39 fall within the definition of "credit" in section 3(2) of the bill does not prove that there is something wrong with these definitions as the limiting provisions of the remainder of section 3, the definition of finance charge in section 3(3) and the definition of creditor in section 3(4), eliminate the possibility of considering the hypothetical transactions within the scope of this act.

With specific reference to questions 40 to 83:

QUESTION 40

No. Section 4(a) provides that the statement, "to the extent applicable," should contain the prescribed information. In the instance cited of a simple transaction of a bank lending $1,000 at a specified rate of interest, the only provisions of section 4(a) applicable would be—(5) the total amount to be financed; (6) the finance charge to be expressed in dollars and cents; (7) the percentage that the finance charge bears to the total amount to be financed expressed as a simple annual rate on the average unpaid balance of the obligation.

QUESTION 41

Yes. The language apparently is meant to include all types of mortgages.

QUESTION 42

Not necessarily. It is presumed that this question was meant to refer to "mortgagors" rather than "mortgagees." From our understanding, it is certainly true that it is much more common in real estate mortgages than in personal property transactions to state the interest rate in terms of annual interest on the unpaid balance. But even here, the bill would serve a useful function by requiring a statement of the total amount of interest payments as well as the rate. Real estate transactions, wherein mortgagors usually pay interest only on the unpaid principal balance as it diminishes, are unlike the typical credit transaction involving personal property where monthly payments usually do not reduce the amount of interest, which has already been predetermined on an annual basis. Thus credit is usually given the borrower for the periodic diminution in his principal balance, in terms of interest, whereas the same is not usually true in the case of credit sales of personal property. The buyer is often unaware of this fact, which results in the true rate of interest being considerably greater than the rate stated to him.

QUESTION 43

The Commission is of the opinion that a guideline as to which charges or fees are incident to the extension of credit can be developed from the preliminary study reported by the Housing and Home Finance Agency on page 190 of the 1962 hearings.

QUESTION 44

Not necessarily. Such practices are dependent on the procedures utilized by individual lenders and the varied requirements imposed by State laws now in existence.

QUESTIONS 45 AND 46

No. It is believed that it would be more meaningful to the consumer if all charges defined as incident to the extension of credit would be disclosed in both chattel and real estate transactions in terms of interest percentages as well as specifically broken down by charge.

QUESTION 47

A "deed of trust" is a legal instrument conveying legal title to property to a trustee in order to provide security for the performance of some condition, such as the payment of a credit obligation incurred by the grantor of such deed, i.e., the buyer of such property.

QUESTION 48

No. By definition a deed of trust can be for a condition other than the extension of credit. (Black's Law Dictionary, 4th ed., 1957, p. 503.)

QUESTION 49

Not necessarily. It would depend on the purpose for which the charge is imposed; or, stated differently, it would depend on whether the charge comes within the definition of a finance charge.

QUESTION 50

An advance is the supplying, beforehand, of money or goods (or other thing of value) before an equivalent is received. (Black's Law Dictionary, 4th ed., 1957, p. 72.)

QUESTION 51

Yes. As noted by Senator DOUGLAS' memorandum appearing in the 1961 hearings, pages 1309–12, the charges which are incident to the extension of credit are determined by the following criteria:

1. Is the expense one which the debtor would not normally incur if he did not receive the particular extension of credit—if, for example, he purchased for cash?

2. Is it required by the creditor as a condition to extending credit?

3. Does it run for the same term as the credit?

4. Is the benefit of the charge primarily to the creditor and only secondarily to the debtor, or is the benefit of the charge primarily to the debtor and secondarily to the creditor?

5. Is the charge paid to the creditor or to a third party to purchase a service or protection for the debtor?

QUESTION 52

It would appear that a fee for a title search would not be incident to the extenison of credit, whereas a fee for a credit investigation may properly be so designated. There possibly may be an exception to the above where a title search is required by a lender as a condition for making a loan.

QUESTION 53

It would appear that a lawyer's fee in connection with the sale of property, particularly where he acts in lieu of a broker on behalf of a client, would not ordinarily be "incident to the extension of credit" unless the attorney also aids in the procurement of a loan in connection with such transaction, whereas a fee for recording a mortgage would more properly be within the scope of such term.

QUESTION 54

See the answer to question 51.

QUESTION 55

The answer is "yes," in view of Senator DOUGLAS' memorandum appearing in the report of the 1961 hearings at pages 1309–12, as set forth in answer to question 51.

QUESTION 56

Yes. If the insurance charges are incident to the granting of credit, they are included in the finance charges and must be included in the numerator in computing the percentage rate required by section 4(a)(7).

QUESTION 57

The inclusion of any charges incident to the granting of credit in addition to the nominal interest rate would naturally increase the percentage stated as required by section 4(a)(7).

QUESTION 58

No. It is true that people may carry insurance on outright purchases for cash, but the nature of the insurance and the extent of the insurance would vary with the circumstances and would be determined by the purchaser and not by the seller or, in the case of a credit transaction, not by the lender. The purchaser would also pay the premiums in such a case. In case of credit transactions, the premiums are often advanced by the creditor and charged to the purchaser as part of his loan.

QUESTION 59

Yes. Where merchandise is "bought on time" and the buyer is required as an incident to the extension of credit to purchase some type of insurance, it cannot be questioned that benefits from such insurance may inure to the buyer as well as the seller.

QUESTION 60

Not necessarily. In order to determine whether or not it is "unfair" to the seller to require him to state insurance charges in such a way that they appear to increase the interest rate to be paid by the buyer, the insurance being purchased would have to be tested under the standards set out in the answer to question 51. Since an insurance charge which is not incident to the extension of credit as determined by the standards set forth in answer to question 51 need not be included in computing the interest rate, it is not believed that there would be any unfairness.

QUESTION 61

No. It is not believed that the phrase "incident to the extension of credit" is too broad in relationship to the context of question 61. Not all insurance would fall within the category of being "incident to the extension of credit" and it is believed that the agency empowered to administer the act could, under the provisions of section 5(a), promulgate rules and regulations which would provide a framework for determining what types of insurance should be regarded as incident to the extension of credit under the terms of the act.

QUESTION 62

It appears that the answer to this question is covered in our answer to question 46.

QUESTION 63

The proposed legislation contemplates that the duty of disclosure would arise when the transaction is "consummated" that is, for the purpose of the bill, when the contract to purchase is signed.

QUESTION 64

The bill appears reasonably explicit in this regard. Delivery, in and of itself, is not ordinarily an incident preliminary to the existence of contractual obligations, and the purpose of the bill, quite clearly, is to require disclosure before the consumer enters into a binding contractual obligation.

QUESTION 65

Compliance with this section of the bill can be reasonably insured by the issuance of appropriate regulations prescribing the manner, details, and form which such compliance will take. There is no more of a problem here than in the case of any other commercial transaction in respect to which a particular statute, state or otherwise, requires a lucid presentation of pertinent information in connection therewith. The problems of blind persons are no more serious in this respect than in other commercial transactions where they must, of necessity, rely on the eyes of one whom they trust for enlightenment in this area.

QUESTION 66

The word "clear" in this connection would appear to mean a statement of the simple annual percentage rate which can be easily understood. Of course, it is recognized that it is essential that the writing in question be legible.

QUESTION 67

Ordinarily. It is presumed that the statement would ordinarily be required to be in the English language as parties to practically all commercial transactions within the United States, with some few inconsequential exceptions, are warranted in the use of this, our national language. The exigencies of the situation may, of course, dictate the seller's or creditor's use of another language, in order to effect a sale or credit transaction. This is a matter properly a subject for future regulations.

QUESTION 68

Of course the answer to this is "no."

QUESTION 69

In the absence of a person upon whom the prospective buyer or debtor can rely for an appropriate translation, the word "clear" may require that the statement be in the prospective buyer's (debtor's) native tongue. However, this is a matter to be more appropriately covered by future regulations, after due consideration of all the pertinent facts in connection with this problem.

QUESTIONS 70 AND 71

Questions 70 and 71 point out an inconsistency in the draftsmanship of this act. Although it is believed that section 6(a) would apply to the provisions of the act as well as any regulation issued thereunder, it is recommended that line 14 of section 6(a) should be amended to include the words "or any regulation issued thereunder" after the "Act." In this manner, any ambiguity that might now exist about this section could be removed.

QUESTION 72

Yes. Any State law making it illegal to disclose any of the items required by the act would be inconsistent with the act to the extent that the State law made such disclosure illegal.

QUESTION 73

As the purpose of this statute is to assure a full disclosure of credit costs to the consumer without placing any undue burdens on creditors, the act imposes a minimum rather than a maximum disclosure requirement. If a State felt that it was necessary to pass legislation requiring a disclosure additional to that required under the act, such legislation would not ordinarily be inconsistent with the act.

QUESTION 74

Not necessarily. If a State law required the same information, "stated or computed somewhat differently" such a State law would not necessarily be inconsistent with this act. As long as the requirements of the act were met, additional information complying with the requirements of the State law could be given by the creditor.

QUESTIONS 75 AND 76

Although it is recognized that the possibility exists that the computation of interest on different bases could be confusing, and possibly inconsistent, it is believed that rules and regulations could be promulgated pursuant to section 5 that would provide for compliance with the Federal requirement even though a different type of computation may be required under State statutes.

QUESTION 77

"If the creditor merely followed the Federal form" he would not, by reason of that act alone, be in violation of any State law requiring a more detailed disclosure than that required under the act. However, as the bill only establishes a minimum standard, compliance with this bill would not satisfy a State law calling for a more detailed disclosure than that required pursuant to the provisions of the act. The resolution of such problems may be found in the exercise of discretionary powers provided under section 6(b).

QUESTION 78

It would appear so, but we do not envision that sellers or lenders will find it necessary to engage in such a practice in order to be assured of protecting themselves.

QUESTION 79

It is true that there is no such exception in the criminal penalty provision.

QUESTION 80

It does appear that a person may technically be in violation of the proposed criminal provisions of the legislation; however, a culpable intent would be patently lacking in such an instance, where no one would be injured by an intentional overstatement. An amendment to the bill would be desirable, to make sure that overstatement by the creditor would have at least the same exculpating effect which it now has under the civil penalty portion of the bill.

QUESTION 81

Yes.

QUESTION 82

No penalties at all. The provision provides that "No punishment or penalty provided by this Act shall apply to [these agencies] * * *."

QUESTION 83

Yes. Section 7(b) of the bill provides: "Except as specified in subsection (a) of this section, nothing contained in this Act or any regulation thereunder shall affect the validity or enforcibility of any contract or transaction." However, the problem is de minimis in respect to governmental agencies, as they are usually scrupulously careful to fully inform members of the public with whom they deal of all the pertinent facts in connection with financial transactions.

With the qualifications as expressed above, it is hoped that this information will be of guidance in your consideration of this bill.

By direction of the Commission, Commissioners Anderson and MacIntyre not participating.

PAUL RAND DIXON,
Chairman.

ADDRESS OF GEORGE HERON, PRESIDENT, SENECA NATION OF INDIANS

Mr. ERVIN. Mr. President, on February 7, the House of Representatives passed H.R. 1794, a bill to compensate the Seneca Indians for the taking of their property to construct Kinzua Dam. I am happy that the Senator from Idaho [Mr. CHURCH] has scheduled hearings before the Indian Affairs Subcommittee for March 2 on the House bill and a similar bill, S. 1836, of which I am a cosponsor.

Since the Kinzua Dam is being constructed at such a rapid pace, it is essential that the Federal Government move quickly to keep faith with the Senecas. Although completion of the dam is only 7 months away, because of inaction by the Congress, the Indians have not been able to make definite plans. Therefore, I hope that early action will be taken to bring this bill to the Senate floor.

Recently, President George Heron delivered a "state of the Seneca Nation message," to his people. In this address, he declared:

> I hope that the Kinzua Dam will serve as a monumental reminder to the Government of the United States, the executive, legislative, and judicial bodies of this great country, to respect the solemn pledges made by their forebears, to live up to their word, keep their promises, and to cease, desist, and abstain from any further encroachments on Indian lands protected by solemn treaties.

Mr. President, I ask unanimous consent that excerpts from Mr. Heron's message be inserted at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATE OF THE SENECA NATION MESSAGE

I take this belated opportunity to extend to you all my wishes for a happy and prosperous New Year. The year 1964 will long be remembered as a crucial year for the Seneca people. For once again, we are being compelled to rehabilitate ourselves to a new way of life. Ahead of us lies the task of building new communities, adjusting to new neighbors, acquainting ourselves to new surroundings, and above all, the ordeal of leaving behind us a peaceful valley which we and our forefathers have been so much a part of for these many, many years.

The old Indian towns—Onoville, Quaker Bridge, Coldspring, Red House, Shongo—will be gone forever. Landmarks which we so fondly cherished will soon be just a memory. I know of the mental anguish being experienced by that old gentleman living in Coldspring. I know of that ache in the heart of that aging Seneca grandmother residing in Red House. I know, because I, too, experience that same anguish and that same ache in my own heart.

Sometime in the year 1964, the Kinzua Dam will be completed. Elaborate ceremonies will be held. People will come from miles around to marvel at the mechanics of the enormous structure. I sincerely hope that it will accomplish all of the purposes for which it was intended. I hope it will protect downstream cities against catastrophic flooding, provide ample water for industries during low water periods, provide a large recreation area for the local populace and tourists; but above all, I hope that the Kinzua Dam will serve as a monumental reminder to the Government of the United States, the executive, legislative, and judicial bodies of this great country, to respect solemn pledges made by their forebears, to live up to their word, keep their promises, and to cease, desist and abstain from any further encroachments on Indian lands protected by solemn treaties. If this dam were to serve no other purpose than that, I would consider $115 million well spent. I would likewise consider the time, effort and money expended by the Seneca Nation in opposition to this structure a wise investment.

ACCOMPLISHMENTS IN 1963

I should like to congratulate this council for its many achievements during the past year. You will be called upon to make many more important decisions in the year ahead. The year past has not been an ordinary year. None of us here have ever had any previous experience with the workings of governmental agencies. We may often wonder why we are required to act upon resolution after resolution, meet deadlines, fill out applications by the dozen, adopt workable programs, overall economic development programs, attend seemingly unending hearings, conferences, consultations with appraisers, engineers, architects, contractors, economists, statisticians, attorneys, and an endless stream of experts in every field passing through the nation's offices and through the reservation.

It seems almost impossible that so much could be absorbed in so short a time. Yet, this council has responded to the challenge magnificently. I ask for your continued indulgence and patience in dealing with the many problems yet confronting the Seneca Nation. I am grateful to the individual Seneca members who have so unselfishly given of their time and effort in laying the groundwork for our future programs. Many of you have served on the various committees whose responsibility has been to study our future needs with respect to education, industrial and recreational development, housing and relocation, and cemeteries.

Much of this painstaking work is now reflected in H.R. 1794, the Seneca rehabilitation bill, now pending before Congress. This legislation has been carefully studied by the House Subcommittee on Indian Affairs under the concerned chairmanship of Representative JAMES A. HALEY, of Florida. This subcommittee has unanimously approved a $20 million figure to provide for the socioeconomic development of the Seneca Nation.

I should like to leave the year 1963 at this point and project into the future. A successful future for the Senecas depends much on H.R. 1794 and specifically on the rehabilitation portion of this bill which calls for a congressional appropriation of nearly $17 million. This money can be used for a number of purposes—agricultural, commercial, and recreational development on the Seneca reservations; industrial development on the reservations or within 50 miles of any exterior of said boundary of said reservations; relocation and resettlement, including the construction of roads, houses, utilities, community buildings, and other community facilities; an educational fund for scholarship grants, vocational training and counseling services; the acquisition of lands either within or contiguous to the Allegany Reservation. These are some of the uses for which this money can be spent.

I should like to point out here that no part of this rehabilitation fund may be used for per capita payments. Congress won't allow that and I, for one, concur with this policy wholeheartedly. We will therefore need to establish certain legal entities outside of the political structure of the nation to carry out the plans and programs which now exist and to administer these funds accordingly.

For example, a board of trustees is required to put into operation the educational scholarship program so diligently and meticulously planned by our subcommittee on education. Fair-thinking, interested, responsible people must be asked to serve as directors and trustees. Petty differences must be set aside and a pooling of our best brains is essential.

Members of the Seneca Nation of Indians—both men and women—have worked hard these past 2 years with the help of many good friends and public agencies to prepare sound relocation and rehabilitation plans for congressional consideration. We hope that Congress will pass our legislation quickly so that we may have one full construction season to build homes before the deadline for our move in September. We have only a few months left.

When President Lyndon B. Johnson puts his signature on H.R. 1794, he will present a challenge to the Seneca Nation of Indians and to every individual Seneca—the young as well as the more mature—the women as well as the men.

From that time forward, the future of the Seneca Nation will depend on us. We shall then have a chance to prove what we Seneca Indians can do for our own people, troubled and disrupted as we have been by this Kinzua Dam crisis in our history. Even more we shall be challenged to show that we American Indians can still make a unique and important contribution to this whole country which we love as our ancestors did thousands of years before us.

To achieve this great purpose—to build a noble future for our children and their children—we have only to follow the old Iroquois precept: En gai wii yok deswadajadahgehhah deswaiyenhnonh—Let there be good will among us. Let us help one another and work together.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. CHURCH, and by unanimous consent, the Committee on Rules and Administration was authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

MILITARY PROCUREMENT AUTHORIZATION—1965

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which is H.R. 9637.

The Senate resumed the consideration of H.R. 9637, an act to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluations, for the Armed Forces and for other purposes.

Mr. RUSSELL obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Georgia yield, without losing his right to the floor?

Mr. RUSSELL. I yield.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUSSELL. Mr. President, the pending bill, H.R. 9637, would authorize appropriations for the procurement of aircraft, missiles, and naval vessels, and for research, development, test, and evaluation activities by and for the Armed Forces.

The total authorization is $17,040,140,000. Appropriations based on this authorization will constitute a little more than one-third of the Department of Defense appropriations request for fiscal year 1965, and a sizable percentage of the total budget.

The activities that are not subject to new and specific authorization annually are personnel, operations, and maintenance, and all of procurement other than aircraft, missiles, and naval vessels.

The requirement for the authorization contained in this bill exists in section 412(b) of Public Law 86–149, as amended by Public Law 87–436 and Public Law 88–174.

PROCUREMENT

The procurement part of this authorization bill totals $10,613,300,000 for the procurement of more than 2,700 aircraft and about 35,000 missiles for the 3 military departments, and 53 new ships and 7 ship conversions for the Navy.

The $10,613,300,000 in authorization is considerably less than the $11,915,200,000 authorized and $11,411,099,000 appropriated for the same procurement items in fiscal year 1964. The reduction should not be attributed to an arbitrary cutback in established force structures. This reduction is not a result of any conclusion that the threat this country faces has diminished in any degree since last year. Instead, I believe that at least three factors contribute to the smaller amount asked for procurement this year:

First, improved management and administration of the procurement programs have made some reductions possible.

Second, the requirements for our forces have been refined in an attempt to eliminate unnecessary purchases;

And third—in my opinion, the most significant—has been the relatively large procurement programs during the last several years, especially for missile procurement, which have caused us to approach the inventory objectives needed to support the forces in the planned military structure.

The principal procurement items to increase the power of our strategic retaliatory forces are the Minuteman II and the Polaris A–3 missiles.

In June of this year there will be 600 Minuteman I missiles deployed and by June of 1965 there will be 800. The fiscal year 1964 budget contained funding for the first increment of 150 Minuteman II's and this year's program concludes the procurement of additional Minuteman II missiles that will provide increased range or payload, a greater accuracy, and the ability to fire at any one of a greater number of predetermined targets.

The last 6 of the fleet of 41 Polaris submarines were funded in fiscal year 1964. The 1965 procurement request includes funds for A–3 missiles which will have a range of 2,500 nautical miles, as compared with the 1,500-nautical-mile range of the A–2 and the 1,200-nautical-mile range of the A–1, or the first Polaris missile. We have, therefore, more than doubled the range of the Polaris submarine missile, as well as having greatly increased its accuracy.

Eventually, 28 of the 41 Polaris submarines will be equipped with the A–3 missile and 13 with the A–2 missile.

The entire force of 41 submarines and 656 missiles will be deployed by the end of fiscal year 1967.

For the continental air missile defense forces the procurement authorization in this bill is principally for missiles that would be used by interceptors, such as Sparrow and Sidewinder.

The general-purpose forces are made up of most of the Army's combat support units, practically all Navy units, all Marine Corps units, and the tactical part of the Air Force. For these forces the bill would authorize a variety of procurement items, such as Pershing missiles to provide nuclear air support for a field army; Shillelagh, a new antitank weapon system; Redeye, a shoulder-fired missile to protect deployed ground forces from low flying aircraft; Chinook helicopters to lift Army troops and supplies in the combat zone; Iroquois helicopters for the assault transport of infantry squads; A–6A attack bombers; a new close air support type, now designated as VAL, for the Navy; more of the Phantom II all-weather fighters designated F–4B by the Navy and F–4D by the Air Force; a reconnaissance model of this aircraft for both services; helicopter transports for the Marine Corps; antisubmarine helicopters for the Navy; the F–111, formerly known as the TFX, the Navy model of which will be used largely as an interceptor and the Air Force version for close support of Army operations; and training aircraft for all the services.

The Navy shipbuilding program, which is described in some detail beginning on page 8 of the committee report, involves the construction of 53 new ships and the conversion of 7 others. Included are 6 nuclear-powered attack submarines, several new ships needed for balanced modern amphibious force that can proceed at speeds of 20 knots, 16 destroyer escorts, some new auxiliaries, tenders, and research ships.

For the airlift and sealift forces, the new procurement is for the C–141, a turbofan-powered jet transport, and a roll-on/roll-off ship for the sea transportation of vehicles.

The items I have mentioned are those that come to mind quickly as the more prominent weapons in the program.

The committee report contains additional and full information on other aircraft and missiles to be procured.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Turning now to the research, development, test, and evaluation authorization, the bill would provide a total of $6,426,840,000 for this activity. Last year only the R.D.T. & E. programs relating to aircraft, missiles, and naval vessels required authorization and hence there is no direct basis for comparing this year's authorization with that of last year. However, appropriations in fiscal year 1964 for the same activities covered by this authorization bill totaled about $6,799,230,000. Thus it will be seen that the Department of Defense has also reduced its request for research and development funds, since the amount requested this year was $6,572 million.

The R.D.T. & E. program recommended by the committee is $145,160,000 less than the amount requested by the Department of Defense. Since the figure approved by the committee includes $52 million not sought by the Department of Defense for development of advanced manned strategic aircraft, this $52 million must be added to the $145,160,000 to get the true measure of the reductions in the R.D.T. & E. programs that the committee's recommendations represent.

Except in one instance that I shall explain later, the committee has not designated the programs to be reduced. The committee is keenly aware of the vital importance of imaginative research and development, and there is no inclination on our part to discourage creative thinking and the transformation of ideas into effective weapons by placing unreasonable limitations on the scope of research activities.

Some stages in the rather evolutionary progression from almost pure research to the fabrication of prototypes are by their very nature exceedingly difficult to evaluate. The committee believes that the relatively moderate reductions its authorization bill requires can be accomplished by continued careful administration and management of some of these programs, especially in the exploratory development category.

Beginning on page 10, the committee report outlines the general nature of the research and development effort funded under each of eight budget categories, beginning with the military sciences and ending with program management and support. I think it is unnecessary to attempt to list the projects involved; indeed this would be a very exhaustive and exhausting undertaking in the basic research and exploratory development areas. I shall, however, discuss some of the major programs involved.

In strategic missile developments, important improvements are being added to the A-3 Polaris missile and to the Minuteman II. I have referred to these in my remarks about procurement.

There is, moreover, a substantial program to improve the reentry systems for ballistic missiles and to assure that our missiles can penetrate enemy defenses. This program is being conducted by the Advance Research Projects Agency, the Air Force, and the Navy. This work which is designated by the acronym ABRES, is carried on in conjunction with the substantial program on ballistic missile defense conducted by ARPA under the project name of Defender.

In the continental defense field, the search for an effective defense against ballistic missiles is of transcendent importance. In addition to the Defender, work being conducted by ARPA, the Army is continuing work which involves adding a new multipurpose radar, called MAR, and a new fast-reacting missile, called Sprint, to the basic Nike-Zeus concept. For 1965 the development program on Nike X involves about $306 million and the continued testing of the Nike-Zeus system at Kwajalein will require almost $40 million. To these sums should be added the $128.7 million for the Defender program in 1965 to measure the financial consequences of antiballistic-missile development and the emphasis this effort is receiving.

In space, a substantial part of the 1965 effort will be applied to the continued development of the Titan III booster that will provide capability for launching payloads up to 25,000 pounds in a near-earth orbit. The principal role now foreseen for the Titan III is as a booster for the manned orbital laboratory—MOL—which will use a modified Gemini vehicle that will be coupled to a pressurized cylinder designed as an orbiting laboratory. The research officials in the Department anticipate that the thrust of the Titan III is likely to be useful in connection with the other military space roles when this booster becomes operational. Although the requirement for manned military operations in space is still not precisely defined, this definition may come about in the near future and we must be prepared to explore this new area.

It is difficult for me, even though I hear this testimony from year to year, really to contemplate a laboratory in space from which men will work and from which they can descend to the earth, and to which, after the laboratory has completed perhaps a month or more of revolutions in space, they can return, couple their vehicle to the space laboratory, and reenter to see the progress that has been made on the experiments they left when they departed from the laboratory in the first instance.

I am sure that Senators will be interested in the action that has been taken to discharge the commitments of the Department of Defense to the four specific safeguards prescribed by the Chiefs of Staff when the nuclear test ban treaty was under consideration. These were:

First, continued underground tests to add to our knowledge and to improve our weapons.

Second, maintenance of modern nuclear laboratories with programs to attract qualified persons to continue progress in nuclear technology.

Third, a standby capability to resume tests if resumption were essential to our security, or if the treaty should be abrogated.

Fourth, improvement of our ability to detect violations.

The 1965 program for carrying out these safeguards, much of it in the research and development area, involves the expenditure of more than $279 million by the Department of Defense in 1965.

Another research and development field receiving great emphasis and importance is antisubmarine warfare. Three hundred and eighty-six million dollars of the Navy's R.D.T. & E. budget—about 27 percent of the total—is directed toward the development of new weapons or systems and continuing improvements in performance, reliability, and maintainability of its offensive and defensive ASW weapons. This work includes programs to increase the ranges at which enemy submarines can be detected, a new ASW escort ship, improved sonars and radars, and more effective torpedoes and missiles to destroy enemy submarines.

In the field of general or limited war, both the Army and the Navy are continuing development of what was called the TFX and is now designated the F-111. All the services are participating in a coordinated effort to develop aircraft that can take off and land vertically or on very short runways. The Army is trying to perfect the Mauler missile and the Navy is trying to overcome the problems that have beset us with the so-called 3T missiles—the Tartar, Terrier, and Talos.

If there has been one consistency in the mistakes which have been made by the Department of Defense, it has been one of overoptimism about the performance of the missiles, in practically all categories while they were in the stage of research and development. Congress has contributed to that mistake by authorizing the procurement of very expensive missiles before they had been fully tested and had proved themselves.

The Army is now giving preliminary study to a new system to defend the field army against attack in the 1970's. The Navy, after having canceled the Typhon program, which was presented to us as a very promising possibility a few years ago, is now beginning the early stages of work on an advanced system to provide air defense for the fleet to replace the canceled Typhon program.

Joint development of a new main battle tank with the Federal Republic of Germany is being continued, and better infantry and artillery weapons of the conventional type are being sought.

Two committee actions in the field of research and development deserve specific treatment. First, the committee earmarked an additional $52 million for the development of advanced manned strategic aircraft, which has also been described as an advanced manned penetrator, and as a follow-on bomber. The Department of Defense had requested $5 million for this purpose.

Speaking in all candor, and judging by the experience of the past, it is unlikely that the Department will use all or any substantial part of the additional authorization. However, the committee has decided that this amount should be made available, although it is limited only to this purpose. Therefore, if it is not expended it cannot be transferred to other activities, but will remain in the Treasury.

By providing this sum, the committee is underlining its previously expressed concern that we have no new bomber under development. The committee continues to think that a combination of missiles and bombers should be in inventory, to be used as our strategic deterrent, rather than to place sole reliance on missiles.

Manned strategic aircraft are no longer in production. No new planes have been produced for our strategic squadrons since October 1962.

The Air Force has been studying several new bomber concepts. It expects to receive the results of three contract studies on the subject this spring. The committee has added $52 million to the bill in order that the program definition phase and the procurement of long leadtime components could be initiated if these studies should result in a decision to accelerate the development of a new bomber. As I have stated, if no such decision is made, the money is not available for other purposes.

The second committee action on which I desire to comment is that of designating the MMRBM program as the one to which $70 million of the $96 million Air Force R.D.T. & E. reduction is to be applied. The MMRBM concept is that of a medium-range, highly accurate missile that would be mobile through installations on trucks, or perhaps surface ships. As a practical matter, the range of the missile is such that it would not be deployed in the United States, except perhaps in the State of Alaska. While the committee understands that such a missile system could have some utility in places such as the NATO area, the committee believes that the additional capability this missile provides is not at this time sufficient to justify the hundreds of millions of dollars required to develop and to deploy it as a supplement to our existing retaliatory systems. Consequently, the committee has indicated its view that not more than $40 million should be applied to this program in 1965, and that this $40 million should be used for the continued development of the guidance system for this MMRBM concept. The thought is that this guidance system can be adaptable to improvements in our current missile programs, or to new generations of missiles.

Mr. President, before yielding for questions, I should like to invite the attention of the Senate to the part of the statement by the Secretary of Defense on the cost reduction program that he is pressing throughout the Department. By encouraging purchases of only what is really needed, through refining requirements calculations, increased use of surplus material in lieu of new procurement, eliminating unnecessary quality or gold plating, by shifting to more competitive procurements, by using more fixed-price and incentive contracts to replace cost-plus-fixed-fee contracts, by terminating unnecessary operations, and by increasing operating efficiency, the Secretary estimates that throughout the Department, savings reflected in the fiscal year 1965 budget total $2.4 billion, and that by 1967 these practices will result in savings of $4 billion. Mr. President, let it be understood that the word "savings," when used in this context, may not be quite the precise word, but what is meant is that except for these practices, the 1965 budget would likely be $2.4 billion more, and that it is hoped these practices will keep the 1967 budget $4 billion below what it would have been without the application of these sound business principles.

Measuring savings or efficiency in some of these areas is not an easy undertaking, and it is not necessary to accept each detail of that presentation, for even with substantial allowances for uncertainties, the accomplishments in this field of Secretary McNamara and those associated with him in managing the affairs of the Department of Defense, the Military Departments, and all the Armed Forces are impressive. Indeed, the progress in some of these areas has been so encouraging and so rewarding that "impressive" is hardly an adequate descriptive adjective.

Secretary McNamara has been praised by many persons, from the two Presidents he has served so capably on down.

I have complimented him often before, and I am glad to do so again, and to restate my appreciation that a person of his ability and devotion to the welfare of his country is willing to undertake the arduous and frustrating task of heading the Department of Defense.

Mr. President, I think Secretary McNamara would be the first to say that there are others who deserve much credit for the manner in which the Department of Defense, the Military Departments, and the Armed Forces are now being operated. Certainly he has some first-rate civilian assistants, and the persons to whom I should like to pay a special compliment are the dedicated and talented military officers who direct and man our Armed Forces. I think no one could sit through hearings such as those that resulted in this bill without being very favorably impressed by the competence of the military officials who are members of the Joint Chiefs of Staff and also those who have special responsibilities for our procurement and research and development programs.

I regret that in recent years there have been some attempts to portray many of the commissioned personnel, particularly those in the higher grades, as being indifferent to the financial consequences of their recommendations and requirements, as aspiring to power exercised under our system of government by civilians, and as being largely preoccupied by interest in "more pay, faster promotions, and earlier retirement."

My observations of persons who have followed a military life and who have risen to positions of high rank and responsibility cause me to reject all these insinuations, for I have a profound sense of appreciation for the leadership and the talented services of our military officers, many of whom could earn a great deal more in private life than they earn in the discharge of their military duties.

Having said this, I think I should also say that under our system it is necessarily a function of the legislative branch to question, to criticize, and to require full justification. I am sure Congress will continue to do all these things, but I do express the hope that Congress will continue to do them impersonally and with full appreciation of the fine qualities of those in the executive branch who are charged with administering our defense activities.

Mr. President, I think the executive branch—and this comment applies particularly in this instance to the Department of Defense, to Secretary McNamara, and to his subordinates throughout all areas of the Department and those of all grades and degrees—did a good job in trying to refine its requests this year. I believe that the House committee and the Senate committee have conscientiously reviewed the results of these efforts, and the requests that finally were cleared for presentation to Congress.

Mr. President, I urge the Senate to pass the bill.

Mr. DIRKSEN. Mr. President, will the Senator from Georgia yield briefly?

Mr. RUSSELL. I am glad to yield to the distinguished Senator from Illinois.

Mr. DIRKSEN. There is in the bill an earmarking, for the Air Force, of $52 million for the development of advanced manned strategic aircraft—which is another way of saying $52 million for advanced bombers.

The distinguished senior Senator from Massachusetts [Mr. SALTONSTALL], the ranking minority member of the Armed Services Committee, is confined to his home with a severe cold. However, this morning he telephoned me, and asked that I state, for him, that he is very much in sympathy with, and unequivocally supports, this item in the bill.

In addition, only this morning I had occasion to talk with some of the members of the House Committee on Armed Services; and they concur in what the Senate committee has done in connection with the bill, in earmarking $52 million for that purpose; and, of course, they do so on the basis of the rather extended testimony which was taken on this item.

Mr. RUSSELL. I thank the Senator from Illinois for making that statement.

I always miss the Senator from Massachusetts. I regret that he has been indisposed by a cold. A cold is sufficiently disagreeable by itself, without having it bring the added affliction of making one so hoarse that he cannot speak—which, of course, is a particularly annoying experience for Senators to undergo.

I regret very much the indisposition of the Senator. He is one of the best informed Senators on the military services of our country. In times past he has served as chairman of the committee. He has been the ranking member of the minority party on the Committee on Armed Services for a number of years. No one has given more dedicated and effective service to legislative work affecting legislation for our Armed Forces than has the distinguished Senator from Massachusetts. I appreciate the fact that he has called the Senator.

The House approved the item of $52 million to which the Senator referred. But under the House bill if the money were not used for the purpose intended, it could possibly be available for application to other activities. The Senate committee was of the opinion that if the money were not expended for accelerating bomber development, it should not be expended. For that reason we included a limitation that this authorization would be available only for the development of manned strategic aircraft. If it is not used for that purpose, the money may not be expended for other purposes. I believe that was really the intent of all those who were interested in that item.

I thank the Senator for his statement.

Mr. DIRKSEN. Mr. President, I should like to speak in reference to one other item. I am in a slightly awkward position on it when I observe that if there are Senate amendments to a bill, logically and normally the bill will go to a conference of the two Houses. I realize there is an urgency about the authorization. But under the circumstances I did desire to insert what has been bandied about as the "Dirksen formula," which would insert on page 1, line 5, after the word "appropriated," the language "out of funds supplied by the Nation's taxpayers or out of funds borrowed on their credit."

That language has been written into other bills by agreement. But I would not wish to put the chairman of the committee in a difficult position if, as he has indicated, there is the expressed hope that the House may conceivably concur in the Senate figures, and that a conference and the delays that ensue as a result of a conference might be avoided. But I am confident also that the distinguished Senator from Georgia, with his long experience on the Appropriations Committee, knows that in terms of appropriations terminology we have operated under a peculiar fiction, and always recite that "there is appropriated out of funds in the Treasury not otherwise appropriated."

I do not for a moment wish to hamstring the bill if a conference can be avoided. But I believe the Senator will agree—and I want the RECORD so to show—that I have not been remiss in my duty with respect to that formula.

Mr. RUSSELL. Mr. President, the amendment suggested by the Senator would be more applicable to an appropriation bill which states specifically, "out of funds in the Treasury not otherwise appropriated," than it would be to an authorization bill which proposes to authorize an appropriation.

The Senator is, of course, correct. He is exposing a legislative and legal fiction that has existed almost since the time of President Jefferson. I believe at one time in the Jefferson administration, when the Nation had no public debt and there was a little excess in the Treasury, the excess was distributed among the States for various public works programs. With that exception, it has been purely a legal fiction to say, "appropriated out of any funds in the Treasury not otherwise appropriated," because there have been no surplus funds in the Treasury for a great many years.

The factual predicate of the Senator's amendment is absolutely unchallengeable. Of course, money is appropriated out of tax funds paid by the people or from borrowed funds. That is the only way in which we can meet appropriations.

I hope the Senator will not press his amendment to the bill now before the Senate, which is an authorization bill and not an appropriation bill. With all due deference, it would be more appropriate to present it when the appropriation bill comes before the Senate.

I also have high hopes that the changes made in the bill by the Senate committee will be accepted by the other body without the necessity for a conference and without the delays attendant thereon. In view of the reputation that I bear in some quarters for desiring dilatory opportunities, I suppose I should accept the Senator's amendment, go to conference, and have the conference report come to the Senate in the middle of the debate on the so-called civil rights bill. But there are some things that have a priority—and very properly so—and if there is any one item that should have priority, it is the maintenance of our Nation's defenses. I have always given it priority in my legislative work. For that reason, I hope the Senator will not press his amendment, in order that the bill may have an opportunity to become law at the earliest possible date, enabling the Committee on Appropriations of the other body that is now holding hearings on the appropriation bill to know the limits of the authority under which they are to appropriate.

Mr. DIRKSEN. Mr. President, I assure the Senator I shall not press it, but I believe it is applicable to an authorization bill no less than to an appropriation bill. It might conceivably happen that when the pertinent appropriation bill came to the floor of the Senate, some Senator might rise in his place when I offered the formula and say, "Where was the Senator from Illinois when the money was authorized in the first instance?" It might be alleged that I was remiss in my duty. But I appreciate fully——

Mr. RUSSELL. I hope the RECORD will show very clearly that I am pleading with the Senator from Illinois not to press the amendment on the bill, because the bill should become law at a very early date, and also for the reason that the Senator will have an opportunity at a later date to offer his amendment to the appropriation bill.

Mr. DIRKSEN. In conclusion, what I have been speaking about is in the nature of a one-man educational effort to alert the taxpayers of our country that as we deal in billions and billions of dollars, and they feel so remote from the seat of government, perhaps if we keep at it long enough, we shall become aware of the fact that it is the people's money and their credit that is being authorized and appropriated.

On other occasions I may have told the story about the young man who wrote an examination paper to become a rural mail carrier. One of the questions was, "How far is the sun from the earth?"

He had not the slightest idea. After chewing over the matter for awhile he wrote, "Far enough so it would not interfere with me in the duty of carrying the mail." [Laughter.]

There is a sense of remoteness. I believe that the educational point must be pressed constantly that it is the money that we extract from the people at home and the credit which we pledge—which is their credit—that is finally dealt with in both authorization and appropriation bills.

Mr. RUSSELL. Mr. President, the distinguished Senator is indeed an optimist as well as a man of rare courage if he undertakes to do combat with all the forces in our country that are consistently and daily telling the American people that they can get something for nothing. That has become one of the popular obsessions of the times. Some sources are holding out to the people the hope and the belief that the mirage which has haunted, pursued, and damaged mankind throughout history was not really an illusion, and that they could get something for nothing. By his amendment the Senator reminds them that they will not get something for nothing. In fact, the Treasury does not contain inexhaustible funds that may be appropriated.

I commend the Senator on his effort. I salute him for his courage. He is one man in public life who is undertaking to dispel a dangerous illusion that is being created by many, not only those who are in public office, but also practically all of those who are trying to attain public office.

Mr. DIRKSEN. Mr. President, I conclude by repeating for the RECORD one of the favorite quotations of William Jennings Bryan, who was born in the State of Illinois. On a number of occasions I heard him say—and the statement was taken from the Great Book—

> One man armed in righteousness is a match for all the hosts of error.

So in that spirit I shall persist in this educational effort. I am glad that I have the cooperation and concurrence of my distinguished friend, the Senator from Georgia.

Mr. RUSSELL. I thank the Senator.

Mr. STENNIS. Mr. President, will the Senator yield to me briefly?

Mr. RUSSELL. I yield to the Senator from Mississippi.

Mr. STENNIS. First, I commend the Senator from Georgia for the fine way he handled the bill in the hearings. Today is only the 27th of February, and this colossal bill—and it is colossal in amount—has already had hearings completed on it and is being presented on the floor with very little, if any, controversy about any items in it. Only the skill and fine knowledge of the subject matter of the Senator from Georgia made that possible.

I also commend Mr. McNamara for the very fine business principles of his cost-reduction program. He made an extraordinary showing of what can be done. I am glad the Senator from Georgia brought into the RECORD the figures and calculations of savings in fiscal year 1965 and those in prospect for future years.

It may be that one of the most important decisions the Senate makes this year—certainly on the military program—will be on the question of what to do with the proposed additional funds for at least some modest acceleration of the feasibility studies and planning for advanced bombers.

The Senator from Georgia has already expressed himself as being in favor of funds of $52 million, instead of the $5 million that was recommended by Secretary McNamara.

At the same time, if I correctly understand the position of the Senator from Georgia, he intends no reflection upon any bombers or missile systems in existence, but merely urges that plans for new bombers for future use be prepared. The Senator from Georgia is looking forward to the day when the present bombers will be out of the inventory because they are obsolete and worn out.

Mr. RUSSELL. Mr. President, there has never been a time of such revolutionary development in the art of weaponry as there has been in the past 20 years. We have made great strides technically—and I undertook to touch on some of them in my statement—in our missile systems and aircraft, but it is an inescapable fact that we have not been procuring a single new manned bomber for our bomber squadrons. It is a matter of which any court would take judicial cognizance, or any citizen would know, that the bombers in our Air Force are being worn out. We are phasing out the B-47, which, when it went into procurement, was the most modern manned aircraft. We are phasing it out very rapidly. We will soon be down to what is left of the B-52's and the B-58's. They are magnificent bombers for their period, but we all know that those planes are, or soon will be, obsolescent. They are not obsolete; they are the best we have; and we hope and believe they are as good as any other nation has. But other nations are working on improved manned aircraft. That activity is not confined to the Soviet Union.

The French and British have a joint venture on a large manned aircraft that is now designed primarily as a commercial transport plane—but which could be subject to an adaptation to military purposes.

I would dislike very much to see the manned bomber completely eliminated from our arsenal and to have our strategic striking force limited solely to the missile. I think it would be a mistake. I do not think we would be measuring up to our responsibility to defend what we are defending in this country—the American way of life, the greatest civilization that has ever existed on this earth, in which our people enjoy more good things than have ever been enjoyed by any people. We have more to lose by having an inadequate defense than any nation ever had.

I do not believe we should stop all effort to provide an adequate manned bomber. I have said before that its psychological value alone could justify its development. For a long time we have had such an ascendancy in manned aircraft that the world looks to us as the leaders. Senators will remember how shocked the nations associated with us were when Russia first developed the Sputnik, before we had put any satellites into orbit or into space.

If we now ceased to make a substantial effort in an area where we have had unquestioned predominance since the bomber came into being, I think it would shake the confidence of the world in us. We can tell them that we have missiles. We may say to them, "Come up into Montana and South Dakota and we will show you where we have missiles buried in concrete and earth." But the manned bomber on an airfield in foreign countries is tangible evidence of this country's strength and its military striking power; and it would be a great loss to our defense system, when the manned bomber is phased out, as it may be in the 1970's, if we do not take steps to develop a new, more effective, and efficient strategic aircraft.

Mr. STENNIS. I thank the Senator. I have one other brief question. The bill as presented by the Defense Department recognized the need for some study of the need for an additional bomber. The only question is over the amount that should be devoted to that purpose. The committee amendment would make it possible to push the program further and faster, and perhaps save a year or a year and a half. Is that correct?

Mr. RUSSELL. To be perfectly candid, the purpose is to encourage the Secretary of Defense to take that step. The Secretary of Defense apparently has modified his views somewhat with respect to the manned bomber. This is evidenced by the fact that he put $5 million in his budget for the study of a manned bomber. Two years ago he seemed completely committed to the missile as our strategic deterrent.

This provision is to encourage the Secretary. He does not have to spend the money. I have already said that I doubt that he will spend all of it. But it is hoped that he will be encouraged to study the subject more closely and review this proposal if the Congress of the United States—and, after all, we have the constitutional responsibility for national defense—is urging him to devote his great capabilities to the development of an effective and efficient manned bomber. If he is not satisfied with its design and proposed use, and he has been justified in his opposition to the B-70, or the RS-70, or whatever the last letter used on the 70 is, that does not necessarily mean that we should completely eliminate the manned bomber from our arsenal and from our weapons system.

I hope this will encourage the Secretary of Defense, working in cooperation with the Congress—and the Congress has shown every desire to cooperate with him and to laud him for the magnificent work he has done—to lend his great talents to advise us in the development of a new manned bomber to replace those that will soon be exhausted.

There are a number of reasons for that. Some of the bombers have been used in a manner for which they were not originally designed, but whatever may be the cause, the life expectancy of our manned bomber fleets has been reduced. We should move forward now, I believe, to assure a proper balance in our military arsenal, and to encourage the Secretary to cooperate with the view of Congress that this manned bomber should be developed.

It is rather unfortunate that on prior occasions it was made to appear that the manned bomber controversy was limited to a difference in views between the Secretary of Defense and the Chief of Staff of the Air Force. I hope no Senator will vote on the bill under any such assumption, because that would be a poor way to make a decision on a matter of such vital importance to over 185 million Americans. This is no popularity contest with me. I am a great admirer of both the Secretary of Defense in his area, and of General LeMay in his area as a fighting man, prepared to direct the activities of all of the Air Force in the event of war. I support the revival of the idea of maintaining a proper mix in our arsenal, based upon my own views and convictions. I desire to measure up to my responsibilities under the oath of office which I took as a Senator of the United States. I regard it as unfortunate that in the other body it was suggested that the issue was as to whom one voted for and in whom one had faith.

I hope the Senate will approve this item. In times past the Senate has, after prolonged debate, manifested its belief in maintaining a proper mix in our strategic weapons and not relying wholly, solely, and exclusively on missiles, as effective as they are sure to be.

Mr. STENNIS. I thank the Senator. I agree wholeheartedly with the sentiments of the Senator from Georgia that we do not wish to deal in personalities, but should prepare to vote on the most important bill the Senate will consider in a long time.

Mr. LONG of Louisiana. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. LONG of Louisiana. Mr. President, in 1949 a minority of the Senate insisted on voting for a larger Air Force than the then President, President Truman, believed in good conscience he could recommend. Subsequently that year a majority of the Senate voted to increase funds for aircraft procurement by about $500 million. Congress insisted on appropriating the money, but the Executive felt it was inexpedient to spend it, even though Congress forced the funds upon him.

Immediately after the beginning of the Korean war—which no one had anticipated—I visited bases overseas and came across the latest type of American planes which had been produced. Some of them were the most modern fighter jet bombers we had. They numbered approximately 45. They were, at that time, the latest and fastest plane available to attack the Soviet Union in the event the Korean war should develop into a war between the United States and the Soviet Union.

Our pilots were so courageous that they were willing to go only one way, if need be, in order to reach the heart of the Soviet Union. Unfortunately, the Nation had only approximately 45 fighter bombers at that time, each of which was capable of carrying an atomic weapon, with sufficient speed to outrace any interceptor and reach the targets.

The testimony, as the Senator well recalls, that was later given before the committee investigating the dismissal of General MacArthur, headed by the distinguished Senator from Georgia [Mr. RUSSELL] was to the effect that we should be extremely cautious in any move we might make in the Korean war, because we were not adequately prepared. Much of the lack of preparation was due to the fact that the will of Congress had not been carried out, that the Executive had not gone far enough with implementing the appropriations which Congress had voted, to make sure that the Air Force was second to none and in an advanced state of readiness in the event such an emergency should overtake us.

Mr. RUSSELL. The Senator from Louisiana is undoubtedly correct. Of course, we had our heads in the sand. We were amazed when we got to Korea and ran into the Mig fighters, which performed far beyond what intelligence had ever estimated. We have been mistaken time and again in estimating the ingenuity and capability of the Soviets to produce weapons. In the Korean war, although we were not engaged directly with the Soviets, we were engaged with people to whom the Soviets were supplying weapons. We found, to our amazement, that the latest type Mig encountered over there had a capability we had never believed the Russians could incorporate in that airplane at that time. Its performance was superior to that of our own planes. The only reason we prevailed over them was that our pilots were better trained and had more experience than the pilots flying the Migs.

Mr. LONG of Louisiana. We can find many examples where the military was less optimistic than the facts established in the use of the many weapons and fighting machines that we produced.

During World War II I served as an officer on a tank landing craft. I believe, if one had available an estimate of the fitness of that type of craft, it would show that it was anticipated that, by the time it had been used two or three times, the enemy would have destroyed it. I served in the Mediterranean theater of operations. Of the LCT's numbering approximately 100 American craft of which I had knowledge, we did not lose a single LCT in four different invasions, although the estimate was that we would lose in excess of 25 percent in each invasion. I do not believe we lost a single LCT by gunfire, although we may have lost one or two because the sea tore some of them up; but as I recall, all of them survived such enemy gunfire as they received. Perhaps, because some of them were not sufficiently seaworthy, we have lost a few of them in storms but not as the direct result of enemy action.

Mr. RUSSELL. That is amazing. I did not know that we did not lose a single LST——

Mr. LONG of Louisiana. LCT—landing craft tank.

Mr. RUSSELL. I mean LCT—in an invasion of southern Europe. A number of them were under rather vigorous attack.

Mr. LONG of Louisiana. We may have lost a few as a result of storms breaking them in two, or perhaps due to poor seamanship or lack of experience in handling that type of craft. I am speaking, of course, of my service in the Mediterranean, where hardly a one was lost as a result of enemy action.

Mr. RUSSELL. If we avoided losing one at Anzio, that was rather remarkable.

Mr. LONG of Louisiana. My recollection is that not one was lost due to enemy gunfire. That was, of course, in the Mediterannean. The record at Normandy may have been less favorable, but neither there nor in the Pacific was the attrition more than nominal for that type of craft.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the Senate amendments may be agreed to en bloc, and that the bill as amended be considered as original text for the purpose of amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. STENNIS. Mr. President, as I have said, this could be the most important vote of the entire year. I believe that perhaps it will be the most important vote. Certainly it will be the most important vote on the authorization of money for our military program.

What the Senator from Georgia has said about the need for accelerating our plans for manned bombers has covered the subject adequately. Perhaps nothing more needs to be said.

Our Preparedness Investigating Subcommittee has gone into this matter thoroughly. It held its first hearings some 3 years ago, and it has kept up with the status of our strategic striking power since that time.

The recommended additional funds are entirely in keeping and in line with what most of us who are intimately connected with this problem have thought for several years.

Let us remember that there are no manned bombers coming off the production line to replace those that are being lost and worn out. There have not been any manned bombers coming off the production line for almost 2 years, and none will be produced under this amendment, which would accelerate the program substantially for 6 or 8 years more.

Let us remember, too, that these planes will wear out. They are consuming themselves, so to speak, through use, to the extent that we will have no effective bomber force after the early seventies, unless something is done to develop and produce another manned bomber.

That means that by that time, the early seventies, we will be relying entirely on our missiles. Missiles certainly have their place now, and they doubtless will be of increasing importance. However, it certainly has not yet been proven that we can rely on them entirely, and that they will fill all our needs. It is clear that a balanced program of manned and unmanned systems is the only program we can safely rely on. It is also clear as a bell to me that we will need this program for the foreseeable future.

I wholeheartedly support the recommendation of the Senate Armed Services Committee that $52 million be authorized for the accelerated and more rapid development of a follow-on manned bomber.

For years I have been concerned and disturbed by the fact that we have had no follow-on manned bomber in development to replace our present fleet of B–52's and B–58's when they become obsolete. The last B–52 and the last B–58 came off the production line in the fall of 1962. They cannot last forever. Sometime in the early 1970's at the latest they will be worn out and obsolete and, unless action is taken now, we will then have no bomber fleet worthy of the name.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. JAVITS. I am not deeply involved in these particular matters, but I have great respect for the Senator's views in this particular area. I should like to ask the Senator a question which ties in with what he said. Can the Senator give us his own concept—that is, if he feels free to do so—on the phasing out of these bombers? I might point out to him that on previous occasions I voted to sustain the committee's position on this subject. Therefore, I am not at all unsympathetic in this matter. Could he give us some concept with respect to phasing out of the existing bombers and phasing in of the new program, taking into consideration the need for bombers and missiles, and with the understanding that, with progress in modern weapons, we may eventually phase out all manned bombers. Therefore, can the Senator give us some idea of the phasing out plans; where we stand now, where the Senator would like to see us fit this manned bomber program which is under discussion, and what his thoughts are on the whole manned bomber concept?

Mr. STENNIS. The manned bomber force that we have now, with no new bombers coming off the line, will be obsolete by the early 1970's. That seems to be generally agreed by those who are knowledgeable in this field. The proposed new bomber will take from 6 to 8 years at least from its present status until we have them in the operational inventory.

Mr. JAVITS. Mr. President, will the Senator yield further?

Mr. STENNIS. I yield.

Mr. JAVITS. I believe this is rather important. We would be out of bombers in the early 1970's. Then this development program gets phased in. For how many years does the Senator contemplate, will there be a strategic requirement for manned bombers? From 1970 until when?

Mr. STENNIS. That is highly uncertain. However, I believe we will need a manned bomber for the foreseeable future. There is certainly no proof yet that we can take the risk of placing our entire reliance on missiles. It may be that this will be established in the 1970's but it has certainly not been established at this time. In fact, without deprecating the missiles in the least, the proof at this time is to the contrary, in my opinion. There is recognition of the need for manned bombers in the bill as presented, of course.

Mr. JAVITS. In other words, the stakes are so high that, unless we can meet them, we have no business in the game; and we must stay in the game. Is that about the essence of it?

Mr. STENNIS. Yes. There are tables which reflect how these bombers will be phased out; but, generally speaking, it is in the early 1970's. Also, generally speaking, if we push this matter, we might have a follow-on manned bomber. If we do not push it, the time will come when we will be relying exclusively on missiles.

Mr. JAVITS. I thank the Senator.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. CARLSON. I appreciate very much the statement that is being made by the distinguished Senator from Mississippi and the statement by the chairman of the committee with regard to the need for continuing in the field of producing new bombers. It is a very interesting background as we look back on the production of bombers, how one bomber was phased out after another. I happen to come from a State which is quite familiar with the production of bombers. We had the B-17, B-29, B-36, B-52, and B-58.

If we do not get a bomber on the line, we will certainly be phased out and in that way we will be endangering our national defense. It is essential that we keep these bombers in production. I live in an area where we are surrounded by missiles. I am not revealing any secret. Everyone knows about that. In the interest of national security, we must get these bombers on the line.

Mr. STENNIS. I thank the Senator. I said that we would be phasing out our present bombers in the early seventies. Prior to making that statement I checked to see if that information was classified. I thought it might be. It is not classified. However, the tables showing the precise information are classified. Therefore we cannot put them in the RECORD.

We are losing B-52's right along. They are being put to uses for which they were not designed. That makes for a higher attrition rate. They are wearing themselves out. These are the facts of life.

Mr. GORE. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. GORE. The Senator from Tennessee has listened with a great deal of interest and attention to the distinguished junior Senator from Mississippi. He made a statement about reliability of our missiles. I understood him to say that the record indicated some question about whether reliability had been proven. I may not be correctly stating his position. Will he restate his position?

Mr. STENNIS. The Senator from Mississippi was not trying to pass judgment on the reliability of our missiles in his previous remarks. That will be covered in a different way. A special study of it is being made now by the Preparedness Subcommittee. The reliability of our missiles has not yet been proven to the extent that we can put all our eggs in that basket, and rely entirely upon missiles. The concept for years to come has to be one of a balanced and flexible force. Our strategic striking power must be balanced between missiles and bombers. Bombers can complete their mission and return and be recycled for further use. There are human brains in their cockpit. In many cases, they carry their own missiles with them.

To eliminate altogether the manned bomber with its flexibility, its ability to assess damage, and its ability to return and be used again, and rely entirely upon electronic and mechanical missiles is a risk that we cannot take.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. STENNIS. I am glad to yield.

Mr. GORE. I am listening to the debate, hoping to obtain sufficient information to reach a decision on this question. It seems to me that the date when we can safely rely upon missiles goes to the heart of the question as to whether the manned bomber should be phased out. It was for that reason that I asked the distinguished Senator from Mississippi to elucidate the point upon which he had touched.

Mr. STENNIS. It is purely a matter of judgment as to exactly when that will be. We may reach that point by the early 1970's. It is theoretically possible that a bomber could be built, but that missiles would have advanced so far that the bomber would not be used. But we cannot now afford to take that chance. To the Senator from Mississippi, that is as clear as a bell.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. RUSSELL. With respect to the basic question asked by the Senator from Tennessee, the reliability of missiles is improving every day and is measuring up to the estimates that were made 2 years ago concerning their proficiency. But that does not necessarily mean that we can dispose of the manned bomber. That is so for a number of reasons. Both we and the Russians—the degree may be secret, but not the fact—are spending large sums in undertaking to prepare defensive systems for both these weapons. If we eliminate the bomber and let the Russians devote all their resources to defense against missiles, they are sure to develop such a defense more rapidly than they would if they had to prepare two defensive systems.

We are in exactly the same position, but I insist that we have more things of greater value to defend than do the Russians. We can afford to undertake to develop the two weapon systems and, at the same time, work on defenses against theirs.

There are some things that a bomber can do that a missile cannot in any circumstances do. Certain missions require pinpoint accuracy as when the bomber would go into an area after missiles have been fired, to see whether the estimate of the targets was correct, and even to finish them off.

Mr. STENNIS. If I may interpose, such action would include finding hidden or mobile targets.

Mr. RUSSELL. That is correct. It is not revealing any secret to say that our potential enemy has infinitely more information about the location of our military targets than we have with respect to his. Therefore, it matters not how many missiles we might have; some of the targets might be overlooked or not found because the missile could not locate them; whereas the manned bomber, if the original missile firing has been successful and has impaired the enemy's defensive system, can go into the area, pinpoint the remaining essential targets, and knock them out.

Mr. GORE. Mr. President, will the Senator from Mississippi further yield, so that I may ask the Senator from Georgia a question?

Mr. STENNIS. I yield for that purpose.

Mr. GORE. Do I correctly understand the view of the distinguished Senator from Georgia to be that, first, the accuracy and dependability of missile development are, as of now, attaining the schedule which had been anticipated?

Mr. RUSSELL. That is correct.

Mr. GORE. Second, even though the accuracy, dependability, and proficiency of missilery, if I may use that word, continue to develop satisfactorily, the Senator views the situation as requiring a supplementary system, even though the missilery produced satisfactory results?

Mr. RUSSELL. That is exactly my position. A mix is needed, because however much missiles may be perfected, there will be some targets that missiles will not find, that can be found only through the eyes of men. No device that can be attached to a missile will enable the missile to seek out and destroy such targets.

I believe our missiles would wreak untold havoc on any enemy. But the enemy, likewise, has such capacity. If there is a war of extermination, I hope that such seed as is left will be in the United States, not in some opposing country. We cannot be assured of that if we do not maintain a flexible, strategic offensive system that can be adapted to any circumstances that might arise.

Mr. GORE. Mr. President, will the Senator from Mississippi further yield?

Mr. STENNIS. I am glad to yield.

Mr. GORE. The distinguished senior Senator from Georgia [Mr. RUSSELL], like the senior Senator from Tennessee, will recall the photographs of atomic launching cellars and missile launching cellars, made by the renowned V-2 planes, which he and I and other Senators viewed.

Mr. RUSSELL. The U-2.

Mr. GORE. The U-2. As I recall those photographs, many launching sites were in isolated areas which could be reached only by a missile having pinpoint accuracy. Is this type of specialized target one of the types to which the Senator refers?

Mr. RUSSELL. That is one of them, but in addition, there may be secret targets that will not be located by any ordinary intelligence.

Some of our airplanes are kept in the air at all times today, even in a relatively cool period of the cold war, so that they will not be vulnerable. If all these planes are phased out in the early 1970's—frankly, I fear they may not be operational that long in view of some of the defects that have shown up as a result of their being used for purposes for which they were never intended—we could be denied a very valuable weapon. I believe that is an ultraconservative statement.

I do not believe that a country as rich and as powerful as ours can afford to depend on one punch for its salvation and defense when two are available at a not inordinate expense. When we talk about a billion dollars, it is expensive, but a billion dollars in this area, when measured against the total value of the United States and our emergence as the remainder of civilization in a nuclear war, is a very small amount.

Mr. GORE. I thank both distinguished Senators.

Mr. STENNIS. I may say to the senior Senator from Tennessee [Mr. GORE] that the ability to survive an enemy attack is something that is presently unknown. It will probably continue to be unknown to a great degree in the 1970's and even the 1980's perhaps. To have bombers available for that eventuality alone justifies, in my opinion, the development and procurement of an advanced bomber.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. STENNIS. I yield.

Mr. GORE. The statement which the Senator has just made is challenging. Would a part of the ability of the U.S. missile capacity to survive attack be involved in something other than direct destruction, such as electronic disturbance and advanced scientific instruments?

Mr. STENNIS. The Senator is correct. It would not have to be physical destruction. The system could be rendered ineffective by having its capacity for guidance and other fragile parts of the system incapacitated.

Mr. COOPER. Mr. President, will the Senator from Mississippi yield for a question?

The PRESIDING OFFICER (Mr. MCINTYRE in the chair). Does the Senator from Mississippi yield to the Senator from Kentucky?

Mr. STENNIS. I am glad to yield.

Mr. COOPER. The Senator from Mississippi knows that often when appropriations are proposed for new weapons of defense, the experience is that before the new weapons are available, they are found to be obsolete.

Mr. STENNIS. Yes.

Mr. COOPER. I remember that last year, in connection with the appropriation for the Nike-Zeus, at our closed session we decided, by majority vote, that the appropriation requested for the Nike-Zeus would not be made, but that instead the appropriation requested for it would be extended and applied to a new type of weapon.

Mr. STENNIS. Yes.

Mr. COOPER. I think it was argued at that time that a continued appropriation for the Nike-Zeus would be wasteful, because by the time that weapon would be developed, it would not meet the need.

I wholly support the position of the Senator from Mississippi and the position of the Senator from Georgia [Mr. RUSSELL], the chairman of the committee.

Mr. STENNIS. I thank the Senator from Kentucky.

Mr. COOPER. Let me ask whether the design of this bomber is capable of modification as time passes, in order to meet any new needs.

Mr. STENNIS. Yes; for this bomber is not yet in the design stage.

Mr. COOPER. I realize that.

Mr. STENNIS. This is a feasibility study; and then will come the question of defining the major requirements and characteristics of the aircraft—its capabilities at high and low altitudes, its speed, range, and payload.

This decision is to push forward that part of the program; but it is adaptable.

Mr. COOPER. It is adaptable?

Mr. STENNIS. Yes. It is now in only the first stage, and it can be modified to any necessary extent.

Mr. COOPER. I thank the Senator from Mississippi. He and the Senator from Georgia [Mr. RUSSELL] are always most persuasive.

Mr. STENNIS. I thank the Senator from Kentucky.

Mr. President, to continue my statement, I was saying that it is unthinkable that we should be left without a bomber fleet. If that were to occur, we would be forced to place our entire strategic reliance upon long-range missiles. That is an eventuality which I hope will not come to pass.

In saying this, let me make clear that I am not downgrading the importance or destructiveness of our intercontinental ballistic missiles. They are an essential and important part of our deterrent and striking power. However, I am firmly convinced that the security of this Nation now requires—and will require for the foreseeable future—a mixed and balanced force of strategic missiles and manned, long-range aircraft. Only with such a force can we achieve and maintain the operational flexibility which is so essential.

For the follow-on manned bomber, the recommendation of the committee is that $52 million be authorized in the fiscal year 1965 for the program definition phase. This compares with the $5 million requested by the Secretary of Defense—an amount which I consider entirely inadequate.

I am completely persuaded by the testimony of Gen. Curtis E. LeMay, Chief of Staff of the Air Force, who told the committee positively and flatly that it is of the utmost urgency that action be commenced now for the orderly and expeditious development and ultimate procurement of a new bomber. The logic behind this is apparent. To get a new aircraft of this nature from the drawing board into the operational inventory will take from 6 to 8 years. If, as we are told, our present aircraft will not be capable of doing the necessary job 6 to 8 years from now, there is no sound argument for delay in getting the development started, unless one believes, which I do not, that manned aircraft are completely out of the future military picture.

The proposed follow-on manned bomber would have greatly enhanced operational capabilities. It would be able to penetrate enemy defenses at very low levels—or "on the deck"—at the speed of sound. At high levels, its speed would be more than twice the speed of sound. It would have sufficient range to be able to penetrate to many enemy targets and return to its home base without refueling. That is a point which the Senator from Tennessee [Mr. GORE] might consider. It would carry a wide variety of improved armament, including versatile and accurate air-launched missiles.

The funds which would be authorized under the bill as reported would be used to make a start on the components and subsystems which have the longest leadtime for development and production. An early start on such long leadtime components is essential and vital to the timely completion of the entire aircraft system. All of us know that the development and production of such components sets the pace for the completion of the overall weapon system.

To assure that all of the technical barriers are surmounted in accordance with the development and production schedule, contracts will have to be let to a number of contractors who will submit design proposals on a competitive basis. All of this takes valuable time.

Therefore, I believe that the provision of the amount recommended by the committee will buy precious time for us. A lesser sum would limit our activities in the fiscal year 1965 to feasibility studies only, which would delay getting the operational aircraft into the inventory. In recent years there seems to have been a growing tendency to limit to such studies the work on major weapon systems which are essential to our national defense; and, in many cases, such systems have literally been studied to death. The B-70 is a prime example of what happens to weapon systems development when it is subjected to repeated stops and starts and when there is not a strong, orderly, and continuous program to bring it to completion.

General LeMay has told us that the proposed follow-on bomber has already been studied for the past 1½ years. He also told us that the development and production of it are well within the present state of the art and the current capabilities of our aerospace industry. He also said, without any reservation whatsoever, that there is a clear, present, and urgent need for designing and developing a follow-on bomber as expeditiously as possible. I cannot help being persuaded by this firm and positive testimony from a man who is rightly considered to be the greatest expert in the world on strategic airpower.

Mr. SYMINGTON. Mr. President, will the able Senator from Mississippi yield?

Mr. STENNIS. I am glad to yield to the distinguished Senator from Missouri.

Mr. SYMINGTON. Mr. President, we are now listening to one of the great authorities in this body and in the country on problems incident to our military strength. I am much impressed with his excellent presentation. And also with that made by the Senior Senator from Georgia [Mr. RUSSELL], chairman of the committee. They are most experienced authorities in this body on this subject.

Mr. STENNIS. Mr. President, I am flattered, indeed, by the kind words of the Senator from Missouri; but I point out that most of what I have learned on this subject, I have learned from the Senator from Missouri. It is my good fortune to sit beside him in this Chamber.

Mr. SYMINGTON. Mr. President, the Senator from Mississippi is very kind.

Is it not true that world history often shows when people begin to dig into the ground as the basic way to defend themselves—whether it be by means of a Maginot line or otherwise—eventually they find they have dug themselves into deep trouble?

Mr. STENNIS. The Senator from Missouri is indeed correct, for history shows that such a course results only in defeat, rather than in victory.

Mr. SYMINGTON. Does not the Senator from Mississippi also agree that, whereas the outbreak of a strategic war in which missiles are utilized appears more improbable today than a few years ago there are now actually going on in the world many conflicts in which conventional weapons are being used, and, therefore in which manned aircraft are being used heavily?

Mr. STENNIS. That is true.

Mr. SYMINGTON. If in the future a war of that character were to break out—although all of us hope and pray it will not, would not such a war be more likely to be of the conventional type, including the use of manned planes, rather than one in which missile equipment would be used? Does the Senator from Mississippi believe that to be true?

Mr. STENNIS. Yes, I heartily agree. The Senator from Missouri has set forth correctly the situation with which we are faced.

Mr. SYMINGTON. Finally, I would ask my able and distinguished friend from Mississippi the following: If all the targets in our country which have to be considered by a possible aggressor, are limited in effect to our fixed missile bases, which can be clearly targeted, would not the problems of those who might wish to attack our country be very much simplified as contrasted with the problems an enemy would face if we had bomber dispersion and the aggressor did not know where all our retaliatory weaponry was located?

Mr. STENNIS. That is an excellent point. The Senator from Missouri is the first to bring out that point clearly. If we limit our striking force to missiles alone, a potential enemy would know exactly where the missile sites were located. All the enemy would have to do to render us defenseless would be to develop a system which would render our missiles inoperative. He would not have to destroy the missiles, but merely make them inoperative. The versatility and resourcefulness of the manned bomber could not possibly be overcome in any such simple way.

Mr. SYMINGTON. I thank the Senator. As the able Senator from Louisiana brought out, there was a time when the Congress did not agree with the administration and, therefore, appropriated approximately $800 million more for manned aircraft. The money was not used at that time. Everyone later wished it had been used, because when we were forced into the Korean war a few months later, we found ourselves inadequate in either quantity or quality of aircraft. This cost many American lives. I remember something about that subject, because during that year I was Secretary of the Air Force. Does not the Senator agree that if we appropriate this money, we are expressing the considered opinion of the Congress that this Nation should not abandon further development of offensive combat aircraft in favor of missiles exclusively? Nevertheless we are not requiring the Secretary of Defense to spend the money if he still believes it not to be necessary.

Mr. STENNIS. The Senator is correct. After all, it is a question of judgment. The Secretary of Defense is as honest, upright, and sincere as it is possible for a man to be. The Secretary must make thousands of decisions, major decisions, on our far-reaching military program each year.

It is rather striking to me that those of us who sit at the committee table and hear testimony on these subjects year after year—including the Senator from Missouri, who has been involved in these questions since 1947 or before—are unanimous in the opinion that we ought not to take a chance, but ought to push the proposed new bomber. That decision is underscored by the fact that, as has been mentioned earlier today, our B–52's are being used for purposes for which they were not primarily designed. That use puts additional strain on them. They are not cracking up, but they are wearing out much faster than had been anticipated. That fact shows that they will become obsolete earlier than expected. We shall not have them as long as we once thought we would.

Mr. SYMINGTON. Mr. President, there are many other questions I should like to ask the Senator from Mississippi, but at least from my standpoint, and I am sure that of a large majority of Senators, in view of the fact this money would be spent only as a result of a decision on the part of the Commander in Chief and the Secretary of Defense, and in view of the fact that its authorization would merely be an expression on the part of the Congress that we should not abandon offensive manned aircraft, in favor of missilery, I shall not take any more time, since the Senator from Mississippi has made his point so well.

I would say at this point in this discussion, however, that no one in this body has more respect for Secretary McNamara than have I. We here, however, have the duty to offer our best thinking through our advice.

I express my complete agreement with the Senator from Mississippi and present to the Senate that what he has said is in my opinion sound and correct. After listening to the testimony for many years, the committee has become convinced that it is important for the United States to preserve offensive aircraft, manned by people, instead of concentrating entirely on electronics and underground developments as the only strategic method of defending the United States. I thank the Senator, and congratulate him on his remarks.

Mr. STENNIS. I thank the Senator again. He has made many fine points.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from Wisconsin.

Mr. PROXMIRE. Does the Senator from Mississippi agree that the Secretary of Defense, the President of the United States, and all the members of the Joint Chiefs of Staff except General LeMay, and so far as I know, all members of the Senate committee, agree that we should go ahead with the study of a manned bomber? There is no doubt about that, is there?

Mr. STENNIS. Yes; we all agree.

Mr. PROXMIRE. Did the Senator imply in the course of his remarks that in the event we should not begin to produce a manned bomber within the next couple of years, by 1970 there would be such an attrition of B–52's that we would be virtually out of an effective manned bomber force?

Mr. STENNIS. The testimony on that particular point is that we would be out of them by the early 1970's.

Mr. PROXMIRE. Is it not correct that in 1961, when Secretary of Defense McNamara opposed the continuation of the B–52's, and said that they should be ended in October 1962, he wrote the Senator from Wisconsin a letter in which he said that the assembly lines could be restarted in a matter of a few months; and that he personally had made a careful study. The Secretary of Defense is, of course, an expert on assembly line production. Did he not indicate that within a short time, if it became apparent that we needed additional production of B–52 bombers, though recognizing that the design is old and subsonic, we could have them? Is that correct?

Mr. STENNIS. That is correct. That could be done now. But many other things have developed since then. He does not recommend it now.

Mr. PROXMIRE. Is it not true that although the Senator from Missouri [Mr. SYMINGTON], the Senator from Georgia [Mr. RUSSELL], and the Senator from Mississippi [Mr. STENNIS] are the experts of the Senate on these questions——

Mr. STENNIS. The Senator from Mississippi is not.

Mr. PROXMIRE. The Senator from Mississippi is an expert so far as I am concerned. General LeMay is almost alone in insisting on the authorization of $52 million. The Secretary of Defense, all members of the Joint Chiefs of Staff except for General LeMay, and the President of the United States agree that $5 million is adequate, and all that can be used until the study has been made, and that it might be wasteful to proceed with the expenditure of an additional $52 million. Is that correct?

Mr. STENNIS. I shall not compare personalities; I merely compare the opportunities to know of the man who is the most knowledgeable on the subject of strategic striking power. This is General LeMay. He thinks that it would be a grave error to defer this matter. As the Senator from Georgia has pointed out, it is not a contest now between Mr. McNamara and General LeMay. But on the question of strategic striking power, I do not believe there is any higher authority in the world than General LeMay and those who have been through this question with him. He is the father of the project. He is not given to extreme emotionalism.

With all deference to other members of the Joint Chiefs of Staff, I do not think they oppose the item. They may have priorities of their own. It is a matter of judgment. We all start with the fact that we need additional bombers, as the Senator has said. But the mere fact that the Chief of Naval Operations may not agree to the proposal does not detract one bit from General LeMay's position.

Mr. PROXMIRE. Does not the Senator agree, however, that if Congress should adopt a policy of giving the Navy Chief of Staff all that he feels is necessary, the Army Chief all it wants, as well as giving General LeMay what he desires, without the Secretary of Defense deciding what the resources of our Nation can stand, we would end with a budget of $65 billion or even more for the armed services?

Mr. STENNIS. The Senator from Mississippi has never recommended that we follow that course. It is not a matter of giving one branch of the service something because it wants it. It is a matter of including an item because we are convinced there is a real requirement for it.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from Missouri.

Mr. SYMINGTON. Is it not true that one of the chief leaders, if not the leader, in pushing through the $300 million congressional request for additional manned aircraft, just prior to the Korean war, was the then Senator Lyndon B. Johnson?

Mr. STENNIS. The Senator is correct. I remember that debate on the floor of the Senate in 1948.

Mr. SYMINGTON. It turned out to be one of the wisest suggestions Congress ever made. Is it not also true that the question as to whether the $5 million or the $52 million, or any part of either, will be spent, will ultimately depend on the same citizen with the advice of the Secretary of Defense and the Chiefs of Staff?

Mr. STENNIS. The Senator is correct—the President, the Chiefs of Staff, and the Secretary of Defense.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. PROXMIRE. Have not the President of the United States and the Secretary of Defense both indicated that they wanted $5 million instead of $52 million?

Mr. STENNIS. As of November, or December, or early January, yes. The Senator is saying there is money in the bill that could perhaps be transferred to this purpose if need be; but, as the Senator from Georgia pointed out, this proposal requires legislative expression as to importance and priority. The ultimate decision will be made by the President, the Joint Chiefs, and the Secretary of Defense.

Mr. PROXMIRE. I thank the Senator from Mississippi. He has been very patient.

Mr. STENNIS. I appreciate that. I desire to yield the floor as soon as possible.

Mr. PROXMIRE. Is it not true that we need to know how this bomber is going to be employed, how it is going to stand up against enemy fire, how it will be able to penetrate, and so forth? The expenditure of this additional amount of money could very likely be wasted, as was true on the Mariner, the Skybolt, the Dyna-Soar, the B–70, and others. Some $3 billion that Congress has appropriated in the past and that has been spent has, in the judgment of officials in the Defense Department and elsewhere, been largely wasted because there were not sufficiently sharp conceptions.

Mr. STENNIS. With all due respect, the Senator from Wisconsin has been misinformed about the stage of the proposed bomber. It is in such an early stage that there is very little on paper. In the budget there was a provision of $5 million for a feasibility study. This proposal would push a little further the study of the type of plane we need most and its speed, range, payload, capabilities at high and low altitudes, and other characteristics. The study would be designed to answer the questions the Senator has raised. No prototype is contemplated at this time.

Mr. PROXMIRE. The Secretary of Defense says they need $5 million for it, and the committee says the amount should be $52 million. That is the issue.

Mr. STENNIS. That is correct.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. RUSSELL. I should like to suggest that if we had to know in advance every one of the things that the Senator from Wisconsin has enumerated, we would not have built the first airplane. We would not have had any. Nobody can tell in advance exactly how a weapon or aircraft will perform. We may have designs and very good estimates, but very often they turn out to be only estimates. If we had to have all that information, we would not have had a plane at all. It has to be tried out.

Mr. STENNIS. That is true. We have had some that did not "pan out." I think the Senator from Wisconsin has been misinformed as to how the additional money will be used.

Mr. PROXMIRE. Perhaps what I said was misunderstood. I was referring to what the plane was to be employed for. Of course, there must be a prototype, but it would be well if we knew where we were going and had some general study of the subject. It will take a year or so, and will take $5 million; and we do not have to have additional money.

Mr. STENNIS. The additional money will save 12 to 18 months in the same program.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. GOLDWATER. In reply to what the Senator from Wisconsin has been saying, we are not talking about a new concept; we are talking about a bomber, one that will go a little faster and higher, or lower and faster. I believe the Air Force knows the techniques involved. I think the Secretary of Defense will live to regret the day when they eliminated the Skybolt, because it gives a flexibility which a missile system does not have. We are talking about a weapon system that has been tried and proved in four wars. We are not talking about a system that has never been tried under conditions approaching combat.

I think if we put off the design of a manned bomber 1 more year, we are going to get into the danger of an inadequate defense, because if we take the word of the Secretary that 75 percent of our nuclear power is carried in the bomb bays of the SAC bombers, by 1972 or 1973 we will only have 25 to 35 percent of our nuclear weight left.

I back up the request of the Senator from Georgia for this money. I think it should be made clear to the Secretary that it is the consensus of the Congress that our defenses are inadequate and that we had better start spending this money to make it adequate, and that we do not want to put all our eggs in the missile basket, because there are a lot of holes in it.

Mr. STENNIS. I thank the Senator. We have used up a great amount of time already on the B–70 or the RS–70. There is nothing now on the drawing boards. There are no old ones or new ones coming off the supply lines.

I wish to conclude my statement, Mr. President.

I hope, Mr. President, that the Senate will adopt the committee's recommendation and make the $52 million available for this vital purpose. If we do so, it will save a year or a year and a half in the time when this weapon system is placed in the hands of our operational forces. With these additional funds, according to General LeMay, the new manned bomber could become operational in late 1971 or early 1972. I fear that any delay in providing funds for these purposes will seriously jeopardize our security and vital national interests.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the McGovern-Nelson-Proxmire amendment is offered, there be a time limitation of 1 hour; 30 minutes to be under the control of the distinguished Senator from South Dakota [Mr. McGovern] and 30 minutes under the control of the chairman of the committee, the distinguished Senator from Georgia [Mr. Russell].

Mr. SYMINGTON. Mr. President, reserving the right to object, is a yea-and-nay vote planned on this amendment?

Mr. MANSFIELD. I understand that there will be a yea-and-nay vote.

Mr. SYMINGTON. My colleague and I have an important engagement in another Government agency uptown at 3 o'clock. Therefore, I hope the time can be either shortened or increased.

Mr. MANSFIELD. I would say we would not get to a vote until the full hour was completed. If the Senator will tell someone here where he is, we shall try to bring him back in a reasonable time.

Mr. TOWER. Mr. President, reserving the right to object—and I do not intend to object—would this agreement foreclose a request for additional time?

Mr. MANSFIELD. Not if needed.

Mr. TOWER. It appears that perhaps some more time may be needed. Therefore, time could be requested?

Mr. MANSFIELD. If more time is needed, it will be given.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Montana? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, informed the Senate that, pursuant to the provisions of section 2 (b), Public Law 88-271, the Speaker had appointed Mr. O'Brien of New York, and Mr. Westland, of Washington, as members of the United States-Puerto Rico Commission on the status of Puerto Rico, on the part of the House.

The message announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9640) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

REQUEST FOR REFERRAL OF CIVIL RIGHTS BILL (H.R. 7152) TO COMMITTEE

Mr. MANSFIELD. Mr. President, if I may have the attention of Senators, I am about to repeat the unanimous-consent request which I made last evening, which was objected to at that time. I hope that today it will not be objected to, and that, after Senators have had a night to think the matter over, it will be possible to have the request agreed to.

Mr. President, I ask unanimous consent that House bill 7152 be referred to the Judiciary Committee with instructions to report back without recommendations or amendments to the Senate not later than noon, Wednesday, March 4.

The PRESIDING OFFICER. Is there objection?

Mr. EASTLAND. Mr. President, reserving the right to object, we have a committee system in this body; and no self-respecting committee would consider a bill under such a procedure, under which we could not make a recommendation or amend the bill.

In 1960, a bill of this nature was sent to the Judiciary Committee with a time limit of 10 days, I believe. The committee made 20 amendments which the liberals of the Senate accepted. I do not believe that a self-respecting committee could accept or consider a bill under such a situation. With the exception of the chairman, there are able lawyers on the Judiciary Committee. With the exception of the chairman, the membership includes the best qualified minds in the Senate to deal with this subject.

Yesterday, the distinguished Senator from North Carolina [Mr. Ervin] assured the Senate that he stood ready to expedite hearings in his Subcommittee on Constitutional Amendments. This is a bill on which there have been no hearings by a legislative committee. Yesterday, it was stated time and again on the floor that it came from the Rules Committee in the House, a nonlegislative committee, and that it had not had consideration by a single legislative committee.

I believe that a unanimous-consent request that the bill be referred to a committee and be reported back and that the committee shall have no power to make a recommendation or an amendment to the bill is an insult to every member of that committee.

Mr. MANSFIELD. Mr. President, if the Senator will withhold his objection, let me say that I thoroughly disagree with the distinguished Senator from Mississippi, because his committee has had months to consider much of this legislation, and the net result has been one witness and one questioner.

In view of the fact that the distinguished minority leader has expressed a desire that certain witnesses be called before the Judiciary Committee to give their views on section 7, I hope that neither the Senator from Mississippi nor any other Senator will object to this request, and will understand that, so far as the leadership is concerned, at least on this side, it—and I speak of "it" in a neuter gender—has to protect its rights insofar as possible, insofar as they mean anything. This is one way by means of which witnesses can be called and certain questions, such as those raised by the distinguished minority leader, might be answered through interrogation of witnesses.

Mr. EASTLAND. The net result would be that we would be handcuffed. That is what the meaning is. The only way the Judiciary Committee wishes to deal with a bill is in its normal course. I do not care about a time limitation, but I will not be a party to sending a bill to that committee when it cannot amend it and cannot make a recommendation.

It is true that 4 years ago there were 20 amendments added, and those amendments were adopted by the Senate. The leadership of the Senate stated that the committee had improved the bill as a result of those hearings.

Therefore, Mr. President, I object.

Mr. JAVITS. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. The Senator understands that he notified me that this question would be raised. He did—although I was not personally aware of it. Be that as it may, may I ask the majority leader a question?

Mr. MANSFIELD. Certainly.

Mr. JAVITS. This is the second time the unanimous-consent request has been made. Yesterday I objected to it, and today I was preparing to object to it again, having thought about it overnight, believing that it should be objected to.

Mr. MANSFIELD. Other Senators were also prepared to object, but I thought that the issue should be laid before the Senate today, if possible.

Mr. JAVITS. May I ask the majority leader now whether we may assume that that is "it" and that we do not have to assume that the request will be presented to the Senate again, because if that is the situation, we shall have to post sentinels.

Mr. MANSFIELD. I believe the Senator from New York is raising hobgoblins, which is not his wont. I did send word—I forget through whom to notify both Senators from the State of New York, so there was no bad judgment involved, so far as I knew.

Mr. JAVITS. I would not charge that.

Mr. MANSFIELD. With the exception of the distinguished Senator from Oregon [Mr. Morse], I tried to notify interested Senators. I must admit that it was near the last when I notified the distinguished minority leader, who has a vital interest in this question. I hope he was notified in time.

I do not intend to submit this request again today. Whether I shall present it in the days ahead, I believe is almost a moot question, because what I was trying to do, in effect, was to help Senators who are in favor of civil rights to obtain a few more votes if possible, and smooth down a few feelings, while the military procurement bill and the farm bill on wheat and cotton were under consideration. I believe it was a move which would have been in favor of the proponents of civil rights, and should have been accepted by the proponents, but on a unanimous-consent request every Senator can express his views. Two Senators have done so. And using only a little flexibility, so far as I am concerned, I should say that the question is dead.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. In view of the fact that the Senator said something about the civil rights proponents——

Mr. MANSFIELD. I did.

Mr. JAVITS. These matters are always questions of balance as to whether they do more harm than good in terms of a given cause.

Two major sections of the civil rights bill, the section with regard to fair employment opportunity and the section with regard to public accommodations, were fully considered, as separate bills, by two other committees of the Senate. The bills were reported and are on the calendar, and both are important parts of the proposed legislation.

Nonetheless, the majority leader's proposal was to send the House-passed civil rights bill to yet another committee, before which the entire bill as introduced in the Senate has been lying dormant, like all previous civil rights bills, since last summer.

With the best conscience in the world, I deeply feel that the balance, under this particular unanimous request, is against and not for the civil rights proponents.

I fully respect the majority leader. I know he would not do anything, in deepest conscience, which he felt would be improper. But there are different points of view. I believe that is the case in this instance. I thank the Senator from Montana, and give him that assurance.

Mr. RUSSELL obtained the floor.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. RUSSELL. I have been recognized by the Presiding Officer, but I will defer to the Senator from New York.

Mr. KEATING. I wish to express my gratitude to the distinguished majority leader for notifying me, as I had informed him I would have objected. I find myself, curiously, in agreement with the chairman of the committee. I never thought I would reach the point, in this particular debate, where I would be in agreement with him on anything.

Mr. MANSFIELD. The Senator from New York is referring, of course, to the Senator from Mississippi [Mr. EASTLAND]?

Mr. KEATING. That is correct. The Senator from Mississippi says it is downgrading a committee to shackle it by sending it a bill with these directions—directions, which prevent the committee from doing anything at all. If a bill is to be sent to a committee, it should be sent with power in the committee to act. I object to the proposal, on all the grounds which my colleague, Senator JAVITS, has set forth plus those stated by the chairman. I am, therefore, doubly opposed to the request.

Mr. MANSFIELD. I thank the Senator from Georgia for yielding to the Senator from New York.

Mr. RUSSELL. Mr. President, I am certain the distinguished majority leader made this proposal in all sincerity. I did not understand why he thought it would cause a great uprising in the Senate, and that Senators who are opposed to the so-called civil rights bill would support his proposal. If there ever was any kind of shadowboxing, it would be to send a bill to committee and say to it, "You cannot make recommendations, and you cannot amend it. All you can do is to dip the bill in the Judiciary Committee and bring it back."

Something was said about the desire to hear witnesses. What kind of witnesses would come before a committee under circumstances of that kind? To oppose some changes in the bill? To point out some infirmities in the bill? To expose some hidden vices in the bill? He might as well get out in his backyard. Perhaps some Senators are not familiar with the expression "backyard." I am, because I am from the country. He might as well stick his head out the living room window as to come down here to testify before a committee which could not make any recommendation of any sort on a bill, and which would have to report it back automatically to the Senate. What witness would feel he was contributing anything to the welfare of the country, whether the witness was for or against the bill, by testifying, when he knew in advance that the committee could not do anything about the bill? He might as well talk with a doorkeeper, and air his views on the bill to him. He would at least get a more attentive hearing, because committee members would not be very attentive or diligent in their attendance under such circumstances.

I do not in any way desire to reflect on the Senator, but this is a suggestion which is not likely to meet with any great favor on either side. I was a little intrigued with the difference of opinion between the two Senators from New York. Yesterday, the senior Senator from New York objected on the ground that such a great and resounding victory had been won that nobody should be permitted to discuss it further in the Committee on the Judiciary. His junior colleague, a member of the committee, today very properly said that the committee would have been shackled with the bill before it.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator. I yield to both Senators from New York.

Mr. KEATING. Merely for clarification. To my own amazement I agree with the Senator and with the Senator from Mississippi on the objection. I also agree with my colleague from New York. This unanimous-consent request is objectionable on all grounds. The bill is on the calendar. Sending it to the Judiciary Committee would be a supreme act of supererogation. Nothing could be gained by it. We have had that experience before. So my grounds are those expressed by both the Senator from New York and the Senator from Mississippi. I wished to have the record clear on that point.

Mr. RUSSELL. The Senator from New York stands on both objections, the objection of his colleague from New York and that of the Senator from Mississippi.

Mr. KEATING. Yes.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. DIRKSEN. I must applaud the majority leader for his generosity in his effort to try to compose the situation. There has been a hassle on this question today. I recognize the diversity of viewpoint. If it is not in violation of the letter and spirit of the Supreme Court decision in the New York prayer case, all I wish to say is "Amen."

Mr. RUSSELL and Mr. ALLOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia has the floor.

Mr. RUSSELL. I suppose this proposal will resolve itself into a motion at the appropriate time. The Senator from Oregon has served notice that he would make a motion, after the discussion on whether the bill should be taken up. If and when the bill is made the unfinished business, the Senator from Oregon has stated, he would undertake to have it committed to the committee with instructions.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator. I looked for him, but the Senator had disappeared. I saw him rise earlier with his colleague.

Mr. JAVITS. There is no trapdoor in the Senate. I was very much present. Will the Senator yield so that I may address a parliamentary inquiry to the Chair?

Mr. RUSSELL. I yield for that purpose.

Mr. JAVITS. Is it a fact that a motion to refer a bill to a committee, with or without conditions, may not be made until the bill is actually the pending business, and may not be made during the consideration of a motion to make it the pending business?

Mr. RUSSELL. That is correct.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. I thank the Chair, and I thank the Senator.

Mr. RUSSELL. I had just said that. I said that when the bill was made the unfinished business, such a motion would be in order. I am sorry that the Senator did not do me the honor of listening to me. Perhaps he wanted to obtain the information from the real horse's mouth, the Parliamentarian.

Mr. JAVITS. Yes.

Mr. RUSSELL. That clears the matter. This is the parliamentary situation. This is another illustration of a great and kindly man, in an effort, as he says, to swell support for the civil rights movement, being rebuffed from both sides. I extend my sympathy to the Senator from Montana.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MANSFIELD. I am becoming accustomed to it.

Mr. RUSSELL. When the Senator has been in the Senate as long as I have been, he will develop a political hide that is thicker than that of a rhinoceros. If mine were not that thick, I would long since have succumbed.

Mr. JAVITS. I might submit the suggestion that if the bill could be made the pending business when the committee reported it to the Senate within a reasonable period of time, so that measurable progress might be made in the matter, some of us might feel differently.

Mr. RUSSELL. I will take that suggestion under advisement, and I will report to the Senate at some later date.

Mr. JAVITS. At length.

Mr. MANSFIELD. At this date, if such a proposal were made, I would be forced to object.

Mr. RUSSELL. I ask for the regular order.

MILITARY PROCUREMENT AUTHORIZATION—1965

The Senate resumed the consideration of H.R. 9637, an act to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluations, for the Armed Forces and for other purposes.

Mr. McGOVERN. Mr. President, I call up my amendment No. 435, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The Legislative Clerk. On line 20, page 2, after the words "Air Force," it is proposed to strike out all words down through line 22, page 2, and insert in lieu thereof "$3,108,850,000".

Mr. MANSFIELD. Mr. President, am I correct in stating that on the amendment the Senate is operating on a limitation-of-time basis?

The PRESIDING OFFICER. That is correct; 30 minutes on each side.

Mr. McGOVERN. Mr. President, on the amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McGOVERN. Mr. President, I wish to take this opportunity, first of all, to express my personal appreciation and respect for the chairman of the Committee on Armed Services, the distinguished Senator from Georgia [Mr. Russell]. His committee handles measures which involve more than half of the entire budget of the Federal Government. I believe that both the Senate and the people of the United States are extremely fortunate to have that committee headed by one so able as the Senator from Georgia. We know that he is supported on that committee by some of the ablest and wisest Members of the Senate.

Mr. RUSSELL. Mr. President, personally and on behalf of the committee, I thank the distinguished Senator.

Mr. McGOVERN. I also wish to pay my respects to the Secretary of Defense, Mr. McNamara, and to the military leaders of our country, who have given us a military defense system second to none, a defense system clearly superior to any system or combination of systems anywhere else in the world.

I want nothing that I say today to be interpreted in any way as a reflection on our defense leaders or on members of the Committee on Armed Services. However, it is somewhat regrettable that we are asked to make a judgment on an authorization of this size with as little time as we have had to study the report, and with no time at all to study the hearings and the evidence on which the report is based. It is interesting that several Senators held up the consideration of the farm bill for several days on the ground that they had not had sufficient time to study and properly appraise the committee report. That was done although we were acting on a measure—at least, so far as the wheat provisions are concerned—which has been a part of the basic law of the United States for some 2 years, and in spite of the fact that elaborate hearings were held, and that several days have elapsed since the report first became available to Members of the Senate.

There are a number of questions that Senators might raise about the measure now before the Senate.

Speaking for myself, I shall withhold all but one of the questions in my mind until such time as the appropriation bill comes before the Senate, for the simple reason that I have not had adequate time in which to make a proper appraisal.

The amendment now before the Senate relates to the so-called follow-on bomber that has been discussed for the past 2 hours or more. The amendment does not speak to the issue of whether our defense forces ought to have a manned bomber. That is not the issue that is raised by the proposal now pending. Frankly, I do not know whether there ought to be a new advanced bomber. If I have any sentimental predilections, they would be in support of such a development. I flew a bomber for some months during World War II, and I know something about the capability of that military weapon. But we are not discussing today the virtue of the manned bomber as compared with some other weapons system. It is entirely possible that we should proceed with a study of the conception, configuration, purpose, and cost of such a plane.

Only one question is at stake in the amendment: Should we add $52 million for advanced bomber studies, an amount which goes beyond the figure requested by the Secretary of Defense and beyond the amount requested by the President in his budget?

The Senator from Wisconsin [Mr. Nelson] will subsequently read a letter from the Secretary of Defense, in which the Secretary has clearly gone on record within the past few hours against the addition of some $52 million to this authorization bill because it goes beyond what the Department of Defense feels it needs or could spend on studies relating to the so-called follow-on bomber.

I agree with the chairman of the Committee on Armed Services that it is not possible in every case to foresee the success or failure of a proposed weapons system. One of the purposes of the studies that have been requested by the Department of Defense with reference to the new manned bomber is to determine whether it is wise to proceed with such a project. But one thing on which I think we can agree is that the best way to avoid the danger of waste or the danger of proceeding with a weapons system that will later prove to be impractical is not to move with undue haste.

We have learned some rather bitter lessons with reference to the so-called RS-70 bomber. As I understand it, over $1,500 million has been spent on that airplane, yet it now appears that that bomber may never become operational: that the Air Force has no real mission for it; and that in all probability the RS-70 will be abandoned, with little or nothing to show for the $1,500 million investment.

I believe we would all dislike to see that happen with reference to another advanced bomber. We are not appealing, in this amendment, for the elimination of studies concerning the possibility of another new advanced bomber. We are asking that the amount be held at the prudent and reasonable level requested by Secretary McNamara and included in President Johnson's budget. The first time, so far as I know, that the need for any additional funds was mentioned was during the appearance of General LeMay of the Air Force before the House Armed Services Committee. The general there stated that it might be useful to have funds that went beyond those requested by the Secretary of Defense and the administration. But as four distinguished members of the Armed Services Committee of the House of Representatives have put it:

> Frankly, it is not at all clear to us just what the $52 million is to be spent for, and there is nothing in either the committee report or the testimony to answer this question. Presumably the money is to be used to develop and acquire long leadtimes in avionics and engines. But we find it hard to see how funds could be wisely or economically spent on supporting equipment for an aircraft whose full configuration and mission have not yet been clearly defined.

It seems to me that this states the objection to the proposed increase in funds quite well. The same Members of the other body said:

> We must be especially careful to guard ourselves against the temptation of building new aircraft * * * before we know how a particular system will be used and precisely how it will be integrated with the ballistic missile force on which we are now concentrating so much of our effort and substance.

I have said that the issue is not whether we need a new manned bomber, but simply the speed with which we rush into that project. I would like to point out that, while we have had some references in the Senate to the fact that our B-52's and B-58's may be worn out by 1970, my information is that Boeing 707 jets now in operation for commercial purposes have already flown more than twice as many hours as any of our B-52's will have flown by the year 1970. I do not desire to enter into this argument as a major part of our contention for this amendment, because we are not questioning the need, the desirability, or any other aspect of the manned bomber. It is merely a question of whether we are going back to the amount which the Department of Defense says is adequate to make those studies which it can complete in the coming fiscal year, or whether we shall force $52 million on the Department of Defense which it says it does not want and cannot spend efficiently for studies on the new manned bomber. As I see it, that is the case for this amendment.

I yield now to the Senator from Wisconsin [Mr. Nelson], for such time as he may wish to proceed.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. NELSON. Mr. President, first, I wish to endorse the observation made by the Senator from South Dakota [Mr. McGovern] concerning the effort and the work of the chairman of the Armed

Services Committee and its other members.

Yesterday, my remarks in some detail concerning this amendment and this bill were entered in the RECORD; so at this time I do not intend to repeat those arguments. However, I wish to make one or two points.

First. This is the largest authorization bill ever to come before the Congress—a bill authorizing the appropriation of $17 billion. The testimony in regard to the bill has not yet been printed. I understand that the classified testimony has not been separated from the unclassified testimony. There is no conceivable way, therefore, by which any Senator who is not a member of the Armed Services Committee can make an independent judgment of any kind in connection with any item in the bill, because he has not had an opportunity to read the testimony.

I am pleased to pay my respects to the quality of the work done by the members of the Armed Services Committee; it has had the opportunity—which no other Senator has had—to hear the testimony, to read it, and to discuss it. So the committee members have been able to make up their own minds and make their own independent judgments as to whether every authorization item in the bill is justified.

However, I cannot reach such an independent judgment, and neither can any other Senator who is not a member of the Armed Services Committee. I certainly am not prepared to delegate my right to form my own opinion to some other Senator, even though he may be more qualified in this field than I am.

I understand the desire to have the bill passed very quickly, because as we are told, the House cannot deal with the appropriation bill for the Department of Defense until the authorization bill is enacted. However, it seems strange to me that this rule and practice does not seem to apply to other authorization measures. When the foreign aid authorization bill was before us, the senior Senator from Oregon [Mr. MORSE] spent approximately 2½ or 3 weeks in proposing and debating reductions in various items contained in that bill. That authorization bill proposed an expenditure of about $4 billion—some $13 billion less than this bill. What is there about this $17 billion authorization bill for military procurement that is so special as to induce Senators to forgo the exercise of their independent judgment and their responsibility to evaluate the provisions of the bill?

As I have said, I have no way to make an independent judgment in regard to the bill. However, I did the best I could; I wrote to the Secretary of Defense, and asked him for his judgment about this particular authorization for a bomber. As the Senator from South Dakota [Mr. MCGOVERN] said, the President of the United States, the Secretary of Defense, and the Chairman of the Joint Chiefs of Staff are opposed to the proposed additional $52 million authorization. The Secretary of Defense wrote me a letter, which is dated yesterday. The pertinent paragraph of the letter has been duplicated, and has been placed on the desk of each Senator. In that paragraph, the Secretary of Defense wrote as follows:

> I believe the $5 million programed in the fiscal year 1965 budget submission presently before the Congress for follow-on bomber studies is all that is now justified and that funding of a new development program is premature at this time.

I ask Senators to note particularly the following sentence:

> Should the Air Force provide a satisfactory concept of operation and a convincing comparison of both their proposed aircraft with available alternatives, and should a specific plan for development be submitted (which has not been done), then I would be willing to consider reallocating funds for that purpose.

Mr. President, does not that answer every issue raised by the proponents of the proposed additional $52 million authorization? Once they prove, if they can, what they would use it for, and why, he will support a reallocation of the necessary funds if it is a feasible project.

I also wrote to the Chairman of the Joint Chiefs of Staff, Gen. Maxwell D. Taylor. He replied, under date of yesterday, as follows:

> I am replying to your letter of February 21, in which you present several questions regarding the recommendations of the Joint Chiefs of Staff concerning study and development of an advanced strategic manned system.
>
> Since Secretary McNamara is responding to these same questions, among others, I refer you to his reply which I read and in which I concur.

Mr. President, I have not been able to read the testimony before the Armed Services Committee in justification of the request; neither have I been able to read the testimony against it by Secretary McNamara. It is not yet printed and available. But based upon the information I have, and based upon the assurance by the Secretary of Defense that once the Air Force is able to tell him what it would do with the requested additional amount, and if it is justifiable, he will be willing to consider reallocating funds for that purpose, I shall vote for the amendment to strike out of the bill this authorization item.

Mr. MCGOVERN. Mr. President, I reserve the remainder of the time available to me.

Mr. RUSSELL. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Georgia is recognized for 2 minutes.

Mr. RUSSELL. Mr. President, I wish to respond to the implication and the innuendo that the Senator from Georgia was attempting to rush unduly the action of the Senate on the bill, or that the Senator from Georgia has made a practice of attempting to have the Senate pass bills of this sort without giving them adequate consideration.

If any Member of the Senate believes in free, full, and adequate debate, certainly that Member is the Senator from Georgia. So far as I am concerned, I am perfectly willing to have the present unanimous-consent agreement rescinded immediately, so as to give Senators all the time they may wish to present their views on the pending bill.

It is true that the bill was brought before the Senate before the hearings on the bill were printed. That is not a good practice, and I do not approve of it. However, that was done in order to enable the leadership to have the Senate consider this bill before the Senate began long debate on the so-called civil rights program.

However, I am willing to have the bill laid aside now. If I had been inclined to attempt to take advantage of this situation in connection with the so-called civil rights bill, I would have favored long delay. However, that is not my position.

On the other hand, if any Senator wishes to have further time for debate on this bill, I am perfectly willing to support such a request. If I am taken out of here in a box, or as a result of an uprising by the people of Georgia, I would like to be remembered as a Senator who favored the maintenance of the privileges that cause the Senate to be the last legislative body on earth in which free and unlimited debate is preserved.

Mr. MCGOVERN. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. MCGOVERN. Neither the Senator from Wisconsin [Mr. NELSON] nor I wish to cast any reflection on the Senator from Georgia, because we understand the parliamentary situation which brought this bill to the floor of the Senate ahead of the civil rights bill, and we also understand the necessity for quick action on the farm bill.

But we are suggesting that it is unfortunate that the parliamentary situation dictated the consideration of this bill today. A short time ago I stated that I wished to serve notice that I hope a similar procedure is not followed in connection with the appropriation bill, because we may have some amendments which we may wish to offer at that time.

Mr. RUSSELL. Mr. President, let me say to the Senator from South Dakota that however much I may disagree with his amendments or however much I may disapprove of his argument, nevertheless, when the appropriation bill for this function reaches the floor of the Senate, I shall stand ready and willing—as I do now, in connection with the pending authorization bill—to have the Senator from South Dakota have full opportunity to offer his amendments and to speak on them for as long as he may desire, because again I emphasize my conviction that whenever the opportunity to offer amendments in the Senate is curtailed, or whenever the opportunity for full and free debate in the Senate is curtailed, this body will no longer be the Senate of the United States.

When we curtail the right of amendment, and when we curtail the right of debate in the Senate, this body will no longer be the Senate of the United States. These are the two characteristics that differentiate this body from all others. First, there is freedom of amendment. A Senator may offer any amendment he desires to offer. Second, there is freedom of debate. A Senator may speak his piece. I do not wish to have an implication left that I have done anything that could in any way be construed as impinging upon the right of any Senator to speak as long as he desires.

Mr. ALLOTT. Mr. President, will the Senator yield for a question or two?

Mr. RUSSELL. The Senate is operating under a time limitation now. I have already received requests by Senators for more time than I now have at my disposal. I yield 10 minutes to the Senator from Texas.

MISSILE DEPENDABILITY

Mr. TOWER. Mr. President, I would like to address myself to the question of missiles, and accuracy, and reliability, and dependability.

The debate on this question long has been joined by military scientists and disarmament enthusiasts. This matter has been thoroughly aired in this Chamber as recently as the exhaustive consideration of the Moscow test ban treaty. And, as everyone knows, the matter has been more recently raised by our colleague, the junior Senator from Arizona, and the Secretary of Defense.

So, Mr. President, this is not a new debate—even though some of the press has so interpreted it for its readers and viewers. The missile question is not worrying only one or two men—although some editorial cartoonists choose to convey that impression to their readers. The missile question is not a simple matter—although some commentators label the debaters as simple men.

In fact, Mr. President, the degree to which America depends upon its missiles is not simple, but crucial. The degree to which American survival is bound up in this debate makes this discussion one of the most vital—one of the most complex—issues in U.S. policy both foreign and domestic. This is a question to which Congressmen can well address their attention. This is a question about which every American should be concerned.

What are the particulars of the missile debate?

The facts of the case are that the current administration has apparently decided to depend entirely upon missiles to protect America. It has embraced a "uniweapon" concept that totally departs from all the lessons of military history. It acts as if Americans should accept such a radical plunge with obedience and with silence. Everyone with the audacity to challenge the administration's dependence on missiles alone has been duly chastized in public.

But the administration cannot expect silence from concerned Americans. The administration wants to depend solely upon missiles, and we have a right to question the wisdom of that dependency. We have a right to question it before our manned air force is completely phased out.

Let us address ourselves first to the characteristics of the missiles themselves. Are they as good as Americans have been led to believe? Perhaps. Are they alone sufficient to protect America? Absolutely not.

The missiles upon which Americans are asked to place total reliance offer nowhere near total reliance in return. At best, the reliability of missiles in getting from launching pad to wartime target is about 70 percent. For 100-percent dependence Americans would get from missiles a 30-percent shortchange.

There are several reasons for this shortchanging.

First, our missiles are largely unproven for emergency use in war. The United States never has fired any of its Minuteman intercontinental missiles bearing a nuclear warhead. Authority for such a firing has been requested by the military and refused by the administration.

It might be pointed out that the Moscow test ban treaty effectively "froze" the legal right of the United States in this regard. We now have signed away our chance to test our nuclear-tipped missiles. The Soviet Union, of course, has conducted such tests.

Mr. President, the fact is, that the only nuclear-armed missile the United States ever has fired is a Polaris submarine missile. That one worked fine under the careful test conditions involved.

Missile champions assure Americans that the missiles will work in a war emergency. But, they likewise ask Americans to depend upon unproven missiles.

A second and very serious question being raised about our missiles concerns the effects upon them and their sites by a Soviet first-strike attack.

Although the administration remains confident that the United States can accept a damaging attack and still retaliate, many experts heard during the test ban hearings are increasingly concerned over the massive overpressures and the electromagnetic pulse that could be created by the huge Soviet bombs.

It is possible that the overpressures would damage or destroy the hardened sites in which our missiles are poised. It is possible that the massive release of electric energy from the Soviet superbomb would fuse wires and circuits, thus crippling our retaliatory force. These things we don't know since under the test ban treaty we have given up the chance to test a superbomb. The Reds have tested one.

This same electromagnetic pulse could operate as a defense mechanism for the Soviets. A superbomb exploded in space amidst a flight of American missiles might effectively neutralize our missiles before they reached Red targets.

And this brings up the anti-missile-missile question. Suppose the Russians develop an effective ABM. How much then could Americans depend upon a one-weapon deterrent composed solely of missiles?

The matter boils down to this: Our missiles are untested with nuclear warheads; the warheads are untested in flight; our hardened missile sites are untested under the conditions they would face in war; failure of a single part can kill a missile since inflight repair is not possible; failure on the part of a single man can kill a missile since no human brain is along on the flight to correct errors; a missile once fired cannot be recalled.

That record does not justify reliance on one weapons system to secure the national defense.

Secretary of Defense McNamara has admitted that there are "uncertainties" in the design of our missile silos. Air Force Chief of Staff General LeMay has said of missiles:

> We are never going to know with the same degree of assurance we have on the manned systems what our reliability factor on the missiles actually is because * * * the actual number of firings that we will be able to make is going to be relatively small. In addition, when we do fire them, we are not really firing them under operational conditions because we cannot fire from the actual wartime position of the missiles.

Yes, Mr. President, there is considerable concern about the trend toward single dependence upon missiles. There are widespread questions about the wisdom of that policy—even though the press has ignored the width and depth of expressed concern.

And what next?

Well, already the United States has offered to freeze missiles where they are, if the Russians will do likewise. Even with the serious questions remaining about the dependability of missiles, we are proposing that we freeze them in the present state of underdeveloped obsolescence.

In other words, not only does the administration propose to make America utterly dependent upon a single, unproven weapons system, but it also proposes to halt improvement of that single, unproven system.

Surely, Americans have a right to question in public the wisdom of such policies.

However, Mr. President, even in the face of the questions about the ability and worth of American missiles, I feel that the real issue never has been stated in the public press.

The press has commented at length about missile accuracy, but accuracy is not the principal issue. And the press has preached at length about percentages of missile reliability, but reliability is not the principal issue.

Missiles never will be shot into pickle barrels and neither will 100 percent of them ever lift off, reach the target and explode. Perfection applies to nothing in this world—including missiles and planes.

Yet, the great hue and cry from the press recently has been predicated upon the impression that dependability is equal to and synonymous with accuracy and with reliability. In fact, accuracy and reliability are only parts of what makes up final dependability.

The administration says we can depend upon our missiles alone. It has no plans for continuing a manned strategic air force over the long pull.

I say we cannot depend upon missiles alone.

Missiles alone will not do what we want done.

In my view, those who would have the American people depend upon missiles to defend liberty and life are simply talking about the wrong problem. They, in their protestations about overkill, ignore the primary goal.

Mr. President, the primary task of the U.S. Armed Forces is not to destroy the Soviet Union. The primary task of U.S. armed might is to protect and to save American lives and liberties.

Static missiles cannot do that. If Americans depend upon missiles alone, then they invite defeat.

To provide us with necessary protection, we must target our weapons against the Soviet's aerospace weapons which have the capability of striking us. We must place our dependence only upon a strategic force that can meet our goal—protection and liberty.

I believe the strategic force must have several vital characteristics before we can depend upon it.

First. It must be adequate in quantity and in quality to execute its mission—even after sustaining an initial attack by the enemy. And we do not know whether our untested missiles are good enough.

Second. It must be accurate—that is, capable of striking a range of targets with precision. We never have tested the accuracy of missiles with nuclear warheads.

Third. Our deterrent force must be survivable to prevent its being destroyed in a surprise attack. Even the Secretary of Defense is uncertain about the survivability of our untested missile silos. And we know next to nothing about electromagnetic pulse.

Fourth. To be dependable, our strategic force must be flexible—that is, it must be capable of attacking all types of targets under varying conditions. Strategic missiles are of little use in attacking targets during limited wars. They are of no use at all in defending liberty in the current rash of guerrilla actions being mounted by the Communists.

Fifth. A strategic force must be controllable and responsive at all times to national policy decisions. Missiles are out of control the instant the button is pushed. They cannot be diverted or recalled. Nothing is more uncontrollable than missile warfare.

If we review these dependency characteristics, we quickly realize that no one system of weapons ever can provide—in the degree necessary—all of the characteristics required. Americans cannot depend upon one weapon to be finally adequate, accurate, survivable, flexible, and controllable.

To so depend would be folly.

There simply is not and never will be a single perfect weapons system that is utterly dependable to provide everything we need. Therefore, we must continue to mix our weapons systems.

I am in complete agreement with the need for modern, effective ballistic missile systems as a vital element of the mixed force. Missiles can provide quick time-to-target delivery capability which is essential to attack certain targets. Their accuracy, flexibility, and survivability can be improved in coming years—unless their development is frozen.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TOWER. Mr. President, I request 2 additional minutes.

Mr. RUSSELL. Mr. President, I yield 2 additional minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 2 minutes.

Mr. TOWER. The United States has and can continue to develop a missile force second to none. But it is not a force upon which Americans can depend to solve all problems and meet all national goals.

Manned aircraft give our strategic aerospace force its highest measure of controllability and flexibility—the capability to respond to a wide variety of unforeseen and rapidly changing circumstances.

Manned aircraft can hunt out and destroy targets that cannot be located precisely in advance. They can be recycled in sustained operations. They can react immediately to redirection, exploit fleeting advantages, and execute a broad range of missions. They offer the vital power of human observations and evaluations.

And finally, the very presence of the manned aircraft in the overall force, side by side with ballistic missiles, compounds manyfold the offensive and defensive problems of the enemy.

The question is not which system is better—missiles or aircraft. The question is not upon which system to place dependence. The thing to be recognized is that they are complementary and lend dependability to each other.

Together missiles and manned aircraft can be depended upon by Americans to carry out our counterforce strategy.

To preserve acceptable dependability, we must reverse current one-weapon policy and develop and produce a new manned strategic aircraft.

The B-47's are now phasing out of our aircraft inventory. The B-52 has been with us for 10 years. The B-58 force is small and aging. The facts of life are that the aircraft presently on hand cannot adequately complement our missile force indefinitely.

I have urged the administration to get on with development of a new strategic aircraft. Without it we cannot depend on our strategic deterrent. With it we could.

Mr. President, it is obvious that many in the American press and American public have not realized that there has been a calculated shift in our basic defense policy. What we have done, in the face of increasing Soviet competence in the nuclear field, is to shift from a massive retaliation policy aimed at wiping out Soviet cities and deterring war by that threat. We have shifted to a counterforce strategy aimed at destroying first the enemy armed forces and thus rendering them incapable of destroying us.

Counterforce is a much more complex strategy, requiring much more sophisticated weapons systems to make our strategy dependable. Hitting military targets that are numerous and protected is far more difficult than hitting population centers that are relatively few and vulnerable.

Our counterforce strategy requires a complicated and continued effort to acquire and evaluate targets. It also requires a strategic aerospace force flexible enough to attack all selected targets under varying conditions.

Thus, our overall goal is protection of American life and liberty, and our carefully chosen strategy toward this goal is application of counterforce. What we want to do is to destroy enemy military forces.

If, then, our strategic force is to be dependable, it must be able to destroy enemy military force. We cannot depend upon missiles alone to do that. We need also manned aircraft of new and advanced design.

Therefore, I question the dependability of our missile force alone to do what we require be done in this decade for the defense of the free world.

There are technical questions about the missile force's survivability and capacity to reach the target. There are control questions about its flexibility and recall or retargeting. There are tactical questions about its inability to deter limited guerrilla war.

More important, there is serious question within the military community about the ability of missiles alone to implement American strategy in the space age.

Mr. President, the freedom of the world depends upon America. To defend and protect freedom, America must not depend upon missiles alone. The stakes are too high; the dependability too uncertain.

Let the American press, therefore, soberly consider this question instead of leaping to ridicule those who raise the question. Let administration spokesmen admit the gravity of the problem instead of piously claiming that reality does not exist.

Let Americans patiently examine the strategy of liberty.

Let us all reasonably decide just how much we can depend upon intercontinental missiles to do what we want done.

Let us depend upon discussion, not upon dictation.

The peace and security of the free world demand it.

I urge the defeat of the amendment.

Mr. RUSSELL. Mr. President, I yield 3 minutes to the distinguished Senator from Oklahoma, who is an expert in the field of aviation.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 3 minutes.

Mr. MONRONEY. Mr. President, I thank the Senator from Georgia for his compliment.

Few people realize the tragic state of obsolescence of the manned bomber in our Air Force. If they could see the aircraft we now rely upon to carry out the massive raids with thermonuclear weapons, in the event it is necessary to use them, if they could see the old B-47, the gallant old plane being phased out most rapidly as it becomes too expensive to maintain, if they could see the B-52 with its wings drooping on various airfields of the Air Force, and the difficult fixes put on them to make them airworthy and to give them still a tenuous place in our first line of defense, if they could realize that the B–58, our latest bomber, is out of production, if they realized that the B–47 and the B–52 were designed more than 12 years ago and that something massive must have been learned in the state of the art since then, and if they realized the competent use that could be made of aircraft designs to produce planes which can carry the weapons of our arsenal to the enemy, I think they would agree it is time, in 1964, to exercise the talents and the best brains of American aircraft designers to produce a weapon capable of being effectively used, whether in all-out nuclear war or in limited war, or almost any type of war we might have.

In devising the concept of the aircraft, time is of the essence. We are not asking for billions of dollars. After hearing the testimony taken in combined hearings before the Appropriations Subcommittee and the Armed Services Committee, certainly the amount requested to develop the airplane should be granted. Certainly, after all these years of not having designed a bomber, it is high time to see what American ingenuity can do to develop an offensive weapon. This is simple self-protection.

The Secretary of Defense, Mr. McNamara, is quoted as saying, "Should the Air Force provide a satisfactory concept of operation and a convincing comparison of both their proposed aircraft with available alternatives, and should a specific plan for development be submitted," then he would be willing to consider reallocating funds for that purpose.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. RUSSELL. Mr. President, I yield 1 more minute to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 1 minute.

Mr. MONRONEY. The requirement of the Secretary cannot be met unless plans are first made, because there must be some paper with designs on it. We have seen the committee cut more than $190 million from research and development and engineering funds for the Department of Defense. Now, with the $52 million placed in the bill for the design of this aircraft, we will still be below the budget. Certainly we need flexibility in view of the threat we face.

Reliable as the missiles are—and they are reliable—they cannot and should not supplant the man in the aircraft, who will be most capable of controlling the airspace over land or sea.

Mr. RUSSELL. Mr. President, I yield 5 minutes to the Senator from Arizona [Mr. GOLDWATER].

The PRESIDING OFFICER. The Senator from Arizona is recognized for 5 minutes.

Mr. GOLDWATER. Mr. President, I rise to oppose the amendment, for the following reasons, among others:

I have heard that the Secretary wrote a letter stating that if the Air Force would provide studies, he would be glad to consider them. About a year ago, the Air Force was requested to make studies and the studies have been provided to the Secretary of Defense, who has turned them down, as I understand. Further study has been requested.

The point I make is that the Strategic Air Command is constantly making studies and studying concepts. There is no force that we have that has exercised study more than has the Strategic Air Command. They are constantly studying new concepts, including takeoff, electronic countermeasures, and everything else.

What the Air Force is asking an opportunity to do is to have new, advanced design concepts that have been learned from the B–52.

I have been asked, as I have traveled around the country, whether the B–52 was tested under war conditions. The answer, obviously, is that it has not been. But we are not discussing something new. We are talking about a weapons system that has been tested in four wars. It has been the strongest weaponry that this or any other country has ever developed. All we are asking is that the Air Force be provided with funds for testing concepts which to some extent have been tested by the B–47, the B–52, and the B–58. These are high-level attack bombers. Now the emphasis is on low-level attack and, in fact, a combination called high-low.

In my judgment the greatest capability would have been provided by the Skybolt, which was destroyed by the Secretary of Defense. It would be capable, at high or low altitudes, at high speed, of launching a missile of adequate size at target and then taking evasive action before it hit the target. Added to that capability would have been the ability of man's eyes and brains to work together.

Our missiles are good, and I have no question about that, but I have very strong doubt about their reliability, and I doubt the Secretary's statement in that connection. But we do not know all we need to know about targets. I would rather rely upon a pair of eyes and on brains, once the plane got over the longitude and latitude, to enable the pilot to see a target and drop the weapon on it, because it does not make sense merely to blow a great big hole in Russian soil. The object is to hit something.

Even missiles with their accuracy are aimed at targets and they can get off. They can survive the nuclear effects which they are bound to have passed through. They will get to the target, but we are not too sure about the targeting with the inadequate knowledge we possess of Russia herself.

The B–47's are not only being phased out but it was suggested at Geneva that we burn them and in turn Russia would burn her Badgers. These Badgers cannot even bomb Russia herself, so we are given the offer to burn our B–47 fleet for the Badger fleet.

By 1967, the B–47's will be gone. By mid-1970—say 1972 or 1973, the B–52's will be gone also, as well as the B–58's.

If it is true, as the Secretary states, that we now have 75 to 80 percent of our nuclear load in the bomb bays of our bombers, then by 1972 or thereabouts, if we do not add more to our missile fleet, we shall have cut our retaliatory force, our total nuclear force, in my estimation, to the point where it would be about 25 to about 35 percent of what it is at present.

One more point was raised, the comparison of the 707 with the B–52. The 707 cannot go through the maneuvers that the B–52 can. The 707 is a nice old lady, built to fly along comfortably, carrying passengers. It is not built to take off with thousands of pounds of overweight, and many knots of additional speed. It is not designed to make bad weather landings or come down in icy fields or fly under conditions that a B–52 was designed to accomplish.

I hope that this amendment will be defeated.

Mr. RUSSELL. Mr. President, how stands the time?

The PRESIDING OFFICER (Mr. NELSON in the chair). The Senator from Georgia has 5 minutes remaining, and the Senator from South Dakota has 13 minutes remaining.

Mr. McGOVERN. Mr. President, I yield 3 minutes to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, this amendment involves $52 million and a rather important question of senatorial policy; yet, as I look around the Chamber, I see only seven Senators in their seats, besides the Presiding Officer. No committee of the Senate is now sitting. The only committee which had permission to sit, the Committee on Rules and Administration, has adjourned, so that no one can contend the failure to allow committees to sit while the Senate is in session is curtailing the attendance of Members of this body or their attention to an amendment involving $52 million and a serious question of policy.

I hope that this visual demonstration of the futility of the argument that we must keep committees from sitting because it brings Members to the floor will be noted by all who read the CONGRESSIONAL RECORD.

The reasons for support of the amendment have been so eloquently stated by the junior Senator from South Dakota and the junior Senator from Wisconsin that I shall not undertake to burden the RECORD any further. The Defense Department and the President of the United States do not wish this money. They are not going to spend it. I cite the example of the B–70 bomber in wasting millions of dollars, authorizing money for the production of a bomber which is neither needed or wanted, according to the best brains in this country in charge of that project.

I direct the attention of Senators to the able additional views on H.R. 9637 of four Members of the House of Representatives, headed by Representative STRATTON, of New York, as a most effective argument in opposition to the appropriation of this additional money which would be cut out if the pending amendment were to be defeated.

There is one more point which I believe I should raise for the first time. Without attempting to decide the question, there is a grave constitutional issue as to whether those holding commissions on active duty in the Armed Forces of the United States have any right, either to speak in a manner with respect to which there is an obvious conflict of interest, or any right to serve as Senators of the United States under the Constitution.

I raise this question without deciding it today.

I hope that this amendment will be agreed to.

I return to the Senator from South Dakota the remainder of my time.

Mr. McGOVERN. Mr. President, I yield 8 minutes to the senior Senator from Wisconsin.

Mr. GOLDWATER. Mr. President, I rise to a point of personal privilege.

The PRESIDING OFFICER. Who yields time to the Senator from Arizona?

Mr. CLARK. Mr. President, I ask unanimous consent that the Senator from Arizona may be permitted to proceed on a matter of personal privilege without the time being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. GOLDWATER. Mr. President, I shall not detain the Senate long, but the Senator from Pennsylvania has just raised the qustion of the constitutionality of Reserve officers serving as Senators.

I must remind him that I introduced a resolution at the first session of this Senate, to call upon the Judiciary Committee to determine this question; although I believe I have supplied abundant evidence in the RECORD to prove beyond any question of doubt that a Reserve officer is not considered to be holding two jobs until he is actually called to active duty. This does not mean a 2-week period of training. It means a period of active duty with the Armed Forces during an emergency.

I should like to remind the Senator from Pennsylvania that should such an emergency occur, I am scheduled to be in the Air Force within 10 days and would have to resign from the Senate. So there is no question about that. I would be happy to have this question brought up on the floor of the Senate. The law is clear on it, and the precedents are clear. I have done my best to have this question answered by the Senate.

Mr. CLARK. Mr. President, will the Senator from Arizona yield?

Mr. GOLDWATER. I am happy to yield to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I find myself in disagreement with the constitutional position taken by the Senator from Arizona, but I believe this is neither the time nor the place to discuss the issue. I hope we can find a more appropriate time at a later day, before we adjourn this year .

Mr. GOLDWATER. The Senator from Pennsylvania raised the point. I did not. The point has been raised before in this body, and I believe there is adequate proof in the law that a Reserve officer, regardless of what service he is in, or what grade he is in, is not considered to be holding two jobs when he is holding a job in the Congress and is also a Reserve officer.

I seriously resist the charge of conflict of interest. I see no conflict of interest at all.

Mr. THURMOND. Mr. President, will the Senator from Arizona yield?

Mr. GOLDWATER. I yield.

Mr. THURMOND. I am amazed that any Member of this body should continue to bring up this question. In 1930, Congress enacted a statute on this very subject, in which it was held that a Reserve officer is not an officer or an employee of the U.S. Government.

Mr. CLARK. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. I should like to finish my statement, and then I shall be glad to yield to the Senator from Pennsylvania.

Not unless a Reserve officer goes on an extended period of active duty, which means he would have to give up his seat in the Congress, would he be considered an officer or an employee of the U.S. Government.

The statute specifically provides that if he is on active duty for training for a few days, or if he is doing inactive duty training, he is not considered an officer or an employee of the Government.

Mr. President, it is strange to me that some persons would raise this point, when every week Reserve officers are giving of their time, and long weekends, when others are sitting at home watching television, going to shows enjoying themselves, or relaxing, while Reserve officers are out working and training, trying to equip themselves to cope with any emergency that might develop which would threaten the safety of the United States.

I am amazed that any Member of Congress should try to impugn the motives of any Senator or Representative, because he is a Reserve officer volunteering his services to his country which he will be ready to serve at any time, even resigning his seat in Congress in order to do so—and that is what I shall be doing if an emergency occurs—by saying that he is holding two offices.

Congress has passed a statute and has made the situation very clear. There is an effort in this country to bring about a sentiment against the military. There is an effort being made to downgrade the military. I have commented today on a book, written by a man who is a confidant and an adviser of Cyrus Eaton, Khrushchev's capitalist friend who wants to see this country unilaterally disarmed. The book I am referring to is entitled "The Passion of the Hawks."

Mr. CLARK. Mr. President, will the Senator yield?

Mr. THURMOND. This man wants to downgrade the Military Establishment. He wants to downgrade the services. The whole effort is to work toward disarmament. That is the motive behind this effort. That is the background of it. Those who have been proposing the theory of downgrading the military and downgrading the Reserve officers and who are trying to impugn the motives of the Reserve officers are invariably, almost without exception, people who favor disarmament.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. THURMOND. I shall be happy to yield if I have the time.

Mr. CLARK. Mr. President, will the Senator from Arizona permit me to respond to the Senator from South Carolina?

Mr. GOLDWATER. I am happy to yield.

Mr. CLARK. First, I impugn no Senator's motives. I have not done so, and I do not intend to do so. Secondly, in my view, the statute on which the Senator from South Carolina relies is unconstitutional.

Mr. McGOVERN. Mr. President, I yield 8 minutes to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I rise in support of the amendment. This kind of issue has been under debate before, both in 1961 and 1962, but in a slightly different form. In 1961, President Kennedy, on the recommendation of the Secretary of Defense and the Joint Chiefs of Staff, recommended the discontinuance of the production of B-52 bombers, by October of 1962. That year the Senate disagreed as it does now with the Secretary of Defense and the President. A few of us supported the President of the United States and the Secretary of Defense. We lost. The Secretary of Defense prevailed in the end by not spending the money.

In 1962 there was a similar controversy. That time over the B-70 bomber. Once again those who favored the committee point of view prevailed, and once again the Secretary of Defense and the President decided not to spend the money.

It is obvious, in my judgment and in the judgment of many others, in view of what has happened to the B-70 and now the RS-70, that those who supported the Secretary of Defense were right in this particular dispute. The Senator from South Dakota, the junior Senator from Wisconsin, and I, and all other Senators of like mind, agree that there is a clear desirability for a bomber, provided the Air Force can make a convincing case to the Secretary of Defense.

There is no relevance in arguing that production of the manned bomber should be continued, and that we should not rely completely on missiles. We agree, provided that a manned bomber can be designed which can do the job. This is not merely a matter of $52 million. That is only the appropriation we are being asked to authorize now. Ultimately the cost will be $5 billion. That will be the total estimated cost of the follow-on bomber. What we are being asked to provide is merely the downpayment on a $5 billion expenditure.

The Defense Department has indicated that before it will agree to spend an additional $52 million, of an ultimate $5 billion cost, it must have specifications and details as to how the bomber is to be employed. How is it to be used? That is the question the Department wants to have answered. Perhaps a follow-on procedure is not the best procedure. Perhaps the bomber should be used in some other way. We don't know the answer to that now.

I believe we all agree that the Secretary of Defense is developing within the Department of Defense a very useful concept. He is trying to evaluate our weapons in terms of which can do the best work in the most efficient way, and which can bring the most force and greatest firepower to bear on the target, with the least cost. The Secretary of Defense has placed our entire weapons arsenal in competition. That is an excellent concept. Competition has always been the driving force in our private enterprise system. The Secretary is trying to bring about the kind of competition we have had in our business enterprises, and that is a desirable kind of competition to bring into our governmental departments. In the Defense Department it is working out very well indeed.

No one has gainsaid the Secretary when he has stated that in a couple of years he will be able to save the American taxpayers money in his Department at an annual rate of $4 billion. I am sure Senators would agree that the Secretary of Defense is not prejudiced against the manned bomber or against the Air Force, or is in favor of the Navy, or is for the Army; or for or against any of our armed services. He is trying to proceed as efficiently and as honestly as he can. But how in the world can he apply his money-saving, power-building criteria if Congress steps in with no criteria at all and second guesses him.

Every time this kind of controversy has arisen, and every time we have proceeded without having clear specifications drawn or clearly been shown where we were going, there has been great waste.

In my opinion, and in the opinion of many others, Secretary McNamara is the most brilliant Secretary of Defense we have had in many years. In addition, President Johnson has had as comprehensive and complete an indoctrination in these weapons and in this whole problem as any President has ever had.

My junior colleague [Mr. NELSON] received a letter from the Secretary of Defense, Mr. McNamara, and a copy of that letter is on the desk of every Senator. It has already been read by my junior colleague, but I wish to quote a part of the letter which the Secretary of Defense wrote to my colleague. The Secretary of Defense said:

> Should the Air Force provide a satisfactory concept of operation and a convincing comparison of both their proposed aircraft with available alternatives, and should a specific plan for development be submitted (which has not been done), then I would be willing to consider reallocating funds for that purpose.

Now what is wrong with that? Why in the world should not the Secretary require the Air Force to justify the need for $52 million before they spend it?

This problem arose in connection with the Mariner airplane. It existed in connection with the Skybolt. We had it with the RS-70. We had it with the Dyna-Soar program, and also with Big Dish. We had it with the Navaho missile. In all these systems we started without checking on engineering feasibility and without a clear understanding of values or purposes, and without assurances that they would fill a real need. In each case literally hundreds of millions of dollars were lost. The Defense Department has said that in these particular systems in aggregate there has been a loss of $3 billion. Now we are asked to follow the same waste-producing principle again.

Every Member of the Senate believes in economy. We all applaud President Johnson in his fight for economy. One part of this economy is in conserving money within the Defense Department. Senators who served with President Johnson when he was in the Senate know that very few Senators had the comprehensive or detailed knowledge of the Defense Establishment that he had. Certainly he has such knowledge now. No Senator has a more firm or complete commitment to make this country as strong militarily as possible. This amendment follows his decision, not only a decision arrived at by the Secretary of Defense.

The Air Force has not come forward with a plan. It has not met the very simple and necessary requirements which the Secretary of Defense has insisted upon. The Senator from Oklahoma properly said that in his judgment a substantial amount of money is needed to provide this kind of program. But I submit that in the judgment of the Secretary of Defense and in the judgment of every one of the Chiefs of Staff, except Curtis LeMay, and in the judgment of the President of the United States, this $5 million is ample for the Air Force to come forward with a concept of operation, to make comparisons, to offer alternatives, and to develop a plan which will meet the requirements the Secretary of Defense has laid down.

Those Senators who believe in economy, those who have voted for economy—and most Senators believe in it and have voted for it—have an excellent opportunity this afternoon to vote for economy by supporting the President, the Secretary of Defense, and the Chiefs of Staff, except the Chief of Staff of the Air Force, by voting for the amendment.

I yield back the remainder of my time to the Senator from South Dakota, and I yield the floor.

Mr. RUSSELL. Mr. President, has not the Senator from South Dakota consumed all of his time?

The PRESIDING OFFICER. The Senator from South Dakota has consumed all of his time.

Mr. RUSSELL. I yield 3 minutes to the distinguished Senator from Missouri [Mr. SYMINGTON].

Mr. SYMINGTON. Mr. President, I support the position of the committee and its experienced chairman. The distinguished Senator from Wisconsin [Mr. PROXMIRE] has spoken of Secretary McNamara. I have the greatest respect for the Secretary. He has been in the business of defense about 3 years and has done an unparalleled job. The Chief of Staff of the Air Force and the chairman of the Committee on Armed Services have been engaged in the business of defense for more than 30 years. I also have the highest respect for their opinions.

It is true that we have devoted large sums of money to weapons that were not successful. On the other hand, since the beginning of World War II, we have spent about $182 billion in foreign aid. I am certain that some of the proponents of this amendment, who are among the most ardent proponents of foreign aid, would agree that not all of that aid money was spent in the best interests of the United States.

We had the B-17's and B-24's, then the B-36. We had the B-47. Then came the B-52. Then we started with the F-108. We canceled the F-108 because it was said the B-70 could do everything the F-108 would do. Then we canceled the B-70 because it was said the RS-70 would do all the B-70 would do; and also because we still had the B-52 with the Skybolt.

During all these years billions were spent on airplanes that did not work out.

The fact is that now engineers and technicians have decided that holes should be dug all over America, and that the future of our country should be placed primarily in those holes. In effect, this amendment is the kernel of the theory of massive retaliation. We hope we shall never have to engage in another nuclear war. If there should be another nuclear war, these missiles will be used. If there should not be another nuclear war, these missiles will not be used.

I believe that if another war comes—and God forbid it ever does—the chances are that it will be a conventional struggle.

But on the floor of the Senate this afternoon adherents of the amendment are saying, in effect, "Let us go back to the theory of massive retaliation. Let us not prepare ourselves for conventional war." Now everyone knows that aircraft are used in all forms of hostilities, missiles only in one—nuclear war.

Some of the proponents of this amendment were perfectly willing to vote $60 million for a commercial transport plane which can fly people to Paris or London quickly for business or pleasure. At the same time, they oppose a development of this character necessary to protect the security of people of the United States.

It is for these reasons, based upon my slight experience in this field—that I hope the amendment will be rejected.

The PRESIDING OFFICER. The time of the Senator from Missouri has expired.

Mr. SYMINGTON. I ask for an additional 30 seconds.

Mr. RUSSELL. I yield an additional 30 seconds to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, I emphasize that after the money has been appropriated—money which expresses the experience and wisdom of those most closely connected with the problem in the Congress—there is still no obligation whatever on the Secretary of Defense to spend it. We merely say to the Secretary, in effect, "We ask you not to put the entire future of the United States into a number of buttons that would be pressed in case of war. We ask you to consider also that the greatest machine ever built is the mind of man himself, and that he be given the right of discretion as to where the weapons will be used."

Mr. RUSSELL. I thank the distinguished former Secretary of the Air Force.

Mr. President, I yield such time as remains to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I oppose this amendment. Few bills passed on by Congress are as critical to the survival of the Nation as is that which authorizes the procurement of and research and development for weapon systems for the defense of the country. The total authorization of this bill is in excess of $17 billion, which is high as compared to other authorization bills, but which is certainly a minimum for this purpose.

Our strategic forces at this time are of such a quantity and quality as to give us an overwhelming superiority in strategic power. As formidable as are our present strategic forces, however, we cannot rest on our laurels. The rate of weapons obsolescence is high. One of the compelling facts of modern defense is that all too often a weapons system is obsolete before it can be deployed, despite our best efforts to hasten its development and production.

The problem of rapid obsolescence will not diminish in the years to come. On the contrary, it is a problem which will grow more serious and more troublesome as time passes.

The great pride which we take in the astoundingly efficient weapons which our modern technology has produced should never blind us to the fact that there is no such thing as an ultimate weapon. As long as nations and ideologies pursue or contemplate a course of military aggrandizement, expanding science and technology will provide weapons which are more efficient and more destructive and harder to defend against.

Currently, our operational manned bombers are rapidly becoming obsolete. Nevertheless, there is still a place in our strategic force for manned systems. They provide a flexibility that cannot be obtained from ballistic missiles. They provide a secondary target capability not present in the ICBM. In addition, they provide a tremendous carrying capacity which can be spread over preselected targets, targets of opportunity, and mobile targets.

It is imperative, therefore, to continue research and development of manned aircraft systems.

The committee has—and I believe very wisely—included in this authorization $52 million to accelerate the development of an advanced manned strategic aircraft. These funds provide the means to the Defense Department to start from scratch, as they must, initiating the definition phase of new bomber development. These funds were not requested in full by the Defense Department, but the Congress should be ready to provide the funds and in addition should use every means to persuade the Defense Department to effectively utilize them.

Mr. President, a recent news article in the Washington Evening Star reported that the United States has spotted a new anti-ballistic-missile system deployed around Moscow. If this article is correct, and there is no reason to assume to the contrary, it could well mean that the system around Moscow is a later generation ABM system than that which was earlier spotted around Leningrad.

Last year the decision was made for the United States not to deploy our improved first-generation ABM, the Nike-Zeus, but rather to attempt to develop a more efficient extension of the Nike system called the Nike X, which would embrace the Zeus, the sprint missile, and an advanced radar. Funds are authorized in this bill to be appropriated for continued design development, and tests of the Nike X system. By fall of this year, the progress on this system should be sufficient to permit a decision to be made requesting authorization in the 1966 authorization bill for money to begin production of component parts on the advanced ABM system. No decision has yet been made, but it is, in my opinion, imperative that an affirmative decision on this matter be made at the earliest possible time. I am convinced that it would add materially to our strategic superiority.

At first thought, it might appear to some that a ballistic missile system to our arsenal of defense systems would not be classified as a strategic system. In a narrow sense, this is true, for an anti-ballistic-missile system could not be used to strike the enemy. It could be used only defensively.

The deployment of a ballistic missile system, however, would greatly increase the requirements for any potential enemy. When faced with an effective missile defense, even one less than perfect, the enemy would have to greatly increase the number of missiles in his arsenal, for he would have to discount his missile force by the number of missiles which he estimated would be destroyed by the defensive system. This requirement would be destroyed by the defensive system. This requirement would be particularly difficult for the Soviet Union to meet, for its primary weakness is in production, rather than in research and development.

In addition, the enemy would have the added requirement of equipping his offensive missiles with penetration aids and decoys in order to increase the probability that his missiles would get to the target. This requirement would also be formidable for the Soviets to achieve, for a retrofit program would also put a severe strain on their already overtaxed productive capacity.

Deployment of an antimissile system around as many as 25 population centers in the United States has been estimated to have the capability of saving 24 million American lives, and this, in itself, provides ample reason to exert every effort to perfect and deploy such a system. When the advantages of such a system to our strategic deterrent power are computed in addition, the early deployment of an antiballistic missile system acquires the highest priority.

Mr. President, since fiscal 1962, there has been a reduction in expenditures on strategic retaliatory forces, as classified by the Department of Defense, from $9.1 billion to $5.3 billion in the request for fiscal 1965. This is a drastic reduction. I do not believe that we can continue this pace of reduction of expenditures on strategic forces without severely impairing our strategic power. The funds authorized by this bill are, therefore, the very minimum and will require a very high degree of effectiveness and efficiency in utilization to prevent slippage in our relative strategic position. I believe that this situation deserves the attention and study of each Senator, and for that reason, I would commend to them the reading of the extensive hearings held jointly by the Armed Services Committee and the Defense Subcommittee of the Appropriations Committee during the last few weeks.

Mr. President, I hope the Senate will overwhelmingly defeat this amendment.

Mr. McGOVERN. Mr. President, I yield 1 minute to the Senator from Michigan.

Mr. RUSSELL. Mr. President, I did not understand that any time remained.

The PRESIDING OFFICER. Two minutes remain to the Senator from South Dakota.

Mr. RUSSELL. I do not wish to deprive any Senator of the right to speak. I did not understand that time remained. I shall be glad to hear what the Senator from Michigan has to say on this subject.

Mr. HART. Mr. President, in 1 minute it is impossible to describe the circumstances that affect our judgment on this vote. Operations, in my own case, is the position of President Johnson and the Secretary of Defense. We in Michigan are proud of Secretary McNamara and salute him as coming from our State. I recognize fully the loyalty and integrity of General LeMay, too.

I resolve this dilemma by saying that I do not want to put up an extra $50 million as a sort of kitty to persuade those who really do not want to effect economy in the Defense budget. I do not want to see that kitty made available as an encouragement to them to build a fire that would reverse the opinion of the President and the Secretary of Defense at this moment.

Mr. McGOVERN. Mr. President, the Senator from Michigan has drawn the issue clearly. What is at stake in the amendment is not whether we shall or shall not have a manned bomber. It is quite possible that this project should be moved ahead. The only question is whether we shall hold the funds in the bill to the amount requested by the Secretary of Defense and the President for a study of the possibility of a new manned bomber, or provide an additional $52 million for that study, which the Secretary of Defense, the administration, and the Joint Chiefs of Staff say they do not need, do not want, and cannot properly spend for the study.

If Senators want to stand with the President, with the Department of Defense, and with the Joint Chiefs of Staff, they should vote "yea" on the amendment. If they believe there are sufficient funds in the Treasury so that we can afford an additional $52 million that the Department of Defense does not want, then they should vote "nay."

The **PRESIDING OFFICER**. All time has expired. The question is on agreeing to the amendment of the Senator from South Dakota. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **METCALF** (when his name was called). On this vote, I have a live pair with the Senator from Washington [Mr. Magnuson]. If the Senator from Washington were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. **HUMPHREY**. I announce that the Senator from New Mexico [Mr. Anderson], the Senator from Connecticut [Mr. Dodd], the Senator from Arizona [Mr. Hayden], the Senator from Florida [Mr. Holland], the Senator from Ohio [Mr. Lausche], the Senator from Washington [Mr. Magnuson], the Senator from Minnesota [Mr. McCarthy], the Senator from Utah [Mr. Moss], and the Senator from Florida [Mr. Smathers] are absent on official business.

I also announce that the Senator from California [Mr. Engle] is absent because of illness.

I further announce that the Senator from Indiana [Mr. Hartke] is necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. Dodd], the Senator from California [Mr. Engle], the Senator from Florida [Mr. Holland], the Senator from Utah [Mr. Moss], and the Senator from Florida [Mr. Smathers] would each vote "nay."

Mr. **KUCHEL**. I announce that the Senator from New Hampshire [Mr. Cotton], the Senator from New Mexico [Mr. Mechem], the Senator from Kentucky [Mr. Morton], and the Senator from Massachusetts [Mr. Saltonstall] are necessarily absent.

If present and voting, the Senator from New Mexico [Mr. Mechem], the Senator from Kentucky [Mr. Morton], and the Senator from Massachusetts [Mr. Saltonstall] would each vote "nay."

The result was announced—yeas 20, nays 64, as follows:

[No. 47 Leg.]

YEAS—20

Burdick
Clark
Douglas
Ellender
Fulbright
Gruening
Hart
Humphrey
Kennedy
McGee
McGovern
McNamara
Morse
Nelson
Neuberger
Pell
Proxmire
Williams, Del.
Yarborough
Young, Ohio

NAYS—64

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Church
Cooper
Curtis
Dirksen
Dominick
Eastland
Edmondson
Ervin
Fong
Goldwater
Gore
Hickenlooper
Hill
Hruska
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kuchel
Long, Mo.
Long, La.
Mansfield
McClellan
McIntyre
Miller
Monroney
Mundt
Muskie
Pastore
Pearson
Prouty
Randolph
Ribicoff
Robertson
Russell
Scott
Simpson
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Young, N. Dak.

NOT VOTING—16

Anderson
Cotton
Dodd
Engle
Hartke
Hayden
Holland
Lausche
Magnuson
McCarthy
Mechem
Metcalf
Morton
Moss
Saltonstall
Smathers

So Mr. McGovern's amendment was rejected.

NEED FOR RESTORATION OF MMRBM FUNDS

Mr. **BENNETT**. Mr. President, as the Senate has under consideration the fiscal year 1965 military authorization bill, I think Senators should be made aware of a disturbing and potentially dangerous decision to reduce by some $70 million, research and development funds for the mobile midrange ballistic missile. The Defense Department had requested that $110 million be included in the proposed Defense budget for the fiscal year 1965. Mr. Harold Brown, Director of Defense Research and Engineering, informed me that the rate proposed—in his words—"appeared to be reasonable and prudent at this time in light of the overall international situation, our national objectives, and current military posture."

The House figure was $35 million below the Department of Defense figure and now the Senate figure is $35 million below the House figure. The reductions in H.R. 9637 are all in the research, development, test, and evaluation program. In that connection, the committee considered leaving only $40 million for the MMRBM in 1965, and those funds have been recommended for use for the stellar inertial guidance system.

In light of the uncertainties involved regarding the outcome of the nuclear test ban treaty between the Soviet Union and the United States, it does not seem sensible at this time to terminate a program such as MMRBM, which not only is the most advanced system considered up until this time but also could be utilized as a technological building block for other weapons systems.

We are putting all of our eggs in one basket; that being the already proved Minuteman program. The Minuteman, along with the Polaris missile, which has different targeting requirements, is really the only modern offensive weapon we now have.

The MMRBM was designed specifically to provide the United States with a flexible mobile medium range missile of approximately 2,000 miles to fill the gap between the 400-mile Pershing and the 5,000-plus miles of Minuteman missile.

In the opinion of the Joint Chiefs of Staff, this is one of the most desirable new military weapons in our arsenal of defense because of its mobility and the added advantage of being able to be launched either on land or sea. The MMRBM has received the wholehearted support of the Joint Chiefs of Staff. In fact, on May 21, 1963, the Joint Chiefs once again reaffirmed their support of this weapons system in testimony before congressional committees. And as members of this body will recall, Gen. Maxwell D. Taylor, Chairman of the Joint Chiefs of Staff, earlier made a personal appeal for restoration of the $100 million for the MMRBM which was cut by the House last year.

Last year Congress was willing to restore the total at $93.1 million after another large cutback. How then can we justify this cut in fiscal year 1965 if we agreed last year that it was so valuable?

Secretary McNamara, discussing the House Armed Services Committee slash of $35 million—mind you this is before the Senate cut—said:

> The effect of the $35 million reduction on the MMRBM program will be to eliminate all effort on a systems basis and continue only the Stellar acquisition feasibility flight program to demonstrate a stellar guidance command and control system. This in effect would cancel the MMRBM program, since it cannot be developed at this funding rate indicated by the House committee.

In addition, I would like to point out, Mr. President, that our NATO allies have expressed a keen interest in the acquisition of mobile medium range ballistic missiles as soon as they become operational.

General Taylor, in his appearance before the Senate Appropriations Subcommittee last year, said:

> Our NATO Allies are intensely interested in our treatment of this program. For several years, they have come to regard an MMRBM as essential to replace obsolescent aircraft and missiles now assigned to the attack of targets of prime interest to NATO. The proposed reduction of research and development funds in support of this missile (MMRBM) will be regarded with apprehension and will be interpreted by some as an indication of our reduced concern for the requirements of the defense of the NATO area. I hope that this committee will review this item of the budget in the light of its national and international importance.

I submit that statement still stands this year. Long and careful study has already been made both as the need for this weapon and its ability to perform the mission for which it is designed. Any further delay by this Congress pending further studies is unwise and unnecessary. Furthermore, the reductions may result in up to 2 years' delay in the operational readiness of this weapon.

In addition to my convictions that the MMRBM is necessary and vital to our defense, I would like to point out some of the practical problems which occur in the business community when Congress starts and stops programs of this magnitude. Major contractors have a hard time training and retaining skilled personnel to do the research and development on new programs. We are at the point in research and development on the MMRBM, that if the program is delayed, thousands of key personnel of major contractors will either be fired or will seek other employment where the future of a particular program is more secure.

Furthermore, I am particularly concerned about the progress that the Russians may be making in the ICBM field. What is this Nation to do if Russia perfects a missile or a system making our ICBM force inoperative?

The MMRBM project is a necessary backup. The development of this program should continue so that if the need for a secondary backup ever arises we shall have it. Nowhere in our arsenal today is there an effective intermediate ballistic missile with the characteristics of MMRBM. A weapon system with a high probability of survival is a requirement today. Survivability, together with a clear demonstration of the fact that our weapons are survivable, is, in fact, the keynote of a successful deterrent posture.

I would like at this time to introduce several system advantages:

First. Mobility ensuring survivability.

Second. Extreme accuracy gives a more extensive capability against hard targets than can be achieved with any other operational or planned weapons system.

Third. Air transportability guarantees an operational capability anywhere in the world within a few days.

Fourth. Capability readily to move system from country to country ensures the flexibility necessary to cope with the changing tactical and/or international situation.

Fifth. Cost/effectiveness ratio superior to other weapon systems in that previously developed technology is utilized to the fullest extent and nearness to the target significantly increases accuracy.

Sixth. Development of the MMRBM will provide valuable know-how should the requirement for a mobile ICBM become more urgent.

If this system were now terminated and at some later date reinstated, the overall program cost will be substantially more. Schedules will be slipped significantly; the weapons system will have a shorter useful life.

It is my hope that the Congress will reconsider the recommendations of the Joint Chiefs of Staff and that the Appropriations Committees will act to restore the funds for the MMRBM program which were imprudently cut by the House and Senate Armed Services Committees.

MILITARY PROCUREMENT AUTHORIZATION—1965

The Senate resumed the consideration of H.R. 9637, an act to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluations, for the Armed Forces and for other purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

If there are no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. RUSSELL. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished majority leader what the schedule will be for the remainder of today and the remainder of the week; and I wish particularly to query him with respect to the possibility of a Saturday session.

Mr. MANSFIELD. Mr. President, the question is most pertinent and, I am sure, one in which Senators are quite interested. If and when the pending proposed legislation is passed, it is anticipated that the Senate will move to consider Calendar No. 850, the bill H.R. 6196, the so-called cotton-wheat bill.

It is hoped that the Senate will be able to consider that bill within a reasonable length of time and that the Senate will work its will and allow it to come to a final conclusion.

After talking with a number of Senators, it has been decided that there will be no Saturday session this week, but beginning with next week I think the Senate should be put on notice that we may very likely be meeting not only from early in the morning until late at night, but on Saturdays as well. I hope that all Senators, both Republicans and Democrats, will aline their schedules, engagements, and "whatnots" accordingly, and be prepared for votes on any and all occasions thenceforward, as the lawyers would say.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. RUSSELL. Will the Senator tell us the occasion for this tremendous surge forward, requiring us to jump from ordinary sessions to sessions that will start early in the morning and continue late at night and on Saturdays as well?

Mr. MANSFIELD. The Senator from Georgia knows better than I.

Mr. RUSSELL. Does the Senator propose immediately to take up a certain type of proposed legislation and to change all procedures of the Senate in addition to all the rules?

Mr. MANSFIELD. Not exactly.

Mr. RUSSELL. Would he have an entirely different approach to the bill even at the outset, so that the cry of filibuster will rise above the very cogent arguments that some of us have to make with respect to an unconstitutional bill?

Mr. MANSFIELD. After seeing the distinguished Senators from New York [Mr. JAVITS and Mr. KEATING] and the Senator from Mississippi in the same company and on the same side today, I believe anything can happen. But so far as the leadership is concerned, we will do what must be done within the rules. We shall not be capricious. We shall try to give ample notice ahead of time. Again I assure the distinguished senior Senator from Georgia that all the cards will be as fully up on the table as we can place them.

Mr. RUSSELL. The Senator laid them out just now, but they did not appeal to the Senator from Georgia even when they were face up. It seemed at the outset that the Senator proposed to apply a different set of rules to the proposed legislation.

The Senator knows the difficulty that any Senator has in getting the reasons for his position reported adequately in the press, over the radio, and on the television. The minute this so-called civil rights legislation hits the floor of the Senate, some strange things begin to happen. Charges are made on the floor of the Senate. It matters not how valid one's position may be, he cannot get it superimposed upon, or squeezed into, or even wedged under the headlines of "Filibuster, Filibuster, Filibuster." I believe we were entitled to at least 2 or 3 days of normal proceedings on that bill in the hope, vain though it may be, that some few of the arguments that are made against the bill might get to the people in our country by means other than the CONGRESSIONAL RECORD, which does not have a large subscription list.

Mr. MANSFIELD. I am sure that when the distinguished minority leader raised his perfectly innocent question, he had no idea that a colloquy such as we have heard would occur.

Mr. RUSSELL. Could he have known what the answer to the question would be?

Mr. MANSFIELD. I assure the Senator from Georgia that, as always, he will receive the utmost consideration. I assure the Senate and the country that, so far as obtaining the views of Senators is concerned, they will be laid out in no uncertain terms so that everyone will understand. It is intended to move gradually into the proposal which was advanced by the Senator from Montana.

Mr. RUSSELL. I presume some of the procedure will be normal.

Mr. DIRKSEN. Mr. President, will my distinguished friend from Montana yield further?

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. In connection with committee meetings, when we finally start plowing the long furrow which I call extended sessions rather than filibuster, which is a more acceptable term——

Mr. RUSSELL. I thank the Senator. "Educational campaign" is even more acceptable.

Mr. DIRKSEN. Mr. President, on those occasions chairmen of committees have come and solicited a dispensation from me. This time I shall be compelled, as long as there is any breath left in this rather feeble body of mine, and I have enough power of articulation to be able to say "I object," to insist upon the rule that there will be no committee meetings. So there will be no committee meetings. There may be one qualified dispensation, and that will be in relation to the Committee on Rules and Administration, which may wish to meet 2 days a week—I do not think they ought to ask for more—to pursue the business in hand.

But there are two minority members on the Committee on Rules and Administration whom I have designated as captains to help monitor the floor with respect to the civil rights bill. They are entitled to be present, and I shall insist that they be present. So if we are to summon witnesses from all over hell's half acre to come to Washington, either at their own or Government expense, I must admonish Senators that no matter whether it is desired to call a witness from Australia, Yokohama, Oklahoma or some other places, objection will be raised. So Senators had better take that into account when they arrange to bring witnesses to appear before hearings.

Mr. MANSFIELD. Mr. President, will the Senator permit me to make one observation?

Mr. DIRKSEN. Certainly.

Mr. MANSFIELD. I am sorry to hear the announcement made by the distinguished minority leader because I had hoped at an appropriate time to seek unanimous consent for all committees to meet during the remainder of the session this year.

I shall not seek such an agreement now, because the Senate has been put on notice and, of course, we shall do the best we can within the rules of the Senate.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield, and if so, to whom?

Mr. MANSFIELD. Have I the floor?

The PRESIDING OFFICER. Yes.

Mr. MANSFIELD. I yield to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, the majority leader knows I mean no offense by taking a firm and hard attitude; but let it not be forgotten that if we must depend on 51 bodies on this floor to do business, that will not be an easy undertaking. I doubt whether Members can very efficiently divide their time between this Chamber and committee rooms scattered through the New and Old Office Buildings.

I shall be glad to sit down with the majority leader and discuss this matter, but at the present moment it is my intention to object, unless some more attractive and practical arrangement can be arrived at, because this is the place where these policies must find affirmation by this body, and this is where the work must be done.

Mr. MANSFIELD. The Senator is correct. What he has stated any Senator could also state and be within his rights. It is, of course, mandatory that 51 Senators be on hand at all times if we are to establish and maintain a quorum; and I have doubts as to whether calls for quorums will not be too frequent.

Mr. McCLELLAN. Mr. President, I wonder if the Senator from Montana will yield so I may ask whether I correctly understood the minority leader to say that he made an exception for the Committee on Rules and Administration.

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. I have not made it yet. I have discussed it with members of the Rules Committee on this side, and they have indicated to me, being so-called captains of the civil rights bill, they wish to be on the floor a substantial time. They cannot be in the caucus room under the klieg lights and be here following the vagaries and uncertain destinies of the civil rights bill, and they have a right to be here.

Mr. McCLELLAN. I was not objecting to their being here; I was wondering why the exception.

Mr. DIRKSEN. Because the committee is under the mandate of the Senate, the committee not only being authorized, but directed, to make the inquiry and report back at the earliest practicable date.

Mr. McCLELLAN. The Senator would not consider it to be practical if Senators needed to be on the floor? That would not bar the committee from acting.

Mr. DIRKSEN. I have tried to work it out as practicably as I can. I do not think my motives should be impugned, or that it should be said that I am trying to hold up the investigation. I know the popular interest in the matter, and I want the committee to expedite action.

Mr. McCLELLAN. If the Senate did not have such long sessions, it would not be necessary. The hearings could be held in the morning.

Mr. DIRKSEN. Yes, if the Senate convened at noon; but if there are to be long days, I shall have to take a stand.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ELLENDER. I am a little confused. I thought the next order of business would be the farm bill.

Mr. MANSFIELD. Yes.

Mr. ELLENDER. Are we to apply the rigid rules that have been suggested on the farm bill?

Mr. MANSFIELD. Not tomorrow, but we are getting around to the idea of sitting longer hours.

Mr. ELLENDER. Does the Senator mean until the civil rights bill is reached?

Mr. MANSFIELD. Gradually, because we are up against a time limitation, under the statement of the Senator from Louisiana himself.

Mr. ELLENDER. Yes. I want to get rid of the bill, but I want to have an opportunity to have Senators hear about the farm bill.

Mr. MANSFIELD. I think the Senator will have that opportunity.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Oregon.

Mr. MORSE. I did not hear all the majority leader said in his announcement. I should like to ask him a question. Does the Senator expect to have several days taken up in debate on the farm bill, or the wheat-cotton bill?

Mr. MANSFIELD. That would be my anticipation, but exactly how many days, I do not know.

Mr. MORSE. If the majority leader will permit me, I should like to ask the minority leader a question, because I heard his announcement of his intention to object to committee hearings with the possible exception of the Rules Committee. I would be more inclined to giving an exception as to the Rules Committee if he gave us assurance that they would be interrogating as to the competency and qualifications of some of the witnesses, as to whether or not they would have a standing in court once a lawyer got through cross-examining on their competence to testify. Be that as it may, I wonder if the Senator from Illinois would change his position if the civil rights bill could be sent to committee for 10 days or 2 weeks.

Mr. DIRKSEN. That might affect the exception, because I share the view of the distinguished majority leader that one title, other than the one I talked about, ought to be the object of some testimony that we cannot get on the Senate floor. So far as the Rules Committee is concerned, the minority leader is no expert on the subject of charm, competence, fifth amendment, or what not. He claims no competence in that field.

In response to the subcommittee chairman who asked me the question with respect to the committees, my statement would apply also to committees that have set hearings away from Washington, because there will be no variation of the rule unless I can be persuaded that I am in error.

Mr. ELLENDER. Mr. President, would the Senator object to committee meetings during the filibuster, if there is one—and I am sure there will be—on the civil rights bill, or would he also feel that that matter should be taken into consideration in making exceptions?

Mr. DIRKSEN. I am not going to apply it to the farm bill, because I feel there is no reason for making it in that case, since the committees can meet in the morning, under the rule.

Mr. ELLENDER. There will be a very important meeting of the Committee on Agriculture and Forestry on March 4 to consider several important measures. I would like to know ahead of time if we will be able to meet, because a number of Senators are very interested in this legislation.

Mr. RUSSELL. Mr. President, may we have order? I cannot hear the Senator speaking, and I am near him. I insist that the Chair obtain order in the Chamber.

The PRESIDING OFFICER. The Senate will be in order.

Mr. DIRKSEN. As I said before, this interdiction of mine will apply when we begin to plow the long furrow.

Mr. ELLENDER. That is the civil rights bill.

Mr. JOHNSTON. Mr. President, will the Senator yield for a question?

Mr. MANSFIELD. I yield.

Mr. JOHNSTON. Does not the Senator think it would be well to sit 2 days a week, at which time the Senate would meet at 12 o'clock?

Mr. DIRKSEN. I think that question should be addressed to the majority leader.

Mr. MANSFIELD. Once upon a time that may have been a good idea.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Nebraska.

Mr. HRUSKA. The Senator from Illinois said he would not object to committee meetings while there was debate on the farm bill. Would that be his feeling if the Senate met at 9 o'clock in the morning?

Mr. DIRKSEN. If the Senate met that early, my opposition would go to it. The objection would apply if the Senate was in session. But I have the feeling, so far as the farm bill is concerned, that committees could meet while it was under consideration. I am willing to make the concession in that respect. But I am doing this now so committees will be on notice, so committee chairmen will not come with entreaties and say, "I have a room full of witnesses that have come from Alaska, Australia, Western Europe, and elsewhere," and then put me in an embarrassing and awkward position. So this is notice well in advance before the witnesses start for Washington.

Mr. HRUSKA. I am hopeful that the majority leader will not insist on long sessions during the consideration of the farm bill, but I suggest to the minority leader that he might feel constrained to do so, but if the minority leader does not have the physical stamina to object to such committee hearings during that time, I shall supplement any inadequacies with my ejaculations on such a point.

Mr. DIRKSEN. I am delighted by that implementation.

MILITARY PROCUREMENT AUTHORIZATION, 1965

The Senate resumed the consideration of H.R. 9637, an act to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluations, for the Armed Forces and for other purposes.

The PRESIDING OFFICER. All time on the bill has expired. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. Anderson], the Senator from Idaho [Mr. Church], the Senator from Connecticut [Mr. Dodd], the Senator from Arizona [Mr. Hayden], the Senator from Florida [Mr. Holland], the Senator from Ohio [Mr. Lausche], the Senator from Washington [Mr. Magnuson], the Senator from Minnesota [Mr. McCarthy], the Senator from New Hampshire [Mr. McIntyre], the Senator from Utah [Mr. Moss], the Senator from Rhode Island [Mr. Pell], the Senator from Connecticut [Mr. Ribicoff], the Senator from Virginia [Mr. Robertson], and the Senator from Florida [Mr. Smathers] are absent because of official business.

I further announce that the Senator from Indiana [Mr. Hartke] is necessarily absent.

I further announce that the Senator from California [Mr. Engle] is absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. Anderson], the Senator from Idaho [Mr. Church], the Senator from Connecticut [Mr. Dodd], the Senator from California [Mr. Engle], the Senator from Indiana [Mr. Hartke], the Senator from Arizona [Mr. Hayden], the Senator from Florida [Mr. Holland], the Senator from Ohio [Mr. Lausche], the Senator from Washington [Mr. Magnuson], the Senator from Minnesota [Mr. McCarthy], the Senator from New Hampshire [Mr. McIntyre], the Senator from Utah [Mr. Moss], the Senator from Rhode Island [Mr. Pell], the Senator from Connecticut [Mr. Ribicoff], the Senator from Virginia [Mr. Robertson], and the Senator from Florida [Mr. Smathers] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. Cotton], the Senator from New Mexico [Mr. Mechem], the Senator from Kentucky [Mr. Morton], and the Senator from Massachusetts [Mr. Saltonstall] are necessarily absent.

If present and voting, the Senator from New Mexico [Mr. Mechem], the Senator from Kentucky [Mr. Morton], and the Senator from Massachusetts [Mr. Saltonstall] would each vote "yea."

The result was announced—yeas 80, nays 0, as follows:

[No. 48 Leg.]

YEAS—80

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Clark
Cooper
Curtis
Dirksen
Dominick
Douglas
Eastland
Edmondson
Ellender
Ervin
Fong
Fulbright
Goldwater
Gore
Gruening
Hart
Hickenlooper
Hill
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kennedy
Kuchel
Long, Mo.
Long, La.
Mansfield
McClellan
McGee
McGovern
McNamara
Metcalf
Miller
Monroney
Morse
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Prouty
Proxmire
Randolph
Russell
Scott
Simpson
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—0

NOT VOTING—20

Anderson
Church
Cotton
Dodd
Engle
Hartke
Hayden
Holland
Lausche
Magnuson
McCarthy
McIntyre
Mechem
Morton
Moss
Pell
Ribicoff
Robertson
Saltonstall
Smathers

So the bill (H.R. 9637) was passed.

Mr. MANSFIELD. Mr. President, the distinguished Senator from Rhode Island [Mr. Pell] and the distinguished Senator from New Hampshire [Mr. McIntyre] came into the door of the Chamber just as the Chair was making the announcement on the vote. The Senate should know also that they were delayed in coming to the Chamber because of circumstances over which they had no control. I believe this statement should be made by the majority leader at this time, because he is aware of all the facts and circumstances.

Mr. McINTYRE subsequently said: Mr. President, I should like the Record to show that if I had been present and voting I would have voted "yea" on the passage of the military procurement authorization bill.

Mr. PELL subsequently said: Mr. President, I thank the majority leader for his earlier statement. If I had been present and voting on the passage of the military procurement authorization bill, I would have voted "yea."

THE MYTH OF OVERKILL

Mr. RUSSELL. Mr. President, I ask unanimous consent to have printed in the body of the Record at this point a very interesting article that was published in the Air Force and Space Digest magazine of February 1964. It is entitled "The Myth of Overkill," and was written by Mr. Amrom H. Katz.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Air Force, Feb. 1964]

"Economy is a distributive virtue, and consists not in saving but in selection. Parsimony requires no providence, no sagacity, no powers of combination, no comparison, no judgment."—Edmund Burke, "Letter to a Noble Lord (1796)."

The Myth of Overkill—A Critique of "A Strategy for American Security"

(By Amrom H. Katz)

(Editor's Note.—This magazine rarely devotes its limited space to detailed refutation of theories and proposals of a single individual. In the case of Prof. Seymour Melman, of Columbia University, we are making an exception. This is not solely because we believe his theories to be specious, but because we believe them to be dangerously so in that they are capturing the fancy of certain Members of Congress and also that of other policymakers and policymolders. The author of the following study possesses unimpeachable credentials. Mr. Katz is a physicist and an outstanding expert on aerial and space reconnaissance, first with the Air Force and now with the Rand Corp. More importantly, he has a long record of activity and interest in the problems of peace as well as war. He is a long-time member of United World Federalists and has served on its national executive council. He was an original member of the Committee on Security Through Arms Control of the National Planning Association. He is on the board of sponsors of the magazine War/Peace Report, the board of the magazine Disarmament and Arms Control, and the advisory board of the Journal on Arms Control. He has actively participated in most of the major arms-control and disarmament conferences in this country and abroad, including the Pugwash Conferences in Moscow and London, the Arden House Strategy for Peace Conferences, several meetings of the American Assembly, the Stowe (Vt.) Conference of Scientists on World Affairs, and the Accra Assembly in Ghana. He was a professor in residence of political science and senior fellow in the national security studies program at UCLA in 1963 and is a consultant to the U.S. Arms Control and Disarmament Agency. We are proud to count him among our authors. (The views expressed in this paper are those of the author. They should not be interpreted as reflecting the views of the Rand Corp. or the official opinion or policy of any of its governmental or private research sponsors.))

1. THE ROAD TO MELTOWN—WHAT DOES MELTOWN SAY?

The prophet of overkill has risen in the East, and his preaching is sweet to the ears: "We (the United States) have stockpiled bombs enough to kill the Soviets hundreds of times over, but killing them more than once is costly, stupid, and wasteful; we can kill them only once, so we should stop wasting money. We should cut the defense budget by at least $22 billion. Here is a list of the things to do with the $22 billion you save."

And who wouldn't like such news? Especially when delivered with conviction and without equivocation by the leader of a group of professors. When large sums are spent there is often a strong suspicion that much is wasted. And when complex problems of strategy, politics, and procurement swirl around our heads like nebulae—who would not like to have all this reduced to plain talk and simple arithmetic?

Answers are what we want—the simpler and neater the better. That's what Seymour Melman gives us.

Professor Melman and six associates have prepared a booklet entitled "A Strategy for American Security."[1] The following quotation from the Wall Street Journal, January 24, 1963, appears on the inside cover of the booklet:

"It's impossible to buy a perfect defense; nothing can always deter somebody else's irrational act, nor is there any technical formula guaranteed to tell how much should be spent, or for what, to assure the best of always imperfect protection. But many people here think the whole process could be improved by more informed consideration of the strategies, instead of just the hardware, that dictate all the spending."

It would seem that we're off to a fast start. An informed discussion of strategies is always in order. But this premise is supported only by the title of the booklet; one vainly turns the pages looking for any further discussion of strategy. There is none.

Let us then briefly examine Melman's statements and proposals. The booklet consists of 11 chapters. "Chapter I: How Much Military Power Is Enough?" and "Chapter II: The Military Budget, Is There a Choice?" are by Melman. The rest of the booklet contains chapters by Melman and his colleagues which deal largely with how defense money could be better spent.

This paper will concern itself primarily with the first two chapters, which are the heart of the booklet. They have attracted considerable attention by their statement of Melman's thesis. Let's see if we can discover what the thesis is. Melman quotes Secretary McNamara's judgment that "we calculate that our forces today could still destroy the Soviet Union without any help from the deployed, tactical air units, or carrier task forces or Thor or Jupiter intermediate-range ballistic missiles." Melman then asserts: "Never before could one think of military power sufficient to kill a population more than once," and describes how the assumed American and Soviet available megatonnage could be used against cities of more than 100,000 population.

Back to the meager details of his analysis shortly. But first, his conclusion. On what he labels a "conservative" assumption, in which he allowed a 50-percent attrition of carriers, he asserts that for the 140 major cities of the Soviet Union the United States "overkill capacity" is 78 times. In his terms this means that we have 78 times as much as is necessary to kill the 140 largest cities in the Soviet Union. Melman also calculates that for the 370 major cities of the Sino-Soviet bloc, the United States has an overkill capacity of 41 times, allowing for 30-percent attrition of delivery systems.

Although strategic considerations are desperately needed here, they are completely missing. What are his attrition assumptions based upon? Who attacks first? The United States? The Soviet Union? Does he assume the United States is starting a preventive war or a preemptive war, or does he assume that the Soviet Union has struck the United States first, and that we are responding with an all-out countercity campaign? Is there any mention of alternative target systems—of a partial response? Any thought of damping out a war? Nary a word. We have no campaign analysis at hand—only conclusions.

But let's see what happens to his figures if we change certain of Melman's conservative assumptions. Suppose the United States suffered a surprise attack. It is improbable that the Soviets would attack our cities first, leaving alone our bombers and our missiles. The cities aren't going anywhere; they would be available for later attack, for use as hostages, for threat and bargaining purposes. Suppose 90 percent of our military forces were struck, and that the reliability of the remainder is 30 percent, and of that 30 percent, local defenses in the Soviet Union can knock down 70 percent—we are now down to a force over the Soviet Union of but 1 percent of everything we had. In terms of our Melman unit (the overkill statistic) we are down to but two times and, if the entire Sino-Soviet bloc is considered, by Melman's own statistics, we have no overkill at all. And even this result assumes adequate retargeting, good communications, reallocation of weapons, etc.

What's wrong then? He assumes that deterrence has failed. He then assumes a countercity target system, and he arbitrarily assumes very low attrition figures (that is, he assumes that a high percentage of the weapon carriers we start with will survive, prove reliable, and get to their targets). However, the purposes of our forces are to deter, not to tempt, and, if war comes, to terminate it quickly with minimum loss of life. Melman apparently assumes that even if the Soviets strike first, this first strike is instantaneous, and would use the entire Soviet capability. He also assumes that all of the United States response must come later in time than all of the Soviet's first move. Melman needs this assumption, for otherwise counterforce operations (that is, the U.S. forces responding with an attack on as yet unused Soviet forces) make sense. It is Melman's clear purpose to have this concept make no sense, and to make our present posture appear exclusively dependent on this concept.

Melman asserts: "Until recently the counterforce concept of national security has appeared to have the full endorsement of the Secretary of Defense." He says: "The counterforce perspective has been rendered implausible by the development on the Soviet side of the same sort of hard missile locations and submarine carriers for missile launching as developed by the United States. Under these circumstances, the counterforce perspective reflected in the administrative budget has no military reality."

He seems to believe that a hard missile site is absolutely invulnerable. But in truth, hardness certainly does not confer or connote absolute invulnerability. A hard missile site is simply more difficult to attack than if it were soft. This problem is part of the reason for the extra forces that Melman talks about. But the main needs for what Melman calls extra forces stem from uncertainty and the need for insurance. We want to be far away from that threshold which might tempt the Soviets. And this has little to do with a counterforce strategy.

It is truly amazing that certainty comes easily, if without grace, to those most removed from the realities and complexities of military hardware and responsibilities. It would be difficult to explain to the American public that our only position in the event of war is to murder the Soviet population, smash their cities, and not even attempt to touch those forces whch if left alone would succeed in killing Americans. Strangely enough, it is the military and hardheaded civilian analysts who are against a strategy whose sole content is mutual and complete annihilation of cities. It is Melman's so-called strategy that can be properly termed senseless, inhumane, and mechanical.

It is infinitely better not to have nuclear war, and it is the fundamental purpose of our forces to discourage any opponent from adventurism and from miscalculation of the kind Melman makes. We hope that we have deterred and will continue to deter the Soviets from deliberately planning a surprise attack on the United States. Are we wasting money if we achieve this?

Melman's answer is that we have the wrong strategy, and we can do it cheaper. But can we? The only strategy he considers is the countercity strategy, and this, he asserts, we can do cheaper. But as noted above, this assumption depends upon some nonexplicit assumptions about who starts the war, about the potential damage than can be dealt our forces in the event of war, about the reliability of the remaining forces, about the attrition on the way to and in the target area. His calculations are extraordinarily sensitive to these assumptions, but neither the fact of the sensitivity nor any of the assumptions are mentioned.

Let us look at an excerpt from Melman's chapter I, which illustrates the problem of sensitivity to assumptions. On page 2 of his booklet he calculates:

"The destructive capability of Soviet forces is estimated by the same reasoning applied to U.S. forces with some modifications. On the same basis of our first set of calculations, the Soviet Union has the following capabilities:

"For the 2,000 cities in the world of 100,000 or more population no overkill capacity if a 30-percent attrition is applied to delivery systems. This is so because of about 2,500 delivery vehicles, 30-percent losses would leave less than 1 vehicle per target. However, if one figures, arbitrarily, an attrition rate of 20 percent, then U.S.S.R. delivery would be 3.2 megatons per 100,000 persons in major cities or an overkill of 160 times."

This is remarkable: By changing his assumption from 30-percent to 20-percent attrition, Melman goes from a no-overkill capacity to an overkill of 160 times. And he demonstrates no preference for either assumption, nor a basis for his assumptions, calling them arbitrary. This arithmetical flimflam doesn't even catch Melman's eye. We saw earlier how, by introducing other assumptions on attrition (perhaps not as arbitrary as Melman's) the U.S. force can be reduced to less than 1 percent of our total force. Even these calculations illustrate the sensitivity of the analysis to preliminary assumptions.

From these examples, and from further perusal of the booklet, one can understand how frustrating it is for military and civilian analysts to answer Melman's formulation. It is frustrating for these simple reasons:

There is no analysis.

The presentation is not of a strategy but of a reaction to some unstated level of Soviet attack. (On whom? The United States? NATO?)

This assumed strategy is not compared with any other strategy.

The particular single-response strategy (assumed by Melman) is not U.S. strategy as described by military or civilian officials.

Figures on military force levels and deployments are not handed down from Mount Sinai. They are arrived at by answering the threat and considering what the other fellow is doing, and by allocating forces and funds among several missions: conventional war (nonnuclear), nuclear war, counterinsurgency, military aid, etc. No, the defense budget is not sacrosanct. Of course it can be modified, and I am not arguing against any form of military cuts. This huge budget and its allocations are subject to continuous reexamination. But we are certainly not going to base force reduction or major budget changes on the kind of arithmetic and argument in Melman's booklet.

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[1] "A Strategy for American Security: An Alternative to the 1964 Military Budget," Prof. S. Melman, Ed., Columbia University; and the following contributors: T. McCarthy, Basic Economic Appraisals, Inc.; Prof. O. Feinstein, Wayne State University; Prof. E. Lieuwen, University of New Mexico; Prof. J. E. Ullman, Hofstra College; Prof. W. Vickrey, Columbia University; Benjamin Spock, M.D., Western Reserve University; published by Lee Service, Inc., New York, April 1963. Also condensed in the Saturday Review, May 4, 1963.

Suppose we were to accept Melman's strategy, described in chapter II of his booklet. He does not and cannot describe which forces he is cutting, because the elements of his budget are research and development, operation and maintenance, military personnel, etc., instead of being expressed in terms of forces, aircraft, missiles, conventional forces, and armament or the like. It would have been interesting to see which forces are cut and how much.

What does he say about conventional forces? And of the requirement of responding when we have to, at some level short of an all-out automatic commitment to destroy all the major cities of the Soviet Union? There is not one solitary word on any of these questions. What does he say about the cost of controlling our forces—of protecting them so they do not have to respond in a hurry, so they can, in fact, survive and pause while an attack—or an accident—is being evaluated? There is nothing on this either.

Melman does sweeten the pie. He presents an administration defense budget of $56 billion. In his first approximation to cutting this budget, he cuts out $22 billion, calling what is left a maintenance of present forces budget. This $22 billion is taken from procurement, from research and development, from military construction, from military assistance, and from the atomic energy program. What, then, replaces the B-47's which are phasing out—the B-52's which are aging? Where then do we get the forces with which to fight counterinsurgency or conventional warfare when needed? Not a word about these things.

Nevertheless, Melman's proposed slash of $22 billion looks minor indeed compared to an alternative he calls the "finite deterrent" budget. This budget weighs in at $9 billion—a slash of $47 billion. Using a subtle form of budget by association Melman bases his $9 billion budget on conclusions drawn from some remarks made by Dr. Jerome Wiesner in 1960. Quoting from the Wiesner paper, Melman says: "Studies made independently by the U.S. Army and Navy have indicated that even in the absence of agreements limiting force size and permitting inspection, 200 relatively secure missiles would provide an adequate deterrent."

Oh, to have been President. And to be confronted by Cuba or Berlin with only this particular hand showing. What range of responses, what options, what choices does Melman leave us? He offers no response, no option short of the destruction of 140 Soviet cities. There is, of course, considerable doubt that Melman is in favor of such a murderous option, and there is some doubt that the United States could or would carry out this idea. It is doubtful that this solitary threat—the U.S. massive response—could be called out for any Soviet provocation or military action short of large-scale attack on the United States. And the Soviets may suspect this, as well.

There is no objection to an inexpensive strategy; there is only one requirement which this strategy has failed to meet—that it be workable. The problem the United States faces is not solely to save money; we should spend what we must, and do it sensibly. We could save a lot of money by being isolationists, and we could cure the gold-flow problem at one and the same time. But this is not our main objective. We have assigned American isolationism to the history books.

Comparing the current administration defense posture, attitudes, and strategy with Melman's, we might as well ask: Which strategy is more likely to get us into a war, and if a war were to start, which is guaranteed to kill more people? Lo and behold, it is Melman's.

II. GIRF—THE GUARANTEED INVULNERABLE RETALIATORY FORCE—WHO'S IN CHARGE?

We live in a world of uncertainty. Not at peace, we are not at war. Our principal military threat comes from the Soviet empire. The Soviet Union practices secrecy and maintains a closed society with great skill and determination. Thus we find, from time to time, that in building our defenses, we had have had to pay heavy and excessive insurance premiums against evaluated risks, some of which may later turn out to be smaller than we thought or even imaginary. In doing this, we must bend all our efforts to protect ourselves against real risks and dangers. But the consequences of error are not symmetric: In the one case we may waste money; in the other we may spill large amounts of blood. We have more money than blood; the choice between errors is obvious.

What do we mean by security? I suggest that what we mean by security is freedom from both the fear and danger of violent war. These are quite different—the fear and the danger—and not at all redundant. We might well be confronted with the danger of violent war and for whatever reason—stupidity, blindness, bravado, or a large national dose of tranquilizers—we might have no fear. Similarly, we might have fear and not be in any real danger. And, of course, we might well have real fear in the presence of real danger.

Somehow we imply by security not only the absence of war, but the presence of some kind of freedom, and not only anarchic freedom but freedom and opportunity to pursue the peaceful activities of society.[2]

Part of our system of military deterrence against central war is the GIRF—the Guaranteed Invulnerable Retaliatory Force. What is meant by this is simple in concept, although difficult and expensive to achieve and maintain.

To deter thermonuclear war we try to procure and arrange forces whose magnitude and disposition discourage a Soviet first strike. We hope that the Soviets will conclude that they are unable to destroy enough of this force on a first strike to prevent destruction of the Soviet Union by the remainder. Thus, making this calculation, the Soviet Union will presumably be deterred from launching an attack.

Let's look briefly at the words used in describing the GIRF. Clearly, the United States has much to do with buying and building and maintaining such a force. But the Soviet Union has much to do with, and is in partial charge of at least two of these words: "guaranteed" and "invulnerable." This is not always recognized by those who discuss these matters.

What we think is invulnerable may not be. Invulnerability depends not only on what we do, but on what the Soviet Union does. There is no absolute invulnerability. A hardened missile base may be so well protected that it would take several missiles to knock it out. Its alleged invulnerability may rest on this calculation and an assumption that this price is too high for an opponent to pay. But it may not be; it is a choice. The opponent may have a different way of calculating. Invulnerability is not an absolute, to be certified and forgotten. Our opponent may find a way to make cheaper warheads, or more of them—or, indeed, may package many warheads on one of his large missiles. Whether retaliation is guaranteed depends first on its passing the test of invulnerability. Assuming it passes that test, it then must be capable of getting through Soviet defenses. Remember that Melman's calculations include the B-47 force, now phasing out, and the B-52's whose life is probably limited to this decade. These systems, as well as a large number of ICBM's, are vulnerable, yet in Melman's tabulation, they are assigned, together with B-58's, Navy A-3D's, and A-4D's—21,150 megatons out of a total of the 21,970 megatons Melman claims for our 1963 strategic forces. Thus, Melman assigns the aircraft systems more than 96 percent of our strategic firepower, and he neglects vulnerability.

In addition, these aircraft have to get through a Soviet defense system—a fact unmentioned by Melman, but one which has engaged both our planners and the Soviets' as well. Clearly, the fundamental theorem of air defense—that the defense can exact a bigger price, in proportion, from small numbers of intruding aircraft than it can from larger numbers—though important, is too subtle to be reflected in Melman's static assertions.

We have customarily said, and believed, that the anti-ICBM problem is insoluble. The Soviets claim to have solved it. We can't assume that we have a guaranteed force without assuming that an effective anti-ICBM system is impossible.

Stability is not static, it is not automatic, it is not guaranteed, and, above all, it cannot be left untended.

III. SAVING MONEY AND WHAT TO DO WITH IT

The cornerstone of Melman's structure is the idea that he can slash our defense budget without decreasing our security.

Unfortunately for logic, clarity, and progress, many discussions of arms control and disarmament often get hung up on a discussion of conflicting goals—the saving of money and the enhancement of security.

Simultaneous achievement of these two goals would certainly be nice. But in the event that they conflict (and I suggest that they may)—there should be little question of priority.

Both Professor Melman and I attended the 1962 Accra ("World Without the Bomb") Assembly in Ghana. Most of the representatives at this conference were from the smaller states—the neutrals, the nonalined, or the not-yet-fully alined. Many of them seemed to have this attitude toward disarmament: "The United States is now spending about $50 billion a year on arms. If we could achieve disarmament, there would be no need to spend this, and the United States could give it to us."

Admittedly, this is an oversimplification of the problem, but certainly not of the sentiments which yielded this expression. These same groups, by and large, trace all of the problems of the world back to the bomb. The answer to these two points was straightforward:

"The bomb appeared in the world in 1945, didn't it? Well, now let's see what's happened. Since 1945, about 50 new nations have been created; about a billion people have secured their freedom. Now, about a billion were already free, and about a billion people are in the Sino-Soviet bloc, and this adds up to the 3 billion people in the world. Further, more money has been spent on foreign aid by the United States since 1945 than in all human history by all the nations of the world up to that point. From the standpoint of the smaller groups represented here, how good could it possibly get?"

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[2] Katz, A. H., "Good Disarmament—and Bad," Air Force/Space Digest, May 1961; also "Some Things To Do and Some To Think," Bulletin of the Atomic Scientists, vol. 17, No. 4, April 1961, pp. 139-143.

It is naive to believe that, in the event of total disarmament, the $50 billion per year now spent by the United States for defense would be given out in the form of foreign aid to underdeveloped countries, the neutrals, and nonaligned states. Foreign aid is conducted to support our foreign policy, and is, in part, a response to competition, to threat, and to tension. This does not mean that were the Soviet Union to disappear, all foreign aid would cease. (It should be remembered that the Soviet Union and the other Communist bloc countries were invited to participate in the Marshall plan.) But it is not a priori obvious that with such competition removed, foreign aid would necessarily go on as it has, nor is it likely that resources which the American taxpayer has been willing to pay for defense are resources which he would just as willingly supply in the form of greatly expanded foreign aid. The more sophisticated representatives at Accra knew this full well. It is questionable whether massive and sudden increases in foreign aid to underdeveloped areas can accomplish any good without the prerequisites of a middle class, of an educated population, and some industrialization.

Belief in the importance of adequate defense and military security measures does not conflict with simultaneous belief in a strengthened Peace Corps, in aid to education, in expanded medical services and research, in civil rights, in massive action on the unemployment problem, and on poverty, in foreign aid, and in related measures. The goals of these latter activities and the programs are not competitive with defense, nor have they ever been, despite the vigorous attempts of some groups to make us think so. This is especially true when there are unused and available resources in the United States. Complementary, yes; competitive, no.

Ours is a big country, and we will continue to have the resources to do many things. If we have failed to support medical research adequately, to aid education, to work on many legitimate problems before Sputnik, failure to do so now, while regrettable, sad (and hopefully reversible), can hardly be charged to the size of either the space or the defense budget.

It was appropriate, not long ago, to suggest that we cannot take a defensive position and say what we want is everyone else to leave us alone. Nor are statements of national purpose much besides compass directions. We need purposeful thrust, equal in its domain to the thrust of our giant rockets, with consistent long-term national and international goals. It has been true for sometime that "although waging war is deadly, it is intensely simple and direct, consisting principally of many people getting positive orders. Unfortunately, there isn't any corresponding set of positive orders, any prescription, that can be written for peace.

"We need some kind of gigantic moral equivalent of war, some activity on which we can focus and spend our energies and resources—the conquest of space, disease, hunger, the problem of world education, the development of resources, the problems of population. Clearly we don't have to invent problems." (See footnote 2.)

But we cannot embark in conscience on long-range projects whose success requires an environment of peace and security, without simultaneously working equally hard on maintaining security and attempting to secure peace.

IV. THE ECONOMIC ARGUMENT—CAN WE SURVIVE A CUT IN DEFENSE SPENDING?

A common argument encountered in discussions, debates, and literature on disarmament is that the opposition to disarmament in the United States is firmly based on the need for the arms industry as a central part of our economy. This argument is part of the working intellectual capital of that fairly large and extremely vocal group who, after either disregarding or denigrating almost everything President Eisenhower said in his first 7.99 years of office, have seized on and proclaimed as gospel Eisenhower's farewell remarks about the military-industrial complex.

Accompanying this argument is an implicit assumption that any disarmament process would be wholesale, swift, abrupt, and economically catastrophic. The fact is that in all the postwar years of negotiating on disarmament we have achieved only a partial test ban and a hot line agreement, neither of which directly affects either our budgets or those of the Soviet Union one iota. This sobering statistic should, but does not, impress those who see disarmament as imminent and opposition to it as based mainly on economic considerations. Such studies as have been performed [3,4] tend to show that adjustments can be made if planned for in plenty of time.

The Soviet Union, which used to argue that the United States needed heavy military expenditures to prevent economic collapse, reversed its position several years ago when it found that (1) this argument was not true, and (2) its advocacy, while the Soviets were simultaneously pressing for disarmament negotiations, made for obvious and embarrassing internal contradictions in policy.

What also seems to be forgotten in this worry about the economic problem is that we went through a much greater problem at the end of World War II, easily and successfully. In a speech some time ago Arthur Schlesinger, Jr., said: [5]

"Let us first consider the economic arguments. From 1945 to 1946, the total Government purchases of goods and services in the United States declined, with the end of World War II, from $82.9 billion to $30.8 billion. This was a drop of over $50 billion at a time when the total gross national product was only a little over $200 billion. The decline in Government spending then was, in short, about 25 percent of the gross national product—and our economy rose to take up the slack.

"An equivalent decline today would be over $130 billion—which is almost three times the size of our defense budget and half again as large as our total Federal budget. The American economy would thus in no circumstances have to meet a decline in public spending comparable to that which it survived in 1945–46.

"And if all present defense spending should cease tomorrow the American economy, which survived a decline in public spending amounting to one-quarter of the gross national product in 1946, could certainly survive a drop in public spending amounting to one-eleventh of our gross national product today. The argument that our economy requires the cold war is, in short, a phony."

The conditions following World War II were different from those which might follow some future significant amount of disarmament.[6] But the statistics cited above bear pondering, and offer reassurance to those who fear economic effects of disarmament. (These points are well recognized by Professor Vickrey, in his interesting contribution to the Melman pamphlet. But Vickrey's contribution seems almost independent of the other contributions.)

It is, and has been, U.S. policy to work for the establishment of some form of disarmament and arms control, and for relaxation of tensions. We ought to be able to use our economic strength to force the Soviet Union to be more serious about disarmament than they have been. Were we able to persuade them by demonstration that they cannot possibly win the arms race this might provide the incentive for more meaningful and productive negotiations than have taken place to date. As Schlesinger says in the same speech (footnote 5):

"The only lasting hope for a relaxation of tensions lies in the establishment of a system of general and complete disarmament. One great issue confronting us today is how we may best negotiate an effective disarmament agreement. Those who object to our defense budget evidently assume that, if we were to permit the Soviet Union to achieve a decisive margin of military advantage, the Soviet Union would reward us by suddenly accepting a program of effective world disarmanent.

"As a historian, I find it hard to understand how—in view of a sequence of international actions from the Stalin-Hitler pact of 1939 to the resumption of nuclear testing in 1961—anyone can suppose that the Soviet Union is animated by anything but an aggressive conception of its own interests. There is only one way in which we can persuade the Soviet Union that it must submit to a program of international arms inspection and control—that is by persuading the Soviet leaders that we can stay in the arms race as long as they can."

V. BEHIND MELMAN—A BASIS FOR HIS BELIEFS AND ACTIONS

Melman's booklet (see footnote 1) is important and curious at the same time—important for its appeal, curious for its omissions. It is important because this oversimplified, erroneous, off-the-track collection of prescriptions and proscriptions seems to have appealed to some responsible, serious Members of Congress, and to other concerned groups of citizens.

Certainly, the most important provocative statements in this booklet are in the sections written by Melman. Focusing on overkill and on our defense budget, they contain some reflections and assertions on our military posture, and presumably, our strategy. However, as noted earlier, there is nothing in these sections about the uses of military power, political objectives, the military threat from the Soviet Union, limited war, our alliances, or related topics. Were this not curious enough, I find nowhere in this booklet any discussion of disarmament or arms control. Neither word seems to appear even once.

The implicit assumption which seems to underlie Melman's thesis is that we have far too much military power (but he doesn't say for what). His only criterion for evaluating a force is that required to destroy the major Soviet cities and his only concern is with obtaining the cheapest countercity force.

The booklet is slim. Perhaps he should have enlarged it and included either references to or excerpts from his previous writings on disarmament and arms control. As one might suspect, his well-publicized views on these subjects are not independent of his conclusions on strategy. For that reason let us see what he has said about arms control.

Melman's views may be found in several places. His book, "The Peace Race," [7] contains

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[3] United Nations Consultative Group Study on Economic and Social Consequences of Disarmament, U.N. document E/3593, United Nations, New York, Feb. 26, 1962.

[4] "The Economic and Social Consequences of Disarmament," U.S. Arms Control and Disarmament Agency Publication No. 6, Washington, D.C., 1962.

[5] Schlesinger, A., Jr., in Air Force/Space Digest, March 1962, p. 32.

[6] "Documents on Disarmament," 1962, U.S. Arms Control and Disarmament Agency Publication No. 19, November 1963, pp. 228–229.

[7] Melman, S., "The Peace Race," Ballantine Books, New York, 1961.

tains several chapters in part 1: "Road to Defeat," entitled "The Importance of Military Power, Dangers of War From Failures of People and Machines, Can Military Deterrence Be Stabilized?" His introduction to "No Place to Hide"[8] sets forth his views on deterrence and strategy in adequate detail. But perhaps the most succinct reference to what Melman thinks is in a short paper which appeared in the Nation.[9]

In that article Melman see the emergence of the doctrine of arms control as a competitor to and a substitute for disarmament.

Melman stated that the fathers of the idea of arms control constitute a diverse group of people who have adopted this notion for varying reasons. For some, he said, "Arms control reflects the price of conscience." He saw another group: "A second trend favoring arms control can be recognized in certain military and political theorists together with munitions-makers who found in the doctrine a method for heading off the growing public pressures for disarmament. This group finds the dual appeal of arms control entrancing: It can be presented to the public as disarmament, yet in some views of arms control requirements it need not close down a single major military establishment or put any obstacle in the way of the Pentagon's war games and strategy planning."

The cold inference here—and it is hardly an inference—is that arms control is a Machiavellian conspiracy. In order to make the last quoted point of Melman's, one must feel that a subtle job of deception is being practiced by arms controllers.

Another group of people who are in favor of arms control, Melman believed, is "a group of men, many of them in Government service, who tried repeatedly to implement disarmament measures and found themselves stymied by the opposition of the Pentagon and the AEC. Wearily, this group has now decided it is futile to buck the military any longer and has turned to arms control." The last group whom he associated with the fathers of the new doctrine are "those who fear disarmament because it would leave the United States naked. For these men, who have no explicit theory of society which they are prepared to match against Bolshevik doctrine, the sword is their only shield." I willingly leave amateur and mass psychoanalysis to Melman, without further comment.

Melman doubted that arms control can help to achieve military stability. He argued that in order to do so, "it is necessary to agree not only on the numbers of weapons in being but to freeze (a) the ability and (b) the will, to make new ones. The only way to freeze the ability to develop new weapons is to disband major research-and-development facilities and to put the personnel under appropriate inspection and control. No arms control scheme yet put forward contemplates any such step."

But disbanding military research and development is prescisely one of the steps which Melman urges in his currently proposed budget reductions (see footnote 1, pp. 3–4). Thus the step Melman advocates is a unilateral step; it is not a negotiated, not an inspected, step. He would effectively discontinue all military research and development, and because this is a unilateral step it really accelerates instability.

He continues, "The only way to freeze or to destroy the will to make new weapons is to achieve a relaxation of the present fear-ridden mentality engendered by distrust, which grips the world. This distrust, which is basically a political factor, will not be dispersed by agreements that are designed to regulate, but not to terminate, the arms race."

It is superfluous to point out what could be documented in detail: That the U.S. proposals, debated at length, presented to the 18-Nation Disarmament Conference, discussed on many college campuses, at many meetings, do envision massive and wholesale reduction in arms, given proper conditions. These conditions have not been met, and likely will not be met by the Soviets, and the appearance of an environment of trust seems to be deferred. (Melman's article in the Nation appeared early in 1961. Considering his later works, referenced in this paper, the views here quoted are fairly representative of his continuing viewpoints.)

Melman asserts: "Arms control, therefore, will not achieve military stability. Military technologies will continue to be developed in the customary way with first one side and then the other seeming to have the advantage."

He questions that arms control will work, saying: "What exactly will arms control deter?" Presumably a major missile attack by one of the great powers upon the other, but equality in missiles, for example, i.e., arms control (this is his definition) will not necessarily deter a first strike, if that promises advantage to one side or the other (assuming the will to strike is there). He continues: "Obviously, the more nearly equal the opposing forces are, the greater role surprise and evasive maneuvers can play in the outcome of the conflict. In this sense, arms control might well increase rather than decrease the danger of surprise attack." Now the quetsion is, how does this statement jibe with his proposed plan which ignores the factors set forth above?

In fact, what is he selling? Setting these statements side by side with those in his booklet leaves one not only confused but also wondering.

Melman's 1961 article reflects considerable concern over the problem of accidents in the precipitation of catastrophe, and then, in a complete misunderstanding of the nature of arms control and the efforts being made (which were talked about well before the date of his article) to lessen such dangers, Melman asserts that arms control would not perceptibly lessen this danger.

In discussing the spread of nuclear weapons—the N-country problem—Melman states a preference for and underscores the importance of a test-ban agreement which would limit the number of nuclear powers, and again, in an egregious misunderstanding and misstatement of what arms controllers are and have been for, states that "this inference is not generally made by supporters of the arms control doctrine." This is nonsense.

What is he for? He states a preference for "inspected disarmament." But this has been our policy for many years. The reasons that we have no inspected disarmament remain clear.

Melman concluded this article by crystallizing the distinctions (as he saw them) between those in favor of disarmament versus those in favor of arms control. He said: "For each person in a free society, the choice of where to take one's chances is determined by one's values. If these values include a high regard for human life, a desire to develop man's potential for peaceful living, and the will to extend the boundaries of freedom, then the strategy of disarmament with its allied political and economic goals is the preferred course. But if one's values place human life at low worth and include a preference for man's destructive potential, and for authoritarian relations in political life, then some variant of conservative military theory, such as arms control, is preferable."

It is well to keep these comments in mind when reading Melman's proposals on allocation of the defense budget. One of the most revealing of Melman's statements is the last quoted, which attempts to preempt universally accepted values for the disarmers, and while denying these good values to the arms controllers, imputes to them lowly and despicable values.

As Melman says: "The pity is that so many of us make our choices without awareness of the ends, or values, that are being served." Well, here we can all certainly agree with Melman.

VI. AFTER CRITICISM, WHAT?—A POSITIVE PROGRAM

Analysis of other's propositions is both necessary and important, but analysis alone is insufficient and dissatisfying. Melman's concept of what the United States is up to is in error. His proposed posture and structure of our military forces would increase instability, not stability. Were we to do what he suggests, the danger we may be in would increase, not decrease. Were we to do what he suggests, our chances for securing a meaningful disarmament agreement would be greatly reduced. But it is not enough to say that Melman is wrong. Analysis is necessary, but synthesis, and a positive program, must follow.

We are not necessarily doing all we can or should do, nor is everything we are doing perfectly right and sufficient. We must have a positive program at all times, and be working at it. Here are several elements of such a program:

1. Make the world safe for disarmament

At the Accra Assembly in Ghana it was appropriate to suggest that:[10]

"The impasse is real. We found no room for compromise on fundamental issues; a useful analogy is to consider making a compromise when we come to a fork in the road. A compromise might well be to go between the two roads where there is no road at all.

"It seems, therefore, incumbent upon all of us * * * to prepare, sadly but realistically, for a period of no meaningful disarmament—as the period since World War II has already been.

"We must make and keep the world safe for disarmament.

"As for the role of the nongiant powers—whether we call them small, neutral, nonalined—or whatever word you prefer: Progress for these smaller powers depends above all upon stability in the world, meaning no war, no heightened tension.

"The neutrals, the small countries, as well as citizens of the larger powers, can make their voices effective, and they will be listened to, if, and only if: (1) They have a good understanding of the real problems between the big powers, so that these smaller countries do not go off on byways, up blind alleys, or on trivial projects. (2) Their role as intermediaries is an informed one, which embodies an appreciation of technical problems. Only upon such an appreciation can good questions be based; only thus can the discussion be objective, realistic, and elevated.

"The concern of the smaller countries will be respected, they will be listened to, and their role will be a historical, important, and useful one when they demonstrate: (a) responsibility, (b) accuracy, (c) understanding, and (d) responsiveness.

"Let us work for that stability which will permit a solution, if found, to be acceptable and accepted. I repeat: We must make and keep the world safe for disarmament.

"We must accept the agonizing and all-too-likely protracted effort which will be required to reach agreement on disarmament, and on building such world institutions of law and justice as are necessary complements and components of a disarmed world."

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[8] "No Place to Hide," S. Melman, Ed., Grove Press, 1962.

[9] Melman, S., "The Arms Control Doctrine," the Nation, February 11, 1961, pp. 114–116.

[10] Katz, A. H., "Make the World Safe for Disarmament," War/Peace Report, September 1962.

These same requirements pertain to internal criticism in the United States: responsibility, accuracy, understanding, and responsiveness. Alas, too often, these characteristics are absent in domestic discussions. The reader may try these criteria on Melman's treatment of our problems.

2. Fight secrecy

Secrecy is the major obstacle standing in the road of progress toward disarmament.[11] (See also footnote 2.)

The partial test ban treaty of 1963 has been widely hailed. What is being ignored and forgotten are the reasons that it is a partial test ban: Soviet obsession with secrecy and charges of espionage prevented the inclusion of underground tests in the treaty. Such tests would have required inspection on the territory of the Soviet Union. The inspection would have been strictly regulated; there would have been perhaps less than 10 inspections per year, and the area would be strictly circumscribed. Still the Soviets objected to such inspection, and termed it "espionage." They still do.

This has been the thread that has run through all the disarmament discussions since World War II. Several years ago it appeared that:

"As long as the Soviet Union stands firm on this rock of secrecy, we aren't going to have any disarmament. For if they insist on their form of secrecy, we aren't going to have inspection, we aren't going to have any arms control, and if we aren't going to have any arms control, we never are going to have any disarmament—unless it's a nonpreferred variety, yielding not security, but insecurity.

"The Russians are continually asking us to trust them. To me this situation is like having a neighbor in the community who decides to build not the standard 6-foot fence, but a fence about 400 feet high. This should arouse some suspicion. And then when you hear odd noises going on behind this high fence and strange odors coming out and you see flashes of light and hear occasional loud arguments and curses, in which your name is featured, I'm not saying you have anything definite to go on, but you should get a clue that maybe something unpleasant and potentially dangerous is going on in there. Now, when you get curious and worried, and drill a small peephole in the fence, and he attempts to knock your head off for this, you are liable to treat his requests for trust with some suspicion. The Soviet rock of secrecy must go. If this rock isn't removed, I submit that there will be no progress toward disarmament." (See footnote 2.)

Unfortunately, the situation has changed not at all. The single, most succinct, informative, and official exchange on this problem of secrecy, and its implications for possible disarmament agreements, is the important, although almost universally ignored, exchange between John McCloy and Valerian Zorin on the American reservation to the joint statement of principles on disarmament.[12]

It is time, and in fact, long overdue, that we fully inform the American people of the significance of secrecy as practiced by the Soviet Union, and its implications for arms control and disarmament. Hopefully, we might educate some critics of American defense policy at the same time.

It is time we launch an unremitting campaign against secrecy. Not only does secrecy prevent disarmament, but it forces the arms race into higher and ever-increasing spirals. The U.S. budget which Melman is so critical of is, in part, a direct consequence of Soviet secrecy. Further, and much more important, secrecy is not as valuable to the Soviets as they think it is. Secrecy can evaporate without leaving a trace, and it is illusory to count on secrecy for protection. For this reason, counting on secrecy is destabilizing. There are many other technical arguments against secrecy, but so long as it is difficult to have open discussion with the Soviets, and so long as they have very little internal open discussion on these matters, it is difficult to expect them to change their opinions on these matters (see footnote 11).

3. Harder work for next steps in arms control and disarmament

The United States is the only nation in the world which has an agency like the Arms Control and Disarmament Agency, whose job it is to work hard and at a high level on the problems subsumed in its title. The hopes and the aspirations of the world are tied up with far-reaching general and complete disarmament. But GCD has not been attained, and it is not more likely now than previously.

We should focus more of our energies on the important problem of first steps—which might indeed get us moving toward the goal which is too hard to get to in one jump. Doing something about reducing the chances of surprise attack, taking further measures to reduce the spread of nuclear powers, extending the test ban to all environments—certainly these are logical next steps. These steps aim in the right direction, and are necessary precursors to bigger steps.

4. Decouple accidents from consequences

Both the Soviet Union and the United States have large stockpiles of atomic weapons and delivery systems, and neither has used them in combat. There seems to be a general appreciation and understanding of the magnitude of destruction which would result from nuclear war. The likelihood of deliberate nuclear war in the near future seems low. These statements seem to have been transmuted by some critics of American defense policy into a statement that this situation is automatic, stable, assured, easy, and enduring. These critics then go on to suggest enormous reductions in the forces whose existence helped achieve this desirable condition. Realizing that what might be loosely called rational war seems to be out of the question, they proceed to turn all their worries to accidents, unintended war, and variations thereof. This concern is certainly legitimate.

About 15 years ago, I started using the phrase catalytic war to describe a process, an extreme, but not the only, form of which would be country C starting a war between countries A and B either by malevolence, miscalculation, or other means. (See footnote 2.) Above all, we must be alert to the possibility of accidents and we must not react automatically. In the unlikely event of an accident, whether or not we respond by getting into a big war depends on whether or not we have anticipated and thought about this possibility ahead of time.

Speculation and thought on this problem is not new:

"What would we do if such an event happened? This process does not lend itself to standard police investigative procedures, like taking fingerprints and interrogating witnesses. It is not that kind of an affair. Unless we had thought about this possibility (which we are now doing) there is some kind of chance that we might go to war. But, because we have thought about this, and because the consequences of war are even more serious, we would now pause and ask the question. 'Where did it come from, and whose was it?' This suggests an interesting task, purpose, and value for mutual inspection systems." (See footnote 2.)

In fact, publicizing these considerations is itself an important deterrent to third-party mischief and adventurism.

The hot line between Washington and Moscow will do part of the job called for by this suggestion.

By all odds, the mightiest blow struck in years against science, sanity, and sense in the discussion of the problem of accidents was given by C. P. Snow:[13]

"We know with the certainty of statistical truth, that if enough of these weapons are made—by enough different States—some of them are going to blow up through accident, or folly, or madness—but the motives don't matter. What does matter is the nature of the statistical fact. For we genuinely know the risks. We are faced with an 'either-or,' and we haven't much time. Either we accept a restriction of nuclear armaments. That is the 'either.' The 'or' is not a risk, but a certainty. The nuclear arms race between the United States and the U.S.S.R. not only continues but accelerates. Other countries join in. Within, at the most, 10 years, some of these bombs are going off. I am saying this as responsibly as I can. That is the certainty. On the one side, therefore, we have a finite risk. On the other side, we have a certainty of disaster. Between a risk or a certainty, a sane man does not hesitate."

Snow infers, but does not state explicitly that some of these bombs going off will result in general, full-scale nuclear war. Perhaps it is obvious to him, for he refers to the certainty of disaster. What Snow and others have failed to realize is that we have gone a long time without a single accident and large numbers of nuclear weapons have been in possession of both the Soviet Union and the United States for more than 10 years. This does not mean, of course, that therefore we will go a similar length of time in the future without an accident. This statistic does, however, argue against the inevitability of an accident over a corresponding length of time in the future. If anything, it suggests that the probability of an accident is extremely low. This, of course, is insufficient.

It must be our position to see that accidents are prevented as far as possible, but that if they do occur they do not yield or lead to automatic inexorable consequences. We must de-couple accidents and alleged automatic consequences.[14] [15] It is far too simple to assert that probabilities are cumulative. In fact, we are not dealing with coins, but with experience, and probabilities are continually modified by experience.

The likelihood of accidents may be low but, as long as there are weapons in the world, we cannot count on their being no accidents. What we should count on, and can insist on, is that kind of a pause in the event of an accident which would let us determine whether it was indeed an accident, or a provocation, or the beginning of a war. This is an important point, made in a Senate resolution by Senator HUMPHREY who, stating in detail what the United States is doing to maintain control over its weapons and to reduce the probability of accidental unauthorized use of weapons, called upon the Soviet Union to let the world know what they were doing about these same problems. The Soviet Union has not responded.

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[11] Katz, A. H., "The Stumbling Block of Soviet Secrecy," War/Peace Report, October 1962.

[12] Letter from Presidential Adviser McCloy to Deputy Foreign Minister Zorin: Verification of Retained Forces and Armaments, September 20, 1961; United Nations Document A/4880, September 20, 1961, and letter from Zorin to McCloy, September 20, 1961, United Nations Document A/4887, September 25, 1961. These letters are reprinted in Documents on Disarmament, 1961, U.S. Arms Control and Disarmament Agency Publication No. 5, Washington, D.C., August 1962, pp. 442–444, and also reprinted in War/Peace Report, October 1962, pp. 9–10.

[13] Snow, C. P., "Address to the AAAS," New York Times, December 28, 1960.

[14] Katz, A. H., "Clichés, Complexes and Contingencies," War/Peace Report, October 1962.

[15] Katz, A. H., "Psychologist's Cure for Arms Race Questioned," War/Peace Report, January 1962.

Important too are the consequences of the accident problem to the kind of strategy we need. The kind of strategy that we have and the forces we are building, the thinking upon which forces and strategy are based, are clearly responsive to this problem. This is what was called for several years ago (see footnote 2):

"There is serious thought about removing or desensitizing the retaliatory hair trigger, the instant-response strategy that we seem to prefer. One way that has been suggested is to slow down the required response time of our retaliation, to back off from the kind of instant response or preemptive strategy that used to be fashionable—to convert our strategy into what I have been calling a metastable strategy. This concept implies not perfect but relative stability. The idea I'm suggesting is simple. A successful strategy of this type would take us from an unstable situation to a relatively stable one. It would enable us to respond in some measure but without ultimate disaster and ultimate commitment—it would be a strategic boat that can stand a little rocking without being swamped.

"What are the elements of such a strategy? It seems easier to describe than to attain. This strategy may take more money, for example. The elements that would enter into a stabilized deterrent strategy are those things which involve insuring that we don't have to strike first or preempt (anticipatory retaliation), building a capability of being quiet while we are being hit, or absorbing a first blow, not having to respond instantaneously, not having to get our airplanes and missiles off at once. This strategy might involve, for example, building missile sites that are hardened, numerous, dispersed, or perhaps mobile—that are able to absorb the first hit. This is expensive.

"Such a strategy would require having adequate mutual inspection—adequate information exchange with all possible opponents to convince each other that it neither pays nor is there occasion to strike first. I'm assuming we're in an era when we haven't got perfect disarmament, and that there are still some things to worry about. In the event of an accident, or a third-party attempt to catalyze a war, an adequate mutual inspection system would enable the Russians to tell us and us to tell the Russians. 'Now, look, that bomb didn't come from us, and we can prove it. It came from somewhere else. Don't start a war.'"

This list of things to do is not meant to be complete, nor inclusive. It ignores large blocks of important activity—our activities in support of the U.N. and specialized agencies, medical, food problems, problems of world trade, etc., etc. An equal list of domestic problems can and should be compiled and acted on. Despite Melman's stating it, it is not true that people interested in defense problems and in maintaining our security by military means are not interested or active in enhancing security by other methods or are indifferent to and uninterested in domestic and human problems. Military security is only one facet of the problems we face.

It was once appropriate to argue that "what is wrong with deterrence as we have come to talk about it is not deterrence itself, but an overwhelming preoccupation with deterrence alone to the exclusion of complementary and concurrent efforts (see footnote 2). Well, we are now engaged in complementary and concurrent efforts; the fact that they don't always succeed according to our expectations is not entirely our fault, for we are not in complete and sole charge. When the Department of the Interior or the Army's Corps of Engineers fails to complete a dam in the United States, you know exactly where blame lies and where to assign responsibility. When the Arms Control and Disarmament Agency fails to secure an arms-control agreement, it is senseless and erroneous to complain to them alone. Some of the frustration and disappointment should be siphoned off and directed toward the Soviets.

Hope for a more peaceful world, and more important, positive actions, must take off from a secure foundation. Surely it is in order to give some credit to the forces that have fulfilled their mission of deterrence. It is no advance toward negotiated disarmament, toward greater stability, toward a more peaceful world to enter the door marked "unilateral disarmament."

We can hope boldly, but we had better judge cautiously.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Thomas J. Kenney, of Maryland, to be U.S. attorney for the district of Maryland; and

Roy Lee Call, of Alabama, to be U.S. marshal for the northern district of Alabama.

By Mr. DIRKSEN, from the Committee on the Judiciary:

Edward V. Hanrahan, of Illinois, to be U.S. attorney for the northern district of Illinois.

The PRESIDING OFFICER. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

DEPARTMENT OF THE ARMY

The legislative clerk read the nomination of Paul R. Ignatius to be Under Secretary of the Army.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. ARMY

The legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations may be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and agreed to en bloc.

NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Navy nominations may be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and agreed to en bloc.

AIR FORCE

The legislative clerk proceeded to read sundry nominations in the Air Force.

Mr. MANSFIELD. Mr. President, I make the same request.

The PRESIDING OFFICER. Without objection, the nominations are considered and agreed to en bloc.

FEDERAL DEPOSIT INSURANCE CORPORATION

The legislative clerk read the nomination of Kenneth A. Randall to be a member of the Board of Directors of the Federal Deposit Insurance Corporation.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COMPTROLLER OF CUSTOMS

The legislative clerk read the nomination of William Rummel to be Comptroller of Customs.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The PRESIDING OFFICER. Without objection, the nominations placed on the Secretary's desk in the Air Force, in the Army, and in the Navy and Marine Corps are considered and agreed to en bloc.

ADDITIONAL NOMINATIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that three nominations, reported favorably today by the Committee on the Judiciary, be considered at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. ATTORNEYS

The legislative clerk read the nomination of Edward V. Hanrahan to be U.S. attorney for the northern district of Illinois.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Thomas J. Kenney to be U.S. attorney for the district of Maryland.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. MARSHAL

The legislative clerk read the nomination of Roy Lee Call to be U.S. marshal for the northern district of Alabama.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING THE SESSION OF THE SENATE TOMORROW

Mr. MANSFIELD. Mr. President, on behalf of the distinguished majority whip, the Senator from Minnesota [Mr. HUMPHREY], I ask unanimous consent that the Committee on Commerce may meet tomorrow during the session of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

On request of Mr. MCCLELLAN, and by unanimous consent, the Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, was authorized to meet during the session of the Senate tomorrow.

COMMITTEE MEETING DURING SENATE SESSION ON MONDAY NEXT

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Special Committee on Aging be permitted to sit on Monday next during the session of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEAVE OF ABSENCE

Mr. MORSE. Mr. President, I ask unanimous consent that I may be excused from attendance in the Senate tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 850, H.R. 6196, and that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

Mr. KEATING. Mr. President, it is my intention to oppose the motion. While Senators are present in the Chamber, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KEATING. Mr. President, I shall be brief. There is now on the calendar the civil rights bill, H.R. 7152, and the cotton-wheat bill. I oppose the strategy selected by the majority leader in bringing up the farm bill now and thus supplanting the civil rights bill with the farm bill.

The first reason is this: It is no secret that many Senators who are pressing for action on the cotton bill are the same Senators who have frequently in the past been among the filibustering Senators on the issue of civil rights. Perhaps it is a forlorn hope, but it seems to me that if we are desirous of passing a meaningful civil rights bill, there would be some hope that action on the bill would be expedited if the farm bill were not brought up until the civil rights bill was passed. Thus, Senators who have so vigorously and at such length opposed the civil rights bill might be persuaded, since they have a deep interest in the cotton bill, to help to reach a final determination of the civil rights bill, in order to move on to the farm bill.

Any such lever, if that is a proper word to use, would be completely surrendered now by first taking up the farm bill, and then, after it had been disposed of some days, or probably weeks, hence, turning to a consideration of the civil rights bill.

We have heard strong protestation that the tax bill and the civil rights bill were the two major bills to be acted upon at this session. It had been said that the civil rights bill should not be taken up until the tax bill had been disposed of. This argument was made in spite of the fact that the tax conference report was privileged and could have been called up at any time during the debate on any subject, including the debate on the civil rights bill. We could have started the debate on the civil rights bill as soon as the bill reached the Senate. It passed the House on February 10, more than 2 weeks ago. It could have been taken up at that time, and any Senator seeking recognition could, during the debate on the civil rights bill, have obtained recognition to seek approval of the conference report on the tax bill.

The tax bill had very little to do with the delay in the consideration of the civil rights bill. The delay was sought in order to take up this so-called farm bill. It is not my intention to discuss the merits of the farm bill. I have never opposed the taking up of a bill because I did not like its contents. I find much lacking in the cotton-wheat proposal, but my remarks now are not addressed to the merits of the farm bill itself. I know, and we should all be aware, that it is a complicated measure. Dozens of amendments will be offered. The bill is favored or opposed by numerous organizations and individuals. It is the subject of much lobbying activity both pro and con. We all know that it cannot be disposed of in 2 or 3 days. The bill will be the subject of considerable debate. Many substitutes will be offered for both the wheat and the cotton proposals. They will be offered in good faith. Senators who offer amendments will be entitled to be heard fully, on their proposals. I can envision a prolonged debate on the farm bill, a debate which will push into the outer darkness, for the time being at least, the civil rights proposal.

My feeling is that it is imperative that a meaningful civil rights bill be enacted without delay. I do not like to see the grave problems of human rights pushed into the background and supplanted by a proposal relating to cotton and wheat, which, even if it were a sound proposal, has not as much import to many of us as do human rights.

We are asked to put the subsidy program for cotton and wheat, which is a doubtful proposal, ahead of an important bill. That is contrary to what I had understood to be the intention of the leadership. I regret that this is being done. It will only mean further delay, and will unnecessarily postpone the enactment of a civil rights bill. We all know that the passage of a civil rights bill will be a difficult and long-drawn-out process in and of itself.

In my judgment, the way to enact a meaningful civil rights bill is to begin work on it tonight and to stay at work on it. Under the ruling of the Chair, it is not possible for Senators who want, as I do, to substitute a motion to take up the civil rights bill; nor is it possible to offer an amendment to the motion made by the distinguished majority leader. Our only recourse is to move to table his motion or to oppose the motion on its merits. It is my judgment that the motion should be opposed on its merits. It will be opposed by some Senators, undoubtedly, on the ground that the bill is not sound, and by others on the basis that this is a mistaken strategy, if our desire and intention is to enact a meaningful civil rights bill. It is on the latter ground that I oppose the taking up of the farm bill.

Mr. JAVITS. Mr. President, I feel some things must be said, and this is as good a framework as any in which to say them, rather than during those delightful periods of badinage in which we engage, because we are human and have to have a bit of relief from strain.

In the civil rights struggle, the Nation is confronted with a deep moral and constitutional issue upon which the future of 18 million Americans is staked, and in which, as I have said time and again, public order and tranquillity are deeply involved.

It will be difficult in the days ahead, when spring is succeeded by summer, to deal with some of the demonstrations that will undoubtedly take place in the country unless we can supply responsible answer to those who are demonstrating, to the effect that we in Congress have done our utmost to provide them avenues of law which will enable them to give tongue and redress to their just grievances—and we all recognize that they are just.

Unless we have that responsible answer, we may find ourselves in grave trouble in many big cities in the country—not only in the South. I believe this whole problem has now moved into the North and into the Midwest in a very significant way. So the arguments which my colleague from New York [Mr. KEATING] made so eloquently are valid, and I identify myself with them.

I make this additional point: It is a question of climate with which we are now dealing. What, after all, will influence the minds of millions of Americans who are deeply concerned with whether we are really trying to act in a conscientious way to redress their grievances, which the country now recognizes as being just? Whatever the surveys and the columnists may say about the situation, the fact is that many people are irritated and annoyed with the civil rights struggle. I think there is much to that contention. It is a fact. Nonetheless, we now know that the Negro in the United States has not been treated properly, and that much must be done in order to repair the delay in his development in comparison with the development of the rest of the country.

So we are dealing with a climactic situation affecting the minds and temperaments of millions and millions of Americans; and it seems to me to be a very grave mistake under these circumstances, when we can take up the bill which deals with their grievances, to lay it aside, and to take up, instead, another bill—which is exactly what we are doing now.

Mr. President, if the objection to the referral of the civil rights bill to the Judiciary Committee did nothing else, at least it kept the civil rights bill on the calendar of the Senate, from which it can be brought up by motion at any time, if there is a desire to do so, in preference to having the Senate consider any other proposed legislation; and certainly the civil rights bill deserves to have preference over all other measures. Let us remember that those who will keep the civil rights bill before the Senate for weeks, and even perhaps months, although that need not be done, for there is no reason why the civil rights bill, like any other complex bill, cannot be considered and disposed of in the same length of time that is required for the disposition of the farm bill, in other words, in a week or two—but those who will keep the civil rights bill before the Senate for weeks and months are the very beneficiaries of the farm bill which now is under discussion. In short, it is clear that the Senate learns nothing from history, and thus is depriving itself of the benefit of the famous carrot and stick principle, for this procedure is for them, all carrot and no stick. Therefore, Mr. President, the Senate will reap exactly what it is sowing, and there will be an absolutely free ride for Senators who wish to take whatever time suits them in bringing about delay in the enactment of the civil rights bill.

Mr. President, I think it rather interesting that the two Senators from the State of New York are speaking to this issue; and I say this with some feeling that the Senate should understand exactly how this situation comes to be—almost sociologically, in fact. The two Senators from New York show their sensitivity to what is happening in the country, by speaking to this issue and by opposing the attempt to have the Senate take up another bill which is on the calendar; and of course I shall join my colleague, the Senator from New York [Mr. KEATING], in opposing that attempt.

Mr. SCOTT. Mr. President, at this point will the Senator from New York yield for a question?

Mr. JAVITS. I yield.

Mr. SCOTT. I wish to say that I agree with the Senator from New York; I feel, as does he, that the delay in the taking of action by the Senate on the civil rights bill is wholly the responsibility of the Senate's majority leadership, and that notwithstanding all the pious protestations which may be heard and all the statements to the effect that the farm bill has priority and is more important, and all the oratory to the effect that the farm bill can be disposed of in 2 or 3 days, all that only serves to cloud, and perhaps to conceal, the same kind of tactics which were used here for 2½ years, beginning in 1961, when we were constantly told that other measures had higher priority than the civil rights bill, and that the civil rights bill would be reached in due time. The "due time" came and went many times, but always we were told that some other bill was more important.

Now we are told, first, that the Senate's consideration of the farm bill will not take a very long time; yet we are told that if the farm bill is not taken up now, those of us who are demanding that the civil rights bill be acted upon now by the Senate will really be the ones who will be delaying the Senate. Certainly that is not correct—as I am sure the Senator from New York agrees.

What we are trying to point out, for the umpteenth time, is that we are ready and prepared to have the Senate consider and act on the civil rights bill, and we want the Senate to act on it, and we want the Senate to dispose of it. So it is the sheerest oratorical joggery-poggery to seek to imply that the minority is doing anything except say, "Let us get on with the work of the Senate; let us get on with the long-delayed civil rights bill"—for which the Republican Members of the House voted on the basis of 4 to 1, and for which the Democratic Members of the House of Representatives voted on the basis of 2 to 1.

I am sure the Senator from New York knows, as I do, that the farm bill will not be disposed of by the Senate in 2 or 3 days. Instead, once the majority works its will on that bill, it may be found that the result of deferring, in that way, the action of the Senate on the civil rights bill will be that Senators will speak on the farm bill for an indeterminate number of days, each one addressing his remarks to his constituents—as indeed he should do and can do—and each one explaining his views on the farm bill, either for or against the position taken by the farmers of the country—and each Senator speaking in regard to the attempt to do for cotton and also to do for wheat what could not be done for either of them standing alone, and throughout that procedure certain Senators will be seeking to postpone the taking of action by the Senate on the civil rights bill, while piously protesting that what they desire more than anything else in the world is to have the Senate act on the civil rights bill.

So, Mr. President, as I have said, I agree with the Senator from New York that this kind of legislative mummery-jummery is simply an attempt to mask the nervous unwillingness of the majority to help the Senate face up one more time to its responsibility, after the Senate has so long failed to do so, and has been so long on promises, but so short on performance.

Therefore, I point out that my one speech on this matter is not taking very much time, and has not very long postponed the taking of action by the Senate. I hope it has served to expose the old, old tactics used in this body in the attempt to prevent the taking of action by the Senate on a civil rights bill and to continue as long as possible to prevent the taking of action by the Senate, on the civil rights bill, under the guise that some other measure is more important.

In that connection, Mr. President, I state that it is my belief, as well as my hope, that, generally speaking, the Senator from New York agrees with me.

Mr. JAVITS. I do agree, and I am delighted to have had this most helpful intercession by the Senator from Pennsylvania, for as a result of what he has said, the effect of the statement I am making will be just that much greater.

Mr. President, I began to say that it is interesting to observe that the two Senators who represent the largest city in the United States, and probably the largest city in the world—namely, New York City and its environs—should be joined on this issue by a Senator who represents another very great State—Pennsylvania—which includes another very great city—Philadelphia.

Why do we from New York and Pennsylvania speak, and what are our credentials for speaking, and why should what we say be listened to? The reason, Mr. President, is that New York City has probably the largest Negro population of any city in the world; its Negro population is approximately 1 million. So who would know better than we do what is in the hearts of those Negroes and how their feelings will be affected by this situation; namely, that when there is a possibility of Senate action on a bill dealing with the grievances which they have so deeply held for decades, instead the Senate proceeds to consider another bill—in this case, a farm bill.

Some Republicans are, at times, accused of preferring dollars to people. Certainly that is not true, for it is absolutely refuted by the history of the Republican Party. However, Mr. President, it is proper to point out that with power goes responsibility; and I emphasize my determination to exercise all the responsibility I have in favor of urging immediate consideration by the Senate of the civil rights bill.

The responsibility rests upon the majority in having chosen to take up an economic bill in preference to a human bill. That is no idle matter, for with the power to choose what bill will be called up goes the responsibility to account to the country as to why this as against any other.

I conclude upon the following note. A great opportunity is being lost. Quite apart from the fact that many who will be filibustering the civil rights bill have a great interest in seeing the so-called farm bill passed, quite apart from that realistic—"pragmatic" is probably the best word—concept, and looking at the thing in rather different terms, is it not true that if we called up the civil rights bill now, we would make crystal clear to all the world that those who filibuster the civil rights bill do not have to do it. They are doing it, not because it requires elucidation beyond the reasonable compass of debate on a bill no more complex than many, but because they are utilizing the procedures of the Senate, which are archaic in that regard, either to prevent the Senate from acting at all or to emasculate what the Senate does in relation to so profound a social question as the one before us.

I am not without hope about this. I believe that we will vote a meaningful civil rights bill. Indeed, I am one of those who believe we will even vote cloture. But I make the following prediction: The force and the impact of the public feeling upon this measure will communicate itself to the Senate, though we now get into a phase of laying aside civil rights in order to consider the farm bill. There is a great deal of talk about the fact that we will gradually work into longer sessions, as if there was something wrong with extending the sessions—yes, even to around-the-clock sessions—where the obvious design is clear to prevent the Senate from executing its constitutional right—indeed, its constitutional duty—to vote. I do not think such action needs apologies. I do not think we have to lay on with a feather duster. I believe events will catch up with the Senate, and this is the beginning of the kind of thing that will produce the reaction that will compel events to catch up with the Senate. We are not living in a dream world. There are millions of people who are so deeply aggrieved that they will go out on the streets and demonstrate in such a way as to be very dangerous for our Nation unless we have the foresight here to do something about it. We are not removed from the world; we are not merely talking to each other. I deeply feel that we are making a great mistake. We are beginning it now. We will aggravate that mistake if in the civil rights debate there will be the leisure, the comfort, the convenience, and the amplitude of mind to let it drift along as gentlemen, come what may, for weeks and weeks and months and months on end. Events will catch up with us. I think this is exactly the moment for my colleague from New York, the Senator from Pennsylvania, and me, who understand the lives of big cities where 70 percent of the American people live, to give the Senate this note of warning of what is written on the wall, for the purpose and with the hope that as we and the people themselves emphasize the facts, the Senate will come to a realization of the profundity of the matter with which it is dealing, and give it its due.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KEATING. I commend the Senator for his forceful statement. I wish to add that we have been told by the Senator from Oregon that when the civil rights bill is brought up, he will move to send it to the Committee on the Judiciary.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. In the meantime, the two Senators from New York refused to send it to the Judiciary Committee. What they are doing, in effect, is to delay civil rights legislation themselves, no matter what they may say on the floor of the Senate.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KEATING. I withdrew any remarks about anyone's motives, and I do not intend to have my motives challenged here.

Mr. MANSFIELD. If what I have said affects the feelings of the Senator, I would be most happy to withdraw it.

Mr. KEATING. Mr. President, to send a bill to a committee without any power to act on it is a ridiculous procedure. It has been condemned on all sides here in this body today. To the extent that the majority leader has given the statement that he is not going to try such a thing again——

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. I would not say that has been condemned on all sides. I would say it has been condemned on two sides and by very few Members of this body.

Mr. KEATING. The selection of the farm bill over and above the civil rights bill at this stage of the game is objectionable and bad strategy for an additional reason. We have been warned by the Senator from Oregon that, when the bill came up, he would move to refer it to the Committee on the Judiciary. Therefore——

Mr. MANSFIELD. Mr. President——

Mr. KEATING. The Senator has yielded to me, and I should like to complete my statement.

Mr. MANSFIELD. The Senator has questioned my motives as to strategy involved. I do not want to be questioned any more than the Senator from New York does.

Mr. KEATING. I have been very careful to preface my remarks here by saying that I do not question the motives of anyone, including, of course, the distinguished majority leader. I have questioned his judgment. If the desire is to get a strong and meaningful civil rights bill, in my judgment the procedure adopted is not the way to go about doing so—unless we are going to try to get it next Christmas instead of in the next few weeks. If the civil rights bill were now motioned up, the Senator from Oregon could make his motion after that bill was before us.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KEATING. He might be successful. I hope he would not, and I do not believe he will be successful in a move to send the bill to the Committee on the Judiciary. Of course, I shall oppose that. But he might be successful in that endeavor. He might be successful after we have disposed of the farm bill some weeks hence. He might be successful then, in which case we shall have lost all of this time in between. We shall then be in a position of being no farther along the road than we are now, and the only way that we shall get a meaningful civil rights measure is to get at it and not to delay it. Therefore, that seems to me another reason for the position taken by the Senator from New York.

Mr. JAVITS. I thank my colleague. Speaking for myself, I should like to say that yesterday, after I had objected to the unanimous-consent request, I said that I would sleep on it. I did. I believe it was the only thing which could be done by anyone who feels, as I do, that this matter should be pressed. It was not my choice that the farm bill should precede the civil rights bill. It was my choice that the civil rights bill should precede the farm bill.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JAVITS. Not yet. I shall in a moment. Therefore, as I had the power to make that objection, I also have the responsibility to do everything I can to see that the bill which I thought ought to have priority was not delayed.

May I point out one other thing, and then I will yield. Even if the Senator from Oregon [Mr. MORSE] should make his motion, and even if it should be successful, we will still save time, because he cannot make it until the first stage of the consideration of the bill is completed. In short, when the bill is before the Senate for consideration, and the phase of the motion to take up has been completed, then, and then only, can he make his motion.

I respectfully submit that knowing what we can anticipate in this regard, we shall still be saving a great deal of time even without the proposed reference and with the objection I made. I yield.

Mr. MANSFIELD. Mr. President, so far as both Senators from New York are concerned, there is no question, nor should there be any question in anyone's mind, to the effect that their desire, not for the past several weeks, but for the past several months, has been to bring up a civil rights bill. But as I listened to the distinguished Senator from New York [Mr. KEATING], frankly, I do not know where he stands on the question of referring the civil rights measure to the Judiciary Committee. He is for it; he is against it; he is somewhere in between. I do not know just where he stands nor do I understand. The Senator from New York [Mr. JAVITS], who now has the floor, can make the statement that if the bill is referred to the committee and changes are made after the civil rights bill is made the pending business, it will save time.

The only way I see that we could have saved time and have the kind of bill which I think both Senators from New York wanted was to have agreed to the proposal made by the Senator from Montana last night and today, to refer the civil rights bill which is on the calendar to the committee, to have it report back by March 4, with no recommendations and no amendments thereto. That way we would have had time. That way the procedural policy of the Senate would have been observed, at least in part. During the interim, ample notice was given that it was the intention of the majority leader, who has the responsibility, to take up, following the military procurement bill, the bill we are now attempting to take up, but which is being opposed at this time.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KEATING. The distinguished Senator from Montana must not have been listening to my statement. If he can point out any place where I said I would favor sending the bill to the Judiciary Committee, I will be glad to have him do so. I have stated twice today, that I oppose sending it to the Judiciary Committee under the ridiculous conditions proposed by the majority leader, but I also object to sending it to the Judiciary Committee under any procedure, because I have served on the Judiciary Committee, and I know it is meaningless to send the bill to that committee. I have stated before that it would be an extreme example of supererogation, and I stand on that statement. I have never stated that I favor sending the bill to the Judiciary Committee at this stage of the proceedings.

Mr. MANSFIELD. I accept the statement of the Senator.

Mr. JAVITS. Mr. President, may I point out that the power of the majority leader——

Mr. MANSFIELD. The power of the majority leader is the power that any Senator has.

Mr. JAVITS. I do not think the Senator anticipated me correctly. I say this with all good will, but I would like the Record to be clear. Rule XIV was invoked to allow the bill to go to the calendar. There was no concept, in any way, shape, or form, in any Senator's mind that it would be referred to the committee, or any opportunity to consider what that would mean, and so the Senate voted yesterday, by a vote of 54 to 37, in good faith, believing it would result in putting the matter on the calendar, which was the only question before the Senate.

Let us contrast that with 1960.

Mr. MANSFIELD. Mr. President, before he goes to that, I think the Senator should yield to me at that point.

Mr. JAVITS. I yield.

Mr. MANSFIELD. I am looking for the place in the Record of yesterday which explains in part the position of the majority leader at that time. I shall find it in a moment.

If I may read my remarks prior to the defeat of the motion of the Senator from Georgia, I said——

Mr. JAVITS. May we know the page?

Mr. MANSFIELD. Page 3718 in yesterday's Record.

Mr. JAVITS. Yes.

Mr. MANSFIELD. I said:

> Mr. President, shortly, among other things, I intend to move to table the motion of the distinguished Senator from Georgia [Mr. Russell]. Before doing so, I believe I should reiterate what I have said previously, that while this procedure is not orderly procedure under the rules, it is a procedure which is based on precedent. It is a procedure which we can carry out under the rules, and the rules give a Senator the privilege to act in this manner. It is a precedent which, in my opinion, has not been unduly abused. I do not have to bring to the attention of Members of this body the realities of the situation affecting civil rights, because there have been hearings before three committees, there have been 8 or 9 days of hearings before the Judiciary Committee, and if my memory serves me correctly, one witness was present, and by and large that one witness was questioned by one member.
>
> I listened with interest to what the distinguished Senator from Tennessee had to say—

I was referring, of course, to the gentleman from Tennessee [Mr. Gore]—

> and I also listened with interest to what other Senators, such as the distinguished senior Senator from Oklahoma [Mr. Monroney] had to say, and what the distinguished Senator from Oregon [Mr. Morse] had to say. Depending on the outcome of this vote, it is my intention to give serious consideration—very serious consideration—to the worthwhile suggestions which have been made by those three Senators mentioned—and other Senators as well.
>
> But at this moment, the Senate is faced with a choice between upholding a ruling made by the Presiding Officer and a motion to overrule that ruling—

And so forth and so on. So I did not want to say what I intended to do before the vote was taken, as I did not want to influence a vote on that basis, but I tried to give a hint as to what my intention would be if the vote turned out a certain way, and that was the overruling of the question at the conclusion of the vote and its announcement.

Mr. JAVITS. May I say to my beloved colleague, the majority leader, that this whole colloquy puts people like me in a very difficult light. I have great respect for the majority leader as a modest man. I do not believe there is a hair on his head—and he has far more than I do—that would permit him to survive anything he did which was against his conscience or was in any way calculated to deceive or mislead. I believe he is just as devoted, just as honorable, in his desire to get a meaningful civil rights bill as anyone here is, and yet he is under a great many responsibilities, both as a Senator and as majority leader. He has his own views and ideas as to what is right. He has his own feelings, coming from the section he does, of what the right kind of legislation would be. He has not always been successful in what he has tried to pilot through the Senate. So he is not infallible. Therefore, I hope we can cast these discussions, which become a trifle exacerbated with feeling that really is not what it may seem, in the proper light.

Not for a moment would I question the greatest good faith and bona fides and great dedication of the Senator from Montana to the same cause I have. I must say that. I regret that any note of any other kind creeps into the discussion, but it must because we are strong-minded. So the discussion is put in the light of sound and fury, but I do not feel that way.

Mr. MANSFIELD. Mr. President, it is very seldom that I let fury get the better of me—very, very seldom. Of course, there is nothing personal in what I have to say, because when explanations are in order they are made in an unbiased manner and for the purpose of keeping the record straight.

For the two Senators from New York [Mr. Keating and Mr. Javits], with both of whom I have served in the House, I have nothing but the highest admiration and respect. Certainly, so far as their motives are concerned, I have no question whatsoever.

Mr. KEATING. Mr. President, will the Senator yield in order for me to get in on this?

Mr. JAVITS. I yield.

Mr. KEATING. I want to tell the majority leader what he knows and does not need to be told by me, but in order to have it made a part of the Record, I wish to say that of all the Members of this body, I would never question his motives in any way, and if there was anything in my remarks which tended to do that, I shall certainly remove them from my remarks, because all of us have the greatest respect and affection for this fine man.

Mr. JAVITS. Mr. President, I did want to make a point with respect to that fact that the Senate voted yesterday not to do precisely what the unanimous-consent request would have us do.

On March 24, 1960, we had precisely the same basic issue before us in regard to the Civil Rights Act of that year. But at that time the motion which was made was, also pursuant to rule XIV, to send the bill to the Judiciary Committee for a specified period of time. Whatever may have been the strategic concept of the majority leader in moving this time, as he did, to see that the bill went directly to the calendar, the fact is that it was a different procedure from that which was followed on March 24, 1960.

Yesterday it was only after the vote, and after the Senate had expressed itself upon this issue, that the unanimous-consent request was made. That was the reason I said it was my judgment that it was voting this time—based upon this set of circumstances, whatever may have happened on previous occasions—to put the bill on the Senate Calendar.

As for myself, it was completely consistent with my belief to do everything that I could, appropriately and properly, to bring about the earliest possible consideration of the civil rights bill. If events beyond my control prevented it—and they did—at least I had done everything I could to bring it about.

So, Mr. President, to close—and I am sorry to have taken longer than anticipated, but some of the time can be attributed to the colloquy which ensued—I believe that the urgency of the civil rights bill is great, much as I understand and appreciate the desires of those interested in the wheat and cotton bill to have it considered; and inasmuch as the civil rights bill is on the calendar and ready for action, it should be acted on. So for all the reasons which my colleague from New York, the Senator from Pennsylvania, and I have developed, I shall vote "nay" on the motion to take up the farm bill.

Mr. GORE. Mr. President, I rise to support the position taken by the distinguished majority leader. Yesterday, I opposed a motion of the distinguished majority leader. I favor early consideration of both the civil rights bill and the wheat-cotton bill. I believe both of these aims will be accomplished. There is some sense of urgency with respect to both. Insofar as the farm bill is concerned, farmers are planting cotton now in the Rio Grande Valley. The wheat farmers are in a state of uncertainty, as are the cotton farmers. Although several provisions of the farm bill are of doubtful advisability in my view, I believe it is in the interest of our entire agricultural economy to have a decision one way or another—and soon.

I have made inquiry of Senators, and I detect no intention on the part of any Senator to enter into discussion of the farm bill other than upon its merits, and at reasonable length.

I suggest to the two distinguished Senators from New York that only yesterday the Senate completed action on a bill which was readymade, so to speak, for a filibuster, if any Senator had chosen to use it for that purpose. The entire Revenue Code was before the Senate, but no one sought to prolong discussion on that bill to delay consideration of the civil rights bill.

I do not believe we shall see such action with respect to the farm bill. I interpret the move on the part of the majority leader as being a realistic one, not only with respect to the farm bill, but also with respect to the military authorization bill. As I interpret his action, which I support, it is to clear the decks, so to speak, for a hands-down battle and ultimate decision on the civil rights bill.

Mr. McGOVERN. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. McGOVERN. Does the Senator know that with respect to the wheat section of the bill farmers will be planting their spring wheat in a few days, and that unless we act on the bill within the next 10 days or 2 weeks, both in the House and in the Senate, it will be too late to be effective at all?

Mr. GORE. I am aware of that. I had not intended to make reference to the merits of the bill. I have serious doubts that we should enact a wheat bill, but the Senator feels that it is urgent that we do so. I certainly concur with him that it is urgent for a decision to be reached, and to be reached early.

Mr. McGOVERN. I thank the Senator from Tennessee.

Mr. GORE. Therefore, Mr. President, I urge approval of the motion of the distinguished majority leader.

Several Senators addressed the Chair.

Mr. RUSSELL. Mr. President, I was unable to hear all the debate. Was the position of the opposition to proceed to consideration of the farm bill based on what the Senator from New York called the "bread tax" or was it based on the statement that they believed the other legislation should have priority? I heard the distinguished Senator the other day denounce what he called a "bread tax," and I did not know whether the objection was to proceed with the bill at this time, or whether it was based on the "bread tax," or some other question. I was called from the Chamber and was unable to hear all of the debate.

Mr. GORE. Mr. President, I do not wish to misinterpret the position of the distinguished Senator from New York, therefore I yield to him to answer that question.

Mr. KEATING. I shall be glad to do so. I did characterize it as a "bread tax" bill. However, I said, in my opposition to the motion, that I was not basing it upon the merits of the bill—although I am opposed to the wheat portion of the bill, I am not basing it on that ground—but on the ground that it is not wise strategy to supplant the civil rights measure with the cotton and wheat bill.

Mr. RUSSELL. In other words, the Senator believes it would be preferable to put a "bread tax" upon his constituents rather than to deny them some of their imaginary civil rights?

Mr. KEATING. I am hopeful, let me say to the Senator, that the cotton and wheat bill will not be enacted, at least in its present form. I am also hopeful, and I express that hope, that if we can consider the civil rights measure now, and settle the question of whether it can be sent to the Judiciary Committee, or be debated on the floor, it might be helpful, with regard to some Senators who are anxious to have a cotton bill, in shortening debate on the civil rights measure. I said I was not sure that was not a forlorn hope, but at least we live in hope.

Mr. RUSSELL. Yes. I believe that if it were not for hope, some of us would have scant reason to exist. I rose only to clarify the point that the Senator is not so much opposed to a "bread tax" as he is to delaying the so-called civil rights bill, which he feels some of his people are being denied.

Mr. KEATING. The Senator is in opposition to both.

Mr. HART. Mr. President, I shall not detain the Senate long. The objective of those of us who support the civil rights bill is to enact the bill. The goal is not merely to take up a bill, but to pass it. In my judgment—I happen to differ with the Senator from New York—we advance the day of enactment of a civil rights bill by supporting the leadership of the Senator from Montana in taking up the wheat and cotton bill.

This happens to be a difference of opinion. It is a matter of tactics, if you will. I hope the majority leader's motion will be supported and will succeed.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana that the Senate proceed to the consideration of H.R. 6196, the farm bill.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from Louisiana [Mr. ELLENDER], the Senator from Florida [Mr. HOLLAND], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from Minnesota [Mr. McCARTHY], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Utah [Mr. MOSS], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Florida [Mr. SMATHERS], and the Senator from Connecticut [Mr. RIBICOFF] are absent because of official business.

I further announce that the Senator from Indiana [Mr. HARTKE] and the Senator from California [Mr. ENGLE] are necessarily absent.

I further announce that if present and voting the Senator from Louisiana [Mr. ELLENDER], the Senator from Pennsylvania [Mr. CLARK], and the Senator from Florida [Mr. HOLLAND] would each vote "yea."

On this vote, the Senator from Minnesota [Mr. McCARTHY] is paired with the Senator from New Mexico [Mr. ANDERSON].

If present and voting, the Senator from Minnesota would vote "yea" and the Senator from New Mexico would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON], the Senator from New Mexico [Mr. MECHEM], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], the Senator from Arizona [Mr. GOLDWATER], the Senator from Kansas [Mr. PEARSON], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

If present and voting, the Senator from New Mexico [Mr. MECHEM] would vote "nay."

On this vote, the Senator from Kansas [Mr. PEARSON] is paired with the Senator from Iowa [Mr. MILLER]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Iowa would vote "nay."

The result was announced—yeas 57, nays 19, as follows:

[No. 49 Leg.]

YEAS—57

Bartlett
Bayh
Bible
Brewster
Burdick
Byrd, W. Va.
Cannon
Carlson
Case
Church
Curtis
Douglas
Eastland
Edmondson
Ervin
Fulbright
Gore
Gruening
Hart
Hayden
Hill
Hruska
Humphrey
Inouye
Jackson
Johnston
Jordan, N.C.
Kuchel
Long, Mo.
Long, La.
Mansfield
McGee
McGovern
McIntyre
McNamara
Metcalf
Monroney
Morse
Mundt
Muskie
Nelson
Pastore
Pell
Randolph
Robertson
Russell
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—19

Aiken
Allott
Beall
Bennett
Boggs
Cooper
Dirksen
Dominick
Fong
Hickenlooper
Javits
Jordan, Idaho
Keating
Prouty
Proxmire
Scott
Simpson
Smith
Williams, Del.

NOT VOTING—24

Anderson
Byrd, Va.
Clark
Cotton
Dodd
Ellender
Engle
Goldwater
Hartke
Holland
Kennedy
Lausche
Magnuson
McCarthy
McClellan
Mechem
Miller
Morton
Moss
Neuberger
Pearson
Ribicoff
Saltonstall
Smathers

So the motion was agreed to; and the Senate proceeded to consider the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Agricultural Act of 1964".

TITLE I—COTTON

SEC. 101. The Agricultural Adjustment Act of 1938, as amended, is amended by adding the following new section:

"SEC. 348. In order to maintain and expand domestic consumption of upland cotton produced in the United States and to prevent discrimination against the domestic users of such cotton, notwithstanding any other provision of law, the Commodity Credit Corporation, under such rules and regulations as the Secretary may prescribe, is authorized and directed for the period beginning with the date of enactment of this section and ending July 31, 1968, to make payments through the issuance of payment-in-kind certificates to persons other than producers in such amounts and subject to such terms and conditions as the Secretary determines will eliminate inequites due to differences in the cost of raw cotton between domestic and foreign users of such cotton, including such payments as may be necessary to make raw cotton in inventory on the date of enactment of this section available for consumption at prices consistent with the purposes of this section: *Provided*, That for the period beginning August 1 of the marketing year for the first crop for which price support is made available under section 103(b) of the Agricultural Act of 1949, as amended, and ending July 31, 1968, such payments shall be made in an amount which will make upland cotton produced in the United States available for domestic use at a price which is not in excess of the price at which such cotton is made available for export."

SEC. 102. Section 385 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following: "This section also shall be applicable to payments provided for under section 348 of this title."

SEC. 103. (a) Section 104 of the Agricultural Act of 1949, as amended, is amended by adding the following new subsection:

"(c) The Secretary of Agriculture is hereby authorized and directed to conduct a special cotton research program designed to reduce the cost of producing upland cotton in the United States at the earliest practicable date. There are hereby authorized to be appropriated such sums, not to exceed $10,000,000 annually, as may be necessary for the Secretary to carry out this special research program. The Secretary shall report annually to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture and Forestry of the Senate with respect to the results of such research."

(b) Section 103 of the Agricultural Act of 1949, as amended, is amended (1) by inserting "(a)" before the first sentence thereof; (2) by changing the period at the end of the second sentence thereof to a colon and adding the following: "*Provided*, That the price support for the 1964 crop shall be a national average support price which reflects 30 cents per pound for Middling one-inch cotton."; and (3) by adding at the end of such section the following new subsections:

"(b) If producers have not disapproved marketing quotas, the Secretary shall provide additional price support on the 1964, 1965, 1966, and 1967 crops of upland cotton to cooperators on whose farms the acreage planted to upland cotton for harvest does not exceed the farm domestic allotment established under section 350 of the Agricultural Adjustment Act of 1938, as amended. Such additional support shall be at a level up to 15 per centum in excess of the basic level of support established under subsection (a) and shall be provided on the normal yield of the acreage planted for harvest within the farm domestic allotment.

"(c) In order to keep upland cotton to the maximum extent practicable in the normal channels of trade, any additional price support under subsection (b) of this section may be carried out through the simultaneous purchase of cotton at the support price therefor under subsection (b) and the sale of such cotton at the support price therefor under subsection (a) or similar operations, including loans under which the cotton would be redeemable by payment of the amount for which the cotton would be redeemable if the loan thereon had been made at the support price for such cotton under subsection (a), or payments-in-kind through the issuance of certificates which the Commodity Credit Corporation shall redeem for cotton under regulations issued by the Secretary. If such additional support is provided through the issuance of payment-in-kind certificates, such certificates shall have a value per pound of cotton equal to the difference between the level of support established under subsection (a) and the level of support established under subsection (b). The corporation may, under regulations prescribed by the Secretary, assist the producers and persons receiving payment-in-kind certificates under this section and section 348 of the Agricultural Adjustment Act of 1938, as amended, in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the program authorized by this section and such section 348. In the case of any certificate not presented for redemption within thirty days of the date of its issuance, reasonable costs of storage and other carrying charges as determined by the Secretary for the period beginning thirty days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate."

(c) Section 401(b) of the Agricultural Act of 1949, as amended, is amended by striking in the second sentence thereof before "(8)" the word "and", changing the period at the end thereof to a comma and adding the following: "and (9), in the case of upland cotton, changes in the cost of producing such cotton".

SEC. 104. Section 407 of the Agricultural Act of 1949, as amended, is amended by inserting after the first proviso in the third sentence thereof the following: "*Provided further*, That beginning August 1, 1964, the Commodity Credit Corporation may sell upland cotton for unrestricted use at not less than 105 per centum of the current loan rate for such cotton under section 103(a) plus reasonable carrying charges:"

SEC. 105. The Agricultural Adjustment Act of 1938, as amended, is amended by adding a new section as follows:

"SEC. 350. In order to provide producers with a choice program of reduced acreage and higher price support, the Secretary shall establish for each farm for the 1964, 1965, 1966, and 1967 crops of upland cotton a farm domestic allotment in acres. The farm domestic allotment shall be the percentage which the national domestic allotment is of the national acreage allotment established under section 344(a) applied as a percentage of the smaller of (1) the farm acreage allotment established under section 344, or (2) the higher average actually planted or regarded as planted on the farm (excluding acreage regarded as planted under sections 344(m)(2) and 377) in the two years preceding the year for which such allotment is established: *Provided*, That any farm planting 90 per centum or more of the allotment shall, for the purpose of (2) above, be considered as having planted the entire farm allotment: *Provided further*, That, except for farms the acreage allotments of which are reduced under section 344(m), the farm domestic allotment shall not be less than the smaller of 15 acres or the farm acreage allotment established under section 344, but this proviso shall be applicable to the 1964 crop without regard to the exception stated herein. The national domestic acreage allotment for any crop shall be that acreage, based upon the national average yield per acre of cotton for the four years immediately preceding the calendar year in which the national acreage allotment is proclaimed, required to make available from such crop an amount of upland cotton equal to the estimated domestic consumption for the marketing year for such crop. The Secretary shall proclaim the national domestic acreage allotment for the 1964 crop not later than April 1, 1964, and for each subsequent crop not later than December 15 of the calendar year preceding the year in which the crop is to be produced."

SEC. 106. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(1) The following new section is added to the Act:

"SEC. 349. (a) The acreage allotment established under the provisions of section 344 of this Act for each farm for the 1964 crop may be supplemented by the Secretary by an acreage equal to such percentage, but not more than 10 per centum, of such acreage allotment as he determines will not increase the carryover of upland cotton at the beginning of the marketing year for the next succeeding crop above one million bales less than the carryover on the same date one year earlier, if the carryover on such earlier date exceeds eight million bales. For the 1965, 1966, and 1967 crops, the Secretary may, after such hearing and investigation as he finds necessary, announce an export market acreage which he finds will not increase the carryover of upland cotton at the beginning of the marketing year for the next succeeding crop above one million bales less than the carryover on the same date one year earlier, if the carryover on such earlier date exceeds eight million bales. Such export market acreage shall be apportioned to the States on the basis of the State acreage allotments established under section 344 and apportioned by the States to farms receiving allotments under section 344, pursuant to regulations issued by the Secretary, after considering applications for such acreage filed with the county committee of the county in which the farm is located. The 'export market acreage' on any farm shall be the number of acres, not exceeding the maximum export market acreage for the farm established pursuant to this subsection, by which the acreage planted to cotton on the farm exceeds the farm acreage allotment. For purposes of sections 345 and 374 of this Act and the provisions of any law requiring compliance with a farm acreage allotment as a condition of eligibility for price support or payments under any farm program, the farm acreage allotment for farms with export market acreage shall be the sum of the farm acreage allotment established under section 344 and the maximum export market acreage. Export market acreage shall be in addition to the county, State, and National acreage allotments and shall not be taken into account in establishing future State, county, and farm acreage allotments. The provisions of this section shall not apply to extra-long-staple cotton or to any farm which receives price support under section 103(b) of the Agricultural Act of 1949, as amended.

"(b) The producers on any farm on which there is export market acreage or the purchasers of cotton produced thereon shall, under regulations issued by the Secretary, furnish a bond or other undertaking prescribed by the Secretary providing for the exportation, without benefit of any Government cotton export subsidy and within such period of time as the Secretary may specify, of a quantity of cotton produced on the farm equal to the average yield for the farm multiplied by the export market acreage as determined pursuant to regulations issued by the Secretary. The bond or other undertaking given pursuant to this section shall provide that, upon failure to comply with the terms and conditions thereof, the person furnishing such bond or other undertaking shall be liable for liquidated damages in an amount which the Secretary determines and specifies in such undertaking will approximate the amount payable on excess cotton under section 346(a). The Secretary may, in lieu of the furnishing of a bond or other undertaking, provide for the payment of an amount equal to that which would be payable as liquidated damages under such bond or other undertaking. If such bond or other undertaking is not furnished, or if payment in lieu thereof is not made as provided herein, at such time and in the manner required by regulations of the Secretary, or if the acreage planted to cotton on the farm exceeds the farm acreage allotment established under the provisions of section 344 by more than the maximum export market acreage, the farm acreage allotment shall be the acreage so established under section 344. Amounts collected by the Secretary under this section shall be remitted to the Commodity Credit Corporation and used by the Corporation to defray costs of encouraging export sales of cotton under section 203 of the Agricultural Act of 1956, as amended."

(2) Section 376 of the Act is amended by adding at the end thereof the following: "This section also shall be applicable to liquidated damages provided for pursuant to section 349 of this title."

(3) Subsection (f)(8) of section 344 of the Act is amended by inserting after the language "75 per centum of the farm allotment for such year" the following: "or, in the case of a farm which qualified for price support on the crop produced in such year under section 103(b) of the Agricultural Act of 1949, as amended, 75 per centum of the farm domestic allotment established under section 350 for such year, whichever is smaller".

(4) Section 377 of the Act is amended by inserting in the first proviso after the language "75 per centum or more of the farm acreage allotment for such year" the following: "or, in the case of upland cotton on a farm which qualified for price support on the crop produced in any such year under section 103(b) of the Agricultural Act of 1949, as amended, 75 per centum of the farm domestic allotment established under section 350 for any such year, whichever is smaller".

(5) Subsection (b)(13)(B) of section 301 of the Act is amended by deleting the words "cotton or".

(6) Subsection (b)(13)(G) of section 301 of the Act is amended by deleting ", cotton," wherever it appears.

(7) Subsection (b)(13) of section 301 of the Act is amended by adding after subparagraph (G) new subparagraphs as follows:

"(H) 'Normal yield' for any county, for any crop of cotton, shall be the average yield per acre of cotton for the county, adjusted for abnormal weather conditions and any significant changes in production practices during the five calendar years immediately preceding the year in which the national marketing quota for such crop is proclaimed. If for any such year the data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, shall be used as the actual yield for such year.

"(I) 'Normal yield' for any farm, for any crop of cotton, shall be the average yield per acre of cotton for the farm, adjusted for abnormal weather conditions and any significant changes in production practices during the three calendar years immediately preceding the year in which such normal yield is determined. If for any such year the data are not available, or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations of the Secretary, taking into consideration abnormal weather conditions, the normal yield for the county, changes in production practices, and the yield in years for which data are available."

TITLE II—WHEAT

SEC. 201. Notwithstanding any other provision of law—

(1) the Secretary shall not proclaim a national marketing quota for the 1965 crop of wheat and farm marketing quotas shall not be in effect for such crop of wheat;

(2) the Secretary shall proclaim a national acreage allotment for the 1965 crop of wheat which shall be the number of acres which the Secretary determines will make available an adequate supply of wheat, but shall not be less than forty-nine million five hundred thousand acres.

SEC. 202. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(1) Section 334 (a) is amended by inserting "and less the special acreage reserve provided for in this subsection" in the first sentence after "in this subsection"; by changing the period at the end of the first sentence to a colon and adding the following: "*Provided further,* That in establishing State acreage allotments, the acreage seeded for the production of wheat plus the acreage diverted for 1965 for any farm shall be the base acreage of wheat determined for the farm under the regulations issued by the Secretary for determining farm wheat acreage allotments for such year."; and by adding at the end of the section the following:

"There shall also be made available, beginning with the 1965 crop, a special acreage reserve of not in excess of one million acres as determined by the Secretary to be desirable for the purposes hereof which shall be in addition to the national acreage reserve provided for in this subsection. Such special acreage reserve shall be used to make additional allotments to counties on the basis of the relative needs of counties, as determined by the Secretary, for additional allotment to make adjustments in the allotments on old wheat farms (i.e., farms on which wheat has been seeded or regarded as seeded to one or more of the three crops immediately preceding the crop for which the allotment is established) on which the ratio of wheat acreage allotment to cropland on the farm is less than one-half the average ratio of wheat acreage allotment to cropland on old wheat farms in the county. Such adjustments shall not provide an allotment for any farm which would result in an allotment-cropland ratio for the farm in excess of one-half of such county average ratio and the total of such adjustments in any county shall not exceed the acreage made available therefor in the county. Such apportionment from the special acreage reserve shall be made only to counties where wheat is a major income-producing crop, only to farms on which there is limited opportunity for the production of an alternative income-producing crop, and only if an efficient farming operation on the farm requires the allotment of additional acreage from the special acreage reserve. For the purposes of making adjustments hereunder the cropland on the farm shall not include any land developed as cropland subsequent to the 1963 crop year."

(2) Section 334(b) is amended by changing the period at the end thereof to a colon and adding the following: "*Provided further,* That in establishing county acreage allotments, the acreage seeded for the production of wheat plus the acreage diverted for 1965 for any farm shall be the base acreage of wheat determined for the farm under the regulations issued by the Secretary or determining farm wheat acreage allotments for such year."

(3) Section 334(c)(1) is amended by inserting "or 1965" in the third sentence, clauses (i) and (ii), after "1958" wherever it appears, and by inserting "except 1965" in the third sentence, clause (iii), after the language "any subsequent year".

(4) Section 334(g) is amended by inserting "except 1965" in the first sentence after the language "in 1958 or thereafter".

(5) Section 336 is amended by striking out "not later than sixty days after such proclamation is published in the Federal Register" and substituting "not later than August 1 of the calendar year in which such national marketing quota is proclaimed".

(6) Section 339(a)(1) is amended, effective only with respect to the crops planted for harvest in 1964 and 1965, to read as follows:

"(a)(1) As a condition of eligibility for wheat marketing certificates with respect to any farm, the producers on such farm shall be required to divert from the production of wheat to an approved conservation use an acreage of cropland on the farm equal to the number of acres determined by multiplying the farm acreage allotment by the diversion factor, and to participate in any program formulated under subsection (b) to the extent prescribed by the Secretary. Such diversion factor shall be determined by dividing the number of acres by which the national acreage allotment is reduced below fifty-five million acres by the number of acres in the national acreage allotment."

(7) Section 339(b) is amended (1) by inserting after the first sentence the following: "Any producer who complies with his 1964 farm acreage allotment for wheat and with the other requirements of the program shall be eligible to receive payments under the program for the 1964 crop of wheat."; and (2) by inserting in the first sentence "for wheat not accompanied by marketing certificates" after "basic county support rate".

(8) Section 339(h) is amended by striking out "June 30, 1963" and substituting "June 30, 1965".

(9) Section 379b is amended effective only with respect to the crops planted for harvest in 1964 and 1965 to read as follows:

"SEC. 379b. A wheat marketing allocation program as provided in this subtitle shall be in effect for the marketing years for the 1964 and 1965 crops. Whenever a wheat marketing allocation program is in effect for any marketing year the Secretary shall determine (1) the wheat marketing allocation for such year which shall be the amount of wheat he estimates will be used during such year for food products for consumption in the United States and that portion of the amount of wheat which he estimates will be exported in the form of wheat or products thereof during the marketing year on which the Secretary determines that marketing certificates shall be issued to producers in order to achieve, insofar as practicable, the price and income objectives of this subtitle, and (2) the national allocation percentage for such year which shall be the percentage which the national marketing allocation is of the national marketing quota proclaimed for the 1964 crop, less the expected production on the acreage allotments for farms which will not be in compliance with the requirements of the program. Each farm shall receive a wheat marketing allocation for such marketing year equal to the number of bushels obtained by multiplying the number of acres in the farm acreage allotment for wheat by the normal yield of wheat for the farm as determined by the Secretary, and multiplying the resulting number of bushels by the national allocation percentage."

(10) The second sentence of section 379b, effective with respect to the crops planted for harvest in the calendar year 1966 and any subsequent year, is amended by striking out "human consumption in the United States, as food, food products, and beverages, composed wholly or partly of wheat" and substituting "food products for consumption in the United States".

(11) Section 379c(a) is amended by inserting "under section 379c(b) or" after "stored" in the second sentence; by changing the period at the end of the second sentence to a comma and adding the following: "and if this limitation operates to reduce the amount of wheat marketing certificates which would otherwise be issued with respect to the farm, such reduction shall be made first from the amount of export certificates which would otherwise be issued."; and by adding at the end of the section the following: "The Secretary shall, in accordance with such regulation as he may prescribe, provide for the issuance of domestic marketing certificates for the portion of the wheat marketing allocation representing wheat used for food products for consumption in the United States and for the issuance of export marketing certificates for the portion of the wheat marketing allocation used for exports."

(12) Section 379c(b) of the Agricultural Adjustment Act of 1938, as amended, is amended, effective only with respect to the crop planted for harvest in the calendar year 1965, by adding at the end thereof the following: "For purposes of this section, but not for purposes of diversion payments under subsection (b) of section 339, a producer shall be deemed not to have exceeded the farm acreage allotment for wheat if the acreage in excess of the farm acreage allotment does not exceed 50 per centum of the farm acreage allotment and the amount of wheat produced on the acreage in excess of the farm acreage allotment is stored in accordance with regulations issued by the Secretary. The amount of wheat required to be stored hereunder shall be an amount equal to twice the normal yield of wheat per acre established for the farm multiplied by the number of acres of such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established, the amount of wheat required to be stored shall be such actual production less the actual production of the farm wheat acreage allotment based upon the average yield per acre for the entire wheat acreage on the farm: *Provided however*, That the amount of wheat required to be stored shall not be larger than the amount by which the actual production so established exceeds the normal production of the farm wheat acreage allotment. At the time and to the extent of any depletion in the amount of wheat so stored, except depletion resulting from the release of wheat from storage on account of underplanting or underproduction, as provided below or depletion resulting from some cause beyond the control of the producer, the producer shall pay an amount to the Secretary equal to one and one-half times the value of the wheat marketing certificates issued with respect to the farm for the year in which the wheat on the acreage in excess of the allotment was produced. Whenever the planted acreage of the then current crop of wheat on the farm is less than the farm acreage allotment, the total amount of wheat from any previous crops stored hereunder or stored in order to avoid or postpone a marketing quota penalty shall be reduced by that amount which is equal to the normal production of the number of acres by which the farm acreage allotment exceeds the planted acreage, and whenever the actual production of the acreage of wheat is less than the normal production of the farm acreage allotment, the total amount of wheat from any previous crops stored hereunder or in order to avoid a marketing quota penalty shall be reduced by that amount which together with the actual production of the then current crop will equal the normal production of the farm acreage allotment."

(13) Section 379c(c) is amended to read as follows:

"(c) The Secretary shall determine and proclaim for each marketing year the face value per bushel of wheat marketing certificates. The face value per bushel of domestic certificates shall be the amount by which the level of price support for wheat accompanied by domestic certificates exceeds the level of price support for wheat not accompanied by certificates (noncertificate wheat); and the face value per bushel of export certificates shall be the amount by which the level of price support for wheat accompanied by export certificates exceeds the level of price support for noncertificate wheat."

(14) Section 379d(a) is amended (1) by striking the first and last sentences therefrom, and (2) by striking from the second sentence remaining "by persons other than the producer to whom such certificates are issued" and substituting "by any person".

(15) Section 379d(b) is amended to read as follows:

"(b) During any marketing year for which a wheat marketing allocation program is in effect, (i) all persons engaged in the processing of wheat into food products shall, prior to marketing any such food product or removing such food product for sale or consumption, acquire domestic marketing certificates equivalent to the number of bushels of wheat contained in such product and (ii) all persons exporting wheat shall, prior to such export, acquire export marketing certificates equivalent to the number of bushels so exported. In order to expand international trade in wheat and wheat flour and promote equitable and stable prices therefor, the Commodity Credit Corporation shall, upon the exportation from the United States of any wheat or wheat flour, make a refund to the exporter or allow him a credit against the amount payable by him for marketing certificates, in such amount as the Secretary determines will make United States wheat and wheat flour generally competitive in the world market, avoid disruption of world market prices, and fulfill the international obligations of the United States. The Secretary may exempt wheat exported for donation abroad and other noncommercial exports of wheat and wheat processed for use on the farm where grown from the requirements of this subsection. Marketing certificates shall be valid to cover only sales or removals for sale or consumption or exportations made during the marketing year with respect to which they are issued, and after being once used to cover a sale or removal for sale or consumption or export of a food product or an export of wheat shall be void and shall be disposed of in accordance with regulations prescribed by the Secretary. Notwithstanding the foregoing provisions hereof, the Secretary may require marketing certificates issued for any marketing year to be acquired to cover sales, removals, or exportations made on or after the date during the calendar year in which wheat harvested in such calendar year begins to be marketed as determined by the Secretary even though such wheat is marketed prior to the begininng of the marketing year, and marketing certificates for such marketing year shall be valid to cover sales, removals, or exportations made on or after the date so determined by the Secretary."

(16) Section 379d(d) is amended to read as follows:

"(d) As used in this subtitle, the term 'food products' means flour, semolina, farina, bulgur, beverage, and any other product composed wholly or partly of wheat which the Secretary may determine to be a food product."

SEC. 203. Section 107 of the Agricultural Act of 1949, as amended, is amended to read as follows:

"SEC. 107. Notwithstanding the provisions of section 101 of this Act, beginning with the 1964 crop—

"(1) Price support for wheat accompanied by domestic certificates shall be at such level not less than 65 per centum or more than 90 per centum of the parity price therefor as the Secretary determines appropriate, taking into consideration the factors specified in section 401(b).

"(2) Price support for wheat accompanied by export certificates shall be at such level not more than 90 per centum of the parity price therefor as the Secretary determines appropriate, taking into consideration the factors specified in section 401(b).

"(3) Price support for wheat not accompanied by marketing certificates shall be at such level, not in excess of 90 per centum of the parity price therefor, as the Secretary determines appropriate, taking into consideration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains.

"(4) Price support shall be made available only to cooperators; and, if a commercial wheat-producing area is established for such crop, price support shall be made available only in the commercial wheat-producing area.

"(5) Effective with respect to crops planted for harvest in the calendar year 1966 and any subsequent year, the level of price support for any crop of wheat for which a national marketing quota is not proclaimed or for which marketing quotas have been disapproved by producers shall be as provided in section 101.

"(6) A 'cooperator' with respect to any crop of wheat produced on a farm shall be a producer who (i) does not knowingly exceed (A) the farm acreage allotment for wheat on the farm or (B) except as the Secretary may by regulation prescribe, the farm acreage allotment for wheat on any other farm on which the producer shares in the production of wheat, and (ii) complies with the land-use requirements of section 339 of the Agricultural Adjustment Act of 1938, as amended, to the extent prescribed by the Secretary. Effective with respect to crops planted for harvest in the calendar year 1966 and any subsequent year, if marketing quotas are not in effect for the crop of wheat, a 'cooperator' with respect to any crop of wheat produced on a farm shall be a producer who does not knowingly exceed the farm acreage allotment for wheat. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty, but the producer shall not be eligible to receive price support on such marketing excess. No producer shall be deemed to have exceeded the farm acreage allotment for wheat on any other farm, if such farm is exempt from the farm marketing quota for such crop under section 335. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the production on the acreage in excess of the farm acreage allotment is stored pursuant to the provisions of section 379c(b), but the producer shall not be eligible to receive price support on the wheat so stored."

SEC. 204. Section 407 of the Agricultural Act of 1949, as amended, is amended, effective only with respect to the marketing years beginning in the calendar years 1964 and 1965, by striking the second proviso from the third sentence, and substituting: "*Provided further*, That if a wheat marketing allocation program is in effect, the current support price for wheat shall be the support price for wheat not accompanied by marketing certificates."

Mr. HUMPHREY. Mr. President, what is the pending question?

The PRESIDING OFFICER. The motion to proceed to the consideration of the farm bill has been agreed to.

NATURE AND ACTIVITIES OF BUSINESS-INDUSTRY POLITICAL ACTION COMMITTEE

Mr. DIRKSEN. Mr. President, I invite the attention of Senators to a series of questions and answers indicating the nature and activities of the Business Industry Political Action Committee, commonly referred to as BIPAC. This is a growing organization devoted to fundamental objectives, and I believe that in the interest of public information it merits wider currency. I therefore ask unanimous consent that the questions and answers be printed at this point in the RECORD.

There being no objection, the questions and answers were ordered to be printed in the RECORD, as follows:

QUESTIONS AND ANSWERS

(Businessmen—both management and employees—as well as the public generally are asking many questions about BIPAC. Here are the questions most often asked and the answers.)

Question. What is BIPAC?

Answer. The Business-Industry Political Action Committee is an independent nonpartisan organization. It is a voluntary, nonprofit, unincorporated committee of individual citizens who are interested in preserving and strengthening the principles of government embodied in the Constitution of the United States, protecting freedom under law and promoting our free, private and competitive enterprise system.

Question. Why was it formed?

Answer. BIPAC was established to serve as a political education and action arm of American business and industry: (1) to promote a system of government in which the individual liberties of all citizens would be of paramount concern; and (2) to encourage and assist individual citizens in organizing themselves for more effective political action.

Question. What are effective means by which the management of American business can create support for BIPAC?

Answer. BIPAC believes that it is the responsibility of the management of American business to make certain that their business associates be alerted to the objectives of the BIPAC movement. This can be done through management meetings at all levels, letters from management, distribution of BIPAC literature, and personal contact with management of other organizations.

Question. Isn't the BIPAC organization similar to AFL–CIO's Committee on Political Education (COPE)?

Answer. The organizational structure of BIPAC is similar to COPE. However, BIPAC's economic and political principles differ in that they reflect the views of the business community generally.

Question. What is its organizational structure?

Answer. BIPAC is an unincorporated political committee organized in compliance with the Federal Corrupt Practices Act.

Question. What is its relationship to party structure?

Answer. BIPAC is nonpartisan. It is not affiliated with any political party.

Question. Who directs the committee's activities?

Answer. All activities of BIPAC are governed by its board of directors and administered by an executive director. Its officers are a chairman, vice chairmen, and secretary-treasurer.

Question. How is the board of directors selected?

Answer. BIPAC's founders became its original board of directors. Various national business associations recommended individuals who were asked to serve on the board. This procedure will continue for additional new board members.

Question. What is its relationship to existing business organizations?

Answer. BIPAC is not a part of, or affiliated with any other organization. It seeks cooperation, however, from business associations and organizations.

Question. Will local and State units be established?

Answer. BIPAC will not have State and/or affiliated organizations. It will work in cooperation with existing associations and organizations.

Question. How is it supported?

Answer. BIPAC is supported by two sources of income—corporate and association contributions and individual membership dues.

Question. How are these funds used to support the committee?

Answer. Corporate and association funds can be used only for political education and related administrative activities of BIPAC but not for support of candidates. Only individual membership dues income will be spent in direct support of selected congressional candidates, and this money will be spent exclusively for that purpose.

Question. Will BIPAC participate in national and/or State elections?

Answer. BIPAC will provide financial support only to candidates for congressional office, both the House and Senate.

Question. How will candidates be selected?

Answer. The platform, voting record and electibility of the candidate—not the candidate's party affiliation will be the determining factors for BIPAC support. Furthermore, candidates will be supported only in districts and States where a close vote is anticipated.

Question. Who will select the candidates for BIPAC support?

Answer. A bipartisan review committee composed of members of the BIPAC board will, following a thorough review of the facts in each individual case, determine if a candidate is to be supported, and if so, to what extent.

Question. Why can't this job be done through the party system?

Answer. The party system must provide both manpower and financial assistance for all party operations and candidates and is concerned with party organization and strength. It cannot provide adequate funds in every race. BIPAC is concerned solely with the candidate's governmental and economic beliefs and augments the party effort in behalf of the selected candidates in critical races.

Question. Does a BIPAC individual membership duplicate other political contributions?

Answer. No. There are three areas of individual political contributions which are essential. Contributions to BIPAC cannot substitute for those to the party of choice and direct contribution to the candidate. Contributions to the national BIPAC movement augment the first two in critical races.

Question. What is the individual membership structure of BIPAC?

Answer. BIPAC has three classifications of individual memberships—sustaining members, $99 to $5,000 annually; supporting members, $25 to $98 annually; regular members, $10 to $24 annually. Under Federal law, although an individual can contribute up to $5,000 to a political committee or a candidate, if his contribution is in the amount of $100 or more, his name and the amount of his contribution must be reported by the recipient to the Clerk of the House of Representatives.

Question. What is the reason behind the three classifications of memberships?

Answer. BIPAC seeks the broadest possible support numerically. In order that all individuals within the business community can participate as BIPAC members, in accordance with their economic status, three categories of memberships are provided.

Question. Who can join BIPAC?

Answer. Anyone who believes in the principles for which BIPAC stands is eligible for membership.

Question. How are memberships being solicited?

Answer. Memberships in BIPAC are being solicited through cooperating business associations, national, State and local, and by BIPAC members, board of directors, and staff.

Question. What services and reports will be furnished to members?

Answer. BIPAC members will receive periodic progress reports and news bulletins. Through its political education activities, it will assist members in becoming more active and effective in governmental affairs.

Question. What type of staff is provided by BIPAC?

Answer. BIPAC will maintain a relatively small staff; the major portion of BIPAC's political education activities will be conducted in cooperation with other associations and organizations.

Question. Will one person's efforts be effective?

Answer. Definitely. BIPAC's success to date demonstrates that a great many of its memberships result from the efforts of individuals in encouraging their friends and business associates to join.

ADDRESS BY DR. EDWARD R. ANNIS, PRESIDENT, AMERICAN MEDICAL ASSOCIATION, ON THE SUBJECT "MEDICARE: A GIANT WELFARE PROGRAM"

Mr. DIRKSEN. Mr. President, on February 14, 1964, Dr. Edward R. Annis, president of the American Medical Association, addressed the Executives Club in Chicago on the subject: "Medicare: A Giant Welfare Program." This is indeed a well-reasoned, well-documented address on the subject and deserves to be brought to the attention of the membership of Congress and the country.

Mr. President, I ask unanimous consent that the address by Dr. Annis be printed at this point in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

ADDRESS BY DR. EDWARD R. ANNIS, PRESIDENT, AMERICAN MEDICAL ASSOCIATION, ON THE SUBJECT "MEDICARE: A GIANT WELFARE PROGRAM

President Walbert. We welcome back to our platform today an old friend who appeared before us last season. At that time he gave us a powerful shot in the arm by forcefully and eloquently denouncing the Government's socialized medical program called medicare. He dissected this plan with such surgical skill and with such logic, it seemed to most of us present that surely this expensive, bureaucratic approach to the problem would be laid to rest with finality.

It was felt then if we were fortunate enough to have him return, we could hear him discuss some other important problem of the day, and one that came to mind was the subject of "planned parenthood." This was discarded as something less than appropriate when it was recalled he is the proud father of four sons and four daughters. Not bad planning at that.

Furthermore, this is the beginning of a new political season and ideas such as medicare seem to revive and thrive in such a time. We are obviously in need of another shot to bring us up to date on this important matter, and no one can do a better job on this than our guest today.

He was born in Detroit and graduated from the University of Detroit, receiving his M.D. from Marquette University, and since 1948 has resided in Miami, where he has been a surgeon and a tireles worker in all manner of civic affairs. He is now halfway through his year as president of the 200,000-member American Medical Association.

He combines his considerable talents and wisdom with a keen sense of humor and a warm personality, sometimes called a bedside manner. We can be thankful for a man such as this who speaks forth so effectively in defense of true American ideals.

It is a great honor and distinct pleasure to introduce Dr. Edward R. Annis, who speaks on "Here We Go Again—Medicare."

Dr. Annis. I do not believe the last time when I was here I told you about my daughter, Barbara. Barbara is 17. She accompanied me on a similar occasion some months ago, and I was being introduced, with many alleged accomplishments being outlined in the usual exaggerated manner. Barbara, not recognizing much of it, leaned over, nudged me and whispered, "Daddy, is he talking about you?"

I said, "Well, I think so."

And as only teenagers can do, she shrugged her shoulders, raised her hand, and said, "Big deal."

But it is a big deal to be back, and I am honored to have the opportunity to speak once again before this truly fine and representative club.

When I was here a year ago I talked at length about the cost of medical care, why doctors cost more than they used to, why hospitals cost more—because 70 percent of their cost goes into labor, men and women, who work there—why drugs are so costly, pointing out that some 70 to 75 percent of all the drugs prescribed by the doctors of this country today did not exist just 12 years ago. I pointed out that as a result of all of this—all of these doctors and hospitals and drugs and scientists and others who make it possible to bring to our patients that which they should have and that which we desire for them, the best of medical care—it carries with it a greater cost.

We have never denied the increasing cost of medical care; but we call attention to the fact as to why it is costly and remind the American people that they are buying a product which keeps people alive when they used to die, which prevents diseases that used to keep me busy as a young physician, and which makes it possible for people to live long and enjoy life.

The problem is not "Is it costly?" Of course it is. As an example, it costs a little more to ride a jet or to buy a jet than it did to ride or buy a horse and buggy. People no longer want horse-and-buggy transportation; they want jet-age transportation, and they want jet-age medicine.

VALUE OF INSURANCE

I think, too, I paid credit to the great insurance industry of this Nation, which makes it possible for most of us, through the mechansm of insurance, to provide for ourselves and our loved ones. I would like merely to give you the figures to bring you up to date on what this great industry is doing, because today they insure 144,000,000, or 75 percent of the American people. Today 36 of these millions are provided major medical coverage up to $10,000 and $15,000, and very recently some of the insurance companies of this Nation have announced policies of major medical coverage up to $25,000.

Today those over the age of 65, numbering just under 18 million, are also covered to a great extent by insurance. They number 10,400,000. In the last couple of years there has been more progress made in the selling and the purchasing of insurance in this age group than in any other age group in America, as more and more citizens say, "We are capable of providing for ourselves."

As the health insurance industry has made it possible for us to do so, we have availed ourselves of their policies, their basic coverage, the tremendous coverage of Blue Cross-Blue Shield, augmented in many instances by major medical care with many of the great companies making it available in this Nation of ours. So the record is still good.

Last year, too, I told you we were for something, that we are not really always against. We admitted that we have been against many things, because as doctors, we are trained to be against them. We are against pain, suffering, cancer, heart disease, diphtheria, whopping cough and polio. But because we are against those things, we are for the alleviation of suffering; we are for the immunization of children early in life so they do not get whooping cough and diphtheria and tetanus and smallpox and polio. We are for continued research, and we are for the education of our people so they know what is being accomplished so they and their loved ones may have it available to them.

We pointed out we are for taking care of people who need help and that the doctors of this Nation feel that anyone who needs medical care should have it, whether or not he can afford it. We indicated the doctors will work with anyone at any level of government—local, State, or Federal—to see that no one is denied medical care because of inability to pay. But we pointed out that it should be on the basis of need, not on the basis of a birthday.

THE KERR-MILLS LAW

So it was not because we are opposed to medical care for the elderly that we have opposed legislation, but because all of our elderly are not poor and many are self-sufficient. For this reason we have supported the basic principle of the Kerr-Mills law—a law to this day only just now beginning to be thoroughly understood across this Nation.

I will come back to it in a moment, because I want to bring you up to date on another matter I referred to last year. The first time we referred to it publicly was before this organization, when, in defending the great record of that pharmaceutical industry, I pointed out that there were those in another country—in Italy—who were producing drugs which had been pirated from an American firm, that the products and the manner in which they were processed and many of the raw materials from which they were derived, had been stolen from an American producer who had spent $10 million on its production of this particular product.

THIEVERY

Having been pirated from America, they had been purchased as stolen property by an Italian manufacturer; and this manufacturer, paying 20 cents for every dollar of wages paid in this country, reproduced from the raw material to the finished product, paying no local, State, or Federal taxes, and the pharmaceutical industry in 1 year paid $80 million into the U.S. Treasury; and then, to add insult to injury, the Armed Forces Procurement Division of the U.S. Government was buying drugs and shipping them to this country in Navy ships, and they did not even have to pay the cost of transportation.

I would like to bring you up to date on what has transpired since a year ago, because the record is there, and it is clear. On January 9 of this year—last month—Justice Thomas A. Rohrellio, of the New York Supreme Court, ruled in a civil suit that a former employee of Lederle Co. stole drug information and antibiotic cultures from Lederle and sold them to several Italian drug firms. The same individual, along with several others, is under Federal criminal indictment in the U.S. district court.

Coincidental with this, the vice president in charge of medical affairs of Lederle issued a statement. Because I have not seen the statement widely disseminated in the press and because I know that men in this room will be interested in what it says, and because it says so clearly and succinctly what should be said, I bring it to your attention now:

"The issues in this case involve not merely one company and one individual, but affect the future of U.S. industrial research, of jobs on the production lines, and even the rights of the physician and his patient to be sure of the source of the medicines used to fight disease.

"If the public permits a situation to continue wherein patent rights are eroded and where laws are not adequate for the protection of technical process secrets developed at the cost of millions of dollars, industry will be finally forced to give up its massive commitment to discovery and development which has transformed the world's economy.

"It is a fact U.S. labor costs are far above those in other countries in the world. We compete largely because of our research and our production ingenuity. Permit these to be stolen, and U.S. industry will no longer be able to afford U.S. labor.

"It is a fact that antibiotics and other drugs from companies using stolen cultures and secrets are finding their way into the United States and other parts of the world. The reliability of such companies to produce our medicines must be seriously questioned. We know in many cases it is extremely difficult, if not impossible, to trace the original source of some of this material which is being fed to sick people. We are committed to fight against such threats to research, to jobs, and to health."

CHEAPER

Today in this country there are others who are buying from the Italian manufacturers of stolen products, repackaging in this country, and they are being disseminated across the land. The thought may occur to you, as it has been falsely presented by some politicians to the American people, that they are making these products available at a lower price, that they are cheaper. Well, the "cheaper" is a good word, because in many instances they are cheap.

In four of the defense installations of this country I have visited with doctors who have pointed out to me the inferior quality of the products which have been supplied to them from the Armed Forces Procurement Division of our Government. As of a few months ago they were still purchasing the results of stolen products, sending our money abroad to subsidize those who deal with thieves. We ask how long it will go on.

There are others today selling their products on the American market. To remind you that it makes a big difference from which source your drugs may come, you may recall that last year the Government Procurement Division of Canada in one of its Provinces, because they were interested in dollars and knew nothing of health or medicine or what it means to the prolongation of life, issued a directive that they had to buy certain pharmaceutical products from a certain industry, from a certain producer, or at least a certain packager, because they had the low price. Within a few weeks some of the doctors—the medical men there treating their patients with diabetes, were finding them going into coma, and some almost lost their lives. The doctors inquired were they getting tolbutamide, the drug which had been prescribed, the oral medicine you take by mouth instead of by injection of insulin, which works so well for many people with this disease.

They found they were taking the drug all right, but on examination it was found it would go completely through the body without being incorporated into the system. All the ingredients were there, but in the process of manufacture it was too tightly processed, and the agent that brought it into the body was not of the proper quality to have it incorporated in the body with the proper juices.

In other words, the patient might just as well not have taken the product.

This and hundreds of instances might be cited as to what happens to the health of patients that may be jeopardized when we buy products from a company that fails to package its reputation with its product.

This is an important consideration. It is not, as the gentleman from Lederle said, a concern to one company; it is a concern to the American people. It is a concern to honesty, and it is a concern to those interested in the quality of our medicine.

LITTLE UNDERSTOOD LAW

Secondly, I would like to remind you that though the Kerr-Mills law has been in effect now for 3 years, it is still little understood. I briefly outlined what is covered by Kerr-Mills when I was here; namely, that it is designed to take care of two classes of our senior citizens—first, those on old age assistance, for whom we provide food, clothing, and shelter.

Today this is overlooked by many of those who would use the health of the people for political purposes. Today this portion of Kerr-Mills operates in all 50 States and 4 territories, and last year provided $150 million in excess dollars specifically for the health care of people on relief.

The important part of Kerr-Mills is its second part, designed for people who provide for themselves the necessities of life, who may own their home with no mortgage, designed to see to it that if and when these people need help, they need not put a mortgage on their home or exhaust their life's savings or borrow against their automobile or personal belongings or borrow in the bank against an income so limited that they cannot pay it back.

This part of Kerr-Mills is operating today in 36 States and 4 territories and last year it did a remarkable job and spent in excess of $350 million specifically for people not on relief, providing for their health care.

But administration spokesmen, New Frontiersmen, men like McNamara of Michigan, who was talking the same as he has for years—this man, the chairman of a subcommittee of the Senate, said in 1960, "It will never work." In 1961 he said, "It is only working in a handful of States." In 1962 he said, "It is only working in half the States." Now he says it must be criticized because it is not working in all of the States. At least he has been consistent.

I have been in many of these States. In two of our States the legislators have passed legislation to provide for the health care of their senior citizens who need it occasionally, who need it under medical assistance to the aged, only to have the two Governors in the States of Missouri and Indiana veto the legislation.

POLITICS VERSUS MEDICINE

We have talked to Governor after Governor and before legislature after legislature, and when they know and understand the aim and the intent of the Kerr-Mills law, it is doing an ever-increasingly fine job. Yet, the other day in the city of Spokane, before I arrived, the doctors there hired a couple of young ladies from the university to get on the telephone and just go through the phone book at random and call 100 people and ask them some questions. They asked them this question:

"Do you know that Congress has been talking about payments under social security of medical bills for all old people?"

Eighty-one out of the 100 people said yes, they knew of such a bill. This is a political bill. It is one which has been proposed in one way or another for 20 years. But significant is the reaction to the next question, which was:

"Have you heard of any other Federal assistance for people not on welfare, but who cannot afford expensive illnesses?" Two people out of 100 ever heard of such a bill. I have met members of State legislatures who do not even know what Kerr-Mills can do. Yet, this is the responsibility of the Department of Health, Education, and Welfare. This is the law of the land. It is their responsibility to see that the intent of the law is carried out. If the President of the United States would give a directive to the Department of Health, Education, and Welfare—Mr. Celebrezze in particular, to go out into the States and educate them as to what the Kerr-Mills law was designed to do—what it is doing in great numbers of our States, we would end up with a program that would provide for every one of our senior citizens who need help some of the time or all of the time.

We resent those in either party who ignore the law which exists and what it can do, because they are politically committed or devoted to a bill which would misuse the health of the people for purely political purposes.

Yesterday the Wall Street Journal had a most interesting article. I would like to quote from it. On the front page it says: "Consumers were promised increased Federal protection and a more sympathetic hearing from the Government for their complaints about goods and services." It goes on: "In a message to Congress, President Johnson urged adoption of pending bills aimed at obtaining these objectives. Among the measures endorsed by the President were proposals to require 'truth' in lending, packaging and over-the-counter security sales, and to bolster inspection authority over cosmetics and drugs."

I may have asked this question when I was here last year: Who performs the greater disservice to the American people—those who mislabel the quality of our cosmetics, those who mislabel securities, or those who mislabel the ideas under which we live and which form the foundation for the Declaration of Independence and the Constitution of the United States?

In the Courier-Journal of Louisville, Ky., on January 9, reporting on the previous day's presidential text, urging a war on poverty and joblessness, there is one paragraph in which I would raise the question: Should they not tell the truth when they present issues to the American people? Are not the President's speechwriters and his advisers bound by the truth, that they want to put on products sold to the American people?

WHY DON'T THEY TELL THE TRUTH?

They have been deliberately falsifying and they have deliberately falsified this record in an official presentation of the state of the Union message. One paragraph. It says: "We must provide hospital insurance for our older citizens, financed by every worker and his employer under social security, contributing no more than $1 a month during the employee's working career to protect him in his old age, without cost to the Treasury." Yet the law specifically allocates from the General Revenue Fund $500 million to blanket in the 2¾ million not covered under social security.

Why don't they tell the truth? For every one of your employees who make $5,200 a year or more, to the half of the American working people who are employed in industry whose wages are a hundred dollars a week or more, under this law the first year's tax is $27.50 for every employee, matched by every one of you as employers, for a total of $55. It is not a question of whether "$12" is correct, as was written in the President's speech, or whether $27.50 is a great deal as written in the bill. It is a question of fact.

When a writer for the President of the United States will deliberately lie to the American people and write in there that no worker will pay more than $1 a month during his working career, it becomes a question of "truth."

We ask the question: Why don't they tell the truth? If you have a good bill, sell it honestly, but don't sell it by deliberately misrepresenting the truth to the American people.

They say we must provide hospital insurance for our older citizens. Eighteen million people would be immediately covered and would be covered as long as they live; and at age 65 they have an average life expectancy of at least 15 more years. And you will live a lot longer than that if you will just fasten your seatbelts.

But let us look at this. Hospital insurance for our older citizens? You know, I have heard them talking about a tax reduction lately. Do you know what this bill would do, that is, the King-Anderson bill? It would immediately put a debt against those who work and their employers in excess of $35 billion. It would increase your taxes immediately $35 billion.

Where did I get this figure? The late Senator Kerr before he died asked the actuaries of the Congress how much it would cost today's workers and their employers to pay for the 17 million people at that time over the age of 65 who would be cared for as long as they live? How much will it cost today's workers and their employers, just to pay for these people as long as they live. The answer given to the Senator was $35 billion at that time.

Recently Senator Long of Louisiana, looking at the increased number of people beyond the age of 65—numbering 18 million, has come up with a recapped estimated figure of $48 billion. This is what it would cost.

In the first year under this bill, they say, from the social security levies they will raise the amount of $1,100 million, and from general revenue, $500 million, for a total cost the first year of $1,600 million. That is from the 70 million who are employed and their employers.

If you multiply this by 20 years and you took every nickel as presented for 20 years, you would have only $32 billion, some $3 billion short of what it would cost to take care of those who never paid a nickel. And they dare to mislabel this with a good term—"insurance." This is a giant welfare program, providing for rich and poor alike, because it had a birthday, to be paid for by those who work and their employers. Why, then, don't they tell the truth?

Because some of our people over 65 need help, must we establish Government medicine to provide for all when they go into a hospital or a medical institution? Is it right to tax a workingman's wages to pay the hospital bills for many who are well able to provide for themselves? Or should we not do a good job of helping through the insurance industry to make it possible for people who are able to do so to provide for themselves and for those unable to do so, make the Kerr-Mills understood, implement it so that it will work and so that it will work in such a way that no one is reduced to dependency or a state of pauperism because of the needs of medical care. Toward these ends we shall continue to work.

Our experience has been, as we have traveled the country, that as more and more people know and understand these two bills, more and more support is being given to Kerr-Mills. One of these bills, of course, is the law of the land. The greatest obstacle to its understanding is the administration and those of its proponents who have been trying to push this kind of legislation for a long period of time.

THE TOBACCO PROBLEM

One other question in view of its importance today is the relationship of the American Medical Association and tobacco. A couple of months ago—in fact 3 days before the Surgeon General's report came out—I addressed the Kentucky Legislature. Their number one cash crop is tobacco. Behind me the Governor and Lieutenant Governor and the Speaker of the House, and out before me were all of the legislature, and up in and around the balcony were the tobacco growers. Before I went in, I shook hands with at least 10 or 12 burley growers, and we talked about tobacco.

Speaking for the American medical profession, I was able to say a few things that are true. One was that in my opinion then as a clinician, the Surgeon General's report would show an overwhelming mountain of evidence linking the prolonged inhalation of cigarette smoke and the production of some diseases and the aggravation of others.

But, I said, doctors as doctors are not against smoking. We are not against tobacco, I said; we are against disease, and the evidence from the laboratories and from the clinical offices and the hospitals of the land, in my opinion, will show that the use of tobacco and particularly the inhalation of cigarette smoke over a long period of time is one of the greatest producers of preventable disease with which doctors have to deal.

So we have to be realists. This is the problem. There is no question about the extent nor the seriousness of the problem. However, as scientists we have to admit to you, we do not know what takes place. We do not know what happens in the cell.

You know, we become sick because of sick cells. We start, first of all, as cells from our mother and father, two units uniting into one; and then from that comes a complex mechanism known as our God-given body, but when we become sick, we start at the cellular level, whether it is from bacteria from toxin or viruses. And so it is with cancers. They start at the cellular level. We do not know what takes place.

Does the inhalation of cigarette smoke over a long period of time directly affect the cell and produce the cancer, or does it, for example, irritate the defense mechanism of the cell, reducing its resistance to allow the invasion of a virus as yet not isolated, if one exists, and that this causes the trouble? To the tobacco people—and I suggest to you, as well—there are many unanswered questions.

VALUE OF RESEARCH

Up until a few years ago we knew there was a disease affecting the transmitting apparatus between the brain and the muscles of the body, known as polio, or infantile paralysis, so named because it affected so many young people. We knew where the tract was affected. We knew the damage which was done. We did not know how it was accomplished nor what was the agent.

The researchers in the laboratories paid close attention and studied at many laboratories, many researchers, many clinicians together, to find out what it was. As time went on, they ruled out bacteria. As more time went on, they ruled out a toxin or poisonlike chemical. Still further time, and they found it was an active agent so small it could not be seen by the most powerful microscopes, an agent to which we have given the name of viruses.

Still more research and the great names of Salk and Sabin and their coworkers from the laboratories isolated not one but several; and then we had the whole puzzle with all of its parts—the multiple viruses capable of producing the disease—the manner in which it could be transmitted—its point of invasion and what it can do to the cell and the ultimate effects.

As a result, because of an enlightened public, in the week of January 4 of this year, for the first time since we have kept vital statistics in the United States, not one new case of polio was reported in the entire United States. It is a tribute to the results of research. Through the results of research made available to the doctors and ultimately, through them and because of the great cooperation of the communications media, newspapers, radio and television, to an understanding people, we were able to make great inroads against just one more disease. Perhaps we can do this when we know more of the answers for tobacco.

CANCER CAUSES

In another example I recall in the city of Milwaukee, where I went to school some 30 years ago, I studied pathology, and our very fine pathologist, Dr. John Grill from Germany, pointed out to those of us in the postmortem room that something had happened to the lungs of some of the men who died. Men would be brought in who had died from a heart attack or accident; these were men who shoveled soft coal all day long. They inhaled the coal dust all day long. You were able to take a knife and cut through these lungs and hear the scraping against the grit of the coal dust. Yet this did not produce cancer or many of these other diseases which are indicted with cigarettes.

Even in those days, 30 years ago, Dr. Grill used to say that one of the reasons coal dust did not produce these serious diseases was that the particles were too big. When they were inhaled, they did not invade the interstices of the cell, they could not—like the cat that is too big to get in the mouse hole.

In contrast, they told us of a town in Bulgaria where half of all of the men who died, died of lung cancer—but the women did not. The reason was the men worked in the cobalt mines, and as they mined the cobalt, the dust particles of cobalt would be inhaled and they would be so small, measured in terms of one or two or three microns, that they could invade the cell and, either by mechanical or chemical irritation of the cobalt particles, set up dendrites of irritation that ultimately resulted in the cancer.

So we suggest filtering something out of a cigarette or perhaps the scientists will figure out a way to add something making it more like coal dust and less like cobalt.

There are many unanswered questions in many areas. This is the reason the American Medical Association, at its meeting in Portland, even before the Surgeon General's report was released, announced a new program of research to find what it is that takes place in people who use tobacco over a long period of time.

We know we may be able to dissuade some people—some teenagers from starting to smoke. We may be able to convince others that they should stop or switch from cigarettes to cigars and pipes and not inhale; but human nature being what it is, we know, of the 65 to 70 million who smoke daily, great numbers will continue to smoke, and our job as doctors is to find out what it is that produces the trouble. If we can answer these many unanswered questions, we may have a solution that will be most satisfactory to us as doctors, as physicians, and at the same time of great value to the tobacco industry and to this great Nation.

So we were happy to announce today that as a result of a research project now underway, the tobacco industry of this Nation, yesterday agreed to add to our research project $2 million a year for a 5-year period, for a total of $10 million, specifically to find out what it is that takes place when people inhale cigarette smoke, particularly over a long period of time.

AMA OBJECTIVE

When it was announced by the president of the American Medical Association's Research Foundation, Dr. Raymond Mcuen, a member of our board, we were cheered, because we will solicit support from every source of funds, every source of knowledge, every source of research which can help us to solve one more of the serious diseases which afflict our patients, the American people.

We are for taking care of people who are sick. We are preventing illnesses when it is possible. As an American medical profession, we resent those who have forced us into the realm of politics. We resent those who would misuse the health of our patients for political purposes. But we will tell you our own story, and we will not be misled by those false prophets who would disgrace and discredit and vilify the whole profession in their efforts to mislead the American people and to produce a change in the very system of medicine which has made American medicine preeminent in the world.

We came into being as an association in 1847 with two main purposes. To these purposes we are still dedicated. They are to advance the art and the science of medicine, and to protect the public health.

Thank you.

Chairman WALBERT. Thank you, Dr. Annis, for a most thought-provoking talk. We have time for just a few questions, Doctor, if you will join me.

Question. Since you are against socialized medicine, do you encourage a patient to price doctors' fees or druggists' charges, as a housewife regularly prices food costs? This would be in keeping with the free enterprise system of which you are an ardent advocate, would it not?

Dr. ANNIS. The question of doctors' fees, of course, is not involved in this legislation. Some of the politicians who are for King-Anderson say we should be for it, too, because if the Government pays the hospital bills, doctors will make more money.

We are not denying that some doctors overcharge and that some doctors take advantage of the patients or insurance companies; but we ask when they do, let their conferees know it through their county medical societies and all the rest.

We encourage people to honestly, deliberately discuss with their doctors the question of fees. When it involves elective things, such as surgery and the rest, we urge the individual to do so before the services are performed.

If I had a doctor with whom I attempted to do this and he was reluctant to do so, I might look for another doctor.

Question. Do any of the official family of AMA smoke cigarettes? If so, why?

Dr. ANNIS. Seated over on my right is the assistant to the executive vice president of the AMA. When this question card came up, he was there puffing a cigarette. So I took it over and handed it to him, and he said, "Just tell them I'm addicted."

You see, these are reasons why we have to continue our research. There are a number of these fellows who are extremely important to us, and we want to preserve them, too.

President WALBERT. Dr. Annis, pay no attention to the fact that Dr. Karl Meyer is sitting next to you when you answer this question. Generally speaking, what do you think is the stature of the Cook County Hospital?

Dr. ANNIS. I must admit that I am prejudiced. I first visited Cook County Hospital when I was a young general practitioner in north Florida, working with 12 other general practitioners.

I heard of Cook County Graduate School, working in conjunction with its hospital. I heard that there doctors could go and learn anything they wanted to learn. So, as a young physician, I used to take turns with the other physicians in my area.

In those days it was known as perhaps the biggest hospital in the world. I found that it had some of the biggest doctors—biggest in their ability, biggest in their knowledge, biggest in their willingness to share what they knew.

I think the Cook County Hospital today deserves the reputation which is worldwide, because in its halls, in its operating rooms, in its clinics, and within its walls has been practiced some of the finest medicine practiced any place in the world.

Question. Do the newspapers, generally speaking, tend to twist, criticize or "back up" your public statements?

Dr. ANNIS. Two to 2½ years ago when a member of the Speaker's Bureau of the AMA, all of our interviews used to open with this question: "Why are you against the old people?" Or: "Why are doctors against medical care for the aged? It is only a question of who pays the bill? What do you care who pays the hospital bill?"

Many newspaper and radio and television people were misled during the earlier months of this campaign, first, by a vilification of the profession at large, and, second to give the impression that all you had to do was pass the bill they were for and everything would be rosy.

I find an increasing understanding, and I have found among the communications people generally what I found among the people of the United States—most are honest. And when they understand what you are talking about and when you give them a reasonable approach and when you give the background supporting the position you maintain, if it is reasonable and if it is one on which you can firmly stand, I find we are gaining more and more understanding friends and supporters, every day. I have no complaints against those who have been reporting what we have said across the Nation.

Question. Why does it seem that the field of medicine is being narrowed down to only specialists? For a beginning doctor, which would you advise—general practice or specialization?

Dr. ANNIS. This, of course, is difficult to answer, because the first question is what do you want to do? The second question is where do you want to live?

If a young man wants to be a brain surgeon or a heart surgeon, if he wants to specialize in many types of research in, say, cardiology or kidney disease, then he is going to have to live and work and practice in a big area, in a big community, not only where there are many people with diseases which may be rare, but also where there are many other of his colleagues with whom he can work—where there are laboratories, diagnostic facilities and all the rest.

But for Dr. Meyer and his associates to train a chest surgeon for 6 or 8 years and then send him out to a community of 5,000 people—well, the man would not be able to do any heart surgery. He would not have any patients. Yet, there are many I have seen in my recent trip through the West who are good general doctors and also especially trained in certain fields, whether surgery or obstetrics. When you get around Sun Valley, all of them become orthopedists.

If you are one who has been a skiing enthusiast and you have to see an orthopedic doctor, and he is the only one you know, he is the one to call when you need advice in other fields.

When you are just a shade older and your neurologist is your only friend, I am sure in addition to the fine plumbing that is available today, he will give you the advice you need.

There is room for all kinds of doctors in this vast country. What kind of training you take and where you take it pretty much depends on what you want to do and where you want to live.

Question. Three prominent doctors back the social security program. They are Spock of Cleveland, Clement of the National Medical Association, and Yerby of the New York Public Health Association. Why the difference in viewpoint from the AMA?

Dr. ANNIS. The American Medical Association today is made up of 200,000 physicians. Some 52 of these 200,000 have gone on record as disagreeing with the basic philosophy of the American Medical Association.

One of those who went on national television with the former President is a man that I debated three times before public gatherings; 6 months ago this man stopped me and said, "Ed, no more debates. I have had a chance to read the bills. I understand them thoroughly. You guys are right and I am with you. This is one out of 27, so we have one less than we had not long ago."

I have a statement that Dr. Spock presented the other day. It was about a page and a half of typewritten statement. I have it over at the hotel. This is a statement written by a man who I would be willing to wager even money, has never read either of the bills. He doesn't know what is incorporated in Kerr-Mills certainly, and I question whether he knows what King-Anderson will do. But like many other fine people who are busy in other fields, doing their work day in and day out, they can be misled by headlines. They, too, can be misled by those people who give good intentions to the label of a bill.

I am not too surprised when good men for one reason or another disagree with us. The only thing we hope they do, is come and bring their disagreement to the American Medical Association's meetings. We meet twice a year, where any physician in the country can express his point of view. If we are wrong, we hope we will be educated. If we are right, we hope to get more than just one out of the original 27.

President WALBERT. Dr. Annis, I am sorry we do not have time for more of these interesting questions. We certainly have enjoyed your visit. Thank you very much.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the acting majority leader whether any more business is expected to come before the Senate tonight.

Mr. HUMPHREY. It is not the intention of the leadership to have any more business considered tonight. When the Senate completes its business for today, I shall move that the Senate take a recess until 11 o'clock tomorrow morning. It is hoped that at that time Senators who are in charge of or who are deeply interested in the farm bill will be prepared to make their opening statements and presentations.

Mr. DIRKSEN. I ask further whether it is expected to have a morning hour tomorrow, in view of the recess to be taken tonight.

Mr. HUMPHREY. I would expect that the Senate would proceed to the consideration of the farm bill, and that Senators who wished to ask for a waiver of the rule of germaneness, for the introduction of extraneous material into the RECORD, might do so.

HUBLESS CAST IRON SANITARY SYSTEM

Mr. SPARKMAN. Mr. President, in my State of Alabama as much soil pipe is manufactured as is manufactured in all the rest of the country. In fact, Alabama is one of the leading soil pipe centers of the entire world.

Recently, there was developed a coupling from material that makes it possible to reduce the size of the coupling that is usually used for the installation of pipe inside house framing so that it may be placed behind a two-by-four. The product should prove helpful in the housing industry.

As chairman of the Subcommittee on Housing of the Committee on Banking and Currency, I am always anxious to take note of advances made in providing better homes for the American people. Therefore, I ask unanimous consent to have printed at this point in the RECORD the text of a statement which describes the housing advance to which I have just referred.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A SALUTE TO A NEW PRODUCT FOR HOMEOWNERS

One of the most impressive new products that has arrived on the American scene is the unique hubless cast iron sanitary system sponsored by the Cast Iron Soil Pipe Institute to bring time-tested cast iron pipe to the low-cost housing market.

The American homeowner, the man and his family who want to be assured of high quality and very dependable materials in the home, have the assurance of the durability of the cast iron soil pipe and fittings employed in this new hubless cast iron sanitary system.

This new system uses no-hub cast iron with a patented new method of joining the soil pipe and fittings together. It provides dependable cast iron soil pipe in 2-inch, 3-inch, and 4-inch sizes. The 2-inch and 3-inch fit into the standard 2- by 4-inch partitions used in so many new homes today.

The new system is not a substitute for the time-honored and historic lead and oakum cast iron soil pipe joint which has been used by American plumbers over 100 years.

The new system, which was thoroughly tested by the Pittsburgh Testing Laboratory before the Cast Iron Soil Pipe Institute adopted it, uses a neoprene gasket which couple two pieces of cast iron pipe and the fittings together. A stainless steel shield fits tight over the neoprene gasket, and a stainless steel clamp fastened to the shield is tightened to compress the strip rings on the sleeve against the exterior of the pipe or fittings.

In this way an extremely durable, watertight, gastight joint is established. And, this can all be done with cast iron soil pipe and the new no-hub joint right within the wall of the average new American house.

The hubless cast iron sanitary system is a highly dependable plumbing drainage system installed from house sewer to roof vent in the house, but at a lower cost. Every piece of cast iron soil pipe that is cut can be used.

With cast iron soil pipe, a pipe that has a history of durability, the new system will outlast the ordinary life of every new home in which it is installed, according to the institute.

It provides homebuilders with a streamlined and permanent cast iron soil pipe sanitary system which they can give the buyers of the homes they construct.

Now, the organization of conscientious and industrious American manufacturers who sponsored the hubless cast iron sanitary system which provides so much to our homebuilders and our home buyers, certainly deserves credit for its accomplishments.

The Cast Iron Soil Pipe Institute, which has its headquarters in Chicago, represents about 95 percent of all of the manufacturing facilities in the United States for cast iron soil pipe and fittings.

It was formed in 1949 so that member companies could work together to improve their products and assist their industry and the plumbing industry.

The Cast Iron Soil Pipe Institute made many contributions in its industrywide standardization program. Also it has achieved significant successes in upgrading the manufacture of traditional products including:

(1) The no-hub joint for the hubless cast iron sanitary system and the new 10-foot lengths of cast iron soil pipe;

(2) Maintaining a vigorous promotional campaign to combat the infiltration of house sewers, infiltration which leads to greater expense to homeowners and to the cities and towns and villages in which they live; and

(3) Assisting apprentice training courses nationwide by helping provide materials and training in caulked joint projects.

The Cast Iron Soil Pipe Institute has, in short, conducted itself in the finest traditions of American manufacturing.

More than half of the tonnage in the soil pipe industry comes from Alabama.

RECESS UNTIL 11 A.M. TOMORROW

Mr. HUMPHREY. Mr. President, if there is no further business to come before the Senate at this time, I now move that the Senate stand in recess until 11 a.m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 1 minute p.m.) the Senate took a recess until tomorrow, Friday, February 28, 1964, at 11 o'clock a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 27 (legislative day of February 26), 1964:

DEPARTMENT OF THE ARMY

Paul R. Ignatius, of Massachusetts, to be Under Secretary of the Army.

U.S. ARMY

Maj. Gen. Robert Hall McCaw O38722, Judge Advocate General's Corps, U.S. Army, for appointment as indicated under the provisions of title 10, United States Code, section 3037, to be the Judge Advocate General, U.S. Army.

Brig Gen. Harry Jarvis Engel O39840, Judge Advocate General's Corps, U.S. Army, for appointment as indicated under the provisions of title 10, United States Code, sections 3037, 3442, and 3447, to be the Assistant Judge Advocate General; major general, Judge Advocate General's Corps, in the Regular Army of the United States; and major general, Army of the United States.

The following-named officer to be placed on the retired list in grade indicated, under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Garrison Holt Davidson O16755, Army of the United States (major general, U.S. Army).

The following-named officer, under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Edwin John Messinger O18503, U.S. Army.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major generals

Brig. Gen. William Charles Haneke, O20263, U.S. Army.

Brig. Gen. Kenneth Gregory Wickham, O21073, Army of the United States (colonel, U.S. Army).

Brig. Gen. Hamilton Austin Twitchell, O19843, U.S. Army.

Brig. Gen. John Hart Caughey, O19885, U.S. Army.

Brig. Gen. Frederick James Clarke, O20572, Army of the United States (colonel, U.S. Army).

Brig. Gen. James Edward Landrum, Jr., O20216, U.S. Army.

Brig. Gen. Walter Thomas Kerwin, Jr., O21963, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Ferdinand Joseph Chesarek, O21177, Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert Henry Schellman, O22002, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. George Henry Walker, O20617, Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph Rieber Russ, O19860, U.S. Army.

Brig. Gen. Bruce Edward Kendall, O30623, U.S. Army.

Brig. Gen. James Willoughby Totten, O19834, U.S. Army.

Brig. Gen. Frederic William Boye, Jr., O21891, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Lloyd Elmer Fellenz, O19485, U.S. Army.

Brig. Gen. Roy Lassetter, Jr., O51714, U.S. Army.

Brig. Gen. Howard McCrum Snyder, Jr., O20213, U.S. Army.

Brig. Gen. Robert Hawkins Adams, O19474, U.S. Army.

Brig. Gen. Carl C. Turner, O31909, Army of the United States (colonel, U.S. Army).

Brig. Gen. Douglas Blair Kendrick, Jr., O20511, Army of the United States (colonel U.S. Army).

To be brigadier generals

Col. Lawrence Joseph Fuller, O22901, Army of the United States (lieutenant colonel, Judge Advocate General's Corps, U.S. Army).

Col. Victor Woodfin Hobson, Jr., O23038, Army of the United States (lieutenant colonel, U.S. Army).

Col. John MacNair Wright, Jr., O23057, Army of the United States (lieutenant colonel, U.S. Army).

Col. Charles Thompson Horner, Jr., O23530, Army of the United States (lieutenant colonel, U.S. Army).

Col. Elmer Hugo Almquist, Jr., O24228, Army of the United States (lieutenant colonel, U.S. Army).

Col. Paul Francis Smith, O33169, Army of the United States (lieutenant colonel, U.S. Army).

Col. Stephen Wheeler Downey, Jr., O22649, Army of the United States (lieutenant colonel, U.S. Army).

Col. Shelton E. Lollis, O32575, Army of the United States (lieutenant colonel, U.S. Army).

Col. Kenneth Wilson Collins, O22169, Army of the United States (lieutenant colonel, U.S. Army).

Col. Ellis Edmund Wilhoyt, Jr., O20593, U.S. Army.

Col. Donald Ralph Pierce, O43332, U.S. Army.

Col. Paul David Phillips, O22939, Army of the United States (lieutenant colonel, U.S. Army).

Col. Lawrence Harland Walker, Jr., O34243, Army of the United States (lieutenant colonel, U.S. Army).

Col. Melvin Zais, O33471, Army of the United States (lieutenant colonel, U.S. Army).

Col. Roger Merrill Lilly, O21924, Army of the United States (lieutenant colonel, U.S. Army).

Col. Edmund Louis Mueller, O34292, Army of the United States (lieutenant colonel, U.S. Army).

Col. Hal Dale McCown, O23532, Army of the United States (lieutenant colonel, U.S. Army).

Col. John Hancock Hay, Jr., O25290, Army of the United States (lieutenant colonel, U.S. Army).

Col. Howard Francis Schiltz, O38956, U.S. Army.

Col. Robert Clyde Gildart, O20703, U.S. Army.

Col. Charles Henderson Hollis, O38981, Army of the United States (lieutenant colonel, U.S. Army).

Col. George Cicero Fogle, O44428, Army of the United States (lieutenant colonel, U.S. Army).

Col. James Sykes Billups, Jr., O21932, Army of the United States (lieutenant colonel, U.S. Army).

Col. Glenn David Walker, O33282, Army of the United States (lieutenant colonel, U.S. Army).

Col. Walter Bernard Bess, O20151, U.S. Army.

Col. William Henry Blakefield, O33927, Army of the United States (lieutenant colonel, U.S. Army).

Col. Richard Thomas Knowles, O35418, Army of the United States (lieutenant colonel, U.S. Army).

Col. Frank LeRoy Gunn, O34734, Army of the United States (lieutenant colonel, U.S. Army).

Col. Thomas Brownbridge Simpson, O20902, U.S. Army.

Col. Roy Tinsley Dodge, O43468, Army of the United States (lieutenant colonel, U.S. Army).

Col. Charles Carroll Case, Jr., O34824, Army of the United States (lieutenant colonel, U.S. Army).

Col. Jack Snead Blocker, O32118, U.S. Army.

Col. Harley Lester Moore, Jr., O40729, Army of the United States (lieutenant colonel, U.S. Army).

Col. Charles Harold Gingles, O20920, Medical Corps, U.S. Army.

Col. Laurence Addison Potter, O22294, Medical Corps, U.S. Army.

The officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3384:

To be major generals

Brig. Gen. Herbert Borden Brand, O916491.

Brig. Gen. Stanley Warren Connelly, O4046538.

Brig. Gen. James Eugene Frank, O268106.

Brig. Gen. Robert Harrie Travis, O406588.

Brig. Gen. John Wister Wurts, O283443.

To be brigadier generals

Col. Melvin Ira Bookman O349751, Transportation Corps.

Col. Charles Vines Collier, Jr., O352187, Chemical Corps.

Col. Ernest Raiford Ellis, O343225, Signal Corps.

Col. Ray DuChene Free, O331127, Artillery.

Col. Horace Barber Hanson, Jr., O361034, Corps of Engineers.

Col. Louis Kaufman, O3908454, Artillery.

Col. Joseph Murray, Jr., O1081435, Infantry.

Col. Warren Earl Myers, O446047, Infantry.

Col. Paul Michael Nugent, O299714, Infantry.

Col. George Sutor Purple, O306744, Artillery.

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3385:

To be major generals

Brig. Gen. Russell Boyt, O266555.

Brig. Gen. Lincoln Maupin, Cummings, O292152.

Brig. Gen. John Alvin Dunlap, O325757.

Brig. Gen. Martin Henry Foery, O370696.

Brig. Gen. Francis Patrick Kane, O354217.

Brig. Gen. Howard Samuel Wilcox, O423347.

To be brigadier generals

Col. William Francis Bachman, O404581, Infantry.

Col. Richard Thomas Dunn, O394780, Infantry.

Col. Michael Charles Galiano, O269138, Infantry.

Col. Leon Henry Hagen, O285503, Infantry.

Col. Kay Halsell II, O342122, Armor.

Col. James Taylor Hardin, O388679, Quartermaster Corps.

Col. William George Kreger, O348066, Infantry.

Col. Robert Grant Moorhead, O515271, Infantry.

Col. William Frederick Moor, O328924, Infantry.

Col. Leonard Edward Pauley, O373640, Infantry.

Col. Francis Shigeo Takemoto, O2046481, Infantry.

The Army National Guard of the United States officers named herein for appointment as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be brigadier generals

Col. Daniel Preston Lee O320843, Adjutant General's Corps.

Col. Victor Lee McDearman, O328046, Adjutant General's Corps.

Col. John Perrill McKnight, O258303, Adjutant General's Corps.

U.S. Navy

The following-named officers of the Naval Reserve for temporary promotion to the grade indicated subject to qualification therefor as provided by law:

LINE

To be rear admiral

George A. Weaver

MEDICAL CORPS

To be rear admiral

Howell E. Wiggins

CHAPLAIN CORPS

To be rear admiral

Roland D. Driscoll

Rear Adm. Benedict J. Semmes, Jr., U.S. Navy, for appointment as indicated, pursuant to title 10, United States Code, section 5141, to be Chief of Naval Personnel for a term of 4 years.

To be vice admiral

Rear Adm. Benedict J. Semmes, Jr., U.S. Navy, having been designated under the provisions of title 10, United States Code, section 5231, for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade indicated while so serving.

The following-named officers of the Navy for appointment to the grade indicated on the retired list, in accordance with title 10, United States Code, section 5233:

To be vice admirals

Vice Adm. Herbert D. Riley, U.S. Navy.

Vice Adm. Rufus E. Rose, U.S. Navy.

Capt. Wilfred A. Hearn, U.S. Navy, to be Judge Advocate General of the Navy for a term of 4 years with the rank of rear admiral.

The following-named officers of the Navy for permanent promotion to the grade indicated:

LINE

To be rear admirals

Luther C. Heinz
Ralph L. Shifley
Paul Masterton
George P. Koch
George F. Pittard
William M. McCormick
Robert L. Townsend
Herman J. Kossler
Noel A. M. Gayler
Kenneth L. Veth
Draper L. Kauffman
Eugene B. Fluckey
Harry Hull
Robert H. Weeks
Thomas H. Morton
John S. Coye, Jr.
Joseph W. Williams, Jr.
Arnold F. Schade
Charles E. Loughlin
James O. Cobb
Thomas A. Christopher
Robert A. Macpherson
Carlton B. Jones
Paul D. Buie
James R. Reedy
Henry S. Monroe
Lester R. Schulz
Lester S. Chambers
John H. McQuilkin
William F. Petrovic
James A. Brown

MEDICAL CORPS

To be rear admiral

Walter Welham

SUPPLY CORPS

To be rear admirals

Emory D. Stanley, Jr.
Stephen Sherwood

CIVIL ENGINEER CORPS

To be rear admiral

Alexander C. Husband

The following-named Reserve officers for permanent promotion to the grade indicated:

LINE

To be rear admirals

James D. Hardy
Harry H. Hess
Eric C. Lambart
Thomas J. Killian
Leonard S. Bailey
William M. McCloy
Ralph G. Coburn, Jr.
Robert W. Copeland
Carl E. Watson
Leslie L. Reid
Robert H. Barnum
Charles E. Rieben, Jr.
Stephen E. Jones

MEDICAL CORPS

To be rear admiral

Moore Moore, Jr.

SUPPLY CORPS

To be rear admirals

Harold W. Torgerson
Edgar H. Reeder

CIVIL ENGINEER CORPS

To be rear admiral

Louis R. LaPorte

DENTAL CORPS

To be rear admiral

Alton K. F[illegible]her

U.S. Air Force

The following-named officers for appointment in the Regular Air Force, to the grades indicated, under the provisions of chapter 835, title 10, of the United States Code:

To be major generals

Maj. Gen. Kenneth O. Sanborn, 1363A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Dwight O. Montieth, 1205A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Nils O. Ohman, 1321A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Henry G. Thorne, Jr., 1514A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Paul S. Emrick, 1801A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Frederick R. Terrell, 1221A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Richard P. Klocko, 1327A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Paul W. Scheidecker, 1354A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. William B. Kieffer, 1409A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Clyde Box, 1535A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Robert G. Ruegg, 1620A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. John B. Bestic, 1682A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Perry M. Hoisington II, 1694A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Joseph H. Moore, 1836A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Jerry D. Page, 2052A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Charles H. Terhune, Jr., 3424A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Harold E. Humfeld, 3857A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. George S. Brown, 4090A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Seth J. McKee, 4279A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. John C. Meyer, 4496A (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Major S. White, 19056A (brigadier general, Regular Air Force, Medical), U.S. Air Force.

Maj. Gen. Theodore C. Bedwell, Jr., 19101A (brigadier general, Regular Air Force, Medical), U.S. Air Force.

To be brigadier generals

Brig. Gen. Jack E. Thomas, 1187A (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Bertram C. Harrison, 1425A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Douglas C. Polhamus, 1428A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Neil D. Van Sickle 1442A (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. J. Francis Taylor, Jr., 1583A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Harry E. Goldsworthy 1631A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John S. Samuel 1638A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Henry C. Newcomer, 1641A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Joseph L. Dickman 1656A (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Joseph T. Kingsley, Jr., 1702A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John L. McCoy 1705A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lewis W. Stocking 1709A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Elbert Helton 1727A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John A. Rouse 1807A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Walter B. Putnam 1825A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Charles G. Chandler, Jr., 1842A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Pinkham Smith 1859A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Vincent G. Huston, 1865A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William B. Campbell, 2000A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Hubert S. Judy, 2032A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Thomas R. Ford, 2065A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Ariel W. Nielsen, 2067A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lewis E. Lyle, 4115A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Robert W. Manss, 2713A (colonel, Regular Air Force), U.S. Air Force.

Brig Gen. John H. Bell, 4185A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Michael J. Ingelido, 4295A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lawrence F. Loesch, 4300A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John D. Lavelle, 4359A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Donald W. Graham, 4361A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Otto J. Glasser, 4368A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Harry L. Evans, 4619A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Paul T. Cooper, 4861A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William W. Wisman, 4990A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Jay T. Robbins, 5029A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Joseph J. Cody, Jr., 5126A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Duward L. Crow, 18061A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William J. Crumm, 8663A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John W. Vogt, Jr., 9807A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lucius D. Clay, Jr., 8956A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Raymond T. Jenkins, 19154A (colonel, Regular Air Force, Medical), U.S. Air Force.

Brig. Gen. James W. Humphreys, Jr., 19928A (colonel, Regular Air Force, Medical), U.S. Air Force.

The following-named officers for temporary appointment in the U.S. Air Force under the provisions of chapter 839, title 10, of the United States Code:

To be major generals

Brig. Gen. John N. Ewbank, Jr., 1381A, Regular Air Force.

Brig. Gen. Milton B. Adams, 1712A, Regular Air Force.

Brig. Gen. William E. Elder, 1772A, Regular Air Force.

Brig. Gen. William W. Veal, 1902A, Regular Air Force.

Brig. Gen. Gilbert L. Meyers, 1958A, Regular Air Force.

Brig. Gen. John B. McPherson, 2068A, Regular Air Force.

Brig. Gen. Gerald F. Keeling, 3827A, Regular Air Force.

Brig. Gen. John W. O'Neill, 4155A, Regular Air Force.

Brig. Gen. Winton R. Close, 4343A, Regular Air Force.

Brig. Gen. James C. Sherrill, 4910A, Regular Air Force.

Brig. Gen. Samuel C. Phillips, 8981A, Regular Air Force.

Brig. Gen. Jack E. Thomas, 1187A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Neil D. Van Sickle, 1442A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John S. Samuel, 1638A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Elbert Helton, 1727A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Walter B. Putnam, 1825A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Vincent G. Huston, 1865A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William B. Campbell, 2000A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Ariel W. Nielsen, 2067A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Raymond T. Jenkins, 19154A (colonel, Regular Air Force, Medical), U.S. Air Force.

Brig. Gen. John H. Bell, 4185A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William J. Crumm, 8663A (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lucius D. Clay, Jr., 8956A (colonel, Regular Air Force), U.S. Air Force.

To be brigadier generals

Col. Martin Menter, 1249A, Regular Air Force.

Col. Hugh B. Manson, 1800A, Regular Air Force.

Col. Harry A. French, 1981A, Regular Air Force.

Col. William W. Wilcox, 1991A, Regular Air Force.

Col. Thomas S. Jeffry, Jr., 2057A, Regular Air Force.

Col. Ernest A. Pinson, 3117A, Regular Air Force.

Col. Everett W. Holstrom, 3986A, Regular Air Force.

Col. Richard N. Ellis, 4001A, Regular Air Force.

Col. Thomas H. Crouch, 19192A, Regular Air Force, Medical.

Col. Chester C. Cox, 3985A, Regular Air Force.

Col. John M. Talbot, 19171A, Regular Air Force, Medical.

Col. Kenneth C. Dempster, 4633A, Regular Air Force.

Col. Everett A. McDonald, 4654A, Regular Air Force.

Col. Frank B. Elliott, 4681A, Regular Air Force.

Col. Gordon F. Blood, 4766A, Regular Air Force.

Col. Edward H. Nigro, 4889A, Regular Air Force.

Col. Glen J. McClernon, 5217A, Regular Air Force.

Col. Thomas N. Wilson, 5255A, Regular Air Force.

Col. John B. Wallace, 4426A, Regular Air Force.

Col. Ralph G. Taylor, Jr., 8660A, Regular Air Force.

Col. Lee V. Gossick, 8679A, Regular Air Force.

Col. Richard D. Reinbold, 8927A, Regular Air Force.

Col. William C. Garland, 8934A, Regular Air Force.

Col. Howard E. Kreidler, 9177A, Regular Air Force.

Col. Norman S. Orwat, 9489A, Regular Air Force.

Col. William W. Berg, 9961A, Regular Air Force.

Col. Jammie M. Philpott, 13694A (lieutenant colonel, Regular Air Force), U.S. Air Force.

Federal Deposit Insurance Corporation

Kenneth A. Randall, of Utah, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years.

Comptroller of Customs

William Rummel, of Illinois, to be Comptroller of Customs with headquarters at Chicago, Ill.

In the Air Force

The nominations beginning John H. Antonelli to be major, and ending Tommy F. Stone to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 22, 1964.

In the Army

The nominations beginning Robert G. Abarr to be lieutenant colonel, and ending Hugh F. Wynn to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 22, 1964.

In the Navy and Marine Corps

The nominations beginning Benjamin L. Aaron to be lieutenant commander, and ending Robert K. Zentmyer to be lieutenant (junior grade), which nominations were received by the Senate and appeared in the Congressional Record on January 29, 1964; and

The nominations beginning William H. Abel to be a lieutenant in the Navy, and ending Sammy R. Claxton to be a second lieutenant in the Marine Corps, which nominations were received by the Senate and appeared in the Congressional Record on February 18, 1964.

U.S. Attorneys

Edward V. Hanrahan, of Illinois, to be U.S. attorney for the northern district of Illinois for the term of 4 years, vice James P. O'Brien, deceased.

Thomas J. Kenney, of Maryland, to be U.S. attorney for the district of Maryland for the term of 4 years, vice Joseph D. Tydings, resigned.

U.S. Marshal

Roy Lee Call, of Alabama, to be U.S. marshal for the northern district of Alabama for the term of 4 years, vice Peyton Norville, Jr., deceased.

HOUSE OF REPRESENTATIVES

Thursday, February 27, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Psalm 28: 7: *The Lord is my strength and shield; my heart trusted in Him and I am helped.*

O Thou God of all counsel and consolation, we are turning to Thee in prayer, united in our search and longing for Thy grace which is sufficient for all our needs.

Grant that in walking and working by faith we may find and experience that joy and peace which the world cannot give or take away.

Inspire us to be partners with Thee and all the God fearing in building a social order wherein righteousness and justice shall rule and love shall be victorious over enmity and hatred.

May this be the beginning of a new day in our own personal life and in the troubled heart of all humanity.

Give us a healing sympathy for any of our fellow men who have been wounded by some bitter sorrow or who have been struck down by some desolating disappointment or heartbreaking tragedy.

Hear us in the name of our blessed Lord who went about doing good. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 8171. An act to authorize the Secretary of the Interior to acquire lands, including farm units and improvements thereon, in the third division, Riverton reclamation project, Wyoming, and to continue to deliver water for 3 years to lands of said division, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2448. An act to amend the Atomic Energy Act of 1954.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1153) entitled "An act to amend the Federal Airport Act to extend the time for making grants thereunder, and for other purposes."

DISTRICT OF COLUMBIA APPROPRIATION BILL—1965

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow to file a privileged report on the District of Columbia appropriation bill for the fiscal year 1965.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. WILSON of Indiana reserved all points of order on the bill.

SUBCOMMITTEE OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Post Office and Civil Service appointed to consider H.R. 7401 be permitted to sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

HON. FRANCES P. BOLTON

Mr. AYRES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. AYRES. Mr. Speaker, 24 years ago today, the Honorable FRANCES P. BOLTON took the oath of office as a Member of the U.S. House of Representatives. She had been elected to fill the unexpired term of her late husband, the Honorable Chester C. Bolton. Her service to her constituents has been so outstanding that they have reelected her 12 times.

This House has known no more devoted Member. The gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] is now the ranking Republican member of the Committee on Foreign Affairs and was the first woman to represent the Congress on the United Nations. In the minute allotted to me, I do not have the time to give you all of the details of her most distinguished career. I know that I do not need to eulogize her to her fellow Members of Congress. We all respect the ability and integrity of Congresswoman FRANCES P. BOLTON—a truly great American.

Mr. ADAIR. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Indiana.

Mr. ADAIR. Mr. Speaker, as one who has served with the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] for a number of years on the Committee on Foreign Affairs, I would like to associate myself with the remarks of the gentleman and to say also how much she has contributed in this field to the deliberations of this great body through the years. In her work on the committee she has been diligent and knowledgeable. We on the minority side of the table appreciate her leadership.

I join the gentleman in his remarks of tribute to this lady.

Mr. BETTS. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Ohio.

Mr. BETTS. I want to associate myself with the remarks of the gentleman, and, along with the Ohio delegation, extend to the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] my sincere congratulations on this anniversary.

Mr. AYRES. I thank the gentleman from Ohio, who is the whip of our delegation. I know he speaks for the Ohio delegation.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Indiana.

Mr. HALLECK. I join my colleagues in speaking of the wonderful and fine work the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON] has done here in the House of Representatives. It has been a pleasure to work with her. She is a conscientious, hard working, efficient, and effective Member of the House, whose first interest has always been the welfare of her country.

Mr. MINSHALL. Mr. Speaker, our beloved colleague, Mrs. FRANCES PAYNE BOLTON, today marks her 24th year of distinguished service to the 22d District of Ohio as a Member of the House of Representatives.

Mrs. BOLTON is bred in the purple of American public service: her grandfather, Henry B. Payne, was both U.S. Representative and Senator from Ohio; her late husband, Chester Castle Bolton, served in five Congresses; her son, OLIVER PAYNE BOLTON, carries on the family tradition in his third term in the House.

She is respected and admired by veterans of many congressional battles, her counsel is sought by leaders from other nations, she can be formidable in defending just causes, relentless in stalking down error, and never without sacrifice of her femininity, charm, and graciousness which mark her truly as the gentlewoman from Ohio. As a newcomer to the Congress 10 years ago, I was eternally grateful for the warmth of her welcome to this House, for her guidance and advice. She is a stalwart friend and a good neighbor to the 23d District which I represent.

Her wit and wisdom have endeared her to us all. She is the great lady of the House of Representatives.

Mr. RICH. Mr. Speaker, I am happy to join my other colleagues in the House in paying tribute to the Honorable FRANCES P. BOLTON, the gentlewoman from Ohio. She is without doubt one of the great ladies of America. Throughout her 24 years of devoted service to the public, and interest in her fellow citizens, she has displayed great tact, diplomacy, understanding and deep affection for the American way of life which she so strongly upholds. Following in the footsteps of her distinguished husband, the Honorable Chester Bolton, she has made her mark in the legislative annals of the United States. She served as a delegate to the United Nations eighth session. Her great love of people and understanding of their problems has made her close to the hearts, not only of all Americans, but to many thousands of persons in other lands who have been privileged to meet and know her. All of us today salute a great American.

Mr. SCHENCK. Mr. Speaker, 24 years ago today on February 27, 1940, the gentlewoman from Ohio, the Honorable FRANCES P. BOLTON, was elected to this House of Representatives of the United States to fill the unexpired term of her late husband.

Mrs. BOLTON was especially well qualified to begin her career as a Member of this House not only because of her own great capacity for straight thinking and high ideals but also because of the distinguished service of her late husband, the Honorable Chester C. Bolton, who had served with such great distinction in the Legislature of the State of Ohio and in the House of Representatives of the United States. These two very wonderful people and their family were a very closely knit family unit and continually discussed ways in which they could be of greater personal service to all their fellow men and in behalf of our great Nation.

Mrs. Bolton throughout her life has been devoted to causes in behalf of the happiness, health, and well-being of people. Her contributions in terms of personal time and help will never be fully known even though she has been highly honored by many colleges and universities for her efforts.

Mrs. Bolton has not only devoted her great abilities and concern for people in the State of Ohio and our entire Nation but she has also devoted her tremendous ability in behalf of all peoples throughout the world. She has long been a dedicated member of the very important Committee of the House on Foreign Affairs. She is now the senior ranking Republican member of that committee where her knowledge, leadership, and ability has been extremely valuable.

Mr. Speaker, not only do all the people of Ohio and her colleagues here in the House hold Mrs. Bolton in the highest regard and respect but this is also true of people without number throughout our great United States and the entire world. Everyone who knows her personally are most fortunate and feel, without exception, that Ohio and the United States is much better because of the life and completely unselfish service of our distinguished colleague from Ohio, the Honorable Frances P. Bolton.

Mrs. REID of Illinois. Mr. Speaker, today marks the 24th anniversary of service in the House of Representatives for Frances P. Bolton. It is a privilege and a pleasure for me to join with my colleagues in so honoring this outstanding legislator, great patriot, charming lady and—last but not least—loyal Republican.

And while honoring her, I wish to say an especially warm thank you for the friendly and helpful hand which she extended to me when I came to Congress last year as a freshman. I know full well that the burden of legislative work leaves very few minutes of free time. Yet she has never been too busy to give a friendly word or assistance—and I shall never cease to be grateful.

She has served her country during these 24 years with dedication, wisdom, and courage—rising to the responsible position of ranking Republican on the House Committee on Foreign Affairs. She has, indeed, been an inspiration to me and I look forward to serving with her many more years. I would add that Frances Bolton is truly an inspiration to all women throughout the country.

Mr. BOW. Mr. Speaker, I am happy to be able to pay tribute today to the charming and gracious gentlewoman from Ohio [Mrs. Frances P. Bolton].

Ohio is proud of her long and distinguished service in the House of Representatives, and I consider it a high privilege to serve here with her.

As all of us know, charm and gentility are not enough to win recognition in this legislative body, and the gentlewoman from Ohio, Frances Bolton, has never been content to rest upon these qualities though she possesses them in large measure. Instead, she has become a recognized expert in foreign affairs, perhaps the most expert Member of the House with regard to the fast-moving developments in Africa, and we look forward to the day when she can exercise her experience and ability to the fullest extent in the position of the chairman of the Foreign Affairs Committee in a Republican House of Representatives.

Not many of us may hope to serve as long in the House as the gentlewoman who observes her 24th anniversary here today, but all of us may strive to serve as honorably, as effectively, and with as much credit to ourselves, our constituents, and our country.

Mr. ABELE. Mr. Speaker, We Ohioans have given many outstanding holders of public office to our Nation. Certainly the name of Congresswoman Frances P. Bolton could well be added to that list of distinguished patriots. It was just 24 years ago today that she took her place on the floor of the House of Representatives. The people of her Ohio district had elected her to succeed her late illustrious husband, Chester C. Bolton. She has devoted every moment since in service to her country. As ranking Republican member of the Committee on Foreign Affairs, her responsibility has been great. She has welcomed that responsibility and discharged her duties most efficiently. No one has a greater compassion toward all humanity. Her work in the field of health has contributed toward the achievement of new goals in that field. Her work in international conferences, both here and abroad, has been of great aid in our diplomatic relations with the nations of the world. The love and respect that the people of her district have for her is well established. They have, by ever-increasing majorities, returned her 12 times to this body. Our Nation has known no more devoted public servant. It is indeed an honor to serve at her side.

Mr. AYRES. Mr. Speaker, I ask unanimous consent that all Members who desire to do so be permitted to extend their remarks at this point in the Record regarding the gentlewoman from Ohio [Mrs. Frances P. Bolton].

The SPEAKER. Without objection, it is so ordered.

There was no objection.

HARRY W. KALICH

Mr. GRAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRAY. Mr. Speaker, when I came to the Congress 10 years ago one of the first persons to greet me with a warm smile and friendly handshake was Harry W. Kalich, our very able and genial tally clerk. During these ensuing 10 years I have enjoyed the friendship of Harry very, very much. I was sorry to learn recently that tomorrow will end almost 18 years of service as tally clerk for Harry. He is retiring. This we all regret very much. Harry has been a faithful House employee, admired and respected by all in this body.

Due to doctor's orders Harry will end 39 years of public service in various positions of respect. He served as commissioner of motor vehicles of Queens County, N.Y., as deputy sheriff, and tax appraiser before coming to Washington in 1945.

Harry has been a great credit to the House of Representatives and we shall all miss him very much.

Mr. Speaker, I know I express the feelings of Members on both sides of the aisle when I extend to Harry Kalich our very best wishes for improved health and many years of happiness and say thanks for giving this House 18 years of valuable service. Good luck, Harry.

THE INTERNATIONAL DEVELOPMENT ASSOCIATION BILL

Mr. BECKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, yesterday the House worked its will on the International Development Association bill, and the bill was defeated.

Already this morning we see on the ticker tape that a Cabinet member insists the bill be brought up again in the House and passed. This again proves that the arm twisting and wheeling and dealing will take place in order to get the number of votes necessary to pass that bill.

As I said before in this House, apparently Congress is to become a subordinate branch of the executive department of the Government and only to act on behalf of the bureaucrats downtown.

I certainly hope and pray that the Congress will retain its prerogative as a legislative body, as it did yesterday, and that if the bill ever comes up again we will give it the same treatment it was given yesterday, because that was right and just.

SUBCOMMITTEE ON NATIONAL PARKS OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. MORRIS. Mr. Speaker, I ask unanimous consent that the Subcommittee on National Parks of the Committee on Interior and Insular Affairs be permitted to sit during general debate, during the session of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

SUBCOMMITTEE ON ADVANCED RESEARCH AND TECHNOLOGY OF THE COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. HECHLER. Mr. Speaker, I ask unanimous consent that the Subcommittee on Advanced Research and Technology of the Committee on Science and

Astronautics may be permitted to sit during general debate while the House is in session this afternoon.

The SPEAKER. Is there objection to the request by the gentleman from West Virginia?

There was no objection.

FOREIGN AID

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I wonder when the administration of President Johnson is going to send its recommendations for a foreign giveaway bill up to Congress. If the President never sends his giveaway recommendations up, it will be too soon as far as I am concerned, but I know that would be too good to be true. Yes, I am beginning to wonder whether we shall face the same kind of situation we have faced in years past—a delay in consideration of the foreign giveaway bill until the last, long, weary hours of the session, and then a ramrodding of it through under forced draft.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Oklahoma.

Mr. ALBERT. I believe the gentleman is going to be sadly disappointed in a short period of time.

Mr. GROSS. I hope the gentleman is correct. The Foreign Affairs Committee has scheduled no hearings whatever on a foreign giveaway bill, and it is time the committee got to work, if we are going to get out of here without having it rammed down our throats perhaps a few days before the next New Year as was the situation last December.

FOREIGN AID

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, I say to the gentleman that from a strategic standpoint the best time to get the bill before the House probably would be the week before the Republican convention, unless, of course, the gentleman has primary opposition. Then any time during his primary would be all right.

Mr. GROSS. I fear the gentleman is going to be disappointed this year.

APPOINTMENT OF UNITED STATES-PUERTO RICO COMMISSION ON THE STATUS OF PUERTO RICO

The SPEAKER. Pursuant to the provisions of section 2(b), Public Law 88-271, the Chair appoints as members of the United States-Puerto Rico Commission on the Status of Puerto Rico the following Members on the part of the House: Mr. O'BRIEN of New York and Mr. WESTLAND.

COAST GUARD AUTHORIZATION

Mr. BONNER. Mr. Speaker, I call up the conference report on the bill (H.R. 9640) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina.

There was no objection.

The Clerk read the statement.

The conference report and statement follow:

CONFERENCE REPORT (H. REPT. NO. 1155)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9640) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That the sum of $93,299,000 is authorized to be appropriated for the fiscal year 1965 for the use of the Coast Guard as follows:

"VESSELS

"For procurement of—
"(1) two high-endurance cutters;
"(2) eight medium-endurance cutters;
"(3) one coastal tender;
"(4) three inland tenders;
"(5) three small harbor tugs;
"(6) nine small patrol cutters; and
"(7) one river tender.

"AIRCRAFT

"For procurement of seventeen helicopters.

"CONSTRUCTION

"For establishment or development of Coast Guard installations and facilities by acquisition, construction, conversion, extension, or installation of permanent or temporary public works, including the preparation of sites and furnishing of appurtenances, utilities, and equipment for the following projects:

"Atlantic Coast: Offshore light platforms at Diamond Shoals and Chesapeake Bay entrance.

"Missouri River: Moorings for river tender.

"Air Station, Elizabeth City, North Carolina: Replace runway.

"Air Detachment, Annette Island, Alaska: Family housing units and support facilities.

"Detroit, Michigan: Operational facilities for helicopter detachment.

"Aircraft Repair and Supply Base, Elizabeth City, North Carolina: Maintenance facilities.

"Air Detachment, San Juan, Puerto Rico: Maintenance and operational facilities.

"Moorings, Mayport, Florida: Administrative, operational, and maintenance facilities.

"San Juan, Puerto Rico: Family housing units and support facilities.

"Depot, Guam: Replace operational, administrative, and supply facilities.

"Wilmington, North Carolina: Moorings for large cutter.

"Base, Ketchikan, Alaska: Improve maintenance facilities.

"Base, Woods Hole, Massachusetts: Improve operational and maintenance facilities.

"Academy, New London, Connecticut: Field house.

"Loran Station, Sitkinak, Alaska: Replace runway."

And the Senate agree to the same.

HERBERT C. BONNER,
EDWARD A. GARMATZ,
ALTON LENNON,
THOR C. TOLLEFSON,
MILTON W. GLENN,
Managers on the Part of the House.

E. L. BARTLETT,
WARREN G. MAGNUSON,
PHILIP A. HART,
WINSTON L. PROUTY,
J. GLENN BEALL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9640) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text, and the House disagreed to the Senate amendment.

In large part the provisions of the House bill and the Senate amendment were the same or similar. The differences between the House bill and the substitute agreed to in conference are noted below.

The House bill authorized the appropriation of funds for procurement of vessels and aircraft and for construction of shore and offshore establishments for the Coast Guard without fiscal year limitation and without limitation as to the maximum amount authorized to be appropriated.

The Senate amendment authorized appropriations only for the fiscal year 1965 and imposed a limitation of $71,799,000 as the maximum amount authorized to be appropriated for such fiscal year.

The conference agreement follows this provision of the Senate amendment except that the limitation as to the maximum amount authorized to be appropriated for the fiscal year 1965 is increased from $71,799,000 to $93,299,000.

HERBERT C. BONNER,
EDWARD A. GARMATZ,
ALTON LENNON,
THOR C. TOLLEFSON,
MILTON W. GLENN,
Managers on the Part of the House.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from Iowa.

Mr. GROSS. The amendments on the part of the Senate are germane to this bill, are they not?

Mr. BONNER. They are, sir.

Mr. GROSS. I thank the gentleman.

Mr. BONNER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. HALEY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 49]

Andrews, N. Dak.
Ashley
Bass
Belcher
Broomfield
Brown, Calif.
Brown, Ohio
Buckley
Burleson
Celler
Clark
Clausen, Don H.
Davis, Tenn.
Dawson
Devine
Dowdy
Elliott
Fallon
Fuqua
Gibbons
Grabowski
Grant
Hagen, Calif.
Herlong
Hoffman
Holifield
Johansen
Johnson, Calif.
Jones, Ala.
Karsten
Kee
Kelly
Kluczynski
Laird
McFall
Martin, Calif.
Matthews
Meader
Nedzi
O'Brien, Ill.
Pepper
Powell
Rhodes, Ariz.
Rivers, S.C.
Roberts, Ala.
Robison
Rogers, Fla.
St. Onge
Senner
Sheppard
Sibal
Sikes
Smith, Iowa
Staebler
Taft
Tollefson
Vanik
Wallhauser
Watson
Williams
Willis
Wilson, Charles H.
Wright

The SPEAKER pro tempore (Mr. ALBERT). On this rollcall, 367 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDING PEACE CORPS ACT

Mr. BOLLING (on behalf of Mr. MADDEN) reported the following privileged resolution (H. Res. 641, Rept. No. 1157) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9666) to amend further the Peace Corps Act (75 Stat. 612), as amended. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ADMINISTRATION OF PUBLIC LANDS OF THE UNITED STATES

Mr. BOLLING (on behalf of Mr. COLMER) reported the following privileged resolution (H. Res. 642, Rept. No. 1158) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8070) for the establishment of a Public Land Law Review Commission to study existing laws and procedures relating to the administration of the public lands of the United States and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the substitute amendment recommended by the Committee on Interior and Insular Affairs now in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

BROADCAST ADVERTISEMENTS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 622, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8316) to amend the Communications Act of 1934 to prohibit the Federal Communications Commission from making certain rules relating to the length or frequency of broadcast advertisements. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Kansas [Mr. AVERY] and pending that I yield myself such time as I may consume.

Mr. Speaker, while there is a controversy on the bill to be made in order by this resolution, there is to my knowledge no controversy on the rule. A request was made by the opponents of the bill, H.R. 8316, that extra time be granted under the rule. That is to be done. The rule provides for 3 hours, an open rule.

I reserve the remainder of my time.

Mr. AVERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker and Members of the House, there is more to the bill than simply meets the eye. It is not a bill hastily considered in the Committee on Interstate and Foreign Commerce which comes to the House today merely to establish policy on the treatment of commercials by radio and television broadcasters.

The controversy over the bill—and there is one—is a deep seated controversy which I believe has been either before the Congress or within the industry since the passage of the first radio act in 1929. The original issue was whether or not the broadcasters using the airwaves would be subject to regulation. That was by the Federal Government, resolved many years ago.

There has been a question pending since that time, since there was recognized jurisdiction in the regulation of broadcasters, as to how far the regulation should go. Today, specifically, we are talking about whether this power to regulate actually reaches to the regulation of programing itself.

Although the bill deals with the frequency and length or duration of commercials, this is only a side issue. This is just a trial run on the track, so to speak. The basic issue is whether the Federal Communications Commission is going to assume the right to regulate and ultimately to control the programing of radio and television broadcasters.

This issue came into perspective with the submission of the Landis report, a report prepared under the direction of the then President-elect Kennedy, by Judge Landis. Those of you who have been familiar with broadcast controversies or with issues revolving around the regulatory agencies know that Judge Landis was one who always supported the viewpoint that there was no limitation on the authority of independent regulatory agencies to regulate in whichever field Congress may have prescribed for them.

The next manifestation of this problem was brought before the House in a plan to reorganize the Federal Communications Commission, early in 1961. Although that proposed reorganization of the Commission directed itself only to the delegation of power to the Chairman—even though that was the issue upon which the proposed reorganization was defeated here on the floor of the House—underlying that was the extent of control that could be exercised by the Commission itself over the broadcast industry.

I point out at this point, Mr. Speaker, this is not a partisan issue.

I would like to call the attention of the Members of the House to the fact that Commissioner Bartley, a Democrat, joined Mr. Ford and Mr. Hyde, who were appointed as Republicans, in dissenting from the majority position of the FCC's tentative decision some months ago when they opened up this whole new field again.

Mr. Speaker, certainly the rule should be adopted and the bill should pass. I do not think it will be debated for 3 hours as is made in order under the resolution, but I think it will be debated. If you will notice, the committee report found there were eight members of the Committee on Interstate and Foreign Commerce that did sign a minority report. In other words, they take the position that this bill should not pass and that the Commission does have the power to regulate the frequency and the length of commercials on their broadcast log.

In closing, Mr. Speaker, may I repeat—and I hope I can make this abundantly clear, because it will be repeated frequently this afternoon—that regulation of commercials is just a peripheral issue. It is just a testing, if you please, to see how much regulation Congress will tolerate by the FCC.

If Congress in its wisdom should not restrict the FCC from regulating commercials, I predict here this afternoon it will not be very many more months until they will assume that they have additional authority in which to regulate programing itself. You say, what does regulating programing mean? It means the loss of free speech. It is just as important as that. I thought what a coincidence it was. We raced up and down the hill all day yesterday here trying to decide whether we should spend $312 million in a $100 billion foreign aid program, and this was responsible for four or five quorum calls and some very skillful debate. Yet here today we have a bill that I say goes to the very issue of free speech itself, and there is apparently not a great amount of interest manifested. Yet this issue, in my humble judgment, outweighs the magnitude of the issue we had yesterday manifold.

In conclusion, Mr. Speaker, let me say this: It has been the position of many of us in this House that the best regulation rested, No. 1, in competition in the industry and, No. 2, in public opinion. This has always been traditionally a sufficient regulatory force in the broadcasting industry, and certainly I would hope it will remain so. Just recall, if you please, ladies and gentlemen of the House, how long you leave your radio or television on, tuned in to a station. If it is overcommercialized, what do you do? You shut it off. I do not think there is any better regulation nor a greater mandate to the industry than the reaction of the radio or television viewer or listener, because in proportion to his reaction to a program is the success of that particular broadcasting facility going to be determined.

Again, Mr. Speaker, let me say the rule should be adopted and there should be an overwhelming vote in favor of the bill.

Mr. KYL. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Iowa.

Mr. KYL. The gentleman from Ohio [Mr. DEVINE] is absent today because he is on other business of the Committee on Interstate and Foreign Commerce, this being an investigation of the aircraft accident in the South. Were the gentleman from Ohio [Mr. DEVINE] present today, he would support this legislation.

I thank the gentleman.

Mr. DOLE. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Kansas [Mr. DOLE].

Mr. DOLE. I certainly concur in the remarks made by the gentleman and I want to rise in support of the rule on H.R. 8316.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. DOLE. Mr. Speaker, the bill H.R. 8316 before the House today to prohibit the Federal Communications Commission from making certain rules concerning the length or frequency of broadcasting of commercials should be adopted.

I favor its enactment because it appears the FCC has ascribed to itself statutory authority which does not exist. In this connection, I wish to remind my colleagues of the dissenting statements of FCC Commissioners Rosel Hyde and Robert T. Bailey on the proposed rulemaking procedure last year. These men point out that the Commission was in essence adopting the codes of the National Association of Broadcasters by establishing the rulemaking procedure concerning commercial broadcasts.

Many broadcasters from my congressional district have written in support of H.R. 8316. I wish to submit for the attention of my colleagues a letter from an official of the Kansas Association of Radio Broadcasters, and following that, excerpts from two letters from prominent broadcasters in western Kansas voicing the sentiment of the vast majority of broadcasters:

> It is my understanding that the Rogers bill (H.R. 8316) is scheduled for consideration on the floor of the House of Representatives this week. I respectfully ask that you give this bill your active support and vote.
>
> I feel totally confident that I speak for every broadcaster in Kansas and the great majority of our people in Kansas who enjoy the benefits and service that come from free broadcasting in making this request.
>
> While the FCC dropped the proposed rulemaking concerning the limitation of commercial time I wrote about on June 16, 1963, there is no assurance that it will not seek to do so in the future. You gave the broadcaster and the people of Kansas most valuable help by stating to the Commission your opposition to these limitations at that time and that is why we come to you again.
>
> H.R. 8316, in my mind, is an honest attempt at making it abundantly clear that the FCC may not adopt a rule that would prescribe the length or frequency of advertisements which may be broadcast. If the FCC were so allowed to do this, it would appear that we are coming alarmingly close to the public utility concept of regulations for free broadcasting. If time and frequency could be set by the FCC, it would seem to follow that price could too. This, I'm sure, was not the intent of the Communications Act nor the thinking of any legislative body that has followed. I feel certain that you agree that a free, competitive system of broadcasting serves everyone best.
>
> Your help is needed now and your cooperation is greatly appreciated.

> Briefly, we support this bill because we feel the public, not the FCC, should govern the number of commercials on the air. The public can do this very easily without Government intervention, merely with a flip of the dial. Too many commercials mean less audience. Less audience means less response to commercials. Less response leads to cancellation of commercials by the advertiser. So, you can see that over-commercializing is not in the best interests of the broadcaster.
>
> The FCC recently abandoned its proposed rulemaking on limiting the number of commercials on the air. However, they have not abandoned their ultimate goal. Now they propose to handle the situation on a so-called case-by-case basis.

> I urge your support of the Rogers bill, H.R. 8316, prohibiting the FCC from limiting the number of commercials on radio and television.
>
> You know we broadcasters have a strong national organization, the National Association of Broadcasters, to which more of us become members each month. The NAB has a strong code of good practice dealing with number and length of commercials, commercial content and presentation, and good taste in advertising. The code board is active and makes revisions in the code from time to time to meet changing conditions. The code is enforced on all members who subscribe to it, and this number is growing continuously.
>
> I believe this method of control of commercials is the effective and desirable method.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Kansas [Mr. SKUBITZ].

Mr. SKUBITZ. Mr. Speaker, I rise in support of the rule on the bill.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks made in general debate on the bill today.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SKUBITZ. Mr. Speaker, the Federal Communications Commission is the "child of Congress." But like many of our offspring, it has become "too big for its britches." It is about time that we beat a path to the woodshed.

Neither the Communications Act of 1934 nor any other provision of law authorizes the Commission to impose, by rule, standards with respect to the length or frequency of commercial broadcasts.

Unless this measure is passed, broadcasting service will be measured—by the stopwatch approach on time allocated to advertising rather than on public need.

The legislative history of the Communications Act clearly shows that in determining how the spectrum should be developed, Congress considered the issue of Government operation or development by private enterprise under Government regulation. The Congress, in its wisdom, wisely chose development by private enterprise.

We have the greatest broadcasting system in the world, and it has been developed without Government subsidies. But the American system is based upon profit, and profit depends upon the sale of advertising. Give to the Federal Communications Commission jurisdiction over the length, frequency, and placement of commercial announcements, and you strike a body blow to the American broadcasting system.

When seven men in Washington can tell a little broadcaster in Kansas, "You have only so many minutes of time to sell, and you must make your profit," then what happens to the little fellow who cannot make it? Logically, he will be given an opportunity to bring his books to Washington. Then who is it that controls broadcasting? Who will then determine what shall be broadcast?

I have become irritated at times with the volume of advertising that appears in the daily newspapers. I get irritated with the ads on radio and television. But when I do, I turn to another station. I know of no group that is more sensitive to the public need. Unless a broadcaster has a listening public, he cannot get advertisers. And without advertisers, the broadcaster cannot survive.

Kansas has a higher percentage of radio stations subscribing to the NAB code than any other State in the Union. They are constantly seeking means to improve their service to meet the public needs.

In my humble opinion, competition between broadcasters for the ear of the listening public will give the people of Kansas and the country a higher standard of broadcasting than seven men sitting in Washington using the stopwatch approach in determining whether a broadcaster is doing a job.

I urge the passage of this bill.

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Minnesota, a member of the Committee on Interstate and Foreign Commerce and a member very knowledgeable in this particular area.

Mr. NELSEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include letters and telegrams.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. NELSEN. Mr. Speaker, there are too many Government bureaus, too many eager Government departments reaching for new power to interfere with the rights of people seeking to serve the public interest without becoming completely subservient to Government. That is why I support H.R. 8316 so as to prohibit the Federal Communications Commission from laying down the rules for every radio and television station on its broadcast commercials.

I oppose letting a Government commission have the power to lay down such rules because such a step is so easily followed by other steps in which Government takes over programing, scheduling, content. I do not readily forget the orders that went out from the Department of Agriculture a year ago, to get free time on stations everywhere in support of the wheat referendum—and the instructions which were sent out to remind broadcasters that their licenses are subject to frequent review and possible cancellation.

Quite apart from the broad principles involved in permitting a measure of freedom to our free enterprise system—circumscribed very closely, of course, by requirements of public service and the power to revoke licenses—it is completely undesirable to permit a bureau in Washington to dictate the rules for every broadcaster in every community. The needs and conditions obviously vary from one town and one station to another, and as long as the broadcaster conscientiously seeks to serve his community under the broad guidelines of our present system of regulation, those needs are better determined in the community by broadcasters and their audiences than by the people in Washington.

I have visited many of these small radio stations, operated by two or three people, and I have talked with them about the problems they constantly face in serving their communities. Let us not add to the burdens they already have in preparing endless records and reports to satisfy Commission requirements. Let us make it possible for them to do the job for which they are licensed—to serve their communities in the best possible manner.

The fact that the FCC has terminated its proceedings with reference to proposed rules governing broadcast commercials, does not eliminate the advisability of this legislation, because it is too symptomatic of the tendencies and ambitions which become part of the Potomac "fever." Let us make it clear and firm that Congress says "No," and says it emphatically.

At this point in my remarks I wish to include several messages I have received from leaders in the broadcast industry in Minnesota expressing support for the passage of H.R. 8316 and ask that they be printed in the Record.

MINNEAPOLIS, MINN.,
February 26, 1964.

Representative ANCHER NELSEN,
House Office Building,
Washington, D.C.:

Understand H.R. 8316 coming up for vote in House today. Hope you can see your way clear to support this bill. Think you will agree the fewer controls on the broadcasters the better.

WILLIAM E. MCGIVERN,
Director of News Operations, KSTP-TV.

MANKATO, MINN.,
February 25, 1964.

Hon. ANCHER NELSEN,
U.S. House of Representatives,
Washington, D.C.:

Will appreciate a vote of confidence in your local television stations as reflected in "yes" vote for H.R. 8316.

DON HARRER,
General Manager, KEYC-TV.

CHICAGO, ILL.,
February 24, 1964.

The Honorable ANCHER NELSEN,
House Office Building,
Washington, D.C.:

Respectfully urge your support of Rogers bill, H.R. 8316, prohibiting a rule to limit commercials in radio and television. Broadcasters have demonstrated their responsibility in adoption of and adherence to industrial codes and self-regulation. Firmly believe this dynamic media can continue to grow and increase in the public interest only under free enterprise system and not additional government control. Thank you for your consideration.

Regards.

WARD L. QUAAL,
President, KDAL, Inc.,
Duluth, Minn.

WCCO TELEVISION,
Minneapolis, Minn.,
February 21, 1964.

Hon. ANCHER NELSEN,
House of Representatives,
Washington, D.C.

DEAR ANCHER: The above bill, as you know, is presently scheduled for House consideration next Wednesday. It was introduced by Representative WALTER ROGERS.

This bill aims toward clearing up a gray area in the Communications Act of 1934 as to what the FCC should and should not regulate. I cannot help but feel that Congressman ROGERS is probably concerned with the growing tendency of Federal regulatory agencies to think for themselves rather than follow the thinking of Congress.

I hope you will study this bill carefully and will be able to give it your support. Every broadcaster in the country will, indeed, be grateful.

Cordially yours,

SHERMAN K. HEADLEY,
Assistant Manager.

WLOL RADIO,
Minneapolis, Minn.,
February 24, 1964.

Hon. ANCHER NELSEN,
House of Representatives,
Washington, D.C.

MY DEAR MR. NELSEN: The National Association of Broadcasters has just informed me that the Rogers bill, H.R. 8316, to prohibit the Federal Communications Commission from adopting the rule limiting commercial time, has been rescheduled for consideration on the House floor on Wednesday, February 26.

A vote for this bill is a vote of confidence in the broadcasters of your district. A vote against this bill will open the door to unlimited governmental control of broadcasting. Your cooperation in helping to assure the passage of this bill is urgently requested.

Respectfully yours,

MINNESOTA BROADCASTERS ASSOCIATION,
N. L. BENTSON,
President.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. AVERY. Mr. Speaker, I yield to the gentleman from Nebraska, a member of the Committee on Interstate and Foreign Commerce.

Mr. CUNNINGHAM. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am a member of the Committee on Interstate and Foreign Commerce, as was stated by the gentleman from Kansas, and a member of the Subcommittee on Communications and Power which held hearings and approved this bill. I am in support of the rule and in support of the bill.

It seems to me that the basic function of the Federal Communications Commission—and I am sure this is the original intent of the legislation setting up this Commission—is to regulate the airwaves. Since the enactment of the legislation in this field and the establishment of the FCC they have gone quite a way beyond the original intent that Congress had in setting up the FCC and establishing the basic policy in the field of communications. If they go ahead with this particular type of regulation, it is a nose-under-the-tent proposition, as far as I am concerned. I think then they will feel that they have the go-ahead to go into other takeover regulations they have already suggested. They have already made public some things they plan to do and I think eventually they will end up putting the radio, TV, and communications people out of business and eliminating free enterprise in this field.

The eventual windup will be, as they have it in Great Britain, Government control of the radio and TV system. I do not think any of us want that to occur. There are people who feel that commercials are poorly prepared. I have heard some of those myself. But I do not think we should allow the FCC to take this drastic step because of this. If there is a commercial that I do not like I turn to another station. Other people I am sure do likewise, and that certainly would be reflected in the ratings that are made by the various agencies that rate listener audiences. Any station deserted by the listener will soon mend its way.

More important than that is that if the FCC is permitted to regulate the length and time of commercials, as the gentleman from Kansas has said, in no time at all they would be regulating programing and that would be a disastrous development because eventually we will have a complete violation of our constitutional rights as far as freedom of speech is concerned.

Therefore, Mr. Speaker, I support this legislation and I do hope that it passes.

Mr. AVERY. Mr. Speaker, I would like to propound an inquiry to the gentleman from Nebraska, if I could have his further attention. May I inquire of the gentleman from Nebraska what would be the effect now if this bill did not pass? I wonder if the gentleman has explored this problem? What would be the innuendo and in what position would this leave the Commission now if the bill were not passed by the House?

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I yield to the gentleman.

Mr. CUNNINGHAM. If this bill is not passed then there will be a green light given to the FCC to go ahead with its announced plans to institute the regulation of this and other facets of the industry. This will represent a green light which will open the door to these further regulations which can be instituted and which they will claim they have the right to do if the bill is not passed. In other words, they will assume that they do have the right to go ahead and enter into all these other innovations. That is certainly going to happen if this legislation is not passed.

Mr. AVERY. I certainly concur with the gentleman's analysis and conclusion that if the House fails to pass the bill the Commission will immediately assume that they have the authority to make additional regulations which they erroneously assumed some months ago. The mere fact that they have announced the fact that they will not further pursue this rulemaking authority should not be construed as meaning that they have basically changed their point of view, but that this was just a strategic withdrawal for the present time.

Mr. Speaker, I have no further requests for time. I reserve the balance of my time.

Mr. BOLLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Speaker, I rise in support of the rule and in support of the bill.

Mr. Speaker, I strongly support H.R. 8316, a bill to provide that the Federal Communications Commission shall not have the power to prescribe by rule the length and frequency of commercials which may be broadcast by radio and television stations.

The FCC very wisely dropped its proposed rule to limit the time that may be devoted to commercials. But at the same time the Commission deliberately posed the threat of future rulemaking unless broadcasters comply with its rather fuzzy and ill-defined policies respecting commercials.

During the hearings testimony was heard from broadcasters, private citizens, listener groups, business groups, and others. So far as I can determine everyone who wanted to be heard was heard. The nature of the testimony was such that the FCC's decision to drop the proposed rule was unanimous. The Commissioners evidently saw the handwriting on the wall.

I wholeheartedly agree with the principle of public ownership of the airwaves, but this is not the only principle involved. Also to be considered are the principles of free press, free speech, and free enterprise. The latter, through the medium of competition, does more to regulate commercials than the FCC could ever hope to do.

We are not so naive as to believe that there are no abuses of the public interest in the broadcasting of commercials. We have heard of cases of 15 commercials in 20 minutes of broadcasting time, or increasing the audio volume during commercials, and other tricks of the trade. The broadcasting industry makes no claim of $99^{44}/_{100}$ percent purity. At one time it did, but, significantly, that is a bygone era.

Furthermore, if the FCC is permitted to make rules or to intimidate the broadcasters on the theory that it is protecting viewers and listeners who are offended by some commercials, should not it offer equal protection to those who are offended by some of the so-called entertainment programs? I am sure that a considerable number of Americans, if given the opportunity, would testify that in their opinion there are too many soap operas, horse operas, and "whodunits" on the airwaves. But should the FCC threaten to limit the time that may be devoted to such programs? Of course, not.

When entertainment is regulated it is called censorship and that is a bad word. Few favor censorship. But when commercials are regulated it is just called regulation, and that is a good word to many people.

There are those who would fight to their last breath against censorship, but who readily submit to the same type of control when it is called regulation. The regulation of commercials is little if any different from censoring entertainment.

I submit that the FCC has no more business threatening one than the other. Therefore, Mr. Speaker, I support this bill and trust it will be overwhelmingly approved.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LENGTH OR FREQUENCY OF BROADCAST COMMERCIALS

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8316) to amend the Communications Act of 1934 to prohibit the Federal Communications Commission from making certain rules relating to the length or frequency of broadcast advertisements.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8316, with Mr. LANKFORD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Arkansas [Mr. HARRIS] will be recognized for 1½ hours and the gentleman from Michigan [Mr. BENNETT] will be recognized for 1½ hours.

The Chair recognizes the gentleman from Arkansas.

Mr. HARRIS. Mr. Chairman, there has been some comment during the debate on the rule about the effect of the proposed legislation. There has been some indication that this is a simple problem and that it is easy to clear up many of the controversies with which we must deal in the field of broadcasting and to satisfy the viewers of television and those who listen to radio by passing this legislation.

But it is not quite that simple. There is a fundamental problem involved. At a later time I will undertake to give to the House what I think are some of the pertinent sections involved in the Communications Act. The committee has developed, after substantial hearings by the subcommittee headed by the gentleman from Texas [Mr. ROGERS], complete information on this subject. The subcommittee did a very fine job in developing this matter during the course of the hearings. Then in executive session the committee considered and reported the bill.

The matter deals in an important way with the economics of the broadcasting industry. So this so-called simple bill really reaches the foundation stone of our free enterprise broadcasting system. Under the established procedure that we have, the broadcast industry finances its operations through advertisements or what is referred to as broadcast commercials.

The gentleman from Texas [Mr. ROGERS], as chairman of the subcommittee, introduced a bill. The Committee on Interstate and Foreign Commerce considered and reported the bill. There were a few members of the committee who raised some questions, but the overwhelming sentiment of the committee at the time the bill was reported was in favor of taking this action.

Some information will be presented to you as to what has occurred since. All of that will become a part of the record and discussion today in order that you may get the full significance of it.

Mr. Chairman, at this time I yield 20 minutes to the distinguished gentleman from Texas [Mr. ROGERS], for the purpose of explaining the bill itself.

Mr. ROGERS of Texas. Mr. Chairman, let me preface my remarks by saying that one of the prime purposes for this legislation is to preserve and protect the constitutional power of the Congress of the United States. It has only been in recent years that we have had what are known as administrative agencies.

The Constitution of the United States in two places puts the legislation of this country in the hands of the duly elected Members of the Congress of the United States. There have been numerous holdings to the effect that those powers of legislation cannot be delegated. We have here a situation, in the history that brought about need for this particular bill, an attempt by those outside of the legislative branch of this Government to circumvent the Constitution.

In the first place, this controversy, if that is what it is, started on May 15, 1963, when by a 4-to-3 decision on the part of the Federal Communications Commission a notice of proposed rulemaking was entered. This created quite a bit of dissension among the people who were familiar with what was going on. That included the gentleman from Texas who is addressing you.

On August 30, 1963, I introduced the legislation that is before you today. That legislation, as you will note, is very simple and compact. It is not extensive. There are not a lot of words in it. The very few words that are in it simply lay down the rule that should have been recognized by the Federal Communications Commission under the Constitution of this land and under statutory procedure as old as this country is. There would not have been any necessity for introducing this bill in the first place. But the Federal Communications Commission did not do that.

In view of the situation that was developing, it appeared to me to be necessary that some immediate action be taken to pinpoint the problem and let the Federal Communications Commission and other regulatory agencies, other independent agencies, know that the Congress of the United States was not surrendering any of its powers or any of its prerogatives by some position these agencies wanted to take.

I confess to you that I am jealous of the powers and prerogatives of the Congress of the United States, as jealous as the members of the Supreme Court are of the jurisdiction vested in that body, and as jealous as those people in the executive branch of the Government are of their power. If we continue to permit these powers to be taken away one at a time, we are going to end up before long where Congress will only be required to come in here to pass on tax bills and appropriation bills and then go home. It is my prediction that if that time comes the people of this country will say, "We do not need a Congress," and simply dispense with it; and I think they would probably be right.

Let us see where the danger is in this type of action that was attempted by the Federal Communications Commission. We all know we have certain industries that must be regulated. There are several ways of regulating these industries. But the people in this country feel that the least possible regulation is the best if the free enterprise system is going to prevail.

What did they do when they wrote the Communications Act, the first radio act, in 1927? The people at that time undertook to protect the free enterprise system upon which this country was built. They made it possible for communications to be in free competition. As far as the telephone is concerned and as far as the telegraph is concerned, they made them common carriers, but they did not make radio a common carrier and subsequently television was not brought in as a common carrier. So the regulation of one was not the same as the other. There was free competition between the people holding radio licenses and those holding television licenses.

What did the Federal Communications Commission undertake to do by the act they proposed in their rulemaking capacity back in May of 1963? First, let us look and see what power they have to make a rule. They have the power to make rules because Congress gave them that power. It has never been intended by the Congress and it has never been recognized by the courts that this rulemaking power authorizes these agencies having that power under the Administrative Procedure Act to make statutes, to write legislation which would be in violation of the Constitution.

Yet, if you go over the hearings and if you study the report with reference to this particular situation—and we tried our best to write a good report so that you could read it and get a true picture of what was happening—you will find that the Federal Communications Commission—and whether this was by design or whether it was innocent makes little difference because the result is the same—undertook to change the regulatory processes insofar as the radio and television business was concerned over to a utility-type regulatory process—which the Congress of the United States had refused to do in the first place and which it has failed to do ever since. This was in effect amending a statute, without the consent of Congress.

That would, in effect, be legislating by the Federal Communications Commission. That is the key to this whole problem. If legislation is to be passed and if the communications industry, the radio and TV people, are to be brought in under a public utility-type of regulation, it is something for the Congress to do; it is something for the representatives of the people who are elected by the people of the United States to do, and not something to be done by some agency downtown which is insulated from the electorate in every respect.

I think the Members of this Congress would join with me in preserving and protecting the power of the people. That is exactly what is intended to be done by this legislation.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I am happy to yield to the gentleman.

Mr. DINGELL. My good friend has said that he does not feel the FCC has authority to regulate in this area and he proposes to take this authority away from the FCC. I am wondering if our good friend would tell us then whether he would support congressional legislation to regulate the amount of commercialization; and if as chairman of the appropriate subcommittee he proposes to hold hearings leading to the regulation of overcommercialization in the broadcasting industry.

Mr. ROGERS of Texas. That is a very good question from my good friend, the gentleman from Michigan, a Member who does a good job. But the fact of the matter is, if there is an abuse and if there is something that needs to be corrected, it is a matter that ought to be done by the Congress of the United States and by the Representatives in Congress such as the gentleman from Michigan and not by some agency downtown which, as I say, is insulated from the public and from the electorate.

Mr. DINGELL. If the gentleman would just yield briefly.

I have most high regard for my good friend, but under the circumstances then, does the gentleman propose to go into this matter as chairman of the appropriate subcommittee to see to it what can be done to stop this overcommercialization on the airwaves?

Mr. ROGERS of Texas. The gentleman from Texas will work in any way in the world in an effort to solve the problems that face this country, and the gentleman from Michigan as a Member of the Congress, duly elected to office, has the right to introduce any type of legislation he wants to introduce on this subject. With respect to anything with which I am associated, I can assure the gentleman from Michigan, I will give my attention to it in every respect.

Mr. DINGELL. Am I to infer then that the gentleman will convene hearings to go into this problem of overcommercialization?

Mr. ROGERS of Texas. I think that would be a matter for the chairman of the full committee to determine. If the chairman of the full committee feels there is a problem that ought to be taken up, you can be sure that I will cooperate in full with both the chairman of the full committee and the gentleman from Michigan.

Mr. DINGELL. Would our good friend then support the concept that there should be congressional action on this problem of overcommercialization which exists today?

Mr. ROGERS of Texas. I would think the time to make that decision would be when the evidence was in. Being a member of the bar, I have never found it practical or advisable to prejudge a situation.

Mr. DINGELL. Well, does the gentleman then propose to go into this matter to determine whether or not there is overcommercialization?

Mr. ROGERS of Texas. I think that depends on whether legislation is introduced. If legislation is introduced posing a problem, it certainly will be gone into—if that is the problem that is brought up, and if there is a problem.

As I said, I would be most happy to work with the gentleman from Michigan or with anyone else on this subject.

Mr. KILBURN. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I am happy to yield to the gentleman from New York.

Mr. KILBURN. I have received some letters I do not know how to answer. The situation involves a small town which has one radio station, without any competing station. Most of the people in the town have transistor radios. Furthermore, they wish to hear the hometown news. So they turn on the radio at the time advertised for news, and then they listen to 10 or 12 minutes of advertising before they can get 1 minute of news.

What recourse do those people have? They cannot switch to another station, because there is no other station they can get on the transistor radios.

Mr. ROGERS of Texas. The licenses are issued for a term of 3 years. The reason why that was done in the first instance was to create a situation in which the holders of the licenses would have to report back to the Federal Communications Commission and account for their stewardship during that period of time. If the people are offended by what is going on, they can report that matter to the Federal Communications Commission, and the Federal Communications Commission today can intercede to see that the situation is corrected. If the situation is not corrected, the man's license will not be renewed, if he has not served the public interest of that community. That is the law today. That is exactly what is provided in the Communications Act.

Mr. KILBURN. I called up the Federal Communications Commission when I received these letters, and they were not too sure they could do anything about it. They said, "You had better talk to Congress about it."

Mr. ROGERS of Texas. I do not want to criticize the Commission or the staff; they showed no such hesitancy in asserting the power, which we hope to treat in this bill.

Mr. KILBURN. I believe in free competitive enterprise.

Mr. ROGERS of Texas. Certainly the gentleman does.

Mr. KILBURN. And perhaps I will vote for this bill. In that situation it is free enterprise, but it is not competitive.

Mr. ROGERS of Texas. Certainly there is room for free enterprise to work in that situation. If the agency will do what it is charged with under the present law, something can be done if an abuse is present.

If the gentleman from New York wishes to introduce legislation to do something about it, he certainly can do that, and I will cooperate in full to try to stop any abuse which might be present.

Mr. KILBURN. I thank the gentleman.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I am happy to yield to the gentleman from New Jersey.

Mr. JOELSON. If the bill is passed and we determine that the Commission may not prescribe even standards with respect to frequency or length of commercials, how in the world would the Commission be justified in refusing to extend a license on the ground of overcommercialization? That would be contrary to the sense of the Congress.

Mr. ROGERS of Texas. If the gentleman will read the hearings, I believe his mind will become clear on that subject. The Commission has the power today to see that these stations are operated in the public interest.

If we once permit one of these agencies, by rulemaking authority, to go outside the bailiwick in which it was placed in the first instance, I am sure the gentleman realizes that will create precedent to which it can refer in the future as having been acquiesced in by the Congress and therefore something which can be considered to be within congressional intent. Once they go outside the bailiwick in which they are now confined by the specific language of the law, then the field will be open and they can get into program content and can get into every facet of this economic segment.

If we want them to do that, it is up to the Congress to pass legislation saying this should be the case. If we wish to give them the power to create standards, as they have attempted to do by rulemaking authority, that is a matter for Congress to decide.

We are the people who have been elected by the people of this country to come up here and represent them; not some people who are appointed and who are insulated against the electorate. I say this because the gentleman must remember this is a two-edged sword. One day it might be satisfactory, but the next day that sword may swing back and it will not be so satisfactory. So, unless we are going to keep these powers within the representative powers of the Congress, we are treading on very dangerous ground.

Mr. JOELSON. It is by no means unusual, is it, for Congress to give regulatory agencies the right to fix rules and regulations? This is customary; is it not?

Mr. ROGERS of Texas. It is customary, but if the gentleman will review the source of the rulemaking powers, he will find that the courts have confined this to the explicit grants by the Congress. If you create an agency and say, "We give you certain powers associated with the grant," the agency is confined to those specified powers. They do not have broad and expansive powers insofar as the communications industry is concerned to write any kind of a law that they want to simply by giving notice of rulemaking and going out and writing a rule—if you are going to permit that, you might as well turn the whole industry over to an agency or a bureau or a board and forget about Congress having any control over it.

Mr. JOELSON. I would merely state that if we do not give this power, it will not be too long before stations will be announcing, "We are going to interrupt this commercial message for a brief program."

Mr. ROGERS of Texas. If the gentleman feels that way, I think it would be his responsibility as a duly elected Member of Congress to introduce legislation and let the people be heard on this subject in the proper manner, by testifying before the proper committee.

Mr. DUNCAN. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from Oregon.

Mr. DUNCAN. Do I understand from the colloquy which has just taken place and the committee report that there is no intent with this legislation to restrict in any way the authority of the Commission, or its duty to take into consideration at the time of an initial application for a broadcast license or a renewal thereof, in connection with the obligation of the station to serve the public interest, its advertising quantity and quality?

Mr. ROGERS of Texas. The gentleman is exactly right. This legislation was not introduced for the purpose of trying to encroach upon the powers of the Federal Communications Commission. The FCC is a creature of this Congress and whatever powers they have we have given to them. That creature was undertaking to encroach upon the powers of Congress, which were never granted to them. If they want those powers, let them build a case and come to the Congress and say, "We want you to pass legislation." But when these agencies undertake to pass legislation under the guise of rulemaking, it will not be long until there is no need for Congress.

Mr. DUNCAN. If this bill is passed, the Commission will still have the power, the obligation, and the authority to take the operating situation of each station into consideration?

Mr. ROGERS of Texas. The same identical powers they have had since 1927. In 1932 the Senate went into this matter and they asked the Radio Commission at that time, which was composed of five members, if they had the power to do just what was attempted to be done here. The Radio Commission at that time by a 3-to-2 vote said they did not have that power and the only way the power could be granted them would be by legislation of the Congress. Yet we come along and even though this was a 4-to-3 decision to issue this rulemaking power in the first instance, the odd thing about it is that all of the members of the present FCC—and I am not reflecting on them, because they are men trying to do a good job—have taken the position that they had the power that the previous Commission said they did not have.

Mr. DUNCAN. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Texas has once again expired.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may desire to the gentleman from North Dakota [Mr. SHORT].

Mr. SHORT. Mr. Chairman, I rise in support of H.R. 8316, the bill introduced by Congressman WALTER ROGERS of Texas, on August 30, 1963; which would amend the Communications Act of 1934 to prohibit the Federal Communications Commission from making certain rules and regulations relating to the length or frequency of broadcast advertisements.

There are many reasons why I feel impelled to support this legislation—and not one of them is because I own an interest in any part of the broadcasting industry—nor does anyone in my family. I point this out because late yesterday afternoon there arrived in my office a letter from the National Association for Better Radio and Television, whose offices are at 882 Victoria Avenue, Los Angeles 5, Calif. The letter was signed by Mr. Frank Orme, editor of Better Radio and Television. The stationery indicates that the association is a tax-exempt, nonprofit California corporation. Attached was a large four-page publication entitled "Better Radio and Television"—preview edition—which contained—in my opinion—quite a few unnecessary and uncalled for innuendos, as well as some misstatements.

I mention this publication—not because I oppose any group lobbying in support of—or in opposition to—any legislation. This is a privilege of all American citizens and groups. I do question their methods, however, and wonder if their tax-exempt status entitles them to smear Members of Congress—by innuendo—even prior to votes being cast in the House and Senate. I imagine most Members received this letter and publication. If so, they are aware that on the front page it has listed Senators and Representatives who are supposed to have financial interests in radio and television stations. They note that since, "access to the airways is an urgent need of candidates"—"the door is open for subtle and not-so-subtle trading in 'favors.'" They state there is a danger of undue influence on broadcast legislation by Members of Congress who hold financial interests in radio and TV stations. They also state that:

> It would be interesting to note whether those who vote against the Rogers bill will receive the same treatment by broadcasters in their communities as those Members who give their support to the lobby.

This is only a portion of the rather wild—to my mind—statements found in this preview edition. At the top left hand of the first page, it states that this is a partial, tentative content of their spring issue—being mailed in advance in order to get comments and guidance. It states that in its final form, this issue is to be distributed throughout the country to PTA's, churches, and other citizen groups.

I do not know how other Members might have viewed this preview edition, but I viewed it as a deliberate attempt to intimidate Members of Congress during the debate on H.R. 8316. It deliberately ignores the National Association of Broadcasters—NAB—Code to which responsible broadcasters try to adhere. Perhaps this is because the NAB Code is an attempt by the broadcasting industry to set its own guidelines and attempt to give good service to the public and community—while preserving its comparative freedom as a free enterprise industry—instead of a Government agency attempting to control an industry by setting governmental guidelines and attempting, in its own way, to give good service to the public and community. I believe both the NAB and the FCC have the best interests of the public and the radio and television industry at heart. However, I am not one of those who feel that the only good rules and regulations are those laid down by a Government agency. When are we going to stop and realize in this country that Federal agencies and departments are run by human beings, subject to the same errors of judgment and failings as the private citizen? Why should we be so intent on destroying the initiative and sense of responsibility of our private citizens? We all know there are groups in this country who believe in, and support the idea of pay television—for example—instead of letting the broadcasting industry support itself by means of sponsors who advertise products. If we look far enough behind some of the pay television support, it might well be that we would discover a few people connected with it were interested in promoting other means of advertising channels who were in competition with the broadcasting industry.

There is no doubt that some stations overcommercialize at times. There is no doubt that some advertisements are too loud—or of poor quality. But I believe we should also admit that the broadcasting industry is about as well-policed as it is possible to be, and probably has a larger percentage of advertising in good taste than many printed publications.

Some people evidently feel they cannot trust the taste of the general public. They do not seem to realize that if a commercial is too long, too loud, or poor in quality—the private citizen has a simple remedy at hand. He can turn off the television set, turn off the radio, or switch to another channel or station. And believe me, this is done; and when it happens often enough, the message gets through very quickly to the sponsor in the most effective way—through his volume of sales. This is what we term free, competitive enterprise.

It appears to me that the FCC might be chafing unduly under the proper restriction placed upon its authority by the original Radio Act of 1927, which set up the Federal Radio Commission. This has now developed into the Federal Communications Commission, established by the Communications Act of 1934. In reading the section devoted to the duties, responsibilities, and legal authority for the FCC in our U.S. Government Organizational Manual for 1963-64, I find the phrase:

> The act provides that the Commission shall have no power of censorship over radio communications.

It did not specify communications for entertainment or education as opposed to communications for advertising purposes. It might come as a surprise to some people that a good many of the advertisements over radio and television are downright entertaining. Some of them could be termed "educational." More often, they are of real service to the public and in many areas they are definitely needed. This would hold true in North Dakota, which is largely a rural State.

In another section of the manual, I find the following statements:

> The standard governing the granting of licenses is "public interest, convenience, or necessity." If, after notice and consideration of all objections, the Commission is able to determine from an examination of an application that public interest, convenience, or necessity would be served by a grant thereof, it is required to grant such an application. If it cannot so determine, it must afford the applicant notice and opportunity to be heard.

The manual closes its description of the duties of the FCC with the words "Approved, E. William Henry, Chairman." I therefore assume that Chairman Henry read carefully what he was approving and understood the intent of Congress and that it was opposed to any form of censorship.

Censorship, according to Webster, means: "The office, or power, of a censor." It also means, "The actions of a censor."

Those definitions seem clear enough to me to satisfy anyone.

The FCC, in opposing this legislation we are considering today—and as their legal authority for adoption of the proposed standards in FCC docket 15083—and, we assume, also FCC docket 13961—cited sections 4(i), 303, and 307(a) of the Communications Act, as amended.

Section 4(i) states:

> The Commission may perform any and all acts, make such rules and regulations, and issue such orders, "not inconsistent with this act," as may be necessary in the execution of its functions.

Section 307(a) states:

> The Commission, if public convenience, interest, or necessity will be served thereby, "subject to the limitations of this act," shall grant to any applicant therefor a station license provided for by this act.

Later the FCC amended this by filing a memorandum on its legal authority which indicated that section 303 (b), (g), and (r) were really relevant to back up their proposals in FCC docket 15083. I will not quote these sections since time and space are limited, but I wonder what the FCC thought Congress meant when they inserted the phrases "not inconsistent with this act" and "subject to the limitations of this act"? I think it refers to the fear of "censorship." And I hope no one here is naive enough to doubt that "censorship" is the ever-present danger even in this "land of the brave and the free" if the door is left open wide enough and long enough.

Human nature is still the same the world over. Censorship has been exercised in many countries. It is repugnant to the American citizen's way of thinking if he realizes it is being exercised.

I agree with the report of the House Interstate and Foreign Commerce Committee when it states that the Communications Act of 1934 does not grant to the Federal Communications Commission any specific authority pursuant to any explicit statutory provisions—nor does it bestow upon the Commission any "broad" or "expansive" powers claimed by it which would authorize it to prescribe by rule standards to govern the length or frequency of commercials.

If you ask: "Why is this legislation, H.R. 8316, necessary?"—let me remind you that it is only a step from setting up standards governing commercials to setting up standards governing editorials, and standards governing other broadcast material. Power feeds upon power.

I also suggest that you read through FCC docket 15083. Then read through FCC docket 13961. FCC docket 13961 is to be used in lieu of the powers requested in FCC docket 15083. It concerns the reporting required to check practices of the broadcasters on a "case-by-case" basis. Then the FCC intends to use the material gained from this approach to push once more for control of the length or frequency of commercials.

Not only are the forms attached to FCC docket 13961—three notices to date—extremely broad and extensive, but you will find in the third notice that the broadcaster is required to list other AM and FM stations which he considers as competing with him generally for audience or for particular segments of the audience. He must describe in general terms the programing of these competing stations. He must show significant respects, if any in which his programing differs from his competitors. He must show further that if his application is for an FM station, does the programing duplicate that of any AM station. If his answer is yes—he is required to identify the AM station by call letters and location, describe its relation to the FM station, and state the number of hours each day that are duplicated.

In other words, if the unfortunate broadcaster does fill out all the voluminous forms, it is not enough to give information on what he or his station does, he must also police his competitors. Just how ridiculous can rules and regulations of a government agency become? He is going to be a pretty busy person trying to even fill the forms out in the first place. But this is not all. On the forms there is placed the notation citing the penalty as United States Code, title 18, section 1001, which means that if he does not answer all the questions properly, he can be fined $10,000 or imprisoned 5 years, or both.

The FCC further lists as a requirement that—

> Sufficient records shall be kept on file at the station, open for inspection by the Commission, for a period of 3 years from the date of filing this statement, unless ordered to be kept longer by the Commission to support the representations in this narrative statement. These records should not be submitted with this statement.

Not only will the broadcasters have to set aside a complete file room for these office records, but they will be in constant danger of having to add additional rooms should the FCC summarily decide they should keep records longer than the 3 years.

Equally obvious is the fact that the FCC would be forced to enlarge its own staff if they intend going around to each radio and television station to examine an accumulation of three to an undetermined amount of years records to satisfy their requirements. Actually, it would save the FCC time and expense if they did require the broadcaster to send in his proof along with his statement—and I cannot help but remark that it would serve the Commission right if the broadcasters did this.

Even more obvious—the broadcasters would be taken out of the class of "free competition" since no man would be able to even think of entering that industry with a goodly amount of capital. And thus one more segment of our free enterprise in this country would be gone with the wind of governmental regulation.

I point out these things, Mr. Chairman, so the Members voting on this legislation today will realize it is necessary to enact some sort of bill to curb the sudden appetite on the part of some FCC members to saddle our broadcasting industry with onerous and unnecessary rules and regulations not only as to length and frequency of commercial advertising but whatever else might come to their minds.

Government is growing by leaps and bounds. If every regulatory commission decides to override restrictions placed upon their authority by the Congress in the fashion attempted by the FCC, we will soon have a duplication of what has happened in the Agriculture Department. Eventually the "tongue-in-cheek" legislation proposed by one of our House Members as a joke, which provided that the personnel of the Agriculture Department should be limited to not more than one employee per every farmer in the United States, will become a grim necessity as far as our regulatory commission's are concerned.

I would like to go back now to the "preview edition" of Better Radio and Television which I discussed in my opening remarks. Evidently the publishers were unhappy because the general public—while admitting that some commercials were too frequent or objectionable—still did not feel the FCC should make rules and regulations to control the advertising practices of the broadcasting industry. In headlines, this edition asked: "Is broadcasting a 'free enterprise'?"

In the article it attempted to answer this question by declaring:

> Obviously there is not sufficient public understanding of the distinction between the specially licensed and necessarily monopolistic contracts that the Government extends to a broadcasting station and the normal working of our competitive free enterprise system.

The publishers evidently did not realize that in two decisions the Supreme Court of the United States clearly stated that the Communications Act recognized the field of broadcasting to be one of "free competition."

Further, in attempting to educate the public—they neglected to educate themselves. They did not seem to know that the definition of "free enterprise" in Webster's dictionary shows it to mean: "freedom of private business to organize for profit in a competitive system without interference by Government beyond regulations necessary for keeping the national economy in balance."

Webster further pointed out the fine distinction between the synonyms "free," "independent," "sovereign," and "autonomous," by stating:

> Free stresses the absence of external compulsion or determination rather than the absence of all restraint.

Therefore, I suggest that when the National Association for Better Radio and Television lobbies by means of their tax-exempt, nonprofit corporation publication against the Rogers bill, or similar legislation, they should first of all refrain from attempting to smear Members of Congress by inference even prior to a vote on legislation; and second, they should study their dictionary before attempting to educate the public as to the fine point of difference between a "free enterprise" and one controlled partially by a regulatory commission.

I was glad to note Commissioner Rosel H. Hyde's dissent when considering FCC docket 15083, when he stated:

> This effort is likely to place an enormous policing duty upon the Commission which could give more adverse results than benefits. I believe the proposal is inconsistent with the statutory concept of broadcasting as a competitive private enterprise system.

Commissioner Robert T. Bartley of the FCC also dissented eloquently, thus:

> I dissent to the issuance of this "proposed rulemaking." I view it as an irritating act of futility. It is inconceivable to me that, when the responses are considered, the Commission would adopt such a rule. I base this prediction on the knowledge of broadcasting which the Commission already has.

Commissioner Bartley also pointed out that incorporating the NAB Code provisions on commercial time in FCC rules would be an improper delegation of FCC responsibility for continuous surveillance of the public interest. He felt such a rule would have a tendency to freeze the NAB Code provisions and preclude improvement. He feared a general lowering of commercial-time standards could result from the station's hiding behind the skirts of recognized maximum quantity and disregarding acceptable quality.

It occurs to me this could be termed gearing ourselves to mediocrity instead of making use of our native American ability to advance to outstanding performance.

Mr. Chairman, and fellow Members, if the FCC should be successful in its attempts to impose rules, regulations, and standards as to time, length, or frequency of commercials and advertising—rather than leaving this to the merciless judgment of the general public—we will end by having to subsidize the broadcasting industry to keep it from folding in bankruptcy all over the country, just as we have had to do in some other industries when the Federal Government moved in with endless controls.

I urge you all to vote for H.R. 8316. This might well be the "finger in the dike" which could stop the flood of destruction in our broadcasting industry.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. FOREMAN].

Mr. FOREMAN. Mr. Chairman, I thank the gentleman from Michigan for yielding. I commend my distinguished friend and colleague from Texas [Mr. ROGERS], for the fine presentation he has just made, as chairman of his subcommittee, in support of this legislation, the bill, H.R. 8316, to amend the Communications Act of 1934 to prohibit the Federal Communications Commission from making certain rules relating to the length or frequency of broadcast advertisements.

I support this bill and urge the Members of this House to accept the provisions of this legislation. We cannot and should not permit a Federal agency the dictatorial power of regulation of economic freedom in such a free enterprise, competitive industry as the broadcasting field.

In my opinion, the best regulatory device over excessive radio advertising is the radio dial itself. I believe the American people are intelligent enough to know how to use this regulatory device to prohibit undue, unnecessary, and excessive advertising. This is the simple, competitive free enterprise rule—if a station commences an excessive amount of advertising, then the listeners can, and will, switch the dial to a more favorable station with less advertising. I congratulate the Committee on Interstate and Foreign Commerce for bringing forth this bill, H.R. 8316. I urge its adoption.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. BROYHILL].

Mr. BROYHILL of North Carolina. Mr. Chairman, I rise in support of this legislation and I want to congratulate the chairman of our subcommittee [Mr. ROGERS] and the chairman of the Interstate and Foreign Commerce Committee [Mr. HARRIS] for the careful and objective consideration that has been given this measure in the committee. I have joined the gentleman from Texas [Mr. ROGERS] as a cosponsor of this bill and I feel strongly that it should be passed by the House today.

Let me say to you gentlemen that this measure has not been rushed to the floor without great care having been given to it. We held lengthy hearings that provided the FCC and the broadcast industry ample opportunity to speak their minds. Frankly, I feel that this bill is not a minor matter. It is not just something that affects the Nation's broadcasters. At the heart of it lies the principle of how far the powers of a Federal regulatory agency should go in a free enterprise economy, and also a definition of where the public interest lies.

Mr. Chairman, up until May 17, 1963, the relationship between the Federal Government and the broadcasting industry on the subject of economic regulation was thought to be fairly certain. That relationship simply called for no direct economic regulation whatever. The financial activities of broadcasters were governed only by the laws of the marketplace, and Congress was satisfied that the FCC understood that this was what was intended. On May 17, however, the Federal Communications Commission announced that it planned to issue a set of rules which would govern the number and frequency of broadcast commercials.

Your committee, realizing that regulation of broadcast commercials, in the manner contemplated by the proposed rules, would result in economic regulation of the entire broadcasting industry, has taken action to insure that Congress, and not a regulatory agency, would make the important decision of whether or not such regulation is to be permitted. So, while the stated purposes of this legislation is to clarify congressional policy on commercial announcements, its larger and more essential purpose is to give Congress an opportunity to decide once more whether American broadcasting is going to remain free of economic regulation, or whether it is to be treated as a public utility.

Congressional responsibility for making this decision now is required both by the current attitude of the FCC, and by the importance of this matter to broadcasters and to the public. The Commissioners are unanimously of the opinion that they have the authority to regulate commercial announcements, and would probably have a set of rules in effect today had it not been for the action already taken by your committee. The effect of these rules would have been to impose economic regulation upon the broadcasting industry and the public without congressional assent.

The impossibility of regulating commercial announcements without economic regulation of the entire broadcasting industry was brought out during the committee hearings. The Commission, in an effort to arrive at a set of rules, started with the National Association of Broadcasters Codes of Good Practice. Soon, however, it was forced to admit that special arrangements would have to be made for stations that could not financially withstand the loss of advertising caused by complying with the new rules. It was pointed out that different rules would have to be made for stations serving sparsely populated areas, stations broadcasting during the daytime only, stations serving one market rather than another, stations serving communities with seasonal economies, and even different rules for different days in the week.

So it became increasingly clear as the hearings progressed that no set of rules could apply equally to all competitors and that financial considerations would be paramount in making adjustments. In order to make the rules apply fairly, ultimately the FCC would have to decide how many commercial announcements each station would need in order to return a reasonable profit. The number of announcements needed would depend directly upon the price each one could be sold for, and the price, in turn, would depend not only upon the market served, but also upon how much competition existed with other stations. The FCC would have to decide which station is entitled to which share of which market in order to make a certain percentage of profit. It might even have to decide whether a station is properly managed, for otherwise the FCC would subsidize inefficiency by allowing poorly managed stations additional time for ads.

All this, of course, is economic regulation of the broadcasting industry, an activity which has never been attempted before, and which was thought to be expressly prohibited by the Communications Act of 1934. When Congress, in title II of this act, undertook to regulate the telegraph and other interstate communications systems, it expressly defined the instrumentalities thus regulated to be "common carriers." In section 3(h) of title I, however, Congress said specifically that "a person engaged in radio broadcasting shall not, insofar as such person is so engaged, be deemed a common carrier." So Congress, in my opinion, has gone to great lengths to insure that broadcasting would not fall under the economic concepts of regulation that are common to public utilities. Congress reason for doing this was founded upon the knowledge that such regulation is basically inconsistent with the development of a healthy broadcasting industry in a free enterprise economy.

The soundness of Congress decision has been demonstrated by the rapid growth of the American broadcasting industry to its present size, and also by the public's satisfaction in the service it is receiving. The comprehensive coverage of tragic occurrences of November 22 is one of the most recent examples of the fine public service broadcasting has been able to provide.

Commercial announcements were instantly and completely suspended during that period, and without any need for consultation of Government regulations. If a rigid set of rules had been in effect, it would probably now be necessary to determine by administrative hearing whether the networks should be allowed increased ad time in order to recoup their losses.

Another indication of public satisfaction with free enterprise broadcasting can be found, strangely enough, in the FCC's own justification for attempting to make these rules in the first place. In its notice of proposed rulemaking, the FCC stated that it received 2,500 complaints during fiscal year 1962, and that 875 of these dealt with the length, amount, and frequency of commercial announcements. However it was pointed out in the hearings, that since there are more than 5,000 commercial radio and TV stations in America broadcasting every day, that 875 complaints is really an indication that the public is satisfied. Eight hundred and seventy-five complaints amounts to less than one complaint per year for every five stations that are broadcasting an average of 12 or more hours per day.

Mr. Chairman, I think we all realize that we must pay for what we get. I would only suggest here that perhaps this principle extends to listening to the radio and watching television, as well as to other things. For only the price of a receiving set, America's listener is provided with better news and entertainment than in any nation in the world. This has all come about because the Congress has permitted the listener himself to determine the kind of programing he prefers. Before we alter a policy that has been so eminently successful, I believe we should have more justification for doing so than has thus far been presented.

Mr. HARRIS. Mr. Chairman, I yield such time as he may desire to the gentleman from South Carolina [Mr. HEMPHILL].

Mr. HEMPHILL. Mr. Chairman, when this bill was originally considered by the Committee on Interstate and Foreign Commerce I attended some of the meetings even though I am not a member of the particular subcommittee. I have long felt that the use of the spectrum of radio and television broadcasting was something that every person in the Nation had an interest in. I do not have the technical knowledge to explain the reasoning, but all of us on the committee know there are just so many channels available for television and just so many available to radio. It is essential that the use of these channels be in the public interest.

Along with other members of the committee I signed the minority report. I felt that the points made in the minority report should be brought to the attention of the Congress and to the attention of the American people. I feel that the Congress has delegated to the Federal Communications Commission certain administrative responsibilities in the field of communications and it was my hope that the rulemaking practice which had been adopted and which was underway by the FCC could be completed before we had any legislation.

The National Association of Broadcasters had indicated they were happy to appear before the Commission and to impress the Commission with the code of ethics which that organization uses to police its own industry. Along with other members I had hoped that the hearings could be completed and that the Commission could make a finding and let the Congress, as well as the Nation, know of the policy of the Commission.

Now we are engaged in debating legislation which sets a policy. This policy emphatically states that if this bill is enacted neither the Congress, nor the FCC, shall police the number or the amount of commercials in the communications industry. The industry on the other hand has emphatically stated it is able to keep its own house, and I shall vote for the legislation because of my faith in the industry. We all recognize that the radio and TV broadcasters are an essential part of our private enterprise system, and that with the overhead in expenses the only way they can make any money is through commercial advertising. We all want to make a profit and a reasonable return on investments, and this legislation assures them the right and the privilege.

Many of my friends in the industry, and especially those in whom I have great confidence, have assured me that this legislation will result in the freedom from regulation which the various broadcasters will use carefully and that the public will be well served. I salute this determination and purpose and I shall vote for the legislation as a symbol of my confidence in the broadcasting industry.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. SHRIVER].

Mr. SHRIVER. Mr. Chairman, for over 30 years we have witnessed a gradual delegation by Congress of more and more power and authority to various Federal regulating agencies and bureaus. Today Congress must be on guard to prevent unnecessary controls by the Federal Government or we will lose many of the freedoms which we cherish.

I support H.R. 8316 because it represents a necessary step in a declaration of freedom for radio and television stations to operate in the spirit of our American free enterprise system. This legislation provides that the Federal Communications Commission does not have the power, by rule, to prescribe standards with respect to the length or frequency of commercials which may be broadcast by all or any class of stations in the broadcast service.

The Subcommittee on Communications and Power of the Interstate and Foreign Commerce Committee, and its able chairman, the gentleman from Texas [Mr. ROGERS], are to be highly commended for the thorough hearings which were conducted and the careful consideration which has been given in recent months to this important problem.

The problem of overcommercialization by broadcast media can be met without Federal control or Federal regulation. First, the average radio listener or television viewer should be able to judge for himself when a station overloads its programing with frequent or annoying commercials. The public, in such cases, can exercise its best judgment by merely turning the dial or tuner to another station.

Second, the industry itself has made important strides in self-regulation. Most stations abide by the code of the National Association of Broadcasters which was to serve as the guideline of the FCC in its proposed rule on commercialization.

I am particularly proud of the record of broadcasters in my own State of Kansas; and I believe their record is deserving of the attention and commendation of the House in its consideration of this legislation. Today, Kansas has a higher percentage of radio stations subscribing to the NAB codes than any other State in the Nation. It is my understanding that 47 of the 68 AM-FM stations in Kansas, or 69 percent, just about double the national average, subscribe to and follow this voluntary code. Ten of the eleven television stations in Kansas subscribe to the television code.

Mr. Chairman, virtually all stations in Kansas, code and noncode, currently adhere to standards as strict or stricter than the rule proposed by the FCC. There is no need for such rules as far as the broadcasters of Kansas are concerned.

It would be wrong to place a stopwatch over the heads of the broadcast industry and threaten the wonderful record of public service which has been made possible by the free enterprise philosophy under which it now operates.

There is not an organization or institution in any community, whether it is the Red Cross, the Cancer Society, the United Fund, community theater, symphony society, public and parochial schools, universities, civil defense, or even the Federal Government, which can carry out their responsibilities without submitting stories to the community newspapers and requests for free public service spot announcements to the local radio and television stations.

We rely heavily upon radio and television for the many informational services which are rendered in the public interest. Broadcasters, in turn, must rely upon advertising revenues to improve and provide quality programing and render public service.

Freedom of the press and radio and television remains one of the great strengths of our Republic. It would be a damaging blow to surrender any portion of that freedom. The passage of this legislation is necessary if we are to prevent the broadcasting industry from eventually becoming a completely regulated public utility.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 7 minutes to the gentleman from Colorado [Mr. BROTZMAN].

Mr. BROTZMAN. Mr. Chairman, I rise in support of H.R. 8316, a most important piece of legislation. I congratulate the gentleman from Texas [Mr. ROGERS], the gentleman from Arkansas [Mr. HARRIS], and the committee for bringing it to the floor of the House for debate.

The bill is important because it goes directly to the principle of whether you, the elected representatives of the people will govern as charged by the Constitution, or conversely, if you will default in favor of a regulatory agency.

The issue is sharp. In my opinion the Communications Act of 1934 does not grant authority to the FCC to prescribe by rule standards to govern the length or frequency of commercials in broadcasting. The regulatory scheme regarding broadcasting, as enunciated heretofore by the Congress and on several occasions by the U.S. Supreme Court, has clearly been one of "free competition" and as the U.S. Supreme Court said in the NBC case "does not essay to regulate the business of the licensee." In short, day-to-day responsibility rests with the broadcaster. To correctly discharge this responsibility he must meet the needs of the community he serves. The day of reckoning comes at renewal time when the FCC does have the right to determine on an overall basis if the broadcaster has discharged his trust by serving the public interest. The regulatory pattern does not contemplate over-the-shoulder, under-the-rug, around-the-clock surveillance and superintendence.

The Commissioners who testified before the committee, six out of seven, maintain that they do have authority to make a rule governing the length and frequency of commercials, even though they did not choose to exercise the power in docket No. 15083.

So, as I said at the outset, the issue is crystal clear—is the Congress going to govern, or, is the regulatory scheme enunciated by the Congress going to be altered by a Commission ruling?

We have just closed the door on the 1st session of the 88th Congress. Actually, it was a swinging door because we were virtually returning as we were leaving. You all well remember that a new indoor sport came into favor after the first session, which was "lampooning" the congressional institution. Many of the so-called experts advocated changes which obviously would make the legislative branch weaker.

Mr. Chairman, I do not believe that the legislative branch of Government should be the highest paid a cappella choir in the world. Certainly I favor change too, but those I advocate would be designed to make the legislative branch stronger, more responsible and more responsive to the people, more dynamic to match the spirit and challenges of the age in which we live—not changes to make it weaker. For example, Congress has the responsibility of controlling the purse strings of the Nation. Yet over a period of years, this institution has relinquished this power through the technique of backdoor spending, becoming an after-the-fact accessory to the appropriation process instead of the author of it. I have been pleased to note increasing resistance to congressional abdication of its responsibilities to the right hip pocket of the country's taxpayers.

Another area that requires our attention is relinquishment of control to the so-called independent regulatory agencies. There are several schools of thought concerning the interpretation of the word "independent." Regardless of the interpretation of the word this fact is obvious. These agencies were not designed to be a fourth branch of government. They were not created to be coequals with the legislative, executive, and judicial. They were not devised to be the headless horseman of government, riding unbridled and unreined down a path of independent action, disregarding the policy dictates of Congress.

In our Government, the ultimate power rests in the people. Therefore, the people must have the right to pass judgment on the laws of the legislatures, the actions of the legislators. And they do. In a few months, Congressmen from 435 congressional districts in the United States will be going to the people. They will be saying: "This is my record. This is my political philosophy as translated into specific votes on specific issues. I hope you approve."

And the people will make that choice. With the ballot in hand, with the record in mind, with the hectic but orderly procedure of election in sight, they will pass judgment on our records and become a part of the collective helmsman who steers the course of the Ship of State.

I submit that when Congress relinquishes its lawmaking powers to regulatory commissions, when it stands by in contemplative acquiescence while these agencies usurp the power rightfully belonging to Congress, when it allows the regulatory agencies to substitute their judgment for the judgment of the people as interpreted by the Members of Congress—then the people lose control and an earthquake shakes the bedrock foundation of our Government.

This is not an exercise in academic theory. This bill places the issue squarely before us.

In conclusion, Mr. Chairman, I urge support of this bill. If the public interest indicates that there is overcommercialization in the broadcasting industry, or, if there is a need to change the regulatory pattern as it exists, then these important decisions should be made here in this body. This is our job. This is why we were elected.

Mr. ROGERS of Texas. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. Moss].

Mr. MOSS. Mr. Chairman, the issue before the Committee this afternoon is not as has been stated here on a number of occasions by those who have preceded me but rather the simple question of whether this committee desires to create a vacuum in regulation. It is not an affirmative proposal for the Congress to undertake regulation but rather the denial of an authority existing. The recognition of the existence of that authority is inherent in the bill itself because it proposes to take it away, and if it did not exist it could not be taken away.

We have also heard the usual testimony about the free enterprise system. I come to this House from a background of private business, true competitive free enterprise, where anyone having the intelligence and resources may enter into competition with me, and I would be dependent upon doing a better job of serving my clientele or going by the board. But that is not the type of enterprise we are discussing here today. We are discussing here a licensed privilege to utilize a public resource in either very limited competition or no competition at all.

There are communities in this Nation with only one TV outlet. But nowhere in this Nation can a man with the resources enter broadcasting just because he thinks he can do a better job than someone else. As a matter of fact, this is a unique activity. It is the only business we have which has value only because of regulation. Now we regulate public utilities to achieve a more economical operation. But the electric company, the gas company, or the telephone company could go out and in unregulated competition continue in business. It would not be the most effective means of supplying these essential services. But the broadcaster utilizing a very small spectrum would not invest his dollars if on the morrow someone with more money and able to put more power on the same part of the spectrum should take him off the air and negate his investment. This business survives because we regulate it. We regulate it at no cost to the broadcaster and we ask of him only that he operate to serve the public interest. In order to permit the control of the use of that spectrum in the public interest, a commission was created because it was recognized as being too complex and difficult a job for the Congress itself to undertake.

Now the concern over how much commercialization could be tolerated is not a new one. Back in 1922 a very distinguished American, then Secretary of Commerce, made this statement in connection with the proposed regulation of broadcasting as to a determination of how this new medium would be better utilized. He said:

> It is inconceivable that we should allow so great a possibility for service, for news, for entertainment, for education and for vital commercial purposes to be drowned in advertising chatter.

That, gentlemen, was a former President of the United States, Herbert Hoover.

Many have expressed concern over the overcommercialization of this restricted resource that has such great potential for entertaining and informing the American people.

Now what was proposed by the commission early last year? It was proposed to undertake a rulemaking procedure to discuss whether or not standards could be adopted which would place some restraint on the rapid acceleration of advertising into the broadcast hour. Preliminarily, the commission proposed to base its discussions upon the code standards of the National Association of Broadcasters and all of you gentlemen have seen on the screens of your television receivers the seal of code approval indicating the broadcast facilities subscribe to a code which imposes certain minimum standards on commercialization. Yet, the facts will show that the majority of broadcasters who profess to subscribe to that code do not, in fact, observe it. It is a most liberal code. In the last 15 years, it has gone from an acceptable level of 12 minutes of the broadcasting hour to 18 minutes of the broadcasting hour. Yet, there are those who continue to go beyond even that.

I think it important that we determine whether there is a problem on this matter of overcommercialization. I know of no better source to seek an expression of opinion than the study undertaken under the sponsorship of the Columbia Broadcasting System. Dr. Frank Stanton was kind enough to send this book to me for my information. We learn from this book, first, that on the average between 1 and 2 of every 10 minutes of air time is devoted to advertising.

The exact figure varies by type of program, by type of station, and by time of day, but it rarely exceeds 20 percent and almost never falls below 10 percent. So there is a variation, yet there is a liberal employment of commercials in broadcasting.

After reviewing all the aspects of viewer interest in broadcasting, the Steiner Study comes up with an interesting conclusion. On page 224 of that book it is stated:

> For the first time in the study, we have found a source of rather general annoyance with what appears on the TV screen. Programing yielded a variety of specific suggestions and complaints, but nothing approaching a widespread dissatisfaction. Commercials undeniably qualify on this score. All of them don't annoy everybody all of the time, but there are probably very few viewers who are not often unhappy on one count or another.

It was also found that the most significant entry was in a table tabulating responses. I shall quote that exactly:

> But despite all this, perhaps the most significant entry in the table is the last one. In response to a question directed explicitly at what is "most liked," over one-quarter say directly or in effect, "nothing." This points clearly to audience annoyances with present commercials, and these are elaborated in specific, often heated, detail in our next question, tabulated to the right:

There is annoyance over overcommercialization, and I do not know of anyone on the committee—either those who subscribe to the majority report or those of us who subscribe to the minority views—who wishes to do away with commercial telecasting or commercial broadcasting. We are concerned with the growth in the portion of the hour committed to commercials.

There is not a member of this committee who has not personally experienced the signs of overcommercialization. There are many programs we watch for 3 or 4 minutes of continuity before there is a commercial break. One can watch the stations in the Washington, D.C., area on television and find many on which there are from 3 to 5 minutes at the most of continuity in certain portions of the day, without getting from three to five or more commercials.

That is an imposition on the viewing public. It is something about which I wish to make my position clear. I do not wish to go to my people and say, "I voted to remove all restraints and to permit broadcasters in the name of self-regulation to impose this upon you further."

I ask the gentlemen and ladies of the House to recognize that in regard to this particular medium the public investment in receiving equipment is many times the amount of investment in broadcasting or transmitting equipment. This is an operation which requires a mutual investment in order to make it work. If someone had the finest TV facility in the world, if he did not have viewers he could not sell advertising to anyone. There would be no "takers."

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to my colleague on the committee.

Mr. CUNNINGHAM. I thank the gentleman for yielding.

He mentioned that perhaps all of us have been irritated, if I can use that word, that some of these commercials have been longer than they should be or that there have been too many of them. I would make the observation even here in the House of Representatives a lot of us and our Members, perhaps, talk too much and may become offensive to other Members.

Mr. MOSS. I would say to the gentleman that the rules of this body put a limit on your commercials.

Mr. CUNNINGHAM. But I do not think we ought to condemn a Congressman even though we think he gets up and talks too much.

Mr. MOSS. We have our rules and we should be able to tolerate him as long as he does not abuse or exceed them. I will listen to those who on occasion bore me as long as they stay within the rules of this body, and I will listen to an awful lot of commercials to get worthwhile programing. But I think I have a right to expect that I not have too much of an imposition placed on me from this fellow who is licensed to serve me and, incidentally, who has a most profitable arrangement. I would love to have some of these broadcast facilities.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I thank the gentleman for yielding, because I would like to ask him two questions.

The first question involves this question of the investment that has been made. I think the gentleman has very accurately stated the investment of the public exceeds the investment of the radio broadcasters. At the same time is it not accurate to say that the investment was made on both sides, both by the public and also by the broadcasters, under a state of affairs in which the case-by-case approach on the abuse of commercialization applied, and in which you did not have a flat prohibition on commercialization beyond a certain number of commercials or a certain amount of time in an hour?

Mr. MOSS. I do not think, of course, that that was the case. I know people who actually believe that this NAB Code works and that when it says 12 minutes out of an hour or 16 minutes out of an hour, that that is what the station will adhere to. The fact is that they do not; the fact is that the code itself is exceeded; the fact is that it has had to be liberalized in order not to have most of the members removed from code membership. I do not think there is any effort in the Commission to impose unreasonable standards, but I want to make it clear with respect to this matter of the investment.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. ROGERS of Texas. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MOSS. I would like to point out that we have another pattern emerging, one of tremendous appreciation in the value of broadcast facilities as they change hands. This is a highly speculative activity. It is one where many enter not to better serve the public but to get a capital gain rather quickly. Stations where the actual investment in physical facilities may not exceed half a million dollars can sell for $4 or $5 or $10 or $12 million, the value of it being the license, this privilege to operate in the public interest. It must be tremendously profitable to bring forth such high prices.

Mr. EDMONDSON. Will the gentleman yield for the second question, which is, Does the gentleman feel that the Commission has used the case-by-case approach properly to regulate this situation without the adoption of the proposed rule?

Mr. MOSS. I could say to the gentleman that for the 3 years prior to this year I served as chairman of the subcommittee investigating the Federal Home Loan Bank operation as they regulate savings and loan associations. The whole import of the reports I filed, which were adopted by the Committee on Government Operations, was critical of the case-by-case approach of regulation in that instance where a man was found guilty after the fact without any adequate notice as to what was expected of him. I think the ad hoc approach to regulating in this field where you have not devised any standards of reasonableness at all on overcommercialization and then at the time of renewal adopting standards which at best would be variable, hold a man guilty and place his rights in jeopardy because he did not adhere to that which he did not understand.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. DINGELL. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. CELLER] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CELLER. Mr. Chairman, I rise in opposition to H.R. 8316. I am unable to support this measure because, in my view, its enactment would constitute a step backward rather than forward in dealing with the complex problem of overcommercialization in radio and television broadcasting.

There is, to begin with, common ground on which both the proponents and opponents of the measure can at least meet to survey the situation.

Our Antitrust Subcommittee had occasion to note some years ago, following its inquiry into the television broadcasting industry, that broadcasting, unlike other regulated industries, is not subject to governmental control of rates, prices, and finances. Congress proceeded upon the premise that, subject to the technical limitations of spectrum space, maximum private enterprise competition, rather than detailed regulation, would best promote the public interest in this dynamic field. But Congress also proceeded on a companion premise, inherent in the American system of broadcasting, that "there can be no proprietary right in any frequency or channel, that the spectrum is a measurable resource belonging to the entire national public, and that the value to be derived from this concept would be destroyed by uncontrolled private exploitation."—Communications Act, section 301.

I oppose this bill, yet I would encourage advertising. But there must be a limit beyond which advertising should not go. Advertising is the mouthpiece of business. Advertising is essential to expand business. People want to know what they are to buy. They will not buy a pig in a poke. They want to see or sense what they buy. The sign brings customers. Ads on radio and TV are most effective. But ads in such media must be limited because the spectrum is limited.

The "hucksters" cannot be permitted to run hog wild. Hence there must be some regulation. Self-regulation is best, but as we shall see, self-regulation has failed; competition cannot regulate because broadcasting time is limited. The law of supply and demand cannot apply.

In the offing must stand the Federal Communications Commission—not with a policeman's club but with some sort of baton or light stick to direct and channelize the profusion of advertisements and commercials. In broadcasting there cannot be a surfeit on our abundance thereof, otherwise the public rebels.

To protect the public the Federal Communications Commission must be empowered to supervise.

Some of the commercials are probably false. The Federal Trade Commission must then step in.

Some are in bad taste. Some are raucous and strident. For example, I point out ABC-TV in New York, Channel 7, where commercials, in order to elicit more attention are overly loud—suddenly loud—like the sudden crack of a firecracker. At times the noise is well nigh frightening and in a way cracks the ear. One or two New York radio stations have discjockeys, shouting goods and wares—with a dichotomy of disturbance and disorder—to the listener's dismay.

Some ads are just plain humbug. I am reminded of the doggerel of my boyhood:

Hark the herald angels sing
Beecham's pills are just the thing.
Peace on earth and mercy mild
Two for man and one for child.

Frequently at a crisis in a story when one is quite absorbed in the unfolding of the plot, suddenly a commercial is interjected.

It all is as unsatisfactory as kissing a girl through a handkerchief.

Indeed broadcasters should not have uncontrolled power to exploit the airwaves.

The sponsors of the bill, in seeking to prevent the Federal Communications Commission from regulating the length or frequency of radio or television commercials by rulemaking, concede that they do not by the same token "in any way attempt to deal with the substantive question of whether or not there exists at the present time any general problem of overcommercialization"—report to accompany H.R. 8316, page 8.

While the committee report takes no position on whether overcommercialization exists, I believe that the evidence of our senses shows unmistakably that the airwaves are clogged with excessive advertising. Opinions differ as to the extent of this imbalance and the Federal Communications Commission has not as yet assembled the necessary data to which an appropriate yardstick could be applied.

In broadcasting, the impact of overcommercialization falls upon what is virtually a captive audience. The newspaper reader, on the one hand, can skip past the advertisements to the story which attracts his interest and read it through from beginning to end. Members of the viewing and listening public, on the other hand, do not have this option and cannot escape the intrusive interruptions of commercials if they are to watch the program of their choice.

That the problem of overcommercialization exists, and indeed is a pressing one, is attested by the action of the broadcasting industry to say nothing of the advertising agencies and the advertisers themselves. In 1948 the radio code of the National Association of Broadcasters prescribed a maximum of 12 minutes for commercials in any broadcast hour—or 1 minute for commercials out of every 5. Such action was proof positive of a plethora of so-called commercials prevalent over most stations. Some 15 years later, we find that the NAB has relaxed its code so that now 18 minutes of commercial time to every hour of broadcast—roughly 1 minute out of every 3—is deemed reasonable in terms of self-regulation. This is reaffirmation of the problem of overcommercialization.

But, infortunately, even this pattern of self-regulation is better in theory than in practice. The private code authority of the NAB has conceded that almost 30 percent of member radio stations violated the current limitations in some degree during 1 or more hours according to the results of a monitoring survey. Similarly, an association of State broadcasters reported that almost 80 percent of its member radio stations exceeded the NAB ceiling on commercial time.

Consider that in 1962, during an hour clocked by FCC Commissioner Robert E. Lee, a radio station in the Nation's Capital saturated its listeners with 33 minutes of commercials as compared with 27 minutes of entertainment. Again, one check conducted by the FCC of radio station logs disclosed that about 40 percent of the 134 stations surveyed had exceeded the 18-minute maximum in the course of 1 or more hours of broadcasting.

Not only has self-regulation fallen short of the mark, but only about one-half of the radio stations across the Nation subscribe to the NAB Code authority, while one-fourth of our television stations are nonmembers.

Nor is there any secret about the displeasure of advertising agency and association leaders with the commercial clutter on the airwaves. The effect has been, according to a spokesman for the American Association of Advertising Agencies, to divide "the attention and memory of the audience" and reduce "the value of the advertiser's message."

In this same context, when one national network proposed to increase station-break time by some 30 to 40 seconds for obvious reasons, a leading advertising agency characterized the proposed increase of advertising time as "a true infringement upon responsible use of the free airwaves granted to the networks and stations by all the people" and warned that this could lead "toward a chaos of commercialization."

Contrast this state of affairs with the standards adopted in England by the Independent Television Authority, the public corporation established by that country's Television Act of 1954. The permissible maximum of 8 minutes of advertising in any one hour has been progressively reduced by the authority to the overriding requirement of an average of not more than 6 minutes an hour over the day. Another refreshing difference is the British requirement that "advertisements must occur only at the beginning or the end of programs or natural breaks in them"—report of the Committee on Broadcasting, 1960; presented to Parliament by the Postmaster General by command of Her Majesty, June 1962.

The adverse effects of overcommercialization as outlined thus far must be viewed in a larger frame of reference that may be described in two words—"phenomenal profits." Advertising revenues from broadcasting are at an all-time high with both radio and television recording the largest time sales in their histories in 1963. This was the first year in which the value of time sold by both media exceeded $2 billion.

According to the trade press, one of the major challenges facing the networks and their television affiliates in the year 1964 and probably for the foreseeable future—is the problem of accommodating all the advertisers desiring to buy broadcast time.

This may explain why radio and television stations are being sold for sums that would have been astronomical in years past. The largest transfer on record was approved by the FCC last week with the purchaser paying almost $27 million for the acquisition of a group of television and radio stations. Recent transfers of radio and television outlets at prices ranging from $3 to $10 million have likewise come within the Commission's purview. I am informed that a New York outlet which sold for $10 million in 1962 cost the seller less than a half million dollars in 1953—an impressive profit by any standard.

I have had previous occasion to point out—as did a former Chairman of the FCC—that the broadcasters who have paid such prices in this inflationary spiral must "squeeze the last drop out of the lemon" to realize a profit on such an investment, with the resulting temptation to expand advertising and curtail cultural or educational programing.

So much for the facts about which there can be little dispute. Let us now proceed to the area of controversy.

The widely read television commentator on the staff of the Washington Post has characterized the approach of the broadcasters in this way:

> We never overcommercialize. We don't intend—ever—to overcommercialize. And when we do, it is certainly none of the Government's business.

In the same vein, a Columbia University professor of law charges, in a recent letter to the New York Times:

> In no other sector of the economy have we turned over a public resource to a private business, erected barriers to the entry of competitors through a system of licensing, and then granted the business carte blanche to charge what the traffic will bear. This is the prerogative the broadcasters are seeking.

Whatever the degree of validity one may attribute to this point of view, the able Chairman of the FCC, soon after he assumed office last fall, made clear the need for establishing criteria with respect to overcommercialization that would be meaningful to the public and to the industry. The ensuing effort to implement this objective has given rise to the present controversy and the legislation now before this body. The present circumstances do not, in my view, warrant resort to such a drastic step as that embodied in H.R. 8316, which would amend the Communications Act of 1934 by curtailing the authority of the FCC. I believe it would be unwise to so inhibit the Commission in its search for an effective remedy to cope with the evils of overcommercialization and its efforts to clarify this murky area. It is no answer to say that the Commission is free to proceed on a case-by-case basis in dealing with individual licensees. The lack of success that has thus far attended this fragmented approach is all too evident.

But surely it is "putting the cart before the horse" for Congress to avoid expressing any legislative policy on the subject of overcommercialization, while, at the same time, prohibiting the FCC from resorting in particular to one well tried technique—proposed rulemaking based upon comments elicited from all responsible quarters and available to all concerned. If after the FCC has collated the requisite facts and data in this field, it proposed rules or standards which the Congress deemed unwise or unreasonable, there would, in any event, remain ample opportunity for Congress to step in and exercise its prerogative by legislative action establishing the standards or guidelines designed to govern the industry and protect the public interest.

Mr. CONTE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONTE. Mr. Chairman, I rise in support of H.R. 8316, a most important piece of legislation, and a matter of urgency to those who derive their living from the broadcasting industry.

H.R. 8316 specifically prohibits the Federal Communications Commission from controlling radio commercial operations.

I am unalterably opposed to further controls of broadcast commercials without the express consent of Congress.

It would be nothing more than a statement of an obvious fact to say at this time that there are many—too many perhaps—commercials which are not in good taste. Overcommercialization is never good broadcasting and ultimately would prove disastrous to the radio community.

I have, however, too much faith in the intelligence, the mature judgment, the good taste of the majority of the broadcasting industry in this country to say that because there are a few lacking in these qualities that we should open the door to Government control of a great American industry which has always thrived on freedom of expression.

As I have suggested many times—to the distinguished members of the broadcasting industry in western Massachusetts, and to others—that the so-called authority which the FCC claims in this instance would undermine the very concept of our system of free speech and free enterprise. Furthermore, I feel the content and limitation of commercials used in radio time should be left to discretion of the stations themselves, a discretion that is based on their listening audiences. After all, the success or failure of a particular broadcasting facility is determined largely by public reaction.

It is for these reasons, Mr. Speaker, and many more, that I strongly support the bill wisely introduced by the distinguished gentleman from Texas [Mr. ROGERS].

Certainly, the self-regulations that the stations have imposed upon themselves are in the great tradition of American broadcasting.

I trust that the Congress will enact this legislation, Mr. Speaker, and I am pleased to offer my support.

Mr. McCLORY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McCLORY. Mr. Chairman, the survival of our private enterprise system requires constant vigilance on the part of the Congress to curb excessive regulation by administrative bodies.

The purpose of this bill (H.R. 8316) is consistent with that important role of the Congress. Indeed, this bill may be a critical and significant expression of congressional disfavor of a threatened control of the radio and television industry. Certainly, the power to regulate the right of the owners and operators of broadcasting stations to devote such time to advertising as they may decide is appropriate and necessary—would threaten the existence of every broadcasting station in the Nation.

Passage of this bill will eliminate that threat.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, I would like to answer some of the arguments presented in the minority views as set out in the committee report. The gentleman from California [Mr. MOSS] who preceded me stated that this leaves a vacuum. I do not concede that this bill leaves a vacuum. It does not leave a vacuum any more than we have a vacuum now. We are back in the same position we have been all the time. If there is a vacuum, and the signers of the minority report want to regulate, they are perfectly privileged to introduce a bill on regulation and I am sure the committee will consider anything they bring in.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I am glad to yield.

Mr. MOSS. I think the appropriate procedure here would be for the committee to undertake a study and determine the true scope of the problem of overcommercialization. I think the action proposed here of denying the Commission authority to do anything is a very ill-advised procedure.

Mr. YOUNGER. I recognize that is what the gentleman said before and he has just repeated himself. I still say that if he wants to have the committee do something, he has the privilege of requesting it, and if he wants to fill that vacuum, he has the privilege of doing so.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I yield to the gentleman.

Mr. GUBSER. Is my understanding correct that should this bill become law it would be perfectly possible for the Congress in its wisdom to legislate a proper allocation of commercial time versus other broadcast time? Could not that be done by legislation?

Mr. YOUNGER. That can be done by legislation and it is a proper field in which the Congress to act.

Mr. GUBSER. I thank the gentleman.

Mr. YOUNGER. There is a difference of opinion here. Those who signed the minority report believe in regulation by a regulatory authority and not by Congress. That is the fundamental difference between us.

Mr. STAGGERS. Mr. Chairman, will be gentleman yield?

Mr. YOUNGER. I yield to the gentleman.

Mr. STAGGERS. I signed that minority report. I do not know how the gentleman can read my mind. That was not my intention when I signed it. I shall elaborate a little later on that subject.

Mr. YOUNGER. That is fine.

Mr. STAGGERS. I think that the gentleman is not a very good mind-reader, if he is trying to determine what our intentions were.

Mr. YOUNGER. I am glad to get the gentleman's opinion and I shall listen to his statement with interest.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I yield.

Mr. DINGELL. I would be glad to concede the gentleman's capability to read minds, but I confess that I do not think he has even read the minority views.

Mr. YOUNGER. Oh, yes; the gentleman has not read my mind, but I did read the gentleman's minority views. Those are the ones that I am answering now. As a matter of fact, they were very fallacious so far as arguments go.

Now, Mr. Chairman, the gentlemen have made a second statement, that the Commission has the authority to regulate. That is a moot question. The fact is that the Commission, by a vote of only 4 to 3, decided on the rulemaking authority which is moot because as soon as our committee took action they rescinded their rulemaking procedure immediately. This indicates great doubt as to the Commission having the right to do what they attempted. Therefore, insofar as its having a right along this line in my opinion it is very doubtful. It is questioned also by the lawyers despite the fact that the attorney for the Commission filed a long brief. There are other opinions to the effect that they do not have the authority. The Commission itself by a vote of 3 to 2 at one time said they did not have the authority.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. Yes.

Mr. MOSS. The Commission in terminating proceedings on its proposed rulemaking authority was unanimous on only one point and that was the fact that the Commission found that it did have the authority and on that point there was complete unanimity in the recent action of the Commission.

Mr. YOUNGER. If it had all of the authority which the gentleman claims it has, then why did they back out of the picture so readily? I have never seen a regulatory agency around here which felt it had the authority back out of a position so readily after the committee had taken preliminary action.

Mr. MOSS. Will the gentleman yield further?

Mr. YOUNGER. Yes.

Mr. MOSS. The matter is set forth very clearly in the order of the Commission terminating the proceedings, and placed in that order was the fact that they felt they had not accumulated sufficient data if they were going to undertake to develop the data before proceeding further in this area. So the Commission backed away, as the gentleman phrases it, only because they were seeking additional information and not because they decided they did not have the authority.

Mr. YOUNGER. The gentleman from California is not naive enough to try to persuade the Members of Congress using an argument from such a self-serving declaration. That is all it was. It was a self-serving declaration.

Mr. MOSS. Mr. Chairman, if the gentleman will yield further, I would point out that the gentleman did not express his opinion. He was quoting the substance of the Commission order terminating the procedure. If there was naivety displayed here, it would be the naivety of the Commission and not of this Member.

Mr. YOUNGER. I am glad the gentleman added that to his statement. I believe we can be in accord that they were naive in backing out that way. When the gentleman says they were naive I agree with the gentleman.

Now, Mr. Chairman, as to the right of the Commission, they admitted that they did not have a right to determine the rates and the charges for advertising.

If the members of the committee will read the record, they will find that the representatives of the Commission admitted they did not have that right. I submit that to say to the broadcasting station, "You can only have 20 commercials," when as a matter of fact the station must have a certain income, you achieve the same effect as though you determined the rate of the advertising, a right which they unanimously agreed at the hearings they did not have.

Now, Mr. Chairman, to go to one other point. The argument is made that a rule here might well serve sound administrative practice in the broadcasting industry. At the hearings the representatives of the Commission admitted that they could not possibly make a rule which would be uniformly applied throughout the industry. In other words, they would have to give special consideration to the daylight stations, the rural stations, the urban stations, and the various other types of stations.

Whenever power is given to a regulatory agency such as a right to determine a policy or right which can be exercised in a punitive manner, you are giving to such regulatory agency a right that they should not have and as far as I am concerned the Congress should not give such a power to such regulatory agency.

This, they admitted, would be a punitive right because it could not possibly issue a regulation which could be applied uniformly across the industry.

They also make the argument this does not set congressional policy. It does set congressional policy in that the Congress does not believe the FCC should regulate either the number of commercials or the time limit of the commercials and to that extent we set a very definite policy.

The argument has also been made that this bill removes all regulations. That is not true. When that statement is made the gentleman who makes it knows that is not true because the Commission retains all of the power that they now have to review any application for renewal to see whether or not the licensee has been exercising his license for the benefit of the public. So the Commission still has all of the rights that they now have. It does not remove any of the power to which they are entitled.

So far as the case-by-case supervision is concerned, no action can be taken on a case-by-case operation before the renewal is applied for. This is not what the Commission should do. It can advise a station that in its opinion, because they have received so many complaints on overcommercializing, that the complaints would be considered at the time of renewal of the license. I think it would be advisable for the Commission to do that where they do have complaints, but that does not say they would have the right to say you can only have so many commercials and commercials can run for only a certain time. I think the proof of the pudding is the fact that at the time we held our hearings in the subcommittee the Commission at that time was under the process of rulemaking, but as soon as we had the Commission before us and we discussed the matter with them, they immediately withdrew their rulemaking process. In my opinion, that was an admission on the part of the Commission that they were headed in the wrong direction.

Mr. Chairman, this bill will be a very salutory piece of legislation so far as our relations with regulatory agencies are concerned, knowing that while they are an arm of the Congress it does not mean that they have legislative authority, and any time we want to step in on a legislative matter we intend to do so.

Mr. HARRIS. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. VAN DEERLIN].

Mr. VAN DEERLIN. Mr. Chairman, I have in my 14 months in this body adhered rigidly to the precept that a first-term Member speaks under only two circumstances. One, if there is a subject closely affecting the interests of his district and, second, if the issue at hand is something on which he may be presumed to have some special knowledge.

I had been employed in the broadcasting industry for some 8 years before coming to Congress. I am grateful to the broadcasting industry, not only for having provided me with a living, but also for having given me the exposure to the public by which I was able to campaign successfully for election to the Congress.

I hope, of course, that it will not be put down as an additional sin for which broadcasting must be held responsible that it helped elect me.

As news director of two television stations I have shared some of the responsibilities of management. I know management's problems. I do not think I can successfully be accused of holding an antimanagement attitude, especially toward the management of broadcasting stations. Nor do I feel that the Federal Communications Commission or any regulatory agency of Government is beyond reproach.

Just this week I wrote a letter to the Chairman of the Federal Communications Commission complaining about what I thought was an unwarranted intrusion upon the rights of broadcasting management by the circulation of an informational survey in which they were calling for detailed time-consuming reports.

But on the matter of overcommercialization, perhaps a man who has been on the air and been responsible for filling slots of time in the news field does speak with an attitude that is slightly different from what the attitude of the management of the station might be.

It has been argued today and doubtless will be argued further that the public is really unconcerned, after all, over the encroachment of commercial time in the broadcast medium. It has been pointed out in the hearings on this bill that the Federal Communications Commission receives only 800 to 1,000 complaints a year in regard to the duration of, or content of, broadcast commercials. But you and I know that the average citizen, if he feels abused in this regard, is unlikely to sit down and write a letter to the Federal Communications Commission. Probably a survey would show that a very small percentage of listeners know of the existence of the Federal Communications Commission.

But you know from moving through society that this is a frequent conversation piece, that both the type of commercialization, and most especially the duration of commercial time on the air, is a subject about which people feel deeply and about which they would communicate and do communicate to one another.

It is said in effect, "Let the industry police itself." I recall the utterance of Leon Henderson, who was the head of the Office of Price Administration in World War II. When asked about voluntary controls, Henderson gave this definition. He said, "Voluntary control means, Don't steal more than you can carry."

Nearly one-third of the television stations and two-thirds of the radio stations are not members of the National Association of Broadcasters. And you know, if you have noticed which station screens carry the NAB code, that some of the righteous members of that association are among the worst offenders. I can tell you as one who has worked in the industry that on NAB stations the NAB code is often ignored, especially at peak hours of the day. I have been the man mainly responsible for half-hour news programs which on heavy advertising days, Thursday and Friday, were interrupted for as much as 12 and 13 minutes of commercial time in that half hour.

I can tell you that rate cutting is a widely used competitive tool, that the stations which adhere strictly to the rate card are not always in the majority, that when one station in a competitive field begins to cut rates, this has a pressing effect on its competitors.

They are compelled to do the same thing, or to relinquish the business. There is another sales device—let the announcer go beyond the time limit for which that commercial has been sold. Thus, during many a late movie on the west coast, you see a man pounding auto fenders, and though it will indicate on the log that the advertiser has bought 1 minute of time, that announcer gets so carried away with the product that he goes on for 3 or 3½ or even 4 minutes. This is one way of cutting the rate card, of course.

I can tell you that musical records for radio diskjockeys are now made as brief as 1 minute and 40 seconds. Can you imagine a few years ago a musical record that you might buy being only 1 minute and 40 seconds long? It has gotten so that one station in Pennsylvania submitted logs on which the notation frequently appeared for diskjockeys—"Be sure to play a record between commercials."

I can tell you if this bill passes, it will be an open invitation to abandon the airwaves still further to overcommercialization and to poor taste.

I think that in the interest of an industry for which I have a high regard and a personal affection, it is unfair to pass legislation which says, in effect, we are going to hold you responsible at license renewal time for demonstrating good faith in the matter of commercials, but between now and renewal time, we are going to provide you with no guidelines as to what constitutes proper time and good taste.

If you Members of the Congress wish here on the floor of the House to establish the rules to decide what is a fair allocation of time, and a fair ratio of time for commercials on radio stations and TV, then by all means vote for this bill. Otherwise, let us not start down this particular road. Do not tell the broadcasting industry: "We are going to permit no guidelines in this field, but we may take your license away in 3 years if you do not measure up to what we like."

Do not surrender America's living rooms still further to the hucksters.

Do not strip a regulatory agency of the right to regulate in the public interest.

If you will take it from one who has worked in the industry and has a high regard for the industry, you will vote "no" on this bill.

Mr. HARRIS. Mr. Chairman, I yield to the gentleman from Texas [Mr. MAHON] such time as he may consume.

Mr. MAHON. Mr. Chairman, I am very much interested in the passage of this legislation. I am convinced that it is in the public interest.

I agree completely with the views of the Committee on Interstate and Foreign Commerce as expressed on page 3 of the report as follows:

> This committee holds to the view that the Communications Act of 1934 does not grant to the Commission any specific authority pursuant to any explicit statutory provision nor does it bestow upon the Commission any "broad" or "expansive" powers claimed by it which would authorize it to prescribe by rule standards to govern the frequency or length of commercials.
>
> In view of the Commission's assertion to the contrary, it is necessary for the Congress, in order to make more explicit the scope of the regulatory powers of the Commission with respect to broadcast licensees, to amend the Communications Act of 1934 by providing specifically that "the Commission may not by rule prescribe standards with respect to the length or frequency of advertisements which may be broadcast by all or any class of stations in the broadcast service."

Mr. Chairman, I wish to commend my colleague, the gentleman from Texas [Mr. ROGERS], for the outstanding job which he has done in handling this legislation. It has been my pleasure to cooperate with him and seek to be of every possible assistance in promoting the consideration and passage of H.R. 8316.

Members of the committee have done an adequate job in discussing the merits of the pending bill and there is no need for me to speak at length, but I did want to go on record as favoring the overwhelming approval by the House of the pending bill.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that the gentleman from Texas [Mr. BECKWORTH] may extend his remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. BECKWORTH. Mr. Chairman, I rise in support of the bill of which my distinguished colleague, Mr. WALTER ROGERS, is the author, H.R. 8316. As a former member of the House Interstate and Foreign Commerce Committee, I have observed with interest and approbation the good job of work which Representative ROGERS has done on this vital and important subject.

I commend you, Representative ROGERS, and trust this legislation will be approved today.

Mr. BENNETT of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CLEVELAND. Mr. Chairman, I rise in support of H.R. 8316. Rulemaking power over length and frequency of commercials as claimed by the FCC is an example of an alarming trend of regulation that threatens not only the existence of a free broadcasting industry, but free representative government as well. A need exists to make clear the extent of the Federal Communication Commission's rulemaking powers. This bill deserves the support of all who are concerned about maintaining freedom of broadcasting and freedom, period. FCC limitations on radio and television commercials would open the way for Federal control of the content of all communications media.

The Communications Act of 1934 does not give the Commission the broad powers to prescribe rules on the length or frequency of commercials, yet the Commission insists that it has this power. Becoming a fourth branch of government insulated from the people, regulatory agencies have, in addition to their executive and judicial functions, increasingly assumed legislative functions. Comfortably aloof from the realities of life, they independently interpret laws to suit their own viewpoints and preconceptions, often widely divergent from the intent of Congress. It is a sad commentary this law defining the scope of the Commission's powers is necessary. The public, however, is better capable of protesting itself from too many commercials than a government agency with its own haughty standards of quality. All an individual has to do is to flick a switch or change stations. If by its record a station has seriously failed to serve the public interest and has abused its listeners by overcommercialization, the FCC can take this into consideration when it renews a station's license. Any such review should be on a case-by-case basis, taking into consideration all the services offered to the public. The imposition of nationwide compulsory restrictions on radio and TV advertising would mean the standardization of all radio and TV stations—the first step toward standardization of programing. Such restrictive authority would be a gigantic club over stations operating under a wide variety of different conditions and could well mean the end of many of them.

Last November I spoke on this subject. My remarks made are pertinent to this debate. I stated then:

> Today I would like to talk to you about a new and sinister form of Federal control which is developing here in Washington. Under the guise of protecting America's radio and television listeners, the Federal Communications Commission is considering issuing regulations which would govern how long and frequent commercials should be.
>
> While the FCC intent seems worthy enough on the surface, let's look beneath the surface and consider the implications of these regulations. To me they are dangerous.
>
> The FCC proposal boils down to this—the establishment of a nationwide, compulsory code limiting the amount of time that radio and TV broadcasters may use for advertising. "Nationwide" and "compulsory"—those are the two deadly ingredients in the FCC plan.
>
> The National Association of Broadcasters already has a voluntary code limiting commercial time, but it is not nationwide. And it recognizes that what is possible and acceptable in a big city might well be ruinous in a small city.
>
> Radio-TV stations have learned over the years that if they want to keep their listening audience, they just can't have too many commercials. There is a saturation point which they dare not pass. They are in a competitive business, but they also know that if they don't take full advantage of the few prime broadcasting hours, they might as well go out of business.
>
> Although radio and television listeners and viewers will recognize that the use of broadcast commercials may be abused at times—just as newspapers and magazines may at times be overloaded with advertising—I do not believe the answer to the problem lies in greater Federal control. It is difficult, if not impossible, to conceive of a system of Federal regulation of commercials which would not interfere dangerously with the necessity of broadcasters to control their own enterprises.
>
> If the Federal Government is able to get away with its control of radio-television, what will be next? One leading newspaper put the question this way: Will newspapers be next? If the American people are told how much advertising they can see and hear, isn't it logical to tell them how much advertising and what kind they can read? What will happen to our freedom of speech?
>
> This must not be allowed to happen, because getting control of the radio-television industry could be just the first step. The final could be Federal control of all the forms of communication. On Veterans Day I warned of the dangers of any threat to our freedom and our liberties. I consider FCC regulation of commercials such a threat.
>
> I intend to fight this extension of Government control. The public is perfectly capable of protecting itself from too many and too long radio commercials. They have merely to turn a knob.
>
> Thank you for listening.

Again in January I spoke out on this issue and stated points pertinent to this debate:

> Early last November, I spoke to you about hearings being held by the Federal Communications Commission on whether or not that agency should establish nationwide, compulsory regulations governing the length and frequency of radio and television commercials. At that time, I warned of the dangers of such controls. I said it is difficult, if not impossible, to conceive of a system of Federal regulation of commercials which would not interefere with the rights of broadcasters to control their own enterprises, I noted that FCC limitations on radio and television commercials would open the way for Federal control of all communications media. I stated then and I repeat now, the public is perfectly capable of protecting itself from too many and too long commercials. All they have to do is flick a switch or change stations.
>
> I am happy to report to you now that the FCC has decided against issuing Federal regulations controlling radio and television commercials. However, this battle is not yet won. The FCC, in reporting its decision, carefully stated "We conceive that our authority to deal with overcommercialization, by whatever reasonable and appropriate means, is well established." Thus the danger is not passed. We must remain constantly alert to any attempt by the FCC, or any Government agency, to establish unnecessary Federal control. We have won the first battle, but the FCC has indicated that there may be more to come.
>
> Constant vigilance is the price of freedom. Government is meant to serve people, not enslave them. If commercials are too frequent, people certainly can change stations by free choice. This is the American way. To have the Government try to do this for us may sound good but it's dangerous.

I restated my position in a news column report to constituents issued earlier this month, saying:

> ### FCC Threatens Freedom
>
> Last November the Federal Communications Commission held hearings to decide whether it should establish nationwide, compulsory regulations governing the length and frequency of radio and television commercials. In my opinion, FCC limitations on radio and television commercials emphasize a trend toward Federal control of all communications media.
>
> In deciding against Federal regulations on commercials at this time, the FCC carefully stated that "We conceive that our autority to deal with overcommercialization, by whatever reasonable and appropriate means, is well established." Thus the danger of Federal controls has not passed. After all, you and I can protect ourselves against too many commercials by simply flicking a switch or turning a knob.

Mr. BENNETT of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin [Mr. SCHADEBERG] may extend his remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SCHADEBERG. Mr. Chairman, radio and television broadcasters in my district and State are deeply concerned over the possibility that the Federal Government, through the Federal Communications Commission, may extend its authority into what has right along been largely the self-regulated broadcasting industry.

Specifically the concern is over the possible establishment by the FCC of a nationwide compulsory code limiting the amount of time that radio and television broadcasters may use for advertising.

I share along with those in the broadcasting industry the feeling that the nationwide and compulsory aspects of such a regulation could lead to possible future controls over programing. Leroy Collins, former Governor of Florida and now president of the National Association of Broadcasters, expressed this fear when he warned that control of commercials could—and I quote—"open the back door to Federal program controls by the Government."

Members of the Wisconsin Broadcasters' Association unanimously are opposed to Federal control of radio and television commercial time, and I have brought their objections to the attention of the Federal Communications Commission. The National Association of Broadcasters already has a voluntary code limiting commercial time. To be sure it is not nationwide, but that is because the NAB recognizes that what is possible and acceptable in a large city could be not only unfeasible but virtually ruinous to smalltown broadcasters. Broadcasters take the position that if they want to keep their audience, they just cannot overcommercialize. There is, they insist, a saturation point which they dare not pass. Furthermore, they know that if they do not take the maximum advantage of the prime broadcasting hours, they might as well fold up their studios and transmission stations and silently go out of business.

The threat to existence is particularly great with respect to small stations, and the small advertiser. I do not welcome Federal restriction and Federal control over the operations of any stations. I can see no excuse for Federal interference in this area.

The Wisconsin Broadcasters' Association suggests that a bad condition relating to the number and length of commercials does not exist, based on any true and accurate expression of the viewing and listening public.

The FCC says that the proposed change in rules came up only as a result of complaints to the FCC from radio and TV audiences about overcommercialization.

I would not argue that there are no abuses of the number and duration of commercials. But I have perfect freedom to shut off my radio, television set, or switch to another station, if I so desire. I certainly do not need a bureau or agency in Washington to decide for me how many commercials it is good for me to listen to.

One of the real dangers, if the FCC should take action to control advertising time, is that it would have a precedent for extending this control to other communications media, such as newspapers. If the American people are to be controlled in the area of how much advertising they can hear and see in any unit of time, it would logically follow that they could be controlled in how much advertising they would be allowed to read in any issue of a newspaper.

The free enterprise system cannot survive in such an atmosphere of fear. Not only must we not allow this kind of control to take place; it is imperative that it be settled. I have faith in the American people. It is my conviction that the public is perfectly capable of protecting itself from too many and too long radio and television commercials. It can merely turn a knob on the set, and/or voice its opinion to those who are serving them.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. Bruce].

Mr. BRUCE. Mr. Chairman, I had not intended to speak on this bill, but after listening to some of the presentations I feel compelled to do so, as an individual who spent 19 years in the broadcasting industry, in the field of news commentary and as a news editor, as well as in the field of management and everything else from a sports announcer to a disc jockey on through.

I rise in what I consider to be a necessary defense of the broadcasting industry of the United States. I do not believe they are "hucksters." I believe the average broadcaster in the United States is a civic-minded individual who tries as best he can to present to the public balanced programing and a great deal of public service.

Having sat in the announcement booths of radio stations, I can understand how employees might occasionally become annoyed by the insistence of management that it has to make a profit. I can understand how an announcer, with esthetic values he himself believes good for the public, wants to put out those values from his standpoint and is annoyed by management saying a certain number of spot announcements must be run during a half-hour period of time. I would suggest, however, that these same spot announcements make it possible to pay the announcer's salary.

I suggest that broadcasting as such in the small towns, and in many larger cities, is not the huge profitmaking business many people believe it to be. It is a break-even business, with a slight margin of profit.

I strongly support this measure. I believe it is in the interest of the public. I do not have such a small esteem for the judgment of the public and its ability to make decisions. If some program is overloaded with commercials which are annoying and obnoxious, the people who listen can quickly turn the dial to a program more balanced, with proper commercial time usage.

I do not believe we need to make the Government the big brother looking over the shoulders of the broadcasters, telling them how much they can advertise and how to run their programs, and perhaps whether they can.

So far as a statement made by the gentleman from California that a radio station's log carried the notation "be sure to run a record between spots," since I have had some experience of being on both sides of that in the broadcasting industry, I would suggest it is an attempt on the part of management to do the very thing proposed by those who object to the commercials. It is the same type of thing as saying "Don't double spot. Don't triple spot. Quit running two spots together. Be sure the spots are separated with entertainment or music. Don't load the program up with two or three spots in a row."

In defense of the broadcasting industry and our free-enterprise system, I strongly recommend the passage of this bill.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. Hall].

Mr. HAYS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Eighty-one Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 50]

Andrews, N. Dak.
Ashley
Bass
Belcher
Blatnik
Broomfield
Brown, Calif.
Brown, Ohio
Buckley
Burleson
Cameron
Carey
Celler
Clausen, Don H.
Cooley
Daddario
Davis, Tenn.
Dawson
Devine
Diggs
Dowdy
Elliott
Fallon
Fuqua
Gathings
Gibbons
Grabowski
Grant
Hagen, Calif.
Harsha
Herlong
Hoffman
Holifield
Holland
Johansen
Johnson, Calif.
Karsten
Karth
Kee
Kelly
Keogh
Kirwan
Kluczynski
Laird
McFall
Madden
Martin, Calif.
Martin, Nebr.
Matthews
Milliken
Morrison
Multer
Nedzi
O'Brien, Ill.
Pepper
Pilcher
Powell
Rains
Rhodes, Ariz.
Rivers, S.C.
Roberts, Ala.
Robison
Rogers, Fla.
St. Onge
Senner
Sheppard
Short
Sibal
Sikes
Smith, Iowa
Staebler
Stratton
Taft
Vanik
Widnall
Williams
Willis
Wilson, Bob
Wilson, Charles H.
Wright

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. Albert) having assumed the chair, Mr. Lankford, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 8316, and finding itself without a quorum, he had directed the roll to be called, when 352 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. Hall].

Mr. HALL. Mr. Chairman, I have appeared before this distinguished subcommittee of the Interstate and Foreign Commerce, on this and related subjects in 1963, and on December 5 I wrote to the Chairman of the Federal Communications Commission expressing my dismay that the FCC appeared ready to plunge ahead on a collision course, to impose compulsory and arbitrary restrictions on the broadcasting of commercial material over radio and television, I felt, and do feel, this Commission, as a creature of the Congress, is regulatory; and not legislative, by decree, regulation, or implementation.

I called the FCC Chairman's attention to the fact that a conservative estimate is that the broadcasting industry voluntarily sustained a loss of over $26 million during the tragic days following President Kennedy's assassination in order to fulfill their presumed responsibility of informing the public. It seemed to me the industry performance, and its willingness to forsake not just a specific number of commercials as might be laid down by Government; but to forsake all commercials over a 4-day period, was evidence that the industry is more mature than those who propose to restrict its freedom. The freedom of our news media—press—is herein involved.

We all know, that the FCC learned that discretion was the better part of valor, and the Commission retreated from what had up to the very day of the President's assassination been a hard-nosed, and even obstinate position.

Note, Mr. Chairman, that I said retreat, not surrender. Even in announcing its decision not to press for adoption of the proposed rule, the Chairman of the FCC gave every evidence that the decision reflected, not a change of thinking on his part; but rather, a recognition that the climate for this drastic action was rather cool at the moment, and that the reaction from the Congress might be reflected in the appropriation process later on.

The variances of the broadcasting industry are such that no set of Government regulations, establishing arbitrary limitations on commercials, can possibly be fair to all concerned—large station and small station, radio and television, network and independent. Some stations, especially those in large metropolitan areas often reject advertisements on a particular day, simply because the broadcasting day is only so long, and once all time is sold out, no more can be manufactured.

On the other hand, many small stations may undergo very lean times of the year when a commercial is as hard to come by as a snowball in July. To compensate, to stay in business, to meet their payroll, they may have to take full advantage of the harvest when it occurs.

Mr. Chairman, these men and women who manage our radio and television stations are almost invariably solid citizens of the community in which they live. They have to operate both a business and a public service. The vast majority of them do a good job of both. Are we to allow a regulatory commission to preempt this?

Should a nonelected official, one whose own job security is such that he never has to worry about such mundane things as profit and loss; impose his own judgment over the private owner, on matters which can affect the very survival of the owner and his business?

If a Federal agency can tell a responsible station manager that he can only do so much business every 60 minutes, must that same agency not be prepared to subsidize the station if its judgment proves wrong?

Is not the marketplace a better regulator, than a bureaucrat?

Cannot the average listener or viewer, in the average metropolitan area, exercise influence in this matter by the simple expedient of twisting the dial, or listening to only those stations who demonstrate good taste and thereby adversely affect the listener rating of those who do not?

Mr. Chairman, I regret that it has been necessary for the Congress to have to consider the legislation before it today. If a majority of the FCC including its chairman and our colleagues of the ADA "study group," were composed of men who believed in and understood the competitive market system, I firmly believe this bill would not be before us. But because there are those who seek to extend the heavy hand of Government regulation as much as the traffic will bear, I hope and pray this bill will be passed, and it certainly will have my support.

Mr. Chairman, I ask unanimous consent that the gentleman from Vermont [Mr. STAFFORD] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. STAFFORD. Mr. Chairman, I support the passage of H.R. 8316, a bill whose provisions would prevent the Federal Communications Commission from regulating the length and frequency of broadcast commercials over our radio-TV stations.

Each year witnesses effort after effort to invade the prerogatives and erode the powers of our free enterprise system by means of Government rules and regulations. The Federal Communications Commission has recently considered the adoption of rules which would regulate the amount of time which the radio-TV industry might devote to commercials.

While it is true that occasionally there may be an instance in which a radio or TV facility has broadcast more commercial time per hour then commonsense and good taste might indicate was appropriate, I do not believe Federal regulation is the answer to the problem. Rather, the answer lies in voluntary self-control. The National Association of Broadcasters already has a voluntary code limiting commercial time. Generally, it is adhered to.

Moreover, should the Federal Communications Commission continue to be in a position to regulate commercial time for the radio-TV industry, and do so, it would have its foot in the door for full control of these important sources of public information. It could indeed, set the stage for attempting to control all media for public information. This would be intolerable in our democracy. I, therefore, hope this bill will be adopted.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEERMANN].

Mr. BEERMANN. Mr. Chairman, I rise in support of this bill because I am perfectly sure that the broadcasting industry is capable of handling the problem of overcommercialization under its own code. I know most of my State's broadcasters personally and I am confident in their ability to regulate themselves effectively. Therefore, I urge passage of this bill that the American free enterprise system will not be further encroached upon.

May I add that I know the Federal Communications Commission professes no interest in limiting commercials. Despite this profession, I am wary of its intent. In addition, many of my broadcasting friends are sure the Commission is only biding its time until the heat subsides when it will again attempt to regulate this field.

Admittedly, some broadcasters need improvement. However, any attempts to make this improvement through the FCC only further multiplies the costly tenacles of government that are strangling American ingenuity today.

To sum up, may I say that to my way of belief every community is unique. Its needs and type of services can only be interpreted by someone intimately acquainted with it. To impose a rigid framework of rules on the broadcasters serving this community, limits their flexibility and ability to serve this community to its own best interest.

Frankly, I much pefer that broadcasters be regulated by the listener or viewer. He can do this by turning a knob, and I frankly believe the American people have not reached such a state of imbecility that they cannot exercise this simple act.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY of Indiana. Mr. Chairman, I rise in support of this legislation and wish to express my strong support of it. I urge favorable action be had upon it.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. ASHBROOK].

Mr. ASHBROOK. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Chairman, I rise in support of this legislation. H.R. 8316 may not be needed as suggested by some of the opponents of this bill. On the other hand, as a Member who watches very closely the machinations of the bureaucratic agencies, I have come to the very decided conviction that where there is a will there is a way. We all know that there is a clear intention on the part of the Federal Communications Commission hierachy to implement at some future time the regulations regarding control over advertising time even though for now they might have gone back into the woodwork with this proposal.

Who can forget former Commissioner Newton Minow and his virtual czar-type threat of control over the communication media as to taste in program and advertising? Who can forget the effort in the 87th Congress to expand the power of the FCC? There is no justification for the Members of this body to take satisfaction in the announced intention of the FCC to respect, for the time being, the intention of the Congress. When the occasion arises, we can be sure that the FCC will conduct business as usual and that means an encroaching control over our radio and television media.

Once more we witness the lack of faith in the private sector of our economy. If indeed commercial advertisements become too lengthy and offensive, the public will rectify this shortcoming. I fail to accept the basic premise of the opponents of this bill that the broadcaster is the type of fellow who would throw public interest to the winds and operate his station on a basis of greed if he were given the chance. This is not the case and while a reasonable regulation may be in the public interest, total regulation is an instrument more appropriately reserved for totalitarian societies. In every city in my district, radio broadcasters are good neighbors and good citizens who add to the educational, cultural and amusement interests of the citizenry. You do not need to tell them about public interest. Certainly, they can operate their stations without the control which the FCC is bent on imposing on them and I wholeheartedly support this bill as one more statement of congressional intent against the burgeoning growth of Federal control over every private sector of our economy.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. CLANCY].

Mr. CLANCY. Mr. Chairman, I rise in support of H.R. 8316. In view of the Federal Communication Commission's assertion that it is empowered to make rules relating to the length or frequency of broadcast commercials, I believe it is necessary for the Congress to limit explicitly the scope of the Commission's powers in this area.

The broadcasting industry's self-regulatory efforts have been eminently successful. To harness the industry by the adoption of compulsory standards promulgated by the Commission would be unnecessary, as well as outside the scope of the Communications Act of 1934.

We turned over to a body created by and responsible to the Congress a defined and limited measure of power, a power at all times subject to recall and supervision by Congress. The Commission is authorized to promulgate regulations which will effectuate the purposes of the act. But when it appears that the Commission is transcending these bounds, it is incumbent upon us to act.

Inasmuch as the present membership of the Commission is of the opinion that the powers delegated to the FCC include regulating the length and frequency of commercials, this legislation is necessary to clarify the intent of Congress. If we do not enact this legislation, future efforts will no doubt be made to impose rules with respect to other aspects of broadcast programing.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. HORTON].

Mr. HORTON. Mr. Chairman, stripped of its emotional embroidery, the measure before us involves but one question, namely, does the Federal Communications Commission have the authority to regulate the length or frequency of broadcast commercials? I believe it does not. Therefore, I support and shall vote for H.R. 8316, to affirmatively prohibit such a rulemaking adventure by the Commission.

It needs to be emphasized that the bill we are considering has a restricted scope. It is confined to the single subject of what boundaries are incumbent on a regulatory agency by its congressional mandate. This bill does not treat the merits of whether Government has a logical or legitimate role in setting standards for commercial broadcasts.

As long as we have a system of commercial broadcasting, we will have commercial critics. This is both desirable and necessary. Yet, this does not mean that well-intentioned moves to correct deficiencies in the system should be allowed to illegally invade respected rights nor to substitute a shotgun blast where a rifle shot is reasonably recommended.

The only reason we have such a bill before us today is last year's action by the Commission attempting to broaden its rulemaking capacity. The FCC heard testimony from the public regarding excessive commercialization; but, then wisely abandoned the whole proceeding. Of course, there is no guarantee that the Commission will not re-enter this field in the absence of a statutory prohibition.

I want the FCC to be mindful of the problems of excessive advertising that is plainly prejudicial to the public convenience, interest, and necessity. However, these damage determinations must be made case by case, relying on varying community needs and natural broadcasting diversity.

Unfortunately, the commercial critics have overstated their case. I do not dispute that some stations broadcast some commercials in some ways that deserve denouncement. But, harnessing and harassing an entire industry in an effort to right these wrongs is an anguished approach.

I happen to feel that the present situation does not warrant Government control over the length and frequency of commercials. Perhaps, if airwave abuse assumes increased incidence and self-control proves inadequate or insufficient, Congress may be advised to conduct a searching study, looking to legislative limitations or administrative authorizations that would provide public protection. But, I repeat, this is not the immediate matter. Our votes today should respond only to whether Congress needs to write a positive prohibition against a Federal agency's arrogating to itself the right to legislate. Whether it involves the FCC or any other Federal agency, Congress must be on guard against any attempts by appointive bodies to usurp responsibilities that belong exclusively to elective bodies.

One of the facets in the disturbing centralization of Government power at the Federal level is the characteristic of administrative agencies to substitute their discretionary powers for what I believe should be a legislative determination. In the case of the FCC, I think it is clear that imposing broad regulations which do not reasonably follow from the Commission's authorized role can impair congressional predominance.

Mr. Chairman, should the House pass this bill—and I hope we will—that action would announce to broadcasters the country over that we have faith in their own good sense to protect public property, the Nation's airwaves.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. HARVEY].

Mr. HARVEY of Michigan. Mr. Chairman, several months ago the Federal Communications Commission proposed a rule, which many persons have already referred to this afternoon, which would limit the number of commercials to be presented within a specified time period. H.R. 8316, which we are considering here today, would clearly prohibit the Commission from taking this action. I wholeheartedly support H.R. 8316 and urge its adoption for several reasons:

In the first place, I do not think that Congress ever intended to bestow this power when it created the FCC. It takes a real stretch of the imagination to reach any other conclusion. Even the U.S. Supreme Court has made clear that it was not the intent of Congress to regulate the business of the licensee, but to leave competition in the broadcasting business—*FCC* v. *Sanders Brothers*, 309 U.S. 470, 475 (1940).

In the second place, and equally important, is the fact that it is completely impractical to accomplish what the Commission seeks to accomplish by the imposition of such a rule. If there are too many commercials, the public has the right to decline to listen to them. Advertisers will quickly learn that they are not deriving the business revenues from the commercials that they expected, and the end result is a lessening of commercials. My point is that there is a commercial saturation point which they dare not pass. This is the way it should be in our country. It is the natural way under our system of free enterprise. It recognizes the vast differences between communities, size of stations, markets, listening hours and a variety of other factors which go into the broadcasting business.

Third and finally, I think that any such rule represents an encroachment and a real threat to freedom of speech and freedom of the press. If the FCC can control the business of radio stations, then under any logical reasoning are not newspapers next? I do not believe this should be permitted to happen, and for that reason I urge passage of H.R. 8316, making our intent clear.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. ANDERSON].

Mr. ANDERSON. Mr. Chairman, I rise in support of H.R. 8316. It is vitally important that Congress approve this measure in order that the regulatory scheme with respect to the broadcasting industry shall not be drastically changed by Commission fiat.

Despite the fact that since 1927, when Congress adopted the unique regulatory plan with regard to the day-to-day responsibility for broadcast programs, wherein it was repeatedly held that this rested primarily with the individual licensee, the present Commission by a 4 to 3 vote on May 15, 1963, assumed a position that would contravene the legislative intent of the Radio Act of 1927 and a reaffirmation of that basic pattern by enactment of the Communications Act of 1934.

I suggest, Mr. Chairman, that the Federal Communications Commission has exhibited an overwillingness to assume authority it does not have; an authority that Congress never intended it to have and that the legislative history shows it never possessed. In fact, in 1932, the forerunner of the Federal Communications Commission; namely, the Federal Radio Commission, took the position that any plan to reduce, limit, and control the use of radio facilities for commercial advertising purposes within time limitations "must have its inception in new and additional legislation which either fixes and prescribes such limitations or specifically authorizes the Commission to do so under a general standard prescribed by that legislation."

In the absence of such additional authority which it never received, for the Commission to maintain a diametrically opposite position as in last year's ruling, poses an immediate problem which Congress must clarify immediately.

It is not a moot question now as the Commission maintains because it withdrew its proposed rulemaking in this area. What is to prevent this same Commission in the next month or the following year to reinstitute these proceedings if this is not settled once and for all.

Mr. Chairman, I respectfully suggest that the broadcasting industry is doing an excellent job in carrying out its responsibility which now rests upon the individual licensee who is certainly aware of what the needs of the community may be and most assuredly community needs differ widely and must take into consideration so many different factors such as the size of the marketplace, economic opportunities and limitations, population distribution within the State, hours of operation, power, range facilities, as well as other important factors.

I also respectfully suggest that we do not allow any basis for the substitution of Commission judgment for individual licensee judgment regarding the licensee's day-to-day responsibility of serving the community which he is licensed to serve. The matter before us has significant ramifications. Hence, it is my firm conviction that this bill must be passed or else the present regulatory scheme will be transformed by the Commission into a totally different regulatory scheme that was not contemplated by the Congress. I earnestly implore the Members of this House to support this legislation. It involves the basic freedoms of the broadcasting industry. Indeed it will serve to clearly enunciate and protect the basic constitutional right of free speech itself.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, in the interest of freedom of speech and of the press, I wish to extend my support to H.R. 8316, which would specifically prohibit any attempt by the Federal Communications Commission to control the content of radio and television programing, in regard to the length or frequency of commercials.

I know that too many commercials can be irritating to those of us who watch and listen. But from the testimony heard before the Rogers subcommittee and the FCC itself, as hearings were held and from the increasing concern expressed by professional associations of broadcasters, it is obvious that the members of the broadcast industry are increasingly aware of the problem. They are taking steps to regulate themselves. They are showing integrity and wise judgment. Therefore, the problem is moving toward solution without interference from the FCC.

But even if this were not the case, the idea of a Federal agency exercising control over the free flow of ideas is a very serious matter. It raises constitutional questions. It is contrary not only to the basic law of our land but to our entire concept of freedom of expression.

Congress established the FCC to regulate the technical use of the airwaves. Over the years, the FCC has expanded its own function to include areas of programing. We all realize that technical regulation is necessary to avoid utter chaos and confusion on the airwaves. The FCC's assumed right to also regulate what radio and television people may broadcast is causing chaos and confusion in the broadcasting industry. The FCC should remain within its proper scope, regulating the technical use of the airwaves, but it ought to divorce itself from controlling program content. It now exercises control through regulation that requires stations to program given percentages of time in various content areas, such as news, education, public service, and the like. We have heard no real protest from the broadcasters concerning this, because these are services which they would provide for the public without Government regulation. It is part of their professional service and business necessity.

However, the FCC has recently proposed to also regulate the length and frequency of commercials. When the protest was overwhelming, the FCC abandoned the idea of a sweeping regulation, but said it would judge stations on a "case by case" basis. This has tended to further confuse the issue.

A commercial on radio or television is like an advertisement in a newspaper. It is put on the air by a businessman. He pays for it. He buys it because he thinks in will help him sell a product. Therefore, it is an important service to the business community at large.

At the same time, it is the lifeblood of the station. The money received from selling commercial time pays the bills. The money from commercials pays, in part, the free programing of news, public service announcements, and the other programs a station presents.

The vital nature of such information is common knowledge to anyone who has ever listened to the radio to find out if, in bad weather, schools were to be closed. This is just one example of the type of free service given by the broadcasters. I might also cite the important contributions of broadcasters to national defense, through the conelrad program, or the large volume of information disseminated by radio and television in support of U.S. savings bonds, military recruiting efforts, and the like.

The announcers and expensive equipment of broadcasting could not be hired or bought or kept functioning without commercials. Any FCC attempt to regulate commercial time would tend to set a ceiling on the gross incomes of stations and could well lead to the curtailing of important services such as those I have mentioned.

There is another factor to be considered which is vital to our economy. That is the effect advertising control could have on other businesses. I have noted that businessmen buy advertising because they think it will help them sell a product. In fact, advertising through the various mass media, including radio and television, might be called the grease which turns the axles of our free enterprise system. Advertising tells the consumer of the products which industry has to sell.

There have, it is true, been some cases where broadcasters have run so many commercials that it has been irritating to the audience. But the American listener or viewer needs simply show his displeasure by turning the dial. A station without listeners or viewers will soon lose its advertisers. Advertising is only worthwhile to the businessman-purchaser so long as there are people to see it. So, broadcasters have learned by experience that their programing must be balanced, to hold the audience.

We do not need Government agencies telling people how much they can sell, or buy, or for how long, or how often, or telling the American public how often they can be presented with an idea.

Therefore, I urge support of H.R. 8136, believing that freedom for the broadcast industry within this area of content is vital to the best interests of the Nation.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. COLLIER].

Mr. COLLIER. Mr. Chairman, the legislation before us today is both necessary and timely in the light of the recent notice of proposed rulemaking prescribed in the Federal Communications Commission docket No. 15083.

The precedent that would be set in such action by the FCC would certainly pose economic restrictions on radio and television stations which could be most detrimental to their entire operation particularly in the quality programs. Present law, as Members of this House are well aware, vests adequate policing power by the Commission in accordance with the powers granted it by the Congress in the Federal Communications Act. At the same time, it would be dangerous to provide any agency with such powers as might change the course of the broadcasting industry in this country.

There is no question that many commercials which the public hears and/or sees on radio and television are disturbing and often even obnoxious to some people. Likewise, there is little doubt that there is excessive advertising on many programs now going over the airways. But the industry and the public has the prime responsibility in correcting these abuses and this Congress must retain its responsibility to deal with these problems in the public interest. As has been pointed out this afternoon, enactment of the bill before us does not remove from the Commission any of its present powers but will merely act as a curb to the Commission going beyond the intent of Congress in this respect.

I refer the Members of this House to the dissenting statements of Commissioners Rosel H. Hyde and Robert T. Bartley in the matter of notice of proposed rulemaking to prescribe limitations on commercial material broadcast by standard broadcast, FM broadcast, and television broadcast stations. These statements, I believe, sum up the need for the legislation before us today, and it is my hope that this House will pass H.R. 8316 by an overwhelming vote.

Mr. BENNETT of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman, whether commercial advertising on radio and television should be regulated, and how it should be regulated, are questions which are not before this body today. The real issue which the pending bill puts before us is—Who has the power and authority to do the regulating?

Or, more precisely, the issue is whether Congress shall stand idly by and allow a creation of Congress, the Federal Communications Commission, to assume and assert regulatory power which Congress did not confer upon it.

The great Committee on Interstate and Foreign Commerce deserves high commendation, in my opinion, for calling to task an administrative agency under its oversight jurisdiction which appears determined to usurp the legislative authority of Congress.

Frankly, I wish it were possible and justified to heap similar praise upon other committees which have oversight jurisdiction with respect to other administrative agencies such as the National Labor Relations Board.

Unfortunately, the appropriate committees of Congress have not exerted a similar vigilance so far as the National Labor Relations Board is concerned. Although some of us have complained from time to time, the Congress has stood idly by for too long and allowed the National Labor Relations Board to usurp and assert policymaking legislative powers never conferred or intended by Congress.

I hope that our action here today may serve a broader purpose than simply to slap the wrist of the Federal Communications Commission. I hope it will also serve a useful notice upon other administrative agencies that their creator, the Congress, can and will insist that they remain within the bounds of the authority and powers actually conferred upon them by Congress.

Mr. HARRIS. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. KORNEGAY].

Mr. KORNEGAY. Mr. Chairman, I rise in support of H.R. 8316 and as a member on the House Committee on Interstate and Foreign Commerce and as a member of the Communications Subcommittee, I take this opportunity to congratulate my chairman, the gentleman from Arkansas, and my subcommittee chairman, the gentleman from Texas, on the fine leadership they have exhibited in bringing to the House this most important piece of legislation. Why do I say that it is of such great importance? It is important because it is an effort on the part of the Congress to stem the ever-increasing tide of bureaucratic control over the industries and people of this country. It is important because it will stop the Federal Communications Commission from assuming and taking unto itself legislative authority which in fact it does not have. The Congress has granted certain powers to the regulatory agencies and these agencies have only that power which the Congress has granted to them. It is fundamental and proper that the Constitution should prohibit the exercise of legislative power and authority by any agency of Government save and except the truly constitutional legislative body, to wit: the Congress.

The broadcasters of this country are not common carriers and are therefore not subject to the regulation as is extended to the railroad, the telephone, and the telegraph companies. This principle was recognized by the Supreme Court in *FCC* v. *Sanders Bros. Radio Station*, 309 U.S. 470. The Court stated:

> The act recognizes that broadcasters are not common carriers and are not to be dealt with as such. Thus the act recognizes that the field of broadcasting is one of free competition. The sections dealing with broadcasting demonstrate that Congress has not, in its regulatory scheme, abandoned the principle of free competition, as it has done in the case of railroads, in respect of which regulation involves the suppression of wasteful practices due to competition, the regulation of rates and charges, and other measures which are unnecessary if free competition is to be permitted.
>
> The act does not essay to regulate the business of the licensee. The Commission is given no supervisory control of the programs, of business management, or of policy. In short, the broadcasting field is open to anyone, provided there be an available frequency over which he can broadcast without interference to others, if he shows his competency, the adequacy of his equipment, and financial ability to make good use of the assigned channel.

It is not proper for the Congress to stand idly by and permit the Federal Communications Commission to take this first step toward the exercise of unauthorized control over the electronics communications of this country. If the Commission is permitted to take unto itself this authority, then what step next? The step next, of course, will be to determine in advance what the commercials shall contain and then, of course, the next step will be to move from the area of commercials to the area of programs. When the FCC moves into this area, it will determine what programs shall be viewed and how long these programs shall continue, and in effect it could well become a thought-control agency.

No doubt at one time or another, all of us are provoked with long, boring, or too frequent commercials on radio and television; and the best and most effective remedy for this situation which I know of is the simple flick of the dial. Now, if the situation should deteriorate to the point where regulation of commercials is in the public interest, then it is the duty of the Congress and not the FCC to take remedial action through appropriate legislation.

Gentlemen, I urge your support for this most important piece of fundamental legislation.

Mr. HARRIS. Mr. Chairman, I yield such time as he may consume to the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN of Montana. Mr. Chairman, Members of the House of Representatives, the bill that we have before us today is one that will clarify the acts that can be taken by a Federal agency and will answer questions raised by the announced intentions of this agency, the Federal Communications Commission, in regard to broadcasting.

The Federal Communications Commission in proposing to set commercial time limits and consider commercial contents of programs is going beyond their power as defined in the Communication Act.

The action proposed by the Federal Communications Commission in attempting to set commercial time limits for stations would also be unfair and would tend to destroy individual initiative in broadcasting.

The effect of limiting commercial time would tend to increase advertising rates and limit the use of radio and television as an advertising medium. As an example of this point, in my home State of Montana, we have a large land area with a sparse population. The people of Montana are reached by many small radio stations and several TV stations, and in a great number of cases this is the only way that our citizens have of keeping in touch with news, special events, and advertising information, which is also of great importance. With a limitation on commercialization, stations in our State would be forced to increase rates, as I have said, and many small advertisers would be deprived of an important means of reaching their customers and many citizens of Montana would be wholly unadvised as to important market and shopping information.

Many radio and television broadcasters in our State have achieved a high degree of excellence in broadcasting. They have done this by their own individual initiative and inventive ability. With Federal control of broadcast programing there would be no incentive for excellence and no reward for individual initiative in broadcasting.

One station that I know of in my State of Montana has developed such a clever and distinctive method of presenting some commercial messages that listeners have commented "the commercial is sometimes the best part of your programing." I think this points out that quality in commercialization is important, and it further points out that commercialization is a nebulous thing that cannot be easily defined or measured. Commercialization in radio and television is a part of the art of broadcasting and, as in art, we cannot set standards or limits.

In broadcasting we have a natural control that lies in the hands of the people. The good will of the listener is a station's major asset. A station that overcommercializes, knowingly or unknowingly, immediately jeopardizes that good will and if he continues, a broadcaster will bring about his own downfall. This will happen not by the actions of a Federal agency or this Congress, but by the pure and simple vote of the people. These listeners, under our present system of free broadcasting, comprise the lifeblood of this industry. Their support of the broadcaster with their listenership and their support of the advertiser through purchasing the products offered, will determine the eventual success or failure of every station in this Nation.

After all, Mr. Chairman, are we not, here in Congress, like broadcasters? We, like broadcasters, offer ourselves to the people of this great country and whether it be a voting booth or a radio dial, the people of America will choose between right and wrong. They will choose between overcommercialization and good broadcast practices. The passage of the bill before us now will assure that the people of this country will continue in their free choice.

Mr. HARRIS. Mr. Chairman, I yield such time as he may consume to the gentleman from Idaho [Mr. HARDING].

Mr. HARDING. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. HARDING. Mr. Chairman, I take the House floor today to urge my colleagues to join with me in casting their votes in favor of H.R. 8316 introduced by the gentleman from Texas, Congressman WALTER ROGERS. This bill provides that the Federal Communications Commission may not prescribe standards on the length or frequency of broadcast advertisements.

All of us who constitute the television and radio audience are occasionally annoyed by the overcommercialization which does occur on some programs and networks.

However, my study of this problem has convinced me that our individual radio and television broadcasters are best prepared to deal with the problem on the local level without Federal interference.

It is a well-known fact that advertising problems vary greatly from community to community. For this reason it is vital to the successful radio or television operation that management have the right to determine what type of advertising policy best serves the people in their area and the business community.

For the Federal Government to prescribe a national standard on the length or frequency of broadcast advertisements, which could be successfully adapted to all local situations, would appear to be an impossibility.

Certainly if one were attempted, it would raise, I believe, some serious questions on freedom of speech as well as have a severe economic effect on radio and television broadcasters.

I would like to point out, too, in urging the support of my colleagues on H.R. 8316 that already the broadcasting industry is aware of its responsibility to present a sound balance between commercial and program material.

For example, the National Association of Broadcasters includes in its code of good practices for both radio and television advertising regulations on the content and length of advertising.

These standards were prepared by the broadcasters themselves and are enforced through the National Association of Broadcasters' code boards. Significant progress has been made and will continue to be made on a voluntary basis.

In urging your support for this legislation let me emphasize here that should the industry be unable to resolve this matter satisfactorily as we anticipate, Congress would not be prevented from considering other alternatives at a future date.

At this point I would like to call the attention of the House of Representatives to some of the letters and wires I have received from broadcasters in the Second Congressional District of Idaho indicating their strong support for H.R. 8316.

KID, Idaho Radio Corp.,
Idaho Falls, Idaho,
February 17, 1964.

Congressman Ralph Harding,
House of Representatives,
Washington, D.C.

Dear Ralph: It is our understanding that a bill which would prohibit the FCC from adopting a rule to limit commercials on radio and television broadcasting stations (H.R. 8316, the Rogers bill) has been scheduled for consideration on the floor of the House soon. Your vote in favor of the bill would be greatly appreciated.

While it may be true that from time to time broadcasting stations have overcommercialized, we feel that in the long run the marketplace is the forum for the equalization of commercials—that if the public comes to dislike a station because of over commercialization the station will be forced by market pressure to come around to something that is more serviceable to the public. We feel that any FCC attempt to limit the number of commercials is tantamount to ratesetting or regulation as though the broadcasting industry were a public utility. We feel that Congress never intended the FCC to go this far. We hope you agree with us and hope we can count on your vote in favor of the Rogers bill.

Best wishes always.

Yours truly,
J. Allen Jensen,
Executive Vice President,
General Manager.

KSEI, Pioneer Broadcasters Corp.,
Pocatello, Idaho, February 18, 1964.

The Honorable Ralph R. Harding,
The House of Representatives,
Washington, D.C.

Dear Congressman Ralph: While I have been delayed in answering your last letter of January 24, I want you to know how much I appreciate your followthrough on the proposed rulemaking of the FCC in the area of radio and TV commercial control.

Thank you for sending me a copy of the letter you received from Chairman E. William Henry of the FCC, and of the public notice terminating the commercialization rule proceeding.

We are informed that the House of Representatives now has before it a bill to more explicitly define the authority of the FCC in the area of commercials of radio and TV stations.

The bill is H.R. 8316, more commonly known as the Rogers bill. We believe passage of this legislation would help to spell out to the Commission that Congress never intended the Commission to promulgate rules which would interfere with our commercials, and is, in fact, assuming the powers of Congress in establishing such rules.

In the report and order of the Commission which terminated the proposed rulemaking on commercials, the FCC has indicated it will continue to give closer attention to the subject of commercial activity by broadcast stations on a case-by-case basis. I refer you to paragraph 10 of the report and order of the Commission for details.

I ask your support of the Rogers bill (H.R. 8316) when it comes to a vote in the House.

Broadcasters favor a voluntary control of commercials on their individual stations to conform to conditions which each faces in his own market. No rule can be written which will work in every situation encountered by broadcasters.

Thank you for your consideration of my request, and please drop in to see us when you are in Pocatello.

Cordially,
Pioneer Broadcasters Corp.,
Henry H. Fletcher,
President.

KGEM,
Boise, Idaho, *February 20, 1964.*

Representative Ralph R. Harding,
House of Representatives,
Washington, D.C.

Dear Sir: I would urgently request your consideration for passage of bill H.R. 8316, commonly referred to as the Rogers bill, when it is presented for consideration in the House of Representatives.

This would greatly enhance the future of the broadcast profession.

Thanking you in advance, I remain

Very truly yours,
R. C. Weisenburger,
Station Manager.

KAIN,
Nampa, Idaho,
February 20, 1964.

Representative Ralph Harding,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Harding: May I respectively request your consideration of House bill H.R. 8316 and urge your support of this bill, which I understand will be coming up very soon.

Best regards.

Sincerely yours,
Doyle Cain,
President and General Manager.

Pocatello, Idaho,
February 24, 1964.

Congressman Ralph R. Harding,
Washington, D.C.:

Earnestly request you give favorable consideration to Rogers bill H.R. 8316 this week.

Richard W. Miner,
Radio Station KWIK.

Boise Idaho,
February 24, 1964.

The Honorable Ralph R. Harding,
House of Representatives,
Washington, D.C.:

KIDO radio urges your favorable vote for H.R. 8316 when it comes before the House of Representatives. Radio stations need your support if we are to continue as a strong mass medium.

Thank you for your support.

KIDO Radio, Boise, Idaho,
James M. Davidson,
Station Manager.

Mountain Home, Idaho,
February 24, 1964.

Congressman Ralph Harding,
House Office Building,
Washington, D.C.:

Urge you give your utmost support to the Rogers bill H.R. 8316, broadcasting freedom is seriously in danger—especially the smaller station operation—freedom of the press will make great strides with passage of this bill.

I therefore ask your "Yes" vote on this legislation.

Charles F. Degler,
Radio KFLI.

Preston, Idaho,
February 25, 1964.

Hon. Ralph R. Harding,
House of Representatives,
Washington, D.C.:

Respectfully urge your vote favoring passage of Rogers bill H.R. 8316. Thank you for your consideration of this bill that is of great importance to the broadcast industry.

D. A. Nash,
KPST Radio, Manager.

Burley, Idaho,
February 25, 1964.

Congressman Ralph Harding,
House of Representatives,
Washington, D.C.:

We would appreciate your vote for H.R. 8316. We believe commercial controls are a step toward increased Government control of broadcasting. Enclosing we support your standing against the John Birch Society. We express our regrets about last week's newspaper exposure of trusted information.

Robert W. Saxvik,
Board of Directors,
Idaho Broadcasters Association,

Blackfoot, Idaho,
February 20, 1964.

Hon. Ralph Harding,
House of Representatives,
Washington, D.C.:

Bill H.R. 8316 scheduled for consideration this week should in our opinion receive your active support to prevent a regulatory agency from adopting a rule which is beyond its powers under the act of Congress.

Howard D. Johnson,
President, Radio Station KBLI.

Idaho Falls, Idaho,
February 20, 1964.

Congressman Ralph Harding,
House of Representatives,
Washington, D.C.:

In the interest of good broadcasting we would heartily recommend that you vote for H.R. 8316 when it is brought for consideration.

KUPI Radio,
Gene Klaas,
General Manager.

Pocatello, Idaho,
February 25, 1964.

Representative Ralph Harding,
Washington, D.C.:

As an Idaho broadcaster your support is requested for H.R. 8316.

Dan Libeg,
Radio KSSN.

Twin Falls, Idaho,
February 25, 1964.

Representative Ralph Harding,
Washington, D.C.:

Freedom of the press is guaranteed the public by the Constitution.

We wholeheartedly support the Rogers bill, H.R. 8316 to prohibit the FCC from adopting a rule limiting commercial broadcasting time. Your vote for this bill is a vote of confidence in the broadcasters of Idaho.

R. W. Burden,
President and General Manager, KEEP Radio.

Salmon, Idaho,
February 25, 1964.

Hon. Ralph Harding,
Old House Office Building,
Washington, D.C.:

Reminding of our last week's conversation. Urge your active and voting support of H.R. 8316.

David G. Ainsworth,
President, Idaho Broadcasters Association. KSRA.

Twin Falls, Idaho,
February 17, 1964.

Representative Ralph Harding,
House Office Building,
Washington, D.C.:

Last week FCC Chairman Henry committed himself and the FCC to a continuing attack of overcommercialization for TV and radio stations. Chairman Henry announced that the FCC would establish commercial standard by other means and as of this date there has been two TV stations whose license renewals has been held up due to Henry's doctrine. These stations are WTVT and WFLA-TV. The FCC abandoned its rulemaking procedure to limit the number of commercials and are dealing with what they think is overcommercialization on a case-by-case basis. As you are probably aware there is a bill pending before the House of Representatives that would prohibit the FCC from adopting a rule which is beyond the powers of the regulatory agency. I urge your support in regard to House bill H.R. 8316. I am advised that this bill will be scheduled for consideration on the floor of the House during the week of February 17. Three hours have been allowed for debate.

Gordon O. Glassman,
President, KMVT.

Boise, Idaho,
February 18, 1964.

Honorable Ralph Harding,
House Office Building,
Washington, D.C.:

Would greatly appreciate your active support of the Rogers bill, H.R. 8316.

Kindest personal regards.

Georgia M. Davidson,
President, KTVB.

Boise, Idaho,
February 25, 1964.

Representative Ralph Harding,
House of Representatives,
Washington, D.C.:

To insure future security and freedom of the advertising industry, please vote yes on Representative Rogers H.R. 8316 up for vote Wednesday, February 26.

George Ganz,
President, Boise Ad Club.

Boise, Idaho,
February 26, 1964.

Representative Ralph Harding,
House Office Building, Washington, D.C.

Regarding Representative Rogers' bill H.R. 8316 up for vote Wednesday. Vote "yes." Thank you.

Ralph F. Fraser,
President, Radio KATN.

Rupert, Idaho,
February 26, 1964.

Representative Ralph Harding,
House Office Building, Washington, D.C.

We urgently request your "yes" vote on the Rogers bill H.R. 8316.

Mervin Ling,
General Manager, Radio Station KAYT.

KWAL, Metals Broadcasting Co.,
Osburn, Idaho,
February 21, 1964.

The Honorable Ralph R. Harding,
U.S. House of Representatives,
Washington, D.C.

Dear Sir: As an Idaho resident, I am petitioning your support of and assistance in passage of H.R. 8316, the Rogers bill, which has been reported out of committee and will shortly be coming up before the House of Representatives for consideration there.

I have been in commercial broadcasting since the early 1930's, with management responsibilities starting in 1946; as principal and manager of Radio KWAL in the Kellogg-Wallace, Idaho, district since 1953. While there have been and possibly continue to be commercial practices which require correction, the great majority of licensees conduct their operations in the manner desired by the Federal Communications Commission and in keeping with their policy proposals.

I mention my long association in the industry and personal knowledge of the beliefs and aims of both radio and television station operators as the basis of the above conviction.

The Commission itself is cognizant and has acknowledged the effectiveness of the National Association of Broadcasters, State broadcast associations, and other groups policing in those areas where improvements in public service and control of commercial content is needed. The results have been of substance and those efforts are continuing.

While the FCC has terminated its proceedings in the matter of amendment of part 3 of the Commission's rules and regulations with respect to advertising on standard, FM, and television broadcast stations, it has not terminated the threat and intent to adopt rules which would restrict and control.

For reasons set forth, I respectfully ask your personal attention to and assistance in securing favorable House consideration of H.R. 8316 when it comes before that body.

Sincerely yours,

R. Lee Black,
President, Metals Broadcasting Co.

Boise, Idaho,
February 27, 1964.

Congressman Ralph Harding,
House of Representatives,
Washington, D.C.:

May we commend for your favorable vote the Rogers bill, H.R. 8316, scheduled for consideration and vote today. This legislation is of importance to our broadcast industry and we will appreciate your support.

Regards,

Earl Glade, Jr.,
KBOI-TV, Boise.

Boise, Idaho,
February 27, 1964.

Representative Ralph Harding,
House of Representatives,
Washington, D.C.:

To insure future security and freedom of the advertising industry, please vote "yes" on Representative Rogers' bill, H.R. 8316, up for vote Wednesday, February 26.

James M. Davidson,
Station Manager, KIDO Radio.

Mr. HARRIS. Mr. Chairman, I yield such time as he may consume to the gentleman from South Carolina [Mr. Watson].

Mr. WATSON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. WATSON. Mr. Chairman, no one deplores more than I the occasional overcommercialization by a segment of the radio and TV media, but more than that I deplore further unwarranted Federal control and bureaucracy. I have full confidence in the industry's ability to police itself in reference to commercials and the FCC should not be permitted to make further invasions of the businessman's and stations' rights to freedom of speech.

If we permit this Federal agency to control even this aspect of broadcasting it will be only the opening wedge of complete Federal control of the communications industry and ultimately governmental control of thought and speech. Also, if the FCC is allowed to restrict the broadcasting industry in this respect it would result in substantially higher advertising rates and ultimately increase the cost to the consumer who finally pays the bill.

Accordingly, I am in full support of Congressman Rogers' bill and urge its immediate passage so as to put at rest the turmoil over this matter.

Mr. HARRIS. Mr. Chairman, I yield myself 10 minutes.

I ask unanimous consent that all Members who desire to do so may revise and extend their remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. POFF. Mr. Chairman, I want to register my concern over FCC regulation of commercial advertising and voice my support of H.R. 8316. I feel that the proposal originally advanced by FCC constitutes an unwarranted intrusion by a Federal agency upon private enterprise; that the rule could not be fairly and equitably administered and policed; that the proposal would impose a serious financial handicap upon broadcasters; that the proposal would impinge upon the right of private business concerns to advertise their products and services; and that any evils complained of can be and will be corrected by the industry itself under its code of good practices.

Small radio stations in the district I am privileged to represent have been more than generous in providing local civic clubs and other community organizations with free public service time. That generosity sometimes forces them to crowd commercial advertisements into restricted time frames which may occasionally give the impression of excessive frequency. However, I suggest that any problem which this might create will solve itself by natural process. The broadcaster knows that the value of the service he sells depends upon the size of his station's audience. Accordingly, he will not sell—because he knows the advertiser will not continue to buy—so many commercials that his station will lose its audience.

If the FCC undertakes to regulate the number and frequency of radio commercials, what is to keep the FCC from regulating radio programs? I truly feel that this is an adventure the FCC would do well to avoid.

Mr. TAFT. Mr. Chairman, as I have indicated in other similar circumstances, I shall not vote "aye" nor "nay" on H.R.

8316 because of my prior connections with the radio and television broadcasting industry and interests still held by myself and other persons related to me.

Mr. BOB WILSON. Mr. Chairman, I wholeheartedly endorse H.R. 8316, designed to keep the Federal Communications Commission from stepping out of bounds in its regulation of the broadcasting industry.

I am concerned that it was necessary for this legislation to even be brought before this body. But since it obviously is necessary, Congress should make its voice and views known to an agency which seems anxious to move into an area which historically has been off limits to governmental control.

Any FCC action to limit the length or frequency of commercials in the broadcasting industry is clearly not within the agency's jurisdiction. The FCC itself has admitted that not enough is known to make a sound decision on this matter. But even if some sort of regulation were needed, it is a matter for Congress to determine—and not the Federal Communications Commission.

Such open competition in the industry has been the philosophy of the Supreme Court, the Congress and past Federal Communications Commissions. Any back-door ratemaking now on the part of the FCC is use of an authority which the agency does not have.

Mr. MORRIS. Mr. Chairman, in the last session of this body I went on record as opposing the Federal Communications Commission proposal to incorporate the National Association of Broadcasters time standards in its rules and regulations. This part of the NAB's Code of Good Practice limits the amount of commercial time which may be included in radio and television programs of various lengths.

I opposed the adoption of these rules not because the NAB's code is not a good code, but because restriction of the amount of broadcasting time available is not a proper subject for Federal regulation. It would be an unjustifiable intrusion by the Federal Government into the economic operations of the broadcasting industry. It would transform ideal broadcasting standards into rigid bureaucratic regulation. It would substitute the judgment of the Commission for the judgment of the communities served by the broadcasting stations.

Because of the opposition against the adoption of these rules voiced by the broadcasting industry and by many Members of Congress, the proposal was recently unanimously dropped by members of the Federal Communications Commission. I applaud this wise decision. Nevertheless, there is still a need for legislation curbing the Commission. This agency has proposed by Commission fiat to change the regulatory scheme enacted by the Congress. It has claimed that it has the statutory authority to impose by rule standards with respect to the length and frequency of broadcast commercials. Unless H.R. 8316, the bill before us, is enacted, there will be a continuing threat that the Commission will try to impose rules along the lines of its previous proposal. The FCC has no authority to dictate to broadcasters the length or frequency of the advertising that they sell, and this must be made absolutely clear.

We can settle the issue right here and now by passing this bill. It is imperative that this legislation be enacted to preclude this agency from legislating instead of applying the law as laid down by the Congress. The House Committee on Interstate and Foreign Commerce found:

> That neither the provisions of the Communications Act of 1934 relied upon by the Commission as authority for prescribing by rule standards to govern the length or frequency of commercials, nor any other provisions of law authorize the Commission to prescribe by rule such standards.

Yet the Commission's actions have shown that a further definition of its regulatory powers are needed. The scope of its regulatory powers must be made more explicit. I urge immediate passage of H.R. 8316.

Mr. LIBONATI. Mr. Chairman, ordinarily the Congress does not interfere with the rulemaking procedures of Federal agencies if formulated to set up the operative conduct of its business both as to hearings and basic programs to protect and promulgate the public interest.

H.R. 8316 seeks to clarify the Communications Act of 1934 by reserving to the Congress the power to deal with the regulations relating to the length or frequency of broadcast advertisements. There can be no question that the Congress must reserve to itself such powers that inherently cannot be delegated by the Congress to any other body or agency only within the jurisdiction of its legislating basic controls or rules that lie only within the jurisdiction of its legislative prerogatives.

The determination by rules of the FCC affecting the length or frequency of broadcast advertising arrogates to this body control over the very lifeblood of the industry—its revenue. Certainly it was never intended that the Congress abandon its legislative jurisdiction over the industry on a level of regulatory control of such magnitude as suggested by the whims and caprices of an agency that owes its very existence to the Congress itself.

This bill reiterates the principle that the Congress reserves unto itself jurisdiction to regulate the length or frequency of broadcasting commercials. It would be unreasonable to vest in an agency of government (or other body) such broad powers of authority in making regulatory rules so as to transfer to itself those legislative powers that even the Congress cannot by law delegate to the FCC.

It is maintained by the opponents of the legislation that its passage would curb needed powers of the Commission that are necessary if regulation of the industry is to serve the public interest. Further that although there is no question that the Congress has the power to delineate the applicable policies established by the Commission, yet the Commission in reality, in order to serve the public interest already has the power to prescribe these standards. Thus the Commission in adopting the rule asserts that the delegation of power by the Congress in the 1934 act was in reality conferring control over the revenues even though determined by the industry itself under its right to enjoy the privileges of our free enterprise system.

The industry itself regulates the revenue-producing income to maintain its operative costs. Different types of operating stations are subject to different conditions as to the time-hour periods and weekday preferences that are revenue producing.

The FCC is seeking to take upon itself a terrific responsibility in a field that at best would result in futile, empty, and pointless gestures irritating to its membership—impractical setups of rate structures for advertising (which they have not the power to establish) charges, thus creating chaos in the industry.

If the purpose of the Government is to take over the broadcasting industry then this usurpation of control over its business relationship with its patrons and customers is a sure method of accomplishing it by policing its existence for a takeover. The National Association of Broadcasters radio and television codes proposed by the Commission for adoption has alerted the Committee on Interstate and Foreign Commerce to its important responsibility to the public interest as well as a strong determination to preclude an agency of Government regulatory in nature arrogating to itself the right to legislate. Its powers under the strict interpretation of its mandate—act of 1934—given by the Congress for regulatory purposes must not be changed by Commission just to change the specific intention of a congressional act. The committee has done the people of the Nation a great service in being adamant on this important question. It has also saved the Congress and the industry the greatest headache of the age in protecting the public interest in time—to say nothing of protecting free enterprise. Regulation of a business does not mean Government participation and interference in the management, control, and conduct of its competitive nature in accordance with the customs and practices of the trade. The FCC has enough troubles now without seeking new avenues of controversy. It should be proud of its honest record in its specialized field of endeaver—to protect the industry against autocratic power of politics, the organs of dissemination of information, and within the tycoons of the broadcasting industry itself—all for the protection of the public industry and the health of the industry. Let us not forget that there are many stations that are operating throughout the Nation that are conducted free of advertising—fine programs, educational and musical—but with few viewers in comparison to the commercially supported stations.

Further the commercially supported stations present football, basketball, baseball, and so forth, even golf and tennis matches—world series and Olympics as well as wrestling and boxing contests—without financial commercial support these presentments would be impossible.

The advertising programs are not only interesting that strengthen the economy with sales of gigantic proportions—giving thousands employment and setting up a fine market for serviceable articles for human use and consumption—to say nothing of household, autos, radio and television sets, and other innumerable concoctions—medical and otherwise—for human consumption. Food, cigars, and staple articles are to be seen to attract business.

All one has to do to escape the advertising media is to shut off the set. The public exerts a strong corrective pressure if overadvertising becomes a nuisance by closing off the market appeal felt by the sponsors of the program. The sampling of the public interest in programs is determined through advertising agencies by spot checking the viewing audience. The artist professions would be sadly effected by FCC interference at the advertising level. These matters reflect the public interest. Advertising is a stimulant to sales of genuine products. Regulation of fraudulent advertising can be dealt with by other agencies of Government to protect the public. A favorable vote for this legislation is a protection of the public interest in the freedom of an industry to conduct its honest business without Government interference.

Mr. PURCELL. Mr. Chairman, last May the Federal Communications Commission requested comments from interested parties on a proposed rule to regulate the length and frequency of radio and television commercials. It specifically suggested adoption of the National Association of Broadcasters' time standards as a Federal regulation, although other limitations will also be considered. Despite the opposition to this proposed Federal rule expressed in many comments submitted to the FCC and despite unfavorable editorials in many of the Nation's newspapers, FCC Chairman E. William Henry in a September speech before the International Radio & Television Society attacked present radio and television advertising practices and pointed to the need for Federal time standards.

It was in response to the Federal Communications Commission's proposed rulemaking that on September 10 I introduced H.R. 8381, a bill providing that the FCC may not prescribe standards with respect to the length or frequency of broadcast advertisements. It is identical with H.R. 8316. The recent decision of the Commission not to take their proposed action at this time does not diminish the need for this legislation.

The Federal Communications Commission seems to want to expand its authority in a totally unwarranted manner. There is no provision in the Communications Act of 1934 for the FCC to impose Federal regulation of advertising upon the broadcasting industry. In fact, section 3(h) specifically states:

> But a person engaged in radio broadcasting shall not, insofar as such person is so engaged, be deemed a common carrier.

Yet, the proposed FCC regulation is in effect rate regulation. For most broadcasting stations advertising is the sole source of revenue. Regulations restricting and limiting this revenue cannot help but have an effect on advertising rates.

The FCC is thus going far beyond the provisions and intent of the Communications Act. Yet the Federal Communications Commission is not a legislative body. It is an independent regulatory agency. It is up to Congress to make changes in its regulatory authority. If such a drastic step as imposition of Federal commercial time standards is required, the FCC should present its recommendations to Congress, and this body, not the FCC, should then determine the advisability of such regulation.

And what of the proposed Federal regulation? Is it necessary? Is it wise? I submit that the answer to both questions is negative.

The broadcasting industry is not only subject to Federal regulation, but also to self regulation. Broadcasters have recognized their special responsibilities to the listening public in their codes of good practices for both radio and television stations. Those codes include regulations covering the content and length of advertising. For instance, code subscribers may include only 4 minutes of advertising time plus a 70 second station break on a half-hour prime time television program, and on an hour-long radio program with a single sponsor they may have only 7 minutes of commercial time plus station breaks. An average of 14 minutes of commercial time, with a maximum of 18 minutes of advertising, is the standard for hour-long radio programs with multiple sponsors.

These standards were drawn up by broadcasters and are enforced by broadcasters through the National Association of Broadcasters' code boards. The standards are not mandatory, but apply only to members of the industry who become code subscribers.

The Federal Communications Commission has stated that the broadcasting industry's efforts at self regulation have not been successful, and proponents of Federal regulation point out that only 38 percent of the Nation's radio stations and 70 percent of its television stations are code subscribers. They seem to overlook the progress that the industry has been making and is continuing to make to strengthen self regulation.

For instance, in January 1959 only 60 percent as opposed to the present 70 percent of television stations were code subscribers, and the participation of radio stations has increased from 15 percent in January 1959 to 38 percent today. It is not only through increased coverage that the NAB codes have been strengthened. In meetings last summer NAB boards resisted efforts to weaken code standards to gain greater participation, and NAB President LeRoy Collins is spearheading an industry drive for more effective self-regulation.

The broadcasting industry has begun to show advertising agencies the advantages of advertising on code subscribing stations. Commercials on these stations are not sandwiched between advertisements with misleading claims or ads of poor taste. Overcommercialization is not a problem on code subscribing stations, and the code subscribers' programs must be in good taste. As advertising agencies come to realize that commercials on these stations are more effective, there will be more incentive for agencies to advertise on these stations and for broadcasting stations to subscribe to the NAB time standards. Are Federal commercial time standards necessary? No, the broadcasting industry is making good progress in regulating itself. Is Federal regulation of commercial time wise? There are several reasons why it would not be.

It is important to realize that time standards of the National Association of Broadcasters are voluntary standards. They are not forced upon the industry, for it is recognized that although participation could be and should be greater, it need not be 100 percent. What are reasonable standards for most stations are not reasonable for all.

To impose time standards on all stations would bring great economic hardship. Broadcasting stations differ in power, in hours of broadcasting, and in type, stability, and size of market. The broadcasting station located in a resort area or an area of seasonal economic fluctuations must receive sufficient revenue during those times when its market is strongest in order that it may broadcast throughout the rest of the year. And, of course, there are many daylight stations who are quite dependent on the revenues from commercials presented during the longer operating hours of the summer. For some stations limitation of the maximum amount of advertising time during prime hours would be economically disastrous. Prime time advertising revenues are these stations' bread and butter, for it is more difficult to sell advertising during fringe hours.

During 1961, 1,372 radio stations lost money and 636 earned less than $5,000. Is this an industry whose main source of revenue should be limited by mandatory Federal time standards? The daytime and the small broadcasting stations should not be forced out of business or turned into network relay stations.

Quite apart from the economic consequences of the proposed FCC action, the imposition of this type of Federal regulation raises serious political questions. In the United States freedom of speech is one of our most important freedoms, and the broadcasting industry is a most important medium in providing information to the public and in presenting diverse and often conflicting opinions. If this industry is regulated by the Federal Government as a common carrier, if the length and frequency of commercial time is limited by the Federal Government, would not the next logical step be Federal regulation of advertising content or even program content?

Thus, FCC regulation of this type has serious implications. It raises fundamental questions which should receive careful study and deliberation by Congress. Yet, the Federal Communications Commission was preparing to impose these regulations on its own, regardless of congressional intent. It is for this reason that I urge prompt enactment of legislation prohibiting FCC action on this vital matter, and leaving such important decisions where they properly belong, in the Congress.

Mr. PELLY. Mr. Chairman, it was not the intention of the Congress to give the Federal Communications Commission authority to make and prescribe rules and standards as to the length and frequency of commercials, yet the Federal Communications Commission has interpreted the Communications Act of 1934 as granting it this authority. Consequently, it becomes necessary for the Congress to enact legislation prohibiting the Federal Communications Commission from enforcing these rules.

The implementation of such standards, regulations, or rules as proposed by the FCC would be such an infringement on private enterprise that it would put many stations out of business. Further, it would place upon the Commission the tremendous task of policing which undoubtedly would have more adverse effects than results. Such action by the FCC would undermine the desire of the broadcasting industry for self-regulation and would, I am afraid, lead to eventual and complete control of another private enterprise industry.

Mr. Chairman, I am sure radio and television stations have learned over the years that to keep their listening audience they must not overcommercialize. They know there is a saturation point and they dare not cross it. But they also know that to stay in business they must take full advantage of the prime broadcasting hours and I am sure the audience recognizes this fact and consequently accepts the use of commercials rather than not have a local station.

Why should this choice be abruptly taken away? Why should the Government extend its authority into what has previously been a self-regulated industry? A very grave danger does exist in what the Government is trying to do and freedom of the airways may very well be at stake.

While we all will agree that at times the use of broadcast commercials may be abused, I do not believe the answer to this problem is in greater Federal Government control. It is my feeling that it would be next to impossible to conceive a system of Federal regulations of commercials which would not dangerously interfere with the inherent necessity of broadcasters to control their own enterprises. The solution, in my opinion, must come from voluntary correction at the local level.

Mr. Chairman, the Federal Government must not be allowed to control radio and television commercials—for if they do a very logical question follows—simply, what will be next? This control must not come about because getting control of the radio and television industry would be just the first step, and eventually would come control of all communications media and when this happens we are no longer a free nation.

Mr. Chairman, the Federal Communications Commission must be prevented from enforcing its recent ruling relating to the length and frequency of broadcast commercials. Therefore, I enthusiastically support H.R. 8316 and urge my colleagues to do likewise.

Mr. HUTCHINSON. Mr. Chairman, I rise in support of passage of this bill. It is not often that we have the opportunity to shorten the long arm of bureaucracy and to reclaim for the Congress the legislative power of the United States. This is one of those rare occasions.

It is true that, because of the limits of the broadcast spectrum, regulation over the use of wavelengths is a necessity. This circumstance does not warrant total control over the business judgments of free American citizens, lawfully engaged in the enterprise of radio broadcasting. We have a responsibility to see to it that the heavy hand of total government is withheld. This bill affords us the opportunity to meet that responsibility, to preserve some freedom within our enterprise system.

Mr. NORBLAD. Mr. Chairman, I shall vote for H.R. 8316 because it is necessary and proper legislation.

H.R. 8316 merely clarifies the Communications Act of 1934 by providing that the Federal Communications Commission does not have the power, by rule, to prescribe standards with respect to the length or frequency of commercials which may be broadcast by all or any class of stations on the broadcast service. This clarification is necessary and proper because the Federal Communications Commission in May 1963 announced its intention to impose, by rule, the limitation on advertising time presently contained in the radio and television code of the National Association of Broadcasters.

Such a proposed rule is clearly contrary to the Communications Act of 1934 nor does any other provision of law authorize the Commission to prescribe by rule standards to govern the length or frequency of commercials.

The regulatory scheme regarding broadcasting which the Congress adopted in 1927 has remained in effect without any basic changes up to the present time. The enactment of the Communications Act in 1934 and of amendments to that act relating to broadcasting constitute a reaffirmation of that basic pattern. Moreover the Supreme Court in two decisions has properly described and recognized the intent of the Congress by saying that Congress has not in its regulatory scheme abandoned the principle of free competition and that the Communications Act does not essay to regulate the business of a licensee.

In short, Congress in enactment of the Radio Act of 1927 and in the enactment of the Communications Act of 1934 and subsequent amendments thereto never in the slightest degree intended for the Federal Communications Commission to regulate or make rules about the length or frequency of commercials and the Supreme Court in two decisions showed that it understood clearly the intent of the Congress in this regard.

Congress cannot permit the Federal Communications Commission upon its own initiative and its own motion to do that which Congress did not intend for it to do. Since the Federal Communications Commission has arbitrarily sought to exercise power which Congress did not intend for it to have it now becomes necessary and proper for us to enact H.R. 8316 so that there shall be no question whatsoever remaining as to the true intent of Congress which is that the Federal Communications Commission has no authority under the law to make certain rules relating to the length and frequency of broadcast advertisements.

As I have said before, Mr. Chairman, I have given my wholehearted support to H.R. 8316 and I shall vote for it.

Mr. DORN. Mr. Chairman, to me it would be utterly incredible and unthinkable to permit the FCC to dictate to a local broadcaster how many minutes per hour he can devote to advertising or to any other program. I believe in the first amendment to the Constitution and the Constitution itself, with its emphasis on individual and property rights.

I, for one, believe that we now have too much, entirely too much bureaucratic regulation of private enterprise and Federal bureaucratic infringement on freedom of speech. People are now afraid to speak out. I hear it every day. They are afraid of the Internal Revenue Service. They are afraid of harassment by the Federal Government. They are afraid of having to fill out forms and blanks and, oh yes, Mr. Chairman, they are afraid of the power of the Federal Government to license.

This bill is a vote of confidence in our free enterprise system. It is a vote of confidence in that little radio and television station out at the grassroots of America. It is a vote of confidence in the right of our broadcasters to editorialize. It is a vote of confidence in our television stations, privately owned and, yes, operated for a profit, but also, Mr. Chairman, for the public good.

I live out in a rural area and I know what television and radio mean to our people who want to know all sides of every issue.

Mr. Chairman, I wish to commend the distinguished gentleman from Arkansas [Mr. HARRIS], and the distinguished gentleman from Texas [Mr. ROGERS], for bringing this bill out of the Interstate and Foreign Commerce Committee and onto this floor. They have rendered a great service for freedom. They are standing up today for the Bill of Rights and for the constitutional system of representative democracy.

It is true that the FCC recently made a favorable ruling for the freedom to broadcast and for broadcasters to manage their own time according to their own judgment; but, oh my friends of the committee, were it not for the hearings last year before this great committee on Interstate and Foreign Commerce, and were it not for the insistence of the gentleman from Texas and the gentleman from Arkansas on fair play and for the freedom of our broadcasters, the story simply might be different. In the meantime, the Congress and the FCC have heard from the people of America, and the evidence is overwhelmingly in favor of our broadcasters to arrange their own privately owned businesses.

Mr. Chairman, I am proud to have had a personal part in this campaign to awaken the American people and thus the FCC.

It is easy in Washington, far removed from the people, to be influenced by propagandists and those who belittle Congress and the people whom they represent.

This bill will pass by an overwhelming majority because those of us here in Washington have heard from the people.

Mr. Chairman, I remember well hearing Dr. Goebbels, chief judge and censor and jury of broadcasting in Germany under the Nazi war lord Hitler. I hope no such censorship and control will ever come to the shores of the United States.

Mr. Chairman, I urge this committee to give our broadcasters a vote of confidence. I predict the vote will be truly overwhelming in favor of freedom of speech.

Mr. Chairman, we must move forward with our traditional philosophy, with the concepts that made America the great Nation that it is. Mr. Chairman, we will take a step forward today for freedom, for liberty, and for our great private enterprise system that is the great wonder of the world.

Mr. DON H. CLAUSEN. Mr. Chairman, the basic requirement of a representative democracy is the free flow of information to the electorate. Otherwise, how can the people accurately assess the aims, policies, and successes of the government? How can the voters decide the merits of the programs of the political party in power as opposed to the aims and proposals of the party seeking to unseat it?

Contrariwise, the first step toward totalitarian government of any type is to control the news media. Granted, some measure of control by the government is necessary to regulate the use of the public airwaves to keep them uncluttered. But this should be minimal. The next step was to impose stringent government restrictions on television and radio stations, ranging from specified staffing to requirements for free public service announcements.

I submit, Mr. Chairman, that this has placed an onerous burden on broadcast stations. It has clamped them in a vise of control that invites government misuse. Indeed, there are specific indications that this detailed regulation of day-to-day station operation already has led to unwarranted suggestions in the field of programing and public service announcements.

The recent proposal of Mr. E. William Henry, Chairman of the Federal Communications Commission, for the adoption of regulations dealing with the length and frequently of commercials is a further major step in the area of government control over the broadcast media. To prevent this, I wholeheartedly support the proposal of the gentlemen from Texas [Mr. ROGERS] to prohibit the FCC from entering this field.

At the same time, I must point out that there appears to be room for improvement in the field of commercials. Indeed, the nature of the industry itself dictates that any burden it puts on the patience of the public cannot be hidden under a blanket—it begs attention. The length, frequency, and even the content of some commercials should be given self-imposed attention by the industry.

Self-regulation is the proper solution. I sincerely hope that the broadcast media takes an object lesson from the recent attempts to impose regulation in this area and that the industry takes steps to solve these problems by its own initiative. It is part of my basic philosophy that with rights go responsibilities. These responsibilities must be met or the rights may be in danger.

In summary, Mr. Chairman, I feel that I am joining a great majority of my colleagues in supporting the passage of the gentleman from Texas [Mr. ROGERS] bill. I think this results from the realization that Government controls should be extended only when there is a clear danger to the public interest and only if there is no other reasonable, timely solution.

Mr. HARRIS. Mr. Chairman, I take this time in an effort to try to bring this debate into perspective as to exactly what is being considered today, because it is easy, in the consideration of a matter of this importance with such a widespread effect on the broadcasting industry throughout the United States, to forget what is the real problem.

This matter of broadcasting affects every section of this country and all of the people of this country. We in this country enjoy the privilege of expressing our opinions about any matter that affects us. Consequently, each of us, as good American citizens, enjoys the privilege of criticizing the broadcasting industry or complimenting it, however we may feel about it. That is true all over this great land of ours, and we want to keep that privilege. It is because of public opinion primarily that the broadcasting industry determines the course of action that it takes, and it is that way with a lot of other activities in this country.

Regardless of how we personally may feel about the operation of a particular station, and regardless of how we may feel about a particular program and regardless of how we may feel individually about a particular advertisement, there are certain basic procedures in this industry that we cannot overlook. We must not take the chance of destroying these basic procedures because we might approve or disapprove of a particular program or advertisement or the action of an individual station. So let us keep that in mind as we consider just what we are dealing with here at this time.

There are differences of opinion within our committee. You have seen that here today. There are differences even in the Federal Communications Commission about how some of these things should be approached. Personally, I have felt over the years that any basic change in policy by the FCC in the administration of its duties was something that ought to be considered by the Congress. I feel that very strongly. There are differences of opinion as to what the authority of the Commission is. Let me get the record straight so far as I am concerned about how I feel about it.

The act of 1934, which is the basic act, is still the rule by which the Commission regulates the broadcasting industry. Section 303 of that act describes the general powers of the Commission. Here are the guidelines which the Congress has laid down circumscribing the Commission's authority. "The Commission from time to time as public convenience"—and get this—"public convenience, interest, or necessity requires"—and that is the way we started out—"shall, No. 1, classify radio stations."

When we talk about radio stations, we talk about television stations, too. So we say to the Commission, "You shall classify these facilities." Now, what does that mean? It means classify as commercial, industrial, mobile, and so forth in order that the spectrum may be used for different purposes.

Then, among other things, the act provides that the Commission "shall study new uses for radio, provide for experimental uses of frequencies, and generally encourage a larger and more effective use of radio in the public interest."

Under that authority a few years ago the Commission undertook to put into effect pay television all over this country. Under this provision they thought that they had authority to authorize as an experiment this new technique of pay TV.

Well, our committee did not like it because the Commission was undertaking as an experiment to put on the American people a completely new, different broadcasting philosophy. Why? We had 104 or 108 markets, big television markets in this country and the Commission proposed to put pay TV in each and every one of the 104 markets. I know and you know that to establish that kind of a principle in the major markets throughout the United States would simply set up a procedure that would be there and you could not take it away later. We objected to that procedure. A similar thing is what we have here today. In the case of pay TV it took a committee resolution to get the Commission to see that we thought they were overstepping the authority of the act as to what was intended for the Commission as the agent of Congress to do.

After the committee passed out a resolution, the Commission abandoned the plan of setting this up throughout the United States. Instead they went to Hartford, Conn, and authorized the conduct of an experiment which is going on right now to determine whether or not pay TV should be authorized as another use of the radio spectrum. I thoroughly agree with that action. That is what was intended by the provisions with regard to experimentation.

Then in another paragraph—and I am talking about the original act of 1934—we said to the Commission that you shall make such rules and regulations and prescribe such restrictions and conditions not inconsistent with law as may be necessary to carry out the provisions of this act, and so forth.

We then said to the Commission, "You do this job and establish such rules as are necessary to do it." We did not stop there. In section 307 we provided that the Commission, if the public convenience, interest or necessity would be served thereby, subject to the limitations of this act, shall grant to any applicant therefor a station license provided for by this act.

Mr. Chairman, I am giving you the provisions of law under which the Commission administers this act and grants licenses for operation. But then we go back to the first part of the act where, among other things, we say in section 4, that the Commission may perform any and all acts and make such rules and regulations and issue such orders not inconsistent with this act as may be necessary to the execution of its functions.

Those are the wide powers that we delegated to the Commission. Contrary to what some of my colleagues feel I think the Commission has the power to issue rules and perhaps go into the matter of public convenience where advertising is involved. But here is where I disagree with them:

It was never intended from the outset and it is not intended today that the Commission should exercise any authority under these provisions to regulate the economic aspects of the broadcasting industry. It has never tried to exercise that kind of authority until the present situation arose.

Mr. Chairman, in my judgment this is a basic change. As the gentleman from Texas [Mr. ROGERS], the author of the bill, explained earlier, the Commission should come and advise with the Congress and ask for new legislation setting forth guidance and standards if they are seeking to make such a basic change in the operation of this important industry which is so vital to the American people.

The Congress said from the outset in 1927 and again in 1934, and ever since then, that the Commission should not become involved in economic regulations of the broadcast industry and that the industry should not become a utility. Rather, the Commission should operate under the limitations and restrictions contained in this act. So we feel that the Commission has gotten into something here that they actually knew was going to be troublesome to them. I believe their action since has proved this because since this bill was reported from the committee—mind you since this bill was reported from the committee—the Commission has reconsidered its actions on the proposal to inject itself into the economic operations of this media and unanimously has dismissed the proposed rulemaking authority.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. Yes, indeed, I am glad to yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. Our distinguished chairman of the full committee the gentleman from Arkansas [Mr. HARRIS] is making a very fine statement on this bill. I am certainly in substantial agreement with what the gentleman has said. It is a good bill and it should be passed. The bill is designed, in my judgment, to assure that the Federal Communications Commission conduct itself in the regulation of this industry in a manner in which Congress intended that it should conduct itself at the time of the passage of the original act.

Mr. Chairman, we feel, at least the majority of the members of the committee feels, that the Commission has no right to determine the length of television commercials any more than it has the right to determine the content of commercials, no more than they have the right to determine the number of movies or the time that a program should be placed on the air.

Mr. Chairman, we know that much of the advertising which goes over television is distasteful to many people. We also know that many of the programs presently being programed are distasteful to many people. Yet if we cannot accept this or if we do not accept this free enterprise arrangement which presently exists, then we must leave the control of television and radio to the Government and for it to say what should be advertised and to say what should be programed. I do not think many people in this country want that to occur.

Mr. Chairman, the Commission has all the authority it needs to determine whether an individual station abuses its privileges through the use of excessive advertising or whether it fails to operate in the public interest through the programing of various types of programs excessively, by not airing public service programs. However, Congress has said that when a licensee comes up for a renewal, it is the duty of the Commission to determine whether he has acted in the public interest in the operation of that station. That is a very broad discretionary authority.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. BENNETT of Michigan. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. Chairman, will the gentleman yield further?

Mr. HARRIS. I yield to the gentleman.

Mr. BENNETT of Michigan. That authority has been satisfactory in most cases. Of course we can never reach a millennium in this area. No one is ever going to be completely satisfied, even if we give the Commission authority to say, "You can have 25 commercials a day of 2 minutes or 20 seconds apiece." We cannot satisfy everyone by doing that any more than we can satisfy them if we said that the Commission could determine by rules and regulation the specific kind of programs which a station can carry.

Therefore, I believe the policy that we have had has worked out satisfactorily in general. I think we ought to continue it. Certainly, I think we are within our prerogatives here in defining the authority of the Commission according to the intent of Congress when it enacted the original Commission act, and the amendments thereto.

Mr. HARRIS. I thank the gentleman for his very appropriate comment, and I think everyone should keep in mind the action of the Commission as it abandoned this case of proposed rulemaking a few days ago.

This does not mean that we are turning the broadcast industry loose. We continue requiring them to operate in the public interest and we are going to follow the long established policy and procedure of taking a look at their operations as their licenses come up for renewal. I will put the Commission's order in the RECORD at this point, so that we will get a complete history of this procedure.

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION, WASHINGTON, D.C.

(In the matter of amendment of part 3 of the Commission's rules and regulations with respect to advertising on standard, FM, and television broadcast stations—docket No. 15083)

REPORT AND ORDER

By the Commission:

1. The Commission has under consideration: (1) the notice of proposed rulemaking adopted herein on May 15, 1963 (FCC 63–467); (2), the comments and reply comments filed in response to that notice; and (3) the material presented orally or in written statements at the oral argument held herein on December 9 and 10, 1963. The subject of this proceeding was a proposal that limitations be placed by rule on the amount of time which stations should be allowed to devote to commercial continuity or commercial announcements. We proposed as one possibility the adoption of the time standards contained in the Television and Radio Codes of the National Association of Broadcasters (NAB) as a Commission rule, but we made it clear that we were not inflexible and welcomed alternative suggestions generally or for stations in particular situations.

2. Comments were filed by about 350 broadcasters, the National Association of Broadcasters and State broadcasters' associations, business groups, Members of Congress, communications lawyers, and two listener groups. The great majority of these—all but two broadcasters and the two listener groups—opposed the proposal and any idea of rules limiting the amount of commercial content. On the other hand, of several hundred letters from individual members of the public, the great majority favored the proposal or something like it. Of the 38 parties appearing at the oral argument or filing statements at that time, a substantial majority expressed opposition. In addition to the two listener groups, a representative of the United Churches of Christ argued in support of the proposal and introduced a statement by the National Council of Churches of Christ supporting the adoption of rules in this area. A few other individuals also expressed general support.

3. Although many parties argued that the proposal is unconstitutional and/or beyond our authority under the Communications Act, we remain convinced that this is not the case. Numerous sections of the act refer to the public interest, one element of which clearly is an appropriate division as between program material and advertising. Further, section 303(b) gives authority to prescribe the nature of the service to be rendered by stations; 303(g) requires us to encourage the larger and more effective use of radio; and 303(r) provides authority for adoption of rules to carry out the provisions of the act. We conceive that our authority to deal with overcommercialization, by whatever reasonable and appropriate means, is well established.[1]

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[1] See the memorandum of the Commission's general counsel concerning its authority in connection with the present proposal, submitted to the Subcommittee on Communications and Power of the House Interstate and Foreign Commerce Committee in December 1963, for an extensive discussion of the question. See the cases cited therein for examples of our own and court decisions on this subject.

4. We stated in the Notice of Proposed Rule Making that we regarded overcommercialization as a serious problem. We will continue to take whatever steps are necessary and appropriate to prevent its occurrence. While broadcast advertising is essential to maintenance of the American system of broadcasting, and (as often pointed out in this proceeding) serves both particular business concerns and society generally by informing the public of goods and services which are for sale, it is equally obvious that there are limits beyond which commercial content cannot go if other interests of the viewing and listening public are to be accommodated.

5. The Federal Government has been concerned about the problem of commercial abuse since almost the beginning of commercial broadcasting. Secretary of Commerce, Herbert Hoover, stated at the First Annual Radio Conference in 1922:

"It is inconceivable that we should allow so great a possibility for service, for news, for entertainment, for education and for vital commercial purposes to be drowned in advertising chatter."

Following the establishment of the Federal Radio Commission in 1927, advertising abuse was one of the first matters to engage its attention. The Commission stated as a principle of decision in competition for the assignment of frequencies that "the amount and character of advertising must be rigidly confined within the limits consistent with the public service expected of a station."

In an early case, the FRC stated:

"Advertising must be accepted * * * as the sole means of support of broadcasting, and regulation must be relied upon to prevent the abuse or overuse of the privilege." (*Great Lakes Broadcasting Co.*, quoted in 3 FRC Ann. Rept., 35.)

That Commission followed this principle in refusing to renew the license of Station WCRW in 1928, and stated:

"It is clear that a large part of the program is distinctly commercial in character, consisting of advertisers' announcements and of direct advertising, including the quoting of prices. An attempt was made to show a very limited amount of educational and community civic service, but the amount of time thus employed is negligible and evidence of its value to the community is not convincing. Manifestly this station is one which exists chiefly for the purpose of deriving an income from the sale of advertising of a character which must be objectionable to the listening public and without making much, if any, endeavor to render any real service to the public."

The Federal Communications Commission has considered overcommercialization in a number of cases over the years, and has consistently taken the position that this was an important element in judging the overall program performance of an applicant or a licensee. See, *R. R. Jackman*, 5 FCC 496 (1938), *Travelers Broadcasting Service Corporation*, 6 FCC 456 (1938), (applications denied because of applicants' commercial policies); *The Walmac Co.*, 3 Pike and Fischer RR 1371 (1947), *Community Broadcasting Co.*, 3 Pike and Fischer RR 1360 (1947), *Eugene J. Roth*, 3 Pike and Fischer RR 1377 (1947), *Michigan Broadcasting Co.*, 20 Pike and Fischer RR 667 (1960), (applications designated for hearing on issues relating to number and length of commercial announcements); *Sheffield Broadcasting Co.*, 21 Pike and Fischer RR 507 (1961), *Fischer Broadcasting Co.*, 19 Pike and Fischer RR 997 (1961), (applicants given comparative demerits because of overcommercialization); *Miss. Ark. Broadcasting Co.*, 22 Pike and Fischer RR 305 (1961); *Gordon County Broadcasting Co.*, 24 Pike and Fischer RR 315 (1962), (renewal applications granted for less than regular license period because of applicants' commercial announcement policies).

The present proceeding has indicated that there is a continuing basis for concern about overcommercialization. Responsible leaders of both broadcasting and the advertising industry, and others who testified in this proceeding, have stated that the amount of commercial advertising in broadcasting should be limited and abuses avoided. In recognition of this problem, the National Association of Broadcasters established a radio code some years ago, and more recently a television code. The current radio code permits radio stations an hourly maximum of 18 minutes of commercial matter in participating programs: With the normal mixture of announcements of different lengths, stations may broadcast as many as 20 to 25 spots or more in an hour and stay within the code maximum.[3] Moreover, in a 15-minute segment the radio code maximum is as much as 5 minutes, or one-third, commercial matter. Nevertheless, there was testimony that the standards contained in the codes are regarded as too low by some broadcasters, that many radio stations do not subscribe to the radio code, and that some stations that subscribe to the codes do not fully comply with them.[4] Thus, there is reason for continuing attention and further consideration by the Commission of this problem.

6. The question then becomes what, at the present time, should be done about it. The arguments advanced against our proposal, or any regulation in this area by rule, were numerous. In addition to those already mentioned, they included contentions that such a rule would constitute undue intrusion into private enterprise and tend toward public-utility regulation; that it would have adverse economic effect on stations in small markets which must sell their advertising time at relatively low rates; and that it would be impossible to draft rules which would be appropriate for all stations and all situations. The relatively few proponents of our proposal or similar regulation (who argued in some cases that the NAB codes do not go far enough) urged the need for a rule to regulate commercial excesses in the public interest. However, no other proposal was advanced by way of a rule of the sort we have proposed. Some of the opponents of this type of regulation advanced specific ideas, such as a study of public reaction to commercials both as to number and quality (the latter being said to be equally important),[5] and a rather novel idea by which all stations would annually file with the Commission projections of commercial policy to be followed up with semiannual reports as to how their performance compared with the projection (the Commission would average the projections for stations of each class, and publish this as a guide of average, presumably acceptable, levels of commercial activity). It was also suggested that at some time in the future, when more information is available, the Commission could publish standards which it would use in considering applications in this respect; that a "local notice" rule might be adopted by which broadcasters would invite their public to comment on their program and commercial policies; and that renewal applications might well contain a question as to whether the applicant observes the NAB code limitations (if not, explanation might be required).

7. Upon consideration of the record and other available information, we are convinced that the total time consumed by broadcast advertising and the extent to which such advertising is permitted to interrupt programing are two major facets of the problem of overcommercialization. We are of the view, however, that adoption of definite standards in the form of rules limiting commercial content, would not be appropriate at this time. We do not have sufficient information from which a sound set of standards of wide applicability could be evolved. The logs which stations are presently required to keep and the program forms they are presently required to file can, in certain circumstances, yield significant information concerning these factors. But they are not specifically designed to do so. Nor has this proceeding provided us with sufficient information of this kind. As a result, the information required for the formulation and evaluation of specific regulatory standards is not available in adequate scope and depth. Additionally, we note that the problem of commercial interruption has not as such been subjected to any extensive study. The industry codes contain no standards dealing with it and it requires considerable investigation before any standards might be suggested.

8. Testimony at the hearing indicated that the code board is starting a research project that will look into public acceptance of commercials, including time consumed, program interruptions, and the feasibility of qualitative standards. We believe that studies of this kind are greatly needed.[6] In this connection, it should be noted that our 1960 program policy statement (FCC 60-970, 20 RR 1901) emphasized the importance of contacts by broadcasters with the listening and viewing public to ascertain the community's broadcasting needs and interests. The same need for such contacts applies in the area of commercial content and practices, as well as with respect to programing. We are hopeful that such studies, pursued intensively, will add significantly to our present knowledge of the impact of the various factors mentioned above. We will follow with the closest attention the studies made by the NAB and others and the action that results.

9. Recently, we released a second further notice of proposed rulemaking in docket No. 13961, proposing a new TV program form which would give us more complete and useful information in this area. The new form adopted may not, of course, take the precise shape proposed; but, in any event, it may be expected to yield a body of information from which we may deal more effectively with this problem. We contemplate issuance of a new proposed form for radio in the very near future, which will likewise serve to secure more adequate detail on this subject. On the basis of this further information, we will be in a position to determine what course of action is then appropriate. As an interim measure and in order to provide the Commission with greater knowledge of the extent of commercialization, the Commission will instruct the staff to study those applications which present proposals and performance records of the greatest amount of commercialism, insofar as our present reporting forms permit, and bring this information to the Commission for its consideration and action.

10. We emphasize that we will give closer attention to the subject of commercial ac-

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[3] Actually, the average time per announcement appears to be about 40 seconds. This would permit 27 announcements within the code maximum.

[4] Our staff analyzed those of the Oct. 1, 1963, AM renewal applications for which logs were available (134 stations) and found that 40 percent of these stations (54 stations) exceeded the code limitation of 18 minutes during at least 1 hour, 1 station having 30 minutes of commercial content in 1 hour. The percentage was higher for full-time stations then for daytime-only stations.

[5] One of the arguments advanced against a quantity-limiting rule is that it cannot, and no conceivable rule could, regulate the equally or, assertedly even more, important matter of quality, character, taste, etc. of commercials.

[6] To date, there have been few such studies.

tivity by broadcast stations and applicants, on a case-by-case basis. Thus, we will continue to require station applicants to state their policies with regard to the number and frequency of commercial spot announcements as well as their past performance in these areas. These will be considered in our overall evaluation of station performance. Attention will be given to situations where performance varies substantially from the standards previously set forth. We also wish to emphasize that our decision not to adopt the NAB codes at this time does not indicate that we regard them as of no value or as unsound limitations (either too much or too little).

On the contrary, one of the important considerations underlying our conclusion is that there is in existence an industry-formulated code of good practice in this field, which, while far from completely successful as a device regulating the industry generally, does serve as one appropriate limitation, and which may be made more effective in the future.

11. In view of the foregoing, it is ordered, that this proceeding is terminated.

Federal Communications
Commission.
Ben F. Waple,
Secretary.

Adopted: January 15, 1964.
Released: January 15, 1964.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Ohio.

Mr. HAYS. If this bill passes it is my understanding from what the gentleman said that the Commission can still deny the renewal of a license if they believe the operators of the stations, television stations, that is, have not been in the public interest. Have they ever denied a license?

Mr. HARRIS. Yes, I think they have denied two licenses just recently.

Mr. HAYS. For what reason?

Mr. HARRIS. Because they were not operating in the public interest.

Mr. HAYS. Did the gentleman's committee try to intervene, or anything like that?

Mr. HARRIS. No, we have not tried to intervene, I may say to the gentleman. I feel very strongly about our legislative oversight responsibility toward these agencies. I like to put them in the position that they do their duty and I will always uphold them in doing their duty, but when they go beyond what was intended, and what has been laid out very clearly, then I think it is our duty to call them to a halt, if we can.

Mr. HAYS. I agree generally with the gentleman's position. Did they make this denial stick?

Mr. HARRIS. It has stuck so far.

Mr. HAYS. How long has that been?

Mr. HARRIS. In the last 2 or 3 weeks—very recently.

The gentleman brings up a very important point I was going to get to. This would be perhaps the best time to do it. The gentleman from California [Mr. Moss], had a good deal to say about what we were doing there to relieve the Commission of its responsibilities. We do not take anything away from the Commission by this. I would like to make that clear.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. If I have misstated the gentleman, I yield.

Mr. MOSS. I think the gentleman has misstated the facts rather than misstated the gentleman, because the language in the bill before us says "excepting that the Commission shall not by rule prescribe any standards."

The gentleman has previously stated in his remarks he felt that the Commission does not have the authority; that it is not necessary for us to enact this amendment to the law saying they shall not do it. So if they have it and we are saying they shall not exercise it I do not see how you can be doing anything other than taking away from the Commission that which they already have. Otherwise we are engaged in an idle gesture.

Mr. HARRIS. I respect the gentleman's views, but I also respectfully suggest that in my judgment the gentleman does not get the full import of what is included in this bill. Here is what the bill says:

> There shall be an amendment as follows: "; except that the Commission may not by rule prescribe standards with respect to the length or frequency of advertisements which may be broadcast by all or any class of stations in the broadcast service.".

That means precisely what it says, that is, that the Commission shall not prescribe by rule any standards.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. BENNETT of Michigan. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HARRIS. Mr. Chairman, this does not in any way say that the Commission shall not continue its responsibility under the law when the time comes for renewal of requiring the licensee to operate in the public interest. There is a lot of difference between that authority and the authority that would be exercised if the Commission prescribed general rules.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from California.

Mr. MOSS. We are saying here that they shall not by rule prescribe standards. In that we are in agreement, that that is what the language says, that is what it does; it diminishes the authority of the Commission. However, they may continue on a case-by-case basis, on an ad hoc basis, if you please, to judge the performance of a broadcaster without giving him prior notice as to what they expect him to do in performing in the public interest.

Mr. HARRIS. I do not agree with that at all, because when the licensee gets his license, when it is issued to him, he knows that he accepts it subject to the responsibility of operating that facility in the public interest. During the entire 3 years he knows that it is his duty, it is his responsibility to operate it in the public interest, and if he does not, he knows he is subject to penalty.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. BENNETT of Michigan. Let me briefly reply to the gentleman from California [Mr. Moss]. The bill does not change existing law, in the opinion of the majority of the committee. All it does is clarify the law. The Commission has claimed and asserted from time to time, and recently, that it has the right to make these rules. What we are doing in this bill is clarifying the law by restating that they do not have such right. The law then says, as we all felt it already existed, that the Commission should consider this only in the light of the overall operation of the station, at the time of license renewal.

Mr. HARRIS. The gentleman is correct. This bill is in conformity with the action taken by the Commission a few days ago when it dismissed the rule proceeding.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. The gentleman has made a great contribution to an understanding of this bill. What he said a few minutes ago I think will bear reemphasis now. You are not questioning the rulemaking power of the Commission, but you are questioning the right of the Commission with its rules to move into the operation of the station, and that is the reason why I am supporting this bill.

Mr. HARRIS. The gentleman is exactly correct.

Mr. MOSS. If the gentleman will yield, then do I correctly understand that it is the gentleman's position that at the time of the granting of the license or at the time of the renewal of the license the Commission may consider the question of overcommercialization, but they may not do it on the basis of definitive regulation?

Mr. HARRIS. I will agree to the first part of the gentleman's statement but in my judgment he is in error when he states that the bill diminishes the power of the Commission because the Congress never gave the Commission that power to regulate the economics of the broadcasting industry.

Mr. HARVEY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. HARVEY of Indiana. I should like to compliment the chairman of this committee in connection with the colloquy he has had with other Members on his position with regard to this particular piece of legislation. During the course of his discussion the chairman mentioned pay TV. I was not exactly clear on it, but I understood the chairman was saying that he is advocating pay TV.

Mr. HARRIS. No, the gentleman misunderstood me. I gave no such indication. I was one of those very actively in opposition to the Commission's method or attempt to establish a nationwide pay TV program back a few years ago. I am not opposed to any experimental action of the Commission in an effort to develop new uses in this great and growing industry.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman.

Mr. DINGELL. Would my good friend and chairman tell me where under H.R.

8316, and according to the clear language thereof, the Federal Communications Commission would have authority to establish rules to apprise broadcasters of the situation they might face on renewal because of alleged overcommercialization to establish for the broadcaster definitive standards in that regard?

Mr. HARRIS. I would say to my distinguished friend, I would not undertake to tell you where the Commission would have the authority because it is the act which the Commission administers which provides authority that this Congress gave when the 1934 act was adopted and approved.

Mr. DINGELL. If the gentleman will yield further then, what he is saying is that he cannot tell us, if the bill, H.R. 8316, is passed, by what authority the Federal Communications Commission would be able to establish rules under which it would act to determine what constituted overcommercialization or lack of overcommercialization upon a question of renewal of the license where the question of overcommercialization was involved.

Mr. HARRIS. I will say this to my colleague, I believe a commission or any other regulatory agency should have authority to establish rules and regulations. I also believe just as strongly or even stronger, if I possibly can, that when the Congress provides the specific method or direction in the act itself, then the Commission ought to follow the language of the act that the Congress has provided. Now I read to the gentleman the authority a moment ago in section 303 (b), (g), and (r) and section 307(a) where the Commission gets the authority which the Congress gave it. We will not take that authority away from the Congress by this action. What we do is merely make clear to the Commission that the act was never intended to give it authority to regulate the economics of the industry.

Mr. DINGELL. If the gentleman will yield then, the bill before us says as follows:

> The Commission may not by rule prescribe standards with respect to the length or frequency of advertisements which may be broadcast by all or any class of stations in the broadcast service.

Mr. HARRIS. The gentleman has read that particular language of the bill three times.

Mr. DINGELL. That language means to me that clearly no rule could be established by the Commission which would tell a broadcaster what tests and what requirements he would meet on a question of renewal of his license with regard to the amount of commercial use to which he could put the license which he has been given by the Commission.

Mr. HARRIS. No—but if the gentleman would just listen to what I said—and I will say it again—when he uses that facility for a period of 3 years under a mandate to use it in the public interest and he builds up a record over that 3-year period, there is before the Commission and for everybody to see, if they want to see it, that record over that period of time and he is bound by the record he makes and the Commission may or may not reissue or renew his license on the basis of how he has served the public interest under the responsibility that has been given to him.

Mr. DINGELL. I agree with the gentleman, but this bill does not let the Commission set up any objective standards upon which the broadcaster may determine his course of action because under this bill the Commission is expressly prohibited and precluded from fixing rules which deal with overcommercialization and advertising. So as a result of this, the broadcaster cannot know what test he is going to meet when he comes up to renew his license.

Mr. HARRIS. I am sorry I must decline to yield any further to the gentleman. The gentleman has said that and it has been said three times, and I have tried to answer it three times.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman.

Mr. COLLIER. I would say it is very clear to most of us here, I am sure, that this bill does not actually take away from the FCC any power or authority that it has. But I would like to comment further along these lines. I do not know what is so sacrosanct about the existing powers of any Federal agency that makes it wrong for this Congress at any time to take any of those powers away from an agency when the Congress sees fit to do so.

Mr. HARRIS. In my judgment, this bill ought to be passed. I think when it is passed, things will settle down again. The Commission has told us what is going to be its procedure in the future and will move along and the industry has been put on notice that it must assume its responsibility of performing in the public interest and I think we should give it that opportunity.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman.

Mr. PICKLE. I was one of a group of veterans who formed a radio station and I was at one time part owner and manager of a radio station. We kept before us constantly the idea and the principle that our station should operate in the public interest. That is the only control that we needed and that is all the control that the industry needs now. Therefore, I favor this bill very much.

Mr. HARRIS. I thank the gentleman. The gentleman is correct.

Mr. RYAN of New York. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from New York.

Mr. RYAN of New York. As I understand the chairman's position, it is that the Commission has no authority, under the law passed in 1934, to make such rules?

Mr. HARRIS. No.

Mr. RYAN of New York. If that is the case, then why is legislation necessary?

Mr. HARRIS. The gentleman did not follow me all the way through. I read the section and paragraph under which the Commission, in my judgment, has the authority which the Congress delegated to it. I went further and said that the record is replete that the Congress never intended for the Commission to get into the economic aspects of the broadcasting industry.

Mr. RYAN of New York. But the chairman does not question the authority under present law to act in this field?

Mr. HARRIS. No, I did not question that at all on review of licensee's performance.

I still believe the Federal Communications Act, which has been in force since 1934, is the rule today. I believe it ought to be followed.

Mr. BENNETT of Michigan. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BENNETT of Michigan. Mr. Chairman, the bill under consideration today is both short and simple. It is about as straightforward as a piece of legislation can possibly be. It merely states that the Federal Communications Commission has no business making rules about the length or frequency of commercials.

The purpose of the legislation is equally simple—to reiterate in unequivocal terms what the Congress, the Supreme Court and past Federal Communications Commissions understood to be the law for all of the years since Federal control over the limited frequencies available for use of the public became necessary. The purpose is to restate for the benefit of the Commission and the public that if anyone doubted our intention as clearly stated that we are here and now saying, "Yes," positively.

Through the years the Congress has found it desirable and necessary for the protection of public resources to hammer out regulatory schemes to take care of the problems evident within certain parts of our economy. The Interstate Commerce Act and its regulatory body, the Interstate Commerce Commission, have been granted widening authority as time went by and the character of our country and its transportation system evolved. Some parts of that system were so new and so different that it seemed better to create an entirely separate regulating body with a body of law especially adapted thereto—such as the Civil Aeronautics Board. When it appeared that trading in securities was becoming a national problem and that Federal action alone could protect the public in large markets the securities exchange law was passed and the Commission vested with particular powers to deal with problems confronting us.

In every instance that the Congress has met a problem by providing for regulation of an industry by a commission it has been careful to outline what things such a body could regulate and either directly or indirectly has indicated what things it should not regulate. The power and the extent of the authority of the regulating body in each instance was a matter for the determination of the Congress. And as conditions changed and old authority was outmoded or new authority was required to carry out the intent of Congress, after due consideration, whether or not additional authority for a board or commission was desirable and whether it should be granted. If, in the process of administration of such regulatory acts and interpretation of the law indicated that someone, the Commission or perhaps a court, had a misunderstanding as to the authority intended to be granted by Congress—then Congress clarified its position with further legislation. That is what we are doing here today.

No two regulatory schemes are the same nor are they intended to be. Each is tailored to the problem, the industry it is meant to assist. That a commission in one field, such as aeronautics is granted authority to consider the internal workings and the economics of airlines to accomplish the congressional purpose is no argument that similar consideration are therefore proper in the regulation of another industry, for another purpose, under another statute.

The history of the Communications Act and its predecessors, dating back to the crystal set and DKA, leave no doubt as to the intent of Congress. The regulatory scheme for broadcasting has been well understood, or so we thought. The Supreme Court understood us correctly. I read from the committee report, page 3, an excerpt from the opinion in *FCC* v. *Sanders* (309 U.S. 470):

> In contradistinction to communication by telephone and telegraph which the Communications Act recognizes as a common carrier activity and relegated accordingly in analogy to regulation of rail carriers by the Interstate Commerce Commission, the act recognizes that broadcasters are not common carriers and are not to be dealt with as such. Thus the act recognizes that the field of broadcasting is one of free competition. The sections dealing with broadcasting demonstrate that Congress has not in its regulatory scheme abandoned the principle of free competition as it has done in the case of railroads * * * the act does not essay to regulate the business of the licensee. The Commission is given no supervisory control of programs, of business management, or of policy.

That was in 1940. That Congress agrees with this interpretation of its intent and the clear mandate of the act is evident from the fact that it has not seen fit to change or even question the interpretation which the court sets out. There has been no reason to do so. It states exactly what we intended and everyone has understood we intended all down through the years.

But suddenly the Federal Communications Commission, upon its own initiative and its own motion claims the authority to do exactly what we intended it not to do. Not only has the Commission decided that it can and should limit the time and frequency of commercials but it has, or at least its Chairman has, intimated that it could regulate the kind of programing required of individual licensees.

During the hearings I was curious as to how far from the clear authority of the law the Commission might try to go. After a masterful job of hedging and dodging concerning program content I did get a reaction from the Chairman of the Commission which indicated his feeling that the law doesn't necessarily mean what it says if he doesn't want it to. I quote from page 44 of the record.

I asked:

> If that is true, then you can control programing by rule, if what you said is true.
>
> Mr. HENRY. I have not made any judgments on it because I do not believe in it and I have not had to make a judgment on it. But there is a substantial amount of opinion that says if we wanted to say there should be x percent of public service programing, or if there should be minimum percentages of various categories of programing, and could substantiate that with facts and figures as to its being in the public interest, this comes under our jurisdiction. But as I say I personally have not crossed that bridge because I am not for that approach.
>
> Mr. BENNETT. You want to cross this one first before you get to that one?
>
> Mr. HENRY. Certainly.

At the same time that the Commission is claiming authority to make across the board regulations which affect the economics of whole classes of stations and, if they like, dictate the specific kinds of programs the licensee must use, it also is forced to admit that its performance in its proper role has been less than thorough. Congress does expect the Commission to look carefully at each license when it comes up for renewal. And here was the approach intended by the act. Has the licensee acted well within the bounds of public interest for the people he serves? Overcommercialization in the particular market is a very proper consideration when looking at overall performance. But in this area the Commission admits that it has become more and more lax in its consideration of this factor and no station has ever been denied a license for this reason. Apparently it is easier to make a rule which is in violation of the law as it stands and which would alter the whole scheme of regulation and would wreak economic havoc on many parts of the industry, than to do the job clearly assigned.

Since the hearings on this legislation were held the Federal Communications Commission has decided that it will not make a rule at this time limiting commercials. While still claiming the authority to make such a rule it now admits that sufficient pertinent information is not available on which to base a broad rule. It admits that the subject has not really been seriously investigated by any responsible body. I would have thought this might be a worthwhile activity for the Commission in conjunction with industry groups before proceeding. It certainly would be necessary before a request was made to Congress to change the law.

It may be that overcommercialization is rapidly becoming a major problem in the broadcasting industry. My own listening habits do not give me too much to go on but any casual consideration of the subject suggests that something is out of balance. It may also be that this Congress should consider changing the regulatory authority to meet a basic change in this element of our economy. Perhaps we should first do a thorough study and also try some of the suggestions made by members of the Commission, by listeners, and by broadcasters. Commissioner Ford has suggested a publication of comparative figures on advertising time so that the public, the ultimate customer has a basis upon which to criticize and discipline those who violate his own standards. Whatever we do in the meanwhile, we had better decide and declare here today that limited regulatory power once granted to a board or a commission is not a blanket order to do anything and order anything as it sees fit within the entire area of its concern.

If we are agreed, and I am sure that we are, that the creatures of Congress have only the authority specifically granted to them and that as the repository of remaining authority it is the prerogative of Congress to determine when new concepts and new authorities are required, then the decision to support this legislation is a simple one. I support it upon this premise and urge all Members to do the same.

Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, as I said during the debate on the rule, as a member of the committee and a member of the Subcommittee on Communications and Power, I believe this is needed and necessary legislation, and I wholeheartedly support it.

After listening to the discussion this afternoon, it seems to me, when it is all boiled down, those opposed to this legislation seem to be disturbed over the fact that the radio and television people are trying to meet their bills and make a living—and perhaps a little profit. That is all the arguments amount to.

In my opinion, if this particular piece of legislation is not adopted—and I feel confident it will be—that will be a "go-ahead" signal for the FCC to assume a great many additional powers and to instigate a great many additional innovations in the field of broadcasting. This is only a foot-in-the-door proposition. If they get by with this, there will be no end to how far they will go. We know that to be a fact. It has been indicated as to what they have in mind. For that reason this is necessary legislation.

If the FCC continues to go on its planned course and starts getting into the field of commercials, then it will get into the field of programing, and then it will get into other facets of the industry. We will then end up with this private industry going bankrupt, and we will have a State-owned system, as there is in England, the BBC. There is no doubt about that in my mind.

If they go ahead with interference into programs, this will interfere with our freedom of speech. We will not get the news as we now get it. We will be "spoon fed" the news, and only that which someone here in Washington, D.C., wants us to hear will be given out.

Now, as far as these commercials are concerned, if there are some abuses, this is a self-regulating proposition. If I do not like a commercial and it is too long or is obnoxious to me, I have that little switch I can turn, and these stations, if a lot of people do that, will soon know that they are not too popular with their audience and they are going to make some changes.

Mr. Chairman, I want to say I agree with the distinguished chairman of the subcommittee, the gentleman from Texas [Mr. ROGERS], when he spoke earlier of the fact that this is an issue as to whether or not we are going to sit still and allow the FCC to usurp and take over the legislative functions of this Government. I might say in conclusion that the gentleman from New York [Mr. KILBURN] early in the debate talked about a little station that he knew of saying it was the only station you could get in a certain area and they put on, he said, 5 or 10 minutes of straight advertising and people could not get the news. I would like to say to him that it is the little stations that will primarily be hurt by any such rulemaking as is proposed by the FCC in the field of commercials. The end result will be that the people this little station serves will not only not get the advertising and the news, the music or anything else that is on it, because they will be out of business and they will not have any station at all.

Mr. Chairman, I yield back the balance of my time.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 4 minutes to the gentleman from Minnesota [Mr. LANGEN].

Mr. LANGEN. Mr. Chairman, in the interests of time and brevity, I ask unanimous consent to revise and extend my remarks, and I yield back the balance of my time.

Mr. Chairman, I was one of the Members of this House who introduced the measure before us today. There was one main purpose for offering this legislation that transcends the argument over controlling the length or frequency of commercial announcements on radio and television stations. The greater consideration here is whether or not a regulating agency of the Federal Government is going to be allowed to expand its sphere of activity well beyond the degree for which the agency was created. It is a question of whether or not we are going to permit the Federal Communications Commission to control broadcasting stations with such a firm hand that the existence of these properties becomes difficult if not impossible.

My personal concern stems from a great volume of mail received from broadcasters and other interested parties in my congressional district. We have many small radio stations and a number of local television stations. It has been my privilege to have personally visited a number of these stations during recent months to better acquaint myself with the problems they face now and would face in the future if the long arm of the Government reaches further into their affairs.

These stations serve limited areas, and because of the limited amount of revenue they receive they in turn are necessarily limited in staff to as few as two or three persons in the smaller stations. Even with these handicaps, I believe the vast majority of the stations are doing a conscientious and commendable job of serving the public. They are dedicated servants who work long hours, far beyond the monetary rewards that come their way. But it is my opinion that if the Federal Communications Commission imposes another series of rules on these people it would constitute discrimination against these smaller stations and would drive some of them out of business.

To visualize the tragedy of such a loss to a community, consider for a moment the services their listeners have come to expect and would indeed demand if their local station should broadcast no more.

Consider the announcer who, on a blizzardy morning in Minnesota, answers the constantly ringing telephone with one hand while playing records with the other, pausing only long enough to read the list of schools that will be closed for that day. This is an emergency message to those people. Indeed, it is a lifesaving message, preventing a small child from standing on a windswept country road in 20-below temperatures waiting for a bus that is not coming. The storm worsens and the rural phone lines break under the strain of ice and snow. A women worries about her husband, 3 hours overdue from town, until her local TV or radio announcer tells her he is safe.

Rural America does not have the triple-A or the highway department at its immediate command, so you get your driving conditions and road information from your local station. Many a criminal has been apprehended and many a stolen car recovered because someone remembered the description provided by your local radio or TV announcer. Then there are the broadcasts of the local basketball games, the church choirs at Christmastime, and, yes, the price of bananas at Joe's grocery this morning and the price of wheat at the grain elevator, all important services to rural America, services they can get in no other day.

The Government would lose, too, if some of these stations went out of business. The stations in my district contribute many hours a year to public service announcements, and the Federal Government is the biggest customer in this free department.

Even if just one station in my district left the air, it would be too much because it would deprive one community of these important services. And I believe I know the answer we would get if we went out and asked the people which choice they would make.

These small stations, with their limited staffs, are already bogged down in paperwork brought on by the Government. The logging operations performed by the broadcaster are sufficient for the FCC to appraise the performance of the station when license renewals are being considered. Further rules and controls from Washington would add to the already heavy burden and result in extra cost to the station in administrative work plus the possibility of reduced income because of proposed restrictions on commercial announcements. The result, when you consider the small margin with which they operate now, is obvious.

The broadcast industry is not one with which you can generalize with sweeping rules and regulations. They have unique problems due to the nature of the market areas they serve. For instance, we have a station located in a sparsely populated area that does not even break even throughout most of the year, but still provides a valuable service to its listeners. But a tourist influx during the summer months enables the station to make a profit. Sweeping rules can rule him right out of business.

Another station in my district is of the same size, but serves a farm area where most of the revenue comes during the winter months. But this second station can operate daytime only, which means it must leave the air by as early as 4:30 in the afternoon during its most lucrative months. No rule from Washington could be interpreted to the satisfaction of these two stations, or to the satisfaction of the people served by them.

One of the reasons set forth by the Federal Communications Commission for the need of additional rules concerning the broadcasting industry is that a case-by-case treatment of such problems as overcommercialization has not been satisfactory. I suggest that the problems of trying to administer sweeping, generalized rules would create such a workload that the FCC would soon be bogged down interpreting the rules case by case or end up adding more Government employees to keep up with the workload. Perhaps that is the purpose of rulemaking by Federal agencies, to expand their spheres of influence.

Competition of the various media is certainly a factor that should not be disregarded. I believe any unhappiness on the part of the listener or viewer will be readily transmitted, not only to the licensee, but also to the advertisers who use the media. This combination of competition and listener response is where the control of broadcast media should and does come. This is where it should remain. The survival of every station is dependent upon the response of listeners and communities whose needs and requirements are different from all others. That is why I am supporting the bill before us today, not simply because it would prohibit the FCC from regulating commercial announcements, but because it represents a clear intent by the Congress that there is already enough Federal control of broadcasting. This is a vote in favor of permitting broadcasters to conduct their affairs as a free enterprise business rather than an extension of the Government.

Mr. BENNETT of Michigan. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. HARRIS. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, and my colleagues, we have before us today a most extraordinary bill which, in the words of its author, the chairman of the subcommittee which fathers it, seeks to prevent and outlaw by legislation a ruling which the FCC had announced it does not intend to make. The bill is full of contradictions. The excuse for its passage, according to its sponsor, is that the FCC has no authority to engage in rulemaking on the subject of overcommercialization. More than this, the author finds himself at one time alleging the unlawfulness of the action of the Federal Communications Commission in this matter and at the same time seeking a law to slay this alleged threatened illegal action by the FCC, which the FCC says very clearly it does not have the intention of perpetrating upon the broadcasters of this Nation.

It would appear to me, and I am sure that the membership of the House will agree that if this legislation is not lawful and exceeds the power of the FCC, there is a very simple way in which this matter can be handled, that is, by broadcasters and by persons aggrieved going before the courts and testing the proposed rulemaking by the FCC.

This bill has broad effects far worse than what we have heard discussed today. Let me say the fact that this bill would prevent any uniform standards being applied to broadcasters with regard to the amount of time which they can devote to commercials and to commercial use is a very bad thing. It denies, first of all, the fundamental protection which I think the American viewer and listener deserves under the law. Worse than this, though, it hurts the American broadcaster by denying him an objective standard to which he may look to determine his conduct and course of action with regard to commercialization and overcommercialization. This point I just discussed on the floor with the distinguished and able chairman of this subcommittee. I am sure that anyone haled before the FCC on a revocation proceeding would have adequate reason to complain that no objective standards were made available to him to determine whether or not he had in fact engaged in overcommercialization, in excessive sale of advertisements, and things of this sort.

But it has been pointed out that this bill deals with a question of earnings. Let me make it very plain that any time the Federal Communications Commission takes action with regard to broadcasting it is dealing with an earnings question and with a commercial question.

Let me go further and point out two other very bad things which this piece of legislation does. The first is that the Commission's proposed rulemaking, if outlawed by the bill before us would be outlawed with regard to two very important questions. The first is section 3.621(a) which provides that no announcements, visual or oral, promoting the sale of a product or service shall be transmitted in connection with any program on those channels reserved for educational purposes.

That provision of law or regulation would be slain by the provisions of H.R. 8316. Beyond this, this bill would slay section 3.98 of the rules of the Commission which simply say that when a daytime station operates at night by reason of emergency or clear national danger, during that operation the station may not engage in the sale of time and the placing upon the airwaves of commercials. That provision would be destroyed by H.R. 8316 if enacted into law. I think this is very bad.

I will not treat of the power of the Commission to engage in this kind of action because I believe the chairman of the committee which considered this matter has already very clearly stated that he believes as does the Commission unanimously believe, that the Commission has the authority under law to engage in this kind of rulemaking procedure.

But let us look at this a little bit, let us look at what the rulemaking shows; and I should hope that all of my colleagues before they vote on this bill would look at the majority report—and, Mr. Chairman, I said the majority report.

The Commission made a number of findings in a summary on pages 12 and 13 of the majority report. It said that:

> The Commission's case-by-case treatment of the problem has not been satisfactory.

The Commission said that it had noted a large number of applications for broadcast authorization which presented serious problems of overcommercialization. The Commission went further and said that:

> The Commission's files are replete with substantial complaints from the public regarding the number of commercials broadcast by some stations, the frequency and manner of program interruption, and the length of some commercials.

Let us go further. Did the Commission say that it was going to impose upon all of the broadcasters the responsibility of adhering to a certain pattern of action? It did not. On the contrary the Commission said as follows:

> However, the Commission is by no means inflexible as to the most desirable ultimate solution to this difficult and complex problem, and it wishes to obtain public comment on the widest range of alternatives so that it may have an adequate basis upon which to adopt the policies which would best serve the public interest in this area.

The Commission even went further and said:

> Further, the Commission recognizes that the provisions of the NAB codes may not be appropriate for across-the-board application to all broadcast stations, and that there may be need for separate standards to be applied to daytime stations, stations serving sparsely populated communities, or stations located in communities with seasonal economies, and so forth. Therefore, the Commission invites proposals on any categories which warrant special treatment, and asks proponents to substantiate any proposal calling for more liberal standards than those provided for in the codes by submitting specific data.

And so forth.

> Finally, the Commission recognizes that there may be circumstances which may warrant that a waiver or exemption be accorded to certain broadcast stations, and the Commission invites proposals directed to the questions of what circumstances should be considered as warranting waiver, the type of showing to be required before granting a waiver, and the procedures that licensees should follow in requesting a waiver.

Mr. Chairman, this is a very clear statement of a very reasonable procedure on which public comment, upon which the views of broadcasters, upon which the views of listeners and viewers were invited.

Mr. Chairman, this is certainly not the kind of thing upon which the Congress should be called into summary session. Certainly this is a most moderate and reasonable operation by an administrative body acting in its duly appointed and constituted capacity.

However, beyond this permit me to paraphrase what Judge Finley had to say about the need for objective standards:

> A fourth reason for a crystallization of standards is that it is necessary for the maintenance of the independence of the agencies themselves. The lack of definite standards creates a void into which attempts to influence are bound to rush.

And, beyond this he gave as the first reason, and the most basic one "that the law should provide like treatment under like standards."

If this legislation passes, my friends, there will be no objective standards to which a broadcaster may look to know what constitutes overcommercialization. He will have no way of knowing what constitutes denial or a basis for denial of his request for renewal of his license.

Mr. Chairman, beyond this, I think it is very probable that adoption of this outrageous legislation means that many broadcasters will have small fear of facing the Commission on any question of overcommercialization, except those in which there has been the most gross and flagrant abuse of the public interest.

Mr. Chairman, I would like to read what my good friend and colleague, the gentleman from Texas [Mr. ROGERS], had to say on this at an earlier date.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. BENNETT of Michigan. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. DINGELL. Mr. Chairman, I thank the gentleman.

Mr. BENNETT of Michigan. Will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. BENNETT of Michigan. The gentleman from Michigan has talked at length about the lack of rules and standards being a detriment or handicap to broadcasters. Does he think that the Commission also should have the right—if they have the right to limit the time of an advertisement, to limit the time during which a movie may be shown or some other type program may be shown? Is it not the same kind of authority?

Mr. DINGELL. As a matter of fact I do not think that question is before us.

Mr. BENNETT of Michigan. It is a pertinent question.

Mr. DINGELL. The Congress in considering the original Radio Act back in 1927 during the debate on this act indicated it was contemplated by the membership of the Congress that the Radio

Commission would have authority to fix the hours during which religious programing could be made and they could rule off a program altogether during certain hours. Therefore, I think the original sponsors of the act had this in mind.

Mr. BENNETT of Michigan. Does the gentleman think the Commission ought to have the right to control programs?

Mr. DINGELL. I have noted no attempt by the Commission to control or dominate the programing. I do not think it is a desirable thing. However, I believe we ought to let the Commission act within the scope of its power before we deny it any authority to act.

Mr. BENNETT of Michigan. I thank the gentleman for yielding.

Mr. DINGELL. Mr. Chairman, this is what my good friend and colleague, the gentleman from Texas [Mr. Rogers], the author of this bill, had to say some time back. I think his comments on this are very pertinent. He was talking about the evils of taking away the administrative agency's power to act in the public interest and he said to Earl Kintner:

> Mr. Kintner, let me say this: No one subscribes more to free enterprise in this country than I do. No one realizes more than I do that some people would very well destroy this Government in order to earn a dollar, and when you talk about letting those people self-discipline themselves, it is like making an agreement with a bunch of tigers not to eat a bunch of lambs, and then going off and leaving them.

I say the remarks of the gentleman from Texas are as valid today as when they were made by him.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. Staggers].

Mr. STAGGERS. Mr. Chairman, first I would like to compliment the author of this bill the gentleman from Texas [Mr. Rogers], for his diligent work in preparing the bill. In the hearings he is always working for what he considers the best interest of the people. I would also like to compliment the gentleman from Arkansas [Mr. Harris], chairman of the full committee, because fundamentally I know of no finer gentleman in the House than he. We do not always agree, but that has nothing to do with the fundamental proposition of being a good citizen and a good American, and I say that sincerely.

As to the men who own the broadcasting stations in my district, there are some nine, I believe, and I consider every one of them a high type of individual. One or two of them are owned by absentee owners. I do not think there is a man in that group who would question my vote today or my beliefs or that I am not doing what I think is for the public interest.

The gentleman from California [Mr. Younger], I thought was trying to interpret what my intentions were when I signed the minority report. I would like to again say to him I do not want to turn over any additional power to the FCC, or to any agency downtown.

But there are two sides to every question, there always is. All I want to do in this case is to be fair, and I think one has to consider both sides. I am not representing the broadcasters, the station men, any more than I am representing every other constituent who lives in my district. There are nine broadcasting stations, and 347,000 other citizens in the district. They have a voice, too, and they have to be equally represented. I want to be fair to the broadcasting stations. I know they have to make a living, they are in business, but if we set up the FCC as an agency to regulate this industry then come here and say we are going to tie your hands, we are not looking out for the public interest.

Getting back to the main question, I would like to say in some of the testimony given before the committee that I was able to read, we have a code set up by the National Association of Broadcasters with reference to certain standards. For instance, it specifies a maximum of 30 percent, or 18 minutes, may be used for commercials. This is not observed. The Commission made a survey and found that 40 percent, or 36 stations, exceed the 18-minute standard indicated in the code. Twenty-five percent of the stations monitored, it was found, violated this provision. An association of State broadcasters asserts some 78 percent of its member stations did not adhere to the code.

Who is going to make them live up to the code? I say if the FCC cannot make a rule, then the Congress should. If we have the right to license these stations, with that right goes a responsibility. This committee could have brought in the broadcasters and their associations, and told them to get together and bring in a code that is satisfactory. Has this been done? Have these different groups been brought in to reach an understanding as to what would be right?

Mr. ROGERS of Texas. Yes.

Mr. STAGGERS. They could not come to an agreement?

Mr. ROGERS of Texas. All of the group undertook to come to an agreement.

Mr. STAGGERS. Did they come to an agreement?

Mr. ROGERS of Texas. I understand that they have not.

Mr. STAGGERS. Who is going to regulate the industry if they will not do it themselves and we tell the FCC they cannot?

Mr. ROGERS of Texas. This is a matter for the Congress to make a decision on. If the gentleman will introduce a bill I will be glad to do all I can to help him.

Mr. HARRIS. Mr. Chairman, will the gentleman from Michigan yield me 3 minutes?

Mr. BENNETT of Michigan. I yield 3 minutes to the gentleman from Arkansas.

Mr. HARRIS. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. Macdonald].

Mr. MACDONALD. Mr. Chairman, I should like to address a question to the gentleman with whom I serve, and for whom I have great respect, the chairman of the subcommittee. This will be in answer to the reason why I signed the minority report. May I ask the gentleman from Texas [Mr. Rogers], if this language is adopted that will eliminate the Commission from, by rule, prescribing standards with respect to the length or frequency of advertisements which may be broadcast by all or any class of stations in the broadcast service, why will that not be an invitation to all the commercial stations in all the 50 States to throw caution to the winds and try to earn as much money as they possibly can to the detriment of the public interest, and be guided solely by how many commercials they can put across to the general public? Is there any safeguard to prevent this from happening?

Mr. ROGERS of Texas. Of course there are the safeguards of the Communications Act, which have been explained numerous times here.

Mr. MACDONALD. They have been talked about but not explained.

Mr. ROGERS of Texas. The same identical rules and regulations that the Commission has been working under and which they now have the right to impose. If the gentleman from Massachusetts feels that these are not sufficient and that something should be done in another area, it is my feeling that he should introduce a measure and let the Congress make its decision.

Mr. MACDONALD. May I ask the gentleman from Texas, who is the chairman of this hard-working subcommittee and whose hearings took such a great length of time in preparation, for the passage of this bill, what will be the safeguards against a station whose license is not up for reapproval for another 3-year period pouring commercials in for 2 years and then suddenly coming up with the religion of public interest and start running a station that is run in the public interest?

Mr. ROGERS of Texas. There has been nothing to prevent people from doing things that would be an abuse of a license since 1934, when the act was brought into being, but the point of the thing is that the people of this country wanted these people to be in free competition. If the station manager wants to walk up to the brink of bankruptcy by following the policy outlined by the gentleman from Massachusetts, he has the right to do so. But I do not know any of the broadcasters that will do that.

Mr. MACDONALD. Is the gentleman from Texas saying now that there are not now, this week, millions of people who are sickened, who are annoyed, and who are generally agreed that there have been abuses in the field to which this bill relates, that there are broadcasters, to use a concrete example, whose programs you can barely hear until the commercial arrives, and then at the time of the arrival of the commercial, the decibels go up by at least 25 to 30 percent? Was that situation the situation to which the Federal Communications Commission was addressing itself?

Mr. ROGERS of Texas. No, that was not the situation to which they were addressing themselves. As I said to the gentleman from Massachusetts before, if there are abuses in connection with the increase of sound in a commercial, I think it is a matter on which the gentleman from Massachusetts or some other interested Member of Congress ought to prepare legislation and submit it and let us do something about it, if it is an abuse.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts.

Mr. MACDONALD. I would just like to say to my very good friend, and this is not just the usual polite parliamentary language since the gentleman is a good friend of mine, it would seem to me it is not my job because I serve on the transportation subcommittee of the House committee, but it is the job of the chairman of the communications subcommittee which has jurisdiction over this matter to fill the void which will now exist when we tell the broadcasters: Go ahead and be just as commercial as you want to because we are taking away from the FCC the right to govern you by regulations that are understandable both to the public and to yourself.

Mr. ROGERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD. I yield to the gentleman.

Mr. ROGERS of Texas. Of course, I cannot agree with the gentleman that there is a void. But the position of the chairman of the Subcommittee on Communications and Power is that this is an area to which the Federal Communications Commission could address itself and get the evidence together and bring it up here and present it to the Congress for action. That is the purpose of this.

Mr. MACDONALD. Had such a request been made by the gentleman from Texas?

Mr. ROGERS of Texas. The Federal Communications Commission says they are discussing the matter at the present time and have gone into the matter at the present time. It did not require anything for the chairman of the Communications Subcommittee to get them to work and it should not require anything. The responsibility of the Members of Congress in my opinion is equal.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HARRIS. Mr. Chairman, I yield such time as he may require to the gentleman from Missouri [Mr. RANDALL].

Mr. RANDALL. Mr. Chairman, I rise in support of H.R. 8316. Although I have not had the opportunity to listen to the debate in its entirety, I think it is in order to compliment the chairman of the subcommittee that reported this bill as well as the chairman of the full Committee on Interstate and Foreign Commerce who has supported the measure this afternoon.

The report states the purpose of this bill is to clarify the Communications Act of 1934. Back on May 15, 1963, the Federal Communications Commission by the narrow vote of four to three released a notice proposing to impose by rule of the Commission, limitations on advertising time as presently set up in the radio and television codes of the National Association of Broadcasters. Then on August 30, 1963, the gentleman from Texas [Mr. ROGERS], chairman of the Subcommittee on Communications and Power of Interstate and Foreign Commerce Committee introduced H.R. 8316. Several companion bills were introduced shortly thereafter. I suppose it was to be expected that the Federal Communications Commission, through its Chairman and Commissioners, would testify against this legislation. The Commission for a long while has assumed they had the statutory authority to impose by rule, standards with respect to length and frequency of broadcast commercials. On the other hand, the position of the Committee on Interstate and Foreign Commerce is that the basic Communications Act of 1934, nor any other provision of law authorized the Commission to prescribe by rule such standards. The committee is of the view that the Act of 1934 does not grant the Commission any explicit statutory authority and certainly not any "broad" or "expansive" powers which the Commission claims it has. Hence, the necessity for this legislation which will spell out and provide specifically that the Commission may not prescribe standards as to the length or frequency of advertisement broadcasts by stations, unless the Congress by its enactment so provides.

Opponents of this bill charge that if this bill is passed there will be no way to curtail overcommercialization by radio stations. It is argued that excessive advertising will thus go uncontrolled. Opponents say that the Commission would be stripped of desirable authority and lose flexibility to control commercialization. These same opponents argue that the Commission by adopting a rule to deal with problems on a case-by-case basis do so within guidelines on policy statements which serve as useful limitations. The Federal Communications Commission in opposing the bill point out that there are ample safeguards in that all their rules are subject to congressional judicial review.

My answer to this line of attack, is to say that broadcasting is a competitive private enterprise service, and if it is true there are some offenders who offend by heavying up commercial time in relation to program time, then the listening public will take care of the situation and turn to another station for their listening pleasure. Today, there are so many stations that no one is limited in his choice to just one or two stations and even in those few remote areas of the United States where there may be only one or two radio outlets, the listening public always has the privilege to reach for the switch and turn off the program at any time they feel that the commercials become excessive or to any degree in poor taste or offensive.

I note in the report that some members of the committee filed minority views wherein they point out if this bill is passed it would leave a vacuum in an area important to the public's interest. They say that the Commission is precluded from adopting a rule on overcommercialization; that the same broadcasters who are condemning the proposed rule today would be equally vociferous in condemning the Congress at a later date if the Congress were to write into the statute any limitations on broadcast commercials. It is these same members who signed the minority report who feel that listeners and viewers would be left without protection against the threat of overcommercialization.

Well, Mr. Chairman, this brings us to the very heart of the issue. It may be that some members will support this measure simply because they have received communications from their broadcasters urging such support. My office has, I suppose, received a letter from every radio and television station in our congressional district. I rise in support of this bill today not because some radio and television stations may be for it but because if the Congress does not put down its foot and make a firm stand at this time, the Federal Communications Commission will not stop simply at proposing the rule on commercials but proceed to interpret the Communications Act of 1934 as granting to it "broad" and "expansive" powers to make other rules which it claims to possess. In other words, if the legislative branch does not stand up and here and now put a stop to this unauthorized assumption of power by an independent agency of the executive branch of Government, then it will be more difficult to restrain such a commission in the future from continuing its efforts to broaden and expand its powers. If we do not here today firmly apply the brakes, then this agency will increase its acceleration toward unauthorized rulemaking and it will not be very long until the Congress will wake up to find that it has by its inaction completely relinquished its authority. This is the real issue. This is the very center of the controversy. When the time comes that the Congress no longer has authority to spell out what an independent agency such as the Federal Communications Commission may or may not do, a Commission which the Congress itself once created and clothed with the only powers it possesses, then the Congress had just as well admit it no longer has any function as the legislative branch and disband.

No, Mr. Chairman, if this bill is adopted today, there will be no vacuum created as the critics of this bill say. The radio and television stations will not be turned loose to overcommercialize at their own pleasure. The Commission can still review original license applications and renewal applications and base these renewals on past performance or promised performance and then in turn review the practices followed by an applicant when he asks for a renewal.

I understand, but without verification, that the strong stand taken by this committee in reporting out this bill has already had one of the desired effects, to wit, to serve notice on the Federal Communications Commission that it cannot continue unrestrained in this field of rulemaking and that the Commission either has or will withdraw the notice of May 19, 1963, which proposed a rule by the Commission for limitations on advertising.

No Member of this House wants a radio or television station to be without regulation as to its commercials. None of us want to see the sound decibels raised when a commercial comes on in relation to the sound level of the program itself, but there is present ample authority in the Commission to review station performance and if by any chance there is not sufficient authority then the Commission should come to the Congress and ask for delegation of authority without proceeding in the unauthorized manner of May 1963. Listeners and viewers will not be left without protection from overcommercialization but if this Congress lets the Federal Communications Commission run wild on its own then the time will come when abuses in the field of communications will be at the sole discretion of a seven-member commission rather than set by congressional policy or legislation passed by the Congress of the United States, composed of the directly elected representatives of the people of this country.

Mr. HARRIS. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. JOELSON].

Mr. JOELSON. Mr. Chairman, I rise in opposition to the pending legislation.

Mr. Chairman, I understand that the broadcasting industry is entitled to a just return on its investment. That is only fair and reasonable. Furthermore, I do not downgrade the contributions it has made to our great democracy. But the broadcasting industry is a public service and it must be expected and required to operate in the public interest.

The National Association of Broadcasters is saying that its members want to regulate themselves on the subject of length and frequency of commercial messages. Like the television commercial, they say: "Mother, I would rather do it myself."

In resisting regulation, the National Association of Broadcasters is saying to its members: "Let Congress put you in the driver's seat."

Like the people who use a certain deodorant, they do not want to be "half safe." And like the users of certain cigarettes, they would "rather fight than switch."

But the American public does not find these endless commercials to be "the pause that refreshes." Perhaps "they satisfy" as far as the advertising agencies are concerned, but not to "the man who thinks for himself."

I am told that a certain television commercial for a painkiller uses the word "pain" 23 times in 60 seconds. That is quite a pain to a viewer.

I personally do not like to see an endless parade of draining sinuses night after night.

It is true that some commercials are creative and imaginative, even more so than some programs. Nevertheless, I dread the day when the announcer will say, "We interrupt this commercial message for a brief program."

I take this position hesitantly because I do not know how often I am going to be invited to appear on radio or TV stations after this. I hope I will not be blacklisted. But the television and radio stations are licensed by the Government. They are getting valuable properties and in many cases a monopoly, and they pay no commensurate fee. We give them the people's airways and we say, "Go ahead and sell it and charge what you want."

I say the least these people can do in view of the fact that they are granted this great financial thing of value is to accede graciously to some regulation in the public interest so that while they get a fair return on their investment, the American people get a fair break. We should always use our airways for public enlightenment and public entertainment as well as for private profit.

Mr. BENNETT of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. SCHWENGEL].

Mr. SCHWENGEL. Mr. Chairman, I rise in support of H.R. 8316. I am prompted to take the floor in behalf of this bill because I am concerned about what may happen to freedom of speech and freedom of the press if this bill does not pass.

Freedom of speech and freedom of the press are guaranteed to all of us in the first amendment to the Constitution, but when we permit the regulatory agencies to exert unwarranted control, we permit the erosion of these freedoms. None of us is here for that purpose.

The Federal Communications Commission in its proposed rulemaking seeks to regulate the length and frequency of broadcast advertisements. This type of regulation places a limitation upon free speech because advertising is a form of free speech. In our economy, advertising is essential in introducing seller to buyer. It is not only important to the big manufacturer, and national distributors, it is more important to the small businessman with only one outlet, who very often needs and uses his advertising to tell his story to his customers.

Time and time again, we have seen the small operator through a prudent use of the advertising media, build his business and grow to the point where he can open another outlet, hire more people, and make a larger contribution to the economy of his community. And he can do this without increasing the cost of living.

Mr. Chairman, the gentleman from California [Mr. VAN DEERLIN] said something about one of the finest success stories in America, the Amana Society, and spoke derisively of their advertising policy or something they did during an advertising period, I presume over television or radio. Let me say that I do not know of a better endorsement for this bill than the experience of the Amana Society. Except for the fact that they had the right to advertise—and perhaps to abuse advertising—they would not have become the great and fine successful company they are in the field of refrigeration.

The Amana Society was once a purely socialistic society, I point out. We in Iowa were tolerant and let them be socialistic, but they became enamored of the success of free enterprise all around them, so they took advantage of the opportunity to learn, and they adopted a program gradually to convert to a free enterprise system.

Mr. VAN DEERLIN. Mr. Chairman, will the gentleman yield?

Mr. SCHWENGEL. I do not yield. I do not have sufficient time to yield.

Mr. VAN DEERLIN. As a matter of personal privilege, Mr. Chairman, I desire to question the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SCHWENGEL. I yield to the gentleman from Iowa.

The CHAIRMAN. Does the gentleman from Iowa yield to the gentleman from California?

Mr. SCHWENGEL. I do not. I yield to the gentleman from Iowa [Mr. GROSS].

Mr. DINGELL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and twenty-two Members are present, a quorum.

The gentleman from Iowa [Mr. SCHWENGEL] has the floor.

Mr. SCHWENGEL. Mr. Chairman, I wish to say that the people who live in the Amana Society area are among the finest Americans I know. I reiterate that they left a Communist or socialistic philosophy and accepted free enterprise and are almost completely converted to free enterprise. With the development of modern machinery that community released a large percent of its labor force, and in order to keep the labor force and those people in the community they started wood shops, furniture factories—and finally an enterprising young man by the name of Forrester started the Amana Society.

I have seen it happen time and time again in my district and especially in my home bailiwick, the city of Davenport, Iowa. I have seen it happen with a drugstore operator who advertised more than people thought he should, but he knew the power of advertising and with this tool, he built his business into a successful operation of several stores.

The same is true of a clothier in Davenport who started with a "hole in the wall" and, with the help of advertising, was able to make his haberdashery into one of the best in the city.

Mr. Chairman, no agency created by this Congress can make any rule or should be allowed to make rules which abridges freedom of speech or of the press under the limitations of the first amendment to the Constitution of the United States.

Under the first amendment Congress may make no law abridging freedom of speech or of the press. The Federal Communications Commission is a creature of Congress and, therefore, has only those powers which have been specifically granted to it by the Congress in statutes duly enacted.

But, even Congress, as we all know, has no power to pass laws in violation of the Constitution. From the laws of nature we know that no stream can ever run higher than its source. And since the regulatory body may not directly abridge freedom of speech it is a sound corollary that it cannot do indirectly that which it cannot do directly. It may not impose an unlawful condition upon the granting or withholding of any license or privilege.

When the Congress passed the Communications Act of 1934 it provided specifically in section 326 that:

> Nothing in this act shall be understood or construed to give the Commission the power

> of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication.

In my book, this is a restatement of the first amendment which deals with free speech.

Under the Communications Act the FCC is given the power to grant licenses on a showing that the public interest, convenience and necessity will be served.

This, we all agree, is a sound provision. This is the sole basis upon which the Commission relies to assert that it has the power to control programing.

From a study of the communications law and of the cases under it, I am convinced beyond a shadow of doubt that the FCC has no power to regulate programing, whether it be entertainment, news, public discussion or commercial advertising.

Apparently, and unfortunately, some members of the present Commission feel otherwise, for they have so indicated in their statements before committees of the House.

There is doubtless great temptation for the bureaucrats to control the programing of radio and television and particularly to control advertising that sometimes appears irritating, but it is the duty of this body to consider the ultimate consequences of such Government control.

If a Federal agency can control commercial advertising on these vital media, could it not also dictate the amount and content of entertainment, public affairs, political broadcasting, and news that these stations might carry?

This type of control could lead to worse situations than the managed news episodes of the past few years. All of us are aware of the evils of manipulating the news so that the people and their representatives are misled about Government programs and policies, as well as the affairs of state and the state of the Union.

The people's right to know demands that they have access to the facts as long as the national security is not endangered. When you have the power to control the content of the news you have the power to color, to distort, to paint a favorable picture when the opposite is true, and perpetuate an administration on pure misrepresentation of facts.

The broadcasting industry has established a reputation for fair and unbiased presentation of the news. If we permit the FCC to set up regulatory powers as far as program content is concerned, we jeopardize a source of news upon which people have come to rely because it is consistent with the public interest, convenience, and necessity.

Broadcasting is in competition with other advertising media. Those media, like all industries in this country, use public channels of commerce and Government control of this type could extend itself to those media, too.

I believe that if we permit the precedent to be established with respect to broadcast advertising, the next step would be Government control of newspaper and other forms of advertising.

We all know that it is public response which controls the amount of advertising. If there is no response from the public, then the advertising is cut down or eliminated.

Only the people can be the judge about the advertising, not the Government. In this case, it is the number and frequency of radio and television commercials. The stations have to maintain the proper balance of commercial time as against program time in order to keep their audiences and provide a good vehicle for their advertisers. If the people do not watch or listen, the advertising does not pay, and it is taken elsewhere.

So, in the end, it is the people who decide. If a station loses its audience because of overcommercialization, it will soon "shape up" because we have enough stations to provide competition and this competition is, in itself, a means of control—the kind provided by the free enterprise system.

The Federal Communications Commission has been granted authority to prevent collision of the frequencies and to insure proper mechanical operation of this vital service. By no stretch of the imagination does it have the power to control the amount and substance of what is broadcast.

Debates in this House as early as 1926, when the Radio Act of 1927 was under discussion, make it crystal clear that Congress intended no limitation on advertising, because under the first amendment it would not be constitutional to make such limitations.

I believe that the proper philosophy was expressed by the Radio Commission in its first year of operation back in 1928 when it reported to the House that it did not have the power to undertake control over advertising or censor programs in any way.

The spokesman for the Commission stated that the matter of programing including advertising should be left in the hands of the stations and that the people would manifest their judgment by leaving the station on or tuning it out.

More than 37 years ago the Congress ordained a system of competitive free enterprise and free speech in broadcasting in this country. This is as logical and as natural as anything could be.

Freedom and competition are the woof and warp of Americanism. The power to limit is the power to destroy. The power to dictate how much any citizen may say is the power to destroy his constitutional right of free speech.

Abraham Lincoln, perhaps more than any other man, recognized the value of freedom in America. In his message to Congress in 1861, he said:

> It may be affirmed without extravagance that the free institutions we enjoy have developed the powers and improved the condition of our whole people beyond any example in the world.

I urge passage of H.R. 8316, to reaffirm the first amendment for broadcasting as it has been for all media in this country.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 303(b) of the Communications Act of 1934 (47 U.S.C. 303(b)) is amended by inserting immediately before the semicolon at the end thereof the following: "; except that the Commission may not by rule prescribe standards with respect to the length or frequency of advertisements which may be broadcast by all or any class of stations in the broadcast service".

Mr. MOSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want first to get the attention of the gentleman from Iowa [Mr. SCHWENGEL] and point out to him that he has just accused my colleague, the gentleman from California [Mr. VAN DEERLIN], of having made remarks derogatory to the Amana Society. I have just read the reporter's transcript of the remarks of the gentleman from California, and nowhere in those remarks is there any reference to the Amana Society or any other society.

Now, there are a few other things that have been said on this floor that do not accord with the facts. One of them is the inference that this is an opening wedge for censorship. It might interest those who would delude us with that charge that the Congress, in section 326 of the Communications Act, acted specifically to deny the Commission the authority to censor. Now, I yield to no Member of this House in my opposition to censorship, and I can back that with a record that no Member of this House can equal. I have taken my fight against Republican and Democratic officials who have attempted to undertake the role of censor, and I would fight the Communications Commission with the vigor that I have fought the others, but there is not remotely embodied in this piece of legislation, and it takes the most tortured reasoning and it takes the most deliberate efforts at obfuscation to say that there is, any potential here for other than the regulation of the unrestrained drive for overcommercialization. It is that simple and uncomplicated. And do not believe that your people are not aware of the imposition upon their time and their homes, the abuse of their resource by the overcommercialization, not of the responsible broadcasters but of the irresponsible broadcasters—and there are many.

I have been on this subcommittee as long as any other Member in this House. I went through the oversight hearings when we had instance after instance of the most blatant type of commercial degradation by the broadcasters where they coached people to go before grand juries and to commit perjury. I went through the hearings last year when we saw the worship by this industry of the most faulty and fallacious rating systems which called the tune for program content, which deny the interests of the American people and the need for the enrichment of our society with good entertainment and good information. I believe very firmly that we will get from true free enterprise the type of broadcasting we want, but we must, as we do in all other segments of our society, take away the opportunity for the excesses of the few who place the dollar above anything else; now, for those who say we do not want them to pay their bills, I would be willing to write into the law a guarantee of a return which would exceed the guarantee of any other segment of American industry by at least three times. This is one of the most profitable fields of endeavor that any man could enjoy, and it is given to him; he does not win it or earn it; he does not have to be excellent; he does not have to outperform anyone else. This is not wide-open competition. This is restricted competition in most markets and no competition in others. I know that every member of this committee has heard from every broadcaster in his district. I bow to the great strength of the broadcasters. But we are charged here with the responsibility of protecting the public and not the broadcasting interests.

Mr. HAYS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, it just occurred to me that perhaps the gentleman from Iowa [Mr. Schwengel] got me mixed up with the gentleman from California [Mr. Van Deerlin] who said that he did not mention the Amana Society, and neither did I. I think perhaps I would be glad to yield to the gentleman from Iowa if he would like to change the Record or ask permission to strike out of the Record what he said about the gentleman from California [Mr. Van Deerlin] who says that he not only did not mention the Amana Society but never even heard of it. Would the gentleman care to respond to that?

Mr. SCHWENGEL. I was not the only one who heard it. It was called to my attention by some other Member of the House. Of course, if he did not say it, then I owe him an apology. I thought it was mentioned. I was very sensitive about it because I know the organization. I was talking to somebody else when this was going on. I understood that it was mentioned. If it was not, I take the gentleman's word for it.

Mr. HAYS. The gentleman says it was not. I listened to his speech and I did not hear it. The transcript does not show it. So I congratulate the gentleman. I am sure that the gentleman from California [Mr. Van Deerlin] does not want to be accused of saying something that he did not say.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all debate on this bill close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Dingell].

Mr. DINGELL. Mr. Chairman, it has been alleged in a number of instances in this debate that there was no instance found of overcommercialization of the airwaves. Let it be very clear that this report on page 25 sets out very plainly the amount of overcommercialization which was found. The report says:

> We are told that not even this 30-percent figure—

Referring to the NAB requirement—

> is being observed. In one Commission check, roughly 40 percent of the 134 stations surveyed exceeded 18 minutes of commercial time in 1 or more hours. We are informed by the code authority itself, that some 28.5 percent of member radio stations monitored during a particular period violated the provision on maximum commercial time during 1 or more hours, with the average violation amounting to a minute and a half more than the 18-minute maximum. An association of State broadcasters asserts that some 78 percent of its member radio stations do not live up to the code, with some selling commercial spots for as low as 10 cents.

Anyone who votes for this bill is voting for a continuation of the same kind of ineffective private regulation of a public resource so damaging to the public interest.

Let me again read from the remarks of my beloved friend, the gentleman from Texas [Mr. Rogers], who said as follows:

> But if we are going to say this is just a difficult problem, so we are going to throw the ball to someone else and let them carry it, then I think we ought to do away with the Federal Communications Commission and let the Congress take over these things and start writing these laws and spelling out in detail everything that has to be done and get away from these rulemaking powers.

Mr. Chairman, this is the thing that my friend the gentleman from Texas [Mr. Rogers] refers to as "making an agreement with a bunch of tigers not to eat a bunch of lambs and then going off and leaving them."

Mr. ROGERS of Texas. Since the gentleman has mentioned my name, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Texas.

Mr. ROGERS of Texas. At that time that was during the old oversight hearings to which the gentleman is referring. If the gentleman will go back and read the hearings the gentleman will find that these commissions downtown had not only invaded the province of the Congress but had undertaken to take away the Supreme Court's powers. They were declaring various things unconstitutional down there.

Mr. DINGELL. I admire my friend, but his remarks speak for themselves. I have to confess that they are as appropriate in connection with this matter as they were in connection with the other matter. If we walk off and leave the tigers to police the lambs, we will have a hard time justifying that action to our constituents.

The CHAIRMAN. The Chair recognizes the gentleman from Hawaii [Mr. Gill].

Mr. GILL. Mr. Chairman, on the basis of the case presented by the opponents of this bill, and what I construe to be the public interest, I must rise in opposition to this bill.

This is not an easy decision. I have long been an admirer of the persuasive logic and quick wit of the author of the bill, the gentleman from Texas [Mr. Rogers], who also happens to be the chairman of one of the subcommittees on which I serve in the Interior Committee.

This is not an easy decision because I have been given to understand that the industry associations in my State are in favor of it, and one is hard put to win an argument with the media.

However, opposition to this measure is made much easier by the list of committee members who also oppose it. To mention but two, I cannot help but feel that the gentleman from California, John Moss, who has made such a clear public record in favor of the public's right to have adequate access to information, must have good and adequate reasons to oppose this measure; I can say the same for our good colleague, the gentleman from California, Lionel Van Deerlin, who before coming to Congress worked in the very media affected by this bill.

On the merits this measure cannot stand. This is a negative piece of legislation. It would not set standards for broadcasters; it would merely prevent the FCC from setting them. If we believe that Congress should regulate in this area let us go ahead and do it. If we do not feel we have the time or the competence to enter this technical area, let the administrative agency charged with this responsibility do so, if it feels it is necessary. If we feel that the agency has abused its power, or failed to use it properly, then we can step in and occupy the area ourselves.

But this bill would act before the FCC has done anything. All they have done was issue notice of proposed regulation, and suggest, for discussion's sake, the same standards on amount of commercial time in broadcast periods presently contained in the Radio and Television Codes of the National Association of Broadcasters. It is hard to understand why members of the NAB should oppose so vehemently the possible adoption of the "code" to which they presumably adhere.

There has been a great deal of talk on this floor about alleged government interference with private interprise. I find it a little strange to find that some of the loudest advocates of this concept come from monopoly industries who hold their rights through grant from the public.

What is broadcasting? Is it an occupation that any can enter? Of course not—this would mean chaos in airways. Each station is specifically granted a portion of the frequency range and given assurance against interference by other broadcasters. That little segment of the airways, which belong to all of us, is given to one license holder as a monopoly for his own private gain. All that we ask is that he serve the public interest.

Electronically there is a limit on the number of licenses that can be granted within a given frequency range and a given area. This tends to raise the value of the license regardless of the effectiveness of the public service being performed by the licensee, or the efficiency of his business.

Surely there must be some duty connected with the grant of this privilege? Do we, as the public who granted this license in the first place, have the right to reasonable protection against annoyance and poor service? What, today, is more annoying than repetitious and poorly executed commercials? What is more frustrating than to try to find a news broadcast buried under a cloud of indigestion nostrums? Some of our advertisers have long since forgotten that brevity is the soul of wit; some of our broadcasters, in their anxious struggle for the advertising dollar, are inclined to overlook the high nature of their calling and responsibilities.

But why cannot this regulation be achieved by on a case-by-case basis when licenses are renewed? In theory, in extremely bald cases of open and flagrant violation of all proper standards, it could be. However, it is not fair—it is not due process of law—to apply standards to a licensee when he comes up for renewal unless he has adequate notice of those standards in advance. This is what the FCC should have the power to do; this is what this bill would deny them.

For these reasons, Mr. Chairman, I hope this bill will be defeated. I express this hope in knowing opposition to the position taken by our own broadcasters in Hawaii. Preserving the power to the FCC to make reasonable regulations on the frequency and extent of commercials would help the conscientious and legitimate broadcasters maintain their standards. It will also help that often neglected group—the listening and viewing public. When the welfare of the public is concerned we, as public officials, should have little hesitation in deciding where we stand.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. Gross] for 4 minutes.

Mr. GROSS. Mr. Chairman, if I may have the attention of the chairman of the committee, the gentleman from Arkansas [Mr. Harris], I would like to ask a question: Will this bill in any way be of assistance or injurious to the operation, say, of the L.B.J. Co. of Austin, Tex., in obtaining $1,500 worth of advertising from a Maryland insurance broker to advertise stainless steelware over the L.B.J. Co's Texas station or stations?

Mr. HARRIS. I have tried since the gentleman propounded the question to hurriedly analyze it. As I recall the language in this bill, I cannot see any punitive provisions in it at all.

Mr. GROSS. Well, I want to thank the gentleman for his all-embracing answer. I doubt that it deals specifically with the situation to which I called his attention but I do not suppose he could give me a specific answer.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. Jones].

Mr. JONES of Missouri. Mr. Chairman, as one who has been associated in the operation of a smalltown radio station for the last 17 years, there is one thing that has not been emphasized enough here today. I believe it would be impossible to write any rule or standards which would be applicable to every radio station even by classes of stations. I believe all of us recognize the fact that even the commercials themselves can be entertaining. As I drive to work in the morning I tune into a local radio station here and, frankly, I am entertained more by some of the commercials than I am by some of the music and other entertainment that is carried on the station. With good programing, including the spacing of commercials, interspersed with brief weather reports, time signals, road conditions, and so forth, one will not be conscious of the fact that some of the cleverly arranged commercials are in fact commercials. It depends to a large degree upon both the programing and the announcer or announcers who give the commercials.

So from that standpoint it would be impossible to try to write rules that would be applicable. Furthermore, I think it is generally known what my views are on regulatory agencies and commissions to which we have extended certain rulemaking powers. I cannot recall any agency which I have had occasion to deal with since I have been a Member of Congress that at some time or other has not abused the authority that the Congress has given to them. That does not necessarily mean the head or even the members of the Commission are guilty of the abuse. Some of these bureaucrats cannot resist abusing authority, and that is why I think we are getting into trouble around here. I have had a recent experience with the Federal Communications Commission and have been the victim, so to speak, of rulings made by incompetent employees who have been given too much authority, with no supervision, and no responsibility. I am not saying that the Commission members themselves were directly responsible for that because, frankly, I do not think they know what is going on in some of their departments, or what some of their hired hands are doing with the authority that has been relegated to them. When you try to talk to some of the Commissioners, you are usually referred to some subordinate who under the law should not be clothed with the authority they apparently have.

We have to recognize also, as stated on page 3 of the report here, the Commission is unanimously of the view that the Commission has statutory authority to impose by rule standards with respect to the length or frequency of broadcast commercials. Yet we have found they are willing to settle down and not exercise this power because this legislation was introduced.

I want to predict that unless we do pass this legislation today we are going to find the Federal Communications Commission, and particularly the employees of that Commission, taking unto themselves authority which no one feels they should have, and which many of us believe they do not have under the law.

In closing I would say, as has been pointed out so often on the floor, the listener himself has a wide range of selection of programs, particularly on both AM and FM radio, and he has within himself the power to turn off any station that is obnoxious. I know also from experience that any time any radio station starts abusing the privilege it has of "overcommercializing its programs, the influence and popularity of that station falls to the extent that the advertising revenue falls, and the people who exercise any business judgment at all recognize that. I think it is that self-policing action that will prevent any longtime abuse.

For reasons stated, I would urge passage of this bill. It will still leave the FCC with all the authority it needs to "police" the airwaves.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. Harris].

Mr. HARRIS. Mr. Chairman, this bill has been thoroughly discussed, explained and debated, and I think it is well understood.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Lankford, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8316) to amend the Communications Act of 1934 to prohibit the Federal Communications Commission from making certain rules relating to the length or frequency of broadcast advertisements, pursuant to House Resolution 622, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes had it.

Mr. HALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 317, nays 43, answered "present" 5, not voting 67, as follows:

[Roll No. 51]

YEAS—317

Abbitt
Abele
Abernethy
Addabbo
Albert
Alger
Anderson
Andrews, Ala.
Arends
Ashbrook
Ashmore
Aspinall
Auchincloss
Avery
Ayres
Baring
Barrett
Barry
Bates
Becker
Beckworth
Beermann
Bennett, Fla.
Bennett, Mich.
Berry
Betts
Boggs
Boland
Bolton, Frances P.
Bolton, Oliver P.
Bonner
Bow
Brademas
Bray
Brock
Bromwell
Brooks
Brotzman
Broyhill, N.C.
Broyhill, Va.
Bruce
Burke
Burton, Utah
Byrne, Pa.
Byrnes, Wis.
Cahill
Cannon
Casey
Cederberg
Chamberlain
Chelf
Chenoweth
Clancy
Clark
Clawson, Del
Cleveland
Collier
Colmer
Conte
Cooley
Corbett
Cramer
Cunningham
Curtin
Curtis
Daddario
Dague
Daniels
Davis, Ga.
Delaney
Dent
Denton
Derounian
Derwinski
Dole
Donohue
Dorn
Downing
Dulski
Duncan
Dwyer
Edmondson
Ellsworth
Everett
Evins
Findley
Finnegan
Fisher
Flood
Flynt
Fogarty
Ford
Foreman
Forrester
Fountain
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Garmatz
Gary
Gathings
Giaimo
Glenn
Gonzalez
Goodell
Goodling
Grant
Gray
Griffin
Griffiths
Gross
Grover
Gubser
Gurney

Hagan, Ga.
Haley
Hall
Halleck
Halpern
Hansen
Harding
Hardy
Harris
Harrison
Harsha
Harvey, Ind.
Harvey, Mich.
Hays
Healey
Hébert
Hemphill
Henderson
Hoeven
Holland
Horan
Horton
Hosmer
Huddleston
Hull
Hutchinson
Ichord
Jarman
Jennings
Jensen
Johnson, Pa.
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Karth
Kee
Keith
Kilburn
Kilgore
King, N.Y.
Knox
Kornegay
Kunkel
Kyl
Landrum
Langen
Lankford
Latta
Lennon
Lesinski
Libonati
Lipscomb
Lloyd
Long, Md.
McClory
McCulloch
McDade
McDowell
McIntire
McLoskey
McMillan
MacGregor
Madden
Mahon
Marsh
Martin, Nebr.
Mathias
Matsunaga
May
Meader
Miller, N.Y.
Mills
Minish
Minshall
Montoya
Moore
Moorhead
Morgan
Morris
Morrison
Morse
Morton
Mosher
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Nelsen
Nix
Norblad
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
Olson, Minn.
O'Neill
Osmers
Ostertag
Passman
Patman
Patten
Pelly
Perkins
Pickle
Pilcher
Pillion
Pirnie
Poage
Poff
Pool
Price
Pucinski
Purcell
Quie
Quillen
Rains
Randall
Reid, Ill.
Reid, N.Y.
Reifel
Rhodes, Pa.
Rich
Riehlman
Rivers, Alaska
Roberts, Tex.
Rodino
Rogers, Colo.
Rogers, Tex.
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roudebush
Roush
Rumsfeld
Ryan, Mich.
St Germain
Saylor
Schadeberg
Schenck
Schneebeli
Schweiker
Schwengel
Scott
Secrest
Selden
Sheppard
Shipley
Short
Shriver
Siler
Skubitz
Slack
Smith, Calif.
Smith, Va.
Snyder
Springer
Stafford
Staggers
Steed
Stephens
Stinson
Stubblefield
Sullivan
Talcott
Taylor
Teague, Tex.
Thomas
Thompson, La.
Thompson, Tex.
Thomson, Wis.
Toll
Tollefson
Trimble
Tuck
Tupper
Tuten
Ullman
Utt
Van Pelt
Vinson
Waggonner
Wallhauser
Watson
Watts
Weaver
Weltner
Westland
Whalley
Wharton
Whitener
Whitten
Wickersham
Widnall
Willis
Wilson, Ind.
Winstead
Wydler
Wyman
Young
Younger
Zablocki

NAYS—43

Baldwin
Blatnik
Burkhalter
Burton, Calif.
Cameron
Cohelan
Corman
Diggs
Dingell
Edwards
Farbstein
Feighan
Fino
Fraser
Gallagher
Gilbert
Gill
Green, Oreg.
Hanna
Hawkins
Hechler
Joelson
Kastenmeier
King, Calif.
Leggett
Lindsay
Macdonald
Mailliard
Martin, Mass.
Miller, Calif.
Monagan
Moss
Philbin
Pike
Powell
Reuss
Rosenthal
Roybal
Ryan, N.Y.
Sickles
Sisk
Thompson, N.J.
Van Deerlin

ANSWERED "PRESENT"—5

Ashley
Battin
O'Konski
Roosevelt
Udall

NOT VOTING—67

Adair
Andrews,
  N. Dak.
Bass
Belcher
Bell
Bolling
Broomfield
Brown, Calif.
Brown, Ohio
Buckley
Burleson
Carey
Celler
Clausen,
  Don H.
Davis, Tenn.
Dawson
Devine
Dowdy
Elliott
Fallon
Fascell
Fuqua
Gibbons
Grabowski
Hagen, Calif.
Herlong
Hoffman
Holifield
Johansen
Johnson, Calif.
Karsten
Kelly
Keogh
Kirwan
Kluczynski
Laird
Long, La.
McFall
Martin, Calif.
Matthews
Michel
Milliken
Multer
Nedzi
O'Brien, Ill.
Pepper
Rhodes, Ariz.
Rivers, S.C.
Roberts, Ala.
Robison
Rogers, Fla.
St. George
St. Onge
Senner
Sibal
Sikes
Smith, Iowa
Staebler
Stratton
Taft
Teague, Calif.
Vanik
White
Williams
Wilson, Bob
Wilson,
  Charles H.
Wright

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rivers of South Carolina for, with Mr. Roosevelt against.

Mrs. St. George for, with Mr. Sibal against.

Mr. Keogh for, with Mr. Charles H. Wilson against.

Mr. Senner for, with Mr. Udall against.

Mr. Williams for, with Mr. Ashley against.

Mr. Wright for, with Mr. Hagen of California against.

Mr. Burleson for, with Mr. Holifield against.

Mr. Fallon for, with Mr. Johnson of California against.

Mr. Fascell for, with Mr. McFall against.

Mr. Kirwan for, with Mr. Celler against.

Until further notice:

Mr. Grabowski with Mr. Devine.

Mr. Kluczynski with Mr. Brown of Ohio.

Mr. Dawson with Mr. Michel.

Mr. Carey with Mr. Laird.

Mrs. Kelly with Mr. Adair.

Mr. Nedzi with Mr. Johansen.

Mr. Elliott with Mr. Bell.

Mr. Gibbons with Mr. Rhodes of Arizona.

Mr. Rogers of Florida with Mr. Belcher.

Mr. Multer with Mr. Robison.

Mr. Brown of California with Mr. Bob Wilson.

Mr. Buckley with Mr. Broomfield.

Mr. Matthews with Mr. Martin of California.

Mr. Pepper with Mr. Taft.

Mr. Herlong with Mr. Teague of California.

Mr. White with Mr. Andrews of North Dakota.

Mr. Stratton with Mr. Don H. Clausen.

Mr. Roberts of Alabama with Mr. Hoffman.

Mr. Sikes with Mr. Milliken.

Mr. Vanik with Mr. O'Brien of Illinois.

Mr. Karsten with Mr. Staebler.

Mr. St. Onge with Mr. Bass of Tennessee.

Mr. Davis of Tennessee with Mr. Long of Louisiana.

Mr. Dowdy with Mr. Smith of Iowa.

Mr. ROOSEVELT. Mr. Speaker, I have a live pair with the gentleman from South Carolina [Mr. Rivers]. If he were present he would have voted "yea." I voted "nay." Therefore, I withdraw my vote and vote "present."

Mr. UDALL. Mr. Speaker, I have a live pair with the gentleman from Arizona [Mr. Senner]. If he were present, he would have voted "yea." I voted "nay." Therefore, I withdraw my vote and vote "present."

Mr. ROYBAL changed his vote from "yea" to "nay."

Mr. LONG of Maryland changed his vote from "nay" to "yea."

Mr. ASHLEY. Mr. Speaker, I have a live pair with the gentleman from Mississippi [Mr. Williams]. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

TO AMEND INTERNAL REVENUE CODE OF 1954

Mr. O'NEILL, from the Committee on Rules, reported the following privileged resolution (H. Res. 643, Rept. No. 1159), which was referred to the House Calendar and ordered to be printed:

H. Res. 643

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8000) to amend the Internal Revenue Code of 1954 to impose a tax on acquisitions of certain foreign securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Ways and Means now in the bill and such substitute shall be considered as having been read for amendment and shall be considered as an original bill for purposes of amendment under the 5-minute rule. No other amendment to the bill or committee substitute shall be in order except amendments offered by direction of the Committee on Ways and Means, and said amendments shall be in order, any rule of the House to the contrary notwithstanding, but such amendments shall not be subject to amendment. At the conclusion of such consideration, the Committee shall rise and report the bill to the House, with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit with or without instructions.

BILL TO REDUCE IMPORTATION OF BEEF

Mr. JENSEN. Mr. Speaker, on last Tuesday I introduced a bill, H.R. 10099, to stop at least 50 percent of the beef imports and meat imports of every nature into this country from abroad. I am happy to report that on yesterday and today 16 of my colleagues introduced identical bills to H.R. 10099; namely, the gentlemen from Indiana [Mr. Bray and Mr. Roudebush]; the gentlemen from Iowa [Mr. Kyl, Mr. Hoeven, and Mr. Gross]; the gentlemen from Wisconsin [Mr. Laird, Mr. Schadeberg, and Mr. Van Pelt]; the gentleman from Illinois [Mr. McLoskey]; the gentleman from Tennessee [Mr. Quillen]; the gentleman from Pennsylvania [Mr. Weaver]; the gentleman from Nebraska [Mr.

BEERMANN]; the gentleman from South Dakota [Mr. BERRY]; the gentleman from California [Mr. DEL CLAWSON]; the gentleman from Missouri [Mr. HALL]; and the gentleman from Wyoming [Mr. HARRISON].

Mr. Speaker, I am going to place copies of my bill, H.R. 10099, on the majority desk in the hope that a number of Members on that side will introduce identical bills to H.R. 10099, for as we all know in numbers there is strength, and we all know also that our cattle feeders are in a desperate cost-price squeeze hence my bill or a similar bill must be made law and soon to save thousands of our cattle feeders from the bankruptcy courts, as the average per head loss is now about $50 per head, due primarily to the flood of beef and meat imports of every description during the past 5 years.

Mr. Speaker, I also wish to report that on Monday next beginning at 10 a.m. there will be thousands of cattlefeeders gathered at Shenandoah, Iowa, in a determined attempt to alert this administration and this Congress of their problem in the hope that their desperate problem and condition can somehow be resolved and thus save them from the further inevitable impending crash not only for our cattlefeeders but also to the detriment of every business and industry in the United States of America who depend greatly on the purchasing power of our stockman and the American farmer as a whole.

Let us not sit idly by while our cattlemen go down the drain. I hope the Ways and Means Committee will waste no time in bringing our bill to the floor of the House.

I include a copy of the bill:

H.R. 10099

A bill to restrict imports of meat and meat products into the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the total quantity of meat and meat products originating in any country which may be entered, or withdrawn from warehouse, for consumption, during any twelve-month import period, shall not (except as provided in section 3) exceed 50 per centum of the average annual quantity of meat and meat products imported from such country during the five-year period ending on December 31, 1963.

SEC. 2. As used in this Act—

(1) the term "meat and meat products" includes (A) beef, veal, lamb, mutton, pork, poultry, and any other meat to which part 2 of schedule 1 of the Tariff Schedules of the United States applies, whether or not prepared or preserved and whether canned, cured, dressed, or in any other form, (B) live animals imported to provide meat of any kind for human consumption, and (C) any food product which contains meat, of any kind or in any form, and which is intended for human consumption; and

(2) the term "twelve-month import period" means the twelve-month period beginning on the date of the enactment of this Act or any subsequent twelve-month period beginning on an anniversary of such date.

SEC. 3. If, during any twelve-month import period (after the first such period), the total United States market for meat and meat products (as estimated by the Secretary of Agriculture) exceeds the total average annual United States market for meat and meat products during the five-year period ending on December 31, 1963, the maximum quantity of meat and meat products which could otherwise be imported into the United States from any country during such period within the limitation imposed by the first section of this Act shall be increased to an amount bearing the same ratio to such quantity as such market during the twelve-month import period bears to such total average annual market during such five-year period.

SEC. 4. Each quantity referred to in the first section of this Act shall be expressed in terms of dollar value, or in terms of such other units (as prescribed by the Secretary of Agriculture) as will permit its magnitude to be measured, or equated or compared with other quantities in determining whether and to what extent the limitation imposed by such section is applicable, without regard to the kinds of meat and meat products or the proportion of the various kinds of meat and meat products which are included in such quantity. In the case of a product which contains but is not composed exclusively of meat, there shall be taken into account, in determining the magnitude of the quantity involved, only so much of such product, or only so much of the value of such product, as constitutes or is attributable to the meat contained therein.

SEC. 5. The Secretary of Agriculture, under regulations prescribed by him jointly with the Secretary of the Treasury, shall make such determinations and establish such procedures as may be necessary or appropriate to carry out this Act.

SUMMARY OF NET BUDGET RECEIPTS AND EXPENDITURES (THE TRADITIONAL ADMINISTRATIVE BUDGET)—7 MONTHS OF FISCAL 1964 VERSUS 7 MONTHS OF FISCAL 1963, WITH COMPARISONS

Mr. CANNON. Mr. Speaker, I am, this morning, submitting the usual monthly tabulation of budget receipts and expenditures in the first 7 months of fiscal year 1964—to January 31—with pertinent comparisons.

BUDGET RECEIPTS

In contrast to budget expenditures which tend to recur more evenly throughout the fiscal year, the more usual pattern of budget receipts shows September, December, March, and June as peak months; and receipts in the first half—July–December—of the fiscal year are usually not as high as in the second half—January–June.

Budget revenues for fiscal 1964 were officially estimated by the President in the new budget last month at $88,400,000,000 which, if realized, would exceed actual fiscal 1963 revenues by $2,024,000,000. In the first 7 months of the fiscal year actual budget revenues amounted to $46,118,000,000—some $1,460,000,000 higher than the corresponding 7 months of last year.

BUDGET EXPENDITURES

Budget expenditures for fiscal 1964 were officially estimated by the President in the new budget last month at $98,405,000,000 which, if held to, would represent an increase of $5,763,000,000 over the fiscal 1963 actual budget expenditure. It should be noted that the $98,405,000,000 includes a tentative estimate of $1,788,000,000 expenditure in 1964 from fiscal 1964 supplementals submitted to this current session.

On a straight monthly basis, it would mean an average of $8,200,000,000 per month, in contrast to which the expenditures in the first 7 months, July–January, averaged $8,188,000,000 which in turn compares with $7,899,000,000 in the corresponding 7 months last year; the national defense monthly average was virtually the same as a year ago but the monthly average for all other items — nondefense — was $288,000,000 higher.

As in all past budgets, the revised budget expenditure—disbursements—estimate of $98,405,000,000 for fiscal 1964 represents a composite of estimated disbursements in fiscal 1964, first, from unexpended balances of prior years appropriations, second, from permanent appropriations recurring automatically under prior law, and third, from annual appropriations made currently, including amounts associated with supplemental authority requests submitted or to be submitted in the current session for fiscal 1964.

EXPENDITURES FOR DEFENSE, SPACE, AND INTEREST—AND ALL OTHER PROGRAMS

Messages and statements associated with the original 1964 budget repeatedly emphasized that expenditure estimates and programs for fiscal 1964 were so planned that total proposed administrative budget expenditures for all programs other than national defense, space, and interest were slightly below the fiscal 1963 level—as then forecast—for such programs. But in the new budget received from the President last month, up-dated estimates for fiscal 1964 show expenditures for such other purposes as being above, rather than below, corresponding fiscal 1963 actual spending—$28,007,000,000 now estimated for 1964 compared to $27,355,000,000 actual for 1963, up $652,000,000 from 1963.

And in the first 7 months, such other spending was up from the corresponding period of fiscal 1963 by $654,000,000.

SURPLUS OR DEFICIT

Whether the budget deficit for 1964 turns out to be the $10,005,000,000 foreseen by the President's budget in January, or some other amount, fiscal 1964 represents the 28th year of budget deficits in the last 34 years—with at least one more, probably two more, to follow. In summary, here are the official administrative budget deficit figures of the last 3 years:

	Administrative budget deficits	
	From July 1, 1961, to date	For 3 full fiscal years, 1962–63
Fiscal 1962 (from July 1, 1961)	$6,378,000,000	$6,378,000,000
Fiscal 1963	6,266,000,000	6,266,000,000
Fiscal 1964 (7 months to Jan. 31, 1964)	11,206,000,000	
Fiscal 1964 (current estimate in President's 1965 budget)		10,005,000,000
Total, as above	23,850,000,000	22,649,000,000

And in total, budget expenditures projected by the President in the revised budget for the current fiscal year 1964, compare with certain earlier years as follows.

	Administrative budget spending, 1964 estimate		
	Over fiscal 1963	Over fiscal 1961	Over fiscal 1954
1964 current official estimate for national defense over	+$2, 542, 000, 000	+$7, 803, 000, 000	+$8, 311, 000, 000
1964 current official estimate for other than national defense over	+3, 221, 000, 000	+9, 087, 000, 000	+22, 557, 000, 000
Total, 1964 current estimate over	+5, 763, 000, 000	+16, 890, 000, 000	+30, 868, 000, 000

THE PUBLIC DEBT

Mr. Speaker, after 7 months of budget operations in the current fiscal year 1964 the total public debt, both direct and guaranteed, stood at $309,339,001,285.03 and compares with certain earlier dates as shown in the following table:

Federal public debt—Direct and guaranteed

	Fiscal 1954	Fiscal 1961	Fiscal 1962	Fiscal 1963	Fiscal 1964 (at Jan. 31, 1964)
1. The debt at end of period (in billions)	$271. 3	$289. 2	$298. 6	$306. 5	$309. 3
2. Amount per capita (in dollars)	1, 670	1, 575	1, 600	1, 619	1, 615
3. Average for a family of 4 (in dollars)	6, 680	6, 300	6, 400	6, 476	6, 460

In conclusion, Mr. Speaker, the following table elaborates the receipt and expenditure situation more fully:

Budget receipts and expenditures (the traditional administrative budget) 7 months of fiscal 1964 versus 7 months of fiscal 1963 and comparisons with full year estimates

[In millions of dollars]

	Actual for 7 months (to Jan. 31, 1964)			President's budget estimates (revised) for all of fiscal 1964 compared to actual results for all of fiscal 1963		
	Fiscal 1964	Fiscal 1963	1964 compared to 1963	Revised budget estimate, 1964 (January 1964)	Actual, 1963	1964 revised budget estimate compared to actual 1963
1. Budget receipts (net)	$46, 118	$44, 658	+$1, 460	$88, 400	$86, 376	+$2, 024
2. Budget expenditures (net):						
(a) National defense (per official budget classification)	30, 510	30, 501	+9	55, 297	52, 755	+2, 542
(b) Other than national defense	26, 814	24, 797	+2, 017	43, 108	39, 887	+3, 221
Total expenditures, net	57, 324	55, 298	+2, 026	98, 405	92, 642	+5, 763
3. Net deficit or change	−11, 206	−10, 640	+566	−10, 005	−6, 266	+3, 739
4. Average monthly expenditure:						
(a) National defense	4, 358	4, 357	+1	4, 608	4, 396	+212
(b) Other than national defense	3, 830	3, 542	+288	3, 592	3, 324	+268
Total monthly average	8, 188	7, 899	+289	8, 200	7, 720	+480
5. Dividing net budget expenditures on the basis emphasized in original budget for 1964:						
(a) National defense	30, 510	30, 501	+9	55, 297	52, 755	+2, 542
(b) Space	2, 211	1, 257	+954	4, 400	2, 552	+1, 848
(c) Interest on debt	6, 208	5, 799	+409	10, 701	9, 980	+721
(d) All other expenditures	18, 395	17, 741	+654	28, 007	27, 355	+652
Total expenditures, net	57, 324	55, 298	+2, 026	98, 405	92, 642	+5, 763

Sources: Budget for 1965 and monthly Treasury statement for Jan. 31, 1964.

A NATIONAL LOTTERY

Mr. FINO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, while we in Congress stubbornly refuse to acknowledge and accept the obvious and while we blindly continue to resist all attempts to capitalize on the normal American urge to gamble, hundreds of millions of dollars are gambled every day in the United States.

With and without our approval, gambling in this country has grown into a $100 billion a year tax-free monopoly. Unfortunately, most of this gambling activity is illegal and has become the chief source of revenue to the underworld crime syndicates.

Mr. Speaker, today, I would like to bring to the attention of this House one type of gambling activity which last year had a turnover of almost $55 billion. Although every single transaction involved an element of chance, we, in this country, have recognized and accepted this kind of activity as legal and proper.

To those Members of this House who consider a national lottery proposal conducive to sin, I would like to remind them the purchase of a Government lottery ticket is no more wicked or sinful than the buying and selling activities at every stock exchange where hundreds of millions of dollars change hands every day.

Mr. Speaker, a recent report from the New York Stock Exchange shows that in 1963, the volume of stock sales on this exchange alone totaled over 1,350 million shares which represented a total market value of almost $55 billion.

Are not these daily activities at the New York Stock Exchange games of chance?

Are not stock manipulations subject to the risk of a loss for the chance of some gain?

Are not the speculators in these stocks actually gambling?

Does hypocrisy clothe this type of activity with respectability because we identify the gamblers in the stock market as investors?

Was it not Shakespeare who warned that a rose by any other name smells the same.

We can call a national lottery by another name—America's freedom plan—but the aims and purposes would be the same, to wit: to raise at least $10 billion a year in new revenue.

Whether we call it a lottery, or a plan, it will provide the same tremendous revenue advantages this Government needs.

So, let us stop the hypocrisy.

CRIME IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, I am inserting in the CONGRESSIONAL RECORD at this point some of the latest figures on crime in the District of Columbia.

You will note that crime continues to increase in the Nation's Capital. We Members of the House, as you will remember, passed a rather strong bill which we had hoped could at least curb crime in the Nation's Capital to a certain extent; however, for some reason or other our bill has never passed the other body.

GOVERNMENT OF THE DISTRICT OF COLUMBIA, METROPOLITAN POLICE DEPARTMENT,
Washington, D.C., February 25, 1964.

Hon. JOHN L. MCMILLAN,
Chairman, Committee on the District of Columbia, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN MCMILLAN: Forwarded herewith are copies of the weekly crime report for the District of Columbia for the week beginning February 16, 1964.

Sincerely yours,
ROBERT V. MURRAY,
Chief of Police.

Government of the District of Columbia, Metropolitan Police Department—Pt. I offenses reported Feb. 16, 1964, through Feb. 22, 1964

Classification	Week beginning Feb. 9, 1964	Week beginning Feb. 16, 1964	Change	
			Amount	Percent
Criminal homicide	1	....	−1	−100.0
Rape	2	3	+1	+50.0
Robbery	84	75	−9	−10.7
Aggravated assault	56	64	+8	+14.3
Housebreaking	138	155	+17	+12.3
Grand larceny	25	36	+11	+44.0
Petit larceny	125	134	+9	+7.2
Auto theft	98	112	+14	+14.3
Total	529	579	+50	+9.5

GOVERNMENT OF THE DISTRICT OF COLUMBIA, METROPOLITAN POLICE DEPARTMENT,
Washington, D.C., February 11, 1964.

Hon. JOHN L. MCMILLAN,
Chairman, Committee on the District of Columbia, House of Representatives, Washington, D.C.:

The District of Columbia Budget Office, under date of August 7, 1962, requested this Department to forward for information to each congressional committee on District matters one copy of any special report, study, survey, or similar document which is released by this Department to the public and the press.

Accordingly, the enclosed material, which is being released by this Department on this date, is provided for your information.

ROBERT V. MURRAY,
Chief of Police.

CRIME IN THE DISTRICT OF COLUMBIA, JANUARY 1964

During January 1964 a total of 2,618 offenses were reported in the District, an increase of 687 offenses or 34.2 from January 1963.

The increase for January, which made this the 20th consecutive month with an increase, was the largest increase for any month during this upward trend. During this month increases occurred in all classifications of part I offenses except aggravated assault, which declined. The sharpest increases occurred in the classifications of criminal homicide, up 6 offenses or 100 percent; housebreaking, up 348 offenses or 60 percent; and auto theft, up 191 offenses or 72.9 percent, all from January 1963.

The increase for this month brought the trend of serious offenses to 26,778, an increase of 8.8 percent, from the crime peak established in January 1952, and making the trend period (the 12 months ending with January) a record high for crime in this city.

Clearances of crime index offenses for this month were down to 34.4 percent as compared with 44.2 percent for January 1963, with 51.4 for January 1962, and 61.1 percent for January 1961.

GOVERNMENT OF THE DISTRICT OF COLUMBIA, METROPOLITAN POLICE DEPARTMENT,
Washington, D.C., February 11, 1964.

Hon. JOHN L. MCMILLAN,
Chairman, Committee on the District of Columbia, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN MCMILLAN: Forwarded herewith are copies of the weekly crime report for the District of Columbia for the week beginning February 2, 1964.

Sincerely yours,
ROBERT V. MURRAY,
Chief of Police.

Government of the District of Columbia, Metropolitan Police Department—Pt. I offenses reported, Feb. 2, 1964, through Feb. 8, 1964

Classification	Week beginning Jan. 26, 1964	Week beginning Feb. 2, 1964	Change	
			Amount	Percent
Criminal homicide	....	4	+4	∞
Rape	1	1	....	....
Robbery	57	55	−2	−3.5
Aggravated assault	73	82	+9	+12.3
Housebreaking	213	172	−41	−19.2
Grand larceny	44	47	+3	+6.8
Petit larceny	168	158	−10	−6.0
Auto theft	113	114	+1	+.9
Total	669	633	−36	−5.4

GOVERNMENT OF THE DISTRICT OF COLUMBIA, METROPOLITAN POLICE DEPARTMENT,
Washington, D.C., February 18, 1964.

Hon. JOHN L. MCMILLAN,
Chairman, Committee on the District of Columbia, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN MCMILLAN: Forwarded herewith are copies of the weekly crime report for the District of Columbia for the week beginning February 9, 1964.

Sincerely yours,
ROBERT V. MURRAY,
Chief of Police.

Government of the District of Columbia, Metropolitan Police Department—Pt. I offenses reported Feb. 9, 1964, through Feb. 15, 1964

Classification	Week beginning Feb. 2, 1964	Week beginning Feb. 9, 1964	Change	
			Amount	Percent
Criminal homicide	4	1	−3	−75.0
Rape	1	2	+1	+100.0
Robbery	55	84	+29	+52.7
Aggravated assault	82	56	−26	−31.7
Housebreaking	172	138	−34	−19.8
Grand larceny	47	25	−22	−46.8
Petit larceny	158	125	−33	−20.9
Auto theft	114	98	−16	−14.0
Total	633	529	−104	−16.4

GOVERNMENT OF THE DISTRICT OF COLUMBIA, METROPOLITAN POLICE DEPARTMENT,
Washington, D.C., January 28, 1964.

The Hon. JOHN L. MCMILLAN,
Chairman, Committee on the District of Columbia, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN MCMILLAN: Forwarded herewith are copies of the weekly crime report for the District of Columbia for the week beginning January 19, 1964.

Sincerely yours,
ROBERT V. MURRAY,
Chief of Police.

Government of the District of Columbia, Metropolitan Police Department—Pt. I offenses reported Jan. 19, 1964, through Jan. 25, 1964

Classification	Week beginning Jan. 12, 1964	Week beginning Jan. 19, 1964	Change	
			Amount	Percent
Criminal homicide	2	3	+1	+50.0
Rape	1	4	+3	+300.0
Robbery	61	74	+13	+21.3
Aggravated assault	46	64	+18	+39.1
Housebreaking	182	221	+39	+21.4
Grand larceny	18	32	+14	+77.8
Petit larceny	107	127	+20	+18.7
Auto theft	89	117	+28	+31.5
Total	506	642	+136	+26.9

CAN DEMOCRACY SURVIVE IN LATIN AMERICA?

Mr. RYAN of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN of New York. Mr. Speaker, because I believe that an enlightened public opinion is the keystone to an enlightened foreign policy I have worked with the Foreign Policy Association and the Reform Democratic Clubs on Manhattan's West Side in sponsoring a series of foreign policy discussion meetings for the benefit of my constituents. On February 20, 1964, at the Riverside Democrats, the discussion centered on Latin America. I think we all realize that much of Latin America is in a state of economic and social ferment and that we have a profound stake in the direction which the revolutionary tides take in Latin America.

At this meeting Ambassador Facio of Costa Rica presented a most searching analysis of the political and economic forces shaping contemporary history in Latin America.

Dr. Gonzalo J. Facio, Ambassador of Costa Rica to the United States and to the Organization of American States, is uniquely qualified to speak of the problems and potential of Latin America.

Ambassador Facio has been an avid defender of democratic government, both within Costa Rica and as Costa Rica's representative to international organizations. A close friend of the former President of Costa Rica, Jose Figueres, he participated in the 1948 revolt led by Figueres to rid his country of its Communist-infiltrated government and restore Costa Rica's traditional democracy.

After the revolution, Ambassador Facio occupied the posts of Minister of Justice, Minister of Foreign Affairs, and Minister of Economy and Finance. He was elected a Deputy to the Legislative Assembly from 1953 to 1956, and then was elected President of the Assembly in 1953; and reelected to that position in 1954 and again in 1955.

In 1948 and in 1952, Ambassador Facio was chairman of his nation's delegation to the Third and Seventh Sessions of the United Nations General Assembly. In 1956 he was appointed Ambassador to the United States and to the Organization of American States, where he served until 1958 when his National Liberation Party presidential candidate was defeated at the polls and, in a manner exemplary for much of Latin America, peacefully relinquished power to the victorious opposition.

With the return of his political party to power in Costa Rica in 1962, Mr. Facio was again appointed Ambassador to the United States and to the OAS. In the OAS he was elected and served last year as Chairman of the Council. He has also served as a member of the OAS committee to investigate Venezuela's charges regarding Cuba's abetment of guerrilla activities, and currently is a member of the five-man committee investigating the facts surrounding the recent riots in Panama and the Canal Zone.

During his first appointment as Ambassador to the Organization of American States, Ambassador Facio startled his OAS colleagues by proposing a limitation or armaments in Latin America in order that scarce resources could be destined to economic and social development. The proposal got shelved. In 1958, when Ambassador Facio was returning to private life, the Washington News editorialized:

> We predict that now it is buzzing around the world, the idea never will be stuffed back into the Pandora's box where some diplomats like to hide disturbing notions.
>
> Sooner or later, enough men of good purpose will agree that it is sound and should be acted on. Then a new agreement will be worked out in terms of present-day military actualities.
>
> When that happens, hundreds of new projects from Tierra del Fuego to the Rio Grande will become financially possible and millions of citizens will benefit from them.
>
> Perhaps most of those beneficiaries never will have heard of Senor Facio.

But many here in Washington will remember him, and will honor the practical idealism that guided him during his tour of duty as an ambassador to the OAS and to the United States.

I include at this point in the Record the remarks of Ambassador Facio which provide a keen insight into the forces at work in Latin America:

CAN DEMOCRACY SURVIVE IN LATIN AMERICA?

(By Ambassador of Costa Rica, Dr. Gonzalo J. Facio)

Ladies and gentlemen, I am honored to take part in this meeting, which has been organized by your dynamic leader, the Honorable William F. Ryan, in collaboration with the Reform Democratic Clubs of the West Side and the Foreign Policy Association. This shall be the first of a series of community discussions of major foreign policy issues. The honor is enhanced by sharing the floor with such an outstanding scholar, diplomat and international expert as the Honorable Adolph A. Berle, who at the same time is a dear friend of Costa Rica and of its democratic leaders,

We have been asked to discuss the issue "Can Democracy Survive in Latin America?" I shall endeavor to answer the question in an affirmative way. But before doing so, I feel that I have to pay tribute to the memory of a great statesman who did so much in helping us to solve the problems of democracy.

November 22d was a day when the heart of man was gripped by horror at the happening which led John F. Kennedy to his end in Lincoln's way. A stunned world shared your shock and anger at the violence and hatred which lurk in the dark recesses of this free and civilized land.

The world shared your sorrow that the promise of a young life had been destroyed and that the first man of the postwar generation to attain world leadership had been struck by an assassin's bullets.

For us Latin Americans your loss was our personal tragedy. By his compassionate humanity, the clarity of his intellect and the exuberance of his youth, John F. Kennedy won the hearts of the people of Latin America.

His last visit to Latin America was to my own country, Costa Rica. My countrymen acclaimed him as a modern Bolivar. For President Kennedy was, indeed the great liberator of our time. Not by the sword, but by the vision of an ideal, which he materialized in his Alliance for Progress, did he seek to lead the Latin American men into the promised land of democracy and freedom from want.

THE TRAGEDY OF THE UNDERDEVELOPED COUNTRIES

Latin America is politically and economically backward, generally speaking, because its level of popular education is low; its deficient education is due to poverty; poverty is the result of many years of insufficient national income; the national income is meager because insufficient capital and technology have supported only a low level of productivity, and because the prices of the basic commodities that Latin America exports, have been traditionally low and unstable.

The low national income of underdeveloped countries, while visibly limiting the living standards of the present, in two different ways also inevitably signifies a poor future: first, the small amount of money that can be spent on education and public health impedes the growth of productivity. Second, the scant savings made possible by a meager income do not provide for the necessary accumulation of capital, and thus the economy is kept in a state of virtual stagnation. As long as educational and health facilities are available only to a minority, the spiritual resources of a nation are not tapped, and most of its talent is wasted. This is the greatest tragedy of underdeveloped countries.

THRUST FOR A BETTER LIFE

During centuries, the people of the underdeveloped areas lived resigned to their misery, because they did not know that in other regions their fellowmen had an opportunity to live a decent life. The advances of science in the field of communications has put an end to their isolation. Now they know that poverty and oppression are not the inevitable lot of two-thirds of mankind. This knowledge has produced a social ferment that makes the people claim, with ever greater insistence, for better wages, more food, adequate housing, medical care, and educational facilities.

This thrust for a better life is the fabric of the worldwide revolution of rising expectations, that is overshadowing all other factors in the political life of Latin America.

The Communists, with the open support of the Sino-Soviet bloc, have been trying to convince our masses that this revolution can only be carried out by a totalitarian dictatorship and the technics of the police state. The Latin American democratic movements have been preaching the opposite: the revolution of rising expectations should and could be advanced without sacrificing the fundamental human rights that we all hold so dear.

But at the same time, the democratic movements have maintained that to overcome the odds in this struggle against want that looms before Latin America, it is necessary that your country really exercise its leadership in the economic as well as in the political fields.

It is logical that the United States should lead, and not oppose, the democratic revolution in Latin America. It is logical that there should be an alliance between the progressive forces of Latin America and the United States, as there is an alliance between the totalitarian leftists of the hemisphere and the Soviet Union. It is understandable that the United States has not been a revolutionary mood during the last decades. A rich country tends to be conservative. It has too much to conserve. But by the same token, it should be understandable that Latin America has been and is in a revolutionary mood. It has a great deal to change. It is too late for a slow pace evolution. If the democratic groups cannot act effectively to rescue the underprivileged from a life of misery, the democratic system, with all its spiritual values, will become the prey of tyrants and demagogs, aided and abetted by the Communist powers, as is happening today in Cuba.

THE ALLIANCE FOR PROGRESS

The Alliance for Progress was conceived as the response to those challenges of our days. In launching it, President Kennedy called on the peoples of the Americas to prove to the entire world that "man's as yet unsatisfied aspirations for economic progress and social justice can best be achieved by free men working within a framework of democratic institutions."

Thus, the Alliance for Progress was not designed to be another conventional foreign aid program, utilizing the conventional tools of foreign aid; money and materials.

What was proposed under the Alliance was unprecedented and without parallel in the experience of the Western world: In essence, the U.S. Government offered to underwrite the social revolution that Latin America is needing.

The Alliance was not conceived, then, as a handout. It was conceived as a cooperative effort in which the main realizations would be done by each Latin American country. The reforms called for in the Alliance were to run the gamut of change in better land use and distribution, more and better housing, more and better education, collection of taxes without discrimination and favoritism, elimination of corruption in government, reduction of the waste of overblown armies, increasing the rate of savings and economic growth, narrowing the gap between the rich and the poor. In summation, the Latin American countries were expected to take the bold, difficult steps to achieve peaceably and democratically the reforms which historically had been accomplished through a revolution of blood and violence.

Despite the criticisms of the Alliance that are made every day in our countries, based especially on the erroneous conception of it as merely a special program of loans from the United States and not a joint revolutionary undertaking, the progress is beginning to be visible. And what is more important, the Latin American commitments to renew their antiquated economic and social structures are also beginning to be carried out.

Three years ago, to speak of agrarian reform, economic planning, or tax reform in many Latin American countries was to risk being called an extremist, if not a Communist.

Today even the most reactionary people, much to their regret, discuss these subjects. All except one of the Latin American countries that signed the Charter of Punta del Este have established or are in the process of establishing planning offices, and have passed, or are in the process of passing, tax reform laws and laws for better land use. The peaceful revolution proclaimed by the Alliance has begun to be carried out, like all good revolutions, in the minds of the citizens.

FAIR PAYMENT FOR THE SWEAT OF OUR PEOPLE

Of course, there are great economic problems to which satisfactory solutions have not yet been found. Among these is the problem of the terms of trade relationship, dramatized by the fluctuating decline in prices of almost all the basic products exported by Latin America.

When we demand the cooperation of the United States and Western Europe in the economic development of Latin America, we are not asking for grants or gifts. As ex-President José Figureres of Costa Rica once told your Congress:

"What the Latin Americans want is fair payment for the sweat of their people, and for the fruit of their soil, when they supply a need of another country. With that we would live and build up our own capital, and proceed with our struggle for development. But as long as the weight of the advanced economies is allowed to tip the scale, permitting the rich countries to buy cheap and sell dear, Latin America will continue to be poor, and you will not have a growing market for your exports.

"This discrimination against our people and this negative practice against the United States and Western European economies, are being carried out in the name of the slogan, 'Free Trade' which, however, does not apply when our goods have to go through the American and European custom houses."

PRICE STABILIZATION AGREEMENTS

When we ask for price stabilization agreements for our exportation commodities, we are considered as enemies of the free enterprise system. Yet, when, for instance, my tiny country, Costa Rica, buys in the United States, as it does every year, $5 million worth of wheat, we pay a price that has been stabilized for years, by means of an International Wheat Agreement, apparently because it would not be fair for our people to eat cheap bread at the expense of the North American farmer. We think this is right, provided you will consider that it would not be fair for your people to drink cheap coffee at the expense of the Latin American planter.

Commodity stabilization agreements, as provided for in the Alliance for Progress, may not be the whole answer to the economic problems of Latin American development. But they will help a great deal in solving them.

I am happy to recognize that in 1962, the U.S. Government not only participated, but exercised initiative and leadership in negotiating the World Coffee Agreement signed by 54 countries. It has been heartening that your Government, in accordance with the Charter of Punta del Este, has shown a willingness to consider and participate in this most crucial problem area of the underdeveloped world.

THE NORTH AMERICAN PRODUCTION METHODS

The U.S. success in producing abundance is not generally understood. It is assumed that straight production methods explain the whole story. Actually, they only explain half. The other half is the simultaneous broadening of the market to absorb the increasing production.

The advantage of increasing consumption as productivity rises is a comparatively recent realization. Since the middle thirties higher industrial wages and better prices for the farmers, instead of ruining industry and the urban population, have made them richer. To become wealthier by outlaying more money, by paying higher wages and better prices, is a modern paradox.

Why, then, cannot we apply to inter-American trade the principles that have been proved successful in the internal economy of the United States? I repeat that the best way to develop Latin America, the best way for all, including the United States and Western Europe, is to pay better prices for our products. The Latin American republics are now the proletarians of the hemisphere. They are the suppliers as well as the customers of modern industry. North Americans can buy Latin American national output cheaply, just as it was possible to obtain North American labor cheaply 35 years ago. But this condition is meritless. A previous generation of Americans could use slave labor free. But the sweat of the slaves did not make the Nation richer. One can now drink cheap coffee when the low tide comes in the free market. But on these matters, the penny one saves makes him poorer.

THE ENEMIES OF THE ALLIANCE

Now, in each of our countries, two mutually antagonistic but concurrent forces conspire against the Alliance for Progress: international communism and the local oligarchies.

Alertly, the Communists foresee that the success of the Alliance would destroy their chances of triumph in the Western Hemisphere.

Ludicrously, the oligarchs do not recognize that though the success of the Alliance may mean a limitation of their privileges, it assures the survival of their legitimate rights, which a Communist revolution would snatch away.

Although using different techniques and arguments, both forces work assiduously to halt the progress of the democratic revolution.

In their endeavors they have a third ally: the reactionary and power-thirsty elements in Latin America's armed forces. They are prone to use the military power, entrusted to them to defend their country and its constitutional institutions, to overthrow the government elected by the people, and install in its place a military junta that will stop or weaken the reforms the deposed government was carrying on in compliance with the Charter of Punta del Este.

The Communists' strategy is to provoke the military to overthrow democratic governments in the hope that the masses of the people eventually will turn to them. This strategy has been evident for more than 3 years in Venezuela, where the Castro-Communists have resorted to a terroristic campaign, with the purpose, not of overthrowing the democratic government of Betancourt by themselves, but with the aim of provoking the rightist military men to do so, in the name of peace and order.

Furthermore, Castro and the Communists in Latin America rushed to proclaim gleefully that the recent collapse of the democratic regimes in the Dominican Republic and in Honduras proved conclusively that the only alternatives for Latin America were either military dictatorships or the Cuban way. The progressive democratic alternative, Havana keeps repeating, has turned out to be a myth.

I, of course, cannot accept this deformed interpretation of Latin America's political future. I see last year's proliferation of coups d'etat more in the nature of a rearguard reaction to the underlying principles of the Alliance than as an actual discredit to it.

But this does not mean that we should do nothing to prevent the repetition of these disgraceful military takeovers.

NONRECOGNITION AND SUSPENSION OF AID TO THE MILITARY JUNTAS

Pursuant to his decision not to recognize the juntas that came to power as a result of the latest coup perpetrated against the legitimate Governments of the Dominican Republic and Honduras, President Kennedy decided to suspend the military and financial aid his Government has been extending to the ousted regimes, including in this suspension the economic cooperation that has been authorized for those countries under the Alliance for Progress.

I fully agreed with this step, which was in harmony with the best principles of the inter-American system, especially those which regulate the Alliance for Progress.

The economic and military assistance given to a democratic government must not be continued to the junta that results from the overthrow of that government. To maintain such assistance may very well encourage ambitious militaristic forces elsewhere in the hemisphere to believe that they too can carry out coups d'etat with impunity and continue to receive U.S. aid and otherwise to participate in the Alliance for Progress. I think that if the attitude taken by your Government vis-a-vis the Dominican and Honduran coups would have been firmly maintained, it would have dispelled this dangerous delusion, and would have served as a detente to the military plotters.

THE SURVIVAL OF DEMOCRACY

Until Castro turned openly to the Sino-Soviet bloc, few people thought a Communist regime would be possible in Latin America. The shocking realization that it can happen here has engendered in many U.S. citizens a state of mind which is closed to any understanding of the Cuban situation within the Latin American context.

No one can deny that the Soviet intervention in Cuba is a menace to the peace and security of this continent. But to understand the very nature of the threat that Communist Cuba poses to our hemisphere, it is necessary to recognize that social change is long overdue in Latin America. Castro or no Castro, our nations are on the verge of a great social unheaval. The Cuban revolution did not create the conditions for this upheaval. It was destined whether or not there had been a Cuban revolution. The danger of a Communist Cuba lies in its capacity to exploit our own social tensions and unrest.

Furthermore, the eventual elimination of the Castro regime will not eliminate the sources of tensions that threaten the survival of democracy in Latin America. While there is misery and social injustice in our countries, there shall exist radical movements that feed on the frustration of the Latin American masses, as a consequence of the impotence of the democratic governments to carry out a frontal attack on poverty, ignorance, and oppression.

The hopelessness of the impoverished people is the real challenge to our liberty in the West and in the world. It is at the same time a challenge to take action; action not by military strength, but by the exchange of ideas and ingenuity, and by dedicated energies.

Military strength you must have, to be sure, and enough of it. But the real job to be done is one of the heart, not of the trigger.

Because, if democracy is to survive in Latin America and in your own country, at that—this great Nation of yours—and not only the President and the Government, has to become the guiding force of liberation. You will have to summon your strength and your will, your feeling for the value of human dignity and freedom; you will have to renew your creative sense of history, and make a real offer of your own to the millions of people of Latin America, not in a spirit of competitive bidding, but as you would do to your fellow citizens. What I trust, then, is that the United States will lead the American States into a real adventure of the spirit, a great inter-American partnership with joint responsibilities and mutual obligations.

LISTON-CLAY AFFAIR

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, the Liston-Clay affair has provoked more questions and demands for a clean up of professional boxing than any event during the past 10 years. This sentiment is well reflected in an editorial which appeared in the Washington Evening Star last evening:

SHOCKER

The Liston-Clay fight was a shocker, all right. It was such a shocker that the whole business should be thoroughly investigated. There are too many questions, and they ought not be left dangling as was the public by Sonny Liston's downfall.

What really happened to Cassius Marcellus Clay before the fight? Was he, at the weigh-in, "a man scared to death?" Those were the words of the Miami Boxing Commission's chief physician, in a pronouncement hardly calculated to even the odds on the fight. Clay's pulse was counted that afternoon at 120; he seemed glassy-eyed and hysterical. Yet by fight time, his pulse had unaccountably dropped to 64 and he was clearly in full possession of his faculties.

Was all this a hoax—just part of the publicity buildup? For that matter, what is Clay's mental condition? He continued after the fight to babble wildly in praise of himself. Have we now a world champion who draws his strength from some sort of kookie inner hypnosis, or is it all for our benefit—for public consumption only?

Finally, what of Liston and his supposedly injured shoulder? Did this formidable battler really suffer a fluke accident early in the fight—or did he merely feel disinclined to rise from his stool at the start of the seventh round?

These do not seem to us frivolous questions. The most skillful scriptwriter extant could not have improved on the buildup and outcome of this weird affair as a setup for a fabulously profitable return match. Maybe it just happened that way—maybe not. A serious effort should be made to find out.

Mr. Speaker, Francis Stann, well-known sports columnist for the Washington Evening Star, wrote a column on this affair, putting the pieces of the farce in order. The information in that column speaks eloquently for a thorough public fumigation of the multimillion dollar, interstate business known as professional boxing:

WIN, LOSE, OR DRAW—UNSAVORY CONCLUSION DOESN'T HELP BOXING

(By Francis Stann)

MIAMI BEACH, February 26.—Whatever it was that really happened—and one version seems as good as another, including the unsavory conclusion—it didn't do the fight game any good. The racket already was in the throes of its death rattle, and if it survives now it will be a monument to durability.

They were both finished in the fourth round. Cassius Clay, the new champion, put on a great show of having difficulty with his eyes in the fifth and of looking for a place to lie down. But Sonny Liston by that time was a tired, feeble old man who couldn't hit an opponent who made no pretense of protecting himself.

Liston and his handlers vow that his left shoulder was hurt in the first round and that the injury drained the feeling from his left hand. But the fighter was ponderous in all his movements, cut on the left cheek, yet unhurt.

Only in that he was braver than his critics expected did Clay surprise. He still fought in amateur style, hands held low and his right fist an instrument of dubious value. But Liston was more surprising. His reflexes were gone. The punches that finished off Floyd Patterson in 2:06 and 2:10 at Chicago and Las Vegas scarcely shook Clay.

A boxing commissioner sent out a call for a doctor to attend Cassius after the fifth round, which by all odds was one of the strangest in heavyweight title history. Clay refused to fight and Liston couldn't. But the doctor never materialized and in the sixth round the 22-year-old braggart came off a winner. And then there was no seventh round, except in the recordbook—TKO, seventh.

Clay seemed the first to realize that Liston wasn't going to answer the bell. He leaped to his feet and flung his hands in the air. The startled crowd did a doubletake, but Liston, indeed, remained on his stool.

It was a ludicrous ending. Somebody in Liston's corner slapped an adhesive tape patch on Sonny's shoulder, like a marking buoy. There was a concerted rush to Liston's conference room but the ex-titleholder wasn't showing up.

"He's going to a hospital," Manager Jack Nilon told reporters. Yet Clay, talking in his own dressing room at the opposite end of Convention Hall, already had told newsmen: "I whipped him so bad he had to go to the hospital."

Cassius seemed to know it before Nilon, who was in Liston's dressing room.

"He hurt his shoulder in the first round," Nilon told newsmen. "He caught a punch on the shoulder and complained at the end of the round. At first I didn't pay any attention, but he kept complaining."

"Who stopped it?" chorused the reporters, "you or Liston?"

"I did," Nilon said.

"Did you check with a ringside doctor?"

"No, I did it on my own. Willie (Reddish) agreed with me." Reddish is Liston's trainer.

"Why didn't you have a doctor look at him?"

"How can you send out a man with only one hand?" Nilon retorted. Then he said that Dr. Robert C. Bennett, personal physician to Liston, examined the fighter in the dressing room and confirmed the shoulder injury.

Clay was at his obnoxious peak. Six minutes before his hand was raised in victory the self-styled Lip seemed to be ready to fall down. This was in the fifth round, when his token resistance consisted of holding his left arm out straight.

"I never saw a fighter with so many chances to score a knockout as Liston," Rocky Marciano said at ringside. "Clay was standing there, looking like he was waiting for it."

Cassius bleated that liniment on Liston's gloves had blinded him in the fourth round. His trainer, Angelo Dundee, claimed that Sonny had thumbed his tiger. But during the round in which Clay was in trouble his other handlers were screaming that a foreign substance in the water bucket had gotten in his eyes.

"I shook up the world," Clay bragged. "I'm still so beautiful—not a mark on me. I'm still so pretty. You can't call it a fix because Liston stopped it himself. He can't punch and I played with him."

The new champion was at his best in the third round. He'd already won the first on almost all scoreboards except the one entrusted to Judge Bunny Lovett, but in the third it was a clearcut margin. He slashed Liston's cheek and beat him about the head with his jabs. Once he opened his mouth wide and taunted "the big ugly bear."

He never was as good afterward, but Liston was growing progressively worse. And there was evidence that the Miami Beach Boxing Commission was taking a longer look than usual at the ending. That august body announced that Liston's purse would be held up pending a report today from its own orthopedic specialists.

It was widely accepted as a "good fight" until the fifth round began, chiefly because it didn't end with Liston scoring a quick knockout. But the finish—the retirement sans medical advice, the adhesive patch that was pinned on Sonny's shoulder like a postage stamp, and the various Clay explanations as to why he was "blinded"—was marked by discordant notes.

Neither tiger can fight much. But they presumably are the best in the world, and this is what's happened to boxing.

U.S. INDUSTRIES SUFFERING FROM FOREIGN COMPETITION

Mr. BETTS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BETTS. Mr. Speaker, once again we are beginning to hear more and more complaints from U.S. industries suffering from foreign competition. Steel, glass, and meat are only a few but meat seems to be the one causing the most widespread and alarming consequences.

Without going into details, it is perfectly obvious that meat imports affect our whole agricultural economy. It means less cattle raising in the United States, which means less feed grain consumption, which finally means more surplus grain. Conversely, if we have less foreign meats shipped in, then we raise more domestic cattle and use more domestic feed grains and relieve our surplus grain problem to a considerable extent.

Under these circumstances, it would seem that the problem would be met by agreeing with U.S. cattle raisers on some solution. But instead, our Government follows the unbelievable course of entering into agreements with foreign cattle producing countries. Last week agreements with Australia and New Zealand were published which, to many domestic producers, offer no relief to American cattlemen at all. They continue the present system of importing with a percentage of increased imports in succeeding years. These agreements were made by the Departments of State and Agriculture on February 17, 1964. While they no doubt satisfy foreign cattle raisers, they leave U.S. producers completely unsatisfied and disillusioned that our Government should take a position favoring foreign producers over our own.

There are many facts and statistics to support the position of U.S. cattlemen which are not possible to relate here at this time. But the important thing to recognize is that they have no chance of receiving any relief from the executive departments of the Government. They must look to Congress which is the last and only effective source of protection to injured American industries. Various bills have been introduced to afford relief to the cattle and meat industry and I am hopeful that the Ways and Means Committee will schedule a hearing in the near future to consider these proposals.

STUDIES TO DETERMINE THE LOCATION OF A NEW ELECTRIC GENERATING PLANT IN MISSOURI

Mr. CANNON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, for the last several months studies have been underway to determine the location for a new electric generating plant made by the rural electric system in Missouri. A number of sites were studied and recently a decision was made by the Associated Electric Cooperatives representing all of the rural electric cooperatives in the State of Missouri to locate the plant at Thomas Hill on the Little Chariton River in Randolph County. This conclusion was reached because engineering studies by Burns & McDonnell Engineering Co. clearly demonstrated this to be the most economical location. Following is a table showing the total cost over a 12-year period as computed by Burns & McDonnell for the various sites considered:

Plan	Total 12-year operation	Difference	Mills per kilowatt-hour delivered
	Thousands	*Thousands*	
Thomas Hill	$175,709		6.503
Chamois-South River	176,053	344	6.516
South River-Chamois	176,539	830	6.534
South River	176,839	1,130	6.545
Chamois	177,446	1.737	6.567
Boonville	177,703	1,994	6.577

The report also states:

> In addition to the financial savings shown above, there are also other factors which favor this site.

More important among these other factors are the following:

> The Thomas Hill transmission system is the most flexible of any of the transmission plans. It is easiest to add additional future generation or substation at most points on the system. The transmission system has more available capacity remaining for additional loads after the end of the 12-year period studied. The system is such that the unit scheduled for 1971 operation could be increased to 300,000 kilowatts with little or no additions to the transmission system from that shown on the plan.
>
> When future generation is added after 1975, the additional capacity can most easily be added to the Thomas Hill transmission system.
>
> For the last year studied, 1975, the Thomas Hill plan is $78,000 per year lower in total cost than the next best plan studied, and a saving of at least this amount will be realized in each succeeding year over any other plan studied.

PROGRAM FOR THE BALANCE OF THIS WEEK AND NEXT WEEK

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, I take this time to inquire of the distinguished majority leader whether or not the gentleman has an announcement with reference to the program for the balance of this week and for next week?

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, we have completed the legislative business for this week.

Mr. Speaker, it is my intention to ask to go over to Monday next at the conclusion of the announcement of the program for next week, which is as follows:

Monday is Consent Calendar day. There are also two suspensions. First is S. 1561, to amend the Federal Employees Health Benefits Act of 1959. Second is H.R. 6920, raising the age limit to 65 for total disability income provision on national service life insurance policies.

For Tuesday and the balance of the week:

Tuesday is Private Calendar day.

Also scheduled is the bill making appropriations for fiscal year 1965 for the District of Columbia.

We will then take up:

H.R. 9666, amending further the Peace Corps Act;

H.R. 8000, Interest Equalization Tax Act of 1963; and

H.R. 5838, amending the Organic Act of the National Bureau of Standards.

This announcement, of course, is made subject to the usual reservation that conference reports may be brought up at any time and that any further program will be announced later.

Mr. Speaker, I anticipate that there will be at least one conference report.

ADJOURNMENT UNTIL MONDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. GROSS. Mr. Speaker, reserving the right to object, can the gentleman tell me why we should always consider this Calendar Wednesday request, and putting it over week after week? Why not abolish the rule or change the rules so that it can be used at the election of the House, or in some other way?

Why bring this up every week?

Mr. ALBERT. The gentleman knows I cannot speak for the entire House on a matter of that kind. We do have the Calendar Wednesday rule.

Mr. GROSS. Can the gentleman recall the last time it was used?

Mr. ALBERT. It is a good rule to have on the books, I may say to the gentleman.

Mr. GROSS. I would hope it can be changed so that it would not be necessary to ask unanimous consent every week.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

AMENDING THE IMMIGRATION AND NATIONALITY ACT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. FOGARTY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I would like to speak briefly in support of my proposal to amend the Immigration and Nationality Act to permit the immigration of the mentally retarded, under the same conditions as have been imposed upon the victims of tuberculosis.

Mr. Speaker, I believe that this change should be made because the exclusion of these persons from our shores solely on the basis of their illness not only ignores the realities of the Nation's progress in health and rehabilitation, it strikes at the basic unit of society—the family. We do not discriminate against our own citizens who are afflicted with this disease—we either cure them, or control their disease and rehabilitate them.

For nearly a quarter of a century I have been concerned directly with health and health-related research efforts on the part of the Federal Government and indirectly with the entire national effort, and I have seen this country establish a record of progress in medical research and rehabilitation in many diseases.

Let us consider the Immigration Act's provisions restricting those who are mentally retarded. Although as recently as 10 years ago many doctors regarded them as hopeless and the public confused retardation with mental illness, mental retardation has in the past few years become the object of an unprecedented nationwide effort aimed at its control and cure.

We have enacted laws providing new programs for maternal and child health service, maternity care projects designed to prevent mental retardation, construction of research centers for mental retardation, training of teachers of the mentally retarded, and for the construction of community mental health centers.

An important part of this invigorated effort is a strong citizens' movement which began nearly 15 years ago when the National Association for Retarded Children was formed, and which was attended by 40 parents. Today there are more than 50,000 members of this organization, and 1,000 local associations throughout the country.

But most significant, perhaps, is the fact that the President's Panel on Mental Retardation estimates that out of 5.4 million mentally retarded in this country, 5 million can become useful citizens and learn limited job skills. Another 300,000 or more can learn to take care of themselves in a sheltered environment.

Research continues to yield promising results. Doubt is being cast upon the accuracy with which the very term "mentally retarded" may be used. For example, in one 9-year study of 143 children judged to be retarded at the age of 1 year, 24 percent were found to be not retarded a few years later. These children could be helped—by correcting physical handicaps, participating in special training programs, improving parental understanding, and by fostering association with normal children in their own homes.

Finally, let me point out that we have 90 State agencies operating under the State-Federal cooperative programs for vocational rehabilitation. Under these programs persons afflicted with mental retardation are being vocationally rehabilitated. And, in addition to this, we have the rehabilitation programs of the local governments and of private agencies.

We are a nation which has not stood still in dealing with this and other disease problems. To continue the restrictions now imposed is to deny ourselves the creative energies and talents of individuals, and their families, unfortunate enough to be afflicted with this disease whose course can now be interrupted and controlled. In so doing, we are failing to recognize our great progress in the health fields, and we not only stand still, legally speaking, but look backward.

I believe that this House will join me in support of this effort to amend the Immigration and Nationality Act. And as we ponder this necessary change, we might be reminded of the words of Emma Lazarus in her poem "The New Colossus":

Not like the brazen giant of Greek fame,
With conquering limbs astride from land to land;
Here at our sea-washed, sunset gates shall stand
A mighty woman with a torch, whose flame
Is the imprisoned lightning, and her name
Mother of Exiles. From her beacon-hand
Glows world-wide welcome; her mild eyes command
The air-bridged harbor that twin cities frame.
"Keep ancient lands, your storied pomp!" cries she
With silent lips. "Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tost to me,
I lift my lamp beside the golden door!"

I believe that we have an opportunity to make even more significant the promise engraved upon the base of the Statue of Liberty—let us let those who are storm tossed on the seas of illness pass through the golden door.

CANAL ZONE GOVERNMENT: CONFUSION, CRISIS, AND CHAOS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FLOOD. Mr. Speaker, on two previous occasions, I dealt at length with the secretly contrived proposal of Gov. Robert J. Fleming, Jr., of the Canal Zone to hire Panamanians as members of the zone's police force and condemned it as a serious breach of security tantamount to treason.

The latest news from the Canal Zone in this regard is that Arthur C. Payne, budget officer of the Community Service Division, and Richard Meehan, president of the Canal Zone Police Association, have received notifications of their discharge from Panama Canal employment, obviously in reprisal for their opposition to the Governor's plan to hire Panamanians as members of the police force. Such punitive measures against patriotic citizens in the exercise of their constitutional rights who stood the test of fire during January Panamanian Red mob assault on the Canal Zone is no mere matter of routine, but a challenge the Congress will know how to meet when the facts are fully established.

Because it is widely considered in the isthmus that the excuses for such crude administrative retaliations was the distribution of a circular and a poem highly critical of the Governor and his official actions, I shall quote both so that there can be no misunderstanding of what our loyal citizens in the Canal Zone see now being perpetrated for so-called diplomatic and other irrelevant considerations.

Those who have followed my addresses will find on reading the two papers that they reflect ideas and views that I have repeatedly stated on the floor of the House, which I reaffirm now.

Mr. Speaker, I think that I reflect the views of the Congress that such reprisals as are being attempted against these loyal Canal Zone employees will not be tolerated. Moreover, the confusion and crises now transpiring in the Canal Zone, if not ended quickly by competent leadership and management for this vital interoceanic public utility, will end in chaos.

The two papers and a recent clipping from Panama follow:

DEAR FRIENDS: As you know, the honorable Governor of the Canal Zone, Robert J. Fleming, Jr., has asked authority to hire foreign nationals as policemen here in the Canal Zone. This is but another concession to the forces desiring to see U.S. influence abroad destroyed. In announcing that he planned to hire 40 new policemen in the very near future of which 20 would be Panamanians, the honorable Governor of the canal zone pointed out that this would not jeopardize the security of the canal zone. He fails to note that foreign nationals are not allowed to take loyalty oaths to the U.S. Government and could not be punished (with exception of losing their job) if during a riot they refused to obey orders or went to the extreme of taking part in the riots. The Governor praised the loyalty of the local firemen, who are foreign nationals, as a favorable argument for his program of hiring Panamanian nationals as policemen. This same honorable gentleman had no comment to make on the loyalty of the terminal security guards who are also Panamanians. We assume therefore that the Governor has not been informed of the loyal acts of one Edward Harrison or chose to ignore this point as it is somewhat unfavorable to his position. Mr. Harrison was the terminal security guard who not only took part in the riots of January 9 but was identified as one of the snipers. The same Canal Zone Government, under the direction of the Honorable Robert J. Fleming, Jr., took no action against Mr. Harrison other than to terminate his services with the Canal Zone Company and escort him across the boundary. Is this the type of loyalty that Governor Fleming is so proud of and intends to foist off on the American people? Another case reflecting on the loyalty of the security guards was the case in which one resigned, citing that the Canal Zone Government would not allow him to continue to publish his views in La Critica without interference. It is inconceivable to us how Governor Fleming, a major general in the U.S. Army, can conceive that a man will be able to practice two loyalties simultaneously. "Since the time of Christ, man has been admonished that no man may serve two masters, for he will hate the one and cling to the other." Perhaps Governor Fleming has newer or more advanced information supporting his position and his stand of so-called new Americanism.

Governor Fleming warned in a January 20, 1964, story carried in the Christian Science Monitor that other changes would be forthcoming. He stated that he feels that Panama has just complaints "including those surrounding complaints that the Canal Zone ought to get out of regular business or commercial activities such as commissaries, garages, television, and radio repair." Governor Fleming also stated in this same interview that the Canal Zone Government has attempted to get out of the cargo handling business in Cristobal but "the U.S. Congress has balked on the issue." This was an obvious reference to the recent bill passed in Congress and attached to the appropriations bill that the Panama Canal Government would not conduct further giveaways including ports, harbor facilities, and real estate of the Panama Canal Company, without the expressed approval of the Congress. The Governor obviously feels that the majority of Congress is out of step with the policies of new Americanism. We are happy to note that he considers them only balking and does not challenge their right to act in this matter. It is obvious from this that our Government might consider more drastic changes to the 1955 treaty if the Congress would only quit balking. That is why we say it is not a question of foreign nationals on the police force (although we don't seriously believe the Governor's assurances that they will be loyal—we agree they will be loyal—our question is to whom). We feel that this is but another probing action on the part of the executive branches of Government. If the American public (who have not been kept informed on the situation here) will allow this policy to be foisted off on them and the Congress would only quit balking, our honorable executives could solve the Panama crisis in short order. Actually, the solution is obvious to an intellectual moron—simply withdraw all U.S. influence from the area and return to the continental United States of America and support AID and the Alliance for Progress.

We do not intend to perpetrate a personal attack on the Honorable Governor of the Canal Zone, for we are aware that he is only a major general and in reality only an instrument of the boys in the black stripe pants in the State Department, whose major goal since the time of Alger Hiss has been to implement the policy of new Americanism and erase all opinions opposed to their policies. Thus, we come to the main subject matter of our letter. There is only one manner in which to counteract this policy being conducted by the State Department, that is to support the balking Congress. Many Congressmen have spoken out against the executive plans for Panama, but these are only elected officials who realize this fact much more clearly than their counterparts in the executive branch. The Congress realizes that they are answerable to the voters and therefore keep close count on their mail.

Here we come to the point of what must be done if we are to stop flagrant misuse of Government office by the executive branch. If you feel that the Government is not conducting itself in the best interest of all U.S. citizens at home and abroad, we earnestly solicit your support in this campaign. Write your Congressman advising him of your concern and the true facts of what is happening here, also write two friends (or more) in the United States telling them what is going on asking their support in contacting the Congress. If the Congress gets enough support they will stand firm in this matter but they must have support for they realize that they must reflect the true opinion of the American people. They realize that at the end of their term of office they must return to their people and explain their actions if they are to return to the Congress. They are not allowed to use executive privilege and tell the American voters that they have no reason to know what the Government is doing. The Congress must have your support and the support of your friends in the States if they are to continue in this struggle with the executive branch, without this support, Panama could well become another Cuba. Don't put this off until tomorrow.

Do it now.

IN THE PANAMA CANAL WATERS

(By A. C. Payne)

Someone rocks the hull
  Of our U.S. Constitution,
He grabs it by the gunwales
  In a foreign revolution.

He dampens civic powder,
  Muzzles Union guns,
Recruits the foreign nationals,
  Rejects the native sons,

Refutes the wish of Congress
  By subterfuge and lies,
Twists knives of propaganda
  While factual heartbeat dies.

He belittles U.S. loyalty,
  He scorns U.S. tradition,
And if we dare participate
  He brands it as sedition.

He stills militia's muskets,
  Condemns them to the walls,
All United States looks on aghast
  As every statute falls.

But we're saddled with him.
  He struts athwart the deck,
Causing by misjudgment
  The Constitution's wreck.

[From the Panama American, Feb. 22, 1964]

PANAMA CANAL SAID PLANNING TO FIRE TWO WHO CRITICIZED POLICIES—PAYNE, MEEHAN REPORTEDLY GET 30-DAY NOTICE

Arthur C. Payne, budget officer of the Community Services Division, has been handed a Panama Canal notification that he is to be fired within the next 30 days, a reliable source said today.

Both Payne and Panama Canal officials declined comment on the report which said Richard Meehan, president of the Canal Zone Police Association, also received a similar notice yesterday afternoon.

A spokesman for the Panama Canal Information Office said "Panama Canal officials declined comment" when asked if the reports of Payne and Meehan's forthcoming dismissal were true.

But the source said a written "proposal" from the Panama Canal—bearing the signature of the Panama Canal personnel director—contained a "notice of intention to discharge" Meehan and Payne for making "libelous" statements to the press and alleged "failure to obtain clearance" from the Panama Canal Government before releasing statements to the press.

CONSTITUTIONAL AMENDMENT ON CIVIL RIGHTS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. WAGGONNER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WAGGONNER. Mr. Speaker, during the consideration of the so-called civil rights bill, I advocated that the only reasonable course for the Congress to follow was to submit the matter to the people in the form of a constitutional amendment and give them a chance to express their views. I made this proposal because I am convinced that a majority of the people of the United States are opposed to the provisions of that measure.

In areas where the press and television have informed the people of the contents of this bill, there is majority opposition. Only in those areas, typified by the Washington area, where a liberal control of both media has kept the truth of this measure from the people is there any sentiment for it.

Columnists Rowland Evans and Robert Novak, in a recent column, reveal some interesting figures every Member of the Senate should study before they vote on this bill.

For instance, one survey conducted by a supporter of the bill, showed that 53.1 percent of the Republicans opposed the measure and almost 80 percent thought that integration was being pushed too fast. Of the Democrats, which would include most of the Negroes, 65.1 percent favored the bill, but still, almost 50 percent agreed that integration was being pushed too fast.

This poll is just one of a number of instances indicating that people from California to Virginia and from Texas to Maine are not in favor of this iniquitous bill.

An earlier column of these two newsmen pointed out still other instances of public rejection of this measure in the States of Washington and California.

Because there is apparently no way the truth about the contents of this bill can penetrate the blackout imposed by the liberal news media, I include these two columns in the RECORD in the hopes that a few more people will see them and know, for the first time, that they are not alone in wanting this unconstitutional measure rejected:

INSIDE REPORT—RACIAL QUESTION MARK

(By Rowland Evans and Robert Novak)

The angry northern white reaction to the Negro drive for equal rights, in a state of suspended animation since the shock of President Kennedy's murder, is regaining full fury.

Based on close contact with their constituents, Democratic Congressmen from populous Northern States sense a resumption of the anti-Negro tide. The return of anti-Negro letters to their mailbag is the evidence. More concrete proof is provided by a recent poll of a solidly Democratic district in Detroit.

The district is the Michigan First, a melting pot of Negroes, Jews, Italians, and Poles, along with a redoubt of white Anglo-Saxon Protestants in the suburb of Highland Park. Its Congressman is Representative LUCIEN NEDZI, 38, a down-the-line administration Democrat considered a comer in the House. A supporter of the civil rights bill, NEDZI was understandably disturbed by some of the findings in a mail poll of his constituents.

Out of 2,600 Republican voters polled, the civil rights bill was opposed by 53.1 percent. What's more, 78.6 percent declared that racial integration is being pushed too fast. Of course, Democratic leaders need not worry much about Republican voters in this 3-to-1 Democratic district.

The polling of 7,700 Democrats reveals a contradiction. Although 65.1 percent favored the civil rights bill, 47.8 percent—very nearly half—contended Negro integration was moving "too fast." With an estimated 1,500 Negroes responding to the poll, a majority of white Democrats subscribed to the too fast theory.

Moreover, this ambivalence showed up strongly among the district's Jewish Democrats. As liberals, they support the idea of equal rights. As homeowners, they fear the Negro impact on property values.

A measure of the anti-Negro hostility is the fact that many constituents were not content with filling in NEDZI's questionnaire but gratuitously penned in comments—many scrawling acid remarks between the questionnaire's printed lines, a few filling page after page with agonized complaints.

Some are no more than just plain prejudice. An Italian-American housewife declared Negroes need more "education and common decency" before they are "able to handle all they are asking for." A Jewish doctor groused about "too many unearned and undeserved privileges in favor of (the) colored."

But most of the anti-Negro Democrats voiced tangible complaints falling in two main categories: Decline in property values, and street violence.

"Our properties have hit rock bottom, and no woman in Detroit dares to venture on the street after dark," declared one unsigned questionnaire. Another asserted pungently: "The only ones who favor integration are the ones who don't have them (Negroes) for neighbors."

Will this kind of reaction sabotage President Johnson and the Democrats in November? That was the big racial question mark for John F. Kennedy before November 22. It still is for Lyndon B. Johnson.

Democrats uneasily note that the resumption of the white backlash comes at a time of relative quietude in the Negro revolution before the stepup in demonstrations and demands during the coming summer. Things will get worse before they get better.

Just one extra ingredient to the civil rights concoction could give it a partisan political flavor. In California, that ingredient is a State-wide referendum (backed by conservative Republicans) to annul integrated housing legislation.

Representative RONALD BROOKS CAMERON, a liberal California Democrat, has privately warned the White House that President Johnson might lose the State if the referendum gets intertwined with the presidential contest. Accordingly, CAMERON believes the referendum should be placed on the ballot of the June primary election instead of waiting for the November general election.

Politics aside, however, the situation reported by NEDZI and CAMERON points to trouble for the Negro cause. Exaggerated and emotional though it often is, the panic of the middle class white is real indeed and should be so understood by Negro leaders. Unless whites really accept Negro advances, these gains will mean little. This, more than the political uncertainty, poses the real racial question mark.

INSIDE REPORT—NIXON'S NEW PERSPECTIVE

(By Rowland Evans and Robert Novak)

Richard M. Nixon's cry that Negro extremists are creating an atmosphere of hate and distrust and setting Americans against Americans has touched a responsive chord among some influential Republican leaders.

It is a fair prediction, too, that the new Nixon line on the civil rights resolution, uttered in Cincinnati on Lincoln's Birthday, will find allies in the populous suburbs of the North and West. White suburbanites, while proclaiming devotion to the abstract idea of full equality and an end of discrimination, are finding it difficult to put theory into practice. Witness the open-housing fights on the west coast, for example.

In the past week, a referendum of the voters overturned a city council open-housing ordinance in Tacoma by a 4-to-1 margin. (Negro leaders boycotted the vote on grounds that submitting the ordinance to referendum was unconstitutional.)

In Seattle, the city council dared not take an official position on the open-housing question. Instead, it will put the issue directly to the voters in the March 10 election. Significantly, however, in last week's Seattle primary election for mayor (a nonpartisan contest) the winner among four contenders was Dorm Braman, the only Republican in the race and the only candidate who publicly opposed the open-housing proposition.

Dwarfing the actual votes in Tacoma and Seattle is the prospective statewide referendum in California later this year. Democratic politicians fear that Californians will vote 2 to 1 to remove the State's open-occupancy law from the statute books.

Accordingly, the former Vice President may be in a fair way to pick up strong support on this most emotional of all the issues facing the country today.

A top Republican leader in Georgia, for example, read the Cincinnati speech as a Nixon bid for eventual support of Republicans now in the camp of Senator BARRY GOLDWATER, the conservative leader. GOLDWATER still is the front runner for the Republican nomination. But his following, even in "Solid South" Goldwater country, is showing signs of nervousness.

In Georgia, the prospect of a solid Goldwater delegation to the San Francisco convention is not at all certain. The two delegates from Atlanta, where Negroes have an unrestricted right to vote, are expected to go to the convention uncommitted. Atlanta Republicans also will have a large voice in selecting the four at-large delegates from Georgia, and these may not be Goldwater men.

Nixon's attack on extremists may also attract small but potent anti-Goldwater factions in the Republican parties of Florida, North Carolina, and Tennessee.

The point is that Nixon's February 12 policy statement is one of the most politically astute speeches made to date by any possible Republican presidential nominee.

But the Nixon noncandidacy is proceeding in other directions, too. Officials at the Republican National Committee still are surprised at the arrival there of mimeographed copies of Nixon's last two speeches—the first Nixon speeches to be mailed to Republican politicians since the Nixon ship sank (apparently without a trace) in the California gubernatorial election of 1962.

Much more important, friends of Nixon are privately presenting an ingenious argument. They predict the party may summon him to lead it again if crises keep popping up all over the world (as almost certainly they will). Their reason: Nixon is the only Republican whose experience in foreign policy exceeds President Johnson's.

Nevertheless, only once in history has a defeated Republican presidential nominee been given a second chance. What Nixon needs to turn the trick is a dramatic issue that will capture anti-Goldwater Republicans without alienating pro-Goldwater Republicans. His new pitch on civil rights might well fill the bill.

THE LUMBER STANDARDS CONTROVERSY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, lumber is the fourth largest manufacturing industry in the United States. It is also the oldest, the most historic, one of the most essential, and today the most complex and controversial of all major American industries.

The lumber industry, which opened American operations within hours after the *Mayflower* docked at Plymouth Rock and the settlers began felling New England pine and birch, has had a colorful and varied history. It has produced some of the sorriest "robber baron" episodes in American history, and it has also been responsible for some of the finest resource conservation practices in the world. It has produced many folk heroes of fantasy, fiction, and fact, such as the legendary Paul Bunyon and Babe, his blue ox.

Today, despite the great rise of such substitute products as plastics, synthetics, aluminum, and steel, wood is still perhaps the most vital material in our daily lives. There is very little that we make or use that does not have wood in it.

In recent years, Mr. Speaker, the lumber industry—particularly that of the West—has been beset with severe troubles. The growing competition of Canadian softwood imports, the vastly increasing purchase of saw logs by Japan and other foreign nations, the transportation inequities of the Jones Act, and a variety of other economic and technological factors have caused a number of sharp dislocations within the farflung timber industry. In fact, these setbacks were so pronounced that the White House on July 26, 1962, brought forth a special program of aid to the lumber industry.

Despite all these problems, the lumber industry has remained in a relatively stable position, with a solid balance of competition between green and dry producers, between western fir and southern pine, giant mills of the corporate variety versus small family-style operators. Let me say at this point, Mr. Speaker, that the lumber industry is one of the last major manufacturing industries in the United States in which the small operator—sometimes called the peckerwood or gyppo—can compete on relatively equal terms with the great corporate giants, such as the Weyerhaeuser Co., Georgia-Pacific, or Crown-Zellerbach. He is largely able to do so because during the New Deal and Fair Deal administrations the ground rules for purchase of Government timber at public auction were established that give him equal opportunity with the giants of the industry at acquiring a supply of timber at fair prices. Thus, while major manufacturing industries, such as automobiles, steel, aluminum, and others have seen a rapid trend toward domination by a handful of concerns, the small lumber operator still can battle it out in the American marketplace with giant corporate competition.

Today, Mr. Speaker, this unusual and healthy competitive situation is said by many in the industry to be in jeopardy.

The reason is an issue that, at first glance, appears to be a technical one; namely, a proposed change in the size standards of American lumber. The proponents of the change have been contending that it represents technological improvements, a simple piece of progress in wood engineering.

Opponents of the proposed change contend that the proposed standards change will have a major economic impact upon the complex structure of the entire lumber industry. It is alleged that the impact would be particularly severe upon small businessmen in the industry.

I have just returned from two informal conferences in Los Angeles and San Francisco with representatives of the lumber industry and its affiliated interests in my State. I have heard the viewpoint of large and small lumber manufacturers, of wholesale and retail lumber dealers, of port and shipping interests, and the maritime trade unions. These comments, coupled with the many letters and telegrams I have received, have convinced me that full public hearings should be held on the national lumber standards proposal before any action is taken by the Department of Commerce. It is my belief that such a hearing will be of assistance to the very distinguished Secretary of Commerce, Luther H. Hodges, in making his decision. Accordingly, with the support of our Speaker and the chairman of the full Select Committee on Small Business, the distinguished gentleman from Tennessee [Mr. EVINS], I am announcing that my Subcommittee on Distribution will hold hearings to fully air what is at stake in this controversy. The hearings will open here in Washington on March 3, and it is anticipated that additional sessions will be held on the west coast in the near future.

How can this supposedly technical controversy be explained in terms that a layman can understand? As the Washington Post pointed out in an excellent article on the problem on February 15:

> Lumber standards are almost unintelligible to a layman.

It is not my purpose here to go into the technical issues, such as moisture content, percentage thickness, and other specialized questions.

The essence of the proposal is, however, quite simple. The large lumber producers, such as Weyerhaeuser, are proposing that seasoned lumber be standardized as 1½ inches. The green lumbermen—principally the smaller operators—are seeking to preserve the present 1⅝ inches standard for both dry and green lumber. Green lumber is usually sold soon after cutting and shrinks as its moisture content declines. It is priced up to 10 percent less than seasoned lumber. Seasoned lumber is either dried in the open air over a period of months or in special kilns, where the process takes only a few hours.

Let me explain here that the conventional 2 by 4, for example, actually only measures 1⅝ by 3⅝ inches. Lumbermen explain to me that 2 by 4 refers to the rough green cut, with an allowance of three-eights of an inch for shrinkage and dressing.

Why such a fuss, Mr. Speaker, over a mere eighth of an inch? Why has this proposed change produced the biggest controversy inside the lumber industry in many, many years?

The proponents of change—whose Washington spokesmen are the National Lumber Manufacturers Association—contend that the 1½ dry lumber will enable them to compete on more equal terms with the so-called lumber substitute products—aluminum, light steel, and synthetics. They say that the new standard will insure uniform sizes at the building site, rather than at the lumber mill, and that the $3 per thousand board feet savings in freight rates will allow them to sell to the consumer at lower prices. As a final argument, they say that the green lumbermen now have an unfair advantage, because they get 7 percent more in marketable board feet from their timber.

The contentions on the other side, Mr. Speaker, are broader in their economic portent that those of the proponents of change. The opponents allege these points in making their case:

First. The proposed change, it is claimed, would add 1¼ billion more board feet of lumber to a presently glutted market, thereby displacing present production in a like amount and thus creating serious additional unemployment in the already hard-hit lumber regions. This follows from the fact that the market in softwood lumber is relatively inelastic; demand does not increase despite decreases in price. Computing payrolls at $50 per 1,000 board feet, the change could put approximately 15,000 lumberworkers out of work in Washington, Oregon, northern California, Idaho, and Montana.

Second. Opponents contend that by requiring green lumber to be larger than dry as it leaves the mill, the proposal would place green producers, most common to the Western lumber areas, at an even greater disadvantage than at present. It would, therefore, tend to concentrate the economic hardship in these green lumber areas already hard hit by Canadian competition.

Third. It is alleged that the change will benefit the giants of the timber industry, such as the Weyerhaeuser Co., at the direct expense of the smaller and middle-sized timber operations.

The reason for this is that the big companies own and control vast stands of cheap timber, which would be greatly increased in value by this proposal, while the consumer would get less wood for the same money. Conversely, the smaller companies who do not own large stands of timber must purchase public timber by the board foot; their costs would automatically go up.

Fourth. It is predicted that the lumber industry of the Northwest—primarily smaller producers—would lose a market for 300 million board feet of utility-grade lumber in southern California alone, which is equal to half of what the Northwest has lost to Canada in the east coast cargo market.

Fifth. Maritime interests express the fear that shipping of green lumber by cargo vessels would be virtually eliminated. The impact of such a development on major American ports is indicated by a February 2, 1964, story in the Boston Globe which points out that the standards change "could cost the port of Boston more than a quarter of its general cargo imports." Import of green lumber into Boston comprises 26 percent of the port's general cargo imports. Similar percentages exist for most of the Nation's other large ports, such as New York, Baltimore, and San Francisco.

Sixth. Many small businessmen engaged in wholesaling and retailing lumber state that the new standards will work economic hardships on them by forcing them to carry duplicate inventories.

As one wholesale dealer expressed it to me:

> The new standards would mean another complete series of products to merchandise, warehouse, take market risk on, and would require substantially more capital to carry duplicate inventories. Financial considerations would obviously make it impossible for us, or probably any other wholesaler, to offer our customers two complete inventories.

At this point, Mr. Speaker, it is necessary to explain the structure of the American Lumber Standards Committee, the body which has been considering the new standards. The American Lumber Standards Committee is one of the many quasi-governmental committees operating under the Bureau of Standards and the Commodity Standards Division of the Office of Science and Technology in the Department of Commerce. This Committee consists of 15 members, 7 of whom represent the manufacturers of lumber; the remaining 8 represent the distribution, engineering, use, and design groups.

Theoretically, this Committee and other committees propose only voluntary standards, and the Department if promulgating the standards, consider them to be voluntary. In effect, these standards are said by many to be compulsory because major credit organizations, both governmental and private, set specifications for construction products which are acceptable to their loan provisions. Building codes and incorporated communities in many States specify that lumber used must meet American Lumber Standards Committee minimum standards. As a matter of pragmatic economic observation, it appears that FHA, defense purchases, and building codes, which establish price and specifications through operation in the marketplace, effectively make these standards in many ways compulsory.

Some years ago, the Antitrust Division of the Department of Justice, under then Assistant Attorney General Thurman Arnold, charged the National Lumber Manufacturers Association with attemps to rig lumber standards through control of the Committee. A consent decree was entered which required NLMA to assist in setting up a standards committee beyond their control and dominance. In the early 1950's the National Lumber Manufacturers Association and the newly proposed Lumber Standards Committee and the Department of Justice went to the court in the district and had an order written declaring the structure of ALSC to meet the requirements of the consent decree and made the proposed structure a part of the record in the consent decree. This court record established the appointive power of the Secretary of Commerce and placed upon his Department the accountability for actions of the committee without specifically granting him responsibility for its personnel or actions.

I have prepared a memorandum for transmission to the National Lumber Manufacturers Association, the Department of Commerce, and the Justice Department setting forth the proceedings at the two recent conferences in Los Angeles and San Francisco to which I have earlier alluded. The memorandum lists those in attendance, the major arguments made on each side, and those points which—to me—seemed to emerge from these informal conferences. I request unanimous consent that the memorandum be placed in the RECORD immediately following these remarks.

The memorandum follows:

MEMORANDUM ON INFORMAL FINDINGS OF WEST COAST CONFERENCE RE PROPOSED LUMBER STANDARDS

Two conferences with interested members of the lumber industry and related segments of the economy were recently held by me for the purpose of determining:

(a) The anticipated effect on small business interests of the proposed change in lumber standards if the same is adopted.

(b) The extent to which those small businesses prospectively affected by the proposed standards have received representation on the ALSC or received an opportunity to place their views before the committee or its members.

The first conference was held in Los Angeles on February 16. Thirty-three attended representing: lumber retailers and wholesalers, homebuilders, port authorities, Carpenters' Union, Teamsters' Union, trucking interests, lumber manufacturers, NLMA, lumber and sawmill workers, and maritime interests.

The second conference was held in San Francisco on February 17. Fifty-seven attended representing: lumber manufacturers, port authorities, box manufacturers, NLMA, Carpenters' Union, lumber exporters, International Longshoremen's Union, laminated board manufacturers.

It is to be noted that although the great majority of those in attendance opposed the new standards, those favoring the proposed change also had representatives present. A complete list of those attending including the name of the firm or other entity represented by each individual is attached to this memorandum.

The range of small business testimony was most impressive. It included statements of firms manufacturing lumber from a number of different species. Virtually every manufacturer presented statements opposing the new standard. Many expressed doubt over their ability to survive if it is adopted. Fabricators of wood products such as boxes and laminated beams were represented. These, too, opposed the new standard. Labor representatives from carpentry and maritime international unions spoke out against the proposal. Port authorities from a number of ports from San Diego to Redwood City, Calif., expressed grave concern over the effect the proposed size change would have upon their operation. They unanimously opposed the adoption of the new standard.

Small business firms engaged in the "resaw" industry stated the new standard would put them out of business. Homebuilders in opposing the new standard estimated that it would increase the cost of new homes to consumers by over $1,000 per unit. Both wholesalers and retailers from the Greater Los Angeles market, the largest in the country, expressed opposition to the proposal.

The representative of NLMA, two representatives of the Weyerhaeuser Co. and two others spoke for the proposal.

It was the consensus of the proponents of the new standard that its adoption had been fully considered by all concerned parties. They argued that the new sizes would enable the lumber industry to better compete with other building materials. They also maintained there were important consumer benefits which would result from its adoption.

Even more persuasive than the almost monolithic opposition to the substance of the proposal was the general criticism of the procedure followed by the American Lumber Standards Committee and the organizations whose representatives comprise the committee.

A number of interests do not have spokesmen on the ALSC. Those appearing for labor, ports, maritime interests and home builders, for example, stated they were without representation on the ALSC.

Within those organizations which are represented on the committee, it is not clear that opportunity has been afforded the membership to present its views. Telegrams expressing opposition to the proposal were received from members of the Western Pine Association stating that the sender of the wire had not been consulted or even given an opportunity to express his views prior to the casting of the vote for the proposal by WPA's representative on the ALSC.

Again, at the San Francisco conference, the spokesman for the California Redwood Association stated his organization was solidly for the proposal. This was denied by others present who stated that the majority of those in the organization opposed the new standard.

On 15 separate occasions those making statements were asked whether they had been consulted concerning the new standard and whether they had received any opportunity to present their views. Both questions were answered in the negative. The statement was also repeatedly made that no one had seen the new standard or been able to obtain answers to their many questions concerning the proposal.

Thus, from these two conferences, the following points emerge:

1. In California, the Nation's largest consumer of lumber, there is widespread conviction among affected interests that the proposed changes in lumber standards would seriously injure the State's ports, maritime interests, lumber manufacturers, box manufacturers and other fabricators of lumber products, home builders, consumers, carpenters and maritime workers.

2. Despite this concern among so many groups vital to the economy of the State, there was a consensus among those attending the conferences that no opportunity has been afforded interested parties to effectively present their views concerning this matter. It is alleged that in some instances this has resulted because of lack of representation on the standards committee. In other cases it has allegedly occurred because of the absence of democratic processes within some of the organizations represented on the ALSC.

3. Denied any opportunity to help fashion a proposal which they feel is of vital importance to their economic survival, many small businessmen face a gag rule situation in which their only choice is to vote yes or no on a question of infinite complexity, the ramifications of which may determine the entire course of this industry for years to come.

4. It appears that there is a real question as to whether minimal standards of procedural fairness have been maintained during the process of drafting and voting upon the proposed changes.

5. There appear to be real regional differences concerning some of the proposed changes in the standard. It is not known whether sufficient care has been taken to insure that no region is unduly injured by the action of the committee.

6. A number of small businessmen contend that all organizations having representation on the committee should be required to certify that they have polled their membership or otherwise determined the position of those they represent.

7. An aggressive public relations campaign on behalf of the proposed changes appears to have been undertaken by NLMA and some of the larger manufacturing firms judging from the advertisements and clippings shown me.

8. Smaller firms do not have adequate resources to compete with either the media promotion on personal contact campaign available to those supporting the changes, according to those at the conferences.

9. The proposed new lumber standard will be sent to 20 percent or more of various user and other groups. It is not known how this 20 percent were selected or how representative of their group they may be. Some questions have been raised concerning the appropriations of the groups included in this list.

10. After reading and attempting to fully understand the proposed new standard, it does not appear to me that the average member of the acceptors list is apt to fully grasp all of the many complex matters contained therein.

11. It is not known to what extent the procedural pattern followed in this matter has deviated from that followed by other standards programs supervised by the Department of Commerce.

12. For the reasons set forth in 7–11 above, it appears to be particularly important that the greatest possible care be taken to insure that all affected interests be given a full opportunity to present testimony. Procedural fairness prior to submission of the proposal to the acceptor list is of equal importance to post submission procedure.

13. Since many of the charges received by the subcommittee pertain to the conduct of the American Lumber Standards Committee, it would be inappropriate for that body to conduct an investigation of those charges. The Department of Commerce, while charged with supervising the Standards Committee, would not be an appropriate forum for the presentation of testimony by the many small business and related interests who have evinced a desire to be heard.

Without passing judgment on the merits of the proposal, it seems evident that the controversy may best be resolved by a thorough examination of both the procedural and substantive questions involved.

On Thursday, February 20, the ALSC met in Chicago and added certain provisions to the proposed standard. In order to determine whether this addition has met any of the objections voiced by those at the Los Angeles conference, the following telegram was sent to those who attended the conference:

"Please indicate return wire whether additions new lumber standard adopted by ALSC February 20, Chicago, change your position concerning standard.

"JAMES ROOSEVELT."

The consensus of the replies is that this addition in no way alters the situation. Copies of the replies received in response to this inquiry are attached together with a list of those to whom the inquiry was sent.

LIST OF THOSE IN ATTENDANCE AT LOS ANGELES CONFERENCE

Name, address, and lumber interest

Ralph Hill, 830 Old Mill Road, Pasadena, Calif., retail lumber.

J. F. Parkinson, 1708 Pescadores, San Pedro, Calif., Los Angeles Harbor Department.

William R. Daly, 1365 North Harbor Drive, San Diego, Calif., Port of San Diego.

William James Zumwalt, assistant port attorney, 1365 North Harbor Drive, San Diego, Calif., Port of San Diego.

J. H. McJunklin, Post Office Box 570, Long Beach, Calif., Port of Long Beach.

Homer Sullivan, 1247 Wilmington Boulevard, Wilmington, Calif., Lumber & Sawmill Workers Union, Local 1407.

Marshall Wooten, 1319 Harvard Street, Santa Monica, Calif., Lumber & Sawmill Workers Union, Local 2288.

M. F. O'Sullivan, 6980 Cherry Avenue, Long Beach, Calif., Rossman Mill & Lumber Co., Ltd.

Alfred H. Wahl, 1442 East Anaheim Street, Wilmington, Calif., Consolidated Lumber Co.

Ray K. Cherry, 335 North LaCienega Boulevard, Los Angeles, Calif., Builder-developer.

Leonard B. Netzorg, 712 Equitable Building, Portland, Ore., Western Forest Industries Association.

Kingston McKee, 524 South Rosemead, Pasadena, Calif., Forest Lumber Co.

Paul R. Hollenbeck, 1100 Isabel Street, Burbank, Calif., Lumber Service Co.

James D. Rossman, 110 West Ocean Boulevard, Long Beach, Calif., T.H. & F. Wholesale Lumber.

G. John Lipani, 9543 Bolton Road, Los Angeles, Calif. Weyerhaeuser Co.

H. G. Larrick, Jr., Post Office Box 37, Solana Beach, Calif., retail lumber.

John P. Weston, 336 North Central Avenue, Glendale 3, Calif., Far West Fir Sales.

Doug Moir, 158 Paseo Delicias, Redondo Beach, W. R. Chamberlin S. S. Co.

Nick Cordil, 9516 Cattaraugus Avenue, Los Angeles, Calif., District Council of Carpenters.

Howard O. Lee, 9258 Muller Street, Downey, Calif., Lee Lumber Hauling.

Don Ford, 1200 South Grevillea, Inglewood, Calif., Mines Avenue Trucking.

Carl Ramstrom, 900 Wilshire Boulevard, Los Angeles, Calif., West Coast Lumbermen's Association.

John Fies, 681 Market Street, San Francisco, Calif., National Lumber Manufacturers Association.

Claude Ripley, 1314 Elm Avenue, Long Beach, Calif., Teamsters Union Local 692.

Miles W. Davidson, 130 Via Pasqual, Redondo Beach, Calif., Sun Lumber Co.

R. B. Buchan, 1135 West Huntington Drive, Arcadia, Calif., National Lumber Manufacturers Association.

Tom Melin, 1424–24th Avenue, Longview, Wash., Lumber Manufacturer and West Coast Lumber Inspection Bureau representative.

Terry Mullin, 1022 Ocean Front, Santa Monica, Calif., retail lumber.

Homer Burnaby, 141 Hudson Place, Los Angeles 4, Calif., retail lumber.

S. G. McDonald, 508 West Floral Drive, Whittier, Calif., retail lumber.

Wayne Gardner, 1100 Isabel Street, Burbank, Calif., Lumber Association of Southern California.

Stanley E. Brown, 7817 Van Nuys Boulevard, Van Nuys, Calif., retail lumber.

George E. Cordrey, 802 Terminal Street, 10th Avenue, Marine Terminal, San Diego, Calif., San Diego Lumbermen's Association.

Paul Rau, 222 West Gregory, Kansas City, Mo., the Marley Co.

Joe Derrah, 2153 Canal Drive, Redding, Calif., Dee Lumber Co.

Walter Blum, Third and Market Streets, San Francisco, Calif., House & Home.

John Fies, 681 Market Street, San Francisco, Calif., National Lumber Manufacturers Association.

Henry R. Welch, Post Office Box 698, Crescent City, Calif., A. C. Dutton Lumber Corp.

Carl A. Brower, Crescent City, Calif., harbor commissioner.

O. N. Eubank, Fort Bragg, Calif., Aborigine Lumber Co.

E. W. Thrasher, Post Office Box 97, Calpella, Calif., Al Thrasher Lumber Co.

Jack Bouldin, Box 705, Fort Bragg, Calif., Aborigine Lumber Co.

R. H. McKannay, 275 Pacheco Street, San Francisco, Calif., MarMac Lumber Co.

Ernest M. Park, Post Office Box 263, Arcata, Calif., Brightwood Lumber Co.

Stanley Preble, Post Office Box 3850, Eureka, Calif., Tidewater Mills.

Evan Jeffreys, Post Office Box 607, Healdsburg, Calif., Idaho Lumber Co.

R. R. Fair, Post Office Box 1346, San Rafael, Calif., Fair-Hipsley, Inc.

M. O. Hipsley, Post Office Box 1346, San Rafael, Calif., Fair-Hipsley, Inc.

N. Bailiff, Post Office Box 1267, Santa Rosa, Calif., Fluor Products Co.

M. A. Ewing, Post Office Box 1079, Sacramento, Calif., State office of architecture and construction.

Jack Tarason, Post Office Box 705, Fort Bragg, Calif., Aborigine Lumber Co.

Bill White, Post Office Box 327, Orinda, Calif., Thornton Lumber Sales.

John E. Tunnicliffe, 1190 Lincoln Avenue, San Jose, Calif., California Lumber Inspection Service.

Lester Holmes, 666 Mount Hermon Road, Santa Cruz, Calif., Holmes-Hannigan Lumber Co.

Ben Ward, 681 Market Street, San Francisco, Calif., National Lumber Manufacturers Association.

George Schmidbauer, Box 120, Ukiah, Calif., F. M. Crawford Lumber Co.

Arthur H. Harwood, General Delivery, Branscomb, Calif., Branscomb Enterprises.

James J. McLoughlin, 100 Bush Street, San Francisco, Calif., the Martin Bros. Container & Timber Products Corp.

E. G. Covington, 55 New Montgomery Street, San Francisco, Calif., the Wooden Box Institute.

R. J. Gehring, Sausalito, Calif., Service Lumber Co.

C. H. Fallert, Brookings, Oreg., South Coast Lumber Co.

Stan Lore, San Francisco, Calif., Brotherhood of Carpenters.

Anthony Raines, California State Council of Carpenters.

John Lawrence, California State Council of Carpenters.

Neal I. Pinson, 681 Market Street, San Francisco, Calif., National Lumber Manufacturers Association.

J. C. Morrison, San Francisco, Calif., J. J. Moore & Co., exporters.

Frank Billings, 100 California Street, Cal-Pacific Redwood Co.

L. A. Hickok, 451 Montgomery Street, San Francisco, Calif., J. J. Moore & Co., exporters.

K. E. Rinke, 10447 NE. Weidler, Portland, Oreg., K. E. Rinke & Associates.

F. J. Fair, 869 Lily Avenue, Cupertino, Calif., Weyerhauser Co.

R. K. Rasmussen, 2115 Greenegays Drive, Redwood City, Calif., Weyerhauser Co.

H. J. Ford, 2740 Hyde Street, San Francisco, Calif., American Forest Products Corp.

Lincoln Fairley, 150 Golden Gate Avenue, San Francisco, Calif., International Longshoreman's Union.

Leonard B. Netzorg, 712 Equitable Building, Portland, Oreg., Western Forest Industries Association.

Victor S. Roth, 264 Arlington Avenue, Kensington, Calif., Triangle Lumber Co.

Knute Weidman, 261 Hamilton Avenue, Palo Alto, Calif., Knute Weidman Lumber Co.

Wesley L. Hubbard, Port of Redwood City, Hubbard & Johnson.

Harry W. Sharp, 150 North Lincoln, Stockton, Calif., the Marley Co.

Phillip Farnsworth, 617 Montgomery Street, San Francisco, Calif., California Redwood Association.

G. F. Bunnington, 430 40th Street, Oakland, Calif.

Gordon L. Saunders, 703 Market Street, San Francisco, Calif., Lamon Lumber Co.

Ellen McNamara, Rainer, Oreg., Rainier Mfg. Co.

Gerhart Bendix, Seiad Valley, Calif., Hi-Ridge Lumber Co.

Robert L. Spoo, Eureka, Calif., Precision Lumber Co.

Frank McCrary, Jr., Davenport, Calif., Big Creek Lumber Co.

Wendell Paquette, Burlington, Calif., Sawmill Sales Co.

Sam Wingate, Arcata, Calif., VanVleet Wood Products.

R. P. Kilgore, San Rafael, Calif., Kilgore Lumber Co.

John A. Davenport, Post Office Box 793, Red Bluff, Calif., Western Forest Industries Association.

Richard Caletti, Healdsburg, Calif., Standard Structures, Inc.

Book telegram to the following:

House Small Business Committee,
February 24, 1964.

Mr. Miles Davidson,
Sun Lumber Co.,
Los Angeles, Calif.:
Mr. Ralph Hill,
Owens-Parks Lumber Co.,
Los Angeles, Calif.:
Mr. Nick Cordil,
Los Angeles, Calif.:
Mr. Wayne Gardiner,
Lumber Association of Southern California,
Burbank, Calif.:
Mr. Kingston McKee,
Forest Lumber Co.,
Pasadena, Calif.:
Mr. George E. Cordrey,
San Diego Lumbermen's Association,
San Diego, Calif.:
Mr. Carl A. Brower,
Harbor Commissioner,
Crescent City, Calif.:
Mr. John Fies,
National Lumber Manufacturers Association,
San Francisco, Calif.:
Mr. Henry R. Welch,
A. C. Dutton Lumber Corp.,
Crescent City, Calif.:
Mr. Stanley Preble,
Tidewater Mills,
Eureka, Calif.:
Mr. N. Bailiff,
Fluor Products Co.,
Santa Rosa, Calif.:
Mr. John E. Tunnicliffe,
California Lumber Inspection Service,
San Jose, Calif.:
Mr. James J. McLoughlin,
Martin Bros. Container & Timber Products Corp.,
San Francisco, Calif.:
Mr. Knute Weidman,
Knute Weidman Lumber Co.,
Palo Alto, Calif.:
Mr. Roy K. Cherry,
Los Angeles, Calif.:

Please indicate by return wire whether additions to new lumber standard adopted by ALSC in February at Chicago changes your position concerning the standard.

Representative James Roosevelt.

REPLIES RECEIVED TO TELEGRAPHED INQUIRY, TO DATE, FEBRUARY 26, 1964

Kingston McKee Forest Lumber Co., 524 South Rosemead Boulevard, Pasadena: "Position unchanged as to new lumber standards. Greatly concerned as to the complete lack of representation from retail lumber industry in southern California on all committees."

Miles W. Davidson, chairman, lumber standards committee: "No change in position indicated here. Industry spokesmen ask for meaningful representation before ALSC. Eighteen permitted to promoted standards proposals that would effect economics changes in this area."

Ralph D. Hill: "Position on lumber standards not changed. Additions made by ALSC were for benefit of legal objections without providing workable sizes for green mills. So-called grade simplification purpose not served by size proliferation. Southern California industry still without representation. February 20 meeting only served to illustrate validity of objections voiced to you by California retailers, transportation, labor, builders, and port operators. Dislocation of orderly marketing is predictable result for much of basic California industry. Workable solution to size issue still exists and still ignored in proposal made by Lumber Association of Southern California."

Nick Cordil, mill representative, Los Angeles County District Council of Carpenters, 2200 West Seventh Street, Los Angeles, Calif.: "The so-called changes adopted by the ALSC on February 20, at Chicago would not change anything substantially as far as our southern California lumber industry is concerned. I still do not think this should be acted upon until we are properly represented. It would still replace over 1,000 of our members in the lumber industry."

Fluor Products Co., Inc., N. L. Bailiff: "New lumber standard adopted February 20 does not change our position, nor does it eliminate the design and manufacturing cost problems created by altogether new lumber sizes."

Knute Weidman, Post Office Box 88, Palo Alto, Calif.: "Not in agreement with additions to new Standards adopted February 20, Further hearings should be held."

"John Fies, National Lumber Manufacturers Association: "This is in response to your telegram of February 24. Our position remains that we wish the revised simplified practice recommendation 16—, being American lumber standards for softwood lumber, to be submitted to the acceptor list as soon as possible."

A. C. Dutton Lumber Corp., Henry R. Welch, alternate ALSC member: "Re your wire of February 24 size standards adopted at Chicago February 20 does not change my position that even with this additions new lumber standards are very far from complete and entirely inadequate to fit the needs of the lumber industry."

J. J. McLoughlin, Martin Bros. Containers & Timber Products Corp.: "Retel ALSC standard, position unchanged. New standard 1$^{17}/_{32}$ green presents same problems outlined at meeting February 17 concerning 1½ dry. Urgently request your support of small business by requesting public hearing before ALSC proposal is adopted."

The California Lumber Inspection Service, John E. Tunnicliffe, general manager: "Speaking for 95 percent of our total subscribers representing 500 million board feet green annual production the recent ALSC additions do not change our position regarding new proposed ALSC standards clarification and review of ALSC proposals are necessary on behalf of the California green lumber producers."

George E. Cordrey, San Diego Lumbermen's Association: "Action of ALSC on February 20 is step in right direction but feel that table of equivalent green sizes must be an integral part of standard. Request no action on referendum until after meeting requested by opponents early in March. Feel reconstitution of ALSC is necessary to permit greater representation of green mills and distributors."

Stanley Preble, Tidewater Mills, Inc.: "Retel additions adopted by ALSC, do not change our position. In 2½ years we have built export shipments from 0 to 35 to 40 percent of our production. Changes of domestic sizes could eliminate us 100 percent from export and force us to concentrate on domestic sizes and market. This is the fear of other mills trying to push export in Douglas fir, redwood and other species. The U.S. whole lumber export program is in jeopardy.

"We feel that reducing sizes will upset the balance of the lumber economics in favor of the large timber owning mills at the expense of the smaller company. The small mills generally belong to associations controlled by large companies and have not been properly represented.

"We urge that you carry on with the proposed hearings to hold free and open discussions on the new standards to give all parties concerned an opportunity to be represented. Other areas that should be explored are the makeup of the acceptor list and possible reconstitution of the ALSC."

Mr. ROOSEVELT. The purpose of the conferences was, of course, not to receive evidence. They were held in response to numerous requests for hearings on the proposed lumber standards for the purpose of determining whether there was reasonable cause or necessity for the holding of a hearing.

None of the allegations, assertions, or opinions set forth in the memorandum or contained in my remarks today are presented to you as fact, they are presented to you only so that you may know the assertions of those involved in the controversy and the reasons—as I see them—that a hearing is required.

The gathering of evidence—the determination of what the actual facts are—is the function of the hearing itself. The subcommittee approaches its task both with impartiality and a determination to deeply probe all relevant issues.

All interested parties from both sides of the controversy will be given full opportunity to present any relevant evidence they deem appropriate. Both the Department of Justice and the Department of Commerce will be supplied copies of all transcripts of the hearings together with the report of the subcommittee, when it is completed.

After both sides have had full opportunity to present their cases, I shall invite the Secretary of Commerce and such members of his staff as he deems appropriate to appear before the subcommittee.

Mr. Speaker, I have attempted here to cover some of the main points involved. In all humility, I recognize that this presentation is inadequate in many respects. But this controversy is so complex and the lumber industry itself has so many facets that full explanation and exposition are most difficult, to say the least. It is impossible for me or any other layman to pass judgment on the rightness or wrongness of the proposal for new lumber standards. But we can and must provide an arena that will allow both sides full opportunity to be heard on this issue before action is taken on the new standards which could be of major economic significance to many hundreds of small businessmen, thousands of workers, and the many millions of consumers of American lumber.

PRACTICING BEFORE FEDERAL AGENCIES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. DULSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DULSKI. Mr. Speaker, I have received many letters in opposition to S. 1466, which permits an attorney to represent others before any Federal agency.

Under leave to extend my remarks, I wish to include in the RECORD a copy of a letter I have received which expresses the opinion of many—that the law profession wishes to infringe upon areas in which it has no specific knowledge.

The letter follows:

SUBCOMMITTEE NO. 3,
House Judiciary Committee,
House Office Building,
Washington, D.C.

GENTLEMEN: It has just come to my attention that the U.S. Senate has passed a bill (S. 1466) which would permit any lawyer to practice before any Federal agency including the Patent Office.

As a registered patent agent, I think this is vicious nonsense and urge you to do all in your power to see that this does not become law.

The preparation and prosecution of patent applications is a peculiarly technical act in which engineering or other technical training is virtually a rock-bottom essential followed by special education in the formalities set up by the Patent Office. The Patent Office conducts periodic examinations in the latter which together with their consideration of an applicant's technical competence are used to determine who shall be admitted to practice before the Office. No amount of strictly legal training can impart these necessary qualifications.

Without this background, no lawyer has the necessary know-how to carry on such practice and any attempt to insert himself in the chain would only mean he had to hire a competent practitioner to do the work while the lawyer added his own fee to the cost, penalizing the customer, diluting the effort and chiseling on the patent agent who has spent many years acquiring his special training.

The lawyers have been all too anxious to horn in on this business, having recently attempted in Florida and Ohio to make it illegal there for a licensed patent agent to practice in those States unless a member of the bar there. This grafting grab by the lawyers was however, knocked down on May 27, 1963, by a unanimous decision of the nine Justices of the U.S. Supreme Court who recognized that qualifications other than legal education are required for patent practice. The Court in that decision noted that the Patent Office had properly set its own standards for practice before it, and ruled that these standards should be upheld.

So now the unqualified legal grab boys have again attempted to cut themselves in on this business and again their position is purely self-serving and despicable.

Please do all in your power to stop this attempted steal once and for all.

Sincerely,

——— ———.

FACTS, NOT FANCY, IN FOREIGN AFFAIRS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Delaware [Mr. McDOWELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. McDOWELL. Mr. Speaker, there is little wonder that the average American citizen becomes more and more confused about his country's foreign policy. From all of our public information media, he is subjected to daily bombardment of opinions, most of which are based on fantasy rather than facts.

It is because some of us are aware of this situation that I welcome this opportunity to make use of the great circulation of the CONGRESSIONAL RECORD so that the American public may have an opportunity to be exposed, for a change, to the thoughts of a man who knows how to talk sense about the foreign policy of the United States.

I offer the following:

Address by Secretary of State Dean Rusk, at the Annual Full Citizenship and World Affairs Conference of the International Union of Electrical, Radio, & Machine Workers, Statler Hilton Hotel, Washington, D.C., Tuesday, February 25, 1964

WHY WE TREAT DIFFERENT COMMUNIST COUNTRIES DIFFERENTLY

I am delighted to take part in your Full Citizenship and World Affairs Conference, now an annual event of your union. It is a special pleasure to meet with workers who are engaged in manufacturing the modern miracles of communication which help peoples to communicate with each other, hopefully to understand one another better. Blessings are usually mixed; these same communications make their contribution to the breathtaking pace of events and to worldwide reactions to happenings in each local arena. But in the world of television, radio, and films peoples of diverse cultures can come to realize that in this business of living we all have much the same feelings, aspirations, and hopes.

It is heartening that organizations such as the International Union of Electrical, Radio, & Machine Workers devote so much time to international affairs. I know that you have plenty of pressing problems of your own and that your first responsibility is to serve your members in the area of collective bargaining. But, your union has long taken an intense interest in international affairs and this is appropriate because foreign affairs concern every citizen in the most intimate and personal way.

The support of American labor to the International Labor Organizations has been most helpful in raising standards of wage and working conditions and in achieving a larger measure of social justice. The adoption by ILO of the convention banning forced labor, which is now before the U.S. Senate, marks one more forward step toward the strengthening of freedom.

I should like to discuss with you today a central question—one which rightfully looms large in the concern of the American people about foreign affairs. What is the policy of this Government toward international communism?

At the present time, as throughout the postwar period, there are some who, for political or other reasons, deliberately sow confusion about our real intentions. Also, both at home and abroad, puzzlement may arise on more legitimate grounds.

We are asked how we can object to other free countries selling goods to Cuba when we are willing to sell wheat to the Soviet Union. We are asked why we refuse to recognize the Peiping regime when we recognize the Soviet Union. We are asked why we have treated Yugoslavia and Poland somewhat differently from other Communist states in Eastern Europe. We are asked why we enter into cultural exchange agreements, or a test ban treaty, with a government whose leader has continued to boast that he will bury us.

If the Communists, as a group, have as their aim the destruction of our way of life, how is it that we can treat one Communist country differently from another? And why do we enter into an agreement or understanding with a Communist government over one matter, while accepting the hard necessity of continued hostility and conflict over other matters?

Before answering those questions, let me make one point clear. We, in this administration, and in this country, are under no illusions as to the designs of the Communists against us and the entire free world. No one needs to tell us that the Communist menace is deadly serious, that the Communists seek their goals through varied means, that deception is a standard element in their tactics, that they move easily from the direct attack to the indirect, or to combinations of the two.

To know what the Communists are up to, and to understand their varied techniques, is a major order of business with us in the State Department and other branches of the Government. It is an order of business we do not neglect.

We are fully aware that Moscow, as well as Peiping, remains committed to the Communist world revolution. Chairman Khrushchev tells us bluntly that coexistence cannot extend to the ideological sphere, that between him and us there will be continued competition and conflict. We hope this will not always be so. But as long as Mr. Khrushchev says it is, and acts accordingly, we must believe him, and act accordingly ourselves.

The first objective of our policy toward the Communist states must be, and is, to play our part in checking Communist imperialism. This administration will vigorously oppose the expansion of the Communist domain, whoever the Communists in question may be, by force or the threat of force, whether directly or indirectly applied.

To that end we maintain a nuclear deterrent of almost unimaginable power. To that end, we have increased our conventional military forces and made them more mobile—and have encouraged and assisted other free nations on the front lines of the free world to strengthen their conventional forces.

Given the catastrophe that a nuclear engagement would be for the entire world, we do not intend to fall into a position where we may have to choose instantly between a nuclear reaction and the loss of one or another outposts of freedom. We are resolved to maintain, and to persuade other free world nations to maintain, the capability to repel partial or limited attacks.

We have also improved our capacity to deal with guerrilla warfare—and are helping our allies and friends who are subject to that type of aggression.

In southeast Asia and to a lesser extent in certain areas of Latin America, indirect aggression is not just a threat but an immediate danger, involving both daily loss of life and danger to vital free world positions. This type of assault was beaten in Greece, the Philippines, and Malaya. With resolution and continuing endeavor by the peoples beset by these tactics, and with help from us and other free nations, those earlier victories can be repeated.

The free world must prevent the Communists from extending their sway through force, whether through frontal assault, piecemeal territorial grabs, or infiltration of men and arms across frontiers. We will continue to do our part to make aggression not only unprofitable to the Communists but increasingly costly and dangerous to them.

We also combat Communist imperialism by helping the developing countries to modernize their economies and to overcome the social and political problems which breed discontent. In addition, we do what we can to help settle disputes within the free world—disputes on which the Communists try to capitalize.

We are not defenders of a sterile status quo. We do not oppose peaceful changes. We favor economic, social, and political progress for all peoples, including our own. And we believe that every nation has a right to choose and modify its own institutions.

We provide economic and technical assistance to developing nations and take part in peacemaking and peacekeeping within the free world because we want to build a decent, peaceful world order. At the same time these activities are important methods of preventing the Communists from extending their domain.

Nobody knows that better than the Communists themselves. That is why their favorite slogan is: "Yanks, go home." Why any good American would wish to further that central Communist objective is beyond my comprehension. Yet that would be the effect of retreating from our international commitments, of turning our back on dangers and disputes at distant points, and of gutting our foreign aid program and other means of strengthening and defending the free world.

These things I have mentioned so far are necessary to safeguard ourselves and our world. Until the Communists themselves change, the most elementary security considerations demand that we remain ever alert to the dangers their very outlook on life raises for us and for others committed to freedom.

But our policy does not end there. In the longer run, we want the Communists to come to see that their aggressive hostility toward the free world is not only costly and dangerous but futile. Meanwhile, we want to reduce as much as we can the chance that the hostility they have created between them and us may lead to a great war. Thus we search patiently for agreements and understandings to settle or blunt dangerous disputes between us and to bring armaments under control. The Soviets appear to recognize that there is a common interest in preventing a mutually destructive thermonuclear exchange. We have managed to reach a few limited agreements with them. These do not yet constitute a detente. We hope for further agreements or understandings. But in the field of disarmament there are severe limits to the progress that can be made without reliable inspection and verification of arms retained. And on many vital political issues, Moscow's views and the West's remain far apart. Nevertheless, we shall pursue unceasingly our earnest quest for mutually acceptable steps toward a more reliable peace.

But it is not enough to contain communism and to try to negotiate specific agreements to reduce the danger of a great war. The conflict between the Communists and the free world is as fundamental as any conflict can be. Their proclaimed objectives and our conception of a decent world order just do not and cannot fit together.

We view communism as a system incapable of satisfying basic human needs, as a system which will ultimately be totally discredited in the minds of men everywhere. We believe that the peoples who have been brought under Communist rule aspire to a better life—of peace, economic opportunity, and a chance to pursue happiness. This, indeed, has always been so. But in recent years an important new trend has been perceptible: some of the Communist governments have become responsive, in varying degrees, if not directly to the aspirations of their subjects at least to kindred aspirations of their own. The Communist world is no longer a single flock of sheep following blindly behind one leader.

The Soviet Union and Communist China are engaged in a deep and comprehensive quarrel—involving ideology (how best to promote the Communist world revolution), a struggle for influence in other countries and other Communist parties, conflicting national interests, and personal rivalries. The dispute between Moscow and Peiping has spread through the world Communist movement and, in many countries, has divided the local parties.

The Chinese Communists have demanded that the Russians risk their national interests, and even their national survival, to promote the world revolution, as that cause is defined by Peiping. The rulers of the Soviet Union have rejected this doctrine. They appear to have begun to realize that there is an irresolvable contradiction between the demands to promote world communism by force and the needs and interests of the Soviet state and people.

The smaller Communist countries of Eastern Europe have increasingly, although in varying degree, asserted their own policies. We have always considered it unnatural for the diverse peoples of Eastern Europe, with their own talents and proud traditions, to be submerged in a monolithic bloc. We have wanted these peoples, while living in friendship with their Russian and other neighbors, to develop in accordance with their own national aspirations and genius. And they seem to feel a strong nostalgia for their traditional ties with the West. Most of them are increasing their trade and other contacts with Western Europe and, to some extent, with us.

Within the Soviet bloc, the Stalinist terror has been radically changed. And within the Soviet Union as well as most of the smaller European Communist nations there are signs—small but varied and persistent signs—of yearnings for more individual freedom. And there are practical reasons why men must be allowed freedom—if they are to achieve their best.

Throughout the Communist world, the economic shortcomings of communism are vividly manifested. Failures in food production have become endemic. In Communist China, the standard of living is even lower than it was before the calamitous collapse of the "Great Leap Forward." The Soviet rate of growth has dropped below that of the United States and Western Europe and far below that of Japan. The actual increase in income, both national and per capita, in the last 12 years was less in the Soviet Union than in the United States. The fact that communism is economically inefficient has become increasingly plain to most of the peoples of the world.

Here let us note a few points about trade. Since 1948 we have used export controls to keep strategic commodities from the Soviet Union and its European satellites. Since 1950 we have maintained a total embargo on trade with Communist China and North Korea; and somewhat later this embargo was extended to North Vietnam. In October 1960, we embargoed exports to Cuba, excepting foods and medicines. All these actions were taken and have been maintained for good reasons. In controlling exports of strategic goods to Soviet-bloc countries, we consult and coordinate with 14 other free world industrial countries through a coordinating committee, known as Cocom. We have never embargoed or opposed the sale of foodstuffs to Soviet bloc countries. Thus, our current sales of wheat to the Soviet Union involved no change in basic policy. And from a traditional Yankee trading viewpoint, we are not unhappy about swapping surplus foodstuffs for gold and hard currency which help to balance our international payments.

Our capacity to influence events and trends within the Communist world is very limited. But it is our policy to do what we can to encourage evolution in the Communist world toward national independence and open societies. We favor more contacts between the peoples behind the Iron Curtain and our own peoples. We should like to see more Soviet citizens visit the United States. We would be glad to join in cooperative enterprises to further mankind's progress against disease, poverty, and ignorance. We applaud the interest of the Soviet leadership in improving the lot of the Soviet people.

Thus our policy toward international communism has three objectives: (1) To prevent the Communists from extending their domain; and to make it increasingly costly, dangerous, and futile for them to try to do so; (2) to achieve agreements or understandings which reduce the danger of a devastating war; (3) to encourage evolution within the Communist world toward national independence, peaceful cooperation, and open societies.

We believe that we can best promote these objectives by adjusting our policies to the differing behavior of different Communist states—or to the changing behavior of the same state.

When Yugoslavia challenged Stalin's centralized control of Communist affairs in 1948, we gave that country military and economic assistance. Yugoslavia not only defied Stalin but stopped supporting the guerrilla aggression against Greece, reached an agreement with Italy on Trieste, and increased its economic, political, and cultural ties with the West. It is not a member of the Warsaw Pact. As a nonalined state, it has gained influence among the uncommitted nations of the world. Sometimes it agrees with the Soviet Union on particular points of foreign policy, sometimes not. In brief, Yugoslavia is an independent state. Its success in defending its independence made other people in Eastern Europe wonder why they could not do likewise. And not least important from our viewpoint, Yugoslavia is not shipping arms to be used against a democratic government in Venezuela, and is not trying to destroy non-Communist governments in South Vietnam and Laos.

For some years, we have treated Poland somewhat differently from other Soviet bloc states. A good deal of the national autonomy and domestic liberalization which the Poles won in 1956 persists. Most of Polish agriculture remains in private hands; religion is strong; Poland has developed a broad range of relations and exchanges with the West. Poland has historic ties with the West. And its people are the close blood relatives of many citizens of the United States. We apologize to none for our efforts to help the brave people of Poland to preserve their national identity and their own aspirations.

At one time we felt compelled to break diplomatic relations with Bulgaria. Since the ruthless suppression of the Hungarian national revolution in 1956, we have been represented in Budapest not by a regular envoy but by a chargé. We have never had diplomatic relations with Communist Albania, the most blatantly Stalinist state in Europe.

Thus, for good reasons, we have treated various Soviet bloc states differently and the same state differently at different times. And we shall continue to differentiate our policy according to the conduct of the various Communist states.

Recently Rumania has asserted a more independent attitude and has expanded its trade and other contacts with the West. It has taken steps to improve its relations with the United States. We are responding accordingly.

Hungary has turned to a more permissive policy of national conciliation. We of course welcome any tendencies promising to ease the lot of the Hungarian people. We will do what we can to encourage them.

In Czechoslovakia and Bulgaria there are some signs of movement away from earlier and harsher policies. We are watching these developments with close attention.

When we turn our eyes to southeast Asia, we see a quite different situation. There, two nations—Laos and South Vietnam—are the targets of subversion and aggression directed and heavily supported by Communist North Vietnam, with the backing of Peiping. These aggressions violate specifically the Geneva Agreements of 1954 on Indo-China and the Geneva Accords of 1962 on Laos. It is vitally important to the security not only of southeast Asia but of the entire free world that these aggressions shall not succeed. Our nation is committed to the support of Vietnamese freedom. And we shall continue to honor that commitment. The forces we have in South Vietnam to assist and support the Republic of South Vietnam are evidence of our commitment. And, as President Johnson said last Friday in Los Angeles: "Those engaged in external direction and supply" of the assault against the lives and liberty of the people of South Vietnam "would do well to be reminded and to remember that this type of aggression is a deeply dangerous game."

We have special, and very grave, concerns about Communist China. And here let me clear away a myth. We do not ignore the Chinese Communist regime. We know it exists. We talk with it regularly through our respective Ambassadors to Warsaw. There have been 119 of these talks. And what the Peiping regime itself says to us is among the reasons why we continue to have very grave concerns about it.

Peiping continues to insist upon the surrender of Formosa as the sine qua non of any improvement whatever in relations with the United States. We are loyal to our commitments to the Government of the Republic of China; and we will not abandon the 12 million people of free China on Taiwan to Communist tyranny.

Peiping incites and actively supports the aggression in southeast Asia in violation of the Geneva agreements of 1954 and the Geneva accords of 1962.

Peiping attacked India and occupies a position from which it continues to threaten the subcontinent of south Asia.

Peiping is attempting to extend its tactics of terror and subversion into Africa and Latin America.

In other words, Peiping flouts the first condition for peace: leave your neighbors alone.

And we in the United States have not forgotten Peiping's aggressive intervention in Korea—an act for which it stands condemned by the United Nations.

The American people cherished their close and cordial ties with the people of the Chinese mainland. They look forward to the time when it will be possible to renew this historic friendship.

As I said in Tokyo last month: "When mainland China has a government which is prepared to renounce force, to make peace, and to honor international responsibilities, it will find us responsive."

Meanwhile we shall resolutely oppose aggression. And we believe that all free nations should, in their own elementary self-interest, take care not to do anything that would encourage Communist militancy.

Insofar as the dispute between Peiping and Moscow involves the question of militancy in prosecuting the Communist revolution, we would of course prefer realism about the dangers and potential consequences of aggression in the nuclear age.

On our doorstep, another Communist regime incites and supports subversion, terror, and guerrilla warfare against its Caribbean neighbors. More than 2 years ago, the Organization of American States unanimously declared this regime to be incompatible with the Inter-American system. The OAS has taken various steps to isolate Castro's Cuba and to curb its capacity to do harm. It is now considering further steps.

There will be no retreat from our policy toward the Castro regime in Cuba as long as it continues to threaten the security and stability of other nations in this hemisphere. Moreover, we regard this regime as temporary. With the other nations of this hemisphere we expect the Cuban people to regain their freedom and rejoin the Inter-American system.

Recently a large quantity of arms was shipped into Venezuela to be used in an effort to overthrow the freely elected government of that country. The OAS has conclusive evidence that those arms came from Cuba. Consequently it is considering further steps to protect the free nations of this hemisphere from subversion and aggression, indirect as well as direct, based on Cuba.

The free nations who sell to Cuba goods and equipment important to the Cuban economy are interfering with the efforts of the free nations of this hemisphere to curb this danger. In the missile crisis of 1962, it was evident that what happened in Cuba could directly affect the security of the entire free world. That is still so.

The world is changing. And as it changes, we shall adjust particular policies. But our great goal remains constant. It is to build a decent world order—the kind set forth in the early paragraphs of the Charter of the United Nations. And our major policies for moving toward that goal have produced favorable results. The free world has its problems—and we are drawn into most of them because of our power and commitment to the defense and promotion of freedom. But I prefer our problems to those of the Communist world.

The most powerful force at work in the world is the force which we have been identified with since our birth as a Nation, which we have nurtured and fought for over the generations: the ideas of freedom, of government with the consent of the governed, of the rights of man, of the rule of law, of individual human dignity. These ideas have gripped the minds of men in all parts of the world. They constitute the great, enduring revolutionary movement in human affairs.

So, let us have the good sense to persevere in our threefold policy toward the Communist states taking care always: To make resort to force or threat of force costly and futile; to search for agreements and understandings leading to a more stable peace; and to promote the trends within the Communist world which lead away from imperialism, away from dictatorships—and towards independence and open societies with freely chosen governments, with which we can live in enduring friendship.

HONOR TO POSTAL AND FEDERAL EMPLOYEES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from West Virginia [Mr. STAGGERS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STAGGERS. Mr. Speaker, for almost a year now the Congress of the United States has owed the postal and Federal employees of this Nation a debt of honor. It is high time we paid it.

In 1962 the Congress passed a pay bill which became Public Law 87-793. This was one of the most important pieces of legislation ever to affect the livelihood and welfare of postal and Federal employees. Sections 502 and 503 of that bill were designed to set up, once and for all, an orderly and dignified way of providing that these fine people in the Government service would henceforth be able to earn a living comparable to that being earned by people in similar jobs in private industry.

We are all far too familiar with the customary pay campaigns which the postal organizations have been forced to conduct, on the average, every 2 years. These campaigns have placed an unconscionable burden on the organizations conducting them and their results have been on a hit-or-miss basis. There was nothing scientific about them; nothing orderly.

These campaigns, by their very nature, had to be conducted in the full glare of national publicity. Some uninformed people were even inclined—quite unfairly—to resent these biennial efforts of postal employees to get a pay raise. What they did not realize, of course, was that in most private industry, workers are guaranteed periodic pay raises through their union contracts with management, and these raises are achieved quietly and matter of factly. The postal employees, in staging their campaign, were only trying to keep abreast of the economic parade. They were only seeking simple justice.

Mr. Speaker, I do not think anyone will disagree that this was a most unfair and unsatisfactory situation. Our postal and Federal employees deserve a great deal more than that. They should not be forced into exhibitionism whenever they seek a living wage. They should not be forced to beg and plead and fight to get their just deserts. They should not be forced to spend their money and their efforts to achieve economic justice.

Public Law 87-793 was designed to put an end to all that. In approving that legislation, the Congress contracted a sacred obligation to put postal and Federal pay on a scientific, orderly, and dignified basis.

You will remember, Mr. Speaker, that when we passed Public Law 87-793, it was the sense of the Congress that comparability pay raises for postal and Federal employees would be practically automatic whenever the President of the United States—acting on information supplied by the Bureau of Labor Statistics—recommended such raises.

The late President Kennedy made such a recommendation last April 29. We have been very slow—too slow—in living up to the obligations we contracted when we passed the law in 1962.

Public Law 87-793 had one flaw in it, which is corrected in the present pay bill, H.R. 8986, which the gentleman from Louisiana [Mr. MORRISON] has introduced. The law, as it was enacted, provided for a built-in timelag which would give postal and Federal employees comparability, not with the wages in private industry today, but with what they were 2 to 3 years ago. The Bureau of Labor Statistics based its recommendations on data collected in late 1961 and early 1962. The President made his recommendation to the Congress in April 1963, with the proviso that the proposed pay raises would become effective on January 1, 1964.

But, as Jerome J. Keating, the president of the National Association of Letter Carriers, in his testimony before our committee last year, so ably pointed out—workers in private industry had, on an average, received two to three pay raises in the interim. So, the President's proposal would leave postal and Federal employees two or three pay raises behind their civilian counterparts.

The Morrison bill—H.R. 8986—will give these Government workers a wage scale—at long last—roughly comparable with wage scales in the private sector.

The Committee on Post Office and Civil Service, of which I have the privilege to be a member, has approved this pay bill. We now, earnestly, await action from the Committee on Rules so that the entire House can take action on this legislation. We also eagerly await action and approval from the other body.

When the Congress approved the 1962 Pay Reform Act, only 21 Members of this House voted against it. In the other body, only six Members voted in the negative. Every person who voted affirmatively on this legislation contracted, as I have said, a debt of honor payable to the postal and Federal employees of the United States. We have been careless in recognizing this debt; we have been dilatory in paying it. Now the time has come for us to act. The integrity of the Congress is at stake and it is our duty to preserve that integrity among those who deserve so well of us.

I sincerely hope, Mr. Speaker, that H.R. 8986 can be brought to the floor for debate and vote as soon as possible. Every day we wait, the dream of comparability recedes. We must make that dream a reality.

RESEARCH AND DEVELOPMENT SHOULD NOT BECOME PORK BARREL

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, increasingly vast amounts of Federal money being spent for research and development presents the possible danger that these funds will be spent in a pork barrel manner.

In a thoughtful column, Ian Menzies, in the Boston Globe, February 19, 1964, cites a deplorable example of congressional pressure lobbying for a $150 million accelerator near Madison, Wis., and suggests that we "should press for a more foolproof system of grant-facility determinations."

I commend this article to my colleagues' attention:

BITTER LOBBYING GROWS: SCIENCE FUNDS PORK BARREL?

(By Ian Menzies)

Is there a danger that money appropriated for science and technology can become pork barrel pickings?

(Webster's definition of "pork barrel": Federal money appropriated more for local patronage than to make needed improvements.)

This question was put before the late President Kennedy's science adviser, Dr. Jerome B. Wiesner, of MIT the other night when he spoke at the Cambridge School of Weston.

Dr. Wiesner's immediate reaction was "No," but then he showed a desire to go on record on what is known as the MURA affair.

MURA stands for the 15-institution Midwestern Universities Research Association.

This group has been seeking approval and financing for a $150 million, 12.5 Bev (billion electron volt) accelerator (atom smasher) near Madison, Wis.

Quite sensibly and honorably the university people and the congressional delegations formed an axis to do all that they could to bring the accelerator to Madison.

Incidentally, New England is only beginning to realize that this type of teamwork has existed in almost every region of the Nation outside of New England for many years.

The sad part of the MURA-Madison story is that when the lobbying seemed to be having little effect, Senator William E. Proxmire, Democrat, of Wisconsin, according to Dr. Wiesner, discarded the usually veiled language of disappointment and sent a letter to Wiesner.

The letter reminded Wiesner that he, Senator Proxmire, had recently become a member of the Senate Appropriations Committee, probably the most powerful committee in Congress along with Rules, and Ways and Means.

The letter continued: "The failure to approve an accelerator for the Midwest would seriously compromise the prospects for approving a $250 million accelerator on the east or west coasts a few years from now.

"I say this not with any notion that there might be some kind of political reprisal. I say this from the standpoint of realism."

Doubtless this letter was meant to acquaint Dr. Wiesner with the facts of life. Dr. Wiesner's comment at the Cambridge School last Saturday was simply that the letter, which was made public, hurt Senator Proxmire more than Dr. Wiesner, a comment with which few would disagree.

One fact of life should be recognized and that is that lobbying in the Nation's Capital exists; in fact, is almost necessary, but that it is almost always decorous.

The test is to fight honorably and lose honorably and rumor to the contrary most Congressmen are prepared to lose honorably—recent examples, civil rights, the tax bill.

However, it is becoming quite clear that the honeypot of big money in the area of science and technology, currently $15 billion annually, is having an undesirable effect.

It is in fact even threatening to compromise the ethics of some universities because they, too, are scrambling—for a $1.2 billion slice.

It seems clear that some improvement in the method of disbursing these large sums is required.

At the present time there are signs that the scramble to secure grants or facilities is degenerating into a regional cat and dog fight (witness the controversy over the $56 million NASA electronics center).

In this matter New England is on the hot seat. We receive a relatively high proportion of Federal money and our universities are considered favored beyond justification. If, as we believe, we fully deserve such recognition then we, more than any other region, should press for a more foolproof system of grant-facility determinations.

ECONOMIC CONVERSION

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. Morse] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MORSE. Mr. Speaker, on January 20 of this year, I introduced legislation calling for the creation of a National Economic Conversion Commission to study the increasingly urgent problem of planning for the economic dislocations caused by shifts in the volume and allocation of our military expenditures. Our information at this stage is inadequate. As I pointed out in January:

> The paucity of literature in this field and the repetitive nature of much that has been written attests to the low priority we have assigned to this problem.

One of the freshest and most imaginative approaches to the conversion problem has been prepared by Seymour Melman, a professor in the department of industrial and management engineering at Columbia University. Professor Melman, has for the past 3 years, taught the only course on the "Economics of Industrial Conversion" of which I am aware.

One need not concur in all of Professor Melman's conclusions in these notes, nor agree with all of his observations to appreciate that he is coming to grips with the problem directly.

I personally do not believe that we will see the end of high rates of military spending for many years to come. Nevertheless, our military needs and priorities are constantly changing; a slight change in the contracting emphasis in the defense budget could throw thousands of people out of work. We cannot wait to meet these contingencies when they arise; we must plan for them now.

Professor Melman has suggested a number of approaches to this area and I commend his analysis to my colleagues and include it following my remarks in the Congressional Record:

NOTES ON ELEMENTS OF THE INDUSTRIAL CONVERSION PROBLEM

(By Seymour Melman)

1. CONVERSION, NOT RECONVERSION

The conversion problem from military to civilian work is fundamentally different now from the problem that existed after the Second World War. At that time, the issue was reconversion: the firms could go back to doing the same work they had been involved in before the war. They could literally draw the old sets of blueprints and tools from the shelf and go to work on the old products. At the present time, the bulk of military production is concentrated in industries, firms, and plants that have been specialized for this work and rarely have a prior history of civilian work. Therefore, the problem is one of conversion—redesigning the total operation of enterprises and parts of enterprises. Some firms are totally specialized in military work, or almost 100 percent specialized. These include firms like General Dynamics, Martin Aircraft, and other principal missile and military electronics manufacturers. Where military production is carried on in divisions of large multiproduct firms—also in civilian production—military divisions tend to become specially organized, and separated off from civilian activities.

2. FEASIBILITY OF CONVERSION

Feasibility of industrial conversion to civilian work has been studied in a number of industries. In the airframe industry, for example, a vigorous program of civilian product development by the private managements could be carried out and, calculating private markets, the resulting industry could employ about half of the number of employees recently engaged in these factories. The civilian products would include commercial aircraft, private and business aircraft, space products, rapid transit, industrially produced homes, and sections of commercial buildings, electric power vehicles, hydrofoil boats, and ground effect machines. While this proportion of employable employees might be increased as a result of large markets generated by Government and other new private investment, it remains that some considerable proportion of airframe industry employees would have to be located elsewhere.

3. ASPECTS OF MARKETS: CONSUMER AND GOVERNMENT

The market demand for consumer goods, soft and hard, is now almost saturated, as contrasted with the condition existing following World War II. The main opportunity for large expansion in civilian product markets within the United States lies now in the enlargement of consumer purchasing power among the 20 percent of the American population that live in poverty.

The case of the electronics industry is also vital in this respect. The industry now manufactures about two-thirds of its products for military use. A set of alternative products could conceivably be produced, but these have the important feature of involving major dependence on new markets for civilian goods: Government as a market.

The new goods to be produced by the electronics industry will include, for example: traffic control machines, electronic educational equipment and medical electronics. The purchasers of this equipment will mainly be governments, cities and towns, States, and the Federal Government. This requires creation of a Government market on the basis of capital budgeting plans by all sectors of government. The separation of capital spending plans from expense for current operations, by cities, counties, States, and the Federal Government, will create a calculable market to which firms can bid. A few electronics firms have found that the unknown size of the Government market at this time deters serious production planning for this market.

4. DETERRENT TO CONVERSION: SPECIALIZATION OF PEOPLE AND TECHNOLOGIES

A high degree of occupational specialization in the management, engineering, technical, and production work, or occupations, has come to characterize military production. This specialization involves special orientation to meeting the quality and technical requirements of military products. Cost minimization has been a minor consideration in military research, design, and production. The experience of several firms generates doubt as to the ability of many military-industrial managers to take advantage of opportunities for conversion of their firms.

Occupational conversion and retraining will be an issue for many occupations whose members will become substantially surplus with the diminution of military production—for whatever reason. In the near future, for example, it may be of great importance to engineers and other persons with science and technical degrees to consider converting to the teaching occupation. Retraining will be essential for managers, marketing men, engineers, and skilled workers—they will all have to unlearn the habits of work for the Pentagon and learn the standards of civilian design, managing, producing, and selling.

Production facilities have also become highly specialized. The extreme case is to be found in certain factories; for example, in poison gas factories, where equipment could not be even dismantled, for risk of lethal effects from the materials in the chemical processing system. A lesser example of degree of specialization is to be found in classes of metalworking machinery. These include, for instance, the lathes designed and built to handle unusually wide diameter work pieces. While there are some requirements in civilian work for a few of these machines, the decline of missile production would surely result in a glut on the market in this class of equipment.

Industrial organizations have themselves become highly specialized with the result of substantial inflexibility. A good example is seen in the case of one major defense contractor, which, a year ago, was definitely told that its principal product would be curtailed. During this last year the company's management has not been able to make a competent adjustment to other classes of work. The result is that about two-thirds of all employees will probably be laid off during the next months.

The criteria of civilian work are so dramatically different from those of military work that initial retraining will be required for all levels of management, technicians, and workers. One of the crucial elements here is the role of cost factors. Cost must be given a dominant consideration for civilian products. The men in military work have generated a trained incapacity for minimizing cost, either in design or in production. Military aircraft, for example, have been built at cost such that the finished product is worth as much as, or more than, the weight of the product in gold.

5. INDUSTRIAL REORGANIZATION AS A REQUIREMENT FOR CONVERSION

A whole set of industries involved in the conversion problem are characterized by an already depressed condition. These are mainly machinery-producing industries. They include, for example, shipbuilding, machine tools, and many other machinery-producing industries in the American industrial system. This means that conversion, to be carried out in these industries, will require major restructuring of the whole operation of the industry, in order to permit the operation of viable firms.

In the shipbuilding industry, for example, the modernization of the industry will surely require new capital investment in modern production facilities, the introduction and training of production engineers and research and development teams, hitherto unknown on the commercial side of this industry. The method of standardization, large-scale subassembly, and stable operation of production systems, will have to be introduced in the shipbuilding industry in order to allow it to compete, for the first time in recent years, on the world market. Similar considerations will apply in each of the other principal machinery-producing industries of the United States.

6. UNIVERSITY RESEARCH AND DEVELOPMENT

The conversion of university facilities will present a special set of problems. At this writing, about 50 percent of the research and development funds received by universities are from the Department of Defense and from the Atomic Energy Commission. While some of these funds surely represent basic research grants, it nevertheless remains that universities have to make major readjustment to new sources of funds, even for basic research. In the cases of certain large, technological institutes, major readjustments will have to be made to enable the conversion or dismantling of large laboratories and institutes established primarily for carrying out military development work.

7. DECENTRALIZATION: ALTERNATIVE TO DETAILED FEDERAL ADMINISTRATION

The treatment of the conversion problem will involve an organizational issue of wide political-economic importance for American society: What shall be the scope and the limits of responsibility of Federal, State, and local government? This involves the issues: how can we have large organization with freedom? If one is sensitive to these problems, there is a pressure to develop methods of decentralized operation so that the Federal Government shall not assume responsibility for the operation of "Mrs. Murphy's boardinghouse."

The communities at military bases and communities almost wholly involved in military production, present a special set of conversion problems. This will in some cases involve the closing of communities, and elsewhere, major conversion to other types of activity.

In the judgment of this writer, it is of the greatest importance that the planning on the community level be carried out in a highly decentralized way, else the Federal Government will be involved in an unworkable problem of centralized administration over the myriad details of life in thousands of communities.

8. LEADTIME

There is a problem of leadtime which cuts through all aspects of the conversion problem. Leadtime is the timespan between a decision to do some work and the actual beginning of the work. This is the planning time. In industrial factories of size, the leadtime requirement extends to at least 1 year for preparation of a blueprint for conversion when the product is already well defined.

9. REQUIREMENTS OF FEDERAL ACTION TO FACILITATE CONVERSION

The characteristics of the conversion problem outlined above suggest the following desirable elements in any Federal legislation on these matters:

(a) The managements of military-industrial establishments should be required to initiate blueprinting for conversion to civilian economy. This effort—a difficult one for many firms because of the occupational specialization that has developed over the years—will disclose the feasibility and the limits of local industrial capability.

(b) The Governors of States should be encouraged to initiate and facilitate regional and local planning for conversion. This would create competence and responsibility in each locality. Each military-dependent community would be encouraged to plan its own future. Again, this pattern will disclose the limits of local capability and the sort of Federal backstopping that may be required.

(c) An agenda of possible major capital outlays, private and public, should be prepared by a Federal body. This estimate would specify areas of possible new capital outlay—e.g., schools, housing, medical, water supply, etc. For each of these investment areas the estimate should give the employment and the income that would be generated per million dollars of investment. With this shopping list the basis would be laid for informed discussion of alternative areas for new capital investment.

(d) Federal action to prepare the way for industrial conversion should also include an effort to encourage cooperation among the diverse economic and community groups that have a major stake in conversion from military to civilian economy. Accordingly, consideration should be given to convening a national conference on industrial growth and conversion.

In the judgment of this writer, such actions toward establishing capability for industrial conversion are needed even while further formal studies may be carried out on the industrial, regional, and other problems that are involved. This is owing to the concentrated impact, in industries and regions, of military-industrial cutbacks already underway.

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(NOTE.—These reports are available in manuscript form at Columbia University. Photocopies may be ordered at 10 cents per page plus $1 for handling. Prepaid check to Columbia University. Order from: Librarian, Egleston Library, Mudd Building, Columbia University, New York, N.Y. 10027.)

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THE DARKNESS OF THE CLOAK

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MORSE. Mr. Speaker, the recent disturbing trends in our foreign relations throughout the world point up once again the need for adequate intelligence and the responsibility of the Congress to make the intelligence establishment responsive to our best national interests.

Our distinguished colleague from New York [Mr. LINDSAY] discusses this problem in the current March issue of Esquire magazine. His is a thoughtful, moderate approach to an issue which has too long been beclouded by emotional tirades and irresponsible finger pointing.

I have joined with Congressman LINDSAY in sponsoring legislation to create a Joint Committee on Foreign Information and Intelligence and I believe that the Esquire article outlines the reasons for its enactment effectively.

Under permission granted, I include the article following my remarks in the body of the RECORD.

AN INQUIRY INTO THE DARKNESS OF THE CLOAK, THE SHARPNESS OF THE DAGGER

(By Mr. Lindsay)

Two major reversals in our foreign policy within the last 3 years have shaken the poise of the Intelligence branch of the U.S. Government to its underpinnings: the abortive adventure at the Bay of Pigs, and the blinding miasma of U.S. policy that arose in South Vietnam during the Diem era.

The immediate dangers past, commentators have sought to unravel the confusing web of influences in both situations. The full truth is not yet known, and may never be. Nonetheless, it seems indisputable that in both cases the three principal instruments of U.S. foreign policy—the State Department, the military, and the Central Intelligence Agency—were at crucial times pulling in separate directions.

The criticism most frequently heard is that the CIA was meddling in policy, undertaking functions that were not its proper responsibility. The charge has been made that the CIA was combining Intelligence gathering with active "operations," a course which carries the risk that Intelligence may be used to support prior operational decisions. It has been alleged over and over that in Vietnam, as in the Bay of Pigs, the CIA, with or without direction from higher authority, became enmeshed in its own intrigues. In the Bay of Pigs, the CIA was found supporting a collection of Batista refugees, apparently without clear direction from the State Department. In Vietnam, it became clear that the CIA was closely alined with and subsidizing the Special Forces run by the late Ngo Dinh Nhu, an elite military force that raided the Buddhist pagodas. Responsible representatives of the press have reported strong disagreements between the State Department and the CIA with regard to policy in Vietnam, and these reports must stand even beside the exaggerations of less-responsible press accounts. The evidence was overwhelming that U.S. policy was confused and that the divisions within agencies were being hung on the public wash line. When later our Government's support swung to the insurgents who ousted Diem, this very possibly meant an about-face on the part of the CIA. The extent of our involvement even then is unknown, but that we were involved must seem quite possible.

Almost every qualified outsider who has examined the history of the Bay of Pigs blunder has concluded that it was founded on a haphazard jumble of foreign policy, Intelligence gathering, and military operations. The CIA appears to have organized and conducted the attempt and also to have gathered the Intelligence data on which the prospects for the attempt were judged. Not only was CIA shaping policy—perhaps understandable because of the absence of direction from policymaking organs of the Government—but that policy was patently at odds with State Department thinking. Without fully rehearsing the baleful events that preceded the Bay of Pigs, it is perfectly clear, to understate the matter, that the President was badly served by the agencies involved.

These premises, like all of my remarks in this article, arise only from material and information available to the public. In respect to such material and information I am in the same position as other representatives of the people in Congress, with very few exceptions. All the more reason for such a representative to speak out.

To state the danger posed by the intermingling of intelligence gathering and operations is not to say it is unrecognized by responsible officials. Able men throughout the intelligence community are well aware of and deeply concerned by dangers arising from the absence of clear distinction between intelligence gathering and operations. The trouble may often start, as Allen Dulles, the distinguished former head of the CIA recently said, from lack of clear-cut operational policy in Washington. When a policy vacuum occurs, men in the field are almost involuntarily propelled into operational activities which are not their proper responsibility. Sherman Kent, the head of the Board of National Estimates—one of the most influential elements of the intelligence community—makes the point this way: "Almost any man or group of men confronted with the duty of getting something planned or getting something done will sooner or later hit upon what they consider a single most desirable course of action. Usually it is sooner; sometimes, under duress, it is a snap judgment off the top of the head. I cannot escape the belief that under the circumstances outlined, intelligence will find itself right in the middle of policy, and that upon occasions it will be the unabashed apologist for a given policy rather than its impartial and objective analyst."

The failures of CIA covert operations are well known. Less well known, and of equally sobering magnitude, are the successes. The CIA, for example, played a key part in the ousting of the Mossadegh regime in Iran in 1953, paving the way for eventual reform of the pro-Western government of the Shah. Both British and American vital interests had been threatened by the capricious Mossadegh policies, the major threat being to Britain's necessary supply of oil. The successful coup which unseated Mossadegh was of great benefit to the United States and the West.

The following year the virulently anti-American Arbenz regime in Guatemala was overthrown. The CIA was widely believed to have engineered the coup. But for the success of that coup, Soviet-directed communism in Latin America would presumably be far more deeply entrenched than it is today.

Each of these episodes demonstrates, for good or ill, the explosive nature of the CIA's operational involvement in international politics. It is not at all improbable that it will be similarly involved in the future. The cold war will be with us for a very long time; so will the CIA. Accordingly, our democratic government, unused to secrecy, has within it an immensely powerful and extremely expensive secret organization, for the past few years housed in a very large permanent building on the banks of the Potomac. That building represents the institutionalization of the CIA in the Government establishment. More exactly, it marks its positive elevation in status, always important in government. And yet there is no effective check on its activities now. And there was none in 1961.

Few can deny the actual and potential power of the CIA, however carefully it may be held in check by the skillful men who run it. Ours is supposed to be a government of laws, not of men. At stake are questions of war and peace, as the two Cuban crises so clearly demonstrated. All of us at that time took a look into the atomic pit. Decisions can be made at such times and actions taken about which the public is totally in the dark. So be it. As much as we may abhor government by secrecy, as much as it threatens fundamental liberties, we must understand its limited and necessary application in particular circumstances of hot or cold war. Nevertheless, crucial decisions are made for us and in our name of which we know nothing. And all too often secrecy which is necessary breeds secrecy which is unnecessary, at which point the danger becomes nothing less than a threat to democratic institutions, a marginal one at the outset, but potentially a most serious one.

The Bay of Pigs fiasco occurred despite efforts by Secretary of State Christian Herter and CIA Director Allen Dulles to sort out the relations between their two agencies so that the making of foreign policy would be removed from the CIA, and the command of policy kept firmly in the hands of ambassadors in the field at all times. The Herter-Dulles agreement was reaffirmed by Secretary Rusk. More recently, following events in Vietnam during the Diem regime, the President found it necessary to reassert publicly his authority and that of the Secretary of State and the National Security Council over the intelligence community. Collaterally the Secretary of State sought to assure the primacy of ambassadors in the policy area overseas.

Particular persons and particular situations may seem to define problems of this sort. But it is also the case that, as long as both the State Department and the CIA are responsible for the collection of information, and—perhaps most important—as long as CIA continues to be responsible for special operations—the support of anti-Communist elements and the fomenting of opposition to hostile governments—the problem of integrating the Central Intelligence Agency into our general foreign policy apparatus will continue to grow in scope and potential danger.

For a time the Maxwell Taylor Committee, appointed by the President to inquire particularly into the Cuban question, appears to have considered the possibility of transferring the bulk of CIA's special operations to the Defense Department. But this solution would have had the obvious disadvantage of insuring that the uniformed military—and hence the authority and prestige of the U.S. Government—would be identified with any paramilitary operation as soon as it became a matter of public knowledge.

In any event, it seems that the Taylor Committee has left routine covert operations in the hands of the CIA, with control to be transferred to the Pentagon only if a particular project becomes so big as to warrant open military participation. Mr. Hanson Baldwin in the New York Times summed up the matter thus: "The general rule of thumb for the future is that CIA will not handle any primarily military operations, or ones of such size that they cannot be kept secret. However, each case will apparently be judged on its merits; there is no hard-and-fast formula that will put one operation under the CIA and another under the Pentagon."

Now surely this is an area in which neither hard-and-fast formulas nor organizational gimmicks can solve the major difficulties. Much depends on the particular situations. The people who are in the most favorable position to gather information are sometimes the best equipped to engage in clandestine political activities. But largely because the problem eludes organizational formulas, because it is a problem to which there is no simple solution, it must be recognized as such and held in check as much as possible. Problems unwatched and unattended tend to multiply.

CIA is served by only one politically responsible officer: the Director himself. All others are career officials. In comparison, the President keeps ultimate control in the Pentagon by his political power to appoint all the top civilian officers there. These officials are entrusted with clear political responsibility, for which there is no parallel in the CIA.

There are in fact questions repeatedly raised about the CIA. Is it wise, for example, to rely to the extent the CIA seems to on the services of retired military officers? One would suppose that retired service officers, though almost always men of great ability, would have an instinctive tendency to take a rather narrow, strictly operational and efficient view of the problems confronting them. I hope I will not be misunderstood. CIA officials are among the most distinguished in the entire Federal establishment. The leadership of the agency comprises men of great gifts and dedication—and I include the former military men in the agency. But recruitment of high-caliber men in large numbers is a problem in the Federal Government, especially in agencies whose work is international.

It is also fair to ask whether the CIA should rely heavily on the services of political refugees. It seems reasonable to suppose, for example, that an exile from his homeland, especially one who has passionate convictions about the course of events there, may not be the best person to assess these events. Again, I hope that I will not be misunderstood. I do not mean to impugn in the slightest the enormous amount of valuable work done by exiles and refugees in the CIA. Without their help, as in the case of the ex-military men, the organization simply could not function as it should. Neither do I mean to suggest that CIA should be staffed with "soft-liners" or people who have had no personal experience with the countries in question. That would be absurd. But I do think that by every recommendation of commonsense we must be certain of the objectivity and breadth of our intelligence.

This raises the question of the structure of the intelligence community and of intelligence evaluation—the question of how best to organize the interpreting of the enormous amount of material collected daily by all agencies of the intelligence community.

The phrase "intelligence community" embraces the numerous agencies within the executive branch which are concerned with intelligence collection and evaluation: The CIA, the Defense Intelligence Agency, the State Department's Bureau of Intelligence and Research, the intelligence branches of the armed services, the National Security Agency, the Atomic Energy Commission, and others. The daily chore of coordinating and cross-checking daily intelligence data is largely in the hands of the Defense Intelligence Agency. The long-range estimates are prepared under the direction of the Board of National Estimates, which presides as a kind of general planning staff for the intelligence community. Estimates prepared by this group are submitted to a committee known as the U.S. Intelligence Board. If the Board of Estimates is the planning board for the community, the Intelligence Board is its board of directors. It is the final forum for the professional intelligence community; its judgments go to the National Security Council.

Two aspects of this system in particular are worth noting. The first is the preeminence of the Central Intelligence Agency. A high proportion of the intelligence community's fact gathering is done by CIA. The Board of National Estimates functions as a part of CIA. The chairman of the U.S. Intelligence Board is the Director of the CIA. And the intelligence community's spokesman on the National Security Council itself is that same CIA Director.

The second aspect worth noting is the duality of CIA's role. Under the National Security Act, this agency is not only one participant in the intelligence community; it is also the chief agency responsible for coordinating it. In other words, at many points in the process of evaluation, CIA is both player and umpire, both witness and judge. This ambiguity is implicit in the title of the Director, who is formally not the "Director of the Central Intelligence Agency," but simply "Director of Central Intelligence."

The problem this raises is clear. It is that the Central Intelligence Agency, being not merely central but dominant in the intelligence community, is in an extraordinary position, so long as it is left unchecked to carry its special institutional tendencies into the shaping of American foreign policy.

I believe that these difficulties of unchecked power in the intelligence community can be alleviated only by the Congress, which has the constitutional responsibility to oversee the functions of the executive branch on behalf of the American people. Therefore, I propose the establishment in the Congress of a Joint Committee on Foreign Information and Intelligence. I propose that such a committee be constituted along the lines of the Joint Committee on Atomic Energy and that it have its own funds and staff. It should continuously inquire into our foreign information and intelligence programs, including: (1) the relations between the Central Intelligence Agency and the State Department, especially overseas; (2) the relations between intelligence gathering on the one hand and so-called special operations on the other; (3) the selection and training of intelligence personnel; and (4) the whole question of intelligence evaluation.

The proposal of a Joint Committee on Foreign Intelligence is not new. In one form or another it has been introduced into the House in each of the last 10 sessions, though it has not been debated on the floor. In the Senate, a bill to establish a joint committee, sponsored by Senator MANSFIELD in 1956, was debated for 2 days on the floor of the Senate and defeated.

Nor is the proposal partisan. At time of writing, there are 14 Democratic and 5 Republican sponsors in the House. In 1959 resolutions were sponsored in the House by 12 Democrats and 5 Republicans. In the Senate in 1956, Members on both sides of the aisle voted for Senator MANSFIELD's resolution—including the then junior Senator from Massachusetts, the late President Kennedy.

It is most often argued against the establishment of a "watchdog" committee that the secrecy of our intelligence system would be endangered. The argument does not stand up. No one denies that the CIA and the other intelligence agencies must conduct a very high proportion of their work in secret; secrecy is of the essence in their work. But what is true of the intelligence community is also true in many other areas of Government—in the fields of atomic energy, weapons development, and, in some respects, foreign policy. But does this mean that Congress is to have no effective authority in those areas? Of course it does not, for Congress has such authority. It has always asserted its right, indeed its constitutional duty, to oversee even the most sensitive areas of Government. And where matters of the highest secrecy have been involved, Members of both Houses have shown themselves capable of exercising the utmost restraint. This was never more clearly demonstrated than during the Manhattan project in World War II, when Members of the two appropriations committees were kept apprised of work on the atomic bomb without breaking security. The record of the Joint Committee on Atomic Energy in this connection has been impeccable.

Moreover, the CIA is even now monitored, in theory, by four small subcommittees of the

Committees on Armed Services and Appropriations of the Senate and House. Not even the most experienced and security-conscious officials in the intelligence community would deny these subcommittees—had they time to apply for it—access to the pertinent information that might enable them conscientiously to provide the vast sums of money that are requested year after year. But apparently the notion exists that if the whole matter is kept on the lowest possible level of congressional concern, secrecy will receive a higher degree of respect. There is no logic in the notion. I should think just the opposite would be true.

I find myself in even less sympathy with another argument advanced frequently in discussions of this question; namely, that the intelligence community exists solely to serve the President and the National Security Council, and that therefore we in the Congress have no right to exercise jurisdiction in the matter. But clearly the executive and legislative branches of our Government are not watertight compartments separated by steel bulkheads; the material between them is flexible and porous. There are any number of congressional committees which keep a watch over the executive agencies. And, as I have already said, it is not only their right to do so; it is their duty under the Constitution.

These arguments concerning secrecy and the exclusively executive nature of the intelligence function are, though unpersuasive, at least consistent. But strangely enough, those who oppose the idea of a joint committee insist as well that congressional surveillance is already more than adequate. This contention was made by Allen Dulles in his recent book and by President Kennedy, in answer to a question at his October 9 press conference.

What, in fact, is the present extent of congressional surveillance over intelligence activities? As mentioned, in both the House and Senate the bodies responsible for overseeing the intelligence community are subcommittees of the Appropriations and Armed Services Committees. Neither the House Foreign Affairs Committee nor the Senate Foreign Relations Committee has jurisdiction in this area despite their obvious interest in intelligence matters. This might not matter were it not that the surveillance exercised by the four existing subcommittees is both cursory and sporadic.

At the time I introduced the resolution proposing the joint committee and spoke on the floor of the House in favor of it, Congressman WALTER NORBLAD, of Oregon, the second-ranking minority member of the House Committee on Armed Services, had this to say:

"Mr. Speaker, I want to associate myself with the gentleman's remarks. I think we should have had a joint committee to monitor the CIA when it was first established. I have had a little experience in the matter as a member of the Committee on Armed Services. As you may know, we have a subcommittee on the CIA. I was a member of that committee for 4 years. We met annually—one time a year, for a period of 2 hours in which we accomplished virtually nothing. I think a proposal such as Mr. LINDSAY has made is the answer to it because a part-time subcommittee of the Armed Services Committee, as I say, which meets for just 2 hours, 1 day a year, accomplishes nothing whatsoever. I want to compliment the gentleman on his proposal."

The reasons for the lack of adequate check and examination are almost self-evident: The members of the four subcommittees themselves, by definition, have relatively low status. But even had those subcommittees both status and time, the difficulties involved in dividing jurisdiction among the four would, I think, be insuperable.

It should be clear from what I have said that the bipartisan proponents of a Joint Committee on Foreign Information and Intelligence are fully aware that a high degree of secrecy is essential to the workings of the intelligence community. Neither I nor any legislator wishes to see the legitimate secrets of the intelligence community reported in the press and on the air. Indeed, this seems far more likely to occur under present conditions because the press, sometimes called "the fourth branch of the Government," may turn out to be the only effective check on intelligence activities—and that check could be dangerous as well as disruptive. But danger and disruption are certain if public confidence in the intelligence establishment erodes. It is less likely if a body of the people's representatives, properly constituted and carefully chosen by the leadership of the two Houses of Congress, remains continuously aware of the activities of the intelligence community. The performance of this function is nothing less than their duty to the American people, whose lives and liberties are profoundly involved in the intelligence activities of our Government.

Finally, I would observe that such a joint congressional committee would perform a useful, perhaps an indispensable, service for the intelligence community itself. There has been a tendency to assign the burden of blame to the CIA when some foreign undertakings have gone bad or failed altogether. Whether the blame has been justified—as in some cases it may have been—or whether unjustified, the liability to blame is apparent, and the CIA, unlike other less inhibited agencies, can do little to defend itself. A joint committee could do much to maintain the record fairly.

As the central Government grows in size and power, and as the Congress, like parliaments everywhere, tends to diminish in impo tance, the need for countervailing checks and balances becomes all the more important. The shaping and implementation by secret processes of some part of foreign policy is an extremely serious matter in a free society. It cannot be shrugged off or stamped as an inescapable necessity because of the dangers of the time and the threat from present enemies of democracy. To do so is to deny our history and to gamble dangerously with our future. There are internal as well as external dangers. Free political systems and individual liberties can be swiftly undermined. Confidence in the systems and liberties themselves can be lost even more swiftly. And when that happens to a free society, no foreign policy, however well conceived, will protect its highest interest, the continuation of the free system of government and the society on which it rests.

SOVIET ANTI-SEMITISM

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HALPERN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HALPERN. Mr. Speaker, I should like once again to draw the attention of the Congress to the subtle, yet monstrous, discrimination against the Jewish people in the Soviet Union.

We have renewed indications that despite repeated refutation of the charges, the Soviet Government is continuing to treat its citizens of the Jewish faith cruelly and with definite bias. These acts are to be deplored and protested, not only by all freedom-loving Americans, but officially by our Government through its diplomatic channels and through the United Nations.

Mr. Speaker, earlier this month a group of well-known Western scholars wrote to Mr. Khrushchev inquiring into the situation. They referred specifically to the current trial of 23 persons for so-called economic crimes. Eleven of these persons were known to be Jewish, including the alleged ringleader. Premier Khrushchev replied as follows:

> There has never been, and there is not now, a policy of anti-Semitism in the Soviet Union * * *. Our Constitution proclaims equality of the citizens of the U.S.S.R. irrespective of nationality or race.

This response is absurd and ridiculous. To the contrary, circumstances do not bear him out. The facts clearly point otherwise.

It is perfectly obvious that the Soviet Government has consistently exerted pressure in bearing down upon the maintenance and development of Jewish cultural and religious life. There have been efforts to seriously curtail publishing in Hebrew. The authorities, in the general antireligious campaign, have concentrated upon the closing of synagogues wherever feasible. Jews in Moscow were prohibited from arranging burials in Jewish cemeteries. These are but a few flagrant instances of a deliberate policy.

Last October, before the recent court case, the Government newspaper Izvestia demanded a public show trial of the defendants accused of bizarre economic crimes. The names of the Jewish accused were prominently displayed.

The show trial never developed because the Kremlin rulers did not want to reveal the names of Government officials who supposedly took bribes. All Western newsmen were barred from the trial.

Now Theodore Shabad reports in the New York Times of this morning, February 27, that nine death sentences have been pronounced by the court. It is evident from reports that the majority were Jews.

Despite all its disavowals, we cannot believe that Russia is making any sincere effort to halt the anti-Jewish prejudice. To the contrary, through cunning device the Soviet Union is perpetrating further outrages against the Jewish community.

Typically, the American Jewish Committee recently reported that a Soviet Government body had released a sinister book attacking the Jews. It is an insulting and cynical onslaught against the Jewish population. The Institute of Human Relations in New York obtained a copy.

I wish to applaud the remarks of the new president of this dedicated committee, Mr. Morris Abram, which he made as a U.S. delegate to the United Nations Subcommission on the Prevention of Discrimination and Protection of Minorities. Mr. Abram denounced the book as a "hodgepodge of misinformation, distortion, malicious gossip and insulting references to Jews and Judaism."

The book, written by a Soviet professor of philosophy, is a product of the

Ukrainian Academy of Sciences. We know that almost all literature in the Soviet Union, certainly work of this nature, is censored and published only with the approval of the regime.

We cannot believe that such a discriminatory piece could be printed without the consent of the authorities. The Soviet Government is cloaking its anti-Jewish policy by allowing academic groups to apply the pressure in its stead.

The Kremlin does not want the West to believe that it is anti-Jewish. So the rulers subtly permit so-called private organizations and groups to promote discrimination so they will not be labeled with the ugly fact.

Throughout Russia's long history, treatment of the Jewish minority has varied between outright oppression and behind-the-scenes discrimination. The majority of rulers, including Stalin, believed that the Jewish nationality represented a separate and cohesive entity, a separateness which inherently constituted a threat to central government.

The situation is not radically different today. Dictatorship will always fear religious or racial identities within its area of rule. It will always seek to weaken ties of allegiance to anything excepting its own being.

Our Government must seek to secure equality of treatment for the Jewish people of Russia. We must seek to end the discrimination against them. We cannot succeed by remaining oblivious to the manifold evidence of ill-treatment which is accumulating. We should utilize all the diplomatic instrumentalities at our command, and work actively through the United Nations, to obtain a reversal of the ominous trends of Soviet anti-Semitism.

WITHDRAWAL OF JURISDICTION FROM FEDERAL COURTS IN LEGISLATIVE REDISTRICTING MATTERS

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. MEADER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MEADER. Mr. Speaker, I have today introduced a bill to provide that district courts of the United States shall not have jurisdiction to enjoin or modify the operation of State laws respecting legislative districts where comparable relief is available in State courts, and for other purposes.

Mr. Speaker, my interest in this matter was first aroused by the decision in *Baker* v. *Carr*, March 26, 1962, 362, U.S. 355. I commented on this decision in the CONGRESSIONAL RECORD, volume 108, part 10, pages 13745 to 13754.

I agree with Justice Frankfurter's decision in the Baker against Carr case that the Court has made a grave error in entering the field of legislative redistricting and my bill is designed to withdraw Federal court jurisdiction and the appellate jurisdiction of the Supreme Court in matters of this kind.

The chairman of the Judiciary Committee has announced that Subcommittee No. 5 of the Judiciary Committee will commence hearings March 18, 1964, on his bill to establish criteria or guidelines governing congressional districts. I believe it would be appropriate in those same hearings to consider the propriety of Federal courts entertaining suits commenced by citizens, the effect of which is to place the courts in a position of supremacy over a coequal branch of the Government, and to have judicial determination of a matter most vital to the independence of the legislative branch, namely its composition.

I hope this legislation will receive serious consideration by the House Judiciary Committee.

The text of the bill is as follows:

H.R. 10181

A bill to provide that district courts of the United States shall not have jurisdiction to enjoin or modify the operation of State laws respecting legislative districts where comparable relief is available in State courts, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 85 of title 28 of the United States Code is amended by adding at the end thereof of the following new section:

"§ 1361. Legislative districts

"A district court shall not have jurisdiction of any civil action—

"(1) to enjoin, suspend, or modify the operation of any State law respecting the boundaries of, or the number of persons to be elected from, any district to be represented in the legislature of such State or in the Congress of the United States; or

"(2) for damages arising out of the operation of any such State law;

if an action for comparable relief would be within the jurisdiction of, and justiciable in, a court of such State."

(b) The table of sections at the beginning of chapter 85 of title 28 of the United States Code is amended by adding at the end thereof the following:

"1361. Legislative districts."

SEC. 2. (a) Chapter 81 of title 28 of the United States Code is amended by adding at the end thereof the following new section:

"§ 1259. Exception to appellate jurisdiction in cases involving legislative districts

"The Supreme Court of the United States shall not have appellate jurisdiction of any civil action of any type described in paragraph (1) or paragraph (2) of section 1361 of this title regardless of whether such action was originally brought in a State or Federal court."

(b) The table of sections at the beginning of chapter 81 of title 28 of the United States Code is amended by adding at the end thereof the following:

"1259. Exception to appellate jurisdiction in cases involving legislative districts."

ESTONIAN INDEPENDENCE DAY

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. LIPSCOMB] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LIPSCOMB. Mr. Speaker, the Estonians constitute perhaps the smallest distinct nationality group in all Europe. Certainly their country in northeastern Europe, on the Baltic Sea, is one of the smallest. But to these gallant and gifted people neither mere numbers, nor the size of their homeland, have been of little importance. Being dauntless and daring, they have always faced their far more powerful foes, invariably many times their numbers, with courage and firm determination, convinced that theirs has been a righteous cause. Even in defeat they have made themselves great and glorious. At times when it was impossible for them to maintain their national independence, even then they refused to bow their heads and bend their knees to their overlords and conquerors.

They maintained that worthy and honorable stand during the two centuries prior to 1918 when they were subjected to cruel treatment in the hands of czars' agents. They were fiercely persecuted for some of the beliefs they held and advocated, but they refused to be silenced and subdued. Thus steadfastly they clung to these ideals until the time came for their liberation. Toward the end of 1917, when the czarist regime of Russia was shattered, they had their chance, seized upon it and proclaimed their national independence on February 24, 1918.

Since then world-rocking events have brought on many revolutionary changes everywhere. But the change brought about in the first years of the last war ushered in a new tragedy in the history of many peoples, including that of the Estonian people. After enjoying the blessings of freedom and democracy for two decades during interwar years, Estonia was attacked by the Red army, occupied, and then annexed to the Soviet Union in mid-1940. Estonians have not known freedom since that fateful year. During the war they fondly hoped that their freedom would be restored at the end of that war, but that was not to be, for even before the end of that war Communists had Estonia under their heels, and they still hold its helpless people in their relentless hands.

Today the once independent and free Estonia is one large prison camp for its inhabitants. They are completely cut off from the free world, and hardly anyone from the West is allowed to enter the country. We know little of their actual existence, but that little is disheartening. Without any personal and political freedom, they lead a miserable life. We are, however, assured that they have not lost their hope for their deliverance from misery and servitude, from Communist totalitarian tyranny. On the 46th anniversary celebration of Estonian Independence Day we pray that soon they attain their goal, their national independence.

WHY FEED THOSE WHO SHUT OFF WATER AT GUANTANAMO?

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FINDLEY. Mr. Speaker, I have urgently requested that President Johnson embargo Cuba-bound lard shipments to Canada. It has come to my attention that U.S. traders in Montreal are now completing a deal to ship 20 million pounds of U.S. lard worth about $2 million to Castro via Canada. Lard shipments to Castro are permitted under present administrative rules, but the President could change the rules instantly with the stroke of a pen.

This transaction should be halted until all facts are known, and until its potentially adverse effect on our foreign policy can be fully explored. The United States is attempting to restore free world economic sanctions against Castro, an effort which was badly shattered by our feverish effort to deliver wheat to Russia.

A food sale of this magnitude to Castro might completely destroy our position of free world leadership.

These questions should be answered: Can we logically oppose British bus sales to Cuba, but permit U.S. lard sales? Is lard less strategic than a bus? Why is lard being shipped to Castro by way of Canada? Is it because U.S. longshoremen have already effectively shown their opposition to Russia-bound wheat and might block Cuba-bound lard?

I hope the President will act quickly, revise export regulations, and block this aid to Castro before it is too late.

To me, it is foolish and fantastic to help feed the same Communists who turned off the water at Guantanamo.

A FURTHER COMMENTARY ON OUR ECONOMIC STATISTICS

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CURTIS. Mr. Speaker, on October 15, 1963, I inserted in the CONGRESSIONAL RECORD a copy of an article on our economic statistics by Dr. Oskar Morgenstern of Princeton University. The article was critical of the methods of collection of our statistics and particularly urged that more attention be given to determining the margin of error in our economic statistics. Subsequently, I received a large number of comments from economists supporting the general observations in Dr. Morgenstern's article. These were inserted in the CONGRESSIONAL RECORD of November 27.

I have now received a thorough and scholarly commentary on Dr. Morgenstern's article prepared by Raymond T. Bowman, Assistant Director of the Bureau of the Budget. I highly recommend Dr. Bowman's letter to those who are interested in our statistical programs and what is being done and can be done to improve them. Under unanimous consent, I include his letter in the RECORD at this point.

I am certain that this will move the dialog on this important matter forward. I trust more comments will be forthcoming from other scholars and particularly from Dr. Morganstern. Hopefully the subcommittee on Economic Statistics of the Joint Economic Committee will hold hearings on the general subject matter in the near future:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., February 5, 1964.
Hon. THOMAS B. CURTIS,
House of Representatives,
Washington, D.C.

DEAR MR. CURTIS: I greatly appreciate your note to me requesting my comments on the article by Prof. Oskar Morgenstern which appeared in the October 1963 issue of Fortune magazine. I have delayed replying until I could give this important matter my personal attention.

As you know, I have for many years been particularly interested and concerned, both personally and in official capacities, with promoting and developing economic and social statistics better designed to aid analysis. I had been familiar with the first edition of Professor Morgenstern's book "On the Accuracy of Economic Observations," published in 1950, which presented much the same points of view he has recently elaborated. The Fortune article, as you know, was based on the second edition of this book, which was published in 1963.

Error in measurement, as well as conceptual problems in the economic and social sphere, have been and are receiving extensive and intensive attention throughout the Government's statistics program. I agree that much still remains to be done. It must also be recognized that this type of problem will never be completely solved. It is my hope that your comments in the CONGRESSIONAL RECORD, together with Professor Morgenstern's Fortune article, will be helpful in extending the efforts to improve Federal statistics by calling special attention to measurement problems.

It is also my hope that, while recognizing and emphasizing the need for attention to error, this emphasis will not lead to an uncritical discrediting of economic and social statistics. Simon Kuznets clearly recognized this danger in his review[1] of the 1950 edition of Morgenstern's book. I quote a passage from that review which is particularly pertinent:

"Because errors in the economic data are essentially complex historical phenomena, the fundamental difficulty is bound to remain. Methods of freeing data from their historical conditions are exceedingly limited; and reducing the difficulty by means of an empirically founded theory that would yield constants (like those in the natural sciences) is not likely in the face of rapidly changing historical reality. We must therefore, be prepared for a situation in which economic and social statistics will continue to be affected by large errors; and in which quantification of such errors will remain a difficult, and often impossible, job of laborious ad hoc detection.

"Nothing in these comments detracts from the force of Professor Morgenstern's emphasis on need for greater attention to the problem. But they should serve to indicate a dissent from Professor Morgenstern's tendency in his discussion to set up the natural sciences as a feasible ideal; to understate the institutionally changing elements in economic statistics; to dwell primarily upon errors in single items or series, thus overlooking the variety of practices used in dealing with the data, either in scientific research or in policy formulation. The reader might too easily conclude from Professor Morgenstern's discussion that the trouble lies largely in the lack of attention paid by economists and statisticians to the problem; and that increased attention would go far towards solving the problem, as it has been solved in the natural sciences. To such a conclusion the reviewer, and most likely also the author, would enter a strong objection."

Before commenting specifically on points raised by Professor Morgenstern let me begin with certain general observations. I have no disagreement with the basic concern which Morgenstern sets forth, that economic statistics should be used with a fuller understanding of their errors and their relevance. As to "Qui Numerare Incipit Errare Incipit" few would disagree but almost everyone would also agree, and I feel certain Morgenstern would be among them, that not to measure would be to err even more. Moreover, it must be clear to all users of our official statistics that we do not present them as though they were 100-percent correct.

It is axiomatic that measurement of social and economic phenomena (in fact measurement in all fields) is subject to error. The users of statistics should bear this in mind and the producers and publishers of statistics should present the limitations associated with the data. I know of virtually no social analyst who would not agree to these principles, recognizing, of course, that the significance of the error depends upon the particular analytical uses to which the statistics are put. Some current uses in aggregative mathematical models or for microanalysis require more refined and conceptually explicit economic and social measurements than were needed heretofore. In fact Professor Morgenstern's early interest was closely related with the problems of constructing and using input-output tables.

It is generally accepted that the errors in economic measurements, if known in some meaningful sense, should be stated. In recognition of this principle, particularly during the last two decades, major stress has been placed on probability sampling. When probability sampling is used, the sampling error can be determined and published in explicit terms. Furthermore, it is generally possible, within limits of available resources, to tailor the sample size and design to meet predetermined levels of accuracy so far as sampling errors are concerned. In addition, sampling has other advantages since it facilitates the taking of more effective actions with respect to other types of error by concentrating efforts on a sample rather than the universe generally. This permits, without too severe a strain on financial and personal resources, better training of enumerators, more careful inspection and analysis of primary sources and more attention to conceptual problems.

Sampling error could receive this special attention for several reasons. First, remarkable advances in statistical theory had taken place which made possible precise meaning for such measures which are clearly useful for guiding analysis. In other words, we are able to isolate one kind of error, to estimate it, and to state its significance in probability terms. Second, sampling error as measured in statistical surveys includes those components of observational error that are ordinarily reported in the physical sciences so that parallel efforts across the fields of science are thus possible. Other types of error, on the other hand, such as bias of the observer, bias of the measuring instrument, bias of the thing being observed, while increasingly dealt with in the social sciences cannot be handled with the same facility as in the physical sciences because experimental controls are not generally feasible. Under experimental controls bias errors can often be eliminated or standard error coefficients developed in relationship to such conditions as changes in temperature, acceleration, etc. In the social sciences much of our observation is historic and generally cannot be repeated or reversed under experimentally controlled conditions. While we are beginning to measure and reduce response variability, we must still face the fact that it may be customary to misrepresent one's age, one's income, or one's occupation at one time but not at another; to give one answer to the census taker and another to the doctor; or that a firm may not respond the same way to a regulatory agency as to the Census Bureau under provisions of confidentiality. Professor Morgenstern is certainly aware of these features of economic observations.

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[1] Journal of the American Statistical Association, vol. 45, No. 252, December 1950, p. 578–579.

In the social sciences, for the reasons mentioned, errors due to misunderstanding, ignorance, falsehood, the lack of records based on standard procedures, the difficulty of developing and utilizing standard classifications, all these and many more, make it difficult and often impossible to define such error so as to measure it, particularly as a specific plus-minus magnitude with concise and useful meaning.

Nevertheless, even in the light of all the difficulties let me repeat what I said on another occasion: [2]

"The stress now being placed on sampling errors in official statistics is entirely appropriate. I am not so sure, however, that the people who use and interpret the data understand the sense in which sampling errors are useful as contrasted with other types of errors in the data. I believe, therefore, that we should give more attention to errors other than those of sampling. Errors arising from biases induced by falsehood or ignorance, or by the enumeration process, are important and real and warrant the research efforts of statisticians concerned with methodology to find ways to eliminate them."

Thus far, I have restricted my comments to error in measurement specifically. What was the wage bill? How large was gross national product? How many people are employed? But often the discussion of error takes on a broader context, sometimes, as with Morgenstern, without recognizing the broadening. For example, the United Nations, as you know, has developed a system of national accounts commonly referred to as SNA. The hope is that if the various countries use this system the results will be comparable. In my opinion, this development is an excellent one. Yet even if the figures for each country were precisely accurate in a strict measurement sense, certain types of comparisons might not be valid. First, even if two countries with similar economic, social, and political institutions and at the same level of economic development like the United Kingdom and the United States are to be compared, special difficulties other than the accuracy of their gross national product measures must be taken into account. In this instance economists agree that conversion of the money value figures to a common currency by the use of exchange rates is generally not appropriate. Because of the difference in price structures a precise comparison requires special adjustments for this purpose. But economists recognize that no completely precise comparison is possible because of what is commonly referred to as the index number problem. Briefly, one comparison can be made by valuing the British output in U.S. prices. But another one can be made by valuing the U.S. output in British prices. Generally these will not be the same. One interpretation of the correct answer, under United Kingdom and United States circumstances, is that it lies somewhere between the two answers.

It is obvious that the wider the institutional and economic development differences among the countries to be compared the more difficult it becomes to make precise valid comparisons and the more subject to qualifications such comparisons must be. A comparison of India and the United States, or of Kenya or Albania and the United States, cannot reasonably assume similar economic, social, and political institutions or levels of economic development. Therefore, even the basic measurable quantities are not comparable. One economy may produce and consume much of its output within households. Under these conditions the output is not valued in markets. If such output is actually discoverable, it is difficult to value in the same way as it would be valued in free markets. It may not even be quantified because it does not get recorded in any systematic way. The difficulties of different price structures are, of course, still present but are often insignificant relative to the other problems just mentioned.

It should be noted, however, that some of these difficulties, particularly the conversion problem, affect level comparisons among countries more than within countries. But comparisons over time in any one country are subject to similar difficulties. The longer the period the more likely it is that the things being compared are so different as to require special cautions—e.g., the horse and carriage age in the United States with the modern automobile age. Current value series must be adjusted by the use of a price index but price changes are inextricably interwoven with quality and quantity changes. With the rise of new commodities and the disappearance of old ones how can we develop a comprehensive measure of the prices of a constant content of commodities or services—(the price index problem) or of a varying content of commodities and services at constant prices (the production index problem)? But some comparisons must be made to gain any perspective whatsoever.

Because of these problems most analysts recognize that gross national product in real terms would go up more if adjustments for price changes took better account of quality changes. This would be true assuming historic quality improvements because price indexes would rise less or fall more if such quality changes were fully accounted for. If this type of problem is to be included in a discussion of error in economic and social statistics then it must have a special context. It cannot be dealt with by some plus-or-minus quantity.

Please forgive this long introduction to the more specific comments which follow. These issues, however, are important basic considerations in any evaluation of current-day economic statistics. Finding fault with the statistics we have so as to promote improvements is my mission in life. But it would be incorrect not to note that Federal statistics as currently produced are not only useful but indispensable for many policy and analytical purposes. Their basic accuracy, the care with which they are compiled and the cautions provided to users have undergone and are undergoing major improvements. That we can and should do even better to meet the analytical needs of tomorrow is equally true and any criticism that can be turned to this end is welcome.

Notwithstanding my basic agreement with Professor Morgenstern's desire to have a wider understanding of inaccuracies in economic observations, I wish to point out several aspects of his article which may not promote such understanding. Let me be specific about certain criticisms he makes of Federal statistics.

Criticisms of Federal economic statistics in Professor Morgenstern's article are focused chiefly on the statistics of national income and product. Among other data, the unemployment series also receive particular notice. It is in connection with these areas of statistics that most of the key issues of the article are raised and to which I wish to direct special attention.

There is no disagreement with Professor Morgenstern's view that virtually all of the problems of error in economic time series must be dealt with in national income and product estimates. These include errors in the collection of the primary data, in their tabulation and classification, in recordkeeping, in the concepts used in the national accounts, in estimation and in analysis—all these activities are inextricably part of the construction of the national accounts. How does Professor Morgenstern deal with the significance of these errors? He takes three approaches, as follows:

1. A reference to the Kuznets study of national income in order to indicate the size of uncertainties in national income estimation and the feasibility of quantifying the amount of error.[3]

2. A hypothetical tabulation, or "arithmetical exercise" as it is called in the article, to show the wide disparity in growth rates between two successive periods arising from assumed errors in data for each period.

3. A statement about the magnitude and frequency of revisions to further indicate the uncertainty in the accounts data.

In what follows, I point out that Morgenstern (1) misinterprets the Kuznets study; (2) seriously exaggerates the extent of error by highlighting the worst possible—often least likely—interpretation of error in time series; and (3) overstates the uncertainties arising from the magnitude and frequency of the revisions mentioned.

On the Kuznets study, which pertains to the Kuznets estimates and not the official data, the Fortune article implies that the values of errors assigned to various categories were average errors, when in fact they were maximum errors. Kuznets says:

"Our classification was based upon maximum errors, not minimum or average errors; i.e., we were concerned with how large the error could be. An error of 5 percent meant that this was the maximum error to which the estimate was likely to be subject. The minimum error is zero and the average error too indefinite to estimate." [4]

Professor Morgenstern suggests that the margins of error are either plus or minus. For example, the paragraph directly following the discussion of the Kuznets' study says:

"Assuming a gross national product of about $550 billion, a 5-percent error equals plus or minus $30 billion."

But Kuznets seriously questions whether errors, if quantified, can be considered as indicating a plus or minus. He says:

"As a matter of fact the maximum errors are in one direction for a majority of the estimates." [5]

Professor Morgenstern suggests that errors in the level of a series can also be applied directly to calculate errors in the measurement of change and that errors in change are likely to be far greater than the error in level. Kuznets makes clear that the estimates of maximum error in his study pertain to levels in a given period, not to changes. No quantitative estimate was made of error in changes over time. He does, however, suggest that the errors in change are probably not more and frequently less than the errors in level. Kuznets says:

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[2] Raymond T. Bowman, "The American Statistical Association and Federal Statistics," presidential address at the annual meeting of the American Statistical Association, Cleveland, Ohio, Sept. 5, 1963.

[3] Simon Kuznets, "National Income and Its Composition, 1919–1938," vol. 2, ch. 12, National Bureau of Economic Research, 1941.

[4] Ibid., p. 503.

[5] Ibid., p. 504.

"Since most estimates are derived by applying interpolation and extrapolation indexes to some basic, comprehensive value, there is a natural tendency for the error implicit in the basic quantities to persist through the period covered. This makes for a positive correlation of the signs of errors for adjacent time units when the error margins in the totals are at all substantial."[6]

In other words, if the errors in level retain their sign and approximate size, the effect on changes over time will be small. For example, the decennial censuses counted the population to be 151,326,000 in April 1950 and 179,323,000 in April 1960, an increase of approximately 28 million or about 19 percent. Special evaluation studies, however, estimated that each of these levels was below the true population by 2 to 2½ percent. Here we have an illustration in which the sign of the error in level remains positive and the change in the size of the error remains small. "Corrections" in level would therefore have only a small effect on the change.

Between censuses, with the previous census as a benchmark base, the Census Bureau estimates the population of the United States each month using data on births, deaths, and net immigration. It is interesting to note that the change in level from 1950 to 1960 estimated in this way differed by only 277,000 or 0.16 percent from the count made by the Decennial Census.

True enough, Kuznets does warn that the error in the change could sometimes be very sizable relative to the change shown. This is likely to occur when the change shown is a very small proportion of the level. In this case a small "correction" in the level can have a great effect on the "correction" of the change. For example, in the most recent revision of the payroll employment series to 1962 benchmarks, the revised estimate of level for the stone, clay, and glass group differed by 3.3 percent from the earlier estimate obtained by carrying the old benchmark forward on the basis of current sample reports. On the basis of new benchmark data employment in this industry was 554,000 in 1961 and 564,700 in 1962 indicating an increase of 10,700 or about 2 percent. Before the benchmark revisions the estimates had indicated an increase of 4,400 employees. It may be said that the more comprehensive data showed 140 percent more increase than the current reports. On either basis the rise was very small—2 percent on the revised basis and about 1 percent on the preliminary basis. Care must always be used in interpreting percentages figured on small bases.

For many purposes the error level just described is insignificant. Comparisons of this sort over short periods, as Morgenstern suggests, should be carefully appraised to see if the benchmark revisions have been frequent and are reliable.

Over longer periods of sizable change the nature of the estimating procedures and the character of basic estimates from which the change is derived would more likely produce a smaller error in the change than in the level. Yet the Fortune article implies that the errors in change are likely to be far greater than in level.

This implication is brought out in a table of hypothetical figures consisting of a 7 by 7 matrix formed by pairing the rows which show the assumed errors for the first period with the columns which show the assumed errors for the second period. The assumed errors in each period are zero, and plus and minus 1, 3, and 5 percent. The exercise is hypothetical but is intended, so it seems, to indicate possible orders of magnitude of errors in the GNP data. In introducing the hypothetical exercise, Professor Morgenstern says:

"We recall that the assumption of a plus or minus 5 percent accuracy of the nondeflated gross national product is conservative."

By means of this exercise Professor Morgenstern seeks to demonstrate that a reported change of 1.8 percent might just as well be +12.5 percent or −7.9 percent. As a consequence he states:

"This simple arithmetical exercise combined with the indisputable fact that our final gross national product or national income data cannot possibly be free of error raises the question whether the computation of growth rates has any value whatsoever."

Let me approach this quite positively. Take the following statement on growth from U.S. Income and Output (p. 2): "Thus, total real output has quadrupled over the last 50 years. This rise represents an average annual growth of about 3 percent—a rate which held approximately both in the 1909–29 period and in the subsequent 3-decade period." Is such a statement without any value whatsoever? I think not. Too much evidence of every description supports it. In the national accounts we have this evidence organized in ways that reduce the chance of significant error in any one segment. The indicated rate might have been a little more or less perhaps; but not much more or less. In fact even if the level estimate in 1909 had been 5 percent higher and the 1929 estimate 5 percent lower the calculated growth rate would have been about 0.5 percent lower. Over the 48-year period, the difference in growth rates would have been about 0.2 of a percentage point lower.

The table below, which is organized in a similar fashion to that of Professor Morgenstern, illustrates this point, using reported figures of $104.1 billion for 1909 and $407 billion for 1957:

Annual rate of growth in GNP, 1909–57, with assumed errors of ±5 percent

Year 1909 (reported figure, $104,100,000,000)	Year 1957 (reported figure, $407,000,000,000) — implied growth rates per year with arbitrarily assumed error of—		
	−5 percent	0	+5 percent
Arbitrarily assumed error of—			
−5 percent	2.9	3.0	3.1
0	2.8	2.9	3.0
+5 percent	2.7	2.8	2.9

The table illustrates that when a long time period is considered the effect of errors in the levels of the terminal years on the growth rate is small. Professor Morgenstern is apparently aware of this point in his book but failed to note its importance in the Fortune article. Nothing in this demonstration should be taken to mean that I agree with the propriety of assigning ±5 percent errors to the terminal years. The differences in growth rates shown in the table are, of course, sizable but they are very much smaller than the huge magnitudes highlighted by Professor Morgenstern.

Nevertheless, much of the criticism against the use or rather misuse of growth rates is deserved. Over a short period the selection of terminal years can determine the rate, and even if all intervening years in the short period are considered in calculating growth, the rate can be unduly affected by the level of a single year. More important perhaps is the need to recognize that there is little meaning to growth rates unless account is taken of the cycle. With proper care the term growth or trend if properly explained can be used for intercycle movements or even phases of cycles, but growth rates are more commonly calculated for periods that are long in relation to the length of a cycle.

Controversy over measurement of growth usually centers on the problems of measuring real product, that is, either physical quantities or value of output corrected for changes in prices. There is clearly a basis for a belief, as stated earlier, that a major source of error in our efforts to measure real product is our inability to measure adequately the output of new products and the changing quality of existing products. Our measures of growth then are understatements if qualities improve generally over time—and while errors may be in either direction in many periods, such random components of error are likely to be small compared to those errors (generally of understatement in the case of real product measures) which are in the same direction.

The Fortune article makes much of the uncertainties resulting from frequent revisions in the national income estimates. This subject has been discussed in greater detail elsewhere and only brief amplification seems desirable here.[7]

The principal revisions in the national income series appear in the July issue of the Survey of Current Business. The most recent 3 calendar years of data are usually subject to revision each July. The 3-year revision permits the incorporation of trailing benchmarks provided by the Internal Revenue Service "Statistics of Income" and other annual data. From time to time major revisions such as those in the 1954 supplement (National Income) and the 1958 supplement (U.S. Income and Output) are made over much longer periods in order to incorporate basic data provided by the censuses (manufactures, trade and service, population, Government, etc.). Revisions appearing in issues of the Survey other than the July issue are usually limited in number and result from special considerations.

A few years ago, we compared the quarter-to-quarter changes in the first estimates of several national income series published during the period 1947–58 with the revised estimates in use at the end of 1958.[8] We found that the movements of the initial and final estimates of total gross national product showed similar cycle-trend changes. For some series, e.g., gross private investment (including inventory changes) the revisions were much more marked.

There is attached a chart showing how year-to-year movements in national income have remained essentially the same over the period from 1947–1961 notwithstanding a number of revisions in data. The main point of the chart is to show that uncertainties in measuring changes caused by revisions in total national income can be overstated. Revisions have not appreciably altered the important shifts in total national income. Not all series would, of course, show the same consistency. For example, the series on entrepreneurial income was altered appreciably by various revisions. Also the quarterly revisions referred to earlier would be somewhat larger. Thus the chart is not necessarily a demonstration of reliability of the estimates nor is it intended to minimize the need for efforts to cut down on error.

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[6] Ibid., p. 531.

[7] See, e.g., (a) "The National Economic Accounts of the United States: Review, Appraisal, and Recommendations," Joint Economic Committee reprint, pp. 220–222, 1957. (b) George Jaszi, "The Statistical Foundations of the Gross National Product," Review of Economics and Statistics, May 1956.

[8] "Revisions of First Estimates of Quarter-to-Quarter Movement in Selected National Income Series, 1947–58 (Seasonally Adjusted Data)," Office of Statistical Standards, Bureau of the Budget, Statistical Evaluation Reports, No. 2, February 1960.

Revisions in data reflect the needs for timeliness, frequency of reporting, and accuracy. Timeliness can be obtained only at the price of using partial information. Frequency—needed so that we can detect the onset of important changes—also can be obtained only with incomplete information. More complete information necessarily comes later, and it comes at different times, from different sources, for different items. In the accounts, checks are made quarterly, annually, quinquennially, and over longer periods from trade data, surveys, tax returns, and censuses. Each of these sources contributes to revisions at different times for different items of income or expenditure. Hence a number of revisions are made over time in the aggregates for any given period. In the process the accuracy of the estimates is increased.

Data on unemployment are also singled out in Professor Morgenstern's treatment of errors in statistics. He says:

"In the United States two distinct series of unemployment statistics are produced by the Bureau of Employment Statistics (sic) and the census. The discrepancies between these two series are enormous."

This is an instance in which differences in data arising from differences in coverage and concept are used in the article as an example of error, and the impression is given that the two series measure identical things. One series covers unemployment in the entire labor force. The other series is not intended to cover all unemployment, but reports only that insured by State and Federal unemployment insurance programs, which affect about 80 percent of all wage and salary workers outside of agriculture.[9]

The President's Committee To Appraise Employment and Unemployment Statistics (the "Gordon Committee") went to considerable length to analyze the differences between estimates of unemployment from household surveys and from insured unemployment reports. After allowing for a number of differences, a close reconciliation was obtained. The Committee stated:

"In conclusion, the validity and accuracy of both series is largely confirmed by their similarity, on an adjusted basis, in level, trend, and cyclical behavior during the postwar period." [10]

In view of the Gordon committee's findings, the statement in the article on "enormous" discrepancies in unemployment figures is quite surprising when it is realized that Professor Morgenstern mentions the committee report in his book, from which the article was drawn. In his book, he says:

"The Committee's report forms a very valuable addition to the material available on employment statistics and is a fine example of the sort of appraisal that needs to be made if users of economic statistics are to be sufficiently informed to make worthwhile use of statistics." [11]

Errors exist in data on unemployment—errors of response, of definition, and of seasonal adjustment, for example. The Morgenstern book discusses these. In the article, as in the book, however, the unfortunate impression is given that the "discrepancies" between the two sources of unemployment data constitute an indication of a major error in unemployment statistics.

The Gordon committee summarized its investigation of the technical adequacy of the series as follows:

"On the basis of careful examinations supplemented by specially prepared studies, the committee is convinced that the technical procedures utilized to provide employment and unemployment statistics are reasonably appropriate, given the practical circumstances under which the data are produced. It seems to the Committee that the general reliability of the estimates has been substantiated by close examination of the techniques and methods utilized and by the degree of agreement which the different series were found to exhibit during the course of the business cycle." [12]

Professor Morgenstern makes brief mention of data on prices and foreign trade. In the case of foreign trade his article appears to focus mainly on data from other countries, which in the present context are not our main concern. So far as U.S. data are concerned, the problem of error has been the object of sustained, organized study and planning under the coordination and leadership of my office, and this effort is continuing. Hundreds of thousands of dollars have been devoted to projects designed specifically to improve the level of accuracy in these data, for which an unusually high standard is already imposed as a consequence of the amount of detail in which the data are made available. Moreover, the adequacy of our foreign trade data as a major component of the balance of payments is currently under study by the Review Committee for Balance of Payments Statistics—a panel of nongovernmental experts appointed for this purpose by the Director of the Bureau of the Budget.

The chief criticism of price data in the Fortune article is that the indexes of wholesale and retail prices are reported to two decimal places. The indexes are in fact reported to only one decimal place—but in any case this is hardly a major issue. I have some sympathy with Professor Morgenstern's view on the matter of rounding of figures generally, but I must point out that in fact rounding is common practice. How often have we seen the familiar footnote to a statistical table that "details do not add to totals because of rounding?"

It should also be added that there are reasons for as well as against showing figures beyond what Professor Morgenstern might consider an acceptable level of detail. While some gains may be obtained by avoiding the impression of spurious accuracy, some loss to the analyst may result from excessive rounding. One aspect relates to detail needed in a tabulation in any given period of time. A detailed composition of a total, by sector, subsector, geographic area, and other breaks is simply a cleaner job—and more useful for analysts—if parts are shown with more digits than the accuracy of the overall total warrants. Balance sheets sometimes require a similar use of "extra digits."

The second consideration relates to changes over time. Excessive rounding tends to result in very discrete movements which may distort changes over time. Also, sustained movement in a given direction for a series subject to very small changes, say an upward movement in consumer prices, is revealed much more clearly and correctly if shown to one decimal than if further rounded.

Apart from presentation of detailed tabulations, and of extended time series, it is probably true that some rounding would avoid unnecessary public attention given to a small change in a particular series.

Aside from the recommendations implicit in his discussion of the topics dealt with up to this point, there are essentially two recommendations explicit or implicit in Professor Morgenstern's article. One is philosophical, which seems to set up the natural sciences as the ultimate standard by which the achievements of the social sciences should be judged. The other is more concrete: namely, to assign quantitative measures to error in Federal statistics. The article also recommends that agencies such as the Council of Economic Advisers, the Federal Reserve Board, and others, including private agencies "stop presenting economic data to the public as though they were free from fault."

As implied in the Kuznets' quotation at the outset of this letter, Professor Morgenstern probably does not seriously expect the social sciences ever to achieve conditions of "controlled experiment" in the gathering of its main observations. (I am not referring here to what some might consider "controlled experiments" in simulation studies, but only to the gathering of data.) It has often been emphasized that the gathering of data in the social sciences (particularly the main bodies of economic data) will always involve an essential lack of control by the collection and tabulating agency, by those who construct the large systems of data, and by final analysts.[13] At each such stage, from the respondent to the final analyst, data are "collected" for a variety of purposes and are adapted rather than controlled for the inferences that are to be made.

Changes over time in economic and social processes also imply that our time series stretching over many years are measuring different phenomena. The uniqueness of economic events is also an important feature of economic analysis. No two business cycles are exactly alike, and changes in growth over the years reflect complex changes in the economy.

Although Professor Morgenstern is well aware of the special problems in the social sciences, he nevertheless, in some vague way, wants to use the natural sciences as an ideal. He says:

"In appreciating the true condition of the data, economists cannot fail to develop economic theory in conformity with the high scientific standards set in the physical sciences."

In line with this quotation the Fortune article recommends that economic statistics should not be released without an accompanying estimate of their error. This is Professor Morgenstern's major recommendation.

How this is to be done for the major data systems such as GNP is not made clear except for the implication that subjective evaluations by the data producers would be helpful. These subjective valuations have a doubtful reliability particularly when applied to changes over time. A principal reason for having comprehensive data on total economic activity is to measure such changes.

The British Central Statistical Office has attempted to grade the reliability of levels in components of their accounts.[14] But similar grading for changes overtime was generally not considered feasible except to indicate that errors in levels tended to be larger than in changes.

For the official U.S. estimates, while such quantitative grading has not been done, the major supplements to the Survey of Current Business do describe the different orders of reliability of components. Take two extreme examples. On the one hand,

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[9] See "1962 Supplement to Economic Indicators, Historical and Descriptive Background Prepared for the Joint Economic Committee," 87th Cong., 2d sess., pp. 33, 37.

[10] "Measuring Employment and Unemployment," President's Committee To Appraise Employment and Unemployment Statistics, p. 109, chart No. 4.3, and p. 110, 1962.

[11] Oskar Morgenstern, "On the Accuracy of Economic Observations," 1963. See ch. 13, "Employment and Unemployment Statistics."

[12] "Measuring Employment and Unemployment," op. cit., pp. 16–17.

[13] Simon Kuznets, "Conditions of Statistical Research," Journal of the American Statistical Association, March 1950. See also Raymond T. Bowman, op. cit.

[14] Great Britain, Central Statistical Office, "National Income Statistics, Sources, and Methods," 1956. See especially pp. 33–36.

"The annual estimates of total wages and salaries for the period since 1939 are extremely reliable. Over 90 percent of the total consists of reported payroll information taken from accounting records of business and Government. The lag between preliminary and final estimates is short, and the largest revision that has been required in recent years by the accession of later data has been less than 1 percent of the total."[15]

On the other hand, with regard to income of unincorporated enterprises:

"Revisions were quite sizable * * * and serve to point up the extreme difficulty of estimating entrepreneurial income well, particularly on an industry basis."[16]

Morgenstern's emphasis on the need for indicating errors in data to the public has some justification. This matter may not be a technical or statistical problem, however, so much as one of educating the public as to the basic nature of the data. It may involve the need for more consistency of tone between the reporting of increases and of decreases in activity. Some simpler explanatory material in statistical publications (for example a chart showing the movement of preliminary figures on retail sales in relation to final figures) might provide some gain for the general user of economic statistics.

Generally speaking, cautions on errors are rather technical statements. When they accompany regular reports (as in the case of the "Explanatory Notes" to the Monthly Report on the Labor Force)[17] they often constitute the most difficult part of the publication. This probably means they are not often read. They are, however, readily available to all analysts.

While agreeing with Morgenstern that more emphasis on error in statistics would be justified, I do not wish to leave the impression that little has been done. Indeed, the amount of effort devoted to problems of error in statistics by Federal Government agencies seems to me quite impressive, and the record of what has been accomplished is open to anyone who cares to read it. The record is too voluminous even to summarize here, but for the guidance of anyone wishing to pursue it, I have listed in an annex to this letter some of the kinds of materials that are readily available dealing with problems of error in economics and social statistics that have received attention of Government statisticians both in official publications and in professional journals. It is significant, I think, and I am sure it will not escape your attention, that the list includes valuable contributions to the literature in this field sponsored by the Joint Economic Committee.

A summary view of the appended list of publications indicates that we have done a great deal with quantifying and controlling errors in primary data. But understandably, we have done less with errors in large systems of data such as the economic accounts and industrial production.

It seems clear that these major data systems are faced with the most difficult problems of measurement of error in economic statistics. In these frameworks, quantitative measures of error, other than those based upon subjective judgments, have so far not been feasible. We have not adequately solved the problems of combining the overall effects of sampling error, response error, errors of estimation and concept and to evaluate their changing effects as a whole over time.

This situation seems to suggest a dilemma. On the one hand we say that measurement of accuracy of such data has not been feasible. On the other hand we seek the continued improvement in accuracy of such data. How can we know whether accuracy is being improved if it has not been measured?

In point of fact we do try to measure or control accuracy, as the appended list of publications suggests, albeit not in the overly simplified sense implied in Professor Morgenstern's article.

Starting with the primary data, the essential ingredients for the accounts, we are exploring the sources and beginning to measure the extent of response error. These attempts include systematic audits of tax returns, recheck of responses furnished by households in the current population survey, and examination of institutional records for checking individual reports of savings and debt. The subject of response error is a difficult one but we are making important beginnings.

Increasingly, information on the original schedule is transmitted direct to the computer, thus eliminating card punching errors. This procedure is not foolproof and is being improved.

Probability sampling procedures, as noted earlier, are followed where feasible to minimize bias due to sampling and to provide a basis for estimating sampling error. Samples also include a portion of identical respondents over periods of time to cut down on errors in measuring changes stemming from sampling error.

Estimates based on partial information are periodically adjusted to benchmarks for major economic series, as is well known. Benchmark adjustments constitute a principal basis for analysis of error in the major systems of data such as the economic accounts and industrial production.

Classification errors are being studied and reduced as classification systems are revised and made more detailed and as matching studies permit translation from one classification system to another. The company-establishment matching program at the Census Bureau is an example of this latter type of work.

In seasonal adjustment, assigning magnitudes to the "irregular" component of economic time series has permitted some evaluation of errors in seasonal factors. More broadly this has permitted the assessment of current changes in a time series in relation to its past behavior.

With improvements in basic data, the accuracy of our major data systems is improved. While most of the primary data are not collected specifically for use in the major data systems, we are increasingly adapting the various programs of primary data collection for such needs.[18]

It should be recognized that while the major frameworks inherit all the sources of error in primary data and introduce others besides, they do not compound these errors. They, in fact, tend to reduce or reconcile them. In part at least, errors do tend to offset one another. Also, the bringing together of primary data into the frameworks of our major data systems—the national accounts, industrial production, flow of funds—serves in important ways to check relations between income and product, spending and saving, input and output, output and its financing and distribution, and the prices of transactions at these various levels of activity. These checks, often involving detailed comparisons among series, reflect the constraints involved in accounting and other economic relationships. The discrepancies revealed in the process are often disheartening but such disclosures lead to improvement.

Finally, in our analysis of economic changes, our judgments of changes are verified by the use of many series in combination.

On all levels, therefore, from collection of data to final analysis work is being done to try to insure and improve accuracy.

From all the foregoing it is evident that while we can work to describe errors as specifically as possible, we can never hope to eliminate them. We can hope to control them within manageable bounds.

Professor Morgenstern is an eminent mathematical economist who has done a service in calling the attention of less alert users to errors in economic statistics. But I am disappointed that his book and article have contributed little to proposing the framework or the practical procedures which might advance the work now going forward on the reduction of statistical errors. I know that I speak for my colleagues in other parts of the Federal statistical service as well when I say that we will welcome all suggestions for solving the difficult problems of error in economic data. In the meantime, work will continue to go forward on the many problems of identifying, measuring, controlling and reducing errors, and informing the public of the statistical pitfalls facing the users.

Sincerely yours,
RAYMOND T. BOWMAN,
Assistant Director for Statistical Standards.

PUBLICATIONS AND AVAILABLE MATERIAL DEALING WITH ERROR IN ECONOMIC AND SOCIAL STATISTICS

CENSUS BUREAU

Population and housing

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The Current Population Survey—A Report on Methodology, Technical Paper No. 7, 1963.

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[15] "National Income," 1954 edition, p. 68; see also pp. 62–67.

[16] "U.S. Income and Output," p. 90.

[17] Each issue of the Monthly Report on the Labor Force carries estimates of the average standard error of major employment status categories from the household survey, showing the variations that might occur by chance because only a sample of the population is surveyed. The reader is referred to Employment and Earnings for a more complete statement, including estimates of errors of change as well as of level. For the employer survey, the Monthly Report on the Labor Force carries an indication of the effects of the most recent benchmark revision, comparing the sample estimates with the benchmark figures.

[18] See "A Federal Statistics Program for the 1960's," a study prepared for the Subcommittee on Economic Statistics of the Joint Economic Committee, 87th Cong., 2d sess., pp. 2, 10, and 11, Oct. 15, 1962.

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"Completeness of Coverage," Census of Manufactures: 1958, Summary Statistics, Vol. 1 (also see earlier volumes), p. 9, 1961.

Enterprise Statistics: 1958, Part 1—General Report, and Part 2—Central Administrative Offices and Auxiliaries, 1963.

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"Problems of Measurement" and "Effects of Weight Year on Index Results," Census of Manufactures: 1954, Indexes of Production, Vol. IV, Chapters 3 and 4, 1958.

Other Census Bureau materials

The Accuracy of Census Statistics With and Without Sampling, Technical Paper No. 2, 1960.

"Business Cycle Indicators: The Known and the Unknown," Business Cycle Developments, Series ES 1, No. 63–9, Appendix H, p. 69–79, Appendix C (in each issue) p. 63, and Bibliography p. 79, September, 1963.

Eckler, A. Ross, and William N. Hurwitz, "Response Variance and Biases in Censuses and Surveys," Bulletin of the International Statistical Institute, Vol. 36, Part 2, 1958.

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Farioletti, Marius, "Some Results from the First Year's Audit Control Program of the Bureau of Internal Revenue," National Tax Journal, March, 1952.

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Reports of Federal Reserve Consultant Committees on Economic Statistics, Hearings before the Subcommittee on Economic Statistics of the Joint Committee on the Economic Report, 84th Congress, 1st Session, July 19 and 26, October 4 and 5, 1955 ("Statistics on Business Plant and Equipment Expenditure Expectations," Report of the Consultant Committee on Business Plant and Equipment Expenditure Expectations, p. 3–42; "Statistics of Saving," Report of the Consultant Committee on Savings Statistics, p. 65–226; "Consumer Survey Statistics," Report of the Consultant Committee on Consumer Survey Statistics, p. 251–372; "Statistics of Business Inventories," Report of the Consultant Committee on Inventory Statistics, p. 401–480; "An Appraisal of Data and Research on Businessmen's Expectations About Outlook and Operating Variables," Report of the Consultant Committee on General Business Expectations, p. 493–700).

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(Note.—This is not intended to be a complete bibliography of publications on the subject of error in economic and social statistics. It does, however, give an indication of the extent of materials available on the subject originating in U.S. Government sources.)

HON. FRANCIS P. BOLTON

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Latta] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LATTA. Mr. Speaker, it is fitting and proper for this Congress to pause briefly here today to pay tribute to one of its most gracious and dearest—but always effective—Members, the Honorable Frances P. Bolton, on the occasion of the beginning of her 24th year in the Congress.

I am particularly proud of the outstanding record this beloved and esteemed colleague has made in the Congress as she comes from our own State of Ohio. During her 24 years in the Congress, Mrs. Bolton has given unselfishly of herself, her time, and her resources, particularly in carrying out her duties on the Foreign Affairs Committee. She has traveled the globe on many a mission in behalf of the foreign policy of the United States. Her interest in good government are known to all of us and need not be repeated here. However, I believe it significant to remind the Members that she was the first woman to represent the Congress in the United Nations. Her interest in this organization continues.

The Honorable FRANCES BOLTON was preceded in the Congress by her late husband, the Honorable Chester C. Bolton and she should be pleased with the fact that her son, the Honorable OLIVER P. BOLTON is presently serving with her in the Congress.

I wish her continued good health and many more years of service in the Congress and like all other Members on our side, wish her Godspeed in attaining her long-sought goal, the chairmanship of the Foreign Affairs Committee.

THE ARMY AVIATION SONG

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, American patriotism and the American way of life are effectively expressed in our music. Our hearts beat, our pulses throb, and our feet move to the swing of the great American songs that have grown out of love of country, and that inspire in us the same feelings that impelled their gifted authors. It is the vast promise of America that opens before us as we listen to the strains of such songs as the national anthem, "The Stars and Stripes Forever," "The Marine Hymn," and "Anchors Aweigh."

These compositions, and many others, sing their way into our hearts, and become one with our love for home, for family, for land, and friends. Music is a vital part of the American heritage, and any worthy addition to this great heritage is to be greeted with rejoicing.

The latest contribution to the musical tradition of America is the new "Army Aviation Song," by one of America's great modern composers, James Van Heusen. The lyrics are a tribute to the talents of Sammy Cahn, Mr. Van Heusen's partner in the creation of many renowned songs of recent years.

This new patriotic piece captures the spirit expressed in our great national songs, and in the songs so dear to the various branches of our armed services. It magnificently captures in music the thrill of flying, the intensity of combat, the friendly warmth of comradeship and the undying love for country.

It is a fervent expression of America as she is and as she must be maintained—a land of glory and bravery.

I bring this subject to the attention of the Congress as a noted example of patriotic service on the part of American musicmakers, whose contributions to our Nation's greatness are only too often too little recognized.

I had the privilege of being present at the official dedication of the "Army Aviation Song" last October 24, and I should like to share with my distinguished colleagues the excitement and inspiration I experienced at the event. The impressive ceremony was the climax of the annual meeting of the Army Aviation Association of America, held at the Sheraton Park Hotel in Washington.

Hearing the song magnificently performed, and seeing the honor paid to it by the outstanding guests who participated, I gained a deep appreciation of the musical genius and patriotic spirit of Mr. Van Heusen and of the poetic skill of Mr. Cahn, whose lyrics match the feeling of Mr. Van Heusen's melody.

I was struck by the contagious enthusiasm the song embodied—an enthusiasm which is phenomenally American—and by the same fervor and pride that have been characteristic of American music since the time "Yankee Doodle" was the tune behind which patriots rallied and marched for love of country into history.

The song is indeed an inspired piece of work which captures in music the spirit of an incomparable military organization, Army aviation.

The history of Army aviation is the thrilling story of a vital part of America's defense. It is the saga of an indispensable and invaluable component of our great Army team. In Vietnam alone, the story of this splendid organization of brave men is written in letters of blood and fire. And Vietnam is but one of the many areas in which Army aviation has given devoted and heroic service.

It has long been evident that Army aviation deserved the kind of aid to its morale and cohesiveness that would be provided by a stirring, representative song, similar to those that celebrate and inspire the other branches of the services. To secure such a song fittingly representative to this vital segment of the Armed Forces, a special committee of the Army Aviation Association was named under the chairmanship of Albert W. Bayer, president of A. W. Bayer Associates of Los Angeles.

Mr. Bayer, a pioneer and stalwart of the association, deserves our gratitude for his wisdom in enlisting Jimmy Van Heusen, a former test pilot, and as skilled an aviator as he is a great composer, to create a song appropriate to the tradition of Army aviation. And, he is to be complimented for securing Mr. Cahn to write the stirring words. Now, all one has to do is to hear the song to know that the mission has been accomplished.

The song is truly music which will take its place among the other great compositions by which Americans have expressed their love of country and willingness to give their all in its defense.

In a typical gesture of great patriotic dedication, composer Jimmy Van Heusen and lyricist Sammy Cahn have devoted all their royalties to the AAAA Scholarship Foundation, which will provide scholarships for the sons and daughters of AAAA members. Through these scholarships, the Army Aviation Association is helping to educate the sons and daughters of those who have risked their lives, in flying and in combat, in the service of their country.

This great song has been recorded, in a spirited rendition worthy of its quality, in a splendid performance by Mitch Miller and his noted chorus. It may be confidently expected that the song, so well introduced, will attain the immortality it so richly deserves. Mr. Miller has joined the song's creators in the generous deed of turning over to the AAAA Scholarship Foundation all the royalties realized from the sale of his recording.

Again, I want to say it was truly a privilege, Mr. Speaker, to be at the official dedication of this great new contribution to American patriotic music. Surely, the "Army Aviation Song" is destined to take its place in the musical heritage of America with the other compositions by which America has sung its patriotic ardor and affection.

CUBAN COMMUNIST AGGRESSION MUST BE STOPPED AND THE UNITED STATES MUST TAKE THE LEAD IN THE OAS TO ACCOMPLISH THIS

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. CRAMER] is recognized for 15 minutes.

Mr. CRAMER. Mr. Speaker, the Organization of American States has found Cuba guilty of aggression against Venezuela and at the same time has found that Cuba has provided arms, training, and money to Communist cells in Venezuela and throughout the hemisphere.

This is not only in direct contraversion of the Treaty of Rio de Janeiro, but is also in contravention to the resolution of this House passed last year which in substance approved the use of force, if necessary, to contain the Communist dictator now ruling the once free island of Cuba.

At the same time, it is a well-known fact that you cannot pick up a newspaper without reading of further aggression somewhere by Castro and his Russian and Chinese benefactors. A whole generation of students are being subverted throughout Latin America—an entire generation who will be the effective leaders of public opinion in another year or two.

Reporters are being bribed in the Latin American press to write distorted articles about the United States and the free world. Radio stations are being subverted. All media of communications are being used and the penetration has gone deep into the legislatures and executive departments of many of our Latin American allies.

The Republic of Panama has suffered the workings of the Castro-Communists for over 5 years, building up a strong cadre of at least 500 cell leaders who have proven that they can put into the streets on 15 minutes notice up to 5,000 rioters and misguided students. The welfare of this hemisphere is at stake. The security of every nation, including the United States, is seriously imperiled by these joint actions in both Venezuela and Panama.

There is a body of responsible Panamanian opinion who believes that the 2 years of subversion, guerrilla warfare, and rioting, including the infamous Caracas plan in Venezuela to take over the city and the elected government, was also being used as a screen behind which to build up the difficulties which have arisen in the Republic of Panama, and the Canal Zone for which we are responsible in perpetuity, not only to the nations of the Western Hemisphere but to the entire free world and the security of the United States of America in particular.

Now, a consultative and investigating body of which we are a member, the Organization of American States, has investigated the prolonged military attacks upon Venezuela carried out through the devices of training, supply of military material, propaganda, money, and trained cadres of foreign troops. They have found the Communist dictatorship of Cuba guilty as charged of aggression and have reported that the Castro regime has supported a policy of intervention in neighboring republics since it, the Castro-Communist regime, came to power in 1959. Specifically the committee of the OAS charged Cuba with first, distribution of propaganda throughout Latin America; second, provision of funds to subversive elements in neighboring republics; third, training of pro-Communist agents in sabotage and guerrilla operations; and, fourth, supplying arms for movements aimed at political subversion through force.

With all due respect to this great body of the OAS, we have all known these facts for years. There is not a Member of this House who can plead ignorance of the ever-growing menace. Our entire intelligence system has been aware of these actions perhaps even longer.

Under the provisions of the Rio Treaty for mutual defense we should have taken action long ago. But the administration has pleaded for the need to go through channels, to investigate what was already known and to dance a tarantella with the hemispheric and poisonous tarantula of communism. We have seen the destruction of Cuba, the aborting of the Bay of Pigs action, the missile crisis, and the open warfare in Venezuela and countless other republics. We have seen the beginning in the Panama Canal Zone.

How long will it be before the administration wakes up to the facts and takes action?

How long will it be before we make it forcefully clear to the OAS that we are willing, eager, to take whatever steps are necessary to protect our sister republics and ourselves without any further so-called diplomatic beating about the bush. This is the time for action. This is the time for sanctions that stick. This is the time to make our friends around the world realize that our policies are not bankrupt and that we intend to see that the combined voices of the OAS are heard and listened to. There is no more time to use palliatives and rush in panic to put out brushfires which are lit at the convenience of the Communists wherever they will embarrass us the most and hurt the cause of freedom and democratic government. We can no longer treat the pimples and ignore the disease. The OAS has given to the free world a mandate for action. The OAS is not a vast military force. They are a deliberative, consultative, and investigative body without the arms to effectively combat the Cuban menace. It is only with our leadership that this cancer can be cut out before the rot has gone too far. The administration can give no more pleas and excuses for time. The facts are on the table in an undeniable fashion. No cosmetic approach can conceal these facts and the mandate.

We must assume the same mantle of leadership that we have assumed before. This time the aid we must give must be something more than paying blackmail. We must take the initiative. And I, for one, am grateful to the OAS for standing up and telling us so.

The United States should immediately call for an emergency session of the OAS for the purpose of presenting specific proposals to thwart the spread of cancerous communism from Cuba and to commence the essential operation of ridding the hemisphere of the Communist menace.

Complete economic, commercial, and political sanctions should be taken to isolate Cuba.

Airports and communications should be closed to traffic going to or coming from Cuba, including overflights of the United States by Canada or Cuba. Subversive agent flow to and from Cuba must be cut off. The flow of arms must be stopped by increased Caribbean air and sea patrols, and carefully planned patrolling of lengthy coastlines.

This should be followed by the eventual recognition of a free, non-Communist government in exile housed somewhere in the Caribbean area to train and equip the freedom-loving refugees to win back their own country.

These economic, commercial, and political sanctions, backed by the OAS, could regain our lost moral position and support our effort to prevail upon our allies to join in these sanctions against Cuba. Britain, France, Spain, and other countries now trading with Cuba should be prevailed upon to join in these sanctions in view of the open aggression by Cuba against an OAS member.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I am delighted to yield to the gentleman from Iowa.

Mr. GROSS. I wish to commend my friend, the gentleman from Florida, who has spoken so often and effectively on this subject for the presentation he has made here this afternoon. Was the action or the report by the Organization of American States in the nature of a recommendation? Did they made recommendations? Did they make a definite decision as to what should be done?

Mr. CRAMER. It is my understanding that that matter is still under study. They did, however, make these specific findings to which I referred:

Propaganda is being distributed, funds are being distributed, training of Communist agents is going on, the supplying of arms is occurring and specific aggression occurred by Cuba against Venezuela. That should automatically bring into play the Rio Treaty and should at least bring into play leadership of the United States to do something about it.

Mr. GROSS. That is exactly the point I wished to make. On the basis of their findings at this point, this should bring into play the Rio Treaty or Rio Pact.

Does the gentleman believe that this finding will have the support of the Mexican Government, in view of the statement issued a few days ago by one of the top officials of the Mexican Government to the effect that they would not join in any penalties which might be inflicted upon Cuba?

Mr. CRAMER. I believe it is time that all the countries of the Organization of American States be asked to stand up and be counted.

Mr. GROSS. I agree with the gentleman.

Mr. CRAMER. If Mexico wishes to be a deviate and wishes to be a country which says "No; we are not going to join in these sanctions," let the world know it.

I believe, personally, that most countries—possibly even Mexico—if we exert strong enough leadership, will join in economic, political, and commercial sanctions against Cuba.

The gentleman knows full well that Mexico has been one of the greatest trouble spots. Mexico is still doing business with Cuba. They still permit the Cubana Airlines to fly out of Mexico City, and subversives, through that route and others, continue to get through.

Mr. GROSS. I was surprised to learn, after our President joined in a meeting with the President of Mexico in California only a few days ago, that within a few hours after the meeting between the two Presidents ended, the Mexican Government issued a statement that it would not join in penalties against Cuba, or at least clearly suggested it would not join in penalties against Cuba. It was most amazing to me to read that in the newspapers. I hope it is not true. I hope the President of the United States will exert more influence than that upon our neighbor to the south.

I agree with the gentleman that Mexico has never broken relations with Cuba. It is one of five countries of Central and South America which have never broken relations.

As the gentleman well knows, we developed in the hearings before our subcommittee last year the fact that Castro was buying arms in Mexico to be distributed throughout the Central and South American areas.

Mr. CRAMER. The gentleman is correct. That is one of the reasons for this statement at this time.

I was equally shocked to learn that spokesmen for the country of Mexico made such a statement, having the express purpose of undercutting any proposals which might be under consideration by the OAS at this time. That is one of the reasons why I felt it essential to speak out on this issue at this time, so that the American people—and the Mexican Government—will know that the people who serve in the House of Representatives of the Congress want the OAS to take firm steps and want the United States to exercise leadership.

BUILT-IN BUDGET BOOBYTRAPS

The **SPEAKER** pro tempore (Mr. LIBONATI). Under previous order of the House, the gentleman from Ohio [Mr. Bow] is recognized for 15 minutes.

Mr. BOW. Mr. Speaker, careful examination of the budget reveals scores of items where purported reductions are really only tricky figures or pious hopes.

If we really want to reduce Federal spending, we must be constantly alert for these built-in-budget boobytraps.

For example, the budget shows expenditure "savings" of $528 million in losses on foreign sales of farm commodities and $100 million in reduced subsidies on foreign wheat sales, both on the assumption that U.S. wheat prices will be lower than world market prices. This assumes a plan of neglect of the farm price structure this year by the administration and the Congress.

It also overlooks present reports that Agriculture has already executed contracts for delivery of wheat in fiscal 1965 on subsidized terms.

This $628 million of "savings" is unrealistic.

Four other instances of budget juggling are these:

The expenditures of the Defense Production Act revolving fund are reduced in the budget by $76.7 million for 1964 and $68 million for 1965. This is done by a magical maneuver which assumes that the Congress will enact legislation to waive the present requirement that interest be paid to the Treasury on funds used for these activities.

Another "saving" which is mere bookkeeping.

A "saving" of approximately $100 million in the appropriation for the Agricultural Marketing Service dissolves into nothing upon analysis. This mirror trick is accomplished by a bookkeeping transfer of this amount from a permanent appropriation of earmarked customs receipts used for the purchase of surplus agricultural commodities to the special milk fund.

The "reduction" in this appropriation, therefore, is no reduction at all, but merely a robbing of Peter to pay Paul.

A "reduction" of $347 million appears in the Rural Electrification Administration appropriation for 1965, and "savings" of $169 million are shown in its expenditures for 1964 and $178 million in its expenditures for 1965. This is achieved by proposing a new revolving fund, something which Congress has been unwilling to vote in previous years. This is a bookkeeping device which would permit collections on past loans to be used again without being appropriated.

Even if the change were desirable, there is no validity in making it retroactive or in claiming it as a reduction in the cost of government.

A $62 million "saving" is shown in the civil service retirement fund. This is accomplished simply by asking the Congress to reverse its own determination that extra benefits provided in 1963 should be covered each year by an appropriation of Government funds, and instead to charge the amount against already deficient balances in the trust fund.

This "saving" merely adds to appropriations that will be required in future years.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HOSMER, for March 2 and 3, on account of official business in constituency.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. STINSON, for 1 hour, on Monday next.

Mr. CRAMER, for 15 minutes, today.

Mr. SCHWENGEL (at the request of Mr. ASHBROOK), for 1 hour, on March 2.

Mr. BOW (at the request of Mr. ASHBROOK), for 15 minutes, today.

Mr. HALPERN (at the request of Mr. ASHBROOK), for 15 minutes, on Monday.

Mr. CUNNINGHAM (at the request of Mr. ASHBROOK), for 30 minutes, on Monday.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MONAGAN.

Mr. BARRY.

Mr. GILBERT.

Mr. HARDING (at the request of Mr. ALBERT) during debate on the bill H.R. 8316, and to include extraneous matter.

Mr. PURCELL (at the request of Mr. ALBERT) during debate on the bill H.R. 8316, and to include extraneous matter.

(The following Members (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. GALLAGHER.

Mr. EVINS in two instances.

(The following Members (at the request of Mr. ASHBROOK) and to include extraneous matter:)

Mr. MCCULLOCH.

Mr. MATHIAS.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2214. An act to amend the International Development Association Act to authorize the United States to participate in an increase in the resources of the International Development Association; to the Committee on Banking and Currency.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 8171. An act to authorize the Secretary of the Interior to acquire lands, including farm units and improvements thereon, in the third division, Riverton reclamation project, Wyoming, and to continue to deliver water for 3 years to lands of said division, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on February 26, 1964, present to the President, for his approval, bills of the House of the following titles:

H.R. 4638. An act to promote the orderly transfer of the executive power in connection with the expiration of the term of office of a President and the inauguration of a new President; and

H.R. 8363. An act to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes.

ADJOURNMENT

Mr. WAGGONER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 34 minutes p.m.), under its previous order, the House adjourned until Monday, March 2, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1753. A letter from the Secretary of Commerce, transmitting a report on export control covering the fourth quarter 1963, pursuant to the Export Control Act of 1949; to the Committee on Banking and Currency.

1754. A letter from the Acting Administrator, General Services Administration, transmitting a report on the progress of the liquidation activities of the national defense, war, and reconversion activities of the Reconstruction Finance Corporation, to comply with the provisions of the RFC Liquidation Act (Public Law 163, 83d Cong., 67 Stat. 230, 231), as amended, and with Reorganization Plan No. 1 of 1957 (22 F.R. 4633); to the Committee on Banking and Currency.

1755. A letter from the Secretary of the Interior, transmitting report for calendar year 1963 on the operations under the act to stabilize the mining of lead and zinc by small producers on public, Indian, and other lands, pursuant to section 8 of Public Law 87–347; to the Committee on Interior and Insular Affairs.

1756. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled, "A bill to amend title 39, United States Code, to provide a reduced rate for air parcel post handled by military post offices"; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRIS: Committee on Interior and Insular Affairs. H.R. 439. A bill to provide for the establishment of the John Muir National Monuments; with amendment (Rept. No. 1156). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. House Resolution 641. Resolution for consideration of H.R. 9666, a bill to amend further the Peace Corps Act (75 Stat. 612), as amended; without amendment (Rept. No. 1157). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 642. Resolution for consideration of H.R. 8070, a bill for the establishment of a Public Land Law Review Commission to study existing laws and procedures relating to the administration of the public lands of the United States, and for other purposes; without amendment (Rept. No. 1158). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 643. Resolution for consideration of H.R. 8000, a bill to amend the Internal

Revenue Code of 1954 to impose a tax on acquisitions of certain foreign securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes; without amendment (Rept. No. 1159). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Florida:

H.R. 10156. A bill to grant authority to the Federal courts to deny bail to defendants in certain criminal cases involving crimes affecting the national security; to the Committee on the Judiciary.

By Mr. BERRY:

H.R. 10157. A bill to prohibit the sale of imported meat which is not identified as such; to the Committee on Interstate and Foreign Commerce.

H.R. 10158. A bill to amend the Internal Revenue Code of 1954 to provide that certain income derived from manufacturing plants established on Indian reservations shall not be subject to tax, and for other purposes; to the Committee on Ways and Means.

By Mr. DENT:

H.R. 10159. A bill to amend Public Law 874, 81st Congress, in order to provide assistance to local educational agencies in the education of children of needy families and children residing in areas of substantial unemployment with unemployed parents; to the Committee on Education and Labor.

By Mr. FOGARTY:

H.R. 10160. A bill to amend the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. GROSS:

H.R. 10161. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. HOEVEN:

H.R. 10162. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. HARRISON:

H.R. 10163. A bill to provide for reimbursement to the State of Wyoming for improvements made on certain lands in Sweetwater County, Wyo., if and when such lands revert to the United States; to the Committee on Agriculture.

By Mr. MATHIAS:

H.R. 10164. A bill to provide for leave of absence for members of the National Guard who are officers or employees of the United States when called or ordered to Federal or State military service in aid of civil authority; to the Committee on Post Office and Civil Service.

By Mr. MATTHEWS:

H.R. 10165. A bill to amend title II of Public Law 480, 83d Congress, to authorize the use of foreign currencies by the President to carry out more effectively programs undertaken under titles II and III; to the Committee on Agriculture.

By Mr. O'NEILL:

H.R. 10166. A bill to establish a National Economic Conversion Commission, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROUDEBUSH:

H.R. 10167. A bill to provide for the issuance of a special postage stamp to commemorate the 20th anniversary of the death of Ernie Pyle; to the Committee on Post Office and Civil Service.

By Mr. AVERY:

H.R. 10168. A bill to restrict imports of beef, veal, and mutton into the United States; to the Committee on Ways and Means.

By Mr. HEMPHILL:

H.R. 10169. A bill to amend the Interstate Commerce Act, as amended, in order to make unlawful, as unreasonable and unjust discrimination against and undue burden upon interstate commerce, certain property tax assessments of common carrier property, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLS:

H.R. 10170. A bill to continue until June 30, 1965, the existing exemption from duty enjoyed by returning residents arriving from the Virgin Islands of the United States; to the Committee on Ways and Means.

By Mr. CORBETT:

H.R. 10171. A bill to amend the Federal Employees' Group Life Insurance Act of 1954 and the Civil Service Retirement Act with regard to filing designation of beneficiary, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. NELSEN:

H.R. 10172. A bill to restrict imports of beef, veal, and mutton into the United States; to the Committee on Ways and Means.

By Mrs. REID of Illinois:

H.R. 10173. A bill to restrict imports of beef, veal, and mutton into the United States; to the Committee on Ways and Means.

By Mr. SHRIVER:

H.R. 10174. A bill to restrict imports of beef, veal, and mutton into the United States; to the Committee on Ways and Means.

By Mr. RIVERS of Alaska:

H.R. 10175. A bill to amend the act of June 19, 1935 (49 Stat. 388) as amended, relating to the Tlingit and Haida Indians of Alaska; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of Louisiana:

H.R. 10176. A bill to amend the act of September 30, 1961, to impose additional conditions upon the exemption of antitrust laws granted certain professional sports; to the Committee on the Judiciary.

By Mr. CANNON:

H.R. 10177. A bill to amend section 2 of the act of August 22, 1949 (63 Stat. 623; 20 U.S.C. 53a), to authorize appropriations to the Smithsonian Institution for the purchase of reprints from technical journals or other periodicals and the payment of page charges for the publication of research papers and reports in such journals; to the Committee on House Administration.

H.R. 10178. A bill to authorize the Smithsonian Institution to employ aliens in a scientific or technical capacity; to the Committee on House Administration.

By Mr. McINTIRE:

H.R. 10179. A bill to authorize the international Passamaquoddy tidal power project, including hydroelectric power development of the Upper St. John River, and for other purposes; to the Committee on Foreign Affairs.

By Mr. TUPPER:

H.R. 10180. A bill to authorize the international Passamaquoddy tidal power project, including hydroelectric power development of the Upper St. John River, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MEADER:

H.R. 10181. A bill to provide that district courts of the United States shall not have jurisdiction to enjoin or modify the operation of State laws respecting legislative districts where comparable relief is available in State courts, and for other purposes; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 10182. A bill to authorize a 2-year program of Federal financial assistance for all elementary and secondary school children in all of the States; to the Committee on Education and Labor.

By Mr. ASHLEY:

H.R. 10183. A bill to provide for a more conservative capitalization of the St. Lawrence Seaway Development Corporation, and for other purposes; to the Committee on Public Works.

By Mr. BLATNIK:

H.R. 10184. A bill to provide for a more conservative capitalization of the St. Lawrence Seaway Development Corporation, and for other purposes; to the Committee on Public Works.

By Mr. DINGELL:

H.R. 10185. A bill to provide for a more conservative capitalization of the St. Lawrence Seaway Development Corporation, and for other purposes; to the Committee on Public Works.

By Mr. PUCINSKI:

H.R. 10186. A bill to provide for a more conservative capitalization of the St. Lawrence Seaway Development Corporation, and for other purposes; to the Committee on Public Works.

By Mr. ROSTENKOWSKI:

H.R. 10187. A bill to provide for a more conservative capitalization of the St. Lawrence Seaway Development Corporation, and for other purposes; to the Committee on Public Works.

By Mr. VANIK:

H.R. 10188. A bill to provide for a more conservative capitalization of the St. Lawrence Seaway Development Corporation, and for other purposes; to the Committee on Public Works.

By Mr. ZABLOCKI:

H.R. 10189. A bill to provide for a more conservative capitalization of the St. Lawrence Seaway Development Corporation, and for other purposes; to the Committee on Public Works.

By Mr. HOSMER:

H.J. Res. 937. Joint resolution amending the joint resolution approved August 13, 1962, so as to extend recognition to the California World's Fair in the year 1968; to the Committee on Foreign Affairs.

H.J. Res. 938. Joint resolution extending recognition to the California World's Fair in the year 1968, and authorizing the President to issue a proclamation calling upon the several States of the Union and foreign countries to take part in the California World's Fair; to the Committee on Foreign Affairs.

By Mr. MATHIAS:

H.J. Res. 939. Joint resolution to establish the Commission for the Sesquicentennial Celebration of the Composition of "The Star-Spangled Banner"; to the Committee on the Judiciary.

By Mr. CANNON:

H.J. Res. 940. Joint resolution to amend Public Law 722 of the 79th Congress, and Public Law 85–935, relating to the National Air Museum of the Smithsonian Institution; to the Committee on House Administration.

By Mr. GRABOWSKI:

H. Con. Res. 276. Concurrent resolution expressing the sense of Congress with respect to recent manifestations of anti-Semitism in the Soviet Union, and calling upon the Soviet Union to guarantee human rights; to the Committee on Foreign Affairs.

H. Con. Res. 277. Concurrent resolution to express the sense of the Congress that the U.S. mission to the United Nations should seek the adoption by the United Nations of a resolution condemning the recent manifestations of anti-Semitism in the Soviet Union; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Alaska, memorializing the President and the Congress of the United States relative to urging Congress to approve the 1965 Coast Guard construction program in Alaska; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the State of Hawaii, memorializing the President and the Congress of the United States relative to urging the House of Representatives to reject legislation eliminating the cost-of-living allowances to Federal workers; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON:

H.R. 10190. A bill for the relief of Salvatore Galluzzo; to the Committee on the Judiciary.

By Mr. BELL:

H.R. 10191. A bill to confer jurisdiction on the U.S. Court of Claims to hear, determine, and render judgment on the claim of Murray-Sanders Constructors and George A. Fuller Co. against the United States; to the Committee on the Judiciary.

By Mr. KING of California:

H.R. 10192. A bill for the relief of Elizabeth Garrido; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 10193. A bill for the relief of Mrs. Janet Franklin (nee Reid); to the Committee on the Judiciary.

By Mr. STINSON:

H.R. 10194. A bill for the relief of Oi-Ling Ma, Kwok-Wai Ma, Yui-Chiu Ma, Sai-Mi Ma, and Sai-Wan Ma; to the Committee on the Judiciary.

By Mr. WEAVER:

H.R. 10195. A bill for the relief of Antonio Scalzo; to the Committee on the Judiciary.

By Mr. WIDNALL:

H.R. 10196. A bill for the relief of Joshua Felise Ziro Brevio; to the Committee on the Judiciary.

H.R. 10197. A bill for the relief of Dante Enrico Brivio (also known as Herick Brevior); to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 10198. A bill for the relief of Sgt. Donald E. Hurrle, U.S. Marine Corps; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

724. By the **SPEAKER**: Petition of the mayor, Urasoe-son, Okinawa, petitioning consideration of their resolution with reference to requesting an early solution of the problem of pretreaty claims; to the Committee on Foreign Affairs.

725. Also, petition of the Municipal Assembly, Misato-son, Okinawa, Ryukyu Islands, petitioning consideration of their resolution with reference to requesting expeditious settlement of the bill providing compensation for use of private property and damage to persons and property arising from acts of the U.S. Forces before the entry into force of the Japanese Peace Treaty; to the Committee on Foreign Affairs.

726. Also, petition of Henry Stoner, Avon Park, F'a., petitioning consideration of his resolution with reference to requesting the House Committee on the Judiciary to study and recommend better controls over corporate powers; to the Committee on Rules.

EXTENSIONS OF REMARKS

Tax Cut Benefits Small Business

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 27, 1964

Mr. EVINS. Mr. Speaker, most of the Nation's 4.5 million small businesses will feel the benefit of the Federal income tax reduction made available almost immediately following the signing of this bill into law on yesterday by President Johnson.

Administrator of the Small Business Administration, Mr. Eugene Foley, has pointed out that these benefits will increase to several billion dollars annually when the full impact is felt. The House Small Business Committee has studied and investigated the many vexing problems of the small business segment of our economy and is pleased that the impact of tax reduction by the new law will show the following among other major benefits to small business and our economy:

Small businesses will reap direct benefits of more than $1 billion in 1964 and more than $1.25 billion in 1965 as a result of the tax deductions.

An estimated 1.5 million taxpayers with very low incomes—and this includes many very small retail shops and service establishments—will be removed from the Federal income tax rolls.

In addition to the reductions, which are relatively greater for small business than for large, small businesses will share in the benefits from increased business volume and higher profits as the economy expands at a more rapid rate. The benefits resulting from expanding business and profits will in time exceed appreciably the amount of the direct tax reduction.

The national economy will receive a direct stimulus of about $8 billion in 1964 as a result of the reduction in the withholding rate from 18 to 14 percent.

Since an estimated 92 to 94 percent of the tax savings will be reflected in increased consumer purchases, small business will be among the first to feel the thrust of the increased consumer demand, particularly the retail trade and service industries.

The House Small Business Committee is pleased that its recommendations are being realized.

International Development Association Act

EXTENSION OF REMARKS
OF
HON. ROBERT R. BARRY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 27, 1964

Mr. BARRY. Mr. Chairman, earlier this week during the course of the House debate on H.R. 9022, a bill which proposes to amend the International Development Association Act, I stated that the legislation came out of the wrong committee—that it should have been handled by the Foreign Affairs Committee rather than the Banking and Currency Committee in view of the fact that H.R. 9022 is a foreign aid bill far more than it is a banking matter.

At the same time, I declared my support of U.S. participation in an increase in the resources of the IDA, and for the record I would like to reaffirm my position since subsequently I, along with a majority of my distinguished colleagues, voted to recommit H.R. 9022.

Under the right circumstances the recommital motion would not carry—since this House has demonstrated before its approval of multilateral aid. Had the responsible committee having to do with foreign aid been familiar with this legislation, had the bill been brought out properly, and, had it been adequately debated in the House, this body would not have shown so little faith in the legislation and those managing it, by voting first against the main committee amendment which in effect was a substitute to the bill, and later voting to recommit the legislation.

In the event this bill cannot now be routed to the Foreign Affairs Committee, the latter committee should at least be given an opportunity to explore it since it transgresses the foreign field in a very large measure.

James M. Lynch, Esq.

EXTENSION OF REMARKS
OF
HON. JOHN S. MONAGAN
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 27, 1964

Mr. MONAGAN. Mr. Speaker, on February 9, 1964, at the age of 95 years, there died in Waterbury, Conn., one of the outstanding figures of our part of Connecticut, Attorney James M. Lynch.

Mr. Lynch's career made a reality of what is often lightly called the "American dream." Born in the Irish countryside to a peasant family, he came to the United States as a boy and with perseverance, foresight, and industrious application of his native intelligence, brought himself to a position of prominence in our community.

Mr. Lynch began his career as a printer and rapidly mastered his trade until he reached a managerial position. At the same time, he continued his studies to prepare himself for the ultimate decision to embark upon a legal career. After concerted private study, Mr. Lynch was admitted to the Tennessee bar and subsequently became a member of the Connecticut bar. From the time of his admission to practice, his career was highly successful. Not only did he engage in the private practice of law in all its branches and in all courts, but he achieved notable success in a number of public positions. Among these, he served as workmen's compensation commissioner for the fifth district of Connecticut, majority leader of the board of aldermen of the city of Waterbury and a member of the board of park commissioners of the city of Waterbury.

Mr. Lynch was generously endowed by nature with the gift of a fine, if slight, physique and he enjoyed, until the most recent times, the active practice of the law and the company of his fellow citizens at numerous social and community affairs.

Calm and gentle, but resolute of purpose and firm in conviction, Mr. Lynch was a strong force for the development of the traditional religious and patriotic virtues, as well as for civic improvement and the material betterment of his fellow man.

All of us in Waterbury mourn his passing, but find consolation in the memory of his long and fruitful life.

Soviet Conquest of the Free Nations of Europe

EXTENSION OF REMARKS
OF
HON. CORNELIUS E. GALLAGHER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 27, 1964

Mr. GALLAGHER. Mr. Speaker, probably the greatest tragedy of this century was the Soviet conquest of the smaller free nations of Europe that were caught in the sweep of Russian aggression and for more than 20 years now have been under domination of that dictatorial power.

One of these unfortunate nations was Estonia, a country that had known freedom and the joy of independence for 22 years. It was for that period a happy, prosperous land that enjoyed a thriving farm economy; a nation that took pride in its forests, fields, and lakes; a nation with no great differences in wealth; a nation with a flourishing national culture and strong ties with its Scandinavian neighbors and other countries of the West.

On February 24, 1960, Estonia fell under the heel of the Soviet aggressor.

Within a few short months all had changed. The menace that loomed to the East became a foreboding presence. The oppressor ruthlessly forced Estonian life into the Soviet mold. Land was collectivized, the forests decimated, the fishing reserves were carelessly exploited, trade was subjected to the prior demands of the Soviet economy, living standards sank, class differences became glaring. Deportations and summary executions accompanied the wiping out of cherished freedoms.

The United States does not recognize the incorporation of free Estonia into the Soviet Union. Its hopes and wishes are joined to those of the Estonians; its ideals are inextricably linked with theirs, which must not be forgotten on this day—the 46th anniversary of Estonian independence—or on any day throughout the year.

Our Critical Housing Shortage

EXTENSION OF REMARKS
OF
HON. JACOB H. GILBERT
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 27, 1964

Mr. GILBERT. Mr. Speaker, I am hopeful that this Congress will have the opportunity to pass the Housing and Community Development Act of 1964 in the near future. Following is my statement to the Subcommittee on Housing of the Committee on Banking and Currency, in which I urge approval of this important bill:

STATEMENT BY HON. JACOB H. GILBERT, OF NEW YORK

Mr. Chairman and members of the Committee on Banking and Currency, the administration's Housing and Community Development Act of 1964, now under consideration by your committee, is vitally important to the people of the 22d district of New York, which I have the honor to represent, as it is to every densely populated area in our Nation. The housing shortage is one of the gravest problems with which we are confronted today.

Decent housing and good neighborhoods are essential to our standard of living. Yet, here in the richest nation in the world, millions of American families have never lived in decent homes and are without suitable housing today. The 1960 census reported 5,300,000 families with incomes of less than $3,000 who live in substandard homes.

Letters from my constituents reach my desk daily describing incredible and shocking housing conditions; they are suffering grave hardships because of the great lack of housing available to them in their low economic bracket, and they must look to the Federal Government for assistance. Their pleas are pitiful; their applications have been on file with the housing authority for many years, and still no hope can be given them that they will soon be enabled to move into a housing project. Those with large families are in despair; applicants in this category can be given no encouragement, for the shortage of units to accommodate large families remains acute. In these families in particular the children exist under intolerable and unbelievably awful conditions. It is no exaggeration to say that these children's lives are ruined, their entire futures jeopardized, and that they will pay dearly for our neglect of their sad plight.

Public housing remains the only means by which families of low income can obtain suitable apartments at rents they can afford to pay. Although much progress has been made in New York City during the past three decades, a substantial increase in funds for public housing must be provided by the Congress if we are to make any real progress in reducing the huge backlog of applications of poorly housed families. We realize the housing problem of the low-income family by these figures: The New York City Housing Authority received 97,568 applications in 1963 and was able to accommodate only 11,115 families. New York City has a backlog of 200,000 low-income families who cannot move from their present substandard quarters unless and until they are provided with subsidized low-rent apartments.

In view of the critical shortage of public housing, the administration's request that we provide for 60,000 additional public housing units per year for 4 years, is a modest one. This Congress has a moral obligation to do all in its power to make it possible for every citizen to live in a decent dwelling, to see to it that children of those in the low-income brackets may have the opportunities good housing provides. Suitable housing, a good environment, go a long way toward combating juvenile delinquency; slums and slum conditions breed evils which beset the youth of our Nation and ruin their lives. Any investment our Federal Government makes in providing good, low-rent housing will be amply repaid in many ways; improvement in the morale of our citizens and the lessening of the many serious problems created by substandard housing.

In New York City alone, there are 50,000 elderly single persons in the low-income bracket who are desperately in need of suitable housing. I am pleased that this bill will benefit the low-income single elderly persons as well as couples.

The urban renewal program contained in the bill is of utmost importance. This would help housing authorities to provide housing for very low income displacees at below average rentals; it would make low-income displaced single persons eligible for public housing, would assist small businesses displaced by urban renewal, would authorize the FHA to insure below-market interest rate loans for moderate-income elderly persons owning homes in urban renewal areas to enable them to rehabilitate instead of being forced to sell. Slums represent an intolerable burden; they are the root of terrible human suffering as well as ultimate high costs to the community. Elimination of blighted neighborhoods and substandard housing must now be our goal, and one we should work toward with diligence.

The Democratic Party has had an illustrious record of facing up to its responsibilities to achieve the goal set forth in the Housing Act of 1949, which calls for "a decent home and suitable living environment for every American family." Democrats, through the years, have fought for legislation to reach that goal and have succeeded in passing good housing bills. The bill under consideration represents another great stride forward in helping our people fulfill one of the most fundamental human needs: To have a decent place in which to live.

I urge your committee to approve this bill. Our responsibility is clear and it is our duty to discharge that responsibility without delay. It is my earnest hope that the Congress will have the opportunity to pass the bill in the near future, so that the various programs provided can be implemented and the work go forward.

NASA's University Training Grants

EXTENSION OF REMARKS
OF
HON. CHARLES McC. MATHIAS, JR.
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 27, 1964

Mr. MATHIAS. Mr. Speaker, the National Aeronautics and Space Administration recently released the names of 131 colleges and universities that will participate in their graduate training program for the academic year 1964–65.

This program of higher education in the aeronautics and space field was started in 1962. At the present time some 900 graduate students are in training under NASA grants to 88 schools. This year nearly 1,100 additional students will begin work on doctoral degrees in space-related areas under the grants which will be received by the 131 schools located in 47 participating States. I was pleased to note that among these are two great universities from my own State of Maryand—Johns Hopkins University of Baltimore and the University of Maryland in College Park.

Participants in this graduate-training program in space-related predoctoral studies will be selected by the various universities and enter the program in September of this year. The number at each school varies from 2 to 15 depending on the number of doctoral programs available in the space-related areas, the adequacy of the school's facilities, and the extent of its participation in space activities.

Under the NASA grant, each graduate student chosen for the program receives remuneration in the amount of $2,400 for 12 months of training. In addition, there is an allowance for dependents of up to $1,000 a year depending on the policy of the university administering the funds. The student is assured of 3 years of predoctoral study, if he maintains a satisfactory record.

NASA Administrator, James E. Webb, has stated that:

> The predoctoral training program is making excellent progress toward its major objectives—helping to meet the Nation's future needs for highly-trained scientists and engineers. It is heartening to note that the large number of schools participating this year indicates the interest of our universities in strengthening their graduate programs in space-related areas.

I would like to commend the National Aeronautics and Space Administration for instituting this predoctoral training program involving participation by our colleges and universities in research and development in space. It is my feeling that the institution of programs of a similar nature in other scientific fields would alleviate the situation now existent in our country where positions requiring advanced training and education cannot be filled due to the lack of qualified personnel.

Substantial Benefits From Tax Cut for Entire Economy

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1964

Mr. EVINS. Mr. Speaker, the significance of the signing of the tax cut bill continues to command widespread interest. In my newsletter of this week, "Capitol Comments," I have pointed out the importance of the signing of this famous document and its importance as a means of strengthening the national economy.

Mr. Speaker, under unanimous consent I include my newsletter in the RECORD.

The newsletter follows:

CAPITOL COMMENTS: PRESIDENT USES 24 PENS IN SIGNING TAX CUT BILL AT IMPRESSIVE CEREMONY

(By JOE L. EVINS, Member of Congress—
Fourth District, Tennessee)

As chairman of the House Small Business Committee, your Representative was among those invited to the White House by President Lyndon B. Johnson to witness the signing of the tax cut bill, providing for the greatest tax reduction in our history, which now is law.

The signing of this famous document—bringing tax relief to millions of American taxpayers—came shortly after the Congress had completed action on the bill. Scene of the impressive signing ceremony was the East Room, where members of the Ways and Means Committee of the House, and the Finance Committee of the Senate, legislative leaders and representatives of business and labor were in attendance. It was a memorable experience for all who stood by while the President affixed his signature to the parchment on which the now historic revenue measure is engrossed.

Among those in attendance were Speaker JOHN W. MCCORMACK; Majority Leader CARL ALBERT, Majority Whip HALE BOGGS; Minority Leader CHARLES A. HALLECK; chairman of the House Ways and Means Committee, WILBUR D. MILLS; and ranking minority member of the House Ways and Means Committee, JOHN W. BYRNES.

Some two dozen pens were used in the signing. President Johnson presented the pens to some of those in attendance, including one to your Representative. The President then spoke to the Nation and millions of citizens participated in the ceremony through the medium of radio and television.

The White House assemblage reflected the across-the-board, bipartisan, all-embracing nature of the $11.5 billion tax cut itself. President Johnson spoke of this aspect of the Revenue Act while singling out his predecessor, the late President Kennedy, and leaders of Congress for special mention.

SUBSTANTIAL BENEFITS FOR THE WHOLE ECONOMY

As President Johnson said in his televised address to the Nation, this tax cut is the single most important step taken to strengthen our economy and bring a better way of life to our citizens.

It is also notable as "an expression of faith in our system of free enterprise," the President remarked.

"We could have chosen to strengthen the economy through a higher level of Government spending," he said. "Instead we chose tax reduction—and at the same time we reduced Government spending."

LARGEST PERCENTAGE CUT TO THOSE EARNING THE LEAST

Fifty-one million Americans share in the reduction in individual tax rates averaging nearly 20 percent—for a total of $9.2 billion over the next 2 years.

Business, along with individuals, receives substantial benefits. "And," the President noted, "small business benefits most of all."

The President, after citing examples of how individuals and businesses in all income brackets will benefit, added: "The important point is that this bill means increased income for almost every taxpayer and business in America—and those earning the least will receive the largest percentage reductions."

Underscoring the tax cut's importance as a means of strengthing the national economy, the President said: "No one can bury us—or bluff us—or beat us—so long as our economy remains strong."

Emphasizing that "we have created the most prosperous Nation in history" by placing "maximum reliance on the initiative and creative energies of individual businessmen and workers," he concluded: "With your help—and the help of this legislation—let us close ranks and continue to build a nation whose strength lies in our program for prosperity and our passion for peace."

The Housewife Goes to Congress

EXTENSION OF REMARKS

OF

HON. WILLIAM M. McCULLOCH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1964

Mr. McCULLOCH. Mr. Speaker, our able colleague, the Honorable CATHERINE MAY, the Congresswoman from the State of Washington, was the guest speaker at the Texas Roundup at the 57th Annual Convention of the National Canners Association in Dallas, Tex.

As Mrs. MAY always does, she made an excellent speech on February 4, 1964. The speech was entitled "The Housewife Goes to Congress." The next to the last paragraph of the speech is particularly worth reading again and again.

The speech follows:

I have waited almost 23 years for a proper occasion to present itself wherein I might thank the food editors of America for the role they played at one time in my life in saving not only my job, but quite possibly my life. In 1941, an optimistic, but obviously naive, radio manager hired me as the women's editor of his station. In this capacity my job was to go on the air for an hour or so every day and tell the housewives of Tacoma, Wash., how to run their homes, how to treat their husbands, how to bring up their children, and how to cook.

At that time, I was one of those college-bred products euphemistically referred to as a "bachelor girl." In the short teaching career that lay behind me, as an apartment and boarding house dweller, I have done a masterful job of avoiding any contact with the kitchen, the dustpan and the washing machine on all occasions.

So, blithely I entered this new career fully equipped with this complete set of handicaps—plus one more—the station insisted that my air name be Mary Terry. Parenthetically, as nauseating as this name was, in time I became very thankful to have the protection of this alias, since it is probably one of the reasons I managed to avoid being hung at high noon by an organized group of irate Tacoma housewives.

Today, I point with pride, as well as considerable surprise, to the fact that I held that job for a year and emerged comparatively unscathed. In retrospect, I suppose this must have been partly because my women listeners were intelligent enough to recognize that the advice I gave them on bringing up their husband and children was obviously idiotic (for all I know they may have thought I was doing a comedy show); and second, because constantly through the mail there came to my desk those wonderful articles on how to buy and prepare food from the real experts—you, the food editors.

My goodness, but I have always been grateful to you and industry home economists. You saved me so much writing time, too. My script would go something like this: "As I was in my sunny little kitchen the other day (my kitchen at that time was a gas burner behind a closet door), I decided to whip up a little New Orleans bouillabaisse, so I took my oysters," and then on to the recital of the recipe as carefully prepared in many test kitchens after months of study by you, the real cooks.

Of course, there were unexpected hazards to this technique because every once in a while a listener would obtain my home telephone number and call me up on an evening or a weekend to say "Miss Terry, I've lost that wonderful old family recipe you have for ham sauce. Would you please give me the ingredients?" After a few of these embarrassing occasions I learned to keep my family recipes of yours in a file by the phone book. And so, today, the first occasion I have had since then to find so many food editors corralled in one room, I welcome this opportunity to say, "thank you"—and, "forgive me."

As you have probably assumed from the title of this speech I eventually did become a housewife. As a matter of fact, I proceeded in my women's radio program work to Seattle, Wash., during World War II, met a handsome staff sergeant in the Infantry named James O. May, married him and, in due time, we had two children. Early in our marriage, we returned to my husband's hometown—Bloomfield, N.J.—where I worked as a writer for Adelaide Hawley, a well-known commentator on WEAF in New York. After the war, we returned to my hometown of Yakima, Wash., where my husband went into business and I became a mother and homemaker in earnest (and also began to understand for the first time what outrages I had perpetrated on my early radio audiences).

The road that took this housewife to Congress involves a story that we do not have time to present in detail today. In more or less synopsis form, I continued to combine my career as a radio broadcaster, interested specificaly in women's activities, with my job as wife, mother, and homemaker. Inevitably my interests widened to women's community activities and her responsibilities in this field. And it was then that Jim and I joined the Young Republican Club of Yakima and began to assume some responsibility in the area of government policies and helping to get good people to represent us at the government policymaking level. This activity eventually led to my election as a State representative in the Washington Legislature, where I served 6 years, and then took the next step and was elected to Congress in 1958, where I have now served 5 years.

During these 11 years of service in public office I have often been asked in interviews how I became interested in politics. The question is usually put as if there were something incongruous or conflicting about a nonprofessional woman, mainly interested in her husband, family, and her home, involving herself in political party work—which on occasion leads to election to a public office. Certainly in today's world I can see no conflict at all when there is no move made by our Government today that does not directly or indirectly involve the welfare of that which a woman holds most dear—her husband, her family, and her home. To me, the real puzzle is that any American woman today could fail to have a good, healthy intelligent curiosity about how her representatives in Government are spending her money and involving themselves in her decisions.

And I know no better case to cite as an excellent illustration of this than the case of the consumer versus Congress.

Because my experience, both in my personal and career life, dealt so largely with the consumer housewife, it is obvious that I would have a special interest in watching what is going on in Congress in those areas that are referred to as activities on behalf of consumer interest or consumer protection.

My committee assignment is the House Committee on Agriculture and I serve on six subcommittees. All our dealings are with laws that have to do with the production of food and fiber. In other words—they are all directly concerned in the end with the consumer. And, may I state right here, I have always taken for granted that everybody was a consumer because everybody eats, wears clothes, lives in some sort of a shelter, and buys things pertaining thereto. Frankly, I have never thought of the consumer as a set-apart, minority group that needed special representation or a special organized voice to speak on its downtrodden, inadequately protected behalf.

Well, since coming to Congress, I have certainly learned that there have sprung up several schools of thought that differ from mine. To listen to some of the more vocal, militant, and radical groups talk, while they wage their battles as self-appointed champions of the consumer, the average American purchaser when he walks into the marketplace enters some sort of terrifying and unregulated jungle with frightening and mysterious evils lurking behind every counter. The exaggerated version of this melodrama depicts the storekeeper as a Simon Legree villain, complete with black mustache and heartless sneer, and, what I resent most, it portrays the American housewife as an absolute idiot.

As I said, this is the exaggerated picture, but quite honestly, it is also the implication you get as you listen to some of the testimony I have heard, or read some of the committee transcripts, or peruse some of the articles that have been written on this subject. "Consumeritis" has aroused my curiosity, and, as an American housewife and on behalf of the American housewife, I have a few questions to propound concerning this new movement.

But, first I would lay this premise of personal belief as a foundation for all my remarks—there cannot be a double standard of ethics for business and government. False labeling, misrepresentation, commercial fraud, and corporate bureaucracy are evil and wrong under any circumstance. Wherever these evils, abuses and malpractices exist, we must move to meet them. If businessmen, as integral factors in our free society today, do not develop facilities for self-policing and for protecting the public, then they are traitors to the voluntary cause they espouse because they deliberately invite government regulation. And, on the other hand, those who maintain that government intervention is the sole approach for public protection are traitors to the basic tenet on which our government is formed—personal liberty and free choice.

Now—first question—just how unregulated is the jungle of the marketplace? In 1961, the Intergovernmental Relations Subcommittee of the House Government Operations Committee, initiated a study to determine how many agencies of the Federal Government were concerning themselves with activities which (1) directly protected the consumer; (2) advance the interest of the consumer; and (3) indirectly involved the consumer or the effect of protecting the general public. The results of this study were astonishing and, by the way, they piled up to hundreds of pages of compiled data.

In the first place, out of 35 departments and agencies of the Federal Government, only two of them perform no activities in the consumer field. Analysis of this report showed that 118 different activities were listed as directly protecting and advancing consumer interests. These activities involve annual program expenditure totaling $953 million and the programs employ full time, 6,500 Federal workers. In addition, these agencies carried on 135 programs in the interest of indirectly protecting or helping consumer interest and there were 43 additional activities not specifically labeled as consumer programs but which were identified as protecting the general public. That adds up to the Federal Government being involved in 296 programs to help the consumer.

Obviously, time does not permit me to list the nature of all these programs but many of them come under the Department of Agriculture and I am sure you join me in giving your enthusiastic support to most of them. For example, research in the field of biological controls for insects and diseases on agricultural crops. We are all familiar with the protective functions of the Food and Drug Administration and, with very little objection, give them support. But, fact one is that we have 296 consumer activities being carried on by the Federal Government. Fact two: We have dozens of pending propositions for putting the State and Federal Government further into the field of regulation and protection of the consumer.

In highlight review of these activities and recommendations: In 1962, President Kennedy appointed a Consumer Advisory Council. This Council made its first report of recommendations last October. The report made 26 recommendations and proposed 8 studies. Frankly, I felt it left much to be desired as a well-thought-out documentary study on consumer interest. But, it certainly did go into a whole range of currently political issues that are before Congress. The report concerned itself with taxation, civil rights, public housing, electrical transmission, safety on the highways, and governmental financing. This, in addition to many subjects that did have some identifiable connection with consumer problems.

Considering that these above-listed bills call for sweeping changes, are extremely complicated and have been under study by congressional groups, citizens' groups, special interest groups and experts in the field for many years, I can only be surprised when I think that this Council (which had only five meetings in a little more than a year) thought it could arrive at definite conclusions on all of them. In addition to this, they managed to give full endorsement of our opposition to some of the most complex bills that we are still studying in Congress.

And back to Congress—there we have a number of legislative measures pending, all presented as bills to protect the buying public against fraud at the marketplace. The most controversial of these has been the Hart Packaging and Labeling Control bill, oftentimes referred to as the "Truth in Packaging" bill. This would give unprecedented government authority over the size and labeling of canned foods. This bill has been reported by a Senate Judiciary Subcommittee but the full committee has not taken any action on it. There is a companion bill in the House but action upon it is pending and nothing has been scheduled.

This Congress, at present count, has some 26 legislative items before it that would affect the members of our host organization, the National Canners Association.

On to the State legislatures—Mr. Milan D. Smith, executive vice president of the National Canners Association, gave a speech before our Northwest Canners and Freezers Association at their convention in Seattle in which he reported on how many State legislatures are proposing regulatory measures in the food packaging, labeling, and consumer field. In this talk, he listed State after State where attempts are being made to license, set up labeling standards, and adopt new weights and measures regulations or laws.

In this speech, Mr. Smith said and I quote, "It seems to be the current vogue among some legislators today to try to do something for the consumer." I couldn't agree more and I think it is highly important for all of us—for whom something is going to be done—to stop and ask some searching questions about just what is motivating this movement:

(1) Are our legislators and Federal and State agencies being flooded with complaints from all over the country? I have made a spot check on a number of occasions with colleagues who are close to consumer legislation and I have also checked statements and asked questions of the various bureaus in Government dealing with this problem. At no time did I get an answer that indicated that letters of complaint on any one of several consumer matters totaled more than 200 or 300. That is on any one subject. Since we have about 182 million consumers today in the United States, I don't think we can define this as a flood.

(2) Is this new consumer movement getting impetus because individuals and groups concerned with it have found that it has a great deal of political appeal? Without making any individual or blanket indictment, the answer to that one seems pretty obvious to me. I think it was inevitable that some people should find out that there was a lot of political appeal and color to the oft-used technique of telling a large group of people that they were in trouble or danger and then announce that they were going to protect them. As we say in Congress, you can't be against God, motherhood, and apple pie.

(3) [Most important of all] Doesn't this make a wonderful issue to cloak the real purpose of those who believe in more total regimentation by government? I believe these questions are very valid. But, in case you think I am going overboard and on my part trying to dream up dangers that don't exist, let's discuss some of the implications of the activities and the legislative proposals that I have listed for you.

I told you that the first report by the Consumer Advisory Council gave sweeping recommendations on a whole score of Government programs and controls, in addition to specific consumer interest proposals. Now this is a first report by this Committee and, hopefully, future reports will show greater responsibility of conclusion directly pointed at the area in which they make their studies. But, meanwhile, it is an advisory document made by men and women of status who are presidentially appointed. It cannot fail to have potential influence among those individuals and groups where it might be widely circulated. My sincere hope is that those who study this report will do so objectively and will be guided to see its inconsistencies, and separate its facts from its fallacies.

This report, among other things, recommends the passage of the Hart bill on packaging and labeling. Let's talk about that for a moment. Doesn't grade labeling sound, at first thought, like a splendid thing for the housewives? What housewife is not entitled to adequate information printed on the label which would help her decide between one can of beans over another can of beans? But I think she is also entitled to something better—to something more flexible and more informative than a Federal yardstick used in Washington, D.C., which roughly and categorically puts all the qualities and varying factors of taste and flavor into three A-B-C categories.

I may be ignorant of some economic principle here, but I honestly don't see how we can avoid putting a ceiling on quality if we stress minimum standards, and then tie them to a Government-imposed flat selling price for the product. Nor do I find any incentive for creative and imaginative businessmen to produce more and better goods at a lower cost, the process which makes the American family the best fed family in the world. And for the life of me, I can't understand these self-styled champions who assume that some individual Federal worker, no matter how sincere or well trained, can do these things better than the individual housewife.

Now, I submit that the American "housefrau" is a real competent, smart cookie. She knows how to discriminate and discriminate well between poor and good quality. The American housewife is the best budget balancer I know. (I sometimes wonder why the U.S. Treasury doesn't call her in to learn a few tricks on how to keep "outgo balanced with income.")

And I don't have to tell this group that she knows how to regulate the seller. All the government officials and all the government laws in the world are as nothing as compared to the impact Mrs. America has on Mr. Manufacturer and on Mr. Storekeeper when she makes up her mind to buy one can of beans over another can of beans. And when she makes that decision, no power on earth can save the businessman or the producer of the product who made the mistake of displeasing her. She has done and is doing a wonderful job in needling, inspiring, and in regulating American business enterprise.

And, to reward her, I want to protect her. Not with more Government regulations and laws—I want to protect her freedom of choice. I want to protect her right to reward or punish the businessman. I want her to stay the boss of the marketplace. As long as she is, then there's no danger to our free enterprise system.

And I know of no better example than to take the food industry and its development and progress as outstanding proof of how and why the American way of life really works. At a time when food has become one of the most obviously important weapons in the cold war, I just can't understand those theorists, those planners, who are trying to step up this movement to involve the Government even further into the decisions of the consumer, the farmer, the food processor, and the food distributor.

Just a week or so ago, I came across an article in a national magazine entitled "Better To Be Fed Than Red." It was written by Mr. W. B. Murphy, president of the Campbell Soup Co., who is also a trustee of the Nutrition Foundation and former national chairman of the Radio Free Europe Fund. In this article, he gives a clear and excellent analysis of the serious food problems in Soviet Russia, China, East Germany and most of the satellite countries. And he certainly makes an excellent case for why totalitarianism and a flourishing food industry don't go together. As he says, it is not a question of land resources or weather conditions or farm machinery or distribution methods; it boils right down to "how do we make people eat what the central authorities decide they should eat and what is going to make the farmer, the processor, and the distributor want to cater to the consumer?" In other words, the two magic, precious, important ingredients missing are freedom of choice and incentive and profit motives. Then Mr. Murphy goes on to say and I quote him, "Now how do we—with a democratic, private enterprise profit system—achieve such good results, whereas the totalitarian states have so much trouble in the matter of foods?"

"The success of America's food industry is based on these two premises: The public is to be offered foods that the public wants. The food business operates under a free private enterprise system and can make profits. Our ideological competitors base their food industry on the concepts that: The public must take the foods the government wants to give them. The food business operates as a part of the state and profits go to the state, not to individuals."

And so Mr. Murphy's advice to the Marxist state is that if they wish to catch up with the American food industry, they'll have to do two things—serve the consumer what he wants, and provide the farmers, the food processors, and the food distributors the freedom to operate their own enterprises and achieve the rewards that come from their own efforts. I don't know whether Mr. Khrushchev and company are going to take this very sound advice. It sounds like a pretty dangerous dilution of the Communist doctrine to me. But, I do know that if this country takes some of the advice that is being offered today on what we should do to protect and help the consumer, we'll be on the road to downgrade and weaken one of the greatest success stories the progressive American system has to offer.

I guess you have concluded by now that this housewife went to Congress, and, as a result, has become more concerned than ever about the consumers, but my concern is what government may be doing to them while it's doing something for them.

And we need to appeal to the women of America in this particular cause of assuring that whenever consumer legislation or action is proposed that they give it the most careful study possible before offering their support. I say this—not only because it is the women we most often think of when we talk about the consumer—but, because of the great influence she can have on Congress and State legislatures. If they would use it, the women's vote outnumbers the men's today. Politicians of both parties recognize women as outstanding political workers but most important of all, the average man in public office is scared to death of the organized women's drive on behalf of a cause that has aroused either her indignation or her imagination. For years I have been consistently urging women everywhere to recognize this powerful political potential which they have and to use it in the right causes. At the same time, I stress to them that with this power goes a great responsibility and that is to be sure that they exercise study, judgment, wisdom, and caution in selecting the right cause. And I want women everywhere to become interested in consumer legislation with the realization that, not only is the matter of protection involved, but her freedom to buy goods of her own choosing is equally involved.

Lastly, I call upon business to continue their efforts to build the strength of private enterprise against the threats of more centralized Government controls. Those who represent your interests in Congress and in State legislatures have been doing an outstanding job, but they can't do it alone. Every time business anywhere fails to exercise voluntary discretion, the rug is pulled out from under the feet of those who are charged with the responsibility of protecting your best interests in the areas where laws are made. Every abuse of the business trust creates a clamor for Government action. On the other hand, as business becomes ever more vigorous in self-regulation, ever more vigorous in insistence on truth in advertising and truth in labeling, then the threat of Government intervention fades further away.

You and I, the housewife and the businessman, have done right well together up to now with our mutual interests. I'd like us to continue to work out our problems together—battle them out together if necessary—but let's not bring any more Government umpires into the ring.

SENATE

FRIDAY, FEBRUARY 28, 1964

(Legislative day of Wednesday, February 26, 1964)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. Metcalf].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, in the abundance of Thy mercy another day is added to the record of the lengthening years, as swift to its close ebbs out our little day. For the tomorrows and their needs we do not pray. For the day of Thy grace which now bathes us in its returning light, give us courage, give us vision, give us wisdom, that we fail not man nor Thee. Save us from being embittered by ingratitude, pettiness, or meanness, and from cowardly compromise in the global battle now raging for the minds of men. Valiantly may we fight the good fight whose issue will mold the future, knowing that so soon the night cometh when no man can work. Amen.

THE JOURNAL

On request by Mr. Humphrey, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, February 27, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 8316) to amend the Communications Act of 1934 to prohibit the Federal Communications Commission from making certain rules relating to the length or frequency of broadcast advertisements, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 8171) to authorize the Secretary of the Interior to acquire lands, including farm units and improvements thereon, in the third division, Riverton reclamation project, Wyoming, and to continue to deliver water for 3 years to lands of said division, and for other purposes, and it was signed by the Acting President pro tempore.

HOUSE BILL REFERRED

The bill (H.R. 8316) to amend the Communications Act of 1934 to prohibit the Federal Communications Commission from making certain rules relating to the length of frequency of broadcast advertisements, was read twice by its title and referred to the Committee on Commerce.

TRANSACTION OF ROUTINE BUSINESS

On request by Mr. Humphrey, and by unanimous consent, it was ordered that there be a morning hour, with statements therein limited to 3 minutes.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. Humphrey, and by unanimous consent, the Subcommittee on Constitutional Amendments of the Judiciary Committee was authorized to meet during the session of the Senate today.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

INFORMATIONAL MATERIALS EXPORT PROMOTION ACT

A letter from the Director, U.S. Information Agency, Washington, D.C., transmitting a draft of proposed legislation to amend further the U.S. Information and Educational Exchange Act of 1948, as amended (with accompanying papers); to the Committee on Foreign Relations.

REPORT ON IMPAIRMENT OF COMBAT CAPABILITY OF M-60 TANKS DEPLOYED WITH THE U.S. ARMY, EUROPE, DURING 1961 AND 1962

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report on the impairment of combat capability of M-60 tanks deployed with the U.S. Army, Europe, during 1961 and 1962 due to an insufficient supply of armor-defeating ammunition, Department of the Army (with an accompanying report); to the Committee on Government Operations.

REPORT ON LEAD AND ZINC MINING STABILIZATION PROGRAM

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report on the lead and zinc mining stabilization program, for the year ended December 31, 1963 (with an accompanying report); to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution of the Senate of the State of Delaware; to the Committee on Aeronautical and Space Sciences:

"SENATE RESOLUTION 107

"Resolution advocating the location of the National Aeronautics and Space Administration's Electronics Research Center in the Delaware Valley Area

"Whereas the Area Survey Committee of the National Aeronautics and Space Administration (abbreviated NASA) is considering, among many areas, the location of the NASA Electronics Research Center in or around that area which is the Delaware Valley area of Delaware, New Jersey, and Pennsylvania; and

"Whereas this Delaware Valley area is centrally located within the Washington, D.C.-New York, N.Y., industrial strip containing the greatest concentration of electronics research and supporting electronic resources—electronics organizations, electronics employees, industrial laboratories, engineers and scientists, electrical engineers, electronic technicians—in the United States; and

"Whereas this area is most accessible to and from NASA Centers and other centers of electronics activity in the United States in terms of travel time and cost savings; and

"Whereas there is a great concentration of large established electronics firms and supporting small business firms, many specializing in some aspects of electronics, with a large capital investment in this area; and

"Whereas there is a great concentration of industrial electronics research laboratories, with extensive supporting services, in this area, with a large capital investment in special space-oriented electronics research facilities; and

"Whereas there is a great concentration of electronics engineers and scientists with supporting technicians and craftsmen, highly qualified and experienced in associated fields, in and around this area; and

"Whereas there are good technical educational institutions with advanced scientific and engineering graduate training facilities in and around this area—including the University of Pennsylvania, Princeton, Drexel, Temple University, University of Delaware, and others; and

"Whereas there are excellent and economical urban and suburban living conditions, with available homes in choice residential areas convenient to the Delaware Valley area; and

"Whereas this area offers an excellent and diversified cultural environment; and

"Whereas there is plenty of land in and around this area from which to choose available suitable 1,000-acre sites; and

"Whereas excellent transportation, communications, and utility services—power, water, etc., are readily available; and

"Whereas there is convenient access from this area to the Philadelphia Industrial Airport and to other transportation terminals; and

"Whereas this area provides for most efficient and most economical operation of a Research Center of this type: Now, therefore, be it

"*Resolved*, That those responsible persons in the National Aeronautics and Space Administration, in the U.S. Senate, in the U.S. House of Representatives, and in the executive branch of the U.S. Government give sole consideration to the location of the NASA Electronics Research Center in the Delaware Valley area of Pennsylvania, New Jersey, and Delaware; and be it further

"*Resolved*, That the Delaware delegation in the U.S. Senate and the U.S. House of Representatives give full support without deviation to the location of the NASA Electronics Research Center in the Delaware Valley; and be it further

"*Resolved*, That the secretary of the senate forward a copy of this resolution to the President of the United States of America, and be it further

"*Resolved*, That the secretary of the senate forward a copy of this resolution to each member of the Delaware delegation to the U.S. Congress, and be it further

"*Resolved*, That a copy of this resolution be forwarded to the following persons: Mr. James E. Webb, Administrator, NASA, Washington, D.C.; Dr. Hugh L. Dryden, Deputy Administrator, NASA, Washington, D.C.; Dr. Robert C. Seamens, Jr., Associate Administrator, NASA, Washington, D.C.; Mr. George P. Miller, chairman, House Committee on Science and Astronautics, House Office Building, Washington, D.C.; Mr. Clinton P. Anderson, chairman, Senate Committee on Aeronautical and Space Sciences, Senate Office Building, Washington, D.C.; Mr. Edward C. Welsh, Chairman, National Aeronautics and Space Council, Executive Office Building, Washington, D.C.; Mr. Carl Hayden, President of the Senate pro tempore, Washington, D.C.; and Mr. John W. McCormack, Speaker, the House of Representatives, Washington, D.C.

"Respectfully submitted.

"CURTIS W. STEEN,
"*President pro tempore of the Senate*."

A resolution adopted at a mass meeting of Americans of Estonian descent, in Seattle, Wash., relative to the commemoration of Estonian Independence Day; to the Committee on Foreign Relations.

The petition of George Washington Williams, of Baltimore, Md., praying for the adoption of an amendment to the civil rights bill to prohibit miscegenetic marriages; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

H.R. 950. An act to amend the Internal Security Act cf 1950 (Rept. No. 926).

By Mr. JOHNSTON, from the Committee on Post Office and Civil Service, without amendment:

H.R. 7235. An act to amend sections 671 and 672 of title 28, United States Code, relating to the Clerk and the Marshal of the Supreme Court (Rept. No. 930).

REPORT ENTITLED "REVISION AND CODIFICATION"—REPORT OF A COMMITTEE (S. REPT. NO. 927)

Mr. ERVIN, from the Committee on the Judiciary, pursuant to Senate Resolution 67, 88th Congress, 1st session, as extended, submitted a report entitled "Revision and Codification," which was ordered to be printed.

REPORT ENTITLED "NATIONAL PENITENTIARIES"—REPORT OF A COMMITTEE (S. REPT. NO. 928)

Mr. LONG of Missouri, from the Committee on the Judiciary, pursuant to Senate Resolution 64, 88th Congress, 1st session, as extended, submitted a report entitled "National Penitentiaries," which was ordered to be printed.

REPORT ENTITLED "ADMINISTRATIVE PRACTICE AND PROCEDURE"—REPORT OF A COMMITTEE (S. REPT. NO. 929)

Mr. LONG of Missouri, from the Committee on the Judiciary, pursuant to Senate Resolution 55, 88th Congress, 1st session, as extended, submitted a report entitled "Administrative Practice and Procedure," which was ordered to be printed.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. BARTLETT, from the Committee on Commerce:

Nicholas Johnson, of Iowa, to be Maritime Administrator, Department of Commerce.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mrs. NEUBERGER:

S. 2574. A bill to amend the Flammable Fabrics Act so as to extend the protection provided by such Act to infants receiving blankets; to the Committee on Commerce.

(See the remarks of Mrs. NEUBERGER when she introduced the above bill, which appear under a separate heading.)

By Mr. PROUTY:

S. 2575. A bill to provide for bipartisan membership on the National Labor Relations Board; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. PROUTY when he introduced the above bill, which appear under a separate heading.)

By Mr. MUSKIE:

S. 2576. A bill to amend section 24 of the Federal Reserve Act (12 U.S.C. 371) relating to certain limitations on real estate loans by national banks; to the Committee on Banking and Currency.

(See the remarks of Mr. MUSKIE when he introduced the above bill, which appear under a separate heading.)

BABY BLANKETS AND THE FTC

Mrs. NEUBERGER. Mr. President, yesterday morning the Federal Trade Commission in its collective wisdom determined that infants' receiving blankets were not "wearing apparel" and hence were free to be highly flammable.

This decision followed 9 months of hearings and deliberation during which it was conceded by the manufacturers that blankets now on the market are, when sold, in fact dangerously flammable.

Ironically, this decision comes at a time when President Johnson is seeking to place qualified women in positions of responsibility, such as the Federal Trade Commission. Every woman knows that the receiving blanket is the infant's first outer clothing, the functional descendant of "swaddling clothes."

But it does not take a woman to reach this conclusion. Commissioner Philip Elman, the articulate and perceptive consumer spokesman on the Commission, angrily dissented from the Commission's action:

> A statute which has been construed to protect infants against all kinds of dangerously flammable clothing, from diapers to snowsuits, should not be construed to exclude one of the articles—a receiving blanket as it is called—in which an infant is bundled during the first days and weeks of its life.

He concludes that—

> Nothing in the legislative history of the act or the Commission's prior course of decisions * * * compels a construction so at variance with the humane purpose of the act.

In a footnote, Commissioner Elman quotes Dr. Spock's famous treatise on baby and child care which describes receiving blankets as "helpful for wrapping around the baby who would otherwise kick off his outer bed covering, or the baby who feels comfortable and secure only when he is very snugly bundled."

One can readily conjure up the image of the new mother, her baby wrapped in a flammable blanket under one arm, stirring a pot over an open gas stove, sitting by a log fire, or smoking a cigarette—unfortunate practices, but by no means rare. It is disturbing, to say the least, to realize that in each such case there now exists—and will continue to exist—a grave risk to the infant's young life.

Commissioner Elman urges that Congress now enact legislation remedying the omission of receiving blankets from the scope of the Flammable Fabrics Act. I agree. I therefore introduce a bill to amend the Flammable Fabrics Act to include "infants receiving blankets" within the definition of "wearing apparel" and I ask that it be referred to the appropriate committee.

In the light of the Commission's findings that these blankets do not now satisfy the tests for safety set by the Commission, it is imperative that this legislation be speedily enacted and implemented.

I ask unanimous consent that the Commission's release announcing its decision together with Commissioner Elman's dissenting statement be printed at the close of my remarks.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the release and dissenting statement will be printed in the RECORD.

The bill (S. 2574) to amend the Flammable Fabrics Act so as to extend the protection provided by such act to infants receiving blankets, introduced by Mrs. NEUBERGER, was received, read twice by its title, and referred to the Committee on Commerce.

The release and dissenting statement presented by Mrs. NEUBERGER are as follows:

> The Federal Trade Commission announced today its closing of proposed rulemaking with respect to a proposed amendment to rule 6 of the Rules and Regulations under the Flammable Fabrics Act which would have provided that the Flammable Fabrics Act was applicable to infant receiving blankets and other blankets principally used to wrap or clothe infants.

The original proposal to amend rule 6 of the regulations under the Flammable Fabrics Act was issued on May 20, 1963 and published in the Federal Register on May 21, 1963. The Commission received written views, arguments and other data in relation to the proposed amendment between May 21, 1963 and September 16, 1963. Interested parties were afforded an opportunity to present their views orally in the matter in a public hearing on June 12, 1963.

After fully considering the proposed amendment and all views, arguments and data presented the Commission (with Commissioner Elman dissenting) concluded that the proposed amendment was not to be promulgated and closed the rulemaking proceeding basing its decision on the determination that a study of the legislative history and committee reports concerning the Flammable Fabrics Act, as well as what the Commission heard, indicated that at the time of the passage of the Flammable Fabrics Act, infant receiving blankets were not included within the scope of the Flammable Fabrics Act.

The Commission has been advised that tests conducted have indicated that infant receiving blankets presently on the market are of normal flammability after washing when tested at room temperature and at ordinary humidity under conditions approximating that of normal usage. The principal manufacturers of receiving blankets have indicated that they will include in every package in which receiving blankets are sold a statement to the effect that they recommend the blankets be washed before using.

Commissioner Elman's dissenting statement is attached.

Commissioner Elman's Dissenting Statement re: Application of Flammable Fabrics Act to Infants' Receiving Blankets

In view of the Commission's summary disposition of this matter, I shall not elaborate my dissenting views in detail. Briefly, they are as follows:

1. The Flammable Fabrics Act is designed to protect the public from articles of wearing apparel and fabrics which, when tested in the manner prescribed by the act, are "so highly flammable as to be dangerous when worn by individuals" (sec. 3). Section 2(d) defines the term "article of wearing apparel" to mean "any costume or article of clothing worn or intended to be worn by individuals except hats, gloves, and footwear * * *." Section 2(e) defines the term "fabric" to mean "any material * * * which is intended or sold for use in wearing apparel * * *." By implication, household furnishings such as curtains, rugs, and bed linen (including blankets) are excluded.

The question here is whether an infant's receiving blanket is an "article of clothing worn or intended to be worn by individuals." Looking to its name but not its function, the Commission holds that such a "blanket" is not subject to the act. But every parent knows, and the testimony in this record amply confirms, that a receiving blanket is one of the first pieces of clothing worn by a newborn baby. It is the modern equivalent of swaddling clothes. To the uninitiated, there may be no difference between a receiving blanket and crib blanket; both might be loosely described as "baby blankets," and both are used to cover the infant. But the difference between them—and it is crucial, so far as the applicability of the Flammable Fabrics Act is concerned—is that the one, but not the other, is also intended to be worn by the baby as clothing, serving essentially the same purpose as a bathrobe or dressing gown.[1] A statute which has been construed to protect infants against all kinds of dangerously flammable clothing, from diapers to snowsuits, should not be construed to exclude one of the articles—a receiving blanket, as it is called—in which an infant is bundled during the first days and weeks of its life. I find nothing in the legislative history of the act or the Commission's prior course of decisions under sections 2(d) and 2(e) that compels a construction so at variance with the humane purposes of the act.

2. If I am wrong and, through design or inadvertence, Congress excluded infants' receiving blankets from the Flammable Fabrics Act, the Commission should not on that account let the matter rest. We owe it to the public to recommend to the Congress that the act be amended to remedy such omission.

3. In any event, and wholly apart from the question of the coverage of the Flammable Fabrics Act, the Commission has a responsibility under the Federal Trade Commission Act with respect to the advertising and sale of infants' receiving blankets. Industry representatives have conceded that these blankets, in the form in which they are now sold, do not pass the flammability test prescribed by the Flammable Fabrics Act.

As the Commission recently stated in its notice of rulemaking proceeding for the establishment of trade regulation rules for the advertising and labeling of cigarettes, "Protection of the consuming public from false, misleading, deceptive, or unfair advertising (including labeling) of products that may endanger human health or safety is a prime duty of the Commission. * * * The Federal Trade Commission Act enacted into law basic principles for the protection of consumers against unfair or deceptive advertising. It is established that a seller may not misrepresent, whether affirmatively or by failure of disclosure, the dangers to health or safety involved in using his product" (pp. 2, 3–4). The Commission should now proceed to determine whether the Federal Trade Commission Act requires that the consuming public be given clear warning of the dangers to life and safety in the use of infants' receiving blankets. This would not be a novel proceeding. Proceedings to compel affirmative disclosure of flammability were brought by the Commission prior to the enactment of the Flammable Fabrics Act; e.g., *Seymour Dress & Blouse Co.* (49 F.T.C. 1278); *Academy Knitted Fabrics Corp.* (49 F.T.C. 697 (1952); cf. *Rudolph R. Siebert Co.* (49 F.T.C. 1418 (1953)).

BIPARTISAN COMPOSITION OF NATIONAL LABOR RELATIONS BOARD

Mr. PROUTY. Mr. President, I introduce, for appropriate reference, a bill which provides that the National Labor Relations Board be bipartisan in makeup.

This proposed legislation would carry out the recommendation of the Labor Relations Committee of the Bar Association of the District of Columbia.

In a recent report, the labor relations committee strongly recommended that the National Labor Relations Act be amended to provide that no more than three members of the NLRB shall be members of the same political party.

In its report the committee brought sharply to focus the fact that there are eight so-called Federal regulatory agencies and that the enabling act of each of these agencies, with the exception of the National Labor Relations Board, requires that the Board or Commission be composed of members from both political parties.

There is no logical reason why the NLRB should not be under the same bipartisan mandate. We must remember that the regulatory agencies have quasi-judicial functions and in theory, at least, they are supposed to be above the arena of politics.

The Labor Relations Committee of the District of Columbia Bar Association feels that Congress should bring the NLRB in line with other regulatory agencies. I share this belief wholeheartedly and I feel that my bill would do much to promote respect for the quasi-judicial character of the NLRB.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2575) to provide for bipartisan membership on the National Labor Relations Board, introduced by Mr. Prouty, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

AMENDMENT OF SECTION 24 OF FEDERAL RESERVE ACT RELATING TO CERTAIN LIMITATIONS ON REAL ESTATE LOANS BY NATIONAL BANKS

Mr. MUSKIE. Mr. President, I introduce a bill to amend section 24 of the Federal Reserve Act relating to certain limitations on real estate loans by national banks.

Under existing law, national banks may lend up to 75 percent of the appraised value of real estate offered as security, for a term not longer than 20 years. This bill would raise the limitations to 80 percent of the appraised value, for a term not longer than 30 years.

National banks have been unable to effectively compete with other financial institutions not bound by similar limitations. The more liberal lending policies followed by other competing institutions have generally proved sound, and national banks should be permitted to compete more effectively in this important area. This bill would permit them to do so.

This is an administration measure proposed by the Treasury Department. I ask unanimous consent to insert in the Record at this point a copy of a letter from the Secretary of the Treasury to the President of the Senate dated July 28, 1963, endorsing the bill.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the Record.

The bill (S. 2576) to amend section 24 of the Federal Reserve Act (12 U.S.C. 371) relating to certain limitations on real estate loans by national banks, introduced by Mr. Muskie, was received, read twice by its title, and referred to the Committee on Banking and Currency.

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[1] According to Dr. Spock, receiving blankets "are helpful for wrapping around the baby who would otherwise kick off his outer bed coverings or the baby who feels comfortable and secure only when he is very snugly bundled." "Baby and Child Care" (1957 paper edition), p. 30, sec. 42.

The letter presented by Mr. MUSKIE is as follows:

THE SECRETARY OF THE TREASURY,
Washington, D.C., July 25, 1963.

Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a proposed bill, "to amend section 24 of the Federal Reserve Act (12 U.S.C. 371) relating to certain limitations on real estate loans by national banks," together with a comparative type of the changes in existing law that would be made by the proposed bill.

Pursuant to the provisions of section 24 (12 U.S.C. 371) national banks may lend up to 75 percent of the appraised value of the real estate offered as security, for a term not longer than 20 years if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize the entire principal of the loan within the period ending on the date of its maturity.

The purpose of the proposed bill is to raise the limitations of this section to 80 percent of the appraised value of the real estate offered as a security and for a term not longer than 30 years. No change would be made in the security requirement.

National banks have found that they cannot effectively meet the competition of other financial institutions such as savings and loan associations and insurance companies who are able to offer mortgages on much more liberal terms. This more liberal policy by these institutions has proved sound. The national banks should be encouraged to compete in this area.

State law on this subject is generally more liberal than the limitations on national banks. Many States have no statutory restrictions relative to real estate loans. In this group are Alabama, Alaska, Arkansas, Delaware, Louisiana, Maryland, Mississippi, Nebraska, North Carolina, South Dakota, Utah, and Washington, a total of 12. Other States have no statutory restrictions concerning loan limits based on a percentage of the appraised value of the real estate offered as security or limitations as to the terms of the loan. States in this category are Arizona, Florida, Kansas, Kentucky, Maine, Minnesota, Missouri, Tennessee, and Wisconsin, totaling nine. Therefore at least 21 States have no restrictions at all on the percentage that a bank may lend on the security or on the term of the loan. In view of this a liberalization of Federal law in this area is indicated. There is enclosed a comparison of State laws relative to real estate loans.

The Department believes that the proposed legislation is in the national interest and urges its enactment. It would be appreciated if you would lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this proposed legislation to the Congress.

Sincerely yours,

DOUGLAS DILLON.

AGRICULTURAL ACT OF 1964—AMENDMENTS

Mr. ELLENDER submitted three amendments (Nos. 438, 439, and 440), intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. SIMPSON submitted an amendment (No. 441), intended to be proposed by him, to H.R. 6196, supra, which was ordered to lie on the table and to be printed.

Mr. TOWER submitted two amendments (Nos. 442 and 443), intended to be proposed by him, to H.R. 6196, supra, which were ordered to lie on the table and to be printed.

NOTICE OF HEARINGS ON CERTAIN BILLS BY COMMITTEE ON BANKING AND CURRENCY

Mr. ROBERTSON. Mr. President, on February 24, 1964, I announced that the Subcommittee on Financial Institutions of the Banking and Currency Committee would hold hearings on a number of bills which would broaden the investment powers of Federal credit unions, national banks and Federal savings and loan associations.

The junior Senator from Maine [Mr. MUSKIE] has today introduced a bill, S. 2576, which would broaden the authority of national banks to make real estate loans. This bill is an administration bill proposed by the Secretary of the Treasury. Since this bill lies in the general field covered by the hearings already scheduled for next Wednesday, March 4, I wish to give notice that S. 2576 will also be considered at that time.

Any persons who may wish to testify in connection with this bill are requested to notify Mr. Matthew Hale, chief of staff, Committee on Banking and Currency, room 5300, New Senate Office Building, Washington, D.C., telephone, Capitol 4-3121, extension 3921.

NOTICE OF RECEIPT OF NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nominations of Walter M. Kotschnig, of Maryland, to be the representative of the United States of America to the 19th plenary session of the Economic Commission for Europe of the Economic and Social Council of the United Nations; and Kenneth T. Young, of New York, to be the representative of the United States of America to the 20th session of the Economic Commission for Asia and the Far East of the Economic and Social Council of the United Nations.

In accordance with the committee rule, these pending nominations may not be considered prior to the expiration of 6 days of their receipt in the Senate.

REMOVING OBJECTIONS TO REGIONAL WATER PLANNING AND FEDERAL PROJECTS

Mr. KUCHEL. Mr. President, earlier in this session a number of Senators introduced S. 1275. A companion bill is pending in the House of Representatives, where it was introduced by a number of the Members of that body.

This bill is of vast importance. It deals with a regrettable, but continuing, controversy in the field of water and water law.

Eariler this month the distinguished minority counsel for the Senate Committee on Interior and Insular Affairs, Richard D. Andrews, wrote an illuminating letter on this subject to James H. Krieger, chairman of the Southern California Water Conference. The letter is an excellent review of the problem involved and of the reasonableness of our legislative vehicle designed to settle a substantial portion of the controversy.

Mr. President, a decade of talk is long enough. The time has come to pass an affirmative piece of legislation in this field so that we can quiet many fears about and objections to broad regional planning and Federal water projects, all with the aim of getting on with the projects. Time taken now to deal adequately and accurately with S. 1275 will be well spent in getting this matter off the list of unfinished business of Congress so that it does not drag on indefinitely requiring effort and time which could be better devoted to harmonious planning and authorization of projects.

As Senator Moss said at the western water law symposium last year, this subject has needed more light and less heat. I hope that Mr. Andrews' letter sheds some light on what S. 1275 would and would not do.

I ask unanimous consent that the entire text of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS,
February 13, 1964.

Mr. JAMES H. KRIEGER,
Chairman, Southern California Water Conference, Los Angeles, Calif.

DEAR JIM: I am pleased to respond to your request that I reiterate the essence of the remarks I offered concerning pending water rights legislation when I discussed that and other resource matters at the California State Chamber of Commerce Annual Meeting last December.

As you know, the bill in question is S. 1275, introduced in the Senate by Senator KUCHEL, who has been joined by cosponsors Senators MOSS, JORDAN of Idaho, CHURCH, and ENGLE. Identical companion bills in the House of Representatives, H.R. 5914, H.R. 7376, and H.R. 9364, have been introduced by Representatives HOSMER, HAGEN of California, and LEGGETT, respectively. Support for this legislation has been stated by almost every national and California group and individual recognized as responsible authority on matters of this type. Hearings on S. 1275 have been set for March 10 and 11 in Washington before the Subcommittee on Irrigation and Reclamation of the U.S. Senate Committee on Interior and Insular Affairs.

Though, as indicated, S. 1275 is widely supported, it remains true that some people still express doubts about whether it is necessary or good legislation. However, it appears generally that the very limited number of persons raising objections against the bill have not read what this particular bill itself provides and/or they have a misapprehension as to what its effect would be.

Therefore, it is hoped that with their own adequate objective study, and with explanation from proponents of the bill, the few remaining objectors will see that this is necessary, progressive, beneficial legislation.

I have found it is important to start with what this bill is not, because so many people have an initial reaction of aversion to the whole topic of "Federal-State water rights." This aversion stems largely from two causes. First, an honest objection to what some completely different earlier bills in this field would have done; and second, a belief that nothing can be accomplished in this field because it has been talked about for so long with nothing having been accomplished.

Let me deal with the second problem first. Nothing has been achieved heretofore because some of the proponents of legislation in this field have been unwilling to settle for less than all they desired, thus defeating concerted action and their own cause, and because opponents have not actually understood nor have had adequately explained to them just what the more moderate bills heretofore introduced would have and would not have done. This time everyone who believes there is a need for legislation is working in harness and we are trying to demonstrate the virtues of S. 1275 to all who are willing to listen.

Senator CLINTON P. ANDERSON, former chairman and still a prominent member of the Senate Interior Committee, indicated the generally favorable climate which exists for a reasonable bill when last spring he said, in discussing this matter at the annual meeting between the Senate Interior Committee and the Board of Directors of the National Reclamation Association:

"We can all agree it is important to get something done. * * * The committee is ready to find some place that seems to be a meeting ground. * * * I would like to see this vexing matter settled."

Many of the supporters of S. 1275 have set aside more far-reaching proposals which they have heretofore urged in order to unite behind the moderate S. 1275 so as to present a bill which is within the meeting ground described by Senator ANDERSON. The proponents are certainly doing their part and it is hoped the previous opponents will give S. 1275 the benefit of their objective analysis and a fair hearing.

Furthermore, Senator Moss, speaking on this subject at the western water law symposium last March, quoted from the report of the U.S. Senate Select Committee on National Water Resources which acknowledged:

"A solution must be worked out, and worked out promptly, for the preservation of the historic patterns under which our people have grown great."

And then Senator Moss said:

"As chairman of the Subcommittee on Irrigation and Reclamation of the Senate Committee on Interior and Insular Affairs, I pledge myself to do everything in my power to push on to a satisfactory conclusion in this controversial area."

Thus, S. 1275 is not a bill that is not going any place. Its reasonableness and its wide support indicate that it should and it will be enacted into law. This is because it is not a bill which militates against Federal participation in water development.

That brings me to the first problem in what I call the reflexive aversion syndrome. That problem is the history of bona fide, i.e., studied, objections to earlier bills. I simply point out that this bill must be judged on what it, itself, would do and when that is understood then I think many of the presently hostile forces will have no valid objection to this bill. In this regard, it is important to point out that S. 1275, 88th Congress, is not like the so-called Barrett bill, introduced by the late Senator Barrett, of Wyoming, in 1955 as S. 863 of the 84th Congress. That bill, as introduced, would have stripped the United States of its sovereign powers in the field of water development and would have made each Federal water project turn on whether some State official or agency granted sufficient water to support the project. It provided, inter alia:

"Federal officers, employees, agencies, and instrumentalities the same as private persons shall proceed in conformity with laws of the State in which the the appropriation has been or shall be instituted or perfected, and that each of them shall be governed by the laws of such State in respect to the control, use, and distribution of the appropriated water."

That proposed broad relinquishment of Federal powers brought forth a wave of objectors—too many of which continue to assert the same objection to the present S. 1275 though the latter bill contains no such provision.

The author of S. 1275 has tried to make it clear that he is for Federal participation in water matters and is against stripping the Federal Government of its constitutional powers in this field. Senator KUCHEL, in his remarks in the Senate upon introducing S. 1275, said:

"It has been suggested * * * that all Federal water activities be subjected to State control. I * * * reject this theory. It would unduly impair and cripple the constitutional responsibilities of the Federal Government which, over the years, has constructed important and imposing water projects to serve the people."

Also, Senator JORDAN, in his speech before the National Reclamation Association last October, stressed the essentially affirmative nature of S. 1275 when he discussed it under the title "Sound Water Rights—The Basis for Sound Water Planning and Sound Water Projects." At that time he said:

"S. 1275 would remove many possible doubts which might otherwise exist concerning the far-reaching proposals which we can anticipate will continue to be the rule in the future of water resource development. Enactment of our bill would actually help Federal as well as State and local projects—by clarifying a now too confusing situation concerning Federal authority under Federal projects."

That S. 1275 is widely considered a potential help, rather than a hindrance, to Federal water projects and broad water resource planning is demonstrated by the fact much support for pending Federal proposals is conditioned upon enactment of S. 1275. For example, the California Supervisors Association has conditioned its approval of S. 1111, the pending water resources planning bill, on enactment of S. 1275 and the Irrigation Districts Association of California has deemed enactment of S. 1275 a prerequisite to approval of a Pacific Southwest water plan.

This bill is mainly one dealing with property rights. It has very little to do with intergovernmental relations at all. It gives assurances to all non-Federal entities, be they individuals, local districts, State governments or whatever, that water rights these entities otherwise have are not subject to certain defects or other hazards arising because of certain paramount claims which have been asserted on behalf of the United States.

It is also in some respects a statement of Federal policy by the Congress as to how the Federal Government will exercise its powers in water control and use matters, without relinquishing any of those powers.

Here are the features of the bill, with some discussion of some of the issues which have been raised.

Paragraph (1) of section 1 provides as follows:

"The withdrawal or reservation of surveyed or unsurveyed public lands, heretofore or hereafter made, shall not affect any right to the use of water acquired pursuant to State law either before or after the establishment of such withdrawal or reservation."

It would deny that a reservation or withdrawal of Federal lands affects rights to water. The theory has been advanced by the executive branch, and has been significantly accepted by the judicial branch, that whenever land is set aside by the Federal Government for any of various purposes there is ipso facto reserved at that time any water appurtenant to that land. S. 1275 would disclaim that any such setting aside of land also denies to upstream and downstream water users the right to acquire the right to use water merely because it arises on or flows through or by such withdrawn or reserved land.

There are good reasons for Congress, the branch of Federal Government in which such matters are reposed, to speak on this subject and to speak as proposed in S. 1275. Some action is necessary because a long line of statutes make it highly questionable whether the reservation theory has a sound basis in statutory authority—indeed, whether it is not actually largely precluded already. Because of the confusion raised by recent court decisions, paragraph (1) of section 1 is, therefore, needed.

The law ought to be as provided in said paragraph because (1) the reservation theory impairs otherwise valid water rights unjustly and (2) the reservation theory works unwise allocations of water.

Historically, it has been assumed that one acquired a valid water right by proceeding in accord with State law, regardless of whether the source or course of the water involved federally owned lands. To now have such rights rendered junior to paramount Federal claims to the water appears to most people to be an unfair and unnecessary way for the Central Government to deal with its citizens or State and local governmental entities which have planned and invested in reliance on the continuance of a supply of water which can now be denied without compensation under the reservation theory. Since the Federal Government has ample authority to acquire all the water it needs for its legitimate Federal functions by appropriating, contracting for, or condemning the necessary rights, and thus spreading the cost over all the project beneficiaries or the taxpayers as a whole, I do not see how anyone can justify foisting the entire burden of this particular aspect of a public purpose upon one or a few who would have the rug pulled out from under them by assertion of the reservation theory. The extent of this problem is related to the vast amounts of Federal land, mostly withdrawn and/or reserved, often at rather ancient dates, which largely constitute the watersheds in many of our States.

The reservation theory works unwise allocations of water because it puts on the shelf, as of the time of the reservation or withdrawal of the land, many of which, as indicated, date from away back, an unascertainable amount of water for possible future use in purposes which might prove to be not as high as others. This prevents an accurate inventory of water available for appropriation. It prevents harnessing water for public benefit presently. It permits taking water away from existing uses for new uses without an adequate evaluation, at the right time, of which are the highest in public benefit.

Clear renunciation of the reservation doctrine by S. 1275 would thus not only confirm appropriations of water under State law which have already been perfected, but it would assure the availability of unused water for reliable appropriation currently without having a valuable resource otherwise go unused under the deep freeze of the reservation theory. Again, the ultimate legitimate Federal need for the water can be carried out, after examination at the time in question to be sure it is the highest of the competing needs, through purchase or condemnation of water rights intervening since the setting aside of the land as well as those existing before the withdrawals or reservation. In the meantime, the use of waters under appropriation might well generate sufficient gross product and service, and taxes, to more than make up for the Federal cost of acquiring the rights.

Therefore, it appears that paragraph (1) is both necessary in clarifying the existing law and is beneficial in assuring the maximum use of our water resources with resultant public benefit, without impairing any Federal power to make other use of the water when a higher use is found.

Paragraph (2) of section 1 of S. 1275 states a rule with which I have heard no dispute. It provides:

"The provisions of section 1(b) of the Flood Control Act of 1944 (Act of December 22, 1944, 58 Stat. 888–889, as amended; 33 U.S.C. 701–1 (1958)) shall apply to all works hereafter constructed by or under the authority of the United States with respect to waters arising within States lying wholly or partly west of the ninety-eighth meridian."

The provisions described state that, as to waters arising within States lying wholly or partly west of the 98th meridian, consumptive uses shall be given priority over nonconsumptive uses. S. 1275 would not distinguish within consumptive or nonconsumptive uses. It would apply only to water projects constructed after enactment of the bill. This happens to be the State law in most of the area involved. It has repeatedly been found a proper rule for Congress to apply to individual Federal reclamation projects. It is the general Federal law as to flood control and navigation projects in the West, by virtue of the 1944 Flood Control Act provision which S. 1275 would now make general Federal law as to all new federally operated or licensed waterworks in the West.

The need for enactment as general Federal law of this widely accepted-to-be salutary rule is that it will state a reassurance to those who fear Federal projects because they might be operated inconsistent with local principles of priority of consumptive use. Its enactment should bring more people to favor Federal projects.

Paragraph (3) of S. 1275 has been the subject of a great deal of misunderstanding on the part of those who have not studied it carefully. At first reading I misinterpreted it. It provides:

"Any right claimed by the United States to the beneficial diversion, storage, distribution, or consumptive use of water under the laws of any State shall be initiated and perfected in accordance with the procedure established by the laws of that State."

What this means is that if the United States chooses to base its claim to a water right on the State law, rather than on Federal law as it is left free to do, it must abide by that State law. The provision would not require the Federal Government to base its claim on State law. It would simply say that if the United States elects to claim a proprietary right, the same as an individual or non-Federal entity, rather than exercise its sovereign rights, it must play the game by the rules applicable to the acquisition of proprietary rights under State law.

This provision is aimed at orderly procedure and fair play by assuring that a Federal agency cannot, on the one hand, claim it has a right to water in accord with, rather than by supremacy over, State law and, on the other hand, claim that the statutory and agency-imposed conditions on that right are not applicable. It is aimed at preventing such a claim as is made by the United States in the well-known Fallbrook case, where waiving sovereignty, the Federal Government says restrictions on its State law water right are mere police regulations inapplicable to the United States. Though rejected by the trial judge in that case, the theory is still advanced by the U.S. Justice Department. Thus, the need for, as well as the wisdom of, this provision of S. 1275 is apparent, too.

Regretfully, though attempts have been made to keep this point clear from the outset, misconception on the effect of paragraph (3) continue. Some continue to say it would have the effect of the earlier quoted provision of Senator Barrett's first bill. But, as I said at the western water law symposium when discussing Senator KUCHEL's draft bill which he later introduced as S. 1275, this provision "would not require the United States to crawl on its knees to the State agencies to seek the water necessary to carry out congressionally authorized and constitutionally permissible Federal water projects."

As Senator KUCHEL said, in introducing S. 1275, this provision "would not deny the Central Government any power it now has to acquire water rights other than by State law. It would only apply when the United States claims an appropriative right under State law."

As Senator JORDAN said about this paragraph at the time of addressing the NRA, it would simply "assure that in those instances when the United States claims a water right in its proprietary, as contrasted to its sovereign, capacity it must satisfy the same laws and procedures that would be applicable to you or to me in acquiring a similar proprietary interest in water."

Thus, it is clear that paragraph (3) is not intended to strip the Federal Government of its authority under various powers it holds under the Constitution; powers which, when coupled with the supremacy clause of the Constitution, enable the federally authorized project to proceed regardless of whether certain State officials or agencies decide to grant or withhold a permit for water necessary to the project. That is why statements are erroneous which claim that S. 1275 would enable State governments to frustrate regional planning and Federal projects. The fact is S. 1275 would not alter the present situation in this regard at all, except to make such planning and new projects more acceptable by confirming the orderly compensability of existing water rights and assuring that consumptive use will be made of the water in question.

Under existing law, a non-Federal entity such as a State or city government cannot take water from another State except by grace of the latter State's permission. Neither any State nor any of its citizens or political subdivisions is supreme over any other State. S. 1275 would not alter that.

But the Federal Government, within its constitutional powers, including those which form the basis of its past, present, and anticipated broad activity in water matters, is supreme over States and any lesser entity. It can take the water if it wishes even if a State law or official should say no. This it does by invoking the supremacy clause, a power uniquely Federal. S. 1275 would not alter that either. Neither paragraph (3) nor any other provision of S. 1275 gives up the supremacy clause or any of the powers it amplifies. Paragraph (3) only applies if the supremacy clause is not invoked.

Fears have also been expressed by some as to the effect of paragraph (4) of section 1 of S. 1275. It provides:

"No vested right to the beneficial diversion, storage, or consumptive use of any waters, navigable or nonnavigable, which is recognized by the laws of the State or States in which such waters are diverted or used as compensable if taken by or under the authority of the State, shall be taken by or under authority of the United States without compensation; and where such rights are acquired otherwise than by agreement with the owner, they shall be taken by proceedings in eminent domain under the laws of the United States or of the State or States affected."

Here again misconception flows from a misapprehension of what is intended by the provision. Indeed, upon reading this paragraph one would think that it merely states what the law would naturally be under our Bill of Rights. But it is a necessary provision because the judicial branch has ultimately upheld wide authority claimed by the executive branch which most people feel violates fair play. Paragraph (4) is really only what good government should embrace. What this provision is intended to do is to repeal two modes of operation now utilized without impairing the U.S. power to achieve the same results through more acceptable means.

The theory of navigational servitude or easement has cropped up to the effect water rights held by non-Federal entities can be impaired without compensation in the course of federally authorized work in connection with very broadly defined navigable waters. The first clause of paragraph (4) is intended to assure as to all Federal projects the rule which has been made applicable as to many already—that regardless of the power to do otherwise the Federal authority will pay damages to any water right holder hurt by the project.

The second clause of paragraph (4) is meant to assure that this will be done in an orderly manner. Even in cases where compensation is presently required, the power now exists for Federal authorities to seize water without agreement with those otherwise entitled to its use and without first instituting condemnation proceedings. The victim of such a seizure is presently left to speculate as to whether or to what extent his rights are being impaired. He is left to originate a suit, often unknowing of the Government's claims, in the unfamiliar and often remote tribunal of the U.S. Court of Claims.

S. 1275 would simply require that when the Federal authority, let us say the Secretary of the Interior, determines that it is necessary to impair some existing water rights in order to implement a project, and he has not been able to negotiate compensation, he must institute a condemnation proceeding in the local court, as he would for a post office site, effect immediate control over the water, and proceed to litigate the issue of compensation unless ultimately settled.

What some objectors have read into this provision of S. 1275 is a risk that one who had not been contracted with or joined in the condemnation proceeding could enjoin work on the project. I do not see any such effect intended or resulting from S. 1275.

All that it appears to require is that the Secretary make a bona fide determination as to whom he is hurting and to what extent, and then settle with or sue those people accordingly. Thus, if the Secretary decides that A, B, and C would be hurt by the project but D would not be, he need only sue A, B, and C and the project can proceed even if D claims he, too, is hurt and should have been joined. D would have the right to assert his own claim by suit in inverse condemnation, perhaps joining the already pending case. But S. 1275 is not intended to permit a litigant or even a judge to second guess the Secretary to the extent of stopping work on the project.

Nor should one who was not sued and who did not appear to have been harmed at the outset of the project have his later appearing claim cut off by relation to the date of a suit against others. The accrual of his cause of action should continue to be determined by other rules of law.

Because of its fairness and because an objectionable course of action is possible under existing court decisions, paragraph (4) is, therefore, both good, and necessary.

Section 2 of the bill contains many saving provisions which are self-explanatory. It provides:

"Nothing in this Act shall be construed as—

"(1) modifying or repealing any provision of any existing Act of Congress requiring that rights of the United States to the use of water be acquired pursuant to State law;

"(2) permitting appropriations of water under State law which interfere with the provisions of international treaties of the United States; or

"(3) affecting, impairing, diminishing, subordinating, or enlarging (a) the rights of the United States or any State to waters under any interstate compact or existing judicial decree, (b) any obligations of the United States to Indians or Indian tribes, or any claim or right owned or held by or for Indians or Indian tribes, (c) any water right heretofore acquired by others than the United States under Federal or State law, (d) any right to any quantity of water used for governmental purposes or programs of the United States at any time prior to the effective date of this Act; or (e) any right of the United States to use water which is hereafter lawfully initiated in the exercise of the express or necessarily implied authority of any present or future Act of Congress or State law when such right is initiated prior to the acquisition by others of any right to use water pursuant to State law."

Thus, the bill would not upset things. It would mainly assure that water right holders cannot be upset. By giving such assurance it would thereby facilitate sound water planning and sound water projects by the Federal as well as by the State, local government, special district and private entities.

The bill has been set forth in its entirety in this letter. An objective study of S. 1275 itself, unclouded by bugaboos left over from different bills or imagined into S. 1275, should reveal that its enactment would not hinder Federal water projects. Rather, it would make them more acceptable to many. It would not frustrate regional planning. It would make this more acceptable, too. It would not give State authorities control over the United States as to the appropriation of water except in those cases where the United States finds it is best to submit to such control. Supreme powers to avoid doing so would remain unimpaired. It would not hold up projects awaiting litigation over water rights. Rather, it would provide a more orderly and illuminated procedure than groping and thrashing around in a purely inverse condemnation proceeding. It would result in a more beneficial allocation of water. It would assure fair play to the rank and file water right holder throughout the United States. It would be an affirmative, progressive step forward in water resource matters—substituting certainty and the basis for cooperation in place of doubt, opposition, litigation, and delay in putting our water to work.

In other words, the issue presented by S. 1275 is not whether to have Federal projects, regional planning and other water progress. It is whether to have to force it in an atmosphere of mistrust and confusion wrought by extreme Federal claims or to achieve it more readily in an atmosphere of cooperation and certainty. The proponents of S. 1275 favor the latter course, which S. 1275 would go a long way to assure. It is therefore believed that, given a fair chance, this bill will be enacted into law.

Very truly yours,

RICHARD D. ANDREWS,
Minority Counsel.

PRESIDENT JOHNSON MOVES TOWARD A SOUND POLICY IN THE MIDDLE EAST

Mr. GRUENING. Mr. President, I ask unanimous consent that at this time I may proceed for approximately 10 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. GRUENING. Mr. President, on February 6, 1964, President Johnson announced that the United States stood ready and willing to aid all the nations in the Middle East—both the Arab countries and Israel—to develop their vitally needed water resources.

This announcement marked the first truly constructive step in U.S. foreign policy in the Middle East in over a decade. President Johnson's announcement should signal the reversal of the policy he inherited from previous administrations of tying U.S. foreign policy in the Middle East to the political, military, and economic fortunes of one man and of one country—President Nasser and Egypt—often contrary to the interests of the other Arab countries and Israel.

President Johnson acted with firmness, boldness, and vision. His position is both realistic and statesmanlike.

Since his rise to power in 1952, Egypt's President Nasser has been supported and kept in power through the assistance of the United States. Previous administrations have steadfastly through the years supported President Nasser, even though he has been responsible for permitting Soviet Russia to gain a foothold in the Middle East, and even though U.S. support meant antagonizing our traditional allies and other friendly nations in the Middle East.

President Johnson's statement of U.S. water policies in the Middle East therefore represents a definite and welcome break with past policies of appeasing President Nasser and the alinement of the United States on the side of what is right for the entire Middle East's economic development.

Speaking in New York City on February 6, 1964, after noting that the United States had offered to cooperate with Israel in using nuclear power to solve the water shortage in the Middle East, President Johnson stated:

> We are equally ready to cooperate with other countries anxious to cure water shortages. This would be part of a general program for pooling experience and knowledge in this important field. The International Atomic Energy Agency is a focal point in this program. In this way we can demonstrate the constructive meaning of man's mastery of the atom. We can pool the intellectual resources of Israel, America, and all mankind for the benefit of all the world. And we can better pursue our common quest for water.

No better summation of the President's objective can be given than to reiterate his own words that "water should never be a cause of war—it should always be a force for peace."

I reiterate my commendation of President Johnson for his clarion call to all nations in the Middle East to join with the United States in a common cause to solve one of the most pressing problems of the troubled Middle East—its acute water shortage.

But unfortunately President Johnson's call for unity for peaceful pursuit of the economic development of the Middle East met, from the Arab rulers in that area, not praise but abuse. This is not unexpected, but still disturbing.

Spearheading the attacks on the President of the United States for his offer of aid has been President Nasser of Egypt.

A Voice of Cairo broadcast to the Arab world on February 18, 1964, at 1850 GMT interpreted President Johnson's generous offer as follows:

> It means that the United States has finally chosen Israel and that so-called American-Arab friendship does not go beyond words and sympathies. Secondly, it means that this alliance is the beginning of other alliances in various fields and stages, including, of course, the military field which protects Israel. Thirdly, the declaration means disregard for the Arab States and a flagrant and open challenge to the Arab summit conference and its resolutions.

The deliberate misreading and distortion of the U.S. position by Nasser's Cairo radio is not unexpected. It is in keeping with the almost constant anti-United States barrage from the Cairo radio over the years.

The statement that "so-called American-Arab friendship does not go beyond words and sympathies" is in keeping with the almost total blackout of news about U.S. economic assistance to Egypt and other Arab countries over the years.

Thus President Nasser—who aspires to be the leader of the Arab League—conveniently forgets the receipt through fiscal year 1963 of U.S. economic aid by Egypt of $807.1 million. He characterizes as only "words and sympathies" the receipt during that period by the Arab League nations of $2,429.8 million in U.S. economic aid.

I ask unanimous consent that there be printed at this point in the RECORD a table showing the total amount received through fiscal year 1963 by the Arab League nations in economic assistance from the United States.

There being no objection, the table was order to be printed in the RECORD, as follows:

U.S. economic aid to Arab League countries through fiscal year 1963

[Millions of dollars]

Algeria	94.6
Iraq	22.5
Jordan	388.9
Lebanon	80.1
Morocco	426.8
Saudi Arabia	46.5
Sudan	75,6
Syria	96.1
Tunisia	364.5
Egypt	807.1
Yemen	26.8
Total	2,429.5

Mr. GRUENING. Two and one-half billion dollars constitute more than "words and sympathies." They are a solid and substantial indication of the concern of the people of the United States for the economic development of the nations of the Arab League.

One of the basic purposes of our economic aid program is our own enlightened self-interest in the economic development of underdeveloped countries as a means of preserving world peace. For these actions we must not necessarily expect to receive the thanks of the nations aided. But we should expect as a minimum to be free of their abuse.

But more than that, Mr. President, we have a right to expect that the nations aided will not divert our economic aid from the prescribed goal of improving the economic and social conditions of their own indigent masses and instead use it—directly or indirectly—to engage in aggression against their neighbors or to foment strife.

Yet this is exactly what Egypt has been doing.

I have had occasion, in the past, Mr. President, to comment on Egypt's war of aggression in Yemen since September 1962—for a year and one-half—with no end in sight. For this purpose, President Nasser has committed approximately 28,000 of his troops, at a conservatively estimated cost of $500,000 a day. This means that in the last year and one-half President Nasser has wasted in a fruitless, heartless, and unnecessary aggressive war in Yemen approximately $275 million. He has been enabled to do this because of the economic assistance we have been pouring into his country.

And the sum of $275 million is not the full measure of the cost to the U.S. taxpayer of Colonel Nasser's aggressions.

Because of his warlike utterances and his buildup of arms, he has caused his neighbors—especially Jordan and Israel—to devote to the purchase of arms economic resources which could more profitable have been devoted to the economic development of those countries.

The situation in Yemen is even worse. We have economically assisted that country with $26.8 million in loans and grants. There is no accurate estimate of the value of the damage caused by Nasser's destructive bombings of the cities and towns of Yemen or of the homes burnt by the indiscriminate napalm bombings. It is, however, obvious that in the destructive atmosphere that persists in Yemen, little in the way of economic development can be done. The more than $26.8 million in our economic aid has partly gone up in smoke. It seems equally obvious that, ridiculous as it may sound, we are actually giving Yemen economic aid to repair the damage caused by Nasser, while at the same time we are making economic aid available to Nasser so as to enable him to continue to inflict damage upon Yemen. Could folly be greater?

Since his advent to power in 1952, Colonel Nasser has kept the Middle East in perpetual turmoil.

This he still continues to do.

As part of his war of aggression in Yemen he has bombed and strafed unarmed, civilian villages not only in Yemen but also in Saudi Arabia.

Utilizing the services of former Nazi war criminals, President Nasser is busy perfecting missiles.

Not long ago he embroiled himself in the dispute between Algeria and Morocco—two nations also receiving economic aid from the United States. More recently he has been reported sending arms to strife-torn Cyprus.

Only a few days ago he gratuitously advised Libya to throw the United States off its base in that country. Showing Colonel Nasser's great influence in the Middle East, within 24 hours Libya responded by indicating that our lease on our Wheelus Air Force Base in Libya would not be renewed despite the fact that this base adds over $6 million annually to the Libyan economy in addition to the millions of dollars we paid Libya for the right to build it, to say nothing of our economic aid under our foreign assistance programs.

While constantly meddling in the affairs of other nations in the Middle East, Colonel Nasser preaches the inevitability of an "Arab war with Israel."

His powerful radio constantly preaches the destruction of the Governments of Saudi Arabia, Lebanon, and Jordan, advocating, without shame or reluctance, the assassination of the rulers of those countries.

I ask unanimous consent that news reports from the Washington Post and Times Herald and from the New York Times be printed in the RECORD at the conclusion of my remarks. These news accounts give greater detail of President Nasser's most recent meddling activities.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. GRUENING. How long, Mr. President, will the United States continue to finance Colonel Nasser's troublemaking in the Middle East?

How long, Mr. President, will the United States continue to accept the excuses of the apologists for Colonel Nasser—excuses that fly in the face of all tangible evidence—that Colonel Nasser is changed, is matured and is not to be taken to mean what he says?

How long, Mr. President, will the United States continue to accept Colonel Nasser's protestations of neutrality when his actions really play the Communist game?

In my report on my study of foreign aid in 10 Middle Eastern countries, I pointed out that before the Egyptians went into Yemen in force the royalist regime in Yemen had held Russian technicians to less than 150, but that after the Egyptians took control the number of Soviet technicians had risen to more than 450. I understand that the number is considerably higher now.

Colonel Nasser since his advent to power in Egypt has been very vociferous in his proclamation of neutrality. He has been exceptionally adept at playing off the United States against the Soviet Union.

But the curious fact remains that Colonel Nasser's Egypt more and more resembles the police state of the Soviet Union and that it has become more and more dependent on the Soviet Union for arms and technicians.

All is not quiet in the Middle East—despite appearances. Beneath the outward calm a vigorous arms race is in progress. The recent decision on the part of Great Britain to sell missiles to Saudi Arabia is not calculated to lessen that race. It can only intensify that race and add to the tensions in the region.

The Arab States are constantly being prodded by President Nasser about the need for "driving Israel into the sea" and about the inevitability of the war with Israel. By that he means, of course, a shooting war for the waging of which he is constantly increasing his arsenal—missiles, military jet planes, submarines. While these sophisticated weapons come either from Soviet Russia or are manufactured locally with the aid of Nazi technicians, the United States in effect pays for them through the diversion of our financial aid.

That the Congress has been and is disturbed about Nasser's activities in the Middle East is clearly evident on the record.

Last year the Congress added to the Foreign Assistance Act the following new provision:

> No assistance shall be provided under this or any other act, and no sales shall be made under the Agricultural Trade Development and Assistance Act of 1954, to any country which the President determines is engaging in or preparing for aggressive military efforts directed against:
>
> 1. The United States;
>
> 2. Any country receiving assistance under this or any other act; or
>
> 3. Any country to which sales are made under the Agricultural Trade Development and Assistance Act of 1954, until the President determines that such military efforts or preparations have ceased and he reports to the Congress that he has received assurances satisfactory to him that such military efforts or preparations will not be renewed. This restriction may not be waived pursuant to any authority contained in this act.

This is the so-called "antiaggressor amendment" which I offered in the Senate on behalf of myself and a number of colleagues and which was adopted by a vote of 65 to 13. It was retained in the Senate-House conference. It is now law.

During the course of that debate, the able and distinguished majority whip, the Senator from Minnesota [Mr. HUMPHREY] suggested an amendment which would limit the aid cutoff to Egypt. During that debate, the senior Senator from Minnesota stated:

> There appears to be little doubt that Nasser was responsible for the attack on Yemen, and I favor cutting off our aid to Egypt. From the available evidence it would appear that Nasser is guilty, and let us say that he is. We know perfectly well what he [Nasser] has been doing in Yemen and in Algeria, and we know perfectly well about his constant meddling in the Middle East governments in many, many instances, which include Iraq and Syria; and we could name many more of them.

The proposal to limit the amendment to Egypt was not accepted because I felt that the President should be perfectly free to make his determination as to which country was an aggressor without a predetermination of the facts by the Congress.

What was sought by the amendment was the assertion of a principle; namely, that our economic aid should not be dissipated by being given to nations using that aid to prepare for or to carry out aggression either against the United States or other nations aided by the United States. But it is clearly applicable to Egypt's Nasser and to Indonesia's Sukarno.

The decision must be made by the President. The import of my remarks today is not in any way intended to usurp Presidential prerogatives. As stated by the amendment, aid is to be cut off from any nation "which the President determines is engaging in or preparing for aggressive military efforts."

Peace in the Middle East hangs in the balance. We cannot be lulled into complacency. We cannot overlook the fact that the Arab nations prodded, propagandized and incited by Nasser consider themselves at war with Israel—a one-sided declaration of war but a declaration and state of war nevertheless.

It is truly an anomalous situation in this day and age, Mr. President, when nations can declare war against another nation and for that state of war to continue for years with the United Nations treating that situation as a completely normal one. The action by the Arab nations in declaring war against Israel violated the basic tenets of the United Nations.

Subsections 3 and 4 of article 2 of chapter I of the Charter of the United Nations provide as follows:

> 3. All members shall settle their international disputes by peaceful means in such a manner that international peace, and security, and justice are not endangered.
>
> 4. All members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any member or state, or in any other manner inconsistent with the purposes of the United Nations.

I submit, Mr. President, that the continued existence of this declaration of a state of war by the Arab nations against Israel is in clear violation of at least these two provisions of the charter of the United Nations. The integrity of the charter is seriously imperiled the longer we permit the existence of a unilateral declaration of war by a few United Nations members against another member to persist. The time has come for the United States to take the leadership in the United Nations to seek rescission of this declaration of war.

The very existence of this state of war imperils the peace of the Middle East and poses a continuous danger that it will or can at any time erupt into a shooting war.

It is essential, Mr. President, that I clearly mark the limits of the action I propose. I do not say that we should work for the recognition of Israel by the Arab nations, however desirable that end might be. All I say we should seek, Mr. President, is the abrogation of the state of war which the Arab nations have declared against the State of Israel. The Arab nations have been using this pretext of the existence of a state of war with Israel as justification of their boycott of Israel and of goods destined for Israel, and their exclusion of ships with Israel-bound or Israel-shipped cargo from the Suez Canal in violation of international agreements. The existence of this unilateral declaration of war constitutes a continuing threat to the peace of the Middle East and of the world.

The very existence of this unilateral declaration of war by the Arab Nations against Israel constitutes a violation of the obligations they assumed by their adherence to the Charter of the United Nations.

Nasser's constant threats against the very existence of Israel and his arms buildup in keeping with an intent to carry out his threats violates not only the Charter of the United Nations, but also the antiaggressor amendment of our own Foreign Assistance Act.

In these circumstances the President of the United States should immediately ascertain all the facts necessary for him to make the determination called for by the antiaggressor amendment with respect to Egypt.

The American people are rightly disturbed by the posture of the United States in world affairs today. That posture can only be improved and strengthened by a position of firmness in our dealings with other nations and by standing steadfast in support of our basic principles.

One of the basic principles for which the United States stands is that it will not use its foreign aid to arm and support aggressor nations. That statement of principles has been clearly set forth by the Congress. We will only gain in stature in the world if we adhere to that principle. By the same token our stature in the world will be diminished to the extent that we stand idly by and permit recipients of our aid to subvert it to aggressive purposes.

The least the American people can expect from a nation receiving our economic aid is that it use it for its own economic development and that it be more interested in such development than in its own military aggrandizement at the expense of its peace-loving neighbors.

Peace in the Middle East will be hurt not helped by temporizing at this crucial time.

President Johnson has made the first constructive move in this area by his forthright and friendly declarations on its water resources and offering his support where they are threatened by ancient and senseless jealousies and hates.

Exhibit 1

Nasser Bids Foreigners Abandon Their Bases in Cyprus and Libya

Cairo, February 22.—President Nasser called tonight for the liquidation of foreign bases in Cyprus and Libya and declared that, following its Suez experience in 1956, Egypt "cannot trust Britain in our neighborhood."

The President spoke for more than 2 hours to a cheering audience at Cairo University on the anniversary of the union between Egypt and Syria in 1958. The union broke up in 1961.

Nasser said the Cypriots could solve their problems if the "imperialists stopped dividing them."

The audience rocked with laughter as the President poured scorn on a recent statement by British Prime Minister Douglas-Home that he wished the United States had left Britain alone in 1956, when British and French troops invaded Suez, then withdrew.

The British lion, Nasser remarked, left its tail behind at Port Said and if the United States had left Britain alone "we would also have broken the lion's neck."

The Egyptian leader devoted the greater part of the speech to domestic matters. He said Egypt was aiming to double its national income every 10 years.

Nasser also said that an Arab war with Israel was inevitable. But he added that "we do not want a repetition of the tragedy of 1948" when the Israelis defeated Arab forces.

He accused Britain of "supporting and spoiling" Israel and warned that anyone who supported Israel would find his interests being affected in Arab lands from the Persian Gulf to the Atlantic.

Nasser made a similar comment about relations between the United States and Israel.

"Since 1948 America's policy toward Israel has not changed. No American President has stood for Arab rights. They are always biased in favor of Israel," he charged.

Nasser said the Egyptian Government had received a note from the U.S. Embassy here complaining that the Egyptian press was attacking the United States despite the fact that Egypt was receiving as much American aid as Israel.

He said American aid to Egypt had not stopped but added that the United States had given more help to the Jewish state.

Nasser's speech—the first since the Arab summit conference here earlier this year—contained no atacks on neighboring Arab monarchs.

Exhibit 2

[From the New York Times, Feb. 24, 1964]

Libya Will Forbid New Base Leases: United States and Britain Unmoved by Stand—Present Pacts Have Years To Run

Tripoli, Libya, February 23.—Libya does not intend to renew or extend the treaties under which the United States and Britain maintain military bases there, the Libyan Government said in a statement issued today.

The treaty under which the United States maintains Wheelus Air Force Base near Tripoli runs out in 1971. Wheelus is the biggest U.S. air base outside the United States.

Britain's bases in Libya were set up under a 20-year treaty signed in 1953 in return for British financial aid. The United States includes Libya in its foreign aid program.

NONAGGRESSION PLEDGED

The Libyan statement said foreign bases in Libya would never be a source of aggression against any Arab country.

The statement was in reply to a speech by President Gamal Abdel Nasser of the United Arab Republic in Cairo yesterday, in which he called for the liquidation of foreign bases in Cyprus and Libya.

Foreign bases in Libya are directed against the United Arab Republic, he said. These bases are a result of imperialism, he warned, and Libya should abolish them because they are a danger to her and "all of us."

Libya Will Not Renew Treaties With United States and Britain on Bases

Cairo, February 23.—President Nasser, in a major foreign policy speech here yesterday, said that foreign bases in and around the Arab region would "form a serious threat against the Arab world."

He declared:

"We must work for the liquidation of these bases. No country can claim independence unless the military bases on its territories are liquidated.

"What guarantees are there for us that American and British bases in Libya will not be used against the Arabs in the event of a clash with Israel?"

President Nasser said British-American policies were partial to Israel.

WASHINGTON UNMOVED

WASHINGTON, February 23.—Officials here discounted press reports from Tripoli today that Libya would not renegotiate treaties with Britain and the United States over their military bases there.

They pointed out that the United States-Libyan agreement on Wheelus Air Force Base had a number of years to run and said they did not expect that Premier Mahmud Muntasser, who signed the treaty, would seek to denounce it now.

LONDON HAS NO COMMENT

LONDON, February 23.—There was no official comment on the announcement from Tripoli here tonight.

Informed observers were not inclined to take a serious view of the Libyan decision, which seems to fall far short of meeting President Nasser's call for a liquidation of the bases. The announcement contained no hint that treaties now in effect would be abrogated, and the treaty with Britain has more than 9 years to run.

LIBYA A FRIEND OF WEST

Although Libya has been one of the West's best friends in the Arab world, she has often dangled the threat of pushing Western forces out of the country in an effort to get more economic aid.

Conditions have changed, and so has the Libyan's need for economic assistance. In the past, the West wanted to keep its strategic military bases and Libya needed the rental money from the bases.

A recent oil boom in the desert country is yielding an annual income of about $120 million. Dependence on Western aid had declined correspondingly.

If it were not for Western oil companies, Libya would have no oil boom, so the transition to prosperity still leaves her substantially Western oriented. Eighteen oil companies or syndicates have headquarters in Tripoli and $2 billion has been spent on oil exploration and development.

The U.S. need for Wheelus Air Force Base is believed to be as great now as it was when Libya and the United States signed an agreement in September 1954.

Libya received $7 million and massive shipments of grain in 1954, and $4 million a year from 1955 to 1960. The rental for the base was then to be fixed at $1 million a year for the following 11 years.

Libya succeeded in getting the United States to renegotiate the agreement recently, and the rental was increased to $10 million.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. GRUENING. I yield.

Mr. HUMPHREY. I wished the Senator to yield because he was considerate enough to make available to me earlier today a copy of his address. I commend the Senator in particular upon his words in support of President Johnson's program and policy relating to water resource development in the Middle East, and his expression of support for working with the State of Israel in developing those water resources.

I am pleased also that the Senator has made crystal clear that this was not an exclusive arrangement. The Government of the United States stands ready to work with any government, in the Middle East or anywhere else in the world, in an effort to bring what we call sweet water to desert areas, and thereby to make the land once again productive.

Mr. GRUENING. The Senator is correct.

Mr. HUMPHREY. The effort on the part of Radio Cairo and others to distort President Johnson's message is a disservice to peace and to a reasonable approach to these difficult international problems.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senator from Alaska may have 1 additional minute.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HUMPHREY. I wish to join the Senator. I commend him and thank him for the timeliness of his message today and for its fairness.

Mr. GRUENING. I thank the distinguished majority whip for his comments. The action of President Johnson and his leadership in this field is not only in line with the U.S. policy of trying to secure peace in the world, but with the more recently announced—and there was a front page article in the newspaper this morning on the subject—is the President's purpose and policy to wage a campaign to try to put an end to hate. Hate is not limited to any one country. Hate is an international menace. It is flagrant in the Middle East. There has been a great deal of hate spread which the President's proposed program of aiding countries to solve their water problems would help to alleviate, if only those spreading the hate would be willing to accept it. I am hopeful and confident that President Johnson will pursue that policy with the same vigor that he has shown in other matters during his brief incumbency as President.

It should be pointed out that these international situations are not of his making. President Johnson inherited them. The policies were made by administrations long since gone and past. He has inherited the thorny problems which arose in consequence. He has inherited the onus of them. He is moving with dispatch and vigor to find new solutions for ancient difficulties.

I yield the floor.

Mr. DOUGLAS. Mr. President, before I make the comment I intended at this time, I should like to join the Senator from Alaska in commending President Johnson for his water policy and peace policy in the Middle East. That, I take it, includes aid in the development of the resources of the Tigris and the Euphrates Rivers as well as the Jordan River.

Mr. GRUENING. I believe it does.

Mr. DOUGLAS. If the Arab countries will accept. I only regret that some years ago the previous administration did not make a similar offer to Egypt in connection with the Nile. But I join the Senator from Alaska in saying that I hope very much that the policy which he outlined will be carried out. The Arabs should not take offense. If they take offense, it will be a sign of a hostile intent on their part and an indication that they do not desire to cooperate in a peaceful fashion.

I thank the Senator from Alaska.

Mr. GRUENING. I thank the distinguished Senator from Illinois, and I appreciate his joining me in my acclaim of President Johnson's constructive new policy in the troubled Middle East.

BRITISH INCREASE IN THE BANK RATE FROM 4 TO 5 PERCENT

Mr. DOUGLAS. Mr. President, yesterday the Bank of England raised the bank rate from 4 to 5 percent. It did so only a few hours after Congress passed, and President Johnson signed, a tax reduction bill. For many months the European bankers have been urging that a dual policy of tax reduction on the one hand, which I favored, and an increase in interest rates, on the other, which I do not favor, be carried out. There is grave danger that this increase in the British bank rate will spread to the United States and will be used by our Federal Reserve System as an excuse for raising the rediscount rate here, and in general, influencing interest rates to a higher level.

Yesterday, the Chancellor of the Exchequer said that one of the reasons for the increase in the bank rate was to prevent the flow of short-time capital from England to the United States. One of the reasons that has been advanced as to why we should increase the interest rate is that it would prevent a short-time flow of capital from the United States to the continent of Europe. I have not yet had an opportunity to figure out what the real differentials are, but it is quite possible that after England has raised its interest rate in order to prevent capital from moving out of England into the United States, the Federal Reserve may discover that England now has a differential rate in its favor, and that therefore we shall have to increase our interest rate in order to prevent capital from flowing from the United States to England.

In other words, there is grave danger of a process of leapfrogging, or one bank going ahead of the other, and the other going ahead of the first, with the net result that the aim of the European bankers will be realized through a general increase in the interest rates. That, of course, would have an adverse effect upon employment and would tend to increase unemployment and reduce output.

I have no right to criticize the action of the Bank of England or the Chancellor of the Exchequer of the British Government. But I hope very much that the Federal Reserve Board will not follow suit. If it does so, it will help to defeat one of the basic purposes of the tax reduction bill, which was to stimulate total business activity. If we cancel a part of that benefit by reducing the amount of credit available for the production of goods, we shall not have made too much progress. The Senator from Tennessee [Mr. GORE] has called attention to the danger on the floor of the Senate for many weeks past.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senator from Illinois may have 3 additional minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOUGLAS. I hope very much that there may be a marshaling of public and congressional opinion to restrain the Federal Reserve Board from doing what I fear some members of the Federal Reserve Board wish to do.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. With the permission of the Chair, I shall be glad to yield to the Senator from Minnesota.

Mr. HUMPHREY. The Senator from Illinois is, in both a contemporary and historic sense, like Paul Revere. He is signaling to the Nation that the British are coming, but in this case he is not being critical of the British; he is merely saying that a policy is being established by the Bank of England which, if followed by the Federal Reserve Board, will have a very serious effect upon the American economy.

I fully associate myself with the remarks of the Senator from Illinois. He is considered to be an outstanding expert in this matter. I join in the colloquy only to state that I have a sense and feeling that he is eminently correct.

The tax bill was passed with one purpose in mind—that of providing a greater incentive for our economy, a greater thrust for our economic structure, and greater economic activity.

If, on the one hand, we pass a tax bill for the purpose of providing greater profits for business, and, on the other hand, raise interest rates, which slows down investment and credit, we have, for all practical purposes, put down the foot that feeds the gas and with the other foot have slammed on the brakes. That is not the way to drive a car or to run the country. No amount of seat belts will save us from trouble if we do that.

I want to associate myself not only with the words of the Senator, but with his thought and philosophy. I am worried that the Federal Reserve Board might do what the Senator fears. We should let the Reserve Board and Congress know that some of us are worried and concerned. We do not want to see what we anticipate will be the beneficial effects of the tax bill negated and vitiated by a Federal Reserve Board decision on interest rates that could, for all practical purposes, raise the cost of living on the one hand—because interest is a factor in the cost of living and in the profit structure—and retard the growth of the American economy on the other hand.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. DOUGLAS. With the permission of the Chair, I yield to the Senator from Wisconsin.

Mr. PROXMIRE. I, in particular, support the position of the Senator from Illinois in the observations he has made. When the Federal Reserve Board raised the rediscount rate a few months ago, it gave as the reason that it wanted to stem the outflow of capital because interest rates were higher abroad. Now they can use the same excuse again, as has been pointed out by the Senator from Illinois.

One of the reasons why I opposed the tax cut was that its passage could induce an increase in interest rates by the Federal Reserve Board. If the interest rates are increased at all, not only would this be a blow to the economy, but it would be regressive, because those who get the benefits of the tax cut are those who earn sufficient income so that they pay Federal income taxes. But 80 percent of those over 65 years of age, the great majority of the farmers and all those who are unemployed have such low incomes they pay no Federal taxes. They will get no benefit from the tax cut, but they are almost all debtors and have to pay interest. If the Federal Reserve Board follows the lead of the Bank of England, higher interest payments abroad from tens of millions of debtors will be the consequence.

The position of the Senator from Illinois calls for humane monetary policies, and I commend the Senator for it.

Mr. DOUGLAS. I thank the Senator.

"THE CRITICAL DECADE"—BRILLIANT BOOK BY REPRESENTATIVE HENRY S. REUSS

Mr. PROXMIRE. Mr. President, the Representative of the Fifth District of Wisconsin, Milwaukee, HENRY REUSS, is one of the ablest men in Congress in either body. He has just written a book entitled "The Critical Decade: An Economic Policy for America and the Free World." Mr. REUSS is a member of the Joint Economic Committee. He is an aggressive, active, thoughtful member. He has demonstrated time and again an extraordinary grasp of economic problems.

This book has been reviewed by a number of publications, and I should like to quote from some of them.

I read a part of the New York Times of February 23, 1964:

> It is no slur on Congress to say that a performance like this by one of its Members is remarkable. Mr. REUSS has somehow found the time to get elected, stay elected, serve his constituents (and he describes what a time-consuming job that is), exert some influence in the inner workings of the House—and still become a genuine expert in some of the most complicated matters of our time. Professionals in the fields he discusses, mainly economic, may disagree with him, but none can scoff. This book is a real tour de force.

And later, the New York Times says:

> Though the subjects of this book are tough, and the author never oversimplifies, it is not difficult reading. In addition to his astonishing array of sheer information, he brings to his work a competent pen and a light touch. I can think of no better way for an informed citizen to plunge into the subjects here treated than to let HENRY REUSS carry him along the way.

I ask unanimous consent that the book review be printed in the RECORD at this point.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

A PROGRAM FOR AMERICA

("The Critical Decade: An Economic Policy for America and the Free World." By HENRY S. REUSS, 227 pages, New York: McGraw-Hill Book Co., $5.50.)

(By Edwin Dale)

There are two ways of regarding this remarkable book by HENRY S. REUSS, the respected Democratic Congressman from Milwaukee. One is as a sort of grand design for the formation of what Mr. REUSS calls a free world community to meet the changed problems of the present stage in postwar history. The other, and more fruitful, is to regard the book as a series of exceptionally penetrating essays on five distinct problems that are partly related but that can be, and in practice are, dealt with separately by the Government.

It is no slur on Congress to say that a performance like this by one of its Members is remarkable. Mr. REUSS has somehow found the time to get elected, stay elected, serve his constituents (and he describes what a time-consuming job that is), exert some influence in the inner workings of the House—and still become a genuine expert in some of the most complicated matters of our time. Professionals in the fields he discusses, mainly economic, may disagree with him, but none can scoff. This book is a real tour de force.

As suggested, the reviewer is not overly impressed with Mr. REUSS' grand design. Institutionally, it calls for an enlargement of the Organization for Economic Cooperation and Development to include all the developed non-Communist countries, expanding its powers and setting for it the task of a combined free world effort in the fields of trade, international monetary reform, aid to the less developed countries, and better economic growth. Quite apart from the question of whether the countries of Europe would go along, the plan has the flaw of being excessively concentrated on economic matters. If it worked, the world would no doubt be a better place but the problems of nuclear war, mutinies in Africa, the Panama Canal, the threat of China and the like would remain. Mr. REUSS would no doubt agree.

The real heart of the book is the author's attack on five specific issues: U.S. trade policy in light of the problems posed by the European Common Market; solving the deficit in the U.S. balance of payments and reforming the international monetary mechanism; improving foreign aid and getting more public support for it; solving the American unemployment problem; and making Congress work more effectively.

Naturally, in such a wide field there are innumerable points of detail, dozens of proposals—in short, little about which one can generalize. It is a far cry from improving parliamentary procedure in the House of Representatives to establishing a new reserve currency certificate in the International Monetary Fund, and the author takes on both. But what can be said is that in every area he tackles Mr. REUSS is the very model of the nonradical progressive—the best of the American reform tradition. The only people who should be frightened by anything proposed here are the genuine standpatters or reactionaries who do not want to change anything.

To this reviewer, the most impressive and innovative of Mr. REUSS' chapters is that on trade. He comes right out and says what a few Americans have begun to think: that the United States has suffered from "an overriding emphasis on the integration of Europe that distorted our world trade policy." In short, our once-beloved Common Market has turned out to have warts on her nose.

In a delightful section on "Newspeak," Mr. REUSS exposes the Madison Avenue approach of the present administration on this matter:

"Normally, when tariffs are raised against us, Americans are not backward about calling things by their right names. The rise of a discriminatory trading area would be a threat, not a challenge or an opportunity. Engaging in tariff negotiations designed to reduce your opposite number's tariffs would be called bargaining, not partnership. The results of a tariff negotiation, if successful, would be announced as tariff reductions, not as a step toward Atlantic unity."

Mr. Reuss' bold suggestion in this portion of his book is that if the Common Market, and particularly General de Gaulle, continue to be as difficult as they have been up to now about lowering their tariffs, the United States should join Canada, Japan, Britain, and the other nations of Europe in a freer trade deal independent of the Common Market. This would involve scrapping the most-favored-nation principle of the General Agreement on Tariffs and Trade, but Mr. Reuss accepts that as a price worth paying. This idea may yet come to be seriously considered in our Government and some others.

Almost equally impressive are Mr. Reuss' detailed prescriptions for reform of the international monetary system (a bit too much for the central bankers, perhaps, but not nearly as sweeping as some schemes advocated) and his discussion of the domestic economy. Here his main thrust is that the present program, with its stress on a tax cut, will not do the job of reducing unemployment. Mr. Reuss thoroughly believes in the basic theory behind the tax cut—that the trouble in the United States is insufficient aggregate demand—but he believes the program is not stimulative enough.

Though the subjects of this book are tough, and the author almost never oversimplifies, it is not difficult reading. In addition to his astonishing array of sheer information, he brings to his work a competent pen and a light touch. I can think of no better way for an informed citizen to plunge into the subjects here treated than to let Henry Reuss carry him along the way.

Mr. PROXMIRE. The Washington Post describes this fine book by Representative Henry Reuss. I quote in part from it:

> Reuss' book is no mere summing up of where we have been and how we happened to drift into the present state of uncertainty—poverty in the midst of affluence and a continuing drain on America's reserve of gold and dollars. It is a concise and yet friendly critique of policies that have long since been outgrown. If any meaningful dialog were possible with, for example, the State Department, this book would be an excellent beginning.

I ask unanimous consent that the review by Marquis Childs be printed at this point in the Record.

There being no objection, the review was ordered to be printed in the Record, as follows:

[From the Washington Post, Feb. 19, 1964]

Capital Reading: Representative Reuss Offers Friendly Critique of Economic Policy

(Reviewed by Marquis Childs)

Not the least surprising aspect of a Congress that has become the whipping boy for all the failures of our system is the presence of so many individuals of talent, ability, and intellect. All too often they appear to be lost in the faceless mass; and their communication with one another, to say nothing of any hope of a dialogue with the other branches of Government, is muted and narrowly prescribed.

Representative Reuss, of Wisconsin, examines the principal problems of our time with intellect tempered by a thorough and conscientious study of those problems as (much abused word) a lawmaker. His perspective, as a member of the Joint Congressional Economic Committee, is the Nation's economy. But this means in fact a concern with the whole range of national and international problems.

Reuss' book is no mere summing up of where we have been and how we happened to drift into the present state of uncertainty—poverty in the midst of affluence and a continuing drain on America's reserve of gold and dollars. It is a concise and yet friendly critique of policies that have long since been outgrown. If any meaningful dialogue were possible with, for example, the State Department, this book would be an excellent beginning.

The author makes clear the dead end to which something like an obsession with European unity—the unity of the Six—has led us. This is the one supposedly trump card we have continued to hold in our hand long after it had become obvious that it could not be played. Reuss believes this obsession has put in serious jeopardy the round of trade negotiations in Geneva in May.

He recommends a much broader approach with negotiations on a worldwide basis as an expansion of the trade act permitting reduction of some American tariffs to zero on a reciprocal basis. We should make clear to the Common Market right at the start of the negotiations, he writes, that our aim is free worldwide tariff bargaining and that we hope the Common Market will join with us to that end. He and Senator Douglas, of Illinois, have put forward an amendment to the Trade Expansion Act permitting down-to-zero bargaining on a list of commodities that would get the negotiations started.

In a clearly reasoned criticism of the limitations—the dangerous limitations—of the International Monetary Fund, Reuss points to the urgent need of an improved monetary mechanism that could not be dominated by foreign central bankers. It is time, he says, that we disentangled ourselves from the embraces of Europe's central bankers and finance ministers who have been telling us that we must restore full employment and that the way to do it is by having tight money.

Reuss is opposed, too, to the action of the Federal Reserve Board in raising interest rates as a remedy for the continuing outflow of dollars. The cure, he fears, may be worse than the disease. But his is not the arbitrary tone of one who looks to a long cherished formula as a solution for every ill. The author is eminently fairminded.

It is when he comes to prescribe for America's lagging growth rate and for the dismal spectacle of poverty encysted in the body politic that what he writes has an all too familiar sound. This is ground too frequently worked over.

In a chapter entitled, "Making Congress Effective," Reuss asks whether the Congress would respond to a call from the people and the President, if it should come, to create a free world community based on trade, aid, a sound system of payments and full employment. With engaging frankness, he answers his own question by saying that based on his own 10 years of experience he very much doubts it. Yet the chapter contains some practical proposals that stop short of either despair or the millennium.

Aptly he quotes Glendower in Shakespeare's Henry IV, part I, as saying, "I can call spirits from the vasty deep." Hotspur replies, "Why so can I, or so can any man; but will they come when you do call for them?" This book is a studious call and it should have a wide hearing.

Mr. PROXMIRE. The Star also has a review of the book, from which I quote in part:

> Representative Reuss, Democrat of Wisconsin, has produced such a stimulating and challenging book that he himself practically concedes it is considerably ahead of the power or willingness of Congress to adopt his recommendations for the critical 1960's.

It goes on to say that, at the same time, Mr. Reuss is a realist, and that many of his proposals can be realistically adopted.

I ask unanimous consent that the review be printed at this point in the Record.

There being no objection, the review was ordered to be printed in the Record, as follows:

[From the Washington Sunday Star]

Forward Look by a Thinker in Congress

("The Critical Decade," by Henry S. Reuss, McGraw-Hill, $5.50)

In a foreword on this suggested economic policy for America and the free world, John Kenneth Galbraith pays tribute not merely to the book's farsighted ideas but also to the brain power and bravery of the author.

This is proper as well as significant because Mr. Reuss is an economist, lawyer and articulate thinker who has served effectively in Congress for the last 10 years.

Representative Reuss, Democrat of Wisconsin, has produced such a stimulating and challenging book that he himself practically concedes it is considerably ahead of the power or willingness of Congress to adopt his recommendations for the critical 1960's.

Although no pessimist, Mr. Reuss is a realist in doubting that Congress at this stage would respond enthusiastically by broadening the Trade Expansion Act, enlarging the International Monetary Fund, sustaining foreign aid programs at high levels, acting boldly to cut unemployment to 3 percent in this country, and strengthening the Organization for Economic Cooperation and Development.

The chapter on changes that ought to be made in congressional rules, operations and attitudes, including legislative and financial handling of the District of Columbia, is an especially interesting and fresh approach to an old but increasingly dangerous situation. Equally positive and outspoken is the approach he urges the United States to take against "Gaullism."

Readers, whether accepting or questioning his views, might well echo congressional debate courtesy and "thank the gentleman for his valuable contribution" in an immensely important area.

Mr. PROXMIRE. Mr. President, I also ask unanimous consent to have printed in the Record a review of the book in the St. Louis Globe-Democrat of February 16, 1964.

There being no objection, the review was ordered to be printed in the Record, as follows:

[From the St. Louis Globe-Democrat, Feb. 16, 1964]

Europe's New Power; New U.S. Role: A Congressman Prescribes

("The Critical Decade: An Economic Policy for America and the Free World," by Congressman Henry S. Reuss (McGraw-Hall), reviewed by Louis La Coss)

The economic strength of the United States is fundamental to the success of our objectives at home and abroad; our immediate task is to build the economic and political foundations for a free world community.

This is the belief of Reuss, a Wisconsin Democrat who has served 10 years in the House and is chairman of two important subcommittees. He introduced the legislation to set up the Peace Corps.

He raises questions about our foreign policy since World War II, with emphasis on how we have been outmaneuvered by the six members of the European Common Market—France, Germany, Italy, Belgium, the Netherlands, and Luxembourg. The Common Market has set up tariff arrangements discriminatory to us and to the British as well, the latter being excluded by France's veto. The very success of the Six has raised the question of how Europe's emerging strength could be used—for proud, self-reliant constructive cooperation with the rest of the free world, or for inward-looking regionalism.

"Our answer to this question," he writes, "has been the concept of partnership—the 'dumbbell' theory that a strong United States and a strong united Europe would be the best basis for cooperative action." This theory of partnership requires the United States to concentrate on the promotion of European unity as the first step toward broader action. The European Common Market with Britain out, was an action we didn't expect. Our aim now must be an adjustment looking to one free world in which there would be a minimum of favoritism for any one nation or a group of nations.

On the home front, Reuss says we must cut unemployment by at least 3 percent, grow faster economically, receive tax cuts, lower interest rates to attract investors and face boldly the problems created by automation and technological developments. We must wage "war against poverty"—this was written before President Johnson's announcement—and clean up the civil rights mess. He favors strengthening the Organization of Economic Cooperation and Development. He would bring "international payments into balance, cut tariffs and remove obstacles to trade." Foreign aid would be made more effective "by eliminating fluctuations in the size of programs and ending uncertainties about its continuance."

Most economists have held to that line for a long time. But his chapter on "Making Congress Effective" supports the claims of those who believe the Senate and the House procedure should be reorganized to make them more responsive to the will of the people and the needs of the country. Not since the Legislative Reorganization Act of 1946 has Congress made a serious move toward reformation, and he thinks this law failed to touch the main causes of congressional ineptitude.

Congress' roadblocks to action should be removed, under which a minority can impose its will on the majority, he insists. The House Rules Committee is one roadblock; the Calendar Wednesday rule, another; seniority, a third.

Reuss believes congressional reform should be a major issue in this year's election campaign.

A foreword by John Kenneth Galbraith, Harvard economist and former ambassador to India, calls the Reuss chapter on international trade "the best example of his dangerous talent for being ahead of his time."

(Louis La Coss is editor emeritus of the Globe-Democrat.)

Mr. PROXMIRE. Finally, Mr. President, Adlai Stevenson has called the book a "timely and thoughtful blueprint for expansion of our own economy, pacing the development of trade throughout the world."

W. Averell Harriman has said that the book "puts the finger on the critical domestic and international issues—a major contribution to the vital debates of the 1960's."

Mr. President, as the senior Senator from Wisconsin, I am proud that Henry Reuss, who has been in Congress several years longer than I have, as a Representative from Wisconsin, has written such a fine book, has made such a valuable contribution to the understanding of our economy, and has made such constructive and useful proposals as to how we can meet some of our problems.

THE CONCEPT OF YOUTH—ITS CHALLENGES AND PROBLEMS

Mr. PELL. Mr. President, our greatest resource is our youth—as, indeed, youth is the chief resource of any nation, anywhere.

We were all young once. And many of us still feel so. I say this nostalgically, yet with mixed emotions, because to be young is certainly not easy. It is a time of growing up, of expectations, often of rebellion against the past. It is a time of inner questioning and outward pressures, of great challenges, of unmeasured visions—and it is a time of problems; of innumerable adjustments which are often painful.

The problems are sociological, environmental, parental. They are problems of war and peace, of jobs and job seeking, of growing up too fast, of urbanization, of automation, of dropouts from school, of education, of tremendous technological change, of bombs and missiles that annihilate, of population explosion, of competition among men and nations, of fashions and fads, of poverty and affluence.

We are becoming increasingly a nation of young people, as well as of older citizens. And more of our young are seeking what they cannot find: jobs with futures, jobs that offer satisfaction, and finally just plain jobs. To demonstrate his concern, Secretary of Labor Willard Wirtz just the other day urged serious consideration be given to the extension of schooling for 2 more years, and the requirement that young people be kept in school until they are 18, rather than 16, before they can drop out and in increasing numbers walk the streets, unemployed.

I know how deeply our late President, John F. Kennedy, felt about the problems and challenges of youth. President Johnson is demonstrating this same concern, and our Nation's young people owe a great debt of gratitude to his leadership.

We are all concerned with youth—not in the sense of apprehension necessarily, but because of our deep and lasting involvement. We are parents raising the young; we are teachers and educators preparing them for the adventure of life; we are employers putting their talents to work.

Increasingly our youth is making its mark on our society. Increasingly young men and women are making their influence felt and their wants and needs known. And all this is increasingly true not only in our country, but around the face of the earth.

We are witnessing a worldwide population expansion and explosion. We are part of this growth. Here in the United States we have as our guide a most meaningful heritage.

But now our own particular generations are making their mark on the land and on the history of this decade of the 1960's. As we proceed toward the goals set before us, and the goals we ourselves are shaping, we need to do more as parents, as educators, as employers, and leaders—in the political, business, and spiritual realms—to insure that our young people have maximum opportunity.

We need not be concerned alone, I believe, with the problems caused by youth, such as juvenile delinquency. Rather, we should direct our attention also to the obstacles which youth confronts. Here are the basic problems, and we must make a massive assault on them to insure their removal.

Growing automation, unless constructively utilized, can imply dwindling job opportunities; but it can also mean improved leisure time and the development of a fuller life—in cultural progress, in needed recreation. We should be deeply concerned with the paramount requirements for greater physical fitness for our young people; with expanding opportunities for educational and spiritual knowledge; with improving living conditions in burgeoning urban areas and in depressed rural communities.

I repeat—in line with President Johnson's great concern, and in line with a report on which I have been working for many months—a bold and concerted assault must be made on the problems of youth.

I well recall my own youth before World War II when I was critical of the generations before me and what they had done. And more particularly of what they had not done. This was a time of great depression leading into war and death. Now I find that there is no longer an excuse for personal complaint. I can no longer point the finger at somebody older and in a more responsible job and say, with the outrage of an Emile Zola, "J'accuse."

The challenges and problems of the sixties are no less than in the thirties and forties. Indeed, in many ways, brutally and subtlely, they are more profound and more inescapable.

What we need to think about is not one aspect of youth, but of its many-faceted character, its many seasons, its storms, and its tranquillity. And it is important that in the solutions we propose, we do not seek to remove the impetus of challenge. Challenge is fundamental to growth.

Each young individual, in essence, makes his own declaration of independence. But we must help to point out the way, to provide some guidelines, and to help remove some of the roadblocks which sometimes make the foward path seem impossible to travel.

Perhaps what we need to think about is a "dialog with youth." We need their help just as much as they, in turn, need ours.

There is much talk about our young people. Often too much wringing of hands. Anguish about their fate. Worry about their values. Inconclusive fretting about their future.

As one who has had close association in the Senate with youth, I am vitally interested in them. I am most anxious to serve them, to ask what I can do, to suggest to the Senate and the country that there is a great deal to be done.

During my 3 years as a Member of this body, I have had approximately 175 young men and women, mostly of college age, serve in my office as volunteers and interns. My purpose is to help stimulate their interest and participation in government and politics, regardless of party, and in public service. They are eager to learn and are most willing to give of themselves and of their time, with the only reward not that of pay, but of knowledge. And this program has also been an education for me.

Nearly 2 years ago, I became interested in the need all of us share for a broadened knowledge and direction in the whole concept of youth. Several months ago a special inquiry was begun at my request through the Library of Congress into what was being done around the Nation in youth work and study. This undertaking has now been completed.

Entitled "Profile of Youth," this work in two volumes is a cornerstone for my thinking; but it is only one necessary part of the imaginative concepts which can be implemented.

I believe it can serve as a focal point for coordinating cooperative action on Federal, State, and local levels, and between governmental and private associations involved in helping our young people.

Soon, this report will be released publicly. Beyond this, I believe there is need for us to step back and look with searching inquiry and evaluation into the many reports and studies which have been made, so that full-scale nationwide comprehensive planning may be initiated.

I believe it is up to all of us to think dispassionately, to widen our focus, to explore the challenges and problems, as many of them as possible, and to see how they relate to each other, locally and regionally and on a national scale.

We need to think today, to act today, not react tomorrow and be faced with situations that could have been more easily solved when considered in a yesterday or a yesteryear.

In the words of Ralph Waldo Emerson:

> So nigh is grandeur to our dust,
> So near is God to man,
> When Duty whispers low, Thou must,
> The youth replies, I can.

Let us make sure that this response is made in a resoundingly affirmative voice. I urge every citizen to think of what all of us can do to help.

A SALUTE TO REPRESENTATIVE FOGARTY

Mr. PELL. Mr. President, one of the most honored, revered, and respected Members of the House of Representatives is Representative John E. Fogarty from the Second District of our State of Rhode Island. Starting out in life as a bricklayer, he has continued for these past 24 years building—day by day, accomplishment by accomplishment—with an unequaled record in the field of health, advancing the cause of medical research for all our people. He has had a constructive life and the kind of life that all of us would like to emulate and see our children emulate.

In this connection, I ask unanimous consent to have printed in the Record an editorial that appeared in the Providence Visitor on February 21, 1964, entitled "A Salute to Representative Fogarty."

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A Salute to Representative Fogarty

> Representative John E. Fogarty recently received the American Heart Association's award of merit in recognition of his work against heart disease. This is but an added reason for Rhode Islanders to be proud of their senior Representative, who in the last decade has come to be recognized as a national spokesman for medical research and as an ardent promoter of varied programs to aid mental retardation.
>
> Over the same period John Fogarty has received well over 100 awards from medical and mental health associations. In the last 5 years alone, Mr. Fogarty, who is chairman of the House Appropriations Subcommittee for Health, Education, and Welfare has been the recipient of 55 awards.
>
> To list these awards and the countless other honors he has received—ranging from having three buildings in the State named after him to two public commendations in Congress—would require a good part of this page.
>
> An award that Mr. Fogarty is especially proud of is the one received from the Joseph P. Kennedy, Jr. Foundation on February 5 of this year. In this tribute he was cited as an outstanding contributor in 1963 in the field of mental retardation. The money attached to this award, plus the $5,000 attached to the Albert and Mary Lasker Award which he received in 1959 from the American Public Health Association was donated by Mr. Fogarty to the study of mental retardation in Rhode Island.
>
> These numerous honors in themselves are a collective testimonial to John Fogarty's extensive and progressive work over the years for the physical and mental health of the country. The great progress that has been made in the many levels of these complex fields is due in great part to the legislation, the appropriations, the research programs that Mr. Fogarty has backed.
>
> The Visitor salutes him as an outstanding American, a dedicated Congressman, a man who has brought great honor to our State, a man whose true contribution to America's health can only be fully assessed in the light of history.

WEST VIRGINIA, APPALACHIA LIVESTOCK INDUSTRIES FEEL EFFECT OF EXCESSIVE BEEF IMPORTS

Mr. RANDOLPH. Mr. President, livestock producers in West Virginia and in all parts of our Nation, have noted with alarm the large quantities of beef and veal which are being exported to the United States by other countries—notably Australia and New Zealand.

These livestock-producing lands of the Southern Hemisphere provide approximately 80 percent of our imports of fresh and frozen beef and veal. In 1962 Australia shipped into the United States 442 million pounds of beef and veal, and last year the figure rose to 517 million pounds. New Zealand exported 214 million pounds of beef and veal to American markets in 1962, and the amount reached 244 million pounds last year.

It is obvious that such wholesale flooding of our meat markets by foreign producers works inequity and economic hardship on domestic cattlemen. Local sources are hard pressed to meet the competition of cheaply priced livestock from outside our borders, and dire predictions as to the impact of continued high import quotas continue to issue from the leaders of our livestock industry.

The February 22, 1964, issue of the Drovers Journal, a respected and widely read Chicago, Ill., publication carried the following report under the heading "Trend in Livestock Prices":

> The price decline in the steer market which has prevailed almost without interruption since the forepart of January dropped the general level of prices during the past week to the lowest point since March 1957.
>
> At the same time, with the extremely narrow price spread, the steer top was the lowest for any week since the fall of 1946 when OPA wartime price controls were still in effect.

The voluntary agreement recently concluded between the United States and Australia and New Zealand was consummated in the hope of alleviating the damaging meat import problem. Unhappily, this limited step is not enough.

Under provisions of the agreement, New Zealand and Australia will, in 1964, hold exports to a level equal to the average recorded in 1962 and 1963. An increase of 3.7 percent will be allowed in 1965 and an additional 3.7 percent in 1966, to compensate for expansion in the American market. These restrictions will hold "so long as Australia's access to the U.S. market for beef, veal, and mutton is not limited by an increase in the duties of these products." The agreement is of indefinite duration, to be reviewed every 3 years, and cancelable by either party after 6-months notice.

Mr. President, although this agreement does apparently represent some limitation on the importing of foreign meat, in my judgment, it falls short of a solution commensurate with the needs of the American livestock industry. This Nation has in the past extended to producers from other lands considerable freedom of entry into our meat markets. We cannot afford, however, to pursue such a policy to the detriment of domestic interests.

West Virginia does not rank among the national leaders in livestock production. Nevertheless, the growing of animals for meat production purposes does represent a significant portion of our economy—particularly important in a State which is attempting to revitalize its commercial and industrial base. And, it is instructive to note that the effect of the vast flood of imported meats has been felt to a marked degree in the Mountain State.

As of January 1, 1964, the Statistical Reporting Service of the U.S. Department of Agriculture indicates that the total number of cattle, sheep, and hogs on West Virginia farms has decreased 5.3 percent from the previous year, and is 12.5 percent below the 5-year—1958–62—January 1 average. The inventory value per head was likewise down, showing an average decrease of $12 per head. The inventory value of all cattle as of the first of this year was placed at a worth which represents a drop of 12 percent over last year, and reflects the sharp decrease in cattle prices experienced nationally during the latter part of 1963. Cattle numbers also shrank to the lowest inventory number recorded since 1931.

In its February 24 bulletin the U.S. Department of Agriculture Statistical Reporting Service goes on to indicate that in 1963 West Virginia recorded a 2-percent decrease over the previous 12 months in number of calves born, while in the same period the national average rose 2 percent. The West Virginia calf crop also lagged 2 percent behind the production rate for the 5-year period 1957–61.

It is especially unfortunate that the impact of foreign meat imports should be experienced at this time in Appalachia—a region singled out by President Johnson as requiring all-out support and attention in the drive to eliminate poverty. In an area which has taken the full force of automation and has known the rigors of job-displacement and unemployment, the consequences of this unfavorable balance of trade is patently unacceptable. Our efforts must be directed toward a stabilizing and a rejuvenating of the economy in West Virginia and throughout Appalachia. We must not permit the harmful effects of foreign imports to be felt in a part of our country where there already exist severe hardships and challenges to the farmer, the small businessman and the consumer.

Mr. President, we can no longer invite foreign meat producers to participate in an open-house American market when their activities bring financial ruin to our own domestic industries. While I do not advocate the institution of higher tariffs and strict import quotas as the sole, or even the most satisfactory, solution to this problem, it appears evident that speedy legislative action is required.

For these reasons, I ask unanimous consent that my name be added as a cosponsor of S. 2525, a bill to establish a quota system on beef imports based on averages compiled over the 5-year period preceding December 31, 1962.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. RANDOLPH. This measure, introduced by the distinguished majority leader, the Senator from Montana [Mr. MANSFIELD], offers a realistic and appropriate approach to the threat of excessive foreign meat imports.

ANNUAL SCIENCE TALENT SEARCH

Mr. McGOVERN. Mr. President, presently, in Washington, the 23d Annual Science Talent Search for the Westinghouse Science Scholarships and Awards ceremony is being held at the Statler Hotel.

Last evening this group was honored at a congressional dinner at the hotel. This is an outstanding annual event and certainly merits the consideration and support of this body.

I especially want to take this opportunity to congratulate Lee R. Girton Snyder of Huron, S. Dak., who is a senior at Huron High School and is one of the finalists in this competition. I join with the people of Huron in calling to the attention of the Senate the great pride we take in the accomplishment of this young man.

I ask unanimous consent that a background statement of the Westinghouse Science Scholarships and Awards competition and a list of the participants be printed in the RECORD at this point.

There being no objection, the statement and list were ordered to be printed in the RECORD, as follows:

WASHINGTON TRIP WINNERS OF THE 23D ANNUAL SCIENCE TALENT SEARCH FOR THE WESTINGHOUSE SCIENCE SCHOLARSHIPS AND AWARDS

The 40 Washington trip winners of the 23d Annual Science Talent Search, among whom $34,250 of Westinghouse science scholarships and awards will be distributed, represent about 1 percent of those who completed entries in this scientific and educational competition.

Designed to discover and develop scientific ability among high school seniors, the Science Talent Search is conducted annually for the Westinghouse science scholarships and awards by Science Clubs of America, administered by Science Service, 1719 N Street NW , Washington, D.C.

Ten girls and 30 boys (proportion determined by ratio of boys and girls completing entries) are being invited to Washington, D.C., for an all-expense trip February 26 through March 2, 1964, to attend the Science Talent Institute. Here five winners will be selected by the board of judges to receive one of the following Westinghouse Science Scholarships: $7,500 ($1,875 a year), $6,000 ($1,500 a year), $5,000 ($1,250 a year), $4,000 ($1,000 a year), $3,000 ($750 a year). The remaining 35 contestants will be given Westinghouse science awards of $250 each.

The trip winners are 14 to 18 years of age and come from 36 cities in 17 States. They were picked by the judges from among 22,997 contestants of whom 3,141 completed their entries by taking a science aptitude examination, obtaining recommendations and writing a report on their science project. Completed entries were received from 50 States and the District of Columbia.

Of the 40 23d Annual Science Talent Search Winners, 30 ranked in the top 5 percent of their graduating class and 14 were first, second, or third. Most of the winners are members of science clubs and many of them are club presidents or other officers. Most of their clubs are affiliated with Science Clubs of America. Girls accounted for 24 percent of the entries this year.

WASHINGTON TRIP WINNERS

Arizona

Phoenix: Sinclair, Stephen Hayward, 18, North Phoenix High School, 2021 North Alvarado Road.

California

Fairfield: Bowen, Robert Edward, 16, Armijo Joint Union High School, 721 Nevada.

Reseda: Goldman, Judith Diane, 17, Reseda High School, 18317 Kittridge Street.

San Francisco: Fisk, Stephen Thomas, 17, Abraham Lincoln High School, 2270 44th Avenue.

Florida

Miami: Ofsowitz, Clare Harriet, 17, Miami Senior High School, 1548 Southwest Third Street.

North Miami: Solomon, Edward Ira, 17, North Miami Senior High School, 1200 Northeast 160th Street, North Miami Beach.

Illinois

LaGrange Park: Gloss, Mary Helen Carol, 17, Nazareth Academy, 1960 Curtiss, Downers Grove.

Indiana

New Haven: Keller, Rhea, Louise, 18, New Haven High School, 3232 Congress Avenue, Fort Wayne.

Maryland

Aberdeen: Kuhn, Margaret Wendy, 17, Aberdeen High School, 634 Burkley Avenue.

Bethesda: Jaffin, Henry Michael, 17, Bethesda-Chevy Chase High School, 2949 Terrace Drive, Chevy Chase.

Boonsboro: Maiorana, James Anthony, 17, Boonsboro Senior High School, Route 2.

Silver Spring: Winters, Stephen Marron, 17, Montgomery Blair High School, 1608 Grace Church Road.

Massachusetts

Amherst: Loving, Armory Bloch, 16, Amherst Regional High School, Mill Lane.

Wellesley Hills: Kay, Joseph Andrew, 16, Wellesley Senior High School, 5 Willow Street.

Nebraska

Lincoln: Coy, Stephen Lawrence, 17, Lincoln Southeast High School, 380 Bruce Drive.

Nevada

Boulder City: Lyons, Kenneth Brent, 17, Boulder City High School, 801 Seventh Street, Post Office Box 506.

New Hampshire

Exeter: Sproull, Robert Fletcher, 16, Phillips Exeter Academy, Apartment 1330, 4921 Seminary Road, Alexandria, Va.

New Jersey

Long Branch: Perlman, Janet Esther, 17, Long Branch High School, 174 Franklin Avenue.

Montclair: Blumberg, William Allen, 17, Montclair High School, 229 North Mountain Avenue.

Plainfield: Linke, Richard Alan, 17, Plainfield High School, 1466 Linbarger Avenue.

New Mexico

Las Cruces: Solberg, Herbert Gordon, Jr., 17, Las Cruces High School, Route 2, Box 361.

New York

Brooklyn: Geisler, Carol Joy, 15, Abraham Lincoln High School, 3845 Neptune Avenue; Krone, Anton Mark, 17, Erasmus Hall High School, 563 Ocean Avenue; Weiss, Susan Harriet, 16, Erasmus Hall High School, 682 Ocean Avenue.

Far Rockaway: Spielman, Howard Aaron, 17, Far Rockaway High School, 1231 Beach Ninth Street.

Forest Hills: Kagan, Norman Eli, 17, Forest Hills High School, 68–28 Juno Street; Linsker, Ralph, 14, Forest Hills High School, 75–40 Austin Street.

Jamaica: Winternitz, Robert Steven, 16, Jamaica High School, 141–40 84th Drive.

New York: Rubenstein, Howard Martin, 17, Bronx High School of Science, 2300 Grand Concourse; Menikoff, Arthur Stanley, 16, Stuyvesant High School, 28–08 141st Street, Flushing.

Queens Village: Glazer, Steven Ira, 16, Martin Van Buren High School, 263–08 79th Avenue, Floral Park.

Rochester: DeVonis, Ursula Ann, 17, Nazareth Academy, 20 Ketchum Street.

Staten Island: O'Brien, Eileen Marie, 17, New Dorp High School, 127 Jacques Avenue.

Pennsylvania

Ardmore: Gittes, Frederick Martin, 16, Lower Merion High School, 342 East Lancaster Avenue, Wynnewood.

Pittsburgh: Locker, Joseph D., 16, Taylor Allderdice High School, 5723 Solway Street, 17.

South Dakota

Huron: Snyder, Lee R. Girton, 18, Huron High School, 1075 Illinois SW.

Texas

Pettus: Barnhart, Robert Joel, 17, Pettus High School, Box 70.

Virginia

Arlington: Zisler, Randall Craig, 17, Wakefield High School, 1627 South 26th Street, Apartment 7.

Bedford: Fizer, Henry Burnett, 17, Bedford High School, Route 1.

Springfield: Bell, Joseph William, Jr., 17, Robert E. Lee High School, 8021 Jansen Drive.

DEATH OF SAMUEL G. LASKY

Mr. JACKSON. Mr. President, the Senate should note the passing of a very dedicated and very able public servant. Samuel G. Lasky, Deputy Director of the Office of Coal Research, Department of the Interior, died last night in Luxembourg, where he was on an official mission for our Government. He had been sent overseas to inquire into and report on the technical and economic structure of energy production in Western Europe, with particular reference to increasing our exports of American coal to European markets.

Mr. Lasky devoted all of his adult life to the service of his Government, distinguishing himself in technical and administrative management in the Department of the Interior. Last July he received the Department's highest honor, the Distinguished Service Award.

Mr. President, I ask unanimous consent that the citation for the Distinguished Service Award to Mr. Lasky by Secretary of the Interior Udall be made a part of my remarks at this point in the Record.

There being no objection, the citation was ordered to be printed in the Record, as follows:

THE SECRETARY OF THE INTERIOR,
Washington, D.C.

Citation for distinguished service, Samuel G. Lasky, in recognition of his 32 years of outstanding service in geology and technical and administrative management in the Department of the Interior.

Since 1931 when Mr. Lasky began his Federal service as an assistant geologist with the Geological Survey, his work has been characterized by exceptional initiative, personal integrity and professional excellence. He advanced to principal geologist with the Survey and in 1951 he transferred to the Office of the Secretary where his special talents and experience were utilized in guiding departmental planning in mineral resources, first on the staff of the Assistant Secretary, mineral resources, and from 1953 to 1960 as a member of the technical review staff. In 1960 Mr. Lasky was again on the staff of the Assistant Secretary, mineral resources, charged with developing and implementing the organization of the Office of Coal Research. In May 1961, he was appointed assistant director of the office. He assisted the U.S. Senate Committee on Interior and Insular Affairs as chairman of its national fuels and energy study from August 1, 1961, to September 7, 1962. The work of this study under his chairmanship was highly praised. It was the latest of many such special and difficult assignments ably handled by Mr. Lasky during his Federal service, in all of which he has brought great credit upon this department. In recognition of his eminent career in Government, the Department of the Interior grants to Mr. Lasky its highest honor, the Distinguished Service Award.

STEWART L. UDALL,
Secretary of the Interior.

Mr. JACKSON. Mr. President, unquestionably, the part of Mr. Lasky's work that is best known to the Members of the Senate is his able, energetic chairmanship of the national fuels and energy study group. This group of experts and technicians, consisting of professional men from all of the major sources of energy production in the United States, submitted a report to the Interior Committee in the 87th Congress on "An Assessment of Available Information on Energy in the United States," which became a Senate document and which has attracted widespread comment and commendation.

I regret Sam Lasky's death, and on behalf of the members of the Interior Committee extend my sympathy to his widow and his three daughters.

THE FOURTH ANNUAL GOVERNOR'S PRAYER BREAKFAST IN HONOLULU

Mr. INOUYE. Mr. President, Gov. John A. Burns, of Hawaii, who counts many friends among the Members of this body, recently participated in the fourth annual Governor's prayer breakfast in Honolulu. Governor Burns' remarks on this occasion are well worth our consideration. I ask unanimous consent to have the full text of the Governor's remarks printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

REMARKS BY GOV. JOHN A. BURNS, FOURTH ANNUAL GOVERNOR'S PRAYER BREAKFAST, MONARCH ROOM, ROYAL HAWAIIAN HOTEL, FEBRUARY 5, 1964

I am happy, in a very personal way, to join with you today in this prayer breakfast. Often, those who express an interest in the preservation of our religious faith and heritage, have something of the aspect of antique enthusiasts, as though our faith had value simply because of its antiquity, and they seem only concerned to keep it well polished and on display.

I am here today, however, not to share an interest in antiques. I am here as one who bears with you the burden of pressing contemporary problems. We see in our religious heritage a clue to an approach to one of our most thorny, most perennial, most basic problems—the problem of unity in human endeavor. How can we maintain a vigorous unity in responding to present challenges without fostering sterile uniformity? How best can we preserve the kind of unity within which there can be a healthy diversity and dissent?

Our forefathers, in drafting the Declaration of Independence, saw our definitive unity in a mutual recognition of men as having dignity and hence unalienable rights from the Almighty.

St. Paul, in writing to the Galatians, said: "There is neither Jew nor Greek, there is neither slave nor free, there is neither male nor female; for you are all one in Christ." Here, likewise, was a concept of unity, stemming from their basic faith, a unity which transcended the barriers of race, or sex, or class.

It did not obliterate distinctions. The dullness of life without distinctions can hardly be imagined. How monotonous and prosaic, for instance, if somehow we were to be robbed of the exciting distinction between male and female? St. Paul's idea of unity does not obliterate distinctions; rather it transcends it by a mutual respect based on equal worth, which requires that the problems of any be regarded as the problems of all.

What an exciting potential there is here in our faith? How can we estimate the worth of something that unites laborer and employer, man and woman, young and old, farmer and city dweller, owner and tenant, Democrat and Republican, oriental, Caucasian, and Negro, allowing them to be different, vigorously to dissent, and still binding them together so tightly that they simply must hammer out comprehensive solutions? I will leave it to the men of the cloth to estimate the extent to which the church has been able to realize this potential in its own ecclesiastical structures. But to me, it offers exciting implications for our society.

Too many of our problems are almost impossible of solution because they are stretched like a taut rope between powerful groups, each holding tenaciously to its own vested interest, unable or unwilling to accept, or even to see the interests of the others. One of the difficulties with this kind of struggle is that if either side should ever really win, we would all lose. Our perennial struggles over land have had some of this character. Too often, disputes between management and labor come to this. And there are many other examples.

Of course, we don't resent the existence of these diverse interests. In fact it is a characteristic of our society that its health depends on the maintenance of a creative tension between them. However, in order for that tension to be creative, there needs to be a deep and effective core of unity which can stand the test of lively, honest dispute, and lead surely to creative compromise.

Our forefathers saw the seed of that unity in recognizing the dignity of every man as a creature of God. This is why the current civil rights crisis is so very serious, because it strikes at the heart of our moral and spiritual life, and hence of our unity. Also by the same token, if this and many other crises are adequately to be faced, there will need to be a deepening and nourishing of the roots of faith and worship.

Now, if I understand the purposes of international Christian leadership, one might anticipate that here we could look for leadership in drawing together diverse interests in our society, welded on a deep level of faith, and implementing that faith by pointing the way to practical solutions of our social and economic problems so as to give full expression to the needs of all, even the minority or weaker elements of our society.

Without seeming to be unappreciative of help already given, I would like to challenge you this morning to this kind of leadership, fully realizing that it is no small thing that I ask. The symbol of the cross has many meanings. There would be no Easter Sunday had there not been a Good Friday—the resurrection required a crucifixion before it. When we act out of love and genuine good will, we are particularly vulnerable. But then progress comes only as we are all willing to die a little. This dying is prerequisite to the sort of creative compromise in which the particular interests of men and women of faith and good will are freely and skillfully merged for the benefit of all. May the Almighty help us all to generate this kind of leadership.

THE RIGHT TO PRAY

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent to have printed in the Record an article by Mr. David Lawrence, entitled "The Right To Pray."

There being no objection, the article was ordered to be printed in the Record, as follows:

THE RIGHT TO PRAY

(By David Lawrence)

Plainly, a constitutional amendment has become absolutely necessary to clear up the confusion that has arisen as a result of decisions of the Supreme Court of the United States banning prayer in the public schools.

For the American people do not know now whether their children can lawfully be given in the classroom the very instruction in morality and righteous living which is so essential to the proper upbringing of American youth.

We may today be equivocating if we try to apply the High Court's ambiguous words in its decisions on prayer in the schools. Some interpretations would appear to permit the reading of parts of the Bible as a historical or literary study. Public school principals, in various States, have already indicated a desire to experiment with such devices. But how can we be sure whether the historical or literary does not invade the area of religious teaching?

It is much more sensible to rely on a clearly written constitutional amendment which emphasizes the difference between voluntary and compulsory prayer in the schools or in ceremonies conducted under Government auspices. The provision in the Constitution that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof," should be continued, but there should be a clear definition affirmatively stating the basic principles safeguarding "the free exercise" of religion.

Prayers are offered at the opening of sessions of the Senate and the House and of the Supreme Court itself. These are an official part of the proceedings. Under the Court's decisions, is it at present constitutional for any form of religious exercise to be conducted in buildings financed with Government funds?

Each individual has a right to pray. This right does not vanish when the individual participates in a governmentally supported proceeding.

The argument that has influenced the Supreme Court is that any practice of theism—to utter prayers expressing a belief in God—is in itself equivalent to "an establishment of religion," and that to let school children express a belief in God as they pray at the beginning of a school day is to make it a Government-directed or Government-sponsored undertaking which is allegedly prohibited by the Constitution.

But there is a distinct difference between volition and compulsion. The atheist has a right to abstain from participation in any prayer, whether or not God is mentioned. He has no right, however, to interpose his beliefs in a manner that forbids others to worship God as they please—"the free exercise" of their religion.

It is no answer to the problem to say the right to pray can be adequately exercised in the home or at church services. For the value of prayer once a week in a church, where the attendance covers all ages and large numbers, is not as great as the everyday impact of prayer on the minds of children of the same age in a small classroom. Here the teacher can promptly supplement the prayer with lessons explaining morality and integrity, thus inculating in the minds of boys and girls at an impressionable period in their lives a respect for fellow human beings, a respect for honesty as opposed to cheating, a respect for the rights of others as opposed to intolerance and selfishness.

Indeed, how can our youth be trained in those ways of living which will help to prevent juvenile delinquency and crime unless in some way reverence for the Supreme Being is instilled?

The importance of prayer in the schoolroom is primarily that it is strengthened by group psychology and that it is an everyday, rather than a once-a-week, stimulus to better living.

It is being asked: Is there a right to pray during proceedings held in any Government building? If it is constitutional for certain individuals within the Government itself to organize collectively in trade unions—for private purposes—while others refrain from joining, how can it be persuasively argued that there should be no right of individuals to choose to pray collectively in a school provided by local government? Certainly an individual may pray in silence, but the benefit of articulation by the group is then lost.

Let the new constitutional amendment make it clear that prayers can be conducted in the classroom on a voluntary basis and that those who do not wish to attend may be excused or temporarily released.

The problem has too long been neglected. Early action is as vital as the war on poverty or the war on crime. For the right of young and old to pray together voluntarily in any building or facility provided by Government—Federal, State, or local—is essential to the fulfillment of the objectives stated in the preamble of the Constitution: to "promote the general welfare, and secure the blessings of liberty to ourselves and our posterity."

LITHUANIAN INDEPENDENCE

Mr. RIBICOFF. Mr. President, Americans of Lithuanian descent assembled at a mass meeting arranged by the Waterbury Lithuanian American Council at St. Joseph's Hall in Waterbury, Conn., on Sunday, February 16, 1964. They were met to commemorate the 46th Anniversary of the February 16, 1918, Declaration of Independence of Lithuania. I ask unanimous consent that the important resolution they adopted be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas Lithuania, a free and independent democratic republic from 1918 to 1940, progressed and prospered as a sovereign European state; and

Whereas in June 1940, Russia, by subversion and force invaded, annexed, and to this day occupies and oppresses the Lithuanian nation; and

Whereas the Government of the United States strongly denounced and firmly maintains its policy of nonrecognition of the illegal annexation and Soviet rule of Lithuania: Therefore be it

Resolved, That we respectfully and strongly urge our Government to vigorously expose and demand an end to Soviet colonialism in Lithuania and other Soviet captive states and insist that the complete liberation of the captive nations be a basic condition for any treaty negotiations with the Soviet Union; and be it further

Resolved, That the moral cause of the liberation of Lithuania and all captive nations should be continually raised in the United Nations until favorably resolved.

Dated this 20th day of February 1964.

ADOLFAS CAMPE,
President.
MARCELLA ANDRIKIS,
Secretary.

THE 200TH ANNIVERSARY OF ST. LOUIS, MO.

Mr. SYMINGTON. Mr. President, earlier this month the President of the United States honored the people of St. Louis, Mo., by being with us as our guest on the day of our 200th civic anniversary—February 14 of this year.

That occasion launched St. Louis on a brilliant program of events in celebration of the city's bicentennial. As this program unfolds during the next 3 years, we hope hundreds of thousands of our fellow Americans from other States, and many thousands of friends from other countries will visit us and come to know better our city and State of Missouri.

For most of the first 200 years of our history, St. Louis and Missouri symbolized pioneering and progress on the western frontier in America.

Today, our city and State in the heart of this continent symbolize pioneering and progress in the space age: American astronauts travel the skies in space capsules built in St. Louis.

Missouri and her cities, proud of their history and grateful for their heritage, aspire always to lead on the frontier of human progress; and St. Louis today presents a scene of rebuilding, renewal, and response to new opportunity nowhere surpassed on the American scene.

The spirit of St. Louis in this bicentennial year has been well expressed in an editorial, "The Next 200 Years," broadcast by radio station KMOX of St. Louis on February 14. I ask unanimous consent that the text of that editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE NEXT 200 YEARS

Our city is 200 years old this week. And the entire area feels a sense of pride, excitement, and heritage. We are mindful of the past, pondering the years between Laclede's landing and the landing of President Lyndon B. Johnson at our jet-age airport.

The first 200 years have been good to St. Louis. They have seen it rise from a rough, fur-trading settlement, grow to become the gateway to the great western frontier, survive flood, epidemic, fire, and the tearing division of Civil War, to enter the industrial age and the 20th century as one of the great cities of our Nation, and the world.

These are days of reminiscence and celebration. But our bicentennial observance with its many events and its focal point in the visit of President Johnson, will have been meaningless indeed if it concentrates on the glories of our city's past 200 years.

Our bicentenary will have served its purpose only if it inspires rededication of all St. Louisans to the next 200 years. Where are we headed in the next two centuries? Where should we be headed? Where will St. Louis rank as an American city, and as one of the world's cities, in February 2164?

We could be headed toward new and undreamed of growth and progress, far surpassing our early history. We have everything to work with. Of all the major cities in the United States, St. Louis is among the most favored by nature. We have an unmatched central location. We have virtually unlimited water supply, easy accessibility to all forms of transportation. We are surrounded by arable land and vital mineral resources. Power is plentiful and the climate is moderate and pleasant. St. Louis is meant to grow and prosper in the long reach of history.

In the next two centuries to come, this growth will be insured if we determine to overcome the major obstacles to progress, obstacles imposed by the limitation of men's minds, rather than the limitation of natural potential. The first major obstacle to growth is the fragmentation, the splintering of governmental units that makes orderly progress difficult to the point of impossibility. We have upward of 90 governments in an area that needs one.

The basic urban needs of police protection, streets and sewers, schools, zoning, industrial development, land use cannot be met if planning is done on a jigsaw puzzle basis by jigsaw puzzle government. The unification of city and county into a single metropolitan unit is the first step on our road of progress.

Our future years should see another basic objective long achieved—the objective of equal opportunity, equal housing, equal education for all our citizens. Nearly a third of the citizens of St. Louis in the year 1964 are Negroes. The decades ahead will and should see this group of citizens stand side by side with their white neighbors in all aspects of civic life.

The inequities of the 1960's will be merely of historic interest, like the great flood of 1844. They will no longer be pressing urgencies.

Another basic goal of the next 200 years also has its seeds well rooted in today's soil. This is the growth of St. Louis as the major Midwest center for space, electronics and the research and development skills that are essential for industrial growth. We have the nucleus here, two great universities, diversified industry, a skilled labor force, a central location. St. Louis can and should become the space and scientific capital of the world in the next two centuries, if we work and plan for it.

Looking into our city's future from another direction, we would also envision two centuries of development of the outlying area around our city as a resort, recreational and outdoor oasis, a midcontinent natural preserve second to none. Here again, we are blessed by nature, by bountiful resources of woods and valleys, lakes and rivers. They are ours to work with and build on, as surely as the rich farm lands of the Mississippi Valley were waiting for the pioneers' plows. And in turning these undeveloped areas to good use, we will have stopped the trend toward deterioration and decay that afflicts our small towns and rural areas, with more than half our State's counties now showing a decline in population and income.

St. Louis in the year 2164 can be a showplace city, a city of wholesome living from the riverfront to its western borders; a city crisscrossed with adequate highways and served by wide-ranging rapid public transportation. It can be a city of prosperous and attractive shopping areas, and of diversified and productive industry, geared to a technical era. It can be a city with useful work available for all citizens with the industry and initiative to seek it. It can be a city brightened by great music, great theater and great art, a center of learning and thought.

The last 200 years have given us a great heritage. Now we must use the same energy, vision, and pioneering spirit as our forebears to make the next 200 years even greater.

LOAN COMPANIES CONFIRM NEED FOR GUARANTEED COLLEGE LOANS

Mr. HARTKE. Mr. President, I would like to call the attention of this body to the Congressional Record, pages 3459–3466, of last Tuesday which contains the text of my testimony February 20 before the Education Subcommittee on the Hartke college student assistance bill, S. 2490. Part of that statement dealt with the need for a program included in my bill which would provide Federal guarantees of commercial loans to college students. It presented evidence that there is so great a demand for college student assistance loans that commercial enterprises have been able to make loans with service charges and interest rates mounting as high as an effective 60.02-percent interest rate.

Today the Washington Daily News published an article based on that testimony. In the Scripps-Howard story, the operators of two of these high-rate plans demonstrate in their own rebuttal the need which my testimony pointed up. That need is for a source of commercial loan funds to students themselves at reasonable rates, with loans guaranteed by the Federal Government on a pattern similar to the loan guarantees of the Federal Housing Administration. I am not pointing here to the exorbitant charges made, which are nevertheless doubtless legal, which give rise to such a high equivalent interest rate. But I am pointing out that if the demand for such high-rate services is as great as they admit, the need for a student loan guarantee program such as the Hartke bill will afford is even greater than would appear.

I call particular attention of the Senate to two portions of the News story. Robert Keir, president of the Tuition Plan, Inc., a subsidiary of C.I.T. Financial Corp., is quoted as saying:

> We aren't really lending money, we're providing a billing and collecting service for over 700 colleges, mostly private, that don't want the clerical work. The schools offer this service and turn over the contract of the parent to us.

Harold E. Logan, of Education Funds, Inc., a subsidiary of Household Finance Corp., is quoted as reporting that more than 300 colleges, mostly private, "furnish lists of all students to us."

Between these two companies a thousand colleges and universities are involved in the commercial loaning of money through the agency of such high-rate commercial organizations as these C.I.T. and Household Finance subsidiaries. That is just about one-half of all the colleges and universities in the Nation.

Mr. President, to me this demonstrates conclusively, in the testimony of the operators themselves, the overwhelming need for such a program of loans as is included in the Hartke bill.

The original story by Mr. Steif, which moved on the Scripps-Howard wire, contained additional information about these plans. I would like to emphasize here these additional facts.

First, Tuition Plan, the subsidiary of C.I.T. which it purchased in 1954, has increased its gross business from $12 million in 1955 to $67 million last year, when it had 40,000 outstanding accounts. The Household Finance subsidiary was not organized until 1960, but its gross business has jumped from $4.5 million in 1961 to $47 million last year, when it had 32,000 outstanding accounts.

Second, and of further significance for the purposes of my bill, the 1,000 colleges using these two plans are all private colleges, and they include such prominent institutions as Duke University, Vanderbilt, Notre Dame, and Southern Methodist. The reason is clear. The private schools are the ones whose spiraling costs have forced students and their families to reach out for loans on the most unfavorable terms in order to meet the educational needs which face them.

Mr. President, I ask unanimous consent to have printed in the Record the text of the Scripps-Howard article, including the portion omitted by the Washington Daily News.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Daily News, Feb. 28, 1964]

Senator Hartke Hits Commercial Firms: College Loan Usury Charged

(By William Steif)

Senator Vance Hartke, Democrat, of Indiana, has accused commercial lenders of charging up to 60 percent interest to students' families who are putting youngsters through college. Senator Hartke said in the Congressional Record the firms were "unknowingly recommended by college authorities without realization of their ownership or usurious terms."

He named the Tuition Plan, Inc., of New York, a subsidiary of C.I.T. Financial Corp., as the lender charging 60.2 percent yearly. He said Education Funds, Inc., of Providence, R.I., a Household Finance Corp. subsidiary, charged 26.39 percent, 35.90 percent, and 54.80 percent yearly on various plans.

BANKS

In a chart of "typical education loans," Senator Hartke cited terms and rates of 11 commercial banks and 7 nonprofit programs, including the National Defense Education Act, three States and the Indianapolis-based United Student Aid Funds, Inc.

Senator Hartke pegged interest charged by the Central National Bank of Cleveland, at 11.06 percent; by Indianapolis American Fletcher National Bank at 10.51 to 14.09 percent, and by the First National, Allentown, Pa., at 11.36 percent.

Federal, State, and other nonprofit rates ranged from 3 to 6 percent.

TRUE RATE

Senator Hartke explained how he arrived at the 60 percent "true" rate:

"The tuition plan will furnish a student $500 a semester for eight semesters in return for a fixed service charge of $240 (the total) paid at $106 a month for 40 months beginning a month after the first advance.

"The parent repays $530 on a $500 advance during each of the first two semesters and then prepays (during the summer) $212 before the start of the third semester. This means the third advance is only $288 plus the $212 which has been prepaid.

"By the beginning of the third year, the parent is given $424 of his own money back and a $76 advance to equal $500. Still, the monthly payments of $106 continue until the parent receives no more advances but is given back his own money for the final 2 semesters."

The Senator, who introduced his own college aid bill recently, said "there can be no question of the need for more favorable terms" for college loans.

DENIED

C.I.T. and Household Finance officials both denied Senator Hartke's gouging charges Robert Keir, president of the C.I.T. subsidiary, said:

"We aren't really lending money, we're providing a billing and collecting service for over 700 colleges, mostly private, that don't want the clerical work. The schools offer this service and turn over the contract of the parent to us. We handle all bookwork and place life insurance on each parent's life. Insurance is between a quarter and a half of the charge—most parents are between 45 and 55 and many are uninsurable.

"We don't investigate credit. What we charge for money is secondary."

(One Washingtonian, who is borrowing from the subsidiary, Tuition Plan, Inc., said his terms appeared to be no higher than a bank's. He is paying $37 interest on a $925 loan on which he makes eight monthly payments.)

GOOD RISKS

Mr. Keir said students' parents were "very good risks—our average user has an income of $15,000." He maintained many families didn't like State programs because loans stretch out up to 10 years and interest runs up to 6 percent. "State programs are for needy families and tend to exclude the middle group," he said.

He said his firm was "making a substantial social contribution" by saving colleges money.

Harold E. Logan, of the Household Finance subsidiary, said Senator HARTKE's figures were "not correct." He agreed "our losses are low, but 60- to 90-day delinquencies run fairly high."

Said Mr. Logan: "Our service cost is enormous. All loans have to be put on a computer." More than 300 colleges, mostly private, "furnish lists of all students to us," he said. His firm solicits parents and does all business by mail. No credit is checked. He said:

"There are very few multiple-year contracts we don't have to change. For example, the University of Denver's tuition is going up $300 next year. We have to change the loan contracts."

Mr. Logan conceded an occasional bank has a lower cost plan.

Mr. HARTKE. Mr. President, the additional material moved on the Scripps-Howard wire follows:

Colleges he named working with his firm included Notre Dame, Duke, Vanderbilt, and Southern Methodist.

How big is the private loan business on college students?

The CIT subsidiary, purchased by CIT in 1954, grossed $12 million in 1955, $24 million in 1958, and $67 million last year, when it had 40,000 outstanding accounts. Household Finance's subsidiary were founded in 1960 as a step to "diversification" and grossed $4.5 million in 1961, $47 million last year. It has 32,000 outstanding accounts.

An expert at the U.S. Education Office said the life insurance accounted for the high interest rates. "The insurance companies come in for a big slice," he said. "CIT, Household Finance, and the banks can make their own insurance setups—that's where the big profit is."

TRIBUTE TO EDWARD P. MORGAN

Mr. CHURCH. Mr. President, Mr. Edward P. Morgan, who broadcasts every weekday night for ABC, is one of our Nation's most thoughtful news analysts. In an era when local radio broadcasting has become increasingly dominated by the ravings of the radical right, it is refreshing to be able to listen to Mr. Morgan's sane and rational presentations. Recently, Bill Downs paid a fitting tribute to Edward P. Morgan when he substituted for him on February the 10th. I think we all might ponder Mr. Downs' question:

> Why aren't there more Ed Morgans * * * more men of intellectual stimulation and ideas * * * on the air these days?

I ask unanimous consent to have the text of Mr. Downs' broadcast inserted at this point in the RECORD.

There being no objection, the broadcast was ordered to be printed in the RECORD, as follows:

For the past 9 years—and the incredible count of more than 2,000 weekday broadcasts—the voice of Edward P. Morgan has filled this time slot on this distinguished program of news and commentary.

Sitting in for him, while Morgan samples a week of the breakers and beakers of Hawaii, any substitute reporter is bound to feel nervous. It's a little like wearing a borrowed pair of swimming trunks. You hope the things will still be in place after you take the plunge into the pool.

However, there's a certain comfort to be grasped in trying to fill Ed Morgan's editorial bathing suit during his vacation. It lies in the fact that I knew him when—and perhaps you, his listeners, might like to know him a little better before his return next week.

Anyone familiar with his daily commentary, knows that Morgan is not a man who hits you over the head with a crisis—or bludgeons you with personal demagoguery. He uses his viewpoint to slide quietly into your confidence—sneaks up on you in a gentle, intellectual way—and before you know it, you're trapped in logic.

I first met Ed Morgan in England, I think, during the London blitz. As usual, we had one of those arguments that never got settled. Morgan had the gall to claim that the Luftwaffe bombings scared him more than they did me. Ed was a "gutenburg man" at the time—working for the Chicago Daily News. I had left newspapering to go into broadcasting. I once pointed out that I could talk to more people in 3 minutes reporting on the radio than he could write for, for the rest of his life.

When he calmed down enough to follow my logic, it might have been the thing that prompted his own shift into electronic journalism.

However, he got even later. When Morgan joined the broadcasting industry, he briefly became my boss. It didn't take long for Morgan to realize that the new position meant that he was journalistically gelded. Wisely so, he quit the management job and returned to reporting.

Now, for the past 9 years, Morgan has served as a dissector of the Washington body politic—more important, he has applied the itch of truth to the American conscience. Like the renaissance British poet, Christopher Marlowe, Morgan believes that the cardinal sin of mankind is ignorance.

In his quiet way, Ed Morgan has been an angry young man long before the postwar English literary world exploited that phrase. But then American broadcasting always has had angry young men from the beginning, like the late Elmer Davis, the retired Edward R. Murrow who, hopefully, may soon be back in full dudgeon on the airways, men like Bill Shirer, Eric Sevareid, Howard K. Smith and others whose indignation is perpetually young. The fact that Ed Morgan has survived them all on radio does credit to his sponsor and his network.

Now, even though Morgan is my friend and I'm his vacation replacement, I don't want this to sound like some premature, soap-opera valentine. Morgan has his faults. He's the only correspondent in Washington who can turn a question into an essay and keep Presidents like Eisenhower and Kennedy enthralled with his words. It matters not that they sometimes missed the point.

Also Morgan has a habit of coming right out on the air and putting downright embarrassing questions to the American people. You know, things like: "Why must a white child have to be coached and study up to learn to hate a black child * * * or a Jewish child or an Arab child?" "Why is it incumbent on the up-and-coming young executives in industry to convince their superiors that the buttoned-down juniors distrust organized labor as much as their boards of directors?"

Another Morgan-type question might ask: "Why should a truck driver, a carpenter or a longshoreman accept machine leadership, nepotism or corruption in his own labor union * * * when he despises it in government and industry?"

And most maddening of all, Why does Morgan inevitably leave the answers up to his listeners?

For the replies to such questions, you'll have to wait a week until your regular commentator returns. But this does leave one question hanging over the public airwaves of the American broadcasting industry. That question is: "Why aren't there more Ed Morgans * * * more men of intellectual stimulation and ideas * * * on the air these days?"

It couldn't be that Americans are becoming afraid of ideas, could it? Are we?

This is Bill Downs substituting for Edward P. Morgan and saying good night from Washington.

OPPOSITION TO CIVIL RIGHTS LEGISLATION

Mr. CHURCH. Mr. President, early in February the board of directors of the Sandpoint, Idaho, Chamber of Commerce adopted a resolution opposing the enactment of civil rights legislation by the Congress of the United States. A week or so later, Dr. J. P. Munson, a practicing physician resident in the same city, purchased space in the local newspaper to publish an open letter entitled, "I Love Negroes, But—." In this letter, Dr. Munson, points out that the chamber of commerce resolution adopts the arguments, and much of the language, of a series of newspaper advertisements and pamphlets written by John Satterfield a former president of the American Bar Association, and widely disseminated in Idaho by a group which calls itself the Committee for Fundamental American Freedoms. It has been established, Mr. President, that Mr. Satterfield is an employee, and the Committee for Fundamental American Freedoms is a creature, of the State of Mississippi; both are financed by the legislature of that State for the purpose of spreading anti-civil-rights propaganda in other States.

I think Senators will find Dr. Munson's letter interesting and informative, and I ask that it be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

I LOVE NEGROES, BUT—

The Sandpoint Chamber of Commerce board of directors on February 3, 1964, went on record as opposed to civil rights legislation and so notified the Senators and Representatives in Washington, D.C. I couldn't believe it when I first read it in the paper but this is exactly what they did, and unless something is done to counteract this resolution, Sandpoint as a community will have cast her lot with the segregationist forces of the South.

The Sandpoint Chamber of Commerce directors declared that they strongly opposed discrimination because of race or religion; however, they were opposed to the Federal Government trying to correct the social, economic, and political discrimination against the Negro race that exists in our country today. The chamber of commerce directors offered no other solution and I presume they intend to leave the problem at the State level. History will prove that little or nothing has been done by the States to correct this problem since Lincoln freed the slaves 100 years ago.

The directors of the chamber of commerce further state in their resolution that the field of civil rights is not one that is within the purview of Federal action. In plainer words, they are saying that the civil rights of 180 million American citizens (including you and me) is not the responsibility of our Federal Government.

Further excerpts from the chamber of commerce resolution are picked almost word for word from statements that appeared in articles written in our local newspaper by John Satterfield, a strong Mississippi segregationist who is and has been a full-time employee of the State of Mississippi to defeat the pending civil rights bill. His job is to influence as many Senators as possible, and the Idaho Senators have been prime targets of his campaign. To affect Senators, you influence the voters behind them and in Idaho this has been done with biased articles in smalltown newspapers plus abundant propaganda through the mails. I'll have to give credit to Mr. Satterfield and his Mississippi organization for the Sandpoint Chamber of Commerce is at least the second organization in Bonner County to swallow the bait.

I realize that the Sandpoint Chamber of Commerce directors are intelligent and honest men, and I seriously request that they read the present civil rights bill and come to their own conclusion rather than to accept someone else's interpretation.

The House of Representatives in Washington, D.C., overwhelmingly passed the present civil rights bill, and I find it hard to believe that this group of elected officials would impose a police state upon the whole Nation as is claimed by our Sandpoint Chamber of Commerce directors in their resolution. Now the bill will go to the Senate where the Southern Senators will attempt to destroy the bill by the use of the filibuster. They will very likely succeed because they will have enough minority support from Senators, possibly one of them from Idaho, to make their filibuster stick.

Remember folks that this civil rights bill deals with the protection of the constitutional freedom of 30 million American citizens. The next group that may need protection may be 10 million Mormons or 20 million farmers or maybe 25 million Republicans or, who knows, what group may need our help. To steal a few lines that were written 400 years ago: "No man is an island entire of itself. Every man is a piece of the continent, a part of the maine. Any man's death diminishes me because I am involved in mankind, and therefore never sent to know for whom the bell tolls. It tolls for thee."

Sincerely,

J. P. MUNSON, M.D.

CIVIL RIGHTS

Mr. CHURCH. Mr. President, it is a long way from the mountains of central Idaho to the places troubled by widespread discrimination. And yet, Samuel H. Day, of the Salmon Recorder-Herald has come as close to understanding and highlighting what the civil rights bill is all about as anyone I have read anywhere.

That this remarkable statement comes from a small town in Idaho is symbolic of the very thing Day emphasized: civil rights for our fellow citizens who suffer from discrimination is a national responsibility.

Our Constitution is no stronger than our ability to implement its guarantees. To paraphrase the Bible, whatever we do to the least of us, we do unto us all.

Mr. President, I ask unanimous consent to have the editorial "Civil Rights: Our Democracy on Trial" entered in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CIVIL RIGHTS: OUR DEMOCRACY ON TRIAL

The spiritual leader of 5 million Negroes arose at a convention at Hot Springs, Ark., one day last month and called on members of his race to keep their struggle for civil rights within the framework of law and order. The alternative, said Dr. J. H. Jackson of Chicago, president of the National Baptist Convention, was bloodshed and anarchy. He said: "Our last hope of action is Congress." Dr. Jackson was referring to the Civil Rights Act of 1963, which is now entering a crucial phase of deliberation in Congress. He said the fate of all Americans—white and black—will be riding on that bill. And he was right.

The Nation would do well to ponder Dr. Jackson's warning. He wasn't saber rattling. He isn't an extremist. He isn't even an advocate of direct action, as are many of today's Negro leaders. He is a conservative, God-fearing, law-abiding Negro preacher who knows the mood of his people. He knows the Negro wants his freedom, and wants it now. The civil rights bill is the last clear chance to gain it within the framework of law and order.

The significance of this bill to American Negroes—one-tenth of the Nation's population—transcends anything else which can be said about the bill. The bill has come to symbolize the goals of a revolution which the other nine-tenths of our population may only dimly comprehend. But the revolution is a reality and no one can escape its consequences. If the bill should fail, says one Washington observer, Richard L. Strout of the Christian Science Monitor, "then the Nation is on a collision course toward one of the most potentially explosive situations since the Civil War."

Why so explosive? Because the Negroes, after 100 years of a freedom which they enjoyed a little more than name only, are now laying claim to the substance of that freedom. They want to register and vote. They want an equal chance at jobs for which they are qualified. They want equal educational opportunities. They want the freedom to enjoy facilities that are open to the general public. In essence, they want to tear from our laws and our customs the fabric of prejudice which for so long has degraded them and held them back.

The Negroes' drive for freedom has been gathering momentum year by year for a decade. In recent years it has spilled over from the courts into the streets. The demonstrations have become increasingly massive. The fact that there has been little bloodshed despite many provocations is a tribute to the character of the Negro participants and their leaders. But the leaders are under pressure from more militant Negroes and they have warned that they cannot hold the violence in check much longer unless they can achieve substantial results.

The civil rights bill represents a minimum harvest of results which, if the bill were passed, responsible Negro leaders could point to as evidence that Negroes can achieve their just ends by lawful means. The danger is not, as some have suggested, that the bill goes too far. The danger is that it does not go far enough. There are good grounds for fearing that the bill will not adequately relieve the pent-up grievances of millions upon millions of Americans who have not been given a fair shake in our society.

Opponents of the bill have claimed that the bill would give extraordinary powers to the U.S. Attorney General, that it would destroy States rights, that it would saddle businesses with new Federal controls, that it would compel the hiring of Negroes. These claims are all false. Despite this, and despite the fact that Idaho already has a law which is much tougher than the one now before Congress, several Idaho organizations have swallowed the spurious arguments against the civil rights bill. We feel quite confident that organizations like the Filer Grange, the Hailey Chamber of Commerce and, regrettably, some even closer to home, would not so blithely have denounced this bill if they had pondered the consequences of its defeat.

If the bill should lose, as lose it might, the result will be certain resumption of the civil rights demonstrations which rocked the big cities of the East and South last year. With the Negroes' moderate, nonviolent leaders repudiated, the militant extremists may well take over. The Negro may try to gain with his fist what he could not gain through appeal to our reason and our conscience. American democracy will have failed its most important test, and it may not have another chance.

THE 100TH ANNIVERSARY OF SOKOL MOVEMENT IN AMERICA

Mr. HRUSKA. Mr. President, some time ago I introduced a bill (S. 2485) for the issuance of a commemmorative stamp in recognition of the 100th anniversary of the founding of the Sokol movement in America. The Senator from Iowa has requested that he be permitted to become a cosponsor. I ask unanimous consent that on the next printing of the bill his name be added as a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HICKENLOOPER. Mr. President, I appreciate what the Senator has said. I call attention to the fact that in my area there is an extensive Sokol Organization, which is really a health organization. Those people believe in physical fitness. It is interesting to note that almost none of the members of that organization who has followed a health building program, has been turned down for military service because of deficient health or poor physical condition. It is one of the great organizations of the country that maintains the physical health of the people.

Mr. HRUSKA. From its very existence it has never asked for a nickel in the form of aid or a loan, with or without interest, from any governmental body.

Mr. HICKENLOOPER. That is certainly a true observation.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum——

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton and wheat to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. Will the Senator withhold his request for a moment?

Mr. HUMPHREY. I am glad to do so.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment in the nature of a substitute. In this case, the substitute is considered to be original text for the purpose of amendment, and is subject to amendment in two degrees.

Mr. HUMPHREY. Mr. President, I renew my request and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I have been asked by the majority leader to announce that all Senators should be placed on notice that there is a possibility of votes today, so that any talk to the contrary should be erased from one's memory in contemplating future plans. I do not know whether there will be time, but the Senators should plan on that possibility.

Mr. EASTLAND. Mr. President, H.R. 6196, as reported by the Senate Committee on Agriculture and Forestry, is designed to revitalize the cotton industry. It has the full support of the administration. It is supported by the vast majority of cotton farmers from California to the Carolinas.

It has the support of the following cotton producer organizations across the belt: Agricultural Council of Arkansas, West Memphis, Ark.; Arizona Cotton Growers Association, Tempe, Ariz., Calcot, Ltd., Bakersfield, Calif.; the Cotton Producers Association, Atlanta, Ga.; Delta Council, Stoneville, Miss.; El Paso Valley Cotton Association, El Paso, Tex.; Growers Marketing Association, Harlingen, Tex.; Imperial County Growers Association, El Centro, Calif.; Louisiana Cotton Producers Legislative Committee, Lake Providence, La.; New Mexico-Pecos Valley Cotton Farmers Association, Artesia, N. Mex.; North Carolina Cotton Promotion Association, Inc., Raleigh, N.C.; Oklahoma Cotton Producers Legislative Committee; Plains Cotton Cooperative, Lubbock, Tex.; Plains Cotton Growers, Lubbock, Tex.; South Carolina Cotton Producers, Oswego, S.C.; Staple Cotton Cooperative Association, Greenwood, Miss.; Tennessee Agricultural Council, Milan, Tenn.; Western Cotton Growers Association, Fresno, Calif.

I add to this list the National Grange.

In addition, it has widespread support from all segments of the cotton industry, and the cotton industry is the second largest industry in the United States.

Let me state briefly why the bill is needed, and something about its history.

As an aftermath of the Korean war when the price of cotton rose sharply, foreign production of cotton increased. As a result, U.S. exports began falling, and by 1955–56 had reached 2.2 million bales, the lowest level since 1871, except for the period during World War II, when cotton production was disrupted throughout the world. In order to save our export markets, Congress enacted the cotton export program in 1956.

Under that program, cotton has been sold abroad in competition with foreign grown cotton at prices less than those prevailing in the United States. The export program has been phenomenally successful. The first year we shipped over 7½ million bales abroad—more than three times the quantity shipped during the preceding year. Primarily, as a result of increased exports, the alltime high carryover of 14½ million bales on August 1, 1956, was reduced to less than 7 million bales by August 1, 1961.

American mills, because of this program, have had to pay more for their raw cotton than have foreign mills. This has placed them at a competitive disadvantage. Knowing this would be the result, the American textile industry nevertheless supported the enactment of this program. But it did so with the understanding that action would be taken to offset its cotton cost disadvantage. Unfortunately, this has not been done.

At that time, when we enacted the export cotton program, in 1956, raw cotton prices throughout the world were 2 cents higher than they are now; and there has been a slump since 1961 of roughly 2 cents a pound in raw cotton prices throughout the world. This has further aggravated the competitive position of the mills of this country.

In 1955, cotton imports in the form of textiles amounted to 181,000 bales. Currently imports in the form of textiles are running at the rate of almost 700,000 bales. Putting it another way, cotton textile imports have quadrupled in the last 8 years. This is larger than the production of cotton in all but five of the largest cotton-producing States.

The difference in raw cotton prices is an important part of this problem. The difference in labor costs of 11 cents per hour in Hong Kong textile mills and our average wage of $1.69 an hour is overwhelming. That difference is brought about by the fringe benefits. In both of these figures, 11 cents and $1.69, we include the fringe benefits which go to the worker.

We cannot force higher wages in foreign countries, and certainly we support fair returns to our U.S. textile employees. Foreign mills generally enjoy lower tax rates and more generous depreciation schedules. These are parts of the problem we can solve only through Tariff Commission action.

The industry has not been idle. On three occasions, it has appealed for action through the Tariff Commission under section 22 of the Agricultural Adjustment Act of 1933, as amended. Each time, relief has been denied. An effort has been made to obtain action under the national security clause of the Trade Agreements Act, without success. In short, the industry has exhausted administrative remedies available to it.

I ask unanimous consent to insert at this point a statement setting forth in detail the industry's efforts to meet the problem of imports.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INDUSTRY EFFORTS TO OBTAIN RESTRAINTS ON COTTON TEXTILE IMPORTS

1. In 1955, the then American Cotton Manufacturers Institute petitioned the Secretary of Agriculture for action under section 22 of the Agricultural Adjustment Act to impose quotas on imports of cotton textiles at 150 percent of the 1953–54 average of such imports. The petition was turned down by the U.S. Department of Agriculture in February 1956.

2. In 1956, an amendment, including import quotas on cotton textiles, was offered by Senator RUSSELL to the farm bill (H.R. 12), but was defeated by a vote of 33 to 57. During the same year, the Senate rejected two proposed import quota amendments to the foreign aid bill. An amendment offered by Senator YOUNG to limit imports of surplus agricultural commodities and their products not covered by a section 22 quota was beaten 43 to 45. Another amendment applicable only to cotton textiles offered by Senator JOHNSTON was turned down 36 to 52. Included in the Agricultural Act of 1956 was section 204, authorizing the President to negotiate with foreign countries to limit imports.

3. Negotiations, aimed at limiting imports from Japan, which at that time accounted for the largest volume of cotton textile exports to the United States, began in 1956. In 1957, they culminated in a 5-year plan for voluntary control of Japanese exports of cotton textiles to the United States.

4. In 1959, the industry asked the Secretary of Agriculture to seek a Tariff Commission hearing under section 22 to obtain relief from imports. The President asked that the case be limited to the effect of imports on the cotton export program. The Tariff Commission turned down the industry's request.

5. In May 1961, the American Textile Manufacturers Institute, together with numerous other interested textile groups, initiated action with the Office of Emergency Planning under the national security clause of the Trade Agreements Act seeking a determination that the cotton textile industry is both essential to national defense and jeopardized by imports. Under the authority of the national security clause, the President may impose import controls to protect an industry if the above criteria are met. The record in the case was closed in October 1961. No decision has thus far been announced.

6. The long- and short-term Geneva agreements were negotiated in 1961 and 1962. Enforcement of the agreements has been rendered virtually impossible because of the cotton cost advantage held by foreign mills.

7. The Department of Agriculture sought Tariff Commission action to limit imports under section 22 again in November 1961. The President widened the scope of the investigation by extending it to cover the effect of imports on all U.S. cotton programs, but the Tariff Commission in September 1962 once more ruled against relief.

8. Development of legislation to remove the inequity of the two-price cotton program began at President Kennedy's direction in late 1962, following the adverse decision of the Tariff Commission. The result is H.R. 6196.

Mr. EASTLAND. Mr. President, on February 16, 1961, less than a month after taking office, President Kennedy established a Cabinet committee, headed by the Secretary of Commerce, to make a study of the problems facing the textile industry. On May 2, he announced a program of assistance to the textile industry consisting of seven points. Point 4 is as follows:

> I have directed the Department of Agriculture to explore and make recommendations to eliminate or offset the cost to U.S. mills of the adverse differential in raw cotton costs between domestic and foreign textile producers.

On November 13, 1961, the Secretary of Agriculture recommended that the President request the Tariff Commission to make an immediate investigation of the cotton textile import situation pursuant to section 22. On November 21, 1961, the President requested the Commission to conduct such an investigation. Although the Commission completed its hearings on February 23, 1962, it was not until September 6 that its recommendation against action under section 22 was announced.

On the same day that the Tariff Commission made its recommendation, the President issued a statement in which he said:

> Early in the next session of Congress I shall recommend legislation designed to remove the inequity created by the present two-price cotton system.

In carrying out this commitment, the President in his message to the Congress of January 31, 1963, stated:

> I urge that the Congress give early consideration to cotton legislation that will make this important fiber more competitive and help it recapture its markets. Ideally it should be signed into law before the end of February and made applicable to the planting of the 1963 crop.

The President recommended that the new law be passed to include payments to reduce the cost of cotton to domestic mills and thus strengthen cotton's competitive position. In addition, he asked that authority be granted for producers to exceed their allotments with the excess to be sold at the world price. That is a recommendation which is included in the pending bill. The President also recognized the importance of research to reduce the cost of producing cotton in the United States as a means of strengthening the whole cotton industry.

Up to this point, I have dealt primarily with the cotton textile import problem and efforts made to cope with it. Senators will notice that President Kennedy a year ago asked for legislation to strengthen cotton's competitive position. Let me tell you what has happened with respect to cotton's competition from synthetic fibers. In 1960, cotton was doing well in meeting its competition from synthetic fibers. Rayon plants were operating far from capacity. As a result, rayon producers were forced to begin reducing their prices. The price of rayon staple fibers went down from 31 cents a pound in the early months of 1960 to 25 cents at the end of 1962. This is the fiber which is used directly on the cotton spinning system. A blend containing one-third rayon and two-thirds cotton cannot be distinguished from an all-cotton product upon visual examination, except by the experts. Of course, it does not wear as well, but it does not cost as much either.

In the face of the reduction in the price of rayon, cotton prices rose generally by as much as 2½ to 5 cents per pound as a result of the expiration of the A and B choice program in 1960 and changes in the support price in 1961.

It should be noted that this is not a mill problem, but a problem of the cotton farmer. The cottongrower must compete directly with rayon, a synthetic fiber which is priced at roughly 25 to 27 cents a pound. In addition, there is more waste in cotton than there is in rayon. Cotton is bought with the bagging and ties included. It must be put through a cleaning process, which, of course, takes weight from the cotton, and it costs money to operate cleaning devices. We calculate that in cotton there is a waste of about 17 percent.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield at that point?

Mr. EASTLAND. I yield.

Mr. JORDAN of North Carolina. Depending on the quality of the fabric or the yarn that is desired, the waste percentage may be as high as 33 percent. On some of the lower grades, 17 or 18 percent is about right; but the waste can go as high as 33 percent, and this makes a great difference in the cost of the finished product.

Mr. EASTLAND. The point is that cotton is at a greater competitive disadvantage than rayon when the waste factor run as high as one-third.

Mr. JORDAN of North Carolina. That is correct.

Mr. EASTLAND. The reflection in the cotton price, when based at 32½ cents as against a much cheaper rayon price, is not the whole story when the waste factor, which is important, is taken into consideration.

Mr. JORDAN of North Carolina. That is entirely correct. It is also true, is it not, that rayon is made from wood fibers, imported largely from Canada, Norway, and Sweden, and this does not provide employment for American workers. It does not help the farmer a bit when the fiber is grown in the woods of Canada.

Mr. EASTLAND. Statistics show that because of the squeeze on cotton prices—which the bill attempts to eliminate—the mills are making their profits today from spinning synthetic fibers rather than cotton.

In 1954, 10 years ago, the textile industry consumed 8,250,000 bales of cotton. In that year, the cotton equivalent of manmade fibers—and the equivalent means, of course, when the waste factor is removed—was only 4,260,000 bales. Consumption of cotton climbed until 1959, when the domestic textile industry consumed 9,007,000 bales, but manmade fibers had increased to an equivalent of 6,440,000 bales from 4,260,000 bales.

At that time, there was the so-called A and B choice cotton program. The farmer who took the B choice received the cheaper price, which, as I remember, was 27 or 28 cents a pound. As to the A choice, there was a purchase program under which the Government would buy cotton at the higher price and sell it at a blended—price—and feed cotton into the market. At that time, under those prices, the expansion of rayon production was stopped dead in its tracks.

In 1959, rayon consumption was the equivalent of 6,440,000 bales. In 1960, it was 6,005,000. In 1961, it was 6,400,000. Rayon production had reached a plateau. Cotton prices at that time had stopped the expansion and the increased consumption of rayon.

Consider what happened in the case of cotton. Cotton prices rose roughly 2½ cents a pound. The price of rayon fibers declined. In 1962, an equivalent of 7,560,000 bales of synthetic fibers was consumed as against 8,770,000 bales of cotton.

Consider 1963—last year. The consumption of synthetic fibers jumped to the equivalent of 8½ million bales as against cotton consumption that year of 8,470,000 bales. In other words, the consumption of rayon was greater than the consumption of cotton. Why? Because of the competitive disadvantage in which the cotton industry had been placed. The bill is an attempt to remove that competitive disadvantage.

For the past 3 years, there has been an increase in synthetic fiber consumption of roughly 1 million bales a year, while cotton consumption has remained about the same. It has remained the same at the point of the highest business activity in the history of this country. Who would not purchase rayon instead of cotton when he could buy it for 25 cents a pound as against 32½ cents a pound for cotton, and when there is the waste factor to consider in addition to that.

Mr. President, I ask unanimous consent that the table be printed, at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Fiber consumption

In 1963 for the first time, U.S. mill consumption of manmade fibers—measured in cotton bale equivalents—equaled U.S. mill consumption of cotton. Statistics on U.S. mill consumption of cotton and manmade fibers for selected years are:

[In millions of bales]

Year	Cotton	Cotton equivalent manmade fibers
1963	8.47	8.52
1962	8.77	7.56
1961	8.52	6.40
1960	8.75	6.05
1959	9.07	6.44
1955	9.07	5.69
1954	8.25	4.26

Source: Research Bulletin, National Cotton Council, Utilization Research Division, Memphis, Tenn., Jan. 23, 1964.

Mr. EASTLAND. Mr. President, what has happened as a result of the reversal of the competitive position as between cotton and rayon? Since the last calendar quarter of 1960, cotton has suffered a direct competitive loss to synthetic fibers of almost 2 million bales. Had we been able to maintain our markets during this period, domestic consumption currently would be almost 10½ million bales instead of about 8½ million bales.

Testimony presented to the Committee on Agriculture and Forestry indicated that hardly a day passed by that a cotton mill did not begin shifting to rayon and other synthetic fibers or accelerate the shift already in progress. One textile executive stated that his yarn mill had once used 100 percent cotton but was now using 90 percent synthetics and only 10 percent cotton.

These figures indicate that there is a rash of rayon consumption. The demand is great. New plants, new installations, are being constructed throughout the country. American mills are scouring the world, trying to import rayon because of its price advantage. Rayon is not as good a product as cotton; and these figures show that when the prices are relative in the same category, industry will spin cotton instead of rayon, and the cotton farmer will recapture his market.

I do not have to tell the Senate that a warehouse is not a market. Any industry must have markets. It must have consumption. The cotton industry must have the cotton spun, distributed, and worn, so that the farmer can grow more cotton to be passed through the normal channels of trade which sustain the second largest industry in this country.

Cotton markets in this country are being destroyed. What has been the result of cotton's failure to be competitive? As I have already said, cotton has suffered a direct competitive loss to competing fibers that in the past 2 or 3 years has increased by 2 million bales. The bill before the Senate would correct this condition.

There is one point which should be made abundantly clear. In the 2 years ending last July 31, the national acreage allotment has been cut from 18.5 million to the legal minimum of 16.2 million acres.

Stocks of cotton on hand in the United States have increased from 7¼ to 11¼ million bales and by August 1, 1964, carryover stocks will likely be 13 million bales or more.

Government ownership of these carryover stocks has increased from 1½ million to 8¼ million bales and by August 1, 1964, CCC stocks will likely be at least 10 million bales.

Annual storage and handling charges on Government cotton have increased proportionately.

The Treasury has used about $1 billion acquiring surplus cotton and by August 1, 1964, more than one-quarter billion dollars additional will be used.

Government investment in cotton stocks has risen from about $300 million to about $1¼ billion.

The bill is directed toward improving the economic condition of the entire raw cotton industry. It is directed toward improving the economic condition of every cotton farmer in the United States. In addition, two segments of the industry stand to benefit from the passage of the bill; but if there is one segment of the industry that stands to gain the most, it is the cotton farmer.

Under existing legislation, farmers face the bleak prospect of declining markets and reduced acreage. Make no mistake about one thing. The current minimum national acreage allotment, which is approximately 16,300,000 acres, cannot be maintained in the face of the smaller markets and mounting surpluses. If there is one stark tragedy that overhangs the cotton-growing industry and is reflected on the cotton farmers of the country, it is the danger of a reduction in acreage below the figures which now prevail.

All of us know that unless the surplus stocks are moved, that will happen. We can raise the support price and we can cut the acreage; but even if that is done, the farmer will not be any better off, because when his acreage is cut, his unit cost of production increases, and that cancels the effect of the increased price.

But the bill takes care of the small farmers, and all farmers in this country.

Cotton farmers must have markets if they expect to continue volume production. And they must continue to produce in volume if efficient, low-cost cotton production is to be achieved in this country. This cannot be done if the present program is continued.

Mr. ELLENDER. Mr. President, will the Senator from Mississippi yield for a question?

The PRESIDING OFFICER (Mr. Pell in the chair). Does the Senator from Mississippi yield to the Senator from Louisiana?

Mr. EASTLAND. I am glad to yield.

Mr. ELLENDER. Will the Senator from Mississippi state what, in his opinion, cotton can be produced for in the future by the American farmer?

Mr. EASTLAND. In the future?

Mr. ELLENDER. Yes.

Mr. EASTLAND. Frankly, I do not know. With the discovery of new herbicides and other effective means of destroying weeds, I do not know what the future situation will be. I know that when there is a breakthrough in that field—and one appears imminent to me, in view of the fact that certain herbicides are now on the market—weeds will be controlled, the chopping problem will be controlled, and the cost of production will fall.

Mr. ELLENDER. As the Senator from Mississippi knows, the bill covers a period of 4 years.

Mr. EASTLAND. That is correct.

Mr. ELLENDER. Does the Senator from Mississippi anticipate that cotton can be produced more cheaply during that period of time, as compared with the present cost of production?

Mr. EASTLAND. I certainly hope so; but I am not a prophet, and I do not know.

Mr. ELLENDER. Is it not true that the evidence shows that cotton cannot now be produced for less than 30 cents a pound?

Mr. EASTLAND. I believe the evidence shows that; and the farmers have shown a willingness to have placed in the support price mechanism a provision to the effect that as the cotton price goes down, that is to be taken into consideration in setting the support price.

Mr. ELLENDER. In making the estimate of 30 cents a pound, of course that applies to large farms, for which it is possible to purchase machinery, with the result that much of the work will be done by means of mechanization.

Mr. EASTLAND. Yes. But whether it will be possible for such a farmer to produce cotton more cheaply than it can be produced by another farmer, I am highly doubtful, because when a man and his family produce a crop of cotton, I do not know of anyone who can produce it any cheaper than they can.

But what their percentage of the production is, I do not know.

Mr. ELLENDER. As the Senator from Mississippi has stated, the purpose of the bill is to make it possible for the textile mills to purchase American cotton at world prices. That is correct, is it not?

Mr. EASTLAND. What I thought I said specifically was that the purpose of the bill was to place the American farmer in a competitive position with the Du Ponts and the other large companies which manufacture synthetic fibers.

Mr. ELLENDER. The Senator from Mississippi well knows that in order to do that, since the world price of cotton today is 23½ cents a pound——

Mr. EASTLAND. I think that is approximately correct.

Mr. ELLENDER. Is it possible for the American cotton producer to produce cotton at that price?

Mr. EASTLAND. I do not think it is possible for the American cotton producer to compete with 75-cent-a-day labor or $1-a-day labor—the going price in the cotton production areas in other parts of the world I have visited—just as I do not think it is possible for many other industries which maintain the U.S. wage scale to compete with foreign industries. Of course, when there is mechanization, the cost can be cut.

I think we are on the verge of some breakthroughs in cotton research which will reduce the cost of production; but I cannot guarantee that that will happen.

Mr. ELLENDER. Mr. President, will the Senator from Mississippi yield further to me?

The PRESIDING OFFICER (Mr. Ribicoff in the chair). Does the Senator from Mississippi yield to the Senator from Louisiana?

Mr. EASTLAND. I yield.

Mr. ELLENDER. Does the Senator from Mississippi foresee any decrease in the cost of production of cotton during the next 4 years, to as low as 28 cents a pound? Can he state whether, in his opinion, in the next 4 years, let us say, it will be possible for the American cotton farmer to produce cotton for as little as 28 cents a pound?

Mr. EASTLAND. I could not say that, because I do not know. But I say that if the discoveries in herbicides and weed control do occur and if the attempts to control the boll weevil succeed, that is one thing; but if those developments do not occur, that is another thing.

Since I do not know whether they will succeed, I cannot answer the Senator's question.

Mr. ELLENDER. But I was trying to get the Senator from Mississippi to state what he thinks the cost would be.

Mr. EASTLAND. There is no way to tell, as of now.

Mr. ELLENDER. The bill, if enacted, would set a precedent which we could not set aside at the end of the 4 years, because once the textile mills got the price down to 23½ cents—or the world price—that would mean that from that time on, the taxpayers would have to subsidize the production of cotton to the extent of the difference between the U.S. cost of production and the world price.

Mr. EASTLAND. I do not think that is true, because we do not know what world conditions in the future will be. So for me to state that cotton can be produced at X cents a pound 2 years from now would be impossible, for God did not give me the ability to prophesy. So I do not know.

Mr. ELLENDER. But the fact remains that the bill contains a provision which would permit the Government to pay 15 percent more than the fixed 30-cent price of cotton to those who produce for the domestic market; and that would mean a price of 34½ cents, as compared with the prevailing support price of 32.47 cents.

Mr. EASTLAND. Yes.

Mr. ELLENDER. And that would have the effect of greatly increasing the subsidy to be paid by the Government to the textile mills.

Mr. EASTLAND. Mr. President, the distinguished Senator from Louisiana could not be more mistaken. There is a great deal of sense in that provision. We would pay up to 15 percent more; but the point is that we must decrease the stocks. They are worth nothing in the warehouses. Furthermore, the Government has to pay nearly $90 million a year in storage and interest costs. A farmer who desired to produce for the domestic market would get up to 15 percent more; that is true. His acreage would be roughly two-thirds of his present acreage; but if he did not do that, the Government would be paying him 32½ cents a pound on one-third more acreage. So there is a great deal of sense in this proposal, because it would reduce the expenditures.

Mr. ELLENDER. Mr. President, the Senator from Mississippi knows only too well—and if he does not, I shall try to demonstrate the point later—that the cost of the program would be augmented by at least $450 million, in order to make it possible for the domestic textile mills to obtain cotton at world prices. That would be done in the face of the fact that 95 percent of the product of domestic textile mills is sold to the best market on earth, which is the American market. As I said before, my fear is that if the bill is enacted, from now on we can expect that all cotton which is produced in our country will be sold at world prices, and taxpayers will be called upon to pay the difference between the world price and whatever support prices we shall have to make available to American producers.

Mr. EASTLAND. Mr. President, Stonewall Jackson made a classic statement when he said that one must never take counsel with his fears. If one does, he is lost before he has started. I do not harbor the fears that the Senator from Louisiana harbors. The Senator from Louisiana stated that if a man planted for the domestic allotment, he would get an increased price. I understood the implication to be that that action would increase the cost of the program. Is that correct?

Mr. ELLENDER. To that extent the cost would be increased. On cotton produced on the domestic allotment, the subsidy would amount to $50 a bale.

Mr. EASTLAND. I should like to examine the Senator's statement. The Department of Agriculture used the figure of 3.5 cents a pound for the man who produces for the domestic market. The Government would pay 3.5 cents a pound extra on two-thirds of the farmer's allotment. If the farmer accepted that program, he would reduce his acreage one-third. Otherwise the Government would pay 32.5 a pound on the entire allotment rather than 3.5 cents a pound extra on two-thirds of it.

Mr. ELLENDER. That is, if the Secretary of Agriculture should make the price of cotton 32.47 cents.

Mr. EASTLAND. No; that is incorrect.

Mr. ELLENDER. Under the present program that is what it would be.

Mr. EASTLAND. I see what the Senator means. Yes.

Mr. ELLENDER. That is what the Senator is arguing .

Mr. EASTLAND. Yes. I see that the Senator is correct.

Mr. ELLENDER. Exactly.

Mr. EASTLAND. But there is a great deal of sense in the domestic allotment program, because it gets rid of cotton stocks and saves the Government a great deal of money. Is it not better business to pay 3.5 cents extra on two-thirds of an allotment than to pay 32.5 cents on the other third? Would not such a program save the Treasury money?

Mr. ELLENDER. In order to be able to undertake that kind of program, though, as the Senator well knows, cotton which has cost us quite a bit of money in the past would be used to make payments in kind to the producers and others. It is true that no direct cash would be used, but the year following disposal of that cotton to make payments in kind, the Congress would be called upon to replenish the capital of the Commodity Credit Corporation.

Mr. EASTLAND. No.

Mr. ELLENDER. The Senator does not believe so?

Mr. EASTLAND. No.

Mr. ELLENDER. I should like the Senator to explain his statement.

Mr. EASTLAND. I told the Senator that my judgment is that discoveries will have brought down the cost of producing cotton, and that the Treasury will not be called upon to do what he has suggested. The Senator asked me to state if that would be done. I cannot state that it would be done.

Mr. ELLENDER. But if it were not done within the next 4 years, what would be the Senator's plan?

Mr. EASTLAND. What would then be my plan?

Mr. ELLENDER. Yes, if no advance were made.

Mr. EASTLAND. The Senator from Mississippi and the Senator from Louisiana may not be here 4 years from now.

Mr. ELLENDER. I think I shall; I hope to be.

Mr. EASTLAND. The plan would depend upon what the farmers wanted, what Congress wanted, and what the Committee on Agriculture and Forestry of the Senate would desire. It would depend upon the kind of farm program we might have. It is futile to say what the farm program will be 4 years from now. I do not know. But I know that we have a program that would save the American taxpayers several hundred million dollars a year.

Mr. ELLENDER. I believe the Senator from Mississippi is very optimistic, and I hope to be able to show him the reverse of his statement.

Mr. EASTLAND. There would be a saving, but it would not be a saving that would meet the problem. It would be a saving that would not accomplish anything, because cotton must be made competitive with synthetic fibers to the mills of our country, and not for the mills' benefit. A mill can switch to rayon and go about its business, but a farmer must have markets.

Mr. ELLENDER. Mr. President, the Senator knows the record is abundantly clear that even though cotton went down in price to 20 cents a pound, mills would still use synthetics.

Mr. EASTLAND. For a few specialty items in which synthetics are best that might be correct. But in the great mass of the market, for which cotton and rayon are blended, I believe that practice would be stopped. The RECORD is abundantly clear that we would reduce stocks. We would reduce cost to the Government. We would regain markets. If we do not pass the bill, the cotton industry will be destroyed, because it is noncompetitive.

Mr. ELLENDER. Suppose that in the next 3 or 4 years the CCC stocks were reduced to the point at which we would not have any surplus. Would not the Government and the taxpayers be required to continue to pay the difference between whatever support price we fix and the world price?

Mr. EASTLAND. About 2 years ago the world price went down 2 cents. Whether it will go up again I do not know. I cannot predict what the world cotton market will do 4 years from now.

Mr. ELLENDER. The Senator has brought into the discussion not only the question of competing with lower priced cotton, but also with synthetics. The Senator knows that today synthetics may sell for 23 cents to 24 cents a pound. In the next 3, 4 or 5 years the price might go to 18 cents or 19 cents.

Mr. EASTLAND. It might, but it cannot be made that cheap today.

Mr. ELLENDER. That remains to be seen.

Mr. EASTLAND. I do not believe it can be made that cheap.

Mr. ELLENDER. The same applies to the production of cotton. Today we have a certain price under which farmers cannot produce cotton.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield for a question?

Mr. EASTLAND. I yield for a question.

Mr. JORDAN of North Carolina. I understood the distinguished Senator from Louisiana to say cotton which would be sold in the domestic market would have to be supported at 3.5 cents a pound. If a farmer should plant the allotment which he now has, the price would be supported at 30 cents a pound. That would be 2.5 cents less than the present allotment.

Mr. ELLENDER. The Senator is correct.

Mr. EASTLAND. If we continue with the present law and the present program, in my judgment we will increase our supplies up to around 15 million bales of cotton.

Mr. ELLENDER. Under the present program the price is figured at 32.47 cents a pound, but if the price of cotton were set at 30 cents a pound, it would give the domestic mills a 2.47 cent lower price, and the Federal Government, instead of paying $42.50 for cotton that is sold abroad, would pay $32.50. So there would be a saving of about $10 a bale.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. EASTLAND. I yield.

Mr. STENNIS. The Senator from Louisiana was questioning the Senator from Mississippi about the possibilities of reducing the cost of producing cotton through research. My colleague the Senator from Mississippi replied there was that possibility through better formulas and better handling of insects and related matters. Does not the bill itself have in it a provision that if that is done, the Secretary may take that factor into consideration in reducing the support price?

Mr. EASTLAND. Yes.

Mr. STENNIS. Therefore, the farmer does not get all the benefits of the methods that may be worked out. Is that correct?

Mr. EASTLAND. I stated that. It is a factor in the bill.

Mr. STENNIS. It is an additional factor.

Mr. EASTLAND. Yes.

Mr. ELLENDER. Mr. President, if the Senator will yield, it may be an additional factor, but there are eight factors in addition to this one. I tried to ascertain from the Secretary the effect it would have on the lowering of the price of producing cotton, and I was not able to obtain an answer. As the Senator from Mississippi knows, the cost of producing cotton in Georgia may be far different from what it is in Tennessee, Mississippi, or Louisiana, or there may be a great difference between what it is in the Southeast as compared with the Southwest.

Mr. EASTLAND. There are other factors that enter into the cost. One main element of cost is interest. Interest is an expense, just like any other business expense. Does the farmer have to borrow money? Does he owe money on land? When we consider the question of figuring costs, they can be figured a dozen different ways, and they are different on every farm. But we must also consider weed control, and new gin machinery that gives a better sampling of cotton; they are all reducing the cost of producing cotton.

Mr. STENNIS. Mr. President, if the Senator will yield further, following the Senator's question about the cost of production, the effect could not be known until something was done, but there have been possibilities with reference to ways to eliminate the boll weevil, for example. There is a program going on now which gives some prospect of being effective. If the boll weevil could be totally eliminated from most parts of the cotton producing States, that item alone would reduce the price of producing cotton about 4 cents a pound.

Mr. EASTLAND. Yes.

Mr. STENNIS. Four cents would be the minimum. It is estimated that it may be higher. There must be considered the great cost of poisoning insects and the added labor.

The Senator from Mississippi has mentioned weed control. That would have benefit not only in Georgia, Louisiana, or Mississippi, but it would have benefit across the cotton belt. They are distinct possibilities. I think it is well that this formula has been included in the present bill, and I commend the committee for including it.

Mr. EASTLAND. Mr. President, I wish to make one further statement. Several years ago the cost of herbicides to control grass and weeds did not enter into the cost of production. As I estimate it now, on the average farm it is the third highest element of expense. Gasoline is the first, fertilizer is the second, and the cost of herbicides is third. With the new techniques being developed, hand chopping of cotton has been largely eliminated. There is no question that the cost of producing cotton will decline in the next 5 years.

We want the farmer to make money. We want every segment of the cotton industry to make money. If they do not make money, they cannot stay in business, and the farmer cannot make money. But, when the cost of production is cut, the farmer can take a cheaper price and make something more than he is making today.

Mr. STENNIS. Mr. President, if the Senator will yield further, mention was made of boll weevil control. The Senator is familiar with the figures. For the Record, perhaps it would be well at this point for the Senator to give his estimates of the reduction in the cost of production.

Mr. EASTLAND. I read the same figures my colleague read. I thought for all purposes it was about 10 cents a pound, because production would be increased, and when production is increased, of course the unit cost is reduced, and that is the heart of any business.

Mr. STENNIS. The 4 cents a pound I mentioned was my understanding based on the actual cost of the poison and the application of the poison in an average year. Some years it will cost more, because of heavy rains.

Mr. EASTLAND. But when more cotton is produced, the unit cost of production is reduced, and that is the reason for the 10-cent-a-pound estimate.

Mr. STENNIS. That is a reasonable figure.

I thank the Senator for yielding to me.

Mr. EASTLAND. Before discussing the provisions of the bill, let me outline the history of its development. Late in 1962, the House Committee on Agriculture began hearings on cotton. A bill was developed and introduced in the other body in January 1963. Further hearings were held early in 1963, also, many meetings and conferences among producers and other segments of the cotton industry, the Administration, and members of the Senate and the other body.

The bill, in substantially the form it is before the Senate today, insofar as cotton is concerned, was introduced in the other body on May 9, 1963, as H.R. 6196, by Representative Cooley, chairman of the House Committee on Agriculture. This is the bill—H.R. 6196—which we are considering today.

On May 13, 1963, it was introduced as S. 1511 in the Senate by the distinguished chairman of the Senate Committee on Agriculture and Forestry, by request, for himself and the junior Senator from North Carolina. On May 20, 1963, the Senate Committee on Agriculture and Forestry began hearings on S. 1511 and other bills on cotton pending before the committee. Testimony was received from Undersecretary of Agriculture Murphy and a whole host of witnesses from the cotton industry. The hearings lasted 6 days. The Senate committee decided to postpone further action on cotton legislation until the other body acted.

I ask unanimous consent to insert at this point a summary of H.R. 6196 as approved by the House Committee on Agriculture, and a summary of H.R. 6196 as passed by the other body.

There being no objection, the summaries were ordered to be printed in the Record, as follows:

H.R. 6196, as Approved by House Agriculture Committee

1. Beginning with the date of enactment until July 31, 1967, the Secretary of Agriculture would be directed to make payments-in-kind to persons other than producers to eliminate the inequity of the cotton cost differential between domestic and foreign mills. Until August 1, 1964, payments would be at a level determined by the Secretary. From August 1, 1964, to July 31, 1967, the rate would be the amount necessary to make cotton available to domestic mills at a price not in excess of that for which it is made available for export.

2. The Secretary is directed to conduct a special cotton research program to reduce production costs as soon as practicable. For this purpose, an appropriation of up to $10 million annually is authorized.

3. The bill as reported by the committee directs the Secretary, beginning with the 1965 crop to make such reductions in the level of price support as will reflect reductions in the cost of producing cotton. An amendment subsequently approved by the committee establishes the level of price support for 1964 at 30 cents per pound for Middling inch, a reduction of about 2½ cents per pound from the 1963 level. It further provides that the maximum level of support for 1965 would be 29½ cents per pound, and for 1966 and thereafter, 29 cents.

4. Beginning August 1, 1964, CCC may sell upland cotton at not less than 105 percent of the "basic" loan rate plus reasonable carrying charges, instead of 115 percent of the loan, as presently required.

5. For the 1964, 1965, and 1966 crops, the Secretary is authorized to provide price support at up to 10 perecnt above the basic loan level established for the remainder of the crop on not more than 15 bales of each farmer's production, but such higher level of support could not exceed 32.47 cents per pound, the same as that for the 1963 crop.

6. For the 1964, 1965, and 1966 crops, if the acreage allotment exceeds 17 million acres, the amount of the excess would be equally divided: one-half to be distributed among base allotments, and one-half to farmers who want to overplant their allotments by up to 20 percent. The production from the overplanted acreage must be sold at world prices.

H.R. 6196, AS PASSED BY THE HOUSE

1. Beginning with the date of enactment until July 31, 1967, the Secretary of Agriculture would be directed to make payments-in-kind to persons other than producers at a level determined by the Secretary to eliminate the inequity of the cotton cost differential between domestic and foreign mills. (The Jones amendment approved by the House, deleted the requirement that from August 1, 1964, to July 31, 1967, the rate of payment would be the amount necessary to make cotton available to domestic mills at a price not in excess of that for which it is made available for export.)

2. The Secretary is directed to conduct a special cotton research program to reduce production costs as soon as practicable. For this program, an appropriation of up to $10 million annually is authorized.

3. The level of price support for 1964 is established at 30 cents per pound for Middling inch, a reduction of about 2½ cents per pound from the 1963 level. Beginning with the 1965 crop, the support price would be the level of the previous year adjusted downward to reflect reductions in the cost of producing cotton. The maximum level of support for 1965 would be 29½ cents per pound and for 1966 and thereafter, 29 cents.

4. Beginning August 1, 1964, CCC may sell upland cotton at not less than 105 percent of the "basic" loan rate plus reasonable carrying charges, instead of 115 percent of the loan, as presently required.

5. For the 1964, 1965, and 1966 crops, the Secretary is authorized to provide price support at up to 10 percent above the basic loan level established for the remainder of the crop on not more than 15 bales of each farmer's production, but such higher level of support could not exceed 32.47 cents per pound, the same as that for the 1963 crop.

6. For the 1964, 1965, and 1966 crops, if the acreage allotment exceeds 17 million acres, the amount of the excess would be equally divided: one-half to be distributed among base allotments, and one-half to farmers who want to overplant their allotments by up to 20 percent. The production from the overplant acreage must be sold at world prices.

Mr. EASTLAND. Mr. President, the Senate Committee on Agriculture and Forestry held further hearings on cotton legislation from January 28 through January 31, 1964. Testimony was presented by many cotton organizations, most of whom supported H.R. 6196. On Tuesday, February 11, Under Secretary of Agriculture Murphy again testified on cotton legislation and advanced the one basically new idea contained in H R. 6196—the present bill—as reported by the Senate Committee on Agriculture and Forestry. This was an idea developed by a cotton producers' legislative committee which is comprised of the 17 cotton farmer organizations mentioned at the beginning of my remarks.

Let me describe the new proposal which is in the form of a committee amendment, and then I will summarize the remainder of the bill and describe the other committee amendments.

Under the new proposal, farmers would be given a choice as to acreage and price support. I refer to it as a "new proposal," but actually it is the same as the choice plan in effect in 1959 and 1960, except that it is reversed. In 1959 and 1960, farmers who desired to plant more acreage than their share of the 16-million acre allotment and receive a lower price support were permitted to do so. Under the proposal before the Senate, farmers who choose to plant about two-thirds of their allotments and receive a higher price support are permitted to do so. Here is the way it would work:

In addition to base acreage allotments already established, each farmer would receive a domestic acreage allotment representing his share of the estimated domestic consumption. The domestic allotment would be about two-thirds of the final allotment after release and reapportionment, except that a farmer could not participate in the choice plan with an acreage in excess of his highest planted in either of the past 2 years. Farmers who choose to plant within their domestic acreage allotment would receive payments in kind at not to exceed 15 percent of the basic loan times the normal production of the acreage planted. In making cost projections for 1964, the Department of Agriculture has used the figure of 3½ cents per pound indicating that this might be its choice under this provision.

Mr. President, the Department has made it clear that it is not bound by that 3½ cents per pound provision.

Acres taken out of cotton under the producer choice plan could be planted to any crop not under allotment. Farmers can protect their allotments through the use of the release and reapportionment provisions of present law. Under a special small farm provision, the domestic acreage allotment would be considered to be the smaller of 15 acres, or the base allotment. This provision would apply to the 1964 through 1967 crops.

One of the reasons why this is not a soil bank is that the land is taken out of cotton to be planted in any crop not under allotment. That land would ordinarily be planted at this time.

What is cotton? Cotton is two-thirds food and one-third fiber. The Secretary of Agriculture has testified that we need more proteins and can use vegetable fats and oils in this country. He stated that we need 3 million additional acres of soybeans. We will certainly need that much, if we are to lose the protein, vegetable fats and oils from 2 million acres of land, which is the estimate as to what would happen under this program.

Although there is an acute need that the acreage be put into soybeans because it is a vegetable fat which is directly competitive with cotton, two-thirds of the cotton that would be grown on that land would be proteins, fats, and oils.

There is nothing complicated about this idea. It is not a new idea. It is an adaptation of a plan which was in effect for 2 years and proved to be very successful. There is no compulsion in it. Farmers would be given a free choice. How any one could object to this, I am unable to see.

The choice plan has been referred to by some as a soil bank. This simply is not the case. Under a soil bank plan farmers are paid for the acres they do not plant, acres which are retired from production of any crops and on which grazing is not permitted. Under the choice plan, farmers are paid for the acreage they plant. On the allotted acreage they do not plant in cotton, they may plant any other crop not controlled by acreage allotments.

It has been charged that the cotton part of this bill is the old Brannan plan of compensatory payments. This is not the case, and this idea should be dispelled once and for all.

If it were the old Brannan plan, I would be standing on the floor of the Senate opposing the bill. If it were the Brannan plan, I would be just as strongly opposed to it as is any member of the Farm Bureau.

The Brannan plan called for a program under which the prices of farm products would seek their own level in the market. Farmers' income would have been protected through the use of payments made directly to them from the Treasury in an amount equal to the difference between the market price and 100 percent of parity. Such a plan for cotton would cost in excess of a billion dollars a year.

What does H.R. 6196 provide? With regard to the domestic equalization payment designed to make cotton competitive in price, the payments are in kind. They would be paid into the marketing system, not to producers. They are aimed at eliminating the cotton cost disadvantage to American mills and to meet the competition of synthetics. They are measured by the difference between the level of the loan available to farmers and the price at which cotton is sold for export.

The payments would be made from Government-owned cotton. This cotton now owned by our Government is dead inventory. It will have value only when it is used. Under the provisions of the bill, it would be used in two ways—one, to adjust production on the farm and the other, to broaden cotton's markets.

The grower who chooses to cut back his production to a domestic share of the market will receive an entitlement for cotton from CCC stocks for each pound of his normal yield on his planted acreage. He can take up and sell this CCC cotton. He can sell his payment-in-kind entitlement. The Commodity Credit Corporation would undergird the market value of the payment-in-kind certificates by standing ready to redeem them in cash. This will prevent their value being discounted at the expense of the farmer. That is all that provision is, to prevent speculators from entering the market and buying up the certificates at a discount so that they would reap a harvest at the expense of the farmers. It is a legitimate protection which the Government owes the cottongrower.

These payments will accomplish in the domestic market exactly what the export subsidy or export sales program achieves in cotton's exports markets. I have never heard the export program termed a "Brannan plan." In fact, the export program is supported by many of those very groups of persons who oppose this legislation.

Under the producer choice plan, farmers electng the domestic allotment option would receive additional price support up to 15 percent above the basic loan of 30 cents per pound for Middling inch.

But the important thing to remember is that the higher price support is not a compensatory payment to producer to bring farm income up to a prescribed level. Farmers are protected by a market supporting loan. The increased price support is paid for planting within the domestic allotment.

There is as much difference between these provisions of H.R. 6196 and the Brannan plan as there is between night and day.

Attacks have been made on the acreage diversion proposal discussed by the Department of Agriculture.

In response to questions at Senate Agriculture Committee hearings, Under Secretary of Agriculture Murphy testified that the Department does not intend to propose an acreage diversion program in view of the agreement on the producer choice plan. He pointed out that the choice plan had the advantage of minimizing interference with release and reapportionment since the higher price support payment would be based on planted acres. The Under Secretary said that failure to make cotton competitive and failure to have a plan such as that embodied in the producer choice program would necessitate a substantial reduction in the national allotment below the present 16-million-acre minimum. According to Mr. Murphy, enactment of the bill along the lines recommended by the producers committee would forestall reduction in the 16-million-acre minimum national allotment in the foreseeable future.

If the bill is not enacted, we can expect that the minimum national allotment will fall to 12 million acres, and that will bring bankruptcy to thousands of cotton growers in this country. That is one of the great stakes that we have in this bill in the immediate future.

The remainder of the bill is basically H.R. 6196 as passed by the other body. Let me describe its provisions.

The heart of the bill is the section which directs the Secretary of Agriculture to make cotton available to American mills at the same price it is made available for export to foreign mills. This would be done by making payments-in-kind to persons other than producers. H.R. 6196, as approved by the House Committee on Agriculture specified that the rate of the payments made between the date of enactment and August 1, 1964, would be established by the Secretary of Agriculture at a level which he determined would eliminate the inequity of the cotton cost difference. Effective August 1, 1964, and continuing through July 31, 1967, the Secretary would set the rate of the payment so that American cotton would be made available to American mills at prices not in excess of those at which such cotton is made available for export.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. With reference to the point the Senator is now discussing, is it not correct to say that that is one of the essential differences between the so-called Cooley bill that we considered and the pending cotton provision? In other words, the Cooley bill came to us with the so-called Jones amendment.

Mr. EASTLAND. That is correct.

Mr. ELLENDER. That struck out the proviso under which cotton was to be sold to the textile mills at not less than the price at which cotton is sold abroad. Mr. Murphy, in May, testified specifically that if the differential in price were put at 6 cents for the domestic producers, in contrast to 8½ cents to the foreign producer, the price structure would be more or less equalized.

Mr. EASTLAND. I do not remember Under Secretary Murphy's testimony last summer. I do not know whether he testified to that. I do know that the fair and right thing is to do what has been historically done in this country, and that is to sell cotton to the domestic mills at the same price as the export price. That has been true in the United States since we have had a cotton industry, and was true until the past few years. The inequity is greater now than it was, because cotton prices have gone down in the world price by 2 cents a pound, roughly, in the past 2 years.

Mr. ELLENDER. Mr. Murphy did take the position, in May of last year, that in order to give to the domestic mills the same price differential or the same price advantage, cotton could be sold at 6 cents less to the domestic mills, in contrast to 8½ cents to the foreign mills.

Mr. EASTLAND. I take the words of my friend from Louisiana about what Mr. Murphy testified. Frankly, I do not remember. However, Mr. Murphy testified in February, this month, in support of the pending bill, with these identical provisions in it. Whether he testified before or not, historically, American mills have bought cotton at the same price that foreign mills have obtained it. We get back to the historic system of doing business in the cotton business in this country; that is all.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have placed in the RECORD an excerpt from Mr. Murphy's testimony.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> Mr. MURPHY. * * * At that time it was and still is the feeling of the administration that the inequity can be eliminated even though there is still left some differential between the export price and the domestic price. This, of course, is reflected in the President's message where he speaks of allowances for transportation costs and other relevant factors.
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> This would permit a payment with respect to the cotton consumed domestically in a range between 4 and 6 cents a pound.
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> Actually the estimate in column 6 is based on an assumption of a support price—a support operation of about 32 cents and payments of 5 cents.

Mr. EASTLAND. Specifically, the committee amended this bill so that on August 1 of the first crop year in which the producer choice plan is in effect, the equalization payment and the export subsidy would be at the same rate. If the bill is enacted into law in time for the choice plan to go into effect on the 1964 crop, the full equalization payment would be made from August 1, 1964, until July 31, 1968.

Mr. ELLENDER. Mr. President, that part of the bill is left to the discretion of the Secretary of Agriculture.

Mr. EASTLAND. Yes; for the reason that it would cost too much money with the support price at 32½ cents a pound. The difference would be 8½ cents. After August 1 the support price would be 30 cents a pound, and the payment only 6 cents.

Mr. ELLENDER. In 1964 the estimated production of domestic allotment will be 5.8 million bales, which will be consumed by local mills. On that cotton, the support price will be 33⅓ cents a pound.

If we take into consideration the world price, which is 23½ cents, on the 5,850,000 bales of cotton that will be consumed by domestic mills, the subsidy will be in the neighborhood of $50 a bale.

Mr. EASTLAND. I thought I made it abundantly clear that the extra 3½ cents a pound would save the taxpayer many a dollar. If it were not for the 3½ cents a pound, on a third of the acreage he would be paying 32½ cents a pound out of the Treasury and building up cotton stocks at the same time.

Perhaps no section of this bill has been criticized more severely than this. Most of the criticism leveled at this provision is unfounded.

This is not a subsidy or a windfall to domestic mills. It does help them meet the competition of foreign textiles in the domestic market. Its big advantage is to help the producer meet the competition of synthetic fibers at the mill door for both domestic and export fabrics. It gives the farmer a lease on life while he fights the cost of production through research and efficient production techniques.

Careful analysis indicates that textile mills will absorb an inventory loss of approximately $120 million on textiles in process and goods in inventory. Because it is the most competitive large industry in America, cotton cost reductions will be passed on to the consumer in the form of savings on textile products. The textile industry is willing to shoulder this loss in order to eliminate the cotton cost advantage which foreign mills now enjoy. In eliminating the foreign raw cotton cost advantage, the domestic subsidy will thwart import competition, thus opening the real prospect of improvement in textile markets.

Further, a private research firm conducted a study of the relationship of the price of cotton to the price of cloth. Over a period of 38 years—including war and peace—depression and prosperity—cotton cloth prices have gone up and down with raw cotton prices. Here is what the study showed:

> There is a remarkably high, positive, correlation between the price of raw cotton and the wholesale price of unfinished cotton cloth. This is to say that increases or decreases in the one were almost invariably accompanied by increases or decreases of the same degree in the other. In other words, when cotton prices went up 2 percent, cloth prices went up 2 percent; when cotton prices went down 5 percent, cloth prices went down 5 percent.
>
> As compared with almost any other industry, the intimate relationship between the price of the principal raw material and the price of the finished product in the cotton textile industry, as demonstrated by the correlation above, is most usual and remarkable. When consideration is given to the long span covered, the varying political and economic conditions during this time period, the great and minor depressions, the two wars and the two postwar periods, this record verges upon the unbelievable.

Mr. President, certainly those of us who believe in the private, competitive, free enterprise system will agree that competition among the 5,000 companies which manufacture textiles in the United States will force an immediate and comparable reduction in cotton cloth prices when the price those companies pay for cotton is reduced.

I ask unanimous consent to have printed at this point in the Record a letter from the Secretary of Commerce, Luther H. Hodges, to the Honorable Allen J. Ellender.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Hon. Allen J. Ellender,
Chairman, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: It is my understanding that during the course of your current hearings on the need for emergency cotton legislation, the question continues to arise as to whether or not a reduction of 8½ cents per pound in the cost of cotton to domestic mills would be reflected in savings to American consumers of cotton textile products. When similar legislation was being considered by the House Committee on Agriculture, Hickman Price, Jr., then Assistant Secretary of Commerce, testified in behalf of this Department that savings to consumers would amount to about $90 million for each cent of reduction. A reduction of 8½ cents per pound would thus result in a saving to consumers of more than $700 million.

This saving, Mr. Price said, would come with a lag of from 3 to 8 months, the time from first consumption at the mill to ultimate consumer, and would be reflected in either lower prices or higher quality of the merchandise.

Speaking with personal knowledge from many years in the manufacturing and marketing of cotton textiles, I agree that such a raw material cost reduction in the highly competitive textile and apparel manufacturing industries would generate a chain reaction of savings to consumers. It is the best estimate of our Department that these savings would be of the general order of magnitude indicated by Mr. Price.

Sincerely yours,
Luther H. Hodges,
Secretary of Commerce.

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed at this point in the Record a telegram to Senator Ellender from Esther Peterson, special assistant to the President for consumer problems.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

Senator Allen J. Ellender,
Chairman, Agriculture and Forestry Committee, U.S. Senate, Washington, D.C.:

There is substantial consumer interest in the cotton legislation pending before your committee. Elimination of the two-price cotton system would bring significant savings to American consumers. Secretary Hodges has submitted estimates showing potential consumer savings of over $700 million. I urge you to report out a bill designed to eliminate present differentials between export and domestic price of raw cotton.

Esther Peterson,
Special Assistant to the President for Consumer Problems.

Mr. EASTLAND. Mr. President, any person who says the textile industry will be subsidized or receive a windfall under H.R. 6196 either does not know the facts or refuses to accept them.

When U.S. mills are able to obtain cotton at the price at which it is sold for export to their foreign competitors, you will see a reversal in the continued upward trend in imports of textiles. It will come in those types of textiles where the cotton cost represents a large part of the cost of the goods.

Now as to the price support provisions: The base price support level in the bill as passed by the other body would be 30 cents per pound for 1964 for Middling 1-inch cotton. This would be a reduction of approximately 2½ cents per pound from the 1963 level.

Mr. President, that is $180-odd million which cotton farmer are contributing to make this program a success.

The committee amendment would change the level of support effective with the 1965 crop so that it would be set pursuant to current provisions of law, except that changes in the cost of growing cotton would be considered by the Secretary in addition to the eight factors specified in section 401(b) of the Agricultural Act of 1949.

Effective August 1, 1964, the bill would change the price at which CCC may sell its stocks of upland cotton from 115 percent of the current loan rate to 105 percent of the "basic" loan rate, plus reasonable carrying charges. The committee made no change in this provision of the bill.

The last provision of the bill would permit farmers, under certain conditions, to elect to grow an acreage in addition to their allotment which would be sold for export only, without benefit of price support or Government subsidy. Specifically, the Secretary would be authorized to supplement the acreage allotment for any farm up to 10 percent for 1964. But this authority could not be used unless the Secretary determined that the carryover would be reduced by at least 1 million bales under the previous year if the carryover exceeded 8 million bales. For 1965 through 1967, the Secretary, after such hearing and investigation as he finds necessary, may announce an export market acreage which he determines will comply with the carryover requirements stated above.

Mr. ELLENDER. After 1964, would not the Secretary have unlimited power to allot acreage as he desired?

Mr. EASTLAND. No.

Mr. ELLENDER. I wish the Senator would point out the language in the bill to substantiate his statement.

Mr. EASTLAND. The export acreage plus production in the country must be adjusted so as to reduce the stocks a million bales until the stocks are down to 8 million bales.

Mr. ELLENDER. Exactly. After the reduction to 8 million bales, there would be no limit.

Mr. EASTLAND. No; he could not increase stocks——

Mr. ELLENDER. I wish the Senator from Mississippi would place in the Record any provision of the bill which provides otherwise. There would be no limit.

Mr. EASTLAND. He could not allot the acreage for export if it would increase the stocks.

Mr. JORDAN of North Carolina. Mr. President, at this point will the Senator from Mississippi yield briefly to me?

Mr. EASTLAND. I yield.

Mr. JORDAN of North Carolina. I think that point in very significant in connection with the bill. Practically all the cotton would be produced in the States in which there is a good demand for long staple cotton, rather than short staple cotton; and short staple cotton is the kind which is in excess supply and is now in storage.

Mr. EASTLAND. That is true; much of that cotton was produced in areas where very short staple cotton is produced—in the belt in which there is a short-growing season; and that area does not produce cotton of as long a staple as that of the cotton which is produced in the other area. Much of the surplus stocks are composed of the shorter staple cotton, not the cotton for which a farmer will have to give a bond as a guarantee that he will not sell it for export. Such cotton is not found in the stocks of the Commodity Credit Corporation—I think the Senator will verify that statement—except perhaps in the case of a few grades.

Mr. President, it is the height of folly for the American cotton growers to say, "We are going to cut the acreage, in order to maintain a fictitiously high price"—for then all the other countries which produce cotton—those in South America, those in Central America, those in Africa, and other cotton-producing countries, including Spain, will be going into the cotton business, for then our Government would be holding an umbrella over them, so to speak.

So this decrease in the domestic acreage would result in increased acreage abroad; and that is what is hurting the U.S. producers.

This provision will offer cotton farmers an opportunity to find out whether some can produce profitably at world prices. This added choice could do much to stabilize world levels of cotton production and increase U.S. exports in the future.

Mr. ELLENDER. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. Is the long staple cotton what is hurting them?

Mr. EASTLAND. No, because very little long staple cotton is grown now in the United States.

Of course, the term "long staple" is a relative one. Just what does the Senator from Louisiana mean by his use of the term?

Mr. ELLENDER. The Senator from Mississippi said the extra or additional cotton which would be produced would be sold in the markets——

Mr. EASTLAND. I say the areas which produce it now and which would take advantage of the bill have very little cotton in the stocks of the Commodity Credit Corporation.

Mr. ELLENDER. My point is that if the Secretary is given the right to provide for additional acres, the result will be that every bale of cotton that is sold abroad will certainly come into competition, more or less, with the surpluses which are in our own stock.

Mr. EASTLAND. That is where the Senator from Louisiana is wrong, because the extra acreage, plus the production in the United States, will, when the two are added together, mean that before the Secretary can allow any acreage for the production of cotton for export purposes, it will be necessary to reduce the surplus 1 million bales a year, until it is reduced to 8 million bales.

Mr. ELLENDER. But a reduction of 1 million bales a year will occur as a result of the sales through Public Law 480.

Mr. EASTLAND. But no one should charge the farm program with the responsibility for Public Law 480 sales. They are a responsibility of the State Department.

Mr. ELLENDER. But it serves to reduce the surplus; and each year we export through Public Law 480 the million bales the Senator talks about.

Mr. EASTLAND. I shall place in the Record a statement in regard to the farm acreage. The object is to permit the American cotton grower to compete on equal terms with foreign cotton growers.

Mr. ELLENDER. But the Senator from Mississippi knows good and well that any cotton that is shipped from the United States and is sold abroad will compete with the cotton which now is held by the Commodity Credit Corporation; and there will be just that much more cotton to sell.

Mr. EASTLAND. I do not know that. The Senator from Louisiana spoke of long staple cotton; and I asked him to define that term. The cotton held by the Commodity Credit Corporation is largely different from the cotton which will be exported under the provisions of the bill.

Mr. ELLENDER. Then the Senator from Mississippi is assuming that no export cotton will be grown, except long staple cotton, is he?

Mr. EASTLAND. The definition of "long staple" which the Senator from Louisiana uses and the definition of that term which I use are entirely different.

Mr. ELLENDER. But I am asking that question. I understand that a great deal of export cotton would be grown in Arkansas.

Mr. EASTLAND. But that would not be long staple cotton.

Mr. ELLENDER. No; but such export cotton would be grown in Arkansas.

Mr. EASTLAND. And in Missouri and in Texas.

Mr. ELLENDER. Yes; and that cotton would be sold in competition with the vast surpluses we now have on hand.

Mr. EASTLAND. But the fallacy in connection with the Senator's statement is that he does not realize that very little of that cotton is now in the stocks of the Commodity Credit Corporation. Instead, that cotton moves out, for there is a demand for it. The cotton in the Commodity Credit Corporation stocks is largely cotton for which there is little demand.

This proposed legislation contains safeguards to prevent such production from increasing the cotton carryover. The export market acreage would not count for purposes of establishing future allotments. The cotton produced from such acreage would be ineligible for price support or export subsidy. At the same time, it will not disrupt or displace additional acreage distribution patterns among the various cotton producing States.

Let me anticipate two questions at this point: Could not we eliminate the two-price system by reducing price supports to the point at which cotton could be sold in the market at a price competitive with foreign mills? Second, why not eliminate the cotton export subsidy?

In answer to the first question, it is a simple fact that such action would bankrupt the overwhelming majority of cotton producers in this country. Cotton farmers' costs currently are too high to permit a 26-percent reduction in price support. Such a step would surely destroy the basis of a sound raw cotton industry.

Of course, under the bill there will be some reduction in price support from the existing level. To this extent cotton producers will be helping to make their product competitive. And with the research program provided by the bill, there is every possibility that farmers' cost will be lowered, relatively soon, so that cotton can meet its competition in its markets.

As to the second point—the immediate elimination of the export subsidy—this would mark the end of the United States as a raw cotton exporter. Not only would this destroy a market for almost 40 percent of the U.S. cotton crop; it would also deprive the United States of one of its leading dollar earners in export markets. Such a step can hardly be considered practical from several points of view—not the least of which is the Nation's precarious imbalance in international balance of payments.

The proposed domestic equalization payment is designed to achieve in cotton's domestic markets what the export subsidy has accomplished in its foreign markets.

Now, Mr. President, in all fairness, I say that this is not a new bill. Aside from one additional proposal which itself is not a new idea, the committee made very few modifications in a bill on which hearings were held by the Senate Committee on Agriculture and Forestry last May and which was acted upon by the other body in December, after a year's study and consideration.

Let me turn now to a question of vital importance to all of us. What can we expect in the way of Federal expenditures under H.R. 6196?

Under a set of reasonable assumptions regarding acreage yield, domestic consumptions and exports, the USDA estimates an annual expenditure under its present cotton program of $566 million for the 1964–65 season.

An expenditure of $566 million is not all the story, because cotton stocks will increase.

Should H.R. 6196, as reported, become law, the Department estimates the gross cost of the domestic equalization payment at $312 million the first year. The cost of the higher price support on the domestic allotment is estimated at $102 million. The total cost of these two provisions is $414 million. However, the Department also estimates that 2,150,000 bales of CCC's existing surplus cotton stocks will be disposed of under the bill's provisions. This would result in a net cost of about $108 million for both the domestic equalization payment and the higher support on the domestic allotment. In addition, the lower support, as I shall describe in a moment, would reduce the cost of several features of the existing program. Consequently, total cash expenditures for 1964–65 are estimated at $448 million, about $118 million less than estimated expenditures under current legislation for the same year.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. ELLENDER. Did I correctly understand the Senator to say that cash payments would be reduced to $448 million?

Mr. EASTLAND. That is the estimate of the Department.

Mr. ELLENDER. What would the total cost be if the cotton that would be paid in kind is not taken off? My figures show $753 million.

Mr. EASTLAND. I have a table on that point, which I shall ask to have printed in the Record.

Mr. ELLENDER. Would not the total cost be $753 million?

Mr. EASTLAND. No.

Mr. ELLENDER. Those are the figures that I have before me.

Mr. EASTLAND. As I have said, there would be a cash expenditure of $448 million. Let us consider the whole picture in 1961–62.

Mr. ELLENDER. Let us take this year, 1964—$448 million.

Mr. EASTLAND. I shall take this year, next year, and the entire life of the program. I believe that is the fair way to proceed. In 1961-62 the total net expenditure for cotton was $883,500,000. In 1962-63, under current legislation, we spent $1,010,400,000. In 1963-64, the present cotton year, we shall spend $790 million. If the bill is enacted, next year expenditures will be $448 million. In 1965-66 they will be $514 million; in 1966-67, $509 million; in 1967-68, $489 million, which would be a great saving to the taxpayers of our country.

Mr. President, I ask unanimous consent that the table to which I have referred be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Upland cotton—Net expenditures

[Millions of dollars]

	Current legislation			H.R. 6916 as amended by Senate committee			
	1961-62 [1]	1962-63 [1]	1963-64 [2]	1964-65 [2]	1965-66 [2]	1966-67 [2]	1967-68 [2]
Price support	507.7	675.5	360	[3] 245	[3] 178	[3] 188	[3] 213
Commodity export program (including cotton products)	174.3	121.1	238	162	146	143	140
Public Law 480 (gross)	201.5	213.8	192	117	117	117	117
Trade incentive payments				312	312	318	325
Price support payments				102	117	119	120
Total net expenditures	883.5	1,010.4	790	448	514	509	489

[1] From table dated Oct. 31 1963, prepared by ASCS-BU (USDA).

[2] Derived from pp. 15 and 16, report of Senate Committee on Agriculture and Forestry on H.R. 6196 (Doc. No. 874).

[3] Denotes net receipts.

Mr. ELLENDER. Mr. President, I wish to revert to the year 1964, which the Senator was discussing. Is it not a fact that the table to which he has referred contains the following amounts: For trade incentive payments $312 million?

Mr. EASTLAND. That is true.

Mr. ELLENDER. That is a totally new cost.

Mr. EASTLAND. The Senator is correct.

Mr. ELLENDER. The export subsidy would be $162 million.

Mr. EASTLAND. That is correct.

Mr. ELLENDER. Public Law 480, $117 million.

Mr. EASTLAND. That is correct, but that should not be charged to agriculture.

Mr. ELLENDER. I understand; but we are talking about the table.

Mr. EASTLAND. Yes. The figure is correct.

Mr. ELLENDER. Producer payments, $102 million.

Mr. EASTLAND. That is correct.

Mr. ELLENDER. Then there is a carrying charge item of $60 million. That is for the cotton on hand.

Mr. EASTLAND. What that would be in 1964 I do not know.

Mr. ELLENDER. The total is $753 million.

Mr. EASTLAND. I do not arrive at the $753 million figure stated by the Senator. Perhaps I cannot add.

Mr. ELLENDER. From what table is the Senator reading? I ask the question to be sure we do not have different figures.

Mr. EASTLAND. It is a table prepared by the Department of Agriculture.

Mr. ELLENDER. First, there was the item of $312 million.

Mr. EASTLAND. Yes.

Mr. ELLENDER. Then $162 million.

Mr. EASTLAND. Yes. The Senator is correct. But there is a stock reduction of $305 million.

Mr. ELLENDER. What does that stock reduction represent?

Mr. EASTLAND. It represents dead inventory that has been put into warehouses, and is costing us $90 million a year to store it.

Mr. ELLENDER. The Senator has calculated the program to cost $448 million by taking from the $753 million the disposal of 2,150 bales of cotton.

Mr. EASTLAND. At what price?

Mr. ELLENDER. 1,750,000 bales at $147.50, which equals $259 million, and 400,000 bales at $115 a bale, or $46 million. Those sums added together come to $305 million. That is the amount that would be deducted from the $753 million to show a cost of $448 million.

Mr. EASTLAND. I know; but those stocks locked in a warehouse are not worth anything.

Mr. ELLENDER. They are not?

Mr. EASTLAND. Yes.

Mr. ELLENDER. They are being sold now at $115 a bale.

Mr. EASTLAND. They are piling up every year. If we do not change the program, in a few years we shall have 15 million bales and we shall have to build new warehouses to store them. We are trying to use those stocks.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. EASTLAND. In a moment. In a legitimate way we wish to put the cotton industry on a sound basis.

Mr. ELLENDER. Mr. President, another thing which the table to which my friend has referred fails to take into consideration is the paper transfer of CCC stocks to private stocks of the difference between 3 million bales and 3.5 million bales. If that amount were not arbitrarily deducted from the cost, the cost would be not $448 million, but $506 million.

Mr. EASTLAND. I yield to the Senator from Vermont.

Mr. AIKEN. The question I desire to ask is as follows: How much cotton does the Senator from Mississippi say the Government now has on hand? I refer to the Commodity Credit Corporation.

Mr. EASTLAND. The CCC has on hand a little more than 8 million bales. Does the Senator refer to cotton to which the CCC has title?

Mr. AIKEN. Cotton to which CCC has title.

Mr. EASTLAND. Yes.

Mr. AIKEN. How much more does the Senator anticipate CCC will take title to at the beginning of the next marketing season?

Mr. EASTLAND. A total of between 10 and 11 million bales or an addition of 2 million.

Mr. AIKEN. How much cotton did the Commodity Credit Corporation hold in, we will say, the first of the marketing year 1961?

Mr. EASTLAND. I have forgotten the figures.

Mr. ELLENDER. Seven million, one hundred and eighty-seven thousand.

Mr. AIKEN. What has caused the big increase in the acquisition of cotton by the Government in the past 2 years?

Mr. EASTLAND. Two things: An increase in the price support and a decrease in the rayon price.

Mr. AIKEN. An increase in the support price, of course, means an increase in the price to the domestic mill; does it not?

Mr. EASTLAND. That is correct.

Mr. AIKEN. Did that result in the domestic mills turning more to the use of rayon?

Mr. EASTLAND. Yes.

Mr. AIKEN. So that put our mills at a disadvantage.

Mr. EASTLAND. Yes.

Mr. AIKEN. In 1960 the support price for cotton was 30 cents a pound. Then it was raised in 1961 to, roughly, 32 cents——

Mr. EASTLAND. Thirty-two and four-tenths cents.

Mr. AIKEN. Does the Senator believe that, if the support price had remained at 30 cents a pound, the Government would be in the position of having become the owner of 11 million bales of cotton?

Mr. EASTLAND. It would not be. How much effect the reduction would have on rayon——

Mr. AIKEN. Has rayon not increased in price?

Mr. EASTLAND. No.

Mr. AIKEN. I thought it went up to 28 cents.

Mr. EASTLAND. I think it went up to 28 cents when the bill was introduced. It was once about 25 cents.

Mr. AIKEN. Does the Senator have any idea of the lowest price at which rayon could be sold profitably?

Mr. EASTLAND. I do not think it could go much lower than 25 cents.

Mr. AIKEN. If the price of cotton to domestic mills dropped to around 25 cents a pound, it would be fully competitive with rayon, and there is no probability that the rayon producers could profitably reduce their price still further; is that correct?

Mr. EASTLAND. That is my judgment.

Opponents of H.R. 6196 contend that the domestic payment under the bill will cost the Government an additional $382.5 million annually—9-million-bale domestic consumption times $42.50 a bale. This figure is highly exaggerated, disregarding completely the following facts:

First. The price support would be reduced from the current level of 32.47 cents per pound to 30 cents for the 1964 crop. Obviously, this price support reduction would be reflected in correspondingly lower payments on both export and domestic sales.

Second. By making cotton available to American mills at the same price it is sold for export, the equalization payments on exports of cotton products—now costing about $17 million annually—would be eliminated.

Third. Increased domestic consumption, resulting from competitive prices, would reduce Government stocks, thereby reducing carrying charges, storage, and interest.

Fourth. Elimination of the paralyzing uncertainty now overhanging the entire industry would encourage cotton merchants and mills to carry larger cotton inventories, relieving to this extent the addition to Government stocks. The result would be less acquisition cost and carrying charges for the Government.

On August 1, 1963, CCC owned 8.2 million bales, and the figure is expected to be at least 10 million next August. The Government investment in this cotton was about $1.3 billion, will approach $1.6 billion next year, and will cost about $89 million annually, just for carrying charges. It is a portion of this cotton that would be used for payments-in-kind. Actually, these Government-held surplus stocks are devalued very substantially already, even under existing law. The cotton simply has no value above the world price. In fact, much of it will be sold under Public Law 480 programs for unredeemable foreign currencies, or given away under aid programs, returning nothing to the Treasury.

I ask unanimous consent to include at this point in my remarks a table setting forth the various items of estimated expenditures I have just described.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Cotton: Comparison of major items of estimated expenditures under current legislation and H.R. 6196 without the Jones amendment and with amendments suggested by producer committee

Item	Current legislation		H.R. 6196	
	1963 crop	1964 crop	Without Jones amendment, 1964 crop	With producer choice plan, 1964 crop
Support price:	*Cents*	*Cents*	*Cents*	*Cents*
Middling 1 inch	32.47	32.47	30.00	30.00
Average of crop	31.72	31.72	29.25	29.25
Export payment rate	8.5	9.0	6.5	6.5
Trade incentive rate			6.5	6.5
Increased price support				3.5
Increased support on 1st 15 bales of cotton			2.47	
Estimated expenditures:	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*
Export program (5,000,000 bales)	[1] 221	225	162.5	162.5
Cotton products payments	17	18		
Public Law 480 (excluding export subsidy) 1,000,000 bales of cotton	[2] 192	117	117.0	117.0
Carrying charges, interest, etc	89	94	86.0	60.0
Increased support on 1st 15 bales of cotton			62.0	
Trade incentive payment:				
Gross amount (9,600,000 bales and payment rate)			312.0	312.0
Increased price support				102.0
Stock increase	271	112		
Stock reduction			−43.5	−305.5
Total estimated expenditures	790	566	696.0	448.0
	Thousand bales	*Thousand bales*	*Thousand bales*	*Thousand bales*
Change in CCC stocks from prior year	+1,830	+700	−300.0	2,150.0

[1] 5,200,000 bales.
[2] 1,600,000 bales.

Mr. EASTLAND. Mr. President, H.R. 6196 as reported by the Senate Committee on Agriculture and Forestry provides a sound and much needed solution to cotton's problems. It is important to the cotton textile industry, to the 542,000 cotton mill workers, to those in cities who supply the cotton industry, and who process cotton cloth into finished products. It is important to both the Government and to cotton growers.

Mr. President, this has been called a "mill" bill. It has been called expensive and costly. Let us look at the facts.

The mills will willingly lose $120 million on existing cloth inventories.

The producers will take a 2.47-cent reduction in support prices, or about $187,500,000 per year to help maintain and increase their markets.

The beneficiaries of this bill are the taxpayer and the consumer.

USDA estimates that savings over the existing legislation will be $118 million for fiscal 1965, and $327 million for fiscal 1968. The taxpayer is also a consumer and will share in the $700 million saving on textiles.

Mr. President, cotton legislation has already been delayed too long. Cotton's markets continue to decline. Cotton planting will soon be underway on hundreds of thousands of farms. In fact, it is already underway on some. To delay will deny them a choice under this program. This legislation should be enacted as soon as possible. It is urgent and critically important. I urge Senators to support this bill.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. SYMINGTON. I want to associate myself with the remarks made by the distinguished senior Senator from Mississippi with respect to the proposed legislation that has to do with cotton. As I understand the situation, the total savings would be something in the nature of $700 million, as against past activities in cotton, if this bill——

Mr. EASTLAND. No. That is what the Secretary of Commerce estimates the consumer saving in the price of textiles will be.

Mr. SYMINGTON. As a result of this bill?

Mr. EASTLAND. Yes.

Mr. SYMINGTON. Also, I understand that under the bill producers will take a 2.47 percent reduction in support price?

Mr. EASTLAND. Will the Senator repeat the question?

Mr. SYMINGTON. Producers will take a 2.47 reduction in support price?

Mr. EASTLAND. Yes; and that will total $187,500,000.

Mr. SYMINGTON. So, as the Senator sees it, those who will benefit the most as a result of this cotton bill will be the consumers themselves, who are also the taxpayers?

Mr. EASTLAND. That is correct. All segments of the industry have gotten together on this issue except one farm organization. The farmers put up $187,500,000 in reduced price supports. The mills take a $120 million loss in inventory. Each segment will make a sacrifice and get a program that has been worked out and which it is thought will save the industry from destruction. The issue before the Senate is: Is the second largest industry going to be destroyed? Are we going to follow the recommendations of the vast majority of those in that industry and enact this bill?

Mr. SYMINGTON. I have asked the Senator these questions because he is thoroughly conversant in this field. Although there is a cotton surplus, the amount of that surplus is nothing as compared with the amount of grain surplus. Is that not correct?

Mr. EASTLAND. Frankly, I do not know.

Mr. SYMINGTON. I believe most of our surplus is in wheat. The second largest is in feed grains. Then comes the cotton surplus.

The reason I asked the question is that there also are other commodities of which we have no surplus, but, on the other hand, there are quotas by which a particular commodity in a particular industry is controlled. I am referring, for example, to tobacco, sugar, and other crops, and also to milk, in which industry there are marketing orders resulting from agreement among producers of the various agricultural products in question.

So, as I see it, this is an effort on the part of those who produce cotton, those who distribute cotton, and those who utilize cotton in retail consumption, to get together from the standpoint of what is best for the American people.

Mr. EASTLAND. The Senator is correct. They are doing this for themselves.

Mr. SYMINGTON. And in doing so, they are merely following what has been successfully accomplished in connection with many other agricultural products.

Mr. EASTLAND. The Senator is correct. The distinguished Senator from Missouri has been a highly successful businessman. When we loan $2 on a commodity that is worth only $1, that is, in effect, a subsidy to that person; and a subsidy has been paid to the farmer, because the world cotton price is 23 or 24 cents a pound. It cannot be produced in this country at that price. Is it not correct that the true value of that commodity would be at the world price?

Mr. SYMINGTON. There is no question about it.

Mr. EASTLAND. It has no value at all if it is locked up in a warehouse and cannot be sold. It would have a minus value, because it costs $90 million a year to pay the storage charges.

Mr. SYMINGTON. Does not the Senator agree that there is no more chance for an American farmer being competitive against a farmer in the Middle East who is producing cotton than there would be for an American manufacturer, with an average cost of $1.95 in the production of shoes to compete successfully with a foreign manufacturer who is able to make good shoes and sell at an average price, and pay his workers 28 cents an hour. Is that not what we are talking about?

Mr. EASTLAND. The Senator is correct. There is no way to compete unless it can be done through automation.

Mr. SYMINGTON. I thank the Senator. I am impressed with his able and logical presentation of this problem. In my State of Missouri, our farmers producing cotton, as well as other agricultural commodities, have now dropped from 13 percent—which was the percentage when I first joined the Senator in the Senate 12 years ago—to 5 percent or 6 percent. It was not too long ago that the United States had 90 percent of its people engaged in the production of food. Because of the ingenuity and ability of American farmers our problem is still one of surplus, as against most countries, where 75 percent of their people are still engaged in the production of food, and their problem is still one of famine.

So I hope the Senator will be supported in the Senate by all Senators who believe it is important to maintain a high standard of living in agriculture in the United States, as in all other walks of American life.

Mr. EASTLAND. I thank the distinguished Senator from Missouri. The Senator has performed a most distinguished service to the cotton industry and to American agriculture.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. JORDAN of North Carolina. Mr. President, I wish to commend and associate myself with the excellent remarks of the Senator from Mississippi regarding cotton. He comes from a great cotton-producing State. A State known as producing the finest cotton in the world at one time, and it still produces fine cotton. There is no question about that the Senator from Mississippi knows more about cotton than does any other Senator.

Mr. EASTLAND. I thank the Senator from North Carolina for his kind remarks.

Mr. JORDAN of North Carolina. The Senator is certainly one of the best experts on the subject, if there are any in the Senate.

I should like it to be known that I believe the Senator from Mississippi has rendered a fine service by putting this information into the RECORD so that Senators who are not present and did not have the privilege of hearing his remarks may read them and understand what is in the bill.

Many people do not understand what is in the bill. They have a misconception of what the bill does for whom.

I congratulate the Senator from Mississippi on the fine service he has rendered in putting this information into the RECORD, and for the privilege it has been to a few Senators to have had the opportunity to listen to him.

Mr. EASTLAND. I thank the distinguished Senator from North Carolina.

Mr. President, I ask unanimous consent to have printed in the RECORD an explanation of title I of H.R. 6196 pertaining to cotton.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF TITLE I OF H.R. 6196 PERTAINING TO COTTON

Section 101 of the bill adds a new section 348 to the Agricultural Act of 1938, as amended, so as to authorize CCC to make payments-in-kind (cotton) through the issuance of certificates to persons other than producers in amounts that the Secretary will determine would eliminate inequities in the cost of raw cotton consumed by domestic and foreign mills. Such payments would begin with the date of the enactment of this bill and would end July 31, 1968.

This authority would cover payments on raw cotton in mill inventory on the date of enactment. Beginning August 1, 1964, the Secretary would make U.S. cotton available for domestic use at a price not in excess of our U.S. export price.

Section 102 of the bill amends section 385 of such act to make the Department's determination with respect to the amount of payments final under the new section 348 above.

Section 103(a) amends section 104 of the Agricultural Act of 1949 by adding a new subsection (c) which authorizes and directs the Secretary to conduct a special cotton research program to reduce the costs of cotton production, and authorizes appropriations up to $10 million annually.

Section 103 of the Agricutlural Act of 1949, as amended, is amended to authorize price support programs for upland cotton beginning with the 1964 crop. It provides that the basic price support available to cooperators would be 30 cents per pound for Middling inch cotton for the 1964 crop. Price support for the 1965 and subsequent crops would be set by the Secretary at a level between 65 and 90 percent of parity. This section is further amended by adding a new subsection to provide additional price support for the years 1964–67 on upland cotton to cooperators on whose farms the acreage planted does not exceed the domestic allotment. The additional price support would be up to 15 percent in excess of the basic level on the normal yield.

In order to keep upland cotton in the normal channels of trade the additional price support of this section may be carried out through the simultaneous purchase and resale of the cotton. Similar operations including loans at the higher level and redeemable at the lower level might be made available, as well as payments-in-kind through the issuance of certificates which could be negotiable and which might be redeemed by the Commodity Credit Corporation for cash. The Secretary would have the authority to make a determination as to which or all of these methods might be used.

Section 401(b) of the Agricultural Act of 1949 is amended by adding the cost of producing cotton to the other eight factors which presently must be taken into consideration by the Secretary in determining the level of price support.

Section 104 of the bill would amend section 407 of the Agricultural Act of 1949 by reducing the resale price for upland cotton held by CCC from 115 percent of the support price to 105 percent for unrestricted uses. This amendment will have the effect of reducing the spread between the loan price and the resale price by 3 cents per pound for the 1964 crop.

Section 105 would amend the Agricultural Adjustment Act of 1938 by adding a new section 350. This amendment would provide producers with a choice program of reduced acreage and higher support prices. Under this section the Secretary of Agriculture would establish a domestic farm allotment in acres for each farm for the years 1964–67 crops, inclusive. The farm domestic allotment would, generally, be the percentage of the farm acreage allotment which the national domestic allotment is of the national acreage allotment established under section 344. However, if a producer's allotment was increased through reapportionment of released acreage above the level he had been planting, the farm domestic allotment would be computed on the highest acreage planted or acreage regarded as planted during the preceding 2 years. This section further provides that a farm with 15 or less acres in its regular allotment shall have such allotment considered as its domestic allotment.

Section 106 of the bill amends the Agricultural Adjustment Act of 1938 to provide for an overplant of the farm allotment for export only. The overplant for 1964 could be up to 10 percent of the regular allotment established under the national allotment, the exact percentage to be fixed in the discretion of the Secretary at a level which would not prevent a reduction of at least 1 million bales in the carryover. For the remaining years 1965 through 1967 the Secretary may, after hearings and investigations, announce an export market acreage which he finds will not prevent at least a 1-million bale reduction in the carryover. For these years such export acreage could be allocated to States and counties and applied for on an individual farm basis. The 1-million bale reduction requirement would not be applicable after the carryover was reduced to 8 million bales.

The producers of such export cotton would be required to furnish bond and provide proof of exporting the production from such export acreage or suffer a penalty equivalent to 50 percent of the parity price for upland cotton.

The penalties collected under this section would be used by the Commodity Credit Corporation to defray the costs of encouraging export sales of cotton under section 203 of the Agricultural Act of 1956, as amended. Such export acreage as might be planted on the individual farm would not be counted as history in the establishment of future farm allotments.

This section further establishes that any farm using the domestic farm allotment choice established under section 350 that planted 75 percent of its allotment will be considered to have planted its allotment for history purposes.

Section 301 of the act is amended to remove cotton from existing normal yield definitions and set up new definitions as follows:

The new subsection (e) (13) (H) added to section 103 of the Agricultural Adjustment Act of 1938, as amended, redefines "normal yield" for a county based on the 5 calendar years immediately preceding the year in which the quota is proclaimed and provides for adjustment for abnormal weather conditions and significant changes in production practices and for the use of approved yields under regulations to be established by the Secretary where actual yield data are not available.

The bill would add a new subsection (b) (13) (I) to section 103 of such act to redefine "normal yield" for any farm as the average yield per acre adjusted for abnormal weather conditions and any significant changes in production practices during the 3 calendar years immediately preceding the year in which the normal yield is determined. If yield data is not available on the farm, the Secretary may prescribe regulations for its determination.

Mr. McGOVERN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR VESSELS, AIRCRAFT, AND CONSTRUCTION, COAST GUARD—CONFERENCE REPORT

Mr. BARTLETT. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9640) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. PROUTY. Mr. President, the report of the conference committee on the Coast Guard authorization bill, H.R. 9640, represents a compromise between the Members of both Houses on essentially two aspects of the bill.

First, the conference accepted the requirement by the Senate that there be a specific limit included in the bill for authorization. That figure is $93,299,000 for the procurement of vessels and aircraft and shore and offshore establishments for the Coast Guard.

Second, the Senate conferees accepted an amount of $21,500,000 which the House had included, and which the Senate had not considered, for the acquisition of one additional high-endurance cutter to cost $14 million and two additional medium-endurance cutters to cost $3,750,000 each.

This $21,500,000 accepted by the Senate is over and above the budget request for Coast Guard procurement.

I, as a conferee, accepted this figure, and so did my colleagues.

This does not mean that I intend to pay lipservice to economy. I am thoroughly in favor of economy, and I look hard at all attempts to ignore it.

However, the report of the conference committee is sound in all respects. This is the first year in which the Coast Guard has submitted a request for authorization for appropriations under Public Law 88–45. Such procedure has never been followed before.

The law enacted last session prohibits appropriations for vessel and facilities procurement by the Coast Guard without prior congressional authorization. Under this new procedure, the Coast Guard now has the same opportunity as have the Armed Forces to present and give support to its construction and procurement program.

While I do not for a moment condone, nor shall I endorse wholesale, unsubstantiated requests for authorization, I do not feel that the additional funds authorized for the Coast Guard by the conference committee in this instance are unjustified. I concur in them as a member of the conference committee, and I hope the Senate will accept the conference report.

Mr. BARTLETT. Mr. President, I move adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. BARTLETT. Mr. President, the conference committee on the amendments to H.R. 9640 agreed to recommend that the House recede from its disagreement to the Senate amendments and the Senate recede from its disagreement to the three vessels added to the authorization by the House.

This in substance means that the House agreed with the Senate to tighten the procedures for the authorization by limiting it to the fiscal year 1965 and placing an absolute ceiling on the authorization. On the other hand the Senate agreed to add the three vessels suggested by the House.

I would like to explain why the Senate conferees agreed with the House in this respect. The conference report indicates that one high-endurance vessel and two medium-endurance vessels were added by the House and accepted by the Senate. The effect of this will be to speed up the replacement program of Coast Guard vessels. The one additional high-endurance vessel authorized will permit the vessel *Casco* which was built in 1941 to be replaced in 1967 which is 1 year after the vessel is scheduled to be replaced after a 25-year service. The other two vessels added are in the medium-endurance vessel class and will permit the Coast Guard to replace the vessels *Alert* and *Agassiz*. Both of these vessels were built in 1926. They were overage in 1946 and it will now permit them to actually be effectively replaced in 1966. That is 20 years after the date they should have been replaced. In effect the addition of these vessels only permits a more rational replacement program for Coast Guard vessels and lightens the load that we can expect next year if our replacement schedule is to be maintained.

I am pleased that the Senate today gave its final approval to the Coast Guard authorization bill, H.R. 9640. As the Senate knows, this is the first authorization bill for the Coast Guard under the terms of Public Law 88–45 which was approved by the Congress last year.

I was pleased to be the sponsor of the legislative proposal on the Senate side embodied in this law. When I reported it to the Senate last year, I stated that, although the Coast Guard is a smaller service with smaller money requirements, still in time of war it is part of our military forces and it would seem sensible therefore to bring the congressional procedures affecting it into harmony with those affecting the Army, Navy, and the Air Force. I believed then, as I believe now, that it is important for the Congress to keep in close touch with the needs and plans of the Coast Guard. It is important we assure ourselves that the Coast Guard has the equipment and facilities necessary to perform its vital patrol enforcement, search, and rescue duties.

The Congress agreed, and my bill requiring annual congressional authorization for Coast Guard vessel, aircraft, and construction appropriations became law.

The bill we approve today is the first such authorization. It is a good bill and it has my strong endorsement.

It was my pleasure to chair hearings on this measure as a member of the Merchant Marine and Fisheries Subcommittee of the Commerce Committee. The subcommittee and the committee gave careful scrutiny to each item in this authorization. I am also, Mr. President, a member of the Subcommittee of the Appropriations Committee which has jurisdiction over Coast Guard appropriations—the Treasury and Post Office Subcommittee of which the able junior Senator from Virginia [Mr. ROBERTSON] is chairman. I believe I am the only member of the Senate on both the authorization and appropriation subcommittees dealing with the Coast Guard. As a member of the Appropriations Subcommittee, may I be allowed to say, Mr. President, that I believe the work of the authorization subcommittee will be of help and assistance as we review the request of the Coast Guard.

The bill before us today has in it several items of substantial importance to my own State of Alaska. These include a new 22-knot, 82-foot vessel estimated to cost $350,000 for probable stationing at Petersburg; two helicopters for Kodiak at an estimated $1,100,000; 24 additional Coast Guard family housing units for Annette Island, plus other facilities, at an estimated cost of $1,140,000; a new runway on Sitkinak Island at an approximate $540,000 cost; and improvements at the Ketchikan Coast Guard base in the sum of $178,000.

These items will strengthen the Coast Guard as it carries out its mission in Alaska, a mission of increasing importance as foreign fishing operations in the North Pacific continue to grow. It is the duty of the Coast Guard to maintain active surface and air surveillance over the fishing activities of foreign vessels, to insure that they do not encroach upon our territorial limits, or to the resources which are legally ours.

This mission is important to the Alaska fishing industry and to the State of Alaska; it is also important to the Nation, for our fisheries constitute a major national natural resource.

The importance of this mission is recognized, Mr. President, by the Alaska State Legislature. Recently both the house and the senate, in separate actions, passed resolutions in support of the Coast Guard and its mission and more especially its fiscal 1965 requests.

I ask unanimous consent that Alaska House Joint Resolution 33, urging Congress to approve the 1965 Coast Guard construction program in Alaska, and the Alaska Senate Resolution 11, supporting Federal appropriations for expanded Coast Guard surface and air surveillance in Alaskan waters, may be made a part of the RECORD at the conclusion of my remarks.

The Alaska Legislature recognizes the vital role the Coast Guard plays. Today, the Congress in approving the conference report on the fiscal 1965 Coast Guard authorization, in like manner recognizes the importance of this role.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

HOUSE JOINT RESOLUTION 33

Joint resolution urging Congress to approve the 1965 Coast Guard construction program in Alaska

Be it resolved by the Legislature of the State of Alaska:

Whereas the President of the United States has asked the Congress for a Coast Guard facilities construction program during fiscal 1965 in the amount of $1,858,000; and

Whereas the proposed construction program includes family housing units and support facilities at Annette Island; maintenance facilities at Ketchikan; and the replacement of the runway at the Goast Guard loran station on Sitkinak Island; and

Whereas these facilities are needed for the effective continuation of the Coast Guard's important mission in Alaska: Be it

Resolved, That the Congress is requested to give early and favorable consideration to the Preisdent's request for the Coast Guard construction program in Alaska during fiscal 1965; and be it further

Resolved, That copies of this resolution be sent to the Honorable Lyndon B. Johnson, President of the United States; the Honorable Carl Hayden, President pro tempore of the Senate; the Honorable John W. McCormack, Speaker of the House of Representatives; the Honorable Clarence Cannon, chairman of the House Appropriations Committee; the Honorable Wilbur D. Mills, chairman of the House Ways and Means Committee; the Honorable Harry F. Byrd, chairman of the Senate Finance Committee; and the members of the Alaska delegation in Congress.

Passed by the house February 8, 1964.

BRUCE KENDALL,
Speaker of the House.

Attest:

PATRICIA R. SLACK,
Chief Clerk of the House.

Passed by the senate February 17, 1964.

FRANK PERATROVICH,
President of the Senate.

Attest:

EVELYN K. STEVENSON,
Secretary of the Senate.
WILLIAM A. EGAN,
Governor of Alaska.

Certified true, full, and correct.

PATRICIA R. SLACK,
Chief Clerk of the House.

SENATE RESOLUTION 11

Senate resolution supporting Federal appropriations for expanded Coast Guard surface and air surveillance in Alaskan waters

Be it resolved by the senate:

Whereas the seriousness of the increasing depredations of foreign fishing fleets in the waters of and off Alaska has been a cause of serious concern to the people of the State and the Federal Government; and

Whereas the Department of State is supporting requests of the Department of the Treasury for more funds for Coast Guard vessels to patrol Alaskan and other waters; and

Whereas the State of Alaska has a vital concern in increased surface and air surveillance of foreign fishing operations in the North Pacific and supports the request for additional money for that purpose: Be it

Resolved, That Congress is requested to provide the Coast Guard with sufficient funds for expanded surface and air surveillance for the protection of national interests in the North Pacific; and be it further

Resolved, That copies of this resolution be directed to the Honorable Lyndon B. Johnson, President of the United States; the Honorable Clarence Cannon, chairman of the House Appropriations Committee; the Honorable Carl Hayden, chairman, Senate Appropriations Committee; the Honorable Dean Rusk, Secretary of State; the Honorable Douglas Dillon, Secretary of the Treasury; Adm. Edwin J. Roland, Commandant, U.S. Coast Guard; Rear Adm. George D. Synon, commander, 17th Coast Guard District; and the members of the Alaska delegation in Congress.

Passed by the senate February 15, 1964.

FRANK PERATROVICH,
President of the Senate.

Attest:

EVELYN K. STEVENSON,
Secretary of the Senate.

Certified true, full, and correct.

EVELYN K. STEVENSON,
Secretary of the Senate.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton, and wheat, to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. McGOVERN. Mr. President, we have just heard a very able discussion of the first half of the proposed legislation now pending before the Senate. The distinguished Senator from Mississippi [Mr. EASTLAND] has described the implications of the cotton section of the bill. The second half of the bill, title II, relates to another important crop; namely, wheat. I propose to describe, in an introductory form, the wheat section contained in the proposed legislation.

Before doing that, I wish to take this opportunity to express my personal appreciation to the chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER].

Despite his personal views in opposition to some portions of the bill, the Senator from Louisiana conducted extended hearings and committee sessions, and worked more diligently than any other member of the committee, to see to it that a farm bill was drafted and reported to the Senate for consideration in time to meet the very pressing needs of wheat and cotton farmers for programs effective with the 1964 crop.

In the summer and fall of last year the chairman wisely held in check my own impatience to start hearings on a wheat bill before a consensus on wheat legislation had developed.

As the present session opened, he acted promptly to bring a bill to the floor in time for consideration before March 1. When consideration of the tax bill interfered with his time schedule, he canceled an important trip to reschedule and hold the wheat hearings in order to bring the bill to the floor as rapidly as possible.

For many years I have had great respect for the chairman of the Committee on Agriculture and Forestry. It is a privilege to serve on that committee under the chairmanship of a Senator who has done so much for the cause of American agriculture.

I believe it is quite proper that the Senate should consider in one bill legislation affecting our cotton farmers and our wheat producers, because these two groups have a great stake in the welfare of each other.

The wheat farmers are dependent for a large part of their income on the cotton and textile producers, because these groups consume a sizable amount of the bread and flour and other products made from wheat. Likewise, the cotton producer and textile worker have an economic stake in the welfare of the wheat producers, because the wheat producers purchase the cotton shirts and overalls and the other clothing that make up a sizable part of our domestic cotton sales.

Everyone in the country has a stake in the proposed legislation. Anything that improves the income of such important groups among us as our wheat producers and cotton producers is of direct importance to everyone in the country.

The Wall Street Journal of yesterday carried an article which I believe every Member of Congress ought to ponder very carefully. The title of the article, on the front page of this newspaper, is: "Farmers Begin To Cut Spending as They Face Big Drop in 1964 Income."

The subhead reads: "$700 Million Earnings Decline Seen as Farm Prices Sag; Tractor, Store Sales Slip."

The article opens with this interesting statement:

> While their city cousins confidently look ahead to another year of prosperity, the Nation's farmers are worrying about a recession. They already are cutting back hard on their spending in a trend which could become the Johnson administration's first major economic headache.

Later in the article it is stated:

> But by far the biggest blow to the farm economy will be felt by wheatgrowers. In a delayed reaction to last year's farmer rejection of acreage controls and high price supports, wheat prices are declining. Prices on new-crop wheat for delivery after July now average about $1.65 a bushel, down more than 30 cents from last year. What's more, Agriculture Secretary Freeman has predicted wheat may fall as low as the support price of $1.25 before the year is out.

Because of these hard economic facts we are urging quick approval of the proposed legislation, to stabilize the income of our wheat farmers, not only because of the importance of the wheat farmers themselves but also, as the Wall Street Journal indicates, because of the impact on our entire economy.

I should like to quote one or two persons who were interviewed in preparation for the article.

Mr. P. A. Ekstrom, sales manager for Brady Implement Co., an International Harvester dealer in Dodge City, Kans., reports a 30-percent drop in truck sales so far this year from the like 1963 period.

A man in my own State, Donald Irion, parts manager of an implement company, in Pierre, S. Dak., stated that sales of used tractors are off 50 percent so far this year. He believes that this is due largely to the anticipated drop in wheat income which will take place unless Congress acts very quickly along the lines of the proposed legislation before the Senate.

I know that there are some who have the view that the farmers are rolling in clover, and that they are already over heavily supported by Federal programs. There is no large group in our economy which is suffering any more from inadequate income than the farmers. It is heartbreaking to see how hard farmers work and to see how little they receive in the way of economic reward for their labor, their investment, and their managerial knowledge. They work harder than any other group in the economy, they must be skilled in animal husbandry, agronomy, mechanics, finance, and other fields and they receive proportionately less for their labor, investment and knowledge than nearly any other group.

As the President reminded us 2 days ago, the average per capita income of the farm people of this country is about 55 percent of the national average income of Americans as a whole.

To prevent this problem from becoming any worse, we urge the passage of the proposed wheat legislation in time to be effective in 1964.

FARMERS' ACCOMPLISHMENTS

It is fashionable in some circles to say that farmers are no longer important because they comprise only about 8 percent of the population of the United States. But they are of supreme importance to the welfare of the entire country.

American agriculture is the envy of the entire world. It has given us an abundance of food for a smaller proportion of our income than is true in any other country in the world. The American people spend about 19 percent of their personal income for food. That is a smaller percentage than in any other country on the face of the earth. What is more, our agriculture has always been strong enough to meet national emergencies. It has been our greatest earner of foreign exchange dollars. At a time when we are concerned about the balance of payments problem, we ought to recognize the fact that more foreign exchange is earned through agricultural sales than through any other source.

It is today buttressing the foreign policy of the United States. As the Senator from Mississippi [Mr. EASTLAND] stated a few moments ago, some of the budget costs that are chalked up to the American farmer could be more properly chalked up to our efforts to preserve the peace and freedom of the world as we make our agricultural abundance available to people in need in some 100 different countries of the globe.

As the Director of the Food for Peace program under the late President Kennedy, I expressed my thanks a good many times for this abundance of food which made it possible for the United States to feed and warm the hearts of millions of people in many parts of the globe.

I believe that in the past 3 months free world agriculture has scored one of our great victories in the cold war competition because it has been possible to offer millions of tons of wheat to a collectivized society and to dramatize its inability to meet the food needs of its own people. In so doing, we have dramatized the success of family-farm agriculture of the type that we enjoy in our country.

I wonder how historians of the future will appraise the success of the Soviet Union with its satellites against her increasingly obvious failure to build a sound agricultural foundation under her Communist society after nearly half a century. We are witnessing an episode in human history, still unfolding, which may be less dramatically treated in the news than the launching of a spacecraft, but which may also be more fundamental in the course of human events. I believe it is quite possible that historians will record that in the 1960's, a good wheat producer or a good cotton producer was worth at least as much to the security and the prestige of the United States as was an astronaut.

History may record that hungry millions in the world were more impressed with the abundant quantity of food and fiber we produce than with which nation first put a man on the moon.

TITLE II—THE WHEAT PROGRAM

Mr. President, title II of the bill, the wheat section, would make the wheat certificate program embodied in the Food and Agriculture Act of 1962 effective for the 1964 and 1965 wheat crops, but it would make that program effective on a voluntary instead of a mandatory basis.

It seems to me that this removes one of the principal objections that have been raised to the program on which farmers were asked to vote in 1963. If producers had approved marketing quotas in the referendum held last May 21—and I was among those who urged that alternative—those quotas would have been imposed on all wheat producers on an involuntary or mandatory basis. No one could have overplanted without paying a significant penalty.

The bill before the Senate would amend the existing act and give wheat producers the freedom to participate voluntarily in this program if they decide, on an individual basis, that that is what they wish to do, or the freedom to stay out of the program and take their chances in the marketplace. They can overplant if they desire, because the penalty provisions are repealed.

After the 2-year voluntary period provided in the bill—1964 and 1965—the program would revert to existing law unless Congress, after evaluating the result of 2 years' experience with the voluntary program, decided to continue it. On that basis, with the voluntary program provided for in the bill, farm acreage allotments would be made each year, based on a national allotment of not less than 49.5 million acres—some 10 percent less than the 55-million-acre minimum allotment under which we are now operating. Compliance with farm allotments would be necessary for a producer to be eligible for price support, marketing certificates, and diversion payments.

Price supports between 65 and 90 percent of parity would be provided participants on the part of their wheat needed for domestic food use just as in the act of 1962. The committee report and statements by the Secretary of Agriculture make it clear that the Secretary is expected to set that support at near the $2 per bushel level, approximately the present wheat price level.

Price support for wheat to be exported would also be provided through certificates at not in excess of 90 percent of parity, and for noncertificate wheat at a level related to world prices of wheat and to wheat value as livestock feed.

The inclusion by the committee of an export certificate level, which could be different than the domestic certificate value, and doubtless would be somewhat lower than the domestic certificate value, is the second modification of the act of 1962, as it was approved by the Senate 2 years ago.

I stress that the first change is that the program has been made voluntary instead of involuntary as was provided in the 1962 act. The second change is the provision authorizing two certificate levels—a level for domestic food wheat, or domestic milling wheat, and perhaps a lower level for export wheat.

Mr. ELLENDER. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I yield.

Mr. ELLENDER. As I understand, if we spell out the difference to which the Senator has just referred, it would mean that had the farmers voted in favor of the program last May, their income would have been about $600 million greater than it will be, if new legislation is not provided.

Mr. McGOVERN. That is correct.

Mr. ELLENDER. Under the voluntary program, their income will be around $400 million greater than if there is no legislation.

Mr. McGOVERN. That is substantially correct. It might go $450 to $500 million.

Mr. ELLENDER. That is one of the essential differences moneywise?

Mr. McGOVERN. That is correct.

Mr. ELLENDER. I thank the Senator.

Mr. McGOVERN. I sponsored a bill last July which would have provided for a single certificate along the lines called for in the 1962 act, but for various reasons which will develop in the course of our discussion, the committee saw fit to include a two-certificate provision in the bill.

Under the proposed legislation, the Secretary of Agriculture would determine the domestic export wheat needs. He would establish the national acreage allotments. He would set marketing quotas and certificate values in accordance with the prescribed criteria, just as existing law provides.

The present provision of law which permits substitution of wheat and feed grain acreage would be continued. There would be no change in that provision of existing legislation. The existing law is unchanged as to diverted acreage and payments.

A minor change postpones the final date for any referendum necessary in 1965, relating to the 1966 crop, until August 1 instead of June 15. This would give Congress additional time to evaluate the voluntary plan and decide whether to continue it, try something else, or let the act of 1962 come back into full effect automatically.

I believe that by eliminating the compulsory features of the 1962 act, we would go a long way toward meeting the objections which were raised against that act. I am happy to report that there is nearly unanimous support for the pending bill by the groups which speak for wheatgrowers. We have the endorsement of the voluntary certificate plan by the State wheatgrowers associations in the 11 most important wheat-producing States, endorsement by the National Association of Wheat Growers and by the National Grange—one of the major farm organizations—we have the endorsement of the voluntary certificate principle by the National Farmers Union and by the Missouri Farmers Association. It seems to me that the support by those groups, which are best able to speak for the wheat producers of the country, provides a compelling argument in favor of speedy enactment of this part of the bill.

Although the Farm Bureau Federation has spoken in opposition to the bill and although its view is entitled to consideration, nevertheless, it is true that that organization does not have its major strength in the wheat-producing areas of the country.

BACKGROUND OF THE WHEAT PROGRAM

The Food and Agriculture Act, which is the basis of the wheat certificate plan, provided that it should become effective on a mandatory basis if approved by two-thirds of producers in a referendum.

If not approved, it provided that there should be only 50 percent of parity price supports on the 1964 crop of wheat, limited to producers who planted only their share of the minimum national wheat acreage allotment. Others would get no support at all, but would sell on a market in competition with feed grains.

The referendum was held last May 21, 1963.

The referendum campaign was the biggest and most expensive multi-State campaign, short of a Presidential election, ever conducted in this country.

The Department of Agriculture field force explained the details of the proposed program. The administration favored a "Yes" vote. Secretary of Agriculture Freeman said so. President Kennedy said so.

In my area the campaign in favor of a "Yes" vote was carried by the National Farmers Union, the Farmers Union Grain Terminal Association, and wheatgrowers associations. They used pamphlets, TV and radio time, and advertising, but hardly as much as their opponents.

The advocates of a "No" vote made a great onslaught against "regimentation" of wheatgrowers under the compulsory plan and "loss of freedom." The terrors of bureaucratic dictation and the danger of democracy withering and being supplanted by a dictatorship were advanced, although the Nation has had compulsory programs of the same nature before, without any such dire consequences.

Farmers were led to believe that if they voted "No," Congress would enact something better than the certificate plan. There can be no question that thousands of producers believed their "No" votes were votes for an even better deal. Who was responsible for that belief is not the important point. The fact that farmers believed that is important.

In South Dakota and also in North Dakota slightly more than 65 percent of the farmers voted for the program. In the Nation, the "yes" vote was less than half—about 48 percent. The compulsory program failed. I favored a "yes" vote in the referendum, and was disappointed in the result.

The day after the referendum the Nation faced the prospect of $1.25 per bushel wheat, starting on July 1, 1964—a 75-cent-a-bushel drop from the current level, and far below the historic food value level.

We faced a $600 million drop in farm income, without the prospect that any of the farmers' tremendous loss would result in a benefit which would "trickle down" to consumers.

It has often been argued that a fairer wheat price to the farmers would represent a bread tax on the consumers. On May 22, the day after the referendum when a 75-cent-per-bushel drop in wheat price was in prospect, the New York Times published an article in which a bakery company executive was quoted as saying the prospective decline in the wheat price would not result in a reduction in the cost of bread to consumers. The Times article stated, quite correctly, that the cost of the wheat was too small a portion of the total cost of a loaf of bread—2½ cents—for the decline in the wheat price to make bread cheaper at retail.

The Wall Street Journal on the same day reported an interview to the same effect with a bakery company executive. The decline in the wheat cost would not bring down bread prices.

Because of the loss of $600 million in wheat income, Mr. President, we faced stagnation in some very considerable areas of this land. In my own State it would mean many bankrupt farmers. It would mean the closing of Main Street stores. It would mean unpaid mortgages and commercial accounts. It would mean a decline in business volume all the way from the farms through smaller towns to distributing centers and back to the factories which make fertilizer and machinery and produce fuel and tires and other farm supplies. It would be felt in Detroit and Moline and in the steel-producing cities of Pennsylvania; in Akron, where tires are made; in the furniture and appliance centers; and in the textile mills of New England.

I refer once more to the article I mentioned previously from the Wall Street Journal. It reports that farmers across the Nation are already cutting back on their purchases of consumer goods, because of the anticipated drop in their income which surely will occur if this measure is not promptly enacted into law.

Last spring, I felt the great importance of having Congress develop an alternative program, for it was clear that if wheat prices fell next July 1, there would be no benefit to the consumers. I felt equally certain that if in 1965 we restored wheat prices to the $2 level where producers could survive economically, after a year of $1.25 or $1.30 wheat, bread prices would go up, and we would be confronted with the "bread tax" argument.

This makes it clear that it is important to maintain through the 1964 marketing year the relationship between the price of wheat and the price of bread; and it is also clear that the pending bill seeks, not to increase the price of wheat, but to maintain that relationship approximately as it was during the past year.

PRESIDENT KENNEDY'S CRITERIA

President Kennedy realized the serious consequences of letting compliance wheat drop to 50 percent of parity prices, or even lower. He knew that tens of thousands of farmers, in casting their votes in the referendum, voted that way because they felt Congress would enact another bill. They did not vote for the 50-percent price support deal, although it was the technical alternative.

The President announced immediately after the referendum that he would support an alternative wheat plan if it met three criteria:

First, it must improve farm income.

Second, it must reduce Government costs.

Third, it must allow reduction of Commodity Credit Corporation stocks of wheat.

After those guidelines appeared I attempted to study some of the alternative possibilities that might still be ahead of us in the wake of the referendum failure. Among other things I asked the Library of Congress to give me a projection of the certificate plan on a voluntary basis—in other words, with all of the compulsion and penalties removed. For example, I asked what the compliance might be if there were no compulsion in the program. What percentage of the wheat producers would comply on a voluntary basis? I asked them what effect the voluntary certificate program might have on the farm program, on Government costs, and on our surplus stocks.

The reply came back to me—and this has since been verified by the Committee on Agriculture and Forestry—that there would doubtless be somewhere between 80 and 85 percent compliance and participation in such a program, and that it would meet every one of President Kennedy's three criteria for a new program. On that basis I introduced such a bill with the cosponsorship of the Senator from North Dakota [Mr. Burdick], the senior Senator from North Dakota [Mr. Young], the Senator from Minnesota [Mr. McCarthy], the Senator from Wyoming [Mr. McGee], and the Senator from Wisconsin [Mr. Nelson].

The bill was introduced on July 29. Although we were anxious to move on it at that time, I now realize, as I said a moment ago, that the chairman of our committee was entirely correct in restraining us who requested hearings at that time before any consensus had formed on the part of wheatgrowers as to the type of program that they desired. His judgment was absolutely correct.

But growers did, over the ensuing few months, reach a consensus on the voluntary certificate proposal, gave it widespread endorsement, and made consideration possible.

In his recent farm message to the Congress, President Johnson added a fourth criterion to the requirements of the bill; the bread price criterion. He urged adoption of a wheat program that would do the following four things:

First, raise the income of wheatgrowers substantially above what it would be in the absence of new legislation. As the chairman has said, the bill would do that. It would raise the income of wheat producers $400 to $500 million above what it would otherwise be if we do nothing.

Second, the President said that we must avoid increases in budgetary costs.

Third, we must maintain the price of wheat at a level which will not increase the price of bread to consumers.

Fourth, we must enable the United States to discharge its responsibilities and realize the benefits of the International Wheat Agreement.

The President expressed his concern over the threat to income posed by existing legislation when he said:

> Changes in the wheat program are urgently needed to check a drastic decline in the producer income from the 1964 crop. In the absence of additional legislation it is estimated that wheat producers will receive between $500 and $700 million less in 1964 than in 1963.

This concern was shared by many Members of the Senate on both sides of the aisle. Numerous bills have been introduced to correct this situation; good bills with attractive provisions. The Agriculture Committee incorporated in the bill reported, which is now under consideration, the most desirable and the most practicable features of various proposals. The hands of many distinguished Members of this Senate can be seen in it. It is a truly bipartisan product.

I wish to stress that both the wheat title of this bill and the effort to bring about enactment are truly bipartisan. The title has the backing of Senators on both sides of the aisle, as does the cotton title and the entire bill.

EXPLANATION OF BILL

The measure meets the criteria which both the late President Kennedy and President Johnson have enunciated.

Government costs of the program can be fully consistent with the President's budget request for fiscal year 1965 for wheat and will be about $300 million less than for the 1963 program and $800 million less than 1962 costs.

The bulk of the $600 million decline in wheat income to producers will be avoided. If the certificate values proposed in the House subcommittee wheat bill—which is very similar to this bill—were adopted, prospective income would be improved by $400 to $500 million. It is my hope that even more of the loss can be avoided.

A study we have made of a wheat farmer with a 90-acre farm allotment indicates he would gross $1,000 more cash under the committee bill provisions than under existing law. His production costs will be about the same, so his net will be substantially higher.

As a consequence of such improved income, it is expected that compliance, on a voluntary basis, will be 80 percent or higher.

I ask unanimous consent, Mr. President, to put in the Record a study of two other individual farm projections under the voluntary program to indicate its results at the individual farm level. They show that our committee bill would convert losses to modest gains on typical spring and Hard Red Winter wheat farms.

The Secretary of Agriculture has found that Commodity Credit Corporation stocks can be reduced at least 100 million bushels annually by the use of allotments and quotas with the voluntary compliance anticipated under the bill.

The price of bread would not be disturbed. The present wheat-bread price relationships would continue.

Our International Wheat Agreement responsibilities will be met.

Many of us wish for a time when farm programs will be unnecessary. But the intriguing possibility of a nation without farm programs has been examined very carefully, at least six different times by objective agricultural economists and every one of those six teams has found that a return to the free market under present conditions would be disastrous for the welfare of American agriculture.

I ask unanimous consent to have printed in the Record a brief review of those six studies submitted recently by Representative Purcell.

There being no objection, the review was ordered to be printed in the Record, as follows:

[Excerpts from remarks of Congressman Graham Purcell in the House of Representatives, Jan. 15, 1964]

THE WHEAT PROBLEM AND THE FUTURE OF FARM PRICE SUPPORTS

Mr. Speaker, I want to take this opportunity to call to the attention of the Members of this body the results of a series of unbiased studies on the contribution of farm programs to farm income.

The most recent of these studies, completed a few months ago by the center for agricultural and economic development at Iowa State University, concludes that after allowing for the effects of lower prices on production, in the absence of production adjustment and price support programs, net farm income within a few years would fall 40 percent or more.

When the results of this most recent study were brought to my attention, I asked how its conclusions compared with those reached in earlier, similar studies. Here is what I found:

"Walter Wilcox of the Legislative Reference Service, Library of Congress, in an article published in the Journal of Farm Economics, August 1958, concluded 'in the absence of price supporting programs realized net farm income on a year-by-year basis would have been 20 to 55 percent lower in the years 1937–39, 14 to 43 percent lower in 1940–42, 24 to 34 percent lower in 1948–49, and 28 percent or more lower in 1952 to date.'"

Professor Shepherd and associates at Iowa State University in August 1960—Iowa Agricultural Experimental Station special report 27—estimated that if price supports, production controls, and the conservation reserve were abandoned, within a few years the prices of hogs and beef cattle, respectively, would decline to $0.11 and $0.12 per pound. The price of corn would fall to $0.66 per bushel, and wheat prices would fall to $0.74 per bushel. Net income from livestock products might fall by 50 percent.

Using a somewhat different basis, and assuming a continuation of export subsidies and Public Law 480 programs, economists in the Department of Agriculture and in the land-grant colleges made a study for the Senate Agriculture Committee—Senate Document No. 77, January 1960—which indicated that the removal of price supports and production limitations would result in a 46-percent drop in realized net farm income by 1965.

This study indicated that if commodity programs were discontinued, prices of key farm products would be expected to fall to the following levels:

Wheat, $0.90 a bushel; corn, $0.80 a bushel; beef cattle, $0.15 a pound; and hogs, $0.11 a pound.

Professor Robinson, of Cornell University, in a similar study published in Farm Economics, 1960, concluded that even though a conservation reserve of 30 million acres, marketing orders and special distribution programs were continued, if direct price supports and acreage controls were dropped, net farm income would fall 19 percent. Hog prices would fall to $0.14 a pound, beef cattle to $0.15 per pound, wheat to $1.18 a bushel, and corn to $0.98 a bushel.

Professor Brandow, of Pennsylvania State University, in a study for the Joint Economic Committee (committee print, November 1960) estimated that with price supports and production limitations removed, realized net farm income by 1965 would fall to $7.2 billion or 36 percent below the 1959 level. His projections indicated wheat prices would fall to $0.87 a bushel, corn to $0.77 a bushel, hogs to $0.11 a pound, and beef cattle to $0.17 a pound.

Professor Heady, executive director of the center for agricultural and economic adjustment, Iowa State University, and his associates reviewed the results of those earlier studies and, using revised and more comprehensive statistics, analyzed the effects on farm income, Government costs and consumer food outlays of 16 alternative wheat and feed grain programs. (Farm Program Alternatives, CAED Rept. 18, May 1963.)

Needless to say the study is so detailed only a few of the highlights can be reported here. They conclude that the excess capacity of agriculture in 1960 and 1961 amounted to 7 percent. This percentage of potential output was avoided by diversion and conservation programs or was diverted from commercial markets by domestic and foreign distribution programs.

If that additional 7 percent had been channeled through commercial markets, farm prices would have fallen 28 percent, gross income would have fallen 21 percent, and net income would have fallen over 60 percent.

These university agricultural economists—after reviewing recent statistics with the most comprehensive and up-to-date analytical tools—estimate that within a 2-year period, a 10-percent drop in farm prices would bring about only a 1-percent reduction in supplies. In a 4-year period, a 10-percent drop in prices would be expected to result in a 1½-percent reduction in output.

In a period as long as 20 years, they conclude that if farm prices were 10 percent lower under one program than under another, production would be only 6 percent lower.

The basic price-supply relationships as analyzed by competent economists give the lie to those who say that if Government price-support programs were discontinued farm families would be able to earn higher incomes within a short while.

Professor Heady and his associates find that after allowing for the effect of lower prices on production—if all price supports, diversion, conservation, and export subsidy programs were discontinued for feed grains and wheat—within the next 5 years net farm income would fall by more than $5 billion a year or about 40 percent.

They also find that grain production would increase faster than livestock production could be expanded and carryover stocks of grains would have to be increased for several years to avoid an even more chaotic price and income bust.

Let me repeat, this most recent study by Iowa State University economists concludes that if price supports, acreage diversion, and export subsidy programs for wheat and feed grains are eliminated, carryover stocks would have to be increased for several years, yet net farm income would fall by 40 percent.

On the other hand, they conclude, if a combination of price support, acreage diversion, and export subsidy programs are continued, farm income can be maintained at current levels without further increases in Government costs. And to me this conclusion is as important as the earlier one.

Mr. McGOVERN. The latest of these studies, bearing out the general conclusions of all the previous ones, came out recently from the Center on Agricultural and Economic Development at Iowa State College. Drs. Luther G. Tweeton, Earl O. Heady, and Leo V. Mayer projected probable farm prices in 1967 if we permit unlimited production without price support, but continue to subsidize exports under Public Law 480, continue conservation reserve contracts to their expiration, and with the Government buying at the market price and accumulating stocks of commodities when production of feed grains and wheat exceeds utilization.

In other words, the objective economists to whom I have referred, without any ax to grind, by applying the best economic science they could to the problem, have told us that if we remove production controls and price supports, we shall have a drop of $5.7 billion in net farm income by the year 1967. That would be a loss of about 40 percent of all farm income. Under this same formula, corn could be expected to drop to 85 cents a bushel, oats to 49 cents, barley to 71 cents, sorghum grain to 73 cents, wheat to 94 cents a bushel, cattle to $15.80 per hundredweight or nearly $6 below 1962, hogs to $13.50, and sheep to $13.50.

No one wants agriculture to be allowed to sink to such low economic levels. A great deal of concern has been expressed on the floor of the Senate about declining cattle prices. I am just as much concerned about that problem as is any other Member of Congress, but I am convinced that the surest steps we could take to further aggravate the problem for the livestock producers would be to knock the bottom out of the price of wheat, have it flooding feed markets, and then proceed next year to knock the bottom out of the price of feed grains. If those two things occurred, we would utterly destroy the economic foundations of the livestock industry.

Senators who are concerned about taking steps to start cattle prices back on an upward trend ought to give support to this proposed legislation to keep the price of wheat from sinking to disastrous levels. It is a very concrete step we can take on behalf of the cattle producers of the United States.

It is imperative that we move quickly to enact wheat legislation. We have recently enacted a tax reduction that we accepted partly because of the belief that it would stimulate the economy and put more buying power into the hands of the consumer.

Mr. HICKENLOOPER. Mr. President, will the Senator yield at that point?

Mr. McGOVERN. I yield.

Mr. HICKENLOOPER. I do not mean to disturb the Senator's presentation, but the Senator has referred to the theory of what would happen if price supports were taken off and we had a policy of laissez faire. I think that is well, but I think it also would be well if in his research he would discuss the fact that the Secretary of Agriculture has power to correct this situation in existing law, without this proposed legislation, if he will exercise it; and the failure of the Secretary to exercise this power could let the bottom drop out from under everything.

Mr. McGOVERN. I hope that the Secretary of Agriculture will use all the power he has to support farm prices at a reasonable level. I also hope the Congress will discharge its responsibility to do its duty.

Mr. HICKENLOOPER. The Congress has already done so. It has placed the power in the hands of the Secretary.

Mr. McGOVERN. The Senator knows that the Secretary does not have authority to be of assistance on the 1964 crop in view of the rejection of marketing quotas in the recent referendum.

Mr. HICKENLOOPER. He could go back to the old law.

Mr. McGOVERN. Not under the authority Congress has given him. His hands are tied in 1964 with the rejection of the marketing quota in the referendum.

Mr. HICKENLOOPER. He makes that assertion, but I do not agree with him. I believe the law is clear that he has that power.

Mr. McGOVERN. The Senator from Iowa is entitled to that interpretation, but the legal counsel of the Department of Agriculture has informed me, in no uncertain terms, that the Secretary of Agriculture would be violating his legal authority if he attempted to put into effect a support price above 50 percent, in view of the referendum last spring.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. YOUNG of North Dakota. I cannot see, by any stretch of the imagination, how the Secretary of Agriculture after quotas were disapproved could set the wheat support price above $1.26, which is 50 percent of parity. That is the law. He has no other choice. It could be argued that the following year, if the Secretary found there really was a short supply of wheat, and there was a national emergency, he could set price supports at somewhere between 75 and 90 percent and establish acreage allotments; but even a year from now I do not think anybody who knows anything about the wheat business would contend that the Secretary could use that authority with expected supplies of wheat. He could do nothing about the 1964 crop.

Mr. McGOVERN. The Senator is eminently correct. I should like to read into the RECORD the provision of the basic agricultural law in this regard. I am reading now from the Agriculture Act of 1949, which is still in operation and still binding on the Secretary of Agriculture. It provides:

> The level of price support to cooperators for any crop of a basic agricultural commodity, except tobacco, for which marketing

quotas have been disapproved by producers shall be 50 per centum of the parity price of such commodity.

So the Senator is absolutely correct. The Secretary of Agriculture, under existing authority, cannot set the price of wheat above 50 percent of parity, or approximately $1.25 a bushel, because he is bound by the results of the referendum last spring.

The only way out of this dilemma is for the Congress to act now before the spring planting period, so that the prices of wheat can be held at somewhere near their present level.

We recently passed a tax bill the chief purpose of which is to put additional buying power into the hands of the consumer, to stimulate our economy, to provide more outlet for products of American industry and American agriculture, and thereby provide more jobs for the American worker, and to tackle the problem of critical unemployment. If, in the face of that action, we should turn around now and take $600 million out of the pockets of the American wheat producer, we would have undone a great deal of what we tried to accomplish with the passage of the tax reduction bill.

The President has also called for an attack on poverty. There is no place in the United States where poverty needs to be attacked with any greater vigor than in many rural areas.

I do not see how we can sit idly by and watch our wheat producers lose $600 million on this year's crop.

I hope the Senate will pass the bill, in the interest of the American farmer and our entire economy.

Mr. President, I ask unanimous consent to put in the RECORD a section-by-section analysis of title II of H.R. 6196, as reported by the Senate Committee on Agriculture and Forestry.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF TITLE II, WHEAT, H.R. 6196

Section 201 of the bill would amend the present law to provide that marketing quotas shall not be in effect for the 1965 crop of wheat. It further provides that the Secretary shall proclaim a national acreage allotment of not less than 49,500,000 acres for the 1965 crop of wheat.

Section 202 contains a number of amendments to the Agricultural Adjustment Act of 1938. Amendment (1) would authorize the Secretary to establish, beginning with the 1965 crop, a reserve of not to exceed 1 million acres out of the national acreage allotment for apportionment to counties for the purpose of making adjustments in allotments on farms on which the ratio of the wheat acreage allotment to cropland on the farm is less than half the average ratio of wheat acreage allotment to cropland on farms in the county.

Amendments (2), (3), and (4), and a part of (1), suspend for 1965 the existing provisions of law which result in farms, as well as the county and State, losing wheat acreage history when producers exceed their acreage allotments. Under the amendments, farms, and counties and States, would neither lose nor gain wheat acreage history as result of producers complying or not complying with their 1965 allotments.

Amendment (5) would postpone the final date for holding the wheat referendum to August 1 of the calendar year in which the national marketing quota is proclaimed. Under existing law, the referendum is required to be held not later than 60 days after the quota is proclaimed. The quota must be proclaimed by April 15.

Amendment (6) would suspend the land-use penalties through the 1965 crop and make the diversion of land from the production of wheat only a condition of eligibility for receiving wheat marketing certificates.

Amendment (7) would add a provision to make it clear that any producer who complies with his 1964 farm acreage allotment is eligible to receive diversion payments under the 1964 program even though compliance with part of the requirements of the program may already have occurred before the program is promulgated. This amendment also makes a technical change in the existing law to make it clear that the maximum limit on diversion payments of 50 percent of the price support rate has reference to the price support rate for noncertificate wheat.

Amendment (8) would extend to June 30, 1965, the authority to use Commodity Credit Corporation funds for administrative expenses in carrying out the wheat diversion program.

Amendment (9) amends the existing law to provide that a voluntary wheat marketing certificate program shall be in effect for the 1964 and 1965 crops of wheat. Under existing law, such program would be in effect only if a marketing quota program were in effect.

Amendment (10) is a technical amendment to substitute for the present language in the existing law the term "food product" which is defined in amendment (16) of this section.

Amendment (11) would provide for the use of two certificates—a domestic certificate for wheat used for domestic consumption and an export certificate for wheat used for export.

Amendment (12) would authorize producers who exceed their 1965 wheat allotments to store their excess wheat in accordance with regulations issued by the Secretary and be eligible for wheat marketing certificates. Wheat stored under this provision cannot be removed from storage until a subsequent year when the acreage allotment is underplanted or the production on the acreage allotment is less than normal. If the wheat is removed contrary to these conditions, the producer would be required to pay an amount equal to 1½ times the value of the wheat marketing certificates issued with respect to the farm for the year in which the wheat on the acreage in excess of the allotment was produced. Producers who exceed their allotment and store their excess wheat would not be eligible for diversion payments.

Amendment (13) would authorize a face value to be established for export certificates different from the face value established for domestic certificates.

Amendment (14) would authorize Commodity Credit Corporation to purchase certificates from producers and thereby eliminate the necessity for certificates to accompany wheat in the market. Under existing law, the producer would have to market his certificates through the purchaser of his wheat.

Amendment (15) makes several minor changes in the existing provisions for handling marketing certificates. One change is technical, to make it clear that certificates are required on all wheat processed into food products whether sold, removed for sale, or removed for consumption. Since the purpose of requiring certificates on wheat and wheat products exported is not to obtain revenue, but solely to regulate the price at which such products are exported and eliminate the possibility of windfall profits, another change made by this amendment provides that Commodity Credit Corporation shall refund to the exporter such part of the cost of the certificate as the Secretary determines will make U.S. wheat and wheat flour generally competitive in the world market, avoid disruption of world market prices, and fulfill the international obligations of the United States. A further change made by this amendment authorizes the Secretary to exempt from the requirement to have marketing certificates, wheat which is donated abroad and wheat processed for use on the farm where grown.

Amendment (16) defines "food products" to include flour, semolina, farina, bulgur, beverage, and any other product composed wholly or partly of wheat which the Secretary may determine to be a food product. The effect of this amendment is to require a certificate on all wheat processed into such products irrespective of whether such products are actually used for human consumption.

Section 203 would amend the price support provisions for wheat. Under the amendment, price support for wheat accompanied by domestic certificates would remain the same as it is under existing law; namely, not less than 65 percent or more than 90 percent of the parity price. Price support for wheat accompanied by export certificates would be at such level, not to exceed 90 percent of the parity price, as the Secretary determines appropriate, taking into consideration the factors specified in section 401(b). Price support for wheat not accompanied by marketing certificates would remain the same as it is under existing law; namely, at such level not in excess of 90 percent of the parity price, as the Secretary determines appropriate taking into consideration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains.

This amendment also provides that producers who exceed their 1965 allotment and store the excess wheat under the provisions contained in amendment (12) of Section 202 of the bill shall be eligible for price support on the wheat produced within the allotment but not on the excess wheat.

Section 204 would amend the present section 407 of the Agricultural Act of 1949 relating to restrictions on sales by Commodity Credit Corporation, to provide that during the marketing years for the 1964 and 1965 crops the minimum sales price for wheat will be 105 percent of the support price for noncertificate wheat, plus carrying charges.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. HRUSKA. I should like to call to the attention of the Senator from South Dakota a letter which I received not long ago, making an inquiry about a certain aspect of this certificate plan. I shall read pertinent parts of the letter to the Senator and then ask him whether or not there is language in the bill which would take care of the inquiry:

> I want to urge you to consider that if there is a certificate plan, that Puerto Rico be included in it.
>
> Quite often they will say "continental United States" and this of course seems to exclude Puerto Rico even though by previous definition Puerto Rico has been considered within the United States. When it is not mentioned then it generally takes quite a little interpretation and this takes quite a little time and effort. For example, we

> own a flour and feed mill in Puerto Rico and will need, if there is a certificate plan, certificates for the wheat we own and also as we set out to buy for them.
>
> All we want is our mill in Puerto Rico to be treated like mills in every other part of the United States. I hope you can help on this.

It is signed "Owen W. Cotton."

I ask the Senator from South Dakota whether he is informed on this question, and whether he can enlighten me as well as my constituent thereon.

Mr. McGOVERN. I can comment on the Senator's question. I understand his concern. I assure him that the Puerto Rico flour milling industry could buy our wheat and certificates in exactly the same manner as could any U.S. miller. So the Senator can assure his constituent that he will be treated exactly the same as though he lived in Nebraska, South Dakota, or any other of the 50 States.

Mr. HRUSKA. I thank the Senator from South Dakota.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. BURDICK. First, I compliment the able Senator from South Dakota for his clear and lucid explanation of the bill. As I understand the situation, there are two, and possibly three, levels of prices in the bill.

Mr. McGOVERN. The Senator is correct.

Mr. BURDICK. The first level would be for the grain domestically consumed?

Mr. McGOVERN. For milling purposes.

Mr. BURDICK. What would the price level be for that much?

Mr. McGOVERN. Approximately $2 a bushel. There would be a basic price support of $1.30, and a certificate that would return the farmer 70 cents. In other words, we would be holding the price of wheat approximately where it is today.

Mr. BURDICK. What would the bill provide in regard to foreign shipments?

Mr. McGOVERN. On the export wheat, the same basic price support would apply, $1.30 a bushel, but the certificate could be set anywhere between 25 cents a bushel and 70 cents a bushel, depending on findings of the Secretary of Agriculture; so that there would be a minimum price support of $1.55, and it could go as high as $2, depending on conditions as determined by the Secretary of Agriculture.

Mr. BURDICK. In other words, the level at which the certificates for foreign shipments were set would be more or less discretionary by the Secretary.

Mr. McGOVERN. The Senator is correct. The same thing is true with respect to the certificates for domestic wheat, but the Secretary has made it quite clear that those certificates would be set at 70 cents a bushel.

Mr. BURDICK. Has the Secretary given similar assurances with regard to export wheat?

Mr. McGOVERN. It is anticipated that the certificate from the export wheat would be lower and could be as low as 25 cents a bushel.

Mr. BURDICK. With respect to wheat in excess of domestic consumption and in excess of our foreign shipments, what level would that bring?

Mr. McGOVERN. That would be supported by loans at a level comparable to its value in relation to feed grains; in other words, probably $1.30 a bushel.

Mr. BURDICK. I believe that the diversion payments remain in this legislation.

Mr. McGOVERN. The Senator is correct.

Mr. BURDICK. The legislation before the Senate would not change the diversion payments?

Mr. McGOVERN. No. The authority provided in the 1962 act remains unchanged.

Mr. BURDICK. Will the Senator inform me if he has made a calculation as to what the blend price would be on normal production per bushel?

Mr. McGOVERN. It would be roughly $1.77 or $1.78 a bushel on the basis of 500 million bushels domestic certificates at 70 cents and a like amount of export certificates at 25 cents. I hope that the level might finally be higher.

Mr. BURDICK. The $1.77 would be slightly lower than the present level?

Mr. McGOVERN. The Senator is correct.

Mr. BURDICK. When I say slightly lower, I am referring to the difference between $2 and $1.77.

Mr. McGOVERN. The Senator is correct.

Mr. BURDICK. The Senator also stated in his remarks that his original bill, of which I was a cosponsor, was before the committee. Is it not true that the bill sponsored by the senior Senator from North Dakota and the bill sponsored by myself, and other bills, were also considered by the committee?

Mr. McGOVERN. The Senator is correct. The committee modified the final bill in order to meet the guidelines that were laid down by the administration with reference to cost factors. It was the judgment of the majority members of the committee, that in order to secure the speedy passage of legislation in this field, we had to give careful attention not only to its impact on wheat farmers, but also to its impact on the Treasury.

What we have arrived at is not exactly the kind of bill that I should like to see passed for American wheat farmers, but a bill that balances off their interests against the interests of the taxpayers and consumers.

Mr. BURDICK. The Senator knows, does he not, that the bill which I and other Senators introduced brought a larger return to the farmer?

Mr. McGOVERN. I do know that; and I wish it were possible for that kind of legislation to be passed, because it would mean more income to the wheat farmers. I believe, however, that the Senator would agree that we must concentrate our efforts on a proposal that is feasible and can be passed. After all the hearings were held and all witnesses were heard, the committee made a judgment as to what was practical for enactment and adopted the bill which was reported and is now before us.

Mr. BURDICK. Based upon the wide experience of the Senator on farming and farm products, and based upon his participation in the committee, would it be his opinion that the bill reported is the best possible bill that can be obtained at this time—that is, from the committee?

Mr. McGOVERN. I understand that the bill is not beyond change, but I believe that, given the guidelines I have suggested, which were spelled out by the Secretary of Agriculture and the President, and knowing something about the concern over the difficulties of securing widespread support necessary to pass any legislation at all, the bill reported from the committee is the best we could get.

Mr. BURDICK. It is fair to say that it is the best possible bill that could be reported by the committee.

Mr. McGOVERN. That is my judgment.

Mr. BURDICK. I thank the Senator again for his information, and compliment him for doing such a fine job this afternoon.

Mr. McGOVERN. I say to the Senator from North Dakota that if the Senators from North and South Dakota were permitted to write a wheat bill in exactly the way their producers would like to have it written, it would probably include many things that are not in this bill; but I believe we are all realistic enough to understand that our support alone is not enough to secure the passage of a bill, that we must take into consideration all the Members of Congress, and this includes all of us who are concerned about the taxpayers and about the consumers. We have taken into consideration all of these questions, and the result is the bill which is now before the Senate.

Mr. CARLSON. Mr. President, will the Senator from South Dakota yield?

The PRESIDING OFFICER (Mr. McINTYRE in the chair). Does the Senator from South Dakota yield to the Senator from Kansas?

Mr. McGOVERN. I yield.

Mr. CARLSON. I wish to compliment the Senator from South Dakota, not only for his splendid statement regarding the wheat problem, but also for his great study of the problem which is of vital concern not alone to the wheat growers of the Nation but to everyone interested in the future welfare of the Nation's economy.

As the Senator has stated, this is a difficult field in which to write legislation. I believe the Senator would agree with me that there is considerable difference of opinion as to the type of bill we should enact at this session.

Personally, I feel that we must enact some legislation; therefore, I shall support the Senator's bill when the time comes to cast my vote; and I shall speak on it, I hope next week.

It is interesting to look back to 1954, when I introduced a bill—which was also cosponsored by former Representative Clifford Hope, in the House of Representatives—on a two-price program. I was able to obtain approval of the Senate by a vote of 54 to 32, which I greatly appreciated; and the bill would have become law, had it not become lost in the conference between the House and Senate.

We must do something in the way of wheat legislation, as I see the picture. I do not believe we can continue to expect the farmers to operate in an economy that is somewhat escalated by tariffs and statutes of various types.

Industry has had the protection of imports and quotas, and it has enjoyed those benefits for years.

Labor has a minimum wage with many fringe benefits in this Nation.

The rates of transportation and utilities are set by Federal and State statutes, rates that result in a profit.

The imports of energy fuels such as gasoline are limited by statute or tariffs and quotas.

It seems to me that we must realize that the American farmer must operate in that kind of economy. I do not see how we can justify making any statement except that the farmer should be entitled to have the domestic price for what is consumed in this Nation. I would be less than frank if I did not state to the distinguished Senator from South Dakota that I believe the bill the Senator from North Dakota [Mr. YOUNG] and I introduced, and which was considered by the committee, I understand, was simpler than the Senator's bill. I notice that the Department said it would cost more money. I could not complain too much about that, because I thought that would go to the farmer. I again say to the Senator from South Dakota that he is entitled to commendation. I shall speak on this bill, I hope at some length, before a conclusion is reached on it. However I appreciate the effort the Senator is making.

Mr. McGOVERN. The Senator introduced a very good wheat bill that would have meant a great deal to the wheat farmers of the country. The same is true of the Senator from North Dakota [Mr. YOUNG] and the junior Senator from North Dakota [Mr. BURDICK]. They have been great workers and believers in this field for as long as I can remember anything about it. It makes me very humble, indeed, to be in the same body with Senators who have worked so successfully in assisting American farmers.

I do not dispute the statement of the Senator that there are some features of his bill that would probably be more attractive to the wheat farmer than the bill now before us. I am sure he would agree, however, on balance, when we look at the other interests in the country which have to be heard from and whose support we must have in order to pass legislation, that probably we have come as close as we can to meet the criteria that must be met.

Mr. YOUNG of North Dakota. Mr. President, I, too, wish to commend the distinguished Senator from South Dakota for the excellent job he is doing in handling the bill. This is far from perfect legislation, but it is certainly far better than nothing at all.

Mr. McGOVERN. It is about $450 million better for the farmer.

Mr. YOUNG of North Dakota. Yes; I believe it would prevent a drop in income to the wheat farmer of at least 50 cents a bushel, and perhaps as much as 60 or 70 cents a bushel. This is important, when we realize that the cost of everything the farmer must buy is continually increasing. In my State there are more delinquent farm loans than there have been in many years. This is in spite of the fact that in the past 2 years we have had better than average crops. Farmers would not be able to withstand even 1 year of both poor crops and poor prices. If we permit prices to drop to the extent they would without the passage of the proposed legislation, farmers would be seriously affected, and there would be, also, a serious effect on the whole economy.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. BURDICK. In our previous colloquy the Senator referred to a blend price of $1.77. That was calculated or based on the world or market price of $1.30. Is that correct?

Mr. McGOVERN. That is correct.

Mr. BURDICK. Assuming that the world or market price was $1.40. The farmer would still get his 70-cent certificate for domestic consumption. Is that correct?

Mr. McGOVERN. Yes.

Mr. BURDICK. For that portion he would receive $2.10. Is that correct?

Mr. McGOVERN. Yes.

Mr. BURDICK. No matter what the level of the market price was, for domestic use he would still get a 70-cent certificate.

Mr. McGOVERN. That is my understanding. If wheat prices in the market rise during a year, farmers would get the benefit of the rise. They would also get quality premiums.

Mr. BURDICK. Then, based upon that answer, the blend price could be somewhat higher than $1.77, depending on the level of the world or market price.

Mr. McGOVERN. That is entirely possible.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. CARLSON. I wish to place in the RECORD, following the Senator's remarks, a very interesting editorial, but I do not wish to do it if the Senator is not ready to yield the floor.

There has been considerable discussion about export subsidies in regard to wheat, and not too many people understand how the plan operates. There have been export subsidies since 1931. It is impossible to export wheat without a subsidy in order to give the farmers of the Nation a fair market price for their wheat. A professor of agricultural economics at Kansas State University, Leonard W. Schruben, has written an excellent article which was published in the Kansas Farmer for February 15, 1964. It is of such great interest, that I believe it should be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EXPORT SUBSIDIES AND HOW THEY OPERATE

For a long time now, wheat has not sold for export at as high a price as it brings here at home. At present, the home market price is about 65 cents a bushel higher than in export dollar markets. In order for sales to be made under these circumstances, this difference must be taken into account. This is done with an export subsidy.

The wheat export subsidy has been frequently in the news. Apparently there is misunderstanding as to how it operates.

The mechanics are fairly simple. Each day the USDA announces a subsidy payment rate for wheat other than Durum. Durum is now on a "bid" basis. This rate is good until the next business day at the same time of day. Sometimes rates will be different if wheat is being shipped from ports along the Atlantic than if shipment is from gulf ports. Sometimes different rates are paid for different kinds of wheat.

In any event, an exporter can count on collecting the amount of the subsidy for each bushel sold and reported. If a subsidy of 65 cents is being paid, he knows that when he exports the wheat he can collect that amount from the Government if he follows the proper procedures.

The exporter tries to sell wheat to foreign buyers. He bids for wheat to resell and knows how much it will cost to buy it from farmers or others. He can subtract the subsidy, in this case 65 cents, from his costs and that is the price at which he can offer wheat to the foreign buyer.

When he delivers the wheat he collects a part of his cost from the buyer and a part from the Government.

Export subsidies and import tariffs have a lot in common. For one thing, both are Government aids to the industry in question. Any producer who sits behind an effective tariff for his product, is not consistent if he complains about an export subsidy on a commodity for which tariffs aren't effective; unless of course, he complains equally about the tariff.

Subsidies aren't new. Export programs for wheat have been in effect most years since 1931. Back in 1931 and 1932, the Federal Farm Board exported nearly 90 million bushels. Some was exported with special concessions by exchanging wheat to Brazil for coffee. Part of this coffee was later exported to China and Germany. These sales to the Chinese and Germans were facilitated by long-term credits.

How much is the export subsidy? You can see from table 1 that the rate per bushel varies a great deal. This should be expected because the price at which wheat sells to other countries changes from time to time as does the U.S. price.

For example, last February, spring wheat was being subsidized at 90 cents per bushel; hard at 70 cents. In December, subsidy on spring wheat was 60 cents and on other kinds it was 64 cents.

If you want a rough figure on what wheat on your farm is worth on the world market, take the going price where you sell wheat and subtract the subsidy. For example, if you can sell wheat today at $1.95 and the subsidy is 65 cents on your kind of wheat, the world price would be about $1.30.

TABLE 1.—*Selected midmonth export subsidy rates on wheat for immediate shipment*

	East coast				West coast				Gulf to Europe				Gulf to Latin America			
	All	Hard	Spring	Durum	All	Hard	Spring	Durum	All	Hard	Spring	Durum	All	Hard	Spring	Durum
1962																
Jan. 15	$0.56	------	$0.74	------	$0.43	$0.45	------	------	$0.56	------	$0.73	------	$0.54	------	$0.71	------
Feb. 15	.56	------	.74	------	.44	.46	------	------	.57	------	.73	------	.56	------	.72	------
Mar. 15	.59	------	.74	------	.45	.49	------	------	.59	------	.74	------	.58	------	.73	------
Apr. 15	.61	------	.72	------	.50	.50	------	------	.61	------	.72	------	.61	------	.72	------
May 15	.63	------	.67	------	.53	.50	------	------	.63	------	.67	------	.63	------	67	------
June 15	.62	------	.68	------	.53	.50	$0.68	------	.62	------	.68	------	.62	------	.68	------
July 15	.64	------	.68	------	.54	.62	.68	------	.64	------	.68	------	.64	------	.68	------
Aug. 15	.59	------	.62	------	.52	.64	.62	------	.59	------	.62	------	.59	------	.62	------
Sept. 15	.60	------	.64	------	.51	.68	.64	------	.60	------	.64	------	.60	------	.64	------
Oct. 15	.60	------	.66	------	.50	.69	.66	------	.60	------	.66	------	.60	------	.66	------
Nov. 15	.63	------	.72	$0.25	.52	.61	.72	$0.25	.63	------	.72	$0.25	.63	------	.72	$0.25
Dec. 15	.68	------	.74	.33	.53	.67	.74	.33	.68	------	.74	.33	.68	------	.74	.33
1963																
Jan. 15	.67	------	.86	.49	.56	.67	.71	.33	.67	------	.86	.49	.67	------	.86	.49
Feb. 15	.70	------	.90	.51	.62	.78	.71	.35	.70	------	.90	.51	.70	------	.90	.51
Mar. 15	.70	------	.90	.70	.61	.77	.67	.54	.70	------	.90	.70	.70	------	.90	.70
Apr. 15	.73	------	.90	.70	.63	.86	.69	.54	.73	------	.90	.70	.73	------	.90	.70
May 15	.54	------	.65	.55	.63	.84	.65	.55	.54	------	.65	.55	.54	------	.65	.55
June 15	.46	------	.62	.55	.41	.62	.62	.55	.46	------	.62	.55	.46	------	.62	.55
July 15	.43	------	.58	------	.34	.54	.58	------	.43	------	.58	------	.43	------	.58	------
Aug. 15	.41	$0.50	.51	------	.34	.55	.51	------	.41	$0.50	.51	------	.41	$0.50	.51	------
Sept. 15	.47	.52	.63	------	.41	.59	.63	------	.47	.52	.63	------	.47	.52	.63	------
Oct. 15	.58	------	.64	------	.48	.68	.64	------	.58	------	.64	------	.58	------	.64	------
Nov. 15	.62	------	.60	------	.49	.63	.60	------	.62	------	.60	------	.62	------	.60	------
Dec. 15	.64	------	.60	------	.49	.69	.60	------	.64	------	.60	------	.64	------	.60	------
1964																
Jan. 15	.65	------	.58	------	.56	.67	.58	------	.65	------	.58	------	.65	------	.58	------

Source: Kansas City Grain Market Review.

Mr. McGOVERN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "Rural Slowdown," written by Michael G. Gartner and published in the Wall Street Journal of February 27, 1964; also an editorial entitled "The Cotton-Wheat Package," published in the Washington Post of February 23, 1964.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Feb. 27, 1964]

RURAL SLOWDOWN: FARMERS BEGIN TO CUT SPENDING AS THEY FACE BIG DROP IN 1964 INCOME—A $700 MILLION EARNINGS DECLINE SEEN AS FARM PRICES SAG—TRACTOR, STORE SALES SLIP—AN ELECTION YEAR HEADACHE?

(By Michael G. Gartner)

While their city cousins confidently look ahead to another year of prosperity, the Nation's farmers are worrying about a recession. They already are cutting back hard on their spending in a trend which could become the Johnson administration's first major economic headache.

From Archbold, Ohio, where an auctioneer talks of a 10-percent decline in used farm equipment prices over the past year, to Storm Lake, Iowa, where a department store manager complains of a 15-percent drop in February business compared with a year earlier, rural businessmen offer a gloomy picture of prospects on the farm. "These people are just hanging onto their purses," says P. A. Ekstrom, sales manager for Brady Implement Co., an International Harvester dealer in Dodge City, Kans., as he reports a 30-percent drop in truck sales so far this year from the like 1963 period.

The farm pessimism seems well founded. According to recent Agriculture Department estimates, farmers' net income this year is expected to fall sharply to $11.6 billion from $12.3 billion in 1963. The drop, which would be the second in a row, would push farm earnings to the lowest level in 5 years.

FROM CATTLE TO ORANGES

Hardly a sector of the farming community seems likely to escape an economic downturn—indeed, some already are beginning to feel the pinch. In the Midwest, prices of cattle and hogs—the backbone of the farm economy there—are hovering near the lowest levels in several years. In the Southeast, a bumper tobacco crop last year has carried stocks well above levels in recent years and a 10-percent reduction in acreage allotments is scheduled for this year. In the citrus areas of Florida, California, and Texas, this year's orange crop is expected to be down 6 percent from last year's freeze-damaged harvest and 20 percent below the 5-year average; the grapefruit story is much the same.

But by far the biggest blow to the farm economy will be felt by wheat growers. In a delayed reaction to last year's farmer rejection of acreage controls and high price supports, wheat prices are declining. Prices on new-crop wheat for delivery after July now average about $1.65 a bushel, down more than 30 cents from last year. What's more, Agriculture Secretary Freeman has predicted wheat may fall as low as the support price of $1.25 before the year is out. Altogether, net income of the Nation's wheat growers is expected to slide to about $1.7 billion this year, down 25 percent from $2.3 billion in 1963.

While farm prices are on the decline, production costs are on the increase. This year production costs are expected to climb to $29.3 billion, up from $28.7 billion last year.

WHEAT LEGISLATION PUSHED

Such statistics haven't escaped the watchful eyes of Washington. With elections looming in November, the administration is busy trying to push through Congress a bill which would give wheat growers some relief from the oncoming slump. With a prod from the White House, Senate Democratic leaders have given top priority to efforts to bring the bill to a vote in hope of gaining its passage before the Senate becomes ensnarled in the impending fight over civil rights.

In brief, the administration bill would permit Secretary Freeman to boost the price support to between $1.65 and $2.25 a bushel on domestically consumed wheat and to between $1.30 and $2.25 on wheat for export. It's expected that Mr. Freeman would set supports high enough to restore at least $400 million of this year's expected $600 million drop in wheat farm income.

But the bill's chance of congressional passage remains slim. Even if it passes the Senate, heavy opposition in the House is expected.

So most farmers hold little hope of any big new Federal help this year and are bracing for a rough time. Their fears are being translated mostly into a slowdown in capital expenditures—spending on such things as tractors, plows, and buildings. "Sales of used tractors are off 50 percent so far this year," laments Donald Irion, parts manager of Oahe Implement Co., in the wheat town of Pierre, S. Dak.

A WIDESPREAD DECLINE

Such reports are by no means isolated. Of nearly two score used farm equipment dealers interviewed, about half said sales so far this year were trailing 1963 and they could see nothing ahead to reverse the downtrend.

The capital spending cutback comes partly at the urging of some farm leaders. Garrett Sikkema, president of the Illinois Livestock Feeders Association, this week warned feeders to "tighten their belts" and take a hard look at the present and prospective financial situation of their industry before making any new capital expenditures. "The financial stability of the feeding industry is threatened at this time and it is a known fact that added competition of imports * * * is continuing to contribute to this grave situation," he declared.

Though most spending cutbacks are voluntary, some farmers are facing little choice because of tightening bank credit.

Roby L. Sloan, economist for the Federal Reserve Bank of Chicago, says "many banks have imposed additional limitations on some types of loans, apparently reflecting greater caution on feeder cattle loans following poor experiences in the 1962–63 feeding year."

Economist Sloan notes, too, that banks are boosting collateral requirement and interest rates on some loans to farmers. He says 10 percent of the agricultural banks in the Seventh Federal Reserve District (Iowa and parts of Illinois, Wisconsin, Michigan, and Indiana) now are charging higher rates on non-real-estate loans than they did a year ago and that more than a third of the Iowa banks surveyed reported they were requiring additional collateral.

[From the Washington Post, Feb. 23, 1964]

THE COTTON-WHEAT PACKAGE

While it is objectionable on several scores, the combined wheat and cotton bill approved by the Senate Agriculture Committee would establish a healthy precedent that might eventually lead to the substitution of income payments for the clumsy system of farm-price supports.

For the wheat farmers, the committee has adopted the voluntary certificate plan suggested by Senator GEORGE MCGOVERN of South Dakota. Farmers who agree to participate in acreage restriction programs would be eligible for certificates which would be redeemed for cash. Thus the income of the farmers would be maintained through supports which peg the price of wheat at $1.30 a bushel and certificates which would add another 70 cents per bushel on wheat sold for domestic food consumption and 25 cents on those shipped overseas.

It is unfortunate that the cotton section of the bill fails to come to grips with the inequitable two-price system. We should abandon price supports and stabilize producers' incomes along the lines recommended by Senator TALMADGE. Instead the bill provides for payments in kind to the domestic mills which are equivalent to the difference between the supported domestic prices and the lower world price at which the competing foreign mills buy cotton.

But the introduction of another subsidy is partially counterbalanced by a move in the direction of income payments. Price supports would be reduced from 32.47 to 32 cents per pound, and farmers who agree to reduce their acreage by one-third would receive an extra 4.5 cents per pound, payable in cotton or cash. Small producers with 10 acres or less would automatically receive the extra payment, and the large growers in Arkansas, California, and Texas would be permitted to grow extra cotton for the support market that would not be eligible for price support.

This bill will not eliminate the objectionable features of the price-support programs for wheat and cotton. The surplus and storage problem will remain. But the shift toward income payments, while modest, raises the hope that the protection of farmers in a predominantly industrial society can be accomplished at a smaller social cost. It is to be hoped that the Senate will give this bill its approval Monday.

IMPOSE QUOTAS ON MEAT IMPORTS

Mr. HRUSKA. Mr. President, I have at the desk an amendment which I shall call up in due time. At this point, I wish to discuss some of its general background in the light of the pending bill.

The purpose of the proposed amendment is to provide effective protection of the livestock market for the American stockman, by rolling back competitive imports to a reasonable acceptable level. Its effect, if adopted, will be to supersede the agreements made last week by the administration with Australia and New Zealand which would stabilize the level of such imports at the high levels of 1962–63, on an average.

The cotton-wheat bill before us apparently will be the only major farm legislation we will be permitted to consider this session, or at least during the next few months. Since it seems to present the only real opportunity to take action for agriculture, it is an appropriate vehicle with which to legislate on the livestock problem.

The severe price collapse experienced in domestic livestock markets during recent months requires emergency action to help the stockman.

By the terms of the amendment, of which there are a number of cosponsors, quotas would be imposed on imports of fresh, chilled, or frozen beef, veal, mutton, and lamb at a level equal to the average imports of these products during the 5-year period 1958 through 1962. The quota would be a global quota; that is, it would not by the amendment be distributed among the countries supplying us, but the amendment does contain authority for the President to allocate the quota among those countries—Australia, New Zealand, Argentina, Ireland, and so on—in his discretion.

My proposal would also incorporate a growth factor for these foreign supplying countries, in the form of authority for the President to permit imports to increase at a rate equal to our increase in population, which means 1.5 percent per year or thereabouts. It also authorizes the President to impose quotas on imports of these meats in other forms, or on the live animals, in case such quotas are necessary in his best judgment to maintain a reasonable price structure on meat or on livestock.

For example, if supplies of meat excluded by the quotas were to be canned abroad and an attempt made to bring it in as canned beef in order to get around a quota on fresh or chilled beef, the amendment contains Presidential authority to prevent such a trend by the use of any such loophole.

The proposed amendment would provide for imports in 1964 of about 540 million pounds—product weight—of fresh, chilled, and frozen beef and veal, in addition to quantities of mutton and lamb. This 540 million pounds would stand as against some 920 million pounds—product weight—of fresh, chilled, and frozen beef and veal, plus uncertain quantities of mutton and lamb, which would come in under the Australia-New Zealand-Ireland agreements providing their pattern will be extended to all importing countries.

Mr. President, the agreements of the United States with Australia and New Zealand and Ireland are not acceptable or of any effective meaning in the distressed situation confronting us. The industry through its associations plainly and firmly rejected them. The American National Cattlemen's Association expressed disappointment with them; the National Livestock Feeders' Association, the American Farm Bureau Federation and the National Milk Producers Association expressed dissatisfaction or disapproval. Letters to this Senator and many of his colleagues have been numerous and severe in their criticism. So has editorial comment by the press, of the Midwest particularly. Reflective of sentiment from these sources as well as congressional Members are references to the agreements such as: "obviously inadequate to meet this alarming domestic crisis."

The past year has been a year of disaster for American stockmen. Cattle prices have fallen 25 to 30 percent during the past 15 months. For example, slaughter steers in Omaha, all grades, were $27.72 in November 1962; during the last week reported by the Department of Agriculture—the week ended February 20—they averaged $19.88, a decline of 28 percent, in Chicago it was the same story. Slaughter steers in Chicago in November of 1962 averaged $29.89; by the latest report they averaged only $20.92, a fall of over 30 percent.

This drastic collapse in livestock prices has effects far beyond its immediate impact on stockmen. Receipts from livestock constitute more than half of total cash income for agriculture, and cattle and calves are by far the most important branch of livestock production. Gross cash income from cattle marketings fell more than $350 million last year. The effect is particularly severe in Nebraska because practically two-thirds of the farm economy consists of livestock, and in fact the sale of cattle and calves brings in nearly half of the total cash receipts from all farming operations in the State.

Similar price declines were suffered by other branches of the livestock industry.

In the past few years, imports of beef and veal have increased drastically. Imports from Australia have increased over 32,000 percent in the past 10 years. In the past 5 years, they have increased from 18 million to 517 million pounds.

The total of imported beef and veal in all forms amounted to more than 1.85 billion pounds, carcass weight equivalent—roughly 11 percent of U.S. production. That represents 3½ to 4 million head of cattle.

More than the cattleman is involved, because livestock provides the market for feed grains.

If these 3½ to 4 million cattle were raised in this country, they would account for the consumption of approximately 20 billion pounds of feed grain equivalent. Reduced to bushels of corn, it would amount to approximately 350 million bushels.

If those cattle were raised and fed in this country, they would make a substantial dent in our farm surpluses.

Mr. President, apparently the administration has completely misjudged the nature and the seriousness of this problem. That is evident from the terms of the recent agreements on meat with Australia and New Zealand, and even more recently, Ireland. American cattlemen were led to expect a substantial reduction in beef imports—a rollback to the levels of previous years. Instead, the Department of State and the Department of Agriculture have announced that by the agreements with Australia and New Zealand, imports this year—1964—will be permitted at the same rate as average imports during the 1962 and 1963—the 2 highest years on record.

In other words, instead of getting rid of our troubles, these agreements perpetuate them. Pursuant to the terms of the agreement, they make permanent precisely the condition which was a major factor in the great damage to our markets in the past several months. They fasten on the industry the same record level of imports from which we suffered during the past year and which has contributed so heavily to the breaking of the market.

The manner in which that agreement has been presented to the public by the Departments of State and Agriculture is simply amazing. When the agreement was announced, the New York Times said:

> State Department officials said they expected today's agreement would be found acceptable by a substantial portion of the cattle industry as the best that could be obtained.

Secretary Freeman, when the agreements were announced, made this astounding statement:

> This will benefit our livestock producers materially.

More recently, in a news story which appeared on February 21, he was quoted as saying that "generally speaking, the reaction has been favorable" to the beef import agreements with Australia and New Zealand. Further, he said:

> I think the net result was a good one. I'm pleased with the result and I think that it's going to be important.

Can the Secretary possibly be serious?

If he really thinks that cattlemen are satisfied, he must be completely out of communication with them.

A few weeks ago, the American National Cattlemen's Association meeting in Memphis passed a resolution urging quotas "at levels substantially less than those of recent years." More recently still, the National Livestock Feeders Association in their annual convention called for a limit on imports at the 1960 level. Neither of these national organizations can be expected to be satisfied with this surrender of their rights.

In my own State, the reaction since the agreement has been overwhelmingly against the agreement. Typical of the Nebraska reaction is an editorial in the Scottsbluff Star-Herald. I ask unanimous consent that the editorial be printed at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD.

(See exhibit 1.)

Mr. HRUSKA. I should like, Mr. President, to call to the attention of the Senate the following excerpt from the editorial:

> Monday, the U.S. State Department, Agriculture Department, and the Johnson administration threw the agricultural interests of the United States a bone. It wasn't a nice big bone with meat on it. It was an old bone that had been lying around for a long time and was all dried out as far as the farmers and ranchers of America were concerned.
>
> Apparently noting the rising temper of the farmers and ranchers of this great agricultural Nation, the administration policymakers decided to head off Congress which might have been inclined to raise duties on foreign imports to reasonable levels and halt this dumping of cheap beef and mutton on American markets.
>
> With a straight face, the administration spokesmen announced that Australia and New Zealand have agreed "voluntarily" to limit meat exports to the United States, and to slow down their rate of expansion of such exports which have jumped from 1.6 percent of total U.S. production in 1956 to 11 percent in 1963, more than 8 times.
>
> The administration picked 1962 and 1963 as base average years for their calculations, as Senator MILWARD SIMPSON, of Wyoming, points out, top import years for setting limits for 1964, 1965, and 1966 with an increase allowed for each succeeding year. There appears to be a slight cutback for 1964, actually only limiting the amount of an already topheavy increase.
>
> Between them, Australia and New Zealand can dump 773 million pounds of meat on the U.S. market this year and more next year. And that doesn't take into consideration the allotments permitted Ireland and Mexico, the next largest exporters of meat to the United States.

To add insult to injury, on top of the quota for 1964 there is a guaranteed growth factor of 3.7 percent per year. This means, of course, that imports will be permitted to increase each year on a compound interest basis.

> That rate of 3.7 percent—

We are told in the State Department release—

> corresponds to the expected rate of increase in the total U.S. market for these meats.

That is the purported justification. The statement is intriguing because it contradicts what the Department of Agriculture said at the Annual Agricultural Outlook Conference in Washington last November 20. At that conference the departmental spokesmen said:

> Normal gains in population, income, and continued preference for beef make it possible for consumers to absorb annual increases in beef production in the neighborhood of 3 percent and still maintain relatively stable prices to cattle producers.

So if the Australians and New Zealanders are given an annual increase of almost 4 percent, obviously they will secure a steadily larger and larger proportion of our market.

Mr. President, this amendment is not an extreme proposal. It would rollback imports to the average of 1958 to 1962, but even that level was more than 10 times larger than imports in any year prior to 1957. We do not ask that all imports be stopped, but our cattlemen should not be subjected to the kind of unremitting downward pressure on their prices that they have suffered from during the past year.

Mr. President, the excuse sometimes offered for these Australian and New Zealand agreements is that we are dependent upon the good will and the voluntary concessions of those countries, because, it has been said, the Secretary of Agriculture and the President have no power to impose quotas. They must beg, hat in hand, for favors from these countries.

It is, of course, not at all correct to say that the President has no power to impose quotas. Quotas can be imposed through the Office of Emergency Planning, through the Tariff Commission and so on.

As a matter of fact, at the briefing session held for Members of Congress by the Secretary of Agriculture early in January on the negotiations for these agreements which were being conducted at that time, the Secretary rejected the suggestion that legislation was needed to cure this problem. As I recall, the distinguished Senator from Wyoming [Mr. SIMPSON] urged that his hand in the negotiations would be strengthened if the administration had broader powers to impose quotas, but Mr. Freeman rejected the suggestion. Now we see it is argued that only a weak agreement is possible because Congress had withheld from the administration the power to impose quotas. If that is the argument, then let us by all means pass this quota legislation, so that that excuse will no longer be available.

Mr. President, American cattlemen, together with other segments of agriculture, face their greatest crisis of recent years. This amendment would face up squarely to the problem. This likely will be the only opportunity we shall have at this session to consider this problem.

I urge that the Senate recognize the realities of the world we live in, that the United States cannot continue to be the only nation which maintains an open market for foreign beef, and that the amendment be adopted.

EXHIBIT 1

[From the Scottsbluff (Nebr.) Daily Star-Herald, Feb. 20, 1964]

CONTEMPT FOR U.S. INTERESTS

Monday, the U.S. State Department, Agriculture Department and the Johnson administration threw the agricultural interests of the United States a bone. It wasn't a nice big bone with meat on it. It was an old bone that had been lying around for a long time and was all dried out as far as the farmers and ranchers of America were concerned.

Apparently noting the rising temper of the farmers and ranchers of this great agricultural Nation, the administration policymakers decided to head off Congress which might have been inclined to raise duties on foreign imports to reasonable levels and halt this dumping of cheap beef and mutton on American markets.

With a straight face, the administration spokesmen announced that Australia and New Zealand have agreed voluntarily to limit meat exports to the United States, and to slow down their rate of expansion of such exports which have jumped from 1.6 percent of total U.S. production in 1956 to 11 percent in 1963, more than eight times.

The administration picked 1962 and 1963 as base average years for their calculations, as Senator MILWARD SIMPSON, of Wyoming, points out, top import years for setting limits for 1964, 1965, and 1966 with an increase allowed for each succeeding year. There appears to be a slight cutback for 1964, actually only limiting the amount of an already topheavy increase.

Between them, Australia and New Zealand can dump 773 million pounds of meat on the U.S. market this year and more next year. And that doesn't take into consideration the allotments permitted Ireland and Mexico, the next largest exporters of meat to the United States.

The permitted increases each year are said to be designed to allow these countries to share in an expanding growth rate of the American market.

Since when have the American people "owed" anyone a share in their expanding growth market? Up until 1955 there was no problem as Great Britain had agreements to buy the Australian exports. But then the agreements ended and here was the big fat Uncle Sam market to be gobbled up.

The administration and economic planners talk about free world trade and "lots of other considerations," as to why we must be good fellows and not jeopardize world markets by dumping our surpluses. They also talk about ruining the market in these other countries for our manufactured products.

Americans like Australians and New Zealanders, but don't think if the situation were reversed these countries wouldn't be protecting their own interests. European Common Market countries have been dumping their steel on the U.S. market and just this past week raised their own import duties against foreign produced steel, which means U.S. steel.

Common Market nations slap import duties on to keep out U.S. poultry and other agricultural products and anything else that will compete with their economy, but they want a free ride into the U.S. market.

The American taxpayers have given away billions in aid since World War II to reequip these nations with new plants and techniques and money to bolster their economy. Now like the proverbial saps we stand holding the bag on the results of our follies.

When will these administrations ever learn that the American people have a right to demand that their consideration must come first if our economy is to survive.

This fuzzy-minded do-goodism has prevailed under both Democratic and Republican administrations ever since World War II. But this latest action by the Johnson administration is given with such cold-blooded contemptuousness for the rights and good sense of the American people that it is infuriating.

Let there be an end to this nonsense. There is a way to do it, and that is with a shocking landslide protest vote this fall. Then, and only then, can people really make themselves heard.

ORDINANCE NO. 1455 OF THE CITY OF BEATRICE, NEBR.

An ordinance to prohibit the sale of fresh or frozen imported beef, to prescribe regulations for persons in possession of fresh or frozen imported beef, to prescribe penalties and to provide for the effective date of this ordinance

Whereas the welfare of the city of Beatrice, its trade and commerce, are dependent on the agricultural community which surrounds it; and

Whereas the community produces substantial quantities of beef of fine quality and should be protected from competition of imported fresh and frozen beef: Now, therefore, be it

Ordained by the mayor and Council of the City of Beatrice, Nebr.:

Section 1. It shall be unlawful for any person to sell or offer for sale within the city of Beatrice, Nebr., any fresh or frozen beef produced or processed outside the United States or its territorial possessions.

Section 2. Any wholesale establishment or retail store having in its possession any fresh or frozen beef whose origin is outside the United States or its territorial possessions shall display a sign in a prominent place on the outside of the building facing the street stating "Imported Beef Within" and the letters of such sign shall be at least 10 inches in height.

Section 3. Any person violating any conditions or requirements of this ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punishable by fine of not exceeding $50. Each person shall be deemed guilty of a separate offense for each day during any portion of which any violation of the provision of this ordinance is committed, continued, or permitted.

Section 4. This ordinance shall be in full force and effect from and after its passage, approval, and publication according to law.

Passed and approved this 24th day of February 1964.

WM. W. COOK, Sr.,
Mayor.

[From the Omaha (Nebr.) World-Herald, Feb. 25, 1964]

MILK PRODUCERS FOR LAWS STEMMING BEEF IMPORTS—DEPRESSES CULL DAIRY COW SALE PRICE

The National Milk Producers Federation would support legislation it felt would "do the job" in stemming beef imports, an official said Monday.

"We hate to see these domestic markets continuously eroded just because some one wants to get his hands on some green dollars," he said.

Patrick Healy, assistant secretary of the federation, emphasized the dairy farmers' stake in reducing the flow of beef from Australia, New Zealand and other major exporting nations.

Record meat imports in 1962 and 1963 tended to depress the price of cull dairy cows and to slow the rate at which dairy herds were culled, he pointed out.

RAISED COST

This situation has increased domestic milk supplies and upped the cost of the Government's dairy price support program, he explained.

Mr. Healy noted that the federation 2 months ago approved a resolution calling for the "adoption of realistic measures" to cope with the rising tide of red meat imports.

It does not consider "realistic" the voluntary beef import agreements the administration negotiated with Australia and New Zealand, he said, adding:

"Certainly good legislation would be a realistic measure."

The federation official said he felt remedial legislation would be hard to come by, in view of administration trade policies over a number of years.

But he stressed that the high level of red meat imports has hit the dairy farmer in several ways and also affected other segments of American agriculture.

CULLS INVOLVED

The dairy farmer, he pointed out, is an important supplier of beef in domestic markets and competes directly with such countries as Australia and New Zealand for cow beef outlets.

Thus, when cow prices are depressed, Mr. Healy explained, the dairy farmer must either sell on a depressed market or hold back cows which he otherwise would cull from his herd.

Anything that tends to prevent herd culling results in increased milk production, he added.

"None of these Australian beeves eat American feed," the official also said.

"There are just all kinds of ways these imports affect our agriculture."

WIDELY FELT

Adverse developments in the dairy industry are widely felt in Nebraska.

Nebraska produced 2 billion pounds of milk from 300,000 cows in 1962, according to the latest available figures.

There were 39,000 farms, or nearly one-half the State's total, which reported selling milk or cream.

And dairying ranks fourth in Nebraska as a producer of farm income, according to the latest tabulation.

[From the Los Angeles (Calif.) Times, Feb. 23, 1964]

U.S. CATTLEMEN CLAIM THEY'RE BEING STAMPEDED—FROM "DOWN UNDER"—IMPORTS FROM AUSTRALIA AND NEW ZEALAND PLUS RECORD U.S. HERDS KEEP LIVESTOCK PRICES FALLING

(By Will McCracken)

The old-fashioned rustler would be considered one of the good guys by comparison with what U.S. cattlemen are saying these days about ranchers in Australia and New Zealand.

From the U.S. cattlemen's view the bad guys aren't clandestine types who steal cattle in the dark of night, but aggressive foreign producers who capture markets in the glare of international trading. Regardless, it means the same thing to the cattleman and to his banker.

In the past year, prices of key grades of livestock have fallen as much as 30 percent on markets from Los Angeles.

In Chicago, on February 10, Choice steers brought $18.50 to $22.50 per hundredweight. A year ago this class of cattle brought $23 to $25. On February 12, 1962, the quoted price was $25 to $27. Chicago is the bellwether market for the U.S. livestock industry.

Ever since 1959, Australia and New Zealand have been increasingly aggressive in their sales of meat to the United States. In 1958, only 18 million pounds of Australian meat was imported to the United States. In 1960, this figure shot up to 224 million pounds; by 1962 it had reached 442 million pounds, and last year reached 517 million pounds, some 11 percent of all of the meat consumed in the United States.

Meanwhile, domestic production of cattle also increased.

Like every business, the cattle industry has its cycles. The cattle cycle usually lasts from 7 to 9 years with cattle population increasing until prices drop to unprofitable levels and cattle producers cut back.

Last week, the Department of Agriculture released its January 1, 1964, cattle population figures. They show a record 106.5 million cattle and calves on farms in the United States, 3 percent above the 103.7 million head of a year ago and, significantly, the sixth consecutive year for an increase.

The cumulation of these increasing domestic supplies and the increasing imports has been the decline in live cattle prices.

Beef, like such other staples of the American diet as potatoes and bread wheat, is sensitive to sharp increases in supplies. With a relatively stable demand, currently about 95 pounds of beef per person per year, even minor fluctuations in supplies create exaggerated fluctuations in price. USDA studies have revealed that over the years, a 10-percent change in production of fed beef is accompanied by a 13- or 14-percent price change in the opposite direction.

In 1963, production of fed beef in the United States increased 11 percent over 1962. To this increase in domestic output was added the increase in imports and the price decline was inevitable.

Is there any hope for a turn around in the prosperity of the American cattleman?

No, say cattlemen.

Prospects of improvement were more or less eliminated by another action of this past week, they contend.

Following several weeks of negotiations between representatives of the State Department and the Department of Agriculture and a "down under" team composed of representatives of the Australian Meat Board and its New Zealand counterpart, an agreement was reached whereby the Australians and New Zealanders agreed not to increase exports to the United States above 1962 and 1963 totals.

But it has been this level of Australian and New Zealand imports in the last 2 years which now has them hanging on the ropes, cattlemen complain.

The negotiations had been requested by U.S. cattlemen, but they had urged that the "base period" which would determine the limits be some earlier period such as 1958 to 1962. They were sorely disappointed.

They also were disappointed by clauses in the agreement which allow the current levels of exports to the United States to be raised in subsequent years—by 4.7 percent in 1965 and another 4.7 percent in 1966.

The economic advantages enjoyed by the Australian and New Zealand cattlemen are much the same as the advantages other foreign industries enjoy against American industries—lower costs of production.

Harvey McDougal, of Birds Landing, Calif., past president of the California Cattlemen's Association, and second vice president of the American National Cattlemen's Association, spent several weeks in Australia last fall studying the economics of the cattle industry there. He suggests that Australians can produce cattle for 5 cents per pound, $5 per hundredweight, compared to $22 which most U.S. cattlemen believe they must have to cover costs.

Cushman Radebaugh, of Fort Pierce, Fla., immediate past president of the American National Cattlemen's Association, told the recent annual convention of that group, in Memphis, Tenn.:

"In some countries, land costs represent 11 cents per head per year while a conservative minimum for U.S. stockmen, considering land purchase prices, would be $25 per head per year. The current rate of tariff is 3 cents per pound for beef imported to the United States.

"Somebody can pay a lot of freight and duties and still come out ahead."

The "somebodies," of course, are the Australians and New Zealanders.

How far would U.S. cattle prices have to fall before it would be uneconomical for those nations to export meat to the United States?

No one knows. They do know, however, that it would be a level that would bankrupt the domestic livestock industry.

RESOLUTION ADOPTED BY NATIONAL FARMER'S ORGANIZATION, FOUR WESTERN COUNTIES OF NEBRASKA, FEBRUARY 19, 1964

Resolved, That livestock is the largest basic industry in Nebraska. That the livestock industry is now faced with a great tragedy. Thousands of farm families are now forced from the farm by past, present, and prospective future low and subnormal livestock prices. That the time has come for action and positive action can come only in the U.S. Senate. We request U.S. Senator CURTIS along with you of Nebraska and Senators McGEE and SIMPSON from Wyoming to immediately prepare necessary and corrective legislation for the following corrective laws and regulations and to ask support from other U.S. Senators in livestock States to join with you to start and hold the floor of the U.S. Senate and by means of a filibuster if necessary, until the following reforms are achieved:

To restrict all livestock imports based upon a formula of livestock imported prior to January 1, 1962.

To raise the import duty on livestock back to 6 cents per pound.

To gradually take positive action to get the price of U.S. choice steers to approximately 32.45 per hundred.

To see that free and competitive markets again prevail and to take the chainstore operators out of being able to control the prices that are received by livestock producers.

If labor can refuse to load ships with grain, if civil rights are important enough for a Senate filibuster, certainly the lifeblood of our basic industry, livestock, is worthy of equal consideration. In this country we are still a country of law. What Congress has created in laws and delegation of powers, to the President they can amend or repeal, or we are no longer a free people. President Johnson is a cattleman. If he cannot or will not correct the livestock debacle, certainly Congress can and should.

If this action is not forthcoming, livestock and farm families should march on Washington to further convince our Senators that we demand action now.

We 60 ranchers and feeders who are actively engaged in the cattle industry of Nebraska deplore the action of the State Department in signing an agreement on foreign beef coming into this country.

This agreement reduces imports by only 6 percent of the ruinous level of 1963.

The level of foreign beef to be imported under the new agreement still will be over 10 percent of our domestic consumption.

We commend our Nebraska delegation in Washington for their efforts toward a realistic quota of foreign imports and ask that they protest vigorously to the State Department and the Agriculture Department this bureaucratic action.

We further request our Nebraska delegation to implement an all-out effort to reduce this high level of imports that is now bringing ruin to many people in our cattle industry.

Adopted at livestock conference held at Lincoln, Nebr., this 18th day of February 1964.

CHICAGO, ILL., February 24.—Charles B. Shuman, president of the American Farm Bureau Federation, has sent the following letter to Secretary of Agriculture Orville Freeman on the recent U.S. agreement with Australia and New Zealand on meat imports.

"Your telegram announcing the agreements which have been entered into with the Governments of Australia and New Zealand with respect to the importation of meat, concludes with the sentence, 'Livestock producers will benefit materially and immediately.'

"I couldn't disagree with you more. Government supply management on an international scale is no better than the domestic variety which has been rejected by both the Congress and American farmers.

"As you know, we opposed from the outset proposals to deal with the meat import problem through the negotiation of a so-called commodity arrangement. We have had enough experience with international commodity agreements to know that they are worse than worthless in promoting and protecting the interests of farmers and ranchers.

"Instead of being worthy of commendation, these particular agreements amount to a betrayal of American agriculture. The effect is to give foreign competitors assurance that they will be able to increase sales in the U.S. market in the future in return for a relatively small, temporary cutback. This must come as a shocking disappointment to most of those associated with this abortive effort.

"Cattle feeders particularly have suffered from a sharp decline in prices. Your Department has estimated the 1963 decline in choice steer prices at $3.70 per hundredweight with 'about 50 cents' of it attributable to increased meat imports and 'about $3.20' due to 'the effect of the increased meat supply' produced domestically. This may or may not be an accurate appraisal.

"What has not been made clear is that the major cause of the decline in fed cattle prices has been the dumping of CCC-owned stocks of feed grains in 1961 and 1962. This action artificially depressed feed grain prices and set in motion the buildup in cattle and hog numbers. Official USDA statistics reveal that corn consumption by cattle on feed in 1963 was 32.9 percent greater than in 1960. Cattlemen are now reaping the heartbreaking results of this mistaken policy, which apparently was inaugurated in a desperate attempt to make the so-called emergency feed grain program look like a success instead of the dismal failure it has been.

"As bad as the recently concluded meat agreements are in and of themselves, there is another most important and far-reaching aspect that deserves attention. Our negotiators at the upcoming trade negotiation sessions have a difficult enough job to perform in insisting on realistic reductions in trade restrictions, including nontariff restrictions, against U.S. exports. The precedent established by our Government having agreed to a meaningless commodity arrangement in the case of meat imports provides an additional burden to bear. This action has the effect of cutting the ground out from under the U.S. representatives at the forthcoming trade negotiations and constitutes a grave disservice to all farmers and ranchers in the United States."

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield.

Mr. McGOVERN. There is much in the Senator's proposal that is appealing to all of us who come from areas that depend heavily on the livestock industry. Speaking for myself, I joined the majority leader, the distinguished Senator from Montana [Mr. MANSFIELD], and other Senators in introducing a similar bill several days ago. That bill is now pending before the Committee on Finance.

I understand—although it is not yet official—that the Department of Agriculture may shortly announce a beef-buying program that may be of some assistance in improving beef prices. Presumably, that beef would be used in school lunch programs, for relief purposes, and for other functions that are covered under section 32 funds.

I understand that the Senator from Nebraska will not call up his amendment today for a vote; but when he decides to take that step, I shall have more to say about it.

Mr. HRUSKA. It is not my intention to call up my amendment before Monday or Tuesday of next week.

I was gratified today to hear of the declared intention of the Secretary of Agriculture to engage in additional purchasing of beef on the open market, to afford some relief in this situation. Something of that sort was tried last fall; 33 million pounds of ground beef were purchased for the school lunch program—a worthwhile effort, but it did not reach very far, when compared with the anunal U.S. production of 17 billion pounds, more or less.

There is another reason we were gratified to learn that the Secretary is now beginning to meet his responsibilities. Until recent weeks he contended that beef and veal imports did not have a substantial impact upon the U.S. price of beef. So we are glad that he was swung around to a point where, at least, he is recognizing the problem, even though the suggestion that any considerable amount of relief will follow additional purchases on the open market is open to debate.

Mr. AIKEN. If the Senator from Nebraska will yield, let me say it will not make any difference how the purchases are made, if they are made in such a way as to remove a certain amount of U.S. beef from the market, and an equal amount of Australian or other imported beef is allowed to take its place. There will be no benefit to the domestic market situation if that happens.

I well recall the statement the Secretary made in April 1963, as I remember the date, when he took issue with those who claimed that the heavy importations of beef from Australia and other countries were partly responsible for the drop in the price of domestic beef. Apparently the Secretary has now changed his mind somewhat, because we hear that lately he has indicated that perhaps a little too much beef had been imported.

Mr. HRUSKA. And that it did have an adverse impact.

Mr. AIKEN. That is a situation the administration could straighten out in a month if it wished to do; it could reduce the heavy imports.

Mr. HRUSKA. That is correct; and under section 204 the President has had the very authority which he used when he entered into the agreements with Australia, New Zealand, and Ireland.

Mr. AIKEN. In one of yesterday's newspapers I noticed an article in which it was stated that Australia had proposed to ship an industrial product to the United States, but that the attempted shipment was stopped even before it got underway. However, apparently the administration pays little attention to importations of agricultural commodities into the United States, although it seems that the administration considers it to be heresy, or worse, for some country to undertake to ship an industrial commodity into the United States. In the case to which I refer, I believe the product at issue was a chemical product; but that shipment was stopped before it got well underway.

Mr. HRUSKA. As the Senator from Vermont knows, the United States is virtually the only country which does not have some degree of protection from imports of beef and livestock generally—or, at least, a degree of protection that is worth anything. The United States has practically no protection of that sort.

Mr. AIKEN. Yes, I think the United States has about the lowest trade barriers of any country in the world, with the exception of Denmark.

Mr. HICKENLOOPER. Mr. President, will the Senator from Nebraska yield briefly to me?

Mr. HRUSKA. I am happy to yield to the Senator from Iowa.

Mr. HICKENLOOPER. In line with the discussion the Senator from Nebraska has had with the Senator from Vermont, I invite attention to some rather interesting and—in light of subsequent events—rather inaccurate observations which Secretary Freeman made in a report on April 3, 1963, approximately 1 year ago. In a statement he issued in regard to Special Report No. 2 on the cattle situation, on April 2, 1963, approximately 1 year ago, as appears on page 3 of the release—and I am about to quote from the statement made by the Secretary of Agriculture, thus showing that that problem had been presented to him and had been pointed out at that time—he more or less brushed it off as being of no consequence. He stated:

> Imports of beef have sometimes been cited as a cause of the price break for fed steers and heifers. The report finds no evidence that this is true. It names two reasons. One is that although total beef imports for 1962 were at record levels, almost all was of manufacturing beef, together with some canned beef. Very little high-grade fed beef was imported. Yet the price decline was confined to fed cattle. Prices of cow beef and of slaughter cows, with which beef imports compete, have been little affected.

The imports increased up to 1962; yet the Secretary said they had nothing to do with the price decline which occurred—about the largest price decline ever to occur. The Secretary said the price decline was confined to the price of fed cattle.

It seems to me he should have learned long ago that the price of such products usually is affected very greatly by the prices of the lower grades or the prices of the byproducts.

The beef which has been imported into the United States has, indeed, been of the lower grades—in other words, the manufacturing beef which is used for hamburgers and similar products. Nevertheless, it has a definite effect on the price of all the grades, all the way along the line.

That situation is considerably like the one in connection with the price of hogs. When there are low prices for hogs, very often the difficulty has not necessarily been in connection with the demand for pork to be used as food, but has developed because of the surplus of lard and other byproducts, including oils and fats, which has developed and has not been disposable; and the low prices of those products have knocked down the prices all along the line.

The same is true in the case of soybeans. The question which bothers us so much is not what will be the price of soybean cake; the difficulty is the surplus of oil which accumulates, and which we are unable to dispose of.

So it seems to me very persuasive that when record amounts of imports occur in the beef industry and the cattle industry, even if the imports are composed of so-called low-grade beef which goes into manufacturing beef, the result is to take out of the market that much demand for our local low-grade beef, which in turn affects the situation all up and down the line, in connection with the prices of the finished cattle.

Mr. HRUSKA. And, of course, the Senator from Iowa is well aware of the fact that even a choice steer will have about 25 percent of its red meat go into bologna, sausage, and hamburger.

Mr. HICKENLOOPER. That is correct.

Mr. HRUSKA. In a letter which I received not long ago, it was stated that a stomach full of hamburger will not accommodate very much sirloin steak or T-bone steak, or even very much Irish stew, at the same time. So, although the imports have been largely of the boneless type—the type referred to by the Senator from Iowa—nevertheless they result in ruinous competition. The market for the last 15 months has proved that.

Mr. HICKENLOOPER. There is no question about it.

Mr. AIKEN. Mr. President, if the Senator from Nebraska will permit a brief interruption, let me say that when we take into consideration statements similar to the one referred to just now by the Senator from Iowa and also the prediction of the Department of Agriculture to the effect that 70 million acres of wheat would be planted this year, we must arrive at the conclusion that much of the "baloney" referred to is in the wrong place. [Laughter.]

Mr. HRUSKA. That may well be true; I certainly would defer to the knowledge and authority of the distinguished Senator from Vermont on that subject. He has often in the past exposed "baloney" in many fields.

Mr. SIMPSON. Mr. President, will the Senator from Nebraska yield briefly to me?

Mr. HRUSKA. I am glad to yield.

Mr. SIMPSON. I compliment the Senator from Nebraska on his presentation. I wish to hear all of it, and I do not wish to interrupt.

Mr. HRUSKA. I am about to conclude it.

Mr. SIMPSON. I wish to ask only one question.

Comparing consumption in the year 1960 with that of 1962, it is estimated by the Department of Agriculture that the total local consumption increased about 4.3 percent, while the total consumption of imported meats increased 81.8 percent. Do those figures seem to be correct?

Mr. HRUSKA. They seem to me to be in accord with the statistics with which I am familiar.

Mr. SIMPSON. I propose to say something further on the subject. I joined with the able Senator from Nebraska in sponsorship of his amendment. I wish to address myself at some length to it at a later time.

I was pleased to hear the sponsor of the bill, the Senator from South Dakota [Mr. McGOVERN], speak about the prospect of having the heavier ends of beef moved into Government agencies, such as welfare, the school lunch program, and other programs of that type. If the Government agencies would take care of the heavier ends, consisting of 800 pounds and over, we could move the lighter ends ourselves. I hope what we have heard is not merely another gesture that will not be approved, though it would only barely cut the surface.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield.

Mr. HUMPHREY. I was interested in the remarks of the distinguished Senator from Wyoming. What he has stated is not merely a suggestion, and it will not be a hope unfulfilled. The purchase program to which the Senator has referred will be a reality. I thoroughly agree with him. It can be very useful if purchases are made timely, and the program relates to the type of beef that needs to be taken off the market.

Mr. SIMPSON. I am not unmindful of the fact that the Senator from Minnesota has access to information that I have been unable to secure. I have been trying to obtain such assurance for some time. I am pleased to hear that the program may come to fruition.

Mr. HUMPHREY. I have no special access to information. I have my troubles at times in obtaining information. But it is my understanding—and I do not know whether there has been any official announcement or not—that there have been discussions underway and some plans to try to relieve the surplus of beef so that the market can be bolstered. I think it should be. I believe it is very late. I am not here to apologize for the inaction or unnecessarily to criticize. But action is needed. It would be very helpful to the producers and to the market.

Mr. SIMPSON. I thank the Senator.

Mr. President, will the Senator yield for one further observation?

Mr. HRUSKA. I yield.

Mr. SIMPSON. The legislatures of some of the Western States that are now in session have even had proposed legislation introduced with the hope of placing marks upon beef to disclose the country of its source. As the Senator knows, that would be a bad situation; and should not have to take place. I am hopeful that the kind of program which the Department proposes will be helpful. I suggest that the foreign aid program might be studied, from the standpoint of the use of American beef, as well as the welfare and school lunch programs and any other programs in which a Government agency is interested.

Mr. HUMPHREY. A good deal could be done if there were a purchase program along the line outlined by the Senator from Wyoming.

Mr. HRUSKA. Mr. President, I yield to the Senator from Vermont.

Mr. AIKEN. I believe I was rather crudely trying to make a point, and I probably did not make it clear. Let me illustrate it as follows: If the Department of Agriculture buys 100 million pounds of ground beef for our schools, and the administration admits an additional 100 million pounds of imported beef from Australia, in effect we would not be doing anything to improve the beef market for our own producers, but merely improving the market for the producers of whatever country sends the imports to our country.

Mr. HRUSKA. Yes. The Senator made that point quite clearly a little earlier.

Mr. AIKEN. There is no question about it. Apparently that is taking place for we see the great increase which is taking place in the importation of farm commodities. While I would not say they are in surplus, prices to producers in our own country have been broken.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. HICKENLOOPER. Along the line of the discussion, I wish to observe that that is apparently what the Senator from Nebraska is trying to do. It does not make sense to import great quantities of beef from other countries so that we shall have a surplus which the Government will have to buy.

Mr. HRUSKA. The Government would have to place it in storage.

Mr. HICKENLOOPER. Why not strike at the source of the problem, as the amendment of the Senator would do, and cut down the excessive imports. If we import beef, and then the Government goes into the market and buys, we are merely importing so that we may buy the surplus.

I have been informed by sources that I believe to be completely reliable that at least in one, and probably in several towns in my home State of Iowa, the Government is furnishing Argentine beef in the school lunch program. I cannot now go into it to the extent that I would like to, but I believe I can rely on the information which I now have. I believe it is reliable. That is one of the things we should examine into. Why is our Government buying Argentine beef to go into the school lunchroom program? What is happening in my State is perhaps happening elsewhere, too.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. SIMPSON. I invite the attention of the distinguished Senator from Iowa to the fact that what has been happening in his State with respect to the furnishing of Argentine beef in the school program has been happening in our State also.

At best purchases by the Government agencies are only temporary stopgaps. The trouble is more deepseated than that. With the permission of the able Senator from Nebraska, I should like to inject at this point the fact that the problem does not concern merely cattle and beef, but also the textile and wool industry of the West.

The most startling thing which has come to my attention recently is the great imports of wool and wool fabrics, which have devastated the American market. It has reduced the number of established textile industries from 828 to 500, more than 300 being lost to our economy. In taking those facts into consideration we must know that the hourly wage rate in industries in the various countries involved is markedly different. For example, speaking of wages in the world textile industry, the wage in the United States is $1.83 an hour; in Britain 64 cents an hour; Italy, 30 cents an hour; Japan, 26 cents an hour.

Those are the countries that encroach upon our production.

I point out also that in 1947, we imported approximately 5,000 pounds of knit wool cloths. I invite the attention of Senators to the fact that in 1962 we imported more than 2,272,000 pounds. That trend could continue. The trouble is deepseated. It lies deeper than has been discussed today with respect to a temporary expedient through the sale to Government agencies on Government programs. The problem goes deeper than that, as the Senator from Nebraska knows. I advocate the other approach as a temporary stopgap until we can stop the iniquitous pressure that is being placed on beef, mutton, and veal imports into America.

Mr. HRUSKA. The Senator makes a sound observation. Obviously, the announcement that there will be additional purchases is a sort of tranquilizer or a palliative. It shows a recognition of the deep feelings and the awareness of a problem which is widespread, and which is rapidly becoming disastrous. If the situation continues to worsen, feeders will go broke. Many are losing as much as $50 to $75 a head when they market their steers; and that, of course, cannot be tolerated for very long.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. SIMPSON. I invite the attention of the distinguished Senator from Nebraska to the fact that on the Denver market the fat cattle that came in recently which had been purchased last year at about $25 to $26 were down to $19.95 after a year's feed had been thrown into them. That is indicative of the trend across the feeder lots of America and on the rangelands of America.

Mr. HRUSKA. The Senator is correct.

Mr. SIMPSON. I thank the Senator.

Mr. HRUSKA. Mr. President, early next week I intend to call up the amendment which has been under discussion for the past few minutes. At that time I shall address the Senate at some length. I understand that other Senators who are cosponsors of the amendment will do likewise. I intend to urge that the Senate recognize the realities of the world we live in. The United States cannot continue to be the only nation which maintains an open market for foreign veal and beef imports. The amendment which I have offered should be adopted.

Mr. HUMPHREY. Mr. President, will the Senator yield for a question?

Mr. HRUSKA. I am happy to yield.

Mr. HUMPHREY. I am sure that the distinguished Senator from Nebraska, who has studied the question of beef imports and beef marketing, is aware of what has happened in terms of cattle population of our own domestic herds as well as the increase in imports. The State of Minnesota has quite a few beef cattle. I am not unaware of the interest of our beef producers, and the fact that we operate rather large feeder lots and have some of the largest packinghouses in the world in the State of Minnesota. So this subject is not foreign to me, nor is it something in which I have little or no interest.

I am deeply concerned over the drop in farm income, primarily due to the fall of cattle prices, and I wish something done about it.

Like the Senator from Nebraska [Mr. Hruska], the Senator from Wyoming [Mr. Simpson], the Senator from Iowa [Mr. Hickenlooper], the majority leader, and many other Senators, I have attempted, to the best of my ability, to do the following things:

First, to have our Government sit down with representatives of New Zealand and Australia particularly and negotiate a better understanding and agreement to limit exports of certain types of beef cattle from those countries into this country.

As we know, that negotiation has been successful, and an agreement has been arrived at. Those in the cattle producing business, as well as the processors, are well aware of it.

I was in San Francisco visiting with and discussing the matter with western meatpackers, as well as many western cattle producers. They were appreciative of the importance of the new agreement.

Mr. HRUSKA. Were they happy with it?

Mr. HUMPHREY. They would like to have more. There is no one who would not like to have more. But they recognize that this is a step forward, that a base period agreement is very important, and it is important whether the period starts in 1958, or 1954, or some other year. It is important to decide what will be the base period, and, based on that period, to try to adjust the imports. But the agreement is helpful.

Furthermore, it is not merely imports that have affected the market. I say that as one who has visited his own cattlemen's association. In Minnesota there is as good a cattleman's association as there is in any other State. I have sat down with those people, not once, but half a dozen times. They are reasonable, they are intelligent, and they are not blind to the facts. They know that it is not merely imports that have affected price; they know also that it has been overproduction.

We need time to get production into balance. They also know that if there can be purchases of certain types of beef and that beef is gotten off the market, there will be left on the market better beef at better market prices. They also know that if we can have an agreement that goes ahead of this year, there will be time to balance herds and bring production into better balance.

There were those who forewarned a year, and even 2 years, ago that we had better be careful about the number of cattle in the feeder lots, and the number of cattle that went into the feeder lots; otherwise there would be a break in price. If there are too many hogs, naturally the price of hogs goes down. I think they are about $12.85 or $13 a hundred. The price ought to be better. Beef prices have been going down sharply. Once there is an agreement, there will be an opportunity to adjust the market.

I do not say it is a simple problem, but I am opposed to taking immediate legislative action by amendment to the pending bill, because I believe that the best way to deal with this problem is to have the whole picture laid out, go before the Committee on Agriculture and Forestry, or whatever other committee would go into the question—the Finance Committee would be one, since it relates to matters of trade—and be sure what the true picture is, rather than try to legislate every time we have a problem on imports.

There are other problems in connection with imports. The automobile industry has complained about imports. It could say that there are some 400,000 small, compact automobiles like the Volkswagen, coming into this country each year, and that we should legislate against their imports. Producers of almost any item could make a similar complaint.

That is not the way to promote world trade. So far as world trade is concerned, the farmer has a great interest in it. The American farmer's stake in trade is greater than anybody else's. He really is interested in the motto "buy farm products."

Mr. President, one should not cut off his nose to spite his face, even if it looks like a steer.

Mr. HRUSKA. Mr. President, it is true that one of the factors in the market is high domestic cattle population. It runs in the neighborhood of 107 million head. But what we in the midwestern part of the United States cannot comprehend is that for more than a year after the market started to skid and grew progressively worse, there was a denial by the Secretary of Agriculture that imports had any appreciable impact on the cattle market. He attributed the collapse of the market to the large cattle population in the States. I submit, in all sincerity, that if 107 million head of cattle are too many, and there are allowed into this country imports of beef equivalent to 3½ to 4 million head—which means that reserve herd would be about 8 or 10 million head abroad—such imports would make the problem worse.

At last the administration has made a proposal after the problem has been bedeviling us for months. We are told we are going to have an investigation. A committee is to inquire into the problem, and we are going to buy more hamburger. That will not touch the problem.

Perhaps we will get somewhere at last but I submit that relief or even recognition of the problem has been a long time coming. There are several bills that can be debated carefully, and on which action can be taken. I hope action can be taken. We have heard proposals before to have matters referred to committees for study and consideration of the problem. It sounds well; and I am not in favor of any precipitate action. But there comes a time when bankruptcies and failures in the Middle West reach the point where, if we have much more delay, there will not be any producers to worry about, because they will all be out of business.

The realities are that the civil rights debate will start next week, or whenever the debate on this wheat-cotton bill is over. The civil rights debate could run for weeks or months. If we wait until June or July to get a farm bill out of committee, and if there are political conventions to attend, and if Congress then adjourns, these conditions in the meantime will continue to prevail—conditions which are increasingly depressing the agricultural economy. In large measure, they are conditions which have brought about the sorry state of the livestock market in the past 15 months, and they are now being solidified into an agreement concerning the agricultural economy.

As to the happiness of the group in California, I was in the Golden State in the past week.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. HUMPHREY. The Senator did very well. He received a good press.

Mr. HRUSKA. So did the Senator from Minnesota. His exceeded mine, for which I was happy. But I can testify that the California cattlemen are not very happy.

The National Livestock Feeders, the American National Cattlemen's Organization, the Milk Producers Association, and the American Farm Bureau Federation, and the National Farm Organization of the western part of Nebraska, and 60 leading cattle producers who are holding a meeting in the Nebraska University Center for Continuing Education from which I have received a resolution this morning, have all disapproved of these agreements. They will not do the job. We must set a workable and acceptable level of imports if we expect to make any headway.

Mr. President, I ask unanimous consent that the documents to which I have referred may be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Is there objection to the request by the Senator from Nebraska? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. SIMPSON. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I yield.

Mr. SIMPSON. I should like to point out the fact that—although I do not believe it has been overlooked, it has not been stressed today—the agreement has already been entered into. There will be agreements with Mexico and Ireland, too, the two chief importing countries——

Mr. HRUSKA. The one on Ireland was announced 2 days ago.

Mr. SIMPSON. Yes, but the Mexican one——

Mr. HRUSKA. Is now in process.

Mr. SIMPSON. Is now in process, and these agreements have a built-in market for those exports in America.

Mr. HRUSKA. The Senator is correct.

Mr. SIMPSON. Not only that, but in 1963, imports into America were at an alltime high. The quota that was advocated and established in these agreements called for 1962 and 1963 imports. The 1962 imports were 41 percent above those of 1961, and the 1963 imports were some 20 percent above those of 1962, which gives a bad balance on behalf of the American producer.

I am surprised at the statement made by the Senator from Minnesota with respect to any understanding of the problem by the Secretary of Agriculture. I should like to point out that as late as January of this year, the Secretary of Agriculture, when approached concerning the problem, said:

> I would say there is no reason to believe that beef imports, according to the most careful calculation, will adversely affect beef prices to any significant degree.

In the face of this, a delegation from the American Livestock Cattlemen's Convention in Memphis went to the State Department and the Agriculture Department which was told by the American cattlemen—as was so ably pointed out by the distinguished Senator from Nebraska that they did not want any such proposal as this, or any understanding or agreement similar to it.

I also invite the attention of the Senator from Nebraska to the fact that all of the associations and local associations joined the American Cattlemen's Association in their refusal to see this type of thing fastened upon American cattlemen and beef producers.

There seems to be no awareness on the part of any of the departments and agencies of the Government with respect to the situation confronting us. Even the

Secretary of Commerce, Luther Hodges, as late as January of this year, when asked about the beef import problem, said:

> I do not think it has gotten out of hand.

It has gotten out of hand, to the point where it is killing off the beef industry in the West, and meat producers are beginning to feel a similar pinch.

I believe it might be reasonable to explore the question further. The Senator from Minnesota, as I understand, has joined the majority leader in an amendment similar to one introduced by the Senator from Nebraska. It seems to me that with all the great array of talent on both sides of the aisle, we can get some legislation that will bring relief to the beef industry in the West, and to the cattle feeders of the Middle West.

In this agreement, there is also a provision that no legislation will be passed that will in any way affect this agreement. I do not agree that the Agriculture Department and the State Department can arrogate to themselves bypassing the Senate or the House of Representatives, even though it may be permissible to do so. If that is the type of thing that can undo it, then let us undo it.

Mr. HICKENLOOPER. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I yield.

Mr. HICKENLOOPER. I should like to make some observations on a few points that are quite interesting in connection with this debate. I am sorry that the Senator from Minnesota has left the Chamber, but it is not necessary for him to return. I wish to comment on——

Mr. SPARKMAN. The Senator from Minnesota has left the Chamber to take a telephone call. He will be back.

Mr. HICKENLOOPER. I thank the Senator; but I do not wish to get into too much argument on this question.

It is interesting to observe that the Senator from Minnesota states that we must not act on the amendment in this bill, but must handle it another way. Yet, at the same time, he has joined in supporting the bill; and the majority leader——

Mr. HRUSKA. Has a bill of his own.

Mr. HICKENLOOPER. The majority leader has a bill of his own. I believe that we must approach this——

Mr. HRUSKA. It was introduced after the agreements with Australia and New Zealand were announced and was obviously in reaction to the agreements.

Mr. HICKENLOOPER. The majority leader joined in supporting that bill. I agree that the problem must be approached legislatively. Why? Because I believe they are doing the wrong thing. Something must be done to stop them. To me, it does not make good sense to say that an 11-percent importation of a lower grade of meat for this country will not have a definite and important impact upon the supply and demand of meat in this country, and upon the price. Of course, it does.

It was recognized in the excerpt I read from last year's bulletin by the Secretary. They were complaining, then, that this is exactly what would happen, and the Secretary said, "Oh, there is nothing to it. We do not believe there is anything to it."

But what has happened? A year later, we see the price of beef going down and the price of hogs going down. Unfortunately, Ezra Benson is not around to get the blame for it. I do not know who will be blamed, but everything that happened to agriculture for a long time, regardless, was always the fault of Ezra Benson. At any rate, it has happened, and with hogs, depending upon the location, the quality and things of that kind—from $13 to $14 a hundred with beef in the choice range—I have not seen the list today—I have been trying to find it—but choice beef, on a rough average, is around $19 a hundred; and the farmers of this country who are raising meat are going broke.

There are certainly other factors. I would not pretend to argue that imports are the sole factor. There is another factor that was important which was pointed out 2 years ago, and that is when Secretary Freeman and Director Cochran began to dump corn on the market out of storage bins at less than a dollar a bushel, cheap corn, cheap feed—everyone told them that if they dumped the surplus grain on the market—and they did it, as they practically admitted, in reprisal against those who had not joined in the administration's beef program—that cheap feed would result in increasing the livestock population. That is another effect of the depressed prices from which we are now suffering. It was pointed out at that time by any number of Senators that that would happen.

If 11 percent of imports and meat is a good thing, why not imports of 25 percent and have a better thing? Of course that does not make any sense, either. At the same time, they knew last year that prices were depressed and were going down. It was being pointed out, and it probably had an effect on the situation, although the Secretary denied it. Nevertheless, the State Department and the administration concluded certain agreements. Others are in process, leading down the road of increasing imports to the destruction of the local producers in America.

We may have to do it, but the proposal is now being made that the Government start buying and storing meat. As I said a moment ago, we may have to import meat when the Government starts buying and storing meat. As I said a moment ago, we shall have to import and get surpluses which the Government will have to buy, which does not make sense.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. SIMPSON. Does the Senator understand that the 1962 Tariff Act has given the Government the prerogative of substituting an industry for one that may go to the wall, if the beef industry goes broke?

Mr. HICKENLOOPER. I have not found that provision.

Mr. SIMPSON. Is that a directive?

Mr. HICKENLOOPER. I have not found that provision.

Mr. SIMPSON. I understand there is a directive to the Agricultural Department, and I propose to find out about it.

It would be interesting, but I would not be surprised. The clincher to the whole argument on the amendment is that not only do the Senator from Nebraska and Senators who have joined him recognize that this matter should be approached from a legislative standpoint, because the administration will not do anything about it from an administrative standpoint, but that the majority leader himself has recognized that action must be taken from a legislative standpoint because the administration has done nothing to mitigate the circumstances. Therefore, it seems to me that the time has come to adopt the amendment in order to start the project, to prevent further encroachment of unwarranted imports into this country and to cut them down and perhaps to stop some of the rather arrogant operations on the part of our diplomatic manipulators, which affect such a great segment of our economy.

Mr. HRUSKA. I thank the Senator from Iowa for his contribution. I thank him particularly for his awareness of the fact that this is a matter in which time is of the essence. This situation has continued for 15 months. The reserves of the cattlemen are going down constantly. We have waited patiently. I recall a briefing by the Secretary of Agriculture shortly after the first of the year. We were asked to wait patiently, and that is what we have done.

When the agreements were finally consummated and announced, we had to introduce legislation in response to the emphatic and decisive disapproval by organizations that represent this industry and its individual members.

It is a situation which can be treated in no other way except legislatively, as is proposed here.

It is my hope that in the coming week the Senate will deal with the situation and approve the amendment.

Mr. HICKENLOOPER. I wish to add one further point. On Monday of next week a great many people will participate, in southwest Iowa, in a spontaneous uprising, almost, over the cattle and hog situation. The people will gather in Shenandoah, Iowa, from all parts of Missouri, Kansas, Nebraska, and Iowa, and I do not know from where else. It will be a spontaneous gathering of meat producers in a beef-producing area.

Those people are desperate. I am told that thousands of people will come from many miles around to protest and to point out that they believe that the only way the problem can be handled is through legislation, because the administration has refused to handle it administratively, except adversely.

Mr. SIMPSON. Mr. President, will the Senator yield for one more observation?

Mr. HRUSKA. I yield.

Mr. SIMPSON. This situation not only affects the beef, mutton, wool, and textile industry, but it is also beginning to affect other industries in America. I invite the attention of the Senator from Nebraska and other Senators to the fact that a recent announcement states that six prominent businessmen and two representatives of the U.S. Department of Commerce will arrive in Australia on March 7 as a part of a U.S. trade mission. It is the U.S. machinery and equipment mission to Australia. If the result of their going there is to give away as much in the form of equipment and machinery as was given away in the form of beef, it will have a very adverse effect on those industries. Does this not give anyone a clue as to the disadvantageous agreement that was arrived at with regard to beef and mutton imports?

Mr. HRUSKA. I should think it would.

Mr. SIMPSON. A resounding cry should issue from this body with respect to this mission, namely, that they shall not give away anything else.

Mr. HRUSKA. Approval of the amendment that I have submitted would be such a resounding cry. I hope it will come about.

Mr. SIMPSON. I wholeheartedly approve of the Senator's amendment, in which I join.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. SMATHERS. Mr. President, I ask unanimous consent that I may be listed as a cosponsor of the amendment (No. 434) of the able Senator from Nebraska.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. I am happy that the Senator from Florida has agreed to become a cosponsor of the amendment, which we hope will be adopted.

Mr. SMATHERS. I hope that proves to be the case.

Mr. EDMONDSON. Mr. President, I make the same request as the Senator from Florida, to be listed as a cosponsor of the amendment.

Mr. HRUSKA. I thank the Senator.

Mr. PEARSON. Mr. President, I ask unanimous consent that my name be added as a cosponsor of amendment No. 425, sponsored by the Senator from South Dakota [Mr. Mundt], and cosponsored by the senior Senator from North Dakota [Mr. Young], to H.R. 6196.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the senior Senator from Wyoming [Mr. McGee] be permitted to become a cosponsor of the amendment which I submitted a little while ago, and that on its next printing, his name be included among those who are cosponsoring it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JORDAN of North Carolina. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 11 O'CLOCK A.M. MONDAY, MARCH 2, 1964

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business tonight, it take a recess until 11 o'clock on Monday morning next.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Walters in the chair). Without objection, is is so ordered.

Mr. ELLENDER. Mr. President, I am truly sorry that I am not in complete accord with the committee of which I am chairman, especially on the title dealing with cotton.

As the distinguished Senator from Mississippi properly pointed out, we held hearings in May of last year, primarily on the cotton program. At that time, I found little support for any of the bills that were before the committee. I never before saw the cotton industry so torn with dissension, with its various segments opposing one another.

This year, when we started hearings again, we were confronted with considerable dissension among those representing the cotton industry.

However, on the last day of the hearings, Mr. Murphy, the Under Secretary of Agriculture, presented a plan which had been prepared only the week before. The committee did not have an opportunity to go fully into the new plan, which is incorporated in the pending bill.

It is true that some of the provisions of the pending bill were included in the so-called Cooley bill; but, in my opinion, most of the principal provisions of the Cooley bill were drastically different from the provisions of the pending bill.

The original Cooley bill provided for an equalization of the sale price of cotton to domestic users and the sale price to foreign users. The Jones amendment—which provided the Secretary of Agriculture with discretion as to the amount of the payments on cotton for domestic use—was stricken out of the pending bill. The testimony adduced at the hearings held in May of last year was to the effect that the textile mills of the United States should pay the same price for cotton for domestic consumption as is paid for cotton sold for foreign use.

The bill before the Senate would carry out the terms of the Jones amendment up to August 1, 1964, but, thereafter the Secretary of Agriculture would be obligated—it would not be permissive—to see to it that every pound of cotton that is sold for domestic consumption shall be sold at a price not more than the price obtained from foreign mills.

That new approach is far different from the way in which cotton programs have been handled in the past. It is true that the domestic mills have competition. But that competition is mostly in the United States, for the reason that 95 percent of the output of our textile mills is sold to the best market in the world—the United States of America.

If the bill as written in respect to cotton is passed, it will mean that from now on, at least until July 31, 1968, the American taxpayer will be called upon to pay the difference between the world price of cotton and the domestic price, including such other price supports as the Secretary of Agriculture provides under the bill.

Up to now the evidence shows that cotton cannot be produced in our country, generally speaking, for less than 30 cents a pound. If cotton should sell at 30 cents a pound, it would mean that American taxpayers would be called upon to pay the difference between 30 and 23.5 cents a pound, which is now the world price. As the world price on cotton is affected by manmade synthetics, and thereby decreases, the taxpayers will be called upon, under the bill, to pay the additional difference between whatever price support the Secretary fixes and the world price.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. EASTLAND. There is a wheat program; and there is a feed grain program. Does the Senator say that the prices in those agricultural industries should be reduced to the world price level?

Mr. ELLENDER. I do not say that. And I do not believe that cotton should be treated differently.

Mr. EASTLAND. That is the point I am making. It is not different. There will be drastic reductions in the cost of producing cotton. But why pick out cotton and say that it cannot be subsidized in the future and leave the other industries alone?

Mr. ELLENDER. I do not say that cotton should not be subsidized in the future. I say that if the bill is passed in the way in which it is written, there will be no way to make the change from the unnecessary subsidies provided by it in the future.

Mr. EASTLAND. I disagree. I believe that production costs can be decreased, and that the subsidy will not have to be continued. But the Senator contends that research would not be able to break through to reduce the cost of production so that 4 years from now cotton would be produced at the world price. Therefore the Government must continue to subsidize it. Therefore, the bill must not pass.

Mr. ELLENDER. That is correct.

Mr. EASTLAND. Then there is a difference between cotton and wheat. The Senator is not advocating that policy in respect to other commodities.

Mr. ELLENDER. I am not advocating it; but the point is that to reduce the price of cotton for domestic consumption to the world price, it is necessary for Congress to provide an equalization payment, whether it be called a subsidy or not, equal to whatever the difference might be between the support price and the world price. If the support price is 30 cents a pound, 29 cents a pound, or 33.5 cents a pound, as the amount is contemplated under the bill for those keeping within their domestic allotments, the difference might be 10 cents a pound, or $50 a bale. That amount will have to be found in some way in order to subsidize the mills of our country.

It is true that this subsidy is not paid directly to the mills, but is paid to someone other than the producer.

Mr. EASTLAND. I remind my friend that if we continue the present program, in 1968 cotton stocks will be 18,250,000 bales. If we adopt the proposed program, according to the Department of Agriculture, cotton stocks will be 6,700,000 bales, which we should have. It is a little less than the normal carryover.

Mr. ELLENDER. Then what? After the stocks are down to 6 million bales and the world price remains at 23 cents, or perhaps 22 cents——

Mr. EASTLAND. Of course, if there is no breakthrough——

Mr. ELLENDER. Yes, if there is no breakthrough.

Mr. EASTLAND. The point is that my friend is drawing a different line for the cotton industry than he is for wheat, feed grains, and other commodities. They are all under Federal subsidies. We are hoping to get cotton on its own feet, where it does not have to rely upon the Federal Government. That is the whole point of the bill.

Mr. ELLENDER. My contention is that it is not going to be done in 4, 5, or even 10 years. I hope I live to be able to tell the Senator "I told you so."

Mr. EASTLAND. I believe the Senator will; but the point is that if we adopt this bill stocks will be reduced, money will be saved, and the cotton industry will be placed on a sound basis.

Mr. ELLENDER. I shall reach that point after a while, and show my good friend from Mississippi how mistaken he is. It is my hope that the Senator will study the tables I am going to put in the RECORD and let the Department of Agriculture look into the figures and make a determination as to whether or not they are correct. The figures show that a program similar to the one that I hope to offer as a substitute for the pending bill, and which I offered in the committee as a substitute, would cost less. It is true that there would be a little more cotton on hand. There is no doubt about that.

Mr. EASTLAND. It would cost less, but the cotton industry would be destroyed.

Mr. ELLENDER. That remains to be seen.

Mr. EASTLAND. It may remain to be seen, but——

Mr. ELLENDER. I heard the same arguments in 1958, when the present law was enacted. Prior to that time the carryover had reached 14½ million bales, as I recall. The cry then was made that, unless the law were changed, the cotton industry would be gone. But it is still here.

As I shall point out later in the debate, perhaps not today, but Monday, it is true that the cotton surplus may increase somewhat, but what I am saying to the Senate today is that if the cotton mills of the United States had competition from abroad on all they produced, I would be in the distinguished Senator's corner. But we could almost give cotton away to domestic mills, and Japan and other countries could beat us on prices. Everybody knows that.

During the debate the distinguished Senator from Mississippi pointed out that the cost of labor in most of the mills abroad was much lower. I believe in Hong Kong it was 21 cents or 11 cents an hour——

Mr. EASTLAND. It was 11 cents an hour.

Mr. ELLENDER. As compared to what in this country?

Mr. EASTLAND. To $1.69.

Mr. ELLENDER. To $1.69 in this country. Everybody knows that is the trouble today.

Mr. EASTLAND. That is not all the trouble.

Mr. ELLENDER. That is one of the troubles—the main trouble.

Mr. EASTLAND. It is one of the troubles.

Mr. ELLENDER. It is the main trouble.

Mr. EASTLAND. No. The cost of cotton is the main trouble with respect to many types of cotton goods. Labor is more important in the case of fine goods.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JORDAN of North Carolina. The Senator has questioned whether cotton can be produced at 30 cents a pound. Like the Senator from Mississippi, I am not a prophet, and I cannot say whether it can or cannot be, but Mr. Robert Coker, counsel for the American Cotton Producers Association in South Carolina, who himself is a breeder of seed of all kinds, including cotton, testified before one of the committees, I believe the Agriculture Appropriations Subcommittee, when we were asking for $10 million to put into effect a great research program. He said he believed that in a few years—not 4 years, but rapidly—they could reduce the cost of producing cotton by 10 cents a pound. It is not a simple problem, but it is simple in many respects. The boll weevil is one of the chief offenders of cotton production, particularly in the South. Worms and other pests are in the West. But with the new insecticides being developed, and with the new seeds which enable farmers to produce many more pounds per acre, that is his estimate. Much progress has been made in that direction.

In addition, the distinguished Senator referred to weedkillers. They have been developed to the point where it is not necessary to chop cotton. The weedkillers kill the weeds. Weeds have been one of the chief offenders in the production of cotton, because a hoe had to be used and weeds had to be chopped out by hand labor. With the invention and perfection of the cottonpicking machine, we know the majority of cotton is picked by machine, and it has greatly reduced the cost of lint cotton.

So there is reason to believe that cotton can be produced profitably to compete on the world market. I believe we can get it off subsidy and still meet the world market price.

Mr. ELLENDER. I was present when the gentleman to whom the Senator from North Carolina refers was testifying. Glowing reports were made to the effect that if we furnished the money, the cost of production of cotton could be reduced. I believe it can be, but not to the point of making cotton production in the United States competitive with cotton abroad.

The cotton textile mills of the United States have a good outlet for their goods. As I pointed out a while ago, 95 percent of the production of the textile mills of the United States is sold on the American market. It is true that there has been more importation of cotton goods into this country. It has increased to a great extent. But the difference between the amount of cotton imported into this country and that exported amounts to about 150,000 bales.

So I go back to the proposition that what we should do is pattern our cotton program as closely as possible to the existing law, the one that was enacted in 1958. If that act had been administered as Congress intended, there is no question that the program would cost less and less as time went on.

When we presented that program to the Congress, we envisioned greater numbers of acres and lower price supports. But before the Kennedy administration came in, Mr. Benson, who was then Secretary of Agriculture, raised the acreage for cotton by almost 2 million acres. Since the late President Kennedy had more or less promised not to disturb the price structure of all of our commodities, the high price remained—that is, 33.04 Middling inch, I believe it was.

We had a situation in which we had an additional acreage of almost 2 million acres with a high price, and in my humble judgment, that is what has caused the trouble we are now facing.

Mr. President, to go back to the Cooley bill, as it passed the House, that bill, if enacted, would have been much cheaper in its administration than the pending bill, for the simple reason that it left it to the Secretary of Agriculture to equalize the prices to textile mills in the United States and sales abroad. The evidence shows that with an export subsidy of 8½ cents per pound to foreign users of cotton, the domestic subsidy would have been between 5½ and 6 cents a pound, instead of 8½ cents a pound now paid to the foreign mills—that is, the difference in the price.

Mr. President, upon the insistence of those who represented the textile industry, the bill was presented in almost the identical language that was provided in the original Cooley bill before it was amended by the Jones amendment. That means that after August 1, 1964, cotton will be made available for domestic use at a price not below that which foreign mills pay. So in one swoop, we are going to pay to the textile mills of this country for the 1964 crop, $312 million. The amount of additional cotton that will be consumed, according to the figures submitted by the Department, will be about a million bales. This means that, for the use by domestic mills of a million bales more cotton, the Government is going to make trade incentive payments of $312 million.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. Not at this moment. It is unconscionable for us to pay that price in order to get the use of this additional baleage.

Mr. President, the proposal that I submitted to the committee would assist the textile mills of the country to the extent of 2½ cents a pound, in round figures, or $12.50 per bale. On our sales abroad, the program that I proposed to the committee, and which I hope to submit to the Senate, would reduce the cost on the sale of cotton abroad by $12.50 a bale.

All in all, as I shall indicate to the Senate and by the tables which I expect to place in the RECORD, the program that is contained in the pending bill will be much more costly, no matter how we look at it, than the program that I submitted to the committee and which I hope to offer to the Senate for consideration.

I am happy to yield to the Senator from North Carolina at this point.

Mr. JORDAN of North Carolina. The distinguished Senator from Louisiana, the chairman of the Agriculture and Forestry Committee, and one of the best Senators I know, has done a distinguished job, but he is referring to the subject of cotton mills and what they will get. I should like to advise him that the textile mills will not get one nickel of this money.

Mr. ELLENDER. They will get cheaper cotton. They will get it indirectly.

Mr. JORDAN of North Carolina. All that the mills are asking for is that they be allowed to buy cotton at the same price the Japanese pay, or the English, or the Yugoslavs, or the Egyptians, or the Turks pay.

Mr. ELLENDER. The Senator is correct.

Mr. JORDAN of North Carolina. That is all they are asking for.

Mr. ELLENDER. That is correct; but in order to do that, the taxpayers of the country will have to come up with $312 million in 1964, and as much each year thereafter—perhaps even more—as I shall point out after a while, if the Senator will stay a little longer.

Mr. JORDAN of North Carolina. I shall stay with the Senator all the way.

Mr. ELLENDER. There are no other Senators in the Chamber at present. I wanted to open up the subject at this time, because I expect to go into the matter a little more deeply when I present my amendment, and I hope that will be on Monday or possibly on Tuesday.

Mr. JORDAN of North Carolina. If the Senator from Louisiana does not stay until it is dark, I shall stay with him tonight.

Mr. ELLENDER. I shall not speak very long. I merely wish to state to the Senate that we are getting away from our present program in changing the methods of protecting the cotton farmer.

There is another change in the bill which is different from the present law. I am not criticizing that phase of the bill. A choice had to be made as to whether there would be acres set aside on which farmers would be paid not to plant—a revival of the old soil bank plan or some other plan.

Soon after the committee met this year, the Department of Agriculture went on record as saying that diversion acres were out of the question and that there would be no program whereby they would offer to the cotton growers a certain amount of money per year per acre not to plant cotton. But, instead of that, the second change that was made in the bill is what is referred to as the domestic allotment choice. What that means is this: That on all allotted acres, the farmer, or corporation, or partnership which has allotted acres will be able to reduce plantings by about a third, and in return for that reduction the Secretary of Agriculture is authorized to raise the price of the cotton produced on the reduced acreage by as much as 4½ cents a pound.

It is my understanding that the price for domestic allotment acres would be around 3½ cents more than the 30 cents fixed for all cotton growers.

Under the domestic allotment choice feature of the program, any farm with an acreage allotment of 15 acres or less would be considered as keeping within his domestic allotment and entitled to the extra support, so long as he kept within his acreage allotment. In other words, he is given a minimum domestic allotment equal to his acreage allotment. He would not have to reduce. Other farmers would have to reduce about one-third below their farm acreage allotments to qualify for the extra support.

On that acreage, as I pointed out this afternoon, the amount of cotton that would be produced would be in excess of 5½ million bales of cotton for this year. On that cotton the differential between the support price—including the additional support—and the world price would be 10 cents a pound. That means that the Treasury would be called upon to pay $50 a bale, to lower the price of the cotton, for the domestic mills, to the world price. That is what it means in simple language.

I agree with my friend that the $50 a bale is not paid directly to the textile mill. What happens is that the price support is paid to the cotton grower, payment is made to someone other than the producer of the difference between the basic support price and the world price, and the cotton is then sold to the domestic mills at the world price, which would be 23½ cents a pound.

In 1964, the amount of cotton that would be grown under the domestic allotment program would be about 5.85 million bales; in 1965, it would increase to 6.72 million bales. In 1966, it would increase to 6.79 million bales. In 1967, it would be 6.86 million bales.

That means that on more than half of all the cotton that would be purchased by the domestic mills, someone—namely, the taxpayer—would have to pay the difference between the world price and 33⅓ cents, or whatever price the Secretary of Agriculture might fix.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. The extra price could be 15 percent of the going support price, and the going support price under the present act is 30 cents for 1964. Next year, if the Secretary of Agriculture deems it necessary, he can make the price 31 cents; if he wishes to do so, he can make it 29 cents. The point I want to make and emphasize is that irrespective of how high the support price goes or how low the world price goes, the taxpayers will have to pay the difference between whatever the world price is and whatever the support price is. That may go up, not to 10 cents a pound, but to 12 cents a pound. There is no limitation in the bill. The Secretary of Agriculture is required to make provision, not necessarily to pay directly to the mills, as my good friend says, but to pay someone such amount as is necessary to make cotton available to the domestic mills at world prices, irrespective of what the cost is for the production of the cotton, or what the world price is.

That is what I am so vehemently opposed to. It is wrong to do anything like that, for the simple reason that competition among the domestic mills will remain the same whether cotton sells at 10 cents a pound, 40 cents a pound, or 25 cents a pound. That is where the competition is. The competition that we hear about is the competition that exists among the mills that do business in the United States. Every one of them produces for the American market. Some of them have closed, it is true, because they could not compete with those that could produce at a cheaper price. I repeat that the competition that we hear about, to which my good friend from Mississippi referred, is not the production from abroad so much as it is the production of the domestic mills. The bill, as my good friend from Mississippi has stated, seeks to reduce our surplus. He says that is what it would do.

There is a provision in the bill which would give the Secretary of Agriculture the right, during 1964, to increase by 10 percent if he sees fit, the allotted acres to any farmer.

In order to be able to do so, he must first make certain that the carryover of cotton—that is, what we have on hand—will be reduced by at least a million bales. He can easily take care of that, because every year we could sell or give away, through Public Law 480, a million bales. Therefore he would be safe in assuming that every year he can take out of the Commodity Credit Corporation stocks the million bales that we sell for soft currencies. We give away a good deal of it. We gave some to Korea, we gave some to Taiwan, and we gave some to many other countries. It is my belief that the Secretary of Agriculture would at least be able to say to himself, "I am safe in assuming that under Public Law 480 we shall sell a million bales." He would be able to say to himself, "I can see to it that more production is permitted."

As I pointed out during the colloquy with the distinguished Senator from

Mississippi, every bale of cotton that we produce over and above that would come into competition with cotton which we have on hand in CCC stocks. There is no question about that. It is presumed in 1964 that about 200,000 acres might be available for planting. Why it should be 200,000 acres, I do not know.

On large cotton farms, where from 2 to 3 bales an acre are produced, it can readily be seen that on 200,000 acres of land as many as 400,000 or 500,000 more bales of cotton can be produced this year to be sold in competition with the cotton now in surplus.

Furthermore, for 1965, 1966, and 1967, the Secretary of Agriculture is not limited to the 10 percent over and above the allotted acres, but he can use his own judgment. He can make it 5 percent, 10 percent, 30 percent, or 50 percent if he wants to, so long as he assures himself that the surplus will be reduced by 1 million bales.

In my humble judgment, this surplus will come into competition with the cotton now on hand. When I debated this question with the Senator from Mississippi, he said that most of the cotton on hand was of a quality not grown on the big farms. It was all short staple cotton, but, a report from the Department of Agriculture, dated November 22, 1963, shows that of the 319,720 bales of 1-inch cotton, about 80 percent was Strict Low Middling or better. In the case of $1\frac{1}{32}$-inch cotton about 83 percent was Strict Low Middling or better. Of the $1\frac{1}{16}$-inch cotton about 94 percent was Strict Low Middling or better. In the case of $1\frac{3}{32}$-inch cotton about 95 percent was Strict Low Middling or better and in the case of $1\frac{1}{8}$-inch about 99 percent was Strict Low Middling or better.

So the point made by the Senator from Mississippi, that the extra planting would not come in conflict with the cotton on hand, is disproved by the facts as shown in the table. I ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Grade and staple distribution of 1962 and earlier upland cotton in CCC stocks as of Aug. 1, 1963

Grade	$\frac{13}{16}$ inch and shorter (bales)	$\frac{7}{8}$ inch (bales)	$\frac{29}{32}$ inch (bales)	$\frac{15}{16}$ inch (bales)	$\frac{31}{32}$ inch (bales)	1 inch (bales)	$1\frac{1}{32}$ inches (bales)	$1\frac{1}{16}$ inches (bales)	$1\frac{3}{32}$ inches (bales)	$1\frac{1}{8}$ inches (bales)	$1\frac{5}{32}$ inches (bales)	$1\frac{3}{16}$ inches (bales)	$1\frac{7}{32}$ inches (bales)	$1\frac{1}{4}$ inches and longer (bales)	All staples	
															Bales	Percent
White:																
Good Middling	1	5	28	181	287	438	1,996	4,148	3,269	1,026	102	16	4	1	11,502	0.1
Strict Middling	14	308	3,462	35,216	63,640	46,556	154,334	568,364	112,106	11,065	1,206	140	49	53	996,513	12.4
Middling plus		4	64	389	686	1,243	22,506	88,451	25,024	1,603	132	23	1	1	140,127	1.7
Middling	79	1,124	13,807	77,781	106,758	111,864	544,870	1,662,818	241,288	22,972	5,295	472	92	118	2,789,338	35.0
Strict Low Middling plus		36	1,066	4,655	3,163	4,650	22,232	30,370	5,688	1,825	523	76	9	15	74,308	.9
Strict Low Middling	59	2,752	77,754	321,048	91,496	73,028	283,747	406,295	57,846	11,679	3,108	498	226	475	1,330,011	16.7
Low Middling plus	4	264	7,858	28,780	7,363	6,334	26,712	35,562	4,665	581	110	38	23	65	118,359	1.5
Low Middling	12	792	27,521	92,827	26,035	45,174	130,887	114,845	12,017	1,220	231	123	56	124	451,864	5.6
Strict Good Ordinary plus		18	590	2,000	904	1,715	5,432	4,072	551	42				1	15,325	.2
Strict Good Ordinary		86	2,040	8,007	6,771	22,476	32,061	19,141	1,751	237	17	16	3	13	92,619	1.2
Good Ordinary plus		1	35	83	65	277	447	225	12	4	1				1,150	(1)
Good Ordinary	1	27	292	1,729	2,807	5,965	5,924	2,603	200	36	4	5	6		19,599	.2
Total	170	5,417	134,517	572,696	309,975	319,720	1,231,148	2,936,894	464,417	52,290	10,729	1,407	469	866	6,040,715	75.5

[1] Less than 0.05 percent.

NOTE.—Grade index, 95.9; average staple, 32.6.

U.S. Department of Agriculture, Agricultural Marketing Service, Cotton Division.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JORDAN of North Carolina. I agree with the Senator on one point. There is no question that an enormous amount of cotton has been shipped under the Public Law 480 program. Nevertheless, CCC stocks have increased and are continuing to increase. Under the bill, I do not think they would.

Mr. ELLENDER. They have not increased as much as the Senator said they did. In 1957, the carryover was 11,257,000 bales. In 1958, the carryover was 8,702,000 bales. In 1959, it was 8,843,000 bales. In 1960, it was 7,522,000 bales. It is true that the carryover has increased from 1961. In fact, in 1961, it was lowered to 7,180,000 bales. In 1962 it increased to 7,789,000 bales. As of August 1, 1963, the carryover was 11,091,000 bales. There is no doubt about that.

Mr. JORDAN of North Carolina. On August 1, 1964, when the Commodity Credit Corporation possesses what the law will permit it to acquire this year, it will have nearly 13 million bales. So the amount on hand is rising rapidly.

Mr. ELLENDER. That is true. But let me give the Senator one of the main reasons for that. The main reason was the enormous production by cotton-growers during last year, which will be carried over on August 1, 1964.

The estimates made by the Department were much lower than the amount of cotton actually produced. The Department missed its guess by about 1.6 million bales of cotton. Since all the statistics are based on guesswork, I am wondering what will happen in the next 4 years if cotton continues to be produced at the same rate, or nearly the same rate, as it was during the last year.

Mr. JORDAN of North Carolina. That very fact proves conclusively that cotton can now be raised profitably at less than 30 cents a pound. Last year's crop far exceeded the crop of any prior year, because production conditions were good. The Senator talks about overplanting. Cotton cannot be produced at less than 30 cents a pound. If it cannot be produced at less than 30 cents a pound, and has to be sold for export at 23 or 24 cents a pound, farmers will not plant cotton and lose 4 or 5 cents a pound.

Mr. ELLENDER. I am glad the Senator raised that point. All the export cotton will be sold on the world market. In my judgment, that will tend to bring the price of cotton lower and lower, because, somehow, cotton growers abroad always undersell us. They know what our support price is, and what the subsidy will be. It is the difference between the support price and the world price. Because they can always determine that in advance, they are always able to undersell us.

If we produce cotton to be sold abroad, without any strings attached, it might help to demoralize the world price and cause it to go a little lower. If it does go lower, our subsidies will be increased. That is another reason I was about to advance. I am glad the Senator from North Carolina raised the point at this moment.

Mr. JORDAN of North Carolina. But if they cannot raise cotton for less than 30 cents a pound, they will not plant it if they know they will have to sell it for 24½ or 23½ cents a pound.

Mr. ELLENDER. Then why include that provision in the bill? Would the Senator from North Carolina be willing to vote to strike it out of the bill?

Mr. JORDAN of North Carolina. I see no reason why it should not be included in the bill.

Mr. ELLENDER. I tried to have it stricken from the bill; but in making that attempt, some of those who are in support of the bill became dissatisfied.

The bill was presented to the committee and is being presented to the Senate even though many segments of the cotton industry want this, that, or the other provision changed and are against the bill. In my opinion, it is unconscionable—in view of the large amount of surplus cotton which we have on hand today—for Congress to permit increased acreage in this country to be planted to cotton, for, as I have pointed out, the cotton which would be produced on those additional acres no doubt would be sold in competition with the surplus cotton we now have on our hands.

One of the amendments which I shall ask the Senate to vote for, if my substitute is not adopted, will call for striking from the bill the provision which would permit the planting of cotton on acres over and above the allotted acres, because, as I have said, if that were done, it would tend to lower to some extent the world price of cotton; and as the world price declined, the subsidy would be increased. So there would be no way to tell what the program would cost if that provision were to remain in the bill.

It may be that I am a little too fearful about all that; but, for the life of me, I cannot understand why it is even suggested that Congress allow cotton to be planted on acreage in addition to the allotted acres, if the purpose is to get rid of the surpluses. Let us get rid of the surpluses. That is what the proponents of the bill say they want done; but it will not be possible to get rid of the surpluses if Congress permits cotton to be planted on more than the allotted acres.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Louisiana yield further to me?

Mr. ELLENDER. I yield.

Mr. JORDAN of North Carolina. I realize that the Senator from Louisiana understands a great deal about this situation; but many other persons do not. I point out that we are talking about imports which amount to only approximately 5 percent of the amount of cotton produced in the United States. Although that may not sound like a great deal, I point out that whereas in 1955, 363,487,000 square yards of cotton were imported, in 1963—and this figure is an astounding one—1,156 million square yards of cotton cloth were imported. In excess of 1 billion square yards of cotton cloth would be sufficient to wrap up every woman in the United States, with about 5 square yards for each one, let alone enough to make a dress.

So it is obvious that when 1,156 million square yards of cotton cloth, produced abroad at a cost lower than the cost of production to the U.S. producers, are imported, U.S. producers have no chance to compete.

Furthermore, more than 700 U.S. cotton mills have already been put out of business—in the most prosperous period our country has ever known; and other U.S. cotton mills are going out of business from time to time.

In addition, although in the year before last, 142,000 pounds of cotton yarn—a very small amount, and any good sized mill could manufacture that much in less than 1 month—were imported, last year 22,887,000 pounds of yarn were imported—enough to make a very great quantity of cloth.

So foreign competition is what is really killing the U.S. cotton industry. Unless the U.S. mills can obtain the cotton they use at the same price as the price the foreign mills pay, the U.S. mills will not have a ghost of a chance to compete with foreign mills.

Mr. ELLENDER. In the past we have taken care of that situation by means of tariffs and quotas.

Mr. JORDAN of North Carolina. But they are to be reduced.

Mr. ELLENDER. However, Congress could take action as to them; and increased tariffs would produce more revenue for the Government. If the foreign mills decided to sell their goods in competition with the goods produced by our mills, our Government could collect a tariff on the imports.

But the effect of the bill would be to refuse to let the American taxpayers benefit from that situation. Instead of planning to collect from those who do the importing, the bill would take care of the textile mills in the United States by calling on the U.S. taxpayers to pay the difference between the world price and whatever support price the Secretary of Agriculture fixed under this bill. That is the difference.

Many other U.S. industries are in approximately the same "fix" that the U.S. textile industry is in—and all because of imports.

Consider the situation of the U.S. steel mills. Of course there is a distinction between the steel mills' problem and the cotton mills' problem; I grant that. However, the operators of the U.S. steel mills would also have a right to ask Congress to provide for them a differential similar to the one the textile mills are now requesting, which would be provided if the bill were enacted.

Similar demand could be made by the butter producers, who are in competition with producers of oleomargarine. In that event, buttter producers would have a right to say to Congress, "It costs much more to produce butter than to produce oleomargarine; therefore, we should be paid the difference."

That demand could be extended indefinitely.

However, in my judgment we have been getting along very well under the support-price program and by having the textile mills pay at least the loan value of the cotton. I should like to have that arrangement continue.

If the proposal I shall make to the Senate is adopted, it will mean that our textile mills will get cotton for 2½ cents a pound less than they got it for last year, and the subsidy which will be paid to the foreign mills will be reduced by 2½ cents a pound. So the measure I am proposing would save the U.S. taxpayers money, in my judgment. In a few minutes I plan to submit, for the RECORD, tables for the years 1964, 1965, 1966, and 1967, to show what would be the costs under a proposal similar to the one which I hope to present to the Senate; what the current law would cost; and what the pending bill would cost. All those figures will be placed in the RECORD; and I hope Senators will examine them carefully over the weekend. All of them were provided by the Department of Agriculture. The cases which I shall submit are based on the same guesswork which was utilized by the Department in connection with the pending bill.

Mr. JORDAN of North Carolina. Mr. President, at this point will the Senator from Louisiana yield again to me?

Mr. ELLENDER. I yield.

Mr. JORDAN of North Carolina. I wish to comment on a statement the Senator from Louisiana has made repeatedly—namely, that the U.S. taxpayers will have to pay the cost of this program. I am sure he believes that to be true. However, I point out that the money which will be saved by selling the cotton to the U.S. textile mills at the same price as the price at which cotton is sold to the Japanese mills would be passed on to the U.S. consumers. Competition would require that that be done.

Mr. ELLENDER. But that has been done in the past. American consumers have paid the higher cost of production in U.S. mills.

Mr. JORDAN of North Carolina. No, Mr. President. I will tell the Senate what has been happening. We have been putting the cotton mills out of business. Rayon is taking over rapidly. If we keep up that trend for about 4 more years, we shall not need a cotton program, because rayon and other synthetics will have taken over the market. The Senator knows how production of rayon in relation to cotton has increased to the equivalent of about 5 million bales of rayon last year. That is a great deal of rayon.

Mr. ELLENDER. Mr. President, I expect to have printed in the RECORD and to discuss a few tables which indicate that even with all the cheap cotton that was sold abroad, the decrease in the use of cotton abroad has been about what it has been in this country—perhaps a little more—and there has been an increase in the use of manmade fabrics.

Mr. JORDAN of North Carolina. That is very easy to explain, too.

Mr. ELLENDER. I do not know how the Senator can explain it, but the point is that the decrease is worldwide. It is not only in the United States. It has occurred all over the world. The use of cotton has been declining in favor of manmade synthetics. In my judgment, that trend will continue.

Mr. JORDAN of North Carolina. The reason that rayon consumption has risen in foreign countries is that it can be manufactured in those countries. They have wood. Every country in the world about which I know, except the desert countries, has an available supply of wood. Those countries can manufacture synthetic fibers very cheaply. They do not have to use their gold, silver, or other medium of exchange to pay American dollars in order to get American cotton. Those countries will manufacture synthetics and will continue to do so. There is no question about it.

Mr. ELLENDER. The record shows that the amount of cotton we sell abroad is a pittance compared to what is used. If England, Japan, or any other country wants cotton, they do not have to come to the United States for it. They buy it wherever they can. They do not have to use dollars to buy it.

Mr. JORDAN of North Carolina. They have to use some kind of foreign exchange.

Mr. ELLENDER. I understand that, but the argument has been made that the reason why they have not used as much cotton as they might use is that they do not have the dollars with which to buy it. But that is not correct. Most of the cotton used in those countries is purchased in markets other than the United States.

As I shall point out, the amount of cotton that is exported has been going down. Under the programs we are now considering it is estimated that in 1964, 1965, 1966, and 1967 the amount of export cotton will be around 5 million bales. I am surprised that the Department did not take into consideration the additional amount of cotton that will be sold and the export production that will be permitted under the bill. The amount would be 5 million bales. I presume that that would include not only the extra cotton that would be produced but also the Public Law 480 cotton. There is no question about that.

Mr. President, as I stated a moment ago, this afternoon the distinguished Senator from Mississippi [Mr. EASTLAND] and my good friend the Senator from North Carolina [Mr. JORDAN] discussed the use of cotton in the United States. In the United States, in 1952, about 69.9 percent of the total fibers used was cotton. Today the percentage of cotton used is only 60.2 percent. The percentage has been reduced by 9 percentage points.

In the case of manmade materials, the percentage of synthetics used was 22.9 percent in 1952. Today it is 33.6 percent.

Let us see how those percentages compare with the corresponding percentages in countries abroad. For example, take Belgium. In 1952 the 69.2 percent of the fibers used was cotton. Now it is 47.5 percent.

In the case of manmade materials, Belgium, in 1952, used 8 percent of such materials to manufacture textiles. In 1962, the latest year for which I could obtain figures, the percentage was 26.1 percent.

France, in 1952, used 60.3 percent cotton. Today the percentage is 48.3 percent.

In the case of manmade materials, France used 16.2 percent in 1952; now France uses 29 percent.

Consider the case of Germany. In 1952 Germany used 52.8 percent cotton as against 47.3 percent today.

In synthetics Germany used 33.6 percent in 1952 and is now using 42 percent.

Consider the case of Italy. In 1952, in Italy 62 percent of all fibers used was cotton as against 46 percent in 1962.

In the case of manmade materials, Italy, in 1952 used 19.1 percent, as against 35.6 percent today.

Consider the case of the United Kingdom. In 1952, the United Kingdom cotton amounted to 52.3 percent of all fibers used as against 30 percent at the present time.

In 1952, 18.7 percent of the fibers were synthetics, and today this is now 41.6 percent.

So the change from cotton to synthetics is not peculiar to the United States. It has been going on all over the world. If a close examination were made of the entire problem, it would be seen that in the United States the difference between the use of cotton and manmade synthetics was a little less overall.

I ask unanimous consent to have printed at this point in the RECORD the table to which I have referred.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Mill consumption of cotton, wool, and manmade fibers, total and percent of total by fiber, 1952–62

Calendar year	Million pounds				Percent			
	Cotton	Wool	Man made	Total	Cotton	Wool	Man made	Total
Belgium:								
1952	173.5	57.1	20.3	250.9	69.2	22.8	8.0	100
1953	190.3	69.9	30.9	291.1	65.4	24.0	10.6	100
1954	210.8	63.3	41.2	315.3	56.9	20.0	13.1	100
1955	196.4	64.8	41.0	302.2	65.1	21.4	13.5	100
1956	202.2	78.0	45.2	325.4	62.1	24.0	13.9	100
1957	210.8	79.8	57.3	347.9	60.6	22.9	16.5	100
1958	164.5	70.3	38.1	272.9	60.2	25.8	14.0	100
1959	190.7	78.0	52.7	321.4	59.3	24.4	16.3	100
1960	202.8	86.6	65.5	354.9	57.2	24.4	18.4	100
1961	201.1	88.2	81.8	371.1	54.2	23.8	22.0	100
1962 [1]	183.9	102.1	101.2	387.2	47.5	26.4	26.1	100
France:								
1952	548.3	213.8	147.5	909.6	60.3	23.5	16.2	100
1953	582.2	250.2	189.2	1,021.6	57.0	24.5	18.5	100
1954	649.0	256.4	193.1	1,098.5	59.1	23.3	17.6	100
1955	570.3	245.6	209.7	1,025.6	55.6	24.0	20.4	100
1956	602.3	276.2	228.6	1,107.1	54.4	24.9	20.7	100
1957	667.3	310.4	270.7	1,248.4	53.4	24.9	21.7	100
1958	630.5	266.1	267.0	1,163.6	54.2	22.9	22.9	100
1959	589.3	266.8	258.4	1,114.5	52.9	23.9	23.2	100
1960	663.4	279.8	331.6	1,274.8	52.0	22.0	26.0	100
1961	661.8	301.1	336.6	1,299.5	50.9	23.2	25.9	100
1962 [1]	618.8	290.8	371.5	1,281.1	48.3	22.7	29.0	100
Germany (Federal Republic):								
1952	468.5	131.6	304.0	904.1	51.8	14.6	33.6	100
1953	548.7	153.7	349.9	1,052.3	52.2	14.6	33.2	100
1954	596.1	151.7	383.4	1,131.2	52.7	13.4	33.9	100
1955	599.9	180.1	417.3	1,197.3	50.1	15.0	34.9	100
1956	649.0	191.4	412.9	1,253.3	51.8	15.3	32.9	100
1957	696.9	192.2	425.5	1,314.6	53.0	14.6	32.4	100
1958	665.3	144.8	389.3	1,199.4	55.5	12.1	32.4	100
1959	669.8	153.7	454.4	1,277.9	52.4	12.0	35.6	100
1960	713.6	155.0	506.8	1,375.4	51.9	11.3	36.8	100
1961	689.6	149.9	528.2	1,367.7	50.4	11.0	38.6	100
1962 [1]	656.5	147.9	584.0	1,388.4	47.3	10.7	42.0	100
Italy:								
1952	409.6	125.0	126.3	660.9	62.0	18.9	19.1	100
1953	410.5	131.6	145.5	687.6	59.7	19.1	21.2	100
1954	414.9	118.6	192.5	726.0	57.2	16.3	26.5	100
1955	361.3	113.3	161.2	635.8	56.8	17.8	25.4	100
1956	386.2	126.8	212.7	725.7	53.2	17.5	29.3	100
1957	430.8	160.9	238.5	830.2	51.9	19.4	28.7	100
1958	405.9	156.1	244.5	806.5	50.3	19.4	30.3	100
1959	443.6	178.6	268.5	890.7	49.8	20.0	30.2	100
1960	500.4	214.5	290.1	1,005.0	49.8	21.3	28.9	100
1961	496.0	186.9	314.8	997.7	49.8	18.7	31.5	100
1962 [1]	511.9	205.0	396.2	1,113.1	46.0	18.4	35.6	100
United Kingdom:								
1952	694.4	385.8	246.9	1,327.1	52.3	29.0	18.7	100
1953	814.6	496.0	377.0	1,687.6	48.3	29.4	22.3	100
1954	883.4	471.6	401.2	1,756.2	50.3	26.8	22.9	100
1955	774.3	486.3	394.6	1,655.2	46.8	29.4	23.8	100
1956	733.2	492.1	423.3	1,648.6	44.5	29.8	25.7	100
1957	759.9	500.2	449.7	1,709.8	44.4	29.2	26.4	100
1958	631.8	460.1	372.6	1,464.5	43.1	31.4	25.5	100
1959	639.1	535.3	439.6	1,614.0	39.6	33.2	27.2	100
1960	613.8	506.2	526.9	1,646.9	37.3	30.7	32.0	100
1961	551.2	471.8	604.1	1,627.1	33.9	29.0	37.1	100
1962 [1]	492.5	448.0	670.6	1,611.1	30.6	27.8	41.6	100

[1] Estimated.

Source: Data from International Cotton Advisory Committee.

United States: Mill consumption of cotton, wool, and manmade fibers, total and percent of total by fiber, 1952–62

Year	Million pounds				Percent			
	Cotton	Wool	Man made	Total	Cotton	Wool	Man made	Total
1952	4,470.9	464.4	1,463.7	6,399.0	69.9	7.2	22.9	100
1953	4,456.1	494.0	1,501.9	6,452.0	69.1	7.6	23.3	100
1954	4,127.3	384.1	1,483.3	5,994.7	68.8	6.4	24.8	100
1955	4,382.4	413.8	1,851.4	6,647.6	65.9	6.3	27.8	100
1956	4,362.6	440.8	1,685.0	6,488.4	67.2	6.8	26.0	100
1957	4,060.4	368.8	1,744.6	6,173.8	65.8	6.0	28.2	100
1958	3,866.9	331.1	1,702.4	5,900.4	65.6	5.6	28.8	100
1959	4,334.5	435.3	1,993.6	6,763.7	64.1	6.4	29.5	100
1960	4,190.9	411.9	1,817.1	6,419.0	65.3	6.4	28.3	100
1961	4,081.5	412.1	1,988.4	6,482.0	62.9	6.4	30.7	100
1962	4,189.9	429.1	2,339.2	6,958.2	60.2	6.2	33.6	100

Source: U.S. Department of Agriculture.

Mr. ELLENDER. Mr. President, I should like to take only a few more minutes in order to point up the differences in the cost of the proposed program in comparison with the program that I expect to offer and the current program. The current program envisions a support price, in round figures, of 32.5 cents. The program I shall offer as a substitute would reduce cotton to 30 cents a pound. As I pointed out this afternoon in a colloquy with the Senator from Mississippi [Mr. EASTLAND], under the Senate amendment that program would cost $753 million in the following way: trade incentive payment—that is, to the textile mills to enable the textile mills to obtain cotton at world prices—

$312 million. The export subsidy is $162 million. Public Law 480, $117 million. Producer payment, $102 million. That is the differential between the fixed 30 cent and 15 percent additional. Carrying charge, $60 million. The total is $753 million.

How do they reduce that figure? By taking cotton that is in CCC stocks and pay in kind to the handlers of cotton, $305 million. Taken from $753 million, that leaves a net cost, according to this table, of $448 million.

Then, in order to reach the lower figure of $448 million, there is a paper transfer made from Commodity Credit Corporation stocks. Instead of indicating 3 million bales outside of CCC stocks, they have added 500,000 bales to private stocks.

If we put the figure as it should be, at 3 million bales, which is the current amount that is handled by traders, the cost would be increased by $58 million, for a total, under the new program, of $506 million.

This is the program that I shall propose: The export subsidy remains the same, $162 million. It is the same as in the bill now pending. The figure for Public Law 480 remains the same, $117 million. The carrying charge would be $93 million. The total would be $372 million.

It is a strange thing, in my judgment, that in giving out these figures the Department of Agriculture puts no value on cotton taken in under the program that I shall propose. The Department states that 450,000 bales of cotton will be purchased. That cotton certainly has value. Yet they do not give it value. But in the table I have prepared, since the cotton is of value, since we have it there, I assign a value of $115 a bale. That is the world price.

So if we take that into consideration, the cost of the program that I shall propose to the Senate will be $399 million, in contrast to $506 million for the program submitted.

Of course, under the current program of 32.47 cents, using the same figures, the same estimates for all programs, that program would cost $486 million, in contrast to the present program of $506 million.

I ask unanimous consent that this table be placed in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

Upland cotton: Comparison of estimated expenditures under current legislation, H.R. 6196, and current program with cotton at 30 cents, basis Middling inch

1964 CROP

Major items	Current law		Senate amendment
	30 cents	32.47 cents	
	Million dollars	*Million dollars*	
Trade incentive payment			312
Export subsidy	162	[1] 225	162
Cotton products payment	13	18	
Public Law 480	117	117	117
Producer payments			102
Carrying charges	93	94	60
Total	385	454	753
Change in stocks	[2] 66	[3] 112	[4] 305
Total	451	566	448
Value of acquired stocks [5]	52	80	
Total	399	486	
Paper transfer, CCC stocks to private stocks [6]			58
Total			506

[1] Export subsidy at 9 cents per pound.
[2] CCC acquired 450,000 bales at $147.50.
[3] CCC acquired 700,000 bales at $160.
[4] CCC disposal of 2,150,000 bales valued at $305,000,000: 1,750,000 at $147.50, $259,00C,000; 400,000 at $115, $46,000,000.
[5] Number of bales CCC acquired valued at world price, $115.
[6] Arbitrary paper transfer of 500,000 bales of CCC stocks to private trade valued at $115 per bale.

Mr. ELLENDER. For the 1965 program, under the proposal I am making, the total cost, using the same figures, will be as follows: The value of the cotton that is taken in will be $422 million, in contrast to $577 million under the present program.

I ask unanimous consent that this table be printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

Upland cotton: Comparison of estimated expenditures under current legislation, H.R. 6196, and current program with cotton at 30 cents, basis Middling inch

1965 CROP

Major items	Current law		Senate amendment
	30 cents	32.47 cents	
	Million dollars	*Million dollars*	
Trade incentive payment			312
Export subsidy	162	[1] 225	146
Cotton products payment	13	18	
Public Law 480	117	117	117
Producer payments			117
Carrying charges	103	105	48
Total	395	465	740
Change in stocks	[2] 125	[3] 176	[4] 221
Total	520	641	[5] 519
Value of acquired stocks [6]	98	126	
Total	422	515	
Paper transfer, CCC stocks to private stocks [7]			58
Total			577

[1] Export subsidy at 9 cents per pound.
[2] CCC acquired 850,000 bales at $47.50.
[3] CCC acquired 1,100,000 bales at $160.
[4] CCC disposal of 1,500,000 bales valued at $147.50 per bale.
[5] Difference between this total and table shown on p. 16 of report due to rounding and inclusion of $3,000,000 in trade incentive payment for imports and city crop which would not be made.
[6] Number of bales CCC acquired valued at world price, $115.
[7] Arbitrary paper transfer of 500,000 bales of CCC stocks to private trade valued at $115 per bale.

Mr. ELLENDER. For the 1966 crop, the program I am suggesting will cost $451 million, in contrast to $571 million for the program we are now considering.

I repeat, I have taken the same figures, the same totals, the same estimates the Department has taken in estimating the cost of the present program.

I ask unanimous consent that this table be printed in the Record, at this point, as well as a table indicating the cost of the 1967 crop. Under the program I am proposing, the cost will be $479 million, in contrast to the program we are now considering of $548 million.

There being no objection, the tables were ordered to be printed in the Record, as follows:

Upland cotton: Comparison of estimated expenditures under current legislation, H.R. 6196, and current program with cotton at 30 cents, basis Middling inch

1966 CROP

Major items	Current law		Senate amendment
	30 cents	32.47 cents	
	Million dollars	*Million dollars*	
Trade incentive payment			312
Export subsidy	162	[1] 225	143
Cotton products payment	13	18	
Public Law 480	117	117	117
Producer payments			119
Carrying charges	115	119	37
Total	407	479	734
Change in stocks	[2] 199	[3] 256	[4] 221
Total	606	735	[5] 513
Value of acquired stocks [6]	155	155	
Total	451	580	
Paper transfer, CCC stocks to private stocks [7]			58
Total			571

[1] Export subsidy at 9 cents per pound.
[2] CCC acquired 1,350,000 bales at $147.50.
[3] CCC acquired 1,600,000 bales at $160.
[4] CCC disposal of 1,500,000 bales valued at $147.50 per bale.
[5] Difference between this total and table shown on p. 16 of report due to rounding and inclusion of $3,000,000 in trade incentive payment for imports and city crop which which would not be made.
[6] Number of bales CCC acquired valued at world price, $115.
[7] Arbitrary paper transfer of 500,000 bales of CCC stocks to private trade valued at $115 per bale.

1967 CROP

Trade incentive payment			325
Export subsidy	162	[1] 225	140
Cotton products payment	13	18	
Public Law 480	117	117	117
Producer payments			120
Carrying charges	130	137	24
Total	422	497	726
Change in stocks	[2] 258	[3] 320	[4] 236
Total	680	817	[5] 490
Value of acquired stocks [6]	201	230	
Total	479	587	
Paper transfer, CCC stocks to private stocks [7]			58
Total			548

[1] Export subsidy at 9 cents per pound.
[2] CCC acquired 1,750,000 bales at $147.50.
[3] CCC acquired 2,000,000 bales at $160.
[4] CCC disposal of 1,600,000 bales valued at $147.50 per bale.
[5] Difference between this total and table shown on p. 16 of report due to rounding and inclusion of $3,000,000 in trade incentive payment for imports and city crop which would not be made.
[6] Number of bales CCC acquired valued at world price, $115.
[7] Arbitrary paper transfer of 500,000 bales of CCC stocks to private trade valued at $115 per bale.

Mr. ELLENDER. Mr. President, the question arises in my mind, What is going to happen when we run out of surplus cotton? Under this program we are supposed to retain a certain amount. I think it is estimated that we should have at least 8 million bales on hand, because that is the point which the Secretary of Agriculture is instructed to use as a guideline in estimating the amount of cotton that can be planted over and above the allotment.

Whenever the surplus cotton amounts to 8 million bales, the Secretary of Agriculture has a free hand, without limitation, without yardsticks, to permit the planting of extra cotton. That will, in my opinion, come into competition with the cotton surplus that is on hand.

Remember, under the bill, for 1964, the Secretary is able to increase cotton plantings by 10 percent and reduce the surplus by 1 million bales. But when the surplus is reduced to 8 million bales, the Secretary is left free to permit any amount of extra cotton, as he sees fit.

Those are broad powers. I do not say the Secretary will use them indiscriminately and let large amounts of cotton be produced, but there is no limitation in the law.

As I said a moment ago, I have an amendment at the desk that would strike that provision from the bill. I think it should be stricken from the bill if the amendment that I shall offer by way of a substitute is not adopted.

I have glossed over some of the provisions of the bill. I have not discussed the proposal I hope to present. I shall wait to do that until I offer the amendment. I hope Senators will look over the bill and study the tables I have submitted.

I do not like to say this, Mr. President, but it is true. I have been in the Senate now for 27 years, and I have never seen such lobbying as that to pass the cotton bill that is now before us. Everyone is being imposed on, and I am hopeful that before a vote is taken on the bill, it will be studied closely by all Senators. It is my considered judgment that if this bill is passed without amendment, it will not redound to the benefit of the producers of cotton, yet those are the ones whom I believe the Committee on Agriculture and Forestry and its membership should try to assist.

I do not like to witness the Congress enacting a piece of legislation that will cause the taxpayers to pay this big difference that may exist between the world price of cotton and whatever support price we offer to the growers. And as to that, the parity concept was retained in the bill. The parity concept was not in the bill, but we were able, at least, to amend it so that after 1964 the Secretary of Agriculture will have the authority to fix the price supports ranging from 65 to 90 percent of parity.

Mr. President, with that I conclude and hope that Senators will study the new bill in the light of present law, and that early action will be taken on it.

I cannot say that I was surprised, but in a discussion which took place this afternoon on the subject of beef prices, I understand that efforts will be made to amend the bill to protect the producers of beef.

That may be a good thing to do, but we have not had any hearings on the matter; on the other hand, I doubt that the Senate would have the right, under the rules, to amend the bill in that direction.

I am hopeful that the Senate will take action, one way or the other, on both the cotton and wheat bills at an early date.

I am also hopeful, Mr. President, that no action will be taken by the Senate to separate the wheat provision from the cotton bill, for the simple reason that we have no way of enacting a wheat bill except by attaching it as a part of the so-called Cooley bill.

I am hopeful that if we can take action early next week on both cotton and wheat, we should be able to get a piece of legislation before the President in time, so that it will inure to the benefit of both cotton and wheat producers.

NOMINATION OF NICHOLAS JOHNSON TO BE MARITIME ADMINISTRATOR, DEPARTMENT OF COMMERCE

Mr. BARTLETT. Mr. President, as in executive session, from the Committee on Commerce, I report the nomination of Nicholas Johnson, of Iowa, to be Maritime Administrator, Department of Commerce, which was approved unanimously by the committee. I ask unanimous consent for the immediate consideration of the nomination.

The **PRESIDING OFFICER.** Is there objection? The Chair hears none, and the nomination is confirmed.

Mr. BARTLETT. Mr. President, I ask that the President be notified of the confirmation of the nomination.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, I ask unanimous consent to have printed in the RECORD a biography of Mr. Nicholas Johnson that was submitted to the Committee on Commerce.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

BIOGRAPHY OF NICHOLAS JOHNSON, DESIGNATED BY PRESIDENT JOHNSON TO BE MARITIME ADMINISTRATOR

Nicholas Johnson was born in Iowa City, Iowa, on September 23, 1934, and after attending University High School there received his B.A. and LL.B. degrees from the University of Texas. As an undergraduate he was elected to Phi Eta Sigma, Pi Sigma Alpha, and Phi Beta Kappa.

After graduation from law school in 1958, where he had been article editor of the Texas Law Review and was elected to the Order of the Coif, Mr. Johnson was admitted to the Texas bar and became law clerk to Judge John R. Brown of the U.S. Court of Appeals for the Fifth Circuit. The following year he clerked for Mr. Justice Hugo L. Black, of the U.S. Supreme Court.

In the fall of 1960 he went to Berkeley, Calif., where he joined the faculty of the University of California Law School (Boalt Hall) as an acting associate professor. There his principal courses were administrative law and oil and gas. He served the university as a member of the chancellor's Committee on Natural Resources, and a consultant and associate to the Center for the Study of Law and Society. His research interests related to California administrative agencies, and natural gas industry regulation by the Federal Power Commission.

Since 1963 Mr. Johnson has been associated with the Washington law firm of Covington & Burling and he engaged in practice relating to administrative agencies (though not the Maritime Administration).

He is admitted to practice in the U.S. Supreme Court, the District of Columbia, and Texas, and is a member of the American Bar Association, Federal Bar Association, and Texas Bar Association. He has served as chairman of the Junior Bar Conference Committee on Continuing Legal Education, as a director and member of the board of editors of the International Society for General Semantics, and as a member of the Jurimetrics Committee of the Association of American Law Schools (concerned in part with the use of computers in legal research).

Mr. Johnson is married to the former Karen Chapman, of Iowa City, and has a son, Sherman, and a daughter, Julie.

CIVIL RIGHTS AND CASSIUS CLAY

Mr. RUSSELL. Mr. President, last Tuesday evening, in Miami, Fla., a surprising upset occurred in the prize fight world. The crown of heavyweight champion of the world was knocked from the head of Sonny Liston and found its place upon the head of his opponent, Cassius Clay.

This, of course, brought Cassius Clay very much into the limelight, although he had been endeavoring for some time to talk his way into the limelight, with a fair degree of success.

However, no one can laugh off the fact that Cassius Clay is today the heavyweight boxing champion of the world. Therefore, everything that Cassius Clay says is now considered news. I was interested to read two news accounts of his philosophy of life and his religion, and to get some of his views on at least one of the existing religions which is considered highly controversial.

One of the articles was published in the Washington Evening Star of yesterday and was written by Mr. Milton Gross, of the North American Newspaper Alliance. It deals with the fact that Cassius Clay is an adherent of the so-called Islam religion.

Mr. President, I shall read only brief excerpts from the article in which he referred to the interest in his religion:

> People seem to be all shook up by what I think. I'm no troublemaker. I don't believe in forced integration. I know where I belong. I'm not going to force myself into anybody's house.

Further on he said:

> I'm the heavyweight champion, but right now there are some neighborhoods I can't move into. I know how to dodge boobytraps and dogs. I dodge them by staying in my own neighborhood. A man don't want you, don't try to force him. Stay with our own. Tigers stay with tigers, red ants stay with red ants, Cubans stay with Cubans. This fighting and stuff is unnecessary. Why do two Negroes have to go 2 miles out of the way to a white school, upsetting the whole school?

Further on he said:

> I respect everybody. I'm peaceable by nature. I couldn't be condemned and punished for not running with the mob. They're just educated fools, just running around. I'm not joining a forced integration movement, because it don't work. A man has got to know where he belongs.

Mr. President, there was another article published in this morning's New York Times, dealing with the same subject. I shall read one or two brief excerpts from that article, which is by the Associated Press, in which Clay denies that his Islam religion, as represented by a sect to which he is an adherent, is an advocate of violence. He says that all they seek is peace.

He made this statement:

> We believe that forced and token integration is but a temporary and not an everlasting solution to the Negro problem, he added. It is merely a pacifier. We don't think one people should force its culture upon another. I get telephone calls every day. They want me to carry signs. They want me to picket. They tell me it would be a wonderful thing if I married a white woman because this would be good for brotherhood.

He said further:

> It was only natural that people of like culture and heritage should live together.
>
> Animals in the jungle flock together.
>
> Mexicans, Puerto Ricans, Chinese, and Japanese all live better if they are together.
>
> I don't like hot Mexican food and I would be unhappy if somebody made me eat it. At the same time, you may not like what I like—turnip greens and hominy grits, or country music. If you don't like it you shouldn't have to accept it.
>
> * * * * *
>
> I don't impose myself on people who don't want me. If I go in somebody's house where I'm not welcome, I am uncomfortable. So I stay away.
>
> I like white people. I like my own people. They can live together without infringing on each other. You can't condemn a man for wanting peace. If you do, you condemn peace itself.

These are only brief excerpts from the two articles to which I have referred.

I do not know Cassius Clay. As an avid reader of the sports page, I am familiar with his temperament and with his very high opinion of his own accomplishments, and I have followed his career with a great deal of interest. I would be less than frank if I did not say that until last Tuesday I had the feeling that he could outtalk Sonny Liston by a very wide margin, but that in the ring Liston would very likely outfight Cassius Clay by an equally wide margin. The events have proved me a very poor prophet—in which I have considerable company—because the events clearly demonstrated that Cassius Clay could fight as well as he could talk; at least he could outstrip Liston in both of these fields.

When I was a boy I remember reading the Koran. That was when I was passing through a stage that I believe every young man passes through, being unsure of himself, when I read the literature of the various religions. I have forgotten practically all that I read. I know nothing whatever of this branch whose members claim to be adherents of Islam.

I do know that the leaders of the various groups who are attempting to use compulsion in forced race mixing in this country, and who have the support of the highest officials of our country, say that these people, the disciples of Islam, or Black Muslims—although Clay says they themselves do not call themselves that—are blacks who advocate violence. For that reason the country has looked with some great suspicion on this group. It so happens that their own leaders deny that they stand for violence. Cassius Clay in his statements says they stand for peace.

I will say, without any knowledge whatever of their real beliefs, that I do not know that I have ever heard of any violence being perpetrated in this country by the adherents of this sect that is called the Black Muslims by the integration leaders.

However, it is not possible to pick up a newspaper in this country today which does not carry a story of hate or violence that is perpetrated by the leaders and members of so-called nonviolent groups. Every one of the difficulties of which we hear, including these which have been transpiring for the last 2 or 3 days in Princess Anne, Md., is being carried out by those who pretend that they believe in nonviolence. They go into streets and into the stores of other people and perpetrate acts of violence.

I cannot settle this matter here, because I am not an expert in the area of this religious group. However, I have complete compassion for Cassius Clay, for I know what will ensue as a result of these interviews. People may think that he has talked himself into trouble before. However, I do not believe that that can compare with what will descend on him now. He will have an opportunity to display a much higher degree of courage than it was necessary for him to show in the ring with that fearsome monster—at least, the supposed fearsome monster at that time—Sonny Liston.

I believe Cassius Clay is 22 years old. He will now, in my opinion, be subjected to a campaign of harassment, humiliation, pressures, insult, and picketing such as has seldom been seen.

Every effort will be made to force him to state either that he has been misquoted or wishes to retract the statements contained in these interviews.

I am interested to see that apparently as one Negro who has gone to the complete top in his vocation in the Nation he is willing to pay a certain price to maintain his self-respect. He apparently does not feel that he is imposed upon or humiliated or insulted by associating only with members of his own race. He sees nothing demeaning or cause for a feeling of inferiority because he might have to sit in a schoolroom with members of his own race, without bringing about an imbalance, and transporting members of the other race across town, so that there might be half white and half Negro in that schoolroom.

But he will pay for this. For example, as a Negro at the top of his profession, he will never be invited to the White House to see the President of the United States, because he is an opponent of forced integration. It is highly unlikely that he would be favorably received by the leadership if he were to come to the Halls of Congress, because Messrs. Foreman, King, and Wilkins—and I do not recall at the moment the name of the head of the nonviolent movement—object very strongly to any recognition being shown a member of their race who is guilty of what they regard as heresy. I hope the punishment of this young man will not go any further.

I see on the floor the distinguished Senator from Michigan [Mr. HART]. One of these newspaper articles states that the Senator on behalf of the Antitrust and Monopoly Subcommittee, is to look into all the deals that have to do with some contracts that have been made. I hope he does not claim that Clay has a monopoly on these views and that, therefore, he should be subjected to some unusual treatment. I am quite sure that members of the subcommittee will deal fairly with Clay. I am not so sure of the other agencies and activities of government.

The statement is made in one of these articles that there is a likelihood that Clay will be called into military duty. We can be sure that there will be a great demand that he be called into the military service. I do not envy him if he is placed under sergeants or training officers in military camps in which a great many or a majority of them are Negroes.

Mr. HART. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Michigan.

Mr. HART. I was just leaving the Chamber when the distinguished Senator from Georgia [Mr. RUSSELL] mentioned my name.

Mr. RUSSELL. I would not have mentioned the name of the Senator from Michigan had he not been in the Chamber.

Mr. HART. I know that. I was here to listen to the distinguished Senator from Louisiana [Mr. ELLENDER] debate the farm bill. I followed with great interest the remarks the Senator from Georgia was making for the benefit of other Senators in the Chamber. Because he knows the rules of the Senate so well, I scarcely need reassure the Senator that the Antitrust and Monopoly Subcommittee does not regard the religious belief of any man to be within its jurisdiction.

Mr. RUSSELL. This has now gotten into the political area, as well as the religious area.

Mr. HART. To the extent that newspaper articles have referred to the interest of the Antitrust and Monopoly Subcommittee in this fight, I should explain that the curiosity of the subcommittee extended to the contractual arrangements, and only the contractual arrangements, of the recent Miami fight.

It will be recalled that the late Senator Kefauver held a number of hearings on boxing. The hearings were held before the Antitrust Subcommittee. A bill on the subject bears the late Senator Kefauver's name. According to newspaper reports, the then champion owned a considerable portion of a company which paid the then challenger, Mr. Clay, $50,000 before the fight in order that the company might obtain the right to pick the then challenger's next opponent. I thought this might be of interest and of value to complete the record which the late Senator Kefauver made. That will be the extent of the review to be made by the Antitrust and Monopoly Subcommittee.

Mr. RUSSELL. I thank the Senator. I am sure it was unnecessary for him to make that statement. I merely mentioned the fact because it so happened that the headline was immediately above the article about the Senator's intention to probe and investigate the activities of Clay and Liston.

Mr. HART. In my book, a much higher priority attaches to the civil rights bill, about which the Senator from Georgia [Mr. Russell] and I have disagreements, than the inquiry by the Antitrust and Monopoly Subcommittee. I anticipate that the Antitrust and Monopoly Subcommittee will not consider the fight contract until after the civil rights bill is settled.

Mr. RUSSELL. I was sure the Senator from Michigan [Mr. Hart] would not consider it before then, since I understand he has been designated at least a three-star generalissimo in the army that is determined to carry this issue to a triumphant conclusion over the prostrate body of the minority who are struggling for a constitutional government.

I assumed that the Senator might have the members of his staff make an investigation of it. It is an open secret that the Antitrust and Monopoly Subcommittee has probably the largest staff of any subcommittee in Congress. I thought perhaps the Senator might spare seven or eight of them to investigate the Clay affair while he was leading the civil rights fight on the floor of the Senate. I do not know what area of the legislation the Senator is in charge of. I am a little confused. The Senator from Montana did reveal some of his battle strategy by giving the names of the generalissimos and the particular areas in which they would lead the attack. For the moment, however, it has slipped my mind as to where the Senator from Michigan would be leading the charge. But I knew the Senator would be in the Chamber, giving priority to the civil rights bill when it was being considered. I assumed the Senator would have a number of his staff members making inquiry into the Clay matter.

Mr. HART. I thank the Senator. The army in which I serve is commanded, so far as the direct field engagement is concerned, by the distinguished Senator from Minnesota [Mr. Humphrey], who sits in front of the Senator from Georgia. It is an army which is marching in the cause of right. We hope that segregation by law and custom or tradition will be eliminated as a consequence of the effort which we shall make.

Mr. RUSSELL. That has already been eliminated, if one may believe the decisions of the Supreme Court. The question now goes far beyond segregation by law. It goes into the area of permitting a man to conduct his own business as he sees fit and bringing Federal compulsion to bear to compel him to accept customers, when he has no right whatever to require customers to do business with him. All of that is sought to be done in the name of equality. One man can compel another to do business with him, but the compellee has no authority whatever to force the compeller to do business with him. The question goes further than that in the area of employment.

However, I did not intend to get into the details of the proposed legislation at this time. I hope to get in training, as best I can, when the serried ranks headed by the Senator from Minnesota [Mr. Humphrey], shouting commands to his lieutenant on our left, advance in this sector. We hope we can at least make a respectable showing in this endeavor. We shall do so to the best of our ability, because our convictions are likewise very deep.

Mr. HART. This I realize. I should like to make one last comment about Cassius Clay.

Mr. RUSSELL. I shall be glad to hear what the Senator has to say. Except for the unfortunate beliefs of Clay in the matters to which I referred, it would be most interesting to see Clay attempt to engage in a verbal contest with the Senator's general in chief. That would be a sight to behold.

Mr. HUMPHREY. I was waiting for that.

Mr. HART. The Senator from Georgia, in addition to being an acknowledged, skilled parliamentarian, rich in his understanding of Senate traditions, is also—and I say this in complete sincerity—a thoroughly grounded student of American history. All of us have on occasion enjoyed the opportunity to listen to him describe events of our country's past. I am sure that when I add this footnote to the Record, it will come as no surprise to him. It is interesting to realize whence came the name of Cassius Clay.

Mr. RUSSELL. Mr. President, I could discuss that subject all evening. There has never been a more heroic character, or a more romantic one, than the original Cassius Clay, a cousin of Henry Clay, from Kentucky.

Mr. HART. As I understand, he was a strong abolitionist.

Mr. RUSSELL. He was an abolitionist. He was so wealthy that he could put his beliefs into effect.

The original Cassius Clay came home from Yale, being the only millionaire in Kentucky, and freed about 40 slaves, which was about the equivalent of one of his friends spending 25 cents. But that is no reflection on his courage. He was a man about 6 feet, 6 inches tall. His enemies were afraid to take him on directly. So they once sent to New Orleans for a famous barroom fighter of his time, named Brown, and brought him to Kentucky. Brown attacked Mr. Clay with a dagger and stabbed him several times. Clay took the knife away from Brown and beat him almost to death before finally releasing him. He killed several people during his lifetime. Clay published an abolitionist newspaper in Lexington, Ky. He made a fortress of his printing office.

Mr. Clay came to Washington when Mr. Lincoln was first inaugurated, to act as a bodyguard for the President. He served in that capacity with a brace of pistols. He also organized a number of people into what was perhaps the first militia company in Washington. He taught them to drill, because he was a veteran of the Mexican War, as I recall.

President Lincoln finally sent Mr. Clay to Russia as Ambassador. It will be recalled that the Russians had sent a fleet to the United States; this was supposed to serve as a "hands off" notice to the British and the French not to undertake to help the poor, struggling, imposed-upon Confederacy.

While in Russia, Ambassador Clay made a vivid impression on the people there. He was a skilled huntsman, and once fought a duel with a Polish count. However, he was not an accomplished swordsman. He was more of a frontier fighter. He became a close associate of the Emperor of Russia.

After he returned home, the leader of the ballet in Russia at that time sent him a present—a boy about 10 or 12 years of age, to be raised as his son; and Cassius Clay kept that boy as his son and reared him.

When Cassius Clay was about 80 years of age, he married a young girl of about 23 or 24 years. A sheriff and a posse were sent to question the family. The old man had kept the cannon that he had had in earlier days to defend his newspaper office, and he had the cannon installed on the veranda of his beautiful colonial Kentucky home. As the sheriff approached the house, old Cassius said, "If you come any nearer, I intend to fire this cannon at you."

So the sheriff and the posse reported to the judge that Mr. Clay refused to accept service, and that it appeared to be more dangerous a venture than they cared to enter upon. Finally, however, Cassius Clay and the young girl came to a parting of the ways, after 2 or 3 years, and he made a handsome settlement upon her.

In many ways, the original Cassius Clay was one of the most remarkable men ever to live in the United States; and certainly no one had more courage than he. I am referring now to the original Cassius Clay, who was active in the period between about 1830 and 1890. He lived to be approximately 90 years of age.

Mr. HART. Mr. President, the readers of the Congressional Record now will clearly understand that even though some of us are unable to adopt the views which are held by the Senator from Georgia, on some of the major questions, we always delight in his company. I had hoped the subject we have been discussing was one chapter of history on which I would be able to stand toe to toe with the Senator from Georgia——

Mr. RUSSELL. I am sure the Senator from Michigan knows more of those details than I do.

Mr. HART. Oh, no; quite the contrary.

Mr. RUSSELL. The original Cassius Clay campaigned fearlessly in many parts of the Nation during the 1860 campaign. In those days, one who campaigned in favor of abolition in many parts of the South underwent a great test of courage.

Mr. HART. Let me ask the Senator from Georgia whether I am correct in recalling that the original Cassius Clay even wrote a book on the best techniques for the use of the Bowie knife—thus explaining, no doubt, how it was that he was able to survive while he preached abolition to the people of Kentucky.

Mr. RUSSELL. I am not sure whether he wrote a book on that subject, or whether it was merely a pamphlet. At any rate, he wrote at least an article on the best way to use a Bowie knife in hand-to-hand fighting, and the technique he thus described was considered to be the last word on the technique of fighting hand to hand with a Bowie knife.

Mr. HART. Is it not true that Cassius Clay's newspaper office was set on fire and burned down?

Mr. RUSSELL. Yes, but that occurred while he was sick; he was not there at the time. The attacker came into the building from the roof; I doubt that he would have been able to do that if Cassius Clay had then been in good health. That was done while he was ill.

Mr. HART. Mr. President, I appreciate very much the contributions the Senator from Georgia has made.

Mr. RUSSELL. Not at all, Mr. President; I appreciate the Senator's interruption.

There is no doubt that that Cassius Clay bore as noble a name for feats of derring-do as that of anyone who ever lived in this country.

Mr. HART. I would point out that if we are able to have the civil rights bill enacted, one will no longer have to be an expert on the use of the Bowie knife, in order to be able to obtain entrance to a place of public accommodation.

Mr. RUSSELL. However that may be, it is clear that the present-day Cassius Clay, the one who now bears the title of heavyweight boxing champion of the world, takes the position that those of his race and others who urge the enactment of measures such as this one and who urge compulsory integration are in error; it seems to be his view that if they insist on being allowed to eat in restaurants with persons who are not of their own race, they are likely to develop stomach ulcers and to have other difficulties. This brave man has had the courage to say that is wrong and that those of his race who advocate that are in error.

I say that he will be put to the test; and it might be well for him to study the life of the original Cassius Clay. I believe that two or three biographies of the original Cassius Clay have been published, although the second one was the best. I believe that the present-day Cassius Clay might do well to study one of those biographies, because he will need that knowledge in order to be able to demonstrate the courage to hold out against the pressures that will be brought to bear on him, in an attempt to force him to recant from those statements.

Mr. President, I ask unanimous consent to have these two articles printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 28, 1964]

CLAY SAYS HE HAS ADOPTED ISLAM RELIGION—DECISION IS MADE AFTER LONG STUDY—CLAY SAYS HE IS CONVINCED THAT MOVEMENT IS THE TRUTH AND THE LIGHT

MIAMI BEACH, February 27.—The new heavyweight champion, Cassius Clay, said today he had adopted the Islam religion. He called Islam the best way to bring about lasting peace.

"They call it the Black Muslims," the 22-year-old Clay said. "This is a press word. It is not a legitimate name. But Islam is a religion and there are 750 million people all over the world who believe in it, and I am one of them."

He said he had made an extended study of the religion over a period of months and had become convinced it was "the truth and the light."

"A rooster crows only when it sees the light," he said. "Put him in the dark and he'll never crow. I have seen the light and I'm crowing."

CLAY IS RELAXING

Clay, who stopped Sonny Liston in their 15-round title fight here Tuesday night, was relaxing at his temporary quarters when he was told that the leader of the black supremacy sect, Elijah Muhammad, had told a meeting in Chicago that the new ring champion was a disciple.

"That is true, and I am proud of it," Clay said. "But what is all the commotion about? Nobody asks other people about their religion. But now I am the champion. I am the king, so it seems the world is all shook up about what I believe.

"You call it Black Muslims, I don't. The real name is Islam. That means peace. Yet people brand us a hate group. They say we want to take over the country. They say we're Communists.

"That is not true. Followers of Allah are the sweetest people in the world. They don't carry knives. They don't tote weapons. They pray five times a day.

"The women wear dresses that come all the way to the floor and they don't commit adultery. The men don't marry white women.

"All they want to do is live in peace with the world. They don't hate anybody. They don't want to stir up any kind of trouble. All the meetings are held in secret, without any fuss or hatemongering."

RELIGION IS CREDITED

Clay said that his religion, which had brought him an "inner peace," was responsible for his sensational upset victory over Liston, an 8-to-1 favorite.

"God was with me—I couldn't have done it without God," he added.

The new champion said he was disturbed to find that the Islam group had drawn the fire of integrationist forces among the Negro people.

"We believe that force and token integration is but a temporary and not an everlasting solution to the Negro problem," he added. "It is merely a pacifier. We don't think one people should force its culture upon another.

"I get telephone calls every day. They want me to carry signs. They want me to picket. They tell me it would be a wonderful thing if I married a white woman because this would be good for brotherhood.

"I don't want to be blown up. I don't want to be washed down sewers. I just want to be happy with my own kind."

Clay said it was only natural that people of like culture and heritage should live together.

"Animals in the jungle flock together," he said. "Mexicans, Puerto Ricans, Chinese and Japanese all live better if they are together.

"I don't like hot Mexican food and I would be unhappy if somebody made me eat it. At the same time, you may not like what I like—turnip greens and hominy grits, or country music. If you don't like it you shouldn't have to accept it."

ATTITUDE IS RESENTED

The boyish-faced fighter, descendant of a runaway Kentucky slave, said he resented the fact that some people attached "dire motives" to his Islam connections.

"I am a good boy. I never have done anything wrong," he insisted. "I have never been in jail. I have never been in court.

"I don't join any integration marches. I don't pay any attention to all those white women who wink at me. I don't carry signs.

"I don't impose myself on people who don't want me. If I go in somebody's house where I'm not welcome, I am uncomfortable. So I stay away.

"I like white people. I like my own people. They can live together without infringing on each other. You can't condemn a man for wanting peace. If you do, you condemn peace itself."

[From the Washington Star, Feb. 27, 1964]

I'M NO TROUBLEMAKER: SUBDUED CASSIUS CLAY UPHOLDS ISLAM AND PEACE

(By Milton Gross)

MIAMI BEACH, February 27.—Cassius Clay considers himself a man of peace.

"When I run over a dog, I feel bad," says the new world heavyweight champion who scarred Sonny Liston's face and made him quit on his stool. "When I shoot a bird I feel bad. I feel sorry for everybody I beat. I feel sorry for Liston. I don't like to hurt people. I don't like to fight, except for making a living and providing the good things in life."

This is the new Clay, or maybe the young-old one no longer play acting. He is the champion who does not need to shout. He is subdued in victory. Where he dodged the serious issues surrounding him when he was only the loud-mouthed challenger few took seriously, Cassius now faces his contentious background as squarely as he did when he dethroned Liston.

"People seem to be all shook up by what I think," Clay said. "I'm no troublemaker. I don't believe in forced integration. I know where I belong. I'm not going to force myself into anybody's house."

"Then will you answer directly," he was asked, "whether or not you're a member of the Black Muslims?"

"Don't put words into my mouth," Clay said, somber faced now and not jiving. "They don't call themselves that. I went to a meeting. I'll go to more meetings. I'll go anytime I want, because I have my religious beliefs. I believe in the oldest religion in the world—Islam, which means peace."

This, then, is the first time Clay has put it into words that do not resemble his dancing feet.

"Some people believe in stones," Cassius said, "but 750 million people in the world believe in Islam. I ain't no Christian. I can't be when I see all the colored people fighting for forced integration get blowed up. They get hit by stones and chewed by dogs and they blow up a Negro church and don't find the killers. Elijah Muhammad, he had no more than a third-grade education, but he's been preaching for 35 years and nobody's proved him wrong. I'm talking about truth. Malcolm X, nobody ever proved him wrong and everybody want to hear him. I can't help from recognizing the man. I can't help from liking him speak. The way people talk about them you'd think they had horns on their heads."

Are you a card-carrying member of the Muslims," a listener asked Clay.

Cassius looked as much amused as bemused. "You wouldn't want me to marry your daughter, would you? I'm not a Sammy Davis or a Chubby Checker marrying white women. I want to be with my own. You don't see drinking in Islam. You see the women, they wear dresses down to their ankles. They never done wrong. No jail record, no women record, no drinking record."

It was that kind of a day for Cassius. It could have been a day when he'd gloat or strut.

Clay sees a lot of things clearly, after his own fashion, for a kid of 22.

"I'm the heavyweight champion," he said, "but right now there are some neighborhoods I can't move into. I know how to dodge boobytraps and dogs. I dodge them by staying in my own neighborhood. A man don't want you, don't try to force him. Stay with your own. Tigers stay with tigers, red ants stay with red ants, Cubans stay with Cubans. This fighting and stuff is unnecessary. Why do two Negroes have to go 2 miles out of the way to a white school, upsetting the whole school? If there was a separate Nation, there's going to be more peace."

"You treat me right, I treat you right," Cassius said. "You hit me, I hit you back. I treat everybody right. I respect everybody. I'm peaceable by nature. I couldn't be condemned and punished for not running with the mob. They're just educated fools, just running around. I'm not joining no forced integration movement, because it don't work. A man has got to know where he belongs."

It's difficult to say where Cassius belongs, even so far as the Army's concerned. "I had a special case. They sent it to Washington," he said.

According to rumor the "special case" is a claim of conscientious objections. Clay denied he has already made one on religious grounds. However, he does not deny that he may make one. "I'll do whatever they think is best for me," he said.

Clay did not identify "they." It could be the Muslims. It could be the syndicate which owns him. It could be the Army. Cassius insists only that he is a man of peace.

Mr. HUMPHREY. Mr. President, it is certainly a pity even to give thought to the making of a motion that the Senate take a recess at this time, after we have been having the benefit of a presentation of some of the more vivid chapters in the history of our country.

This morning, I was at the White House for the swearing-in ceremony for the new Director of the U.S. Information Agency, which sometimes is called the propaganda agency for the Government of the United States. The name of that gentleman is Carl Rowan—a native of Tennessee, who later became a citizen of Minnesota. I have always had great admiration for him, and I felt that he would do a good job as our Information Agency Chief—or, as some would say, the chief of the propaganda agency of the Government. But I confess that although I respect the good judgment which President Johnson displays when he makes these appointments, I wonder whether he made a mistake when he did not give consideration to appointing the Senator from Georgia to that position, because never in my life have I encountered anyone more able or more skilled in the use of propaganda. In fact, he is much like the French general who said that the military principle to which he subscribed was, "Attack, attack, attack." All this week, the Senator from Georgia has not missed a trick. Whenever there was even a smell of a civil rights bill, the Senator from Georgia has been on the attack, and tonight he has found it possible to inject into these very serious proceedings a description of the antics and tactics and words of one Cassius Clay, who proclaims himself a king and who is, indeed, the boxing champion. Certainly, Cassius Clay was fortunate in selecting the field of athletic competition he did, because that field is open to all; and, thank goodness, he can be the boxing champion of the world. There is complete integration in boxing; and Cassius Clay can be the boxing champion of all races, creeds, and nationalities; he can be the boxing champion of the world. On the other hand, if he had selected some other field, he would not then have been able to make full use of his great ability.

Mr. RUSSELL. Let me say to the Senator from Minnesota that I am sorry that at this time I must leave; but I thank him for his kind words.

Mr. HUMPHREY. Mr. President, the Senator from Georgia has thanked me for my kind words. In turn, I thank the Senator from Georgia for his contributions, which we have enjoyed. No doubt in the weeks ahead we shall have the benefit of more of them.

Mr. President, on that happy note, and in light of the drama of those events of the past and the drama of the events to occur in the future, I warn Senators that they should be present on Monday and on the following days, because the Senate will be engaging in important debate and will be doing some voting.

RECESS TO MONDAY, AT 11 A.M.

Mr. HUMPHREY. Mr. President, with that happy admonition, I move that the Senate stand in recess, under the order previously entered, until Monday, at 11 a.m.

The motion was agreed to; and (at 6 o'clock and 8 minutes p.m.) the Senate took a recess, under the order previously entered, until Monday, March 2, 1964, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate February 28 (legislative day of February 26), 1964:

United Nations

Walter M. Kotschnig, of Maryland, to be the representative of the United States of America to the 19th Plenary Session of the Economic Commission for Europe of the Economic and Social Council of the United Nations.

In the Navy

Adm. Harry D. Felt, U.S. Navy, to be placed on the retired list in the grade of admiral under the provisions of title 10, United States Code, section 5233.

United Nations

Kenneth T. Young, of New York, to be the representative of the United States of America to the 20th Session of the Economic Commission for Asia and the Far East of the Economic and Social Council of the United Nations.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 28 (legislative day of February 26), 1964:

Maritime Administrator

Nicholas Johnson, of Iowa, to be Maritime Administrator, Department of Commerce.

HOUSE OF REPRESENTATIVES

Monday, March 2, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D. offered the following prayer:

Isaiah 41: 13: *For the Lord thy God will say unto thee, Fear not; I will help thee.*

O Thou God of all love and mercy, as we draw nigh unto thee in prayer, may we understand more clearly that everything which the world can give and bestow upon us is too small for the soul and its dreams and aspirations.

Grant that our lives may be fragrant with the spirit of that more abundant life which we know by instinct, by revelation, and experience is the only kind of a life that can satisfy our longings and yearnings for peace and joy.

We earnestly beseech that Thou wilt redeem and restore the soul of humanity and bring it into oneness with Thy holy will and heal it of those inner discords which torment and thwart the efforts for spirit of peace on earth and good will among men.

May all who hold positions of leadership and trust in government and the affairs of state courageously and faithfully seek and hold fast the ways of truth and righteousness.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, February 27, 1964, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 9637. An act to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 944. An act to provide for the presentation by the United States to the people of Mexico a monument commemorating the independence of Mexico, and for other purposes.

The message also announced that the Senate agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R.

9640) entitled "An act to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard."

AUTHORIZING DEFENSE PROCUREMENT AND RESEARCH AND DEVELOPMENT

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 9637, with the Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate on the disagreeing votes of the two Houses.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? The Chair hears none and appoints the following conferees: Messrs. VINSON, PRICE, STRATTON, COHELAN, PIKE, ARENDS, BECKER, HALL, and STAFFORD.

PERSONAL ANNOUNCEMENT

Mr. FUQUA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FUQUA. Mr. Speaker, on rollcall No. 51, on Thursday, February 27, it was necessary that I be absent. Had I been present I would have voted "aye" on H.R. 8316, relative to the length or frequency of broadcast commercials. It is requested that this intent be so recorded.

VENEZUELA HAS BEEN SUBJECTED TO DIRECT MILITARY ACTION FROM CUBA

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, Venezuela has been subjected to direct military action from Cuba, as confirmed by the investigation just concluded by the Organization of American States. The OAS must now act to cut off the flow of arms and agents from Cuba, as required by the charter and the safety of all the Republics of the Caribbean.

In a previous attack against Venezuela by the Dominican Republic in 1960, it took only 2 months for the OAS to investigate and recommend strong action against the Trujillo government. The OAS vote, after the Dominicans had walked out, was 20 to 0. All members agreed to break off diplomatic relations with the Dominican Republic and cancel shipments of munitions. Later, oil, oil products, trucks and parts were added to the forbidden list. The result, of course, was the complete collapse of the Trujillo family empire.

The threat from Castro today is far greater than that ever faced by the Republics of this hemisphere. The call for action in the OAS must be met swiftly and decisively.

The United States and some of the Caribbean Republics have been carrying the burden of action to contain Castroism. The threat is to each country, and each must be willing to meet its responsibilities under the OAS Charter. The 1960 action has proven that results are possible, that the OAS is more than just a mere debating society. Members must be willing and able to meet their obligations. If they are not, it will mean the end of the OAS as an effective instrument for peace. Let the OAS prove once again that it can work together for the security of the hemisphere and the betterment of all its people.

NEED FOR NEW MINT FACILITIES

Mr. McCLORY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McCLORY. Mr. Speaker, I am introducing a bill today directing that the Secretary of the Treasury establish a new U.S. Mint in Lake County, Ill. This proposal is made in the earnest hope that the Congress will recognize the need for new mint facilities in the Midwest to meet the growing demand for coins.

In recent years the production of coins by our existing mints at Philadelphia and Denver has been inadequate. This coin shortage has resulted from many causes:

First. General business activity which requires a large supply of money, including both currency and coins.

Second. The expanded use of coin-operated vending machines for a growing variety of consumer goods.

Third. The prevalence of sales taxes in most of the States necessitating coins for payment of the additional cost imposed by these taxes.

Fourth. Increased recreational and leisure periods for our citizens which require merchants to keep larger inventories of coins in order to accommodate their customers.

Fifth. Enlarged activity in numismatics—coin collecting.

The need for additional mint facilities was recognized by the enactment of Public Law 88–102 which was approved on August 20, 1963. This measure appropriated $30 million to the Treasury Department for the purpose of acquiring suitable sites and for the design, construction, and equipping of mint buildings. This appropriation contemplated initially that the Philadelphia mint would be expanded. However, the purview of Public Law 88–102 is such that the establishment of a third mint in the Midwest would provide a more complete answer to the growing need for coins. The expansion of the mint at Philadelphia or Denver would still leave the great Midwest without a close and convenient source of coins. The location of a mint in Lake County, Ill., which is within the Chicago metropolitan area, and in the heart of the Midwest, would provide this financial, transportation, and commercial center with a new and much-needed supply of coins. One extremely significant factor seems more compelling than any other—namely, that the Chicago area led the Nation in fiscal year 1962 for the receipt of all minted coins. Indeed, Chicago ranked first in the receipt of pennies, third in the receipt of quarters and half dollars and fourth in the receipt of dimes and nickels.

Mr. Speaker, I am informed that the most efficient and least expensive program for additional minting facilities would be the location of this new mint in the Chicago metropolitan area. Knowing of the interest of Members of Congress and of the administration in the most efficient and economical operation of the Federal Government, this fact should be of paramount importance in the consideration of this bill.

I am hopeful that the Committee on Public Works will afford an early hearing on this measure and will give favorable and expeditious approval to this bill to establish the third U.S. mint in Lake County, Ill.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

ACQUISITION OF PROPERTY IN SQUARE 758 IN THE DISTRICT OF COLUMBIA

The Clerk called the bill (S. 254) to provide for the acquisition of certain property in square 758 in the District of Columbia, as an addition to the grounds of the U.S. Supreme Court Building.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SAINT-GAUDENS NATIONAL HISTORIC SITE, N.H.

The Clerk called the bill (H.R. 4018) to authorize establishment of the Saint-Gaudens National Historic Site, N.H., and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LAKE ERIE SESQUICENTENNIAL

The Clerk called the bill (S. 1828) to amend the joint resolution establishing the Battle of Lake Erie Sesquicentennial Celebration Commission so as to authorize an appropriation to carry out the provisions thereof.

The **SPEAKER**. Is there objection to the present consideration of the bill?

Mr. **CONTE**. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The **SPEAKER**. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMEND THE ORGANIC ACT

The Clerk called the bill (H.R. 5838) to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the Organic Act of the National Bureau of Standards the authority to make certain improvements of fiscal and administrative practices for more effective conduct of its research and development activities.

The **SPEAKER**. Is there objection to the present consideration of the bill?

Mr. **FORD**. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The **SPEAKER**. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PROVIDING FOR ADDITIONAL COMMISSIONERS OF THE U.S. COURT OF CLAIMS

The Clerk called the bill (S. 102) to provide for additional commissioners of the U.S. Court of Claims.

The **SPEAKER**. Is there objection to the present consideration of the bill?

Mr. **GROSS**. Mr. Speaker, reserving the right to object, as I stated previously when this bill was before the House, I would not be opposed to a bill which provided for an increase of five Commissioners and which provided for some changes in the rules; but I cannot let this bill go through at this time with a sweetening of the retirement system for the Commissioners. I reiterate what I said previously that the salaries of Commissioners, under the pay bill which is pending and may come before the House shortly, would be increased by nearly $10,000 a year to $28,000. Implicit in the pay increase is an increase in retirement compensation.

Mr. Speaker, I must ask unanimous consent that this bill be passed over without prejudice until there is some disposition of the pay bill.

The **SPEAKER**. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RAISING AGE LIMIT TO 65 FOR TOTAL DISABILITY INCOME PROVISION ON NSLI POLICIES

The Clerk called the bill (H.R. 6920) to amend section 715 of title 38, United States Code, to authorize issuance of total disability income provisions to national service life insurance policies through age 65, under certain conditions.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 715 of title 38, United States Code, is amended by designating the existing section as subsection "(a)", adding a new subsection to be designated subsection "(b)", to read as follows:

"(b) Upon surrender of any total disability provisions mentioned in subsection (a) of this section, and prior to the policyholder's sixtieth birthday, the Administrator shall upon application by the insured, proof of good health, and payment of such extra premium as determined by the Administrator to be reasonable and practicable, include in any national service life insurance policy on the life of the insured (except a policy issued under section 620 of the National Service Life Insurance Act of 1940, or section 722 of this title), a total disability income provision providing for monthly benefits on account of total disability, under the same terms and conditions mentioned in subsection (a) of this section, excepting benefits may be paid if such total disability is shown to have commenced prior to the insured's sixty-fifth birthday."

Amend the title so as to read: "A bill to amend section 715 of title 38, United States Code, to authorize, under certain conditions, the issuance of total disability income provisions for inclusion in National Service Life Insurance policies to provide coverage to age sixty-five."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That, effective January 1, 1965, section 715 of title 38, United States Code, is amended to read as follows:

" 'The Administrator shall, except as hereinafter provided, upon application by the insured and proof of good health satisfactory to the Administrator and payment of such extra premium as the Administrator shall prescribe, include in any national service life insurance policy on the life of the insured (except a policy issued under section 620 of the National Service Life Insurance Act of 1940, or section 722 of this title) provisions whereby an insured who is shown to have become totally disabled for a period of six consecutive months or more commencing after the date of such application and before, attaining the age of sixty-five and while the payment of any premium is not in default, shall be paid monthly disability benefits from the first day of the seventh consecutive month of and during the continuance of such total disability of $10 for each $1,000 of such insurance in effect when such benefits become payable. The total disability provision authorized under this section shall not be issued unless application therefor is made either prior to the insured's fifty-fifth birthday, or before the insured's sixtieth birthday and prior to January 1, 1966. The total disability provision authorized under this section shall not be added to a policy containing the total disability coverage heretofore issued under section 602(v) of the National Service Life Insurance Act of 1940, or the provisions of this section as in effect before January 1, 1965, except upon surrender of such total disability coverage, proof of good health, if required, satisfactory to the Administrator, and payment of such extra premium as the Administrator shall determine is required in such cases. Participating policies containing additional provisions for the payment of disability benefits may be separately classified for the purposes of dividend distribution from otherwise similar policies not containing such benefit' ".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended to read:

A bill to amend section 715 of title 38, United States Code, to authorize, under certain conditions, the issuance of total disability income provisions for inclusion in National Service Life Insurance policies to provide coverage to age sixty-five.

A motion to reconsider was laid on the table.

Mr. **SAYLOR**. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The **SPEAKER**. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. **SAYLOR**. Mr. Speaker, H.R. 6920 will authorize a new total disability income provision in national service life insurance policy providing for the payments of total disability income benefits if the insured becomes totally disabled prior to age 65. At the present time total disability income protection is available only if the insured becomes totally disabled before attaining age 60. The philosophy of this legislation is in keeping with the present trend in the insurance industry toward providing more health protection for our senior citizens.

Under the provisions of this legislation, holders of national service life insurance who can show good health and will pay an additional premium may receive $10 per month for each $1,000 of insurance in effect after 6 months of total disability and continuing for as long as the total disability exists. Heretofore the total disability must have existed prior to age 60 for entitlements to this benefit. H.R. 6920 authorizes a new plan of total disability income protection increasing the age limit to 65 years. When this bill was considered before and passed over a question was raised as to the cost of the bill.

An inquiry to the Veterans' Administration on the cost estimates of H.R. 6920 revealed the following:

The slight increase in cost after the third year is attributed to the costs of processing an increased number of claims under the total disability income provisions created by this bill. The Veterans' Administration anticipates a slight increase in the cost each succeeding year, again occasioned by an increasing number of claims. It is not anticipated that the cost will increase by more than $5,000 in any one year over the previous year's cost. The administrative cost of processing an individual claim is estimated at $29 per claim.

I commend the House upon the approval of this bill.

TRANSFERRING AUSTIN, FORT BEND, AND WHARTON COUNTIES FROM THE GALVESTON DIVISION TO THE HOUSTON DIVISION OF THE SOUTHERN DISTRICT OF TEXAS

The Clerk called the bill (S. 721) to amend section 124 of title 28, United States Code, to transfer Austin, Fort Bend, and Wharton Counties from the Galveston division to the Houston division of the Southern district of Texas.

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That (a) paragraph (1) of section 124(b) of title 28, United States Code, is amended to read as follows:

"(1) The Galveston division comprises the counties of Brazoria, Chambers, Galveston, and Matagorda.

"Court for the Galveston division shall be held at Galveston."

(b) Paragraph (2) of section 124(b) of title 28, United States Code, is amended to read as follows:

"(2) The Houston division comprises the counties of Austin, Brazos, Colorado, Fayette, Fort Bend, Grimes, Harris, Madison, Montgomery, Polk, San Jacinto, Trinity, Walker, Waller, and Wharton.

"Court for the Houston division shall be held at Houston."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCLUSION OF HOPKINS COUNTY WITHIN THE PARIS DIVISION OF THE EASTERN DISTRICT FOR THE U.S. DISTRICT COURTS IN TEXAS

The Clerk called the bill (H.R. 5964) to provide for the inclusion of Hopkins County, Tex., within the Paris division of the eastern district for the U.S. district courts in Texas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (4) of subsection (c) of section 124 of title 28, United States Code, is amended to read as follows:

"(4) The Paris division comprises the counties of Delta, Fannin, Hopkins, Lamar, and Red River.

"Court for the Paris division shall be held at Paris."

(b) Paragraph (5) of such subsection is amended by striking out "Hopkins,".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO THE ATOMIC ENERGY ACT OF 1954

The Clerk called the bill (H.R. 9711) to amend the Atomic Energy Act of 1954.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AMENDMENTS TO THE FEDERAL EMPLOYEES HEALTH BENEFITS ACT OF 1959

Mr. MURRAY. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1561) to amend the Federal Employees Health Benefits Act of 1959.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Employees Health Benefits Act of 1959 (5 U.S.C. 3001–3014) is hereby amended as follows:

(1) Section 2(c)(3) (5 U.S.C. 3001(c)(3)) is amended by striking out "as a result of injury sustained or illness contracted on or after such date of enactment".

(2) Section 2(c)(4) (5 U.S.C. 3001(c)(4)) is amended by striking out "on account of injury sustained or illness contracted on or after such date of enactment".

(3) Section 2(d) (5 U.S.C. 3001(d)) is amended—

(A) by inserting ", foster child," immediately following "stepchild"; and

(B) by striking out "nineteen" wherever occurring therein and inserting in lieu thereof "twenty-one".

(4) Section 2(e) (5 U.S.C. 3001(e)) is repealed.

(5) Section 3(b)(1) (5 U.S.C. 3002(b)(1)) is amended—

(A) by striking out "whichever is shorter, or"; and

(B) by inserting in lieu thereof "or (C) the full period or periods of service beginning with the enrollment which became effective not later than December 31, 1964, and ending with the date on which he becomes an annuitant, whichever is shortest, or".

(6) Section 3 (5. U.S.C. 3002) is amended by adding at the end thereof the following new subsection:

"(g) Any annuitant (including an individual receiving monthly compensation as a result of injury sustained prior to the effective date specified in section 16 and who would be an annuitant if the injury or illness had been sustained or contracted on or after that date) who at the time he became an annuitant shall have been enrolled in a health benefits plan under this Act and who at the time he became an annuitant was ineligible to continue his enrollment may, upon his application before December 31, 1964, and under such other conditions of eligibility as the Commission may by regulation prescribe, prospectively enroll in an approved health benefits plan describe in section 4, either as an individual or for self and family."

(7) Section 6(d) (5 U.S.C. 3005(d)) is amended by adding at the end thereof the following new sentence: "The Commission may terminate the contract of any carrier effective at the end of a contract term, if the Commission finds that at no time during the preceding two contract terms did the carrier have three hundred or more employees and annuitants (exclusive of family members) enrolled for its plan."

(8) Section 6(f) (5 U.S.C. 3005(f)) is amended by striking out ", on such terms or conditions as are prescribed by the carrier and approved by the Commission".

(9) Section 6(g) (5 U.S.C. 3005(g)) is amended by striking out ", at the option of the employee or annuitant,".

(10) Section 7(a)(1) (5 U.S.C. 3006(a)(1)) is amended—

(A) by striking out the comma at the end of clause (A) thereof and inserting "and" in lieu of such comma; and

(B) by striking out "(other than as provided in clause (C) of this paragraph), and (C) not less than $1.75 or more than $2.50 biweekly for a female employee or annuitant enrolled for self and family including a nondependent husband".

(11) Section 7(a)(2) (5 U.S.C. 3006(a)(2)) is amended to read as follows:

"(2) For an employee or annuitant enrolled in a plan described under section 4(3) or (4) for which the biweekly subscription charge is less than twice the Government contribution established under paragraph (1) of this subsection, the Government contribution shall be 50 per centum of the subscription charge."

(12) Section 8(b) (5 U.S.C. 3007(b)) is amended by inserting immediately after the first sentence thereof the following new sentences: "The Commission, from time to time and in such amounts as it considers appropriate, may transfer unused funds for administrative expenses to the contingency reserves of the plans then under contract with the Commission. When funds are so transferred, each contingency reserve shall be credited in proportion to the total amount of the subscription charges paid and accrued to the plan for the contract term immediately preceding the contract term in which the transfer is made."

(13) Section 8(5 U.S.C. 3007) is amended by adding at the end thereof the following new subsection:

"(d)(1) Whenever the assets, liabilities, and membership of employee organizations sponsoring or underwriting plans approved under section 4(3) have been or are hereafter merged, the assets (including contingency reserves) and liabilities of the plans sponsored or underwritten by the merged organizations shall, at the beginning of the contract term next following the date of the merger or enactment of this subsection, be transferred to the plan sponsored or underwritten by the successor organization. Each employee or annuitant hereafter affected by a merger shall also be transferred to the plan sponsored or underwritten by the successor organization unless he enrolls in another plan under this Act.

"(2) Except as provided in paragraph (1) of this subsection, whenever a plan described under section 4(3) or 4(4) is or has been discontinued under this Act, the contingency reserve of that plan shall be credited to the contingency reserves of the plans continuing under this Act for the contract term following that in which termination occurs, each reserve to be credited in proportion to the amount of the subscription changes paid and accrued to the plan for the year of termination."

(14) Section 10(c) (5 U.S.C. 3009(c) is amended to read as follows:

"(c) Any employee enrolled in a plan under this Act who is removed or suspended without pay and later reinstated or restored to duty on the ground that such removal or suspension was unjustified or unwarranted may, at his option, enroll as a new employee or have his coverage restored, with appropriate adjustments made in contributions and claims, to the same extent and effect as though such removal or suspension had not taken place."

Sec. 2. Paragraphs (4), (10), and (11) of the first section of this Act shall become effective on the first day of the first pay period which begins at least ninety days after the date of enactment of this Act.

Amend the title so as to read: "An Act to amend the Federal Employees Health Benefits Act of 1959 to remove certain inequities in the application of such Act, to improve the administration thereof, and for other purposes."

The SPEAKER. Is a second demanded?

Mr. CORBETT. Mr. Speaker, I demand a second.

Mr. MURRAY. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. Pool].

Mr. POOL. Mr. Speaker, it has certainly been a most interesting and rewarding experience for me to have served as chairman of the subcommittee of the Post Office and Civil Service Committee that considered this legislation.

Anyone who has had the opportunity to study and observe the operations of the Federal employees health benefits program cannot help but be enormously impressed by the fact that it is undoubtedly one of the most far-reaching, progressive, and beneficial "fringe benefits" ever established by any employer for its employees.

Enacted by the Congress in 1959 as Public Law 86–382, the program started operating on July 1, 1960. It now provides over 2 million Federal employees and their 4 million family members with a level of health insurance protection that ranks among the best and most complete obtainable. It is the largest health benefits program in the world and every single day it acts as a protective buffer around Federal employees against the financial impact of not only routine medical expenses but the oftentimes ruinous drain of major medical and hospital costs. The carriers of the 38 participating health benefits plans have paid out approximately $1 billion in benefits in the less than 4 years of its existence.

The administration of the Federal employees health benefits program is under the jurisdiction of the Civil Service Commission which, certainly, deserves the highest commendation, not only for the smooth and efficient manner in which the program functions, but also for its own Herculean accomplishment in getting the program established in the first place within the rather broad guidelines that were laid down by Congress in the enabling legislation.

However, the experience of the Civil Service Commission to date in administering the program has revealed a few problem areas which it now feels require legislative action. In an official recommendation submitted to the Congress on May 8, 1963, the Commission proposed legislation to solve these problems and S. 1561, unanimously reported from our committee and now before the House, is the result of that recommendation.

S. 1561 incorporates 14 separate amendments to the Federal Employees Health Benefits Act of 1959. These amendments are intended:

First. To solve problems that have arisen from the application of the act to particular circumstances that could not be foreseen prior to enactment;

Second. To correct certain inequities that have developed; and

Third. To simplify and improve generally the administration of the act.

Nine of the amendments are those which were contained in the official recommendation of the Civil Service Commission. The remaining five amendments were adopted as a result of the extensive hearings conducted on the legislation by our committee and the Senate committee. These hearings revealed the need for further improvements in the act. I would like to emphasize that all of the amendments, including those which were not originally recommended by the Civil Service Commission, have been endorsed by this agency.

Seven of the amendments that are proposed to the Health Benefits Act in S. 1561 will add certain new benefits for employees; six of the amendments are designed to improve the administration of the program; and one corrects a technical defect in existing law.

Mr. Speaker, since there is no controversy involved in any of the amendments proposed in S. 1561, I think it unnecessary here to review in detail each separate amendment. They are fully explained in the committee report on the bill which is available to the Members. However, I would like to highlight a few of the changes that are made in existing law, particularly those which would extend new benefits. While, with one exception, they cannot be considered major departures from existing law, they are important and will contribute materially to improving the program.

One amendment adds foster children, who are presently excluded, to the list of family members who can be covered by the enrollment of an employee or annuitant, if these children are living with the employee or annuitant in a regular parent-child relationship.

Health benefits coverage will be continued for unmarried children up to the age of 21 years under an employee's family enrollment. The age limit presently is 19 years.

Another amendment makes provision for permitting employees, who otherwise might be ineligible to do so because they did not enroll at their first opportunity, to continue their health benefits protection when they retire on immediate annuities.

Certain retirees who lost their health benefits protection when they retired because they had not enrolled at the first opportunity will be permitted to regain their coverage.

Two of the amendments provide for the orderly and equitable disposition of the contingency reserves of health benefits plans that discontinue business or of health benefits plans sponsored by employee organizations that are involved in mergers. Existing law makes no provision at all for the disposition of these contingency reserves.

Perhaps the most significant amendment, at least from the point of view of over 100,000 married women employees, corrects a very serious inequity involving them that has existed since the program went into effect on July 1, 1960. Present law discriminates against these female employees by requiring them to pay appreciably more for their family enrollments when they have nondependent husbands. There is no similar penalty in existing law for married male employees whose wives may not be dependent upon them. The amendment would simply eliminate the separate enrollment classification for these married women employees who might have nondependent husbands and it puts them on the same Government contribution basis as all other regular family enrollments.

I would like to point out that this particular amendment is the only one of the 14 that involves any cost to the Government. The Civil Service Commission estimates that the cost of this amendment to the Government will be approximately $3.25 million per year, but in the interests of equity and in removing a discrimination against one class of employees that never should have existed in the first place, this cost is fully justified as a part of the overall cost of the Government's share of the program.

As I indicated, there are no costs to the Government involved in any of the other amendments. In fact, the Civil Service Commission estimates that adoption of the remaining amendments will result in minor savings in administrative expenses.

Mr. Speaker, S. 1561 is extremely desirable legislation. It will materially improve and strengthen the Federal employees health benefits program, already recognized as one of the finest and most complete in the world. I earnestly urge the adoption of S. 1561.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. POOL. I yield to the gentleman.

Mr. CUNNINGHAM. I want to compliment the gentleman on his statement. I certainly support the gentleman's presentation and I support the bill. Having been a member of the committee that developed the health program for our Federal employees, I think it is one of the finest that could possibly have been developed. I want to compliment the Civil Service Commission particularly for taking a difficult piece of legislation and working it out so smoothly. So I do want to say it is a very fine piece of legislation that we passed out of our Committee on the Civil Service several years ago and that this will strengthen the program. It is the very finest health and accident policy that is available on the market today.

Mr. CORBETT. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York [Mrs. ST. GEORGE] who is ranking member on the subcommittee that handled this bill.

Mrs. ST. GEORGE. Mr. Speaker, I wholeheartedly join my distinguished colleague from Texas in urging approval here today of S. 1561.

I was privileged to serve on the Post Office and Civil Service Committee in 1959 and participate in the lengthy hearings and executive sessions out of which emerged Public Law 86–382—the Federal Employees Health Benefits Act, certainly one of the most valuable and beneficial fringe benefits ever enacted by Congress for Federal employees.

Under this program, the Federal Government has joined with other progressive and enlightened employers by contributing a share of the cost of protecting its employees and their dependents against the high, unbudgetable, and financially burdensome cost of medical services. Federal employees are able to purchase protection at comparatively low cost from the oppressive expenses of normal medical care and the generally crushing expenses of major or catastrophic illness or injuries.

I might mention that a corollary benefit of this program is that it has materially improved the competitive position of the Federal Government in the recruitment and retention of competent civilian personnel.

I remember when the program was originally enacted, there were many who expressed serious doubts that a health benefits program of this magnitude—one that would offer the best possible health insurance protection to over 2 million employees and their families—could ever be successfully inaugurated without at least the necessity for a continuing series of perfecting and strengthening legislative proposals. It is indeed a real testimonial, not only to the legislative architects of the original program, but also to the Civil Service Commission that was charged with responsibility for getting the program underway and administering it, that after a period of almost 4 years of efficient operation this is the first request the Congress has had for any important perfecting legislation.

S. 1561 is the result of an official request which we received from the Civil Service Commission, based upon its experiences to date in administering the program. The bill contains 14 separate amendments to the Federal Employees Health Benefits Act that are designed to bolster it in a few weak spots, correct certain inequities that have been uncovered, and remove a few obstacles in the path of efficient administration.

Only two of the amendments can in any way be considered major substantive changes in the act, but in my opinion, they are the changes that are the most highly desirable. In fact, the existing provisions of law leading to the need for these two amendments should never have been incorporated in the original act. Both of these amendments have been explained by my colleague from Texas, but I do want to review them again briefly for you.

The first amendment continues health benefits coverage under a family enrollment for unmarried children until they reach 21 years of age. The 21-year age limit, incidentally, was recommended to our committee and to the Senate committee in 1959 by the Civil Service Commission during our original consideration of the legislation. Experience to date proves that the Commission was right in advocating at that time a 21-year age limit rather than the 19-year age limit that was finally adopted in 1959. In spite of what you might hear and read about the prevalence of early marriages today, more and more young people are remaining a part of the family household until a later age and their mothers and fathers are still morally and legally responsible for them, at least until they reach the legal age of 21. Changing the age limit to 21 will be particularly helpful to families who have children in college and who are already under a heavy financial burden without being required to purchase separate and more expensive health insurance for their children.

The really good thing about this particular amendment is that it extends an important benefit to Federal employees without adding to the overall cost of the program. The Civil Service Commission endorses this change and, in an official report to our committee, pointed out that its cost, if any, would be quite minimal.

The second amendment contained in S. 1561 that I would like to call to your attention is the one that I consider the most important. It corrects an extremely inequitable condition that has existed since enactment of the health benefits program—a condition that never should have existed, and one that has been of deep concern to me ever since. This amendment quite simply will eliminate the "odd man" classification that was set up in the original act for married women employees whose husbands are nondependent upon them. This separate and discriminatory enrollment classification called for a much smaller Government contribution to their health benefits coverage, thus requiring that they pay a higher percentage share of the total cost of health insurance protection than single persons or married men with families. There is no separate classification or similar penalty imposed upon married men whose wives work and who, in effect, are not dependent.

Singling out this group of Federal Government workers for lower benefits than their coworkers certainly has constituted a serious inequity and particularly at a time when a lot of effort, from the White House on down, is being exerted to provide fully equal consideration for female employees in all phases of Government employment.

S. 1561 will eliminate the "odd man" female and nondependent husband enrollment classification and place these women employees in the regular self and family enrollment where the Government's contribution to their health benefits plans will be exactly the same as what it is for all other family enrollments.

As the gentleman from Texas has informed you, this is the only amendment in the bill that involves any cost—an estimated $3.25 million per year. However, this is a cost that is entirely justified as a part of the overall cost of the entire Federal employees health benefits program. It is a cost that the Government rightfully should have been paying since July 1, 1960. In fact, rather than speaking in terms of additional cost here, a good case could be made that the Government has reaped an undeserved windfall of three and a quarter million dollars per year since July 1960 at the expense of a dedicated group of employees, and that this bill only requires that the Government start paying what it should have paid all along.

Mr. Speaker, the amendments to the Federal Employees Health Benefits Act contained in S. 1561 were very carefully considered by my committee and they are offered here today by a unanimous vote of the committee. I sincerely urge their favorable consideration by the House.

Mr. CORBETT. Mr. Speaker, I yield to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, I wish to urge passage today of S. 1561, as amended by the House Committee on Post Office and Civil Service.

On September 1, 1959, Mr. Speaker, I supported a motion to suspend the rules and pass S. 2162, a bill to provide for a health benefits program for Federal employees. The motion carried and S. 2162 subsequently was enacted into law. The intervening time has proven that decision of the Congress to be a good one. The Federal employees health benefits program has operated well, confounding its critics who said it was unworkable. However, minor problem areas have developed in the administration of this program. And today we have an opportunity to correct some of the problems and also to eliminate certain inequities which have appeared. We can do this by passing S. 1561.

Of particular importance, Mr. Speaker, is paragraph 4 which would eliminate an unjust discrimination against married female employees who are required to pay substantially more for their health benefits protection than are married male employees. At present, the married female employee cannot include a nondependent husband in her family policy and receive the same governmental benefits as can a married male employee. To me this is utterly unfair. A woman, providing for her family's health protection, is entitled to exactly the same consideration from her Government as is the male employee protecting his family. The Civil Service Commission has estimated that approximately 100,000 women would qualify for this increased coverage and, even though it would add some to the total cost of the program, the Commission would not, in the interest of equity, oppose the proposal. Those five words "in the interest of equity" are of the utmost importance and should be taken to heart by every Member present today. "In the interest of equity" we should, today, raise the married female employee to the level which the married male employee has enjoyed and benefited from since the program went into effect on July 1, 1960.

Of equal importance, Mr. Speaker, is paragraph 3(A) which adds foster children who are living with the employee in a regular parent-child relationship to the list of family members who can be covered. Again, this is a matter of equity. Such foster children are customarily included in health plans in private enterprise. Therefore, this paragraph merely—and I might add belatedly—brings them under coverage in the Federal program. Not to do so is to work an undue hardship on employees who may be rearing a grandchild, a niece, or a minor brother or sister whose parents are dead.

S. 1561 is well-conceived, well-studied legislation. The Committee on Post Office and Civil Service is to be commended for presenting this excellent legislation to us today. It deserves passage.

Mr. CORBETT. Mr. Speaker, might I inquire if the gentleman from Tennessee has any other requests for time?

Mr. MURRAY. Mr. Speaker, I have no further requests for time on this side.

The SPEAKER. The question is on the motion of the gentleman from Tennessee [Mr. MURRAY], that the House suspend the rules and pass the bill S. 1561 with an amendment.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The title was amended so as to read: "An Act to amend the Federal Employees Health Benefits Act of 1959 to remove certain inequities in the application of such Act, to improve the administration thereof, and for other purposes."

A motion to reconsider was laid on the table.

OUR LIVESTOCK AND MEAT PRODUCTS IMPORT PROBLEM—ACTION UNDER SECTION 22 NEEDED

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, section 22 of the Agricultural Adjustment Act, among other things, provides that:

> Whenever the Secretary of Agriculture has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program * * * or any loan, purchase * * * operation * * * or to reduce substantially the amount processed * * * he shall so advise the President, and if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made by the U.S. Tariff Commission.

And upon a proper finding a 50 percent tax or quantitative limitation may be required.

Imports of livestock and meat products imported into this country have increased by more than 100 percent in the last few years. These imports have created a surplus on the domestic market, perilously endangering and affecting the operations of farm programs.

For years our Government periodically has been required to purchase surplus meats, and on at least one occasion live cattle, all within the intent of section 32 of the Agricultural Adjustment Act and with funds generated by that act, all in an effort to strengthen the market. We are threatened with such a situation now.

We have a price-support program for grain, and if this great inflow of livestock and meat products is not stopped, we will find less grain fed to livestock at home and this agricultural program will be thus endangered. If these increased imports are not stopped, less American meat will be processed over the years ahead.

The agreements with Australia and New Zealand to reduce shipments to us, while good, are far too little. Therefore, Mr. Speaker, I urge the Secretary of Agriculture to move now to set the provisions of section 22 in motion.

FOREIGN AID HURTS

Mr. Speaker, this problem is compounded by other policies of the Government. Through our foreign aid program the United States is authorized to finance and is apparently financing American cattle interests in locating in South and Central America, as well as other areas, with their operations guaranteed by the U.S. Government, enabling such American interests to produce cattle and return them to the United States without restriction.

The Agency for International Development, according to its bulletin, provides for:

First. An investment survey. AID will finance 50 percent of the cost of a trip to look over the situation in a foreign country.

Second. AID will make a dollar loan, also Export-Import Bank, International Finance Corporation and World Bank, and Inter-American Development Bank.

Third. AID will also make local currency loans from currencies generated by Public Law 480.

Fourth. AID will guarantee against political risks and some business risks.

Then, cattle and other livestock produced abroad can be sent back into the United States without limitation. I understand that even now many more Americans are getting set for this Santa Claus program offered by the U.S. Government through foreign aid, while Internal Revenue Service attempts to collect, in taxes, just a small share of the millions of dollars which other Americans have made under this program at the expense of their American competitors who stayed at home.

INVESTIGATION BEING MADE

When this was brought to our attention a few weeks ago, our Agriculture Appropriations Subcommittee provided for an investigation by the Appropriations Committee investigators, covering the following:

First. Volume of U.S. imports of livestock, meat, and meat products from Canada, Australia, New Zealand, Argentina, Brazil, and other major producing countries.

Second. Programs and policies of Federal agencies governing imports of livestock, meat, and meat products from abroad, including changes made during this period.

Third. Examples of use of section 22 of the Agricultural Adjustment Act to control such imports—or lack of use of such authority.

Fourth. Policies and programs of the Federal Government and agencies such as the International Bank involving the furnishing of technical and financial assistance to organizations of individuals in foreign countries for production of livestock, meat, and meat products.

Fifth. Names of U.S. citizens or organizations which have gone into livestock production in foreign countries during this period, including information on location, volume and whether or not U.S. Government loans were involved.

Sixth. Legislative authority for U.S. agencies to engage in such programs, and the amount of Federal funds and number of employees engaged in such programs.

Seventh. U.S. price levels at the farm, wholesale and retail levels of such products during the period, and effect of price changes on U.S. livestock producers.

Eighth. Effect of such imports on the use of section 32 funds and on the various farm programs of the United States affecting grain production and marketing.

Mr. Speaker, the Secretary of Agriculture needs to act now to protect existing farm and commodity programs and thereby aid our domestic economy and our very essential livestock industry.

EXTRAVAGANCE IN SOLE SOURCE BUYING

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, the Air Force recently spent $345 each to buy a small power supply for an airborne radio and wasted $223 on every one it bought. I warned before it happened that this was going to take place and tried to get the Air Force to coordinate its requirements with the Army. My warnings fell on deaf ears, and while the Army got competitive bids and bought the equipment for $122 each, the Air Force eliminated competition and threw $34,000 down the drain.

When I made this case a part of my continuing study of military procurement and the waste and inefficiency that goes on daily at the Pentagon, I expected cooperation and credible answers.

I should have known better.

The Air Force gave me untrue answers. It took the Comptroller General to help get to the bottom of the mess and find the truth.

In a report made to me on February 6, 1964, the General Accounting Office backed up every single allegation I made in a letter of transmittal of September 17, 1963. It also corroborated my fears that the Air Force gave me false answers in replying to my questions.

Mr. Speaker, after I am through here today, I shall refer the GAO report to the Secretary of the Air Force for his study and action.

It should be apparent to all that some sort of corrective action is mandatory. The deed here is much worse than the dollars. In this one procurement, the Air Force spent 181 percent more than necessary.

If this kind of slipshod and inefficient work can pass without notice until a single Congressman insists on getting at the truth, how many other contracts with similar abuses are sliding by with commensurate waste of millions of dollars a year?

You will notice I say that corrective action should be taken. This does not mean that it will be. It is altogether possible that some bureaucrat will attempt to rationalize or explain the whole thing away. Perhaps the Air Force will sweep the mess under the rug again.

But the fact remains that here is another battle that has been won. Another polecat has been pulled out of the woodpile. The smell is going to linger on until there is some wholesale fumigating on the other side of the Potomac River.

Mr. Speaker, what the Air Force contended in this case and what the GAO found to be the truth are as different as night and day. On the surface, the

Air Force appeared to have tried diligently to do a good job. But once the surface layer was stripped away, the corruption poured out.

Here again, some Air Force civil servant goofed. or worse. The proper papers were shuffled. Every one up and down the line rubber stamped the atrocity that was about to be committed.

But once the General Accounting Office got into the picture, the truth started to come out and the waste of another $34,000 was documented. I warned it would happen, tried to get it stopped, but failed.

Mr. Speaker, in the Commerce Business Daily of July 29, 1963, I saw where the Air Force at San Antonio Air Materiel Area, Tex., planned to buy 60 units of the DY-107 dynamotor without competition or competitive bidding.

This dynamotor is simply a power supply for the AN/ARC-44 airborne radio, a radio that has been made in the past under competitive conditions by several manufacturers. I have watched its purchase. It is a good radio and the purchases have been fair, competitive, and satisfactory to the Government and to industry.

I wondered why, in the light of past contracts, the Air Force had to buy this equipment sole source. Only 6 weeks before that time, the Army Electronics Materiel Agency in Philadelphia had opened a purchase for the same power supply under competitive conditions at a final price of $122 per item.

My concern in this matter was transmitted to Air Force Secretary Eugene M. Zuckert in a letter dated August 5, 1963. I insert the letter at this point:

> DEAR MR. SECRETARY: Please obtain a copy of the unnumbered negotiation currently justified by the commanding officer, Kelly Air Force Base, Tex., announced in the Department of Commerce Business Daily No. 3352 of July 29, 1963, page 3, column 1, covering 60 units of dynamotor identified as the DY-107/ARC-44, on a sole source basis with Admiral Corp. Also, I would like a photostatic copy of the D. & F. used by this agency to justify such a sole source award.
>
> In addition, please tell me why the Air Force could not coordinate its requirements for the DY-107/ARC-44 with that of the Army for identical equipment, and combine the award under the U.S. Army Electronics Materiel Agency, Philadelphia, invitation AMC-36-039-63-662 which was publicly opened on June 24, 1963?
>
> Sincerely yours,
>
> EARL WILSON,
> *Member of Congress.*

Mr. Speaker, on August 26, 1963, I received my answer. Briefly, the Air Force told me that I was, in effect, mistaken. The DY-107 power supply to be purchased by the Air Force was not the same to be bought by the Army, I was told.

The Air Force told me it had checked out Federal stock numbers used for this equipment and the report did not indicate the Army as a user of this item. It also told me the stock number used by the Army in its purchase was different from that of the Air Force.

Mr. Speaker, this puzzled me greatly, because my sources in the military insisted the two equipments were the same. I turned to the General Accounting Office to resolve the differences of opinion—if not of fact—that I was receiving. Either my sources in procurement areas of the Air Force were wrong or the answers supplied by the Air Force, August 26, 1963, were not truthful.

In a letter to the Comptroller General, September 17, 1963, I asked for a complete search into the procurement of the DY-107 power supply. In the interim, I had uncovered a third purchase of the item. It was being made by the Army in Fort Rucker, Ala., and I asked that it be looked into.

Included in my letter to the Comptroller General were these questions:

> 1. Why could not these two services—the Army and the Air Force—coordinate their procurements?
>
> 2. The units being procured in both instances are and should be interchangeable with those made by earlier manufacturers. Why have different Federal stock numbers been assigned? Such a duplication is confusing, to say the least.
>
> 3. Who is at fault if an error has been made in this case?
>
> 4. Why is Fort Rucker permitted to make it own buy? Why hasn't this procurement been coordinated with earlier ones?

On February 6, 1964, I received my report from the General Accounting Office. I can only hope that this is not testimony to what is going on at all levels of Defense procurement, even though I sometimes suspect the worst.

The General Accounting Office review shows, for example, that the Air Force did not supply me with truthful answers.

When GAO quizzed Air Force technicians at San Antonio Air materiel area, a standardization branch employee said, and I quote from the report:

> That, acting within his own authority, he changed the first two purchase requests to specify—a different stock number than that of the Army—"which identified the Admiral Corp. as the supplier because of the urgency and limited quantities required.

In a footnote in its report to me, GAO said:

> This is in conflict with the information furnished to you by the Department of the Air Force letter of August 26, 1963, that a Federal stock number was sought from the center.

In other words, what the Air Force told me was one thing. The truth, as uncovered by GAO, was another.

Mr. Speaker, the Secretary of the Air Force should pinpoint the man who is giving false information to Members of Congress and state what action is to be taken to discipline him. Every Member of this House should expect this to be done.

The General Accounting Office also stated:

> Our review indicates that (1) the Air Force should have coordinated its procurement action with that of the Army and it is highly probable that, had this been done, the Air Force requirements could have been added on to an Army contract at savings of about $34,000 to the Government, and (2) the Fort Rucker procurement action, involving at least $4,600, was unauthorized and was subsequently canceled as a result of your inquiry into this matter.

The Comptroller General's report also said that the Air Force originally anticipated paying $850 per power supply for these same units that were being purchased for $122 each under competitive conditions by the Army. The final Air Force price with Admiral was $345 each—$223 per unit more than paid by the Army—a waste of 181 percent per power supply.

Mr. Speaker, the report of the Comptroller General is complete in every detail. It is No. B-152536, and I have made arrangements for any Member to be supplied with a copy upon his request.

It simply shows that here, as in so many other cases, what passes for efficiency and good work is too often just a coverup of redtape and paper which masks so much waste of tax dollars that the everyday imagination can not cope with the figures involved.

Until we here in Congress start riding herd on the procurement people in the Pentagon and elsewhere, we are passively condoning the rape of our tax dollar that goes on unchecked.

The only way to attack the waste in Defense spending is by individual cases and specifics. A lot of skunks can be hidden in a $50 billion woodpile. The smell may be gamey, but you can not eliminate it until you get at the source and—polecat by polecat—eliminate them.

Just such an effort can be prosecuted with the enactment of H.R. 4409, the bill that I have introduced in this body to set up a blue-ribbon, nonpartisan watchdog committee to maintain surveillance over noncompetitive Defense spending. A colleague in the other body has also introduced a similar measure.

It has been said that the civil rights and tax cut bills were milestones for this Nation. One guarantees a citizen equal rights, the other allows him to keep a little more of his money.

It is my strong feeling that by enacting H.R. 4409 we would go a long way toward insuring the taxpayer that the dollar he drops into the Treasury in taxes is spent wisely and frugally after being properly appropriated by Congress.

THE HONORABLE HAROLD C. OSTERTAG

Mr. HORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HORTON. Mr. Speaker, as we all know, our colleague and good friend, the distinguished gentleman from New York [Mr. OSTERTAG] has announced his retirement from the House at the end of this year.

While it has been my good fortune to serve alongside HAROLD for only one Congress, our friendship is a good deal lengthier. I have known him and admired his conscientious service for many years.

The congressional district which HAROLD has represented with distinction since 1951 has a common boundary with the district I represent. Because the city of Rochester, N.Y., and the county of Monroe, N.Y., are divided by this boundary line and the constituents on both sides have many similar interests, I have worked closely with HAROLD.

Mr. Speaker, in view of HAROLD's retirement plans, I think it would be appropriate to review the highlights of his 33 years in public life. A Rochester Democrat and Chronicle newspaper reporter, Conrad Christiano, recently wrote an article that accomplishes such a review very capably. I take pleasure in sharing his story with my colleagues.

HIGHLIGHTS OF OSTERTAG'S CAREER: HIS AIM: THE PEOPLE'S INTERESTS

"Responsible, thorough, and forward-looking representation of the best interests of the people of our area and the Nation has been my objective during 12 years in Congress."

That was the way Representative HAROLD C. OSTERTAG began a review of his congressional career in October 1962, as he sought reelection to the House of Representatives in the 37th District.

Yesterday the 67-year-old Attica Republican announced in Washington that he will not seek reelection this year to the post he has held since 1950.

Born in Attica, Wyoming County, on June 22, 1896, OSTERTAG was graduated from Attica High School and the Chamberlin Military Institute. He enlisted in the 74th Infantry Division in May 1917 and served 23 months both in this country and with the AEF overseas. He later established and was director of the Wyoming County Veterans Service Bureau for 4 years.

As a veteran he became active in the American Legion and Veterans of Foreign Wars, at one time serving as vice commander of the State Legion.

OSTERTAG worked for the New York Central System, starting as a clerk, and later becoming a ticket agent, accountant, passenger representative, and finally special representative of the traffic department. He quit upon his election to the House.

A State assemblyman from 1932 to 1950, OSTERTAG was chairman of the legislature's joint committee on interstate cooperation from 1936. He initiated conferences among eastern States on mutual problems such as those involving motor vehicles, welfare, migratory farm labor, commerce and development.

In the House, OSTERTAG is a high-ranking member of the powerful House Appropriations Committee and generally is regarded as belonging to the "economy bloc" in Congress.

In his congressional career, he has been unsuccessful in two of his favorite efforts—to create a Department of Peace and to abolish the ceilings on the amount of wages social security beneficiaries may earn.

He has said a peace department could direct and coordinate the numerous activities of Government designed to create better understanding among nations. Just as there is a National War College devoted to the study of war, OSTERTAG, said, there should be a Peace College to examine international relations and world affairs, train personnel officers of the State Department, the U.S. Information Agency and other agencies.

In November, 1955, OSTERTAG and his wife were arrested at gunpoint by East German police in the Soviet zone of Berlin. They were on a sightseeing tour in a U.S. Army sedan with an Army lieutenant and Representative EDWARD BOLAND, Democrat, of Massachusetts.

The incident involved a radiotelephone in the sedan, apparently a violation of East German regulations, "which we don't recognize," OSTERTAG later explained. The party was detained 4 hours.

OSTERTAG later described it as a "harrowing experience, some of the Gestapo treatment which I had heard that the Communists use, part of a planned strategy."

In his campaign for relection in 1962, OSTERTAG said his seniority in Congress advanced him to a ranking position on the committees that deal with national defense, space exploration, veterans' affairs and many other important matters.

"This provides our area with a direct voice in the decisions which are made in Congress on these programs," he said.

During his career in Washington, he successfully sponsored a wide range of legislation, including improvements to the social security system, a GI bill of rights for Korean veterans, a civil defense training program in radiological detection, a U.S. Travel Service to attract tourists from abroad, and Federal consideration of claims by Lake Ontario residents for damages resulting from Canadian operation of the Gut Dam.

"I have consistently supported a strong national defense and a strong foreign policy, improved health and education programs, sound tax reform, equal opportunity for all, and improved roads and rivers," he said in 1962. "As a member of the House Appropriations Committee, I have constantly endeavored to reduce excessive Federal spending and obtain for the taxpayers the most for their tax money."

He also boasted participation in nearly 100 percent of the rollcall votes in Congress during his tenure.

In August 1962, he took credit for congressional slicing of $100 million from the $3.8 billion asked by the National Aeronautics and Space Administration. He said the $100 million was not even a drop in the ocean to NASA, which he was sure would never get around to spending all its money. But several such cuts would add up to considerable savings for the American taxpayer, he insisted.

While in the State legislature, he sponsored far-reaching legislation in the fields of social welfare, veterans affairs, forestry, pollution abatement, among others.

Mr. Speaker, an indication of the high regard in which HAROLD is held was evidenced by the editorial reaction to his retirement announcement by Rochester's other daily newspaper, the Times-Union. Editorial Page Editor Calvin Mayne has authored a public plea that HAROLD reconsider his decision. It is a pleasure to share this editorial with my colleagues, as well.

REPRESENTATIVE OSTERTAG SHOULD RECONSIDER RETIREMENT

Moments after Representative HAROLD C. OSTERTAG announced his retirement from Congress at the end of the year, Representatives from both sides of the aisle crowded around him on the House floor to urge him to reconsider.

Many in his Rochester area district feel the same way. After 33 years in the State legislature and in Congress, Representative OSTERTAG has earned relief from increasingly heavy burdens of public service. But his departure from Washington will be a blow to his 37th District, his State, and the Nation for two main reasons:

His ability—Representative OSTERTAG knows government—particularly its fiscal problems—as do few other Congressmen. He has saved taxpayers many millions of dollars by his alert detection of waste, but he is no pennypincher in defense, space exploration, and other vital areas in which he is expert. His conservative philosophy represents majority sentiment in his district, yet he has a liberal approach toward human problems of civil rights and social security.

His seniority—The congressional power structure is based on length of service. Representative OSTERTAG's seven terms provide him a strong voice in all legislative fields. No Representative who replaces him, however capable, can hope to reach a comparable position for years.

HAROLD OSTERTAG is intelligent, responsible, and perceptive. At 67, he is younger than many other Congressmen and is in good health. He is popular in his district, consistently carrying urban areas in his congressional races as well as rural Republican strongholds.

We hope Representative OSTERTAG will reconsider. He is needed in Washington more than ever, now that he has reached the peak of his influence and experience.

But if he holds to the decision he has reached after many months of soul searching, he will leave Washington with praise and thanks from the people he has well represented.

MAJ. BERNARD LUKASIK

Mr. McDADE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McDADE. Mr. Speaker, last Friday a solemn processional wound its way to a place of interment in Arlington National Cemetery. We passed the amphitheater in that cemetery. Inscribed in marble high above the entrance is the Latin phrase: "Dulci et Decorum Est Pro Patria Mori"—it is sweet and glorious to die for one's country. It was an appropriate inscription indeed, for we were walking behind the mortal remains of Maj. Bernard Lukasik, of the U.S. Air Force, who had died in distant South Vietnam.

That death, Mr. Speaker, had brought the war in Vietnam suddenly across half the world and jolted the people of the 10th Congressional District. We had heard of Hanoi, Saigon, and the Plains of Jaar, but they were only names. But on February 19 it become a terrible personal reality, when we learned that one of our friends, Major Lukasik, had died in that distant war.

He was a pilot of a lead T–28 aircraft. He was making his sixth strafing pass in support of a raid by Vietnamese troops 90 miles south of Saigon, when his plane was apparently struck by ground fire of Communist guerrillas. It crashed and burned about 14 miles west of Can Tho. Major Lukasik died in that crash.

And so last Friday he was buried. As the last taps sounded, his wife, Joan, placed a single red rose on the coffin of this fallen hero. I wish that every Member of this House could have attended that ceremony. God grant that his soul will rest in peace. God grant that his family will have the strength to endure in this difficult time. God grant that this Nation will maintain the will and the resolve that his sacrifice shall not be forgotten.

Major Lukasik was the son of Joseph W. Lukasik of 716 Price Street, Dickson City, and the late Pearl Kucharski Lukasik. A graduate of Dickson City High School, Major Lukasik attended the University of Scranton on a 3-year competitive scholarship before entering the Air

Force pilot training program in 1956. He received his wings at Randolph Air Force Base and was later assigned to the Aero Space School at Dayton, Ohio. A year ago he was one of four Air Force captains, all jet pilots, who participated in a 20-day simulated space flight, equivalent to a round trip to the moon. His brother, Joseph, is an Air Force captain serving in England as a jet pilot; another brother, John, is a cadet at the Air Force Academy at Colorado Springs, Colo., and is one of the bright lights of that noble institution. His brother, Anthony, and his sister, Barbara, reside with their father in Dickson City. He leaves his wife, Joan, and their three sons, Mark Anthony, John Gregory, and David James, all residing at Hurlburt Air Force Base in Florida.

THE RUSSIAN WHEAT FRAUD

The SPEAKER. Under the previous order of the House, the gentleman from Washington [Mr. STINSON] is recognized for 60 minutes.

Mr. STINSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter and tables.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. STINSON. Mr. Speaker, when the Russians experienced a shortage of wheat last year, they started a propaganda campaign indicating that they must purchase large quantities of wheat in order to feed their people. Consequently, Russia bought 6.8 million tons of wheat from Canada, 1.8 million tons from Australia, and 1.7 million tons from the United States. Using Russia's own statistics, I shall show, first, that there is no shortage of wheat for bread in Russia; second, that the imported wheat will be used for other purposes; and third, that wheat is needed in the chemical and munitions industry.

In the Soviet Union the farmers are required to turn over a large portion of their grain production to the Soviet state. The farmers retain some of their grain to feed their livestock and themselves. Approximately 27 percent of the Russians are engaged in some kind of agricultural or related work and are not fed by the Soviet state. About 73 percent of the population, or 164 million of the 225 million Soviet citizens will be fed from the grain turned over to the Soviet state.

I am enclosing a chart to show the grain deliveries to the state over the years. It is readily apparent that there have been big slumps in grain production before. During these previous slumps no large quantities of grains were imported by the Soviet Union. For example, grain delivered to the Soviet state diminished from 54 million tons in 1956 to 35 million tons in 1957. The quantities of grain delivered to the state diminished from 56 million tons in 1958 to 46 million tons in 1959. No imports were required to alleviate the slump. Therefore, the mere fact that there is a decrease in the crop harvested by the Soviet Union does not explain present grain imports.

Khrushchev, in his speech of December 9, 1963, before the full session of the Central Committee of the CPSU stated that grain deliveries to the state in 1963 would total about 44.8 million tons.

A Soviet report published in 1960 indicates that the daily bread consumption in the U.S.S.R. is about 1 pound. The production of 1 pound of bread requires 0.62 pound of rye or 0.75 pound of wheat. Production of 1 pound of flour requires 1.25 pounds of cereal grain. On the average, 1 pound of bread requires approximately 1 pound of grain.

The Soviet bread grain requirements can be established approximately by the application of two methods. First, the known per capita consumption of bread; second, the known per capita production of flour.

It must also be borne in mind that flour is used not only for the production of bread but also, in smaller quantities, for the production of other foodstuffs. In order to supply each of the 164 million persons for 1 year his daily bread ration of about 1 pound, 29.9 million tons of wheat and rye are required. This year's grain deliveries to the Soviet state of 44.8 million tons, in spite of the crop failure, are substantially larger than the amount required to feed the people. All of the grain deliveries to the state are not made up of the bread grains—wheat and rye—but also include oats, barley, and corn. Therefore, the state bread grain requirements, calculated at 29.9 million tons cannot be compared with the total grain deliveries to the state of 44.8 million tons. However, if we compare the average percentage of wheat and rye in comparison to the total of grain deliveries over the years, we find that about 80 percent of the grains delivered to the Soviet Union is composed of the bread cereals, wheat and rye. Taking this into consideration, approximately 35.8 million tons of the 44.8 million tons delivered to the state in 1963 are available for the bread supply for the 164 million people fed by the state. Since only 29.9 million tons of bread grains are required, it is readily apparent that in spite of the crop failure there is still more than sufficient grain to fulfill the normal bread supply requirements.

Now the foregoing method of determining state grain requirements for bread does not take into consideration the grain and flour requirements for the production of other foodstuffs such as noodles and baked goods. Therefore, we can use a second method to give us a cross-reference. The second method is based on the flour production in the Soviet Union for previous years. About 73 percent of the total flour production of the state mills and people's cooperatives are used to feed those people who depend upon the state for their food. This is confirmed by a quotation from a book published by the Soviet Academy of Science which reads as follows:

> About 70 percent of the entire population is supplied by the centrally collected grain stocks, which corroborates the fact that in 1958 the state mills produced 23,114,000 tons or 70 percent of a flour production total of 33 million tons. The centralized flour supply of the population goes up systematically and will exceed 75 percent at the end of a 7-year planned period—

In the year 1965. Thus a figure of 73 percent of the flour which will be produced in the state-owned mills this year will feed those people who are dependent upon the state for their subsistence. Since the production of 1 pound of flour requires 1¼ pounds of the cereal grains—wheat or rye—the Soviet state requires 32.9 million tons of cereals to produce the 26.3 million tons of flour consumed by the 164 million persons dependent upon the state for their food.

In 1964 in order to guarantee the bread supply of the population sector fed by the state, 29.9 million tons of cereal grains are required. When other food products besides bread are taken into consideration, the total cereal grain requirements to feed the Soviet Union will be about 32.9 million tons for this year. This is considerably below the approximately 35.8 million tons of cereal grains which the Soviet state has available from its own resources.

The facts and figures cited so far show that there is no direct compelling connection between this year's crop failure in the Soviet Union and the large scale of Soviet wheat purchases. However, there are several possible reasons for the Soviet wheat purchases.

1. EXPORT COMMITMENTS

It is conceivable that the Soviet Union may be importing some wheat to enable it to meet its export commitments. The chart which I have enclosed shows the Soviet Union's grain and wheat exports as compared with its grain and wheat stocks. This column also indicates that grain exports continue from the Soviet Union even in very unfavorable crop years such as 1955, 1957, 1959. Grain exports will probably continue in 1964, but will undoubtedly be considerably below the amount of the imports. There is also the possibility that the Soviet Union plans to buy our grain on credit and sell it for cash thus making a profit at our expense.

2. STOCKPILING BY THE STATE

It is estimated that the Soviet Union's own grain stocks are about 8 million tons. It is very possible that the Soviet wheat purchases were initiated in order to build up strategic stockpiles for possible war purposes. Military considerations have played a big part in the Soviet Union's economic policy decisions in the past. A third 5-year plan, for example, provided "the creation of large State reserves, with a view to the international situation of 1938."

3. GRAIN REQUIREMENTS OF THE CHEMICAL INDUSTRY

This, I suspect, is the real reason for the huge quantities of wheat being imported by the Soviet Union. In the publication Die Zeit of November 8, 1963, P. Zieber makes reference to the fact that the Soviet Union is using 8 tons of wheat flour in order to produce 1 ton of alcohol.

Until the initiation of the 7-year plan, ethyl alcohol was predominately produced from foodstuffs under a process developed by S. W. Lebedjiw. Under the 7-year plan, which is to terminate in 1965, production of ethyl alcohol was to be put "on a new raw materials base" in order "to preserve for the population and the cattle industry a colossal amount of potatoes and cereals." Natural and petroleum gas as well as wood cuttings were being considered as new base raw materials for the production of ethyl alcohol. In the last year of the 7-year plan, 1965, it is planned that out of a target of 1,600,000 tons of ethyl alcohol, 800,000 tons are to be produced from food raw materials.

The Soviet Union has been able to fulfill its target up until now, in spite of the fact that the production of ethyl alcohol from nonfood materials has fallen far behind schedule. The reason for this is the large quantity of grain and other food materials that they have had available. The Soviet writer, A. N. Efimova, pointed out in Economics, S.S.S.R. in 1962 that almost 5 million tons of cereals would be used for certain phases of the chemical industry in 1965.

In his speech of December 9, 1963, Khrushchev indicated that 4.1 million tons of cereals were used to produce ethyl alcohol in 1962.

Grain has not been the only food raw material used in the production of ethyl alcohol. In 1956, 45.2 percent of the ethyl alcohol manufactured from food materials was produced from grain, 16.2 percent from potatoes, and 38.6 percent from molasses. It is well known that the Soviet Union has suffered a severe setback in its potato crop. Also the Cuban sugar cane damage due to a severe hurricane of last year greatly reduced the sugar cane supply. Molasses is a byproduct of sugar production and, because of the sugar cane shortage, a much smaller quantity of molasses than normal will be available. Therefore, it is very probable that a much larger percentage of the ethyl alcohol will be manufactured from grains than before. Khrushchev himself summed up the problem when he stated:

> Talk about the task ahead—stopping the general use of foodstuffs for industrial requirements—it must be admitted that little has yet been done. The amount of food used for industrial purposes is still attaining large proportions.

The Soviet wheat purchases give all the appearances of being important for the raw material supply of the Soviet chemical industry. Wheat purchased by Russia may be used directly for the manufacture of chemical products of military importance. No munitions industry can operate without huge quantities of ethyl alcohol. Some of the munitions that require ethyl alcohol in their manufacture are:

First, TNT; second, torpedo propulsion fuel; third, poison gas; fourth, liquid hydrogen fuel—used in rocket propulsion; fifth, smokeless gun powder; sixth, mercury fulminate—priming compound for the explosion of nitroglycerine and other explosives; seventh, tetryl—explosive booster charge; eighth, DDNP—used as a detonator in blasting caps and in ammunition; ninth, PETN—an ingredient used in the manufacture of detonating fuses and hand grenades, and most important; and tenth, atomic bombs.

Some of the wheat we are sending to Russia could well be shot back at us, and in addition, the American taxpayers are forced to pay an export subsidy of some 60 cents for every bushel of wheat that we sell to Russia. This is the height of folly. We should immediately stop shipping wheat to Russia and urge our allies to do the same.

U.S.S.R. grain production, use, and export

[In millions of tons]

Year	Total U.S.S.R. grain crop	Deliveries to Soviet state	Percent of crop production deliveries to state	Deliveries to state included—			Percent wheat and rye of total deliveries	U.S.S.R. flour production	Soviet Union grain and wheat exports	
				Wheat	Rye	Total			Total cereal	Wheat
1953	82.5	31.1	37.7	19.2	5.9	25.1	80.7	27.0		
1954	85.7	34.6	40.4							
1955	106.8	36.9	34.6	19.9	6.1	26.0	70.4	32.0	3.68	2.04
1956	127.6	54.1	42.4					32.0	3.22	1.45
1957	105.0	35.4	33.7					33.0	7.41	5.45
1958	141.2	56.6	40.1	41.9	5.6	47.05	83.9	33.0	5.10	3.88
1959	125.9	46.6	37.0	34.2	6.4	40.6	87.1	36.0	7.01	6.05
1960	134.4	46.7	34.7	30.7	5.8	36.5	78.1	34.5	6.79	5.64
1961	138.0	52.1	37.8	33.3	7.2	40.5	77.7	36.0	7.48	4.80
1962	147.5	56.6	38.4						7.81	4.77
1963		44.8								

Grain exports of the Soviet Union

[In millions of tons]

	1958	1961	1962
Total	5,099.6	7,480.9	7,914.3
Austria	61.7	111.3	115.0
Great Britain	77.9	843.7	412.5
Belgium	20.1	96.0	34.4
Bulgaria	22.9	4.7	107.9
Brazil		202.3	412.8
Hungary	152.3	415.9	294.3
Soviet Zone	1,747.2	1,787.3	2,185.8
Netherlands	145.6	247.8	122.1
Denmark	6.8	24.1	2.8
Iraq		48.6	
Italy	10.3	249.6	72.8
Red China		200.9	351.0
People's Republic of Korea		290.3	50.0
Cuba		251.0	412.2
Norway	134.0	98.3	82.5
Poland	327.8	603.8	861.7
Sudan		46.0	64.7
Federal Republic of Germany	66.5	362.8	154.7
Finland	358.4	171.3	318.2
Czechoslovakia	1,175.5	1,175.7	1,451.3
Sweden	72.4	94.3	101.1
Japan		24.3	39.2

Mr. DOLE. Mr. Speaker, will the gentleman yield?

Mr. STINSON. I yield to the gentleman from Kansas.

Mr. DOLE. I commend the gentleman from Washington for a very timely discussion of wheat sold to Russia and I use the term "sold" cautiously, as it may never be paid for.

Last Friday, the Honorable Averell Harriman, Under Secretary of State, appeared before the Committee on Agriculture. He said it was right for us to sell wheat to the Soviets, it was right on humanitarian grounds, it was right as a business proposition, it was right because it dramatized for the world the measure of our capability in the most basic and widespread industry known to man, the growing of food.

I questioned Mr. Harriman about his statement and he indicated perhaps there was no starvation in Russia, and perhaps it would help our balance-of-payments problem, and it might, providing we are paid for the wheat. To be completely accurate I will repeat my questions and his answers:

> Mr. Dole. I have been interested in Mr. Harriman's statement, on page 2 concerning wheat sales to Russia. First of all, to use the term "sell" I assumed from that we will be paid for the wheat?
>
> Mr. Harriman. They will pay the world market prices for the wheat.
>
> Mr. Dole. In what?
>
> Mr. Harriman. Dollars.
>
> Mr. Dole. In gold?
>
> Mr. Harriman. In dollars. So far as I know they have not asked for a loan. Some of the Canadian wheat was sold on terms up to 18 months.
>
> Mr. Bell. Yes.
>
> Mr. Harriman. They received commercial credits for that length of time. That might be extended that long, but not longer. It will be dollar payment—the payment will be in dollars.
>
> Mr. Dole. You say it is right, this sale, on humanitarian grounds. Is there some basis for that statement?
>
> Mr. Harriman. They are very short of wheat this year. The crop seems to be very, very bad. And if they are not able to buy wheat from abroad, to purchase it from us and only a part of the wheat that they are getting is from abroad, they would have to go on a very, very strict ration on the basis of bread which would probably cause some debilitation of the people.
>
> Mr. Dole. Is the basis for that statement that people are starving in Russia?
>
> Mr. Harriman. No; they are not starving. I think that, roughly, the wheat they are buying from abroad may be about 20 percent of normal production, so that there would have to be a substantial reduction in the normal intake of food from bread.
>
> Mr. Dole. For example, do you know what they are going to do with the wheat they buy—are they going to stockpile it or to use it for their export commitments?
>
> Mr. Harriman. No; it is their wheat. They have agreed not—I have forgotten just what the agreements are—but they are to take it to their own country.
>
> Mr. Dole. They have already shipped some of the Canadian wheat to Cuba I understand. So they will replace it with some of ours?
>
> You also stated the sale is a good business proposition.
>
> Mr. Harriman. Yes.
>
> Mr. Dole. Do we operate on different standards? We condemn certain countries for trading with Communist Cuba, but it is all right for us to trade with Communist Russia.
>
> Mr. Harriman. When I was Secretary of Commerce I established the first controls after the postwar period with Russia, and we only established controls on strategic items, and that has been the agreement within the Western industrial nations. There was never any contemplated thought to cut out the sale of food or consumer goods.

Mr. DOLE. Well, we are objecting now to England and others.

Mr. HARRIMAN. But it never occurred to me in all of the years that I have dealt with East-West trade that we should prevent the Soviet Union from buying consumer goods. It seems to us to eat up what gold they have, and their foreign exchange, rather than to use it for military purposes or to develop their heavy industry.

The situation in Cuba is an entirely different situation. There is a regime that was established in Cuba that we believe is distasteful to our objectives. We are not trying to pull down the Soviet Union's Government, and we do not think that trade is going to have any bearing on it.

The European countries have large trade with the Soviet Union and Eastern European countries. It would not make very much sense for us alone to try to isolate ourselves from this important economic market.

Mr. DOLE. Is not the Cuban Government being supported largely by the Soviet Union?

Mr. HARRIMAN. Yes, to a very considerable extent. The sale of sugar from Cuba is one that keeps Castro's government alive. There have been some shipments from the Soviet Union on credit. I have not the details with me. I will be glad to supply such information as you may wish, but Cuba is dependent on getting the things she needs at the present time from the Communist bloc. We have declined to sell to Cuba and we have urged other free countries to do so likewise, but with only partial success.

Mr. DOLE. There has been some discussion they might make alcohol from the wheat and use it in certain munitions—is there any evidence of this that you know of?

Mr. HARRIMAN. I do not know what she does with her sugar.

Mr. DOLE. I was talking about wheat.

Mr. HARRIMAN. About wheat—yes, I do not know—we do not know what they are going to do with it. They make vodka out of wheat, but it would be rather expensive to make commercial alcohol. As I say, they make vodka out of wheat. And they make it from potatoes.

Mr. DOLE. Do you think that we should limit our trade with Russia to agricultural commodities—you said consumer goods—would you include buses or anything of that kind?

Mr. HARRIMAN. Our trade with Russia is on a very strict licensing basis. It is not adhered to by the European industrial countries, that is, the Western countries. This policy has been developed over a period of years, but so far as I am concerned I think it ought to be loosened up. I think it would be of interest—to our interest to do so, but not in what is called strategic items, those items in the list that it has been agreed to between ourselves and our European allies, but it should not in my opinion be limited only to food. I simply said that it never occurred to me when we established these controls that it would ever apply to food.

As far as the Soviet Union is concerned this Government has been in existence for 47 years and it has been accepted as a trading relationship with practically all countries of the world.

Yesterday the gentleman may have heard Under Secretary of State George W. Ball make similar fuzzy comments in a television interview. He said comparing the sale of wheat to Russia with the sale of buses to Cuba was like comparing an elephant with a rabbit. The elephant he referred to was Russia and frankly I am more fearful of elephants than rabbits. This is no time for "double standards" but time free world countries got together and worked out some policy of dealing with each other and the Communist countries.

I thank the gentleman for bringing this matter to the attention of the House. It is certainly our responsibility to provide the American public with facts. It seems tragic the wheat transactions were handled quasi-secretly by every Federal agency involved. It is difficult for Americans to determine these transactions are in the "national interest" by reading Vietnam casualty lists or reports of trouble in Cuba, Cyprus, Zanzibar, just to name a few.

Mr. STINSON. I thank the gentleman. I also thank him for enlightening Mr. Harriman.

Mr. FOREMAN. Mr. Speaker, will the gentleman yield?

Mr. STINSON. I yield to the gentleman from Texas.

Mr. FOREMAN. I want to thank my friend and colleague from Washington for the work and research he has put into this subject, and for bringing it to the attention of the Members of the Congress and the citizens of this country. I think the American people are justifiably concerned over the fact that this administration and this Congress played Santa Claus to Khrushchev last Christmas eve by issuing him a credit card for communism. I know I am concerned as a member of the House Armed Services Committee, at a time when we are spending $50 billion a year for armaments to prevent the spread of communism and to protect our freedom, at a time when unarmed American flyers are being shot down over Germany, and at a time when American fighting men are being shot and killed in Vietnam, it is a shame and a disgrace for us to be sending subsidized American wheat to fill the hungry bellies of Communists who are making the bullets that are shooting us down.

I commend the gentleman for bringing this to our attention.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. STINSON. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. I wish to commend the gentleman from Washington for his timely speech. I think history will prove that this selling of wheat to the Russians will go down in history as probably the greatest folly ever undertaken by the leaders of our Government. We are going to pay a heavy price for this mistake. I think it is high time that our leaders make a mistake just once in our favor instead of making all the mistakes against us.

Mr. STINSON. I thank the gentleman for his contribution.

Mr. RUMSFELD. Mr. Speaker, will the gentleman yield?

Mr. STINSON. I yield to the gentleman from Illinois.

Mr. RUMSFELD. I should like to congratulate my colleague for his leadership in this area and for bringing this extremely important matter to the attention of the Members of the House. There has been a good deal of discussion, particularly by administration spokesmen, about the humanitarian aspects of these Johnson administration sponsored wheat sales to Russia, and about the need for the United States to subsidize and back up these loans with U.S. tax dollars.

As a member of the House Committee on Science and Astronautics I must point out that the Soviet Union is allocating its resources so as to make manpower and money available for space exploration and for meeting their military desires, not for so-called humanitarian purposes. They are not using their manpower and their resources to provide for the needs of their people in terms of food. There is no question in my mind that Khrushchev, if he desired, could allocate U.S.S.R. resources so that they could provide for the needs of the Russian people. They are not doing this. They are using their resources for more warlike purposes. The people of this country who continue to talk about the humanitarian aspects of wheat sales and who would use the dollars of the American taxpayers to bolster the Russian economy are making a serious mistake. By so doing they permit the Communists to continue their military and space ventures rather than meet the demands of their people. This is a subject we are going to be hearing a good deal about in the coming months and years in addition to the whole question of trading with Communist countries.

I thank the gentleman for bringing this matter to the attention of the House and congratulate him on his valuable contribution.

Mr. BEERMANN. Mr. Speaker, will the gentleman yield?

Mr. STINSON. I yield to the gentleman from Nebraska.

Mr. BEERMANN. I thank the gentleman from Washington for his astute discussion of this subject, and compliment him on taking the time to bring this information to the Members.

Mr. BEERMANN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. ALGER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. ALGER. Mr. Speaker, the gentleman from Washington [Mr. STINSON] has performed a great service for every thinking American. We must terminate the folly of aiding the dedicated enemy.

The gentleman has reminded us that wheat can be used to produce ethyl alcohol which is used to manufacture atomic bombs, TNT, poison gas, detonating fuses, torpedo fuel, and other weapons of war. Therefore, now we are engaged in directly aiding the enemy produce deadly weapons that can be used against us. Many of these weapons are now in Cuba. Every man, woman, and child in this country, in the world, is endangered by this direct action on the part of the President, the members of the State Department, and all others engaged in this aid to the Communists.

Nor is this action a simple sale, which would be bad enough as a mistake of judgment. We are subsidizing the Russians. In the first wheat deal we gave the Russians $25 million outright. Since then the President has authorized the financial underwriting of the Export-Import Bank to Russia and all Communist satellite nations.

Are our leaders crazy? Are they ignorant of what they do? Is not the Communist our dedicated enemy by his own boastful statement time after time? Is not treason defined as giving aid and comfort to the enemy? Is not an outright gift and sale of wheat that can be used to make weapons aid and comfort to the enemy?

In the past we have learned later, to our sorrow, of examples of transshipment of our foodstuffs to those killing American boys. At one time we learned that Poland sent some of our food to North Vietnam to feed those killing American soldiers. Soldiers need food to fight. It is a weapon of war. This misuse of our aid was at the least, bad judgment on our part in helping Poland. How much worse is it to aid Russia directly the center of the Communist conspiracy.

Mr. Speaker, what can a Member of Congress do when he sees such action by the Government leaders, but speak out. Did we not swear to uphold the Constitution? No definition in my responsibility that I know as a Member of Congress permits my remaining silent, thus becoming a silent partner to this suicidal action of our national leaders.

I call aid to Russia a suicidal course. I consider the Communist conspiracy a mortal enemy to all I hold dear, including the children we now are rearing. I will not be a party to this fraud on the American people.

What will it take to awaken the people? What must happen to awaken our President, the State Department planners, and the Democrat leadership, in fact, every elected representative to the takeover by the Communists of the earth's surface which our policies are facilitating. As for me, I am not afraid to speak out, to confront the enemy and stop him in his tracks. I would preserve U.S. sovereignty and lead the bewildered people of the world to freedom, not into the slave camps of communism where our foreign programs are fast taking us.

I ask again—wherein does aid to Russia for Communist weapons differ from treason?

Mr. UTT. Mr. Speaker, will the gentleman yield?

Mr. STINSON. I yield to the gentleman.

Mr. UTT. I want to congratulate the gentleman from Washington for taking the time and devoting the study to bring this matter to the attention of the House and to the attention of the American public. I would like to say that yesterday I was in Houston and went down to the docks where they were loading wheat in foreign bottoms headed for Russia. I watched the American pickets down there who were urging them not to load the wheat to go to Russia. This boycott or strike, as you might call it, or picket line, is headed by the leaders of the International Longshoremen's Union. They are dedicated Americans and they know that wheat is just as much an armament as missiles or aircraft. They finally had to give up and had to yield to city hall because they had been threatened with a court injunction of the Federal Government or in the alternative, the army would be sent down to load the ships. You can see how intent we are in bailing the Russians out of their disaster. It might be interesting to point out that the present Secretary of State, Dean Rusk, was in the picket line in 1939 or 1940, when America was shipping scrap iron to Japan, to try to stop it. He said it was an armament and would come back and hit us. Yet, you will not find Secretary Rusk on the picket line today urging the American people not to ship wheat to Russia and armament to bail them out when they are at one of the lowest points in their economic history. He wants to assist them and cooperate with them and bail them out on any problem that they have. I congratulate the gentleman from Washington for taking the time to bring this matter to our attention.

Mr. DOLE. Mr. Speaker, will the gentleman yield?

Mr. STINSON. I yield to the gentleman.

Mr. DOLE. I would conclude and have done many times, with two basic statements. First of all, it is rather inconsistent to fight communism with one hand and feed communism with the other hand. Secondly, I would much rather give wheat or other surplus commodities to our friends than to sell them to our enemies. I agree with the gentleman from Washington.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. STINSON. I yield to the gentleman.

Mr. HALL. I certainly want to congratulate the gentleman from Washington [Mr. STINSON] of the great State of Washington and the Pacific Northwest, not only for his able representation, but specifically for taking this special order to bring before the House and to the citizens of this country this paradox, and this dilemma, in which we find ourselves. I would have presumed that had we lived up to all of the original stipulations concerning the sale of wheat to Russia, it might have been satisfactory in view of our gold outflow. But you have pointed out beautifully the things which utterly washout any basis for such a conclusion. No. 1, you have pointed out again in many areas, but specifically in an area that Napoleon first made an observation; namely, that "armies travel on their stomachs," and therefore, we should not feed a competing arm especially one dedicated to burying us. But, second, and this is particularly why I rise, is because in your speech here on the floor, which has been beautifully done and properly researched and prepared, you have included information about the chemistry and the many other uses of ethyl alcohol, which is one of our primary alcohols. As a professional man, I am well aware of this and of the ease of hydrating alcohol into essential chemicals, into explosives, and into rocketry as well as its use in telemetry. Now whether our citizens absorb all of that as individuals in America or not, anyone ought to know that in the frozen north and in extreme cold such as exists in most of Russia, North China, and Siberia, alcohol is used to prevent frosting and icing of airplane wings. Most of us have been held up at many an airport here in North America until the wings were swabbed down with alcohol to prevent icing on the ground in the midst of certain dewpoints, temperature, or freezing conditions.

This is a beautiful paper. It is well done and I hope the press and the people of America will take it to their hearts and realize not only the error that we have made in selling this valuable foodstuff and ammunition to our direct competitors, but also to realize it has been foolhardy in connection with the test ban treaty. Even in the preamble and certainly in the body of that treaty—which was approved by our Senate, entered into, and to which signatures were affixed long before the public had an opportunity for study and discussion—one will find some of the explosives which involve alcohol are precluded from further use.

Time has now overtaken events and proved that we were in error both in entering into this agreement and finally in confirming it as a test ban treaty.

I thank the gentleman for his diligence and for the beautiful way in which he has brought this vital research forward, and come to such vital conclusions.

Mr. STINSON. I thank the gentleman. I appreciate his kind remarks.

Mr. ANDERSON. Mr. Speaker, will the gentleman yield?

Mr. STINSON. I am glad to yield to the gentleman from Illinois.

Mr. ANDERSON. I certainly wish to join my colleagues on this side of the aisle in applauding the gentleman from Washington for making this significant contribution today. I join him in expressing the feeling that without question the most egregious blunder we have committed since the end of World War II was the decision to permit the subsidized sale of grain to the Soviet Union.

Unfortunately, I was not able to hear all of the remarks previously made by my colleague, and perhaps this point has been alluded to earlier.

There were some interesting figures contained in the press yesterday with respect to allied shipments to Communist Cuba. Ships of 7 U.S. allies in the North Atlantic Alliance made 270 trips to Cuba in 1963, according to the figures made available today. British ships led the list, with 132 trips. Greece was second, with 99. The figures for the others are: Italy, 16; Norway, 13; France, 8; and Denmark and Germany, 1 each.

I certainly believe it is only too clear that as a result of the policy decision of the Government to permit trade with Communist Russia our voice, when we attempt to raise it against trade with Cuba, is not being heard by our allies, and we are losing whatever influence we had in the Western alliance on the matter of the economic embargo against Cuba. I believe this can be traced back—as I know the gentleman already pointed out and would agree—to the unfortunate policy decision made by our Government to permit trade with the Soviet Union in this area.

I thank the gentleman for yielding. Again I applaud him for taking this time and making the effort he has made today to bring this matter not only to the attention of those of us in the House but also, I hope, to the attention of the people of our entire country.

Mr. STINSON. I thank the gentleman.

THE RUSSIAN WHEAT DEAL

Mr. STINSON. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Horton] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HORTON. Mr. Speaker, the gentleman from Washington [Mr. Stinson] is performing a patriotic purpose in pointing out the paradoxes of the administration's sale of U.S. wheat to Communist countries. I have contended continually that such a sale is contrary to our national interest. Bill Stinson's authoritative analysis supports that contention.

Beyond any economic considerations, there is a moral principle that compels me to oppose this transaction. Clearly, the United States should not carry on any trade of strategic materials with a government that is dedicated to our national annihilation.

There is no doubt that wheat can be considered a strategic material. I find it meets this test on at least two counts.

First, any commodity we supply to another nation helps to lessen its own need to provide that commodity. In the case of Communist bloc countries, the sale of wheat makes a direct contribution to their strategic position by allowing a greater proportion of available resources to be devoted to the building of a mighty military machine.

Secondly, many scientific experts have voiced fears that Russia will turn our wheat into alcohol. Naturally, the product of this distillation process would find ready use in missile and rocket fuels and munitions.

The wheat deal compromises both our security and our democratic beliefs. It tells the world the United States is more interested in the balance of payments than the balance of power.

Why should the United States shore up the Soviet economy and make it easier for the Kremlin to meet its commitments among the Communist bloc nations when the Soviets have given no intention of relaxing world tensions? This could only be termed "trading with the enemy."

We are met on many battlefields with world communism. A Communist-built wall divides Berlin. Russian militarists and their warmaking weapons are camped only 90 miles from our shores. The Communist-supported guerrillas are killing American soldiers in South Vietnam. The once-free people of Poland, Hungary, Lithuania, Latvia, Estonia, Rumania, East Germany, Bulgaria, Armenia, North Korea, Albania, North Vietnam and other captive nations are enslaved by brutal communism. Even in our own country, there are agents of this atheistic system seeking to overthrow the very Government which permits them the freedom to act so boldly.

Khrushchev has proclaimed he will bury the United States economically. What could play more into his hands, then, than supplying him with economic support in the form of American wheat?

This wheat deal also would hit the American taxpayer in the pocketbook. With the present export subsidy on American wheat running at approximately 60 cents a bushel, this proposed 200-million-bushel sale would amount to $120 million in aid to Russia.

Further, this subsidy makes any such wheat deal plainly contrary to the intent of Congress as expressed in the Agricultural Act of 1961. The policy statement of that act opposes the sale of subsidized farm commodities to "unfriendly" countries.

It is inconceivable that Russia could be regarded as a "friendly" nation, and thus not subject to this trade limitation. Positive actions by the Soviets to reduce the tensions they have created are the only proof I am willing to accept that Russia is "friendly" to the United States. Words speaking good intentions are not enough.

I believe that we in Congress who serve as the elected Representatives of the American people have a right to be consulted when such a major shift in our foreign policy is undertaken. Many of us have questions for which no answers have been given. Some of those that concern me are:

First. Where is the policy line to be drawn on U.S. trade with Communist nations? If Russian gold can buy U.S. wheat, why could not Red Chinese gold achieve the same result? Or, for that matter, could the United States properly say "no" to a similar transaction with North Korea, North Vietnam, or Cuba?

Second. Does not such a sale, by helping the Kremlin keep its commitments to other countries, only work to neutralize the military and economic aid the United States continues to pour into the nations of the free world?

Third. If Russia is assured a supply of agricultural products from the Western world, could she not devote her internal resources to more strategic uses?

Fourth. Would not this wheat sale delay final recognition by the Russian people of the shortcomings of Soviet planned production? In other words, would we not be "bailing out" communism?

This wheat sale to Russia is contrary to the national interest and a dangerous step.

Until we see concrete evidence that Moscow will join with us in securing world peace and has abandoned its pursuit of world domination and the ultimate destruction of American liberty and justice, we must not be deluded into helping Russia achieve its present ugly desires.

CIVILIAN ECONOMIC CONVERSION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. Halpern] is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, I should like at this time to draw the attention of Members to an increasingly urgent question.

The issue, Mr. Speaker, is whether this House, and our society at large, will face now the economic consequences of shifts and cutbacks in defense spending. Already there have appeared pockets of dislocation throughout the Nation. This trend is bound to broaden and swell in the years ahead.

I am suggesting that we should act before emergency situations are thrust upon us overnight. Conversion to civilian production and employment will entail problems if we fail to plan and to prepare adequately. There are, on the other hand, impressive opportunities; but without the machinery to deal with isolated cases as they develop across the country, these opportunities may be carelessly forgone due to shortsightedness.

The military situation is changing. We have amassed stockpiles of nuclear weapons to meet any conceivable contingency. The Secretary of Defense has testified on several occasions that the United States has the capability of full and total retaliation even after absorbing a first strike. Our flexibility to choose among an array of strategies would yet exist following an initial blow.

According to reliable estimates, the Soviet Union does not possess a nuclear capacity commensurate with our own.

The atomic era has revolutionized military strategy. Theories of conventional defense are no longer valid. In the horrible event of nuclear devastation, neither the Soviet society nor our own would emerge unscathed. Hardened and hidden missile complexes, their geographic placement, has already rendered the "cities doctrine" inapplicable.

Thus, Defense Department experts and the administration have recognized that with an arsenal of tens of thousands of warheads, the United States can begin curtailing production. There will be cutbacks in the production of fissionable material. The Atomic Energy Commission acknowledges that its accumulation will outstrip weapons procurement some time after 1965.

Simultaneously, the distinguished Secretary of Defense is proceeding with the Department's cost reduction program. He has testified that:

> We are now aiming at a recurring annual reduction in overall costs of $4 billion by fiscal year 1967.[1]

Twenty-six allegedly obsolete military installations will be disbanded within the next few years. This may eventually amount to annual savings of $250 million. The Department is presently engaged in studying the advisability of closing several naval shipyards as well.

We are likewise undergoing subtle changes in the international sphere.

There is growing recognition, both here and in the Kremlin, that further large accretion to existing nuclear stockpiles will not proportionally enhance the security posture of either nation. I am impressed, Mr. Speaker, with the reality that Moscow is being confronted with increasing variety on the world scene, and that this poses complications for her as well as for others.

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[1] Extracts of testimony before the Committee on Armed Services, House of Representatives, by Hon. Robert S. McNamara, Jan. 29, 1964.

The view from Moscow is by no means rosy. Most important is the developing ideological struggle with Peiping, in reality a power contest for the allegiance of the world's Communist forces. This is bound to divert resources and attention from the cold war issues. The Soviet rulers are continuing to face, mainly in eastern Europe, the bitter and ironic effects of the de-Stalinization which they themselves set in being.

On the domestic front, Mr. Khrushchev, having eliminated overt police terror, must meet the demands of an increasingly consumer-oriented society. Soviet man, contradicting the theories of Marx and Lenin, is after the same materialistic satisfactions which these would-be historians said only existed in the capitalist countries.

Khrushchev faces widespread, perhaps incorrigible, difficulties in light industry and agriculture. Moscow knows that it must produce at home to be effective abroad. There is, I believe, growing cognizance that these difficulties cannot be dealt with successfully, in long-range terms, unless the overwhelming burdens of defense spending are in some way lessened.

I am not suggesting that the Communist foe has shelved his ambition of conquering, by any disposable means, the democratic civilization. This remains the end goal. But I am pointing out that Russia faces acute difficulties, both at home and abroad, and that her society is undergoing radical changes.

Into this picture we must not ignore the possibility, at present remote, that the great powers will agree upon meaningful measures of arms limitation in the future.

And so, Mr. Speaker, there are sufficient indications that defense allocations will be on the downturn in the years ahead. In order to avert harmful repercussions upon our own industry, planning and coordination is needed now.

We must not permit ourselves to block savings of tax dollars realized from defense cutbacks that are proven to be desirable. But, we must protect our civilian workers against sudden curtailment of military programs.

Outright reduction of the military budget is not our only concern. Shifts in weapons procurement, as a response to new technological developments, will accelerate. New concepts with new production requirements will continue to distort previous trends.

It is, of course, essential to our security that better methods and greater capability be phased into our overall military stance as quickly and as painlessly as possible. It would be suicidal to block advancement.

But, where industry has catered to urgent government need for so long, only to face large-scale hardship due to strategy changes, it would be equally foolish not to prevent the new conditions from worsening our already critical domestic problems.

Adverse impact would involve whole communities. More unemployment would result.

We do not wish to interfere with the underlying principles of the free enterprise system. Belief in capitalism as an economic way of life means that we, as individuals, must stand prepared to take risks and accept personal responsibility.

But we should recognize that the enormous defense budget has generated an intrinsically synthetic demand. Manufacturers of weaponry are not satisfying any public demand in the true sense. You and I do not buy their merchandise. Their hardware is not subject to the usual fluctuations of the marketplace. Their business rests in large part upon what the national security may require, as interpreted by the Government's policymakers.

It is not presumptuous of Government to help in righting what Government has wrought. To urge that contractors aid in easing the unfavorable impact of disengagement upon their employees seems only fair and reasonable.

I do not think the President's Committee on the Economic Impact of Defense and Disarmament is sufficient to the task. I am encouraged by the President's concern. But it is evident from the President's remarks that the group will function informally; it will not undertake studies; there are no provisions for acquiring an expert staff; it will merely coordinate present efforts, and recommend.

Therefore, I am pleased to associate myself with my distinguished colleagues who have joined in introducing legislation aimed at meeting this vital national problem. My companion bill, H.R. 10023, will establish a National Economic Conversion Commission. Most contractors with the Department of Defense and the Atomic Energy Commission will be required to establish conversion committees which shall plan for the communal shift to civilian work in the event of termination or reduction of defense contracts.

This legislation was orginally introduced by the esteemed Senator from South Dakota [Mr. McGOVERN], in the other body. He deserves great credit for his foresight and knowledge in this field.

Only last week I was encouraged by the initiative shown in my own Long Island. Here a local group, concerned by the vast changes occurring in the military airplane industry, is urging that Tri-County, Long Island be singled out for a Government-sponsored study of how defense industry can best be converted to nondefense.

A pilot project of this nature would certainly be useful in evaluating the needs and requirements of this new phase in our national life. It is abundantly clear that we can profit from such an experience.

These persons are concerned with the community impact, above all unemployment, of the canceling of defense contracts. They saw President Johnson personally, and I understand they received a sympathetic hearing. They are to be commended.

For, manifestly, the conversion machinery created by my bill is meant to supplement effective efforts on the part of local and State officials. Communities touched by the closing of military bases and the reduction of defense contracts should initiate private programs aimed at easing the stresses and hardships involved.

Mr. Speaker, it is an incontrovertible fact that the enormous defense spending of the last several years has created an unwelcome imbalance in the economy. Military spending is inherently negative in economic and social terms.

We should embrace the opportunity of reducing this encumbrance, as the national security may permit. There are vast unmet domestic needs. The opportunity of channeling resultant savings into the more meaningful and beneficial sectors of the economy will go unheeded because of the widespread hardship and unemployment unless the Nation is willing to plan ahead.

I implore the appropriate committee of the House to consider the conversion bills which Members have hitherto introduced.

We must not allow savings and conversion to become a hardship to society. We must stand prepared to welcome it.

With permission, I am asking that one timely and commendable editorial on the subject, appearing in the Long Island Press, be inserted at this point in the RECORD.

[From the Long Island (N.Y.) Press, Feb. 20, 1964]

A MORE FLEXIBLE TRI-COUNTY LONG ISLAND

Tri-County Long Island is the ideal place for a Government-sponsored study of how defense industry can best be converted to nondefense.

The problem is what to do with the thousands of people left unemployed when the Government decides to cancel a defense contract. It's a problem Long Island knows all too well, unhappily. The military airplane industry is undergoing a vast change. Manned planes are being replaced by guided missiles. In the reshuffle, some of our largest plants are losing contracts—not only airframe makers, like Republic Aviation, but big companies which make related parts, like Ford Instrument in Long Island City, Kollsman in Elmhurst and Syosset, Fairchild Stratos in Wyandanch, and Arma in Roosevelt Field. Even giant Sperry Gyroscope Co. in Lake Success, is feeling the pinch.

This doesn't mean that Tri-County Long Island is in imminent danger of economic collapse. Far from it. But there are too many pockets of unemployment. What we need is a workable program to develop a broader base of employment in nondefense, civilian-consumption areas.

Our Queens-Nassau-Suffolk community is not unique in this, of course. There are similar defense industry ailments all around the country. But we are ideally suited for a pilot study because we are large enough to be significant for a national pattern and yet small enough for the project to be manageable.

This is what a group of labor leaders from Nassau and Suffolk told President Johnson this week. They report that the President seemed sympathetic. We hope so. We congratulate the Nassau-Suffolk labor leaders for their initiative, and hope that their Queens colleagues will back them all the way.

CONSTITUTIONAL RIGHTS

The **SPEAKER** pro tempore. Under previous order of the House, the gentleman from Nebraska [Mr. CUNNINGHAM] is recognized for 30 minutes.

Mr. **CUNNINGHAM**. Mr. Speaker, last week, in reading the CONGRESSIONAL RECORD proceedings in the other body, I came upon a statement by a Member of the other body under the heading of "Constitutional Rights." Because I have championed the cause of the protection of constitutional rights for every American, I read the article with interest. Part of the statement by the Member of the other body contained a letter written to him by Mr. Sidney Zagri, legislative counsel, International Brotherhood of Teamsters.

Mr. Zagri detailed at length the activities of Federal agents of the Department of Justice bearing on a case involving James Hoffa, currently being held in a trial in another city.

The Member of the other body stated that he had no personal knowledge of the acts alleged and attributed to the Department of Justice by Mr. Zagri. Neither do I. However, I agree with the observation that these allegations should be investigated by the proper committees of the Congress, because if they are substantiated by the facts—and I feel they will be—it will be proof indeed that the constitutional rights of every citizen to a fair trial is in jeopardy.

If this proves to be the fact in this instance, then no person in the United States would be assured that his constitutional rights would not be washed away and would not be protected. I recently read also of what I believe to be an invasion of the constitutional rights of an American citizen. This involved the case concerning Roy Cohn. Now, whether you approve or disapprove of this gentleman, the fact remains that his constitutional rights have also been invaded, because a secret and confidential memo was issued by the Post Office Department holding and putting a watch on his mail.

Referring back to the problem of the trial in Tennessee involving the Teamsters, I inquired of Mr. Zagri as to any additional information he might supply me on this matter. I have received a letter from him in which he lists the charges of constitutional deprivations of the defendants, their lawyers, and witnesses along with affidavits and evidence substantiating these charges.

Mr. Speaker, at this point in the RECORD I ask unanimous consent that the letter from Mr. Zagri be inserted.

The **SPEAKER** pro tempore (Mr. TAYLOR). Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The letter referred to is as follows:

INTERNATIONAL BROTHERHOOD OF
TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN & HELPERS OF AMERICA,
Detroit, Mich., March 2, 1964.

Hon. GLENN CUNNINGHAM,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. CUNNINGHAM: As the trial of James R. Hoffa draws to a conclusion, I feel that you as a Member of the Congress should be made aware of activities by the Department of Justice in that case which constitutes serious encroachments of the rights of the defendants, their lawyers, and witnesses in this case.

I would greatly appreciate your calling these matters to the attention of Chairman CELLER, members of the Judiciary Committee, as well as Members of the Congress.

Certain events which have occurred in the prosecution by the Government of James R. Hoffa and codefendants in the current trial in the Federal court, Chattanooga, Tenn., raise serious questions as to the administration of justice in the United States. The Department of Justice has a responsibility to observe the constitutional rights of the defendants and as an arm of the court is obliged to protect the defendants' rights to a fair trial under the due process clause of the fifth amendment and the fair trial guarantees of the sixth amendment of the Constitution.

The defendant has alleged violations of these rights and offered evidence in support of such allegations which have been uncontroverted by the Department of Justice.

Further the Government admits that—

1. It has conducted constant and unremitting surveillance of the defendants, their counsel, and witnesses since the opening date of the trial until February 8, 1964, when defendants' motions and offer of proof were presented to the court;

2. The Government admits it employed an informer, who used his position of confidence and trust with the defendant Hoffa to spy on his activities in the defense of a prior criminal prosecution;

3. It deliberately avoided taking contemporaneous statements of witnesses and subsequently prepared summaries of narrations of the original statements, which had the effect of circumventing the Jencks Act.

SURVEILLANCE BY FEDERAL AGENTS OF THE DEFENDANTS, THEIR COUNSEL, AND WITNESSES

It has been alleged and evidence offered to prove that Hoffa and his codefendants, their attorneys, and witnesses have been under almost continuous and repeated surveillance from the time that this trial commenced until February 8, 1964. The Government not only does not controvert these allegations but admits to the surveillance charges.

Such activities by Federal agents included surveillance of the hotel where the defendants and their lawyers were staying; of communications by short wave radio of the whereabouts and movements of defendants and their counsel; of the following of such movements in automobiles, and of the invading by a U.S. marshal of the defendants' headquarters while defendants were in trial.

Positive proof of these allegations is attached hereto in the form of a transcript of radio communications, carried on by electronic equipment, of a vast network of conversations of individuals. These conversations are identified, as that of "U.S. Government agents and that their conversations were coded in great part," and decoded by one Bernard B. Spindel, an electronic technician specializing in detection of listening and/or monitoring devices and other means of such surveillance as wiretapping, shadowing and eavesdropping. His affidavit is attached hereto.

The motion charging surveillance by FBI agents, Walter Sheridan and the U.S. marshal is supported by photographs of FBI agents sitting in automobiles near the courthouse and the hotels, speaking into a microphone, transcript of which indicates reports of the movements of Hoffa, his defendant and his attorneys; of the U.S. marshal being caught in the defendant's hotel tampering with the defendant's defense materials including briefs and records in files; viewing of the defendant's movements through the use of binoculars from the window of rooms in a building adjacent to defense headquarters.

Surveillance has affected intimidating witnesses who might come forward with evidence for the defense.

Further that one of the purposes for the requirement of a public trial is that there is a reasonable possibility persons unknown to parties or their counsel by having knowledge of the facts in issue may be drawn to the trial. (*Tanksley* v. *U.S.*, 145 F. (2d) 53; and *U.S.* v. *Konli*, 172 F. (2d) 919.)

What person having knowledge of facts that might be helpful to this defendant would come forward and give information to the accused under the circumstances described above?

He would know, from the publicity given the surveillance of this case that if he contacted the accused or the accused's counsel, he would be immediately under the surveillance of the Government's agents with the likelihood of inquisitorial interrogations by employees of the U.S. Government, who are under the direction of the Attorney General of the United States, who has publicly in both written and oral statements stated his hostility toward the defendant Hoffa. The controlling vice in this situation is the tendency that such surveillance has to silence a person, who would otherwise speak.

DEPRIVATION OF DEFENDANT'S RIGHT TO COUNSEL

The right of an accused to assistance of counsel means effective assistance of counsel, which includes aid of counsel in untrammeled and unimpaired consultation, investigation and preparation for the trial (*Krull* v. *U.S.* 240 F. 2d 122).

The defendants have been deprived of the aid of counsel in investigating the facts; the right to unimpeded communication with his counsel; and the assistance that would come to the defendant had his attorney not been prevented by the surveillance of the FBI of his freedom of action in interviewing witnesses. Attached hereto is affidavit of Harry Berke, defense counsel, who states in part:

"Now I have proof that during this trial I have been under surveillance by agents of the Federal Bureau of Investigation.

"That such surveillance has impeded me in my representation of the accused, that consultations with other counselors, witnesses, and the defendant have had to be conducted in an atmosphere of apprehension and fear that our meetings were being watched and that our activities were under scrutiny. This activity on the part of such persons caused me to postpone several conferences previously scheduled with my client."

Here we have a situation where witnesses and defense counsel are being subjected to extraneous influences to which no party in a court proceeding should be subjected. No American citizen should be subjected to a trial in the judicial branch when the executive branch is actively impeding every constitutional right that the defendant has.

EMPLOYMENT OF AN INFORMER BY THE GOVERNMENT IN THE PREVIOUS CRIMINAL PROSECUTION RAISES SERIOUS QUESTIONS OF ENTRAPMENT AND INTERFERENCE WITH LAWYER-CLIENT PRIVILEGE

Evidence has also been introduced in said case of an informer employed by the Government, who used his position of confidence and trust with a defendant, to spy on his activities in the defense of a prior criminal prosecution, who sat in and attended conferences between the defendant and his attorneys, with the express purpose of reporting the results of his spying to agents of the United States, and which informer almost daily during said criminal prosecution reported and conveyed information to agents of the Federal Government; and that to the dismay of defense counsel, almost daily the Government anticipated defense moves, to the point where the Government attorney, when questioned about how he anticipated defense moves, replied that he was "psychic."

CIRCUMVENTION OF THE INTENT AND REQUIREMENTS OF SECTION 3500, TITLE 18, UNITED STATES CODE—THE JENCKS ACT

It is further noted that in recent criminal prosecutions, suspicions have been raised that representatives of the Government have purposely sought to evade the application of the so-called Jencks statute, by taking statements from witnesses, thereafter destroying said statements after later preparing summaries of narrations of the original statements, and subsequently at a trial representing to the Court that there were no such statements obtained and that the narrations which they later prepared are not required by them to be submitted to the defense in accordance with the prescriptions of the statute. Another favorite way of working the requirements of section 3500, title 18, United States Code, is by allegedly taking "cryptic notes" of witnesses' statements, which notes are not available for production to the defendants under the Jencks Act. Obviously the intention of the Jencks Act is to supply the defendant with statements made by a witness to the Government, for the purpose of cross-examination.

The foregoing practices of agents of the Federal Government are, it is submitted, an improper circumvention of the basic and substantial rights of a defendant in a criminal cause, and a violation of the constitutional rights of a defendant to be fairly tried, to have the effective assistance of counsel, and his rights to due process of law and the equal protection of the law.

I respectfully request that you bring these facts to the attention of the Congress and particularly the members of the Judiciary Committee, so that an observer of the Judiciary Committee may sit in on the trial and report back to the committee, with the possible objective of pursuing a full-scale investigation of the gestapo tactics of the Department of Justice employed in this case.

Cordially yours.

SIDNEY ZAGRI,
Legislative Counsel, IBT.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. I wish to commend the gentleman from Nebraska for the courage to call this matter to the attention of this body and the American people.

If the trial in Tennessee were that of a Communist every bleeding heart for constitutional rights would have been in on the act. Where are these champions of constitutional rights in this case?

The gentleman from Nebraska is absolutely right when he says today it is in Tennessee—tomorrow it may be you.

There seems to be a double standard developing in this Nation on this matter of constitutional rights. It seems to be a matter of who you are—not what you have done.

The House Judiciary Committee has a responsibility in this field to the people of the Nation to insure equal administration of constitutional rights to all—not just on the basis of who you are. It is incumbent upon this committee to see that prosecution does not become persecution.

Mr. LIBONATI. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Illinois.

Mr. LIBONATI. Do I understand that counsel for the defense have alleged certain violations of their personal rights and their constitutional rights as lawyers in being watched by members of the FBI and also that certain conversations between FBI agents were registered and transmitted to the court? Do I understand those are the charges by counsel?

Mr. CUNNINGHAM. I believe that is true.

Mr. LIBONATI. And were they interfered with in preparing the defense of the defendants?

Mr. CUNNINGHAM. I understand that to be true. I would refer you to the affidavit of counsel for Mr. Hoffa, Mr. Harry Berke.

Mr. LIBONATI. Is that the allegation that was contended in the affidavits presented by the lawyers to the court, that is, that they were interfered with and that they were under surveillance?

Mr. CUNNINGHAM. Very definitely that is true. The letter which I have asked permission to insert in the RECORD will detail that. They were under constant surveillance; they had shortwave radio communications among the Federal agents of the Department of Justice reporting the exact movements of the defendants, attorneys, staff members and witnesses in this case.

Mr. LIBONATI. The reason why I am interested in this is I introduced a bill of the same nature with respect to the violation of the constitutional rights of Dr. Steven Durovic, the doctor who formulated the so-called drug Krebiozen, the cancer drug. He was held under surveillance and was abused and prevented from leaving his office by agents of the Government. He alleged his constitutional rights were violated. That bill is now pending in the Committee on the Judiciary. There has been a request made by the chairman of the committee, the gentleman from New York, Congressman EMANUEL CELLER, for a report, and I think if that bill is enacted into law, you will not have this type of violation.

Mr. CUNNINGHAM. Mr. Speaker, I would respond to the gentleman by saying that regardless of the litigants in this matter, the tactics that have been employed to intimidate the lawyers and the witnesses of the accused are certainly serious matters and represent a very serious invasion of constitutional rights. If something is not done about this type of practice, if it is not curtailed, I can see a very dreary day for all Americans so far as the invasion of their personal and constitutional rights are concerned.

Mr. LIBONATI. When the court was apprised of this situation, why did it not take action? Was there not any discussion relative to that? Was there any information that the gentleman received on that score, perhaps in the letter to which he referred, that was submitted by an individual in the other body?

Mr. CUNNINGHAM. Yes; I received a letter. The defense did make objections to the type of kangaroo court proceedings that were carried on in this particular instance.

Mr. LIBONATI. Was there not some criticism by the lawyers for the defense to the court relative to the court's conduct in this trial, on the question of the court's attitude toward the defendant and the lawyers in being critical of them before the jury?

Mr. CUNNINGHAM. I understand that to be true.

Mr. LIBONATI. And were there not affidavits submitted by the lawyers proving these respective facts which they alleged were practiced against them in violation of their constitutional rights?

Mr. CUNNINGHAM. I understand that to be true.

Mr. LIBONATI. What did the prosecution have to say in response to the presentation of this testimony?

Mr. CUNNINGHAM. The Government admits the surveillance of the defendants. That is detailed in the letter. There are supporting documents in which the defendants point out what the prosecution had done.

Mr. LIBONATI. It has been stated that the Federal judge who presides at this trial was a very active practicing lawyer, well versed in the law. It is surprising that he would not take cognizance of these violations or at least comment upon them.

Mr. CUNNINGHAM. It certainly seems strange to me that he did not do that. I understand the judge has agreed to hear evidence on the surveillance charges after the case is submitted to the jury.

Mr. LIBONATI. Would the gentleman be in favor of the bill that I have introduced as a corrective measure to penalize persons who violate the constitutional rights of citizens, even though they do so under the color of their office and of Federal authority?

Mr. CUNNINGHAM. Mr. Speaker, I have not read the gentleman's bill but as he describes it I certainly would.

Mr. LIBONATI. I have never met Mr. Hoffa, but certainly as a defendant he should be represented in court and his constitutional rights, interests and prerogatives should be protected not only by the court and by the prosecution but the public itself should be interested. He is one individual. This, however, concerns all of the citizens of the United States. It is just that basic.

I wish to compliment the gentleman from Nebraska for taking the time and exhibiting the courage to be critical of these practices.

I believe that the Congress must in the future take into consideration this fact, that the citizens, regardless of whether they are defendants under charges or whether they are persons who as citizens enjoy the freedoms under the constitution or from court justice, must have their rights respected. The fact that a person is given an appointment to serve the Federal Government does not place him in a preferred class to abuse the rights of the citizens.

I have no one but the finest authority who stated at a convention held here in Washington recently—Mr. Hoover of the Federal Bureau of Investigation—in addressing various agents of the different agencies of the Government when he stated that only through ignorance would anyone who works for the Government, whether it be in an investigatory capacity or an enforcement capacity, violate the constitutional rights of citizens.

I certainly feel that in this instance, regardless of the identification of the individuals on trial, the sacred rights that are designed to protect men whether they be defendants or otherwise in a court of law should be preserved. That is the reason why our rules and procedures have been written so as to definitely and positively be assertive of the protection of those rights.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter, including articles and a newspaper clipping relative to this question that the gentleman from Nebraska has so ably discussed.

The SPEAKER pro tempore (Mr. TAYLOR). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LIBONATI. Mr. Speaker, as a member of the Judiciary Committee of the House of Representatives, certain matters have been brought to my attention through Sidney Zagri, legislative counsel for International Brotherhood of Teamsters, in his report concerning the unconstitutional encroachments by the Federal Government operatives through a series of events occurring in the prosecution by the Government of James R. Hoffa and codefendants in the current trial in the Federal court at Chattanooga, Tenn.

It is difficult for me to believe that the infringements of the constitutional rights of a defendant by the Federal operatives involved in this matter, even during the holding of trial procedures, would be countenanced by those in authority. Although I have no personal knowledge of these matters, yet the presentment of the affidavits of the lawyers and others presented to the court together with a transcript of conversations between agents of the Government who conducted the surveillance of the individuals complaining of the violation of their constitutional rights, make a strong prima facie case in proving their contentions.

During the past several sessions—since 1957—the question of constitutional rights has been the legislative concern of the Congress, and all matters pertaining thereto, a matter of legislative enactment. I ask that the text of a copy of the letter and documents submitted to me be printed at this point in the RECORD.

INTERNATIONAL BROTHERHOOD OF
TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN & HELPERS OF AMERICA
Detroit, Mich., March 2, 1964.

The Honorable ROLAND V. LIBONATI,
Member, House Judiciary Committee,
Washington, D.C.

DEAR MR. LIBONATI: As a member of the House Judiciary Committee, I wish to call your attention to activities by the Department of Justice in the current prosecution of James R. Hoffa and other defendants. Circumstances to which I call your attention constitute serious encroachments on the rights of the defendants, their lawyers and witnesses in the case. Congressional attention is called to the need of conducting an investigation of these charges upon the conclusion of this trial. Legislation may be needed to correct some of the glaring instances of deprivation of defendants' rights. In any event, the Judiciary Committee should become acquainted with the manner in which the Department of Justice is fulfilling its responsibility under existing laws.

I call your attention only to the highlights of constitutional deprivations as well as enclosed documentations substantiating the charges stated herein.

Certain events which have occurred in the prosecution by the Government of James R. Hoffa and codefendants in the current trial in the Federal court, Chattanooga, Tenn., raise serious questions as to the administration of justice in the United States. The Department of Justice has a responsibility to observe the constitutional rights of the defendants and as an arm of the court is obliged to protect the defendants' rights to a fair trial under the due process clause of the fifth amendment and the fair trail guarantees of the sixth amendment of the Constitution.

The defendant has alleged violations of these rights and offered evidence in support of such allegations which have been uncontroverted by the Department of Justice.

Further the Government admits that:

1. It has conducted constant and unremitting surveillance of the defendants, their counsel, and witnesses since the opening date of the trial until February 8, 1964, when defendants' motions and offer of proof were presented to the court;
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It has been alleged and evidence offered to prove that Hoffa and his codefendants, their attorneys, and witnesses have been under almost continuous and repeated surveillance from the time that this trial commenced until February 8, 1964. The Government not only does not controvert these allegations but admits to the surveillance charges.

Such activities by Federal agents included surveillance of the hotel where the defendants and their lawyers were staying; of communications by shortwave radio of the whereabout and movements of defendants and their counsel; of the following of such movements in automobiles, and of the invading by a U.S. marshal of the defendants' headquarters while defendants were in trial.

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The motion charging surveillance by FBI agents, Walter Sheridan and the U.S. marshal is supported by photographs of FBI agents sitting in automobiles near the courthouse and the hotels, speaking into a microphone, transcript of which indicates reports of the movements of Hoffa, his lawyers and witnesses; photographs of FBI agents following the defendant and his attorneys; of the U.S. marshal being caught in the defendant's hotel tampering with the defendant's defense materials including briefs and records in files; viewing of the defendant's movements through the use of binoculars from the window of rooms in a building adjacent to defense headquarters.

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What person having knowledge of facts that might be helpful to this defendant would come forward and give information to the accused under the circumstances described above.

He would know, from the publicity given the surveillance of this case that if he contacted the accused or the accused's counsel, he would be immediately under the surveillance of the Government's agents with the likelihood of inquisitorial interrogations by employees of the U.S. Government, who are under the direction of the Attorney General of the United States, who has publicly, in both written and oral statements, stated his hostility toward the defendant Hoffa. The controlling vice in this situation is the tendency that such surveillance has to silence a person, who would otherwise speak.

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The defendants have been deprived of the aid of counsel in investigating the facts; the right to unimpeded communication with his counsel; and the assistance that would come to the defendant had his attorney not been prevented by the surveillance of the FBI of his freedom of action in interviewing witnesses. Attached hereto is affidavit of Harry Berke, defense counsel, who states in part:

"Now I have proof that during this trial I have been under surveillance by agents of the Federal Bureau of Investigation.

"That such surveillance has impeded me in my representation of the accused, that consultations with other counselors, witnesses, and the defendant have had to be conducted in an atmosphere of apprehension and fear that our meetings were being watched and that our activities were under scrutiny. This activity on the part of such persons caused me to postpone several conferences previously scheduled with my client."

Here we have a situation where witnesses and defense counsel are being subjected to extraneous influences to which no party in a court proceeding should be subjected. No American citizen should be subjected to a trial in the judicial branch when the executive branch is actively impeding every constitutional right that the defendant has.

EMPLOYMENT OF AN INFORMER BY THE GOVERNMENT IN THE PREVIOUS CRIMINAL PROSECUTION RAISES SERIOUS QUESTIONS OF ENTRAPMENT AND INTERFERENCE WITH LAWYER-CLIENT PRIVILEGE

Evidence has also been introduced in said case of an informer employed by the Government, who used his position of confidence and trust with a defendant, to spy on his activities in the defense of a prior criminal prosecution, who sat in and attended conferences between the defendant and his attorneys, with the express purpose of reporting the results of his spying to agents of the United States, and which informer almost daily during said criminal prosecution reported and conveyed information to agents of the Federal Government; and that to the dismay of defense counsel, almost daily the Government anticipated defense moves, to the point where the Government attorney, when questioned about how he anticipated defense moves, replied that he was "psychic."

CIRCUMVENTION OF THE INTENT AND REQUIREMENTS OF SECTION 3500, TITLE 18 UNITED STATES CODE—THE JENCKS ACT

It is further noted that in recent criminal prosecutions, suspicions have been raised that representatives of the Government have purposely sought to evade the application of the so-called Jencks statute, by taking statements from witnesses, thereafter destroying said statements after later preparing summaries of narrations of the original statements, and subsequently at a trial representing to the court that there were no such statements obtained and that the narrations which they later prepared are not required by them to be submitted to the defense in accordance with the prescriptions of the statute. Another favorite way of working the requirements of section 3500, title 18, United States Code, is by allegedly taking "cryptic notes" of witnesses' statements, which notes are not available for production to the defendants under the Jencks Act. Obviously the intention of the Jencks Act is to supply the defendant with statements made by a witness to the Government, for the purpose of cross-examination.

The foregoing practices of agents of the Federal Government are, it is submitted, an improper circumvention of the basic and substantial rights of a defendant in a criminal cause, and a violation of the constitutional rights of a defendant to be fairly tried, to have the effective assistance of counsel, and his rights to due process of law and the equal protection of the law.

I respectfully request that you bring these facts to the attention of the Congress and particularly the members of the Judiciary Committee, so that an observer of the Judiciary Committee may sit in on the trial and report back to the committee, with the possible objective of pursuing a full-scale investigation of the gestapo tactics of the Department of Justice employed in this case.

Cordially yours,

SIDNEY ZAGRI,
Legislative Counsel, IBT.

Mr. Speaker, the matter of surveillance was the subject matter of an incident occurring in Chicago at the offices of the Krebiozen Foundation whereat Dr. Stevan Durovic, the discoverer of the formula, accused Government agents of violating his constitutional rights during an investigation conducted on the premises. I have defended the claims of both Dr. Durovic and the distinguished physiologist, Dr. Andrew Ivy, as to their medical claims—that the drug Krebiozen arrested the ravages of the disease since 1950 at the legislative level investigation conducted by the Illinois General Assembly.

In response to their request, I introduced H.R. 8132 on August 19, 1963, prohibiting certain officers and employees of the United States from interfering under color of law in the free exercise or enjoyment by any person of any right, privilege, or immunity secured by the Constitution or laws of the United States with penalties of $5,000 fine or imprisonment not more than 10 years or both. The bill was assigned to the Judiciary Committee with a request for a hearing. A report has been ordered. If this legislation was enacted into law, it would eliminate the violations complained of by the defendants and their lawyers.

Further, statements in open court by counsel for the defendants have been critical of the court's conduct of the case, both as to rules on the admissibility of evidence and alleged prejudicial statements against the interest of the defendants.

As has often been stated, trials which attract public attention because of the nature of the charges and the identity of the persons being tried, place the court in the unenviable situation of carrying a heavy burden of the necessity of making speedy decisions during the course of the trial. He must not only know the law of procedure and evidence, but he must be able to use them functionally and practically in making adroit and incisive rulings. He is constantly confronted with numbers of legal points to be disposed of immediately. In every practical sense, he needs and must have a great deal of legal experience, ability, and versatility. He is the very cornerstone of our judicial system, and his rulings must be in the light that the trial judge is most often a judicial authority of last resort.

It would come with ill grace for me to assume a critical attitude toward the trial court in his considerations of the evidential points of controversy concerning the admissibility of evidence against the character of one of the Government's witnesses, not only in that I am not informed, but in advancing any opinion during the pendency of the trial. It is proper to present at this point, a comment in a recent article by Stephen S. Chandler, chief judge of the U.S. District Court for the Western District of Oklahoma, American Bar Association Journal, February 1964, page 126, the following exerpt:

> The qualification of adaptability for the bench can only be developed in an individual by substantial experience as a trial lawyer, which will provide a practical approach to principle, a better understanding of lawyers and parties appearing before him as judge and a proficiency in the prompt dispensation of justice.
>
> The intellect of a trial judge should embrace a complete awareness of the high importance and prestige of his office, yet even more essentially a willingness to give the fullest measure of service—a willingness unquestionably affected by public esteem accorded the trial judge in recognition of his necessary long experience as an outstanding and skillful practitioner to qualify for that office.

In conclusion, I would like to reiterate my statement incorporated in a paper submitted to the Judiciary Committee as a counsel on criminal justice, as follows:

> The nation that protects the innocent, even though through these same measures some guilty may escape, is secure forever in its liberties and institutions. It can also be said that the government that by basic law assumes the burden of proof of the guilt of the defendant is healthy in the continued existence of all of its freedoms. The seed of tyranny is born and reaches maturity when the laws are written to insure unjustly the conviction of the guilty, even at the expense of discarding the safeguards for the protection of the innocent. And that is exactly what is being done in this instance. It appears that the opponents of this change are in the minority. But the history of the philosophy of criminal jurisprudence that created rules of procedure to the rights of all shows that they were formulated to protect the innocent. Every man is born to these rights and safeguards.
>
> Our constitutional rights were written in the law of the Constitution, preserved as the inalienable rights to man, given by God. Our Government is the only one that recognizes these God-given rights as inherent to every human being. We are a nation that zealously guards these rights against all those who would violate them. No law can waive these rights—they are inviolate and each individual enjoys their protection throughout his entire life. The promulgation of these rights insures procedural integrity for their preservation.
>
> The star performers in this phase of life's performance are those who represent the defendant or defendants—the Federal agents, the courts and the prosecution; the prisoner is part of the public and he is represented in his rights by both the courts and prosecution.
>
> There has been a concentrated effort through the years to abrogate all of these rights by operation of statutes or invented practices of authority, both prosecutory and judicial. The supreme courts of the United States have thus far protected the rights of the individual held in custody, either by enforcing the rules or the law.
>
> As a judge of the district court sits, in reality, as a 13th juror and, of course, his judicial position gives him in an authoritative degree great prestige with the jury. He gives the jury instructions at the end of the trial and also comments upon the evidence. Thus, the judge becomes the sole authority upon whom the jury relies for the determination of the question of the weight of the evidence.
>
> He has no alternative in this regard in this present question, even though in his own mind there lurks an uncertainty of its importance as contended by the defense. He is obligated to inform the jury of his contention, thus closing their minds to any controversial evidenciary facts that he refused to permit its introduction by the defense.
>
> Each case should be determined from its own set of facts and not by this general exclusion law. The determination of the question of the admissability of evidence against the good reputation of a star prosecution witness, is too important to the administration of justice to be wrapped up and shelved by his ruling against it.
>
> The instructional charge by the judge at the termination of the trial covering the question of the weight of such evidence deprives the defense of any practical or real consideration of the question. The court's previous comments and then his instruction, negative any contention of the defense as to "his reputation to be believed" as a contributing factor. This ruling could be a challenge to the fairness of an American trial.
>
> It is certain that no appellate jurisdiction would sustain such a ruling.
>
> Thank God for the integrity of our Supreme Court that has for nearly a century and one-half protected human rights.

AFFIDAVIT

STATE OF TENNESSEE,
County of Hamilton:

Bernard B. Spindel, being first duly sworn, makes oath as follows:

That affiant is an expert electronic technician specializing in detection of listening and/or monitoring devices and other means of such surveillance as wiretapping, shadowing and eavesdropping, as well as other contrivances.

That affiant has been retained to detect whether or not there is or has been surveillance of the defendants and/or their attorneys, as well as members of the legal staff working with the attorneys;

That affiant arrived in Chattanooga, Tenn., on Monday afternoon, the 3d of February 1964;

That during the affiant's investigation, employed certain electronic equipment and came across a vast network of conversations of individuals;

That these conversations were by U.S. Government agents and that their conversations were coded in great part;

That affiant is familiar with the practice and custom of persons employing these codes and he is able to translate certain initials, words and statements from their present form into their intended meaning; that during the course of affiant's investigation, he made notes regarding the conversations he heard;

That affiant has not been aided or assisted by any person or persons in any way during the course of his investigations and work in Chattanooga, Tenn.

That affiant has not been assisted by anyone in receiving any of the transmissions or communications to which he referred.

See attached exhibit "A" to be given to the court.

Further affiant sayeth not.

Bernard B. Spindel.

Subscribed and sworn to before me, a notary public for the county of Hamilton this ——— day of February 1964.

Wednesday

I think it might be 3198, 4X3198. I'm not sure.

Nine hundred and thirty-seven to JCW: He is going to be busy for just a minute 937. He will be there in a minute. There is a darn good chance that if this fellow is listening to all you said, there is another good chance if he is he is recording it so you might consider that—10–4.

Seven: I presume he knows if he is that that's a violation of Federal statutes over which we have jurisdiction. I'm sure he knows that. This is 24, uh, that number looked like 4X–3178. Is that the same we got one time before last week or the week before is that the same number. Do you recall?

No, I don't. I don't have my book and, uh, has got it. They have gone again. Did you see which way they were traveling? Evidently went north on Broad.

The one that's parked next to the red station wagon with the rack on top. Yeah, that's right, there was a space between them. It's in front of a little white Corvette-Convair.

Yeah, I'm just looking at it from a different angle. I got over here behind these railroad cars and I'm looking at it from the side (my car). I couldn't tell for sure where it was. I think there is a space between those 2 cars.

Ten to 47. We were not able to come up with that unit we were trying to get over here (CB receiver). He does not have one. 10–47 10–4.

Well, if we really want to pursue it to get JF to check up here with the radio store that he deals with all the time I wouldn't be surprised if they didn't have something.

Four to JB: He is in the garage I think, uh, 4 were going in, we'll talk to him. That 4X3178 is listed for a 63 Ford General Leasing Corp., 317 Read Lake Road.

We have a lot of them. 23.

Twenty-three. Can you get some relief to come up to the office. We need to talk to you, without disrupting the surveillance—7 will relieve him right now.

Ten-four: 23 if you would come up to the office need to talk to you—would appreciate it. 10–4.

Don't move out yet—I'll let you know.

Two: Go ahead. What do you think about recommending somebody getting two in all these units. I just saw the red Ford and now I've seen 63 Ford that's got three men and 63 F. both of them have the W/T (walkie talkies). We better get two men in these units to have a witness. Unintell.

Seven to 317 GCW: Unintell * * * then we got this 56 floating around with four men in it. I want to recommend to him to get a witness in these cars. 10–4.

GCW: Unintell. Why don't you get one in each car for the time being, 10–4, I mean two in each car, 10–4, you all get together with them. We are not reading that other unit 1099. It's coming in as a blur. 1099. Car 7 suggest that those two men split up and put two men in each car temporarily until we decide what's to be done, 10–4?

Unintell: Who all in the other unit seven?

I don't know, I didn't read that unit. Did you get any transmissions from them at all?

He started to fade real bad. I couldn't pick it all up.

Four to JEC: This is JEC car 10. This is JEC and KVP we're coming over, we'll put one with one of you and one with the other. What are you going to do with 10?

We'll put it up.

Well, I'll swing back and pick you up in the garage.

OK, if you will pick me up at * * * (unintell). I want to pick up something (gun?).

Car 10: Car 6484. Bring you what you want and run you around and drop you? That's 10–4. I want my thing from my drawer (gun) there—4784 what about you, are you OK?

Yeah, he is OK (re gun).

If you'll come up ninth, come up ninth, WBH will meet you at the back of the building and run around and drock each of you.

That's 10–4, ah, you read that 4 unintell. * * * OK.

This is 14 back in service. What going on?

This is 4. We just decided to put two of our men in each car. These other two cars apparently running around here with three men in one and four in the other as I understand it. And they apparently have this—some type of radio communication. We all would be better off with two men in all of our cars.

Ten-four: They've been coming around trying to bug you again.

No, but we are just seeing them now. What are they in BC.

Well, they are in 63 red and white Ford, you got the number on that on 7?

Ten-four: That's 63 white over red Ford, that's 4H Harry 5641 and H (Hicks) is in that one by himself with a WT (walkie talkie) sticking out the window—10–4 on that so far?

Ten-four: OK, there is a 55 or 56 black Ford with three men in it—four men in it. It's 4X3178, they have a WT sticking out the window, 10–4 so far? Are you getting all this so far 14?

Ten-four: OK, there is another one, a 63 black Ford I believe it's got the same license on it, 4X3178, that's on the 55 or 56 because that's the one it's registered to. There's three men in that with a WT and they just left, uh, at 1:36, they left the Esso station here, ah, going east on 11th.

Ten-four: Who was that trying to get 317? Did you read them (weak)? Can you read me OK?

OK. Do you know or can find out for me if you can contact a radio dealer here that you know that might have one of these CB transmitter-receivers that we could borrow for a while?

(Very weak) unintell.

Ten-four: If I understood you 5 you said JC went out to see about it and they did not have one. They did not have one where we get our repairs done. Did he have any suggestions where we might locate one—(unintell.).

OK, I can't make you out. You're kind of like a victrola with no volume turned on, just what you'd hear by playing a record with a needle. You don't have any volume at all—23 you want to go eat?—14–23 got called into the office a minute ago.

Ten-four: unintell: And are you over there on Market to cover that, uh, or rather, oh yeah, on Market to cover that (unintell.) 7 is on Broad and 4 is on the way. Yeah, I'll just float around here for a while. Ah, actually sitting behind this over here by the railroad—I can see the package car if you can cover the Market Street up there Market Street.

Ten-four: I'll just be up, down, and around Market Street. What's your 10–20 (location) 4.

If you'll pull down to the railroad crossing on right across from ADT Furniture there is a red pickup truck parked on the right. Take a hard right come in (unintell.).

Go ahead 4 go ahead.

On that WT it looks like 937 (technical man) could go up here to contact his girl and boy couple and find out what they're up to. Well, I was trying to get that message across to him but apparently he is working on 5 radio and I can't read him. Unintell. Get him to do it.

Ten-four: Most interested in listening in a while unit calling. Want to know what they are up to. Unit calling. Unintell.

Will some unit testing and whistling in. Unintell. Nobody wants to admit that. Reckon somebody else did it? JB is working over on Car 5. Maybe it was him—317 to 937—937, 317 to 937—937.

It would be nice to find out if he was doing it—317 to 937—937. This is car 10—317. I'm almost at Volunteer garage. I'll check with him.

Ten-four: 317, go ahead—317 were you testing blowing into a mike?

Yes, I was—10–4.

Ten-four: Unit 937 was doing that.

I'm checking out this unit over here and the strange noises you hear probably come from unit 5 and I can't—it will take me a little while to answer you if you call me, so just stand by for about 2 minutes after you call me and I'll answer you.

That's 10–4. Let us know when you finish, OK?

That I will do.

Thank you—B2 to 317.

Three one seven: Does a red and white Plymouth or DeSoto station wagon, Tennessee license 4X6417 mean anything to us? The reason I ask—an individual just came out of the hotel with a roll of tape, and a tape recorder and put it in the back seat and drove off—10–4.

OK; I'll check it. It might belong to that studio in there—24 go ahead.

You in touch with WJS?

Was a few minutes ago; I can try.

Ask him what time he intends to place Ben up to the mountain; if it's anywhere reasonably early like, uh, 7–8 o'clock, ask him if he can bring the document that I need with him. That way I can handle what you know I have to handle maybe from up there—10–4.

This is B2. Just what it's worth for information. That brown bomber is (unintell.)—14—10–4.

Fourteen-three-one-seven: Is 937 still in town? Go ahead.

No; he is in KX. I talked to him up there—10–4.

I'm proceeding north on Columbia (?) now. Go ahead.

Did you see a big fat cameraman as you came out?

No, I didn't. 10–4.

I guess the rain came at a bad time for him—10–4.

To 14—unintell.

Very weak. KS is right behind it.

Oh yeah, yeah.

Do you know that fella?

Yeah, he looks familiar.

Probably needs a push.

That affirm.

He says is my back wheel wobbling?

I didn't notice his wheel wobbling. You are a friend of his right across the street from you on the south side of the—

Yeah, we're watching him, too.

Yeah, we told him you, we said go ahead drive off so we can look. We'll tell you if it's wobbling.

I hope it does—

That same individual that you're behind here took a big box of something into the hotel, just about 30 minutes ago—10–4.

Fourteen to all units. We were behind that unit and he, uh, got out and looked out obviously and wanted to know if his back wheel was wobbling. We told him to go ahead and we could see it moving, we would let him know and we pulled up behind him again down here at Broad and, uh, JEC looked out (cut off) unintell.

Next time you're talking to him ask him how Bernie (Spindel) is—10–4.

Seven.

This is seven, yah, uh, you want me to pull off.

Negative but I think we ought to watch that guy, he is in a little Renault sport job whatever you call it.

OK, I, I'm not over there, ah, I was, ah when 4 WDC left I thought you acknowledged that you were leaving.

Yeah, that's 10–4, go ahead. I just want you to hear the traffic.

That's 10–4. I'm going to the garage. Is he the same guy that was in the red and white car?

Yeah, that's right T (A. or S.).

What the color of the Renault?

It's a little powder blue—that little hard top, uh, uh, uh, what is that little Renault sport job. I can't think of the name of it.

What was that license DNB?

Four eight four, four eight four. I didn't get the prefix on it. Somebody else may of gotten it.

Did you say 484?

That's 10–4.

He went back in the station here.

He is back in his hangout.

I think I can develop a double agent on that deal out in Thomlinson (phonetic) there if it gets necessary 10–4?

Seven–three and four.

Who all is coming in in the morning. You and I and K (unintell) is GCW, WBH.

That's 10–4.

I guess we ride two together tomorrow, huh (unintell.)

Us fellars from KX aren't used to working these long hours, you guys, Ha; ha; ha.

Twenty-three to fourteen. Who's on first?

Fourteen I think. I'm supposed to pick up W2 or B1 or something like that.

Yeah, why don't you play it solo for a little while. W2 you still in pretty good position?

B1–B2 affirm.

B2 is going down to swap positions with W1 now. He'll be there in about a minute.

Yeah, wouldn't W1 still be in a pretty good position for another half hour? Go ahead.

Yeah, that, that place would be good all night.

I'll carry on. I'm doing fine.

Yeah, yeah, OK, Tiger.

You ran off and left me a while ago.

I was hooking it up to see you and you pulled off.

That's when a little traffic developed and we wanted to check that unit out—10–4.

Ten-four: I'll be back to see you—24 to 15. Go ahead.

You will get one in three car—the other car is coming up against you to pick up the package (unintell.).

Which one are we loading?

The one behind you or the one behind us?

The one behind you will be leaving, follow me in the green car. Follow me straight ahead? 10–4.

No, that was the man that, uh, that we had authority on GEH–GH.

OK, I was at the door when the other fellow opened the door, something was left here, it may be what you were speaking of. I tried to call the man you asked me to contact but he hasn't returned my call as yet, are you going to go back down here or are you going to prepare that daily summary up there?

It appears to me from the what I've seen the first page, uh, what this man uh, would be in a position to say. Is that what you're talking about? Unintell.

Fourteen to twenty-three. What is your 10–20?

I'm coming up north on Market, uh, near where you were.

Yeah, I'm back in position.

OK, I'll see you—B2 to 14.

Go ahead.

Carl that bus station should be good, uh, till we pack it in. It's a good location and I know it's not the best place in the world to eat, but you fellows want to go there, why Jack will be down for a while and be able to swap off with you.

Yeah, 10–4, 10–4.

Unintell. negative—10–4.

Does he look like the package?

Twenty-three are you reading me?

No; I don't think he is robust enough * * * unintell. * * * the second guy is just about it.

They are pointing up at me, ha, ha. Ah, the second guy looks a little too dapper and too small.

That's affirmed.

They are now getting back into this Pontiac. The tag number is 4T4655—there are three guys in it; it's got a, it's got a * * * unintell—with the half white side walled tires. Look to be a 64 Pontiac four-door.

Up Georgia or Market I can't tell which direction yet, it looks more like Market.

Unintell. We are going to try to find 14 here, call out there or something. Car 9 to 23.

Hello, this is 23. I guess my radio went out. I've been trying to call you. I drove up and around and called and called. I got a squelch but no answer, so I guess my battery is down or something—10–4.

Ten-Four. What do you think it's about 11:30?

Well, I was a little worried because I wasn't in touch with you and was afraid something had gone wrong but, ah, everything quiet?

Yeah, we just now just passed the car, it's still there.

I'm with you, it seems kind of ridiculous—10–4.

Well, there is no activity in front or anything. I–I don't I think say 11:35 sounds pretty good, don't you?

Yeah, 12:34 or 1:07—10–4.

Check it out if you're near because we just came back and swapped cars and I'm in nine. If it's still there and * * * unintell—10–4.

Ten-four. We just passed it not less than 3 minutes ago, so I'll go by and give B2 a ride up to his place and call it off.

Ten-four. Unintell. We were up around * * * unintell.

We heard something we couldn't read. I didn't think it was you. I heard something about 15 or something was, is there car 15 out there was, there was earlier * * * unintell * * * gone on to Nashville.

Well, they might have been talking to 515, uh, that may have been what I heard. I couldn't understand them. Otherwise I didn't hear a thing from you.

Well, mine must be out then. Ah, 9317.

THURSDAY

Three, six, seven, one is 55 in and can be drop to me on watch.

Well, let me know when he gets off if he can talk to * * * unintell. watch. Sixty-seven and one-half-volt ones and said they all were either (batteries) fair, some of them fairly good, some of them good but none of them in tiptop shape. We haven't had any new ones in a long time and instead of taking out any of the supply room up there which would be in the same shape as the supply we got, I strongly recommend that we buy at least a dozen. That would give a full set for each of the T units with a set of spares. Would you check with 937 as to the exact type and buy us 12 out of Empress (phonetic) and mail it to us.

For the handy talkies—walkie-talkies. Thank you.

Unintell.

Ten-four: You know where we are?

OK.

Unintell.

Say again.

That magazine article we were talking about did somebody buy that do you have that?

Negative.

Ten-four: That can be had at the bus terminal.

Ten-four.

Fourteen to 317, MJH.

Three-one-seven to 14.

Any traffic?

No, I had a call in but haven't had no reply yet.

Ten-four. We're going to head * * * unintell. * * * B2, to relieve that unit: so as late as it is I'm going to have about leaving now if it's necessary—10–4.

Well, maybe you've been taking that whatever hour is reasonable and bring it out of there when you come, but I'll call you back after I've talked to them. Let you know what the final verdict is.

Ten-four. But this is no time to be leaving this time of day. B2 to 317.

B2 to 14.

Go ahead B2.

Say what's the tag number on that vehicle? I am almost certain in fact we are certain, the package vehicle is out in front by the street entrance at the present time.

You mean the Nashville vehicle?

That's 10–4. It just pulled in.

I don't have it in front of me. I think the last 2 digits are 99 is that 10–4?

That's affirm. Yeah, this, this is it. It's parked out here now. That might be very pertinent so far as, uh, whether they load and what they load and so on—10–4.

Ten-four. We'll be watching

Unintell.

Negative. That is IM as in Mary.

Ah, yes, 10–4—317 to 315.

Three forty-six suppose you can give me a watch? Well, that's very interesting. I'll check that, thank you—14 to 317.

Fourteen to B2.

B2, is he loading up?

Negative. No one is in the vehicle.

We're going down south Broad, we'll be on down this way in case anything develops. I want to check with 317 to see if they want to spot check or anything—14 to 317.

Carl, this is seven. The boy just passed again. Jack had copied this same plate number down before. It's 4U8888.

Yeah, that 10–4, that's the same one that was by there while you all were out.

Try to keep some time on that, I think the other one Jack, I recall was about 8:05.

Ten-four: seven——

I think you ought to change locations there. They might be trying to set you up so they can say the defendants are being surveilled or something.

OK.

They're going to have to come up with something.

They'd probably never find us at Edmund's.

I think you got a real good idea.

Let's rendezvous up there and talk it over.

How late are they open?

I don't know, Paul. I guess about midnight.

See you over there in a little while.

Did the little man have a dark suit on?

That's affirmed.

Yeah, I just came out of 11th and he was walking down just approaching the 11th Street entrance. His companions were with him. I think he saw ——.

Twenty-three to fourteen.

Go ahead.

I'm just cruising. Do you want me to do anything? I passed—the car's still there. I just checked it.

Yeah, I did, too.

I don't see much point in this 23, or what do you think?

Well, I think a little bit after 11 be late enough to show it.

I agree. It's ridiculous to sit on that car all night and that's about all we'd have to do.

Let's go over to Edmund's and talk to the boys a while, and we'll check it as we go by and knock it then—10-4.

Now you're talking.

Thought you was already over there.

No, we didn't want to leave you fellows alone.

Twenty-three ——— and I'll get around there and pick you up at the doorway.

Twenty-three, are you trying to transmit me?

Not me, chief.

What's all that noise?

I think we're tuned in.

That's probably Bernard.

Hiya, Boinie.

Bernie or 317 make the mistake ———.

Yeah, that's what I was talking about.

Well, he said he'd be here earlier in the afternoon; that he was ——— the unit to see if we were transmitting, but we were not.

Ha, ha, maybe there is a hanky-panky, huh?

Could be.

Hiya, Boin. Doing fine, making lots of money working for Mr. H? He's a good boy.

Go home, Bernard.

I plan to, in the morning.

Say, ah, will you be able to hook me up with 584 and 445?

Ten-four: I'll tell you—how about just giving 317 a call right before you do it because I'll be at my car.

OK.

Ten-four: Boin, you still busy?

OK, I'm relieving you. If you're busy.

I think. * * *

It might be three.

If you're in a position to go, that car, well around there is B2. It's alerted up there, and bring that key over there so that ——'s man will have a key to get in.

B2, why don't you just secure it and bring the key on over here while D is still here?

Where's 84? Where's 87?

Yeah, I agree with you now that I think about it. His hair was combed the same way, gray, combed straight back, and he had the big, ah, H.

Now, that. * * *

Well, the tiger's back.

He'll get to it there. He'll get to it, I'll tell you.

You better believe it, boy. Did you eat plenty of red meat?

Twenty-three: I moved over here, just around the corner where you were, ah, this morning earlier, headed north, ah. The other side of that lot, the gates are closed.

You might swing around and double-check the car. I've checked it a couple times.

Did you clear that? I forgot. You don't have to clear, do you?

Yeah, now how about that? How 'bout that?

I think we were having a friend back where we were.

You recognize some, huh?

I didn't, but, ah, the other fellow did.

Our package came out, walked around once and went back in.

Well, our guy did?

Check.

Got on that gray suit, white banlon-type shirt, open at the collar, black shoes, no hat, smoked a cigarette.

Like for a constitutional around the block? What did he do? Just walk around the block?

Yeah, 23, after you check the car, if you want to come over here, I want to go upstairs and make a call and see if I can't get one man to come in on beat at 2 in the morning and let these two men with us sleep in, too, because they got out real early this morning—10-4.

Ten-four: There's a car right beside me and I didn't get a good look. I'll be over there in just a minute.

If you want to come over here, I'm right behind a little cheap, ah, just almost opposite the entrance to, ah, the thing. I'll pull out. I think I'll just pull down in that lot and swing around and make sure, ah, and then come back out—10-4.

Well, I can do it. I'm heading back that way.

Ten-four: ——— pretty close ——— excellent, in a position right near a church at another time.

Excellent.

B2 to 317: Unintell—B2 says 10-4.

I was going to have him call you. [Pause.] Still no life around that vehicle, I'll let you know.

B2 to 14: They are proceeding to the vehicle now, quite an entourage, will copy (which means photograph) [pause]—10-4.

B2 to 14: I don't think you want to go near this vehicle due to its contents [pause], ah, they are ready to pull out in front now and I think the package you are interested in is, he didn't even get into, uh, three other individuals got in, he is now crossing Market Street, uh, looks like he is heading over the Rent-a-Car—Avis Rent-a-Car place.

What is believed to be the package just proceeded across 11th, on down 11th on Broad, the vehicle we described just turned up, it made a north turn, it's either going up Georgia or Market.

B2 to 317: Yeah, I got, Carl I got a question, uh, if you have personally seen the package, is he partially bald? That is the package.

Twenty-three: 10-8.

Go ahead, what did you have him—10-4. I guess just forget it for the moment.

Three-seventeen to 1417—317 to 1417. If 1417 is WLS, go ahead. Unintell. Are you in position and ready? Soon as I can get across this one-way traffic I'm on Ninth Street trying to get in behind the building—10-4.

Well, ah, 'cause they might be back in a few minutes. I hope he is long gone but you might hold it for a while.

Three-seventeen: Twenty-three to 317—he looked like, uh, but 2 people got in the car that we positively identified. The third party got in the back seat, we could not make he, uh, and they loaded some gear into the trunk—two large boxes and a briefcase that looks like one of the three is going to shove off, either that or they are going to ship that stuff somewhere—10-4?

That's 10-4.

Twenty-three to 317—317: Twenty-three to 317. (No answer.)

Twenty-three to 317—23, unintell. Pass the word along to the boys upstairs if they haven't left that there are two bad cameramen and here waiting for the package to come out the back of the building.

Are they right at the head of the steps?

No, they're across the alley waiting for him to come up the steps.

Ten-four: Movie or just the regular?

Looked like movie?

(End side 1.)

B2 to 14.

This vehicle just returned, uh, less one occupant and looks like they are going to park in front of the hotel.

I don't think so, not according to description.

Three-seventeen: Go ahead.

No, I just got off the telephone from KX.

You say how many were in it, when it left with the equipment?

Uh, stand by. No, there were three, the fourth individual didn't get in the vehicle, he, he crossed the street and headed down 11th toward Broad. So we know two or the three that left in the vehicle. The third party we don't know, and he wasn't in the vehicle when it got back here at the hotel. You say you do know two of the three who got out.

That's 10-4.

Unintell—to KX before noon tomorrow.

Is it back at the original location, I mean where it's been for the last couple of days?

That's negative. It's on the 11th Street side of the hotel. MJH, you observed the package. Will you tell us if he is partially bald.

No, no, he is not.

Did he wear glasses?

No, he did not.

Well, then, when these people first came out, that is the four of them originally approached this car the two we cannot identify, ah, one was wearing glasses and one was partially bald so it appears that those two could not identify were not the package. Is that 10-4?

OK, the one that was bald was he a slightly built fellow?

He was short, but rotund.

No, I was thinking I might know who that was, but I don't make him from that description.

The crown of his head was bald. He wasn't completely bald. He had hair on the sides and a little hair on the top, but sort of like a monk with the crown—bald.

No, that wasn't the subject.

JI, this is WLS, I didn't hear all of that but I would be inclined to think that is the subject. He is definitely thinning on the top of his head.

Well, I, Bill, I took an awfully good look at him out there and I would consider I wouldn't consider him bald. Of course, I didn't look down at him, from up above, but, uh, I didn't notice any baldness, he might be but I wouldn't consider him bald.

Yeah, Billy, this fellow had a distinctive bald spot on the crown of his head, so does Spindel, he is a big mannish looking guy, humped shoulders, heavy set, right at the top of his head, he is bald, he's got a bare spot.

Well then, that sounds like our man, that originally got into the back seat of the car when it pulled away. Did he come back? That's negative.

I wouldn't consider that subject short. He's a good 5-10 and he would weigh about 220, barrel chested, stooped shouldered and of course as I said I didn't look down at him from up above, but he's got plenty of hair, and its, it's a right good length. It's not real long, but it's not short.

Three-seventeen. Affirm on 317, go ahead. Jo and his crowd normally go out to Lake Chicoma (phonetic). They would normally go out Third Street and Riverside Drive and Amicola Highway at that way.

Would they turn right on Broad Street or Market? Oh, no, they wouldn't; they wouldn't go to Broad at all. They're going the opposite direction from Broad, they would—the best way would be to go in front of the Volunteer Garage over to Third Street, I mean Fourth Street, turn right on Fourth Street, and turn left at City High, it used to be City High, I don't know what—Riverside High now and then that puts you on Riverside Drive and follow Riverside Drive up through East Chattanooga.

That's 10-4. This is B2. The package's automobile was first observed being loaded at 4:55 and was then observed again back at the hotel at 5:10, minus one individual. I don't believe that gave them enough time to get out to the airport.

No, they couldn't have gone to the airport in that length of time, uh, I'm sure of that.

They may have changed hotels. That's entirely possible.

WLS.

Go ahead. Are they, they've taken another route, uh, they have gone through North Chattanooga in other words, cross Market Street Bridge, turn right and, uh, then, uh, oh past—restaurant on the right, bear left there at GPS, Girls Preparatory School, up over the hill like that out Hickson (phonetic) Pike on out through Stewart (phonetic) Heights to access road now that is not the way I would have gone but that's the way they've gone. Do I—does that make any sense to you, do you have any idea on how you should travel? Yeah, that's 10–4. I'm with it. OK.

B2. Go ahead. You were cut out on your transmission, but it indicated something about 12 noon at KX tomorrow. Would you repeat that?

Instructions are that the four of you are to be back in KX by 12 noon tomorrow—10–4.

I don't know if there is anything more that we can do. I'm going to call a summary up here in the next few minutes and I'll mention it to the SAC but you know what our instructions are so I don't quite know what we could do—go ahead.

I think as of now it would be well, don't you?

All right then, whatever you want.

Twenty-three, go ahead. Yeah, that's 10–4.

Well, did you decide that possibly that the package did not come back—the original package was the one that did not come back to the hotel.

In light of the more current description, that's entirely possible, uh, the vehicle is presently parked in front of the 11th Street entrance and if you like, we will sit here till they do move it.

Well, I'm coming down that way now, just to get a look at it. It's very possible they moved to another location with the equipment thinking maybe they can pick us up a little better.

That's 10–4.

Say Bill, the two occupants in that car were "The Man" (Hoffa) and the ex-boxer (O'Brien).

That's 10–4. Is the car parked on the 11th Street side? That's affirmed.

The light beige tan Chevrolet right there in front of the hotel. Is that 10–4?

That's 10–4, Bill. Nashville tag.

If you want to, I'll check this out a little while.

No, we're going to hang in here till we see if he gets back in the car.

Ten-four. I'll get back around the corner here then.

Twenty-three. Go. Are you aware that those people have been gone for some time, are you not—the ones that, uh, you, that you previously mentioned.

Yes, I sort of lost interest in view of this one. OK.

B2 to 14 and 23, uh, the ex-fighter just came out with two unidentified WMA's. He got into the car, he is not moving as of yet and the other two individuals separated, walked around the corner, and headed north on Market on foot.

Twenty-three, you were just photographed.

That's 10–4.

There is a guy standing against the hotel with a camera and as you pulled up to the light, he stepped out behind your car and photographed your plate. The ex-fighter just got out of the car and walked back into the hotel.

Ten-four. I saw it. What about the other guy walking down the street? Did you get a good look at him?

Billy, are you referring to the cameraman as far as description goes?

I thought you said two walked around the corner. That's 10–4. They had their backs to me. Unintell. Relatively young white males, ah, looked to be late twenties, uh, I doubt very much if I could recognize them, they had their backs to me (or us).

Ten-four.

Did you happen to recognize the photographer?

Negative. Neither one was the package, of course. Ah, let's see that, ah, the ex-pug is just coming back down the, toward the car, getting in the car again here.

He is getting all ready to drive away now.

He done wound it up.

Keep me posted. I'm over at 9th and Market, I guess it is.

Ten-four: 315, could you stand by just a minute?

The "S" vehicle just proceeded across Market going west on 11th. This is B2. As you probably know, the vehicle, uh, the "big boy" (Hoffa) just got back to the hotel evidently he parked the car—10–4.

There are a few fellows that are going in the same direction, so that Mr. Big and, uh, his necessary assistant so I don't think you want to be anywhere around that lot right now.

This is B2. It looks like everyone is gone, ah, unless you have anything to the contrary, we'll close shop.

That's 10–4 with 23.

B2 to 14. What do you think--think we ought to pull this gear out?

Unintell.

The big guy came out with the entourage and they looked like they all got back—unintell. In other words, I'm sure if you drove by there, you'd find it wouldn't be in the lot. Unintell.

I really don't know what you got in there. * * * I just don't want them to photograph that coming out of there, if you think you can handle that without that, go right ahead.

B–2. Unintell. Can we meet with you somewhere? Unintell.

Ten-four: We don't have any wheels, uh, I'll tell you if you want we can meet you at 317 (office) * * * unintell. Come down to 217—10–4. We'll be 217, 23—23, we'll be 10–10 at the building.

END OF CONVERSATION

1. "M. H. and company just returned. Was that husky boy with him? Did you recognize him?

"Who with him?

"O'Brien. I don't think so."

Or words to that effect.

2. "Mr. H and three others getting into a white Pontiac which is parked on the street up from Market Street."

Or words to that effect.

Three, zero, one's call. I'm in the office.

Three, one, seven: 24.

Two-four: Office—36.

It couldn't have been any better. He overruled the motion to suppress his testimony and ruled that the defense had no right to examine the notes of, ah, Walter. End call.

Three, one, seven: 315.

Call me back. I want to talk to Mrs. M.C. again just a minute—10–4, 315.

Three-one-seven: 315. About 1 minute more.

Call us right back—55 just came in and he wants to talk with him.

Mr. H and company just returned.

* * * * *

Was that husky boy with him? Did you recognize him?

Who with him?

O'Brien.

Ah, I don't think so, 10–4.

They call?

Go ahead.

Mr. H and three others getting into a white Pontiac, which is parked on the street up from Market.

Is our package with them?

Ah ——

——— I guess we can't touch that.

See if I can get the plates. The plate on it is 4U —— 8888.

That sounds familiar. I believes that's one of those we had before.

Yeah, I think that's one of the cars rented to the Teamster local.

Campbell.

Mr. H sure was jumping. His head was like a radar strip.

It should be.

Yeah, four, eight men.

Is that you saw? They remind you of anybody?

Yeah, reminds me of, ah, old man D.

Is it, ah ——

From Chicago.

Yeah, just from what I saw, it looks like they're, ah, I told you of that other, ah, electronics man we've been talking about?

Oh, no, this guy was, ah, I saw him from the front, tall and, ah, looked at him through the binocs. He's much too old. Much too old. He, ah, his gray hair and all, he looks like the father of Dorfman.

To all members of Teamsters' Local No. 5:

Some time back we circulated a copy of the charges we filed against business manager, E. G. Partin.

We have stated on numerous occasions to you, the members, that your business manager is not acting in your best interest but rather is running your local union as a dictator and as positive proof of our statement we present to you evidence of his dealings with his fellow dictator, Fidel Castro. We know that he has used your local union funds to visit Castro in Cuba on several occasions. Are you paying union dues to help Russia's Communist Allies infiltrate the United States?

A. G. KLEIN, Jr.
J. D. ALBIN.

IN THE U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF TENNESSEE, SOUTHERN DIVISION—UNITED STATES OF AMERICA *v.* JAMES R. HOFFA ET AL., 11,989

AFFIDAVIT

I, Harry Berke, state as follows:

That I am counsel of record for the defendant, Hoffa, in this case; and have been such counsel during this entire trial and have been for several weeks prior to the commencement of this trial.

That I have previously stated to this court my belief that I was being trailed and under surveillance by certain persons.

Now I have proof that during this trial I have been under surveillance by agents of the Federal Bureau of Investigation.

That such surveillance has impeded me in my representation of the accused, that consultations with other counselors, witnesses, and the defendant have had to be conducted in an atmosphere of apprehension and fear that our meetings were being watched and that our activities were under scrutiny. This activity on the part of such persons caused me to postpone several conferences previously scheduled with my client.

I cannot adequately and fully represent this defendant in the manner to which he is entitled under the sixth amendment of the Constitution of the United States with the Federal Bureau of Investigation looking over my shoulder.

Subscribed to and sworn to before me February 7, 1964.

——— ———,
Notary Public.

IN THE U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF TENNESSEE, SOUTHERN DIVISION—UNITED STATES OF AMERICA *v.* JAMES R. HOFFA, ET AL., CRIMINAL NO. 11,989

SUPPLEMENTAL MEMORANDUM IN SUPPORT OF DEFENDANT HOFFA'S MOTION TO DISMISS THE INDICTMENT; OR THE ALTERNATIVE, TO WITHDRAW A JUROR AND DECLARE A MISTRIAL

Simply stated, the questions presented by this motion are:

1. May the executive department by surveillance of the defendants, witnesses, and defense counsel, deprive the defendant of his constitutional right to have witnesses come forward in his defense as guaranteed him under the sixth amendment to the U.S. Constitution?

2. May the executive department by unremitting surveillance of the defendant's counsel deprive the defendant of the right to the effective assistance of counsel as guaranteed to him by the sixth amendment to the Constitution of the United States?

3. May the Attorney General of the United States, and those acting under his express direction, deny to this defendant the fundamental right to a fair trial vouchsafed to him by the due process clause of the fifth amendment to the Constitution of the United States?

I

These questions, cast against the background of the cherished bulwarks of freedom guaranteed to all persons by the Bill of Rights, demand a negative answer to all of the questions, as, indeed, has every court so answered when it had occasion to consider these and related questions.

As the evidence in support of the motion in this case shows, counsel for the defendant, Hoffa, has been under almost continuous and repeated surveillance from the time that this trial commenced until February 8, 1964.

Instead of the free and untrammeled communication with his client and witnesses that he should have, he has been subjected to a type of scrutiny that would remind one of the way persons have to live in Russia; and the fear which permeates the lives of the persons by Hitler and his storm troopers.

The right to a public trial had real meaning at common law and that meaning was translated into a sacred right by reason of the adoption of the sixth amendment to the Constitution.

At common law, the requirement of public trial had as one of its bases, in the day when communications were primitive, the extra assurance that a trial held publicly would attract attention and would induce persons with knowledge of the facts to come forward and give their testimony in aid of either the prosecution or the defendant. This same motivating reason pervades our constitutional requirements of a public trial.

Indeed, it has been described as one of the main purposes for the requirement of a public trial that there is a reasonable possibility that persons unknown to parties or their counsel, by having knowledge of the facts may be drawn to the trial. (*Tanksley* v. *U.S.*, 145 F. (2d) 58; and *United States* v. *Kobli*, 172 F. (2d) 919.)

Here the constitutional purpose is being and has been thwarted by the actions of the agents of the Government in keeping the defendants, their counsel, and witnesses and prospective witnesses under the constant eye of the FBI agents. This fact has been made known to the court and has appeared in the public press in this district as well as all over the country.

What person, having knowledge of facts that might be helpful to this defendant would come forward and give information to the accused under these circumstances? He would know that if he contacted the accused or the accused's counsel that he would immediately under the surveillance of the Government's agents with the likelihood of inquisitorial interrogations by employees of the U.S. Government, who are under the direction of the Attorney General of the United States who has publicly in both written and oral statements, stated his hostility toward this defendant. Would not such knowledge intimidate a witness?

It is not the fact that some witnesses may have been silenced who otherwise would have spoken that is controlling. What is controlling is that the tendency that such surveillance has to silence a person, who would otherwise speak, that is the basic evil.

II

The right of an accused to assistance of counsel means effective assistance of counsel. It guarantees accused the aid of counsel in consultation, investigation and preparation for the trial (*Krull* v. *U.S.*, 240 F. (2d) 122); and grants to the accused the guidance of counsel at every stage in the proceedings for the purpose of insuring against the prejudicing and hampering of the accused in his defense (*Wilfong* v. *Johnson*, 156 F. (2d) 507; *Neufield* v. *U.S.*, 118 F. (2d) 375); and his insured fundamental rights of liberty (*Glasser* v. *U.S.*, 315 U.S. 60, 86 L. Ed. 680); and the right contemplates that the accused should have an able lawyer, who has ample opportunity to acquaint himself with the law and the facts and who is afforded an opportunity to present them to the court or jury in their most favorable light (*Willis* v. *Hunter*, 166 F. (2d) 723); and that such assistance by counsel be an "untrammeled and unimpaired" right.

He has been deprived of the aid of his counsel in investigating the facts; the right to unimpeded communication with his counsel; and the assistance that would come to the defendant had his attorney not been prevented by the surveillance of the FBI of his freedom of action in interviewing witnesses.

III

Not only has the defendant been deprived of his right to a public trial within the meaning of that guaranty as set forth in the 5th amendment; and deprived of his right to the effective assistance of counsel as granted by the same amendment; but he has been denied the right to a fair trial as assured to him by the due process clause of the 5th amendment.

The due process clause supplements the specific procedural grant in both the sixth amendment and the other clauses of the fifth amendment in protecting persons accused of a crime. (*Crain* v. *U.S.*, 162 U.S. 625; *Hopt* v. *Utah*, 110 U.S. 574).)

Substantive due process means a fair trial and an opportunity to prepare and present evidence. It is a restraint upon the executive branch of the Government against arbitrariness and harassment of the citizen by the executive department. It is designed to protect the citizen against oppression and inquisitorial interrogations.

Investigating and law enforcement methods which offend the sense of justice and violate that fundamental fairness which is essential to the very concept of justice violates the constitutional guarantee of due process of law. (*Quinn* v. *Lane*, 231 N.Y.S. (2d) 840.)

To deny anyone the fundamental right to have witnesses come forward to assist him or to give information to the defendant is a violation of the due process clause.

Equally, the denial of the right to the effective assistance of counsel is a violation of the due process clause of the fifth amendment. (*Neufield* v. *U.S.*, supra; *Gall* v. *Brady*, 39 F. Supp. 504, 125 F. (2d) 253.)

In light of the facts disclosed by the evidence in support of this motion, the defendant not only has been denied his right to have witnesses come forward in his defense, and denied his right to effective assistance of counsel; but has also been denied his right to due process of law under the fifth amendment. Any violation of these rights by the Federal Government or its agents completely nullifies this trial and deprives this court of its jurisdiction to continue the trial of this case. (*Kuczynski* v. *U.S.*, 149 F. (2d) 478; *Noble* v. *Eicher*, 143 F. (2d) 1001; *Thompson* v. *King*, 107 F. (2d) 307.)

Jurors, witnesses and defense counsel are essential to the existence and the protection of due administration of justice. They are entitled to the protection of the court from intrusion by anyone, including the agents of the Government. As to the protection which the court will give its instrumentalities, see *Sinclair* v. *U.S.*, 279 U.S. 749.

In *Sinclair* v. *U.S.* the Court said:

"There was probably interference with an appendage of the court while in actual operation, the inevitable tendency was toward evil, the destruction, indeed, of trial by jury."

Intrusion by Government agents in the relationship between an accused and his attorney invalidated a conviction in *Caldwell* v. *U.S.*, 205 F. (2d) 879.

Here, we do not have probable interference. Here we have actual interference. Just as the Supreme Court said in *Remmer* v. *United States*, 98 L. Ed. 655, where a juror had been questioned by an FBI agent:

"The sending of an FBI agent in the midst of a trial to investigate a juror as to his conduct, is bound to impress the juror and is very apt to do so unduly. A juror must feel free to exercise his functions without the FBI or anyone else looking over his shoulder. The integrity of jury proceedings must not be jeopardized by unauthorized invasions."

Neither can counsel conduct the defense of an accused with the FBI looking over his shoulder, nor is it likely that witnesses will come forward, knowing that the FBI are looking over their shoulders.

Here we have a situation where witnesses and defense counsel are being subjected to extraneous influences to which no party in a court proceeding should be subjected. No American citizen should be subjected to trial in the judicial branch when the executive branch is actively impeding every constitutional right that a defendant has.

While there is, of course, independence between the executive department and the judicial department, nonetheless, whenever and wherever there has been an intrusion upon an individual's rights by the executive department, the Court has uniformly stated that it protects the citizens from such acts. (*U.S.* v. *Andolschek*, 142 F. (2d) 503; *U.S.* v. *Reynolds*, 341 U.S. 1.)

The relief which the defendant seeks and which threads through the fabric of the concept of liberty was never more eloquently proclaimed than by Chief Judge Learned Hand in *U.S.* v. *Coplon*, 185 F. (2d) 629, 638:

"All governments, democracies as well as autocracies, believe that those they seek to punish are guilty; the impediment of constitutional barriers are galling to all governments when they prevent the consummation of that just purpose. But those barriers were devised and are precious because they prevent that purpose and its pursuit from passing unchallenged by the accused, and unpurged by the alembic of public scrutiny and public criticism. A society which has come to wince at such exposure of the methods by which it seeks to impose its will upon its members, has already lost the feel of freedom and is on the path towards absolutism."

Here we have a fact situation probably unparalleled in judicial annals. This record is replete with statements and writings of the chief prosecuting officer of the United States in which he has inveighed against this defendant and has unsuccessfully sought to imprison this citizen over a period of 7 years.

This defendant has no redress through the executive department. His only refuge is in the Bill of Rights and in the courts. Where the executive department flagrantly desecrates constitutional rights of an American citizen, that citizen has the right to demand that a price be paid by the executive department for its action. That price is the enforcement by the courts of a defendant's constitutional rights and the assurance of those rights by the dismissal of the indictment or granting a mistrial.

JAMES E. HAGGERTY, Sr.,
HARRY BERKE,
Attorneys for Defendant.

[From the Chicago Tribune, Feb. 28, 1964]

THREE HOFFA ATTORNEYS REBUKED BY JUDGE

CHATTANOOGA, TENN., February 27.—U.S. District Judge Frank Wilson today rebuked three defense lawyers who accused him of siding against them at James Hoffa's jury-tampering trial.

It was the first time since the trial began January 20 that Judge Wilson displayed his temper during repeated exchanges with defense attorneys.

The latest exchange interrupted the Government's rebuttal testimony, completed today. The case is expected to reach the jury early next week—the seventh week of the trial.

LINKED TO BRIBE

Hoffa and five others are charged with trying to bribe a Nashville jury which heard the teamster president's 1962 conspiracy trial.

Like most of the other exchanges, this one involved Edward Grady Partin, a Baton Rouge, La., teamster official who testified against Hoffa.

Harry Berke, Hoffa's Chattanooga lawyer was cross-examining Victor Bussie, a Baton Rouge AFL-CIO official called to counteract defense attacks on Partin's character. Bussie was one of three Government rebuttal witnesses who termed Partin's reputation "good."

When Berke asked if he was "aware that Partin was under investigation for smuggling arms to Cuba," Judge Wilson glared. He had warned the defense previously to avoid the question.

Jerking off his glasses, he leaned forward and, shaking a finger at Berke, snapped: "Mr. Berke, there is no basis in the record for that. You have wilfully disregarded the court's instructions. When I give counsel instructions, I expect them to be obeyed."

ASKS AN APOLOGY

The judge told the jury to disregard the remark. After a recess, with the jury absent, Berke asked an apology from the court on grounds he was "unfairly chastized * * * in the presence of the jury."

New York Attorney Jacques Schiffer accused the judge of aiding the prosecution by indicating "time and time again to the jury that the defense counsel are charlatans, that we're tricksters, that we're trying to fool the jury."

Harvey Silets, a Chicago defense lawyer, asserted that the judge displayed "bias and prejudice against the defense."

The judge replied, "This court has absolutely no bias and prejudice against any of the defendants. The attorneys have made it difficult for the court throughout the trial. I hope that counsel will learn the court means exactly what it says."

PAINTED AS LIAR

The Government's rebuttal witnesses were presented to try to refute defense testimony which painted Partin as a professional liar, a woman chaser, and a dope addict.

Others attesting to Partin's good character were Frank Jumonville, a Plaquemine, La., equipment dealer, and Donice Bennett, president of the teamsters local of which Partin is business manager. Jumonville said, "I've never known him to lie."

Dr. Robert William Razor, with the Federal hospital for narcotics addicts in Lexington, Ky., testified he examined Partin last Friday and found "no evidence that he ever had used habit-forming narcotics."

Meanwhile, Senator HIRAM FONG, Republican, of Hawaii, read into the CONGRESSIONAL RECORD a letter from Teamsters headquarters in Washington seeking a Senate inquiry into alleged gestapo tactics employed by the Government at the trial.

Mr. CUNNINGHAM. I thank the gentleman from Illinois.

I am very hopeful that the allegations that have been made in this regard concerning this case by Mr. Zagri, legislative counsel for the Teamsters, will be studied and considered by the Committee on the Judiciary. I believe that of all the committees in the House this committee is the one which should go into this matter and see that the constitutional rights of all Americans are protected.

Mr. ABELE. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Ohio.

Mr. ABELE. I have listened with interest to the discussion which has been held in regard to the violation of the constitutional rights of certain individuals. I also heard mention of the Roy Cohn case in which there has been the allegation made that there was a mail watch put on his mail. That appeared in today's New York Times.

The deplorable thing about this is that the mail watch was set up on this mail and also on his attorney's mail. When questioned about it 2 weeks ago, Department of Justice officials denied that the watch was for the perjury case that was being heard. They said it was done by direction of the Internal Revenue Service.

Then, on Saturday at another hearing in the same case, it was admitted that the mail was watched in regard to this particular case.

The discrepancy between the two stories of the Department of Justice which is so deplorable is the fact that they should be involved in such situation. I feel that something should be done and that the matter should be investigated thoroughly.

I compliment the gentleman from Nebraska for bringing this matter to the floor of the House. Regardless of who the defendant is he should have his rights protected.

Mr. CUNNINGHAM. I thank the gentleman. Did the gentleman say that this was an article from the New York Times in today's paper relative to this mail matter?

Mr. ABELE. That is correct. The heading of the article is "Justice Officials Say Case Has Been Mishandled—Wrongdoing Is Denied." However, the question in my mind is what were the people in the Department of Justice thinking about when one day they say the mail watch was in regard to an internal revenue matter and 2 weeks later they say it was in regard to the conspiracy or the perjury charge.

Mr. CUNNINGHAM. I believe this matter to which the gentleman from Ohio refers bears on this entire subject of constitutional rights.

I wonder if the gentleman does not want to ask permission to insert that article as a part of the presentation this afternoon on this subject?

Mr. ABELE. Mr. Speaker, I ask unanimous consent to insert an article in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The matter referred to follows:

COHN MAIL WATCH EMBARRASSES UNITED STATES—JUSTICE OFFICIALS SAY CASE HAS BEEN MISHANDLED—WRONGDOING IS DENIED

WASHINGTON, March 1.—Justice Department officials said today they were surprised and disturbed that an assistant Federal prosecutor in New York had ordered a mail watch on Roy M. Cohn and on Mr. Cohn's lawyer.

The officials said they had known nothing about the order and had thought the only mail check was an unrelated one ordered by the Internal Revenue Service. They evidently were embarrassed by the episode.

Mr. Cohn, who is under indictment on Federal perjury and conspiracy charges, moved to dismiss the indictment 2 weeks ago on the ground that his mail was being checked. He produced a copy of a post office order for a mail watch.

Justice Department officials said here at the time that this was an Internal Revenue matter entirely unconnected with their case against Mr. Cohn. They strongly denied that the Justice Department had any check on his mail.

PRESIDENT INFORMED

This same information—denying any Justice Department mail check on Mr. Cohn—was given to President Johnson last week as part of the briefing material for his press conference yesterday. It was given on the chance that the President might be asked about the Cohn matter. He was not.

Then, yesterday, it was disclosed that the mail of Mr. Cohn and his lawyer, Thomas A. Bolan, had been watched in connection with the perjury-conspiracy case.

This disclosure came at a hearing before District Judge Archie O. Dawson in New York on Mr. Cohn's motion to dismiss the indictment. The assistant U.S. attorney handling the case, Gerald Walpin, told Judge Dawson about the mail watch.

ADDRESSES NOTED

Judge Dawson denounced as shocking the placing of a mail watch on a defendant's lawyer after an indictment. But he refused to dismiss the indictment, saying there was no indication that the Government had obtained any information for its case from the mail watch.

In a mail watch, the Post Office notes the names and addresses of those who send letters to the person concerned. Mail is not opened or read. Checks of this kind are said to be quite common law-enforcement devices.

What disturbed officials here today about the Cohn case was not the check so much as the timing and handling of the affair.

Mr. Walpin, the prosecutor, filed a sworn affidavit in court last week saying that the U.S. Attorney's Office had had nothing to do with the mail-watch order of which Mr. Cohn had produced a copy.

This was the Internal Revenue Service order. Mr. Walpin was therefore correct in saying that his office had had nothing to do with it.

But the impression left with many persons, including Justice Department officials here, they said today, was that no mail order of any kind had been requested by Mr. Walpin or his associates.

Last Friday a postal inspector testified before Judge Dawson about the Internal Revenue mail cover. Postal officials were to testify further the next day and to be questioned by Mr. Bolan.

SUPERIORS INFORMED

It was on Friday evening, according to officials here, that Mr. Walpin told his superiors that he had requested the mail watch last September after Mr. Cohn was indicted on charges of having lied to a grand jury and of having tried to prevent the indictment of four men in a stock fraud case involving the United Dye & Chemical Corp.

On Saturday morning Mr. Walpin told Judge Dawson about the mail watch. The feeling at the Justice Department today was that, while there had not been anything that could technically be called a misstatement, the public position of the Government had been misleading.

Mr. CUNNINGHAM. Mr. Speaker, this is something that is much broader than an individual concerned in a particular trial. I do believe that the allegations made as to the shortwave radio contact between the Government attorneys and the accused, sleuths, private detectives, and all kinds of other people, trying to get what I believe to be illegal evidence, if all these things are true it certainly deserves the serious consideration of the Committee on the Judiciary because this affects all Americans. Who knows when it may be a Member of this body who will be subjected to the same type of harassment?

Mr. GONZALEZ. Mr. Speaker, this is the second speech to be made from the floor of the House by me on this day. The first was on the occasion of the 128th anniversary of Texas Independence Day. For on this day 128 years ago Texas declared its independence from a despotic and hostile colonial power. The Texas Declaration of Independence was modeled after the U.S. Declaration of Independence, and among the grievances against Mexico set out was the charge that Mexico had broken promises to protect life, liberty and property, and that she had deprived the Texans of a trial by jury.

It was by coincidence that I remained in this great Chamber after delivering that speech and that I happened to hear certain remarks of my colleagues related to the very principles underlying the Texas Declaration of Independence, the U.S. Declaration of Independence, and the Constitutions of my home State and my Nation. I refer to the remarks concerning the prosecution of James R. Hoffa, president of the International Brotherhood of Teamsters.

Mr. Speaker, facts have been brought to my attention which if true will cause the current prosecution of James R. Hoffa, regardless of the eventual outcome of the case, to reflect a sordid chapter in American jurisprudence and in the history of this great Nation.

Under our Constitution every defendant in a criminal case has an absolute right to due process and a fair trial. Yet it is my understanding that the Federal Government in this case has admitted to conducting a constant surveillance of the defendant, his counsel and witnesses since the opening date of the trial until February 8, 1964. These activities by agents of the FBI and other Federal agents included surveillance of the hotel where the defendant and his attorneys were staying, communications by shortwave radio of the whereabouts and movements of the defendant and his counsel, following them in automobiles, and the invading by a U.S. marshal of the defendant's headquarters during the trial, using monitoring devices and other means of surveillance such as wiretapping, shadowing and eavesdropping, and viewing the defendant's movements through the use of binoculars from the windows of rooms in a building adjacent to defense headquarters.

It is not my understanding that a defendant in a criminal case may obtain due process or a fair trial if through the use of surveillance witnesses who might come forward with evidence for the defense may be intimidated. It is not my understanding that a defendant in a criminal case may obtain due process or a fair trial when his prosecutors, agents of the Federal Government, resort to devious, deceptive, and duplicitous means, and even direct violations of the law, to obtain their ends. Such methods are odious and wrong on both legal and moral grounds.

It would be a terrible thing if the Federal Government in this instance decided "to get Jimmy Hoffa" and to resort to any means toward that objective. For with the massive machinery and unmatched power of the Government it could "get" anyone if it so desired. But justice through due process and a fair trial is supposed to be for all the people, not just some of the people.

So it is well to remember that this is the anniversary of Texas Independence Day, and the admonition of our forefathers that eternal vigilance is the price of liberty and freedom. Unless we raise our voices at miscarriages of justice, legal demons will be born which, like Frankenstein's monster, may destroy us all.

Mr. OLIVER P. BOLTON. Mr. Speaker, I too, wish to congratulate the gentleman from Nebraska [Mr. CUNNINGHAM] for his raising the question of possible abrogation of constitutional rights. I too, received a letter from Mr. Sidney Zagri, legislative counsel, International Brotherhood of Teamsters, along with several memorandums attempting to document the infractions of constitutional rights alleged in his letter. Many of these documents have been inserted in the RECORD.

Mr. Speaker, whether we are considering the case of Mr. Hoffa, or Mr. Cohn, or of any other citizen charged with any crime, two things stand out clearly in my thinking: The first is the extreme difficulty that there is today in obtaining sufficient evidence to convict. Countless hours of work and of observation; of detailed examination and evaluation; as well as searching out and interrogation of witnesses are required. It is a colossal job to amass sufficient evidence to prove guilt beyond reasonable doubt and to obtain the evidence required therefor, particularly if one is dealing with a clever, organized, and knowledgeable person.

The second point, however, is that under our system of law a man is innocent until proven guilty. We believe in the intrinsic worth of an individual and in the general concept that it is far worse to punish a man for a crime which he did not commit than to free a man for a crime which he did commit.

In these days when the tentacles of the Federal Government reach increasingly into the daily lives of each of our citizens, the protection of the individual against his government and autocratic action thereof becomes ever more important. Whether we are considering laws dealing with income taxes, labor legislation, religious rights, freedom of expression, property rights or civil rights, we must guard carefully against overzealous or overreaching action by our law-enforcement officers.

The gentleman from Nebraska has made a contribution in bringing these serious allegations to the attention of the Congress. On the surface the allegations would suggest that the Justice Department has gone far beyond the fine line which separates the rights of a defendant to conduct his separate defense and the rights of the public to obtain the facts. I was disturbed by the charge that a U.S. marshal had invaded the records of the defendant, and his files, without a warrant or other legal basis. I was further disturbed by the allegation that the Jencks Act had been avoided and the further allegation that the Government was in a position to change testimony without notification to the defense as the trial progressed.

Mr. Speaker, the point raised by the comments of the gentleman from Nebraska and by the allegations of Mr. Zagri must not be considered in light of the defendant. Nor do I make these comments in defense of the defendant, whom I do not know, but rather because of the serious questions they raise with regard to the autocratic power—and its use by the Attorney General—which the charges raise. I hope the Committee on the Judiciary will give these allegations its serious attention.

GENERAL LEAVE TO EXTEND

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 5 legislative days in which to extend their remarks in the RECORD on the subject I have just discussed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

RESIDUAL OIL QUOTAS—ADDITIONAL COMMENT

Mr. BEERMANN. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, for too long 50 million citizens of the east coast of the United States have been seeking relief from the heavy and unnecessary economic handicap imposed upon them by restrictions on urgently needed residual fuel oil imports.

What is disheartening to us fighting for their removal is the complacency with which Secretary of the Interior Udall and the Johnson administration seem to view our predicament. Fifty million U.S. citizens are paying tens of millions every year in premium prices because they have to have residual fuel oil.

How long does the President intend forcing this economic burden on the east coast? How long will he persist in refusing to do what he can—and should do: Remove the troublesome quotas on residual fuel oil imports.

This action is justified, in fact even required, by the simple economics of the issue. Today our citizens living in New England, in the Middle Atlantic States, and in Florida, are paying, and paying dearly, for the President's refusal to act.

How much does this lack of concern for the plight of the east coast cost our economy? A conservative estimate would be at least $70 million every year. It is paid for in terms of business costs, school taxes, light bills, and even hospital bills—in fact almost everything and anything in the east coast areas costs more than it should because of this administration's failure to act.

Last week, I wrote to President Johnson in appreciation of his effort to effect a little economy at the White House by putting out unnecessary lights. I reminded the President that just as he was cutting down his electric light bills in the White House by a "flip of a switch," he could help an estimated 50 million consumers along the east coast cut their light bills too by a "stroke of the pen."

Mr. Speaker, I have been concerned with this problem ever since I have been a Member of this distinguished body and have tried by all possible means to get relief for the people of New Hampshire and others affected by these controls.

I have written to administration officials responsible for the program on several occasions, pointing out again and again the logic of our arguments for removal of controls.

Most recently, on January 24, 1964, I wrote to Mr. Udall—see CONGRESSIONAL RECORD, January 27, 1964, page 1166—in answer to his statement:

> When the national security contribution of the residual fuel oil program is measured in the broader terms of the overall petroleum import control system, it is apparent that in order to maintain the integrity of the controls program it is necessary to retain controls on all of the principal derivaties of crude oil, including residual fuel oil.

At that time, I called the Secretary's attention to the OEP memorandum on residual fuel oil dated February 13, 1963, which effectively exploded any arguments that national security was being imperiled by residual fuel oil imports.

On February 18, 1964, the Secretary of the Interior answered my letter, as follows:

> We would like to point out, however, that we continue to regard the residual fuel oil program as an integral part of the total oil import program, and consider it, therefore, to be essential to the national security.

This is indeed an astonishing statement from the man responsible for decisions relating to oil policy matters. Let us examine it closely.

First. The Interior Department continues to regard residual fuel oil program as an integral part of the total oil import program.

This is a position quite contrary to the Interior Department's stand during the investigation by the OEP into the national security justification for continuing controls. When the Director of the OEP asked the Secretary of the Interior if restrictions of residual imports contributed to increasing explorations and the development of reserves and thus contributed to the national security by preserving a vigorous, healthy U.S. petroleum industry, it was the Department's view that:

> Relaxation of controls over residual fuel oil would have some impact on the domestic producing industry—the extent would be difficult to ascertain in advance. In the short run, through generating lower prices, it would tend to lower refinery revenues and, therefore, to reduce the ability of the industry to conduct exploration, and, perhaps, have a minor impact on the price of crude. It would be almost impossible, however, to isolate the moderate effects which might be anticipated from decontrol from normal changes in market conditions stemming from variations in the balance between demand and supply.
>
> Over the longer term, decontrol of residual fuel oil would probably reinforce the trend of declining residual fuel oil yields that has been evident among domestic refineries for many years. This would have the dual effect of decreasing slightly the demand for domestic crude below levels that would otherwise prevail and of increasing the ability of refiners to pay for such crude as a result of increased revenues resulting from sale of higher petroleum fractions as contrasted with residual.

In my opinion, the foregoing constitutes a rather weak stand for the Interior Department to have taken, if truly the residual oil program, as Interior now claims, is "an integral part of the whole import program."

Recently, Mr. Carl E. Reistle, Jr., chairman of the board of Humble Oil Refining Co. issued a statement opposing a proposed formula for limiting imports of heavy fuel oil. Mr. Reistle pointed out that import restrictions do not benefit the domestic oil industry since it is uneconomic to satisfy the demand for this product from domestic production.

Mr. Reistle in his statement further pointed out:

> In applying and appraising import controls, the Federal Government has consistently drawn a distinction between crude oil, which is available in ample quantities in the United States, and heavy fuel oil which is in increasingly short supply from domestic sources. In September 1962, a report to the President on crude oil import controls by the Petroleum Study Committee under the chairmanship of the Director of the Office of Emergency Planning concluded that "the best case can be made for maintenance of import controls." By contrast, a report to the President in February 1963 by the Director of the Office of Emergency Planning concluded that for heavy fuel oil "a careful and meaningful relaxation of controls would be consistent with national security."

Second. The residual fuel oil program is essential to the national security.

This Mr. Udall has decided—apparently on the advice of his defense experts within the Department of the Interior and directly against the Director of the OEP's advisory report to the President of February 13, 1963.

Who is better able to judge the effects on the national security of a program such as this? Let us take a look at the House report on the "national security amendment," section 8 of the Trade Agreements Extension Act of 1958—72 Stat. 678, 19 U.S.C. 135a—identical, except for conforming changes, to section 232 of the Trade Expansion Act of 1962. This report declared:

> Your committee was guided by the view that the national security amendment is not an alternative to the means afforded by the escape clause for providing industries which believe themselves injured a second court in which to seek relief. Its purpose is a different one—to provide those best able to judge national security needs, namely, the President and the Director of the Office of Defense Mobilization (now OEP) acting with the advice of such Cabinet officers as the Secretaries of Defense, Commerce, and State, a way of taking whatever action is needed to avoid a threat to the national security through imports.

What was the scope of the OEP investigation?

Over 130 statements containing expressions of views and factual information were filed. The OEP requested and received the views of the Departments of State, Defense, Treasury, Interior, Commerce, and Labor.

All in all, as the OEP Director stated: "A considerable body of material bearing on the issues" was developed.

An exhaustive, searching, complete investigation of almost 2 years is being ignored by Secretary Udall.

If such is the case, and the recommendations of the OEP bear no weight, obviously so insofar as Mr. Udall is concerned, perhaps the Interior Secretary should recommend to the President that the OEP be abolished and that Mr. Udall become the sole arbiter of what is in the interest of our national security.

Mr. Speaker, there is no reason on earth to continue these controls. The time has come—and it is long overdue—to act in the true interests of national security, in the interests of fairplay, in the interest of a sound economy, and remove the arbitrary and crippling restrictions on heavy fuel oil imports.

No longer should so many of us pay such high premiums for such an unneeded program which the Interior Department insists on perpetrating and perpetuating.

GET GOVERNMENT OUT OF BUSINESS

Mr. BEERMANN. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Langen] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. LANGEN. Mr. Speaker, I have introduced a bill today designed to get the Post Office Department out of the printing business.

Each year the Post Office Department handles hundreds of thousands of orders for printed envelopes in direct competition with private business. The sad part of this printing endeavor is that the Department prints these envelopes at a loss. It is time that the Government quit such attempts to compete with the lithographers, engravers and other printers who have to show a profit if they are going to continue in existence. It is unconscionable that the Post Office Department should be in the printing business, undercutting the going rates for such printing, and still suffer a postal deficit each year.

This bill states:

> That no stamped envelope or any other envelope furnished or sold to the public by the Post Office Department shall contain any lithographing or engraving, nor any printing or advertisement, nor request for return of the letter to the sender.

I request support from my colleagues of this bill so that we can return to private businessmen a function which is properly theirs and not the Government's. And by so doing, we can reduce the postal deficit.

INTRODUCTION OF A VICE-PRESIDENTIAL SELECTION BILL

Mr. BEERMANN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Lindsay] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. LINDSAY. Mr. Speaker, the inadequacy of our present machinery to handle important aspects of emergency transfer of Presidential power is in the spotlight once more. Since the death of President Kennedy there has been a flood of comment and proposals on disability and succession. Responsible groups and responsible citizens everywhere have shown their awareness and interest. The Congress has a clear justification to act—both from the climate of opinion and from the Constitution.

There are at least two important defects in our current setup:

First. Present law makes no provision to fill the office of Vice President when the occupant of that office must step into the President's chair. We have no Vice President now, and that office shall remain vacant until the November elections.

Second. Specific provision has not been made concerning transfer of power in case of Presidential disability. The Eisenhower-Nixon and Kennedy-Johnson agreements were a safeguard, but there is no guarantee that such pacts shall always be made, and because they are without congressional sanction they may be subject to question.

We are taking a great risk, I believe, when we leave the vice presidency unfilled. Executive branch responsibilities are such that the office of Vice President is of enormous importance. Presently, under congressional enactment, the Speaker of the House of Representatives is next in line to the President. The President pro tempore of the Senate is next, and the Cabinet follows.

Deficiencies in this situation are obvious and have been thoroughly discussed in recent months: a Speaker might well be of a different political party than his President; a Speaker who succeeded the President, even temporarily, would lose the speakership permanently; the concept of separation of powers is infringed on when a Speaker must be toned to executive as well as congressional business; a Speaker, though originally elected by the people, and though elevated to his post by elected Representatives of the people, is not elected with his possible qualifications for the Presidency in mind.

Lastly, provision for succession past the Speaker, President pro tempore, and so on, is meaningless. It would be a rare circumstance for succession to devolve past the Speaker. For example, if through unfortunate events, our present Speaker were required to step into the Presidency, the House would elect a new Speaker almost immediately—and he would be next in line.

Just recently, the house of delegates of the American Bar Association endorsed a proposal designed to erase the weakness of our succession machinery. The panel of respected lawyers which worked out this plan commented in January, "It is highly desirable that the office of Vice President be filled at all times."

A recent association newsletter carried a political cartoon which very aptly depicted feelings about today's dilemma. Two gentlemen, the President and Mr. U.S.A. were walking down the street. They were being followed by the empty shoes of Mr. Vice-Presidential vacancy. Mr. U.S.A. was commenting: "I don't know how you feel, but it's making me nervous."

The interest the American Bar Association has shown in this problem has certainly been an aid to Congress and a benefit to the public.

Mr. Speaker, today I am introducing a bill which proposes a constitutional change to provide for election of a new Vice President by the Congress, subject to Presidential veto, when an incumbent Vice President steps into the Presidency, or when, for any reason, the office of Vice President is vacated.

Under my proposal, the individual who has stepped into the office of the Presidency would convene the Senate and the House in joint session to select an acting Vice President. Selection would be by majority vote, with each Member of Congress having one vote. The President would have the power of veto and if he exercised it, Congress would propose another candidate.

The field of possible candidates would be limited to Members of Congress, heads of executive departments, or Governors of States. The person selected would vacate his current office.

This process would be followed when the office of Vice President became vacant more than 30 days before the end of the incumbent Vice President's term. It would also be followed if a Vice-President-elect might become permanently unable to take his office.

My proposal, which, as I noted, would be a constitutional amendment, is designed specifically to allow Congress to provide legislation to cover another succession circumstance—where vacancies might exist in the offices of both President and Vice President.

My legislation would give the same status, powers and duties to the acting Vice President as an elected Vice President would have. The acting officer would serve until the end of the term for which the individual he succeeds was elected.

This bill is similar to one introduced recently by my distinguished colleague from New York, Senator Jacob Javits. Senator Birch E. Bayh, of Indiana, distinguished chairman of the Senate's Constitutional Amendments Subcommittee, has also introduced a measure concerning succession and disability.

I believe the veto provision in my proposal goes far toward overriding a common objection that the Congress might pick someone who is not agreeable to the President. The objection is legitimate—if a majority in Congress were of the opposite party from the President, Congress very well might select a Vice President whose views and interests ran counter to those of the President. A veto right would prevent this.

It is important, of course, to have a Vice President who can work with his Chief Executive. The duties which the Vice President carries out demand essential agreement on his part with the general aims of his President.

The tradition of the presidential nominee selecting his running mate has been a good one, I believe. It is good insurance that this necessary partnership will be established. Of course, the nominee and his partner face the test of an election in ordinary circumstances. In an emergency, however, the process of a nationwide election—where a vice-presidential nominee would be submitted to the people—might result in dangerous delay.

My proposal, I believe, provides a speedy method of choosing a new Vice President, and at the same time, allows the President some choice—with his veto—and allows participation of the people, through the joint session of Congress. And it provides a source—Congress, the executive heads and the Governors of the several States—from which numerous qualified candidates should be available.

From the beginning, Congress has had a clear right to specify how succession shall be accomplished While article II of the Constitution is mysterious as to specific provisions it makes, it is clear in the authority it grants Congress:

> And the Congress may by law provide for the case of removal, death, resignation, or inability, both of the President and Vice President.

The Congress, has made three different attempts to provide a statutory line of succession. In 1792, it selected the President pro tempore of the Senate to be first in line, after the Vice President, with the Speaker to follow. A special election would be held, however, if the succession came during the first 2½ years of a presidential term. Here, no provision was made to fill the office of Vice President.

It has been argued that the Founding Fathers did not consider the Vice-Presidency, in itself, as important as we think of it now. The Constitution and this first legislation indicate that may have been so. And although four Presidents and five Vice Presidents died in office while the first Succession Act was in effect, no change was made until the assassination of President Garfield, in 1881, was followed only a few years later by the death of Grover Cleveland's Vice President, Thomas Hendricks.

Thus, in 1886, Congress shifted the line of succession to the Cabinet, and provided that only the powers and duties of the Presidency would devolve upon the successor, as in the first act. Here, the successor would act until the next regular election.

This act survived until 1947, when the Congress approved the complex Presidential Succession Act, which is presently in force. Here, of course, the Speaker succeeds if there is a double vacancy—then the President pro tempore, and then down through the Cabinet. As in the 1886 act, no provision is made for a special presidential election.

Since our Constitution was established, 8 Presidents have died in office, and the office of the Vice-Presidency has been vacated—either through death, resignation, or succession to the Presidency—16 times. And several times, this country has gone through the agony and uncertainty of having an ill or disabled chief of state.

History indicates that great public concern has accompanied each of these events. Each time a crisis has developed in the top offices of our Government, we have asked "What if—what if an orderly transition was not made, or what if we were thrust into the midst of an international conflict at a time when we had a weakened leadership structure?"

The concern is reasonable. The chances are slightly less than one in four that a particular presidential term shall not be completed, considering past records. And the odds are nearly even that a vice-presidential term shall not be completed; 16 of 37 have not.

Yet our concern has been only transitory. It has been like a little boy who stubs his toe on a doorstop and forgets 5 minutes later that the obstacle is there. Congress has felt moved only three times to write its ideas on the subject into law. Yet we have long realized that our protection in this crucial area has been weak. We cannot even be sure whether the Constitution directs a Vice President to assume the powers and duties of the Presidency when that office devolves on him or whether he assumes the office itself, as has been the practice.

Apt comment was made recently on another crucial question by two distinguished New York citizens, State Supreme Court Justice Samuel H. Hofstadter and Mr. Jacob M. Dinners of the New York bar, who said:

> For 175 years the American people have depended upon a benign providence to protect them from executive paralysis should a President suddenly become disabled and find himself unable to perform his complex duties.

I introduced a bill last year which sets forth a proposal designed to correct this situation.

Admittedly, legislation has been difficult to formulate in the area of succession and disability. There are so many eventualities, both political and legal, which should be taken into account. This difficulty is underlined by the variety of proposals, all based on good intentions, that have been introduced during the past weeks.

But I am hopeful that the Congress will not back off from this problem, knotty though it is, and allow the Nation to sink back into an attitude of "it can't happen again." We have the opportunity and the impetus now to work out a solution. I am hopeful legislation can be drawn up and approved this session.

Mr. Speaker, I believe this proposal I am introducing today is a practical, workable approach to filling the office of the Vice President. I urge my colleagues to consider and study it carefully. I am inserting a copy of my proposal into the RECORD along with these remarks.

H.J. RES. —

Proposing an amendment to the Constitution to provide for the selection of a new Vice President whenever there is a vacancy in the office of Vice President

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, and shall be valid to all intents and purposes as part of the Constitution only if ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"ARTICLE —

"SECTION 1. Whenever the office of Vice President becomes vacant at any time, more than thirty days before the expiration of the term for which the Vice President was elected, because of the death, removal from office, or resignation of the Vice President or the death of a Vice-President-elect before the time fixed for the beginning of his term, or because of the assumption by the Vice President or a Vice-President-elect of the powers and duties of President by reason of the death, removal from office, or resignation of the President or the death of a President-elect before the time fixed for the beginning of his term, the person discharging the powers and duties of President shall convene the Senate and the House of Representatives in joint session to select a person to act as Vice President. The person discharging the powers and duties of the President shall have the right to veto any selection made by the Senate and the House of Representatives acting in such joint session.

"SEC. 2. The Speaker of the House of Representatives shall preside over such joint session. A quorum of each House of the Congress being present at such joint session, such person shall be selected, subject to the right of veto by the person discharging the powers and duties of the President, by majority vote of the Members of the Senate and of the House of Representatives present and voting, each such Member having one vote. The selection under this article shall be made from persons who, at the time of such joint session, are heads of executive departments of the Government, Members of the Congress, or the Governors of the several States. The person so selected shall vacate his office as the head of an executive department, as a Member of the Congress, or as the Governor of a State.

"SEC. 3. In any case in which the person discharging the powers and duties of the President shall veto any selection made under this article, he shall again convene the Senate and the House of Representatives in joint session to make another selection in accordance with section 2 of this article, except that no person whose selection is vetoed shall again be eligible for selection so long as the person discharging the powers and duties of President is the same person who vetoed such selection.

"SEC. 4. A person selected under this article to act as Vice President shall act accordingly until the end of the term for which the Vice President or Vice-President-elect whom he succeeds was elected. While so acting he shall have in all respects the same status, powers, and duties as an elected Vice President.

"SEC. 5. Nothing contained in this article shall prevent the Congress from providing by law, consistent with the provisions of this article, for the designation of an officer who shall act as President at any time at which vacancies exist in the offices of both President and Vice President."

TEXAS INDEPENDENCE ANNIVERSARY

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, today, March 2, is a very historic day for those who come from Texas. It is Texas Independence Day.

Some 128 years ago at a spot known as Washington-on-the-Brazos, a band of patriotic Texans got together and announced their historic statement of principle. They came from many States in the then existing Union, but their aims and directives were frankly those in conformity with men who seek liberty everywhere.

Washington-on-the-Brazos was only a village, less than 100 people lived there. The convention of some 59 delegates met in an unfinished frame cottage—it had neither doors nor windows. Even as the delegates gathered, Santa Ana and his army were across the Rio Grande, heading for San Antonio to put down the Texas revolt.

Thus it was that on March 2, 1836, the Texans declared this independence of Mexico. They declared their beliefs in the same freedoms we all hold dear.

It is easier to remain silent than to proclaim a principle; it is easier to proclaim a principle than to risk life and limb for it. Yet, these brave men, like the founders of our country, were willing to declare their beliefs and to fight for them.

Texas had not been independent more than 3 days before the Alamo fell. Yet, the Texans persevered, and won their independence. There were certain conditions prevailing in Texas. These men were defending the rights and the basic principles of liberty, such things as the heritage of the common law tradition, religious liberty, the basic principles of the Magna Carta, as was announced and was declared. It is only fitting and proper that we pause here today in the Nation's Capital and mark this event which back home in Texas is today considered an official State holiday.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Texas.

Mr. PATMAN. I commend the gentleman for mentioning our Texas Independence Day. My distinguished friend Congressman GONZALEZ is always very thoughtful. Today we have a historic decision in the Supreme Court. In an effort to reach the Governor and attorney general of our State, we were reminded that there is a holiday in Texas today—Independence Day—and, of course, they were not expected to be in their offices as they were celebrating March 2 "Independence Day" as our distinguished Gov. John Connally and our distinguished Attorney General Waggoner Carr should celebrate it. They are to be praised for doing so. I predict they will give the Supreme Court decision proper consideration in plenty of time. I appreciate the statement the gentleman has made. He is always very thoughtful about the traditions of our State and the history of our great State.

The Texas Declaration of Independence and its signers is inserted herewith as it appears in the Texas Almanac. It is as follows:

TEXAS DECLARATION OF INDEPENDENCE—SIGNERS

The Declaration of Independence of the Republic of Texas was adopted by the delegates of the people of Texas, in general convention at the town of Washington-on-the-Brazos, March 2, 1836. (See p. 61.) The author of the declaration of independence was George C. Childress. The text follows, with the names of the signers at the end of the text:

When a government has ceased to protect the lives, liberty, and property of the people from whom its legitimate powers are derived, and for the advancement of whose happiness it was instituted, and so far from being a guarantee for the enjoyment of their inestimable and inalienable rights, becomes an instrument in the hands of evil rulers for their oppression; when the Federal Republican constitution of their country, which they have sworn to support, no longer has a substantial existence, and the whole nature of their government has been forcibly changed without their consent, from a restricted Federative Republic, composed of sovereign States, to a consolidated central military despotism, in which every interest is disregarded but that of the army and the priesthood, both the eternal enemies of civil liberty, the ever-ready minions of power, and the usual instruments of tyrants; when, long after the spirit of the constitution has departed, moderation is at length so far lost by those in power, that even the semblance of freedom is removed, and the forms themselves of the constitution discontinued; and so far from their petitions and remonstrances being regarded, the agents who bear them are thrown into dungeons and mercenary armies sent forth to force a new government upon them at the point of the bayonet; when, in consequence of such acts of malfeasance and abdication on the part of the government, anarchy prevails, and civil society is dissolved into its original elements in such a crisis, the first law of nature, the right of self-preservation, the inherent and inalienable right of the people to appeal to first principles, and take their political affairs into their own hands in extreme cases, enjoins it as a right toward themselves, and a sacred obligation to their posterity, to abolish such government, and create another in its stead, calculated to rescue them from impending dangers, and to secure their future welfare and happiness.

Nations, as well as individuals, are amenable for their acts to the public opinion of mankind. A statement of a part of our grievances is therefore submitted to an impartial world, in justification of the hazardous but unavoidable step now taken, of severing our political connection with the Mexican people, and assuming an independent attitude among the nations of the earth.

The Mexican Government, by its colonization laws, invited and induced the Anglo-American population of Texas to colonize its wilderness, under the pledged faith of a written constitution, that they should continue to enjoy that constitutional liberty and republican government to which they had been habituated in the land of their birth, the United States of America. In this expectation they have been cruelly disappointed, inasmuch as the Mexican nation has acquiesced in the late changes made in the government by Gen. Antonio Lopez de Santa Anna, who, having overturned the Constitution of his country, now offers us the cruel alternative, either to abandon our homes, acquired by so many privations, or submit to the most intolerable of all tyranny, the combined despotism of the sword and the priesthood.

It has sacrificed our welfare to the State of Coahuila, by which our interests have been continually depressed, through a jealous and partial course of legislation, carried on at a far-distant seat of government, by a hostile majority, in an unknown tongue; and this, too, notwithstanding we have petitioned in the humblest terms for the establishment of a separate state government, and have, in accordance with the provisions of the National Constitution, presented to the General Congress, a Republican Constitution, which was without just cause, contemptuously rejected.

It incarcerated in a dungeon, for a long time, one of our citizens, for no other cause but a zealous endeavor to procure the acceptance of our constitution and the establishment of a state government.

It has failed and refused to secure, on a firm basis, the right of trial by jury, that palladium of civil liberty and only safe guarantee for the life, liberty, and property of the citizen.

It has failed to established any public system of education, although possessed of almost boundless resources (the public domain), and although it is an axiom in political science that, unless a people are educated and enlightened it is idle to expect the continuance of civil liberty, or the capacity for self-government.

It has suffered the military commandants stationed among us to exercise arbitrary acts of oppression and tyranny, thus trampling upon the most sacred rights of the citizens, and rendering the military superior to the civil power.

It has dissolved by force of arms the State Congress of Coahuila and Texas, and obliged our representatives to fly for their lives from the seat of government, thus depriving us of the fundamental political right of representation.

It has demanded the surrender of a number of our citizens, and ordered military detachments to seize and carry them into the interior for trial, in contempt of the civil authorities, and in defiance of the laws and the Constitution.

It has made piratical attacks upon our commerce by commissioning foreign desperadoes, and authorizing them to seize our vessels and convey the property of our citizens to far distant ports for confiscation.

It denies us the right of worshiping the Almighty according to the dictates of our own consciences, by the support of a national religion calculated to promote the temporal interests of its human functionaries rather than the glory of the true and living God.

It has demanded us to deliver up our arms, which are essential to our defense, the rightful property of freemen, and formidable only to tyrannical governments.

It has invaded our country, both by sea and by land, with intent to lay waste our territory, and drive us from our homes; and has now a large mercenary army advancing to carry on against us a war of extermination.

It has, through its emissaries, incited the merciless savage, with the tomahawk and scalping knife, to massacre the inhabitants of our defenseless frontiers.

It hath been, during the whole time of our connection with it, the contemptible sport and victim of successive military revolutions, and hath continually exhibited every characteristic of a weak, corrupt, and tyrannical government.

These and other grievances were patiently borne by the people of Texas, until they reached that point at which forbearance ceases to be a virtue. We then took up arms in defense of the National Constitution. We appealed to our Mexican brethren for assistance. Our appeal has been made in vain; though months have elapsed, no sympathetic response has yet been heard from the interior. We are, therefore, forced to the melancholy conclusion that the Mexican people have acquiesced in the destruction of their liberty, and the substitution therefor of a military government—that they are unfit to be free, and incapable of self-government.

The necessity of self-preservation, therefore, now decrees our eternal political separation.

We, therefore, the delegates, with plenary powers, of the people of Texas, in solemn convention assembled, appealing to a candid world for the necessities of our condition, do hereby resolve and declare that our political connection with the Mexican nation has forever ended, and that the people of Texas do now constitute a free, sovereign and independent Republic, and are fully invested with all the rights and attributes which properly belong to independent nations; and, conscious of the rectitude of our intentions, we fearlessly and confidently commit the issue to the decision of the Supreme Arbiter of the destinies of nations. Richard Ellis, president of convention; Charles B. Stewart, Thomas Barnett, James Collinsworth, Edwin Waller, John S. D. Byrom, Francisco Ruiz, Jose Antonio Navarro, Jesse B. Badgett, William D. Lacey, William Menefee, John Fisher, Mathew Caldwell, J. William Mottley, Lorenzo de Zavala, Stephen H. Everitt, George W. Smyth, Elijah Stapp, Claiborne West, William B. Scates, M. B. Menard, A. B. Hardin, J. W. Bunton, Thomas J. Gazlev, R. M. Coleman, Sterling C. Robertson, George C. Childress, Bailey Hardeman, Robert Potter, Thomas Jefferson Rusk, Charles S. Taylor, John S. Roberts, Robert Hamilton, Collin

McKinney, Albert H. Latimer, James Power, Sam Houston, David Thomas, Edward Conrad, Martin Parmer, Edwin O. LeGrand, Stephen W. Blount, James Gaines, William Clark Jr., Sydney O. Penington, William Carroll Crawford, John Turner, Benjamin B. Goodrich, G. W. Barnett, James G. Swisher, Jesse Grimes, S. Rhoads Fisher, John W. Moore, John W. Bower, Samuel A. Maverick, Sam P. Carlson, A. Briscoe, James B. Woods, and Asa Brigham.

The president of the Convention is from the district I have the honor to represent and from my home county Bowie, which is named for the hero of the Alamo, James Bowie.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DORN. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from South Carolina.

Mr. DORN. I should like to remind the distinguished gentleman from Texas that William Barrett Travis, who was born in my congressional district, Col. Jim Bonham, Benjamin Rusk, Samuel Maverick, Bernard Bee, and a lot of other men who sought the independence of Texas, are from South Carolina so, of course, I congratulate the gentleman from Texas and the State of Texas.

Mr. GONZALEZ. I congratulate the gentleman from South Carolina. The State he comes from is one that supplied many of the splendid, heroic men we read about in history.

HIGH INTEREST RATES—4¼-PERCENT RATE IN EFFECT OVER 45 YEARS SHOULD NOT BE RAISED

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the question of high interest rates is before the Congress and the country. There is much talk about action being taken by our monetary authorities that will offset the good that will be accomplished in our $11.5 billion tax reduction act passed last week. The President has warned the authorities in a nice way that he does not believe that any action should be taken that would be detrimental to the expanding economy that we are likely to have because of that tax cut, and interest rate increases were mentioned.

STEERING COMMITTEE

I know that when these questions of raising interest rates come up they come up quickly, and one Member or one committee is powerless to stop it. So I think those of us who are against increasing interest rates on long-term Government bonds should get together and form an unofficial steering committee, and have an organization to be ready, to be on the alert in order to stop or prevent any attempt to break the line on this 4¼-percent interest rate that was fixed back over 45 years ago, during Woodrow Wilson's time. We have lived under that 4¼-percent rate for over 45 years, in the worst depression in history, in the greatest wars of all history, sometimes when we had 10 million unemployed and sometimes when we were shooting away a quarter of a billion dollars a day on the battlefield. We have lived through all those times of deflation, inflation, and everything else under this 4¼-percent rate. If we can do it for 45 years under conditions like that, we can do it in the future.

So I hope all Members who are interested will help us get together and form a group for the purpose of stopping such an effort, if and when it is made; and it does look like it might be made in the foreseeable future.

FOOD STAMP PROGRAM

Mr. DORN. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. FULTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, in a very short time I am hopeful that we will consider legislation to extend the food stamp program. This program has become quite controversial. It is not perfect but it is one of the better programs which we have underway today.

There are many reasons and arguments for the extension of the food stamp plan. Some of these have been outlined in a recent editorial in the Chattanooga Times which I commend to my distinguished colleagues for their consideration and study.

[From the Chattanooga (Tenn.) Times, Feb. 24, 1964]

(FOOD) STAMP OF APPROVAL

In the years to come, where will our families that find themselves in difficult circumstances go for the food they need and the food our Nation can supply for all in such great abundance? Will they go once or twice a month to some Government warehouse for a supply from surplus commodity stocks or will they have a means whereby they, too, can plan their diets around the many sound nutritional items available through our retail grocery stores?

Of course the ideal solution would be creation of those conditions under which no family would need help in meeting the minimum food requirements. We must work toward such full employment conditions but in the meantime keep in mind that we have the means to help those among us who are less fortunate.

It is the search for that "meantime" solution that has led to the Federal food stamp plan in four Chattanooga area counties and to efforts to expand that plan to other areas of the country.

The conditions which make the food stamp program successful in this and other pilot areas are not confined to the areas now under the program. The Nashville area in our own State, for example, has many families that could have better health through improved nutrition if the less fortunate were not tied to the surplus commodity program diets that make the dried bean king.

Fresh fruit, milk, vegetables and meat are beyond the reach of many.

In the first 8 months of its operation in Hamilton, Grundy, Marion, and Sequatchie Counties, plan participants put up $449,828 in cash to purchase $1,062,688 in food stamps. This represented a bonus of $612,860 in food purchasing power in our lowest income and nonincome families. The fact that this bonus moved quickly into retail grocery channels can be attested to by the 420 stores authorized to redeem the stamps for domestically produced foods for human consumption. Studies in pilot areas have shown that more than 80 percent of the increased consumption by food coupon recipients was for animal products (such as meat, poultry, fish, milk and eggs) and fruits and vegetables. Any increased sale in these foods will help to relieve the general problem of overcapacity in agriculture.

Such statistics are important, of course. But the important testimony in support of the pilot program comes continually from the 11,811 families in this four-county area who have participated in the program here for periods of varying length since it was begun last June. These people will attest to the value of better diets and to the improved conditions under which they now can purchase products directly through our privately owned food stores.

The food store operators see the advantages not only to their customers but to themselves in the form of the increased business. Of course the increased business is then passed on to the suppliers and on to the farmer.

It is a sound program which should be expanded. A proposal to do that died in the House Agriculture Committee last month where, as one member put it: "It was fallout from the civil rights fight."

But Representative LENOR SULLIVAN, Democrat, of Missouri, has indicated only disappointment and not defeat at the pigeonhole fate of her proposal. She plans to introduce another bill with minor amendments later this year. Perhaps then, with the heat of the rights bill behind them and the needs of the Nation's less fortunate more clearly before them, the House will see fit to expand a most beneficial program.

TEXAS INDEPENDENCE DAY

Mr. PICKLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PICKLE. Mr. Speaker, Texans throughout America and around the world pause today to observe the anniversary of the Texas Declaration of Independence.

One hundred and twenty-eight years ago today our proud forebears gathered in a dilapidated blacksmith shop in Washington-on-the-Brazos in Texas to declare their independence from Mexico, while Santa Anna's army of some 5,000 then had the Alamo besieged. While this group of great patriots were holding this momentous meeting couriers were coming in and telling of the course of the siege that had been going on at the Alamo for some 7 days before Texas declared its independence. They signed a document proclaiming that:

> The people of Texas do now constitute a free, sovereign and independent republic, and are fully invested with all the rights and attributes which properly belong to independent nations * * * we fearlessly and confidently commit the issue of the decision to the Supreme Arbiter of the destinies of nations.

This date is a holiday in our State—and we Texans try to make it one wherever we are by gathering together to renew our ties with our great heritage. The ex-students of the University of Texas traditionally gather throughout the world on this date to proclaim our loyalty to this great institution as well as our pride in our independence proclaimed by these early Texas heroes.

Yesterday, on the eve of March 2, here in Washington 800 Texans and their friends including our great President of the United States the Honorable Lyndon B. Johnson, attended a brunch given jointly by the Texas Ex-Students Association of Washington and the Texas State Society. The honored guest was Prof. Darrell Royal of the University of Texas—and coach of the Nation's No. 1 football team for 1963—the Texas Longhorns. On this independence day I think it is well for this body to hear again the message of fortitude which Coach Royal told this group. Coach Royal emphasized that the important thing with his 1963 Longhorns was that they never knew defeat. No matter how great the odds or how short the time these young men knew in their hearts that they could achieve victory. In several contests this victory was not realized until the fading seconds of the contest and in each of these instances only the stoutest of hearts could have achieved victory. Coach Royal emphasized that the encouraging thing about American youth he has coached is that they are fighters.

In one game last year the opposing team had the ball on the Texas 2-yard line with less than 2 minutes to play. The captain of his team called his men together and said:

> Fellows, we've got them exactly where we want them. They have run out of passing and running room—the only way they can come now is straight ahead.

In the next play their vicious attack gave Texas a recovered fumble and they marched down the field to victory. These were the same kind of odds that faced the Texas patriots back in 1836. They knew the odds were against them but in their hearts they knew they could win.

It was a great tribute to the Texans in Washington to have their outstanding and nationally recognized coach with us for this momentous occasion. It enabled us to again renew our pledge to maintain our independence—and never give up.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FLOOD, for 60 minutes, on Monday, March 9, 1964, on the subject of Panama.

Mr. HALPERN (at the request of Mr. BEERMANN), for 15 minutes, on March 3.

Mr. SCHWENGEL (at the request of Mr. BEERMANN), for 1 hour, on March 4.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ROGERS of Colorado.

Mr. WHITENER and to include extraneous matter.

Mr. WILLIAMS and to revise and extend his remarks.

(The following Members (at the request of Mr. BEERMANN) and to include extraneous matter:)

Mr. BARRY.

Mr. Jensen.

Mr. PELLY.

Mr. ALGER.

(The following Members (at the request of Mr. DORN) and to include extraneous matter:)

Mr. CORMAN.

Mr. BENNETT of Florida.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 944. An act to provide for the presentation by the United States to the people of Mexico of a monument commemorating the independence of Mexico, and for other purposes; to the Committee on Foreign Affairs.

ADJOURNMENT

Mr. DORN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 36 minutes p.m.) the House adjourned until tomorrow, Tuesday, March 3, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1757. A letter from the Comptroller General of the United States, transmitting a report on impairment of combat capability of M–60 tanks deployed with the U.S. Army, Europe, during 1961 and 1962 due to an insufficient supply of armor defeating ammunition, Department of the Army; to the Committee on Government Operations.

1758. A letter from the Secretary of the Treasury, transmitting the Eighth Annual Report on the Financial Condition and Results of the Operations of the Highway Trust Fund, as required by section 209(e)(1) of the Highway Revenue Act of 1956 (H. Doc. No. 235); to the Committee on Ways and Means and ordered to be printed.

1759. A letter from the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, transmitting the 24th Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, pursuant to the provisions of section 201(c) of the Social Security Act, as amended (H. Doc. No. 236); to the Committee on Ways and Means and ordered to be printed.

1760. A letter from the Deputy Secretary of Defense, transmitting reports for calendar year 1963 relating to special pay for duty subject to hostile fire, pursuant to section 306 and section 310, title 37, United States Code; to the Committee on Armed Services.

1761. A letter from the Assistant Secretary of the Navy (Installations and Logistics), transmitting the semiannual report of the Department of the Navy relating to certain military construction contracts for the period July 1 to December 31, 1963, pursuant to Public Law 88–174; to the Committee on Armed Services.

1762. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to amend the Agricultural Adjustment Act of 1938, as amended, so as to make uniform for all commodities, for which a marketing quota program is in effect, provisions for reducing farm acreage and producer allotments for falsely identifying, failing to account for disposition, filing a false acreage report, and for marketing two crops of the same commodity which were produced on the same acreage in a calendar year"; to the Committee on Agriculture.

1763. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to amend the act of August 19, 1958, to permit purchase of processed food grain products in addition to purchase of flour and cornmeal and donating the same for certain domestic and foreign purposes"; to the Committee on Agriculture.

1764. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to provide for a uniform rule regarding preservation of crop history under agricultural programs"; to the Committee on Agriculture.

1765. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to amend section 202 of the Agricultural Act of 1949, as amended, in order to continue the veterans and Armed Forces dairy program"; to the Committee on Agriculture.

1766. A letter from the Secretary, Export-Import Bank of Washington, transmitting a report by the Export-Import Bank of Washington, on February 19 and 24, 1964, respectively authorizing its guarantees with respect to certain transactions with the country of Hungary, pursuant to title III of the Foreign Aid and Related Agencies Appropriation Act of 1964, and to the Presidential determination of February 4, 1964; to the Committee on Foreign Affairs.

1767. A letter from the Director, U.S. Information Agency, transmitting a draft of a proposed bill entitled "A bill to amend further the U.S. Information and Educational Exchange Act of 1948, as amended; to the Committee on Foreign Affairs.

1768. A letter from the Comptroller General of the United States, transmitting a report on the overpricing of CAX–12 aerial reconnaissance cameras by Fairchild Camera & Instrument Corp., Syosset, N.Y., under negotiated fixed-price contract AF 33(600)–38860 with the Department of the Air Force; to the Committee on Government Operations.

1769. A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a report covering personal property received by State surplus property agencies for distribution to public health and educational institutions and civil defense organizations for the period October 1 through December 31, 1963, pursuant to the Federal Property and Administrative Services Act of 1949, as amended; to the Committee on Government Operations.

1770. A letter from the Chairman, Federal Communications Commission, transmitting a draft of a proposed bill entitled "A bill to amend the Communications Act of 1934, as amended, to give the Federal Communications Commission certain additional regulatory authority over communications common carriers"; to the Committee on Interstate and Foreign Commerce.

1771. A letter from the Secretary of Commerce, transmitting an interim report relating to research progress and plans of the U.S. Weather Bureau, fiscal year 1963, pursuant to Public Law 657, 80th Congress; to the Committee on Interstate and Foreign Commerce.

1772. A letter from the Secretary of the Air Force, transmitting a report of claims settled and not settled relating to the crash of a U.S. Air Force aircraft at Midwest City, Okla., on August 25, 1961, pursuant to Public Law 87-393; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of February 27, 1964, the following bill was reported on February 28, 1964:

Mr. NATCHER: Committee on Appropriations. H.R. 10199. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes; without amendment (Rept. No. 1160). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of February 27, 1964, the following bill was introduced on February 28, 1964:

By Mr. NATCHER:

H.R. 10199. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes.

[*Introduced and referred March 2, 1964*]

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WILLIS:

H.R. 10200. A bill to enact part III of the District of Columbia Code, entitled "Decedents' Estates and Fiduciary Relations," codifying the general and permanent laws relating to decedents' estates and fiduciary relations in the District of Columbia; to the Committee on the Judiciary.

By Mr. WEAVER:

H.R. 10201. A bill granting the consent of Congress to an amendment to the compact between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake; to the Committee on the Judiciary.

By Mr. WINSTEAD:

H.R. 10202. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. OLIVER P. BOLTON:

H.R. 10203. A bill granting the consent of Congress to an amendment to the compact between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake; to the Committee on the Judiciary.

By Mr. EDMONDSON:

H.R. 10204. A bill to extend the Osage mineral reservation for an indefinite period; to the Committee on Interior and Insular Affairs.

By Mr. FLOOD:

H.R. 10205. A bill to permit local public agencies to ignore any diminution of value of land occasioned by mine subsidence, underground mine fires or collapse in determining the price to be paid for the acquisition of the land; to the Committee on Banking and Currency.

By Mr. FUQUA:

H.R. 10206. A bill to provide for the conveyance to Taylor County, Fla., of all right, title, and interest of the United States in and to certain real property heretofore conditionally conveyed to such county by the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. GRABOWSKI:

H.R. 10207. A bill to amend section 109 of title 38, United States Code, to provide benefits for members of the armed forces of nations allied with the United States in World War II; to the Committee on Veterans' Affairs.

By Mr. HARSHA:

H.R. 10208. A bill to restrict the imports of beef, veal, and mutton into the United States; to the Committee on Ways and Means.

By Mr. CHENOWETH:

H.R. 10209. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. GIBBONS:

H.R. 10210. A bill to provide that certain expenses shall not be allowable costs under certain contracts with the Federal Government; to the Committee on the Judiciary.

By Mr. HALPERN:

H.R. 10211. A bill to provide for a comprehensive study and investigation of the adequacy of the present system of compulsory military training under the Universal Military Training and Service Act, and for other purposes; to the Committee on Armed Services.

By Mr. HARRISON:

H.R. 10212. A bill to authorize the Secretary of the Interior to acquire lands, including farm units and improvements thereon, in the Eden Valley project, Wyoming, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LANGEN:

H.R. 10213. A bill prohibiting lithographing or engraving on envelopes sold by the Post Office Department, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. McCLORY:

H.R. 10214. A bill to establish a U.S. mint in Lake County, Ill.; to the Committee on Public Works.

By Mr. McMILLAN:

H.R. 10215. A bill relating to sick leave benefits for officers and members of the Metropolitan Police force of the District of Columbia, the Fire Department of the District of Columbia, and the U.S. Park Police force, and the White House Police force; to the Committee on the District of Columbia.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Delaware, memorializing the President and the Congress of the United States relative to advocating the location of the National Aeronautics and Space Administration's Electronics Research Center in the Delaware Valley area; to the Committee on Science and Astronautics.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States relative to proposing an amendment to the Constitution making lawful the requirement of offering a daily prayer to Almighty God in the public schools; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Hawaii, memorializing the President and the Congress of the United States relative to urging Congress to enact civil rights legislation; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALBERT:

H.R. 10216. A bill for the relief of Dr. Miguel de Socarraz; to the Committee on the Judiciary.

By Mr. BROYHILL of Virginia:

H.R. 10217. A bill to authorize the Secretary of the Interior to convey certain real property to J. E. Bashor and Marie J. Bashor; to the Committee on Interior and Insular Affairs.

By Mr. BYRNES of Wisconsin:

H.R. 10218. A bill for the relief of Zofia Jakusz-Gostomska; to the Committee on the Judiciary.

By Mr. GILL:

H.R. 10219. A bill for the relief of Benjamin A. Ramelb; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 10220. A bill for the relief of Dr. Maurice Cohen; to the Committee on the Judiciary.

By Mr. LIBONATI:

H.R. 10221. A bill for the relief of Bienvenido Tan; to the Committee on the Judiciary.

PETITIONS, INC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

727. By the SPEAKER: Petition of the Board of Aldermen, City of St. Louis, Mo., petitioning consideration of their resolution with reference to initiating all necessary steps and actions toward having the fourth Sunday in November of every year declared to be observed as John Fitzgerald Kennedy Day; to the Committee on the Judiciary.

728. Also, petition of the Chairman, Urasoeson Assembly, Kosuke, Matayoshi, petitioning consideration of their resolution with reference to asking Congress for legislation satisfying the problem of pretreaty claims of the people of Urasoe-son (municipality); to the Committee on Foreign Affairs.

729. Also, petition of the mayor, Koza City, Okinawa, Ryukyu Islands, petitioning consideration of their resolution with reference to asking Congress for early enactment of a bill providing compensation for use of private property and damage to persons and property arising from acts of the U.S. Forces before the entry into force of the Japanese Peace Treaty; to the Committee on Foreign Affairs.

730. Also, petition of the president, American National Cattlemen's Association, Denver, Colo., petitioning consideration of their resolution with reference to the increased concern on the part of the domestic beef cattle business of the alarmingly increasing amounts of beef and veal coming into the country, and suggesting relief therefrom; to the Committee on Ways and Means.

731. Also, petition of Henry Stoner, Avon Park, Fla., requesting Congress to repeal its action in passing H.R. 3005, an act to remove

the requirement that an alien must make a declaration of intention to become a citizen of the United States before he may be enlisted or appointed in a Reserve component; to the Committee on Armed Services.

732. Also, petition of Henry Stoner, Avon Park, Fla., asking the Speaker to request a Member to insert into the CONGRESSIONAL RECORD an article from February 29, 1964, Saturday Evening Post, entitled "America's Neglected Colonial Paradise," by Don Oberdorfer; to the Committee on House Administration.

733. Also, petition of Henry Stoner, Avon Park, Fla., asking Congress to repeal the 12th article of amendment, and enact the Kefauver amendment idea of abolishing the electoral college system; to the Committee on the Judiciary.

734. Also, petition of Henry Stoner, Avon Park, Fla., requesting Congress to require an appropriate standing committee to investigate professional boxing and establish regulations; to the Committee on Rules.

735. Also, petition of Henry Stoner, Avon Park, Fla., asking Congress to require its Committee on Banking and Currency to make a study, to be made public, of the vast amount of money laying unused in banks of the Nation; to the Committee on Rules.

SENATE

MONDAY, MARCH 2, 1964

(Legislative day of Wednesday, February 26, 1964)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O God, who art the hope of all the ends of the earth, amid the tragedy of a broken, divided world, in deep humility of spirit at another week's beginning we ascend the altar stairs of this hallowed wayside shrine of our faith and hope.

As for this dedicated moment we blot out all but Thee in a world of rising and falling empires; we crave the strengthening vista of Thine eternal Kingdom whose sun never sets and for whose coming we daily pray.

Grant unto us the greatness of spirit which will match the vast patterns of this creative day. In these testing times, establish Thou our hearts as, marching with other freedom-loving nations, we battle, not in enmity against men, but against the evil which degrades and enslaves them.

Beyond the strategy of an armed peace—which is war against the forces which stifle the human spirit—may we see clearly the depth and scope of the historic drama of the centuries in which we are called to play our part; and may that vision help to turn its blood and sweat and tears into final glory for all mankind.

We ask it in Thine ever blessed name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, February 28, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On February 28, 1964:

S. 298. An act to amend the Small Business Investment Act of 1958.

On February 29, 1964:

S. 573. An act for the relief of Elmer Royal Fay, Sr.;

S. 1206. An act for the relief of Georgie Lou Rader;

S. 1488. An act for the relief of Alessandro A. R. Cacace;

S. 1518. An act for the relief of Mary G. Eastlake;

S. 2064. An act to relieve the Veterans' Administration from paying interest on the amount of capital funds transferred in fiscal year 1962 from the direct loan revolving fund to the loan guarantee revolving fund; and

S. 2317. An act to amend the provisions of section 15 of the Shipping Act, 1916, to provide for the exemption of certain terminal leases from penalties.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

TRANSACTION OF ROUTINE BUSINESS

On request by Mr. MANSFIELD, and by unanimous consent, it was ordered that there be a morning hour, with statements therein limited to 3 minutes.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Rules and Administration was authorized to meet during the session of the Senate today.

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Indian Affairs and the Subcommittee on Irrigation and Reclamation of the Committee on Interior and Insular Affairs were authorized to meet during the session of the Senate today.

COMMMITTEE MEETING DURING SESSION OF THE SENATE TOMORROW

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Commerce was authorized to meet during the session of the Senate tomorrow.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938, RELATING TO MARKETING QUOTA PROGRAM

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Agricultural Adjustment Act of 1938, as amended, so as to make uniform for all commodities, for which a marketing quota program is in effect, provisions for reducing farm acreage and producer allotments for falsely identifying, failing to account for disposition, filing a false acreage report, and for marketing two crops of the same commodity which were produced on the same acreage in a calendar year (with an accompanying paper); to the Committee on Agriculture and Forestry.

DONATION OF FOOD GRAIN PRODUCTS FOR CERTAIN DOMESTIC AND FOREIGN PURPOSES

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the act of August 19, 1958, to permit purchase of processed food grain products in addition to purchase of flour and cornmeal and donating the same for certain domestic and foreign purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

UNIFORM RULE REGARDING PRESERVATION OF CROP HISTORY

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to provide for a uniform rule regarding preservation of crop history under agricultural programs (with an accompanying paper); to the Committee on Agriculture and Forestry.

CONTINUATION OF VETERANS AND ARMED FORCES DAIRY PROGRAM

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 202 of the Agricultural Act of 1949, as amended, in order to continue the veterans and Armed Forces dairy program (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORTS ON SPECIAL PAY TO CERTAIN MEMBERS OF THE ARMED FORCES

A letter from the Deputy Secretary of Defense, reporting, pursuant to law, on special pay to certain members of the Armed Forces, one such report covering the calendar year 1963, and the other report covering the period October 1 to December 31, 1963 (with an accompanying paper); to the Committee on Armed Services.

REPORT ON RESEARCH PROGRESS AND PLANS OF THE U.S. WEATHER BUREAU

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on research progress and plans of the U.S. Weather Bureau, fiscal year 1963 (with an accompanying report); to the Committee on Commerce.

REPORT ON FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE HIGHWAY TRUST FUND

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on the financial condition and results of the operations of the highway trust fund, dated June 30, 1963 (with an accompanying report); to the Committee on Finance.

REPORT OF BOARD OF TRUSTEES OF FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND AND FEDERAL DISABILITY INSURANCE TRUST FUND

A letter from the Managing Trustee of the Trust Funds and members of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, Washington, D.C., transmitting, pursuant to law, a report of that Board, for the fiscal year ended June 30, 1963 (with an accompanying report); to the Committee on Finance.

REPORT ON OVERPRICING OF CERTAIN CAMERAS BY FAIRCHILD CAMERA & INSTRUMENT CORP.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the overpricing of CAX-12 aerial reconnaissance cameras by Fairchild Camera & Instrument Corp., Syosset, N.Y., under negotiated fixed-price contract AF 33(600)-38860, Department of the Air Force, dated February 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT ON DEVELOPMENT, PROCUREMENT, AND EMPLOYMENT OF AN UNSATISFACTORY MISSILE SYSTEM BY DEPARTMENT OF THE ARMY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report relating to the development, procurement and employment of an unsatisfactory missile system by the Department of the Army (with an accompanying report); to the Committee on Government Operations.

REPORT ON U.S. AIR FORCE AIRCRAFT CRASH, MIDWEST CITY, OKLA.

A letter from the Secretary of the Air Force, transmitting, pursuant to law, a report on the U.S. Air Force aircraft crash, Midwest City, Okla., August 25, 1961 (with an accompanying report); to the Committee on the Judiciary.

FINANCIAL STATEMENT OF BOYS' CLUBS OF AMERICA

A letter from the president and national director, Boys' Clubs of America, New York, N.Y., transmitting, pursuant to law, an audited financial statement of that organization, for the calendar year ended December 31, 1963 (with an accompanying statement); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Hawaii; ordered to lie on the table:

"HOUSE CONCURRENT RESOLUTION 3

"Whereas our Nation was founded on the concept of equal rights for all; and

"Whereas racial discrimination and oppression has resulted in depriving a significant segment of our Nation of their equal rights; and

"Whereas this racial discrimination and oppression has caused and will cause great dissension, discord, and disturbance throughout our Nation; and

"Whereas the elimination of this racial discrimination and oppression would strengthen our Nation and improve our image abroad; and

"Whereas the various States in our Nation have been unwilling or unable to eliminate this racial discrimination and oppression; and

"Whereas civil rights legislation presently before Congress would aid in the elimination of this racial discrimination and oppression: Now, therefore, be it

"*Resolved by the House of Representatives of the Second Legislature of the State of Hawaii, budget session of 1964 (the Senate concurring)*, That the Congress of the United States be and it is hereby respectfully requested to enact the civil rights legislation before it; and be it further

"*Resolved*, That duly certified copies of this concurrent resolution be sent to the President pro tempore of the Senate, Speaker of the House of Representatives, and to the Honorable DANIEL K. INOUYE and the Honorable HIRAM L. FONG, U.S. Senators from the State of Hawaii, and to the Honorable THOMAS P. GILL and the Honorable SPARK M. MATSUNAGA, U.S. Representatives from the State of Hawaii.

"ELMER F. CRAVALHO,
"Speaker, House of Representatives.
"NELSON K. DOI,
"President of the Senate."

Petitions signed by Chojo Oyama, mayor, Koza City, Okinawa, and Kosuke Matayoshi, chairman, Urasoe-son Assembly, both of the Ryukyu Islands, praying for the enactment of legislation to provide a solution of the problem of pretreaty claims; to the Committee on Armed Services.

A resolution adopted by the Borough of Dumont, Bergen County, N.J., favoring the enactment of legislation to provide hospital care treatment and rehabilitation of drug addicts; to the Committee on Labor and Public Welfare.

A resolution adopted by the Board of City Commissioners of the City of Fargo, N. Dak., expressing thanks and appreciation to Senators YOUNG and BURDICK, of North Dakota, for their efforts in obtaining the passage through the Senate of the Garrison diversion authorization bill; ordered to lie on the table.

The memorial of Mary Koehler, of Mobile, Ala., remonstrating against the enactment of the civil rights bill by the House of Representatives; ordered to lie on the table.

CONCURRENT RESOLUTION OF SOUTH CAROLINA LEGISLATURE

Mr. THURMOND. Mr. President, on behalf of my colleague [Mr. JOHNSTON] and myself, I send to the desk a concurrent resolution approved by the General Assembly of the State of South Carolina and request that the resolution be appropriately referred.

The resolution memorializes the Congress of the United States to propose an amendment to the U.S. Constitution making lawful the requirement of offering a daily prayer to Almighty God in the public schools. This resolution was offered in the State senate on February 25, 1964, by Senator Frank Timmerman, a distinguished lawmaker who represents my native county of Edgefield, which I also had the honor to serve in the State senate during the period of 1933-38.

I am particularly pleased, Mr. President, that the South Carolina General Assembly has taken such a strong stand in favor of an amendment to the Constitution which would overrule recent U.S. Supreme Court decisions against prayers and which would have the salutary effect of bringing a halt to the secularist drive to make America a godless nation. I commend Senator Timmerman for introducing this resolution and the general assembly for giving its full concurrence to this important proposal.

I ask unanimous consent, Mr. President, that the full text of this resolution be printed at this point in my remarks in the RECORD.

There being no objection, the concurrent resolution was referred to the Committee on the Judiciary, and, under the rule, ordered to be printed in the RECORD, as follows:

CONCURRENT RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO PROPOSE AN AMENDMENT TO THE U.S. CONSTITUTION MAKING LAWFUL THE REQUIREMENT OF OFFERING A DAILY PRAYER TO ALMIGHTY GOD IN THE PUBLIC SCHOOLS

Whereas the people of the State of South Carolina and of the entire United States are shocked and dismayed over a recent decision of the Supreme Court of the United States declaring that the requirement of offering a daily prayer to Almighty God in the public schools is unconstitutional; and

Whereas the elected representatives of the people of this State cannot believe that this represents the true intent of those who drafted the original Constitution which has served us so well during perilous times of the past; and

Whereas the general assembly believes that this matter should be resolved by inserting into the U.S. Constitution a mandate in unequivocal language that a daily prayer may be required in the public schools in all of the States; and

Whereas the general assembly believes that the question should be presented to the legislatures of the several States for their consideration in accordance with the provisions of the Federal Constitution providing for amendment: Now, therefore, be it

Resolved by the senate (the house of representatives concurring), That the Congress is hereby memorialized to propose an amendment to the U.S. Constitution, which shall be amendment XXIV, as follows:

"AMENDMENT XXIV

"Notwithstanding any statute of the Congress or of any State of the United States or of any decision of any court to the contrary, it shall be lawful to require the offering of a daily prayer to Almighty God in the public schools throughout the United States."

Be it further resolved, That a copy of this resolution be forwarded to the President of the Senate of the Congress, to the Speaker of the House of Representatives of the Congress, to each U.S. Senator from South Carolina, and to each Member of the House of Representatives in the Congress from South Carolina.

The ACTING PRESIDENT pro tempore laid before the Senate a concurrent resolution of the Legislature of the State of South Carolina, identical with the foregoing, which was referred to the Committee on the Judiciary.

REPORT ENTITLED "1964 JOINT ECONOMIC REPORT"—REPORT OF A COMMITTEE—MINORITY, AND ADDITIONAL VIEWS (S. REPT. NO. 931)

Mr. DOUGLAS. Mr. President, the Employment Act of 1946, section 5(b)(3), requires that the Joint Economic Committee, not later than March 1 of each year shall file a report containing its findings and recommendations with respect to each of the main recommendations made by the President in the Economic Report. This year March 1 was a Sunday so I believe I am complying with the law in filing the report today, March 2.

I therefore submit, from the Joint Economic Committee, a report entitled "1964 Joint Economic Report," and ask unanimous consent that this report may be printed, together with the minority views of the Senator from New York [Mr. JAVITS], the Senator from Iowa [Mr. MILLER], and the Senator from Idaho [Mr. JORDAN], and the additional views of the Senator from Wisconsin [Mr. PROXMIRE], and the Senator from New York [Mr. JAVITS].

The ACTING PRESIDENT pro tempore. The report will be received, and, without objection, the report will be printed, as requested by the Senator from Illinois.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL EMPLOYMENT AND PAY

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal employment and pay for the month of January 1964. In accordance with the practice of several years' standing, I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, JANUARY 1964 AND DECEMBER 1963, AND PAY, DECEMBER 1963 AND NOVEMBER 1963

PERSONNEL AND PAY SUMMARY

(See table I, this page.)

Information in monthly personnel reports for January 1964 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In January, numbered—	In December, numbered—	Increase (+) or decrease (−)	In December, was—	In November, was—	Increase (+) or decrease (−)
Total [1]	2,473,534	2,487,856	−14,322	$1,417,716	$1,280,688	+$137,028
Agencies exclusive of Department of Defense	1,431,636	1,444,409	−12,773	851,876	738,377	+113,499
Department of Defense	1,041,898	1,043,447	−1,549	565,840	542,311	+23,529
Inside the United States	2,304,766	2,319,679	−14,913			
Outside the United States	168,768	168,177	+591			
Industrial employment	549,762	552,852	−3,090			
Foreign nationals	156,627	158,342	−1,715	28,692	28,554	+138

[1] Exclusive of foreign nationals shown in the last line of this summary.

Table I, below, breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside the United States by agencies.

Table III breaks down the above employment figures to show the number outside the United States by agencies.

Table IV breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V shows foreign nationals by agencies not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside the United States employed by the executive agencies during January 1964, and comparison with December 1963, and pay for December 1963, and comparison with November 1963*

Department or agency	Personnel				Pay (in thousands)			
	January	December	Increase	Decrease	December	November	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	98,397	102,579		4,182	$54,018	$51,275	$2,734	
Commerce	30,678	30,865		187	18,995	19,529		$534
Health, Education, and Welfare	81,893	82,057		164	44,810	42,382	2,428	
Interior	63,896	[1] 67,394		3,498	37,120	36,749	371	
Justice	31,611	31,682		71	21,661	20,636	1,025	
Labor	9,212	9,272		60	6,004	5,759	245	
Post Office	589,794	595,571		5,777	[2] 373,210	277,891	95,319	
State [3] [4]	42,274	42,358		84	22,700	22,128	572	
Treasury	86,196	84,783	1,413		51,741	49,573	2,168	
Executive Office of the President:								
White House Office	364	376		12	265	246	19	
Bureau of the Budget	478	487		9	456	429	27	
Council of Economic Advisers	51	58		7	42	36	6	
Executive Mansion and Grounds	78	77	1		50	53		3
National Aeronautics and Space Council	28	27	1		27	26	1	
National Security Council	43	43			36	35	1	
Office of Emergency Planning	354	407		53	373	365	8	
Office of Science and Technology	64	48	16		34	35		1
Office of the Special Representative for Trade Negotiations	30	30			26	27		1
President's Commission on Registration and Voting Participation	6	14		8	5	4	1	
President's Commission on the Assassination of President Kennedy	4	4			1		1	
President's Committee on Equal Opportunity in Housing	5	5			4	3	1	
Independent agencies:								
Advisory Commission on Intergovernmental Relations	33	28	5		24	21	3	
American Battle Monuments Commission	413	415		2	95	93	2	
Atomic Energy Commission	7,249	7,239	10		5,617	5,374	243	
Board of Governors of the Federal Reserve System	619	622		3	425	405	20	
Civil Aeronautics Board	841	851		10	672	643	29	
Civil Service Commission	3,967	3,984		17	2,432	2,355	77	
Civil War Centennial Commission	5	5			4	4		
Commission of Fine Arts	6	6			5	5		
Commission on Civil Rights	65	59	6		40	40		
Delaware River Basin Commission	2	2			2	2		
Export-Import Bank of Washington	289	293		4	212	201	11	
Farm Credit Administration	239	236	3		194	170	24	
Federal Aviation Agency	45,464	45,539		75	33,836	32,189	1,647	
Federal Coal Mine Safety Board of Review	7	7			5	4	1	
Federal Communications Commission	1,457	1,461		4	1,057	1,014	43	
Federal Deposit Insurance Corporation	1,255	1,246	9		846	804	42	
Federal Home Loan Bank Board	1,241	1,249		8	820	838		18
Federal Maritime Commission	240	243		3	189	179	10	
Federal Mediation and Conciliation Service	397	402		5	362	353	9	
Federal Power Commission	1,083	1,120		37	840	799	41	
Federal Radiation Council	4	4			4	4		
Federal Trade Commission	1,147	[1] 1,145	2		845	802	43	
Foreign Claims Settlement Commission	171	160	11		85	83	2	
General Accounting Office	4,385	4,387		2	2,999	2,885	114	
General Services Administration	33,186	33,142	44		16,616	16,197	419	

See footnotes at end of table.

TABLE I.—*Consolidated table of Federal personnel inside and outside the United States employed by the executive agencies during January 1964, and comparison with December 1963, and pay for December 1963, and comparison with November 1963*—Continued

Department or agency	Personnel				Pay (in thousands)			
	January	December	Increase	Decrease	December	November	Increase	Decrease
Independent agencies—Continued								
Government Printing Office	7,240	7,292		52	$4,537	$4,367	$170	
Housing and Home Finance Agency	13,930	13,994		64	8,926	8,616	310	
Indian Claims Commission	21	21			27	21	6	
Interstate Commerce Commission	2,396	2,388	8		1,709	1,632	77	
National Aeronautics and Space Administration	30,211	30,075	136		23,372	21,930	1,442	
National Capital Housing Authority	434	445		11	177	203		$26
National Capital Planning Commission	61	59	2		42	42		
National Capital Transportation Agency	62	62			54	51	3	
National Gallery of Art	311	312		1	144	138	6	
National Labor Relations Board	1,978	1,972	6		1,445	1,383	62	
National Mediation Board	140	142		2	124	126		2
National Science Foundation	957	1,024		67	627	690		63
Panama Canal	14,966	15,051		85	5,361	5,479		118
President's Committee on Equal Employment Opportunity	54	54			37	35	2	
Railroad Retirement Board	1,894	1,893	1		1,104	1,060	44	
Renegotiation Board	209	214		5	178	179		1
St. Lawrence Seaway Development Corporation	158	158			108	98	10	
Securities and Exchange Commission	1,366	1,377		11	975	931	44	
Selective Service System	6,955	6,981		26	2,303	2,168	135	
Small Business Administration	3,333	3,369		36	2,266	2,172	94	
Smithsonian Institution	1,506	1,523		17	830	774	56	
Soldiers' Home	1,070	1,077		7	389	363	26	
South Carolina, Georgia, Alabama, and Florida Water Study Commission					11	3	8	
Subversive Activities Control Board	27	27			23	21	2	
Tariff Commission	274	274			209	201	8	
Tax Court of the United States	154	153	1		135	129	6	
Tennessee Valley Authority	16,063	16,372		309	9,846	9,749	97	
U.S. Arms Control and Disarmament Agency	166	169		3	156	133	23	
U.S. Information Agency	11,995	11,980	15		5,738	4,994	744	
Veterans' Administration	173,378	173,473		95	81,082	77,900	3,182	
Virgin Islands Corporation	1,106	496	610		137	144		7
Total, excluding Department of Defense	1,431,636	1,444,409	2,300	15,073	851,876	738,377	114,273	774
Net change, excluding Department of Defense			12,773				113,499	
Department of Defense:								
Office of the Secretary of Defense	2,122	2,125		3	1,791	1,686	105	
Department of the Army	[5] 368,542	371,637		3,095	191,435	186,738	4,697	
Department of the Navy	336,488	338,072		1,584	192,959	[1] 185,555	7,404	
Department of the Air Force	299,182	299,260		78	162,450	151,696	10,754	
Defense Atomic Support Agency	1,973	1,957	16		1,019	982	37	
Defense Communications Agency	752	703	49		448	426	22	
Defense Supply Agency	[5] 29,539	26,407	3,132		13,290	12,978	312	
Office of Civil Defense	1,047	1,050		3	891	855	36	
U.S. Court of Military Appeals	40	39	1		34	33	1	
Interdepartmental activities	9	8	1		6	8		2
International military activities	58	60		2	51	47	4	
Armed Forces information and education activities	422	425		3	221	215	6	
Classified activities	1.724	1.704	20		1,245	1,092	153	
Total, Department of Defense	1,041,898	1,043,447	3,219	4,768	565,840	542,311	23,531	2
Net change, Department of Defense			1,549				23,529	
Grand total, including Department of Defense [6,7]	2,473,534	2,487,856	5,519	19,841	1,417,716	1,280,688	137,804	776
Net change, including Department of Defense			14,322				137,028	

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[1] Revised on basis of later information.

[2] Includes pay for temporary Christmas employees.

[3] January figure includes 16,798 employees of the Agency for International Development, as compared with 16,932 in December, and their pay. These AID figures include employees who are paid from foreign currency deposited by foreign governments in a trust fund for this purpose. The January figure includes 4,461 of these trust fund employees, and the December figure includes 4,559.

[4] January figure includes 1,057 employees of the Peace Corps as compared with 1,049 in December and their pay.

[5] In January 3,271 employees and their functions were transferred from the Department of the Army to the Defense Supply Agency.

[6] Exclusive of personnel and pay of the Central Intelligence Agency and the National Security Agency.

[7] Includes employment by Federal agencies under the Public Works Acceleration Act (Public Law 87-658) as follows:

Agency	January	December	Change
Agriculture Department	880	4,153	−3,273
Interior Department	2,804	5,400	−2,596
Total	3,684	9,553	−5,869

TABLE II.—*Federal personnel inside the United States employed by the executive agencies during January 1964, and comparison with December 1963*

Department or agency	January	December	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	97,227	101,369		4,142
Commerce	30,021	30,198		177
Health, Education, and Welfare	81,251	81,410		159
Interior	63,266	[1] 66,778		3,512
Justice	31,260	31,326		66
Labor	9,131	9,198		67
Post Office	588,246	594,045		5,799
State [2,3]	10,609	10,624		15
Treasury	85,567	84,153	1,414	
Executive Office of the President:				
White House Office	364	376		12
Bureau of the Budget	478	487		9
Council of Economic Advisers	51	58		7
Executive Mansion and Grounds	78	77	1	
National Aeronautics and Space Council	28	27	1	
National Security Council	43	43		
Office of Emergency Planning	354	407		53
Office of Science and Technology	64	48	16	
Executive Office of the President—Continued				
Office of the Special Representative for Trade Negotiations	30	30		
President's Commission on Registration and Voting Participation	6	14		8
President's Commission on the Assassination of President Kennedy	4	4		
President's Committee on Equal Opportunity in Housing	5	5		
Independent agencies:				
Advisory Commission on Intergovernmental Relations	33	28	5	
American Battle Monuments Commission	7	7		
Atomic Energy Commission	7,214	7,206	8	
Board of Governors of the Federal Reserve System	619	622		3
Civil Aeronautics Board	841	851		10
Civil Service Commission	3,963	3,980		17
Civil War Centennial Commission	5	5		
Commission of Fine Arts	6	6		

See footnotes at end of table.

TABLE II.—*Federal personnel inside the United States employed by the executive agencies during January 1964, and comparison with December 1963*—Continued

Department or agency	January	December	Increase	Decrease
Independent agencies—Continued				
Commission on Civil Rights	65	59	6	
Delaware River Basin Commission	2	2		
Export-Import Bank of Washington	289	293		4
Farm Credit Administration	239	236	3	
Federal Aviation Agency	44, 372	44, 475		103
Federal Coal Mine Safety Board of Review	7	7		
Federal Communications Commission	1, 455	1, 459		4
Federal Deposit Insurance Corporation	1, 253	1, 244	9	
Federal Home Loan Bank Board	1, 241	1, 249		8
Federal Maritime Commission	240	243		3
Federal Mediation and Conciliation Service	397	402		5
Federal Power Commission	1, 083	1, 120		37
Federal Radiation Council	4	4		
Federal Trade Commission	1, 147	[1] 1, 145	2	
Foreign Claims Settlement Commission	132	120	12	
General Accounting Office	4. 303	4, 305		2
General Services Administration	33, 161	33. 117	44	
Government Printing Office	7, 240	7, 292		52
Housing and Home Finance Agency	13, 730	13, 798		68
Indian Claims Commission	21	21		
Interstate Commerce Commission	2, 396	2, 388	8	
National Aeronautics and Space Administration	30, 197	30, 061	136	
National Capital Housing Authority	434	445		11
National Capital Planning Commission	61	59	2	
National Capital Transportation Agency	62	62		
National Gallery of Art	311	312		1
National Labor Relations Board	1, 945	1, 939	6	
National Mediation Board	140	142		2
National Science Foundation	943	1, 011		68
Panama Canal	158	163		5
President's Committee on Equal Employment Opportunity	54	54		
Railroad Retirement Board	1, 894	1, 893	1	
Renegotiation Board	209	214		5
St. Lawrence Seaway Development Corporation	158	158		
Securities and Exchange Commission	1, 366	1, 377		11
Selective Service System	6, 805	6, 832		27
Small Business Administration	3, 277	3, 313		36
Smithsonian Institution	1, 488	1, 504		16
Soldiers' Home	1, 070	1, 077		7
Subversive Activities Control Board	27	27		
Tariff Commission	274	274		
Tax Court of the United States	154	153	1	
Tennessee Valley Authority	16, 062	16, 371		309
U.S. Arms Control and Disarmament Agency	166	169		3
U.S. Information Agency	3, 398	3, 405		7
Veterans' Administration	172, 386	172, 472		86
Total, excluding Department of Defense	1, 366, 587	1, 379, 848	1, 675	14, 936
Net decrease, excluding Department of Defense			13, 261	
Department of Defense:				
Office of the Secretary of Defense	2, 069	2, 074		5
Department of the Army	[4] 317, 086	320, 382		3, 296
Department of the Navy	312, 138	313, 618		1, 480
Department of the Air Force	271, 383	271, 461		78
Defense Atomic Support Agency	1, 973	1, 957	16	
Defense Communications Agency	713	670	43	
Defense Supply Agency	[4] 29, 539	26, 407	3, 132	
Office of Civil Defense	1, 047	1, 050		3
U.S. Court of Military Appeals	40	39	1	
Interdepartmental activities	9	8	1	
International military activities	36	36		
Armed Forces information and education activities	422	425		3
Classified activities	1, 724	1, 704	20	
Total, Department of Defense	938, 179	939, 831	3, 213	4, 865
Net decrease, Department of Defense			1. 652	
Grand total including Department of of Defense	2, 304, 766	2, 319, 679	4, 888	19, 801
Net decrease, including Department of Defense			14, 913	

[1] Revised on basis of later information.

[2] January figure includes 2,860 employees of the Agency for International Development as compared with 2,884 in December.

[3] January figures includes 667 employees of the Peace Corps as compared with 699 in December.

[4] In January 3,271 employees and their functions were transferred from the Department of the Army to the Defense Supply Agency.

TABLE III.—*Federal personnel outside the United States employed by the exectuive agencies during January 1964, and comparison with December 1963*

Department or agency	January	December	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1, 170	1, 210		40
Commerce	657	667		10
Health, Education, and Welfare	642	647		5
Interior	630	616	14	
Justice	351	356		5
Labor	81	74	7	
Post Office	1, 548	1, 526	22	
State [1] [2]	31, 665	31, 734		69
Treasury	629	630		1
Independent agencies:				
American Battle Monuments Commission	406	408		2
Atomic Energy Commission	35	33	2	
Civil Service Commission	4	4		
Federal Aviation Agency	1, 092	1, 064	28	
Federal Communications Commission	2	2		
Federal Deposit Insurance Corporation	2	2		
Foreign Claims Settlement Commission	39	40		1
General Accounting Office	82	82		
General Services Administration	25	25		
Housing and Home Finance Agency	200	196	4	
National Aeronautics and Space Administration	14	14		
National Labor Relations Board	33	33		
National Science Foundation	14	13	1	
Panama Canal	14, 808	14, 888		80
Selective Service System	150	149	1	
Small Business Administration	56	56		
Smithsonian Institution	18	19		1
Tennessee Valley Authority	1	1		
U.S. Information Agency	8, 597	8. 575	22	
Veterans' Administration	992	1, 001		9
Virgin Islands Corporation	1, 106	496	610	
Total, excluding Department of Defense	65, 049	64, 561	711	223
Net increase, excluding Department of Defense			488	
Department of Defense:				
Office of the Secretary of Defense	53	51	2	
Department of the Army	51, 456	51, 255	201	
Department of the Navy	24, 350	24, 454		104
Department of the Air Force	27, 799	27, 799		
Defense Communications Agency	39	33	6	
International military activities	22	24		2
Total, Department of Defense	103, 719	103, 616	209	106
Net increase, Department of Defense			103	
Grand total, including Department of Defense	168, 768	168, 177	920	329
Net increase, including Department of Defense			591	

[1] January figure includes 13,938 employees of the Agency for International Development as compared with 14,048 in December. These AID figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The January figure includes 4,461 of these trust fund employees and the December figure includes 4,559.

[2] January figure includes 390 employees of the Peace Corps as compared with 380 in December.

TABLE IV.—*Industrial employees of the Federal Government inside and outside the United States employed by the executive agencies during January 1964, and comparison with December 1963*

Department or agency	January	December	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	3,978	3,905	73	
Commerce	5,547	5,612		65
Interior	8,843	8,692	151	
Post Office	264	264		
Treasury	5,285	5,252	33	
Independent agencies:				
Atomic Energy Commission	268	258	10	
Federal Aviation Agency	2,856	2,884		28
General Services Administration	1,914	1,765	149	
Government Printing Office	7,240	7,292		52
National Aeronautics and Space Administration	30,211	30,075	136	
Panama Canal	7,405	7,443		38
St. Lawrence Seaway Development Corporation	157	157		
Tennessee Valley Authority	12,844	13,159		315
Virgin Islands Corporation	1,106	496	610	
Total, excluding Department of Defense	87,918	87,254	1,162	498
Net increase, excluding Department of Defense			664	
Department of Defense:				
Department of the Army:				
Inside the United States	[1] 132,632	[2] 134,015		1,383
Outside the United States	[1] 4,333	[2] 4,317	16	
Department of the Navy:				
Inside the United States	191,257	193,621		2,364
Outside the United States	1,269	1,273		4
Department of the Air Force:				
Inside the United States	129,634	129,618	16	
Outside the United States	1,011	1,028		17
Defense Supply Agency:				
Inside the United States	1,708	1,726		18
Total, Department of Defense	461,844	465,598	32	3,786
Net decrease, Department of Defense			3,754	
Grand total, including Department of Defense	549,762	552,852	1,194	4,284
Net decrease, including Department of Defense			3,090	

[1] Subject to revision.

[2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under U.S. agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of January 1964, and comparison with December 1963*

Country	Total		Army		Navy		Air Force	
	January	December	January	December	January	December	January	December
Canada	9	9					9	9
Crete	85	85					85	85
England	2,947	2,880			121	124	2,826	2,756
France	19,917	20,421	16,269	16,703	10	11	3,638	3,707
Germany	77,447	77,821	65,374	[1] 65,748	84	84	11,989	11,989
Greece	295	290			32	[1] 28	263	262
Japan	48,554	49,413	16,746	17,151	14,045	14,244	17,763	18,018
Korea	6,155	6,190	6,155	6,190				
Morocco	737	750			696	708	41	42
Netherlands	55	55					55	55
Trinidad	426	428			426	[1] 428		
Total	156,627	158,342	104,544	105,792	15,414	15,627	36,669	36,923

[1] Revised on basis of later information.

STATEMENT BY SENATOR BYRD OF VIRGINIA

Executive agencies of the Federal Government reported civilian employment in the month of January totaling 2,473,534 as compared with 2,487,856 in December. This was a net decrease of 14,322 including a net reduction of 5,869 in temporary employment under the public works acceleration program authorized by Public Law 87–658.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1964, which began July 1, 1963, follows:

Month	Employment	Increase	Decrease
July 1963	2,518,857	9,149	
August	2,515,033		3,824
September	2,492,170		22,863
October	2,494,175	2,005	
November	2,493,379		796
December	2,487,856		5,523
January 1964	2,473,534		14,322

Total Federal employment in civilian agencies for the month of January was 1,431,636, a decrease of 12,773 as compared with the December total of 1,444,409. Total civilian employment in the military agencies in January was 1,041,898, a decrease of 1,549 as compared with 1,043,447 in December.

Civilian agencies reporting larger decreases were Post Office Department with 5,777, Agriculture Department with 4,182, and Interior Department with 3,498. Larger increases were reported by Treasury Department with 1,413 and Virgin Islands Corporation with 610.

In the Department of Defense decreases in civilian employment were reported by the Department of the Army with 3,095 and the Department of the Navy with 1,584. The largest increase was reported by the Defense Supply Agency with 3,132.

Inside the United States, civilian employment decreased 14,913 and outside the United States, civilian employment increased 591. Industrial employment by Federal agencies in January totaled 549,762, a decrease of 3,090.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction, of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,473,534 civilian employees certified to the committee by Federal agencies in their regular monthly personnel reports includes some foreign nationals employed in U.S. Government activities abroad, but in addition to these there were 156,627 foreign nationals working for U.S. agencies overseas during January who were not counted in the usual personnel reports. The number in December was 158,342. A breakdown of this employment for January follows:

Country	Total	Army	Navy	Air Force
Canada	9			9
Crete	85			85
England	2,947		121	2,826
France	19,917	16,269	10	3,638
Germany	77,447	65,374	84	11,989
Greece	295		32	263
Japan	48,554	16,746	14,045	17,763
Korea	6,155	6,155		
Morocco	737		696	41
Netherlands	55			55
Trinidad	426		426	
Total	156,627	104,544	15,414	36,669

FEDERAL PAYROLL

(There is a lag of a month between Federal employment and Federal payroll figures in order that actual expenditures may be reported. Payroll expenditure figures in the committee report this month are for December.)

Payroll expenditure figures in the executive branch during the first 6 months of the current fiscal year 1964 totaled $8.1 billion. These payroll expenditures for the first half of the fiscal year, July–December 1963, exclusive of $170 million of U.S. pay for foreign nationals not on the regular rolls, follow:

	Payroll (in millions)
July	$1,370
August	1,341
September	1,276
October	1,393
November	1,281
December	1,418
Total	8,079

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. BARTLETT, from the Committee on Commerce:

Jimmie D. Woods, to be a member of the permanent commissioned teaching staff of the U.S. Coast Guard Academy;

Marshall K. Phillips, and sundry other persons, for appointment in the U.S. Coast Guard;

Charles K. Townsend, and sundry other persons, for appointment in the Coast and Geodetic Survey; and

Lavon L. Posey, and sundry other persons, for appointment in the Coast and Geodetic Survey.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. CASE:

S. 2577. A bill for the relief of Mrs. June Cuthbertston Shaw; to the Committee on the Judiciary.

By Mr. HRUSKA:

S. 2578. A bill for the relief of M. Sgt. Richard G. Smith, U.S. Air Force, retired; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 2579. A bill for the relief of Alredo D. Racelis; to the Committee on the Judiciary.

By Mr. HILL:

S. 2580. A bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to extend and clarify existing inspection and investigative powers, require a premarketing showing of the safety of cosmetics, assure the safety, efficacy, and reliability of therapeutic, diagnostic, and prosthetic devices, improve the statutory coordination between that act and the biological-drug provisions of the Public Health Service Act, provide for cautionary labeling of articles where needed to prevent accidental injury, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. MONRONEY (for himself and Mr. EDMONDSON):

S. 2581. A bill to extend the Osage mineral reservation for an indefinite period; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MONRONEY when he introduced the above bill, which appear under a separate heading.)

By Mr. NELSON:

S. 2582. A bill for the relief of Ilias Stilianidis; to the Committee on the Judiciary.

By Mr. LAUSCHE:

S. 2583. A bill for the relief of Ivan Radic, his wife, Ester Radic, and their daughter, Olivera Radic; and

S. 2584. A bill for the relief of Frantisek Vohryzka; to the Committee on the Judiciary.

OSAGE MINERAL TRUST

Mr. MONRONEY. Mr. President, on behalf of myself and my colleague, the junior Senator from Oklahoma [Mr. EDMONDSON], I introduce, for appropriate reference, a bill to extend the Osage mineral reservation for an indefinite period.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2581) to extend the Osage mineral reservation for an indefinite period, introduced by Mr. MONRONEY (for himself and Mr. EDMONDSON), was received, read twice by its title and referred to the Committee on Interior and Insular Affairs.

Mr. MONRONEY. Mr. President, the eastern half of Oklahoma was known as Indian Territory before statehood in 1907. Here is located Oklahoma's largest county. It is Osage County, but to us in Oklahoma it is known as the Osage Nation. It is the land of one of our finest and most aggressive Indian tribes, the Osages.

Formerly this land belonged to the Cherokee Tribe, but on June 14, 1883, the Osages bought and paid for their nation and turned it over to the United States to hold in trust "for the use and benefit of the Osage Indians." They paid $1,099,137.41 for this fabulously rich country. The moneys used came from the sale of their property in Kansas.

This places the Osages in a very different status than that of the large majority of Indian tribes in that they bought and paid for their land.

The Osages are self-supporting and have never been recipients of Government grants or financial aid aside from small health and welfare programs and participation in the soil conservation program.

The Osages are governed by the Osage Tribal Council, which is made up of 10 members elected by the tribe. From this number a principal chief and assistant principal chief are elected. These men, with the least interference in the private lives of the tribe members, look after and govern the tribal business, which is a very sizable business. Since 1901 the mineral income of the tribe has been $437,258,000. The nation has produced over 877 million barrels of oil, and through the frugality of the council management they have insisted on the best conservation measures being used in the recovery of this fabulous oil from the known reserves underlying the 1.5 million acres of proven production.

Water-flood operations were commenced for secondary recovery in 1949 and now account for 70 percent of production. It is estimated that future recovery will be 280 million barrels by 1983 and 387 million barrels by 2016. From that point, it is estimated that production will be about 1 million barrels a year.

The Osage Tribal Council has demonstrated beyond a doubt their ability to look after their business in a businesslike manner. Because of the nature of the secondary recovery of oil and the long term leases that will be required, it is generally agreed by the tribe and the Department of the Interior that instead of extending the Osage mineral reservation at 25-year intervals as has been done in the past, an extension to an indefinite period will provide even a better opportunity to manage the affairs of the Osages in connection with the recovery of mineral resources under their reservation. It should be noted that this is actually an extension of the trust period since all revenues are deposited in trust funds with the U.S. Government to the credit of the tribe.

I believe these fine citizens of ours, on the basis of their performance, are entitled to the cooperation of the Federal Government by being permitted an extension of the trust in perpetuity.

AGRICULTURAL ACT OF 1964—AMENDMENTS

Mr. MILLER submitted an amendment (No. 444), intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. WILLIAMS of Delaware submitted an amendment (No. 445), intended to be proposed by him, to House bill 6196, supra, which was ordered to lie on the table and to be printed.

Mr. YOUNG of North Dakota submitted an amendment (No. 446), intended to be proposed by him, to House bill 6196, supra, which was ordered to lie on the table and to be printed.

Mr. HUMPHREY (for himself and Mr. BURDICK) submitted an amendment (No. 447), intended to be proposed by them, jointly, to House bill 6196, supra, which was ordered to lie on the table and to be printed.

Mr. HUMPHREY submitted an amendment (No. 448), intended to be proposed by him, to House bill 6196, supra, which was ordered to lie on the table and to be printed.

Mr. WILLIAMS of Delaware (for himself and Mr. LAUSCHE) submitted an amendment (No. 449), intended to be proposed by them, jointly, to House bill 6796, supra, which was ordered to lie on the table and to be printed.

Mr. HUMPHREY submitted two amendments (Nos. 450 and 451) intended to be proposed by him, to House bill 6196, supra, which were ordered to lie on the table and to be printed.

EXTENSION OF PROVISIONS OF AUTOMOBILE DEALERS DAY IN COURT ACT—EXTENSION OF TIME FOR ADDITION OF COSPONSORS

Mr. MORSE. Mr. President, on February 27, I introduced the bill (S. 2572) to extend the provisions of the Automobile Dealers Day in Court Act to manufacturers of and dealers in tractors, farm equipment, farm implements, and for other purposes.

By unanimous consent of the Senate, the bill was to remain at the desk until the end of the session, Monday, March 2.

I ask unanimous consent that the period during which the bill may remain at the desk be extended until the end of the session on Friday, March 6.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL COSPONSOR

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the Senator from Hawaii [Mr. FONG] be added as a cosponsor of Senate Joint Resolution 139, which is proposed to the Constitution of the United States, dealing with presidential inability and the filling of vacancies in the Office of Vice President. I do this on behalf of the distinguished Senator from Indiana [Mr. BAYH].

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PROUTY SPONSORS BILL PROVIDING RIGHT OF COURT APPEAL IN VETERAN CASES

Mr. PROUTY. Mr. President, I am happy to join the distinguished junior Senator from Michigan in sponsoring S. 2509, which would establish a Court of Veterans Appeals and prescribe its jurisdictions and functions.

Under existing law, when a veteran files a claim alleging service connection of his disability, the claim is decided by the Veterans' Administration and regardless of the merits of his case, the veteran has no right of appeal to the courts.

The theory behind the present law is not too sound in my judgment. It is founded on the notion that payments for service connection are in the nature of a gratuity. Such a theory fails to take into account the service rendered by the veteran and the fact that were it not for such service, the former serviceman might be sound of wind and limb.

I think in the interest of equity and justice it is time that we afford the veteran an impartial review of the legal facets of his claim. S. 2509 would do just that and I am glad to have the opportunity to cosponsor it.

ADDITIONAL COSPONSORS OF BILLS

Under authority of the orders of the Senate, as indicated below, the following names have been added as additional cosponsors for the following bills:

Authority of February 17, 1964:

S. 2509. A bill to amend title 38, United States Code, to establish a Court of Veterans' Appeals and to prescribe its jurisdiction and functions: Mr. Bartlett, Mr. Bible, Mr. Cooper, Mr. Edmondson, Mr. Ervin, Mr. Gruening, Mr. Hartke, Mr. Humphrey, Mr. Inouye, Mr. Long of Missouri, Mr. Magnuson, Mr. McCarthy, Mr. McGee, Mr. Morse, Mr. Prouty, Mr. Randolph, Mr. Williams of New Jersey, and Mr. Yarborough.

Authority of February 20, 1964:

S. 2528. A bill to amend Public Law 874, 81st Congress, in order to provide assistance to local educational agencies in the education of children of needy families and children residing in areas of substantial unemployment with unemployed parents: Mr. Javits, Mr. Long of Missouri, Mr. Randolph, and Mr. Yarborough.

AGRICULTURAL ACT OF 1964—ADDITIONAL COSPONSORS OF AMENDMENT NO. 434

Under authority of the order of the Senate of February 26, 1964, the names of Mr. Holland and Mr. Kuchel were added as additional cosponsors of Amendment No. 434 to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, submitted by Mr. Hruska (for himself and other Senators) on February 26, 1964.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the President pro tempore, announces the appointment of Senators Sparkman, Monroney, and Allott as members on the part of the Senate to the Interparliamentary Union Conference to be held in Lucerne, Switzerland, from March 30 through April 5, 1964.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 721) to amend section 124 of title 28, United States Code, to transfer Austin, Fort Bend, and Wharton Counties from the Galveston division to the Houston division of the southern district of Texas.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 9637) to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Vinson, Mr. Price, Mr. Stratton, Mr. Cohelan, Mr. Pike, Mr. Arends, Mr. Becker, Mr. Hall, and Mr. Stafford were appointed managers on the part of the House at the conference.

THE 128TH ANNIVERSARY OF INDEPENDENCE OF TEXAS FROM MEXICO

Mr. TOWER. Mr. President, today, March 2, marks the 128th anniversary of the independence of Texas from Mexico. On this day 128 years ago, a group of Texans, delegates from various parts of Texas, met at Washington on the Brazos. For many months Texas had chafed under the excesses of Santa Anna's military dictatorship, which had been established in violation of and in violence to the liberal Mexican Constitution of 1824. Because their position had become intolerable, these men on that date finally decided by formal document to separate Texas from the Republic of Mexico. At that time the Alamo was already under siege, and several battles in the war for independence had already been fought. This is an important American historical document; therefore, Mr. President, I ask unanimous consent that the Texas Declaration of Independence, signed by Richard Ellis, the chairman of the convention, and the remainder of the delegates, be printed at this point in the Record. The document was largely authored by George Childress.

There being no objection, the Texas Declaration of Independence was ordered to be printed in the Record, as follows:

The Texas Declaration of Independence

When a government has ceased to protect the lives, liberty and property of the people from whom its legitimate powers are derived, and for the advancement of whose happiness it was instituted; and so far from being a guarantee for the enjoyment of those inestimable and inalienable rights, becomes an instrument in the hands of evil rulers for their oppression; when the Federal Republican Constitution of their country, which they have sworn to support, no longer has a substantial existence, and the whole nature of their government has been forcibly changed without their consent, from a restricted federative republic, composed of sovereign states, to a consolidated central military despotism, in which every interest is disregarded but that of the army and the priesthood—both the eternal enemies of civil liberty, and the ever-ready minions of power, and the usual instruments of tyrants; When, long after the spirit of the constitution has departed, moderation is at length, so far lost, by those in power that even the semblance of freedom is removed, and the forms, themselves, of the constitution discontinued; and so far from their petitions and remonstrances being regarded, the agents who bear them are thrown into dungeons; and mercenary armies sent forth to force a new government upon them at the point of the bayonet: When in consequence of such acts of malfeasance and abdication, on the part of the government, anarchy prevails, and civil society is dissolved into its original elements: In such a crisis, the first law of nature, the right of self-preservation—the inherent and inalienable right of the people to appeal to first principles and take their political affairs into their own hands in extreme cases—enjoins it as a right towards themselves and a sacred obligation to their posterity, to abolish such government and create another in its stead, calculated to rescue them from impending dangers, and to secure their future welfare and happiness.

Nations, as well as individuals, are amenable for their acts to the public opinion of mankind. A statement of a part of our grievances is, therefore, submitted to an impartial world, in justification of the hazardous but unavoidable step now taken of severing our political connection with the Mexican people, and assuming an independent attitude among the nations of the earth.

The Mexican government, by its colonization laws, invited and induced the Anglo-American population of Texas to colonize its wilderness under the pledged faith of a written constitution, that they should continue to enjoy that constitutional liberty and republican government to which they had been habituated in the land of their birth, the United States of America. In this expectation they have been cruelly disappointed, inasmuch as the Mexican nation has acquiesced in the late changes made in the government by General Antonio Lopez de Santa Anna, who, having overturned the constitution of his country, now offers us the cruel alternative either to abandon our homes, acquired by so many privations, or submit to the most intolerable of all tyranny, the combined despotism of the sword and the priesthood.

It has sacrificed our welfare to the state of Coahuila, by which our interests have been continually depressed, through a jealous and partial course of legislation carried on at a far distant seat of government, by a hostile majority, in an unknown tongue; and this too, notwithstanding we have petitioned in the humblest terms, for the establishment of a separate state government, and have, in accordance with the provisions of the national constitution, presented to the general Congress, a republican constitution which was without just cause contemptuously rejected.

It incarcerated in a dungeon, for a long time, one of our citizens, for no other cause but a zealous endeavor to procure the acceptance of our constitution and the establishment of a state government.

It has failed and refused to secure on a firm basis, the right of trial by jury; that palladium of civil liberty, and only safe guarantee for the life, liberty, and property of the citizen.

It has failed to establish any public system of education, although possessed of almost boundless resources (the public domain) and, although, it is an axiom, in political science, that unless a people are educated and enlightened it is idle to expect the continuance of civil liberty, or the capacity for self-government.

It has suffered the military commandants stationed among us to exercise arbitrary acts of oppression and tyranny; thus trampling upon the most sacred rights of the citizen and rendering the military superior to the civil power.

It has dissolved by force of arms, the state Congress of Coahuila and Texas, and obliged our representatives to fly for their lives from the seat of government; thus depriving us of the fundamental political right of representation.

It has demanded the surrender of a number of our citizens, and ordered military detachments to seize and carry them into the Interior for trial; in contempt of the civil authorities, and in defiance of the laws and the constitution.

It has made piratical attacks upon our commerce; by commissioning foreign desperadoes, and authorizing them to seize our vessels, and convey the property of our citizens to far distant ports of confiscation.

It denies us the right of worshiping the Almighty according to the dictates of our own consciences, by the support of a national religion calculated to promote the temporal interests of its human functionaries rather than the glory of the true and living God.

It has demanded us to deliver up our arms; which are essential to our defense, the rightful property of freemen, and formidable only to tyrannical governments.

It has invaded our country, both by sea and by land, with intent to lay waste our territory and drive us from our homes; and has now a large mercenary army advancing to carry on against us a war of extermination.

It has, through its emissaries, incited the merciless savage, with the tomahawk and scalping knife, to massacre the inhabitants of our defenseless frontiers.

It hath been, during the whole time of our connection with it, the contemptible sport and victim of successive military revolutions and hath continually exhibited every characteristic of a weak, corrupt, and tyrannical government.

These, and other grievances, were patiently borne by the people of Texas until they reached that point at which forbearance ceases to be a virtue. We then took up arms in defense of the national constitution. We appealed to our Mexican brethren for assistance. Our appeal has been made in vain. Though months have elapsed, no sympathetic response has yet been heard from the Interior. We are, therefore, forced to the melancholy conclusion that the Mexican people have acquiesced in the destruction of their liberty, and the substitution therefor of a military government—that they are unfit to be free and incapable of self-government.

The necessity of self-preservation, therefore, now decrees our eternal political separation.

We, therefore, the delegates, with plenary powers, of the people of Texas, in solemn convention assembled, appealing to a candid world for the necessities of our condition, do hereby resolve and declare that our political connection with the Mexican nation has forever ended; and that the people of Texas do now constitute a free, sovereign and independent republic, and are fully invested with all the rights and attributes which properly belong to the independent nations; and, conscious of the rectitude of our intentions, we fearlessly and confidently commit the issue to the decision of the Supreme Arbiter of the destinies of nations.

Richard Ellis, president of the convention and delegate from Red River, Charles B. Stewart, Thos. Barnet, John S. D. Byrom, Franco Ruiz, J. Antonio Navarro, Jesse B. Badgett, Wm. D. Lacey, William Menefee, Jno. Fisher, Mathew Caldwell, William Mottley, Lorenzo de Zavala, Stephen H. Everitt, Geo W Smyth, Elijah Stapp, Claiborne West, Wm B Scates, M. B. Menard, A. B. Hardin, J. W. Bunton, Thos. J. Gazley, R. M. Coleman, Sterling C. Robertson, Jas Collinsworth, Edwin Waller, Asa Brigham, Geo. C. Childress, Bailey Hardeman, Rob. Potter, Thomas Jefferson Rusk, Chas. S. Taylor, John S. Roberts, Robert Hamilton, Collin McKinley, Albert H. Latimer, James Power, Sam Houston, David Thomas, Edwd. Conrad, Martin Parmer, Edwin O. LeGrand, Stephen W. Blount, Jas. Gaines, Wm. Clark, Jr., Sydney O. Penington, Wm. Carrol Crawford, Jno Turner, Benj. Briggs Goodrich, G. M. Barnett, James G. Swisher, Jesse Grimes, S. Rhoads Fisher, John W. Moore, John W. Bower, Saml. A. Maverick (from Bejar), Sam P Carson, A. Briscoe, JB Woods.

Attest:

H. S. Kemble,
Secretary.

Mr. TOWER. Only 4 days after the meeting at Washington on the Brazos, at which Sam Houston had been selected general of the army, the Alamo, under the command of William Barret Travis, fell to a vastly superior army under Santa Anna. This holding action gave Houston the opportunity to move his army to a favorable spot for the decisive battle that won Texas her independence the following month. The letter from William Barret Travis, commandant of the Alamo, to the world typifies the courage characteristic of the pioneer spirit of the men who built America.

On March 6, every Texan in the Alamo—Texans accumulated from all parts of the United States—perished, because they had resolved that they would prefer to die as freemen, rather than live as slaves.

I wish to read into the Congressional Record Colonel Travis' letter:

Letter From William Barret Travis, Commander of the Alamo, Bejar, February 24, 1836

To the People of Texas and All Americans in the World, Fellow Citizens and Compatriots:

I am besieged, by a thousand or more of the Mexicans under Santa Anna—I have sustained continual bombardment and cannonade for 24 hours and have not lost a man. The enemy has demanded a surrender at discretion, otherwise, the garrison are to be put to the sword, if the fort is taken—I have answered the demand with a cannon shot, and our flag still waves proudly from the walls—I shall never surrender or retreat. Then, I call on you in the name of liberty, of patriotism and everything dear to the American character, to come to our aid, with all dispatch. The enemy is receiving reinforcements daily and will no doubt increase to three or four thousand in 4 or 5 days. If this call is neglected, I am determined to sustain myself as long as possible and die like a soldier who never forgets what is due to his own honor and that of his country—victory or death.

William Barret Travis,
Lieutenant Colonel, Commandant.

P.S.—The Lord is on our side—when the enemy appeared in sight we had not 3 bushels of corn—we have since found in deserted houses 80 or 90 bushels and got into the walls 20 or 30 heads of beeves.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM—AMENDMENT

Mr. MILLER. Mr. President, to House bill 6196, I submit an amendment, and ask that it be printed and also be printed in the Record.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 32, after line 13, add a new section as follows:

"Sec. 205. (a) The Secretary of Agriculture shall, within thirty days after the date of enactment of this title, conduct a referendum of producers of wheat in 1963 to determine whether such producers favor a voluntary wheat certificate program for the 1964 and 1965 crops of wheat as provided for by the amendments made by this Act, or whether such producers favor the program for wheat which would be in effect but for the enactment of this title.

"(b) Notwithstanding any other provision of law, if less than a majority of the producers voting in the referendum conducted pursuant to subsection (a) of this section favor the voluntary wheat certificate program provided for by the amendments made by this title, such amendments shall not become effective and the provisions of law in effect for wheat on the day before the date of enactment of this Act shall continue in effect, to the maximum extent practicable, as if the provisions of this title had not been enacted."

Mr. MILLER. Mr. President, this amendment to the wheat and cotton bill affects only title II, the wheat section. It provides that the Secretary of Agriculture shall within 30 days after the enactment of this title conduct a referendum of wheat producers to determine whether the producers actually favor the certificate program for the 1964 and 1965 crops. If less than a majority of the producers voting in the referendum favor the wheat program set up in this bill, it will not become effective, and the present laws shall continue in effect.

It is my thinking that since this wheat program is not really voluntary, but in fact is compulsory, the persons affected by it—the wheat producers—should have an opportunity to accept or reject it, the same as they would if the Secretary were to proclaim a national marketing quota under the compulsory program. It is my belief that the farmers should once again have a chance to decide for themselves whether they want a Government-managed agriculture or, rather, whether they want to have a market system that emphasizes individual opportunity.

It should be pointed out that although the program proposed under title II of this bill is in fact compulsory and is not a great deal different from the program which was defeated in the last referendum, this referendum would be decided by a majority vote, not a two-thirds vote, as was necessary last May.

In conclusion, I should like to point out a precedent for this amendment. The Agricultural Act of 1958 provided for a referendum of corn producers to determine whether they favored a price support program, as provided in that act, in lieu of price support, as provided in the old act, and acreage allotments. A majority of the producers voted for the program provided in the 1958 act; and, beginning with the 1959 crop, price support was made available thereunder; and acreage allotments and a commercial corn-producing area were not established under the old law.

Mr. President, in the Wall Street Journal for February 26 there was published an editorial entitled "Soybean Solicitude", which points out the intention of the Secretary of Agriculture to increase price supports on soybeans. The editorial very properly indicates the undesirability of such a proposal. I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Soybean Solicitude

If we were growing soybeans, we think we'd be writing to our Congressmen asking them to please do something to keep Agriculture Secretary Freeman from making a mess out of our business.

Through the years, soybean growers have done a good job of farming. The soybean carryover from one crop year to the next rarely exceeds 60 million bushels, and it's been as low as 5 million—which is very nice estimating of the market indeed. And prices are strong, about 40 cents above present Federal price supports.

In fact, soybeans are in such good shape that larger acreage and production are going to be needed to maintain domestic and export markets. Now soybean farmers know this and many of them are bringing land, which the Government has been paying them to keep idle, back into production.

However, it seems the farmers are not doing this fast enough to suit the Agriculture Department. For along comes Secretary Freeman telling them that higher price supports are necessary to stimulate planting of more soybeans. True, no one knows what the future will be, but it would be strange if higher supports at $2.35 a bushel turned out to be a bigger inducement to increased plantings than a market price about 40 cents higher, which is where the cash market is now.

At any rate, the overly solicitous Department thinks last season's 15-million-bushel carryover was far too small, and would like to see the next one raised to 100 million. What possible use so massive a carryover could be, except to serve as a price depressant and perhaps bring a lot of soybeans into Federal storage, is hard to see.

In theory at least, a rise in support prices wouldn't cost anything. Mr. Freeman figures that the cost of raising them would be more than offset by the savings resulting when farmers start growing soybeans on the land the Government now pays them to keep idle.

Yet so far from reality has the farm program gone that no one seems concerned about the possible cost of making a muddle out of the soybean business, except the soybean farmer. After all, it's his business.

THE PANAMA CANAL

Mr. MILLER. Mr. President, in the same issue of the Wall Street Journal, the lead editorial, entitled "No Place for Pettiness," points out that we would do well to consider carefully the possibility of some change in our policy with respect to renegotiation of the Panama Canal Treaty. This comes following the revelation of a secret memorandum—signed by officials of this administration in 1962 and officials of the Republic of Panama—in which it was stated that a new treaty would have to be negotiated.

I recognize that State Department spokesmen have said that this was not a commitment, but merely a memorandum of discussions. But I suggest that the people of Panama think that it was more than a memorandum of discussions. In light of that fact, I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

No Place for Pettiness

Anyone who spends a little time in Panama, and will look about him with clear eyes, would certainly agree that the Panamanian people have some understandable grievances.

They are not, to be sure, all properly directed at the U.S. Government or the Americans who live there. A good many of them should be laid at the door of their own political leaders. For 60 years the country has been run by a handful of families, and though the land is no stranger to revolutions they are like a game of musical chairs, with power being shifted back and forth among the same people.

As a not surprising consequence, a good part of the wealth of the country—including the money paid to the Panamanian Government for the rent of the canal—is likewise concentrated in a few hands. A casual tourist on an afternoon's stroll can see extremes of great wealth and grinding poverty.

Nor are all the complaints against the United States as grievous as they sound in demagogic speeches.

In the first place, without the United States there would be no canal, and without the canal the poverty would be far worse than it is. Quite apart from the rental payment to the government, U.S. troops and canal workers provide millions annually for the national income; the Panamanians themselves have discovered that in the past few weeks as violence has disrupted commerce.

In the second place, it is not true, as is often alleged, that the United States has been unreceptive to voluntary adjustments in its relation with Panama. As late as 1955 the United States completely rewrote the canal treaty when it was under no legal compulsion to do so. The rental paid to the Panamanian Government was more than quadrupled and several million dollars of real estate and buildings were given to Panama.

Moreover, we agreed to put Panamanian workers on an equal pay and opportunity basis with Americans. This has not yet had its full effect because there have been few Panamanians with the education and skills for top jobs but it has already done much to lift wage levels among unskilled labor.

All this being the case, President Johnson has been right, we think, to refuse to negotiate with Panama under duress. In any event, the operation and control of the canal cannot be a subject of negotiation.

Yet when all this has been said, it does seem to us that the United States ought to take another look at its position in Panama. If for no other reason, simply because we are too big a country to be petty in our dealings with smaller countries whose friendship we value. And not all the Panamanian complaints are unreasonable.

Take the canal rental. While the $1.9 million is quadruple the earlier figure, it is small compared to what we have paid other countries for bases of less extent or importance, and it is minuscule compared to the sums—measured in billions—which we have simply thrown around the world as gifts to less deserving friends.

If we were a Panamanian looking at these comparative sums, we too might feel that the real estate of the Canal was worth somewhat more.

But as so often happens in the relations between friends and nations, sometimes the small grievances are the more important. In Panama, just to pick one illustration, an American in the Canal Zone with several times the income of a Panamanian worker pays an auto license fee less than half that of the Panamanian for the privilege of driving on Panama roads. This is also true of many other things, from the price of a can of beans to movie tickets.

This business about the flag—the Panamanians want their flag flown alongside ours even in the zone—may also seem a petty complaint. Yet what American, were the situation reversed, would not feel some like annoyance?

It's not a question of "blaming" anybody. Most of the extraterritorial privileges (only Americans of all foreigners are exempt from Panamanian income taxes) came about out of necessity. Years ago the zone was a primitive place for American workers. The U.S. Government had to create and subsidize all the facilities, from grocery stores to movie theaters, because there were none other.

What we need to recognize now is that the situation has changed, and that many of the special arrangements which were once necessary are today needless sources of irritation. Once we do so, we can then sit down with the Panamanians and work out something suitable for today and not yesterday.

We should do this not under duress but simply because it is the right thing to do. And because if we don't we may find that the irritations will fester until, as in so many other places in the world, they erupt into sores past curing.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar, beginning with Calendar No. 856, the bill (S. 2455), and that the calendar be called in sequence.

The **ACTING PRESIDENT** pro tempore. Without objection it is so ordered. The clerk will state the various measures on the calendar, commencing with Order No. 856.

AMENDMENT TO PEACE CORPS ACT

The Senate proceeded to consider the bill (S. 2455) to amend further the Peace Corps Act (75 Stat. 612), as amended.

Mr. MANSFIELD. Mr. President, the Committee on Foreign Relations, having having had under consideration the bill (S. 2455) to amend further the Peace Corps Act, reported the bill favorably. It is my recollection that the bill was reported unanimously to the Senate without amendment and the committee has recommended that the bill be passed.

I ask unanimous consent to have printed in the Record an excerpt from the report (No. 881), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

I. PURPOSE OF THE BILL

The purpose of S. 2455 is to authorize an appropriation of $115 million for Peace Corps activities in fiscal year 1965. This sum would make it possible for the Peace Corps to finance 14,000 volunteers through the end of the summer of 1965. Under the fiscal year 1964 appropriation—close to $96 million—the Peace Corps is programing 10,500 volunteers for service abroad by the end of the summer of 1964.

II. COMMITTEE ACTION

Draft legislation to amend further the Peace Corps Act was transmitted to the Senate on January 16 by the President and referred to the Committee on Foreign Relations. The draft legislation was introduced as S. 2455 by Senator Fulbright (by request) on January 22. The committee held a public hearing on the bill on February 24, receiving supporting testimony from Mr. Sargent Shriver, Director of the Peace Corps. The following day, in executive session, the committee without objection, ordered S. 2455 favorably reported to the Senate, without amendments. The committee is unaware of any opposition to the bill.

III. EXPLANATION OF COSTS

The $115 million authorized for Peace Corps activities in fiscal year 1965 would enable the Peace Corps to have 14,000 volunteers either in training or overseas by August 31, 1965. Of this amount, $94,100,000 would be spent for volunteer and project costs and $20,900,000 for administration and program support. Of total obligations, the percentage allocated for administrative costs by the Peace Corps declined from 28 percent in fiscal year 1963 to 21 percent in fiscal year 1964, and is expected to move downward to 18 percent in fiscal year 1965.

As the number of planned volunteers increases, the average cost, calculated on a per capita volunteer basis, is expected to decline from $9,000—the figure maintained since the inception of the Peace Corps—to $8,560 in fiscal year 1965. The proportion of administrative personnel to volunteers is expected to decline in fiscal year 1965 to a ratio of 1 to 11.

Overall, experience gained through the years of its existence has enabled the Peace Corps to effect certain economies in its operations. For example, there are fewer employees in the Washington office today than there were a year ago. Supplies and equipment furnished to initial volunteers for their work overseas are being reused by other volunteers. Printing, telephone, and travel costs have been reduced. Through contracts for the year-round training of volunteers, savings in per-week training costs have been achieved. Moreover, it has been possible to cut back certain oversea costs—on baggage, shipment, and storage, for instance. And the Peace Corps expects host country contributions to projects to continue to increase.

On the other hand, the Peace Corps has deemed it essential to incur additional costs in the training area, thus offsetting some savings achieved. The average span of a volunteer's initial training program has been lengthened—from 8 to 10 weeks to 10 to 12 weeks—and language instruction has been intensified.

The financing of the Peace Corps since it began is shown in the table below:

Authorizations and appropriations for the Peace Corps

Fiscal year 1962:	
Authorization (Public Law 87-293, Sept. 22, 1961)	$40, 000, 000
Appropriation (Public Law 87-329, Sept. 30, 1961)	30, 000, 000
Returned to Treasury (including obligated balances of $1,436,000 as of June 30, 1962, deobligated after close of fiscal year 1962)	1, 940, 000
Total appropriated and obligated	28, 060, 000
Fiscal year 1963:	
Authorization (Public Law 87-442, Apr. 27, 1962)	$63, 750, 000
Appropriation (Public Law 87-872, Oct. 23, 1962)	[1] 59, 000, 000
Returned to Treasury as of June 30, 1963	3, 863, 971
Total appropriated and obligated	55, 136, 029
Fiscal year 1964:	
Authorization (Public Law 88-200, Dec. 13, 1963)	102, 000, 000
Appropriation (Public Law 88-258, Jan. 6, 1964)	92, 100, 000
Plus unobligated balance of fiscal year 1963 appropriation (shown above as having been returned to Treasury)	3, 863, 971
Total appropriated	[2] 95, 963, 971
Recapitulation:	
Total appropriated and obligated fiscal year 1962	28, 060, 000
Total appropriated and obligated fiscal year 1963	55, 136, 029
Total appropriated fiscal year 1964	95, 963, 971
Total	179, 160, 000

[1] Not to exceed $15,000,000 of this amount was specified available for administration and program support costs.

[2] Not to exceed $19,000,000 of this amount was specified available for administration and program support costs.

A detailed breakdown of Peace Corps budgetary figures for fiscal year 1965 appears in the printed hearings on S. 2455.

IV. VOLUNTEERS

On January 15, 1964, the Peace Corps had 6,976 volunteers and trainees serving overseas in 46 countries. The following table shows the distribution of these volunteers:

Peace Corps on-board strength as of Jan. 15, 1964

Region and country	Number of countries	In training	In country	Total
All regions	46	458	6, 518	6, 976
Africa	17	7	2, 250	2, 257
Cameroon			89	89
Ethiopia			415	415
Gabon		1	74	75
Ghana			139	139
Guinea			54	54
Ivory Coast			56	56
Liberia			283	283
Morocco			103	103
Niger			14	14
Nigeria		1	476	477
Nyasaland		5	96	101
Senegal			66	66
Sierra Leone			130	130
Somali Republic			29	29
Tanganyika			97	97
Togo			37	37
Tunisia			92	92
Far East	4		1, 187	1, 187
Indonesia			31	31
Malaysia			345	345
Malaya			(210)	(210)
Sabah/Sarawak			(135)	(135)
Philippines			546	546
Thailand			265	265
Near East and south Asia	8	39	786	825
Afghanistan		36	34	70
Ceylon			34	34
Cyprus			22	22
India			168	168
Iran			45	45
Nepal			101	101
Pakistan			240	240
Turkey		3	142	145
Latin America	17	412	2, 295	2, 707
Bolivia		67	121	188
Brazil		50	214	264
British Honduras			27	27
Chili		1	107	108
Colombia		131	477	608
Costa Rica			68	68
Dominican Republic		2	172	174
Ecuador		67	261	328
El Salvador		28	32	60
Guatemala			114	114
Honduras		1	60	61
Jamaica		1	62	63
Panama			57	57
Peru		61	390	451
Santa Lucia			17	17
Uruguay			18	18
Venezuela		3	98	101

By August 31, 1965, the Peace Corps expects to have either in training or overseas the following number of volunteers for service in the following areas:

Latin America	5, 900
Africa	4, 250
Far East	2, 150
Near East and south Asia	1, 700
Total	14, 000

Approximately 40 percent of the current volunteers are women; 60 percent men.

Most volunteers are teachers and community development workers.

The committee closely questioned Mr. Shriver about developments relating to the performance and quality of volunteers. Roughly 7.3 percent of the volunteers have not completed their scheduled tours of duty. For compassionate reasons, 1.6 percent have returned to the United States. For medical reasons another 1.1 percent have failed to complete their tours of duty. Eight volunteers—0.1 percent of the total—have died. The remaining 4.5 percent have been selected out because of inability to adjust to their living conditions abroad, because they have presented behavioral problems, or because of other reasons.

With respect to the quality of volunteers, Peace Corps experience to date has indicated several factors bearing on the failure or success of a volunteer in his work. Mr. Shriver, in his testimony before the committee, pointed out that applicants who do very well on the modern language aptitudes test generally turn out to be very good volunteers. Often letters of reference serve as valid indicators in predictability of success. And Mr. Shriver noted the age group 20 to 30 on college campuses in the United States has actually produced about 85 to 90 percent of the most successful volunteers.

Originally, enlistment in the Peace Corps was restricted to a 2-year term. However, a volunteer may now extend his enlistment for a period of up to 1 year provided the host country requests the particular volunteer's continued services and the Peace Corps representative in the area involved approves. In addition, volunteers may be permitted to reenlist for 2 years either in the country in which they have been serving or in a different country.

The following table shows the activities in which 545 volunteers who returned to the United States in 1963 are now engaged:

Post-Peace Corps status of 545 volunteers who returned in 1963

Continuing education [1]	266
Undergraduate	53
Nondegree programs	14
Teacher certification	7
Graduate	192
Employed (nonteaching)	151
Business and private industry	82
Federal Government	69
Teaching	70
College and university	5
Elementary and secondary	65
Married women (not working)	26
Traveling en route to United States	26
Military service	6
Total	545

[1] These volunteers are attending 113 different colleges and universities. Among this group, 99 have assistantships, fellowships, or scholarships totaling $214,000.

V. COMMITTEE CONCLUSIONS AND RECOMMENDATION

Fiscal year 1965 will mark the fourth full operational year for the Peace Corps. The committee is well satisfied with the progress of the Peace Corps to date.

The general performance and quality of the volunteers deserves commendation. The volunteers have contributed useful talents and skills to the countries and areas where they have been serving. And the committee believes there has been efficient administration both here and abroad of operations of the Peace Corps.

Foreign countries and areas are continuing to maintain a large degree of interest in receiving Peace Corps help. Citizens of the United States continue to be willing and desirous of applying to serve in the Peace Corps. It might be noted, in this connection, that the number of applications received by the Peace Corps this month may reach a record high for the third successive month.

The $115 million request for fiscal year 1965 Peace Corps activities—to make possible an increase in the number of volunteers to 14,000—seems to the committee justified and desirable. The committee therefore strongly recommends Senate approval of the full amount.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. CARLSON. As a member of the Senate Committee on Foreign Relations, and one who heard the testimony of Mr. Sargent Shriver, who appeared in behalf of the requested authorization of $115 million, I wish to state that the report from the committee was unanimous.

I am very pleased that we are able to increase the authorization for the agency. The first appropriation made for the agency was $29 million. Since that time the amount has increased annually. At the same time, it should be pointed out that the agency is rendering outstanding service.

I should like to state for the record that when Sargent Shriver first approached me and other members of the committee on the type of program proposed, I called attention to the fact that I had some question as to its probable effectiveness, for the reason that a Peace Corps volunteer would be signed up for 1 year, asked to remain a year, and could stay but 3 years. I argued with him that in the mission fields, both Protestant and Catholic, all over the world, there are missionaries who give a lifetime to a cause and to a program. I had some question as to the relationship of the two, although I favored the Peace Corps program from the start.

Mr. Shriver stated at the hearings that while they do not expect to extend greatly the Peace Corps volunteer services, there are some volunteers available who become particularly qualified in a community or in a country, and additional extensions of time will be granted in such cases. That speaks well in favor of the program. It is a change that is in the interest of our own country and the country that those volunteers serve. I heartily endorse the program and hope that the Senate will approve the bill unanimously.

Mr. ELLENDER. Mr. President, will the Senator yield for a question?

Mr. MANSFIELD. I yield.

Mr. ELLENDER. Can the Senator tell us the extent to which the program would provide additional teachers for the various countries involved in the program?

Mr. CARLSON. I sincerely regret that I do not have the printed record of hearings. That point was brought out in the hearings. We have sent teachers to a great number of countries. Teachers are in demand, and they are rendering a great service. There was a thorough hearing on that subject. I regret that the hearings are not in the Chamber.

Mr. MANSFIELD. Mr. President, neither can I give an extract figure to the distinguished senior Senator from Louisiana. But it appears there has been a sizable increase in that particular field. I believe it is good because of the fact that it is far better to send our teachers over there to teach people in various countries so that their good people can remain there, rather than bringing students from those countries over here to the degree that we have, many of whom desire to stay here and not return to help their own people.

Mr. ELLENDER. Mr. President, will the Senator yield further?

Mr. MANSFIELD. I yield.

Mr. ELLENDER. Mr. President, when this program started 3 or 4 years ago, the idea was to enable Americans to live and work abroad on a level of the natives of the various countries.

On my recent trip to Africa, I found that we had sent over 300 Peace Corps volunteers to Ethiopia, and all of them were teachers. The expenses paid to those teachers by the Ethiopian Government amounted, as I remember, to $72 per month. It costs the Federal Government in the neighborhood of $9,000 to process a volunteer. That amount would include all administrative expenses, transportation, and everything else.

We sent approximately 300 teachers to Ghana. Ghana paid as much as $152 a month, as I remember, in order to help pay the expenses of those teachers.

In my judgment, we are veering away from the original intent of Congress in our performance of the service. It is true that when Mr. Shriver appeared before the committee at the time the program was proposed, a provision for teachers was contemplated. The teachers were supposed to work in the jungle or in the country. But we find that many or most are located in large cities.

The thing that I do not like is that the volunteers work under the jurisdiction of the Department of Education of Ghana or Ethiopia, for example.

What this means is that we are extending this program into areas not originally intended by Congress. We are furnishing those countries with teachers that cost us a great deal of money to prepare. In turn they would teach in the various countries for a salary as low as $72 a month. In reality, we are actually subsidizing a foreign school system.

I express the hope that as the program proceeds, we shall return as nearly as possible to the original plan. The volunteers should be allowed to work directly with the people in the back country in helping them to render a better service than they can now render with facilities at hand. That is what made the Peace Corps so attractive to the Congress—not the idea of another foreign subsidy.

It is true that some of the teachers are able to work after school hours and do some of the extra work that we had in mind. But after working 5 or 6 hours a day teaching in school, it is rather difficult for teachers to go out and do other work of the type we had in mind originally.

It seems to me that we ought to look into that subject. I shall try to do it as well as I can when the item comes up for consideration by the Appropriations Committee.

Mr. MANSFIELD. Mr. President, both of us will look into that subject. I believe the idea is a good and sound one, and we shall mention it when Mr. Shriver appears before our committee.

Mr. CARLSON. Mr. President, will the Senator yield further?

Mr. MANSFIELD. I yield.

Mr. CARLSON. The Senator from Louisiana has called attention to an item which should and will have consideration when we examine into the use of Peace Corps volunteers. But I am glad to state that in the hearings—and again I am sorry that the record of the hearings is not available—the subject was brought up and discussed with Sargent Shriver. He not only recognizes the problem, but he will urge that we devise a plan. The wives of some of the Peace Corps workers might get out and work with the citizens. After all, that type of approach is basic in a program of the kind in which we are engaged.

The Senator from Louisiana, who has a very good knowledge of Government expenditures, was correct when he stated that the average cost was $9,000 per volunteer. In the report of the committee, it is stated that it is hoped to reduce this amount to an average cost of $8,560 per Peace Corps volunteer.

In view of the statement made with regard to the number of volunteers and the cost, I ask unanimous consent to have printed at this point in the RECORD page 4 of the report, which shows the number of Peace Corps volunteers in the various countries.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

Peace Corps on-board strength as of Jan. 15, 1964

Region and country	Number of countries	In training	In country	Total
All regions	46	458	6,518	6,976
Africa	17	7	2,250	2,257
Cameroon			89	89
Ethiopia			415	415
Gabon		1	74	75
Ghana			139	139
Guinea			54	54
Ivory Coast			56	56
Liberia			283	283
Morocco			103	103
Niger			14	14
Nigeria		1	476	477
Nyasaland		5	96	101
Senegal			66	66
Sierra Leone			130	130
Somali Republic			29	29
Tanganyika			97	97
Togo			37	37
Tunisia			92	92
Far East	4		1,187	1,187
Indonesia			31	31
Malaysia			345	345
Malaya			(210)	(210)
Sabah/Sarawak			(135)	(135)
Philippines			546	546
Thailand			265	265
Near East and south Asia	8	39	786	825
Afghanistan		36	34	70
Ceylon			34	34
Cyprus			22	22
India			168	168
Iran			45	45
Nepal			101	101
Pakistan			240	240
Turkey		3	142	145
Latin America	17	412	2,295	2,707
Bolivia		67	121	188
Brazil		50	214	264
British Honduras			27	27
Chili		1	107	108
Colombia		131	477	608
Costa Rica			68	68
Dominican Republic		2	172	174
Ecuador		67	261	328
El Salvador		28	32	60
Guatemala			114	114
Honduras		1	60	61
Jamaica		1	62	63
Panama			57	57
Peru		61	390	451
Santa Lucia			17	17
Uruguay			18	18
Venezuela		3	98	101

By August 31, 1965, the Peace Corps expects to have either in training or overseas the following number of volunteers for service in the following areas:

Latin America	5,900
Africa	4,250
Far East	2,150
Near East and south Asia	1,700
Total	14,000

Mr. ELLENDER. Mr. President, I again state the hope that when the matter comes up again, attention will be given to the point I have raised. It is true that when Mr. Shriver appeared before the committee the first time, he made mention of the fact that teachers would be made available through the Peace Corps. In certain areas some of the teachers are doing a good job, not so much in teaching students at particular schools, but in assisting to build self-help schools. I ran across two or three places where that was done. They were doing yeoman work in that direction, and I was proud to be able to see our young people in this type of work. What I have been complaining about is the practice of sending teachers to work under the jurisdiction of the departments of education in various countries where they are not free to act as they choose, but are under the jurisdiction of the departments of education in those particular countries.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(b) of the Peace Corps Act, as amended, which authorizes appropriations to carry out the purposes of that Act, is amended by striking out "1964" and "$102,000,000" and substituting "1965" and "$115,000,000", respectively.

KALOYAN D. KALOYANOFF

The bill (S. 1237) for the relief of Kaloyan D. Kaloyanoff was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the periods of time Kaloyan D. Kaloyanoff has resided in the United States since his lawful admission for permanent residence on November 10, 1958, shall be held and considered to meet the residence and physical presence requirements of section 316 of the Immigration and Nationality Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 882), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary, who was lawfully admitted to the United States for permanent residence on November 10, 1958, to file a petition for naturalization.

STATEMENT OF FACTS

The beneficiary of the bill is a 54-year-old native of Bulgaria who claims to be stateless. He went to West Germany in 1955 and remained and has been employed by Radio Free Europe in Munich since 1957. He was admitted to the United States on November 10, 1958, as a refugee-escapee. He has been unable to satisfy the residence and physical presence requirements of section 316 of the Immigration and Nationality Act because of his absences abroad in connection with his employment by Radio Free Europe.

* * * * *

MRS. KAYO FUJIMOTO HOWARD

The bill S. 1525 for the relief of Mrs. Kayo Fujimoto Howard was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress asembled, That, in the administration of the Immigration and Nationality Act, Mrs. Kayo Fujimoto Howard, the widow of a United States citizen who served honorably in the Armed Forces of the United States, shall be held and considered to be within the purview of section 101(a)(27)(A) of that Act and the provisions of section 205 of that Act shall not be applicable in this case.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of a nonquota immigrant to Mrs. Kayo Fujimoto Howard which is the status she would be entitled to were it not for the death of her husband. She is the widow of a U.S. citizen who served honorably in the U.S. Air Force in Japan.

JULIANO BARBOZA AMADO AND MANUEL SOCORRO BARBOZA AMADO

The bill (S. 1597) for the relief of Juliano Barboza Amado and Manuel Socorro Barboza Amado was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 203(a)(4) of the Immigration and Nationality Act, Leo Barboza Amado, a citizen of the United States, shall be held and considered to be the legitimate half-brother of Juliano Barboza Amado and Manuel Socorro Barboza Amado.

LILLIAN P. JOHNSON

The bill (S. 1978) for the relief of Lillian P. Johnson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Lillian P. Johnson shall be held and considered to have been lawfully admitted to the United States for permanent residence in the month of June 1928.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 885), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Lillian P. Johnson as of June 1928, when she first entered the United States as a visitor. No provision is made for the payment of a visa fee, since her status was adjusted to that of permanent residence on November 15, 1961.

GIUSEPPE CACCIANI

The bill (S. 1985) for the relief of Giuseppe Cacciani was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212 (a)(9) of the Immigration and Nationality Act, Giuseppe Cacciani may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

HATTIE LU

The bill (S. 1986) for the relief of Hattie Lu was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Hattie Lu, fiancee of Airman First Class Ronald E. Payne, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of three months, if the administrative authorities find (1) that the said Hattie Lu is coming to the United States with a bona fide intention of being married to the said Airman First Class Ronald E. Payne and (2) that she is otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within three months after the entry of the said Hattie Lu, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within three months after the entry of the said Hattie Lu, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Hattie Lu as of the date of the payment by her of the required visa fee.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 887), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the fiancee of a U.S. citizen serviceman to enter the United States. If the marriage between the beneficiary and her citizen fiance is contracted within 3 months after her entry as a nonimmigrant, the Attorney General may adjust her status to that of a lawful permanent resident.

MISS WLADYSLAWA KOWALCZYK

The Senate proceeded to consider the bill (S. 473) for the relief of Miss Wladyslawa Kowalczyk, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of the Act of July 14, 1960 (74 Stat. 504), Miss Wladyslawa Kowalczyk shall be held and considered to have been paroled into the United States on the date of the enactment of this Act, as provided for in the said Act of July 14, 1960.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

GLENDA WILLIAMS

The Senate proceeded to consider the bill (S. 1966) for the relief of Glenda Williams, which had been reported from the Committee on the Judiciary with an amendment in line 6, after the word "behalf", to strike out "of" and insert "by"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Glenda Williams may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of that Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Hercules Ellis, citizens of the United States, pursuant to section 205(b) of the Immigration and Nationality Act, subject to all the conditions in that section relating to eligible orphans.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 889), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to facilitate the entry into the United States in a nonquota status of an alien child to be adopted by citizens of the United States.

FRANCESCO MIRA AND MARIA MIRA

The bill (S. 1982) for the relief of Francesco Mira and his wife, Maria Mira, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the first section of the Act entitled "An Act to facilitate the entry of alien skilled specialists and certain relatives of United States citizens, and for other purposes", approved October 24, 1962 (76 Stat. 1247), Francesco Mira shall be held and considered to be an alien registered on a consular waiting list pursuant to section 203(c) of the Immigration and Nationality Act under a priority date earlier than March 31, 1954.

The title was amended, so as to read: "A bill for the relief of Francesco Mira."

FOTINI DIMANTOPOULOU

The Senate proceeded to consider the bill (S. 1684) for the relief of Fotini Dimantopoulou, which had been reported from the Committee on the Judiciary with amendments in line 10, after the word "the", to strike out "appropriate", and in line 11, after the word "quota", to insert "for the Union of Soviet Socialist Republics"; so as to make the bill read:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That, for the purposes of the Immigration and Nationality Act, Fotini Dimantopoulou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for the Union of Soviet Socialist Republics for the first year that such quota is available.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 891) explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

STATEMENT OF FACTS

The beneficiary of the bill is an unmarried 22-year-old native and citizen of Greece, who entered the United States on May 19, 1960, at the age of 19 as a visitor to help care for an ill cousin. She subsequently changed her status to that of a student in September 1960, and presently resides in Brighton, Mass., with her parents and a sister. Her parents, who were chargeable to the quota for the U.S.S.R., entered the United States for permanent residence on November 19, 1962. The beneficiary could not use the quota of her parents for the purpose of an adjustment of status because she was over 21 at the time their visas were issued and they entered the United States. She is the beneficiary of a third preference petition which was approved on July 14, 1963, but has been unable to adjust her status because of the oversubscription of the Greek quota.

BILL PASSED OVER

The bill (H.R. 1174) for the relief of Elfriede Unterholzer Sharble was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

WILLY SAPUSCHNIN

The bill (H.R. 1182) for the relief of Willy Sapuschnin was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 893), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to enjoy the status of one who was paroled into the United States as provided in the act of July 14, 1960.

EDITH AND JOSEPH SHARON

The bill (H.R. 1295) for the relief of Edith and Joseph Sharon was considered, ordered to a third reading, read the third time, and passed.

STANISLAWA OUELLETTE

The bill (H.R. 1355) for the relief of Stanislawa Ouellette was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in a nonquota status of the alien daughter adopted by a citizen of the United States.

ARETI SIOZAS PAIDAS

The bill (H.R. 1384) for the relief of Areti Siozas Paidas was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 896), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in a nonquota status of the alien child adopted by Mr. and Mrs. James Paidas, citizens of the United States.

EWALD JOHAN CONSEN

The bill (H R. 1455) for the relief of Ewald Johan Consen was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 897), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Ewald Johan Consen as of March 3, 1957. The bill does not provide for payment of a visa fee or deduction of a quota number, inasmuch as the beneficiary was previously lawfully admitted for permanent residence.

JOZIFA TRZCINSKA BISKUP AND IVANKA STALCER VLAHOVIC

The bill (H.R. 1520) for the relief of Jozifa Trzcinska Biskup and Ivanka Stalcer Vlahovic was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 898), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in a nonquota status of two beneficiaries who have been adopted by U.S. citizens.

LAVORKO LUCIC

The bill (H.R. 1521) for the relief of Lavorko Lucic was considered, ordered to a third reading, read the third time, and passed.

AGNESE BRIENZA

The bill (H.R. 1723) for the relief of Agnese Brienza was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 900), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to enjoy the benefits of section 25(a) of the act of September 26, 1961, notwithstanding the fact that the petition approved in her behalf was revoked upon the death of her father.

BILL PASSED OVER

The bill (H.R. 1761) to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of R. Gordon Finney, Jr., was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

VALERIANO T. EBREO

The bill (H.R. 1886) for the relief of Valeriano T. Ebreo was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 902), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in a nonquota status of an alien child to be adopted by citizens of the United States.

BILL PASSED OVER

The bill (H.R. 4085) for the relief of Tibor Horcsik was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

CHRYSANTHOS KYRIAKOU

The bill (H.R. 4284) for the relief of Chrysanthos Kyriakou was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 904), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the admission to the United States in a nonquota status of the minor child to be adopted by U.S. citizens.

MR. AND MRS. FRED T. WINFIELD

The bill (H.R. 4682) for the relief of Mr. and Mrs. Fred T. Winfield was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H.R. 4972) for the relief of Robert E. McKee, General Contractor, Inc., and Kaufman and Broad Building Co., a joint venture, was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

DOYLE A. BALLAU

The bill (H.R. 5144) for the relief of Doyle A. Ballau was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 882), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of this legislation is to relieve Doyle A. Ballou from the necessity of repaying to the Government amounts paid to him as salary while employed by the Federal Aviation Agency in violation of the dual employment statute (5 U.S.C. 62). It would also entitle him to receipt of salary not yet paid and compensation for his unused annual leave based upon work performed by him in good faith during the period of his employment. In addition, Mr. Ballou would become entitled to amounts withheld for retirement purposes.

STATEMENT

The Federal Aviation Agency favors enactment of this proposed legislation. In its report to the Committee the agency says:

"Doyle Ballou, Navy CWO-2, was released to inactive duty on August 31, 1956, and placed on the retired list of the U.S. Navy after 20 years of active service. He began to receive retired pay under 34 U.S.C. 430 (a) and (d). Because he was considering Federal employment, Mr. Ballou inquired of the U.S. Navy Finance Center on November 4, 1958, as to his status under the Dual Compensation and Dual Employment Acts (5 U.S.C. 59(a) and 62). The Finance Center's letter advised Mr. Ballou that the Dual Employment Act generally precluded him from taking a Government position but noted that this determination was the responsibility of the employing agency. On March 25, 1959, Mr. Ballou applied for a position with the FAA in Minnesota. His form 57 stated the following information:

"Released to inactive duty August 31, 1956 and placed on the retired list of the U.S. Navy with the rank of CHELEC/W-2 and with the retired pay of that rank, pursuant to the provisions of United States Code, title 34, sections 430 (a) and (d).

"On April 6, 1959, Mr. Ballou was informed by FAA central region that his application for employment had been accepted. The letter did not refer to the Dual Employment Act. In 1960 Mr. Ballou was transferred to a similar position with the FAA in Miami and the Agency again accepted Mr. Ballou's form 57 without mentioning a possible dual employment problem.

"A telegram from the Navy Finance Center, Norfolk, Va., April 12, 1962, notified the FAA that Mr. Ballou's employment with the FAA was precluded by the Dual Employment Act (5 U.S.C. 62) and he was thereafter so notified. Mr. Ballou remarked that he had worried about the problem when the job was offered to him but said that since his form 57 stated his retired status so clearly he assumed he had fulfilled his obligation in the matter.

"From these facts it is apparent that it was due to an error on the part of this Agency that Mr. Ballou was hired. It further appears that while Mr. Ballou had some misgivings about the propriety of his appointment, these were dispelled by this Agency's willingness to employ him knowing of his retired status.

"His services with this Agency were satisfactory as evidenced by his receiving a promotion. It would seem a most inequitable result that the Government should profit from the services of Mr. Ballou, at his expense, when the reason for his loss was due to an error on the part of the Government and through no apparent fault on the part of Mr. Ballou."

ELIZABETH RENEE LORLISE GABRIELLE HUFFER

The bill (H.R. 5617) for the relief of Elizabeth Renee Lorlise Gabrielle Huffer was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 908), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to retain her U.S. citizenship, provided that she establishes residence in this country prior to her 26th birthday.

STATEMENT OF FACTS

The beneficiary of the bill is a 24-year-old native of France, who acquired U.S. citizenship at birth through her U.S. citizen father. Her parents are divorced, and the beneficiary resides in Paris with her motner. The beneficiary desires to complete her college education before returning to the United States and the instant bill will permit her to establish such residence prior to her 26th birthday. Under the law, the beneficiary would have been required to establish residence in the United States prior to her 23d birthday.

BILL PASSED OVER

The bill (H.R. 5728) for the relief of the county of Cuyahoga, Ohio, was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

PASQUALE FIORICA

The bill (H.R. 5982) for the relief of Pasquale Fiorica was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 910), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in a nonquota status, of an alien child to be adopted by citizens of the United States.

ALEXANDER HAYTKO

The bill (H.R. 6092) for the relief of Alexander Haytko was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 911), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of H.R. 6092 is to provide that the time limit within which an application for disability retirement must be filed shall be waived in favor of Alexander Haytko, a former employee of the Department of the Air Force. This would in effect determine that the case be considered on its merits, with resulting allowance of disability annuity if it can be established that he was totally disabled for useful and efficient service in his grade or class of position at the time of his separation. Annuity payments, if authorized, would accrue from the bill's enactment date.

STATEMENT

As pointed out in the report of the House Judiciary Committee, the Department of the Air Force has deferred to the Civil Service Commission as to the merits of H.R. 6092, and that agency has indicated that it has no objection to determining annuity entitlement in this case on its merits.

The facts and circumstances surrounding this claim are set forth in House Report No. 984 on H.R. 6092, as follows:

"On August 28, 1959, Mr. Haytko was separated from his position of warehouse foreman at the Cheli Air Force Depot, in Maywood, Calif., because of a reduction in force. At the time of Mr. Haytko's separation from the Air Force, his supervisor suggested that he file an application for disability retirement since he had undergone surgery for a duodenal ulcer in May of the same year, approximately 3 months earlier. Mr. Haytko indicated that he considered his illness to be of a temporary nature, and he declined to apply for disability retirement at the time of separation. Mr. Haytko's own statement to the Civil Service Commission regarding this matter reads:

" 'During the latter part of 1958, I was advised by my supervisor that I should apply for a disability retirement. I stated at that time, to my supervisor, that I felt that I was still capable of performing my duties and did not desire to retire. My supervisor then informed me that he would take the necessary action. I persuaded him to withhold such action since I would be terminated by a reduction in force in the very near future. He consented to do this.

" 'Upon my termination of employment by RIF, I was advised by my supervisor to again consider disability retirement. I felt that after a few months' rest I would then seek employment.'

"Mr. Haytko executed an application for disability retirement on September 12, 1962, more than 3 years after separation from his Air Force position on August 28, 1959. The claim was disallowed by the Civil Service Commission as not being timely filed. The Civil Service Retirement Act of May 29, 1930, as amended, specifies the time limit for filing applications for disability retirement as follows:

" 'No claim shall be allowed under this section unless the application is filed with the Commission prior to separation of the employee or member from the service or within 1 year thereafter.'

"The Department of the Air Force has deferred to the Civil Service Commission as to the merits of H.R. 6092 and that agency has indicated that it has no objection to determining annuity entitlement in this case on its merits. An examination of the events leading up to Mr. Haytko's separation reveals that he had been for some time on light duty as the result of instructions from his doctor because of a previous accident which occurred during the course of his employment. His supervisor has stated in writing that during the latter part of 1958 Mr. Haytko was using more and more sick leave due to an arthritic and ulcer condition. While he repeatedly recommended to Mr. Haytko that he apply for disability retirement, he was not aware of the time restriction that applied to applications for disability retirement and reported that the civilian personnel office gave employees little or no information regarding regulations governing retirement, rights, etc. As the result of the failure of his supervisor to advise him of this time limitation, Mr. Haytko chose to continue looking for work during the next 3 years. Separated from his position on August 28, 1959, at the age of 53, he decided to wait until he was 56, when he was under the impression he would be able to receive regular retirement benefits. He was not aware that 30 years of service is required in order to retire at 56.

"The record before the committee reveals that Mr. Haytko has exhausted his unemployment insurance and his personal savings while his deteriorating health has prevented him from obtaining employment. His only income is disability compensation based upon 40-percent disability due to loss of one eye in service during World War II.

"Consideration of the facts and circumstances in this case lead to the conclusion that Mr. Haytko was a proud man who did not wish to apply for a disability pension; an optimistic man who was hopeful that his health would permit him to secure other employment; and a misinformed man who was not aware that his clear intention to apply for disability retirement in the event he was unable to secure and effectively perform employment was subject to a time restriction. The committee concludes that this is a case where the equitable considerations justify waiver of the time limitation so that Mr. Haytko's application for disability retirement may be examined on its merits."

STANISLAW KURYJ

The bill (H.R. 6313) for the relief of Stanislaw Kuryj was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 912), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable Stanislaw Kuryj to enjoy the status of an alien who was paroled into the United States under the provisions of the act of July 14, 1960.

STATEMENT OF FACTS

The beneficiary of the bill is a 41-year-old native and citizen of Poland, who was admitted to the United States as a crewman on April 24, 1961. He left his vessel and applied for a stay of deportation on the ground that his deportation to Poland would cause him to be subject to physical persecution. This application was granted. The beneficiary was a member of the Communist Party from 1947 to 1950, when he resigned due to disillusionment and mistreatment of himself and his family. From 1950 to 1957, the beneficiary was employed in a soap factory and thereafter as a fisherman. As a union delegate on his vessel, the beneficiary complained to the captain about conditions on board, and he was threatened with bodily harm by various Communist crewmembers. The beneficiary is presently employed as a stock clerk in Boston, Mass.

WALTER L. MATHEWS AND OTHERS

The bill (H.R. 6320) for the relief of Walter L. Mathews and others was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 913), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill would relieve Walter L. Mathews and 20 other civilian employees and former civilian employees of the Naval Ordnance Plant, Macon, Ga., of all liability to repay to the United States the overpayment of salary received by them during the periods set out in the bill as a result of administrative errors.

STATEMENT

The House of Representatives, in its favorable consideration of H.R. 6320, sets forth the facts and justification for this legislation, as follows:

"This bill was introduced after a General Accounting Office audit in 1962 during which the auditors questioned three groups of pay actions. The Department of the Navy recognized that the employees concerned were in no way at fault, and thus reported no objection to enactment of H.R. 6320 if amended to correct several errors in the bill as to the dates involved. The Comptroller General indicated that ordinarily relief legislation in such cases is not favored, but that whether the facts and circumstances are of such a nature as to warrant relief is a matter of policy for determination by the Congress.

"The pay actions ultimately held to be erroneous, following the audit in 1962, resulted from a misinterpretation by administrative personnel of the provisions of law concerning step increases in pay. The largest group of individuals named were promoted from ungraded to graded positions and granted scheduled step increases in the grade positions prior to eligibility thereto. The errors resulted from failure of administrative officers to consider pay adjustments received in ungraded positions as equivalent increases when counting step increase waiting periods in the graded positions.

"The second group, affecting two employees, consisted of overpayments made when their salaries were retroactively changed to higher rates. The two employees had held higher grades and were changed to lower grades during a reduction in force. Later they were prompted to higher grade positions at which time, through error, their salaries were not adjusted based upon their previously held higher rates. When this mistake was discovered, a retroactive adjustment was made under regulations authorizing retroactive correction of administrative errors. The General Accounting Office auditor, however, maintained that there was no evidence of administrative error in the original salary determination so that no subsequent correction could be properly made.

"The third group, affecting one employee, consisted of overpayments made as a result of administrative error with respect to reinstatement in grade GS-5 of an employee who had been a GS-3. Through error the employee was given an additional step within the grade GS-5 to which she was not entitled.

"The amounts of overpayments set forth in the Navy report are not precise determinations because the errors go back so many years; however, the Comptroller General has reviewed the records and reported exact figures which total $7,785.33 for all 21 employees. The committee has been given to understand that none of the employees had any idea that they had been overpaid. The overpayments were obviously the result of administrative error and not the result of negligence of the employees. The administrative errors themselves appear to have been not the result of negligence, but of an honest misinterpretation of the regulations. The committee is also informed that the administrative actions which resulted in these overpayments have now been emphatically brought to the attention of the responsible authorities, and corrective action has been taken to prevent their repetition in the future. It is also reported that the employee and morale problems caused by these administrative errors have created such concern at the Macon Ordnance Plant that it should preclude similar unfortunate errors in the future.

"For the most part the amounts involved are relatively small and have extended over a long period of time. Under the circumstances resulting from administrative interpretations about which there still appears to be some difference of opinion, it does not seem equitable to assess liability to the employees who were without knowledge of the errors and without negligence."

CAPT. OTIS R. BOWLES

The bill (H.R. 6477) for the relief of Capt. Otis R. Bowles was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve Capt. Otis R. Bowles, U.S. Army, retired, of Keokuk, Iowa, of liability in the amount of $6,933.34 which was paid him for services he rendered the United States as a civilian employee from June 20, 1960, to December 15, 1961, and January 29 to May 18, 1962, before it was found that his employment was barred by the act of July 31, 1894. The bill would also authorize the payment of any amounts refunded by Captain Bowles or withheld from amounts due him.

STATEMENT

The Committee on the Judiciary of the House of Representatives reports the facts and circumstances surrounding this claim as follows:

"Capt. Otis R. Bowles retired from the Army in 1958 after more than 30 years' active duty. He was retired as a chief warrant officer (W-4) and receives the retired pay of a chief warrant officer. However, upon retirement, he was advanced on the retired list to the grade of captain, the highest commissioned grade he held while on active duty.

"Nearly 2 years after his retirement on June 20, 1960, he was employed as a civilian by the Army and worked until December 15, 1961. He was again employed by the Army on January 29, 1962, and worked until May 18, 1962, when he finally was informed that he should not have been hired, because his employment was barred by the dual office provisions of the act of July 31, 1894. The net result of this chain of events is that all of the money earned by Mr. Bowles in his civilian capacity has been ruled to have been paid him without authority, hence must be repaid by him to the Government. The amount earned by Mr. Bowles totaled $6,933.34 and, since November of 1962, $45 a month has been taken out of his retired pay to satisfy this liability.

"The committee finds that the facts of this case provide a clear basis for legislative relief. It is obviously unfair for the United States to benefit from this man's services for extended periods of time and then to require him to pay back the money he earned. In addition, the Army report states that he had no notice of any question of his eligibility for Federal employment, and was actually misled by an Army pamphlet on this very point. In this connection, the Army report stated:

"'It is noted that until the termination of his civilian employment, no one informed Captain Bowles that he was subject to the provisions of the Dual Office Act, in spite of the fact that as early as January 1, 1961, the U.S. Army Finance Center was aware of his civilian employment. Captain Bowles honestly believed that he was not subject to the act as he relied upon paragraph 83 of Department of the Army Pamphlet 600-5, dated August 1957, which was given to him at the time of retirement. That paragraph stated: "It (the Dual Office Act) does not apply to Regular Army warrant officers whose retired pay is based upon a commissioned grade or who are subsequently advanced to a commissioned grade on the Army of the United States retired list." The above statement is an erroneous interpretation of applicable law and has been changed in later publications. It is clear that Captain Bowles justifiably relied upon its accuracy.'"

The Army report further notes that this liability is causing Captain Bowles an unfair financial hardship. The Army concluded that it had no objection to relief and stated:

"'The Department of the Army generally does not oppose legislation of this type when it appears that the recipient of erroneous or illegal payments from the United States received such funds in good faith and, in addition, it would impose a financial hardship on the recipient if repayment were required. It is evident in this case that Captain Bowles received the amounts in question for valuable services which he performed for the Government and that he reasonably believed that he was entitled to the compensation. It has been established that to require repayment imposes a financial hardship upon him. Captain Bowles must not only support his own family which includes his wife, who is presently an invalid, and a teenage daughter, but has also assumed the additional burden of helping to support his recently deceased brother's large family. Under the circumstances here present it would accord with equitable principles to relieve Captain Bowles of his existing indebtedness to the United States and repay him the amount withheld from his retirement since November 1962. Accordingly, this Department is not opposed to the enactment of this bill.'"

CONSTANTINE THEOTHOROPOULOS

The bill (H.R. 6591) for the relief of Constantine Theothoropoulos was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 915), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in a nonquota status of an alien child adopted by citizens of the United States.

BILL PASSED OVER

The bill (H.R. 6748) for the relief of the J. D. Wallace & Co., Inc., was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

TERESA ELLIOPOULOS
ANASTASIA ELLIOPOULOS

The bill (H.R. 7347) for the relief of Teresa Elliopoulos and Anastasia Elliopoulos was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 917), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in a nonquota status of two alien children to be adopted by citizens of the United States.

BILL PASSED OVER

The bill (H.R. 7491) for the relief of William L. Berryman, was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

WLADYSLAWA PYTLAK JAROSZ

The bill (H.R. 7821) for the relief of Wladyslawa Pytlak Jarosz was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 919), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to provide for restoration of U.S. citizenship to Wladyslawa Pytlak Jarosz, which was lost by voting in a foreign political election.

ROY W. FICKEN

The bill (H.R. 8085) for the relief of Roy W. Ficken was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve Roy W. Ficken of Hayward, Calif., of liability to the United States in the amount of $7,941.60 representing the compensation received by him from February 9, 1961, to January 6, 1962, while employed at the Military Sea Transportation Service, San Francisco, Calif., on the basis of a subsequent determination that his employment was barred by the act of July 31, 1894 (5 U.S.C. 62). The bill would also authorize the refund of any amounts repaid or withheld by reason of this liability.

STATEMENT

The Department of the Navy is of the opinion that the proposed legislation has sufficient merit that the Department would interpose no objection to enactment.

The Comptroller General states that whether this case warrants "relief legislation is a matter of policy for determination by the Congress."

The Committee on the Judiciary of the House of Representatives reports the facts and circumstances surrounding this claim as follows:

"The Department of the Navy in its report to the committee on the bill, after reviewing the particular circumstances of the case, stated that it has no objection to its enactment.

"The amount stated in the bill, $7,941.60, is the total of amounts paid to Mr. Ficken for services to the Government as a civilian employee. He was employed by the Military Sea Transportation Service as an inspector and earned $3.25 an hour. In considering this matter the committee noted that the Government itself misled Mr. Ficken by indicating that while subject to the restrictions of section 212 of the act of June 30, 1932 (5 U.S.C. 59a, 47 Stat. 406, as amended), he was not subject to section 2 of the act of July 31, 1894, "the Dual Office Act" (5 U.S.C. 62, 28 Stat. 205, as amended). The Navy report itself details these facts for it states that:

"'It appears from the records of this Department that Mr. Ficken was approved for appointment through a misinterpretation of the multitude of decisions on the dual employment and dual compensation laws. The commander, Military Sea Transportation Service (Pacific), San Francisco, Calif. (COMSTSPAC) believed that Mr. Ficken was not subject to the dual employment law, the act of July 31, 1894 (5 U.S.C. 62), although he concluded Mr. Ficken was subject to the dual compensation law, the act of June 30, 1932 (5 U.S.C. 59a). Only after an exchange of communications with the Navy Finance Center did COMSTSPAC recognize that Mr. Ficken's appointment was a violation of the dual employment law. It is the opinion of this Department that Mr. Ficken did not knowingly contribute to the violation. A chronological history of the facts in this case follows:

"'"(a) On February 9, 1961, Mr. Ficken was appointed by COMSTSPAC as an inspector (ship's mechanical systems), $3.25 per hour, after having been advised that he was eligible for Federal employment, subject only to the dual compensation law.

"'"(b) On February 28, 1961, COMSTSPAC notified the Navy Finance Center, Cleveland, Ohio, of Mr. Ficken's employment. (Mr. Ficken was a Navy enlisted man from February 1934 to April 1945, and an officer from April 1945 until his retirement in April 1958.)

"'"(c) On December 4, 1961, COMSTSPAC notified the Navy Finance Center of a wage increase given Mr. Ficken.

"'"(d) On December 22, 1961, the Navy Finance Center notified COMSTSPAC that Mr. Ficken's employment was a violation of the dual employment law since he retired under 10 U.S.C. 6323. The Comptroller General has held, 35 COMPGEN 657, that persons retiring under the authority of section 6, act of February 21, 1946 (10 U.S.C. 6323) hold office within the meaning of the dual employment law, and thus are not eligible for Federal employment.

"'"(e) On March 16, 1962, Mr. Ficken's employment was terminated. As of this date he had received $7,813.26; pay for his last week of employment was withheld ($218.37), as was payment for accumulated leave ($444.81)."'

"The actual status of Mr. Ficken's employment was not clarified until the Navy Finance Center was called upon to make a further reduction in his retired pay because his hourly wage had been increased to $3.52 an hour and the Economy Act placed a ceiling upon the combined amount of civilian compensation and retired pay. There is, therefore, no question but the Navy was fully advised of Mr. Ficken's retired status. This is noted in the report of the General Accounting Office which states:

"'It appears that the Department of the Navy was aware of the possibility that Mr. Ficken's employment as a civilian might be prohibited by the 1894 act at the time he was employed, but that the Department erroneously determined that he was not subject to that prohibition. Thus, it appears that Mr. Ficken relied upon the Department's erroneous determination in accepting Federal employment.'

"The unfairness to this retired navyman is obvious. Not only did his reliance upon the Government work to his detriment, but the Government received the benefit of his services for more than 1 year and now is in the position of demanding that he refund the money he earned for those services. This places an unfair burden upon a man who acted in complete good faith. The committee recommends that the bill be amended to correct the amount shown in the bill to $7,941.60 as suggested by the General Accounting Office, and that the amended bill be considered favorably."

JOHN GEORGE KOSTANTOYANNIS

The bill (H.R. 8322) for the relief of John George Kostantoyannis was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 921), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant to the adopted son of a U.S. citizen the status of a second preference immigrant, which is the status normally enjoyed by the alien sons and daughters of citizens of the United States.

CERTAIN MEDICAL AND DENTAL OFFICERS OF THE AIR FORCE

The bill (H.R. 8507) for the relief of certain medical and dental officers of the Air Force was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 922), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to relieve certain medical and dental officers of the Air Force or former medical or dental officers of that service who were credited with an erroneous amount of service for pay purposes because of paragraph 5 of Personnel Orders No. 193 of the National Guard Bureau for any amounts received by them as a result of erroneous credit.

STATEMENT

The Department of the Air Force recommends the enactment of the bill.

The General Accounting Office advises the Congress that the question of whether relief should be granted is a matter for the determination of Congress.

In its favorable report on the bill the Committee on the Judiciary of the House of Representatives said:

"The provisions of this bill embody the recommendations of the Air Force which were sent to the committee in connection with a supplemental report on a private bill for an individual officer who was affected by the error referred to in the bill. The private bill, H.R. 1408, was the subject of a report by the Department of the Air Force dated April 30, 1963. That report detailed the history of the matter and noted that an investigation had disclosed that 15 other officers were affected in the same manner as the beneficiary of H.R. 1408. The Air Force indicated that it was preparing a suggested draft of legislation which would cover all 16 of the officers who were affected by the erroneous credit of service. The supplemental report was sent to the committee on September 4, 1963, and the draft enclosed with that report was introduced as H.R. 8507 as noted above.

"The case of the beneficiary of the private bill, H.R. 1408, Col. Theodore C. Marrs, U.S. Air Force, Medical Corps, illustrates the problem which would be corrected by the enactment of H.R. 8507. Colonel Marrs was commissioned in the Air Force Reserve as a major on March 28, 1953. He was designated as a medical officer, placed on extended active duty on January 11, 1954, and served on continuous active duty through January 10, 1956. He joined the Alabama Air National Guard on July 5, 1956, and was a member of that organization until September 30, 1961, when he was recalled to extended active duty with the Air Force on October 1, 1961, remaining in that status until August 31, 1962. On September 1, 1962, Colonel Marrs returned to duty as a member of the Alabama Air National Guard and on September 4, 1962, he was assigned to a 90-day tour of active duty with headquarters in Washington, D.C. At the present time, he is serving on extended active duty. During the entire period, he has been designated as a medical officer, entitled to the special pay authorized by section 302, title 37, United States Code (formerly sec. 203(b) of the Career Compensation Act of 1949, as amended (37 U.S.C. 234 (b)). Beginning in June 1958, he was also designated as a "flight surgeon" and entitled, when he met the basic requirements to incentive pay as a crewmember involving frequent and regular participation in aerial flights.

"At the time Colonel Marrs was commissioned in the Air Force Reserve, the law (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947 (61 Stat. 777)) authorized the President to make original appointments in commissioned grades from qualified civilian doctors of medicine. They were entitled to be credited, for purposes of promotion, with the minimum number of years service required in that grade. In addition, the Officer Personnel Act of 1947 (61 Stat. 892) provided that for purposes of determining grade, position on the promotion list, permanent grade seniority, and eligibility for promotion, each person appointed or commissioned an officer in the Medical Corps was entitled to credit of an amount of service equal to 4 years. No law authorized inclusion of 4 years' credit or credit granted for promotion purposes in the computation of creditable service for pay purposes.

"Public Law 497, 84th Congress, effective May 1, 1956, authorized the Secretary concerned to prescribe the amount of service credit to which a doctor, commissioned as medical officer, was entitled for purposes of determining lineal position, permanent grade, position on the promotion list, seniority in permanent grade, and eligibility for promotion. However, a doctor of medicine who had completed 1-year internship was entitled to not less than 5 years' creditable service for this purpose. This law also authorized 5 years' service credit for pay purposes for members designated as medical officers who had completed 1 year of medical internship.

"Under Air Force regulations, doctors commissioned in the Medical Corps were given credit for civilian professional service for promotion purposes but not for pay purposes. Entirely separate regulations applied in computing creditable service for pay purposes. Some time after he joined the Air National Guard, Colonel Marrs' service was computed to give him the benefits of Public Law 497. He was given credit for 4 years medical school; 1 year medical internship; 11 years, 6 months, 3 days professional service; and 2 years, 9 months, 13 days credit for prior service in the Air Force—a total of 19 years, 3 months, 16 days. Based on this computation his 'total years service' was established as March 19, 1937. This was erroneously announced as his 'pay date' by Personnel Orders No. 193, issued on October 4, 1957, by the National Guard Bureau, Washington, D.C. It was also published as his pay date in the National Guard registers for 1958, 1959, 1960, and 1961. Beginning in October 1957, his pay was based on a pay date of March 19, 1937.

"On September 4, 1962, Colonel Marrs reported to the Pentagon for a 90-day tour of active duty. At that time he visited the National Guard Bureau to verify the service credited to him for pay purposes. The National Guard Bureau showed him a copy of Personnel Orders No. 195, dated October 8, 1957, revoking the previous order (No. 193) which established Colonel Marrs' pay date as March 19, 1937. Colonel Marrs advised the National Guard Bureau he had never seen nor been aware of orders revoking the orders which established his pay date as March 19, 1937. Colonel Marrs discussed the matter with officials in the Department of the Air Force. No information could be located to substantiate the pay date of March 19, 1937, established by Personnel Orders No. 193. Neither could any information be located to establish that the Alabama Air National Guard had been furnished a copy of the orders revoking Personnel Orders No. 193.

After publication of Personnel Orders No. 193 (October 4, 1957, through September 19, 1961) he was paid by the National Guard on the basis of the erroneous pay date of March 19, 1937. This resulted in overpayments of basic pay and flight pay during this period which totaled $2,876.06. From September 19, 1961, through August 31, 1962, Colonel Marrs was paid by the Air Force. His basic pay and flight pay were based on the erroneous "pay date" established by Personnel Orders No. 193, published while he was a member of the Alabama Air National Guard. He was paid as a lieutenant colonel with 'over 24 years' service' when in fact he was entitled and should have been paid as a lieutenant colonel with 'over 12 years' service.' During this time he was overpaid a total of $2,592.66.

"The Department of the Air Force in its report to the committee on the private bill indicated that there are no administrative procedures under which Colonel Marrs can be relieved of the indebtedness. Of course, the same holds true as to the other similarly situated officers. The same order which covered Colonel Marrs also announced 'pay dates' for the following 15 medical and dental officers of the National Guard Bureau based, apparently, on the same formula used in computing the erroneous pay date for Colonel Marrs: Col. David A. McCoy, Col. William H. Beard, Col. Sam Lemkin, Col. Seymour B. Goston, Lt. Col. Louis M. Cuvillier, Maj. Frank J. Ditraglia, Capt. David Lewis, Capt. Lawrence V. Phillips, Capt. Alan E. Lowerstein, Capt. John F. Flood, Capt. John R. Vincent, Capt. Seth H. Barovich, Capt. Edward H. Brazell, Capt. Walter L. Washburn, and Capt. Earl L. Masters, Jr. A review of the pay accounts of the officers listed in paragraph 5 of Personnel Orders No. 193 was being made on the date of the supplemental report. No discrepancies were found in the pay accounts of 7 of the 16 officers, but the audit of the pay accounts of 4 of the officers had not been completed. The Air Force review of that date revealed that in addition to Colonel Marrs, four other officers were overpaid a total of $510.61. The total overpayments identified amounted to $5,881.25. While a small amount had been collected, collection action had not been initiated pending completion of the audit. The supplemental report together with the results of the review are set forth at the end of this report.

"In view of the technicalities evident in the history outlined above and the evident good faith of the officers concerned, this committee believes that this is an appropriate case for legislative relief. Clearly there is no recourse for these officers other than an appeal to the Congress. In view of the position of the Department of the Air Force that it has no objection to relief in this instance and the circumstances of the overpayment, this committee recommends that the bill be considered favorably."

BILL PASSED OVER

The bill (H.R. 4361) for the relief of the estate of Paul F. Ridge, was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

DEMETRIOS DOUSOPOULAS

The Senate proceeded to consider the bill (H.R. 7533) for the relief of Demetrios Dousopoulas, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 7, after the word "Act", to strike out the comma and "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose", and on page 2, line 1, after the word "That", to strike out the comma and "unless the beneficiary is entitled to care under chapter 55 of title 10 of the United States Code,".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

BILL PASSED OVER

The bill (S. 935) to protect the constitutional rights of certain individuals who are mentally ill, to provide for their care, treatment, and hospitalization, and for other purposes, was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT TO THE INTERNAL SECURITY ACT OF 1950

The Senate proceeded to consider the bill (H.R. 950) to amend the Internal Security Act of 1950, which had been reported from the Committee on the Judiciary, with an amendment, on page 5, after line 8, to insert:

> (c) Nothwithstanding section 133(d) of title 10, United States Code, any authority vested in the Secretary of Defense by subsection (a) may be delegated only to the Deputy Secretary of Defense or the Director of the National Security Agency, or both.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 926), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to establish a legislative base for enforcing a strict security standard for the employment and retention in employment of persons of the National Security Agency and to achieve maximum security for the activities of the Agency, to strengthen the capability of the Secretary of Defense and the Director of the National Security Agency and to provide for such by authorizing the Secretary of Defense summarily to terminate the employment of any officer or employee of the Agency wherever he considers that action to be in the interest of the United States, and by expressly excepting appointments to the Agency positions from the Civil Service Act of 1883 and from provisions of the Performance Rating Act of 1950.

STATEMENT

H.R. 950 has five main provisions:

1. It provides that no person shall be employed in, or detailed or assigned to the National Security Agency and given access to classified information unless such employment, detail or access is "clearly consistent with the national security." The power of Congress to legislate standards and qualifications for Federal employment is not without precedent. For example, section 145(b) of the Atomic Energy Act of 1946 prescribes security standards for employment in that Agency.

2. It prohibits the employment of any person in the Agency unless he or she has been cleared for access to classified information after a full field investigation. It is generally known that the activities and responsibilities of the National Security Agency are highly classified. In view of these responsibilities, strict security practices are an absolute necessity in the interest of our national security.

3. It provides for one or more boards of appraisal to be appointed by the Director of the Agency to assist him in discharging his personnel security responsibilities. Each member of such a board shall be specially qualified and trained for his duties as such a member. The Director will refer to such boards doubtful cases which, in his opinion, warrant further inquiry as to the suitability of the employee's appointment to, or retention in, employment. If this bill is enacted, no one at the National Security Agency may be given access to classified information contrary to the recommendations of these boards, unless the Secretary of Defense or his designee states in writing that such access is "in the national interest."

4. It gives to the Secretary of Defense in a limited class of cases the summary power,

when the national security requires such action, to terminate the employment of any employee of the Agency. The Secretary is to exercise this power only "in the interests of the United States" and after determining that procedures prescribed in other laws governing termination of Government service cannot be invoked "consistently with the national security." Such a determination by the Secretary shall be final. Such termination of employment, however, will not prevent the employee from seeking or accepting employment with any other department or agency of the United States if he or she is declared eligible for such employment by the U.S. Civil Service Commission.

It is not novel for Congress to legislate the power of summary dismissal. In fact, Congress granted this same power to the Director of the Central Intelligence Agency in the National Security Act of 1947. The responsibilities assigned to the National Security Agency are so great, and the consequences of error so devasting, that authority to deviate from a proposed uniform loyalty program for Federal employees should be granted to this Agency. This committee specifically approves and affirms the statement of the committee which handled this bill in the other body, that: "This grant of authority recognizes the principle that the responsibility for control of those persons who are to have access to highly classified information should be accompanied by commensurate authority to terminate their employment when their retention and continued access to extremely sensitive information is not clearly consistent with the national security."

5. The bill excepts appointments to the Agency from the provisions of the Civil Service Act of 1883 and from provisions of the Performance Rating Act of 1950. These exceptions are now administratively executed but it is deemed desirable to give statutory exemption to preclude the withdrawal of the authority. Other sensitive agencies are already excepted by statute from the requirement of similar disclosures.

It is to be recalled that in June 1960, Bernon F. Mitchell and William H. Martin, two employees of the National Security Agency who had access to top secret cryptologic information, defected to the Soviet Union. Shortly thereafter, the House Committee on Un-American Activities conducted an extensive investigation of the circumstances surrounding the defection, along with a detailed examination of the personnel security regulations and procedures in effect at the time of the defection, and of subsequent measures taken by the Agency to resolve any weaknesses in its procedures. A report of the investigation, "Security Practices in the National Security Agency—Defection of Bernon F. Mitchell and William H. Martin," was presented to the House of Representatives on August 13, 1962. As a result of the investigation and after hearings were held in executive session, at which appeared representatives of the Departments of Defense and Justice, the National Security Agency, and the Civil Service Commission, the then chairman of the House Committee on Un-American Activities, the late Francis E. Walter, introduced H.R. 12082, a bill identical in scope and purpose to that now under consideration, H.R. 950. Defense, Justice, and the National Security Agency all concurred in the necessity of such legislation. The Civil Service Commission voiced no objection to enactment of the bill.

In the light of overriding security considerations it was not, and is not deemed appropriate to set forth in detail the matters presented by the witnesses at the executive hearing referred to above. Congress was careful to provide, in section 6 of Public Law 36, 86th Congress, that no law shall be construed to require the disclosure of an activity or function of the Agency. This committee blieves it sufficient to say that all inquiries were met with the full cooperation of the witnesses.

H.R. 12082 passed the House on September 19, 1962. However, because of the lateness of the session, the Senate did not have time to act on the bill prior to adjournment of the 87th Congress. On January 9, 1963, shortly after the 88th Congress convened, Mr. Walter again introduced his proposal, the present H.R. 950. The bill passed in the House on May 9, 1963 by a vote of 340 to 40.

As recently as July 1963, it was announced that another former employee of the National Security Agency, Victor Norris Hamilton, had also defected to the Soviet Union. This latest defection illustrates once again the vital importance of early Senate action on H.R. 950. The committee believes that passage of the bill will plug the loopholes which made possible the employment of such individuals as Hamilton, Mitchell, and Martin by the National Security Agency.

AMENDMENT

The committee amendment is intended to insure that the Secretary of Defense will not delegate widely the authority granted to him to terminate the employment of an officer or employee of the Agency when he considers that action to be in the interest of the United States and determines that the procedures prescribed in other provisions of law that authorize termination of employment of that officer or employee cannot be invoked consistently with the national security. The amendment would confine any possible delegation of this authority to the Deputy Secretary of Defense or the Director of the National Security Agency, or both.

Text of the proposed amendment, which would be inserted in the bill at the end of section 303 on page 5, as a new subsection, is as follows: "(c) Notwithstanding section 133(d) of title 10, United States Code, any authority vested in the Secretary of Defense by subsection (a) may be delegated only to the Deputy Secretary of Defense or the Director of the National Security Agency, or both."

CLERK AND MARSHAL OF THE SUPREME COURT

The bill (H.R. 7235) to amend sections 671 and 672 of title 28, United States Code, relating to the Clerk and the Marshal of the Supreme Court was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 930), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of H.R. 7235 is to amend sections 671 and 672 of title 28, United States Code, to provide that henceforth the office of the Clerk of the Supreme Court of the United States shall be financed from appropriated funds rather than from the Court's fees and that the fees currently used to finance the Clerk's Office shall be paid into the Treasury of the United States. All offices of the Supreme Court, with the exception of the Clerk's Office, are paid by the Marshal of the Supreme Court from appropriated funds. H.R. 7235 would remove this exception and would authorize payment by the Marshal to the Clerk, his deputies, and employees.

A House amendment, approved by this committee, provides further that the Clerk of the Court will be required to certify the vouchers which he would forward to the Marshal for payment of the expenses of printing briefs and traveling expenses of attorneys who appear in behalf of persons whose motions to appear in forma pauperis in the Supreme Court have been approved and counsel has been appointed. This will provide the same procedure which the law requires for disbursement of costs regarding the librarian of the Court, which law requires certified vouchers by the librarian of the Court. In both of these instances the individuals—namely, the Clerk and the librarian—provide bond as required by the Court.

STATEMENT

The statutes covering the establishment and duties of the Clerk's Office are found in section 671 of the Judicial Code. Basically, the law provides that the Court may appoint and compensate a Clerk who shall be subject to removal by the Court. Provisions are included for the appointment of deputies and assistants, and for bonding the Clerk.

Subsection (c) of the statutes provides in part: "Compensation of the clerk, his deputies, assistants, and messengers, and the necessary expenses of his office shall be disbursed by the clerk from the fees collected by him, upon allowance and approval by the Chief Justice of the United States."

The provisions of section 672(c), authorizing the Marshal to pay salaries of the Court from appropriated funds, excludes the Clerk, his deputies and employees.

H.R. 7235 provides that section 671 (c) and (d) be amended to eliminate the provisions for the payment of salaries and expenses from fees and to provide that the Clerk be required to pay into the Treasury all moneys collected. In addition, the exception of the Clerk's Office from the Marshal's authority to pay salaries from appropriated funds would be eliminated. It is further provided that the Marshal be specifically authorized to pay the expenses and printing and travel in in forma pauperis cases. These expenses have been met for years from the Clerk's funds.

The amendments are to be effective only when appropriations become available, since otherwise the Clerk's Office would be without funds in the interim between the passage of the act and the passage of the appropriations.

Historically, since the Court was first established in 1790, the salaries and miscellaneous expenses of the Clerk's Office in the Supreme Court have been met from fees paid by litigants appearing before the Court and from admission fees paid by attorneys being admitted to practice. Until 1883, the funds received were treated as money belonging to the Clerk, and after paying his necessary expenses, he retained any surplus as his compensation. At the present time the law provides for payment into the Treasury of the United States of fees from litigants not utilized in running the Clerk's Office and the Clerk and his assistants are compensated on the basis of salaries fixed by the Court or by the Chief Justice.

The expense of operating the Clerk's Office has increased over the years, by reason of a general increase in expenses in line with the reduced purchasing power of the dollar, by reason of salary increases equivalent to those granted by Congress to Government personnel generally, and by reason of a greatly increased volume of work. Insofar as the increased workload has paid for itself in increased fees, no problem is created, but a very large part of the increased workload has taken the form of in forma pauperis cases which have paid no fees and have imposed an ever-increasing burden on the Clerk's Office. The number of individual cases in this category has increased from

526 new cases filed in the 1952 term to 1,414 in the 1962 term just ended. All of these factors together have resulted in an increase in the total expense of the Clerk's Office from $130,000 in 1952 to $227,000 in 1963.

The steadily increasing cost of operating the Clerk's Office in the past has been met in two ways. First, the Court from time to time has adjusted its fee schedule to meet increased costs. The last general increase in Court fees took place in 1950 and the last adjustment in the fee for admission, now $25, took place in 1943. Second, there has been a steadily increasing number of attorneys seeking admission and the funds from these admissions have in part, at least, met the vastly increased expenses of handling in forma pauperis cases. Total revenues of the office had increased from $127,000 in 1953 to $198,000 in 1963.

Since revenues have not kept pace with expenses, the Clerk's Office has incurred deficits in 4 out of the last 5 years. In the last fiscal year this deficit amounted to $29,000. It is clear that the office cannot continue on its present method of financing without increasing its fees materially.

In recent years the practice of financing public services through a fee system has practically disappeared from operations of the Federal Government. By and large, governmental services are today financed by general taxation rather than by special fees imposed on the persons affected. This is true of the Federal courts generally, where, although fees are charged, they are not relied upon to support the clerical activities with the exception, of course, of the Clerk's Office of the Supreme Court.

The Supreme Court is reluctant to adjust its fee schedule upward sufficiently to continue the Clerk's Office on a self-sustaining basis. There is a conviction that justice should be dispensed equally to the rich and the poor alike and that to raise fees substantially might impose a deterrent on persons of limited means seeking justice in the Supreme Court. Paupers can be taken care of, though, at the expense of other litigants, but the problem is far greater with respect to persons of moderate means. In this respect the Judicial Conference of the United States has made every effort not to increase the court fees in the Federal court system, generally.

The justification for the proposed legislation is, therefore, that it is good policy to follow the current governmental trend of financing public services by general taxation rather than by special fees imposed upon the individuals concerned since to increase the fees sufficiently to provide for the future solvency of the Clerk's Office might well impose such costs on litigants that the rich would receive a preference in the administration of justice in the Supreme Court. The administration of justice is a public benefit and its costs should be met by the public.

COST

It is estimated that on the basis of current costs in the Clerk's Office an appropriation of about $250,000 a year will be necessary. However, the net cost for the U.S. Treasury would be much less. The income of the Clerk's Office in the past 5 years has varied between $160,000 and $233,000 so that it can be anticipated that the net cost to the Government would amount to only about $50,000 to $60,000 a year. However, it should be anticipated that this figure will increase in the future since the salary costs of the Clerk's Office, in line with those of other Government services, will rise from year to year.

OPERATING COSTS

Following is a table showing the costs of operating the office of the Clerk of the Supreme Court for fiscal years 1953 through 1962:

Statutory fund	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
Salaries [1]	$96,924	$98,594	$97,199	$112,273	$130,096	$146,117	$157,117	$168,610	$193,050	$193,276
Supplies [2]	7,172	6,930	11,391	13,244	11,291	10,670	16,483	18,428	22,997	19,817
Expenses	104,096	105,524	108,590	125,517	141,387	156,787	173,600	187,038	216,047	213,093

[1] Includes agency contribution for retirement, health, and life insurance.

[2] Includes printing, telephone, travel, repairs, equipment, furnishings, and postage.

VIEWS OF THE CHIEF JUSTICE

A letter from the Honorable Earl Warren, Chief Justice of the United States, to Senator OLIN D. JOHNSTON, chairman of the Committee on Post Office and Civil Service, with regard to H.R. 7235 follows:

SUPREME COURT OF THE UNITED STATES,
Washington, D.C., February 27, 1964.

Hon. OLIN D. JOHNSTON,
Chairman, Senate Committee on Post Office and Civil Service, New Senate Office Building, Washington, D.C.

DEAR SENATOR JOHNSTON: In view of the reference to your committee on H.R. 7235, a bill to amend the provisions of the Judiciary Act relating to the Clerk of the Supreme Court, I wish to advise you that the Court is of the opinion that the bill is a desirable one and should be enacted into law.

The purpose of this legislation is to change the practice under which the Clerk's Office has been financed out of court fees and to provide that these fees be paid into the Treasury and the Clerk's expenses be met out of appropriated funds. The occasion for the change is that increasing costs, due in part to the burden of in forma pauperis cases, have made it necessary either to increase the Court's fees or to change the law. The Court was reluctant to increase the cost of litigating before it and believed that it was more consistent with present legislative policy to finance public service out of general funds raised by taxation than by a fee system. It, therefore, requested the pending legislation.

I refer you to the report of the House Committee on the Judiciary for a statment of the details of the legislation. If the bill is enacted, the Court would continue to follow its established practice of compensating personnel in the Clerk's Office on the same salary classifications established for the Federal civil service.

I shall be glad to provide any further information you may desire and I have requested the Clerk to make himself available to you for that purpose.

Verly truly yours,

EARL WARREN.

The ACTING PRESIDENT pro tempore. Is there further morning business?

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

Mr. LAUSCHE. Mr. President, there has been a great deal of talk about the purpose to reduce the cost of Government so as to justify the tax cut that was made. Yesterday I had occasion to read the testimony given on the cotton bill, and I read the comments made by the Senator from Louisiana [Mr. ELLENDER] concerning the purpose of subsidizing the processors of cotton in the United States in an amount equal to the difference between what cotton is being sold for in our country and what it is being sold for in the world markets. I find that this is a new program of subsidy. It will cost $312 million. I wish to read for a moment remarks made by the Senator from Louisiana [Mr. ELLENDER]:

> We used 8,600,000 bales of cotton at home without a subsidy such as we have on the export of cotton. It is now proposed to subsidize on the same basis the cotton sold domestically which is at the rate of $30 a bale, or at a total cost of $258 million.

This cost of $258 million results from a completely new program not heretofore in force. The cost of the export subsidies under existing law in 1964 will be $54 million; thus bringing this part of the cotton subsidy program up to $312 million.

I cannot see it. In the past year, 600,000 bales of cotton were reflected in the manufactured cotton products sent by foreign countries into the United States. The domestic processor is complaining that foreign-made cotton commodities have been sent into our country in an amount totaling 600,000 bales and, therefore, these domestic——

The ACTING PRESIDENT pro tempore. The time of the Senator from Ohio has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Ohio may proceed for 2 additional minutes.

The ACTING PRESIDENT pro tempore. The Senator from Ohio is recognized for 2 additional minutes.

Mr. LAUSCHE. Therefore, it is suggested that domestic processors be subsidized not only on the basis of the 600,000 bales that are being converted into manufactured goods in foreign countries, but also on the 8,600,000 bales which have been normally used in the United States.

These processors have a rich market in our country. We are living in an era of abundance. They have no trouble selling the products made from the 8,600,000 bales. They are selling these products at a price that produces a profit. But, that is not enough; they now wish to be subsidized to the full quantity of 9,700,000 bales, at a cost of $312 million.

Mr. President, I respectfully submit that this is an example of profligacy. It will set the example whereby other domestic producers, using other raw materials, will be asking Congress for a subsidy; and I suppose, because of the way Congress has acted in the past, it will give them what they want. Congress will keep on giving until the time comes when the whole management collapses.

Mr. TALMADGE. Mr. President, will the Senator from Ohio yield at that point?

Mr. LAUSCHE. I yield.

Mr. TALMADGE. I hold in my hand a letter dated February 24, 1964, signed by Orville Freeman, the Secretary of Agriculture, in response to an inquiry of mine about the cost of the present program and the cost if the Senate committee version becomes law.

I point out to the Senator from Ohio that the Secretary of Agriculture estimates that under present legislation, if it continues in full force and effect, even if the price is reduced by 2.47 cents per pound, in accordance with the ideas of the able Senator from Louisiana, the cost under his program would be $452 million for the year 1964–65; whereas the cost under the Senate committee version would be $4 million less, or $448 million. For the fiscal year 1965–66——

The ACTING PRESIDENT pro tempore. The time of the Senator from Ohio has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Georgia may proceed for an additional 2 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Georgia is recognized for 2 additional minutes.

Mr. TALMADGE. Under the Senate bill, the cost would be $514 million. Under the program as advanced by the Senator from Louisiana, it would be $521 million. For the year 1966–67, the cost under the Senate committee version would be $509 million; whereas the cost under the program advanced by the Senator from Louisiana would be $607 million. For the year 1967–68, the cost under the Senate bill would be $489 million; whereas the cost under the program advanced by the Senator from Louisiana would be $681 million.

I should like to point out that while the cost would be increased under the program advanced by the Senator from Louisiana, the CCC stocks will likewise be going up.

The bill reported by the Senate Committee on Agriculture and Forestry is not what I would consider an ideal bill by any means. It is patching up existing law.

I would change the program. If I had the votes, I would pay the subsidy to the farmers, and to the farmers only. This bill does not provide for that, so it does not comport with my ideas, but I believe it is a better alternative than the existing law.

Mr. LAUSCHE. The Senator from Georgia is discussing a subject different from the one that I am talking about. The Senator is talking about the entire bill. I am pointing out that it is proposed to provide a subsidy not to the farmer, but to some processor, vendor, or purchaser in the line of processing. To me it is very simple, that at no time have we done this before. We are entering into a program which by itself, separate and apart from the entire bill, will cost $312 million. I am talking about a new subsidy, and that is to the processor. That is the complaint I make. I have constantly stated that once we begin to give a subsidy, we give it to one and that creates a problem with another; and when we give it to another, it then creates a problem with a third and then a fourth, a situation which produces an unending train of problems. We never catch up. That is what the bill would do.

Mr. TALMADGE. The Senator was referring of course, only to the subsidy on cotton.

Mr. LAUSCHE. The Senator is correct.

Mr. TALMADGE. Whereas this proposal refers to the entire cotton bill, not to the wheat bill. I should like to point out to the Senator from Ohio that those engaged in the manufacture of textiles desire the right to buy American cotton at the same price at which we now sell American cotton to every other country on the face of the earth except America.

In addition, what Public Law 480 is giving away or selling is local currency——

The ACTING PRESIDENT pro tempore. The time of the Senator from Georgia has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Georgia may proceed for 2 additional minutes.

The ACTING PRESIDENT pro tempore. The Senator from Georgia is recognized for 2 additional minutes.

Mr. TALMADGE. We lend money back to the country involved with little or no prospect of ever recovering the $117 million worth of cotton a year. Any subsidy paid to the textile industry will be received by the American consumers because the textile industry is so competitive that it would have to be passed along.

Mr. LAUSCHE. Mr. President, will the Senator from Georgia yield for a question?

Mr. TALMADGE. I am happy to yield, provided I have sufficient time.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Georgia may proceed for 2 additional minutes.

The ACTING PRESIDENT pro tempore. The Senator from Georgia is recognized for 2 additional minutes.

Mr. LAUSCHE. Mr. President, on the basis of the bill as it is drafted, the Senator from Georgia says it will cost more than the existing law.

Mr. TALMADGE. No; it will cost less.

Mr. LAUSCHE. Is it not a fact that if the Senator from Georgia is correct, and the subsidy to the processor should be eliminated, we should have a further saving or a further lessening of the cost by $312 million?

Mr. TALMADGE. If we eliminated that aspect, of course it would reduce the price somewhat; but I point out to the Senator that the cotton bill was devised after consideration of all phases of the industry—the producers, the Department of Agriculture, those employed in the mills, those engaged in the processing, and those who ordinarily are engaged in selling. This perhaps was the only bill that the majority of the committee could get behind and support.

If we do not pass the proposed legislation, the CCC stocks will increase from the present 7,700,000 bales to about 11 million on August 1 of this year, and to 14,250,000 bales at the end of 1966.

Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point a letter addressed to me by the Secretary of Agriculture, together with comparative tables.

There being no objection, the letter and tables were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, February 24, 1964.

Hon. HERMAN E. TALMADGE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR TALMADGE: In response to your request, we are furnishing a comparison of estimated expenditures and program results for 4 years under the following alternative modifications of the cotton provisions of H.R. 6196, as amended by the Senate Committee on Agriculture and Forestry:

Alternative 1: H.R. 6196 as amended by Senate committee, but without the trade incentive payments on cotton used domestically.

Alternative 2: Current legislation with 30-cent price support (basis Middling inch).

The data are set out in summary fashion in the attached table. These data take into account changes in production and utilization that would result from price changes. The expenditure estimates take into account changes in Commodity Credit Corporation inventory position. Programs that result in reducing CCC inventory also reduce program expenditures. Conversely, programs that permit continued buildups in CCC inventory increase program expenditures. In other words, existing inventories can be used to reduce the program costs which would otherwise be incurred, and these estimates recognize that they would be so used in a program which achieves stock reductions. Under a program permitting continued increases in excessive stocks, additional inventories would be of doubtful ultimate value and would certainly add to the immediate burden of initial acquisition expenditures, storage costs, and other carrying charges.

Some of the more significant results indicated by the data in the attached table are as follows:

Alternative 1: Since the effective price for domestic use would be 6½ cents a pound higher than under the committee amendment, domestic consumption would be less; and the gap would widen from year to year. Accordingly, the drawdown in inventories would be less, although substantial drawdowns would be achieved through operation of the domestic allotment choice plan.

The difference in expenditures between this alternative and the committee amendment represents the cost of achieving a one-price plan for cotton. In 1964, this would be $105 million, allowing for a nonrecurring inventory shift from CCC to private stocks. In 1965, without this inventory shift, the difference in expenditures would be greater; but after that it would be narrowed again so that the added expenditures for completely eliminating the 6½-cent adverse differential for domestic users would be only $69 million for the 1967 crop.

Alternative 2: This alternative would not prevent further increases in excessive CCC stocks. As these increases continued, program expenditures would also increase until in fiscal 1967–68, expenditures would be $192 million higher than under the committee amendment.

In each case, it should be pointed out that the estimates of farm income are gross farm income rather than net farm income. With the domestic allotment choice as provided in the committee amendment, total cotton production and gross receipts will be somewhat less than under current legislation, but net farm income—almost by definition—will be significantly larger. This follows since the domestic allotment choice would be a completely voluntary one, and presumably no farmer would make this choice unless it increased his net income. Under the choice, the farmer would not only save on production expenses applicable to cotton, but would, in many cases, gain considerable net income from other crops which he could plant in lieu of cotton.

Sincerely yours,

Orville L. Freeman.

Comparison of program results under alternative changes in H.R. 6196 as amended by Senate committee

Fiscal year	H.R. 6196 as amended by Senate committee	H.R. 6196 as amended by Senate committee but without trade incentive payment [1]	Current legislation with 30-cent price support
PRODUCTION (THOUSAND BALES)			
1964	12,850	12,850	14,200
1965	13,000	13,000	14,600
1966	13,200	13,200	15,000
1967	13,400	13,400	15,400
DOMESTIC CONSUMPTION (THOUSAND BALES)			
1964	9,600	8,850	8,850
1965	9,600	8,850	8,850
1966	9,800	8,750	8,750
1967	10,000	8,750	8,750
ENDING CCC STOCKS (THOUSAND BALES)			
1964	7,700	8,950	10,300
1965	6,200	8,200	11,150
1966	4,700	7,750	12,500
1967	3,100	7,500	14,250
FARM INCOME (MILLION DOLLARS)			
1964	1,997	1,997	2,094
1965	2,019	2,019	2,153
1966	2,047	2,047	2,212
1967	2,073	2,073	2,271
EXPENDITURES (MILLION DOLLARS)			
1964–65	448	343	452
1965–66	514	356	521
1966–67	509	395	607
1967–68	489	420	681

[1] For the purpose of comparability, the same export market production is assumed under this proposal as under the committee amendment; however, this amount of export production would not be permitted under the language of the committee bill for the 1965 and succeeding crops.

Mr. LAUSCHE. Mr. President, I hope that the Secretary of Agriculture in 1964 is right, having in mind that Secretaries have been wrong for the last 30 years, each year, practically, predicting what the subsidy program would do.

PHYSICAL FITNESS AND THE SPECIAL MILK PROGRAM

Mr. AIKEN. Mr. President, we hear much about physical fitness these days, but probably no program in our history has contributed more to the physical welfare of our youth than the special milk program that was launched 10 years ago.

Although this program was first authorized in 1954 by a Republican Congress under former President Eisenhower, it has enjoyed bipartisan support since its inception; among its most enthusiastic supporters being the senior Senator from Montana [Mr. Mansfield] and the senior Senator from Minnesota [Mr. Humphrey] as well as all the Republican leadership.

It is a youth program of incalculable value. Those who have sponsored it and those who have been responsible for its success in local communities all over the Nation deserve special commendation in this 10th anniversary year.

The reason for the program is simple and direct—to increase the consumption of fluid whole milk by schoolchildren.

This policy was set forth in the Agricultural Act of 1954 in these words:

> The production and use of abundant supplies of high quality milk and dairy products are essential to the health and general welfare of the Nation * * * it is the policy of Congress to assure a stabilized annual production of adequate supplies of milk and dairy products and to promote the increased use of these foods.

Congress also wrote into the same law a section authorizing a 2-year program "to increase the consumption of fluid milk by children in nonprofit schools of high school age and under" and provided that up to $50 million annually of Commodity Credit Corporation funds should be used for this purpose.

A basic aim of the program has been to lower the price of milk to children who can afford to pay something and to provide it free of charge to those who cannot pay. In line with this, a system of reimbursement payments has been developed to enable schools and other participating agencies to sell milk at a reduced price.

Under this plan, they receive up to 3 cents reimbursement for every half pint served.

The program took hold immediately in 1954 because the need for this important diet supplement was apparent from the beginning.

In 1956 the program was expanded to include a variety of organizations such as nursery schools, summer camps, and settlement houses.

The 1954 appropriation was only $17.2 million but the demand for this vital Federal cooperative program rose in such a spectacular way that the 1955–56 appropriation jumped to $45.8 million.

I have a table which expresses the consumption of milk in millions of pounds, shows the growth of this program year by year:

The table shows that from 1954 the program has grown from 49 million pounds to 1,500 million pounds in 1963.

I ask unanimous consent that the table be printed in the Record at this point in my remarks.

There being no objection, the table was ordered to be printed in the Record, as follows:

	Million pounds
1954	49
1955	489
1956	840
1957	984
1958	1,108
1959	1,210
1960	1,304
1961	1,351
1962	1,371
1963	1,500

Mr. AIKEN. Mr. President, the fact that we are now appropriating $100 million annually to provide more than 1.5 billion pounds of milk for schoolchildren, institutions, and other child-care activities clearly shows how much this program means in terms of practical human nutrition.

Expressed another way, the 1963 consumption of milk under this program was more than 2.7 billion half pints.

By next June 30, the end of fiscal year 1964, it is expected the figure will rise to 2.9 billion half pints served in 92,000 school and child-care activities.

Over the entire 10-year period this quantity totals 10.2 billion pounds, or almost 20 billion half pints of milk that have been distributed to our young people.

These statistics add up to an imposing contribution to the physical fitness of our young people and, aside from the widespread national benefits, these growing children have been introduced to the need for milk in their diet.

This will, of course, have long-term implications in terms of better health.

RACIAL DISCRIMINATION AND OPPRESSION

Mr. INOUYE. Mr. President, I have just received a concurrent resolution from the House of Representatives, State of Hawaii, which I would like to have made a part of the Record. It expresses a position which is generally held among the citizens of the 50th State of Hawaii.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas our Nation was founded on the concept of equal rights for all; and

Whereas racial discrimination and oppression has resulted in depriving a significant segment of our Nation of their equal rights; and

Whereas this racial discrimination and oppression has caused and will cause great dissension, discord, and disturbance throughout our Nation; and

Whereas the elimination of this racial discrimination and oppression would strengthen our Nation and improve our image abroad; and

Whereas the various States in our Nation have been unwilling or unable to eliminate this racial discrimination and oppression; and

Whereas civil rights legislation presently before Congress would aid in the elimination of this racial discrimination and oppression: Now, therefore, be it

Resolved by the House of Representatives of the Second Legislature of the State of Hawaii, Budget Session of 1964 (the senate concurring), That the Congress of the United States be and it is hereby respectfully requested to enact the civil rights legislation before it; and be it further

Resolved, That duly certified copies of this concurrent resolution be sent to the President pro tempore of the Senate, Speaker of the House of Representatives, and to the Honorable DANIEL K. INOUYE and the Honorable HIRAM L. FONG, U.S. Senators from the State of Hawaii, and to the Honorable THOMAS P. GILL and the Honorable SPARK M. MATSUNAGA, U.S. Representatives from the State of Hawaii.

ELMER F. CRAVALHO,
Speaker, House of Representatives.
NELSON K. DOI,
President of the Senate.

SPORT IS EDUCATION

Mr. MUNDT. Mr. President, during this year when Olympic games are in progress, people around the world are watching the contests between the young athletes. Those who have watched the televising of the contests have been struck, I am sure, by the spirit of friendly competition which has prevailed.

In the January issue of the Courier, which is published by the United Nations Educational, Scientific, and Cultural Organization, there is a reprint of remarks by René Maheu, Director General of UNESCO, under the title, "Sport Is Education." In this article, the impact of sports on international understanding and good will is strongly emphasized. I believe that it is important for people everywhere to realize the value such competition has, and to envision the means which are available for increased understanding and appreciation of other peoples through friendly competitive sports in which our young people engage in the Olympics.

I ask unanimous consent to have these remarks by René Maheu printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SPORT IS EDUCATION

(By René Maheu)

For the revival of the Olympic games we have to thank Pierre de Coubertin who, in 1892 when he was barely 30 years of age, launched the idea during the jubilee of the Union of French Athletic Clubs. Two years later the revival was officially proclaimed at the Sorbonne in Paris, and the first Olympic games of modern times took place in Athens in 1896.

"Why did I revive the Olympic games?" said Coubertin. "To dignify and invigorate sport, to make it independent and durable and thus better fitted for its educational role in the world today; to honor the individual athlete because of his real value to the community as a stimulus to physical exercise and to exalt feats that encourage a healthy competitive spirit."

Coubertin reiterated these ideas, though in more developed form, in "The Philosophical Bases of Modern Olympics," a message which he broadcast from Berlin in August 1935, a year before the 11th Olympic games.

If, on this occasion, Coubertin was perhaps somewhat too ambitious in claiming that modern Olympics should be considered as first and foremost a religion, the reason was his own fervor. But the other ideas in his Olympic philosophy form a logical and compact whole of lasting value which the most lucid minds should make a point of studying.

Olympics, said Coubertin, postulate the existence and assembly of an elite of athletes, an elite whose ranks are open to anyone able to meet a single condition—superiority in sport. The process of selecting this elite itself implies a broad democratization of sport; and, conversely, the accomplishments of the elite help to popularize sport among the mass of the people.

Indeed, in a now familiar axiom, Pierre de Coubertin declared: "If 100 people are to take up physical culture, 50 must already be engaged in sport; if 50 are to practice sport there must be 20 who specialize; if 20 are to specialize there must be 5 capable of superlative feats."

Coubertin affirms too that we have nothing to fear from these superlative feats, but that, on the contrary, it would be utopian to try to saddle athletics with a code of compulsory moderation. Athletes must have absolute freedom to overstep all bounds. That is why they were given the vigorous motto, citius, altius, fortius—ever faster, higher, and stronger, "the motto of those bold enough to challenge existing records," in other words to thrust back the bounds of the hitherto unattainable.

NEED FOR A CAREFUL REAPPRAISAL

The moral conduct of athletes must be equal to the standard of their performance in the field. Pierre de Coubertin asks them to constitute an "order of chivalry" which scrupulously observes a code of honour based on fairplay. He counts on the Olympic games to bring this home so strongly that not only will the example be followed at all sports meetings—international, national and local—but the spectators too will feel its impact.

For Coubertin the idea of a truce was also an important aspect of the Olympics. He saw it as a modern evocation of the sacred truce of antiquity, established by Iphitos, King of Elis, in agreement with Lycurgus, which for nearly 12 centuries was respected at Olympia, so that all quarrels, misunderstandings, factions and hatreds cease during the games. The alliance of enthusiasm with the spirit of fairplay found in competitive sports opens, in natural consequence, the way to mutual respect and understanding and to friendship itself. "Hatred and violence," said Coubertin, "are attributes of the fainthearted."

Sport is indeed an order of chivalry, combining honour and a code of ethics and esthetics, recruiting its members from all classes and all peoples, mingling them in concord and friendship throughout the length and breadth of the entire world.

Sport is also a truce. In our technological way of life, ruled by an inexorable law of toil, in which we are only what we have, and have only what we earn, sport is the hallowed pastime, a princely gift to enrich our hours of leisure. In an era of antagonisms and conflicts dominated by the drive for power and by pride, it is the respite of the gods in which fair competition ends in respect and friendship.

Sport, too, is education, the most concrete and the truest kind of education—that of character. Sport is knowledge because it is only by patient study and self-revelation that a sportsman can go from strength to strength.

Sport is culture because the transient movements it traces in time and space—for nothing but the sheer pleasure of doing so, as Plato has it—illuminate with dramatic meaning the essential and therefore the deepest and widest values of different peoples and of the human race itself; it is culture, too, because it creates beauty, and above all for those who usually have the least opportunity to feast upon it.

If there is one unchanging factor in Coubertin's humanistic concept of sport, from the Paris proclamation in 1894—his profession of faith—right down to the Berlin message of 1935—his testament—it is undeniably the dual belief that sport is democratic and international by nature and vocation. Half a century of extraordinary development in sport has shown how right he was on both these points: His words have come true and his spirit has triumphed.

But is it a betrayal of his memory to point out that this confirmation and triumph have come about in conditions which call for a careful reappraisal, and even a bold revision of certain ideas or practices that he originated? I personally do not think so; I feel that he, with his remarkable openmindedness, would be the first to undertake the necessary reappraisals.

On the first point—the democratization of sport—does anyone nowadays not see and realize that this democratization, the conditions of urban life and, of course, the raising of the level of athletic performance, have profoundly altered the conditions in which the athletic elite is selected?

The famous axiom remains true: Sport needs its champions. But, unless the circumstances are exceptional, it is no longer true, as it was in Coubertin's day, that the champion can emerge, train, establish himself and give the full measure of his potentialities—which is properly not only his individual vocation but also his role in society—in that state of independence of, and indifference to, the economic contingencies—or rather necessities—of ordinary life which confers what is called amateur status, and which at the time Pierre de Coubertin no doubt considered essential to the spirit of the Olympic games.

Though amateurism is the right thing for the general run of those who practice sports, to try to make amateur status obligatory for the elite of the sports world means—with certain exceptions that prove the rule—imposing falsehood on that title. In this respect, we must be honest enough to admit that the ethical concepts of Pierre de Coubertin relate to a social situation and a stage in the technical development of sport which are now out of date.

Nor were they those of Ancient Greece, for apart from the fact that the democracies of antiquity secured leisure for their citizens at the price of slave labor, the Olympic victors were what we today should call state athletes. The social conditions and sports technique which gave Pierre de Coubertin his frame of reference were those of his time—of Victorian England and, in general, of the middle-class Europe of the early decades of this century.

Today it is practically impossible for the champion to emerge from the rank and file of sportsmen unless special arrangements are made for him to become a state athlete or a university athlete or an athlete sponsored by some commercial firm. Strictly speaking, he is no longer really an amateur at all.

Why should we be so reluctant to admit that he is a professional? Is an artist—a painter, musician, or writer—disqualified because he receives a fee? Why should we think that money (or some equivalent material gain) dishonors athletic champions when it does not dishonor poets?

In point of fact, it is falsehood that dishonors; and it is the high time, in my opinion, to admit what everyone knows to be the truth; that most champions and budding champions at best observe only the strict letter of the outmoded standards of amateur status.

The problem of the champion and the future champion is not whether or not they are professionals. The real problem, in practical and social terms, is that while practicing sport for a few years as a virtual profession, they must at the same time learn another for the not far distant day when they will no longer be physically able to keep up the championship standard. This difficulty is a very real one and deserves the fullest and most considerate study. Nor will it be easier to reach a fair solution if we deny the obvious fact that the champion is obliged to live the life of a professional athlete.

This is what I wished to say about the first point; namely, the democratization of sport and the training of its elites. As for the second point—internationalism—no one will be surprised, I imagine, that for UNESCO this is a matter of vital importance. Here again we must have the courage to look squarely at the facts and say frankly what we see.

Sport has, of course, developed on an extraordinarily wide scale. It is probably the aspect of modern life which is most widely encountered throughout the world—the only one, perhaps, which is common to both industrialized communities and developing countries. It is also, in a steadily increasing degree, one of the most vigorous forces in international relations. There are few international exchanges, encounters, or contacts which arose so much mass feeling as sports events.

But though it is becoming more and more international in fact, is present-day sport truly international in spirit, as Coubertin thought and wished it to be? There are, unfortunately, plenty of reasons to doubt that it is. In point of fact, nationalism, chauvinism and even racism are more and more apt to win—or should we say lose?—the day in international sports events. The passions and emotions that these events arouse and that are amplified and broadcast to the four corners of the earth by the powerful modern mass media of the press, radio, television, and cinema, are but rarely inspired, it must be acknowledged, by the ancient moral law and social virtues once presided over by Zeus Philios, god of friendship. It is high time to act if we wish to prevent the Altas of Olympia from degenerating into the Roman circus or the hippodrome of Byzantium.

Let my meaning be clear. I am not suggesting that we should try to curb the emotional appeal of the sport event, which has become the great popular drama of our time. This would be absurd, and for that matter, impossible. One of the functions of such events, and certainly among the most salutary, is the same, though at a much higher degree of intensity, as that assigned by Aristotle to all drama: the well-known catharsis, the purging of passions and instincts. Nor can there be any question of trying to deprive the athlete of the admiration he receives, especially from his fellow countrymen. Like any other form of excellence, athletic feats deserve to be admired, and it is natural for those who have most in common with the victorious athlete to feel this unquestionably fine sentiment more strongly than others.

But just as no sports contest can fail to stimulate the desire for victory, so none can be without rules and ethics. It is these rules and the ethics which inspire them that distinguish sport from the savage struggle for life whose name is war. It is compliance with these norms that transforms a feat into a virtue, and since these norms are by definition universal, it follows that although the feat may be ascribed to a given country, the virtue itself belongs to man.

What is more barbaric than this identification of the public with the champion, this appropriation by a nation of the victory won by an individual or by a team? These flags, these anthems, these banner headlines in the newspapers, screaming "We Won" or "National Defeat," must surely seem to us a monstrous exaggeration of the spontaneous reactions of the crowd, even a shameful exploitation of its most generous impulses. In any case, this is the opposite of catharsis: it is nothing less than a return to a primitive outlook.

I think the time has come for an energetic reaction, including the abandonment of certain practices which have become part and parcel of the Olympic games, either with the consent of Coubertin—such as the singing of national anthems—or in spite of him—such as the classifications by nations, which, as we know, is not officially recognized. Only in this way can we hope to restore sport, and by this I mean sport as a whole including athletes, organizers, and spectators, to its international vocation of promoting friendship among the peoples.

Is this too much to ask? I am certain that Coubertin would be the first to denounce the deviations from his creation and the chauvinistic exploitations of it. In 1935 writing about international sports events, he affirmed: "We must reach the stage where applause on such occasions—and with even greater reason at the Olympic games—is given purely for the feats themselves, to the exclusion of any national preference. There should be a truce to all exclusively national feelings; these shoud be, as it were, temporarily suspended."

GOVERNMENT CONTROL OF PRIVATE PROPERTY

Mr. TALMADGE. Mr. President, the concept of private property as we know it today would be destroyed by the public accommodations section of the so-called civil rights bill now pending before the Senate.

Private property would be turned into public property without due process of law or just compensation. Government action would be substituted for private action. Freedom of private businessmen to operate their own establishments would be broken under the heavy hand of Government by injunction.

Mr. President, the Chicago Tribune in a splendid editorial on February 20 pointed out that there is no legal justification whatsoever for the enactment of this legislation. It cannot be found in any tortured interpretation of the commerce clause, and the U.S. Supreme Court has clearly spoken out on the right of the private individual to act according to his own free will, without Government interference. As we have so often heard before, this is the law of the land, but now we are being asked to ignore it.

I think this editorial merits the attention of all Members of this body and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONSENT BY INJUNCTION

When a man has emerged from slavery, and by the aid of beneficient legislation has shaken off the inseparable concomitants of that state, there must be some stage in the progress of his elevation when he takes the rank of a mere citizen and ceases to be the special favorite of the laws, and when his rights, as a citizen or a man, are to be protected in the ordinary modes by which other men's rights are protected. (Mr. Justice Bradley, for the Supreme Court in the civil rights decision of Oct. 15, 1883.)

The second title in the Civil Rights Act of 1964, now before the Senate, is "Injunctive Relief Against Discrimination in Places of Public Accommodation." What the section endeavors to do is to compel private business of almost every sort to serve all comers. An injunction may be issued against a proprietor refusing to do so. If he still refuses to comply, he may be fined or jailed for contempt of court.

Covered specifically by the legislation are "any" inn, hotel, motel, lodginghouse, restaurant, cafeteria, lunchroom, lunch counter, soda fountain, moviehouse, theater, concert hall, sports arena, stadium, place of exhibition or entertainment, gasoline station, retail establishment selling food or refreshments, and any other establishment within a building providing any of these services. An exception is made of lodginghouses with not more than five rooms for rent if the proprietor lives on the premises.

Authors of the bill justify this sweeping regulation under the commerce clause of article I of the Constitution and also under the 14th amendment. The first empowers Congress "to regulate commerce among the several States." The second authorizes Congress to enact appropriate legislation prohibiting the States from denying to any person within their jurisdiction the equal protection of the laws.

How is it argued that serving a hot dog at a hamburger stand can, in the language of the bill, affect commerce? The plate, the cutlery, the paper napkin, the hot dog itself, or the mustard applied to it may have moved to the hamburger stand from another State. Q.E.D.

But, accepting even this tortured construction, how does this impose a requirement that the counterman serve a customer? Until now regulation of commerce pertained to carriers moving goods, to the goods themselves, and the conditions under which the goods were manufactured. Only public utilities operating under franchise were burdened by Federal law with a requirement to serve.

We suppose that the answer is that the commerce clause was dragged in as an additional grapple because the administration is aware that in the "public accommodation" section it is reviving a statute passed by Congress in 1875 which, resting solely on the 14th amendment, was struck down as unconstitutional by an unreversed Supreme Court decision of 1883.

As stated, the 14th amendment is again invoked. It applies if discrimination or segregation "is supported by State action" or is carried on "under color of any law, statute, ordinance, or regulation, or * * * of any custom or usage required or enforced by officials of the State" or its political subdivisions.

But what is State action? As the Supreme Court has many times conceded, the 14th amendment does not run against acts of an individual, whether uncharitable, discriminatory, or wrongful. But here the rationale apparently is to stretch the theory of "State action" by contending that a food, beverage, or lodginghouse license transforms the proprietor of the establishment into an agent of the State. If the State itself does not press the operator to discriminate, what other device is there to invoke if he chooses to turn away a customer?

If the commerce clause can be used to justify purely local regulation, and if the 14th amendment can be invoked against individuals in the control of their property under some attenuated theory of State action, then we suppose it is no less logical that title II should insert the principle of discrimination in a measure that outlaws the principle. It does so in the exemption of small lodginghouses.

SENATOR RUSSELL ON "FACE THE NATION": REVEALS CIVIL RIGHTS BILL AS UNCONSTITUTIONAL AND UNWARRANTED

Mr. TALMADGE. Mr. President, my distinguished colleague and beloved friend, the senior Senator from Georgia, Dick Russell, appeared on the CBS national program, "Face the Nation," and revealed the so-called civil rights bill now pending before Congress for what it really is.

He showed that this bill, instead of guaranteeing anyone their civil rights, would destroy the rights and liberties of all of our people, particularly private businessmen, to live and work as they wish.

In an eloquent and statesmanlike manner, Senator Russell stated his unqualified opposition to this vicious legislation, and expressed concern over the fact that if the American people really knew it in all of its evil ramifications, they too would rise and make themselves heard. However, they do not know the facts, and now we are presented with the severest threat to our republican form of government in this century.

I am proud to be associated with Senator Russell in this effort to preserve constitutional government and the freedom of our citizens. I urge all Senators to carefully heed the warning of Senator Russell and join us in seeking the defeat of this bill.

Mr. President, I ask unanimous consent that this transcript of Senator Russell's be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

Transcript From "Face the Nation"

(As broadcast over the CBS television network and the CBS radio network, Sunday, March 1, 12:30, 1 p.m.)

Guest: The Honorable Richard B. Russell, U.S. Senate, Democrat, of Georgia.

News correspondents: Paul Niven, CBS News; E. W. Kenworthy, New York Times; Roger Mudd, CBS News. Producers: Prentiss Childs and Ellen Wadley. Director: Robert Vitarelli.

Announcer. From Washington, D.C., Senator Richard B. Russell, Democrat, of Georgia, will face the Nation in a live, spontaneous, and unrehearsed news interview.

Senator Russell will be questioned by CBS News Correspondent Roger Mudd; E. W. Kenworthy, Capitol Hill correspondent of the New York Times.

To lead the questioning, here is CBS News Correspondent Paul Niven.

Mr. Niven. Senator Russell, welcome to "Face the Nation."

After 31 years you have served longer than any other incumbent Senator except Carl Hayden. You wield vast influence as chairman of the Armed Services Committee, as chairman of the Appropriations Subcommittee on Defense, and as the undisputed leader of the southern bloc.

Right now, you are preparing for a battle against the toughest civil rights bill you have ever faced. You, more than any other Senator, will decide upon what kind of filibuster will be waged and what kind of a compromise, if any, is to be worked out.

We have questions on civil rights, on politics, and on defense, Senator, and we will begin in just a moment.

At his news conference yesterday, President Johnson said he was standing on a strong House version of the civil rights bill.

Senator Russell, can you imagine any scaled-down version of the bill which the administration could accept in which the South would wage a token rather than an all-out filibuster against?

Senator Russell. It is very difficult to see any room whatever for what might be called a compromise, and that is what you really mean, Mr. Niven.

It seems to me that we are just about to come to a state where it will be necessary for us to fight this bill to the bitter end. I do not think that the advocates of the bill are prepared to give any quarter, and if they are able to put this bill on the books it will be over our last-ditch resistance, but we will then see just how it will work, just the impact it will have upon our institutions of government.

Mr. Kenworthy. Well, Senator Russell, Senator Dirksen has suggested that there might be voluntary compliance with the public accommodations section for at least a year or two, and then if this didn't produce results then you might turn to legal compulsion.

Would you agree with that, perhaps?

Senator Russell. Well, I'm familiar with Senator Dirksen's amendment. I doubt very much it appeals very strongly to either the all-out advocates or the opponents of this bill.

Personally, the public accommodations section, as severe as it is, is not the worst provision of this bill. There are at least two that I think are much more damaging to our system and would cause a much more violent reaction throughout the country if they are fairly enforced all over the country.

Mr. Kenworthy. What are those?

Senator Russell. Well, the provision for some bureaucrat to repeal any act of Congress even back to the land-grant college bill that he saw fit, with respect to any area or section of the Nation, if he found that there was any discrimination on account of race. And "discrimination" is not defined in the bill.

In the last analysis, that would be what he decided. It's a complete abdication of legislative responsibility, and I cannot conceive of any person who thinks that Congress is an equal and coordinate branch of the Government voting for any such provision.

The other is the so-called FEPC bill, which creates a new commission, and, incidentally, in this age of economy this bill creates about three commissions, new commissions, and adds hundreds of employees to existing organizations of Government.

This bill is a bureaucrat's dream answered.

Mr. Mudd. Senator, you have been through the civil rights wars on three occasions with our new President when he was the majority leader——

Senator Russell. More than that.

Mr. Mudd. Well, more than that, and you know how he operates and you know his strengths and weaknesses.

Do you think that his great ability to compromise, when he was majority leader of the Senate—do you think he still possesses those abilities?

Do you think he is ready to compromise to get a bill through?

Senator Russell. Well, I don't know, of course, what the President thinks, but viewing it from a purely political standpoint, I would say that I would expect the President to feel that he can't afford to compromise.

Of course, President Kennedy could have lost this bill completely, or in large part, and no one of those who are affected directly by it would have held it against President Kennedy.

I think President Johnson feels if he loses any substantial part of it, that it will cast all of his statements in support of it in doubt as to their sincerity, and they will just say, well, here this slicker from the Southwest or the West or the South, or wherever you want to place Texas, has taken us down the garden path.

That really makes it a much more difficult position as to any possible compromise than there would have been had President Kennedy not met his tragic fate.

Mr. Mudd. What is your prediction on the outcome of this bill, Senator Russell?

Senator Russell. I'm not making any predictions because I do not know.

If the American people ever understand the full import of this bill there is no doubt in my mind it would be overwhelmingly rejected. This bill is a massive blow at our whole system of government.

It denies the division of powers between the three branches. It upsets the system of checks and balances that protect us in all of our liberties, and the unfortunate feature about it all is that the only thing that is talked about is "filibuster." They say the filibuster. You read that in the press and you listen to it on the radio and television. "Filibuster" is a little more sensational than a dry dissertation on the unconstitutional aspects of this bill, but if the American people can really understand what is in this bill they would reject it.

Everybody is for civil rights. Everybody wants larger, better, brighter, happier civil rights, but this is not a civil rights bill. It is far from it.

Mr. Niven. Senator, during the House debate it was widely reported that while a bipartisan pro-civil-rights bloc was disciplined and united and effective the Southerners were restrained and halfhearted.

Was this a fair comment and are things going to be different in the Senate?

Senator Russell. Well, I wouldn't undertake to pass judgment on what happened in the House, but I can assure you that some of the southerners in the Senate will not be restrained in their comment.

I shall discuss the vices of this bill in as vigorous language as is available to me, and let me say, in passing, that I think it is very unfortunate that the opposition to this bill is all called southern opposition.

If this bill passes, when the historian of the future comes to write the history of this period and analyze what happened to bring down the American way of life and the American system of government, he is going to wonder why it was only the people from the South who appeared interested in maintaining our constitutional system. It's very unfortunate that the opposition to this bill is considered purely southern, though I confess that the representatives of other sections are in the main supporting the bill.

Mr. Kenworthy. Senator, haven't you really just opened up an area for possible compromise.

You said there were two sections that were worse than the public accommodations section, the FEPC and that section which would allow the Federal Government to withhold funds where there was discrimination.

Now, couldn't you probably, if you had some adjustment on those two sections, reach some sort of adjustment or accommodation on the rest?

Senator Russell. Well, Mr. Kenworthy, I am not in either the position or in the mood to discuss compromise at this juncture. I'm still hoping that we will be able to get the vices of this bill across to the American people.

I realize that it's going to be an uphill battle, but if we do, I think that we can defeat this bill in its totality. There's some civil rights aspect of this bill, some of those having to do with the voting provisions—I don't think that they are necessary today.

There are ample laws on the books. We passed very wide extensions of voting power in 1957 and in 1960 and it seems to me that the Department of Justice is just trying to do automatically by law what they are supposed to do in the courts of this land, and that's the tragedy of all of this.

We have the courts here to maintain the civil rights and constitutional rights of every one of our citizens without going to the great lengths that are required in this bill and by vesting such enormous power in the Attorney General.

He's practically made a guardian of all of American business and all of American local government.

Mr. Mudd. Senator, what happens if—just what happens if the filibuster is broken?

What happens to the southern political position in the Congress? This is one of your great weapons, along with seniority.

Now, will the southern position erode overnight if they can break your extended debate, as you like to call it?

Senator Russell. Mr. Mudd, although the filibuster is considered purely a weapon of southern Members of Congress it has been used by every group in the Congress.

You yourself have seen in the last 3 or 4 years it used by a group of leftwing liberals. It's not solely a southern weapon. It's a weapon that is available for a minority in the Senate who feel that they are justified in resorting to extreme efforts to get their position across to the country.

Cloture was voted on the so-called communications satellite bill (in 1962). If the Senate votes cloture on this bill it will indicate that they will pass the bill, and I don't think that we will be any worse off than the rest of the country. Misery loves company but it'll be mighty poor satisfaction to me to see the rest of the country also being affected by changes in our system, and this FEPC bill absolutely excludes the average garden variety of American from any opportunity whatever of utilizing any law to get a job or to get a promotion because if he's not a member of one of these minority groups defined in the bill he's through.

And by the time the employer has been dragged through the courts about three times by one of the minority groups, whether he wins his case or loses it, he's not going to hire the average garden variety of American and get himself put in court, because business people just do not like to spend all of their time in court.

That FEPC bill levels a tremendous blow at the employment opportunities and promotion opportunities of the average garden variety American that can't claim he's associated with one of these minorities and has a right to hale the businessman into court, and there will be a feeling of tremendous resentment over a period of a very few years in the operation of that bill, because all of the promotions and all the employment decisions—if there is any close issue involved at all—will go in favor of the minority groups, that have the right, and who will, hale these businessmen or employers into courts, under charges that he's discriminating.

That section is as highly discriminatory against the average American as anything that has ever taken place in this country that has been oppressive to a minority group.

Mr. Kenworthy. But, Senator, you will remember that the FEPC wasn't in the original bill that went up last June.

Senator Russell. No; it did not. This bill is much wider in scope than President Kennedy ever indicated. It has had a great many additions.

Of course, take your "genocide" clause that permits you to deny Government benefits to a large section of the country. It's not necessarily a local, county or State. You could do it to half of the States at one time, or three-fourths of them.

Now, when President Kennedy was first asked about that, he said that he didn't think any President had that right, nor did he believe that the president should have that right.

Mr. Kenworthy. Why do you think it was put in, then?

Senator Russell. Because of the political pressures that are operating. There has never been as effective a lobby maintained in the city of Washington as there is today. It's a variated lobby.

We have a number of well-meaning citizens, particularly men of the cloth, who are here and are using that approach. You have these pressure leaders of the minority groups that are here with their threats and implications of violence in the streets here in Washington, and they are carrying on violence in other cities.

I fear for the future of this country when I see where a campaign of civil disobedience can be used by men in high office as a reason for urging enactment of legislation.

Mr. Kenworthy. But, Senator, you just mentioned "men of the cloth."

Is this something different now than obtained in 1957 and in 1960?

Senator Russell. Oh, yes, indeed. The advocates of this bill are much more highly organized and much more high strung emotionally than they were then.

I must say that only the emotional aspects of this issue have been presented to the American people, and they have not had an opportunity to sit down and think about it.

That's a queer thing that all the polls you see say that the people are in favor of civil rights, but you go in that same community and submit to them the question of the housing order and they will reject it 4 to 1.

That happened in Tacoma, Wash., where under the polls they voted overwhelmingly in favor of civil rights, and I say we are all for civil rights. I am. But when it came down to saying that a man didn't have freedom to exercise his own choice in renting or selling his home, they rejected it 4 to 1.

The same thing will be true on any of these other issues. The people don't know what's in this bill.

Mr. Niven. Senator Russell——

Senator Russell. They are for civil rights, but they are not for what's in this bill when it is applied to them.

Mr. Niven. Senator Russell, in a recent speech you praised President Johnson very extensively. You have also said that if the election were held today you think he would carry your State.

When you say things like this don't you weaken a little bit your bargaining power in the civil rights debate?

Senator Russell. Well, I may, Mr. Niven, but I have, unfortunately all my life have just said what I thought and what I believed.

I found out early, when I was first elected to the legislature in my State in 1920 it was much easier to say what you think than it was continuing to be trying to think about what you said and to keep it coordinated. I said that and I believe it.

I think that President Johnson is an extremely able man. I think that if the election were held today in my State that he would carry Georgia. I still think that.

Mr. Mudd. Why is that, Senator Russell? Here's a man—you described him as a southwesterner or a westerner. Do southerners——

Senator Russell. I said you could have Texas in the South, too. I didn't——

Mr. Mudd. Do southerners truly think he is southern? Why is it that he continues to talk publicly tougher on civil rights than John Kennedy ever did? Why is it that the southerners are inclined to trust him more?

Senator Russell I don't know what the situation will be in November. I think that the President's outspoken position behind this bill, which I insist is not a civil rights bill, has cost him some political strength. I don't think he's as strong down South as he was 5 days after he took office. I still think he would carry the State though as of today.

Mr. Kenworthy. Senator, do you think that if he persists in his support of the civil rights bill as it is that he will weaken himself greatly before November, in the South?

Senator Russell. Well, that's a speculative question and a great many imponderables will determine that, Mr. Kenworthy. The ultimate outcome of the bill and a number of other things would enter into that and I wouldn't want to get in a guessing game predicated on a great many suppositions. As President Roosevelt said, that's a rather "iffy" question.

Mr. Kenworthy. Well, let me ask you, Senator Russell, that if the Catholic Church and the National Council of Churches are behind the bill, as they weren't in an organized way before, would this possibly have any effect in a campaign year on certain Senators from small Western States whether they voted for cloture or not, do you think?

Senator Russell. I don't think—well, I didn't mean to leave the impression about the National Council of Churches. They have been in favor of all legislation of this type and a great deal of very extreme legislation in the economic fields, too, that would be very injurious to our system and would dry up the very means of their income and their wealth, and our churches are today wealthier than they have ever been in all of their history.

I think the Council of Churches has been behind this legislation nominally, at least the heads of it, ever since I can remember, but when you go down and talk to the people who compose the congregations you find it somewhat different.

In other words, the members of the churches in my own State are as representative of our people who say "I speak for 40 million church members," but I know they aren't speaking for a great many of them, including me, a humble sinner, in one of them, and it's more at the top than it is throughout the church.

Of course, these preachers are men who boast of their high ideals, and they do have high ideals and noble principles, but sometimes they are very impractical.

Mr. Niven. Senator, would the President carry your State if his running mate was Robert Kennedy?

Senator Russell. Well, that's an iffy question and I wouldn't want to pass on that. I don't think though that the Vice President would necessarily determine the outcome of the election, though of course Robert Kennedy is not a popular figure in my State.

Mr. Niven. You don't think he would cost Mr. Johnson a great number of votes?

Senator Russell. Yes, he would cost him some votes but I don't know that it would cost him enough to lose the State if other conditions caused the people to support the

President because as unpopular as any individual may be I don't know of any instance anywhere where the vice-presidential nominee, however popular or unpopular he might have been, has really determined an election. Well, I say that—and yet the last election proved me wrong because if Johnson had not been on the ticket, why, Kennedy probably would not have won, but in my State I don't think it would do it.

Mr. Mudd. Senator, how much reordering of your own political outlook must be required by what must be—by what you must consider to be a political upheaval in Georgia with the Supreme Court reapportionment decision, the election of a Negro as a State senator?

Senator Russell. Well, there has been a decided change in my State, Mr. Mudd. I mean—people are reevaluating various issues.

As far as the Supreme Court decision in the county unit cases are concerned, I don't think that affects me. I have been very fortunate and every time I have been a candidate I got a very substantial popular vote majority as well as the county unit vote. But personally I think that the county unit issue has been exaggerated though it had gotten to a stage where one man's vote was much less than another in some of the—in some of the counties.

But there is undoubtedly an increase in sentiment in my State in favor of civil rights legislation.

My people are not immune from brainwashing. A great many of them have been brainwashed and they have forgotten the first constitutional principles and have failed to see the dangers of passing legislation under threat of demonstrations.

Mr. Niven. Senator, I have to interrupt at this point. You have many other interests besides civil rights and we have some questions on defense. We will get to them in a moment.

* * * * *

Mr. Niven. Senator Russell, the President yesterday took the secrecy wraps off a previously highly classified interceptor plane. Were you distressed that this was made public?

Senator Russell. No, sir; I can't say that I was. This plane—I have followed it with great interest, of course, by virtue of my position. I have been privy to all of the facts relating to its development since it was started in either 1958 or 1959.

And I thought the time had come to announce the existence of this plane, because you couldn't keep it secret much longer, with 11 or 12 of them flying in the airways. Eventually it would have been seen—I think perhaps it was better to make a public statement about it rather than be put on the defense of explaining it after it was seen and questions were asked about it. Of course, a great deal still can't be told about it. Much of it is still highly classified.

Mr. Mudd. What do you mean, 11 or 12 flying in the airways? What are they doing up there, testing or on missions or what?

Senator Russell. They are testing. I do not think any of them have actually been put into the inventory of the Air Force yet, though some of them are in shape to. It is a remarkable plane and they have been conducting a wide series of tests that will apply not only to interceptor planes but to almost any other kind of planes, reconnaissance, passenger planes, commercial planes. There are many entirely new developments in the art in this plane that have not appeared in any other airplane.

Mr. Kenworthy. Senator, I noticed that you took out $40 million that the House voted for a new plane and that the Air Force wanted, but that the administration did not want.

Did you take out that $40 million because you knew about this plane?

Senator Russell. Yes, sir; I did. That plane—that $40 million was put in the bill for work on research and development on an improved manned interceptor and here we have got this plane already in the flying stage. It is in the test and evaluation stage. It is long since past research and development, and I saw no necessity for putting the $40 million in there because the Department would not have spent it.

Mr. Kenworthy. What did the Air Force ask for it for?

Senator Russell. Well, I can't answer that question. I don't know the circumstances under which the request was made. I just didn't think it was necessary, under the circumstances.

We might see a little further in this plane.

Mr. Mudd. Senator, do you have any intention of resigning your position on the Warren Commission that is now investigating the assassination?

Senator Russell. Well, I would be less than honest if I didn't say that I had been sorely tempted to two or three times, Mr. Mudd, for a number of reasons. It's not necessary to go into all of them. The principal one is that I just haven't had the time and there are not enough hours in the day to attend to all the committee work I have and my responsibilities as a Senator, and also to attend all the hearings on that Commission. And I never have liked to do anything I didn't feel I could do reasonably well, and while I have kept up with the work of this Commission, I have faithfully read every line of testimony. There have been times that I have thought about resigning, but I have no intention now——

Mr. Mudd. You do not?

Senator Russell (continuing). Of resigning. I am going to stay on there to the very best of my ability, and undertake to see that all of the facts with regard to this great tragedy are made available to the American people.

Of course, it's wholly possible that we will never be able to get to the real truth.

Mr. Niven. Senator Russell, thank you very much for being here on "Face the Nation."

THE BURDEN OF TURNING BACK COMMUNIST POWER

Mr. THURMOND. Mr. President, I have been very impressed with an excellent article in the March 1964 issue of the Reader's Digest entitled "The Dangerous Game of 'Let's Pretend.'" The article is written by Mr. Allen Drury, the author of "Advise and Consent," "A Shade of Difference," and "A Senate Journal." The theme of this outstanding article, Mr. President, is that our Nation cannot avoid the burden that history has placed upon us, of facing up to and turning back Communist power wherever it tries to advance. The article further makes the point that the risk of war is not a sufficient reason for refusing to consider the realities of the protracted conflict forced on us by the forces of world communism.

I ask unanimous consent, Mr. President, that this article be printed in the Record at the conclusion of these remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Dangerous Game of "Let's Pretend"

(By Allen Drury)

The United States is in many ways the most powerful nation on earth. Its people enjoy a way of life which, despite shortcomings, gives them generally a more comfortable and rewarding society than that of any other people. Its supremely human form of government stumbles and blunders, yet has repeatedly proved—most recently in the smooth transition of power after the tragic murder of its President—to be one of the strongest, most stable governments history has ever known.

Yet there has developed in this land in recent years a grave and crippling hypnosis whose outward signs are easy words and comfortable slogans, a dangerous rationalizing, a determined glossing over of unpleasant truths. It induces in those who suffer from it the fateful notion that, if you pretend long enough and hard enough that certain things are not so, they will miraculously become not so.

"Let's Pretend" was once a game that children played. Now, unhappily, grown men play it, and even base upon it policies of great nations, thereby throwing away bit by bit the world of stable foundation they might have if they were honest enough to face the cold reality of the world as it is. This applies to almost every problem that confronts us.

From X to Z. Do we recognize, for instance, that a truly safe disarmament treaty requires adequate inspection? Why, of course we do. But see how it goes.

In year A, we demand X number of inspections. Our opponent shouts and says "No." Instead of saying firmly, "We're sorry, this is it," in year B we narrow the demand down to Y inspections. This doesn't make our opponent happy, either. So in year C we reduce our position still further, to Z number of inspections. And presently, when it suits our opponent's purposes to conclude in 2 weeks a nuclear test-ban treaty he has been deliberately holding up for 7 years, we find ourselves, just as he has told us all along we would, down to no inspections.

The tragic thing about this performance is not that our resolution has failed us, not that we have given up the only sensible position, but that, in the process of becoming somewhat more unsafe, we have managed to convince ourselves we are still safe. We have managed, both as a people and as a Government, to rationalize retreat into advance, defeat into victory. And by just so much have we moved further toward our opponent's candidly declared objective—our own destruction as a free people.

Whittled down: There is southeast Asia. We know quite well that our position there is being whittled away. It is shaky in Laos, equivocal in South Vietnam, desperate in Cambodia. We know this. But we pretend it isn't so. We pretend, and quite sincerely, that we are being stanch, standing firm, and that we will take a stand. The problem is that, by the time we do, the platform on which we take our stand may very well have been whittled down to nothing at all.

And there is Cuba. In our heart of hearts we know that the spectacle of a great nation accepting the lifting of a piece of tarpaulin on a ship at sea as proof of a pledge kept by a hostile power is a genuinely pathetic sight. But somehow we manage to convince ourselves that an opponent we know we cannot trust (for we have caught him secretively trying to put nuclear missiles in our backyard) has suddenly become trustworthy, that we were right to abandon our demand for the on-site U.N. inspection.

And in the same fashion, we think, or we guess, that 3,000, or 6,000, or 10,000 Soviet troops have been removed. Eventually we come to believe this, and once again we have managed to convince ourselves that surrender of our position has made us stronger.

NICE PEOPLE?

Even more fundamentally, there is the nature of our opponent. We had in Dallas a graphic demonstration of what our opponent's philosophy can do to a twisted mind grown sick upon it. Communism has been spreading hatred and violence for almost 50 years. Yet despite steadily mounting evidence of its nature, there have been many Americans, some in very influential positions, who have desperately pretended that the Communist conspiracy is just a nice group of misguided people with whom we can get along if we keep treating them with decency—a decency they cannot understand and do not respect.

The record clearly shows that these are not nice people. They are not going to be persuaded by soft words and gentle approaches. They can be persuaded only by superior strength and the determination to use it if necessary—as President Kennedy proved in the initial showdown in Cuba. Yet there are Americans, even now, who pretend that if we just continue retreating before the Communists we will, by moving backward, somehow move forward toward a genuine and stable peace.

So it goes in other matters. There is the United Nations. We know it is in desperate straits.[1] We know we are probably the only power with sufficient dedication to it, and sufficient financial leverage upon it, to force a revision of its policies so that it can truly lead the world to peace. And yet, rather than face the facts, many of us pretend that, if we just claim vehemently enough that the U.N. is perfect, it will somehow become so.

Such is the American attitude, baffling to our allies, self-defeating to us.

RISK OF WAR

There must sometimes come, for all of us, the staggering realization that our pretense of "Things are really going all right" just isn't true. Why then do we do it? One reason is the wistful hope that all bad things will go away. A more fundamental reason is fear—the fear of having to do something about a given difficulty confronting the country, if you once admit candidly that it exists.

On many occasions in recent years, a familiar little drama has occurred. A Senator or a Representative or a member of the administration is under questioning by reporters on matters affecting foreign affairs. Sooner or later the guest advocates some strong course of action. Then: "Senator," he is asked in a hushed, disbelieving tone of voice, "do you mean you would really do that, even at the risk of war?"

And such an awesome place does this question hold in the national legendry that 9 times out of 10, instead of saying bluntly what his own intention and national integrity demand—which is "Yes"—the legislator ducks and dodges and weasels and equivocates. His interrogator retires triumphant.

That "risk of war" is a favorite bugaboo, no one can deny. It gives great support and impetus to Let's Pretend. But examine it for a moment.

War today is horrible beyond concept—at least the kind of war we all assume would come in a major showdown between the free world and the slave, obliterating in one fiery instant all that we hold dear. But does that make the principles of freemen any less valid? If it does, then why don't we give up right now? Why don't we abandon the biggest pretense of all—that there is anything worthwhile in freedom, anything worth saving of this Republic which has been handed down to us to preserve and pass along? If we are so afraid of the consequences of being true to our heritage and our country, why not forget about it right now, and save all this wear and tear on the national budget and our own nervous systems?

To state the proposition thus is to demonstrate at once its absurdity. Of course we are not going to give up. Of course we are not going to abandon our principles and our country.

If we wish to keep this life—with all its liberties and freedoms—we must be prepared to give it up. If we wish to live, we must be ready to die. Only by being unafraid of war can we avoid war. And being unafraid of war does not mean feeling no worry or terror about it. The citizen who did not feel thus would be a fool indeed. It means being able to accept that fear and go on from there, with the courage expressed in a little-used verse of the national anthem: "Then conquer we must, when our cause it is just."

RIGHT IS RIGHT

Of course, no sane person wants war. But, by the same token, we cannot let ourselves be bamboozled into believing that war is indeed the only alternative to surrender—that a firm, steady, unyielding, unbelligerent policy will lead inevitably to disaster. Almost more than anything else, we have to fear the idea that there is no way open to us, with all our power and infinite resources, to combat our opponent without bringing on all-out nuclear war—and that therefore we must close off discussion of other ideas and not try to develop them as cogently and effectively as we can.

The imperative first step in this latter process is to banish another contention, that there are no answers to the world's major problems—that there are, to use the parrot phrase, "no permanent solutions," and we should, therefore, stop trying to find any. As with the fear of war, this argument can be used to paralyze all action and defeat all attempts at constructive thought. It can be used to justify doing nothing, particularly if what must be done carries with it the risk of war.

These two ideas are the most powerful weapons of today's "do-nothing party"; those who say we can't expect a solution in Berlin, or expect to eliminate the Soviets from Cuba, or stand firm for a truly safe disarmament treaty, or do anything, in fact, that entails any risk—because (1) there are no permanent solutions, and (2) it may mean war. If this policy is followed long enough, there will be one permanent solution—with or without war—the elimination of the United State as a free republic and a factor in world affairs.

We must seek solutions as though we really mean to find them, because that is the job history has given us, however much we may wish it had not. It is the job of saving freedom, as we have saved it before and as we are going to save it now, for the simplest and most commanding of reasons—because what is right is right. If we are committed to the support of right, as the United States is by history, and by choice, then it does not matter how many horrors may be threatened or how many fearful weapons may be waved in our face by Nikita Khrushchev. We have to defend the right, and that is all there is to it.

If we do not, we lose all self-respect, all honor, all decency. We also, in this happy 20th century, lose our safety, our liberty, our democracy, and our lives.

A TIDE-TURN MOMENT

We must be brave enough to look at the world as it is, and do the things necessary to set it on a course that truly leads to peace. There were a couple of weeks in October 1962, for instance, when we were brave like this—but where has it gone now? Dissipated on the winds of a billion words, vanished down the hallways of timorous compromise, and unnecessary concession. There was a moment when we had the world united behind us—not just the free world but, one suspects, behind their jailers' backs the peoples of the slave world as well—in the great hope that we had at last turned the tide and were really going to start leading the earth up the long hill toward sanity and peace.

But we took one step—and stopped, at the moment when we had our opponent on the run, at the moment when we should have insisted, calmly but with absolute firmness, that unless U.N. inspection in Cuba was started at once, we were coming in * * * that unless Soviet troops were removed at once, we were coming in * * * that unless a revision of positions all around the world was undertaken, we were coming in. We stopped. And now, of course, when such proposals are made, there comes the cry, "You don't want a war, do you?"

Well, right now, of course, these voices may be right. The world's support has been lost, the hemisphere's support has been fragmented, the Soviet Union, having tested us with lifted tarpaulins and solemn promises, has concluded that the United States was once again just talking big. To insist upon these things in Cuba, as of this moment, might mean war.

But we should not forget, for these international crises are matters of timing, that if that October's moment had been seized and made the most of, we would really have turned the tide. We let the chance slip. But who knows when such a moment may come again?

NO CARELESS INCH

We should not be belligerent—we should simply be firm. We should be willing to negotiate with the Communists any time, any place, on any subject—but we should not be the only ones to grant the concessions and make the retreats. We should insist, without the slightest yielding, on every single right that is ours. We should never seek agreement just for the sake of having an agreement. We should agree only if by agreeing we strengthen the free world and advance the cause of freedom. And we should never, under any circumstances, give them the careless inch which with them always becomes the irrecoverable mile.

We don't have to talk tough. We just have to be tough. Every single time we give a hint of it, the Communists switch course and try some other tack; the last thing they want is an all-out frontal showdown. That is why it seems so fantastic that we should so consistently argue ourselves out of the unflinching firmness which may well be our only salvation.

It is true that firmness carries with it the possibility of great risks. But weakness carries with it the certainty of national suicide. Our opponents are not playing let's pretend. They are playing for keeps. It is time we began to play in the same spirit.

Let us take heart therefore. The passage is long and dark, but at its end the light gleams out. It awaits the brave. So let us be.

Let us achieve, finally, in all the areas of conflict where history demands of us that we show our true colors, that just and honorable peace for which our hearts, in common with those of all mankind, cry out.

GOV. JOHN REYNOLDS' GREAT FIGHT FOR EQUAL VOTE IN WISCONSIN

Mr. PROXMIRE. Mr. President, one of the many reasons we take pride in Wisconsin is because of the record our State has made in providing an opportunity that is very difficult to achieve in an era of shifting population: an equal vote for all the citizens of our State in the State legislature and the election of Members to the House of Representatives.

In Wisconsin this is as difficult as it it is in any State because we have had a dramatic and drastic move of our population from the northern part of our State into the southern and especially the southeastern section, and from the farms and into the cities and especially the suburbs.

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[1] See "U Thant—Inscrutable Shepherd of the U.N.," p. 63.

Recently I told the Senate about the great job our Governor and State legislature had achieved in providing the best congressional reapportionment of any of the 50 States with a variation from ideal in the size of our congressional districts of only about 3½ percent. That is, the biggest district is only 3½ percent bigger than the ideal size, the smallest is only about 3½ percent smaller than a perfect size.

Now, Mr. President, under the steady pressure of our Governor, John Reynolds, and his brilliant counsel, Attorney Roland Day, of Madison, Wisconsin has accomplished an even more difficult feat. It has persuaded the Wisconsin State Supreme Court to assert in a recent decision that the State legislature must reapportion itself to provide equal votes for all citizens or the court will conduct the redistricting itself.

The Wisconsin court acted unanimously. To show it meant business it gave the legislature until only May 1 to get the job done.

Mr. President, in a nation in which gerrymandered and grossly underrepresented legislative districts are a commonplace, this is a remarkable achievement.

And the lion's share of the credit must go to the Governor of Wisconsin, John Reynolds, who has struggled for this goal literally for years.

As the Milwaukee Journal said March 1:

> The decision is a tremendous victory for Gov. John Reynolds personally. It is directly the result of his own zealous and singleminded crusade for correct districting, begun 3 years ago when he was attorney general. It was this not least that had made him enemies in the legislature.

Mr. President, I ask unanimous consent that this editorial from the Milwaukee Journal be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GREAT DAY FOR EQUAL VOTES

> The State supreme court, by unanimous decision, has now laid it right on the line to the legislature that prompt, fair districting for equal votes is a must and there is to be no more fooling around.
>
> The case makes judicial and constitutional history in several ways. The court has now come full circle—in keeping with the Federal trend, to be sure— from its traditional doctrine of noninterference, which had left underrepresented voters without a remedy.
>
> The decision—note its unanimity—is a tremendous victory for Gov. John Reynolds personally. It is directly the result of his own zealous and single-minded crusade for correct districting, begun 3 years ago when he was attorney general. It was this not least that had made him enemies in the legislature.
>
> Reynolds has won more than a mandate for correct districting, by law before May 1 or else by the court itself. He has saved for future Governors, as well as himself, their right not to be shut out of the lawmaking process. The legislature had tried to redistrict to suit itself by joint resolution, not subject to veto. Friday's decision closes off that detour.
>
> Coupled with the "or else" edict, this puts Reynolds in command of the situation. Now the legislature knows that if it wants to save the redistricting function for itself it must pass a bill that he will be willing to sign. For he is free to veto a faulty one and still be sure of getting a correct districting by the court.
>
> The Wisconsin Supreme Court warned 2 years ago that it would take charge if necessary. And that was before the landmark Tennessee decision of the U.S. Supreme Court, proclaiming Federal judicial power and duty to act on the subject.
>
> The State court's warning was in the form of permission to Reynolds to renew his plea for court action in June of 1963, giving the legislature ample added opportunity to set its own house in order. The court has now showed the end of its patience by declaring the 1951 districting act obsolete as of now, not usable even for one more election this fall.
>
> Reynolds won another important point, incidental but basic to all the rest. The decision establishes that the State itself, through the Governor or attorney general, does have standing to sue the legislature on behalf of the rights of the people, a most salutary point to have nailed down.
>
> The decision caps a struggle that has had to be waged for Wisconsin voters in overgrown districts after every census since 1920.
>
> The certain knowledge that equal districts as nearly as practicable will henceforth be won anyway, from the court if not the legislature, should be the final blow.

HOW TO WAGE THE WAR ON POVERTY

Mr. GRUENING. Mr. President, in the current—the March—issue of Harper's magazine is a most important article entitled "Let Us Begin: An Invitation to Action on Poverty." It is written by John Kenneth Galbraith, one of our Nation's foremost economists for 15 years, and now professor of economics at Harvard University, to which post he has returned after serving for 2 years as U.S. Ambassador to India.

Professor Galbraith is the author of a number of authoritative books which have secured for him wide and deserved renown. They include "Modern Competition and Business Policy," "American Capitalism: The Concept of Countervailing Power," "A Theory of Price Control," "Economics and the Art of Controversy," "The Great Crash, 1929," "The Affluent Society," and "The Liberal Hour."

Dr. Galbraith's current article is of the greatest timeliness. It comes just as the war on poverty in the United States, rightly declared by President Johnson, is making its plans for the first reconnaissances, skirmishes, and campaigns. The article is of such import that I hope Sargent Shriver will not only "read, mark, and inwardly digest" it, but call it to the attention of President Johnson. Then I hope they will act on its sound recommendations.

There is another aspect of the article's timeliness; namely, that the $11 billion tax cut bill has just become law.

This is the bill urged by President Kennedy 2 years ago to ward off recession, and sponsored with no less vigor but with perhaps different emphasis by President Johnson since his accession to the Presidency 100 days ago. I say "with different emphasis" because obviously the danger of a recession which President Kennedy feared has vanished. The country is at the height of prosperity. That is, it is at the height of prosperity at the upper levels of our society. The stock market has reached an all-time high. Profits are higher. Sales are bigger. Dividends for those who own stocks are happily larger. Real estate is enjoying a tremendous boom. But this bounding affluence still does not extend to what President Franklin Delano Roosevelt a generation ago in a memorable inaugural address referred to as "a third of a nation, ill clad, ill fed, ill housed."

That problem is still with us. It has acquired certain variations. For one thing the gap between the affluent and the poor is greater than it was a generation ago. For another, the United States has in the last decade and a half entered and expanded a new role—that of "foreign aid." Under this program we have given over $100 billion to fight poverty abroad, have spread this program to over one hundred foreign nations and plan to keep on doing it. This solicitude for the needy in other lands regrettably contrasts with our lack of similar exercise for our own poor and needy. It is not only time; it is indeed overdue, that we do something about it, and that something should be on a scale commensurate with what the Congress has been urged, pressured and pleaded with to do in the foreign aid field, and has done.

As of now, and before the war on poverty starts, there are distressing signs that no corresponding effort in size, scope and intensity will be made for what I believe should be called our domestic aid program.

I quote in demonstration thereof a front page item from last Saturday's Washington News—the local Scripps-Howard paper—which, in its weekly column headed "In the Offing," writes as follows:

> U.S. military soon may be involved in a new war—the one on poverty.
>
> Plans for Congress will propose giving military a major role in training 100,000 young men a year if they flunk draft exams because they lack sufficient schooling or other mental skills.
>
> Training will be nonmilitary. Teachers will be civilians. But Army and Air Force will supply training sites (inactive military posts), equipment and nonteaching personnel. They'll also furnish know-how for handling large numbers of young men.
>
> If Congress approves, program probably will call for draft board examination of youths at an early age—though they may not be called up for military duty for some years afterward.
>
> Those who fail for correctable physical reasons will be offered treatment or training. Those who fail for mental reasons, but are found capable of learning, may go to "Youth Corps" where they'll receive schooling and be taught occupational skills.
>
> Note: Message to Congress on fighting poverty has been held up by effort to plan a broad program without spending much money.

Kindly note the final and significant paragraph:

> Message to Congress on fighting poverty has been held up by effort to plan a broad program without spending much money.

Without spending much money. How different that attitude and approach are as contrasted with our foreign aid approach, in behalf of which every administration, since the program started with the Marshall plan 17 years ago, has pulled out all stops as to its necessity and the inviolability of the multi-billion-dollar totals asked for it. We are repeatedly enjoined not to cut a cent from foreign aid.

With that different "let us not spend much" approach the war on poverty will be lost before it starts.

Sargent Shriver has been delegated by President Johnson to be commander in chief of this war on poverty. The President could not have made a better choice. If ever there has been a brilliant performance and one hailed universally as a success, it is Sargent Shriver's conduct of the Peace Corps. Considering the fine results achieved, his program has cost relatively little. But the war on poverty in the United States constitutes an entirely different problem. It cannot be done without funds. Even Sargent Shriver cannot be expected to make bricks without straw. He cannot wage a war without troops, materiel, and equipment; and it would be folly to place this burden upon him without the necessary sinews of war.

Now the proper approach is admirably set forth in John Kenneth Galbraith's article and I ask unanimous consent that it be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRUENING. Mr. Galbraith points out what some of us have contended during the recent tax cut debate, that that legislation, whatever its benefits, will not, repeat, not, materially diminish unemployment, which is synonymous with poverty. Indeed it may even increase unemployment by stimulating industry through its generous corporation tax cuts and other benefits to build more modern and up-to-date plants with improved automation, which of course means fewer jobs.

Mr. Galbraith further supports—by his advocacy of expenditure on the public sector—what I likewise have contended for, now for a full year—that we need the kind of investment in public works, urban renewal, and other construction as was provided, while the funds lasted, in the accelerated public works legislation.

That program, initiated about 2 years ago, proved a great success. It put people to work, by a joint local and Federal sharing of costs, on all kinds of worthwhile construction projects; sewer and waterworks; public buildings; street paving; recreational areas, and so forth. It put them to work at the site of the project, back at the site of the factory where the materials were produced, and in between through the transportation of these materials from factory to project.

Unfortunately the amount authorized was inadequate—$900 million. This was less than one-fourth of what was appropriated for that year's foreign aid program. Actually it was only one-eighth since the domestic aid program funds—the accelerated public works funds—were expected to last for 2 years, and did, while the foreign aid appropriation was and is an annual affair.

The domestic aid program ran dry a year ago.

A year ago I introduced a bill to provide an equivalent for accelerated public works of what would be appropriated and authorized for the foreign aid program. That would have amounted to $3.5 billion. I repeat that the accelerated public works is a kind of partial domestic aid program, seeking to do in part for our unemployed what we are doing, and have been doing for 17 years, to the tune of $100 billion for the unemployed and needy in foreign lands. No action has been taken on this bill. Last July, the movement to restore the domestic aid program got further support when the distinguished chairman of the Public Works Committee, Pat McNamara, of Michigan, introduced a bill calling for $1.5 billion for this purpose.

No action has been taken on this bill. Hearings have been held on both of them before an ad hoc committee, a subcommittee of the Senate Public Works Committee, appointed on the initiative of Senator McNamara. This committee, of which I am a member, has been chaired by the able and energetic senior Senator from West Virginia, Mr. Jennings Randolph. If there is one man in whose State there is a serious chronic unemployment problem and who knows how to combat it, it is Jennings Randolph.

The hearings were impressive. Responsible officials from all over the country testified. They included State Governors or representatives of State Governors, other State officials, county officials, mayors of cities and other municipal officials, representatives of chambers of commerce, representatives of labor unions, and representatives of the public in general. The support for this legislation was unanimous and unswerving.

The fact is that even after the funds ran out a year ago—the inadequate $900 million appropriated—some $700 million worth of projects were presented and approved by the appropriate State and Federal agencies and are ready to go. That program to fight poverty could go into action immediately upon the necessary authorization and appropriation of more money for accelerated public works. It should be done. Action is overdue. The appropriation should never have been allowed to lapse.

Who are the poor, in whose behalf war should be waged? They fall into many categories. They are people who have been thrown out of work because of changes in industrial practice, changing demands, changing fashions, because in their former employment they are no longer needed. There are other people who have been thrown out of work by automation, which is steadily enlarging its role of disemploying able-bodied citizens ready and eager to work. They consist of the elderly, who have not been able to save enough for their retirement, whose meager social security funds are inadequate and who are faced by the steady rise in living costs. They are the Negroes and whites who, for lack of education, cannot qualify for jobs, if such jobs were available. They are the ill, who, through physical incapacity, cannot accept employment. There are still others.

Moreover, poverty is widely distributed throughout the United States. It is both urban and rural. It is widespread throughout Alaska, among our "native" population—Indians and Eskimos—whose chief handicap is their lack of educational opportunities in their youth. They have not been afforded these in the past by the Federal Government, which, until 5 years ago, had complete jurisdiction over their education and their economic and social welfare, and now still, in large part, provides their education.

In a comprehensive article entitled: "Poverty, U.S.A., the Poor Amidst Prosperity," published in the February 17 issue of Newsweek, we find the widespread distribution of poverty spelled out:

> In a squalid Chicago slum, a Negro mother rages: "Why we got to go hungry and naked?" In forlorn Adair County, Okla., the State's poorest, a community leader wryly admits: "Welfare is our leading industry." In snow-crusted Portland, Maine, an arthritic old woman wearily fashions potholders to sell for 35 cents each and sighs, "Sickness takes the money so fast." In southern California's Imperial Valley, a leathery tomato harvester confides: "My highest thinking is not to lose hope. If I lose myself, I lose everybody."
>
> On a dreary Toledo street corner, a jobless youth unfit for the Army reports: "Christ, when I get a penny I squeeze it until the Lincoln jumps." And in Detroit, a wife struggling to support her unemployed husband and five children on $60 a week laments: "Next month? I just don't know. Next month is in the hands of the angels."

I ask unanimous consent that the entire article be printed at the conclusion of my remarks. I can only regret that the telling illustrations cannot be reproduced.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. GRUENING. Mr. President, nor do these local citations begin to reveal the extent of the problem. If we are going to win this battle, it is going to have to be by a major campaign, not by a piddling, chintzy, token gesture or two, with transfer of funds already appropriated; with "make-do" of existing facilities. We need precisely the same kind of enthusiasm and demands for congressional action that our Presidents and Secretaries of State have for the last 17 years devoted to promoting our foreign aid program. To me, the domestic aid program should, at long last, at least be given equal treatment. It should long ago have had priority of treatment.

Accelerated public works, with adequate appropriation, would cut a large swath in unemployment. It would not do the whole job. It would not take care wholly of several of the categories of the poverty-stricken above listed, though it would help them, too. We should have special and additional legislation for them. Additional legislation to raise the social security allotments, the hospital care bill—erroneously labeled "medicare"—and above all, education—vocational education—to train the young Negroes and whites, the school dropouts, who have insufficient education to hold jobs.

Professor Galbraith has some specific recommendations on the educational program. This will not be achieved on the private sector. This will not be done, as was so hopefully prophesied in the debate on the tax cut bill, by those who painted the glowing picture of how, through that bill, we would get away from public spending and let private enterprise do the job for the unemployed.

It would be splendid if private enterprise would, but it will not. If those who doubt this will read—and I hope many of my colleagues and others will read it—John Kenneth Galbraith's masterful article entitled, "Let Us Begin: An Invitation to Action on Poverty," which follows my remarks, they will understand fully why the moves that seem to be in prospect to make war on poverty will be feeble, inadequate, disappointing and indeed—and I hope that this may not be true—a failure of the fine high purpose which President Johnson has declared in making war on poverty in this, the wealthiest Nation on earth. Its upper class and upper middle class, and to some extent the lower echelons of the latter, are enjoying a varyingly substantial prosperity which does not reach those in the lower levels of our economic and social system.

Or will it, to repeat Newsweek's question, be "a band-aid program?"

It must not.

Exhibit 1

Let Us Begin: An Invitation to Action on Poverty

(By John Kenneth Galbraith)

The misfortune of the liberal is that he must suffer the censure of both his friends and his enemies. His friends are particularly severe, for, naturally enough, they hold him to much higher standards of intellectual deportment than those with whom they disagree. I speak here from experience. Because, a few years ago, I wrote a book which described our society as affluent, I have ever since been accused of believing that there are no poor people left in the United States. This charge comes, to be sure, from those who have not read the book but as every author is aware this accounts for a distressingly large majority of the voting population and a not insignificant fraction of the more eloquent critics. I continue to hope that those who have been more profligate of their energy will recall that one of my principal purposes was to urge that growing wealth would not, of itself, solve the problem of poverty. Instead, with increased well-being, the position of those left behind would become ever more shameful—an anachronism from which we would be able to divert our eyes only with ever-increasing determination. But my purpose here is not to defend myself but—in the deeper tradition of American liberalism—to dwell on the shortcomings of other people.

The problem of poverty in the United States is the problem of people who for reasons of location, education, health, environment in youth or mental deficiency, or race are not able to participate effectively—or at all—in the economic life of the Nation. Being barred from participation they are denied the income that accrues to participants. So they live in deprivation.

Those who argue that a steady expansion in economic output is a necessary condition for the elimination of poverty have a valid case. People who are able to participate in the economy must have a chance for jobs. And there also continues to be good reason for seeking a broad and equitable distribution of the revenues from production. Despite considerable propaganda to the contrary, our greatest current need is not a decision to be tender to the well-to-do. Their situation is not nearly so desperate as popularly represented or the current congressional desire to help the higher tax brackets would seem to suggest. We should continue to bear in mind that one makes an economy work not by rewarding the rich but by rewarding all who contribute to its success.

But on one elementary point there must be no doubt. If the head of a family is stranded deep on the Cumberland Plateau, or if he never went to school, or if he has no useful skill, or if his health is broken, or if he succumbed as a youngster to a slum environment, or if opportunity is denied to him because he is a Negro, then he will be poor and his family will be poor and that will be true no matter how opulent everyone else becomes. A very large part of the very worst poverty is the affliction of people who are unable to make a useful contribution to the economy. Being unable to contribute they receive nothing. They will continue to receive nothing no matter how rapidly the economy expands.

Equally there must be no doubt that the means for rescuing these people or their children—investment to conserve and develop resources, assistance in relocation of workers, assistance to new industries, vastly improved education, training and retraining, medical and mental care, youth employment, counseling, urban recreational facilities, housing, slum abatement, and the assurance of full civic equality—will require public effort and public funds. This must be honest effort and not pilot projects which are a modern device for simulating action without spending money. Poverty can be made to disappear. It won't be accomplished simply by stepping up the growth rate any more than it will be accomplished by incantation or ritualistic washing of the feet. Growth is only for those who can take advantage of it.

We have, of course, no hope of erasing this blot on our social life if we are affected by the thinking of that new and interesting cult which call themselves the modern conservatives. As to this, I suppose, there will be general agreement. The modern conservative is not even especially modern. He is engaged, on the contrary, in one of man's oldest, best financed, most applauded, and, on the whole, least successful exercises in moral philosophy. That is the search for a superior moral justification for selfishness. It is an exercise which always involves a certain number of internal contradictions and even a few absurdities. The conspicuously wealthy turn up urging the character-building value of privation for the poor. The man who has struck it rich in minerals, oil, or other bounties of nature is found explaining the debilitating effect of unearned income from the State. The corporation executive who is a superlative success as an organization man weighs it on the evils of bureaucracy. Federal aid to education is feared by those who live in suburbs that could easily forgo this danger, and by people whose children are in private schools. Socialized medicine is condemned by men emerging from Walter Reed Hospital. Social security is viewed with alarm by those who have the comfortable cushion of an inherited income. Those who are immediately threatened by public efforts to meet their needs—whether widows, small farmers, hospitalized veterans, or the unemployed—are almost always oblivious to their danger.

The first three or four times that I read "The Conscience of a Conservative," I confess that I was slightly attracted by the vision of a young, two-fisted man of my own age, up from the ranks, self-reliant, self-made, accepting the risk of illness without income, disdaining any organized provision for his old age, asking only that he might keep safe from the tax collector what he earned by the sweat of his own brow. I continue to think of this as the work of a detached scholar. But, in the purely literary way that one writer explores the psyche of another, I wonder if some personal anxieties are not eased by identification with a really good department store.

I have no thought of reproach here. My own interest in the Harvard retirement plan slumped appallingly when my books began to appear on the best-seller lists and my wife quite unexpectedly, became the beneficiary of the small remnants of a New England fortune founded, we believe, on the development of a better horse blanket. Why, we wondered, should the Internal Revenue Service share so handsomely in the royalties when it had had no part in the lonely agonies of composition? Should not the spirit of enterprise that produced those blankets be better rewarded in the present generation? For one fleeting moment Young Americans for Freedom had their chance.

It is not conservatives, however, but liberals who are the object of my present interest. It is to them, conservatives will be relieved to realize, that I address my word of reproach.

The elimination of poverty at home and its mitigation abroad are jobs for liberals. They will not be accomplished unless liberalism is a determined faith. That, alas, is what it is ceasing to be. It is coming to be supposed that there is something uncouth about argument, unwise about controversy, and irresponsible about innovation. A high State Department official expressed regret a few weeks ago—I am sorry to say that he had India in mind—that ambassadors should involve his otherwise placid institution in controversy. Liberals, I fear, are responding to this mood.

I am not at all sure that on either foreign or domestic policy the liberal serves his highest function by acting as a distant early warning system for right wing criticism. Nor is he most needed in order to provide an elegant and sophisticated rationale for what conservative officials have always done. Nor is it certain that he should measure his success by the applause which the establishment reserves in really fulsome measure for the once dangerous radical who has shown that he is open to sound conservative persuasion. I am not even certain that we most need liberals in order to alert us to the menace of communism. These are all matters on which I hope to dwell one day at greater length. Service to the United States in the field of foreign policy is not without its educational value in these respects. For the moment let me simply say to the liberal who believes that he does enough by endowing the public scene with his presence, rather than by pursuing his convictions, that I agree that it is a good life. It is also a lot like being one of the warriors in the Washington, D.C., parks. The posture is heroic; the sword is held high; but, alas, the movement is nil.[1]

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[1] In suggesting that the Purely Decorative Liberal (who may be known for short as a PDL or Piddler) is a waste of time and should be recognized as such, I have no thought of suggesting that working liberals leave the Government. This disconcerting interpretation was read into these remarks, I think innocently, by a reporter when I first made them in Washington some weeks ago.

It is especially important that liberals not be defensive about the public tasks that lie ahead. These are becoming more and not less urgent and it would be an especially shocking miscalculation to postpone needed public services in order to get tax reduction. The case for tax reduction rests on the need to reduce the dampening effect of taxation at high levels of output and income and thus insure that these levels are maintained. The further effect, it is argued, will be increased tax revenues from a better functioning economy. Whatever the merits of this case, it provides no support for the contention that needed tasks of Government should be held back to facilitate the cut. This is now being suggested and some have gone on to argue that tax reduction is so important a goal that the public welfare functions should be cut back so that it may be accomplished with safety.

Prof. Raymond Saulnier, President Eisenhower's informed and by no means obdurately conservative economic adviser, has concluded that the nondefense expenditures of the United States—he mentions as illustrative those for the Rural Electrification Administration, Agency for International Development, Export-Import Bank, Farmers' Home Administration, outlays for civil public works, research—should be cut by $2 billion if there is to be both tax reduction and provision for the built-in or contractual increases in Federal outlays. This means that tax reduction is not for the public good but is imposed at public cost for its own sake.

John F. Kennedy liked to describe himself as a prudent man. And he hated extravagance of any sort—extravagant speech, extravagant gesture, waste of money. President Johnson is, I believe, a wisely prudent man. No one would ask for any other kind of national leader. Departments should answer well for their needs. There is no case for redundant bases, unneeded manpower, or unused services. The quarrel is with those who see in sound public service some danger to society. In fact the public services are one of the two great forces in the fiscal system working for economic equity and social stability.

We have long recognized that the progressive income tax is one such force. In the last quarter of the last century and the first quarter of this century, the concentration of wealth proceeded at a rapid, even appalling, rate in the United States. There seemed to be good ground for the Marxist prediction that this concentration would, in the end, destroy the vitality of capitalism and bring its destruction. The income tax was a major step in arresting this trend and thus annulling Marx's prediction. Conservatives have many reasons to be grateful for the Taft family but there can be little doubt that its greatest single monument is William Howard Taft's successful bid for a constitutional amendment permitting the progressive income tax. I do not share the enthusiasm, now also at a high pitch in some places, for making the tax less progressive. (Provisions in the new tax bill for a more liberal exemption of income in the form of capital gains are a remarkably frank form of freeloading for high-bracket taxpayers. I would hope that all legislators be questioned closely as to their stand on this item next autumn with a view to appropriate reward.)

But we need to bear in mind that the incidence of public services is similar to that of the progressive income tax. It also strongly favors the least fortunate.

Thus the well-to-do family can escape to the country. It is the poor who need parks and whose children need swimming pools. Only the poor live in the slums and require the myriad of services that, we may hope, will one day mitigate urban congestion and public squalor. The well to do live in communities that have good schools; it is the schools of slum dwellers and wage and salary workers which would be principally improved by Federal aid to education. Colleges and universities are more accessible to the rich than to the poor. It is the masses and not the classes who use mass transportation. The elderly couple of less than average income would be the major beneficiary of medicare. Social security, minimum wages enforcement, youth employment are all most important for the least well to do. It is poor children who play in dirty streets. It is their father who gets laid off when public works are suddenly cut back.

Even the protective functions of the State are most important for those in the lower income brackets. Lethal serum and poison drugs do, one gathers, work rather democratically on rich and poor alike. But many of us could probably survive a certain amount of exploitation in our prescriptions, fraud in our food packaging, mendacity in our dental advertising, or thimblerigging in our securities. We live in parts of cities where epidemics are less likely. The family that struggles to make ends meet, the widow with life insurance money around loose, the dwellers in urban tenements need the protection of an alert FTC, FDA, SEC, and Public Health Service.

Public services have, to use the economist's word, a strong redistributional effect. And this effect is strongly in favor of those with lower incomes. Those who clamor the loudest for public economy are those for whom public services do the least. Tax reduction that curtails or limits public services has a double effect in comforting the comfortable and afflicting the poor.

This is something which liberals should not forget. I venture to think there is an even stronger lesson for the man of good will and good income who, regardless of political disposition, counts himself a good and compassionate citizen. When he is tempted by a crusade against public expenditure, he should remember that the sacrifice is not his. This is all the more true, for the crusaders almost invariably exclude defense expenditures, the one large outlay that even the most affluent corporation finds a convenient source of revenue.

In recent times there has been a noticeable reluctance to base social policy on differences in personal income—or even to admit that they exist. Politicians now avoid the subject. As pornography has become ever more popular, inequality has become obscene. Ours is a classless society; we must not set the poor against the rich, or possibly vice versa.

This is great nonsense. There are wide differences in ability to pay in our society. There are also wide differences in the benefit from public services. These are facts of life to be treated without rancor but with full candor. The progressive income tax is a powerful force for equality and the stability of our economic institutions. So are public services. To suppose that public services are of equal benefit to people of all income, and hence that there is equality of sacrifice in curtailment, is to work a fraud on the poorest of our citizens.

My impression is that poverty will be eliminated primarily by energetic action along lines on which we are already working—on civil rights, education, slum abatement, the rest. Action on these several fronts has just been promised, as this goes to press, in the new state of the Union message. President Johnson has put the problem firmly on the public conscience. I would like to urge one further and very concrete step.

To the best of knowledge there is no place in the world where a well-educated population is really poor. If so, let us here in the United States select, beginning next year, the hundred lowest-income counties (or, in the case of urban slums, more limited areas of substantial population and special need) and designate them as special educational districts. These would be equipped (or re-equipped) with a truly excellent and comprehensive school plant, including both primary and secondary schools, transportation, and the best in recreational facilities. The employment on construction in this part of the task would be well-adjusted to the areas of unemployment.

Next, in the manner of the Peace Corps, but with ample pay, an elite body of teachers would be assembled—ready to serve in the most remote areas, tough enough and well-trained enough to take on the worst slums, proud to go to Harlan County or to Harlem. By this one step we would overcome the present difficulty in getting good teachers to go where they are most needed. I would think that the minimum salary for men and women qualifying for this corps should be around $12,000.

Finally, the scheme should include modest educational grants to families to feed and clothe children for school and to compensate for their earnings. Breakfast should be available for children who need it in addition to lunch. Perhaps there should be an issue of efficient and attractive clothing. Specifically qualified members of the corps would be available for counseling on home conditions, following up on truancy and delinquency, and otherwise insuring that these youngsters overcome the environment to which the accident of birth committed them. Those who need it would be provided with medical and psychiatric care. The year following, the program would be enlarged and extended to the next 150 or 200 most abysmal areas. It would come to cover as quickly as possible the areas of need. But it would not go beyond areas of low income or, as in the case of the slums, of special educational problems.

This is not Federal aid to education. It is an attack on poverty by what I would judge to be the most effective single step that could be taken. Can anyone argue that youngsters with these facilities and this training would share the dismal fate of their parents? As incomes rise above a specified level, the schools would be returned to the localities in accordance with a cost-sharing formula that would take account of increasing ability to pay. Those who fear Federal control of education are amply protected. The effort would not affect them.

There are adequate precedents for such action. Some 10 years ago it was sadly evident that our highways were heading for trouble. In the richer States they were fairly good. Elsewhere they were too few, too narrow, and too slow. One day soon the vehicles would be backing up into Detroit itself. Then we would have only an interlocked mass of metal full of sound but devoid of movement. The consequences for business would be far from agreeable. Foreseeing this crisis, the Federal Government stepped in. Disdaining to be bound by the time-honored formula for sharing costs with the States, it proceeded, subject to some fairly transparent disguises, to contribute up to 90 percent of the cost of the new highways. General Motors did not object. Ford did not object. Chrysler did not object. The National Association of Manufacturers was acquiescent. Mr. Lucius Clay, the father of the scheme, was at no time stigmatized as a radical promoter of big government. Confident of the same approval, I would urge that we finance in the same way this frontal attack on the areas where education is worst, is needed most, and has the most to offer.

Exhibit 2

Poverty U.S.A.

THE POOR AMIDST PROSPERITY

Lingering poverty in the shadow of unrivaled affluence is the painful paradox of American life today. In a single generation, the richest country on earth has banished the bleak specter of "The Grapes of Wrath" with the gilded fantasy of "The Beverly Hillbillies." But reality has hardly kept pace with the American dream.

Summoned now to Lyndon Johnson's unconditional war on poverty, Americans can find the battlefield on all sides:

In a squalid Chicago slum, a Negro mother rages: "Why we got to go hungry and naked?" In forlorn Adair County, Okla., the State's poorest, a community leader wryly admits: "Welfare is our leading industry." In snow-crusted Portland, Maine, an arthritic old woman wearily fashions potholders to sell for 35 cents each and sighs: "Sickness takes the money so fast." In southern California's Imperial Valley, a leathery tomato harvester confides: "My highest thinking is not to lose hope. If I lose myself, I lose everybody." On a dreary Toledo street corner, a jobless youth unfit for the Army reports: "Christ, when I get a penny I squeeze it till the Lincoln jumps." And in Detroit, a wife struggling to support her unemployed husband and five children on $60 a week laments: "Next month? I just don't know. Next month is in the hands of the angels."

Living on relief

On any given day, 430,000 men, women, and children—more than the entire population of Louisville, Ky.—live on relief in New York City, thousands of them in such appalling, vermin-ridden tenements that many have resorted to a desperate new tactic: the rent strike. In all, close to 8 million Americans are receiving public aid—$400 million worth a month—and the number has been growing twice as fast as the population since 1955.

In the scarred hollows of Appalachia there are hamlets so primitive that even an outhouse is an unknown luxury. In the South, half of all Negro farm families cling to survival on less than $1,200 a year. In the dust of Three Rocks, Calif., a huddle of shanties in Fresno County, children gambol who have never seen a kitchen sink. American Indians still languish on reservations where the death rate is three times that of the United States at large. At precisely 11 each morning, 1,500 ragged people, some of them women clutching bedraggled youngsters, shuffle to St. Anthony's dining room in San Francisco for a free hot meal, generally their only one of the day.

What, after all, is new about poverty? The Bible says, "ye have the poor always with you"—and so far, even in America, it has been dead right. But in the United States at midcentury, poverty carries a special poignancy, a special frustration. For the first time in history, a society has attained the technological resources to wipe out poverty; yet, ironically, that very technology is aggravating the plight of the poor.

Out of step

And for the first time, in the midst of an unprecedentedly prosperous majority, America has been experiencing the phenomenon of minority mass poverty. A century ago, the overwhelming majority of Americans would have been deemed poor by today's standards. By the same yardstick, one out of every two Americans lived in poverty during the boom year of 1929. During the depression, Franklin D. Roosevelt's ragtag "one-third of a nation" was more closely two-thirds. But to be poor in America today is to be out of step with the Nation, a stranger in paradise, a frequently faceless member of an alien culture.

"The poor people feel that no one cares," says Paul Jacobs, a onetime labor organizer who recently roved the country on a Ford Foundation grant, disguised as a near-penniless drifter to gather firsthand impressions of unemployment and deprivation. "It's another world—there's their world and ours. They eat meat, and potatoes, and gravy—whoever heard of fruit or a salad? They get no mail—who writes to poor people? They sleep late—what's the sense of getting up? If you sleep late you might save the cost of a meal."

Ever since John Kenneth Galbraith pinpointed the anomaly of deprivation amid plenty in "The Affluent Society" 6 years ago, fellow economists have been haggling over the meaning of "poverty" and the precise dimensions of the problem in the United States. Reading the data by their own subjective lights, they have produced estimates ranging from an extravagant 90 million American poor—nearly half the population—to a hard-core minimum of 20 million living on the rind of bare subsistence. "The point," sociologist Michael Harrington says bluntly, "is that there are a hell of a lot of poor people in America today."

One-fifth

In its war on poverty, under the generalship of Peace Corps Director Sargent Shriver, the Johnson administration's count of the American poor is 35 million—nearly one-fifth of the Nation. It is an arbitrary figure, like any other, but virtually all experts agree that the figure is essentially realistic.

Who are the American poor and just how poor are they? "The people who are falling behind," says Galbraith, "fall into four classes. Those with poor education, those with physical or mental deficiency, those who live in the wrong geographical area, or those who have restricted job opportunities because of race. The most elementary fact about prosperity is that you have to have a job to participate in it."

The most elementary facts about American prosperity are staggering: after 35 straight months of expansion, the economy is generating a gross national product at the unprecedented rate of $600 billion a year, 67.2 million people are employed, median family income stands at $5,956 a year, up from $4,117 in 1947. But when the income pie is sliced, 80 percent of the population feasts on 95 percent of it.

The other America

The remaining sliver goes to the Nation's "forgotten fifth"—the citizens of what Harrington has christened (in the title of his 1962 study) "The Other America." Up-to-date figures show that more than 30 million Americans live in families with incomes of less than $3,000 a year; more than half of them subsist on less than $2,000—$38 a week. Five million people living alone earn under $1,500 a year.

Most poor families are white, live in cities, and are headed by a man or woman with no better than an eight-grade education. When the figures are broken down, the characteristics that govern Poverty U.S.A. make their mark.

City and country, nearly half—47 percent—of all poor families live in the South; indeed, a southerner's chances of being poor are twice those of Americans living elsewhere. Twenty-two percent of American poor families are Negroes or other nonwhites; a non-white family's chances of being poor are two and a half times greater than its white counterpart's. A quarter of all poor families are headed by women, a third by men or women over 65. Thirty percent have no breadwinners at all.

Unquestionably, unemployment is a major thread in the pattern of Poverty U.S.A. By the latest count, 4.6 million Americans, 5.6 percent of the work force, are unemployed. Yet like all other individual aspects of the problem, unemployment in the conventional sense is only one part of the story. "Before," Galbraith points out, "we had poverty of the employables. Now we have poverty of some employables and many who are technically unemployable."

Thus, the spectrum of poverty in the United States begins at one end with the nouveau poor—industrial workers, thrust on the slag heap by automation or relocation of plants, who are slowly slipping into want they thought they had escaped forever. In the middle are the millions of low-paid, low-skill migrants, farm laborers, and service workers who simply cannot live on their often sporadic wages. And at the extremity are those too old, too sick, or too incompetent to hold jobs even if they had the chance. In an era of breathtaking technology, those who are left behind find it increasingly hard to make headway. "I think you're treated according to your education," says a bitter Negro mother in Chicago. "If you're unlucky and don't get one, or if you pass up the chance to get one, you have to suffer. You pay for it for the balance of your life."

Who are the poor?

In the United States of America there are 47 million families—9.3 million earn less than $3,000 annually. Of these: 5 million live in cities; 4.3 million live in the South; 6 million have a family head with less than ninth grade education; 2 million are nonwhite; 2.3 million have a woman as family head; and 3.2 million have a family head 65 or older.

Scanty education, ramshackle housing, faltering health, gnawing frustration—these are the effects of poverty and, in a vicious, stubborn cycle, the causes of more poverty.

Yet no capsule analysis of the dimensions and roots of the problem can begin to suggest the fascinating ambiguities that make American poverty so distinctly American. In every poverty pocket in the Nation jingles the small change of the affluent society.

Stereo on relief

In Harlan County, Ky., for example, the heartland of depressed areas, 88 percent of the families have washing machines, 67 percent have TV sets, 42 percent have telephones, and 59 percent own cars. On New York's lower East Side, a Puerto Rican family living on relief is paying for a stereo phonograph set. In Stilwell, Okla., an old man lives on in a tarpaper shack, serene in the satisfaction that he has put every one of his children through college. A 1960 study found that 14 percent of families earning less than $3,000 annually had bought new cars that year; nearly half the families making between $2,000 and $3,000 a year own their own homes.

As a class, the American poor live better today than ever before. And as a nation, America has made significant strides in reducing the percentage of poor in the general population—though in a rapidly growing population, the actual number of poor has been increasing. By the standards of the President's poverty advisers, 32 percent of all American families were poor in 1947. Within a decade, the figure had been cut to 23 percent. But since 1957 the pace has slackened. How to speed it up? That, in essence, is the problem facing the men who are now mapping the strategy of the war on poverty.

The impoverished are people, too. And here are a representative eight, chosen from many others interviewed by Newsweek throughout the country and keyed on a map of the United States. They are at once typical of their plight and individual in their response.

Some have always been poverty-stricken, some only recently; some are not there yet, though headed in that direction. Significantly, perhaps, none has ever been wealthy nor even prosperous. And none is an "operator," able or even willing to exploit all the relief and charity possibilities open to him. Finally, nearly all have pressing health problems and nearly all, somehow, have hope.

Alice and Howard Neipert

The living room of the Neipert apartment in Portland, Maine, is small and warm and filled with the accumulated bric-a-brac of a 50-year marriage. Alice Neipert, a neat, buxom woman with a drawn face, sits quietly on a rocker near the window. She has crippling arthritis. Her husband, Howard, a benign 78-year-old, canes about the house. He has osteomyelitis.

Eight years ago Howard retired with $6,000 in savings and the intention of working at his old job as a shoe salesman 3 days a week and thus earning $1,200 a year. Within 6 months, however, he had become too sick to work. All the savings went for medical bills. "That was money we were going to have fun with," Mrs. Neipert says mildly. "We had a few little trips planned, maybe one to Florida."

Now they live on social security—$141 a month.

They eat sparingly, but "well enough," they both say, spending $10 to $15 a week on food and carefully balancing their diets. Mrs. Neipert can't walk very much, but she cleans the three-room apartment every day, does all her own laundry, ironing, and cooking. Howard vacuums, and they have a relay from closet to table for setting the table.

The Neiperts own a TV set, acquired before his retirement. (They think programs are going downhill fast.) Recently they have acquired a toaster and some blankets with grocery-store stamps saved over the years. They also have a phone—"the last thing I'd give up," says Mrs. Neipert. "Our son calls up from South Portland every night."

Doctor bills and medicine costs menace their future. "Still, we don't owe one nickel, and we have a lot of wonderful friends," says Howard Neipert. "I'm not able to work, so we just have to get along, or else."

The couple also retains a few "luxuries"—the morning newspaper ("Pa'd just be lost without his paper"), and now and then a present. "Last week," says Howard, with a devilish glint, "I brought my wife a pint of sherbet."

Mrs. Pauline Véliz

New York: Spanish Harlem has some of the roughest streets in the world, and it takes some of the toughest mothers in the world to bring up decent children, especially when they must do it without the help of a man. Pauline Véliz is doing it—barely. "Just because you live on welfare," she says, "you don't have to live like pigs."

A family under siege, Pauline Véliz and her six children huddle in their four-room railroad flat in New York's Spanish Harlem and shut out the world. Their enemy is the fanged street below, which extends into the tenement, up the clammy, urinous stairways, past the occasional dozing junky who sometimes grabs for the children.

And there is a second enemy, sickness, the classic foe of the poor: 10-year-old Rosalinda has asthma. "They tell me she shouldn't climb stairs," says her mother bitterly. Five-year-old Bertile has a rheumatic heart. Antonio, 11, once spent over a year in a convalescent home in Connecticut. "All that time," says Mrs. Véliz, "I never saw my son. Finally I told the welfare people, 'You give me visiting money, or else I'll use the rent money.'" Welfare refused. Mrs. Véliz defied them, went to see her son, and got away with it: "I'm not afraid of welfare anymore. They can't throw you out unless you have a man around. I don't have one and I don't want one. I don't want any more children."

A round, vivid woman of 38, Pauline Véliz was born in the United States of Puerto Rican parentage. She mentions the two husbands in her life, both now disappeared. Her children are entirely supported by welfare—$133 every 2 weeks. They attend parochial schools; Pauline accompanies them in the morning, picks them up in the afternoon, and they return via Girl Scout meetings and the like, to the dingy, spotless apartment.

It is not an easy place to keep clean. Periodically the rats appear and must be driven out, their holes boarded up. A month ago a large chunk of kitchen ceiling fell to the floor. There is a puppy. "The children need entertainment," Pauline explains. "They don't have many toys." In the living room bookcase is the Golden Home and High School Encyclopedia, bought on time years ago.

The Véliz children seem frightened, slow, not up to their vital mother. She caresses them often. They run up frequently to touch her hair, hold her hand. "I try to keep them happy," she says, "and safe. These days, there's no safety in the streets."

Claudie Mae Lowe

Georgia: A sawmill man and an ex-farmer, Tobe Lowe, 55, can't get on welfare because he's able to work—but he can't find work. Meanwhile the children munch hoe cake and look hungry and play lethargically. Not far from the Lowes' two-room house, a roadside sign warns the passerby: "The blood of Jesus is the only way to heaven. Your way won't do."

Every morning a timid, round-eyed, Negro mother named Claudie Mae Lowe sweeps the clay front yard of her two-room home in Taliaferro County, Ga. It is the country way to show a family is living in a house that otherwise appears uninhabitable.

Claudie Mae's two rooms are teeming with humanity. She has eight children, only three of school age, only one now in school. (The others have dropped out, she explains, "till we kin git 'em up some clothes.") She has a husband named Tobe, patient, stocky, middle-aged, "a sawmill man," jobless since last fall after 18 years with one company, 3 years with another. Sawmilling is fading out in central Georgia, so Tobe farmed for a while, "goin' halfs" on 40 acres of cotton with a white man who put up the land, equipment, and $50 a month "run money" for groceries. Since harvest time, however, he has had no work.

Somehow the 10 Lowes sleep and "set around" in one room. It is darkish from boarded-up windows, and full of beds and boxes and has an old easy chair with makeshift board seat. The flowered wallpaper has been torn and shredded by children up to a height of 4 feet. Above are decorations, large advertisements of Stokeley's beans and Van Camp's pork and beans.

In the kitchen are several battered electrical appliances, though the electricity was turned off months ago. Last week, the oven of the broken-down stove contained a hunk of white fatback, the size of a man's hand, and some grits. Claudie Mae was making the family staple—hoe cake. "Ain't got no milk," she said with a bewildered little giggle. "You spose to use milk. I uses water."

As she told of her last visit to the doctor, Claudie Mae's giggle was like that of a sad child. "He say I got dis here thing. Say I got to have my womb took out."

Tobe still hopes to be a sawmill man again, still applies for every opening he hears of. "When de wages went up, de mills just shet down," he says. "This week I been to these heyar planing mills, where dey puttin' up a new mill, and de man say 'I ain't goin' to keep all the hands I got 'cause now they's machines doin' what hands used to.'"

The rent for Tobe's house is $7 a month, but his landlord, a sympathetic Negro who lives in a more substantial house up the road, is not pressing for his money. "I just don't see how families live like that," he says.

The landlord also lets the Lowe children fetch pails of water from his house. Tobe's well is muddy and unsatisfactory. On days when Claudie Mae is boiling clothes, the children bring the water to the big black pot in the Lowes' front yard. But lately the pot is seldom used; the children have nothing to wear while their clothes are being washed.

Now and then Tobe considers moving his family to the city, but he believes it is not for the likes of him and Claudie Mae. "Hits right smart fast in town," he says. "Reckon maybe hits too fast."

Thomas Ray Spray

Des Moines: Rejected by the Army, 21-year-old Tom Spray has had a run of bad luck. Recently he was told of a job with a repair company—and got there after it was filled. Later he barreled out to a West Des Moines factory when he heard they were hiring. "But I'd heard wrong. Turned out they were firing."

A glum, pudgy 21-year-old, Thomas Ray Spray already has the mark of the loser upon him. He finished the 11th grade in a special class at North High School in Des Moines, but the school felt he had gone as far as he could. He wasn't permitted to enter the 12th grade and get his diploma.

Tom Spray still feels the shock of being given a 1-Y (limited trainability) classification by the Army. "I'd looked forward to going in," he says. "I figured it would be my chance to learn a skill or something. No reason why I couldn't either. I can read well enough to learn a lot of things."

Tom lives with his divorced mother and a 15-year-old sister in a dingy two-bedroom apartment with cracked walls, chipped paint, and an atmosphere of near-hopelessness. He has worked two and a half months in the past year—mixing fruit cakes in a bakery for the Christmas trade. The rest of the time he has been looking for another job—or else slouching unhappily before the TV set in the living room.

His small, harassed mother supports the family on her $32.50-a-week take-home pay as a piemaker. "Sometimes I just feel like giving up," she says. "Why can't the boy get a job? Why didn't they let him finish school? Why did the Army reject him? Nobody ever tells us. It's not his fault. He tries."

His ambition is to get back into bakery work. "There's a future in that, and it's the only thing I know anything about. I might even get myself classified a skilled worker on my past experience."

But nothing has turned up lately in bakeries or anywhere else. Tom visits the Iowa Employment Service offices twice a week. "All they ever say," he sighs, "is they ain't got nothing. Leave your application, and we'll be calling you, they say, but nobody ever calls."

Joseph Crowley

Detroit: Unemployed for 3 years, with no prospects in sight, Joseph Crowley, 43, isn't out actively seeking a job; he knows there's very little around for him. Now he babysits for his working wife, registers with agencies, and tries to get into one of the State retraining programs.

Three years ago Joseph Crowley and his family were moving up in the world. He was a warehouse leader, making $2.49 an hour, at the Essex Wire Corp. in Detroit. He'd moved to a two-story brick and shingle house, bought a new TV set and a new turquoise davenport. Then he was laid off.

Crowley, hasn't found a steady job since. Now the family income ($243 a month) comes from neat, little Dolores Crowley, 33, who housekeeps at the rectory next door. When she's at work, Joe cooks for the five children. "Sometimes I get way down in the dumps," he says. "Then I do something extra, like maybe wash down the bathroom walls."

The Crowleys are still eating reasonably well, and the children (3 to 13 years old) are neatly dressed, but there are health problems. Both adult Crowleys need dentures, and the children have cavities. Because they can't pay their family dentist, the Crowleys have not visited him lately. "Two or three years ago," Dolores says, "the doctor told me to have a hysterectomy, or at least a checkup every 6 months. But it would cost $12.50, and more for blood tests, and I haven't been for a year."

The Crowleys are not on welfare. "I was raised on it," says Mrs. Crowley. "I don't want it for my children. Anyway, this is the hand God dealt us, and we have to play it."

And Joseph Crowley pulls his 3-year-old son on his knee and says: "If I'd just gone through high school and had a trade, things would be different."

Slim Lemert

Los Angeles: Slim Lemert, 37, still has standards, can still get angry. Last week, he fell asleep in an all-night movie and someone cut the pocket out of his jacket and stole 13 cents. "If a man's going to steal," Slim said disgustedly, "the least he can do is hold up a bank."

Sodden, hopeless, living on 10-cent wine and self-disgust, Slim Lemert is on the bottom of any man's pile. He is 37, a former mechanic, divorced, with three children he never sees. Now he is a Main Street wino in Los Angeles.

He has one remaining point of pride. "I've given up a long time ago," he says, "but I've never had to go to no mission. One thing I won't do is become a mission stiff."

Last week Slim had on the same blue jeans he has worn for 3 years. He hadn't washed in over a week. He hadn't eaten since yesterday, when he'd managed to get down a bowl of beans.

Now and then Slim Lemert works, but he is choosy: "I could make three or four bucks passing out handbills—but you got to walk your feet off 12 hours a day. I'm not about to wear out my shoes for some rich man."

There have always been Slim Lemerts in the world—in good times or bad. They are a part of poverty's landscape; they belong in the land of the poor. Many don't even consider liquor their major problem. "As long as there's a cellar," Slim says, "there's going to be a rat in it. I'm the rat, I guess."

Lemert nurses his wine slowly at first, sipping half the glass meditatively, then suddenly gulps the rest all at once. "I'll tell you something very funny," he says. "I hate wine. I almost puke every time I drink it. But if I didn't stay drunk, the chances are I'd kill myself."

John and Clara Kester

Oklahoma: A man can be a solid citizen and poverty-stricken at the same time. Nobody in Adair County "poor-mouths" John Kester for barely getting by. He has a job, does a little "break-even" farming, and expects that somehow his boys will be able to go to college.

People in Adair County in the Ozark foothills of Oklahoma respect John Albert Kester. He is a homeowner, a member of the local school board; for the past 10 years he has held the same full-time job.

He makes $48 a week.

"Handyman's wages," he says, "top pay for farmers, but it's not enough." And an apologetic smile creases the 43-year-old face that looks a dozen years older. Last week, John's wife, Clara, wearing a faded shirt, men's work pants, and shapeless brogans, talked about feeding her seven children: "They get dry beans cooked with grease, 'taters, and when the cow's giving most of 'em drink milk three times a day. And every month we get the Government 'commodities'—about a week's worth of butter, 2 weeks' of flour, and such like."

The Kesters live on 25 mortgaged acres in a tar-paper "brick" four-room house jammed with castoff furniture. Worn linoleum covers the living-room floor and a bare lightbulb glares over an old TV set and a stove smelling of burning oak.

Now and then the family considers leaving the area. "Sometimes I get plumb mad because I don't have some of the things I'd like," says Clara, "but mostly I don't think about it." Then she looks about and smiles softly. "We do like it around here. It's the prettiest country in the spring you ever did see."

Mrs. Esther Strom

San Francisco: An old lady alone with poverty and a youthful photo. On Esther Strom's bed is a library copy of Edna Ferber's "Gigolo," but even reading isn't easy. "The doctor said I had cataracts and need glasses. I laughed. I can't buy a book, much less glasses to read it."

Proudly the old woman lifted a bottle of $3.75 cologne from the bureau of her 9- by 10-foot hotel room. "I would rather miss a meal than be without my perfume," she said. "I am still a lady."

Esther Strom is small and plump and 68. She lives on $118.50 a month from social security and her late husband's World War I pension. Her room in the tired old Hotel Tynan half a block off Market Street in San Francisco is $35. She spends $2 a day on food, and for entertainment has the public library.

Esther Strom emigrated from Finland in 1928 as the wife of an American seaman, who disappeared for long periods: "You know how men of the sea are. From the first I was on my own." She became a cook in many of the wealthy homes around Nob Hill. "I'd cook now, if I had the chance. But of course I haven't—not with these hands." Esther's hands are crippled with arthritis.

For a few years, in the 1930's, she was a writer. A Finnish publisher brought out two of her books on early Finnish settlements in America. She has also experienced her share of life: "I was a woman who loved wine and song and the men. But now there doesn't seem to be anything left."

And sitting in her tiny room, she listens to the sounds of traffic and runs her fingers over the worn cloth of her skirt and looks at a picture of herself as a young woman. "Those were the days," she whispers, "when I was alive."

APPALACHIA

Appalachia's children vividly damatize the region's plight. These live in Granny's Branch, a remote Kentucky hamlet whose main street (and sewer) is a creekbed. They subsist on Government-surplus beans and cornmeal, live in plumbingless (and often privyless) shacks, seldom attend school, suffer chronic hookworm. But they smile, for they never had anything better. Neither, of course, have Granny's Branch adults.

Appalachia is an evocative word. It conjures up legendary names like Boone and Crockett, fabled Americana like the Hatfield-McCoy feud, pungent place-names like Granny's Branch and Pigeonroost. Appalachia was the wild, craggy, menacing steppingstone to the U.S. West. In folklore, it became the land of the long rifle, the moonshiner, the child bride, and the revenooer no less than the timeless locale of Li'l Abner's Dogpatch. Physically, Appalachia today is the spit and image of its legends, but instead of lean, inscrutable mountain patriarchs, there are tired, numbly polite men presiding over clans of birth-worn women and tribes of pasty-faced children.

Romance—the romance of a sinewy people hacking a good, if spare, life out of the granite-tough obstacles of the mountains—lies a moldering in Appalachia's history. Today, Appalachia has supplanted the South of 30 years ago as America's No. 1 depressed area.

The region's geography—a tangled mass sprawling over 160,000 square miles from Pittsburgh to Birmingham—is only a picturesque, superbly ungroomed backdrop for America's largest and most stubborn rural slum, chronically bedeviled by congenital shortcomings and technological cruelties.

Baffled

Platoons of sociologists and economists have scoured Appalachia in recent years analyzing the region's plight. But each explanation seems capped by a paradox, each answer baffled by a human conundrum. Beyond question, a declining demand for industrial coal plus automation in the mines put thousands out of work and are doubtless the main causes of destitution. Yet, since 1939, manufacturing in the region (textiles, timber products) has increased faster than the national average—while wages in plants held 20 percent below average, and unemployment 45 percent above.

Appalachia, which encompasses all of West Virginia and parts of Alabama, Kentucky, Maryland, North Carolina, Pennsylvania, Tennessee, Virginia, Georgia, and Ohio, is plain baffling. Its people remain fiercely independent in spirit; yet they rely, more than any other Americans, on public aid. Disease flourishes (the tuberculosis rate is 50 percent above the U.S. norm), while hospital facilities remain appallingly inadequate. Illiteracy flourishes—and the people display an aversion to bond issues to build better schools.

Appalachia is mostly rural, but its small farms, because of the rugged terrain, defy technical advances that have increased agricultural production elsewhere. Rich treasures in timber and water resources remain unexploited because primitive road systems make them inaccessible or uncontrolled floods make them unusable. Local governments remain, too frequently, in the hands of parasitic politicians, while young potential leaders seek opportunity elsewhere.

Migration

Residents of Appalachia flee the region in droves; some 2 million left between 1940 and 1960. But any economic relief that out-migration might offer seems counterbalanced by the remarkable fecundity of the mountaineers.

In a 1,328-mile trip through the region, Newsweek's Correspondent David Burnham and Photographer Tony Rollo met living proof of the wretched statistics among the region's 15.3 million people. They found them out in the hollows where varmint stew supplements the beans, meal, and lard collected from the government; where running water is a rarity, a pencil unknown to many children, and a refrigerator on the front porch a symbol of baronial status even if the appliance motor vibrates the whole house.

Three miles southeast of Manchester, Ky., there is such a place—Granny's Branch. One finds it up a rocky stream bed. It is both entrance and sewer.

There last week stood Jim Smith, 42, short, pale, sickly, in front of his plain splintery shack, surveying with listless eyes the scrawny chickens and mangy dogs that—helped periodically by Smith's 10 thin, ragged children—provided most of the animation evident in the hamlet of 227 inhabitants. "Well, I used to work in the mines," Smith said. "Well, no, I don't recollect when it was they laid me off. I can't mention the time for sure."

There, at length, stood Jim Smith's 61-year-old father, Leonard, out of work because of a back injury; and there—just a hoot up the branch—stood Jim's cousin George, 26, and his 17-year-old wife raising three children (on $50 a week from a temporary mine job) in a house that trembles when one stamps mud off on the narrow front porch. George said he couldn't read, "but I can sign my name real good."

Symbol

In Granny's Branch, as in hundreds of other remote hamlets in the vast Appalachian sprawl, the main symbol of a better life is the public health nurse. Here it is a short woman in her 30's named Ann Feltner. Mrs. Feltner knows enough about the Smiths to help them some; for example, she persuaded George Smith's 5-year-old daughter to give up chewing tobacco with the promise of a doll. But like the experts far away, she doesn't pretend to any solution to the larger enigma posed by all the Smiths in the hills. The poverty embodied by the Smiths is now bred in the bone, feeding upon itself, impervious, so far, to all the economists and sociologists who seek some way to break the cycle of despair.

Meantime there stands Jim Smith in front of his ramshackle house (no privy), his frail frame shivering under a cheap black shirt, staring dully at his 10 ragged, chattery children.

A "BAND-AID PROGRAM"?

With characteristic political élan, Lyndon Johnson has turned the phrase "war on poverty" into an evocative election-year slogan and a full-throated legislative battle cry. "In a way," says one top Washington official, "it's too bad the poverty program struck such a responsive chord with the public. This is a problem that will take decades—not just years—to handle, and I'm afraid people have been led to expect results overnight."

No one familiar with the complexities of the poverty cycle and the scope of the Johnson administration's efforts suffers from such utopian delusions. Indeed, hard-nosed authorities in and out of Government are frankly skeptical that the L.B.J. war on poverty as presently conceived will do more than attack the symptoms of an age-old affliction.

Few question Mr. Johnson's earnest concern for the plight of the poor. "The President has a great feeling for this program," says a Kennedy administration holdover in the White House. "It's close to his own roots. Where Kennedy may have had only an intellectual appreciation of the need to eradicate poverty, Johnson had a 'gut' reaction to the basic idea."

J. F. K.'s role

Actually, Mr. Johnson's predecessor must get a substantial share of credit for whatever success the new urgent concentration on Poverty U.S.A. eventually produces: It was John F. Kennedy's initiative that set the stage for the present drive, and Kennedy-fostered legislative proposals form the heart of the Johnson poverty program.

More than a year ago, the late President asked Walter Heller, Chairman of the Council of Economic Advisers, for a copy of Michael Harrington's newly published, nontechnical report on poverty, "The Other America," and for the more scholarly analyses by economists like Leon Keyserling and Robert Lampman, a University of Wisconsin specialist on low-income families. Last June, Heller sent a note to Lampman: "What lines of action might make up a practical Kennedy antipoverty program?"

Armed with Lampman's guidelines, Heller recommended that the war on poverty be declared, and just 3 days before his death last November, the President gave his chief economic aid the go-ahead to rough out the orders. On the hectic weekend after the assassination, Heller briefed Mr. Johnson on the sketchy planning already undertaken. The new President seized on the idea as a logical extension of the Kennedy philosophy and—since the antipoverty strategy had not yet jelled—a program he could legitimately carry to the voters as his own.

Now, down the hall from newly designated Poverty Chief Sargent Shriver's fifth-floor offices at the Peace Corps, an eager handful of key planners—Washington insiders have already dubbed them the "Poor Corps"—are trying to translate good intentions into meaningful reality. The atmosphere is enthusiastic, excited, often more than a little confused—distinctly reminiscent of the early days of the Peace Corps itself.

The team

Actually, Shriver and his brainstormers—among them Defense Department's Adam Yarmolinsky and Pat Moynihan of Labor, reinforced by intellectuals like Sociologist Harrington—are engaged in only one theater of the poverty war: getting more out of existing programs and developing new ones.

Integral to the war on poverty but essentially distinct from the efforts of Shriver and his "poverty office" is the $11 billion-plus tax cut bill, which passed the Senate last week and is now in the hands of a House-Senate conference committee. As Mr. Johnson's advisers view the problem, no programs—no matter how ingenious—can make headway unless the sluggish economy is jogged and new jobs are created. The tax cut is counted on to do that, "automatically" winning part of the battle.

The arsenal

A whole range of other programs—public-works projects in Appalachia, housing and hospital construction, referral of draft-rejected youths to employment or health counselors, studies of the effects of automation and overtime pay—are part of the arsenal, yet not directly connected with the "Poor Corps."

Under the budget proposed by President Johnson, $500 million will be spent by the Shriver office in the next 12 to 18 months. Half of this will be earmarked for new programs, including "community action" projects of all sorts in poverty pockets around the country. The rest will be spent on poverty-related aspects of existing manpower retraining, health, and employment programs technically under supervision of Cabinet departments. The keyword is coordination.

In practice, such bureaucratic differentiations would disappear. A typical community project might well involve Federal funds from a number of old and new programs, augmented by State, local, and perhaps private money. The initiative would come from the community itself in some cases; in others, the impetus would come from Washington—especially in areas themselves slow to fight the war on poverty.

Pilot projects

An outstanding sample community-initiated project is the 3-year, $12 million youth salvage campaign in poverty-ridden Kanawha County, W. Va., announced last week by Attorney General Robert Kennedy, head of the President's Committee on Juvenile Delinquency. Other pilot programs on the drawing boards involve putting college students from low-income families to work as tutors for potential high school dropouts, and work projects for chronically unemployed men and women coupled with special reading, trade, or adult-education classes.

Shriver is conscious of the conflict between those who would stress the jobs and public works approach, and those who want to concentrate the available funds at first in a fixed number—perhaps 50 or 75—of community projects. By no means has he made all of his key decisions, but it is clear that both approaches will get attention.

"The community approach offers a great deal," says Shriver. "As a matter of fact, it's a great deal like Peace Corps projects overseas. But let me tell you this: I'm not at all interested in running a handout program, or a leaf-raking program, or a 'something-for-nothing' program. I don't know what we're going to come up with, but when we do, it will be a practical program."

No one doubts that the tireless, pragmatic Peace Corps chief will get the most he can out of the money at his disposal. But even those sympathetic to the intentions of the war on poverty harbor grave reservations about its small budget and limited scope.

"The money figures that are being talked about are utterly unrealistic in view of the goals authorized," grumbles Harrington. "New York could absorb that much just on the problem of the Negro. One billion wouldn't cover any one point in the programs President Kennedy originated."

Not even a dent?

A high administration official says: "This threatens to be just a band-aid program. God knows it's worth while. Any increased effort to alleviate the pains of poverty is worthwhile. But until we crank up a massive effort to improve education, cut out the slums, clean out the narcotics rackets, we won't really make a dent in poverty. And don't forget: birth control figures heavily in this. I don't think we are prepared to do what is necessary in this area."

"This war on poverty," gibes Economist Oscar Ornati, "is one in which no general is willing to take a chance."

Another critic, Economist Keyserling, feels the essential point is being missed. "I do not believe that we have a distribution of income in the United States which makes it possible either to reduce unemployment substantially or to reduce poverty substantially," he insists. "You can't get rid of poverty, you can't expedite economic growth, you can't reduce unemployment by regressive budgetary policy, a tight-money policy, a nonspending policy, and a regressive redistribution of the national income through the tax mechanism."

"Free market" advocate Milton Friedman of the University of Chicago—a Goldwater adviser on occasion—has a more radical solution: a "negative income tax." The poor could be uplifted in a twinkling, he suggests, simply by giving them cash subsidies financed by the billions now spent piecemeal by Federal, State, and local agencies on New Deal-style welfare and poverty programs.

Thought provoking as they are, the points raised by Keyserling and Friedman are essentially academic in the face of current political realities. Lyndon Johnson, driving for a balanced budget, is unlikely to resort to massive increases in Federal spending; nor is America's basic commitment to a wide range of social-welfare programs likely to be abandoned in favor of an outright dole to the impoverished.

Indeed, the real problem facing the Johnson administration is how to wring a meaningful array of conventional poverty bills from a reluctant Congress. There are already more than a few ominous portents. Last week, a House committee flatly refused to expand the popular, proven food stamp program. Expansion of another Kennedy-inspired measure, the Area Redevelopment Administration, faces harsh prospects also; it is now bottled up in the House. With a Senate civil-rights filibuster certain, the "poverty package" may well become a hostage of the Southern bloc.

A poverty bloc?

By the time the President's special poverty message reaches Congress next week or the week after, the Southern tactics should be clearer. Harrington, for one, is convinced that the war on poverty is doomed unless Mr. Johnson recruits a coalition of his own: "a new, liberal, antipoverty congressional consensus cutting across party and sectional lines."

Shriver's first order of business these days is to draft the President's poverty message. He has leafed through a whole range of ideas from various Government agencies, solicited the views of business leaders and labor unions, and bounced the results off such trusted friends as Yarmolinsky and Dick Goodwin of the Peace Corps. Last week, for example, he huddled with Economist John Kenneth Galbraith; Charles B. (Tex) Thornton of Litton Industries; C. Virgil Martin, president of Carson Pirie Scott & Co., Chicago department store; Mayor Arthur Naftalin of Minneapolis; Donald Petrie, chairman of the executive committee of Avis

Rent-a-Car; Lane Kirkland of the AFL–CIO; Henry Heald, president of the Ford Foundation; Harrington; Labor Specialist Paul Jacobs; Under Secretary of Agriculture James L. Sundquist; Richard Holton, Assistant Secretary of Commerce, and TV Star Richard Boone, serving as a consultant of the President's Committee on Juvenile Delinquency.

"I come into this with an open mind," Shriver says. "I've been learning, sifting, and consulting—in just the way I did when I was trying to organize the Peace Corps. I don't mind going slow at the start. I feel that the way a program gets started is important to its ultimate success. So we'll start carefully."

What will be the measure of success? Some administration figures say they would be more than satisfied if the rate of reduction in the U.S. percentage of poor families could be stepped up to 1 percent a year—the pattern that prevailed from 1947 to 1956. But it would be years before such a trend could be gaged with any accuracy.

As the program gets underway, Shriver is characteristically realistic about its prospects. "I don't want anybody to get the idea that with $500 million here in Washington we're going to cure the poverty problem in this country. Nobody thinks that," he says. "But we can do something."

EDUCATIONAL TELEVISION

Mr. PELL. Mr. President, I would like to direct our attention to a most thoughtful and stimulating article by William Benton in the latest issue of Esquire magazine.

Mr. Benton addresses himself to the subject of educational television and begins by detailing the remarkably and indeed alarmingly rapid advances which the Soviet Union is making in this field. As a result of a recent trip to Moscow, Mr. Benton stresses that the "Soviets are determined to surpass us" and that Russia is now "devoting a much higher percentage of its gross national product to education than are we." As an example of this Soviet emphasis, Mr. Benton reports that the Russians are planning to set aside one entire network for correspondence courses to increase professional capabilities and train technicians and engineers.

"We can meet the Soviet challenge in our own way," Mr. Benton believes. In this article he sets forth the steps which he is convinced we should take in behalf of our own national interests and to realize "the superlative potential of television to broaden a man's knowledge, deepen his understanding, and enrich his life." Mr. Benton feels that we are far from reaching this potential today, and I agree with him.

He speaks from great and distinguished experience in government, diplomacy, and communications. He is now publisher and chairman of the Encyclopaedia Britannica. I heartily recommend his illuminating article to my colleagues and ask unanimous consent that it be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIG BROTHER'S TV SET

(By William Benton)

"We recognize clearly the enormous potential of radio and television for education. These incomparable media must not be just a waste of time. They must be intellectually stimulating, vital, full of ideas. We shall utilize these media to educate our people, to raise their aesthetic tastes and to help make them more fully developed human beings."

If these statements had come from the presidents of the three big American networks they would be cause for national rejoicing. Ominously—they did not. They were made to me in Moscow by an intense, vigorous, youthful-looking Cabinet minister who was describing the broadcasting plans for the people of the U.S.S.R.

The official is Mikhail Kharlamov, formerly Chairman Khrushchev's press officer. Kharlamov's name is largely unknown to Americans. Yet he occupies a position of enormous potential influence and power. Pierre Salinger had urged me to call upon him. As chairman of the State Committee on Radio and Television, Kharlamov is not far behind Gromyko in the Council of Ministers. And he is hurling at us a new challenge to which the Soviet Union gives the highest priority.

Nine years ago, on my first tour behind the Iron Curtain, I found the gap between Russia's commitment to education and our own alarmingly wide. Russia is devoting a much higher percentage of its gross national product to education than are we. It is true that except in certain areas—correspondence courses at university level, number of engineers in training—Russia still may be behind us. But the Soviets are determined to surpass us in every project. Following my fourth visit, I can now report that the fervor for teaching and learning within the Soviet Union has grown even more intense. And we Americans have been unaware of the extent to which the U.S.S.R. plans to employ a weapon that can prove to be the most potent in its entire educational armament—broadcasting.

Dr. Thomas Clark Pollock, of New York University, said not long ago: "Television offers the greatest opportunity for the advancement of education since the introduction of printing by movable type." The new Russian leadership understands this. They understand the potential impact of television just as they understand and respect the power of the nuclear bomb. That is why the astute Mr. Kharlamov and his able staff are bustling with plans for the future.

When I visited with him he was supervising the design of a great group of buildings to form a Moscow television center. This is to have the latest and finest equipment. A 1,700-foot TV tower is under construction. The nation's entire administrative structure for broadcasting, he tells me, is to be reorganized from top to bottom. Six channels are to be used. Plans are being made to insure good TV reception for the whole of the U.S.S.R., which embraces 11 time zones. Under study is the possibility of bouncing the signals from four Telstar-type sputniks—but the more conventional cable and microwave hookups also are to be employed.

By the beginning of 1963, according to Kharlamov, there were a 130 stations equipped with studios and capable of originating programs, plus 220 relay or booster stations, all serving areas with a total population of 90 million. There were 9 million receivers in use, he said, with 5,000 being added daily. Studio-equipped stations originate 850 program hours a day, compared with only 155 years ago. This is still, of course, only a small fraction of U.S. totals—but the growth rate is impressive.

And by far the most significant aspect of the Russian TV system is to be its emphasis on education. For example, Kharlamov plans to set aside one full channel entirely for visual support of correspondence courses. Already English lessons and instruction in a variety of home, factory, and farm skills are being televised. A year or so ago 52,000 farmers in the region surrounding Moscow clustered around their TV receivers in the evening hours as part of a correspondence course in scientific agronomy. Students were divided into small, manageable groups. Attendance was taken by an ingenious monitoring system and instructors checked the required written homework. This program, a special enthusiasm of Chairman Khrushchev, was said to be such a success that plans are underway to expand it throughout the Soviet Union.

There are of course serious deficiencies in Soviet television. So far they have only a fraction of the receivers we in the United States have. They are years behind us in production techniques. Most of the programs now broadcast over the government-owned and operated stations are like most other Soviet manufactured products—simple, serviceable, and often dull. Much time is devoted to Chairman Khrushchev's comings and goings, party meetings, political addresses, lectures, and major sports events. Entertainment is supplied by feature films, plays, operas, the great ballet performances, dance programs, and musical concerts.

But the directors of Soviet broadcasting are now eagerly studying and adopting the techniques—though not the content—of American TV. They are even inroducing the capitalistic system of competition between networks in a major effort to improve performance. "Let the different networks fight for the people's attention," Mr. Kharlamov told me. Each of the five existing radio networks in the Soviet Union is to operate under this new competitive system. The same principle is to be applied eventually to the six television networks now under construction. Of course, centralized control will never be relinquished fully. "We cannot allow all the stations to put on talk programs at one time," Mr. Kharlamov points out. Nor (he did not mention this) can he allow stations to put on talks—or films or plays or instruction on anything—that do not fall into the framework of state policy.

Let me concede also and at once that Soviet planning and Soviet publicity often outrace Soviet achievement. Nevertheless, we must face a chilling reality. Even if the Soviets accomplish only half of what they have set out to achieve in television, the result may be remarkable. For the Russians, far poorer than we in almost every way, are richer in zeal for education. They have begun to grasp what the controlling interests of U.S. broadcasting do not accept as a primary goal—the superlative potential of television to broaden a man's knowledge, deepen his understanding and enrich his life. Our programs are improving only somewhat, if at all, in intellectual quality. Newton Minow, before he resigned as Chairman of the Federal Communications Commission to join Encyclopaedia Britanica, told me: "There are now more patches of greenery visible here and there throughout the wasteland, but not enough to convince me to withdraw that designation completely."

Entertainment should, of course, have the major place in American network TV—no thoughtful person would dream of suggesting otherwise. But programs that stretch a man's mind and enlarge his horizons are far too few. The slick and the merely palatable still have a stranglehold on the commercial airwaves. And the commercial airwaves have a stranglehold on TV.

Commercial television may claim it is functioning in the "public convenience" and perhaps in the "public interest." But no one can argue successfully that it is indeed functioning in the public "necessity." These three words—the public's "interest, convenience, necessity"—are the key words in the Communications Act which authorizes the present radio and TV setup; and these three words establish the obligation all stations supposedly assume when they accept a license.

Prof. Harold Lasswell, of Yale, former president of the American Political Science Association, asks this question about television: "Suppose you were an enemy of the United States and were hired to demoralize the American Nation, what TV strategy would you use?" Dr. Lasswell answers thus: "In all probability you would do what you could to keep the present situation as unchanged as possible."

Commercial television executives in effect deny the deep thirst of many Americans for education. These many Americans, in the present system, don't constitute a profitable audience. It is not conceded that sizable minorities with serious interests also have rights—the right, for example, to turn the dial past "The Beverly Hillbillies." Today there is indeed nowhere for a viewer seeking mental stimulation to turn, little to choose at prime viewing time among variety show, 1946 movie, police thriller, and 1935 gangster film.

Thus American television for the most part steers safely along the easy and profitable road, concentrating on what it has learned will attract the largest percentage of set owners. It ignores the remarkable cultural revolution that is producing more inquiring minds than ever before in our history.

Yet we have some tremendous advantages in the TV competition. We have the transmitters and receivers. We have the networks, the resources, and the skills. We have something else—a "trained" audience that has seen more movies and more TV than any other population. What we lack is diversity in our programing—the diversity which will give millions of willing people a chance now denied them in the uniformity of the commercial stereotype.

To remedy this lack, the FCC in 1962, under Chairman Minow's leadership, successfully sponsored an act of Congress which can affect profoundly the future use of television. After April 30 of this year, all TV receiving sets manufactured in the United States and shipped in interstate commerce must be equipped to receive 82 channels, not merely the 12 channels for which most sets are now equipped. Each year, starting in May, between 6 and 7 million new 82-channel receivers will flow into American homes. It is believed that most homes will have such new sets before 1972. This should stimulate greatly the use of the 70 so-called ultra-high-frequency (UHF) channels, now largely neglected because of lack of reception.

Mr. Minow has predicted a far greater diversity of programing in consequence—including serious programs. Further, he hopes for the creation of a fourth commercial network "appealing to higher rather than lower common audience denominators."

My own hope is that the projected multiplication of stations will make possible a chain of "subscription" stations catering to minorities with serious interests—for a fee. The subscription technique, called pay TV for short, involves a home installation which "unscrambles" advertising-free programs the set owner is willing to pay for; it carries a coin box or makes a record for billing produce. The station can thus afford to produce programs for groups much more limited in size than the audience demanded by advertisers.

With commercial television now devoting itself to entertainment, one would logically expect that educational TV—known as ETV—would be carrying the torch for enlightenment. Is it?

Almost 11 years have passed since the first ETV station, KUHT, went on the air in Houston, Tex., in May of 1953. Now 83 such stations speckle the land. Most of these beam instructional programs to classrooms in the daylight hours and present cultural and civic programs in the evening.

Despite the fine things that must be said about it, and the brave announcements of things to come (one forecast is that there will be 200 ETV stations within a decade), a particularly painful fact about ETV remains unrefuted: the overwhelming majority of ETV stations are floundering in a financial morass, struggling along from month to month against steadily rising costs of operation and maintenance. As a result, they are unable to prepare or procure the adult programs which desperately need to be prepared.

ETV stations are understaffed and underequipped. Normally they must employ inadequately trained people and, as one study reported, "Too few staff members must wear far too many hats; they do not have time to mount a program or rehearse talent and crew adequately." While some programs are excellent, local ETV stations frequently offer, in Time magazine's words, "yawning forums and tediously detailed state histories."

ETV's major financial support in its earliest years has been the Fund for Adult Education, established by the Ford Foundation. Help, though not much, has come in recent years from other foundations, from business and industry, and, on a quid pro quo basis, from tax funds of local school systems. Senator WARREN G. MAGNUSON, chairman of the Senate Commerce Committee, after a long effort secured passage of a bill authorizing Federal money for construction of ETV stations.

When an ETV station is authorized by the FCC, private commercial ownership, commercial sponsors and profits are prohibited. Operating money must thus be raised through gifts, raised coin by coin and dollar by dollar by patient, dedicated men and women who sense that ETV can become a great force for good in their communities. The typical ETV station today, according to National Educational Television, gets along on an annual budget of about $400,000, plus a few gifts of services, equipment, and materials. This is perhaps a dollar per year per evening viewer. The 83 educational television stations spend less on programing in an entire year than is spent via NBC, CBS, and ABC in a week.

Mr. Minow told the 10th anniversary convocation of the Fund for the Republic in New York in 1963 that the "lighting up" of the new UHF channels "will make possible a truly nationwide educational television system through a network of stations devoted to classroom instruction during the day and to broad cultural adult programing in the evening." The key word here is "possible." But is such a development likely? Where will the money come from? Will advertisers pay for the higher quality fourth commercial network? Mr. Minow doesn't tell us. What we know for sure is that ETV's crucial need is a sound economic base.

Out of some 35 years of experience with commercial and educational broadcasting, and with the Voice of America, I have arrived at two principal conclusions: On the one hand, we Americans can try to stimulate commercial television, under its present setup, to program for the high common denominator as well as the low. On the other hand, we can undertake to give educational television an infusion of new strength. I envisage two major steps that might take us a long way toward both objectives.

First, let us now and at once, by congressional action, create a National Citizens Advisory Board for Radio and Television. This commission would be composed of leaders in the civic, educational, cultural and religious life of the Nation, and of men experienced in communications. Its members would be charged with responsibility for making findings on trends, problems, and opportunities in broadcasting, and making recommendations about broadcasting, and notably about civic, educational, and cultural broadcasting accordingly. The Board would function somewhat as a U.S. equivalent of the Royal Commissions employed so effectively in Great Britain. It would have no power other than that given in its title—the power to advise. It would have no share in the authority of the Federal Communications Commission to grant, withhold, renew, or revoke broadcast licenses, no judicial or legislative function. It would make an annual public report.

The influence of the Board could be great. It could help provide leadership to public opinion about broadcasting. It could suggest alternatives. It could examine the problem of financing educational television, and recommend solutions. What network, what station, could wholly ignore the reports of such a Board? They would be front-page news—where news of television belongs.

When I was in the Senate I introduced a resolution to create such a Board; it was shelved. Later Mr. Minow, while he was still FCC Chairman, lent his considerable prestige to the plan. "The Board was never created," he said in an address. "I think it should have been. It is not too late." Now a new group of Senators is planning to receive the project. If this Board had been created in 1951, the pattern of TV today, in my judgment, would be different.

Second, let us act now to put ETV on a self-supporting basis. My strongest recommendation is that the ETV stations currently and in the future authorized by FCC, and the new high-quality commercial UHF stations envisaged by Mr. Minow, be encouraged to adopt the "subscription technique" I have described above. Originally, the proponents of ETV hoped the stations could finance themselves by gifts, as does the Red Cross. It should now be clear that ETV will be unable to perform its massive and vitally important tasks—including improvement of the programs—if it must rely for support on local fundraising. It must collect from the customer.

Is there, after all, any real doubt that millions of Americans would willingly pay small sums for new cultural and educational opportunities? Consider what has happened to the book-publishing business in the United States—it has rather suddenly become a billion-and-a-half-dollar-a-year industry, with reference works leading the rise. Consider the sale of recordings of serious music. Or the new art-appreciation courses. Don't these show the willingness of people to pay?

ETV itself has produced encouraging symptoms of this willingness. I do not believe ETV can produce a flow of revenue consistent enough, or adequate to its needs, by selling course materials or examination services. But I do believe the following instances suggest that a substantial number of viewers might become paying subscribers to complete ETV programs:

1. In Chicago a "TV College" is now in its eighth year of operation over WTTW. Audience surveys report that regular viewers range between 5,000 and 100,000. Thousands buy study guides.

2. In Denver and Chicago, many thousands paid 50 cents and a dollar for foreign-language guides to follow lessons over ETV.

3. In Cleveland, many hundreds paid $3 each for a syllabus with which they could audit a course in elementary psychology given by Western Reserve University.

4. In New York 142 persons ranging in age from 17 to 73 showed up at New York University to take a stiff 2-hour final examination for college credit in a course in comparative literature which they attended for 15 weeks via TV. Each paid $75 tuition for the course. For 5 days a week they had risen early to go to "class" at 6:30 a.m. For homework, they read 16 books. About 120,000 others had watched the sessions, WCBS-TV officials estimated.

5. In New York, 7,000 people bought the textbook for a college-level course, "Russian for Beginners"; in the first 2 months the course was carried by channel 13.

6. Throughout the country, an estimated 1 million education-hungry viewers arose at dawn to sit before their television sets and absorb a course in "Atomic Age Physics." This was presented over NBC's "Continental Classroom," which was originally financed in large part by the Fund for the Advancement of Education. Housewives, businessmen, working people—Americans from every group in our society—were avid students. Each year many hundreds made arrangements with universities in their communities to obtain college credits for the course. In the very first week the course went on the air 13,000 textbooks were sold. Reports the Ford Foundation: "Parents marveled at the sudden alertness of formerly late-waking teenagers—Catholic institutions rearranged Mass schedules to permit viewing by students and clerical teachers * * *." In all, an average of 400,000 persons daily watched the course the first year it was telecast.

7. Last year hundreds of thousands in all parts of America watched a course called "The American Economy" presented by the Columbia Broadcasting System's "College of the Air." In 1962 other thousands tuned in on a course in "The New Biology." Some 300 participating colleges offered credit for these courses, when special arrangements were made by students. Most interestingly, some 33,000 copies of a student guide offered for sale with "The American Economy" course were bought by viewers at $2.95 each.

Finally, a study by the National Opinion Research Center in Chicago claims that 25 million adults in the United States are "following some plan for adult education." They are meeting and studying in every possible setting—in public schools, universities, libraries, business establishments, religious centers, union halls. By the hundreds of thousands they are taking courses in the liberal arts, the sciences, the professions, and all the crafts, and hobbies. The Book-of-the-Month Club is said to have paid the Metropolitan Museum of Art over $860,000 in royalties on its "Seminars in Art."

The potential audience for subscription ETV can be limitless as Americans are persuaded to realize that education does not stop at age 14 or 18 or 21, that it continues for a lifetime.

Though the use of the subscription technique seems to me to be the single most promising way to finance ETV (and perhaps also Mr. Minow's "higher level" commercial network), I have three additional ideas for discussion. These may seem unorthodox to many—to educators as well as others:

1. Today all ETV stations are not-for-profit operations. But this need be no bar to their acceptance of commercial "patrons" to help finance expensive programs. During 1962 the not-for-profit national educational television, which then provided 10 hours of programs a week for ETV stations, received "underwriting" of more than $500,000 from business sources for specific programs. In most instances this money came from the public relations budgets of the Humble Oil & Refining Co.; International Business Machines Corp.; Mead, Johnson & Co.; Merrill Lynch, Pierce, Fenner & Smith; the National Association of Manufacturers, and other business sources. These "underwriters" were credited, at the opening and close of each program, with having made the program possible. There was no direct selling, no middle commercial, and of course, no program control by the "underwriters." Although its ETV license prohibits the use of regular advertising commercials, the FTC has approved these credits or form of commercial support.

I have no fear that the boards who control ETV stations—take, as an example, the board of station WGBH in Boston, which is headed by the distinguished Mr. Ralph Lowell—are going to be corrupted by the temptation to commercialize their stations or debase their program standards. They would not and should not permit a sponsor to determine program content. Thus, I would be willing to consider giving the patrons more than a mere credit line on the air. And surely, the competition for advertising dollars ETV stations would give commercial TV would be no more worrisome than the competition the Atlantic Monthly and Harper's provide for Life and Look. If we trust the boards of directors of NBC, CBS, and ABC to deal with sponsors in the public interest, surely we can trust the boards of our ETV stations. Let the latter use their own judgment on what they permit their patrons to say on the air.

2. Because ability in communications can often command high financial rewards, I would ask whether ETV can find formulas which would attract outstanding creative and management talents. One way to achieve this might be for the nonprofit ETV stations to enter into contracts with private managers and producers to take over part of their programing. Because considerable capital is required to install a subscription system in any community, the pay-TV part of an ETV station's schedule might be contracted out, with the contractors sharing the earnings, if any, with the station.

3. There is, of course, one other way to finance educational and cultural television and that is through the taxing power; for example, the British technique of financing the BBC through an annual levy on home receivers. I confess I do not share the horror such an idea seems to evoke in the United States—so long as independent and nonsubsidized systems remain in competition.

I do not foresee the development in the discernible future, as suggested by Walter Lippmann, of a U.S. Government-financed network: there is no audible movement in that direction—and a decade of campaigning would probably be required to produce action in Congress. I do believe there is one way by which Federal financial support might be developed for ETV in the next 5 years, given an organized effort. The Congress has now established a precedent by authorizing matching grants to the States for construction of ETV stations. There is now in the statutes a Federal excise tax of 10 percent on TV receivers. Should not the receipts from this tax be earmarked for grants, via the Department of Health, Education, and Welfare, to the States for support of ETV programing? I prefer taxing the customers to levying a tax, as has been suggested, against the commercial stations.

I began this article by reporting what Mr. Kharlamov told me Russia proposes to do with television. He told me how the Soviets plan to expand present instructional programs for farmers, workers, and technicians; how they plan to devote one entire network to support of correspondence courses for professional people; how they plan to use TV to train engineers and advanced students; and how they mean to use the entire system to make the Soviet people "more fully developed human beings." Above all—and this is consistent with their record as well as their pronouncements—I reaffirmed how intense is their devotion to education itself. The Soviets know what they want. And if television is a weapon in the cold war, they are taking aim—zeroing in on a target. We in the United States have never thought of TV as germane to our national strength. We have been using television as a kind of fowling piece, scattering shot wildly.

I believe the competition between the Soviet Union and the United States is likely to turn on which society makes the best use of its brainpower. For most adults, this means the best use of communications media.

We have neither the wish nor the need to imitate the Soviets. We can meet the Soviet challenge in our own way. But if we are to live up to our own great pioneering tradition of universal education, we should employ television for education on a scale even more vast than the U.S.S.R. We should do this even if the U.S.S.R. were to sink suddenly into the sea. We should do this because it is indeed not only in the tradition of the American dream—it is potentially the very essence of the dream.

INTERGOVERNMENTAL FINANCES

Mr. MUSKIE. Mr. President, I ask unanimous consent to have printed in the Record an excellent article by Peter Vanderwicken, which appeared in the February 18 Wall Street Journal. In his analysis of intergovernmental finances, Mr. Vanderwicken highlights the serious problems created by the dramatic rise in State and local indebtedness during the past 18 years.

This study shows that total State and local indebtedness soared by 448 percent since the end of World War II, while the Federal debt increased by only 13 percent during the same period. Without significant Federal financial aid, the author notes, the State and local share of all public debt would have risen even higher. This Federal assistance "enabled many States and towns to avoid using their own bonds to finance such improvements as highways and housing."

This analysis demonstrates the pressing need for continuing and strengthening the fiscal pattern of intergovernmental collaboration that has developed over recent years. Each level of government has had to share the expanding financial burden of increased domestic services, since no level could do it alone. At the same time, the constitutional and fiscal implications of authorizing more State authorities to issue revenue bonds should be publicly and candidly debated. Without this, a significant link in the chain of Federal-State-local finances could well be weakened.

There being no objection, the article was ordered to be printed in the Record, as follows:

Deeper in Debt: I O U's of States, Cities Soar 448 Percent Since 1946 as U.S. Debt Goes Up 13 Percent—Controversy Rises as State Authorities Issue Revenue Bonds Outside Debt Limits—Upward Pressure on Taxes

(By Peter Vanderwicken)

New York.—The debts of America's States and towns have rocketed 448 percent since World War II.

This increase in the little-noticed indebtedness of States and municipalities has far outstripped the growth of the highly publicized Federal debt, which has edged up only 13 percent in the same period.

States and cities now account for 22 percent of all public debt, up from only 5 percent in 1946.

"The growth of this debt in the last few years has been phenomenal," declares Arthur Levitt, New York State's comptroller. Mr. Levitt contends that many bonds currently being issued by States violate their constitutions' requirements that bond issues be approved by voters.

HOW DEBT HAS RISEN

The table below shows the dramatic increase in State and local total and per capita debt since 1946, compared with the much slower increase in Federal debt, which has actually declined on a per capita basis. Dollars in the total columns are in billions, as of June 30, the end of most governmental fiscal years.

	State and local		Federal	
	Total	Per capita	Total	Per capita
1946	$15.9	$120	$269.4	$2.034
1954	38.9	246	271.2	1.713
1962	81.0	443	298.2	1.630
1963	87.2	467	305.8	1.646

State and local debt (generally lumped together as "municipal" debt) would have grown even faster, say bankers, without a sharp rise in aid from the Federal Government; this aid has enabled many States and towns to avoid issuing their own bonds to finance such improvements as highways and housing. Federal aid payments to States and cities rose to more than $7 billion last year from $855 million in 1946, according to the Tax Foundation, a nonprofit research organization.

Most municipal debt is in the form of bonds issued by States, school districts, water and sewage authorities and towns. In 1963, $10.1 billion of these bonds were issued and about $3.9 billion were repaid; the net increase was $6.2 billion. The latest figures available show that individuals and trust funds own about $32 billion of municipal bonds, or more than a third of those outstanding. Commercial banks own $30 billion, insurance companies own $15 billion, and corporations and other investors own the rest.

TAX ADVANTAGE

Municipal bonds have long been favorite investments of wealthy individuals in high-income tax brackets, because interest paid on them is exempt from Federal income taxes. Interest on Federal Government and corporate bonds, by contrast, is fully taxable. And although the amount of municipal bonds issued each year has doubled since 1952, investor's demand has been keeping pace.

But a significant switch has been occurring among purchasers in recent years. Commercial banks have greatly increased their investments in municipal bonds while individuals and trusts, formerly the prime purchasers, have bought less. The table shows the net change in annual purchases by each group; the figures were estimated by Salomon Bros. & Hutzler, New York investment banking firm, and dollars are in billions:

	1957	1960	1963
Individuals	$2.2	$1.7	$1.0
Insurance companies	.7	1.4	1.0
Commercial banks	1.0	.6	5.0

Education is the purpose for which much State and local debt exists. Nearly one-third of the $10.1 billion of municipal bonds sold last year were to finance school buildings. A fifth were for water and sewer lines, a tenth each for highways and refunding of previous bonds, and the rest for miscellaneous purposes.

This growing debt also tends to raise State and local taxes. Tax revenues must be used to maintain and operate most of the facilities built with the proceeds of bond issues, as well as to pay interest on and eventually to retire the bonds. State and local taxes have climbed 326 percent since 1946, the Tax Foundation estimates.

GROWING CONTROVERSY

Equally as significant as the rising debt, however, is a change in the kind of bonds States are selling. A sharp controversy is brewing over this question, partly because many communities are hitting their constitutional debt limits and partly because voters are becoming increasingly reluctant to approve large bond issues.

While there's no exact tally on just how many State constitutions restrict State debt, Nebraska is limited to $100,000, Florida cannot have any at all, and seven other States actually have no debt. Moreover, 34 States limit their municipalities' debts.

Nearly all State constitutions require voter approval of State bond issues, and voter rebellions against such proposals are spreading. Voters last year defeated a record $2.1 billion of proposed bonds, up from $1.8 billion in 1962. They approved only $3.6 billion of new bonds, down from $4.3 billion in 1962.

Many States, as a result, are unable to issue voter-approved "general obligation" bonds which require a pledge that the State will use its "full faith and credit" and general taxing power to repay them. States instead often are avoiding both their voters and their debt limits by creating authorities, which finance public projects by issuing "revenue" bonds; these aren't subject to a debt limit and don't require public approval.

One type, the true revenue bond, is repaid from income generated by the project it finances, such as a toll road or power dam. The other, controversial kind is repaid indirectly by taxes. An agency may, for instance, build a school and rent it to a local school district. The rent is derived from the school district's tax collections and is set to provide enough revenue to pay for the bonds.

Revenue bonds were first used in the last century to finance such projects as the Erie Canal, and their principal use is still for income-producing projects like toll roads. But use of the second kind—not really revenue bonds—is steadily being expanded to finance State office buildings, schools, and housing.

NEW YORK'S AUTHORITIES

Evidence is abundant that the State-facility type of revenue bond is being put to wider use. New York, for example, has some 25 State authorities; those set up in the past 2 years include the New York Job Development Authority, the New York State Atomic Research and Development Authority, the State university construction fund, and the mental hygiene facilities improvement fund. The State's authorities have more than $3.3 billion of debt outstanding, compared with only $1 billion owed by the State itself.

Florida's constitution prohibits any State debt, but its State-run authorities—including the Florida Development Commission (which finances State office buildings) and the State board of administration (which sells bonds for several agencies)—have more than $615 million of bonds outstanding.

Colorado has no direct State debt outstanding, but State agencies including the State highway commission, the Colorado State Home for the Aged Building Authority, and the Colorado State Employment Department Building Authority have more than $25 million of debt.

Pennsylvania's constitution permits some State debt, but voters must approve every issue, a slow and costly process. To avoid that problem, the State's school building authority, established in 1947, has financed more than 500 schools by issuing some $350 million of revenue bonds. The authority leases schools to local communities, and local property taxes indirectly pay interest and principal on the bonds.

ILLINOIS ISSUE

Illinois has some $445.7 million of general obligation State bonds outstanding; but because voters were becoming reluctant to approve new bonds, the State legislature in 1961 created the Illinois Building Authority. This agency is expected to sell its first bond issue, about $25.6 million of revenue bonds, later this month; it's scheduled to issue another $43 million next summer. Facilities financed by the authority will be leased to the State. The first bonds will pay for new prisons and buildings and land acquisition for State-run colleges.

There's growing opposition to this proliferation, both by some State officials and by investment bankers who sell the bonds.

"If a State wants to put up housing or office buildings or schools it should take its proposal to the people in a constitutional way," declares Mr. Levitt, the New York State comptroller and an outspoken opponent of authority revenue bonds. Mr. Levitt, a Democrat, contends New York's authorities are increasingly being used to finance projects so Republican Governor Rockefeller can claim in his presidential campaign that he hasn't increased the State's debt.

A spokesman for Governor Rockefeller, however, contends that "public authority debt is not State debt. Public authorities are public benefit corporations financed by the receipts of their activities. To the taxpayer, the significant debt is that which is financed from State revenues. This debt has dropped by $118 million under Governor Rockefeller to 1.2 percent of the annual State budget from 2.6 percent."

Another widespread objection is that such bonds cost taxpayers more than those backed directly by the State, which usually has a higher credit rating. "The State could sell bonds itself at an interest cost four-tenths of a percentage point lower than the authorities pay," says Mr. Levitt.

"The use of revenue bonds unquestionably raises borrowing costs," agrees E. O. Rolland, director of Florida's State board of administration. Mr. Rolland has urged the Florida legislature to amend the State's constitution to permit it to incur some debt.

Some investment bankers agree with Messrs. Levitt and Rolland that States shouldn't issue this type of revenue bond, which they contend is really an indirect claim on a State's or town's taxes.

Says Sidney Homer, a noted bond specialist who's a partner of Salomon Bros. & Hutzler: "They're part and parcel of a tendency in this country to make rules and then evade them. The spread of authorities results from the States reluctance to change their constitutional debt limits or to unbalance their budgets."

CRITICAL PLIGHT OF SENECA INDIANS

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article which appeared in the New York Times on Sunday, March 1, dealing with the plight being faced by the Seneca Indians as a result of the construction of the Kinzua Dam in Pennsylvania. The House of Representatives has unanimously enacted legislation to provide relief to the Seneca Tribe and this legislation is now under active review by the Senate Committee on Interior and Insular Affairs. The distinguished Senator from North Carolina [Mr. ERVIN] and the distinguished Senator from Pennsylvania [Mr. CLARK] have already pointed out the urgency of speed if our assistance to these displaced Indians is to be timely and effective. I want to add my voice to theirs and express my hope that the Senate committee can act immediately to report out the legislation so that the bill might be enacted within a matter of days.

I also ask unanimous consent to have printed at this point in the RECORD an editorial from the February 24 edition of the Washington Post discussing this urgent situation.

There being no objection, the article and editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 1, 1964]

Senecas, Land To Be Flooded, Peer Into Their Future Darkly—700 Indians, To Be Relocated Because of Kinzua Dam, Must Leave Unspoiled Woodland Domain in Few Months

(By Robert Trumbull)

SALAMANCA, N.Y., February 26.—With straightforward Indian logic, an 86-year-old Seneca woman voiced today the bitterness of her tribe against the U.S. Government.

"Since I was a girl," said Mrs. Lena Snow, "I have been told that the Senecas would have their land as long as the sun shines and the river flows. Well, I haven't seen them stop."

The sun was shining, sure enough, on the simple frame house where Mrs. Snow has lived for 60 years. Nearby, ice tinkled in the currents of the Allegheny River.

But as surely as the sun shines and the river flows, Mrs. Snow and hundreds of other Senecas will be dispossessed of their ancestral land in a few months as water backed up by a Federal dam covers their homes.

The $107 million dam, at Kinzua, Pa., will inundate Seneca homes in violation of a treaty signed by the Seneca Nation and the United States in 1794, guaranteeing the integrity of the Indian land forever. This is said to be the oldest treaty in the U.S. archives.

The only litigation involving the dam was brought by the Indians in 1958. They asked the courts to rule on whether Congress intended to break the Government's treaty with the Senecas to build the dam. The U.S. court of appeals ruled that Congress did intend to break the treaty.

The U.S. Supreme Court has ruled more than once that the Federal Government has the right to break treaties, so this right was never questioned in the courts by the Senecas.

A committee of the Senate will begin hearings Monday on a $16,931,000 bill, already passed by the House, to relocate the Senecas and compensate the tribe in other ways for Washington's repudiation of the 170-year-old treaty.

ONE HUNDRED FAMILIES INVOLVED

It is vital to more than 100 Indian families, consisting of nearly 700 individuals, that the Senate act at once on the bill, George Heron, president of the Seneca Nation, said. Until the measure passes and the funds are appropriated, he declared, the displaced Senecas cannot begin building the homes to which they must move before water covers the area next September.

Mr. Heron, a lithe and handsome man, formerly commuted 150 miles a day to Buffalo and back as a steelworker. Senecas and some other Indians of the Iroquois Confederacy have been in demand for such jobs because of their apparent immunity to acrophobia, or fear of heights. (Although Mr. Heron is at home on top of a spidery tower, he hates to fly in an airplane).

Today the former steelworker is the elected head of a nation within a nation. The Senecas, like other Indian tribes, run their own affairs on the reservation through elected officials. At the same time, they are subject to Federal and State laws and taxes.

The Allegany Reservation is only a mile or so wide, but it runs for 44 miles along a slow bend in the Allegheny River (the Senecas give the name their own spelling). It includes the pleasant city of Salamanca, built by white men on land leased from the Indians.

SENECAS PREFER WOODS

Few Senecas have much to do with the town on their land, beyond working in white men's factories making furniture and casting bricks.

They prefer to live near the woods filled with wild game—including pheasants, deer, and bears—woods that will soon be under water because, the Senecas say wryly, it is needed "to flush white men's toilets in Pittsburgh."

Even if everything works out as the Federal Government has promised, the displaced Senecas are going to be constricted into a semiurban way of life that has been completely foreign to their history.

About 10,000 acres that the Indians now roam at will, in the way of their ancestors, will be flooded by the dam. In place of this unspoiled domain, the Senecas have been cut back to a 500-acre site for two new towns where they will live somewhat like suburbanites on adjacent plots of 1 to 3 acres.

"They say we did nothing with the land anyway, except rattle around on it," Mr. Heron said. "But we rattle around, and that's something, isn't it?"

Senecas live today on family acreage granted by the tribal authorities. These grants are not extraordinarily large, for few Indians want to engage in farming. Instead, they take whatever jobs are available for cash wages. The average family income is $3,000 a year, and unemployment runs at 35 percent.

So the Seneca is often poor, and lives in a house that may be little better than a shack and without plumbing. But he is happy, according to the tribal elders.

"Give me a shanty where I can live as I please," Mrs. Snow says. However, her own simple frame house is hardly a "shanty." Inside there is wall-to-wall carpeting and a big television set. Many other Senecas are similarly comfortable in homes that look ramshackle outside.

Across his own unfenced grant, the Seneca gazes upon serene forest and river shore where his sons can learn the woodcraft of their ancestors as they may be inclined. The coming spring will be the last for this free way of life on the Allegany Reservation.

"The Indians are going to have to adjust to a new way of life now," Mr. Heron said. "He will have a better house, but without the forest. And his neighbors will be different. Also, living in the new homes is going to cost him more."

For generations, Mr. Heron explained, the Senecas have been accustomed to cutting their firewood free, as needed, on the forested hillsides. Each family had its own well, producing clear, sweet water.

Now the Seneca households will have to pay for their fuel and drink water tasting of chlorine from community mains, which the Indian, accustomed to wells and springs, dislikes.

Many Seneca customs will change, or will be observed in strange settings. For example, about 40 cemetery sites will be relocated. The Long House, where the Indians dance to the beat of the water drum and the turtle-shell rattle, and practice the gentle religion founded by an 18th-century tribal prophet named Handsome Lake, will also be moved.

And next winter there will have to be new runs for the snow snake. The snow snake is a slender hickory pole 7 feet long, which the Indians hurl like a javelin into a trough in the snow, to see who can make it go farthest—an ancient competition involving incantations and secret medicines rubbed into the wood.

Those crises, all subordinate to the immediate housing problem facing the Seneca nation, are discussed by the Indians in their own language at councils in the Long House.

NEW SETTLEMENTS PLANNED

The $16,931,000 relocation and rehabilitation program now before the Senate has been written to provide for the social and economic development of the Seneca nation on its reduced reservation. The two new settlements, called Jimersontown and Steamburg-Quaker Bridge, are being planned as model communities in school facilities, recreational areas and so on.

Friends of the Senecas, like Representative JAMES A. HALEY, Democrat, of Florida, chairman of the House Subcommittee on Indian Affairs, hope that a new 4-lane highway included in the Kinzua Dam project will bring a heavy tourist traffic through the Allegany Reservation. This would provide a lucrative market for the cornhusk masks and dolls, beadwork, and other Seneca handicrafts.

But the Senecas have learned to count on what they see, not what is promised. The history of their relations with the white man has not been encouraging.

The distribution this week of the annual allotment of treaty cloth provided a vivid example of time's erosion on the Government's commitments to the Senecas.

Under the treaty of 1794, Washington sends the tribe a yearly payment in cloth in partial return for Indian concessions. The Federal expenditure is about $2,700, Mr. Heron said.

"We used to get 10 yards each of the colorfully designed percale, calico, and gingham," he recalled. "Now we are lucky to get 3 yards of unbleached muslin."

The muslin is used for pillow cases, doll clothes, and other purposes of little significance in the Seneca economy. Nevertheless, "the Indians feel that as long as they are getting the cloth, the treaty will continue to be honored," Mr. Heron said.

To the realistic Senecas, the fact that the treaty had already been violated by the condemnation of land for the Kinzua Dam backwater is less important now than the need for congressional funds to assure the new housing before their homes are flooded.

"Our housing program is ready, but we can't move on it without funds," Mr. Heron said. "If we don't have our new homes before the deadline for moving, I will have to advise the people to remain where they are.

"You might say," he remarked, "that we are thinking about getting angry over all this."

[From the Washington Post, Feb. 24, 1964]

Injury Upon Injustice

A probability of adding serious injury to injustice arises from the delay in passing H.R. 1794 to finance the relocation and rehabilitation of the Seneca Indians who will be deprived of their homes by the Kinzua Dam. Construction of the dam near the Pennsylvania-New York border was begun in disregard of a 1794 treaty guaranteeing to the Seneca Nation "free use and enjoyment" of the area forever. President Kennedy concluded in 1961 that it was not possible to halt the Kinzua project, but he pledged to the anguished Indians full cooperation of the Federal Government to help them "make the adjustment as fair and orderly as possible." Now, however, flooding of the Seneca lands is said to be less than 8 months away and funds have not been provided to build new homes, churches, schools, and roads on the remaining land.

The House unanimously passed H.R. 1794 2 weeks ago, and Senate hearings are scheduled for March 2. No opposition to the bill has arisen, but it is feared that it will be caught in the Senate filibuster over civil rights and indefinitely delayed. If that should happen, flooding from the dam may drive the Indians out of their homes before it is possible to carry out an orderly relocation.

If it is impossible to speed up the Senate hearing, Chairman Frank Church, of the Subcommittee on Indian Affairs, should make certain that it is held on March 2, in spite of any filibuster, and that the bill is promptly reported to the Senate. The importance of the bill would then justify special efforts to have it pass the Senate by unanimous consent. To leave this harassed minority without relief as manmade floodwaters encroach upon it would be a reproach to the whole country.

VIETNAM

Mr. JAVITS. Mr. President, a few days ago I had a discussion on the floor of the Senate with the Senator from Montana [Mr. Mansfield] about Vietnam. It dealt with his suggestion that we give consideration to President de Gaulle's ideas for the neutralization of Vietnam.

This morning we find widespread speculation in the press, most prominently displayed. Today, Asia probably bulks largest in the news of any area in the world. It is a question as to the support which the United States would give to alternative courses of action, first, to the extension of the struggle by South Vietnam to North Vietnam; second, the possible espousal of De Gaulle's neutralist ideas; third, to stay where we are now.

The news carried in the newspapers is also clear that the existing regime in South Vietnam is very much concerned about its own position. The head of that regime, Maj. Gen. Nguyen Khanh, is concerned because he believes that there is a French plan to kill him, according to the lead story in the New York Times.

I believe it is clear, on the basis of the national consensus as it is reflected over the weekend, and by what I and other Senators have said and by what other Americans have said, that we are in Vietnam to stay, that we will do our utmost to give all the aid we can to South Vietnam, that we will do our utmost to bring about a stable democratic government in South Vietnam; that we are not getting out of South Vietnam, and that we are not adopting the De Gaulle ideas of neutralization; also, that there is no idea at present of extending the struggle to North Vietnam. In other words, we intend to hold our ground and to implement our position, considering where we are.

I thoroughly agree with that view, and I believe the Nation does also. It calls for action on the part of the President and the State Department.

I take the floor today because in this critically important situation in which we find ourselves, I believe that the President should make a considered statement to the American people, declaring American policy on South Vietnam. I also believe that this statement should be supported by a white paper issued by the State Department, explaining the position of the United States in respect to our policy in South Vietnam, why we are there, and what we intend to do.

I believe both of these actions are necessary, to give a sense of permanence and stability to the situation in which we find ourselves today. It does not mean that we will undertake greater commitments than we have, or threaten to do something which we have no intention of doing, or refrain from threatening to do anything. It does mean that it is essential that the American people have peace of mind about South Vietnam, that what they are doing is right, that they have determined, as a nation, to do it, and that this is the policy which the President and the State Department should carry out.

This is critically important. The Chinese situation is none too good as it relates to India. The struggle between Communist China and Communist Russia continues. In short, in this unstable situation there is the real element of the policy of the United States, which should be declared in an unequivocal way. Finally, the whole southeast Asia area depends on South Vietnam as the keystone in the arch.

The character of our position there may well determine whether Communist China will or will not sweep through all Asia. This would change the balance in the world and put us in the gravest jeopardy. So I hope very much that the President and the State Department will at the earliest moment make secure the one secure element in the whole South Vietnamese situation, namely the home base in the United States. It is the determination of the American people that they would rather take casualties and losses than inestimably greater ones which would become inevitable if the whole free world position, in south and southeast Asia were eroded, as it would be if we were to pull out of Vietnam.

Mr. MANSFIELD. Mr. President, I am sorry that I did not hear the beginning of the remarks made by the distinguished Senator from New York. I was informed that he referred to the colloquy which the Senator from New York had with the Senator from Montana in the Senate last week.

So far as Vietnam is concerned, there are some factors which we ought to keep in mind, and I believe the record ought to be kept straight. Our purpose in Vietnam, as I see it, is to assist the Vietnamese to maintain the territorial integrity based on the 1954 Geneva Accord, which means that the frontier established at the 17th parallel will continue to be recognized, and that we will contribute in the future, as we have in the past, to the protection of that territorial integrity and the stabilization and security of the country.

To accomplish this will mean a continuation of our present participation, both economic and military, and a continued policy of strengthening the South Vietnamese forces so that they can continue the war; put down the Vietcong elements within the country, and do what they can to stop the inflow of the Vietminh along the Ho Chi Minh trail through Laos and Cambodia on the west and the sea transport on the east.

It has been said by the highest officials in the past two administrations, and in this administration, that this is primarily a Vietnamese war, and that if it is to be won it must be won by the Vietnamese themselves. There have also been indications by high officials in this and the preceding administration that this war could be brought to a successful conclusion as far as we are concerned in anywhere from 1 to 3 to 5 years. Also, statements have been made to the effect that American troops would be withdrawn by tentatively determined dates.

Having described what our purpose is in Vietnam, the next question is: What will be the result when and if the objectives desired are achieved? The result will be that Vietnam to which we are not tied, under a mutual security agreement, and which comes under the Southeast Asia Treaty Organization, SEATO—only incidentally and through association—would then be in complete charge of its own future. It would, I assume, be friendly oriented toward the United States, but in the absence of definite security treaty arrangements, it would be classified as a neutral nation, a neutralization not in favor of Communist North Vietnam, not in favor of Communist China, but in favor of, and for the protection of, South Vietnam itself.

Its problem then, as now, would be to establish some sort of mutually acceptable agreement covering its western frontier with Cambodia. Perhaps the same border situation would apply to Laos, but to the best of my knowledge, there is no indication that such is the case at the present time.

This, in brief, in my opinion, sums up our reasons for being in Vietnam and for staying in Vietnam. Stating what our objectives are emphasizes that our contribution can best be only on the periphery, and that basically and primarily the solution must be sought by the Vietnamese themselves. That solution involves not only a military victory over the Vietcong in South Vietnam, but stopping the flow of arms from North Vietnam, the rectification of border difficulties with Cambodia and possibly Laos, and perhaps, most important of all, a government based on stability and support of the Vietnamese people.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. MANSFIELD. I ask unanimous consent that I may have 1 more minute.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. At the present time, according to the best information I have received—and I have a purpose in making this statement—this Government has indicated an interest in the four-power proposal advanced by Prince Norodom Sihanouk, Chief of State of Cambodia, to the effect that a four-power conference should be convened for the purpose of guaranteeing the borders and the neutrality of Cambodia—those powers to be Thailand, South Vietnam, the United States, and Cambodia itself.

When people try to read into remarks which I have made that I have advocated that in any negotiations of this sort vis-a-vis South Vietnam, I have indicated that Communist China must be one of the participants, they are reading into my remarks something which is not there. I tried to make the record clear in the colloquy I had with the senior Senator from New York [Mr. JAVITS], the other day.

Mr. JAVITS. Mr. President, in the first place, I am sorry the Senator from Montana did not hear what I said. I only referred to him as showing my continuity of interest in the area. I did not in any way try to go over the same ground again.

Mr. MANSFIELD. But it was the same subject.

Mr. JAVITS. It was the same subject. Second, I am certainly not one who has felt that the Senator from Montana has in any way involved the Communist Chinese among the negotiating parties. Perhaps others have, but I certainly have not, and I make no such assertion now, and would not dream of doing so. I was very clear as to the Senator's position.

Third, I am sure the Senator heard my recommendation—and I believe we are arriving at a national consensus—that it would be well to have that policy firmly established through a declaration by the President to the people, especially as we are suffering casualties in South Vietnam, the only place in the world where we are. It is really a hot conflict at the moment. The declaration should be supported by a white paper on the part of the State Department, giving the whole history of our relationship to this crisis.

Fourth, the Senator and I really do not differ quite so much, as we have gradually narrowed the ground of difference.

I am deeply concerned about a repetition of the difficulties we face in Cambodia and the Pathet Lao difficulties in Laos and South Vietnam, if we give the South Vietnamese the feeling that we are anxious to liquidate that situation at the earliest moment.

I would rather give them the feeling that we are willing to accept casualties, provided we remain true to the original mission we set for ourselves. There may be a little difference of timing, there may be a little difference in emphasis, but as we have gradually narrowed the grounds of difference, I think timing and emphasis are the points that stand out.

I fully respect what the Senator has said. No one honors him more than I for the fact that this subject has been thrust into the forefront of discussion. He and I agree that this could not be otherwise than helpful.

Finally, one of the major items to appear in the press this morning is the disarray of the NATO Alliance on this issue. It is reported that there is considerable dissension in NATO, which is all the more reason for taking advantage of a developing consensus in our Nation and nailing it down as to the fundamental basis of American policy and our willingness to take casualties and difficulties in order to persevere in that policy in South Vietnam.

Mr. MANSFIELD. Mr. President, the American people had better become fully aware of exactly what confronts us, in view of the possibilities in Vietnam. The truth will hurt no one. The truth should and must be told. If we go along on the basis of some policies which I have heard advocated, even in the Senate, and also in the press, the American people had better be made fully aware of the costs involved, not only in material and money, but in men, as well. And they had better think this through carefully. All we here can do is discuss this matter. The responsibility lies with the President of the United States. I think he has conducted himself in exemplary fashion. His understanding is sound, and his grip has been firm; and I only hope that when Mr. McNamara returns from Vietnam—and I, for one, am delighted that a man of his caliber is going there again—he will be able to give the President the benefit of his survey and inquiry, so that we shall be in a better position to determine where we are, and where we are going.

The Senator from New York has mentioned the fact that NATO is in disarray. Mr. President, NATO has been in disarray for years; CENTO has been in disarray; and SEATO has been in disarray. I think the best thing our country can do is reassess its foreign policy, insofar as it is possible to do so, face up to the realities of today, and not depend so much on the wishes of yesterday.

Mr. JAVITS. Mr. President, will the Senator from Montana yield again to me, very briefly?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I believe the American people will accept the risks in Vietnam, if we pursue our present policy. That is the fundamental point I am trying to make—that they are not unduly dissuaded from that by the desires on which both the Senator from Montana and I agree. I believe that when the issue is presented squarely—and it seems to me the Senator from Montana and I certainly agree on that—the American people will accept the risks and will back a continuance of the present policy, notwithstanding the risks, even including casualties.

UNITED STATES CHECKS LARD DEAL

Mr. KEATING. Mr. President, I take this opportunity to commend the prompt action of President Johnson in blocking shipments of lard from the United States to Communist Cuba. By acting promptly, the President prevented a small hole in the dike of U.S. economic policy from becoming an even more disastrous breakthrough which would have given all of our European allies even more of an invitation to trade with Castro.

Mr. President, the incident shows that there is a pressing need for closer coordination of trade policies. Within the United States, and under the terms of the Export Control Act of 1949, there is adequate authority to regulate exports, to require licenses, and, if necessary, to refuse licenses in cases where trade would not be in the overall interests of the United States. Yet trade with Cuba has been treated in such an amorphous manner, without form or consistency, that it is technically possible for U.S. merchants to sell many types of food and medicine to Cuba, without any kind of license. Even though such sales would have great foreign policy effects, there is at present no requirement for licensing. The first step surely is for the United States to set its own house in order, and to require in the case of Cuba, as we do for Red China, North Vietnam, and North Korea, that export licenses be obtained for all shipments. In this way our Government could grant permission for items badly needed for humanitarian purposes, such as perhaps certain kinds of drugs in an emergency, but could refuse licenses in a case of this sort, where the motive is primarily profit and the impact would have been disastrous.

The second step in United States economic coordination of trade with Cuba, after we have set our own procedures in somewhat better order, is to press our allies more effectively for a coordinated policy on Cuban trade. The cutting off of aid, small as it was, might have been extremely effective, had it been done promptly after the missile crisis in 1962. It will obviously mean a good deal less today. We should plan for an international conference of all the major industrial nations involved, with a view to working out fair and reasonable procedures on the Cuba trade. We may have to make compromises of other kinds, to get their agreement on Cuba. We may, for instance, have to yield to British pleas to cut off United States aid to Indonesia—a course which many Americans would in any case favor; but we should make clear that cooperation is a two-way street, and that if our allies are going to expect to obtain our cooperation on issues of major importance to them, we should have their cooperation in connection with matters which we consider important. An international conference of major Western industrial nations and Japan would be the best way to make clear our own determination to do everything within our power to insure that the economic strength and resources of the West are not available to Castro in his continuing campaign for the subversion of Latin America.

BULGARIAN INDEPENDENCE DAY

Mr. KEATING. Mr. President, Tuesday, March 3, is the anniversary of Bulgarian Independence Day. Near the end of the last century, the breakup of the Ottoman Empire released the captive peoples of Slavic Europe. Centuries before, the Bulgarian Nation had been a great nation under vigorous and progressive kings. The Bulgarians remembered this, and were determined to have their freedom. After bitter fighting, they gained independence for a ravaged and chaotic country; and by 1912 the dedicated leadership of the liberal parties established Bulgaria as a firm and developing nation. Then tragic wars damaged much of the great work done in education, construction, and industry.

Throughout the interwar years, Bulgaria attempted to repair the injury done between 1912 and 1918. By 1939, conditions were once again markedly good. Bulgaria was on the point of entering a period of very rapid development. One reason for its growth was new trade with other countries, especially Germany. This led Bulgaria to the sad mistake of declaring war against the Western Allies, along with Germany, in 1941. That was real and tragic evidence that trade brings political influence. That action is a lesson which many nations today should heed. Again war brought Bulgaria suffering and destruction. In 1944, Bulgaria began trying to escape from German control, and offered to sign an armistice with England and the United States. But Soviet Russia was closer than we were; and in September 1944, Soviet troops invaded Bulgaria. With their coming, as everywhere in Europe, arrived the Communist Party and its heartless oppression. The patriots of Bulgaria had been fighting valiantly against both German and Soviet occupation. But the Communist Party, backed by the presence of the Red army, seized all power early in 1945. Then the familiar story of executions, deportations, concentration camps, and rigged elections was repeated all over again. By the end of 1945, another country had been forced into the Communist bloc of satellite subjects.

The Bulgarian people were victims of foreign domination for centuries. Yet they never gave up hope, because there ideas and examples of a better life were flowing to them from free countries elsewhere in the world. It was these ideas and examples which inspired the original Bulgarian independence which we celebrate today. We are confident that under the hopeless and pointless subjugation now exercised over Bulgaria by the Soviet Union, the spark of freedom burns as bright as ever. The Communists' efforts are directed at convincing the Bulgarians that there is no life better than communism. Our task is to prove to them that there is a much better life in freedom. Especially we must congratulate Bulgarian-Americans for their efforts on behalf of their homeland. May they soon celebrate with renewed joy an independence day which will have increased meaning.

NASA ELECTRONICS RESEARCH CENTER—LET US REEXAMINE SUCH DECISIONS

Mr. YOUNG of Ohio. Mr. President, over 100 communities across the Nation requested consideration for the location of the proposed $60 million NASA Electronics Research Center. Apart from the initial investment of $60 million in building it, this facility will cause as much as $50 million a year to go into the local economy and benefit people living in that entire area. In addition, it will have significant long-range value in attracting new industry to the area in which it is located.

When plans for this project were first announced, it was rumored that it was earmarked for Boston. NASA officials dutifully heard appeals by university administrators, scientists, and local officials from 29 locations throughout our Nation, including several in Ohio, seeking this research Center. Then they announced that the Center would go to Boston—on the ground that the nearness of Harvard University, Massachusetts Institute of Technology, and private electronics laboratories gave the best assurance of the Center's success, so they said. Thus far, there is little to indicate that thorough evaluation was given to potential locations distant from the Boston area.

Mr. President, two or three excellent sites were offered by communities in Ohio. Among these were very desirable locations in Columbus, Sandusky, Chillicothe, and the Crile Hospital site, at Parma, Ohio, a city of 100,000, a suburb of Cleveland, and the fastest growing community in our State. Frankly, I believe that no other site owned by the Federal Government is comparable to the Crile Hospital site, which has 324 acres of prime Government-owned and developed real estate. It is sound economy for the Federal Government to use its own land for new governmental facilities. Not only does this save taxpayers' money, but the Government also has the benefit of land use studies which were made at the time of the original acquisition.

In all respects, Cleveland eminently qualifies for this important new facility. It has two first-rate engineering schools—Case Institute of Technology and Fenn College—Western Reserve University, Baldwin Wallace College, John Carroll University, and other outstanding institutions of higher learning. The famed College of Wooster, Hiram College and Kent State University are not far away. In the area of private electronics research, Cleveland possesses one of the oldest and best developed facilities in the country—the Nela Park Research Center of the General Electric Co.—and a host of other private electronics enterprises, including the Thompson-Ramo Products Co.

Furthermore, the Lewis Flight Center, an important NASA facility, already is in a suburb of Cleveland. The Lewis Flight Center could provide staff and facilities to accelerate the operation perhaps a year or two ahead of schedule than if the electronic center were located elsewhere.

The proposed location to which I am adverting is only 12 miles from downtown Cleveland. It is ideally located for a facility of the kind proposed. The airport and the Lewis Flight Center are less than 15 minutes distant by automobile. It takes but 30 minutes or less to reach some of the finest educational institutions in the Nation. Comfortable and lovely residential areas surround the area making it attractive to the highly skilled scientists who will staff the research center.

(At this point Mr. BAYH took the chair as Presiding Officer.)

Mr. YOUNG of Ohio. Mr. President, while it is certainly the desire of all Congressmen and Senators that this facility be located at a site which is in the best interests of our space program, it is evident that too much favoritism has been shown to two or three areas in the Nation in regard to space activities to the neglect of other areas, equally satisfactory or superior. Each time a new facility is proposed, we hear the same well-worn argument that it should go to an area which already has institutions with experience in this field. As a result a vicious cycle has formed, and it can almost be predicted that any new important space facility will go to Boston, Houston, or to California. Evidently, communities in the 47 other States of the Union are to be ignored and are not to take part in the space age.

Frankly, I am tired of the argument. I rise today to speak briefly in protest of what has been going on. When we meet with officials of NASA and talk on the subject, we are like supplicants in a matter that has already been decided before our arguments are heard and what we have to offer is made clear.

Furthermore, it is high time that new areas of the country share properly in Federal research and development plans. We have institutions of higher learning in Ohio which are of the topmost rank. I am not convinced that it is necessary that 10 of the Nation's 2,100 universities and colleges, with the University of California, MIT, and Columbia leading the list, should receive 40 percent of the $900 million in Federal research funds awarded to higher educational institutions during the last fiscal year. To the contrary, I am convinced that it was wrong to do so. Federal officials insist that funds must go where the scientific talent is, but by consistently favoring a few universities, such as those to which I have referred, either in California or in the Boston area, of course, talent will naturally flock to those universities. In my own mind I am certain that if Ohio State University, the University of Illinois, the University of Chicago, the University of Wisconsin, the University of Michigan, Purdue University, Indiana University, and other universities in the great State from whence the present Presiding Officer (Mr. BAYH in the chair) comes, or other outstanding institutions of higher learning in the Midwest, were to receive grants comparable to those awarded favored colleges in the Boston area and in California, within a year or two they could claim to have the so-called talent now making those colleges so attractive. They could claim to have much of that scientific talent that is now being spoken of when officials of NASA say that funds must be awarded in those certain areas to which I have adverted.

Mr. President, I fervently believe that now is the time to stop and investigate the entire program of the National Administration and Space Agency. I can assure Senators that NASA officials will have to set forth potent and very powerful arguments for locating the project at Boston, and to explain clearly and to advance logical reasons overwhelming in their clarity for locating in Boston, when other qualified sites, including Cleveland, were rejected. Shortly there will be testimony before the Committee on Aeronautical and Space Sciences, of which I am a member. I shall be on hand asking to be shown why this favoritism, as I look at it, has been perpetuated and why anything of that sort should be continued.

Between the east coast and the west coast there are 3,000 miles of America. Between Boston and California there are 180 million Americans. Unless there are real and compelling reasons for the decision to select Boston, the people who live in other areas of our Nation feel that they, too, have a right to share in the development of and in the benefits from space research and technology. We seek to have citizens in all areas of the 50 States of our Union contribute to the exploration of outer space and contribute to the supremacy and welfare of our country as they have the skill, the education, and the scientific talent to do so.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. YOUNG of Ohio. I am glad to yield to my distinguished colleague.

Mr. LAUSCHE. I wish to commend my colleague for speaking on the subject today. While he and I are from Ohio, I think the issue embraces a much larger territory than Ohio itself. The entire midwest part of our country is involved in a treatment accorded by the Federal Government that is gradually eroding the growth of the Midwest in favor of other areas throughout the country.

My colleague mentioned the fact that hearings were held by a committee of NASA to determine the place in the country to which the center should be assigned. I attended those meetings when Ohio applicants presented their evidence, especially when Columbus and Cleveland did so. I wish frankly to state what while I was there espousing the cause of Cleveland and Cincinnati, I said to myself, "This is just vain talk. The decision has been made." These hearings are an instrumentality to give dignity to the choice of Boston. Subsequent developments rather effectively confirmed the judgment which I had at that time.

The Presiding Officer, Senator BAYH, is from Indiana. When I speak of the Midwest States, I include eight in that area—Ohio, Indiana, Illinois, Iowa, Kansas, Michigan, Minnesota, and Wisconsin.

The statistics and graphs of economic growth show that the trend in those States is downward. I suggest that a substantial cause for the erosion of the economy in the Midwest comes from this propensity upon the part of the central government not to assign to different areas of the country those operations which become the subjects of attracting new industry and retaining old.

The electronic research center is gone. It is assigned to Boston. That is where it was assigned in October of 1962, when the elections throughout the country were being held.

The committee which heard the different petitions was very courteous. It caused us to believe that if we would show what universities we had, what the environmental situation was, what the cultural situation was that there would be an effort to consider Ohio and one or two other States. That was just a facade. That is what it has proved to be.

May I say to my colleague that there is another project in the making, and that is the Environmental Health Center. That will be a huge project, in which research will be done with regard to abolishing noxious materials from the air and eliminating pollution from the waters. The Lewis Research Center was the beginning of the research in the electronics field. As far as NASA is concerned, the Lewis Research Center is the beginning. The Lewis Research Center is located in Ohio. That factor was given no consideration.

With respect to the Environmental Health Center, in Cincinnati we have the beginning of that research work. It is done at what is known as the Taft Health Center in Cincinnati. With respect to the Environmental Health Center, it is rather obvious that the base of the operation will be located in Washington.

On that score, I wish to say something. We had better quit centralizing everything in Washington, not only the great power of spending money, not only the great power of telling people everywhere that Washington best knows what to do in the matter of social science, economics, political science, and culture.

That project will probably cost $50 million. I cannot give the exact figure. It was intended for Washingon. It will come to Washington, although we are again told, "Make your case. Present your evidence. Maybe you will have a chance."

On the idea of concentration, let me state that some day we will realize the mistake of concentration, and especially of concentration in Washington. A stenographer cannot be hired here for less than $6,500 a year, while stenographers throughout Ohio, Indiana, and other States are looking for jobs. Yet we keep expanding activities here when we know there is an inadequacy of personnel, and that because of that inadequacy, we are "paying through the nose."

I am not envious of the States that get certain assignments. I am, however, here to complain about the constant statement that is being made that the Midwestern States do not have the engineering and scientific know-how to do the job. If an examination is made of the number of engineers and scientists graduating from the midwestern colleges, it will be found that those universities and colleges are providing scientists for all the States enjoying Federal contracts.

Mr. STENNIS. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. LAUSCHE. I yield.

Mr. STENNIS. What is the pending business?

The PRESIDING OFFICER. The pending business is the substitute amendment for the wheat and cotton farm bill.

Mr. STENNIS. A further parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. Who has the floor?

Mr. YOUNG of Ohio. Mr. President, for the information of the Senator from Mississippi, I secured permission to speak on a subject that was not germane to the bill.

Mr. STENNIS. Who has the floor?

Mr. YOUNG of Ohio. I have the floor. I was happy to yield to my colleague, as we concur about the serious situation now under discussion.

Mr. STENNIS. I thank the Senator.

The PRESIDING OFFICER. The Chair recognized the Senator from Ohio [Mr. YOUNG], who subsequently yielded for a brief statement by his colleague, the Senator from Ohio [Mr. LAUSCHE].

Mr. LAUSCHE. I shall conclude in a moment.

With all the domestic and international problems we have, I hope that we shall not develop in our country a new problem resulting from the fact that the Federal Government is not treating all of its children alike. If we ever adopt the philosophy that those in power, selected by all of the people of the country, can give preferential treatment to their own States at the expense of the others, I submit, Mr. President, that we shall be taking on a new task most difficult of solution.

I conclude by commending my colleague for discussing this subject today.

Mr. STENNIS obtained the floor.

Mr. STENNIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Idaho [Mr. JORDAN] for the insertion of a morning business matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO SENATOR MUNDT OF SOUTH DAKOTA

Mr. JORDAN of Idaho. Mr. President, this is the 25th anniversary of service to South Dakota by our colleague, Senator KARL E. MUNDT. I salute him for his many years of dedicated service to his State and to the Nation. Senator MUNDT has long been a militant foe of communism wherever it is found. Recently he wrote an article exposing Communist school activities which will be of interest to all who share the belief that this menace must be banished from our continent. Mr. President, I ask unanimous consent to place in the RECORD the following article taken from the March issue of Mechanix Illustrated by Senator KARL E. MUNDT, South Dakota.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMERICA'S LITTLE RED SCHOOLHOUSES—A FRIGHTENING REPORT ON HOW THE COMMUNISTS OPENLY TEACH SUBVERSION IN THE UNITED STATES

(By Senator KARL E. MUNDT, South Dakota)

Communist schools that teach subversion and conspiratorial strategies and tactics are operating openly in the United States.

Does that statement come as a shock to you? It does to most Americans, for the existence of such Red institutions in our midst is the best kept secret of the cold war. To find schools of subversion in a Russian satellite, in Cuba or even in some other Latin American countries would not be a surprise. But to find them in our own country—no, it can't happen here. It has happened here. Communist schools are teaching a chosen few of our fellow Americans how to undermine their own country, how to destroy their democratic way of life, how to prepare the Nation for Communist takeover.

Want to know where you can find a school that is controlled by identified Communists? Come along to beautiful Central Park, Manhattan's bit of country in the city. At the western edge of the park you cross a broad avenue called Central Park West and walk into West 74th Street. It is a well-kept area of apartments and a few business buildings. Down the avenue to the right lies the American Museum of Natural History.

In 74th Street itself, you find mostly four-story buildings—well-preserved brownstones, some red brick structures and a few stone dwellings that have been painted. On the left, at No. 18, is a red brick building, four stories high with dormers on the roof. The building looks clean, as if someone takes good care of it, and the bricks are set off with a white stone trim. There is a black iron balcony and two ornamental columns on the second floor. The building houses the object of your visit, the Metropolitan Music School.

What is the Metropolitan Music School? It is concerned largely with young music students. You will find courses in classical and jazz music being taught to 350 to 400 students each term. You might not think there was anything extraordinary about the school—anything to make it different from other small, private institutions of its type.

However, the facts are these: many of the Metropolitan's teachers are familiar to congressional committee rooms, and the House Un-American Activities Committee once found that 24 persons identified as Communists had taught there. Sidney Finkelstein, cited by congressional investigators as cultural director of the Communist Party, and who tabs himself as an "esthetician," is one of the school's administrators.

The Metropolitan's director, Lilly Popper, invoked the fifth amendment when asked whether she was a member of the Communist Party. She did tell probers that she had been director of the school since it was founded in 1947 and previous to that had been director of a parent institution, the old Downtown Music School at 111 West 88th Street, a few blocks away. Downtown Music had been founded in 1934 and she had held the top post from the beginning.

At Metropolitan, a fourth to a third of the student body is made up of adults. The rest are children or teenagers.

Leonard Cherlin once taught at Metropolitan but later became an anti-Communist and helped investigators expose the school. Cherlin, a graduate of the Juilliard School of Music and of Teachers College, Columbia University, explained how teachers were able to influence the thinking of students who gathered in groups after classes, as students do the world over, and how this influence extended as well to social get-togethers. Cherlin said he had attended closed Communist Party meetings with many teachers from the Metropolitan Music School, including some meetings that were held in Director Popper's quarters in the school building.

With youngsters as well as adults enrolled in a school where at least 24 known Communists have taught, it is reasonable to conclude that Communist Party influence is not limited there to adults alone.

With the kind of history and background that the Metropolitan Music School has, one might be led to wonder how long such an institution could continue to operate. The answer at this point is that the school has carried on successively for some 15 years and still is a growing concern. To repeat a line sometimes used by educational and other institutions, further information can be obtained by calling the school. You'll find it listed in the Yellow Pages, as well as in the Manhattan telephone directory.

Most Communist schools in this country offer courses whose names, at least, are similar to those of courses at typical American institutions. However, the course names often are mere covers. The knowledge offered to students deals with Communist action and the means of bringing down our form of government.

Investigations of Communist schools almost always involve antecedent and descendant institutions. The frequent changing of addresses and names seems to be a standard procedure for Red schools. Sometimes there is continuity in the courses taught. Sometimes there is continuity in the faculty.

Many years ago, the Communist Party established a series of Workers Schools, among them being one in New York City. Classes were held at Communist Party headquarters at 35 East 12th Street. The school was operated to educate persons who already were members of the party.

In a separate development in 1940 a number of teachers resigned or were suspended or dismissed from their teaching posts in the New York City school system as a result of investigations by the Rapp-Coudert Committee. A group of these teachers formed an institution known as the School for Democracy. Four years after this, the old Workers School and the School for Democracy merged to form the Jefferson School of Social Science, which then was located at 575 Avenue of the Americas (Sixth Avenue) in New York. This Red schoolhouse closed its doors in 1956 under congressional pressure. A series of forums was organized a little later, held first at Academy Hall, which will be mentioned again later, and at Adelphi Hall, 74 Fifth Avenue. This was in 1958. In the fall of that year the faculty of the Jefferson School of Social Science opened classes at 80 East 11th Street in Manhattan.

So it went. Names changed. Addresses changed. But the schools all had something in common. They preached the Communist Party line. And there was something else in common, too—the teachers. Among them were Henry Klein, Jesus Colon, Sidney Finkelstein, Dr. Herbert Aptheker and Dr. Hyman Lumer.

Congressional investigators, checking into the background of these five teachers, produced evidence which showed that each one had a history of Communist teaching. When questioned by congressional committees, four of the five evoked the 5th amendment.

Where are these teachers today? You can find them near historical old Union Square in the heart of Manhattan. At the southern edge of the square, Broadway crosses 14th Street and here is located an unpretentious 22-story structure of dirty yellow brick. The address is 853 Broadway and the building houses an institution known as Academy Hall, which was mentioned previously. If you look at the building's directory, you will find a listing for the New York School for Marxist Studies. It, along with the Student Committee on Progressive Education, will be found in room 1922 of the building. The institution, as a matter of fact, could not be accused of flying false colors. The very name of the school hardly would lead one to expect it to teach the benefits of capitalism.

Now, leave the building, walk across a corner of Union Square and turn right on East 16th Street. At No. 100 you will find the Jefferson Book Shop, which specializes in leftist and straight Communist-line publications. On the Jefferson's counter a sharp-eyed browser would note leaflets touting the New York School for Marxist Studies. Tuition at the school is $6 a term per subject. Scholarships are available for those in economic straits, with preference being given to Negroes, Puerto Ricans, trade union members, and industrial workers. Included among the courses offered are "Automation, Its Economic and Social Consequences"; "The Negro Liberation Movement Today," and a "Writer's Workshop."

Throughout the world, there are some 8,000 Red institutions which train students in the devious techniques of how to infiltrate, subvert, and eventually destroy the structure of our democratic society. A surprisingly large number of them can be found in the United States. Among the Communist schools whose names appear on lists compiled by our own Government are these (presented by States):

Commonwealth College, Mena, Ark.

People's Educational Center, Los Angeles, Calif.

California Labor School, San Francisco, Calif.

Abraham Lincoln School, Chicago, Ill.

Boston School for Marxist Studies, Boston, Mass.

Samuel Adams School, Boston, Mass.

Michigan School for Social Science, Detroit, Mich.

Joseph Weydemeyer School of Social Science, St. Louis, Mo.

Tom Paine School, Westchester County, N.Y.

George Washington Carver School, New York, N.Y.

Walt Whitman School of Social Science, Newark, N.J.

Ohio School of Social Sciences, Cleveland, Ohio.

Philadelphia School of Social Science and Art, Philadelphia, Pa.

Pacific Northwest Labor School, Seattle, Wash.

The Seattle Labor School in Seattle, Wash., specializes in developing Communist Party members among labor groups. There are two Schools of Jewish Studies, one in New York and one in Los Angeles. They recruit from among persons of the Jewish faith.

These open schools are by no means the end of the Communist menace in the educational field. Instead, they are but a beginning. Especially gifted (and willing) students from these schools are chosen by local party committees to enter hardcore specialist schools. At one time, years ago, these chosen few went to Moscow for their advanced training. Now they are sent to inner schools that operate in this country, most of them in secrecy. District, regional, and international training courses at an advanced level run anywhere from 1 month to 2 years. The inner-school students pay no tuition, according to former Communist John Lautner who, as an important party functionary, came to know the workings of the Red conspiracy. The party itself takes care of expenses at the inner school while the student prepares for his role as a subversive employee in government, education, private industry, or some other important phase of American life.

Inner-school students undergo constant surveillance and self-criticism to test their devotion to the cause and to find their possible breaking point. It's a hardening process that Max Eastman has called a "sickening discipline in lies, cruelty, crime, and self-abasement."

The young Communist learns how to induce behavioral patterns in others, patterns which are not natural to the American mind. The dedicated Communist's role is to make traditional behavior seem against the better interests of the person concerned, while Communist doctrines come to represent all he wants in life. It's a case of destroying old mores and supplanting them with new ones. The graduate of the inner school emerges as a dedicated Communist with unswerving loyalty to the party and to the Soviet Union. He's trained in controlling others, in seizing power and leadership when his superiors order him to do so.

From the Communist point of view, the best of the advanced schools are the clandestine ones, those never discovered or exposed. Some operate in office or business buildings or at "country camps." Others carry on in private homes. Inner schools now and then are found and exposed, of course. One advanced school whose name appears on the House's subversive organizations list is the Marxist Institute in Oakland, Calif. Three schools set up as camps were discovered in New York State: Briehl's farm, near Wallkill, cited as a training school for top party leaders; Camp Lakeland at Hopeland Junction, and Camp Unity at Wingdale.

Recruiting candidates for the lower-level schools is a subtle process. First indoctrination may come from a Communist teacher in a non-Communist school. Virtually every issue of Communist-line papers (of which the Daily Worker was the best known) lists forums, club meetings, and lectures designed to attract lonely people to activities that will draw them eventually into the party. A new friend, for example, may ask you to a home gathering where discussions are held. This friend will know and share your interests, for party workers know the likes, dislikes, and habits of the people the party seeks to capture.

Assistant FBI Chief William B. Sullivan warns that these trained agents shadow members of our American industrial and scientific community, spy on our research, conduct an unrelenting campaign to infiltrate and undermine American science and business. The reasons are obvious. The very success of the Communist conspiracy against the United States depends on the intensity of the efforts of agents trained in its schools.

The most appalling factor in this picture is that the agents who carry out the work of the Communist Party are trained in our own country, in schools that, for the most part, are permitted to operate openly. The schools represent one of Russia's cold war weapons which we have been unable or unwilling to destroy. Nor have we counterbalanced them through our own oversea cold war tactics.

Many graduates of the Communist schools in our midst are dedicated individuals who believe they can communize any country in the world without firing a shot. Only time will tell whether they are right, and whether Americans will continue to permit them to be trained for their traitorous work in our own country.

The PRESIDING OFFICER. Is there further morning business? If there is no further morning business, morning business is closed.

Mr. TALMADGE. Mr. President, if there is no further morning business, I ask that the unfinished business be laid before the Senate.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute. In this case, the substitute is considered to be original text for the purpose of amendment, and is subject to amendment in two degrees.

Mr. STENNIS. Mr. President, the chief purpose of this proposed cotton legislation is to save the cotton production industry by placing cotton fiber in a competitive position in the marketplace, at home and abroad.

The legislative history of our cotton program over the past several years has been a series of patches, and in many cases, these proposals were adopted to remedy a serious acreage or surplus situation, or to alleviate some other special crisis. We have abundant proof that the present program is unworkable. Even with legislation designed to solve special problems, acreage for the past 5 years—with the exception of 1961 and 1962—has been at the 16 million acreage minimum; and even under these conditions, we find an overwhelming surplus hanging over our heads. The cost has been shocking and has placed our cotton program in a position most difficult to defend.

Under our present system, the large majority of our cotton farmers are hardly making ends meet, while many others have literally been forced off the farm because of increased cost of production, sharp reduction in acreage and declining prices. This has been especially true with our medium and small farmers. Further, we are losing important markets here at home because we are not competitive in prices. This can, and will be fatal to the entire industry unless a remedy is applied in time.

Mr. President, I have been convinced for some time that the present program has not met, and simply cannot meet, the pressing problems facing the cotton industry. If we continue to operate under the present program, we are openly asking for mounting criticism and, eventually, the collapse of our price support program. The general public is not inclined to criticize or condemn a program that has sound objectives and moves forward in an orderly manner to solve its problems. Unfortunately, this has not been the case as far as cotton is concerned.

I am highly encouraged that the Senate Agriculture Committee has approved the pending bill, which is a step in the right direction and which, in my judgment, will go a long way to meet the four basic objectives which I have advocated over the years. This bill will—

First. Protect farm income under a choice program which guarantees a price support of 30 cents per pound for Middling 1-inch cotton to every cotton farmer for his entire allotment, and authorizes 34½ cents per pound price support to those who wish to plant only their domestic allotment. It preserves the national acreage reserve for the small farmer. It would authorize a price support of 34½ cents per pound for all small farms having allotments of 15 acres or less. In the case of Mississippi, this would mean that 77.8 percent of all our cotton farmers would come within the 15-acre, or less, group, and would receive the high price support of 34½ cents per pound.

Second. This plan would permit cotton to compete with synthetic and foreign-grown cotton by preserving the present export subsidy and authorizing a payment in kind to offset the price inequity of domestic mills. Under this bill, our domestic mills could purchase cotton at the export price. Under our export program, a competitive world price has been most successful in increasing exports of cotton, and I am confident that if mills were permitted to purchase cotton at this price, domestic consumption would now be materially increased, and the trend toward the use of synthetics would stop.

Third. Supply and demand would be kept in line by holding acreage allotments to minimum requirements of the present law, and also by a provision designed to encourage farmers to reduce production by paying a slightly higher price support to those who plant only their domestic allotment.

Fourth. This bill will also meet another important criteria by substantially reducing the cost of the present program. The actual cost of the cotton program under present law, for fiscal year 1964, was $790 million. It is estimated by the Department of Agriculture, as shown on page 4 of the Senate Agriculture and Forestry Committee Report, that the cost for fiscal year 1965 will be $448 million if this new legislation is enacted. This reflects an estimated reduction of $342 million. Of course, I am aware that the 1963 crop produced a record yield and the estimated cost of the current crop is based on an assumption that production in 1964 will be less than last year. The cost for this year's crop will therefore be less, even under current law. But using the production estimates for 1964, there will still be a savings of $118 million if this legislation is adopted. This figure is based on an estimated cost of $566 million under current law as compared with the estimated cost under the committee bill of $448 million.

No one can be certain in making such estimates. One estimate is high and the other is low. A more accurate estimate of the savings might be obtained by adding the two estimates together and dividing by two to strike an average. This average would be $230 million and could well be an accurate estimate of the savings.

These estimates, of course, depend upon the weather, the conditions of planting, the conditions of the stand; and, of course, upon the elements, which are uncertain.

In many respects the bill before us is similar to the Cooley bill passed by the House. It has identical objectives but, frankly, the Senate version meets these objectives in a more practical and economical way. In fact it offers stronger hope for realistically coming to grips with the cotton problem. This bill provides essential safeguards to protect farm income with special provisions to assure our small farmers a fair price. It makes cotton fully competitive. It will balance supply and demand, and will reduce the cost to the Government.

It has come as a great surprise to me that claims have been made that this bill is a version of the so-called Brannan plan. It is inconveivable that such an allegation would be made on a legislative proposal designed to help our small farmers and ultimately save our cotton industry from ruin. This bill does not give a cash payment to any farmer, but would authorize the Secretary to give a higher price support to the 15-acre cotton farmer and other farmers who plant within their domestic allotment. This high level of support would be made available by either a purchase and resale program, through a Government loan, or through a payment in kind.

As I have pointed out earlier, in the case of Mississippi, the 15-acre provision would apply to more than 77 percent of our cotton farmers, but in terms of volume of cotton, it would amount to only approximately 16 percent of the production. It is my understanding that this same general pattern of small farms would hold throughout the Southeast; therefore, the cost of this program for such a large number of farmers would be relatively small.

Mr. President, I note that the Senator from Georgia [Mr. TALMADGE] is in the Chamber. I wish to especially commend him for the fine work he has done, along with other members of the Senate Committee on Agriculture and Forestry, in devising equitable provisions that will apply to what has become known as the small farmer.

Many years ago, I had the privilege—before the Senator from Georgia was a Member of this body—of being one of the sponsors of legislation dealing with the 5-acre farmer. That was a small fragment, but we had to obtain such support as we could as we went along.

I remember that at one time on the floor of the Senate even that little provision was voted out of the bill after the Senator from Louisiana and the Senator from South Carolina had put it into the bill in committee. It was voted out of the bill on the floor. Fortunately, a motion to reconsider was made, and that provision was put back in the bill.

At any rate, this is not a part of the program that costs a great deal of money. At the most, it represents only 16 percent of the total annual production. It helps the operator of the little family-sized farm, and it helps thousands of people, many of whom have this as a main dependence for their so-called money crop. This is a live-and-let-live program.

I commend those who have worked on this problem over the years. I am delighted to see this matter being stabilized, first at 10 acres, and now at 15 acres. It is a just provision, and will not cost a great deal of money.

Mr. President, if this bill is to be accused of promoting the Brannan plan concept, then certainly we would have to classify the A and B program of 1958 and 1959 as the Brannan plan type for it had virtually the same features. Under the A and B program, farmers who participated in the A program were rewarded for reducing their acreage by receiving a higher price support. The A producer sold his cotton to a Government agent for an average of approximately 34.10 cents per pound, and on the same day or days later, another Government agent sold this cotton for approximately 31.24 cents per pound. While the A producers did not receive this estimated 2.76 cents per pound difference in the form of a cash payment as such, they did receive the direct benefits of the higher price; and for all practical purposes, this program was more of a Brannan plan approach than the bill now under consideration. In 1960 the A program participants received approximately 32.42 cents per pound and this cotton was later sold for approximately 29.29 cents per pound.

The Soil Bank of 1957 and 1958 made direct payments to farmers for taking cotton out of production. In 1957 cotton farmers received an average of $54.15 per acre for each acre taken out of production, and in 1958 this payment amounted to an average of $58.95 per acre. If the bill now under consideration is labeled as the Brannan plan, then certainly the Soil Bank of 1957 and 1958 would have to be so labeled. The Soil Bank cost several times more than would the bill under consideration. It disrupted the economy of many of our local communities and completely failed to meet its objectives.

To carry this one step further, the Federal Government has been paying an export subsidy since 1957 amounting to a low of 6 cents per pound to a high of 8½ cents per pound on all cotton exported. The farmer does not receive this subsidy in the form of direct payment, but certainly he is the one who benefits. The above points are convincing evidence that some of our recent cotton programs have much more of a Brannan plan flavor than does the bill under consideration.

At this point, I would like to make an observation that the longer I study the cotton program, the more convinced I am that there is no justification in reducing the price support of cotton unless there is a reasonable chance for a substantial increase in consumption. In the case of cotton there is every indication that a competitive cotton price will materially increase consumption. We have witnessed this theory and it has become a reality in the export program. I believe we would all agree that a reduction in price support to the farmers amounting to 8½ cents per pound would bring general bankruptcy to every cotton farmer in the United States. They simply cannot absorb, and should not be asked to absorb such a drastic adjustment.

Under the bill reported by the Agriculture Committee, the more efficient producers who choose to plant their full allotment would absorb a reduction in price support of approximately 2½ cents per pound and the Government would absorb the balance required to make cotton competitive in the domestic market. I visualize this proposed legislation as an essential pilot project which will for the first time in many, many years give cotton a chance to be fully competitive in the domestic market. The cost will be borne partly by producers and partly by Government with the total cost being much less than the present program. At the end of 4 years we will have the necessary data to evaluate the effects of a competitve price on the consumption of cotton, and will then be in a position to truly determine if a competitive price will increase consumption.

In summary, I would like to say that while this bill is not perfect in every respect, it is a move in the right direction. It is certainly not a Brannan plan approach. It will work to the best interests of the producer, and especially the small farmer; and to the best interests of the textile industry, of the Government, and of all segments of the cotton industry. This bill gives us a chance to vote for legislation which will enable cotton to realistically come to grips with its problems and I hope it will see an overwhelming majority vote.

Mr. President, I conclude with one additional point. I am sorry, but it is true that the basic trouble with the cotton industry is that cotton has been selling at too high a price. The bill is designed, by gradation, to try to reduce the cost of cotton in the marketplace. It asks the Government to carry a part of the load, and it puts a part of the load of these reductions on a segment of the cotton-growing industry itself.

Without claiming any credit whatever, but pointing to the consistency of the Senator from Mississippi with reference to the high price of cotton, my colleague and I from Mississippi were the first Senators from a southeast cotton-producing State to vote to override the 90-percent parity price support. This was back in 1957. It was not a popular thing at that time to cast a vote like that on the floor of the Senate.

I was driven to that position by the realization that something had to be done to enable the cotton fiber farmer to be competitive in the world and domestic markets.

That is primarily our problem today. I represent a State which produces rayon and nylon—not the finished nylon products, but the basic products from which nylon and rayon are made. I believe that our basic problem today is that we are gradually losing our markets. They are going over to synthetics. If the cotton industry is to survive, it must continue to sell for less per pound.

The pending bill, even though far from perfect, is a step in the right direction. A fair trial of it would cost the Government less money and lead us farther down the road to eventual real competitive prices; also, it would not disrupt the condition of the operator of the small family-sized farm to which we referred a minute ago, who is engaged in such an integral and essential part not only in the cotton industry, but in the whole fabric of our social setup in this Nation that some kind of special consideration must be given to him.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from Louisiana. The Senator from Louisiana has worked very hard in the Senate on behalf of cotton since I first came to this body, and before that.

Mr. ELLENDER. Mr. President, the Senator from Mississippi [Mr. STENNIS] is correct when he states that this is not the former Brannan plan payment. In my judgment, that is true; there is no doubt about that.

Mr. STENNIS. I thank the Senator.

Mr. ELLENDER. The bill would provide a payment in some way which would reduce the cost of cotton to the tune of about $300 million at the textile mills. Does the Senator realize that?

Mr. STENNIS. That is true.

Mr. ELLENDER. That is being done in a roundabout way by not making payments direct to the textile mills, but to someone other than the producer, which in this case will probably be the handlers. I wish to emphasize that this is a new departure from the past, in that textile mills will be able to purchase cotton at world prices. That is what I have been complaining about. The cost this year will be $312 million, and as the years go by, the cost may increase.

Mr. STENNIS. I thank the Senator from Louisiana for his comment. With respect to the figure $312 million, I understand a different estimate has been made. Nevertheless, it will be a considerable amount of money, which can only be justified because a condition has been created which has made it impossible for textile companies to buy a commodity which is being produced in this country in a competitive way. The so-called cotton program must adjust itself, as I see it, and come nearer to meeting the demand for a competitive price. The bill puts the burden partly upon the Government, so to speak, and partly upon the cotton producer himself. In that way, I believe the cotton producer can "get out of the woods." That is the justification, as I see it, for the bill. I thank the Senator from Louisiana for his statement.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to my colleague from Mississippi.

Mr. EASTLAND. My colleague has made an excellent speech. Is it not true that, because of the price discrepancy of 8.5 cents a pound, a mill in this country, in order to compete with a Japanese mill, must revert to the use of synthetics?

Mr. STENNIS. It is almost driven to them. Because of the price disparity, which the Senator from Louisiana and I have discussed in the debate, plus the disparity of 8.5 cents a pound that is created in this country, and which is a large amount for a bale of cotton, the mills have been driven to the use of synthetics.

Mr. EASTLAND. The Japanese price of synthetics is approximately the price of rayon staple fiber. Rayon is competitive with cotton. It costs about 25 cents a pound. Our export price is 24 to 25 cents a pound. Finished goods can be manufactured in Japan and shipped back to this country at a cost lower than the cost in this country. That means that an American mill must use synthetics to bring its cost down so as to compete with the Japanese, who are buying cotton cheaper than the American mill can buy it.

Mr. STENNIS. I believe the Senator is correct. That fact has been thoroughly established; it is not speculation.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Louisiana.

Mr. ELLENDER. I dislike to repeat what I stated last Friday. The strong competition that exists in our country today is not so much with Japan, with Formosa, or with other areas of the world. There is competition among the mills in our country. Ninety-five percent of every yard of goods that is manufactured by the textile industry is sold in this country. According to my way of thinking, the competition occurs among the mills in our country, not so much with Japan.

Irrespective of how much Japan pays for its cotton, even if we could almost give it to our own mills and make Japan pay the world price, Japan could still undersell us. That situation exists not only as to cotton, but also with respect to steel or stainless steel. I understand that Japanese producers can export to our country at such a price as to enable them to make a profit, but American manufacturers cannot compete because they cannot manufacture at the low rate at which Japan sells its goods here. So the situation is not peculiar to cotton. It is low-cost labor.

The amount of cotton that comes from abroad is the equivalent of about 650,000 bales of cotton, and we export about 500,000 bales of textiles. So the difference between the imports and exports is approximately 150,000 bales of cotton. But let us not forget that the principal difficulty is among the mills in our country; it does not arise chiefly from foreign production.

Mr. STENNIS. The Senator refers to conditions in Japan. The wage scale and other things are matters which we cannot control. I refer to matters dealing with the cotton situation. That is an element of cost to our mills which we can control. We put them in the position where they are now by the export subsidy, as the Senator knows.

Mr. ELLENDER. Regardless of what price we sell the cotton for to the textile mills in our country, the competition among themselves will remain.

Mr. STENNIS. This would not eliminate all competition, but it will eliminate it as to the cost of cotton.

Mr. EASTLAND. The question of competition between cotton and synthetics is one question, but also we are trying to equalize the cotton cost to our own mills with what the Japanese pay. The Senator from Louisiana [Mr. ELLENDER] said that because of the manufacturing cost, the price of cotton does not matter. That might be true in dress goods or expensive fabrics, but in the principal construction of the textile mills, cotton cost is a principal cost.

Mr. STENNIS. There is no other reason why they should be going to synthetics, except in a very limited way, that I know about.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from North Carolina.

Mr. JORDAN of North Carolina. I wish to offer one thought I received from the remarks of the distinguished Senator from Louisiana, namely, that mills compete with one another. That is quite true. Of course, mills compete with one another, but they can compete with synthetic fibers as they can with cotton. They can do it much cheaper, and they are doing it. They are doing it every day, to the extent that they get synthetic fibers. They are buying them instead of cotton. They can buy them cheaper, make satisfactory merchandise, and make a profit.

Mr. EASTLAND. Mills are making a profit on synthetics, are they not?

Mr. JORDAN of North Carolina. Absolutely. One can obtain profit statements from mills that were 100 percent on cotton last year. Some of them lost money; and the ones which broke even were lucky.

Mr. EASTLAND. There is such a demand for rayon that rayon is being rationed. The mills cannot get a large enough supply.

Mr. JORDAN of North Carolina. It is happening every day.

Mr. EASTLAND. It is due to the disparity in cost. The primary reason why the cotton farmer is interested is that he must meet industrial competition.

Mr. STENNIS. Is it not true that the cotton fiber itself, as a raw product for the bill to work on, is even more acceptable than the synthetic product?

Mr. JORDAN of North Carolina. I believe that many textile plants that have been wholly or partially manufacturing from cotton would prefer to stay with cotton if they could merchandise it profitably. But as the distinguished Senator from Mississippi said a moment ago, the farmer is being put out of business. The textile mills can spin the synthetic fiber just as easily as they can spin cotton. There is no problem. The only reason they are not spinning more synthetic fiber is that it has been rationed. They cannot get it, as the Senator stated a moment ago, and the foreign mills are shipping their synthetic material in as fast as they can.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Ohio.

Mr. LAUSCHE. If we create this new type of subsidy, how will we avoid in the future the demands, let us say, of violinmakers, bicyclemakers, and the producers of other things, for subsidies of this type, instead of having their interests protected through tariffs?

Mr. STENNIS. This is a part of the agricultural program for the basic industries, such as cotton and grain, as the Senator knows. We are in a jam with respect to the competitive prices for cotton at home and abroad. The benefits proposed are not for the mills or the manufacturers. The intention is to protect the cotton-growing industry, to enable it to grow the raw material to the point where the growers can keep their heads above water. This will gradually reduce the price of cotton to everyone.

Mr. LAUSCHE. Let us assume that the steel industry gets in trouble and requests a subsidy of the nature of the one provided by the pending bill. Where shall we wind up? That is what bothers me.

Mr. TALMADGE. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. TALMADGE. I should like to respond to the question the able senior Senator from Ohio asked.

In this case, the subsidy will go to the domestic manufacturers. The price support goes to the farmers.

First. Our cotton prices rose above the world market prices. Then, in 1954, if my memory serves me correctly, we passed Public Law 480; and today we sell cotton produced in the United States to every country on the face of the earth at 8½ cents a pound less than the cost to our own mills.

So this measure will not be a further subsidy, because the subsidy now goes to two groups—the U.S. cotton farmers and the foreign manufacturers of U.S. cotton. Instead, this bill will enable the domestic industries to catch up in that situation, for today the U.S. cotton textile mills are forced to pay 8½ cents a pound more than the cost of U.S.-produced cotton to any country on the face of the earth.

Mr. EASTLAND. Mr. President, will my colleague yield to me?

Mr. STENNIS. I yield.

Mr. EASTLAND. As the Senator from Georgia has said, this aid will go to the U.S. cotton textile mills, which are faced with a situation which does not confront the cotton textile industry in any other country in the world. As a result of the action of our Government, U.S. cotton textile manufacturers must pay 8½ cents a pound more for the cotton they use than the cost of American-produced cotton to the mills in any of the other countries of the world.

The enactment of this bill will mean that this situation will be handled in an orderly way, and at the same time the effect will be to reduce the cost of raw cotton to the U.S. textile mills.

Mr. LAUSCHE. I have read the testimony at the committee hearings; and on page 338 I find that it was pointed out, in connection with the cotton aspect of the bill, that the United States uses 8,600,000 bales of cotton, and the products of that cotton are sold to U.S. consumers; and the United States imports finished goods made from approximately 600,000 bales of U.S.-produced cotton. The complaints deal chiefly with those imported goods.

However, the pending bill, instead of dealing with the 600,000 bales which caused the trouble, would not only result in payment of the difference between the 2 prices on the 600,000 bales, but also would result in Government payments on the 8,600,000 bales which are used for the production of finished goods sold in our domestic economy.

Mr. EASTLAND. As the Senator from Georgia stated, the competition is not at the mill level. Instead, the competition is between the rayon staple which is favored by producers who operate—largely with European capital—in this country and the U.S. cotton farmers. The bill will equalize the two prices, so as to bring the cost of cotton down to the cost of rayon; and rayon is at about the world price of cotton.

Mr. LAUSCHE. From reading the testimony, I find it was mainly centered upon the unjust competitive position of the U.S. cotton industry with respect to the 600,000 bales which are exported and which result in imports of manufactured goods; but completely forgotton seems to be the fact that the U.S. manufacturers use 8,600,000 bales of cotton in an abundant market, in which our people purchase the goods and pay the prices which are asked.

If the pending bill contemplated subsidizing the producers of the 600,000 bales which are converted into finished products and then are brought back to the United States, and if the bill did not deal with the 8,600,000 bales which are used by the domestic industry, I would say there would be some logic to the proposal. But I simply cannot subscribe to the bill as it now stands, in view of what it would do.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Mississippi yield briefly to me?

Mr. STENNIS. I yield.

Mr. JORDAN of North Carolina. In respect to the question the Senator from Ohio asked, 2 or 3 years ago the U.S. textile industry went before the Tariff Commission, with the full support of the Department of Agriculture, and asked the Commission to impose an import quota and also to provide equal treatment in the case of all the cotton textiles which are imported, with the result that foreign mills would have to pay the same price that the U.S. cotton manufacturers have to pay for the cotton they use. In other words, if the cotton which is exported—to Japan, for example—costs the foreign producers 8½ cents a pound less than the cost to the U.S. textile mills, the tariff would be that 8½ cents a pound, plus an allowance for the waste factor. That tariff would then be placed on the finished goods imported into the United States, and the proceeds of the tariff would go into the Treasury. But the Tariff Commission rejected that proposal—although it would have cured approximately 98 percent of our problem.

Furthermore, so far as I know, cotton is about the only commodity grown in the United States and subsequently exported and subsequently brought back to the United States in the form of manufactured products.

Steel has been mentioned; but the steel which is imported is produced from iron which is mined in other countries.

Cotton is in an entirely different situation: The cotton produced in the United States is sold to the foreign mills at a lower price, thus permitting them to import their finished goods into the United States at much less than the cost of production of the identical products in this country. As a result, the U.S. textile mills are either forced to go out of business or are forced to convert to the use of synthetic fibers.

Mr. EASTLAND. In that situation the American textile mills have to use synthetic fibers, in order to be able to compete.

Mr. JORDAN of North Carolina. Yes.

Mr. EASTLAND. So this bill deals with a manufacturers' problem.

Mr. JORDAN of North Carolina. Yes, indeed.

Mr. LAUSCHE. A moment ago I believe the Senator from North Carolina stated that the relief requested would have solved 98 percent of the problem.

Mr. JORDAN of North Carolina. Perhaps the Senator from Ohio misunderstood what I said.

Mr. EASTLAND. But the point is that the big problem arises from the competitive situation between the cotton goods imported into the United States and the goods produced in the United States with the use of synthetic fibers.

Mr. LAUSCHE. But I understood the Senator from North Carolina to state that 98 percent of the trouble would be cured by providing the requested tariff relief.

Mr. EASTLAND. But then the cotton would not be competitive with the staple rayon.

Mr. JORDAN of North Carolina. Exactly—although the relief then requested would have cured the difficulty because of the subsidy to the foreign textile mills.

Mr. LAUSCHE. But indirectly the pending bill would make this cotton available to the domestic textile mills at a reduced price.

Mr. JORDAN of North Carolina. But cotton is now being supported, for the farmers. The purpose of this bill is to save the U.S. textile mills.

Mr. STENNIS. That is true, as I understand.

Mr. President, this measure is primarily for the purpose of alleviating the difficulty in that situation, and thus benefiting the cotton goods producers. That is the only reason why this measure is before us, and that is why I am supporting the bill. The bill deals with the situation in which cotton produced in the United States is, following its manufacture by foreign mills, able to force its way into the domestic market, in competition with the cotton goods produced in the domestic mills who produce for the use of the American people. Incidentally, of course, there are some exports.

Mr. President, I conclude, as I said in the beginning, by stating that the chief purpose of this proposed cotton legislation is to save the domestic cotton goods production industry, by placing cotton fiber in a competitive position at the marketplace.

ORDER OF BUSINESS

Mr. STENNIS. Mr. President, I ask unanimous consent that at this time I may yield to the Senator from New York [Mr. KEATING], to enable him to make a special announcement on a nongermane matter.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

MRS. SUSAN WAGNER

Mr. KEATING. Mr. President, I have just been notified of a report which brings great personal sadness to me, and I am sure it will to many other Members of this body. Susan Wagner, the wife of the three-term mayor of New York, has passed away.

Susan Wagner's illness has existed for some time. If the alternative was a long period of suffering, of course, none of us would have wanted that suffering to continue.

Susan Wagner has been a wonderful support to the mayor of New York throughout his political life. She was a welcome guest at many political and nonpolitical functions, where her magnificent spirit was always displayed in a radiant manner. She was a dedicated and warmhearted soul who had thousands and thousands of friends. She was a devoted mother and wife. She, the mayor, and entire family were unusually close. Although words are tragically inadequate at such a time, I express my deepest sympathy to the mayor and to the fine sons of Susan Wagner in this hour of their grief.

Mr. JAVITS. Mr. President, the city of New York has suffered a very grave loss which is quite apart from the tragedy suffered by Mayor Robert Wagner, Jr., who has lost Susan Wagner, his wife.

Susan Wagner, whom I have known for many years, and who was a friend of my wife's and mine, was not only a dear and wonderful human being, but she was, in my judgment, the first lady in the hearts of the people of the city of New York in a very real way.

Her love for her family and her devotion to her husband were seconded for the people by her deep interest in the cause of bettering the future of the human family, and particularly the conditions of so many of the people who are underprivileged economically in health, in society, or because of prejudices in New York. She was so beloved that one can speak of her in the same way that one would speak of some distinguished public servant.

Although she was not elected, she was anointed by the people of New York.

It is with a real sense of sadness and grief that I make this statement to the Senate honoring a very fine woman who in her own life typified what the wives of important public men go through. They assume a stature. They take on duties and responsibilities which are closely coordinated with those of their husbands, so that it can almost be said that the people have elected not one to high office but two—the public servant and his wife. That was uniquely true in the case of Susan Wagner, to whom I pay this tribute.

Mrs. Javits and I extend our deepest sympathy to Mayor Wagner. He and I on occasions have been political opponents, but he is my friend and I feel that way very deeply in this very sad hour.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HUMPHREY. I thank the Senator from New York for yielding to me for a moment.

First, as a friend of the mayor of New York and of Mrs. Wagner—Susan Wagner—I wish to thank him for his gracious, kind, and considerate remarks. Only a month ago Mrs. Humphrey and I were in New York City. We were honored by a reception at Gracie Mansion, the home of the mayor of New York. It was on that very day that Mrs. Wagner had returned to her home after having been hospitalized for some time. She was very ill. Yet when we suggested that no reception be held, she was the first to insist that the plans be carried out, and that our mutual friends gather together at her home.

I wish to associate myself fully with the remarks that have been made by the two Senators from New York. It has been the privilege of Mrs. Humphrey and myself to know both Bob and Susan Wagner, the mayor and his fine lady, and to know their family. When I heard the sad news that this dear woman had been taken from her family, from her friends, and from this worldly life, I, too, felt very sad. I wish to express my sincere sympathy to Mayor Wagner, the family, and, above all, once again to express my personal thanks for the many kindnesses and considerations that have been so generously extended to the Humphreys by Mayor and Mrs. Wagner. She indeed fulfilled every qualification that has been described here today in reference to a true helpmate, not only to a husband and a father, but to a public official. I thank the Senator for yielding to me.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. TALMADGE. Mr. President, first, I desire to compliment the distinguished and able Senator from Mississippi on his outstanding speech.

Second, I am about to suggest the absence of a quorum. I wish the attaches of the Senate would notify all Senators that it will be a live quorum.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 50 Leg.]

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Church
Clark
Cooper
Curtis
Dirksen
Dominick
Douglas
Eastland
Edmondson
Ellender
Engle
Ervin
Fong
Fulbright
Gore
Gruening

Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Mechem
Metcalf
Miller
Monroney
Morse

Morton
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Ribicoff
Robertson
Russell
Scott
Simpson
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Maryland [Mr. BREWSTER], the Senator from Connecticut [Mr. DODD], the Senator from Michigan [Mr. HART], the Senator from Indiana [Mr. HARTKE], and the Senator from Massachusetts [Mr. KENNEDY] are absent on official business.

I further announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The PRESIDING OFFICER. A quorum is present.

The committee amendment on the nature of a substitute is open to amendment.

Mr. KUCHEL. Mr. President, third reading.

The PRESIDING OFFICER. If there are no amendments——

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I wish to address myself for a few minutes to the cotton bill. First, I desire to compliment the senior Senator from Mississippi [Mr. EASTLAND] on his very elucid explanation of it. I shall not attempt to repeat all he has said about it.

I support the bill reported by the Senate Agriculture Committee and I wish to commend the chairman and the members of the committee for their diligence in bringing a bill to the floor. The leadership is also worthy of praise for its efforts in expediting its consideration. It is no secret that an ominous shadow of things to come hangs over the Senate as we consider this vital legislation. It is a tribute to the character of the leadership and the administration that, notwithstanding sectional differences on other legislation which will soon be before us, every effort has been made to consider this vital legislation in advance of the 1964 crop year.

We have heard a great deal of late about poverty, and many hands and minds are being turned to eliminate it as a widespread phenomenon in our society. It will be readily conceded by those working in this field and, I am sure, by the Members of the Senate who have numerous low-income families in their States, that structural change in the economy is a major factor in reducing self-sufficient, proud people to menial labor and the welfare rolls. The bill reported by the committee is in a very real sense part of the attack on poverty, doing its work to prevent economic disaster rather than waiting to salvage the economic and human remnants of a decaying situation. It can give cotton a new lease on life and help the industry to gain a foothold on the pathway toward a freer and more prosperous market. Its effects will be felt throughout the South and Southwest where millions of people depend on cotton production for their daily bread.

It is difficult for many Senators, I am sure, to comprehend the enormous implications of this legislation for my State—500,000 Arkansas people depend directly on cotton for their livelihood—I might say to the distinguished Senator from Tennessee [Mr. GORE], that is slightly more than the population—approximately 30 percent of the State's population. I might point out that this figure does not include those employed in other enterprises dependent on the cotton trade, such as ordinary retail business, automobiles, and so on, that are really dependent on cotton indirectly. The consequences of a failure of cotton as a major crop would be tremendous and incalculable in my State. Countless banks, retail outlets and even whole communities would be in desperate condition.

Arkansas farmers receive on the average about $260 million annually from the sale of cotton and cottonseed. This is more than the receipts from all other crops combined and compares favorably with the total industrial payroll of the State.

It is not difficult to describe the present dilemma of the cotton industry. The price is too high for American cotton to compete in the world market. The price is too high because the costs of production are high and the support price has been set by the Secretary of Agriculture at a level which provides some modicum of profit to the producer. In 1956, the Congress sought to partially resolve this quandary by authorizing payments in kind to exporters in order that cotton produced in the United States could be sold abroad. This helpful step, however, went only half-way, for the U.S. market was not insulated against the same cotton made into cloth and shipped back to our shores to compete with American textiles. In the 2 years ending last July 31, textile imports increased from the equivalent of 414,000 bales to 645,000 bales—an all-time high. When set against the 1954 level of 101,000 bales equivalent and the 1950 level of 83,400 bales equivalent, these figures tell a sad tale for cotton, and particularly for our textile industry.

In the face of this competition, textile producers have not stood still. Forced to buy their basic raw material at or above the domestic support price, while competing with foreign textiles made of less expensive cotton, they have increasingly shifted to other fibers. In the 2-year period ending August 1963, this transition to synthetic fibers was estimated to equal the consumption of 1½ million bales of cotton. Cotton in the meantime has been accumulating in expensive Government storage. To free American cotton from the discrimination of the two-price system and to put our domestic cotton industry on a par with its world competition is no more than fair.

The bill reported by the committee is not perfect, but it will meet the most urgent problems and, I believe, deserves a trial.

Above all, its purpose is to increase cotton consumption. Partially, this will be brought about by bringing the cost of cotton to domestic textile mills into line with that paid by their competitors abroad. Repeated suggestions of quotas and tariff increases have been made to stem the rising tide of foreign textiles coming into the United States. None has been acceptable to the Congress or the Tariff Commission.

As a consequence, we have witnessed a steady decline in cotton's share of the domestic fiber market. In 1962, cotton accounted for 59.4 percent of the fiber milled in this country as against 69.4 percent in 1952—a substantial drop. There are, of course, reasons for this shift, including the qualities of some synthetics and consumer preferences; but the primary problem of cotton is its price. Whatever other problems cotton may have had, foreign competition, underwritten by the cotton export program of the U.S. Government has been a major factor in declining consumption and mounting surpluses.

Payments in the form of Government-owned cotton stocks, to make upland cotton available for domestic use at a price equal to the export price, will not only achieve an end to this discrimination but will also help to bring what is now surplus cotton out of the warehouses and into the channels of trade. We are not dealing with dollars out of the general fund which could be spent otherwise, but with cotton from Commodity Credit Corporation stocks which are estimated to hit 10 million bales this summer. This fruit of our agricultural machine must be utilized. It is a tragic irony that such abundance should be considered a problem while many of our people are ill clad.

The American Textile Manufacturers Institute has calculated an almost exact correlation between raw cotton prices and the price of cloth. If the price of cotton to American textile mills is reduced to a competitive level, I have no doubt that more cotton goods will be bought per consumer dollar. Anyone who has had experience with the textile industry is aware that it is as competitive as any in our free enterprise system. The pennies saved per pound in raw material costs under this bill will end up in the pockets of American consumers.

It should be recognized, Mr. President, that cotton growers are willing and ready to do their bit in this effort. The basic support price will be reduced roughly 2½ cents per pound for cotton grown on normal acreage, and future support price levels will be determined partially on the basis of cost of production. This is a step in the right direction. I believe we all recognize that the ultimate solution to the cotton problem is a reduction in production costs. Only new and better processes of raising, processing, and handling cotton can cope with this problem.

While the provisions of this bill authorizing $10 million per year for research over the next 3 years has achieved far less publicity than some of its more prominent features, it is in the long run the key to cotton's future. In much the same way that our incredible technology and scientific advancements have given American industry the means with which to compete with low cost labor areas abroad, so can changes which are being wrought in agriculture make cotton again competitive in the world market.

The National Cotton Council has proposed a research program centering on the control of insects, disease, and weeds; the improvement of machinery, increased yields, and the improvement of processing techniques. I would hope also that attention would be given to developing uses for cotton and new cotton products. Even discounting this fertile field, it is the council's estimate that in a relatively short period of time the cost of producing cotton can be reduced 11 cents per pound. This is an encouraging prospect. Under the terms of the pending bill, the disparity between the domestic support price and the world price will be roughly 6 cents. If the goal of this research can even be approached, American cotton will have an unsubsidized place on a completely free world market with a good deal to spare. As Mr. Burris C. Jackson, president of the National Cotton Council, said last year:

> Without this kind of program, cotton can have no real hope for surviving as a major industry.

Research now in progress financed by private, State, and Federal sources is good but not adequate to the enormous task of achieving a real breakthrough in this field. The funds authorized by this bill roughly match the amounts now being spent. In addition, their expenditure can be fully coordinated toward the end of cost reduction. Research holds the key to the future of the cotton industry for only research can bring its price into line with current demands.

It would be less than honest, however, to claim that fertilizers, pesticides, or new farm machines alone can achieve this goal. This transformation also involves an acceleration of the changes in the economic structure of many cotton-belt communities which have marked the past three decades. As cotton must be produced with fewer man-hours and at lower cost so also must the manpower thus freed be devoted to profitable industry. Meeting this challenge in this and its many other dimensions the Congress has acquitted itself well in the enactment of the Area Redevelopment Act in 1961, the Manpower Development and Training Act in 1962, and the Vocational Education Act in 1963. All designed to produce jobs and trained people to fill them, these laws will help not only people idled by shifts in the cotton economy but all Americans caught in the economic transitions of the present age.

Mr. President, the domestic acreage allotment plan offered by the cotton producers' legislative committee and the Department of Agriculture is to my way of thinking a fair way to deal with overproduction. Several features commend it and I believe the committee was wise to adopt it.

First. It is a voluntary plan which will cut planted acreage by allowing a support price up to 15 percent above the basic rate when plantings are limited in accordance with the domestic allotment set by the Secretary of Agriculture. It does not, however, disturb acreage history.

Second. This premium may be paid in CCC cotton—a further way to reduce Government stocks.

Third. The small producer is protected by a minimum being established at the smaller of 15 acres or the normal acreage allotment.

In our present predicament this provision is a feasible solution for all. Its essence can be drawn from the statement made before the Senate Agriculture Committee by Under Secretary Charles S. Murphy when he said:

> Although gross producer income from cotton under H.R. 6196 with the domestic allotment choice would be lower than under the bill as it passed the House, net producer income from cotton would be somewhat more. In addition, producers would receive substantial income from alternative uses of acreage which would otherwise be devoted to the production of cotton, such as production of soybeans for which additional acreage is needed. Taking all these factors into account, there would be a substantial increase in the total net income of cotton producers.
>
> This proposal would not interfere with the operation of the release and reapportionment system. At the same time, it would accomplish the necessary reduction in surplus stocks. This makes it unnecessary, therefore, to give further consideration to an acreage diversion plan for the 1964 crop.

Mr. President, the purpose of the bill is twofold—to maintain net producer income at a minimum of cost while collaterally seeking ways to make cotton competitive in the absence of governmental assistance. The concept of export acreage which is written into this bill is a probing effort to test the feasibility of producing cotton at costs under the world market price.

The potential danger of this approach is that cotton which would otherwise be drawn for export from private or CCC carryover stocks will be provided from so-called export acreage. To a limited degree this may come to pass, but there are, I believe, adequate safeguards written into the bill to justify this experiment. Most importantly export acreage will only be allotted by the Secretary of Agriculture when it is determined that the carryover will be reduced at least 1 million bales at the end of the next marketing year—even with the additional production. Should the program outlined in this bill be effective to the point of reducing the carryover below 8 million bales—approximately a year's supply for our domestic needs—the 1-million bale reduction requirement would be suspended. In other words, we will experiment with unsupported production for export so long as Government stocks are declining markedly or the carryover is in line with domestic needs. We must ultimately find a way to produce at the world price and the export acreage idea is a means to test the ability of producers to do so.

Small producers are protected and large producers are given an opportunity to prove any competitive advantage they may have.

Unfortunately, this bill has been labeled costly. Insofar as cotton is concerned, the committee report cites the Department of Agriculture as authority for a saving of $118 million in the first year, when contrasted with costs predicted under the present law. The differences between the costs of this cotton program and the present one in 1965, 1966, and 1967 are substantially greater. We thus have an opportunity to benefit the industry with real hope for a reduction in the cost of the program.

Mr. President, cotton acreage has reached the statutory minimum of 16 million acres. Allotment has been reduced by 2½ million acres in the past 2 years while production surged up by a million bales. Both private and Government stocks greatly exceed the desired carryover and it is obvious that something must be done. The bill before the Senate is, in my estimation, that something. The program it creates is of 4 years' duration—4 years in which the cotton industry can improve itself, push down its costs and expand its markets. This is a chance for the Senate to make a needed contribution to the economic well-being of millions of Americans. I hope the bill will be enacted.

Mr. MUNDT. Mr. President, three basic segments of the agricultural economy are involved in the proposed legislation before us and in the amendments which are on the desks of Senators.

We have just heard a very intelligent and persuasive discussion of cotton. We are all aware of the problems which confront wheat and the efforts that are being made to improve the income of the wheat farmer.

I wish to address myself to the third element of agriculture involved in the proposed legislation, on which we shall be operating this week, and that is the economy of the livestock producer of America.

I expect to support the amendment to be offered later this week by the distinguished Senator from Nebraska [Mr. HRUSKA]. I am a cosponsor of that amendment. I support it because, it seems to me, we must do something this week, as we deal with the proposed legislation, to protect the economy of the livestock industry. It is an industry which is basic to the entire farm program.

The importance of livestock production in the agricultural economy of this country can hardly be overemphasized in any discussion of agricultural income. Approximately one-third of the value of our total farm and ranch production in the United States is represented by the meat from our cattle, hogs, and sheep. Cattle and calves alone accounted for nearly 23 percent of receipts from all farm marketings during the year 1962. Receipts from the marketings of all livestock products amounted to about 56 percent of the total cash receipts from all farm products marketed.

It is generally conceded and, I believe, admitted by the Secretary of Agriculture and the administration, that one of the reasons why the income of livestock producers and feeders has dropped so precipitously and so disastrously is that there has been a continuation of the influx of imports. I believe it is now an established fact that the United States is importing its livestock problem from abroad, and that as we are continuing these imports in devastating amounts, the income of the livestock industry continues at a very low level.

Mr. President, two steps have been announced recently by the administration in the field of livestock production, neither of which will be adequate to meet the serious problem confronting the livestock producers of America. One is the agreement, which has been signed by the major exporters of livestock into this country, which would do nothing to correct the present situation, but would simply perpetuate the continuing high level of imports which has already brought devastation to the livestock industry, and possibly not prevent that high level from increasing even higher. When one tries to cure a problem he finds the problem will not be cured if he permits the cause of the problem to continue, which will happen under the agreement which has been reached between the administration and some of the exporting countries.

The other was the announcement of the Secretary of Agriculture that the beef buying program of the Government would continue from the standpoint of purchasing supplies required for the school lunch program and for various governmental institutions.

The Secretary's announcement was a bit vague. I do not know whether this means that the program will continue at the present level or will accelerate, and if so, to what degree it will be expanded. Obviously, it will avail the livestock dealers of America very little, indeed, if the net result of the stepped-up program means that imported supplies will be purchased to be fed to American schoolchildren. First of all, we must lock the door against a growing influx of foreign imports, before we can operate intelligently and effectively with the livestock problem prevailing in this country.

In my own State of South Dakota, receipts from the sale of meat animals amounted to 62.3 percent of the total cash receipts, which is about 30 percent above the national average. Receipts from the sale of cattle and calves alone amounted to 43.2 percent of the total receipts in South Dakota, compared with the average of about 22 percent for the United States. Obviously, therefore, while South Dakota produces some wheat and produces other products in diversification—not including cotton—our people are vitally interested in having Congress do something now which will be helpful in the area which is the major source of their farm income.

The situation has become so serious that farmers, ranchers, producers, and feeders are now supported in their position and their request by business and professional interests from one end of the State to the other.

The figures I have quoted clearly indicate the importance of the cattle industry to the farmers of the country and to South Dakota. Statistics on this subject have been presented to the Senate on many previous occasions, including the interesting and informative colloquies which took place in the Senate last Friday, indicating that the decline in price received by the farmer for his beef cattle during the past year can be attributed to the increased marketings from the increased size of the herds and to increasing beef and veal imports. Cattle numbers have been increasing at a rapid rate since 1954. It is time to give serious consideration to the economic impact of the sharp increase of meat imports.

Any analysis must be made on the basis of comparable figures. In 1954, imports of beef and veal and live cattle and calves in terms of carcass weights were equal to 1.8 percent of the total domestic commercial beef and veal production. This figure has fluctuated sharply from year to year, and rose to approximately 10.6 percent in 1962. The figure has continued to rise at that rate, and a little higher, according to preliminary figures presently available from the Department of Agriculture.

When there is an increase of that percentage or of that size, it is obvious that it will have a tremendous impact on the prices received by American livestock producers.

Senators who come from areas which are not particularly interested in livestock production, including my Southern friends who come from textile areas, for example, and those who come from the areas where shoes and watches are made, or where glass is produced, can realize what would happen to their domestic industries if Congress should now decline to challenge such a serious blow at our domestic economy.

I am very hopeful that before final action is taken on this agricultural bill, Senators from beef-producing States in alliance with Senators from other States having similar problems, which are undoubtedly foisted upon them by large imports, can cut the pattern and approve a procedure which can be utilized to help our domestic economy generally withstand competition from the "loin-cloth" economies around the world, where wage rates and taxes are low and from which products can be delivered by cheap ocean freight, even to the interior of America, cheaper than the products can possibly be made by American labor, by American manufacturers, and by American farmers.

The Department of Agriculture in a report of January 29, 1964, indicated that the beef imports of 1963 through November were up 18 percent from the first 11 months of 1962.

I have already alluded to the sharp increase of imports occurring between the years 1954 and 1962. To be confronted with the fact that those imports through November of 1963 increased during the first 11 months of that year by 18 percent clearly indicates that we have reached a peril point, so far as protecting the American economy is concerned. Veal imports during this period were up 7 percent, mutton imports were up 5 percent, and lamb imports were about half as much again as in the first 11 months of 1962. Imports of pork were up 4 percent. Boneless frozen beef imports were up almost 17 percent over the first 11 months of 1962.

It should require no further argument, no further testimony, no further figures to show why the announcement by the administration made with a blare of trumpets and the flying of flags, that it had met the challenge by signing an agreement which would continue the avalanche of imports into this country, but would not permit them to expand further, would be a pyrrhic victory for American agriculture, and certainly cause in perpetuity a succession of the problems now resulting in actual bankruptcy to large elements of the livestock industry.

Assistant Secretary of Agriculture Roland R. Renne, in an address to the American National Cattlemen's Association in Memphis, Tenn., on January 28 of this year, said:

> The U.S. share in world beef imports increased from one-fourth in 1950 to over one-half in 1962, and that further increased imports in 1963 raised the U.S. percentage of total world import figure still higher.

I do not think that any fair critic of those of us who are trying to give some modicum of protection to American industry can allege that we are preaching the doctrine of isolationism, that we are urging withdrawal from the trade markets of the world, merely because we call attention to the bankrupting results of concentrated imports to such an extent that our country alone takes over one-half of the total. We are willing to take our share, but we believe our Government has the same obligation to protect American cattlemen, sheepmen, and hog producers as the governments of other countries have demonstrated in that they feel they have the obligation to protect the farmers and livestock producers of their respective countries.

Mr. Renne went on to say in his speech in Memphis, Tenn.:

> This great increase in beef imports has been encouraged by the increase in import restrictions in other major markets. Today the United States is the only major beef market without any quantitative restrictions and with a very nominal fixed import duty.

I should like Secretary of Agriculture Freeman to tell us why that is true. I would like to have the Secretary of Agriculture, who is supposed to be interested in the American farmer, tell us why the United States should stand alone in its failure to give any sort of protection whatsoever to the livestock industry. If the Secretary does not know, or if he cannot answer, or if he takes his orders from the Secretary of State, then I would like to have Secretary of State Rusk tell us why the United States should stand alone, unique and different from all the rest of the countries of the world. Why should only our Government fail to give protection to its domestic producers? I want to know why, and the meat producers of the country want to know why. And before long many persons working in the textile mills and other industries will want to know why we failed to give American producers at least the same kind of protection that the producers in other countries are receiving from their governments.

We are never given a satisfactory answer. All we know is the dismal situation resulting from the harmful results of a policy specifically tailored to help others and to harm our own producers; and these producers want to know why.

When the Senate votes on the Hruska amendment, it will have an opportunity to do something for the American producers and to put some rhyme, reason, and logic into our trade policies, and thus prevent the continuation of a policy which has set the United States apart as the only nation in which the domestic producers are not protected, but are put at the mercy of all foreign producers who may wish to dump their products in our market.

Mr. HRUSKA. Mr. President, at this point will the Senator from South Dakota yield to me?

The PRESIDING OFFICER (Mr. INOUYE in the chair). Does the Senator from South Dakota yield to the Senator from Nebraska?

Mr. MUNDT. I am happy to yield, so as to enable those who read the CONGRESSIONAL RECORD to have the benefit of the logic, reason, and erudition of the Senator from Nebraska.

Mr. HRUSKA. The Senator from South Dakota is most flattering.

A while ago he said those who are being hurt by the imports of beef products and veal would wish to know why U.S. producers do not have the same protection that every other country in the world, with the possible exception of Denmark, provides against imports of this type.

I know the Senator from South Dakota is well aware of the fact that this problem is not confined to the cattle feeders as a class. The latest agricultural census pointed out that among the approximately 4 million farms in the United States, 2½ million had cattle and calves. Of course those farms are widely scattered, and have both beef cattle and dairy cattle. Those cattle use approximately 1 billion acres of land which is generally suited only for pasture and grazing. In addition, they consume approximately 70 percent of the crops harvested in the United States. So we find that cattle raising, cattle feeding, and the packing and distribution of cattle products are spread throughout the Union, in every State, along with the related industries, which include those engaged in the transportation, those who insure the products during transit, those who do the banking and who loan the necessary funds, and of course also the laboring people in the packinghouses and the laboring people in the fields.

To get an idea of the very great scope of the cattle industry, one must realize that sales of livestock have accounted for a much greater total amount than the amounts which result from the sale of the six so-called basic crops in the United States—namely, corn, wheat, cotton, rice, tobacco, and peanuts. Therefore, when we speak of the harm to those who are engaged in the cattle industry and the related activities, we are talking not only about the cattle raisers and the cattle feeders, but also about the entire farm economy; and of course if any Senator receives the mail which the Senator from South Dakota and I and other Senators from the Middle West receive, he knows that already the retailers, the jobbers, and the retail establishments and service establishments generally in the communities where this industry is concentrated have come down upon evil days, and their prospect looks even darker.

I recite these figures and items at this point for the RECORD, so that all will realize the generally disastrous effect of the situation being superimposed upon our economy as a whole, not only on the cattle raisers and the cattle feeders.

Mr. MUNDT. The Senator from Nebraska is entirely correct; and I appreciate his valuable and significant contribution.

We are indeed dealing with the entire agricultural economy, for certainly the prices of livestock have an impact on the prices of all the commodities raised by farmers, who, in turn, raise the feed used by the livestock; and this situation also has a very definite effect on the bankers, the professional men, and the storekeepers in all the towns and cities of the agricultural area. So I am entirely convinced that this harmful situation will likewise have a harmful effect on the American economy as a whole, because it is impossible to have one of our basic industries continue to be economically sacrificed and stultified, without having that impact felt throughout the length and breadth of America.

Mr. HRUSKA. Mr. President, will the Senator from South Dakota yield again to me?

Mr. MUNDT. I yield.

Mr. HRUSKA. The realized net income of farmers in 1962, as I recall, was $12.6 billion. In 1963, that was reduced by approximately 3 percent, according to the latest estimates. The present projection and estimate is that during 1964 the already reduced farm net income will be further reduced, during the 12 months of this calendar year, by another 5 percent.

So it is all very well to talk about the benefits of a tax-cut bill which, so we are told, will put that much more money into the economic stream and will result in additional sales and in an effect which will be multiplied a number of times; but here we are faced with a serious situation, for whereas in 1963 the general economy rose 5 percent, the farmers' net income fell 3 percent; and the estimate is that in 1964 it will fall a further 5 percent, which will be translated into further losses to the extent of hundreds of millions of dollars—losses which will have their impact not only on the farm community, but also on the bankers whose loans will not be repaid, and on those engaged in service industries in those communities, and on many others. So the Senator from South Dakota has pointed out that this situation will have a very adverse effect throughout the economy.

Mr. MUNDT. Mr. President, the Senator from Nebraska makes a valid analogy when he refers to the tax-cut bill and to the argument that the money thus saved will be spent by the taxpayers to generate new business and new activities throughout the country. We should remember that before a tax is paid, one must have some income. So when it becomes impossible for the great livestock industry to make a profit, the tax cut bill becomes very inconsequential in that respect; and when the buying power of that entire segment of the economy and of all the related businesses and industries is reduced, the result is to destroy a large part of the hope that the tax cut bill would generate new prosperity in this country.

The Senator from Nebraska has called attention to the low level of the farm income during the last few years; and the figures coming from the Department of Agriculture itself show that for several years the parity figure has been hovering between 76 and 78 percent. That is a long way from 100 percent or 90 percent. This path is the pathway to ruin. If it continues long enough, anyone who is making only 76 to 78 percent of what he needs and what is equitable is bound to go broke; it will be only a question of time.

This is one of the reasons why we have had the distressingly low parity figures, which are so low that, if they continue at that level, it will be impossible for the livestock industry to make a profit; and that situation has been brought about largely by means of the imports in astronomical amounts.

Mr. Renne, whom I was quoting before I engaged in the colloquy with my distinguished friend the Senator from Nebraska [Mr. HRUSKA], put it in the following way in his address:

> We are the only major market without any restrictions.

I presume that would eliminate Denmark, perhaps, if it is an exception, because obviously it is not a major market.

Here comes a devil's advocate from the other side. He is working under the Secretary of Agriculture. This is the Assistant Secretary of Agriculture, Ronold R. Renne. He is serving with a man who as yet has done nothing to help with the distressing situation, but he was compelled by candor and persuaded, I suppose in part, by the very intimate knowledge of the problem which his audience had at the time he was addressing them. But he was for some reason or other compelled to put the statement in 30-cent words that anybody could understand:

> We are the only major market without any restrictions.

Again, I ask, why? The American farmer wants to know about it. The producer wants to know about it. He is gradually going broke. Someone ought to tell him why. If it is not the fault of Mr. Freeman, let someone tell him who is responsible. Let us chase this thing down to its source and get a correct answer.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MUNDT. I am happy to yield to the Senator from Vermont.

Mr. AIKEN. I am sure that the Senator from South Dakota will not get the correct answer from the Department of Agriculture or from anyone else in the present administration as to why we are at this time admitting great increases in the importation of meats from the Commonwealth countries of the world. If the Senator could get the truth, he would find that 2 years or so ago our traders—those who cannot wait to trade off American agriculture—to promise the so-called Commonwealth countries that if they would support the effort to get England into the Common Market, we would absorb the imports for which they previously had preference in the United Kingdom. I suppose that statement will be denied, but I am as sure that it is true as I am sure that the Senator from South Dakota is standing there that we were so zealous to get the United Kingdom into the Common Market that we promised almost anything. I say "we." We did not promise. We here in Congress did not have anything to say about it. Our traders—the ones who for some time have been apparently more interested in Western Europe than they are some place else nearer home—promised it.

If the Senator from South Dakota can get a truthful answer—I doubt if he can—he will find that we promised to absorb exports from New Zealand and Australia which previously had found a market in the United Kingdom.

Mr. MUNDT. I am very much afraid that the Senator is exactly correct.

Mr. AIKEN. Do not be afraid. It is the truth, but it will be denied.

Mr. MUNDT. I am afraid what the Senator said is correct. I presume it will be denied. But at least the Senate and the country is entitled to have an answer to the question from the man who is supposed to be helping agriculture and not selling it down the river—Mr. Freeman. He has been charged. It is his responsibility. He ought to give us an answer to the question. If he gives us a correct answer, let us wrestle with the problem.

Mr. AIKEN. If he did, he might lose his job.

Mr. MUNDT. If he loses his job, a successor for him will surely be found. If he gives us a correct answer, we will wrestle with it. If he gives us a phony answer, we can shoot it as full of holes as a paper tent in a hailstorm. I believe we shall find the correct answer to be what, in fact, the Senator from Vermont has just defined it to be.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MUNDT. I am happy to yield to the Senator from Nebraska.

Mr. HRUSKA. The Senator from Nebraska was very much interested in the contribution by the Senator from Vermont. In it he suggested that perhaps there was greater concern with the problems of some nations in Western Europe than there was concern about areas closer to home; namely, the farmers and the economy of the United States itself. That would seem to have its confirmation in the provisions of the agreement executed between Australia and New Zealand and our own country, in which provision was made, among other things, that the United States would take an active and leading role in negotiating the GATT arrangement leading to expanding access to meat-importing countries. The United States presently is the largest importer of beef and veal of any country in the world. If the prearrangement provisions in the New Zealand and Australian agreements are taken at their face value, it would mean that the United States would take a position at the GATT negotiations starting next May which would lead to even further reductions in our tariff, which now stands at 3 cents per pound, $3 per hundredweight. Not long ago—last fall—we were summoned and appeared before the Tariff Commission to express our opposition to the proposal that the tariff be reduced from 3 cents to 1½ cents, and that the tariff on beef and veal products would be kept on the list for GATT negotiations in May.

In other words, our Government has already committed itself, in the agreements and provisions to which I refer, to a lower tariff and increased imports of beef and mutton without regard to the effect and impact upon the American cattle and the American sheep industry. There is another example fastened in these agreements which will bear out the statement and observation of the Senator from Vermont. It is about time that we unmasked some of these things, go along the line that the Senator from South Dakota has stated, and demand an honest, candid, and fair answer from the Secretary of Agriculture as to how he represented the American farmer and the American economy, in the preparation and execution of those two agreements—the one with Australia, the other with New Zealand.

Mr. MUNDT. What the Senator has said about the pending GATT agreements is disturbing almost to the point of being terrifying. Coupled with what the Senator from Vermont has said, I quite agree that the statement has magnified the importance of what I have been trying to do, and that is to get an answer. I would like an honest answer. I would like a correct answer. If I cannot get that, I should like a phony answer. I would like some kind of answer from the man whose job it is to protect the American farmer and advance his interest.

I do not believe the American farm economy is the exclusive backyard of Secretary of Agriculture Freeman, Secretary of State Rusk, the President, or anyone else. It is a part of the great economy of our country. The people are entitled to know. They are entitled to the facts. They are entitled to the arguments.

They are entitled to the reasons. They are entitled to answers, instead of a great many glib statements which mean nothing to anyone. Once we get answers which are specific, at least we can determine their validity. We can challenge their accuracy if they are inaccurate. We can press for further evidence. But surely it is about time that someone told us who is leading the fight against the American farmer in this administration. Who insists on submerging him with torrents of imports? They do not happen by accident. The administration has the power to stop them summarily by executive action. Who is leading the fight against the livestock industry, and why? Once we identify the enemy and get the reason for it, we shall be better able to operate. Meanwhile I hope that the Senate will approve Hruska amendment and set up some kind of barrier and some kind of guideline to protect the American livestock producer.

I believe that it is time that the U.S. Congress should take a good, long hard look at the trade barriers being raised by our friends around the world, because those trade barriers make us the dumping ground for excessive production of foreign countries everywhere. Those countries include some which we are supporting with taxpayers' money in the form of foreign aid. We could stop that procedure if we merely exercised a little muscle in the State Department, in the administration, and in the Department of Agriculture, and said, "We cannot afford to give you our taxpayers' money to keep you alive while you dump your livestock in our country to kill us."

Somewhere or other we shall have to get some consistency in the whole business of trading back and forth among ourselves and determine whom we are going to aid and why. The way it is proceeding now the program is developing into a nightmare of contradictions.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. SIMPSON. Does the Senator know that, at least in the agreements entered into with Australia and New Zealand, there is also a stipulation which does not exactly preclude, but seems to preclude the U.S. Congress from making any law which would disturb the advantage which has been given?

Mr. MUNDT. Yes. I have read that provision with considerable astonishment, because I never before knew that any administration would presume to tell the Congress in advance that it may not legislate in that area or may not legislate in this area, and, unless in fact Congress has become a group of simpering rubber-stamps, we should strike with resentment at any such presumptive challenge on the part of the administration.

Mr. SIMPSON. I agree with the Senator. It seems to me that there is an opportunity, by the amendment of the Senator from Nebraska, for the U.S. Senate to give the lie to that type of procedure and disclose to the Department that it cannot do that, and show that it has not done anything for the livestock producer. There is an opportunity for the Senate to give its stamp of approval to an effort to give help to the livestock producer which he has not been given through the Department that we are talking about.

Mr. MUNDT. I agree that there is an opportunity for action on the challenge at the congressional level.

Let us impose some type of quantity restrictions that other major markets have imposed for the protection of their people. Who can tell us what is wrong with that line of reasoning? What fancy, forensic linguist down at the other end of the avenue is going to be able to present an argument as to why we should not provide for ourselves the same kind of protection that is provided by governments which we are supporting with the help of our taxpayers?

I would like to have an answer to that question. I doubt if any Senator is going to answer that, but I would like to have someone at the other end of the avenue answer it. The policies have been written. They have been approved. The administration is boasting of the policies. These are the policies they should be willing to talk about—instead of hiding behind some kind of bureaucratic bush—and give us the reasoning, if one can call it reasoning, which results in any such type of trade promotion.

Let us take action today to give encouragement to the livestock industry of the country and give them some assurance that we want to see them succeed.

Let us take action to make their economy a part of our ever-expanding national growth.

I think it is important that we act on the Hruska amendment favorably and by an overwhelming vote. Such action will serve notice on the exporting countries that we are going to have a system of quotas to protect our own producers. It will serve notice not only in the area of livestock production, but in other areas of our economy which are becoming pockets of poverty solely because of the import of products from abroad.

The easiest way to eliminate a pocket of poverty is to stop it at the source and stamp out the cause, instead of trying to seal it with the taxpayers' dollars in a procedure which is not going to stop these pockets of poverty from continuing to develop.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. SIMPSON. First let me say that the Senator from South Dakota is taking a fine approach to this problem. Let me also state that I am wholeheartedly in favor of what he is saying to Members of the Senate.

I wonder if the Senator received a copy of the resolution adopted by the American National Cattlemen's Association, which I hold in my hand.

Mr. MUNDT. I would be glad to have the Senator read it into the RECORD.

Mr. SIMPSON. I should like to read it, in view of what the Senator from South Dakota has said, to show that there are others who feel the same way. This is a great organization, established for the purpose of protecting the economy of the area from where we come.

Mr. MUNDT. I would be glad to have the Senator read it into the RECORD.

Mr. SIMPSON. I read from the resolution:

> Whereas imports on beef are at an all-time high; and
>
> Whereas these heavy imports are seriously depressing our domestic cattle markets; and
>
> Whereas a portion of these imports is of primal cuts which severely damage our domestic price structure—

The Senator from South Dakota will realize that it is virtually the language which the Senator from South Dakota has used. I continue to read:

> Whereas the production potential of beef in certain countries exporting beef to the United States is virtually unlimited; and

Whereas the American producers and feeders are obligated to pay high fixed costs associated with labor, land, local, and Federal taxes and other expenses over which he has no control, which are higher than those of his foreign counterpart—

I inject at this particular time the statement that I placed in the RECORD last Friday figures showing the cost of labor in various countries, mainly from those from which we receive meat imports, which disclosed the great variance in the labor costs in countries exporting their products into this country as compared with the cost of labor in this country. The statement disclosed that those countries can produce such products much more cheaply, and those products are imported into this country with an additional subsidy by virtue of a lack of tariff.

Mr. MUNDT. I read the address of the Senator from Wyoming over the weekend, and profited greatly from reading it. He made a masterly presentation and a convincing argument, which I hope will convince the administration that it should do something for the American farmer and the livestock producer.

We cannot live on hope, and we cannot wait for expected action. The kind of action taken so far has been so completely inadequate that we cannot expect voluntary action to do the job. That is why the Senators from Wyoming, Nebraska, and many other Senators on this side, and many fine Senators from the Democratic side of the aisle, as well, are hoping to write a Hruska amendment into the bill which will be effective.

Mr. SIMPSON. I agree with the Senator. I continue reading the resolution:

Whereas the stability of the American beef industry is essential to the growth and welfare of the entire American economy in all States; and

Whereas continued price depression will inevitably result in removal of capital from the United States to foreign points with concurrent employment losses; and

Whereas the American producer taxes himself to develop an expanded market for his product; and

Whereas in recent years the foreign producer has benefited from our expanded market out of proportion as compared with the benefits derived by our domestic suppliers; and

Whereas quotas so large as to be disastrous to the American producer and feeder, and unacceptable to the American public, may well set into motion restrictive forces which in the long run will have unfavorable impact upon exporting countries: Therefore be it

Resolved, That the American National Cattlemen's Association in convention at Memphis, Tenn., January 29, 1964, recommend to the Congress, the State Department and the Department of Agriculture that quotas on imports of beef and beef products into the U.S. ports of entry be established with principal exporters at levels substantially less than those in recent years—

The Senator knows that the quotas established were based on 2 years, 1962 and 1963, years of alltime high in imports that came into the United States, and this organization inveighed against them. This is a great organization, one of the finest in the country. It is importuning Congress to do something about the problem.

Mr. MUNDT. Indeed, it is one which was self-sustaining through the depression; and it has been one which has been courageously willing to stand on its own feet.

Mr. SIMPSON. That is correct. It is a great organization and an unselfish one. What it has done has been done for the benefit of the producers of livestock.

I understand from some of the officials of this organization that all the State branches of the association likewise have joined in this resolution. There was no dissent from any of the State organizations—only from a few individuals, but it was a spotty dissent.

Mr. MUNDT. I heard from the South Dakota association, urging that we do something, so there was no dissent from the South Dakota branch of the association.

Mr. SIMPSON. That is true of the Wyoming branch of the association.

I continue to read from the resolution:

Resolved, That composition of imports be considered so as to embrace in future quotas cooked and cured meats and sharp reduction in importation of primal cuts; and be it further

Resolved, That should a growth factor be involved in any negotiations, it be at substantially less than the full amount, a provision to encourage the American producer on a continued basis to use his own funds, time and energies to develop the domestic market for beef and use of our surplus feeds—

That to me is one of the significant features of the resolution, because it goes back to the old, rugged individualist principle. The cattleman and the livestock producer are individualists, who want to proceed as we should proceed under a system of private enterprise.

Mr. MUNDT. Precisely.

Mr. SIMPSON. The resolution concludes:

and be it further

Resolved, That copies of this resolution be sent to the President, Members of Congress, the Cabinet, and all affected agencies, Government and nongovernment, together with heads of government of exporting countries.

I was wondering if the Senator from South Dakota would be agreeable to having this resolution inserted in the RECORD.

Mr. MUNDT. Mr. President, I ask unanimous consent that the resolution may be printed in the RECORD.

The PRESIDING OFFICER (Mr. INOUYE in the chair). Without objection, it is so ordered.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas imports on beef are at an alltime high; and

Whereas these heavy imports are seriously depressing our domestic cattle markets; and

Whereas a portion of these imports is of primal cuts which severely damage our domestic price structure; and

Whereas the production potential of beef in certain countries exporting beef to the United States is virtually unlimited; and

Whereas the American producers and feeders are obligated to pay high fixed costs associated with labor, land, local and Federal taxes and other expenses over which he has no control, which are higher than those of his foreign counterpart; and

Whereas the stability of the American beef industry is essential to the growth and welfare of the entire American economy in all States; and

Whereas continued price depression will inevitably result in removal of capital from the United States to foreign points with concurrent employment losses; and

Whereas the American producer taxes himself to develop an expanded market for his product; and

Whereas in recent years the foreign producer has benefited from our expanded market out of proportion as compared with the benefits derived by our domestic suppliers; and

Whereas quotas so large as to be disasterous to the American producer and feeder, and unacceptable to the American public, may well set into motion restrictive forces which in the long run will have unfavorable impact upon exporting countries: Therefore be it

Resolved, That the American National Cattlemen's Association in convention at Memphis, Tenn., January 29, 1964, recommend to the Congress, the State Department and the Department of Agriculture that quotas on imports of beef and beef products into the U.S. ports of entry be established with principal exporters at levels substantially less than those in recent years; and be it further

Resolved, That composition of imports be considered so as to embrace in future quotas cooked and cured meats and sharp reduction in importation of primal cuts; and be it further

Resolved, That should a growth factor be involved in any negotiations, it be at substantially less than the full amount, a provision to encourage the American producer on a continued basis to use his own funds, time, and energies to develop the domestic market for beef and use of our surplus feeds; and be it further

Resolved, That copies of this resolution be sent to the President, Members of Congress, the Cabinet, and all affected agencies, Government and nongovernment, together with heads of government of exporting countries.

Mr. MUNDT. I thank the Senator from Wyoming for his testimony, and the highly valuable and pertinent evidence which he has supplied for the RECORD.

Mr. President, on February 13, 1964, the Crop Reporting Board of the Statistical Reporting Service issued a report which on page 3 states:

On January 1, 1964, the aggregate value of livestock (cattle, sheep, and hogs) on ranches and farms in the United States was $15,253 million. This was a 9-percent decline from January 1, 1963, total and 4 percent below the 1962 value.

Mr. President, obviously this decline in value takes place at the same time that the number of cattle and calves on farms and ranches as of January 1, 1964, was 3 percent higher than those on hand the first of January 1963.

On page 9 of this same report, there is a chart which shows the financial loss in each State because of the depressed livestock market. In my State of South Dakota alone, livestock producers suffered a $56 million devaluation in their assets in livestock. No wonder, Mr. President, that parity during December 1963, dropped to the lowest point it had reached since the depression days of the thirties.

The administration is pledged to help the farmer. The administration is pledged to improve upon the agricultural programs of past Republican administrations, many of which, I frankly thought, were so inadequate that I opposed them. But instead of improving upon them, instead of helping the farmer, this administration has forced the parity level down even lower, to 76, 77, and 78 percent—to its lowest point since the depression days of the thirties. In part, it has succeeded in driving the parity ratio down to a perilously low point by its obstinate insistence on continuing to import these avalanches of livestock products from abroad.

In the Hruska amendment, which I hope we can act on tomorrow or the following day, lies the opportunity to strengthen the future of the livestock industry which, as I have pointed out earlier, accounts for about 56 percent of farm marketing receipts. These sharp increases in imports of livestock and meat products over the past 4 or 5 years, resulting in the decline in farm prices of beef cattle, provide statistics enough for us to take action to reverse the downward trend of livestock prices.

I therefore urge that Senators read carefully the arguments presented on Friday and today, and that they prepare themselves to vote intelligently, effectively, and constructively to help the livestock industry when the yea-and-nay vote is held in a day or so on the amendment proposed by the Senator from Nebraska [Mr. HRUSKA], and a large number of other Senators with whom I am happy to be associated.

As I stated earlier, this farm legislation involves cotton, it involves wheat, and it involves livestock. I know that the distinguished Senator from Wyoming [Mr. SIMPSON] will have something further to say on the livestock question. I know also that the distinguished Senator from the great wheat State of Kansas [Mr. CARLSON], wishes to say something about the wheat aspect of this three-pronged approach. Something needs to be done to improve the income of the wheat industry, just as something needs to be done to improve the income of the livestock industry. I presume, as a northern kibitzer, that something must also be done to improve the income of the cotton producer, because the people from the cotton belt seem to be seriously distressed.

So, Mr. President, I yield the floor; and in anticipation that the Senator from Kansas [Mr. CARLSON] may have an opportunity to bring this question up to date with his viewpoint on wheat, and so that Senators may realize that we are switching debate from livestock to wheat and so may have an opportunity to listen to the Senator from Kansas, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MUNDT. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARLSON. Mr. President, during debate last Friday I stated that I expected to support the McGovern bill, which is a part of the pending legislation dealing with cotton and wheat. I also stated that in my opinion the bill (S. 2357) that was introduced by the distinguished Senator from North Dakota [Mr. YOUNG], and cosponsored by the Senator from South Dakota [Mr. MUNDT] and myself, was a bill in the greater interests of the wheat growers of the Nation.

For that reason, I wish to utilize this time to discuss the bill.

Mr. President, I ask unanimous consent that the bill may be printed in the RECORD as a part of my remarks.

There being no objection, the bill (S. 2357) was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

REPEAL OF PROVISIONS RELATING TO WHEAT MARKETING QUOTAS

SECTION 1. (a) Sections 332 and 333 of the Agricultural Adjustment Act of 1938, as amended by sections 311 and 312 of Public Law 87–703, are amended to read as follows:

"PRODUCTION OBJECTIVE

"SEC. 332. (a) The production objective for wheat for any marketing year shall be an amount of wheat which the Secretary estimates (i) will be utilized during such marketing year for human consumption in the United States as food, food products, and beverages, composed wholly or partly of wheat, (ii) will be utilized during such marketing year in the United States for seed, (iii) will be exported either in the form of wheat or products thereof, and (iv) as the average amount which was utilized as livestock (including poultry) feed in the marketing years beginning in 1959 and 1960; less (A) an amount of wheat equal to the estimated imports of wheat into the United States during such marketing year and, (B) if the stocks of wheat owned by the Commodity Credit Corporation are determined by the Secretary to be excessive, an amount of wheat determined by the Secretary to be a desirable reduction in such marketing year in such stocks to achieve the policy of the Act: *Provided*, That if the Secretary determines that the total stocks of wheat in the Nation are insufficient to assure an adequate carryover for the next succeeding marketing year, the production objective otherwise determined shall be increased by the amount the Secretary determines to be necessary to assure an adequate carryover: *And provided further*, That the production objective for wheat for any marketing year shall be not less than one billion bushels.

"(b) If, after the proclamation of the national acreage allotment for any crop of wheat, the Secretary has reason to believe that, because of a national emergency or because of a material increase in the demand for wheat, the production objective should be increased, he shall cause an immediate investigation to be made to determine whether such action is necessary in order to meet such emergency or increase in the demand for wheat. If, on the basis of such investigation, the Secretary finds that such action is necessary, he shall immediately proclaim such finding and the amount of any such increase found by him to be necessary and thereupon such production objective shall be so increased. In case any production objective is increased under this subsection, the Secretary shall provide for such increase by increasing acreage allotments established under this part by a uniform percentage.

"NATIONAL ACREAGE ALLOTMENT

"SEC. 333. Not later than April 15 of each calendar year the Secretary shall ascertain and proclaim the national acreage allotment for the crop of wheat produced in the next succeeding calendar year. The amount of the national acreage allotment for any crop of wheat shall be the number of acres which the Secretary determines on the basis of expected yields and expected underplantings of farm acreage allotments will, together with the expected production on the increases in acreage allotments for farms based upon small-farm base acreages pursuant to section 335, make available a supply of wheat equal to the production objective for wheat for such marketing year."

(b) Section 334 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting "prior to repeal of authority for marketing quotas" after the words "subsequent year" in the provisos in subsections (a) and (b), and after the words "subsequent years" in the proviso in subsection (c)(1) and in the second sentence of subsection (d).

(c) Public Law 74, Seventy-seventh Congress is repealed, and the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the following provisions relating to wheat marketing quotas: (1) the sentence in section 334(i), as added by section 313(4) of Public Law 87–703, relating to paragraph (6) of Public Law 74, Seventy-seventh Congress; (2) the words "and marketing quotas for the marketing year therefor" in the second sentence of section 334a; (3) the first and next to last sentences of section 335, as amended by section 315 of Public Law 87–703; (4) sections 336 and 338; (5) the two provisos in clause (3) of section 339(b); (6) "wheat," in section 372(a); and (7) the last two sentences of section 379c(b).

(d) Section 107 of the Agricultural Act of 1949, as amended (7 U.S.C. 1445a), is amended—

(1) by striking from subsection (2) the following: "if marketing quotas are in effect for wheat";

(2) by striking all of subsection (4);

(3) by striking from subsection (5) the following: "if marketing quotas are in effect for the crop of wheat," and

(4) by striking from subsection (5) the last three sentences thereof.

(e) The following headings contained in the Agricultural Adjustment Act of 1938, as amended, are amended as follows:

(1) The heading of subtitle B of title III is amended to read "SUBTITLE B—MARKETING QUOTAS AND ACREAGE ALLOTMENTS".

(2) The heading of part III of subtitle B of title III is amended to read "PART III—ACREAGE ALLOTMENTS—WHEAT".

(3) The heading of section 335 is amended to read "MINIMUM ALLOTMENT".

FULL PARITY FOR WHEAT FOR DOMESTIC FOOD CONSUMPTION

SEC. 2. (a) Section 107(1) of the Agricultural Act of 1949, as amended (7 U.S.C. 1445a), is amended to read as follows:

"(1) price support for wheat accompanied by marketing certificates shall be at a level equal to full parity price therefor,".

(b) Section 379b of the Agricultural Adjustment Act, as amended, is amended to read as follows:

"SEC. 379b. Beginning with the marketing year for the 1964 crop, a wheat marketing allocation program shall be in effect as provided in this subtitle. Whenever a wheat marketing allocation program is in effect for any marketing year the Secretary shall determine (1) the wheat marketing allocation for such year which shall be the amount of wheat which in determining the production objective for such marketing year he estimated would be used during such year for human consumption in the United States, as food, food products, and beverages, composed wholly or partly of wheat, and (2) the national allocation percentage which shall be the percentage which the national marketing allocation is of the production objective. Each farm shall receive a wheat marketing allocation for such marketing year equal to the number of bushels obtained by multiplying the number of acres in the farm acreage allotment for wheat by the normal yield of wheat for the farm as determined by the Secretary, and multiplying the resulting number of bushels by the national allocation percentage. If a noncommercial wheat producing area is established for any marketing year, farms in such area shall be given wheat marketing allocations which are determined by the Secretary to be fair and reasonable in relation to the wheat marketing allocation given producers in the commercial wheat producing area.

CERTIFICATES FOR PRIOR CROP WHEAT IF CURRENT CROP UNDERPLANTED

SEC. 3. Section 379c(a) of the Agricultural Adjustment Act of 1938, as amended, is amended by amending clause (ii) of the second sentence thereof to read as follows: "(ii) the amount of uncertificated wheat remaining on hand from prior crops".

AUTHORITY TO SUSPEND REQUIREMENT FOR PURCHASE OF CERTIFICATES BY PROCESSORS

SEC. 4. (a) Section 379d(b) of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"(b) All persons engaged in the processing of wheat into food products shall, prior to marketing any such product for human food in the United States, acquire marketing certificates equivalent to the number of bushels of wheat contained in such product. Marketing certificates shall be valid to cover only sales made during the marketing year with respect to which they are issued, and after being once used to cover a sale of a food product shall be void and shall be disposed of in accordance with regulations prescribed by the Secretary. Notwithstanding the foregoing provisions hereof, the Secretary may require marketing certificates issued for any marketing year to be acquired to cover sales made on or after the date during the calendar year in which wheat harvested in such calendar year begins to be marketed as determined by the Secretary even though such wheat is marketed prior to the beginning of the marketing year, and marketing certificates for such marketing year shall be valid to cover sales made on or after the date so determined by the Secretary. The requirements of this subsection may be suspended for any marketing year or other period by the President in whole or to such extent as he deems appropriate, if he determines that such suspension will result in the more effective regulation of commerce and the better effectuation of the purposes of this Act. In the event of such full or partial suspension, the Commodity Credit Corporation shall buy all marketing certificates offered to it in accordance with the regulations prescribed under section 379e."

(b) Section 379d(c) of such Act is amended by striking out "or export".

REPEAL OF MONETARY PENALTIES FOR PRODUCTION ON DIVERTED ACRES

SEC. 5. Section 339(a)(1) of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"(a)(1) The producers on any farm (except a new farm receiving an allotment from the reserve for new farms) on which any crop is produced on acreage required to be diverted from the production of wheat shall, except to the extent otherwise prescribed by the Secretary, be ineligible to receive price support on wheat or wheat marketing certificates unless the crop is designated by the Secretary as one which is not in surplus supply and will not be in surplus supply if it is permitted to be grown on the diverted acreage, or as one the production of which will not substantially impair the purpose of the requirements of this section. The acreage required to be diverted from the production of wheat on the farm shall be an acreage of cropland equal to the number of acres determined by multiplying the farm acreage allotment by the diversion factor determined by dividing the number of acres by which the national acreage allotment is reduced below fifty-five million acres by the number of acres in the national acreage allotment."

EFFECTIVE DATE

SEC. 6. This Act shall be effective beginning with the 1964 crop of wheat. Subject to adjustment as provided by law, the production objective for the marketing year beginning in 1964 shall be in the same amount as the national marketing quota heretofore proclaimed, and the National, State, county, and farm acreage allotment for the 1964 crop of wheat shall be those heretofore proclaimed and apportioned, without further proclamation or apportionment. The support levels specified in section 107 (1) and (2) of the Agricultural Act of 1949, as amended by this Act, shall be applicable to the 1964 crop of wheat, notwithstanding the disapproval of marketing quotas for that crop prior to the enactment of this Act.

Mr. CARLSON. Mr. President, it is essential, in my opinion, that there be some farm legislation dealing with cotton, wheat, and livestock—and I would also include dairy products. I believe all these various segments of the farm economy are in difficulty.

I have just returned from the State of Kansas. I would be remiss in my duty if I did not state that Kansas grows about one-fourth of the winter wheat of the Nation. The Senator from North Dakota [Mr. YOUNG] comes from probably the second largest wheat-producing State in the Union. There is also a great wheat-producing area in the Middle West, including South Dakota, Oklahoma, Texas, and Colorado; in addition, of course, to Minnesota and some of the Western States.

There is no doubt in my mind that action is needed based on the net farm income. The other day, I discussed this briefly when the Senator from South Dakota [Mr. MCGOVERN] also discussed the problem. I believe we must agree that we are in grave danger of a serious reduction in farm income that can have a very serious effect on the national economy. I do not like to talk about it, but I believe it is a basic fact that some of the Nation's depressions have started as the result of greatly reduced income in the farming areas. Based on past history, I believe it is best to set apart a little time and stop and look to see if there is not something we should be doing in order to preserve the income of the American farmer.

The American farmer is not asking for any special favors. He is asking for his fair share of the national income.

I believe there are some facts which should be called to the attention of the Senate.

First is the parity ratio, or farm-program goal for agriculture, which has dropped to its lowest level since 1939. In fact, it is down to below 80 percent, probably 76 to 78 percent of parity.

I well remember that during the debates in previous sessions, when anyone talked of less than 90 percent of parity, he would be considered as not being a friend of the farmer. Here we are down to 78 percent of parity.

It is time, in my opinion, to begin to take a look at farm income. I believe we should keep in mind, with regard to agriculture, that farm debt is at a record high. I believe we are all agreed that farming costs are at a record high. These are problems affecting the income of the farmer. Farm production expenses have been rising around $700 million a year. In this, of course, are included such items as increased taxes, interest, wages, machinery, and all the other items that affect the farmer's costs.

The farm population has dropped to the lowest level in our Nation's history. Some would contend that that is in the interest of the average farmer, because it means larger farms and larger production units. Those of us who live in the farming area regret to see such a situation develop.

Farm surpluses continue at high levels. Farm income is declining.

I wish to discuss briefly the bill which was introduced by the Senator from North Dakota [Mr. YOUNG], the Senator from South Dakota [Mr. MUNDT], and myself. The bill is S. 2357. It would amend the present wheat certificate plan. Among the other improved features of this program would be a more simple, workable program. It would be completely voluntary and would contain no marketing penalties. It would assure wheat producers 100 percent of parity for that portion of their crop which is consumed domestically, and world prices for the balance.

The bill before the Senate, as reported by the Committee on Agriculture and Forestry, has a reduced support price, and lacks considerably the 100-percent parity for the amount consumed domestically.

It has been my contention that the farmers are entitled to parity for the amount that is domestically consumed, because the farmer has to buy his machinery and pay for his labor and meet every expenditure that is incurred as the result of farming, on a domestic basis. This is an escalated economy. For that reason, it seems to me, the farmers are entitled to 100 percent of parity for domestic consumption. Under the provisions of S. 2357, the President of the United States could elect to make payments for wheat certificates by the CCC as similar payments are now being made for both the wheat and feed grain programs—or he could elect to make the program largely self-financing by requiring the domestic processors to purchase the wheat certificates as is the case now under the wheat certificate plan.

One of the great savings would be that it would eliminate all Government storage payments on wheat except for price support loans taken out by farmers at the world price support level of approximately $1.30 a bushel. There would be very few such loans, in my opinion.

The bill would repeal wheat marketing quotas and wheat marketing penalties. It would, however, leave in effect the provisions for acreage allotments. Farmers who complied with acreage allotments would be entitled to marketing certificates for price supports.

Those who failed to comply with allotments would still be able to sell their wheat on the open market free of penalty for whatever it might bring.

With many simplifications, the program that results would be a true domestic parity—more commonly known as the two-price system. It is similar to a bill I introduced in the Senate in 1954, which passed the Senate by a vote of 54 to 32. However, it was not approved, but was lost in the conference between the House and the Senate on the farm bill.

The bill utilizes the mechanics of the present law in allocating marketing certificates. These certificates would be restricted to that portion of the wheat crop needed for domestic food consumption. This wheat would be supported at 100 percent of parity.

One of the major advantages of such a program would be that wheat exporters would not be required to purchase certificates and wheat would move freely into export without the need for expensive export subsidies.

Presently there is no restriction on the sale of practically all farm commodities to Russia and Communist-bloc countries. Only wheat, cotton, tobacco, and rice—because of their particular type of price support and the export subsidy involved—have run into trouble. The support level for noncertificate wheat, which would be disposed of largely through exports, would be the same as provided under present law at the world price or approximately $1.30 a bushel.

Under this proposal the Secretary would determine each year the amount of wheat necessary to meet domestic and export requirements. This could not be less than 1 billion bushels. The Secretary would announce each year the acreage allotment sufficient to meet the desired production goal. The national allotment and the State, county, and farm allotments would be arrived at in the same manner as allotments are now determined.

Under the formula the national allotment for next year would be 49.5 million acres, which it is anticipated would produce 1.2 billion bushels. If present export levels could be maintained or even increased—as is entirely possible now—acreage allotments would be much higher. Marketing certificates would be issued for about 500 million bushels or the amount normally consumed domestically. This would be supported at 100 percent of parity, which is currently $2.51 a bushel. The balance would be supported at the lower price support level as provided by existing law, which the Secretary has announced to be $1.30. This would give the farmer a blended price of about $1.80 a bushel for all of his wheat. If the domestic market price were higher than $1.30 a bushel, the farmers would, of course, receive a higher blended price.

In addition to the blended price of approximately $1.80 a bushel, farmers who complied with the program would receive diversion payments the same as under the present feed grain program for cuts in acreage.

The objection to the proposed bill and others which provide a domestic price for wheat consumed at home and a world price for our export wheat is that it will increase the price of bread.

The opposition immediately begins to talk about a bread tax, as the financing could be based on the sale of certificates to the millers. However, in the Young-Carlson bill, the financing could be from the Treasury of the United States, the same as we are financing the marketing of export wheat through subsidy payments.

In order to ease this situation, I suggest that 50 percent of the financing be made through milling certificates and the other 50 percent from the Treasury of the United States.

Even with this suggested change, this plan would be a great saving to the taxpayers of the United States.

The question, of course, presents itself to every Member of the Senate as to the possibility of enacting wheat legislation. I have served in this body many years. When a bill comes from the Committee on Agriculture and Forestry as a part of another bill dealing with the great crop of cotton, I can readily understand that that would be the legislation that would have the best chance of approval. I shall support it. I do that because the bill which has been introduced by the Senator from South Dakota [Mr. McGovern] is voluntary. I do not believe it involves as voluntary a program as does the bill I have discussed, but it is a voluntary plan. A wheat farmer can participate if he wishes, or he does not need to.

It seems to me that it is essential that we act on the bill because of the situation that confronts the Nation at present from an agricultural income standpoint.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. CARLSON. I am pleased to yield.

Mr. CURTIS. I commend the Senator for his discussion of agricultural legislation. I hope that before final action is taken, the alternative plan the Senator has discussed will be pursued further and presented to the Senate for consideration. I believe it has many advantages over the bill before the Senate.

Mr. CARLSON. I thank the Senator from Nebraska for his comments. The procedure, as we begin this agricultural debate and conclude action on this important subject, will be determined as we go along.

I believe it should be made crystal clear that many of the problems with which we have been dealing for several years are common to both wheat and cotton. It should be equally clear that in the current world relationships, which are of increasing importance to the cause of freedom and important for individual families, the proposal submitted by the Committee on Agriculture and Forestry has been predicated upon three fundamental facts.

The first of these facts is that if we are to avoid denying wheat its reasonable competitive access to secondary markets—to feed uses, to industrial uses, and to reasonable availability for such humanitarian and nutritional usages as the United States, either bilaterally or multilaterally, might from time to time support in any measure—then wheat must be permitted to move at a price level which will not do violence either to our international commitments or to our responsibility to American producers of other grains for feed.

I believe that proposed legislation in the pending bill and others that I have discussed at this time, including the Young-Mundt-Carlson bill, would do that very thing.

The second point, which has apparently been clearly recognized by the committee, is that we must seek to reduce the role of Government, either through positive or "inverse" subsidies, or otherwise, in interference with the private grain trade function of our own great grain trading industry, in moving wheat equitably, reasonably, and competitively into the markets of the world. This is the basis of the export certificate provision of the proposed legislation.

I believe we must realize the importance of the world trade, particularly world trade in agricultural products. Recently the Department of Agriculture issued some interesting facts concerning the importance of exports of farm products. I mention this because the data showed that farm exports reached a high of $5 billion in 1963, and are again headed for a new record in 1964. About 20 percent of the U.S. farm production is exported, amounting to the output of 1 of every 5 acres harvested. That is the real value of farm imports at the present time. Farmers in particular benefit from agricultural exports because they can sell more products, but all Americans benefit as well.

Farm exports create many more jobs in financing, transporting, storing and processing, and marketing of our products overseas. Farm exports in 1963 were enough to fill more than a million freight cars, or 4,500 cargo ships. An average of 12 shiploads left U.S. ports every day of the year.

Farm products today account for $1 in every $4 of U.S. total exports. Our farm exports go to over 125 countries and territories.

Farm exports are one of our best dollar earners. About 70 percent, or $4 billion, of our farm exports in 1963 were straight cash sales. The other 30 percent were sales for foreign currency and long-term credit, donations, and barter, totaling about $1.6 billion.

I have mentioned the export items and their value for cash sales. As one Member of the Senate who urged the sale of wheat to Russia, the Soviet Union, I stated at that time that the wheat would be sold for dollars or for gold. Last week the first cargo of American wheat was delivered to Russia. I am told that within 72 hours, gold or dollars were deposited in a bank in New York in payment for that shipment. I am also told that this week, probably tomorrow, another shipload of wheat will arrive in the Soviet Union and that gold will be deposited within 24 hours for the payment of that wheat. Gold is important to this Nation at present in view of our adverse balance of payments.

We have a great food-for-peace program, and in the new emerging nations, where dollars are short, U.S. farm products are being used to help.

A third point I wish to make is that the soundness of the principle which has previously been recognized by the Senate and House of Representatives, to the effect that American wheat producers are entitled to an American price level for that portion of their production which goes into primary usage—human food channels within the United States—is clearly the basis of the provision that human consumption wheat should be supported at approximately the $2 per bushel level, which has been current for several months. Our bill would provide the full parity price of $2.51.

We completely reject the arguments that cotton payments are unsound and should be condemned. We likewise reject the argument that the wheat certificate constitutes a "bread tax."

I point out that the probable support level on human food wheat stands at about 5 cents per bushel under the steady price which has held during the most of the past and current selling season. At the present time, that level is about 18½ cents less than March futures sold for last Monday, February 24, 1964. Rather than to catalog it as a bread tax, the Senate should recognize that such a wheat certificate is a means of transferring this portion of the cost of wheat for human food consumption to the users of wheat for such purposes, so that the amount will be in exact proportion to the quantity of wheat they use, rather than to attain that price by the unique combination of a one-price, across-the-board support, plus the consequent storage charges and handling costs, plus the resultant direct or inverse subsidy provisions, and other governmental interference with the private trade export operations, which have so forcefully been brought to our attention in recent weeks, to mention only a few of the corollary facts; all to be assessed against taxpayers, without any regard to the volume of wheat that each taxpayer might use or consume.

I submit to the Senate, therefore, that the wheat certificate proposal provides for using the constitutional provision under which Congress shall regulate the terms and conditions of commerce, and is a well-designed method of augmenting the income of American wheat producers in the marketplace, from which source most of us believe that income should come.

Assuming that the certificate values are set at realistic and equitable levels, which become a part of the price of wheat, going into domestic consumption for food use, and that this level is in the area of the prices which the millers have been paying for bread grain; and assuming the assurances which have been given to the Committee on Agriculture and Forestry, to the effect that the export certificate values will likewise be equitably and reasonably established, in terms of our commitments under the International Wheat Agreement, as well as in terms of the realistic and fair consideration which we must give to other nations, in order that we may be in reasonably sound position to ask for comparable consideration from the rest of the world toward our problems; it then is clear that the proposed wheat certificate program cannot but be recognized as a reasonable and equitable method for dealing with the problem of the impending serious decline in net farm income and resulting substantial damage to the total rural economy—and, indeed, to the economy of the Nation as a whole.

The proposed legislation will also offer the increasing prospect of effectively dealing with the problems of increasing costs of production and the consequent decline in net farm income, which is intolerable in view of the goals for the total American economy, to which the Senate as well as the entire Congress have subscribed.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a portion of a summary of the various bills on which a report was requested, and which was supplied by the Department of Agriculture.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

S. 2357 provides a permanent wheat domestic parity program beginning in 1964 and repeals wheat marketing quotas. The present system of acreage allotments would remain in effect with the minimum national allotment continued at an acreage designed to produce 1 billion bushels. Price support loans would reflect world prices and feeding value of wheat, and certificates would be issued to make up the difference between such price level and the parity price on an amount equal to the domestic food consumption of wheat. The President is given discretion to require processors to purchase certificates or allow the value of the certificate to be paid directly to producers by the CCC. The present diversion program would remain in effect for 1964 and 1965 but without monetary penalties for noncompliance. Price support and certificates would be conditioned on compliance with acreage allotments and the diversion program.

Mr. CARLSON. Mr. President, I mention these items because I feel that it is essential that at this time Congress enact legislation dealing with this important matter.

Mr. McGOVERN. Mr. President, will the Senator from Kansas yield to me?

Mr. CARLSON. I am happy to yield.

Mr. McGOVERN. I commend the Senator from Kansas, not only for the constructive statement he has made this afternoon, but also for the vigorous support he has given the pending bill from its first day on the floor of the Senate.

I appreciate the point he has made—namely, that the wheat section of the pending bill is not exactly the type of legislation that either he or I would have preferred if we had been thinking only about the most ideal possible wheat bill. However, as he knows, we have to take into consideration the practical obstacles which stand in the way of the enactment of farm legislation of any kind, and the Senate must pass proposed legislation which will prevent a drop of $500 million or perhaps $600 million in farm income.

If the pending bill is enacted, I hope we shall not stand on it forever, but that it will become a platform on which we can work for the full parity goal to which the Senator from Kansas referred a moment ago.

I commend him for the constructive stand he has taken this afternoon, and also for his willingness to support the pending bill, even though it does not go quite as far as he would prefer.

Mr. CARLSON. Mr. President, the Senator from South Dakota knows that it is difficult to legislate in this field. One only regrets—as I do, as a farmer and livestock man in my own right, and as one who comes from the great wheat producing and livestock producing State of Kansas—that the farm organizations have not been able to reach agreement on a program; and I also regret the great division of opinion among farmers themselves. But after spending 2 days last week in the State of Kansas, I am convinced that although many farmers will not be happy about the pending bill, they would be very greatly disappointed if at this time Congress did not pass some farm bill, with the result that the price of wheat would drop to $1.25 a bushel.

As was stated last week by the Senator from South Dakota, I think we should keep in mind that if the price of wheat dropped to $1.25 a bushel, it would be most difficult ever to get the price of wheat back to where it belongs, based on our Nation's high income for labor and for all other stages of the economy except agriculture.

I believe that the feed producers also should think about this point, because if the price of wheat were to drop to $1.25, or below that, I believe it would be only a short time before the price of corn would be approximately 85 or 95 cents a bushel, and the prices of other feed grains would drop accordingly, in which case larger and larger amounts of grain would be fed to livestock, and the supply of livestock would increase accordingly, for under existing circumstances the prices of feed grains are causing great havoc and distress in the livestock industry throughout the Nation. It is quite true that if this situation were to continue, literally hundreds of livestock producers would be driven into bankruptcy.

Mr. JOHNSTON. Mr. President, will the Senator from Kansas yield to me?

Mr. CARLSON. I yield.

Mr. JOHNSTON. The Senator from Kansas has brought out a very important point. At the hearings it was shown that if the price of wheat drops, it will be only a short time before the prices of feed grains will more or less reach a similar level. In that event, not only would the growers then be adversely affected, but those who use feed grains would also be adversely affected, and there would be a surplus all along the line, and that would mean lower prices for all these commodities.

Mr. CARLSON. Mr. President, the Senator from South Carolina, who serves on the committee, on which I also serve, knows that a farmer must have a certain amount of income on which to operate; and if he cannot obtain a sufficient price for the commodity he produces, he must increase the amount of his production; and thus we get into a vicious circle.

Mr. MUNDT. Mr. President, will the Senator from Kansas yield to me?

Mr. CARLSON. I am pleased to yield to the Senator from South Dakota.

Mr. MUNDT. I appreciate the Senator's very effective and intelligent analysis of the wheat problem and the various proposals for correcting some of the serious price potentialities which will confront us if we do nothing.

Recently, I have been receiving letters from wheat producers in South Dakota who are concerned that the net result of this measure, if it is enacted, will not be up to the expectation of many of its supporters, but that, instead, the per bushel income of the wheat farmers will actually be less than it has been during the past few years, under the program the country has had. I wonder whether the Senator from Kansas, who is an experienced farmer, and also is quite an authority on farm legislation, agrees with those who feel that if it were possible to continue the program which has been in operation for the past several years, the wheat farmers would feel better than they will if we enact the pending bill.

Mr. CARLSON. It is true that throughout the country there is some complaint from various groups, including some of the farm organizations, who contend that if the pending bill is enacted—although I am supporting it because I believe we must do something—not enough will be done to assist in the face of the present decline in farm income and in the prices of farm commodities. I am sure many of them would be very happy if the present program, without these controls and without another referendum, were continued.

Mr. MUNDT. I wondered whether the Senator from Kansas had received such expressions of opinion. As I have said, I found them in my State.

Has the Senator from Kansas prepared an analysis of the impact of the committee bill on wheat farmers, as contrasted to the effect of the measure introduced by the Senator from North Dakota [Mr. Young] and cosponsored by the Senator from Kansas and me?

Mr. CARLSON. I do not have an analysis in terms of dollars and cents; but of course the bill introduced by the Senator from North Dakota [Mr. Young], and cosponsored by the Senator from South Dakota [Mr. Mundt] and myself, would, on the basis of the figures of the Department of Agriculture, cost considerably more than the pending bill would. On that basis, I assume that money would go back to the farmers themselves. Thus, from their point of view, that bill would be more advantageous.

As I have said, throughout the country there is some feeling that although the pending bill is not entirely satisfactory, yet it is much better than a situation in which the price of wheat dropped to $1.25 a bushel.

Mr. MUNDT. I share the Senator's opinion that certainly the pending bill is better than nothing at all.

However, in trying to correct the problem, I believe we should move as far as we can in the direction of obtaining parity income for the wheat farmers. I would not like to have us settle for half a loaf, if we can give them a whole loaf. We do not have too many opportunities to legislate for the wheat farmers; and I do not like to see us settle for a half-way measure, if there is a chance for us to do more for a segment of agriculture which really is suffering.

Mr. CARLSON. Of course as we consider the amendments, we shall have an opportunity to consider the situation which I have tried to lay before the Senate.

Mr. SIMPSON. Mr. President, will the Senator from Kansas yield further to me?

Mr. CARLSON. I am glad to yield to the Senator from Wyoming.

Mr. SIMPSON. Did I correctly understand the Senator from Kansas to say that because of the imports, there is a great amount of distress among the cattle feeders in his State?

Mr. CARLSON. I assure the Senator from Wyoming that the situation of the livestock industry in our States, as well as in the other States, is most critical. Probably I should point out that I have received a letter from an attorney who, in filling out tax returns for those in the farming area in western Kansas, has found definite evidence of a widespread decline in income. I know him personally, and he has lived there for many years. For instance, he filled out 109 tax returns for livestock producers, and only 2 of them made a profit; and in his letter he stated that those 2 did not include the cost of the feed, and that 2 brothers whose returns he filled out lost $117,000 this year.

There is no doubt that cattle feeders are losing $40, $50, $60, and $70 a head. It is a critical and serious situation that I do not believe we can ignore or neglect as we deal with this great industry and the farm economy.

Mr. JORDAN of Idaho. I thank the Senator. The experience that he has related as occurring in his State bears out the experience in my own State.

AWARD BY THE LIBERTY BELL SOCIETY OF THE UNIVERSITY OF PENNSYLVANIA TO SENATOR DIRKSEN FOR OUTSTANDING SPEECH OF THE YEAR

Mr. PEARSON. Mr. President, on Saturday, February 29, the Liberty Bell Society of the University of Pennsylvania conferred an award upon our distinguished minority leader, the Honorable Everett Dirksen, of Illinois, for making the outstanding speech of the year; namely, one of the closing arguments in the debate on the test ban treaty last year.

It was my honor to accept this award for and in behalf of the Senator from Illinois [Mr. Dirksen] and I ask that the statement of appreciation and gratitude written by the minority leader which I have taken the liberty of adding the title, "Salute to the Spoken Word," be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Salute to the Spoken Word

Mr. Chairman, I am truly honored to be asked by your society and by our distinguished minority leader, the Honorable Everett McKinley Dirksen, of Illinois, to come in his stead and receive for and in his behalf the award which the Liberty Bell Society is conferring upon him for the speech of the year; namely, the moving and persuasive speech which he delivered on the floor of the U.S. Senate as one of the concluding arguments on the controversial test ban treaty.

I am quite intrigued by the purposes and objectives of your society and I am happy to know that in an age of functional speech, when we become so careless about our speech habits, that the spoken word is still so honored and appreciated.

In acceptance and in appreciation for this honor, Senator Dirksen asked that I convey his gratitude and offer upon this occasion the following statement as his words:

"Your organization takes its name from the bell, which is such an apt symbol. On that bell, there is inscribed a portion of a verse from the book of Leviticus, which we know as the law. It was a jubilee year for an ancient people and to fittingly observe it a proclamation was uttered, stating very simply, "Proclaim liberty throughout all the land and unto all the inhabitants thereof." For many years, that bell proclaimed festivals, anniversaries, the advent of peace and other notable events, and only when it tolled the death of that great jurist, Chief Justice John Marshall, did it develop a crack and bring to an end its mission as an instrument of proclamation.

"Since the dawn of civilization, all manner of methods and an endless variety of instruments have been used to communicate and to proclaim—the pictures upon the walls of caves, the signal flags, the drums of the forest, the fleetfooted messengers of ancient Greece, the speeches in the Agora of ancient Athens where law was made and customs proclaimed, the early blocked-letter books and pamphlets, the daily newspapers, and the telephone and telegraph. Today, the radio and television have progressively been the instruments of humankind in communicating thoughts and messages.

"But in the whole history of mankind, there has, after all, been no greater instrument to proclaim and to convey thoughts and meanings than the precise words which might drop from the lips of an individual dealing with some central theme and words so marshaled and fashioned as to persuade, to convince, to entertain, to impress, to inspire or to move to action.

"The ancient slave, Spartacus, lurking in the dark corners of the ancient Roman Colosseum could appeal with earnest eloquence to those enslaved with him and so incite them to action that for 3 long years he and his fellow slaves withstood the finest armies of ancient Rome and threatened its very survival.

"Eloquent orators could stand before an Athenian audience and hear them utter the wish, "Hear, hear," and when Demosthenes stood before them and hurled his denunciations at Philip of Macedon, up went the cry in unison, 'Let us march against Philip.'

"Cicero in the Senate of ancient Rome, with his sarcasm, his logic, and his eloquence could vanquish the scowling Catiline and bring an end to his conspiratorial designs.

"But one need not refer merely to the parchments of ancient history for even in our own time one can find examples of how eloquence and logic can move a mass of people to a type of action which they did not contemplate before they heard the spoken word. William Jennings Bryan, standing before a Democrat Convention in 1896, could conclude his speech in behalf of the farmers and the small business people of the country by thundering, 'You shall not press this crown of thorns upon the brow of labor. You shall not crucify mankind upon a cross of gold.' To this good hour, students of speech study the structure and the power of 'the Cross of Gold' speech, but it went much further because it suddenly catapulted William Jennings Bryan into the nomination of his party for the Presidency.

"Winston Churchill, standing before a joint session of Congress, with two fingers raised as a symbol of the 'V-for-Victory,' could not only enchant them but bring them to action in the cause of freedom.

"Abraham Lincoln, coursing up and down the State of Illinois debating with Stephen Arnold Douglas, the great issue of slavery in 1859, coupled with his masterful speech to the Cooper Union Institute 100 years ago, were not the least of the factors which finally ordained him to become the Chief Magistrate of the Nation.

"So long as men have ears to hear and minds to perceive, the spoken word will influence human thought and conduct and help to shape the destiny of all mankind. Those words may be uttered in a courtroom where the life of a citizen hangs in the balance; they may be uttered in a parliamentary body where policies are fashioned to direct the present and future destiny of a country; they may be uttered from a pulpit where the whole course of life of individuals may be changed for the better; words which may have the effect of determining the selection of the leader of a country, large or small, may be uttered before a political audience where votes are in the balance—and those words might by their logic, eloquence, and power determine the result.

"And so, a salute to the spoken word, which will never vanish so long as men have perception and are prepared to listen. The human voice and what it utters as a result of an inspired brain can yet manage the destiny of all mankind."

SURVEILLANCES BY DEPARTMENT OF JUSTICE

Mr. FONG. Mr. President, I received today a letter from Mr. Herbert J. Miller, Jr., Assistant Attorney General, Department of Justice, responding to the letter I referred to Senator Sam J. Ervin, Jr., chairman of the Subcommittee on Constitutional Rights, Committee on the Judiciary, and which I introduced into the Record on February 26, 1964.

I have also referred Mr. Miller's letter to Senator Ervin and I ask that its text be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Justice,
Washington, March 2, 1964.

Hon. Hiram L. Fong,
U.S. Senate,
Washington, D.C.

Dear Senator: I am sure that you are interested in determining the position of the Department of Justice as to the issues raised in the letter of Sidney Zagri which appeared in the Congressional Record concerning the case of *United States* v. *James R. Hoffa, et al.*, currently on trial in the Eastern District of Tennessee at Chattanooga.

All protests raised by Mr. Zagri have been ruled upon by the court in the current Chattanooga trial. Defendants and their attorneys filed certain charges and affidavits with the court contending that they had been constantly under surveillance during the period of time that the trial has been in progress.

Five individuals, none of whom is a defendant or attorney for the defense, have been the subject of surveillances consisting entirely of observations by agents of the Federal Bureau of Investigation of their public comings and goings. Similar lawful investigative activities in the course of the Nashville trial, out of which the present charges against defendants grew, resulted in the cogent evidence of obstruction of justice that has been presented during the present trial. At no time have any eavesdropping, wiretapping, microphone installations, trespasses or any invasion of privacy been utilized during such surveillances.

The five persons surveilled were William A. Test, former president of Teamsters Local 515, Chattanooga, Tenn., and now an employee of an insurance company in Chattanooga which is part of codefendant Allen Dorfman's insurance holdings; John Cleveland, organizer for the Eastern Conference of Teamsters, Washington, D.C.; George E. Hicks, president of Teamsters Local 515, Chattanooga, Tenn.; Charles L. O'Brien, business agent of Teamsters Local 299, Detroit, Mich. (defendant Hoffa's home local) who was present in Nashville throughout the last Hoffa trial and is presently awaiting trial under two Federal indictments in Detroit; and Bernard Spindel, codefendant of Mr. Hoffa in Federal criminal trials involving alleged violations of section 605 of the Federal Communications Act (wiretapping), the first of which trials ended in a hung jury and the retrial in a verdict of acquittal.

The surveillances of the public comings and goings of Test, Cleveland, Hicks, and O'Brien were all conducted prior to the empaneling of the jury in the subject case on January 27, 1964. The surveillance of Charles L. O'Brien commenced upon his arrival at the Chattanooga, Tenn., airport at 11:04 a.m., January 23, 1964, and was concluded 46 minutes later at 11:50 a.m., upon O'Brien's entering the Patten Hotel. No further surveillance has been conducted as to Mr. O'Brien.

In the course of this trial the Federal Bureau of Investigation has not ceased to carry out such lawful and necessary investigative activities as are imperative to the proper execution of their duties. At the inception of the trial all agents were expressly directed not to conduct surveillances of the defendants or their counsel and any observation made by agents of defendants or counsel entering or leaving the Patten Hotel or the Federal Post Office Building was entirely incidental to those occasions when the defendants or their counsel were in the public company of the five persons surveilled.

The surveillance of Bernard Spindel was commenced on February 3, 1964, when Spindel arrived at the airport at Nashville, Tenn. Spindel was observed by agents of the Federal Bureau of Investigation to rent an automobile and then drive to Chattanooga where he entered the Patten Hotel and took an elevator to the 9th floor. Thereafter, Spindel's public comings and goings were observed for a period of 3 days ending February 6, 1964. Due to Spindel's admitted history of wiretap activity, the Government believed his presence in Chattanooga might involve violations of section 605 of the Federal Communications Act and other Federal statutes. Agents of the Federal Bureau of Investigation conducted personal observations limited to when and whether Mr. Spindel would leave the hotel. The Government has stated that evidence has been received that Mr. Spindel did, in fact, engage in violations of section 605 while in Chattanooga.

Prior to the empaneling of the jury on January 27, 1964, and never thereafter, agents were assigned to photograph persons unknown to them who appeared on the public streets in the vicinity of the Federal Post Office Building and the Patten Hotel. These photographs were taken for subsequent identification purposes and any observation by agents of the defendants or their counsel on the public streets was entirely incidental. The investigation of allegations of obstruction of justice conducted during the Nashville trial would have been greatly facilitated by availability of identifying photographs of persons repeatedly in and about the courthouse or on the adjacent public streets. Consequently, such photographs were taken at the outset of this trial but again it must be emphasized that even such limited activity was prior to the empaneling of the jury.

Mr. Hoffa has charged that the Government employed an informant who used his position of trust and confidence to spy on the activities of Hoffa and his attorneys in the former's prior criminal case in Nashville. The Honorable Frank Wilson, presiding judge in Hoffa's present trial, after hearing the testimony of William Bufalino, James Haggerty, Jacob Kossman, David Previant, Morris Shenker and Daniel Maher, all either present or past attorneys of record for the International Brotherhood of Teamsters and Mr. Hoffa; Walter Sheridan, Justice Department employee; and Edward G. Partin, the witness whose testimony Mr. Hoffa is challenging, made the following ruling as to defense motion to suppress Partin's testimony (transcript 3212):

"Judge Wilson. The court is of the opinion that the motion to suppress the testimony of the witness, Mr. Partin, should be overruled, having observed the manner and demeanor of the witness on the witness stand, and the testimony of the witnesses, I would find that there has been no interference by the Government with any attorney-client relationship of any defendant in this case.

"I would further find that the Government did not place this witness, Mr. Partin, in the defendants' midst or have anything to do with placing him in their midst, rather that he was knowingly and voluntarily placed in their midst by one of the defendants."

As to Hoffa's allegation that the Government evaded the Jencks Act provisions by taking notes during interviews of witnesses, dictating contemporaneous statements and then destroying such notes, it has been the consistent policy of the Department of Justice to follow such procedure. All contemporaneous statements taken from witnesses in the present case have been turned over to the defense under the provisions of the statute (18 U.S.C. 3500). Various circuit courts of appeal and the Supreme Court in the case of *Killian* v. *United States*, 368 U.S. 231, have approved the above departmental procedures.

Certain cryptic notes made by a departmental representative at various times when information was received from an informant were turned over to the court under the provisions of 18 U.S.C. 3500 and the court ruled that such notes could not be construed as statements of the informant under the Jencks Act.

Mr. Zagri's allegation to the legislative branch of government that Mr. Hoffa is being denied due process because of alleged surveillance by the Government appears to be an attempt to influence the course of his present trial. Judge Wilson on two occasions (transcript 4155 and 4158) has ruled that Hoffa's allegations as to surveillances are matters "that might or might not constitute grounds for a new trial" and that "a hearing will be granted upon the motion after submission of the case to the jury."

From the very nature of the charges against defendants in this case, it is obvious that the Department of Justice was duty bound to take all legal steps at its command to protect the potential jurors until the panel had been selected and seated.

Sincerely,

Herbert J. Miller, Jr.,
Assistant Attorney General.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. HUMPHREY obtained the floor.

Mr. McGOVERN rose.

Mr. HUMPHREY. Mr. President, does the Senator wish me to yield to him?

Mr. McGOVERN. I was about to make some remarks on the pending bill. I do not wish to interfere with the Senator's statement.

Mr. HUMPHREY. Mr. President, I yield to the Senator from South Dakota.

Mr. McGOVERN. Mr. President, I merely wished to make a brief observation in the livestock import question that has been discussed at considerable length this afternoon. The Senate should keep in mind that there are at least two alternatives open to us in dealing with this very serious question.

First is the approach which has been suggested by several Senators that we adopt an amendment to the cotton and wheat bill which would restrict imports of beef into the United States.

It seems to me that the other alternative may be a more practical one, and one which the Senate will wish to consider. That is the proposal which has been introduced by the majority leader, the Senator from Montana [Mr. MANSFIELD], in the bill (S. 2525), which is now pending before the Senate Committee on Finance. That committee has jurisdiction over matters involving international trade and trade policy. The question of beef imports is an extremely complex one, as the Senator from Kansas said a few moments ago. The whole field of international trade is of great importance to the farmers of the United States. It seems to me that we should give careful consideration to taking the normal and orderly route in dealing with a subject as complex as that one. I recognize that there are legitimate and honest differences of opinion as to the proper procedures. I took the liberty of checking with the South Dakota Stockmen's Association. I called their executive secretary today to see if they had any position on the question. He said frankly that they were somewhat confused as to the most feasible way of dealing with the problem, but that at this point they were opposed to adding the amendment to the proposed legislation that deals basically with cotton and wheat.

They would prefer to see action taken by the Senate Finance Committee on S. 2525, the legislation introduced by the majority leader, myself, and other Members of the Senate.

So I think before we take hasty action we might later regret, we should consider very carefully the possibility of the alternative route of acting on the so-called Mansfield bill. If passed in its present form, it will accomplish substantially what is proposed by the amendment that has been suggested by the Senator from Nebraska [Mr. HRUSKA], and it will do it in orderly fashion and a fashion which I think might prevent some embarrassing consequences to us at a later date.

I thank the Senator from Minnesota for yielding to me.

AMENDMENT NO. 447

Mr. HUMPHREY. Mr. President, on behalf of the Senator from North Dakota [Mr. BURDICK] and myself, I send to the desk an amendment proposed to be offered, and ask that it lie at the desk.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie at the desk.

Mr. HUMPHREY. Mr. President, the purpose of the amendment is to alter the language of the bill which provides price support levels for wheat in export from 0 to 90 percent. Our amendment provides 65 to 90 percent.

The Senator from North Dakota [Mr. BURDICK] is the principal sponsor of this amendment, the one who has given leadership to it, I join him because I have never supported a program of 0 to 90 percent of parity. That is not flexibility. That is complete relaxation. I want to have at least some ceiling and floor.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BURDICK. The price support range for foreign shipments, if the amendment were adopted, would be precisely the same range as for domestic sales. Is that correct?

Mr. HUMPHREY. Yes; and it would be the same as the bill that passed 2 years ago, which provided for supports at 65 to 90 percent. It provided for one certificate. This bill, because it is a voluntary one, provides for two certificates. On the domestic consumption, it would provide 65 to 90 percent of parity, which would be set at about 70 cents a bushel, to bring the price of wheat to producers to $2 a bushel.

The export part of the bill also would be fixed at between 65 and 90 percent, and it would be set at about 32 or 33 cents to make a price of $1.62 or $1.63 a bushel.

Mr. BURDICK. And the Secretary would have flexibility in setting certificate levels for both domestic and foreign shipments?

Mr. HUMPHREY. Yes.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CARLSON. I commend the Senator from South Dakota. I think his proposal would help to improve the bill. Perhaps we may continue to make further improvements.

The Senator from Minnesota urges the enactment of a price support on wheat from 105 to 115 percent. That, too, in my opinion, would be helpful. I think perhaps after a while we may get a good wheat bill out of the Senate.

Mr. HUMPHREY. It was not my privilege to hear all of the Senator's remarks, but I did get a review of his address from the distinguished Senator from South Dakota [Mr. McGOVERN]. As we know, when a bill comes from a committee, it seldom has in it all the provisions that the authors of it wanted to have. For example, I would say that the best wheat bill in the committee was the one introduced by the Senator from North Dakota [Mr. BURDICK], my colleague from Minnesota [Mr. McCARTHY], and myself. I am positive of it. However, I had a little trouble convincing the majority of the committee. My good neighbor and personal friend, the Senator from South Dakota [Mr. McGOVERN] tells me the best bill that was introduced was the McGovern bill. I must confess that, in light of the fact that he has won the approval of the committee, in the main, he may be right. Not every feature of the McGovern bill was reported favorably by the committee, but the framework of the legislation that is before us was his, and I highly commend him for that effort.

But the difference between the Humphrey-McCarthy-Burdick bill and the McGovern bill was modest. One was a direct payment bill under a two-price system, and the other was a certificate type of payment bill. Both bills provided payment for domestic production and export production. Then we go to the Senator from Kansas, who is the "daddy" of the two-price system.

So how happy can we be? The Senator from Kansas gives us the basic outline of the bill. The Senator from South Dakota fills in much of the substance of the bill. The Senator from North Dakota and the Senators from Minnesota seek to add a few trimmings to the bill. I think we shall be able to write a pretty good piece of legislation.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CARLSON. In view of what has been stated with respect to the importance and value of other bills, the Senator from Kansas must say that the bill introduced by the Senator from North Dakota [Mr. YOUNG], the Senator from South Dakota [Mr. MUNDT], and myself, is really the height of perfection in this area of legislation. That does not mean that it will be approved in this session; but we are going to work for it.

Mr. HUMPHREY. I had gathered that. I heard some of my colleagues discussing the bill introduced by the Senator from North Dakota [Mr. YOUNG], the Senator from South Dakota [Mr. MUNDT], and the Senator from Kansas [Mr. CARLSON]. I heard them say it was the finest piece of legislation that had been presented to the Committee on Agriculture and Forestry in many a session. I was almost convinced of it.

However, we are up against the fact that we have a bill before us designed to do something that has not been done, namely, improve the income situation for the wheat producers. The choice is not between the bills which each of us introduced and no bill. The choice is between the bill before us, with any amendments we may add, and impending economic trouble for the wheat-producing farmers of this Nation.

If we do not pass wheat legislation along the lines of the measure before the Senate, or wheat legislation that will do something to improve wheat producers' income, there will be nothing but economic trouble in vast areas of this land. Those areas include States like the two Dakotas, Montana, the Northwestern States of Washington and Oregon, Colorado, Wyoming—parts of northwestern Minnesota, and other States. Many areas are involved.

I read with great concern recently the report in the Wall Street Journal about the impending or possible drop in farm income.

The heading is "Rural Slowdown: Farmers begin to cut spending as they face big drop in 1964 income. Seven hundred million dollars earnings decline seen as farm prices sag; tractor, store sales slip." Then, for friend or foe alike, it asks, "An election year headache?"

I can relieve them of that question mark. It not only will be an election year headache; it will be a headache for every year to come unless we do something about it. I have said many times that when one goes broke, it makes no difference whether one is a Democrat or a Republican. The bills become due.

When we go to that bank or seek refinancing, the banker does not say, "I should like to see your party registration card." All he is interested in is the collateral; he wants to know what the possibilities are of repaying the bank.

Today, I do not stand in the Chamber as a Democrat or because I am engaged in a contest with Republican Senators. The truth is that the only time we ever pass workable farm legislation in the Senate is when we get help from both sides of the aisle. When it comes to economic matters, we must start thinking in terms of the well-being of the country, rather than the well-being of party.

I am not happy these days about what I see happening in rural America, despite the many efforts that have been made by conscientious citizens and dedicated public servants.

Mr. President, we are badly in need of new commodity programs under which America's family farmers will be able to properly share in the wealth of the Nation. For too long those who feed us so well have been underfed. Today, farm income is less than 60 percent of nonfarm income.

Mr. President, we read about subsidies. I want the record to be clear that the American farmer has been subsidizing the American consumer for years. I repeat what I have stated a thousand times if I have said it once—and I shall repeat it another thousand times if it needs saying—that the consumers in America today receive a better quality of food, in larger quantities, in greater variety, and at lower prices than any other consumers anywhere in the world. That is because the American farmer has made it possible through the vast system of processing and distribution. So that there may be no misunderstanding, it does not do much good to produce the raw product unless it can be marketed; and I pay tribute to those who market the products from the farm as well as those who produce them.

What I have tried to do in my years in the Senate is not to promote division among those who process, market, and sell, and those who produce, but rather to achieve a closer understanding; because ultimately, the American consumer is benefited by a marketing system that brings that product to him quickly, and at fair prices.

But after all is said and done, the farmer's share of the food dollar today is less than 38 cents. The farmer is giving the American consumer the best deal he ever had. No one gives him as much.

When I hear Representatives and Senators talking about subsidies for agriculture, I ask, Mr. President, "Who is subsidizing whom?" I know who has been doing the subsidizing. The vast numbers of farm families in America who are producing food at wages no organized worker would tolerate. They have been subsidizing millions of people throughout America. What is more, if the Record could be filled today—as every Senator knows—we could demonstrate that much of the so-called subsidy to American agriculture is not a subsidy to agriculture at all.

Today, we have an export subsidy that relates to shipping costs. The merchant marine receives a subsidy but it is charged to the Commodity Credit Corp. We give children surplus food, and it is charged to the Commodity Credit Corp. The food that goes to the needy, to people who are hungry in America, is charged to the farmers. Why is it not charged to the Department of Health, Education, and Welfare? Or to Public Law 480, which essentially is a foreign economic program? Charge it up to the farmers? Charge it up to the Department of Agriculture? That is not fair, but it is done that way. We could document item after item. The farm program is an essential part of our total economic structure, and we cannot close our eyes to the fact that the greatest areas of poverty in America today lie in rural America. The greatest expression of unfair distribution of income is in rural America. Today the people who are threatened with trouble live in rural America.

The financial pages of the leading newspapers in America show every day that profits are going up, that corporation A's profits are up 10 percent, corporation B's profits are up by so much, that Generals Motors profits are up—all of them.

Yet, Mr. President, at the same time these same newspapers carry the statement that next year will show the highest profits that American industry ever has known, that this year shows the highest profits America has ever known. Yet they carry the sad story of a $700 million potential drop in farm income.

So one of the reasons I have argued in favor of bringing up the farm bill, even before the civil rights bill, is that we are dealing with a basic civil right—namely, the right to make a living. There are vast numbers of people in rural America who are having that right denied them today.

ORDER OF BUSINESS

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. FULBRIGHT. I compliment the Senator from Minnesota on his eloquent statement. I wonder if I could ask him, as acting majority leader, if there is any prospect of any votes today on any amendments?

Mr. HUMPHREY. There is.

Mr. FULBRIGHT. Has the acting majority leader announced whether the Senate will remain in session tonight?

Mr. HUMPHREY. I should say that the Senate will not take a recess much before 7:30; it might be later than that.

Mr. FULBRIGHT. I understood that all this week the Senate would remain in session late.

Mr. HUMPHREY. It may stay later tonight. I thought we would give Senators an opportunity to feel happy.

Mr. FULBRIGHT. I was wondering if there was any possibility for a vote on an amendment?

Mr. HUMPHREY. We are going to vote. I wish very much to vote. We are going to vote on as many amendments as we can, but we have not had much luck in getting Senators to call up their amendments; but we shall vote, and we shall vote tomorrow, and we shall vote on Wednesday, and continue until we have voted on the bill one way or the other.

Mr. FULBRIGHT. I thank the Senator from Minnesota.

Mr. HUMPHREY. I wish to say to the Senator, so that other Senators may be on notice, that the Senate will convene tomorrow at 11 o'clock.

Mr. FULBRIGHT. Could we not run into the night this week and finish the bill?

Mr. HUMPHREY. We shall.

Mr. FULBRIGHT. We want to get through with the bill.

Mr. HUMPHREY. The Senator is correct. The Senate might sit much later tonight, but I thought if I would indicate a time between 7:30 and 8 o'clock, that would give some indication to Senators and enable them to make their plans for the evening.

Mr. FULBRIGHT. I thank the Senator.

Mr. HUMPHREY. Mr. President, we have before us a bill designed to protect the income of our wheat and cotton producers by enabling them to participate in voluntary supply adjustment programs. It is extremely important that this bill be passed at the earliest possible time. As I stated, that is why I was one of those who urged its being taken from the calendar and acted upon. Winter wheat is in the ground now and farmers will begin seeding spring wheat in less than a month. To be most effective, farmers should know what their wheat program will be before they start planting. The same is true of cotton. Farmers are beginning to plant cotton in south Texas, and in another month planting will be moving across the Cotton Belt. Cotton farmers also need advance information on what their program will be before they make their plans.

I digress for a moment to comment on the cotton portion of the bill. I believe that Congress would be well advised to pass the Talmadge-Humphrey cotton bill. The Senator from Georgia [Mr. Talmadge] is the chief architect of that legislation. I was happy to join him, because I do not like to see a commodity treated on a sectional basis in the Senate. The welfare of the cotton producer and the textile manufacturer is important to the people of Minnesota, as it is important to the people of the State of Washington, or Maine, or Texas, or Iowa. We all live and work in this country together. What happens in one section affects another section. When cotton is in trouble in terms of price or quantity, it means that the American economy is suffering some adversity.

I also believe that we need a textile industry. When the American textile manufacturer, in purchasing American cotton, must pay a higher price than his foreign competitor does for the same cotton, it is perfectly obvious that this is unfair competition. What has been designed in this bill is a proposal that would permit the cotton producer to receive a fairer price for his product, and at the same time the textile manufacturer could buy his cotton at competitive prices with foreign competition.

This is sensible legislation. It has its inadequacies. When I look over any bill, I find many things that I wish we could improve. Again I say, however, that we have to do the best we can with what we have.

Mr. President, if we do not pass wheat legislation early in this session of the Congress, the income of the wheat producer could drop as much as $600 million from the $2.4 billion it earned last year. Wheat farmers are not well heeled now. They certainly are not in a position to take a shock like this. Many of them would be set back for years.

Wheat is an important crop in many States.

It is of less importance than some other crops in the State I am privileged to represent. However, the States which neighbor Minnesota are important in our trade territory. They are important in our Ninth Federal Reserve District. They produce a great deal of wheat. I learned a long time ago that the welfare of a large city like Minneapolis, which is my home city, is dependent upon hundreds of small communities and thousands of small firms which may be within a 300-, 400- or 500-mile trade territory. No place lives by itself. There is no State or city that can get along living by itself. We are interdependent politically and economically. Therefore, when I speak of wheat legislation I no longer speak of a State which is a large wheat producer. Minnesota produces very little wheat. Our production essentially is in soybeans, dairy products, feed grains, cattle, poultry and eggs. Wheat is one of our minor commodities.

Nevertheless, every business in the State of Minnesota, in fact, in the Nation, is affected by the price of wheat. When I hear economists talk about how important the tax bill is—and I voted for and actively supported the tax bill—I would remind them that the tax relief bill will be worth very little or nothing to the people who have little or no net income. The tax comes only to those who have a net income.

Therefore we have a situation in which a vast segment of our agricultural economy might suffer a drop in income to a point where no amount of tax relief can provide any beneficial assistance.

Mr. President, the effects of a slash in income of wheat farmers would be felt across the country. The paralyzing results would not be confined to the farm. Every rural community would be hurt and many would be hurt severely. Communities which rely primarily on wheat farmers for their income would be strangely and unhappily quiet.

Mr. President, there are fewer than 15 million people living on our farms—only about 8 percent of the country's population. The population of the State of California exceeds our total national farm population.

But farmers create millions of jobs for fellow Americans. Ten million people, for instance, have jobs storing, transporting, processing, and merchandising the products of agriculture. Six million have jobs providing the supplies farmers use. Thousands in rural communities across the land make their living providing services required by farmers.

The investment in agriculture exceeds $200 billion. That figure is comparable to about three-fourths of the value of current assets for all corporations in the country. It represents three-fifths of the value of all corporation stocks on the New York Stock Exchange.

Mr. President, if that stock market has a little drop, everyone gets the economic jitters. They are affected with economic palsy.

The minute farm income drops, someone says, "It means cheaper food in the grocery stores."

It is just as important to be concerned about the price of a farm product as it is to be concerned about the price of a corporate stock.

The investment in agriculture represents $21,300 for each farmworker as compared with a manufacturing investment of $16,000 for each worker.

In 1961, when our farmers had a gross income of nearly $40 billion, they spent over $27 billion to operate their businesses. Farmers spend over $2 billion a year for trucks, tractors, machines, and other equipment.

Farming uses more petroleum than any other single industry. More than $3 billion is spent by farmers each year for fuel, lubricants, and equipment maintenance.

We could provide Los Angeles, San Francisco, Seattle, Portland, San Diego and Chicago with electricity for a year and the kilowatt consumption would be about the same as the total needed to keep our farms going.

I mention these things, Mr. President, to show how important farm income is to our entire economy. We have a responsibility to rural America just as a matter of simple justice. But I wanted to show that a sound case for passing farm programs can be made on an economic basis alone.

Earlier I mentioned the Wall Street Journal article on the front page of the February 27 issue, which reported the following:

In Archbold, Ohio, an auctioneer told of a 10-percent decline in used farm equipment prices over the past year.

In Storm Lake, Iowa, a department store manager complained of a 15-percent drop in February business compared with a year earlier.

An International Harvester dealer in Dodge City, Kans., reported a 30-percent drop in truck sales so far this year from the like 1963 period.

The parts manager of a Pierre, S. Dak., implement company told of sales of used tractors off 50 percent so far this year.

Mr. President, earlier this year the Congress passed a tax reduction bill. But the effect of this bill will be vitiated and, for all practical purposes, will be dissipated if there is a substantial drop in agricultural income. We cannot, on the one hand, pump money back into the economy by a tax reduction and, on the other hand, lose the same money through a drop in agricultural income, and have anything but trouble in the American economy.

So I support this bill, Mr. President, and I urge its speedy approval. Both the wheat and cotton proposals are compromises of several bills introduced in this Congress. I introduced a wheat bill late last year and I joined the Senator from Georgia [Mr. TALMADGE] in his cotton bill. Both would support farm income by providing direct payments to producers.

This is the way in which it ought to be done. We ought to get down to direct payments. This is the best way of serving the needs of the consumers on the one hand, and those of the producers on the other, and have an accurate accounting of the costs.

I think the direct payment method is the best way to support farm prices for most crops. I think the day will come when this is done on a wider scale. But to get to the bill under consideration.

The new wheat program is voluntary. It is the so-called certificate program. If it is passed it is estimated that the income of wheat farmers will be around $2.2 billion this year. This is not as much as I would like to see, but it is a step in the right direction.

The problem with cotton is a complicated one. We not only must relieve domestic mills of unfair competition resulting from the export subsidy necessary to move our cotton into world markets, but we must also attack the problem of overproduction of cotton and must price cotton more competitively. And we must do all this without placing an intolerable burden on the backs of the cotton producer.

The new program is designed to reduce Government expenditures and at the same time eliminate the inequity of the present two-price system for cotton. By making cotton available to our own mills at the world price, we will put them in a better competitive position and cotton will better compete with manmade synthetic fibers. The cotton program not only will put a halt to the rising inventory of cotton in Government hands, but will make possible a reduction of these inventories. This, in turn, will mean a reduction in the cost of operating the cotton program and a big savings for the taxpayer.

The grower will get the benefit of a better income from his cotton as well as the chance to earn payments for cutting back on unneeded production.

Mr. President, this is much more than a farm program. It is in effect an investment in the prosperity of our whole Nation. We cannot hope to maintain an affluent society if two of our largest groups of farmers are oppressed by poverty brought on by programs which do not work under present-day conditions. If we sit by and let our wheat and cotton farmers suffer from an unnecessary economic pinch, we can all expect to join them in the economic squeeze before too long.

Recent studies by reputable economists indicate that without workable price support programs, net farm income would rapidly drop 40 to 50 percent. Some farmers would be hurt even worse. We cannot tolerate even the threat of such a horrible development. We must, as a minimum, update our wheat and cotton programs. There is no time for delay.

Mr. President, I ask unanimous consent that the article published in the Wall Street Journal of February 27, 1964, to which I referred, be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Rural Slowdown: Farmers Begin To Cut Spending as They Face Big Drop in 1964 Income—$700 Million Earnings Decline Seen as Farm Prices Sag—Tractor, Store Sales Slip—An Election Year Headache?

(By Michael G. Gartner)

While their city cousins confidently look ahead to another year of prosperity, the Nation's farmers are worrying about a recession. They already are cutting back hard on their spending in a trend which could become the Johnson administration's first major economic headache.

From Archbold, Ohio, where an auctioneer talks of a 10-percent decline in used farm equipment prices over the past year, to Storm Lake, Iowa, where a department store manager complains of a 15-percent drop in February business compared with a year earlier, rural businessmen offer a gloomy picture of prospects on the farm. "These people are just hanging onto their purses," says P. A. Ekstrom, sales manager for Brady Implement Co., an International Harvester dealer in Dodge City, Kans., as he reports a 30-percent drop in truck sales so far this year from the like 1963 period.

The farm pessimism seems well founded. According to recent Agriculture Department estimates, farmers' net income this year is expected to fall sharply to $11.6 billion from $12.3 billion in 1963. The drop, which would be the second in a row, would push farm earnings to the lowest level in 5 years.

FROM CATTLE TO ORANGES

Hardly a sector of the farming community seems likely to escape an economic downturn—indeed, some already are beginning to feel the pinch. In the Midwest, prices of cattle and hogs—the backbone of the farm economy there—are hovering near the lowest levels in several years. In the Southeast, a bumper tobacco crop last year has carried stocks well above levels in recent years and a 10-percent reduction in acreage allotments is scheduled for this year. In the citrus areas of Florida, California, and Texas, this year's orange crop is expected to be down 6 percent from last year's freeze-damaged harvest and 20 percent below the 5-year average; the grapefruit story is much the same.

But by far the biggest blow to the farm economy will be felt by wheatgrowers. In a delayed reaction to last year's farmer rejection of acreage controls and high price supports, wheat prices are declining. Prices on new-crop wheat for delivery after July now average about $1.65 a bushel, down more than 30 cents from last year. What's more, Agriculture Secretary Freeman has predicted wheat may fall as low as the support price of $1.25 before the year is out. Altogether, net income of the Nation's wheatgrowers is expected to slide to about $1.7 billion this year, down 25 percent from $2.3 billion in 1963.

While farm prices are on the decline, production costs are on the increase. This year production costs are expected to climb to $29.3 billion, up from $28.7 billion last year.

WHEAT LEGISLATION PUSHED

Such statistics haven't escaped the watchful eyes of Washington. With elections looming in November, the administration is busy trying to push through Congress a bill which would give wheatgrowers some relief from the oncoming slump. With a prod from the White House, Senate Democratic leaders have given top priority to efforts to bring the bill to a vote in hope of gaining its passage before the Senate becomes ensnarled in the impending fight over civil rights.

In brief, the administration bill would permit Secretary Freeman to boost the price support to between $1.65 and $2.25 a bushel on domestically consumed wheat and to between $1.30 and $2.25 on wheat for export. It's expected that Mr. Freeman would set supports high enough to restore at least $400 million of this year's expected $600 million drop in wheat farm income.

But the bill's chance of congressional passage remains slim. Even if it passes the Senate, heavy opposition in the House is expected.

So most farmers hold little hope of any big, new Federal help this year and are bracing for a rough time. Their fears are being translated mostly into a slowdown in capital expenditures—spending on such things as tractors, plows, and buildings. "Sales of used tractors are off 50 percent so far this year," laments Donald Irion, parts manager of Oahe Implement Co. in the wheat town of Pierre, S. Dak.

A WIDESPREAD DECLINE

Such reports are by no means isolated. Of nearly twoscore used farm equipment dealers interviewed, about half said sales so far this year were trailing 1963 and they could see nothing ahead to reverse the downtrend.

The capital spending cutback comes partly at the urging of some farm leaders. Garrett Sikkema, president of the Illinois Livestock Feeders Association, this week warned feeders to "tighten their belts" and take a hard look at the present and prospective financial situation of their industry before making any new capital expenditures. "The financial stability of the feeding industry is threatened at this time and it is a known fact that added competition of imports * * * is continuing to contribute to this grave situation," he declared.

Though most spending cutbacks are voluntary, some farmers are facing little choice because of tightening bank credit.

Roby L. Sloan, economist for the Federal Reserve Bank of Chicago, says "many banks have imposed additional limitations on some types of loans, apparently reflecting greater caution on feeder cattle loans following poor experiences in the 1962–63 feeding year."

Economist Sloan notes, too, that banks are boosting collateral requirement and interest rates on some loans to farmers. He says 10 percent of the agricultural banks in the Seventh Federal Reserve District (Iowa and parts of Illinois, Wisconsin, Michigan, and Indiana) now are charging higher rates on non-real estate loans than they did a year ago and that more than a third of the Iowa banks surveyed reported they were requiring additional collateral.

Mr. HUMPHREY. Mr. President, it is my intention during this debate to offer an amendment to add a new title to the bill for the purpose of establishing a bipartisan commission to examine the entire agricultural policy of the United States. President Johnson said in his January 31 message on agriculture that "food and fiber policies must reflect opportunities as well as the problems that accompany abundance." He further stated:

> The need to consider our agricultural policies in this light has recently been reflected in joint resolutions introduced in both Houses of Congress which will establish a bipartisan commission to study the food and fiber programs of the United States.

One of those joint resolutions was one which I introduced in the Senate several weeks ago.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. Does the Senator from Minnesota think the bill before the Senate would be an ideal vehicle for a so-called food stamp amendment? Apparently it has become stymied somewhere in the legislative processes. I know the Senator from Minnesota thinks that program is very much worthwhile; he and I have been promoting it for the past 20 years. I wonder if this bill would be an ideal vehicle to which to attach it, since the bill seems to be headed for omnibus consideration anyway.

Mr. HUMPHREY. The issue the Senator from Vermont has raised is one which relates to the entire text of the bill.

Mr. AIKEN. It affects the poorer people in other sections, too.

Mr. HUMPHREY. I know there are those who feel that the bill should be limited entirely to the two sections it now contains, the wheat and cotton sections. The amendments I shall offer with the exception of the one I am about to discuss briefly, relate to the two sections.

I strongly support the food stamp program. The Senator from Vermont has been one of the chief advocates of it. I am hopeful the food stamp program will be renewed and expanded.

The House of Representatives, through its Committee on Agriculture, rejected that proposal not long ago. I have been told there is a strong possibility that the House will review that unhappy and unfortunate decision. I hope it will. If an amendment to provide for the food stamp program were to be offered in the Senate, I should like to consider it in the light of what I think the House plans to do. I cannot say I would vote against it. I would prefer to have an opportunity to think about it.

Mr. AIKEN. With the House as a whole being very consumer-minded and sympathetic to people who are not affluent in worldly goods, it seems to me this might be the only opportunity we would have to continue that program and expand it. It seems to me if we could attach it to this bill and send it directly to the House, the House would accept it.

Mr. HUMPHREY. The Senator may have a good point. We are going to be working on this bill for a day or two. I gather it might be passed this week.

Mr. AIKEN. I understand that consideration will probably be concluded Thursday.

Mr. HUMPHREY. I hope we may be able to pass it at least by Thursday. I would like very much to visit with the Senator from Vermont [Mr. AIKEN] about his proposal. I can think of no piece of legislation that would mean more to the needy people in America than the food stamp plan.

Mr. AIKEN. There are too many people, some of whom we know very well, who forget that perhaps 15 or 20 percent of the people of this country do not know where their next decent meal is coming from. I think the time has come for us to think of them.

Mr. HUMPHREY. I could not agree with the Senator more completely. I shall get in touch with him promptly, and shall discuss with him the possibility of his proposal.

Mr. AIKEN. I should be glad to join the Senator from Minnesota in proposing an amendment to that end.

Mr. MILLER. Mr. President, will the Senator from Minnesota yield for a question?

Mr. HUMPHREY. I yield.

Mr. MILLER. The Senator spoke about a possible adverse market situation with respect to wheat if action is not taken by Congress on the proposed legislation. Without, perhaps, having the benefit of such detailed information as the Senator from Minnesota has, I have relied upon the information the distinguished Senator from Vermont [Mr. AIKEN] gave to the Senate the other day, which was that last spring, at the time of the wheat referendum, the Secretary of Agriculture estimated that the production of wheat would be about 70 million acres if the wheat referendum were not approved by the farmers. It was said that if only 70 million acres of wheat were planted, there would be a severe decline in the wheat market.

The other day the Senator from Vermont said that those estimates were substantially in error, and that the best estimates of the Department now are that the production will be approximately 53 million acres. If that is so, there are many of us who wonder whether there will be such a drop in the wheat market. The Senator from Vermont said that the Nation might even find itself in a position where the production this year would be less than the requirements for consumption.

I should like to ascertain from the Senator from Minnesota how he reconciles what he has said about the outlook for a depressed wheat market with what I have just said.

Mr. HUMPHREY. Immediately after the wheat referendum, in which the wheat farmers of the country spoke decidedly, I was one of those who said that was the time for the Government to reconsider its program, to take whatever administrative actions were necessary to insure free market operations, and to watch the practices of the Commodity Credit Corporation, in order not to let them act as a price depressant.

The Department of Agriculture made predictions of vast acreage—acreage which was not planted. The Senator is correct. But I did not make those predictions.

Mr. MILLER. The Senator from Iowa did not wish to infer that the Senator from Minnesota had made false predictions. I believe he will recall that I said the other day that I recognize that he was not one who, when the wheat referendum showed that the farmers had rejected the program, was ready to go into his den and sulk, as some others did. The Senator from Minnesota was active in trying to promote a workable program. I want that to be made clear.

Mr. HUMPHREY. I appreciate the Senator's making that clear.

If the market conditions are as good as I hope they will be, and as the Senator from Iowa feels they will be, the cost of this program, or even the effect of the program we now have before us, will be much less than if market conditions were adverse—that is, if there were to be a very large planting and a large crop. I look upon this measure as a safety valve or protective device in case market conditions do become adverse, in terms of the price, due to the supply or to the world market conditions.

There is considerable evidence that the market will be rather firm. I have listened with keen interest and, I believe, with tolerance and understanding to such comments; and there is considerable evidence to support the statements which have been made by the Senator from Vermont, the Senator from Iowa, and others. If there were to be a large crop in Western Europe, for example—rather than a crop failure—and if we were to have a reasonably good crop in the United States, there could be a rather considerable production of wheat, which, in turn, could—without any new legislation—adversely affect the market price. I do not want to find, about July, August, or September, that the wheat market is "on the skids" and that there is no effective remedy. I prefer to have Congress enact some legislation, voluntary in nature, in order to provide some possibility of price protection under any kind of market conditions. That is why I support this bill.

Mr. MILLER. If that did happen—and I recognize that I am being rather "iffy" in these assumptions——

Mr. HUMPHREY. But others have been much more so.

Mr. MILLER. At any rate, neither the Senator from Minnesota nor I are being "iffy" when we point out that the estimate of 70 million bushels missed the mark by about a country mile, and that the more accurate figure is approximately 53 million bushels.

Mr. HUMPHREY. That is correct.

Mr. MILLER. On the other hand, if this bill is not enacted, will there be no protective device whatever in the law?

Mr. HUMPHREY. There is the national emergency provision which can be used if the existing conditions suffice to make that provision operative. However, I must take counsel of many persons—many of them in the Government and many of them outside the Government—who feel that it would be rather dangerous for us to wait to see whether those provisions of the 1962 act could be placed into effect.

Certain administrative steps can be taken—and I have indicated that I believe they should be taken. Steps also can be taken to bolster the market price. Before this bill came before the Senate, I spoke several times on that point, because I want to be very sure that we take all possible, reasonable, and legal actions, in order to provide a fair income for the wheat producers, rather than require them to rely upon some "lucky" set of circumstances in connection with market conditions.

Mr. AIKEN. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. I wish the Senator from Minnesota would tell us why we should be so considerate of the shirt wearers of the country, but not be considerate of the bread eaters.

Section 348 of the bill provides, in part:

> In order to maintain and expand domestic consumption of upland cotton produced in the United States and to prevent discrimination against the domestic users of such cotton.

The bill provides for a subsidy for cotton mills. Why do not we do the same thing for the flour mills, and thus permit them to buy wheat at the same price as that at which it is sold to other countries, and thus get away from the continual charge of promoting a bread tax? Does not the Senator from Minnesota think a bread eater should have as much protection as a shirt wearer?

Mr. HUMPHREY. Certainly.

Mr. AIKEN. After all, there is no greater necessity than food.

Mr. HUMPHREY. That is why I said the best proposal advanced in connection with the wheat program is the Humphrey-McCarthy-Burdick bill, which provides for direct payments to the producers. The whole system of direct payments, such as those called for by the Talmadge-Humphrey bill on cotton, is better. However, I have been unable to convince my colleagues of this.

Mr. AIKEN. But the Department did not recommend that course.

Mr. HUMPHREY. That is true.

Mr. AIKEN. The Department recommends a bill for the relief of the manufacturers, instead.

However, wherever the word "cotton" is used in the bill, I think the word "wheat" should also be used, because I am getting rather sick of hearing the charge that the Department is advocating a bread tax.

Mr. HUMPHREY. But under the provisions of the bill, the price of bread will not rise; let us stop kidding ourselves about that.

Mr. AIKEN. But does the distinguished Senator from Minnesota think the price of a shirt will go down, under the provisions of the bill?

Mr. HUMPHREY. I hope so, but I doubt it. But neither do I oppose the interest of the stockholders, for I think many of the shirt manufacturers will be able to provide decent jobs, if the bill is enacted into law.

Mr. AIKEN. I agree that if the mills receive this benefit, they will have to share it with the workers, whose pay in many instances has been rather low.

Mr. HUMPHREY. And thus provide more and better jobs.

Mr. AIKEN. Ever since I was knee-high, the textile industry has been rather notorious for the low wages it pays. So I certainly hope Congress takes steps to improve that situation, before the already low wages in that industry become so low that they reach the level of pay in the South Pacific; where they would go from there, no one knows.

Mr. HUMPHREY. The Senator from Vermont tells a sad story; the wages in this industry have been low indeed.

But, Mr. President, be that as it may, the present situation in the cotton textile industry is intolerably bad, and the pending bill is better than no bill. One of these days we shall reach a point where the free market is operating and where cotton is produced and can be purchased on the market at competitive world prices. This could be done by providing a production payment in the amount of the difference between a fair return to our producers and the market price. That is the way we should proceed; and the manufacturers agree, and a substantial number of the producers agree. But Congress has been reluctant to do this. I favor it because it will be better for the producers, for the manufacturers, and for the consumers.

On the other hand, hundreds of persons—producers, workers, textile mill operators, and consumers—who have come to my office, constantly have told me, "But you cannot pass this bill." The same statement was made by many Members of the other body. Two or three distinguished Members of the other body said, "The Talmadge-Humphrey bill, providing for direct payments, is great, and it should be passed, but it cannot be passed in the House." And on this side we hear certain Senators say of that bill, "It is great, but it cannot be passed in the Senate."

Mr. President, the bill before us is for the purpose of reducing the supplies of cotton, achieving a better balance for cotton, and providing the world price for our mills, so they will not be subjected to unfair competition by foreign textile manufacturers, and at the same time providing a reasonable price to the producers. The bill has merit. It has some weaknesses. But I have not yet found a bill which did not contain weaknesses.

The only question is, which of the many proposals thus far advanced would be the best? Anyone who claims that any one of these proposals would be a cure-all is deceiving himself and is attempting to deceive the Senate and the public.

I shall not attempt to deceive anyone. I do not find any one of these proposals ironclad or airtight or sure-cure workable. But they are better than doing nothing.

Mr. MILLER. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. MILLER. I should like to ask the Senator a few more questions, in order to continue our colloquy—first, in regard to the wheat section; and then in regard to the cotton section.

One thing that causes the Senator from Iowa to look with considerable suspicion, and not a little prejudice, toward the wheat section is the following statement in the committee report:

> The two certificates provided in the bill will not only serve to hold budgetary costs in line but permit levels of price support for wheat in relation to its uses. With noncertificated wheat priced at close to its feeding value in relation to corn, substitution of wheat for feed grains would be feasible.

The Senator certainly knows, because there are feed grain producers in his State.

Mr. HUMPHREY. A substantial number.

Mr. MILLER. There are some livestock growers in his State. One of the great livestock markets is in St. Paul. He knows that if wheat competes with the regular feed grains, the feed grain price is bound to drop. He knows that when there are low feed grain prices, there are low livestock prices. He also knows that the prices on livestock today are horrible. A sort of time bomb exists in the wheat section of the bill.

The Senator from South Dakota and I, in a colloquy the other day, discussed the point. I recognize that if we wish to take a pessimistic view of things—if we wish to forecast wheat prices on the basis of a 70 million acre planting of wheat—we may find that we shall have a great deal of cheap wheat.

But in view of the fact that the Senator from Minnesota recognizes that the 70 million acre forecast is radically wrong, and that it will probably be 53 million acres, the Secretary of Agriculture has administrative discretion to take some action. It seems to me it would be rather unfortunate to hold out to our livestock producers and our feed grain producers the possibility of having that type of provision in the bill.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from South Dakota. We had quite a colloquy on the subject the other day. It is very important that the problem be discussed fully. I do not know whether we shall clarify the situation, but at least we can discuss it.

Mr. McGOVERN. No one is more concerned than I am about the relationship of wheat and feed grain prices to the livestock industry. I have always thought that feed was the basic ingredient in determining the price of livestock. I do not think there is any question about it. We have had a great deal of discussion about the influence of foreign imports on our livestock markets. I believe the basic ingredient in determining the price of livestock and hogs is the price of feed grains.

Mr. MILLER. The Senator from South Dakota and the Senator from Iowa share that observation 100 percent. But apparently we part company when it comes to forecasting what the price of wheat will be next fall.

Mr. McGOVERN. I understand; but I think the point that the Senator is concerned about is that some of the wheat under the bill now before the Senate will move into the market at its feed grain equivalent price.

Mr. MILLER. The committee report states:

> With noncertificated wheat priced at close to its feeding value in relation to corn, substitution of wheat for feed grains would be feasible.

Mr. McGOVERN. The Senator is correct. If we do not pass the proposed legislation, no Senator can predict exactly what the price of wheat will be. But it seems to me commonsense that when we have a price-support level which is set by law at 50 percent of parity, which is $1.26 a bushel—that is the figure the Secretary is bound by law to use on the 1964 crop—and that if that is the only support which is put on the entire wheat crop, the problem that the Senator from Iowa is worried about will be aggravated 10 times over. Then everything would move into the market with nothing to support it other than the compliance wheat support price of $1.26 a bushel.

Mr. MILLER. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. HUMPHREY. I yield.

Mr. MILLER. Is the Senator suggesting that if the Secretary should take the administrative discretion that the Senator himself referred to, and that if the plantings amount to 53 million acres, which is the best evidence now, the ceiling on the price of wheat will be $1.24, merely because that is the maximum support price the Secretary can use?

Mr. McGOVERN. In the absence of legislation, if the Secretary used all the authority at his discretion, and if we could move our exports according to the most optimistic estimates, and if weather conditions should follow the traditional pattern, it might be that wheat would move to $1.40 or $1.45 a bushel. But that is still considerably below the support level that we are suggesting in the bill. The bill would hold wheat at $2 a bushel for about half the crop and would support our exports around $1.55 or $1.60 or higher. It would leave only a comparatively small percentage of the wheat moving into the market at the noncertificate value.

Mr. MILLER. The Senator referred to a small amount. I wonder if he has any estimate of how much the noncertificated wheat would amount to.

Mr. McGOVERN. I judge it would amount to about 200 million bushels—somewhere around 15 or 20 percent of the total crop.

Mr. MILLER. I am sure the Senator recognizes that 200 million bushels of cheap wheat in competition with regular feed grains would depress the feed grains market.

Mr. McGOVERN. I believe this is the way to draw the comparison: Under the bill now pending before the Senate, we would probably have about 200 million bushels of noncertificated wheat, which is the low-priced wheat which the Senator is concerned about.

If we do not pass the bill, we shall have probably 1.2 billion or more bushels of noncertificated wheat all pressing on the feed market. It is quite possible that because of the various conditions to which the Senator has referred, the price would level out at somewhere above the price support of $1.26. It might go as high as $1.40. It might go to $1.45. But I remind the Senator that this is still 60 or 65 cents below the level that we are trying to achieve in the proposed legislation before the Senate.

There are provisions in the bill about which I am not overly enthusiastic. But there is one thing of which I am absolutely sure. If we do not pass the proposed legislation, we shall administer another serious blow, not only to the wheat farmers, but also to the livestock and cattle producers of the country, by causing the whole wheat crop to overhang feed markets.

Mr. MILLER. I am sure that the Senator from South Dakota is sincere in his purpose. The Senator from Iowa is not trying to impugn his motives at all. We all recognize that there can be quite a cleavage in judgment on the question. I am sure the Senator from South Dakota recognizes that 200 million bushels of cheap wheat competing against our feed grains would have a depressing effect on our feed grains market. Would it not?

Mr. McGOVERN. It would have about one-sixth as much of a depressing effect as if all the wheat were moving in the market at that price.

Mr. MILLER. Perhaps one-tenth. But the question is, Would 200 million bushels of cheap wheat not be responsible for a depressing effect on our regular feed grains market? I think that is the question. If the Senator does not desire to answer it——

Mr. HUMPHREY. First, much of the noncertificated wheat will be raised in feed grain deficit areas. Most of the certificated wheat that would be included under these two types of certificates would come from areas in which there is traditional wheat production and in which there is an abundance of feed grains.

Why should a farmer raise noncertificated wheat, when there are plenty of feed grains in the area, if he can get a better price for certificated wheat? The economics of the proposal answers all the worries that arise. That is the wonderful thing about price. Price takes care of some of the biggest troubles we have. If a farmer receives $2 a bushel for wheat, how foolish would he have to be to produce wheat for $1.30? Why do that for feed grains when he can produce corn under the feed grain program under which he can get good production and a good price? The areas that would produce the noncertificated wheat would be the areas of the country in which there are feed grains deficits.

Mr. MILLER. Is there anything in the bill to assure us of that?

Mr. HUMPHREY. No; there is only the commonsense of the farmer, and that cannot be put in the bill.

Mr. MILLER. This bill is not going to be based on the decision as to whether we agree or disagree with the commonsense of the farmer.

Mr. HUMPHREY. He is a pretty shrewd fellow.

Mr. MILLER. He is shrewd enough to recognize the time bomb in the bill; and I am receiving letters from some of them who are shrewd enough to know what is going to happen to feed grains if this provision goes into effect. They know that if there are 200 million bushels of cheap wheat, it will have a depressing effect on the feed grain market.

Is there not some way to restrict production of noncertificated wheat to certain areas, so we will be sure there will not be competition with feed wheat, or is there a way of doing so with noncertificated wheat? I call attention to this point in the committee report——

Mr. HUMPHREY. I have read it twice.

Mr. MILLER. I shall read it for the third time, because it does not say anything about uncertificated wheat being grown in normal feed grain areas. It reads this way:

> With noncertificated wheat priced at close to its feeding value in relation to corn, substitution of wheat for feed grains would be feasible.

It does not say it will be feasible in areas where there are no feed grains; it says it is going to be feasible. That to me is a clear warning. I give the committee credit for being fair about it, and putting it down in black and white, if Senators will take the time to read it.

Mr. HUMPHREY. There are two troubles with the Senator from Iowa's reasoning. The first trouble is that he makes an argument to make the bill a compulsory bill. We already have rejected that. We are not going to tell farmers in certain areas they can or cannot produce wheat that will sell at certain prices, and say that a certain amount is noncertificated. To do this it would be necessary to have basic, mandatory, controls.

The Senator from Iowa would abhor that. We would hear his voice ringing through the Chamber that this is socialism, collectivism. We do not want that happening.

The second point is that the Senator from Iowa says that if he has a choice between a headache and a heart attack, he is going to take the heart attack. We all admit that a little noncertificated wheat will be produced. Everybody knows that in certain instances, that can have some effect on feed grain prices. But almost everybody also knows that most of the noncertificated wheat will be produced in areas of feed grain deficit.

The Senator from Iowa does not want to face an alternative. He likes to deal with theory. He does not like to admit what is going to happen if there are 1.2 billion bushels of wheat noncertificated. Then his corn prices would really ache. Believe me, those "corns" would ache.

The Senator from South Dakota says there might be as much as 200 million bushels of noncertificated wheat. The Senator from Iowa says, "But think of what this is going to do to feed grains."

Let me tell the Senator that if 200 million bushels of noncertificated wheat priced at the feed equivalent value of corn are going to mean a real economic stomach ache, there is going to be a real disaster if the 1.2 billion bushels of wheat are noncertificated. It would be a disaster.

So I suggest to the Senator from Iowa that he content himself with "Dr. McGovern's" formula. He does not say, "Here is a sure cure," but he promises to relieve the Senator of his misery.

Mr. MILLER. I am sure the Senator from Minnesota will not mind if I point out to him that I was not suggesting any compulsory controls; I was merely suggesting that under this voluntary—and I use the word "voluntary" most advisedly—program which has been dreamed up, we should add a little more voluntariness by saying we want the farmers to volunteer to have a program under which they will not raise noncertificated wheat in a certain area. It is still voluntary. I am not suggesting any controls. Of course, those who volunteer to do this will be under some compulsion.

Mr. HUMPHREY. The Senator puts the word "volunteer" in quotes.

Mr. MILLER. In double quotes. I suggest that if a farmer is to volunteer to go into the program, he should volunteer a little further, and not grow noncertificated wheat in a feed grain area.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield, but I am sorely tempted to "finish off" the Senator on this.

Mr. McGOVERN. Go ahead.

Mr. HUMPHREY. No; I yield.

Mr. McGOVERN. I wonder if the Senator from Iowa would want to offer an amendment that would put all the wheat under a certificate plan?

Mr. MILLER. The Senator from Iowa would like to word it this way: He does not want the noncertificated wheat to be coming in to compete with feed grains. The committee report says it is going to do that. I think we have reached a mighty poor state in our agricultural programs when this is the best we can propose.

Mr. McGOVERN. The Senator from Iowa must be implying that he wants all the wheat to be competing with feed grains.

Mr. MILLER. No; the Senator from Iowa does not say that at all. If one wants to be a pessimist and say that all the "ifs" that the Senator from Minnesota says might happen, are going to happen, I point out that the Senator from Vermont [Mr. **AIKEN**], who is a most distinguished member of the Agriculture Committee, and who has been around the Congress for longer than the Senator from Iowa and the Senator from South Dakota have, pointed out—and he did not use his own figures; he used the Department of Agriculture figures the other day—that we are not going to have a depressed wheat market, certainly not along the lines suggested by the Senator from South Dakota and the Senator from Minnesota.

Mr. HUMPHREY. If that is the case, the noncertificated wheat will be higher in price than the feed equivalent of feed grains. The wheat will be at a higher price. If there is a short supply, the noncertificated wheat price will be above the world market price.

The Senator cannot have it both ways. If the Senator wants to put all grains under controls, let us do it and have it known as the "Iowa compulsion plan." Everyone would have a certificate for everything he grew or no controls could be put on grains. That would be known as the "Iowa emancipation plan." It would mean that every farmer could produce all he wished at the price of the feed grain equivalent. Or there could be a program which would encourage farmers to move into voluntary production controls. There would be some feed grains left over and some wheat left over, not covered by certificates. But that would be primarily in the feed grain deficit areas, because in other areas they would plant more desirable crops. For example soybeans might be produced, at a much higher income.

So the Senator from Iowa is perhaps too worried about a little line in the report. I am almost about to ask unanimous consent to delete that line from the committee report, if it will result in putting the Senator in a state of mental tranquility.

Mr. MILLER. The Senator knows there would be a "small" objection to removing this line from the committee report.

May I ask the Senator from Minnesota another question?

Mr. HUMPHREY. Please.

Mr. MILLER. The Senator from Minnesota and the Senator from South Dakota are wholeheartedly in support of the bill.

Mr. HUMPHREY. I am in support of the bill.

Mr. MILLER. Halfheartedly?

Mr. HUMPHREY. No; I am in support of the bill. I am wholeheartedly in support of my own bill, but that did not gain approval.

Mr. MILLER. Mr. President, there is another part of the bill which I believe merits attention, and I should like to ask the Senator from Minnesota or the Senator from South Dakota, or both, about this, because none of us up in that part of the country grows cotton, but we do grow feed grains, soy beans, and livestock, so naturally we are interested in that part of the cotton bill.

On page 15 of the committee report, there is a table which shows that under present law some 14,900,000 acres would be planted in cotton under present law, but if we pass this bill there would be only 12,600,000 acres planted, which means that 2,300,000 acres would be taken out of cotton planting, for which the producer would be paid.

Then on the next page, page 16 of the committee report, it says, in addition to other benefits the producer would get, such as support payments and the like, that:

> In addition, producers choosing the domestic allotment would have the opportunity to earn income from alternative uses of the acreage that would otherwise be devoted to the production of cotton.

Mr. HUMPHREY. Yes.

Mr. MILLER. It seems to me there would be danger there. Perhaps we should pay the farmer more for taking acreage out of production, as we did in the emergency feed grain program; but in the emergency feed grain program we do not permit them to plant cotton because they cannot grow cotton. Now we would permit the cotton producer to grow soybeans and feed grains, and in addition would be paying him.

Mr. HUMPHREY. Let me yield to the distinguished Senator from Mississippi [Mr. EASTLAND] who is quite familiar with that section of the bill. He will be glad to answer the Senator's question.

Mr. EASTLAND. I agree with the Senator about corn. In many areas of the South, corn is not a problem. There is a need for soybeans, and soybeans would be planted largely on this acreage. The Department of Agriculture states that we need 3 million additional acres of soybeans. Soybeans at present are directly competitive with cottonseed—seed cotton. Two-thirds are in vegetable oils and fats which are directly competitive with soybean products. If it does not go into cotton, we have cut down on two-thirds of the cotton that the producer would be making into food, vegetable oils, and fats.

Mr. HUMPHREY. That is a good point to mention.

Mr. MILLER. May I ask the Senator from Mississippi this question. Then why have we not permitted the growing of soybeans? Why should we pay for taking acres out of production?

Mr. EASTLAND. We would be reducing the cotton stocks and thereby reducing the cost of the cotton to the Treasury.

Mr. HUMPHREY. By a substantial amount.

Mr. EASTLAND. The Senator from Minnesota is correct.

Mr. MILLER. Yes, but my point is this: If we reduce costs to the Treasury, that is commendable, but why should we permit a farmer to take cotton out of production and turn right around and plant soybeans?

Mr. EASTLAND. He would be turning right around and growing the same thing that would be grown there if it were in cotton.

Mr. MILLER. All right. Then why do we pay him for taking acreage out of production?

Mr. EASTLAND. Because we are reducing the surplus of cotton—the lint.

Mr. HUMPHREY. The existing program is more costly than the one being contemplated, as the Senator from Mississippi has wisely and most fortunately pointed out, because it has not been stressed too much in this discussion that competition from cottonseed oil and cottonseed meal which would result from continuation of a high level of cotton production would more than offset anything that was paid out under this program.

Mr. MILLER. I thank the Senator from Mississippi. He has given us valuable and helpful information; but if it is profitable for a man to take cotton out of production and grow soybeans, why must we pay him to change the crop?

Mr. EASTLAND. There is a tremendous surplus of cotton. This is one way of reducing the stocks. It costs $90 million a year to pay the storage fees. This is one small item. We are saving the Treasury money, and we are giving support to the industry on a sound basis, to enable it, in future years, to stand on its own feet without a subsidy.

Mr. MILLER. Mr. President, will the Senator from Minnesota yield further?

Mr. HUMPHREY. I yield.

Mr. MILLER. Why does not the cotton farmer take some of his cotton out of production and put it into soybeans without any loss or prodding from the Federal Government?

Mr. EASTLAND. Why does he not do that?

Mr. MILLER. Yes.

Mr. EASTLAND. Because he is planting cotton there.

Mr. HUMPHREY. Because under the existing price support——

Mr. MILLER. Would he not make more money growing soybeans?

Mr. EASTLAND. The Secretary of Agriculture stated that we need 3 million additional acres of soybeans.

Mr. HUMPHREY. I believe what the Senator from Iowa is indicating is that if soybeans are good as a crop as I believe they are, as he believes they are, and as we have found them to be, why does not the cotton farmer in certain areas automatically reduce his cotton plantings and go into soybeans?

Mr. MILLER. That is what I am trying to get at.

Mr. HUMPHREY. The answer is that under the existing price support program, which will expire, the farmer finds that he can continue his traditional marketing production, using his regular machinery and the type of skilled labor he utilizes for this kind of operation, and can get a better income than if he shifted to soybean production.

Mr. EASTLAND. The factor of acreage allotments is also involved. Land values in a cotton area are based on them. If he switched to another crop, the farmer would lose that advantage. The value of his farm is so protected. I believe if we took all acreage controls off cotton, there would not be as much cotton planted, because planting is carried on, in many cases, to protect the history of cotton planting. The farm retains its value based on a history of cotton planting. I believe that is only one of the reasons, however.

Mr. MILLER. Mr. President, will the Senator from Minnesota yield further?

The PRESIDING OFFICER (Mr. NELSON in the chair). Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. HUMPHREY. I yield.

Mr. MILLER. Apparently the record shows that soybeans will be grown on retired acres, but I notice that the committee report states that the acreage otherwise devoted to production of cotton could be used for alternative purposes.

Was any consideration given in committee as to whether the alternative use should be confined, for example, to soybeans, rather than to any other crop?

Mr. EASTLAND. I told the Senator's colleague that I would favor an amendment to provide that corn should not be planted on the land. Oats and feed grain, on which there are no crop controls, could be planted, or at least I do not see why they should not be planted.

Mr. MILLER. What about soybeans only?

Mr. HUMPHREY. There are no acreage controls on soybeans.

Mr. MILLER. I realize that. Suppose an amendment were to provide that if there were to be an alternative use, it should be soybeans, of which, the Secretary of Agriculture indicates we need more. I wonder if the Senator from Mississippi would be amenable to such an amendment.

Mr. EASTLAND. No; I stated to the Senator's colleague that I would vote for an amendment that corn should not be planted on this land because of the enormous amount of money we use to subsidize the corngrowers of this country.

Mr. MILLER. The Senator from Iowa realizes that that is what the Senator from Mississippi indicated he had told my senior colleague from Iowa. But the question is, since it appears that the soybean crop is what we are discussing——

Mr. EASTLAND. I do not know that that is all we are discussing. We are talking about pastures. We are talking about vegetables. We are talking about fruits. Of course, it depends on the area. In some areas it might go into fruits, for which there might be a demand. In some areas it might go into vegetables, for which there might be a demand. In some areas soybeans would not grow at all.

Mr. MILLER. I appreciate very much the Senator's indicating his attitude. An effort will be made to talk things over. Perhaps we can reach an agreement which will make the bill a better bill. I thank the Senator from Minnesota for yielding.

Mr. HUMPHREY. I thank the Senator from Iowa for his questioning. As he has said, this discussion with the Senator from Mississippi has been very helpful. I should like to explore the possibility the Senator from Mississippi has indicated with respect to the matter of the corn crop because of our type of corn program.

Mr. EASTLAND. So far as corn is concerned, I believe it would be perfectly safe, because none of the land would be planted in corn anyway.

Mr. HUMPHREY. So far as we know.

Mr. McGOVERN. Mr. President, the Department of Agriculture has estimated that of the 2 or 2½ million acres of cotton acreage that would be diverted, about one-fourth would probably be devoted to soybeans, about one-fourth to feed grains, and the remainder probably would be devoted to hay and pasture, or taken out of cultivation.

According to these estimates, only about one-third of 1 percent of the feed grain crop of the country would be grown on diverted acres.

AMENDMENT NO. 448

Mr. HUMPHREY. Mr. President, I send to the desk an amendment to establish a Commission on the U.S. Food and Fiber Policy, as recommended by the President of the United States in his agricultural message.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. CURTIS. Mr. President, I rise to speak concerning the amendment which will be offered by the Senator from Nebraska [Mr. Hruska], for himself, and Senators Aiken, Allott, Carlson, Dominick, Hickenlooper, Holland, Jordan of Idaho, Kuchel, Mechem, Miller, Mundt, Pearson, Simpson, Tower, and myself. It is amendment No. 434.

I ask unanimous consent that I may suggest the absence of a quorum, without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the role.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, the amendment to which I referred prior to suggesting the absence of a quorum would place an import quota on fresh, chilled, or frozen beef, veal, mutton, and lamb.

I shall not read the amendment in full. It is directed toward preserving the American market for the American farmer. I hope Congress will take action to curb the excessive importations of meat. We are facing a disaster so far as the price of livestock is concerned.

This impending disaster is not limited to ranchers and feeders and farmers who raise a small amount of livestock and sell it. Feed of all kinds is turned into livestock production. The excessive imports affect agricultural producers of hay and grain, and pastures, and all manner of feed grains.

I hope that the Members of the majority party will take due notice of this important situation. I hope that it does not become a political issue. If it does, I am sure the American people will hold responsible the political party which controls the Congress and the executive department.

I would rather have a solution than an issue. It would be most disastrous for our country if we were to have a depression. If we have a depression, it will probably start with agriculture. If we have an agricultural depression, one of the things that will set it in motion, as much as or more than anything else, will be disastrously low prices for livestock.

That time is here now. We face a situation of excessive imports. Yet the farmer, the rancher, and the feeder have no one in the executive branch who speaks up for them as their friend.

I call attention to the fact that only as far back as 1957 our imports of beef and veal amounted to 2.5 percent of our total production. It has gone up since that time. In 1958 it had jumped to 6.3 percent of our production. In 1959 it was 7.2 percent. In 1960 it dropped, for some reason or other, to 4.9 percent of our production. In 1961 it went up to 6.3 percent. In 1962 it went to 8.9 percent. In 1963 it was almost 11 percent.

After it was allowed to reach these unreasonably excessive and damaging levels, the administration entered into an agreement with Australia and New Zealand to freeze these injustices at an average of the imports for 1962 and 1963.

It was a tragedy that no member of the Cabinet felt a responsibility to oppose that disastrous action. The Secretary of Agriculture supported it. The Secretary of Commerce, if press reports are true, labeled those who criticized it as "whiners." I believe it is time for Congress to notice what is taking place. Immediately after the agreements with Australia and New Zealand, the Australians boasted that for the first time they had been guaranteed a future in the meat market in the United States.

Why do we try to make all our agricultural programs so complicated? Would it not be simpler to start by saying that whatever market exists in the United States, shall first be given to the American producers? I believe that is the responsibility of Congress. Section 8 of article I of the Constitution provides among other things:

> The Congress shall have power to regulate commerce with foreign nations.

Under a false plea of bringing peace to the world, Congress has delegated that power to the executive for about 30 years, and there has not been any peace since.

A good citizen of Nebraska, who is a hobbyist in shortwave radio, happened to tune in to an Australian broadcast after this administration and the Secretary of Agriculture had frozen the existing injustice on the American people. That broadcast gleefully told about the advantage that Australia had gained by its agreement with the United States. They scoffed at the idea that there was supposed to be a slight reduction from the 1963 imports by saying that that was a small price to pay for the permanent place that they had secured in the American market.

Why should we surrender the market in the United States when we have an agricultural situation of surpluses resulting from a price-support program that costs a great deal of money, and when we are wrestling with overproduction? Why, then, do we invite imports into this country?

Those who have argued for the surrender by Congress to the executive department of the power to control imports and exports have always ended by saying: "We must do this to provide a peaceful world." I challenge them to prove their case. There has been no peace in the world since the silly trade agreement idea was first introduced. When the bombs dropped on Pearl Harbor on December 7, 1941, who was Japan's best customer? It was the United States. What was the first country in South America to go Communist? It was Cuba; and no country in the history of the world has ever had the trade concessions that Cuba has had from the United States.

I challenge the proponents of free trade and the trade agreements to prove their case.

They have offered it under a promise that it would bring prosperity, it would restore employment, and would provide peace. We know that today the cotton industry is in great trouble, and that one of the factors is imports. Not long ago Congress passed a program to provide grants to the States to support commercial fishing. Why? Because we would not face the problem of fish imports. Today, there is a feeling of depression. There are lower prices on every farm and every ranch and in every town or city supported by agriculture because of depressed livestock prices.

Our Government has had the audacity to take this injustice, give it permanence, and enter into an agreement with Australia and New Zealand to guarantee them a sizable portion of the domestic market.

It has been quite humiliating to me as a member of the Committee on Rules and Administration, when asked to look into the wrongdoing and corruption that went on under the dome of the Capitol, to learn that a part of the wealth accumulated by the individual whom we are investigating consisted of fees received from meat importers. Why do we make the entire agricultural program so complicated? Why must American people be paid to use products manufactured in American factories? Why must we pay foreigners to take our products? Why make the program so complicated and expensive? Why do we not give to American farmers the market that exists here?

How can we exercise control of production or influence the supply in any way by restricting production within the United States, and then leave the doors open for unlimited imports to flow in the United States?

Why should we restrict the production of feedstuffs, and then invite the importation of meat and meat products? If the meat were produced outside the United States, of course the corn, the oats, the alfalfa, the hay, the sorghums, and all the other feeds used in producing the meat would also have been produced outside the United States—although that is not quite correct, because some persons operate in the livestock feeding business just beyond the boundaries of the United States, and buy feed grains under an export subsidy, and feed their livestock there, and then import it to the United States.

I presume that before the vote on this amendment is taken, all sorts of promises will be made; and it will be suggested that the amendment should be referred to the committee. I think the situation is so serious that the committee should study it, but I do not think it necessary that we withhold action. The Hruska amendment is a very modest one, and it should be adopted now.

In addition, the Finance Committee should hold a hearing on the broad picture involved in the excess imports of livestock and meat and meat products.

The Hruska amendment would limit the imports of these items to the additional amount imported in the 5-year period ending December 1, 1962. That would be some relief from the administration's agreement with Australia and New Zealand, which would limit the imports to the average for the period 1962–63. But, in addition, it would bring some relief to agriculture. It is at least one move which we can take now to prevent a disastrous farm depression—which is what we are headed for if in the next 3½ years we do as we have done in the last 2½ years, in taking action so damaging to the rural areas of the United States.

Mr. AIKEN. Mr. President, at this point will the Senator from Nebraska yield for a question?

Mr. CURTIS. I am glad to yield.

Mr. AIKEN. Does the Senator from Nebraska know how much the price of the various cuts of meat to the consumers has been reduced since the large increase in imports has been permitted? Has that saving been passed on to the consumers? I have not observed any indication of it in the restaurants.

Mr. CURTIS. Not in any large degree. The big item in the cost of the food to our people is the charge for labor, including the labor in connection with packaging, advertising, transportation, refrigeration, and so forth. As the Senator from Vermont well knows, the price paid to the farmer often is not reflected at all in the price charged to the consumer.

Mr. AIKEN. Yes.

Mr. CURTIS. It is claimed that in connection with meat, the reduction flows on in some way, in terms of the price, to the consumer. I think some distributors have passed on the difference; I believe others have not done so. But I also believe that the U.S. consumer never gains from importations, for in the long run they drive out the competition at home; and thus in the long run the consumers pay more.

Mr. President, certainly this agricultural bill is a proper one to which to add an amendment to curb the importations of meat and meat products.

As a member of the Finance Committee, I shall vote for the Hruska amendment, and I hope it will become law. I believe it should. Even if it does, I believe that the plan of the Finance Committee to hold hearings is still a good one, and such hearings will be in order, because we are dealing with an important situation; and the Ellender amendment, which is offered to the Agricultural Adjustment Act of 1938, will bring some relief, although it will not satisfactorily settle the whole matter.

For some time I have felt that we should take the 1957 level of imports as a base. They were reasonable imports. In no sense did they constitute an embargo on foreign meat and meat products, nor was there any intention that we should hold our imports in the future down to the 1957 level.

When the last Trade Agreements Act was considered in 1962, I offered an amendment which would have established the policy with respect to agricultural products that we should take 1957 as a base, that our imports be limited to the 1957 level, and that every effort be made to maintain our exports at the 1957 level. The amendment obtained a sizable number of votes but, of course, fell far short of adoption.

In the early part of 1963, the Congress passed the feed grains bill. That feed grains bill contained many features that were not satisfactory. Nevertheless, it was a vehicle by which an endeavor was made to do something for American agriculture. When the feed grains bill was pending, the Senator from Nebraska now speaking offered an amendment which would have imposed a 25-percent additional ad valorem tariff on livestock, meat, and meat products whenever they exceeded the 1957 level.

At that time we obtained about 28 votes. We fell far short of enough votes for enactment of the measure.

However, at the present time every Senator must be aware of the disastrous situation which our livestock industry is facing. It is disturbing to every producer of livestock, every worker, and every businessman in a city or town supported by agriculture. It is of grave concern to every country banker and to every city banker who depend upon the rural market. Those people know that an unwise and unfair action has been taken by our Government to give the market away. They are aware that the responsibility rests in Congress to do something about it. They may formalize their statement in legal terms, but they know that under our system of government the regulation of foreign commerce is the responsibility of the legislative branch.

I hope that we can meet that responsibility before consideration of the agriculture bill is completed. I commend to Senators the Hruska amendment. I urge its adoption as an amendment to the bill.

Mr. President, I yield the floor.

Mr. HRUSKA. Mr. President, first, I should like to compliment my colleague on the statement that he has made. I thank him sincerely for his declared support of the Hruska amendment. I believe that this body recognizes in the Senator from Nebraska, who has just spoken, that he has consistently supported the position that is reflected in the Hruska amendment. The position he has taken with reference to the tariffs and the increase in tariffs is well known because of the pendency of proposed legislation that he has introduced. I am sure that the Senator is aware that the two agreements, the one with Australia and the one with New Zealand, are predicated on the proposition that there will be no increase in tariffs of the United States on either beef or veal products. Am I correct in making that assumption?

Mr. CURTIS. I believe that is correct. There is practically no tariff on meats now. In 1948, prior to the trade agreement with the same countries mentioned, there was a tariff of 6 cents a pound. That tariff was cut in half. A tariff of 3 cents a pound is no protection at the present time. The implication of these agreements that there would be no tariff—that the countries involved were guaranteed that amount of our market—is a desertion of rural America on the part of the Government officials responsible for these agreements.

Again I commend the Senator for taking the lead in offering the amendment.

Mr. HRUSKA. Mr. President, within the past few weeks I believe that the Senator from Nebraska and his colleague appeared before, sent statements to, or had statements made before the U.S. Tariff Commission. On that occasion the purpose of the hearing was directed to the proposition that the present tariff of 3 cents a pound should be reduced to a cent and a half, and that the subject be included on the list to be discussed in the so-called Kennedy round of GATT negotiations to be held in May of the present year. Has the Senator any comment on that subject in line with his proposed legislation on the subject?

Mr. CURTIS. That is true. Not only has our Government failed to give heed to the plight of the livestock producers of the country, but also they have on two fronts attacked their own people—

First. in proposing further to reduce the tariff;

Second. in the recent agreements which would authorize an injustice upon the livestock producers.

Mr. HRUSKA. The paragraph in the United States-Australia agreement which refers to the tariff, paragraph No. 2, reads as follows:

> Australia undertakes to limit its exports to the United States upon the understanding that Australia will not be adversely affected by such limitations in relation to the position of other substantial suppliers in the U.S. market, and so long as Australia's access to the U.S. market for beef, veal, and mutton is not limited by an increase in the duties on these products.

In other words, if the Congress should undertake to increase the duties on those products, it means that Australia's agreement undertaking to limit its exports into the United States would come to an end. Is that a fair interpretation of the agreement?

Mr. CURTIS. That is what the agreement provides. I do not accept the premise that legally Congress is without power to act both as to quotas and as to tariffs if we so choose.

Mr. HRUSKA. To say the least, however, a provision of that kind contained in the agreement is a little presumptuous, since one independent and coequal branch of the Government would undertake to tell another independent and coequal branch of the Government what it shall or shall not do.

Mr. CURTIS. That is correct; without the consent of the Congress the agreement was made. Also it puts the country in an awkward position of subsequently committing an unfriendly act in attempting to do something about the situation. The agreement should not have been entered into.

Mr. HRUSKA. Among other provisions in the bill there is the one that our country "will take an active and leading role in negotiating in the GATT arrangements leading to expanding access in meat importing countries."

That is a commitment in the agreement. Since the United States is now the second largest importer of beef and veal of any country in the world, if that prearrangement is taken on its face, it must mean that the State Department and the Department of Agriculture will take a position at the GATT negotiations next May looking toward a further reduction of the already ridiculously low tariffs on beef and mutton. In other words, by this agreement our Government has already committed itself to a lower tariff and to increase imports of beef and mutton, without regard to the effect upon the cattle and sheep industries.

Mr. CURTIS. That is correct. The propaganda issued in reference to the Australia-New Zealand agreements to the American farmer has been to the effect that it was merely a hold-the-line agreement, and that imports would not be increased.

But in addition to freezing the amount of their present excessive imports, the paragraph read by the Senator shows they went further and made additional concessions to foreign producers.

Mr. HRUSKA. I have searched the agreement, and though it has limited imports, beyond that the concessions are in favor of the exporting country, whether it be Australia, New Zealand, or, most recently, Ireland.

Mr. CURTIS. That is correct.

Mr. HRUSKA. I thank the Senator very much for permitting me to ask these questions.

Mr. CURTIS. Mr. President, I hope when the roll is called there will be sufficient votes for the Hruska amendment to grant this much-needed protection to our livestock producers.

I do not know how long this Government can continue to run away from problems and solve them by appropriating money. That is the course followed with respect to many commodities.

This is not an amendment that would attract the interest of the livestock producers only. Producers of all types of feed grains, hay, alfalfa, those who have pastures, workers in our stockyards and packing plants, and those who provide the services to make our great packing plants grow have a stake in the Hruska amendment. Agriculture generally, a great segment of the American economy, is involved.

Let us not be fooled. Who is it that is paging Senators from the floor at this very hour, lobbying against the Hruska amendment? I know of two such instances. They were both importers of meat.

Is this a bill for American agriculture, or is it a bill for American importers?

A great many individuals make their living or transact their business as it relates to agricultural production, particularly livestock, and they have a stake in this provision.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. MILLER. Do I correctly understand that there are importers who are actually trying to put pressure on Members of the Senate to reject the Hruska amendment?

Mr. CURTIS. They are not trying to put pressure on me, but I know of an instance in which they have been busy around the building lobbying against the Hruska amendment. Importers—at least, their calling card identified them as importers of meat—are in this building lobbying against the Hruska amendment this afternoon.

Mr. MILLER. The Senator certainly knows that within the past 3 years the volume of imports has increased 162 percent, while our domestic production has increased only 10 percent. One wonders how much more imports must be increased before the importers will be satisfied.

Mr. CURTIS. They will never be satisfied, and the promoters of free trade will never reach the millennium they proclaim. We have had nothing but war since they foisted their program on the United States. Drive across the east coast of the Nation and look at the poultry houses that are closed up. Journey to Lincoln, Nebr., where 2,000 watchworkers who were employed there have left. The work is done in foreign countries.

I do not advocate an embargo. I do not advocate "no trade at all." But there is commonsense in everything. Our imports of products of which we have a surplus are excessive, and they should be curtailed.

ADDITIONAL COSPONSORS

Mr. HRUSKA. Mr. President, I ask unanimous consent that the request made of the Senator from Nebraska by both Senators from the State of Nevada to add their names as cosponsors of the Hruska amendment be agreed to.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I am very happy that the Senators from Nevada have joined in this amendment. I believe that more than a majority of Senators would like to support it. I know the administration has made a terrible mistake in the agreement entered into. I hope it will not compound the injury done by joining importers in lobbying against the Hruska amendment, because we should enact the Hruska amendment now before we get into a prolonged debate on civil rights. Then, as soon as possible, there should be committee hearings by the Finance Committee on the total overall meat importation problem.

The adoption of the Hruska amendment would not prevent committee hearings, and certainly promise of committee hearings should not be used as an argument against adopting the Hruska amendment. The Hruska amendment is No. 434, and reads in part:

> The total quantities of fresh, chilled, or frozen beef, veal, mutton, and lamb which may be entered, or withdrawn from ware-

> house, for consumption during any period of twelve months shall not exceed the average annual quantities of such products imported into the United States during the five-year period ending on December 31, 1962.

A while ago I read into the RECORD the figures for the past few years. In 1963 we imported 11 percent, or thereabouts, of our total veal and beef production. In 1962 it was about 8 9 percent.

The administration entered into an agreement freezing imports at the average of those 2 years. The Hruska amendment would take off the year 1963 and consider the 5 years previous. It would grant considerable relief from the very bad agreement entered into, without the consent of Congress, and I am sure without the approval of any responsible agricultural group in the country. I do not know any of those groups that support the recent agreement with Australia and New Zealand.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. HICKENLOOPER. At a meeting in the Kansas City area, in the heart of the beef production area——

Mr. CURTIS. It was not Kansas City; it was Omaha.

Mr. HICKENLOOPER. That is getting close to the fringe, but I believe it was pointed out on the floor Friday that about 2 or 3 months ago at that meeting the beef producers and the swine producers met not only with members of the Department of Agriculture, but also the State Department and recommended against the action which the State Department took. A couple of weeks after that meeting, when they were diametrically opposed, and were on record as opposed, to the action of the administration in fixing import quotas at high levels, pointing out the dangers that would occur, this action was taken. So they do not have the approval, so far as I know, of any livestock producing association.

Mr. CURTIS. But with certain open opposition.

Mr. HICKENLOOPER. With certain open opposition. Another point that was mentioned on Friday which might also be pointed out at this time, is that we have a measure which is a vehicle that can be used to correct the situation—namely, the Hruska amendment.

In answer to the administration's claim that it should be handled administratively rather than legislatively, I can only point out that the administration's leader in the Senate—and I have joined him—has seen fit to file a bill to correct this legislatively. Why? Because administratively it is not correcting it and shows no particular evidence of correcting it. So that would seem to me to be one of the most careful arguments, even if it is said that the majority leader himself and others, not only of the administration's party but of the other party, feel that it will not be corrected administratively—and it must be done legislatively—here is the vehicle and the opportunity to do it.

Mr. CURTIS. I thank the Senator for calling that to our attention.

Mr. HICKENLOOPER. The bill filed by the majority leader has gone to committee. It is not a proposed amendment to this bill, but it indicates the belief that the result must be achieved legislatively. This is the opportunity to do it, with the Hruska amendment.

Mr. CURTIS. I join the Senator from Iowa [Mr. HICKENLOOPER] in praising the majority leader. It was not an easy thing for him to do.

Mr. HICKENLOOPER. It was not.

Mr. CURTIS. But this action of the administration is so outrageous and shocking to everyone who has concern for rural America that within a matter of hours the administration leader in the Senate filed a bill to grant some relief. I joined in that. I know it was a difficult thing for him to do. I commend him for doing it. I believe now that the administration, instead of fighting such efforts, should join in trying to bring about justice even though at such a late date.

There is another important reason why it should not be done administratively. I do not know that we have reached the point in America where all the brains are found to be in the Executive. I know all the power is flowing from there rather fast. But the Constitution says, in article I, section 8:

> The Congress shall have power to regulate commerce with foreign nations——

Mr. HICKENLOOPER. That has not been passed on yet by the Supreme Court, has it?

Mr. CURTIS. I do not believe so.

Mr. HICKENLOOPER. In spite of the plain language, the Supreme Court has not "had at it" yet; has it?

Mr. CURTIS. It is an oversight if it has not interfered in that field.

Every Senator and every official take an oath to uphold the Constitution of the United States. That, to my mind, means what it says. The Constitution provides:

> The Congress shall have power—

Then it goes ahead and enumerates many powers—

> to regulate commerce with foreign nations—

It is not an Executive prerogative. The Executive acted without the consent of Congress, openly against the wishes of the great livestock industry, openly against the interest of the livestock producers, the businessman, the bankers, the workers—everyone connected with the industry related to livestock and meat production.

I believe that the Congress has no alternative but to act, and act now. The longer we let this situation continue, the more the foreign countries will rely upon its validity and the more difficult it will be to have it changed. That is why I say I am for the Hruska amendment, I am for committee hearings. I believe both are necessary.

That may salve some consciences in some quarters, by voting "Nay" on the Hruska amendment on the ground that there should be committee hearings. Such a vote would be a mistake. There should be both. Before the injustices brought about by these outrageous agreements are imbedded into the economic fabric of Australia, New Zealand, and the United States, the Congress should act to grant some relief.

The way to do that is to support the Hruska amendment. Then the overall picture should have such further attention and such further relief. Frankly, I believe any imports over 5 percent are outrageous, and I still believe legislation ultimately should restrict it back to the 1957 level, but for now—the immediate bill—my colleague from Nebraska has chosen a wise course, a course that cannot be resisted by those who are friends of the farmer. It would give a great amount of relief at once.

Mr. HRUSKA. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I am happy to yield.

Mr. HRUSKA. Does the Senator see any inconsistency in opposition to the amendment which the senior Senator from Nebraska has proposed, on the ground that it has not had any committee hearings, with the position taken by the majority only last week, when it successfully advocated placing on the calendar a complex and far-reaching bill dealing with constiutional questions, with human relationships, with social relationships, and business relationships of the civil rights bill, which has not had any hearings in this body except for one witness interrogated by one Senator? Is there any inconsistency in the mind of the Senator from Nebraska in seeking committee sessions on this relatively simple operation embodied in the Hruska amendment as opposed to no committee hearings on the complicated legislation which is on the calendar, debate on which will start in a very short time?

Mr. CURTIS. There is no inconsistency whatever. There is no inconsistency in supporting the Hruska amendment. If any Senator raises his voice and says, "We must have some committee hearings before we pass the Hruska amendment," I hope he will tell us whether he asked for committee hearings before the administration entered into the agreement with Australia and New Zealand. That question was not submitted to any committee of Congress. It was done on a diplomatic level under this ridiculous procedure that Uncle Sam can buy his way to peace and to the solution of all the world's problems. We will find out, after awhile, that we cannot bribe the world with foreign aid, with donations and trade concessions, and continue to earn its respect.

If we knew of a hardware merchant who was overstocking his store with more than he could sell, and yet he continued to buy, we would not respect him; and if we did not respect him, we could not trust his judgment and we could not follow him.

Uncle Sam is caught with an oversupply of agricultural commodities, and he continues to buy and buy. Will the intelligent people of the world respect us? Of course they will not. If they do not respect us, will they follow us? Of course they will not.

We must do the proper, businesslike thing for our own people, or we cannot expect the intelligent people of the world to follow our views.

Mr. President, I yield the floor.

ORDER OF BUSINESS

Mr. DIRKSEN. Mr. President, what is the pending question?

The PRESIDING OFFICER. The pending question is on agreeing to the committee substitute, which is being considered as original text for the purpose of amendment.

Mr. DIRKSEN. I understand that presently no amendment to the committee substitute is pending.

The PRESIDING OFFICER. That is correct.

Mr. DIRKSEN. It is my understanding that the distinguished Senator from Louisiana [Mr. ELLENDER] would like to submit his amendment to the cotton title of the bill, and have his amendment made the pending question, with the understanding that there will be little, if any, debate on that amendment tonight.

Mr. ELLENDER. So far as I am concerned, there will be no debate on it tonight.

Mr. DIRKSEN. I see—but there will be debate on the amendment tomorrow.

I wish to ask the majority leader whether he has contemplated having the Senate convene at an early hour tomorrow. In that connection, I also wonder about the situation for the remainder of the week—in terms of whether the committees will be able to meet during the morning.

Mr. MANSFIELD. It is the intention to have the Senate convene tomorrow at 11 a.m., and to have the Senate convene on Wednesday at 10 a.m. The Senate has already spent 3 days on this bill, and we hope to reach a point where one amendment—and I understand there are many to be offered—will be offered to the pending committee sustitute.

I understand from the Senator from Louisiana [Mr. ELLENDER], whose word I always take, that he does not contemplate having speeches made tonight on his amendment to the committee substitute.

Mr. DIRKSEN. I believe I fully understand the problems confronting the majority leader in connection with the bill. I understand that thus far there have not been requests for authorization for committees to meet during the sessions of the Senate during the remainder of the week. Because of the existing controversy and the feeling about both of the titles of the pending bill, I believe that, insofar as possible, Senators should be present to hear the debate on the bill. Under the circumstances, I would object to any request for authority for committees to meet when the Senate is in session.

Mr. PELL. Mr. President, I wish the RECORD to show that some of us have canceled our engagements for today, because we understood that rollcall votes would be taken today. Because of that assumption, these engagements were canceled in good faith.

AMENDMENT NO. 438

Mr. ELLENDER. Mr. President, to the committee substitute, I call up my amendment No. 438, and modify it as follows: On page 2, in line 13, after the words “use of”, strike out “a year prior to 1963”, and insert in lieu thereof: “another period, subject to such adjustments as may be equitable,”.

The PRESIDING OFFICER. The modification will be made.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the modified amendment of the Senator from Louisiana to the committee substitute be printed at the appropriate point in the RECORD.

There being no objection, the amendment, as modified, to the committee subsitute, was ordered to be printed in the RECORD, as follows:

Beginning on page 8, line 2, strike out all through page 19, line 3, as follows:

“TITLE I—COTTON

“SEC. 101. The Agricultural Adjustment Act of 1938, as amended, is amended by adding the following new section:

“ ‘SEC. 348. In order to maintain and expand domestic consumption of upland cotton produced in the United States and to prevent discrimination against the domestic users of such cotton, notwithstanding any other provision of law, the Commodity Credit Corporation, under such rules and regulations as the Secretary may prescribe, is authorized and directed for the period beginning with the date of enactment of this section and ending July 31, 1968, to make payments through the issuance of payment-in-kind certificates to persons other than producers in such amounts and subject to such terms and conditions as the Secretary determines will eliminate inequities due to differences in the cost of raw cotton between domestic and foreign users of such cotton, including such payments as may be necessary to make raw cotton in inventory on the date of enactment of this section available for consumption at prices consistent with the purposes of this section: *Provided*, That for the period beginning August 1 of the marketing year for the first crop for which price support is made available under section 103(b) of the Agricultural Act of 1949, as amended, and ending July 31, 1968, such payments shall be made in an amount which will make upland cotton produced in the United States available for domestic use at a price which is not in excess of the price at which such cotton is made available for export.’

“SEC. 102. Section 385 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following: ‘This section also shall be applicable to payments provided for under section 348 of this title.’

“SEC. 103. (a) Section 104 of the Agricultural Act of 1949, as amended, is amended by adding the following new subsection:

“ ‘(c) The Secretary of Agriculture is hereby authorized and directed to conduct a special cotton research program designed to reduce the cost of producing upland cotton in the United States at the earliest practicable date. There are hereby authorized to be appropriated such sums, not to exceed $10,000,000 annually, as may be necessary for the Secretary to carry out this special research program. The Secretary shall report annually to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture and Forestry of the Senate with respect to the results of such research.’

“(b) Section 103 of the Agricultural Act of 1949, as amended, is amended (1) by inserting ‘(a)’ before the first sentence thereof; (2) by changing the period at the end of the second sentence thereof to a colon and adding the following: ‘*Provided*, That the price support for the 1964 crop shall be a national average support price which reflects 30 cents per pound for Middling one-inch cotton.’; and (3) by adding at the end of such section the following new subsections:

“ ‘(b) If producers have not disapproved marketing quotas, the Secretary shall provide additional price support on the 1964, 1965, 1966, and 1967 crops of upland cotton to cooperators on whose farms the acreage planted to upland cotton for harvest does not exceed the farm domestic allotment established under section 350 of the Agricultural Adjustment Act of 1938, as amended. Such additional support shall be at a level up to 15 per centum in excess of the basic level of support established under subsection (a) and shall be provided on the normal yield of the acreage planted for harvest within the farm domestic allotment.

“ ‘(c) In order to keep upland cotton to the maximum extent practicable in the normal channels of trade, any additional price support under subsection (b) of this section may be carried out through the simultaneous purchase of cotton at the support price therefor under subsection (b) and the sale of such cotton at the support price therefor under subsection (a) or similar operations, including loans under which the cotton would be redeemable by payment of the amount for which the cotton would be redeemable if the loan thereon had been made at the support price for such cotton under subsection (a), or payments-in-kind through the issuance of certificates which the Commodity Credit Corporation shall redeem for cotton under regulations issued by the Secretary. If such additional support is provided through the issuance of payment-in-kind certificates, such certificates shall have a value per pound of cotton equal to the difference between the level of support established under subsection (a) and the level of support established under subsection (b). The corporation may, under regulations prescribed by the Secretary, assist the producers and persons receiving payment-in-kind certificates under this section and section 348 of the Agricultural Adjustment Act of 1938, as amended, in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the program authorized by this section and such section 348. In the case of any certificate not presented for redemption within thirty days of the date of its issuance, reasonable costs of storage and other carrying charges as determined by the Secretary for the period beginning thirty days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate.’

“(c) Section 401(b) of the Agricultural Act of 1949, as amended, is amended by striking in the second sentence thereof before ‘(8)’ the word ‘and’, changing the period at the end thereof to a comma and adding the following: ‘and (9), in the case of upland cotton, changes in the cost of producing such cotton’.

“SEC. 104. Section 407 of the Agricultural Act of 1949, as amended, is amended by inserting after the first proviso in the third sentence thereof the following: ‘*Provided further*, That beginning August 1, 1964, the Commodity Credit Corporation may sell upland cotton for unrestricted use at not less than 105 per centum of the current loan rate for such cotton under section 103(a) plus reasonable carrying charges:’

“SEC. 105. The Agricultural Adjustment Act of 1938, as amended, is amended by adding a new section as follows:

“ ‘SEC. 350. In order to provide producers with a choice program of reduced acreage and higher price support, the Secretary shall establish for each farm for the 1964, 1965, 1966, and 1967 crops of upland cotton a farm domestic allotment in acres. The farm domestic allotment shall be the percentage which the national domestic allotment is of the national acreage allotment established under section 344(a) applied as a percentage of the smaller of (1) the farm acreage allotment established under section 344, or (2) the higher average actually planted or regarded as planted on the farm (excluding acreage regarded as planted under sections 344(m)(2) and 377) in the two years preceding the year for which such allotment is established: *Provided,* That any farm planting 90 per centum or more of the allotment shall, for the purpose of (2) above, be considered as having planted the entire farm allotment: *Provided further,* That, except for farms the acreage allotments of which are reduced under section 344(m), the farm domestic allotment shall not be less than the smaller of 15 acres or the farm acreage allotment established under section 344, but this proviso shall be applicable to the 1964 crop without regard to the exception stated herein. The national domestic acreage allotment for any crop shall be that acreage, based upon the national average yield per acre of cotton for the four years immediately preceding the calendar year in which the national acreage allotment is proclaimed, required to make available from such crop an amount of upland cotton equal to the estimated domestic consumption for the marketing year for such crop. The Secretary shall proclaim the national domestic acreage allotment for the 1964 crop not later than April 1, 1964, and for each subsequent crop not later than December 15 of the calendar year preceding the year in which the crop is to be produced.'

"Sec. 106. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

"(1) The following new section is added to the Act:

" 'Sec. 349. (a) The acreage allotment established under the provisions of section 344 of this Act for each farm for the 1964 crop may be supplemented by the Secretary by an acreage equal to such percentage, but not more than 10 per centum, of such acreage allotment as he determines will not increase the carryover of upland cotton at the beginning of the marketing year for the next succeeding crop above one million bales less than the carryover on the same date one year earlier, if the carryover on such earlier date exceeds eight million bales. For the 1965, 1966, and 1967 crops, the Secretary may, after such hearing and investigation as he finds necessary, announce an export market acreage which he finds will not increase the carryover of upland cotton at the beginning of the marketing year for the next succeeding crop above one million bales less than the carryover on the same date one year earlier, if the carryover on such earlier date exceeds eight million bales. Such export market acreage shall be apportioned to the States on the basis of the State acreage allotments established under section 344 and apportioned by the States to farms receiving allotments under section 344, pursuant to regulations issued by the Secretary, after considering applications for such acreage filed with the county committee of the county in which the farm is located. The "export market acreage" on any farm shall be the number of acres, not exceeding the maximum export market acreage for the farm established pursuant to this subsection, by which the acreage planted to cotton on the farm exceeds the farm acreage allotment. For purposes of sections 345 and 374 of this Act and the provisions of any law requiring compliance with a farm acreage allotment as a condition of eligibility for price support or payments under any farm program, the farm acreage allotment for farms with export market acreage shall be the sum of the farm acreage allotment established under section 344 and the maximum export market acreage. Export market acreage shall be in addition to the county, State, and National acreage allotments and shall not be taken into account in establishing future State, county, and farm acreage allotments. The provisions of this section shall not apply to extra-long-staple cotton or to any farm which receives price support under section 103(b) of the Agricultural Act of 1949, as amended.

" '(b) The producers on any farm on which there is export market acreage or the purchasers of cotton produced thereon shall, under regulations issued by the Secretary, furnish a bond or other undertaking prescribed by the Secertary providing for the exportation, without benefit of any Government cotton export subsidy and within such period of time as the Secretary may specify, of a quantity of cotton produced on the farm equal to the average yield for the farm multiplied by the export market acreage as determined pursuant to regulations issued by the Secretary. The bond or other undertaking given pursuant to this section shall provide that, upon failure to comply with the terms and conditions thereof, the person furnishing such bond or undertaking shall be liable for liquidated damages in an amount which the Secretary determines and specifies in such undertaking will approximate the amount payable on excess cotton under section 346(a). The Secretary may, in lieu of the furnishing of a bond or other undertaking, provide for the payment of an amount equal to that which would be payable as liquidated damages under such bond or other undertaking. If such bond or other undertaking is not furnished, or if payment in lieu thereof is not made as provided herein, at such time and in the manner required by regulations of the Secretary, or if the acreage planted to cotton on the farm exceeds the farm acreage allotment established under the provisions of section 344 by more than the maximum export market acreage, the farm acreage allotment shall be the acreage so established under section 344. Amounts collected by the Secretary under this section shall be remitted to the Commodity Credit Corporation and used by the Corporation to defray costs of encouraging export sales of cotton under section 203 of the Agricultural Act of 1956, as amended.'

"(2) Section 376 of the Act is amended by adding at the end thereof the following: 'This section also shall be applicable to liquidated damages provided for pursuant to section 349 of this title.'

(3) Subsection (f)(8) of section 344 of the Act is amended by inserting after the language '75 per centum of the farm allotment for such year' the following: 'or, in the case of a farm which qualified for price support on the crop produced in such year under section 103(b) of the Agricultural Act of 1949, as amended, 75 per centum of the farm domestic allotment established under section 350 for such year, whichever is smaller'.

"(4) Section 377 of the Act is amended by inserting in the first proviso after the language '75 per centum or more of the farm acreage allotment for such year' the following: 'or, in the case of upland cotton on a farm which qualified for price support on the crop produced in any such year under section 103(b) of the Agricultural Act of 1949, as amended, 75 per centum of the farm domestic allotment established under section 350 for any such year, whichever is smaller'.

"(5) Subsection (b)(13)(B) of section 301 of the Act is amended by deleting the words 'cotton or'.

"(6) Subsection b(13)(G) of section 301 of the Act is amended by deleting ', cotton,' wherever it appears.

"(7) Subsection (b)(13) of section 301 of the Act is amended by adding after subparagraph (G) new subparagraphs as follows:

" '(H) "Normal yield" for any county, for any crop of cotton, shall be the average yield per acre of cotton for the county, adjusted for abnormal weather conditions and any significant changes in production practices during the five calendar years immediately preceding the year in which the national marketing quota for such crop is proclaimed. If for any such year the data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, shall be used as the actual yield for such year.

" '(I) "Normal yield" for any farm, for any crop of cotton, shall be the average yield per acre of cotton for the farm, adjusted for abnormal weather conditions and any significant changes in production practices during the three calendar years immediately preceding the year in which such normal yield is determined. If for any such year the data are not available, or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations of the Secretary, taking into consideration abnormal weather conditions, the normal yield for the county, changes in production practices, and the yield in years for which data are available.' "

and in lieu thereof, to insert:

"Sec. 101. The Agricultural Adjustment Act of 1938, as amended, is amended by adding the following new section:

" 'Sec. 348. If the Secretary determines that such action will serve to maintain and expand domestic consumption of upland cotton produced in the United States, notwithstanding any other provision of law, the Commodity Credit Corporation, under such rules and regulations as the Secretary may prescribe, is authorized to make payments through the issuance of payment-in-kind certificates to persons who consume raw upland cotton, hereinafter referred to as "processors", at a rate not exceeding 10 cents per pound on that part of the raw cotton consumed by each processor in excess of 100 per centum but not in excess of 120 per centum of his base during the period beginning August 1, 19644, and ending July 31, 1966. A base shall be established for each processor equal to twice his consumption in terms of gross weight of bales of raw upland cotton for all his operations in the calendar year 1963, except that if there was no consumption during the base year or if consumption during the base year was abnormal, the Secretary may by regulation provide for use of another period, subject to such adjustments as may be equitable, in the establishment of the base. Payments to processors shall be made on the basis of consumption of cotton, as determined by the Secretary, for such accounting periods as the Secretary determines will facilitate administration of this section: *Provided,* That a processor receiving payments on such basis shall refund to the Commodity Credit Corporation in such manner as may be prescribed by regulations of the Secretary any amount received in excess of the amount payable under this section on the basis of actual consumption of cotton during the entire period August 1, 1964, through July 31, 1966, as determined by the Secretary. In the case of any processor with no cotton consumption prior to enactment of this section, payments to such processor shall be made on one-tenth of his weekly or monthly consumption of cotton, as determined by the Secretary, at a rate not exceeding 10 cents per pound.'

"Sec. 2. Section 103 of the Agricultural Act of 1949, as amended, is amended by inserting '(a)' before the first sentence thereof and by adding at the end of such section the following new subsection:

" '(b) Notwithstanding any other provision of law, the level of price support to cooperators for the 1964 and 1965 crops of upland cotton, if producers have not disapproved marketing quotas for the crop, shall be that which reflects 30 cents per pound for Middling inch: *Provided,* That the Secretary may provide additional price support to cooperators through issuance of payment-in-kind certificates on the first ten bales of cotton produced on each farm allotment at a rate equal to the difference between the basic support level for the crop and the support level for the 1963 crop. Payment-in-kind certificates issued under this section and section 348 of the Agricultural Adjustment Act of 1938, as amended, shall be negotiable and shall be redeemed by the Commodity Credit Corporation for cotton under regulations issued by the Secretary. The Corporation may, under regulations prescribed by the Secretary, assist the producers and persons receiving payment-in-kind certificates under this section and such section 348 in the marketing of such certificates at such time and in such manner as the Secretary determines will best effectuate the purposes of the program authorized by this subsection and such section 348. In the case of any certificate not presented for redemption within thirty days of the date of its issuance, reasonable costs of storage and other carrying charges as determined by the Secretary for the period beginning thirty days after its issuance and ending with the date of its presentation for redemption shall be deducted from the value of the certificate.'"

"SEC. 3. Section 385 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following: 'This section also shall be applicable to payments provided for under section 348 of this title.'"

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its session tonight, it take a recess to 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM TOMORROW UNTIL 10 A.M. ON WEDNESDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its session tomorrow night, it take a recess until 10 a.m. on Wednesday next.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

AMENDMENT NO. 449

Mr. WILLIAMS of Delaware. Mr. President, I send to the desk an amendment to H.R. 6196, and ask that the amendment be printed and lie on the table, to be called up at a later date.

The PRESIDING OFFICER. Without objection, the amendment will be received and printed, and will lie on the table.

Mr. WILLIAMS of Delaware. Mr. President, the purpose of the amendment is to repeal the price support on tobacco. Recently the Surgeon General of the United States issued a report which condemned the use of tobacco and pointed out its injurious effects on the health of the American people.

Notwithstanding this fact, in the past fiscal year we spent about $40 million of the taxpayers' money to support and encourage the increased production of tobacco, a product which has been condemned so strongly by the Surgeon General of the United States.

It is time to recognize the inconsistency of this position. The amendment which I have sent to the desk would repeal the price support program and thereby remove further commitment of the taxpayers to support and encourage the production of a commodity which the Surgeon General has condemned as being injurious to the health of our people.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. KEATING. The amendment shows great initiative on the part of the distinguished Senator from Delaware. It is one thing to propose legislation designed to induce people to stop smoking, but it is quite another to continue to pay Government subsidies to grow tobacco.

The amendment of the Senator from Delaware may serve an important social purpose by reducing the amount of smoking, particularly among our young people.

I shall listen to the debate with great interest, particularly to the reasons given by those who feel that the $40 million the Senator has mentioned, or a similar amount, should be paid by the Department of Agriculture to support the production of a commodity which is being condemned, at the same time, by another Department of our Government.

I commend the distinguished Senator from Delaware for his initiative in presenting this amendment. It is typical of what we have come to expect of our distinguished colleague from Delaware. I am sure that his amendment is deserving of the most thoughtful consideration.

Mr. WILLIAMS of Delaware. I thank the Senator for his comment. In the past fiscal year we spent $16 million for price support operations for this commodity. Under title I of Public Law 480 we subsidized the sale of approximately $23 million worth of American tobacco, this was sold for foreign, so-called soft currencies, and $1,106,000 worth was disposed of under title IV. That makes a total expenditure of $40,973,000.

Of course there will be some recovery from these sales for soft currency; however, to a large extent this represents a direct loss or subsidy. To that extent American taxpayers are subsidizing the production of tobacco, a commodity which has been denounced by the Surgeon General as being injurious to the health of the youth of our country.

The amendment would not write into law any restriction on the use of tobacco. It would merely stop a procedure under which the American taxpayers are being asked to subsidize the production of this commodity which has been denounced in very strong terms by the Surgeon General.

Mr. LAUSCHE. I commend the Senator from Delaware for making his proposal. It strikes me that he is attempting by his amendment to demonstrate the inconsistency of the course being followed by our Government. On the one hand we are proclaiming to the citizens of our country and the citizens of the world that smoking is damaging to health and should be discontinued, while on the other hand we are subsidizing the production of tobacco. I should like to ask the Senator's permission to become a cosponsor of the amendment.

Mr. WILLIAMS of Delaware. I welcome the Senator of Ohio as a cosponsor, and I ask unanimous consent that his name may be added to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. Mr. President, tomorrow I contemplate offering an amendment to demonstrate another inconsistency in our approach to economic and farm problems. I am sure that when the law was adopted to subsidize the sale of cotton to foreign importers, it was argued that the subsidization would be beneficial to the grower of cotton in the United States.

We are now in 1964, and the very persons who urged the subsidization of cotton exports are now complaining that the subsidies are damaging their economy within the United States. They now say, "Since you have a subsidy on the exportation of cotton, to make it available to foreign processors cheaper than it is made available to U.S. processors, you must give us relief, and the relief is to subsidize our processors."

They have created the subsidy for exports. They now say, "Let us keep the subsidy on exports, but grant us another subsidy to American processors."

My amendment is designed to repeal the subsidy on cotton to the exporters of the United States. They cannot have their cake and eat it, too.

Mr. WILLIAMS of Delaware. The Senator from Ohio has made a very constructive suggestion. I pointed out earlier that in the late fifties the price support on cotton had been reduced downward to about 28.9 cents per pound.

As we reduced the price support, we reduced our inventory to a little less than 5 million bales of cotton. Instead of continuing this direction where we could eventually eliminate this unweildly inventory which was being carried in our warehouses, the administration, in 1961, by Executive order raised the price support to around 33 cents per pound, with the result that the inventory jumped to 11.5 million bales. We will add another 2 million or 3 million bales this year.

Instead of recognizing the cause of this increase in the inventory and reducing the support price, and thus starting an orderly reduction, the bill before us proposes to subsidize the textile industry. This industry does have a problem, but it will not be solved by creating an entirely new subsidy which will cost the taxpayers an extra $300 million a year. Furthermore, the tremendous cost of this bill is not included in the President's budget. Here is an expenditure of an extra $300 to $400 million which is not a part of his budget.

I said the other day that this bill could properly be labeled budget-buster No. 1.

If it is passed it will be a clear indication that the administration has no intention of carrying out its promises of cutting expenditures.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. In the opinion of the Senator from Delaware if it was a mistake to subsidize the export of cotton, was the choice to be made, to compound that mistake now by providing a subsidy for processors, rather than to repeal the subsidy?

Mr. WILLIAMS of Delaware. To accept the principle that is outlined in the bill now before us, which is to pay the textile industry a differential between the world market price and the domestic price of cotton, and continue a high support price at the same time, is in my opinion merely a new multi-billion-dollar subsidy program. Once this principle has been adopted in connection with cotton, what will prevent someone from presenting a valid argument that we should adopt this principle for other commodities?

Why should not wheat be made available to domestic millers so that they can produce flour for the American housewife, at the same price level at which wheat is being made available to the Russian consumer?

As the Senator from Ohio [Mr. Lausche] knows, we are selling wheat to Russia today at about 60 cents a bushel lower than it is available to the American consumer. I believe that is wrong, but here today instead of correcting this situation we are being asked to expand it further.

By the same token, livestock feeders today must pay the American price for feed grains. If we are to readjust the price of cotton for the textile mills to the world level, what argument have we against permitting a readjustment of prices for feed grains to the world price?

To expand this principle, which is nothing more than a dressed-up version of the Brannan plan, to all commodities would cost an extra $3 to $5 billion annually.

Mr. LAUSCHE. I do not know whether the Senator from Delaware asked me a question, but perhaps the impression that is sought to be made upon the Senate and the people of the United States is that in Washington are men who are capable of achieving miracles, and that they will solve all the problems. The modern economists, the prophets of the theory that one can spend more each year than is taken in, will come up with a cure. But if we subsidize the processors of cotton, how can we escape subsidizing those who are in the livestock business or are engaged in businesses related to wheat?

Logic means nothing. There is a will to attain an objective; and with that will, the objective will be achieved, regardless of inconsistency. If it is necessary to produce logic, the great proponents of this fantastic plan will go to some college or university, and bring up some economist with a modern, new theory who will demonstrate that black is white and white is black, that Williams knows nothing; that Lausche knows nothing; that Cooper knows a little—not as much as he thinks he knows; but that Humphrey knows everything.

Mr. HUMPHREY. The Senator is closer to the truth than he realizes.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. COOPER. At least I am not speaking.

I do know that the Senator from Delaware has submitted an amendment relating to tobacco. Did he submit it for printing?

Mr. WILLIAMS of Delaware. Yes. The amendment has been sent to the desk and will be called up later during the discussion of the bill.

Mr. COOPER. Does the Senator intend to call it up for debate?

Mr. WILLIAMS of Delaware. Yes. I do not think there should be too much opposition to it. In the light of the fact that the Surgeon General has pointed out the danger of using tobacco it appears that the least we can do is to repeal the law requiring the U.S. Government to support its production.

I do not think Congress should object to repealing a program which requires the taxpayers to subsidize the increased production of this commodity. This amendment would repeal the mandatory provision of the law under which the taxpayers support the production of this commodity.

Mr. COOPER. That can be debated when the Senator calls up his amendment.

Mr. WILLIAMS of Delaware. There may be a little opposition to it, but I hope there will not be too much.

Mr. COOPER. There will be opposition and from me. I am sorry the Senator did not come before the Committee on Agriculture to offer the amendment.

Mr. WILLIAMS of Delaware. So am I. But the Texas steamroller was moving, and the bill was reported by the committee even before I knew its consideration was contemplated. At the last minute orders came from the White House. The bill had to be reported and considered before the civil rights bill.

As the Senator from Kentucky knows, there was no time even to obtain a copy of the bill before an attempt was made to make it the pending business. I regret that there was no chance for the committee to consider not only this amendment but also the many other amendments now before the Senate.

Mr. COOPER. I understand the purpose of the Senators' amendment to be to abolish the price support program for tobacco farmers.

Mr. WILLIAMS of Delaware. That is correct.

Mr. COOPER. We shall have a chance to debate that later, if the Senator offers his amendment for a vote.

The report "Smoking and Health" has been of concern to everyone. I have read the report. I do not know how many Members of the Senate have read it. I do not propose to discuss its merits this afternoon. I shall say only a few words about it now, in view of the fact that the Senator has submitted his amendment.

The report "Smoking and Health" represents findings, not new research. It is based on old research. I do not wish to derogate it; all of us are interested in health. I should say that I would have to place its basic proposition before even my own interest in a matter which is of great importance to my own State.

The Advisory Commission which was appointed by the Surgeon General upon the suggestion of President Kennedy was directed to conduct its work in two phases. One phase was to make a report upon the health issue; the second phase was to concern itself with the implementation of the report, to decide what to do about the report. The second phase has not yet been undertaken. I understand that it will get underway at an early date.

Also, as the Senator from Delaware knows, the Federal Trade Commission has announced that it will conduct hearings on the implementation of the report, and it has been speculated that the Federal Trade Commission may attempt to regulate the labeling of tobacco products. Further, bills dealing with the subject have been introduced in the Senate.

If the Senator is interested in health, I would like to know what he believes would be accomplished by his amendment, if it should be adopted, unless it is the Senator's intention to seek to prohibit the production or sale of tobacco in this country.

Mr. WILLIAMS of Delaware. The amendment does not propose to prohibit or restrict the production or sale of tobacco. The amendment merely would repeal the mandatory provisions of the law under which the taxpayers support the production of tobacco.

Mr. COOPER. The effect of the Senators' amendment would be the unlimited production of tobacco at the cheapest prices, with no kind of governmental grading for quality. The Senator says he is thinking about health, but his amendment would flood the country with millions upon millions of pounds of low quality surplus tobacco produced at cheap prices.

The only effect of the Senator's proposal would be to increase the volume of smoking tobacco—and at the expense of the farmer. The manufacturers would buy tobacco cheap, and would continue to produce cigarettes, and the people who like to smoke cigarettes might be able to buy them at a lower price. The only ones who would be ground down under the proposal made by the Senator from Delaware would be the tobacco farmers. I shall oppose his amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. HUMPHREY. I was interested in the Senator's definition of a noncontroversial amendment.

Mr. WILLIAMS of Delaware. I think I got the definition from my good friend from Minnesota who said one day before he introduced a bill that he always examined both sides. That is what I did. I adopted the Senator's definition, although I recognize that there may be some slight controversy. However, the amendment is submitted in all seriousness. This amendment would repeal the mandatory provision under which taxpayers are required to support the production of a commodity which has been denounced by the Surgeon General as being injurious to the health of the taxpayers.

Mr. HUMPHREY. I am not an expert in these matters, but I join with my good friend from Kentucky in saying, without considering the medical or health aspects of the product, that no program has cost the Government less or has worked better than the price support, acreage allotment, and marketing quota program for tobacco. That is not necessarily justification for a program as such. There are other aspects of this matter, and I am sure we shall wish to discuss them.

But I wish the Senator from Delaware to know that any action by the Committee on Agriculture and Forestry to rush this bill to the calendar of the Senate was not taken at the direction of the White House. I want the Record to show clearly that the White House was not asking for that, because the White House was demanding that the civil rights bill be brought up at once. However, it so happens that the majority leader and the majority whip of the Senate who occasionally meet with the President, were of the opinion that the authorization bill for procurement for the Department of Defense should first be brought up, and that next the farm bill should be brought up. I take some responsibility for that; and I am sorry if the Senator from Delaware was not nimble enough of foot or quick enough of limb—although I know he is certainly quick enough of mind—to be able to get this far-reaching amendment before the Senate; and I want the Senator from Kentucky [Mr. Cooper], whose judgment I always respect, to have a chance to examine this matter and to testify about it and to produce witnesses, because I would not want any spontaneous, impromptu, ill-considered, or intemperate action taken on these important matters.

Mr. COOPER. I hope the Senator from Minnesota will be here tomorrow.

Mr. HUMPHREY. I will.

Mr. WILLIAMS of Delaware. Mr. President, after listening to the persuasive arguments of the Senator from Minnesota, I wish to state that I would be glad to join him in sending the whole bill back to the committee where hearings can be held.

Mr. HUMPHREY. Oh, Mr. President, the Senator from Delaware need not take on such a heavy burden. Let us just send his amendment to the committee.

Mr. KEATING. Mr. President, will the Senator from Delaware yield briefly to me?

Mr. WILLIAMS of Delaware. I yield.

Mr. KEATING. The Senator from Delaware has made the most constructive suggestion of any made today—namely, to recommit the bill—so that it may be further studied—while we return to the point where the President—who wanted the civil rights bill to come before us first—will again be able to exert his influence on the distinguished leadership on the other side of the aisle, to bring the civil rights bill before us.

But to speak specifically on the tobacco amendment, I suggest that the Senator from Delaware sit down with the Senator from Kentucky [Mr. Cooper], and perhaps with his colleague from Kentucky [Mr. Morton], and perhaps with the distinguished Senator from Oregon [Mrs. Neuberger]——

Mr. HUMPHREY. Yes, that would be a most delightful trio.

Mr. KEATING. And perhaps something reasonable can be worked out. There is nothing like negotiation, in attempting to deal equitably with these problems. That is just a suggestion which I hope will be helpful.

Mr. WILLIAMS of Delaware. Mr. President, all I am trying to do under this amendment is to repeal the law under which the American taxpayers are now required to underwrite the production of tobacco—a commodity which has been determined by the Surgeon General to be injurious to the health of American citizens.

Certainly this amendment is a constructive one. It does not go into the field of the recommendation by the Surgeon General that tobacco be removed from the market. The amendment merely proposes that none of the money of the American taxpayers be used to underwrite the production of tobacco. After all, why should the money of the taxpayers be used for that purpose?

Why should the taxpayers be required to pay $40 million annually to subsidize the production of tobacco?

I am not a doctor, and I am not trying to evaluate the opinion of the Surgeon General; but it is an opinion from a responsible source, and we cannot ignore it.

Furthermore, we should realize that no one has argued that tobacco is beneficial to the health of Americans, whereas many persons have argued that tobacco is injurious to the health. Certainly there are many better uses to be made of the money of the American taxpayers than to use it to encourage increased production of tobacco.

Mr. COOPER. Mr. President, I must say—no matter what the Senator from Delaware says, and I, too, have very great respect for his ability and his outstanding integrity—that I think he has gone a little far in attempting to place his judgment about tobacco above that of the Advisory Commission, and in attempting to decide more than the Commission has decided, and in attempting to decide what shall be done before the Commission has finished its work, and in attempting to usurp even the prerogative of the Federal Trade Commission, which itself may attempt to go too far.

I repeat that the only result of the amendment would be to flood the country with cheap tobacco, and ruin the tobacco farmer. I intend to oppose his amendment with all my might.

Mr. WILLIAMS of Delaware. Mr. President, this amendment will not in any way interfere with the Federal Trade Commission or any other agency in any of their decisions. The amendment will not interfere with anything except the flow of money from the U.S. Treasury for the purpose of subsidizing the production of an increased crop of tobacco. The amendment merely states that the taxpayers' money should no longer be used to subsidize the production of tobacco. I think the amendment is a very modest approach to this problem, which was so forcefully called to our attention by the Surgeon General.

Mr. HUMPHREY. Mr. President, I hope the Senator from Kentucky and the Senator from Delaware will be able to work out some arrangement. It seems to me this will give us plenty to do in the days ahead.

THE 1964 CONSERVATION SERVICE AWARDS

Mr. MORSE. Mr. President, on February 24, Secretary of the Interior Udall made awards to outstanding private citizens and organizations for the great record they have made in furthering the cause of conservation.

One of those selected was Mr. Henry Gerber, of Klamath Falls, Oreg., whose long and distinguished career in conservation has been a source of great strength to the State of Oregon and to the entire Nation.

I have worked closely with Mr. Gerber over the years during my service in the Senate. I know of no one in my State who has been more helpful to me on all conservation and reclamation projects than Mr. Gerber.

I was particularly delighted that his great ability was recognized by the Secretary of the Interior in making this award.

Mr. President, I ask unanimous consent that the Secretary's announcement of the awards may be printed in the Record.

There being no objection, the announcement was ordered to be printed in the Record, as follows:

SECRETARY UDALL ANNOUNCES 1964 CONSERVATION SERVICE AWARDS

Two judges, a State official, two organizations, and two other leading conservationists have been named to receive the 1964 Conservation Service Awards of the Department of the Interior, Secretary Stewart L. Udall announced today.

The awards are made annually to private citizens and organizations for outstanding efforts in furthering the objectives of natural resource conservation programs.

Honored for impressive service activities in the field of conservation were: Hon. Dan H. Hughes, of Montrose, Colo., former district judge and member of local, State, and national advisory boards of the Bureau of Land Management; Hon. J. E. Sturrock, of Austin, Tex., former county judge and general manager of the Texas Water Conservation Association; Earl Coe, of Olympia, Wash., director, State department of conservation and former secretary of State and member of the State legislature; Theodore Roosevelt Association, New York; the Secretary's Advisory Board on Wildlife Management; Henry Gerber, of Klamath Falls, Oreg., chairman of the State advisory board to the Bureau of Land Management; and Sebastian Williams, Marysville, Wash., member of the Tulalip Indian Tribe.

The Conservation Service Award to Judge Hughes recognizes his many years of devoted efforts, strong support, and activity participation in land and water resources conservation. Judge Hughes is chairman of the National Advisory Council, Bureau of Land Management, a member of the Colorado Water Conservation Board, and has been appointed by the Governor as a member of the committee to rewrite the Colorado Water Code.

"As a result of your efforts we have such projects as the Uncompahgre, the Colorado-Big Thompson, the Colorado River Storage and participating projects, and the Fryingpan-Arkansas," wrote Secretary Udall in a letter to Judge Hughes.

"Your contributions as a member of the local, State, and National advisory boards of the Bureau of Land Management have been important in the development of land management policies and programs."

Judge Sturrock was cited for his work over the past three decades in furthering water resource development and conservation on a State and national scope. "You recognized the necessity for a broad and coordinated approach to water resources problems and projects, and have shown rare vision in making plans for the future," Secretary Udall said.

"In the role of coordinator, catalyst, manager, and worker, you played a major part in developing a unified water plan for the State of Texas. Through key positions in the National Reclamation Association and as Director in the National Rivers and Harbors Congress, your role in connection with national water resources has been a most significant one."

In honoring Mr. Coe for his service in the interest of resource problems of the Pacific Northwest, Secretary Udall wrote, "As a private citizen, legislator, and State official you have distinguished yourself as an effective conservationist dedicated to an orderly and comprehensive resource development program."

"Your work on behalf of the Hanford Generating Plant, the Pacific Northwest-Pacific Southwest Interconnection, and optimum development of the Columbia River has brought significant benefits to your region and the Nation."

Work of the Theodore Roosevelt Association for more than 44 years in education and public service in the field of conservation was praised by Secretary Udall in his letter to Oscar S. Straus, president of the association. The association was instrumental in the reconstruction of the Theodore Roosevelt Birthplace Home in New York City and the preservation of Sagamore Hill at Oyster Bay, Long Island, both with valuable collections of Roosevelt memorabilia, furnishings, and books.

The association has perpetuated the ideas Theodore Roosevelt believed in and tried to embody in practice for the conservation of the Nation's natural resources. "In doing this," Secretary Udall said, "it has performed a valuable service in educating the public and influencing public opinion for an enlightened policy of conservation."

Presenting the Conservation Service Award to the Advisory Board on Wildlife Management, Secretary Udall hailed the board's report "Wildlife Management in the National Parks" as a contribution of national significance "which has materially strengthened the Department of the Interior's conservation program." At the request of the Department, the board reviewed wildlife policies and management programs of the National Park Service to determine their adequacy under constantly changing ecological conditions and land use patterns.

Comprising the board are Chairman Dr. A. Starker Leopold, associate director, Museum of Vertebrate Zoology, University of California; Dr. Ira N. Gabrielson, president, Wildlife Management Institute and a former Director of Fish and Wildlife Service; Dr. Clarence Cottam, chairman, board of trustees and executive committee of the National Parks Association, and director, Welder Wildlife Foundation, Sinton, Tex.; Thomas L. Kimball, executive director, National Wildlife Federation; and Dr. Stanley A. Cain, chairman, Department of Conservation, University of Michigan.

In their report, submitted March 4, 1963, the board members brought to bear a collective personal knowledge and professional judgment covering nearly all major parks and monuments in the entire national park system.

The board's report "has become widely recognized as a classic definition of departmental and National Park Service principles and policies relative not only to park wildlife but to the fundamental purposes, appropriate uses, and national and worldwide values of the national park system itself," Secretary Udall said.

In reviewing the conservation achievement of Mr. Gerber, Secretary Udall congratulated him for his ardent support of the Department's varied programs for resource management and cited his "distinct contribution to the programs of the Bureau of Land Management in its management and conservation of the Nation's land and natural resources."

Mr. Gerber has been a member of a Grazing District Advisory Board almost continuously since 1936. For many years a member of the State Advisory Board to the Bureau of Land Management, he is now chairman of that board and the Oregon cattle representative to the National Advisory Board Council for Public Land Management.

"You have rendered excellent service in connection with the Vale Project in Oregon, a major range rehabilitation program on 6.5 million acres of rangeland," said Secretary Udall. "You have continually worked at creating an atmosphere of good will between the Department and the users of the Federal range."

Secretary Udall presented the Conservation Service Award to Mr. Williams for his progressive "efforts and leadership in conservation of the fishery resources of the Pacific Northwest, particularly in waters on and adjacent to the Tulalip Indian Reservation."

Mr. Williams is a member of the Tulalip Tribes, Inc., of the Tulalip Reservation and was former business manager for the tribes' industrial programs.

"You have worked diligently with tribal leaders, and with Federal, State, county, and community leaders interested in the fishery program," Secretary Udall said. "Through your farsighted concern for the conservation of the fishery resources, you have encouraged and promoted close cooperation between tribal groups and the non-Indian communities in this important program."

TEXAS INDEPENDENCE DAY, MARCH 2

Mr. YARBOROUGH. Mr. President, today is Independence Day. Texas Independence Day. One hundred and twenty-eight years ago, 59 men, English speaking and Spanish speaking, born in Texas, in Mexico, in Canada, in all the British Isles, in Virginia and Pennsylvania, and in 9 other States of the American Union, all then residents of Texas, met in a blacksmith shop at Washington-on-the-Brazos River, and declared Texas independent from Mexico.

When the Texas Declaration of Independence was signed, Santa Anna with several thousand men held the Alamo in San Antonio under seige. Santa Anna had besieged the chapel-fortress since February 23; it was held by 186 brave men under the command of Colonels William B. Travis, James Bowie, and David Crockett, men born in Spanish and Mexican Texas, men born in the British Isles, men born in a dozen States of the American Union. Some were old veterans like Bowie Knife Creator James Bowie, or Frontiersman Davy Crockett. Some were mere boys, not yet 15 years of age. All fought to the death. There were no survivors in their battle for liberty, when the Alamo fell on March 6, 1836, just 4 days after independence was declared.

This Declaration of Independence was the first such declaration in the world to declare the failure of the government being opposed, to support a public system of education, as a cause for revolution. This the Texas patriots did in the following language:

> It has failed to establish any public system of education, although possessed of almost boundless resources (the public domain) and, although, it is an axiom, in political science, that unless a people are educated and enlightened it is idle to expect the continuance of civil liberty, or the capacity for self-government.

Mr. President, Texas established her independence by the valor of her people and by force of arms.

Sam Houston, commander of the victorious Texans at the Battle of San Jacinto, April 21, 1836, was born March 2, 1793. March 2 is a double holiday: It is Texas Independence Day and the birthday of the liberator, Sam Houston.

Mr. President, within 10 years of the Texas declaration, Texas was admitted as a State in the Union. As a consequence of that act, California, New Mexico, Nevada, Utah, Arizona, and portions of Colorado and Wyoming were acquired by the Union, and our flag was carried to the Pacific coast, our manifest destiny achieved.

Mr. President, our people have spanned the continent, our new frontiers of land were won on this continent long over a century ago, but the higher boundary, the greater frontier, called for in the Texas Declaration of Independence, has not yet been realized.

Full education of our children is an American dream, a Texas dream. This 88th Congress has passed five education bills to help make that dream come true. But there is much more to be done, on a State and National level. The cold war GI bill now on the Senate Calendar cries out for passage. Texas suffers in 35th place among the States in the education of our children.

Free public education for all children through junior college, now available in very few States in the Union, should now become a must for every State, and its opportunity open before every American child.

We can best serve the spirit of March 2, the spirit of 1836, the spirit of the Alamo, and the spirit of San Jacinto, by establishing such public systems of education as will meet the needs of the second half of the 20th century now.

This is the great goal, the unfinished task ahead of us, as it was in 1836. Let us move forward with this unfinished work.

ACTIVITIES OF NATIONAL COUNCIL OF CHURCHES IN SUPPORT OF CIVIL RIGHTS LEGISLATION

Mr. THURMOND. Mr. President, I have received in my office a copy of a letter written by Maj. Edgar C. Bundy, executive secretary of the Church League of America, in Wheaton, Ill., to Mr. Mortimer M. Caplin, U.S. Commissioner of Internal Revenue. In this letter Major Bundy raises a most valid question about activities of the National Council of Churches of Christ in the United States of America in behalf of the so-called civil rights legislation now pending in the Congress. As I understand our tax laws, Mr. President, these activities by the National Council of Churches are in violation of the tax-exempt privileges which have been granted to it. This letter and the attached letter from the National Council of Churches to executives of State Councils of Churches and other interested persons, dated February 5, 1964, clearly show that the National Council of Churches is engaging in political activity of a lobbying nature. The letter from the National Council of Churches further stresses the importance of placing pressures on the U.S. Senate, both in person and by mail, in order to try to railroad the strongest possible so-called civil rights legislation through the U.S. Senate.

I ask unanimous consent, Mr. President, that Major Bundy's letter to Mr. Caplin and the attached copy of the letter from the National Council of Churches in behalf of the so-called civil rights legislation be printed at this point in the CONGRESSIONAL RECORD, so that the Members of the U.S. Senate will have a better understanding of the types of pressures being used to railroad this legislation through the Senate—even in violation of the internal revenue laws of this country.

Mr. President, I am also calling these letters to the attention of the chairman of the House Ways and Means Committee and of the chairman of the Senate Finance Committee, for appropriate study and consideration.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEBRUARY 27, 1964.

Mr. MORTIMER M. CAPLIN,
U.S. Commissioner of Internal Revenue,
Washington, D.C.

DEAR MR. CAPLIN: I should like to call your attention to the enclosed photographic reproduction of a letter dated February 5, 1964, on the official letterhead of the National Council of Churches of Christ in the United States of America.

You will note that the executives of the National Council of Churches are openly lobbying for the passage of current proposed legislation now under consideration by the Congress, namely the so-called civil rights bill. Mention is made of a lobbyist, one James Hamilton, who is maintained by the National Council of Churches in Washington, D.C. for the purpose of "working on legislation." Furthermore, you will notice that the National Council of Churches is attempting to influence clergymen everywhere to support the particular legislation in question.

It is my understanding that the laws enacted by the Congress, under which an organization may possess and retain its tax-exempt status, forbid such organizations from engaging in any activities designed to influence the passage or defeat of legislation. If my understanding is correct, it is clear that the National Council of Churches has violated the tax laws in the present instance, at least. In view of this fact, I should like to ask you how the National Council of Churches is able to retain its tax-exempt status?

As executive secretary of the Church League of America, a tax exempt organization which has always scrupulously observed the requirements imposed by law, I should like to receive your official opinion as to:

(1) Whether or not the National Council of Churches has violated the tax laws in light of its self-disclosed activities as revealed by the letter of February 5, 1964; and

(2) Whether or not the Department of Internal Revenue will conduct an investigation into the apparent violations of the tax laws by the National Council of Churches.

Furthermore, I should like to know whether your Department will inform me of its final determination in this matter relative to the National Council of Churches.

I shall await your reply with great interest.

Very truly yours,
EDGAR C. BUNDY,
Executive Secretary.

NATIONAL COUNCIL OF THE
CHURCHES OF CHRIST,
New York, N.Y., February 5, 1964.

Executives of State Councils of Churches; Other Interested Persons.

DEAR FRIENDS: Congratulations to you and all of the people in your State whose support has made it possible for the civil rights bill to reach the floor of the House of Representatives.

There are now a number of things for us to do:

1. Ask those who have been working on the civil rights bill in your communities to watch the progress of the bill and be prepared to contact their Congressmen to support passage of a strong bill with FEPC and public accommodations. They can tell from the progress of the bill in the House whether a barrage of telegrams, telephone calls and even visits to their respective Congressmen may be useful.

2. Our own representative in Washington, James Hamilton, and others working on the legislation expect the Senate to be our major problem. A filibuster is likely. Watch the newspapers for any indication of when the bill will reach the Senate.

3. Be prepared, at the time the bill is announced to reach the Senate, to have delegations ready from your State to come to Washington in as large numbers as possible.

4. We plan round-the-clock church services in Washington at the time the bill comes to the floor of the Senate and during any filibuster which develops.

5. Will you send us a list of clergymen whom you know would be willing to serve as a kind of preaching mission in our church services in Washington at the time of the filibuster?

6. The moment the bill is announced to reach the Senate, a massive letter writing campaign will be necessary. Remind everyone that their letters, telephone calls, and visits have made the progress of the bill possible. Official Washington leaders have said to us that it is largely the church which has made the legislation move forward.

Congratulations again, for each person who wrote a letter, sent a message, or interviewed a Senator or Congressman truly is the church.

Whenever we do things in an orderly lawful fashion it encourages all people. Therefore, the legislation has more importance than the placing of a law on the statute books. The passage of such a bill indicates our belief that America can still accomplish things in an orderly fashion.

Please let us have your list of ministers as soon as possible. We hope you will also report any progress in the mobilization of the people of your State.

Cordially yours,
ROBERT W. SPIKE,
Executive Director.
ANNA ARNOLD HEDGEMAN,
Coordinator, Special Events.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton—and wheat—to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. THURMOND. Mr. President, the cotton program proposed by H.R. 6196 constitutes an attempt to deal with what it, to many of us, an old problem, which through continuing deterioration has become a deadly serious one. The dilemma of the cotton industry in the United States was both predictable and predicted, but it is no less a dilemma because of the fact that it required something less than clairvoyance to anticipate its occurrence.

U.S. grown cotton is rapidly becoming noncompetitive.

For 8 years now, domestic manufacturers have not been able to buy cotton at the price which foreign manufacturers could buy it. At the present time, the domestic manufacturers must pay about 8½ cents more per pound than do foreign manufacturers. According to the Department of Agriculture, the cost of cotton has averaged 55 percent of the selling price of manufactured cotton products. The results of the two-price system are twofold.

First. Imports of cotton products have increased from the equivalent of about 181,000 bales in 1955 to nearly 700,000 bales in 1963.

Second. Since the last quarter of 1960, cotton has suffered a direct competitive loss to synthetic fibers of almost 2 million bales.

This is a problem of the entire cotton industry, from the producer to the broker who sells the manufactured product. It is by no means a problem of the manufacturer only, for the manufacturer can shift his production to synthetics, as he is increasingly doing. It is a problem for the cotton industry in its entirety.

The public also has a large stake in this program. There can be no question of the fact that the more noncompetitive cotton becomes, the greater the amount which will end up in Government storage, and the higher will be the cost of the cotton program to the Government. Despite a cut in the national acreage allotment of more than 2 million acres, annual storage and handling charges on Government cotton have increased during the last 2 years from $25 million to about $75 million. As taxpayers, the public has a big stake in the solution of this problem.

The public also has a stake in the problem as consumers. According to a recent study correlating the price of raw cotton and the price of cotton cloth, changes in the price of one was almost invariably reflected by proportionate changes in the other. Thus the premium above the world market price paid by domestic manufacturers for raw cotton is ultimately paid by the consumer, and the elimination of the two-price system would accrue primarily into the pocketbook of the consumer.

The elimination of the two-price system for cotton has repeatedly been recommended in this body. In the 2d session of the 85th Congress, the Senate passed Senate Resolution 287, which authorized an investigation of the factors bearing on the plight of the domestic textile industry. Pursuant to this resolution, a very thorough investigation was conducted by a special subcommittee of the Senate Commerce Committee. Numerous hearings were held both in Washington and at various other points in the country. In its report to the Senate filed on February 4, 1959, the subcommittee recommended:

> We recommend immediate elimination of the two-price system on cotton which adds to the competitive disadvantage of the cotton textile industry vis-a-vis foreign producers of cotton textiles who use American grown cotton to manufacture textile products sold in our markets. If it is not feasible to eliminate the two-price system on cotton immediately, we recommend that tariffs on imported cotton products be increased by an amount equal to the difference in cost between foreign produced and domestically produced cotton products resulting from the two-price cotton system. If the two-price system is to be eliminated gradually, as is envisaged under legislation now in effect, we recommend that tariffs be increased immediately to compensate for differences in cost resulting from the two-price cotton system, and that these additions to the tariff be scaled down as the price differential to foreign and domestic purchasers of American cotton is reduced or eliminated.

This same subcommittee has each year reviewed the history of the textile industry and has kept the Senate advised as to the situation in supplemental reports. For instance, in its report to the Senate on March 14, 1961, the subcommittee stated:

> We are encouraged to see that the Department of Agriculture is currently examining possible alternatives to the present price support program for cotton which has resulted in a two-price system penalizing American cotton manufacturers. We recommended that this investigation be completed as rapidly as possible with a view to the elimination of the two-price system. If this system is to be eliminated gradually, we recommend that tariffs and/or fees be increased immediately to compensate for differences in cost resulting from the present two-price system, and that these tariffs be scaled down as the price differential to foreign and domestic purchasers of American cotton is reduced or eliminated.

In April 1962, the subcommittee reported to the Senate that under the President's seven-point program on textiles:

> The Department of Agriculture was directed to explore and make recommendations to eliminate or offset the cost to U.S. mills of the adverse differential in raw cotton costs between domestic and foreign textile producers.

The explorations of the Agricultural Department resulted in absolutely nothing, however, and in its report of July 18, 1963, the Textile Subcommittee recognized that Congress would have to take action in the matter. The subcommittee reported:

> We agree fully with President Kennedy that the inequity of the two-price system of cotton costs remains as a unique burden upon the American textile industry, for which a solution must be found in the near future.
>
> This peculiar anomaly resulting from our agricultural price support program must be eliminated. This is a matter which can be corrected by legislative action, and it is our sincere hope that an agreement can be reached in the House and the Senate which will remove this intolerable competitive disadvantage before the end of the present session of Congress.

As is quite clear from the excerpts from the reports which I have quoted, the Textile Subcommittee has repeatedly urged that the situation be remedied by the imposition of an import equalization fee. This the various administrations have refused to do. Indeed, the negotiation of the long-term cotton textile agreement in Geneva has apparently precluded the possibility of obtaining the imposition of an important equalization fee.

The domestic subsidy is, therefore, apparently the last and only alternative available by which we can permit the U.S. manufacturers to purchase cotton at the world market price. If this step is not taken by the Congress, the mills will have no alternative but to switch to the manufacture of synthetics.

This they have already demonstrated their capability to do. I personally know of many instances in which manufacturers which have traditionally been exclusive producers of cotton products have experimented with running synthetic fibers on the machinery heretofore used exclusively for manufacturing cotton. Their experiments have been successful. There is not the slightest doubt in my mind that if legislation to make cotton available to them at the world market price is not forthcoming, they will have no alternative but ultimately to cease manufacturing cotton products.

In my opinion, the choice before this body today is whether we will continue to have a cotton industry on anything like the scale it now exists. However much each of us might prefer a different approach, the bill before us presents the only one which is possible of attainment and which will effectively deal with the dilemma.

This bill will permit the U.S. manufacturers to buy cotton at the world market price, and thus remain in the business of producing cotton products.

It will provide a continuing market for domestically produced cotton which will otherwise surely end up in Government storage at great cost to the taxpayer.

It will give the producers, both large and small, a chance to grow cotton profitably, while permitting a test of the ability of U.S. farmers to compete in the world market without any supports.

The bill also provides for the first time an authorization of a substantial sum, $10 million, for research toward the reduction of the cost of producing cotton. This is where the ultimate solution to the entire cotton program lies. There is no reason why such problems as the boll weevil cannot be entirely eliminated if sufficient effort is devoted to that end. Other reductions in cost of production can also be accomplished.

In the interim, I do not believe there is any other way to keep the cotton industry alive than is provided in this bill. I urge that the Senate pass the cotton program in H.R. 6196 as it was reported by the committee.

AMENDMENTS

Mr. HUMPHREY. Mr. President, I send to the desk an amendment to the cotton and wheat bill (H.R. 6196) to provide for national food and fiber reserves.

The PRESIDING OFFICER. The amendment will be received and printed.

Mr. HUMPHREY. I also send to the desk an amendment relating to the operations of the Commodity Credit Corporation, and in particular the matter of giving priority to private channels and facilities of trade in the Commodity Credit program of storage marketing operations, and the use of Government-owned storage facilities only if privately owned storage facilities are not adequate, and in such manner as not to displace or compete with privately owned facilities.

I ask unanimous consent that the text of the two amendments be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be received and printed. Without objection, the two amendments submitted by the Senator from Minnesota will be printed at this point in the RECORD.

The amendments are as follows:

AMENDMENT 448

Amendment to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes

At the end of the bill add the following new title:

"TITLE III—ESTABLISHMENT OF COMMISSION

"SEC. 301. This title may be cited as the 'Commission on United States Food and Fiber Policy Act.'

"SEC. 302. (a) There is hereby established a bipartisan commission to be known as the Commission on United States Food and Fiber Policy (hereinafter referred to as the 'Commission').

"(b) The Commission shall be composed of twenty-five members appointed by the President as follows:

"(1) Five to be appointed from persons engaged in farming;

"(2) Five to be appointed from persons engaged in the marketing of farm commodities or products;

"(3) Five to be appointed from persons engaged in the processing of farm commodities;

"(4) Five to be appointed from the general public; and

"(5) Five to be appointed from the Federal Government.

"(c) Vacancies in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

"(d) The President shall designate one of the members of the Commission to serve as Chairman.

"(e) Thirteen members of the Commission shall constitute a quorum.

"Compensation of members of the Commission

"SEC. 303. (a) Members of the Commission appointed from the Federal Government shall serve without compensation in addition to that received for their services as officers or employees of the Federal Government, but they shall be reimbursed by the Commission for travel and, in lieu of subsistence, a per diem allowance in the amount authorized under the Travel Expenses Act of 1949, as amended, for Federal employees.

"(b) Each member of the Commission appointed from private life shall, whenever the President determines such action necessary or appropriate, receive compensation for each day on which the member is engaged in the performance of duties of the Commission for travel and, in lieu of subsistence, a per diem allowance in the amount authorized under the Travel Expenses Act of 1949, as amended, for Federal employees.

"Staff of the Commission

"SEC. 304 (a) The Commission may appoint and fix the compensation of such personnel as it deems advisable in accordance with the provisions of the civil service laws and the Classification Act of 1949.

"(b) The Commission may procure, without regard to the civil service laws and the classification laws, temporary and intermittent services to the same extent as authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810; 5 U.S.C. 55a), but at rates not to exceed $75 per diem for individuals.

"Duties of the Commission

"SEC. 305. (a) The Commission shall make a comprehensive study and investigation of any and all matters which relate to the food and fiber policies of the United States and of the direct and indirect effect of such policies on all segments of our society. In carrying out such study and investigation the Commission shall give special consideration to—

"(1) the import and export policies and practices of foreign nations with respect to food and fiber and the effect of those policies on the United States;

"(2) the various systems used by this Nation for marketing of agricultural commodities and products;

"(3) the effectiveness of our present policies in the use of food internationally, and how such policies might be improved;

"(4) the problems of rural poverty in the United States;

"(5) the strategic reserve policies of the United States;

"(6) the cost of and the benefits derived from the various food and fiber programs of this Nation; and

"(7) the method of extending and expanding Public Law 480 without injuring commercial markets.

"(b) The Commission shall submit to the President, not more than eighteen months after the date of enactment of this act, a report of its findings and recommendations with respect to the food and fiber policies of the United States. The Commission shall cease to exist thirty days after the submission of its report.

"Expenses of the Commission

"SEC. 306. There are hereby authorized to be appropriated to the Commission, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act."

AMENDMENT 450

Insert in the proper place:

"SEC. —. Subject to any other statutory provisions which apply to the Secretary and Commodity Credit Corporation in carrying out their activities and responsibilities, it is the sense of Congress that in carrying out price support and other programs of the Department, the Secretary and Commodity Credit Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and with the efficient and effective conduct of its operations, give priority to private channels and facilities of trade in its storage and marketing operations and use Government-owned storage facilities only where privately owned storage facilities are not adequate and in such manner as will not displace or compete with privately owned facilities."

THE THIRD ANNIVERSARY OF THE PEACE CORPS

Mr. HUMPHREY. Mr. President, yesterday, March 1, 1964, was the Peace Corps' third birthday. On March 1, 1961, President Kennedy signed an Executive order which established the Peace Corps on a temporary pilot basis. The President took this action so that the Congress would have available to it a source of information and experience to aid it in considering the merits of the Peace Corps bill which was transmitted a few weeks later.

During the last 3 years the Congress has enacted much legislation of great importance, both to this Nation and to the free world.

I do not now say that of these many acts the Peace Corps Act was the most important. But even now, if someone pressed me, I would readily concede that 25 or 50 years from now history may well have proved that it was.

And even now I must confess to a special feeling of pride and achievement whenever my thoughts turn to the Peace Corps. To think even for a moment in the course of a busy day of our Peace Corps volunteers, now 7,500 strong including those in training, working in 45 countries to help them to meet critical needs for trained manpower and to promote mutual understanding, warms my heart and lifts my spirits.

There is much concrete evidence of the achievements of the Peace Corps during the last 3 years.

You may recall, Mr. President, that when the Peace Corps was established, there was little doubt that the less developed countries overseas needed the kind of trained manpower skills Peace Corps volunteers could provide. But there was much doubt, not only overseas but right here in this country, as to whether or not young American men and women could live and work effectively overseas under living conditions which were a far cry from what they were used to here in the United States. People at home and abroad wondered if young Americans had gotten too soft. People openly spoke of the so-called silent generation.

The past 3 years have laid these doubts to rest.

The demand for Peace Corps volunteers from abroad far exceeds the number the Peace Corps has chosen to try to supply. There could be no better evidence of the value foreign countries place on the Peace Corps.

Americans in ever increasing numbers are volunteering for Peace Corps service. During each of the last 3 months the number of applications for Peace Corps service has set a new record: 4,812 applications were received in December, 5,037 in January and the astounding number of 5,634 in February.

During the last 3 months, almost as many Americans applied for Peace Corps service as did in the whole of fiscal year 1962, the Peace Corps' first full year of operations.

Despite the demand from overseas for more volunteers and the mounting number of applications for Peace Corps service, the Peace Corps under the able leadership of Sargent Shriver continues to grow at a rate which strikes exactly the right balance between confidence and conservatism. This year's Peace Corps authorizing bill, which was reported without objection by the Committee on Foreign Relations last Thursday, and which was approved by the Senate today, actually calls for a somewhat smaller rate of input of new volunteers next year than is planned with the funds available for this year.

With applications for Peace Corps service reaching alltime highs, this means that the Peace Corps will be able to apply even more rigorous selection standards than it has in the past.

By this I do not in any way mean to suggest that the quality of Peace Corps volunteers now is not excellent. When Sargent Shriver testified before the Foreign Relations Committee last week, he pointed out in response to a question from the chairman, my friend the Senator from Arkansas, that only 4.5 percent of the volunteers who have been assigned to service overseas had failed to complete their full term of service because of inability to adjust or similar reasons. This, all experts agree, is a truly phenomenal record. It testifies to the skill of the Peace Corps staff, both here and overseas. But above all it testifies to the quality and dedication of those Americans who have volunteered for Peace Corps service.

The volunteers have also more than justified the hopes of those of us who believe in the long-term contribution that humanitarian, nonpolitical, people-to-people programs can make to the success of the foreign policy of the United States. The volunteers have been able to continue on the job—enjoying the respect and affection of the people whom they serve—in Peru, the Dominican Republic, Honduras, and, most recently, Panama, notwithstanding the fact that diplomatic relations between the United States and these countries have been or are now interrupted.

I believe that this record amply demonstrates the wisdom of the amendment to the Foreign Aid Act which Senator KEATING and I sponsored last year. That amendment made it clear that Aid Act provisions requiring the termination of aid should not require termination of the Peace Corps or other people-to-people programs such as the Fulbright program and certain food-for-peace activities.

On any birthday, it is as appropriate to peer into the future as to review accomplishments of the past.

The Peace Corps obviously enjoys the full and affectionate support of President Johnson. Both in his speech to the Congress after President Kennedy's death and in his state of the Union message he singled out the Peace Corps for special praise.

Certainly, regard for the Peace Corps both overseas and in the United States has never been higher.

This kind of support cannot but auger well for the Peace Corps' future.

What remains to be done? Much tribute has been paid to the extraordinary ability, enthusiasm and administrative skill of Sargent Shriver and the Peace Corps staff he has assembled. Now that the Peace Corp has established itself it is even more important for it to continue to value highly the imagination, intelligence and "get it done" vitality which has animated the Peace Corps during its infancy and youth. To preserve these qualities for the long pull is in many ways a greater challenge to the staff and to the volunteers than was the creation and early development of the Peace Corps.

These efforts should not be confined to improving the Peace Corps' selection, training, programing and administration. A whole new area is deserving of the serious attention of the Peace Corps' staff. In his special message to the Congress of March 1, 1961, President Kennedy said:

> The benefits of the Peace Corps will not be limited to the countries in which it serves. Our own young men and women will be enriched by the experience of living and working in foreign lands. They will have acquired new skills and experience which will aid them in their future careers and add to our own country's supply of trained personnel and teachers. They will return better able to assume the responsibilities of American citizenship and with greater understanding of our global responsibilities.

To date slightly more than 700 volunteers have returned from overseas after completing two years of Peace Corps service. Many of them are continuing their education. Many have found employment in the Foreign Service, the AID, USIA, and other Federal agencies which can put to good use their special talents and experience.

But this is just the beginning. This year about 3,000 volunteers will return and next year about 3500.

Last year, the Congress authorized the Peace Corps to undertake programs to insure that the skills and experience which former Peace Corps volunteers desire from our investment in their training and service abroad are best utilized in the national interest.

But this is not a job which should be left to the Peace Corps. Nor is it one which should be the primary responsibility of the Federal Government.

It should be a concern of every American in and out of public service to see what can be done to help fulfill the third purpose of the Peace Corps Act—that of promoting a better understanding of the peoples of other countries on the part of the people of the United States—by making good use of the services of former Peace Corps volunteers.

Right here in the Nation's Capital we have a shining example of what local initiative combined with former Peace Corps volunteers can do. I refer to the project at Cardoza High School which has received so much attention.

If that and similar projects could multiply throughout the land, we would have taken yet another step towards fulfillment of the goals John Fitzgerald Kennedy set for the Peace Corps, goals which under the leadership of President Johnson we will continue to strive to achieve.

Happy birthday, Peace Corps. May you have many more.

PRESIDENT JOHNSON'S TELEVISED PRESS CONFERENCE

Mr. HUMPHREY. Mr. President, before we conclude today's business, I want to comment briefly on President Johnson's live television press conference of last Saturday. The President did a remarkably good job. He was frank and he was candid. He answered those questions of public policy that needed sincere, frank, and detailed answers.

President Johnson's style and his manner are those that give the American people confidence in the President of the United States. I saw the press conference and in the evening news telecasts I was able to see portions of it again. I cannot help but feel that millions of Americans must have been reassured by the demeanor and the manner of their President. He was a big man in every way. He exemplified confidence and knowledge of the subject matter to which his attention was directed.

He was poised and he was calm. His words were expressed in measured tones.

He did a fine job, and I was pleased to see in the Washington Evening Star of today the editorial entitled "Johnson Meets the Press." This editorial commends President Johnson. It would be wrong to attempt to compare President Johnson with our late beloved President Kennedy, because they are men of different personalities, both extremely able and each with a style and manner of his own. It does no good to try to compare one man with another in these instances. I am just proud to say that the American people have been very, very fortunate first to have had the late President Kennedy give us such remarkable direction, guidance, and inspiration in every one of his actions, words, and deeds, and now to have this strong, good, courageous, friendly man who presently occupies the position of President of the United States, who talks sense to the American people, and talks very straight to the world.

The Washington Star editorial stated:

> In short, while the Johnson press conference did not sparkle, it was informative, and that's what press conferences really are for.

I might add that press conferences not only are for the press; they are for the people. Let it never be forgotten in this great city of Washington, where we always are under the public eye and public scrutiny, that the action of every one of us should be measured not by the way we impress the commentator or reporter or editor or program director, but by what we do to bring more confidence on the part of the American people in government and in the policies of this Government and in this great democratic system.

President Johnson's every word and every action command respect from the American people and give them a feeling of strength with justice.

I wanted to say these few words in behalf of our President, not that anyone encouraged me to do so, but only because I liked what I saw and felt better.

Mr. President, I ask unanimous consent to have printed at this point in the Record the editorial from today's Washington Star, to which I referred earlier, entitled "Johnson Meets Press."

I also ask unanimous consent to have printed at this point in the Record an article from today's Washington Star by David Lawrence concerning President Johnson's televised press conference.

There being no objection, the editorial and article were ordered to be printed in the Record, as follows:

[From the Washington (D.C.) Star, Mar. 2, 1964]

JOHNSON MEETS PRESS

It was inevitable that President Johnson's first live press conference would be measured against the sessions conducted by John F. Kennedy. And in all candor it must be said that that "certain something" which was the hallmark of a Kennedy conference was missing when Mr. Johnson met the press.

Nevertheless, we thought that President Johnson handled himself very well. He talked without trying to answer the silly questions. Those he didn't want to answer were neatly turned aside. And when direct responses were forthcoming, they were clear and to the point.

Take the case of Panama. When asked whether he saw any hope of reaching an agreement, the President began by firmly directing attention to the fact that it was the Panamanians who "marched on our zone." Then he reviewed his efforts to establish useful contact with the authorities in Panama, and even indicated that some "adjustment" in the 1903 treaty might be needed. He also made it perfectly clear, however, that the United States is not going to discuss this question under pressure of threats or on Panama's terms.

He put it this way: "But we are not going to make any precommitments before we sit down on what we are going to do in the way of rewriting new treaties with a nation we do not have diplomatic relations with. Once those relations are restored, we will be glad, as I said the first day, and as we have repeated every day since, to discuss anything, any time, anywhere, and do what is just and what is fair and what is right."

This lays it on the line. It lets Panama and the people of this country know what to expect. In short, while the Johnson press conference didn't sparkle, it was informative—and that's what press conferences really are for.

[From the Washington (D.C.) Star, Mar. 2, 1964]

JOHNSON JUST RIGHT IN TV ROLE—PRESS CONFERENCE OBSERVER SEES AN EARNEST AND DIGNIFIED PRESIDENT

(By David Lawrence)

President Johnson handled himself just right in his press conference the other day—the first to be shared simultaneously with a television and radio audience.

There are theatrical temptations and political dangers in appearing before a mass of listeners over nationwide networks. Mr. Johnson didn't try to be a Bob Hope or a Jack Benny or to use the applause-getting methods of any other TV star, but presented himself simply as an earnest, dignified President of the United States.

In choosing not to be a showman he may not have won the "Beatle"-minded, but he probably earned the respect of mature citizens. The sharp and witty innuendoes of political combat, moreover, were omitted, as this device sometimes alienates as many as it attracts.

The President's answers were clearly expressed, and he was both tactful and diplomatic in avoiding the pitfalls of extemporaneous comment which have embarrassed some of his predecessors.

Mr. Johnson appeared a changed man from the days when he was majority leader of the Senate or Vice President. He showed the weight of his responsibility. He was calm and restrained and was exceedingly careful to choose every word he spoke.

Take, for instance, the President's way of dealing with the Panama problem. He said he was willing to discuss anything, any time, anywhere, and to make adjustments when diplomatic relations with the Panamanian government have been restored, but he made it clear that this country would not make any precommitments.

This plainly means that the decision whether to agree to a revision of the existing treaty with Panama will not be made before but after the whole subject has been explored in conferences between the two Governments.

On domestic politics, Mr. Johnson was equally restrained and chose his words carefully. He preferred, for example, not to involve himself in the techniques of a court trial and said merely that he wouldn't comment on the "Bobby Baker case" until the hearings have been concluded and the Senate committee has made its report.

Beseeched for an educated guess as to who his Republican opponent in the presidential race might be, Mr. Johnson quietly replied that he himself hadn't been nominated as yet and that these were matters for the conventions to decide.

But when asked about the public accommodations section of the civil rights bill, Mr. Johnson didn't hesitate to state unequivocally that he stands behind the bill as it passed the House. He denied that he had promised to compromise on this or any other section. But, of course, this doesn't preclude the Senate and House conferees from making compromises while assuming that the President will have to go along anyway if it's the best thing that can be done to assure final passage.

Asked about his first 100 days in the Presidency which last Saturday completed, Mr. Johnson said he had as Vice President sat in on 35 meetings of the National Security Council, including the Cuban-missile crisis, and that he had been reasonably close to the operations of the Presidential Office in the last 30 years, but that he had derived many different impressions now from "this awesome responsibility."

Whether the topic was the political or military strategy to be pursued in the Vietnam muddle or the requested amplification of his recent remarks in Los Angeles in which he referred to the "dangerous game" being played by the "aggressors" in southeast Asia, the President was as cautious as any career diplomat in his selection of words.

Mr. Johnson didn't care to say now whether he will engage in a TV debate with the opposing presidential candidate next autumn. He said merely he will "cross that bridge" when he comes to it. This leaves him with plenty of opportunity to decide either way, depending on the circumstances existing at campaign time.

Lyndon Johnson has learned in his 30 years of experience on Capitol Hill that it's never wise in politics to make a superfluous statement or to issue one long before it is actually necessary. On the whole, Mr. Johnson's demeanor at his TV conference with the press, if continued, will give an image to the public of a hard-working, cautious, and sincere man whose mistakes, when they occur, will not seem to be due so much to a lack of conscientious effort as to the turns of fate in a topsy-turvy world.

RECESS TO 11 A.M. TOMORROW

Mr. HUMPHREY. Mr. President, in accordance with the previous order, I now move that the Senate stand in recess until 11 o'clock a.m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 26 minutes p.m.), under the previous order, the Senate recessed until tomorrow, Tuesday, March 3, 1964, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate March 2 (legislative day of February 26), 1964:

DEPARTMENT OF STATE

William P. Bundy, of Maryland, to be an Assistant Secretary of State, vice Roger Hilsman, Jr., resigned.

DEPARTMENT OF DEFENSE

John T. McNaughton, of Massachusetts, to be an Assistant Secretary of Defense, vice William P. Bundy.

Daniel M. Luevano, of California, to be Assistant Secretary of the Army, vice Paul R. Ignatius.

IN THE NAVY

Having designated, under the provisions of title 10, United States Code, section 5231, Rear Adm. Joseph M. Lyle, Supply Corps, U.S. Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominate him for appointment to the grade of vice admiral while so serving.

EXTENSIONS OF REMARKS

Poll of Constituents

EXTENSION OF REMARKS
OF
HON. CHARLES E. BENNETT
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Monday, March 2, 1964

Mr. BENNETT of Florida. Mr. Speaker, I have just completed a poll in the Second Congressional District of Florida, and I take this opportunity to include the results in the CONGRESSIONAL RECORD. This five-question poll was mailed to some 20,000 residents of Duval County, Fla., which comprises my congressional district, and it received wide publicity through the various media, for which I am extremely grateful.

The results of the poll:

1. Should Government expenditures be cut to offset proposed tax cut? Yes, 88 percent; no, 12 percent.
2. Should the pending civil rights bill be enacted? Yes, 18 percent; no, 82 percent.
3. Should there be a domestic "Peace Corps" in the United States? Yes, 32 percent; no, 68 percent.
4. Should the Panama Canal be turned over to the U.N.? Yes, 8 percent; no, 92 percent.
5. Should Red China be recognized by the United States? Yes, 9 percent; no, 91 percent.

Children Have a Potential

EXTENSION OF REMARKS
OF
HON. ROBERT R. BARRY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, March 2, 1964

Mr. BARRY. Mr. Speaker, as Members of the Congress we must all have an abiding concern with respect to the health and welfare of our armed services. I would like to call to the attention of the Congress a very noteworthy endeavor of the Air Force Aid Society program CHAP—Children Have a Potential—benefiting the handicapped children of Air Force personnel. About 9 million children in the United States under 21 are physically and mentally handicapped. At least 100,000 of these handicapped are children of Air Force personnel. Unfortunately, many service families do not have the financial means to care for retarded children. CHAP offers financial assistance in the important medical research for greater enlightenment and treatment of their afflictions as well as to carry out a specialized education program.

The program is administered at base level by the Family Services Advisory Council. The Family Service Committee, with the aid of both Air Force medical personnel and voluntary civilian doctors, have been making a careful survey of the problem. The Air Force Aid Society does not propose to relieve a family of the responsibility of caring for a handicapped child. But, in addition to a firm medical program, they do propose to assist in educating the child by either sending him to a school for the handicapped or establishing such a school if the number of children on a base warrants it. In this education endeavor alone, since 1962, CHAP has assisted 663 children at the cost of $121,307.

In addition, through the Henry H. Arnold Educational Fund, the Aid Society furnishes scholarship aid for Air

Force children, whose parents would not otherwise be able to send them to college. In the academic year 1962–63, 570 scholarships were awarded. This year approximately 800 children are benefiting from the program, at the cost of $227,218 in grants and $198,906 in loans.

On the 10th of February, the First Annual Air Force Ball was held in New York City to benefit this very worthwhile Air Force Aid Society—CHAP—program. Due to tremendous personal effort in behalf of the committee members, united interest of leaders of commerce, industry, publishing, banking, the communications industry, and patriotic organizations, the ball was a great financial success. This action and others similar to it appeal to everyone with a heart and conscience, and deserve the attention of the Members of Congress to point out whenever possible the great need for concern with respect to the health and welfare of the handicapped children of our armed services personnel.

Save Your Vision Week

EXTENSION OF REMARKS

OF

HON. BYRON G. ROGERS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 2, 1964

Mr. ROGERS of Colorado. Mr. Speaker, today is the opening of "Save Your Vision Week," as proclaimed by the President. The importance of good vision to our economy and to our daily life is such that I feel that some mention of this annual event should be made in this Chamber in which so many decisions are made which affect our Nation.

Since 1927, "Save Your Vision Week" has been a part of this Nation's many public-benefit campaigns. Since that time, the Governors of every State and mayors of thousands of municipalities have issued proclamations urging the observance of "Save Your Vision Week" during the first week of March. More than 1,300 radio stations and 325 television stations will begin broadcasting messages on vision care today.

We have built this country on our ability to mass produce and market goods and services. The need to see comfortably and efficiently is an integral part of the production line. Poor vision, improper safety measures, and poor lighting combine to endanger not only the eyesight and lives of employees, but to impair the efficiency of industry. Eye accidents occur at the rate of 2 per minute every working day in American industry. An estimated $20 million is lost each year to industry from accidents alone.

The tragedy is that 98 percent of all eye injuries could be prevented with proper safety precautions, proper illumination, and regular vision examinations for employees. The U.S. Department of Labor, in a study from 1951–55, proved that a good safety campaign among Federal employees reduced disabilities due to vision injuries by 40 percent.

We face a challenging future today. My colleagues are well aware of the unlimited frontiers of space exploration. An expanding population and economy pose tremendous challenges to planners, architects, government, and business. We have broadened educational opportunities for our children, and the need for trained, qualified graduates in art, science, industry, and the professions has never been greater.

Congress is concerned with the problem of dropouts in our school system. City and State authorities are struggling to overcome the corresponding problems of juvenile delinquency and increased unemployment. Here, too, vision is an important factor.

Research shows millions of children repeat one or more years' work because they are unable to visually keep pace with their classmates. Studies by the University of Chicago reveal one out of two children who fail reading need vision care.

Our mounting traffic toll is of great concern to all public officials. Yet one out of every six drivers is visually handicapped and does not know it. The automobile he drives, built by the labor and imagination of industry, can be a vehicle which rushes him to destruction or injury simply because the driver lacks the ability to see danger in sufficient time to stop.

All Americans should recognize their responsibility to safeguard this precious gift of sight and to utilize it to the greatest ability science can enable them.

The American Optometric Association in past years has supported this campaign to stimulate interest in preventive and protective eye care. Since vision is so important to our country and to our people, I believe it is appropriate for Congress to recognize the opening day of this event and to urge all professions to support its public service principle.

The Los Angeles Industrial Fair and Congress

EXTENSION OF REMARKS

OF

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 2, 1964

Mr. CORMAN. Mr. Speaker, on March 4, 5, and 6, 1964, the Los Angeles Chamber of Commerce is sponsoring the first Los Angeles Industrial Fair and Congress. More than 25,000 businessmen and industrialists from the Western United States are expected to attend this unique 3-day conference. The theme of the event will be the problems and opportunities of growth in southern California.

Sessions of the congress will focus on what business leaders can do to contribute to the orderly and mature growth of the southern California industrial community, management's responsibilities to higher education, industrial modernization and other topics.

The fair will exhibit many new consumer products which have been derived from space and defense research and development programs. Industrial products, equipment, and services will be shown along with action displays and demonstrations. The winning entries in the industrial design competition will also be exhibited.

I commend Mr. Oscar T. Lawler, president of the Los Angeles Chamber of Commerce, Mr. Knox Bourne, chairman of executive committee of the Industrial Fair and Congress and the many others who have worked so hard to make this event a success. Their efforts are an important contribution to the progress and prosperity of Los Angeles and southern California.

Robin Hood War on Poverty

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, March 2, 1964

Mr. PELLY. Mr. Speaker, the Association of Washington Industries is disseminating a compilation of the National Industrial Council which discloses among other facts that there are 13 Federal Government civilian employees for each 1,000 of the 190 million Americans. The suggestion made was that there be less Government spending and more Government economy in order to make the recent tax cut meaningful.

Of course, Mr. Speaker, in addition to the 2.5 million Federal Government payroll there are others who contribute to the cost of Government. All in all, 30 million people, or almost 150 persons of each 1,000 Americans receive regular direct checks from the Federal Government, and millions more get side benefits or are employed in programs in which the Government has a dominant financial hand.

For example, the Armed Forces total 2.7 million which is 14 persons for every 1,000 Americans. Also, there are 6.8 million people on relief which represents more than 35 persons out of every 1,000 Americans. There are 13 million people who are recipients of farm program benefits and there are 8.4 million persons getting Government surplus foods.

These statistics, it is true, indicate the cause of the evergrowing size and cost of the Federal Government. There are now only 5 non-Government workers for every one Government worker. However, in the face of President Johnson's unconditional war on poverty in America the answer to cutting down on the Federal payroll in reality is stopping new programs. I refer to programs that have never been acted on by Congress and other requests of the President for new programs. In the President's plan to conquer poverty billions of dollars and thousands of new Federal employees are involved.

As for poverty, experience proves it will increase if the line is not held on

Federal spending because on the heels of the recent $11 billion tax cut there is a very serious danger of a loss in buying power of wages and also pensions, social security payments and everything of value that is payable in dollars.

President Johnson said on January 15 to some senior citizens, "We are going to try to take all of the money that we think is unnecessarily being spent and take it from the 'haves' and give it to the 'have nots' that need it so much."

I do not think that is the proper answer to poverty anymore than Robin Hood had the solution in his day. One danger of fighting poverty is inflation. Prosperity can never be created by Federal deficit spending. Instead it will create more poverty than we presently have if a policy of increased Government spending is not stopped.

Is the war on poverty what is intended? Or are we in a battle of winning an election next November? Robin Hood was popular with the people, but he never raised their standard of living.

Washington Report

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 2, 1964

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the Record, I include the following newsletter of February 29, 1964:

Washington Report

(By Congressman Bruce Alger, Fifth District, Texas)

PRESENT FOREIGN POLICY IS DANGEROUS; THE INEVITABLE RESULT IS DISASTER FOR OUR COUNTRY, BUT THE PEOPLE CAN FORCE A CHANGE

A casual check of the news of the day makes it clear that American prestige has never been lower. The world picture is not pleasant. The indecision of the administration in developing foreign policy is creating worldwide confusion and rising anti-Americanism. Here is what is happening around the world and the inevitable conclusion if we continue the present course:

1. Africa is close to a continentwide explosion with country after country in revolt, spurred on by the Communists. In Zanzibar a Castro Communist-trained agent openly led the revolt, U.S. representatives were kicked out, and then we recognized the new regime. The State Department could see nothing wrong in giving respectability to a Communist-oriented government and emphasized that it did not consider the ousting of the third secretary of the U.S. Embassy an expulsion from Zanzibar and said that it would not interfere in the recognition preparations that were well advanced at that point. The State Department does not consider Zanzibar to be Communist influenced in spite of the ties of its leaders to Castro's Cuba and that it has now been named a "peoples' republic," the official designation of all Communist countries. Such an attitude can only result in making Zanzibar the Cuba of Africa which will serve as a staging area for Communist subversion and aggression to bring about a takeover of the Congo and the rest of Africa.

2. Indonesia, which owes its existence to our help and generosity, is thumbing its nose at us and defying us to prevent its conquest of Malaysia. Unless we take a strong stand isn't it reasonable to suppose that Sukarno will overrun Indonesia and set the stage for the loss to the Communists of all of the Far East, including the Philippines?

3. Cambodia: A country on which we literally forced U.S. aid, is now swinging to the Communist camp and is likely to sign a pact with Red China and become a Communist Chinese satellite.

4. Laos: We forced a Communist-dominated coalition government upon it. The Red takeover there is now almost complete.

5. Thailand: Formerly a solid pro-Western ally. Our indecisive policy and our courting of the Soviet Union is slowly swinging it to the Communists.

6. Vietnam: A keypoint in the tragedy of failures in foreign policy. 15,000 American boys are fighting there and many of them have died. There is strong rumor that Vietnam will be abandoned after the November election, and if that happens the Communists will take over and the Americans who gave their lives in Vietnam will have died in vain.

7. Pakistan: Once one of our firmest allies in Asia. It is now lining up with Red China because of our flirtation with India with every likelihood that Pakistan and Communist China will soon sign a mutual security pact and the free world will have lost another ally.

8. India: In spite of the billions we have given India, it still sides more often with the Soviet Union when the chips are down in choosing between the free world and the Communist line.

9. Red China: We see all the signs that the American people are being softened up to accept the admission of Red China to the U.N. and the recognition of the Communists by the United States. This will mean the abandonment of free China on the island of Formosa under the subterfuge of adopting the principle of two Chinas and the eventual loss to the Communists of the whole area.

10. Algeria: We gave stature and prestige to its pro-Communist ruler, Ben Bella. Now he leans more and more to the Soviet Union and could be instrumental in enveloping the larger part of North Africa and making the Mediterranean a Communist sea. In this same area, Libya, which owes us its very existence, has served notice it will not renew its treaty with us for airbases.

11. Cyprus: We have already agreed to turn the Cyprus question over to the U.N. where Soviet Russia will probably dictate the settlement. It will be to her advantage to foment the civil war, create hostilities between Greece and Turkey, both our allies, and eventually to give Russia what she has always wanted, control of the Black Sea.

THE WESTERN HEMISPHERE

South America is tottering. There is every evidence that we are being prepared for: (1) The internationalization of the Panama Canal under control of the U.N. giving veto power over its use to the Soviet Union. (2) Recognition of Castro with resumption of trade and diplomatic relations. The United States is hardly in a position to prevent other countries from trading with the Communists in the face of our own sale of wheat to the Soviets. Recognition of Castro will set the stage for a complete takeover in British Guiana, Venezuela, Brazil, Chile, Bolivia, and the rest of the hemisphere.

This will complete the Communist's primary goal—encirclement of the United States, making us powerless to resist any ultimatum handed to us by Khrushchev. After that, mopping up the rest of the world to complete Communist domination will be easy. Australia and New Zealand, isolated on the underside of the world, will be peanuts for them. We are already being prepared for the recognition of Hungary and East Germany. England and France, blissfully unaware of the true face of the Communist conspiracy, cannot stand without a strong America.

Is this a frightening picture? It is meant to be. It is the future we can look forward to if we continue to follow our present course. Need it happen? No. The United States still has the means and the power to regain the leadership of the free world. All that is lacking is the will. A change in our foreign policy will make the difference. We can strengthen the determination of our allies by taking a firm stand against Soviet Russian imperialism. Freedom will be on the march again when we stop appeasing the Communists, when we stop financing the Communists, when we take bold steps to rid this hemisphere of Castro and communism. Will we do it? Not under the course the present leadership is following. But I have faith in the American people. I believe they resent using foreign relations to win elections. I am confident we will not face the tragic conclusions outlined above because when the people have all the facts they will force a change in policy before it is too late.

Depressed Cattle Prices and Their Effect

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 2, 1964

Mr. JENSEN. Mr. Speaker, under leave to extend my own remarks in the Record, I include my release of February 28, along with a letter to me from Arthur Deist, of Audubon, Iowa, and one from Mr. Delmar Goos, president of the Board of Education of the Carson-Macedonia Schools, expressing their concern and the widespread effect of depressed cattle prices.

My release and letters follow:

Washington.—Congressman Ben F. Jensen, of Iowa, said today that cattle feeders and Congress are taking the bull by the horns.

Jensen said: "We are now fully convinced that the President, the State Department, and the Tariff Commission have agreed to do little or nothing to head off the flood of price depressing meat imports."

"There are many more consumers than cattle feeders," Jensen said.

On February 25, 26 and 27, 17 House Members introduced identical bills, which provide for a 50-percent reduction of the average imports of all meats, canned, processed, and live, during the past 5 years. These Members are: Bray and Roudebush, of Indiana; Jensen, Kyl, Hoeven, and Gross, of Iowa; Laird, Schadeberg, and Van Pelt, of Wisconsin; McLoskey, of Illinois; Quillen, of Tennessee; Weaver, of Pennsylvania; Beermann, of Nebraska; Berry, of South Dakota; Don Clausen, of California; Hall, of Missouri, and Harrison, of Wyoming.

Jensen reported that thousands of cattle feeders of the Midwest will meet at KMA Radio Station at Shenandoah, Iowa, at 10 a.m., March 2, to determine such action as is necessary to ward off further financial ruin.

Beef Producers of Audubon,
Audubon, Iowa.

Dear Congressman Ben F. Jensen: Have been listening to news on radio and I and beef producers of Audubon County are very happy to hear the stand you have taken on imports of meat and poultry and eggs on your bill up for legislation. Please don't take "No" for an answer from our "hogwash" fellows who run the imports. They had better wake up before our country goes broke. How can we live without anything to do in our own country? If we would keep out beef and meat we could give more jobs and we could feed up more of our own grain in our own cattle. It would help in two ways, corn and meat. Do we have to look out for every country besides our own and let our meat producers go to the wall head first? If we don't get action soon we will come with force. We will not be fooled. Thanks again, Ben. We will depend on you as we have in the past.

Yours truly,

Arthur Deist.

Carson, Iowa,
February 28, 1964.

Mr. Ben Jensen,
House of Representatives,
Washington, D.C.

Dear Mr. Jensen: As president of the Board of Education of the Carson-Macedonia Community School District, I feel it is my obligation to write you in regard to the cattle feeder's plight in our area.

This not only is a financial blow to our farm community in regard to personal income, but we will be unable to meet the challenge of educating our children to meet the future problems of the world.

If it is true that only a small percent of beef is being imported, why is U.S. beef ignored at the markets? Small percentages sometimes make large differences.

Being taxed to the hilt seems a poor way to build a stable economy when the farmer's income is cut ot the bone. Why spend millions of tax dollars on the economy of other countries when our own economy is in danger? It doesn't seem reasonable to import meat with the excess we have, then turn around and pay grain storage fees for excess grain which could be used to fatten our own beef. For every head of imported beef we have 70 to 80 bushels of excess corn stored.

I don't believe cattle feeders want or expect legislation in the form of subsidies, for that is just money out of our own pockets and is no cure at all. What we do want understood is that the United States cattle feeder cannot compete against foreign beef with the price picture what it is in the United States today. Especially when they cannot compete if retail stores feature foreign beef the American public knows nothing about.

We have always felt you have done an able job for the people of southwest Iowa and we will continue to support you. I felt you should hear from us for we need a good farm economy to continue raising educational levels. I hope you will find it possible to enact some legislation to support the minority group farmers now find themselves in.

Very truly yours,

Delmar Goos.

Address by the Honorable Luther H. Hodges Before North Carolina Junior Chamber of Commerce

EXTENSION OF REMARKS
OF
HON. BASIL L. WHITENER
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Monday, March 2, 1964

Mr. WHITENER. Mr. Speaker, Hon. Luther H. Hodges, our distinguished Secretary of Commerce, delivered a splendid address Saturday night, February 29, 1964, at a dinner given by the North Carolina Junior Chamber of Commerce at Gastonia, N.C., honoring three outstanding young men in North Carolina.

I was privileged to attend the dinner and hear Secretary Hodges speak. It is my feeling that the Members of the House will find his address most interesting, and under previous consent I insert it in the Record:

Address by Secretary of Commerce Luther H. Hodges, Prepared for Delivery to the North Carolina Junior Chamber of Commerce, Gaston County YMCA, Gastonia, N.C., 8 p.m., Saturday, February 29, 1964

It is a pleasure to be able to join the North Carolina Jaycees in honoring these three outstanding young Tar Heels. To each of them, I extend my warmest congratulations.

We need more of these dynamic young leaders in North Carolina and in the Nation. I hope all of the members of your junior chambers of commerce throughout the State will be inspired by their examples of personal achievement and community service. I hope this banquet will imbue your organization and your membership with a new determination to make the most of the challenges that are facing us at every level of our social, economic, and political life. I would like to discuss briefly one of these national problems.

President Lyndon Johnson, in his state of the Union message declaring war on poverty, said:

"Poverty is a national problem, requiring improved national organization and support. But this attack, to be effective, must also be organized at the State and local level and supported by State and local efforts."

The problem of poverty in the United States, in one sense, is unlike the poverty problem of the world. In the first place, what is considered poverty here would be looked upon as relative affluence in many parts of the world.

But this does not make it any less painful and demoralizing to be poor in America. On the contrary, it is much easier to bear poverty when everyone else is poor. It is less degrading and less frustrating than to live in a wealthy society and be unable to give your family a decent living—by the standards of the society they know.

There is no denying some of the harsher facts of the poverty that exists in our country.

There is real privation in a family with six or more children trying to live on less than $2,000 a year. That's less than $39 a week with which to feed, clothe, house, educate, pay the doctor bills, and do all the necessary things for six or more growing children. And, right now, there are more than 1 million American children living in such families.

These youngsters are deprived of the opportunity to live an American childhood, and they are very likely to grow up lacking both the skills and the motivation to earn more than $39 a week for their own children. Much of the poverty that remains in this affluent society of ours is self-perpetuating poverty.

These 1 million youngsters are among the 35 million Americans who live in families receiving less than $3,000 a year or live alone on less than $1,500 a year. Altogether, there are more than 11 million children living in the 9 million poor families.

The choice of these income figures to define poverty is necessarily somewhat arbitrary. It ignores nonmoney income, such as the food grown on a farm or in a family garden. It is also a fact that it costs less to live in rural North Carolina, for example, than in a big city, such as Chicago.

But there is no doubt that the really poor in our society must be numbered by the tens of millions. The Bureau of the Census in the Commerce Department is the world's greatest authority on population statistics, and one of the Bureau's experts has calculated how many people have so little income that they can qualify for welfare assistance under the laws of the State where they live. By this minimum yardstick, nearly 24 million Americans are poor.

In our city slums, in our rural sharecropper shacks, in the camps of migrant workers, on our Indian reservations, around long-closed mine shafts, there is real privation, frustration, and degradation. There is disease and delinquency and crime. There is poverty that is real and painful and seemingly hopeless.

Yet, unlike most of the world, the United States has the resources to provide a decent standard of living for all of its people.

Never before in human history has a nation been capable of generating the enormous amounts of wealth we can now produce in the United States. In the last 3 months of 1963, our total production of goods and services reached the almost incredible rate of $600 billion a year. This is an increase of $100 billion from the level 3 years earlier. It is an addition to our gross national product equal to twice the gross national product of Japan.

Seventy million Americans had jobs last year, and average earnings in manufacturing rose for the first time above $100 a week.

Corporate profits also set alltime records—totaling $52 billion before taxes and $27 billion after taxes. And the after-tax rate for earnings at the end of the year was more than 50 percent above the recession low 3 years earlier.

Perhaps the best measure of our Nation's well-being—per capita personal income—set a new mark last year. By the end of 1963 it had climbed to an annual rate of $2,500—or about $300 more per American than in the early months of 1961.

Nineteen sixty-three was the best year in history for most Americans, and 1964 is going to be even better. The largest Federal income tax cut in our history will, in a few days, begin to pour $800 million a month into consumers' pockets, as an immediate result of the reduction in tax withholding. And, when the full $11½ billion tax reduction comes into effect, it will add, year after year, an estimated $35 to $40 billion more gross national product, $25 to $30 billion more consumption, and $5 to $7 billion more in business profits. I witnessed the signing of this tax bill in the White House on Wednesday last and it was an historic occasion.

We have a country which can afford to begin the final assault on poverty and inequality of opportunity among its people. We have the productive capacity, and with the tax cut we should move rapidly toward a full employment economy. But, as we move to this new, high ground in our economic history, we find that the problem of America's poor is not fundamentally unlike the poverty problem in other countries.

It is estimated that $11 billion more income each year would raise all of our poverty-stricken families out of that category. This is not a large sum in our economy. Last year the personal income of the American people totaled $463 billion.

But an $11 billion dole, which we could easily afford as a nation, would not solve our U.S. poverty problem—any more than doles would solve the problem of poverty in India or other underdeveloped countries.

The fundamental problem of the underdeveloped countries is to develop the productive capacities of their people; it's a problem of human resource development.

This has been illustrated in Japan, which has always had very meager natural resources and which saw much of its industry destroyed in World War II. Yet the Japanese have been able to rebuild their country and increase their national wealth by an amazing 10 percent a year, because they are a well educated and highly motivated people. Most of them have the skills demanded by a modern industrial society and they are willing to work hard to build a better life for themselves and their children.

Our problem is not essentially different. If we are to break the cycle of poverty in which millions of Americans are trapped, we must help them and their children—especially the children—develop their individual capacities to do work which will earn them decent livelihoods.

There are those, of course, who cannot be helped to become productive members of society. Some are too old, and their most urgent need is for assistance in paying their hospital and medical bills.

Others are totally disabled or mentally incompetent. And these can be helped only with sympathetic care and support—in their families and in their communities, utilizing whatever public and private resources are necessary.

But many of our older citizens want to work and can do useful work. Their mental health as well as their slim pocketbooks require more opportunities for part-time and full-time work.

And there are millions who suffer from some physical or mental handicap who need not be barred from productive employment, forced to accept public or private charity, and denied their personal dignity and sense of individual worth. With proper rehabilitation and training they can earn their way.

There are even more Americans whose poverty is due not to age or to physical impairment:

Farmers whose eroded soil and mule and plow have no place in today's highly mechanized agriculture.

Miners whose picks and shovels have been replaced by powerful cutting and digging machines.

Women who cannot work because there is no place to leave their small children while they are on the job.

Negroes who lack adequate education and training, or if they have the education, are barred by discrimination from jobs that pay decent wages.

These are some of the elements of this national problem—and national disgrace—of poverty amid the riches of America.

But, as the President has pointed out, there can be no exclusively national solution to this problem. The attack must be carried out in our local communities, in virtually every community and State in the Nation.

For southerners the local responsibilities are especially heavy. Our region has nearly half of the Nation's poor.

Our southern Negro citizens have not been able to realize their full productive potential. We have tended to small farms and low-skilled industries. And our educational effort has not been adequate to the needs of an industrial society.

Here in North Carolina, according to the last census, two-fifths of our families fall in the poverty category, rather than the one-fifth that is the national average.

Forty percent of North Carolina's 1 million families earned less than $3,000 in 1959, the income year covered by the 1960 census. About 150,000 of these were Negro families and 250,000 of them were white. And, of the quarter of a million North Carolinians who live alone, 60 percent had incomes of less than $1,500.

For nearly one out of every four North Carolina families counted in the 1960 census, the family income was less than $2,000 a year. That means nearly a quarter of a million tar heel families whose earnings averaged less than $39 a week.

Western North Carolina is part of the great Appalachian region, which contains many prosperous communities, but which is essentially a large underdeveloped country of some 16 million people. In this area, illiteracy runs up to 30 percent of the population of some counties. For the area as a whole, 1½ million in the 9 million persons over 25 are unable to read and write.

What's more important today, however, is not the number of people who cannot read and write, but the number of people who can, yet are "functionally illiterate." These are the people whose elementary language skills are so inadequate that they are unable, for example, to pass the mental qualification examinations of the selective service program.

No one would contend that fully one-third of our North Carolina young men are mentally deficient. Yet in 1962, 34.1 percent of them failed the Selective Service's mental qualification test.

This is a reflection, not upon the inherent ability of our people, but upon the quality of the education we have been giving our youth.

We ranked 43d among the States with our 34.1 percent failing to pass the mental qualification test. Virginia was ahead of us, with 29.9 percent rejected. South Carolina was at the bottom of the list with 51.8 percent rejected.

Contrast these figures with 2.7 percent rejected in Minnesota and 4.6 percent in Nebraska.

Yet North Carolina's State government ranks third in the Nation in the percentage of its revenue devoted to education. In Nebraska, the State pays only 6 percent of its total public school costs. In North Carolina, the State pays 70 percent.

I think this suggests that we must do a better job of arousing support for our public schools at the local level. Our people must realize that even greater sacrifices must be made if we are to develop North Carolina's human resources to the fullest; if all of the youth of the State is to have an education adequate to our times.

The large number of young men failing the selective service tests points up the possibility of doing something about their deficiencies at the point of detection. Instead of sending these young men home to stumble ill-prepared through life, perhaps we should put them in special training programs through the military services or some other public organization.

If we continue to accept the existence of large numbers of young men who are not qualified to help defend their country, we saddle ourselves with large numbers of men who will be of little value to our economy, or to themselves, in our modern technological society.

The State of North Carolina is pioneering in the development of new approaches to these difficult educational and social problems that breed poverty and hold back the development of the State. Governor Sanford's work in establishing the North Carolina Fund, which is mobilizing private grants for special education projects, is a very exciting development. So is his effort to help North Carolinians work together to provide equal job opportunities for our Negro citizens.

The present strength of our economy and the bright outlook for the future sets the stage for what could be a new economic and social era for the American people. We can now begin with determination the long overdue rescue effort on that one-fifth of our American families still living in relative poverty.

We have the wealth, we have the talent, and we have the opportunity to move ahead with a realistic program to wipe out poverty in the United States. All we need is the determination to do it. All we need is enough people willing to take the leadership in this realization of the American dream.

I'd like to challenge you here tonight to help out in our social and educational problems—at the local, State, or national levels—wherever you can best serve.

Each of you is properly ambitious. Each of you wants to make a success, and most of you will, I fervently hope. But position and money will mean little to you in the long run unless in your hearts you know that you have served others as individuals or groups—unless you have served your community or your government.

Jaycees are made up of a marvelous lot of folks like you and the future of this great State and this great country are assured if you mix a little sentiment and charity and public service with your work.

By your active participation in the Jaycees, you have marked yourselves as potential community leaders. It is up to you to take hold of these difficult problems and, working with others in your communities, give of the best of yourselves for your fellow men and your country.

These are exciting times in which to live. We have probably never faced more problems, but I am sure we have never had greater potential for solving them.

Our greatest resource is young people like you. If you face up to the challenges before you, there is nothing America need fear, nothing America cannot do to set an example for the world of freedom, justice, and prosperity for all.

Thank you.

A Challenging Year for the Railroads

EXTENSION OF REMARKS

OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, March 2, 1964

Mr. WILLIAMS. Mr. Speaker, the distinguished chairman of the House Committee on Interstate and Foreign Commerce, Representative OREN HARRIS, has written an illuminating article which appeared in the January-February issue of Progressive Railroading published in Chicago under the direction of Phil Murphy.

Entitled "1964—A Challenging and Promising Year for the Railroads," the article is particularly timely. I commend it to my colleagues, as follows:

Nineteen Hundred and Sixty-four—A Challenging and Promising Year for the Railroads

(By U.S. Representative OREN HARRIS, Democrat, of Arkansas)

The senseless, savage assassination of President John F. Kennedy has catapulted Lyndon Baines Johnson into the post of Chief Executive at a crucial period in our Nation's history, posing many questions among businessmen who had been planning forward confidently for 1964.

Characteristically, President Johnson has moved swiftly and surely to make the moves that would assuage, insofar as possible, the economic impact of the national disaster which robbed the Nation of a popular leader on November 22. The new President's moves have done much to remove doubts in the business community. It detracts not one whit from the memory of J.F.K. to note that there was only a slight hesitation in the economy, as a result of the monstrous act. Rather, it is a tribute to the leadership and astuteness of his successor.

In the few hurried weeks he has held office, President Johnson, with whom I served in the House of Representatives for some years, has proved again the great wisdom of our Founding Fathers. If ever we have seen the value of having an able and experienced standby as Vice President, in case of emergency, certainly we have experienced it in the capable manner in which Lyndon Johnson has held the reins of Government since the tragedy struck.

Already, businessmen in general and perhaps most of them, have come to feel that, in President Johnson, there is a man in the Chief Executive's office who will carry on toward the economic goals of his predecessor, and will even press forward to attain higher goals in the future. And we know—from his past training and career, as well as his spoken assurances—that President Johnson always will act in the context of our finely balanced system of separation of powers. He will respect Congress and congressional prerogatives. Nevertheless, this will not prevent the White House and Capitol Hill from cooperating on projects, plans, and policies that will result in the continued growth of the economy and redound to the glory of our country.

BUSINESS WILL CONTINUE TO GO FORWARD IN 1964

What may be the results, in 1964, from the standpoint of the overall economy, the transportation industry generally, and railroads in particular?

While I have no private crystal ball, I do have the opportunity, as chairman of an important congressional committee, to get the views of the experts in many fields, both as they testify before committees and as they brief Congressmen in private sessions.

Any prediction I might seem to make really is not a prediction. It is what the economists and statisticians call a projection. This is merely an assumption that, given approximately the same factors, there will be a continued extension of present economic, commercial, transport, and other developments. A projection is based on a study of what has happened and what is happening in the economy and an analysis of what probably will happen as a result of present developments. It takes past and present history into account and extends that into the immediate future. A projection is based on what is known of human nature, too. None of the projections takes into account what might happen in case of a great natural catastrophe, the terrible unleashing of H-bomb war, or other possibilities which may not appear to be probabilities. But we must base our lives on probabilities.

Looking at what has happened in the economy in 1963, and in preceding years, and basing our projections on an extension of the same factors, we can assume, I believe, that the new year will see continued upward movement in the economy.

During 1963, gross national product, which is the sum total of all goods and services produced by everyone at work, has moved up steadily, if not spectacularly. By the end of the third quarter, gross national product, as measured on an annual basis, was $31 billion higher than it was during the last quarter of 1962. It is past the $585 billion a year rate now, and gives every indication of hitting the $600 billion a year rate some time this spring.

Also during 1963, as in 1962, total personal income has gone up during every month. This is the statistical measurement which gives us the total money paid to everyone in the society (wages, salaries, dividends, insurance claims, pension and annuity payments, etc.). In the last month of 1963, the personal income figure, on an annual basis, stood at the highest total in the Nation's history. As noted, there was steady growth all during 1962, and 1963, and even 1961, for that matter.

One result of the high personal income, and more people at work than ever before in U.S. history, has been recordbreaking sales at retail. The sales have hit close to the $250 billion a year mark during several months of 1963, and economists believe that the year's total will be some 6 percent over the 1962 total.

While consumers, as such, have been showing great optimism about their future in this Nation, businessmen have been just as forward looking. Capital spending went up to record highs in 1963. All the surveys of capital spending intentions indicate that businessmen are projecting a 3- to 5-percent increase in capital spending in 1964.

When we consider the fact that, during our entire recorded economic history, we never have experienced a depression or a recession while capital spending was trending upward, we may well come to the conclusion, that in spite of many problems in 1964, there will be continued prosperity and continued economic growth.

It seems obvious that, given the same conditions that have existed and perhaps even adding the probability of a $11.2 billion tax cut, total personal income in the United States will go up measurably in 1964. And given the same incentives, and perhaps an even more favorable economic climate, it is possible that capital spending will go higher than is projected.

Besides higher retail sales, higher personal income means many things in the U.S. economy. It means more travel. It means a greater movement of mail and goods and the need for more services in every field.

NATION IN A PERIOD FILLED WITH CHALLENGES

It seems evident to me that, barring any disastrous and unforeseeable development, the Nation stands this new year on the threshold of a period filled with challenges and promises.

The challenges, of course, are all around us. President Johnson wisely, in my judgment, has put the great emphasis on human needs, emphasizing the fact that we must find more jobs for the unemployed and must work to see that, out of our abundance, everyone obtains minimum needs as to food, clothing, and housing. The problems and challenges are both individual and social, which includes legislative and administrative work on the part of Federal officials.

In our system—the free enterprise system which has proved to be so flexible, resilient, and rewarding for the greatest number of people—we face the constant challenge of seeing to it that even while the economy changes and grows, neither individuals nor groups inside the vast economy are not penalized unfairly.

This is no easy task for our legislators, our national leaders, or for those who labor in any of the fields which touch the lives of our people. The vast changes that have taken place, and will be taking place, as a result of a constantly expanding population, a veritable whirlwind of new industrial and mechanical developments (which we call automation), and changes in the viewpoint of millions of our people—all these demand study, new approaches, new regulations and new laws, and constantly new agonizing appraisals.

As we know, during the lifetime of a mature man, the aviation industry has grown from an infant in swaddling clothes into a transportation giant. The movement of goods by barge, encouraged by the government (and I mean, local, State and Federal governments) likewise has increased phenomenally in the past four decades. The trucking industry has grown with startling rapidity.

Meantime, the railroads—which only a few decades ago represented virtually our sole means of personal and industrial common carriage—have had to adjust to the changing competitive picture. It is a tribute to rail management and labor that the adjustments have been made and that our vast rail system still is intact, and showing remarkable vitality, in spite of the great changes represented by the growth of competitive carriers.

The development of "piggyback" has been only one of a number of innovations that has enabled the railroads to show vitality in the competitive struggle. Use of larger boxcars, containerization, and other innovations also show the managerial resiliency of those who have led us toward greater heights of achievements in the transportation field.

THE LAW MUST SPONSOR PROGRESS

As I pointed out in a speech (in October), at the American Railway Progress Exposition, the law of itself has not brought the progress discernible in the field of communication and transportation. Progress in raising our standard of living is through research, invention, development and production, for no law invented the telephone, the radio, the diesel, or any of countless industrial techniques which serve our people so well.

Yet, there must be law that will permit or sponsor such progress, and guide it for the benefit of all our people.

The law, in and of itself, may not bring progress. But archaic laws certainly can impede progress. This is why we in Congress have been taking a long, hard look at some of the laws which may not be in accord with a modern approach to our transportation system, and its problems.

In April 1963 the late President John F. Kennedy strove to document what he termed basic deficiencies in our transportation regulatory system. He called on Congress—in an historic message on transportation—to take steps which he outlined. These were designed to change laws so that more progress and more competition might result in and among our various transportation segments—rail, highway, air and water.

I introduced in the House two bills which had been prepared by the Secretary of Commerce to carry out a substantial portion of the President's recommendations. We on the committee held hearings on these two bills during the months before the close of the 87th Congress, and began anew last January, when the 1st session of the 88th Congress convened. I introduced substantially the same two bills again in the 88th Congress.

During most of 1963, we held hearings on these measures. We had begun "marking up" specific legislation when various developments, including the President's tragic death, intervened.

I believe that we can get back to consideration of the salient features of this legislation in the second session. Many people have asked about President Johnson's views on the transportation proposals of his predecessor. Insofar as I know, he is as wedded to these ideas as was John F. Kennedy and will speak for them on the proper occasions in the future. In general, as we know, President Johnson has embraced the Kennedy economic programs and, in fact, has gone beyond them in some respects. While I cannot say that his accession to high office will "speed up" our committee's consideration of these important proposals, I can declare, on the other hand, that the new President certainly has no desire to slow down our considerations.

President Johnson—as was President Kennedy—is well aware of the legislative prerogatives and understands that on issues that affect many industries and many consumers and people generally, Congress must move only after great deliberation. I can give assurance that I have wanted to go into the many problems connected with the progress of our transportation system, in all its phases and facets. I have been particularly interested from the standpoint of the general public interest, for I believe it is to the benefit of the country that we have privately owned means of transport and that these various privately owned systems compete vigorously, on terms as fairly as Congress can legislate and the Interstate Commerce Commission can regulate, so that all the people will be served. The alternative, as I have noted before, is nationalization. This is not an alternative I or most other Americans desire.

COMPETITION IN TRANSPORTATION MUST BE DEVELOPED

I have expressed myself clearly before that I feel we have not yet adequately tackled this problem of really developing competition among our several modes of transportation to our great advantage as a nation. Regulatory agency heads told our committee that, as to minimum rate legislation, we should place everyone involved under their jurisdiction. They recommend that we have more regulation, rather than deregulating, where possible, and depend on competition.

I couldn't believe then, and I can't now, that those who have been unregulated in the past, including the farmers, and bulk commodity operators, would sit by and allow themselves to be brought under regulation. Our committee some years ago refused to bring the poultry industry under regulation, since it would have completely rearranged that industry. Since then, the industry has developed rapidly, and, according to the Department of Agriculture, poultry is more economically available to the U.S. public today, in relation to other edible meats and foods, than it was when Congress refused to bring the industry under regulation.

I do not believe in regulation just for regulation's sake. If the shipping interests and the public can be protected, and if equality of treatment of the various modes of transportation can be provided with less regulation, then I believe the way for us to move is indicated plainly.

I have been strongly impressed by the assurances of railroad presidents, before our committee, that if given the chance, through passage of the minimum rate legislation, they will make a determined effort to give every inland town the rate advantages now enjoyed by waterway ports, in many bulk commodities. I believe that other legislators have been influenced by these assurances.

I believe that a successful start will be made in the House of Representatives on these problems in this new year. In my judgment it will result in a bigger and better year for all forms of transportation, and for the people as a whole.

There is little question in my mind but that 1964 will be a prosperous year of steady economic growth. I feel sure that the railroads, which have shown flexibility and resilience, will meet the challenges ahead and will make even greater progress in 1964 than in 1963, in many diverse directions. The year that is ending has been an extremely good year for the railroads, everything considered, and management wisely is making plans to build on the firm foundation of general economic prosperity. We in Congress will be striving to do our best for all the modes of transportation, and for all our people, in the context of our free enterprise system.

SENATE

TUESDAY, MARCH 3, 1964

(Legislative day of Wednesday, February 26, 1964)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

God of all grace: Thou hast taught us that in quietness and in confidence shall be our strength.

In bitter and baffling days, when the earth is full of the thunder of awakening peoples emerging from the darkness of ignorance and the serfdom of exploitation, give us, we beseech Thee, a courage that never fails and a faith that never wavers. Make us the kind of persons Thou canst trust as the instruments and channels of Thy saving grace.

Help us to heal the open sores of the world which hate, selfishness, and misunderstanding have inflicted on the bleeding body of our common humanity. For all who in these days freighted with destiny administer the stewardship of the Nation's strength and service, we pray for divine guidance. Grant us this day, and in all the days of difficult decisions to come, light to guide us, courage to sustain us, and love to unite us.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, March 2, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF SECRETARY OF HEALTH, EDUCATION, AND WELFARE—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 237)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Finance:

To the Congress of the United States:

I am sending you a copy of the report of the Secretary of Health, Education, and Welfare, dealing with the matter of State agency responsibility for the placement and foster care of dependent children. This is in accordance with section 155 of the Public Welfare Amendments of 1962, as amended.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *March 3, 1964.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 1561) to amend the Federal Employees Health Benefits Act of 1959, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 7533) for the relief of Demetrios Dousopoulos.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 5964. An act to provide for the inclusion of Hopkins County, Tex., within the Paris division of the eastern district for the U.S. district courts in Texas; and

H.R. 6920. An act to amend section 715 of title 38, United States Code, to authorize, under certain conditions, the issuance of total disability income provisions for inclusion in national service life insurance policies to provide coverage to age 65.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 721. An act to amend section 124 of title 28, United States Code, to transfer Austin, Fort Bend, and Wharton Counties from the Galveston division to the Houston division of the southern district of Texas; and

H.R. 9640. An act to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated.

H.R. 5964. An act to provide for the inclusion of Hopkins County, Tex., within the Paris division of the eastern district for the U.S. district courts in Texas; to the Committee on the Judiciary.

H.R. 6920. An act to amend section 715 of title 38, United States Code, to authorize, under certain conditions, the issuance of total disability income provisions for inclusion in national service life insurance policies to provide coverage to age 65; to the Committee on Finance.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Elbert G. Mathews, of California, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Federal Republic of Nigeria;

Walter M. Kotschnig, of Maryland, to be the representative of the United States of America to the 19th plenary session of the Economic Commission for Europe of the Economic and Social Council of the United Nations;

Kenneth T. Young, of New York, to be the representative of the United States of America to the 20th session of the Economic Commission for Asia and the Far East of the Economic and Social Council of the United Nations; and

William P. Bundy, of Maryland, to be an Assistant Secretary of State.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

U.S. COAST GUARD

The Chief Clerk proceeded to read sundry nominations in the Coast Guard.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed en bloc.

COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

On motion of Mr. MANSFIELD, the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee on Interior and Insular Affairs, the Committee on Post Office and Civil Service, and the Committee on Rules and Administration be permitted to sit during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. HRUSKA. Mr. President, reserving the right to object, I thought there was some sort of understanding on the subject prior to now.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska reserves the right to object.

Is there objection? The Chair hears none, and it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, and as was announced on yesterday, it is not contemplated that there will be a morning hour today. But before I ask that the unfinished business be laid before the Senate, I wish to make a statement.

Yesterday, Senators requesting information on the day's program were advised by the leadership that there was every expectation that votes would be taken on amendments to the wheat-cotton bill.

By late afternoon, yesterday, circumstances beyond the control of the leadership became apparent, and made it clear that the expectation would not be realized. As soon as the leadership was apprised of the situation, it advised Senators accordingly.

A most important bill is before the Senate. It would be my hope and my expectation today, again, that votes will be taken on amendments to the farm bill. The Ellender amendment will be the pending question. It is the intention of the leadership to have today's session continue until a rather late hour this evening, and to have the Senate continue to work on the bill throughout the week, if necessary. The Senate will convene at 10 a.m. tomorrow; and, depending on developments, including a conference with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], the Senate will convene at an early hour during the remainder of this week. The possibility of a Saturday session is not precluded.

The leadership regrets that no votes were taken on amendments yesterday. It also regrets any inconvenience which may have been caused to Senators who were informed of the leadership's expectation—and in perfectly good faith—that votes would be taken yesterday, and adjusted their personal schedules accordingly. But the fact is that although the leadership proposes in connection with these matters, the Senate disposes.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

Mr. MANSFIELD. Mr. President, I ask that the unfinished business be laid before the Senate.

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the Ellender amendment, as modified.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TIBOR HORCSIK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily set aside, and that the Senate proceed to the consideration of Calendar No. 878, the bill H.R. 4085.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 4085) for the relief of Tibor Horcsik.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the Ellender amendment.

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. DIRKSEN. As I understand, the so-called Ellender substitute for the title of the bill pertaining to cotton is now the pending question before the Senate.

The ACTING PRESIDENT pro tempore. The Ellender amendment, as modified, is the pending question.

Mr. DIRKSEN. Has the Ellender amendment, as modified, been offered as an amendment or in the nature of a substitute?

The ACTING PRESIDENT pro tempore. It is an amendment to the committee substitute.

Mr. DIRKSEN. Mr. President, it is my further understanding that the committee amendment has not been agreed to, nor has a request been made to have it agreed to.

The ACTING PRESIDENT pro tempore. The committee amendment is a complete substitute for the entire bill. It is open to amendment as original text for purposes of amendment.

Mr. DIRKSEN. Then the Ellender amendment now pending is an amendment in the first degree?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. DIRKSEN. So if a substitute for that amendment were offered, that amendment or substitute would be in order.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. DIRKSEN. I believe I ought to advise my distinguished friend, the Senator from Louisiana that the Senator from Texas [Mr. TOWER] has a substitute which he proposes to offer to the Senator's amendment.

Mr. ELLENDER. I heard about it.

Mr. DIRKSEN. I merely wished to be sure that under the rule pertaining to amendments in the third degree the Senator's amendment would not be out of order when he offers it.

The ACTING PRESIDENT pro tempore. The Senator is correct. The amendment would be in order under the present parliamentary situation.

Mr. YOUNG of Ohio. Mr. President, notwithstanding the rule of germaneness, I ask unanimous consent that I may speak briefly.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LETTER FROM WIFE OF SERVICEMAN IN VIETNAM

Mr. YOUNG of Ohio. Mr. President, Senators always like to receive letters from their constituents. It helps us in our endeavors to be good public servants, to have the benefit of the views and advice of the people whom we represent. During the more than 5 years that I have been privileged to be a Member of this body, I have received very few letters from citizens that have so impressed me as did a letter which I received today and to which I shall advert and ask to have printed in the RECORD. I feel that the American people are entitled to know the truth regarding South Vietnam and what we are doing there. It appears to me that this letter makes a real contribution to that subject. It begins as follows:

Hon. STEPHEN M. YOUNG,
U.S. Senate, Washington, D.C.

DEAR SIR: I was warned not to write this letter if I valued my husband's career. I do know that military careers have been ruined by letters from wives. I do not understand how this happens, whether the Senator has taken offense, or whether he has turned over the letter to someone else who has taken action. Whatever the reason, or however it happens, I think it is deplorable and should not be allowed in a democratic government. At any rate, I could not believe that you, sir, would permit such a thing. I have the utmost confidence in your integrity, otherwise I certainly should not write. But I am sure you would receive more letters from military families if they could be assured that it would not endanger their careers.

Mr. President, it will be noted that I have in my hand the letter in its entirety, but I have deleted the name of the lady, who is a university graduate from my State.

I have no personal complaints at all. I am living in Saigon. I came here at my own expense and I am living at my own expense while my husband is stationed—

And she tells his rank and where he is stationed. The letter continues:

We both agreed on a year's assignment in Vietnam. So my husband volunteered to come here. This was our way of "paying rent," as Mr. GOLDWATER would put it, for our place in the world. Although I cannot live here with my husband, I came to be near him, to see him occasionally, and to give him moral support.

Then she tells where their years of married life were spent, part of the time being in my State of Ohio.

So every minute together counts a great deal to us; we are so anxious to have a home and a normal married life. It was a sacrifice for us to come here, one we were willing to make. But now that we are here, we feel our sacrifice was in vain, because we are losing the war. And that, sir, is my complaint. We are losing because we are not winning, and I want to know "Why not victory?"

A big problem here is that most of the Vietnamese do not really care about the war; most of them do not want to fight. Under the circumstances this is understandable. There are numerous families in Vietnam without homes, without food, and without a job. Even in Saigon there are people sleeping in doorways and on the sidewalks, and begging for food. These people have no purpose in life. They do not understand communism and have no means to resist it even if they understood.

There are Vietnamese guards at the American installations here. When these places are bombed by the Vietcong, some of the guards are bribed, some run away. Yet we do not put American guards at all the posts because, according to rumor, this would look as though we didn't trust the Vietnamese guards. There may be a more logical reason, but I can think of no reason at all. In fact, at most of the big bombings in Saigon, there has been a noticeable lack of any Vietnamese around these places. It seems very likely that they have been warned beforehand.

In combat, when the Vietnamese do have a chance to fire on the Vietcong, quite often they refuse. These people are tired of war. They have no fight left in them. Even if they were receiving adequate training to fight the war by themselves (which they are not), they could not and would not win by themselves, because they have no will to win.

There are strong neutralist tendencies here, and much talk of a coup, which, if successful, will be the end of southeast Asia, and all the Americans will have died in vain. I am very impressed with General Khanh; he seems to be trying very diligently and has certainly taken some steps in the right direction—although who can actually be sure of anyone? Assuming, however, that he means what he says and is not another wolf in sheep's clothing, such as Ho Chi Minh, I don't think that even his leadership can win the war or convince these people to fight, especially if the Americans go home. When the Americans go, the Communists will take over—it's that simple. It should be more than obvious that if this war is won, it will have to be won by the Americans.

Even the Americans cannot win by the methods we are using at present. Unless we do something positive very soon, the war will be at the same stage in 1965 when, supposedly, our troops are to be withdrawn. And if it is at the same stage then as now, much better would it be to withdraw our troops today while we can still save some American lives. We are making no great gains, but merely holding our own—and just barely that. But when we pull out the plugs, communism will flood this area. But if our intention is merely to delay the flood and not prevent it, I can see no logic to our purpose.

It should not be a question of whether or not we have the right to get involved in a war that is not our own. In the first place, it is our war. Any fight against communism is our own. But we are pretending that we are not fighting. According to Mr. McNamara, "We are only assisting them through training and logistical support." In the same statement he says that "101 Americans have been killed in combat in Vietnam." Is this not contradictory? How is one killed in combat if he is involved only in training?

She goes on to tell about the loss of life in her husband's outfit, and the letter continues as follows:

These 101 lives lost, which Mr. McNamara lists, of course do not include the Americans who have been killed in Saigon by Vietcong bombs. I suppose these lives are not to be counted, because these Americans were murdered—not killed in combat. It used to be that the United States would avenge one American life lost. How many lives must be lost today before we retaliate? Have we no backbone any more? We are like a child who draws a chalk line on the sidewalk and says to the town bully, "If you step over this line I will bloody your nose." The bully steps over and the cowardly child steps back, draws another line, and says, "I was kidding about the first line, but if you step over this line I will bloody your nose." How many lives are we going to lose before we stop retreating? Why do not we admit that we are actively participating in this war and really fight for our cause? God knows we have enough reason.

I cannot understand Mr. McNamara's reasoning for anything he says. I get the impression that he must be taken on a "guided tour" when he comes here, and that he sees only what certain people want him to see, and listens to what they want him to hear—which leads me to another thing which, to me, does not seem right. There are some people who are profiting from this war. I have never seen so many colonels and generals in one place in all my life. They are living here, at Government expense, in beautiful villas with two or three servants per household. I have talked to some wives who do not even want to go home because they could not afford such luxuries at home. Not that they should not have nice quarters, but it seems to me that their values are a little misplaced.

These men—

The generals and the colonels—

live here under ideal conditions and gain combat experience, which will look good on their records. I know of one colonel who goes to Bien Hoa every Sunday to fly a combat mission. Please tell me what enemy action occurs so regularly that he can make an appointment to fly a combat mission. No doubt he will make his goal of 100 flights before he goes home, probably with never a shot fired by him or at him. But he will go home with a combat ribbon.

It may be necessary to have so many high-ranking men here; they may have a purpose. But I don't understand what it is, and I can't find out. The command seems awfully topheavy, and I can't really believe that these are the men who are doing the fighting. In fact, they have become the laughing stock of Saigon. Even the nightly entertainment in my hotel sings this song:

"Oh, dear! What can the matter be?
Eighteen generals and no strategy!"

If I may digress from the letter for a moment, we now have the situation of

Secretary McNamara making another trip to South Vietnam. It is a fine thing that he is going to make that trip. As a member of the Committee on Armed Services, I listened to the testimony of generals who had made trips to South Vietnam. They told us about the compounds they were erecting at different places so that when the Vietcong attacked, more Vietcongese would be killed than the South Vietnamese would suffer in casualties.

I have never been more than a civilian in uniform, but at the time when they said we were winning the war in South Vietnam, the thought occurred to me, "How can we win the war in South Vietnam when they sit there in compounds and wait for the enemy?" Napoleon would be surprised to hear of that kind of strategy. How can we win by 1965? How can we ascertain the truth when the generals and the Secretary of Defense and his entourage go to South Vietnam on a sort of guided tour, visit the ambassador, are entertained at receptions and cocktail parties, and have conferences with the present rulers of South Vietnam? Why do they not go out in the field and talk with some privates, sergeants, lieutenants, and captains? They are the knowledgeable ones. They are the ones who fight and die in combat. Why do they not come back after doing so and report the truth to the American people?

I am glad to read this very informative and extremely thoughtful letter today. I shall hasten on:

> The song goes on, and there are many more. But they are not very flattering to the prestige of our country.
>
> One of the biggest battles over here is going on between the U.S. Army and Air Force. Each seems determined to oust the other and be the sole performer. I, myself, know very little about counterguerrilla tactics, and I cannot say which, if either, alone, can handle the job more effectively. But I do know that a lot of money is going down the drain because of duplication, and a lot of lives are being lost because of the lack of cooperation. There is duplication in other units over here, such as Intelligence, which I have heard about (not from my husband), and probably many more. I seems to me this should be investigated. A certain amount of rivalry is usually good, but when the cause is a common cause, and such a great cause, I can see no place for it.
>
> Sir, if this were all my opinion alone, I would not burden you with such a lengthy letter. But it is the opinion of many who want to know what is going on, many who should know what is going on. It is the opinion of many who disagree with communism, who want to stop it, who want to push it back. It is the opinion of many who want to be proud of their country, who want to believe in it, and who are willing to die for its cause. It is the opinion of everyone I know. It should be the opinion of every American.
>
> I regret that I have no specific solutions to suggest to these problems. I do, however, have some general ideas which possibly may be worked out by someone with more experience and authority than I. I should like to list them for you:

Before I list these suggestions and then close, I wish to state that I am today asking the Secretary of Defense for a report as to how many generals and how many colonels we have in South Vietnam, how long they have been there, and how many members of their families are living with them.

There are supposed to be approximately 15,000 men acting as instructors in South Vietnam. I cannot understand having 18 generals for 15,000 men, if this is in fact the case. They probably have traffic police over there, directing traffic so that the generals and colonels do not run into each other on dark nights—that is, if they are away from their lush villas on dark nights.

Her five suggestions are:

> 1. That we accept the fact that the Vietnamese alone cannot win this war.
>
> 2. That the Americans commit themselves, and openly and forcefully engage in this war.
>
> 3. That we have strong leadership in guerrilla warfare, bring in more troops as required, and take the war into North Vietnam if necessary.
>
> 4. That the people who have no real purpose here be weeded out and sent home.

That is a suggestion which I believe could well be made to the Secretary of Defense.

> 5. That we do away with duplication and replace it with efficiency and cooperation.

These are the five suggestions made by this fine lady who writes so thoughtful and informative a letter that I feel it should be placed in the RECORD in order that Americans may know the facts, as she sees them.

She adds:

> If we cannot accomplish these things, then I recommend a sixth: that we get out of Vietnam.
>
> Although I realize that you are very busy, I should certainly appreciate your views on the subject; and I should like to know what, if anything, is being done. Since letters do not always reach their destination through Vietnamese mail, and since I have no permanent address (I am wandering from friend to friend), I am sending this through U.S. mail with my husband's APO address (shown below). If you reply, it would be well to use his address.
>
> I sincerely appreciate the time you have spent in reading my letter. I consider it a privilege to be able to voice my opinion.
>
> Yours very sincerely,
>
> ——— ———.

Mr. President, I feel, in times such as these, in the grim cold war period, that the American people are entitled to know all the facts about South Vietnam and from South Vietnam, that they are entitled to know everything—except such matters, of course, as might be helpful to our Communist enemies.

I feel that a letter of this sort is a distinct contribution to furnishing much-needed knowledge and information about South Vietnam today.

Mr. President, I yield the floor.

ELECTRIC ENERGY GENERATED AT FEDERAL HYDROELECTRIC PLANTS—CONFERENCE REPORT

Mr. JACKSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1007) to guarantee electric consumers in the Pacific Northwest first call on electric energy generated at Federal hydroelectric plants in that region and to guarantee electric consumers in other regions reciprocal priority, and for other purposes. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The Chief Clerk read the report, as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1007) to guarantee electric consumers in the Pacific Northwest first call on electric energy generated at Federal hydroelectric plants in that region and to guarantee electric consumers in other regions reciprocal priority, and for other purposes, having met, after full and free conference, have been unable to agree.
>
> HENRY M. JACKSON,
> CLINTON P. ANDERSON,
> ALAN BIBLE,
> THOMAS H. KUCHEL,
> GORDON ALLOTT,
> *Managers on the Part of the Senate.*
>
> WAYNE N. ASPINALL,
> WALTER ROGERS,
> JAMES A. HALEY,
> JOHN P. SAYLOR,
> JACK WESTLAND,
> *Managers on the Part of the House.*

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The report was agreed to.

Mr. JACKSON. Mr. President, I move that the Senate further insist on its disagreement to the House amendments and ask a further conference with the House on the disagreeing votes thereon, and that the Chair appoint the conferees on the part of the Senate at the further conference.

The motion was agreed to; and the Acting President pro tempore appointed Mr. JACKSON, Mr. ANDERSON, Mr. BIBLE, Mr. KUCHEL and Mr. ALLOTT conferees on the part of the Senate at the further conference.

NATIONAL FOOTBALL LEAGUE NOT TO TELEVISE ITS GAMES ON FRIDAY NIGHTS

Mr. DIRKSEN. Mr. President, the commissioner of the National Football League, Pete Rozelle, showed fine statesmanship in announcing last night that the National Football League would not televise any professional football games on Friday nights, as many college and high school football teams feared would be the case. During the course of the hearings on professional sports antitrust legislation, S. 2391, Commissioner Rozelle appeared as one of the witnesses and was asked about the published reports that some of the National League football games would be televised on Friday nights, and that the National Collegiate Athletic Association and the various State high school athletic associations had registered strong protests to such action because it would interfere with many high school and college football games that were played on Friday nights. Mr. Rozelle stated that the National

Football League was studying the possibilities of Friday night television. At that time, Walter Byers, executive director, National Collegiate Athletic Association, sent me a telegram protesting such televising of Friday night professional football games, and noted that the high schools had joined in such protests. Both the telegram of NCAA and the high school associations were inserted in the record of the hearings. The colleges and high schools feared that the televising of professional football games on Friday nights would cause a loss of revenue to their athletic fund.

Mr. President, with all the urgent domestic and foreign issues before this Congress, the announcement may not seem important, but most of the offices of the Members of Congress have been receiving a great amount of mail from State athletic associations pertaining to this fear of televising professional football games on Friday nights. The announcement by Mr. Rozelle allays any fears of such a practice and also relieves the Congress of reevaluating Public Law 87-331, which law was passed to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes.

In closing, Mr. President, it is nice to have some problems before Congress resolved so expeditiously and gracefully.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. McGOVERN. Mr. President, one of the most respected farm organizations in the country is the National Grange; and the leader of that organization, the master of the Grange, Herschel D. Newsom, is one of the most highly esteemed farm leaders.

On February 28, Mr. Newsom sent each Senator a statement offering the firm support of the National Grange and 22 other farm organizations on both the cotton and wheat sections of the bill, H.R. 6196, which is now pending before the Senate.

I ask unanimous consent that the letter, together with accompanying statement of the many organizations, be printed in the RECORD.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

NATIONAL GRANGE,
Washington, D.C., February 28, 1964.

DEAR SENATOR McGOVERN: The enclosed statement is being mailed to you and all other Members of the Senate as an expression of the widespread support for the wheat and cotton legislation being submitted by the Committee on Agriculture and Forestry.

We hope you may support our effort.

Respectfully,

HERSCHEL D. NEWSOM,
Master.

JOINT STATEMENT IN SUPPORT OF FARM LEGISLATION BEFORE THE U.S. SENATE, FEBRUARY 28, 1964

The sound and valid economic considerations underlying the wheat and cotton legislation now before the U.S. Senate are an adequate basis for the kind of support which this legislation merits.

It will expand the markets, both domestic and foreign.

It will reduce Government stocks, Government costs, and help to stabilize the existing markets.

It will prevent an income loss that will cause serious economic damage to millions of farmers and an equally serious problem to the farm sales and services businesses which depend on them for a profitable income.

It will enable these two most important export crops to move into the world markets at competitive world prices without complicated Government programs or excessive Government costs.

It will pave the way for normal crop adjustments with a minimum of restraints except that which should naturally exist—making it unprofitable to produce a surplus of a commodity for a market which does not exist.

It will insure a return for domestically consumed wheat and cotton, which bears a closer relationship to the income returns of the rest of the American economy for the common factors of production—risk, management, investment, and labor.

It reduces the inequities between domestic cotton mills and foreign competition.

The wheat legislation will prevent a tragic economic loss to feed-grain producers and will complement and protect the integrity of the successful feed grain program, and at the same time serve to stabilize the beef and pork industry.

The wheat legislation eliminated all mandatory controls over production.

Both wheat and cotton proposals provide wide latitude for management decisions without Government interference.

Neither program would result in price increases above present levels, and, therefore, would serve to protect the consumer.

It will lay the foundation for continuing contributions of agriculture to our total economy by expanding the demand by farmers for the products of American labor and industry, thereby increasing our total gross national product and strengthening our total economy.

It will prevent serious interference with our international commitments which would diminish the prospect of the success of our current trade negotiations, further delaying the time when our most important export crops can regain their natural and appropriate position in world trade.

Clearly and incontrovertably, the failure to enact such legislation as is now proposed will cause a serious reduction in farm income. Surely, the United States of America cannot tolerate the economic deterioration arising from a precipitous decline in the purchasing power of rural America, which would result from the failure to enact this legislation in the face of the urgent necessity of providing for a growing national economy and a rising level of employment, income, and profits.

As evidence of the degree of unanimity of farm and commodity organizations, the following organizations subscribe to this statement and earnestly urge the adoption of this legislation: Agricultural Council of Arkansas, Arizona Cotton Growers Association, Cotton Producers Association, Delta Council, El Paso Valley Cotton Association, Grain Sorghum Producers Association, Growers Marketing Association, Imperial County Growers Association, Louisiana Cotton Producers Legislative Committee, Missouri Farmers Association, National Corn Growers Association, National Farmers Organization, National Grange, National Association of Wheat Growers, New Mexico-Pecos Valley Cotton Farmers Association, North Carolina Cotton Promotion Association, Inc., Oklahoma Cotton Producers Legislative Committee, Plains Cotton Cooperative, Plains Cotton Growers, South Carolina Cotton Producers, Staple Cotton Cooperative Association, Tennessee Agricultural Council, Western Cotton Growers Association.

Mr. McGOVERN. Also, Mr. President, under date of March 2, Mr. Newsom, writing in his capacity as master of the National Grange, advised the Senate that the National Grange favors the wheat and cotton bill in its present form and opposes all the amendments that have yet been publicly discussed, on the ground that such amendments might delay passage of the bill and endanger it becoming effective for 1964 crops.

I ask unanimous consent that Mr. Newsom's letter of March 2 may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL GRANGE,
Washington, D.C., March 2, 1964.

DEAR SENATOR: It isn't often that the Grange finds itself asking that all amendments be rejected. We are not, even now, prepared to make that request.

It does seem clear, however, that both the wheat and cotton provisions of H.R. 6196, in the form that the Committee on Agriculture and Forestry has reported it to the Senate, has been exceedingly well designed, to begin aggressively to place these two important domestic and export crops in a position to enjoy the sort of market expansion, both domestically and in the world's commerce, that American efficiency of production justifies for them.

It is, therefore, our considered judgment that none of the amendments about which we have thus far been informed will improve the measures, in terms of the objectives set out in the joint statement by ourselves and 23 other farm and commodity groups on February 28. It is, therefore, our hope that all amendments about which we have been informed will be rejected, and that the measure will be passed at the earliest possible date.

We are especially concerned, at the moment, over the impact of three amendments scheduled for introduction by the esteemed and respected chairman of the Committee on Agriculture and Forestry. We believe that any one of the three would seriously jeopardize the prospective value of the measure, and, in fact, that they would be unfair in their effect on both the American cotton textile industry and American cotton producers.

Surely, we should retain the provision in both wheat and cotton—for authority under which we may produce for export—without export subsidy either "positive" or "inverse." This kind of provision will be a major step in the right direction.

H.R. 6196 is an excellent measure as it comes to you from the committee. We support it vigorously. We hope that the measure is approved and sent to the House as early as possible.

Respectfully yours,

HERSCHEL D. NEWSOM,
Master.

Mr. McGOVERN. Mr. President, I am about to suggest the absence of a quorum prior to the speech by the Senator from Louisiana [Mr. ELLENDER], the distinguished chairman of the Committee on Agriculture and Forestry. I suggest that the Chair instruct the attaches to notify Senators' offices that it will be a live quorum.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll.

[No. 51 Leg.]

Aiken
Allott
Bartlett
Bayh
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Clark
Cooper
Curtis
Dirksen
Dominick
Douglas
Eastland
Edmondson
Ellender
Engle
Ervin
Fong
Fulbright
Gore
Gruening
Hart
Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kennedy
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Mechem
Metcalf
Miller
Monroney
Morse
Morton
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Ribicoff
Robertson
Russell
Saltonstall
Scott
Simpson
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Connecticut [Mr. DODD], the Senator from Indiana [Mr. HARTKE], and the Senator from Idaho [Mr. CHURCH] are absent on official business.

I further announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Maryland [Mr. BEALL] is detained on official business.

The PRESIDING OFFICER (Mr. WALTERS in the chair). A quorum is present.

The question is on agreeing to the modified amendment of the Senator from Louisiana [Mr. ELLENDER].

Mr. ELLENDER. Mr. President, I hope Senators will remain in the Chamber a while and listen to what I have to say.

I have now been on the Senate Committee on Agriculture and Forestry for 27 years, and I have had a hand in presenting to the Senate every agricultural bill with which the Senate has dealt during the past 27 years. By a strange coincidence, the Senator who spoke last week, and who in 1955 presented a remedy for the cotton producers, is the same Senator who now is proposing that we extend to the domestic mills a price of cotton the same as the price collected from foreign purchasers of U.S.-produced cotton.

Back in 1955, the Senator from Mississippi [Mr. EASTLAND], introduced a bill S. 2702, together with 62 other Senators, Mr. Thurmond, Mr. Aiken, Mr. Allott, Mr. Bender, Mr. Bible, Mr. Bricker, Mr. Bridges, Mr. Butler, Mr. Capehart, Mr. Carlson, Mr. Case of South Dakota, Mr. Chavez, Mr. Cotton, Mr. Curtis, Mr. Daniel, Mr. Dirksen, Mr. Dworshak, Mr. Ervin, Mr. Fulbright, Mr. Goldwater, Mr. Green, Mr. Hennings, Mr. Hill, Mr. Holland, Mr. Hruska, Mr. Humphrey, Mr. Ives, Mr. Jackson, Mr. Jenner, Mr. Kefauver, Mr. Kennedy, Mr. Kerr, Mr. Kilgore, Mr. Langer, Mr. Long, Mr. McCarthy, Mr. McClellan, Mr. McNamara, Mr. Magnuson, Mr. Malone, Mr. Mansfield, Mr. Martin of Pennsylvania, Mr. Martin of Iowa, Mr. Monroney, Mr. Morse, Mr. Mundt, Mr. Murray, Mr. Neely, Mr. Neuberger, Mr. Pastore, Mr. Payne, Mr. Potter, Mr. Purtell, Mr. Scott, Mr. Smathers, Mrs. Smith of Maine, Mr. Sparkman, Mr. Stennis, Mr. Symington, Mr. Thye, Mr. Welker, and Mr. Young—brought before the Senate a proposal to make cotton more competitive in world markets. That proposal was eventually enacted by Congress, and it did make cotton more competitive in world markets.

Today the same Senator, together with others, is advocating that the domestic mills be permitted to buy American cotton at the same price as that paid by foreign purchasers. Mr. President, that sounds very fine. However, as I have already stated on two or three occasions, the American textile companies have little or no competition within the United States.

Mr. EASTLAND. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I do not yield now.

Mr. President, the competition, if any exists, is among the textile mills themselves, for the reason that 95 percent of all the cotton that is manufactured in the United States is sold in the best market on earth—to the American people.

I do not care whether cotton sells for 20 cents a pound or 30 cents a pound; in any case, that competition among the American mills will exist.

I have submitted a very simple amendment; to a large extent, it duplicates existing law. The amendment fixes the price of cotton at 30 cents a pound—the same as the price fixed in the bill supported by the Senator from Mississippi.

Mr. PASTORE. Mr. President, at this point will the Senator from Louisiana yield for a brief question?

Mr. ELLENDER. I yield.

Mr. PASTORE. Will the 30-cents a pound price be the one at which the cotton will be sold to the foreign buyers, as well; or will the 30-cents a pound price be imposed upon the American manufacturers?

Mr. ELLENDER. It will mean that the cotton will be sold to the American textile mills at 2½ cents less than the price under existing law.

Mr. PASTORE. But it will still be 6 cents a pound more than the price paid by the competitor who is buying it on the world market, will it not?

Mr. ELLENDER. Yes; but the competitor to whom the Senator from Rhode Island refers is not selling in the same market that the American textile mills sell in. The American textile mills, I repeat, are selling 95 percent of their output to Americans—who constitute the best market on earth, as I have already said.

I ask Senators to bear that point in mind before they make the mistake of voting to saddle on the United States taxpayers, a brand new expense item, a subsidy payment, which will amount to $312 million, for the first year—but one which will continue forever. It is my contention that this type of payment is something new in our cotton legislation; and, in my judgment, it would not change the competition which now exists among the textile mills of America.

Mr. EASTLAND and Mr. PASTORE addressed the Chair.

Mr. ELLENDER. Mr. President, the amendment I have offered will cut the price of cotton to 30 cents—the same price as the one under the bill introduced by the Senator from Mississippi.

Mr. EASTLAND. Mr. President, will the Senator from Louisiana yield for a question?

Mr. ELLENDER. Not at this time.

My amendment would save the taxpayers, at this time, $168,750,000. It would mean that the cotton textile mills of the United States would obtain cotton at 2½ cents a pound less than the price they pay under present conditions, because the cotton price now prevailing is 32.47 cents a pound, or nearly 2½ cents a pound more than the price which I suggest to the Senate. It would further save taxpayers 2½ cents per pound on all cotton exported.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. EASTLAND. The Senator has spoken of keen competition in the American textile industry. It is very true that such competition exists. Is it not also true that because of that keen competition, a saving would be reflected to the consumers of our country? Secretary Hodges wrote to the Senator stating that the bill would save the consumers of our country $700 million.

Mr. ELLENDER. The Secretary of Commerce made that statement. His letter is in the RECORD.

Mr. EASTLAND. Is it not logical that the keen competition that my friend mentioned would carry that saving on to the consumers?

Mr. ELLENDER. I doubt it. I suggest that it would not affect the cost of the Senator's shirt by one-quarter of a cent. It would not affect the cost of sheets in any measurable amount.

Mr. EASTLAND. Would it not affect the cost of gray goods and yarns, which compose two-thirds of the textile production?

Mr. ELLENDER. Mr. President, the cost of cotton is not the factor that makes the price of shirts and other commodities rise. Labor is one factor; freight and items of that nature are other factors.

Ten years ago a shirt similar to the one I am wearing could be purchased for $1.85 or $2.25. The same shirt now costs $5.50 to $6.

Cotton did not rise in price sufficiently to warrant that increase, but still the price went up.

Mr. President, we could almost give cotton to American mills and still they could not possibly compete with the Japanese and other producers of shirts.

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. ELLENDER. I yield.

Mr. PASTORE. The Senator makes a rational argument when he argues in the way he does that basically the cost of cotton is only a very small part of the overall cost of the production of the shirt. But it is a part of the cost. Does the Senator think that it would be fair to the American textile mill and to the American workers in that mill, in our highly competitive market, to allow America to sell a basic commodity which is an integral part of the production of a shirt—cotton—to a foreign manufacturer who is in competition with the American manufacturer, at 8½ cents a pound cheaper than the American manufacturer must pay for the identical cotton, when the American manufacturer is prohibited by law from going into the open world market to buy cotton?

Mr. ELLENDER. Mr. President, in the past we protected our industries through tariffs and quotas. But let us not saddle that cost on the taxpayers of our country. That is what we would do under the bill. We would provide a new plan which would cost the American taxpayers money from now on. According to the studies of the Department itself, the plan would cost in excess of $300 million a year.

What has the Department stated it would mean? It would mean the use by textile mills of about 1 million bales of cotton more for the present year; and the use of the 1 million bales of additional cotton would cost the taxpayers $312 million.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ELLENDER. In a moment. Under the proposal that I am submitting to the Senate today—and the figures I present are taken from those submitted by the Department of Agriculture—cotton consumption by American mills would be increased not by 1 million bales, but by 600,000 bales. To attain that goal, under my proposal the cost would be $56 million, in contrast to the cost of $312 million estimated for the Eastland program.

Mr. President, I hope that Senators will take all those factors into consideration. As I pointed out earlier last week, the difficulty is that the cotton bill of 1958 was not administered as we intended it should be administered. That measure envisioned reasonable restrictions on acreage and lower prices. But the program did not work that way. In 1961 acreage allotments were increased by almost 2 million acres, and the support price for Middling inch cotton was raised to 33.04 cents a pound. If that cotton had been supported for less than the 32.47 cents that we now have, there is no doubt in my mind that we could have worked ourselves down to the point at which the competition to which my good friend from Rhode Island and other Senators have referred would have been lowered.

Does any Senator believe that the cotton growers of our country can sell cotton as cheaply as it could be grown abroad? Does any Senator believe that cotton growers of our country can compete with manmade fibers? Yet such was the chief argument advanced by my good friend the Senator from Mississippi [Mr. EASTLAND]. That is the goal. We must make cotton competitive, not only with foreign growers of cotton, but also with manmade fibers. Everyone knows that that cannot happen. I wish the cotton industry to continue, if possible. But let us not think that the U.S. farmer with all the expenses he has in growing cotton—with his high labor costs—can produce cotton to compete with producers of cotton in Guatemala, Africa, and other areas of the world, or to compete with Du Pont and other large synthetic mills. Yet that is the goal in the bill. The bill would cover a period of 4 years.

Another point——

Mr. PASTORE. Mr. President, before the Senator proceeds to his next point, will he yield for a question?

Mr. ELLENDER. I yield.

Mr. PASTORE. The Senator from Louisiana has argued that the American cotton producer cannot produce cotton in competition with the producer abroad. He has asked a categorical question, and wisely so: Is there any Senator who for one moment thinks that the American cotton producer can produce cotton as cheaply as the Egyptian cotton producer or the producers of cotton in other parts of the world? In light of that question, by what logic does the Senator think that the American manufacturer can produce a shirt as cheaply as a manufacturer of shirts in Hong Kong or in Japan?

Mr. ELLENDER. Mr. President, I am not saying that he can. Foreign producers and manufacturers can undersell any American producer. The hourly wage in Hong Kong is 11 cents to 22 cents. Our wage is $1.89. We cannot compete with that kind of labor, either in the production of raw material or in the manufacture of it. We might as well understand that.

I desire Senators to listen to the statement I am about to make. Under the committee bill we would write into the law a provision that from here on—not for 4 years, because once such a program would be started, it would go on forever—the American textile mills would have the opportunity from now on to buy cotton at world prices.

As the world price goes down, if the price support level remains steady or rises, the subsidy will be bigger. Under the bill reported by the Senate committee, there is no limitation. If the differential between the price support level and the world price of cotton is 11 or 12 cents, that means that the subsidy would be 11 or 12 cents. It could amount to $60 a bale, or more.

Mr. ERVIN. Mr. President, will the Senator yield for a question as to how a certain provision of his amendment would operate?

Mr. ELLENDER. I shall be glad to do so when I discuss that phase of it.

As I said, the idea behind the bill managed by my good friend from Mississippi is to make it possible to sell, to the textile mills of America, cotton at world prices. As I said, in 1964, that will cost $309 million. The figure presented to us first was $312 million. The figures have been revised often. I am using the latest figures given to me by the Department.

The Department estimates that, by giving the textile mills cotton at the same price at which the foreign users receive it, the cost will be $309 million. That would increase consumption by 1 million bales.

My plan is to give the textile mills a subsidy on the cotton used by them over and above what they regularly use. Let us say they used 8 or 8,400,000 bales last year, but will use more cotton this year. I propose to give them a payment of as much as 10 cents a pound on the excess, if the Secretary of Agriculture sees fit to do so.

According to the estimate made by the Department, if my substitute were approved, it would mean that the consumption of cotton by the textile mills would be increased by 600,000 bales.

What would be the cost? Fifty-six million dollars. My proposal would increase consumption, according to figures given to me by the Department of Agriculture, by 600,000 bales, at a cost of $56 million.

Under the bill being handled by the Senator from Mississippi [Mr. EASTLAND], the cost would be $309 million to utilize one million more bales.

I hope Senators will take all those facts into consideration when they cast their votes on the bill.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. EASTLAND. The Senator from Louisiana speaks of 600,000 bales of cotton. Does not the Senator realize that those markets are continuing to erode, that it is not 600,000 bales of cotton, but it is practically the entire consumption of those mills that is involved? They are spinning so much rayon into this country that it has to be rationed. They cannot buy it abroad. By July 1 there will be new facilities in operation that will displace 300,000 more bales of cotton. A few months later additional facilities will supplant 200,000 more bales of cotton.

So it is not merely 600,000 bales of cotton that are involved; it is the market for the competition between rayon and cotton at the mill door that is involved, and this is an effort to save a vast cotton market.

First. It would increase consumption 600,000 bales. Of course, I judge the tables my friend is referring to show that consumption will go up in other years. That factor has not been mentioned. It is not a question of 600,000 bales, because the consumption will increase each year in the future. If we had had this law several years ago, we would be ahead 10 or 10½ million bales now.

Mr. ELLENDER. I fear my friend misunderstood me. The amendment before the Senate, the one I offered, would increase consumption, according to the figures given to me by the Department of Agriculture, by 600,000 bales, and the cost for that increase would be $56 million.

But, with regard to the measure the Senator from Mississippi is proposing, the increase in use will be only 1 million bales, at a cost of $309 million. That is what I am trying to emphasize.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. ELLENDER. As I said before, the tables which have been presented are from the Department. I do not mean to criticize the Department for the way they have been presented. In the past 5 or 6 weeks we have had many tables presented to us. Basically they are about the same, but the effort is made to show that the proposal which came from the committee is going to cost much less than any other program that has been presented.

Mr. ERVIN. Mr. President, will the Senator yield for a question at that point?

Mr. ELLENDER. I yield.

Mr. ERVIN. That is one of the questions I wanted to ask about this phase of the operation. If I construe the provisions of the Senator's amendment correctly, beginning on line 4, page 1 and ending on line 7, page 2, an American textile manufacturer would not receive any relief whatever or any amelioration of his present condition except to the extent that his consumption of upland cotton exceeded consumption of his base year?

Mr. ELLENDER. That is correct.

Mr. ERVIN. So if a textile manufacturer were unable, by reason of differences in cost of production due to higher labor costs, and due to the differential between what he pays for raw cotton and the price at which our Government enables his foreign competitor to purchase it, he would not receive any relief whatsoever unless he could increase his consumption of cotton.

Mr. ELLENDER. That is correct. He could do it by using more cotton than rayon.

Mr. ERVIN. But he would not be given a scintilla of relief under the Senator's amendment, if I construe it correctly, unless he could manage in some way to increase his consumption of cotton.

Mr. ELLENDER. That is correct.

Mr. ERVIN. So unless economic conditions were such that he could increase his consumption of cotton, he would be left entirely in the present condition, where he has to pay for American cotton $42 a bale in excess of the amount which the foreign manufacturer has to pay.

Mr. ELLENDER. That is correct; but the Secretary of Agriculture could give relief, without my proposal and without the bill supported by the Senator from Mississippi, by simply reducing the support price of cotton to 30 cents. But he has never seen fit to do that. What I am trying to do is to set, for the next 2 years, the support price of cotton at 30 cents a pound. The record is replete with evidence to the effect that cotton can be produced at 30 cents a pound except by the small producer.

What would my amendment do for the small farmer? The bill of the Senator from Mississippi would assist the small farmer by considering all production on 15 acres or less as being produced for the domestic market at a higher support price. The farmer would receive for that cotton, over and above the 30 cents, up to an additional 15 percent of the 30 cents, or 4½ cents, if the Secretary of Agriculture desired to make it so. But I understand that the Secretary of Agriculture has mentioned a figure of 3½ cents a pound, as I pointed out the other day.

Mr. EASTLAND. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. BAYH in the chair). Does the Senator from Louisiana yield to the Senator from Mississippi?

Mr. ELLENDER. Just one moment—I wish to finish my thought first.

The estimates made by the Department of Agriculture show that the amount of cotton that will be produced on the domestic allotment under the plan written into the bill will aggregate for 1964, 5,850,000 bales. That is production under the domestic allotment plan on which a higher support price can be paid. The subsidy on that cotton would be the difference between the support price of 33½ cents a pound, and the world market price, which is 23½ cents a pound, or $50 a bale.

The land not planted to cotton, the farmer could plant something else if he so desired, but the point is that the small farmer would be taken care of, as I have just suggested. The production of a farmer who planted 15 acres or less of cotton would be considered to be for domestic consumption, and on that cotton he would receive a payment of 30 cents, plus 3½ cents, or 33½ cents altogether.

Under my proposal, in order to take care of the small farmers, all growers of cotton on their first 10 bales would receive a payment in kind of the difference between the price fixed in the bill at 30 cents and the support price for the 1963 crop which is 32.47 cents. So my proposal attempts to take care of the small farmers of the country, not to the same extent as the distinguished Senator from Mississippi [Mr. EASTLAND] does, but——

Mr. EASTLAND. The Senator from Louisiana continues to use my name. He should yield to me.

Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I am glad to yield.

Mr. EASTLAND. Is it not true that this bill is the bill of the Committee on Agriculture and Forestry?

Mr. ELLENDER. The Senator is correct.

Mr. EASTLAND. Is it not true that it is supported by every segment of the cotton industry in this country?

Mr. ELLENDER. Not by any means by every segment of the cotton industry of the whole country.

Mr. President, there was no great urge on the part of the committee to consider the proposal, until just before it was reported out. Many Senators took the same position that I did until the bill was reported. Suddenly, a change took place, less than 2 days before we voted to report the bill. A statement of what should be included in the bill was made available to the committee on the last day of the hearings, and that statement has been placed in the RECORD. We heard testimony by Mr. Murphy concerning the bill on the last day, and when the roll was called, the bill was ordered reported, and there were only three votes opposed to the proposal that is now before the Senate; namely, mine and that of the Senator from New Mexico [Mr. MECHEM] and the Senator from Iowa [Mr. HICKENLOOPER]. Those were the only three negative votes.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Louisiana yield for a question?

Mr. ELLENDER. I am happy to yield.

Mr. JORDAN of North Carolina. I am sure the Senator will remember that when Mr. Kennedy was running for President, and Mr. Nixon was his opponent, both promised definitely that they would do something to equalize prices in the domestic mills, as well as in wool imports and other commodities, which had completely wrecked those industries in this country.

Finally, President Kennedy came forth with a seven-point program. One of the points was to equalize the price of cotton with foreign mills. So this is not a new program. The House has been trying to pass something. Finally, after it passed something, we took it up and held hearings. So far as I know, every cotton-producing group in the United States is in favor of the bill.

Mr. ELLENDER. The Senator means producer associations, those that signed the petition?

Mr. JORDAN of North Carolina. I am talking about those who grow the cotton, the cotton farmers. I have in my possession many telegrams that came to me this week representing the cotton farmers of North Carolina. They represent the same group of people all over the country.

They are in favor of the bill as reported by the committee.

One other point I should like to mention, in connection with domestic mills increasing consumption, is that not every textile mill now running full time on cotton can increase its production. The owner is not going to build more mills and lose more money. He could not increase his production immediately, so he could not take advantage of that provision.

On the other hand, if he is now operating half on rayon or some other synthetic, and he should change back to cotton, he would receive today under the new provision 10 cents a pound less. So, if the market happened to fall out from under him—which it very often does—he would have to go back to rayon. Perhaps he would have to rebate the Government for the cheap cotton that he has. Perhaps he would have to chase a man down the street who bought a shirt made of cheap cotton and tell him, "I am sorry, but you owe me a dime."

We could not get a mill to do business on that basis.

Mr. ELLENDER. I do not make that feature of my proposal obligatory on the Secretary of Agriculture. I am now certain that something can be worked out, if there is a will; and I am certain that if the cotton mills understand, from now on, that the Senate is unwilling to permit them to buy cotton at world prices, they will be inclined to buy more cotton.

The mills of the country have been slow in buying their supply, almost from hand to mouth, because of anticipation of the passage of some legislation in the last few years. Notwithstanding that, during 1963, they will buy about 8,500,000 bales in contrast to 8,325,000 bales in 1962. In 1961 they bought 8,859,000 bales. In 1960 they bought 8,190,000 bales. In 1959, they bought 8,910,000 bales.

I believe the mills have been holding back on the buying of cotton. If the Congress can act positively today on this bill, and on the substitute I am offering, and let it be known that the mills will be unable to buy cotton at world prices, they will get back into the market.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. As our population increases, so will the consumption of cotton.

I point out, as I did last Friday, that the consumption of cotton in certain countries abroad has not increased materially over the years, even though we did sell cotton at world prices. Exports took a big jump in 1956, to 7,598,000 bales. In 1957, it went to 5,717,000 bales. In 1958, it went down to 2,789,000 bales. As I pointed out in the debate on Thursday and Friday of last week, the reduction in the use of cotton in the United States and the increase in the use of manmade fibers has been almost the same all over the world. The situation is not peculiar to the United States. The same thing has occurred all over the world.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. EASTLAND. The Senator is speaking about five countries. He says the situation is true all over the world.

Mr. ELLENDER. That is the only information I have.

Mr. EASTLAND. What the Senator has said is true in those five countries, but it is not true all over the world. It is necessary to take into consideration the total market. In Spain, Austria, and in a number of other countries, cotton consumption has increased.

Mr. ELLENDER. What was the inincrease in the use of synthetics?

Mr. EASTLAND. The countries which the Senator from Louisiana has picked out have the identical problem on imports that we have. In other words, cotton textiles, in large volume, are being imported from Hong Kong and other countries. They have had a reduction in the imports of synthetic fibers. Furthermore, they are doing a big business in synthetics with iron curtain countries.

In 1952 the free world consumption had gotten down to $68\frac{1}{2}$ percent. What counts is the total world market. To use five countries throws no light on the subject, because they have their own peculiar problems.

Consumption went down in 1956 to 64 percent. What happened in 1956? We passed a cotton export program. It leveled off so far as the total percentage was concerned. Rayon staple fiber competes with cotton. It was only 8.7 percent of the total market in 1952. By 1956 it had increased to 12.6 percent. Then we passed the export program. There had not been a worldwide trend to synthetics. In 1957 it was around 11 percent. It has hovered around 11 percent since that time.

Mr. ELLENDER. What was it in 1962?

Mr. EASTLAND. It was 12.6 percent. That is the preliminary figure. There had not been an increase in the rayon staple fiber. There has been an increase in dacron and nylon and other fibers. There is another fact that must be taken into consideration. A large amount of wool is consumed abroad. Those commodities compete with wool more than they do with cotton. The facts show that cotton has been stabilized largely since 1957, and rayon staple fiber has been stabilized since 1957.

That was due to the cotton export program. With respect to the five countries my friend has mentioned, the figures are correct, but those countries do not make the world market. Consider Austria, Yugoslavia, Spain, and Canada. The outstanding example of what has happened is Japan. Cotton steadily lost out as a percentage of the total market, from 65 percent in 1952, to 53 percent in 1956. It has held its own since 1956, actually going to 65 percent in 1962.

Rayon staple fiber rose from the 18-percent level in 1952 to 29 percent in 1956. After the cotton price came down, the use of rayon staple fiber went to 14 percent in Japan in 1962.

It is the worldwide market that governs.

We have financed a cotton textile industry in Pakistan. Pakistan used to import textiles. She has her own industry now. I do not know, but I suppose that was financed by the foreign aid program. There we have an example of emerging nations having their own industries, which have cut down on exports from the 5 countries that my friend has mentioned.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JORDAN of North Carolina. The record will show that when the Japanese consumption of cotton went up and the consumption of rayon and other fibers went down, it was due to Japan making shipments into the United States, as against our high-priced cotton. I would like to get this into the RECORD.

Mr. EASTLAND. Let me ask the Senator a question first. The distinguished Senator from Louisiana has told about his incentive program for the mills. However, would that not discriminate against the mill that has been loyal to cotton and has been using cotton all the time?

Mr. ELLENDER. No. I provided for that in the amendment. They cannot receive payments on a quantity in excess of 20 percent of the base. In other words, if a mill is using 10 percent cotton and 90 percent rayon, it cannot get paid on an increase of more than 20 percent above what it used in the base period.

Mr. EASTLAND. What about the mill that has been 100 percent on cotton?

Mr. ELLENDER. It gets paid on whatever it used over and above to the same extent.

Mr. EASTLAND. It gets whatever it used over and above. That is why the plan is impractical and will not work. A mill that is operating to 100 percent capacity on cotton, probably would have to build another mill.

Mr. JORDAN of North Carolina. That is what I said. The mill that has been loyal to cotton 100 percent and has been operating on cotton cannot expand and get any advantages, but another mill can get at at 10 cents cheaper, and in that way break the first mill.

Mr. ELLENDER. If any of the mills use 10 percent cotton and the rest manmade fibers, they cannot get paid for more than 20 percent of the base. That is how I take care of the problem. What I wish to emphasize is that the substitute would mean the consumption of 600,000 more bales of cotton than is now consumed at a cost of $56 million, as contrasted under the bill with a cost of $312 million and a 1 million bale increase.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield further?

Mr. ELLENDER. I do not want to labor the point. That is what is going to happen. I am trying to stay as closely in line with the law now on the statute books as possible, and not veer away from a new program which in my judgment would do violence to the producers in the long run. Any cotton grower ought to know that we cannot possibly produce cotton in this country at world prices.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. JORDAN of North Carolina. I believe, as the Senator from Mississippi [Mr. EASTLAND] said a few days ago, that we cannot guarantee that there will be a reduction in the cost of cotton. He does not have any crystal ball to tell that. The insecticides, fertilizers, weed killers, and all the other things the researchers are now working on have a good chance to reduce the cost of producing cotton. With better seed, better methods of growing, skip rowing, and a great many other things, there is a good opportunity to reduce the price of cotton in the field. Then we can buy it cheaper, and the Government will not have to raise any subsidy.

Mr. ELLENDER. My proposal would have the same effect.

Mr. JORDAN of North Carolina. I know that.

Mr. ELLENDER. As the cost of production of cotton goes down, so will the price. The same provision and the same argument which the Senator is now advancing will apply to the pending amendment, and in effect to the substitute which I am offering.

Mr. JORDAN of North Carolina. I emphasize that as the Senator stated, if we get this subsidy down to 30 cents, it will remain there forever. There will be no chance to get it down. But there will be under this bill, if the cost of production goes down.

One other thing seems to be overlooked in a great deal of the argument of the Senator. That concerns the textile mills in this country competing among themselves.

Let us go back to 1955. That was not so long ago. There were three main countries which exported cotton textiles—not wool. Wool has become a big factor also. I refer only to cotton textiles. Today there are 65 countries which export cotton textiles. I do not have to name all 65. Last year, Japan shipped 359,000 yards of cotton textiles to this country. Hong Kong shipped 275,000 yards. In 1955, they were not shipping any cotton textiles to this country.

Last year, 1,112 million yards of cotton textiles were shipped into the United States. That has happened largely in the past 3 or 4 years under the so-called protective arrangement which has been worked out, under which we would apply quotas on goods coming into this country. Often foreign countries do not abide by the quotas they have agreed on. The arrangement provides that as our population increases, they obtain extra yardage as against our own mills.

Mr. ELLENDER. I am familiar with the increase from Hong Kong. I am familiar with the increase from South Korea. I visited those places. A part of the increase was due to the fact that American tax money was used, largely in South Korea, to rehabilitate 11 old Japanese cotton mills. To add insult to injury, we gave them the cotton to manufacture in those new mills. Believe it or not, they are receiving a quota for shipping cotton into this country. A good deal of that has taken place in many countries in the Far East. That has been due, of course, to the policy that I have been complaining about. The Senator from North Carolina was in the same corner with me on the foreign aid bill.

Mr. JORDAN of North Carolina. I still am.

Mr. ELLENDER. The fact is that many of the woes the Senator is describing have come from our policy of giving cotton away, and letting it go cheap, and helping them to rehabilitate their mills. We helped Japan to the extent of more than $3.5 billion in order to put them back on their feet.

We did the same thing in France and other countries. While we have held the umbrella over them for several years, protecting them to a large extent militarily, they have now developed economically. Today, they hold a dagger at our throats because they can now produce material cheaper in some instances than we can. They are surpassing us, and taking many of our markets.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. JORDAN of North Carolina. I thoroughly agree with everything the Senator has said. That is exactly what has brought us into this trouble. As I pointed out on the floor of the Senate a few days ago, in 1955, we did not have all these imports. In the short period of time since World War II—and we are supposed to be in one of the finest eras we have ever had, from a moneymaking standpoint—more than 700 cotton mills have been completely liquidated.

I wish to cite one instance which I checked yesterday. This is not old information. A certain small cotton mill used 73,000 pounds of cotton a week. At 8½ cents a pound, that mill is paying more than its Japanese competitor. The cost to him is $6,205 a week more than the cost to the Japanese. That amounts to $316,455 a year, which the Japanese mill has to start with, while the American mill is breaking even. Yet the Japanese are allowed to ship cotton into our market, and sell it on our market with a $316,000 a year headstart—leaving labor out of the picture. Labor costs are in addition. American mills cannot compete laborwise. The Japanese have the advantage over us laborwise. It is 20 cents in Japan, as the Senator pointed out. It is 11 cents in Hong Kong. It is 7 or 8 cents in Spain and Portugal. We know about that. We can produce, and to some extent stay in business if we can obtain the material. Materials amount to 77 percent.

Mr. ELLENDER. Is the Senator arguing that if the cotton price goes down, it will be possible to materially increase our sales abroad?

Mr. JORDAN of North Carolina. I am not talking about sales abroad.

Mr. ELLENDER. That is the competition the Senator is talking about.

Mr. JORDAN of North Carolina. No, it is not.

Mr. ELLENDER. The Senator wants American industry to be able to compete abroad. Sales abroad will remain at about 5 percent of production, as they now are.

Mr. JORDAN of North Carolina. I am not arguing about that.

Mr. ELLENDER. Competition abroad would not increase one iota. American mills would be producing for the American market, the best market in the world.

Mr. JORDAN of North Carolina. May I answer the Senator's question?

Mr. ELLENDER. I wish the Senator would.

Mr. JORDAN of North Carolina. I am not talking about the exports abroad. I know we have lost them to a large extent. I am trying to save what is left of the American market, and keep the foreign competitors from taking it away from us.

Mr. ELLENDER. The point I made a while ago and on last Friday was that the way to do it is to continue our regular program, through tariffs or quotas. Let the Committee on Finance handle that problem. In that way, money might be collected on imports, and the taxpayers would not have to pay out money in order to be able to compete. That is the point I am making.

Mr. JORDAN of North Carolina. I should like to answer the Senator on that point.

Mr. ELLENDER. I wish the Senator could.

Mr. JORDAN of North Carolina. I am not arguing about the tariff, or that to offset this differential, we ought not to collect from the imports coming in our country. We have tried that. It has been denied. There is no possibility of getting it. All we ask is that we be permitted to buy cotton at the same price as anyone else in the world can buy it, and we will take our chances of competing at home and abroad. I know we can come nearer to selling abroad than we can now.

Does the Senator know that on every pound of cotton textiles which we ship abroad, we receive a rebate which makes us exactly even with the foreign producer?

Mr. ELLENDER. Yes.

Mr. JORDAN of North Carolina. We are not worse off or better off from that standpoint.

Mr. ELLENDER. What the Senator is arguing for is competition that arises in our own country; that is what I cannot comprehend.

Since 95 percent of their production is sold in the United States, to the best market in the world, and since the sales abroad are at the same price as the price to those with whom ours compete, what are they fussing about?

Mr. JORDAN of North Carolina. Because there is quite a difference. The 95 percent is the market that is lost to us.

Mr. ELLENDER. How is that?

Mr. JORDAN of North Carolina. It is being lost to rayon and other fibers.

Mr. ELLENDER. Does the Senator from North Carolina want the Senate to vote for a proposal that would protect the cotton grower against the low prices of the synthetics?

Mr. JORDAN of North Carolina. Does the Senator from Louisiana want the cotton producers to stay in business? If he wants to have all the cotton producers put out of business——

Mr. ELLENDER. Mr. President, I have heard that argument for the entire 27 years that I have been a member of the Committee on Agriculture and Forestry. For all 27 of those years I have been hearing the same argument—that unless we do this or that, as they request, the cotton growers will be put out of business. That argument was advanced in 1958, when the present law was put on the statute books; and at that time we were told that law would cure all the evils and difficulties, and would put the cotton men on their feet, and so forth. But apparently that law has not done so. I repeat that the reason it has not is that the law we enacted in 1958 was not administered in the way Congress intended it to be administered.

Mr. JORDAN of North Carolina. I admit that had something to do with the trouble—in fact, a great deal to do with it.

Mr. ELLENDER. Of course it did. My hope is that under the law as now written, regardless of whether the Senate votes in favor of my amendment, the Secretary of Agriculture will fix the price of cotton at 30 cents. That is what he should have done last year. The farmers are asking for it—believe it or not—so as to make cotton more competitive with rayon.

Mr. JORDAN of North Carolina. I agree 100 percent with the Senator from Louisiana on that point.

Mr. ELLENDER. Of course the Senator from North Carolina does.

The amendment in the nature of a substitute which I have proposed—and I emphasize this point—would save the taxpayers, on price supports alone, $168,750,000; and the increase in the sale of cotton domestically will be 600,000 bales, at a cost of $56 million, as against $309 million to sell 1 million bales under the bill. I cannot see any sense in doing the latter.

Mr. JORDAN of North Carolina. I should like to make one further observation, if I may, if the Senator from Louisiana will yield briefly to me once more.

Mr. ELLENDER. Mr. President, the Senator from North Carolina may make a speech at this time, if he wishes to do so; and I ask unanimous consent for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JORDAN of North Carolina. I do not wish to make a speech; but I point out that the Senator from Louisiana knows that by August of this year the Commodity Credit Corporation will possess whatever cotton has not been taken up by the farmers, that has been borrowed against this year. It will have somewhere between 11 million and 12 million bales of cotton, in the face of the new crop being raised in 1964; and by the end of next year the Commodity Credit Corporation probably will have 15 million or 17 million bales of cotton.

Mr. ELLENDER. Let us not argue about that, because the figures do not show that to be the case. But even if they did, that cotton would have value.

But when we come to figure out the cost of the program under the pending bill, the Department states that the cost will be $750 million. But the Department deducts from that the amount for the cotton the Commodity Credit Corporation now has on hand, and for which payments in kind are made—amounting to approximately $300 million—and that will cause the cost of the program, so the Department says, to be reduced to approximately $449 million.

But come next year, the Commodity Credit Corporation, for every bale of cotton it gives in kind, will have to come to Congress, to get Congress to replenish its cash. The Senator from North Carolina knows that.

Mr. JORDAN of North Carolina. No, I do not know——

Mr. ELLENDER. So to argue that that is not the case is, in my opinion, silly.

Mr. JORDAN of North Carolina. I think I can explain it a little better than I have.

In the first place, the taxpayers now own the Commodity Credit Corporation cotton. That cotton is worth only what it will bring in the world market, which is 24½ cents a pound or 23½ cents a pound or 23 cents a pound, or something of that sort. On top of that, there will be the monthly storage charge of 50 cents or 45 cents a bale, and that will add $90 million. Then there will be the cost of storage of the other crop.

Mr. ELLENDER. That is the same argument that was used against the 1958 bill.

Mr. JORDAN of North Carolina. I know that; but those costs will exist.

Mr. ELLENDER. I understand; but those are the same old arguments.

My point is that if the past procedure is continued, there will be trouble, no matter what Congress does now. But if the bills Congress has already enacted were administered in the way Congress intended, there would be no trouble.

Mr. LAUSCHE. Mr. President, will the Senator from Louisiana yield for a question?

Mr. ELLENDER. I yield.

Mr. LAUSCHE. When was the subsidy for export cotton adopted?

Mr. ELLENDER. In 1956.

Mr. LAUSCHE. At that time were the cottongrowers in favor of subsidizing the sale to foreign countries?

Mr. ELLENDER. As I pointed out, the bill was introduced by the Senator from Mississippi [Mr. EASTLAND]; he introduced the bill on behalf of himself and a number of other Senators. They said the purpose was to make cotton competitive abroad. That legislation was enacted, and it is now section 203 of the act of 1956.

Mr. LAUSCHE. So in 1955 the cottongrowers, in order to get broader markets, urged the enactment of the subsidy on foreign sales, did they?

Mr. ELLENDER. That is correct, and I pointed that out at the beginning of my remarks.

Mr. LAUSCHE. Is it true that now the cotton growers are arguing that what was done in 1956 is harmful to them?

Mr. ELLENDER. Yes.

Mr. LAUSCHE. But instead of asking Congress to repeal the 1956 law, which they say is harmful, they now urge that Congress subsidize the price of the 8,600,000 bales which now are being used in the domestic manufacture; is that correct?

Mr. ELLENDER. Yes. Of course, the reason why the original provision was enacted in 1956 was to make cotton more competitive abroad.

Mr. LAUSCHE. Yes.

Mr. ELLENDER. In other words, the domestic prices were much higher than the prices abroad, and it was then impossible to move our cotton in the world market. So a differential was established. As I have pointed out, the year that was done, the sales abroad increased somewhat. But later they decreased.

Mr. LAUSCHE. I should like to have the Senator from Louisiana express an opinion on the following statement:

First, we can recognize the force of the argument now being made—namely, that the subsidy on the exports has been harmful to our domestic cotton industry, and that therefore the subsidy should be repealed.

Second, recognizing that the situation is harmful, in an effort to cure it we can now adopt a subsidy for the domestically used cotton which, according to the statement of the Senator from Louisiana during the taking of the testimony, would cost $312 million.

Mr. ELLENDER. The Senator is correct.

Mr. LAUSCHE. Is it not a fact that if we were to follow the course now recommended by the committee, we would compound the wrong which it is claimed was committed when we subsidized the foreign sales?

Mr. ELLENDER. They claim that they have been put to great disadvantage by virtue of the action taken in 1956. They desire to rectify that situation now by giving the textile mills of America the same advantage, that is, the world price.

Mr. LAUSCHE. If in 1956 a wrong was committed, would it not be better to wipe out that wrong rather than to commit another wrong by subsidizing the domestic processors?

Mr. ELLENDER. I do not believe we could do that now, for the reason that cotton production has increased greatly throughout the world. It has increased to such an extent that the amount sold by us normally has been more or less decreasing. It held steady for a while. I would not say that occurred under a giveaway program, but in the sale of cotton abroad for soft currencies. The program has held up the foreign market to some extent.

All in all, the argument would really be that unless we were to provide a differential for the sale of cotton abroad, the chances are that we would have to store much of the cotton.

We could not sell it abroad at the support price. Something must be done in order to make it move. That was really the argument advanced back in 1956.

Mr. LAUSCHE. The position taken by the Senator in respect to repeal of that law is sound. It would be pretty hard to pull out all those roots. But from a logical standpoint, if the proponents of the present measure argue that what was done in 1956 has harmed them, the inevitable consequence would be to repeal the 1956 law. That is the logic of the situation.

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. ELLENDER. I wish to answer the Senator's question first. The fact is that even since the passage of the bill to which the Senator has referred, cotton production has increased, and so has the production of manmade fibers. I realize that insofar as the domestic textile mills are concerned, they are at a great disadvantage in competing with similar industries abroad. As I pointed out, that disadvantage is not because of the price of cotton. Cotton products exports are subsidized on the same basis as raw cotton exports. But our processors cannot compete in the world market.

The reason? Labor.

Mr. LAUSCHE. I appreciate that labor is a factor.

Mr. ELLENDER. There are various other factors, such as freight. As I have pointed out on several occasions, there is no doubt that we in the United States are at a great disadvantage. That statement applies not only to textile mills, but also other industries, such as steel mills. There are a great many steel mills in Ohio.

Japan can deliver steel in the United States and make a profit from the sale at a price that would be equal to our cost of manufacture. The same thing is true of monel metal and other commodities. The fear is that if we were to open the door for cotton textiles, other industries that suffer because of foreign competition would have a right to come to us and say, "You have helped the textile mills. Why do you not help us?"

Mr. LAUSCHE. Mr. President, I concur with what the Senator has said. I am rather certain that if we adopt the new program, the precedent will be established for other segments of our economy to come to Congress in the future and ask that the Congress do for them what has been done for the cotton processors.

Mr. ERVIN. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. ERVIN. Is not one of the possible answers to the question asked of the Senator from Louisiana by the Senator from Ohio that the political animal frequently does not behave in either a logical or a direct manner? We could cure the situation by repealing the subsidy provision of the law of 1956, but such action would lower the price of raw cotton in our country.

Mr. ELLENDER. It would not lower it.

Mr. ERVIN. It would make it less marketable. The industry would be deprived of its foreign markets.

Mr. ELLENDER. Less cotton could be sold abroad.

Mr. ERVIN. So there is not much of a political possibility that it would be done for that reason. Is that not true?

Mr. ELLENDER. That is my view. It would be difficult. The law enacted in 1956 was an effort to make cotton more competitive. It was believed that we could sell more cotton abroad. But apparently now, the law has come to haunt us, according to the arguments made last week and this week.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ERVIN. Mr. President, if the Senator from Louisiana will yield for one or two additional questions, I shall be through.

Mr. ELLENDER. I yield.

Mr. ERVIN. Does not the Senator know that the textile industry has been praying both to the Congress and to the executive branch of the Government to establish quotas upon the imports of foreign textile products in an effort to alleviate the condition, and that, in large measure, those prayers have been uttered in vain?

Mr. ELLENDER. I do not know to whom the industry prayed, but I do know that efforts were made to establish quotas and tariffs. There is no doubt about it.

Mr. ERVIN. Does not the Senator know that those prayers, to whatever gods they may have been directed, have largely fallen on deaf ears?

Mr. ELLENDER. I do not know about that. But the textile mills have been praying quite a bit for the passage of the present bill. I fear that if we were to pass the bill, as my good friend the Senator from Ohio pointed out a while ago, a precedent would be established.

Why do we not proceed in the regular way to solve the problem? Let us have sufficient courage to have tariffs or quotas imposed by law.

If only there were as much effort put into obtaining quotas and tariffs as has been put in obtaining passage of the bill before the Senate, we ought to be able to override the State Department.

Mr. ERVIN. Does the Senator from Louisiana know that some Senators have insisted upon the imposition of an equalizing import fee? Does he not know that every time we have prayed to the executive branch of the Government that that be done, instead of doing that, it has sent its emissaries abroad to negotiate further reductions of tariffs?

Mr. ELLENDER. In the past several years, many industries in our country have been badly hurt, so much so that many are in trouble. That result has come about because some members of the State Department have been looking out for the interests of foreigners, rather than for the interests of the people in the United States.

Mr. ERVIN. It seems to me, as the Senator has stated, that our Government has loaned money or given money to foreign countries to build up textile industries in those countries. In many cases, it has given cotton to foreign manufacturers to make textile goods to be shipped into this country. It has given them a differential which results in the two-price cotton system. It has also been giving them quotas of the domestic market.

The action of the Federal Government in respect to the cotton textile industry for some years has reminded me of the man who wanted a short-tailed dog, and cut off his dog's tail a little at a time to keep it from hurting so much. I do not know whether the Senator agrees with me that that is an apt illustration of the action of the Federal Government in respect to the textile industry, but it seems to me that it is.

Mr. ELLENDER. For the past several years, as chairman of the Senate Committee on Agriculture and Forestry, I have been doing all in my power to improve this Nation's farm programs. I have worked for improved wheat programs, feed grain programs, dairy programs, and would now work for an improved cotton program if I were convinced of its necessity.

However, the bill before the Senate today is not an improvement on the existing program. As a matter of fact, in my opinion, it is detrimental to the entire cotton industry.

In order to make cotton more competitive it would change the existing program entirely. It would add to costs. It would lower farm income. And at the end of 4 years it would leave cotton farmers in a position where they would be forced to produce at world prices. Mr. President, there is abundant evidence before the Senate that this would ruin our domestic cotton industry, for admittedly American farmers cannot produce at world prices.

Mr. President, this bill would attempt to make cotton more competitive by providing a subsidy to domestic mills equal to the difference between the support price and the world price. The Department of Agriculture has estimated that the increase in consumption, because of this subsidy, would amount to 1 million bales of cotton. But, Mr. President, the cost to the American taxpayer would amount to $312 million. Just think, Senators, this would cost $312 million to increase consumption by 1 million bales.

The other principal purpose of the bill is to reduce our surplus of cotton. However, this bill also provides for the production of cotton in excess of allotments. In other words the bill goes in opposite directions at the same time. While the Department of Agriculture has not estimated the cost of this provision, it is clearly evident, that each bale produced on this excess acreage will replace a bale of cotton which could have moved out of Government warehouses.

These two provisions, in my opinion, are unconscionable, and have forced me to oppose my committee. As a result, I had prepared an amendment, which is now pending.

Mr. President, my amendment really provides an incentive for mills to increase the use of cotton. Further, without a doubt, my proposal is demonstrably less costly than the bill, and additionally is patterned within the provisions of the present law.

First my amendment sets the price support for cotton at 30 cents per pound. Simply put, this means a savings to taxpayers of $62.5 million on cotton exports. In addition, it permits domestic mills to purchase cotton at an estimated savings of $106 million. This provision alone saves money for both taxpayers and consumers.

Second, and most importantly Mr. President, my amendment provides a real incentive for domestic mills to increase the use of cotton. It would set a base for each domestic mill based on 1963 usage. If a mill used cotton in excess of that base it would provide for a payment-in-kind of up to 10 cents per pound.

Mr. President, my amendment accomplishes what the committee bill intends, but, at a substantially lower cost. The committee bill would cost American taxpayers $312 million in the form of a domestic subsidy to increase consumption of only 1 million bales of cotton. My amendment, on the other hand, would result, according to Department estimates, in an increase of 600,000 bales of cotton at a cost of only $56 million. In other words, I achieve two-thirds of the increased use at a cost of only one-sixth of the cost of the committee bill.

Mr. President, I predict that unless my amendment is adopted this Senate will again be considering legislation at an early date to correct inequities brought about by the bill.

Producers will suffer, the taxpayer will suffer, and yes, the whole of the cotton industry will suffer. I sincerely hope that the Senate will follow my advice.

Mr. PASTORE. Mr. President, the logic, my interest, and attachment to this legislation is somewhat different from that already expressed by the distinguished Senator from Louisiana and many of my other colleagues in the Senate. I am interested in the 2-price cotton system, not so much because of the effect it will have upon the producer; I am interested primarily in what effect it will have on American jobs.

In 1958 a resolution was proposed in the Senate to make a thorough and exhaustive examination into the decline of the textile industry in the United States. At that time it was established that mills throughout the country, as much in the New England area from which I hail, as in the southern parts of our country, were closing daily. Millworkers by the thousands were being put out of jobs. It is fair to say that in the past decade almost 1,000 American textile mills have been closed. Perhaps close to 500,000 jobs in those mills have been lost.

Mr. President, these are American mills. These are American jobs.

In the spring of 1958 our Senate subcommittee on problems of the textile industry started our hearings. We conducted those hearings throughout the New England area; and we invaded some parts of the South as well. There is no doubt now in my mind as there was no doubt in 1958 that the textile industry in the United States continues in serious condition. Unless something is done, and done rather quickly, I am afraid we shall be confronted with the complete loss of the woolen and worsted industry.

We conducted hearings in 1958; and in 1959 the subcommittee issued a report. It made 11 recommendations. One of the recommendations made was the elimination of the two-price cotton system now in existence. Very little was done; and new hearings were held in 1959. We issued another report in 1960. We issued another one in 1961. We issued another report in 1962.

In October of 1961 there was initiated a 1-year multilateral agreement with the 18 or 19 countries of the world having textile industries. It was known as the cotton agreement. That agreement expired on the last day of September 1962. It was renewed for a period of 5 years. It is only a matter of time before that agreement will run out. There is at present some limitation on importation of cotton manufactured goods—providing that such importation does not disrupt the American market.

That agreement has worked, not perfectly, but reasonably well. One of the recommendations the committee made was for the elimination of the two-price cotton system. What is the two-price cotton system? In 1955, at the behest of the American cotton producers of this country, led by the distinguished Senator from Mississippi [Mr. EASTLAND], it was realized that the world market price was below the American price. It was also realized that American cotton could not be sold on the world market unless the competitive price were met. Therefore, there was instituted what we now know as the two-price cotton system, which means that any millowner in Japan, Italy, Great Britain, the Philippines, Hong Kong, Portugal, Egypt, or Spain who wishes to make a cotton shirt can buy that cotton at 8½ cents a pound cheaper than a shirtmaker in Rhode Island.

The argument has been made that it does not make all that difference in the ultimate price of the shirt. I understand that. There are many things that make the American production of goods a little more expensive. First of all, we have a higher standard of living. I hope we are not going to argue today that we should begin to drag that down. I know that the American millworker makes $1.80 an hour. That is not too much money by American standards. I also know that the Japanese millworker makes 30 cents an hour. Perhaps in Hong Kong he is satisfied to receive a bowl of rice a day. I realize all that. I also realize that if we do pass this bill that has been suggested by the committee, it will not be a cure-all or an end-all of textile problems.

But, we must start somewhere. What has happened? In 1955, when we instituted the two-price cotton system, we did not give too much thought to the fact that after the foreign manufacturer had bought American cotton at 8½ cents a pound cheaper than it was being produced here in the United States of America, he would use it to make a shirt to sell back on the American market in competition with the American product. They did not realize that in 1955, but that is precisely what happened. The man who manufactures a shirt in Japan to sell to the American consumer can buy the same cotton that the American manufacturer in Rhode Island uses, and he can buy that cotton 8½ cents a pound cheaper.

I ask: Is that right?

We do not wish to shut off international trade, but is it right to say to the American manufacturer, "You must stay in competition with the foreign manufacturer. You have got to pay more for the basic commodity that is grown in America and is being used by both the foreign and the American manufacturer."

That is the issue here.

The big question is: What do we do about it? We are on the horns of a dilemma, because no matter what we try to do, it will cost money. If we do away with the two-price cotton system, surpluses will rise. If we cannot sell American cotton, the market will be glutted. Inventories will grow astronomically, and the American taxpayer will have to pay for the storage.

We start out with the premise that we cannot do much to disrupt the idea of meeting the world market with reference to the cotton that is sold abroad. The Senator from Ohio intimated that there is a compounding of evil on this question. It is not exactly that. Should we eliminate the whole problem? So far as I am concerned, I would; but I do not believe it would meet with the approbation of the distinguished Senator from Texas or the distinguished Senator from Mississippi. Why? Because they produce cotton and their cotton producers have to live. They have to sell. If they have to meet the world market on their own, they will go bankrupt—we will all admit that. It is just as simple as A B C.

But, what does it do to the American millworker? We have already lost half a million millworkers. We talk about poverty in this country. What are we going to do about poverty? Let me comment on that subject for a moment. There are people who are poverty-stricken, regrettably, right here in the United States of America. Many people in other countries believe that everyone in America rides around in a Cadillac car, that everyone lives in a two-story brick house; but that is not true. There are many people in the United States of America who will go to bed hungry tonight. There are many fathers out looking for jobs at this very hour. They are willing to work but cannot find jobs. If anyone questions that statement, let him come to Rhode Island and I will introduce him to a few.

When a man reaches the age of 55 or 60 and he loses his job at the mill, where does he go? Just where can he go?

Recently when I was back home, a father came to me and said, "Senator PASTORE, give me back my self-respect."

I looked him straight in the eye, and I said, "What do you mean by that?"

He said, "I have been out of work for 2 years. I have been wearing the apron in my family while my wife goes out to work. For God's sake, give me a job so that I can take that apron off and earn back my self-respect. I want to be the breadwinner of my family, not my wife."

We talk about retraining. How do we retrain a man 55 or 60 years of age, who has worked at a loom all his life and suddenly loses his job? We train him for what? To work an IBM machine? To become a U.S. Senator? What do we retrain him for? To be a janitor? He has no place to turn, nowhere to go—he has lost his job.

At the same time, goods are coming in from Japan, Italy, Great Britain, Hong Kong, by the shipload—yes, coming in by the shipload. Would Senators believe that our imports last year, in woolens and worsteds alone, were 20 percent of the entire American consumption? This is how much of the market we have lost. I shall not mention cottons, how bad they are.

So the question was raised that we should do something about this problem, and we met at the White House, under the administration of our late, beloved President Kennedy. He was much interested in the problem. The fact is in May 1961 he issued a seven-point program and promised then that something would be done about the two-price cotton system.

We suggested—and this is how simple it was—that inasmuch as foreign manufacturers buy their cotton 8½ cents a pound cheaper than can the American manufacturer, and since the foreign manufacturer is going to sell his manufactured shirt back to the American consumer, why do we not put the 8½ cents back at the customs port?

Very simple. The end of all our problems. We took it off at one place, so if the foreign manufacturer puts that shirt on the back of one of his own people, good for him. The foreign manufacturer has bought the cotton for 8½ cents a pound cheaper than the American manufacturer, so if he sells that shirt to an American consumer then he pays back the 8½ cents when the shirt comes into the country.

We held hearings before the Tariff Commission. How far did we get? We did not get off dead center. We had every representative from every exporting nation in the world telling us that if that were ever done, they would not buy another pound of our cotton. That is how tough it is. That is the problem. It is a problem, because we want them to buy our cotton. We have got too much of it. We have got more than we can use, but they told us, "You do this to us, you take the American market away from us on selling our shirts, and we won't buy your cotton."

That was the end of that. We could not equalize the price. So where does the American worker stand? Where does the American millowner stand? They stand in the dilemma about which I have spoken. The next question was, What else could we do?

The administration has not looked at this problem frivolously. It realizes that money is involved. It realizes that it will cost some money. However, if we cannot do it with an equalization of the tariff or customs, we must do it some other way. That is what brings us here. People talk about bales of cotton. They talk about the cotton producer. That is not what I am talking about. I am talking about the millworker. What shall we do about him?

If anyone doubts my word, I will read some telegrams:

New Bedford, Mass.,
February 28, 1964.

Hon. John O. Pastore,
Senate Office Building,
Washington, D.C.:

Urge that you support the cotton bill as reported by the Senate Agriculture Committee to provide cotton to our mill in Rhode Island and other American mills at the same price at which American cotton is sold to foreign mills which export cloth and apparel to the United States to displace American workers although enactment of one-price legislation will result in immediate inventory losses and lower price for our products. It will make them more competitive and help in our struggle to maintain employment and operation in Rhode Island and Massachusetts. We have always supported the recommendations of the Pastore committee and of President Kennedy's textile program. Sincerely hope that you will give your support to the cotton bill and oppose amendments to it.

Seabury Stanton,
President, Berkshire Hathaway, Inc.

I have another telegram:

Greenville, R.I., *February 28, 1964.*

Senator John. O. Pastore,
New Senate Office Building,
Washington, D.C.:

Understand H.R. 6196 up for debate. This bill would help our company with 252 employees. Urge you to support.

Richard H. Illingworth,
President, Greenville Finishing Corp.

People talk about small cotton producers. How about the small mill? Will we forget those people?

I have some more telegrams:

Cranston, R.I.,
February 28, 1964.

Senator John O. Pastore,
New Senate Building,
Washington, D.C.:

Urge you to support H.R. 6196 on one-price cotton. We at Cranston has over 1,500 employees relying in large part on cotton fabrics.

Dwight H. Owen,
Cranston Print Works Co.

Providence, R.I.,
February 28, 1964.

Senator John O. Pastore,
Washington, D.C.:

On behalf of the members of Textile Workers Union of America in Rhode Island, we respectfully urge you support and vote for H.R. 6196, as amended by the Senate Agricultural Committee.

Samuel Azzinaro,
Manager.

Woonsocket, R.I.,
February 28, 1964.

Senator John O. Pastore,
Senate Office Building,
Washington, D.C.:

Understand bill H.R. 6196 scheduled for debate today. Urgue you give it your unqualified support.

Joseph H. O'Donnell,
Woonsocket Color & Chemical Co.

Warwick, R.I.,
February 28, 1964.

Hon. John O. Pastore,
U.S. Senate,
Washington, D.C.:

H.R. 6196, which I understand will be debated today, will assist Fruit of the Loom, Inc., and its 550 employees at its Warwick plant to stay in business in a very competitive industry. I strongly urge you to support this bill.

G. Adolph Thorell,
General Manager, Fruit of the Loom, Inc.

Providence, R.I.,
February 28, 1964.

Hon. John O. Pastore,
New Sente Office Building,
Washington, D.C.:

Cotton Textile Industry sources estimate one-price cotton will recapture 300 million pounds of domestic market and 100 million pounds of imported market. Urge strongly your affirmative vote for one-price cotton.

Edwin F. Sherman, Jr.,
Henry A. Street, Jr.

Westerly, R.I.,
February 28, 1964.

Hon. John O. Pastore,
U.S. Senate Office Building,
Washington, D.C.:

Urge you support H.R. 6196 to help us remain competitive and provide employment for Rhode Island people.

Thomas F. Moore, Jr.,
Executive Vice President.

I also have a letter:

The Grant Supply Co.,
Providence, R.I., February 22, 1964.

Hon. John O. Pastore,
Senate Office Building,
Washington, D.C.

Dear Senator: As you are aware, we are engaged as sales agents in the cotton textile industry. My livelihood is in jeopardy because my company has been seriously hurt by increased imports of cotton textiles and apparel made at very low wage rates from American cotton subsidized by our Government at 8½ cents per pound below the domestic price.

I recognize your great efforts in behalf of the textile industry and "one price" cotton.

I am heartily in favor of your continued support for the enactment of new cotton legislation in a form which will assure domestic mills of fiber at prices equal to the export price.

My family join in best regards to you, Mr. Maison, and your wonderful staff.

Very truly yours,
Howard G. Brown.

What am I talking about? Am I talking about bales? Am I talking about acreage? I am talking about American jobs.

We are living in boom times. We have already gone through the ceiling of a $600 billion gross national product. More than 70 million Americans are working. Yet we have a poverty force of one-fifth of our population. Some of our displaced textile workers are in that population. That is what I am talking about.

I do not like the word "subsidy." It is a dirty word where I come from. I would rather use the words "compensatory damages." That sounds a little sweeter. We are really discussing compensatory legislation.

The producer will not get this money. The producer gets his money from the Government under the program already instituted by law. This is an offset, to make American producer competitive foreign competitor. That is what we are discussing today. That is what we are struggling with on the floor of the Senate.

It has been said that the program would cost the taxpayers some money. Of course it would. However, this is not money that the millowner will put in his pocket. It will not be paid to him, in the first place. It will allow him to buy cotton at the same price that his foreign competitor pays, which is 8½ cents cheaper. What does that mean? It means that because he is in competition with a millowner in the United States, he must reduce his price. When he reduces his price, who gets the benefit? Not anyone in Japan. Not anyone in Italy. Not anyone in Great Britain. The American consumer gets the benefit.

Mr. JORDAN of North Carolina. To the extent of $700 million.

Mr. PASTORE. That is because we are not exporting the amount of textile goods that we exported 10 years ago. Ten years ago, 15 percent of our production went abroad. Now it is less than 3 percent. We are lucky if it is 3 percent. We have lost our foreign market in textiles. We cannot compete.

If Senators wish to know how ridiculous this statement can become we have been trying for 3 years to obtain a bilateral agreement with Japan, Italy, and Great Britain on a fixed limitation. They turned their backs on us. They said, "Absolutely not." Italy has a bilateral agreement with Japan, on a fixed limitation. Great Britain has a bilateral agreement with Japan on a fixed limitation. However, they will not agree with us.

Why? Because here they find the goose that lays the golden egg. I say, look out; they could kill the goose that lays the golden egg.

All I am saying this afternoon is, Let us have competition, but let it be fair competition.

The argument is made that if we start, we shall have to continue. I say, let us repeat the operation every time we sell American raw goods abroad at prices cheaper than our manufacturers have to pay for them, which goods are brought back in the form of manufactured goods in competition with American goods. Of course we ought to make some compensatory allowances. That is what we are talking about today.

My voice has often been heard in opposition to subsidies. I really do not like them. My own view is that the price should have been equalized at the import gate. That would have been the best way. However, the administration has problems. It has been told, "If you do that to us, we will not buy your cotton." Then we would not only have the American millworker and the American millowner on our hands, but also our American producers, and that would include the producers in Mississippi. That could be a formidable contingent.

Mr. President, let us stop using cliches. Let us stop using platitudes. Let us stop throwing figures around. Let us consider the problem for the peril it is. Let us understand the issue. Let us find a solution for it. If this is not the solution, and if someone has a better proposal, I am ready to listen to it. I want to be fair. We must be fair.

The textile industry in this country is dying. It is dying fast. We have already lost a good one-third of our textile workers. When I was Governor of my State of Rhode Island between 1945 and 1950, 45 percent of our gross income came from the textile industry. Now the gross income from that source is below 15 percent. That is how bad the situation has become.

I do not care whether one takes into consideration Rhode Island or North Carolina or South Carolina. The story is the same. I was told only 48 hours ago that virtually there is not one textile mill in the whole United States that is working at capacity today. In our-so-called boom times, is that not quite a commentary? Yet textile goods are being imported from Japan, from Hong Kong, from Egypt, from the Philippines, from Portugal, from Spain, from Italy, France, and Great Britain.

But we sit here and talk about figures. Let us talk about human kind. Let us talk about Americans. Let us talk about good, old-fashioned American jobs. Then we will find the answer to some of the problems. Then, I say to the President of the United States, we will find the answer to our poverty-stricken population. That population has been augmented because people are losing their jobs and have no place to turn, be it the result of imports, automation, or whatnot. The answers are not easy to find. The answers are difficult to find.

I do not suggest for one moment that this proposal is a complete answer. The argument that only a certain nominal cost of the overall production of a shirt is affected does not impress me at all. Psychologically, what is happening has a depressive effect on American markets.

I was told one time by a millowner in Rhode Island, the reason for this condition. The millowner had threatened to close his mill. I took a plane back to Rhode Island to talk to him, to plead with him, to see if something could not be done to keep that mill open.

He looked me straight in the eye and said:

> PASTORE, even if I wanted to, I could not start tomorrow to make my patterns. We cannot start to do anything until we find out what the cutters of New York will do in Japan. They are in Japan now, negotiating for the purchase of cloth. We cannot do a thing until we learn what they propose to do with the Japanese imports.

Mr. President, I am not against the Japanese. I never was. I am not against international trade. I voted, both under the Eisenhower and the Kennedy administrations, for the Trade Expansion Act. I have stood here each time and answered "Yea." By the same token, I say now that the time has come when we must consider this problem as an American problem. The time is now.

This is not a problem solely for the cotton producer, even though he may see some advantage in the proposal. This is not a problem for the middle man, although he may see an advantage in it. This is a problem for the American textile industry. When it comes to concern for that industry, I take my hat off to no Member of Congress. I have grown up with it. I think I know a little something about it.

I have been chairman of this textile subcommittee since 1958. If I have visited the White House once, I must have been there 30 times, to talk about the textile industry. We have another meeting with the President scheduled for tomorrow. This is a serious problem. I hope, with all the sincerity in my being, that we will do the right thing in the Senate in the next few days. To do what? So far as I am concerned, to protect American jobs.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. JORDAN of North Carolina. I wish to aline myself with the eloquent remarks of the Senator from Rhode Island concerning the cotton textile industry, which is so vital to the United States. I recall the time when the Senate voted to create the subcommittee of which the Senator is the chairman. I know of the vast amount of work which the Senator from Rhode Island has done in that committee, along with the Senator from New Hampshire [Mr. COTTON] and the Senator from South Carolina [Mr. THURMOND]. I attended one of the hearings which the subcommittee held in North Carolina, South Carolina, the New England States, and elsewhere. I have attended the meetings at the White House with the Senator from Rhode Island on numerous occasions and have pleaded with the President. Each time it was said that something would be done about this problem. The Senator from Rhode Island knows, as many of the rest of us know, that up until this time nothing has been done about it, except to make more investigations and more promises and to send more people to Geneva and Japan, and to do more of this, that, and the other thing.

I shall say one more thing, because I do not wish to delay other Senators. If the recommendations of the committee headed by the Senator from Rhode Island had been followed in 1958, we would not be discussing this subject today. I think that will be admitted without question.

Mr. EASTLAND. Mr. President, will the Senator from North Carolina yield?

Mr. JORDAN of North Carolina. I yield.

Mr. EASTLAND. The distinguished Senator from Rhode Island has made an outstanding speech and a forceful argument. He has made a significant contribution to the debate on the bill. In my judgment, the Senate is fortunate to have so highly intelligent a Member of this body.

Mr. JORDAN of North Carolina. I wish to join in what the Senator from Mississippi has said concerning the fine remarks made by the Senator from Rhode Island.

Mr. TOWER. Mr. President, I, too, wish to concur in the remarks of the distinguished Senator from Rhode Island relative to the necessity of making cotton available to domestic mills at the world price. Although I do not support the present cotton provision, I intend to offer an amendment in the nature of a substitute that will, I believe, accomplish what the distinguished Senator from Rhode Island wishes to have accomplished, and that I, too, would like to see accomplished.

Mr. President, I call up my amendment No. 442 and offer it as a substitute for the amendment offered by the Senator from Louisiana [Mr. ELLENDER].

The PRESIDING OFFICER (Mr. BAYH in the chair). Does the Senator from Texas desire to have his amendments considered en bloc?

Mr. TOWER. I should like to have amendment No. 442 considered en bloc as a substitute for the amendment offered by the Senator from Louisiana.

The PRESIDING OFFICER. The Chair observes that the amendment of the Senator from Texas is not a substitute for the amendment of the Senator from Louisiana, but rather a perfecting amendment for certain language in the bill proposed to be stricken out by the Ellender amendment.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. It is my understanding that the distinguished minority leader earlier today, in attempting to protect the rights of the distinguished Senator from Texas, propounded a series of inquiries which I thought made it possible for the Senator from Texas to offer his proposal as a substitute for the amendment of the Senator from Louisiana. Therefore, is not the proposal of the Senator from Texas in order at this time?

The PRESIDING OFFICER. The Chair observes, in answer to the majority leader, the amendment of the Senator from Texas is in order. Does the Senator from Texas wish to offer his amendments en bloc?

Mr. TOWER. I make that proposal.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

On page 8, beginning with line 2, it is proposed to strike out all down through line 7 on page 9 and insert in lieu thereof the following:

"SEC. 101. The Agricultural Act of 1949, as amended, is amended by adding at the end of title I a new section as follows:

"'SEC. 108. Notwithstanding any other provision of law, beginning with the 1964 crop of cotton—

"'(a) Price support shall be made available to producers for each crop of cotton at not more than 100 per centum of the average world price of cotton for the three calendar years immediately preceding the calendar year in which the marketing year for such crop begins. The level of price support as announced by the Secretary for any marketing year shall remain the same as announced throughout such marketing year.

"'(b) The Secretary shall formulate and administer a program under which equalization payments shall be made to cotton producers in such amounts, consistent with this subsection, as the Secretary determines will provide cotton producers with a fair return on their production and at the same time return the United States to a more competitive position in the world cotton market. Such payments shall be made by the Secretary at progressively lower rates for each marketing year and shall terminate at the beginning of the 1970 marketing year. The amount of the equalization payments made to any producer in any year shall be determined by the Secretary solely on the basis of the amount and quality of the cotton grown by such producer and on no other basis, and the equalization payment shall be limited on no other basis.

"'(2) The Secretary shall publish as early as practicable, but in no event later than thirty days after the date of enactment of this subsection, the rates for equalization payments for each marketing year in which such payments are to be made. The Secretary may not increase such payments for any marketing year above the published rate but may, if he deems it necessary in the public interest and after reporting such fact to the Congress, waive a scheduled decrease for any marketing year. No decrease for any marketing year may be waived by the Secretary unless he announces such action prior to or at the same time that the level of price support for cotton for such marketing year is announced. In no event shall a scheduled decrease be waived for a period of more than one marketing year.

"'(3) Equalization payments authorized under this subsection may be made by the Secretary either in cash or in kind (as determined by the Secretary), but no such payment shall be made to any producer with respect to any quantity of cotton until such cotton has been sold by such producer or, in the case of cotton on which a loan has been obtained by such producer from the Commodity Credit Corporation, until title to such cotton has been acquired by the Commodity Credit Corporation.'"

On page 9, line 11, strike out "(c)" and insert in lieu thereof "SEC. 102.".

On page 9, beginning with line 22, strike out all down through line 3 on page 19.

Mr. TOWER. Mr. President, on my amendments, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TOWER. Mr. President, if the bill now before the Senate is enacted, the cotton and wheat industries will be the most regulated, the most federally dominated, industries in our Nation.

This ill-combined, wheat-cotton bill fails to come to grips with the problems wracking America's agriculture. This bill is merely another attempt to patch up badly discredited legislation and inopportune administration which have been the major cause of the deterioration of the American cotton and wheat industries.

The problem of these industries is simple. Neither wheat nor cotton is competitive in the marketplace. Because they are not competitive, surpluses continue to build up, and subsidy grows on top of subsidy, and acreage allotment is piled upon top of acreage allotment. Thus far, all to no avail.

I do not think the proposed farm bill would operate, or be administered, to make the commodities competitive and to move them out of Government loans and into the market. Obviously this bill does not move agriculture toward the free market; indeed, it adds more compulsory Federal controls.

Therefore, Mr. President, I joined in temporarily delaying consideration of this bill until its implications were known throughout the Nation and until corrective amendments were drawn.

I think that it would have been much more beneficial for the farm industry if the wheat and cotton portions of this bill could have been considered by the Senate separately. And, my final decision on support of the combined measure will depend upon the amendments adopted and the degree to which correct administration of the bill is guaranteed.

Mr. President, first I should like to address myself primarily to the cotton title of this bill, although I also am deeply concerned with the wheat title. Texas is the first ranking State in cotton production, and is 15th in wheat production.

It is absolutely essential that any cotton legislation restore a market-price system for cotton. This can be accomplished only if we have a protective loan at about the world price of cotton. With such a low loan, it is essential that—in order to protect and maintain farm income—the producer be paid a temporary equalization fee that would make up the difference to the producer between his past protected market and the new open market.

And it is equally necessary, if cotton is to be returned to a competitive, free-market position, that the equalization payment be programed for progressive decrease over a period of years. With that progressive decline in mind, it is necessary that a new research program be instituted, in an attempt to cut cotton production costs.

I have submitted an amendment which would accomplish these goals.

I think we well might note that in 1958 Congress passed adequate cotton legislation, and that during the time when the congressional intent on its administration was followed, it worked satisfactorily. However, in early 1961, the Secretary of Agriculture increased the support price, thus increasing the export subsidy. Exports fell from an average of 6.9 million bales yearly to 4.1 million. The carryover rose from 7.1 million bales to 11 million bales, and is still rising. We lost our competitive position in the world market.

The current cotton mess resulted because the Secretary of Agriculture unwisely exercised his discretionary power, to set price supports at a higher percentage of parity. But the bill before us gives the Secretary the same powers to act unwisely.

This pending cotton title also attempts to correct past mistakes by piling subsidy upon subsidy. It will result in higher costs to taxpayers and higher fiber costs to consumers.

Past decisions and actions, which now seem impossibly unwise, have brought the cotton industry in this country far beyond the point where it can be saved by anything less than an immediate reduction to the competitive world price, under a program that is convincingly permanent.

Gradual moves toward competitive status are meaningless. What is needed is a loan at the world-price level. Such a loan would permit our export business to resume its past high levels. Such a loan would enable U.S. mills to obtain cotton at the same price foreign mills do.

To bridge the gap between the world level and the price necessary to preserve a solvent producer, the equalization payment must be made for several years to the producer, as cotton gradually reenters normal channels of trade and progressively retains its competitive status in the world. No arbitrary ceiling or limit could be placed on the amount of equalization payment, under my amendment.

If the loan is placed at or near the world market price, the cotton trade and the consumer can stock cotton. Furthermore, instead of being bought on a hand-to-mouth basis, as has been the practice in recent years, the cotton will move into market consumption.

Many millions of dollars in government administrative expenses, storage costs, and interest charges will be saved. The farmer will benefit from income protection while he is assisted by additional research projects to become competitive.

I think it is obvious that the Governernment loan was not intended to be a market for cotton—but only a marketing device. So long as the loan remains above the market price, therefore, it will attract to it cotton that should be going into consumption. My amendment would correct that situation.

So long as the export subsidy is maintained, some other subsidy will be necessary, to achieve a one-price system at the mills. My amendment would make both the export and the mill subsidies unnecessary.

Yet with this simple solution lucidly apparent, we are asked, not to eliminate subsidies, but to pass a bill that will have the effect of making cotton a five-subsidy commodity. If this bill is enacted as it now exists, the taxpayers will be paying three subsidies to producers, an export subsidy, and a subsidy designed to assist the mills. We can only speculate that the next step will be for somebody to propose a sixth subsidy to the consumer, so that he can buy a $5 white shirt for $4.75—and then a tax credit to the taxpayers, so they can afford to pay all the subsidies.

All that is, of course, unnecessary. The white-shirt subsidy is unnecessary, the tax credit for subsidy expenses is unnecessary—in fact all of the subsidies in this bill are unnecessary, except for one equalization payment to producers for a limited period while a lower price-support loan rate operates gradually and effectively to make cotton competitive again in a one-price system.

Not only that, but the result of the bill to create two additional cotton acreage allotments—one for domestic production and one for export production—is equally unnecessary. Under my amendment, the current single acreage allotment would be the only allotment needed.

What would all this cost? It would cost the taxpayers far less over the next few years than would the pending bill or continuation of the present abortive program.

It is estimated that my amendment would cost some $525 million for the 1964 crop year, and that costs under my plan would drop each year by $75 million, until the costs to the taxpayer reach zero by about 1970. The costs through the life of the program would be about $2 billion.

And when we have reached a competitive position—the costs would be nothing. Zero dollars never can be reached under the proposed five-subsidy bill now before the Senate. Only the sky is the limit for costs to the taxpayer if the current program continues to be administered as it has for the last 3 years.

In brief, Mr. President, cotton must be made permanently competitive by implementation of a convincing U.S. program aimed at restoring confidence of both domestic and foreign purchasers of our cotton. Farmers' income must be protected, but by a single payment, not by a five-sided monster. Congress must move cotton toward lesser Federal regulation, a goal that cannot be achieved by adding more subsidies and more acreage allotments.

Mr. President, I should like to read the salient portions of my amendment, because I think those who hear it read will understand clearly what my recommendation is.

My amendment to a part of the Ellender amendment, as modified, reads as follows:

SEC. 108. Notwithstanding any other provision of law, beginning with the 1964 crop of cotton—

(a) Price support shall be made available to producers for each crop of cotton at not more than 100 per centum of the average world price of cotton for the three calendar years immediately preceding the calendar year in which the marketing year for such crop begins. The level of price support as announced by the Secretary for any marketing year shall remain the same as announced throughout such marketing year.

(b) (1) The Secretary shall formulate and administer a program under which equalization payments shall be made to cotton producers in such amounts, consistent with this subsection, as the Secretary determines will provide cotton producers with a fair return on their production and at the same time return the United States to a more competitive position in the world cotton market. Such payments shall be made by the Secretary at progressively lower rates for each marketing year and shall terminate at the beginning of the 1970 marketing year.

In other words, in succeeding years the payments could not be higher.

The amount of the equalization payments made to any producer in any year shall be determined by the Secretary solely on the basis of the amount and quality of the cotton grown by such producer and on no other basis, and the equalization payment shall be limited on no other basis.

That means that the Secretary could not impose any limit on the amount of the payment to any producer; the sky would be the limit, in effect—so that the big producers could be paid very large subsidies. But the reasoning is, not to permit a number of persons to become rich, but to encourage the large, efficient producer. I think we would be attempting to arrest the historical trend toward the large, efficient producer if we imposed a limitation which would be discouraging to the large, efficient producer.

(2) The Secretary shall publish as early as practicable, but in no event later than 30 days after the date of enactment of this subsection, the rates for equalization payments for each marketing year in which such payments are to be made. The Secretary may not increase such payments for any marketing year above the published rate but may, if he deems it necessary in the public interest and after reporting such fact to the Congress, waive a scheduled decrease for any marketing year.

In other words, a decrease in payments would not be mandatory. If the Secretary found it necessary to waive the decrease, he could do so.

Continuing to read from the amendments:

(3) Equalization payments authorized under this subsection may be made by the Secretary either in cash or in kind (as determined by the Secretary), but no such payment shall be made to any producer with respect to any quantity of cotton until such cotton has been sold by such producer or, in the case of cotton on which a loan has been obtained by such producer from the Commodity Credit Corporation, until title to such cotton has been acquired by the Commodity Credit Corporation.

The effect would be to give the Secretary discretionary power to make payments either in cash or in kind. It would be hoped that payments in kind would be made whenever practicable, because such action would get cotton out of the warehouses and into the market where it belongs. If the cotton industry is to survive, it is necessary to provide a fast flow of low-priced cotton into the market. My amendments would accomplish that objective.

Briefly, my amendments provide for a cotton price-support loan at the world price averaged over the past 3 years, which is approximately 24 cents a pound.

The amendments would provide for equalization subsidy payment directly to producers to guarantee farm income while the industry adjusts gradually to a competitive situation. Payment could not be arbitrarily limited.

The amendments further provide for progressive decrease in the equalization payment until by about 1970 the subsidy would become unnecessary. In other words, cotton would be returned to a market regulated economy. That would be the objective.

The amendments further provide for a special research program designed to help lessen costs of cotton production in coming years.

I believe the effect of the adoption of my amendments would make cotton immediately competitive in both the world and domestic markets.

It would restore a one-price situation at every point in the marketing-production chain—merchants, mills, exporters.

It would permit elimination of the proposed five-sided subsidy of the committee bill.

It would ease cotton gradually into a situation where cotton could be competitive without any taxpayer subsidy.

It would eliminate Federal controls and regulation rather than piling subsidy upon subsidy and allotment upon allotment.

It would move cotton into the consumption market rather than into the Government loan.

It would restore the loan to its intended position as a marketing device; not a market in itself.

It would reduce systematically and judiciously the present excessive cost of the cotton program for the taxpayers.

It would permit the stocking of cotton by exporters and mills and dealings in futures without fear of unexpected governmental changes in the prices of cotton.

It would be a permanent and convincing, confidence-inspiring program.

Mr. President, I hail from the largest cotton-producing State in the United States. The Texas cotton crop is the most valuable crop grown in any political subdivision in the world. We are vitally concerned with the future prosperity of the cotton industry. I recognize that there are many differences of opinion among the various segments of the cotton industry—the owners, the buyers, and the producers. However, I believe my proposal is an equitable one. It would make cotton available to the mill owner at the world price. It would establish a one-price system and would, I believe, uncomplicate the present vast problems that now exist in relation to cotton. The ultimate result of the self-amoritizing program would be the final restoration to a market regulated economy, where it belongs.

Mr. ELLENDER. Mr. President, will the Senator yield for a question?

Mr. TOWER. I yield.

Mr. ELLENDER. What would become of the cotton now on hand?

Mr. TOWER. Some of the cotton now on hand could be used for payments in kind. It would be hoped that the proposal would move that cotton into the market.

Mr. ELLENDER. Would the subsidy to which the Senator has referred be paid in kind?

Mr. TOWER. At the discretion of the Secretary, it could be paid either in cash or in kind. It is my hope that the Secretary would elect to make payments in kind where practical, because that would move cotton into the market.

Mr. ELLENDER. What limitation would be imposed upon the producers of cotton in relation to production?

Mr. TOWER. There would be no limitation.

Mr. ELLENDER. In other words, producers of cotton could plant all they desire to plant?

Mr. TOWER. Yes.

Mr. ELLENDER. The producer would be protected by being able to obtain a loan from the Government.

Mr. TOWER. He could obtain a loan and the equalization payments.

Mr. ELLENDER. I thank the Senator.

Mr. AIKEN. Mr. President, I have not positively decided yet how I shall vote on the amendment of the Senator from Louisiana [Mr. Ellender] to the pending bill, or the substitute offered by the Senator from Texas [Mr. Tower] for the amendment offered by the Senator from Louisiana, or even on other sections of the bill. However, I believe that some facts should be placed in the record before a vote is taken on any of these pending proposals.

The first thing we should know is, How did we get into the position we are in today?

We all know that in the mid-1950's the Government had acquired a substantial amount of cotton, more than was needed, and in 1958 Congress enacted new legislation looking toward improving the situation.

After the legislation was enacted, conditions grew materially better for 2 years. Exports of cotton went up from 2½ million bales a year to approximately 7 million bales per year for a 2-year period. Then a change took place in the Department of Agriculture, and the Secretary raised the support price for cotton 2½ cents a pound; he raised the subsidy for export cotton to 8½ cents a pound; and the cost to the domestic mills was also raised by an amount equal to the rise in the support price. That was not pleasing to the domestic mills. That situation has continued until it is now estimated that we shall shortly have 11 million bales of cotton owned by the Federal Government, with an increase in prospect in future years unless something is done about it.

The Secretary of Agriculture could do something about it under existing law. He could make the supports 30 cents a pound, which most of the proposed legislation calls for anyway, but he can do that under the law already on the books and start making things better in the cotton market.

Apparently, the administration does not wish to do that. It made a great blunder in the spring of 1961, and apparently it feels that there must be some legislation to cover up that blunder, which it could correct administratively if it saw fit.

The bill provides, roughly, for a $500 million subsidy to the cotton textile mills of the United States to start with. What that would amount to after a few years nobody knows, because it would certainly intensify competition with other countries. So the question is, do the mills really need this subsidy?

Sometime ago, when this legislation was proposed, I obtained the financial statements of practically all the leading cotton mills of the country, and much to my surprise I found that they were doing very well.

This morning an article published in the Wall Street Journal bears out this finding, which I obtained from the financial statements of the cotton mills.

The lead article in the Wall Street Journal this morning states:

> Textile comeback. More efficient plants, mergers help industry to increase earnings. Dan River spends $10 million on new unit; Burlington exploits synthetic fibers. But sales of imports grow.

The article continues, and we find that the leaders of the different mills have made statements, such as:

> "A new and better day is dawning for the American textile industry," says Robert T. Stevens, former Army Secretary and now president of both the American Textile Manufacturers Institute and J. P. Stevens & Co.
>
> "Total profits of all textile manufacturers hit $346 million in 1962, up from $248 million in 1957, according to Government statistics. Profits during the third quarter of 1963, the latest period for which such figures are available, totaled $97 million, up 13 percent from the like period a year earlier. Industry sales totaled $3.8 billion in the third quarter of 1963, a 6-percent increase over the comparable 1962 period.
>
> "The brighter picture is reflected in the fact that the industry now is operating at 90 percent of capacity, compared with 80 percent in 1957. Moreover, capacity itself has been increasing during this period, due to more efficient equipment."

The article tells about mergers which have taken place. Of course, mergers have taken place. The old-fashioned textile mill employing 20 or 30 people has gone out with the old-fashioned blacksmith's shop which we used to see in every rural town in America.

Continuing with the article, there are other quotations which indicate that the industry is not doing too badly. One relating to stretch fabrics:

> Our business is booming right now because demand for stretch has grown tremendously, says Martin Cohen, president of International Stretch Fabrics, Inc. I'll predict that in 5 years everything people wear and use will be made with stretch with the possible exception of handkerchiefs.

That is an interesting statement.

Here is another interesting statement:

> We freely switch from one synthetic fiber to another, says Charles F. Myers, president of Burlington. We simply use what the public wants.

Continuing a little further:

> We've made material changes in our product mix in an effort to eliminate unprofitable items, says Caesar Cone, president of Cone Mills Corp. Even though it may produce a $2 to $3 million sales decline, we're getting out of lines we see no future in. But this should result in improved earnings.

The article continues in this fashion. I ask unanimous consent to have the entire article, written by Clarence Newman, and published in the Wall Street Journal, printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, Mar. 3, 1964]

Textile Comeback: More Efficient Plants, Mergers Help Industry To Increase Earnings—Dan River Spends $10 Million on New Unit—Burlington Exploits Synthetic Fibers—But Sales of Imports Grow

(By Clarence Newman)

Burlington, N.C.—The din of carpenters' hammers echoes through a section of the Burlington Industries, Inc., plant here and manufacturing manager Joseph E. Sampson has to shout to make himself heard. "We never stop changing," he says. "We go on the theory that everything we do is wrong and we have to look for better methods."

Mr. Sampson was speaking for Burlington, the Nation's largest textile company. But his words reflect the vigorous new attitude of the entire industry.

For years it seemed that just about everything the textile industry did was, indeed, wrong, as sales and profits dropped because of ancient equipment, often weak management, foreign competition, and other problems. Some problems still remain. But, largely because of a trend toward mergers and increased capital spending, the industry has been making considerable progress in solving them.

"A new and better day is dawning for the American textile industry," says Robert T. Stevens, former Army Secretary and now president of both the American Textile Manufacturers Institute and J. P. Stevens & Co.

SOARING PROFITS

Total profits of all textile manufacturers hit $346 million in 1962, up from $248 million in 1957, according to Government statistics. Profits during the third quarter of 1963, the latest period for which such figures are available, totaled $97 million, up 13 percent from the like period a year earlier. Industry sales totaled $3.8 billion in the third quarter of 1963, a 6-percent increase over the comparable 1962 period.

The brighter picture is reflected in the fact that the industry now is operating at 90 percent of capacity, compared with 80 percent in 1957. Moreover, capacity itself has been increasing during this period, due to more efficient equipment.

This resurgence follows a drastic shakeout in the industry. Between 1947 and 1960, a Senate Commerce subcommittee has reported, 838 textile companies closed down. In the 3 years through 1961, 110 others were acquired by bigger companies. "The big are getting bigger," says one textile man. "I look for more mergers, more liquidations, simply because the smaller mills can't keep pace."

"Ten years ago the 10 largest publicly reported companies had sales of $1.9 billion, or 15 percent of textile mill product sales," says John B. Cave, treasurer of Burlington. "In 1962 the 10 largest publicly reported companies had 23 percent of industry sales. This concentration has led to more diversification, larger expenditures for research and new equipment and increased financial stability."

CAPITAL IMPROVEMENT

William J. Erwin, president of Dan River Mills, Inc., figures that industry spending on capital improvement totaled $650 million last year, up from $610 million in 1962 and

$500 million in 1961. Dan River itself spent more than $10 million last year to build and equip a new quarter-mile-long, air-conditioned plant in Greenville, S.C. During the last 5 years Burlington has invested $205 million in new capital equipment and facilities, exclusive of spending on acquisition of other companies. This year the company expects such outlays to rise 10 percent above 1963's $52 million.

Due mainly to increased capital spending by millowners, textile industry productivity per man-hour climbed 55 percent during the 1952–62 period, according to Federal Reserve Board figures. Even so, textile industry sources note that about 80 percent of existing textile plants and machines are at least 10 years old. They look for a continuing increase in capital spending by textile manufacturers to take advantage of cost-cutting machinery.

Machinerymakers have developed high-speed frames for spinning fiber into yarn which they say can boost productivity 50 percent. Improved looms, for weaving the fiber into cloth, are faster and also wider, so operators can turn out bigger strips of fabric in less time. Automatic vacuum cleaners now coast along overhead tracks in the mills, pulling up lint through long hoses dangling almost to the floor, thus reducing time lost through stoppages of clogged equipment.

TASKS FOR COMPUTERS

Computers also are finding increasing application in the textile industry. Burlington recently started using them to supervise the mixing of different colored dies, to reduce the possibility of human error. An IBM 1410 computer and a Univac 1004 punchcard processor help coordinate J. P. Stevens' 2 dozen merchandising departments in New York with its 29 manufacturing units scattered around the country. Soon Stevens plans to turn many tasks linked to purchasing, inventory control and order assignments over to computers.

Along with bringing in electronic brains, some companies have been stepping up efforts to recruit and train talented executives. "Time was when management in the textile business was largely a family affair," says Mr. Erwin, of Dan River. "Some of the giants of this industry were and still are family enterprises; make no mistake about that. But others more numerous have passed from the scene. More and more the industry is being directed by professional managers."

Dan River yearly hires about 40 college graduates and rotates them among various departments for training as executives. Each year Burlington hires 125 to 150 college men for its marketing and manufacturing executive training programs.

The textile industry has benefited from the proliferation in recent years of such manmade fibers as triacetate, polyester, and acrylic to supplement those synthetic standbys, nylon and rayon. All these synthetics have reduced the industry's dependence on natural fibers whose prices often fluctuate widely.

"We freely switch from one synthetic fiber to another," says Charles F. Myers, president of Burlington. "We simply use what the public wants."

From both synthetic and natural fibers, industry researchers have been developing new types of fabrics. These feature such special qualities as resistance to wrinkles, mildew, germs, or even fire.

Stretch fabrics, introduced in 1959, represent one of the most important new developments. "Our business is booming right now because demand for stretch has grown tremendously," says Martin Cohen, president of International Stretch Fabrics, Inc. "I'll predict that in 5 years everything people wear and use will be made with stretch with the possible exception of handkerchiefs."

Makers of tufted fabrics, sometimes referred to as fake furs, also are enjoying booming sales. "Business couldn't be better," says Clarence E. Halford, president of Glenoit Mills, a division of Botany Industries, Inc., and a major producer of tufted fabrics.

DROPPING PRODUCTS

While adding new fabrics to their lines, some makers have been dropping older, less promising products. "We've made material changes in our product mix in an effort to eliminate unprofitable items," says Ceasar Cone, president of Cone Mills Corp. "Even though it may produce a $2 million to $3 million sales decline, we're getting out of lines we see no future in. But this should result in improved earnings."

Of the problems that still plague the textile industry, perhaps the most pressing is the Federal two-price cotton program. Under this program, domestic mills must purchase cotton at the Government-supported price which currently runs about 8½ cents above the world market price. At the same time, the Government pays U.S. cotton exporters the difference between the domestic support price and the world market price, so the exporters can afford to sell their cotton at the world market price. Thus, textile men point out, foreign textile mills can buy American cotton cheaper than U.S. mills can. This gives overseas competitors the advantage of lower raw material costs to add to their generally lower labor costs.

HAUNTED BY IMPORTS

Textile men say that in some cases imported fabrics have sold in this country as much as 40 cents a yard below what it would cost to produce them in the United States. Burke M. McConnell, Burlington vice president, recently told the U.S. Tariff Commission that the industry was "haunted by the ever rising line on charts representing the flow of foreign-made textile products into this market."

Some textile manufacturers are worried that an intensified organizing drive by the Textile Workers Union, AFL–CIO, will push their labor costs higher and make them even more vulnerable to foreign competition. Of the industry's 800,000 production workers, only some 255,000 are union members. In the South, which has been drawing more and more textile plants since the 1920's, only about 10 percent of the workers are organized.

The TWU, now pushing a drive to sign up members in J. P. Stevens' mills, says that average pay in the textile industry lags 30 percent behind that for all manufacturing employees and contends that non-union workers in the industry earn considerably less than union men. The American Textile Manufacturers Institute reports that average weekly earnings in the industry amounted to $72.34 last December.

Mr. AIKEN. It is interesting to see that the textile industry realizes it must change and modernize, reduce costs, and become more efficient, if it is to make greater earnings. That in itself is very encouraging. So far as its indicating the need for a $500 million subsidy, I believe that point is open to question.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Ohio.

Mr. LAUSCHE. Is it or is it not a completely new program of subsidization in the cotton industry that is being proposed?

Mr. AIKEN. Yes; I would say it is embarking on a new governmental policy of subsidizing manufacturers. I am sure that the support for subsidizing the cotton textile industry to the tune of $500 million is coming from people who never would support 50-cent subsidy for farmers, and that support probably will guarantee that this part of the bill will be approved by the Senate.

Mr. LAUSCHE. I talked with one of the staff men, and he told me that the report will show that under the new program we shall be subsidizing 9,600,000 bales of cotton used by American processors, at a cost of $32.50 a bale.

Mr. AIKEN. However, the amount per bale is not correct; it would more likely be $45 to $50 a bale.

Mr. LAUSCHE. I believe that is how the Senator reaches his $500 million figure. According to a conservative estimate, it is $32.50 a bale, or a cost of $312 million.

Mr. AIKEN. In either case it is a good deal of money to ask the taxpayers to spend.

Mr. LAUSCHE. I am interested in what the Senator has said about the new policy—that it would not help the farmer, but would help the manufacturer, by paying him a subsidy. Will the Senator expound on that point?

Mr. AIKEN. Rather than paying a subsidy to the farmer, this program would pay a subsidy to the mill, starting lower now but soon paying 8 to 10 cents a pound. In all probability, the subsidy will have to be increased as the program continues, because it is only natural to expect that there will be competition, which will lower the price of cotton generally. That means that if we continue the support of 30 to 32½ cents a pound, the subsidy will have to be increased from 9 cents to 10 cents, and possibly as much as 11 cents. A bale of cotton, I understand, weighs about 500 pounds.

Mr. LAUSCHE. Is there any danger that if we now begin subsidizing the processors of cotton, subsequently other industries, which feel they are not making enough money, will similarly have a right to come in and ask for a subsidy, because of the competition they have from foreign products?

Mr. AIKEN. There is no reason why, if cotton mills are subsidized to bring down the price to the price that is charged for exports, the flour mills would not be justified in asking for the same thing. That would mean a subsidy of somewhere between 55 and 70 cents on every bushel of wheat that they use. It would be said that that would reduce the price to the American consumer. I doubt that that would be the case. There is about three-quarters of a pound of cotton in an ordinary shirt.

I pointed out that the textile mills have had a very good year; in fact, they have had a record year so far as many of them are concerned. However, the consumer has not fared quite so well.

I have some figures. In 1962, a man's cotton business shirt was 107.9 percent of the base period of 1957–59. That went up to 109 percent by December 1963. That is an increase of 1.1 percent. From 1962 to 1963, a man's cotton sport shirt went up 1.4 percent. A woman's cotton housedress went up from 102.2 to 103.7 percent of the base period. A woman's cotton street dress went up 1.3 percent during the same year. These increases in price probably account for a part of the increased earnings of textile mills.

I do not begrudge the textile mills good earnings. They have stockholders to worry about. I know that they are important sources of marketing for our cotton producers. The question is raised: Are they not subsidized now? They are subsidized on 5 percent of the cotton they use, which goes into textiles for export.

I do not believe we can take the increased earnings of cotton mills at their face value and say that they are entirely due to the use of cotton. Many of them have converted partially to synthetic fibers. Apparently, when they can make more on synthetic fibers than on cotton, they convert to synthetic fibers. That is the natural thing to do. We cannot blame them for that. A part of their trouble is due to increased imports of cotton goods from other countries, where the cost of production is lower. Some of that importation comes from countries where we helped the textile industry to modernize their mills after the war. That gave foreign cotton mills an advantage over our own mills, which were using obsolete machinery. I am very happy to learn from the article in the Wall Street Journal that our own mills are modernizing their equipment.

As I pointed out, the trouble is primarily due to increased imports of cotton goods from abroad, not only in amount but also in percentage. But I would be negligent if I did not also point out that the administration could straighten out that situation if it wished to do so.

Mr. LAUSCHE. By increasing the tariff?

Mr. AIKEN. By reducing the quotas.

Mr. LAUSCHE. Will the Senator comment upon the subsidy? The cottongrowers came before Congress and asked for a subsidy on exports. Congress listened to them and agreed to subsidize the export of raw cotton.

Mr. AIKEN. That is correct.

Mr. LAUSCHE. They now come before Congress and say that since we are subsidizing the price of raw cotton to foreign purchasers, we are hurting our textile mills, and therefore we now should subsidize the textile mills.

Mr. AIKEN. We now subsidize the textile mills with the amount of cotton which they use in manufacturing textiles for export. As I recall, the amount was about $18 million last year, and that was made on about 5 percent of domestic mill consumption. If it represented a 100-percent of manufactured goods, it would be, as the Senator has said, something like $400 million.

I point out also that the cottongrower is in much more trouble than the cotton manufacturer. The manufacturer can shift to a cheaper commodity. Rayon prices increased to the point where they are now about 27 cents a pound, just below the price of cotton.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield. I am almost through anyway. I thought these statements ought to appear in the Record before the vote.

Mr. LAUSCHE. I cannot understand the logic of coming before Congress in face of the fact that in 1955 the proponents of this measure begged Congress to grant a subsidy on cotton exports. They said, "That will be good for us. It will help the cottongrower." The argument is now made that it is not good for them unless we also subsidize the cotton goods manufacturer.

Mr. AIKEN. That is correct.

Mr. LAUSCHE. We are compounding a wrong if a mistake was made in 1955 when Congress approved the subsidy of cotton products. It is now proposed to aggravate that wrong by creating another subsidy which would cost at least $312 million, and possibly $500 million, as suggested by the Senator from Vermont. I cannot understand that.

Mr. AIKEN. The Senator from Ohio has pointed out the greatest implication of the entire bill—that is, embarking on a policy of subsidizing manufacturers so that they can sell their goods at the same price at which foreign producers can ship their goods here and sell them. I assume the theory is that we will give them the money rather than the protection which they need from the importation of foreign goods. It is a far-reaching policy. I know that $400 million to $500 million is very tempting to the textile mills, but I cannot help feeling that the textile mills are sticking their necks into a Federal noose, which might tighten on them. Unless they are willing to operate their textile mills in the future under Federal direction, they should be very wary of increasing their dependence on the Federal Government and the taxpayers.

Mr. LAUSCHE. If we subsidize the processors of cotton, would not Ohio manufacturers of sporting goods, ceramics, violins, bicycles, and machine tools, who are faced with foreign competition, likewise be justified in coming before Congress and saying: "Taxpayers, subsidize us in our business"?

Mr. AIKEN. I believe the Senator from Ohio has designated some important industries which employ a large number of employees and are equally justified in asking for Federal subsidy. I do not say the time has not come when we should do this. Perhaps the time has come when we should give up some of our time-honored principles anyway and go with the tide.

Mr. LAUSCHE. When we do that, we had better stop spending $50 billion for national defense and say it is all being wasted, that our system is wrong, and that the abundance and the comfort that are provided for 180 million people are not working out properly, and we should adopt the Russian system. To that, I am not willing to agree.

Mr. AIKEN. This country has become greatly dependent on manufacturers. Farmers, particularly wheatgrowers, have tried to show a little independence from time to time. Last year, the wheatgrowers showed their independence. What did the Government do—and I refer to the executive branch of the Government only—but recommend the bill which we are asked to vote for? This bill prohibits the farmers from voting on a program any more because the last time they did not vote the way the administration wanted them to vote. Therefore, the Government will not let them vote any more. So we are coming pretty close to the system that prevails in other countries.

[Manifestations of applause in the galleries.]

Mr. LAUSCHE. That is exactly correct. Last year, the farmers voted against the program. Now the administration is seeking to adopt a program to prohibit the farmers from voting, and will make them accept a harness which the Federal Government wants them to wear.

Mr. AIKEN. The Senator is correct. The farmer is a loyal citizen so long as he does not disagree with Federal policy.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. TOWER. I believe my immediate question has been answered by the Senator from Vermont. The bill provides a direct subsidy or allows a direct subsidy to the producer.

Mr. AIKEN. Ceramics was one item mentioned by the Senator from Ohio. The ceramics industry, I am sure, is experiencing the most intense type of competition from foreign countries. If we look through the stores and see where the ceramics were manufactured, we realize that that industry would be as fully justified as is the cotton textile industry in asking for a Government subsidy.

I believe the cotton grower is definitely in more trouble than the textile mills at this time. But there is a difference. The cottongrower cannot get his own position before the public. He does not advertise in magazines. He does not advertise in newspapers. He does not advertise on radio or television. The farm organizations cannot make contributions. The farmers themselves do not have the money to make contributions. The corporations can make all kinds of contributions. They can contribute to hospitals and schools. They can contribute to churches, to welfare organizations, and, as we all know, to charitable institutions. So the farmer himself is at a disadvantage. If we are to give any preference in legislation, it should be given to the farmer rather than to those who depend on the farmer for their profits.

Mr. LAUSCHE. I commend the Senator from Vermont for his very excellent presentation.

If we are now going to start establishing a subsidy for cotton manufacturers of the type which is here proposed, I will not be able to return to Ohio, to the great ceramic producing centers, to East Liverpool, Zanesville, or Cambridge, where people are out of work and are finding employment in other fields.

Mr. AIKEN. One can go into stores, in railroad stations, in roadside stands, or hotel salesrooms, where gifts of jewelry and similar articles are displayed. He will find that a good share of them are made in foreign countries. Why should not the manufacturers of watches, wrist straps, and similar articles be subsidized, too? I believe if this bill becomes law, we shall be starting a policy under which we shall see all the other manufacturers, or some of them at least—some will die before they come in and ask for Government subsidies—come in after the precedent has been established.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. JORDAN of North Carolina. I believe the Senator is overlooking one vast difference between the subject we are now discussing and ceramics. I am just as sympathetic toward the ceramic manufacturers of this country as is anyone else. However, cotton is raised in this country and is shipped abroad and comes back. We are not shipping abroad at a reduced price the clay out of which ceramics are made. Neither are we shipping the material from which watches are made. There is a vast difference in subsidizing a product which we grow and ship out, and which is returned to our own market. We do not allow flour to be shipped into this country in great quantity. We subsidize wheat, but we do not allow it to be returned in the form of flour.

Mr. AIKEN. We do not have to permit cotton textiles to be brought into this country, either.

Mr. JORDAN of North Carolina. We do not have to, but we are doing it and we have not stopped it.

Mr. AIKEN. Stopped whom? Does the Senator mean to stop the administration? That is what I was getting at. The administration could correct the cotton situation for both the producer and the mill if it saw fit to do so.

Mr. JORDAN of North Carolina. I think it ought to do both.

Mr. AIKEN. So do I.

Mr. JORDAN of North Carolina. We went to see President Eisenhower during his administration. We have not been able to make progress with any of the administrations. This is the only way we know of to deal with the situation, and do it now and do it right.

Mr. AIKEN. If it is any consolation to the Senator from North Carolina, I have not been able to get anywhere with the administration either. But I believe the administration should use better judgment. I do not object to trading with other countries. We must trade with them, but when we deliberately turn over our markets to them year after year, as we are doing with the livestock market today, it is time either to bring about a change of policy or a change in administration.

AMENDMENT NO. 453

Mr. DOMINICK. Mr. President, I have been listening with great interest to the debate between the Senator from Vermont and other Senators.

There have been times when I wished that conditions in Colorado warranted the planting of cotton there. But after listening to the debate, perhaps I should conclude that Colorado has been better off by not having cotton planted there.

One of the things which bothers the farmers in Colorado and in other States is the Anfuso amendment of the act, which provides that if a farmer who has an allotment of 15 acres or more harvests more of the crop than that planted on his allotment, his acreage is to be cut back 6 to 8 percent each time that is done. As a result, those who may have had a loss from their crop for 1 or 2 years, and who wish to have some income, even though they are not a part of the program, could plant and harvest in excess of their allotment. But if they do, they immediately are penalized on the basis of their planting history.

But that does not happen to those with an allotment of less than 15 acres; such farmers can plant 1,000 acres and can harvest the crop on 1,000 acres, and they will not be penalized by means of such a reduction in the 15-acre history, whereas those who have an allotment of 15 acres or more are penalized to that extent.

Consequently—although not because I am convinced the bill is good or that it should be passed—in the hope of improving the bill, I submit an amendment which will have the effect of eliminating the Anfuso amendment from all the programs which have a bearing on wheat.

The PRESIDING OFFICER. The amendment (No. 453) will be received and printed, and will lie on the table.

Mr. KENNEDY. Mr. President, I should like to express some of my concern and interest with respect to those provisions of the bill which seek to eliminate the so-called two-price system with respect to cotton sold to domestic and foreign producers.

The textile industry has borne the burden of this inequity for some time. Simply stated, the textile manufacturer in my State and in many other areas of the Nation, has been forced to pay a substantially higher price for his raw material—the domestic price—as compared to the price being charged by American producers to his foreign competitor—the export or world price. This inequity is said to give the foreign textile manufacturer an immediate cost advantage over an American mill, in addition to the many other cost advantages he enjoys in manufacturing outside the United States.

I am informed that imports of cotton textiles have quadrupled since the two-price system went into effect, while at the same time there has been a lessening in the growth of our domestic textile industry.

I also understand that the higher cost of cotton is forcing American mills to shift from that material to manmade fibers and a host of competing materials such as plastics, paper, and jute—when at the same time, good quality cotton would be preferred. Again, the price of cotton to the mills is a key problem for the textile manufacturer in his efforts to compete both domestically and internationally.

Indeed it is ironical that our present cotton subsidization program may well be pricing both its raw material and its finished products out of essential markets, to the eventual detriment of the entire industry.

The side effects of this two-price system in the long run can be severe. Faced with increased foreign competition and high material costs, many mills have to lay off workers at a time, I might say, when this country cannot tolerate further unemployment. In my own State, since 1947, the reduction of textile production has resulted in a loss of over 70,000 jobs directly, and with an indirect effect on many hundreds of thousands of people. The loss of this production has indeed been a serious blow to our growth not only as a State, but as a region.

Nevertheless, I can say—and proudly so—that we continue to have a fine textile industry in Massachusetts, and hopefully with realistic programs of cost control and business incentives, we will be able to hold our own and perhaps see an improvement. What we do not relish at this time is increased low-price foreign competition aided by the lower costs of our cotton exports. Instead, we want a fair chance to develop this industry and compete both here and abroad.

Plant owners faced with mounting domestic costs and low import prices, as good businessmen, may have to make responsible decisions. They may leave an area to seek lower costs of labor elsewhere in the country, or even abroad.

They may have to cut down on the quality of their manufacture. They may, as they are doing, turn to certain synthetic fibers and other substitute materials which do not have the reliability of cotton. They may go more quickly to automation, causing further unemployment. And they may decide to go out of business altogether because their future appears thus to be unpredictable. None of these alternatives are good for normal growth.

In May, 1961, President Kennedy noted that increasing international competition, rapid technological changes and shifts in consumer preference were creating "serious and deep-rooted" problems for the Nation's textile industry. He observed that this industry was the Nation's second largest employer, that it had been classified as "essential to our national security"—and had a direct effect on our total economy, and at the same time its unemployment had struck hardest at those communities suffering most from depressed conditions. Accordingly, the President instituted a positive seven-point program to meet the wide range of problems faced by the textile industry.

Chief among his directives was that legislation be devised to "eliminate or offset the cost to U.S. mills of the adverse differential in raw cotton costs between domestic and foreign textile producers."

Legislation designed to correct this problem was thereafter introduced and response to it from labor, from industry, from the Department of Agriculture, and from the cotton producers has been favorable. That legislation is now before us today and it must not be weakened in any way.

If passed, the bill could result in some positive advantages to the country. More cotton would be consumed, more cotton textiles produced, and at lower prices for better quality; inventories would be reduced, more people would be put to work, millowners would be encouraged to improve their properties, and those towns and areas whose economies are so sensitively related to the conditions of the textile industry could enjoy much of the benefits of this improvement.

And the Department of Commerce has estimated that the cost-reduction features of the bill would result in savings to the consumer of more than $700 million.

In closing, I am reminded of what President Johnson said in his agricultural message:

> The needs of neither the cotton grower, the cotton handler, the cotton textile mill, nor the consumer are being satisfied by existing legislation.

These are indeed strong and meaningful words, and they deserve the most serious consideration in the final development of this legislation.

ORDER OF BUSINESS

Mr. ALLOTT. Mr. President, I rise to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Colorado will state it.

Mr. ALLOTT. Is it now in order for me to discuss, for a few minutes, a matter not germane to the pending measure?

The PRESIDING OFFICER. The germaneness requirement does not apply to the remainder of the proceedings today; therefore, the Senator from Colorado may now proceed.

Mr. ALLOTT. I thank the Chair.

WITHHOLDING OF NEWS IN THE DEFENSE DEPARTMENT

Mr. ALLOTT. Mr. President, ever since the speech by Mr. Arthur Sylvester, the Assistant Secretary of Defense, to certain editors in November 1962, a great many people in the United States have been concerned about the management of news, the coloration of news, and the withholding of news in the Defense Department.

The matter I propose to discuss now, for a few minutes—and I do so only for the purpose of calling it to the attention of the Senate—is not concerned merely with the withholding and the management of news, but is also concerned with the withholding of information from the Senate and from the entire Congress.

For approximately 3 years I have served as a member of the Defense Subcommittee of the Appropriations Committee, and during that time I have heard a certain weapon discussed at great length and with great secrecy; and we who serve on the subcommittee were repeatedly warned that it was an item of very high secrecy priority. At the moment, I shall not identify that item; for we were warned that we should not discuss it outside the committee room.

But, Mr. President, a front-page article in one of the newspapers dealt in great detail with this secret weapon—in as much detail as anything that had ever been presented to the Defense Subcommittee of the Appropriations Committee.

In the recent hearings, I asked the Secretary of Defense and the Secretary of the Army and others whether they had looked into that breach of security. I am informed that a reply has come to the subcommittee—although I have not as yet received anything about it—and that the reply indicates that they decided that it is not now a matter of sufficient security to warrant the making of a detailed investigation into the breach of security.

If a matter is so important and of sufficient security priority that it can be heard only within the confines of the committee—so much so that the testimony on it has to be locked up in the files of the Appropriations Committee—it seems to me that a breach of that security is sufficient to warrant the making of a full-scale investigation into the circumstances under which these disclosures were made and to whom they were made.

More recently we have had an outstanding example of this procedure—in fact, it has occurred during the last few days. I hold in my hand a White House press release statement by the President. I ask unanimous consent that the statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WHITE HOUSE PRESS RELEASE STATEMENT BY THE PRESIDENT

> The United States has successfully developed an advanced experimental jet aircraft, the A-11, which has been tested in sustained flight at more than three times the speed of sound and at altitudes in excess of 70,000 feet. The performance of the A-11 far exceeds that of any other aircraft in the world today. The development of this aircraft has been made possible by major advances in aircraft technology of great significance for both military and commercial applications. Several A-11 aircraft are now being flight tested at Edwards Air Force Base. The existence of this program is being disclosed at this time to permit the orderly exploitation of this advanced technology in our military and commercial programs.
>
> This advanced experimental aircraft, capable of high speed, high altitude, and long-range performance of thousands of miles constitutes a technical accomplishment that will facilitate the achievement of a number of important military and commercial requirements. The A-11 aircraft now at Edwards Air Force Base are undergoing extensive tests to determine their capabilities as long-range interceptors.
>
> The development of a supersonic commercial transport aircraft will also be greatly assisted by the lessons learned from the A-11 program. For example, one of the important technical achievements of this project has been the mastery of the metallurgy and fabrication of titanium metal which is required for the high temperatures experienced by aircraft traveling at 3 times the speed of sound. Arrangements are being made to make this and other important technical developments available under appropriate safeguards to those directly engaged in the supersonic transport program.
>
> This project has been vigorously supported by the Eisenhower, the Kennedy, and the present administrations. Appropriate members of the Senate and House have been kept fully informed on this program since its inception.
>
> The Lockheed Aircraft Corp., of Burbank, Calif., is the manufacturer of the aircraft. The aircraft engine, the J-58, was designed and built by the Pratt and Whitney Aircraft division of the United Aircraft Corp. The experimental fire control and air-to-air missile system for the A-11 was developed by the Hughes Aircraft Co.
>
> In view of the continuing importance of these developments to our national security, the detailed performance of the A-11 will remain strictly classified and all individuals associated with the program have been directed to refrain from making any further disclosure concerning this program.

Mr. ALLOTT. Mr. President, this press release states that the United States has successfully developed an advanced experimental jet aircraft, the A-11, which has been tested at sustained flight at more than three times the speed of sound, and at altitudes in excess of 70,000 feet.

I do not question the right of the President of the United States to declassify any article which is in the Defense Department and which has previously been classified secret or top secret. I do not question the right of the President to declassify it at any time he may wish; but I do say that, having sat on the Defense Subcommittee of the Appropriations Committee, beginning in 1959, and having attended at least 98 percent of all the meetings all the time that subcommittee has met, the first time I ever heard a word mentioned about the A-11 was when I turned on the television, over the weekend, and saw the President make the announcement which I hold in my hand.

I do not question the right of the President to declassify any piece of information he may wish to declassify at any time; that is his prerogative.

But, this year our Defense Subcommittee of the Appropriations Committee held 2 weeks of hearings. Yet if Senators examine those hearings with a fine-tooth comb, they will not find in them one reference to the A-11. I think every American has a right to ask what is going on in this country, when we in the Senate vote for expenditures of the hundreds of millions of dollars involved in the development of an aircraft about which those who have occasion to know seem to know nothing. I have queried several of the other members of the subcommittee, although not all of them. Unfortunately, I have not been able to ask the distinguished chairman of the subcommittee—the Senator from Georgia [Mr. RUSSELL]—about this matter; but all the rest of my colleagues on the subcommittee have told me they know nothing about the A-11.

Mr. President, how is it that this country develops a plane which costs a vast sum—I do not know the exact amount, but certainly it will run into the hundreds of millions of dollars—and now it is declared that we have fully and successfully developed an advanced experimental jet aircraft, but the very committee which has to approve the appropriation required for the development of that aircraft knows nothing about it?

So we have come full circle to the point at which the question is not merely one of the Defense Department withholding news, coloring news, or releasing it at a time which is advantageous to the Defense Department and to the administration. We have come to the point at which most of the members of the committee who have to deal with the questions involved were surprised when the announcement was made because they had no previous knowledge of the development in any manner.

To put the subject in its proper context, I should like to point out that the two persons in my office who work with me on these subjects have the highest clearances for secrecy that can be procured. Yet those persons themselves cannot attend meetings of the appropriations subcommittee because the proceedings are so highly classified. In such an atmosphere we did not learn about, nor are we able to procure information—I suppose we can now since the world knows about it—as to such a weapon, such an aircraft, or where the money came from.

What we have seen demonstrates a thing which I have been saying repeatedly. It is high time that the Congress of the United States took the reins of our Government back into its own hands.

One way in which it can do so is by controlling the appropriations. If information is withheld from us, and if we are not given the full and complete picture, we certainly cannot by any means control appropriations or control such items as the A–11, which apparently has now been successfully developed.

I ask unanimous consent that I may include in the Record an article which has been furnished to me by the Aviation Daily. It gives a report, with full details, on the A–11. I am greatly indebted to the Aviation Daily for giving me more information on the A–11 than I could receive as a member of the Subcommittee on Defense Appropriations.

There being no objection, the article was ordered to be printed in the Record, as follows:

A–11 Tested for IMI Role; Some Details Revealed

The Air Force's Lockheed A–11, now being tested to learn its potential as a long-range interceptor, couples 2,000-mile-per-hour speeds with probable range between 2,500 and 3,000 miles, Washington observers estimated yesterday. Pictures of the aircraft indicated it is longer than either the F–105 (64 feet, 3 inches) or the F–4 Phantom II (58 feet, 3 inches). Best indications are that the A–11 is between 75 and 80 feet long and apparently a two-seater aircraft.

The two engines, mounted well aft in the wing on either side of the fuselage, are Pratt & Whitney J–58's with afterburners. Usually authoritative engine indices describe the J–58 as 18 feet, 9 inches long and weighing more than 7,000 pounds. One military version with a nine-stage compressor and a long convergent-divergent afterburner, is rated at 32,000 pounds thrust. The engine installation shows a nacelle or inlet, plus exhaust ducting nearly twice the reported length of the engine. A spike configuration at the inlet end of the J–58 powerplant is adjustable to control air flow to avoid undesirable turbulence in the intake area.

Twin vertical stabilizers are balanced by a ventral fin shown in inflight photographs. This underside fin is absent in pictures of the A–11 on the ground, with its tricycle landing gear on the runway. Whether the lower fin is jettisoned in flight (as with the X–15) or retracted like landing gear, is not apparent and no details have been given by either Lockheed or the Air Force. Nor was any explanation given for long, slim cigar-shaped pods, 6 to 8 feet long, suspended from the aircraft on outswept pylons, just aft of the engine inlet ducts.

President Johnson's announcement of the existence of 11 or 12 A–11 test aircraft at a press conference last Saturday gave rise to almost more questions than it answered.

Members of the Senate Armed Services Committee were not briefed or informed as a group of the A–11's existence—but some individual members were told about the aircraft, presumably by officials from DOD or elsewhere in the administration.

Such officers as Air Force Chief of Staff Gen. Curtis LeMay, SAC's General Power, and AFSC's General Schriever have all gone on record within the past 6 months making strong pleas for both an advanced manned bomber and an improved manned interceptor (IMI). Since it is highly unlikely they were unaware of the A–11's existence, there is the obvious possibility that all three (plus many other informed officers, including members of the Joint Chiefs of Staff), may have been dissembling, merely playing a part, to keep knowledge of the new aircraft from the public.

Only indications that there was a new, undiscussed aircraft in development were recurring hints that the Pratt & Whitney J–58 development was going forward with full development funding, the type of support accorded only to a major systems effort. Other indications that the "skunk works" at a Lockheed Pacific coast facility was working on a top-secret project were bandied about from time to time, but there was no specific indication that a new airplane was being tested until observers near Edwards Air Force Base persisted in reporting that the XB–70 was being flown. These two aircraft may appear much alike in high-altitude flight and mistaking the A–11 for the XB–70 is viewed in some quarters as an indication that both planes have somewhat similar delta-wing configurations. F–104 pilots flying near Edwards have reported seeing a strange aircraft which "took off like a bat out of hell" when they attempted to close with it for a closer look.

Some western engineers and observers feel that, in the A–11, Lockheed has apparently solved the center-of-gravity problem encountered in designing aircraft for supersonic speeds. In the B–58, the desired center of gravity is maintained at mach 2 speeds by pumping fuel into the tail. Concorde SST designers have apparently also been confronted with a similar center-of-gravity problem. Information available on the A–11 indicates it achieves zero trim drag at mach 3, eliminating necessity for fuel management devices to maintain the proper center of gravity during transition to supersonic speeds and during supersonic cruise.

The speeds claimed for the A–11, which make it the world's fastest known jet-powered aircraft, plus the thrust generated—apparently on the order of 64,000 pounds—combined with an operating altitude of "more than 70,000 feet," seem to spell out characteristics that would permit a payload that will make the airplane an effective fighter-bomber. This would be in contrast to the Lockheed U–2, which was configured for maximum endurance at altitude at the expense of high speeds of large payloads. Much military and industry speculation about J58 development assured that the engine was being built to power a successor to the U–2—but probably an airplane with inferior fuel economy compared to this strictly reconnaissance type.

An authoritative Government source noted that FAA officials, major airframe manufacturers with a need to know and, specifically, people in and out of Government connected with SST development, were briefed in the last 2 months about the A–11, its use of titanium, and its potential contributions to SST technology. The source also indicated that DOD judgment in rejecting Boeing's TFX proposal on the basis of its proposed use of the metal was based on knowledge of titanium technology derived from the A–11 development program. No explanation was given for not giving Boeing the titanium data to which DOD had access during the competition for the TFX contract award. In terms of Boeing's rank as a major airframe manufacturer, the implication is that Boeing now shares the A–11-developed titanium information, along with a number of other U.S. airframe firms.

President Johnson identified Hughes Aircraft Co. as the developer of the "experimental fire-control and air-to-air missile systems for the A–11." Hughes was also responsible for the development of similar components for the canceled F–108 fighter. But when the F–108 program was canceled in September 1959, work was permitted to continue on the fire-control and the missile system designated GAR–9 (Falcon). Now known as the AIM–47, the Falcon system is listed by the Air Force as "still under development"—possibly with the incorporation of advancements that will see it used as the A–11 missile system. In its original concept, GAR–9 was a missile also destined for a high-speed launching platform, since the F–108 would also have been a mach 3 aircraft, which the Air Force was prepared to order in numbers exceeding a hundred.

At the time of the F–108 cancellation, a total of $200 million had been committed to it fire control and missile systems—with $70 million of this amount earmarked for fire control. None of this money was recovered, since the development was allowed to continue. Hughes is also developing the AIM–26, a nuclear tipped missile, and also the Phoenix missile system for Navy's version of the TFX.

A measure of the degree of secrecy surrounding the A–11 was indicated by a report reaching the Daily that industry workers associated with the program had been warned they would be "blacklisted" if caught leaking information about it.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Texas to the amendment of the Senator from Louisiana [Mr. Ellender]. On that question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. PELL (after having voted in the affirmative). On this vote I have a pair with the Senator from West Virginia [Mr. Randolph]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. Anderson], the Senator from Idaho [Mr. Church], the Senator from Connecticut [Mr. Dodd], and the Senator from Indiana [Mr. Hartke] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD] and the Senator from Idaho [Mr. CHURCH] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The result was announced—yeas 12, nays 80, as follows:

[No. 52 Leg.]

YEAS—12

Allott
Bartlett
Bennett
Boggs
Curtis
Fong
Humphrey
Jordan, Idaho
Miller
Morton
Simpson
Tower

NAYS—80

Aiken
Bayh
Beall
Bible
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Clark
Cooper
Dirksen
Dominick
Douglas
Eastland
Edmondson
Ellender
Engle
Ervin
Fulbright
Gore
Gruening
Hart
Hayden
Hickenlooper
Hill
Holland
Hruska
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Keating
Kennedy
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Mechem
Metcalf
Monroney
Morse
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Prouty
Proxmire
Ribicoff
Robertson
Russell
Saltonstall
Scott
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NOT VOTING—8

Anderson
Church
Cotton
Dodd
Goldwater
Hartke
Pell
Randolph

So Mr. TOWER's amendments were rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from Louisiana [Mr. ELLENDER] in the nature of a substitute.

Mr. ELLENDER. Mr. President, I do not expect to speak for very long but I ask the indulgence of Senators for 2 or 3 minutes.

The main purpose of my amendment is to reduce the price of cotton to 30 cents a pound. This change alone would save the Americans taxpayers $168,750,000. The amendment, according to the estimates made by the Department of Agriculture, by the expenditure of $56 million, would mean an increase of 600,000 bales of cotton that would be used by the textile mills of this country in contrast to an increase of a million bales under the committee bill, which would cost $309 million.

In addition to that provision, I have another provision which would help the small producers by payments in kind on the first 10 bales of cotton produced on each farm the difference between the 30 cents fixed in the bill and the currently prevailing support price of 32.47 cents. That would cost $45 million. Deducted from the savings I have just mentioned, the total savings of price supports alone would then be $123,750,000.

I hope that the Senate will vote for the substitute amendment. If it does not, it will establish a precedent whereby from here on the Government will subsidize cotton growing at a figure equal to the difference between the price support level and the world price; and I do not believe such a precedent should be established.

Mr. President, I hope that the Senate will vote for my substitute amendment.

Mr. EASTLAND. Mr. President, I do not intend to detain the Senate long. The Committee on Agriculture and Forestry has brought to the floor of the Senate the very best cotton bill possible. It has brought a bill that will bring down costs. It has brought a bill that will reduce the carryovers which now reach approximately 13 million bales. It will reduce money that the Federal Government must invest in a cotton program. It will place the industry on a sound financial basis.

I ask the Senate to stand by its committee and to stand by the cotton industry with a bill that will reestablish it on its own feet and make it a prosperous American industry.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. ELLENDER] in the nature of a substitute. On this question the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN (when his name was called). Mr. President, on this vote I have a pair with the distinguished Senator from West Virginia [Mr. RANDOLPH]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. BIBLE (when his name was called). On this vote I have a pair with the Senator from Connecticut [Mr. DODD]. If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Idaho [Mr. CHURCH], the Senator from Connecticut [Mr. DODD], the Senator from Indiana [Mr. HARTKE], and the Senator from Virginia [Mr. BYRD] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that, if present and voting, the Senator from Idaho [Mr. CHURCH] would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The result was announced—yeas 20, nays 70, as follows:

[No. 53 Leg.]

YEAS—20

Allott
Bartlett
Bennett
Boggs
Cannon
Curtis
Dominick
Ellender
Fong
Gruening
Lausche
Mansfield
Mechem
Miller
Morse
Morton
Neuberger
Robertson
Simpson
Williams, Del.

NAYS—70

Aiken
Bayh
Beall
Brewster
Burdick
Byrd, W. Va.
Carlson
Case
Clark
Cooper
Douglas
Eastland
Edmondson
Engle
Ervin
Fulbright
Gore
Hart
Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kennedy
Kuchel
Long, Mo.
Long, La.
Magnuson
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Metcalf
Monroney
Moss
Mundt
Muskie
Nelson
Pastore
Pearson
Pell
Prouty
Proxmire
Ribicoff
Russell
Saltonstall
Scott
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NOT VOTING—10

Anderson
Bible
Byrd, Va.
Church
Cotton
Dirksen
Dodd
Goldwater
Hartke
Randolph

So Mr. ELLENDER's amendment was rejected.

Mr. MANSFIELD. Mr. President, I wish to warn all Senators that the Senate will remain in session late this evening. It is anticipated that there will be further votes.

OAS, CUBA, AND A FLORIDA JUNKET

Mr. SIMPSON. Mr. President, two significant events last week serve to illustrate the continuing danger to the Western Hemisphere from Communist Cuba and the effect this menace is having on official Washington.

Last Monday a blue ribbon Investigating Committee of the Organization of American States formally charged Cuba with aggression against Venezuela. The report marks the first instance of the OAS leveling a specific charge of aggression against the Communist satellite. Needless to say, the report is of tremendous importance.

Later in the week the specter of Communist Cuba again raised its head in the form of unprecedented security precautions taken during the President's political pilgrimage to Florida. The veracity of reports that the measures were inspired by rumors of a Cuban agent's proposed suicide dive into the President's aircraft may never be verified, but as one wire service put it:

> Without question the security measures imposed during Mr. Johnson's 16-hour Florida visit suggested there was official concern about the safety of the President while in the air.

Other speculation concerned the possible launching of a Cuban missile to intercept the Presidential airplane.

The elaborate steps taken to protect the President as he visited the Sunshine State might have indicated an inspection tour of Vietnam rather than a campaign swing through an American State 90 miles from Cuba. The President used an unmarked Air Force plane rather than his official jet transport. Press blackouts and publicity decoys drew attention from arrival and departure points.

Army helicopters were employed to guard the official car, and a golf course was substituted for a landing strip during a short flight near Miami. Also, the press reports that virtually the entire top echelon of the Secret Service, including the Chief and the Head of the White House detail, accompanied the President to Florida.

I have absolutely no quarrel, Mr. President, with the efforts of the Secret Service to protect the life of this Nation's Chief Executive. The tragedy of last November dispels any doubt as to the need for caution where communism is concerned. Security precautions, however, like many other things, are relative. It is indicative that rumblings from Cuba are enough to inspire wartime type safety measures to guard the life of the President while on American soil—but within range of Fidel Castro.

I would hope, but not anticipate, that last week's panic button events would help diminish the paucity of awareness that symbolizes our attitude toward Cuba.

For a few hours our Government was apparently acknowledging what the American people have long realized: Communist Cuba is a menace to the safety and security of the United States and is a base from which can be launched everything from a war to a revolution to an assassination.

That the danger is genuine and ubiquitous is proven by the OAS report on Cuban aggression to which I alluded earlier in my remarks.

The investigating committee produced an impeccably documented indictment of the Castro regime, charging it principally with sending a large arms shipment into Venezuela for use by Communist guerrillas who hoped to upset free elections in that country.

Perhaps the most succinct summation of the nature of the new Cuba is in the report's conclusions:

> The present Government of Cuba since its institution in 1959 has carried on, supported, and directed in various ways a policy of intervention in sabotage and guerrilla operations, and the supply of arms to support those movements that seek to subvert national institutions through force in order to install Communist regimes.

Apparently, Premier Castro has not heard his master's voice of late. Peaceful coexistence—enforced with bazookas, mortars, recoilless and automatic rifles, submachineguns, and plans for the conquest of Caracas by guerrillas—is the new theme of international communism.

Despite Khrushchev's recent penchant for peace, on his terms, no one supposes that Castro is going to roll over and play dead for the benefit of the OAS. Accordingly, we can only hope the U.S. leadership will contribute to an effective and positive policy when the nations of the Americas meet to vote sanctions against Cuba.

Mr. President, I am not going to presume to edit the OAS document. I do feel, however, that with a meeting of the OAS tentatively scheduled for this month, it would be well if excerpts from the report were to find their way into the Congressional Record.

Accordingly, I would like to read into the Record the conclusions of the committee; portions of pages 1, 2, 3, 12, 14, 15, and 16; a section beginning on page 21 entitled "Campaign of Propaganda, Training of Venezuelans and Sending of Funds"; and "Some Definitions of Political Aggression," appearing on page 47.

In reading these into the Record, I am certainly not suggesting they form the only salient features of the report. The entire document has the tone of a well prepared legal brief. Great care is taken to substantiate statements and to avoid conjecture. The report is replete with full names, precise locations, exact times, and full details. It is a credit to the committee of nations which prepared it.

1. THE VENEZUELAN CHARGES

The Representative of Venezuela, Ambassador Enrique Tejera Paris, in a note dated November 29, 1963, requested the Chairman of the Council of the Organization of American States to convoke an immediate and urgent meeting of the Organ of Consultation under the terms of article 6 of the Inter-American Treaty of Reciprocal Assistance, "to consider measures that should be taken to deal with the acts of intervention and aggression on the part of the Cuban Government affecting the territorial integrity and the sovereignty of Venezuela, as well as the operation of its democratic institutions."

At a special meeting of the Council of the Organization of American States held on December 3, 1963, the representative of Venezuela stated the basis in fact and law invoked by his government in favor of the request for convocation of the Organ of Consultation. He referred, in particular, to the discovery by the authorities of his country on November 2, 1963, of "abundant war equipment hidden in a place called Macama on the seacoast of Falcon State," regarding which the Government of Venezuela had ample proof of Cuban origin and provenance. At that meeting the Council of the Organization, after hearing the statements made by several representatives, adopted a resolution—appendix 2—presented by the representative of Venezuela, by virtue of which it resolved:

First. To convoke the Organ of Consultation in accordance with the provisions of the Inter-American Treaty of Reciprocal Assistance, to meet on the date and at the place to be fixed in due time.

Second. To constitute itself and act provisionally as Organ of Consultation, in accordance with article 12 of the aforementioned treaty.

Third. To inform the Security Council of the United Nations of the text of this resolution.

Immediately thereafter, the Council of the Organization, acting provisionally as Organ of Consultation, held a meeting and approved a draft resolution, with a slight modification, presented by the representative of Venezuela. The text of the resolution adopted is as follows:

> The Council of the Organization of American States, acting provisionally as Organ of Consultation,
>
> *Resolves* (1) To authorize the Chairman of the Council of the Organization to appoint a committee to investigate and report on the acts denounced by Venezuela at the meeting of the Council held this morning; (2) to request the American governments and the Secretary General of the Organization to cooperate fully in facilitating the work of the committee, which will begin to function immediately after it is appointed.

Pursuant to the above resolution, the Chairman of the Council designated the following countries to compose the committee: Argentina, Colombia, Costa Rica, the United States, and Uruguay.

CONCLUSION

The committee concluded that Cuban arms were smuggled to Venezuela last fall.

I quote:

> A
>
> In formulating its conclusions, the committee considers it pertinent to make some general observations on the policy of intervention in the hemisphere of the present Government of Cuba, which has been substantiated in the investigation of the charges made by Venezuela:
>
> 1. The present Government of Cuba since its institution in 1959 has carried on, supported, and directed in various ways a policy of intervention in the hemisphere through propaganda methods, provisions of funds, training in sabotage and guerrilla operations, and the supply of arms to support those movements that seek to subvert national institutions through force in order to install Communist regimes.
>
> 2. This support of subversion, which generally takes the form of political aggression, has had positive application in the Republic of Venezuela, the primary objective in Cuba's policy of expansion and ideological penetration in the hemisphere, and its status as a democratic country where factors that motivated the present Government of Cuba to make use of the subversive action of organizations that employ force and violence to overthrow that democratic Government.
>
> B
>
> 1. The Republic of Venezuela has been the target of a series of actions sponsored and directed by the Government of Cuba, openly intended to subvert Venezuelan institutions and to overthrow the democratic Government of Venezuela through terrorism, sabotage, assault, and guerrilla warfare.
>
> 2. A characteristic manifestation of this policy of aggression has been the systematic and hostile propaganda campaign carried out through information organs that are under the control of the Government of Cuba and that are directed against Venezuelan institutions, the President of the Republic, and other high Government officials, inciting the people of Venezuela to rebellion and, in addition, giving direct support to subversive movements.
>
> 3. Other manifestations of this policy of aggression are found in the supply of funds and the indoctrination and training in Cuba of numerous Venezuelans who later returned to their country to participate in subversive movements.
>
> 4. An important element in this intervention in Venezuela, directed by the Government of Cuba, was the shipment of arms that was found on the Peninsula of Paraguana in the State of Falcon on November 1, 1963, close to the date of the general elections. The shipment was made up of arms originating in Cuba that were surreptitiously landed at a solitary spot on the coast, for the purpose of being used in subversive operations to overthrow the constitutional Government of Venezuela.

OBLITERATIONS ON ARMS

With respect to this shipment, the following facts are noteworthy:

(a) The perforations and obliterations that were made on the various weapons in places where the Cuban coat of arms and other identification marks had been stamped, in an effort to hide their well-known Cuban origin.

(b) The conditioning and packing of the arms for immediate use, the quantity and quality of the arms, and the instructions for their use, which were found in the hands of Communist groups. These arms were to be used to support subversive activities and guerrilla action by organizations disciplined and trained for such purposes.

(c) The discovery, at the same spot where the shipment of arms was found, of a boat with an outboard motor, which motor was sent from Montreal, Canada, to Havana by air on October 1, 1963, for delivery to the National Institute of Agrarian Reform of Cuba, an official institution of that country.

5. The policy of aggression on the part of the Government of Cuba was confirmed by the discovery on November 4, 1963, by Venezuelan authorities, of a plan of operations, the "Caracas plan," prepared for the subversive action of the so-called Armed Forces of National Liberation. This plan anticipated the use of arms similar in type and numerical proportion to the shipment of arms mentioned in the preceding paragraph. The objective of the plan was to capture the city of Caracas, to prevent the holding of elections on December 1, 1963, and to seize control of the country.

6. Consequently, the acts of intervention that have been outlined, and, in particular, the shipment of arms, constitute a policy of aggression on the part of the present Government of Cuba against the territorial integrity, the political sovereignty, and the stability of the democratic institutions of Venezuela.

SCOPE OF THE ACCUSATION MADE BY VENEZUELA

The "acts of intervention and aggression" of which Venezuela accuses the present Government of Cuba should be studied as a whole. Radio and written propaganda, the trips of Venezuelans to Cuba to receive political indoctrination and practical instruction in sabotage, guerrilla techniques, and methods of subversion, together with the supplying of funds and armaments in appreciable quantities to accomplish these aims, cannot be considered as isolated, unconnected acts; on the contrary, they reflect a well calculated, thought-out design to extend communism in the hemisphere.

The scope of Venezuela's accusation, therefore, requires an examination of the following points:

First. The offensive of international communism in the Americas.

Second. The policy of the present Government of Cuba to encourage and support subversion in other American Republics, in order to establish Marxist-Leninist governments.

Third. The priority that the present Government of Cuba accords to supporting armed insurrection in Venezuela, for the purpose of overthrowing the constitutional government of that country.

THE OFFENSIVE OF INTERNATIONAL COMMUNISM IN THE AMERICAS

On various occasions, at both Inter-American Conferences and Meetings of Consultation of Ministers of Foreign Affairs, the American Republics have denounced international communism's policy of aggression, carried out through satellite states, and have adopted resolutions to strengthen democratic government in the hemisphere against the threat of totalitarian ideologies.

The Ninth International Conference of American States, in 1948, declared:

> That, by its antidemocratic nature and its interventionist tendency, the political activity of international communism or any other totalitarian doctrine is incompatible with the concept of American freedom, which rests upon two undeniable postulates: the dignity of man as an individual and the sovereignty of the nation as a state.

The Fourth Meeting of Consultation of Ministers of Foreign Affairs, in 1951, adopted two resolutions designed to seek inter-American cooperation in the battle against the subversive activities of international communism.

The 10th Inter-American Conference, in 1954, once more condemned the activities of the international Communist movement.

The same was done at the meetings of Foreign Ministers held at Santiago, Chile, in 1959; at San Jose, Costa Rica, in 1960; and at Punta del Este, Uruguay, in 1962.

With the "acts of intervention and aggression" denounced by Venezuela, it is now evident that in spite of the measures called for in the inter-American system, the danger of the spread of a totalitarian ideology in the hemisphere, imposed by means of force and violence, is now greater than ever. It would, of course, be up to the Organ of Consultation to deduce the consequences implicit in that situation. In this particular case, the committee found that the present Government of Cuba, a satellite of international communism, has been carrying out a policy of aggression that accentuates the threat to the sovereignty and political independence of the American Republics and vitiates their right to freely elect their rulers, in line with their own democratic institutions and their individual sovereign will.

The methods employed by the present Government of Cuba in Venezuela have consisted basically of support for movements aimed at the violent overthrow of the institutions of that Republic; organization of an intense propaganda campaign to promote anarchy; training individuals in guerrilla tactics and subversion; and furnishing money and arms for the accomplishment of these purposes.

THE POLICY OF THE PRESENT GOVERNMENT OF CUBA TO ENCOURAGE AND SUPPORT SUBVERSION IN ORDER TO ESTABLISH GOVERNMENTS OF THE MARXIST-LENINIST TYPE IN OTHER AMERICAN REPUBLICS

Virtually from the time the present Government of Cuba came to power, in 1959, that country has been converted into a true base for the promotion of subversion in other republics of the hemisphere.

The purpose of extending the Communist revolution to the remainder of the hemisphere has been publicly stated by the members of the present Government of Cuba and brought out also in connection with the invasions or attempted invasions of Panama and Haiti in the spring and summer of 1959, when the proselyting activities of that government had scarcely begun. Although the Government of Cuba denied its participation in those incidents, the factfinding investigating committees of the Council of the Organization of American States, acting provisionally as Organ of Consultation, and of the Inter-American Peace Committee identified those invasions as coming from Cuba and established the material support given to those who carried them out, and this was the reason for applying the Inter-American Treaty of Reciprocal Assistance.

CAMPAIGN OF PROPAGANDA, TRAINING OF VENEZUELANS, AND SENDING OF FUNDS

The chief manifestations of that policy of Cuba against Venezuela have consisted of the following:

First. A hostile and systematic campaign of propaganda against the Government of Venezuela, as well as incitement to and support of the Communist subversion that is being carried out in that country.

Second. Training, in all kinds of subversive activities, of numerous Venezuelan citizens, who traveled to Cuba for that purpose.

Third. Remittance of funds through these travelers and other channels, for the purpose of maintaining and increasing subversive activities, and

Fourth. The provision of arms to guerrilla and terrorist groups operating in Venezuela, as shown by the shipment of arms discovered on November 1, 1963, on the Paraguana Peninsula, and the plan for the capture of the city of Caracas, which will be discussed later.

As observed previously, and as the following will show, it is a question of a group of activities undertaken and carried out with a view to preparing the way in order to facilitate the success of Communist plans with regard to Venezuela, and this has been evidenced in the acts of intervention and aggression recently denounced by the Government of that country.

With respect to the hostile and systematic propaganda carried on by the Cuban Government, President Betancourt referred in his statement to the insistent and continuing campaign on the part of the Cuban press and radio against the Venezuelan Government, stressing that in respect to Cuba, where a single party exists, and radio, press, and television are controlled by the Government, it was logical to impute responsibility to that Government for the "aggressive and violent campaign against the Venezuelan authorities and Nation." He also recalled that, during the military revolts in Puerto Cabello and Carupano, incitement to a general rebellion in Venezuela was constantly made from Cuba. The President also referred to the fact that, during the October crisis in 1962, when the installation of offensive nuclear weapons was discovered in Cuba, and as a result of Venezuela's participation in the action recommended by the Organization of American States, incitement from Cuba to acts of terrorism and sabotage in Venezuela was intensified.

By way of illustration, among the many manifestations of propaganda directed against Venezuela from Cuba, the following should be mentioned:

First. The programs transmitted almost daily by Radio Havana, intended for Venezuela, praising and stimulating terrorists and guerrilla activities organized by the so-called Armed Forces of National Liberation.

Second. The instructions heard regularly on Radio Havana, and the facilities given to leaders of the Venezuelan Communist Party—PCV—and the Revolutionary Leftist Movement—MIR—living in or traveling to Cuba to address the Venezuelan people over the aforementioned broadcasting station, inciting them to rebellion and exhorting them to support their revolutionary activities.

Third. The "Weeks of Solidarity with the Venezuelan Revolution" held in 1962 and 1963, during which Venezuelan leaders of the PCV and the MIR, as well as high Cuban Government officials, delivered speeches expressing solidarity with and support for the Venezuelan revolution, which were transmitted by radio and published in Cuban official newspapers and periodicals.

Fourth. The broadcasting by Radio Havana of bulletins, harangues, and exhortations to the Venezuelan people, by the so-called National Liberation Front and Armed Forces of National Liberation.

In regard to written propaganda, the Government of Venezuela has provided the committee with abundant documentation consisting of books, pamphlets, magazines, newspapers, and other publications of a subversive nature published in Cuba that were confiscated from persons belonging to terrorist groups, guerrillas, or persons arriving in Venezuela from Cuba. Included among the publications that were attached are works by Gen. Alberto Bayo and Maj. Ernesto Guevara on guerrilla warfare, both of which where published in Cuba.

The Venezuelan authorities have also placed ample information at the disposal of the committee, regarding frequent trips to Cuba by leaders and members of the Venezuelan Communist Party and the Revolutionary Leftist Movement for the purpose of participating in political meetings and gatherings hostile to the Venezuelan Government, and receiving instruction and training in sabotage tactics, guerrilla warfare, and other subversive activities. These trips also served, according to information received from the Venezuelan authorities, for carrying funds intended for maintaining and increasing those activities in Venezuela and, likewise, as a means for taking subversive literature and propaganda published in Cuba into the country, as was verified by the material confiscated by the Venezuelan authorities, referred to above.

In regard to the foregoing, the declarations made before the Venezuelan authorities by some of the persons who traveled to Cuba are of particular interest. Among them, mention should be made of that of Juan de Dios Marin, who was arrested by the authorities upon his return from Cuba by air, and who declared before the committee that he had received training in the use of arms and in guerrilla warfare, and that numerous Latin Americans were participating in that training, many of whom were Venezuelan members of the Venezuelan Communist Party and the Revolutionary Leftist Movement.

It is also pertinent to cite, by way of example, the case of the well-known political leader, Fabricio Ojeada, who declared before the Venezuelan authorities that he had made numerous trips to Cuba, and participated in the guerrilla activities that are carried on in the State of Lara, and that of Luis E. Sanchez Madero, who also traveled to Cuba in 1962 and returned surreptitiously to Caracas, where he was recently arrested because he was found to have documents containing plans for the occupation of the city of Caracas and instructions on the use of arms similar to those discovered on the Paraguana Peninsula on November 1, 1963.

SOME DEFINITIONS OF POLITICAL AGGRESSION

The concept of political aggression has been legally defined on various occasions.

In this respect, it should be recalled that at the San Francisco Conference, Bolivia proposed the following definition:

> The intervention of a state in the domestic or foreign policy of another state.

On the same occasion, the Philippines proposed:

> Interference in the internal affairs of another nation, through the furnishings of arms, munitions, funds, and other contributions to any faction, group, or armed band, or for the purpose of organizing propaganda affecting the security of this nation's institutions in its territory.

At the United Nations General Assembly on January 11, 1952, Bolivia insisted upon the following:

> The undertaking of the part of a state to openly or clandestinely incite the people of another state to rebellion, with a view to disturbing public order in the interest of a foreign power.

The International Law Commission of the United Nations included the following in the Draft Code of Offenses Against the Peace and Security of Mankind:

> 5. The undertaking or encouragement by the authorities of a state of activities calculated to foment civil strife in another state.
>
> 6. The undertaking or encouragement by the authorities of a state of activities in another state, or the toleration by the authorities of a state of organized activities calculated to carry out terrorist acts in another state.
>
> 9. The intervention by the authorities of a state in the internal or external affairs of another state by means of coercive measures of an economic or political character, in order to force its will and obtain from it advantage of any kind.

With equal firmness, the Soviet Union proposed the following at the United Nations in 1953:

> 1. To promote subversive activities against a state (acts of terrorism, sabotage, and so forth).
>
> 2. To promote civil war in another state.
>
> 3. To abet insurrection in another state or political changes favorable to the aggressor.

These are merely documentations of what has happened. They consist mainly of the findings of the investigating committee appointed by the Organization of American States.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. SIMPSON. I yield.

Mr. STENNIS. I highly commend the Senator from Wyoming for his very timely presentation of very important facts, and wish to commend him for the way in which he has handled the entire subject. His approach has been sane, responsible, and commonsense. I am delighted that he has been doing as much work on the subject as he has. I know it will be of help to the Members of this body, the entire Congress, and the people of the United States.

We on the Preparedness Subcommittee have been wrestling with various phases of the subject for approximately a year.

I deeply appreciate the work that the speech of the Senator from Wyoming reflects. As I have said, I heartily congratulate him and wish to encourage him in every way I know to continue his pursuit of this highly important and somewhat neglected subject.

Mr. SIMPSON. Mr. President, I thank the distinguished Senator from Mississippi. I am not unmindful of the service he is rendering his country as chairman of the Preparedness Subcommittee.

Many Senators are trying to alert the American people to the awful confrontation that is being witnessed so close to our shores and the situation that now prevails in the Organization of American States. Unless the American people and the American Government come to grips with that very important problem, we may find ourselves in a most inextricable position.

Mr. STENNIS. I thank the Senator. He is entirely correct.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. SIMPSON. I yield to the Senator from Ohio.

Mr. LAUSCHE. I also wish to commend the Senator from Wyoming for his excellent and timely presentation of the threat that Cuba poses not only to the Western Hemisphere but particularly to our country because of the activities of Cubans everywhere. The Senator's presentation was effective, sound, and warns the people of our country about the increase of the menace of the presence of Castro and communism in our Western Hemisphere.

I should like to add one thought. In my opinion, Khrushchev cannot exercise his influence in many countries, and is thus using Castro to be his operator. We have only seen the beginning of this base of communism in the Western Hemisphere.

Recently we read that Cuban Communists were in Zanzibar. I think it will be found that where Khrushchev cannot get in, he will use Castro as his instrumentality for infiltration, sabotage, pushbutton precipitation of riots, and all the other techniques of the kind. We had better wake up.

I commend the Senator from Wyoming for his statement.

Mr. SIMPSON. I thank the Senator from Ohio. I want to say any observation the Senator from Ohio makes is usually very much to the point, as is this one. I agree wholeheartedly with what he has had to say. I think it must be patent to the American people that when our President goes on a political pilgrimage to Florida certain precautions have to be taken. The measures last week were prompted by a fear of some kind of strike from a country 90 miles from our shores. The precautions are, I hope, an indication that the administration is beginning to realize the dangerous situation created by Communist Cuba.

Mr. LAUSCHE. Mr. President, will the Senator yield further?

Mr. SIMPSON. I yield.

Mr. LAUSCHE. A few months ago we had a revelation of the trouble in the Dominican Republic, the incumbent government of which was overthrown. The proof showed that the incumbent government, led by Diaz, was tolerating, softly, Communist activities. In the first place Diaz had allowed the television station run by the Communists to be used for propaganda. In the second place, he had allowed them to use a school for the teaching of Communist techniques. Third, he had allowed the return of Communists who had been driven out of the Dominican Republic. Fourth, and finally, he had allowed Dominican Republic youths to go into Cuba, there to be indoctrinated, and then to move back into the Dominican Republic and other places to conduct the spread of communism.

Mr. SIMPSON. That spread goes unchecked.

Mr. LAUSCHE. It is going on now. It is the base of operations in the Western Hemisphere. Little Cuba is the convenient instrumentality of Khrushchev for getting into places which he could not get into with his mighty strength.

Mr. SIMPSON. I agree wholeheartedly. I call attention to the fact that our Government rushed in pellmell to recognize Zanzibar, knowing full well it was a Communist-established government. These are the kinds of actions by which the Government loses prestige in the eyes of the American people and by which the prestige of the American Government is lost abroad.

The Senator brought to mind the situation that occurred in Panama, where we built schools and then allowed the Russian Government to provide the textbooks.

These are matters of public knowledge and concern. I think the time is long past when we should begin to make a show of the strength of this country, which has never before given in to aggression, and which we hope never will. But I think we should bring into evidence the power and strength of America so we can recoup some of the image that we have lost throughout the world.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. SIMPSON. I yield.

Mr. MILLER. I compliment the Senator from Wyoming for his fine statement. I want to let him know that, so far as I am concerned, when he speaks on the floor of the Senate he makes much sense, and is very timely in his observations.

In connection with the matter of Cuba, I wish to comment further on it by saying that I noticed in this morning's Washington Post, on page 2, an article entitled "Oil Quarantine of Cuba Would Be Scranton Aim."

The article refers to an interview, at Harrisburg, Pa., in which the question was asked of Governor Scranton what he would recommend with respect to Cuba.

The Governor replied:

> Well, first of all, I think the main thing to do is to try and work with our allies to initiate a quarantine. If this is impossible, after a good deal of effort is made with our allies to do so, with the help of the OAS (Organization of American States) and Latin American States, take a further step, provided there is a continuance of the subversive activities emanating from Cuba.

Then the question was asked:

> What kind of blockade? For instance, the quarantine of Russian oil shipments?

The answer was:

> Yes.

The next question was:

> Couldn't this mean the possible use of force?

The answer was:

> It could.

The next question was:

> Would you be willing to do that?

The answer was:

> Yes; if we could not implement a quarantine.

I think the point that should be made is this. In view of the fact that many of us Republicans here in the Congress have been criticizing the failure to implement the policy on Cuba, or the failure to take action on Cuba, it probably would be helpful if all the candidates—announced or unannounced—and if the leadership of our party would henceforth make clear what they have in mind, just as Governor Scranton apparently did just yesterday, and as I believe one or two of the other candidates have already done.

We criticize this administration for making speeches about Cuba and deploring the situation in Cuba and telling the Cuban patriots that we look forward to the day when they will have freedom; but we do not do anything about it.

I do not think it is going to do our friends who are seeking the nomination in our party any good to dodge the question when they are asked, "What would you do on Cuba?" by saying, "We deplore the Cuban situation and are unhappy about it." I think they had better be responsive to the question and make their suggestions, as Governor Scranton and I think one or two of the other candidates have done. I hope they have set the pattern for others.

The Senator from Wyoming has consistently advocated implementing action on Cuba. In doing so, I think he reflects the views not only of a majority of the people of Wyoming but the people of our country.

Mr. SIMPSON. I thank the Senator from Iowa. I read the article to which the Senator has referred. The situation is that we have thrown up a "hot air" blockade around Cuba. We advise our allies and friends not to trade with Cuba, but we trade with countries who can and do transport goods to Cuba. This is the sort of policy which brings us into disrepute all over the globe. Is there anyone so naive as to wonder why Cuba is attempting to sabotage Venezuela and overthrow the Government? Venezuela is the most oil rich country in South America and could provide fuel beyond measure for the Communist government. A main thrust of the Communist move in Latin America is against Venezuela because of that country's rich oil deposits.

Mr. MILLER. The Senator will recall that a year and a half ago several Members of the Senate, including particularly the Senator from New York [Mr. KEATING], were advocating action on Cuba. The Senator from Iowa, for example, has long suggested what he calls a war materiel blockade of Cuba, under which food, medicine, clothing, supplies, and even buses, would be permitted to go in and out of Cuba, but not one ounce of war materiel would be allowed to go into or out of Cuba. Our friends on the other side of the aisle started to scream, "warmonger." The Senator will recall how quickly they stopped their chattering about warmongering when the President of the United States put a blockade into effect.

Mr. SIMPSON. And that gave them an advantage in that it gave a picture and an image throughout the world of strength, which image we have since lost.

Mr. MILLER. I know we gave such an image to Latin America. Now, because of inability to follow through by inaction on Cuba, many Latin America countries are beginning to look upon the United States as a paper tiger. I just hope that by a continuation of the focusing of public attention on this situation, such as the Senator from Wyoming has been so ably doing, one of these days the administration will recognize the fact that the people want action.

They do not want war, but at the same time they want firmness to do something more than merely speak about the deplorable situation in Cuba.

I thank the Senator for yielding to me.

Mr. President, I ask unanimous consent that the article to which I have referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OIL QUARANTINE OF CUBA WOULD BE SCRANTON AIM

(By Jack Bell)

HARRISBURG, PA., March 2.—Gov. William W. Scranton proposed today the clamping of a strict quarantine on Communist Cuba, including, if necessary, the use of force to cut off Soviet oil shipments to Castro.

The Pennsylvania Governor, widely regarded as a potent possibility for the Republican Presidential nomination, also said in an interview that he doesn't want to become a presidential candidate and doesn't think that is necessary.

For the first time he said without qualification that he would reject any offer of the vice-presidential nomination, a goal for which Senator BARRY GOLDWATER, Republican, of Arizona, an avowed presidential candidate, said Scranton should be aiming.

Despite his disclaimer of any national ambitions, Scranton was willing to air his views on pressing foreign and domestic policy issues.

Asked what he thinks President Johnson's administration might be doing about Cuba that it isn't, he replied:

"Well, first of all, I think the main thing to do is to try and work with your allies to initiate a quarantine. If this is impossible, after a good deal of effort is made with our allies to do so, with the help of the OAS (Organization of American States) and Latin American states, take a further step, provided there is a continuance of the subversive activities emanating from Cuba, such as is going on in Nicaragua, Venezuela, and other Latin American countries, a form of blockade. This would mean a blockade if we could not effectuate a quarantine."

Question. What kind of blockade? For instance, the quarantine of Russian oil shipments?

Answer. Yes.

Question. Couldn't this mean the possible use of force?

Answer. It could.

Question. Would you be willing to do that?

Answer. Yes; if we could not implement a quarantine.

Scranton was asked how far he would go in meeting the Panamanian demands for revision of the canal treaty.

"I would like to know what the treaty says and then work out whatever arrangements seem right under the treaty itself," he said. "It is my understanding that the actual makeup of the treaty is such that there is some basis of concern as to what legally it means. Precisely what this is, I don't know."

Question. Would you accept the premise that we should at this time renegotiate the treaty?

Answer. No; I don't accept that premise. I said that I wanted to know what our present treaty says.

Asked if he would favor carrying the war in South Vietnam to the Communists in North Vietnam, the Governor replied:

"I haven't the slightest idea, nor does anybody else. I don't get all of the information coming out of southeast Asia, the intelligence reports from the CIA or the State Department or Defense. Until I knew precisely what the story is or precisely as I could get it from those reports, I would not indicate what kind of action to take. I say this—that we should do everything within our power and means to make sure that southeast Asia does not go totally Communist."

In answer to questions on domestic issues, Scranton said he opposes weakening the House-passed civil rights bill to gain Senate approval of the measure. If he faced the same conditions which confronted former President Eisenhower and the late President Kennedy, he said he would have used troops to enforce Federal court orders.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. SIMPSON. I am glad to yield.

Mr. DOMINICK. I rise to add my voice to those who have commented on the speech which the Senator from Wyoming has just made. We must keep this question alive all the time. Many of us are too prone to say, "Let someone else take care of it." We do have a policy situation running through not only the Cuban situation but a great many other facets of the foreign relations problem as well.

I was interested to listen to the comments of the Senator from Wyoming on the Zanzibar problem. I do not know whether the Senator saw the excerpt, but the other day Representative KATHARINE ST. GEORGE placed a short excerpt in the CONGRESSIONAL RECORD on the Zanzibar problem.

In that area, Mr. President, our people were not only imprisoned by those who took over the Government of Zanzibar led by two Cuban Communists, Cuban-trained and apparently native Cubans, but also within the matter of a few hours they hanged all the opposition and even put out a radio report asking one member of the previous government to come in so that he could be hanged more readily without having to be captured first. They then expelled the American political personnel from Zanzibar and within a matter of 5 days, as I recall, the American Government, as a reward to Zanzibar for its treatment of our own people, recognized the new Government.

Mr. SIMPSON. The Senator is correct, according to the RECORD.

Mr. DOMINICK. I cannot understand how we can expect to gain any respect whatsoever for the position of our foreign policy if we take actions of this kind. It seems incomprehensible to me.

Has the Senator from Wyoming any further knowledge on the Zanzibar problem of why we did this? I happen to know that within the administration itself there was disagreement on whether we should or should not recognize Zanzibar. I happened to be at a meeting where one of the representatives of the administration was strongly against it; but, apparently, he was overruled by the White House itself.

Mr. SIMPSON. I have no information other than does the Senator from Colorado.

I am not unmindful of the great contribution the Senator from Colorado has made to this question. I refer especially to the marvelous speech on national security which he made before the Air War College, which was broadcast all over America by a noted commentator who departed from his ordinary type of broadcast in order to make it available to the American people. I compliment the Senator from Colorado on his contribution. We must continue to bring the question of Cuba before the American people until firm action is taken, as was pointed out just now by the Senator from Iowa [Mr. MILLER]. This must be done not only by Senators on this side of the aisle but certainly by Senators on the other side of the aisle. The Government must not continue to sweep this type of problem under the rug. It is vital for the future and safety of the American Republic.

Mr. DOMINICK. I completely agree with the distinguished Senator from Wyoming.

Mr. ALLOTT. Mr. President, will the Senator from Wyoming yield?

Mr. SIMPSON. I yield.

Mr. ALLOTT. I wish to join other Senators in paying tribute to the Senator from Wyoming for the remarks he has just made.

Looking back over the past year, I recall that not only the Senator from New York but the senior Senator from South Dakota, the two Senators from Nebraska, the Senator from Kentucky [Mr. MORTON], the Senator from Kansas [Mr. PEARSON], and my distinguished colleague, as well as myself, went to great efforts to study this question in an attempt to bring to the attention of the State Department the seriousness of the Cuban situation.

However, not only were all the suggestions ignored, but the State Department never at any time, by any act as much as the stroke of a pen, admitted that anything had ever been suggested on what we might do in Cuba.

I should like to propound this question, in the light of the remarks of the Senator from Wyoming, and in the light of history today.

If the Senator from Wyoming were a member of a Latin American country—and it would not make much difference which one, whether it was Chile, Bolivia, Brazil, or some other country—which is a member of the OAS, as 21 states there are, and he had seen the Cuban-led and inspired insurrection in Zanzibar, with the consequent humiliating deposing of American Embassy personnel in Zanzibar, and then later, within a few days, saw the American Government recognize that new government in Zanzibar, at the same time telling the people of the 21 American states in the OAS that we must be firm in fighting communism and in circumscribing the terrible Cuban menace, can the Senator imagine or put into words how, as a member of a Latin American country, he would feel toward the United States?

Mr. SIMPSON. That is quite a hypothetical question, but I believe my feeling would be that they were playing ball with a strawman.

Mr. ALLOTT. I am sure the State Department feels that way. It was a hypothetical question, but this is exactly how those people look at it; they cannot understand how we can do this sort of thing—all of the things that I mentioned in my question, and it was a long one—and then how can we turn around and call on them for support to contain Cuba and destroy this thing which is called Castro communism.

Mr. SIMPSON. I know the Senator is aware of the need for a show of firmness and determination by the Government. I invite the attention of Senators to this fact, that it was fewer than 20 Cubans who triggered the revolution and change of government in Zanzibar. Yet with all the power and force of the United States, there was nothing we could do to prevent the Communist-oriented coup.

Mr. ALLOTT. I am glad the Senator used the words "nothing that we do," because there is plenty that we could do if we would just act; although this is most unpopular with the so-called intellectuals in our Government today, we should assert a little of the big-stick policy that Teddy Roosevelt utilized so effectively. I believe it is proper to comment at this point that while General de Gaulle is on the blacklist of most Americans, and we disapprove of the things which he has done, personally, and I hope to explore the subject at some depth on the floor of the Senate one of these days, all of the acts of De Gaulle including the recognition of Red China, in my opinion, are completely logical if viewed from the viewpoint of a Frenchman or to be particular from the viewpoint of General de Gaulle himself; they may not be logical from our viewpoint, but I must say I at least applaud the actions of De Gaulle when he took the little revolution, the coup d'etat in Gabon a few days ago and wrapped it up and washed it up within 48 hours. I wish we had such a will to do such things in this country.

Mr. SIMPSON. I doubt we would have such a will with the bright young men still in the administration who seem to be committed to a policy of appeasement. I invite the attention of the Senator from Colorado to the fact that I addressed myself to the situation with respect to President de Gaulle at the time he recognized Red China and I made the same observation that the Senator from Colorado has just made.

Mr. President, I yield the floor.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. ELLENDER. Mr. President, I send an amendment to the desk and ask that it be stated.

The **PRESIDING OFFICER.** The amendment will be stated.

The **LEGISLATIVE CLERK.** Beginning with page 13, line 24, it is proposed to strike out all through page 17, line 2, as follows:

(1) The following new section is added to the Act:

"SEC. 349. (a) The acreage allotment established under the provisions of section 344 of this Act for each farm for the 1964 crop may be supplemented by the Secretary by an acreage equal to such percentage, but not more than 10 per centum, of such acreage allotment as he determines will not increase the carryover of upland cotton at the beginning of the marketing year for the next succeeding crop above one million bales less than the carryover on the same date one year earlier, if the carryover on such earlier date exceeds eight million bales. For the 1965, 1966, and 1967 crops, the Secretary may, after such hearing and investigation as he finds necessary, announce an export market acreage which he finds will not increase the carryover of upland cotton at the beginning of the marketing year for the next succeeding crop above one million bales less than the carryover on the same date one year earlier, if the carryover on such earlier date exceeds eight million bales. Such export market acreage shall be apportioned to the States on the basis of the State acreage allotments established under section 344 and apportioned by the States to farms receiving allotments under section 344, pursuant to regulations issued by the Secretary, after considering applications for such acreage filed with the county committee of the county in which the farm is located. The 'export market acreage' on any farm shall be the number of acres, not exceeding the maximum export market acreage for the farm established pursuant to this subsection, by which the acreage planted to cotton on the farm exceeds the farm acreage allotment. For purposes of sections 345 and 374 of this Act and the provisions of any law requiring compliance with a farm acreage allotment as a condition of eligibility for price support or payments under any farm program, the farm acreage allotment for farms with export market acreage shall be the sum of the farm acreage allotment established under section 344 and the maximum export market acreage. Export market acreage shall be in addition to the county, State, and National acreage allotments and shall not be taken into account in establishing future State, county, and farm acreage allotments. The provisions of this section shall not apply to extra-long-staple cotton or to any farm which receives price support under section 103(b) of the Agricultural Act of 1949, as amended.

"(b) The producers on any farm on which there is export market acreage or the purchasers of cotton produced thereon shall, under regulations issued by the Secretary, furnish a bond or other undertaking prescribed by the Secretary providing for the exportation, without benefit of any Government cotton export subsidy and within such period of time as the Secretary may specify, of a quantity of cotton produced on the farm equal to the average yield for the farm multiplied by the export market acreage as determined pursuant to regulations issued by the Secretary. The bond or other undertaking given pursuant to this section shall provide that, upon failure to comply with the terms and conditions thereof, the person furnishing such bond or other undertaking shall be liable for liquidated damages in an amount which the Secretary determines and specifies in such undertaking will approximate the amount payable on excess cotton under section 346(a). The Secretary may, in lieu of the furnishing of a bond or other undertaking, provide for the payment of an amount equal to that which would be payable as liquidated damages under such bond or other undertaking. If such bond or other undertaking is not furnished, or if payment in lieu thereof is not made as provided herein, at such time and in the manner required by regulations of the Secretary, or if the acreage planted to cotton on the farm exceeds the farm acreage allotment established under the provisions of section 344 by more than the maximum export market acreage, the farm acreage allotment shall be the acreage so established under section 344. Amounts collected by the Secretary under this section shall be remitted to the Commodity Credit Corporation and used by the Corporation to defray costs of encouraging export sales of cotton under section 203 of the Agricultural Act of 1956, as amended."

(2) Section 376 of the Act is amended by adding at the end thereof the following: "This section also shall be applicable to liquidated damages provided for pursuant to section 349 of this title."

Redesignate succeeding subsections accordingly.

Mr. ELLENDER. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I should like to inquire of the distinguished Senator from Louisiana, the chairman of the Committee on Agriculture and Forestry, how long he expects to speak on his amendment, on which yeas and nays have been ordered. I ask the question so that Senators may be informed that there will be a further vote today. I should like to know how long the Senator will take to explain his amendment.

Mr. ELLENDER. If Senators will remain in the Chamber, I can conclude my statement in 6 minutes.

Mr. MANSFIELD. In view of the Senator's statement, I hope the Senators will remain in the Chamber for a while, so that there may be some more votes.

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 o'clock tomorrow morning.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

ORDER OF BUSINESS

Mr. MANSFIELD. For the information of the Senate, because many Senators have asked about committee meetings for the remainder of the week, I should like to say that it is the intention of the leadership, barring unforeseen developments, to have the Senate convene at 11 o'clock tomorrow and for the remainder of the week, and that the order previously entered that the Senate meet at 10 o'clock tomorrow be rescinded.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ALLOTT. Did I correctly understand the Senator to say that there was an agreement to meet at 10 o'clock tomorrow? I thought he had just asked unanimous consent that the Senate meet at 11 o'clock tomorrow.

Mr. MANSFIELD. Yesterday, after consulting with the distinguished minority leader, we thought it advisable to have the Senate meet at 10 o'clock tomorrow, Wednesday. However, unanimous consent has just now been granted that the Senate meet at 11 o'clock tomorrow and that the previous order be rescinded. It is anticipated that the Senate will meet at 11 o'clock for the remainder of the week.

In other words, Mr. President, the order now entered abrogates the 10 o'clock order which had been agreed to by the leadership. The Senate will meet at 11 o'clock tomorrow, instead of 10 o'clock.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. DOMINICK. Did the Senator also mention committee meetings? A number of Senators have indicated that they would like to have committee meetings.

Mr. MANSFIELD. We have changed the hour of convening of the Senate tomorrow morning from 10 o'clock to 11 o'clock so that if Members wish to attend committee meetings from 9 o'clock until 11 o'clock tomorrow, they may do so.

Mr. DOMINICK. I believe some Senators would object if it were attempted to hold committee meetings during the session of the Senate.

Mr. MANSFIELD. That is understood.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ELLENDER. I should like to say that I had a hand in trying to change the time of the convening of the Senate tomorrow from 10 o'clock until 11 o'clock. Last week I notified the members of the Committee on Agriculture and Forestry that the committee would meet tomorrow, Wednesday. I certainly would like to conform to that promise. With the assistance of my good friend, the majority leader, that was made possible. I hope we can meet in committee for at least an hour tomorrow.

Mr. MANSFIELD. It was made possible with the assistance of the distinguished minority leader, as well.

Mr. ELLENDER. Yes.

Mr. MANSFIELD. I believe the Senator from Louisiana has an amendment pending.

The PRESIDING OFFICER. The Senator is correct. The Senator from Louisiana is recognized.

Mr. MANSFIELD. Mr. President, will the Senator from Louisiana yield to me, so that I may suggest the absence of a quorum, without his losing his right to the floor?

Mr. ELLENDER. I yield for that purpose.

Mr. MANSFIELD. Mr. President, I suggest to the attachés that this may well be a live quorum if enough Senators do not come to the Chamber. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 54 Leg.]

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Church
Clark
Cooper
Curtis
Dirksen
Dominick
Douglas
Eastland
Edmondson
Ellender
Ervin
Fong
Fulbright
Gore
Gruening
Hart
Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kennedy
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Mechem
Metcalf
Miller
Monroney
Morse
Morton
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Ribicoff
Robertson
Russell
Saltonstall
Scott
Simpson
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

The PRESIDING OFFICER. A quorum is present.

Mr. ELLENDER. Mr. President, I will ask the indulgence of the Senate for only a few minutes. The amendment is a very simple one. We have listened for 3 or 4 days to debate on the huge surpluses that are on hand. The Senator in charge of this bill [Mr. EASTLAND] stated that on August 1, there would be a surplus of upland cotton of 12.8 million bales, and a surplus of long staple of an additional 300,000 or 400,000 bales, for a total of 13 million-plus bales of cotton. Yet, under this bill there is a provision which would permit the Secretary of Agriculture to add 10 percent more acreage to planting for the year 1964. The only condition he must find in order to do this is that the present surplus will be reduced by at least 1 million bales.

A million bales is usually used by us each year under the Public Law 480 program. There is no limitation on the power of the Secretary of Agriculture to increase acreage for the crop years 1965, 1966, and 1967, except that he must find only that the surplus will be reduced by at least 1 million bales.

Mr. President, under the pending bill, after the surplus is down to as low as 8 million bales, which is only 4 million less than we now have, the Secretary of Agriculture is empowered to permit the planting of as much cotton as he finds can be disposed of.

It is true that there will be no price support for that extra cotton; but what will happen is that that extra cotton must be sold in competition with the surplus cotton which we now have on hand. It is estimated that during this 1964 year, on this extra acreage, as many as 300,000 bales of cotton could be produced. The estimate for the year 1965 is that 350,000 acres will be planted to cotton, for a production of 500,000 bales.

Senators should remember that all of this cotton will be in addition to the amount of cotton we now have on hand, which is in surplus, and will be in addition to the cotton from the allocated acres provided by existing law. The only exception will be for the reductions on small farms; for those who determine to plant cotton for the domestic market only.

Notwithstanding all the surplus cotton we have on hand, Mr. President, it is estimated that during 1966, 400,000 acres will be planted, and that in excess of 600,000 bales of cotton will be produced that year. Mr. President, all that, as I have said, will be over and above the amount produced on the allotted acres.

I repeat that it is true that there will be no price supports for that cotton; but that cotton will be sold in competition with American cotton; and, Mr. President, as I have stated earlier this afternoon, and as I also stated last Friday, if this cotton is permitted to be grown and sold at whatever amount it will bring in the foreign markets, it will mean that the world price of cotton will go down and down; and the lower the world price for which the cotton is sold, the greater will be the subsidy, because under the pending bill the payment to be made—in other words, the differential we have been discussing all afternoon—will be increased from whatever the world price is to whatever the support price is; and if this overproduction of cotton happens to make the price of cotton go down as low as 20 cents—which is possible, and no doubt is probable—if the support price of cotton is 30 cents, that will mean that it will be possible that the amount to be paid by the taxpayers, in order to make the cotton available to our textile mills at the same price as the world price—in other words, the subsidy—will amount to as much as $50 to $70 a bale.

Mr. President, it is estimated that in 1967, on the 450,000 acres which will be planted, the production will be in excess of 700,000 bales of cotton. I do not believe that should be permitted.

The chief argument in support of the pending bill was that it would reduce our surpluses. But by this means we would be permitting overplanting—that is to say, planting over and above the allotted acres. Under existing law, the minimum acreage which can be allocated to all cotton farmers all over the country is 16 million, plus 200,000 acres in order to adjust for small farms.

Mr. President, I wish to repeat and emphasize that if my amendment is adopted, it will mean that we can curtail our huge surpluses and can save money.

I hope the Senate will vote in favor of this amendment.

Furthermore, Mr. President, I wish to add that this amendment will not affect at all the differential which will be paid to the mills; that is to say, they will be able to buy the cotton at the world price, whatever it may be. This amendment will not affect in any way whatever that phase of the bill.

Mr. EASTLAND. Mr. President, the Senator from Louisiana is badly mixed up in his facts. The cotton which will be planted under the bill will not be cotton which will go into CCC stocks.

I hold in my hand a letter from the Administrator of the Agricultural Stabilization and Conservation Service, Mr. Horace D. Godfrey. In the letter he states:

> Areas producing these qualities where export acreage interest is likely to be highest include California, New Mexico, Arizona, Nevada, Missouri, and the El Paso Valley area of Texas. In these areas, only about an average of 10 percent of the combined production in 1962 was acquired by the CCC, as compared to 32 percent of the entire production in the United States.

Mr. President, I ask unanimous consent that the entire letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE,
AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE,
Washington, D.C.

HON. JAMES O. EASTLAND,
U.S. Senate.

DEAR SENATOR EASTLAND: This is in response to your inquiry regarding the provision in the pending cotton bill which authorizes the planting of export market acreage and our view as to the producing areas where cotton is likely to be grown on such acreage.

It is anticipated that the areas where the most interest in the export acreage program would exist are the areas producing qualities of upland cotton for which demand is usually good, both in domestic and foreign markets.

Historically, the amount of cotton acquired by the CCC from these areas is relatively small, the majority of this cotton moving freely in market channels.

Areas producing these qualities where export acreage interest is likely to be highest include California, New Mexico, Arizona, Nevada, Missouri, and the El Paso Valley area of Texas. In these areas, only about an average of 10 percent of the combined production in 1962 was acquired by the CCC, as compared to 32 percent of the entire production in the United States.

This is not to indicate that individual farmers in other States and in other areas of Texas would not participate to some limited degree in the export acreage provision. No one would be denied this right; however, we do feel that such participation would be on an individual rather than on a broad scale basis.

It should be further noted that the proposed program guards against this acreage adding to the surplus. In fact, export acreage could not be authorized unless the carryover was being reduced by at least 1 million bales or was down to a manageable level.

Also, the bill makes it clear that cotton produced on this acreage will not be protected by a loan and that it will move into world markets at world prices.

Substantial dollar earnings abroad would accrue from sales of cotton produced on export market acreage. This would be in the national interest.

It should be noted also that cotton produced in some areas moves readily into foreign markets in competition with cotton grown in other countries. There are relatively small amounts of these qualities of cotton currently in CCC stocks. Additional production of such cotton could be expected to move freely into export markets and to a certain extent displace competing growths.

Sincerely,

H. D. GODFREY,
Administrator.

Mr. EASTLAND. Mr. President, this acreage cannot be planted unless this export acreage combined with the normal plantings—taking both of them together—will reduce the surplus one million bales or more a year; and when it gets down to a normal carryover of 8 million bales—which is necessary for the protection of our country—he cannot grant extra acreage which would increase the surplus a single bale.

What we are asking is that when Americans go to Mexico and produce cotton there, the American farmer at home be given the same privilege and the same right that a farmer in Mexico receives. If he sells for the export market, there will be no Government subsidy in any way, or no price support in any way; but he will be bound to export it. In fact, to begin with, he must post a bond as a guarantee that it will be exported, or else he will be subjected to a penalty of 20 cents a pound, whereas the cotton will sell for only approximately 24 cents a pound. But he will not be allowed to do that unless this acreage, combined with the normal plantings, will still reduce the surplus 1 billion bales or more a year.

But as Mr. Godfrey states, the extra acreage—and this amendment is an attack on the Western States—will be largely used in the West, where a man by his ingenuity may wish to compete, on his own, without Government help. I know of no reason why he should not be allowed to do so, when the Commodity Stabilization Service says this cotton is likely to be produced in the Western States named in the letter.

Mr. President, let me say that different qualities of cotton are used for the production of different goods. It is impossible to use the same grade of cotton to make A type goods and B type goods. But the cotton grown in these areas comprises more than 10 percent of the stock of the Commodity Credit Corporation, as against 32 percent in other areas.

I think the committee has been well within its rights in reporting to the Senate a very constructive measure; and this acreage will prevent the planting of a crop that will compete now with crops planted in other areas of the country.

COTTON—AND THE VITAL IMPORTANCE OF THE EXPORT ACREAGE PROVISION

Mr. SYMINGTON. Mr. President, to many of us, the export acreage provision is the single most important part of H.R. 6196.

As a component part of this bill, its primary purpose is to insure more equitable treatment, and greater opportunities, for efficient production for all categories of producers, in every community, county, State, and area of the Cotton Belt.

Without the export acreage provision, this bill would become almost meaningless, to thousands of individual cotton producers who have been forced, over the years, to operate under stringent acreage controls, while their more fortunate counterparts, in certain other States and areas, have received all of the cotton acreage allotments they desire to plant.

In fact, last year, producers in some one-half of all counties in the Cotton Belt returned unwanted cotton allotments to the States. But in my State of Missouri, as well as in other States, individual cotton producers had to plant within allotments 40 percent below the 1960 level. In 1960 producers who took choice B had 40 percent more acreage than they had in 1963—unless they received additional acreage through release and reapportionment.

This is a most inequitable and unfortunate situation indeed.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. EASTLAND. Is it not true that the acreage would supplant acreage planted in Mexico and Central America? There has been a great expansion of cotton acreage abroad. The proposal would permit the American farmer to compete on his own two feet without Government subsidy and with a guarantee that the surplus would be reduced. It would permit him to compete, and prevent the further expansion of acreage in Mexico, Central America, Africa, and South America.

Mr. SYMINGTON. The Senator is entirely correct. Without the amendment, wherever cotton could be grown, we would see its further development in other countries to the disadvantage of American producers.

The need for eliminating inequities in the distribution of individual cotton acreage allotments has been recognized for some time. In an address to the Agricultural Council of Arkansas on December 3, 1962, Under Secretary of Agriculture Murphy, when referring to proposals for new cotton legislation, stated:

> Some people have felt that this new cotton program should make changes in the existing system for the release and reapportionment of cotton acreage allotments. I have given this matter much thought and have consulted many people about it. It is my considered judgment that it would not be practicable or wise to attempt to make this legislation a vehicle for substantially changing the provisions or effectiveness of the release and reapportionment system. The distribution of acreage allotments could well stand reexamination.

In other words, the Secretary recognized that inequities existed back in 1962; and felt the whole matter could stand reexamination. He further recognized that it was an extremely complicated subject.

I agree with the Under Secretary on all counts. How can there be anything but inequities when some producers are allowed to plant all the cotton they want to plant, but others are forced to reduce their already low allotment by 40 percent? While it probably would not be practical to attempt to use this bill as a vehicle for further revising the release and reapportionment program, we cannot ignore the fact that serious disparities do exist in the distribution of individual cotton acreage allotments.

I want to see my friends in other States continue to prosper in the future as they have done in the past under the present release and reapportionment program.

But the people of Missouri, as well as the people of many other States, have carried the tax burden to make these blessings available.

How can any fairminded person suggest a program for cotton that would continue this preferential treatment without recognition for this problem in other cotton States?

In his farm message on January 31, 1963, the late President Kennedy, in his recommendations for remedial cotton legislation, said:

> Within limits consistent with the need for an orderly reduction in the existing carryover, producers should be permitted to grow cotton above their basic allotments for the export market at the world price. In 1963, the extra planting for export markets might be permitted up to 20 percent above the present statutory minimum allotment. Such provisions would recognize the greatly diverse conditions that prevail in different cotton producing areas, and provide fair opportunities for producers in each area.

And in his farm message exactly 1 year later, President Johnson recommended that we "make it possible for growers who desire to do so to produce cotton at world prices, without any subsidy, on a basis which will not add to our stocks."

The export acreage provision of H.R. 6196 as reported by the Senate Agriculture Committee meets all of the terms laid down by the administration.

The bill is widely supported by cotton leaders all across the Cotton Belt. It is just, and it would, first, help reduce the continuing unfavorable balance of payments against the United States, which in my opinion is rapidly becoming the Achilles' heel of our country; second, it would deter expansion of foreign plantings and additional competition to our domestic cotton crop in future years, and, third, give U.S. producers the same rights foreign cotton producers already have in the world market, as has been so ably presented a few minutes ago by the distinguished senior Senator from Mississippi.

All of these favorable results would be accomplished without any cost whatever to the taxpayer.

Mr. MORTON. Mr. President, my State produces between 4 and 4½ million bushels of Soft Red Winter wheat per year. This amounts to less than 1 percent of Kentucky's agricultural income. We have a limited cotton production in southwestern Kentucky which generally produces between one-tenth and two-tenths of 1 percent of our agricultural income. Based on these statistics one might say that I have no interest in the bill now pending.

My State has a substantial interest in textiles, not necessarily at the primary level but more in the manufacture of garments, principally work clothes such as overalls and moderately priced ladies' garments. Kentucky is fortunate in having many establishments, especially in our rural and semirural areas, which give employment in this field. The employees of these plants are vitally interested in the pending legislation for a very good reason. They are competing with imports from countries with a wage scale of 15 percent to 50 percent of that paid in the United States. In addition, their suppliers pay from 7 to 8 percent per pound more for raw cotton than do their competitors who enjoy the favorable wage differential.

The measure before us attempts to equalize the raw material cost between the domestic processor and the foreign processor. This I approve. I hope that we can find the formula for eliminating this discrepancy.

I regret that I cannot vote for this bill, although it seeks to accomplish this one end that I favor, because it also includes a very regressive tax. I refer to the so-called wheat certificate plan which could much better be labeled a "bread tax."

Not long ago we considered and passed here on the floor of the Senate a tax reduction bill. This bill pertained to income taxes. I supported the measure in spite of the fact that certain amendments which I either offered or cosponsored failed of passage. I pointed out then that there was nothing in that bill to help the poor. For indeed, the poor do not pay income taxes. There was nothing in that bill to help the widow of the frugal man who had out of his own savings bought a few stocks so that she might live in a reasonable degree of comfort through her remaining years. In fact, her taxes were increased by the bill. The Federal retail sales taxes were not touched under the bill. An amendment to achieve this end which I offered on behalf of myself and the Senator from Illinois [Mr. DIRKSEN] was defeated in a close vote.

The taxes that we failed to repeal or amend were regressive taxes in that they were fundamentally sales taxes. They fell equally on all segments of society both rich and poor. The bread tax proposed under the bill now before us is worse than regressive. Indeed it falls much more heavily on the poor than the rich. It is a fact in this country that those with very low incomes have to exercise great care in their food budgets. The wealthy can find a variety of protein and energy-source foods because they can afford them. The poor must concentrate on the very cheapest protein sources. For this reason, it is logical that, in the South, the per capita consumption of wheat products per week is nearly 4½ pounds for families with a total income of $2,000 a year as opposed to less than 2½ pounds per capita with families of over $10,000 a year of income. Taking the United States as a whole the ratio is somewhat reduced in both categories from 3.83 pounds per person per week for the very poor to 2.3 pounds among those with incomes of over $10,000. Wheat products offer just about the cheapest source of protein in the U.S. diet.

The bill before us has a 70-cent-per-bushel wheat certificate. This amount has to be paid by the processor. Since the milling industry has a very low gross profit, this exorbitant amount will obviously have to be passed on to the consumer. Pursuant to the figures which I have just quoted it is obvious the chief burden will fall on those least able to pay. For they indeed consume a much higher per capita volume of wheat and wheat products than does our society generally.

I well remember the so-called processing tax of the 1930's. At that time I was engaged in the flour milling business. We had to pay the U.S. Government 30 cents for each bushel of wheat that we ground. Our net profit was less than 2 cents per bushel so, obviously, we were forced to pass this on. The bill before us calls for a certificate of not 30 cents per bushel but 70 cents per bushel. All of this burden will be borne by the taxpayer. Yet because our low-income taxpayers turn to wheat products as the cheapest source of protein and energy food they will pay the lion's share.

Mr. President, "war on poverty" is a clever phrase. I trust that we will make it a battle cry of deeds, and not just a palliative phrase. The best way to start our war on poverty is to defeat the pending legislation.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. MORTON. I yield.

Mr. McGOVERN. Does the Senator from Kentucky know that the bakery officials of the country have already announced that even if the price of wheat falls as low as $1.25 a bushel, they are not going to lower the price of bread?

Mr. MORTON. I cannot speak for the baking industry, but I know that throughout the South, where they buy 25-cent sacks of flour, if that price goes up there will be a diminution in the use of flour there.

Mr. McGOVERN. The Senator has referred to the bread tax.

Mr. MORTON. In my part of the country, when it is cooked in one's own home, it is still bread.

Mr. McGOVERN. On last May 22, after the referendum, the bakery officials of the country were asked if they foresaw a drop in the price of bread because of the prospect of a decrease in the price of wheat, and, without fail, they replied that the amount of wheat that went into a loaf of bread was such an insignificant part of the cost of a loaf of bread that they could not foresee any reduction in bread prices at all.

Actually, what we have seen over the past 12 or 15 years is a falling off in the price of wheat; yet at the same time that has been taking place, the price of flour and of bread has been going up.

I want to remind the Senator of something I am sure he knows as well as or better than I do. There are only about 2 or 2½ cents' worth of wheat in a loaf of bread, and even the baking and milling people themselves say this represents such a small amount that it would not affect the price of bread one iota.

Mr. MORTON. I invite the Senator to go down into my part of the country. I do not care where it is. Take Talladega, Ala., or any place else down there, where there is a great deal of home baking, and where there are many families with an annual income of less than $3,000. The Senator cannot tell me that the price of flour at the grocers, where they buy a 25-cent bag of flour—and that is what most of the people there buy—is not affected by the price of wheat or the price that the miller charges the grocer or wholesaler for that flour. It clearly has a reflection on the price. I can remember when wheat went up 1 cent a bushel the price of flour to the A. & P. and other stores was raised 5 cents a barrel. It had to be done. We were operating on a margin of 5 cents a barrel.

Mr. McGOVERN. Sometimes when the price of a basic farm commodity is increased, I think it is true that the processors use it as an excuse for an increase in the cost of the processed commodity; but, unfortunately, when the price of a basic farm commodity comes down, they seldom, if ever, respond with lower retail prices.

In the pending bill, we are not proposing to increase the price of wheat; we are proposing to make the price of food wheat remain where it is at present, roughly, $2 a bushel.

If we do nothing at all, the price of wheat will fall as low as $1.25 a bushel. That is about 50 percent of parity. Surely, the Senator from Kentucky is not asking the wheat farmers of this country to accept only 50 percent of a fair price in order to help the bread consumers, even if what he hopes for turns out to be true—that is, that by cutting the price of wheat to $1.25 a bushel, the price of bread is going to be 1 cent a loaf less. It seems to me this is an unfair way to attack the problem of poverty.

Mr. MORTON. I am not asking the wheat farmer to get anything less than anybody else.

I want to see him get a reasonable percentage of parity. I just do not like the processing tax or the certificate program. I think it was called the processing tax at one time, but the Supreme Court declared it to be unconstitutional when they knocked out the AAA.

Mr. McGOVERN. The Senator knows that we are not trying to raise the price of wheat. We are attempting to hold it where it is at a time when the wheat farmers are already hard pressed.

Mr. MORTON. What would happen to the 70 cents certificate if there were an increased increment?

Mr. McGOVERN. That would be added to the price——

Mr. MORTON. Let us say we had some crop damage and wheat went to a $2 cash level. Say the Russians took all the available wheat off the world market. The price would go to $2 a bushel.

Mr. McGOVERN. The Secretary has a right each year to adjust the support level. It can go to 70 cents, or it can be set lower. But he has indicated that for the 1964 crop he would set it at 70 cents.

Mr. MORTON. Even though today bread wheat is $2 in the cash market?

Mr. McGOVERN. The price of wheat to the miller would tend to be held at approximately $2. It would not change the present price level at all. This bill is designed to prevent the price of wheat from dropping, not to raise it.

Mr. MORTON. But if someone wanted to buy 1,000 bushels of wheat, he would have to have 1,000 70-cent certificates.

Mr. McGOVERN. Yes.

Mr. MORTON. Whether he bought the wheat at $1.25 or $2, he would still have to pay that.

Mr. McGOVERN. Yes, that is true for the 1964 crop. It is conceivable that for the 1965 crop the price could be set differently. That is what would happen under the 1964 crop.

Mr. MORTON. Milling wheat at Chicago today is approximately $2, is it not?

Mr. McGOVERN. That is approximately right.

Mr. MORTON. So after the bill was passed, the purchaser would still have to pay $2 plus the 70-cent certificate?

Mr. McGOVERN. No. The support rate is set today at different levels than it would be in the absence of this bill. What it will be under the bill if passed is a price of $1.30 plus the 70-cent certificate. Today the total of price support and other assistance comes to $2. So we are not changing the price of wheat 1 cent a bushel under the legislation before us.

Mr. MORTON. A miller today has to go into the terminal market and pay $2 for a bushel of wheat. This we agree on. If this is put into effect, why is he not still going to pay $2 for the wheat after this bill becomes law?

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield so I may answer the question?

Mr. McGOVERN. The Senator from Kentucky has the floor.

Mr. MORTON. I yield.

Mr. YOUNG of North Dakota. Because the support price for the wheat alone, when not accompanied by the certificate, will drop from approximately $2 a bushel to $1.30. This is a 2-year bill. So the consumer will be buying wheat for nonfood purposes at a cheaper price than he is today. For food use the certificate will bring the total price up to same amount the miller has to pay today. But the farmer does not receive certificates for all the wheat he produces. For some of his wheat he will only receive $1.30. This is why the North Dakota Farmers Union is opposed to the bill, because the farmers' income will be less. The consumers are getting a break.

Mr. MORTON. The Farmers Union opposes the bill?

Mr. YOUNG of North Dakota. They do in my State.

Mr. MORTON. It is one of the few times I find myself in agreement with that organization. I am glad I have support for my position.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MORTON. I yield.

Mr. MANSFIELD. As I interpret the colloquy, it is tied in to the cost to the consumer.

Mr. McGOVERN. Yes.

Mr. MANSFIELD. If we go back 10 years or more, it will be found that the average price of wheat per bushel has been $2; but what has happened to the price of bread in the past decade?

Mr. McGOVERN. The price has gone steadily up in the last 15 years.

Mr. MANSFIELD. So it is not the farmer, it is not the miller, but it is somebody in between that has been getting the "gravy."

What we are doing is asking for a continuation of $2 wheat. Otherwise, it will go down to $1.15, $1.25, or $1.30, if this kind of legislation is not forthcoming. As far as the consumer is concerned, he is protected now as well as he has always been protected. The farmers and millers are not responsible for the increase in the price of bread which has increased at least twofold in the past 10 years.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MORTON. I yield.

Mr. ALLOTT. I am very much in sympathy with the viewpoint expressed by the Senator from Kentucky about the bread tax. Let us make no excuses for it. This is a bread tax and that is all it is.

Table 3 of the report which the committee has filed states that according to the report the ending stocks of wheat were the lowest, in 1963, since 1957 and 1958. It may be true that the amount of wheat which goes into a loaf of bread costs only 2 or 2½ cents. I recall how Senators on the other side of the aisle, during the situation which developed over the price of steel, maintained that the price of $5 or $6 to which United States Steel wished to raise its steel prices would result in raising the price $10, $15, $20, or $50 a ton of steel to the manufacturer.

The same thing will happen here. When Senators talk about $1.25 wheat, they are talking against the facts. Senators also said, as the Secretary of Agriculture said last spring when the wheat farmers declared overwhelmingly, "We have had enough of this," that we were going to have 75-million-bushel wheat in this country. We did not end up with 75-million-bushel wheat, we ended up with something like 52½- or 53-million-bushel wheat. There are many signs in many areas of the country, including the Great Plains, that crops will be abnormally low. Still, if we could get good administration of the wheat, we probably will have a higher demand. My point is that there is no justification for making the statement that we will have $1.25 or $1.30 wheat.

Mr. MORTON. I thank the Senator. He makes his point perfectly. Just because the support is going to $1.30 does not mean that the cash market on bread wheats or even the pastry wheats, or Soft Reds, and so on, is going down to $1.30, as well as wheat in short supply, which is putting 70 cents on top of the present cash market.

Mr. ALLOTT. That is exactly what we would be doing, make no mistake about it. If the amendment which the Senator from South Dakota has offered is passed, that no stocks go out of the commodity market—I do not know whether it is 10 percent or 15 percent, but I would support 15 percent myself—we might further alleviate the condition, because considering the present policy of the Government what we have done is to put an arbitrary ceiling on the free market of wheat. Anyone could go to the CCC, and by gambling 5 percent could be assured that he would get wheat at that price whether it was next month, 6 months, or a year from now. I am putting in a plug for the amendment because I believe it is badly needed.

So if the amendment is passed, and remembering the remarks of the Senator from Kentucky—and I believe he has made a great contribution—make no mistake about it, the end result will be a bread tax and nothing else.

Mr. MILLER. Mr. President, will the Senator from Kentucky yield?

Mr. MORTON. I yield.

Mr. MILLER. I have been listening to the colloquy. It seems to me that the argument between the Senator from Kentucky and the Senator from South Dakota comes down to this; that the Senator from Kentucky suggests that if we pass the bill, which is said to be $2 plus 70 cents processing tax, the Senator from South Dakota says "No," it will not be that way, that the price will be $1.30 plus the 70 cents processing tax. So we will come out the same way.

I wish to make sure that we are not in a confusion of terms here, because the Senator from North Dakota said that the price support under this bill would be $1.30; but as the Senator from Kentucky just brought out, the mere fact that the price is $1.30, or for that matter $1.10, or 16 cents, does not mean that the market price will be there. So what we are probably talking about is what the market price will be for wheat after the bill passes.

I understand that the argument the other day the Senator from South Dakota was making is that we want the price of food wheat to be at $2. If this is the objective, then we can expect that after the bill passes the price will be $2 and not $1.30, which is the support price. If that is correct, then I believe that the point the Senator from Kentucky is making is very well taken that we are faced with the prospect of $2 wheat plus the 70-cent processing tax.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. MORTON. I yield to the Senator from North Dakota.

Mr. YOUNG of North Dakota. This morning, the Washington Post quotes wheat in Chicago closing at $1.61\frac{3}{4}$ to $1.63\frac{5}{8}$. Backing that off to the farm price, we have to reduce that by 25 cents a bushel. The grain trade in Chicago is guessing that wheat will be selling at about $1.36 a bushel——

Mr. MORTON. That is $1.63.

Mr. YOUNG of North Dakota. That is the price in Chicago. But the average farm price would be about $1.36. We were guessing that we would be carrying over wheat at 750 million bushels. The Department of Agriculture makes it around 900 million bushels. We thought we were going to use this for the wheat sale to Russia but now Russia will go to Canada for the rest of the sale, so this export of wheat is a most uncertain thing to be depended on for a price.

Mr. MORTON. I agree with that statement.

Mr. ALLOTT. Mr. President, will the Senator yield on one point?

Mr. MORTON. I yield.

Mr. ALLOTT. I am happy to get this information about what the carryover stocks are, but the facts are that the report of the committee which we have before us on table 3, page 21, shows the ending stocks for 1963 at 740 million bushels

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MORTON. I yield.

Mr. CARLSON. I appreciate the distinguished Senator from Kentucky yielding to me. I have been somewhat pleased to hear of the great concern for the consumers of this Nation. We talk about a bread tax being a great burden on the consumer. The fact is, I agree with the Senator from South Dakota that this will not increase the price of flour, but if we are so concerned about the consumer we will have an opportunity to vote on implementing legislation on a coffee agreement.

A year ago today, March 3, coffee was $33\frac{1}{2}$ cents a pound on the New York commodity market. Today, it is 51 cents per pound. That is 17 cents a pound extra. One cent means the equivalent of $35 million. If we are concerned about the consumer, we shall have an opportunity to think about this coffee tax.

Mr. ELLENDER. Mr. President, I am disappointed that the Senator from Mississippi evidently did not look at the table I placed in the Record on February 28, appearing on page 4002, when we were debating the cotton issue. The table that I placed in the Record indicates that of the white cotton in CCC stocks 80 percent of the 1-inch staple was Strict Low Middling or better. In the case of $1\frac{1}{32}$-inch cotton about 83 percent was Strict Low Middling or better. Of the $1\frac{1}{16}$-inch, about 94 percent was Strict Low Middling or better. In the case of $1\frac{3}{32}$-inch cotton about 95 percent was Strict Low Middling or better, and in the case of $1\frac{1}{8}$-inch about 99 percent was Strict Low Middling or better.

How in the name of commonsense can Mr. Godfrey write the kind of letter he has written to the Senate? I cannot understand it.

I am bound to conclude that the bill seems to have something for every segment of our cotton society. We are providing for the textile mills. We are providing for the large growers and the small growers and everyone in between.

The Senator from Missouri [Mr. Symington] discusses an angle new to me. Perhaps 8 years ago the Committee on Agriculture and Forestry provided for the release and reapportionment of the cotton acreage not planted in various States. In the cotton States of the Southeast a great deal of the cotton was not being planted. Congress passed a law under which cotton acreage not planted in a State or in a county could be transferred from one grower to another. That situation does not exist in California, because all the allotments that are given to California are planted. All the allotments in Missouri are planted. So the cry is, "Give us this extra planting, not because we need the cotton, but because we need the additional acreage." Let us not worry about the cost, or whether we add to stocks or not.

That is what is happening. I repeat that if the extra acreage is permitted, there is no doubt in my mind that it will aggravate our cotton surplus situation. There is no doubt that every pound of cotton that is produced on these extra acres will be in direct competition with the huge surpluses that we now have on hand.

I cannot understand some of my friends in the Senate. They say we should get rid of the surpluses, and then they say we should give them a little bit more here and there and everywhere. That is what the extra cotton planting means to many cotton farmers in the West and in other parts of the country, but particularly west of the Mississippi.

What we ought to do is to get rid of our surpluses as fast as we can and save all the storage charges. We cannot do that if the Secretary of Agriculture is permitted, under the bill, to increase the acreage in various parts of the country.

I repeat that this additional acreage is limited to 10 percent of the allotted acres for 1964. However, after 1964, for 1965, 1966, and 1967, there is no limitation. The only finding that the Secretary of Agriculture must make is that the surplus will be reduced by at least a million bales. After he makes that determination, which will be easy to make, he will be able to allocate the acres that I indicated a little while ago. These amount to as much as 450,000 acres of cotton that can be planted over and above the allocations, for a total of as much as 700,000 bales per year. This is in face of the fact that we have a carryover now of about 13 million bales. I hope that the amendment is adopted.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MILLER. I wonder whether the Senator would be good enough to explain one question that arises. I refer to the table at the bottom of page 15 of the committee report. It is entitled "Upland Cotton." I note that under "acreage," the first item, it is shown that under present legislation 14,900,000 acres would be planted; whereas under the pending bill 12,600,000 acres would be planted. That represents a difference of 2.3 million acres. Where does the extra 10 percent for exports show up in these figures?

Mr. ELLENDER. It does not show up as a specific item in the figures to which the Senator has referred. It would be allocated by the Secretary during the years 1964, 1965, and 1966. What table does the Senator refer to?

Mr. MILLER. I am reading from the second table on page 15, "Upland Cotton." The third item shows the acreage planted as 14,900,000 under the present law, and 12,600,000 under the bill.

Mr. ELLENDER. That does not show specifically. The reason why there is a difference in acreage between 14.9 million and 12.6 million is that it is estimated that those who will plant for the domestic market only would decrease their acreage. In other words, it is supposed that two-thirds of the allotted acres will grow cotton for domestic use. That would counteract the export market acreage provision and account for the net difference between 14.9 million acres and 12.6 million acres.

Mr. MILLER. There is a difference there of 2.3 million acres. Suppose the Senator's amendment prevails. Will the difference be 2.3 million acres?

Mr. ELLENDER. It will be increased if my amendment prevails. Under the committee bill the total acreage would be increased to the extent that the Secretary of Agriculture would fix it. As I said, in 1964 it would be increased by not more than 10 percent. However, in 1965, after he determines that the surplus would be reduced by a million bales, he can fix it at whatever percentage he wishes to fix it.

Mr. EASTLAND. Mr. President, just a moment.

Mr. ELLENDER. That is in the law. I challenged my good friend on Friday to show how, under the law, I was wrong. Up to now he has not done so. Under the law, the Secretary of Agriculture has the right to fix it at whatever figure he desires, so long as he concludes that the carryover will be reduced by a million bales.

Mr. EASTLAND. Eight million bales is the normal carryover.

Mr. ELLENDER. Normal carryover?

Mr. EASTLAND. Yes.

Mr. ELLENDER. The Senator knows better than that.

Mr. EASTLAND. No; I do not. I know it is that amount. The Secretary is limited in the amount he can raise the acreage, so long as the carryover is above 8 million bales.

Mr. ELLENDER. When the carryover is reduced to 8 million bales, the Secretary of Agriculture can increase the export market acreage to any amount he wishes to increase it. That is in the law. I challenge my good friend to show me to the contrary.

Mr. EASTLAND. The bill provides, as the Senator knows, that until we get down to a normal carryover—and that is 8 million bales, because it is necessary to have some selectivity for the different grades and staples that the trade wants—the Secretary cannot increase the acreage, under the bill, it it will prevent a 1 million bale decrease in the carryover. That is a part of the package. If the package is carried out, we will reduce CCC stocks down to 3,100,000 bales.

Mr. ELLENDER. I dislike to disagree with my good friend the Senator from Mississippi [Mr. EASTLAND], but this is the first time I have heard that the normal carryover is 8 million bales. I have never heard that before. That is what convinces me that once the 8-million-bale minimum is reached, the the Secretary of Agriculture will allocate above the minimum amount of cotton to be produced, as provided in the bill, to whoever desires it and without price supports. My contention is that every bale that is produced over and above the amount permitted on the allotted acres is bound to come in competition with the surplus now on hand.

As I understood the Senator from Mississippi and other Senators who are proposing this measure, the purpose is to get rid of surpluses, not to increase them. I do not know how the surplus can help increasing if the Secretary is permitted to increase the acreage over and above the allotment.

Mr. MILLER. I deplore two good friends not being able to get together on the amount of the carryover of cotton bales. However, I wish they would get together on the question the Senator from Iowa has raised. As I understand the position of the Senator from Mississippi, if the amendment is adopted, more acres will go into competition with midwestern crops such as soybeans and feed grains. My question is: If the amendment is adopted, how will that affect the 2.3-million acre reduction in planting as set forth in the table. I understood the Senator from Louisiana to say that the adoption of the amendment would not affect the reduction. Apparently the Senator from Louisiana and the Senator from Mississippi are apart on this point. It would be helpful to us who are interested in competition to know what the correct answer is.

Mr. ELLENDER. It goes without saying that if my amendment is adopted, there would be a bigger reduction in acreage.

Mr. EASTLAND. The Department of Agriculture says that that cotton would be grown in areas where, because of the type of cotton grown, it would not contribute to the surplus.

Mr. LONG of Missouri. Mr. President, the export acreage provision provides the only means available in this bill to inject sound economic principles into cotton price support and acreage allotment determinations.

As we all know, efficiencies of production vary widely in different sections of the Cotton Belt. Some producers are able because of better land, larger operations, the application of technology and the ability to obtain needed capital, to produce and sell cotton for a lower price than other producers who are limited in some or all of these factors.

I urge that the most important consideration in any future cotton program is the need to recognize that differences do exist among individual producers, and to provide ways and means for the individual producer to participate in acreage control and price support programs according to his individual needs and conditions. We cannot afford a program that would only recognize the problems of the 15-acre producer who accounts for some 20 percent of our total cotton production. The problems of the 15-acre producers are important, but we must be mindful of the problems of the larger producer who accounts for the remaining 80 percent of the cotton crop.

A great many cotton producers are anxious to expand their production and strengthen cotton's competitive price position through the more efficient use of land and equipment. They are willing to accept lower prices and help reduce the outlay of public funds in return for the opportunity to produce more cotton. These producers are generally in areas of the Cotton Belt that have not benefited to any great extent from the release and reapportionment program. There has been no way provided for them to recover from drastic cuts in individual farm acreage and they, unlike the producers who now receive bonus acreage above their proportionate share of the national acreage allotment, are paying the full price for price support protection.

The export acreage provision is a simple and practical way to inject badly needed flexibility into the acreage control and price support program. It recognizes the wide variations in land capability, technology, farming conditions, availability of allotted acreage, and other factors prevailing across the Cotton Belt. It would move in the direction of preserving acreage for all producers in this country as it would give U.S. producers the same rights that foreign producers already have in the world market, and for this reason would deter expansion of foreign plantings. It would strengthen cotton markets for all U.S. producers, and would do so at no cost to the Government.

I strongly feel that the export acreage provision coupled with the domestic subsidy to the cotton trade would accomplish the basic objectives of a sound program for cotton and all cotton producers. These provisions support and complement each other. There would be little, if any, chance for either to succeed alone. I want to see public funds used for a program that will allow our cotton industry to produce and sell rather than continue a program that is forcing us to retrench and store. With proper consideration for all producers, I feel confident of success. If we should fail in this respect, the results would doubtlessly be disappointing to all of us.

Mr. LAUSCHE. Mr. President, on May 21, 1963, 1,218,172 wheat farmers went to the polls and cast their ballots in regard to wheat programs. A clear majority of these farmers voted against the wheat certificate program. Over 89,000 wheat farmers went to the polls in Ohio; over three-fourths of those voting voted "no" to the wheat certificate plan.

Today the Senate of the United States is being asked to approve a certificate program for wheat which is basically the same as that rejected by farmers last May. But this time we are asked to place the program into operation without a referendum and despite the feelings of our wheat producers. Mr. President, I cannot be a party to such an undertaking.

H.R. 6196 imposes a certificate program upon the wheat farmer—a certificate program that is supposed to increase farmers' incomes, yet not increase consumer prices, and at the same time reduce Government costs. No program can achieve these contradictory results; the program authorized by this bill cannot achieve such results. The cost of an artificially high price support program for wheat must be paid for either by consumers or taxpayers. The certificate plan authorized in this bill hides costs; it does not reduce them. The enactment of this bill would in effect place a processing tax on wheat, and every American consumer would pay that tax every time a loaf of bread was bought. A certificate program is a bread tax. A miller must pay for the wheat and for a certificate which gives him the right to mill that wheat. That cost must be passed on to the consumer.

Mr. President, I do not believe a program of this type is in the best interest of our national policy. But if it were, I would not support methods to raise revenue to finance such a program that placed a tax on the consumption of bread. This constitutes the most regressive form of taxation ever proposed to this legislative body.

American wheat is in great demand today. We should not assume that our present supply is inexhaustible. From my standpoint on the Foreign Relations Committee, I have seen country after country approach our shores in need of wheat. We may sell almost a billion bushels this year alone, and next year at this time it is very possible that our carryover will be below the level that many feel is necessary from the standpoint of national welfare and security.

A control program which fails to discriminate as to types of wheat and to take into consideration current conditions is not only unsound, it is old fashioned.

H.R. 6196 contains a massive subsidy program for the cotton industry. The cost over the next 4 years could possibly exceed $3 billion. The program will not solve the problems of the cotton industry, it will compound them; it will not strengthen the industry, it will weaken it. The bill combines high-price supports with direct payments both to producers and to mills. It is the most massive incursion of Government into an industry both as to control and as to financing that we have witnessed for some time.

The Secretary of Agriculture would be delegated unprecedented authority and extensive discretion in administering this program. I am especially concerned about the cotton program authorized in this bill because it involves direct Government payments to cottongrowers.

This type of subsidy could destroy the market price system in cotton. Direct payments can cause production to be increased regardless of market demand; depress market prices with overproduction; lead to even stricter controls; make farmers dependent upon Government appropriations for an ever increasing part of their income; and put a ceiling on opportunity, making it more difficult for young farmers to get started in agriculture.

I am opposed to the enactment of H.R. 6196. I have cosponsored S. 1617 which deals with the wheat program in a coordinated approach with feed grains. This is the way I believe the problem should be approached.

THE NEED FOR COTTON LEGISLATION TO SAVE TEXTILE WORKERS AND COTTON GROWERS

Mr. KUCHEL. Mr. President, coming from the second largest cotton-producing State in the Nation, I have a deep interest in cotton legislation. Cotton is the largest single cash farm crop in California. Each year it brings to cotton growers alone almost $350 million. Most of these growers are small growers, although we do have some large farms in California. The average cotton allotment, I believe, is around 40 to 50 acres.

In the State of California, 412,000 people live wholly or in very substantial part upon incomes earned directly from cotton. These include 56,000 people living on cotton farms and 49,000 others whose breadwinners are seasonal domestic workers on cotton farms. The remaining 307,000 consist of people whose income earners work in gins, oil mills, cotton mills, and so forth, plus cotton's pro rata share of those living on incomes from apparel manufacturing, farm supply stores, merchandising operations, and so forth.

This by no means tells the whole story because no way was found to compute the number of employees concerned with cotton in banks, insurance agencies, department stores, transportation services and many other fields.

The average annual cash receipts from cotton and cottonseed by California farmers during calendar years 1960 through 1962 was $328.5 million. This makes cotton the leading crop in the leading agricultural State, far surpassing its nearest rivals, grapes—$149.4 million—and tomatoes—$122.8 million. It provides a fifth as much cash income as all other crops combined and a fourth as much as all meat animals, dairy products, poultry, and eggs combined.

The total value of petroleum and all other mineral production in 1961, the latest year reported, was $1,421 million. Cotton production alone yielded 23 percent as much as this.

Thus the inevitable conclusion: If the cotton economy is crushed, California will lose one of its big income producers, which will have a depressing effect on the State's whole economic structure. If cotton survives and goes forward, it will provide a stimulant to the industry and commerce of the State as a whole.

For over 1½ years, California cottongrowers' representatives and industry leaders have been meeting with their counterparts across the Cotton Belt. They have been trying to reach some agreement on legislation to save the cotton industry. The urgency and the gravity of the situation which our cotton farmers face has now resulted in the compromising of different points of view into a proposal which was accepted by the Department of Agriculture and approved overwhelmingly by the Senate Committee on Agriculture and Forestry.

This legislation has been called complex. That is true. But most of the legislation passed by this body is also complex because the problems with which it deals are not simple ones.

May I state that this bill is not a California bill. The program is not the one which California growers would have preferred. But, as a compromise, it has a number of elements in it to commend it.

First. It is, I repeat, a compromise proposed by the growers themselves. Almost a score of grassroots cotton organizations from across the belt have been meeting in Washington, and support this program.

Second. It gives each farmer the greatest freedom of choice of any cotton program proposed since I have been in the Senate. Each individual farmer can decide for himself whether he wishes to plant fewer acres at a higher price, or to use his regular allotment at a lower price, or, if circumstances permit, to plant beyond his allotment at the world price without 1 cent of subsidy or loan from the Federal Government.

Third. This program will, according to figures prepared by the Department of Agriculture, be much less costly to the Treasury than a continuation of the program under existing law.

Fourth. Finally this legislation will benefit the consumers, the millions and millions of people who live in our great urban areas. According to the testimony of Assistant Secretary of Commerce Hickman Price, the estimated reduction in the retail price of cotton goods under this proposal will be most substantial.

Making cotton available to the American textile mills at a lower price, according to the Department of Agriculture, would result in vast savings to the consumers. This proposed farm legislation might be called unique in that it will result in lower prices to the consumer and not higher.

The opponents of the bill have attacked the export acres plan. In my opinion, this feature of the program represents an outstanding step forward in farm policy. Those who have opposed farm subsidies and those who feel that they should be reduced, should be for the export acres feature.

For years our Government, by its price-support policy, held the umbrella over foreign producers who gradually took away from the American growers more and more of the world market for cotton. This trend was finally stopped when the export subsidy law was enacted. It reversed the trend but at considerable cost to the taxpayers because they pay the subsidy.

The export subsidy was passed overwhelmingly by this Senate. It would now appear that some groups and individuals in this Nation who supported the principle of the export subsidy as being necessary and valid, now oppose the same principle when it is applied to our domestic market.

We in this country have sat by and seen our foreign cotton markets taken over by increasing production from foreign lands, some of which have been financed and managed by American capital. Mexico, Central America, Brazil, South America, Africa, Spain, and the Middle East have moved into markets which once were ours. They have displaced American land, American labor, and American machinery in the world markets.

In effect, we have said to the American farmer "You cannot grow cotton in competition with the Latin American growers, or the African growers, or the growers in any foreign land, unless you want to take your money and go to one of these countries, and buy their land, and use their labor to produce it. You will have to use their machinery, you will have to use their trucks, you will, of course, have the advantage of their cheap labor."

The export acres program of this bill, on the other hand, says to the grower "If you want to use American farmland, American labor, American machinery, American trucks, and pay the highest wages in the world, and use our unemployed workers to compete in this world market without one cent of Government subsidy, you may do so." What is wrong with that?

I think that this program is in line with the highest traditions of private enterprise and the American competitive spirit. I favor it because it will give the American grower the same rights and privileges in the world market that a foreign grower has in his native land. And those rights and privileges are being denied to him under present law.

These export acres cannot be authorized by the Secretary unless the national carryover is scheduled to drop 1 million bales in the year for which they are authorized. For the first year of operation, the amount of export acres could not exceed 10 percent. Most growers in the cotton belt will not choose to plant these export acres on which the cotton must be grown without Government loan or price support, and which, by the provisions of this bill, must be exported and sold on the world market. Most growers in California will not use them, but some efficient growers will. California cotton has a great export market. We could sell even more California cotton abroad if it were available. California export cotton will not displace other U.S. cotton and Government held stocks. It will displace foreign production. It will mean greater use of labor now underemployed and unemployed. It will help improve our balance of payments. It will truly keep foreign markets for American cotton.

It has been said that production from these export acres will displace sales of other U.S. cotton. I do not think so. I think they will displace sales of foreign cotton production and will inhibit increased foreign production and promote the increasing domestic use of our farm labor, our American trucks, our American machinery, involving our vast industrial complex of high wages and organized labor.

I look upon this legislation as a reprieve or a breathing spell for the American cotton industry to get its house in order so that it can compete in the world and domestic market without aid from the U.S. Treasury. Greater research to reduce the cost of production provided for in this bill is one answer. The sales promotion and research program of the Cotton Producers Institute—all paid for by grower contributions—is another.

The cotton industry is important enough for Congress to buy some time for it. The industry cannot expect Government support if it does not put its own house into competitive order.

My personal belief is that the cottongrowers and industry can expect no future legislation of this nature. I hope they will not need it nor ask for it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. ELLENDER]. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Connecticut [Mr. DODD], the Senator from Indiana [Mr. HARTKE], and the Senator from New Mexico [Mr. ANDERSON] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of illness.

I further announce that the Senator from California [Mr. ENGLE] is necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD] and the Senator from West Virginia [Mr. RANDOLPH] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. COTTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The result was announced—yeas 30, nays 63, as follows:

[No. 55 Leg.]

YEAS—30

Aiken
Allott
Bartlett
Bennett
Brewster
Cooper
Dirksen
Dominick
Ellender
Gore
Gruening
Hart
Hickenlooper
Javits
Keating
Lausche
Long, La.
Mansfield
Mechem
Miller
Monroney
Morton
Mundt
Neuberger
Prouty
Proxmire
Robertson
Simpson
Williams, Del.
Young, Ohio

NAYS—63

Bayh
Beall
Bible
Boggs
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case
Church
Clark
Curtis
Douglas
Eastland
Edmondson
Ervin
Fong
Fulbright
Hayden
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Johnston
Jordan, N.C.
Jordan, Idaho
Kennedy
Kuchel
Long, Mo.
Magnuson
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Metcalf
Morse
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Ribicoff
Russell
Saltonstall
Scott
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Yarborough
Young, N. Dak.

NOT VOTING—7

Anderson
Cotton
Dodd
Engle
Goldwater
Hartke
Randolph

So Mr. ELLENDER's amendment was rejected.

AMENDEMENT NO. 437

Mr. DIRKSEN. Mr. President, I call up my amendment No. 437.

The PRESIDING OFFICER. The amendment of the Senator from Illinois will be read.

The CHIEF CLERK. At the end of the bill, it is proposed to add a new title as follows:

TITLE III—STORAGE OF AGRICULTURAL COMMODITIES

SEC. 301. Notwithstanding any other provision of law—

(a) No agricultural commodity hereafter acquired by the Commodity Credit Corporation shall be stored in any facility or structure owned, leased, rented, or controlled by the Commodity Credit Corporation. The Corporation shall, in providing storage for any such commodity acquired by it after the date of enactment of this Act, utilize private commercial warehousing facilities and structures. The Corporation shall give first consideration to the storage of commodities in those facilities nearest the point of production, or those facilities selected by the producer within his normal marketing area.

(b) All storage facilities and structures owned by the Commodity Credit Corporation and utilized for the storage of agricultural commodities shall be disposed of by such Corporation within a period of not to exceed five years after the date of enactment of this Act. The disposition of such facilities and structures shall be made in accordance with the Federal Property and Administrative Services Act of 1949, as amended.

(c) No contract heretofore entered into by the Commodity Credit Corporation providing for the storage of any agricultural commodity and no lease of any facility or structure (used for the storage of agricultural commodities) heretofore entered into by the Commodity Credit Corporation shall be renewed or extended by the Corporation; and no funds shall be expended hereafter for the construction of or for the repair, alteration, restoration, or remodeling of any storage facility or structure owned or controlled by the Commodity Credit Corporation. The storage of all agricultural commodities now owned or controlled by the Commodity Credit Corporation shall be provided for in accordance with the requirements of subsection (a) of this section upon the expiration of existing contracts providing for the storage of such commodities and upon the expiration of existing leases for facilities and structures used for the storage of such commodities.

Mr. DIRKSEN. Mr. President, my amendment No. 437 has as its sole purpose that of getting the Government out of competition with private enterprise in the business of storage of agricultural commodities. This action should have been taken long ago. As a matter of fact, it should be unnecessary. The Commodity Credit Corporation should never have been permitted in the business of storing grain in competition with private enterprise. This is a function that should properly be performed by the private sector of the economy, and to the benefit of all. However, such is not the case. The Commodity Credit Corporation dominates this field. It has pushed the private storage sector of our private enterprise system to the point of bankruptcy. If we permit the Commodity Credit Corporation to continue its operation, it will ultimately result in a situation in which the Government will control all storage space for agricultural commodities in this country, and no private facilities will remain.

Mr. President, I have long felt that the Government should be removed from competition with private industry whenever and wherever it is possible. I was heartened and mildly astonished, to say the least, to find somewhat the same philosophy expressed by Kermit Gordon, the Director of the Bureau of the Budget. In appearing before the Senate Finance Committee, on Tuesday, November 19, 1963, Director Gordon, in testifying on the public debt ceiling and on budgetary policies, stated:

> Before concluding I should like to spend a few moments in outlining some of the more important general policies which we have been applying and shall continue to apply in formulating our budget proposals. Our basic policy—particularly in the context of these tax programs now before your committee—continues to be that only those expenditures will be proposed which meet strict criteria of satisfying pressing national needs.
>
> We are continually exploring the possibilities of getting the private sector to undertake needed activities which it can appropriately carry out, or to participate more fully in Federal programs.

Mr. President, in fulfillment of that budgetary policy as expressed by the Director, what better example could we find of "permitting the private sector to undertake needed activities which it can appropriately carry out" than by permitting the private industry in this country to store Commodity Credit Corporation agricultural commodities. No further exploring is necessary. A wonderful opportunity is at hand. This is an excellent place to begin.

There have been many statements to the effect that the Commodity Credit Corporation would gradually phase itself out of the storage business. But does anyone seriously think that this built-in monopoly would so so? No such long-established bureaucratic rule would knowingly be broken. Let us look at the figures. On February 1, 1963, the CCC owned a total of 236,195 individual storage units. The CCC carries on its books as of February 29, 1964, 232,236 individual units: a sweeping reduction of 3,959 units in 13 months. At this rate of phaseout by the CCC, it would be sometime near the year 2020 before the CCC would find itself out of the storage business. Think of that. Some phaseout, and some speed. Under my amendment it would be out of this type of activity 5 years from the date of enactment of this act.

It will not be any great problem for the CCC to dispose of these storage facilities. These are for the most part scattered across the countryside in silent rows, bearing mute testimony to ridiculous agricultural policies. At the CCC book value, these storage units would be grabbed up by farmers at the first opportunity. In addition, the CCC would be saving the price of the ground rental which it pays for the sites on which the bins are stationed.

Is there any doubt that the Commodity Credit Corporation dominates the grain storage business? If so, Mr. President, look at the cost to the Commodity Credit Corporation for grain storage. In the fiscal year 1960, a total of $476,142,705 was paid for the storage and handling of surplus agricultural commodities. In the fiscal year 1961, this amount was $426,766,116. In the fiscal year 1962, it was $393,245,820. In the fiscal year 1963, the price tag for storage and handling paid by the Commodity Credit Corporation was $377,277,000—still over $1 million a day of the taxpayers' money for storage of surplus agricultural commodities. Can anyone deny the effect or the magnitude of this figure in the grain storage business?

Look at the figures for the total storage of agricultural commodities. As of April 1, 1963, the off-farm stocks of grain in storage amounted to 3,480,323,000 bushels. Of this amount, the Commodity Credit Corporation owned 2,132,070,000 bushels. As of January 1, 1964, the Commodity Credit Corporation owned 2,367,665,000 bushels of the total 3,816,177,000 bushels of grain in storage off the farm.

But the viciousness of this competition is not readily apparent, Mr. President. The competition which the Commodity Credit Corporation gives to the private storage industry is like that the Government always gives when it competes with industry. This competition is such that private storage operators are faced with a double disadvantage. The buildings and equipment which the CCC uses in this unfair competition have been paid for by the taxpayers. The employees who carry out this operation for the Commodity Credit Corporation are paid from the same source. But the private elevators must own their own buildings; and they manage to find somewhere the resources with which to construct them and to maintain them in operation. In addition, they must pay taxes, Mr. President, if there is a profit on which taxes can be assessed. But there will always be taxes on the buildings they own. Part of these taxes go to subsidize their competitor, the Commodity Credit Corporation. There is no more justification for Commodity Credit Corporation to own storage facilities in which to store its surplus commodities than there would be for it to own and operate a railroad or a truck line or a barge line with which to transport these commodities.

This is the first step, Mr. President, in getting the Government out of competition with private enterprise. On March 14 of last year, the distinguished Senator from Utah [Mr. BENNETT] introduced a bill, which was cosponsored by eight other Senators; namely, Senators McCLELLAN, MUNDT, BYRD of Virginia, WILLIAMS of Delaware, THURMOND, TOWER, MILLER, and myself.

It is S. 1093, and it is described as a bill "to establish a Federal policy concerning the termination, limitation, or establishment of government-type operations of the Government which may be conducted in competition with private enterprise, and for other purposes."

The bill provides that it may be cited as the "Anti-Government Competition Act."

The whole question of Government competition with business has been discussed for as long as I can remember, and I know of no session of Congress in which bills have not been introduced in order to get the Government out of business. I say that this is a perfect place, an excellent place, for us to begin. We should get the Commodity Credit Corporation out of competition with the private storage industry.

Members are familiar with the sad experience the Commodity Credit Corporation has had in its grain storage activities. It leaves much to be desired. Spoilages, losses, disappearances, and other types of mismanagement costs are charged off on the books of the Commodity Credit Corporation. And let no one be deceived: There have been losses, and they have been substantial. The private grain storage industry would be called to account for these losses, if it had incurred them, and would be required to make them good. But the Commodity Credit Corporation simply charges the loss against the taxpayers who furnish its revenue. This is another illustration of the unfair advantage which the Commodity Credit Corporation has in its competition with private enterprise.

This amendment would require the Commodity Credit Corporation to store all agricultural commodities acquired by it after the date of enactment of this act in private commercial facilities. The Commodity Credit Corporation is directed by this bill to give first consideration to the storage of commodities in the facilities nearest the point of production or in the facilities selected by the producer within his normal marketing area. Private commercial warehousing facilities and structures would include the facilities owned by cooperatives. In fact, this provision would apply to any facility that is not Government owned. This would not handicap the Government in moving grain for storage for export, as has been claimed. When export orders are to be filled by Commodity Credit Corporation-owned grain, it would simply be gathered in the normal fashion and would be shipped to the nearest terminal, for overseas loading. In addition, the amendment directs the Commodity Credit Corporation to dispose of its storage facilities over the next 5 years in accordance with the Federal Property and Administrative Services Act of 1949, as amended. The amendment would preclude the Commodity Credit Corporation from expending any further funds for the construction of or repair, alteration, restoration, or remodeling of any storage facility or structure, now owned or controlled by the Commodity Credit Corporation.

It is high time, Mr. President, to get the Government out of competition with private enterprise. Let us begin by removing the Commodity Credit Corporation from competition with private storage facilities.

Mr. President, in addition to my somewhat formal statement on the amendment, I wish to take only a moment to indicate that this amendment was offered on other occasions; and the amendment is designed to get the Commodity Credit Corporation out of the storage business.

Generally speaking, I think the Members of the Senate know full well what is involved. We have encouraged private enterprise to build storage facilities all over the country. The Government is in deep and open competition with them, and is making it difficult, indeed, for at least some of them, and perhaps a good many of them, even to sustain the investments they have made in dryers, in humidifiers, in cleaners, and in all the other appurtenances which are part of efficient grain storage. Some of them have come close to bankruptcy, simply because the Government has moved in and has taken over.

I believe we have reached the point when there must be an end to the unremitting and incessant competition by the Government with private enterprise in this country.

I am not insensible to the fact that this is a controversial matter. A number of objections were raised when I offered the amendment several years ago. But since that time, no hearings have been held by the Committee on Agriculture and Forestry on the amendment. A hearing is long overdue. I doubt very much that, under the circumstances, as I interpret the various votes that have been taken, the Senate would adopt the amendment. But I believe the time has come when we ought to have a hearing on the subject and determine the point at which we are.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. ELLENDER. As long as I have been chairman of the Committee on Agriculture and Forestry I have never refused hearings or hampered hearings when a bill was before the committee. I wish to give assurance that if the bill is referred to the committee, it will automatically be directed to one of the four subcommittees of the Committee on Agriculture and Forestry, and it will receive hearings.

Mr. DIRKSEN. Mr. President, I have the greatest of respect and affection for my good friend from Louisiana. He has said that he has never hampered any effort to have a hearing on the bill. I believe affirmative action on the part of the committee is required, not the negative business of not hampering some action. The problem involves many people, investments, and the whole concept of private enterprise.

It seems to me that, on its own initiative, the committee should have looked into the subject long before now. Under the circumstances, even though I know that great sentiment is developing all over the country among co-ops, the people in the feed grain business, the grain traders, and others, I would be content to have the type of action proposed. If there can be some assurance that there will be a hearing held at a reasonably early date on the question, I would not press the amendment at the present time.

I believe my distinguished friend the Senator from Minnesota [Mr. HUMPHREY], the acting majority leader, submitted a proposal of the same kind, and on occasion he has expressed his real interest in the subject. If he has any comment to make, I shall be delighted to yield to him.

Mr. HUMPHREY. I do, indeed. I thank the Senator for yielding to me.

Mr. ELLENDER. Mr. President, will the Senator first yield briefly to me?

Mr. DIRKSEN. I yield.

Mr. ELLENDER. Will the Senator from Illinois inform the Senate whether he has a bill which he intends to introduce so that it may be referred to the committee?

Mr. DIRKSEN. Yes.

Mr. ELLENDER. To be specific, I do not recall a bill such as the one to which he is now referring being introduced and referred to the Committee on Agriculture and Forestry.

Mr. DIRKSEN. I believe the measure was introduced before; but it is easy to modify the language of the amendment so as to make it an independent bill which could be referred to the committee. There would be no difficulty in doing so.

Mr. ELLENDER. I can assure the Senator that if the bill is introduced and referred to the committee, we shall give it proper attention as in the past we have given attention to all proposed legislation before the committee.

Mr. DIRKSEN. Voltaire once said, "Define your terms."

Mr. ELLENDER. Yes.

Mr. DIRKSEN. When the Senator says "proper attention," precisely what does he mean?

Mr. ELLENDER. Hearings.

Mr. DIRKSEN. Fine.

Mr. ELLENDER. Whether the bill would be reported out of the committee remains to be seen.

Mr. DIRKSEN. Oh, surely, that I understand, because I am not unmindful of the fact that there is controversy with respect to the subject.

I now yield to the distinguished Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I commend the minority leader for his initiative on this question. It is a serious problem. It is something that necessitates the attention of the Congress. It is something that has at least had the attention of the Congress in terms of a committee report.

I have consulted with the Senator from South Dakota [Mr. MCGOVERN], who is in charge of the wheat section of the bill. He has reminded me that language similar to that which the Senator from Illinois has proposed and the language contained in the amendment I submitted yesterday is contained in a committee report.

The language of the Senator from Illinois is more stringent. It is more direct, because it requires a procedure to be followed for the disposal of the Government-owned or Commodity Credit bins, that they be purchased either by the private trade, by farmers themselves, or by associations of farmers. So if there is no shortage of storage facilities, my amendment, which is contained in a committee report—and I frequently find that committee reports are not followed by departments, but are looked upon as a gentle tap on the wrist rather than a reminder to the thought process and the action mechanism—would read as follows:

> Subject to any other statutory provisions which apply to the Secretary and Commodity Credit Corporation in carrying out their activities and responsibilities, it is the sense of Congress that in carrying out price support and other programs of the Department, the Secretary and Commodity Credit Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and with the efficient and effective conduct of its operations, give priority to private channels and facilities of trade in its storage and marketing operations and use Government-owned storage facilities only where privately owned storage facilities are not adequate and in such manner as will not displace or compete with privately owned facilities.

So we can define our terms, the word "privately" not only refers to those owned by corporations, but also those that may be in the possession of a farm cooperative or an individual farmer with storage on his farm. It is about time that the report of the committee of the Congress was fully implemented.

I thought that if the Senator from Illinois were to press his amendment, and if he were not successful, my proposal would be a secondary position which I think we could all give support, because it would not lock the arms of the Department, but it would express the sense of the Congress that where investments have been made at the request of the Government, by the private trade, cooperatives, and farmers themselves there be priority on the utilization of those facilities. That would be sensible legislative policy. It would not go as far, nor do the task as well, as the proposal of the Senator from Illinois. But it would be a "holding action" until we could get action by the committee on the proposal of the Senator from Illinois.

I am interested in the Senator's observation on that point.

Mr. ELLENDER. Mr. President, will the Senator yield so that I might address a question to him?

Mr. DIRKSEN. I yield.

Mr. ELLENDER. The Senator from Illinois does not contend that in the past he has introduced a bill on the subject which was referred to the Committee on Agriculture and Forestry?

Mr. DIRKSEN. No. The proposal was offered as an amendment to the bill.

Mr. ELLENDER. I understand. But no bill has ever been introduced.

Mr. DIRKSEN. No, no bill.

Mr. ELLENDER. I can assure the Senator from Illinois that if he introduces a bill and it is referred to the Committee on Agriculture and Forestry, the committee will give it attention as soon as possible by way of hearings. I do not know how soon that will be. The answer depends on how long we shall have the civil rights debate on our hands. But I can assure the Senator that if he introduces a bill, the committee will hold hearings as soon as possible.

Mr. DIRKSEN. Mr. President, I understand the difficulty on the part of the distinguished chairman of the committee to say that on a given date the committee will hold hearings. There are so many imponderables before the Senate now that I doubt very much whether any definite date could be pinpointed. But with the assurance of the distinguished chairman of the committee, and with the cooperation of my good friend the Senator from Minnesota, I am quite content to withdraw the amendment and promptly introduce the measure as an independent bill for further consideration by the Committee on Agriculture and Forestry.

Mr. McCARTHY. Mr. President, will the Senator yield to me?

Mr. DIRKSEN. I yield.

Mr. McCARTHY. As a member of the committee, I am sure the chairman will arrange to have the committee take up the proposed legislation referred to. Certainly I as a member of the committee will encourage him to do so. I believe it is well that the Senator has withdrawn his amendment at the present time, because the problem of grain storage is somewhat complicated. The fact is that some of the storage is provided to help the farmers because of a shortage of storage facilities. Surpluses have been reduced. My wish is that the Department would take the steps which the Congress is now indicating, or at least those of us who are speaking are indicating that they wish it had taken. If they do not—and they have not done so—then I think we members of the Committee on Agriculture and Forestry of the Senate, and the Congress as a whole, will have to tighten up on the discretionary authority which now rests in the Department, and not merely in the particular area to which we are referring, but also in some other areas in which widespread discretionary authority rests with the Department of Agriculture.

Mr. DIRKSEN. Mr. President, I am delighted to have the distinguished Senator from Minnesota enlisted in this good cause. I am sure he can be helpful.

I yield to the Senator from South Dakota.

Mr. MUNDT. I congratulate the Senator for bringing the matter up, because it seems to me the matter should be brought up. I am content to have it referred to the Committee on Agriculture and Forestry for hearings in part because the telegrams I have been getting indicate a need for hearings. Some wires are on one side and some are on the other. I think the wires would have been in unanimity had they understood the purpose of the legislation.

In earlier days the Senate had before it, as some Members may recall, the so-called Yates amendment. What the Senator from Illinois has introduced is the Yates amendment in reverse, counteracting for all time the effort made by his colleague from Illinois, who was in the House of Representatives at one time, which had as its purpose the barring of the use of private storage, and permitting the use only of public storage.

At the time the subcommittee of the Committee on Appropriations brought in a resolution which successfully had the impact of defeating the Yates amendment, and we started writing language which would encourage the type of action reflected in the amendment which the Senator from Minnesota [Mr. HUMPHREY] read a few minutes ago.

While I do not think it would be harmful to accept the amendment of the Senator from Minnesota, I am not too much in favor of admonitory amendments. However, it might provide some guidelines. I congratulate the Senator from Illinois for having stood for a proposal which would remove a distasteful amendment which also had its origin in Illinois.

Mr. HUMPHREY. Mr. President, I want to make available for the RECORD certain other pertinent portions of the present law, as well as some of the language of the Commodity Credit Corporation charter itself, which I think fortify this discussion.

I wish to say for the record, and for the policy of this Government, that this discussion is not merely to take up time. It is a discussion designed to give the Department of Agriculture a sense of direction as to the manner in which it must conduct storage programs, and it also is designed to serve notice that, unless that sense of direction is followed, much more stringent regulations and law will be applied.

The Senators participating in this discussion are being most considerate of the present situation.

Here is what I should like to call to the attention of my colleagues. When the Commodity Credit Corporation Charter Act was approved, it specified that the CCC should use the normal channels of trade. I call attention to section 5 of the CCC Charter Act, which reads:

> In the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

In 1962 it was my privilege to offer a new section, section 402, to the Food and Agriculture Act of 1962, which reads as follows:

> Congress hereby reconfirms its longstanding policy of favoring the use by governmental agencies of the usual and customary channels, facilities, and arrangements of trade and commerce, and directs the Secretary of Agriculture and the Commodity Credit Corporation to the maximum extent practicable to adopt policies and procedures designed to minimize the acquisition of stocks by the Commodity Credit Corporation, to encourage orderly marketing of farm commodities through private competitive trade channels, both cooperative and noncooperative, and to obtain maximum returns in the marketplace for producers and for the Commodity Credit Corporation.

Another legislative provision bearing on this proposal to sell CCC bins to farmers and country elevators is the fact that CCC was authorized to obtain these bins only under certain conditions. These conditions required a finding at the time of acquisition as follows. I quote from the law:

> That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate.

Let us face the question. At one time we had tremendous need for these facilities. I was one of those who urged, first, firm action on the part of the Commodity Credit Corporation to encourage storage by the farmers themselves, giving some incentive to farmers to build their own storage facilities; second, the purchase and acquisition of bins owned by the Commodity Credit Corporation; third, special depreciation allowances and fast tax writeoffs of new facilities to be built by the private owner, and encouragement for him to do so.

The senior Senator from South Dakota [Mr. MUNDT] was one who supported this program. At that time we needed every bit of storage capacity we had.

It is my view in this administration, just as it was in the previous administration—I am not going to have a double standard; it is going to be one way—that the purpose of the CCC is to supplement, not to supplant. When it gets to the point where the surpluses are reduced so we do not need all of the facilities, the first facilities to be retired, under the intent of the law—not by my will, but under the clear intent of the law—should be the Commodity Credit Corporation owned bins.

We do not need to write new law. All we need to do is emphasize the law. That is what we have done here today. I do not intend to press my amendment. It is amendment No. 450. I have read its text into the RECORD. I do not need to offer it, because the language is in the law. The only purpose of my having the amendment printed was to fortify the argument. I hope, once we have made the record, there shall be no need for any further legislation.

Mr. DIRKSEN. Mr. President, once there was a distinguished Senator from Georgia serving in this body who I thought had one of the finest minds I have ever encountered. I recall on one occasion he said on the Senate floor that one of the troubles with our Government today was getting the bureaucracy to carry out the will of Congress. That distinguished Senator was Walter George, of Georgia. That has been our trouble here, getting our will carried out, so that we adhere to the concept of private enterprise that really built this country and that gives the citizen a "fair shake" when he is ready to risk his own money, his own time, his own endeavors on an enterprise of that kind.

With the assurances I have had now that the terms have been defined, I am delighted to withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I call up my amendment, No. 448.

The PRESIDING OFFICER. The amendment will be stated by title.

The Chief Clerk proceeded to read the amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the amendment be printed at this point in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 448) offered by Mr. HUMPHREY is as follows:

TITLE III—ESTABLISHMENT OF COMMISSION

SEC. 301. This title may be cited as the "Commission on United States Food and Fiber Policy Act".

SEC. 302. (a) There is hereby established a bipartisan Commission to be known as the Commission on United States Food and Fiber Policy (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of twenty-five members appointed by the President as follows:

(1) Five to be appointed from persons engaged in farming;

(2) Five to be appointed from persons engaged in the marketing of farm commodities or products;

(3) Five to be appointed from persons engaged in the processing of farm commodities;

(4) Five to be appointed from the general public; and

(5) Five to be appointed from the Federal Government.

(c) Vacancies in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(d) The President shall designate one of the members of the Commission to serve as Chairman.

(e) Thirteen members of the Commission shall constitute a quorum.

Compensation of members of the Commission

SEC. 303. (a) Members of the Commission appointed from the Federal Government shall serve without compensation in addition to that received for their services as officers or employees of the Federal Government, but they shall be reimbursed by the Commission for travel and, in lieu of subsistence, a per diem allowance in the amount authorized under the Travel Expenses Act of 1949, as amended, for Federal employees.

(b) Each member of the Commission appointed from private life shall, whenever the President determines such action necessary or appropriate, receive compensation for each day on which the member is engaged in the performance of duties of the Commission for travel and, in lieu of subsistence, a per diem allowance in the amount authorized under the Travel Expenses Act of 1949, as amended, for Federal employees.

Staff of the Commission

SEC. 304. (a) The Commission may appoint and fix the compensation of such personnel as it deems advisable in accordance with the provisions of the civil service laws and the Classification Act of 1949.

(b) The Commission may procure, without regard to the civil service laws and the classification laws, temporary and intermittent services to the same extent as authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810; 5 U.S.C. 55a), but at rates not to exceed $75 per diem for individuals.

Duties of the Commission

SEC. 305. (a) The Commission shall make a comprehensive study and investigation of any and all matters which relate to the food and fiber policies of the United States and of the direct and indirect effect of such policies on all segments of our society. In carrying out such study and investigation the Commission shall give special consideration to—

(1) the import and export policies and practices of foreign nations with respect to food and fiber and the effect of those policies on the United States;

(2) the various systems used by this Nation for marketing of agricultural commodities and products;

(3) the effectiveness of our present policies in the use of food internationally, and how such policies might be improved;

(4) the problems of rural poverty in the United States;

(5) the strategic reserve policies of the United States;

(6) the cost of and the benefits derived from the various food and fiber programs of this Nation; and

(7) the method of extending and expanding Public Law 480 without injuring commercial markets.

(b) The Commission shall submit to the President, not more than eighteen months after the date of enactment of this Act, a report of its findings and recommendations with respect to the food and fiber policies of the United States. The Commission shall cease to exist thirty days after the submission of its report.

Expenses of the Commission

SEC. 306. There are hereby authorized to be appropriated to the Commission, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this Act.

Mr. HUMPHREY. Mr. President, I shall speak very briefly on the amendment. There is a similar amendment, No. 451. I ask unanimous consent that the text of that amendment be printed at this point in the RECORD.

There being no objection, amendment No. 451 was ordered to be printed in the RECORD, as follows:

The President is hereby authorized and requested to appoint a bipartisan commission composed of a chairman and eight other members, three of whom shall be appointed from the agricultural community, three of whom shall be appointed from the public, and three of whom shall be appointed from Government. Such Commission shall make a detailed study with respect to the amount of food and fiber needed to meet domestic and export requirements, including programs in which the United States participates in order to aid the needy peoples of foreign nations, the management of supplies in the national interest and in the interest of the free people of all nations, and the need for strategic reserves of such commodities, and shall report to the President within twelve months from the date of this joint resolution its recommendations with respect thereto. The President is authorized, whenever he determines such action necessary, to pay for each day's attendance at meetings and while traveling to and from such meetings, transportation expenses and, in lieu of subsistence, a per diem in the amount authorized under the Travel Expense Act of 1949 for Federal employees. No salary or other compensation shall be paid. Thirty days after the submission of its report to the President the Commission shall cease to exist. There are hereby authorized to be appropriated such amounts as may be necessary to enable the President to carry out this joint resolution.

Mr. HUMPHREY. Mr. President, the amendment I have referred to, No. 448, provides for the establishment of a Commission on U.S. Food and Fiber Policy.

The second amendment, No. 451, would authorize and request the President to appoint a bipartisan commission to study the food and fiber requirements of the United States in light of its strategic reserve needs. This pertains to our national security, foreign policy, and commercial export programs, as well as other programs in which we presently are engaged, such as Public Law 480, the food-for-peace program.

There is a real need to examine the entire agricultural policy of the United States. The President, in his message on agriculture January 31, referred to joint resolutions introduced in both Houses of the Congress which would establish a bipartisan commission to study the food and fiber programs of the United States.

My amendment is exactly the type of commission to which the President referred. The purpose of the commission is to look at present programs, to study them as to their effectiveness, as to whether they meet current agricultural economic, production and marketing needs; and second, to project agricultural policy into the future.

We know that a vast change has taken place in agriculture. It has been a change that is most revolutionary. Since we are in the midst of a substantial technological revolution in agriculture, it is time the Congress took a good, long-term look at what the agricultural policy of this country should be, not only for the present but also for the future.

One of the areas that needs to be studied is that of utilization research. The Commission also should make an extensive review of Public Law 480, the food-for-peace program, and it should examine the operations of the Commodity Credit Corporation. In addition, it surely should look into such questions as farm credit and marketing practices within the American economy.

The second amendment to which I have referred would establish by law strategic reserves of commodities which such a commission would deem necessary for the continued life of this Nation.

One of the questions which has disturbed me in debate on farm bills is that on the one hand I hear Senators talking about bales of cotton as surpluses and bushels of wheat as surpluses, and then, on the other hand, I hear equally conscientious and informed Senators talking about the same number of bales and the same number of bushels as being necessary as reserves requiring carryovers. An inventory of food and fiber is as important as an inventory of weapons in terms of national security—perhaps more important. Yet the Government wanders down the road of agricultural policy with no guidelines, no standards whatsoever as to the amount of food and fiber we should have on hand for national security purposes, and for meeting our domestic needs.

For example, if we should fulfill every export requirement this year, and if we should have a bad crop next year, what would be the situation with reference to certain qualities and grades of wheat? Let us assume that next year we have a bad crop on both cotton and soybeans, what would be the case in terms of certain proteins, such as cottonseed cake and soybean meal, or the vegetable oils derived from these two products? We have not planned well in terms of our needs.

I am hopeful the Congress will see fit to adopt this recommendation. It is not merely my recommendation, even though I have long felt it to be necessary. I have not had an opportunity to speak to the President about this particular subject, but I noticed, as I said, that in his message he did refer to such a commission.

My Commission on Food and Fiber Policy would consist of 25 members to be appointed by the President, as follows:

Five members who are presently engaged in farming. Five members from those engaged in the marketing of farm commodities or farm products. Five members to be appointed from persons engaged in the processing of farm commodities. Five members from the general public, and five members from the structure of the Federal Government.

The President would designate one of the members of the Commission to serve as its chairman. Thirteen of the twenty-five members would constitute a quorum for doing business. The Commission would be required to report to the President within 18 months, and the President then would make a report to the Congress.

The amendment will in no way burden the bill. If there is one part of the bill that has administration support, it is this amendment. It does not relate to price supports. It does not relate to acreage allotments, it does not relate to export policy. It relates to only one thing—namely, to study the long-term needs of American agriculture.

The President can appoint a commission of this type without statutory law. But it seems to me that Congress should exhibit its own interest in these matters. We frequently write agricultural policy; and the only reason I press the amendment, I say most respectfully to the Senator from South Dakota, is because it does not violate what I consider to be a duty of the Committee on Agriculture and Forestry; namely, to report a bill that has limited purposes in connection with wheat and cotton.

The amendment does not do a single thing to the structure of the bill, except to give the other body an opportunity to consider following one of the administration recommendations on agriculture—namely, the appointment of such a commission. I should like at least to have the committee give it consideration, to send it to the other body, to see whether it is worthy of being sustained there; or if the bill goes to conference, to have it brought up in conference, so that at least we can get some assurance as to what might be expected in the days ahead.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HART in the chair). Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. HUMPHREY. I yield.

Mr. HICKENLOOPER. Do I understand correctly that the amendment would require a substantial staff of additional Federal employees?

Mr. HUMPHREY. The Commission would not require a substantial staff of Federal employees. The Commission would be permitted to use whatever staff might be necessary to carry out its purposes, but the Commission also would have available to it employees who presently are available from the executive branch.

Mr. HICKENLOOPER. Would the Commission be required to limit its staff activities to employees presently on the payroll?

Mr. HUMPHREY. No, that would not be the case.

Mr. HICKENLOOPER. It could go out and hire people then?

Mr. HUMPHREY. It could go out and hire people. It could do so on a consultant basis under the terms of civil service laws. It says:

> The Commission may appoint and fix the compensation of such personnel as it deems advisable, in accordance with civil service laws and the Classification Act of 1949.

Mr. HICKENLOOPER. The Senator from Minnesota has been in the Senate for a good many years, and I have been in the Senate for many years as well. We have been studying agricultural problems in committees of the House and Senate, and a vast Agriculture Department has been set up in Washington for many years which is at least supposed to be studying agricultural problems and projecting the needs of agriculture, and this, that, and the other thing; and I am wondering, do we need to add a commission that can go out and hire more personnel?

Mr. HUMPHREY. I am perfectly willing to have an amendment offered to this amendment to limit the number of persons that could be hired. But I do believe that the establishment of such a commission to be appointed by the President and using outside personnel as members of the Commission could be valuable to the Department of Agriculture as well as to the Congress.

I say this with all sincerity and respect to the Senator from Iowa, but I am disturbed over the fact that in Congress we give too little attention to agricultural matters—that is, the majority of us do. I know that the Senator from Iowa gives a great deal of attention to the subject, as do members of the Committee on Agriculture and Forestry. But we need outside guidance. I do not offer this amendment as some kind of gimmick. I am happy to say that I know of no farm organization in America that does not believe this is a worthy amendment. I have talked to the National Farmers' Union, the Grange, and also to the National Farmers' Organization. I can truthfully say that this is one point on which they all agree. I was pleased that the President of the United States saw fit to refer to it in his message on agriculture. Its purpose simply is to give us some guidelines on agricultural policy for the future, not merely to rake over the past. There is not much we can do about the past, but we can take a good look at the law and bring into policy considerations not only the people in government, but more importantly the people that are working in the whole marketing system, from the producer right on down to the man that markets the agricultural commodities, and finally to the consumer.

I think it is worth while.

Mr. HICKENLOOPER. If we could solve the agricultural problem, it would certainly be worth while. We have been working on it for decades—perhaps three decades already—and we have a vast establishment with thousands of employees in the form of the Department of Agriculture. They have all kinds of alleged experts and prognosticators, although their prognostications do not always turn out as they prognosticate. However, they are engaged in making these studies, and they have consultants by the dozens.

Apparently this is a new method in Government, this system of consultants. We have people running around consulting, getting $50, $75, and even $100 a day as consultants. It is good work, if one can get it. Many people do get more and more all the time.

If I thought the Commission could solve this complicated agricultural problem by getting some information that these vast agencies cannot get or the committees of Congress cannot get, I would be delighted to have the Commission established. I am a little skeptical about it. I am a little afraid that probably it would be just another group of consultants, consulting and consulting, and laboring and laboring, and in the end bring forth nothing more than a mouse when the mountain had been through laboring.

Mr. HUMPHREY. The Senator is an experienced legislator. He almost persuades me. However, I hope he will let me have this little achievement in the pending bill.

Mr. HICKENLOOPER. I am only raising some questions. If it is not intended that the Commission should hire a great many people, why do they not use those people who are already on the payroll?

Mr. HUMPHREY. For professional staff purposes; yes.

Mr. HICKENLOOPER. I do not wish to rewrite the Senator's amendment, because I would have little chance to alter it, anyway. I am trying to make some inquiries about it.

Mr. HUMPHREY. I think the Senator's suggestion is an appropriate one. I would be very happy to amend my amendment by providing that the staff shall be made available from the existing agencies of the Federal Government, on call.

Mr. HICKENLOOPER. That raises the question as to whether it would be necessary to get additional staff members to take the place of the staff members that were loaned to the commission.

Mr. HUMPHREY. Without adding to the payroll, however.

Mr. HICKENLOOPER. Well, I do not believe I shall participate in framing the Senator's amendment one way or another. It is the Senator's amendment. He can put in and take out whatever he wants to put in or take out. I am raising these questions only for my information. It is popular these days to appoint commissions. I just cannot understand how a new commission can solve a problem that we have been unable to solve for the last 30 years.

Mr. HUMPHREY. I do not believe it can solve all of them, but it might do a little good in solving some of them. It reminds me of the story of the elderly Swede who drank 18 cups of coffee a day, and was asked, "Doesn't that amount of coffee keep you up?"

"No," he said, "but it sure does help a lot."

I think possibly we might get a little something worthwhile out of this commission.

Mr. HICKENLOOPER. The Senator may be right. He has been interested in this situation for a long time. I am asking these questions only for information. I have no particular desire to encourage the Senator or throw any roadblocks in his way; one way or another.

Mr. HUMPHREY. I thank the Senator.

Mr. HICKENLOOPER. He understands the situation, as I do, also. I am always glad to cooperate with the Senator when I think he is right. Sometimes I think he is not right, and I cannot cooperate with him.

I am neutral at the moment. I have not made up my mind whether he is right or wrong on this particular suggestion. I know his intentions are good. I know the consultants will be happy to consult about all these things. I did not intend to take up this much time.

Mr. HUMPHREY. I am grateful to the Senator for his benevolent attitude.

SEVERAL SENATORS. Vote! Vote!

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from New York.

Mr. JAVITS. On January 29 of this year I introduced Senate Joint Resolution 152 to establish a commission of the general character to which the Senator has referred, and I have caused an amendment to be printed on behalf of myself, my colleague from New York [Mr. KEATING], and the Senator from Texas [Mr. TOWER], which I intend to offer to the pending bill. Senate Joint Resolution 152 is a similar measure to the one I introduced in the 87th Congress, Senate Joint Resolution 238. The Senator from Minnesota has brought up his amendment this evening, which is his privilege to do. I rather hope that we will have an opportunity to compare the two amendments and obtain the best aspects of each.

I know the Senator's disposition. There are a number of things that the Senator has said which have interested me very much, and the Senator from Iowa [Mr. HICKENLOOPER] has, in his own way, led into these things.

First of all, with all due respect, I do not believe that this is a matter that should be handled as incidentally as the Senator has indicated. I believe it is a very serious amendment dealing with a very serious problem. I should like to see it dealt with as seriously, for these reasons.

We have not had a really new and fresh look at the whole agricultural policy of the country for years. We must remember, for example, that approximately 70 percent of our people are concentrated in the big cities. They are the consumers.

The amendment which I have is very much directed to looking at this matter not only from the point of view of participants in the agricultural fields, who produce the food and fiber, and who have various problems incident to this productive effort, but also from the standpoint of the national interest of our people to that problem.

I had a different type of commission in mind. It would be modeled very much along the lines of the Hoover Commission, and would be a smaller body, consisting of 12 members, rather than 25, including representatives from the Senate and the House.

Mr. HUMPHREY. My amendment does not provide for representatives from the Federal Government only.

Mr. JAVITS. I understand; but those who would come from the Federal Government, as the Senator provides in his amendment, would probably come from the executive department.

Another difference would be that I would give the Commission subpena power, which the Senator does not do.

Additional differences, which I believe are very important to me and to the cosponsors of the amendment, deal with the administration and duties of the Commission.

I should like to call these matters to the attention of the Senator, not in an adversary sense, but in the sense of trying to work out what would be best from the standpoint of what can be done.

For example, under "Duties of the Commission," the Senator speaks of the Commission, which he proposes, as investigating into "the import and export policies and practices of foreign nations with respect to food and fiber and the effect of those policies on the United States."

A commission anxious to comply with the letter of this mandate might conclude that such language excludes such a matter of policy as the most effective systems of domestic production.

A policy matter might be considered such as the classic position of the Senator from Vermont [Mr. AIKEN], which is that we should never restrain production, but that we should have all the production we can, because it is a blessing and that we must find some way of husbanding and storing that great production.

Another difference is that the Senator's proposal provides that the Commission shall give special consideration to "the various systems used by this Nation for marketing of agricultural commodities and products." Special emphasis is placed on marketing.

I contrast that with my provision to have the Commission consider the effectiveness of price support and production controls, including acreage allotments and production and marketing quotas, which may be in effect for such commodities. The emphasis here is upon the most effective methods of production, rather than on marketing.

There is another point, which I do not find at all in the Senator's amendment, and that is an estimate of the future requirements of the United States and of the world for such commodities, as is provided in my amendment.

Again this goes to the fact that if a great and bountiful Providence has given us a great and bountiful country which can produce so much in agricultural goods, shall we artificially limit this productive capacity?

In addition, the Commission which I have proposed would be asked to look into the question of the need for economic adjustment and assistance to the farmer who decides to leave the farm for one reason or another. It would call for a study of vocational retraining and the requirements for teaching new and useful technical skills to such farmers. Relocation costs and resettlement assistance would be considered. The need for facilities to aid in the finding of alternative employment would be reviewed. Consideration of such matters may provide a new and valuable basis for a solution to farm problems.

In short, and to summarize, if it is likely that the amendment may be acceptable to the committee, and with the restrictions the Senator may put upon it not to hire excess staff—although I think the Senator should not unduly restrict himself in this regard, and thus emasculate immediately what he is trying to do in a constructive way—are we not better off to treat this proposal quite seriously by developing a Hoover-type commission, which will really, in a most considered way, give to the American people a look at the whole agricultural program on a road perhaps quite apart from the one we are traveling. In a sense, we are stuck on the road we are traveling. It is hard for the Department of Agriculture so close to the problem, to view it in proper perspective. As the Senator from Iowa [Mr. HICKENLOOPER] says, the Department has thousands of employees and spends hundreds of millions of dollars. Congressional committees have a hard enough time keeping up with legislation pending from day to day and year to year, without casting their eyes about to see what objectives ought to be realized.

That is all the more reason for a really authoritative, serious job to be done in Government by a commission with the participation of Congress.

I think that was the genius of the Hoover Commission. It could take a totally fresh look and report to the Congress: "We are sorry, boys, if you do not like it, but what you are doing is about all that can be done," or, "You are quite wrong, but there is another way in which to accomplish the purpose, which will take us off the seeming treadmill on which we are constantly engaged."

The consumers in the cities will one day express their anguish over the billions of dollars spent in this effort, which translates itself frequently into increasing prices for food or into short supplies of food, or simply into the spending of their taxes for a purpose which they find it hard to understand.

On behalf of Senator KEATING, Senator TOWER, and myself, I submit to the Senator the idea that we should try to create a Commission which will really be purposeful. We should try to draft and construct it so that it will be acceptable to the committee, to enable it to make a really effective contribution. We should try to see if we cannot take some better, more effective road in respect of what seems to be a dead end for all of us in agricultural policy.

Mr. HUMPHREY. Mr. President, I respond most respectfully to the Senator from New York by first apologizing to him for not having consulted with him. That was an inadvertence on my part. The Senator had spoken to me earlier, and I assured him I would do so. The leadership was attempting to call up amendments tonight at a late hour.

I have no intention of pressing this amendment for a vote. I wanted to discuss it, because it is a subject that needs to be considered by a committee, needs to receive the thoughtful consideration which has been suggested by the Senator from New York.

This subject is no plaything with the Senator from Minnesota. I have been occupied with it for a long time. I long have been deeply involved in agriculture. I represent, as does the Senator from New York, a State which has a great stake in agriculture. I am of the opinion that what we are doing is patching up an old farm program. We are putting on a bandaid here, a rivet there, a ribbon here, a piece of baling wire there, and thus have a farm program today that no Secretary of Agriculture properly can administer, simply because Congress never has kept it up to date.

The technological aspects of agriculture have moved far ahead of our capacity to keep ahead of farm or agricultural policies that are good for the Nation, good for producers, good for consumers, and good for distributors.

Because I feel as I do, because I believe there is an urgent need for bringing into this lifeline of knowledge about agriculture, outside forces, outside voices, and the best brains the country may have to offer, I believe such a commission is desirable. I recognize the importance of the Hoover Commission type of structure. There is much merit to it. However, I do not believe it has any greater merit than a commission that might be selected and appointed by the President, a commission representative of the public, farm producers, farm organizations, processors, and other parts of the industry, in marketing; a commission that represents the executive and legislative branches of the Government. Indeed, there is merit to the suggestion that the legislative branch also be included.

The discussion tonight was precipitated by me for the primary purpose of discussing a food and agricultural commission within the context of the farm or agricultural debate.

Let me say one other thing. The staffing of such a commission is important. I am convinced that there are competent people in the technical division of the Department of Agriculture, as well as in the administrative division, who could do an excellent job of staffing it. We need people not only from the Department of Agriculture; we need them from the Tariff Commission as well. We need them from the Department of Commerce. We need them from the Department of State. The Commission the Senator proposes would be called upon to "make a comprehensive study and investigation of any and all matters which relate to the food and fiber policies of the United States and of the direct and indirect effect of such policies on all segments of our society. In carrying out such study and investigation the Commission shall give special consideration to"—and seven areas are listed, in which I believe special consideration and study are required, but the list is not exclusive. It merely is an additional requirement imposed upon the Commission to look into all aspects of the agricultural policies of our country, including price supports and farm credit. For example, the Senator from Minnesota feels that the present farm credit operation is inadequate. It costs a great deal to establish a farm and to operate one.

The Farmers Home Administration program and the Farm Credit program are designed for farms of the 1940's, not the 1960's or the 1970's. Therefore, I want to update them. I want a better study made of the program of direct payments, rather than to go around the circular routes. I want an investigation of the strategic reserve policy with respect to agriculture. I want an examination of all the problems of agriculture. That is the segment of our economy where real poverty exists. I am getting rather tired of hearing about how farmers are being subsidized. This is not the case at all. Let me make that clear.

I noticed this morning in the New York Times, one of the world's great newspapers, an editorial which was almost incomprehensible.

The editorial speaks of wooing the farm bloc. What farm bloc? Less than 8 percent of the population of the United States is rural. Farmers are a minority in my own State. A farm bloc cannot be wooed, because there is no farm bloc. The farmer of the United States practically is fighting the battle by himself.

The editorial reads in part:

> Instead of playing politics with the farm bloc at the expense of the consumer, the administration and Congress could afford to take a fresh look at the agricultural problem.

Mr. President, 20 years ago the price of wheat was $1 a bushel higher than the price today. Less than 2½ cents worth of wheat goes into a loaf of bread. Actually, more wheat, in terms of cost, went into a loaf of bread in 1948 than goes into a loaf of bread now. As I recall, in 1948 a loaf of bread sold for 13 cents a pound loaf. Today, it sells for almost 21½ cents.

The farmer gets $1 less for a bushel of wheat. The consumer pays 75 percent more for a loaf of bread. Who is being subsidized, Mr. President?

Mr. KEATING. Mr. President, will the Senator yield?

Mr. HUMPHREY. I will yield in a moment.

Mr. KEATING. All right.

Mr. HUMPHREY. The New York Times editorial, to which I referred earlier, further states:

> There can be no end to farm surpluses as long as the Government is willing to provide subsidies every time an election is in sight.

I noticed, however, another editorial in this morning's Times about the New Haven Railroad. It calls for the creation of a Government agency to remedy a situation whereby consumers may not be able to continue using this railroad. If a Government agency is called on to provide help in this situation, no doubt it soon will be subsidizing the New Haven Railroad. In fact, that railroad was subsidized when it began operations; and there never has been a larger subsidy than that given to the railroads.

Yet, Mr. President, whenever we deal with a farm bill, someone begins to say the farmer is being subsidized. The farmer has been able to increase his production and improve the efficiency of his farm, so he can send his sons and daughters to the shops and factories and also to the colleges of the country, so they will be able to contribute to the progress made in the arts and in the sciences; and the farmer has enabled the people of the United States to have the highest quality of food to be found in all the world, at the lowest prices in the world. No other country on the face of the earth can produce food as cheaply as the American farmer can, or can provide it for consumers at less cost than the cost of the food which is made available to the American consumers.

So, Mr. President, not much help goes to the farmers from the Government; but the farmers produce food for the American people, and also for the hungry Asians, and for the hungry Latin Americans; and they produce food for the schoolchildren. But most of the time the American farmers are criticized by the Congress. It is getting to be a habit around here to give the farmer a boot whenever there is a chance to do so.

Mr. President, I am not up for election; but I wish to make it clear that the Midwest farmers, the Minnesota farmers, the Michigan farmers, the Oregon farmers, the farmers in North Carolina, and all the other farmers in the United States give the U.S. consumers the best bargain there is in the entire Nation. Not a single factory or a single industrial worker equals the farmer's output, and no one else receives as little on his investment. Furthermore, the rate of failure among American farmers is high. They are victims of both the weather and the Congress, and that is altogether too much for anyone to bear.

Mr. KEATING. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I am happy to yield now to the Senator from New York.

Mr. KEATING. Mr. President, without associating myself with the Senator's attack on the newspapers——

Mr. HUMPHREY. I am not attacking the newspapers. I merely am attempting to set the record straight with regard to the contribution being made by the American farmer. I am trying to clarify the meaning of the word "subsidy" and its relationship to agriculture. I am not criticizing the newspapers or any particular newspaper, most especially the New York Times, which truly is an outstanding publication.

Mr. KEATING. Well, then if I may divorce myself from the Senator's attacks on the New York Times and other periodicals, and if I may accept at face value the Senator's disavowal that he will be a candidate for any office in 1964, I now wish to turn to the amendment the Senator from Minnesota is offering, and I desire to say that I believe it is very constructive. I believe that by all means we should in some manner provide for the appointment of such a commission. That is why my colleague [Mr. JAVITS], the Senator from Texas [Mr. TOWER], and I have proposed the making of another approach of this kind.

In my judgment, Mr. President, for too long our approach to agricultural legislation has been based on conjecture. What is conjectured 1 minute is believed the next; to wish is to hope; and to hope is to expect—great expectations, but disappointing results.

We need to approach the problems of agriculture from a different angle. Unless we do so, we are going to continue to be faced with stopgap, emergency proposals such as those advanced for cotton and wheat. We cannot afford to continue to sit on dead center enacting legislation which does not benefit the farmer and which the farmer does not want. We cannot mechanically follow the old patterns of farm legislation, no matter how well they may have served us in the past. The problems must be redefined, reanalyzed, reconsidered, and soon. We should move forward to a new approach in agriculture which will give the farmer the freedom he wants and will permit him to reap his share of American prosperity.

Since the administration has charted no new directions for agriculture, Congress must do so on its own initiative. The amendment to H.R. 6196 establishing a Commission on the Revision of Federal Agricultural Laws and Programs, which I cosponsored, offers a new and sound approach for agriculture.

This Commission will be in a position to study completely all of our agricultural programs and determine the weakness and strength of our policies and programs. Through such a study we can achieve a complete diagnosis of the entire agricultural economy and then move forward with effective legislation. The Commission will call in representatives from all farm and agricultural groups, consumer groups, and business organizations to evaluate the problems of agriculture in this country with a view to developing a sound national policy on agriculture which will benefit both the farmer and consumer and put an end to the current shortsighted programs which have not succeeded in solving the total problem. It will provide the information and program needed for a global agricultural policy. It will recommend steps which will make it impossible for huge quantities of food to be stockpiled and wasted in this country as long as men, women, and children are craving nourishment in other lands.

Creation of the Commission of Federal Agricultural Laws and Programs offers a hope for achievement of the ultimate solution. This is the legislative road we must travel if we are going to provide longrun answers for cotton and wheat farmers and the textile industry, as well as strengthen the agricultural sector of our economy.

Mr. President, now I wish to express some views on title I of H.R. 6196, dealing with cotton.

In considering cotton legislation, the first question to which we must address our attention is: What are we going to do to allow the textile industry to survive?

It is evident that Government policies in favor of cotton farmers have seriously disadvantaged our important domestic textile industry. In New York, apparel manufacturing is a large industry employing around 327,000 people. To this figure must be added the tens of thousands whose income and employment is directly and indirectly affected by the fortunes of the apparel industry. This vital industry has been driven to the wall by our two-price cotton structure and unfair foreign competition from low wage areas.

Two-price cotton does not result from the laws of nature or the marketplace. It results from a law enacted by Congress to provide an export subsidy for U.S. cotton farmers. It is this subsidy and the manner in which it has been administered which has resulted in the inequitable, unfair, and heavy burden on U.S. textile manufacturers.

The Tariff Commission has played its part too. In 1939 the Tariff Commission limited imports of raw upland cotton to 30,000 bales a year, less than the industry uses in 1 day.

The import limitation was imposed because the Commission found that imports of raw cotton were interfering with our cotton support system. But this 1939 determination has been evaded by permitting foreign competitors to purchase U.S. cotton at the subsidized price and to sell finished goods within the country in competition with our own. Attempts to have the Tariff Commission deal with this obvious evasion were denied in 1959 and 1962.

The excuse for imposing these burdens on the textile industry is the necessity for protecting our Nation's cotton farmers. However, there is considerable doubt whether our policies have helped those who need it. In actual fact, most of the subsidy benefits large plantation holders who certainly do not seem to be having trouble making ends meet. The Department of Agriculture concedes that 85 percent of our support payments go to 28 percent of producers with acreage of 15 or more.

The present cotton subsidy program is in need of drastic modification. Certainly there is no justification for continuing to disrupt our vital domestic textile industry with policies which give little assistance to those who may need help.

The 1958 Agricultural Act was designed to achieve minimum support levels over a 4-year period and to make our cotton industry competitive. However, Secretary Freeman in 1961 and 1962 pushed the support level from 30 cents a pound to 32.47 and increased the export subsidy from 6 to 9½ cents. This was a serious mistake and has resulted in a substantial increase in imports of finished cotton goods. In 1961, we imported the equivalent of 393,500 bales of cotton in finished cotton products whereas in 1962 and 1963 the figure jumped to 645,000.

Secretary Freeman's decision to increase the price support actually has hurt cotton farmers as well as manufacturers since it helped turn the textile industry more and more to synthetics. In 1954 textile manufacturers consumed 8,250,000 bales of cotton as compared with 4,260,000 bales of synthetics. Synthetics continued to increase until the 1958 legislation. Thereafter utilization of synthetics remained steady, around 6 million bales annually. The price increase in 1961, however, boosted synthetic use until in 1963 the textile industry consumed 8,470,000 bales of cotton and 8,520,000 bales of synthetic fibers. The loser here was the cotton farmer.

During the same period the American taxpayer also was a loser. Carryover stocks increased from 1,500,000 bales in 1961 to approximately 8 million today, with an estimate of 10 to 11 million bales at the beginning of the next marketing season. Government ownership of surplus cotton has resulted in increased storage and handling charges. The investment in cotton has risen from about $400 million to approximately $1½ billion. At the same time annual storage and interest costs have jumped from about $15 to $90 million. This increase in Government acquisitions and carrying charges is directly attributable to Secretary Freeman's increase in the support price of cotton. The Secretary's policies have been misguided and costly.

In 1962 the United States was a signatory of the International Cotton Textile Arrangement. This 5-year agreement provides that the principal textile manufacturing countries will restrain exports to the United States wherever we prove market disruption in a particular product. This is of some assistance to our domestic industry in limiting further destruction. It is not complete protection against the growth of cotton textile imports. Since action is not taken until after market disruption, the procedure is akin to locking the barn after the horse gets out.

Under all these circumstances, it is no wonder that our domestic textile industry is in serious difficulties. This vital industry is the victim of unjustified legislation, unreasonable administration by the Secretary of Agriculture, and a rigid Tariff Commission. Government schemes in favor of cotton farmers have directly caused this harm to textile workers, manufacturers, and consumers. Of course we must do whatever we can to undo the damage.

The proposal advanced by the Agriculture Committee is to institute a payment-in-kind subsidy to other than producers to offset the inequity of two-price cotton. This proposal does not deal with any of the root causes of the present situation, and in some ways would compound them. In effect it offers compensatory damages to the industry in exchange for maintenance of the cotton which has caused the damage in the first place.

In view of the critical and immediate problems facing the industry, we may have no choice but to accept this expedient as a temporary measure. But the only long-range solution, in my judgment, is to eliminate the two-price system by stopping these unwarranted payments to large plantation owners and to adopt other measures to protect American industry from low-wage imports.

This whole problem deserves thorough consideration to determine how best to avoid a cyclone subsidy system which carries the exporter and the textile industry along its path. We should be certain that any cotton program benefits only those who need assistance. The Secretary of Agriculture should be pressed to reconsider his ill-advised increase in the subsidy. A support price of 65 percent of parity which is allowed under the present law, would be about 27 cents. This would make domestic cotton more competitive with the world price and allow it to compete with synthetic fibers. If the small farmer cannot produce 27-cent cotton we could provide a payment-in-kind subsidy to assist him while at the same time we reduced our current stock of cotton. Such a program cannot be considered at this date but it merits study by the Department of Agriculture and by the Congress.

I have also proposed an International Fair Labor Standards Act (S. 675), which I continue to believe is the soundest approach to unfair competition from low-wage countries. This act would not interfere with our reciprocal trade policy, but it would permit the commonsense adjustments essential to any overall trade policy.

The textile industry needs our help and needs it now, but our ultimate objective must be to unleash it from the burdens under which it has been forced to operate and not to perpetuate these burdens indefinitely by stopgap palliatives.

Despite its shortcomings the only plan we have before us which will give immediate assistance to the textile industry and its hard-pressed employees is that contained in the pending bill. I intend therefore to vote for this title of the bill. But our appraisal of this provision must not deter efforts to devise long-range solutions to this problem which will eliminate the basic causes of our present difficulties.

I regret that consideration of the proposed cotton legislation has been complicated by the addition of a totally unacceptable wheat title. The controls, added subsidies, and increased bread prices which this wheat title would bring about makes it completely unacceptable to me as I am confident it is to the overwhelming majority of consumers and farmers, at least of the State I have the honor to represent. I hope that title II will be eliminated so we can vote the cotton legislation up or down on its own merits.

AMENDMENT NO. 452

Mr. JAVITS. Mr. President, will my colleague yield briefly to me?

Mr. KEATING. I would be glad to do so, but I do not have the floor.

Mr. HUMPHREY. Mr. President, I have the floor; and I yield now to the senior Senator from New York.

Mr. JAVITS. I wish to submit the amendment.

Mr. HUMPHREY. Mr. President, I yield to the senior Senator from New York. I have not yet yielded the floor, but I am more than happy to yield to him.

Mr. JAVITS. Mr. President, on behalf of myself, my colleague [Mr. KEATING], and the Senator from Texas [Mr. TOWER], I offer an amendment as a substitute for the pending amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The amendment to the amendment was read, as follows:

TITLE III—ESTABLISHMENT OF A COMMISSION ON REVISION OF FEDERAL AGRICULTURAL LAWS AND PROGRAMS

Declaration of policy and purpose

SECTION 301. It is hereby declared to be the policy of the Congress to promote the effective utilization of the agricultural production of the United States so that (1) the markets for United States agricultural commodities, insofar as possible, will be competitive in the markets for such commodities in the world, (2) the present and future requirements for such agricultural commodities in the United States and the world can be fully met, (3) the interests of taxpayers and consumers may be fairly safeguarded, and (4) the producers of agricultural commodities in the United States will receive a return on their investment and labor commensurate with their contribution to the national welfare. It is further declared to be the policy of the Congress to promote programs recognizing the necessity for consumers in this country to be assured an adequate supply of agricultural commodities of the best possible quality and at the lowest possible prices. It is, therefore, the purpose of this title to provide for a study and investigation of the Federal laws and programs pertaining to agriculture with a view to revising and modernizing such laws and programs in order to achieve the policies stated above.

SEC. 302. In order to achieve the purpose set forth in section 301 of this title there is hereby established a bipartisan commission to be known as the Commission on Revision of Federal Agricultural Laws and Programs (hereinafter referred to as the "Commission").

Membership of the Commission

SEC. 303. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of twelve members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life.

(2) Four appointed by the President of the Senate, two from the Senate and two from private life.

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) POLITICAL AFFILIATION.—Of each class of two members mentioned in subsection (a), not more than one member shall be from each of the two major political parties.

(c) VACANCIES.—Vacancies in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

Organization of the Commission

SEC. 304. The Commission shall elect a Chairman and a Vice Chairman from among its members.

Quorum

SEC. 305. Seven members of the Commission shall constitute a quorum.

Compensation of members of the Commission

SEC. 306. (a) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) MEMBERS FROM THE EXECUTIVE BRANCH.—Any member of the Commission who is in the executive branch of the Government shall each receive the compensation which he would receive if he were not a member of the Commission plus such additional compensation, if any, as is necessary to make his aggregate salary not exceeding $22,500; and he shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of the duties vested in the Commission.

(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive not exceeding $75 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

Staff of the Commission

SEC. 307. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable in accordance with the provisions of the civil service laws and the Classification Act of 1949.

Expenses of the Commission

SEC. 308. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this title.

Expiration of the Commission

SEC. 309. Sixty days after the submission to Congress of the report provided for in section 310(b), the Commission shall cease to exist.

Duties of the Commission

SEC. 310. (a) INVESTIGATION.—The Commission shall make a comprehensive study and investigation of all Federal laws and programs pertaining to agriculture with a view to revising and modernizing such laws and programs to achieve the aims set forth in section 301 of this title. In carrying out such study and investigation the Commission shall consider such matters relating to agriculture as it deems necessary or appropriate, but shall specifically consider, with regard to the various agricultural commodities produced in the various regions of the United States, (1) effectiveness of price support and production controls, including acreage allotments and production and marketing quotas, which may be in effect for such commodities, (2) the future requirements of the United States and the world for such commodities, (3) suitable uses for land which may not be needed at the present time for the production of such commodities, but which may be needed for such purpose in the future, (4) methods for effectively coordinating domestic agricultural policies with the export opportunities for such commodities, (5) the effective utilization of such commodities in support of our foreign policies, (6) the problems of rural economic opportunity in the United States, and (7) the national requirements for stockpiling of strategic agricultural commodities. The Commission shall also give particular attention to the formulation of programs to facilitate the economic adjustment of agricultural producers who decide to transfer to other occupations. Such programs may include, but shall not be limited to, retraining programs, relocation allowances, assistance in obtaining alternative employment opportunities, early retirement, and provision for minimum compensation for land, dwellings, and equipment which such producers no longer want or need.

(b) REPORT.—The Commission shall make a report of its findings and recommendations to the Congress on or before February 1, 1965, and may submit interim reports prior thereto.

Powers of the Commission

SEC. 311. (a)(1) HEARINGS.—The Commission or, on the authorization of the Commission, any subcommittee thereof, may, for the purpose of carrying out its functions and duties, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses, and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee may deem advisable. Subpenas may be issued under the signature of the Chairman or Vice Chairman, or any duly designated member, and may be served by any person designated by the Chairman, the Vice Chairman, or such member.

(2) In case of contumacy or refusal to obey a subpena issued under paragraph (1) of this subsection, any district court of the United States or the United States court of any possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which the inquiry is being carried on or within the jurisdiction of which the person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Attorney General of the United States shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

(b) OFFICIAL DATA.—Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this title.

Mr. JAVITS. Mr. President, my colleague [Mr. KEATING] will explain the amendment.

Mr. HUMPHREY. Mr. President, I rose to discuss my amendment, and then to have it referred, under another bill, to the Committee on Agriculture and Forestry. A joint resolution introduced by me which is identical to my amendment is before the Committee on Agriculture and Forestry. I am sure it will be studied and will receive hearings. I have been assured of that by the chairman of the committee and by other members of the committee.

Mr. President, I am about to yield the floor.

The PRESIDING OFFICER. Does the Senator from Minnesota withdraw his two amendments?

Mr. HUMPHREY. Yes, Mr. President; I withdraw the amendments.

The PRESIDING OFFICER. The amendments of the Senator from Minnesota are withdrawn.

Mr. JAVITS. Mr. President, I believe I asked that the three housing amendments to which I have already referred be printed in the RECORD.

The PRESIDING OFFICER. That is correct; and the amendments will be printed in today's RECORD at an appropriate point.

Mr. MORSE obtained the floor.

AMENDMENT NO. 449

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Oregon yield briefly to me?

Mr. MORSE. Mr. President, I understand that the Senator from Delaware wishes to lay down an amendment. I yield for that purpose, if I may do so by unanimous consent, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. I understand that the Senator from Delaware will not speak now on the amendment, but will only have it laid down.

Mr. WILLIAMS of Delaware. Yes. It is my understanding with the leadership that the amendment will be laid down at this time, with the understanding that at this time there will not be debate on the amendment, and that no vote will be taken on the amendment until tomorrow. Have I correctly stated the understanding?

Mr. DIRKSEN. That is correct.

Mr. HUMPHREY. That is correct; and in that way the Senator's amendment will be the pending question; and it is understood that the intention is that following the action of the Senate on the amendment of the Senator from Delaware, the Senate will act on the amendment submitted by the Senator from North Dakota [Mr. BURDICK], on behalf of himself and me. I make this statement so Senators will know of some guidelines for the procedure tomorrow.

Mr. WILLIAMS of Delaware. Mr. President, I call up my amendment No. 449, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 32, after line 13, it is proposed to insert the following:

TITLE III—REPEAL OF TOBACCO PRICE SUPPORTS

SEC. 301. The Agricultural Act of 1949, as amended is amended as follows:

(1) Strike out "tobacco (except as otherwise provided herein), corn," in section 101(a) and insert in lieu thereof "corn";

(2) Section 101(c) is repealed;

(3) Section 101(d) (3) is amended to read as follows:

"(3) the level of price support to cooperators for any crops of a basic agricultural commodity, except tobacco, for which marketing quotas have been disapproved by producers shall be 50 per centum of the parity price of such commodity;"

(4) Section 106 is repealed.

Mr. HUMPHREY. I should like to ask the Senator from Delaware—and I do so without any previous consultation at all with him—whether he would like to accept any limitation on the discussion of the amendment.

Mr. WILLIAMS of Delaware. Mr. President, so far as I am concerned, such a limitation would be agreeable. However, I could not enter into that arrangement until I had talked to others.

Mr. HUMPHREY. Perhaps we should discuss the subject tomorrow, after we have had some preliminary discussion.

Mr. WILLIAMS of Delaware. Yes.

THE HILL-BURTON PROGRAM AND SEGREGATION

Mr. JAVITS. Mr. President, yesterday's decision by the U.S. Supreme Court refusing to review the Hill-Burton antisegregation ruling of the Fourth Circuit Court of Appeals was a most welcome development for me. For many years I have sought to eliminate from the Hill-Burton Hospital Construction Act this lingering vestige in Federal law of the long-discredited separate-but-equal doctrine. In this Congress I introduced once again a bill, S. 1218, to repeal that language in the act, and I have offered amendments to several appropriation bills to achieve this purpose. At the same time I have taken the position that the Department of Health, Education, and Welfare, which administers the act, has the constitutional power and obligation, even without further legislative action, to disregard that patently unconstitutional language when approving applications for funds under the act. Early last year I requested all the Federal departments and agencies to give me their views on their power to withhold Federal funds, collected from all in taxes without regard to color or race, from State and local projects which are segregated or discriminatory. Most of the departments have acknowledged such a power and obligation without the need for further Federal legislation, and I have placed in the RECORD, as has my colleague, the Senator from Michigan [Mr. HART], their answers as they have come in.

The Department of HEW has now completed its answer, and I ask unanimous consent that my original letter to the Department and its answer be printed in the RECORD at this point in my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APRIL 23, 1963.

Hon. ANTHONY J. CELEBREZZE,
Secretary of Health, Education, and Welfare, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: It has been reported that in the administration of several programs by your Department:

1. Provisions are not made to assure that persons intended to benefit by the programs are actually aided commensurate with their need and without regard to their race, creed, color, or national origin, and that

2. Provisions are not made to obtain assurances that Federal funds will be administered in a nondiscriminatory manner, and, through a system of compliance reporting and surveillance, to see that these assurances are carried out.

Would you be good enough to advise me at your earliest convenience as to the following questions:

(A) Grants to educational institutions: What steps are being taken to assure that colleges and universities receiving research grants and contracts, graduate fellowships, and training grants accept students without regard to race, color, creed, or national origin for general admission and for the specific aided activity? Are efforts made to acquaint predominantly Negro colleges and universities with the availability of these Federal funds? To what extent do predominantly Negro institutions receive funds under these programs? (Graduate fellowship, National Defense Education Act, title IV; language and guidance training institutes, National Defense Education Act, title V–B and VI–B; vocational rehabilitation, section 4(a)(1); Public Health Service, NHI, etc.)

(B) Impacted area program: What action is contemplated to assure that children of Federal military or civilian personnel who reside off Federal properties will be afforded equal educational opportunity on a desegregated basis under the impacted area school aid program?

(C) Library Services Act: In view of the statutory language that libraries receiving Federal funds serve "all residents," what steps have been taken to assure that "all residents" can in fact use the libraries aided by Federal funds for their benefit?

(D) Hill-Burton hospitals: What administrative procedures have been established to enforce the nondiscrimination provision of the act governing those hospitals not constructed under the "separate-but-equal provision?" With respect to hospitals which are constructed under the "separate-but-equal" provision, will successful resolution of the pending litigation result in an administrative determination to assist only those hospitals which give assurances that their services will be available to all persons on a nondiscriminatory basis?

(E) Land grant colleges: Are provisions being made to eliminate segregation in institutions of higher education which receive Federal assistance under the Morrill Land Grant College Act? In view of the Supreme Court's specific rulings that segregation in public higher education is unconstitutional, does the "separate-but-equal" clause of the Morrill Act constitute any impediment to such action?

(F) Vocational education: The Commissioner of Education has said that the regulation requiring a reasonable expectation of employment could not be used as a bar to minority participation in the vocational education program and that the regulation requiring nondiscrimination would be enforced. Where have vocational education schools been desegregated as a result of this clarification of policy and where are schools still segregated? What procedures does your Department use to verify compliance with this nondiscrimination policy?

(G) Health grants: Are provisions made to assure that other grants made by the Public Health Service to State and local facilities are not used to finance or support segregated services?

(H) Employment: Apart from recent departmental regulations prohibiting discrimination in employment under the merit system, what provisions does your Department make to assure nondiscrimination in employment which results from or is assisted by research, training, or construction grants?

(I) What provisions are made to assure that persons who receive direct benefits, such as welfare assistance, are not denied these benefits by State or local officials because of their race or as a result of attempts to secure constitutional rights such as the right to vote?

(J) Is it your Department's view that sufficient authority already exists under the Constitution or laws of the United States to condition the grant of Federal funds upon assurance of nondiscrimination or is enactment of further Federal law considered necessary?

I would appreciate your early reply.

With best wishes.

Sincerely,

JACOB K. JAVITS,
U.S. Senator.

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, February 11, 1964.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: I am pleased to enclose a memorandum setting forth answers to the several questions you raised concerning the efforts of our Department to assure that Federal funds are administered in a nondiscriminatory manner and that persons intended to benefit by the Federally aided programs are not denied these benefits because of their race, creed, color, or national origin.

In submitting this memorandum I wish to reiterate what I said to you during my appearance before the Senate Labor and Public Works Committee last August. "We ought to stop the guessing game * * * an administrator needs definite guidelines if he is going to run his Department properly and that was the purpose of submitting a civil rights bill." We join with President Johnson in urging the early enactment of this legislation which would give us clear authority to eliminate discrimination where it might occur in the programs we administer.

Your deep interest in the many programs of our Department is appreciated and I am most happy to cooperate with you in any effort to assure that the benefits of these programs are available to all Americans.

Sincerely,

ANTHONY CELEBREZZE,
Secretary.

ANSWERS TO SENATOR JACOB K. JAVITS' QUESTIONNAIRE OF APRIL 23, 1963

QUESTION A. GRANTS TO EDUCATIONAL INSTITUTIONS

"What steps are being taken to assure that colleges and universities receiving research grants and contracts, graduate fellowships, and training grants accept students without regard to race, color, creed, or national origin for general admission and for the specific aided activity?"

Beginning with the commitment of the fiscal year 1962 appropriation, all contracts in the National Defense Education Act counseling and guidance and modern foreign language institutes have included the following clause: "In selecting individuals for attendance at the institute and in otherwise conducting the institute, the contractor will not discriminate on account of the sex, race, creed, color, or national origin of an applicant or enrollee."

Student admission standards of institutions, other than for admission to these National Defense Education Act institutes, are not considered in arranging for such institutes.

To determine compliance with this contractual provision, Office of Education personnel visited institutions and questionnaires were circulated at the conclusion of these institutes. This survey indicated general acceptance of and compliance with the nondiscrimination provision. In order to assure that prospective applicants for participation in institute programs are fully aware of the nondiscrimination policy, the Office of Education now requires institutions that are holding institutes to refer to the nondiscrimination policy in materials publicizing the institutes.

With regard to other fellowship and training grant programs and research grant activities no formal action has been taken limiting the award of these to institutions that do not discriminate. The pendency of title VI of the civil rights bill has caused us to hope that this matter will be resolved legislatively both as to making clear our authority to act and giving the policy Government-wide application.

"Are efforts made to acquaint predominantly Negro colleges and universities with the availability of these Federal funds?"

Yes. Informational materials on all programs are periodically sent by the administering agencies to all educational institutions which might be interested in applying for these funds. For example, a bulletin dealing with program developments under the National Defense Education Act is published about twice annually and sent to presidents of all colleges and universities. In addition, regional representatives of the Office of Education regularly visit colleges and universities to discuss the availability of programs. The availability of Public Health Service research, fellowship, and training grants is made known through technical journals and Service-prepared brochures. The scientific community in all colleges and universities has become fully aware of the NIH programs over the past decade.

"To what extent do predominantly Negro institutions receive funds under these programs?"

Two predominantly Negro institutions have received research grants or contracts since the enactment of the National Defense Education Act. There were five counseling institutes and two language institutes at such institutions in 1962; in 1963 there were two institutes of each type; in the summer of 1964 there will be three counseling and guidance institutes and four institutes for language training.

One such institution has received support for three graduate programs under the NDEA. There has been at least one research contract in almost every major such institution under the cooperative research program. Public Health Service research and training grants have been and are being made to several predominantly Negro institutions. The Vocational Rehabilitation Administration is at present supporting teaching grants and traineeships at two such institutions. The Welfare Administration has made grants under the cooperative research and demonstration program to two Negro colleges.

QUESTION B. IMPACTED AREA PROGRAM

"What action is contemplated to assure that children of Federal military and civilian personnel who reside off Federal properties will be afforded equal educational opportunity on a desegregated basis under the impacted area school aid program?"

The Department ruled in 1962 that racially segregated schools do not provide a "suitable" free public education under Public Law 874 and Public Law 815 for children who reside on Federal property. The "suitable" provision in this legislation is applicable only to on-base children. To carry out the ruling, representatives of the Department have met with a number of State and local educational officials, to determine whether their school districts would provide a "suitable" education for such children in the fall of 1963. Fifteen school districts, with total enrollment of approximately 250,000 children, indicated to the Department that they would begin to provide nonsegregated educational facilities for the first time in the fall of 1963. The action of these districts, in operating nonsegregated schools, affects not only "on-base" children but also federally connected children who reside off base as well as the nonfederally connected children attending these schools.

There are now pending a number of lawsuits, in four States, in which the United States is seeking to bring about the assignment without regard to race of federally connected children—both on base and off base—to public schools in school districts which have received grants under Public Law 874 and Public Law 815. If these suits are successful the principle will be established, within the limits of the way in which the courts specifically articulate it, that all recipients of impacted areas grants in the past (not only districts which are defendants in the pending suits) and in the future, have an obligation, enforceable, if necessary, by the United States, not to use race as a factor in assigning federally connected children to public schools.

To date, four of these suits involving school districts in Mississippi, Alabama, and Louisiana have been dismissed, without a hearing on the merits. The dismissals have been affirmed by the Court of Appeals for the Fifth Circuit in three cases. The fourth is to be argued shortly. In the suit involving Fort Lee and Prince George County, Va., the Federal district court has decided, after full trial, that there is an enforceable obligation, under Public Law 815, in favor of the United States that federally connected children be assigned alike and on a nonracial basis. That decision was not appealed and as a result, children in Prince George County are going to integrated schools for the first time.

QUESTION C. LIBRARY SERVICES ACT

"In view of the statutory language that libraries receiving Federal funds serve all residents, what steps have been taken to assure that all residents can in fact use the libraries aided by Federal funds for their benefit?"

A survey by the Civil Rights Commission disclosed that in several States, library services supported under the Library Services Act were not being provided "free" to "all residents" as required by the act. In some areas it was found that Negroes were denied access to the local library services altogether. In other areas it was found that Negroes were provided only inferior services of branch libraries and denied access to the central federally assisted libraries, which were open only to whites.

Since the specific information collected by the Civil Rights Commission was unobtainable by the Office of Education because of the confidentiality of the reports, the Office of Education contracted for a study of its own on a sample basis to ascertain the scope of discriminatory denial of library services supported under the act.

As a result of this study, which disclosed denial of access to libraries because of race in some areas, the Office of Education has taken the following steps to insure that the services supported under the program are in fact available to all as required by the act:

1. States have been reminded of the requirement in the act and told to review the programs submitted to the Office of Education to make certain that they do not include support of public library services which are not available to all residents on a nondiscriminatory basis.

2. Members of the Library Services Branch of the Office of Education visit projects supported under the program, within the limitations of the staff available, and where any library is found which is not open to all residents or where any library service (such as bookmobile service) is found which is not provided to all residents the proper authorities will be urged to make such library or library service open and available to all, failing which there will be disallowances of expenditures or other appropriate action as provided for in the act.

QUESTION D. HILL-BURTON HOSPITALS

"What administrative procedures have been established to enforce the nondiscrimination provision of the act governing those hospitals not constructed under the separate-but-equal provision?"

Enforcement of the nondiscrimination provision of the Hill-Burton legislation depends, to a major extent, on the investigation of complaints received from private citizens and organizations. All complaints pertaining to discriminatory practices are thoroughly investigated by the Public Health Service regional office staff and Hill-Burton State agency, and if necessary, by representatives of the Washington office of the Public Health Service. If the assurance given in the approved project application has been violated, the sponsors of the health facility are required to adjust admission policies to conform with the nondiscrimination assurance. Thereafter, the persons bringing the problem to our attention are advised of the action taken.

"With respect to hospitals which are constructed under the separate-but-equal provision, will successful resolution of the pending litigation result in an administrative determination to assist only those hospitals which give assurances that their services will be available to all persons on a nondiscriminatory basis?"

If pending litigation results in a final court decision that the separate-but-equal provision of the Hill-Burton legislation is unconstitutional, regulations will be changed to preclude grants for the construction of separate-but-equal facilities. On the basis of the decision of the court of appeals in *Simkins* v. *Cone* which is now on appeal, no applications for the construction of separate-but-equal facilities are being processed.

QUESTION E. LAND GRANT COLLEGES

"Are provisions being made to eliminate segregation in institutions of higher education which receive Federal assistance under the Morrill Land Grant College Act? In view of the Supreme Court's specific rulings that segregation in public higher education is unconstitutional, does the separate-but-equal clause of the Morrill Act constitute any impediment to such action?"

In our view, in the present state of judicial authority we cannot, on grounds of unconstitutionality, refuse to carry out the directions of the Congress. The litigation referred to in question D concerning the Hill-Burton program may provide pertinent guidance on this question. The passage of title VI of the civil rights bill would clarify completely our authority in this program.

QUESTION F. VOCATIONAL EDUCATION

"The Commissioner of Education has said that the regulation requiring a reasonable expectation of employment could not be used as a bar to minority participation in the vocational education program and that the regulation requiring nondiscrimination would be enforced. Where have vocational education schools been desegregated as a result of this clarification of policy and where are schools still segregated? What procedures does your Department use to verify compliance with this nondiscrimination policy?"

We do not have adequate data at this time as to where vocational education schools have desegregated nor how many have done so as a result of our efforts. Vocational education programs that are carried out as a part of the regular secondary school program remain in large measure segregated in those school districts which have not yet complied with the desegregation ruling of the Supreme Court. Progress is more hopeful in the area of vocational and technical programs that serve more than one school district in the State. The Office of Education is currently cooperating with the Civil Rights Commission by conducting a special study of the enrollments and placements by race in these programs. From the results of this study, the Office plans to undertake affirmative action to assure access to these programs by all eligible persons.

It should be pointed out that this Department does not have direct relations with vocational education schools in carrying out its responsibilities under the Vocational Education Acts. Federal grants are made on a formula basis to the States which in turn reallocate them for the courses that can be supported under Federal programs. The Federal share amounts to approximately 20 percent of total expenditures for vocational education.

It is vitally important that there be equal educational opportunity under the Vocational Education Acts of 1963. It is our objective that no person should be excluded because of race from course offerings supported by Federal funds. We plan to continue our administrative efforts toward this end. The authority which would be afforded to us under section 601 of the civil rights bill would be of great assistance in achieving this objective.

QUESTION G. HEALTH GRANTS

"Are provisions made to assure that other grants made by the Public Health Service to State and local facilities are not used to finance or support segregated services?"

We have not undertaken in the past any action which would assure that formula grants made to the States for health services are not used in support of segregated services. The States and local communities tend to overmatch their contribution to these federally assisted programs, so that Federal funds for health services range in different programs from 7 to 30 percent of total expenditures for such services.

We are continuing to study the matter in an effort to determine what feasible steps we might take within our authority to assure nonsegregation. Needless to say, if the Congress should enact title VI of the administration's civil rights bill, this action would be of great assistance to us in resolving the problem.

QUESTION H. EMPLOYMENT

"Apart from recent departmental regulations prohibiting discrimination in employment under the merit system, what provisions does your Department make to assure nondiscrimination in employment which results from or is assisted by research, training, or construction grants?"

In addition to the steps being taken to prohibit discrimination in employment under the merit system, the Department is in the process of implementing the President's Executive Order No. 11114 applicable to the construction grant area.

QUESTION I

"What provisions are made to assure that persons who receive direct benefits, such as welfare assistance, are not denied these benefits by State or local officials because of their race or as a result of attempts to secure constitutional rights such as the right to vote?"

Since the beginning of the federally aided public assistance programs, there has been constant adherence to the policy that no State public assistance plan can be approved if it provides for denial of benefits on the basis of race or other arbitrary criteria not related to the purposes of the programs. If the Welfare Administration found that a State were denying benefits on the basis of race or other arbitrary criteria under the State plan as approved, or if the plan were amended to provide for such denial, withdrawal of Federal funds from the program would be the appropriate sanction.

Assurance that such denial of benefits does not in fact occur is secured not only by review of State plans but by regularly scheduled reviews by the State agencies of local public assistance activities, by administrative reviews conducted by the Bureau of Family Services, and by continuing contacts of Federal regional staff with State activities. The Federal administrative review of State welfare agencies, conducted on a continuing basis, is concerned with the operation of the welfare program throughout the State and includes a review of local practices and of actual cases to assure that practice conforms with the State plan and Federal requirements.

Beginning in September 1963, the Welfare Administration has required all States to institute a more extensive and continuing systematic review of eligibility determinations to assure their validity and to identify for correction any erroneous practices which may be found. This provides a further means for assuring that no eligible persons are denied assistance because of their race or because of other irrationally defined criteria.

QUESTION J

"Is it your Department's view that sufficient authority already exists under the Constitution or laws of the United States to condition the grant of Federal funds upon assurance of nondiscrimination or is enactment of further Federal law considered necessary?"

The problem facing our Department in this regard was clearly delineated by the late President Kennedy in his civil rights message of June 19, 1963, when he pointed out that "Many statutes providing Federal financial assistance * * * define with such precision both the administrator's role and the conditions upon which specified amounts shall be given to designated recipients that the amount of administrative discretion remaining—which might be used to withhold funds if discrimination were not ended—is at best questionable."

As was made clear in the statement of Secretary Celebrezze before the House Judiciary Committee on July 10, 1963, the Department of Health, Education, and Welfare has been engaged in a continuous review of our authority to withhold funds when discriminatory practices occur in federally supported programs. In a number of instances, we have taken corrective action and we will continue to do so where it is concluded that we have the authority to do so. However, as

> the late President Kennedy further pointed out, "No administrator has the unlimited authority to invoke the Constitution in opposition to the mandate of the Congress." It is for this reason that the administration included title VI in its civil rights bill. We join with President Johnson in urging the enactment of this legislation because it would give us clear and flexible authority to eliminate discrimination where it might occur in the programs which we administer.

Mr. JAVITS. Mr. President, several factors in this answer should be mentioned.

First. Almost alone among the departments and agencies whose answers I have inserted in the RECORD, HEW feels it must pick and choose among its various programs, under only some of which it believes it has constitutional power to withhold funds from segregated State uses. I have never understood how the constitutional power and obligation under the 14th and 5th amendments could be abridged by the particular statutory language of this or that program, but this is the position HEW, virtually alone among Federal agencies, has taken and now apparently continues to maintain.

Second. Among the programs from which the Department of Health, Education, and Welfare believes it does not, without further legislation, have the authority to withhold funds is the Hill-Burton hospital construction program. In its answer, it relied very heavily upon the fact that litigation has been pending in the fourth circuit upon this point. I was therefore most gratified to note Chief Judge Simon E. Sobeloff's decision late last year in these two Hill-Burton cases, which held that the extensive Federal and State involvement in financing hospital construction under the act brought the hospitals so constructed within the meaning of "State action" under the 14th and 5th amendments. Thus the court enjoined the hospitals involved in those cases from segregating and otherwise discriminating against Negro patients. The language of the decision would also extend, in my judgment, to a prohibition against refusing privileges to Negro doctors, and against requiring Negro patients to employ white doctors. The Supreme Court's denial of certiorari yesterday leaves standing this decision, which will also have a significant effect upon elimination of segregation and discrimination in many federally supported State and local progams.

The fourth circuit decision only goes part of the way, of course, since it means only that segregated institutions which have been supported by Federal and State funds in similar fashion are subject to injunction in suits brought by private parties in the Federal courts. This places such hospitals in the same footing as schools, which as a result of the Brown against Board of Education decision in 1954, are also subject to individual suit. The problem is that after all these years such suits have succeeded in desegregating only a small fraction of the affected school districts, and the danger is that the same fate may beset the present decision, necessitating hundreds of individual suits.

The other side of the coin remains unclear. This is the question of whether HEW will now deny further Federal tax moneys to applications for new or additional segregated hospitals. The HEW report says that such applications were being held up pending appeal, and that a final court decision of unconstitutionality would cause them to change their regulations to preclude such grants. I am now checking this with the Department as a result of yesterday's Supreme Court action in this case. I am also checking on the impact of this decision on the other programs administered by the Department, since the Hill-Burton separate-but-equal language is the most specific statutory provision imaginable, and with it should fall also the other less specific provisions of other acts which the Department has previously relied upon in refusing to withhold funds.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KEATING. I am very glad the distinguished Senator has brought up this subject. Earlier in the day I placed in the RECORD a letter which I had sent to the Secretary of Health, Education, and Welfare, dated June 4, 1963, asking him to do what the Supreme Court has now said he should do, or at least has the power to do.

My office has called the Secretary's office on an average of once every 2 weeks for an answer to the letter of June 4, 1963, but such an answer has not been forthcoming. The Supreme Court has now answered the letter.

I join in the hope expressed by my colleague, the Senator from New York, that the regulations will be changed shortly in conformity with the decision, which refused a review of the court of appeals decision, and therefore left it as the law of the land that such authority existed. I hope it will now be exercised.

Mr. JAVITS. I thank my colleague very much for his intercession. The Department has been given plenty of notice. I have moved amendments to appropriation bills and have introduced repealer bills back at least 2 years.

Second. A questionnaire as to its policy on these matters was in the hands of the Department on April 23, 1963. We received a full reply on February 11, 1964. Talk about a snail's pace of progress in a civil rights matter within the purview of a Federal agency—this is certainly it.

Mr. KEATING. At least the Senator received a reply. I am still waiting for a reply to my letter of June 4, 1963. I congratulate the Senator for getting an answer.

Mr. JAVITS. By the sequence of those dates, I should say the Senator should get a reply about May, relating to the Supreme Court decision.

Mr. KEATING. May of this year? At least, I would like a reply.

Mr. JAVITS. I thank my colleague. This illustrates the question of whether people practice what they preach. I think it is deplorable that the very Government agency which itself is directly concerned with the matter should wait from April 1963, to February 1964, before making a full reply to an inquiry on that subject.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. ERVIN. I could not understand what the Senator from New York said. Did I correctly understand the Senator from New York to say that he was going to introduce a bill or amendment to further the abolition of racial imbalance of schools in New York?

Mr. JAVITS. Obviously, the Senator heard exactly what I said. I would only express the hope that progress in public school desegregation in the States which have so stubbornly resisted it will come about as quickly and effectively as in my own State. Not that we have done it wholly effectively, by any means, but honest efforts are being made to correct, not segregation, because there is none in the New York public schools, but racial imbalance, which admittedly exists because of the housing situation and the fact that Negroes are heavily concentrated in Harlem.

The Senator from North Carolina heard exactly what I said. I did not speak of public school imbalance at all; I referred only to the fact that we have learned, from experience with the public school desegregation decision of the Supreme Court, that such decisions often can be applied only on a case-by-case basis, and that is the real reason for the snail's pace progress at which public school desegregation has proceeded since that 1954 decision.

Mr. ERVIN. I did not hear the Senator's entire statement, because I came into the Chamber in the midst of the statement. I assume, however, from what the Senator said in response to the question, that the Senator is still not willing to devote all of his efforts in this field to curing racial problems in his own State of New York. I think it is very kind of him that he is willing to neglect in some way the unsolved problems that are on his own doorstep and attempt to cure problems in other areas.

Mr. JAVITS. I said no such thing. The Senator from North Carolina cannot wish it on me. I do not accept it. When the Senator from New York spoke on the floor, as he has done so many times, arguing about how to bring about public school desegregation in an effective way, the Senator from North Carolina, who is an excellent lawyer and a former supreme court judge of his own State, knows that the measures proposed would all apply across the board. They would apply to New York and to North Carolina. I hope when that time comes the Senator from North Carolina will really demonstrate his solicitude for his own State, as well as for the State of New York, by supporting the particular education measure which is now a part of the pending civil rights bill. The Senator from North Carolina will not find the Senator from New York wanting in such support.

Mr. ERVIN. When that occasion arises, I intend to emulate the example of a distinguished member of the Senator's party, Abraham Lincoln. I am not going to assist in the implementation of any decision of any court which merits what Abraham Lincoln said in respect to the Dred Scott decision. He said the

Dred Scott decision was unsound, that it was inconsistent with the Constitution, that it was incompatible with all the decisions he had seen on the subject; and that he would not accept it as the rule for the guidance of himself or the public.

However, if the Senator from New York offers any amendment such as he has suggested with respect to school desegregation, I hope he will make it broad enough to include the complete desegregation of the schools in his own State of New York, along with schools in any other section of the country.

I assure him that I am perfectly willing to allow the school officials of New York to operate their own schools, and I would not be in favor of any coercive amendment which would deny the school officials of New York or any other State in the United States the right to operate their schools. But I thank the Senator for yielding to me and for the colloquy.

Mr. JAVITS. I wish to say to the Senator from North Carolina that I am not satisfied to have the officials of New York or any other State operate our schools in any way as not to consider the constitutional guarantee of equal protection of the laws which now includes equal opportunity for education. I shall do my utmost to see that the standard is uniform in the United States. In applying that standard, I have the utmost confidence that the State of New York will be found—as it has been for years—in the forefront of States doing their utmost to comply with constitutional guarantees. I can only trust that we shall find the same degree of patriotism toward the Constitution in every part of the Nation, especially the South.

Mr. President, concluding my remarks on the Hill-Burton question, there are many ugly evidences of discrimination and segregation in this country. One of the ugliest is in connection with hospitals and the difficulties of those who are ill, or sick, or who may be injured in gaining admittance and receiving treatment. This touches the human heart. The story of the Good Samaritan occupies one of the most honored pages in the history of all religious faiths, although it is honored most in the New Testament. One of the worst blots upon the escutcheon of our country in terms of honor has been the problem of segregated hospitals, turning away human beings—because of the color of their skin—from the healing hands of physicians because a particular hospital is segregated .

So this is an important milestone decision, and I have addressed a plea to the Government department concerned to honor it to the full rather than to allow the question to proceed on a case-by-case basis.

I hope very much that it may do so, and will do so promptly, thereby in a practical way redeeming the assurances constantly given by the administration, which have not yet been fulfilled. In this particular case, every effort within the competence of the Federal Government should be made to redeem those assurances and to afford equal opportunity in all these critical fields. I point out such a critical one as illness, injury, and accident is the subject of this particular program.

Mr. President, I yield the floor.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

REPORT ON UNNECESSARY COSTS INCURRED AS A RESULT OF AWARDING WITHOUT COMPETITION A CONTRACT FOR OVERHAUL AND MODIFICATION OF AIRCRAFT ENGINES

The ACTING PRESIDENT pro tempore laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on unnecessary costs incurred as a result of awarding without competition a contract for overhaul and modification of aircraft engines, Department of the Army, dated February 1964, which, with the accompanying report was referred to the Committee on Government Operations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

Petitions signed by Akira Okamura, mayor of Kin Son, Choei Yasutomi, chairman of Kin Son Assembly, and Seitoku Okuma, chief of Kin Son Military Land Committee; Terutake Oyadomari, chairman, Municipal Assembly of Nishihara-Son, Okinawa; and Junsho Oshiro, mayor, Nishihara-Son, Okinawa; praying for the enactment of legislation to provide a solution of the problem of pretreaty claims; to the Committee on Armed Services.

A resolution adopted by the Board of Aldermen of the city of St. Louis, Mo., favoring the designation of the fourth Sunday of November in every year as John Fitzgerald Kennedy Day; to the Committee on the Judiciary.

A letter in the nature of a petition signed by George Choltye, Commander, Department of Indiana Veterans of Foreign Wars, Indianapolis, Ind., praying for the enactment of House bill 9427, relating to the size of the U.S. burial flag; to the Committee on Finance.

The petition of Quirico Del Mar, of Cebu City, the Philippines, relating to payment to disabled Philippine veterans of World War II; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CLARK, from the Committee on Banking and Currency, without amendment:

S. 2115. A bill to improve the balance-of-payments position of the United States by permitting the use of reserved foreign currencies in lieu of dollars for current expenditures (Rept. No. 932).

REPORT ENTITLED "IMMIGRATION AND NATURALIZATION"—REPORT OF A COMMITTEE (S. REPT. NO. 933)

Mr. EASTLAND, from the Committee on the Judiciary, pursuant to Senate Resolution 60, 88th Congress, 1st session, as extended, submitted a report entitled "Immigration and Naturalization," which was ordered to be printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CASE:

S. 2585. A bill for the relief of Mrs. Fatynia M. Stoma; to the Committee on the Judiciary.

By Mr. PEARSON:

S. 2586. A bill to extend for 2 years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments; to the Committee on Government Operations.

(See the remarks of Mr. PEARSON when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY (for himself and Mr. McCARTHY):

S. 2587. A bill to authorize the construction of a dam on the St. Louis River, Minn.; to the Committee on Public Works.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. BEALL:

S. 2588. A bill for the relief of Luther D. Stull; to the Committee on the Judiciary.

By Mr. FULBRIGHT (by request):

S. 2589. A bill to amend further the United States Information and Educational Exchange Act of 1948, as amended; to the Committee on Foreign Relations.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. JOHNSTON (by request):

S. 2590. A bill to amend title 37, United States Code, to authorize payment of special allowances to dependents of members of the uniformed services to offset expenses incident to their evacuation, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DOUGLAS:

S. 2591. A bill to amend title II of the National Defense Education Act of 1958 with respect to the conditions of agreements with institutions of higher education participating in the loan program under the provisions of such title; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. DOUGLAS when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE:

S. 2592. A bill for the relief of Warren D. Bennett; to the Committee on the Judiciary.

EXTENSION OF PERIOD FOR WHICH PAYMENTS IN LIEU OF CERTAIN TAXES MAY BE MADE

Mr. PEARSON. Mr. President, I am today introducing a bill to extend for another 2 years the payments in lieu of taxes authorized by Public Law 388 of the 84th Congress.

Public Law 388 applies primarily to industrial or commercial type facilities constructed originally under the auspices of the Reconstruction Finance Corporation during World War II. At that time Congress exempted the personal property of RFC and its subsidiaries from taxation by State and local authorities, but made real property of that agency subject to State and local taxes according to its value and on the same basis as taxes are levied on similar property in private hands.

Subsequently, some of this property was transferred from the RFC to other Government agencies and, as a result of a decision of the U.S. Court of Claims and a subsequent ruling of the Comptroller General, such transferred properties became nontaxable.

The result of this development was to impose substantial financial burdens on local jurisdictions, and Congress consequently enacted Public Law 388 to provide for payments to local authorities as temporary relief.

This act has now been extended each 2 years and is scheduled to be terminated on December 31, 1964, unless again renewed.

I introduce this bill to call the attention of the Congress to the need for further extension of this legislation and to urge that the extension be approved early enough in 1964 that local jurisdictions who must prepare their budgets for 1965 by midyear may be in a position to anticipate their income. The extension of this legislation is of vital interest to the Sedgwick County area—Wichita—in Kansas. In 1963, payments in lieu of taxes to this county amounted to $725,447.25. A vast majority of this sum was allocated to the school districts in the county. The withdrawal of this major item of income would be a severe blow since the burden imposed upon the school districts and the other governmental agencies as the result of the presence of Government-owned plants would in no way be reduced, but the loss in revenue would require either a severe curtailment in local government and school operations or a substantial increase in local property taxes.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2586) to extend for 2 years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments, introduced by Mr. Pearson, was received, read twice by its title, and referred to the Committee on Government Operations.

CONSTRUCTION OF DAM BY EVELETH TACONITE CO. ON ST. LOUIS RIVER

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to authorize the construction of a dam on the St. Louis River, Minn., by the Eveleth Taconite Co. The junior Senator from Minnesota [Mr McCarthy] joins with me in introducing this proposed legislation.

This bill is the companion measure to H.R. 9934 introduced by my colleague from Minnesota, the Honorable John Blatnik. It seeks to facilitate the construction of a taconite plant by the Eveleth Taconite Co., a company organized through the cooperative efforts of the Ford Motor Co. and the Oglebay Norton Co. of Cleveland, Ohio, by providing the consent of Congress for the construction of the dam needed to provide the storage reservoir for water required in the taconite beneficiation process. This is a relatively routine legislative matter, yet it is hardly routine for the citizens of northeastern Minnesota. The taconite process is the principal method whereby much of the remaining iron ore in the Minnesota Iron Range can be used in American industry once again. The decline of the Iron Range has brought tremendous rates of unemployment throughout northeastern Minnesota. Full-scale production of taconite is one major way of invigorating the sagging economy in this section of the State.

Construction of the dam by the Eveleth Taconite Co. will permit the building of a plant which will provide year-round employment to 400 residents of this area. Needless to say, the economic impact of such a company in the Iron Range will be substantial. In effect, this legislation will permit American private industry to make a major contribution in the war on poverty in northeastern Minnesota. This is a war which must be won.

Mr. President, I cannot emphasize too strongly the importance of this legislation for the State of Minnesota and I deeply hope that Congress will give its prompt and favorable consideration.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2587) to authorize the construction of a dam on the St. Louis River, Minn., introduced by Mr. Humphrey (for himself and Mr. McCarthy), was received, read twice by its title, and referred to the Committee on Public Works.

TO AMEND FURTHER THE U.S. INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948, AS AMENDED

Mr. FULBRIGHT. Mr. President, by request, I introduce, for appropriate reference, a bill to amend further the U.S. Information and Educational Exchange Act of 1948, as amended.

The proposed legislation has been requested by the Director of the U.S. Information Agency and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill may be printed in the Record at this point, together with the letter from the Director dated February 27, 1964 to the President pro tempore of the Senate in regard to it and also the Agency's explanation of the proposed legislation.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill, letter, and explanation will be printed in the Record.

The bill (S. 2589) to amend further the U.S. Information and Educational Exchange Act of 1948, as amended, introduced by Mr. Fulbright, by request, was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Informational Materials Export Promotion Act".

Sec. 2. Section 1011 of the United States Information and Educational Exchange Act as amended (22 U.S.C. 1442) shall remain in full force and effect until the date an appropriation becomes available for the purposes of this Act, on which date section 2 of this Act becomes effective. On such effective date section 1011, as amended, is repealed and the following new section is substituted therefor:

(a) American books, periodicals, films and other expressions of American scholarship, scientific and technical progress, political and social thought, and cultural achievement serve to advance and give direction to the educational revolution taking place in the world, and in the achievement of greater international understanding. Accordingly, it is the sense of the Congress that the foreign policy objectives of the United States will be furthered by increasing the export, dissemination, translation, publication and promotion abroad of such United States informational and educational materials.

(b) The Director of the United States Information Agency is authorized to provide such assistance, through loans, grants, guaranties or otherwise, as he deems appropriate and in the national interest to facilitate the commercial distribution and sale of American informational and educational materials and rights therein to and within foreign countries. Such assistance may include but is not limited to (1) payments in dollars or foreign currencies to American publishers, producers and exporters, foreign importers, foreign educational and cultural institutions, and others, in order to reduce the price or otherwise facilitate increased use of such materials by the ultimate consumer; (2) payments of extraordinary import and transportation charges, including requirements for advance deposit, and loans to exporters or importers to cover such charges or deposits; and (3) guaranties of convertibility to dollars of foreign currency proceeds resulting from the sale or licensing of American informational and educational materials abroad.

(c) As used in this section, "American informational and educational materials" include tangible and intangible property in any medium of expression.

(d) The Director shall establish a schedule of fees to be charged for any guaranties. He may establish a schedule of fees for other services authorized in this section. Fees so collected shall be deposited into the general fund of the Treasury.

(e) Notwithstanding any of the other provisions of this Act the Director is authorized to pay unliquidated obligations under outstanding informational media guaranties by utilizing dollars in the special account in the Treasury available for payments under informational media guaranties and by obtaining advances under outstanding notes issued to the Secretary of the Treasury as necessary therefor. Any dollars remaining in the special account upon such liquidation (in any event, not more than three years after the effective date of this section) shall be used to reduce the amount owed to the Secretary of the Treasury.

(f) Notes issued by the Director to the Secretary of the Treasury, and notes assumed by the Director, and sums owing upon such notes as a result of sums advanced or to be advanced by the Secretary to the Director for purposes of payments under informational media guaranties, including guaranties in effect on the effective date of section 2 of this Act, and interest accrued and due thereon, shall be canceled by the Secretary of the Treasury upon the liquidation of all obligations under informational media guaranties outstanding upon the effective date of this section.

(g) Foreign currencies available from conversions made pursuant to informational media guaranties shall, on the effective date of this section, and as thereafter received from such conversions, be transferred to the Treasury and any dollar proceeds from the sale of such foreign currencies shall be credited to the general fund of the Treasury: *Provided, however,* That nothing in this section shall affect the terms of any agreements outstanding on the effective date of this section between the United States and foreign countries.

(h) All dollars and foreign currencies received as a result of activities authorized by this Act shall be deposited to the Treasury. To the extent specified in any agreements between the United States and foreign countries foreign currencies shall be available, as may be provided for by the Congress in appropriation Acts, for use for educational, scientific and cultural purposes which are in the national interest of the United States, and for such other purposes of mutual interest as may be agreed to by the governments of the United States and the country from which the currencies derive.

(i) The Director is authorized to issue such regulations as may be necessary for the administration of the authorities vested in him by this section.

(j) Funds available to any agency of the United States Government for carrying on activities which further the purposes of this section may be transferred to the Agency for carrying out the purposes of this section and shall be available for obligation and expenditure for the purposes for which authorized, in accordance with authority available pursuant to this Act or under authority governing the Agency from which such funds are transferred.

(k) The Director is authorized to accept contributions of funds, property, and services to be utilized to carry out the purposes of this Act.

SEC. 3. There are hereby authorized to be appropriated without fiscal year limitation such amounts as may be necessary to carry out the purposes of this Act.

The letter and explanation presented by Mr. FULBRIGHT are as follows:

U.S. INFORMATION AGENCY,
Washington, February 27, 1964.

Hon. CARL HAYDEN,
President pro tempore,
U.S. Senate.

DEAR SENATOR HAYDEN: I have the honor to transmit to the Senate for its consideration a draft of a proposed bill to amend the U.S. Information and Educational Exchange Act of 1948, as amended, and an explanation thereof. The draft bill has also been submitted to the House of Representatives.

The purpose of the proposed legislation is to facilitate the commercial distribution of selected American informational and educational materials in countries important to U.S. foreign policy objectives.

In many countries, particularly in Asia, Africa, and Latin America, inadequate purchasing power, lack of effective commercial distribution facilities, costly import requirements and lack of foreign exchange are economic barriers to the flow of such materials. As a result heavily subsidized materials from the Communist world may be the main source of information if for no other reason than they are readily available.

The proposed bill would provide legal authority for financial assistance to exporters, importers, and others to make U.S. materials more readily available in selected foreign countries when it is in the U.S. national interest to do so. It would also revise the method of financing the informational media guaranty program presently authorized by section 1011 of the U.S. Information and Educational Exchange Act of 1948, as amended.

The Bureau of the Budget advises that it has no objection to the submission of this report from the standpoint of the administration's program.

Sincerely,

CARL T. ROWAN,
Director.

EXPLANATION OF PROPOSED LEGISLATION

GENERAL BACKGROUND

The total volume of exports of American informational and educational materials, such as books, periodicals, films and records, is at an all-time high. The gross receipts from these exports have now probably reached a half billion dollars annually.

Nevertheless, there are areas of the world, important to U.S. foreign policy considerations, where the sales of American materials are declining or are nonexistent, or where they are a decreasing percentage of the total imports. There are many reasons, political and economic, why this is the case. The purpose of this legislation is to deal with the economic problems.

One of the persistent economic problems is shortage of foreign exchange or lack of convertibility of the currencies of a number of countries. The informational media guarantee program (IMG), created as a part of the European recovery program in 1948 (authority for which is presently contained in section 1011 of the U.S. Information and Educational Exchange Act of 1948, as amended), was set up to deal with the foreign exchange and convertibility problem. During the years which followed the period of European rehabilitation, IMG has evolved into a program having applicability whenever there is an acute shortage of foreign exchange in a country important to U.S. foreign policy objectives.

Although limited in scale by the resources available, it has, from its inception through June 30, 1963, resulted in the export of more than $71 million worth of American informational materials to 20 dollar-short countries at a cost of less than one-third that amount to the U.S. Government. Without IMG there would have been no American films and publications available in some of these countries during critical periods of the postwar era and in all of them the quantities would have been so small at various times as to have been completely ineffective.

Although IMG has done well the task which was assigned to it, it has limitations which the proposed legislation will correct. In the first place, it contains no authority to solve any of the pressing problems, other than the problem of foreign exchange, which prevent effective commercial distribution of American informational and educational materials in many parts of the world. Second, the revolving fund established by borrowing from the Treasury rather than from appropriations has been subject to criticism as back-door financing and causes difficulty in determining the true cost of the program.

The more persistent and compelling problems, besides shortages of foreign exchange, are: inadequate foreign consumer purchasing power; lack of effective commercial distribution facilities; costly import requirements; inadequate working capital in the hands of importers; and unfamiliarity with American sources. These problems occur in varying combinations in different areas and all of them are either entirely economic in character or such as can be alleviated by economic measures.

Unfortunately some of the most acute problems which American commercial exporters of informational and educational materials are unable to overcome occur in the underdeveloped and newly independent areas where the need for such materials is most critical. These are the areas in which mass education is impossible without outside assistance. They are also the areas which cannot in the foreseeable future become self-sufficient in the production of their own informational and educational materials. Without intervention by the U.S. Government these underdeveloped areas cannot benefit from our experience as a free society and American producers of high quality information and educational materials are deprived of important markets. It is in our own self-interest to find ways to aid our commercial community in exporting the accumulated knowledge and experience which our traditional freedom has given us.

ANALYSIS OF LEGISLATIVE PROPOSAL

The wide disparity between the American standard of living and the standard of living in the developing countries prices many of our informational and educational materials out of the reach of large and important segments of the world's population. The proposed bill provides the mechanism and the basis for financial assistance to make these materials available to them.

The bill would authorize assistance to do the following: (1) Reduce the price of selected publications and other informational and educational materials to impecunious institutions and individual purchasers; and (2) make loans and payments to exporters or importers to enable them to meet extraordinary foreign customs, transportation, or other costs. It would also (3) recodify the authority for convertibility guaranties (presently called informational media guaranties) on an appropriation basis rather than the revolving fund basis presently in effect.

It is anticipated that the Agency will apply the authorities of the bill in varying combinations to different areas of the world depending on the nature of the problem in a particular country and the relative importance of that country to the national interests of the United States. Exacting criteria of eligibility will be applied in selecting the materials which we will support to assure that all such materials contribute to the achievement of U.S. policy objectives.

In general we expect to implement the new authorities primarily through contractual and grant arrangements. When possible and appropriate, a system of fees will be instituted to be paid by contractors for the assistance or services rendered to them.

SECTION-BY-SECTION ANALYSIS

Section 2: The preamble to this section makes the effective date of the act the date on which an appropriation becomes available therefor. In the meantime, the informational media guaranty program, as authorized in the present section 1011 of Public Law 402, remains in full force and effect.

Section 2(a): This section states the general objectives of the bill. It recognizes the link between U.S. foreign policy objectives and the force of ideas as represented by books, periodicals, motion pictures, and other informational and educational materials in the ideological struggle.

Section 2(b): This section includes the bulk of the substantive authorities of the bill. Subsection 2(b) (1) through (3) discussed more fully below, specify the various kinds of assistance which may be provided by the Director through loans, grants, contracts, or otherwise, to facilitate the commercial sale and distribution of American informational materials abroad when he determines such assistance to be appropriate and in the national interest.

Section 2(b)(1): In general, American publications are more expensive than similar publications in the English language published in the U.S.S.R. and the Chinese Peoples' Republic. Moreover, the shipping costs from the United States to many areas of the world are substantially higher than from the other producing areas. Many parts of Latin America, Africa, and Asia are characterized by low standards of living and extremely low money incomes. Yet it is in precisely those low income areas that the pressures for educational and technical advancement and for political enlightenment are greatest, particularly among the students and professional groups from which tomorrow's leaders will emerge. If they do not have access to American materials they must look elsewhere to meet their needs. The heavily subsidized materials from the Communist world become attractive if for no other reason than the fact that they are easily and inexpensively obtainable. Some action must be taken by the U.S. Government to bring our materials within the reach of these groups. This subsection of the proposed bill would authorize such action.

Section 2(b)(2): This subsection authorizes assistance to overcome onerous import requirements which make it financially impossible for American informational materials to be imported and sold in certain areas except on a very limited scale. These requirements include: import duties or other taxes which may be almost confiscatory, advance deposits of as much as several times the expected invoice price of the materials imported, taxes on foreign exchange transactions, arbitrary fees and charges, and other deterrent devices invented from day to day. The proposed subsection would provide authority to deal with some of these more pressing problems which interfere materially with normal commerce in informational and educational materials.

Section 2(b)(3): This subsection simplifies the financing of the informational media guarantee program. The program would be financed through annual, no-year appropriation rather than through borrowing authority and a revolving fund as at present. Countries where IMG is presently active are Poland, Yugoslavia, Indonesia, Pakistan, Korea, Vietnam, Turkey, and Afghanistan. Additional programs are anticipated in Africa and possibly certain Eastern European countries. It is expected that this subsection will result in a continuation of the present IMG program, based on country agreements.

Section 2(c): This section defines "American informational and educational materials" to include tangible and intangible property in any medium of expression. Assistance may be provided for the export and sale of physical items such as publications, programed teaching materials, recordings, video tapes, motion picture films, slides, filmstrips and microfilms as well as rights in and to creative properties such as copyright, licenses to translate and publish, etc.

Section 2(d): This subsection authorizes the Director to establish a schedule of fees for the guarantees or other services authorized in this act. At the present time a fee of 1 percent is charged for informational media guarantee contracts. It is anticipated that a fee of no less than 1 percent will continue to be charged for guarantees or other assistance under this act as appropriate. Where interest-bearing loans are involved the rates of interest will be fixed after consultation with the Treasury Department.

Section 2 (e), (f), and (g): Subsections 2 (e), and (f), and (g) contain technical provisions necessary for an orderly transition from the present IMG operation to the institution of programs under the new act, and to wind up the financial affairs of IMG.

The IMG program is presently financed by a revolving fund created by borrowing from the Treasury. The maximum indebtedness authorized at any one time is $28 million. The revolving fund also receives dollars derived from the sale of IMG foreign currencies by the Treasury.

Subsection 2(e) is necessary in order to provide funds from such sources after the effective date of the act for liquidation of outstanding IMG contracts. IMG contracts normally cover an 18-month period with an optional 6 months' extension. Additional extensions may be granted when necessary to complete collections. Thus the Director may, after the effective date of the act, borrow from the Treasury against outstanding notes or utilize dollars in the IMG revolving fund as necessary to liquidate all obligations incurred under IMG contracts executed before the effective date of the act; i.e., before the date of the first appropriation therefor. The liquidation period during which IMG revolving fund may be used will be limited to 3 years.

Subsection 2(f) is an authorization to the Secretary of the Treasury to cancel the indebtedness incurred by the operations of the IMG program in the course of the past 15 years. While the exact amount of dollars owed on notes issued to or assumed by the Director of the USIA will not be known until the last outstanding IMG contract is liquidated, such indebtedness will be reduced by the amount of dollars then available in the IMG revolving fund.

Subsection 2(g) requires the transfer to the Treasury of foreign currencies cumulatively derived from IMG conversions. However, foreign currencies purchased under the agreement with Indonesia, and under the agreement with Pakistan prior to its amendment in April of 1963, must be used, under the terms of these agreements, for scientific, educational and cultural programs agreed to by both governments. Therefore, this subsection contains a savings clause which recognizes the restricted availability of such currencies. Dollars resulting from the sale by Treasury of any IMG foreign currencies after the effective date of this act will be deposited to the general account of the Treasury rather than continuing to be available for the issuance of additional IMG contracts.

Section 2(h): This subsection changes the financing of the convertibility program from a revolving fund to a straight appropriation basis. It also requires that all revenues, whether foreign currencies or dollars received from the operations of the new programs, must be transferred to the Treasury. The section does provide, however, that the Congress may appropriate such foreign currencies for financing programs as may be mutually agreed upon between the United States and a particular foreign country in implementation of international agreements between the two countries referred to in the discussion under section 2(g), above.

Section 2(i): This section contains the standard language regularly included in legislation in order to provide a legal basis for regulations issued by an agency head in implementation of the legislation.

Section 2(j): This subsection authorizes the transfer to the USIA of funds from other government agencies when such transferring agency has appropriations made available to it for activities which further the purposes of this act. Such transfers of funds are authorized generally by the provisions of 31 United States Code 686. The proposed subsection also includes technical language which permits the expenditure of funds so transferred in accordance with authority available to the transferring agency as well as in accordance with authority available to USIA.

Section 2(k): This subsection authorizes the Director to accept contributions of funds, property, and services, to be utilized to carry out the purposes of the act. Authority for receipt of contributions of funds and services will permit the active participation of industry, foundations, educational institutions and private citizens in carrying out the objectives of this act. Similar authority is presently included in section 105(f) of the Mutual Educational and Cultural Exchange Act of 1961.

Section 3: This section authorizes appropriations to be made for carrying out the purposes of the act without fiscal year limitations. The successful application of the authorities contained in sections 2(b)(1), 2(b)(2), and 2(b)(3) depends upon the utilization of normal commercial channels in accordance with normal commercial practices. Business negotiations by U.S. exporters with foreign importers frequently involve commitments which cannot be carried out within the U.S. Government's fiscal year. It is in the national interest of the United States to be able to arrange with American producers and exporters of the types of materials selected for support under the proposed authorities for delivery of such materials in an orderly fashion under the most favorable terms possible. In many instances this will require periods of more than a year and may overlap as many as 3 fiscal years. Unless the U.S. Government can make advance commitments to exporters which will not automatically be negated by the passing of the fiscal year the exporters may be deprived of opportunities to make advantageous (i.e., advantageous to the U.S. Government) arrangements with foreign importers. IMG contracts under the existing section 1011 are generally for an 18-month period with an optional 6-month extension. Since the present revolving fund authority is being repealed, it will be particularly important to provide a basis for appropriations without a 1-year limitation.

PLANNED APPLICATION OF AUTHORITIES AND ESTIMATED COST

The general authorities contained in the proposed legislation will afford substantial flexibility in their application to situations around the world. It is intended that the authorities will be used on a selective basis to achieve maximum program impact in politically crucial areas. The application of the authorities will not conform to a rigid pattern but will vary from country to country and from time to time, just as the present IMG program has been tailored to the needs of the time and the place.

A review of the history of IMG discloses that in the 12 countries in which the program formerly operated the duration ranged from 1½ to 10 years. In the eight countries in which it operates at present, one program goes back to June 1952 while the most recently initiated program did not begin until 1962.

Since the nature, the magnitude, and the areas of the problems change rapidly, a degree of flexibility is essential. Consequently it can be expected that there may be substantial fluctuations in the budget level. To a degree the budgetary fluctuations in the IMG program have been minimized through use of the revolving fund method of financing.

At the outset, it is expected that the new authorities (i.e., authorities other than the authority to guarantee convertibility) will be employed in those countries where the problems are most acute and where the long-range national interest of the United States is best served by increasing the availability of American informational and educational materials. In all probability this will mean selected countries in Latin America, Africa, and Asia. Convertibility guaranties will be employed in Eastern Europe and in crucial countries of the free world area where the principal (or possibly the only) problem is shortage of foreign exchange. The authority may be used separately or in conjunction with other authorities contained in the proposed bill.

Since all proceeds, both dollars and foreign currencies, which are generated by programs carried out under the proposed authorities will revert to the Treasury and not be available for obligation, it follows that the appropriations required will be substantially greater than under the revolving fund arrangement. It is estimated that the obligational authority required to make optimum use of the proposed statutory authority in the selected countries will average approximately $8 million per year over the first 5-year period. This estimate, of course, has been formulated on the basis of world political and economic conditions as they can be projected at the moment. Probably the requirements for the first year's obligational authority will be somewhat less than the annual average, depending upon the point in the appropriation cycle at which the new authorities become effective.

As the programs mature (perhaps before the end of the second year) some of the obligations will be canceled without disbursement of funds. Under a no-year appropriation, the funds released will be available for reobligation and will thus reduce slightly the new obligational authority required in subsequent years. There is not sufficient relevant experience on which to base a reasonably accurate estimate of the amount to be expected, but it is possible that at the $8 million level it may be as much as $½ million.

At present it appears that the $8 million annual obligational requirement will break down as follows:

Section 2(b) (1), $1,500,000.
Section 2(b) (2), $1,000,000.
Section 2(b) (3), $5,500,000.

As the contracts, commitments and loans expire or are liquidated, the returns to the Treasury from all sources are expected to be more than two-thirds of the obligations.

Section 2(b) (1) programs will involve subsidy payments, hence the estimated requirements will be in the form of out-of-pocket costs with no funds being recovered. Section 2(b) (2) programs will include, in addition to certain out-of-pocket costs, some loans and guarantees. The loans will be repaid with interest and a portion of the guarantee obligations will result in the collection of fees and the acquisition of foreign currencies. Some of these foreign currency transactions will result in losses to the U.S. Government through rate differentials.

Two additional positions will be required to exercise the new authorities effectively. The estimated annual salaries of these positions will be $7,030 and $9,980.

EXORBITANT INTEREST RATES EXPOSED IN COLLEGE LOAN PROGRAMS

Mr. DOUGLAS. Mr. President, in my opinion the Senate is indebted to the senior Senator from Indiana, Senator HARTKE, for exposing the fact that many parents—unknowingly I am sure—end up paying exorbitant interest rates for "education" loans to send their children to college.

Last Tuesday, the Senator from Indiana [Mr. HARTKE] placed in the RECORD—pages 3461–3466—tables exposing the exorbitant interest rates charged on educational loans by many private lenders. I believe that Senator HARTKE has performed a valuable public service in bringing to the attention of the Senate Labor and Public Welfare Committee the unpleasant facts about credit charges and interest rates assessed by private lenders for loans for educational purposes. In his testimony before that committee Senator HARTKE said:

> While interest under—various State—plans ranges from 3 percent in Wisconsin to 6 percent in some States, the tabulation shows that student loan plans sponsored by individual large banks run to a true interest rate ranging around 11 to 12 percent. But the shocking development, one which shows the strength of the demand for commercial loans at even the most highly unfavorable rates, is the way in which the largest finance companies have moved into the field with their own incorporated high-rate plans, plans which in many cases are trusted by the borrowers and unknowingly recommended by college authorities without realization of their ownership or usurious terms. One of these is Education Funds, Inc., of Providence, R.I., a subsidiary of Household Finance Corp. As the chart shows, under its three repayment plans, with loans ranging up to $14,000, the equivalent interest rate runs to approximately 25, 36, and 55 percent.

These interest charges for education loans are almost incredible. I feel confident that most parents who borrowed money under these plans were never told what the true annual interest rate was that they were paying. The extensive hearings that the Production and Stabilization Subcommittee of the Senate Banking and Currency Committee has held on S. 750, the truth-in-lending bill have clearly demonstrated that the average borrower is either unaware or misinformed about the annual interest rate he is paying on installment loans. Many lenders who are opposed to our truth-in-lending bill, which would require disclosure of the true annual interest rates on credit transactions, have repeatedly claimed that the borrowers are already well informed about interest rates and credit costs. I defy any one to determine which one of the credit plans is the "best buy" for parents seeking to put their children through college unless they know what the interest rate is that is being charged for various educational loan plans so that they may compare plans and choose the one that involves a minimum cost.

Moreover, I am astonished at the high rates charged even by those institutions which proudly proclaim that they are low cost lenders. Let me read off again some of the typical examples of educational loan plans and the interest rates that are charged.

A commercial bank in Allentown, Pa., offers to lend $1,250 every semester for which they will charge an annual interest rate of 11.12 percent.

A bank in Winston-Salem, N.C.—one of the largest banks in the southeastern region offers to lend $500 a semester at an annual interest rate of 12.36 percent.

A Wheeling, W. Va., commercial bank also offers to lend $500 a semester at an annual interest rate of 10.94 percent.

The largest bank in the State of California offers to lend $500 a semester at interest rates ranging from 10.62 percent to 13.17 percent.

A large bank in Cleveland, Ohio, will lend $750 a semester at 11.06 percent.

Other banks in Rochester, N.Y.; St. Louis, Mo.; Indianapolis, Ind.; and Philadelphia, Pa., charge anywhere from 8.29 to over 14 percent for education loans.

Although these interest rates are high—well above interest rates charged by many banks on new cars and home repairs, these rates are nevertheless very modest compared to those charged by finance and small loan companies for educational loans. I notice that these small loan and finance companies have established subsidiaries with philanthropic-sounding names to make educational loans. For instance, there is Education Funds, Inc., which is a subsidiary of Household Finance Corp.—a company by the way, which saturates television with advertising urging us to "borrow confidently at HFC." They do not tell us that this confidence is going to cost us anywhere from a 26-percent to over 54-percent annual interest rate for the privilege of borrowing money to finance a college education. Another company, The Tuition Plan, Inc., is a subsidiary of CIT Finance Corp., and according to the charts inserted in the RECORD by Senator HARTKE, their educational loans can cost anywhere from a true annual interest rate of 23 percent up to 60 percent.

Mr. President, until the Congress enacts the truth-in-lending bill, parents who borrow money to send their children to college will find it very difficult to borrow money for these purposes with any certainty that the educational loan program that they select is reasonable and moderate in cost. Since parents do not now have the protection of adequate laws requiring the full disclosure of the costs of consumer credit, I believe that the educational institutions which are cooperating with private lenders must take the lead in protecting their students and the students' parents against exorbitant interest rates for educational loans.

I know that there will be moans of despair.

We will be told that making these large loans is a risky business.

We will be told that it is expensive to administer these private loan programs.

However, I cannot believe that the risks or costs involved justify a much higher interest rate on educational loans than on automobile and home repair loans. Moreover, over 30 State banking associations now participate in the United Student Aid Fund—USAF—which limits the interest charged for these loans to no more than a 6-percent true annual rate.

Unfortunately, as Senator HARTKE pointed out in his testimony before the Labor Committee, apparently some colleges are participating in and cooperating with those lenders who are charging exorbitant interest rates. Although we cannot compel these educational institutions to protect the interests of their students and the student's parents, there are other steps we can take to help stamp out exorbitant interest rates on educational loans.

I now introduce legislation in the form of an amendment to the basic National Defense Education Loan Act which would provide that no educational institution which is participating in the National Defense Education Loan Act may also participate in or cooperate with any private educational loan program which is charging the student or parents an interest rate over more than 9 percent per annum per year inclusive of all costs incident to make a loan.

This seems to be the very least we can do—to bar any educational institution from the benefits of the National Defense Education Act program which is also encouraging or participating in any of these high cost loan programs that Senator HARTKE has exposed. This amendment would have the beneficial effect of encouraging educational institutions to cooperate with those lenders offering low cost educational loan programs and it would impel the educational institution to look after the interest of their students and their student's parents. All I ask by this proposed legislation is that colleges which are receiving benefits under the National Defense Education Act program also exercise a minimum of sound business discretion to protect students and parents against unreasonable and exorbitant charges for these loans.

I also want to praise Mr. William Steif of the Scripps-Howard service for bringing this evidence of high interest rates in educational loans to the attention of the American public.

I think it is only fair to praise those plans which provide loan funds for a college education at a modest interest cost. I think it is only proper to commend those agencies, both public and private, who have done so much to help assist parents by providing loan funds at reasonable cost.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2591) to amend title II of the National Defense Education Act of 1958 with respect to the conditions of agreements with institutions of higher education participating in the loan program under the provisions of such title, introduced by Mr. DOUGLAS, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 204 of the National Defense Education Act of 1958 amended (1) by striking out the word "and" following the semicolon in clause (4); (2) by redesignating clause (5) as clause (6); and (3) by inserting before such clause a new clause as follows:

"(5) provide that such institution will not participate in, or actively cooperate with, any other program or plan for loans to finance the education of students the cost of which is more than a true annual interest rate on the periodic unpaid balance of 9 per centum, inclusive of all costs incident to making the loan; and".

AGRICULTURAL ACT OF 1964—AMENDMENTS

AMENDMENT NO. 452

Mr. JAVITS. Mr. President, I submit, on behalf of myself and Senators KEATING and TOWER, an amendment to H.R. 6136 for the establishment of a commission on revision of Federal agricultural laws and programs.

I point out that the Senator from Minnesota [Mr. HUMPHREY] submitted an amendment somewhat similar to this one, last night.

This amendment, which takes the form of legislation which I previously introduced in the 87th Congress as Senate Joint Resolution 238 and in the 88th Congress as Senate Joint Resolution 152, calls for Federal revision of existing agricultural laws for the purpose of taking a new and much needed fresh look at our present agricultural programs and objectives.

In accord with this intent, I would like to mention that the New York Times of March 3, 1964, in an editorial entitled "Wooing the Farm Bloc" urged the administration and the Congress to take a fresh look at our agricultural programs. I am hopeful that just such a review will be carried out if this amendment is adopted.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

AMENDMENT NO. 453

Mr. DOMINICK submitted an amendment, intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENTS NOS. 454, 455, 456, 457

Mr. WILLIAMS of New Jersey submitted four amendments (Nos. 454, 455, 456, and 457), intended to be proposed by him, to House bill 6196, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 461

Mr. WILLIAMS of Delaware submitted an amendment (No. 461), intended to be proposed by him, to House bill 6196, supra, which was ordered to lie on the table and to be printed.

HOUSING ACT OF 1964—AMENDMENTS (AMENDMENTS NOS. 458, 459, AND 460)

Mr. JAVITS. Mr. President, I send to the desk, for reference to the Banking and Currency Committee, three amendments to the Housing Act of 1964, the omnibus administration housing bill which is presently pending before our committee, S. 2468.

The first amendment would establish a Federal Limited Profit Mortgage Corporation, financed by tax-free bond issues on the money market, to underwrite limited-profit, middle-income housing at a cost within the reach of families earning between $5,000 and $8,000. This would create a parallel on the Federal level of the successful New York State Mitchell-Lama program, which has been in effect since 1956, and as expanded under Gov. Nelson A. Rockefeller's administration to a total authorization of $1,150,000,000 and through the New York State Housing Finance Agency, has completed or has underway some 61 projects consisting of over 30,000 apartments.

The middle-income housing plan which the Congress adopted in 1961 has so far been little used, but the need for housing for this income bracket in the urban centers has become increasingly desperate. Our urban centers are tending to become the homes of only the extremes of wealth and poverty, and the suburban commuter is forced to use transportation facilities that are becoming more and more impossible. What the Congress has done in the past and what it is now being asked to do, has not and will not reverse this process or even slow it down significantly.

The second amendment would help to relieve the great pressure on available urban space for residential development. In the search for better ways to use urban space, Governor Rockefeller has pioneered with the use of air rights sites over railroad rights-of-way, bridge and tunnel entrances, subway storage yards and highways, for middle-income housing. A committee which he appointed has concluded that, with the kind of Federal support which is available now in the urban renewal matching grant formula, the development of such sites is feasible. Federal law should provide the incentive for this development, and the amendment would make it clear that air rights are eligible urban renewal sites.

The third amendment would expand relocation assistance to small businesses which are forced to move out of an urban renewal site, a problem which I have long sought to resolve. In the 1961 Housing Act the preexisting $3,000 limit on moving expenses was removed, but experience to date indicates that many of the smallest businesses in such areas, the small retail shops, for example, have such small inventories that their moving expenses are not significant to their survival. What is crucial to their survival is the good will built up over years of continued operation in the same neighborhood location.

S. 3808, which I introduced in the 87th Congress, would have allowed to such businesses one-half of their average annual net taxable income during the preceding 3-year period, with a maximum allowance of $7,500. To be eligible for such assistance the business would have had to have been continuously located in that area for 3 consecutive years. The administration bill recognizes the need for such payments by allowing in section 114(b) an additional payment of $1,000 upon displacement and a further $1,500 if the business has not been reestablished within 1 year following displacement.

I believe these amounts are far too low to achieve their purpose or to do justice in given situations, and conditioning the further amount on nonrelocation seems to me to be a possibly counterproductive incentive to going out of business rather than moving to a new location. My third amendment would substitute the substance of S. 3808 for the administration's recommendation.

I ask unanimous consent that each of the amendments be printed in the REC-

ORD, along with a report relating to the air rights amendment from the Housing and Home Finance Administrator.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed, and appropriately referred; and, without objection, the amendments and report will be printed in the RECORD.

The amendments were referred to the Committee on Banking and Currency, as follows:

AMENDMENT No. 458

On page 91, between lines 9 and 10, insert a new title as follows:

"TITLE IX—FEDERAL LIMITED PROFIT MORTGAGE CORPORATION

"Findings

"SEC. 901. (a) While the Congress, in the declaration of national housing policy set forth in the Housing Act of 1949, established the goal of a decent home and a suitable living environment for every American family, experience has demonstrated that this goal is not being met or even approached for the millions of American families whose incomes are too high for admission to low-rent public housing but too low to afford the range of sales prices and rents required for satisfactory new private housing being produced under the existing Federal programs of assistance to private enterprise in housing. Therefore, to further implement the declaration of national housing policy, and consistent with the provision thereof that governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total housing need, the Congress hereby determines that there is an urgent need for a supplementary system of housing finance to enable private enterprise to provide homes of sound standards of design and construction for families of moderate income and for elderly persons.

"(b) The Congress further determines that there are means available to State and local governments to further assist private enterprise to meet this need at little or no direct cost to such governments by (1) granting exemptions, in whole or in part, from taxation on the increased value of real property, (2) assisting in the assembling of sites through the use of the power of condemnation and eminent domain, and (3) promoting the use of sites, cleared under the slum clearance and urban renewal provisions of the Housing Act of 1949, as amended, for such housing. While not making such assistance mandatory, it is the sense of the Congress that such assistance should be given to housing constructed under this title.

"Purpose

"SEC. 902. The purpose of this title is to provide satisfactory housing in well-planned, economically sound residential neighborhoods for families of moderate income and elderly persons whose needs are not now being served through existing programs of assistance to private and public enterprise, and to accomplish this purpose, this title makes financial assistance available to eligible borrowers for the provision of housing of sound design and construction which will promote such economies as will be fully reflected in reduced rents or charges.

"Creation and powers of Federal limited profit mortgage corporation

"SEC. 903. (a) To effectuate the purpose of this title, there is hereby created a body corporate to be known as the 'Federal Limited Profit Mortgage Corporation' (hereinafter referred to as the 'Corporation') with authority, as herein provided, to make and service loans, issue obligations in such amounts, at such times, and on such terms as the Corporation may determine, and to exercise the other powers and duties prescribed in this title. In the performance of, and with respect to, the functions, powers, and duties vested in it by this title, the Corporation, notwithstanding the provisions of any other law, may—

"(1) adopt and use a corporate seal;

"(2) sue or be sued in any Federal, State, or local court of competent jurisdiction;

"(3) enter into contracts, subject to section 3709 of the Revised Statutes, and make advance, progress, or other payments with respect to such contracts without regard to the provisions of section 3648 of the Revised Statutes, and include in any contract or instrument made pursuant to this title such other provisions as the Corporation deems necessary to assure that the purposes of this title will be achieved;

"(4) foreclose on any property or take any action to protect or enforce any right conferred upon it by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any project or part thereof in connection with which it has made a loan pursuant to this title;

"(5) pay all expenses or charges in connection with, and deal with, complete, reconstruct, improve, rent, manage, make contracts for the management of, or establish suitable agencies for the management of, or sell for cash or credit, or lease in its discretion, in whole or in part, any project acquired pursuant to this title and to pursue to final collection by way of compromise or otherwise all claims acquired by, or assigned or transferred to, it in connection with the acquisition or disposal of any housing project pursuant to this title, notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real or personal property: *Provided*, That any such acquisition of real property shall not deprive the State or any political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under State or local laws of the inhabitants on such property;

"(6) acquire, hold, sell, or exchange at public or private sale, or lease, or otherwise dispose of, real or personal property, and sell or exchange any securities or obligations;

"(7) subject to the specific limitations in this title, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, or any other term, of any contract or agreement to which it is a party or which has been transferred to it pursuant to this title;

"(8) utilize and act through, subject to section 3709 of the Revised Statutes, any Federal, State, or local public agency or instrumentality, or nonprofit agency or organization, with the consent of the agency or organization concerned, and contract with any such agency, instrumentality, or organization for the furnishing of any services or facilities; and may make advance, progress, or other payments with respect to such contracts without regard to the provisions of section 3648 of the Revised Statutes;

"(9) enter into contracts with any approved mortgagee of the Federal Housing Administration to service loans made by such institutions;

"(10) have succession in its corporate name; and

"(11) do all things which are necessary or incidental to the proper management of its affairs and the proper conduct of its business.

"(b) The Corporation may determine the necessity for and the character of its obligations and expenditures and the manner in which they shall be incurred, allowed, and accounted for. The business of the Corporation shall not be considered official business of the United States within the meaning of any statute permitting the free use of the United States mails.

"(c) The Corporation may make available to eligible borrowers technical and other assistance which they may require in the initiation, development, and administration of their project.

"Board of directors

"SEC. 904. (a) The management of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the "Board") consisting of five persons, one of whom shall be the Housing and Home Finance Administrator as Chairman of the Board, and four of whom shall be appointed by the Administrator from among the officers or employees of the Corporation, of the immediate office of the Administrator, or (with the consent of the head of such department or agency) of any other department or agency of the Federal Government. The Board shall meet at the call of its Chairman, who shall require it to meet not less than once each month. Within the limitations of law, the Board shall determine the general policies which shall govern the operations of the Corporation. The Board shall select and effect the appointment of a qualified person to fill the office of President of the Corporation. The basic rate of compensation of the position of President of the Corporation shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency. The Board shall select, employ, appoint, and fix the compensation of such other officers and employees as may be necessary to carry out the duties of the Corporation, without regard to the provisions of law applicable to the employment, compensation, leave, or expenses of officers and employees of the United States; except that the rates of basic compensation of such officers and employees shall be comparable to those established for officers and employees under the Classification Act of 1949, as amended. The members of the Board, as such, shall not receive compensation for their services.

"(b) The Board shall supervise the Corporation, shall perform the other duties prescribed herein, and shall have the power to adopt, amend, and require the observance of such rules, regulations, and orders as shall be necessary from time to time for carrying out the purposes of this title and for coordinating the activities of the Corporation with the housing functions and activities administered within the Housing and Home Finance Agency, or any of its constituent agencies, and with the general economic and fiscal policies of the Government, and in carrying out these responsibilities the Board shall consult with the Advisory Committee established under subsection (c) of this section. In the performance of, and with respect to, the functions, power, and duties vested in it by this title, the Board, notwithstanding the provisions of any other law, may exercise any of the powers enumerated in the second sentence of section 903(a) of this title and shall—

"(1) estimate the need for housing for moderate-income families and elderly persons in each housing market area of the country and allocate and reallocate to each area its appropriate share of the loan funds authorized by this title;

"(2) delegate, in its discretion, any of the functions, powers, and duties vested in it by this title to any officers or employees under its direction and supervision;

"(3) take such steps as it deems necessary and desirable to assure that the benefits of this program are not dissipated through speculative devices, to assure that the organization of any corporate borrower and its proposed methods of operation are such as will avoid its use for speculative purposes or the payment of excessive fees, salaries, or charges in connection with any housing project, and to encourage borrowers to adopt methods by which occupants of dwellings may be permitted to reduce their rentals or other occupancy charges by occupant maintenance and repair or other means of self-help and methods whereby they may acquire (subject to the right of a cooperative to repurchase) ownership of their individual dwellings where such dwellings are free standing; and

"(4) make an annual report to the President of the United States for transmission to the Congress, to be submitted as soon as practicable following the close of the year for which such report is made.

"(c)(1) An advisory committee shall be appointed by the Board to consist of seven members. In appointing such members the Board shall seek to obtain persons whose knowledge and experience in one or more of the fields of State or local government, the building of rental and cooperative housing projects, or the promotion or development of such projects, would be of assistance in the administration of the program authorized by this title. From the members appointed to such committee the Board shall designate a chairman. The committee shall meet on the call of the Board which shall be not less than twice during each calendar year.

"(2) Members of the advisory committee shall be entitled to receive compensation at a rate to be fixed by the Board, but not exceeding $50 per diem, and shall be entitled to receive an allowance for actual and necessary traveling and subsistence expenses, while attending meetings of the committee or otherwise serving at the request of the Board.

"Capital stock

"SEC. 905. (a) The Corporation may issue capital stock from time to time which shall be subscribed for by the Secretary of the Treasury on behalf of the United States, and payments for such subscriptions shall be subject to call in whole or in part by the Corporation: *Provided,* That the total amount of such stock subscribed for and held by the Secretary of the Treasury at any time shall not exceed $100,000,000. Stock held by the Secretary of the Treasury shall be entitled to cumulative dividends for each year equal to a return on the average amount, at par, of such stock outstanding during such fiscal year at a rate determined by the Secretary of the Treasury, taking into consideration the current average interest rate on outstanding marketable obligations of the United States as of the last day of the sixth month of such fiscal year. The Corporation shall issue to the Secretary of the Treasury receipts for payments by him for or on account of such stock, and such receipts shall be evidence of the stock ownership of the United States. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amounts necessary to enable the Secretary of the Treasury to make payments on such stock when called. Such stock or any part thereof may be retired at any time by the Corporation.

"(b) The assets of the Corporation, upon any liquidation, shall be used to retire all outstanding stock at par, to pay any accrued dividends, and to retire, pay, or settle all outstanding obligations. Any residue shall be covered into the Treasury as miscellaneous receipts.

"Mortgage loans

"SEC. 906. (a) To assist the production of housing of sound standards of design, construction, livability, and size for adequate family life available for families of moderate income, and for elderly persons, the Corporation, upon application of an eligible borrower (as defined in section 910(b)) and subject to the terms and conditions of this title, may make a mortgage loan (including advances during the development of the housing project) to such borrower, or enter into commitments to purchase or repurchase loans to finance the development of a housing project to be undertaken by such borrower. No such loan shall be made unless—

"(1) The Corporation shall have determined that—

"(A) the borrower is an eligible borrower of the character described in section 910(b) hereof and that, in the case of a nonprofit cooperative ownership housing corporation, the membership thereof is comprised predominantly of families of moderate income, or elderly persons (or both) or that, in the case of a borrower other than a nonprofit cooperative ownership housing corporation, the dwellings in such housing project are to be made available to families of moderate income or elderly persons;

"(B) the proposed housing project will meet a need for housing of families of moderate income or elderly persons;

"(C) the location and physical planning of the housing project will afford reasonable assurance as to the stability of the neighborhood, and the dwellings in the housing project will meet sound standards of design, construction, livability, and size for adequate family life or for elderly persons; and

"(D) the housing project will not be of elaborate or extravagant design or construction, and such design and construction and the proposed methods of construction and of operation and maintenance are such as will promote such economies as are contemplated to be achieved through the nonprofit character of the borrower, increased efficiency in production through the use of new or improved materials and techniques and methods of construction or otherwise, increased efficiency in operation and management, minimum necessary operating services, occupant maintenance, or otherwise; and

"(2) the borrower shall have agreed with the Corporation—

"(A) not to incur or pay any excessive fees, salaries, or charges in connection with the housing project;

"(B) to establish an initial schedule of rents or charges for the dwellings in the housing project which will permit such dwellings to be made available for families of moderate income, or for elderly persons, and such initial schedule of rents or charges and all revisions thereof shall be subject to the prior approval of the Corporation: *Provided,* That the Corporation shall not approve any initial schedule of rents or charges unless the Board has certified (i) that such rents or charges will permit the dwellings to be made available for families of moderate income or for elderly persons, and (ii) that such schedule is consistent, insofar as applicable, with the requirements of paragraph (2)(E) of this section, and reflects any savings derived by the borrower under any tax exemption which may have been obtained by such borrower in accordance with the proviso to section 912 of this title;

"(C) to give preference in the selection of tenants for the housing project (as among eligible applicants) first, to families displaced by public clearance or enforcement action; second, to families living in substandard homes; and, third, to families living in overcrowded homes, veterans to have preference in each category: *Provided,* That in respect to dwelling units specifically designed and designated for elderly persons, such persons shall have a preference for the tenancy of such housing, without regard to the foregoing preferences;

"(D) to maintain the housing project, including all equipment therein, and all appurtenances thereto, in good condition throughout the life of the mortgage loan, and to establish and maintain adequate reserves for repairs, maintenance, and replacements necessary to so maintain such housing project;

"(E) to pay dividends, if the borrower is a corporation of the character described in clause (2)(i) of section 910(b) of this title, at a rate which is not in excess of 6 per centum per annum: *Provided,* That if in any year the Corporation is unable to pay dividends at the rate agreed to hereunder, dividends may be paid out of surplus earned in any subsequent year at a rate in excess of that agreed to but only to the extent necessary to give stockholders a return on their investment (not including any allowance for interest) equal to that which they would have received if dividends had been paid consecutively at the approved rate; and

"(F) to comply with such other terms and conditions as the Corporation finds, prior to the mortgage loan, are necessary or desirable to carry out the purpose of this title.

"(b) The mortgage loan shall involve a principle obligation in an amount (1) not exceeding 90 per centum of the development cost (as defined in section 910(e)) of the housing project as determined by the Corporation, and (2) not exceeding 90 per centum of such amount as the Corporation shall have determined to be the maximum within which the project must be constructed in order that it may be made available for families of moderate income at rentals or charges within their means. No loan shall be made unless the mortgagor has agreed to certify the cost in the manner provided by section 227 of the National Housing Act for Federal Housing Administration mortgage insurance.

"(c)(1) If a mortgage loan made under this title to any eligible borrower involves a principal obligation which is less than that authorized under subsection (b) of this section, and the borrower proposes to raise additional funds through sources other than the Corporation to be secured through insured or guaranteed mortgages, debentures, bonds, or otherwise, the total mortgage loan and such other borrowing shall not exceed in the aggregate the maximum principal obligation authorized under subsection (b), and the rights of the Corporation under any such mortgage loan shall not be subordinate to the rights of any other creditor supplying such additional funds. The provisions of this title shall apply to any project financed in whole or in part by the Corporation.

"(2) A mortgage loan may be made under the provisions of this title to an eligible borrower involving a principal obligation which is less than that authorized under subsection (b) of this section, to represent part of the obligation secured by a single mortgage with equal priorities, when the remainder of the funds obligated under such single mortgage are secured from State or local government funds, and the total mortgage loan and any other borrowing under the provisions of paragraph (1) of this subsection does not exceed in the aggregate the maximum principal obligation authorized under subsection (b) of this section.

"(d) The mortgage loan shall provide for complete amortization within a period of fifty years by periodic payments upon such terms, including a program providing for level payments of principal and interest, as the Corporation shall prescribe, and shall bear interest, on the amount of the principal obligation of such mortgage loan outstanding at any time, at a fixed rate, based on the cost of the Corporation of capital investment and borrowings from the private market, plus one-half of 1 per centum to compensate the Corporation for its estimated overhead and administrative expenses in connection with such loan and for proportionate payments to required reserves. In the event of the refinancing of the loan (within such period as the Corporation shall prescribe), if the cost to the Corporation of capital investment and borrowings from the private market makes necessary an increase in the rate of interest which, pursuant to this subsection, the Corporation is required to charge on the mortgage loan, the amortization period may be extended to a date not later than sixty years after the date of the original mortgage: *Provided,* That no such extension shall be made unless the Corporation determines that the increase otherwise resulting in the rents or charges for the dwellings in the housing project would adversely affect the stability of such housing project. The mortgage loan may, in the discretion of the Corporation, include provision for the deferment of payments of principal and interest thereunder: *Provided further,* That such deferments shall not in the aggregate result in an extension of the maturity of the mortgage for a period of more than three years nor shall any such deferments result in an extension of the maturity of the mortgage for more than three years beyond the mortgage maturity otherwise authorized herein.

"(e) Subject to the provisions of this section, the mortgage loan shall be in such form, contain such provision as to security, repayment, and redemption, and be subject to such other terms and conditions as the Corporation may determine: *Provided,* That in the case of a borrower of the character described in section 910(b)(1), the mortgage loan shall contain provisions requiring that such borrower have, to the extent permitted by State and local law, a priority for the purchase of the interest of each of its members in the dwelling of such member in the event of sale of such interest.

"(f) The borrower may, with the consent of the Corporation, pledge the contract or commitment of the Corporation to make a mortgage loan hereunder as security for a loan of construction funds from other sources.

"(g) The Corporation may charge to the borrower (in addition to any interest charges) an amount not exceeding one-half of 1 per centum of the principal amount of the mortgage loan for inspection and other services during the construction of any housing project. The Corporation may also charge to an applicant for a mortgage loan under this title a reasonable fee for the cost of processing applications, which shall be payable by the applicant whether or not such application is approved. If the borrower proposes to raise additional funds through sources other than the Corporation to be secured through insured or guaranteed mortgages, debentures, bonds, or otherwise, the inspection charge herein authorized shall be computed on the total amount borrowed from the Corporation and such other sources for the construction of such project. Such service charges may be included as a part of the development cost of the project and may be payable from the proceeds of any mortgage loan or advances thereon.

"(h)(1) Each recipient of a mortgage loan under this section shall keep such records as the Corporation shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such mortgage loan, the total cost of the housing project in connection with which such loan is made, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Corporation and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the eligible borrowers that are pertinent to mortgage loans received under this section.

"(i) In any State where a State or local agency has been created pursuant to State law to supervise the operation of a housing program found by the Corporation to be substantially similar to the provisions of this title, the Corporation shall, whenever possible, enter into an agreement with such agency for the supervision and administration by such agency of the mortgage loans made under the provisions of this section, in order to prevent duplication of functions, and to achieve administrative economies and coordination between the program established under this title and any State or local programs established to deal with the needs of middle income families and aged persons, but any such agreement shall provide that the Corporation may terminate the agreement upon reasonable notice, whenever it determines such action to be necessary or desirable.

"(j) If a local agency has been designated pursuant to the provisions of subsection (i) of this section, mortgage loans under this section shall be limited to borrowers organized or approved with the consent of the local agency pursuant to the provisions of applicable State law.

"(k) After the expiration of twenty years from the date of the original mortgage loan under the provisions of this section, a borrower may relieve itself of further supervisions by the Corporation or any agency designated under the provisions of subsection (i) of this section, upon repayment of the mortgage loan and of such portion of the value of tax abatement as may have been granted it by any State or local government and to which such government does not at such time waive the rights of repayment.

"Obligations of Corporation

"SEC. 907. (a) The Corporation is authorized to issue and have outstanding on and after July 1, 1964, notes or other obligations in an aggregate annual amount not to exceed $500,000,000 except that with the approval of the President such aggregate annual amount may be increased at any time or times on or after July 1, 1965, by additional amounts aggregating not more than $1,500,000,000 upon a determination by the President, taking into account the general effect of any such increase upon conditions in the building industry and upon the national economy, that such increase is in the public interest: *Provided,* That the aggregate amount outstanding at any one time shall not exceed the unpaid principal of mortgage loans contracted for or held by it under this title (without regard to amounts of prior advances on such loans), plus the value (as determined by the Corporation) of any acquired properties, the amount of its cash on hand and on deposit, and the amount of its investments authorized herein: *Provided further,* That the interest on obligations issued by the Corporation under this section shall not exceed a rate of 4 per centum per annum.

"(b) The failure of the Corporation to make any payment due under or provided to be paid by the terms of any note or other obligation issued by the Corporation pursuant to subsection (a) of this section shall be considered a default under such note or other obligation, and, if such default continues for a period of thirty days, the holder of such note or obligation shall be entitled to receive debentures (in principal amount equal to the unpaid principal of the defaulted note or other obligation of the Corporation plus any interest due and unpaid on such note or other obligation), as hereinafter provided, upon assignment, transfer, and delivery to the Corporation, within a period and in accordance with rules and regulations to be prescribed by the Corporation, of the note or other obligation in default. Debentures issued under this subsection shall be executed in the name of the Corporation as obligor, shall be signed by the Chairman of the Board by either his written or engraved signature, and shall be negotiable. Such debentures shall bear interest at a rate determined by the Corporation, with the approval of the Secretary of the Treasury, at the time the defaulted note or other obligation of the Corporation was issued, but not to exceed the rate of interest applicable to the defaulted note or other obligation, or the going Federal rate, whichever is the lower, payable semiannually on the 1st day of January and on the 1st day of July of each year, and shall mature three years after the 1st day of July following the maturity date of the defaulted note or other obligation of the Corporation in exchange for which such debentures were issued. Such debentures shall be paid out of the Insurance Fund or out of any funds of the Corporation, and shall be secured at all times by a first lien on collateral, consisting of outstanding and undefaulted mortgage loans made by the Corporation, duly deposited and maintained under a trust arrangement, in a total principal amount of not less than 110 per centum of the face value of such debentures. Each such debenture shall contain, in such form as the Board shall prescribe, a recital of the nature and scope of the obligation of the Corporation in the event of a default. Debentures issued under this subsection (b) shall be in such form and denominations in multiples of $50, shall be subject to such terms and conditions, and shall include such provisions for redemption, if any, as may be prescribed by the Corporation, with the approval of the Secretary of the Treasury, and may be in coupon or registered form, and shall not be subject to the limitations prescribed by subsection (a) of this section. Any difference between the amount of debentures to which the holder of the defaulted note or other obligation of the Corporation is entitled under this subsection (b) and the aggregate principal amount of the debentures issued, not to exceed $50, shall be adjusted by the payment of cash by the Corporation. The Corporation may purchase in the open market debentures issued under the provisions of this subsection (b). Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this Act. Debentures so purchased shall be canceled and not reissued.

"Reserves, dividends, and investment of funds

"SEC. 908. The Corporation shall carry to a specific reserve account for losses, to be known as the Insurance Fund, semiannually from interest receipts on mortgage loans amounts equal to one-fourth of 1 per centum per annum of the then outstanding balance of such mortgage loans. The Corporation shall make such chargeoffs on account of depreciation or impairment of its assets as the Board shall require from time to time. In addition to the Insurance Fund reserve account for losses, the Board shall require the establishment and maintenance of, and the Corporation shall establish and maintain such reserve or reserves as it deems necessary. Such reserves, including the Insurance Fund, and all other funds of the Corporation not invested in mortgage loans or operating facilities, shall be kept in cash or on deposit or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States.

"Priority accorded to applications

"SEC. 909. In the processing of applications for financial assistance under this title the Corporation shall give priority to applications with respect to projects which will receive assistance from a State or local government in one or more of the ways specified in section 901(b) of this title.

"Definitions

"SEC. 910. As used in this title, the following terms shall have the meanings, respectively, ascribed to them below, and unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

"(a) 'Families of moderate income' means families, or individuals, whose incomes preclude them from purchasing or renting conventionally financed new housing with total monthly housing expenditures of 20 per centum of their normal stable income as defined by the Federal Housing Administration.

"(b) 'Eligible borrower' or 'borrower' means (1) any private or public nonprofit organization (including but not limited to cooperative ownership housing corporations), or (2) any private corporation, borrowing directly on a commitment from the Corporation and authorized to provide dwellings (i) the occupancy of which is to be permitted in consideration of agreed charges, or (ii) for sale, at cost plus an amount representing profit not exceeding 6 per centum (as certified in the manner prescribed in section 227 of the National Housing Act), to an organization of the character described in clause (1) of this paragraph.

"(c) 'Corporation' (except when used to designate the Corporation created by section 903 hereof) means either 'corporation' or 'trust' and references to members of such corporations shall with respect to trusts mean the beneficiaries thereof.

"(d) 'Housing project' means a project (including all property, real and personal, contracts, rights, and choses in action acquired, owned, or held by a borrower in connection therewith) of a borrower designed and used primarily for the purpose of providing dwelling: *Provided*, That nothing in this title shall be construed as prohibiting the inclusion in a housing project of such stores, offices, or other commercial facilities, recreational or community facilities, or other nondwelling facilities as are necessary appurtenances to such housing project.

"(e) 'Development cost' means (1) the amount of the reasonable costs incurred by the borrower in, and necessary for, carrying out all works and undertakings for the development of a housing project and shall include the cost of all necessary surveys, plans and specifications, architectural, engineering, or other special services, land acquisition, site preparation, construction and equipment, interest incurred during the development of the housing project up to the time of completion, initial working capital for the administration of the housing project, necessary expenses (including any initial operating deficit) in connection with the initial occupancy of the housing project, and the cost of such other items as the Corporation shall determine to be necessary for the development of the housing project, less net rents and other net income received from the housing project prior to the time of its completion, as determined by the Corporation, or (2) the cost, as approved by the Corporation, incurred by the borrower in, and necessary for the acquisition of, a housing project developed with a loan made under this title. For the purposes of this subsection, the Corporation shall consider in determining the reasonable cost of land acquisition the effect of local assistance for assembling and clearing the site and securing title thereto as provided in section 901 (b) of this title.

"(f)(1) 'Mortgage' or 'mortgage loan' means a first mortgage on real estate, in fee simple, or on a leasehold (A) under a lease for not less than ninety-nine years which is renewable, or (B) under a lease having a period of not less than seventy-five years to run from the date the mortgage was executed; and the term 'first mortgage' means such classes of first liens as are commonly given to secure advances on, or the unpaid purchase price of, real estate, under the laws of the State in which the real estate is located, together with the credit instruments, if any, secured thereby.

"(2) 'Real estate' includes lands, lands and improvements, lands under water, waterfront property, the water of any lake, pond, or stream, and the air space over and above any of the foregoing.

"(g) 'Veteran' means a person who has served in the active military or naval service of the United States at any time (1) on or after September 16, 1940, and prior to July 26, 1947, (2) on or after April 6, 1917, and prior to November 11, 1918, or (3) on or after June 27, 1950, and prior to February 1, 1955, and who shall have been discharged or released therefrom under conditions other than dishonorable.

"(h) 'Going Federal rate' means the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of ten years or more.

"(i) 'State' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States.

"(j) 'Elderly persons' means persons sixty years of age or over or a family the head of which or his spouse is sixty years of age or over.

"Amendments of other acts

"SEC. 911. (a) The sixth sentence of paragraph Seventh of section 5136 of the Revised Statutes, as amended (12 U.S.C. 24), is amended by inserting before the comma after the words 'or obligations of the Federal National Mortgage Association' the following: ', or notes, debentures, or other obligations of the Federal Limited Profit Mortgage Corporation'.

"(b) Section 5200 of the Revised Statutes, as amended (12 U.S.C. 84), is amended by adding at the end thereof the following:

"'(14) Notes, obligations and debentures of the Federal Limited Profit Mortgage Corporation shall not be subject to any limitation based upon such capital and surplus.'

"(c) Section 101 of the Government Corporation Control Act (31 U.S.C. 846) is amended by striking out the period at the end of the section and inserting in lieu thereof a semicolon and the following: 'Federal Limited Profit Housing Corporation.'

"Taxation of property

"SEC. 912. All real property and tangible personal property of the Corporation shall be subject to State, county, municipal, or local taxation to the same extent according to its value as other similar property is taxed, and any real property shall be subject to special assessments for local improvements: *Provided*, That nothing contained herein shall be construed to prohibit any eligible borrower from contracting with any State, or political subdivision thereof, for the purpose of obtaining a complete or partial exemption from any taxation or assessments otherwise authorized by this section. Except as to such taxation of real property and tangible personal property, the Corporation, including but not limited to its franchise, capital, reserves, surplus, income, assets, and other property, shall be exempt from all taxation now or hereafter imposed by the United States or by any State, county, municipality, or local taxing authority. All notes, debentures, and other obligations of the Corporation shall be exempt, both as to principal and interest, from all taxation imposed by the United States, or any State, county, municipality, or local taxing authority.

"Protection of labor standards

"SEC. 913. In order to protect labor standards—

"(a) any contract for a loan pursuant to this title shall contain a provision requiring: (1) that not less than the salaries prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Corporation, shall be paid to all architects, technical engineers, draftsmen, and technicians employed in the development, and to all maintenance laborers and mechanics employed in the administration, of the housing project involved; (2) that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Act of March 3, 1931 (Davis-Bacon Act), as amended, shall be paid to all laborers and mechanics employed in the development of the housing project involved; and (3) that certifications as to compliance with the provisions of this subsection be made prior to the making of any payment under such contract;

"(b) the provisions of section 874 of title 18, United States Code, and of section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c), shall apply to any housing project financed in whole or in part with funds made available pursuant to this title;

"(c) any contractor engaged on any housing project financed in whole or in part with funds made available pursuant to this title shall report monthly to the Secretary of Labor, and shall cause all subcontractors to report in like manner, within five days after the close of each month and on forms to be furnished by the United States Department of Labor, as to the number of persons on their respective payrolls on the particular housing project, the aggregate amount of such payrolls, the total man-hours worked, and itemized expenditures for materials. Any such contractor shall furnish to the Department of Labor the names and addresses of all subcontractors on the work at the earliest date practicable.

"Penalties

"SEC. 914. (a) Any person who induces or influences a borrower hereunder to purchase or acquire property or to enter into any contract, in connection with any housing project to be financed, in whole or in part, with a loan made under this title, and willfully fails to disclose any interest, legal or equitable, which he has in such property or such contract, or any special benefit which he expects to receive as a result of such contract, shall be fined not more than $5,000, or imprisoned for not more than one year, or both.

"(b) No individual association, partnership, or corporation (except the Corporation established under this title) shall hereafter use the words 'Federal limited profit mortgage corporation', or any combination of words which might reasonably be confused with the Federal Limited Profit Mortgage Corporation as the name or a part thereof under which he or it shall do business. Any such use shall constitute a misdemeanor and shall be punishable by a fine not exceeding $1,000.

"(c) Whoever, for the purpose of obtaining any loan under this title, or any extension or renewal thereof or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the Corporation under this title, makes any statement, knowing it to be false, shall be punished by a fine of not more than $5,000, or by imprisonment for not more than one year, or both.

"(d) Whoever (1) falsely makes, forges, or counterfeits any obligation, in imitation of or purporting to be an obligation issued by the Corporation, or (2) passes, utters, or publishes, or attempts to pass, utter, or publish, any false, forged, or counterfeited obligations purporting to have been issued by the Corporation, knowing the same to be false, forged, or counterfeited, or (3) falsely alters any obligation issued or purporting to have been issued by the Corporation, or (4) passes, utters, or publishes, or attempts to pass, utter, or publish, as true, any falsely altered or spurious obligation issued or purporting to have been issued by the Corporation, knowing the same to be falsely altered or spurious, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than five years, or both.

"(e) Whoever, being connected in any capacity with the Corporation, (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged, or otherwise entrusted to it, or (2) with intent to defraud the Corporation or any other body, politic or corporate; or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes a false entry in any book, report, or statement of or to the Corporation, or without being duly authorized draws any order or issues, puts forth, or assigns any note, debenture, bond, or other such obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than five years, or both.

"(f) All general criminal and penal statutes of the United States relating to public moneys, property, or employees of the United States shall apply to public moneys, property, and employees of the Corporation. No officer or employee of the Corporation shall participate in any manner affecting his personal interests or the interests of any corporation, partnership, or association in which he is directly or indirectly interested.

"Short title

"SEC. 915. This title may be cited as the 'Federal Limited Profit Mortgage Corporation Act'."

On page 91, line 10, strike out "IX" and insert in lieu thereof "X".

On page 91, line 13, strike out "901" and insert in lieu thereof "1001".

On page 91, line 21, strike out "902" and insert in lieu thereof "1002".

On page 92, line 2, strike out "903" and insert in lieu thereof "1003".

On page 92, line 5, strike out "904" and insert in lieu thereof "1004".

On page 92, line 14, strike out "905" and insert in lieu thereof "1005".

AMENDMENT NO. 459

On page 35, between lines 8 and 9, insert the following:

"PROJECTS INVOLVING THE ACQUISITION AND DEVELOPMENT OF AIR RIGHTS SITES

"SEC. 309. (a) Title I of the Housing Act of 1949 is amended by inserting after section 114 (added by section 101) a new section as follows:

"AIR RIGHTS SITES

" 'SEC 115. (a) The Administrator is authorized to extend financial assistance under this title for the acquisition and development of air rights sites in an urban area without regard to—

" '(1) the requirement in sections 102 and 110 that the area be a slum area or a blighted, deteriorated, or deteriorating area; and

" '(2) the requirement in section 110 with respect to the predominantly residential character of the area;

if the local governing body certifies, and the Administrator finds, that such acquisition and development will (A) contribute significantly to the revitalization of the community or a part thereof, (B) eliminate adverse conditions which have a blighting or deteriorating effect, and (C) will maximize land utilization in the interest of providing necessary housing for low- or moderate-income families.

" '(b) Not more than ——— per centum of the funds authorized after March 1, 1964, for capital grants under section 103 shall be used for the purpose of providing financial assistance under this section.'

"(b) Clause (iii) of section 102(d) of such Act is amended by inserting 'or air rights sites' after 'land'.

"(c) Section 105(d) of such Act is amended by inserting 'or air rights site' after 'land'.

"(d) Section 105(e) of such Act is amended by striking out 'land', the first place it appears, and inserting in lieu thereof 'any land or air rights site', and by inserting 'or site' after 'land', the second place it appears.

"(e) Section 106(c)(7) of such Act is amended by striking out 'of land' and inserting in lieu thereof 'of any land or air rights site'.

"(f) Section 110(b) of such Act is amended by inserting 'or site' after 'land' each place it appears.

"(g) Section 110(c) of such Act is amended by—

"(1) striking out 'Such undertakings and activities may include' and inserting in lieu thereof 'Such terms may also include undertakings and activities of a local public agency to acquire and develop air rights sites in an urban renewal area upon a certification and finding as provided in section 115, and in accordance with an urban renewal plan. Undertakings and activities referred to in this subsection may include';

"(2) striking out 'and' at the end of paragraph (6), and redesignating paragraph (7) as paragraph (8); and

"(3) inserting after paragraph (6) a new paragraph as follows:

" '(7) acquisition of air rights sites over highways, railway or subway tracks, bridge or tunnel entrances, or other facilities, including the construction of the necessary foundations and platforms, in order that such sites may be utilized for needed housing for low- or moderate-income families; and'.

"(h) Section 110(d) of such Act is amended by inserting 'air rights sites, or' before 'land or other real property', each place such words appear.

"(i) Section 110(e)(i) is amended by inserting 'or air rights sites' after 'land', each place it appears, and by striking out 'and (7)' and inserting in lieu thereof ', (7), and (8)'."

On page 33, line 6, strike out "and" and insert in lieu thereof a comma.

On page 33, line 8, before the period insert a comma and the following: "and is further amended by inserting after 'real property' the following: '(including any air rights site)'."

On page 33, line 14, after "real property" insert "(including any air rights site)".

On page 35, line 10, strike out "309" and insert in lieu thereof "310".

On page 36, line 15, strike out "310" and insert in lieu thereof "311".

On page 37, line 22, strike out "311" and insert in lieu thereof "312".

On page 38, line 2, strike out "312" and insert in lieu thereof "313".

On page 38, line 11, strike out "313" and insert in lieu thereof "314".

HOUSING AND HOME FINANCE AGENCY,
Washington, D.C., March 2, 1964.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: At the hearing that was held on February 19, 1964, before the Subcommittee on Housing of the Senate Banking and Currency Committee, you requested the views of the Housing and Home Finance Agency on whether a proposal to utilize air rights for the construction of buildings in the city of New York would qualify for urban renewal assistance.

Title I of the Housing Act of 1949, as amended, authorizes the making of loans and grants to assist localities in eliminating slums and blight and preventing their recurrence. An urban renewal project may be undertaken in an area which is approved as an urban renewal area. The latter is defined as a slum area or a blighted, deteriorated, or deteriorating area which the Administrator approves as appropriate for a project. The question you put, therefore, can be answered only by making an assumption as to the condition of the land area in which the buildings are to be placed.

If the area qualifies as an urban renewal area and appropriate measures are employed to eliminate blight by rehabilitation or clearance, or some combination of the two, the local public agency may dispose of air rights in any land which it has acquired for redevelopment in accordance with the approved urban renewal plan. The plan, of course, would also have to make provision for uses of the land surface area in a manner compatible with the superstructures. If the area is not blighted and is consequently not eligible for designation as an urban renewal area, assistance under the terms of title I of the Housing Act of 1949 is foreclosed regardless of the character of the redevelopment that may be proposed.

Two other possibilities are presented under the terms of the act. An urban renewal project may be undertaken in a predominantly open area which is sufficiently blighted to substantially impair or arrest the sound growth of the community, and the urban renewal plan could provide for redevelopment through the disposition of air rights, but again the land area would have to be devoted to uses compatible with the proposed redevelopment. We also have what is called a nonassisted project for an area which does not require loan or grant assistance but which needs FHA mortgage insurance under section 220 of the National Housing Act. Such an area must also qualify as an urban renewal area, however, and the measures proposed by the locality must be sufficient to eliminate blight and restore the entire area to a sound and stable condition. We have no authority to designate an area that is not characterized by blight or deterioration as an urban renewal area, in order to facilitate the acquisition and disposition of air rights, nor does S. 2468 make any change in existing law that would affect this situation.

You will appreciate, I am sure, that similar problems concerning the eligibility of the area must be reckoned with under State and local law. We have not attempted to deal with the provisions of New York law in this reply, nor have we concerned ourselves with the extent to which commitments for mortgage insurance may be available under section 220 of the National Housing Act, as amended, or special assistance from the Federal National Mortgage Association under section 305 of the National Housing Act. Our regional office and the FHA multifamily insuring office in New York City are prepared to give detailed consideration, however, to any specific proposal by the Housing and Redevelopment Board for an urban renewal project involving the disposition and development of air rights.

Sincerely yours,

ROBERT C. WEAVER,
Administrator.

AMENDMENT NO. 460

On page 3, lines 6 and 7, strike out "except goodwill or profit" and insert in lieu thereof "other than goodwill or, except as otherwise provided in clause (2) of this subsection, profit".

On page 3, strike out lines 12 through 24, and insert in lieu thereof the following:

"(2) an additional amount upon displacement of a private business concern with average annual earnings of less than $15,000 per year which has been continuously located in an urban renewal area during the most recent three consecutive calendar years occurring prior to the date of such displacement equal to one-half of the average annual net taxable income realized from the business operations of such concern during such three-year period, or $7,500, whichever is the lesser."

AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN PROCUREMENT FOR THE ARMED FORCES

The PRESIDING OFFICER (Mr. MCINTYRE in the chair) laid before the Senate a message from the House of

Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 9637) to authorize appropriations during fiscal year 1965 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation, for the Armed Forces, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. RUSSELL. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer appointed Mr. RUSSELL, Mr. STENNIS, Mr. SYMINGTON, Mr. SALTONSTALL, and Mrs. SMITH conferees on the part of the Senate.

HEARINGS ON THE INDIANA DUNES NATIONAL SEASHORE SCHEDULED

Mr. GRUENING. Mr. President, hearings in Washington on the long delayed Indiana dunes—the proposal to establish a national park on what remains of that unique, natural lakeshore wonderland—so long and so devotedly sponsored by the distinguished senior Senator from Illinois, PAUL H. DOUGLAS—will be held in the Interior Committee rooms on Thursday, March 5 and Friday, March 6.

I held a hearing on this project in Indiana 4 years ago with my able colleague, the Senator from Utah [Mr. MOSS], who is likewise a member of the Subcommittee on Public Lands of the Senate Committee on Interior and Insular Affairs.

Because of the parliamentary situation which may make it impossible to hold hearings while the Senate is in session, and therefore after 10 a.m. if the Senate is convened at that hour, and because of other conflicting long-scheduled commitments, I have called these hearings for 8:30 a.m. on both Thursday and Friday and trust it will not too seriously inconvenience those who desire to testify.

The public interest in this long-advocated project is shown by an editorial in this morning's New York Times entitled: "Smokestacks on the Dunes." I ask unanimous consent that this editorial be printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SMOKESTACKS ON THE DUNES

The battlelines are once again being drawn in the long fight to save the Indiana Dunes. On one side are the bulldozers of Bethlehem Steel, the port builders, and the industrial air polluters. On the other are the conservationists, the scientists, and the 7,500,000 city dwellers in the Chicago-Gary region—which is critically short of outdoor recreation facilities.

This is the familiar battle being fought across the country to preserve our remaining natural resources. Where the intrusion takes place close to large urban areas, defeat is all the more painful. The sandhills of Indiana, swept by the prevailing westerly winds off Lake Michigan, are a naturalist's paradise of trees, wild flowers, and wildlife. Magnificent dunes overlook glistening beaches along the lake.

Hearings on the Indiana Dunes National Lakeshore bill are scheduled before the Senate Public Lands Subcommittee this week. Last fall the National Park Service and the Budget Bureau endorsed a national lakeshore of 11,732 acres. Since then the Indiana Port Commission and the steel companies have made efforts to chip away the size of this duneland. The Senate Interior Committee will have to take a stand: smokestacks or people?

NOTICE OF HEARINGS ON SENATE BILL 2249, THE INDIANA DUNES BILL

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate that the Subcommittee on Public Lands of the Senate Committee on Interior and Insular Affairs will hold hearings on S. 2249, the Indiana Dunes bill, on March 5 and 6, beginning at 8:30 a.m. in our committee hearing room.

The hearings were originally scheduled for 10 a.m., but due to the schedule of the Senate we have moved the hearings to an earlier time.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, March 3, 1964, he presented to the President of the United States the enrolled bill (S. 721) to amend section 124 of title 28, United States Code, to transfer Austin, Fort Bend, and Wharton Counties from the Galveston division to the Houston division of the southern district of Texas.

RELOCATION OF SENECA INDIANS

Mr. SCOTT. Mr. President, the Indian Affairs Subcommittee of the Senate Committee on Interior and Insular Affairs held hearings yesterday on H.R. 1794 and S. 1836, of which I am a cosponsor. This legislation would relocate 700 Seneca Indians presently residing in the area of the Kinzua Dam and would compensate them in other ways. Its early enactment is imperative before the flooding of their land which is scheduled for next September. Robert Trumbull, in an excellent article in the New York Times of March 1, calls attention to the urgency of this matter. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENECAS, LAND TO BE FLOODED, PEER INTO THEIR FUTURE DARKLY—700 INDIANS, TO BE RELOCATED BECAUSE OF KINZUA DAM, MUST LEAVE UNSPOILED WOODLAND DOMAIN IN FEW MONTHS

(By Robert Trumbull)

SALAMANCA, N.Y., February 26.—With straightforward Indian logic, an 86-year-old Seneca woman voiced today the bitterness of her tribe against the U.S. Government.

"Since I was a girl," said Mrs. Lena Snow, "I have been told that the Senecas would have their land as long as the sun shines and the river flows, "Well, I haven't seen them stop."

The sun was shining, sure enough, on the simple frame house where Mrs. Snow has lived for 60 years. Nearby, ice tinkled in the currents of the Allegheny River.

But as surely as the sun shines and the river flows, Mrs. Snow and hundreds of other Senecas will be dispossessed of their ancestral land in a few months as water backed up by a Federal dam covers their homes.

The $107 million dam, at Kinzua, Pa., will inundate Seneca homes in violation of a treaty signed by the Seneca Nation and the United States in 1794, guaranteeing the integrity of the Indian land forever. This is said to be the oldest treaty in the U.S. archives.

The only litigation involving the dam was brought by the Indians in 1958. They asked the courts to rule on whether Congress intended to break the Government's treaty with the Senecas to build the dam. The U.S. Court of Appeals ruled that Congress did intend to break the treaty.

The U.S. Supreme Court has ruled more than once that the Federal Government has the right to break treaties, so this right was never questioned in the courts by the Senecas.

A committee of the Senate will begin hearings Monday on a $16,931,000 bill, already passed by the House, to relocate the Senecas and compensate the tribe in other ways for Washington's repudiation of the 170-year-old treaty.

ONE HUNDRED FAMILIES INVOLVED

It is vital to more than 100 Indian families, consisting of nearly 700 individuals, that the Senate act at once on the bill, George Heron, president of the Seneca Nation, said. Until the measure passes and the funds are appropriated, he declared, the displaced Senecas cannot begin building the homes to which they must move before water covers the area next September.

Mr. Heron, a lithe and handsome man, formerly commuted 150 miles a day to Buffalo and back as a steelworker. Senecas and some other Indians of the Iroquois Confederacy have been in demand for such jobs because of their apparent immunity to acrophobia, or fear of heights. (Although Mr. Heron is at home on top of a spidery tower, he hates to fly in an airplane.)

Today the former steelworker is the elected head of a nation within a nation. The Senecas, like other Indian tribes, run their own affairs on the reservation through elected officials. At the same time, they are subject to Federal and State laws and taxes.

The Allagany Reservation is only a mile or so wide, but it runs for 44 miles along a slow bend in the Allegheny River (the Senecas give the name their own spelling.) It includes the pleasant city of Salamanca, built by white men on land leased from the Indians.

SENECAS PREFER WOODS

Few Senecas have much to do with the town on their land, beyond working in white men's factories making furniture and casting bricks.

They prefer to live near the woods filled with wild game—including pheasants, deer and bears—woods that will soon be under water because, the Senecas say wryly, it is needed "to flush white men's toilets in Pittsburgh."

Even if everything works out as the Federal Government has promised, the displaced Senecas are going to be constricted into a semiurban way of life that has been completely foreign to their history.

About 10,000 acres that the Indians now roam at will, in the way of their ancestors, will be flooded by the dam. In place of this unspoiled domain, the Senecas have been cut back to a 500-acre site for two new towns where they will live somewhat like suburbanites on adjacent plots of one to three acres.

"They say we did nothing with the land anyway, except rattle around on it," Mr. Heron said. "But we rattle around, and that's something, isn't it?"

Senecas live today on family acreage granted by the tribal authorities. These grants are not extraordinarily large, for few Indians want to engage in farming. Instead, they take whatever jobs are available for cash wages. The average family income is $3,000 a year, and unemployment runs at 35 percent.

So the Seneca is often poor, and lives in a house that may be little better than a shack and without plumbing. But he is happy, according to the tribal elders.

"Give me a shanty where I can live as I please," Mrs. Snow says. However, her own simple framehouse is hardly a "shanty." Inside there is wall-to-wall carpeting and a big television set. Many other Senecas are similarly comfortable in homes that look ramshackle outside.

Across his own unfenced grant, the Seneca gazes upon serene forest and river shore where his sons can learn the woodcraft of their ancestors as they may be inclined. The coming spring will be the last for this free way of life on the Alleghany Reservation.

"The Indians are going to have to adjust to a new way of life now," Mr. Heron said. "He will have better house, but without the forest. And his neighbors will be different. Also, living in the new homes is going to cost him more."

For generations, Mr. Heron explained, the Senecas have been accustomed to cutting their firewood free, as needed, on the forested hillsides. Each family had its own well, producing clear, sweet water.

Now the Seneca households will have to pay for their fuel and drink water tasting of chlorine from community mains, which the Indian, accustomed to wells and springs, dislikes.

Many Seneca customs will change, or will be observed in strange settings. For example, about 40 cemetery sites will be relocated. The Long House, where the Indians dance to the beat of the water drum and the turtle-shell rattle, and practice the gentle religion founded by an 18th-century tribal prophet named Handsome Lake, will also be moved.

And next winter there will have to be new runs for the snow snake. The snow snake is a slender hickory pole 7 feet long, which the Indians hurl like a javelin into a trough in the snow, to see who can make it go farthest—an ancient competition involving incantations and secret "medicines" rubbed into the wood.

These crises, all subordinate to the immediate housing problem facing the Seneca Nation, are discussed by the Indians in their own language at councils in the Long House.

NEW SETTLEMENTS PLANNED

The $16,931,000 relocation and rehabilitation program now before the Senate has been written to provide for the "social and economic development" of the Seneca Nation on its reduced reservation. The two new settlements, called Jimersontown and Steamburg-Quaker Bridge, are being planned as model communities in school facilities, recreational areas and so on.

Friends of the Senecas like Representative JAMES A. HALEY, Democrat, of Florida, chairman of the House Subcommittee on Indian Affairs, hope that a new four-lane highway included in the Kinzua Dam project will bring a heavy tourist traffic through the Allegany Reservation. This would provide a lucrative market for the cornhusk masks and dolls, beadwork, and other Seneca handicrafts.

But the Senecas have learned to count on what they see, not what is promised. The history of their relations with the white man has not been encouraging.

The distribution this week of the annual allotment of "treaty cloth" provided a vivid example of time's erosion on the Government's commitments to the Senecas.

Under the treaty of 1794, Washington sends the tribe a yearly payment in cloth in partial return for Indian concessions. The Federal expenditure is about $2,700, Mr. Heron said.

"We used to get 10 yards each of colorfully designed percale, calico, and gingham," he recalled. "Now we are lucky to get 3 yards of unbleached muslin."

The muslin is used for pillow cases, doll clothes, and other purposes of little significance in the Seneca economy. Nevertheless, "the Indians feel that as long as they are getting the cloth, the treaty will continue to be honored," Mr. Heron said.

To the realistic Senecas, the fact that the treaty had already been violated by the condemnation of land for the Kinzua Dam backwater is less important now than the need for congressional funds to assure the new housing before their homes are flooded.

"Our housing program is ready, but we can't move on it without funds," Mr. Heron said. "If we don't have our new homes before the deadline for moving, I will have to advise the people to remain where they are.

"Your might say," he remarked, "that we are thinking about getting angry over all this."

THEY BELIEVE THE UNBELIEVABLE

Mr. McGEE. Mr. President, the John Birch Society and other organizations on the extreme right of our society have answered criticisms against their operations by suggesting it is unfair to attack an organization that is doing its level best to eliminate some of the problems of our times.

This logic holds until you examine what these extremists consider to be a responsible approach to difficult situations. For example we have the pronouncement in the John Birch Society magazine that President Kennedy was killed because he was falling behind on the timetable for a Red takeover in this country.

Mr. President, the Denver Post printed an excellent editorial analyzing this article and what it says about those who support such thinking. I ask unanimous consent that this editorial, from the February 13 edition, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THEY BELIEVE THE UNBELIEVABLE

The publications of the John Birch Society are not the sort one would customarily turn to in search of reasoned argument, careful judgment, and plain good sense.

But the Birchists, even in their wildest moments, have rarely equaled the extremist absurdity perpetrated by Illinois Prof. Revilo P. Oliver in the February issue of their magazine, American Opinion.

The founder of the society, Robert Welch, came close when he described former President Eisenhower as a Communist. But Oliver's charge that the late President Kennedy was engaged in a conspiracy to deliver the country to the Communists—and was shot because he failed to deliver it on time—tops even that.

Oliver and Welch, who says the Oliver article was "superb commentary," are, of course, entitled to believe this fantasy if they want to.

But other people are entitled to wonder about the intellectual processes and personality traits that lead these two men to believe the unbelievable.

We are also entitled to wonder about people who feel attracted to a society headed by men who entertain such beliefs.

Is this the contribution of the far right to the United States in a period of difficult and complicated problems at home and abroad?

Do the right-wing extremists really believe it will help the Nation to convince our people that two of our most respected Presidents have been instruments of a foreign conspiracy?

Perhaps this latest indication of the fantasy world in which some rightists have been living will lead others who have been tempted by this kind of leadership to reexamine their views.

If the Oliver article helps to make clear the fantastic extremes to which some rightists are prepared to go, it may do more good than harm.

HOSPITAL SEGREGATION TO END

Mr. KEATING. Mr. President, indirectly, the Supreme Court yesterday answered a letter I addressed to Secretary Celebrezze some 9 months ago. Early in June of 1963, I wrote to the Secretary of Health, Education, and Welfare advising him that, in my judgment, discriminatory operation of the Hill-Burton program was unconstitutional.

I recognize—

I said at that time—

that the Hill-Burton Act contains a clause authorizing an exception to be made to the general statutory prohibition against discriminatory hospital practices in cases in which equitable provision is made for separate facilities. It is apparent, however, that this clause was invalidated when the separate but equal doctrine was repudiated by the Supreme Court and that it no longer offers any justifiable basis for the refusal of the Department to enforce a policy of nondiscrimination in all cases.

I also propounded a series of questions on the extent of Federal support of segregated hospital facilities.

My staff has called the Secretary's office on the average of once every 2 weeks for the last 9 months asking about that letter, but it has never been answered.

Last November, the U.S. Court of Appeals for the Fourth Circuit, in an opinion by Chief Judge Simon E. Sobeloff held the Hill-Burton separate-but-equal exception unconstitutional. Yesterday, the Supreme Court in effect stood by that decision by refusing to review the case. I hope this means I shall now have a favorable reply from the Secretary and that administrative directives will be promptly issued to give effect to the views expressed in my letter of June 4, 1963, as now confirmed by the Supreme Court.

Mr. President, I ask unanimous consent that the text of my June 4, 1963, letter to Secretary Celebrezze, and the text of a New York Times article on the Supreme Court action, be printed at this point in the RECORD.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

JUNE 4, 1963.

Hon. ANTHONY J. CELEBREZZE,
Department of Health, Education and Welfare, Washington, D.C.

DEAR MR. SECRETARY: Officials of the National Medical Association have brought to my attention their discussions with the Department regarding enforcement of nondiscrimination requirements in hospitals receiving Federal grants.

In my judgment, it is no more lawful for the Federal Government to expend Federal funds on segregated projects or programs than it is for State officials to support segregated facilities. I recognize that the Hill-Burton Act contains a clause authorizing an exception to be made to the general statutory prohibition against discriminatory hospital practices in cases in which equitable provision is made for separate facilities. It is apparent, however, that this clause was invalidated when the separate but equal doctrine was repudiated by the Supreme Court and that it no longer offers any justifiable basis for the refusal of the Department to enforce a policy of nondiscrimination in all cases.

In any event, the officials of the National Medical Association advise me that the exception for separate but equal facilities has been granted relatively infrequently and that 98 percent of all grants under the Hill-Burton Act have been made on the basis of a certification by the State agency that the facilities will be operated without discrimination on account of race, creed or color. In such cases, operation of the hospital on a segregated basis violates not only the Constitution, but the act itself and the regulations issued by the Surgeon General.

I am confident that you would agree that it is shocking that any hospital supported by public funds, Federal or State, would deny its facilities to people in need of hospital care or to qualified physicians because of their race. Under these circumstances, I would appreciate a report from you indicating the following:

1. The steps the Department takes to enforce a policy of nondiscrimination in cases in which no waiver for separate but equal facilities has been granted.

2. The number of cases in which a waiver has been granted for segregated hospital facilities, and a summary of the Department's present policy with regard to granting such waivers.

3. The position of the Department on its authority to condition all grants under the Hill-Burton Act on a requirement of nondiscrimination in view of the requirements of the equal protection clause.

I would appreciate also the Department's comments on the extent to which there is racial discrimination against patients and physicians by hospitals receiving Federal or State financial assistance.

Your cooperation, as always, is most gratifying.

Very sincerely yours,

KENNETH B. KEATING.

HOSPITALS BUILT WITH FEDERAL AID MUST INTEGRATE—BAN ON SEPARATE BUT EQUAL FACILITIES IS LEFT STANDING BY THE SUPREME COURT—WIDE IMPACT EXPECTED—RIGHTS GROUP HAILS ACTION—SAYS IT WILL AFFECT 2,000 INSTITUTIONS IN THE SOUTH

WASHINGTON, March 2.—A decision that hospitals built with Federal aid may not segregate their patients or their staffs was left standing today by the Supreme Court.

The U.S. Court of Appeals for the Fourth Circuit, dividing 3 to 2, handed down the decision last November. It held unconstitutional a provision of the Federal hospital aid law authorizing separate-but-equal facilities.

Today the Supreme Court declined to review the case. As is customary in such actions, it gave no reasons. But the circumstances made it all but certain that the effect would be a new and broad assault on racial practices in the South.

The NAACP Legal Defense and Educational Fund, which handled the case, hailed the Supreme Court's action, saying it would "affect 2,000 hospital and medical facilities throughout the South."

HAILED AS ENTERING WEDGE

Jack Greenberg, director-counsel of the fund, said the decision would "put an end to keeping Negroes out of white hospitals or segregating them within the hospitals, and requiring them to give up their Negro doctors and hire white doctors if they wanted treatment." He went on:

"It will be an entering wedge for Negro physicians into the mainstream of medical practice in the South. We wait to see whether the medical profession will voluntarily follow the law or whether a long, hard process of litigation such as we have had with schools will be necessary."

The immediate legal effect will be in the fourth circuit, which covers Maryland, Virginia, West Virginia and North and South Carolina. All Federal courts there are now bound by the rule against hospital segregation.

The other Southern States are in the fifth circuit, except for Arkansas, which is in the eighth, and Tennessee, in the sixth. These other circuits could differ with the fourth, but the best guess is that they probably will not.

HOSPITALS IN CAROLINA

The case at issue today involved two hospitals at Greensboro, N.C.

The Moses H. Cone Memorial Hospital admitted only a few Negro patients and gave no staff privileges to Negro doctors or dentists when the case began, in 1962. More recently the hospital has said it will consider Negro staff applications.

The Wesley Long Community Hospital, so far as the legal record shows, is completely segregated.

Both are nonprofit hospitals operated under North Carolina law as private charitable corporations. But both have had substantial Federal aid in recent construction, Cone $1,269,950 and Long $1,948,800.

The aid was given under the Hill-Burton Act of 1946, named for Senators LISTER HILL, an Alabama Democrat, and HAROLD H. BURTON, an Ohio Republican who later went to the Supreme Court. The act forbids discrimination in general, but with this key proviso:

"An exception shall be made in cases where separate hospital facilities are provided for separate population groups, if the plan makes equitable provision on the basis of need for facilities and services of like quality for each group."

It was this proviso that the fourth circuit held unconstitutional. The opinion was by Chief Judge Simon E. Sobeloff.

The key question before the court of appeals was whether the hospitals were so private in character that they were not covered by the Constitution. The Constitution condemns only racial discrimination by governmental action.

STATE'S ROLE NOTED

Judge Sobeloff found that there was deep involvement on North Carolina's part in the two hospitals. He relied heavily on the fact that the Hill-Burton Act itself required State participation in several ways, such as making an overall State hospital plan.

Thus the Fourth Circuit concluded that these hospitals were too public in character to practice segregation. The logic of the opinion would seem to apply to any other institution receiving Hill-Burton aid.

The suit was originally brought by 11 Negro doctors, dentists, and patients. The Justice Department intervened on their side, agreeing that the Hill-Burton proviso was unconstitutional and that segregation at the hospitals should be enjoined.

The decision could have some impact on the forthcoming civil rights debate in the Senate.

The bill as passed by the House declares void all segregation provisions of Federal law, such as the Hill-Burton proviso. And it orders agencies giving direct aid to end segregation in the programs.

This case could be said to accomplish part of the objective of that portion of the bill, but only part. It would have far less sweeping effects than a general congressional command to end discrimination in federally aided projects.

RESPIRATORY DISEASES

Mr. WILLIAMS of New Jersey. Mr. President, when most Americans think of respiratory disease they generally limit their thoughts to tuberculosis, and can complacently contemplate its elimination from our country in the foreseeable future.

The discouraging fact is, however, that this health problem is an increasingly urgent though little understood one. It is like an iceberg, where we only see the small portion exposed above the water. In fact, there is a whole group of chronic respiratory diseases which lies beneath the surface of general public knowledge. Among these are chronic bronchitis, pulmonary emphysema, bronchial asthma, bronchiectasis, chronic interstitial pneumonia and pulmonary fibroses. I have been particularly interested in the growing hazard of emphysema, and have introduced a bill, S. 2200, to extend the presumptive period for developing it, for veterans' disability compensation purposes, to 5 years.

The extent of the problem and what needs to be done were most effectively discussed by the distinguished physician, Dr. Howard A. Rusk, in an article in the New York Times of March 1, 1964, and I ask unanimous consent that this be printed in the RECORD at the conclusion of my remarks. Dr. Rusk states that in 1961 this group of diseases caused nearly 27,000 deaths and that a 1960 survey revealed nearly 2 million persons with chronic bronchitis and another 2 million with other chronic respiratory diseases.

Yet Dr. Rusk points out that for $500,000 a year, a miniscule part of its research budget, the Public Health Service could organize a program to prevent, detect, and treat these diseases. In this connection, I am seeking a report from Surgeon General Terry on the Service's plans to combat the health menace of respiratory diseases. A plan of attack on what Dr. Rusk rightly calls an "insidious" threat to public health is long overdue.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RESPIRATORY DISEASES: LITTLE IS DONE FOR THOSE SUFFERING FROM CHRONIC AILMENTS OR THREATENED BY THEM

(By Howard A. Rusk, M.D.)

Scientific and public interest in chronic respiratory diseases has recently been intensified by the U.S. Public Health Service report on "Smoking and Health."

Most of us limit our association of chronic respiratory diseases to tuberculosis.

Chronic respiratory diseases other than tuberculosis, however, are the most rapidly rising cause of disability in the United States.

Among the diseases in this group are chronic bronchitis, pulmonary emphysema, bronchial asthma, bronchiectasis, chronic interstitial pneumonia and pulmonary fibroses.

These diseases caused nearly 27,000 deaths in 1961. According to the 1960 National Health Survey, nearly 2 million persons had chronic bronchitis and 2,174,000 more had other chronic respiratory conditions, excluding sinusitis.

SECOND LEADING DISABILITY

One of these diseases, emphysema, is second only to heart disease as the most frequent reason for disability payments under social security.

In emphysema, the alveoli or microscopic air sacs of the lung lose their elasticity to the point where they cannot contract, and the sufferer can breathe air in but cannot get it out.

In a study of disability payments under social security in 1960, emphysema was the primary medical diagnosis in 6.9 percent of all cases. Payments to those permanently and totally disabled by this single disease exceeded $60 million a year.

The report of the Surgeon General's Advisory Committee on Smoking and Health stated that the chronic bronchopulmonary diseases "pose a health problem of substantial and steadily increasing proportion."

This group of eminent scientists stated further that: "Cigarette smoking is the most important of the causes of chronic bronchitis in the United States, and increases the risk of dying from chronic bronchitis."

The scientists also stated that "the smoking of cigarettes is associated with an increased risk of dying from pulmonary emphysema."

Some researchers also suspect that air pollution is associated with chronic respiratory diseases. This was brought out last fall in a report of the Special Public Works Subcommittee of the U.S. Senate, headed by Senator Edmund S. Muskie, of Maine.

Researchers at the University of Southern California have recently demonstrated that air pollution may contribute to emphysema. They think that certain elements in smog change the molecular structure of lung tissue in such a way that the body forms antibodies to attack the lungs as foreign matter.

In their studies, guinea pigs were exposed to breathing air that contained large amounts of nitrogen dioxide, a constituent of smog. The longer the guinea pigs were exposed to the polluted air, the more antibodies they formed in their blood.

This explanation might also account for the higher death rate from emphysema among cigarette smokers.

Currently there is no categorical program within the U.S. Public Health Service having an identifiable and clear mission to assist States and communities in establishing, improving and expanding control programs against chronic respiratory disease.

The Division of Chronic Diseases, Bureau of State Services, however, has for some time been actively attempting to assess major needs and identify the most promising areas to attack this problem. The latter includes specific projects of applied research, early detection, rehabilitation and public and professional education.

Currently as a result of the lack of a fixed responsibility for leadership in the attack against chronic respiratory diseases, there is too little understanding of what can and should be done. Consequently too little is being done for those who suffer from or who are threatened by chronic respiratory disease.

For about $500,000 a year, an infinitesimal amount of the total research budget, the U.S. Public Health Service could organize a program for the prevention, early detection control and rehabilitation of chronic respiratory diseases. The cost would be but 8 cents a person of the over 4 million persons who suffer from chronic bronchitis and other chronic respiratory conditions.

The development of such a program would be a practical and decisive step toward the building of an organized, official national effort to deal with a problem that clearly constitutes an insidious, substantial and growing threat to public health.

IS THE ST. LAWRENCE SEAWAY PAYING ITS OWN WAY?

Mr. WILLIAMS of New Jersey. Mr. President, I would like to call the attention of the Senate to the fact that on December 16, 1963, the St. Lawrence Development Seaway Corporation issued a 10-page public statement summarizing the achievements, status, and future of the St. Lawrence Seaway.

The statement revealed that while seaway cargo tonnages increased by 30 percent during the preceding 2 years, by the end of 1962, the actual traffic of 26 million tons was still 11 million tons below original expectations for that year. As a result, the corporation acknowledged that it was only able thus far to repay to the Treasury Department $9 million, an amount insufficient to cover the interest rate of 3½ percent.

Despite this failure to make sufficient repayments to the Treasury Department in accordance with Public Law 358 of 1954, Mr. Joseph H. McCann, Administrator of the St. Lawrence Seaway Development Corporation was quoted in this statement as saying:

> First, it should be realized that the Seaway pays its own way. The tolls cover all our expenses. We are definitely not a drain on the taxpayer.

Mr. President, it seems to me that the optimism of the Administrator is not entirely consistent with the financial record of the seaway. In no year since its opening in 1959 have seaway repayments on the $130 million investment made by the United States in this international waterway reached the amounts required by law, since the tonnages, well short of original predictions, failed to produce sufficient revenue at the toll levels that were established.

Thus, while the Corporation was able to repay $9 million to the Treasury by the end of 1962, in reality this amount was $5 million less than required. Accordingly, the actual performance record does not indicate that the tolls did in fact cover all expenses as has been alleged by the Administrator, since debt service is a valid expense in a self-supporting venture, whether private or public in nature.

It should also be noted that seaway cargo traffic has grown at an average of 21 percent since 1958 through 1963. Even at a continued rate of growth of such approximate proportions, a condition virtually impossible to sustain in the long run, the seaway would be unable to retire its debt in 50 years. I raise these points, Mr. President, because I think the Members of the Senate should know that it remains to be seen whether or not the seaway is truly paying its way and will not ultimately become a drain on the taxpayer.

NATIONAL COUNCIL ON THE ARTS AND U.S. NATIONAL ARTS FOUNDATION

Mr. JAVITS. Mr. President, the bill to establish a National Council on the Arts and a National Arts Foundation which the Senate passed in December is now pending before the Committee on Education and Labor of the other body. There is increasingly widespread support for this bill from all parts of the country. One of the important evidences of this support is the resolution presented by the American Federation of Musicians and adopted by the AFL–CIO Executive Council at its recent meeting.

I ask unanimous consent to have printed in the Record the resolution of the AFL–CIO Executive Council, adopted in Miami Beach, Fla., February 21, on National Council on the Arts.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Statement by the AFL–CIO Executive Council on National Council on the Arts, Bal Harbour, Fla., February 21, 1964

Now pending before the House of Representatives is a measure, already passed by the Senate, to establish a National Council on the Arts and a National Arts Foundation to assist in the growth and development of the arts in the United States.

Representative Frank Thompson of New Jersey has introduced H.R. 9587, which is similar to the measure introduced by Senator Javits, of New York, and passed by the Senate: To conserve national human resources; by aiding undernourished American talents in music and the arts; to enhance our image abroad and enrich our civilization at home; to implement Government's responsibility to help keep arts and artists alive as essential contributors to our Nation's heritage; to help make available to all Americans everywhere those cultural contributions to our way of life which now are limited chiefly to large urban centers.

The AFL–CIO Executive Council fully supports this measure. We firmly believe that our Government does have a responsibility, long recognized in the Old World, to help sustain the cultural arts. We urge the Members of the House to approve this measure.

MEAT PACKERS ASSOCIATION

Mr. HUMPHREY. Mr. President, on Friday, February 21, 1964, it was my privilege to address the annual convention of the Western States Meat Packers Association in San Francisco, Calif. In these remarks I stressed the need for developing an agricultural policy which provided maximum freedom for the agricultural producers but consistent with the responsibility of assuring our consumers abundant food supplies at reasonable prices. I believe these remarks have a definite bearing on the farm legislation currently pending before the Senate; therefore, I ask unanimous consent that these remarks be printed at this point in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Speech of Senator Hubert H. Humphrey Before Western States Meat Packers Association

I have been fortunate in the past 6 or 8 years to come to know a good deal about your industry, and about your leadership. I like what I have learned. And I respect your leaders, whom I have come to know very well, indeed.

And I know how vital it is to maintain a healthy, clean, competitive, and efficient meat slaughtering and processing industry in these United States. You play a key role in moving the livestock products of our farms and ranches to consumers—and in so doing returning to the American farmer his single largest cash income—nearly one-third of all agricultural income in the United States.

Few people realize that last year you returned to the American farmer for his livestock over $11 billion. Nor do they realize that nearly a quarter of the money spent for food in the national market basket goes for the products that come from your plants. So I am keenly aware of your industry's importance. Ever since coming to the Senate I have been interested in all of American agriculture. I have served on the Agriculture Committee for 10 years. When I moved to get legislation that would bring into being an improvement in your slaughtering methods through the Humane Slaughter Act, I became increasingly aware, as the record will show, that Government must move with great care in advocating changes on this highly volatile and essential industry.

Yet, one of the oldest and best examples of a sound governmental program that has withstood the test of time is in your industry. For over 50 years all packers in interstate commerce have operated under the Meat Inspection Act, administered by the U.S. Department of Agriculture. Its benefits are immeasurable. Because of this service, the American people are assured of the most healthful, sanitary, and wholesome meat supply in the world. With the exception of overtime, the cost of this inspection has been borne by the Federal Treasury, and rightly so.

We live in a miraculous age. The year I was born—and those of you here who remember 1911—saw the first steps of man breaking the laws of gravity with the development of the airplane.

Today—in a little over half a century—we have broken the sound barrier, and are seriously considering within this decade landing a man on the moon. Our population is mobile, moving, and growing fast.

But our agricultural production has outrun even our population growth. Yes, the revolution in American agriculture has shaken the world. And nowhere is the revolution more vivid, more startling than here in California, where the desert blooms like the rose, where livestock population has grown beyond belief, where the productivity of your farms and vineyards and ranches defies all predictions. Who in the year 1911 would think that the State of California would rival New York State in population? Who, in 1911, would think that the Western States would rival the Midwest in the number of livestock and meat processing plants? But here we are. The miracle has happened. The technological revolution in agriculture is a massive, accomplished fact.

Technological revolutions demand corresponding growth and progress in Government. And one of the fundamental needs today is for a national food and fiber policy.

With the best will in the world, those of us interested in agriculture have through the years been able to proceed only from one patchwork program to another, trying desperately to solve the economic problems caused by productivity and declining market for some of the products of our farms.

Our twin purposes have been to try to gain and retain for farmers a fair share of an expanding national income, and at the same time assure the Nation of adequate food supplies—adequate for our own needs, for commercial foreign trade, and for our commitments all over the world.

The time has come to take a look at our agricultural policies not only in terms of coping with the economic difficulties of abundance, but also in terms of the opportunities it opens to us in the world.

We need to make sure that the American farmer and rancher, representing a constantly shrinking segment of our population, is assured of a consistent policy. Such a policy, while providing the maximum freedom for them as individuals, and a maximum of freedom in their market, must be consistent with our responsibility to assure our consumers of abundant food supplies at reasonable prices. And I define reasonable prices as reasonable to buyers and profitable to the producer and processor of agricultural commodities.

Recently I introduced a joint resolution in the Senate providing for establishment of a bipartisan, blue-ribbon Commission to examine the entire agricultural policy of the United States. Out of the report of such a commission we could intelligently plot the course for the Nation's agricultural future—retaining what is good and discarding what is outmoded and divisive.

We are fortunate in having a President who is intimately acquainted with the needs of agriculture and the problem of agriculture. In President Lyndon Johnson's recent message to the Congress on agriculture, the President said that our food and fiber policies must reflect the opportunities as well as the problems which accompany abundance. He supported the joint resolutions in Congress to establish such a bipartisan commission to study our food and fiber programs as I have described to you.

The President is deeply concerned, too, with international trade, and aware that our largest single international dollar earner is agricultural trade. He believes that the abundance of our farms that is not absorbed into commerce (either domestically or internationally) should be used to advance American foreign policy. Helping developing nations to help themselves, using agricultural abundance, is a great tool for peace. I remember, and I am sure you do too, the slogan of one of our great Secretaries of Agriculture that "food would win the war and keep the peace." Today now, we have the means, we have the know-how, and we must have the determination to use our food abundance for peace through the food-for-peace program. I fully realize that we have no surplus of meat, but our food and fiber abundance is more valuable than gold itself—properly used. It can mean education, health, jobs, life itself, for millions living in the new nations. And—therefore—it can mean stability, peace, and a long step toward the future security and welfare of the United States.

I urge you to interest yourselves in the food-for-peace program. I am delighted that a representative of your industry, Mr. Aled Davies, is active in the National Food for Peace Council.

In the 9 years that the food-for-peace program has been in existence, we have been able to ship overseas almost $13 billion worth of food. During that same period, dollar sales amounted to $26 billion. We initiated a program under which we use food for wages. We use the food to pay for the building of roads and schools, the establishment of irrigation systems, the construction of homes and public buildings, and the settlement of new areas. And as economic conditions permit, food-for-peace markets graduate to dollar markets.

Witness Japan, which has become the largest single purchaser of American farm products. Not many years ago Japan was a beneficiary of the food-for-peace program. Spain today has become a $70 million a year cash market for U.S. farm product.

I am proud that our food donations have been greatly increased in the past 2 to 3 years. They now are providing supplemental feeding for 100 million undernourished people. A total of 40 million children in 91 countries are receiving school lunches under the food-for-peace program. In many areas of the world this is the only square meal the child gets all day. Many children have been encouraged to go to school just to get that one meal. The learning capacity of many, many children has been increased tremendously.

This is right. This is moral. Yes, and it also happens to be in our own interest as a nation.

Speaking of abundance, you and I know that we have a problem facing livestock agriculture—specifically the cattle-and-beef situation in this Nation. We know that since 1959 the imports of meat from our friends in other parts of the world have sharply increased. We know that the cattle producers and feeders are concerned—and rightly so—about the influence this added amount of meat coming into our commercial stream has on the price level of cattle.

We fully recognize that the consumer has benefited greatly by having available through the use of your industry a source of raw materials that has kept meat on the tables of America at prices the consumer can afford. I believe that the proportion of imported meats has reached the point where it endangers the stability of the whole livestock price level. As you so well know, the availability and price of meat has an influence on pork and other meats.

Recently our Government reached an agreement with the Governments of Australia and New Zealand to limit their exports of beef, veal, and mutton to the U.S. market. This agreement did not go as far as I would have liked. It was, however, the best that could be negotiated considering our entire world trade picture and in light of the forthcoming agricultural negotiations. And speaking of negotiations I might add, they must benefit our farmers as well as our factories or we will not sign on the dotted line.

The most important part of the agreement with Australia and New Zealand is that we will know for the next 3 years the maximum volume of imports and will be able to adjust our own marketing accordingly. It will put an end to unrestricted imports of meat into this country.

As an agricultural exporting nation we are dedicated to preserving the maximum of free access to all the markets of the world for agricultural commodities. Our Secretary of Agriculture and the Department of State worked diligently to arrive at a voluntary agreement with these nations on the proportion of meat that will enter this country. I also conveyed my deep concern about this to the President, the Secretary of Agriculture, and the Secretary of State.

Trade is a two-way street and if we are to retain our present oversea markets and develop new ones, we must be willing to share the U.S. market on a reasonable basis.

A week ago the U.S. Department of Agriculture published its estimate of cattle inventory on farms. As you know, it shows a record figure of 106 million. This inventory has been building up for several years and sooner or later we must face a measure of inventory liquidation. These figures loomed large in the minds of our negotiators as they went about working out voluntary agreements with importing countries.

But the cattle industry should accept its own responsibility. It must diligently work to move these cattle numbers down in an orderly fashion. Your industry bears the responsibility to slaughter and process these animals in an orderly fashion so that it will not bring with it ruinous prices to producers. I know that the Secretary of Agriculture will call on the leaders of your industry to work with him so we can avoid a possible serious decline in agricultural income. It is going to call for high statesmanship on the part of cattlemen, marketers, processors, and retailers as well as Government to work together to see that this basic industry is not unduly damaged by our abundance.

In conclusion, let me again commend your industry and your trade associations. I am a great believer in responsible organizations of farmers, of workers, of industry, and professions. I realize that in this western country your association has diligently worked for the betterment of your industry and has participated in and contributed to your fantastic growth.

It has been my privilege to work with your president, and with the other representatives of your industry in Washington.

I am pleased to see a growth of mutual respect and of unity of purpose as well as acceptance of public responsibility by the meatpacking industry.

You have come a long way since 1906 and I urge you to constantly remember that in the final analysis the only reason for the existence of a processing industry is to serve at a reasonable profit the needs of the people. Government's role is to help, not to hinder responsible business management in its efforts to serve its stockholders and its consumers.

ADDRESS BY SENATOR HUMPHREY AT DEMOCRATIC LUNCHEON, LOS ANGELES, CALIF.

Mr. HUMPHREY. Mr. President, I recently addressed a luncheon attended by the California State Central Committee, the Women's Division of the Democratic Party, and Democratic Associates, Inc., at the Ambassador Hotel on February 20, 1964. I ask unanimous consent that these remarks be printed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR HUBERT H. HUMPHREY, DEMOCRATIC LUNCHEON, AMBASSADOR HOTEL, LOS ANGELES, CALIF., FEBRUARY 20, 1964

I am glad to be out here among all these good California Democrats. It cheers me up to come to California. There is so much zest, so much energy, so much love of life. We who work in Washington get to feeling cooped up—cut off from reality. And to cure Washingtonitis, nothing is better than a trip to sunny California.

It is always good to renew friendships—and I have many friends here in California—old and close friends, companions in the long struggles for humane, just, and liberal government.

I am always particularly glad to have the opportunity to visit with a man I am proud to call my friend—one of America's true statesmen, a much loved and admired man throughout our Nation, Gov. Pat Brown.

I bring you good news. And my good news is that when the 4 years of the Kennedy-Johnson administration have been completed, when the 88th Congress has closed its doors, the Democrats will have made one of the most impressive 4-year records in the history of this Nation.

All this noise about a do-nothing Congress is simply the Republican Party remembering its own record.

I am proud to be a part of the Democratic team that has moved forward to the New Frontier. The New Frontier is our goal and our commitment. The Republicans also have their goal—the lost horizon. And they retreat in disorder to it.

So let's just take a good look at what we Democrats have been doing and let's speak up about it. You and I are the custodians, the stewards, so to speak, of a political party that has been given responsibility for governing this Nation for a 4-year period. At the end of this period we have to come back and make a report to the stockholders, the people of the United States, the citizens.

Let's look at the record. First of all, we inherited a government that was in serious trouble abroad, with our gold reserves fading faster than GOLDWATER's presidential hopes, its prestige abroad at low ebb; and here at home: unemployment mounting and the economy slowing down to a crawl.

It was President Kennedy who asked that we get this country moving again. This is a big country. It took a big man, with big ideas and great determination to get this country moving. And we got it moving under his leadership. We got it moving to a point today where instead of just talking about a $600 billion economy, we have it. Unemployment is going down, not up. Jobs are increasing, not decreasing. Price levels have been stabilized. Our balance-of-payments situation internationally is much better; our foreign trade is expanding; our power is unequaled.

Today, the President of the United States can negotiate for peace, not from weakness, but from strength. We command respect from the Soviet Union, to the point where the Russians are willing, at long last, to talk more reasonably and sensibly about the great problems between us.

All this didn't happen by accident. Your Government and the party responsible for this Government, has strengthened America. America is the preeminent political, military, and economic power in the world today. No combination of powers can match us or defeat us.

So our President, Lyndon B. Johnson, can discuss the mutual reduction of arms, and he can do it safely, securely. Why? Because in the years since 1961, Kennedy-Johnson Democratic administration gave this country the sinew, the strength so necessary for world leadership. The Democratic administration asked the Congress and the American people to provide that strength for our military, our diplomacy, our foreign aid, and for all that makes up our security.

Be proud of this. Know this record. It just didn't happen. It was planned. It was legislated. It was achieved and it was administered.

Remember the statement in President Johnson's address to Congress following the death of President Kennedy. He said, "Let us continue." This is our command—our commitment—"Let us continue."

And President Kennedy's program was one to which the then Vice President Lyndon Johnson gave his thought, his energy, and inspiration. He was a part of it. We had a team. I know. I sat there with those men. I worked with them. And we are continuing their program. The Kennedy-Johnson program is good for America and good for the world.

Look what we have started—area redevelopment, accelerated public works, more nursing homes built for our old people in the last 3 years than in the preceding 20 years—all under this administration. Urban redevelopment, housing, college housing. More housing built for the elderly in the last 3 years than the previous 100 years, under your administration.

Minimum wage extension, the Social Security improvements, the food stamp program for our needy, the expansion of food for peace, the extension of the school lunch program.

In farm credit and the Small Business Administration, we have doubled previous efforts. We have backed our procompetitive position with expanded credit to the small man.

Take education. Never in the history of America has more been done in the field of education than in the past 3 years. The most comprehensive program of aid to higher education ever passed by any Congress was passed by this Congress while President Kennedy was yet in the White House, and signed by President Johnson. And furthermore, the National Defense Education Act extension is an historic expansion of vocational and technical education.

Take mental health. We made the greatest advance in support of mental health and the first major attack on mental retardation of any country in the history of the world.

We provided generous aid to medical schools, schools of pharmacy, schools of nursing, and other professional schools. We strengthened the health facilities of our Nation. Remember that record.

And what about foreign policy? The Peace Corps is the finest demonstration of the spirit of America. It is a success. It is America at its best.

And the Disarmament agency, the first any government ever established in history. The Nuclear Test Ban Treaty—the first step away from the treacherous pathway to nuclear disaster.

The Alliance for Progress—that bold and generous effort to sweep away the cobwebs of our neglect and misunderstanding in Latin America—remember these achievements.

Now we are working on the Johnson blueprint for progress—outlined in the President's clear and urgent call to Congress last month. Yes, it is a blueprint of progress, and it builds solidly on what we have already done. It draws from the leadership of our party from Franklin Roosevelt to John Kennedy. Roosevelt took leadership of a nation in which one-third of our people were ill homed and ill clothed, and while we have made great progress since the thirties, the President of the United States today recognizes that there is still great poverty in the midst of our plenty. President Johnson says, "We will wage unrelenting, unconditional war against it." I felt good when I heard that. The Democratic Party is only worthy of respect when it remembers that it is a party of ideals and idealism, enthusiasm and conviction.

You must earn respect from the people before you can win elections.

We in the Congress are going to carry forward this war on poverty. We are passing the tax bill—we are injecting into this economy billions of dollars of new capital for new jobs, new investments and new expansion.

And make no mistake about it: we are going to pass the most comprehensive and effective civil rights legislation that has ever been passed in the history of the United States.

Justice. That is our single goal. We are working for what is right in passing this civil rights bill.

Why can't we do it without unlimited debate? We know these things have to be done. We know there is no room in America for second-class citizenship. We know the day of the past is gone.

We are all to blame for what has happened. And we all ought to work together to remove this ugly spot from our countenance. Today in the White House—still mourning a man who was his friend and leader—there is a southerner, a man from the South. And a southerner will lead this Nation into a national program of equal rights for all.

And, there is plenty of room in this struggle for civil rights for the party of Lincoln to join with us. This is not a partisan issue.

For the Democratic Party, I think we will be judged in 1964 by whether or not we have done what is worthy of the memory of the man who graced this Nation, who commanded the respect and the affection of people everywhere in the world, John F. Kennedy.

We have the responsibility to be a party of dignity and responsibility, honor and action.

As President Johnson has said, we are not going to discuss personalities. We are going to discuss issues.

We are not going to descend into the gutter of petty personal invective. We are going to be working on the great national problems. I say to my fellow Democrats, every one of you who has mourned the loss of John Kennedy, let us be worthy of his memory. He asked that we put the welfare of our Nation above personal ambition or desire—"Ask not what your country can do for you; ask what you can do for your country."

We need no greater incentive for victory in 1964 than to be worthy of the faith and the sacrifice of President Kennedy. His chosen lieutenant—Lyndon B. Johnson—carries forward that faith and those policies. So, let us continue. Let us resolve here in California, in this great western metropolis, and everywhere in these United States where the fire and vigor of the Democratic Party burns bright, that the man President Kennedy selected as his partner will be given a smashing electoral victory next November.

To President Lyndon B. Johnson, as we did to President John F. Kennedy, we give our hands and our hearts.

PRESIDENT JOHNSON'S FIRST 100 DAYS

Mr. McGOVERN. Mr. President, the noted reporter, Mr. Phil Potter of the Baltimore Sun has written a superb account of the first 100 days of the Johnson administration.

I think all Americans have been reassured and inspired by the remarkably effective leadership President Lyndon Johnson has provided since the tragedy of November 22.

I ask unanimous consent that Mr. Potter's article for the March 7, 1964, issue of the New Republic be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOHNSON—THE FIRST HUNDRED DAYS

(By Philip Potter)

The late President John F. Kennedy preached vigor and movement. Both come naturally to President Johnson, whose first 100 days have been a wearing experience for his staff and for the White House press. The strain has told on him, too. He has shown some irritability in his press relations and in his reactions to political criticism from Republicans, especially about the Bobby Baker case. But on the whole it can be said, as it was by one of the women whose hands he grasped over an airport fence as he greeted voters: "The Presidency sure agrees with you, Mr. President," Domestically it is hard to fault his performance. In the international field, if he has not shown similar mastery, one is reminded of ex-Chancellor Konrad Adenauer's observation—"who can?"

Mr. Johnson came into office in distressing circumstances, the assassination of a President of great personal popularity who had made an impact on his own people and the world, perhaps a more favorable one abroad than at home. The country was in a temporary state of shock, the world perplexed and confused by our change in leadership. Mr. Johnson had earned a reputation as a legislative leader, as a regional politician, as an unusually active Vice President, but one who was always in the shadow of the President. The industrial North and East knew him in a shadowy way, many conceiving of him as a "southerner," or more simply as a "Texan," neither being a designation of the most comforting kind to large segments of the population.

The new President's task was to unify and reassure the Nation and our allies, establish a feeling of continuity, help assuage our grief and get things going again. He did so with tact, consummate energy and good sense, displaying among other things a little known humility which helped Kennedy lieutenants to adjust themselves to a new man in the White House.

With only 11 months before the next national election, he had time neither to assemble a new staff nor to frame his own program, although he faced the necessity of stamping his own personality and image on the Government. The fact that he had recently lost his own mentor and guide, Speaker Sam Rayburn, gave him an understanding of the loss sustained by such people as Attorney General Robert F. Kennedy, and others whom John Kennedy had brought into the Cabinet and the White House staff.

"I need you more than he did," these men were told. And: "You don't want Nixon in here, do you?"

Almost all are still on duty, and the few who have left, including Sorensen, stayed until the transition was accomplished and the Government was functioning normally again.

Mr. Johnson's personality—he can be excessively the homespun "Texan"—has grated on some of the holdovers at times, but most feel he performed superbly in a time of crisis. He delivered faultlessly—to the amazement of observers nourished on the myth that he was all "cornball," but not to those who knew him well—a message to a joint session of Congress that combined a moving eulogy to a dead President with a stirring summons to all Americans to continue with our work. He told the world—and he meant it—that our foreign commitments would be met, and that he, like his predecessor, would work for peace with honor.

He has not developed answers for all foreign problems. But he has scarcely had time to do so. In any event, as he puts it, he has not yet got the elective franchise that may be needed for statesmanlike innovations in foreign policy. If, in either the domestic or international fields, he has offered no new ideas, he has coined some effective domestic slogans to gild old programs and describe the course he intends to pursue until he becomes an elected President. He has summarized his program for the Nation as "strength, solvency, and compassion," and emphasized the latter by declaring a "war on poverty." By extension, he also so characterizes the Alliance for Progress, and in earnest of his determination to make this Latin American development program work he has put a new man in charge and given him wide authority.

He showed at once that his 32 years in politics had given him a grasp of the processes of our Government and that he could be a vigorous administrator, although, perhaps, given to overly intensified personal management that engrosses him in too many details. He expects all lieutenants to be all-round men, as handy at turning a phrase for a speech as at wheedling a vote out of a reluctant legislator, and he has created some confusion among a staff that is used to working through channels.

But the President gets things done, if at terrific cost in time and energy. He quickly established himself as Commander in Chief of the Armed Forces, giving Robert S. McNamara, the Secretary of Defense, a green light in the closing down of archaic military establishments, and warning generals and admirals that, as an old legislator himself, he was up to their tricks of using the legislature to thwart the White House and the Bureau of the Budget. He squelched their requests for an extra $9 billion that they wanted, but overruled the Bureau of the Budget to give them more missiles than they first had been allowed. He touched every appropriate base in the Nation and said the right things everywhere—in a Thanksgiving Day message to the American people, in a United Nations Assembly speech, in private talks with world leaders here for Kennedy's funeral, in later formal meetings with free world leaders, and in big meetings with foreign service officers, Pentagon functionaries, business and labor groups, Governors, and mayors.

Negro civil rights leaders, brought in one by one for earnest talks, went away convinced—or so they said—that the "southerner" in the White House was as dedicated to civil rights as was his predecessor from Massachusetts. "As a southerner I am very happy to know that a fellow southerner is in the White House who is concerned about civil rights," said the Rev. Martin Luther King. With political genius, Mr. Johnson headed off what might have been a deeply prejudiced inquiry into the Kennedy shooting by Senator EASTLAND, Democrat, of Mississippi, and his Senate Judiciary Subcommittee, by setting up a Presidential commission and getting Chief Justice Earl Warren to head it. By some legerdemain he got that most respectable southern Senator, RICHARD RUSSELL, of Georgia, to serve on the Commission with a man he does not particularly like.

Burning much midnight oil, the President carefully went over a Federal budget that was ready for the printers before he succeeded to the Presidency, and, by the sternest admonitions to department and agency heads to pare personnel totals and make other savings, he came up with a spending total for fiscal 1965 which is $2 billion below the most sanguine conservative hopes. The aim, as Mr. Johnson put it, was to take from the "haves" among Federal departments—the Pentagon being a typical example—and give to the "have nots," meaning the departments which will have responsibility for the anti-poverty program.

The tight budget helped him to break the legislative logjam in Congress, inducing Senator BYRD, Democrat, of Virginia, powerful chairman of the Senate Finance Committee, to loosen his grip on an $11.5 billion tax cut measure which is now in effect.

He successfully fought off what he regarded as a Republican attempt to usurp his authority over foreign policy by attaching an anti-wheat sale rider to the foreign aid bill. He even got the diehard southerner in charge of the House Rules Committee, Representative SMITH, Democrat, of Virginia, to release the civil rights bill for adoption by the House. Now in the Senate, whose southerners are primed for a filibuster, this bill remains Mr. Johnson's thorniest domestic problem, but he has promised to throw his "whole stack of chips" into the fight.

Exhoratory telephone calls from the White House already are flooding the Capitol, and Senator HUBERT HUMPHREY, Democrat, of Minnesota, picked by the President as floor manager, is confident he and the President can pull it off at whatever cost.

Alluding to the fact that Mr. Johnson has a medical history clouded by a 1955 heart attack, Senator HUMPHREY humorously complains of the frenetic pace Mr. Johnson has thrust upon Congress. "I wish we could get a President who really is sick, instead of one so healthy he is going to kill everyone else," HUMPHREY said. "I have never worked so hard in my life." Some of the White House staff are equally alarmed over the pellmell activity which has characterized Mr. Johnson's first 100 days. It is not his health they worry about, but their own.

PHONES AT DINNER

Politics and the practice of the Government arts are the breath of life to Mr. Johnson, although some find the atmosphere cloying. The President even takes his work to the dinner table. If the phone lets up a minute while he nibbles at a diet designed to keep his weight at around 200 pounds, he picks it up to make a call of his own. If there is no business, he uses the telephone for social purposes, for instance, a call to the wife of a man he has detained and invited to share his meal, to assure her that her husband is only a temporary Johnson captive.

Women reporters on the White House beat also have to be vigorous these days. He has grabbed them all for dancing partners at the numerous receptions they have had to cover for their newspapers. He so seldom misses a dance at these affairs that, one woman confides, he gets wringing wet from perspiration. A "can do" man in all respects, he will not even let a servant open the windows. He does it himself—just as, after handing out glass ashtrays to reporters who visited him at his LBJ ranch near Austin on Christmas Day, he stooped to pick up the discarded tissue wrapping, brushing aside the help whose chore he had assumed.

The new President is a perplexing man, who has a bewildering variety of characteristics. Privacy has little place in his life. He epitomizes "togetherness" in work or in play, almost always with people at his side or with a telephone in his hand. The electric bill at the White House has gone down because of his orders to turn out lights when they are not in use. The telephone bill is surely up. So is the bill for photography. Few visitors get away without being posed with the President. They duly get an autographed copy.

He has the true Texan's penchant for flamboyance and overstatement.

He is moody. He was on Cloud Nine, for instance, when the stock market, losing $11 billion in market values on the day of Kennedy's assassination, bounced back the following Tuesday, as the market opened again, and registered a $15 billion gain in values. But criticism in the press of his handling of the Panama, Guantanamo, Cyprus, and other foreign problems finds him depressed and sensitive, and overly worried about press reaction to his rule.

Impatient and sometimes dictatorial, he can also be patient, gentle and humble with underlings and associates, although the patience clearly calls for a firm exercise of will. He waited patiently, for example, for Attorney General Robert Kennedy to get over the shock and bitter grief of his brother's death, then drew him fully back into the Presidential circle, giving him an important mission to perform in southeast Asia, and his old place back in the inner Cabinet circle.

While waiting for Robert Kennedy to manifest a desire to remain in the Government and participate in the forthcoming presidential campaign, the President kept open another channel to the Kennedy family's political strength by thrusting new responsibilities on a willing R. Sargent Shriver.

Mr. Johnson's political strategy is broad and sweeping. In the state of the Union message, he preempted both the center and the left, his tight budget confounding Republicans prepared to attack him as a spender and winning for him a remarkable degree of support from business, while the promised "war on poverty" was music to liberals' ears and sparked an enthusiastic response from such labor leaders as Alex Rose, president of the Hatters Union and vice chairman and spokesman for the Liberal Party of New York State. Like most Americans, the President has an ambivalent respect for both prudence and progress. He is a skilled political tactician, too, having learned all the arts of persuasion in a lifetime in politics—cajolery, flattery, the perceptive use of carrot-and-stick, the use of patronage and all the rest. He may not have read Plato's "Republic," or Gibbons "Decline and Fall of the Roman Empire," but he has read and filed away in a retentive mind the facts and wisdom to be found in the Congressional Directory and the Nation's leading newspapers and on its television news broadcasts. He seldom misses one of the latter, using an alarm on his wrist watch to remind him of the times.

He knows that the world is in another of its transitory phases; that the fear of war has lessened in the months since the signing of the nuclear test ban treaty, and that nations which once clustered together and accepted our aid and shelter are now in a mood to assert their independence and pursue narrow nationalist ends. He has to find his course among conflicting national interests which threaten free world unity, while trying to keep the thaw in the cold war going. It is not going to be easy, and he knows it.

The national polls now show him with a commanding lead over all potential Republican challengers, with strength surpassing his predecessor's in the South and West and almost if not quite as much in the industrial North and East. But disaster in Vietnam or new Communist successes in Latin America can chip away at the President's credit with the electorate, and none knows it better than the President.

It is no wonder that he is sensitive to press criticism. All politicians are. Kennedy said after he was 3 months in the White House, in response to a news conference question, "Well, I'm reading more and enjoying it less." Mr. Johnson, according to a White House source, has turned this around, saying: "I'm reading less and enjoying it more," adding that he had stopped reading his friends writings "so I don't get sensitive about what they say."

Such words of both Presidents are said in jest, but they have some import. In any case, Mr. Johnson does not have the time he once had to read the press. He is busy far into the night, aids say, reading some of the books he had missed along the way, and poring over briefings on Cyprus, Africa, Vietnam, etc., from the State Department, the Pentagon and the Central Intelligence Agency.

At times he seems exhausted by the strain of the Presidency, but, if so, he snaps back quickly. He claims that a 2-minute nap in a little room where he has hung the autographed photos of Franklin Delano Roosevelt, Herbert Hoover, Dwight D. Eisenhower and Harry S. Truman—all men he has known and some of whom he has served—refreshes him and puts him back on his feet. He also is enjoying the White House pool, to which almost anyone of the male sex is likely to be invited for a noontime dip—in the nude.

DEFENSE OF PUBLIC EMPLOYMENT SERVICES

Mr. CLARK. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement prepared by myself, in defense of public employment services.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

U.S. SENATOR JOSEPH S. CLARK DEFENDS PUBLIC EMPLOYMENT SERVICES

U.S. Senator JOSEPH S. CLARK, Democrat, of Pennsylvania, today defended the Federal-State Employment Services as "an essential element in any arsenal of services we can devise to make better use of our Nation's manpower and to reduce dangerously high rates of unemployment."

CLARK issued the statement as chairman of the Senate Subcommittee on Employment and Manpower which has just concluded a year-long study of the Nation's manpower and unemployment problems. The first of a series of studies to be issued by the subcommittee was released today. It reviews the activities of the Federal-State Employment Service in 33 States.

CLARK commented that he finds both "disturbing and absurd" an attack mounted against the public employment services by private, fee-charging employment agencies in recent months, adding:

"There seems to be an implicit contention by the private employment agencies that the need for every breadwinning American to find a job is something upon which someone else has the right to capitalize and profit. Yet these largely unregulated private agencies cannot possibly concern themselves with the needs of workers who cannot afford to pay a high price for what ought to be their inalienable right—the right to a job. Nor are they particularly interested in finding employment for those who are hard to place."

CLARK stressed that these views are his own, since the subcommittee's final report and recommendations have not yet been completed by the committee. He continued:

"What makes this whole controversy a tempest in a teapot is the extremely limited role which the public employment services presently play in the labor market. They account for only 16 percent of all the hirings in the country. But this subcommittee has heard a great deal of evidence which indicates that the public employment services must be strengthened, not weakened, if the country is ever to realize reasonably full employment.

"No one disputes for a moment the legitimate part which the fee-charging private agencies ought to play in placing people who want to pay for their services, and there will always be many who will want to do so. But these agencies can meet the needs of only a small number of people, usually with special talents. The bulk of hiring will continue to be not through employment agencies, public or private, but through the recruiting efforts of American employers themselves.

"Private employment agencies have complained that the public services are 'invading' the professional placement field rather than restricting themselves to the unemployed. The law never regulated the public agencies to serving only the needs of the unemployed. There are many employed workers who want a chance to better their lot but who can afford to go nowhere but the State employment service to find out what jobs are available.

"Independent labor market experts as well as representatives from labor and management who appeared before the subcommittee recommended more placement activity by the public services in professional and technical occupations and among the employed. They warned that if the State employment services were restricted only to the low-skilled unemployed, very few potential employers would ever seriously consider listing available jobs with them.

"Yet, matching men and jobs in this rapidly changing economy of ours will require an unfettered flow of job information between employer and worker. Every American ought to be able to go to his public employment office in the reasonable expectation that he can find out about a job without paying a high fee. Only an effective nationwide employment service providing a full range of information and services can meet this need—a need satisfied, incidentally, in several European countries.

"Employers appearing before the subcommittee stressed their needs for testing, selection, training, and labor market information which they maintained could only be obtained from a widespread and effective public employment system. One California defense contractor told the Employment and Manpower Subcommittee that the manpower needs of his company could not have been satisfactorily met without the help of the California State Employment Service.

"The need for the State employment services will increase in the future. Indications are that severe local adjustment problems, such as those recently caused by the Studebaker shutdown in South Bend, the canceling of defense contracts and increased technological displacement in many industries will all require a free interchange of national and regional job information.

"Any war on poverty, or on-the-job problems of high school dropouts, or on hard-core unemployment will also require these services.

"Up until now, the unemployed workers served by the State employment services have only been those who walk through the doors of their employment office. Yet, the dropout has probably never learned how to hunt for a job and doesn't know the employment office exists. The hard-core unemployed and poverty stricken may have, through discouragement, withdrawn from active search for a job. It may well be necessary for the employment service to seek out these disadvantaged persons rather than wait to be approached by them. Once contacted, these persons will require more intensive services—more frequent counseling at greater depth and followup efforts to assist the newly placed employee to remain employed. An 'early warning system' will also be needed to identify and assist occupations and employees vulnerable to unemployment. All of these diagnostic, remedial, and preventive efforts will require the services of more highly trained employment counselors.

"The public employment service in the United States is a unique achievement in Federal-State relations. Contrary to some of the misimpressions currently being circulated, the Federal Government does not operate a single employment office in the country. It simply provides the funds to the States for the more than 1,900 State employment offices in the United States. This ingenious system is something we must encourage and strengthen. A strong public employment service is one of the best guarantees we can give the bread-winning American. When he needs a job there is a place he can go to find out where to look."

MARINE LT. JOHN W. GUY, OF CHEYENNE, WYO., ADVISER TO VIETNAMESE MARINES

Mr. SIMPSON. Mr. President, the Communist-inspired conflict in southeast Asia has taken American fighting men from each of the 50 States into the jungles of Vietnam. Our advisory force in that strife-torn country now numbers several score thousand of the finest fighting men in the world. But, the war continues.

The Associated Press in a February 28 dispatch from Saigon gives an account of a recent battle in this very hot aspect of the cold war in which Lt. John Guy, of Cheyenne, Wyo., participated.

The Associated Press described the battle this way:

> Advancing under a mortar barrage, a Vietcong battalion of about 400 men hurled itself against a line of Government marines and their U.S. advisers. The line retreated 75 yards and held firm, while another Marine group across a nearby stream counterattacked.

A fire fight involving in excess of 400 men is no small engagement. It is a fight that belies Vietnam's sobriquet, "dirty little war."

Lieutenant Guy said of the battle:

> Those Viets were pretty daring to take us, because we had more fire power, but they outnumbered us.

Mr. President, I ask unanimous consent to have printed in the Record this brief account of the fighting in Vietnam and of the role played by one Wyoming marine.

There being no objection, the article was ordered to be printed in the Record, as follows:

VIETNAM COMMUNISTS PUSH ALL-OUT ANTI-AMERICAN DRIVE

SAIGON, VIETNAM, February 28.—The Communists are distributing leaflets in Saigon calling for an all-out drive against Americans to coincide with the observance of a Communist holiday next week.

"Pledged to the complete eradication of United States forces here and pressing for the neutralization of the southern area, the national liberation front Saigon-Cholon-Gia Dinh zone committee has issued instructions to its military, paramilitary and political organizations," the leaflets read.

"Every effort must be made to carry out a sabotage campaign to celebrate the coming anniversary of the Vietnam Lao Dong Party (North Vietnamese Communist Labor Party) on March 3."

LODGE OK'S GUARDS

U.S. Ambassador Henry Cabot Lodge has received several assassination threats by letter, according to reliable informants.

Mr. Lodge, who normally shuns tight security and likes to go walking by himself around Saigon, is reported to have agreed to tighter security precautions and now travels only with guards.

American and Vietnamese security precautions were sharply tightened in Saigon after the bombing of the American community theater February 16, in which three Americans were killed.

No additional precautions are planned for the Communist holiday. But Communist holidays occur frequently, and security officials always expect trouble.

SECURITY CONTINUES

Some American activities that were suspended after the theater bombing have been resumed. The Saigon USO club has reopened but is heavily fortified with sandbags.

Tight security continues at the American school and at all official American establishments. Americans have been warned to keep social functions to a minimum.

Meanwhile, United States military sources reported today that casualties were far higher than originally estimated in a sharp clash with Communist guerrillas in the Mekong Delta, Wednesday.

They said an estimated 43 Communist Vietcong fell in battle and 3 were taken prisoner, while 19 South Vietnamese were killed and 47 were wounded.

The Vietnamese Government initially reported 25 guerrillas killed. Government losses were put at 3 dead and 76 wounded.

Vietnamese troops and their U.S. advisers pulled out of the battle area today near the village of Long Binh, 45 miles south of Saigon, after failing to track down the Vietcong unit.

FIERCEST SINCE LULL

American military sources described the battle as the fiercest since a lull in the war during the lunar New Year celebration in early February.

Advancing under a mortar barrage, a Vietcong battalion of about 400 men hurled itself against a line of government marines and their U.S. advisers. The line retreated 75 yards and held firm, while another marine group across a nearby stream counterattacked, U.S. sources said.

Americans were generally pleased by the performance of the government marines but also commented on the Communist performance. "Those Viets were pretty daring to hit us like that because we had more firepower," said Lt. J. W. Guy, of Cheyenne, Wyo., "but they outnumbered us."

HAROLD WILSON COMES TO WASHINGTON

Mr. HUMPHREY. Mr. President, one of the most distinguished and able columnists, Mr. Max Freedman, has written a very perceptive and thoughtful column concerning a distinguished visitor to the United States, Mr. Harold Wilson, leader of the British Labor Party.

This column should be studied by every Member of Congress because it rightly points out the importance of Mr. Wilson's visit and gives us some insight into the thoughts and policies of the leader of the British Labor Party, which now enjoys popular support in the British electorate.

I have known Mr. Wilson for several years. He is a recognized and capable economist. He is an astute political tactician and leader. He is a friend of the United States, a loyal supporter of NATO, and, as it appears now, will be the next Prime Minister of Great Britain. It is good that we are getting to know him because Britain is our loyal and faithful ally. We must continue to have that same sense of mutual trust and confidence in the years ahead.

I ask unanimous consent that Mr. Freedman's column be printed at this point in the Record.

There being no objection, the column was ordered to be printed in the Record, as follows:

U.S. TRIBUTE TO HAROLD WILSON—CONCERN FOR LABORITE'S VIEWS REFLECTS HIS POLITICAL POWER, PERSONAL STATURE

Harold Wilson, leader of the British Labor Party, has given first priority to foreign affairs in his brief visit to Washington. He has correctly understood that President Johnson and the other American officials are primarily concerned with learning his views on the major problems that now trouble the world.

This anxiety to learn his opinion is in itself a most unusual tribute to an opposition leader who has never served as Foreign Secretary.

In part this tribute is a respect for power. The Labor Party continues to hold its commanding lead over the Conservatives. Under the British system the date of the election must be fixed by the Prime Minister but it is to be held this year. Officials in Washington know that the political tides in Britain are still running strongly in Mr. Wilson's favor, and they naturally want to know if the prospect of ultimate power has produced any change in his philosophy.

But this tribute is also being paid to Mr. Wilson's personal eminence as a spokesman on foreign policy. Since the Conservatives made Sir Alec Douglas-Home their party leader and the Prime Minister, they have been trying to push foreign affairs into the center of the political debate to give him the chance to display his expert knowledge. This strategy has not been a great success. Mr. Wilson has discussed the most complicated problems in foreign policy with an authority that has won public confidence.

It must be emphasized that President Johnson is being scrupulously neutral in his attitude to British politics. A few days ago two members of Mr. Wilson's "shadow cabinet" were in Washington. They will be members of the Labor government if one is formed after the election. Officials of the administration saw them, and profited from the discussions. But President Johnson wisely declined to meet them.

One of Mr. Wilson's achievements in the last few months has been to open a new relationship with German Socialists. As a result it has become possible for Mr. Wilson to discuss German problems in relation to European trade and European security with a certain relaxed independence never available to Mr. Gaitskell as leader of the Labor Party. Mr. Wilson took the initiative in arranging this relationship, and the primary credit belongs to him.

But the European situation is changing swiftly without waiting for the British elections. In coming weeks Mr. Wilson will have to declare himself on a number of new issues, some of which have just been raised in a memorable speech by Jean Monnet of France at Bad Godesberg.

For example, Mr. Monnet said Europe must form a partnership with the United States, with Europeans progressively assuming equal responsibilities. The first stage in this transformation of Atlantic relations will come with the "Kennedy round" of tariff negotiations. Success in these negotiations will enable both Europe and the United States to develop their commercial policies by mutual consent.

This declaration has been welcomed in the State Department and the White House. But where does it leave Mr. Wilson? Like all Englishmen, he believes in the expansion of trade, and so he will support the "Kennedy round." But he is also a determined advocate of national economic planning, and he has insisted on complete independence for British foreign policy even if Britain one day should join the Common Market. This is a rather different note from the one sounded by Mr. Monnet and American spokesmen. What is he prepared to do, if he becomes responsible for British policy, to bring about a reconciliation of views?

OVER THE NORTH POLE BY SKIS

Mr. HUMPHREY. Mr. President, the heart of every Norwegian-American will stir today with the news of a remarkable attempt being made by Bjorn Staib, a skier from Oslo, Norway, who is flying today to Thule, Greenland, and will commence from Thule an ice march toward the North Pole, across northern Canada, and on to Spitsbergen.

In these days of jet transpolar flights, it has become routine to cross the North Pole from continent to continent. Yet the wastes of the north are still as awesome and terrifying to a man on foot as they were to the first hunter who traversed eastward from Siberia perhaps hundreds of thousands of years ago.

I think that few men, Mr. President, can contemplate Mr. Staib's odyssey into the North without wishing that they too might plunge into such an adventure, face such an overwhelming challenge and demonstrate such courage and daring.

For all Americans, but particularly for all Norwegian-Americans, I wish him Godspeed.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks my letter to Mr. Bjorn Staib of January 28 and the cable which I received from him this date.

There being no objection, the letter and cable were ordered to be printed in the RECORD, as follows:

JANUARY 28, 1964.

Mr. BJORN STAIB,
Oslo, Norway.

DEAR MR. STAIB: I am sending this letter by way of my friend, Kjell Peterson, who will be visiting in Norway next week, to wish you the best of luck on your forthcoming trip on skis across Alaska, northern Canada, and to Spitsbergen.

Yours is a daring adventure, and I know that every Norwegian and every Norwegian-American, like myself, will be pulling for you.

With best wishes.

Sincerely,

HUBERT H. HUMPHREY.

MARCH 3, 1964.

Re North Pole expedition.

HUBERT HUMPHREY,
U.S. Senate, Office of the Majority Whip, Washington, D.C.:

Thanks letter which much appreciated. Expedition leaving Oslo for Thule today; starting ice march toward North Pole from northern Canada middle March.

Best regards,

BJORN O. STAIB.

SENATOR JENNINGS RANDOLPH URGES EFFECTIVE ACTION TO WIN WAR ON POVERTY

Mr. GRUENING. Mr. President, yesterday I expressed at some length my ideas on how the war on poverty—rightfully declared by President Johnson—should be waged. I appended to my remarks a highly stimulating and constructive article by John Kenneth Galbraith from the current issue of Harper's magazine, which developed that nationally known and respected economist's view that only by expenditure on the public sector can the war on poverty be successfully waged. This happens also to be my view, and it is likewise the view of the able senior Senator from West Virginia, JENNINGS RANDOLPH, who has battled so hard and successfully to call attention to the tragic poverty which exists in his State, a part of one of the most chronically depressed areas in the Nation, namely Appalachia, which extends through West Virginia into Kentucky, Tennessee, and the mountain regions of Virginia, the Carolinas, and Georgia. We have a similarly depressed area throughout Alaska.

Senator RANDOLPH, who has been acting as chairman of the ad hoc committee on the desirability of reactivating the accelerated public works program, a committee appointed by the chairman of the Public Works Committee, Senator MCNAMARA, of which I happen to be a member, shares the view expressed by Dr. Galbraith, and indeed the testimony which has been brought out before his committee is overwhelming to the effect that the accelerated public works program should be revived.

What has happened is that some $900 million was authorized for it and a slightly lesser amount, $880 million, appropriated. It has all been expended—indeed it was a whole year ago.

While it functioned it did a magnificent job. By participation of Federal and local funds, all kinds of worthwhile construction projects were brought into being—sewer and water works, paving, public buildings—projects that were really needed, but whose major benefit was that they put people to work both in the communities where these projects were located and in the factories where the materials were created, and in the carrier industries as these products were transported from factory to the project sites.

Unfortunately, the $880 million was soon used up, leaving actually some $700 million worth of excellent, approved projects ready to go. If the program were revived, work could begin immediately; no more paperwork, no more research, no more studies, no more processing would be needed. The $700 million worth of projects all over the Nation could start as soon as the President's signature was on the new authorization and appropriation.

Actually, several billion dollars could be properly and wisely expended, although the word "expended" does not make clear that this is essentially an investment repayable in taking people off relief, repayable in increased tax revenues from the wages and salaries earned, repayable not merely in material but in essential spiritual and abstract values. It would win a battle in the war on poverty.

Present indications would be that the war on poverty, for which the President has named Sargent Shriver as his commander, will start in a low key and will attempt, by very limited appropriations, to do a major job. I fear that this will not succeed, and it is important that all those who share the President's hope that his war on poverty will be a success, should emphasize the essentiality of doing a really first-class, bang-up job, comparable in expenditures to what the United States has been appropriating for the last 17 years for what are now over 100 foreign countries.

It is certainly paradoxical and ironical to note the contrast between the vigor and persistence with which our Federal executives for the last 17 years have been urging relief for the unemployed and poor of foreign countries but without similar emphasis and support for our own unemployed.

Senator RANDOLPH has written the President a letter on this subject. As he is unfortunately temporarily indisposed in a hospital, he has asked me to insert it into the RECORD, together with a press release which he likewise sent to the President.

I ask unanimous consent that Senator JENNINGS RANDOLPH's letter to President Johnson and the accompanying press release be printed at this point in my remarks.

There being no objection, the letter and press release were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON PUBLIC WORKS,
February 28, 1964.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: In a conference with Sargent Shriver, I expressed the belief that the war on poverty—especially in the Appalachian region—must strike at such basic causes of impoverishment as educational deficiencies, health problems, and insufficient job opportunities.

Improve the public health base and expand educational and job opportunities in this country and poverty among its citizens will be reduced substantially.

Welfare and institutionalization programs are necessary parts of the attack on poverty for the hopelessly impoverished and as stopgap arrangements for other categories of individuals and families. But the really effective antipoverty weapons are in the arsenals of education and economics.

I am in agreement with plans which it is my understanding the administration will sponsor to increase the role of the Farm Home Administration, and I have consistently supported and will continue to support proposals to expand and emphasize youth opportunity improvement programs. But I urge that special consideration also be given to assisting the educational systems, with special attention to those in labor surplus areas. And, as I have declared in prior discussions at the White House, I believe there is an essential need to place strong emphasis on health service, water and sewer system projects in a renewal of the accelerated public works program.

Labor surplus areas need assistance for their educational systems in degree greater than do the schools of the so-called federally impacted areas which receive annual grants of millions of dollars from the Federal Government.

The small urban and nonurban communities in redevelopment areas have a need for matching public works grant programs in a degree equal to the needs of metropolitan areas for slum clearance, urban renewal, and low-rent housing programs.

Acceleration of public works in the chronic labor surplus sections of the country—especially projects for water and sewer systems—are vital in the interest of public health, in warding off community obsolescence, and in stimulating economic improvement. Inadequate water and sewer systems and community obsolescence are more than symptoms of poverty; they are breeders of health hazards and poverty.

In amplification of my views on the validity and the worth of accelerating Federal-community matching public works programs, I enclose extracts from a statement I have prepared for the national convention of the Associated General Contractors of America in session at Las Vegas, Nev.

With appreciation for the leadership and impetus you are providing the necessary efforts which must be made to overcome impoverishment among too many of our fellow citizens, and with assurance of cooperation, I am,

Sincerely yours,

JENNINGS RANDOLPH.

PRESS RELEASE FROM THE OFFICE OF SENATOR JENNINGS RANDOLPH, DEMOCRAT, OF WEST VIRGINIA, WASHINGTON, D.C.

WASHINGTON.—"The need is imperative for a continuing public works program," U.S. Senator JENNINGS RANDOLPH, Democrat, of West Virginia, asserts in a statement prepared for the national convention of the Associated General Contractors of America in session at Las Vegas, Nev.

Senator RANDOLPH is ranking majority member of the Senate Public Works Committee and chairman of its Special Subcommittee on Public Works Acceleration.

The following are excerpts from his statement:

"There are questions concerning the relative share of responsibility of Federal, State, and local governments in any matching program of public works. And there are questions on different priorities to be assigned to hospital construction, schools, airports, water and sewage facilities, and other categories of projects. But the insistent claim of unfilled community needs and the continuing high level of unemployment should have long since removed opposition to a public works program. * * *

"The category of water and sewage projects alone is sufficient to justify a continuing and long-term Federal public works program which includes provision for State or local matching portions. * * *

"When we combine such needs with the urgent requirements for hospitals, school and library construction, the rehabilitation of many of our central cities and the redevelopment of many of our rural areas, the argument for a joint Federal, State, and local public works program should be self-evident. This argument is even more compelling when we observe the chronic rise of unemployment during the past decade. * * *

"If we consider also the unemployment equivalent of those who are working only part time and those who have dropped out of the labor market due to lack of opportunity, our present true rate of unemployment is about 9.5 percent nationally. The rate is even higher in the contract construction industry in which it was 12.7 percent for 1963.

"It was against this backdrop that Congress approved and President Kennedy signed the Accelerated Public Works Act in September 1962, authorizing $900 million for Federal matching grants to local communities and for direct Federal projects. * * *

"The entire $880 million appropriated under the original $900 million authorization has been allocated for approved projects. Yet there remains a backlog of approximately $800 million of eligible projects which could not be approved because of the legally authorized ceiling of expenditures having been reached. For this reason, I have joined with other Members of Congress, in both bodies, in advocating and working for a new authorization of at least $1 billion for the Federal, State, local APW program. * * *

"Almost half, or 47 percent, of all APW funds under the act passed in 1962 have been allocated to water and sewage facilities; 13 percent for streets and roads—which, of course, includes curb and gutter work; 13 percent for hospitals; and 12 percent for public buildings. The remaining 15 percent was devoted principally to natural resources, conservation, and related projects.

"As is evident from this breakdown, the APW program is not a 'make work' or 'leaf raking' activity; it is beamed directly at those communities which have the highest rates of unemployment, the lowest median family incomes, and the most acute deficiencies in community facilities.

"The immediate impact of APW has been to inject new money and vitality into the affected areas, to bring on-site employment, and to create much needed public facilities in our most distressed communities. It is estimated by competent officials that when the APW program reaches full force this year, projects under it will employ the equivalent of 10 percent of our currently unemployed.

"Of equal significance, however, are the contributions that these public works make in lifting the morale of our communities and in providing useful facilities which establish a base for the creation of permanent new employment. * * *

"With a demonstrable record of effective administration, with widespread and enthusiastic support for the APW program at the local level, and with the continuing need for community facilities and new employment opportunities, one may rightfully question why the Congress has not authorized additional expenditures and has not appropriated funds under such authorizations. We are at work on this matter * * * and I hope that the 88th Congress will authorize and appropriate funds for continuation of the APW program.

"The Public Works Committee of the House of Representatives reported late last year the $900 million John Blatnik bill. This measure is in the House Rules Committee where it awaits a rule to be sent to the floor for a vote.

"In the Senate, the Special Subcommittee for Accelerated Works, on which I serve as chairman, conducted hearings last December on a new authorization of $1.5 billion, introduced by Chairman PAT MCNAMARA, of the Senate Public Works Committee. We planned to resume hearings on this bill next week but postponement has been made necessary by rules to be applied during debate on the civil rights legislation.

"Though I would not presume to state President Lyndon B. Johnson's position on the measure, we are aware of his personal and official commitment to the war against poverty. And I cannot help but believe that a public works program will become a significant part of the administration armament in this battle.

"We shall, of course, have to counter the almost ritualistic opposition of some citizens and organizations—and of some Members of Congress—to the concept of 'public works.' In this respect, I am always concerned by the paradox present when the same person supports the construction of hospitals, libraries, water treatment plants, and schools, but opposes 'public works.'

"All of these projects are vital investments in the social, economic, and natural resources of America. And I know of few Federal programs which have been administered with more efficiency and less administrative overhead than has that for APW.

"My only major criticism of the APW program is that it is not large enough to meet the challenge of today's needs. But I shall cooperate to the full extent of my capacity to have it extended and to make it a more fundamental component of the administration's program to create a better and more prosperous America."

VIOLENCE AND BLOODSHED IN THE DOMINICAN REPUBLIC

Mr. GRUENING. Mr. President, during the course of the foreign aid debate in the last session, I introduced an amendment to the bill providing that no military aid be given to Latin American countries unless the President found it in the national interest to do so for a particular country.

This seemed desirable because of the recurring overthrow of democratically constituted governments by military juntas, using arms, planes, tanks, machineguns, and other materiel that the United States had supplied to these countries, presumably for hemispheric defense in the name of mutual security. Instead, these weapons were used in various countries to overthrow existing governments, some duly elected, producing chaos, destruction, uncertainty and other objectionable concomitants.

This has happened in the Dominican Republic, in Honduras, in Peru, in Ecuador, in Guatemala, and has been the case in Argentina. In other instances, nations were using naval vessels, which had been given them by the United States presumably for hemispheric defense, to arrest American fishermen fishing in international waters, to bring them to port, imprison them, harass them, and fine them.

The action finally taken on the matter of military aid, as a result of conference, was the adoption of the following provision in the Foreign Assistance Act of 1963:

> *Provided*, That, except (1) to the extent necessary to fulfill prior commitments or (2) to the extent that the President finds, with respect to any Latin American country, that the furnishing of military assistance under this Act is necessary to safeguard the security of the United States or to safeguard the security of a country associated with the United States in the Alliance for Progress against overthrow of a duly constituted government, and so informs the Congress, no further military assistance under any pro-

vision of this Act shall be furnished to any Latin American country.

To show the necessity for such legislation, with the reservation that the President may exercise his right to make an exception where he feels the national interest demands it, I call attention to an interesting article printed in the Nation entitled "Dominican Republic: The Goons Again." This records the unfortunate reversion in that small Caribbean nation to savagery of the Trujillo type that has taken place since the democratically elected government of Juan Bosch was overthrown by a military junta 6 months ago. The United States withdrew recognition, quite properly, from the usurpers, and suspended the aid program. Recognition has now been restored in the hope of betterment, and we now have an excellent newly appointed Ambassador there, W. Tapley Bennett, Jr. While this is his first assignment as a chief of mission, he is an experienced career officer with a fine record who is personally familiar with the Dominican Republic, where he served earlier. His problems will not be simple, his task not easy, but I trust and am confident that he will use his influence and all other means at his disposal to put a stop to the brutal killings and other departures from civilized conduct now recurring in the Dominican Republic for which its self-installed rulers are responsible.

The United States can and should establish clearly a policy that it will not tolerate gangsterism perpetrated by the government in countries in which we are operating under the Alliance for Progress. Otherwise, there is no justification for resuming the lavish and well-intentioned aid which the United States had been giving to the Dominican Republic since the end of the Trujillo dictatorship in the hope that its rulers would endeavor to conduct as nearly as possible a regime appropriate to a free society, as stipulated in the agreements at Punta del Este for the Alliance for Progress, and one that at least preserves the forms of civilization and is honest in its financial affairs. The United States owes that much to the people it is seeking to aid, to say nothing of the American taxpayers, to tolerate what has been going on in the Dominican Republic since the junta took over.

It is clear that stability, decency, honesty, and maintenance of the essentials of freedom by the local rulers are indispensable if the worthy objectives of the Alliance are to be attained. The sooner the usurpers are made to understand that, the better.

I ask unanimous consent that the article entitled "Dominican Republic: The Goons Again," by Norman Gall, be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DOMINICAN REPUBLIC: THE GOONS AGAIN

(Norman Gall)

SANTO DOMINGO.—The Dominican Republic, 5 months after the ouster of President Juan Bosch, is evolving into a police state with a mounting record of brutality and corruption. [See "The Fall of Juan Bosch," also by Norman Gall, the Nation, Oct. 26, 1963.] The 12,000-man National Police, allied with a new political party of conservative businessmen and leaders of the old Trujillo regime, has emerged as a major political force in this tense, confused nation, again the scene of arbitrary imprisonments, corruption in public office, invasions of private homes and the death of political opponents.

Military domination returned to the Dominican Republic on September 25, when a coup ousted the 7-month-old Bosch regime and installed a puppet civilian junta representing six rightwing political parties. In the 1962 election, Bosch won by a 62-percent majority. Five of the six parties which backed the coup and the new regime have virtually no following; together they polled only 6 percent of the vote in 1962.

Scores of democratic political leaders have been deported without judicial process and hundreds of others have been arrested. In December, the puppet triumvirate suspended constitutional guarantees against arbitrary imprisonment. Special permits are required for political meetings; long-distance calls are monitored and taped by the Government.

From the jails come persistent stories of beatings and torture. One beating resulted in the death early last month of Francisco José Rodriguez Socias, who had been arrested in the north coast town of Monte Cristi on suspicion of possessing illegal weapons. The original police version of Rodriguez's death, which occurred while he was being transported from Monte Cristi to Santo Domingo, was that it happened when he tried to escape from a moving police vehicle. But Monte Cristi citizens, when they heard this story, closed their shops in protest and forced an autopsy which proved a severe beating to be the cause of death. The five policemen involved are now under arrest.

On December 22, Government sources announced that a band of 17 leftist guerrillas, headed by Manuel Tavarez Justo, leader of the pro-Castro June 14 movement, had committed mass suicide after being surrounded by police and army troops at Las Manaclas in the province of Santiago. A day later Maj. Gen. Victor Elby Viñas Roman changed the story to say that the guerrillas were killed in combat in which Government forces suffered no casualties.

The true details of the death of the 17 guerrillas, the last of more than 300 pursued in the mountains by Government troops since late November, have been kept secret. The following account is one that I received from reliable opposition sources.

On December 21, 22 young men were all that remained of the decimated guerrilla operation. Tavarez, the leader, had a high fever and most of the others were suffering from hunger and exhaustion after being chased for several days. That Saturday afternoon they decided to surrender and sent a party of four, unarmed and carrying a white flag, from the mountain to the main highway far below to make contact with Government troops.

The four youths flagged down a jeep full of soldiers and told the lieutenant in command that they and others descending the mountain wished to surrender. The lieutenant ordered them to disrobe. As one of them stooped to untie his shoe laces he was mowed down by machinegun fire. Two more were quickly shot, but the officer prevented the soldiers from killing the guerrilla carrying the white flag because he knew the youth. At this writing the sole survivor, Emilio Cordero Michel, is being held in the prison at Santo Domingo.

Meanwhile, Tavarez and 13 others had abandoned their weapons and were approaching the main road. Many of the youths had washed and shaved, some had even changed clothes. Warned of their coming by the advanced party, government troops surrounded the 14, who were marching with hands in the air, and opened fire. The bodies were stripped of watches and rings by the troops and thrown into a mass grave. The slaughter was witnessed by four guerrillas who remained on the mountain, and who later escaped.

Protesting the slaughter, Emilio de los Santos, a timid, muddy-eyed functionary who had been national elections board chairman in 1962, resigned as head of the Provisional Triumvirate. The other two members promptly named Donald Reid Cabral, businessman son of a manager of the Royal Bank of Canada branch in Santo Domingo, to succeed him. Four of the six pocket parties that had formed the government were thrown out for protesting this move. The two remaining were the oligarchial National Civic Union and the Vanguardia Revolucionaria Dominicana, a small party run by Horacio Ornes, brother of the editor of the powerful, proregime newspaper, El Caribe.

In the course of the guerrilla uprising and the mass arrests of members of Bosch's party, Brig. Gen. Belisario Peguero Guerrero, chief of the National Police, has become a key figure in the struggle for domination of the country. His 12,000-man force, its efficiency greatly enhanced by $400,000 in riot-control training and equipment supplied by the U.S. Agency for International Development, could be opposed on anything approaching equal terms only by the tanks and the jet fighters of the Dominican Air Force.

Peguero's position has been strengthened in recent weeks, not only by new, sweeping powers of arrest and detention, but also by the 1964 police budget of $37.8 million, double the 1963 figure, which equals the combined (and augmented) appropriations now received by the Dominican Army, Navy, and Air Force.

A burly veteran of 26 years with the police, though a mere lieutenant when Trujillo died, Peguero has absolute control over these funds—as well as over appointments, promotion and discipline—under a 1962 police autonomy law passed at the insistence of Brig. Gen. Antonio Imbert Barreras and Luis Amiama Tio, who were members of the Provisional State Council which ruled the country for 14 months between the overthrow of the Trujillo regime and Bosch's February, 1963, inauguration. Under the 1962 autonomy law, the police chief cannot be removed from his job unless he is convicted of a crime. Using policemen as construction laborers, Peguero has just built a large and luxurious home near the fashionable Embajador Hotel and across the street from the residence of Imbert.

On December 3, Amiama announced the birth of the Partido Liberal Evolucionista (PLE) in a newspaper advertisement containing the names of some of the Dominican Republic's most eminent citizens. Peguero has thrown his police behind the rightwing PLE, which has mushroomed as a political force. Among its charter members are former Trujillo ministers and representatives of the country's leading business interests and influential families.

A former gas-station attendent who rose to become mayor of Santo Domingo under Trujillo, Amiama devotes himself to recruiting new members for PLE. He is constantly traveling about the city and countryside, accompanied by three carloads of National Police. Imbert, for his part, invites rural landlords, at the mercy of police in outlying areas, to come to Santo Domingo and visit him at the Presidential Palace. Many have joined PLE after such visits. Rural policemen are reported to be urging peasants to join the party.

The United States hastily recognized the shaky provisional government on December 14, informed sources say, because the triumvirate gave signs of collapse; there was fighting in the hills and two rival military conspiracies were evolving. One group united

Imbert, Amiama, Peguero, armed forces Inspector General Felix Hermida (Peguero's brother-in-law) and a group of army generals from Trujillo's home town of San Cristobal. The second was led by air force chief Brig. Gen. Miguel Atila Luna, and Brig. Gen. Elias Wessin y Wessin, military leader of the anti-Bosch coup and commander of the strategically decisive tank and infantry forces from the San Isidro Air Force Base near here. United States diplomats, negotiating continually with military and civilian leaders since the September 26 rupture of diplomatic relations, intervened to form a third group—composed of armed forces minister Maj. Gen. Victor Elby Vinas Roman and the chiefs of the army and navy, to block the other two conspiracies. This was done on the night of December 14, when tanks and troops were moved into the streets to defend the Presidential Palace, and when aircraft, infantry and tanks were being mobilized at the San Isidro Air Force Base.

Ill feeling between the Air Force and police factions dates back to 1962, when Atila Luna denied Imbert and Peguero Air Force tanks and artillery they requested for the National Police. The police later got antiaircraft guns from the army. Last November 19, the Air Force sent World War II Mustangs on menacing low-level flights over the capital, to show the police who was boss. One of the eight fighters crashed in downtown Santo Domingo, killing several persons and maiming others.

However, an apparent break in the deadlock between police and Air Force occurred on January 24, with a major shakeup in the military high command. Atila Luna, who had been quarreling bitterly with Imbert and Peguero, was replaced as Air Force commander. Brig. Gen. Salvador Agosto Montas Guerrero, associated with the Imbert-Amiama group, was named chief of the republic's 12,000-man army. The changes were said to have been urged by the U.S. military mission to avoid bloodshed among the armed forces.

As these power shifts have developed in the 5 months since Bosch's ouster, an epidemic of corruption has infected official life. It extends from the canteen purchases of army privates to the legal machinations of a powerful ex-President.

As in most of Latin America, the right to buy duty-free imports is one of the chief devices for pampering the Dominican Army. Opened in 1962 by the Provisional State Council, the military canteens have become the basis for a major wholesale industry in Santo Domingo. Good whisky sells in city stores for $8.50 a fifth; it can be bought by the military for $2.50 and resold for a handsome profit. The same situation applies to food and other household items. Santo Domingo merchants, many of whom agitated for Bosch's overthrow, complained when they found themselves outflanked and outranked by competitors in uniform. The practice was finally ended in late September as part of the military shakeup.

Principal architect of the September coup, ex-President Rafael F. Bonnelly, is a close political adviser of Antonio Imbert, and two of his proteges sit on the three-man civilian junta. This has meant a windfall for Bonnelly's law firm, which is taking a 50-percent commission from persons who wish to collect old debts or who seek restoration of properties, nationalized when the Trujillo dictatorship fell. Claimants are informed that Bonnelly's law firm is the only channel through which such business can be transacted.

The United States has met with little but catastrophe in its efforts to bring a civilized, democratic government to the Dominican Republic. Its embassy, next door to the old Trujillo mansion, was without an ambassador from late September until William Tapley Bennett, Jr., a career foreign service officer with previous experience in the Dominican Republic, was named to the post, January 31. Some 55 AID technicians abandoned the country with the rupture of diplomatic relations, and an intensive assistance program which committed $85 million to the country in the past 2 years now stands idle. The second-string diplomats still in charge of the embassy display an insecurity engendered by the Bosch overthrow, the Kennedy assassination, the deterioration of the Dominican political situation and the shakeup now going on in the Latin American division of the State Department.

The United States had hoped to show the world through its work in the Dominican Republic that the Alliance for Progress is a sensible as well as necessary scheme. It must now decide whether or not to defend the Dominican people against their own army and police. Elementary liberties are rapidly eroding. Despite official promises of elections within 18 months, conditions for free elections do not exist, and another military dictatorship seems to be on the way. Again we must decide on which side we stand in Latin America.

BULGARIAN LIBERATION DAY—MARCH 3

Mr. LAUSCHE. Mr. President, the Bulgarian people had their glorious days in the Middle Ages. In the rugged mountainous regions of the Balkan Peninsula these stanch and stouthearted fighters for their freedom had their powerful kingdom, a formidable force there until the coming of the Ottoman Turks. Then, near the close of the 14th century, the newcomers overran the Balkans and the Bulgarian state became a casualty of the Ottoman conquest. From then on Bulgarians lived under the autocratic Ottoman sultans for more than 400 years. Throughout this long period they revolted and rebelled against their overlords, but they were unable to regain their freedom unaided by their friends abroad. In the Russo-Turkish War of 1877–78 the Turks were defeated, and in the subsequent peace treaty signed at San Stefano on March 3, 1878, Bulgaria's freedom was assured. The Bulgarians were thus liberated with Russia's effective aid, and since then March 3 has become a national holiday for the Bulgarian people.

It is one of the sad ironies of history that these distant cousins of the Bulgarian people who helped them to regain their freedom from the Ottoman yoke 86 years ago, were determined to rob the Bulgarian people of their freedom 19 years ago. That is one of the bitter fruits of the last war. Today there is no more freedom in Bulgaria than there was when Bulgarians lived under the Ottoman sultans, and the Bulgarian people suffer more under Communist tyranny imposed upon them by the godless fanatics of the Kremlin. On the 86th anniversary of their liberation day, the Bulgarian Independence Day, let us all hope that they will again regain their freedom and live in peace in their homeland.

FOREIGN AID PLANS OF FRANCE

Mr. SPARKMAN. Mr. President, there was ample evidence during the consideration of the foreign aid bill last year that it is the sense of Congress in general that the free nations of Western Europe must do more to assist less developed nations. Everyone has pointed to the unprecedented prosperity and productivity of Western European nations, mostly because of the great impetus given them by the United States under the Marshall plan, and the desirability to have them carry out major foreign aid programs of their own. The net expenditures of bilateral foreign aid funds from other industrialized countries is far below their capacity to contribute to the cause of development. These very sentiments were woven into the report of the Senate Committee on Foreign Relations on the foreign assistance act last year, and many Members of Congress even today reiterate the need for Western Europe to take an ever-increasing role in a common obligation with us to assist less developed nations.

One nation of Western Europe is progressing admirably toward this objective by means of a major foreign aid program. That nation is France. If all of Western Europe were to launch a correspondingly ambitious program, the free world would move steadily and surely toward the creation of affairs in which free societies could grow and flourish.

We now know more of the French effort to formulate its foreign aid plans since the recent release of the so-called Jeanneney report. This report was written last year by a government commission appointed by President de Gaulle and sets out French thinking on how best to assist nations that are developing. It is the main basis of the whole foreign policy of France, and, as such, is an extremely valuable document that needs to be carefully scrutinized by our Government for greater insight into the overall effort of France on a global scale.

The central core of the report lies in the fact, and an inescapable one, that there must be a potential capacity on the part of the recipient nation to respond to external aid by means of diverse self-help measures. These essential requirements would include desire, effort, capital, social equilibrium, education, and a will to drive ahead.

Mr. President, the Jeanneney report is a significant development in the global problem of aid to developing nations. It points out a path along which France seeks to lead the rest of Western Europe, but alone if necessary, toward an expanding aid program primarily designed to promote French influence throughout the world. The paramount means of accomplishing this objective is through the use of the tied-aid principle, whereby recipient nations are required to use aid money in France, just as required by the United States.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the summary of the report of the Jeanneney Committee on French Foreign Aid Policies, together with two other recent articles dealing with this subject. One is an article entitled, "France's Foreign Aid," published in the Christian Science Monitor of January 28, 1964. The other is an article entitled, "The Will to Progress," written by Alice Widener, and published in the Washington Daily News of February 19, 1964.

There being no objection, the summary and articles were ordered to be printed in the RECORD, as follows:

THE REPORT OF THE JEANNENEY COMMITTEE ON FRENCH FOREIGN AID POLICIES

BACKGROUND

Instituted by a decree of March 12, 1963, to review France's foreign aid program, the committee headed by former Minister of Industry and Ambassador to Algeria, Jean-Marcel Jeanneney submitted its findings to the government on July 18, 1963. The report, entitled "The Policy of Cooperation With the Developing Nations," was finally published by the government in a slightly abbreviated form on January 14, 1964. It reflects the efforts of a group of 22 distinguished French personalities, for the most part drawn from the government and the academic world although industry was also represented. Witnesses who appeared before the committee included representatives of labor and private industry as well as the various parts of the government concerned with foreign aid.

CONTENTS OF THE REPORT

1. Reasons for extending aid: The study eschews the idea of privileged market positions and assured sources of raw material supplies as a valid motive for assisting the less-developed world. Rather, France has the humanitarian obligation to help relieve the misery of the underprivileged. By contributing, through enlightened aid policies, to the amelioration and eventual prosperity of the poverty-burdened "third world," the probabilities are strong that the Western community will draw the developing nations more closely to it. What is more, there has always been an inclination on the part of the French people to share their skills in fruitful efforts abroad and to extend their language and culture to other countries. Indirect economic and even strategic advantages will flow from such assistance for, inevitably, French aid is accompanied by industrial equipment, technicians and operational processes which bring about a new awareness on the part of underdeveloped countries of the contribution which France can make toward improving their lot. France can realize certain advantages for its defense arrangements through maintaining the good will of the less-developed nations. Intercontinental facilities for tracking purposes, for communications and for transport can all contribute greatly to France's position within the Western alliance as well as with respect to possible adversaries.

2. Aid excluded as cold war instrument: The Jeanneney report maintains that, by gearing aid policy to the needs, requirements and interests of the developing nations themselves, far more political advantage will be gained than would be realized by any shortsighted course which submerged assistance in the shifting tides of cold-war strategy. The report recognizes, however, that no absolute assurance exists that some nations benefiting from Western aid will not choose postures inimical to the donors' interests.

3. Shift of aid emphasis favored: The study committee, in pointing to the heavy concentration of French economic assistance in France's former African colonies, recommends that the level of that aid be lessened as a proportion of the total French aid effort, although French-speaking Africa would continue to be given a clear priority. The report suggests that the aid burden in France's former African possessions be increasingly shared by France's partners in the European Economic Community, while France, in relative terms, increasingly directs its attention beyond the franc area. The committee indicated that France, as a means of encouraging the independence of the recipient countries, should reduce the budgetary support element of its aid program.

4. France's aid capacity: The committee weighed France's need to foster progress in the lagging areas within France itself against the enormous requirements of the "third world" and reached the conclusion that a continuation of the present ratio of aid expenditures to GNP (about 1.5 percent) could be foreseen but probably no more. In any case, the committee did not think that France could significantly increase the percentage of its national income devoted to foreign aid until the efforts of other developed countries in relation to their resources approached that of France. Given a continued annual rise of 5 percent in GNP, French aid outlays would increase to NF9.3 billion by 1975, which would permit an intensification of aid to traditional recipients and extension of aid progressively to other countries at the same time.

5. Aid tying: The committee stressed the right of donor nations to tie aid to their commodities and technical services, as long as such tying is not unduly expensive compared to other sources and the products and services are really needed by the recipient.

6. Prerequisites for maximizing effectiveness of aid: The Jeanneney report warns that much of the salutary effect of aid will be dissipated unless (a) The developing nations are encouraged to form regional markets protected during the infant stages of their industrialization from external competition; (b) The economically advanced regions are prepared to admit within their markets exports of manufactured goods from the developing communities; and (c) The industrialized and raw material exporting nations are determined to establish a system of international accords to stabilize the supply and prices of primary commodities as well as their exchange relationships to manufactured goods.

[From the Christian Science Monitor, Jan. 28, 1964]

FRANCE'S FOREIGN AID

(By Harry B. Ellis)

PARIS.—One aspect of French foreign aid often overlooked is its virtual necessity for France, if the goals assigned to the nation by President de Gaulle are to be fulfilled.

High on the President's list of goals is the substitution of French influence for the direct control which France once exercised as a colonial ruler throughout the world, principally in Africa and southeast Asia.

Though the empire is gone, General de Gaulle believes France's civilizing mission should continue, including the choice by millions of black and yellow men of French culture and language as their own.

The French President speaks often of the duty of France to help underdeveloped nations. But this duty implies a reward for France—the reassertion of French values, hence grandeur (greatness) in parts of the world where direct French power no longer can reach.

In today's circumstances such influence can be disseminated only by feeding the former colonies with French cultural, technical, and economic assistance, including in many cases guaranteed and subsidized markets for their primary crop exports.

The demands of this program have made France the largest per capita donor of assistance in the world. Each Frenchman donates the equivalent of $18 a year through his government's foreign aid programs, compared with $8 for each American. French assistance programs total just over 2.4 percent of the nation's gross national product, compared with 1.5 percent for the United States.

The Organization for Economic Cooperation and Development (OECD), of which France is a member, lists France as spending about $1,300 million yearly on foreign aid. An official French report, commissioned by the Government, totaled French aid at $1,400 million in 1962, last year for which complete figures were available.

Ninety-five percent of this aid package went to countries of the franc zone, primarily Algeria and 14 sub-Saharan former French colonies and trust territories. Algeria alone received 42 percent of the total.

This percentage of French GNP devoted to foreign aid is regarded as a ceiling. Yet President de Gaulle, in an effort to strengthen French influence in southeast Asia and elsewhere, has offered new assistance to Cambodia and Iran, among others.

Where will the additional aid come from? Not by reducing assistance already being given to African recipients, except as those former colonies grow beyond the need for specific items, especially direct budgetary support.

Rather the French Government intends to devote to foreign aid a percentage of the growth in French national income that will keep the total assistance figure at about 2.4 percent of the nation's GNP. Thus foreign aid levels roughly will reflect the performance of the French economy, year by year.

This formula, according to the French Government's newly released report, will double the amount of French assistance by 1975, allowing President de Gaulle ample scope for extending French influence. By that date, the report said, only 60 percent of French aid would be going to the franc zone.

Authors of the report, headed by Jean-Marcel Jeanneney, a former Minister of Industry and Commerce, foresaw benefit to the French economy through the foreign aid program, if "tied aid" were increased.

That is, recipients of assistance should be required to buy French equipment with their aid money, a practice already largely followed by France and by the United States. Thus, according to the report, French political and economic needs would best be served.

There is Gallic shrewdness in this. A weak spot in the French economy, on which the government now is concentrating, is the faltering heavy equipment industry, which would directly benefit from an increase in tied aid.

Such considerations have not appeared in President de Gaulle's lofty pronouncements on foreign aid. It is the duty of France as a great and civilized nation which he stresses.

His ministers must work out the ways in which the French economy can support an ever-expanding foreign aid program, which the French Chief of State regards as an effective channel to promote French grandeur.

[From the Washington (D.C.) Daily News, Feb. 19, 1964]

THE WILL TO PROGRESS

(By Alice Widener)

PARIS, FRANCE.—At long last this troubled world is provided with a commonsense document.

The recently released Jeanneney report, which deals with the immensely difficult problem of how best to help the developing nations, was prepared during March–July 1963 by a French Government commission of 21 members under the chairmanship of Jean-Marcel Jeanneney at the behest of President de Gaulle.

The Jeanneney report was brought to world attention by General de Gaulle at his last press conference. Though the report is now a main basis of French foreign policy, it has been almost wholly ignored by American correspondents. This is too bad. We can learn a lot from it. Not yet translated into English, the Jeanneney report is entitled "The Politics of Cooperation With the Developing Nations."

The first section is so wise, frank, and logical that it ought to be distributed throughout our State Department and the United

Nations where it seems, alas, that cold facts on developing nations are not very warmly welcomed.

The Jeanneney report goes at once to the heart of the matter and provides a brilliant explanation of the most important factor in the current world situation, that is, why the advanced nations are advanced.

After affirming that the peoples of Western Europe, of North America, and of a few other regions today enjoy greater and greater riches, the report says, "This well-being, spectacular but localized, is the product of agricultural and industrial techniques which men originally created in Europe, moved by a spirit of scientific curiosity and by ambition brought to realization through the forces of observation, analysis, reflection, calculation, invention, and experiment."

The report continues, "Nothing can be more pernicious than hope of a miracle accomplished by these modern techniques in favor of the poor nations.

"Certainly it is very tempting to dream that transfer of knowledge can, in a few years, bring to disinherited peoples the same abundance that exists in those parts of the world where science has permitted men to achieve an astonishing mastery over things.

"But if the masses of miserable humanity—rocked in the cradle of illusion—themselves refrain from exerting the necessary efforts, then illusion will give way only to barren bitterness and perhaps to fruitless revolt. The truth must be told. It is that science and its techniques provide advantages for better living only if the most severe conditions are met."

The "constant conditions" necessary to economic development, the report declares, are "an ardent desire for prosperity and disposition to make the necessary effort; enough productive capital savings * * * a certain social equilibrium guaranteed by appropriate legislation which governments and administrators know how to preserve and use in the general interest."

Brushing away all notions that instant billions can create instant human equality everywhere, the Jeanneney report declares bluntly, "Ambition for progress is not universal. Certain men have a concept of existence that leads them to disdain material benefits; once their essential needs are met, they believe it is unnecessary to work. Others—without giving things much thought—are resigned to their destiny through fatalism or because their misery is so great they cannot imagine anything better. If a country is inhabited by such men, its economy is inevitably stagnant."

Dismissing by tactful implication the dangerous tenets of egalitarian sentimentalism, the Jeanneney report states, "The psychology of peoples * * * can be affected for foreign example and by education, or by the force of propaganda conducted by an active minority.

"But the will to work—which is necessary for satisfaction of an appetite for prosperity—often doesn't go along at an equal pace."

Sternly, the Jeanneney report stresses and warns, "Material progress requires the strongest kind of uninterrupted physical and intellectual effort." In this brief article, it is impossible to do justice to the sincerity, frankness, and wisdom of the Jeanneney report (more than 400 pages).

But the central fact it stresses—that there are no substitutes for prudence, logic, and inspiration for self-discipline as attributes for economic progress—must be recognized.

THE LAND RESOURCES OF ALASKA

Mr. BARTLETT. Mr. President, "The Land Resources of Alaska," by Hugh A. Johnson and Harold T. Jorgenson is an important and remarkable contribution to the literature on land use and conservation in Alaska. I commend it wholeheartedly to all who are in any way concerned with the relationship of land use to industrial and social development, not only in Alaska, but in other public land States as well.

The book, published late in 1963 by the University Press for the University of Alaska, sets forth the history of land use in Alaska and makes excellent and cogent recommendations for the future.

Mr. Johnson and Mr. Jorgenson were, for many years, closely associated with Alaska land policy, having been representatives in Alaska of the Department of Agriculture and the Department of the Interior, respectively. They are highly intelligent, wise, and imaginative men and have given us a book filled with valid information and forthright advice. I doubt not that "The Land Resources of Alaska" will form a basis of future land policy in Alaska as has the advice of Mr. Jorgenson and Mr. Johnson influenced present policy.

Proper land use is of wide interest in the United States today. There have been many proposals, national and local in scope, to provide for beneficial development. Many of these proposals have been advanced by individuals and organizations emphasizing one policy or aspect. The contribution which Mr. Johnson and Mr. Jorgenson have made assumes an even greater importance for us because they have, I believe, fairly considered the needs of all groups and classes within our society and have made recommendations which would provide equitable and profitable adjustments among the various and, at times, conflicting interests.

Mr. Johnson and Mr. Jorgenson have sought to present a balanced and realistic assessment of Alaska's economic potential. I think they have succeeded. It is unfortunate, however, that they have had little opportunity to include developments which have occurred since 1957 when they wrote the book. Oil exploration has substantially increased and a refinery is now operating at Nikiski on the Kenai Peninsula. Exploration of other mineral resources is also increasing. There are evidences of substantial interest in production for domestic use in the agriculture and forestry industries. Alaskans are looking more and more to the development of interdependent industries for domestic consumption in an effort to change the existing pattern of importing for domestic consumption and exporting raw materials.

There has been considerable progress made along the lines suggested by Mr. Johnson and Mr. Jorgenson. It hardly need be stated that much, much more has to be done and will be done. The significance of "The Land Resources of Alaska" is that it offers well-reasoned guidelines for the stable, long-range development which Alaskans seek.

It is my hope that "The Land Resources of Alaska" will have wide reception and close study.

WHO'S WHO IN AMERICA SHOWS GI BILL IS GREAT BOOST TO VETERANS

Mr. YARBOROUGH. Mr. President, Dr. Amos Yoder, an employee of the U.S. Department of State, wrote an article for the April 1963 issue of the Phi Delta Kappan, entitled "Lessons of the GI Bill."

In this scholarly article Dr. Yoder analyzes the accomplishments of the GI bill as reflected in the careers of some of the most successful veterans who benefited from the program.

I think this article amply proves that we have just begun to reap the benefits for the people of this Nation of the improvements brought about by the World War II and Korean conflict GI bills. We must continue this program by enactment of S. 5, the cold war GI bill, which has been pending on the Senate Calendar since July 2, 1963.

The Subcommittee on Veterans' Affairs of the Committee on Labor and Public Welfare, during hearings on S. 5, received testimony from some of the top educators of this Nation, and the evidence received during those hearings is fully borne out by the excellent research work done by Dr. Yoder. A number of serious studies, as well as testimony received during the hearings, indicate that the veteran students actually achieved higher grades than the other students; that about 20 percent of those veterans taking higher education under the GI bill would not have continued their college education without the assistance offered by the GI bill.

Dr. Yoder concludes:

> It seems clear that the GI bill made an important contribution to our society by making it possible for a sizable percentage of talented men to obtain a higher education, which equipped them to become leaders of our society.

Mr. President, each year since January 31, 1955, thousands of young men have entered military service for the first time. Most of them give up, at the most formative time in their lives, the opportunities of getting a job, or going on with their education. However, in 1963, only about 45 percent of our young men to age 27 were called on to do substantial military service—and by substantial I mean more than 180 days or 6 months. In 1964, the percentage will drop to 42, and in 1965, only 40 percent will see such service. They devote 2, 3, or 4 years to the service, and when they get out they face the task of finding work without being specially trained for a civilian job—and often a good long reserve commitment staring them in the face.

But we here in Congress can do something about this situation. It is my hope that in the very near future this body will take up and pass S. 5, in order to see that justice is done for our cold war veterans.

Mr. President, I commend this article by Dr. Yoder to the serious reading and study by the Senators, and I ask unanimous consent that the article, "Lesson of the GI Bill," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LESSONS OF THE GI BILL

(Scholarship assistance to World War II and Korean conflict veterans is already paying off handsomely, according to Mr. Yoder. He bases his conclusions on a study of veterans who are listed in Who's Who in America.)

(By Amos Yoder)

Anyone interested in the problems of a Federal program to help students attend college can learn valuable lessons from the GI bill (Public Law 346). This paper analyzes the accomplishments of the bill as reflected in the careers of the most successful veterans who benefited from the program. It also reports the views of a random sample of these leaders and uses the inquiry to throw light on the important problem of selecting students to be helped who would have the greatest potential.

PROBLEMS OF ADMINISTERING THE GI BILL

The GI bill as amended was designed to help all veterans receive a minimum of 1 year of training or education; additional benefits depended on their length of service.

The Veterans' Administration was not prepared for the mass demobilization of 1945 and 1946, but by the first part of 1947 it had accepted almost 2,500,000 veterans for all types of training. About half of these entered institutions of higher learning. There naturally were growing pains for the program, particularly for the "on-the-job" training, but there were no serious delays in the admission of the huge inflow of veterans into the universities. The program tapered off steadily after 1947, so that by the end of 1953 fewer than 200,000 veterans were in institutions of higher learning. Altogether about 2,200,000 veterans received a higher education at a total Government cost of approximately $5.5 billion. This represents a larger annual expenditure than the Federal scholarship programs being considered by Congress today.

A select committee of the House of Representatives appointed to investigate alleged abuses in the veterans' training program concluded that:

"The veterans' training program at the college level, although experiencing some administrative difficulties, has been carried out successfully. Participating colleges and universities rendered outstanding service in training veterans under many adverse conditions."

The few committee criticisms of the college program were directed at the difficulties in establishing standards for tuition rates and at the complicated procedures for paying for books and supplies. Also, many university and college officials warned that subsidizing the total cost of the veterans' courses led to "education for subsistence." University administrators suggested that an allowance be given to the veteran to permit him to pay for these purchases directly. University officials also stressed the desirability of the veteran contributing to his own education. These suggestions, however, did not materially detract from the conclusion of the committee that the college level program was successful.[1]

The initial concern on the part of college authorities that the huge influx of veterans might lower educational standards was quickly dispelled and the authorities made strenuous efforts to welcome and accommodate the veteran students.

A number of serious studies indicated the veteran students actually achieved higher grades than the other students. The most ambitious analysis was made by Norman Frederiksen and W. B. Shrader, who questioned and examined the records of 10,000 veteran and nonveteran students in 16 American colleges.

This study as well as other studies indicated that veterans did as well or slightly better than the nonveteran student.[2] Shrader and Frederiksen found that age and experience were among the factors playing a part in superior achievement by veterans. They also discovered that students from families whose income was under $2,000 a year did better than the other students. The authors concluded: "It is hard to escape the impression that the overachieving student is the one who has had the most to overcome in the way of economic and social barriers to college.[3]

To sum up, the experience of the GI bill offers major lessons for programs of Federal assistance to deserving high school students. First, a large program of Federal aid can be administered without undue interference with the universities and without heavy administrative burdens. Second, permitting attendance by veterans who otherwise could not have afforded it did not lower educational standards; on the contrary, these students tended to make the most of the opportunity and to get slightly higher grades. This might well apply to high school graduates today who cannot afford college. Third, students should contribute to the cost of their education. Fourth, payments should be made directly to the student without cumbersome regulations on how much could be spent for books and supplies.

LONG-TERM RESULTS OF THE GI BILL

In order to analyze the contribution of the GI bill to the careers of the veterans who benefited from it, the author polled a random sample of those who have achieved recognition by being listed in "Who's Who in America" (Marquis). This sample revealed that a high proportion of the veterans educated with the help of the GI bill have become leaders in the business, scientific, cultural, and political worlds. They have become cabinet officials, Members of Congress, Governors of States, presidents and vice presidents of large companies, and leaders in science and cultural fields. Approximately 1,000 men who have benefited from the GI bill are now included in the 1960–61 listings of "Who's Who." All of these are under 46 years of age, which is a sizable number when it is realized that 94 percent of the men listed in "Who's Who" are older than this.

Assuming that the age distribution of those who will be included in the 1980 "Who's Who" will be about the same as today, about 12 to 15 percent of its total listings will be veterans who benefited from the GI bill. This will be an impressive achievement for a limited, nonselective program of Federal assistance to higher education in effect to an important extent for about 7 years.

The value of the GI bill becomes more apparent when it is realized that only about 8 percent of the total male population who were in the age group of 19 to 29 at the end of World War II utilized the GI benefits for obtaining a higher education. Yet about 30 percent of those listed in "Who's Who" in that same age group have been educated with the help of the GI bill. In other words, the education obtained under the GI bill appears to have helped in increasing almost fourfold the number of those listed in "Who's Who" in the age group including almost all the veterans of World War II.

One cannot, of course, conclude that the GI bill is directly responsible for the veterans achieving recognition in "Who's Who," since many of these men might have continued their education without the GI assistance and thus have made the same achievements without it. In order to explore this problem further, a random sample of the World War II veterans listed in "Who's Who" was asked if they would have continued their education without the GI bill. About 20 percent indicated they would not have done so. In addition, a sizable percentage would have had their education delayed "a few years or longer" without the help of this program.

It is interesting to note that the 20 percent of the respondents who depended on the GI bill for their higher education is the same percentage as that of veteran students in the Frederiksen study of the late forties who said they would not or probably would not have continued their university education without the GI bill's assistance.[4] This tends to confirm the validity of the author's sample. At the same time, this finding indicates that those World War II veterans who have been recognized in Who's Who are not a breed apart from the other World War II veterans who attended college. At least, the potential leaders among the veterans of World War II depended on the GI bill for a higher education to the same extent as did the other veteran students. The fact that this percentage needing assistance was not higher was due partly to the fact that many veterans, while in the Armed Forces, had been able to save money that was used later toward an advanced education.

The percentage who needed the GI bill to continue their education was highest among educators; about one-third said they would not have continued their education without this assistance. Apparently, men going into teaching need assistance more than others, which supports the provisions of the National Defense Education Act for giving part of the loans to students who later become teachers.

The responses of business leaders indicated that a low percentage had depended on the GI bill for their higher education. An obvious reason for this is that an advanced degree is less important for business than for academic success.

To sum up, it seems clear that the GI bill made an important contribution to our society by making it possible for a sizable percentage of talented men to obtain a higher education, which equipped them to become leaders in our society. About 1,000 have already received recognition, and this benefit of the GI bill will become more evident in future years as the veterans reach the age at which men normally receive recognition. For many years it eased the financial burden of obtaining an advanced education and permitted them to make their contribution earlier than they could have without this assistance. This help was particularly important to those who later became leaders in the academic world.

THE PROBLEM OF SELECTING STUDENTS

The answers of the veteran leaders to the author's questionnaire throw light on the problem of selecting students with the highest potential to become future leaders. The present methods of granting scholarships rely heavily on grades and test scores, even though it is generally recognized that neither provides an adequate measure of a student's potential.[5] The importance of test scores is illustrated in the Merit Scholarship Corp. annual report, which indicates that about 95 percent of "merit scholars" (the top 2 to 3 percent) go on to college; a large proportion of these students, while not getting merit scholarships, are able to obtain other scholarships by virtue of their standing in the merit tests. This 95 percent compares with a figure of about 50 percent of high school seniors in the top 25 percent of ability who go on to college.[6]

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[1] House Select Committee To Investigate Educational, Training, and Loan Guarantee Programs under the GI Bill, House of Representatives, 82d Cong., 2d sess., Washington, D.C.: U.S. Government Printing Office, 1952, pp. 4, 13–22, 65–80.

[2] For a summary of these studies see Norman Frederiksen and W. B. Shrader, "Adjustment to College—A Study of 10,000 Veteran and Nonveteran Students in 16 American Colleges." Princeton, N.J.: Educational Testing Service, 1952.

[3] Ibid., pp. 33–34.

[4] Ibid., p. 34.

The major approach to improving the selection process for sholarships has been in devising better tests and considering other factors such as personal evaluations by principals and teachers. The merit scholarship program, which covers 90 percent of the Nation's high schools, has done this conscientiously, but its officials recognize the limitations of their program, and they are intensively studying new ways of selecting the students with the highest potential. The 1960 annual report states:

"However, among superior students scholastic achievement has little relationship to creative performance. Similarly, the traditional measures of scholastic aptitude are of little or no value for predicting creativity. Further, it appears that teachers frequently give somewhat lower ratings to students with more potential for creative accomplishments than to students with less potential, although all such students generally receive above-average rating."

The report concludes that we must develop better measures of "creative potential." [7]

It might prove worthwhile to analyze the records of those who have already achieved recognition for noteworthy achievements in our society. We could study their scholastic records, seeking clues that might have signaled the fact that they possessed unusual potential.

The author was able to make such an exploratory survey.

His poll of a random sample of GI bill students listed in "Who's Who" supports the view that among superior students an outstanding scholastic record bears little relationship to creative performance. In the sample from "Who's Who," only half of the respondents stated that they had been in the top 10 percent of both their high school and college classes. However, three-fourths were in the top 10 percent of their high school classes. Ninety-five percent of the educators and businessmen had been in the top 25 percent of their high school classes. Thus, to assist a high proportion of our potential leaders, assistance should be given to the top 10 to 25 percent of our high school students, rather than just the 2 to 3 percent identified by the merit scholarship examinations.

Even limited personal observation would indicate that a large proportion of our political, business, scientific, and cultural leaders have not been outstanding students; i.e., in the top 2 to 3 percent of their classes. Psychologists and testers would be the first to admit the limitations of tests in predicting vocational success. Classic illustrations of those who would have been missed in a purely scholastic test of potential include Darwin, Edison, Churchill, and even Einstein.

Ideally, therefore, until better testing methods are devised the top 10 to 25 percent of students in scholastic achievement should be included in a program of assistance. The author doubts that testing methods will ever be devised to select students with great potential from a narrower band. The talents of many high school graduates bud and flower only after educational experiences that come after high school.

It is interesting to note at this point that a high proportion of high school students in the top 25 percent of academic ability do not attend college for financial reasons. Studies of this problem made by Hollingshead, Little, Havighurst, West, and others indicate that 15 to 35 percent of these top students cite financial reasons as the major cause of not going to college.[8] A similar percentage give other reasons. This waste of valuable human resource underlines the importance of programs now being considered by Congress to encourage and assist deserving students to obtain a higher education.

The views on Federal scholarship assistance of the leaders polled by the author are of special interest because, as beneficiaries of a program of assistance, they should have insight into its potential value. Eighty percent of these leaders favored a program of Federal assistance to college students. There was near unanimity in favor of such assistance to graduate students. Of those favoring Federal aid, 70 percent favored basing benefits on need as well as scholastic achievement. Most of those questioned favored including both loans and grants. Among teachers and university administrators, the proportion favoring benefits based on need and including loans was 80 to 90 percent. A large majority of all groups favored limiting the program to students with high or moderately high grades.

SUMMARY

The Federal Government administered a program of assistance to higher education under the GI bill effectively and without undue interference with university administration. This program is now paying off in terms of large numbers of business, professional, and cultural leaders educated with this assistance who are making important achievements in many fields. About 1,000 of these leaders have already been recognized by "Who's Who." The answers of a random sample of these leaders confirm conclusions reached by psychologists and educators that topnotch scholastic achievement and test scores are not reliable measures of creative potential. It appears from a preliminary exploration of this problem that we would have to assist and encourage the top 10 to 25 percent of high school students ranked by scholastic achievement in order to include a high proportion of future leaders. With encouragement and financial help a much larger proportion of students with leadership potential would obtain the education necessary for the flowering of their talents.

BILL OF RIGHTS FOR CONSUMERS

Mr. HART. Mr. President, recently our distinguished colleague, the junior Senator from New Hampshire [Mr. McIntyre] addressed the Hanover, N.H., Consumer Cooperative Society. Entitled a "Bill of Rights for Consumers," his talk was most interesting and effective. It shows clearly the concern and understanding of the Senator from New Hampshire [Mr. McIntyre] for the American consumer.

Here is an articulate, telling example of the rapidly growing interest and concern both in the Congress and throughout the Nation in the problems of the American consumer. These observations by Senator McIntyre can be read with profit by all who feel as I do that the American consumer—so long without a voice—is having his voice heard ever more clearly throughout the land. They should be read also by those who have yet to be convinced.

I ask unanimous consent that the speech be printed at this point in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

A Bill of Rights for Consumers

(By U.S. Senator Tom McIntyre)

Some time ago I had some visitors in my office who were very familiar with conditions behind the Iron Curtain, especially in the countries of Eastern Europe. I was told that it can take 2 weeks for a workingman to earn a pair of shoes and 6 weeks to earn the money required to buy a suit. These items are often badly designed, and unable to withstand wear and tear, but so few are produced that customers must wait in line to buy and may consider themselves fortunate if they succeed in making a purchase. There are several obvious reasons for this. First, the Soviet economy is not very large and there is very little left over once the government has taken such essentials as housing, farm equipment, military items, and other goods whose distribution is dictated by the state. Second, decisions about what can be produced and what raw materials can be used are made, to a very considerable extent, by the state. Third, competition among producers is considered an unnecessary luxury, so that the goods on the market are apt to enjoy an effective monopoly. The interests of the state are served, but the consumer is the orphan of the system. His only recourse is political, to tell his party representative that meat is in short supply, or to complain to some government bureau about poor quality of goods. It is then for government to direct its unwieldy, slow-moving machinery and insensitive bureaucracy toward the solution of the problem. By this procedure, you can doubtless imagine, very little ever gets done. The Soviet experience should produce a trace of skepticism about what we think the government can accomplish without vigilant consumers and a wide public understanding of consumers' rights.

A FREE MARKET IS THE BEST PROTECTION

In the American market, the consumer is king. Our production of goods and services is sufficiently large so that essential needs, for defense and other programs, can be met and still leave an enormous productive capacity left over. That capacity is at the disposal of the American consumer, who buys nearly two-thirds of our total output of goods and services, some $380 billion worth last year. The mere suspicion that some unmet consumer need exists sends manufacturers scurrying after the market. The quality of goods is maintained by competitive efforts on the part of manufacturers. Reasonable prices exist because of competition among sellers. These three factors, taken together, might be called the consumers' Magna Charta. One: Government demand does not exhaust the supply of goods. Two: quality is sustained by competition among manufacturers. Three: fair and reasonable prices result from competition among sellers.

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[5] For an excellent discussion of limitations of present methods of selecting those with the most potential, see Charles C. Cole, Jr., "Encouraging Scientific Talent," College Entrance Examination Board, 1956.

[6] The estimates of the percentage of the top quartile of high school students who would attend college if financial aid were available in general range from about 65 to 80 percent. See: (a) Statement by Mr. Ribicoff in hearings on H.R. 5266 before the Special House Subcommittee on Education, 87th Cong., 1st sess., Washington, D.C.: U.S. Government Printing Office, Mar. 15, 1961, p. 29. (b) J. Kenneth Little, in "A Statewide Inquiry Into Decisions of Youth About Education Beyond High School," 1958. (Little estimated that of the top 25 percent of high school students in Wisconsin, 47 percent did not go on to college; one-third to one-half of these said lack of funds was the reason.) (c) Robert J. Havighurst, in a memorandum prepared for Charles C. Cole's study, op. cit. (Havighurst estimated that about 48 percent of the boys in the top quarter of ability entered college; about 19 percent more wanted to go on to college but would need aid to do so.) (d) Elmer D. West, "Background for a National Scholarship Policy," American Council on Education, 1955. (In a survey of 32,570 seniors, West found that about 15 to 25 percent of the students in the top 30 percent of ability would be lost to college without additional financial aid.)

[7] National Merit Scholarship Corp., annual report 1960.

[8] see footnote 6.

The question I am here to discuss with you is the consumers' bill of rights I have just described. How well is it working? Is it adequate? Is it a fair description of how consumers are treated in the marketplace or is it an expression of inadequate logic, misleading slogans, and outmoded ideas? I say that the consumers' bill of rights is very much in need of amendment. Think back over your own experience in the past year or so and ask whether the three slogans I laid down a moment ago ring true in your own experience.

CONSUMER DEMAND FOR PUBLIC SERVICES

The obvious weakness in the argument that consumers get whatever they want is found in the sector of public services. You may want better schools for your children, a better hospital, improved roads, or even, by some quirk, greatly expanded foreign aid. But you can't buy these things with your own money. Our consumer goods market just isn't set up that way. We are deluged with Beatle wigs, Beatle tee shirts, Beatle records, and other trivia. The pages of sleek magazines gush forth about fantastically expensive luxuries. But we are short of facilities to care for the elderly. We are short of teachers and classrooms. Many of our cities are in the last stages of shabby decay. I think of these needs as consumer needs. We are not unwilling to spend money for these purposes, it is just that the consumer never gets a chance to express his own sense of priorities. Is it right for Government to make all these decisions for us? Governments are not all knowing. Government can often be exasperatingly slow, although almost always well intentioned. In the domain of public services the consumer is strangely silent. Some way must be found to restore his voice in this critical sector of our lives.

THE ASSAULT OF ADVERTISING

There is another obvious weakness in the notion that consumer demand governs our economy. Who tells the consumer what to demand? We are beset with persuaders, who promise glossy satisfaction by glossing over the truth. Can anyone really believe that "everybody's talking about the new Detroitmobile"? Is anyone really expected to think that "the new Hatchetface blade takes the friction out of shaving" because it "rides on liquid ball bearings"? Truth is drained of meaning by statements like this. A constant, besetting din of seductive voices swirls around us day in and day out. Imagine the thoughts which go through the mind of a teenage girl as she listens to this particular siren voice: "Pango Peach color by the X Corp. comes from east of the sun * * * west of the moon where each tomorrow dawns * * * is succulent on your lips and sizzling on your fingertips (and on your toes, goodness knows) and so will be your adventure in paradise."

It's all I can do to stop from choking when I read this kind of slick poetic prating. The only kind of proof that could ever be offered for such a statement is that it compels consumers to buy. It has no conventional meaning of true or false. And so the consumer's own rights of choice and his own awareness of his needs, are drowned out by oceans of highly scented words. No, I don't think it is right to believe that consumer demand runs our economy. In modern hucksterism, truth is that which sells. Truth is what the advertiser wants people to believe. Truth is that which is not legally false.

QUALITY COMPETITION

How about the second great pillar of the consumer's bill of rights? Is it true that competition leads to quality? The picture that comes to mind is one of a disappointed child whose Christmas toys fall apart before he can get them out of sight of the tree. We think of appliances so faulty that repair bills outpace the payments on the goods, or more time is spent in the shop than in their place in the home. And this subject has a somber side, with drugs that cause harm to those who take them, and products which cause harm in other ways.

PRICE COMPETITION AND TRUTH-IN-PACKAGING

The third great principle of American free enterprise as it affects the consumer is competition among sellers. We enjoy a measure of competition, but prices are not always lower as a result. For just one example, a housewife may look at two packages, side by side on a supermarket counter, to try to see which one is the cheaper. One contains 9½ ounces in an 8-cubic-inch box and is marked 2 for 45 cents. Another contains 7 ounces in a 10-cubic-inch box and is marked "Special, 16 cents sale, usual price 19 cents." Not only is the greater quantity in a smaller box, but the price terms are so jumbled that only a mathematical wizard can tell what the product actually costs. I have joined with Senator PHIL HART, of Michigan, in offering a bill in the Senate that would protect competition by enforcing standards of fairness in packaging and labeling, the so-called truth-in-packaging bill. Senator HART tells a story of buying a frozen cherry pie. The picture on the package showed it bursting with cherries. But they found a meager 39 cherries in the whole pie when it was cut open at the dinner table. If products are to compete fairly, misleading packaging practices must be brought to an end. The structure of the antitrust laws, passed to protect competition and the health of our free enterprise market, must be updated constantly. A man does not stay healthy because he once ran a mile in his college days. Nor will our markets stay trim and vigorous as the result of one or two laws passed years ago to protect competition.

Free competition, fair marketing practices, and the operation of strong consumer preference will not maintain our economy all by themselves. We must safeguard these vital forces, the way we safeguard health. For the rights of the consumer are recognized only in a vigorous free market economy. It is the duty of all who would serve the consumer's interest to keep that free market in the most vigorous possible condition.

COOPERATION WITH THE FEDERAL GOVERNMENT

With a lively free market in operation, we may profitably ask about cooperation by the Federal Government, which performs many vital activities of interest to consumers, such as standards testing. A little-known but very fine agency of the Government is the National Bureau of Standards which sets standards of weight and measurement and tests many consumer products. Last year I wrote to congratulate Dr. Astin, its Director, after learning that they had tested the mileage recorders in rented cars to make sure the consumer gets a fair break on the road. We give too little thought to such agencies which are doing almost daily battle on the consumer's behalf. Other activities include fair labeling requirements, drug safety, air and rail safety, enforcement of the antitrust laws, and the regulation of securities exchanges, natural gas and electricity rates. Congress considers hundreds of laws which affect the consumer, many of them put forward by various special interest groups. I am a strong believer in the partnership of Federal and local groups. I shall always support the helpful, cooperative effort which brings men and women together, to work together, each contributing what he knows best for a sound result.

A CONGRESSIONAL COMMITTEE FOR CONSUMERS

I have joined in offering a bill in the Senate to provide for a Select Committee for Consumers. Such a committee would have a trained staff familiar with the way our laws are made. The committee members would meet and hold hearings on consumer problems. Federal agencies would be asked to appear to describe their programs. This would be a helpful forum, from which consumers could learn more about the activities of Government and the Congress could learn more about the needs of consumers.

AN OFFICE OF CONSUMERS

I joined with the late Senator Kefauver, a great champion of consumers' rights, in offering a bill to create an Office of Consumers in the executive branch. Such an office would keep track of enormous Government programs such as housing, agriculture price supports, food and drug regulation, and press for specific program objectives of interest to consumers. The Office would have a voice in the enormously complex Federal regulatory proceedings that preoccupy the Federal Communications Commission, the Federal Trade Commission, the Securities and Exchange Commission, and others. The Office would have a great part to play in public education. How true it is that we devote much thought to making money and very little to spending it. Some kind of public education effort is certainly called for, although much thought will have to be given to its precise outlines.

THE BASIC RIGHTS OF CONSUMERS

President Kennedy said the consumer had certain basic rights: "The right to safety, the right to be informed, the right to choose, the right to be heard."

I agree with those rights. The free market should provide effective freedom of choice. It should provide competition for quality. It should provide competition in price. These are fundamental characteristics of the American free market system and must remain so. The Government, in partnership with us all, should help provide for consumer safety, for accurate information, for free choice, and an adequate hearing for consumers.

I pledge my service in the Senate to strengthening that free market and to vitalizing that system of cooperation. I will press for the recognition of consumers' rights, so long as they do not weaken consumers' freedoms. The Government should not do the consumer's job, but the consumer should not be mistreated in the marketplace. I wish there was time here tonight to talk about the important measures I have had an opportunity to study in the last year. One would be the new securities legislation to protect the consumer who purchases securities over the counter. Another would be a measure to restrain the use of detergents that do not decompose, thus protecting the quality of water in the home. Another would be the truth-in-lending bill to require the disclosure of interest rates on a formula aimed at a fair statement of the annual interest rate. I would be happy to discuss any of these measures with you.

It is important for us to realize that the free consumer, endowed with choice, thorough knowledge of the market and its products, and alert to quality in goods and services, is the very mainstay of our way of life. The interest of the consumer must be represented, not just in government, but at all levels of our economic life. The remedy for errors of taste, lack of knowledge, or imperfect competition is not in the Congress alone, or in the legislatures alone, or in the courts alone. It is in the leadership of those who care deeply about the integrity of our economic life. Such men and women, the consumers of America, shall elevate excellence and make of it the very hallmark of American life.

JOINT ECONOMIC COMMITTEE CONTRIBUTES TO IMPROVED MEASUREMENT OF THE COST OF LIVING

Mr. PROXMIRE. Mr. President, the Bureau of Labor Statistics is today releasing a newly constructed Consumer Price Index. In addition, the Bureau is holding simultaneous user conferences in Washington, New York, Boston, Atlanta, Chicago, and Los Angeles. The purpose of these conferences is to explain the nature of the new index.

Mr. President, this is significant news to economists and statisticians, but it is also extremely important to every consumer. The changes which have been made in this index by the Bureau of Labor Statistics will provide all of us as consumers with a far better measure of our cost of living and the way in which it is changing.

Mr. President, I have always felt that as a Senator I had to meet a number of different types of responsibilities. One of these responsibilities is to assess the job which Government agencies do on behalf of their constituency; namely, the American people. As chairman of the Statistics Subcommittee of the Joint Economic Committee, I have been particularly interested in the job being performed by the agencies of our Government which provide data on the operation of our economy.

One of the best jobs in this entire area is being done by the Bureau of Labor Statistics. However, my subcommittee was anxious to see whether improvements could be made in the statistics being provided by the Bureau of Labor Statistics. Therefore, in May of 1961 we conducted hearings on the general quality of these statistics. Experts, in the theory, practice, and use of price statistics were invited to give advice to the subcommittee on possible changes in these statistics. Our first conclusion was that no country in the world has better price statistics than the United States. Our second conclusion, however, was that some improvements were still both possible and desirable.

Mr. President, I am delighted to say that most of the improvements which my subcommittee recommended in the Consumer Price Index have now been incorporated in the new index which is being announced today.

Several of the latest advances in statistical techniques have been adopted in assembling the basic data for the index. One of these is the extensive use of probability sampling methods to select the cities and retail establishments from which data are gathered and the list of items included in the market basket on which price quotations are obtained from month to month. This procedure is designed to minimize any possible upward or downward bias in the index.

Another significant accomplishment is the application, for the first time in any country, of replicated samples, that is, a number of independent, matched samples, to a price index operation as large and complex as the Consumer Price Index. This technique will enable the Bureau of Labor Statistics to estimate the accuracy of the index, an objective which the subcommittee has advocated because of the precision with which the index is applied in many of its uses.

Development of an updated weight structure for the index implements a recommendation of my subcommittee that comprehensive weight revisions should be made on a regular schedule at least once every 10 years. The last previous revision of the weighting factors had been introduced in January 1953. Before then, no definite schedule for weight revisions had been followed, and they had been made only after long periods of depression or war conditions had changed the manner of living of the population so drastically that there were serious questions about the continued reliability of the index.

The coverage of the index has been extended to include single workers living alone, whereas it formerly was limited to families of urban wage earners and clerical workers. This is the first step toward implementing the subcommittee's recommendation for expanded coverage of the Consumer Price Index. In the course of obtaining basic data needed for revising the index, the Bureau of Labor Statistics, jointly with the Department of Agriculture, made a comprehensive survey of consumer expenditures of families living in rural areas. At some time in the future, it may be possible, on the basis of these data, to extend the coverage of the Consumer Price Index further to include rural nonfarm consumers.

The price data base for the index has been improved. Price quotations are now being obtained on some 400 items compared to approximately 325 previously. Also price quotations are from a more representative selection of outlets embracing a large variety of kinds of stores, located in suburbs as well as in central cities of metropolitan areas. For the former index, quotations were obtained mostly in the central cities of metropolitan areas.

The Bureau of Labor Statistics is also following a recommendation of my subcommittee for more complete documentation of the Consumer Price Index. Documents are now being distributed which will assist users in making the transition to the revised index, and a series of conferences with users is being held today at several locations around the country. Within the next few months, the Bureau advises that it plans to issue more comprehensive documents describing in considerable detail the improved Consumer Price Index and the basis upon which it is compiled.

The Bureau of Labor Statistics is also providing for continuing concentrated research on various problems of index number methodology, particularly the problem of adjusting for quality changes in making price comparisons. A research unit has been established for this purpose.

What is the practical significance of all this? Mr. President, the answer in one word is "knowledge." We, in the Congress, and the American people generally are going to be better informed about the prices which we all pay for consumer goods and services as a result of these changes which my subcommittee first recommended.

Such information is of vital importance in an economy as complex and diversified as ours. I, for one, feel strongly that prices generally are going to be rising in the near future and that we are going to be faced, as a nation with serious inflationary forces. We need to know the true nature of this inflation before we can combat it. These changes being made by the Bureau of Labor Statistics, as a result of the recommendations of my subcommittee, will give us that knowledge about the inflationary dangers.

SECRETARY WIRTZ AND EDUCATORS CALL FOR LONGER EDUCATIONAL PERIOD

Mr. PROXMIRE. Mr. President, last year I introduced a resolution expressing the sense of the Senate that States should provide for compulsory school attendance to at least 18 years of age or the completion of high school, whichever occurred earlier.

The purpose of this proposal was to provide encouragement to the States to provide compulsory education or vocational training to students so that they would be equipped to work in this automated society of ours.

Also the resolution if implemented by the States would have the desirable consequence of sharply reducing unemployment as the large number of high school dropouts who are out of school and out of work would go back where they belong—to school.

Recently Secretary Wirtz has come out strongly in favor of extending the school age. Fred Hechniger in his fine column in the Sunday New York Times comments on this.

A recent article in the Washington Post reports that most educators also favor the extension of schooling.

I ask unanimous consent that these two articles be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 1, 1964]

MORE SCHOOL?—WIRTZ CALL TO EXTEND EDUCATION MAY SPEED REVIEW OF GOALS

(By Fred M. Hechinger)

Secretary of Labor W. Willard Wirtz last week added his voice to growing demands for the extension of public education. He asked that the compulsory education age be raised to 18, instead of the 16-year cutoff now in force in most States, and that 2 years of free public education beyond the high school be provided for all youths.

In part, this plea parallels earlier recommendations by the Educational Policies Commission of the National Education Association. The commission also urged that two additional post-high school years be added to the public education program, but failed to make it clear whether this would be under high school or college auspices.

While the commission, representing the views of organized public school administrators, stressed as the major purpose of its proposals the intellectual maturing of young people, Mr. Wirtz looked primarily at the place of American youth in a changing economy. He asked for the schools to step in for two major reasons:

To reduce unemployment. The Secretary said that about 2 million of the 3.5 million youths between the ages of 16 and 19 should be removed from the labor market by being returned to school.

To upgrade the Nation's manpower. By offering 2 years of post-high school technical or vocational training, the schools would be able to reduce the number of unskilled workers, for whom there are ever fewer job opportunities, and increase the number of those who can fill jobs in the modern technology.

REGULATING LABOR SUPPLY

The use of the schools to regulate the labor supply is not a new idea. The labor movement's successful battle against child labor was closely related to the extension of universal education, first through elementary and later through high school. In reverse, the reduction of the basic secondary school curriculum in the Soviet Union from 10 to 8 years in the so-called school reform of 1953 was linked to the desperate labor shortage as a result of the high casualty and low birth rate during World War II.

Nevertheless, the Wirtz proposals contain elements of controversy. Public school observers will fear that, without simultaneous changes in the content of what the schools teach, motivation will go into a tailspin. Already plagued with a sizable dropout problem, the schools will worry lest the feeling that young people are simply being kept in school may invite an even more serious lack of purpose.

Sociologists have pointed out that, whereas teenagers in agrarian America used to be a family asset, in today's urban, industrialized society they are a liability. Young people, of course, sense this, and in the absence of a useful purpose or aim, in school or out, they tend either to drift or to rebel.

In addition, an alarming number of youths, largely from the urban slums, are unemployed and out of school, not because they have spent an insufficiently long time in school but rather because they failed, in their early grades, to acquire the skills needed to get ahead either in schools or in jobs.

None of these objections is a valid answer to Mr. Wirtz's legitimate concern with the place of young people in the economy. Solutions probably will have to be sought in a combination of steps which may include the following:

POSSIBLE SOLUTION

1. A new concept of the early years of schooling. For children in economically and socially backward neighborhoods, those early years, beginning in nursery school, must combine community efforts to offset home deficiencies with crash programs in reading, mathematics, and early science.

The crux of the program would be to condition the vast majority of children, regardless of their background, for a successful school career by tailoring the first few years of school to their specific needs.

2. A drastic overhaul of vocational education in high school. This would assure that the noncollegebound student could attend school with the assurance of being fitted into tomorrow's job market.

3. Greater differentiation among the types of posthigh school education opportunities. Instead of making the additional 2 years asked for by Mr. Wirtz a stretchout of traditional high school or carbon copy of the traditional liberal arts college program for all, there would have to be a large variety of institutions. Many would be technical institutes, training technicians, and science aids. They would provide the cluster of anywhere from four to seven assistants estimated to be needed for every university-educated engineer and scientist in the future. They would also train great numbers for the service industries which now rely too much on unskilled labor, with the result of deteriorating service to the public.

TECHNICAL INSTITUTES

The concept of the technical institutes has been applied on the most extensive mass-education basis in the Soviet Union, where the technikums train manpower ranging from railroad workers to technicians for precision laboratories. The Soviet institutions have suffered from being too narrowly vocational, but the deeply rooted general education tradition in the United States should be able to avoid such limitations here.

4. A less rigid interpretation of school years. Instead of insisting on 12 or, if Mr. Wirtz's recommendations are adopted, 14 years of consecutive attendance, it may have to be made easier for high school and post-high school students to shuttle back and forth between job and classroom. This would give many students a less straitjacketed feeling.

All of this will cost money. It is inevitable that, left to present local and State financing, a stretchout of education would merely spread the dollar support even thinner. This would lower the quality of schooling. The question, therefore, is whether, since Mr. Wirtz is attacking a national rather than a local problem, his recommendations will lead to a rethinking of the contributions to be made by Federal aid.

[From the Washington (D.C.) Post, Feb. 26, 1964]

PROPOSALS TO EXTEND SCHOOLING SUPPORTED BY MOST EDUCATORS

(By Maurine Hoffman)

Proposals by Labor Secretary W. Willard Wirtz to increase compulsory education requirements and extend free education beyond high school are being greeted warmly but with some reservations by educators.

The proposal to provide free education for 2 years after high school is perhaps less controversial than the proposal to require youths to attend school 2 years longer.

The first proposal may be seen as the logical outgrowth on the current well-established movement to set up junior colleges that enable youths to secure 2 years of low-cost instruction.

But with national concern over dropouts (the one in every three pupils who fails to finish high school) a relatively recent matter, raising the compulsory school-leaving age seems a more thorny issue.

This was pointed out by Daniel Schreiber, head of the project on school dropouts for the National Education Association.

Noting that some States permit pupils to leave school when they are 14 or have finished the eighth grade if they have the promise of employment, Schreiber called Wirtz' proposal revolutionary.

For example, among the States that permit youths to end their schooling before the age of 16 are Vermont, New Hampshire, Iowa, Kansas, Colorado, Missouri, Maine, and South Dakota.

Many States, however, have 16 as the minimum school-leaving age, and three States, Oregon, Ohio, and Oklahoma, require youths to be 18 or to have finished high school before ending formal education.

Schreiber said that he would favor raising the compulsory attendance age to 18 only if "we are willing to develop new curriculum."

Most dropouts flunk two or three subjects before quitting school, he said, and are not suited for either present academic or vocational school programs.

"If we just give them a watered-down academic course," he said, "they will misbehave in school, the role of the teacher will be that of a policeman and there will be a greater outcry for social adjustment classes."

He suggested work-study activities and preparation for employment in the service trades as a partial solution to the problem of a new curriculum.

Somewhat similar views were given by Washington School Superintendent Carl F. Hansen, who said he favors two kinds of post-high school education free to all.

One is the junior college and high-level technical school and the other is a lower type of academic and vocational training suited to the slower learning youth.

Hansen said that raising the school leaving age is inevitable because of the changing needs of our technical society but that the kind of program ought to be developed that is attractive to the youth who drops out now.

"About 35 percent of Washington young people drop out," he continued, "due to lack of interest. If interest is not gained, to require them to stay in school by force of law is a useless exercise," the Superintendent commented.

More work-study programs and activities to teach high school students marketable skills so that they can be assured of a job when they leave school are needed, he said.

Homer O. Elseroad, deputy superintendent of Montgomery County schools, noted that there is a bill before the Maryland Legislature to increase the compulsory school attendance age from 16 to 17.

"I'm in favor of adding a couple of years," he said, "if the community will support the kinds of educational programs necessary to make these years worthwhile for all children.

"We don't really know yet what these programs will be. But we do know that it won't do much good to keep on with what we are doing for 2 more years and try to force everybody into it."

The proposal to add 2 years of free public education beyond the high school is "not a radical proposal at all in our estimation," according to Edmund J. Gleazer, Jr., executive director of the American Association of Junior Colleges.

The association says that attendance at recognized junior colleges and community colleges increased nearly 15 percent last year from about 800,000 to nearly 950,000 nationwide.

Recently the Educational Policies Commission of the National Education Association called for 2 years of free education beyond the high school.

There now are about 700 recognized junior colleges with about 425 being publicly supported. Tuition at some public colleges is free and at other colleges it runs to $325.

Most publicly supported junior colleges have an "open door" policy and take every student who wishes to enter who has a high school diploma or equivalent.

About 20 to 25 new junior colleges open their doors each year.

California has pioneered in free junior colleges and now has a State network of 72. Florida has 29, which charge low tuition, and junior colleges have been set up extensively in New York, Michigan, Illinois, and Washington.

Other States also are moving ahead in this field. Pennsylvania and Ohio passed laws in 1963 permitting the local financing of junior colleges and North Carolina and New Jersey passed similar laws in 1962.

The President's Committee on Public Higher Education in the District of Columbia is reported to be considering recommending the creation of a public junior college here.

There are public junior colleges in Montgomery and Prince Georges Counties, but none in the District of Columbia or in northern Virginia.

George Mason College of the University of Virginia offers 2 years of college instruction in northern Virginia but is solely for students who want to transfer to 4-year institutions.

WALL STREET JOURNAL PROTESTS FLYING IN A $750 MILLION SUPERSONIC FOG

Mr. PROXMIRE. Mr. President, the Wall Street Journal has recently raised serious and sober questions over the wisdom of the Federal Government proceeding as rapidly as it has been with huge appropriations for the commercial supersonic airliner.

I share that questioning concern of the Wall Street Journal in spades. We have already appropriated tens of millions of dollars for this gigantic leap forward at a time when we are being reminded in grim newspaper headlines that even the present, relatively slow-paced jetliners that fly a mere 600 miles an hour are far from safe.

The commercial feasibility of a 2,000-mile-an-hour jetliner is very questionable indeed. Is the relatively modest time saved worth the immense investment? Will it ever be worthwhile to air travelers? At any rate the big question in the words of the Wall Street Journal is: "whether the Government is trying to rush the thing before its economic time, with too few charts and too little knowledge."

I ask unanimous consent that this editorial from the Wall Street Journal be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FLYING IN A FOG

One reason given to justify the Government's participation in the supersonic transport plane program is that it's a self-liquidating investment. That is, if enough of the planes are ordered and they stay in service several years, airline royalties will repay the Government.

We don't doubt that such could be the happy result. The Federal Aviation Agency makes a superficially persuasive case that the aid is not a subsidy in the usual sense, but simply a matter of advancing money for a project which is said to be beyond the financial resources of the industry on its own. And of course there is ample precedent for Federal help to get a particular undertaking—like the air industry itself—off the ground.

Still, the Federal contribution in this instance is enormous and topheavy: Some $750 million out of the estimated $1 billion development cost. The Federal share would become even more topheavy if the suggestion of a White House study group is accepted. That group, whose recommendations became public this week, urges that Washington shoulder 90 percent of the total cost.

In an enterprise so full of unknowns as this, the only realistic expectation is that the total cost will be higher than $1 billion, perhaps much higher. The British, working with the French on their own supersonic aircraft, have already found their estimates too low.

The unknowns include not only the various unsolved technical problems, which everyone admits are formidable. They also include the question of market. It may be that huge numbers of people will be eager to fly at 2,000 miles an hour, but it is by no means self-evident that it would be a great advantage for either business or pleasure trips. The airlines only now are beginning to pull out of the slump caused in part by their investment in costly subsonic jets.

Despite the FAA's optimism, then, it is entirely possible that the supersonic investment won't pay off in any reasonable time. In any event, the Government would presumably be stuck with bigger subsidies. The industry would be running the risk of being engulfed by Government. Federal control of agriculture, after all, resulted from fairly modest attempts to help the farmer over a hump.

Some executives are worried about these dangers. But apparently the general feeling in Government and industry is that the United States must forge full speed ahead into the field of commercial supersonic travel no matter what—though the White House study group, to its credit, does urge more caution.

The question, as we see it, is not whether there will eventually be operational supersonic airlines, or even whether the Government has any business in that business. Rather, it is a question whether the Government is trying to rush the thing before its economic time, with too few charts and too little knowledge.

A more cautious flight into the unknown could well make for speedier progress in the end—not to mention sounder investments.

RACINE JOURNAL TIMES OPPOSES OIL LOBBYIST APPOINTMENT AS HEAD OF OFFICE OF OIL AND GAS

Mr. PROXMIRE. Mr. President, the Racine Journal Times is highly respected in Wisconsin for the excellence of its editorial comment.

This is a moderate, independent paper that has never shown any interest in grinding personal axes or carrying on feuds. But it has demonstrated an acute public conscience.

In a recent editorial, this outstanding independent paper has protested the appointment of Oil Lobbyist Joe Dickerson to the vital policymaking position of head of the Office of Oil and Gas.

I ask unanimous consent that this editorial be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Racine (Wis.) Journal-Times, Feb. 25, 1964]

PROXMIRE CONCERN JUSTIFIED

When Lyndon B. Johnson assumed the Presidency under the most trying circumstances, one of his first decisions was to place the responsibility for determining administration policy with regard to the oil and gas industry with the Department of the Interior. In view of the President's previous commitment, as Senator from Texas, with that industry, this seemed a wise and fair decision.

After 3 months, this question arises: Did President Johnson turn over the determination of oil policy to the Department of the Interior, or did he turn over the Department of the Interior to the oil and gas industry?

Senator WILLIAM PROXMIRE, of Wisconsin, who keeps a careful eye on the influence of the oil industry in Government because Wisconsin is a consumer rather than a producer of these products, pointed out last December, less than a month after Johnson took office, that this was an important problem, has reiterated that position. PROXMIRE was critical of the appointment of John M. Kelly as Assistant Secretary of the Interior, because Kelly was a major producer of oil. Now PROXMIRE has zeroed in on the appointment of Joe T. Dickerson, of Tulsa, Okla., as director of the Office of Oil and Gas.

PROXMIRE concern is justified. Dickerson has been associated with the oil and gas industry since 1923. Most recently, he has been the Washington lobbyist for the Mid-continent Oil & Gas Association, made up of 33 of the principal producing companies in the industry. His appointment, coupled with that of Kelly as his superior, virtually turns over to the oil industry itself the responsibility for its own regulation.

Lawrence Stern of the Washington Post says that Johnson's next step will be the appointment of Lawrence J. O'Connor, of Texas, as Chairman of the Federal Power Commission to replace Joseph C. Swidler. O'Connor is described as being "much more friendly to oil and gas than Swidler was." We hardly consider that as a recommendation for a job that involves the regulation of interstate gas pipeline rates, in view of the oil and gas industry's long fight to be free of FPC control.

There is genuine case for concern here. Admitting that it would not be practical to turn over control of an industry to men who know nothing about it, there must be some middle ground between the totally uninformed and those who are the direct representatives of the industry itself—and that describes Kelly, Dickerson, and O'Connor.

Said Senator PROXMIRE in his speech on the Dickerson appointment last week:

"In the name of justice, it is certainly not representation of the American people when two persons in the Interior Department who are the experts and the real authority in advising the Secretary of the Interior on the oil industry are of, by and for the industry which they are supposed to regulate, have devoted their entire lifetime to representing the producers, and in the case of Mr. Dickerson, one who has served as a paid lobbyist for the petroleum industry."

President Johnson's disclaimer of responsibility for oil and gas policy now has a hollow ring. It was never really convincing, because we cannot imagine any circumstances under which the head of the administration will not ultimately be responsible for its policies. It is less convincing today, because Johnson has virtually appointed the industry to regulate itself.

From a record dating all the way back to the Harding administration, he must know how dangerous that can be.

BULGARIAN INDEPENDENCE DAY

Mr. PROXMIRE. Mr. President, on March 3, 1878, the Treaty of San Stefano was signed, giving Bulgarians independence from the Ottoman Empire. Later in the same year the Treaty of Berlin reduced the size of the country by yielding territory to an autonomous Ottoman administration. Despite this setback, March 3 is still celebrated as the Bulgarian Independence Day.

The Bulgarian people are known for their bravery and courage, and they are most defiant in fighting their oppressors. Their little country in the Balkans was a powerful kingdom during the Middle Ages, and they constituted a real power there for many centuries. But when late in the 14th century the Ottoman Turks overran the Balkan Peninsula and parts of southern Europe, Bulgaria became an Ottoman province in the Ottoman Empire. For more than 400 years the Bulgarian people carried on their fierce struggle against their foes under formidable odds. All these attempts ended in failure, because without effective outside help they could not have hoped to cope with the then powerful Ottoman forces.

In the Russo-Turkish War of 1877–78 Bulgaria was most fortunate in having czarist Russia's very effective aid. In this rather one-sided war the Turks were thoroughly vanquished by early 1878, and when Russia dictated her peace terms, she insisted upon Bulgarian freedom. This was guaranteed in the treaty signed on March 3, 1878, and since then Bulgarians everywhere, in and out of their homeland, think of that day as their national holiday, their independence day.

Since those days Bulgarians have endured much misery, have gone through two devastating World Wars, and both of these have had tragic consequences for them. And today, after all the suffering and sacrifices, especially during the last war, they are deprived of their freedom in their homeland. But these stanch fighters for freedom, these dauntless and hardy peasants, continue to work and to hope under the most oppressive of tyrannies for their eventual freedom. There under Communist totalitarianism, totally sealed off from the free world, they cling to their most cherished ideal, their freedom and independence. It is sad but true that while they attained their freedom with the aid of czarist Russian forces 86 years ago, today they are robbed of their freedom in their homeland by the Communist Russian agents. All friends of freedom-hungry Bulgarian people hope that they will again regain their freedom and live in peace in their homeland.

THE FLORIDA EAST COAST RAILWAY DISPUTE

Mr. MORSE. Mr. President, I wish to condemn in the strongest possible terms the recent dynamitings on the strikebound Florida East Coast Railway. As President Johnson has said, this criminal action has got to stop. The perpetrators must be swiftly brought to justice, and I am hopeful the FBI will be able to do so. Fortunately no one has been badly hurt by the dynamitings so far, but the destruction of property has been severe. Violence has absolutely no place in a labor dispute. No nation can long survive where explosives become a substitute for law.

At the same time, I wish to draw the attention of the Senate to another aspect of this most difficult railroad dispute. I quote from an article in the Miami News of last Wednesday, February 26, whose first paragraph reads as follows:

> Unless the Florida East Coast Railway acts at once to halt the appalling loss of human life at unmarked crossings, Miami Mayor Robert King High threatened today, he will block those crossings with police cars.

The article goes on to tell of the death of one motorist whose truck was hurled 20 yards by a Florida East Coast train, run by strikebreakers, in a crossing accident on February 17. The motorist lingered for a week in an unconscious coma, in the hospital, then died.

The same article tells of another motorist whose car was smashed by a Florida East Coast train in a crossing accident on February 25. This motorist was reported in fair condition in the hospital, with face and shoulder injuries.

The same article reports a third Florida East Coast crossing accident—on February 24—in which the motorist, a 33-year-old woman, escaped injury, but her car was demolished.

As I pointed out the other day in my speech, the manager of this railroad, an economic tyrant in Florida, has publicly refused to give the public protection at the crossings of this railroad. He has refused to keep the safety signals in repair.

A different news story, appearing in the Orlando, Fla., Sentinel of February 20, reported:

> A Florida East Coast freight slammed into a car at a crossing in nearby Port Orange yesterday, killing the driver instantly.

This unfortunate motorist was hurled nearly 40 feet through the air. The local police chief said the train was exceeding the speed limit.

Mr. President, I think both the recent dynamitings and these recent crossing accidents, with their two fatalities, lend added urgency to the bill I introduced last Wednesday to bring the giant financial combine that controls the Florida East Coast Railway under the Bank Holding Company Act. Mr. Ed Ball, the key figure in this financial combine, has proved he holds the public interest in very low regard. My bill would encourage Mr. Ball to dispose of his railroad to someone who might exhibit greater interest in public service and public safety.

Mr. President, I understand that it is still argued by some in the Senate that the Florida East Coast Railway should not be brought under the Federal Bank Holding Act because it is supposed to be a charitable trust type of institution. I have put the undisputed facts in the RECORD. The beneficiary of the trust, Mrs. Du Pont, makes a little over $8 million a year net. She has put about 12 percent of that in a so-called charitable beneficiary trust for crippled children. That does not make it a charitable trust. That makes it a subterfuge.

In 1956 the Senate was misled when it did not bring that railroad under the Federal Bank Holding Act. It ought to be put there now and promptly, and the economic tyrant, Mr. Ball, ought to be taught that he is not bigger than the Government of the United States. We ought to bring to an end this kind of economic tyranny that prevails in the State of Florida, operated and managed by this man, Ed Ball.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Illinois.

Mr. DOUGLAS. As the Senator from Oregon knows, I was in 1956, as I am now, a member of the Senate Committee on Banking and Currency, which considered the Bank Holding Company Act. I think it can be said that I led the fight inside the committee and on the floor of the Senate for the enactment of a strong Bank Holding Act. The question of the Du Pont charitable trust came up, and it was argued that a chain of Du Pont banks in Florida should not be included because the funds were in trust for charity. It was upon that assurance that some of us consented to the specific elimination of that chain of banks from the Bank Holding Company Act.

I am not certain how I voted inside the committee on the subject. I may even have voted against the exemption of the Du Pont banks. But certainly it is true that the representation which was made was the ground upon which exemption was granted.

I think the Senator from Oregon is completely correct in saying that the full information is now in. It has been seen that only about one-eighth of the net earnings of this chain are devoted to charity and that the banks are the instrumentality by which a vast network of economic activities are carried on. This indicates very clearly that we should correct the mistake that we made in 1956. I congratulate the Senator from Oregon, and wish to say that I hope the measure will be taken up in the Committee on Banking and Currency. And now that the record has been cleared, I certainly hope our committee will take action.

Mr. MORSE. Mr. President, I very much appreciate those comments of the Senator from Illinois and also the statement the Senator from Illinois has already made in the RECORD on the subject. Following my speech the other night, the Senator from Illinois also made, I believe, an excellent statement on the subject. The Senator from Illinois knows that it is my feeling that we have no one in the Congress who is a more able authority in the field of economics and finance than the Senator from Illinois, and the problems raised in the case are within his field of expertness. I am delighted to know that, as a member of the committee that has jurisdiction over the subject of the Federal Bank Holding Act, the Senator from Illinois shares the point of view that on the basis of the facts now known, the Du Pont estate is not a charitable trust in fact, and that it ought to be brought under the control of the Federal Bank Holding Act. To do so would mean that it would have to divest itself of the railroad.

It was represented in Florida, following one of my speeches on the subject, that I was for some kind of Government ownership of the Florida East Coast Railway. But not a syllable in the statement I made on this subject justifies any such conclusion. To the contrary, I am for bringing the Du Pont estate under the Federal Bank Holding Act, in order to make that estate divest itself of this property. When I speak of divesting itself of this property, I mean sell the property.

I am reliably informed that some time ago one of the major railroads of our country sought to purchase the Florida East Coast Railway. I have no doubt that once the court orders the divestment, there will be no difficulty in selling the railway at a fair price.

Mr. President, I ask unanimous consent that an article, from the Miami News of February 26, 1964, headed, "Fix Crossings, FEC Told"; and an article, from the Orlando Sentinel of February 20, 1964, headed, "Train Kills Car Driver," together with an editorial from the New York Times of March 2, and a news story from the Washington Post of March 3, describing the action of a Federal judge in granting an injunction against the Florida East Coast Railway, be printed in the RECORD.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Miami (Fla.) News, Feb. 26, 1964]

Police Blockade Urged—Fix Crossings, FEC Told

(By Fred Andersen)

Unless the Florida East Coast Railway acts at once to halt the "appalling loss of human life" at unmarked crossings, Miami Mayor Robert King High threatened today, he will block those crossings with police cars.

In a swift followup to another in the long list of traffic fatalities and injuries plus an unknown total of property damage in auto-train wrecks, the mayor said he will ask the city commission to act Monday.

High came out swinging by noting the FEC has had 2 months to repair 65 crossings in the city.

He said he would ask the city engineering department for a report on the crossings at which nothing had been done before the commission-imposed deadline.

Then High proposed to ask commission backing to prohibit use of the crossings until remedial steps are taken.

City Attorney John Barrett said the city charter "clearly gives the city the authority to abolish grade crossings. Thus we must assume it also gives the authority to control them."

He said that could be interpreted to mean High has the power to carry out his threat.

But High declared, "The matter is so serious concerning the safety of our citizens that action to block those tracks must be taken immediately."

He added, "I will do whatever is necessary, even if it means putting police cars on the tracks."

High's blast was triggered by the death of one victim of a car-train crash which came as a result of injuries he suffered February 17 when an FEC locomotive knocked his pickup trucks 20 yards.

The driver, Victor Rodriquez-Berios, 22, a migrant farm worker from Princeton, never was conscious again.

Sgt. Ned Dolan, of the sheriff's office, said the same engineer involved in that crash was at the throttle again when his engine collided with an auto at an unguarded Coral Way crossing yesterday.

He identified the engineer as Luther L. Kresge, 60, of 6755 SW. 26th Terrace. In Doctors' Hospital in fair condition with face and shoulder injuries was Stanley Walter Nowak, 50, of 1279 NE. 190th Street.

Sergeant Dolan cited Nowak for not having his car under control.

In still another crossing crash Monday, an FEC locomotive demolished an auto driven by Mrs. Mary C. Robertson, 33, of 8305 SW. 103d Street. She was caught between the gates at the SW. 104th Street FEC crossing and was unhurt in the accident.

[From the Orlando (Fla.) Sentinel, Feb. 20, 1964]

Train Kills Car Driver

DAYTONA BEACH.—A Florida East Coast freight slammed into a car at a crossing in nearby Port Orange yesterday, killing the driver instantly.

Police said Stephan Bert Bogey, 80, Port Orange, was found nearly 40 feet from where his car was hit by the train. The car was dragged nearly 200 feet by the freight.

Port Orange Police Chief Matt Wilson said the FEC freight was going about 40 m.p.h. at the time of the mishap, 15 miles above the speed limit.

[From the New York Times, Mar. 2, 1964]

The President Steps In

Under the spur of President Johnson's anger at the repeated dynamiting of the Florida East Coast Railway, intense new efforts are underway to arrest the bombers and also to end the long strike out of which the violence grew. Strong-arm tactics are an inexcusable throwback to the jungle stage of labor-management conflict. The mobilization of law-enforcement agencies to stop the bombings is long overdue.

Unfortunately, the entire dispute fits the pattern of 19th-century industrial relations much more than it does that of the jet age. The only dependable road to a restoration of order and stability on the railroad is to settle the strike on terms fair to both sides. Secretary of Labor Wirtz and Governor Bryant, of Florida, are now engaged in seeking such an accord. Since the issues have become so enmeshed in considerations of emotion and of impact on national bargaining practices, arbitration appears to be the most practical approach to a solution. The unions have agreed to arbitrate; the company says no. The President's plea for peace ought to prompt it to reconsider.

[From the Washington (D.C.) Post, Tuesday, Mar. 3, 1964]

Court Order Curbs Struck Railroad

JACKSONVILLE, FLA., March 2.—A Federal judge ordered the Florida East Coast Railway today to throw out sweeping changes in work rules and pay rates made since a strike began.

The ruling by U.S. District Judge Bryan Simpson apparently would require the railroad to abandon the changes with which it said it had eliminated "featherbedding."

Simpson said the changes were made unilaterally and in violation of the Railway Labor Act. He said the changes could not be made until all procedures available under the act had been exhausted.

He noted that the railroad had done away with a union-shop provision despite the fact that the National Mediation Board still had jurisdiction.

The injunction was granted at the request of the Brotherhood of Railroad Trainmen, an operating union. Most of its members have been honoring picket lines of the 11 nonoperating unions that went on strike against the line 14 months ago.

Simpson directed the railroad to reinstitute and maintain the status quo under the collective bargaining agreement which existed prior to November 2, 1959, except to the extent modified by mutual agreement.

W. L. Thornton, vice president of the line, said he had not seen the order and it would have to be studied by railroad attorneys before he could say definitely what effect it would have on the railroad's operations.

WILLIAM ALLEN WHITE LECTURE AT THE UNIVERSITY OF KANSAS BY CLARK MOLLENHOFF

Mr. MORSE. Mr. President, on February 10, one of America's most able journalists gave the annual William Allen White lecture at the University of Kansas. He is Clark Mollenhoff, of the Washington Bureau of the Cowles publications.

In his address, entitled "Lifeline of Democracy," Mr. Mollenhoff discussed the responsibilities of the press in our democratic society. I ask unanimous consent that his address be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Lifeline of Democracy

(By Clark R. Mollenhoff, Washington bureau, Cowles Publications—Text of 15th annual William Allen White lecture, the University of Kansas, Lawrence, Kans.—Monday, Feb. 10, 1964)

The future of the American Democracy is contingent upon the performance of the American press. If the newsmen of today and tomorrow are diligent workers and balanced thinkers on problems of governing our society, then I have no doubt that the American democracy will survive and flourish as a symbol to the whole world.

If the press fails in its responsibility—if it flounders in a quagmire of superficiality, partisanship, laziness, and incompetence—then our great experiment in democracy will fail. In 150, 100, 50 years—or even sooner—it will be replaced by a more efficient authoritarian form of government, and will be remembered as an interesting but impractical system.

Communication is the lifeline of democracy. It is a noble goal to seek to be an effective part of that communications system. It is little short of treason to knowingly contaminate that lifeline with political partisanship, propaganda, or clever but superficial commentary.

It would be pleasant and reassuring if we could simply assume that our form of government has some divine blessing that will guarantee its survival and steady improvement. However, this is not the case. Travel in more than 40 countries has demonstrated to me how precious our democracy is. In the midst of revolution and threatened revolution in Africa and the Middle East, I observed the relatively short step from our freedom to the oppression of authoritarian rule.

Democracy is contingent upon an informed public with the means to learn what the Government is doing, the right to criticize what the Government is doing, and the mechanism for effectively expressing opposition by voting to oust our highest officials from office.

It would be impossible to overemphasize the importance of the newsman's role in a democracy, for the public depends upon newsmen for both the facts upon which opinions are based and the balanced reporting of the criticism of Government programs, policies, and personnel.

I stress these points at this time because the press of the Nation is failing in its responsibility, and because there are disturbing signs that the press does not recognize its failures. There are many spectacular examples to demonstrate the press does not understand many stories of major importance. There is a growing accumulation of evidence indicating the press even fails to understand itself and its own self-interest.

It is unfortunate, but there are only a handful of reporters and editors who comprehend the fine work the Government Operations Subcommittee (headed by Congressman JOHN MOSS) has been doing for the press. There are only a few with enough historic perspective and balance to really appreciate the significance of the freedom of information reports of the American Society of Newspaper Editors, the Associated Press Managing Editors or the Sigma Delta Chi.

There is press resentment when Senator WAYNE MORSE presents a justified indictment of the journalists who are "the parrots of the 'line' from the executive branch" and who are "largely ignorant of the American system of Government and the role of Congress in that system." There will be too little attention to the warnings by James McCartney in Nieman Reports of the distortions and propaganda that flow from "The Vested Interests of the (beat) Reporter."

The press is proud—usually too proud to accept criticism. There is an understandable pride in newspaper improvement in recent years—much needed mechanical developments and better educated personnel. But, it is folly to be so dazzled by such improvements that there is a blindness to failures of substance. Mechanical improvements are important, but only if enlightened people use them to make Government problems more understandable and our democracy more effective. That is our real reason for being.

All expense is futile if it fails to develop a press that is independent and aggressive in serving as a watchdog over Government.

It is not my intention to view with alarm the deterioration of the press since the days of William Allen White. I do not believe there has been a deterioration. I do question whether the press has improved enough to meet the responsibility of a job that becomes more difficult each year. Despite the fact that there are hundreds of well-qualified reporters and editors, the performance is often mediocre or poor in Washington.

I think, strongly think, we need more tough self-criticism in regard to our most vital function—the coverage of Federal Government.

There are areas in which press performance is equal to or even superior to what it was 30 to 60 years ago.

There are works of highest merit, including the depth reporting jobs of the Wall Street Journal, and the periodic brilliant local investigative reporting in Chicago, St. Louis, Cleveland, Des Moines, Atlanta, Nashville, and a dozen other places. The great financial resources of the news magazines result in consistent fine depth work by U.S. News & World Report and periodic flashes of greatness by Time and Newsweek.

But even the wealthiest news organization can become bogged down in the complexity of national and international problems that face us today.

William Allen White had limited financial resources and manpower, but he used them to capacity in seeking to understand the local, State, Federal, and international problems of his day. He judged and occasionally misjudged as all of us do from time to time, but he was independent of his friends as well as his enemies.

Most certainly, the governmental structure of the town of Emporia and the State of Kansas were more simple and more manageable than our national and international problems today. But it can require as much ability and a great deal more courage to report on local issues and local people than it does to ponder over outrages in Zanzibar or Léopoldville.

In the days when William Allen White was making his mark the Federal Government was small. The entire budget was less than a billion dollars until 1917. With the exception of 1918 and 1919, the Federal spending did not exceed $10 billion until 1941.

The major press problem of today can be linked directly to the size and complexity of the $100 billion-a-year Federal operation. Bright reporters and editors can still find ways to understand and police most city, county, and State operations. But too often they are frustrated and then overwhelmed by the seemingly impossible job of serving as a watchdog on Federal spending and policies.

There is some awareness of the problem, but no one really comes to grips with it. There has been a floundering by a press that has become more and more dependent upon handouts. Trapped in its own superficiality, the press is an easy victim of the big lie. Lacking understanding, the press follows the fads of the best Madison Avenue sloganeers.

Steps to deal with the problem of bigness have resulted in some unhealthy developments. Specialists have been assigned to governmental agencies to provide more knowledgeable coverage. In too many cases these specialists have been converted into propagandists for the agencies they cover—a type of kept press. The TFX story is an illustration of how many "watchdogs of democracy" were transformed into lap dogs of the Pentagon political appointees.

Certainly we need specialization, but there needs to be constant examination to assure that the specialists are not seduced by their sources. How much objectivity can one expect from a Pentagon reporter who shows up to cover a hearing accompanied by his wife and the wife of the Defense official who is under a critical investigation. Some social contact with high public figures is inevitable, but reporters and editors have an obligation to ask themselves if they have sacrificed independence for a White House dinner or a scuba diving party.

The press would have protested violently at the suggestion of creation of a Federal propaganda office. Yet, the Government press specialists in many agencies have become propaganda officers. Instead of serving as a press contact for a quick guide to information about an agency, many of these men have become propaganda officers, seeking to build the image of political figures by policing and controlling press contacts with all agency personnel.

Not content with central information control in an agency or in a department, there are continuing periodic efforts to establish more coordinated information operations between the agencies. The explanation is always that it is for more efficiency and to avoid confusion or conflicting stories. If effective, the result would be creation of a Federal propaganda office.

A few weeks ago, I received an irate call from a Government press officer who objected to my direct call to a Cabinet officer's office for an appointment. I was told it was improper for me to bypass the press office.

In the following conversation, I informed him I had no obligation to make contact through a public relations office. I told him I would make my contacts without consulting him, and that when I wanted help I would let him know. He bristled when I referred to him as "a public relations man" for the department, and he insisted he is a "professional newsman" with the duty of giving the public a truthful and objective picture.

I have no doubt he regards himself as an objective newsman, and I am also certain that in most cases he tries to give reporters a balanced picture of activities in his department.

However, he is hired by a Democratic administration to serve one of its Cabinet officers. I am certain he would be somewhat less aggressive than an independent reporter in penetrating the excuses and half-truths that are so often tossed out to explain away mistakes, mismanagement, and corruption.

While most reporters do not accept the tight policing and discipline that some press officers would impose, there are a good many who find it more convenient and even essential to retain a cooperative working relationship with the agencies' propaganda centers.

A Defense Department order to police press contacts at the Pentagon is a clear example of a formal effort to control press activity. The order by Assistant Defense Secretary Arthur Sylvester was signed on October 27, 1962. It has the backing of Defense Secretary Robert S. McNamara, and remained in force despite complaints that it amounts to a gestapo directive to discourage circulation of the views of persons who dissent from "the Department line."

The order states that all Pentagon personnel—military and civilian—must make a report of all conversations with reporters before the end of the business day. Sylvester justifies it as necessary to keep defense secrets from leaking. He also says it is to keep him abreast of all information made available, so he can make the same information available to other reporters in an orderly manner. He doesn't mention that it would also spot the sources of stories indicating disagreement with the McNamara line, which it is unlikely Sylvester would distribute widely.

The Sylvester order still stands. The press, after a few cries of rage, has accepted the chains with only a whimper. It remains as a precedent for other departments to follow if they feel too many dissenting opinions are being peddled by Government officials.

Fortunately, some officials disregard Sylvester's directive and some reporters are enterprising enough to evade it. This should not make the existence of the directive any more acceptable.

Add to this, the McNamara economy move toward a single press office for the $50 billion a year Defense Department.

Also, examine the indications that the Johnson administration may curtail the Presidential press conference. There are indications he will depend mainly on those cozy little spur-of-the-moment meetings with the regular White House reporters. These gatherings present a minimum danger of the tough question that often needs to be asked. Johnson has indicated he might supplement this with some informal television chats with a few reporters, whom I will wager he will handpick.

If that is to be the new press conference format, then I'm against it. I would hardly accept the logic of one editorial writer who suggested that if Johnson feels the open press conferences of the past do not "fit his personality" then he should be allowed to change.

In the light of that type of editorial logic, we can only hope that democracy fits President Johnson's personality.

The national television networks can, and do, serve as a great force in informing the public on important issues. However, television seldom serves as a leader in exploring bad government—seldom operates in a watchdog role. Television, with all of its money and manpower, usually waits until the daily press has done the spadework on an issue.

It is unrealistic to expect more of television. The industry operates on Government licenses, and under constant threat of more Government control. This certainly limits its independence. But even without direct Government control there are factors that tend to make our three big networks soft on an incumbent administration.

The networks put great stock in exclusive interviews with high Government officials, and it is obvious that they pay a price by limiting their independence. The price may be an unspoken assurance that the cooperative official will face friendly reporters, and will be treated in a kindly fashion. Official reluctance or refusal to cooperate with an aggressive television team can often be an effective way of destroying independence. It is not necessary to be angry at newspapers or television reporters or commentators who fawn over public officials with a simpering sweetness. Only feel sorry for them.

Examine these problems in context with a Presidential directive to authorize a nationwide Government news service to be made available to newspapers, radio and television. At the same time, there is a trend toward much higher costs for wire service for the independent press agencies—AP and UPI.

In addition to direct and subtle Government controls many newspapers have been putting themselves in straitjackets of conformity by copying the story play and the editorial positions of some large east coast newspapers. This tends to destroy the independent thinking and diversity William Allen White believed to be the greatest strength of the press. It is particularly destructive when the editorial policies copied come from newspapers that have been demonstrably wrong on policies on Cuba, Ghana, Vietnam, and other areas.

Individually or collectively these developments cause me deep concern. I believe they should cause great concern in the entire newspaper profession.

Over a period of 13 years, I have had the occasion to be critical of information policies of the Truman administration, the Eisenhower administration and the Kennedy administration. I have tried to make that criticism tough and objective.

There is no need to apologize for the past criticism, for some high officials in each of these administrations engaged in unjustified secrecy policies that seriously interfered with the public's right to know about Government. Each used a wide range of public relations techniques, distortions and outright lies to deceive the public.

The public officials deserved a lambasting for their arrogance in hiding or distorting the facts, but the press was also responsible.

It is true that high officials of any administration may fool any of us on a few issues and for a short period of time despite diligent work. But if it becomes apparent that any large segment of the press is being fooled for any extended period of time, then the press just isn't doing its job.

Under the Truman administration there were efforts to hide the tax scandals, the RFC scandals and a good many other bits of influence-peddling and favoritism. However, there was aggressive independent reporting that cut through the Truman administration's claim that there was no wrongdoing. The press did its job and the public understood.

Under President Eisenhower, there were other unjustified efforts to hide the record. This time the press was slow to move. However, there were enough pockets of press aggressiveness and sufficient push behind two or three congressional committees to force exposure of the "conflict of interest" in the Dixon-Yates case, and the illegal and improper activities at some of the regulatory agencies.

In the 1960 campaign, John F. Kennedy spoke of the importance of open government information policies. He indicated he would not permit use of Executive privilege to hide records from the Congress and the public. In his state of the Union address he told us that healthy dissent would be not only tolerated, but encouraged.

However, for some reason it didn't work out quite that way. Kennedy authorized use of Executive privilege to bar congressional committees from information about Government operations, and there were a large number of efforts to curb dissent and stifle criticism. Unfortunately, unknowing and shortsighted elements in the press were patsies for the Kennedy administration. They even helped justify barriers to curb dissent and curtail the flow of information.

Two major stories of the last year—the TFX case and the Otepka case—can serve to demonstrate how many Washington reporters and columnists failed in their role as watchdogs. They failed on important stories, and became propagandists for two political appointees. They failed despite the documented record and the fine guidelines available in the excellent balanced reporting of Cecil Holland in the Washington Star and the columns of Hanson Baldwin in the New York Times.

The TFX story involved the integrity of the spending practices in the Defense Department, and the judgment of Defense Secretary McNamara. McNamara overruled the top-level Pentagon Source Selection Board that had favored the Boeing firm. Testimony before the McClellan committee shows McNamara will waste more than $400 million by an arbitrary decision to hand the $6.5 billion TFX program to Texas-based General Dynamics Corp.

A few hero worshiping reporters and columnists, feeding on Pentagon press office distortions, have been giving the public the line that McNamara's decision will somehow save the taxpayers a billion dollars. They have taken and repeated factually inaccurate smears against the McClellan subcommittee from anonymous Defense Department spokesmen. They have disregarded or rationalized the evidence of "conflicts of interest" that should have caused two of McNamara's top aids to disqualify themselves in the TFX decision.

McNamara overruled the unanimous recommendation that favored the Boeing version on the basis of a "superior performance" as well as a price that would be lower by $100 to $415 million.

It was possible that McNamara could have been right, but certainly the burden of proof was on him to establish he was right since he overruled his subordinates to give the contract to General Dynamics. He signed a five-page memorandum of justification on November 21, 1962, that was loaded with errors, according to the McClellan committee record. One of the errors was a little slip-up on the entire performance rating of the General Dynamics plane. The performance rating was greatly inflated. Also, McNamara had a little error of $77 million, a little error of $29 million.

To justify his decision, McNamara made a claim that General Dynamics had greater commonality of parts in its Navy and Air Force versions that would result in great savings on maintenance, repair, spare parts, and training. The experts—civilian and military—testifying on engineering and military matters, have stated that the General Dynamics plane has little or no advantage over the Boeing plane in this area. One experienced aeronautical engineer declared that the idea of any substantial savings because of commonality was poppycock.

McNamara stated he could disregard the low bid by Boeing because Boeing cost figures lacked realism. Boeing officials stated they submitted detailed cost figures to the Defense Department, and had backup material available to demonstrate the realism of the bid. Boeing officials said the Defense Department never challenged their figures, but had arbitrarily tossed out their low bid. The McClellan committee proved the only Defense cost figures available had some rather dramatic errors—$291 million and $340 million. McNamara could not have been right if he relied upon these figures, which he now admits were in error. What figures did McNamara have before him when he decided that Boeing lacked cost realism in making the low bid? When the auditors of the General Accounting Office questioned McNamara about his decision, he admitted he had no other cost study available. He said he made a rough judgment from his experience as an official at Ford.

McNamara told the GAO he got the figures out of his head. Comptroller General Joseph Campbell expressed his surprise that McNamara had no cost figures for such an important decision, and stated that the GAO feels there must be written documents to support such multi-billion-dollar decisions. But this wasn't all.

McNamara downgraded the modern braking device—the thrust reverser—in the Boeing plane as being a risky engineering venture. The General Dynamics plane had a conventional dive brake that some say will make the plane obsolete before it is in production. The Navy and Air Force wanted the thrust reverser in the General Dynamics plane because of its superiority. Experts have testified it will cost $446 million more to equip the General Dynamics plane with the thrust reverser at this stage.

McNamara contended that Boeing's use of titanium in the wing structure was also risky. On this point, the McClellan subcommittee has produced expert testimony of metallurgists, including specialists in titanium, who disagreed with McNamara. The experts testified there was no unusual risk involved in the use of titanium in the wing structures, and that the use proposed by Boeing was conventional.

Gen. Curtis LeMay and Adm. George Anderson, then Chief of Naval Operations, approved the Boeing plane. They have told McNamara that they had reservations about the General Dynamics plane, and called it a "wrong decision."

Granted, this was a complicated and technical subject, but it was not impossible and the press, generally, failed to get to the heart of the matter.

There were only about a dozen reporters who read the whole record of the TFX investigation, and a few who read enough to be familiar with the weakness of McNamara's position. However, there were dozens of apologists for McNamara who have written authoritatively without benefit of reading the record. They have written from Pentagon handouts and from confidential "inside information" straight from McNamara, Assistant Secretary Arthur Sylvester, former Deputy Defense Secretary Roswell Gilpatric, or former Navy Secretary Fred Korth.

Why would Defense Secretary McNamara overrule a unanimous recommendation to make what experts regard as a wrong decision to pay the highest price for the second-best plane?

He had help on this case from Gilpatric, the former lawyer for General Dynamics, and from Fred Korth, whose Continental National Bank of Forth Worth had General Dynamics for one of its best customers.

And, it should be no surprise, both Gilpatric and Korth recommended that the contract should go to General Dynamics, rather than Boeing. Chairman McCLELLAN and others have given the opinion that neither Korth nor Gilpatric should have had any role in the TFX contract in the light of their prior associations with General Dynamics. But many reporters and editorial writers—ignorant, gullible or lopsidedly partisan—could see no "conflict of interest" problem in the role of Gilpatric or Korth.

Reporters I had worked with, and I might say agreed with, on the "conflict of interest" in the Dixon-Yates case in the Eisenhower administration, had no interest in going into the details of the role of Gilpatric or Korth. Others who had been aggressive in pointing up the role of Adolphe Wenzell in the Dixon-Yates case, wrote apologies for Gilpatric and Korth.

In some cases, it was ignorance of the facts. In some cases it was laziness in dealing with a complex record. I am afraid that in a few cases it was a foul political partisanship.

I believe that the press has an obligation to aggressively pursue any evidence that high officials have lied under oath about Government operations. There is an additional obligation to ferret out all evidence that others were engaged in subornation of perjury or in condoning false statements or illegal wiretaps. This would seem basic. However, in the words of Senator MORSE, many uninformed reporters were "the parrots of the 'line' from the executive branch * * * (and) care nothing of the merits of the case made * * * in Congress."

Otto F. Otepka, the chief security evaluator at the State Department, became a State Department employee in 1953 shortly after the Eisenhower administration came to power. Some reporters found this fact alone to be grounds for being hostile to Otepka, and they characterized him as the last vestige of McCarthyism at the State Department.

They did not know, or at least did not report, that Otepka was a career civil servant with no political ties who had been transferred from the Civil Service Commission to the State Department because of his experience as a lawyer and security evaluator. Otepka believed in a strict security operation, but he was not a irrational man who saw a Red under every bed. In fact, it was Otepka who had recommended clearance of Wolf Ladejinsky in 1954 when some more zealous persons sought to label the career agricultural attaché a security risk.

He served with such distinction as a security evaluator that in 1958, Secretary of State Dulles awarded him the Department Distinguished Service Award. Early in the Kennedy administration, Deputy Under Secretary of State for Administration Roger W. Jones commended Otepka as a skilled and balanced security evaluator. That was before direct conflicts of testimony developed involving Otepka and his superiors.

Otepka delivered three State Department documents to the Senate Internal Security Subcommittee to prove he was telling the truth. One of Otepka's superiors charged this was insubordination and violation of rules. To some reporters the delivery of documents to a Senate subcommittee was justification for firing.

They did not know, or at least did not report, that Otepka delivered the documents to prove that he was telling the truth with regard to the handling of a security matter. His testimony had been in conflict with the testimony of one of his superiors, and he produced the records to prove he was truthful.

Otepka delivered documents that also proved his superiors, were wrong. To some State Department-oriented reporters and editorial writers, this was McCarthyism.

There are veteran reporters and editorial writers who do not understand the vital function of Congress in checking the administration and operations of the executive branch. Many can't tell the difference between a responsible investigation as conducted by the late Senator Kefauver, Senator McClellan, or Representative Blatnik, and one of the late Senator Joe McCarthy's freeswinging extravaganzas. Many didn't try to tell the difference. They are automatically against any investigations, and automatically mouth the executive branch line without regard for its inconsistency or provable fallacy.

In their eagerness to oust Otepka, two State Department officials—John F. Reilly and Elmer Dewey Hill—took part in attaching a listening device to Otepka's telephone. A third official knew about it.

All three testified under oath that they had no knowledge that any wiretap, bug, or listening device had been attached to Otepka's telephone. Not until after a Senate floor speech warned of perjury, did these three high State Department officials write letters to the Senate committee admitting the use of listening devices on Otepka's telephone. However, in admitting the use of the listening device, the three high officials explained that there was no listening on the wire and no interception of Otepka's calls. Since then, these letters—prepared in the State Department legal office and approved by Rusk—have been established as being inaccurate.

Electronic expert Hill has testified that he actually recorded more than a dozen conversations on Otepka's wire as part of a plan to try to get evidence to serve as a basis for ousting the security evaluator. He testified that Reilly knew of the recordings, and had a special interest in one of them.

The documented record shows what is characterized by Senator DODD as perjury, falsification, and lying by three high level officials who were trying to "get" Otto Otepka. Yet some newspapers have ignored this story. Others have continued to take the State Department line that the proof of "false" testimony on the wiretaps is not connected with the charges against Otepka.

Although Reilly and Hill have resigned, they have not been criticized by Secretary of State Rusk. Rusk allowed Belisle to remain in the State Department for weeks after becoming aware of the "untruthful" statements in the transcript. Secretary Rusk and his top aids continue ahead with the Reilly-initiated charges to oust Otepka for cooperating with Congress.

The activities of the State Department have been an outrageous, cynical, and brutal effort to crush a dissenter for telling Congress the truth. In many ways, it is as bad as anything Joseph McCarthy did in his most irresponsible moments.

But more outrageous than the State Department's action has been the press performance. Some newsmen accepted the State Department philosophy that dissenters like Otepka should be squelched, and Congress barred from the facts.

The Otepka case involves the effectiveness of the State Department security program. It involves the question of the integrity of many high level officials in a Department that is entrusted with vital foreign policy decisions. Yet, with only a few exceptions, the press has ignored this major investigation or has given it coverage warped to the State Department distortions.

Fortunately, most reporting has been better than the reporting on the TFX investigation and the Otepka case. Most stories are less complicated, and take less concentrated study.

The comments on the weaknesses of the press and the problems of the press should not discourage the young reporter. Where the job is being done poorly, there is great opportunity for those who will study and work on the complex jobs. There are always many reporters willing to cover the easy story—the story that takes only a small amount of background study and guarantees good play. There are always too few on the stories that take weeks of work, that have an uncertain future, make sources angry, and may be buried with the want ads.

For this reason, there will always be plenty of room for reporters and editors who will tackle the tough story.

Last October and November, the press demonstrated in the Bobby Baker case that it has the courage and the great capacity for a deep investigation when it has the will to do the job. In a few short weeks the press had a hundred or more reporters probing nearly every political, social, or business deal that Baker had touched.

Unfortunately, I must report that the interest of many others did not arise until after the appearance of a story about a German party girl who had been on the fringe of some of the Baker social action. She had also cavorted with some important political figures. Prior to this story there were only a handful of us doing any more than casual work on the subject. They included Julian Morrison of the Washington Daily News, and Larry Stern and Jack Landau, of the Washington Post. It is amazing how a little sex angle stimulated editorial interest in good government.

I have been fortunate to work for publishers and editors who understand important stories about Government without the necessity of being stimulated by a sex angle, a vicuna coat, a mink coat, or a crude payoff. It isn't that they are uninterested in sex, but simply that they don't need it to be interested in "conflicts of interest" and the more subtle forms of bad government.

Our editors understood when Senator JOHN J. WILLIAMS said the integrity of the Senate was involved in the Baker probe.

They understood that the evidence of an arbitrary decision on a $6.5 billion TFX contract was important, even though complicated.

They understood that evidence of laxity in the State Department security division was vital, and that allegations of falsification by high officials was a grave matter.

If we are to have effective reporting of complicated issues of Government, it is vital to have editors who understand what they are doing. William Allen White knew what he was doing, or he tried to find out. He understood the folly and failures of the press of his day, and he made no claim to personal infallibility. He worked hard and constantly reexamined his position.

The William Allen White attitude exists today, although it is not as prevalent as it should be. It exists here in the Middle West in many places. I know it exists in the work and attitudes of Editor Kenneth MacDonald, Managing Editor Frank Eyerly and News Editor Charles Reynolds of the Des Moines Register. I know because I have had the closest association with these men over a long period of time. Intelligent and balanced independence is the quality they have in common with William Allen White.

I know that some of the same inquisitiveness, independence and dedication exists among other editors in the Cowles organization and on other newspapers far removed from Washington and New York. The independent editors seek to avoid being simple mirrors of the writings in a few Eastern newspapers. The editors with real commonsense can distinguish between informed and independent Washington commentary and the comments of a few journalistic prostitutes who simply parrot the shallow (but often sophisticated sounding) views of a few high-positioned political frauds.

I am elated when editors and reporters demonstrate aggressive independence as in the Bobby Baker investigation. We are all hurt when independence is destroyed or given away as it has been in much of the coverage and comment on the Otepka and TFX investigations.

Newspapering is a profession that gives us the opportunity to be in day-to-day touch with the great people and the great moments of our time. It also brings us in contact with some worshipers of good and bad alike. It is a disservice to our profession if we mislead our readers about the crooks and the clever charlatans who often win public office.

Ours is a profession that gives us the opportunity to be a strong voice and a strong force for good government. We can mold good public officials into better public officials by demanding top performance. We can make bad public officials toe the line or risk exposure and ouster.

It is in the power of each reporter and each editor to make his own choice. He can take the easy way and be a patsy for those in political power, but knowing in the end that he was a weak-kneed hero worshiper who bent to any political wind of strength. Or he can be a force for good and serve as a real check on government.

This is a business I love. I am submerged in it. If I am critical, it is because I know it can do so much more and can be so much more effective than it is. It has improved, but it needs more improvement. It needs people who will work in the face of the frustration of long and difficult tasks. It needs people of courage who will not flinch when the job requires risking the disfavor of the mighty or the popular view of the moment.

The press needs, and always will need, the independence characterized by William Allen White. The least we can do for his memory is to constantly remind ourselves of the many ways that a free and independent press can be weakened or even destroyed. It is our responsibility to aggressively oppose anything that may contaminate the lifeline of democracy.

Mr. MORSE. I extend to Mr. Mollenhoff my compliments.

AGRICULTURAL ACT OF 1964—THE COTTON AND WHEAT PROGRAM

The Senate resumed the consideration of the bill (H.R. 6196) to encourage increased consumption of cotton (and wheat) to maintain the income of cotton producers to provide a special research program designed to lower costs of production, and for other purposes.

Mr. MORSE. Mr. President, tomorrow there will be discussion of an amendment that deals with the problems of beef importation. I have received from my State a great deal of mail on the subject. Tonight, I wish to insert in the RECORD, for reference to them tomorrow, samplings of that correspondence.

The first letter that I ask unanimous consent to have printed in the RECORD was received by me—and it is under date of February 26—from Mr. George W. Johnson, executive secretary, Oregon Cattlemen's Assoication.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OREGON CATTLEMEN'S ASSOCIATION,
Prineville, Oreg., February 26, 1964.
Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Announcement of the agreement with Australia and New Zealand on imports of meat brought only disappointment and gloom to the cattle growers of Oregon.

All the words in the dictionary together with all the remarks that could be added by a western cowpoke will never be able to express the complete dissatisfaction of being sold down the river by such an agreement.

Do our elected representatives and appointed officials work for the people of the United States or are they hired to look after the welfare of some foreign country? Announcement of the agreement stated that Australia and New Zealand had agreed to quotas based on the average of 1962 and 1963 imports. Who's in the driver's seat? Why did Australia and New Zealand have to be consulted as to the size of quota they would accept?

To whom does the American market belong? Does it belong to red-blooded Americans who developed the market or does it belong to the Australians? Does this market belong to the American cattle producers who through the years have taken the bad with the good, who have kept themselves free of Government control and subsidy, or does the market belong to the bushman of New Zealand?

Does the market belong to the American cattle producer who buys the products of American factories, feeds American grain and pays American taxes or does it belong to the native of Nicaragua whose cattle business has been developed with the aid of the American tax dollar?

Isn't it a fair question to ask why the people of Australia and New Zealand were consulted as to the amount of quota they would accept? Wouldn't it have been more considerate to ask the American cattle producer something about the size of meat import quota that should be set?

The American producer has been fair, he has never advocated complete curtailment of all imports. Shouldn't the people who have developed the market, the people who have spent their money on promotion and advertising be given a little more consideration on the size of import quotas?

Just because New Zealand and Australia lost the sales to Great Britain isn't any reason why they should be allowed to dump their meat on our market to the tune of 10 percent of our domestic production and then be given a 3.7-percent growth factor in a market we will have to develop. How much meat can we ship to Australia and New Zealand? How much have the major importing countries contributed to market promotion in this country? The 3 cents per pound tariff now paid is not much more than local cattlemen pay for promotional purposes. Cattlemen of this country are not afraid of competition, but this competition must be based on the same set of rules. If you want meat and other products to compete in America then you must establish the same tax structure, the same wage scale and the same costs as are enjoyed by the foreign nations.

The question is legitimate. Why do we Americans always approach the bargaining table, hat in hand, to ask what will be accepted rather than saying what the terms will be?

The import quota as established is not realistic. It is unjust to the American cattle producer and should be changed. A quota based on the average of imports for a 5-year period, 1957 to 1962, would still give access to our markets by these importing nations, but at the same time would give our domestic industry an opportunity to expand. To establish a quota based on the two highest years in the history of imports and then allow them a part of the growth factor, based on our own promotion is utterly ridiculous.

We urge you, the representatives of the people of Oregon, to join with other Senators and Members of Congress to pass legislation that will establish a more realistic quota on meat imports.

May we know of your interest by action on this problem.

Sincerely yours,
GEORGE W. JOHNSON,
Executive Secretary, Oregon Cattlemen's Association.

Mr. MORSE. In the letter Mr. Johnson has set forth many criticisms of the foreign trade policies of the U.S. Government, as implemented by the State Department—criticisms well known by most in the Senate but, unfortunately criticisms that the State Department continues to do nothing about.

In the past I have said, and I repeat tonight, that if the State Department deliberately designed to sell American agriculture down the river in its international conferences on trade, it could not do a more effective job than it does, although it continually repeats the contention that it is not deliberately trying to harm American agriculture.

But the undeniable fact is that the U.S. State Department and the organization headed by Mr. Herter are not friends of American agriculture or American farmers. As one Senator, I repeat charges previously made, but tonight I state them in somewhat different language. I have no confidence whatsoever in the U.S. State Department, in connection with international trade negotiations on agricultural commodities. I am satisfied, and on the record I charge, and Mr. Rusk should take note—that the State Department is always willing to trade off American agricultural commodities for advantages for American industry. That is the record in international trade negotiations by the U.S. State Department.

I want the State Department to know that as a member of the Foreign Relations Committee of the Senate, I shall continue to oppose the policy of the State Department in the field of foreign affairs, until I get from the State Department some evidence that it recognizes that American agriculture is entitled to at least an even break with American industry in international trade negotiations.

Mr. Rusk is the top man, and I do not intend to take the responsibility off his shoulders. I hope he will take a few moments to read some of the communications we are receiving from American farmers, such as those I am submitting here tonight, in protest against the sellout by the American State Department of the American farmers in international trade negotiations.

A very efficient staff member, anxious to get home, has taken some of the material off my desk; but until it gets back here, I have a few more words to say about the State Department with respect to international trade negotiations. The so-called Kennedy round is about to take place in GATT. I say to American farmers, "Tighten your belts; tighten your belts, for you are going to get it again."

I take judicial notice now that, unless Mr. Rusk does something about the international trade policies of the State Department, the American farmers are going to be sold down the river in the Kennedy round of the GATT negotiations.

For 5 years I have not seen a single representative of the State Department—and this has been true during the Republican administration as well as during the Democratic administration—appear before a Senate committee and speak on the subject of international trade and show the slightest intelligence or knowledge in regard to American agricultural problems in respect to foreign trade.

They have sold out the fruit industry of the United States. They are about to sell out the beef industry of the United States and the sheep industry of the United States, as they have been doing for some years past. I want them to know that, as a Democrat, I do not intend to put partisanship first. If they think this course of action is good partisanship, I want them to know that, as a Democrat, I sit here in the Senate as a Member of the Senate, and I serve all the interests of the United States. I do not intend to let the farmers be sold down the river as a result of the unfair and discriminatory practices that characterize the international trade negotiations of the State Department.

Mr. President, I ask unanimous consent to have printed at this point in the Record a resolution which I received from Earl Heeb, master of the Oregon Slope Grange. It is also signed by Mrs. Donald Hopkins, secretary; and it points out that the Oregon Slope Grange urgently requests the Congress, to take the necessary steps—which we shall have an opportunity tomorrow to vote to do—to give fair and reasonable treatment to the beef industry of this country.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Whereas cattle and beef imports are increasing each year, even in the face of increased local supply and depressed prices, and

Whereas these depressed prices represent a tremendous loss to individuals, as well as local, State, and Federal economy, and jeopardize the future success of the beef cattle industry in the Nation: Be it

Resolved, The Oregon Slope Grange urgently request Congress and the executive branch of the Federal Government to adequately protect our own beef cattle industry by imposing realistic quotas, higher tariffs, or other realistic means.

Earl Heeb, *Master*.
Mrs. Donald Hopkins,
Secretary.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the Record a petition I have received from the Grant County Stockgrowers Association, also expressing its urgent request that something be done to stop the unfair discrimination being practiced against the cattle industry and the sheep industry of this country.

There being no objection, the petition was ordered to be printed in the Record, as follows:

Grant County Stockgrowers
Association,
Canyon City, Oreg., February 15, 1964.

To: Hon. Wayne Morse, U.S. Senator, Washington, D.C.
From: Grant County stockgrowers.
Subject: Meat imports.

The undersigned members of the Grant County Stockgrowers Association wish to urge your support on doing something about the meat import situation. Meat imports have helped to put many ranches in this area in very critical financial situations.

The undersigned strongly support a program whereby future imports would be held to an average of the period between 1958 and 1962.

Maude L. Johnson, Bates, Oreg.; B. L. Peterson, Howard Gable, Kimberly, Oreg.; F. Donald Sokol, Dorro C. Sokol, Prairie City, Oreg.; Jack E. Johns, Fox, Oreg.; R. E. Sproul, Mount Vernon, Oreg.; Alfred Coombs, Prairie City, Oreg.; Harold Herburger, Clyde Holliday, Ron Holliday, J. J. Kinsella, John Day, Oreg.; Mike Johnson, Wallace Johnson, Dayville, Oreg.; Katherine Walton, Bud Walton, Dale, Oreg.; Robert Holland, Mount Vernon, Oreg.; B. A. Trowbridge, Chas. A. Trowbridge, John Day, Oreg.; A. J. Tanler, Mount Vernon, Oreg.; Jack Kostel, John Day, Oreg.; Theron King, Monument, Oreg.; Rob Roy Munro, Kimberly, Oreg.; Orrin Forrest, Prairie City, Oreg.; M. D. Curry, Dayville, Oreg.; Eugene Ricco, Prairie City, Oreg.; Joe Oliver, John Day, Oreg.; Garland Meador, Prairie City, Oreg.; W. J. Foree, Kimberly, Oreg.; Alvin Brown, Dayville, Oreg.; Lewis Steuber, Prairie City, Oreg.; Virgil Piquet, Long Creek, Oreg.; William Ryan, Max Justice, Fox, Oreg.; L. Lee Williams, Canyon City, Oreg.; Mr. and Mrs. Don Fearrien, Lester Wilson, J. Stevens, Dayville, Oreg.; Philip J. Kuhl, Jr., John Day, Oreg.; Merlin K. Jones, Monument, Oreg.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the Record a letter I have received from Mr. W. H. Steiwer, Sr., one of the great livestock ranchers of my State and one of the leaders in the cattle, the sheep, and the livestock industries of Oregon. He, too, asks for an end to the unfair treatment of the cattle industry and the sheep industry which is being received at the hands of the U.S. Government.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Steiwer Ranches,
Fossil, Oreg., February 18, 1964.

Hon. Wayne Morse,
U.S. Senator,
Washington, D.C.

Dear Senator: Thank you for your letter of February 12 and your enclosed copies of your insertions in the Congressional Record. You are quite correct that I have an interest in the problems facing the cattlemen. Approximately one-half of our operation is now in cattle, the other half in sheep, lambs, and wool. In today's country edition of the Oregonian I have just read an article by the market editor, Joe Bianco, which states in effect that an agreement has been reached with Australia and New Zealand for a voluntary limitation of their beef exports to the United States and that this would mean a "rollback of 6 percent" in beef imports.

This action if it can be properly policed by all three countries, which I would question, represents a step in the right direction. However, in the article there is no mention made of lamb or mutton. It is my opinion that our domestic sheep industry was injured to a much greater extent and at a much earlier date by foreign imports than was our cattle industry. I believe that the figures you have inserted in the Record in table 1, U.S. imports of cattle, beef, lambs, and mutton compared with production, will bear this out. Furthermore all red meats are in competition with each other and if Australia and New Zealand continue to flood our markets with cheaply produced lamb and mutton a 6-percent rollback of beef imports could well be but an empty gesture to the cattlemen.

We must continue in the sheep business if we are to get full utilization of and pay taxes on all of our lands. We have been on a starvation diet with sheep now for a long time and I think the declining numbers of sheep in the United States is direct evidence of this. With at least two-thirds of our income from sheep coming from lambs and with our wool markets held down by the importation of cheaply produced wool and wool textiles we are in drastic need of protection.

I would appreciate your help in this matter and I am sure that the entire industry would give you thanks for efforts in our behalf, which you have so generously given in the past.

With best personal regards, I remain,
Very truly yours,
W. H. Steiwer, Sr.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the Record a letter I have received from Mrs. Ernest H. Radomske, of Gold Hill, Oreg. Her letter is to the same effect; she asks for fair treatment—not for an unfair advantage, but for some fair treatment—on the part of the State Department and the Federal Government, in respect to meat problems.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Gold Hill, Oreg.,
February 24, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: Thank you for your letter of February 12, 1964, in regard to the import of beef. It was of interest to me. I also noted a little article in our local paper that the Australians and New Zealanders were voluntarily curtailing their export of beef to the United States. I spoke on this to a number of cattlemen in this area and their answer was that this is not true, but just another gimmick because we are having an election year.

Would it not be possible for the President to regulate imports of beef under the Trade Expansion Act of 1962, section 252?

I am pleased to see the way our President is conducting himself in handling the issues of national and foreign affairs. I believe that he will have the majority of the people's vote this coming election.

Very truly yours,
Ernest H. Radomske.

P.S.—In our paper I see items regarding the President's program for the relief of poverty. I hope that this passes Congress. Should the opportunity arise, I would be glad to serve on this commission in whatever capacity I could. I am a graduate mechanical engineer and have ideas that may be of some use. Please keep me posted on the latest developments.

Mr. MORSE. Last, Mr. President, I ask unanimous consent to have printed at this point in the Record a letter I have received from Mr. Ward Conger, member of the Rogue Valley Junior Hereford Association, also protesting the policies of the Federal Government in respect to the discriminatory practices against the livestock industry of this country.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Eagle Point, Oreg.,
February 5, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.

My Dear Senator Morse: The Rogue Valley Junior Hereford Association has appointed me to send you a letter on the matter of beef imports.

We believe beef imports should be restricted, particularly from Australia, by means of a higher tariff or other legislative action, and we respectfully request that you do all you can to inform the Members of Congress of the problem facing livestock people. All members of the Rogue Valley Junior Hereford Association have at least one beef animal. Many ranchers in this area depend solely upon the raising of beef for their income. We believe the manufactured beef imports are affecting the price of cattle a great deal and are causing cattlemen to lose money. We believe you are interested in Oregon's livestock industry and hope you will do everything you can to assist the full-time cattlemen.

Very truly yours,

WARD CONGER,
Member, Rogue Valley Junior Hereford Association.
JARY HANSEN,
President, Rogue Valley Junior Hereford Association.
HUGH CHASLEY,
Vice President, Rogue Valley Junior Hereford Association.

Mr. MORSE. Mr. President, tomorrow, when the amendment is before the Senate, I shall have more to say on this subject matter, and I shall insert in the RECORD more communications that I have received from constituents in my State who are protesting against the policies of the U.S. State Department.

LEGISLATIVE PROGRAM FOR TOMORROW

Mr. HUMPHREY. Mr. President, the Senate will have a very heavy day tomorrow. I say this for the RECORD, because we intend, as indicated, to start with the Williams of Delaware amendment, to be followed by the amendment of the Senator from North Dakota [Mr. BURDICK] and myself, and then one or two amendments offered by the Senator from Louisiana [Mr. ELLENDER]. Other amendments are pending.

I am hopeful that tomorrow it may be possible to work out an arrangement for time to debate on, and then decide on, the so-called beef import amendment. It is a very important amendment. Obviously, it will bring forth considerable discussion.

RECESS TO 11 A.M. TOMORROW

Mr. HUMPHREY. Mr. President, with that notice, I now move that under the previous order, the Senate stand in recess until 11 a.m. tomorrow.

The motion was agreed to; and (at 7 o'clock and 27 minutes p.m.), the Senate took a recess, under the previous order, until tomorrow, Wednesday, March 4, 1964, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate March 3 (legislative day of February 26), 1964:

U.S. DISTRICT JUDGE

Howard C. Bratton, of New Mexico, to be U.S. district judge for the district of New Mexico, vice Waldo H. Rogers, deceased.

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve for temporary appointment to the grade of brigadier general subject to qualification therefor as provided by law:

Russell A. Bowen
Douglas J. Peacher

CONFIRMATIONS

Executive nominations confirmed by the Senate March 3 (legislative day of February 26), 1964:

U.S. COAST GUARD

The following-named persons to be a member of the permanent commissioned teaching staff of the U.S. Coast Guard Academy as an instructor with the grade indicated:

To be lieutenant

Jimmie D. Woods.

The following-named persons to the grade indicated in the U.S. Coast Guard:

To be lieutenant commanders

Marshall K. Phillips
Kenneth M. Lumsden
Gordon R. Campbell
Martin F. Groff
Ronald McClellan
Robert E. Gardner
Clayton W. Collins, Jr.
Ralph G. Isacson
Richard D. Mellette

The following-named persons to the grade indicated in the U.S. Coast Guard:

To be lieutenants

Harry D. Smith
Paul J. Bouchard
Daniel C. Mania
Richard H. Hicks
Robert E. Potts
Robert E. Diller
Harold E. Stanley
Billy R. Mull
Leroy W. Peterson
Carl W. Snyder, Jr.
Philip M. Lebet
Edward A. Walsh

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointments to the grades indicated, in the Coast and Geodetic Survey:

To be lieutenant commanders

Charles K. Townsend
Ronald L. Newsom
Ray E. Moses

To be lieutenants

Sigmund R. Petersen
J. Rodney Lewis
C. William Hayes
Seymour R. Kotler
Darrell W. Crawford
Arthur L. Moshos
Paul A. Chernoff
Leonard E. Pickens
Frederick H. Gramling
Richard B. Fallgren
Maurice L. Geiger
Gerald R. Cichy
Michael H. Fleming

To be lieutenants (junior grade)

J. Rodney Lewis
C. William Hayes
Seymour R. Kotler
Darrell W. Crawford
Arthur L. Moshos
Paul A. Chernoff
Leonard E. Pickens
Frederick H. Gramling
Richard B. Fallgren
Maurice L. Geiger
Gerald R. Cichy
Michael H. Fleming

To be ensigns

Woodrow E. Bliss, Jr.
David L. Hough
Phillip C. Johnson
Rodger K. Woodruff

To be lieutenant commanders

Lavon L. Posey
Philip J. Taetz
James K. Richards
Robert W. Franklin
Sidney C. Miller
Ronald M. Buffington
Wesley V. Hull
Wayne L. Mobley
Charles A. Burroughs
Richard E. Alderman
Ray M. Sundean
George M. Poor

To be ensigns

Joseph M. Lushene
Carl N. Davis
Edward E. Jones
Frederick J. Kuehn, Jr.
Robert H. Leininger
John E. Dropp
Conrad E. Huss
William Y. S. Williams
Fred T. Knowles
Lindle E. Barnett
William J. Cooke
Neal A. Horst
Joseph W. Dropp
Walter F. Forster II
Delwyn C. Webster
Joseph T. Smith
James O. Murphy
Peter M. Schidrich
Robert C. Westphall
Billy G. Morrison
David P. Van Weele
Ronald K. Brewer
Gerald R. Schimke
John D. Boon III

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 3, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Psalm 34: 14: *Depart from evil and do good; seek peace and pursue it.*

Almighty God, in these days of crisis, when peaceloving nations are being drawn together by common devastating perils and common democratic principles, grant that our own beloved country may take the initiative in extending to one another the overtures of friendship and fraternity.

May we take the lead in promoting the spirit of sympathetic understanding and cooperation lest we all drift apart and place in jeopardy the very existence of our civilization.

Emancipate all the nations from the spirit of self-interest and that vicious scramble for priority and advantage, and may each accept the challenge to strive for that spiritual unity which is a matter of life and death for the world.

Fill our own individual mind and heart with a passionate yearning for that wider and deeper experience of mutual regard and love which are the only and ultimate pledges of peace and prosperity.

May we be partners in putting forth more heroic effort in behalf of a nobler social order which is struggling toward the light of a new day.

Hear us in the name of our blessed Lord whose love is the salvation of our souls and whose laws are the foundation of a world order wherein dwelleth righteousness and peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On February 20, 1964:

H.R. 5945. An act to establish a United States-Puerto Rico Commission on the Status of Puerto Rico.

On February 26, 1964:

H.R. 8363. An act to amend the Internal Revenue Code of 1954 to reduce individual and corporate income taxes, to make certain structural changes with respect to the income tax, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 1182. An act for the relief of Willy Sapuschnin;

H.R. 1295. An act for the relief of Edith and Joseph Sharon;

H.R. 1355. An act for the relief of Stanislawa Ouellette;

H.R. 1384. An act for the relief of Areti Siozos Paidas;

H.R. 1455. An act for the relief of Ewald Johan Consen;

H.R. 1520. An act for the relief of Jozefa Trzcinska Biskup and Ivanka Stalcer Vlahovic;

H.R. 1521. An act for the relief of Lovorko Lucic;

H.R. 1723. An act for the relief of Agnese Brienza;

H.R. 1886. An act for the relief of Valeriano T. Ebreo;

H.R. 4284. An act for the relief of Chrysanthos Kyriakou;

H.R. 4682. An act for the relief of Mr. and Mrs. Fred T. Winfield;

H.R. 5144. An act for the relief of Doyle A. Ballou;

H.R. 5617. An act for the relief of Elizabeth Renee Louise Gabrielle Huffer;

H.R. 5982. An act for the relief of Pasquale Fiorica;

H.R. 6092. An act for the relief of Alexander Haytko;

H.R. 6313. An act for the relief of Stanislaw Kuryj;

H.R. 6320. An act for the relief of Walter L. Mathews and others;

H.R. 6477. An act for the relief of Captain Otis R. Bowles;

H.R. 6591. An act for the relief of Constantine Theothoropoulos;

H.R. 7235. An act to amend sections 671 and 672 of title 28, United States Code, relating to the clerk and the marshal of the Supreme Court;

H.R. 7347. An act for the relief of Teresa Elliopoulos and Anastasia Elliopoulos;

H.R. 7821. An act for the relief of Wladyslawa Pytlak Jarosz;

H.R. 8085. An act for the relief of Roy W. Ficken;

H.R. 8322. An act for the relief of John George Kostantoyannis; and

H.R. 8507. An act for the relief of certain medical and dental officers of the Air Force.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 950. An act to amend the Internal Security Act of 1950; and

H.R. 7533. An act for the relief of Demetrios Dousopoulos.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 473. An act for the relief of Miss Wladyslawa Kowalczyk;

S. 1237. An act for the relief of Kaloyan D. Kaloyanoff;

S. 1525. An act for the relief of Mrs. Kayo Fujimoto Howard;

S. 1597. An act for the relief of Juliano Barboza Amado and Manuel Socorro Barboza Amado;

S. 1684. An act for the relief of Fotini Dimantopoulou;

S. 1966. An act for the relief of Glenda Williams;

S. 1978. An act for the relief of Lillian P. Johnson;

S. 1982. An act for the relief of Francesco Mira;

S. 1985. An act for the relief of Giuseppe Cacciani;

S. 1986. An act for the relief of Hattie Lu; and

S. 2455. An act to amend further the Peace Corps Act (75 Stat. 612), as amended.

The message also announced that the President pro tempore, pursuant to 49 Stat. 425, as amended by Public Law 85-474, had designated the following delegates to the Interparliamentary Union Conference to be held in Lucerne, Switzerland, from March 30 through April 5, 1964: Mr. Sparkman, Mr. Monroney, and Mr. Allott.

ARTICLE CHARGES U.S. AGENCIES PENETRATED BY REDS

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, I believe one of the pressing demands of our day is to thoroughly investigate the State Department. In a copyrighted story under the banner headline "U.S. Secret Agencies Penetrated by Reds," Guy Richards of the New York Journal-American has presented a strong indictment of the security policies of the Central Intelligence Agency and the State Department. In talking with Mr. Richards, I am convinced that he has painstakingly investigated this situation and has presented a factual account. He has done a great service to the American people by exposing the valuable testimony which has been offered by Michal Goleniewski, a defector from the Soviet Secret Police, information which, it appears, the State Department has sought to deprecate in the past. It is time for the Congress to step in and investigate the State Department.

As could be expected, the Washington Post gave the administration's view on the former KGB official's information in a terse paragraph:

> It was learned on highest authority, however, that the newspaper account was considered not only inaccurate, but inconsistent with information Goleniewski has provided American officials.

What is the truth in this matter? The American people deserve to know and, judged by the past record of the State Department, we will never learn the truth from them. Only the Congress can bring out the truth in this matter and it is imperative that we do so immediately. On November 27, 1963, I introduced House Joint Resolution 812, which called for a thorough investigation of the State Department. I suggest that we need this investigation more than ever before, particularly in view of our fumbling foreign policy around and the world and the revelations of Michal Goleniewski.

INDIAN FISHING RIGHTS

Mr. WESTLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. WESTLAND. Mr. Speaker, on the Today show this morning there was quite a bit of discussion concerning a march of some Indians on the capital of the State of Washington, Olympia. There were also some comment about a fellow named Marlon Brando who was accompanying these Indians to help them in their fight for their fishing rights. Mr. Brando went out with a gill net, threw it across a river and caught a couple of steelhead trout, which is a game fish. He caught them out of season and caught them with illegal gear. He was apprehended and then turned loose. If it had been anybody else, he would have been in jail and stayed there, where he should be. Mr. Brando may be a great actor, but he does not know a thing about the fishing industry in the State of Washington. These Indians claim they are losing their treaty rights which guaranteed them their right to fish in their "usual and accustomed places." Therefore, they have said they can fish any place they want to in the State of Washington with any kind of gear they want at any time they want to; but what they fail to state is that the phrase that follows is, "in common with all others." The Supreme Court of the United States held that any State has the right to regulate the time and method of taking fish, and so has the Supreme Court of the State of Washington. We are living up to our treaty obligation under the Point Elliott Treaty of 1854. There are only a few Indians who are doing this out-of-season, illegal-gear fishing, and I want to commend those 99 percent of the Indians in the State of Washington who believe in the conservation of our sports fishery.

SUBCOMMITTEE ON IRRIGATION AND RECLAMATION, COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent that the Subcommittee on Irrigation and Reclamation of the Committee on Interior and Insular Affairs may be permitted to sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE LATE BELOVED SUSAN EDWARDS WAGNER

Mr. RYAN of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN of New York. Mr. Speaker, today is a sad day for the city of New York. The beloved first lady of our city, Susan Edwards Wagner, died yesterday at the age of 54. Gentle and charming, devoted wife and mother, Mrs. Wagner in her own right made a monumental contribution to the life of our city. As the hostess of Gracie Mansion, Mrs. Wagner will long be remembered by all who met her as a most gracious and considerate person. In addition to her other activities, Mrs. Wagner generously gave of her time to many charitable pursuits. She served on the board of directors of the Greater New York Councils, the Boy Scouts of America, the Girl Scouts, Lenox Hill Neighborhood Association, the Leake and Watts Home and the Carroll Club.

I know that I express the feeling of all my constituents and all citizens of New York in offering my heartfelt sympathy to Mayor Wagner and his two sons, Robert and Duncan. This morning's New York Times editorial expresses our profound sorrow at the loss of Mrs. Wagner and the gratitude we feel for the years during which she was New York City's first lady. At this point in the Record I wish to include the New York Times editorial and also the news article which appeared in today's New York Times.

[From the New York Times, Mar. 3, 1964]

Susan Edwards Wagner

Millions who never knew her will join Mayor Wagner in sorrow at the untimely passing of his wife. The relatively few who knew her personally will mourn her as a charming, attractive woman; a devoted wife and mother. But for every one of these there are thousands whose only acquaintance with her was through news photographs and stories about her activities as First Lady of New York. These duties she discharged with tact and warmth.

A gracious hostess, she was content to remain in the background when politics entered. Her loss is a hard blow to an already heavily burdened man. We hope that the Mayor will take some comfort from the knowledge that a multitude will share his sorrow. May time assuage his grief and leave him with many happy memories.

[From the New York Times, Mar. 3, 1964]

Mrs. Wagner Dies; City Lowers Flags

(By David Halberstam)

Mrs. Robert F. Wagner, wife of the mayor, died yesterday of lung cancer. She was 54 years old.

She had been ill for nearly a year, but the seriousness of her illness had been one of this city's best kept secrets.

She died at 12:35 p.m. in Gracie Mansion, the mayor's residence. Her husband and two sons were with her at the time. Flags at the mansion and throughout the city immediately were lowered to half staff.

The body was taken to the Frank E. Campbell funeral home at Madison Avenue and 81st Street, where the public will be admitted today.

A funeral service will be held at 11 a.m. Thursday at the Madison Avenue Presbyterian Church, 921 Madison Avenue. The Reverend David H. C. Read, pastor of the church, will officiate. Burial will be in the Wagner family plot in Old Calvary Cemetery, Long Island City, Queens.

Sources said that the family hoped to open the funeral to the public, but that no final decision had been made yet.

Old Calvary is a Roman Catholic cemetery. Mrs. Wagner, a Presbyterian, specifically had asked to be buried in the Wagner family plot there.

DIAGNOSED LAST MAY

City Council President Paul R. Screvane and Deputy Mayor Edward F. Cavanagh, Jr., who were at Gracie Mansion at the time of Mrs. Wagner's death, ordered flags in the city to be flown at half-staff for 30 days.

The lung cancer was diagnosed last May during a checkup at St. Luke's Hospital. The cancer was already far advanced, and since then there had been repeated medical treatments, including the use of cobalt radiation.

Mrs. Wagner's condition took a turn for the worse over the weekend. Yesterday morning an aid to the mayor disclosed that her illness was critical and that she was not expected to live through the day.

A medical bulletin issued by Dr. William S. Norton, a family physician, yesterday morning said:

"Mrs. Wagner is critically ill with advanced bronchogenic carcinoma. The diagnosis was made from a chest X-ray and cervical lymph node biopsy in May 1963. In spite of full doses of cobalt radiation chemotherapy and every other medical course, it has not been possible to keep the cancer under control. She is in bed at Gracie Mansion. She is comfortable with oxygen and sedatives."

Shortly afterward Mrs. Wagner was dead.

SMOKED CIGARETTES

She was a cigarette smoker. According to friends, at the time of her diagnosis last year the mayor, also a smoker, began to use a cigarette holder.

Shortly before Mrs. Wagner died the mayor received a telephone call from President Johnson. The President expressed his and Mrs. Johnson's sympathy and said he was prepared "to do anything in the world" to help him.

An earlier message from President Johnson gave the public an inkling that Mrs. Wagner might be seriously ill. This came in January when the President sent Mrs. Wagner a telegram while she was at St. Luke's Hospital.

Mayor Wagner had curtailed his public schedule considerably in recent weeks to be with his wife, who had been bedridden for about a month. In recent weeks the mayor also had asked several groups to pray for my wife, without disclosing the nature of her illness.

Friends said that their two sons, Robert F., III, 20, a junior at Harvard College, and Duncan Edwards, 17, a student at Kents Hill School in Maine, had not been told the extent of their mother's illness until after their recent school examinations.

Political associates also noted that in recent weeks the mayor had taken to reminiscing frequently about things he and Susan had done in earlier years. Normally, these associates said, the mayor was more reserved about his personal life and had referred to his wife as Mrs. Wagner.

LEADERS PAY TRIBUTE

In addition to President Johnson many other National, State, and city figures paid tribute to Mrs. Wagner. Governor Rockefeller told a news conference that this was "one of the saddest days for all New Yorkers that we have had in a long, long time." He also called the mayor to offer his sympathy.

Adlai E. Stevenson, the U.S. representative to United Nations, said: "Susan Wagner was an old and beloved friend and I am deeply grieved, for she was loved by all who knew her."

Senator Kenneth B. Keating, Republican, of New York, said: "Although words are tragically inadequate, I express my deepest sympathy to the mayor and to the fine sons of Susan Wagner. She was a dedicated soul who had thousands and thousands of friends."

Friends said that the mayor and his sons spent last night in a midtown hotel.

The mayor asked the public not to send flowers. He suggested that donations be made to charities instead.

Mrs. Wagner's mother, Mrs. Duncan Edwards, was also at Gracie Mansion when Mrs. Wagner died.

About an hour after Mrs. Wagner's death, the mayor, his two sons, and his mother-in-law went to St. Joseph's Church, 404 East 87th Street, where the mayor worships. Mr. Screvane and Mr. Cavanagh also went to St. Joseph's.

They later returned to Gracie Mansion. Nearby mothers walking their children on the unusually warm March day noticed photographers outside the gate and gradually small crowds began to gather.

Most persons appeared stunned by the news of Mrs. Wagner's death. Few knew she had been ill.

"But she was so young," one woman said.

From time to time Capt. Pierce Meagher of the East 104th Street stationhouse would come over and talk to the crowd.

"Folks," he would say, "Mrs. Wagner died earlier this afternoon. Her body has been removed. There is nothing here. If you'll all just go about your normal day you'll make it easier for all of us." Then the small crowds would disperse.

From time to time a limousine bearing some official or friend of the family would draw up and the gates would open.

STRIVED FOR PRIVATE LIFE

A tall, attractive blonde with light blue eyes, Mrs. Wagner tried to draw a clear line between the public and private lives of the Wagners. But it wasn't easy.

Not long after she moved into Gracie Mansion, the mayor's official residence, she said in one of her few public statements that her job was "to lessen the strain and provide more leisure time" for her husband.

She also believed, and said, that the lovely white mansion overlooking the East River at 88th Street belonged to the people of New York. She threw it open to charitable philanthropic and civic groups. Tours of schoolchildren and other groups were allowed, and sometimes she was the guide.

Except for the summer months, the receptions, teas, and lunches averaged four a week. Mrs. Wagner, honorary chairman or vice chairman of many fundraising campaigns, was a gracious hostess. Visitors were asked to avoid fundraising in the mansion and to restrict themselves to the ground floor.

LIVING QUARTERS INVADED

This restriction was often ignored. Curious visitors would amble upstairs, where the family living quarters are, and walk into the bedrooms or poke through cabinets.

"Sometimes I have to get dressed in a closet," Mrs. Wagner once remarked.

One woman got stuck in a broom closet and had to be extricated.

One afternoon when the mayor was shaving in preparation for an evening out, he was startled to see reflected in his mirror a group of giggling women peering in from the bedroom.

Then there were the souvenir hunters who lifted cigarette lighters, ashtrays, combs, brushes, hand mirrors, Mrs. Wagner's lipsticks, and the mayor's pipes.

Mrs. Wagner couldn't understand how people could behave like that, but in her pleasant, good-natured way she laughed it off as one of the hazards of being Mrs. Mayor.

Other hazards had political overtones. In 1960 during the mayor's second term, charges were made that the food bills at the mansion were excessive. A study showed they sometimes exceeded $2,000 a month, not including the bills for official functions.

It also showed that many unauthorized snacks—and even meals—were dispensed to visitors. The mayor's solution was to direct Park Commissioner Newbold Morris to take over supervision of the purchases from the household staff.

The mayor, incidentally, reimburses the city at the rate of $160 a month for the family meals.

ENTERTAINED NOTABLES

As Mrs. Mayor, Mrs. Wagner was hostess, too, to statesmen, diplomats, politicians, and their wives. Prince Philip, the Duke of Edinburgh; Mrs. Nikita Khrushchev, Mrs. Charles de Gaulle, Queen Sirkit of Thailand, and dozens of other notables were entertained by her.

One of those who remembered Mrs. Wagner's hospitality fondly was President Johnson. In a "get well" message in January, he said that when he heard she was in the hospital, he thought about "the long hours you spent in being hospitable to me and mine in 1960."

"I realize I was one of those who probably contributed to asking you to do too much," he wrote. "Lady Bird joins me in praying that you will be out of the hospital and well very quickly. We want you to know we love you very much."

Mrs. Wagner left speechmaking to the mayor. One speaker in a family was enough she used to say. Mrs. Wagner was not fond of the dinner circuit that is an inevitable part of every successful politician's life, but she went to functions when "Wag," as she called her husband, thought she should attend.

"Whatever Wag wants," she would tell city hall aides who inquired about her plans.

In January, when Mrs. Wagner made her last public appearance at a Gracie Mansion ceremony, she was reminded that the Mayor was being mentioned as a candidate for Senator or Vice President. She was asked how she would like living in Washington.

"That is up to my husband," she said. She added that she was leaving all the family's political decisions to him.

During the Mayor's campaigns Mrs. Wagner accompanied him on handshaking and speaking tours but remained as much as possible in the background.

Her friends agree that she was essentially shy but a warm, friendly person. Miss Bert Greene, the secretary who helped with her appointments and mail, said she was "kind, considerate, appreciative, thoughtful—everything that goes to make a fine human being."

"A good sport," was the way one friend described her.

The former Susan Edwards was acquainted early in life with a busy household. She was born in Greenwich, Conn., on August 31, 1909, one of six daughters and four sons of Duncan Edwards, a New York lawyer, and his wife, Susan.

She attended Rosemary Hall in Greenwich and studied at Smith College, for 2 years. It was through her brother, Duncan Edwards Jr., that Susan met his Yale law school classmate, Robert F. Wagner Jr.

MARRIED IN 1942

An occasional date in 1937 led to their marriage 5 years later on St. Valentine's Day. Miss Edwards, a Presbyterian, and Mr. Wagner, a Roman Catholic, were married in the rectory of St. Patricks' Cathedral. The date was fortunate, for it helped to jog the memory of the mayor, who often had to be reminded to have his hair cut.

He was then a lieutenant in the Army Air Forces. When he was assigned to active duty with the 8th Air Force in Europe. Mrs. Wagner returned to her widowed mother and helped rear her brothers and sisters.

Robert F. Wagner 3d was born on January 6, 1944, after his father had gone overseas. He was about a year and a half old when his father first saw him. The couple's second son, Duncan Edwards Wagner, was born November 30, 1946.

Mrs. Wagner came from a socially prominent family—her husband first was listed in the Social Register after their marriage—but she avoided the social whirl in which she, as the city's First Lady, was so eagerly sought. Instead she placed emphasis on home life.

One of her main concerns after her husband became mayor was to try to keep her two young sons from being spoiled. To the best of her ability she kept them out of the spotlight.

Shortly after they moved into Gracie Mansion, Mrs. Wagner sealed off one of Duncan's favorite playthings, the mansion's automatic elevator, and turned the shaft into closet space.

Mrs. Wagner escaped some of the hurly burly of politics and official life by spending the summers at the family's home in Islip, Long Island. There the Wagners swam a great deal and sailed their 32-foot boat, the *SooToo*.

A better-than-average golfer, Mrs. Wagner could be found on the links with her husband whenever they found time.

She accompanied him on travels across the United States, through Europe, the Near East and South America. In 1963 she made a quick flight to Paris with the mayor to bring Robert home after he had undergone an emergency operation for a ruptured appendix.

Mrs. Wagner's favorite color was light blue, and she used it extensively in redecorating Gracie Mansion. She was looking forward with much pleasure to the proposed $250,000 improvement of the mansion. She thought that with the added space to be provided by a new wing the Wagners might have a little more privacy.

An honorary member of many charitable organizations, she was on the board of directors of the Greater New York Councils, the Boy Scouts of America, the Girl Scouts, Lenox Hill Neighborhood Association, the Leake and Watts Home, and the Carroll Club.

THE LATE SUSAN EDWARDS WAGNER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I know I speak the sentiments of all of my colleagues when I express our deep sympathy at the passing of Mrs. Susan Wagner, the wife of our distinguished friend and the outstanding mayor of the city of New York, Hon. Robert Wagner.

Mrs. Wagner was loved universally. Her sweet character, her kind disposition, her beautiful outlook on life impressed not only those who knew her personally but also countless millions of Americans throughout our great land.

To Mayor Wagner and his two sons I extend my deep sympathy in their great loss and sorrow.

Mr. ALBERT. Mr. Speaker, will the distinguished Speaker yield to me?

The SPEAKER. I will be glad to yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, I join the distinguished Speaker, the gentleman from New York [Mr. RYAN], and other Members in this word of tribute to the late Mrs. Robert Wagner, wife of the distinguished mayor of New York City.

Mrs. Wagner was a Christian lady of charm and character, a loving wife and mother. Her husband has occupied for several years one of the most important positions in the world, the chief executive of the world's first city. I join the Speaker and others in extending my heartfelt sympathy to the mayor and his two sons in this time of their bereavement.

THE LATE MRS. ROBERT WAGNER

Mr. LINDSAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LINDSAY. Mr. Speaker, I should like to thank the gentlemen who have just spoken on the passing of the late Mrs. Robert Wagner. As the Representative in Congress of the mayor of the city of New York and Mrs. Wagner, and the Wagner family, I should like to express my heartfelt sympathy to all of them on their tragic loss. As a member of the opposition party I have been critical from time to time of some of the mayor's policies and programs. However, there has never been any personal consideration involved in that opposition. I have always had the highest personal regard for the mayor and for his family.

Mrs. Wagner and the mayor were married for, I believe, 22 happy years. They have a wonderful family. Mrs. Wagner was a lovely person. The sadness that this loss brings to the mayor is shared by the people of the city of New York.

As the Representative in the House of Representatives of the Wagner family, I should like to express on the floor of this House my sorrow, and that of the people I represent, in this personal tragedy that has befallen the mayor, his sons, and all of the family.

GENERAL LEAVE TO EXTEND

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members desiring to do so be permitted to extend their remarks at this point in the RECORD on the death of Mrs. Wagner and that Members may have 5 legislative days to so extend their remarks in the body of the RECORD.

The SPEAKER pro tempore (Mr. PRICE). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KEOGH. Mr. Speaker, I want to join my colleagues in extending my sincere condolences to Mayor Robert F. Wagner on the untimley death of his beloved wife. Not only in New York City and in the United States generally but throughout the entire world, people share the grief of the mayor and his two sons.

As First Lady of New York City, Susan Wagner eschewed personal publicity and adulation; but her excellent philanthropic works in a self-effacing manner, particularly in Europe and Latin America, brought her official recognition in the form of decorations by the European governments of Austria, Italy, and France, as well as by Mexico and Nicaragua in this hemisphere.

Her personal life was dedicated and devoted to her husband and children. As the wife of the mayor of New York City, she graced the city's executive mansion in her capacity as official hostess for more than 10 years during which she provided innumerable opportunities to the people of New York to utilize Gracie Mansion for the furtherance of worthy causes.

Mayor Wagner and his wife had 22 brief years together after their wedding in the early days of World War II while he was on active duty in the Army Air Corps. They shared together his political struggles and successes and she never tired of trying to relieve him of the burdens of political life.

Susan Wagner will be sorely missed by her husband and sons and by the people of New York. My sympathy goes to the mayor and his sons.

Mr. ADDABBO. Mr. Speaker, all of us are saddened at the untimely death of the First Lady of New York City, Mrs. Robert F. Wagner. Our sympathies and condolences go out to her husband, the mayor of the city of New York, and their sons, Robert and Duncan.

Mrs. Wagner was a true helpmate and a wonderful lady—she will be missed by all. It was she who opened Gracie Mansion to the citizens of New York. The mansion became the scene of many teas and parties in support of charitable, civic, and philanthropic benefits. She won international fame for her work in charitable campaigns and was decorated by Austria, France, Italy, Mexico, and Nicaragua.

The city of New York has suffered a great loss and we pray that God will comfort all those who mourn the passing of Susan Wagner.

Mr. ZABLOCKI. Mr. Speaker, I wish to join the distinguished gentleman from New York [Mr. RYAN] in expressing my sincere sympathy to Mayor Robert F. Wagner and the family on the death of Mrs. Wagner.

Her passing was, indeed, a shock to all of us who knew her as the warm and gracious First Lady of New York.

Her life as the helpmate of Mayor Wagner can be an example and an inspiration to the wives of other men in public service. She ably assisted her husband in the ceremonial duties expected of the chief executive for the world's largest city, while devoting herself wholeheartedly to providing a normal home life for the Wagner children.

My wife joins me in this expression of condolence. May Mayor Wagner and the children take comfort in the knowledge that God has chosen her to be among His very own.

Mr. GILBERT. Mr. Speaker, the tragic death of Mrs. Robert F. Wagner, wife of the mayor of the city of New York, has brought great sorrow to us. I know that I express the sentiments of the people of the 22d District of New York, my constituents, when I speak these words.

Susan Wagner was dearly loved, not only by the people of New York City, but by countless persons in countries throughout the world. She was noted for her active work in many charitable organizations; she was selfless in her devotion to her duties as the First Lady of New York City; her concern for others was genuine and sincere. As first lady and hostess of Gracie Mansion, her hospitality and innate kindness earned for her the respect and admiration and affection of all who knew her. She will be sorely missed and her good works will long be remembered, for she made many outstanding contributions to our city and State of New York.

My deepest sympathy is extended to Mayor Wagner and their sons, Robert and Duncan. Mrs. Wagner was a great lady, a wonderful wife and mother. Her husband and sons have suffered a grievous loss; our thoughts and prayers are with them in this time of grief and sorrow.

Mr. MURPHY of New York. Mr. Speaker, it is my sad privilege to join in this tribute to the memory of Mrs. Robert F. Wagner.

This wonderful first lady of the city of New York was a shining example of graciousness in all she did. Hers was not an easy task in trying at all times to draw the line between the public and private lives of the Wagners. In one of her few public statements she said that she felt it was her job to lessen the strain and provide more leisure time for her husband, the mayor.

Susan Wagner believed that Gracie Mansion, the lovely white mansion overlooking the East River, belonged to all the people of New York, and she threw it open to charitable and civic groups. At times she was the guide for tours of schoolchildren and other groups.

Mrs. Wagner's death is a real loss and I join my colleagues in extending my profound sympathy to Mayor Wagner and his two fine sons.

JOSE BENITEZ AND THE DEPARTMENT OF THE INTERIOR

Mr. KYL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. KYL. Mr. Speaker, Jose Benitez, Deputy High Commissioner of the Trust Territory of Micronesia resigned his post on Monday last. According to Department of the Interior officials, he was given a choice of returning to the trust territory or resigning and he chose the latter alternative.

For an extended period, Mr. Benitez was engaged in political pursuits in the United States rather than working at the job for which he was hired. If this course of action was not stimulated or at least condoned by the Department, he would have been removed from his position before congressional pressure was applied.

Last week this gentleman was involved in the Rules Committee investigation in the other body. At that time, he joked about how he had misled Department officials and the press and indicated absolutely no pangs of conscience for his lack of industry or integrity.

Yet, the same Department which fired him has now hired him as a consultant at rates of about $65 per day. The administration, thus, has rewarded him for his wayward behavior and has mocked the investigation of conflict of interest.

The individual taking the heat for this bizarre treatment is Assistant Secretary John Carver, a devoted public servant. I have not contacted Mr. Carver or anyone in his office, but with some knowledge of this Department, it is my opinion that he has been caught in the middle of the controversy without having participated in the decisions which make the situation so objectionable. I mention Mr. Carver only because his name is the only one injected by the press.

I believe criticism of Department action is legitimate when someone has fired Mr. Benitez for obvious good reason, only to hide him away as a consultant at approximately the same salary he received as a titled official of the administration. His connection should be completely severed.

NO PROFESSIONAL FOOTBALL GAMES ON FRIDAY NIGHT

Mr. RYAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RYAN of Michigan. Mr. Speaker, I would like to commend Commissioner Pete Rozelle of the National Football League for favorably reacting to the protests of high school and college athletic associations when it was revealed that the NFL tentatively planned to televise five Friday night football games next fall.

This week, Rozelle announced that no National Football League games will be televised on Friday night during the 1964 season on a national scale.

Obviously, Friday night is "football night" at our high schools and colleges across the country. As I made clear on February 17 in a speech before the House of Representatives, I was opposed to this proposed television contract between individual professional clubs and a major television network because it would seriously affect attendance records at amateur school games.

Had this TV deal been contracted, there would have been a violation of the spirit of the Federal law protecting college and high school games from professional competition.

Rozelle's sportsmanlike decision will enable the colleges and high schools to successfully continue all athletic programs which exist on revenue from football receipts, to continue sending the professional clubs well-trained athletes, and to maintain a healthy atmosphere for sports activity on the campus.

REPORT OF THE SECRETARY OF THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE ON STATE AGENCY RESPONSIBILITY FOR THE PLACEMENT AND FOSTER CARE OF DEPENDENT CHILDREN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 237)

The **SPEAKER** laid before the House the following message from the President of the United States, which was read and referred to the Committee on Ways and Means and ordered printed.

To the Congress of the United States:

I am sending you a copy of the report of the Secretary of Health, Education, and Welfare, dealing with the matter of State agency responsibility for the placement and foster care of dependent children. This is in accordance with section 155 of the Public Welfare Amendments of 1962, as amended.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *March 3, 1964.*

PRIVATE CALENDAR

The **SPEAKER**. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

OUTLET STORES, INC.

The Clerk called the bill (H.R. 2300), a bill for the relief of the Outlet Stores, Inc.

The **SPEAKER**. Is there objection to the present consideration of the bill?

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The **SPEAKER**. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DISPENSING WITH FURTHER CALL OF BILLS ON THE PRIVATE CALENDAR

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that further call of bills on the Private Calendar be dispensed with at this time.

The **SPEAKER**. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

DEMETRIOS DOUSOPOULOS

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 7533) for the relief of Demetrios Dousopoulos, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 7, strike out all after "Act" down to and including "impose" in line 11.

Page 2, lines 1 and 2, strike out ", unless the beneficiary is entitled to care under chapter 55 of title 10 of the United States Code,".

The **SPEAKER**. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

THE LATE KAY FURCOLO

Mr. BURKE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER**. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BURKE. Mr. Speaker, it is my sad duty to announce the death of Mrs. Kay Furcolo, wife of former Gov. Foster Furcolo, of Massachusetts. Mrs. Furcolo died last Friday night at the Massachusetts General Hospital. Mrs. Furcolo had been plagued by illness since 1958, when she entered the Phillips House of the Massachusetts General Hospital for what was termed as minor surgery. In recent years, because of illness Mrs. Furcolo had to curtail her many philanthropic activities.

Mrs. Furcolo was one of the best known women in Massachusetts. When her husband was Governor and during his term as Congressman she was with him at countless functions and was always at his side. Her loyalty and devotion to her beloved husband and their five children, Mark, David, Foster, Jr., Hope, and Richard earned for her the love and respect of all.

Mrs. Furcolo served on many committees and boards of State hospitals and was a trustee of the University of Massachusetts and the Massachusetts Eye and Ear Infirmary. Mrs. Furcolo was a member of the Equestrian Order of the Holy Sepulcher of Jerusalem. The induction ceremony to this order was conducted by Cardinal Spellman at St. Patrick's Cathedral, N.Y., in September 1959.

While her husband served as Governor of the Commonwealth of Massachusetts she was almost constantly touring the State visiting State hospitals, colleges and institutions. She addressed many groups and was particularly interested in education and the problems of the aged.

Mrs. Furcolo prior to her prolonged illness had boundless energy; she gave unstintingly of her time promoting the cause of the underprivileged. Her philosophy in life led her to great works on behalf of those who needed assistance in obtaining an education. Foster Furcolo while a Member of the U.S. Congress was picked as one of the 10 outstanding Members of the House. His loyal and beautiful wife Kay was the one who deserves a great deal of the credit for the success Foster Furcolo enjoyed in public life.

I know I echo the sentiments of all his former colleagues in expressing our deepest sympathy to Foster Furcolo and the Furcolo family in this hour of grief. Our prayers are with them at this time.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. BURKE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, I join the distinguished gentleman in this word of tribute to Mrs. Kay Furcolo, whose husband was a colleague of mine during his entire service in the House of Representatives. He was a respected and able colleague.

I particularly join the gentleman in his word of tribute to a woman who was of Christian character, a devoted wife and a great American.

I extend to those loved ones she has left behind my deepest sympathy in their hour of bereavement.

Mr. BURKE. I thank the gentleman.

Mr. McCORMACK. Mr. Speaker, the death of Mrs. Foster Furcolo has brought deep personal sorrow to Mrs. McCormack and to me, who were privileged to know her well, as well as to many people whose lives she touched and cheered more briefly. Kathryn Foran Furcolo, the wife of a man of outstanding gifts, sympathies, and achievements, brought to their partnership a strength of character, a warmth of affection, and a breadth of vision to match his own. In his career as lawyer, as Member of Congress, as Treasurer of the Commonwealth of Massachusetts, and as Governor of Massachusetts, Foster Furcolo was aided and sustained by her intelligent comradeship, her charm and tact, and her devoted love.

Kathryn Furcolo, outstanding as the resourceful wife of a public man, and outstanding also as the mother of their five fine children, has made a place for herself in the hearts of the people of the Commonwealth of Massachusetts through her vigorous and highly successful work for numerous public and charitable activities. As a member of the hospital board, and as a trustee of the University of Massachusetts, she has brought her great gifts of heart and mind to bear on major problems of the welfare of the Massachusetts people, by whom her loss will be deeply mourned. To my good friend, Foster Furcolo, and to their children, Charles Mark, David Foran, Foster, Hope, and Richard, Mrs. McCormack and I offer our affectionate sympathy and our prayers.

Mr. DONOHUE. Mr. Speaker, like our other delegation members, here, I was indeed saddened to learn of the untimely death, last Friday evening, of Mrs. Kathryn Foran Furcolo, wife of our former House colleague and recent Governor of Massachusetts, the Honorable Foster Furcolo.

Kay, as she was affectionately known to us when she was in Washington, was a gracious, energetic and vivacious lady. She gave unstintingly of her time and effort to the promotion of charitable activities, both here in the Capital and in Massachusetts over the last 20 years.

It is not easy to be the wife of a man bearing heavy public responsibilities, but Kay Furcolo understood the demands of public office and was the chief inspiration of her husband and on many occasions took over his social meetings when it was impossible for him to be present. Through this painstaking work, she was universally admired and respected not only for her patience and courtesy, but for her contribution to political and sociological discussions in whose intricacies she was exceptionally well versed.

Unfortunately, through recurring sickness and operations, Kay's participation in these activities had to be restricted, over the past 5 years.

But above all things she was a devoted wife and a loving mother. The welfare of her family came before everything else and it is for this dedication to family we particularly revere her memory.

Our heartfelt sympathy, in this hour of great sorrow, goes out to her distinguished husband, Foster Furcolo, and her five wonderful children. While we join in praying that the good soul of Kay Furcolo may rest in peace we ask divine providence to grant her husband and children the grace of understanding and resignation to the will of the Almighty in calling a wonderful wife and mother to her Heavenly reward.

Mr. ZABLOCKI. Mr. Speaker, I join my esteemed colleague, the gentleman from Massachusetts [Mr. BURKE] in extending heartfelt condolences to Gov. Foster Furcolo on the untimely death of his beloved wife.

Because Foster was also a member of the "freshman class" in the 81st Congress, my wife and I came to know him and Mrs. Furcolo rather well. We always found her to be a most gracious and kindly woman.

Mrs. Furcolo possessed a warm personality and an unmistakably feminine charm. She devoted herself tirelessly to those tasks which lessened the strains of office upon her husband as he served in Congress and as Governor of Massachusetts.

May it be of some consolation to Governor Furcolo and the family to know that she has gone to a well-deserved rest in the bosom of the Almighty. Mrs. Zablocki joins me in this expression of sincere sympathy.

Mr. BOLAND. Mr. Speaker, it is indeed sad for me to inform my colleagues in the House of the death of a gracious lady, Mrs. Kathryn Furcolo, the beloved wife of my predecessor in Congress, and former Governor of the Commonwealth of Massachusetts, Foster Furcolo. Mrs. Furcolo passed away Friday night, after a long illness, at the Phillips House of the Massachusetts General Hospital, in Boston, and funeral services were held this morning following solemn requiem mass in St. Ignatius Church, Newton.

The mother of five lovely children, Kay Furcolo found abundant time to be of valuable assistance to her husband in political campaigns and while he served in the 81st and 82d Congresses, as State treasurer of Massachusetts from 1952 until January 1955, and as the First Lady of Massachusetts from January 1957 to January 1961. She gave unsparingly of her time to a large number of worthwhile civic, welfare, and humanitarian organizations, and to fundraising drives for polio, cystic fibrosis, mental health, muscular dystrophy and retarded children.

In recognition of the time and effort and devotion she put into these projects on behalf of humanity, Mrs. Furcolo was named by the late Pope John XXIII as a Lady of the Equestrian Order of the Knights of the Holy Sepulcher, one of the highest of papal honors.

Mr. Speaker, at this time, I want to extend my profound sympathy to former Gov. Foster Furcolo and to his children on the loss of their beloved wife and mother. I also ask permission to have included with my remarks an editorial from the Springfield Sunday Republican of March 1 on Mrs. Kathryn Furcolo, and the obituary story from the Springfield Union of February 29:

[From the Springfield (Mass.) Sunday Republican, Mar. 1, 1964]

MRS. KATHRYN FURCOLO

Mrs. Kathryn (Foran) Furcolo, wife of former Gov. Foster Furcolo, who died Friday after a long illness, was widely known and highly esteemed for her very extensive and valuable participation in a large number of worthwhile civic welfare and general humanitarian organizations.

She was an active leader in many important fund-raising drives, such as those for polio, cystic fibrosis, mental health, muscular dystrophy and retarded children, as well as campaigns for many other causes of general community value.

In recognition of her exceptional endeavors on behalf of humanity, typifying the finest kind of Catholic lay leader, Mrs. Furcolo received from the late Pope John XXIII, in 1959, the exceptionally high honor of being named as a Lady of the Equestrian Order of the Knights of the Holy Sepulcher, one of the highest of the papal orders.

In addition to being a very valuable leader in good causes, Mrs. Furcolo was a true lady, a devoted wife and mother, honored and respected by all who knew her.

[From the Springfield (Mass.) Union, Feb. 29, 1964]

FORMER GOVERNOR FURCOLO'S WIFE, 51, VICTIM OF CANCER

Mrs. Kathryn (Foran) Furcolo, wife of former Gov. Foster Furcolo of Massachusetts, died in Massachusetts General Hospital Friday night after a long series of operations that spanned 6 years. Death was attributed to cancer of the bone. She was 51.

HOME FOR CHRISTMAS

Although she was taken to her home at 45 Tudor Road, Newton, for the Christmas holiday, friends reported that it was quite evident at that time Mrs. Furcolo had not long to live.

As wife of the Congressman from the Second Congressional District, Mrs. Furcolo thoroughly enjoyed her life in Washington from 1949 to 1952 and was an active member of the 81st Congress Women's Group, among other things.

When Mr. Furcolo became governor in 1958 she became even more active in various hospital and charity drives and social affairs, yet she still found time in her busy 16-hour day for her family of five children.

HONORED BY POPE

As a result of her valuable work in fund-raising campaigns, including the drive for polio, cystic fibrosis, mental health, muscular dystrophy and retarded children and various other community ventures, and the fact that she was a truly representative Catholic lay leader, she was singled out by the late Pope John XXIII as a Lady of the Equestrian Order of the Knights of the Holy Sepulcher, one of the highest of the papal orders. She was formally invested in the order in September 1959, in colorful ceremonies in St. Patrick's Cathedral in New York by Francis Cardinal Spellman.

Mrs. Furcolo was born in New Haven in 1912, was graduated from St. Mary's Academy and Hillhouse in New Haven and from Elmira College, where she majored in English. She met Mr. Furcolo when he was studying law at Yale and they were married in 1937. She also studied law 2 years at the Springfield branch of Northeastern University.

WIDELY KNOWN IN AREA

Mr. Furcolo opened his law practice in Springfield a short time later and the Furcolos made their home both in Springfield and Longmeadow for many years until he was elected to Congress in 1946.

She became widely known in western Massachusetts and the rest of the State because she always took a very active role in her husband's political campaigns. An attractive, intelligent, and affable woman, she was able to make friends easily and was regarded as a tremendous help to Mr. Furcolo. She conducted many coffee hours throughout the State and addressed numerous women's groups. Over the years she became a familiar sight to political reporters who met her often during her campaigning for Mr. Furcolo.

Mrs. Furcolo was appointed as manager of the Massachusetts Eye and Ear Infirmary in Boston, an unpaid office, in 1959. She was reappointed last year by Gov. Endicott Peabody.

She also was designated as chief liaison agent between the Governor's office and various hospitals, schools, and other institutions throughout the Commonwealth. The work involved all institutions, public and private. The post was created primarily to provide the Governor's office with a more complete and unbiased report on prevailing conditions than would otherwise be possible.

Mrs. Furcolo, in 1960, also was confirmed as a member of the board of trustees of the University of Massachusetts.

Friends said she was a versatile person of many talents, equally at home in her kitchen preparing meals for her family or attending State functions. Although the Furcolos have occupied an impressive English tudor mansion in Newton since the days he was Governor, Mrs. Furcolo never lost her interest in her wide circle of Springfield and Longmeadow friends.

Her husband and her five children were her particular pride. She leaves Mark, 22, a senior at Yale; David, 20, a junior at Holy Cross; Foster, Junior, a freshman at Yale; Hope, 12, and Richard, 9.

She also leaves two sisters, Mrs. Eleanor McGuire of Branford, Conn., and Mrs. John Conway of New Haven. Her mother, Mrs. Catherine A. McGuinness, died in 1961 in Middletown, Conn.

Mr. CONTE. Mr. Speaker, I want to join members of the Massachusetts delegation and other colleagues who have risen to pay tribute to the memory of the late Kathryn Furcolo, wife of the former Congressman and Governor, who died recently in Boston after a long and tragic illness.

Mrs. Foster Furcolo was a gracious and charming lady.

She was a gifted human being who gave unsparingly of her time and talent for a number of worthy causes. Among these were activities in behalf of the mentally retarded, those stricken with polio, muscular dystrophy, and cystic fibrosis.

At all times, however, she was a wonderful mother of five who viewed her official responsibilities as part of a wider role as wife of a government official. She brought sincerity and sense to everything she believed in, and one high honor she received gave indication of the impact she had.

She was named as a Lady of the Equestrian Order of the Knights of the Holy Sepulcher by the late and great Pope John the XXIII.

This is one of the highest papal honors and one that was certainly deserved.

But more than anything else, I remember at this time the charm, the personal interest, and the devotion of Mrs. Furculo. I will miss her, and I want to extend my deepest sympathies to her husband and five children.

GENERAL LEAVE TO EXTEND REMARKS

Mr. BURKE. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 5 legislative days in which to extend their remarks in the Record on the late Mrs. Kay Furcolo.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. SPRINGER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 52]

Abbitt
Ashley
Ayres
Bass
Blatnik
Brown, Ohio
Bruce
Buckley
Celler
Chelf
Cramer
Diggs
Donohue
Elliott
Fulton, Tenn.
Gray
Gurney
Hagan, Ga.
Hays
Hoeven
Hoffman
Hosmer
Hutchinson
Jarman
Johansen
Jones, Ala.
Kee
King, Calif.
Kirwan
Kluczynski
Laird
MacGregor
Mathias
Meader
Murray
O'Brien, Ill.
Osmers
Passman
Philbin
Powell
Rains
Randall
Rhodes, Ariz.
Roberts, Ala.
Rosenthal
St. Onge
Teague, Calif.
White
Wickersham
Willis

The SPEAKER. On this rollcall 382 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SUBCOMMITTEE ON ADVANCED RESEARCH AND TECHNOLOGY OF THE COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. HECHLER. Mr. Speaker, I ask unanimous consent that the Subcommittee on Advanced Research and Technology of the House Committee on Science and Astronautics be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

MAKING APPROPRIATIONS FOR THE DISTRICT OF COLUMBIA FOR THE FISCAL YEAR ENDING JUNE 30, 1965

Mr. NATCHER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10199) making appropriations for the government of the District of Columbia and for other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from Indiana [Mr. Wilson] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 10199, with Mr. Price in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement the gentleman from Kentucky [Mr. Natcher] will be recognized for 1 hour and the gentleman from Indiana [Mr. Wilson] will be recognized for 1 hour.

The Chair recognizes the gentleman from Kentucky [Mr. Natcher].

Mr. NATCHER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, at this time we submit for your approval the annual District of Columbia appropriations bill for the fiscal year 1965.

It is a distinct pleasure to be permitted to serve on this subcommittee with the gentleman from Connecticut [Mr. Giaimo], the gentleman from Illinois [Mr. Finnegan], the gentleman from Indiana [Mr. Wilson], and the gentleman from New Hampshire [Mr. Wyman]. All of these gentlemen are outstanding Members of the House and have rendered excellent service as members of this subcommittee.

We carefully considered budget estimates totaling $357,702,300 for fiscal year 1965. We recommend that the sum of $338,205,200 be approved.

The amount recommended for fiscal year 1965 is the largest amount ever recommended by the House of Representatives for the District of Columbia budget. The amount that we recommend for fiscal year 1965 is $25,089,538 more than the total amount appropriated for fiscal year 1964 and $19,497,100 below the 1965 estimates.

The District of Columbia is financed out of five funds: a general fund, a highway fund, a water fund, a motor vehicle parking fund, and a sanitary sewage fund.

Mr. Chairman, we recommend a Federal contribution of $37,500,000 for the general fund, $2,047,000 for the water fund, and $1,173,000 for the sanitary sewage works fund. The Federal payment requested for the general fund for fiscal year 1965 totaled $50 million.

Our committee, of course, was disappointed that an unbalanced budget was submitted by the District of Columbia for fiscal year 1965. On the surface this budget appeared to be in balance but $16,700,000 of the anticipated revenue to carry out the proposals, supposes the enactment of legislation increasing taxes and for action on the part of the Commissioners concerning a raise in real estate tax. This type of a budget, of course, is exceedingly difficult to resolve and after carefully considering the proposals offered, the Committee on Appropriations decided that the budget for the District of Columbia for fiscal year 1965 should be a balanced budget. For a number of years now the District of Columbia budget has been delayed for one reason or another and this delay, of course, caused considerable difficulty in the administration of the affairs of our Capital City. In all fairness we believe that this budget should be approved as quickly as possible so that important capital outlay projects may start under construction.

Our committee recommends $26,400,000 for loan authorization for capital outlay projects financed through the general funds, highway fund, and sanitary sewerage works fund.

Of the total amount recommended of $338,205,200 the sum of $276,954,200 will be used for operating expenses; $5,364,000 is for repayment of loans and interest to the Federal Government and $55,887,000 is for capital outlay.

Our committee recommends the sum of $18,677,000 for general operating expenses. This is an increase of $794,122 over the amount appropriated for fiscal year 1964 and $734,000 less than the budget estimates.

For "Public safety" we recommend the sum of $69,041,000. This is an increase of $3,069,340 over fiscal year 1964 and a reduction of $341,500 in the estimates.

During the hearings on the requests for "Public safety" we carefully considered all requests for the Metropolitan Police Department. We have an excellent Police Department in our Capital City and the Chief of Police, Robert V. Murray, has made an outstanding official. It is with regret that we now are informed that before too long Major Murray will retire. Last year a request was made for 100 additional police officers and 25 man-dog teams. Both requests were granted and this brought the authorized strength of the Police Department up to 3,000 and the man-dog team forces up to 100.

In 1963 we had 23,194 serious crimes committed—part I crimes in the FBI classification. For instance, we had 100 homicide cases, 142 rape cases, 2,436 robbery cases, and 5,789 house break-in cases. Crime increased 15 percent and this was quite an increase for the District of Columbia. This was not an increase in any particular category but for crime generally across the board. In this bill we recommend approval of the request for a police cadet corps. For a number of years now the police department here in our Capital City has formulated plans for such a corps but all proposals were deferred for priority needs in police strength and other services.

Adoption of this corps and program will enable our police department to obtain for the police service young people who are interested in a police career soon after they leave school and before they are otherwise employed. Adoption of this program will improve the caliber of police recruits and will make a better police department for the District of Columbia. Recruits under this program can be used from time to time to relieve policemen who are now performing office tasks.

In addition we recommend approval of the request for reallocation of 10 uniform sergeants to the rank of lieutenants. Approval will then see a police department which has a lieutenant in charge of each precinct at all times. This would mean that there would be at least four lieutenants in each precinct and in some precincts there would be five lieutenants. The total precinct lieutenants now is 48 and when you consider days off and sick and annual leave this would cover only 30 tours of duty daily. In order to cover the 3 tours of duty daily in the 14 precincts daily 42 tours will be required. The increase of 10 would cover 37 of these tours and the remaining tours would be covered during the daytime by the commanding officer. In a number of instances sergeants who have been in charge do not have the experience necessary to meet emergencies which are constantly arising.

Mr. Chairman, under no circumstances should children in our Capital City go hungry or qualified welfare recipients suffer. The welfare problem is one of the most serious problems confronting Washington today.

The Department of Public Welfare administers all public assistance programs in the District. They include the four federally aided category of the aged, the blind, the disabled, and dependent children. In addition, the Department administers a program of general public assistance at District expense.

We recommend the adoption of the program for needy children of unemployed fathers. At this time the department of welfare has under its care 5,600 children. This number includes children in foster homes; under care in their own homes and also children in institutions. A total of $310,375 is requested for a 6-month program.

A work training program is proposed to go along with this request and one position is requested to develop such a program. Any unemployed person who would be eligible under this program would be placed in the national manpower training program. Others would be placed on work training and basically this program would have as its major aim the moving of men and women who qualified under the program into full time employment.

Unemployed fathers—and mothers—who are deemed to be heads of households will under this program be required to comply with periodic referrals to U.S. Employment Service. Failure by the recipient to accept a reasonable offer of employment would terminate assistance. Unemployed recipients who because of lack of marketable experience or repeated ineligibility to be placed in employment would be required to enroll in a community or other work training program as a condition of eligibility. Training under this program would be meaningful and the underlying objective would be to assist the recipient and develop job skills in work areas in which there is an apparent likelihood of job placement upon the completion of training. In addition a community work training program would be set up in cooperation with the Commissioners and department heads with this program established in accordance with HEW regulations. Such a community work training program would be designed to qualify the participant for employment in the field in which he was trained. Failure of an employed parent recipient to accept enrollment in a training program or to terminate training without acceptable cause would be deemed grounds for termination of benefits.

The unemployed parents program provided for under Public Law 87-543 is intended to meet the needs of children of unemployed fathers—mothers. This program is now in operation in 16 States.

Unemployment in the District of Columbia at this time is estimated to be 3.5 percent. Unemployment for the metropolitan area is estimated to be 2.4 percent.

For parks and recreation we recommend the sum of $9,769,000. This is an increase of $702,139 over fiscal year 1964 and a reduction of $198,000 in the estimates.

For the first time since 1936 plans for construction of new swimming pools in the city were submitted and approved by our committee. We recommend in this bill $680,000 for new pools, recreation centers, and playgrounds.

Here in the District of Columbia we still have approximately 250 teenage gangs, each composed of from 15 to 35 members. Our roving leaders in the Recreation Department are now working with a number of these gangs and are producing results. If we have the full cooperation of our courts, police department, and recreation department then, in time, we will no longer be confronted with teenage gangs.

We recommend the sum of $78,833,000 for health and welfare. This is an increase of $4,306,952 over fiscal year 1964 and a reduction of $663,000 in the estimates.

We are still confronted with a serious venereal disease problem in the District of Columbia. During the past 2 years additional amounts have been recommended by our committee for venereal disease eradication and the report which we received during the hearings for fiscal year 1965 shows that our venereal disease rate is declining just a little. Our committee again urges that every effort be made to bring this serious problem under control and recommends in this bill adequate funds for this purpose.

The drug situation at District of Columbia General Hospital seems to be under control with the new regulations which were inaugurated following the disclosure that hundreds of thousands of dollars worth of drugs had been stolen from the District of Columbia General Hospital. Again we recommend that every precaution be taken to eliminate this thievery.

In our Capital City we have one of the best fire departments in the country. For a number of years the National Board of Fire Underwriters named Washington, Los Angeles, and Detroit as the top three cities. Two years ago we lost our top rating and in the bill we make certain recommendations pertaining to the establishment of an officers training corps and preventative maintenance program which should go a long way toward reestablishing our position.

For education we recommend the sum of $67,910,000. This is an increase of $4,049,407 over fiscal year 1964 and a reduction of $697,000 in the estimates. The illiteracy rate in the District has risen during the past 30 years notwithstanding the fact that illiteracy generally has decreased throughout the rest of the country. The records of the Census Bureau show that illiteracy rates for the country generally have declined since the year 1930 but in our Capital City we have an increase of from 1.7 to 1.8 in 1950 to 1.9 in 1960.

Problems relating to education are among the more serious in our Capital City today. We continue to have 34 percent of our teachers in the temporary category. Temporary teachers are those who have not passed the qualifying examination for permanent status or whose academic preparation is technically deficient under school board rules. The number of temporary teachers has increased during the past few years.

For fiscal year 1964, we recommended 343 new teachers for our District schools. A total of 242 new teachers is recommended in this bill.

Under capital outlay for our public schools, we recommend 15 replacements and additions. The total amount involved is $11,968,100. For fiscal year 1964, under capital outlay for schools, we had $15,626,000; for fiscal year 1963, $7,693,000; for fiscal year 1962, $8,886,000. The bill before us today provides for the construction of several thousand additional classroom spaces. The additional teachers and capital outlay projects recommended should be approved by this committee.

Under capital outlay for the Department of Public Welfare we recommend six projects. The total amount involved is $441,300.

For highways and traffic we recommend the sum of $13,573,000. This is an increase of $1,165,016 over fiscal year 1964 and a reduction of $90,000 in the estimates.

Our committee carefully investigated the problems relating to the Highway Department and again we would like to emphasize that any attempt to bring important highway projects in the District to a complete halt is a serious mistake. We still believe that in order to meet the tremendous day-to-day growth of traffic in Washington, we must carry the highway program along with any and all proposals concerning a rapid transit system. This program is one of the major long-established activities of the District government. In order to have an effective highway program, it must be a continuous program.

Under capital outlay for highways and traffic we recommend 15 projects. The total amount involved is $13,739,000.

We recommend the sum of $3,816,000 for Public Library. This is an increase of $337,605 over fiscal year 1964 and a reduction of $36,000 in the estimates.

We recommend approval of the sum of $2,351,000 to be used to purchase the site of a new downtown Central Library. The present building was constructed in 1903 with Carnegie funds and at that time the population of Washington was less than 300,000. Growing demands upon the District of Columbia Public Library set forth the need at this time for a larger downtown Central Library. We must have a larger modern-type building to provide the kind of service that is necessary at this time. This new Central Library will contain some 400,000 square feet and be located as near to the heart of the business district as possible. The site to be purchased is located at Ninth Street NW., and faces on G at Ninth Street NW., extending from Ninth to the Congressional Church at 10th and Ninth from G to G Place. This location will become better and better as time passes.

For sanitary engineering we recommend the sum of $21,750,000. The amount includes $3,055,000 for the Washington aqueduct. This is $101,100 less than the amount for fiscal year 1964 and a reduction of $40,000 in the estimates.

Our committee recommends approval of every capital outlay project requested for the Department of Sanitary Engineering. We recommend approval of 26 projects which will cost $21,648,000.

Currently there is a total of 28,432 positions authorized in the District government. Additional positions totaling 1,121 were requested for fiscal year 1965. We recommend 750 with approximately 40 percent of the new positions going to the Department of Public Education. Most of these new positions in education are teachers.

We recommend a total of $55,887,000 for capital outlay projects for the fiscal year 1965. For fiscal year 1964, Congress approved $42,993,900 for capital outlay projects for public schools, libraries, highways, and sanitary engineering. For fiscal year 1965 we recommend $50,337,100.

Passage of this bill will establish important milestones in the progress of our Capital City.

Pollution control of the Potomac by separating the city's storm and sanitary sewers is milestone No. 1.

Milestone No. 2 will be adoption of the program to provide aid to the children of unemployed parents.

Purchase of the site for the new Central Library at Ninth Street NW., will be milestone No. 3.

Milestone No. 4 will be the establishment of the Police Cadet Corps.

Mr. Chairman, we recommend this bill to the Members of the House.

Mr. McMILLAN. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from South Carolina [Mr. McMILLAN], the distinguished chairman of the Legislative Committee on the District of Columbia.

Mr. McMILLAN. Mr. Chairman, I take this time to congratulate the chairman of the Appropriations Subcommittee for the District of Columbia, and the members of his subcommittee. I know of all the pressures which have been put on them at all times by various government agencies in Washington in an effort to have funds appropriated for items for which there has been no authorization.

I realize that there are a number of items in the bill for which there has been no authorization. I realize that some of these items are worthwhile and possibly should be approved.

I will not make a point of order on these items today.

My reason for getting up to say a word is to place the various government agencies in the District of Columbia on notice that hereafter they must come before the legislative committee and get authorizations for funds for all programs before they can go before the Appropriations Committee to pressurize them, in the endeavor to get additional funds.

I believe the gentleman has done a wonderful job. The only item I would ask to have explained a little more thoroughly is the one to grant additional aid to children of the unemployed.

At the present time the law is that they can receive aid provided the unemployed is physically disabled. Is that correct?

Mr. NATCHER. At the present time, if there is no man in the house. In other words, if you have a man in the house who is able bodied and able to work there can be no assistance to these children.

Mr. McMILLAN. That is true.

Mr. NATCHER. If the parent is missing, if he leaves home or is dead, there can be assistance. If he is physically unable to work, there can be assistance.

Mr. McMILLAN. If he is able to work, can he receive this assistance?

Mr. NATCHER. If he is able to work under this program we recommend to the House, if he complies with the requirements of the Department of Welfare and he goes to the employment office and his name is placed on the list and he keeps in touch with them, and if a work program is set up and inaugurated, such as all of the program which we recommend here to the House, then he would be entitled to assistance. As soon as the job is offered and refused he comes off the rolls.

Mr. McMILLAN. The reason why I am asking that is I did not want to get the District of Columbia out of line with the same program that they have in the States.

I want to insert in the RECORD at this point a number of items which are questionable as far as a point of order is concerned. Again I want to place the District officials on notice that they must come before the legislative committee to get authorizations.

Mr. Chairman, the House Committee on the District of Columbia for some time has been quite concerned over the practice of certain officers of the District of Columbia submitting to the Congress requesting appropriations for various agencies and purposes not specifically authorized by the Congress.

I hold in my hand here, a list of 89 various items which admittedly have no legislative authorization therefor, and which have been carried from year to year in the District of Columbia Appropriations Act.

It is not my intent to object to all of these items since some of them are for valid purposes and are reasonably essential for the District of Columbia government and if these were stricken from the bill, it might seriously hamper or curtail certain activities to which we are not opposed; however, looking at the pending bill H.R. 10199 and the Appropriations Committee report thereon, I want to point out certain specific items which have been included and which go far beyond the authorizations provided by the Congress, and beyond the intention of at least the House Committee on the District of Columbia with respect thereto.

For example, there is included in the report at page 11, under Department of Public Welfare, the following, and I quote:

> The committee has included the request for 25 positions and $310,375 to establish the aid for dependent children of unemployed parents—AFDC–UP—in the District of Columbia. In addition to the allowance in the bill Federal reimbursements totaling $279,934 will also be available. Requests elsewhere in the Department's budget relating to the AFDC–UP program have also been provided. These allowances are for operation of the program on a 6-month basis.

This is a new program proposed to be established under the language in this appropriation act. Two years ago, the House Committee on the District of Columbia reported to the Congress a bill (S. 914), to provide more effective administration of public assistance in the District of Columbia—House Report No. 2447. This bill which became Public Law 87–808, did not authorize any such program as is provided in this pending bill.

Local groups and agencies of the District of Columbia initiate new programs frequently through the use of private funds. A grant will be secured from some foundation or by public solicitation, to operate in the District of Columbia for a period sufficient to establish the new program. Thereafter, requests are transmitted to the Appropriations Committee to perpetuate such unauthorized functions. Thus, the process of legislative authorization is avoided and the Appropriation Committee and the Congress is called upon to authorize annually in appropriation measures funds for such programs.

I call particular attention to several other items which have no place in this bill, and should be eliminated:

A provision authorizing the Commissioners to install a multiple asphalt plant on District of Columbia owned property, including all auxiliary plant equipment and preparation of site under the heading "Capital outlay, Department of Highways and Traffic." No such plant exists nor has there been any legislative authority for the construction of such a plant.

Another is the provision relating to the hiring of draft animals with or without drivers at local rates approved by the Secretary of Interior, and the purchase and maintenance of draft animals, harness and wagons under the heading "National Capital Parks."

Next I should mention the item for the Council on Human Relations under the heading "Executive Office." This function was established by means of a private grant for a period of 2 to 3 years. The Council assumed authority to inject itself into labor problems and religious matters, among other things. It now presumes to operate under regulations under which private persons may be brought before the District government for prosecution and fined for violation of regulations which are issued pursuant to a purported act of Congress dated 1892. The record shows clearly that the 1892 act never passed both Houses of Congress and therefore lacks the essential validity required under the Constitution of the United States.

Another item relates to the fencing of public and private property designated by the Commissioners as public dumps, under the heading "Department of Sanitary Engineering."

Next I mention a provision relating to compensation of consulting physicians and veterinarians at rates to be fixed by the Commissioners, under the heading "Department of Public Welfare." Another similar provision is that relating to travel expenses and fees for visiting lecturers or experts in public health and related fields and for compensation of consulting physicians and dentists at rates to be fixed by the Commissioners under the heading "Department of Public Health." A contradictory provision which is surplusage relates to the use of parking meters. The Congress has by special act authorized the Commissioners to purchase, install, and operate parking meters and devices and to collect fees therefrom and otherwise carry out all actions necessary in connection with the use of parking meters. The Congress has also authorized formation of the parking agency with authority to administer the powers delegated to them by the Commissioners for this purpose. Yet in the appropriation language we find a provision authorizing and empowering the Commissioners to pay the purchase price and the cost of installing new parking meters or devices from funds collected from such meters and devices under the heading of "Department of Highways and Traffic." This language is not needed.

The foregoing items are mentioned in particular as legislative authorizations for items which should be taken from this bill. It is not my desire to create problems in connection with the action on this measure today, but to express the purpose that in further processing of this bill these items be removed before final action by this Congress.

Partial list of items or activities in the District of Columbia for which appropriations are included but which are now authorized only by the annual appropriations bill for the District:

First. Compensation of members of the Redevelopment Land Agency.

Second. Expenses and compensation at rates to be fixed by the Commissioners of members of the Apprenticeship Council.

Third. Aid in support of the National Conference of Commissioners on Uniform State Laws, the Metropolitan Washington Council of Governments, the Greater National Capital Committee of the Metropolitan Washington Board of Trade, and the Interstate Commission on the Potomac River Basin.

Fourth. General advertising authorized and required by law in newspapers—including the District of Columbia Register—and legal periodicals in the District of Columbia—hereinafter referred to as the "District"—but not elsewhere, unless the need for advertising outside the District shall have been specifically approved by the Board of Commissioners—hereinafter referred to as the "Commissioners"—including notices of public hearings, publication of orders and regulations, tax and school notices, and notices of changes in regulations.

Fifth. Expenses of Youth Council, Council on Human Relations, and the Board of Appeals and Review.

Sixth. Expenses in case of emergency, such as riot, pestilence, public insanitary conditions, flood, fire, or storm, and for expenses of investigations.

Seventh. District government employees' disability compensation, which shall be available for the advance payment of costs and expenses for the enforcement of recoveries in third party cases.

Eighth. Administrative expenses, workmen's compensation, to be transferred to the U.S. Department of Labor for the administration of the law providing compensation for disability or death resulting from injury to employees in certain employment in the District—Longshoremen's and Harbor Workers' Compensation Act.

Ninth. Affiliation with the National Safety Council, Inc.

Tenth. Juror fees in connection with inquests held by the Office of the Coroner.

Eleventh. Litigation expenses including, without limitation, witness fees and expert services in cases before any of the courts involving the government of the District and, in their official capacity, officers or employees thereof.

Twelfth. Civilian crossing guards including uniforms and equipment, at rates of pay and hours of employment to be fixed by the Commissioners.

Thirteenth. Compensation of civilian members of trial boards of the Metropolitan Police and Fire Departments at rates to be fixed by the Commissioners.

Fourteenth. Payment of rewards in connection with apprehension of fugitives.

Fifteenth. Purchase, rental, installation, operation and repair of radio and teletype systems and equipment.

Sixteenth. Expenses of attendance, without loss of pay or time, at pistol and rifle matches, including entrance fees.

Seventeenth. Travel expenses of visiting lecturers or experts in criminology.

Eighteenth. Expenses of traffic school.

Nineteenth. Official uniforms and equipment, including cleaning, alteration and repair of articles transferred from one individual to another, or damaged in the performance of duty in the Metropolitan Police and Fire Departments.

Twentieth. Maintenance of a suitable place for the reception and detention of girls over 17 years of age and women arrested by the police on charges of offense against any laws in force in the District, or held as witnesses or held pending final investigation or examination, or otherwise.

Twenty-first. Expenditure of funds by the Chief of Police for prevention and detection of crime under his certificate approved by the Commissioners, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended.

Twenty-second. Lodging and meals for jurors, bailiffs and deputy U.S. marshals while in attendance upon jurors, when ordered by the courts.

Twenty-third. Meals for prisoners while held by the police or while in courthouses.

Twenty-fourth. Reimbursement to the United States for services rendered to the District by the judiciary, General Services Administration, and the Department of Justice.

Twenty-fifth. Subsistence of medical and dental interns.

Twenty-sixth. Support, maintenance, and transportation of prisoners transferred from the District.

Twenty-seventh. Interment or transporting the remains of deceased prisoners to their relatives or friends in the United States.

Twenty-eighth. Identifying, pursuing, recapturing—including rewards therefor—and returning to institutions, escaped inmates and parole and conditional-release violators.

Twenty-ninth. Returning released prisoners to their residences, or to such other place within the United States as may be authorized by the Director of the Department of Corrections.

Thirtieth. Furnishing to released prisoners suitable clothing and, in the discretion of the Director of the Department of Corrections, an amount of money, the maximum of which shall be fixed by the Commissioners, regardless of length of sentence.

Thirty-first. Compensation at rates to be fixed by the Commissioners of members of boards to survey unsafe structures and excavations.

Thirty-second. Purchase of commodities and for personal services in connection with investigation and detection of sales of short weight and measure.

Thirty-third. Obtaining evidence necessary for prosecutions in connection with businesses of pawnbrokers, mediums, secondhand dealers, and other businesses requiring licenses.

Thirty-fourth. National Guard of the District, including compensation to the present commanding general at not to exceed $13,300 per annum.

Thirty-fifth. Attendance at meetings of associations pertaining to the National Guard.

Thirty-sixth. Expenses of camps, and payment of commutation of subsistence for enlisted men of the National Guard detailed to guard or to move U.S. property at home stations on days immediately preceding and immediately following annual encampment.

Thirty-seventh. Reimbursement to the United States for loss of property for which the District may be held responsible.

Thirty-eighth. Cleaning and repairing uniforms, arms, and equipment of the National Guard.

Thirty-ninth. Instruction, including purchase and maintenance of athletic, gymnastic, and recreational equipment, at armory or field encampment of the National Guard.

Fortieth. Practice marches, drills, and parades.

Forty-first. Rents of armories, drill halls, and storehouses for the National Guard.

Forty-second. Advertising incident to recruiting for the National Guard.

Forty-third. Care and repairs of armories, offices, storehouses, and machinery of the National Guard.

Forty-fourth. Alterations and additions to structures of the National Guard.

Forty-fifth. Construction of buildings for storage and other purposes of the National Guard.

Forty-sixth. Education of foreigners, regardless of age, in the Americanization schools.

Forty-seventh. Subsistence supplies for pupils enrolled in classes for crippled children.

Forty-eighth. Maintenance and instruction of deaf, mute, and blind children of the District by contract entered into by the Commissioners upon recommendation of the Board of Education of the District.

Forty-ninth. Transportation of children attending schools or classes established for severely handicapped pupils.

Fiftieth. Distribution of surplus commodities and relief milk to public and charitable institutions, and for the carrying out, under regulations to be prescribed by the board of education of a milk program for the schoolchildren of the District, including the purchase and distribution of milk under agreement with the U.S. Department of Agriculture.

Fifty-first. Services of experts and consultants, including travel expenses and fees to be fixed by the Commissioners.

Fifty-second. Operation and maintenance of recreation facilities in and for the District.

Fifty-third. Maintenance, repair, care, and improvement of public parks, buildings, grounds, fountains, reservations, propagating gardens, greenhouses, and the tourists' camp on its present site in East Potomac Park under the jurisdiction of the National Park Service.

Fifty-fourth. Placing and maintaining portions of the parks in condition for outdoor sports, erection of stands, furnishing and placing of chairs, and services incident thereto in connection with national, patriotic, civic, and recreational functions held in the parks, including the President's Cup Regatta, and expenses incident to the conducting of band concerts in the parks.

Fifty-fifth. Hire of draft animals, with or without drivers at local rates approved by the Secretary of the Interior, and the purchase and maintenance of draft animals, harness, and wagons.

Fifty-sixth. Purchase, acquisition, care, and transportation of specimens for the National Zoological Park—including travel for the procurement of such specimens.

Fifty-seventh. Revolvers, ammunition, uniforms, and equipment for National Zoological Park police, keepers, and assistant keepers.

Fifty-eighth. Care of alcoholics.

Fifty-ninth. Subsistence in lieu of salary for the employment of persons for the purpose of securing training and experience in their future vocations.

Sixtieth. Travel expenses and fees for visiting lecturers or experts in public health and related fields.

Sixty-first. Employment of consulting physicians, dentists, diagnosticians, therapists, other specialists, and veterinarians at fees to be fixed by the Commissioners.

Sixty-second. Compensation of convalescent patients and residents of institutions operated by the Department of Public Welfare to be employed in essential work as an aid to their rehabilitation at rates and under conditions to be determined by the Commissioners—but nothing in this paragraph shall be construed as conferring employee status on patients and residents whose services are so utilized.

Sixty-third. Financial assistance for needy patients as determined by the Superintendent of Glenn Dale Hospital at rates to be fixed by the Commissioners.

Sixty-fourth. Fire prevention and protective services rendered at Glenn Dale Hospital under conditions to be determined by the Commissioners.

Sixty-fifth. Training school for nurses.

Sixty-sixth. Care and treatment of indigent patients in health institutions including those under sectarian control, under contracts to be made by the Director of Public Health and approved by the Commissioners.

Sixty-seventh. Relief and rehabilitation of indigent residents under rules and regulations made by the Commissioners.

Sixty-eighth. Maintenance pending transportation and transportation of indigent persons.

Sixty-ninth. Burial of indigent residents of the District.

Seventy. Temporary care and transportation of children while being transferred from place to place.

Seventy-first. Care of women and children in institutions, including those under sectarian control.

Seventy-second. Burial of children dying while beneficiaries under District Appropriation Acts.

Seventy-third. Maintenance of a suitable place of detention for children under 18 years of age arrested by the police on charge of offense against any laws in force in the District, or committed to the guardianship of the Department of Public Welfare, or held as witnesses, or held temporarily, or pending hearing, or otherwise.

Seventy-fourth. Supervision of students performing voluntary services for the purpose of obtaining training and experience in their future vocations.

Seventy-fifth. Care of boys committed to the National Training School for Boys by the courts of the District under a contract to be made by the Commissioners with the Attorney General of the United States at a rate not to exceed the actual cost of each boy committed.

Seventy-sixth. Procurement of any item for examination or analysis for detection of adulteration or contamination of drugs and foods, including candy, milk, and other products for human or animal consumption or any other product or services whether or not for consumption which may endanger public health.

Seventy-seventh. Visits to any ward of the Department of Public Welfare who has been placed outside the District and the States of Virginia and Maryland when such visits are authorized by the Commissioners.

Seventy-eighth. Financial assistance and services to needy permanently and totally disabled residents under rules and regulations prescribed by the Commissioners.

Seventy-ninth. Minor construction of bridges.

Eighty. Installation and maintenance of parking meters.

Eighty-first. Repair, maintenance, and improvement of buildings and appurtenances thereto, and care of grounds.

Eighty-second. Installing and repairing water meters on services to private residences and business places as may not be required to install meters under existing regulations—said meters to remain the property of the District.

Eighty-third. Installing and repairing water meters on services and connections from the District water supply system for the direct use of any federally owned property used and occupied by any department or agency of the Government of the United States situated in the District.

Eigthy-fourth. Fencing of public and private property designated by the Commissioners as public dumps.

Eighty-fifth. Operation, maintenance, repair, and protection of Washington water supply facilities and their accessories and maintenance of MacArthur Boulevard.

Eighty-sixth. Fluoridation of water.

Eighty-seventh. Permanent improvement of buildings and grounds—including purchase and installation of furnishings and equipment, and elimination of fire hazards—of schools, firehouses, hospitals, welfare institutions, and other District buildings.

Eighty-eighth. Purchase or condemnation of areas less than 500 square feet at the intersections of streets, avenues, roads, or alleys in the District.

Eighty-ninth. Acquisition by gift, exchange, purchase, or condemnation of supplementary land.

I want to thank my friend from Kentucky.

Mr. NATCHER. Mr. Chairman, I want to thank my friend, the distinguished gentleman from South Carolina, the chairman of the legislative Committee on the District of Columbia, for his contribution. Since I have been a member of this committee and especially since I have served as chairman of the Appropriations Subcommittee on the District of Columbia, I have always found the gentleman willing to cooperate and to work with our committee on all matters pertaining to our capital city. I sincerely believe he joins with me in the belief that our capital city should be a model city.

I would like to call the attention of the gentleman to page 46 of the hearings. I know he will be interested in that portion which occurs at the bottom of the page. We have done this each year. Briefly I would say to the gentleman on page 46 the following appears:

> Mr. NATCHER. Mr. Tobriner, are there items in the budget presently before us contingent on the passage of authorizing legislation?
>
> Mr. TOBRINER. Yes, sir; there are, amounting to roughly $14,700,000.
>
> Mr. NATCHER. Are there requests before us that constitute legislation on an appropriation bill?
>
> Mr. TOBRINER. I do not believe there are.

Mr. NATCHER. I would like the distinguished gentleman from South Carolina to know that on our committee we do not intend to legislate. On our committee we will not come to the House and recommend to the Members programs that are not authorized. As the gentleman knows, this budget when it was sent to us was $16.7 million out of balance. $14.7 million was the amount Mr. Tobriner mentioned in his statement that pertained to the general fund. That was authorized. It depended on the passage of legislation from the distinguished gentleman's legislative committee. And $2 million, of the budget that was out of balance, pertained to the highway fund.

Mr. McMILLAN. Will the gentleman yield further?

Mr. NATCHER. I yield to the gentleman from South Carolina.

Mr. McMILLAN. I just want to tell House Members that we have had perfect cooperation from his committee since he has been chairman of the Subcommittee on the District of Columbia of the Committee on Appropriations. I personally want to congratulate him on the fine job he is doing, which is possibly a thankless job. It is certainly a worrisome job at times. I want to congratulate him on being able to hold down these budgets as much as he has even though the cost of operating the District of Columbia has just about doubled in the past 7 years.

Mr. NATCHER. Mr. Chairman, I yield to the distinguished gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I wish to commend the gentleman for his able presentation of this bill and ask him if I heard him correctly when he said that the District budget submission was $16 million or nearly $17 million out of balance when it came to his committee.

Mr. NATCHER. The gentleman is correct. Of course, this was an embarrassing matter as far as the committee was concerned, an unbalanced budget of $16,700,000. I want the gentleman to know that today we are presenting a balanced budget.

Mr. GROSS. Mr. Chairman, I compliment the gentleman again on presenting to the Committee of the Whole a bill incorporating a balanced budget, especially in view of the fact that it was out of balance some $17 million when it was brought to the committee.

Let me ask the gentleman this question: Do I understand correctly that one-third or more than one-third of the teachers in the District of Columbia are serving on a temporary basis?

Mr. NATCHER. The gentleman is correct. And I say to the Members of the House that this is a sad situation. Certainly it is not good—34 percent, I say to the distinguished gentleman from Iowa, are in the temporary category. This simply means that they have not passed the necessary examinations, or they cannot qualify academically. That is not a good situation by any means. We have 5,207 teachers and one-third of them are temporary. That is no good.

Mr. GROSS. Mr. Chairman, I fully agree with the gentleman. It seems to me this is a sad commentary on the school system of the District of Columbia. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Chairman, first of all, I would like to compliment the gentleman from Kentucky for a very splendid presentation of the District of Columbia appropriation bill for this coming fiscal year. I want to compliment him, too, for having brought to the Congress a balanced budget in this appropriation bill. I should like to ask one question regarding the crime situation and that has to do with the creation of the Police Cadet Corps. I understood the gentleman to say that the size of this corps initially will be limited to 25 young men and young women.

Mr. NATCHER. The gentleman is correct.

Mr. WAGGONNER. The gentleman said that in cases of emergency these young men and young women could be used for police work. Would it be the opinion of the gentleman that it would be rare indeed when youngsters such as these would be used for this purpose?

Mr. NATCHER. The gentleman is correct. It would have to be a case of extreme emergency. That would be the only time, because their ages run from 17 to 19.

Mr. WAGGONNER. Is it not the intention of the committee in creating this Police Cadet Corps to have a feeder systo feed qualified personnel into the Police Department?

Mr. NATCHER. That is the main purpose of establishing the corps. We believe it will serve a worthwhile function.

Mr. WAGGONNER. I think the purpose is very good. Mr. Chairman, a question or two about the school system. The committee has been criticized to some extent for having reduced unduly the amount of money approved for capital outlay in these schools. I want to commend the gentleman because I think the committee has exercised caution and wisdom in examining each of these construction cases individually. I think the reasons the gentleman has set forth today are sufficient. When land costs as much as or maybe even more than the building itself, then it is time to take a second look.

The question I have in mind is this: Can the gentleman tell us if the committee has information available generally as to the average cost per child per year in the District of Columbia for education?

Mr. NATCHER. I do not have that figure with me at this time, but I shall insert it in the RECORD at this point and furnish it to the distinguished gentleman. The per pupil cost estimated for 1963-64 is as follows:

Senior high school	$482
Vocational high school	610
Junior high school	356
Elementary school	271

Mr. WAGGONNER. I thank the gentleman.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the distinguished gentleman from Iowa [Mr. SMITH], one of the outstanding members of the Committee on Appropriations.

Mr. SMITH of Iowa. I thank the gentleman for yielding. As the gentleman knows, unbelievable as it may be, we did not have a hot lunch program for elementary school children in the District until the last year. Will the gentleman elaborate a little bit on the progress of that program?

Mr. NATCHER. The members of our committee wish to thank the gentleman from Iowa for his interest in this program.

Before we started our investigation of the hot lunch program here in the District of Columbia schools, the distinguished gentleman from Iowa [Mr. SMITH], discussed this matter in detail with me, pointing out the fact that here we only had a very slight participation. At that time I will say to the gentleman from Iowa the participation was only 15.9 percent. Since that time, with the completion of the construction of buildings that were underway when we started our investigation, buildings that are presently underway, and in future plans, we are making arrangements for a hot lunch program in our school system in every possible way. I believe that before too long we will be able to report to the gentleman and to other Members of the House that participation has increased beyond 30 percent, and it will not be too long.

Mr. SMITH of Iowa. I thank the gentleman.

Mr. WILSON of Indiana. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman and members of the Committee, there is not much which can be said after my distinguished chairman of the subcommittee finishes explaining a bill. I want to compliment him for the very thorough job which he has done on this bill. I further want to compliment him for his fairness to the people of our Nation's Capital, his fairness to the taxpayers of the District of Columbia, and his fairness to the people throughout the 50 States to whom this Capital City belongs.

Mr. Chairman, the gentleman from Kentucky and I share alike in the responsibility which we must assume, commensurate with the authority given us, in funding the District of Columbia.

I believe we have come forth with a very fine bill. Every member of the subcommittee has had much experience qualifying him to sit and to judge the needs of the District of Columbia and how those needs are to be met. Each member participated in the hearings and therefore made this bill possible.

Mr. Chairman, I wish to also commend our chairman of the full Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], who served for many years as chairman of this subcommittee, especially his scheduling of this piece of legislation. He scheduled this piece of legislation for consideration early in the year, in fact as the first bill on appropriations to be considered. In so doing the gentleman from Missouri has made it possible for the District government to make the most economical use of the money which we are providing them. It is highly necessary that this money be made available long before the fiscal year for which it is intended begins in order that planning, school buildings, schoolteachers can be cared for.

Mr. Chairman, as I said earlier there is not much more to be said. I have stated that I agree with my chairman. It is a good bill. It reflects a balanced budget. We are rapidly gaining on the shortcomings with which the District has been confronted. The pupil-teacher ratio will be brought up next year to the established standards of the United States; we are rapidly bringing our classroom needs up to what is considered to be sufficient. We are gaining as rapidly as possible.

Mr. Chairman, I believe what we are doing for the schools of the District of Columbia is being reflected in the products we are producing.

I am happy to join with my chairman in sponsoring this bill and bringing the bill to the House for its consideration while in the Committee of the Whole House on the State of the Union.

Mr. Chairman, equal treatment has been given to the other departments such as the Fire Department, the Parks and Streets Department, the Police Department and so forth.

Mr. Chairman, there is not much more which I could say in regard to this bill. Therefore, I reserve the balance of my time.

Mr. SCHWENGEL. Mr. Chairman, will the gentleman yield?

Mr. WILSON of Indiana. I yield to the gentleman from Iowa.

Mr. SCHWENGEL. The gentleman knows I have had a long interest in schools. I am a member of the District Committee, and as a member of the District Committee maybe I understand the importance of schools and the importance of the schools here in the District where the problems are especially present. I want to join with the gentleman from Indiana who has given consideration to this matter in his expressions, although I am somewhat bothered to know that you have cut out some 14 very important projects. I am one who has learned from experience, interviews, and contacts with people here in the District of Columbia that we have one of the greatest superintendents of schools in the United States. He is completely honest, very thorough, and very dedicated. This does not begin to meet what he thinks is the need here. I am amazed at a Congress that will spend $100 million for a building for itself, which many people feel is too much. We recently spent or authorized to be spent $30 million for a cultural center. Now, I am not against a cultural center, but I am a little bit disturbed that you have cut out these projects that are important.

I want to say I may want to file some amendments to restore this. I hope that the Members who are on the floor and others will give serious consideration to this matter so that we can give the boys and girls in the District the same opportunity for education that they have in many, many areas of the United States where they have just as much reason for an education in these schools as they have out there.

Mr. VANIK. Mr. Chairman, will the gentlemen yield?

Mr. WILSON of Indiana. I yield to the gentleman from Ohio.

Mr. VANIK. I thank the gentleman for yielding. I am not so much concerned about structural buildings in the District. I am more concerned about the quality of education. I am wondering if the gentleman could insert in the RECORD, if possible at this point, a statement concerning the number of people from the District of Columbia who have been able to qualify for scholarships? In reference to quality of education, from what I can gather there are not very many young people who graduate from District schools who can qualify for scholarship competition. If this can be provided it may serve as a rather important index as to the quality of education that we are making possible for the young people of the District of Columbia.

Mr. WILSON of Indiana. I thank the gentleman for his observations. I would like to say to the gentleman from Ohio, as well as to the gentleman from Iowa, that I went to school once myself. I taught school for a few years. I am very much interested in school programs. I am interested in the education of the youngsters. The gentleman from Ohio has raised a question about the testing program and the achievements program. Mr. Hansen has been interrogated very thoroughly on that. He has a very adequate testing program. The testing program includes an aptitude test which determines the ability of the child, then the achievement test which also determines the achievement of the child.

May I say that since Dr. Hansen has been here those tests have shown great improvement in the teacher program. I ask him every year what the effects are, what the tests do, and what they show. The test program does show that we are improving our school materially. I would say that we are nearing the point where we are getting all we can get out of our educational program. May I say also to the gentleman from Iowa, you cannot buy education; a school building does not any more make a school than a house makes a home. If the gentleman from Iowa will go back and check at home, he will find that if the District of Columbia used a commensurate amount of effort that they use in the great State of Iowa, they would not have a shortage of schoolteachers in the District of Columbia and they would not have a shortage of school buildings, either. If they would just add one period per day in the District schools they would have a lower pupil teacher ratio than in the State of Iowa, and if they added two periods per day they would still have a shorter day than in Indiana. These people who think all they have to do is assess the taxpayers and spend the money and they will have good schools just ought to go back to school, and learn a little more.

Mr. NATCHER. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Connecticut, one of the outstanding members of our committee [Mr. GIAIMO].

Mr. GIAIMO. Mr. Chairman, I commend the chairman of the subcommittee for a job which has been done in a fine manner with a great deal of diligence and understanding of the problems of the District. It is a pleasure to work with him on this subcommittee, as it has been in the past.

I should like to mention two matters which the chairman mentioned and which I think bear repeating, because they are extremely important. One is the aid for dependent children of unemployed parents program. We have allowed $310,375, which will carry the program for 6 months and will make a start in eliminating the problems which we presently have in the District and should not be tolerated any longer, namely, the fact that children are going hungry because of the fact that there is an employable parent in the home.

This is a program which has been in effect in 16 of the major industrial States. It is designed to care for children who are suffering because of the unemployment of their parents.

This program has built-in safeguards. It provides for the fact that the parent must make efforts to obtain work. It has provisions in it for work-training programs. It has provisions in it that parents must work with the U.S. Employment Service and make reasonable efforts to see that employment is available and obtainable. In my opinion, this will help to eliminate the "man-in-the-house" rule, which has done a great deal of harm to the people of the District of Columbia who depend on this type of welfare. I believe that people who must receive welfare should be treated like human beings, and with dignity and respect, as are all American citizens. The idea that because a person is impoverished, because a person is receiving welfare, the presumption should be that he is cheating, or the presumption should be that he is trying to get away with something, should not be tolerated here in the District of Columbia.

I believe we should have adequate checks to make certain that only qualified people receive aid. I do not think we should use some of the techniques which I have heard are used, that investigators break into the house at all hours of the day and night and snoop around to see if they can find a male in the house. This then raises the presumption that there is an employable male in the house, and thereby prohibits people from receiving their welfare payments.

I think this program under the leadership of our chairman will put the District of Columbia welfare program on a sound basis. It has come at long last before this body, and I am delighted that the House is considering this legislation today.

Another item of major significance in the budget is the item dealing with the appropriation of money for 25 teachers for the instructing of mentally retarded children.

We have heard a great deal in the halls of this House during the past several years about the great problem in America concerning mentally retarded children and the fact that very little has been done by the Federal Government and by local and State governments to assist them. The Congress has seen fit to pass legislation dealing with this problem on a nationwide level and in the District of Columbia efforts are being made to make certain that we have these teachers available so that we can initiate this program and accommodate the mentally retarded children who are educable and who must be educated in a proper way.

This bill provides for 25 teachers. This number will be sufficient to train and educate the approximately 228 to 250 identifiable children who fit into this category and it will get us started on this program.

Mr. Chairman, these are two great items of progress, I believe, insofar as the District of Columbia government is concerned, and I urge the adoption of the legislation now before us.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WILSON of Indiana. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. SCHWENGEL].

Mr. SCHWENGEL. Fellow Members of the biggest school board in the world—and I address you that way because we are sitting as school board members today taking up valuable time of the Congress that could very well be handled by the people who live here and who, I think, would do just as adequate a job, if not a more adequate job, than we have been doing in legislating for the District.

I have some ideas about this, and this will be reflected in some legislation I will introduce later, that will create an elected school board for the District of Columbia, and then we can turn this problem over to the people who pay for most of the education here and thus give us time to attend to a lot of affairs that are of much more importance to the people of the United States and the people of the world than attending to school board affairs here in the Congress of the United States.

Mr. Chairman, on the whole, I should like to commend the District of Columbia Subcommittee on Appropriations under the very able guidance of the gentleman from Kentucky for their work on the budget. The operating budget as requested remained almost as it was presented, and I am glad to note that and commend the gentleman for it. I do believe, however, there were needless cuts made in the request for new teachers. I see that for some reason music and art were discriminated against. The committee has cut the request for the number of new teachers by 34—21 of the new positions recommended by the cut of the committee were in the field of music and art. I think this is a regrettable situation. We in Congress had authorized some $30 million for a new cultural center for Washington, D.C., yet, if this budget is accepted, it would be hampering the cultural development of the very people who should be given the opportunity to become culturally aware. There is a bit of inconsistency here that I think we need to note.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SCHWENGEL. I am very glad to yield to the gentleman.

Mr. GROSS. I wish to correct your statement. You said, "we" in the Congress voted some $30 million for a cultural center.

Mr. SCHWENGEL. Then I will say we authorized.

Mr. GROSS. I beg the gentleman's pardon?

Mr. SCHWENGEL. Authorized—and some of us did not vote for it, of course.

Mr. GROSS. That is the point—"we" did not—that is, I did not. I wish the gentleman would at least make an exception for me.

Mr. SCHWENGEL. I would be very glad to make that exception and I, of course, joined the gentleman on this—and not for the reason that I am against culture for I am very much in favor of a cultural center, but I just did not think the way we approached it was a proper way to approach it and, therefore, I was against it. But I did want to make the point that we did authorize the expenditure of some $30 million for culture and then deny to the people who live here an opportunity to become culturally aware, as I said, or qualified to appreciate the culture which, I presume, will be revealed and seen in that cultural center.

I have emphasized again and again the need for better schools in the District of Columbia. I wish that each Member of the House would take the time necessary to visit the schools here. I did that almost a year ago. I can tell the Members that the conditions are a disgrace to the name of the District of Columbia.

As I indicated earlier, there is a topnotch administrator in the District. School Superintendent Carl F. Hansen has done as exceptional job under what can at least be described as very difficult circumstances.

The most glaring deficiency in this budget is the amount of money to be appropriated for capital outlay, for new schools and school additions. The amount budgeted is only $11,968,000. This is nearly $13 million below the budget request by the Commissioner. More incredible is the fact that it is $23 million below the original request of the Board of Education.

The original request, according to the testimony—and this is my belief—was for a minimum figure. Members can see what a handicap this places on the school system here. All that is necessary for us to observe the inadequacy of this budget is a look at the projected shortage in capacity of school classrooms in 1966, if the original request for capital outlay were appropriated.

In fiscal year 1966, even with the approval of the original request, there would be a shortage of 422 classrooms in the elementary schools alone. There would not be room for 3,413 junior high school students and 393 senior high school students, plus a lack of room for 672 vocational high school students.

Mind you, as I have said, this would be the situation if there were an appropriation of the $34 million requested originally. The present figure of $11 million is approximately one-third of that originally asked for.

This being true, we can expect the situation in fiscal year 1966 to be 67 percent worse than calculated under the original request.

Gentlemen and ladies, how long are we to continue to neglect the school children in this District? The fact is that the figures I have given are all the minimum figures. We should do more.

Especially should we do more when we consider how liberal Congress is with appropriations for those outside the United States, under some of our foreign aid programs.

The real answer lies, I believe, in home rule, or in at least an elected school board with independent financial power, similar to the power of school boards in Davenport, Iowa; in Des Moines, Iowa; or in any other town in Iowa.

As I indicated earlier, I am working on a bill to give the District of Columbia Committee and the Members of Congress an opportunity to consider turning this important matter over to the people of the District, who I believe could do a much better job than we in Congress. This problem should be turned over to a school board, which no doubt would have a more direct interest in the school problems of the District of Columbia.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. SCHWENGEL. I am glad to yield to the gentleman from Kansas.

Mr. SKUBITZ. Can the gentleman tell me what the pupil-teacher ratio is in the District of Columbia, in the senior high schools?

Mr. SCHWENGEL. I do not know, except by comparison. I believe it compares favorably to the national average, and to that of the schools in Iowa.

Mr. NATCHER. Mr. Chairman, will the gentleman yield to me so that I may answer the question?

Mr. SCHWENGEL. I yield to the gentleman from Kentucky.

Mr. NATCHER. The pupil-teacher ratio in the District of Columbia is 30 to 1.

Mr. SKUBITZ. In the senior high schools?

Mr. NATCHER. No. That applies to the elementary schools. It is a little different for the senior high schools.

Mr. SKUBITZ. I was under the impression it was about 1 to 25 in the senior high schools.

Mr. NATCHER. That is correct.

Mr. SKUBITZ. How does that compare with the schools in Montgomery County, which are considered to be among the best in the country?

Mr. NATCHER. It compares favorably with the figures in the schools in Montgomery County as far as the teacher-pupil ratio is concerned.

Mr. SKUBITZ. Can the gentleman tell me what the average number of classes is that the teachers teach in the District of Columbia?

Mr. NATCHER. The average number of classes I believe at this time is four.

Mr. SKUBITZ. Four classes in a school day of how many periods?

Mr. NATCHER. Will the gentleman yield to the gentleman from Indiana [Mr. Wilson] on that inquiry?

Mr. SCHWENGEL. Yes. I yield to the gentleman from Indiana.

Mr. WILSON of Indiana. A school day consists of four 40-minute periods, both laboratory and science, and so forth. That makes it a very short day. They do not even have that length of period. They probably have six periods a day, but the teachers do not teach every period.

Mr. SKUBITZ. They are teaching four periods on the average then?

Mr WILSON of Indiana. I cannot say what the average is exactly, but I can say this: They have a powerfully short day.

I want to comment, if you will permit me, on one of your observations about the pupil-teacher ratio. This bill provides for bringing the pupil-teacher ratio exactly in line with the recommended average of all the accredited school organizations in the United States. That is based upon the anticipated increase in school population next year. If the school population increases by approximately 8,000 next year, as we anticipate it will, and they hire the teachers that we provide for in this bill, then the pupil-teacher ratio will be 25 to 1 in high schools and in grade schools 30 to 1. That is the recommended school standard by all accredited organizations I know of.

Mr. SCHWENGEL. I would like to say in response to that observation—and those are correct figures—that we are just getting abreast of our problem. You are not giving the school system a chance to get caught up for the past shortages and past neglects that have been partially our responsibility.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. WILSON of Indiana. I yield the gentleman an additional minute.

Mr. SCHWENGEL. I yield to the gentleman from Indiana [Mr. Wilson].

Mr. WILSON of Indiana. If the gentleman is interested in having more classrooms available for the teachers and for the pupils and bringing the pupil-teacher ratio down, let us say, to 20 in high school per teacher and 25 in grade school per teacher, all he has to do is to prevail upon this gentleman for whom he has the highest regard, Mr. Hansen, who has done a good job, I think, to have one more period a day for the teacher and they will still be working a shorter day than your teachers work in the State of Iowa and the pupil-teacher ratio will be much better than the recommended standard.

Mr. SCHWENGEL. First let me say that this will put an additional load on the teachers except in a few top schools. At the present time we know they are doing a good job and you cannot very well spend much more than 4 periods a day teaching. That is what the average is here.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. NATCHER. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois [Mr. Finnegan] may extend his remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. FINNEGAN. Mr. Chairman, as a member of the Subcommittee of the District of Columbia appropriations, I have enjoyed my work under the leadership of our outstanding chairman, the gentleman from Kentucky [Mr. Natcher].

Previous to my serving on this subcommittee, I have had some small experience in municipal government and when my distinguished colleague, the gentleman from Indiana [Mr. Wilson], mentions that our membership on the subcommittee has more than a passing knowledge of municipal government and its operations, I am inclined to agree with him.

My good friend, the gentleman from Connecticut [Mr. Giaimo], has always been close to the school systems of his State; and Mr. Wyman, the able Representative from New Hampshire, has had long experience as the attorney general of his State and is very knowledgeable of municipal affairs as is apparent from a perusing of the hearings on the District appropriation bill.

The form and content of the District of Columbia appropriation bill for 1965 is directly attributable to work and efforts of our chairman, the gentleman from Kentucky [Mr. Natcher], and the ranking minority member, the gentleman from Indiana [Mr. Wilson]. They have been dedicated to the exhaustive job of balancing needed budgetary requests with expected revenue. Although this necessitated trimming some of the requests made by the District Commissioners, we have approved, and the full Appropriations Committee has ratified, a bill calling for $338,205,200, an increase of $25,089,538 over fiscal year 1964 appropriations.

I believe that this bill is fair to the Capital City and fair to Congress. This last year Congress was late in appropriating the needed funds due to the delay in granting additional obligatory authorization, but this year under the schedule set by our chairman of the full committee, the gentleman from Missouri [Mr. Cannon], we have every expectation of the District receiving its appropriation in time to begin the new fiscal year without being required to limp along on a continuing appropriation of the previous year.

There appears to be general agreement that this budget is a satisfactory one to the District Commissioners, the city, and most of the civic groups who have testified in support of it; and I sincerely recommend its adoption.

Mr. WILSON of Indiana. Mr. Chairman, I have no further requests for time.

Mr. NATCHER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from North Carolina [Mr. Whitener].

Mr. WHITENER. Mr. Chairman, I asked the distinguished chairman of the committee to yield this time to me in order that I may propound a question to the gentleman from Iowa [Mr. Schwengel] if the gentleman is available for such an interrogatory. In view of his criticism of what the committee here has done, which is not unlike his criticism of what the District Committee has done about the schools, wnat percentage of increase in the school budget over the 1964 budget would the gentleman suggest would have been proper to bring about his utopian school situation that he has projected?

Mr. SCHWENGEL. I do not know what the percentage would be. I think what we should do is decide what the actual needs are. I am one who has a great faith, as I indicated earlier, in Superintendent Hansen. His record is not such as would lead you to believe he has been wasting the public money in the schools. He is generally considered to be a great superintendent and has a record of being thoroughly honest and conscientious. I have indicated what I thought it should be and I think that what they asked for, which was a minimum budget, and which he was asked to present, should be approved.

Mr. WHITENER. I am sure the gentleman has noted that the committee has approved over $4 million more for the fiscal year than is in the budget for the current fiscal year.

Mr. SCHWENGEL. Yes, I noticed that.

Mr. WHITENER. How much money does the gentleman suggest ought to be given?

Mr. SCHWENGEL. The amendments which I intend to offer will call for an additional $17 million at least.

Mr. WHITENER. I understood the gentleman was going to offer such an amendment. On what basis has the gentleman arrived at the figure of $17 million as the figure which would bring about perfection in the District of Columbia schools?

Mr. SCHWENGEL. In the first place I am not contending it will bring about perfection. I am saying that it will bring about the kind of improvement that I think is necessary and it will bring about what the superintendent of schools, in whom I have great faith, wants.

Mr. WHITENER. Mr. Chairman, the gentleman made some remarks about how wonderful it would be if we had an elected school board in the District of Columbia. Is the gentleman saying that the present school board is not up to doing the job?

Mr. SCHWENGEL. Certainly they do not have the responsibilities that our school boards ought to have. If they did we would not be wrestling with the problem today on the floor here.

Mr. WHITENER. That brings us right down to the meat in the coconut which the gentleman and I have discussed in the Committee on the District of Columbia. Is the gentleman seriously making the contention that if you had an elected school board in the District of Columbia the Congress of the United States thereafter would not be concerned with the finances of the public schools of the District of Columbia?

Mr. SCHWENGEL. They would have the responsibility to underwrite the cost of part of it, certainly. But the management of the schools, according to the terms of the bill that I shall introduce would be in the hands of the people here who would have the right to spend their own money from property taxes.

Mr. WHITENER. So the gentleman is saying that if you had this magical election of a school board here all the Congress would have to do would be just to receive the requests for money and then vote on those and would not have to, as the gentleman indicated, go to this trouble that we are going to now.

Mr. SCHWENGEL. It is not going to be quite as simple as that. I know what the problem is here.

Mr. WHITENER. Where is the money going to come from, whether the school board is elected or appointed?

Mr. SCHWENGEL. Most of the money comes from the people in the District of Columbia, as the gentleman knows. I would like the people who live here to have jurisdiction over the money that they pay in taxes, so that they may make their judgments and we will make our judgments on what is determined to be our share of the load.

Mr. WHITENER. So the gentleman's proposition is that the school board, when it is elected, will have authority to appropriate the locally collected taxes without the intervention of Congress?

Mr. SCHWENGEL. That is right.

Mr. WHITENER. But as far as the Federal payment is concerned, as to that part of the money, Congress would be bothered with it?

Mr. SCHWENGEL. That is right. That would be our responsibility. And the amount of that would have to be determined, and I should hope it would be as a result of a very, very thorough study of this question.

Mr. WHITENER. Mr. Chairman, let me say to the gentleman, that I know that everyone in the District of Columbia is appreciative of the great interest he has in the District. He has mentioned that he has been engaged in the school business. I agree with the gentleman that the schools may not be perfect here, but I would suggest that if a fair inquiry were made the gentleman would probably find that he could out in his district, as I could in mine, make the same contention and be just as concerned about the children in our own districts as he has been here. Having had extensive hearings on this matter, as a member of the committee and chairman of the subcommittee, I cannot agree with the gentleman that the schools in Washington are as bad as he says they are. The superintendent of schools for the District of Columbia is a very estimable gentleman and I will say to the gentleman from Iowa that the subcommittee of which I am chairman, as well as the full District Committee, have been a lot more cooperative with the superintendent of public schools here than has his own school board. I am sure that the same could be said of the subcommittee headed by the gentleman from Kentucky [Mr. NATCHER]. His subcommittee has always been generous in meeting the needs of the District schools.

Mr. NATCHER. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Maryland [Mr. SICKLES].

Mr. SICKLES. Mr. Chairman, I take this opportunity first to commend the chairman of the subcommittee, the gentleman from Kentucky [Mr. NATCHER], and the members of his subcommittee for the fine work that they have done on this budget. I wish also, unfortunately, to express my regrets with respect to one unfortunate cut which has been made in the budget.

First, Mr. Chairman, on the positive side I am delighted that the committee has approved the funds which were requested by the department of sanitary engineering, as I believe the chairman of the subcommittee called it milestone No. 4, with respect to the budget which now enables the department to complete the remaining elements of this so-called project "C." This would include construction of a major system of sewers from the Blue Plains sewage treatment plant to Washington, D.C., where a connection is to be made with the Dulles interceptor sewer. It also provides an outlet for the District of Columbia sewer upriver and contains elements to drain the Little Falls, Cabin John, and Rock Creek Valley areas. This, of course, never sounds too glamorous, but the completion of this program has a very real regional impact. It represents an impressive attack on the problem of water pollution and the result will be a substantial reduction in the pollution of the Potomac River. Thanks to the action of this committee we are going to have a cleaner Potomac River running through our Nation's Capital and, of course, incidentally along the shores of the free State of Maryland. Therefore, with respect to this important regional problem I believe the budget is an excellent one. But with respect to another regional problem—and that is with reference to the funds for the Metropolitan Washington Council of Governments—I find myself again on the floor during this 88th Congress requesting that this committee reconsider its action with respect to the cuts that they have made in the request made by the District of Columbia government for its share of the cost of the budget of the Metropolitan Washington Council of Governments. The request was for $57,900. The amount of $25,000 has been authorized. The cut represents a cut of $32,900. Unfortunately, this will not be the entire cut of the budget of the council of governments because this is only a cut in that share of the budget which is borne by the District of Columbia. The effect will be that with this reduction there could be an overall reduction of $81,000 because the other communities may well reduce their portion of the budget by $48,100. This means that these programs which the local governments in this metropolitan area have voluntarily combined together to undertake, because they felt this would be the cheapest way of doing these proposed studies or performing the designated functions, will suffer as a result of this action.

Mr. Chairman, I know that the bill will pass today, but I do hope that somewhere along the line in the legislative process the council of governments will be able to convince this committee of the urgency of these funds as it affects the entire operation of the council of governments and that the committee will see fit at the appropriate stage of the legislative process to return these funds to the budget.

Mr. Chairman, I yield back the balance of my time.

Mr. NATCHER. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Montana [Mr. OLSEN].

Mr. OLSEN of Montana. Mr. Chairman, I want to commend the committee upon its action here and upon the bill and report which they have brought to the Congress. However, I do have some personal criticism of the school plant. I do not pretend to tell the Committee on Appropriations what part of the plant should be repaired first or last, or what part should be replaced first or last. But I have my own personal impression of the schools which my children attend in the District and I compare the plant with similar junior high schools and high schools in Montana. When I do this I find that the plant in the District of Columbia is inferior. I would like to see it brought up to standard, not just for my children because they are not going to be here very long, but for the children yet to come.

I am sure that this committee will cope with this problem and that the chairman of the subcommittee will give his personal attention to the question of plant and equipment in order that all of the District of Columbia schools will in time, in the near future, come up to standards.

Mr. WILSON of Indiana. Mr. Chairman, will the gentleman yield for an observation?

Mr. OLSEN of Montana. I yield to the gentleman from Indiana.

Mr. WILSON of Indiana. There has been much said here today about the District schools. Someone mentioned how many scholarships have been won. If I may set aside a little modesty for a minute may I say that my daughter went to the District schools, and she won a national merit scholarship and in the last few years she has won Vassar's highest academic award. She started her schooling here in the District of Columbia.

Mr. OLSEN of Montana. I think the gentleman's daughter is to be commended. I realize that the scholastic standards in the District of Columbia could be high without the plant being improved, but I believe it would be much higher if the plant were improved. Personally, I am concerned because in many ways it has run down, and I make this comment because I am sure the committee has observed the same condition and they want to improve on it as best they can, and as funds are available for appropriation for this purpose.

I commend the committee for its very hard work, and I hope sincerely if the Senate were to appropriate a larger amount for plant and equipment that in conference the House might yield a little bit and agree to a greater proportion for capital improvements in the school system.

Mr. **NATCHER**. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Iowa [Mr. **KYL**].

Mr. **KYL**. Mr. Chairman, it might be prudent to try to put some of these questions and answers concerning the educational facilities of the District in perspective. First, we must realize there are many educational problems in the District of Columbia that are not within the province of the school system itself. There are social and economic factors quite apart from the schools which have to be treated before we can get the kind of school system that we all may think is desirable. We have to remember, too, that nationwide, education is always in a state of development, as far as plants are concerned, as far as educational techniques are concerned and educational materials. The District is certainly not unique in this respect.

We must have people for guidance and counseling in the District. I do not believe there is a school district in the country which is completely adequate in that respect. There is an effort on the part of the School Board to meet building needs in an orderly procedure.

The school system of the District should be commended. The teachers of the District of Columbia should be commended for their implementing a track system which provides the flexibility necessary in each area.

In case anyone thinks that the system is totally lacking I should point out, for instance, that in the honors track in the District of Columbia, a student can take 4 years of Latin, 4 years of German, 4 years of French, 4 years of Spanish, and 2 years of Russian in high school. He can also qualify so far as analytical geometry is concerned and in integral and differential calculus. We have had graduates of the high school system in the District who have entered our finest universities as sophomores rather than as freshmen because of the enriched program that is provided. It is probably at the quite opposite end of the spectrum where we need greatest improvement—in the vocational training—which again is impossible without proper counseling.

It is important to emphasize we are doing better here, and it is proper that we commend both the faculty and the administration of the District of Columbia for the job they have done.

Mr. **LIBONATI**. Mr. Chairman, there is no question that the requests submitted by the District were in line with the cost of the many services rendered the public through its agencies. A thorough study of the requests were considered by the committee. The treatment accorded the requests was in conformity with the economic values involved.

The budget estimates amounted to $357,702,300 including an amendment of $1,850,300. The appropriations recommended in this bill totaled $338,205,200, a reduction of $19,497,100 in the budget requests—but an increase of $25,089,538 over the fiscal figure in 1964.

The Federal contribution amounts to $40,720,000—$37,500,000 to the general fund—same as 1964—$2,047,000 to water fund, and $1,173,000 to the sanitary sewage fund.

These last two allowances represent increases of $123,000 and $229,000, respectively, above the 1964 appropriations—the amounts are based on actual services to the Federal buildings and installations in the area.

The committee also approved $20 million as a Federal loan for partial financing of the capital outlay portion of the budget. Also the amount of some $1,400,000 for the highway fund and $5 million for the sanitary sewage works fund—thus totaling $26,400,000. The loan appropriation is $7,100,000 above that of 1964—and $12 million above the budget estimate. There are adequate balances in the present authorization to meet this increase.

The District is confronted with many problems that have been disregarded over the years because of the refusal of Congress to take a realistic view of the growth of the city and incident thereto, an increase in the demands of the services to be rendered to its growing population. Further, the tremendous increase in the erection of Federal structures and installations that increased the costs of services furnished by the District to these properties that were not properly considered in the light of adequate reimbursement to the District.

The District Commissioners have, under the most trying conditions, endeavored to carry out the responsibilities of their office. An increase in taxes was necessary—gasoline increase of 1 cent per gallon estimated to raise $2 million for highway purposes—real estate taxes and other proposals to raise accumulative funds to meet the deficits.

The employees numbering 28,432 were increased by 750—although 11,021 were requested.

The severe crime problems, the school population, and welfare increases resulting in mounting costs—also the important factor of the general fund financing because of high current operating expenses. The committee recommended an appropriation of $18,677,000 for these expenses—an increase of $794,122 over 1964—yet $734,000 below budget request.

The Executive Office appropriation of $523,000—a decrease of $569,400 from 1964. The Department of General Administration receives $8,002,000—increase of $443,627 over 1964—decreases were as follows:

Regulatory and miscellaneous agencies—about $169,000 budget request to $2,497,000 appropriation 1965.

The library appropriation $3,816,000, for 1965—increase of $337,605 over 1964. Increase for new books $92,000 et cetera.

Department of buildings and grounds appropriated $3,016,000—1965 reduction of $225,000.

Public Safety—appropriated $69,841,000 increase of $3,069,340 over 1964.

Office of Corporation Counsel—$1,155,000—1965 increase of $89,477 over 1964.

Fire department 1965—$15,692,600—$330,070 over 1964.

Office of Civil Defense—$129,000—1965 courts—$7,228,000 increase of $456,537—1964.

Department of Correction, $8,995,000 increase $591,093—1964.

Education—$67,910,000 increase of $4,049,407—1964—less $697,000 requested. A total of 234 new teachers provided for, 268 were requested.

Parks and recreation, $4,166,000—increase of $509,995—1964.

Health and welfare, $74,833,000—increase of $4,306,952—1964. Includes public health activities, $48,246,000; an increase of $1,336,464—1964—and the Department of Welfare—$25,865,000—increase $2,746,645—1964.

Highway and traffic, $13,573,000—increase of $1,165,016 over 1964.

Sanitary engineering, $21,750,000 appropriated.

Metropolitan police, $283,000; expenses incident to inaugural of 1966—repayment of loans and interest, $5,364,000.

Capital outlay projects, $55,887,000—increase of $9,350,500—1964.

The committee has endeavored to meet its obligations in making fiscal determinations in accordance with the important expansion needs to carry out the purposes of District government. The enormous sums needed and demanded by the District Commissioners for expansion of the school system both in personnel and buildings—the welfare for the unfortunate on relief and the many critical needs of the majority of the cities in the United States are self-evident. At least a new attitude has evinced itself in the committee deliberations. The results are at least exemplary of a new look at the problems of the city we love, our Capital of the United States. We must make further progress in the near future toward remedying the problems that confront the five Commissioners who have labored in this beautiful city.

The **CHAIRMAN**. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

FEDERAL FUNDS

Federal payment to District of Columbia

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there are appropriated for the District of Columbia for the fiscal year ending June 30, 1965, out of (1) the general fund of the District of Columbia (unless otherwise herein specifically provided), hereinafter known as the general fund, such fund being composed of the revenues of the District of Columbia other than those applied by law to special funds, and $37,500,000, which is hereby appropriated for the purpose out of any money in the Treasury not otherwise appropriated (to be advanced July 1, 1964), (2) the highway fund (when designated as payable therefrom), established by law (D.C. Code, title 47, ch. 19), including the motor vehicle parking account (when designated as payable therefrom), established by law (Public Law 87–408), (3) the water fund (when designated as payable therefrom), established by law (D.C. Code, title 43, ch. 15), and $2,047,000, which is hereby appropriated for the purpose out of any money in the Treasury not otherwise appropriated (to be advanced July 1, 1964), (4) the sanitary sewage works fund (when designated as payable therefrom), established by law (Public Law 364, 83d Congress), and $1,173,000, which is hereby appropriated for the purpose out of any money in the Treasury not otherwise appropriated (to be advanced July 1, 1964), and (5) the metropolitan area sanitary sewage works fund (when designated as payable therefrom), established by law (Public Law 85–515); and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, $26,400,000, which, together with balances of previous appropriations for this purpose, shall remain available until expended, for loans authorized by the Act of May 18, 1954 (68 Stat. 101), the Act of June 6, 1958 (72 Stat. 183), and the Act of August 27, 1963 (77 Stat. 130), to be advanced upon request of the Commissioners to the following funds: general fund, $20,000,000; highway fund, $1,400,000; and sanitary sewage works fund, $5,000,000.

DISTRICT OF COLUMBIA FUNDS
OPERATING EXPENSES

For expenses necessary for functions under this general head:

General operating expenses

General operating expenses, plus so much as may be necessary to compensate the Engineer Commissioner at a rate equal to each civilian member of the Board of Commissioners of the District of Columbia, hereafter in this Act referred to as the Commissioners; $18,677,000, of which $375,000 (to remain available until expended) shall be available solely for District of Columbia employees' disability compensation, and $179,200 shall be payable from the highway fund (including $50,200 from the motor-vehicle parking account), $26,100 from the water fund, and $8,600 from the sanitary sewage works fund: *Provided,* That the certificate of the Commissioners shall be sufficient voucher for the expenditure of $2,500 of this appropriation for such purposes, exclusive of ceremony expenses, as they may deem necessary: *Provided further,* That, for the purpose of assessing and reassessing real property in the District of Columbia, $5,000 of the appropriation shall be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates for individuals not in excess of $100 per diem.

Public safety

Public safety, including employment of consulting physicians, diagnosticians, and therapists at rates to be fixed by the Commissioners; purchase of seventy-six passenger motor vehicles (including sixty-seven for police-type use without regard to the general purchase price limitation for the current fiscal year but not in excess of $100 per vehicle above such limitation) of which sixty-eight are for replacement purposes; $69,041,000, of which $149,550 shall be transferred to the judiciary and disbursed by the Administrative Office of the United States Courts for expenses of the Legal Aid Agency for the District of Columbia and $3,434,800 shall be payable from the highway fund (including $112,000 from the motor vehicle parking account), $3,000 from the water fund, and $3,000 from the sanitary sewage works fund: *Provided,* That not to exceed $50,000 of any funds from appropriations available to the District of Columbia may be used to match financial contributions from the Department of Defense to the District of Columbia Office of Civil Defense for the purchase of civil defense equipment and supplies approved by the Department of Defense, when authorized by the Commissioners: *Provided further,* That the Fire Department is authorized to replace not to exceed five passenger carrying vehicles annually whenever the cost of repair to any damaged vehicles exceeds three-fourths the cost of replacement.

Education

Education, including purchase of fourteen passenger motor vehicles, including two for replacement only, the development of national defense education programs, and for matching Federal grants under the National Defense Education Act of September 2, 1958 (72 Stat. 1580), as amended, $67,910,000, of which $678,895 shall be for development of vocational education in the District of Columbia in accordance with the Act of June 8, 1936, as amended.

Section 6 of the Legislative, Executive, and Judicial Appropriation Act, approved May 10, 1916, as amended, shall not apply from July 1 to August 23, 1964, to teachers of the public schools of the District of Columbia when employed by any of the branches of the United States Government or by any department or agency of the District of Columbia government.

Parks and recreation

Parks and recreation, including the purchase, acquisition, and transportation of specimens for the National Zoological Park, $9,769,000, of which $25,000 shall be payable from the highway fund.

Health and welfare

Health and welfare, including reimbursement to the United States for services rendered to the District of Columbia by Freedmen's Hospital; and for care and treatment of indigent patients in institutions, including those under sectarian control, under contracts to be made by the Director of Public Health; and purchase of three passenger motor vehicles including two for replacement only; $74,833,000: *Provided,* That the inpatient rate and outpatient rate under such contracts and for services rendered by Freedmen's Hospital shall not exceed $34 per diem and the outpatient rate shall not exceed $5.75 per visit, and the inpatient rate (excluding the proportionate share for repairs and construction) for services rendered by Saint Elizabeths Hospital for patient care shall be $9.74 per diem: *Provided further,* That this appropriation shall be available for the furnishing of medical assistance to individuals sixty-five years of age or older who are residing in the District of Columbia without regard to the requirement of one-year residence contained in District of Columbia Appropriation Act, 1946, under the heading "Operating Expenses, Gallinger Municipal Hospital," and this appropriation shall also be available to render assistance to such individuals who are temporarily absent from the District of Columbia: *Provided further,* That the authorization included under the heading "Department of Public Health," in the District of Columbia Appropriation Act, 1961, for compensation of convalescent patients as an aid to their rehabilitation is hereby extended to the Department of Vocational Rehabilitation.

Highways and traffic

Highways and traffic, including $73,526 for traffic safety education without reference to any other law; $250 for membership in the American Association of Motor Vehicle Administrators; rental of three passenger-carrying vehicles for use by the Commissioners; and purchase of twenty-one passenger motor vehicles, including thirteen for replacement only; $13,573,000, of which $9,295,900 shall be payable from the highway fund (including $674,100 from the motor vehicle parking account): *Provided,* That this appropriation shall not be available for the purchase of driver-training vehicles.

Sanitary engineering

Sanitary engineering, including the purchase of fourteen passenger motor vehicles for replacement only, $21,750,000, of which $7,248,400 shall be payable from the water fund, $4,230,200 shall be payable from the sanitary sewage works fund, and $79,900 shall be payable from the metropolitan area sanitary sewage works fund.

Metropolitan Police

Additional Municipal Services, Inaugural Ceremonies

Metropolitan Police (additional municipal services, inaugural ceremonies), including payment at basic salary rates for services performed on the day before Inauguration Day, Inauguration Day, and the first day thereafter, by officers and members of the police and fire departments in excess of the regular tours of duty (but not to exceed a total of sixteen hours overtime pay to any individual officer or member performing service on such days) with such overtime earned by firemen chargeable to the appropriation for operating expenses of the Fire Department, $283,000.

Personal services, wage-board employees

For pay increases and related retirement costs for wage-board employees, to be transferred by the Commissioners of the District of Columbia to the appropriations for the fiscal year 1965 from which said employees are properly payable, $1,118,200, of which $75,400 shall be payable from the highway fund, $103,400 from the water fund, $68,500 from the sanitary sewage works funds, and $700 from the metropolitan area sanitary sewage works funds.

REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with sections 108, 217, and 402 of the Act of May 18, 1954 (68 Stat. 103, 109 and 110), as amended; section 7 of the Act of September 7, 1957 (71 Stat. 619), as amended; section 1 of the Act of June 6, 1958 (72 Stat. 183); and section 4 of the Act of June 12, 1960 (74 Stat. 211), including interest as required thereby, $5,364,000, of which $2,213,000 shall be payable from the highway fund, $1,173,000 shall be payable from the water fund, and $291,000 shall be payable from the sanitary sewage works fund.

CAPITAL OUTLAY

For reimbursement to the United States of funds loaned in compliance with section 4 of the Act of May 29, 1930 (46 Stat. 482), as amended, the Act of August 7, 1946 (60 Stat. 896), as amended, the Act of May 14, 1948 (62 Stat. 235), and payments under the Act of July 2, 1954 (68 Stat. 443); construction projects as authorized by the Acts of April 22, 1904 (33 Stat. 244), February 16, 1942 (56 Stat. 91), May 18 1954 (68 Stat. 105), June 6, 1958 (72 Stat. 183), and August 20, 1958 (72 Stat. 686); including acquisition of sites; preparing of plans and specifications for the following buildings and facilities: Shaw Junior High School replacement, new junior high school in the vicinity of 6th Street and Brentwood Parkway Northeast, Wheatley Elementary School addition, Chevy Chase Branch Library. Engine Company Number 9 replacement, school and activities building at the Junior Village, shop building at the Cedar Knoll School, a juvenile facility and

Incinerator Number 5; erection of the following structures, including building improvement and alteration and the treatment of grounds: new junior high school in the vicinity of 16th and Irving Streets Northwest, Slowe Elementary School addition, new elementary school in the vicinity of Wheeler Road and Mississippi Avenue Southeast, Truesdell Elementary School addition, Mildred Green Elementary School addition, new elementary school in the vicinity of 18th and E Streets Northeast, Raymond Elementary School addition, Ruth K. Webb Elementary School addition, West End Branch Library, McKinley Swimming Pool, Holly and Dogwood Cottages renovation at the District Training School and two street cleaning tool houses; $901,000 for the purchase of equipment for new school buildings; to remain available until expended, $55,887,000, of which $6,750,000 shall not become available for expenditure until July 1, 1965, $13,155,000 shall be payable from the highway fund, $2,383,000 shall be payable from the water fund, and $11,026,000 shall be payable from the sanitary sewerage works fund, and $1,680,000 shall be available for construction services by the Director of Buildings and Grounds or by contract for architectural engineering services, as may be determined by the Commissioners, and the funds for the use of the Director of Buildings and Grounds shall be advanced to the appropriation account, "Construction services, Department of Buildings and Grounds".

GENERAL PROVISIONS

Sec 2. Except as otherwise provided herein, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official without countersignature.

Sec. 3. Whenever in this Act an amount is specified within an appropriation for particular purposes or object of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount which may be expended for said purpose or object rather than an amount set apart exclusively therefor.

Sec. 4. Appropriations in this Act shall be available, when authorized or approved by the Commissioners, for allowances for privately owned automobiles used for the performance of official duties at 8 cents per mile but not to exceed $25 a month for each automobile, unless otherwise therein specifically provided, except that one hundred and forty-three (fifty for investigators in the Department of Public Welfare and eighteen for venereal disease investigators in the Department of Public Health) such allowances at not more than $410 each per annum may be authorized or approved by the Commissioners.

Sec. 5. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Commissioners: *Provided*, That the total expenditures for this purpose shall not exceed $65,000.

Sec. 6. Appropriations in this Act shall be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

Sec. 7. The disbursing officials designated by the Commissioners are authorized to advance to such officials as may be approved by the Commissioners such amounts and for such purposes as the Commissioners may determine.

Sec. 8. Appropriations in this Act shall not be used for or in connection with the preparation, issuance, publication, or enforcement of any regulation or order of the Public Utilities Commission requiring the installation of meters in taxicabs, or for or in connection with the licensing of any vehicle to be operated as a taxicab except for operation in accordance with such system of uniform zones and rates and regulations applicable thereto as shall have been prescribed by the Public Utilities Commission.

Sec. 9. Appropriations in this Act shall not be available for the payment of rates for electric current for street lighting in excess of 2 cents per kilowatt-hour for current consumed.

Sec. 10. All motor-propelled passenger-carrying vehicles (including watercraft) owned by the District of Columbia shall be operated and utilized in conformity with section 16 of the Act of August 2, 1946 (5 U.S.C. 77, 78), and shall be under the direction and control of the Commissioners, who may from time to time alter or change the assignment for use thereof, or direct the alteration of interchangeable use of any of the same by officers and employees of the District, except as otherwise provided in this Act. "Official purposes" shall not apply to the Commissioners of the District of Columbia or in cases of officers and employees the character of whose duties makes such transportation necessary, but only as to such latter cases when the same is approved by the Commissioners.

Sec. 11. Appropriations contained in this Act for Highways and Traffic, and Sanitary Engineering shall be available for snow and ice control work when ordered by the Commissioners in writing.

Sec. 12. Appropriations in this Act shall be available, when authorized by the Commissioners, for the rental of quarters without reference to section 6 of the District of Columbia Appropriation Act, 1945.

Sec. 13. Appropriations in this Act shall be available for the furnishing of uniforms when authorized by the Commissioners.

Sec. 14. There are hereby appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments which have been entered against the government of the District of Columbia, including refunds authorized by section 10 of the Act approved April 23, 1924 (43 Stat. 108): *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of paragraph 3, subsection (c) of section 11 of title XII of the District of Columbia Income and Franchise Tax Act of 1947, as amended.

Sec. 15. Except as otherwise provided herein, limitations and legislative provisions contained in the District of Columba Appropriation Act, 1961, shall be continued for the fiscal year 1965: *Provided*, That the limitation for "Construction Services, Department of Buildings and Grounds" contained in the District of Columbia Appropriation Act, 1961, shall be increased from 6 to 7 per centum of appropriations for construction projects: *Provided further*, That after June 30, 1964, the limitation of $50 per diem for experts and consultants under the heading "Public Schools, District of Columbia Appropriation Act, 1961" shall no longer be applicable.

This Act may be cited as the "District of Columbia Appropriation Act, 1965."

The CHAIRMAN. Are there any points of order?

If not, the Chair will receive amendments.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to ask the chairman of the subcommittee if there is in this bill any money for the so-called Cultural Center in Washington, D.C.

Mr. NATCHER. I should like to inform the gentleman from Iowa there is no money in this bill for that purpose.

Mr. GROSS. I thank the gentleman.

Is there any money in this bill for a mass transit program or plan?

Mr. NATCHER. I should like to inform the distinguished gentleman from Iowa that there is no money in this bill for the rapid transit system.

Mr. GROSS. I thank the gentleman again.

Do I understand that some submission was made to the committee for the construction of parking lots? Will the gentleman briefly explain that situation?

Mr. NATCHER. The gentleman from Iowa is correct. A request was made for $31,000 to build a parking lot under the Southeast Freeway at approximately the corner of 2d Street. This request was denied. It was for 36 spaces for automobiles to be parked during the day, with meters. We had no testimony to the effect that it was necessary and further none to the effect that the meters would be read and that the parking facility would pay for itself.

Mr. GROSS. Probably if the parking lot had been erected under the freeway a good deal of the revenue would have been absorbed in lighting it throughout the night.

Mr. NATCHER. The gentleman is exactly correct. We considered all of that. For that reason, I want the gentleman to know, we refused this request.

Mr. GROSS. I am glad the committee did just that. I thank the gentleman.

Mr. QUIE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and nine Members are present, a quorum.

Mr. NATCHER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Price, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 10199) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes, he reported the bill back to the House with the recommendation that the bill do pass.

Mr. NATCHER. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMENDING THE PEACE CORPS ACT

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 641, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9666) to amend further the Peace Corps Act (75 Stat. 612), as amended. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority members of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The Chair recognizes the gentleman from Arkansas [Mr. Trimble] for 1 hour.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. Smith], and now yield myself such time as I may consume.

Mr. Speaker, House Resolution 641 provides for consideration of H.R. 9666, a bill to amend further the Peace Corps Act—75 Stat. 612—as amended. The resolution provides an open rule and 2 hours of general debate.

The period since the Peace Corps began in 1961 is too short to permit an evaluation of the long-range contribution of the Peace Corps to the development of the countries where it operates or to the attainment of world peace.

The accomplishments of the Peace Corps in attaining the more immediate and no less important objectives of establishing a better understanding with the people of other nations, of demonstrating the friendship of Americans toward their fellow men of distant lands, and of making a current contribution to the improvement of the daily lives of people in communities located in 46 countries justify describing the Peace Corps as a success.

The Peace Corps, on January 15 of this year, had 6,976 volunteers and trainees serving overseas in 46 countries.

H.R. 9666 authorizes the appropriation of $115 million to finance the operation of the Peace Corps during the fiscal year ending June 30, 1965. The amount requested by the Executive will make possible an increase in the number of Peace Corps volunteers from the level of 10,500 which has been provided for with the funds appropriated for fiscal 1964 to a level of 14,000.

The appropriation for fiscal year 1964 was $95,963,971.

Mr. Speaker, I urge the adoption of House Resolution 641.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, this resolution (H. Res. 641) will provide an open rule with 2 hours of general debate for the consideration of H.R. 9666, a bill to further amend the Peace Corps Act.

CALL OF THE HOUSE

Mr. QUIE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

Mr. MORGAN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 53]

Alger
Ashley
Auchincloss
Ayres
Bass
Blatnik
Brown, Ohio
Bruce
Buckley
Carey
Celler
Chelf
Cramer
Diggs
Donohue
Duncan
Edwards
Elliott
Finnegan
Fogarty
Fraser
Gray
Green, Oreg.
Hansen
Harsha
Hébert
Hoffman
Hosmer
Hutchinson
Jarman
Johansen, Mich.
Jones, Ala.
Kee
King, Calif.
Kluczynski
Laird
Leggett
Martin, Calif.
Mathias
Meader
Morton
Murray
O'Brien, Ill.
Osmers
Passman
Philbin
Pillion
Powell
Rains
Rhodes, Ariz.
Roberts, Ala.
Roosevelt
St Germain
St. Onge
Steed
Teague, Calif.
Thompson, N.J.
White
Wickersham
Willis

The SPEAKER. On this rollcall 371 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

Mr. SMITH of California. Mr. Speaker, House Resolution 641 will provide an open rule with 2 hours general debate for the consideration of H.R. 9666, a bill to further amend the Peace Corps Act.

Last year the House authorized $102 million and the actual appropriation was $96 million, which included $3.8 million reappropriated from funds left over from the previous year. This bill will authorize $115 million which is $19 million more than was actually appropriated last year. However, the actual appropriation for fiscal 1965 will be subsequently determined by the Appropriations Committee.

There are presently approximately 7,000 volunteers in the Peace Corps engaged overseas in 46 countries. It is anticipated that appropriated funds for fiscal 1964 will finance an increase in the number of volunteers to 10,500. It is anticipated that this year's appropriation will permit the agency to expand to about 14,000 volunteers by August 1965.

In December 1963 there were approximately 4,800 applicants and in January 1964 approximately 5,000. About one of nine applicants is selected.

The schedule of volunteers at work and in training as shown on page 4 of the report indicates that there are 3,386 individuals engaged overseas in a teaching capacity. A recapitulation of cost of the Peace Corps since its inception is set forth on page 6 of the report. The total amount appears to be a little more than $179 million. The annual cost per volunteer is $8,560.

Testimony before the Rules Committee is to the effect that the Peace Corps is continuing to render a satisfactory service involved in education, community development, cooperative movements, agriculture, health work, geology, public administration, engineering and in other fields. The only adverse comment which I will make at this time, Mr. Speaker, is simply a word of caution that if the tax cut bill passed last week is to become a reality and be successful, that we must use our every effort to stop increasing existing programs or starting unnecessary new programs. It is true the increase in this program is not tremendously large, but it will be an additional cost over and above last year's.

I know of no objection to the rule, Mr. Speaker, and urge its adoption.

Mr. TRIMBLE. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LOW SEAWAY TOLLS NEEDED TO DEVELOP GREAT LAKES TRAFFIC POTENTIAL

Mr. REUSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, on January 29, I introduced H.R. 9796. By reducing the staggering financial burden now imposed on the St. Lawrence Seaway, the bill would help the seaway to keep tolls low and thus to build up traffic to levels envisaged at the time this farsighted project was authorized by Congress in 1954. Identical bills have been introduced by the gentleman from Ohio [Mr. Ashley], H.R. 10183; the gentleman from Minnesota [Mr. Blatnik], H.R. 10184; the gentleman from Michigan [Mr. Dingell], H.R. 10185; the gentleman from Illinois [Mr. Pucinski], H.R. 10186; the gentleman from Illinois [Mr. Rostenkowski], H.R. 10187; the gentleman from Ohio [Mr. Vanik], H.R. 10188; and the gentleman from Wisconsin [Mr. Zablocki], H.R. 10189.

OBJECTIVES OF H.R. 9796 AND COMPANION BILLS

This proposal has two main objectives. First, it would change the stringent capital payoff and high interest rate provisions written into the 1954 Seaway Act so as to provide a more conservative method of capitalization for the Government's investment and a safer way of assuring an adequate return on that investment. Second, it would require that tolls be set which, at full capacity operations and not at present traffic levels, will recover all costs as well as a return on the capital investment.

The present Seaway Act is being used by seaway opponents as a basis for demanding toll increases because it appears to require that from about the 1964 shipping season onward, toll revenues must cover not only all operating and maintenance costs but also an annual amortization of capital investment in addition to interest on the investment at nearly 3.5 percent per year. This financial burden was imposed by Congress in good faith but on the unrealistic assumption that the Great Lakes-St. Lawrence Seaway system would be physically complete and ready to accommodate oceangoing vessels from the first year of operation in 1959, and that within 5 years the seaway would have built up capacity traffic of around 50 million tons per shipping season. In fact, the seaway system was not physically ready in 1959, nor is it ready today. Great Lakes connecting channels were not dredged to full seaway depth until late in 1963, and none of the Great Lakes ports are even now ready to accommodate oceangoing vessels loaded to full seaway draft. In the fifth shipping season, ending in December 1963, the seaway achieved a traffic total of 31 million tons, an impressive 20-percent gain over 1962 but still a long way off from capacity traffic, which could be anywhere from 50 to 60 million tons.

Because present seaway traffic of 31 million tons is not yielding revenue sufficient to cover interest and amortization costs in addition to operating and maintenance expenses, seaway opponents are seizing upon the letter of the Seaway Act to demand that tolls be increased to raise revenues. This demand places the seaway in a painful dilemma. If tolls are raised, traffic will fall, and the seaway may never be able to repay the Government's investment. If present tolls are retained or, as economic logic would dictate, reduced to encourage traffic, the seaway would expose itself to the charge that it was not adhering to the financial provisions of the law.

H.R. 9796 and its companion proposals would remove this dilemma. They would permit the seaway to set tolls which are best for maximizing its true traffic potential and, at the same time, assure recovery of the Government's investment as well as an ample return on that investment. My statements in the CONGRESSIONAL RECORD of January 29—pages 1384–1385—and February 4—pages 1936–1937—discuss in detail how H.R. 9796 and its companion bills would achieve these objectives.

GREAT LAKES TRAFFIC POTENTIAL

There is a great untapped potential for added seaway traffic if tolls are kept low at the same time that harbor and port improvements are accelerated, the shipping season is lengthened to the maximum which weather conditions permit, and shippers are educated to the economies and advantages of using the seaway.

The size of this potential is indicated by a recent study of Great Lakes exports by Dr. Eric Schenker, associate professor of economics of the University of Wisconsin and chairman, Milwaukee Board of Harbor Commissioners. According to Dr. Schenker, Great Lakes ports are shipping only about 6 percent of the manufactured exports produced in the Great Lakes area whereas, by comparison, the single port of Philadelphia accounts for 18 percent of the manufactured exports of a tristate hinterland area including Pennsylvania, Delaware, and half of New Jersey. Even after adjusting Great Lakes area export figures downward to take account of the seaway's shorter navigation season, Dr. Schenker finds that the Great Lakes area is sending only 7.5 to 9 percent of its manufactured exports out of Great Lakes ports. The full text of Dr. Schenker's study follows:

EXPORTS OF THE GREAT LAKES AREA

(By Eric Schenker, associate professor of the University of Wisconsin (Milwaukee), and chairman, Milwaukee Board of Harbor Commissioners)

The most significant factor affecting Great Lakes foreign trade in the last 10 years has, of course, been the St. Lawrence Seaway. Officially opened on June 26, 1959, after 5 years of construction, the seaway climaxed over a half century of public discussion and political consideration. The seaway project itself consists of widening and deepening the existing ship channels, locks, and harbors to a minimum of 27 feet, and lengthening and widening the locks to 800 feet by 80 feet. As a result, since 1959 the Great Lakes ports have been made accessible to approximately 70 percent of the world's merchant shipping fleet.

It is still far too early to estimate the final impact of the St. Lawrence Seaway on the foreign trade routes of the United States. Improvements in the harbors of some Great Lakes ports have not been completed by the Army Corp of Engineers. More important, the routes do not adjust themselves overnight. The habits of shippers change only gradually, and accurate information about the relative advantages of the seaway is not immediately available, but is accumulated over time, with experience in using the seaway. The relative rate structures of alternative means of transportation also have to adjust to the new competition of the seaway, and this process is still going on; it can be expected to continue for some time.

Despite all these factors, however, the opening of the seaway has already brought about a significant shift in the foreign trade transport routes in the country. This is shown in table I, summarizing the relative shares of U.S. exports shipped from each of this country's four coasts in recent years.

TABLE I.—*Shipping weight and value, U.S. waterborne exports, 1951–61, by area of origin*

Year	United States		Atlantic coast		Gulf coast		Pacific coast		Great Lakes	
	Weight	Value	Weight	Value	Weight	Value	Weight	Value	Weight	Value
	Thousand long tons	*Million dollars*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
1951	103, 294	10, 113	47	61	19	25	13	11	20. 4	2. 9
1952	91, 685	9, 024	41	58	23	26	13	13	22. 4	3. 2
1953	71, 756	7, 829	34	62	25	23	14	12	27. 4	3. 6
1954	69, 287	8, 539	39	60	24	23	14	13	23. 8	3. 5
1955	100, 206	9, 459	49	63	20	22	12	12	19. 5	3. 4
1956	129, 246	11, 485	50	60	22	25	11	12	17. 0	3. 2
1957	147, 671	13, 267	50	57	24	27	11	13	14. 6	3. 2
1958	102, 343	10, 948	48	59	24	26	12	12	15. 1	3. 2
1959	96, 576	10, 776	38	56	29	27	14	12	18. 9	5. 3
1960	109, 165	13, 406	37	53	30	28	16	13	17. 5	4. 8
1961	113, 860	13, 913	35	53	31	28	16	13	18. 0	5. 7

Source: U.S. Department of Commerce, Bureau of the Census: "United States Foreign Waterborne Commerce," annual review.

The change in the traffic pattern between 1958 and 1959 is marked. The Great Lakes' relative share of exports increased by over 25 percent measured by weight, and by almost 67 percent measured by value. Moreover, while the relative share measured by weight has declined slightly since 1959, measured by value it has shown a further modest increase, rebounding from the slump in 1960.

Table I shows that, even with the seaway, Great Lakes exports are a smaller fraction of the total tonnage than they were as recently as 1955, but this fact should not be overemphasized. As the relative figures for weight and for value indicate, Great Lakes exports are largely commodities of large bulk and low value. Analysis of the commodities entering into foreign trade shows that bituminous coal is annually the largest single commodity, by weight, for both the Great Lakes and the rest of the Nation. Great Lakes exports of bituminous coal have ranged from a high of 14,453 long tons in 1951 to a low of between 9,000 and 10,000 long tons in each of the years 1958–61; for the rest of the Nation exports have varied from 12,640 long tons in 1953 to 51,400 in 1957. If this highly volatile component of our export trade is excluded, the downward trend of the Great Lakes share largely disappears, as shown in table II. It is worth noting that the increase in the Great Lakes relative share of exports between 1958 and 1959 is still about the same—just over 25 percent.

Bituminous coal may justifiably be discounted in measuring the effect of the seaway on trade patterns because an overwhelming share of the coal exported via the Great Lakes goes to Canada. Table III, even though it only shows that coal shipped from the Lake Erie ports to Canada, brings this out clearly.

TABLE II.—*Shipping weight of U.S. waterborne exports, 1951–61, excluding bituminous coal*

Year	United States	Great Lakes
	Thousand long tons	*Percent*
1951	58,477	11.4
1952	54,370	12.8
1953	45,690	13.7
1954	44,715	12.2
1955	57,296	12.5
1956	72,410	10.7
1957	82,212	9.2
1958	58,858	10.2
1959	64,518	12.9
1960	77,341	12.3
1961	83,353	13.6

Source: See table I.

As table I shows, the choice of a different unit of measurement will yield a strikingly different pattern of foreign trade. Which unit should be used depends upon the purposes of the study. In estimating the income generated by a port, the tonnage figures are preferable. However, as will be shown in chapter 9, different kinds of commodities generate different amounts of revenue per ton; "general cargo"—the high value, small bulk commodities which require special handling in shipping—generates a much greater revenue per ton than do the bulk commodities, such as bituminous coal. The Atlantic coast ports, as table I suggests, ship a far greater proportion of the Nation's general cargo exports than of its bulk commodities.

TABLE III.—*Bituminous coal shipments, Lake Erie ports to Canada*

[In thousands of short tons]

	1954	1958	1959	1960	1961
Toledo	3,403	3,932	4,909	4,844	5,923
Sandusky	1,462	1,497	1,859	1,602	703
Ashtabula	1,789	1,503	1,764	1,632	1,401
Fairport	595	448	313	179	222
Erie	806	464	286	194	243
Lorain	1,151	533	242	648	338
Buffalo	340	127	207	101	--------
Conneaut	293	253	43	162	161
Huron	17	21	--------	27	7
Cleveland	27	--------	--------	26	81
Total	9,883	8,778	9,623	9,415	9,079
Total, all Great Lakes ports	12,370	10,563	11,070	10,739	10,312
Lake Erie ports' share of total Great Lakes ports (percent)	80	83	87	88	88

Source: Army Corp of Engineers, "Waterborne Commerce of the United States," pt. 3, calendar years 1958, 1959; U.S. Bureau of the Census, "United States Waterborne Foreign Commerce," annual review, 1960, 1961.

In a recent study, the "Impact of the St. Lawrence Seaway on the Upper Midwest," Professor Krueger estimated general cargo exports in 1960 as 7,814,000 short tons for the seven leading Atlantic coast ports, as compared to 1,149,000 for seven Great Lakes ports.[1] While Professor Krueger's definition of Great Lakes general cargo exports is not entirely suitable for this study,[2] redefinition changes the results only in detail. The definition of "general cargo" given by the Bureau of the Census is used in table IV.[3] The figures exclude grains, soybeans, flaxseed, and oil seeds, unmanufactured cotton, coal, coke, bulk petroleum products, limestone, sand, gravel, sulfur, mineral ores and concentrates, and all Department of Defense, special category and low value shipments.[4] Table IV suggests that general cargo exports have doubled, approximately, as a result of the seaway, but that they are growing relatively slowly after that initial jump. The decline between 1960 and 1961, however, is more than accounted for by the slump in exports from the port of Detroit.

Detroit's exports of general cargo were dominated by "rolled and finished steel mill products"; exports rose from only 4,000 tons in 1958 and 3,000 in 1959, to a peak of 170,000 in 1960, then fell to 52,000 in 1961. While a number of other commodities showed significant declines between 1960 and 1961, rolled and finished steel products accounted for 85 percent of the net decline.[6]

At this point in time, it is too early to tell whether 1960 or 1961 was the unusual year for this commodity. But even if the 1960 maximum proves to be the more typical figure, Great Lakes general cargo exports will still be small when compared with those of the east coast.

TABLE IV.—*General cargo exports, major Great Lakes ports, 1958–61*

[In thousands of short tons]

	1958	1959	1960	1961
Buffalo	42	21	24	30
Chicago	106	414	345	348
Cleveland	45	62	81	60
Detroit	33	98	305	141
Duluth	1	21	46	85
Milwaukee	44	124	107	153
Toledo	11	31	33	76
Total	282	781	941	893

Source: Army Corps of Engineers, "Waterborne Commerce of the United States," 1958–61.

The small size of the Great Lakes ports' general cargo traffic stands out even more clearly when exports via the ports of the region are compared with its manufactures of export commodities. A 1960 Commerce Department study, as shown in table V, estimated the value of exports manufactured in each State, making such a comparison possible.[5] The 1960 exports manufactured in the Midwest may be most easily compared with the 1961 exports shipped via the Great Lakes ports, as assembled by the Chicago Association of Commerce and Industry Research and Statistics Division, since what is important is the relative magnitude, not the precise figure. For the purpose of this comparison, "Midwest" States include Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, the Dakotas, Kansas, Nebraska, and Kentucky.[7]

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[1] Anne O. Krueger, "The Impact of the St. Lawrence Seaway on the Upper Midwest," (Minneapolis: University of Minnesota, 1963).

[2] Ibid. p. 15: "General cargo totals were derived from individual port commodity statistics by taking total export traffic in the port and subtracting major bulk items (grains, soybeans, petroleum and gasoline, iron ore)." Professor Krueger also excludes exports to Canada, apparently because these would not be affected by the seaway.

[3] Bureau of the Census, "Domestic Movements of Selected Commodities in U.S. Waterborne Foreign Trade" (Washington: U.S. Department of Commerce, 1959) p. 3.

[4] These figures differ from those used by Professor Krueger primarily in that those in table IV include wheat flour and animal feeds, and exclude scrap iron, flaxseed, and ores and concentrates, for Canada as well as overseas. There are some other, relatively minor, differences.

[5] U.S. Department of Commerce, "Value of Exports of Manufactured Products, by Region and State, and by Major Product Group: 1960" (Washington: U.S. Department of Commerce, Office of Business Economics, Bureau of International Programs, 1962).

[6] Two classifications which also showed large declines were "vegetables and preparations not elsewhere classified," and "iron and steel semifinished products."

[7] The reasons for choosing this definition of "Midwest," and for the subsequent modifications of it, will be given in detail in ch. 6; these States roughly correspond to the areas in which the Great Lakes ports have shipping cost advantages over other ports.

TABLE V.—*Manufacturing establishments reporting the export of products in 1960; the number of these establishments, their employment and reported exports, compared with total manufacturing exports, by region and State*

Geographic region and State	Establishments reporting exports			Total manufacturing, exports and estimated regional and State totals
	Number of establishments	All employees annual average	Value of exports reported	
			Millions	*Millions*
United States, total	7,496	5,699,981	$9,792.4	$15,454.3
New England	721	482,036	551.8	1,013.7
Maine	29	16,271	14.5	37.5
New Hampshire	36	18,166	30.3	54.7
Vermont	24	11,161	15.5	28.1
Massachusetts	319	204,495	224.4	435.2
Rhode Island	63	28,066	22.2	65.9
Connecticut	250	203,877	244.7	385.9
Middle Atlantic	1,894	1,443,830	2,271.2	3,506.1
New York	685	573,331	888.1	1,417.4
New Jersey	505	296,404	587.2	897.0
Pennsylvania	704	574,095	795.7	1,189.5
East north central	2,500	2,084,340	3,119.5	4,503.8
Ohio	785	628,666	921.5	1,299.4
Indiana	312	310,259	310.2	483.6
Michigan	487	482,960	646.5	898.7
Illinois	666	464,430	971.1	1,407.8
Wisconsin	250	198,025	270.0	411.4
West north central	438	294,334	378.6	764.0
Minnesota	107	75,354	92.5	176.4
Iowa	101	84,987	121.4	243.0
Missouri	154	85,101	91.5	193.0
North Dakota	1	(1)	(1)	2.4
South Dakota	3	(1)	(1)	7.4
Nebraska	24	14,093	14.5	41.9
Kansas	48	30,729	56.7	96.6
South Atlantic	546	412,822	845.8	1,655.0
Delaware	25	12,267	14.4	28.4
Maryland	102	92,012	138.4	216.9
District of Columbia	2	(1)	(1)	7.7
South Atlantic—Continued				
Virginia	89	74,485	$213.3	$338.3
West Virginia	71	58,489	125.3	156.1
North Carolina	93	103,162	128.0	391.8
South Carolina	27	27,353	30.4	121.8
Georgia	82	54,502	107.0	230.8
Florida	55	29,028	85.1	158.8
East south central	309	208,795	324.9	587.3
Kentucky	89	57,660	102.2	178.4
Tennessee	107	76,413	132.0	220.1
Alabama	78	60,946	54.4	109.2
Mississippi	35	13,776	36.1	77.0
West south central	397	222,032	938.2	1,243.3
Arkansas	31	13,225	29.2	50.7
Louisiana	73	41,371	192.0	254.1
Oklahoma	51	19,966	65.5	98.9
Texas	242	147,470	651.3	836.6
Mountain	67	46,386	97.6	177.3
Montana	1	(1)	(1)	3.9
Idaho	10	2,065	8.4	15.6
Wyoming	1	(1)	(1)	.7
Colorado	21	19,130	28.2	48.4
New Mexico	4	378	11.3	26.5
Arizona	12	12,635	12.8	29.3
Utah	13	9,724	32.0	45.8
Nevada	5	1,639	4.6	5.4
Pacific	624	500,228	1,264.3	1,994.2
Washington	86	95,276	393.7	582.8
Oregon	43	19,428	50.8	87.1
California	490	385,524	809.7	1,302.6
Alaska	1	(1)	(1)	4.0
Hawaii	4	(1)	(1)	15.5

[1] Withheld to avoid disclosing figures for individual companies.

NOTE.—Figures may not add because of rounding. The $9,800,000,000 in exports reported in this survey were made by establishments with 100 employees or more and exporting $25,000 or more in 1960. Based on a census company survey covering 1958, these establishments account for substantially all shipments known to the manufacturer to be destined for export. The $5,600,000,000 in exports not reported in the survey would be accounted for chiefly by products shipped through wholesalers, independent export houses, etc., and by small manufacturers.

The exports shown in this table are in f.o.b. plant values. The total value at port is estimated at $16,898,000,000, and exceeds the 1960 Census Bureau's totals for manufactured foodstuffs, semimanufactures and finished manufactures by some $800,000,000. Figures given here include exports to Puerto Rico, bunker sales of fuel to foreign vessels and certain other adjustments developed by the Bureau of Labor Statistics in their study of direct and indirect employment attributable to exports.

The national total figures were prepared by the Bureau of Labor Statistics, based largely on census export data and census "bridge" tables on export and industry classification systems.

Regional and State distributions of exports, not reported directly by manufacturers, were estimated by the Office of Business Economics and the Bureau of International Programs, U.S. Department of Commerce, in order to account for local origin of all manufacturing exports. The figures reported by manufacturers are from a survey conducted by the Census Bureau of plants with more than 100 employees included in the annual survey of manufacturers.

Source: U.S. Department of Commerce.

The value of the Midwest's manufactured exports was $5,446 million in 1960; the value of manufactured exports shipped via the Great Lakes ports was $327 million in 1961. Great Lakes ports, in other words, shipped about 6 percent of the exports produced in the Great Lakes area. By contrast, the ports on the Delaware River (primarily Philadelphia) shipped $301 million worth of manufactured exports in 1960, while its hinterland of Pennsylvania, Delaware, and half of New Jersey produced $1,666 million worth of such exports. Philadelphia's share was about 18 percent, three times that of the Great Lakes ports.

This comparison, striking as it is, understates the situation; it is surely too favorable to the Great Lakes. On the one hand, Philadelphia is about halfway between the two major general cargo ports of the east coast (and of the Nation), New York, and Baltimore. Its cost advantages in its assumed hinterland are likely to be very small. Further, the western part of Pennsylvania, including Pittsburgh, is in fact in the hinterland of the Great Lakes ports; Pittsburgh itself lies in the hinterland of Cleveland. Including this heavy-industry area in the Philadelphia hinterland drastically overestimates that port's potential exports.

On the other hand, the Great Lakes ports' hinterlands are understated in the above enumeration. This is obvious in the case of Erie, Buffalo, Oswego, and the other Great Lakes ports in New York and Pennsylvania; these ports surely draw traffic primarily from their own States. If we exclude these ports' $14,900,000 of exports from the estimates, then about 5.75 percent of the remaining Great Lakes area's export production is shipped via Great Lakes ports. But, as stated above, the Pittsburgh area actually lies in the Cleveland hinterland, rather than in that of Erie. Cleveland also is the cheapest port of export for nearly all of West Virginia. The hinterlands of various other Great Lakes ports include the northern half of Tennessee, if not more; and much of Colorado (including Denver), Wyoming, and Montana. If we allow for these areas, by adding the value of manufactured exports for all of West Virginia and one-half of Pennsylvania, Tennessee, Colorado, Wyoming, and Montana, the total production in the Great Lakes area is $6,334 million, of which the area's ports ship about 5.1 percent.[8]

Whichever hinterland is used in the measurements, the point is the same. There are several reasons for the predominance of east coast ports in this country's general cargo exports. Most obvious is the seasonal nature of shipping via the Great Lakes; the St. Lawrence Seaway is only open between 8 and 9 months of the year. A rough allowance for this factor can easily be made, however, by assuming that these exports are produced at an even flow during the year. On this basis, at least two-thirds of the area's exports would be ready for shipment during the seaway shipping season, or between $3,630 and $4,222 million, according to the 1960 Commerce Department study. The Great Lakes ports are still shipping only between 7.5 and 9 percent of this potential traffic.

Rather than enter into a detailed discussion of other factors tending to limit the Great Lakes' shipment of exports, it is convenient to defer consideration of them to chapter 6, where they will be discussed in connection with the port of Milwaukee. However, before then, we shall analyze the other side of Great Lakes foreign trade, imports; and then summarize the total foreign trade of the region.

"NEUTRALISM" MEANS DEFEAT IN SOUTH VIETNAM

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

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[8] As stated in the previous footnote, justification for including these areas in the ports' hinterlands will be given in ch. 6.

Mr. ZABLOCKI. Mr. Speaker, on February 20, I took the floor of the House to point out the dangers inherent in suggestions that neutralization be considered a solution to the current conflict in South Vietnam.

The suggestions had come from North Vietnam, from France's President de Gaulle, from some American newspapers and even from our own legislative halls.

On that previous date, my deep concern was that such expressions from respected Americans and American press organs would have a debilitating effect on the morale of the South Vietnamese people, and thereby adversely affect the war effort.

Mr. Speaker, I fear that my worst fears have, indeed, been realized.

Recent news reports from South Vietnam have emphasized the concern and consternation which have greeted calls for neutralization emanating from the United States.

In a story to the New York Times, which appeared Monday, Correspondent Peter Grose reported:

> What Premier Khanh and members of his Government seem to regard as their most pressing danger is the impatience and despair among Americans and that this could lead to a withdrawal of the large-scale military aid that has supported the country's anti-Communist war effort for over 2 years.

In the same story, Grose also stated that:

> Statements favoring a neutral solution in Vietnam made by influential Americans, including Senator Mike Mansfield, have contributed to demoralization here that diplomats are looking to Mr. McNamara to dispel.

In Sunday's New York Times, Columnist James Reston, in an article entitled "The Blabbermouth Approach to Vietnam" had this to say:

> Meanwhile, the majority leader in the Senate, Mike Mansfield, of Montana, seems to have been siding publicly with President de Gaulle of France on negotiation of some vague policy of neutralizing Vietnam, and while this was not done with the approval or even the prior knowledge of the administration, it is hard to convince anybody in Saigon or elsewhere abroad that such a casual relationship exists between the administration and its chief spokesman in the Senate.

Mr. Reston concluded his observations by commenting on:

THE NEUTRALIST DANGER

> The most dangerous and likely immediate prospect is not that the Communists will win the war in South Vietnam or that the United States will carry the war to North Vietnam, but that in the atmosphere of rumor, confusion and intrigue in Saigon another coup d'etat, the third in 100 days, will bring in a neutralist South Vietnamese Government that will order us out and negotiate a settlement that will leave the Communists free to take over.
>
> This would be almost as bad for the West as a military disaster. We could not impose our presence on a South Vietnamese Government that didn't want us, and with U.S. power out of Vietnam, the situation would really, in the President's phrase, "go to pot." The Communists would be free to expand in southeast Asia almost at will.

Other newspapermen have made similar observations. In a story which appeared in the Washington Post on February 22, Keyes Beech, Chicago Daily News Service correspondent, pointed out the adverse affect of "neutralist" suggestions:

[From the Chicago Daily News Service, Feb. 22, 1964]

ANTI-RED CAUSE IN VIETNAM PERILED BY U.S. INCONSTANCY

(By Keyes Beech)

> Saigon, February 21.—Perhaps the gravest threat to the anti-Communist cause in South Vietnam and the rest of southeast Asia today is not Communist guns and terrorism but American inconstancy.
>
> This was underlined today by Saigon's reaction to Senate Majority Leader Mike Mansfield's apparent acceptance of French President de Gaulle's premise that the war here cannot be won and the only solution is to neutralize all southeast Asia.
>
> Mansfield's statement strengthened a growing body of opinion among Vietnamese and Americans here that the United States is sick of this war and is looking for a way out.
>
> Officially there was no reaction. Privately and unofficially, reaction ran the gamut of cliches from shock to dismay to anger.
>
> "Of course it wasn't the Senator's intention to give aid and comfort to the Communists and undermine Vietnamese and American morale," said a top American official. "But that's exactly what he did. And he couldn't have done a better job if his speech had been written in Hanoi."
>
> Over a beer in the Bar Cintra, an American helicopter pilot with a Purple Heart was heard to say, "If we are going to throw in the towel, then I'd just as soon go home now instead of next month."
>
> That Mansfield was expressing his personal views rather than speaking for the Johnson administration was a distinction that most Vietnamese and Americans failed to draw.
>
> This was especially so in view of Mansfield's position as Senate majority leader and the background knowledge of this area that he has acquired through frequent visits.
>
> There was even a suspicion that he was speaking with White House sanction when he quoted President Johnson's comment on De Gaulle's neutralization proposal: "If we could have neutralization of both North Vietnam and South Vietnam I am sure that would be considered sympathetically."
>
> American officials here made two major points to rebut a neutralization solution:
>
> 1. The war in South Vietnam admittedly is not going well, and after two changes of government in 3 months, political stability is lacking. But the situation is by no means hopeless, and Vietcong capabilities are still limited. The new Government headed by Gen. Nguyen Khanh still has to prove itself. But, on the other hand, it is moving in the right direction.
>
> 2. Neutralization simply is not possible except on Communist terms, which means surrendering all southeast Asia to Chinese Communist domination. Besides, Communist North Vietnam has already made it abundantly clear that it will not accept neutralization.

Mr. Speaker, in addition to the adverse effects which American suggestions of neutralization have had in South Vietnam, damage has been done elsewhere.

In Thailand, Government officials are watching this country carefully to determine whether the will of the United States to resist Communist aggression in Southeast Asia is wavering. Any U.S. moves toward neutralization in South Vietnam are sure to cause serious repercussions in United States-Thai relations.

We cannot give way—or appear to give way—before the expansionist policies of Communist China. Instead, we must make our stand in Vietnam, as long as the freedom-loving people of that nation ask our assistance in fighting communism.

Neutralization is no solution; neutralization means defeat. Let us not allow fancy rhetoric or a narrow view of our national interest blind us to that fact.

To me our course in Vietnam is clear. We must stay and assist the South Vietnamese defeat the Vietcong, no matter how long the fight, no matter what the commitment of resources.

In conclusion, I wish to commend the attention of my colleagues to an article which appeared in the Washington Post last Sunday written by Zbigniew Brzezinski, noted expert on communism. Dr. Brzezinski presents cogent arguments on how and why neutralization of South Vietnam would be a U.S. defeat and a handover to Peiping:

"NEUTRAL" VIETNAM A CHINESE BACKYARD: NOTED STUDENT OF COMMUNISM SAYS DE GAULLE SUGGESTION WOULD BE U.S. DEFEAT AND HANDOVER TO PEIPING

(By Zbigniew Brzezinski)

> President de Gaulle's recent press conference has had at least one benefit: it has forced us to rethink our purposes and our methods in southeast Asia. Now we have to decide whether we are going to pull out of South Vietnam or whether we will reaffirm our determination to stay.
>
> Should we decide to get out, we may choose to neutralize South Vietnam as a transitional face-saving device. It is hard to believe that a political realist like General de Gaulle had any other purpose in suggesting it except to extricate the United States from a region which, as he has stated, he considers to be primarily a responsibility of China.
>
> Indeed, I strongly suspect that De Gaulle has concluded that the United States is neither capable nor has the will to stay in southeast Asia. In keeping with his geopolitical concepts, involving a demarcated world dominated by several major powers, he feels that to stabilize the situation in southeast Asia, the area must be handed over to the Chinese. "Neutralization" is a gracious way of doing this.

DISARMING APPROACH

> His approach bears a striking resemblance to his handling of the Algerian problem. Knowing full well that neither the French people nor the French army would swallow a flat statement to the effect that France must abandon Algeria, De Gaulle successfully obfuscated the issue by a number of misleading pronouncements while steadily edging toward the Evian agreement.
>
> His suggestion that the United States agree to the neutralization of southeast Asia is very much on the same order. He realizes that a flat proposal that the United States disavow its previous commitments would create a furor in America and would not further his objectives. "Neutralization" sounds more acceptable.
>
> Conceivably, he takes neutralization seriously. In that case, he is unrealistic. It can be flatly stated that neutralization of southeast Asia is not a politically viable alternative. In our age, the only successful cases of neutralization involve Finland, Austria, and Yugoslavia. In all cases, the country neutralized rested between two major and cohesive power blocs.

INTERNALLY VIABLE

> Each side realized that a move against the neutrality of the states concerned would precipitate countermoves from the other side. Furthermore, both in the Austrian and in the Finnish cases, domestic Communist subversion had been suppressed by the governments concerned. Hence there was in-

ternal political viability of the sort that does not exist in South Vietnam or, for that matter, elsewhere in southeast Asia.

Yugoslavia became neutral after having been expelled from the Communist camp. Its new neutrality was successfully maintained with American aid and came to be stabilized precisely because on the one hand Yugoslavia was faced by a homogeneous Stalinist bloc and on the other, in Italy and Greece, by NATO. Furthermore, Tito was in charge of a united Communist state. He did not have a "South Yugoslavia" to conquer, like Ho Chi-minh.

Last but not least, these states were neutralized not as a result of internal Communist pressure and military aggression and in the wake of repeated American commitments to defend them, which then had to be disavowed. The very fact of past American commitments to defend southeast Asia, which now would have to be disavowed for the sake of the so-called neutralization, would further weaken the conviction of the parties involved that their neutrality was protected by the balanced antagonism of two equally determined blocs.

Neutralization of South Vietnam today, even if accompanied by a formal neutralization of North Vietnam, would be nothing less than an American defeat. Furthermore, it would leave southeast Asia without any countervailing political force to that of China. In effect, it would transform that area into a Chinese political backyard.

A ROW OF DOMINOS

As a result it is certain beyond question that there would be immediate political instability in Thailand, whose northeast is already exposed to insurgency and whose politicians are already fearful that American commitments are not to be trusted. Malaysia, until 2 years ago an area of Communist insurgency, would be certain to fall, and the collapse of these states would have a direct impact on the present insurgency in Burma.

The collapse of the small southeast Asian states would not only benefit China politically and economically but it would be likely to have further unsettling effects on India and Indonesia. One cannot predict precisely what would happen—but it is clear that stability is not to be sought through neutralization.

The thesis that the area is doomed inevitably to come under Chinese domination simply ignores India, in whose stability the West has an interest. It bears a striking resemblance to the argument made often in the late 1940's to the effect that Europe could not be maintained against the powerful Russia. Just as the aggressors have been contained in Europe and countervailing forces have been developed, so in Asia the Chinese should and can be contained, thereby giving a breathing spell to the emerging and developing nations.

ANTI-RUSSIAN POLICY

There is a further dimension to all this. The rapid expansion of Chinese influence, achieved primarily because in southeast Asia China did persist in revolutionary war of the sort which the Soviets had considered dangerous, would immeasurably increase Chinese prestige within international communism and place the Soviet leadership under enormous pressure.

In fact, through failure to respond we would be cooperating in an international refutation of the Soviet foreign policy. The Soviet leadership, I believe, would be tempted to emulate the Chinese example, since otherwise the international Communist movement would be likely to follow the Chinese lead. The effect of the policy of neutralization would be an escalation of international tensions.

One may also add that the loss of South Vietnam would be likely to have a very negative impact on the American domestic scene. It would reawaken extreme rightwing claims that there has been a new betrayal, and it could result in a new wave of extremism in 2 or 3 years from now.

A TRIBUTE TO THE AMERICAN LEGION

Mr. BURKE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BURKE. Mr. Speaker, the fourth annual American Legion Washington National Conference is being held this week. National Commander of the Legion, Daniel F. Foley, will direct the executive sessions of the 1,200 top legionnaires from 54 American Legion departments. Mr. Foley, from Wabasha, Minn., is the brother of Eugene Foley, Administrator of the Small Business Administration, and the Honorable John Foley, formerly a Member of Congress from Maryland. Mr. Foley is to be commended for the excellent work he has performed in his present capacity and, as a tribute to this performance, he is to be awarded the "Lantern Award" on April 19, 1964, at the Statler-Hilton Hotel in Boston, Mass. This award, which has national significance, is made annually by the Knights of Columbus, and is given to one who has made an outstanding patriotic contribution in his particular field of endeavor. This will be the eighth annual award and each year a different occupational field is selected. Past recipients include Richard Cardinal Cushing, House Speaker John W. McCormack, Attorney General Robert F. Kennedy, and J. Edgar Hoover.

In attendance at this conference is Thomas E. Abely, present Commander of the American Legion, Department of Massachusetts. Mr. Abely, a constituent of mine from Canton, Mass., was elected at the June 1963 convention at Quincy, Mass. His administration has been featured by a highly successful seminar at Boston College in Legion affairs, the establishment of the first department newspaper, and a memorial mass for our late, beloved President John F. Kennedy at the Cathedral of the Holy Cross in Boston during December 1963. Commander Abely, a native of Winthrop, Mass., was a military intelligence operative in the U.S. Army from 1943 to 1945. He is a graduate of Northeastern University, an employee of Dun & Bradstreet in Boston and has made his home in Canton since 1941. He was responsible for the success of the annual dinner for National Commander Daniel F. Foley held on February 29, 1964, at the Statler-Hilton Hotel in Boston.

In line with the conference this week and being a Legionnaire, I would like to pay tribute to the American Legion.

It is safe to say, I think, that the American Legion and the American way of life are closely tied, in many vital respects. None more so, however, than the extent to which both are inextricably tied to the fate, the future, and the progress of democracy itself.

We Americans have a great deal to take pride in and a great deal to be thankful for, so far as democracy is concerned. Through hard work, perseverance and native intelligence, we—that is to say, our ancestors—established a remarkable Nation on this continent, capable of surpassing all others in the fields of commerce, industrial production, and technological skills. In all this, we have every right to pride. We must, however, give additional credit to sources other than ourselves. For we have, in fact, been blessed with the greatest of luck, in the history of our political development.

In the first place, there has never been a case in which our political leaders have sold us down the river, for the sake of personal gain. That has been the fate of many republics—not ours, however. Nor has our military leadership ever, in our history, moved to take control of the country. That is another way in which democratic-republican government has been killed off, time and again, in other lands. Yet we, thank heaven, have been spared that calamity.

One of the reasons for our good fortune in these regards, I believe, is that our Armed Forces have been so closely identified with the people themselves. That is to say, there always has been, in our civilian population, a large contingent of military veterans with the power to influence governmental policy. Not professional soldiers, but civilians with military experience, they therefore can understand military needs without distrusting democratic institutions. This body of Americans, far from threatening the democratic fabric of American life, have bolstered it, in every respect, throughout the span of our national existence.

It is therefore an additional blessing, from the national point of view, that American veterans have seen fit to organize, the better to serve their interests and the interests of the Nation, combined.

As the largest of veterans organizations, the American Legion has taken the lead in this regard, and in so doing has won for itself a place of high standing in the eyes of the American people and all other people of good will familiar with its undertakings.

The history of the American Legion, from the time of its formation, in Paris, in the year 1919, through 45 years of peace and war, has been one of devotion to God and country. In the minds of those who founded the organization, were a number of ideals, uppermost of which were these:

First. Creation of a fraternity based upon firm comradeship born of war service and dedicated to a square deal for all veterans, particularly the disabled, their widows and orphans.

Second. National security for America, including a universal military training program for the prevention of future world conflicts.

Third. Promotion of a 100-percent Americanism and the combating of communism, nazism, fascism, socialism, and all other foreign isms.

Yes, those were the prime goals, the first objectives; and yet, with the passage of time, many more purposes came to mind and many more avenues of service opened up before the eyes of the forward-looking American Legion leadership. Concern for the national economy; concern for child welfare, the overall legislative program of Congress, and so on: all became issues in which the American Legion took a strong and vital interest.

As a result, the Legion has come to stand as a strong and able adviser and consultant for all persons interested in promoting the national welfare.

With the great expansion of membership that followed the close of World War II, and the further increase as a result of opening its ranks to honorably discharged veterans who served during the Korean conflict, the American Legion looks forward to continuous useful contribution to American life. It will continue to shape its plans and adhere to the principles set forth in the Preamble to the National Constitution to the end that the American Legion always may be rightfully referred to as, "The best insurance policy a country ever had."

NEED FOR COMPETITIVE BIDDING ON NAVY PROCUREMENT

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, the prices paid for a Navy rocket launcher and power supply dropped to one-third the former price when competitive bidding was recently forced. As a matter of fact, the former noncompetitive price of about $6,500 went all the way down to $1,993 when the Navy was forced to scrap a sole source procurement and get competition.

This sole source cancellation came just 8 days after my first formal inquiry into the case—and about 7 weeks after I first heard about the case from a source inside the Navy Department.

My Navy informant first alerted me to this impending waste of tax money in early June 1963. There was, he said, underway in the Navy Department Bureau of Weapons a purchase of a rocket launcher identified by the technical nomenclature of LAU–7 and a power supply to activate it known as the PP–2315.

Past history showed this equipment to have been developed by two manufacturers, I was told. Douglas Aircraft Co. developed the launcher and produced it, without competitive bidding, at a cost of about $4,500 each. The Benrus Watch Co. developed and produced the power supply at a cost of about $2,000 each. The development was paid for by the Government.

Now, this naval employee told me, there was another procurement on the rails and ready to roll. But, he said, there was no need for a sole source procurement. The Government had bought and paid for plans and specifications. There was no great urgency, and it was felt the price would drop dramatically if competitive bidding were allowed.

I only wish I could tell the Members of the House the name of the individual who came to me with information designed to save the taxpayers money. I cannot, since this person was guaranteed anonymity by me.

I could not even tell the Navy the identity because, as shall now be shown, an attempt was made to cooperate with the Navy when such information reached me in the past to no avail.

On November 14, 1963, I received a letter from Rear Adm. Charles Curtze, then Acting Chief of the Bureau of Ships. It referred to information I requested—a request, incidentally, that stemmed from inside information received from the Navy Department.

Admiral Curtze's letter said, in part, and I quote:

> It is surprising to me that such tentative planning information, which, to the best of my knowledge has not been announced, should be known outside the Navy Department.

I was impressed by Admiral Curtze's letter and felt perhaps we could work together to clean up some of the procurement abuses in the Navy. What better course could there be than to work together with the head of a bureau? In that spirit, I wrote Admiral Curtze the following letter on November 15, 1963:

> DEAR ADMIRAL CURTZE: Thank you for your letter of November 14, 1963, and for the information transmitted on the AN/SQS 26 sonar equipment. I am at present studying this documentation, and it appears to me to be a very intriguing case.
>
> I was particularly impressed by the last sentence in your letter. I think if you sat here on Capitol Hill, you would be appalled more than surprised at what is going on in your command. Admiral Curtze, I do not seek out this information; it seeks me out. Dedicated Navy employees, who apparently are fed up with what goes on in some of your procurement sections and who cannot stomach any more, call me on the telephone daily. They tell me to "look here" and "look there." Truly, if I followed up every lead, neither your office nor mine would get anything else done.
>
> When these calls come to my attention, I am always careful to point out to the caller that the Navy has administrative remedies for grievances and agencies to handle complaints of sloppy, inefficient work. The responses I get, I am sure, would shock you, although they have long since failed to shock me. They do, however, add to a growing disgust with some of the purchasing policies of the Navy.
>
> My study of procurement was started over 2 years ago. Frankly, I had no idea of just how far it would go. I fully expected to find out that the Navy, Army, and Air Force were efficient, orderly and frugal in buying goods for our military defense. My disappointment has been doubled by what I have consistently uncovered.
>
> To demonstrate my willingness to cooperate at all levels in order to get a more efficient, less costly procurement system, I stand ready to telephone your office the next time I get a complaint from a Navy Department employee. I shall tell you the name of the complainant and the nature of the complaint, but only if:
>
> 1. My communication will be regarded by you as totally confidential.
> 2. I am permitted to sit in on every single meeting with this individual.
> 3. I am permitted to interrogate those who are involved in the complaint.
> 4. All answers and questions are taken down in writing so that everyone—including you and me—will be on the record.
> 5. The identity of this individual will be protected, and this individual will be protected from reprisals or retaliatory action in the future.
> 6. The case is prosecuted vigorously and those in the wrong—if they are, indeed, proved to be so—are given their just deserts.
>
> Very truly yours,
>
> EARL WILSON,
> *Member of Congress.*

Mr. Speaker, I do not feel my request was unusual. I simply wanted to guarantee the immunity of any Navy employees who, in a genuine desire to be helpful, came to me with information on procurement abuses.

Some of my conditions were highly negotiable. In short, I was trying to be helpful and find an avenue of mutual accord down which the Navy could proceed with me to uncover a few polecats in the woodpile.

On December 17, 1963, I received an answer to my letter, this from Rear Adm. W. A. Brockett, Chief of the Bureau of Ships. I ask unanimous consent to insert his letter at this point:

> MY DEAR MR. WILSON: In your letter of November 15, 1963, to Rear Adm. Charles A. Curtze, you offered to tell "the name of the complainant and the nature of the complaint," the next time you "get a complaint from a Navy Department employee." Your offer was subject to several conditions which do not appear feasible to me and which I cannot accept.
>
> I am, of course, interested in learning of any improper practice within the Bureau of Ships, since as Chief of Bureau, I am responsible for the Bureau's operation. In the event you advise me of a complaint, even though anonymous, as to improper practice within the Bureau of Ships, I will certainly have such complaint investigated, with a view toward corrective action.
>
> Sincerely yours,
>
> W. A. BROCKETT.

It should be apparent by now that it is next to impossible for me to disclose my sources. Without protection they would not come to me and what I consider to be a valuable pipeline of information would dry up. It also should be apparent that a Navy employee is taking his future into his own hands when he says anything that might possibly rock the boat.

Just such inside information as I am speaking about came to me in June, 1963. My informant said the purchase was all ready, and he predicted there could be a dramatic savings achieved if someone would act.

It took me a period of weeks to check with technical sources in the electronics industry. They told me, without reservation, that the equipment could be made by any reliable manufacturer and saw no reason for a continued sole source purchase by the Navy.

On July 30, 1963, I wrote the Navy to start my study of this case. By this time I had been told that the contract documents were almost ready for signing. My letter of July 30, 1963 to Secretary of the Navy Korth follows:

> DEAR MR. SECRETARY: In connection with the LAU-7( ) launcher and the PP-2315/A power supply, please advise me what disposition was made of BuWeps Control No. 4770-63 and 4771-63. Also, will you please supply me with a single copy of each of these procurement documents.
>
> Please identify the BuWeps engineer who has cognizance over the procurement of this equipment, giving me his name, rank or grade and room number.
>
> Also arrange to supply me with a photostat copy of U.S. Naval Ordnance Test Station, China Lake, Calif., memorandum dated May 31, 1963, from code 5522 to code 405 BuWeps making a report on investigation of PP-2315/A power supply failures. Your early attention to this request will be appreciated.
>
> Sincerely yours,
>
> EARL WILSON,
> *Member of Congress.*

Nine days later I received my answer. It answered my past questions and told me where to look for more information. Here is the answer I received:

> MY DEAR MR. CONGRESSMAN: This is in further reply to your letter of July 30, 1963, to the Secretary of the Navy, in which you request certain information on the LAU-7( ) launcher and the PP-2315/A power supply.
>
> The requests for proposals issued under our control numbers 4770-63 and 4771-63 have been canceled. A copy of each is attached in accordance with your request.
>
> Mr. Lee Morgan, GS-14, room 1W64, has engineering cognizance over the launcher. Mr. William Burch, GS-14, room 1W64, has engineering cognizance over the power supply. It should be noted, however, that the procurement of these items is not handled by the technically cognizant engineers, but rather by our production and contracting groups. Mr. Richard S. Chambers of our Aircraft Production Division is responsible for establishing the requirements and initiating the procurement action.
>
> I am also attaching a copy of the Naval Ordnance Test Station, China Lake, Calif., memorandum dated May 31, 1963, which you requested.
>
> Sincerely yours,
>
> W. T. HINES,
> *Rear Admiral, U.S. Navy,*
> *Deputy Chief, Bureau of Naval Weapons.*

From close contacts in both the electronic industry and the Navy, I learned that, at one time, a contract had already been given to one of the two sole source firms for its signature. This would not have been a binding contract until the Navy had signed it in any event, but it was quickly called back in when the sole source procurement was canceled.

On September 26, 1963, a competitive purchase plan was issued for both of these equipments. Mr. Speaker, that IFB was so complicated that a Philadelphia lawyer might have to enlist the aid of a Washington lawyer to understand it.

Mr. Speaker, there was every reason to believe that this purchase could be made at a dramatic saving to the taxpayer if industry was fully informed. Seeking to aid manufacturers and to help them help prove—again—the desirability of responsible competitive bidding, I wrote to the 260 firms listed on the Navy Department bidders list for this equipment, both transmitting information and asking pertinent questions. The information I sent was unclassified but was not of a generally circulated nature.

On January 31, 1964, when competitive bids were opened, the former rocket launcher price of $4,500 each paid under noncompetitive conditions dropped to $1,040 each, and the former sole source power supply price of about $2,000 each went all the way down to $953. As a matter of fact, there was a bid for the power supply that was $100 less, but in making the bid set so complicated, the Navy made it impossible for this bidder to get the power supply contract. Thus, the Navy, thanks to its own inefficiency, will still be paying $100 more for each power supply than really necessary. Here is the transcript of bids, showing the dramatic results.

Navy Purchasing Office, 600-254-64—opened, Jan. 31, 1964—LAU-7, launcher +PP-2315 Power Unit

LAU-7, guided missile launcher, to be in accordance with military specification MIL-L-22520A(Wep) dated May 25, 1962, and with amendment No. 1, as modified in the invitation. Quantity 2,612 units, approximately, plus bids required for approximately 2,092 units of the PP-2315/A power supply per Mil-P-22621A(Wep) as modified, also bids on 2,558 units of the LAU-7/A launcher including the PP-2315/A power supply as a single package price. (Prior awards LAU-7/A to Douglas for about 250 units at $4,500; plus awards to Benrus for PP-2315/A at an approximate price of $2,000—last negotiated by NAFI with all materials Government-furnished to Benrus for $501.

	Launcher LAU-7	Power unit PP-2315/A
Name of firm bidding IFB 254-64 and terms offered:		
1. Varo, Inc., 2201 Walnut St., Garland, Tex., D. R. Taylor, general manager, Electronic Products Division, Broadway 6-6141(214), submitting 2 sets of quotations, otherwise unexplained here	$1,040.00	$953.00
Varo's 2d quotation under this invitation	1,058.00	970.00
2. Bogue Electric Manufacturing Co., 100 Pennsylvania Ave., Paterson, N.J., W. L. Guttenberg, vice president, dial 201 LA 5-2200	1,297.00	1,450.00
3. Talley Industries, Inc., 455 East McKellips Rd., Mesa, Ariz., telephone 602 WO 4-2981, A. Stamatakis, vice president of administration	1,301.70	1,457.81
4. Missile Systems Corp. of Texas, Emtex Division, 1000 West Crosby Rd., Carrollton, Tex., W. W. Upfield, vice president, CH 7-1761	1,479.69	1,490.36
5. Sperry Farragut Co., Division Sperry Rand, Bristol, Tenn., Earl C. MacCormac, vice president, works manager, phone 615-968-1151	1,510.50	1,248.89
6. Weston Instruments & Electronics Division of Daystrom, Inc., Archbald, Pa., M. S. Dell'Agelio, director of contracts, phone 717-876-1500	1,535.00	1,170.00
7. Nortronics, Division of Northrop Corp., Marine Equipment Department, 77 A St., Needham Heights, Mass., L. M. Chattler, vice president, manager, 617-449-0400	1,545.80	1,404.20
8. Hughes Aircraft Co., Aerospace Group, El Segundo Division, Post Office Box 90515, Los Angeles, Calif., E. M. Boykin, vice president, 213 Orchard 0-1515	1,569.00	1,181.00
9. Standard Armament, Inc., 631 Allen Ave., Glendale, Calif., Curtis Correll, sales manager, Victoria 9-1314	1,585.22	1,638.25
10. Raytheon Co., Lexington, Mass., J. G. Stobo, vice president, GM Missile Systems Division, phone 617-862-6600, making 2 quotations	1,687.00	1,448.00
Raytheon's 2d quotation here	1,851.00	1,611.00
11. Consolidated Diesel Electric Corp., 880 Canal St., Stamford, Conn., 203-325-2261, J. I. Davis, vice president	1,810.00	1,445.00
And other bids: Burton Manufacturing Co., Linochine, Emerson, Arvin, Entwhistle, Benrus at $2,112.84 and $1,345.24; and others from Electronic Specialty, Edo, Allied Ordnance, Westinghouse, Midway, Model, Bendix Red Bank, General Electric, ITT San Fernando, Sargent Fletcher, Decitron, and more. One interesting figure is the $873 power supply bid from Burton: Burton Manufacturing Co., 7922 Haskell Ave., Van Nuys, Calif., 91406, M. N. Lompart, president, telephone 213-781-8910	1,849.00	873.00

Speaking again of the low bids, Mr. Speaker, the price dropped to less than one-third the sole-source price when competitive bidding was forced. It is a sad testimony to the economy and efficiency of the Navy that this economy had to be forced and prodded, however.

The only way to control the cost of Government is by dealing in specifics, by naming people, dates, places, and items. The President prefers to control the cost of Government by turning the lights off in the White House. I think it can best be done by turning the lights on the waste in the Defense Department so the people can see the finagling that squanders their tax dollars.

In that regard, it is necessary that the person who had the sole-source tracks laid out for this rocket launcher be identified. His name is Richard Chambers, and he is in the Navy's Aircraft Production Division. He is the man chiefly responsible for this Navy-made mess.

It was Chambers who had this buy set up to go sole source in the first place and who would have wasted 225 percent of the taxpayers' money but for the fact that someone looked over his shoulder. As I have said, there was information that the contracts were already drawn up before I made my first formal inquiry, although I will not be surprised if this is denied.

It was Chambers who caused to be issued such a complicated bid document.

This is an example of the inefficiency and slipshod work that has been going on unchecked for years under the sacred-cow protection of national defense.

Mr. Speaker, but for information given me from inside Navy, and but for help from the electronic industry, here is another case where the taxpayers' pocket would have been picked and more tax dollars flushed down the drain.

This is just another polecat chased out of the woodpile. There are thousands more, enough for all Members of Congress, if they could only find time to spend on the project.

FEDERAL TAX ON GAMBLERS A BIG FLOP

Mr. FINO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, after 12 long years, we find that the 1951 Federal tax on gamblers is still a big flop. This tax has failed miserably not only as a revenue producer but as a gambling stopper as well.

When Congress imposed this $50 stamp and 10 percent tax, which the Supreme Court in 1958 interpreted as governmental recognition of gambling in the United States, it was then believed that it would pump into our Treasury at least $400 million a year based on estimates that the gamblers' annual take was $4 billion a year.

The sad story is that after 12 full years, gamblers have paid into the coffers of our Treasury only $86.9 million out of their multibillion-dollar illicit earnings. This is a far cry from the $5 billion which Uncle Sam should have collected since 1952 under the old estimates of gamblers' earnings. Further proof that this law is a farce is evidenced by the fact that only about 10,000 persons have admitted being gamblers by buying their stamps and paying their Federal wagering tax.

Mr. Speaker, reports from the McClellan committee show that gambling in this country has grown into a $10 billion a year tax-free monopoly from which the underworld crime syndicates line their filthy pockets with $10 billion a year. Now, if this Federal wagering tax was at all effective it would pump into our Treasury at least $1 billion a year. The results show otherwise.

It is very difficult, Mr. Speaker, for our American taxpayers to understand the double role played by our Government. While we assume a sanctimonious attitude about gambling, we tax gamblers, gambling winnings, and admissions to racetracks and yet refuse to accept the obvious.

If we stopped all of this doubletalk hypocrisy and really faced the fiscal facts of life and if we recognized the normal gambling spirit of the American people and capitalized on it through a national lottery, we would not only help solve the ever-growing gambling problem in the United States but we would also transfer at least $10 billion a year from the underworld into our own Treasury—for the public benefit.

What are we waiting for?

URGE RATIFICATION OF GENOCIDE CONVENTION

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, more than a dozen years have passed since the Senate was asked to confer its advice and consent to the convention on the prevention and punishment of the crime of genocide. I rise again to appeal that the United States commit itself internationally to what has long been principle and law in this country.

This is a vital matter that should no longer be delayed. I urge that the sense of this House be expressed in support of Senate ratification of the Genocide Convention by adoption of my resolution—House Resolution 591.

Sixty-seven states have now ratified and acceded to the treaty provisions. The Government of the United States, along with 20 other nations, signed the convention 2 days after it was unanimously approved by the United Nations General Assembly on December 9, 1948. It came into force on January 12, 1951, as between ratifying states.

The intent of this agreement is unambiguous. The contracting parties, confirming that genocide is a crime both in peace and war, undertake to prevent and punish it. Article I defines genocide as the intent to destroy, in whole or part, a national, ethnical, racial, or religious group.

Acts within the context of the definition are: killing members of the group; causing serious bodily or mental harm to members of the group; deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part; imposing measures intended to prevent births within the group; forcibly transferring children of the group to another group.

Conspiracy, public and direct incitement, and the attempt to commit genocide are punishable.

It must be recognized, Mr. Speaker, that the bulk of the offenses associated with genocide are already punishable under our criminal law. Our undertaking under this treaty would not fundamentally create new law.

At the hearings held before a subcommittee of the Senate Foreign Relations Committee in early 1950, some persons of the legal community leveled a stanch and, at times, impassioned attack. First, let me say that I am not against this Nation undertaking international commitments. Much of the criticism resulted from a faulty interpretation of the treaty's provisions. Opponents claimed that the Genocide Convention would abrogate constitutional and sovereign rights.

I cannot agree. For the most part, we are merely giving international sanctity to nationally recognized crimes. We are extending the law created at Nuremberg to cover acts committed during peacetime. We are attempting to prevent, forever, the wholesale slaughter of human beings.

Now Mr. Speaker, I have heard a few respected authorities claim that under this agreement, the United States obligates itself to intervene wherever the practice of genocide may arise. Nothing could be further from the truth, though I am not personally rejecting the value of such a provision. On the contrary, the language of the treaty does not authorize a unilateral guarantee. The form of implementation is clearly laid down and restrictive.

Article 6 provides that domestic courts shall exercise primary jurisdiction. An international tribunal may be established, at some later date and with the agreement of the contracting parties. It would be highly desirable for an international court to try offenders of international law, but I doubt very much that the ratifying powers will ever consent to this procedure, considering their historical reluctance to grant the World Court, and other institutions, appropriate authority.

Concerning the fulfillment of the treaty's commitment, disputes between contracting parties with regard to acts of genocide, and State responsibility, shall be submitted to the International Court of Justice. That is to say, another State can allege before the International Court that an act of genocide has been committed by some other state.

Although national courts have jurisdiction to prosecute cases occurring within their national borders, the Hague Court can entertain complaints entered by one state against another.

There is nothing unusual about this. International tribunals of one sort or another have been deciding international disputes since the 17th century. If we undertake to comply with the provisions of the treaty to prevent and punish the crime of genocide, then there should be no reason to fear the proper execution of that undertaking. History teaches us that most agreements are but scraps of paper unless there is established, by mutual consent, adequate machinery for implementation.

Concern has also been voiced that this agreement could be used by other nations to interfere, vocally or otherwise, in our racial situation.

This covenant has nothing to do with racial or minority discrimination. It does not aim at the denial of human rights to individuals. It relates exclusively to mass extermination, the intent to destroy thousands of people precisely because of their race, national origin, or religion.

Nothing like this has ever occurred in this country. In fact, our constitutional system makes it quite impossible.

Moreover, genocide is characteristically incited, condoned, or directed by governments, and not by individuals acting on their own.

There are others who have contested that the Genocide Treaty will impose a great new body of law, and that this encumbrance will complicate the relationship of the States and the Federal Government under the Constitution. The States will allegedly be deprived of a vast field of criminal jurisprudence.

We all know that Federal and State courts exercise concurrent jurisdiction in many areas of criminal law. Just because a new offense has been added to the relatively small list of international wrongs does not mean State authority is diminished.

Constitutionally, the courts of this Nation are obligated to enforce international law. The law of nations is part of our law. Treaties duly signed and ratified according to our constitutional procedures become the supreme law of the land. The power to define and punish offenses rests with the Federal Government.

It has been our experience that both customary and conventional international law is adopted into the system of jurisprudence. This, of course, is essential for the proper conduct of foreign relations.

The Genocide Convention carries the proviso that States will enact legislation providing for effective penalties for persons guilty of genocide acts. This is a necessary article of implementation.

Mr. Speaker, I have attempted to refute the most common objections raised against the Genocide Convention. There are some people of isolationist persuasion who have read things into this treaty which are not there. Fear and ignorance are at the root of their folly.

This Nation cannot in good conscience stand for international norms of morality and good will, and then reject this treaty. Its provisions are in perfect concert with the principles of law and justice which lie at the base of our way of life.

Is it realistic for our citizens to fear the application of an international undertaking of this nature? Certainly not. If any nation possesses a record clean of wholesale, arbitrary coercion, that nation is the United States.

It should be the declared purpose of this Government to further the cause of international law. The need for preserving and extending a body of law, applicable to all States, is even more pressing today as the past colonial possessions enter the family of nations as equals. We must do all in our power to spare them the errors and atrocities of a former period.

Indeed, Mr. Speaker, the security and peace of the free world does not merely depend upon blunt military strength. It will likewise depend upon our ability to exert a worldwide compliance with well-established customary, and codified, law. The Charter of the United Nations itself, which outlaws force and threats of force, is an all-important cornerstone of this developing law.

The Genocide Convention contributes to the growth of universal legal practice. I do not shy away from the obligations which this might entail. Sovereignty is not surrendered in freely agreeing to comply with a set of generally accepted rules. Government is in itself a complex of commitments. And in the act of deciding to observe certain rules, we are intrinsically exercising the sovereign prerogative.

I ask, Mr. Speaker, that this Nation join with others in condemning the monstrous crime of genocide. Surely this should not overly tax our prejudices, our sensitivities, our imperfections.

The Senate Committee on Foreign Relations should reopen hearings on the Genocide Convention forthwith. I urge my colleagues to give this matter long and serious thought. With your permission, I am appending the official text of the treaty to my remarks, so that Members may read the document at their leisure.

Text of the Convention on Genocide

The contracting parties,

Having considered the declaration made by the General Assembly of the United Nations in its Resolution 96(I) and dated December 11, 1946, that genocide is a crime under international law, contrary to the spirit and aims of the United Nations and condemned by the civilized world;

Recognizing that at all periods of history genocide has inflicted great losses on humanity; and

Being convinced that, in order to liberate mankind from such an odious scourge, international cooperation is required;

Hereby agree as hereinafter provided.

Article I: The Contracting Parties confirm that genocide, whether committed in time of peace or in time of war, is a crime under international law which they undertake to prevent and to punish.

Article II: In the present Convention, genocide means any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group as such:

(a) Killing members of the group;

(b) Causing serious bodily or mental harm to members of the group;

(c) Deliberately inflicting on the group conditions of life calculated to bring about its physicial destruction in whole or in part;

(d) Imposing measures intended to prevent births within the group;

(e) Forcibly transferring children of the group to another group.

Article III: The following acts shall be punishable:

(a) Genocide;

(b) Conspiracy to commit genocide;

(c) Direct and public incitement to commit genocide;

(d) Attempt to commit genocide;

(e) Complicity in genocide.

Article IV: Persons committing genocide or any of the other acts enumerated in Article III shall be punished, whether they are constitutionally responsible rulers, public officials, or private individuals.

Article V: The contracting parties undertake to enact, in accordance with their responsive constitutions, the necessary legislation to give effect to the provisions of the present Convention and, in particular, to provide effective penalties for persons guilty of genocide or any of the other acts enumerated in Article III.

Article VI: Persons charged with genocide or any of the other acts enumerated in Article III shall be tried by a competent tribunal of the State in the territory of which the act was committed, or by such international penal tribunal as may have jurisdiction with respect to those contracting parties which shall have accepted its jurisdiction.

Article VII: Genocide and the other acts enumerated in Article III shall not be considered as political crimes for the purpose of extradition.

The contracting parties pledge themselves in such cases to grant extradition in accordance with their laws and treaties in force.

Article VIII: Any contracting party may call upon the competent organs of the United Nations to take such action under the Charter of the United Nations as they consider appropriate for the prevention and suppression of acts of genocide or any of the other acts enumerated in Article III.

Article IX: Disputes between the contracting parties relating to the interpretation, application or fulfillment of the present Convention, including those relating to the responsibility of a State for genocide or any of the other acts enumerated in Article III, shall be submitted to the International Court of Justice at the request of any of the parties to the dispute.

Article X: The present Convention, of which the Chinese, English, French, Russian, and Spanish texts are equally authentic, shall bear the date of December 9, 1948.

Article XI: The present Convention shall be open until December 31, 1949, for signature on behalf of any member of the United Nations and of any nonmember State to which an invitation to sign has been addressed by the General Assembly.

The present Convention shall be ratified, and the instruments of ratification shall be deposited with the Secretary-General of the United Nations.

After January 1, 1950, the present Convention may be acceded to on behalf of any member of the United Nations and of any nonmember State which has received an invitation as aforesaid.

Instruments of accession shall be deposited with the Secretary-General of the United Nations.

Article XII: Any contracting party may at any time, by notification addressed to the Secretary General of the United Nations, extend the application of the present Convention to all or any of the territories for the conduct of whose foreign relations that contracting party is responsible.

Article XIII: On the day when the first twenty instruments of ratification or accession have been deposited, the Secretary General shall draw up a proces-verbal and transmit a copy of it to each member of the United Nations and to each of the nonmember states contemplated in Article XI.

The present Convention shall come into force on the 90th day following the date of deposit of the 20th instrument of ratification or accession.

Any ratification or accession effected subsequent to the latter date shall become effective on the 90th day following the deposit of the instrument of ratification or accession.

Article XIV: The present Convention shall remain in effect for a period of 10 years as from the date of its coming into force.

It shall thereafter remain in force for successive periods of 5 years for such contracting parties as have not denounced it at least 6 months before the expiration of the current period.

Denunciation shall be effected by a written notification addressed to the Secretary General of the United Nations.

Article XV: If, as a result of denunciations, the number of parties to the present Convention should become less than sixteen, the Convention shall cease to be in force from the date on which the last of these denunciations shall become effective.

Article XVI: A request for the revision of the present Convention may be made at any time by any contracting party by means of a notification in writing addressed to the Secretary General.

The General Assembly shall decide upon the steps, if any, to be taken in respect of such request.

Article XVII: The Secretary General of the United Nations shall notify all members of the United Nations and the nonmember States contemplated in Article XI of the following:

(a) Signatures, ratifications and accessions received in accordance with Article XI;

(b) Notifications received in accordance with Article XII;

(c) The date upon which the present convention comes into force in accordance with Article XIII;

(d) Denunciations received in accordance with Article XIV;

(e) The abrogation of the Convention in accordance with Article XV;

(f) Notifications received in accordance with Article XVI.

Article XVIII: The original of the present Convention shall be deposited in the archives of the United Nations.

A certified copy of the Convention shall be transmitted to all members of the United Nations and to the nonmember States contemplated in Article XI.

Article XIX: The present Convention shall be registered by the Secretary General of the United Nations on the date of its coming into force.

BULGARIAN INDEPENDENCE DAY

Mr. FOUNTAIN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MULTER. Mr. Speaker, the Bulgarians are perhaps the best fighters among all of the rugged peoples of the Balkans; their checkered history proves that they always are ready to make the supreme sacrifice for freedom and independence.

They have played a prominent part in the turbulent history of southeastern Europe. During the Middle Ages they had one of the most powerful and flourishing states in the region, a nation which wielded tremendous influence. Late in the 14th century the Ottoman Turks invaded the Balkans and subdued all of the peoples there. Bulgaria was one of those brought under the rule of the sultans.

From 1396 on—for nearly five centuries—the indomitable Bulgarians did everything in their power to oust the Ottoman overlords from their homeland. Time and again, particularly in the late 18th and early 19th centuries, they staged revolts in the hope of freeing themselves. Unfortunately, all of their efforts ended in the loss of many thousands of innocent lives. But the Bulgarians were undismayed by their failures and continued the seemingly endless struggle. As the Greeks and Serbians secured their freedom early in the 19th century, Bulgarians were encouraged by their success and fought the Turks with greater determination. Convinced of the rightness of their cause, they vowed to be free from tyranny. Their first good chance came in the 1870's.

The year 1875 was a year of terrible turmoil in the Balkans; peoples still under the domination of the Turks were increasingly troublesome to them. The Bulgarians were heading the movement. The issue attracted the attention of Europe, and the statesmen of the great powers, including Russia, showed a keen concern for their fate. Czarist Russia in particular was apprehensive of the dread danger threatening the Balkans and was prepared to fight in their behalf. In the following year—1876—the Turks, anxious to teach a lesson to those rebelling against their rule, massacred many thousands of the Bulgarians; some say as many as 20,000. This event aroused the great powers and spurred them on to further involvement in the Balkan political struggle. The entire diplomatic machinery of the great powers was put in motion for the purpose of restraining the Ottoman sultan and securing some measure of liberty for the Bulgarians. But the obstinate Sultan remained unconvinced; he was unwilling to even listen to them. Though it seemed that the issue might have to be decided by force, the powers, as a group, proved unwilling to go that far.

Russia alone, among the great powers, was prepared to do this. After several months of abortive deliberations, conferences, and negotiations, when it was clear that no united action would be taken, Russia took the matter into her own hands by declaring war in the spring of 1877 on Turkey.

It has often been said that this was one of the few wars which the Government of czarist Russia waged ostensibly for the good of other people. However one may look at it, it was that war which freed the Bulgarian people from the Ottoman Turks. Early in 1878, when there was no doubt about the outcome, when, in fact, the Russian forces were within sight of Constantinople, the Turks sued for peace. On March 3 of that year a preliminary treaty of peace was signed at San Stefano, a suburb of the Turkish capital.

This treaty provided for the separation of Bulgaria from the Ottoman Empire and the creation of a new Bulgaria within its historic boundaries. Subsequently, however, this treaty was modified and—under pressure from Great Britain—it was altered to provide a much smaller nation which was still to be under the suzerainty of the Sultan for many more years. But that historic March 3, the day of the signature of the treaty of San Stefano between Russia and Turkey, marks the birth of modern Bulgaria and the freedom of the Bulgarian people.

Many world-shaking events have taken place since 1878, and the fate of the Bulgarian people has often been thrown into the whirlpool of world politics. They were involved, much against their will, in the First World War. Being on the losing side, they suffered heavily. During the interwar years they did well under their own government as masters of their own destiny.

Today Bulgaria, the once free home of a free people, is a large Communist-dominated prison camp for its inhabitants. There they suffer under Communist tyranny and cherish the hope that they will regain their freedom. On the observance of their liberation day we all join with them in that hope.

INCOME TAX CUT

Mr. FOUNTAIN. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. FOGARTY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FOGARTY. Mr. Speaker, last Wednesday, President Johnson, flanked by congressional leaders, signed the income tax cut just 6 hours after the Congress had acted.

The President called the tax cut an "expression of faith in our system of free enterprise—a reliance on private rather than more Government spending." In his tax bill statement he said:

> We could have chosen to stimulate the economy through a higher level of Government spending. Instead we chose tax reduction—and at the same time we reduced Government spending.

He continued, and I quote:

> If American enterprise responds to this new opportunity with increased investment and expansion * * * then the Federal Government will not have to do for the economy what the economy should do for itself.

Mr. Speaker, the ink was scarcely dry on the bill the President signed when the city of Los Angeles was informed that the Federal Government would appropriate $90 million if the city would substitute the Federal Government for private enterprise.

Here is what happened: The Department of Water and Power of the City of Los Angeles, after serious consideration of all factors involved, and basing its judgment upon a study made by a world-famous engineering firm, had negotiated an agreement with a private company to wheel power without cost to the Federal Government from Bonneville Dam to the city of Los Angeles. This private company would not buy or sell; it would simply wheel the power. A letter of intent was signed by the Department of Water and Power of the City of Los Angeles and by this private company.

Thursday, February 27, 1964, the department of water and power reversed its action. It was stated that the Federal Government would erect this line at a cost of $90 million and that the city of Los Angeles should place its reliance not upon private enterprise but upon the Federal Government.

Here you have the spectacle of the Federal Government saying, in effect:

> We will put this burden on the backs of the taxpayers if you will reverse your well-considered business arrangement with private enterprise.

This action is a complete reversal of the President's expression of faith in our system of free enterprise and a reliance on private rather than more Government spending. It would establish such a precedent for public spending that it would make a mockery of the President's attempt to stimulate our economy.

Let us support the President's program and let the word go out to the country that we of this Congress mean to support the President's plan for stimulating the economy by private spending.

CIVIL RIGHTS

Mr. FOUNTAIN. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. WAGGONNER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WAGGONNER. Mr. Speaker, an article which was quoted frequently during the recent debate on the so-called civil rights bill was one by Edward F. Cummerford, of the New York bar, "Civil Rights and Civil Wrongs."

The Shreveport Journal recently printed excerpts from that article in an excellent editorial "Must America Accept the Terrible 'Equality' of Slavery?" which I commend to all Members and particularly the Members of the other body as they begin considering this unconstitutional bill.

MUST AMERICA ACCEPT THE TERRIBLE "EQUALITY" OF SLAVERY?

Are the people of America about to lose the cherished liberty for which their Founding Fathers fought and died?

Is the Congress of the United States about to plunge the people of this great Nation into the terrible "equality" that is slavery?

These are questions raised by Edward F. Cummerford, of the New York bar in an article, "Civil Rights and Civil Wrongs," appearing in the February issue of the American Bar Association Journal.

"While no decent person will defend racial or religious hate," Mr. Cummerford writes, "it does not follow that every possible action taken to eliminate them is either good or necessary."

Indeed, he argues, the drive to wipe out so-called discrimination and bias may ultimately lead to the destruction of individual liberty.

With the most punitive civil rights legislation in the history of America now being pushed in the Senate, Mr. Cummerford's acknowledgment of the fact that the men and women of America stand in danger of being reduced "to the level of dehumanized automations," as in George Orwell's novel, "Nineteen Eighty-Four," is prophetically ominous.

"In general," Mr. Cummerford writes, "nations lose their freedom in one of two ways. The first is by violence, either from within or from without; bombs, machineguns, and the like do the job. The second is far more subtle and insidious; this is the slow, gradual process of evolution. By stages, freedom is chipped away and so gradually that few are aware of the real meaning of the process until it is, perhaps, too late. As each little bit of freedom is taken away, the highest and noblest motives are given and the 'best people' in the land give their wholehearted approval. Their intentions may be of the very best, but of such is the greatest superhighway of them all constructed."

Citing regional antibias laws which have been used in various sections of the country to impose the will of a minority upon the people as a whole, Mr. Cummerford suggests that such a pattern soon will be followed throughout the United States if the pending Federal civil rights legislation is enacted.

Under the regional laws, Mr. Cummerford points out, discrimination is usually outlawed in such areas as employment, housing, public accommodations and resorts, public transportation, and sometimes education. About half the States, and some municipalities, now have such laws, many with enforcing agencies.

"Invariably," Mr. Cummerford says, "these agencies begin their work in an unobtrusive manner but with the passage of time they often become increasingly aggressive, seeking more powers, asking broader areas in which to operate, and harsher punitive measures for alleged offenders. Some have stated very candidly that if enough complaints are not filed to keep them busy, they will go out searching for examples of bias. Frequently, they query employers as to the proportions of races and creeds in their employ; they scrutinize employment applications to see if there are any questions deemed discriminatory; they scan advertising by hotels and resorts to ferret out language that might be a subtle cloak for bias. These commissions, in short, seem to view their scope as ever widening."

Mr. Cummerford, who has practiced law in New York City since 1946 and who received his education at Fordham University, continues as follows:

"Almost with each passing day, new and strange events are reported in connection with the inexorable drive to wipe out bias. Private property is seized and held by mobs; sit-in demonstrations are conducted in State capitol buildings, city halls, board of education properties, and the like.

"Racial pressure groups dictate to private employers what the racial makeup or their payrolls shall be, and to school boards what the racial makeup of the student body shall be. Crude pressure is exerted against private clubs because of their membership policies, and threats are heard to abolish them altogether.

"What is most distressing about all of this is that those elements in the community which should be the most responsible—the press, the clergy, educators—yea, even the bench and bar—view these examples of mob action as something good, and even give them their full support and encouragement. One cannot avoid wondering if they have reflected on the proposition that if a mob can take over a lunch counter because it dislikes the policies prevailing within, it can, by the same token, take over a church or a publishing plant or a university which has incurred its displeasure."

Noting that "new and strange concepts are being infused" into the American system of jurisprudence, Mr. Cummerford observes, "What is more alarming is that they are being accepted, passively and unquestioningly by most of our populace. Liberty is being subordinated to 'equality.' A type of absolute egalitarianism riding roughshod over personal privacy and individual freedom has become the order of the day. Matters that formerly were well within the realm of personal choice and decision are now branded as criminal or tortious, with the punitive police power of Government standing by. Private business and social dealings now must contend with the Government as an uninvited third party, overseeing and checking what private citizens do and even how and what they think."

In a warning which should strike to the hearts of all free men and women in America, now that our very liberty is at stake in the Halls of Congress, Mr. Cummerford declares:

"When bureaucrats not chosen by the people can warn us to obey the 'spirit' of laws or face penalties; when a Federal district judge can sit as the absolute overseer of a local community's affairs; when schoolteachers are muzzled and coerced; when our citizens cease to be free individuals and become merely 'ethnic groups' to be manipulated according to some sociological dictum; when our law and our courts become merely the extensions of the sociologists' workshops; when Government can invade the hearts and minds of men to search out their subtlest motivations and innermost thoughts; when all of these things come to pass in our land of the free, it is high time we ask ourselves just where we are headed.

"The most significant recent developments center on proposed Federal legislation in this field. If such laws were to be enacted the National Government would be given jurisdiction and powers in areas never previously regarded as coming within its ambit. The erosion of State and local authority would be tremendously accelerated.

"The hour is late. We may be, even now, in the twilight of our liberty, standing on the very threshold of the type of era envisioned by Orwell. When liberty is taken from some, it tends ultimately to fade for all. When that dreadful day arrives there no longer will be any need to argue about discrimination for we shall all be joined together in the terrible equality that is slavery."

The American Bar Association Journal deserves much credit for presenting Mr. Cummerford's scholarly warning against the dangers confronting American citizens today in the infamous civil rights legislation pending in the Senate.

Americans in all walks of life—lawyers, ministers, educators, businessmen, industrialists, bankers, laborers, and housewives—should flood the Senate with protests.

It should be the prayerful hope of all citizens that we should be spared the terror of a police state such as that embodied in the civil rights bill.

CONGRESS SHOULD REVIEW THE DRAFT

Mr. NELSEN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Lindsay] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LINDSAY. Mr. Speaker, recently my distinguished colleague in the Senate, Senator Kenneth Keating, proposed a comprehensive study and investigation of the adequacy of the draft.

Mr. Keating's bill would authorize a definitive investigation, by both civilians and members of the Armed Forces, of problems concerning the draft. Mr. Keating was joined by several other Senators, including Senator Jacob Javits, in the introduction of his proposal.

Mr. Speaker, I have long felt that our draft laws need serious study and I heartily support Senator Keating's idea. We need a review of our use of manpower, and we need to know how the draft fits in with our educational and military needs in future years.

Last year, I supported a proposal to reduce the draft extension to 2 years, from the present 4. I felt adoption of the amendment would force a review of the current situation.

Today, I am introducing a bill similar to the one proposed by Senator Keating in the Senate. I urge my colleagues to give it their careful consideration.

FOREIGN POLICY—THE RISKS OF IRRESOLUTION

Mr. NELSEN. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. Cleveland] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, American foreign policy is giving the impression to the world that the United States is weak and uncertain of its goals. While our foreign policy must be flexible to meet changing situations around the world, there is a big difference between flexibility and indecisive leadership.

On policies toward South Vietnam and trade with Communist nations, the United States has made conflicting statements and taken contradictory stands that have encouraged a feeling around the world that the United States is weak. Noticed by the Communist world, this indecisiveness of American foreign policy strategy is stimulating Communist subversion and aggression throughout the far corners of the world.

The tragic lessons of the past must not be forgotten. Lack of U.S. firmness in dealing with world affairs resulted in the loss of many countries to communism immediately after World War II. Last May, in Milford, N.H., I emphasized these thoughts as follows:

> We must not let our aspirations for peace be interpreted, as they have in the past, as weakness. Nor can we permit firmness to develop into unbridled belligerency. Theodore Roosevelt expressed this well. "We should speak softly and carry a big stick."

> If we are to preserve peace, we must maintain a posture of unquestionable strength and firmness. History shows clearly that weakness and indecision invite attack and lead to war.

I would like to call to my colleagues' attention an editorial, "The Risks of Irresolution," which appeared in the March 2, Wall Street Journal which echoes the thoughts of my Milford speech. It is a thoughtful and penetrating analysis and deserving of careful and concerned consideration.

> THE RISKS OF IRRESOLUTION
>
> With communism presenting a variety of faces today, it is natural and necessary for U.S. policy to be flexible. It also inevitable that the attempted flexibility should produce considerable confusion.
>
> Nettled by criticism of seemingly contradictory policies, Secretary of State Rusk has undertaken to clarify Government thinking. There are three main objectives, he said in a speech last week: To prevent the Communists from extending their domain and make it tough for them to try; to achieve agreements which might reduce the danger of war; and to encourage evolution within the Communist world toward national independence and open societies.
>
> This means a sterner policy toward Cuba and Red China than toward Soviet Russia at the moment. It means one attitude toward Yugoslavia, not formally part of the Soviet bloc, and another attitude toward Czechoslovakia. It means a favorable response to a Rumania beginning to want more contacts with the West. It means force to try to prevent the Communists from extending their domain in southeast Asia.
>
> To some critics, the objectives are mutually inconsistent and the upshot close to appeasement. But a good many people, ourselves included, would not quarrel with the objectives; after all, international communism is in disarray, and it makes sense to exploit it while resisting aggrandizement. What bothers a lot of people is that the implementation of the policies often seems inept or worse.
>
> So we are tough with Castro's Cuba at least in an economic sense. But the policy hasn't evicted the Soviet arms and men. Nor has it kept Cuba from selling a lot of sugar in the world and thus being able to make trade deals with our allies. The pitiful U.S. exercises in retaliation against those allies only make the Government look foolish.
>
> The greatest power on earth should have had the skill to prevent or cut out this cancer and stop it from spreading through the hemisphere. That is not only hindsight; many have been saying it all along. As it is, Cuban policy violates the first objective cited by Mr. Rusk; the Communists emphatically have extended their domain, smack up against the United States.
>
> Vietnam is another sad case of performance falling far below policy. Year by year we have been drifting deeper and deeper into this ugly war without, it now seems plain, ever having a realistic strategic plan for winning it—even in the limited sense of causing the Red guerrillas to cease their attacks.
>
> The result is that the United States is said to be confronted now with the choice of pulling out or expanding the war to North Vietnam. Yet so irresolute has our effort thus far appeared that the talk of tougher tactics isn't especially convincing to the enemy. The Kremlin, in one of its better flights of hypocrisy, feels free to solemnly warn the United States against any such action.
>
> Admittedly a decision to carry the war closer to the enemy would be a grave one. It risks intervention by the Red Chinese and perhaps by Russia as well. It could cost many more American lives. For logistical and other reasons, it might not be successful. Given the indifference of many South Vietnamese, it may not be worth it; withdrawal might prove the better part of wisdom. But at least attacking the enemy's privileged sanctuary would be something decisive.
>
> What is intolerable is a strategy of drift. What is incredible is that the United States has managed to create such an impression of weakness that the Communists, whether in Latin America or southeast Asia, figure they can pursue their aggressions with impunity.
>
> That is the crux of the matter. The disunity in the Communist world is far more the result of its internal contradictions than any exploiting we have done. The agreements we have made with the Communists have not perceptibly advanced peace; they are still on the warpath, busily extending their domain.
>
> And a major reason the U.S. objectives aren't being reached is that flexibility too frequently looks like flabbiness.

THE REPUBLICANS OFFER SMALL BUSINESS FULL COMPENSATION UNDER URBAN RENEWAL—THE ADMINISTRATION OFFERS ONLY A CONSOLATION PRIZE

Mr. NELSEN. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. WIDNALL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. WIDNALL. Mr. Speaker, the Republican housing and urban renewal bill offers small business full compensation for firms forced to relocate, whereas the administration housing and urban renewal bill offers only a consolation prize to small business firms forced to relocate. The difference between the Republican approach and the administration approach are deep and striking.

In a statement presented to the Special Housing Subcommittee of the House of Representatives the National Federation of Independent Business called on the Congress to provide just compensation to business firms forced to relocate because of the Federal urban renewal and housing program and other Government construction projects.

At the conclusion of my remarks I shall include the significant statement of this matter which was presented to the House Special Housing Subcommittee by George J. Burger, Jr., assistant to C. Wilson Harder, president of the National Federation of Independent Business. This is the first nationwide survey made by a national small business organization. It covered 4,020 independent businessmen in 46 cities in 34 States. The survey was made at the request of Henry Krevor, chief counsel, Select Subcommittee on Real Property Acquisition, House Committee on Public Works.

The findings in the survey show that there is support for liberalized compensation, however, it extends only to tangible items like machinery, equipment, fixtures, and moving costs which are readily verifiable. It is most important to note that the survey shows little support for payments for intangible items such as living costs, and lost income which are not so easily verifiable. The Republican housing and urban renewal bill—H.R. 9771, H.R. 9772, H.R. 9785, H.R. 9955, and S. 2566—providing, as it does, for full compensation payments in eminent domain proceedings, concerns itself with the tangible items called for in the National Federation of Independent Business survey. The administration housing and urban renewal bill, however, offers only a $1,500 consolation prize to these businesses unable to relocate in a year's time. Because of the intangible nature of this payment, which would go to displacees whether it was needed or not, 60 percent of those interviewed in the survey oppose payment of compensation to displacees unable to relocate if that is the only ground for awarding compensation.

It is clear that small businessmen are more interested in continuing in business than in existing on a dole. Two other findings of the survey were: first, there is a great need for improved informational procedures for the benefit of firms affected by these programs; and second, there is a need for major improvement in the laws and procedures involved in these Federal urban renewal and housing programs. The Republican housing and urban renewal bill meets these needs squarely by improving these laws and procedures, particularly in terms of just compensation to small independent businesses forced to relocate from an urban renewal project area, and includes requirements to aid small independent businessmen for the very first time in any major housing and urban renewal legislation. Such just compensation should have been provided from the very beginning, for it is most unfair that small and independent business is being forced to bear the major costs of these housing and urban renewal programs.

It ill behooves this or any other administration to make propaganda speeches about deep concern felt for the Nation's 4½ million small independent businessmen, and woo them during election years, and then pay only part of the real value of property taken from them under eminent domain proceedings during the course of Federal urban renewal projects, and other Government construction projects.

It is significant that this vitally important survey conducted by the National Federation of Independent Business reached many of the same conclusions of an independent study made by Brown University, which was financed by the Small Business Administration. I would call your attention to the comment by Dr. Basil G. Zimmer, professor of sociology at Brown University and the author of the study to which I refer. Dr. Zimmer has written me saying:

> I feel that it is a shame—actually almost a disgrace—that the Federal Government would continue to spend millions of dollars on urban renewal without providing significant funds for objective outside appraisals of the consequences of these programs. There are few problems in modern American society more in need of research.

I find it both incomprehensible and unconscionable that this administration resists and ignores such an independent and significant study as the one made by the National Federation of Independent Business, as well as a study such as that made by Brown University which was paid for by tax funds.

I include the statement by George J. Burger, Jr., assistant to C. Wilson Harder, president of the National Federation of Independent Business, for the information of my colleagues and in the hope that President Johnson and the administration housing officials will give it a thorough study.

STATEMENT OF GEORGE J. BURGER, JR., ASSISTANT TO THE PRESIDENT, NATIONAL FEDERATION OF INDEPENDENT BUSINESS, SUBCOMMITTEE ON HOUSING, HOUSE COMMITTEE ON BANKING AND CURRENCY

ADEQUACY OF COMPENSATION PAID TO FIRMS FORCED TO RELOCATE OPERATIONS DUE TO GOVERNMENT CONSTRUCTION PROJECTS

On behalf of the members of the federation, I am pleased to present to your subcommittee this analysis of the survey which we made last year on the above indicated subject among a representative cross section of federation members.

First, however, let us make one point crystal clear: While this analysis presents the considered opinion of many of our members on the problems involved in forced business relocations, and details many individual experiences, it does not determine the position of the federation on proposed legislation. Such determination is made only through mandate polls. We have not polled our members on the various bills before your subcommittee, and therefore can be neither for nor against any of them.

We do believe, however, that the opinions expressed in this analysis of our survey, and the experiences reported, will materially assist the members of your subcommittee in making decisions on the bills before you, when and where necessary.

We made this survey during July of 1963, at the request of Mr. Henry Krevor, chief counsel, Select Subcommittee on Real Property Acquisition, House Committee on Public Works. The questions asked were based on a series of proposed queries which Mr. Krevor furnished to us.

To keep this survey, which was a special project, within manageable proportions, we limited coverage to 4,020 of our then 195,000 members. Selection of areas covered (46 cities in 34 States), was based on a list of cities, submitted by Mr. Krevor, cities which had either recently undergone urban renewal projects or were in the formative stages of one of these projects. It was based also on geographical considerations. Members covered were located in all parts of the Nation (introductory section of report—copy available at our Washington, D.C., offices, Washington Building).

The listing of occupations of the 511 federation members who responded to the survey (pp. 2–6 of the report) shows we achieved a true cross section of our own membership, which in turn is a true cross section of all American smaller, independent business and professional people.

The fact that our coverage was limited to cities involved in urban renewal indicates replies were from knowledgeable people. The fact that among our respondents were those who had been compelled to move and had completed their moves, those who were faced with the prospect of having to relocate, those left behind in fringe areas, and those whose operations had not been disturbed indicates that a balance was achieved between what might be called special interest and general public interest. Actual signed copies of the responses underlying this survey are available for your subcommittee's inspection at our Washington, D.C., offices. And now to the survey:

I

It is quickly apparent that independents involved in these projects have not been, and are not being, fully conpensated for their losses, and that the projects are very costly to them.

For instance, of the 28 reporting members who were forced to move due to urban renewal project, 25 (23 of them from inside the construction area, 2 from outside the areas) gave details of their experiences. Of this number:

Ninety percent reported having to spend sums ranging from $350 to $175,000 for remodeling or otherwise rehabilitating their new properties.

Eighty-four percent reported additional costs for purchase of replacement properties (sums involved ranged from $6,000 to $60,000), and for new rentals (costs of which represented increases ranging from $50 to $250 more per month).

Sixty-three percent reported having to undertake additional expenses (above normal advertising, promotions, etc.) to reestablish their operations, in sums ranging from $300 to, in one case, $175,000.

Forty-eight percent reported losses in value of furniture, fixtures, and equipment, ranging from $500 to $10,000, for which they were not compensated and which they could not move.

Forty-four percent reported having had to spend sums ranging from $175 to $50,000 in addition to allowances made, for their costs of moving to new locations.

Twenty-four percent reported losses ranging from $200 to $2,000 for which they were not compensated in value of furniture, fixtures, and machinery which they were able to move to their new locations.

Despite these costs, 84 percent said that the amount of compensation received had not compelled them to retrench. One independent, however, reported having had to close down following relocation, and here is his story in brief:

"Truck service company located outside the construction area. Moving expenses did not exceed Government allowances. Rented property at old location, and did not indicate any increase in rent cost at new location. Suffered no loss in value of furniture, machinery, fixtures able to move to new location. Business income decreased $5,000 since relocation. Forced to liquidate."

Interestingly, 32 percent expect their incomes to decrease in amounts ranging from $2,000 to $20,000 a year in their new locations, while 60 percent expect their income either to remain the same or increase (in amounts ranging from $2,000 to $50,000).

Seventy-six percent reported being able either to find the financing needed for their moves, from external sources or internally. Sixteen percent said they had not been able to secure all the financing they needed.

Next, of the 26 reporting members who were faced with the prospect of having to move—20 gave details of their expectations, 2 (their stories later) are being forced to close down, and 4 gave no details.

Eighty-five percent expect to pay more for their new property (in sums ranging from $10,000 to $50,000) and to pay more rent than presently in their new locations (in sums $75 to $300 monthly).

Sixty-five percent anticipate additional expenses (above normal advertising, other promotions, etc.) ranging from $475 to $15,000 in reestablishing their operations.

Fifty percent expect to have to expend sums ranging from $1,000 to $40,000 to remodel or rehabilitate their new properties.

Fifty percent expect to suffer losses for which they will not be compensated, ranging from $500 to $10,000, in the value of furniture, machinery, fixtures, and other equipment which they will not be able to move to their new locations.

Thirty-five percent expect to suffer losses for which they will not be compensated, ranging between $250 and $2,000, in the value of furniture, machinery, fixtures, and other equipment they will be able to move to their new locations.

Thirty percent anticipate moving costs above their allowances ranging between $500 and $5,000.

Twenty-five percent say that the amount of compensation received from Government will cause them to retrench operations (35 percent take the view they will not be forced to retrench).

Interestingly, 50 percent expect their incomes to increase in their new locations (30 percent expect a decrease), while 35 percent do not expect the need to relocate to force them to close down.

Perhaps significantly, there were a much greater number of answers in the "I don't know" category among firms facing the prospects of moving than among the firms who had moved. This may have been due to the fact that projects in their areas hadn't matured sufficiently. On the other hand, it may have been due to the fact that informational services in connection with these projects are not as effective as they should be. In this connection, one businessman observed:

"Advance information for proper planning seems to be the most important phase of this problem. Government projects do not start overnight. An orderly readjustment would be less expensive and possibly advantageous for many businesses. Time lost in controversy over values could exceed the value of compensations received."

Now as to the two firms who are being forced to close down:

The first is a motel located on a road that is being bypassed by a new superhighway. Briefly its story is as follows:

"Located outside planned construction area. Estimates $150,000 moving expenses not compensated by Government. Owns property: estimates would be required to pay $45,000 more for new property than will receive for old property. Estimates $75,000 loss in value of furniture, machinery, fixtures and other equipment that might move to new location. Estimates $65,000 loss in value of furniture, machinery, fixtures and other equipment that could not move to new location. Expects relocation to decrease his income. Estimates would have to spend $150,000 in remodeling at new location. Estimates would have to spend additional $30,000 to reestablish operation. States will have to close down operation because of requirement to relocate, at loss of $15,000 a year.

"(NOTE.—This motel located on road that will be closed down in favor of a new superhighway.)"

The second is a public warehouse. Briefly, its story is as follows:

"Business liquidated. Building has been on highway plans, shown to public for 9 years. Since business involved public warehousing the condemnation publicity hurt the trade, since the public normally expects acquisition in 2 or 3 years. Firm's income went down rapidly due to publicity. Its final low income was the main factor used against it when it demanded a fair price (which, the former operator said, 'We did not get')."

Of the 25 firms located in the fringe area, 60 percent (chiefly in retail service trades) reported losses in income ranging from $2,000 a year to a flat $100,000 (some put it in percentages ranging from 5 to 20 percent) 28 percent reported their incomes unchanged, 8 percent said it was too early to tell, and 4 percent (a home builder-attorney) reported increased income. Obviously, taken as an average, firms located in the fringe areas suffer a great loss in income.

II

Now, how and to what extent do these independents, and their fellows who have not been directly affected, feel that present compensation processes should be changed, if at all? It is significant to see how the responses vary, and how the opinions of the different groups vary within each general response. For instance:

The most heavily favorable vote came in answer to the question whether laws affecting compensation should be changed. Strongest support for a change came from those not directly affected, followed by those in fringe areas and those facing need to move. Weaker support came from those who had completed their moves.

The second most heavily favorable vote came in response to the question whether changes should provide payment for moving costs, in full. Equally strong support for the proposed change came from those in fringe areas and those facing need to move. Slightly less support came from those not directly affected. Those who had moved trailed the rest.

An equally heavily favorable vote came in response to the question whether the change should provide payment for the loss of value in machinery, furniture, and equipment not movable to the new location. The percentage response was the same as that in the paragraph above. Strongest support for this came from those not directly affected, followed by those facing need to move, then those in fringe areas, and finally those who had completed their moves.

Fourth most heavily favorable vote came in response to the question whether changes should provide payment of all costs of setting up in new locations that are in excess of amounts recovered from sale (of) or loss in value of machinery, equipment, fixtures, etc. Those facing need to move led the approval parade here, followed in order by those in fringe areas and those not directly affected. Those who had completed their moves split 50–50 on this one.

Fifth most heavily favorable vote came in response to the question whether the change should provide payment to renters and owners of property. Those in fringe areas were strongest in their support, followed by firms faced with the need to move. Firms not directly appointed trailed in support by 9–13 percentage points. Firms who had already moved trailed by 15–19 percentage points.

Sixth most heavily favorable vote came in response to the question whether provisions for compensation should be the same in all Government construction programs. Here again those facing need to move led the approval parade, followed by those in fringe areas. Those not directly affected split 50–50. Firms which had already completed their moves voted heavily against this.

Seventh most heavily favorable vote (approaching the 50 percent favorable point) came in response to the question whether maximum and minimum amounts of compensation be developed, announced publicly, and be paid out in relation to losses due to projects. Firms facing the need to move split 70–30 on this, followed by those in fringe areas, and by those not directly affected. Sixty percent of those who had moved either opposed or had no opinion on this one.

Slightly over half responded unfavorably to the question whether, if compensation is paid to both owners and renters, it should be paid to both on equal basis. A slight majority of those in the fringe areas favored this one. Those facing need to move, and those not affected, each split equally. Almost 60 percent of firms which had made their moves opposed it.

Sixty percent responded unfavorably to the question whether the change should provide payment for reestablishing good will (advertising, promotions, etc.) at the new locations, or cost of good will if they have to buy a going concern in the new location. More than half the fringe area firms favored this. All other of the three categories opposed it, heaviest opposition coming from those who have moved and those not affected.

Almost 60 percent responded unfavorably to the question whether the change should compensate for costs of moving independents in fringe areas who are not physically forced to move, but who do so because of loss of business. More than half the fringe area firms favored this. Firms faced with need to move and those not affected were opposed. Strongest opposition came from firms who had made their moves.

Over 60 percent opposed payment of compensation to independents who lose their livelihood because of inability to reestablish in new locations. Firms faced with the need to move split 50–50 on this. Those in fringe areas and those who had already moved opposed it. Those not affected were most vehement in opposition.

A slightly greater percentage opposed payment of compensation to firms near a project who lose income due to the project. A little over half the firms in fringe areas favored this. About 65 percent of firms faced with the need to move and of the firms not affected, opposed it. About 75 percent of the firms who had already moved opposed it.

It appears clear that a significant pattern emerges from the foregoing: that there is support for changes in compensation for "tangibles," and opposition to changes in "intangibles." For instance, you can see, touch, and feel a bill for moving costs—but who can say how much future income is lost by a firm compelled to close down? You can measure with a reasonable degree of certainty the loss in value of furniture, fixtures, and equipment that can and cannot be moved to a new location—but how do you measure with an equal degree of certainty how much a firm in a fringe area has lost due to the construction project? In the same vein, how do you measure with any degree of accuracy the value of goodwill?

Let it not be thought, however, that those who responded to the survey were indifferent to the plight of those compelled to close their operations, and of those who lose income in the fringe areas. For instance:

As to compensation for loss of livelihood, one member commented: "On a declining scale with assistance at training, and as needed to steer toward a new trade." Another said: "These losses should be proven by comparison of past and present records of total business, expenses, etc." A third commented: "The only ones who should be compensated would be the very small places with a neighborhood following. Such should at least get as much out of their businesses as if they were to sell them, but I don't see how the Government can take the responsibility of lifetime compensation."

As to payment of compensation for loss of income by those in fringe areas, one member stated: "Compensation should be given only in the form of assistance to improve their operations only." Another commented: "The principle is good, however, proof of such losses may be difficult to administer."

As to payment of moving costs for firms leaving fringe areas, one member stated: "A manufacturing business forced to move from a fringe area would be in for an expensive adjustment. However, moving would be less mandatory in a fringe area since the location of the manufacturing plant is usually not critical. In the case of a retail or service business catering directly to the public, a large construction project can prove a boon or a catastrophe." A second commented: "A committee should be empowered to find facts and compensation made for damages. This committee to be one-third landowners, one-third local service clubs, and one-third government agencies involved." A third said: "Perhaps income from several years at new location could be averaged and compared with average income at old location, and this be used as basis for comparison to determine loss. Perhaps above a certain figure payments could be made in the form of something like a depreciation allowance."

Neither let it be thought that those who approved greater compensation for losses in value of furniture, fixtures, and equipment that can and cannot be moved, for moving costs and costs of setting up in new locations wanted a "blue sky" approach to be used. For instance:

As to the question whether compensation should cover loss in value of furniture, fixtures, and equipment that cannot be moved to the new location, one member stated: "Even though I have answered 'Yes,' this might result in unenforcible legislation except through the establishment of special claims courts to evaluate losses and compensation." Another said: "Only if it would have to be replaced." A third stated: "(Only if) not already written off."

As to question whether compensation should cover all costs of setting up in new locations in excess of amounts that have been recovered from of, or loss in value of machinery, equipment, fixtures, one member said: "(Only) to maintain equivalent operations as before, but policed to prevent excess gains." A second commented: "If they don't try to set up on a much larger scale than before." A third commented: "It is only fair to expect help in relocating, that is, in difference in cost of land, increase in cost of building. Salvage value should be taken into consideration." A fourth said: "Only on the basis of equipment equal to the old location—not a new, more expensive setup." On the other hand, one commented: "It is rarely possible to replace comparable facilities without paying much more for them than is received for the old."

As to the question of moving costs, one member commented: "The Government should pay only for removing. Such things as advertising, good will, loss of potential profits are nebulous and open the door for graft as well as Government control. Many areas are degenerating and some would go broke anyway. Depreciation is liberal enough for replacing equipment."

A second significant pattern emerges from the votes on these questions: support for changes was weakest among firms which had completed their moves. One might speculate that this was due to the fact they might feel: "We've made our way through relocation under current allowances. Others should be able to do so." This might be true but for one fact: They did support some of the changes, and in some of the changes they opposed, the other groups joined them. This emphasizes a matter which we mentioned earlier, the need for adequate information for all affected by development programs.

III

And now, let's take a further look at some of the relocation problems, experienced and hypothecated, by those who answered the questionnaire.

One businessman speculated (commenting on compensation for renters and owners) "We can only make statements in the light of how the loss of our building might affect us. In our own situation, for instance: We own our own building and conduct a small garment manufacturing business which could be operated in any location which might be centrally located and easy for our help to reach. However, we are (my wife and I run this business as a team) at retirement age now but will continue to operate the business as long as our health permits. However, we plan on this building, which is on an arterial street, to become our prime source of income when we retire. If this building were taken from us and we were not adequately recompensed we could suffer considerable hardship. There must be other cases similar."

Another who had already moved and was experiencing some difficulty, commented: "Our situation was due to urban renewal project—2½ years have passed and still no real progress in redevelopment of that area. Why must premature moves be necessary? Our business was only 1½ years old at the time and it worked a real hardship on us. Under normal conditions our move was imprudent and premature, but we had no choice."

Another who had already moved (a renter) said: "Prior to remodeling of the office interior, inquiry was made to the landlord whether or not our office will be forced to move in the near future. The reply was that he didn't think so. With the go-ahead statement our company invested about $3,000 in remodeling of the interior. All the expenses involved in this improvement were lost due to eviction. Nothing could be recovered."

Another who had already moved stated: "Relocation has caused me to purchase and use two additional pieces of transportation due to the fact that my business is a service that must be performed on the customer's premises. This is additional overhead that had not been considered by the Government and so far since relocating (2 years ago) I haven't been able to increase my volume of business to compensate for this added overhead and I have suffered a decrease in volume."

A businessman facing prospects of having to move said "We are in an old structure with rentals included (apartments). We were in the right of way of a proposed freeway, which we favored, but whose location has been shifted, but now we may be involved in a new underpass project, or street reconstruction, possibly both, both of which we are for. But, our location is very important, as an extremely potent competitor is ideally situated to take nearly all of our dropin trade if we move more than a block or two. Dropin trade used to be a very small part of our business, but it is now over one-half of it and increasing. This is a very difficult business to develop in a new location. Our outside business over the phone would tolerate a fairly long move without loss—the amount depending on whether we change phone numbers, and to which exchange if to a new exchange. Our "purchase of property" arrangements are a family affair and quite involved as far as compensation would be involved. (This location 31 years and we are known by our location.) We would be unable to obtain property or rental of a store within our "zone" at anywhere near the "overhead" we have at our present location, therefore, a complete change in our mode of operation may be required. We believe any business should be helped to recover from losses caused by construction, helped even if there is an improvement of status, but we are against cash payment in the form of a "dole" as this principle of compensation can be too easily abused by a "smart wise-guy" businessman and his lawyer. In addition to compensation for direct losses there needs to be help at finding a suitable location and in getting low cost financing for any improvements that may be needed to reestablish the business at a level at least as good as the original operation was."

Another facing prospects of having to move, commented: "There is a tendency on a Federal and State level to appraise property considerably lower than going rate, thus forcing condemnation. Aside from being costly to owners, Government usually winds up paying considerably more than owners would have accepted through negotiation. Some officials have frankly admitted that condemnation takes them off the hook."

A businessman in a fringe area had this to say: "Apparently most of the problem is caused by failure to require Government officials (employees, actually, regardless of grade) to consider the rights of all citizens and negotiate with them in good faith before completing a design of construction. Further, in dealing with these people, city, State, or Federal, I find most of them inexperienced or lacking in ordinary logic, common law, and understanding of what makes this country go. To give an example, as a recession measure in 1958, the Federal Government supplied the funds to build a four-lane freeway 2 miles long in front of my place of business. As they excavated the whole 2 miles 5-feet deep and then filled back about 3 feet, I couldn't tell what was going on until it was a 'fait accompli,' I had a nice front (auto parts business), I ended with no access from the front. A 6-foot bank in front of my parking area. The roadbed on a 20-degree angle whereas it had been level; a long island in the freeway which compels people coming from one direction to make a circuitous two-block drive to get in and I was virtually out of business for 5 months in 1959. What has this cost me? I don't know. I made $40,000 net in 1962 but it was the hard way—70, 80, and 90 hours a week. My property value ruined after an original $40,000 investment and 8 years of hardest labor."

Another in a fringe area said: "We are located in the center of the block directly across the street from the new Federal courthouse and office building. Our additional cost is due to demolition of the private garage and parking space where we kept our trucks and maintained customer parking. We were forced to rent additional property for parking at $100 a month and probably will be forced to move because of the increased value of property in the area and increase in rent when our lease expires."

One businessman comments, interestingly: "We expect to be benefited by the flood control project. Certain areas of our city are flooded every year, but the location of our business only when there is a major flood. The deepest water stood from 27 to 40 inches in lower floor. There is where we have most and heaviest equipment and mill supplies, etc. We would in no way be entitled to compensation on account of the project, but feel many will. It is a great undertaking to move, even though it entails no real financial loss."

Another businessman speculated: "If the factors controlling income received in a business change, naturally it is usually over a period of time, and the businessmen should be able to take these factors into consideration either to adjust them in his present location or to plan to move to another location. However, when the Government redevelops it is usually a total upheaval in the vicinity having immediate and total consequences, and the businessman has absolutely no control over what happens. He is at the mercy of a Government edict, and for this reason I think that the Government must pay compensation for their actions. The small businessman is usually in an older district because he doesn't have the financial resources to locate in the newer, more modern, and more profitable locations. When the older districts are redeveloped and new apartments and stores are built in these areas the small businessmen located in these areas must stand by and see financier-backed businesses take over because he, himself, cannot afford to open up these high rent locations. He also cannot always move into another older, low cost business district because they usually have their own established firms. So it comes down to this: His place of business is taken over, he cannot get a job because of his age, he has no unemployment compensation, or sufficient funds to keep him for any length of time, so he ends up as an unemployment statistic and eventually on relief rolls."

IV

What further suggestions did our members have? Let's take a look at a few of these:

One said: "There should be some consideration given business as to first choice on renting or buying property in a redeveloped area that is still suitable for the same type of business at the same price they were bought out at. Many businesses simply move completely out of the area and are lost for tax purposes."

Another said: "Since residents of property are offered comparable living facilities, or the refusal, other occupants (nonresidential such as businesses uses) should have the same offer. Costs of relocating, loss of productive time, wiring, and other installations that cannot be moved, as well as downtime and actual moving expenses should be part of the appraisal of the value of the moving, as well as the actual value of the premises. If the benefit to the people as a whole is established, then the property owner occupant should not be forced to sacrifice more than any other citizen to make the improvement possible. A fair market value for the property plus a fair evaluation of the moving and reestablishing of the business operating the way it was operating in the old or current premises should make up the selling price allowable to the person who has to move to make way for any civic improvement—freeway, redevelopment, etc."

Another: "I do think the Government should be realistic in all appraisals and watch out for the deceit and fraud practiced by persons with insider information on project locations, whereby some people make a lot of money."

Another: "The compensation for reestablishing a business should have a reasonable relationship to the comparable costs for the business establishment in the original location, based on prior records of the business concerned."

Another: "I think the Government should compensate the businessman if he is forced to move from an established location. If the law is too liberal, however, a great number of businessmen are going to take advantage of a given situation, and try to make money by charging the Government with all sorts of costs and losses. Compensation, and other adjustments due to Government projects should be based on Federal income tax reports prior to the project and after the project went into effect. This is the only true yardstick whether the move by a business to another location was detrimental or perhaps quite beneficial to the business. A situation of this nature will occur to a great many of the businesses along U.S. Highways 36–40 in Denver, Colo., after interstate 70 will bypass the main business arteries in Denver in approximately 15 months. We have formed a merchants group, just to work out plans how to minimize the loss of business due to the new highway. These projects naturally affect small businesses to a much larger extent than heavy industry, or large companies."

Another: "This [compensation] should be open negotiation and handled on a businesslike basis. Naturally, there will be differences and there will be those on both sides trying to take unfair advantage. Some form of arbitration can be worked out on these few. I believe 99 percent can fairly negotiate so that small business will not be hurt."

Another: "This is a very touchy problem and about every project has a different effect on business. I think every locality should have a locally appointed seven member board of independent businessmen to judge what to do about these situations, then approved by the U.S. Government."

Another: "Fair market value should be paid for properties taken over, based on value prior to the determination that such properties need to be purchased for the Government project. The period for determining fair market value should be at least 6 months prior to final determination of the project."

Another: "Actual losses should be paid in full. Intangibles should be considered, but weighed carefully. A system of impartial, knowledgeable referees to arbitrate these matters might be useful."

Another: "No blanket law should cover all cases. Real estate boards or arbitration boards should be used to determine losses. Provisions should be built in to protect the Government (taxpayers) against opportunists."

Another: "What is just compensation? Man owns plant and has for many years. Plant has been maintained and modernized. He should be compensated not on assessed value or even appraised value but on actual cost of equal facilities. If the Government did not require his moving, he could go on for many years without such expenditure. Why must he be put to added costs without compensation. However, if he moves to another city or State which furnishes plant free and even tax free, some penalty should be forthcoming to compensate community he leaves for loss of payroll, etc."

What about damages to areas not immediately adjacent to area of construction? Sometimes blasting, etc., alters rock formations even miles from area, causing settling that otherwise would not have occurred. Many other factors, such as traffic flow, are also altered far from project. Some relief should accrue.

To sum up our findings in this survey, they show:

1. Relocation is a very costly process for many independents. Many experience losses for which they are not adequately compensated.

2. While compensation is judged inadequate, a majority of those who have moved report that it was not a factor in compelling business retrenchment.

3. There is support for liberalized compensation, however it extends only into the areas of tangibles—items like machinery, equipment, fixtures, moving costs, et cetera, which are readily verifiable, and not into the area of intangibles—items like living costs, lost income, et cetera, which are not so easily verifiable.

4. While there is support for liberalized compensation, there is also strong insistence that this be provided with strict safeguards for the public purse.

5. Despite the difficulties encountered by those who had completed their moves and those left in fringe areas, and despite the difficulties anticipated by those facing the need to move:

(a) A significant number (60 percent) of firms which had completed their moves reported income as great as or greater than that in their old locations, as against 40 percent of those left behind in the fringe area.

(b) Three of the 79 firms in these categories reported having to close down their operations—one because of seemingly poor redevelopment planning, one because of diversion of a highway necessary to its trade, and one for reasons that are not clearly indicated.

6. There is, seemingly, a great need for improved informational procedures for the benefit of firms affected by these programs.

7. While there is some criticism of the concepts—chiefly urban redevelopment and ARA, chief criticism is over the need for improvement in the laws and the procedures involved in them.

DOMESTIC BEEF SITUATION GROWS STEADILY WORSE

Mr. NELSEN. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. GURNEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. GURNEY. Mr. Speaker, for the past four months, while the domestic beef situation has grown steadily worse as a tremendous volume of foreign beef products flowed into this country, the administration has been asking us to avoid the introduction of legislation to establish limitations. Furthermore, we have been asked not even to talk publicly about the matter lest we upset our balance of trade with Australia, or endanger our negotiating position with the Common Market.

We were assured the voluntary negotiations then being conducted with Australia and New Zealand would produce a remedy for the problem. The negotiations have concluded, but the results are a long way from the cure. Moreover, they are a slap in the face of the American cattle industry.

It has become quite clear that unless beef imports from these two countries, plus the tons of beef products coming to Florida ports from Latin America are curtailed, our domestic cattle industry faces a multimillion dollar loss.

While we are standing here today a flotilla of ships is approaching the United States from Australia loaded down with more than 30 million pounds of beef. This is equal to 72,545 head of cattle. This means American producers must retain this number of cattle on their ranches, resulting in increased costs, in the loss of labor for handling, slaughtering, and butchering. In short, it means a multimillion dollar loss to the Nation's economy.

Today, I have introduced a bill to limit beef imports to half of the 5-year average prior to December 31, 1963.

This will offer prompt relief to our domestic producers while still maintaining the United States as a fair market for foreign producers.

We are well aware of the value of the favorable balance of trade, but we cannot stand by and watch our American cattlemen go down the drain. Unless we take immediate action this may happen.

The time for action is now. Every day we delay costs our cattle producers untold thousands of dollars.

ARTICLE CHARGES U.S. AGENCIES PENETRATED BY REDS

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. ASHBROOK] is recognized for 15 minutes.

Mr. ASHBROOK. Mr. Speaker, earlier today I addressed the House and commented on the article which appeared in the Monday, March 3, 1964, New York Journal-American. It points out charges which certainly should be investigated so the American people can know the truth in this important matter. It is no secret that the State Department has been working hard to conjure up the picture of Soviet Communists as "maturing" and "responsible" world leaders who are gradually shaking off their rough ways. Our foreign policy is based on an unreal appraisal of our sworn adversaries and as a part of this effort, the American people have been deluged with propaganda. The Journal-American article presents a direct contrast to the pie-in-the-sky approach of the State Department and it should be thoroughly aired by a congressional committee which would be free of the builtin restraint of alibiing on its own failures.

The Journal-American article concerns one Michal Goleniewski, a defector from the Soviet secret police, who has proven a valuable informer in the past but, according to the story written by Guy Richards, has many further stories to tell concerning Red penetration of our State Department and even the Central Intelligence Agency. Mr. Goleniewski received the following endorsement last year when the Congress passed a private bill providing for his naturalization:

> His services to the United States rate as truly significant. * * * He has collaborated with the Government in an outstanding manner and under circumstances which have involved grave personal risk.

I include at this point in the RECORD the committee report and the public law which accomplished Mr. Goleniewski's naturalization:

SENATE REPORT NO. 437, CALENDAR NO. 417, 88TH CONGRESS, 1ST SESSION

(Mr. JOHNSON, from the Committee on the Judiciary (to accompany H.R. 5507).)

The Committee on the Judiciary, to which was referred the bill (H.R. 5507) for the relief of Michal Goleniewski, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization, and to exempt him from the provisions of section 313 of the Immigration and Nationality Act.

STATEMENT OF FACTS

The beneficiary of the bill is a 40-year-old native and citizen of Poland, who has been admitted to the United States for permanent residence and is employed by the U.S. Government. He was a member of the Communist Party in Poland before his defection in April 1958. His services to the United States are rated as truly significant.

A letter, with attached memorandum, dated May 15, 1963, to the chairman of the Committee on the Judiciary of the House of Representatives from the Commissioner of Immigration and Naturalization with reference to the case, reads as follows:

DEPARTMENT OF JUSTICE, IMMIGRATION AND NATURALIZATION SERVICE,
Washington, D.C., May 15, 1963.

Hon. EMANUEL CELLER,
Chairman, Committee on the Judiciary,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your request for a report relative to the bill (H.R. 5507) for the relief of Michal Goleniewski, there is attached a memorandum of information concerning the beneficiary. This memorandum has been prepared from the Immigration and Naturalization Service files relating to the beneficiary.

The bill would waive the provision of the Immigration and Nationality Act which prohibits the naturalization of aliens who were within the subversive classes during a period of 10 years immediately preceding the filing of a petition for naturalization. The bill would also grant the beneficiary sufficient residence and physical presence in the United States for naturalization and permit him to file a petition in any court having naturalization jurisdiction. The committee may desire to amend line 3 to reflect the beneficiary's correct given name as Michal.

Sincerely,

RAYMOND F. FARRELL,
Commissioner.

"MEMORANDUM OF INFORMATION FROM IMMIGRATION AND NATURALIZATION SERVICE FILES RE H.R. 5507

"The beneficiary, Michal Goleniewski, a native and citizen of Poland, was born August 16, 1922, in Nieswiez. His wife, Irmgard, is a native of Berlin and a citizen of Germany. They are now living in the United States. The beneficiary's education was all in Poland: in 1939 he graduated from the Gymnasium; he completed 3 years of law at the University of Poznan, and in 1956 he received a master's degree in political science from the University of Warsaw. He enlisted in the Polish Army in 1945 and was commissioned a lieutenant colonel in 1955, which rank he held until coming to the United States in 1961. He is now employed as a consultant by the U.S. Government.

"The beneficiary's one prior marriage terminated in divorce in Poland in 1957. He married Irmgard Kampf in 1961. Both the beneficiary and his present wife are permanent residents of the United States, having been lawfully admitted as of January 12, 1961.

"Mr. Goleniewski was a member of the Communist Party of Poland from January 1946 until April 1958, when he defected. Without the enactment of H.R. 5507 the beneficiary will not be eligible for naturalization prior to 1968.

"The Immigration and Naturalization Service has been advised that the contributions made by Mr. Goleniewski to the security of the United States are rated by the U.S. Government as truly significant. He has collaborated with the Government in an outstanding manner and under circumstances which have involved grave personal risk. He continues to make major contributions to the national security of the United States. * * * His primary motivation in offering to work with the Government has been and remains his desire to counter the menace of Soviet communism. * * *"

The committee, after consideration of all the facts in the case, is of the opinion that the bill (H.R. 5507) should be enacted.

[Private Law 88–59, 88th Cong., H.R. 5507, Aug. 28, 1963]

An Act for the Relief of Michal Goleniewski

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Michal Goleniewski, lawfully admitted for permanent residence in the United States, shall be held to be included in the class of applicants for naturalization exempted from the provisions of section 313(a) of the Immigration and Nationality Act, as such class is specified in section 313(c) of the said Act, and that Michal Goleniewski shall be considered to have met the residence and physical presence requirements of section 316(a) of the said Act, and his petition for naturalization may be filed with any court having naturalization jurisdiction.

Approved August 28, 1963.

Mr. Speaker, in viewing our foreign policy operations and internal security we can only appraise that part of the iceberg that appears above the surface. Even a cursory examination of what we know has transpired casts doubt on the wisdom of State Department policies. At a time when we are told we can "do business" with the Communists—even extend them credit on wheat sales—what does the record disclose? Have they stopped their subversion here and abroad? Of course not. Consider only a few of the 1963 subversion highlights that come to mind:

July 1: The State Department ordered Gennadi G. Sevastyanov, a Soviet Embassy cultural attaché in Washington to leave the United States for attempting to recruit a Russian-born employee of the U.S. Central Intelligence Agency as a Russian spy.

July 2: The Federal Bureau of Investigation arrested four persons and charged them with conspiring to spy for the Soviet Union. Ivan D. Egorov, a personnel officer at the United Nations, and his wife, Aleksandra, were arrested in New York and later sent back to the Soviet Union in return for two Americans held by the Russians. Also arrested were a Washington couple using the names of Robert and Joy Ann Baltch.

July 19: A Federal court jury in New York convicted Navy Yeoman Nelson C. Drummond of conspiracy to commit espionage for the Soviet Union. He received life imprisonment.

October 10: The Defense Department disclosed that SFC Jack E. Dunlap, a former clerk-messenger for the National Security Agency, had sold secrets to the Soviet Union over a 2-year period before committing suicide last July.

October 29: The FBI arrested an American electronics engineer and a chauffeur for a Russian trading agency on spy conspiracy charges. Two Soviet diplomats were arrested and then released because they had diplomatic immunity. A third Soviet diplomat was named in charges filed by the FBI but he was not apprehended.

No wonder the public is concerned about the double standard of the State Department and the laxity in our internal security. Testimony of Michal Goleniewski is the part of the iceberg that is below the surface and judging by how bad the exposed part is it is high time that we delve into the recesses and see what is going on.

Mr. Speaker, I ask unanimous consent to include the Monday, March 2 article entitled "U.S. Secret Agencies Penetrated by Reds," and the Tuesday, March 3 article entitled "Probe Four U.S. Envoys in Red Spy Sex Net." It is interesting to note that the official line will probably be that Michal Goleniewski is emotionally unstable and irrational. This was what they said about Paul Bang-Jensen.

[From the New York (N.Y.) Journal-American, Mar. 2, 1964]

U.S. Secret Agencies Penetrated by Reds

(By Guy Richards)

A defector from the Soviet Secret Police has informed U.S. officials that Moscow has placed active cells in the Central Intelligence Agency and the State Department in Washington and overseas.

The Red defector, a high-ranking operative in Russia's KGB, is sure that the cells are still operative in the two highly sensitive Government agencies.

He and his wife have been living in a modest apartment not more than 30 minutes from Times Square. He has been given a new name and identity especially fabricated to blot out his past and help him blend into the American scenery.

He has named names. He has provided Washington with details of what looms as a greater scandal than the famous Alger Hiss case. Here are some of his shattering disclosures:

Approximately $1.2 million of CIA funds in Vienna recently was passed secretly along to the Communists—one-third to KGB (the Soviet Secret Police), one-third to the Italian Communist Party and one-third to the American Communist Party.

Three American scientists with access to defense secrets are working for the KGB. They have ties to others in the same category whose identities are unknown to him. But he has clues to a number of them.

KGB has been able to infiltrate all American embassies in important cities abroad and "every U.S. agency except the FBI."

Little, if anything, has been done to run down or clean out the KGB men on American payrolls though he fed the facts and exposures on them to the CIA starting as far back as 1960.

Instead of having his information used for the cleanout job he came here for, he charges, he has been thwarted by amateurs and Stalinists in the CIA and even kept from communicating his plight to responsible higher officials here.

These allegations have been made by a former high executive of both the Russian and Polish secret police organizations. He had his own plane. He was free to fly all over Europe and did.

He is Michal Goleniewski, 41, a husky and handsome Polish-born agent who resembles the Hollywood prototype of the suave, lady-killing spy. He's credited with breaking the Irwin N. Scarbeck spy case in Warsaw in 1961. The CIA is on record in Congress as endorsing these observations:

"His services to the United States are rated as truly significant. * * * He has collaborated with the Government in an outstanding manner and under circumstances which have involved grave personal risk."

Though he has yet to testify on espionage matters before any committee of the Senate or House, which he wants to do, and which many legislators want him to do, his case has become the center of one of the biggest behind-the-scenes battles ever to rear up in the jurisdictional area between the legislative and executive branches of the Government.

In the tussle over him things have happened which seem incredible in a democratic nation.

A congressional subpena was virtually smuggled to him—then mysteriously quashed. A letter he wrote to a Congressman was intercepted. An Army colonel who visited him was later hounded and investigated.

Michael Goleniewski might still be living in unheralded torment if a Cleveland, Ohio, Congressman hadn't scented a slightly fishy odor in a routine office proceeding.

The time was last summer. The scene was Capitol Hill, in the office of the chairman of the House Immigration Subcommittee. Sitting at his desk was white-plumed, bespectacled, Ohio Democrat, Representative MICHAEL A. FEIGHAN, a graduate of Princeton and Harvard Law School, and a good friend of the late President Kennedy.

By his side was a man from the CIA. The latter showed the Congressman a report and proposed bill which would bestow on Michael Goleniewski the benediction of U.S. citizenship. The former KGB agent's truly significant services were duly chronicled in the report. It stated, in part:

"The beneficiary, Michael Goleniewski, a native and citizen of Poland, was born August 16, 1922, in Nieswiez. His wife, Irmgard, is a native of Berlin and a citizen of Germany. They are now living in the United States.

"The beneficiary's education was all in Poland: in 1919 he graduated from the Gymnasium; he completed 3 years of law at the University of Poznan, and in 1956 he received a master's degree in political science from the University of Warsaw.

REPORT COVERS HELP TO UNITED STATES

"He enlisted in the Polish Army in 1945 and was commissioned a lieutenant colonel in 1955, which rank he held until coming to the United States in 1961 (after breaking the Scarbeck case). He is now employed as a consultant by the U.S. Government."

After a brief digression, the report continued:

"Mr. Goleniewski was a member of the Communist Party of Poland from January 1946, until April 1958, when he defected. Without the enactment of the H.R. 5507 (the proposed bill) the beneficiary will not be eligible for naturalization prior to 1968.

"The Immigration and Naturalization Service has been advised that the contributions made by Mr. Goleniewski to the security of the United States are rated by the U.S. Government as truly significant.

"He has collaborated with the Government in an outstanding manner and under circumstances which have involved grave personal risk. He continues to make major contributions to the national security of the United States. * * * His primary motivation in offering to work with the Government has been and remains his desire to counter the menace of Soviet communism."

GIVES VIEWS TO CIA MAN

This report and the bill it was designed to expedite had one primary motive. It was, in the words of a congressional aid, "to wipe out the past of a Polish citizen and create 'a man who never was,' an American citizen with a new name, a new identity and a new status, free to find a new life here."

Representative FEIGHAN was thoroughly aware of the purpose of the report. He was sympathetic. A man with a long record of fighting subversives, and often stubbornly independent of the executive branch, he is known for his special dislike of being turned into a rubberstamp by any Government agency.

He expressed his views to the CIA men. He said he was shocked at the amount of detail presented about Goleniewski. He said he had heard reports about the KGB defector, but had never laid eyes on him. He remarked he didn't like to promote any legislation on a pig-in-the-poke basis and concluded with the request:

"I'd like to see the live body."

His request was carried back to higher CIA officials. There were several days of dickering and phoning back and forth between CIA and Congress.

This bore light on two horizons of growing importance in security matters:

(a) The fact that the executive branch controls CIA, State, Defense, Army, Navy, Air Force, and FBI—all the intelligence-gathering agencies—and jealously guards its rights to run out all adverse criticism of these units performance.

(b) The personal situations of defectors vary greatly. Some, like Yuri Nossenko, have been publicized. Some have not. Some bring adverse criticism of American operations. Some do not. Some have families behind the Iron Curtain whose safety is endangered by publicity here. Some don't.

Goleniewski had his wife with him. He also had plenty of adverse criticism to deliver about U.S. operations.

On the ticklish issue of whether he should be allowed to see a Member of the legislative branch, the wheels began to whir in the heavily guarded CIA Building in Langley, Va., 12 miles outside Washington.

SECRET SESSION SET ON THE HILL

It was finally decided that the answer had better be affirmative if Representative FEIGHAN'S cooperation was to be obtained. The Congressman was duly notified it was OK.

That brought another big decision, this one in Congress. It was considered advisable that a subpena from a congressional committee be sent with Representative FEIGHAN just in case it seemed proper—and Goleniewski thought so, too—for the latter to appear before a secret session on the Hill.

A subpena was prepared. An appointment was set for several days later in New York.

Interviewed yesterday, after this reporter had checked facts from many sources over a 10-day period, Representative FEIGHAN said:

"From the very beginning my main concern was for the safety of this man (Goleniewski). Everything else seemed secondary. I still have the same concern."

Representative FEIGHAN made the trip from Washington to New York with two congressional aids. They landed at La Guardia Airport, and drove to an apartment building like a thousand others on Long Island.

A LASTING IMPRESSION

The handsome Pole made an impression that one has described as everlasting—I'll never forget it.

Sweet, harried looking and pregnant, his wife was in attendance part of the time. But all the time, striding energetically back and forth in the apartment, the former KGB bigshot painted the picture of what it feels like to flee the KGB only to find nothing coming from his leads and his liaison man with the CIA a Stalinist.

Bit by bit he unloaded the charges spelled out at the beginning of this story.

His trio of listeners were so shocked that they never got around to talk about the subpena. Not one of them regarded the Pole as warped or biased. All knew that the CIA had been greatly served by him. They were staggered.

On his return to Washington, Representative FEIGHAN immediately arranged an appointment with CIA Director John A. McCone. He told him everything he had heard and urged him to look into the situation and correct it. Mr. McCone said he would.

One of the other men decided to make a return visit to Goleniewski. He brought the subpena along (it was not from any committee to which Representative FEIGHAN belongs) and he also brought some Foreign Service rosters to enable him to interrogate the defector more explicitly.

VERY EAGER TO TESTIFY

This congressional aid obtained a second and more searching interview with the Pole. The latter also expressed his eagerness to testify in an executive session of any appropriate congressional committee. The subpena was served.

A date and time was set for Goleniewski's appearance before the congressional committee. Representative FEIGHAN felt assured that whatever was wrong would soon be smoked out on the Hill.

But instead of that appearance, a man from the CIA arranged to have a key member of the committee involved vacate the subpena and cancel the date. Another CIA man is reliably reported to have pressured the Army to investigate the subpena server with a view toward charging him with making use of information gained on active duty (he was then on inactive duty), and for masquerading as an intelligence officer.

The Army was wrong on both counts. The aid didn't get the information on active duty, and he is an intelligence officer.

Word was quietly passed from somewhere that Mr. Goleniewski had flipped his lid and was becoming unreliable—so CIA doesn't think it worthwhile for him to appear before the legislative branch.

Asked about this yesterday, Representative FEIGHAN said:

"That's utterly ridiculous. The man seemed worried, and even excited, but his mind is in excellent shape. I was impressed by everything he had to say."

So were the two others.

Representative FEIGHAN added that "I cannot deny my role in bringing this case to the attention of Mr. McCone, the head of the Central Intelligence Agency."

Up to the moment, however, it doesn't seem to have done much good.

Though Goleniewski has been moved elsewhere to keep the Russians guessing, he has yet to tell his story to Congress. He has yet to see any real results, he says, from what he came here to tell us. He has yet to enjoy many of the blessings that reverted to him in theory when he obtained his American citizenship a few weeks ago. The bill got a fair wind from Representative FEIGHAN and his associates.

TREATMENT WON'T ENCOURAGE OTHERS

From the viewpoint of Goleniewski, the joys of his American liberation must seem oddly constrained. He is a prisoner of the executive branch of our Government in a way few other citizens have been. He is more confined, more incommunicado, than he ever was before he bolted.

From a reporter's viewpoint, he seems to be a battered casualty of a war as savage and devious as the cold war. It's the war now raging in the upholstered jungle where different agents of our Government are stalking—and frequently opposing—each other.

One thing is sure. His plight is poor recruiting bait for more KGB defectors. Already two have been murdered or inexplicably killed after they arrived here. The mental ordeal to which Goleniewski has been subjected on this side of the Atlantic could ultimately prove to be the more refined kind of homicidal retribution. It leave no evidence whatsoever.

The CIA? A spokesman said there would be no comment on the matter.

[From the New York (N.Y.) Journal-American, Mar. 3, 1964]

PROBE FOUR U.S. ENVOYS IN RED SPY SEX NET—STORY IN JOURNAL-AMERICAN SPURS ACTION

(By Guy Richards)

Four American diplomats came under new and hastily organized congressional probes today after a high Soviet defector named them as Russian collaborators lured by beautiful Polish girls into a classic fall from grace.

The four, along with a fifth diplomat later allowed to resign, were drawn into the Soviet net in the espionage hotbed at Warsaw, Poland's capital, the defector charged. Ten U.S. Marine guards at the U.S. Embassy there also were trapped into collaborating with the Russians after clandestine affairs with Polish girls, the defector said.

Nor was that all.

SEDUCED BY AGENTS

While the diplomats were being blackmailed by the Polish girls, a handsome Soviet secret service agent bent on collecting information, managed to seduce the wife of an American Foreign Service officer.

And so gay and lax was the ambassadorial life in the lush Polish capital, the defector asserted, that while the American cats were out playing Soviet intelligence mice pilfered the Embassy's safe combinations, and probably made off with the Embassy cipher essential to decoding secret messages.

All that and more was under close scrutiny today as Congress turned its investigative spotlight on U.S. security leaks around the world.

QUICK ACTION

The investigations, marked by hurriedly scheduled hearings by several congressional committees were spurred by exclusive revelations in yesterday's New York Journal-American.

The disclosures came from the Soviet defector, 41-year-old Michal Goleniewski, who bared the existence of "cells" of the KGB—the Soviet Secret Police—in Central Intelligence Agency and the State Department, both in Washington and in U.S. Embassies overseas.

Goleniewski, still in a CIA hideout, made these other startling revelations:

Three American scientists with access to classified material were KGB agents.

About $1.2 million of CIA funds in Vienna was secretly passed along to the Communists.

All important embassies and agencies of the United States "except the FBI" had been infiltrated by at least one KGB operative.

Amateurs and Stalinists in the CIA have blocked Goleniewski's efforts to make his leads and information effective.

All told, then, several hundred U.S. employees around the world will come under the target sights which Goleniewski directly or indirectly, is going to provide Capitol Hill.

THREE HUNDRED RISKS

They will include 300 persons already tabbed as "grave security risks" who are still on the State Department payroll.

But the four diplomats cited by the defector, one a high-ranking KGB official, will draw first scrutiny for a very special reason.

They could provide a two-way look at the job yet to be done—a look inside the State Department as well as a look abroad. The latter would be via our once spy-riddled Embassy at Warsaw.

It is reasoned that a close scrutiny of the Warsaw case of 1960–61 would show how the four diplomats and the Foreign Service officer's wife were compromised; and how, later, after their exposure, they were saved by a magic wand waved from the State Department's command post in Foggy Bottom.

VITAL EMBASSY

Warsaw is an important Embassy for several reasons, but mostly because it is where the United States maintains direct contact with the Ambassador of Red China.

Goleniewski, it can now be revealed, was a stip—a stay-in-placer—in those days. He had sent a few messages to the CIA indicating he wanted to defect. He was told to stay in place, that he would be more useful as he was.

This imposed an additional worry on him—but the information he produced was sensational. It was a CIA ten-strike.

Of the five diplomats named by Goleniewski, one was allowed to resign. Everyone else in the case was simply shuttled elsewhere.

At a different time, Goleniewski fed in information which led to the arrest, conviction and sentence of Foreign Service Officer Irvin N. Scarbeck.

NEW CAREER

Shortly thereafter—though the CIA didn't want him over at the time—Goleniewski delivered himself up in West Germany. So ended his life as a KGB official with his own plane, able to fly anywhere he wanted in Soviet-bloc countries. And so began his career as a man leveling his finger at a roster of KGB agents on American payrolls.

The fact that he has been kept from testifying in secret before a congressional committee also was revealed by this newspaper yesterday. But nobody seems to know by whom.

PART OF RECORD

The story yesterday provoked U.S. Representative John Milan Ashbrook, Republican, of Ohio, a member of the House Un-American Activities Committee, and sponsor of a recent bill calling for an investigation of the State Department, to say:

"I will have your story put in the Congressional Record tomorrow.

"It demonstrates once again how the State Department is a privileged sanctuary riding out waves of criticism with arrogance and contempt for public opinion and the elected representatives of the people.

"Its record is one of failure and deceit. The time has come for a thorough housecleaning."

Representative Ashbrook said he hoped to be able to get Goleniewski to testify in secret before the Un-American Activities Committee. The Senate Internal Security Subcommittee also has its eyes trained on the KGB defector.

FARLAND IGNORED

The Foreign Relations Committees of both Houses of Congress can be counted in on the act. They have perked up their interest in the recent flops of CIA and State abroad; especially the bumbling of both agencies in ignoring the counsel of our former Ambassador to Panama, Joseph S. Farland.

For months before his resignation last summer, Ambassador Farland had called the turn—and filed reports on—the widespread sabotage and revolutionary plots of Castro agents throughout the Caribbean, including Panama.

In the February 25 issue of the Congressional Record, Mr. Farland is quoted as follows:

"When I arrived home in August and the State Department circulated its customary notice to appropriate agencies listing returned ambassadors available for consultation, a man in the White House went to work.

"His name is Ralph Dungan. On whose authority he acted I do not know. But Mr. Dungan phoned the various agencies, including the Pentagon, that I was not to be invited for consultation."

ANOTHER QUOTE

The Congressional Record also quotes Mr. Farland as having been taken in hand on an earlier visit to Washington in the late fall of 1962 by Edwin Martin, then Assistant Secretary of State for Latin American Affairs.

"Mr. Martin," Mr. Farland reported, "literally ordered me to have no contact with top CIA executives and any congressional leaders."

And Congress now is going to page Mr. Martin and Mr. Ralph Dungan, the mystery man who phoned from the White House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Bruce (at the request of Mr. Halleck), beginning March 2, for indefinite period, on account of serious illness in his family.

Mr. Chenoweth, for balance of week, on account of official business with the Board of Visitors to the U.S. Air Force Academy.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Ashbrook (at the request of Mr. Nelsen), for 15 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. Findley (at the request of Mr. Nelsen), for 30 minutes, Wednesday, March 4, 1964; and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Kilburn and to include certain letters and statements.

Mr. Dent in two instances.

Mr. Lindsay.

(The following Members (at the request of Mr. Nelsen) and to include extraneous matter):

Mr. Derwinski.

Mr. Curtis.

Mr. Glenn.

(The following Members (at the request of Mr. Fountain) and to include extraneous matter:)

Mr. St. Onge.

Mr. Dingell.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 473. An act for the relief of Miss Wladyslawa Kowalczyk; to the Committee on the Judiciary.

S. 1237. An act for the relief of Kaloyan D. Kaloyanoff; to the Committee on the Judiciary.

S. 1525. An act for the relief of Mrs. Kayo Fujimoto Howard; to the Committee on the Judiciary.

S. 1597. An act for the relief of Juliano Barboza Amado and Manuel Socorro Barboza Amado; to the Committee on the Judiciary.

S. 1684. An act for the relief of Fotini Dimantopoulou; to the Committee on the Judiciary.

S. 1966. An act for the relief of Glenda Williams; to the Committee on the Judiciary.

S. 1978. An act for the relief of Lillian P. Johnson; to the Committee on the Judiciary.

S. 1982. An act for the relief of Francesco Mira; to the Committee on the Judiciary.

S. 1985. An act for the relief of Giuseppe Cacciani; to the Committee on the Judiciary.

S. 1986. An act for the relief of Hattie Lu; to the Committee on the Judiciary.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 9640. An act to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 721. An act to amend section 124 of title 28, United States Code, to transfer Austin, Fort Bend, and Wharton Counties from the Galveston division to the Houston division of the southern district of Texas.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on February 28, 1964, present to the President, for his approval, a bill of the House of the following title:

H.R. 8171. An act to authorize the Secretary of the Interior to acquire lands, including farm units and improvements thereon, in the third division, Riverton reclamation project, Wyoming, and to continue to deliver water for 3 years to lands of said division, and for other purposes.

ADJOURNMENT

Mr. FOUNTAIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 52 minutes p.m.) the House adjourned until tomorrow, Wednesday, March 4, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1773. A letter from the Comptroller General of the United States, transmitting a report on the unnecessary costs incurred by the Department of the Army as a result of awarding without competition a contract for overhaul and modification of aircraft engines; to the Committee on Government Operations.

1774. A letter from the President, Boys' Clubs of America, transmitting an audited financial statement of Boys' Clubs of America for the year 1963, pursuant to Public Law 988, 84th Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. H.R. 9032. A bill to provide uniform policies with respect to recreation and fish and wildlife benefits and costs of Federal multiple-purpose water resource projects, and to provide the Secretary of the Interior with authority for recreation development of projects under his control; with amendment (Rept. No. 1161). Referred to the Committee of the Whole House on the State of the Union.

Mr. ASHMORE: Committee on the Judiciary. S. 2040. An act to amend title 35 of the United States Code to permit a written declaration to be accepted in lieu of an oath, and for other purposes; without amendment (Rept. No. 1181). Referred to House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASHMORE: Committee on the Judiciary. H.R. 1203. A bill for the relief of Johanna Gristede; with amendment (Rept. No. 1162). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 2215. A bill for the relief of E. A. Rolfe, Jr.; with amendment (Rept. No. 1163). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 2747. A bill for the relief of the estate of J. W. Gwin, Sr.; with amendment (Rept. No. 1164). Referred to the Committee of the Whole House.

Mr. MacGREGOR: Committee on the Judiciary. H.R. 3757. A bill for the relief of Witold A. Lanowski; with amendment (Rept. No. 1165). Referred to the Committee of the Whole House.

Mr. GILBERT: Committee on the Judiciary. H.R. 6034. A bill for the relief of Robert L. Johnston; with amendment (Rept. No. 1166). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 6136. A bill for the relief of CWO Elden R. Comer; without amendment (Rept. No. 1167). Referred to the Committee of the Whole House.

Mr. SENNER: Committee on the Judiciary. H.R. 6473. A bill for the relief of Mr. and Mrs. Loward D. Sparks; with amendment (Rept. No. 1168). Referred to the Committee of the Whole House.

Mr. KING: Committee on the Judiciary. H.R. 6839. A bill for the relief of Helen J. Googins; with amendment (Rept. No. 1169). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 6267. A bill for the relief of Lee R. Smith and Lee R. Smith III, his son; with amendment (Rept. No. 1170). Referred to the Committee of the Whole House.

Mr. GILBERT: Committee on the Judiciary. H.R. 6883. A bill for the relief of the estate of Eileen G. Foster; without amendment (Rept. No. 1171). Referred to the Committee of the Whole House.

Mr. SENNER: Committee on the Judiciary. H.R. 7346. A bill for the relief of Cornelis Van Nuis, doctor of medicine, U.S. Public Health Service; with amendment (Rept. No. 1172). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 8201. A bill for the relief of Maj. Jack J. Shea, U.S. Air Force; with amendment (Rept. No. 1173). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 8348. A bill for the relief of Mrs. Faye E. Russell Lopez; without amendment (Rept. No. 1174). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 8532. A bill for the relief of Ivan D. Beran; without amendment (Rept. No. 1175). Referred to the Committee of the Whole House.

Mr. GILBERT: Committee on the Judiciary. H.R. 8936. A bill for the relief of Leonard M. Dalton; with amendment (Rept. No. 1176). Referred to the Committee of the Whole House.

Mr. SENNER. Committee on the Judiciary. H.R. 9280. A bill for the relief of Donald J. Kent; without amendment (Rept. No. 1177). Referred to the Committee of the Whole House.

Mr. ASHMORE. Committee on the Judiciary. H.R. 9678. A bill for the relief of Anna Maria Geyer; without amendment (Rept. No. 1178). Referred to the Committee of the Whole House.

Mr. SHRIVER. Committee on the Judiciary. H.R. 9959. A bill for the relief of Harold A. Saly; without amendment (Rept. No. 1179). Referred to the Committee of the Whole House.

Mr. DONOHUE. Committee on the Judiciary. H.R. 10078. A bill for the relief of Philip N. Shepherdson; without amendment (Rept. No. 1180). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. SULLIVAN:

H.R. 10222. A bill to strengthen the agricultural economy; to help achieve a fuller and more effective use of food abundances; to provide for improved levels of nutrition among economically needy households through a cooperative Federal-State program of food assistance to be operated through normal channels of trade; and for other purposes; to the Committee on Agriculture.

By Mr. BARRY:

H.R. 10223. A bill to provide for a comprehensive study and investigation of the adequacy of the present system of compulsory military training under the Universal Military Training and Service Act, and for other purposes; to the Committee on Armed Services.

By Mr. DENT:

H.R. 10224. A bill to establish a system of loan insurance to assist students to attend institutions of higher education and post-secondary vocational schools; to the Committee on Education and Labor.

By Mr. ELLSWORTH:

H.R. 10225. A bill to prohibit interference with the free exercise of religion; to the Committee on the Judiciary.

By Mr. JENNINGS:

H.R. 10226. A bill to amend the Internal Revenue Code of 1954 to provide for the refund to the States of certain taxes on distilled spirits and wine destroyed by fire, casualty, or act of God; to the Committee on Ways and Means.

By Mr. LINDSAY:

H.R. 10227. A bill to provide for a comprehensive study and investigation of the adequacy of the present system of compulsory military training under the Universal Military Training and Service Act, and for other purposes; to the Committee on Armed Services.

By Mrs. MAY:

H.R. 10228. A bill to authorize the Secretary of the Interior to determine that certain costs of operating and maintaining Banks Lake and Potholes Reservoir on the Columbia Basin project for recreational purposes are nonreimbursable; to the Committee on Interior and Insular Affairs.

By Mr. MONTOYA:

H.R. 10229. A bill to amend the Civil Service Retirement Act, as amended, to provide annuities for surviving spouses without deduction from original annuities, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 10230. A bill to extend to State public assistance programs approved under titles XIV and XVI of the Social Security Act the special matching provisions presently in force with respect to certain Navajo and Hopi Indians, and for other purposes; to the Committee on Ways and Means.

By Mr. OLSEN of Montana:

H.R. 10231. A bill to increase the rate of pension and the income limitation applicable to certain veterans of World War I, World War II, the Korean conflict, and their widows; to the Committee on Veterans' Affairs.

By Mr. WILLIAMS:

H.R. 10232. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. ASPINALL (by request):

H.R. 10233. A bill to provide for the restriction of certain areas in the Outer Continental Shelf for defense purposes, and for other purposes (Gulf Test Range, Gulf of Mexico); to the Committee on Interior and Insular Affairs.

By Mr. GURNEY:

H.R. 10234. A bill to restrict imports of meat and meat products into the United States; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 10235. A bill to amend title II of the Social Security Act to reduce from 62 to 50 the age at which a woman otherwise qualified may become entitled to widow's insurance benefits; to the Committee on Ways and Means.

By Mr. SCHWENGEL:

H.R. 10236. A bill to require that imported meat sold to the ultimate consumer be identified as such; to the Committee on Interstate and Foreign Commerce.

By Mr. SHRIVER:

H.R. 10237. A bill prohibiting lithographing or engraving on envelopes sold by the Post Office Department, and for other purposes; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BELCHER:

H.R. 10238. A bill for the relief of Mrs. Gilda Rosa McDaniels; to the Committee on the Judiciary.

By Mr. BRADEMAS:

H.R. 10239. A bill for the relief of Gerasimos Mourikis; to the Committee on the Judiciary.

By Mr. CLEVELAND:

H.R. 10240. A bill for the relief of Mrs. Ayse Cakiroglu; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H.R. 10241. A bill to provide for the conveyance of the interest held by the United States in certain real property situated in the State of Georgia; to the Committee on Interior and Insular Affairs.

By Mr. GLENN:

H.R. 10242. A bill for the relief of Gerald St. John; to the Committee on the Judiciary.

By Mr. JONAS:

H.R. 10243. A bill for the relief of Nicola Alfieri; to the Committee on the Judiciary.

By Mr. LONG of Louisiana:

H.R. 10244. A bill for the relief of Benjamin Soued and Elie Soued; to the Committee on the Judiciary.

By Mr. NORBLAD:

H.R. 10245. A bill for the relief of Mrs. Arsenia Senires and her daughter, Milagros Senires; to the Committee on the Judiciary.

By Mr. SCHWEIKER:

H.R. 10246. A bill for the relief of Maj. Alexander F. Berol, U.S. Army, retired; to the Committee on the Judiciary.

By Mr. WALLHAUSER:

H.R. 10247. A bill for the relief of Daniel Augusto da Silva; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

736. By the SPEAKER: Petition of Harold J. Wittenbauer, mayor, Borough of Dumont, Dumont, N.J., requesting support of the Gallagher bill; to the Committee on Interstate and Foreign Commerce.

737. Also, petition of Kazys Simenas, chairman, American-Lithuanians, Norwood, Mass., relative to the liberation of Lithuania; to the Committee on Foreign Affairs.

738. Also, petition of Junsho Oshiro, mayor, Nishihara-Son, Okinawa, for early solution of the problem of pretreaty claims; to the Committee on Foreign Affairs.

739. Also, petition of Eiharu Nakamura, Naha, Okinawa, for expeditious solution of the problem of compensation for damages sustained prior to peace treaty; to the Committee on Foreign Affairs.

740. Also, petition of Terutake Oyadomari, Nishihara-Son, Okinawa, for early solution of the problem of pretreaty claims; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Outstanding Military Editor Retires

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 3, 1964

Mr. CURTIS. Mr. Speaker, although military expenditures consume the major part of our Federal budget and have for many years, there are relatively few full time good military analysts available on daily newspapers, magazines, radio and television networks and other media.

One of the most independent, courageous, and honest reporters for many years has been Brig. Gen. Thomas R. Phillips, U.S. Army, retired, who regrettably retired on February 1, 1964, as military affairs editor of the St. Louis Post-Dispatch.

Over a period of many years I have often had occasion to deal with highly technical, confidential, and controversial matters with General Phillips and basically, without exception, he was a straightforward, hard working, honest reporter.

The readers of the St. Louis Post-Dispatch will truly miss the analytical independent thinking and writing of General Phillips and we in the Congress will also be the poorer. I hope that the St. Louis Post-Dispatch will obtain the highest class replacement for General Phillips because his shoes are very difficult ones to fill.

I take this occasion to pay my respects to a retired military officer who after retirement became an outstanding journalist. The absence of his writings will weaken the dialogue which those of us are engaged in as to how to improve America's military strength.

Bulgarian Independence Day

EXTENSION OF REMARKS

OF

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 3, 1964

Mr. DERWINSKI. Mr. Speaker, 85 years ago the people of Bulgaria attained their independence after centuries of domination by the Ottoman Empire.

For 66 years the Bulgarian people maintained their independence and developed their nation.

In September 1944 Soviet armies invaded Bulgaria and established a Communist puppet government. This Communist government was imposed by Soviet bayonets and the people of Bulgaria lost their independence. The last legitimate link to their independence was broken in 1946 when King Simeon was expelled from the nation by the puppet Communist regime.

The Bulgarian people are captives of communism—a fate they share with millions of other captives behind the Iron Curtain.

However, the spirit of independence, the desire for freedom, and the determination to persevere in the face of centuries of Ottoman rule inspired the Bulgarian groups in exile wage a relentless struggle against the Communist oppression of their homeland. The people of Bulgaria silently and effectively maintain their aspirations for legitimate independence. In Bulgaria itself they lack freedom of speech, freedom of the press, and freedom of political activity. In their hearts they steadfastly look forward to the day when their country will be free from the yoke of communism.

Therefore, Mr. Speaker, on this day we salute the people of Bulgaria, recognizing their steadfastness and their desire to wage a victorious struggle against the Communist regime which dominates them. Bulgarian Liberation Day is celebrated throughout the free world in a manner that cannot be celebrated in Bulgaria itself.

Estonian Independence

EXTENSION OF REMARKS

OF

HON. MILTON W. GLENN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 3, 1964

Mr. GLENN. Mr. Speaker, Monday, February 24, 1964, marked the 46th anniversary of the establishment of the independence of the Republic of Estonia. I join with the millions of friends this cause has in the free world to commemorate this event with deep reverence.

Americans of Estonian origin or descent reaffirm and adhere to American democratic principles of government in observing their independence day. Let this tribute signify that the Republic of Estonia is by no means a forgotten nation in the hearts and minds of those in the free world who cherish freedom to make their own decision, live their own lives, and to shape and govern their own destinies.

The liberty of Estonia was forcibly violated and suppressed by Soviet Russia in June 1940, notwithstanding solemn treaties and agreements of nonaggression. Strongly opposed to foreign domination. Estonians all over the free world are determined to restore their freedom and sovereignty which they had rightly and deservedly enjoyed for many centuries in the past. While their homeland has suffered under the political tyranny of a Communist regime, yet these industrious, sturdy, brave, self-determined people in the free world, together with other refugees from behind the Iron Curtain, have relentlessly continued their fight with communism against all odds. If we can help them, let us do so now.

I am hopeful that during this session, the House will pass legislation, among which is my House Resolution 375, establishing a special committee to assist captive nations by peaceful processes to regain their national and individual freedoms.

Bulgarian Independence

EXTENSION OF REMARKS

OF

HON. JOHN V. LINDSAY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 3, 1964

Mr. LINDSAY. Mr. Speaker, I am honored to pay tribute today to the people of Bulgaria and to Americans of Bulgarian descent. On March the 3d, 86 years ago, this noble nation obtained its freedom—an occasion which ended 500 years of foreign oppression of the Bulgarian people.

Today, Bulgarians celebrate that independence, yet sadly they must note that their country is now caught under the Communist yoke. But hope is joined with sadness—hope that once more, these people may lift off the heavy burden of tyranny and walk the road of freedom.

Through their long history, the Bulgarians have made an important contribution to European civilization and have withstood their right to independence and freedom against powerful empires and foreign cultural influences. The Byzantine Empire could not assimilate this nation. The Ottoman Empire crumbled, but the Bulgarian people survived. March 3, 1878, opened the way for the Bulgarian people to join the community of European nations once more.

But tragedy followed this grand attainment. On September 8, 1944, Bulgaria was invaded by the Russian armies, and a Communist-controlled government was established. Bulgaria became a Soviet satellite.

Yet the hope and faith in liberty has still survived in the Bulgarian people, as it has in all of the subjugated peoples of the Soviet Empire. Through suppression and through tyranny, that flame has burned.

The Bulgarian National Council of America each year organizes solemn observances of Bulgarian Liberation Day in this country. The people of Bulgarian descent in America have not forgotten their homeland.

Mr. Speaker, I cherish the hope, with all Americans, that this noble nation may regain its just bounty—freedom, and that this day shall not be long in coming.

Quality Stabilization Bill

EXTENSION OF REMARKS

OF

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 3, 1964

Mr. DENT. Mr. Speaker, my attention has been called to an editorial published in the Pittsburgh Press of February 21, 1964, regarding the quality stabilization bill.

The Press editorial would seem to indicate that the special interest opponents of quality stabilization unfortunately have taken in some elements of the Nation's press with their misleading propaganda line concerning this legislation.

We who support quality stabilization are ready and willing to debate and discuss its merits. We believe the bill is vitally needed legislation if our independent retail market is to survive. We are not only willing to debate this issue, but we would welcome the opportunity to air these issues before the public.

We have pointed out time and again that although quality stabilization may not be a cure-all for the ills of the retail marketplace, it is at least an honest effort to strengthen the independent retailer in his struggle for survival against giant monopoly merchandisers and cutthroat operators. Surely the Nation's newspapers, the Pittsburgh Press included, cannot argue with that aim.

Yet quality stabilization is under attack today not on the basis of its actual provisions, but rather those of a "straw bill" created by the propaganda mills of its opponents.

The attack made by the Pittsburgh Press obviously derives from this "straw bill" approach to the quality stabilization issue. Certainly the editors of our country's newspapers have the right, if not the positive duty, to speak out on important legislation pending in Congress. But the public has a right to expect that these editors will take the time and effort needed to analyze and understand the issues involved in such legislation.

I, therefore, urge the Press editorial writers to put aside any preconceived notions about quality stabilization and to shunt aside the boilerplate propaganda disseminated by opponents of this bill. Study this bill—and begin by taking a hard look at the serious economic problem which quality stabilization seeks to remedy.

Does the Press recognize the real dangers posed to the free marketplace by the growing threat of retail monopoly? Have the newspaper's editors studied the evidence contained in the hearings held by the House Interstate and Foreign Commerce Committee regarding the present plight of the retail market? The committee's final report said that passage of the bill is "essential to the survival of hundreds of thousands of small, independent businessmen."

Are the editors aware of the boast, made before a congressional committee by a representative of one of the giant retailers, that within 10 years fewer than 50 companies would control our entire national retail economy? Does the Press believe that such extinction of free competition and the small retailer is in the best interests of the American consumer or our national economy as a whole?

Does the Press disagree with quality stabilization? Then let that newspaper's editors propose some other effective way to keep alive free, independent competition in the Nation's marketplace, and to prevent a monopoly takeover of our retail system by giant mass merchandisers.

Most important of all, is the Press familiar with the real steps proposed by quality stabilization as a remedy for our retail ills? Curiously, the Press editorial did not contain any explanation for readers of the terms of the bill—only the broadly stated conclusions and opinions of others.

Quality stabilization would strengthen the competitive position of the small and independent retailer by giving brand-name manufacturers the same rights over their products as are now exercised by chainstores selling their own private label merchandise. The bill is voluntary, in that no manufacturer would be compelled to come under its provisions, nor would any distributor or retailer be made to sell any product.

Sponsors of quality stabilization hope that it will help curb one of the most serious threats to our small, independent retail operators—that of competitive misuse of brandnames by cutthroat operators. It is obvious that such a curb would also benefit the consumer by helping to maintain better marketing standards, and to preserve a competitive retail market.

Finally, let me ask the Press editorial writer whether he seriously contends that the broad bipartisan group of Senate and House Members, sponsoring and supporting quality stabilization, are guilty of advocating—I quote here from the editorial—"a gyp."

In my opinion, name calling of this sort performs no useful service toward real public understanding of a serious economic issue. It serves only to prejudice public attitudes without providing any information whereby the people can reach their own conclusions on an issue. The fact is that few economic proposals ever received the widespread bipartisan support that is being given quality stabilization. Sponsors and supporters include stalwart Democrats like Senators HUMPHREY, MCCARTHY, and HARTKE, and stalwart Republicans like Senators SCOTT, KUCHEL, and MORTON. In all, 24 Members of the House of Representatives and 11 Senators are sponsoring quality stabilization. I am proud to be included among that number. The Press urges its readers watch Pennsylvania Members of

Congress who are sponsoring this vital legislation. These Members include Senator SCOTT, Representative FRANK CLARK, and myself. I ask more—not simply that Pennsylvanians watch us on this issue, but that they take the time to contact us to be informed on quality stabilization, what it means, and why its sponsors are working for its enactment into law. And in particular I might ask the Press editorialist to take the trouble next time to check with the sponsors of legislation—those who know—before accepting the propaganda line of those whose special interests oppose its passage.

Rehabilitation of Our Fishery Resources

EXTENSION OF REMARKS

OF

HON. WILLIAM L. ST. ONGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 3, 1964

Mr. ST. ONGE. Mr. Speaker, under leave to extend my remarks, I wish to insert into the RECORD the text of a statement I am submitting to the House Merchant Marine and Fisheries Committee in connection with its hearings on my bill, H.R. 7710, to set up a program for assisting States in rehabilitating their fishery resources:

STATEMENT BY REPRESENTATIVE WILLIAM L. ST. ONGE, SECOND DISTRICT, CONNECTICUT, SUBCOMMITTEE ON FISHERIES AND WILDLIFE CONSERVATION, HOUSE COMMITTEE ON MERCHANT MARINE AND FISHERIES, ON H.R. 7710

Mr. Chairman and members of the subcommittee, I am very happy to have the opportunity to present a brief statement to this distinguished committee concerning my bill, H.R. 7710, which is being considered today.

My bill is identical to S. 627, sponsored by Senator E. L. BARTLETT, of Alaska, and cosponsored by a number of other Senators, including the distinguished Senator from Connecticut, my good friend the Honorable THOMAS J. DODD. The bill, as you well know, was passed by the Senate last July.

I am very pleased that your committee is now considering this legislation, and my purpose here today is to urge you as emphatically as possible to report it out favorably and to bring it before the House in the very near future for final action.

This measure seeks to establish a program for assisting States in building up their commercial fisheries through research and development projects. It would authorize the Secretary of Interior to cooperate with the States in undertaking various projects designed to develop or improve their fishery resources. This would be a 5-year program, costing $5 million annually, to be allocated among the States on a proportionate basis with a maximum of 10 percent and a minimum of one-half of 1 percent for each State.

In addition, the bill also provides for funds for special projects of an emergency nature in communities suffering a failure in its fisheries due to a natural disaster, or for communities where a new commercial fishery can be developed where none had previously existed. This sum is limited to $500,000 during each of the first 2 years and $750,000 during each of the next 3 years.

The total cost of this program over the entire 5 years would thus be $28,250,000. While this is a substantial amount of money, I am convinced that it would be a very worthwhile investment in building up and developing an important resource which we have unfortunately sadly neglected. When we consider the fact that in recent years the United States has dropped from second place among the leading fishing nations of the world to fifth place, then the need for this legislation becomes clear. The assistance to be provided under this bill is designed to help our fishing industry in increasing its production and utilization of local fishery resources. It will also help provide larger supplies of fish for consumption.

The projects to be considered will, I believe, be of such nature as to meet the needs and requirements of the States in developing or rehabilitating their fishery resources. In one State it may mean helping to develop fish farms, in another State it would require setting up experimental fish hatcheries, in a third it might be stream clearance for fishing, and in still another it would provide for the construction of a modern pier.

In Connecticut we have a situation now in the town of Stonington which is an excellent example where such aid would be of inestimable value. Stonington was formerly a major and thriving fishing harbor, in fact one of the great fishing ports along the Atlantic coast. The great fishing fleet operating out of Stonington has steadily declined over the years, but there is still a sizable remnant left. Unless we take steps to revitalize this fishing fleet by providing modern docking and processing facilities, the fishing industry of Stonington will die out. This will constitute a loss not only to the community of Stonington, but to all of Connecticut.

The commercial fishing industry at Stonington can be revived through the construction of a modern pier to service the fishing fleet docking there, and from which these vessels could operate. At the present time, the hard-pressed fishing vessel operators find that it is not feasible for them to make the necessary investments needed in shore facilities.

It is estimated that such a pier at Stonington would cost approximately $300,000. The State of Connecticut has approved a self-liquidating bond issue in the amount of $150,000 for the construction of a pier, and town officials have agreed to raise $50,000 as the community's share. Thus, some two-thirds of the cost is assured, with the hope that the Federal Government would make available the remainder.

Under this legislation, I believe it can be done. At any rate, this is the kind of a project that would seem most worthy. Approval of this bill would be of help to the town of Stonington in realizing its goal of a new pier and the rehabilitation of its fishing industry. But even more important is the fact that it would make possible for its fishing industry to once again become prosperous.

In the New London Day of February 15, 1964, where my bill and its importance for Stonington is discussed, there is the following observation:

"If Connecticut commercial fishing can be revitalized, the significance of it all extends far beyond Stonington and any immediate nearby shore communities. Handling the product ashore provides employment and new business for many persons when the fisheries prosper.

"Commercial fishing, offshore, is a rugged and demanding occupation and, in these days, it is self-evident that men willing to endure the hard work, long hours, inherent dangers and highly unpleasant weather conditions expect to make an adequate living from it. If they cannot, they accept jobs that will pay as much ashore and the industry loses. To make a steady and adequate income, modern docking and processing facilities are urgently needed. It is as simple as that."

Mr. Chairman and members of the committee, here is an excellent opportunity where you can render a great service to a community by enabling it to survive and to prosper, and all at a very modest cost of some $100,000. This can be accomplished through the adoption of the legislation at hand, either my bill, H.R. 7710, or the Senate bill, S. 627. It matters not which of these measures you approve, as long as you approve such a bill and you provide the States with the necessary help to revitalize and encourage the commercial fishing industry of the country. We cannot afford to lose industries or to dissipate our resources.

Hospital Care to Aged Through Social Security

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 3, 1964

Mr. DINGELL. Mr. Speaker, last November I, along with all other Members of Congress, received a communication from the Health Insurance Association of America. In its letter and purported summary of facts, the HIAA argued against legislation to provide hospital insurance to the aged through social security on the grounds that present methods are sufficiently effective.

Since receiving this document I have had the opportunity to evaluate the contentions and allegations it contains. The distortions I have discovered shock me. It may be helpful to my colleagues if I share with them my analysis of the claims of the HIAA relating to the ability of private insurance plans to meet the needs of the Nation's aged.

ADEQUATE PROTECTION

Existing programs, according to the HIAA, "provide adequate protection of our people."

How does this claim stack up against the actual facts?

While "adequate protection" may be hard to define, one reasonable measure might be how the protection available to older people compares to that held by the younger population. According to HIAA testimony before the Ways and Means Committee last November, it seems that the benefits provided in policies for the aged are about one-third less than the benefits provided to the younger population. In order to grasp the full significance of this fact, one must remember that average spending by aged persons for hospital and nursing home care is more than three times that by younger persons, and care of people over 65 is more than twice as much as that of the rest of the population. This hardly adds up to a picture of "adequate protection."

EXTENT OF COVERAGE

In July 1959, the HIAA estimated before the House Committee on Ways and Means:

> By the end of 1960, just 18 months hence, 65 percent of the aged needing and wanting

> protection will be insured; by the end of 1965, 80 percent of these people will be insured; and by 1970, 90 percent will have such insurance.

In July 1961, the HIAA told Congress:

> In 1969, the proportion of those at ages 65 and over who will have health insurance will be at least 60 percent, may well be as high as 75 percent, and most probably will reach 68 percent.

These predictions and projects have confused the issue, carefully avoided the key question of quality of coverage, and distorted the facts.

And now, in the material distributed to Members of Congress, the HIAA states that 10,300,000 aged—or 60 percent—had some form of voluntary health insurance in 1962. The U.S. Public Health Service, in the national health survey, has found that only 9.1 million, or 54 percent of the aged, had some form of voluntary health insurance between July 1962 and June 1963.

The methodology employed by the HIAA in surveying and reporting is subject to serious question. For one thing, the HIAA projects coverage data applicable to policyholders of all ages and applies to the aged. An additional serious distortion occurs when the HIAA assumes duplication of coverage among the aged to be similar to that of the total population.

This is not the first time that HIAA coverage figures have been in error. In September 1956 the HIAA estimated 68.3 percent of the population with hospital insurance. The Social Security Administration's study of health insurance coverage by age and sex, September 1956, showed this percentage to be 63.6.

In July 1958 the HIAA estimated 71 percent of the population with coverage. The Health Information Foundation's household survey at that time showed the percentage to be 65.

In the July-December 1959 period, HIAA estimated 72 percent with hospital insurance. The U.S. National Health Survey found only 67.1 percent with such coverage.

It appears the validity of HIAA estimates is improved when the result is reduced by about five percentage points.

The Subcommittee on Health of the Senate Special Committee on Aging has announced it will begin hearings in April of the coverage of our older citizens under Blue Cross and other private health insurance plans. The committee will go into such matters as the number with coverage and the quality and scope of such coverage. I am anxious to see how the findings of the committee investigation compare with the assertions of the Health Insurance Association of America.

PROTECTION DESIGNED TO MEET INDIVIDUAL NEEDS?

The communication we received from the HIAA concludes with this sentence:

> The voluntary system, with its ability to design its protection to meet individual needs, supplemented by existing local and State programs, can far more effectively meet these needs than a massive, new Federal program of standardized benefits.

The facts indicate that the opposite is the case—that it is the needs of the insurance industry that are being met by the coverage now being offered to the aged. Even in so-called open enrollment schemes, as in all other forms of individual and family insurance and as in the State-65 plans, strong underwriting limitations inevitably appear to the disadvantage of the aged. There is at least a 6-month waiting period on coverage of preexisting conditions. There are lower limitations on lifetime benefits, while for the younger population, the benefits are not lifetime but are in maximum force for each illness or for each calendar or illness year. There are coinsurance and deductible provisions which impose additional burdens on the aged which do not appear in coverages available to the younger population. There are various other underwriting devices employed to reduce the risk of the carriers. These include arbitrary ratesetting at levels so high, with built-in reserves so substantial, as to entirely eliminate any risk of loss to the carrier. There is plenty of risk left to the insured.

The conclusion—the claims to the contrary of the hucksters notwithstanding—is inevitable. Voluntary health insurance simply does not have the ability claimed for it. It cannot provide the aged with the protection they need. Older people have substantially larger than average hospital and other health care needs. They use three times as much hospital care as the younger population, and they have special need for long-term care.

Their incomes are generally much lower than those of the rest of the population. Voluntary health insurance, with its ability to design its protection to meet individual needs of the aged has, in fact, designed protections for the aged which provide fewer benefits at higher costs and with more stringent underwriting considerations than those available to the rest of the population.

Confusion in the House Banking and Currency Committee

EXTENSION OF REMARKS

OF

HON. CLARENCE E. KILBURN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 3, 1964

Mr. KILBURN. Mr. Speaker, there is a great deal of confusion in the House Banking and Currency Committee as to what rules we are operating under.

At the start of this Congress we adopted some rules but no one seems to know just what they are, at least I do not. The chairman, Mr. PATMAN, at the time said that he would never use the subpena power except by a vote of the whole committee or a subcommittee. So far as I can find out such a vote has never been taken in any executive session of the full committee or any subcommittee which was held according to the rules. This means that such a vote would not be good if the chairman simply called enough majority members on the phone and got their consent. I feel it has to be a regular meeting of the full membership of the subcommittee or full committee including the Republicans.

On February 7, 1964, a letter went to the presidents of the 12 Federal Reserve banks over Mr. PATMAN's signature as chairman. I hereby quote that letter:

> HOUSE OF REPRESENTATIVES,
> COMMITTEE ON BANKING AND CURRENCY,
> *Washington, D.C., February 7, 1964.*
>
> As a part of our general review of the structure and operations of the Federal Reserve System, the Domestic Finance Subcommittee of the House Banking and Currency Committee desires to obtain certain relevant financial information from the presidents of the Federal Reserve banks. No suggestion of conflict of interest has been made to the committee. However, we feel it is incumbent upon the committee to survey the income and asset position of each of the presidents of the Federal Reserve banks at periodic intervals. As a consequence we would appreciate your providing the following information at your earliest convenience.
>
> (1) Your personal income and breakdown by each source during each year or part thereof of your tenure as president of a Federal Reserve bank, and for each of the 3 years prior thereto.
>
> (2a) A detailed breakdown of your security holdings at a date 6 months prior to your taking office as president of a Federal Reserve bank.
>
> (2b) Your security holdings at the present time.
>
> (3) Identify in detail the nature of your association or affiliation with any banking or financial institution and or any nonfinancial business enterprise.
>
> Thank you for your cooperation in our investigation.
>
> Sincerely,
>
> WRIGHT PATMAN,
> *Chairman.*

Mr. Speaker, no Republicans knew about this letter and several of the Democratic Members whom I asked said they had never heard of it. It was apparently done by the chairman alone. I did not find out about it for a week. I then sent a letter to the Presidents of the 12 Federal Reserve banks, which I quote:

> CONGRESS OF THE UNITED STATES,
> HOUSE OF REPRESENTATIVES,
> *Washington, D.C., February 17, 1964.*
> MR. ALFRED HAYES,
> *President, Federal Reserve Bank of New York, New York, N.Y.*
>
> DEAR MR. HAYES: Earlier this month the Honorable WRIGHT PATMAN addressed a letter to you to give certain information relating to the sources of your personal income and a detailed breakdown of your holdings of securities. The information regarding income is to cover the period of your presidency and 3 years before and the data on your security holdings is to commence 6 months prior to your presidency. Other information is also requested.
>
> This letter was signed by Mr. PATMAN as chairman of the Committee on Banking and Currency of the House of Representatives but the fact is that the full committee was not informed of this contemplated action. I think this is a perfectly outrageous request and if I were president of a Federal Reserve bank I certainly would not comply with it.
>
> This letter is to let you know that the request does not have the approval of many of the committee members and I do hope that you will not comply with it, or at least hold off complying for a while for further developments.
>
> Most of the minority members of the committee are out of town this week but as soon

as they return I plan to get them together and talk this over. I intend to bring the matter up in an executive session when the full committee meets.

The question of a subpena under our rules would have to be voted on by either the full committee or a subcommittee thereof. As this whole investigation develops it seems to me that Mr. Patman makes his rules as he goes along but I know some of us will fight any subpena action—even before the House itself if necessary.

With kind regards.

Sincerely,

Clarence E. Kilburn.

Mr. Speaker, in attempting to find out what the minutes of our original organization executive session show, I asked the clerk of the committee for a copy of them. He later informed me they were in Mr. Patman's possession and he would not give them to me. I then wrote Mr. Patman the following letter:

Congress of the United States,
House of Representatives,
Washington, D.C., February 20, 1964.

Hon. Wright Patman,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D.C.

Dear Mr. Chairman: I respectfully request a copy of the minutes of the executive sessions of our committee in the 88th Congress having to do with issuing a subpena. If you cannot, under the rules, give me a copy, I would like to have these minutes available to me to look over.

Sincerely,

Clarence E. Kilburn.

He replied on February 26, as follows:

Congress of the United States,
House of Representatives,
Washington, D.C., February 26, 1964.

Hon. Clarence E. Kilburn,
House Office Building,
Washington, D.C.

Dear Clarence: In reply to your letter of February 20, I shall be very glad to talk to you about these matters at your convenience.

With kindest regards and best wishes, I am,

Sincerely yours,

Wright Patman.

You will notice, Mr. Speaker, that he said nothing about letting me see the minutes. I quote herewith rule XI, clause 26 of the rules of the House:

(a) The rules of the House are the rules of its committees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees. Committees may adopt additional rules not inconsistent therewith.

(b) Each committee shall keep a complete record of all committee action. Such record shall include a record of the votes on any question on which a record vote is demanded.

(c) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access to such records. Each committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee.

No one knows when the chairman will ever have an executive session of the full committee and this question of our committee rules should be straightened out promptly. Our committee is fast becoming a laughing stock among the people familiar with its operations. Since I was elected a Member of the House and a member of the committee just the same as Mr. Patman, I feel I have rights in this matter and I propose to exercise them.

I called a meeting of the Republican members of the House Banking and Currency Committee and we got out a joint statement signed by every single minority member. It is as follows:

Mr. Patman Goes Fishing

Early this month Mr. Patman, as chairman of the House Banking and Currency Committee, wrote to the president of each Federal Reserve bank asking for "(1) your personal income and a breakdown by each source during each year or part thereof of your tenure as president of a Federal Reserve bank, and for each of the 3 years prior thereto, (2a) a detailed breakdown of your security holdings at a date 6 months prior to your taking office as a president of a Federal Reserve bank, (2b) your security holdings at the present time," (3) identify in detail whether or not the man had ever been employed by or held stock in a bank or financial institution or had been affiliated with any nonfinancial business enterprise.

This letter was never considered by the Committee on Banking and Currency or by a subcommittee thereof. It apparently was dispatched by Mr. Patman alone though worded as coming from the Domestic Finance Subcommittee.

Mr. Patman states, "No suggestion of conflict of interest has been made to the committee". This being so, what reason does Mr. Patman have for delving into the personal affairs of the presidents to the extent contemplated in this letter? If Mr. Patman has information warranting a demand for detailed financial reports covering periods, in several cases, before the president became associated with the Federal Reserve banks he should have shared such knowledge with the other members of the committee whose cooperation would have been forthcoming promptly.

In view of the manner in which this encroachment on the personal affairs of the presidents of the Federal Reserve banks was issued it can only be concluded that Mr. Patman has embarked on another "fishing expedition" with no assurance that the personal affairs of the Federal Reserve bank presidents will not be exposed to the public gaze of the curious.

The presidents of the Federal Reserve banks are men of high caliber and extensive technical training. They are closely supervised by the Board of Governors of the Federal Reserve System and at least annually are required to report their indebtedness to the Board. By Board regulation they can have no outside affiliations or own bank stocks.

It seems unfortunate that one Member of the Congress can subject these men to such whimsical personal harassment.

Clarence E. Kilburn, William B. Widnall, Eugene Siler, Paul A. Fino, Florence P. Dwyer, Seymour Halpern, James Harvey, Oliver Bolton, W. E. Brock, Robert Taft, Jr., Joseph M. McDade, Sherman P. Lloyd, Burt L. Talcott, Del Clawson.

Feeling that this matter should be talked over with the top members of the committee I tried to arrange a meeting with the gentleman from Texas [Mr. Patman], the gentleman from Alabama [Mr. Rains], the gentleman from New Jersey [Mr. Widnall], and myself. For some reason the gentleman from Texas [Mr. Patman] felt this was a secret meeting so he has refused to attend.

Personally, I would much prefer to have the matter brought up before the full committee, and open to the public as far as I am concerned.

Since this committee is a creature of the House it seems to me that the House is entitled to know the facts and the conditions under which we are attempting to operate.

I would also think that the House Administration Committee would be interested to get an example of the arbitrary way the gentleman from Texas [Mr. Patman] is spending the taxpayers money that they give him for the committee. Then the next time he comes before the House Administration Committee they can better judge the merits of his request for funds.

Quality Stabilization Bill

EXTENSION OF REMARKS
OF

HON. JOHN H. DENT

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 3, 1964

Mr. DENT. Mr. Speaker, there has been a flood of misinformation let loose by some opponents of the quality stabilization bill which needs clarification.

Personally, I believe the charges by some that the proponents are promoting gyp legislation smacks of intolerance or ignorance or both.

I would be the last to sponsor or support any legislation that in any way added to the costs of consumer purchasing. As a matter of fact, the evidence is all to the contrary.

No person has come forward to answer the charges of false and misleading advertising indulged in by the purveyors of untruths and sellers of inferior merchandise ofttimes substituted for advertised name brand quality merchandise.

All this bill intends to do is to protect a quality product and the independent small hometown businessmen. If this was not so why would all the big chains be opposed to this act?

If this was not true why would the fight be so vicious as to label Senator Humphrey, Representative Madden, and a score of others whose fight for the little peoples is historic, as "gyps"?

Frankly, if this is not true I will be the first to denounce the legislation and do my best to defeat it.

The best answer to the criticism appears to be the junkyards filled with bargain goods that did not outlast the time payments.

I repeat, Mr. Speaker, I will never vote against the consumer since I am one of them.

The following is testimony on the Quality Stabilization Act:

Testimony of Congressman John H. Dent, of Pennsylvania

I appear before this subcommittee of the Senate Commerce Committee today to help set the record straight regarding certain allegations made against the quality stabilization bill and to urge early congressional action to enact this legislation.

Quality stabilization legislation is vital to the Nation's independent retail businessmen, to the American consumer, and to the overall national economy. These hearings therefore have been extremely important in gathering information not only to aid Congress in its understanding of quality stabilization, but to inform the public as well.

Unfortunately, there has been a large-scale effort to confuse the quality stabilization issue. In some areas, this effort has led to misunderstanding about the legislative aims and economic effect of quality stabilization. What is doubly unfortunate, certain agencies of our Government, in their appearances before this subcommittee, have added to rather than reduced this misunderstanding.

I refer specifically to the false and erroneous conclusions derived by the press from statements and press releases issued on behalf of Mr. Paul Rand Dixon, Chairman of the Federal Trade Commission, regarding his testimony before this subcommittee.

Testimony given here based on information furnished by the Justice Department and the FTC have given rise to the following charges concerning quality stabilization:

First, that the bill is price-fixing legislation.

Second, that if enacted this bill would result in higher prices to the consumer—19 to 27 percent was the range of increase cited.

Third, that the bill if enacted would emasculate our antitrust laws.

It is ludicrous, to say the least, to charge the bipartisan congressional group sponsoring and supporting quality stabilization with urging passage of legislation which would fix and raise prices and undercut our antitrust laws.

GOVERNMENT AGENCIES SHOULD CORRECT RECORD

Certainly the Department of Justice and the FTC, as responsible executive agencies, have a duty toward this committee to clarify the record on these charges.

But whether these agencies step forward, or not, these charges must be answered. Ludicrous as they are, they reflect on quality stabilization and its sponsors.

Briefly then, one by one, let us reply to these charges.

NO PRICE FIXING UNDER BILL

First, newspaper reports stated that Mr. Dixon, in his testimony on behalf of the FTC, charged that the quality stabilization bill was price-fixing legislation. These reports were based on a press release issued by the Commission in advance of Mr. Dixon's testimony. Yet, under examination by the subcommittee chairman, Mr. Dixon admitted that the proposed bill would not fix prices. Quite the contrary, said Mr. Dixon—and I quote: "This protection is built in. If a man had absolute monopoly—if he sold all the canned peaches in America, if he was the only source, he couldn't fix the price under this bill."

The fact is that the provisions of quality stabilization do not apply unless a product is in free and open competition. As matters exist on today's market, price can be and is established on house products by all producers who control their own retail outlets. Only the producer who does not control his own retail outlets does not have a voice in the resale of his branded goods. And his primary outlets—the victims of discrimination under present law—are the independent retailers.

Mr. Dixon conceded all this under examination. Quoting directly from the record, Senator HARTKE asked: "In other words, what you have here, you have certain of these people who today are in this field of establishing prices, isn't that true?"

Mr. Dixon's reply was: "That is correct."

STOPS DISCRIMINATION AGAINST INDEPENDENTS

In brief, if there is price fixing in the market, it exists under present law. What the quality stabilization bill proposes is that independent brand-name producers and independent retailers be put on equal footing with their competitors.

The second charge raised in testimony given by Mr. Dixon, based on information and data provided by Justice Department surveys, was that passage of quality stabilization would mean higher prices to the consumer.

Here again, Mr. Dixon's testimony under subcommittee questioning refutes publicity stemming from his advance press release. Mr. Dixon conceded that the Justice Department survey on which the higher price charges are based was—and I again quote—"merely an index * * * that is what it is worth, no more and no less."

And how, we are entitled to know, was material contained in these indexes gathered? In 1956, the Justice Department sent investigators into eight cities to look for so-called savings opportunities on selected items. And upon this hit-and-run survey—certainly there can be no other description for such an unscientific, limited study—rests the whole basis for the Justice Department 19 to 27 percent increased cost estimate. In 1959 the Justice Department was forced to admit that "it has not been our contention that savings of 27 percent were possible on all items within the retail outlets surveyed. The survey merely disclosed that such savings were available on the specific items surveyed to those prudent consumers interested in best buys." Surely the Congress is entitled to more carefully prepared evidence than this from an executive agency—especially the Justice Department—when we seek information upon which to base legislation.

NO PRICE RISE UNDER BILL

The truth of the matter is that quality stabilization would not increase cost to the consumer, but would raise and increase the quality of goods offered in the market. As was pointed out in examination of other witnesses, the consumer is today being subjected to outrageous markups on many items being sold by some mass retailers under current bait-switch marketing tactics. These are the very marketing tactics that make passage of quality stabilization so essential to protect the American retail economy and our consuming public.

Finally, there is the question of whether quality stabilization would emasculate our antitrust laws. This charge is certainly 180° opposite what the bill proposes and would accomplish. Witnesses opposing the bill themselves admitted that—in the words of Mr. Triggs, of the Farm Bureau—"in the long run competition will still prevail" under quality stabilization.

STOPS MONOPOLY HURTING CONSUMER

Actually, a primary argument in favor of quality stabilization is that it will supplement our antitrust and monopoly laws in a vital area of the economy. Quality stabilization would meet the changing conditions of the Nation's marketplace. And unless remedial legislation is enacted, current market conditions will ultimately kill off our independent retailers, breed monopoly, and eliminate free competition. Mr. Dixon himself admitted under examination that today's antitrust laws are not fast enough, effective enough, or adequate to cope with today's retail marketplace.

If time permitted, I could go into greater detail replying to the charges arising from Mr. Dixon's testimony. But for those who would better understand the quality stabilization bill, I recommend the testimony given before this subcommittee be fully read. I believe a careful reading will bear out the fact that some of the best arguments given in behalf of the bill were provided by opposition witnesses under subcommittee questioning.

So much for the charges leveled against quality stabilization. It is unfortunate that these charges have clouded to some extent the real issue involved in this legislation. And that issue is whether the Congress will act to provide assistance to an American independent retail economy in deep trouble. Incontrovertible evidence presented to this subcommittee points up how serious is the plight of our Nation's independent retailers. Anyone who doubts the need for congressional action would do well to examine the cold statistics concerning independent retail business failures in recent years. And the need does not stop there.

INDEPENDENTS ARE DYING

With the drying up of independent retail outlets, our Nation's small- and medium-sized, brand-name manufacturers are also endangered. Fewer retail outlets mean that these brand-name manufacturers are increasingly dependent on a limited number of large mass merchandisers for sale of their products. Thus, the circle of monopoly spreads wider, and the shutdown of independent retail businesses has a drastic effect on competition in other segments of the economy. In the end, the American consumer and our entire free enterprise economy will fall victim to this spreading economic disease unless it is checked by remedial action.

Action is needed, and it remains for the Congress to provide it. We have studied and restudied every aspect of this legislation. There can be no reason for further delay. This is the sixth year that the Congress has dealt with quality stabilization, and to quote Congressman OREN HARRIS, chairman of the House committee, examining the bill:

"In recent years, our committee has held 24 days of hearings, covering almost 2,500 pages of a printed record, has heard well over 150 different witnesses, has received almost 500 supplemental statements and memorandums, and has held numerous executive sessions during which the bill has been thoroughly analyzed, considered word by word, and, in short, gone over as thoroughly as has been the case with any bill that has ever come out of the Interstate and Foreign Commerce Committee in my entire experience on the committee. In my opinion, this bill is one of the most important pieces of legislation presently before Congress."

Considering the amount of time put into studying this legislation, there can be no doubt but that Congress recognizes the existence of an economic crisis in our Nation's retail economy. And while opponents step forward to criticize quality stabilization, the record clearly shows that none has proposed any workable alternative toward dealing with this crisis.

But Congress cannot afford the do-nothing attitude toward this issue that some quality stabilization critics seem to favor. Something must be done. If the quality stabilization bill is not a panacea for all the ills of the retail economy, it is at least a step toward remedying the worst aspects of the illness.

We who favor this legislation welcome the free exchange of ideas concerning what can be done to strengthen our free enterprise retail system. The quality stabilization bill is our proposed solution—what do the opponents of this legislation offer?

In conclusion then, the problem creating the need for legislation has been clearly shown. The legislation itself has been studied and discussed over a long period of time. It is time now to move on this bill—to bring the debate to a close and the issue to decision. Congress should act to approve quality stabilization—and quickly.